

Research Update

# Cathay Number One Real Estate Investment Trust Ratings Affirmed At 'twA-/twA-2'; Outlook Stable

November 24, 2022

## Rating Action Rationale

Taiwan Ratings Corp. today affirmed its 'twA-' long-term and 'twA-2' short-term issuer credit ratings on **Cathay Number One Real Estate Investment Trust** (Cathay No.1 REIT). The outlook on the long-term rating is stable. The ratings on Cathay No.1 REIT continue to reflect the trust's satisfactory asset quality and conservative financial policy relative to those of other Taiwan-based REITs. Cathay No.1 REIT's high asset and tenant concentration as well as its focus on the hotel industry temper these strengths. The adverse effect of the pandemic has gradually abated during 2022; nonetheless, we believe the performance volatility for the hotel industry in Taipei remains higher than that for Taipei office buildings and depends on the recovery speed of international tourism to Taiwan.

## Related Criteria & Research

### Related Criteria

- Criteria | Corporates | Industrials: Key Credit Factors For The Real Estate Industry - February 26, 2018
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- General Criteria: Group Rating Methodology - July 01, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments - April 01, 2019
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers - December 16, 2014
- General Criteria: Country Risk Assessment Methodology And Assumptions - November 19, 2013
- General Criteria: Methodology For National And Regional Scale Credit Ratings - June 25, 2018
- General Criteria: Methodology: Industry Risk - November 19, 2013
- Criteria | Corporates | General: Corporate Methodology - November 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities - November 13, 2012
- General Criteria: Principles Of Credit Ratings - February 16, 2011

### Related Research

- Taiwan Ratings' Ratings Definitions - November 11, 2021

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## Ratings List

### Ratings Affirmed

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#### Cathay Number One Real Estate Investment Trust

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Issuer Credit Rating	twA-/Stable/twA-2
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