

# MARKETBEAT TASHKENT

FIRST HALF OF 2024



CUSHMAN &  
WAKEFIELD

VERITAS



# TASHKENT MARKETBEAT

Offices

Class A Vacancy

**11.2%**

Class B+ Vacancy

**7.1%**

Class B Vacancy

**5.3%**

**32 USD**  
Class A Rents\*

**28 USD**  
Class B+ Rents\*

**23 USD**  
Class B Rents\*

\* average weighted rental rates are indicated OPEX and VAT exclusive  
\*\* the rents are based on the UZD/USD rate of 12 066,19 provided by the National Bank of the Republic of Uzbekistan as of Q2 2024  
Source: Cushman & Wakefield Kazakhstan Research Information is available as of Q2 2024

## UZBEKISTAN ECONOMIC INDICATORS AS OF Q2 2024

Unemployment Rate\*

**6.8%**

Country GDP Growth

**6.4%**

YoY, compared to January-March 2023

**12 687.3**  
UZS/USD

Source: Department of the Statistics of Uzbekistan  
\* latest data (Q2 2024)

## ECONOMIC OVERVIEW

The office market has been developing vigorously since 2017 after the government of Uzbekistan took drastic steps deregulate and open up the economy, introduce business-friendly reforms, encourage entrepreneurship, and attract foreign investment.

At the start of 2024, the total number of enterprises and organizations operating in Uzbekistan (excluding farms and peasant farms) stood at 592,371, marking a 12% increase compared to the same period in the previous year. However, at the beginning of 2024, this number slightly decreased to 485,024. Among them, 99,151 are located in Tashkent, accounting for a 20% share. Tashkent is a desirable location for foreign companies seeking to establish a presence in the Uzbek market. It is the country's primary investment destination, contributing 17% to the national GDP.

The number of enterprises with foreign capital in the country has been growing steadily over the past five years, increasing threefold during this period. On average, the number of such companies has been increasing by 25% annually.

## SUPPLY & DEMAND

The total stock (TGA) of class A office real estate in Tashkent equals about 375,000 m<sup>2</sup>.

The total stock of class B+ office real estate in Tashkent equals about 71,000 m<sup>2</sup>, and class B is about 209,000 m<sup>2</sup>. Hence, the total B+/B class office stock of Tashkent is currently 280,000 m<sup>2</sup>.

The Tashkent office market, which was previously in its nascent stage, has seen considerable development in 2024, with a significant number of Class A properties being introduced.

The market is evolving beyond the initial phase where the primary focus was on selling office space to different owners within the same business center, a strategy that provided developers with substantial short-term returns.

However, with the maturation of the market and the introduction of high-quality office spaces, the focus gradually shifts towards long-term sustainability and management efficiency. As a result, there is a growing emphasis on attracting institutional investors who seek stable, well-managed properties rather than just short-term gains.

## OUTLOOK

The imminent completion of these A-Class office buildings will add over 275,000 m<sup>2</sup> of office space, significantly expanding the available supply in Tashkent. This marks substantial growth for the city's office market, especially given that the current stock of A-Class offices is approximately 100,000 m<sup>2</sup>.

Compared to 2022, the total high-quality office space in Tashkent has doubled within the 2023-2024 period.







# TASHKENT MARKETBEAT

## Industrial

### ECONOMIC OVERVIEW

The warehouse real estate market in Uzbekistan, particularly in Tashkent, is undergoing dynamic development, fueled by the growth of e-commerce and increased international trade flows. With a limited number of modern logistics facilities, demand for high-quality warehouses is rising rapidly.

### SUPPLY & DEMAND

Current Market Indicators and Dynamics:

- Total stock of A-Class warehouses in Tashkent is around 150,000 m<sup>2</sup>, with rental prices ranging from 10-13 USD per square meter. This makes the segment attractive to international companies seeking efficient warehousing and logistics solutions.
- B+ Class warehouses offer more budget-friendly options, with rental prices between 8-10 USD per square meter. These facilities generally meet modern standards but may lack some of the advanced features and safety systems found in A-Class properties.
- B-Class warehouses, often older or less equipped facilities, offer rental rates starting from 5 USD per square meter. These spaces are appealing to businesses with lower infrastructure and technological requirements.

Trends and Projections:

The rapid growth of e-commerce in Uzbekistan—rising by 30-40% annually—is driving demand for A-Class and B+ Class warehouses. The market is actively adapting to new business needs, leading to a doubling of high-quality warehouse space in Tashkent between 2022 and 2024.

By 2025, demand is expected to increase by an additional 50-60%, spurred by the development of international transport corridors and improved infrastructure. The total stock of A-Class warehouse space in Tashkent is projected to rise to 250,000-300,000 m<sup>2</sup> to meet business needs, including the expansion of storage networks for retailers and major logistics operators.

Rental prices for B+ and B-Class warehouses are likely to increase by 15-20% over the next few years as older facilities are modernized and new spaces become available. However, B-Class warehouses will remain the most affordable option for small and medium-sized businesses, ensuring steady demand for this segment.

### OUTLOOK

Over the next 1-2 years, the warehouse real estate market in Tashkent is expected to experience strong growth driven by the continued expansion of e-commerce and increasing international trade. The demand for A-Class and B+ Class warehouses will likely surge, pushing rental prices up by 15-20% as new facilities come online and older ones are modernized. The total stock of high-quality warehouse space could increase by up to 50%, accommodating the growing needs of retailers and logistics operators. Early investments in the sector are expected to yield significant returns, as both demand and prices for modern warehouse infrastructure rise.

Prime Vacancy



12 USD  
Prime Rents\*

+60 000 m<sup>2</sup>  
Expected in Total Stock

Source: Cushman & Wakefield Kazakhstan Research Information is provided as of first half of 2024

\*rents are indicated VAT exclusive, OPEX inclusive; asking (marketing rents) may deviate from real transaction rents.

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Unemployment Rate\*

6.8%

Country GDP Growth

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YoY, compared to same period in 2023

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UZS/USD

Source: Department of the Statistics of Uzbekistan  
\* latest data (Q2 2024)





# TASHKENT MARKETBEAT

## F&B Industry

### AVERAGE PRICES FOR OUR FOOD SELECTION:



Burger  
**3.50** USD



Caesar  
**3.5** USD



Latte  
**2.50** USD



Lemonade  
**2.50** USD



Lagman  
**3.00** USD



Margarita  
**7.00** USD

Lemonade prices are for 400 ml and latte prices are for 350 ml.

\* The calculations of prices are made based on the average UZS/USD rate of 12,634 provided by the National Bank of the Republic of Uzbekistan for Q2 of 2024.

### MARKET OVERVIEW

Tashkent has a reputation as the economic and industrial center of the country, with the majority of local and international companies located in the city. Historically, the city is divided into two parts - the old and the new city. The old city served as the center of craft and trade life, while the new city was the hub of industrial activity.

The old city, the historical center of Tashkent, is located around the Chorsu Bazaar area and extends further to the north and east. The cultural and entertainment center of the city is situated in the vicinity of Amir Timur Square. In this area, you can find the Historical Museum, the Tashkent Opera Theater, squares, parks, as well as numerous shopping centers, cafes, restaurants, and clubs.

The F&B facilities in the city can be separated into 4 main categories:



QSR



Casual dining



Delivery



Pubs & Bars

\*QSR: a specific type of restaurant that serves fast food and has minimal table service

The food and beverage market in Tashkent is a dynamic and diverse sector with a total of 4,800 establishments. The main areas where food establishments are concentrated include the Yunusabad, Chilanzar, Shayhantokhur, and Yashnabad districts. In Tashkent, you can find representatives of various world cuisines, ranging from traditional Uzbek cuisine to Italian, Japanese, Chinese, and others. This allows to cater to the tastes of a wide range of consumers.

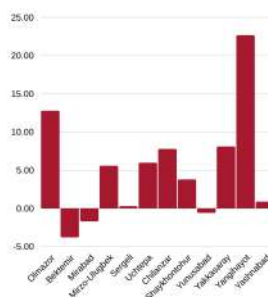
The city features a variety of dining formats, from small cafes and street stalls to luxurious restaurants. Uzbek cuisine is highly popular among both locals and tourists. Restaurants offering dishes such as pilaf, kebabs, lagman, and other Uzbek delicacies often attract large numbers of visitors.

**8,450,900** UZS  
Average wage

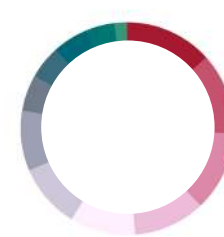
**3,040,000**  
Population as of January 1, 2024

**4,800**  
F&B Stock

### % INCREASE IN F&B UNITS BY DISTRICT



### POPULATION PER F&B UNIT



- Olmazor 13.3%
- Yunusabad 12.4%
- Shayxontoxur 12.1%
- Mirzo Ulugbek 10.9%
- Uchtepa 9.9%
- Yashnabad 9.8%
- Chilanzar 9.2%
- Yangiyahot 5.5%
- Mirabad 5.0%
- Sergeli 5.5%
- Yakkasaray 4.3%
- Bektemir 1.9%







# TASHKENT MARKETBEAT

## Flexible Space

### MARKET OVERVIEW

Tashkent, as the capital of Uzbekistan, has a growing market for co-working spaces, reflecting the increasing demand for flexible office solutions. Based on the latest available data, Tashkent has a total of 12 co-working spaces, with a combined capacity of 12,100 m<sup>2</sup>.







The average rate per desk in Tashkent's co-working spaces is 1 700 000 UZS (This rate reflects the cost associated with renting a desk in these shared spaces, providing a benchmark for potential users and investors).

Similar to other cities, Tashkent has a larger prevalence of Class B co-working spaces, offering a balance between affordability and quality. Some of the notable Class B spaces include GroundZero Kitob Olami and MySpace. On the other hand, C-Space Elbek is one of the few Class A co-working spaces in Tashkent, providing premium services and facilities.

Tashkent's co-working market is characterized by a wide range of operational hours, with most spaces offering 24/7 access. This flexibility makes it easier for freelancers, startups, and remote workers to manage their work schedules efficiently.

The occupancy rates are high, signaling strong demand for these flexible office solutions. This trend indicates that Tashkent is emerging as a hub for entrepreneurs and remote workers in Central Asia.

Services that are included in the average rate within flexible offices:

							
Fixed Desks	Lockers	Wi-Fii	24/7 access (when applicable)	Kitchen & Lounge	Basic access to copy machine	Reception	Wardrobe

The total stock of co-working spaces is concentrated in specific districts, with the majority located in:

- Yunusabad District: 5 spaces
- Yashnabad District: 1 space
- Yakkasaray District: 1 space
- Mirzo Ulugbek District: 2 space
- Shayhantahur District: 1 space
- Mirabad District: 2 space

The concentration of co-working spaces in these districts highlights key areas where business activities are thriving and where there is a high demand for flexible working environments.

In the coming years, the opening of a Class A coworking space is expected, which will include areas for individuals as well as separate office spaces designated for local and international companies. According to preliminary data, the total area of coworking spaces under construction will exceed 6,000 m<sup>2</sup> and will be located in the central part of Tashkent.

**12**  
Number of Coworkings

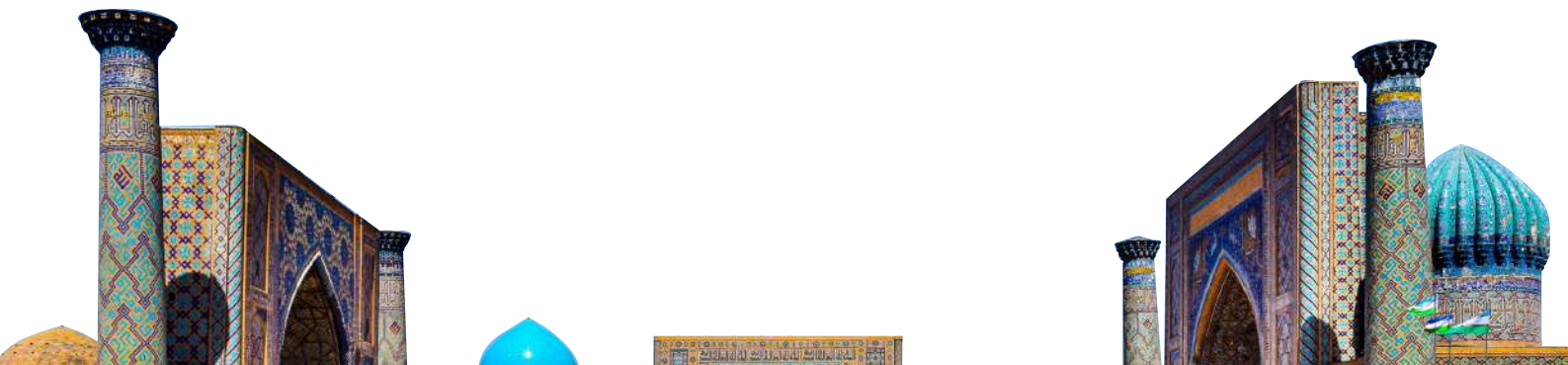
**12 000** m<sup>2</sup>  
Total Stock

**375** m<sup>2</sup>  
Total Desks

**1 700 000** UZS  
Average Rate/desk per month

Supply in class A  
**3**  
developments

Supply in class B  
**9**  
developments





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