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MARKET EXPRESS

房地產市場快訊



Central Market,
Phnom Penh
中央市場, 金邊



HONG KONG PROPERTY

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香港物業市場透視

CHINA PROPERTY

中國物業市場透視

GROUP INTRODUCTION

RHL International is one of the pioneering professional valuation and real estate consultants in Asia. Established since 1972, our group offers high quality professional services on Corporate Valuation & Advisory and Real Estate Solution & Surveying Practice. As an active participant in exchanging ideas and experience with regulators, government institutions and corporations, our group maintains vigilant to the dynamic changes in the market. Leveraging our extensive track record, technical resources and market intelligence, we are dedicated to provide tailored services to meet with the unique needs of our clients.

PROFESSIONAL TEAM

Our team comprises of professionals who have finance and/or real estate related academic background and internationally recognized qualifications, such as CPA, FRM, registered professional surveyors, and with diverse experience and up-to-date knowledge of the current market environment. We committed to provide our clients with high standard services.

The Group is committed to provide high standard of professional services in compliance with international standard and Government Statutory requirements.

CORPORATE & VALUATION ADVISORY

Our experience in operating businesses in the mainland China and cooperating with overseas parties has become our competitive advantage in offering comprehensive client solution to overseas as well as mainland clients. We cover real estate as well as other industries such as natural resources, green energy and finance area.

- Valuation (including Real Estate, Business Valuation, Plant & Machinery)
- Real Estate Solutions and Surveying Practice
- Industry Market Research & Analysis
- Project Feasibility Study and Advisory
- Financial Analysis
- Investment Advisory
- Due Diligence
- Portfolio, Asset and Facilities Management

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HONG KONG PROPERTY- MARKET WATCH

**Year of Ox Comes
with Ox-like Bullish
Prospect?**

HONG KONG PROPERTY - MARKET WATCH

Year of Ox Comes with Ox-like Bullish Prospect?

The last February was the opening month of the New Year of Ox. With the Coronavirus Outbreak raging for a full year and hitting many traditional economic industries, Hong Kong has welcomed the contrast messages of booming stock market trading and new high transaction price of luxury homes.

This bullishness reflects two situations. First of all, due to the heavy losses of traditional industries, funds continue to turn to speculation, and it has become the norm to draw new shares to make a quick difference. Secondly, the consumption pattern has changed due to the epidemic, driving the pace of wealth transfer. While entrepreneurs from the established traditional industries are threatened by elimination, another batch of upstarts has emerged to support the prices of super luxury homes.

Newspaper headlines such as the Lands Department announced on February 9 that another site at Man Fai Road (being the Rural Building Lot No. 1222 at Nos. 9 and 11 of Man Fai Road) on the Peak of Hong Kong had been granted for HK\$7.25 billion with an accommodation value of over HK\$50,000/sq.ft.; and a top-floor residence home at No. 21 Borough Road of the Mid-Levels, which set a new high in Asia's strata home unit at a price of HK\$136,000/sq.ft., showing the market's confidence in the price and marketability of the top luxury housing market.

However, during the same period, there have also been reports that quite a number of multinational companies have given up their current occupied commercial office spaces and or switched to share-office option under the epidemic in order to save costs. Among them, Standard Chartered plans to give up part of the Central Standard Chartered Bank Building and Kwun Tong Millennium City's office spaces.

"Strategic Investment Advisory & Agency"

- *Provide Market Research and Analysis*
 - *As a Matching Platform to Source Opportunities*
- 

The industry has undergone ups and downs due to changes induced by the epidemic, and the situation of people is the same. The healthcare related sector, IT sector and even the logistics industry drove demand for personnel, and the income of related practitioners rose instead of falling.

However, many employees in other industries are facing unemployment difficulties. The Hong Kong Tourism Board concluded that the number of visitors to Hong Kong for the whole year of 2020 and 2021 showed a negative growth rate of 93.6%. In December alone, only 4,867 visitors were recorded compared with 3,191,466 in December 2019, which is a drop of 99.8%. These figures revealed the difficulties of the tourism and related industries. Therefore, in the latest Budget, the Government plans to issue consumption vouchers to the city's residents hoping to encourage domestic consumptions, and to inject capitals to support the tourist industry, all details are yet to be confirmed at this moment.

Whether the overall supply and demand will eventually increase or decrease will determine the future changes in general residential prices. If taking the transaction of the latest public land sale as reference, as announced by the Lands Department on February 17 that the Kai Tak's Site 2 at 4E area which was sold at HK\$10.28 billion (about HK\$15,800/sq.ft.), it probably reflects the developer's expectation of stable price situation.



"Strategic Investment Advisory & Agency"

- *Negotiation between Transaction Parties*
- *Provide Transaction Advisory Services*

There are factors which make it easier for real estate agents to successfully promote and sell recently: the optimistic expectation of vaccination and even the "vaccine passport" shall bring peace of mind to travel, and the SAR government has gradually conditionally liberalized social distancing measures at the end of the month. In addition, in response to the epidemic and or the strategic move of the developer, the progress of the construction project is obviously delayed has also created the impression that supply is less than demand. However, this year's middle-class demand for residential properties has always been subject to corporate profits and losses, employment conditions, and even immigration considerations.

Finally, it is worth mentioning that the Chief Executive in Council gave approval to the Government to proceed with the proposed non-in-situ land exchange in Sha Lo Tung (SLT), being to grant an area of land at the Shuen Wan Restored Landfill (SWRL) in Tai Po to the SLTDC for developing a private golf course in exchange for its surrender of the ecologically important private land in SLT to the Government in early February. How to strike the balance between environmental conservation and protection of private land development rights is an important issue that the society and investors must pay attention to.

Looking at February, optimism prevails. We hope that this optimistic momentum of the start of the Year of the Ox will continue and everything will get better.



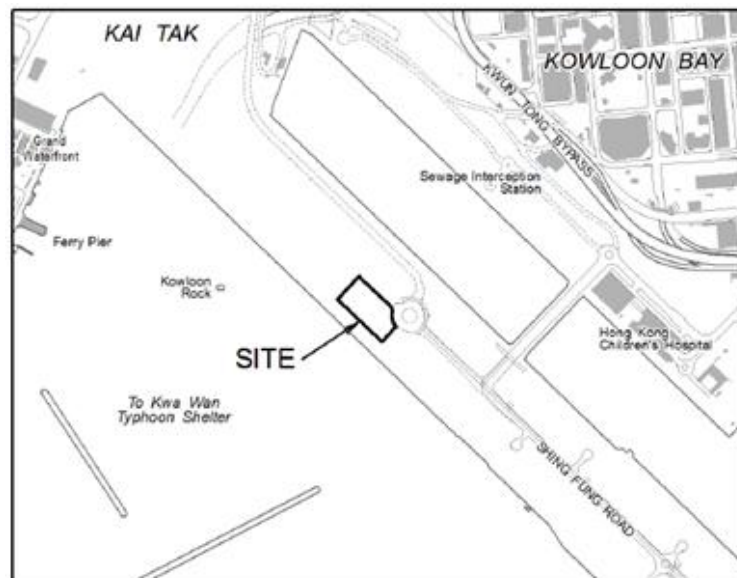
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- *Negotiation between Transaction Parties*
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HONG KONG SNAPSHOTS

Kai Tak Harbour-front Plot Granted at Price Closes to Upper Limit of Market Estimation

The Lands Department announced that, the residential site at Site 2, Area 4E in Kai Tak has been awarded at a premium of HK\$10.28 billion, which was nearly the upper limit of the market valuations. The 117,800 sq.ft.-large site is on the runway area, with the maximum Gross Floor Area of about 648,100 sq.ft., the accommodation value is estimated to be HK\$15,862. This plot enjoys the Victoria Harbour view. Portion of the gross floor area can be used for shop purpose excepting the residential portion of about 625,000 sq.ft.. The successful tenderer stated that the site was a rare urban sea-view plot which located at the front of Kai Tak Runway and would be developed into a luxurious sea-view residential development.



Site 2 of Area 4E, Kai Tak is located at the runway area with the Harbour's view.

(Source of Picture: Tender documents from the Lands Department)

"Professional Practice in Land and Planning Matter"

- Lease Modification / Land Exchange
- Premium Assessment
- Temporary Waiver Application

HONG KONG SNAPSHOTS

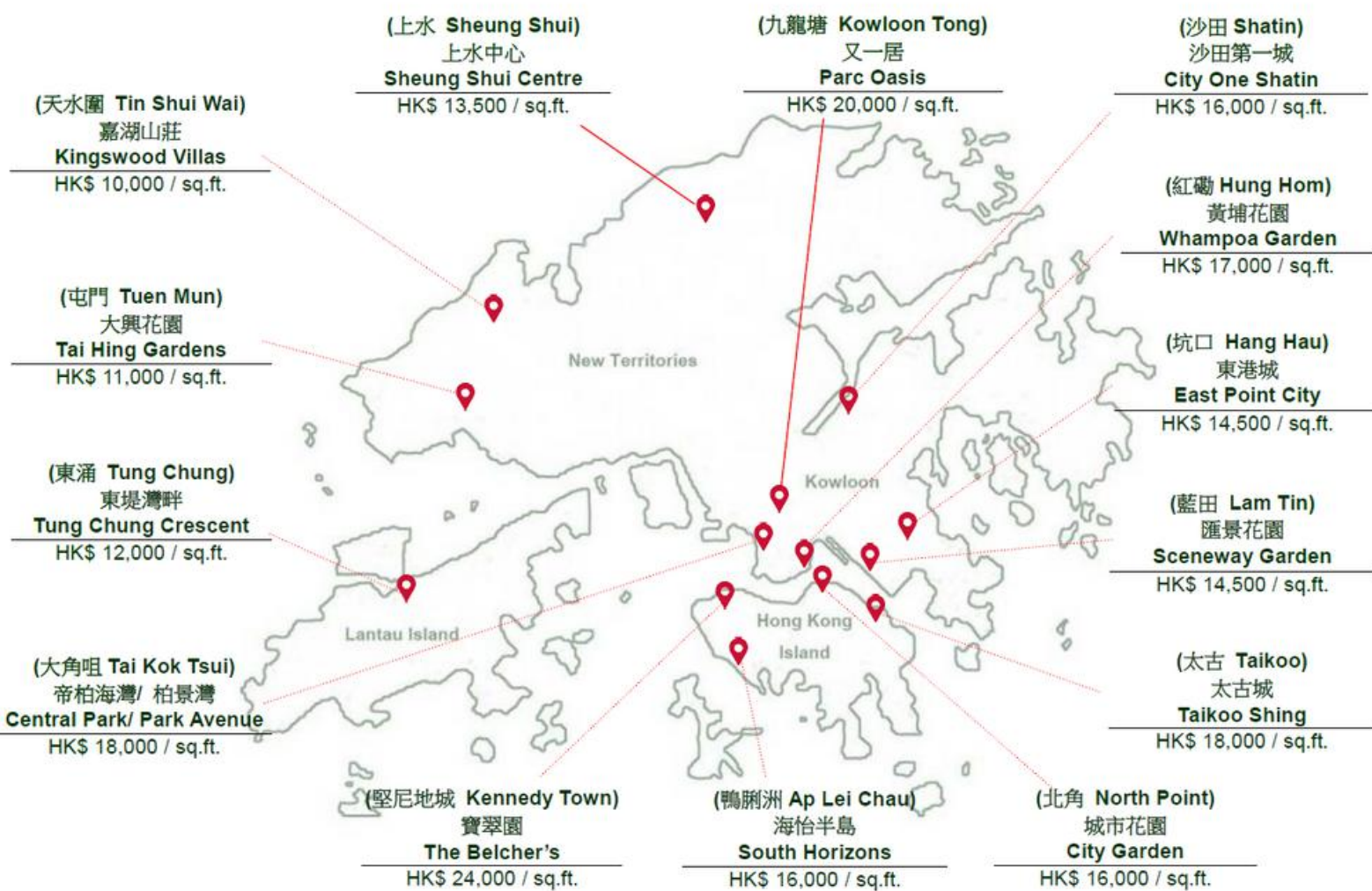
2 Houses Sold for HK\$115 Million: 77/79 Peak Road

77/79 Peak Road, a brand new residential development, has launched its tendering process earlier. Two of the houses, 77A Peak Road and 77D Peak Road, were sold at around HK\$590 million and HK\$550 million respectively. The unit price of the houses are HK\$80,942/sq.ft. and HK\$88,000/sq.ft. respectively. It is reported that the developers are considering putting more houses onto the market in a short period of time.

House 77A has an area of 7,388 sq.ft., with a 8,376 sq.ft. garden and 792 sq.ft. front yard. The monthly management fee of the house is about HK\$53,000. Meanwhile, for House 77D, the floor area is 6,266 sq.ft., plus a garden of 3,932 sq.ft. and a front yard of 803 sq.ft., the monthly management fee is about of HK\$44,000.

HONG KONG

TRANSACTIONS OVERVIEW



* Average saleable unit rate of standard units
以上為各標準單位平均實用呎價



Cambodia locates at the Indochina Peninsula in Southeast Asia, neighboring Vietnam, Thailand and Laos. She is a member of the Association of Southeast Asian Nations and United Nations. According to the World Bank, Cambodia has undergone a significant transition in economy, reaching lower middle-income status in 2015 and aspiring to attain upper middle-income status by 2030.

Capital	:	Phnom Penh
Largest City	:	Phnom Penh
Official Language	:	Khmer
Official Words	:	Khmer
Currency	:	Riel
Surface Area	:	181,035 sq. km.
Population	:	16,486,542 (World Bank, 2019)
Political System	:	Constitutional Monarchy



Gross Domestic Product
(World Bank Data in 2019)
27.089(US\$ in billion)



Annual Change of Consumer Price Index
(World Bank, 2018): **2.5%**



Economic Structure
(Composition of GDP in 2019)
Services (38.8%) Industries (34.2%)
Agriculture (20.7%) Others (6.3%)

Phnom Penh

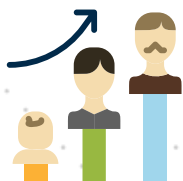
Phnom Penh is the capital of Cambodia and the largest city in Cambodia. It is the political, economic, industrial, cultural and tourist center of the country. The city is located at the junction of the three rivers of Mekong, Basa and Dongsap and has a long history. In the mid-1970s, the residents of Phnom Penh and other cities experienced a brutal massacre, hence the population plummeted and economic development was disrupted completely. In the aftermath, the United Nations and other organizations supported the development of Phnom Penh, thus bringing in foreign expatriates and connections with foreign countries.

According to data from the United Nations in 2019, the inflow of foreign direct investment to Cambodia was amounted to US\$3.706 billion, and this figure is expected to rise. As the largest city in Cambodia, Phnom Penh can be expected to take the lead in receiving foreign investment.





Phnom Penh



Population (2019)

2,129,371

(The Cambodia China Times, 2019)



Owners occupying their dwellings in 2017:

90.8%

(National Institute of Statistics, 2017)



In 2017,

97.6% of residents in Phnom Penh can access to hygiene drinking water.

(National Institute of Statistics, 2017)

Area of the city

678.46 sq. km.

Average living area of household in Phnom Penh (2017)

Approx. **52.7 sq. m.**

(National Institute of Statistics, 2017)



The Use of Land

In Q4 2020, the additional supply of condominium in Phnom Penh was

937 units

(CBRE Report in Q4 2020)

The rental value of high-end residential units in Q4 2020 fell by

6.7%

(CBRE Report in Q4 2020)



Special Urban Planning /
Purposes in the City /
Country

In 2019, there were 54 special economic zones in Cambodia, and the one in Phnom Penh has an area for **353** hectares.

Currently, the largest foreign investors in the Cambodia Special Economic Zone include **China, South Korea, Malaysia, the United Kingdom and the United States.**

大灣區前瞻

Greater Bay Area Special

The Guangzhou-Hong Kong-Macau Greater Bay Area also referred as Greater Bay Area (GBA), is a megalopolis, consisting of two special administrative regions of Hong Kong and Macau, and the nine municipalities of Guangzhou, Shenzhen, Zhuhai, Foshan, Dongguan, Zhongshan, Jiangmen, Huizhou and Zhaoqing in Guangdong Province. GBA- with a total area of 56,000 km², and with a total population of approximately 72 million people at end 2019, is the largest and the richest economic region in South China. The GDP is USD 1,679.5 billion and GDP per capita is USD 23,371. GBA also is the largest and most populated urban area and is among the 5th largest bay areas in the world, comparable with the bay areas of London, New York, San Francisco, and Tokyo.

The development of the GBA is accorded the status of key strategic planning in the country's development blueprint. The objectives are to further deepen cooperation amongst Guangdong, Hong Kong and Macau, fully leverage the composite advantages of the three places, facilitate in-depth integration within the region, and promote coordinated regional economic development, with a view to developing an international first-class bay area ideal for living, working and traveling.

ZHAOQING

Zhaoqing is a prefecture-level city in Guangdong Province of the People's Republic of China, located in the western part of Guangdong Province, also in the middle and lower reaches of the Xijiang River. It is the largest city in the "9+2" city cluster of the Guangdong-Hong Kong-Macao Greater Bay Area and the only regional center city in the Greater Bay Area bordering the southwest of China. It positioned as the hub gateway to the southwest of the Greater Bay Area.

In recent years, Zhaoqing has been expanding its high-speed rail and urban rail network, making it a reality that it is 20 minutes to Foshan, 40 minutes to Guangzhou, 1 hour to Shenzhen, and 1 hour and 20 minutes to Hong Kong from Zhaoqing. The "Airport + High Speed Rail" pattern has greatly enhanced Zhaoqing's comprehensive traffic and transportation capacity, which will accelerate the concentration of people, logistics, capital and information flow. The city is well connected to the outside world, with eight ports open to the outside world.

Total Area: 14,891 km²

Permanent Residents : 41.871 million

GDP: RMB 224.9 billion

GDP Per Head : RMB 54,000

Handling Capacity For Port Cargo : 40.57 million tons

Number of Tourists: 479,400

Transportation : Intercity high-speed rail, shipping, highway

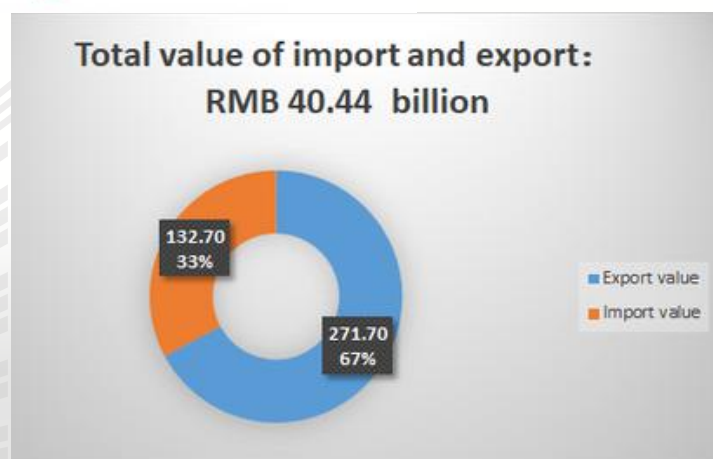
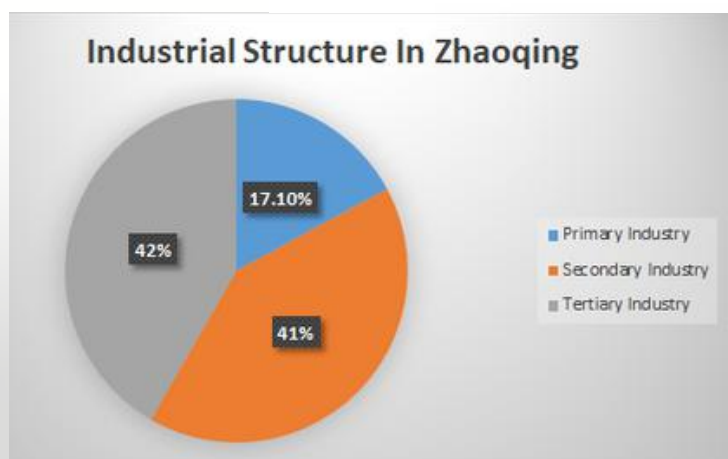
Port: Xijiang Sanrong Port, Gaoyao Port, Zhaoqing New Port, Beijiang Mafang Port

Development Zone : A national development zone, a provincial development zone

ZHAOQING REAL ESTATE OVERVIEW



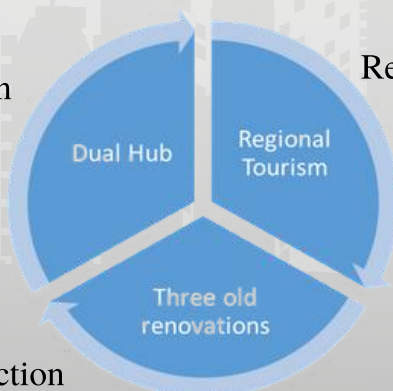
Date Source: Anjuke.com, February 2021 listing house prices



Town Planning

Zhaoqing has taken the opportunity to build two major transportation hubs, the Pearl River Delta Hub Airport Station and Zhaoqing East Station. It also introduced a number of policies to improve the urban landscape and improve tourism support to create a regional tourism. At the same time deepening the promotion of the transformation of the three old which to improve the urban landscape, promote high-quality urban development, and fully integrated into the Bay Area construction.

Pearl River Delta Hub Airport Station
Zhaoqing East Station



Regional Tourism Development Planning
Urban Green Space System Planning
Wetland Conservation Planning

Three old renovation three-year action

Deepen the reform to push forward the old reform

ZHAOQING REAL ESTATE OVERVIEW

Regional Planning

The Zhaoqing Natural Resources Bureau released a draft amendment to the control plan of the Hangkou area in Dinghu as to adjust the Hangkou area. Firstly, adjusting the wetland area in Xiwan to increase the resident population. Secondly, adjusting the business and tourism formations in the area along the river and the Ziyun Valley across the river.

Before



Lower Bay Wetland Area

- Narrowing of park land
- Decrease in land for cultural facilities, commercial land and business land
- Increase in Class II residential land

Riverside Area

- Addition of commercial land and one recreation and sports land

Nature of new land

- Recreation and sports land, sports land, primary and secondary school land

After

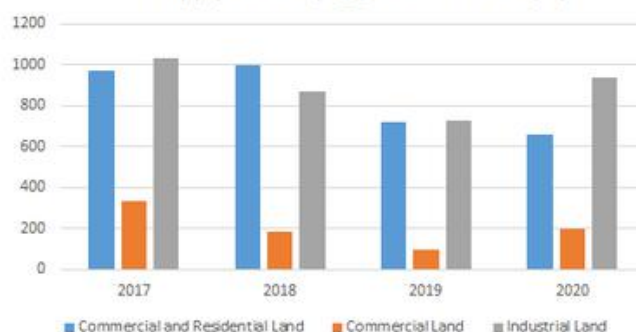


ZHAOQING REAL ESTATE OVERVIEW

Land Market

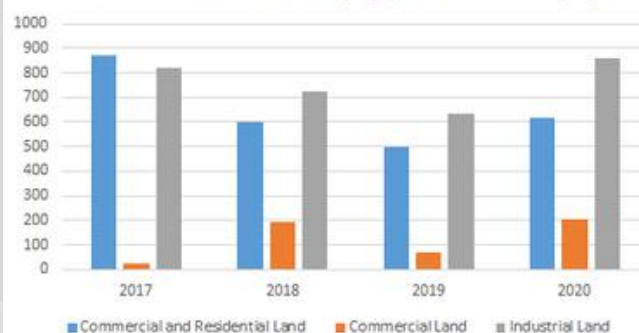
In 2020, Zhaoqing's land market experienced a significant increase in supply and demand, led by industrial and commercial and residential land, with industrial land accounting for 47% of supply and demand and commercial and residential land declining. Except for the decline in the supply of commercial and residential land, the rest of the land market has increased, and the number of transactions of all types of land has increased, with the largest increase in commercial land.

Land Supply in Zhaoqing (Ten thousand sqm)



	2017	2018	2019	2020
Commercial and Residential Land	972.92	995.31	719.22	662.03
Commercial Land	331.83	184	94.73	196.91
Industrial Land	1032.16	870.87	725.75	933.29

Land Transaction in Zhaoqing (Ten thousand sqm)



	2017	2018	2019	2020
Commercial and Residential Land	870.33	602.08	496.59	619.3
Commercial Land	22.12	195.52	66.62	204.02
Industrial Land	818.29	722.94	631.61	857.57

ZHAOQING REAL ESTATE OVERVIEW

Listing House Prices in Zhaoqing



Date Source: Anjuke.com, February 2021 listing house prices

Residential

Zhaoqing is the only place in the Bay Area where there is no limit on home ownership, price and loan restrictions, and where housing prices are the cheapest.

Commercial housing market

In 2020, the total number of commercial housing transactions in Zhaoqing was 74,923 units, with a total transaction area of 7,016,000 sqm, an increase of 3% year-on-year. 2020 commercial housing transactions exceeded the new high set in 2017. In terms of housing price, the housing price in 2020 showed weakness and decreased compared to the housing price in 2018 and 2019. The average residential price in 2020 was RMB6,604 per square meter, decreased 5% year-on-year.

Second-hand Housing Market

The average listing price of second-hand properties in Zhaoqing is currently RMB6,970/sqm. Among them, the average price in Duanzhou and Dinghu in the city center is higher at RMB 7,631/sqm and RMB 6,938/sqm, followed by Gaoyao at around RMB 6,869/sqm.

CHINA SNAPSHOTS

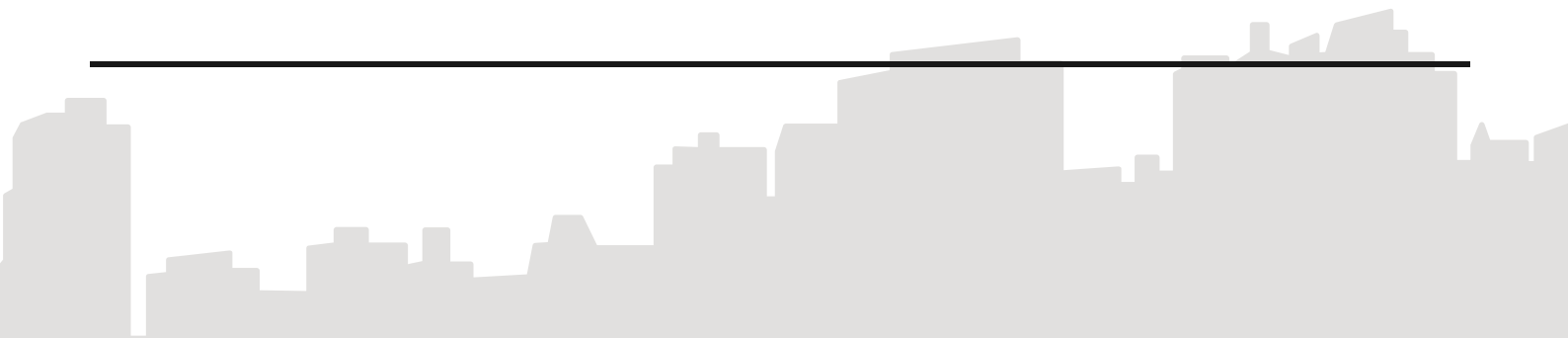
Land Market in 40 Cities Cools in January

Data shows that in January 2021, the land market continued to cool down from the second half of last year, with the volume and price of land transactions in 40 cities declining on a year-over-year basis.

In January 2021, 40 typical cities sold 40.01 million square meters of land, down 64% on year-over-year basis, and increased 7% year-over-year.

The revenue from land sales was RMB 233.5 billion, which decreased by 51% year-over-year and increased by 30% month-over-month. The average land transaction price was RMB 4,877 per square meter, 0.5% down year-over-year and 4.6% up year-over-year.

Simultaneously, the top 3 cities in the 40-city land transfer ranking were Hangzhou, Shanghai and Chengdu, with RMB 52.9 billion, RMB 47.4 billion and RMB 22 billion.



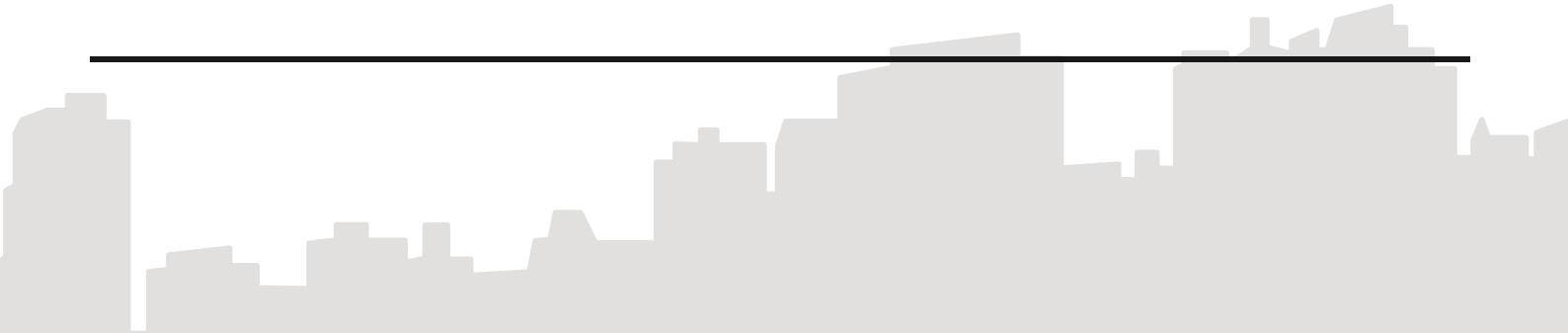
CHINA SNAPSHOTS

Hangzhou: New Policy to Block Speculation in Real Estate

On January 27, the Office of the Leading Group for the Stable and Healthy Development of the Real Estate Market in Hangzhou issued the "Notice on Further Strengthening the Regulation of the Real Estate Market" (hereinafter referred to as the "Notice") to further strengthen regulation and control.

The Notice further strengthens housing purchase restrictions by stipulating. First, those who have settled in Hangzhou for less than five years are limited to one set of housing within the purchase limits of Hangzhou. Second, if a person gives a housing unit within the purchase limits of Hangzhou to another person, the donor must have completed three years before purchasing a housing unit within the purchase limits, and the recipient's family must comply with the housing purchase limit policy of Hangzhou (excluding bequests).

The Notice further strengthens the restriction on the sale of housing. It is stipulated that within the purchase restriction area of Hangzhou, if the winning rate of the public sale of new commercial housing projects by notary lottery is less than or equal to 10%, the new project will not be transferred within 5 years from the date of obtaining the real estate certificate. In the hot commodity housing projects that give priority to meet the housing needs of homeless families, the commodity housing acquired by buyers in the form of priority purchase shall not be transferred within five years from the date of obtaining the real estate certificate.

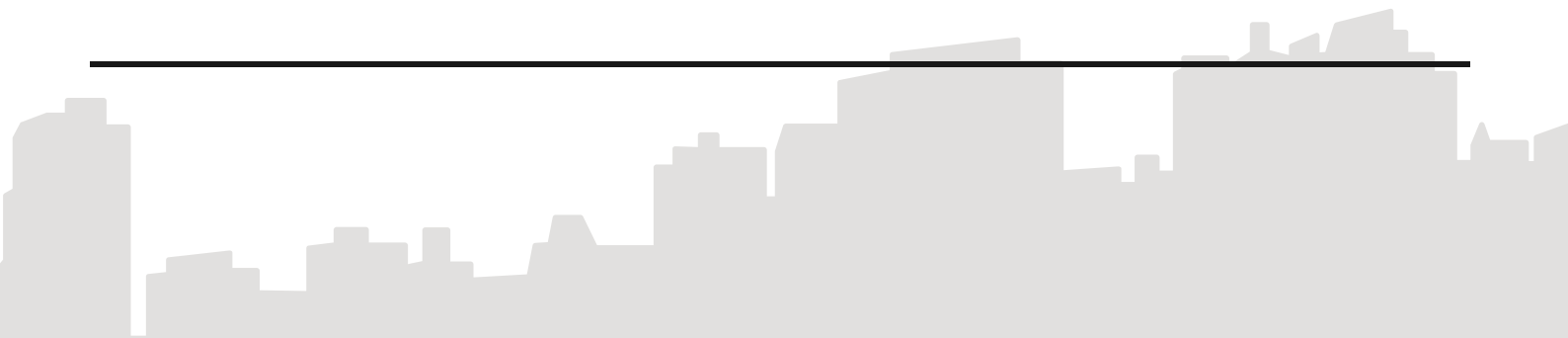


CHINA SNAPSHOTS

Real Estate Loan Growth Rate Continues to Decline

According to the Central Bank data, at the end of 2020, the balance of RMB real estate loans was RMB 49.58 trillion, increased 11.7% year-on-year. It is 3.1% lower than the growth rate at the end of the previous year and declining for 29 consecutive months; the annual increase was RMB 5.17 trillion, accounting for 26.1% of the increase in loans during the same period and 7.9% lower than the level of the previous year.

At the end of 2020, the balance of real estate development loans was RMB 11.91 trillion, an increase of 6.1% year-on-year, the growth rate was 4 % lower than the end of the previous year. Among them, the balance of guaranteed housing development loans is RMB 4.65 trillion, an increase of 1% year-on-year, the growth rate is 5.7% lower than the end of the previous year. The balance of personal housing loans was RMB 34.44 trillion, increased 14.6% year-on-year, with a growth rate 2.1% lower than the end of the previous year.



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