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HONG KONG PROPERTY
香港物業市場透視

CHINESE MAINLAND PROPERTY
中國內地物業市場透視

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HONG KONG PROPERTY-MARKET WATCH

"Hostels-in-the-City Scheme" Sparks Wave of Commercial and Hotel Conversions, Creating a New Student Accommodation Market in Hong Kong

"Hostels-in-the-City Scheme" Sparks Wave of Commercial and Hotel Conversions, Creating a New Student Accommodation Market in Hong Kong

Author: Cyrus Wong

With the government actively expanding the higher education sector, the rapid influx of non-local students has outpaced the supply of traditional university housing, leading to a significant shortage. In July 2025, the Government officially launched the "Hostels-in-the-City Scheme", further streamlining planning, land administration, and building approval procedures. The scheme encourages the private sector, through self-financed and market-driven initiatives, to convert commercial properties into student hostels. The scope of the scheme was subsequently expanded to include new-build projects in the 2025 Policy Address[1].

Also impacted by the macroeconomic environment, the non-residential property market has underperformed in recent years, with both transaction volumes and occupancy rates hitting multi-year lows. Against this backdrop, property owners and developers are increasingly exploring non-traditional business models in an attempt to find a breakthrough during the market downturn.
Consequently, the conversion of non-residential properties, such as office buildings and hotels, into student hostels has become one of the market favorites while simultaneously promoting education and the economy.

1. Overview of the "Hostels-in-the-City Scheme"

The scheme aims to establish transparent and user-friendly operational guidelines, reduce compliance burdens, and ensure hostel quality aligns with broader policy objectives through supporting monitoring measures. Key measures and features of the scheme include[2]:

- ***Planning and Land Administration Procedures***
  - Expansion of the definition of "hotel" use to cover eligible student hostels from Town Planning Board. For sites where 'Hotel' is a Column 1 use (i.e. an always permitted use), such as most sites zoned "Commercial". No planning permission would be required for eligible student hostels thereon under the Scheme.
  - In certain cases (e.g. sites zoned "Other Specified Uses" annotated "Business"), only a planning application for permission is required.
  - If the lease of a commercial building does not restrict hostel use, no lease modification or land premium payment is required.
- Building Control Measures
  - Student hostels are treated as non-domestic building standards for plot ratio and site coverage.
  - Conversion projects may retain the existing exempted floor areas, which continue to be excluded from gross floor area (GFA) calculations.
  - For new-build projects, hostel facilities (such as gyms and study rooms) may be exempted from GFA, subject to conditions.

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- ***Scope of Application***
  - The scheme covers existing commercial conversions, redevelopments, and new-build projects.
  - Partial conversion or construction of student hostels within a building is permitted, subject to specified conditions.
  - Industrial buildings and sites located within industrial zones are generally ineligible for student hostel development. However, an exception is made for industrial buildings that have already undergone a wholesale conversion into commercial use and have completed the necessary land administration procedures.
- ***Administration and Supervision***
  - The Development Projects Facilitation Office (DPFO) under Development Bureau provides enquiry services on facilitation measures and application progress.
  - Applicants must apply to the Education Bureau and make a statutory declaration committing to compliance with eligibility requirements eg. Rooms within student hostels must not be subdivided and sold separately, to ensure use aligns with overall student accommodation planning, and submit certified audited reports to the Education Bureau during operation.
- ***Rent and Operation***
  - Hostels are self-financing and private; the government does not set rent controls, allowing the market to lead pricing.
  - Eligible tenants include full-time local and non-local students in accredited sub-degree or degree programs, with up to 10% of beds may be reserved for wardens or visiting scholars.

2. Recent Examples of Converted Student Hostels[3]

Completed or planned Hotel Conversions Projects before Hostels-in-the-City Scheme launched

Y83[4] (Wuhu Street, Hung Hom)

Photo Source: RHL Database

Formerly the Sav Hotel, converted by Crystal Group in 2022. It provides over 300 rooms for approximately 600 students and 20,000 sq. ft. of communal space.

It is located near Hong Kong Polytechnic University and Hong Kong Metropolitan University, within minutes' walk to MTR stations.

1. Source: Education Bureau Website
2. Source: (Traditional Chinese Only) Midland IC&I Website
3. Source: (Traditional Chinese Only) TaKunPao Article
4. Source: https://ydotx.com/

One Pace 117[5] (Tsim Sha Tsui)
Photo Source: RHL Database

Formerly the Popway Hotel, converted by Centaline Investment and opened in 2025.

Located in Tsim Sha Tsui with five minutes' walk from Hong Kong Polytechnic University. Within a 20 minute transport radius of various universities.

3. Post-launch situation of the Hostels-in-the-City Scheme launched

In February 2026, the Development Bureau reported that 25 applications had been received under the "Hostels-in-the-City Scheme", involving approximately 5,100 bed spaces. Most projects are in urban districts such as Hung Hom, Kwun Tong, Sham Shui Po, and Sheung Wan. All applications were confirmed as eligible and enter different stages of approval.

Apart from two projects involving new student hostel development on private land, the remaining applications involve conversion of existing buildings, most of which are whole-building conversions[6].

Although the Government has not yet published a list of approved and fully authorized student hostel projects under the scheme, planning applications related to student hostels can be identified through Town Planning Board records and media reports[7].

- ***Applications Approved by the Town Planning Board***

Project	Overview	Status
107–109 Wai Yip Street, Kwun Tong	Redevelopment site into a hotel Provides 984 rooms	Approved with Conditions on Nov 2025
Office Plus @Mong Kok	Conversion of a commercial building Provides 198 rooms	Approved with Conditions on Feb 2026
46–48 Pak Tin Par Street, Tsuen Wan	Redevelopment site into a hotel Provides 299 rooms	Approved with Conditions on Feb 2026

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- *Provide Transaction Advisory Services*

- ***Applications Under Processing by the Town Planning Board***

Project	Overview	Application Date
LT Tower, Kwun Tong	Conversion of a commercial building Provides 274 rooms	Feb 2026
Kam Fu Building, Tai Po (part of G/F and 1/F–2/F)	Partial conversion of a kindergarten Provides 38 rooms	Feb 2026

107–109 Wai Yip Street, Kwun Tong
(Photo Source: RHL Database)

Office Plus @Mong Kok
(Photo Source: RHL Database)

46–48 Pak Tin Par Street, Tsuen Wan
(Photo Source: RHL Database)

LT Tower, Kwun Tong
(Photo Source: RHL Database)

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- ***Planned Projects: Hotel Conversions***

Regal Oriental Hotel[8]

- Reportedly Held by a subsidiary of Regal REIT and acquired by Centaline Investment for approximately HKD 1.518 billion
- Located in the heart of Kowloon City, near Kai Tak Sports Park and Kai Tak Mall

Hotel Cozi Oasis[9]

- Reportedly owned by the Tang Shing-bor family and acquired by China Resources Longdation for approximately HKD 953 million
- Located at 443 Castle Peak Road, Kwai Chung. About 10 minutes' walk to Kwai Hing MTR Station. Surroundings mainly industrial and commercial buildings

4. Conclusion

Based on the project cases, student hostels are typically located near university clusters. For example, hostels in Kowloon urban areas can serve multiple institutions, creating universities' hub effect. Under the "Hostels-in-the-City Scheme", site selection strategies have expanded from traditional residential areas into commercial districts. Under Hong Kong's well-developed transport network, these hostels remain competitive even when located outside traditional residential zones.

In addition, the nature of conversion cases has also shifted since the launch of the scheme. Previously, most projects involved converting hotels into student hostels. However, with the scheme's streamlined regulations and simplified application procedures, office buildings and non-residential floors have also begun applying for conversion into student accommodation. Against the backdrop of a weak non-residential property market, the scheme provides an opportunity to the underperforming commercial spaces—such as hotels, commercial buildings, and non-residential floors—into student hostels.

By fostering a flexible, low-threshold environment, the government aims to fully release the market potential for hostel conversions. In the next issue, we will discuss the specific factors influencing these transformations.

5. Source: (Traditional Chinese Only) Centaline Investment Website
6. Source: Development Bureau Replies to Legislative Council Questions: Student hostel supply
7. Source: Town Planning Board Applications under Processing
8. Source: HKET Report
9. Source: (Traditional Chinese Only) Yahoo Finance Article

HONG KONG SNAPSHOTS

Grand Promenade, Sai Wan Ho: Three-Bedroom Unit Doubles in Value Over 18 Years

A three-bedroom, low-floor unit at Grand Promenade was recently sold for HK$12.6 million after being held by the owner for 18 years, generating a book profit of about 6 million.

According to market sources, the transaction involved unit A on the low level of Block 2 of Grand Promenade in Sai Wan Ho. It features 3 bedrooms, including one ensuite bedroom with a saleable area of about 662 sq. ft. It also enjoys a partial sea view from the balcony. The transaction price is HK$12.6 million, resulting in a unit rate of about HK$19,033/sq. ft., which is the entry-level price for a three-bedroom unit of the development.

Market sources indicate that the original owner purchased the property in 2008 for HK$6.6 million. After holding the property for 18 years, the disposal resulted in a profit gain of HK$6 million, representing a 91% appreciation in value. The new buyer was reportedly drawn to the development's extensive clubhouse facilities. They found the price agreeable and acquired the property for self-use.

Grand Promenade is located in Sai Wan Ho, with clubhouse and recreation facilities. (Source of Photo: RHL Photo Base)

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HONG KONG SNAPSHOTS

Royal Peninsula, Hung Hom: 3-Bedroom Unit Appreciated above 2 Times in 25 Years

A unit at Royal Peninsula in Hung Hom, recently sold for HK$15.8 million.The original owner has held the property for about 25 years and revealed an appreciation more than 2 times in value.

According to market sources, the sold property is Flat H on mid-floor of Block 1, featuring a three-bedroom layout with open views and a saleable area of approximately 962 sq. ft. The original owner initially listed the unit for HK$17.8 million on January.The transaction price eventually reduced to HK$15.8 million, resulting in a unit rate of about HK$16,424/sq. ft..

Royal Peninsula is located adjacent to the MTR Hung Hom station with clubhouse.
(Source of Photo: RHL Photo Base)

According to information, the original owner purchased the unit first-hand at about HK$4.65 million in 2001 and has held it for 25 years. The book profit from this resale was about HK$11.15 million, and the unit appreciated in value by approximately 2.4 times during the period. The buyer was drawn to the unit’s open views. After negotiations, they found the price agreeable and acquired the property for self-use.

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Latest Office Property Market Update

Office Property Purchase and Rental Transactions in the Market

Admiralty

Address:	38th Floor of Tower One, Lippo Centre No.89 Queensway, Hong Kong
Transaction Price: (at February 2026)	HK$251 million
Saleable Area:	About 12,790 sq. ft.
Unit Rate in Saleable Area:	HK$19,625/sq.ft.
Last Transaction as at May 2013	
Price Change from Last Transaction:	-50.3%
Overall Market Change from Last Transaction:	-28.4% (Grade A Private Offices- Price Index by RVD)

Sheung Wan

Address:	Office Unit No.2 on 19/F China Merchants Tower, Shun Tak Centre Nos.168-200 Connaught Road Central Hong Kong
Transaction Price: (at January 2026)	HK$40.3888 million
Saleable Area:	About 1,723 sq. ft.
Unit Rate in Saleable Area:	HK$23,441/sq. ft.
Last Transaction as at April 2007	
Price Change from Last Transaction:	+102%
Overall Market Change from Last Transaction:	+68.3% (Grade A Private Offices- Price Index by RVD)

Latest Office Property Market Update

Office Property Purchase and Rental Transactions in the Market

Kwun Tong

Address:	Office H on 30^{th} Floor Legend Tower No. 7 Shing Yip Street Kowloon.
Monthly Rental (from February 2026)	HK$59,664
Saleable Area:	About 1,790 sq. ft.
Unit Rental in Saleable Area:	HK$33.3/sq. ft.
Overall Private Offices Rental Market Change	
Compare 2024 Q4 & 2025 Q4:	Grade A Private Offices : -3.94% Grade B Private Offices : -2.23% Grade C Private Offices : -1.71% (Private Offices- Rental Indices by RVD)

Cheung Sha Wan

Address:	Office E on 11^{th} Floor, Billion Plaza 2 No. 10 Cheung Yue Street, Kowloon
Monthly Rental (from January 2026):	HK$54,000
Saleable Area:	About 1,745 sq. ft.
Unit Rental in Saleable Area:	HK$30.9/sq. ft.
Overall Private Offices Rental Market Change	
Compare 2024 Q4 & 2025 Q4:	Grade A Private Offices : -3.94% Grade B Private Offices : -2.23% Grade C Private Offices : -1.71% (Private Offices- Rental Indices by RVD)

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Latest Office Property Market Update

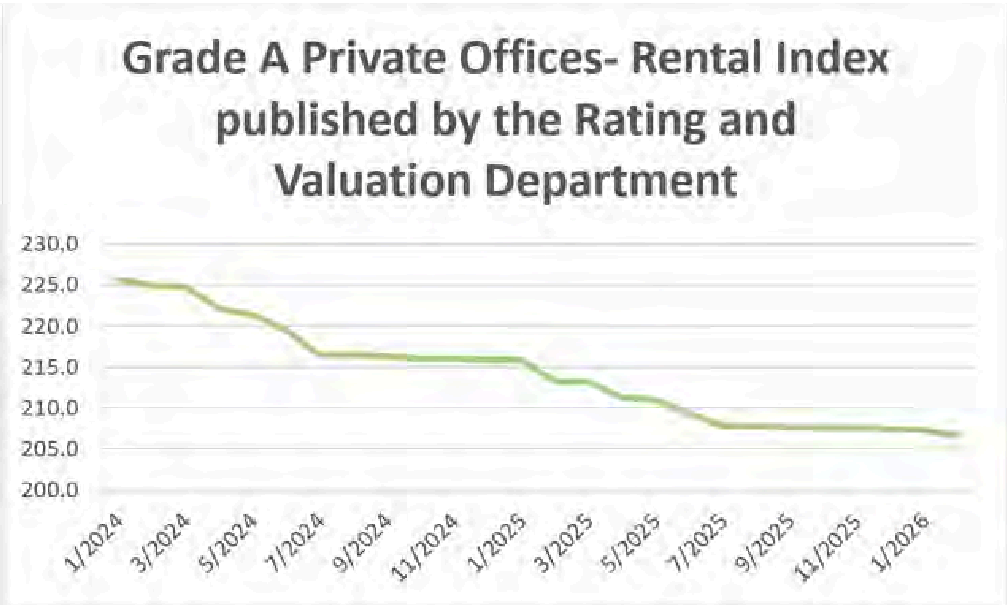
Office Property Purchase and Rental Transactions in the Market

Statistics on Office Property Transaction Registered by the Land Registry	
Total Registered Transaction Volume in 2025 Q4	293
Total Preliminary Registered Transaction Volume in 2026 Q1	242
Transaction Value of Office Property in 2025 Q4	About HK$8.145 billion
Preliminary Transaction Value of Office Property in 2026 Q1	About HK$5.505 billion
Monthly Change in Transaction Value	-32.4%
Source of Information: Land Registry and Centaline Property	

The office market remains under pressure due to an oversupply of Grade A offices, high vacancy rates, and occupiers remain conservative in expansion which leading office rental.

Summarizing the market statistics from the Land Registry and Centaline Property, the transaction volume and transaction value of the office property in Q1 2026 decreased compare to Q4 2025. According to the Grade A Private Offices Rental Index published by the Rating and Valuation Department ("RVD"), the latest index has further dropped to 206.6 and the price index also dropped to 275.0.

With a lower interest rate environment and business growth within the financial, professional, and tech sectors are anticipated to drive a recovery in market sentiment.



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CHINESE MAINLAND SNAPSHOT

- **Living in China: Revitalizing Existing Assets and Reimagining Rural Development through Sojourn**

- **Driven by Policy and Social Dynamics: Why Has the Demand for Rigid Needs Second-Hand Housing in Beijing Suddenly Surged?**

- **Residential Price Index of Major Cities (March 2026)**

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CHINESE MAINLAND SNAPSHOT

Living in China: Revitalizing Existing Assets and Reimagining Rural Development through Sojourn

Author: Gigi Yim

In recent years, sojourn has gradually emerged as a major new trend at the intersection of China's housing consumption and regional development. According to the Ministry of Culture and Tourism, over 90% of sojourners stay for less than six months, with more than 60% staying for one to three months. This shift reflects changes in living and consumption patterns, suggesting that sojourning has evolved beyond short-term experiences into a hybrid form of living, consumption, and asset allocation.

In terms of real estate, the true value of the sojourn industry lies not merely in providing alternative accommodation options, but in opening new possibilities for utilizing existing assets. It aligns closely with the national directive outlined in the Work Program for Accelerating the Cultivation of New Growth Drivers in Service Consumption, which explicitly supports innovative forms of sojourn-based living. Residential housing, serviced apartments combining short- and long-term rentals, boutique, hotels, and supporting facilities such as dining, wellness, and leisure services, with coherent operational strategies, it can transform idle properties into continuously productive regional assets. This transformation further stimulates service consumption in areas such as healthcare, cultural tourism, and vacationing, thereby creating a more resilient domestic demand network.

In the first eleven months of 2025, 4.983 million sojourners were recorded in Yunnan, revitalizing vast stocks of idle rural housing and creating local employment.
(Source of Photo: Canva Photo Base)

In general, China's efforts to revitalize its real estate stock have reveal three major strategic directions:

- ***Inclusive and Talent-Oriented Rental Housing:*** Transforming idle properties into affordable or talent apartments to balance urban housing supply and demand.
- ***New Consumer Space Transformation:*** Converting inefficient assets into cultural and creative spaces, elderly-care communities, and other innovative service venues to expand consumption scenarios.
- ***Integrated Rural Revitalization:*** Incorporating rural development into asset activation by converting idle farmhouses into homestays, leisure farms, and wellness estates, driving two-way resource flows between urban and rural areas.

In terms of economic, the sojourn industry's advantage lies in its strong multiplier effects. It revitalizes stagnant properties, reduces vacancy rates, stimulates investment, and accommodates emerging segments like digital nomads and long-stay travelers. Simultaneously, it generates employment in renovation, operations, catering, cultural tourism, and healthcare, thereby boosting local incomes and community vitality.

For instance, in Guizhou Province, farmers participating in sojourn projects report average monthly income increases of about RMB 3,000, indicating that this model is not merely popular among consumers, it also opens a new gateway for local income growth. While these figures are promising, their sustainability ultimately depends on the stability of the industrial chain rather than temporary visitor flows.

The cases of Yunnan and Guizhou offer representative market samples. According to the data from the Yunnan Provincial Ministry of Culture and Tourism, there were 4.983 million sojourners recorded in the first eleven months of 2025 in Yunnan, with an average stay of 85 days, a 54.9% year-on-year increase. This surge also revitalized vast stocks of idle rural housing and created local employment, demonstrating the tangible economic and spatial impact of the sojourn industry. When natural resources, lifestyle offerings, and supporting services converge effectively, the countryside is no longer merely a sightseeing destination, it becomes a lived, experienced, and continuously consumed community. Hence, the core of sojourning is not simply to attract a visit, but to encourage people to stay and return.

The Guizhou provincial government supports the conversion of existing commercial housing stock into properties for sojourners.
(Source of Photo: Canva Photo Base)

Guizhou Province offers a particularly representative model. With 63% forest coverage, a pleasant year-round climate, and abundant hot springs and ethnomedical resources, Guizhou possesses natural advantages for developing the sojourn industry. In early 2026, the provincial government released the Comprehensive Plan for Accelerating the Development of Guizhou's Sojourn Industry, which explicitly supports the conversion of existing commercial housing stock into sojourn properties. The plan encourages local governments to make full use of idle residential units, commercial spaces, and collective land, promoting rural sojourn projects through various cooperative models such as joint ventures, equity participation, and self-operation between village collectives and enterprises.

The policy specifies that all conversions must comply with land-use regulations, fire and building safety standards, and proper registration requirements. It prioritizes idle commercial housing, underutilized cultural-tourism properties, and vacant urban or rural premises as applicable asset types. The plan also streamlines approval procedures, optimizes spatial layout and facilities, and emphasizes compliant operations and profit-sharing under the "enterprise and village collective" model.

Driven by these policy measures, Guizhou's sojourn industry has begun showing notable results. According to Cao Wen, a reporter from Guizhou Daily's Tianyan News, by July 2025, total sojourn bookings had increased by more than 76% year-on-year, while long-stay bookings of over seven days grew by 40%. Orders lasting 15 to 30 days also rose by over 40%, ranking Guizhou second nationwide and significantly reducing rural housing vacancy rates.

Overall, leveraging the sojourn industry to revitalize existing real estate assets and promote rural development has become a central trend in China's property market transformation. Its significance extends beyond reinvigorating idle assets, it also lies in optimizing resource allocation, raising household incomes, and enhancing regional vitality. Guizhou's experience exemplifies this model: it has successfully reduced rural housing vacancy rates, expanded service-based consumption, and generated new investment opportunities, offering a replicable framework for other regions. As policy coordination and industry-chain integration continue to deepen, the sojourn industry is poised to strengthen its role as a "bridge" between urban and rural economies, fostering synergy between real estate and rural revitalization and injecting lasting momentum into China's sustainable growth.

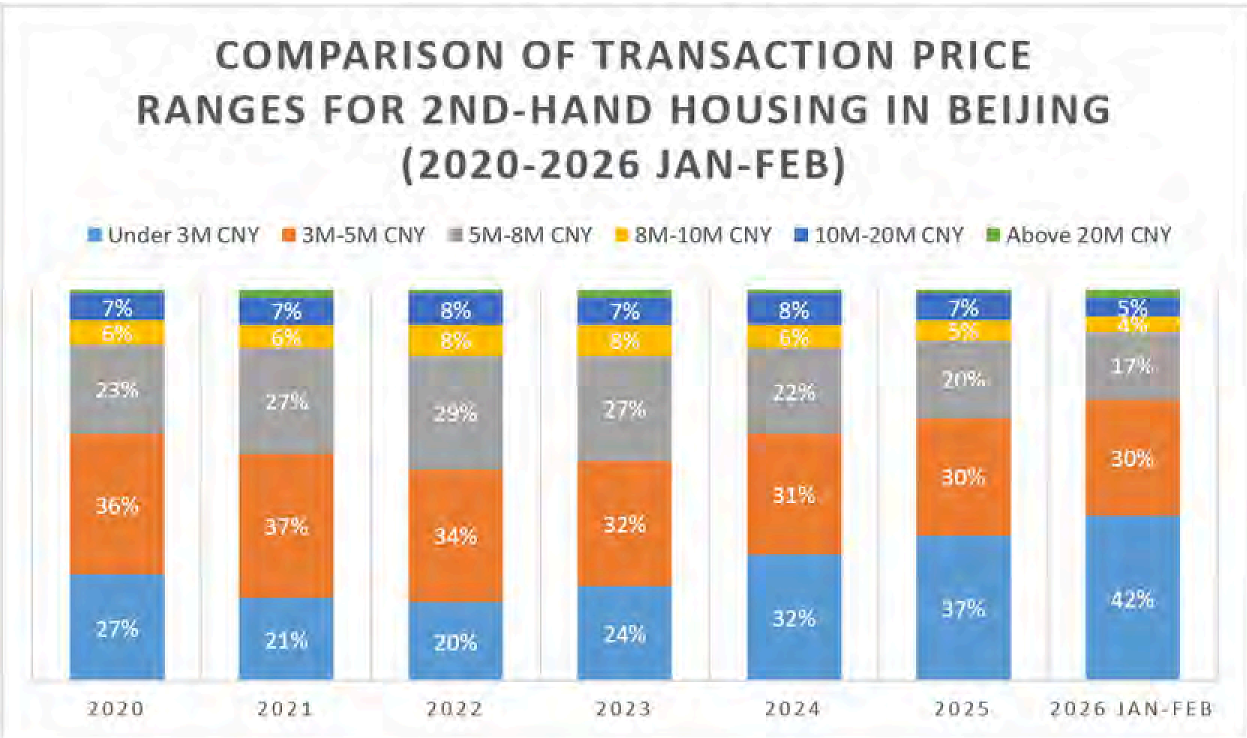
Source (Chinese Only): China Tourism Academy Report (2024) ; Xinhua Net Report; Sino Finance Report; ChinaNews Report; General Office of the State Council Notice (2026); Yunnan Provincial Ministry of Culture and Tourism Article; Guizhou Ribao

CHINESE MAINLAND SNAPSHOT

Driven by Policy and Social Dynamics: Why Has the Demand for Rigid Needs Second-Hand Housing in Beijing Suddenly Surged?

Author: Louis Liu

In March 2026, Beijing's second-hand housing market experienced a significant "early spring." According to online signing data from the Beijing Municipal Commission of Housing and Urban-Rural Development, the number of second-hand residential housing signed in March reached 19,886, not only hitting a new high in nearly 15 months but also showing a substantial month-on-month increase of 144.6%. Amid this transaction boom, small-sized, low-total-price rigid needs housing has become the absolute core engine. Data indicates that the proportion of second-hand housing sold for under RMB 3 million has risen significantly, and the share of units under 70 square meters has also reached its highest level in nearly five years.



Source: CIH Index

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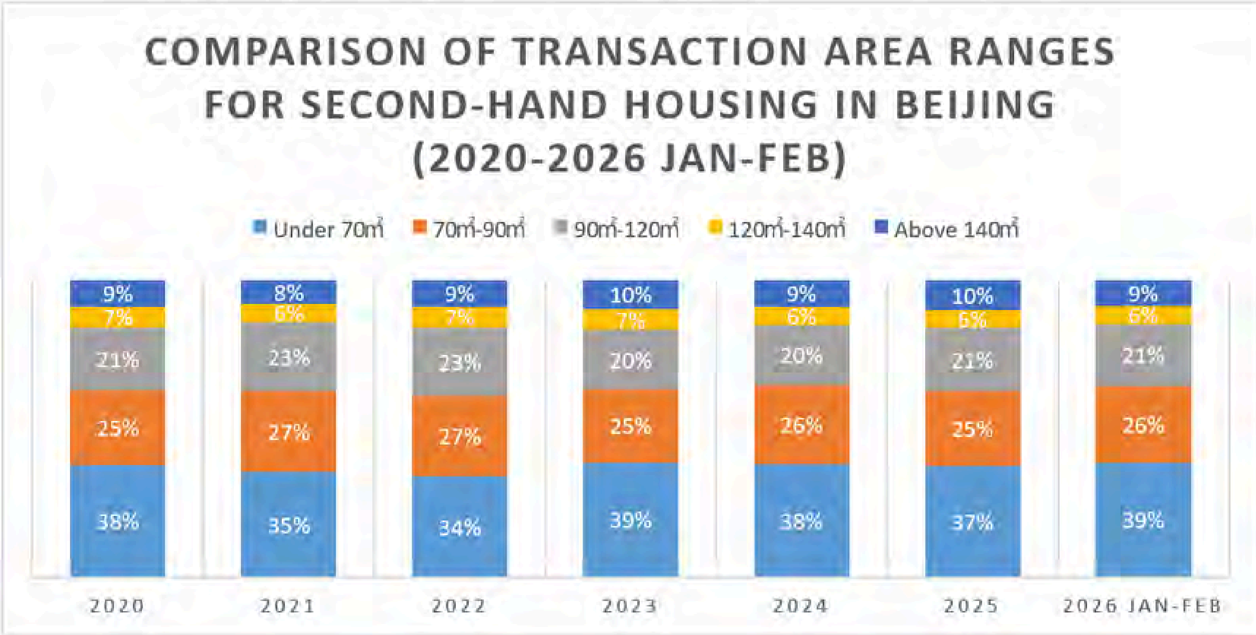

Source: CIH Index

We believe that the recent fervor for rigid needs housing is not accidental but the result of the combined effects of precise policy interventions and deep-seated social demand drivers.

I. Precise Policy Intervention: Lowering Thresholds and Costs to Activate Latent Rigid Needs

On 24 December 2025, four Beijing municipal departments, including the Beijing Municipal Commission of Housing and Urban-Rural Development, the Beijing Municipal Commission of Development and Reform, the Beijing Branch of the People's Bank of China, and the Beijing Housing Provident Fund Management Center, jointly issued a new real estate optimization policy (hereinafter referred to as the "12.24 New Policy"). Through a combination of measures optimizing purchase restrictions, offering credit incentives, and providing provident fund support, the "12.24 New Policy" has achieved a dual reduction in housing purchase thresholds and costs, precisely activating the willingness of rigid needs groups to enter the market.

(1) Optimized Purchase Restrictions: Significant Reduction in Threshold for Non-Beijing Residents

As the capital, Beijing has a large floating population, with young people and new citizens forming the core potential customer base forrigid needs housing. The "12.24 New Policy" has notably optimized purchase eligibility for non-Beijing registered households: the required years of social security or individual income tax payment have been reduced from 3 years to 2 years within the 5th Ring Road and from 2 years to 1 year outside the 5th Ring Road. This adjustment has substantially lowered the home purchase barrier for migrant workers and newly graduated college students, directly leveraging a large-scale entry of rigid needs and injecting core momentum into the market.

(2) Optimized Credit: Dual Reduction in Interest Rates and Down Payments

At the credit level, national housing credit policies have seen breakthrough easing. Commercial personal housing loans no longer differentiate between first and second homes, with the actual implementation interest rate dropping to a historic low of 3.05%. Simultaneously, housing provident fund loan policies have been further relaxed, with the minimum down payment ratio for second homes reduced from 30% to 25%. Taking a rigid needs residence with a total price of RMB 3 million as an example, the minimum down payment ratio for a commercial loan has been lowered to 15%, directly cutting the down payment amount from RMB 900,000 to RMB 450,000, effectively halving the threshold. At the same time, monthly payments and total interest have been significantly reduced, tangibly alleviating the home purchase and repayment pressure on rigid needs groups.

II. Deep-seated Social Drivers: Changing Family Structures and Rational Expectations Reshaping Demand Logic

The fervor for small-sized, low-total-price housing is not merely a short-term policy effect but a long-term projection of profound changes in Beijing's demographic structure, family patterns, and economic expectations.

(1) Miniaturization of Family Structure: Increased Demand for Small Units

Contemporary youth have undergone significant shifts in their views on marriage and childbirth, with trends toward later marriages, later childbirth, and even childlessness becoming increasingly apparent, making smaller family sizes the mainstream. Data from Beijing's Seventh National Population Census shows that the average household size in Beijing has dropped to 2.31 people, and the average age of first marriage is also higher than the national average. Against this backdrop, small units of around 70 square meters can adequately meet the living needs of two-person households while effectively controlling the total purchase price and subsequent usage costs, making them the optimal choice for young families and individuals with rigid needs housing.

Small units of around 70 m^2 become the optimal choice for young families and individuals with rigid needs housing.
(Source of Photo: Canva Base)

(2) Prudent Economic Expectations: Rational Consumption Dominates

Against the backdrop of slowing economic growth, residents' income expectations have become more prudent, and home purchase decisions have become more rational. Rigid needs groups prioritize low-total-price homes under 3 million yuan to reasonably control monthly payments and debt levels, thereby reducing financial risks. This consumption logic of "Rigid needs first, cost-effectiveness paramount" has further propelled small-sized, low-total-price housing to become the market mainstream.

III. Market Trend Outlook: Sustained Structural Divergence and Complementary Coexistence of Rigid Need and Upgrade Demand

The surge in rigid needs housing in Beijing's second-hand market in March 2026 is the result of the combined effects of short-term policies, seasonal windows, and long-term social changes. In the future, Beijing's housing market will exhibit more distinct characteristics of structural differentiation.

In the short term, the effects of the "12.24 New Policy" will continue to be released, credit costs will remain low, and the redness of small-sized, low-total-price housing is expected to continue, serving as a market stabilizer.

In the long term, the trends of smaller family sizes and low marriage/birth rates are irreversible and will provide long-term support for rigid needs for small units. The new housing market will be dominated by upgrading products, serving the replacement and upgrade needs of Beijing-registered families; meanwhile, the second-hand market will focus on rigid needs small units, catering to the "rent-to-buy" needs of new citizens and young people, forming a complementary pattern of "new homes for upgrading, second-hand for rigid needs." The future market will transform toward "diverse adaptation, cost-effectiveness priority, and prominent residential attributes," gradually building a mature market ecosystem.

Sources (Chinese Only): National Bureau of Statistics of the People's Republic of China; Ministry of Civil Affairs of the People's Republic of China, Beijing Municipal Commission of Housing and Urban-Rural Development; CIH Index; Anjuke; 58.com

CHINESE MAINLAND SNAPSHOT

Residential Price Index of Major Cities (January 2026)

City	Sample Average Price (RMB/sq.m.)	M-o-M Change (%)	City	Sample Average Price (RMB/sq.m.)	M-o-M Change(%)
Shanghai	63,185	0.33	Beijing	47,115	0.14
Chongqing	11,371	0.04	Tianjin	15,458	-0.05
Guangzhou	25,130	0.19	Shenzhen	52,993	0.01
Nanjing	25,971	-0.09	Hangzhou	33,592	0.34
Chengdu	15,010	0.14	Wuhan	13,379	-0.07
Dalian	13,201	-0.48	Suzhou	19,362	0.22
Xi'an	13,386	0.12	Xiamen	28,469	-0.16
Ningbo	21,054	0.15	Changsha	9,668	-0.24
Wuxi	14,517	-0.17	Dongguan	17,931	-0.29
Shenyang	9,678	-0.20	Fuzhou	16,768	-0.14

Source: Fangtianxia Hundred City Price Index

"Professional Practice in Land and Planning Matter"

- *Lease Modificaiton / Land Exchange*
- *Premium Assessment*
- *Temporary Waiver Application*

CHINESE MAINLAND SNAPSHOT

Major Land Transaction (March 2026)

Shanghai - Residential Land	
Transaction Date:	30-03-2026
Address:	Bounded by Changzhi Tower to the east, the planned Baiyu Road to the south, Wanhangdu Road to the west, and Hualian Creative Plaza to the north
Consideration:	RMB 5,081,880,000
Usage:	Ordinary Commodity Residential Land (Category III)
Site Area:	24,508.81 sq.m.
GFA:	65,438.52 sq.m.
Plot Ratio:	2.67
Accommodation Value/ GFA sq.m.	RMB 77,658.85

Beijing - Industrial Land	
Transaction Date:	19-03-2026
Address:	Bounded on the east by the property boundary of the adjacent lot; on the west by the eastern red line of the planned Jinghong Avenue; on the south by the northern red line of the park green space on the north side of Weiyong River and the boundary of the planned site on the southwest side; and on the north by the southern red line of the planned Simiao West Road.
Consideration:	RMB 75,020,000
Usage:	Class I Industrial Land Use
Site Area:	33,338 sq.m.
GFA:	46,674 sq.m.
Plot Ratio:	1.40
Accommodation Value/ GFA sq.m.	RMB 1,607

CHINESE MAINLAND SNAPSHOT

Major Land Transaction (March 2026)

Guangzhou- Commercial Land	
Transaction Date:	03-03-2026
Address:	Bounded on the south of Huangpu Avenue and east of Machang Road in Tianhe District (Machang Phase 1 Plot)
Consideration:	RMB 23,603,650,000
Usage:	Commercial and Financial Land
Site Area:	174,007.24 sq.m.
GFA:	567,263.60 sq.m.
Plot Ratio:	3.26
Accommodation Value/ GFA sq.m.	RMB 41,609.67

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