

Research Update

O-Bank Number One Real Estate Investment Trust Ratings Affirmed At 'twBBB+/twA-2'; Outlook Stable

June 12, 2019

Rating Action Rationale

Taiwan Ratings Corp. today affirmed its 'twBBB+' long-term and 'twA-2' short-term issuer credit ratings on **O-Bank Number One Real Estate Investment Trust**. The outlook on the long-term rating is stable. The ratings on the REIT reflect our view that the REIT's small asset base, relatively weak asset quality, and high property and tenant concentration will constrain the ratings over the next one to two years. The REIT's conservative debt leverage and anticipated stable profitability underpinned by a rental reserve from the tenants of Bank of Panhsin Banker building and early termination penalty on the tenant of Tainan Focus building until 2023, partly offset the credit weaknesses.

Related Criteria

- General Criteria: Group Rating Methodology - November 19, 2013
- Understanding Taiwan Ratings' Rating Definitions, www.taiwanratings.com - June 26, 2018
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments - April 01, 2019
- Criteria | Corporates | Industrials: Key Credit Factors For The Real Estate Industry - February 26, 2018
- 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: Industry Risk - November 19, 2013
- Criteria | Corporates | General: Corporate Methodology - November 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities And Insurers - November 13, 2012
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009

(Unless otherwise stated, these articles are published on www.standardandpoors.com, access to which requires a registered account)

Ratings List

Ratings Affirmed

O-Bank Number One Real Estate Investment Trust

Issuer Credit Ratings

twBBB+/Stable/twA-2

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