

OFFICE MARKET TASHKENT

JANUARY 2023

FORECAST

Подзаголовок



Office market is still in the initial stage of development. New properties, delivered to the market, are constructed in line with international standards. However, the market of institutional owners and professional property management companies is not formed yet. Most developers sell out their properties before completion/at the construction stage. As a result, these office premises are offered for rent already on the secondary market. There is a lack of fitted-out premises for rent, as the majority of vacancies are shell&core.



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New construction

About 170,000 sq. m will enter the open market by 2024.



Premium segment

The total stock of premium offices at the moment is 31,300 sq. m, by the end of 2023 it will increase up to 144,000 sq. m.



Rental rate

The weighted average base rental rate will reach 35 USD /sq. m/month in 2023.

OFFICE MARKET

Offering modern quality offices



Population of cities, ppl.

1.8 mn

1.3 mn

1.8 mn

2.4 mn

GDP by country, USD (2021)

674 bn

282 bn

190 bn

69 bn

OFFICE MARKET

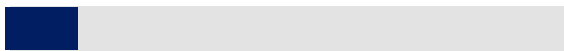
The office segment of Tashkent started developing in 2018. Quality office property market is in its infancy. The new construction of such facilities has become an important trend. Previously, new supply was represented mostly by renovated old buildings: facades, communications, networks were updated, premises were decorated, but the renovation of old buildings is limited by its technical characteristics.

In the last two years, more and more interesting high-quality projects and entire office clusters have been developed in the city in addition to Tashkent City. At the same time, the demand for such projects is quite high, which is explained by the insufficient quality supply so far. As an example, in 2020, one of the highest-quality projects in recent years was commissioned - Orient Business Center (GBA 15,000 sqm). All premises in the building are sold, but some are offered for rent by new owners.

The demand for office space is formed not only by Uzbek, but also by foreign companies from Russia, Kazakhstan, South Korea, China, Japan, Germany and others.

Prime Offices

Share from total market **10%**



Built-to-suit **60%**



Vacancy rate **1%**



406,000

 sq. m

under construction in premium class facilities in Tashkent

28

 USD/sq. m/month



weighted average base rental rate

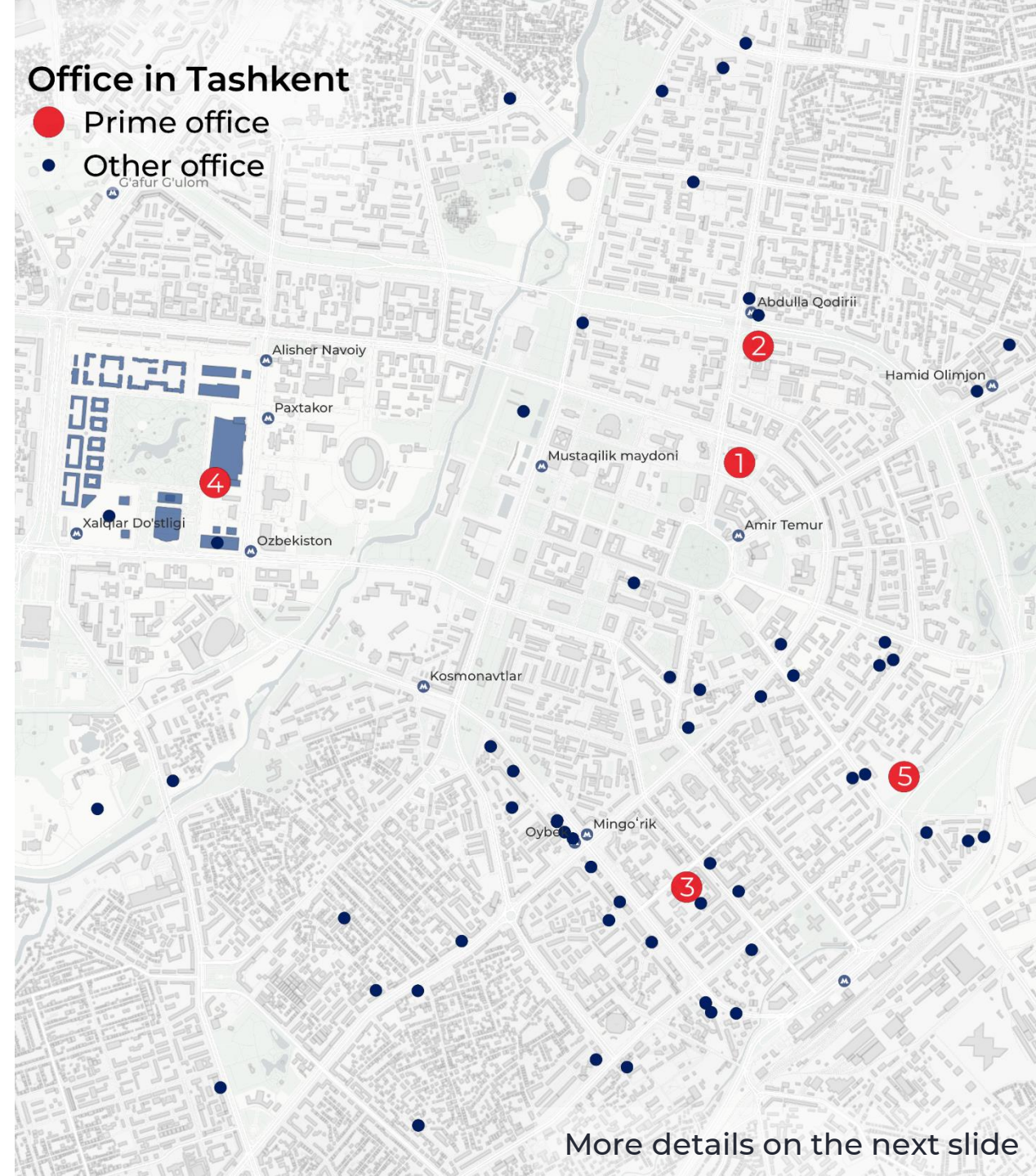
35-40

 USD/sq. m/month

prime rental rate

Office in Tashkent

-  Prime office
-  Other office



More details on the next slide

PASSPORTS OF KEY PROPERTIES



	1	2	3	4	5
Number on the map					
Name	Trilliant Business Center	Orient Business Center	Gross plaza Business Center	Tashkent City Business Center Lot 3	Infinity Business Center
Address	Istiqlol Street, 6	Amir Temur Avenue, 42	Taras Shevchenko Street, 21A, 21A	Shaykhantakhur district, Ukchi mahalla	The intersection of A. Kadyriy and Istikbol Streets
Commissioning date	Q4 2022	2021	2020	2023	Q 2-3 2023
Number of floors	14, 17	11	5	28	Up to 13
Type of layout	Open	Open and cubicle	Open and cubicle	Open	Cubicle (possible to switch to open)
Rentable office space, sq. m	32,300 (1 st tower 13,600 for rent, 2 nd tower 18,700 for sale)	20,315	11,000	22,000	29,600
Total vacant area, sqm	80% sold	The developer has no vacant space left	No vacancy	Not available, because it has not been commissioned	Not available, because it has not been commissioned
Possible deal type	Rent and sale	Rent and sale	Rent	Rent	Rent and sale
Rental rate (VAT and utility are not included), USD/sq. m/month	40-42	25-35	25-42	35-40	30-40
Sale, USD/sq. m	2,100 – 2,400 (4-11 floors), 3,000 (12 floor and higher)	No offers (2,500 USD as of March 2022)	No sale	No sale	1,800 – 3,190
Parking	Underground (700), surface (150)	Underground (170), surface (15)	Underground (120)	Underground and surface	Underground (350)
Rental rate/sale price of the parking space	Rental rate 200 USD / place per month, the price of 20,000 USD per space for underground, surface free	No offers	Not available, as there is no vacancy	N/A	Not available, because it has not been commissioned
Infrastructure	The 5-star hotel that's has a fitness center and congress hall. 1 and 2 floors, 2 pavilions - cafes and premium restaurants, only international brands, green area	Rooftop terrace, coffee shops, restaurants, dining room, mini-market and vending machines, pharmacy, bank and dry cleaning	Coffee shops on the 1st floor, restaurants, boutiques, pizzerias, fitness centers	Corporate canteen, rooftop restaurant, shopping mall (5-star hotel, premium apartments)	Shopping mall, retail stores on the first floor, premium residency

COMMONWEALTH PARTNERSHIP [CMWP™]

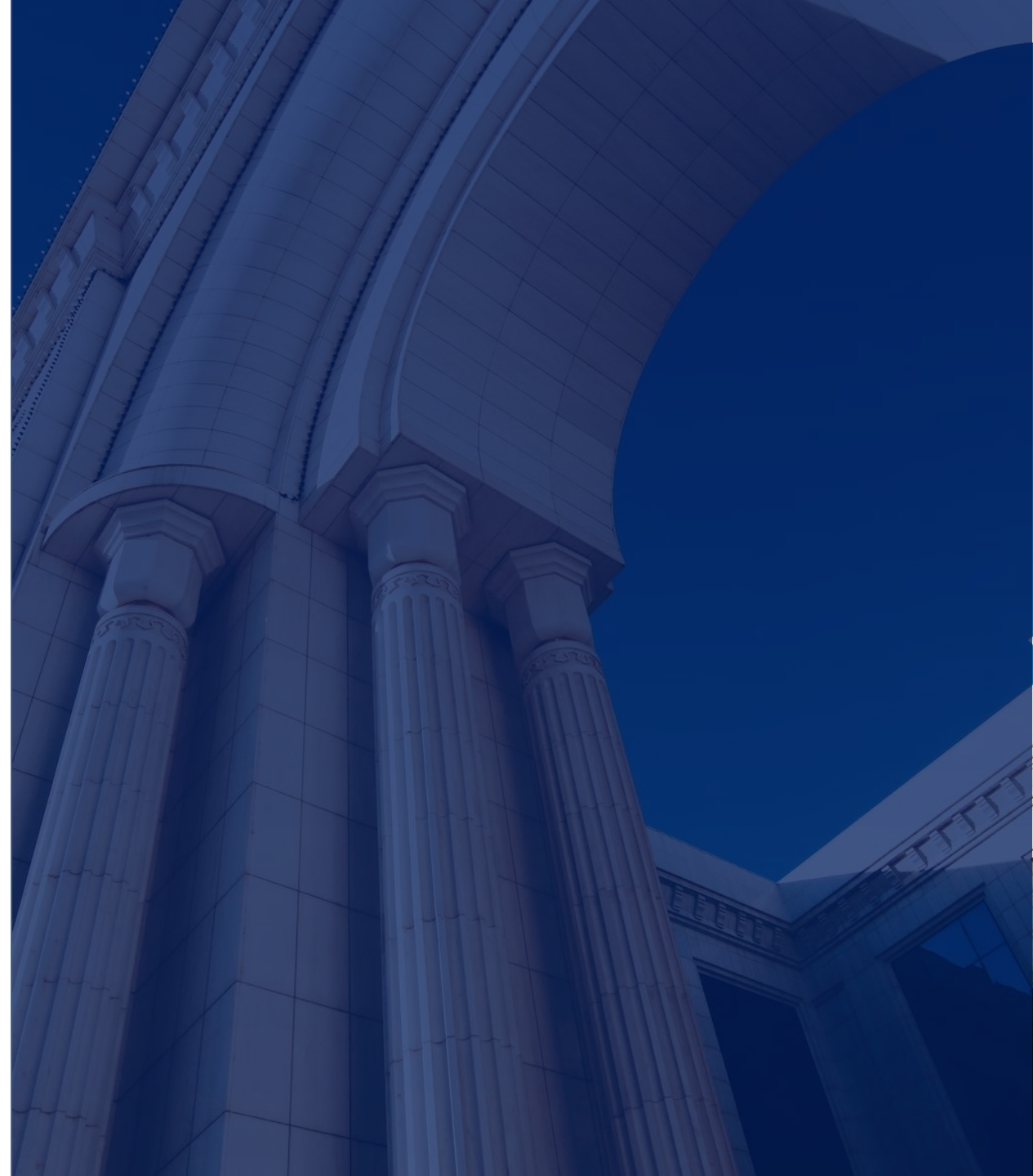
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