

Urban Regeneration

Invest in **Taiwan**



Construction and Planning Agency,
Taiwan R.O.C.



Project Office of Urban Regeneration

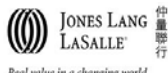


Jones Lang LaSalle Ltd.



Outline

- Introducing Taiwan
- Introduction on Urban Regeneration
- Projects
 - Keelung Railway Station & Wharf W2, W3
 - Nankang Railway Regeneration Project
 - Hsinchu Railway Station Area Urban Regeneration Project
 - Kaohsiung Lingang Railway Line Area

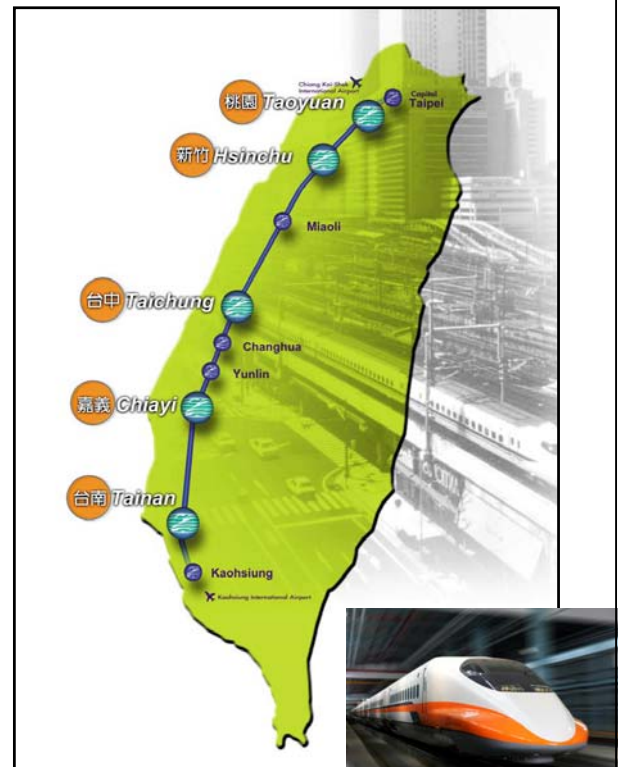


Taiwan – Central Position in Asia



Overview

- Population: 23 million
90% of population live on the west coast
- Area: 35,980 sqkm
- Globally ranked #4 in terms of Foreign Exchange Reserves
- Economic Driver: High-tech exports

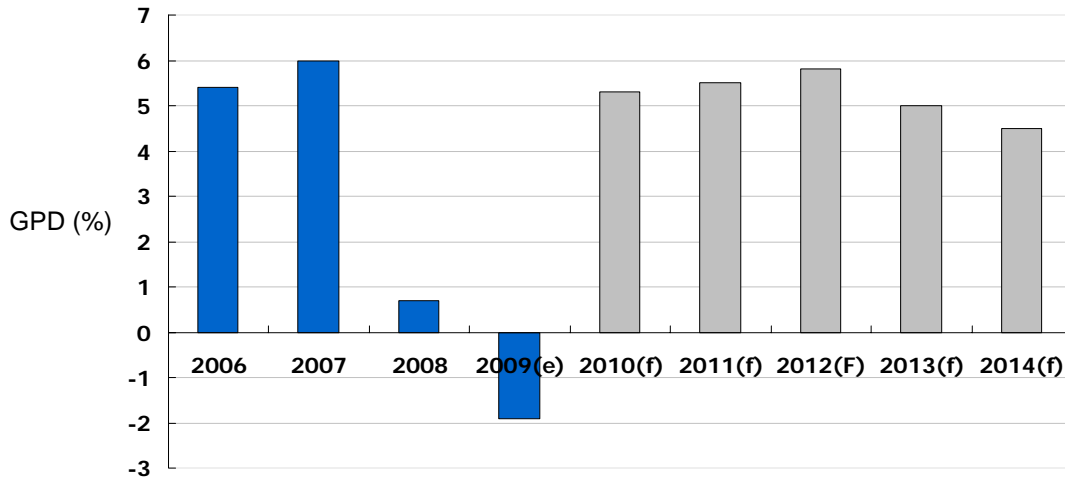


Source: National Statistics, Republic of China (Taiwan)



Real GDP Growth Rate

- Average annual GDP growth rate of 5%
- Taiwan's economy is expected to recover over 2010 with the rebounding demands from Taiwan's major export market and closer economic ties with China



資料來源：Global Insight (GI)、仲量聯行研究部



President Ma's Open Policies Toward China

- Direct Flight: weekend → overall
(Taipei SonShan Airport ↔ Shanghai HongQiao Airport starting from 6/14)
- Allow 3,000 Chinese tourists per day.
(business travel excluded)
- Allow Chinese investment in 99 fields ranging from manufacture, service, and infrastructure sectors since 2009 Jun.
- Gradually release restriction on Chinese investment in Taiwan real estate market.
- **ECFA to be signed in mid-2010.**

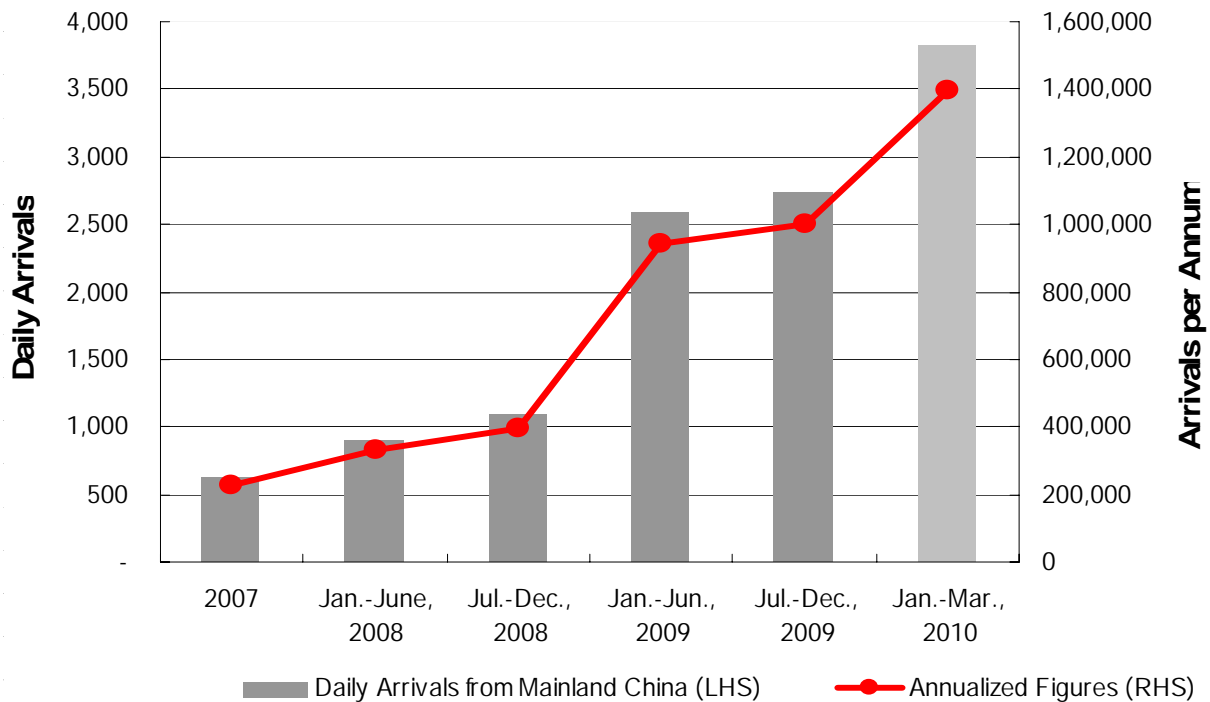


An Opening Door for Taiwan Economy



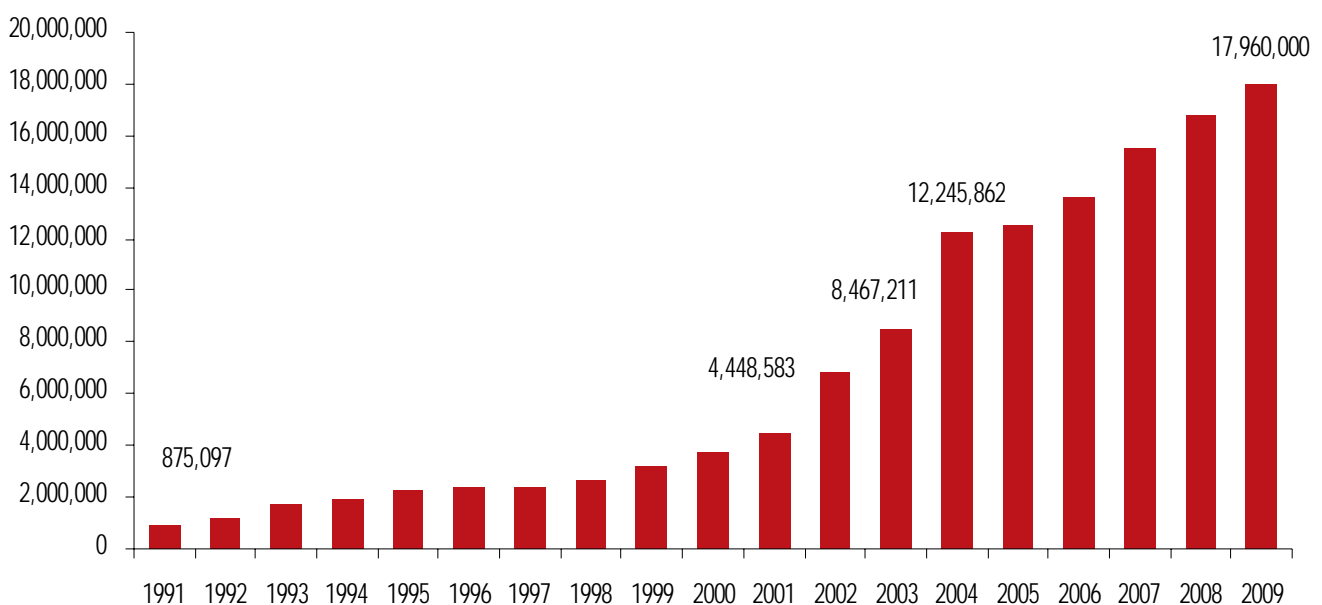
ECFA: Economic Cooperation Framework Agreement

Increasing Arrivals from Mainland China



資料來源：交通部，仲量聯行整理

Mainland Arrivals to Hong Kong

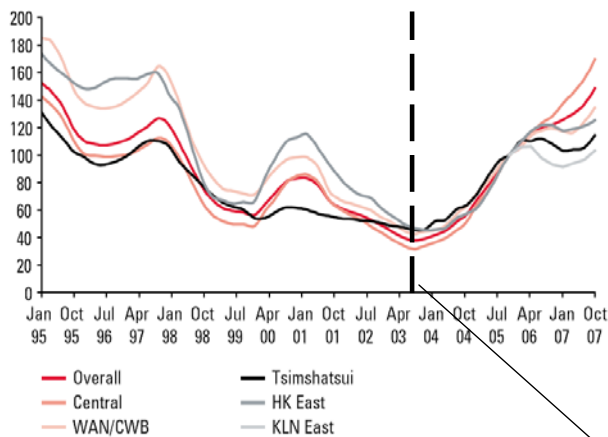


資料來源：Hong Kong Tourism Commission, 仲量聯行整理

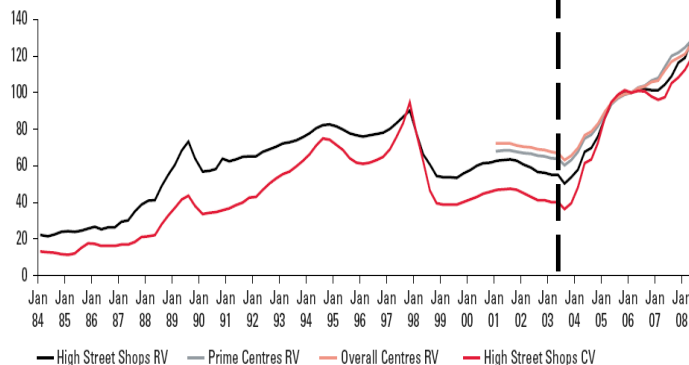


Impact on Hong Kong Real Estate Market

Office Market



Increasing Demand on Retail Market



來源: 香港仲量聯行

CEPA signed in 2003/6



Profit Opportunity Recommendation ranked by Business Environment Risk Intelligence

SOURCE: BERI 2010-1

#	COUNTRY	#	COUNTRY
1	瑞士 Switzerland	7	奧地利 Austria
2	新加坡 Singapore	9	比利時 Belgium
3	挪威 Norway	9	芬蘭 Finland
4	台灣 Taiwan	12	美國 USA
4	荷蘭 Holland	15	中國大陸 China
6	日本 Japan	18	南韓 South Korea
7	德國 Germany	49	巴基斯坦 Pakistan

NOTE: A Profit Opportunity Recommendation (POR) is given for each country in each issue. It states whether the business environment merits investment, contracts for medium and long-term relationships, transaction-by-transaction trade, or no business relations.



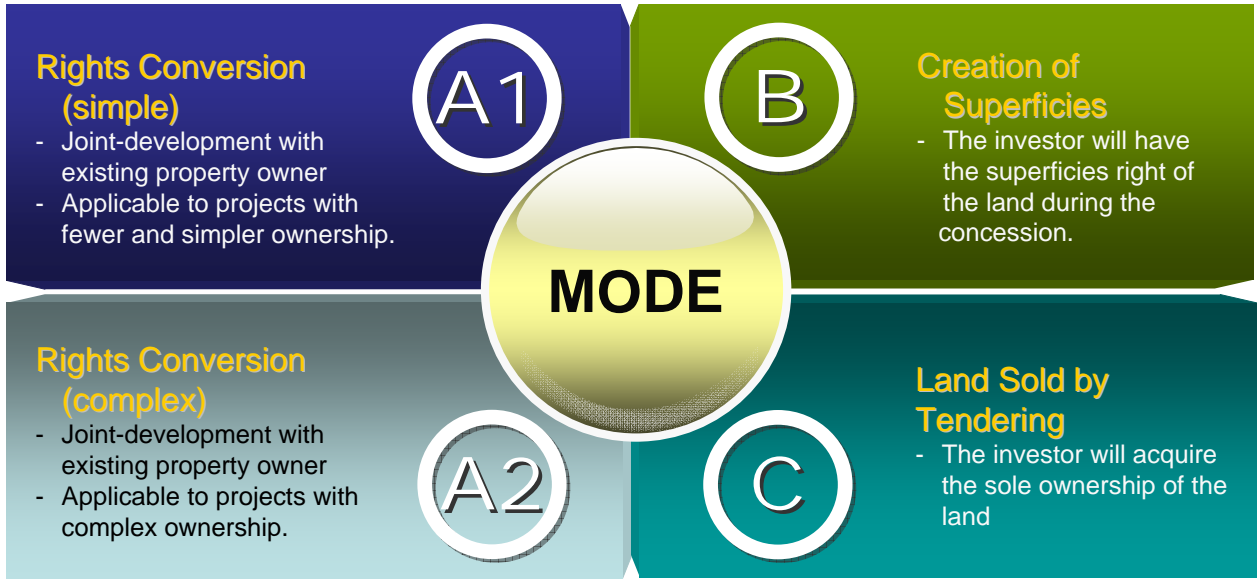
Introduction on Urban Regeneration



Preface

- Due to the difficulty of private ownership integration, the government has selected 95 places as government-led urban regeneration projects.
- Objectives
 - Providing one-stop shop to assist investors resolve obstacles during participation.
 - Assisting in the construction of relevant infrastructure and the demolition of existing construction.





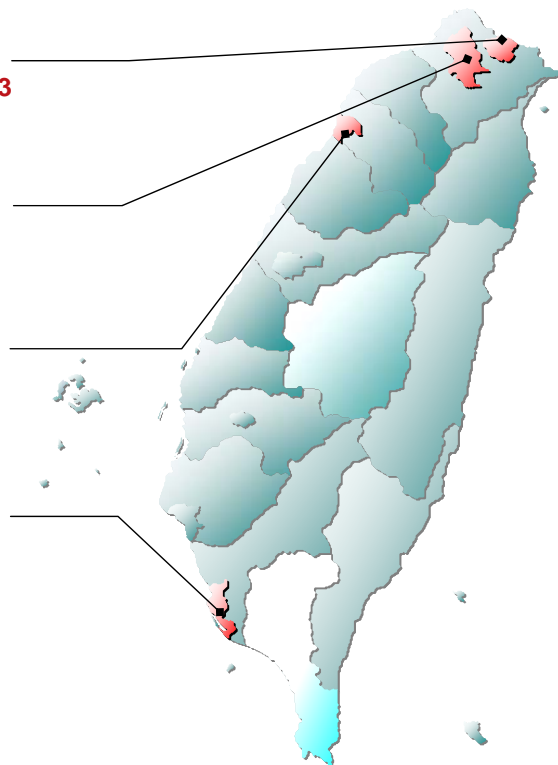
Projects

基隆火車站暨西二西三碼頭
The Keelung Railway Station & Wharf W2, W3

台北市南港調車場更新開發計畫
Nankang Railyard Regeneration Project

新竹火車站後站地區都市更新計畫
Hsinchu Railway Station Area Urban Regeneration Project

台鐵高雄港站
Kaohsiung Lingang Railway Line Area

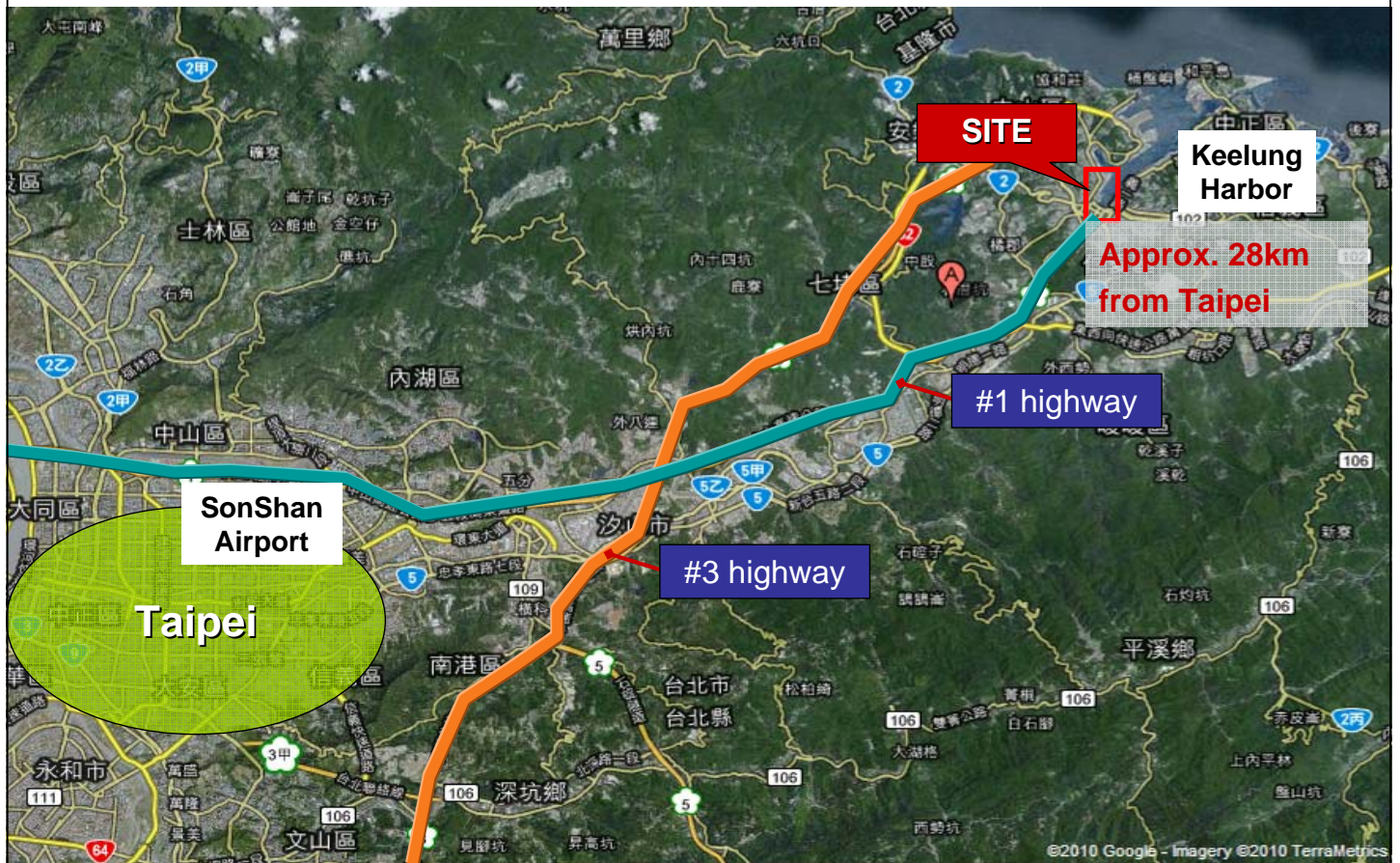


基隆火車站暨西二西三碼頭

The Keelung Railway Station & Wharf W2, W3



Location





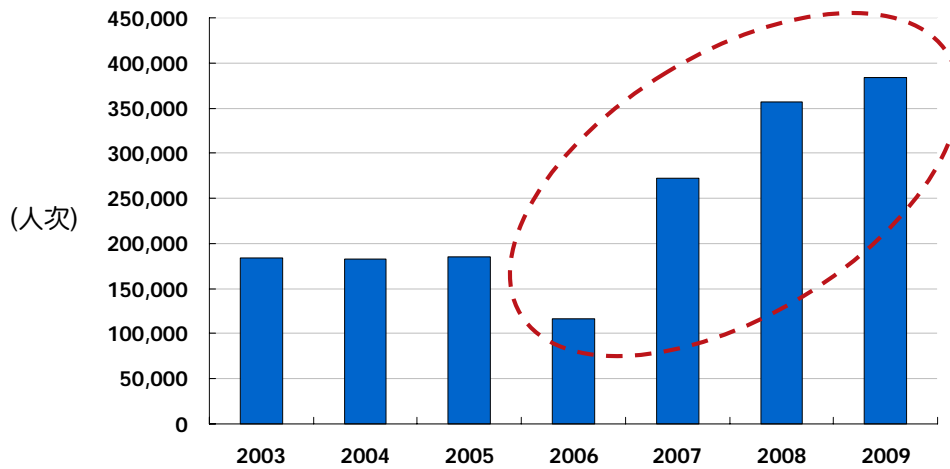
Keelung

- Population: 3,870,000
- The north-most city in Taiwan
- Keelung harbor: the 2nd busiest harbor in Taiwan
- Famous with numerous scenery spots



Night market

Increasing tourism visits at Keelung Harbor



資料來源：基隆港務局、仲量聯行整理

Site



- Creation of Superficies (50Y)
- Plot Area: 7.06 ha.
- BCR: 50%
- FAR: 300%

Business Hub

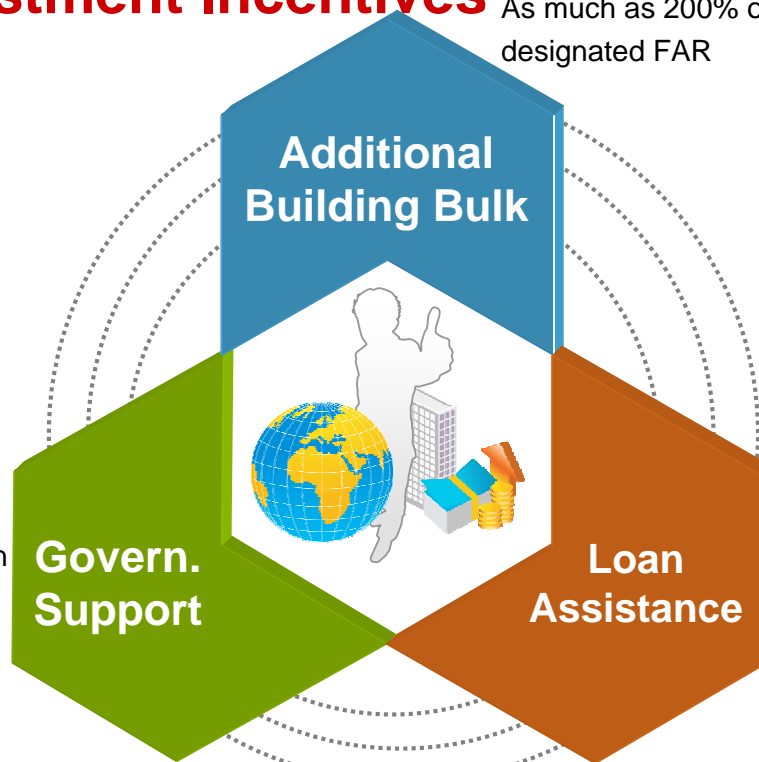


- Estimated Cost
 - NTD 10.9 billion
 - HKD 2.67 billion
- Estimated Total Floor Area
 - 239,940 sqm



Key Investment Incentives

As much as 200% of the designated FAR

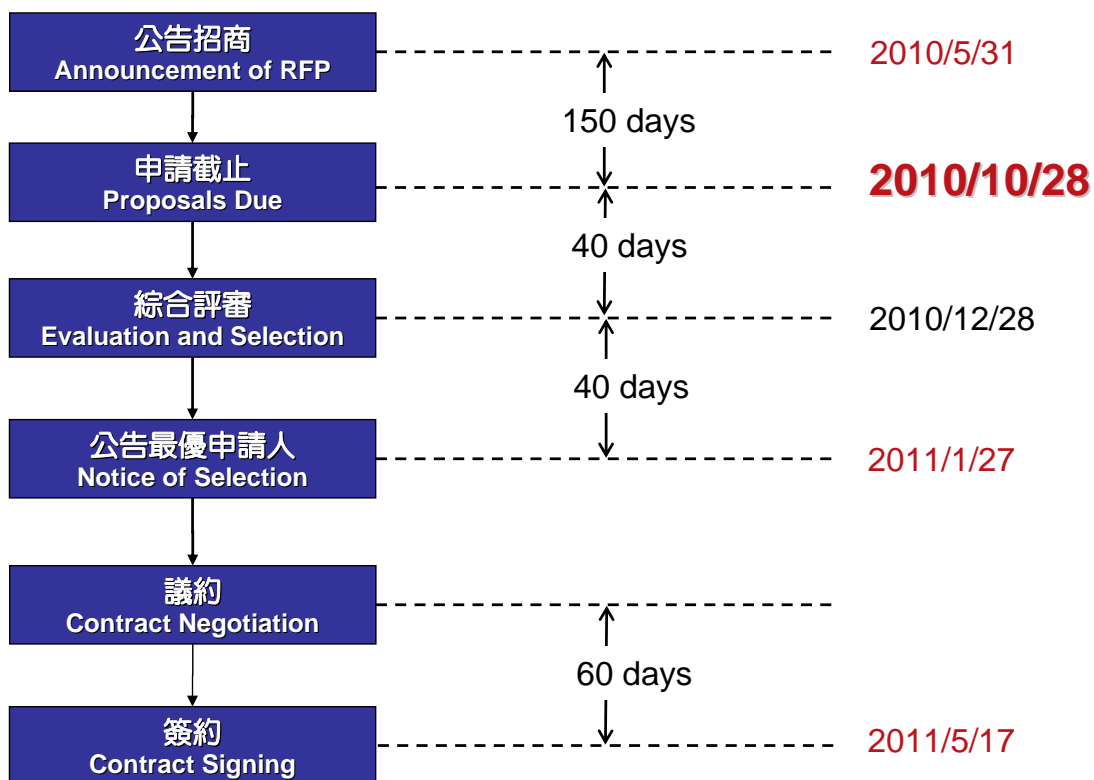


• Relative infrastructure plan

• Low-Interest Loan

NOTE:
 approx. 0.23% + 2.175% = **2.405% p.a.**
 Hang Seng's HKD Prime Rate: **5.00% p.a.**
 (as of 6/5/2010)

Projected Schedule



NOTE: subject to modification during the process



台北市南港調車場 更新開發計畫

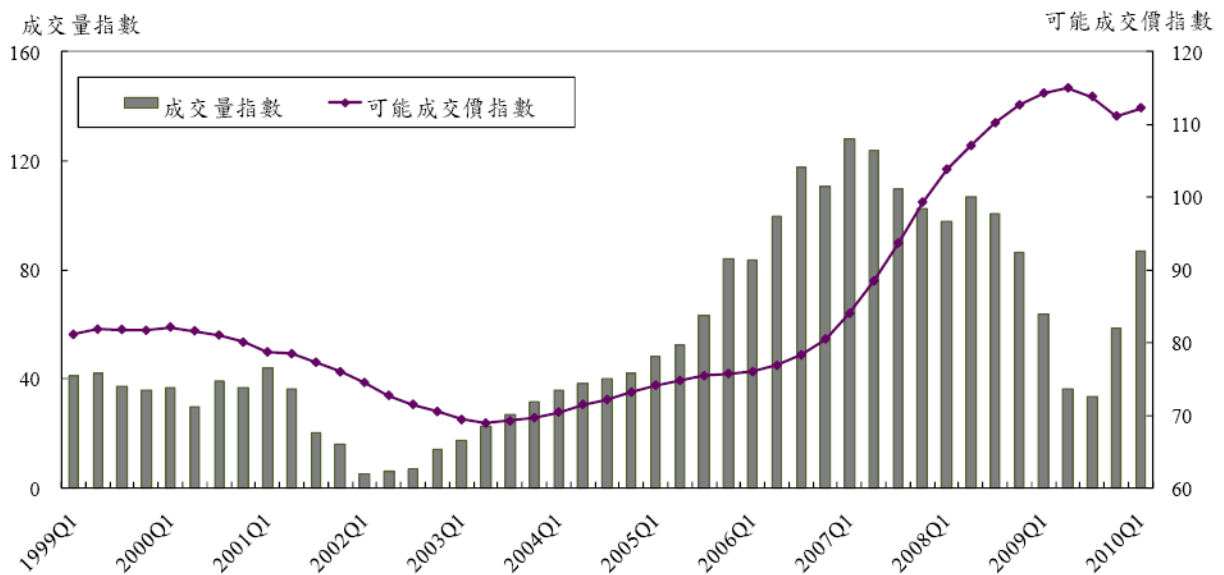
Nankang Railyard Regeneration Project



Location



Strong Demand on Taipei Real Estate Market

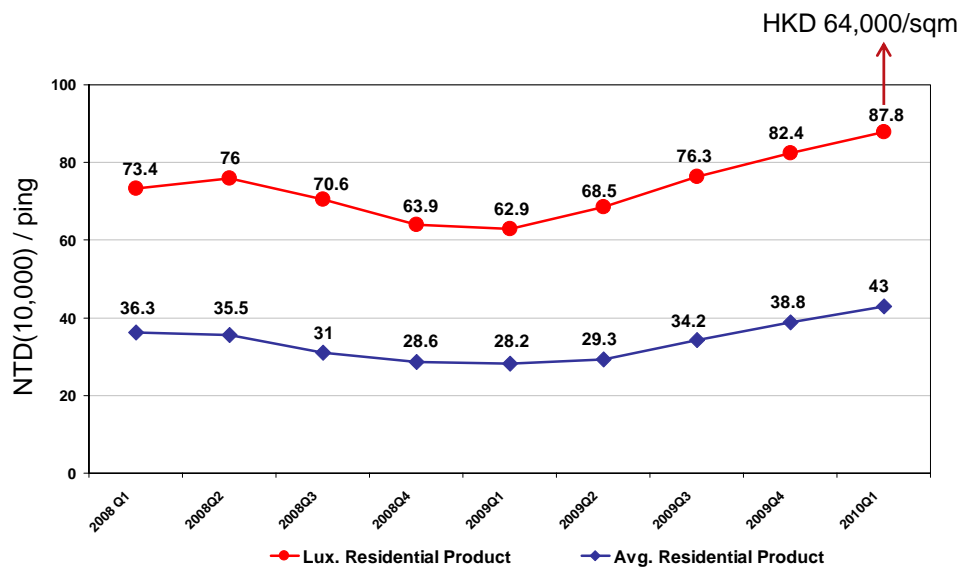


資料來源：國泰建設、政治大學房地產研究中心



Taipei Residential Market

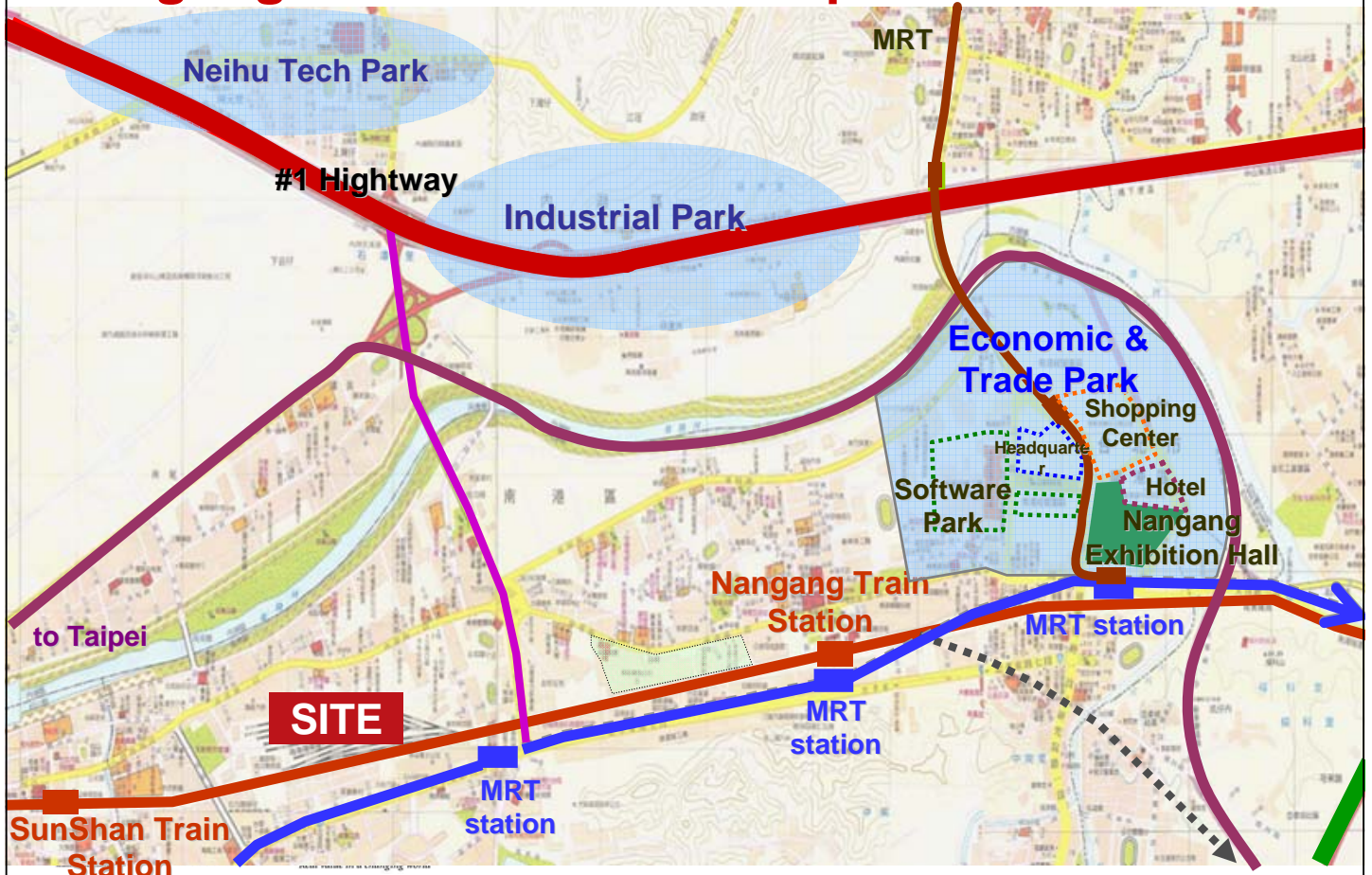
仁愛帝寶 – NTD 2M/ping
HKD 145,000/sqm



SOURCE: Jones Lang LaSalle

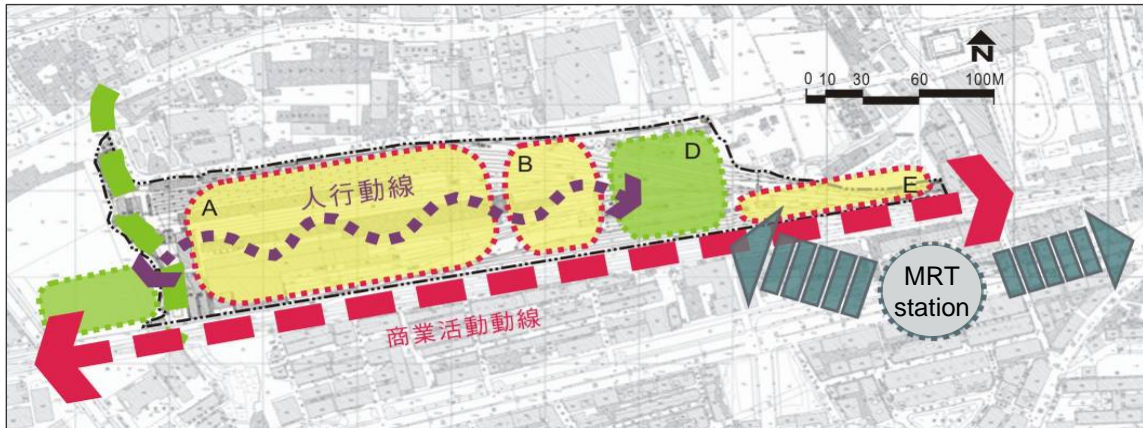


Nangang District – Future Taipei CBD



Basic Information

- MODE: Rights Conversion
- Plot Area: 5.44 ha.
- BCR: 55% FAR: 300%
- Approximately 200 meters from MRT station

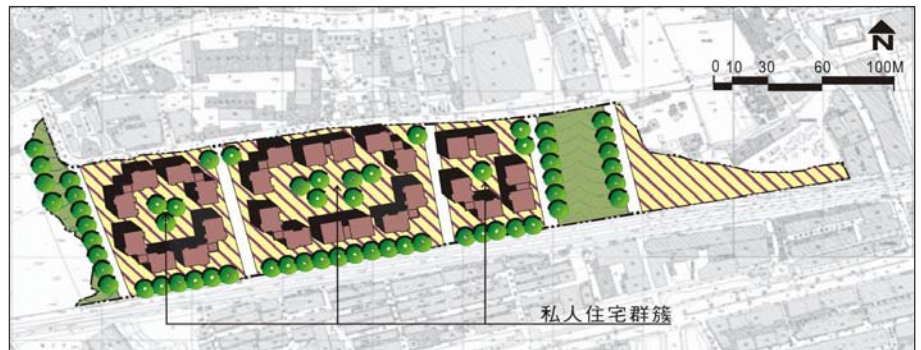


Product Scheme

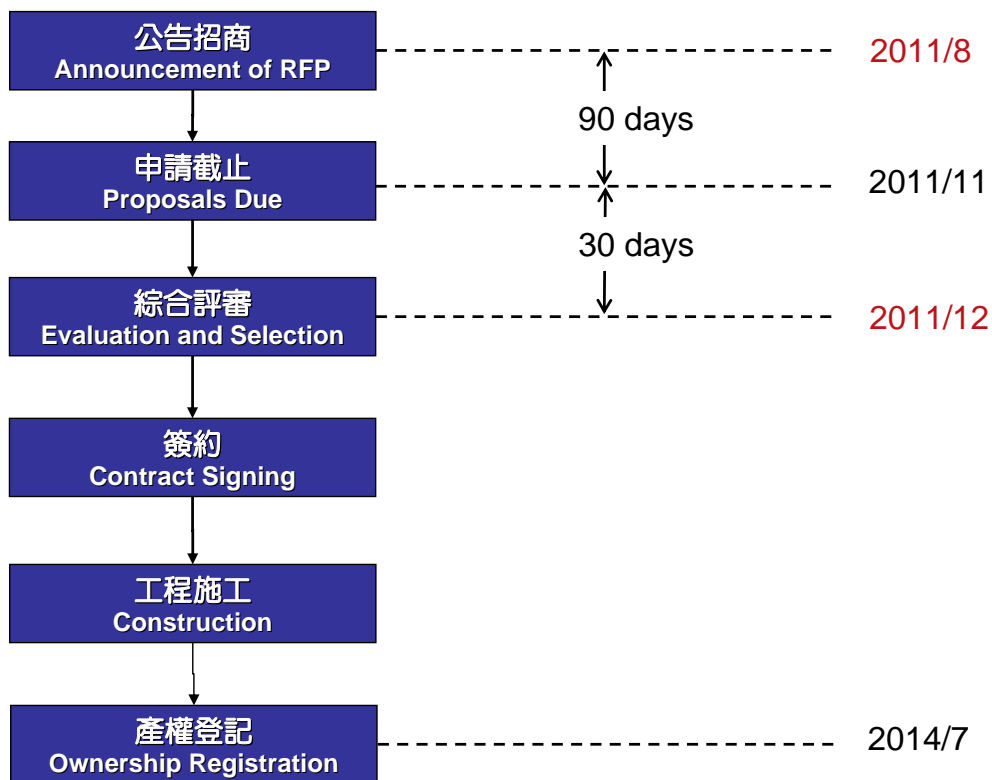
- Estimated Cost
 - NTD 16 billion
 - approx. HKD 3.9 billion



item	area(m ²)
Shopping mall	16,308
Hotel	32,617
Recreational Facilities	5,436
Residential Units	108,722
sum	163,083



Projected Schedule



NOTE: subject to modification during the process



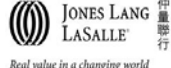
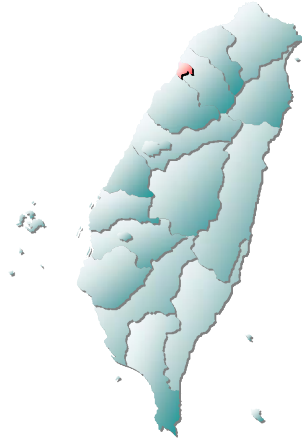
新竹火車站後站地區 都市更新計畫

Hsinchu Railway Station Area Urban Regeneration Project

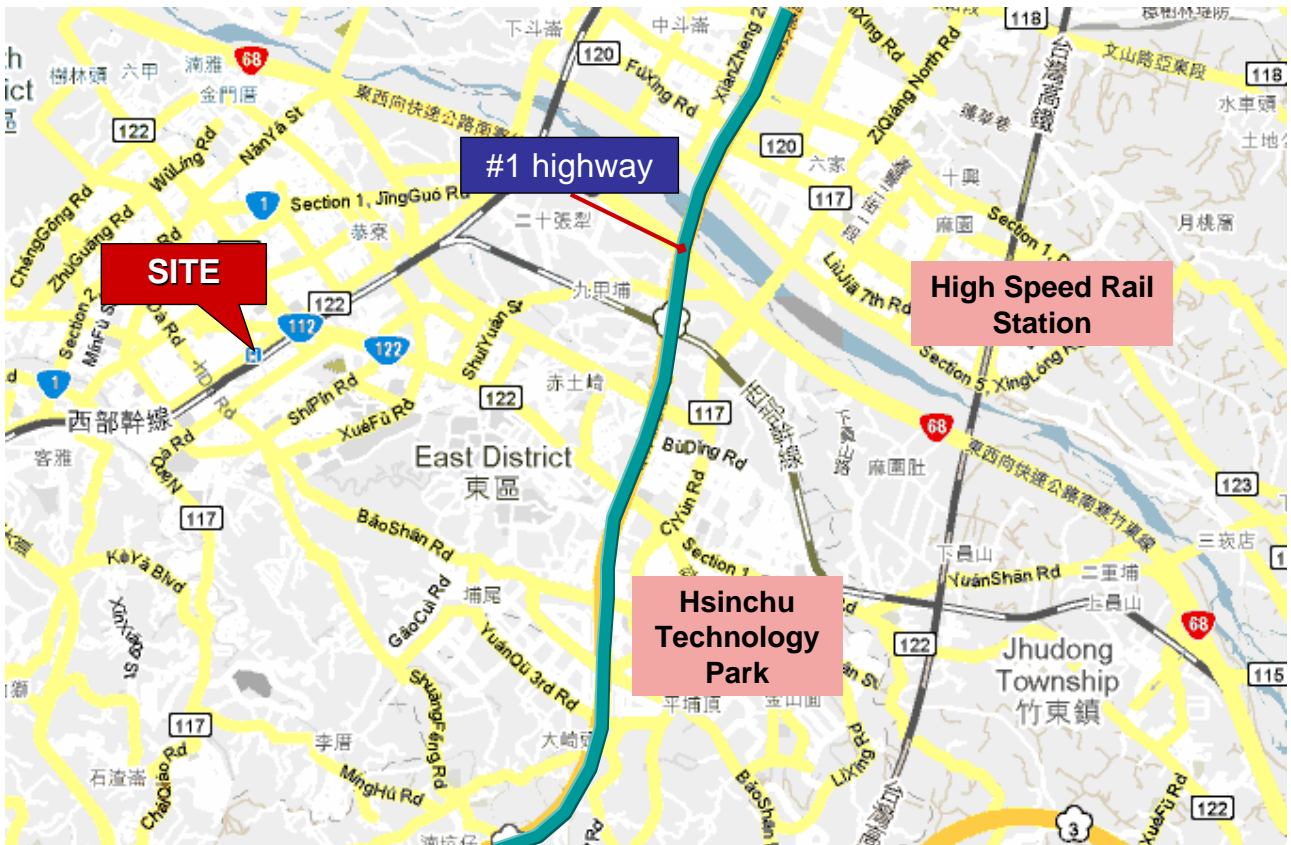


Hsinchu

- Population: 925,000
- Location
 - 80 km south of Taipei
 - Approx. 1.5-hour drive by car
 - 35 mins. through high speed train
- Characteristics
 - 2nd highest avg. household income (next to Taipei)
 - Origin of Taiwan's high-tech industry



Location



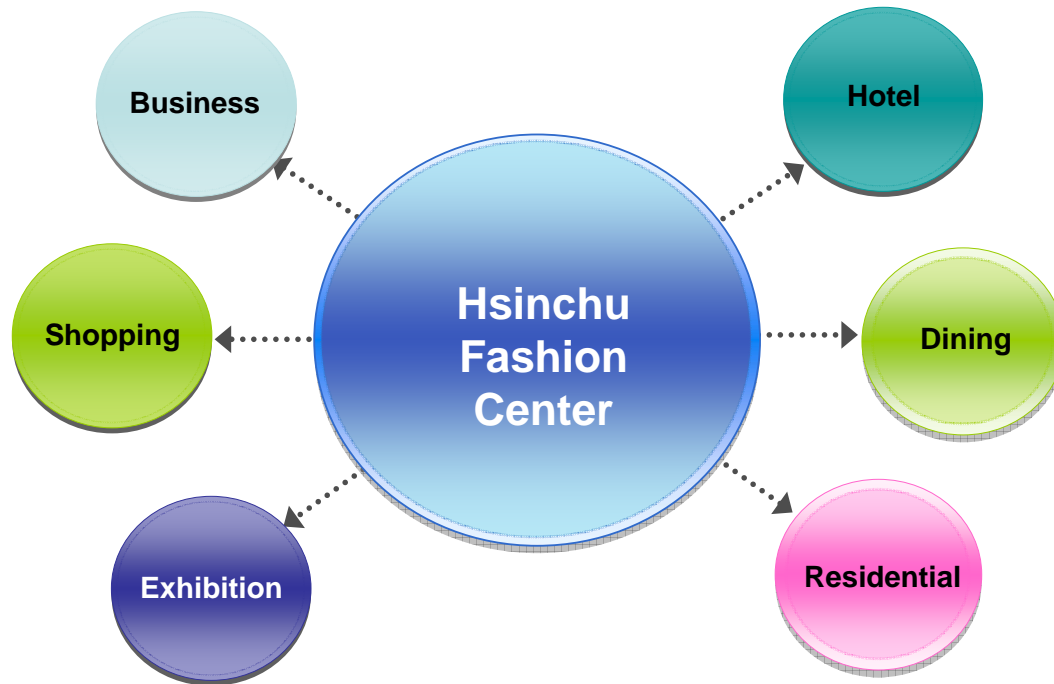


Basic Information

- Scope of Tender
 - F1-1、F1-2 and F2 unit
- Ownership
 - Government-Owned: 96.02%
 - Privately-Owned: 3.98%
- Imposed Plot Ratio
 - BCR: 50%
 - FAR: 300%
- Total Floor Area
 - 153,439 m²



Product Scheme



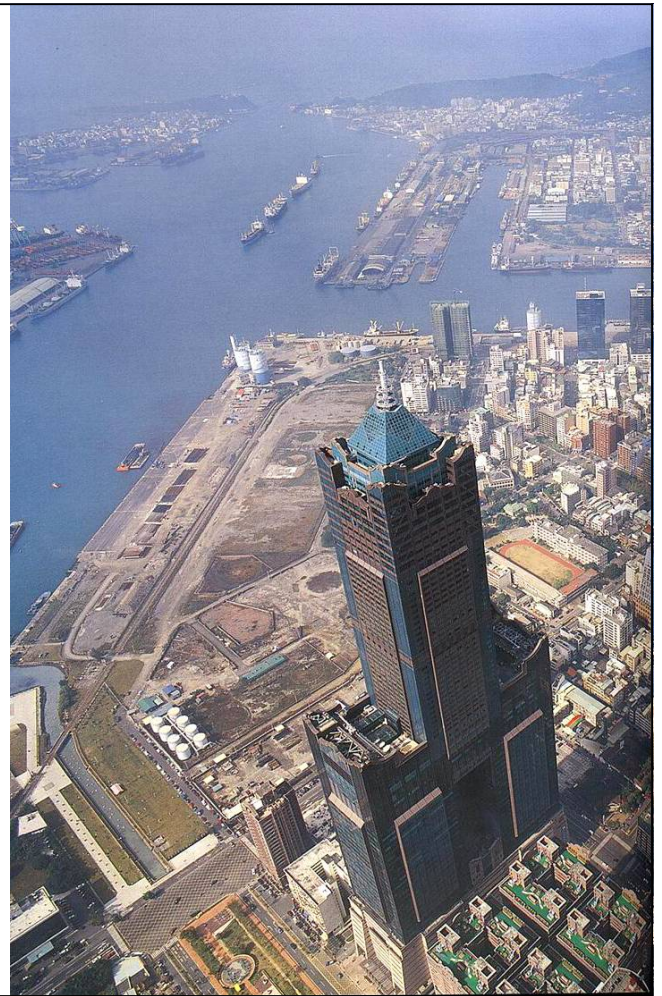
Hsinchu Fashion Center

- Estimated Cost
 - NTD 16 billion
 - HKD 3.9 billion



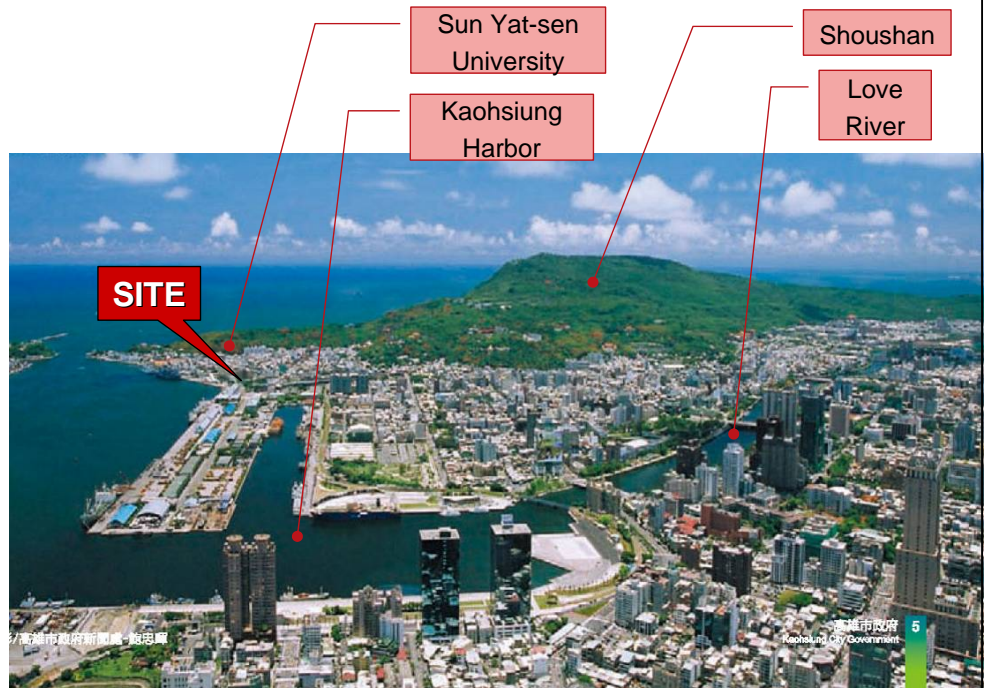
台鐵高雄港站

Kaohsiung Lingang Railway Line Area

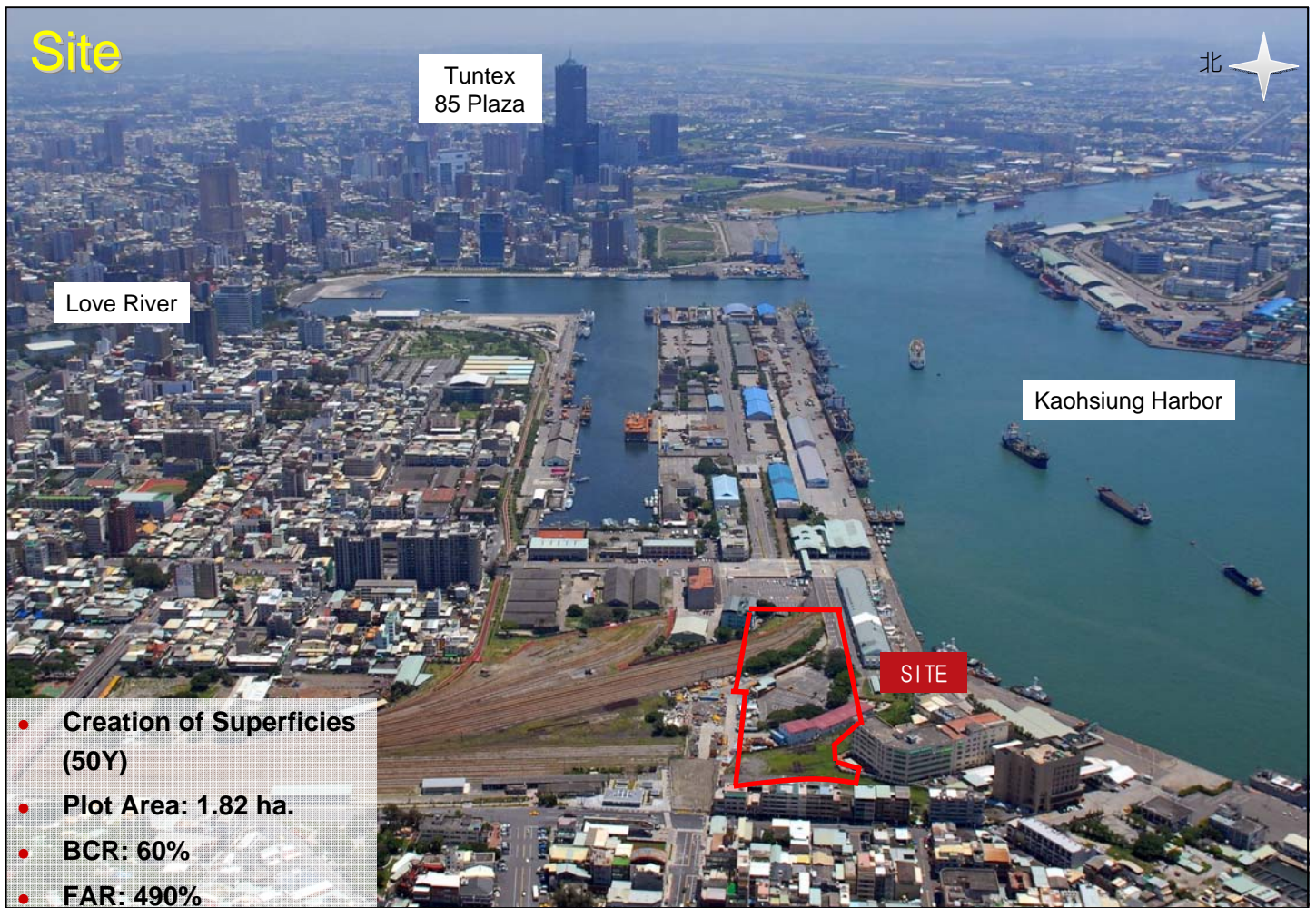


Kaohsiung

- Population: 1.53 million
- 2nd largest city in Taiwan
- Characteristics
 - Kaohsiung Harbor: the busiest Harbor in Taiwan
 - Heavy industries such as petroleum refinery, steel mills, and shipbuilding
 - w/ 2 subway lines
 - Kaohsiung Intl. Airport w/ direct flight to major cities



Site



- Creation of Superficies (50Y)
- Plot Area: 1.82 ha.
- BCR: 60%
- FAR: 490%

Potential

- 7.9 million tourism visits / year
- Majestic harbor scenery
- Direct access to MRT station
- Estimated Cost
 - NTD 6 billion
 - HKD 1.45 billion

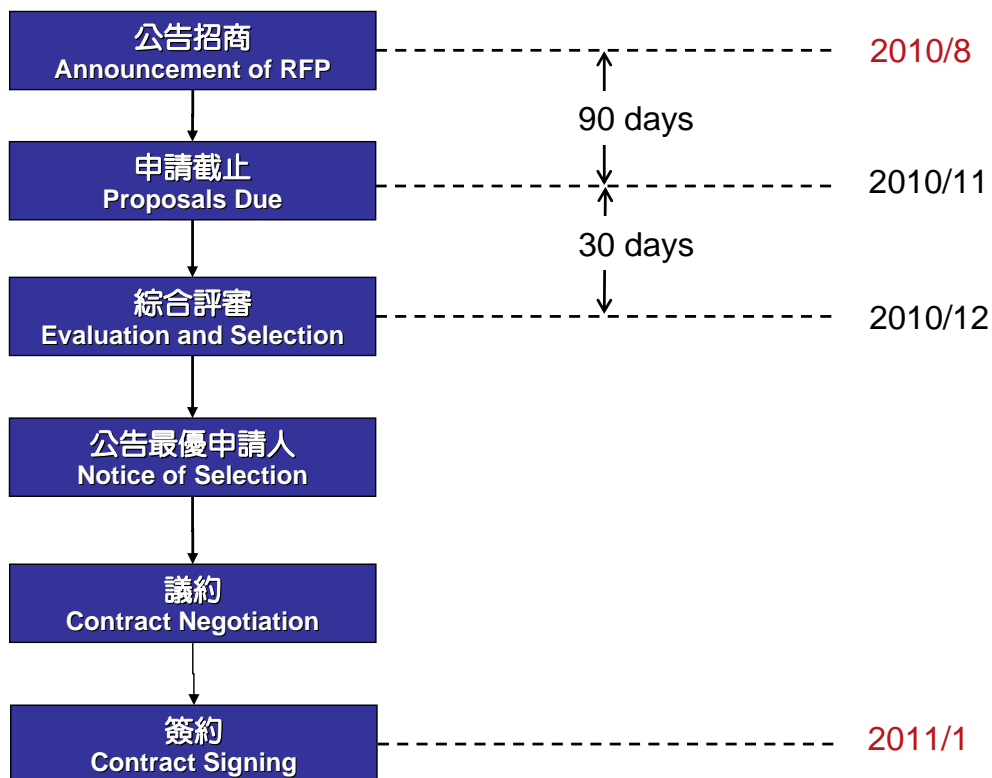


Key Investment Incentives

- Additional Building Bulk
 - As much as 150% of the designated FAR
- Tax Exempt and Subsidization
 - Land and House Tax
 - ✓ 50%~100% land tax exemption during construction; 50% land and house tax exemption for 2 years starting at the completion of renewal.
 - Preferential Capital Allowance
 - ✓ Up to 20% of the investment for capital allowance within 4 years.



Projected Schedule



NOTE: subject to modification during the process

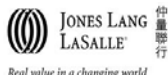


Information

Project	Area (ha.)	Mode	Scheduled Announcement Date	Contact
基隆火車站暨西二西三碼頭都市更新計畫 The Keelung Railway Station & Wharf W2, W3	7.03	Creation of Superficies	2010/06	Mr. Lin +886.2.2428.3596 k1033@mail.klcc.gov.tw
臺北市南港調車場更新開發計畫 Nangang Railyard Regeneration Project	5.09	Rights Conversion (simple)	2011/06	Ms. Zuo +886.2.2381.5226 #3667 tr702473@msa.tra.gov.tw
新竹火車站後站地區都市更新計畫 Hsinchu Railway Station Area Urban Regeneration Project	5.73	Rights Conversion (complex)	2011/08	Ms. Wu +886.2.2381.5226 #3643 tr004901@msa.tra.gov.tw
台鐵高雄港站都市更新計畫 Kaohsiung Lingang Railway Line Area	1.82	Creation of Superficies	2010/08	Mr. Tseng +886.7.3368.333 #2652 skttseng@kcg.gov.tw



Welcome to joining the flying business in Taiwan



Thank You!



Managing Director

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