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MARKET EXPRESS

房地產市場快訊

成吉思汗騎馬塑像，蒙古
Genghis Khan Equestrian
Statue, Mongolia



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HONG KONG PROPERTY

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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CONTENTS

Hong Kong Property-Market Watch	P.4-8
• The Wave of Emigration	
Hong Kong Snapshots	P.9-10
• Celebrities Started to Purchase Properties, reports	
• Bipolar Reactions of the Shops Market	
Hong Kong Transactions Overview	P.11
Belt And Road Initiative: Mongolia	P.12-13
Greater Bay Area Special :Zhuhai City	P.14-17
China Snapshot	P.18-21
• Shenzhen Launched First PPP Elderly Care Service Project	
• Shenzhen Announced Land Sale Plan, 30% for Residential	
• Wuhan Launches "427 New Policy" on Property Market	
• Residential Price Index of Major Cities (April 2021)	



HONG KONG PROPERTY- MARKET WATCH

The Wave of Emigration

HONG KONG PROPERTY - MARKET WATCH

The Wave of Emigration

Under the new “National Security Law”, another wave of emigration kicks off following the last one in 1980s and 1990s. Special schemes to obtain citizenships for Hong Kong citizens have been launched by a number of countries, among them, the United Kingdom is the more famous one. According to the official data from the UK government, up to mid-April, in the first 10 weeks of the commencement of BNO Visa application, about 35,000 cases have been received by the authority, which counts for about 3,000 weeklies, more than the assessed figures by the government. Although the Hong Kong property market has been presumed to be affected by this new wave of citizens exits with multiple transactions of domestic units after price cut, the overall market, yet, is less vulnerable than expected. Rolling statistics show that the property market is even steadily moving forward and upward.

Looking at different market information, those “emigration transactions” with price cut, below market average or even losing money were taken place mainly during the first 2 to 3 months as the BNO Visa opens for apply, no matters it is a blue chips estate or brand-new development, including Sunshine City in Ma On Shan, Taikoo Shing in Quarry Bay, LP6 in Tseung Kwan O, etc..

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

In Sunshine City, Ma On Shan, a mid-floor 2-room flat of saleable area about 503 sq.ft. at Block R had been sold after a price slump at HK\$7.85 million within 1 month after listing, with a unit rate of HK\$15,606/sq.ft., which is 4% to 5% lower than the market average. The seller, who reported to be leaving the city urgently, had acquired the property in 2019 for HK\$7.35 million, taking the 10% Special Stamp Duty and other outgoings, the owner had a loss of at least HK\$700,000. In Wah Shan Mansion, Taikoo Shing, the original owner of a low-floor Flat C had sold the flat at a price of HK\$12.6 million, which was initially listed for HK\$14.5 million in mid last year. As the ownerships had been changed in 2019, the transaction today required a Special Stamp Duty of at least HK\$1 million, media reports.

Taikoo Shing.
(Photo Source: RHL Photo Base)



Some owners of new developments have also regained money by selling the brand-new just handed-over property before they leave Hong Kong. The owner of Flat J on low-floor of Block 1, LP6, had just sold the lately handed-over property in February for HK\$7.76 million. Deducting the taxes and outgoings, net loss was followed by the owner.

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In fact, during the early application period of BNO Visa, it was not difficult seeing transactions with price down or below market average. These transactions were believed to be ascribed to those leaving the city desperately with disappointments towards the political atmosphere. However, not all people exiting the city will look down to the future property market. Being economic-oriented, many Hongkongers know that, the southbound inwards of capital and population could bring support to the market in the short to medium terms. With the pandemic continues worldwide, many of the emigration plans have been postponed or interrupted.

Considering all these situations, this group of people is therefore not selling their properties urgently.

Glancing at the latest price index for private domestic property by the Rating and Valuation Department, price index for properties of smaller than 1,075 sq.ft. in saleable area has been rising steadily since the lowest point from the end of 2020 by at least 2%. This may illustrate that the emigration-related transactions were not bringing adverse impacts to the market at all, instead, some more proactive transactions have even been revealed.

A flat at Lynwood Court of Kingswood Villas in Tin Shui Wai had sold at a price slightly above market average. The flat F at mid-floor of Block 2, with a saleable area of 442 sq.ft. was transacted for HK\$5.54 million after a limited price reduction from HK\$5.68 million. Simultaneously, another owner of Fortune House, Fanling had disposed the 920-sq.ft. Flat B of mid-floor, including a car parking space, without any substantial price cut irrespective of the leave from the city. The flat was finally dealt at the price of HK\$9.28 million from the initial HK\$9.7 million, which unit rate was about HK\$10,087/sq.ft., the highest of the estate.

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An owner, preparing to leave Hong Kong, has sold the property at Lynwood Court of Kingswood Villas at a price slightly above market average.

(Photo Source: RHL Photo Base)



This new round of emigration has been unavoidable. A column writer said that, dating back the emigration wave in 1990s, the property prices did rise yearly, rather than falling, despite of the 30,000 to 40,000 people moving out from the city annually. Comparing with today's situations, an emigration wave is meeting a steadily-rising property market, would this be a unique track for the city's developments? While the global political environment is ever-changing and the epidemic is continuing to spread, what's next to our property market, let's not to conclude it unsounding.



(Source of Picture: Canva Photo Base)

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HONG KONG SNAPSHOTS

Celebrities Started to Purchase Properties, reports

According to media reports, following transferring the unit at a new development in Tuen Mun to her mother earlier this year, Mak Louisa Ming Sze, Miss Hong Kong, has further purchased a 467 sq.ft. saleable area Flat C at high-level of Tower 3 of the Pacifica in the end of April at a price of HK\$8.1 million, at a unit rate of HK\$17,345/sq.ft..

In addition, a transaction was recorded at Beulieu, No. 63 Chung Hom Kok Road, Stanley in the end of April, at a price of HK\$75.88 million. The unit has a saleable area of 1,956 sq.ft. and a unit rate of about HK\$38,793/sq.ft.. The name of the purchaser in this transaction is Kwok Sea Nga, which is the same as the daughter of the chairman of a listed cosmetics company, the market anticipates that they refer to the same person.



Pacifica in Cheung Sha Wan
(Photo Source: RHL Photo Base)

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HONG KONG SNAPSHOTS

Bipolar Reactions of the Shops Market

Leasing of shops in Hong Kong has been different for zones. While some famous brands retreated from the core areas, the leasing for those in residential area is still popular.

A multi-storey shop located at Hing Wai Building, 36 Queen's Road Central, Central, was once leased to a sportswear firm as its flagship store. Last year, the lease was expired and renewed as a short-term one. Eventually, the firm decided to move out last month. According to market sources, the landlord had re-divided the shops and was reported that the ground floor and the first floor of the property, with an area of about 6,500 sq.ft., was rented out for about HK\$1.2 million per month.



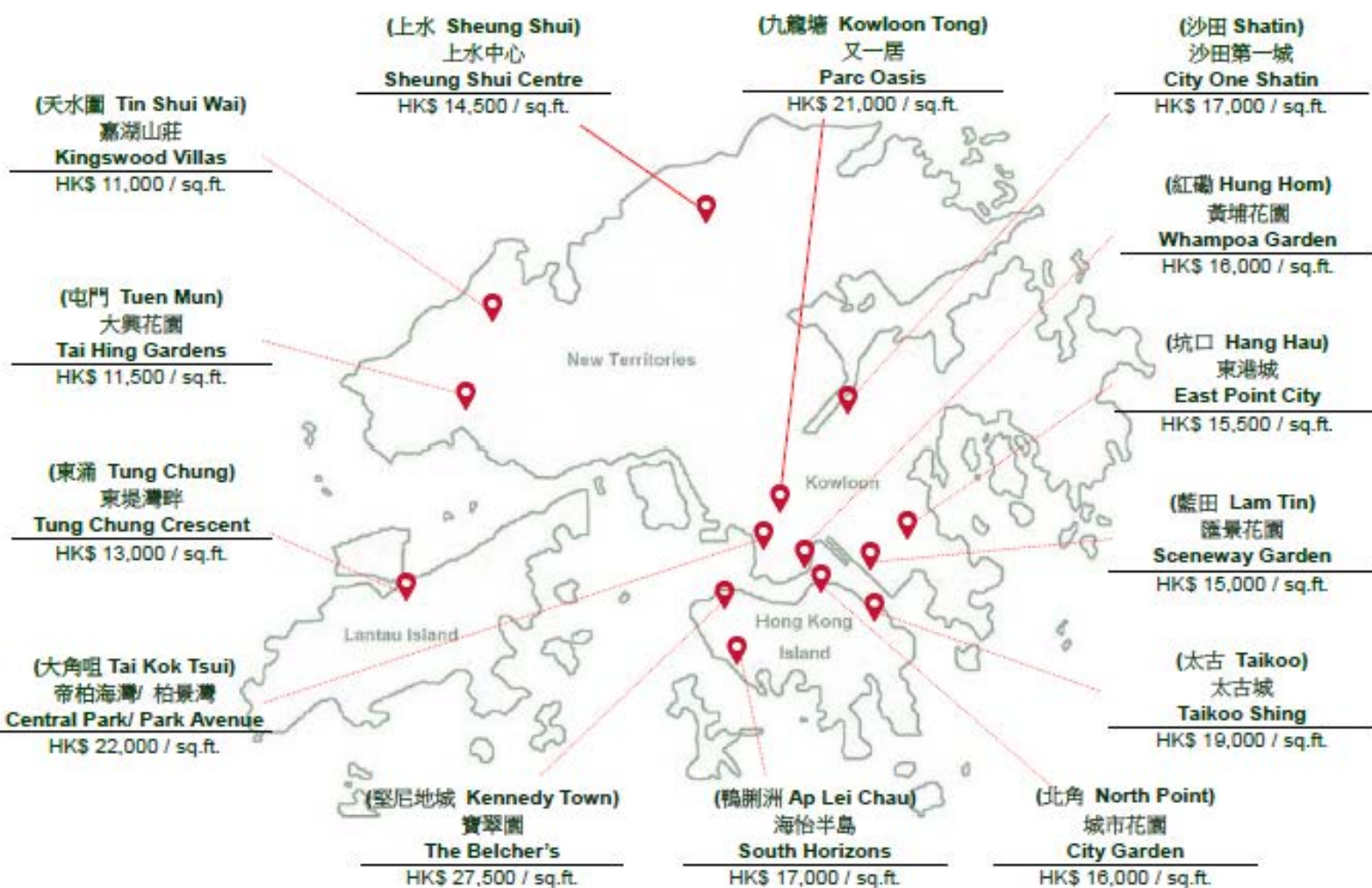
The former flagship store of a sportswear brand at Hing Wai Building in the Central.

(Photo Source: Capture from Google Map)

In the residential neighbourhood area, Shop A on G/F of Kamcourt Building, No. 60 Bonham Strand, Sheung Wan, which has an area of about 700 sq.ft., was lately tenanted at a monthly rent of about HK\$60,000 and the unit rate is about HK\$86/sq.ft.. This rent is slightly higher than the monthly rent of HK\$55,000 for previous tenancy by 9.1%.

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



Mongolia is a landlocked country in East Asia. Its territory is surrounded by the Russian Federation and China. In history, the Yuan Dynasty was the most prosperous period. The country had once straddled Central Asia and its territory had been expanded to the area which was close to Eastern Europe. Mongolia became independent in 1921. Because of the little amount of arable area, the country developed its economy by exporting mineral products gradually and established trade relations with neighboring regions.

Capital : Ulaanbaatar

Largest city : Ulaanbaatar

Official Language : Mongolian

Official Word : Cyrillic, Mongolian

Currency : Tögrög (MNT)

Surface Area : 1,564,116 sq. km.

Population : 3,225,167 (World Bank, 2019)

Political System : Semi-Presidential Republic



Gross Domestic Product

(World Bank, 2019)

14.0 (billion USD)



Change of Consumer Prices

World Bank, 2019

7.31%



Economic Structure

(Composition of GDP in 2019)

Services (40.0%)	Industries (38.5%)
Agriculture (10.8%)	Others (10.7%)

Ulaanbaatar

Ulaanbaatar was founded in 1639 and was called as Kulun, which means a pasture enclosed by a fence. After years of war and revolution, the Mongolian People's Revolutionary Party overthrew the rule of Mongolian princes and others in 1924 and established the Mongolian People's Republic. The constitution renamed Kulun as Ulaanbaatar and made it its capital.

Many ancient temples and Khan palaces in Ulaanbaatar have been destroyed by many years of war. There are eight temples or Khan palaces in the ancient Han-Mongolian-Tibetan buildings that have survived to this day.



Ulaanbaatar



There are **9** Districts and **152** Khorroos in Ulaanbaatar as administrative units.
(Mayor's office of Ulaanbaatar City)



Population Projection for Ulaanbaatar in 2020 is **1,615,000**
(United Nations World Population Projection 2019)



Area of Ulaanbaatar
4,704.4 sq. km.
(Mayor's office of Ulaanbaatar City)

Figures Related to Natural Resources and Trade

Top 3 Trading Partners with Mongolia in 2020

- 1. China**
- 2. Switzerland**
- 3. Singapore**

(National Statistics Office of Mongolia, 2021)

The major exporting destination of coal and copper mine from Mongolia is **China**, while the major exporting destination of gold mine is **Switzerland**
(National Statistics Office of Mongolia, 2021)

The Price of Beef per kg in Ulaanbaatar in December 2020 was **MNT 12,551**
(About USD 4.4)
(National Statistics Office of Mongolia, 2021)

Information Related to Agriculture and Foreign Investment

1 Number of Horses in the country in 2020
4,092,700
(National Statistics Office of Mongolia, 2021)

2 The amount of Harvested Hay in Ulaanbaatar in 2020
31,100 tonnes
(National Statistics Office of Mongolia, 2021)

3 In 2019, **over 80%** of Foreign Direct Investment in Mongolia was for mining industry
(Investment Guidelines for Mongolia by Ministry of Commerce, China, Ed. 2020)

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.

ZHUHAI CITY

Zhuhai, located at the southern end of the Pearl River Delta, is one of the five special economic zones in China and is also the core city on the west bank of the Pearl River Estuary and the vice center of Guangdong Province. Zhuhai has 3 administrative districts, namely Xiangzhou, Doumen and Jinwan, and 5 economic functional districts, namely Hengqin, High-tech, Bonded, Gaolan and Wanshan.

Currently, Zhuhai's industrial pillar industries include electronic information, biomedicine, home appliances, power and energy, petrochemicals and precision machinery. Zhuhai is striving to become an innovation-driven city, accelerating the formation of a modern industrial system with intelligent manufacturing as the core, high-end manufacturing, high-tech industries, marine economy and ecological agriculture as a whole.

Positioning : Guangdong, Hong Kong, Macao and the Greater Bay Area innovation highland

Permanent Residents : 1.77 million

Total Area : 1,732 sq.km.

GDP : RMB 256.5 billion

GDP per Head : RMB 149,000

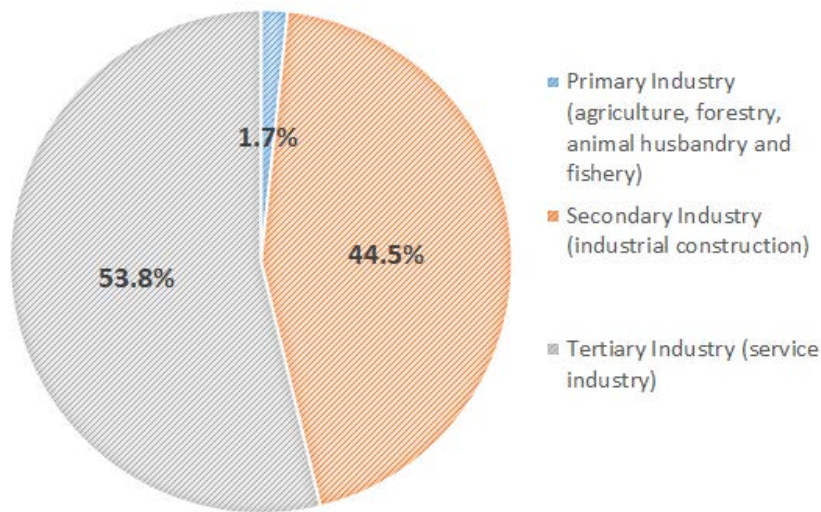
Total Merchandise Trade : RMB 299 billion

Export Value : RMB 188.3 billion

Import Value : RMB 110.7 billion

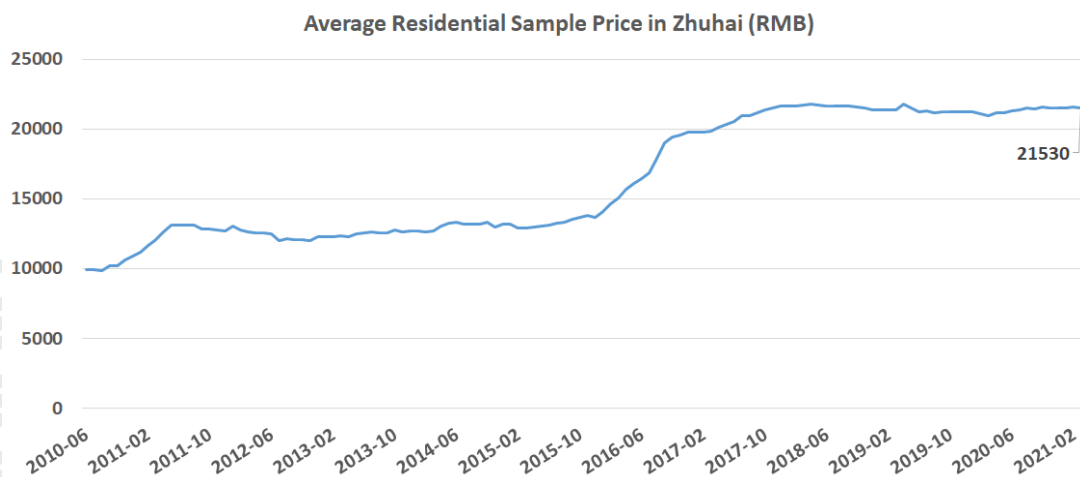
ZHUHAI CITY REAL ESTATE OVERVIEW

Industry Structure



Residential Housing Price Trend

Under the epidemic, the housing price in Zhuhai still hit a new high. According to the data, the average price in Zhuhai in Mar 2021 was RMB21,530 /sq.m., a slight increase of 2.66% year-on-year.



ZHUHAI CITY

REAL ESTATE OVERVIEW

Land Sales Status

Residential Land Use

Month	No. of Transaction	Transaction Area (sq.m.)	Average Transaction Price (RMB/sq.m.)	A.V. (RMB/sq.m.)
2020-10	2	294,891.42	13,574.49	7,131
2020-11	1	192,250.40	54,492.62	23,281
2020-12	6	269,914.41	12,746.63	6,601
2021-01	1	75,444.60	13,705.42	6,686
2021-02	1	50,789.78	27,938.69	14,940

Industrial Land Use

Month	No. of Transaction	Transaction Area (sq.m.)	Average Transaction Price (RMB/sq.m.)	A.V. (RMB/sq.m.)
2020-09	5	231,733.11	446.10	163
2020-10	6	389,272.59	359.49	133
2020-11	3	312,367.84	377.34	159
2020-12	9	566,040.43	402.12	146
2021-01	6	209,567.96	332.36	127
2021-02	3	147,739.66	352.98	174

Zhuhai 2021 housing purchase policy

Household Nature	Purchase Unit	Limited Purchase Number	Purchase Area	Residential Type
Zhuhai Household	Family Unit	3 Units	Citywide	Commercial Properties / Inventory (Inventory generally refers to unoccupied second-hand properties, i.e. "inventory for sale" units.)
Non-Zhuhai Household		1 Units		
Foreign Nationals				
Taiwan Nationality				
Hong Kong or Macao	Individuals	2 Units	1 unit in Zhuhai Bridge East + 1 unit in Zhuhai Bridge West or 2 units in Zhuhai Bridge West	

After "the most stringent purchase restriction policy" issued on April 8 2017, Zhuhai property market gradually relaxed from 2018 to 2020. A series of purchase restriction relaxation policy has attracted many foreign customers to buy a property, the property ownership group is also changing. In the latest Zhuhai housing policy, it can be seen that "housing is not speculation" is still the main theme of regulation, but the difficulty of home ownership in Zhuhai, household entry is also decreasing.

ZHUHAI CITY REAL ESTATE OVERVIEW

New infrastructure: Zhuhai North Station

In late October 2020, the Natural Resources Bureau of Zhuhai City issued a public tender announcement for the procurement project "Detailed Planning of Zhuhai North Station Integrated Transportation Hub". According to the plan, the three tracks of South-Zhuhai Central Intercity, Guangzhou-Zhuhai Intercity Line and City Rail Line No. 2 intersect at Zhuhai North Station, meaning that Zhuhai North Station will become a large interchange station in the future.

In addition, the Jinqin Express Line, which is already open to traffic, traverses north and south of Zhuhai in just 20 minutes. In the future, the second phase of the terminal will be connected to the Zhongshan Eastern Outer Ring Expressway, and will enjoy the benefits of the Shenzhen-China Corridor (expected to open in 2023) even faster.



(Photo Source: Online)

CHINA SNAPSHOT

Shenzhen Launched First PPP Elderly Care Service Project

On April 22, the Baofengyuan PPP project in Luohu District officially launched. As reported, the project has built the first project in elderly care service field by adopting the government-social capital cooperation model (PPP).

The project has a total gross floor area of nearly 4,000 sq.m., with a total of 70 double rooms and 140 beds for the elderly.

It is confirmed that a professional pension company wholly-owned by China Life, a state-owned enterprise in Shenzhen, as the winning bidder to undertake the investment, construction and operation of the project.



(Source of Picture: Canva Photo Base)

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CHINA SNAPSHOT

Shenzhen Announced Land Sale Plan, 30% for Residential

Shenzhen government listed 6 residential lands in Nanshan's Xili, Baoan's Xixiang, Longhua's Minzhi, Guangming's Phoenix and Shenzhen-Shantou Cooperation Zone on May 13, with a total land area of approximately 361,900 sq.m. and a total permitted gross floor area of approximately 910,100 sq.m.. The total transaction amount reached 13.844 billion Renminbi.



(Source of Picture: Online)

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CHINA SNAPSHOT

Wuhan Launches "427 New Policy" on Property Market

On April 27, the Wuhan Housing Authority released the latest regulatory measures on the sales of first-hand housing.

It stipulated that the pre-sale permit for commercial housing can be declared when construction progress of the main structure of the new commercial housing project reaches 50% for buildings with 15-storey or less and 33% for buildings with 16-storey or above. The declaration can be declared in batches but not more than 3 times for those below 200,000 sq.m. of gross floor area and not more than 5 times for those with 200,000 sq.m. and above.

After the implementation of the new policy, developers are restricted to extend pre-sales period by selling the property by small batch say blocks by block. At the same time, group purchase and other charges before pre-sales were also expressly prohibited. Real estate developers, before obtaining a pre-sale license, must not voluntarily or authorize a third party to charge from any potential customers by making reservations, group purchases, and selling membership.



(Source of Picture: Canva Photo Base)

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CHINA SNAPSHOT

Residential Price Index of Major Cities (April 2021):

City	Sample Average Price(RMB/sq.m.)	M-o-M Change(%)	City	Sample Average Price(RMB/sq.m.)	M-o-M Change(%)
Shanghai	50,623	0.07	Beijing	43,676	0.13
Chongqing	11,463	0.46	Tianjin	14,921	0.1
Guangzhou	23,923	0.38	Shenzhen	54,454	0.19
Nanjing	24,268	0.32	Hangzhou	28,703	0.01
Chengdu	12,147	0.83	Wuhan	13,217	0.54
Dalian	13,712	0.51	Suzhou	17,893	0.44
Xi'an	11,080	1.08	Xiamen	29,174	0.35
Ningbo	18,704	0.27	Changsha	9,097	0.4
Wuxi	13,733	0.85	Dongguan	18,929	0.8
Shenyang	9,839	0.14	Fuzhou	17,080	0.07

Source: Fangtianxia Hundred City Price Index



(Source of Picture: Canva Photo Base)

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