

Spotlight

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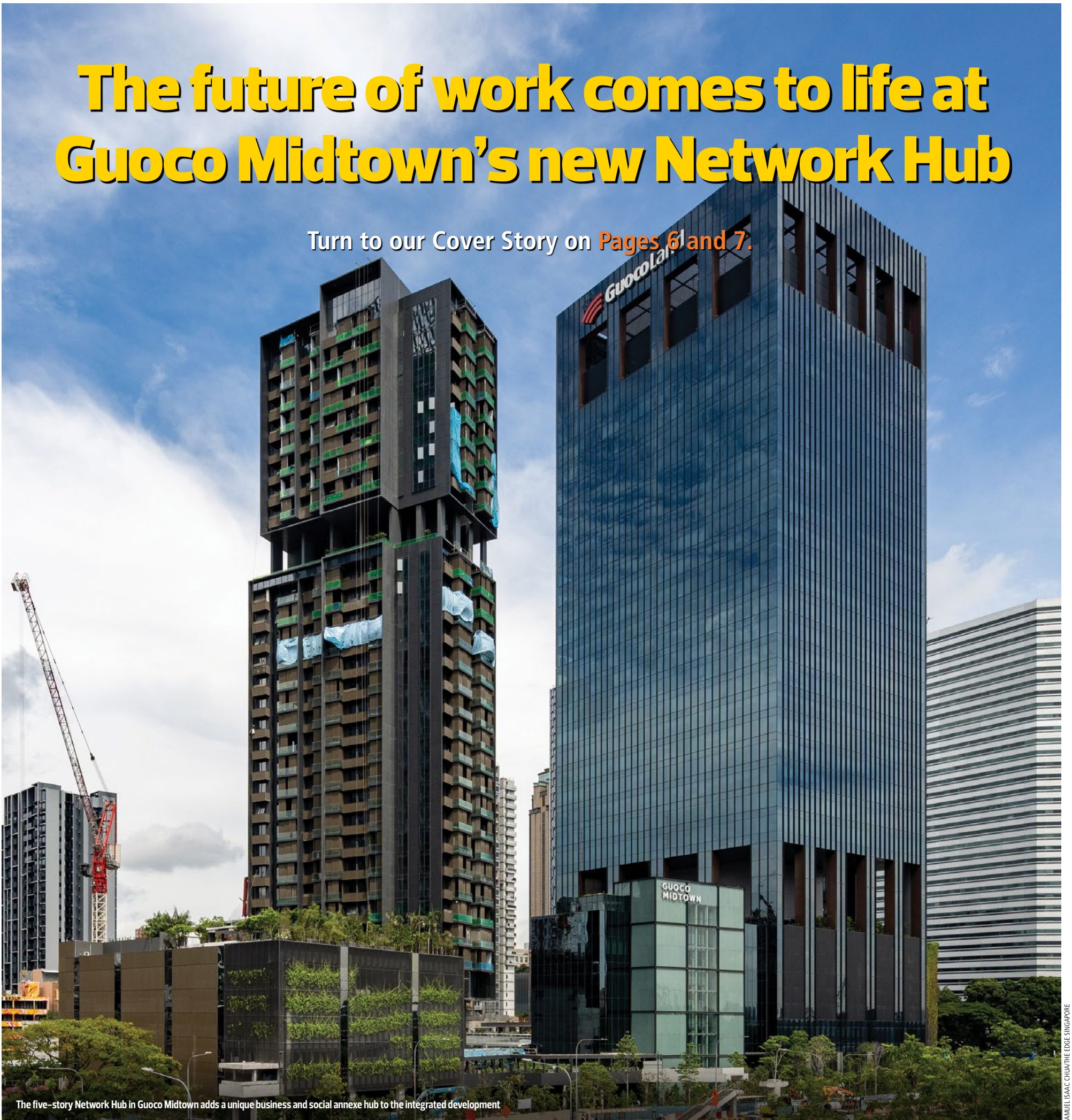
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The future of work comes to life at Guoco Midtown's new Network Hub

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The five-story Network Hub in Guoco Midtown adds a unique business and social annexe hub to the integrated development



Wong: The Network Hub at Guoco Midtown bridges the core office product with layers of activity-based and hybrid workspaces

PICTURES: SAMUEL ISAAC CHUA/THE EDGE SINGAPORE

The future of work comes to life at Guoco Midtown's new Network Hub

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The last week of November marked the opening of Guoco Midtown's latest commercial component: the five-storey Network Hub. It is part of the large-scale \$2.4 billion Guoco Midtown integrated development on Beach Road developed by Singapore-listed GuocoLand.

A purpose-built business and social annexe, the Network Hub links the 30-storey Grade A office tower at Guoco Midtown to the retail cluster comprising Midtown Market and Midtown House, the former Beach Road Police Station.

Guoco Midtown is GuocoLand's landmark project in the Bugis/Beach Road precinct and is a catalyst for the rejuvenation of this part of Beach Road in the Downtown Core. When the entire 3.2ha integrated development is completed by the end of next year, it will join other new commercial and residential projects in the area such as Wing Tai

Holding's 522-unit The M on Middle Road, which was completed in August and the new Shaw Tower targeted for completion in 2025.

Future trends in work culture

The 50,000 sq ft Network Hub exemplifies GuocoLand's vision of the future trends in work culture and the changing attitudes towards the workplace, says Valerie Wong, managing director (Asset Management) at GuocoLand. "We hope the Network Hub becomes a focal point at Guoco Midtown, bridging hybrid working and activity-based work environments."

The first floor of the Network Hub features a members-only lounge and hot desking area, anchored by a café called Workspace Grains + Café by Cedele. Office tenants and their registered guests at Guoco Midtown will have access to all the members-only areas in the Network Hub.

Cedele's café will also provide F&B services to the various Meetings, Incentives, Conferenc-



The five-storey Network Hub is a business and social annexe building connected to the 30-storey office tower



The 160-seater conference room on the second floor can also be converted into a hot desk zone with 50 workstations

PICTURES: SAMUEL ISAAC CHUA/THE EDGE SINGAPORE



The open-plan hot desking area offers a different work environment for tenants in the office tower



Some private focus pods and workstations are available in the Network Hub

es and Exhibition (Mice) facilities in the Network Hub. The largest meeting venue is the 160-seater conference room on the second floor. This room has flexible uses such as town hall meetings, annual general meetings, media events, training and network sessions.

The second floor also has two flexible meeting rooms for about 30 persons each and an open-plan hot desking area served by a pantry and bar counter. Other amenities include soundproof focus pods, a nursing room, and end-of-trip facilities with showers, lockers and bicycle tracks.

“We have different layers of workspaces throughout the Network Hub, each with its activity-based function,” says Wong. “We have crafted these alternatives in response to the needs of our tenants.”

She adds that the meeting rooms, lounges, and pockets of workstations throughout the Network Hub are not there to compete with the core office spaces in the office tower. “The spaces within the Network Hub exist to help our tenants maximise the efficiency of their core office space and act as a venue for work interaction to encourage a return to the office.”

The 30-storey office tower, comprising 709,000 sq ft of Grade A office space, has achieved a take-up of 90%. Just the 29th floor and pockets of space on various floors are still available for lease. Major office tenants in the tower include Porsche Asia Pacific, Commerzbank AG, Vitol Asia, BASF, NetEase Interactive Entertainment, Suntory Beverage & Food, VP Bank, Pacific International Lines, and Publicis Groupe.

In addition to the office space in the 30-storey tower, Porsche has leased the entire third floor of the Network Hub for its experience centre. Named the Porsche Studio Singapore, the experience centre will combine indoor showroom space for cars with outdoor F&B, retail and public exhibition spaces at Guoco Midtown.

The fourth floor of the Network Hub is still vacant, although discussions are ongoing with several prospective tenants, according to Wong.

‘Swing spaces’

The second floor of the Network Hub will have two fully fitted private office suites set aside as “swing spaces” or temporary office space for tenants in the 30-storey tower. One of the two office suites is 4,400 sq ft with 56 workstations. The other office suite is 2,700 sq ft with 37 workstations. Each private suite has a dedicated entrance, reception area, customised signage options, flexible meeting rooms, and a pantry.

“These two swing spaces at the Network Hub provide our tenants with a short- to medium-term solution that responds to their business needs and changes in their future space planning,” says Wong. She adds that there are ongoing negotiations to lease both office suites.

The growth in the proportion of co-working and flexible workspace within the office market in Singapore demonstrates that corporate tenants are utilising swing spaces and co-working spaces as an integral part of their overall leasing strategy, she says. As a landlord, GuocoLand recognises that it must provide some form of flexible workspace for its tenants, she adds. For example, one of the tenants in the office tower at Guoco Midtown was facing a six-month delay in the fit-out of their new office. GuocoLand’s leasing team accommodated the company in a 6,362 sq ft ‘swing space’ private office suite on the 8th floor of the office tower. It is the only swing space outside the Network Hub.

“Tenant retention is a key component of our leasing strategy,” says Wong. “Thus, by creating this type of ‘stickiness’, we can keep our tenant retention rate relatively high.” The swing space is also ideal as an incubator space for tenants transitioning from a flexible space into a conventional office suite.

Supporting work-live-play culture

GuocoLand is pushing the traditional boundaries to create a unique work and social experience at Guoco Midtown. The rooftop of the Network Hub has a 40m lap pool and an 18-seat poolside private dining room dedicated to a Grade A office development.

The amenities have already proven to be a hit among some of the tenants at Guoco Midtown, says Wong. The space has been the venue for several cocktail parties and after-hours company events. Apart from using the amenities on the rooftop, an increasing number of tenants also intend to host dinners served by private chefs within their office space, she adds.

The rooftop of the Network Hub is also connected to the seventh-floor Sky Garden and recreational deck of the adjacent 30-storey office tower. The difference in the floors is due to the higher 5m ceilings in the Network Hub compared to the average 3.3m floor-to-ceiling height in the office tower.

The amenities at the Sky Garden include a jogging circuit, an outdoor gym, an event plaza, relaxation pavilions, and several landscaped gardens. There are more amenities on the rooftop of the office tower, including an open-air lawn, a garden, and two pavilions fitted for hosting events.

“The Network Hub redefines what the office experience can be,” notes Wong. GuocoLand’s intention, according to Wong, is to provide its office tenants with high-quality and integrated work-social experiences that optimise how its tenants work and use their available space to engage with employees, customers, and stakeholders.

Return to office – the new norm

Wong attributes the strong take-up rate of the office tower to a confluence of market factors, including the availability of core-flex options for tenants. She relates that when Guoco Midtown unveiled its office tower in 2021, many corporate tenants were grappling with their hybrid workplace strategy.

GuocoLand moved swiftly to complete the office tower at Guoco Midtown in January to capitalise on the limited new Grade A office supply pipeline this year. Next year will see about 2.4 million sq ft of new office supply enter the market such as the completions of IOI Central Boulevard Towers (1.29 million sq ft), Labrador Tower (670,000 sq ft), and Keppel Towers (386,000 sq ft).

The average monthly office rent at Guoco Midtown today ranges from \$12 psf to \$14 psf, putting it on a par with the Grade A office buildings in the Marina Bay Financial District, says Wong.

Rental statistics published by Edmund Tie in November showed an average monthly rental rate of Grade A office space in Marina Bay at \$12.90 psf in 3Q2023. In comparison, average Grade A rents at Raffles Place stood at \$10.55 psf in 3Q2023, while Grade A office rents in the Shenton Way/Robinson Road/Tanjong Pagar area were hovering at \$9.00 psf.

“We have also been mindful to diversify our tenant profile and to balance our exposure to companies in different sectors of the economy,” says Wong. “It is an ongoing part of our overall leasing strategy.”

While the commercial components are completed, the residential components will be completed in the middle of next year — the 219-unit Midtown Bay and the 558-unit Midtown Modern.

According to Dora Chng, residential director at GuocoLand, sales at Midtown Bay have progressed steadily, and the development is almost 60% sold. Meanwhile, Midtown Modern is 97% sold, based on caveats lodged as at Nov 29.

Located opposite Guoco Midtown is The M by Wing Tai, which has just two residential units still available for sale. The M also has nine F&B units for lease.

“From a residential perspective, we want to consider how the future residents can benefit from the integration of commercial, retail, and residential components,” says GuocoLand’s Chng. ■



The 2,700 sq ft private office suite operates as a swing space and is available on short- to medium-term leases



The private dining room and 40m lap pool on the rooftop of the Network Hub are ideas borrowed from luxury condo facilities