

Housing Matters

Market Snapshot
Asia Pacific & Middle East



Market Snapshot

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The Current Landscape

As we wrap up the first half of 2018, the World Bank has maintained its optimistic 3.1% global economic growth projection for the year. The prolonged and intensifying trade war between the USA and China has led many countries in the region to strengthen ties and improve cooperation, in search of a more stable economic landscape.

Across the region, the peak summer relocation season has kicked off in the northern hemisphere and will continue well into the third quarter, with possible plenty expatriate movements. In most cities, except for those in the UAE, the rental market for expatriate-level accommodation has been strong, with rents generally moving up in tandem.

Explore this report to get an up-to-date snapshot of the leasing market in each major city, helping you make informed decisions on housing options as you plan your relocation journey.



Abu Dhabi

Market Snapshot



Rents continue to fall in Q2

The residential property market in the UAE capital continued its weak performance, with rents for apartments falling 2% in Q2 from the previous quarter, and 10% down on an annual basis. Rents for villas were also down, dropping 4% and 9% on a quarterly and annual basis respectively, according to real estate agency, Asteco¹.

Larger apartments in the Corniche area were hit the worst, with rents falling 5% quarter-on-quarter, followed by those in Saadiyat Beach and Shams Abu Dhabi, both declining 3%. As for villas' rents, the Golf Gardens fared the worst, dropping 9% from Q1.

Across Abu Dhabi's investment zones, Cavendish Maxwell² reported that rents declined 5% on a year-on-year basis. Adding pressure to the already weak market, municipality fees were increased in May, from 3% to 5% for all dwellings except villas, which will command 7.5% in such fees. This could lead to landlords subsidising part of the fees or adjusting other aspects of the tenancy agreement to offset this increase.

Renters continue to hold the upper hand in this market, more so in recent times, with many landlords having to resort to offering perks such as a free month's rent and commission-free transactions just to attract tenants. Many are also accepting multiple cheques, in contrast to the traditional annual pre-payment terms.

Tenants are also taking advantage of this weak market to push prices down further or relocate

to previously expensive properties. For rentals, the most popular properties³ and areas were Mohammed bin Zayed City for apartments, and Khalifa City A for villas.

Reduced allowances continue to be the norm and some employers are also favouring young professionals who expect lower wages and come with few or no dependents⁴. According to research by Hays, a major employment agency, the job market appears to be polarized with more than a third of employers cutting jobs, and more than 40% of them recruiting.

Professional services are in demand, as mentioned in a recent Robert Walters report, with new positions being advertised for banking, financial services, and accounting across the UAE.

The UAE has also introduced 10-year visas for expatriates and will allow 100% foreign ownership in companies⁵, both of which are expected to make a positive impact on the residential property market, at least in the medium term, as described by property agent, JLL.

The most positive news on a macroeconomic scale was the announcement of a 3-year AED 50 billion economic stimulus package to revive the slowing economy. The property sector will have its share of benefits including reduced costs for developers and better private-public partnership opportunities.

In the short run though, rents in Abu Dhabi are unlikely to recover and should remain stable at best.

1 www.asteco.com

2 www.cavendishmaxwell.com

3 www.thenational.ae

4 www.thenational.ae

5 www.jll-mena.com

Abu Dhabi Market Table

ABU DHABI - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)

| Standard | | Local Plus | | Standard | | Premium | | Luxury | |
|------------------|--------------|--|---------------------|---|---------------------|--|---------------------|---|---------------------|
| Locations | | Old Corniche, Tourist Club, Muroor, Shams (Reem Island), Al Danat, Al Reef | | Reem Island, Khalifa A, Marina Square (Reem Island), Umm al Nar, Mushrif, | | New Corniche, Khalifa Park, Khalidiya, Raha Beach, Sun & Sky | | Premium Corniche, Saadiyat Island, Eastern Corniche, Officers Club, Royal Marina, | |
| Property Profile | | Rent From (AED/Month) | Rent To (AED/Month) | Rent From (AED/Month) | Rent To (AED/Month) | Rent From (AED/Month) | Rent To (AED/Month) | Rent From (AED/Month) | Rent To (AED/Month) |
| 1 Bedroom | Typical Size | 700 sqft | 1400 sqft | 750 sqft | 1250 sqft | 700 sqft | 1200 sqft | 1100 sqft | 1450 sqft |
| | Q2 2018 | 5,250 | 7,100 | 5,400 | 7,500 | 7,500 | 10,000 | 10,000 | 11,500 |
| | Last Qr | 5,400 | 7,500 | 5,800 | 8,200 | 8,000 | 10,000 | 10,000 | 11,500 |
| | Last Yr | 6,250 | 8,750 | 6,400 | 9,400 | 9,000 | 11,000 | 10,000 | 12,300 |
| 2 Bedroom | Typical Size | 1200 sqft | 1700 sqft | 1200 sqft | 1800 sqft | 1300 sqft | 1800 sqft | 1300 sqft | 2100 sqft |
| | Q2 2018 | 7,500 | 9,200 | 8,300 | 11,250 | 11,250 | 13,750 | 14,200 | 19,600 |
| | Last Qr | 8,100 | 10,900 | 8,800 | 11,500 | 11,900 | 14,200 | 14,200 | 19,600 |
| | Last Yr | 9,800 | 11,200 | 9,400 | 12,900 | 13,500 | 16,000 | 15,500 | 21,000 |
| 3 Bedroom | Typical Size | 1750 sqft | 2300 sqft | 1750 sqft | 2200 sqft | 1750 sqft | 2600 sqft | 2100 sqft | 5000 sqft |
| | Q2 2018 | 10,000 | 12,500 | 14,100 | 15,400 | 14,600 | 16,600 | 19,200 | 29,100 |
| | Last Qr | 11,400 | 13,800 | 14,600 | 15,800 | 15,000 | 16,600 | 19,200 | 29,100 |
| | Last Yr | 12,500 | 15,300 | 17,100 | 18,500 | 15,500 | 17,000 | 21,000 | 29,700 |
| 4 Bedroom | Typical Size | 2100 sqft | 3300 sqft | 2500 sqft | 3800 sqft | 3000 sqft | 4200 sqft | 4000 sqft | 9500 sqft |
| | Q2 2018 | 14,100 | 16,600 | 14,200 | 19,600 | 16,300 | 22,500 | 25,100 | 30,000 |
| | Last Qr | 15,300 | 17,500 | 14,200 | 19,600 | 16,200 | 22,500 | 25,100 | 30,000 |
| | Last Yr | 16,900 | 18,800 | 14,500 | 21,600 | 17,500 | 24,500 | 24,500 | 29,900 |
| 4/5 Bedroom | Typical Size | 3000 sqft | 5500 sqft | 3500 sqft | 6000 sqft | 4500 sqft | 8000 sqft | 4500 sqft | 14000 sqft |
| | Q2 2018 | 15,000 | 20,800 | 17,000 | 21,600 | 20,500 | 30,000 | 32,200 | 58,300 |
| | Last Qr | 15,700 | 23,300 | 17,500 | 22,100 | 20,500 | 30,000 | 32,200 | 58,300 |
| | Last Yr | 19,200 | 26,700 | 20,500 | 25,000 | 20,500 | 32,700 | 32,200 | 59,200 |

ABU DHABI RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|--|
| Typical length of tenancy | 12 months |
| Notice period | 3 months |
| Typical deposit | The typical deposit is 5% annual rent for unfurnished property and 10% annual rent for furnished property. |



Dubai

Market Snapshot



A sustained decline in the property sector continues in Q2

Mainly due to a significant pipeline supply and relatively low demand, the property market in Dubai continues to be weak in Q2.

Rents for apartments and villas dropped 3% and 2% quarter-on-quarter respectively. Their annual declines were more prominent at 12% for apartments and 10% for villas, according to real estate agency Asteco¹.

In the luxury segment, DIFC and Palm Jumeirah performed the worst in terms of rental prices, declining 5%. Jumeirah Village performed the worst for both its apartments and villas, seeing rents fall 5% and 4% respectively.

Vacancy levels have undoubtedly risen due to additional available units, although in some cases, landlords' proactivity and willingness to accept lower rents have led to the successful retention of tenants. Multiple cheque payments are also becoming mainstream, making up more than 60% of all rental agreements².

Currently, the most popular apartments for expatriates are Dubai Marina and Jumeriah Lake Towers. As for villas, Meadows and Mirdiff are amongst the top choices.

Extravagant expatriate packages appear to be a thing of the past for most foreigners and some

employers are also favouring young professionals who expect lower wages and come with few or no dependents¹. The recent introduction of a 10-year visa for expatriates will provide for a more stable tenure in the UAE for many expatriates.

Diversification away from oil and recently-introduced pro-business initiatives is expected to boost the UAE economy overall. Expo 2020-related investments and expenditure will also have a positive impact on Dubai's economy.

As far as housing supply goes, estimates vary but major players like Asteco and Cavendish Maxwell have indicated a mid-3000 level of completed units in Q2. Full year figures are difficult to predict, however, supply should remain strong.

The rest of the year remains bleak for the residential property rental market, with close to three-thirds of agents surveyed by Cavendish Maxwell⁴ predicting that rents in Q3 will fall again.

1 www.asteco.com
2 www.arabianbusiness.com
3 www.thenational.ae
4 www.cavendishmaxwell.com

Dubai

Market Table

DUBAI - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)

| Standard | | Local Plus | | Standard | | Premium | | Luxury | |
|------------------|--------------|--|---------------------|--|---------------------|---|---------------------|--|---------------------|
| Locations | | Discovery Gardens, TECOM, Al Barsha (apts) Bur Dubai, Victory Heights, The Villa, Mirdif | | Dubai Marina, The Greens, JBR, JLT, Business Bay, Sheikh Zayed Rd., DSO, The Springs, Jumeirah (older units), Al Barsha (compound) | | Dubai Marina, Downtown, DIFC, Jumeirah/ Umm Suqeim, The Meadows, Jumeirah Islands, Arabian Ranches. | | Burj Khalifa, Palm Jumeirah, Emirates Hills, Al Barari | |
| Property Profile | | Rent From (AED/Month) | Rent To (AED/Month) | Rent From (AED/Month) | Rent To (AED/Month) | Rent From (AED/Month) | Rent To (AED/Month) | Rent From (AED/Month) | Rent To (AED/Month) |
| 1 Bedroom | Typical Size | 700 sqft | 1400 sqft | 750 sqft | 1250 sqft | 700 sqft | 1200 sqft | 1100 sqft | 1450 sqft |
| | Q2 2018 | 3,950 | 4,750 | 4,654 | 5,309 | 5,416 | 6,083 | 7,291 | 9,166 |
| | Last Qr | 4,350 | 5,200 | 5,541 | 7,638 | 5,972 | 7,812 | 8,125 | 9,791 |
| | Last Yr | 5,097 | 6,138 | 7,035 | 9,011 | 8,000 | 9,861 | 11,041 | 14,708 |
| 2 Bedroom | Typical Size | 1200 sqft | 1700 sqft | 1200 sqft | 1800 sqft | 1300 sqft | 1800 sqft | 1300 sqft | 2100 sqft |
| | Q2 2018 | 5,433 | 6,116 | 6,464 | 7,107 | 6,944 | 7,472 | 11,041 | 13,166 |
| | Last Qr | 5,733 | 6,783 | 6,880 | 8,333 | 7,833 | 9,166 | 10,833 | 13,125 |
| | Last Yr | 8,000 | 9,250 | 9,380 | 11,666 | 10,472 | 11,944 | 13,333 | 15,416 |
| 3 Bedroom | Typical Size | 1750 sqft | 2300 sqft | 1750 sqft | 2200 sqft | 1750 sqft | 2600 sqft | 2100 sqft | 5000 sqft |
| | Q2 2018 | 8,020 | 9,458 | 8,214 | 9,861 | 10,104 | 11,416 | 13,750 | 14,633 |
| | Last Qr | 8,375 | 9,861 | 9,655 | 11,111 | 12,604 | 13,083 | 14,375 | 15,000 |
| | Last Yr | 9,233 | 11,800 | 11,777 | 14,218 | 14,513 | 17,986 | 19,583 | 22,222 |
| 4 Bedroom | Typical Size | 2100 sqft | 3300 sqft | 2500 sqft | 3800 sqft | 3000 sqft | 4200 sqft | 4000 sqft | 9500 sqft |
| | Q2 2018 | 10,972 | 12,250 | 1,101 | 12,604 | 13,541 | 15,104 | 29,375 | 32,500 |
| | Last Qr | 11,041 | 15,000 | 13,125 | 14,750 | 14,479 | 17,250 | 37,708 | 41,055 |
| | Last Yr | 11,361 | 16,736 | 16,944 | 18,125 | 17,569 | 19,791 | 48,333 | 47,916 |
| 4/5 Bedroom | Typical Size | 3000 sqft | 5500 sqft | 3500 sqft | 6000 sqft | 4500 sqft | 8000 sqft | 4500 sqft | 14000 sqft |
| | Q2 2018 | 11,041 | 13,687 | 10,833 | 13,250 | 13,625 | 16,354 | 25,000 | 45,833 |
| | Last Qr | 11,052 | 15,833 | 11,024 | 18,333 | 14,375 | 19,083 | 27,333 | 49,375 |
| | Last Yr | 15,166 | 20,486 | 18,166 | 24,895 | 23,055 | 30,069 | 60,416 | 54,166 |

DUBAI RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|--|
| Typical length of tenancy | 12 months |
| Notice period | 3 months |
| Typical deposit | The typical deposit is 5% annual rent for unfurnished property and 10% annual rent for furnished property. |



Australia

Market Snapshot



Relatively strong rental market in a slow season

The Australian residential property rental market remains relatively strong across all its capital cities. Average rents rose 0.3% in the second quarter, albeit at a slower pace than the 0.7% increase in the same period last year, according to CoreLogic's Quarterly Rental Review¹.

In a report released by the Real Estate Institute of Australia², the home vacancy rate in Melbourne dropped by 0.1 percentage point to 2.1% in Q2. Most segments saw corresponding increases in rents, noticeably in the inner suburbs within 10km of the city centre.

In Sydney though, fuelled by an increased supply of new apartments and a softening population growth rate, its home vacancy rate of 2.8% in June is believed to be the highest in more than a dozen years, according to SQM Research³.

There were slight movements in both directions for Sydney rents, across different areas and types of housing. It is also worth noting that even with rising vacancy rates, rents in Sydney remain the highest in the country, where weekly rents for apartments and houses could fetch more than A\$500 and A\$700 respectively.

Expatriates in Australia have traditionally preferred to live closer to the city centre but more are now willing to live farther away from the CBD if rents are considerably lower. In recent times, companies have also been less generous where allowances

are concerned, requiring their employees to be responsible for housing expenses.

Following the implementation of the Temporary Skill Shortage visa (Subclass 482) in March, which requires the fulfillment of much stricter criteria in terms of salary, work experience and health, amongst others, the number of expatriates being relocated to Australia could slow down in the short term.

The central bank continues to be optimistic about Australia's economic growth rate, anticipating a 3.25% GDP expansion in both 2018 and 2019. The forecasted inflation rate has been cut to 1.75% from 2%, and interest rates are expected to remain unchanged⁴.

The political climate has been plagued by infighting in recent times and the incumbent Prime Minister Malcolm Turnbull was ousted by his own party members in a leadership tussle. Scott Morrison took office on 24 August, with opinion polls pointing at a heavy defeat for the ruling coalition in the next election⁵, due by May 2019.

As far as rents in the next few quarters are concerned, current trends are likely to prevail, but will ultimately be determined by local market forces in each city.

1 www.businessinsider.com.au
2 reia.asn.au
3 www.abc.net.au
4 www.abc.net.au
5 www.9news.com.au

Melbourne

Market Table

Melbourne - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

| | | Melbourne Inner | | Melbourne Middle | | Melbourne Outer | |
|------------------------------|---------|--|---------------------|--|---------------------|--|---------------------|
| Locations/Zone | | Suburbs within ten kilometres of the CBD | | Suburbs between ten and twenty kilometres from the CBD | | Suburbs more than twenty kilometres from the CBD | |
| Property Profile | | Rent From (AUD/Month) | Rent To (AUD/Month) | Rent From (AUD/Month) | Rent To (AUD/Month) | Rent From (AUD/Month) | Rent To (AUD/Month) |
| 1 Bed Apt / Townhouse / Unit | Q2 2018 | 1,733 | 1,950 | 1,300 | 1,560 | 1,170 | 1,386 |
| | Last Qr | 1,716 | 1,912 | 1,390 | 1,608 | 1,130 | 1,325 |
| | Last Yr | 1,665 | 1,841 | 1,256 | 1,525 | 1,148 | 1,360 |
| 2 Bed Apt / Townhouse / Unit | Q2 2018 | 2,383 | 2,686 | 1,820 | 2,058 | 1,473 | 1,603 |
| | Last Qr | 2,303 | 2,607 | 1,782 | 2,042 | 1,434 | 1,564 |
| | Last Yr | 2,296 | 2,600 | 1,733 | 1,950 | 1,408 | 1,560 |
| 2 Bed House | Q2 2018 | 2,565 | 2,903 | 1,950 | 2,210 | 1,473 | 1,603 |
| | Last Qr | 2,455 | 2,824 | 1,955 | 2,238 | 1,434 | 1,564 |
| | Last Yr | 2,426 | 2,816 | 1,906 | 2,166 | 1,408 | 1,516 |
| 3 Bed House | Q2 2018 | 3,380 | 3,900 | 2,166 | 2,643 | 1,603 | 1,755 |
| | Last Qr | 3,259 | 3,780 | 2,173 | 2,607 | 1,608 | 1,738 |
| | Last Yr | 3,142 | 3,683 | 2,123 | 2,556 | 1,560 | 1,733 |
| 4 Bed House | Q2 2018 | 4,116 | 4,983 | 2,816 | 3,876 | 1,820 | 2,036 |
| | Last Qr | 4,128 | 5,214 | 2,824 | 3,693 | 1,803 | 1,999 |
| | Last Yr | 4,073 | 4,680 | 2,816 | 3,510 | 1,776 | 1,993 |
| Vacancy Rates | Q2 2018 | 2.1% | | | | | |
| | Last Qr | 2.2% | | | | | |
| | Last Yr | 2.3% | | | | | |

Data Source: Real Estate Institute of Australia (REIA) Real Estate Market Facts, March 2018 Quarter results, released in June 2018

MELBOURNE RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|---|
| Typical length of tenancy | 12 months (Shorter-term leases can be difficult; 12+ months is preferred.) |
| Notice period | 2 months |
| Typical deposit | 1 month (Typically 1 month deposit paid as a bond, and rent paid monthly in advance.) |

Sydney

Market Table

Sydney - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

| Standard | | Sydney Inner | | Sydney Middle | | Sydney Outer | |
|------------------------------|---------|---|---------------------|--|---------------------|--|---------------------|
| Locations | | Ashfield, Botany, Drummoyne, Lane Cove, Leichhardt, Marrickville, Mosman, North Sydney, Randwick, South Sydney, Sydney, Waverley, Willoughby and Wollahra | | Auburn, Bankstown, Burwood, Canterbury, Concord, Hunters Hill, Hurstville, Kogarah, Ku-ring-gai, Manly, Parramatta, Rockdale, Ryde and Strathfield | | Baulkham Hills, Blacktown, Blue Mountains, Camden, Campbelltown, Fairfield, Gosford, Hawkesbury, Holroyd, Hornsby, Liverpool, Penrith, Pittwater, Sutherland, Warringah, Wollondilly and Wyong | |
| Property Profile | | Rent From (AUD/Month) | Rent To (AUD/Month) | Rent From (AUD/Month) | Rent To (AUD/Month) | Rent From (AUD/Month) | Rent To (AUD/Month) |
| 1 Bed Apt / Townhouse / Unit | Q2 2018 | 2,383 | 2,730 | 2,080 | 2,305 | 1,820 | 2,080 |
| | Last Qr | 2,390 | 2,672 | 2,042 | 2,260 | 1,868 | 2,086 |
| | Last Yr | 2,383 | 2,643 | 2,036 | 2,296 | 1,655 | 1,950 |
| 2 Bed Apt / Townhouse / Unit | Q2 2018 | 3,033 | 3,510 | 2,253 | 2,600 | 1,993 | 2,383 |
| | Last Qr | 3,042 | 3,476 | 2,260 | 2,607 | 1,999 | 2,390 |
| | Last Yr | 2,968 | 3,423 | 2,210 | 2,600 | 1,906 | 2,262 |
| 2 Bed House | Q2 2018 | 3,239 | 3,575 | 2,166 | 2,513 | 1,690 | 1,906 |
| | Last Qr | 3,215 | 3,607 | 2,173 | 2,477 | 1,651 | 1,868 |
| | Last Yr | 3,076 | 3,466 | 2,253 | 2,600 | 1,646 | 1,820 |
| 3 Bed House | Q2 2018 | 4,170 | 5,200 | 2,600 | 3,076 | 1,993 | 2,340 |
| | Last Qr | 4,280 | 5,214 | 2,607 | 3,042 | 1,999 | 2,303 |
| | Last Yr | 3,900 | 4,766 | 2,578 | 3,120 | 1,950 | 2,253 |
| Vacancy Rates | Q2 2018 | 2.3% | | | | | |
| | Last Qr | 2.1% | | | | | |
| | Last Yr | 1.9% | | | | | |

Data Source: Real Estate Institute of Australia (REIA) Real Estate Market Facts, March 2018 Quarter results, released in June 2018

SYDNEY RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|---|
| Typical length of tenancy | 12 months (Shorter-term leases can be difficult; 12+ months is preferred.) |
| Notice period | 2 months |
| Typical deposit | 1 month (Typically 1 month deposit paid as a bond, and rent paid monthly in advance.) |



Beijing

Market Snapshot



Limited housing options in a peak relocation season

The second quarter of the year, being a traditionally busy period for expatriate arrivals, has expectedly seen high demand and strong activity in the residential property rental market. Rents have increased most noticeably in the premium and luxury segments, across all sizes of accommodation.

Occupancy rates have hit 91.3%, and the average rent of serviced apartments has risen 2.3% quarter-on-quarter, according to Savills¹.

Adding to the supply crunch, no new serviced apartments were introduced into the market throughout Q2, with the exception of a 20-unit soft launch of Orientino Executive Apartments in the Central Business District (CBD). However, this premium property has officially launched its full inventory of 120 units into the market on 28 July.

China World Apartments remain closed for renovations, essentially keeping more than 400 units out of prospective tenants' reach.

Contrary to speculation that China could ease property market cooling measures to stimulate economic growth, the government has remained firm in its policy, keeping prices stable. Some analysts even believe that these measures could be strengthened in the next six months².

In view of the strong property market, some MNCs in Beijing have increased housing allowances to help their foreign employees cope with escalating rents. On the flip side, more companies have reduced compensation from full-fledged expatriate packages to local-plus packages, particularly for assignees who have been in Beijing for a year or so. Overall, there are also more assignees deployed in Beijing on a short-term basis.

CBD and Chaoyang District are still popular areas for expatriates seeking convenient access to their offices and other modern amenities. The Santinlun area is favoured by younger singles or couples, with plenty of entertainment choices.

Strained trade relations between China and the United States have undoubtedly brought about uncertainty to China's future economic growth. At least in the short term, the Chinese economy is still growing as expected, expanding 6.7% in Q2 on a year-on-year basis³.

Rents in the next quarter are likely to remain strong with continued expatriate arrivals and a tight supply of expatriate-level accommodation. However, they could ease slightly towards the end of the year.

1 pdf.savills.asia
2 www.xinhuanet.com
3 www.reuters.com

Beijing Market Table

BEIJING - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

| Standard | | Local Plus | | Standard | | Premium | | Luxury | |
|------------------|--------------|---|-----------------------|--|-----------------------|--|-----------------------|--|-----------------------|
| Locations | | Shuang Jing, CBD, Sanlitun and Chaoyang Park are popular expatriate residential areas | | | | | | | |
| Description | | Fair property management service | | Comes with a lobby, may have a gym, 30% expatriates and good property management service | | Comes with a lobby and receptionist, gym, swimming pool, 50% expatriates and excellent property management service | | Comes with a lobby and receptionist, gym, swimming pool, 60% expatriates and excellent property management service | |
| Property Profile | | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) |
| 1 Bed Apt | Typical Size | 500 sqft | 850 sqft | 500 sqft | 850 sqft | 500 sqft | 850 sqft | 500 sqft | 850 sqft |
| | Q2 2018 | 10,000 | 17,000 | 16,000 | 19,000 | 24,000.00 | 28,000.00 | 34,000 | 46,000 |
| | Last Qr | 10,000 | 16,000 | 15,000 | 19,000 | 23,000.00 | 27,000.00 | 34,000 | 45,000 |
| | Last Yr | 9,000 | 16,000 | 16,000 | 19,000 | 20,000.00 | 24,000.00 | 30,000 | 40,000 |
| 2 Bed Apt | Typical Size | 850 sqft | 1200 sqft | 850 sqft | 1200 sqft | 850 sqft | 1600 sqft | 850 sqft | 1200 sqft |
| | Q2 2018 | 16,000 | 19,000 | 24,000 | 29,000 | 28,500 | 40,000 | 42,000 | 58,000 |
| | Last Qr | 16,000 | 19,000 | 24,000 | 29,000 | 28,000 | 40,000 | 40,000 | 58,000 |
| | Last Yr | 16,000 | 19,000 | 23,000 | 29,000 | 28,000 | 39,000 | 38,000 | 56,000 |
| 3 Bed Apt | Typical Size | 1400 sqft | 2000 sqft | 1400 sqft | 2000 sqft | 1400 sqft | 2000 sqft | 1400 sqft | 2000 sqft |
| | Q2 2018 | 23,000 | 27,000 | 28,000 | 36,000 | 38,000 | 49,000 | 49,000 | 82,000 |
| | Last Qr | 23,000 | 27,000 | 28,000 | 36,000 | 38,000 | 47,000 | 48,000 | 82,000 |
| | Last Yr | 23,000 | 27,000 | 28,000 | 36,000 | 38,000 | 43,000 | 48,000 | 78,000 |
| 4 Bed Apt | Typical Size | 2000 sqft | 3000 sqft | 2000 sqft | 3000 sqft | 2000 sqft | 3000 sqft | 2000 sqft | 3000 sqft |
| | Q2 2018 | 26,000 | 35,000 | 35,000 | 40,000 | 45,000 | 59,000 | 62,000 | 87,000 |
| | Last Qr | 26,000 | 35,000 | 35,000 | 40,000 | 43,000 | 57,000 | 62,000 | 85,000 |
| | Last Yr | 24,000 | 35,000 | 35,000 | 38,000 | 43,000 | 55,000 | 62,000 | 85,000 |
| 4/5 Bed House | Typical Size | 2500 sqft | 4000 sqft | 2500 sqft | 4000 sqft | 2500 sqft | 4000 sqft | 2500 sqft | 4000 sqft |
| | Q2 2018 | 32,000 | 38,000 | 38,000 | 48,000 | 46,000 | 62,000 | 65,000 | 87,000 |
| | Last Qr | 32,000 | 38,000 | 38,000 | 48,000 | 46,000 | 60,000 | 65,000 | 87,000 |
| | Last Yr | 32,000 | 38,000 | 38,000 | 48,000 | 46,000 | 58,000 | 65,000 | 85,000 |

BEIJING RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|-----------|
| Typical length of tenancy | 12 months |
| Notice period | 2 months |
| Typical deposit | 2 months |



Shanghai

Market Snapshot



Strong market in a peak relocation season

With the second quarter of every year being the peak expatriate relocation season across major cities in China, demand for premium accommodation has undoubtedly shot up in Shanghai. Rents have risen across the board in Q2, extending from moderate increases since the beginning of the year.

Keeping up with relentless demand for serviced apartments from affluent locals and expatriates alike, two serviced apartments were launched in Q2, adding 175 units to the city's supply¹.

The centrally-located Middle House Residences was launched by Swire Properties in the Jing'an district, with 102 one- and two-bedroom serviced apartments ranging from 55 to 110 square metres. In the Jinqiao area, the Marriott Pudong East was introduced into the market with 73 units.

In September, the Shama Group is set to launch two of its properties, adding another 244 serviced apartments to the market.

The 132-unit Shama Hongqiao in the Central Business District consists of fully-furnished apartments, ranging from studio units as small as 34 square metres to two-bedroom apartments spanning 112 square metres. The Shama Changfeng in the Putuo district features a much larger serviced apartment complex totaling 362

units, made up of studios, one- and two-bedroom apartments.

Housing budgets and allowances have remained status quo since the beginning of the year and more expatriates are now being hired on local terms. For most, without having a specific housing allowance, they enjoy the flexibility of allocating their salaries based on their lifestyle preferences.

For the first time in more than two decades, residents of Hong Kong, Taiwan, and Macau no longer require a visa to work in China², potentially boosting economic development due to an easier importation of talent. Shanghai is also boosting its local economy by introducing some 100 new measures³ aimed at attracting more foreign investments, especially in the advanced manufacturing and high-tech segments.

Due to an on-going trade dispute between China and the United States, the former's future economic growth is somewhat uncertain. However, the Chinese economy is still expanding according to predictions, growing 6.7% in Q2 on a year-on-year basis⁴.

With new expatriate arrivals and a tight supply of suitable accommodation, rents in Shanghai in the next quarter are expected to remain strong. Towards the end of the year though, the market could be softer.

1 pdf.savills.asia
2 www.straitstimes.com
3 www.sohu.com
4 www.reuters.com

Shanghai Market Table

SHANGHAI - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

| Standard | | Local Plus | | Standard | | Premium | | Luxury | |
|------------------|--------------|--|-----------------------|--|-----------------------|--|-----------------------|--|-----------------------|
| Locations | | Jing'an, Lianyang, Xin Tiandi, Qingpu, Gubei | | Lu Jiazui, Jing'an, Xujiahui, Hongqiao, Former French Concession, Qingpu, Central Park | | Jinqiao, Xin Tiandi, Former French Concession, Hongqiao, Central Park, Jinqiao | | Lu Jiazui, Jinqiao, Xin Tiandi, Former French Concession, Nanjin Rd West | |
| Property Profile | | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) | Rent From (RMB/Month) |
| 1 Bed Apt | Typical Size | 700 sqft | 850 sqft | 700 sqft | 850 sqft | 700 sqft | 850 sqft | 700 sqft | 850 sqft |
| | Q2 2018 | 12,000 | 15,000 | 16,000 | 19,000 | 24,000 | 28,000 | 31,000 | 37,000 |
| | Last Qr | 11,000 | 14,000 | 15,000 | 18,000 | 23,000 | 27,000 | 30,000 | 36,000 |
| | Last Yr | 10,000 | 13,000 | 13,500 | 18,500 | 22,500 | 26,500 | 29,500 | 36,500 |
| 2 Bed Apt | Typical Size | 850 sqft | 1200 sqft | 850 sqft | 1200 sqft | 850 sqft | 1200 sqft | 850 sqft | 1200 sqft |
| | Q2 2018 | 16,000 | 18,000 | 18,500 | 25,500 | 29,500 | 32,500 | 41,000 | 51,000 |
| | Last Qr | 15,000 | 17,000 | 18,000 | 25,000 | 29,000 | 32,000 | 40,000 | 50,000 |
| | Last Yr | 15,000 | 17,000 | 18,000 | 24,000 | 29,000 | 32,000 | 40,000 | 47,000 |
| 3 Bed Apt | Typical Size | 1300 sqft | 1800 sqft | 1300 sqft | 1800 sqft | 1300 sqft | 1800 sqft | 1300 sqft | 1800 sqft |
| | Q2 2018 | 21,000 | 25,000 | 25,500 | 33,500 | 35,500 | 41,500 | 47,000 | 69,000 |
| | Last Qr | 20,000 | 24,000 | 25,000 | 33,000 | 35,000 | 41,000 | 46,000 | 68,000 |
| | Last Yr | 20,000 | 24,000 | 25,000 | 33,000 | 35,000 | 41,000 | 46,000 | 68,000 |
| 4 Bed Apt | Typical Size | 1800 sqft | 3000 sqft | 1800 sqft | 3000 sqft | 1800 sqft | 3000 sqft | 1800 sqft | 3000 sqft |
| | Q2 2018 | 28,000 | 34,000 | 34,500 | 42,500 | 42,500 | 53,500 | 58,000 | 78,000 |
| | Last Qr | 27,000 | 33,000 | 34,000 | 42,000 | 42,000 | 53,000 | 57,000 | 78,000 |
| | Last Yr | 27,000 | 33,000 | 34,000 | 42,000 | 42,000 | 52,000 | 58,000 | 78,000 |
| 4/5 Bed House | Typical Size | 3000 sqft | 5000 sqft | 3000 sqft | 5000 sqft | 3000 sqft | 5000 sqft | 3000 sqft | 5000 sqft |
| | Q2 2018 | 35,000 | 44,000 | 42,500 | 53,500 | 63,000 | 71,000 | 72,000 | 90,000 |
| | Last Qr | 34,000 | 43,000 | 42,000 | 53,000 | 62,000 | 70,000 | 72,000 | 90,000 |
| | Last Yr | 34,000 | 43,000 | 41,000 | 53,000 | 62,000 | 70,000 | 72,000 | 90,000 |

SHANGHAI RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|-----------|
| Typical length of tenancy | 12 months |
| Notice period | 2 months |
| Typical deposit | 2 months |



Hong Kong

Market Snapshot



Strong momentum continues in Q2

The relentless surge of Hong Kong's residential property prices continue, with resale home prices climbing 26 consecutive months¹ at the end of Q2.

The availability of housing in Hong Kong remains notoriously tight, but could be helped by a fresh round of cooling measures introduced by the government in late June. Mainly targeted at developers who hoard vacant units in anticipation of rising prices, units that remain unoccupied six months after completion will be liable to a vacancy tax, set at 200% of their rentable value.

However, it is worth noting that it could take more than a year for this bill to be enacted into law, leaving time for developers to circumvent pending regulations. Some have already done so by leasing these properties to their close associates, skirting vacancy tax liabilities².

As for the leasing market, rents were up across the board in Q2, especially for larger and high-end properties. According to JLL³, on a quarter-on-quarter basis, rents for large residential units rose 1.8% and rents for luxury properties rose 1.3%. Rents for serviced apartments were up just 0.3% from Q1.

Following global trends, the majority of expatriates arriving in Hong Kong are now paid lump sum relocation packages instead of recurring housing

allowances. For a select few though, some companies are showing signs of increasing housing allowances in order to retain their top talents, based on findings by Colliers⁴.

Aligning with the reality of high rents, some expatriates are seeking accommodation away from the expensive city centre. New major developments that have sprung up in the New Territories such as Yuen Long, Tuen Mun, and Tai Po, could prove to be viable options for those seeking affordable accommodation. Areas such as Sai Kung and Tseung Kwan O with newly-opened international schools are becoming popular amongst families with school age children.

The outlook remains robust for the residential property market, with analysts from Colliers expecting a full year's growth of 15% for home prices, and a 4% hike for luxury residential rent⁴. They expect the total supply of new homes in 2018 to be around 20,000 units, 12% higher than last year.

1 asia.nikkei.com
2 www.scmp.com
3 www.jll.com.hk
4 www.colliers.com

Hong Kong Market Table

| HONG KONG - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)* | | | | | | | | | |
|---|--------------|--------------------------------------|---------------------|---|---------------------|---|---------------------|---|---------------------|
| Standard | | Local Plus | | Standard | | Premium | | Luxury | |
| Locations | | Tung Chung, Tsing Yi, Hong Kong East | | Western District, Kowloon West, Eastern District New Territories, Discovery Bay | | Shouson Hill, Stanley, Chung Hom Kok, Tai Tam Mid-Levels West, Pokfulam, Happy Valley | | The Peak, Repulse Bay, Deepwater Bay, Mid-Levels Central, Stubbs Road | |
| Property Profile | | Rent From (HKD/Month) | Rent To (HKD/Month) | Rent From (HKD/Month) | Rent To (HKD/Month) | Rent From (HKD/Month) | Rent To (HKD/Month) | Rent From (HKD/Month) | Rent To (HKD/Month) |
| 1 Bed Apt | Typical Size | 400 sqft | 500 sqft | 400 sqft | 500 sqft | 400 sqft | 500 sqft | 400 sqft | 500 sqft |
| | Q2 2018 | 17,850 | 22,260 | 22,260 | 27,615 | 29,400 | 32,130 | 31,500 | 40,950 |
| | Last Qr | 17,850 | 22,260 | 22,260 | 27,615 | 29,400 | 32,130 | 31,500 | 40,950 |
| | Last Yr | 16,800 | 21,000 | 21,000 | 26,000 | 27,500 | 30,000 | 29,500 | 38,000 |
| 2 Bed Apt | Typical Size | 550 sqft | 700 sqft | 550 sqft | 700 sqft | 550 sqft | 700 sqft | 550 sqft | 700 sqft |
| | Q2 2018 | 20,549 | 30,282 | 29,417 | 45,856 | 36,771 | 52,994 | 42,719 | 55,697 |
| | Last Qr | 19,950 | 29,400 | 28,560 | 44,520 | 35,700 | 51,450 | 41,475 | 54,075 |
| | Last Yr | 18,700 | 28,500 | 26,900 | 42,000 | 33,200 | 48,000 | 38,500 | 49,000 |
| 3 Bed Apt | Typical Size | 700 sqft | 1200 sqft | 700 sqft | 1200 sqft | 700 sqft | 1200 sqft | 700 sqft | 1200 sqft |
| | Q2 2018 | 31,688 | 47,045 | 39,367 | 55,697 | 44,882 | 68,135 | 66,512 | 95,865 |
| | Last Qr | 30,765 | 45,675 | 38,220 | 54,075 | 43,575 | 66,150 | 64,575 | 87,150 |
| | Last Yr | 28,800 | 42,900 | 36,000 | 51,000 | 39,400 | 61,500 | 50,800 | 81,000 |
| 4 Bed Apt | Typical Size | 1200 sqft | 2000 sqft | 1200 sqft | 2000 sqft | 1200 sqft | 2000 sqft | 1200 sqft | 2000 sqft |
| | Q2 2018 | 52,198 | 65,083 | 51,324 | 127,764 | 84,630 | 159,432 | 104,832 | 155,064 |
| | Last Qr | 50,190 | 62,580 | 49,350 | 122,850 | 81,375 | 153,300 | 100,800 | 149,100 |
| | Last Yr | 47,300 | 59,000 | 46,800 | 115,000 | 75,500 | 142,000 | 93,000 | 137,200 |
| 4/5 Bed House | Typical Size | 3000 sqft | 4000 sqft | 3000 sqft | 4000 sqft | 3000 sqft | 4000 sqft | 3000 sqft | 5000 sqft |
| | Q2 2018 | 81,475 | 95,477 | 124,362 | 222,707 | 154,350 | 214,988 | 203,963 | 397,992 |
| | Last Qr | 77,595 | 90,930 | 118,440 | 212,102 | 147,000 | 204,750 | 194,250 | 386,400 |
| | Last Yr | 73,500 | 86,000 | 112,000 | 200,800 | 137,000 | 190,300 | 181,000 | 364,000 |

HONG KONG RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|-----------|
| Typical length of tenancy | 24 months |
| Notice period | 2 months |
| Typical deposit | 2 months |

*The minimum commitment is a 12+2 break option (14 months) but the actual lease term is 24 months.



India

Market Snapshot



Stable rents continue in Q2

Across major cities in India where most expatriates are stationed, rents have been largely stable in the past few quarters, with small exceptions.

Delhi

The Indian capital has seen a very stable market, with rents unchanged for the past few quarters. The city still grapples with pollution woes, affecting expatriate deployment and resulting in a soft demand for housing.

Mumbai

Following a stable trend of rents for almost a year now, Mumbai saw slight increases at the lower end of the spectrum. Rents for one and two-bedroom apartments in Goregaon, Jogeshwari, and Andheri areas have risen around 10% on average from the previous quarter. However, this could be attributed to a correction in the market, in which rents in the same areas fell modestly in the middle of 2017.

Bengaluru

Bengaluru continues to attract expatriates with appropriate accommodation being built, particularly in the northern part of the city. Despite such developments, rents have been rock solid for at least the last three quarters.

Pune

Another booming city in the wealthy Maharashtra state, housing options in Pune have been continually improving to meet anticipated and current expatriate demand. Expatriates have established the city centre as their preferred housing location, despite the Special Economic Zone in the east of the city. Rents have been very stable for at least one and a half years now.

The Indian government continues to enforce its protectionist stance in terms of hiring expatriates over comparably-skilled Indian citizens. With general elections looming in 2019, no change is expected to this policy, which would lead to the same slow inflow of foreigners that we have observed in the last few years. It is also expensive for companies to deploy their employees in India, and those that do have turned to offering lump sum relocation packages.

Little change, if any at all, is expected regarding rents across major cities in India, at least in the foreseeable future.

Mumbai

Market Table

| Mumbai - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)* | | | | | | | |
|--|--------------|-------------------------------|---------------------|-------------------------------|---------------------|--|---------------------|
| Category | | Standard (Low) | | Premium (Medium) | | Luxury (High) | |
| Locations | | Goregaon, Jogeshwari, Andheri | | Juhu, Bandra, Khar, Santacruz | | Peddar Road, Altamount Road, Breach Candy, Nariman Point, Walkeshwar, Carmicheal road, Malabar Hill, Neapeansea road, Cumballa Hill, Worli | |
| Property Profile | | Rent From (INR/Month) | Rent To (INR/Month) | Rent From (INR/Month) | Rent To (INR/Month) | Rent From (INR/Month) | Rent To (INR/Month) |
| 1 Bed Apt | Typical Size | 500 sqft | 700 sqft | 500 sqft | 700 sqft | Not Available | |
| | Q2 2018 | 50,000 | 70,000 | 80,000 | 110,000 | | |
| | Last Qr | 45,000 | 65,000 | 80,000 | 110,000 | | |
| | Last Yr | 45,000 | 65,000 | 80,000 | 110,000 | | |
| 2 Bed Apt | Typical Size | 900 sqft | 1200 sqft | 900 sqft | 1200 sqft | 900 sqft | 1200 sqft |
| | Q2 2018 | 90,000 | 150,000 | 175,000 | 275,000 | 275,000 | 425,000 |
| | Last Qr | 85,000 | 135,000 | 175,000 | 275,000 | 275,000 | 425,000 |
| | Last Yr | 90,000 | 150,000 | 175,000 | 275,000 | 275,000 | 425,000 |
| 3 Bed Apt | Typical Size | 1200 sqft | 3000 sqft | 1200 sqft | 3000 sqft | 1200 sqft | 3000 sqft |
| | Q2 2018 | 175,000 | 325,000 | 300,000 | 550,000 | 550,000 | 650,000 |
| | Last Qr | 175,000 | 325,000 | 300,000 | 550,000 | 550,000 | 650,000 |
| | Last Yr | 200,000 | 350,000 | 300,000 | 550,000 | 550,000 | 650,000 |
| 4 Bed Apt | Typical Size | 2000 sqft | 4500 sqft | 2000 sqft | 4500 sqft | 2000 sqft | 4500 sqft |
| | Q2 2018 | 250,000 | 400,000 | 500,000 | 650,000 | 650,000 | 850,000 |
| | Last Qr | 250,000 | 400,000 | 500,000 | 650,000 | 650,000 | 850,000 |
| | Last Yr | 250,000 | 450,000 | 500,000 | 650,000 | 650,000 | 850,000 |
| 5 Bed Apt | Typical Size | Not Available | | >3500 sqft | | >3500 sqft | |
| | Q2 2018 | | | 600,000 | 850,000 | 850,000 upwards | |
| | Last Qr | | | 600,000 | 850,000 | 850,000 upwards | |
| | Last Yr | | | 600,000 | 850,000 | 850,000 upwards | |

MUMBAI RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|------------|
| Typical length of tenancy | 12 months |
| Notice period | 2 months |
| Typical deposit | 3-6 months |

*All leases must be registered. The initial lease for 12 months in most cases has a full lease term as lock in.

Delhi

Market Table

| Delhi - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)* | | | | | | | |
|---|--------------|---|---------------------|--|---------------------|--|---------------------|
| Category | | Standard (Low) | | Premium (Medium) | | Luxury (High) | |
| Locations | | Green Park, Hauz Khas, SDA, Nizamuddin, Saket | | Defence Colony, Hauz Khas, Safdurjung Enclave, Gulmohar Park, Panchsheel | | Chanakypuri, Vasant Vihar, Westend, Shanti Niketan, Anand Niketan. | |
| Property Profile | | Rent From (INR/Month) | Rent To (INR/Month) | Rent From (INR/Month) | Rent To (INR/Month) | Rent From (INR/Month) | Rent To (INR/Month) |
| 1 Bedroom | Typical Size | No Applicable | | Not Available | | Not Available | |
| | Q2 2018 | | | | | | |
| | Last Qr | | | | | | |
| | Last Yr | | | | | | |
| 2 Bedroom | Typical Size | 900 sqft | 1,200 sqft | 900 sqft | 1,200 sqft | Not Available | |
| | Q2 2018 | 60,000 | 90,000 | 85,000 | 180,000 | | |
| | Last Qr | 60,000 | 90,000 | 85,000 | 180,000 | | |
| | Last Yr | 55,000 | 85,000 | 75,000 | 180,000 | | |
| 3 Bedroom | Typical Size | 1,500 sqft | 2,000 sqft | 2,000 sqft | 3,500 sqft | 3,500 sqft | 4,000 sqft |
| | Q2 2018 | 90,000 | 200,000 | 200,000 | 350,000 | 350,000 | 450,000 |
| | Last Qr | 90,000 | 200,000 | 200,000 | 350,000 | 350,000 | 450,000 |
| | Last Yr | 85,000 | 185,000 | 185,000 | 310,000 | 310,000 | 450,000 |
| 4 Bedroom | Typical Size | 2,000 sqft | 3,500 sqft | 3,500 sqft | 4,000 sqft | 3,500 sqft | 4,500 sqft |
| | Q2 2018 | 190,000 | 300,000 | 325,000 | 475,000 | 450,000 upwards | |
| | Last Qr | 190,000 | 300,000 | 325,000 | 475,000 | 450,000 upwards | |
| | Last Yr | 185,000 | 300,000 | 350,000 | 475,000 | 450,000 upwards | |
| 5 Bedroom | Typical Size | Not Applicable | | >3,500 sqft | | >4,500 sqft | |
| | Q2 2018 | | | 450,000 | 600,000 | 600,000 upwards | |
| | Last Qr | | | 450,000 | 600,000 | 600,000 upwards | |
| | Last Yr | | | 450,000 | 600,000 | 600,000 upwards | |
| 4/5 Bedroom House | Typical Size | Not Applicable | | >4,500 sqft | | >5,500 sqft | |
| | Q2 2018 | | | 4,00,000 upwards | | 7,50,000 upwards | |
| | Last Qr | | | 4,00,000 upwards | | 7,50,000 upwards | |
| | Last Yr | | | 4,50,000 upwards | | 7,50,000 upwards | |

DELHI RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|-----------|
| Typical length of tenancy | 11 months |
| Notice period | 2 months |
| Typical deposit | 3 months |

*It is not compulsory to register the lease however, it is mandatory to print and sign the lease on a stamp paper with minimum value of INR100.

Bengaluru Market Table

Bengaluru - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

| Category | | Standard (Low) | | Premium (Medium) | | Luxury (High) | |
|------------------|--------------|--|---------------------|--|---------------------|---|---------------------|
| Communities | | Waterville, Water Woods, Paradise Nest, Skylark Greens | | Lake Vista, Pebble Bay (Apartments), Chaitanya Armdale, Ferns Paradise | | Epsilon, Windmills of your Mind, Chaitanya Smaran, Palm Meadows | |
| Property Profile | | Rent From (INR/Month) | Rent To (INR/Month) | Rent From (INR/Month) | Rent To (INR/Month) | Rent From (INR/Month) | Rent To (INR/Month) |
| 1 Bedroom | Typical Size | Not Available | | Not Available | | Not Available | |
| | Q2 2018 | Not Available | | Not Available | | Not Available | |
| | Last Qr | Not Available | | Not Available | | Not Available | |
| | Last Yr | Not Available | | Not Available | | Not Available | |
| 2 Bedroom | Typical Size | 1200 sqft | 1500 sqft | 1500 sqft | 1700 sqft | 1700 sqft | 2000 sqft |
| | Q2 2018 | 50,000 | 70,000 | 100,000 | 125,000 | NA | NA |
| | Last Qr | 50,000 | 70,000 | 100,000 | 125,000 | NA | NA |
| | Last Yr | 50,000 | 70,000 | 125,000 | 160,000 | NA | NA |
| 3 Bedroom | Typical Size | 1600 sqft | 2000 sqft | 2500 sqft | 3500 sqft | 3000 sqft | 4800 sqft |
| | Q2 2018 | 75,000 | 95,000 | 100,000 | 150,000 | 120,000 | 350,000 |
| | Last Qr | 75,000 | 95,000 | 100,000 | 150,000 | 120,000 | 350,000 |
| | Last Yr | 75,000 | 95,000 | 100,000 | 150,000 | 120,000 | 350,000 |
| 4 Bedroom | Typical Size | 3000 sqft | 4000 sqft | 4300 sqft | 5000 sqft | 3800 sqft | 6500 sqft |
| | Q2 2018 | 75,000 | 120,000 | 150,000 | 300,000 | 250,000 | 500,000 |
| | Last Qr | 75,000 | 120,000 | 150,000 | 300,000 | 250,000 | 500,000 |
| | Last Yr | 90,000 | 220,000 | 225,000 | 280,000 | 340,000 | 500,000 |
| 5 Bedroom | Typical Size | Not Available | | Not Available | | 5000 sqft | 8000 sqft |
| | Q2 2018 | Not Available | | Not Available | | 300,000 | 500,000 |
| | Last Qr | Not Available | | Not Available | | 300,000 | 500,000 |
| | Last Yr | Not Available | | Not Available | | 300,000 | 500,000 |
| 4 Bedroom House | Typical Size | 3800 sqft | 4500 sqft | 4500 sqft | 5000 sqft | 5000 sqft | 8000 sqft |
| | Q2 2018 | 85,000 | 225,000 | 270,000 | 350,000 | 375,000 | 5,00,000 upwards |
| | Last Qr | 85,000 | 225,000 | 270,000 | 350,000 | 375,000 | 5,00,000 upwards |
| | Last Yr | 85,000 | 225,000 | 270,000 | 350,000 | 375,000 | 5,00,000 upwards |

BENGALURU RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|-----------|
| Typical length of tenancy | 11 months |
| Notice period | 2 months |
| Typical deposit | 3 months |

*All leases with a tenure of more than 11 months must be registered.

Pune

Market Table

Pune - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

| Category | | Standard (Low) | | Premium (Medium) | | Luxury (High) | |
|------------------|--------------|---|---------------------|--|---------------------|--|---------------------|
| Locations | | Vishrant Vadi ,Tingre Nagar , Wagholi , Kharadi | | Sophan Baug , Magarpatta , Hadapsar , Bhavdhan , Wakad | | Koregoan Park , Kalyani nagar , Viman nagar , Aundh , Baner , Boat Club road | |
| Property Profile | | Rent From (INR/Month) | Rent To (INR/Month) | Rent From (INR/Month) | Rent To (INR/Month) | Rent From (INR/Month) | Rent To (INR/Month) |
| 1 Bed Apt | Typical Size | 500 sqft | 800 sqft | Not Available | | Not Available | |
| | Q2 2018 | 18,000 | 30,000 | | | | |
| | Last Qr | 18,000 | 30,000 | | | | |
| | Last Yr | 18,000 | 30,000 | | | | |
| 2 Bed Apt | Typical Size | 900 sqft | 1200 sqft | 900 sq ft | 1200 sqft | Not Available | |
| | Q2 2018 | 30,000 | 60,000 | 60,000 | 100,000 | | |
| | Last Qr | 30,000 | 60,000 | 60,000 | 100,000 | | |
| | Last Yr | 30,000 | 60,000 | 60,000 | 100,000 | | |
| 3 Bed Apt | Typical Size | 1,400 sqft | 2,400 sqft | 1400 sqft | 2,400 sqft | 2400 sqft | 2,800 sqft |
| | Q2 2018 | 80,000 | 150,000 | 150,000 | 200,000 | 200,000 | 250,000 |
| | Last Qr | 80,000 | 150,000 | 150,000 | 200,000 | 200,000 | 250,000 |
| | Last Yr | 80,000 | 150,000 | 150,000 | 200,000 | 250,000 | 250,000 |
| 4 Bed Apt | Typical Size | 2500 sqft | 3,500 sqft | 2,500 sqft | 4,000 sqft | 3,500 sqft | 6,000 sqft |
| | Q2 2018 | 100,000 | 150,000 | 180,000 | 250,000 | 250,000 | 500,000 |
| | Last Qr | 100,000 | 150,000 | 180,000 | 250,000 | 250,000 | 500,000 |
| | Last Yr | 100,000 | 150,000 | 180,000 | 250,000 | 250,000 | 500,000 |
| 5 Bed Apt | Typical Size | Not Available | | >4500 sqft | | >4500 sqft | |
| | Q2 2018 | | | 450,000 | 600,000 | 450,000 | 600,000 |
| | Last Qr | | | 450,000 | 600,000 | 450,000 | 600,000 |
| | Last Yr | | | 450,000 | 600,000 | 450,000 | 600,000 |

PUNE RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|--------------------------|
| Typical length of tenancy | 12 months |
| Notice period | 2 months |
| Typical deposit | 6-10 months (negotiable) |

*It is mandatory to register the L & L Agreement with the stamping authority. Stamp duty ranges from approximately INR10,000 - INR50,000 depending on the tenure of the L & L.



Kuala Lumpur

Market Snapshot

Stable market even in the midst of a peak relocation season

The second quarter of the year started slowly in terms of new expatriates arrivals. By June though, the peak summer relocation season went into full swing, and is expected to extend well into Q3. Most notable arrivals were from the oil and gas industry, followed by those from the IT, pharmaceuticals, FMCG and food sectors.

While the KLCC area is still a favoured location due to its proximity to offices, demand and rents for most properties there remain low due to inconveniences and noise pollution caused by ongoing Mass Rapid Transit construction work.

Expatriate families with school-going children also prioritize easy access to international schools in their search for accommodation. With the ISKL campus opening in August, demand for properties in the Ampang Hills and U-Thant areas has shot up, with many new developments such as The Edge of U-Thant and Brunfield Residences approaching full occupancy.

Elsewhere in the city, the traditional expatriate areas such as Mont Kiara, Bangsar and Damansara Heights remain highly occupied. Popular properties include the Arcoris and Residensi 22 condominiums in Mont Kiara. The Pavillion Hilltop, featuring smaller units, is scheduled for delivery by the end of the year, and could be suitable for small families.

Overall, rents in Q2 were generally stable as

compared to the previous quarter, with a few exceptions.

Following the opposition coalition's shock election victory on 9 May, the new leaders led by former Prime Minister Mahathir Mohamed have been fulfilling some of their promises and addressing the previous administration's issues.

The GST has been scrapped¹, and the sales and services tax will be re-introduced, effective 1 September, whereby services rendered will be taxed at 6% and goods sold will be subject to 10% tax.

The government is also dealing with other issues such as 1MDB's failure to repay its debts, and the MYR 1.087 trillion national debt, which is just above 80% of GDP².

After suffering a 10% drop right after the elections, the local bourse has recovered well, and its benchmark index is within 3% of pre-election levels³. Economic growth remains on track, with the World Bank⁴ keeping Malaysia's full year GDP growth forecast stable at 5.4%.

Housing budgets have stabilized in recent times and although the move from corporate to personal lease agreements has not impacted the rental market, some landlords still prefer the former.

Rents for properties sought after by expatriates are expected to be stable till the end of the year.

1 www.thestar.com.my
2 www.bloomberg.com
3 www.bloomberg.com
4 www.thestar.com.my

Kuala Lumpur Market Table

KUALA LUMPUR - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

| Standard | | Local Plus | | Standard | | Premium | | Luxury | |
|------------------|--------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------------|---------------------|
| Locations | | Damansara | | Mont Kiara | | Kenny Hills, Bangsar | | Suria KLCC, Ampang District | |
| Property Profile | | Rent From (MYR/Month) | Rent To (MYR/Month) | Rent From (MYR/Month) | Rent To (MYR/Month) | Rent From (MYR/Month) | Rent To (MYR/Month) | Rent From (MYR/Month) | Rent To (MYR/Month) |
| 1 Bedroom | Typical Size | 500 sqft | 850 sqft | 500 sqft | 850 sqft | 500 sqft | 850 sqft | 500 sqft | 850 sqft |
| | Q2 2018 | 1,200 | 2,000 | 2,800 | 3,500 | 3,500 | 4,500 | 3,000 | 4,500 |
| | Last Qr | 1,200 | 2,000 | 2,800 | 3,500 | 3,500 | 4,500 | 3,000 | 4,500 |
| | Last Yr | 1,400 | 2,000 | 2,800 | 3,800 | 3,000 | 4,300 | 4,000 | 5,500 |
| 2 Bedroom | Typical Size | 850 sqft | 1200 sqft | 850 sqft | 1200 sqft | 850 sqft | 1200 sqft | 850 sqft | 1200 sqft |
| | Q2 2018 | 2,500 | 3,300 | 3,500 | 4,000 | 4,500 | 5,500 | 4,500 | 5,500 |
| | Last Qr | 2,500 | 3,300 | 3,500 | 4,000 | 4,500 | 5,500 | 4,500 | 5,500 |
| | Last Yr | 2,600 | 3,800 | 3,500 | 4,500 | 4,000 | 6,000 | 5,500 | 7,000 |
| 3 Bedroom | Typical Size | 1000 sqft | 1500 sqft | 1000 sqft | 1500 sqft | 1000 sqft | 1500 sqft | 1000 sqft | 1500 sqft |
| | Q2 2018 | 3,500 | 4,500 | 4,500 | 6,000 | 5,000 | 6,000 | 5,000 | 7,000 |
| | Last Qr | 3,500 | 4,500 | 4,500 | 6,000 | 5,000 | 6,000 | 5,000 | 7,000 |
| | Last Yr | 3,500 | 4,500 | 4,500 | 6,000 | 4,500 | 6,000 | 6,000 | 7,500 |
| 4 Bedroom | Typical Size | 1500 sqft | 3500 sqft | 1500 sqft | 3500 sqft | 1500 sqft | 3500 sqft | 1500 sqft | 3500 sqft |
| | Q2 2018 | 6,000 | 7,500 | 7,000 | 11,000 | 9,000 | 12,000 | 10,000 | 12,000 |
| | Last Qr | 6,000 | 7,500 | 7,000 | 11,000 | 9,000 | 12,000 | 10,000 | 12,000 |
| | Last Yr | NA | 8,500 | NA | 13,000 | NA | 14,000 | NA | 1,400 |
| 4/5 Bedroom | Typical Size | 3000 sqft | 6000 sqft | 3000 sqft | 6000 sqft | 3000 sqft | 6000 sqft | 3000 sqft | 6000 sqft |
| | Q2 2018 | 8,500 | 10,000 | 12,000 | 18,000 | 10,000 | 17,000 | 12,000 | 15,000 |
| | Last Qr | 8,500 | 10,000 | 12,000 | 18,000 | 10,000 | 17,000 | 12,000 | 15,000 |
| | Last Yr | 8,500 | 11,000 | 10,000 | 18,000 | 11,000 | 18,000 | 12,000 | 16,000 |

KUALA LUMPUR RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|------------|
| Typical length of tenancy | 24 months |
| Notice period | 2 months |
| Typical deposit | 2.5 months |

*The minimum lease terms are 24 months but with an option to terminate with either a 10+2 or 12+2 break option.



Singapore

Market Snapshot



A property market recovery that is gaining momentum

Property prices in Singapore have risen sharply this year, rising by 3.4% in Q2 2018, and have rebounded to late-2014 levels, according to the Urban Development Authority¹. Rents across the board rose 1% in Q2, performing better than the 0.3% rise in the quarter before.

However, the trend of rising property prices may be short-lived, with the government introducing additional cooling measures² to dampen escalating prices. Effective 6 July, the Additional Buyer's Stamp Duty (ABSD) has gone up by five percentage points for individuals, except for Singapore citizens and permanent residents purchasing their first residential property.

The loan-to-value rate has also been cut by 5 percentage points, substantially reducing the amount individuals can borrow to purchase properties.

These cooling measures will also impact the en bloc activity³, where developers have been hit by a 10 percentage point increase in the remissible ABSD, which now stands at 25%. As a result, smaller-sized lots are likely to be picked for en bloc sales as developers seek to lower their risk.

As for the rental market in Q2, rents for landed properties rose 3.6% against a flat Q1. Rents for non-landed properties rose 0.6% across the board, compared to a 0.3% increase in Q1.

Rents for apartments in all areas outperformed Q1 figures, with the core Central Region leading the pack with a 0.8% increase, compared to a 0.6% gain previously. The rest of the Central Region reversed the 0.3% decline in Q1, with a 0.4% increase in Q2. Rents for apartments in the Outside Central Region zone also performed well, rising 0.8% in Q2, compared to the 0.7% increase previously.

Vacancies are still declining, with a 0.3 percentage point quarterly drop. Pipeline supply in Q2 continues to be strong, up 11.6% from last quarter, which equates to some 45,000 units.

Expatriates in Singapore continue to contend with a tight budget from their employers for housing and other allowances.

Although the economy started the year strongly with a 4.3% expansion in Q1, growth has slowed to 3.8% in Q2, according to flash estimates by the Ministry of Trade and Industry⁴.

As far as the rental market outlook goes, a slow and steady growth is likely in the next few quarters, and rents across the city may end a few percentage points higher than at the end of 2017.

1 www.ura.gov.sg

2 www.channelnewsasia.com

3 www.businesstimes.com.sg

4 www.channelnewsasia.com

Singapore Market Table

35,000

| Standard | | Local Plus | | Standard | | Premium | | Luxury | |
|------------------|--------------|--------------------------------------|-------------------|-------------------------------|-------------------|-----------------------------|-------------------|--|-------------------|
| Locations | | Katong, Marine Parade, Bedok, Changi | | Toa Payoh, Ang Mo Kio, Bishan | | Bukit Timah, Novena, Newton | | Orchard, River Valley, Tanglin Road, Mount Faber, Sentosa Cove | |
| Property Profile | | Rent From (SGD PCM) | Rent To (SGD PCM) | Rent From (SGD PCM) | Rent To (SGD PCM) | Rent From (SGD PCM) | Rent To (SGD PCM) | Rent From (SGD PCM) | Rent To (SGD PCM) |
| 1 Bed Apt | Typical Size | 500 sqft | 650 sqft | 500 sqft | 650 sqft | 500 sqft | 650 sqft | 500 sqft | 650 sqft |
| | Q2 2018 | 2,112 | 2,815 | 2,815 | 3,115 | 2,670 | 3,276 | 3,276 | 5,897 |
| | Last Qr | 2,095 | 2,790 | 2,790 | 3,090 | 2,650 | 3,250 | 3,250 | 5,850 |
| | Last Yr | 2,100 | 2,800 | 2,700 | 3,100 | 2,600 | 3,200 | 3,200 | 5,800 |
| 2 Bed Apt | Typical Size | 650 sqft | 1000 sqft | 650 sqft | 1000 sqft | 650 sqft | 1000 sqft | 650 sqft | 1000 sqft |
| | Q2 2018 | 2,715 | 4,420 | 3,518 | 4,020 | 3,578 | 7,106 | 4,586 | 8,618 |
| | Last Qr | 2,692 | 4,385 | 3,490 | 3,988 | 3,550 | 7,050 | 4,550 | 8,550 |
| | Last Yr | 2,700 | 4,400 | 3,500 | 4,000 | 3,500 | 7,000 | 4,500 | 8,500 |
| 3 Bed Apt | Typical Size | 1000 sqft | 1500 sqft | 1000 sqft | 1500 sqft | 1000 sqft | 1500 sqft | 1000 sqft | 1500 sqft |
| | Q2 2018 | 2,610 | 4,775 | 4,225 | 5,327 | 5,383 | 7,409 | 7,106 | 9,072 |
| | Last Qr | 2,590 | 4,735 | 4,188 | 5,284 | 5,340 | 7,350 | 7,050 | 9,000 |
| | Last Yr | 3,600 | 4,750 | 4,200 | 5,300 | 5,300 | 7,300 | 7,000 | 9,000 |
| 4 Bed Apt | Typical Size | 1500 sqft | 3000 sqft | 1500 sqft | 3000 sqft | 1500 sqft | 3000 sqft | 1500 sqft | 3000 sqft |
| | Q2 2018 | 5,830 | 9,547 | 6,835 | 9,045 | 8,618 | 12,172 | 11,159 | 20,280 |
| | Last Qr | 5,783 | 9,471 | 6,780 | 8,973 | 8,550 | 12,075 | 11,070 | 20,120 |
| | Last Yr | 5,800 | 9,500 | 6,800 | 9,000 | 8,500 | 12,000 | 11,000 | 20,000 |
| 4/5 Bed House | Typical Size | 3000 sqft | 5000 sqft | 3000 sqft | 5000 sqft | 3000 sqft | 5000 sqft | 3000 sqft | 5000 sqft |
| | Q2 2018 | 8,900 | 12,400 | 8,900 | 12,400 | 11,390 | 19,000 | 15,700 | 36,200 |
| | Last Qr | 8,600 | 12,000 | 8,600 | 12,000 | 11,000 | 18,500 | 15,200 | 35,000 |
| | Last Yr | 8,600 | 12,000 | 8,600 | 12,000 | 11,000 | 18,500 | 15,200 | 35,000 |

SINGAPORE RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|-----------|
| Typical length of tenancy | 24 months |
| Notice period | 2 months |
| Typical deposit | 2 months |



Thailand

Market Snapshot



Moderately increasing rents across Thailand in Q2

In Thailand, expatriates can often choose from plenty of accommodation options across different price ranges.

In Bangkok a total of 21,500 condominium units have been added to the market in the first half of the year¹, similar to the same period in 2017. By the end of 2018, the total volume of new units in the market is expected to match 2017 levels, although new developments are in the higher-end segment, worth around 25% more than last year's².

In a city known for its traffic congestion, new housing developments have been built near existing or upcoming BTS or MRT stations, offering plenty of desirability for tenants and investors alike.

Similar to the slight increases since the beginning of the year, rents for higher-end homes in Bangkok have experienced yet another moderate increase in Q2. One-bedroom apartments also appear to be popular, and their rents have increased across all price ranges. Sukhumvit is still the preferred area amongst expatriates, with the CBD and Sathorn areas not far behind.

Rents in Pattaya have also followed similar trends in the capital, with a slight increase for more premium and luxurious homes across the city.

Despite these increases, it is worth noting that

rental agreements in Thailand often include a clause that locks in the original rate when leases are renewed by the same tenant. Thus, long-term tenants will continue to be unaffected by such hikes.

Expatriate arrivals are stable, and many are given lump sum relocation packages instead of fully-sponsored ones, similar to trends in other Asian countries.

The Thai economy continues to be healthy, with a Q1 growth of 4.8%, a five-year high³. Inflation is also kept in check, keeping within the 1% to 4% band as targeted by the central bank. The Thai baht however, was one of the worst-performing Asian currencies, falling 4% against the US Dollar last quarter.

Ruled by a military government since the 2014 coup, democratic reforms and elections have been repeatedly delayed⁴, and the earliest time frame for elections will be in February 2019.

As far as the property rental market goes, it is expected to remain stable over the next few quarters, with moderate increases, keeping pace with inflation.

1 property.bangkokpost.com
2 www.bangkokpost.com
3 www.bloomberg.com
4 www.reuters.com

Bangkok Market Table

Bangkok - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

| Standard | | Local Plus | | Standard | | Premium | | Luxury | |
|------------------|--------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------|---------------------|---------------------|---------|
| Locations | | Sukhumvit/CBD | | | | | | | |
| Property Profile | | Rent From (THB/Month) | Rent To (THB/Month) | Rent From (THB/Month) | Rent To (THB/Month) | Rent From (THB/Month) | Rent To (THB/Month) | Rent To (THB/Month) | |
| 1 Bed Apt | Typical Size | 25-30 sqm | | 30-32 sqm | | 45-55sqm | | 70-110 sqm | |
| | Q2 2018 | 1,000 | 12,000 | 18,000 | 20,000 | 65,000 | 75,000 | 90,000 | 100,000 |
| | Last Qr | 8,000 | 10,000 | 16,000 | 18,000 | 60,000 | 70,000 | 85,000 | 95,000 |
| | Last Yr | 8,000 | 10,000 | 16,000 | 17,000 | 60,000 | 68,000 | 70,000 | 85,000 |
| 2 Bed Apt | Typical Size | 45-80 sqm | | 60-90 sqm | | 60-100sqm | | 100-170sqm | |
| | Q2 2018 | 20,000 | 30,000 | 60,000 | 65,000 | 80,000 | 100,000 | 150,000 | 160,000 |
| | Last Qr | 15,000 | 18,000 | 55,000 | 65,000 | 80,000 | 100,000 | 155,000 | 160,000 |
| | Last Yr | 15,000 | 18,000 | 55,000 | 65,000 | 78,000 | 95,000 | 150,000 | 155,000 |
| 3 Bed Apt | Typical Size | 100-120 sqm | | 150-180 sqm | | 150-200 sqm | | 150-250 sqm | |
| | Q2 2018 | 25,000 | 30,000 | 70,000 | 85,000 | 120,000 | 140,000 | 160,000 | 190,000 |
| | Last Qr | 22,000 | 30,000 | 70,000 | 82,000 | 120,000 | 135,000 | 160,000 | 185,000 |
| | Last Yr | 22,000 | 30,000 | 65,000 | 75,000 | 115,000 | 130,000 | 150,000 | 180,000 |
| 4 Bed Apt | Typical Size | 120-150 sqm | | 160-180 sqm | | 250-350 sqm | | 400-700 sqm | |
| | Q2 2018 | Not Applicable | | Not Applicable | | 160,000 | 180,000 | 250,000 | 420,000 |
| | Last Qr | | | | | 160,000 | 170,000 | 250,000 | 415,000 |
| | Last Yr | | | | | 155,000 | 170,000 | 240,000 | 400,000 |
| Typical Size | 400-600 sqm | | | | | 500-1,000sqm | | | |
| 4/5 Bed House | Q2 2018 | Not Applicable | | Not Applicable | | 210,000 | 230,000 | 260,000 | 350,000 |
| | Last Qr | | | | | 200,000 | 220,000 | 260,000 | 320,000 |
| | Last Yr | | | | | 180,000 | 210,000 | 250,000 | 280,000 |

*Diplomatic clauses are only accepted in year 2 of the tenure.

**In 95% plus of cases the landlord will insist on a booking fee / holding deposit being paid in order to hold the property in the assignees name whilst lease negotiations / payment processing are ongoing. This amount is either returned once the lease is signed and the security deposit and first months rental are paid, or is offset against the first months rent.

Eastern Seaboard Market Table

Eastern Seaboard- SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

| Standard | | Local Plus | | Standard | | Premium | | Luxury | |
|------------------|--------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------|---------------------|---------------------|---------|
| Locations | | Pattaya | | | | | | | |
| Property Profile | | Rent From (THB/Month) | Rent To (THB/Month) | Rent From (THB/Month) | Rent To (THB/Month) | Rent From (THB/Month) | Rent To (THB/Month) | Rent To (THB/Month) | |
| 1 Bed Apt | Typical Size | 25-30 sqm | | 30-32 sqm | | 50-55sqm | | 50-55 sqm | |
| | Q2 2018 | 7,000 | 8,000 | 15,000 | 20,000 | 45,000 | 55,000 | 65,000 | 75,000 |
| | Last Qr | 7,000 | 8,000 | 15,000 | 20,000 | 40,000 | 50,000 | 60,000 | 70,000 |
| | Last Yr | 6,500 | 8,000 | 15,000 | 18,000 | 38,000 | 50,000 | 60,000 | 70,000 |
| 2 Bed Apt | Typical Size | 45-80 sqm | | 60-90 sqm | | 70-100 sqm | | 70-120sqm | |
| | Q2 2018 | 16,000 | 18,000 | 22,000 | 24,000 | 60,000 | 70,000 | 90,000 | 100,000 |
| | Last Qr | 15,000 | 18,000 | 22,000 | 24,000 | 58,000 | 70,000 | 88,000 | 100,000 |
| | Last Yr | 15,000 | 18,000 | 20,000 | 23,000 | 55,000 | 65,000 | 85,000 | 95,000 |
| 3 Bed Apt | Typical Size | 90-120 sqm | | 140-180sqm | | 140-200 sqm | | 160-250 sqm | |
| | Q2 2018 | 25,000 | 26,000 | 50,000 | 60,000 | 90,000 | 100,000 | 120,000 | 160,000 |
| | Last Qr | 22,000 | 25,000 | 50,000 | 60,000 | 90,000 | 100,000 | 115,000 | 150,000 |
| | Last Yr | 22,000 | 25,000 | 40,000 | 50,000 | 70,000 | 80,000 | 100,000 | 110,000 |
| 4 Bed Apt | Typical Size | 120-150 sqm | | 150-200 sqm | | 160-220 sqm | | 170-240 sqm | |
| | Q2 2018 | Not Applicable | | Not Applicable | | 120,000 | 140,000 | 150,000 | 180,000 |
| | Last Qr | | | | | 120,000 | 140,000 | 145,000 | 180,000 |
| | Last Yr | | | | | 110,000 | 135,000 | 150,000 | 170,000 |
| Typical Size | 300-400 sqm | | | | | 400-600 | | | |
| 4/5 Bed House | Q2 2018 | Not Applicable | | Not Applicable | | 120,000 | 140,000 | 150,000 | 160,000 |
| | Last Qr | | | | | 120,000 | 140,000 | 135,000 | 160,000 |
| | Last Yr | | | | | 110,000 | 135,000 | 140,000 | 160,000 |

*Diplomatic clauses are only accepted in year 2 of the tenure.

**In 95% plus of cases the landlord will insist on a booking fee / holding deposit being paid in order to hold the property in the assignees name whilst lease negotiations / payment processing are ongoing. This amount is either returned once the lease is signed and the security deposit and first months rental are paid, or is offset against the first months rent.



Tokyo

Market Snapshot



Tight supply has pushed some rents up in Q2

The rock-solid rents in Tokyo that we have observed in the past year or so have finally given way to upward pressure due to a tight supply of properties owned by large developers. Apart from luxury homes, rents have risen moderately across the board, with private landlords being less flexible during price negotiations.

According to the Tokyo Kantai¹, the average monthly rent for condominiums in the capital has risen for seven consecutive months since December 2017, when compared on a year-on-year basis.

Mori Hills REIT, a major developer, has maintained at least 97% occupancy rates² for its residential properties in the first half of 2018.

The oil and gas industry's revival appears to be well underway, with a continued influx of expatriates arriving in Yokohama. Many high rise apartments and large western-style homes have been quickly snapped up, especially in areas near international schools and other expatriate-friendly amenities.

Facing limited options for suitable accommodation in Yokohama, some have turned to Tokyo. Even the luxury condominium, La Tour Minami-Azabu, launched by Sumitomo Realty & Development in February, is reported to be nearly full due to this overflow.

Expatriate departures in Q2 were also slower compared to previous years, contributing to the tight squeeze in the residential property rental market.

The typical scenario for expatriates deployed in Japan has not changed. While senior level expatriates continue to have generous budgets and corporate leases, in the mid-level range, there are increasing numbers being hired on fixed-term or local contracts, with more modest housing allowances. For those on local contracts, when renting properties, leases have to be signed in their personal capacity, often requiring the services of a guarantor company, which leads to increased costs.

With strong demand and a corresponding tight supply, in the midst of the peak expatriate relocation season rents are likely to remain strong with potential for further rises towards the end of the year.

1 japanpropertycentral.com
2 www.mori-hills-reit.co.jp

Tokyo

Market Table

TOKYO - SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)

| Standard | | Local Plus | | Standard | | Premium | | Luxury | |
|------------------|--------------|---|---------------------|--|---------------------|---|---------------------|------------------------|---------------------|
| Locations | | Bay Area, East Tokyo, Setagaya, Shinjuku, Meguro, Ota Wards | | Azabu Juban, Ebisu, Roppongi, Akasaka, Daikanyama, Nakameguro, Shibuya, Shinjuku, Bay Area | | Azabu, Daikanyama, Roppongi, Akasaka, Yoyogi Uehara, Hiroo, Omotesando, Shibuya | | Azabu, Roppongi, Hiroo | |
| Property Profile | | Rent From (JPY/Month) | Rent To (JPY/Month) | Rent From (JPY/Month) | Rent To (JPY/Month) | Rent From (JPY/Month) | Rent To (JPY/Month) | Rent From (JPY/Month) | Rent To (JPY/Month) |
| 1 Bedroom | Typical Size | 330sqft | 495sqft | 440sqft | 770sqft | 530sqft | 880sqft | Not Applicable | |
| | Q2 2018 | 145,000 | 250,000 | 250,000 | 425,000 | 470,000 | 726,000 | | |
| | Last Qr | 145,000 | 220,000 | 250,000 | 425,000 | 460,000 | 726,000 | | |
| | Last Yr | 145,000 | 220,000 | 250,000 | 425,000 | 460,000 | 726,000 | | |
| 2 Bedroom | Typical Size | 440sqft | 660sqft | 550sqft | 880sqft | 880sqft | 1,430sqft | 1,100sqft | 1,540sqft |
| | Q2 2018 | 195,000 | 320,000 | 305,000 | 500,000 | 740,000 | 1,180,000 | 968,000 | 1,355,000 |
| | Last Qr | 195,000 | 290,000 | 305,000 | 485,000 | 730,000 | 1,180,000 | 968,000 | 1,355,000 |
| | Last Yr | 195,000 | 290,000 | 305,000 | 485,000 | 730,000 | 1,180,000 | 968,000 | 1,355,000 |
| 3 Bedroom | Typical Size | 605sqft | 880sqft | 770sqft | 1,100sqft | 1,430sqft | 1,980sqft | 1,320sqft | 2,200sqft |
| | Q2 2018 | 270,000 | 420,000 | 430,000 | 620,000 | 1,190,000 | 1,635,000 | 1,162,000 | 1,936,000 |
| | Last Qr | 270,000 | 390,000 | 430,000 | 605,000 | 1,180,000 | 1,635,000 | 1,162,000 | 1,936,000 |
| | Last Yr | 270,000 | 390,000 | 430,000 | 605,000 | 1,180,000 | 1,635,000 | 1,162,000 | 1,936,000 |
| 4 Bedroom | Typical Size | Not Applicable | | Not Applicable | | 1,870sqft | 2,530sqft | 1,650sqft | 3,300sqft |
| | Q2 2018 | Not Applicable | | Not Applicable | | 1,550,000 | 2,090,000 | 1,452,000 | 2,904,000 |
| | Last Qr | Not Applicable | | Not Applicable | | 1,545,000 | 2,090,000 | 1,452,000 | 2,904,000 |
| | Last Yr | Not Applicable | | Not Applicable | | 1,545,000 | 2,090,000 | 1,452,000 | 2,904,000 |
| 5 Bedroom | Typical Size | Not Applicable | | Not Applicable | | Not Applicable | | 1,980sqft | 3,850sqft |
| | Q2 2018 | Not Applicable | | Not Applicable | | Not Applicable | | 1,742,000 | 3,388,000 |
| | Last Qr | Not Applicable | | Not Applicable | | Not Applicable | | 1,742,000 | 3,388,000 |
| | Last Yr | Not Applicable | | Not Applicable | | Not Applicable | | 1,742,000 | 3,388,000 |


TOKYO RESIDENTIAL RENTAL MARKET TRENDS

| | |
|---------------------------|--------------|
| Typical length of tenancy | 24 months |
| Notice period | 2 months |
| Typical deposit | 2 - 4 months |

*A refundable payment known as "key money" of 1 to 2 months of rent may be required. This is most common in the Local Plus and Standard types of accommodation.

*If a contract is broken within the first year, one month rent will be payable as a penalty.

*Tenants are also required to take up a fire insurance policy that may cost between 20,000 to 30,000 JPY for a 2 year contract.



This report contains a general review and analysis based upon data and other information collected by SIRVA. It is intended to provide an overview of the rental market to help readers better understand the general trends in Asia and the Middle East. While SIRVA has endeavored to gather sufficient data to provide a comprehensive review, you should consult a rental expert in your particular market to assist with your particular transaction. The terms of your transaction should be specifically tailored to your market an unique circumstances and conditions. SIRVA is not responsible for the terms and results (including any loss or damages you may incur) of your specific transaction.

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