ZERIN PROPERTIES

GREATER KUALA LUMPUR OFFICE SECTOR

2024 OVERVIEW & 2025 OUTLOOK

LATEST KEY TRENDS

PREFERENCES SHIFT TO PREMIUM OFFICES

Large corporations and MNCs are driving demand in Malaysia's prime office market, seeking modern, efficient and sustainable workspaces. This has fueled a shift toward Grade A and Prime A+ offices with contemporary design, green certifications, and flexible layouts—boosting occupancy rates and leaving dated assets with widening vacancies.

SMES PRIORITISE SUBURBAN HUBS

SMEs are redefining the commercial landscape by gravitating toward transit-connected suburban hubs. Decentralized areas like Damansara Heights, Bangsar South, TTDI, Shah Alam offer cost advantages while minimizing commutes and supporting flexible work models.

SUSTAINABILITY SHAPES DEMAND

Green-certified buildings are experiencing 15-20% higher occupancy rates as corporate tenants align with ESG mandates. Iconic developments like Merdeka 118 (LEED Platinum) are setting new sustainability benchmarks, while older buildings are pursuing certification to remain competitive in a market increasingly driven by sustainability credentials.

GREEN LEASES GAINING PROMINENCE

Tenancy agreements are transforming with green clauses that establish shared landlord-tenant responsibilities for energy efficiency, waste reduction and carbon footprint minimization. This collaborative approach is producing measurable sustainability improvements while creating operational cost savings for both parties.

CBD REINVENTED AS TRANSIT-LINKED ECOSYSTEMS

Kuala Lumpur's CBD remains a key business hub, but demand is now focused on well-integrated, transit-oriented developments. Office buildings within walking distance to MRT or LRT or stations continue to outperform in occupancy and rental rates.. Tenants increasingly prioritise connectivity, green-certified buildings and access to lifestyle amenities.

LATEST KEY TRENDS

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OFFICE SPACES FIND NEW PURPOSES

Aging and underutilized office buildings are increasingly repurposed for mixed-use developments, addressing rising vacancies and aligning with the market's shift toward higher quality, more efficient spaces. This trend supports asset recovery while meeting the evolving infrastructure needs of urban communities.

POLICY-DRIVEN GROWTH

Malaysia’s pro-business reforms and strategic initiatives including the New Industrial Master Plan 2030 and Madani Economy are strengthening Greater KL’s position as a regional investment hub. The Tun Razak Exchange (TRX), developed as Malaysia’s International Financial Hub and complementary programmes like DE Rantau and broader digital economy efforts are also driving demand for flexible & tech-enabled workspaces.

FLEXIBLE WORK DRIVES OFFICE CHOICES

Hybrid work is driving demand for co-working, giving businesses more agility, lower costs, and better alignment with workforce needs. In Greater KL, co-working providers are growing by offering tailored amenities, flexible plans and tech-ready spaces to attract startups, remote teams, and corporates.

GROWTH IN FAMILY OFFICES

Family offices are on the rise in Malaysia, driven by growing regional wealth, legacy planning and interest in direct investments. Malaysia’s strategic location, supportive regulations, and maturing financial sector make it an attractive base for high-net-worth individuals. This trend is boosting demand for premium office space and specialized financial services, supporting long-term growth in the commercial real estate market.

TRANSIT ACCESS DRIVES OFFICE INTEREST

Offices located near MRT and LRT lines are gaining popularity for their enhanced accessibility, aligning with urban development goals and the growing preference for transit-oriented commuting. This trend is driving demand for well-connected office spaces, especially among businesses aiming to improve employee convenience, reduce carbon footprints, and attract talent in Klang Valley’s competitive job market.

2024 KEY HIGHLIGHTS

ZERIN PROPERT.IES

01

As at end-2024, **Greater KL's total office supply** stood at **188.25 mil sf** with an overall occupancy rate of **75.2%**. **Private PBOs** made up **155.21 mil sf**, recording **70.2% occupancy**, a slight improvement from 70.06% in 2023. On a y-o-y basis, occupancy levels have remained fairly stable and resilient, even as new supply enters the market, reflecting sustained demand for **well-located, high-quality office spaces in key areas of the Greater KL.**

02

The office sector in **Putrajaya and Selangor held firm** in 2024, with occupancy rising slightly to **92.1% and 73.1%** respectively, from 92.0% and 72.6% in 2023. Selangor's supply rose marginally by 268,473 sf to 50.15 mil sf, while Putrajaya's remained unchanged at 27.3 mil sf. Private PBO occupancy also saw modest y-o-y improvements, rising to 71.7% in Selangor (from 71.1%) and 52.7% in Putrajaya (from 52.4%), reflecting steady demand in both markets.

03

In 2024, Kuala Lumpur's office market saw a slight dip in occupancy to **72.0%**, down from 72.1% in 2023, amid the completion of **289,097 sq. ft. of new office space**, increasing total supply to 110.48 mil sf (a 10.66% rise since 2020). **Private PBO** occupancy also saw a modest decline from 70.4% **to 70.3%,** indicating overall market stability.

04

During the review period, **13 transactions** were recorded in the Central Region, mainly consisting of sale and purchase agreements signed in 2023, along with a few buildings from previous years. **In Kuala Lumpur**, notable transactions were **Majlis Peguam @ Bangunan Majlis Peguam, Averis Avenue 5, Menara R and Menara UMW**.

05

Market Bifurcation: A widening performance gap between super prime/Grade A buildings and older, lower-grade stock. Newer, quality buildings are absorbing demand and achieving stable or modestly increasing rents, while older buildings face rising vacancy rates and downward pressure on rentals unless significantly refurbished.

06

Positive Absorption in Prime Segments: Healthy net absorption was recorded, particularly in KL City and KL Fringe, driven by tenant relocations ("flight-to-quality"), consolidations and expansions. Key demand drivers included Technology, Finance & Banking, Oil & Gas, Professional Services and Shared Services sectors.

2024 KEY HIGHLIGHTS

ZERIN PROPERT.IES

07

While KLCC remains a key business hub, newer, greener buildings like Merdeka 118 and TRX are attracting companies seeking ESG-compliant, triple-A rated office spaces. Meanwhile, SMEs are drawn to cost-effective areas like Bangsar South, KL Eco City, KL Sentral and i-City Shah Alam which offer modern infrastructure, amenities and strong transport links, highlighting market segmentation based on tenant needs.

08

Older office buildings in Kuala Lumpur are facing higher vacancy rates as tenants move to newer, high-spec spaces. Hybrid work has increased demand for flexible layouts, pushing asset repositioning. **Many older buildings are being repurposed with mixed-use elements** to attract tenants, adapt to market changes, and boost long-term value.

09

Tun Razak Exchange (TRX) cements its status as Malaysia's International Financial Centre, attracting global corporations with government incentives like tax exemptions and stamp duty relief. Its prime MRT connectivity and integrated retail offerings further enhance its appeal, boosting office demand and reinforcing Kuala Lumpur's position as a leading global financial hub.

10

Merdeka 118, Malaysia's tallest tower, has earned LEED Platinum certification and aims to become the country's first triple-green platinum-rated mega-tall building. It is also pursuing GreenRE, GBI, and WELL certifications, focusing on sustainability and occupant well-being, setting a new standard for high-performance, eco-friendly office spaces.

11

IGB Commercial REIT has acquired two office suite parcels, Level 8 and Level 9, at Menara Southpoint in Mid Valley City, Kuala Lumpur. The leasehold property, with tenure expiring in March 2120, is currently tenanted to a single occupier with tenancy secured until March 2030. This acquisition enhances income stability and aligns with the REIT's strategy of securing high quality income generating commercial assets in prime locations.

12

Solarvest is acquiring office space in the under-construction Solarvest Tower from Chin Hin Property for RM48.73 million. This related party deal supports its plan to set up a new HQ in Bangsar South, boosting long-term efficiency and growth. The tower is 40% complete and expected to be ready by March 2028, marking strategic expansion.

2024 KEY HIGHLIGHTS

ZERIN PROPERT.IES

13

The Menara Sentral RAC, a joint venture between the Rail Assets Corporation (RAC) and Arah Asas Sdn Bhd (a subsidiary of YTL Corporation Bhd), was officially launched on May 10, 2024. Constructed on a 0.18-hectare site, the building is designed with modern, environmentally friendly features and aims to achieve GBI certification. RAC anticipates generating approximately RM7 mil annually through leasing office spaces, commercial areas, and a food gallery.

14

Malaysia's Budget 2025 introduces measures to reshape the commercial real estate sector. A 50% additional tax deduction, capped at RM500,000, is offered to encourage employers to adopt flexible work arrangements, boosting demand for adaptable office spaces. The government also plans to repurpose vacant properties into community-focused facilities, such as preschools and skills training centers,.

15

Co-working and flexible workspaces are growing in Greater KL, driven by hybrid work and changing workplace needs. Businesses seek cost-effective, scalable solutions for flexibility. WORQ, in partnership with UOA Asset Management, is expanding its Menara UOA Bangsar space to **32,500 sf** making it one of Malaysia's largest innovation hubs, reflecting the rising demand for dynamic shared offices.

16

In 2024, Common Ground, part of The Flexi Group, expanded its Malaysian portfolio by 100,000 sf, driven by strong demand for flexible workspaces from both small and large tenants. This includes 50,000 sf from their 'Enterprise Solutions' product, offering custom-built workspaces, such as a 45,000 sf headquarters for a clean-energy provider in KLCC. With occupancy rates over 85%, Common Ground plans further growth in 2025

17

More Co-working space updates: Co-labs Coworking The Five in Damansara Heights launched in Q1 2024 with 15,407 sf, WORQ expanded at Menara 1 Sentrum with 7,200 sf on Level 28, Colony unveiled a new 24,000 sf flagship space at The MET Corporate Towers in Mont Kiara, and IWG introduced four new locations (HQ at AmBank Tower in KL, Regus at Prima-9 Cyberjaya, HQ at Menara Pelangi and Regus at Medini Lakeside), both in Johor.

18

As of October 2024, nearly 2,000 applications for Malaysia's DE Rantau Nomad Pass have been approved, attracting digital nomads from countries like Russia, Pakistan, the UK, Japan, and the US. The program boosts the local economy through increased spending in sectors such as tourism, food, and transportation, while fostering cultural exchange and innovation.

2024 KEY HIGHLIGHTS

ZERIN PROPERTIES

19

Greater Kuala Lumpur continues to attract global players setting up regional hubs and offices across key business districts. Below are some notable openings:

- **Nord-Lock Group established its Southeast Asia and Taiwan regional office at Q Sentral, KL Sentral—its first office in Malaysia.**
- **BlackBerry Limited set up its Asia-Pacific Cybersecurity Headquarters in Cyberjaya, Selangor.**
- **SAS Institute Inc., a global leader in data and AI, established its new regional office at Menara IQ, KL.**
- **Logicalis Malaysia Sdn Bhd, a provider of IT solutions and managed services under Logicalis Group, launched a new office in Kuala Lumpur along with a service delivery centre in Cyberjaya.**
- **FPT Software, a global IT services provider opened its second Malaysian office on the 9th floor of Menara Hap Seng 3, KL.**
- **GlobalFoundries Inc., a U.S.-based semiconductor company, set up its Malaysia office in Kuala Lumpur.**
- **ANT International**, a digital payment and financial technology provider affiliated with China's Ant Group, is set to occupy 62,000 sq ft across three floors at the Exchange 106 building in Tun Razak Exchange (TRX). This makes it the skyscraper's fifth largest tenant, following Huawei (240,000), Cyprus' Exness (140,000 sf), The Access Group (87,000 sf), and Centauri Services & Technology (86,000 sf).
- Taiwan-based E.SUN Bank has opened a representative office at Exchange 106, TRX, as part of its ASEAN expansion strategy beyond Taiwan.
- **Pacific Inter-Link (PIL) has taken up 20,000 sq ft across Levels 54 and 55 at Vista Tower, The Intermark**

Other notable openings and relocations;

- **CTOS** has relocated its headquarters and customer service centre to Level 9, Menara CelcomDigi, occupying 51,000 sf
- **Embassy of Saudi Arabia** has relocated to 20,000 sq ft at Level 33, Tower B, Pavilion Embassy.
- **Bursa Malaysia** is in the final stage of discussions to relocate its front office to Exchange 106 at TRX. The move is intended to enhance visibility within the financial district. It may occupy two floors at the new location.
- **LG Electronics Malaysia** has officially relocated its office to Level 30 of Mercu Aspire, KL Eco City, occupying 36,000 sf.

2025 OUTLOOK

Z E.R I N PROPERT.IES

01

Budget 2025 sets the stage for a more flexible office landscape with tax incentives that encourage hybrid work models. The initiative supports evolving workforce needs while promoting productivity and work-life balance. Plans to repurpose vacant government buildings into community spaces are expected to reduce overall vacancies and stimulate demand. This shift highlights a forward-looking approach to space optimization and sustainable commercial development.

02

Demand for quality office spaces in Greater KL is on the rise, driven by foreign companies in tech and finance. Well-located buildings with modern features and strong sustainability credentials are particularly sought after, reflecting a shift toward enhanced productivity and brand presence. As competition intensifies, leases are closing faster with reduced landlord incentives, signaling a more dynamic and efficiency-focused market ahead.

03

Increase in AEI: The growing pressure from flight-to-quality trends, ESG expectations and high vacancy in older buildings will push landlords — particularly REITs and institutional owners to accelerate asset enhancement initiatives (AEIs). These efforts will future-proof assets, attract a more diverse tenant base, and deliver long-term value through **strategic upgrades, diversified tenant profiles and sustainability-linked enhancements.**

PROPERTY ASSET OPTIMIZATION STRATEGIES

Z E.R I N PROPERT.IES

Unlocking Property Value in a Changing Market

Owners must proactively explore strategies to ensure their assets remain viable, relevant, and aligned with evolving market demands.

Asset Enhancement Initiatives (AEIs)

Upgrading older buildings with modern technologies, sustainable features, and improved amenities.

- Energy-efficient systems
- Smart building features
- Green certifications (GreenRE, GBI, LEED)
- ESG-compliant spaces

Repurposing Building Use

Converting older office buildings into alternative uses to unlock value.

- Residential conversions
- Hotel & hospitality
- Healthcare facilities
- Co-working spaces

Success depends on location, market demand, and property characteristics

Redevelopment

Strategic option for buildings with structural limitations that hinder repurposing.

- Greater design flexibility
- Modern, high-demand spaces
- Fresh and innovative designs
- Maximizing location potential

The Greater Kuala Lumpur office market is at a crossroads

Adaptability and innovation are key to determining an asset's success in this evolving landscape.

PROPERTY ASSET OPTIMIZATION STRATEGIES

Z E.R I N PROPERT.IES

Implementation Challenges & Considerations

Each strategy presents unique challenges that require careful planning and expert consultation.

Challenges by Strategy

Asset Enhancement

- ROI justification for sustainable technologies
- Disruption to existing tenants during upgrades
- Balancing modernization with heritage preservation
- Certification costs and compliance requirements

Repurposing

- **Zoning Restrictions:** Rezoning approvals may be required
- **Structural Modifications:** Ensuring adequate natural light, ventilation and functional layouts
- **Regulatory Compliance:** Meeting safety standards and building codes
- Market demand risk for new purpose

Redevelopment

- Higher capital investment required
- Extended timeline for approvals and construction
- Market timing risk during development period
- Temporary loss of income during construction

Critical Success Factors

Location	Prime locations with good connectivity and amenities have higher repurposing potential
Market Demand	Thorough market analysis to identify gaps and opportunities in the local market
Building Characteristics	Floor plate size, ceiling height, and column spacing determine repurposing feasibility
Expert Consultation	Early engagement with consultants and authorities to navigate approvals
ESG Compliance	Incorporating sustainability features increases marketability and future value

PROPERTY ASSET OPTIMIZATION STRATEGIES

ZERIN PROPERTIES

Implementation Process

1 Feasibility Assessment

Conduct market analysis, property assessment, and financial modeling to determine optimal strategy.

2 Planning & Approvals

Secure necessary permits, engage stakeholders, and navigate regulatory requirements.

3 Execution & Marketing

Implement chosen strategy with professional project management and strategic market positioning.

"The right strategy depends on each property's unique characteristics, location, and market conditions."

KUALA LUMPUR
2024 OFFICE SECTOR

KL PURPOSE-BUILT OFFICE BUILDINGS – MARKET OVERVIEW

ZERIN PROPERTIES

EXISTING SUPPLY Q4 2024

TOTAL

110.48 MILLION SQ FT

72.0% OCCUPANCY

PRIVATELY-OWNED

103.95 MILLION SQ FT

70.3% OCCUPANCY

OCCUPANCY RATE Q4 2024

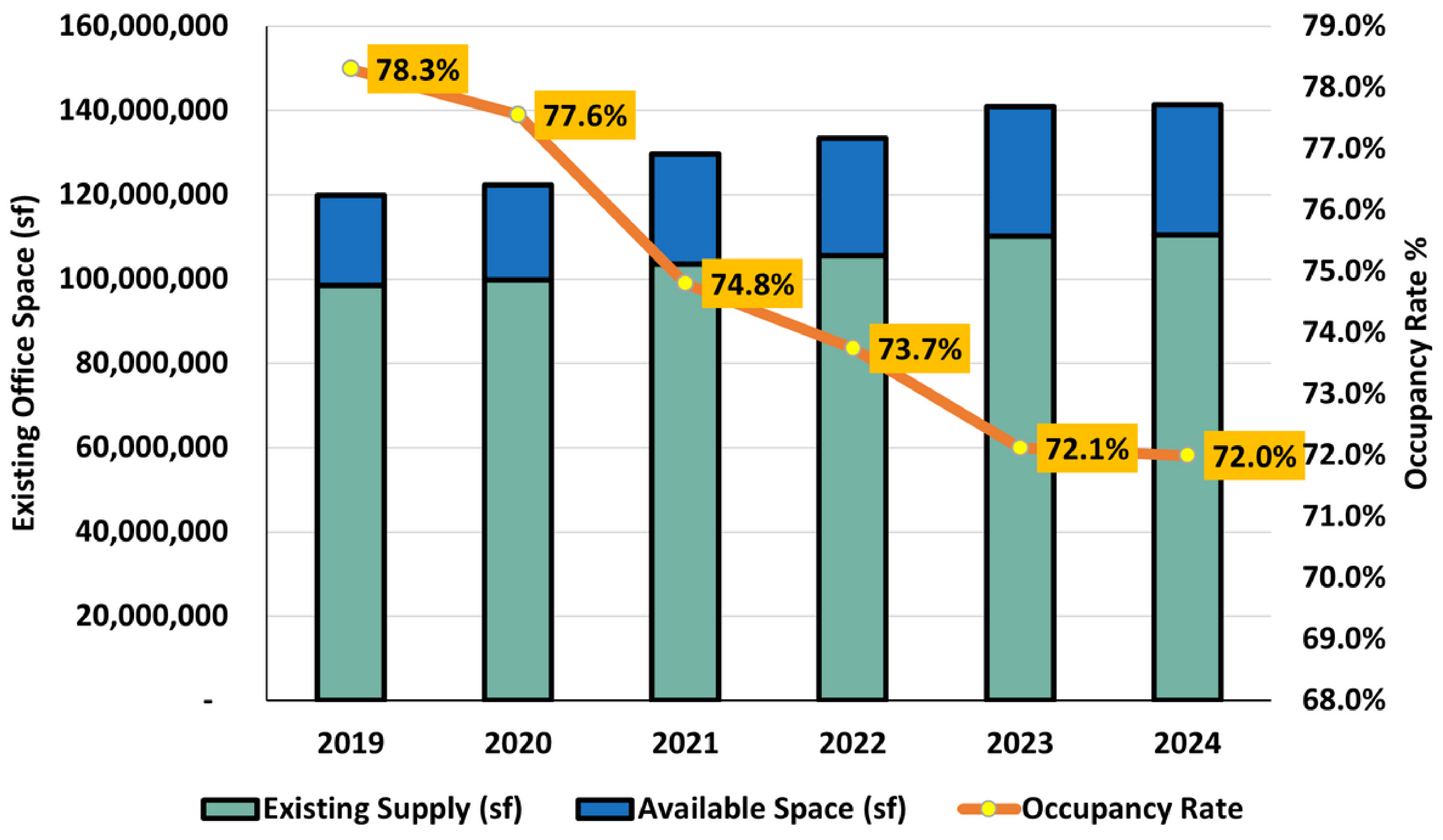
KUALA LUMPUR CITY CENTRE

72.1%

KUALA LUMPUR FRINGE

63.5%

Source: NAPIC *Note: privately--owned*



INCOMING SUPPLY Q4 2024

9 BUILDINGS

5.93 MILLION SQ FT

PLANNED SUPPLY Q4 2024

19 BUILDINGS

8.20 MILLION SQ FT

Source: NAPIC

KL AVERAGE RENTAL

2023	2024
RM4.98 psf	RM4.98 psf

Source: NAPIC

KL PRIME RENTAL Q4 2024

GOLDEN TRIANGLE

Super Grade A: RM10.00 – RM15.00 psf

Grade A: RM5.00 – RM9.00 psf

CITY FRINGE

Grade A: RM5.00 – RM8.50 psf

Source: Zerin Properties Research *Note: Selected buildings*

NEW COMPLETIONS

ZERIN PROPERTIES

Year	New Completions (sf)	Net Absorption (sf)
2019	2,900,387	782,708
2020	239,992	343,153
2021	6,253,686	60,310
2022	3,162,585	412,247
2023	3,657,616	1,564,587
2024	289,097	70,439
Average Annual Net Absorption (sf)		538,907

RECENTLY COMPLETED PRIVATELY-OWNED PURPOSE-BUILT OFFICE BUILDINGS

NAME	LOCATION	NET LETTABLE AREA (sf)
Menara Felcra @ Semarak 20	Jalan Semarak	171,500
PNB 1194	Jalan Sultan Ismail	169,250
Corporate Tower 1@ Pavilion Damansara Heights	Jalan Damansara	231,435
Bloomsvale Menara Vista	Off Old Klang Road	76,101
Merdeka 118	Jalan Hang Jebat	1,624,940
Aspire Tower	KL Eco City	686,889
Corporate Towers (2, 3, 3A, 5, 6,7,8 & 9)	Pavilion Damansara Heights	846,000
The Met Corporate Towers	KL Metropolis	628,310
Sunway V2 Office Tower	Jalan Cheras	378,570

NEWLY COMPLETED PURPOSE-BUILT OFFICE BUILDINGS

ZERIN PROPERTIES

May 2025

KL City Fringe | Bangsar

TNB Gold
NLA: 475,224 sf

2024

KL City Fringe | Jalan Sultan Yahya Petra

Menara Felcra@ Semarak20
NLA: 171,500 sf

2024

KL City Fringe | Jalan Damansara

Corporate Tower 1@Pavilion DH
NLA: 231,435 sf

2024

KL City | Jalan Sultan Ismail

PNB 1194
NLA: 169,250 sf

2024

KL City Fringe | Off Old Klang Road

Bloomsvale Menara Vista
Estimated NLA: 76,101 sf

NEWLY COMPLETED PURPOSE-BUILT OFFICE BUILDINGS IN 2023

ZERIN PROPERTIES

2023

KL City | Jalan Hang Jebat

Merdeka 118
NLA: 1,624,940 sf

2023

KL City Fringe | KL Eco City

Aspire Tower
NLA: 686,889 sf

2023

KL City Fringe | Jalan Damanlela

Pavilion DH Corporate Towers
(Towers 2, 3, 3A, 5, 6,7,8 & 9)
NLA: 846,000 sf

2023

KL City Fringe | KL Metropolis

The Met Corporate Towers
NLA: 628,310 sf

2023

KL City Fringe | Jalan Cheras

Sunway V2 Office Tower
NLA: 378,570 sf

UPCOMING COMPLETIONS IN 2025

ZERIN PROPERTIES

2025

KL City | Jalan Ampang

Oxley Tower@KLCC
NLA: 325,280 sf

2025

KL City | Tun Razak Exchange

TRX Campus Office
NLA: 200,000 sf

2025

KL City | Adjacent TRX, Jalan Tun Razak

Multibay
28 storey office tower

2025

KL City Fringe | Jalan Damansara

Corporate Tower 10 - Pavilion DH
NLA: 215,150 sf

Q2 2025

KL City Fringe | Bangsar

TNB Gold
NLA: 475,224 sf

SELECTED RECENT MAJOR TRANSACTIONS

Z E.R I N PROPERT.IES

JAN 2025

RM62.4 million (RM681 psf)

Menara Southpoint (2 Floors), Mid Valley
NLA: 91,676 sf

DEC 2024

RM50 million (RM911 psf)

Tower 3, Avenue 5, Bangsar South
NLA: 54,876 sf

SEP 2024

RM70 million (RM695 psf)

Menara UMW, Jalan Puncak
NLA: 100, 790 sf

APR 2024

RM100 million (RM498 psf)

Menara Affin, Jalan Raja Chulan
NLA: 200,756 sf

FEB 2024

RM88.7 million (RM752 psf)

Wisma Averis, The Horizon, Avenue 5
NLA: 118,020 sf

SELECTED RECENT MAJOR TRANSACTIONS

ZERIN PROPERTIES

OCT 2023

RM405.83 million (RM1,248 psf)

Office Tower @ Oxley KLCC
NLA: 325,280 sf

OCT 2023

RM32.39 million (RM532 psf)

Wisma Rapid, Desa Sri Hartamas
NLA: 60,884 sf

AUG 2023

RM81 million (RM637 psf)

Menara AA, Jalan Tun Razak
NLA: 127,165 sf

JUN 2023

RM73 million (RM925 psf)

Block B Plaza Damansara, Damansara Heights
NLA: 78,923 sf

JAN 2023

RM55 million (RM319 psf)

Menara HSBC, Leboh Ampang
NLA: 172,245 sf

SELANGOR
2024 OFFICE SECTOR

PURPOSE-BUILT OFFICE BUILDINGS – MARKET OVERVIEW

ZERIN PROPERTIES

EXISTING SUPPLY Q4 2024

TOTAL

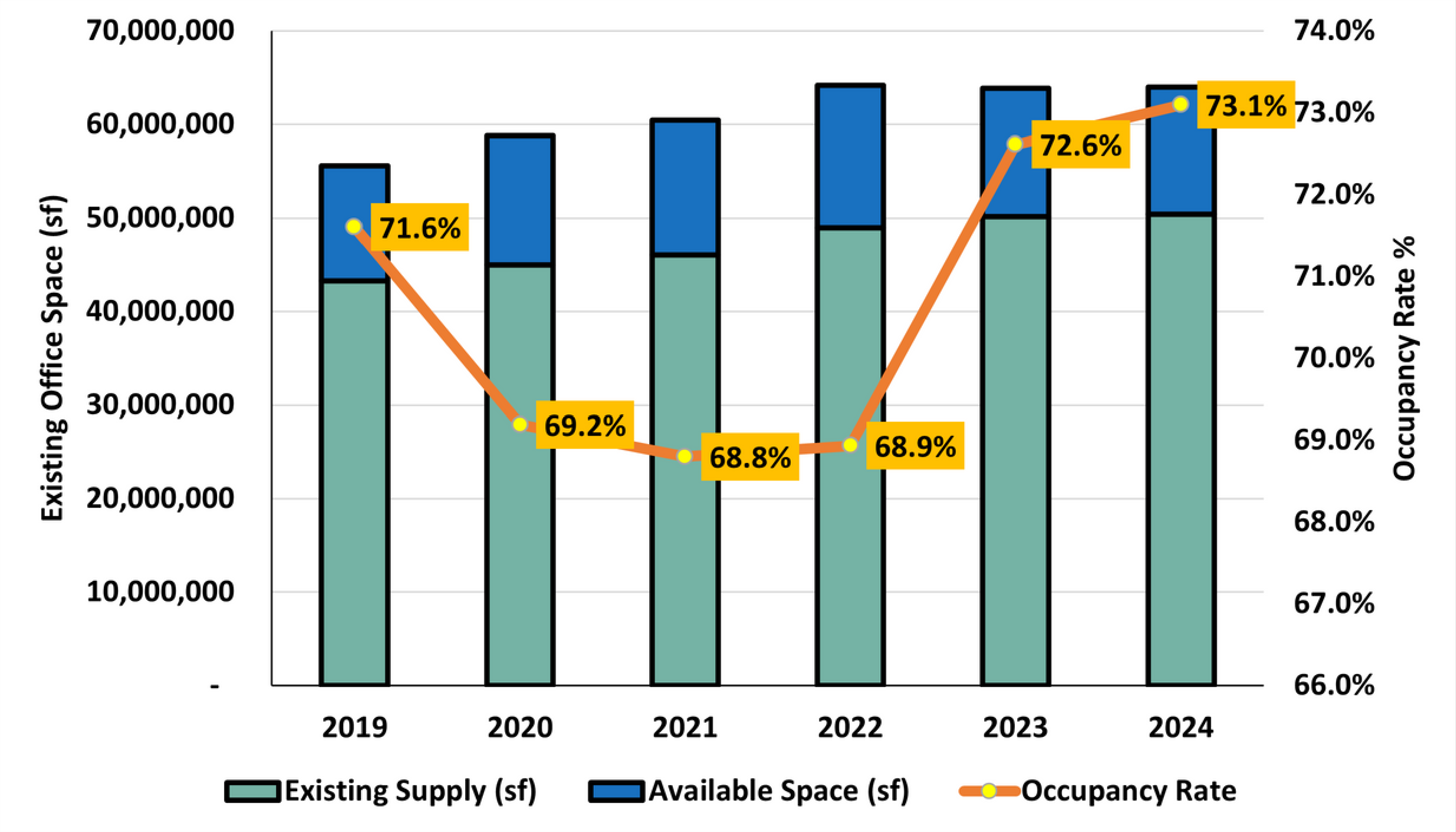
50.42 MILLION SQ FT

73.1% OCCUPANCY

PRIVATELY-OWNED

46.84 MILLION SQ FT

71.7% OCCUPANCY



INCOMING SUPPLY Q4 2024

3 BUILDINGS

1.33 MILLION SQ FT

STARTS CONSTRUCTION Q4 2024

432,494 SQ FT

Source: NAPIC

OCCUPANCY RATE Q4 2024

PETALING JAYA

69.3%

SHAH ALAM

79.2%

KLANG

61.0%

Note: Privately-owned Source: NAPIC

SELANGOR AVERAGE RENTAL

2023	2024
RM4.24 psf	RM4.25 psf

Source: NAPIC

NEW COMPLETION & NET ABSORPTION

Year	New Completions (sf)	Net Absorption (sf)
2019	1,339,105	1,081,772
2020	1,097,347	120,696
2021	495,979	592,208
2022	313,811	2,041,352
2023	-	2,673,344
2024	345, 618	437,919
Average Annual Net Absorption (sf)		1,157,882

NEWLY COMPLETED PURPOSE-BUILT OFFICE BUILDINGS IN 2024

ZERIN PROPERTIES

Q3 2024

Petaling Jaya | Section 13

Towers A & B @ Atwater
NLA: 366,870 sf

UPCOMING COMPLETIONS IN 2025

2025

Petaling Jaya | Damansara Damai

Finas Tower
NLA: 154,000 sf

Q1 2025

KL City Fringe | Sunway City

Sunway Square Corporate Tower 2
NLA: 537,900 sf

Q2 2025

KL City Fringe | Sunway City

Sunway Square Corporate Tower 1
NLA: 432,500 sf

SELECTED RECENT MAJOR TRANSACTIONS

JAN 2025

RM25 million (RM619 psf)

Block 12, Star Central @ Cyberjaya
NLA: 40,375 sf

NOV 2023

RM55 million (RM519 psf)

Menara Apex, Jalan Semenyih, Kajang
NLA: 106,000 sf

NOV 2023

RM22.6 million (RM602 psf)

Cyberview 17, Jln Teknokrat 5, Cyberjaya
NLA: 37,527 sf

MAY 2024

RM38 million (RM327 psf)

Menara Serba Dinamik, Shah Alam
NLA: 116,290 sf

SEP 2023

RM52 million (RM514 psf)

3 Damansara Office Tower, Petaling Jaya
NLA: 101,246 sf

JULY 2023

RM450 million (RM994 psf)

Menara CelcomDigi, Petaling Jaya
NLA: 452,762 sf

ZERIN PROPERT.IES

PUTRAJAYA
2024 OFFICE SECTOR

PURPOSE-BUILT OFFICE BUILDINGS – MARKET OVERVIEW

ZERIN PROPERTIES

EXISTING SUPPLY Q4 2024

TOTAL

27.35 MILLION SQ FT

92.1% OCCUPANCY

PRIVATELY-OWNED

4.42 MILLION SQ FT

52.7% OCCUPANCY

INCOMING SUPPLY Q4 2024

3 BUILDINGS

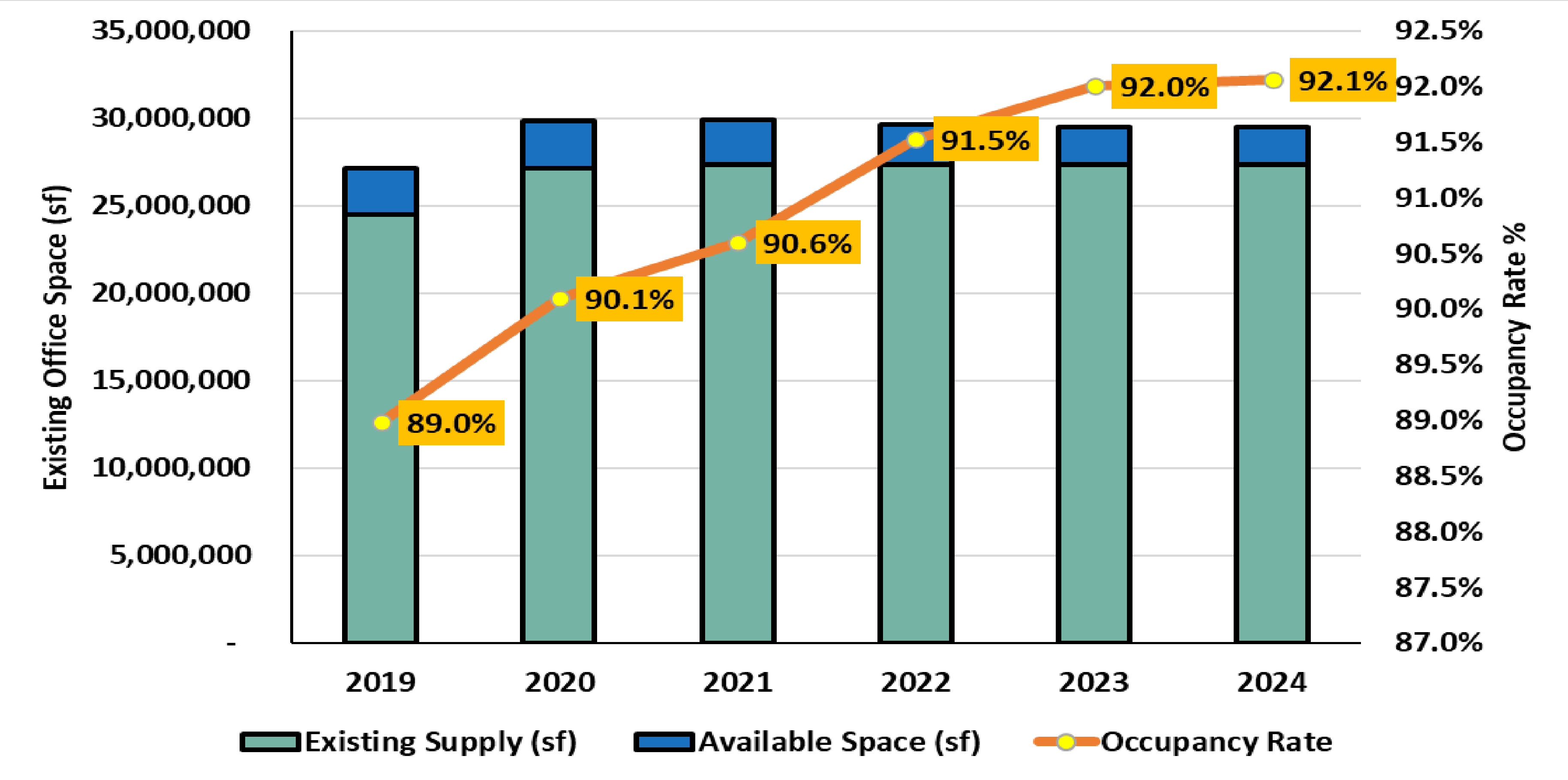
645,188 SF

PLANNED SUPPLY Q4 2024

3 BUILDINGS

429,211 SF

Source: NAPIC



NEW COMPLETION & NET ABSORPTION

Year	New Completions (sf)	Net Absorption (sf)
2019	430,007	-41,290
2020	2,684,840	2,702,718
2021	167,917	281,670
2022	-	262, 424
2023	-	130,243
2024	-	15,096
Average Annual Net Absorption (sf)		558,472

RENTAL PERFORMANCE

2023 | **2024**

Suasana PJH

2023		2024
AVERAGE RENT RM PSF GF: 3.00 – 11.60 1F: 3.50	Stable	AVERAGE RENT RM PSF GF: 3.00 - 11.60 1F: 3.50

Menara PJH

2023		2024
AVERAGE RENT RM PSF 1F-8F: 5.50 - 6.00 9F-12F: 6.50 – 6.75	Stable -11.4% (9F-12F)	AVERAGE RENT RM PSF 1F-8F: 5.50 – 5.75 9F-12F: 5.50 – 6.00

Galleria PJH

2023		2024
AVERAGE RENT RM PSF GF: 3.00 – 6.40 1F: 5.00 2F-9F: 5.80	2.4% (GF) Stable (1F – 9F)	AVERAGE RENT RM PSF GF: 3.00 – 6.40 1F: 5.00 2F-9F: 5.80

Source: NAPIC