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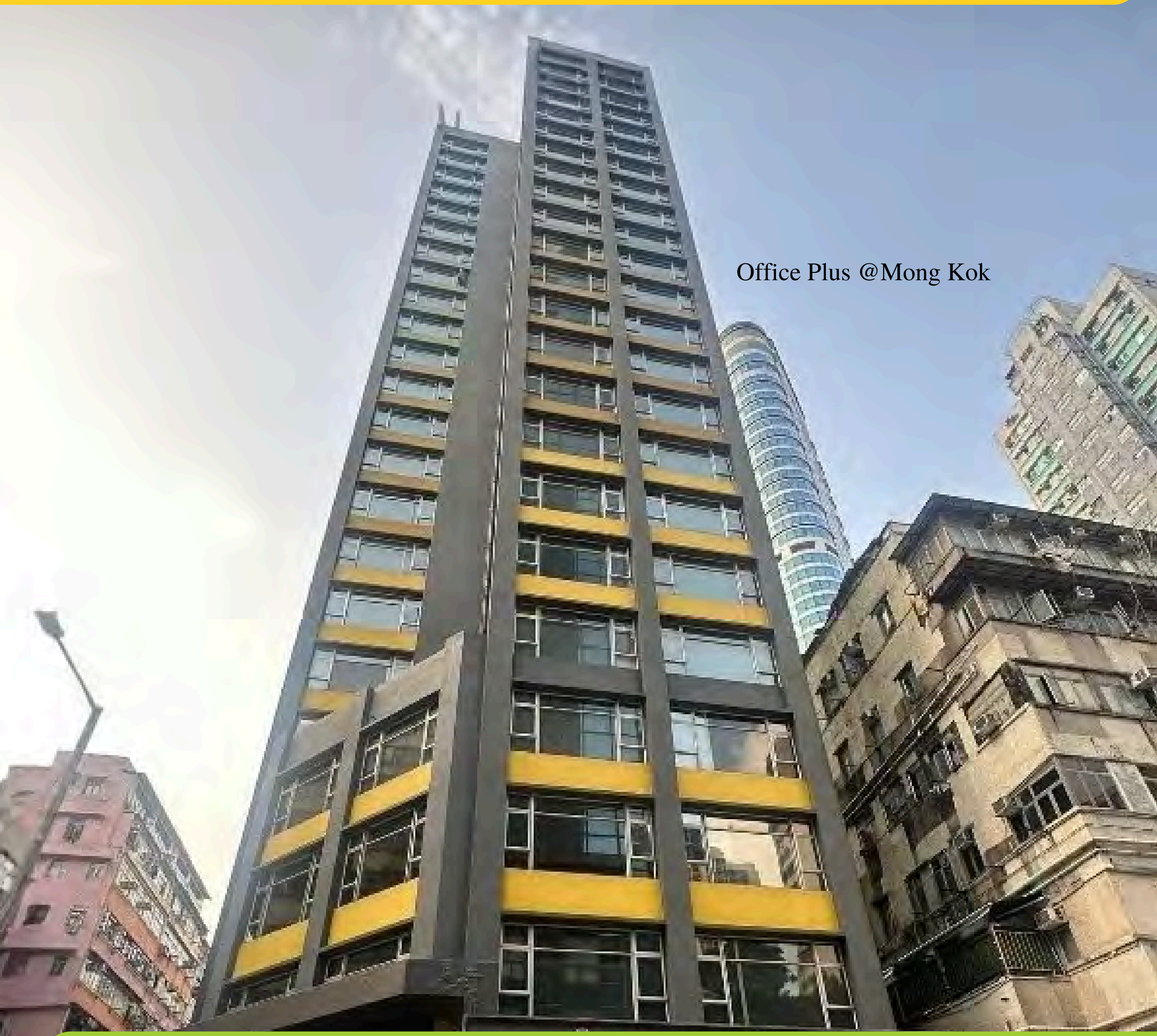

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HONG KONG PROPERTY
香港物業市場透視

CHINESE MAINLAND PROPERTY
中國內地物業市場透視

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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

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- Project Feasibility Study and Advisory
- Financial Analysis
- Investment Advisory
- Due Diligence
- Valuation (including Real Estate, Business Valuation, Plant & Machinery)
- Real Estate Solutions and Surveying Practice

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HONG KONG PROPERTY-MARKET WATCH

Conversions into Student Accommodation: Technical, Cost, and Operational Challenges

Conversions into Student Accommodation: Technical, Cost, and Operational Challenges

Author: Cyrus Wong

In our previous analysis, we highlighted the supply dynamics of student accommodation. Historically, the market was heavily concentrated around university clusters. Taking Kowloon as an example, a student residence could often serve multiple institutions simultaneously, creating a hub effect of "one residence serving multiple schools." However, driven by the "Hostels-in-the-City Scheme" site selection is no longer confined to traditional residential areas; an increasing number of projects are emerging in commercial districts and non-residential zones. Since Hong Kong's mature transportation network, student accommodation remains competitive for those located in non-traditional areas. At the same time, the scheme has streamlined regulations and application procedures, leading to a rise in conversion applications for commercial buildings and non-residential floors, thereby offering a new opportunity for the non-residential property market. The government try to create a low-barrier, flexible environment by relaxing planning restrictions and providing subsidies to unlock the full market potential of student accommodation conversion.

This following topic will briefly analyze the factors influencing this conversion trend, including the technical constraints of building modification, cost structures, operational challenges, and the long-term role of Purpose-Built Student Accommodation (PBSA) in the market.

Technical and Cost Considerations of Conversion[1,2]

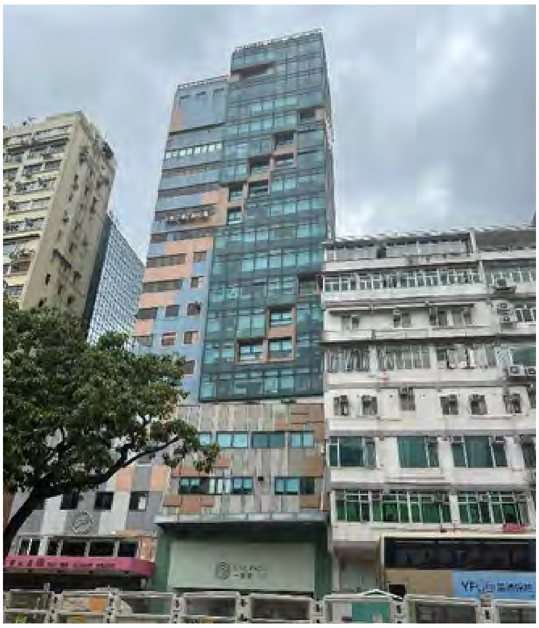
When converting non-residential buildings for long-term hostel use, the first challenges are physical constraints such as natural lighting and ventilation. The depth and core layout of commercial floors often result in interior spaces lacking natural light and airflow, which limits the area that can be divided into independent rooms. As a result, some central zones can only be planned as communal or service spaces.

Secondly, mechanical, electrical, and plumbing (MEP) systems are required to redesign to accommodate high-density usage, such as student housing. Without such upgrades, peak occupancy periods may lead to insufficient hot water, electricity, and network capacity, directly affecting the living experience and occupancy rates. In addition, fragmented ownership or partial conversion arrangements increase the complexity of project coordination, extend timelines, and reduce overall efficiency in design and management.

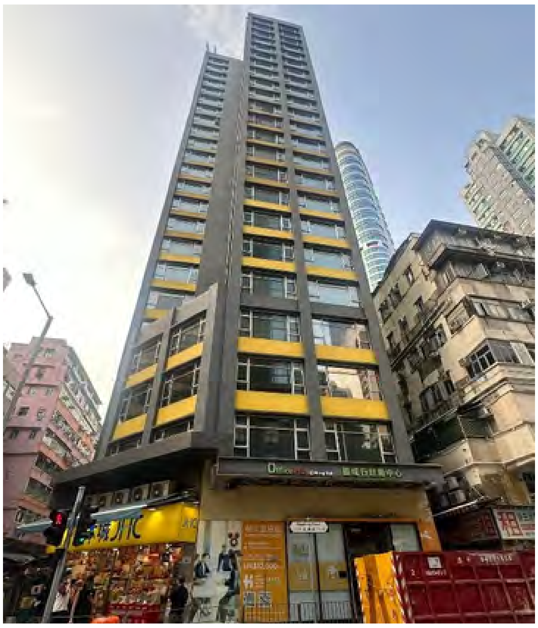
From the cost perspective, the common pathway in the market are conversions of hotels and office buildings. Hotel conversions typically focus on interior refurbishment and furniture upgrades, making the process relatively simple and cost-effective per unit. This approach is suitable for rapidly increasing bed supply to meet urgent demand.

In contrast, office building conversions often require installing bathrooms, reorganizing MEP systems, and implementing new fire compartmentation. These works are extensive and involve higher uncertainty, leading to significant hidden costs. As a result, the per-unit conversion cost is often higher than that of hotel conversions.

Therefore, conversion is not necessarily a low-cost shortcut. Significant hidden expenses may arise, particularly in technical retrofitting and long-term operations. Thus, before proceeding, it is essential to assess technical feasibility, MEP capacity, and usable floor area, and to incorporate hidden costs into the financial analysis.



Transform from Hotels
One Pace 117
(Photo Source: RHL Database)



Planned to transform from Office
Office Plus @Mong Kok
(Photo Source: RHL Database)

Operational and Management Considerations[1,2,3]

When developing student accommodation, the choice of operating model directly affects staffing requirements and cost structure. Adopting a hotel-style service model enhances staffing levels and real-time responsiveness, but it also increases operating expenses. In contrast, a more basic self-managed approach can reduce costs, but it requires a defined house rules and effective self-service systems.

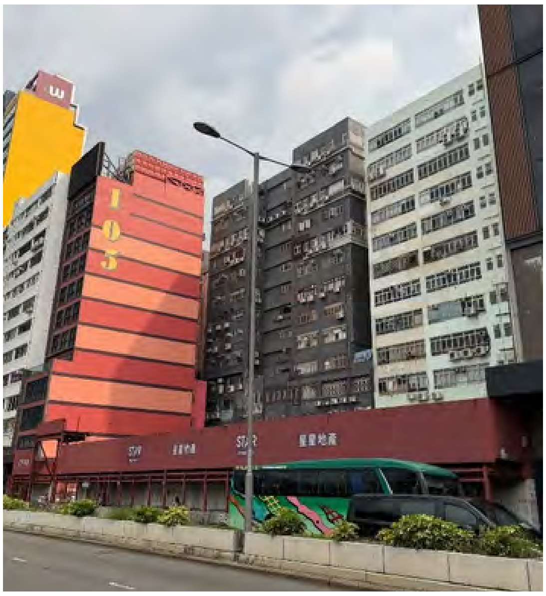
In addition, peak load management—such as simultaneous demand for water, electricity, and internet— is highly accounted for at the design stage by reserving sufficient system capacity. A robust maintenance and handover mechanism should also be established, with major repairs scheduled in alignment with academic terms to minimize operational disruptions.

Standardized tenancy agreements, enforceable dormitory rules, and clear procedures for handling emergencies can help reduce disputes and strengthen confidence among students and educational institutions.

1. Source: (Traditional Chinese Only)HK01 Article
2. Source: Surveyors Times 2026 FEB Success of student hostels hinges on product design and management
3. Source: (Traditional Chinese Only) MingPao Article

New-Build Student Accommodation Market: PBSA as a Long-Term Direction[2,4,5]

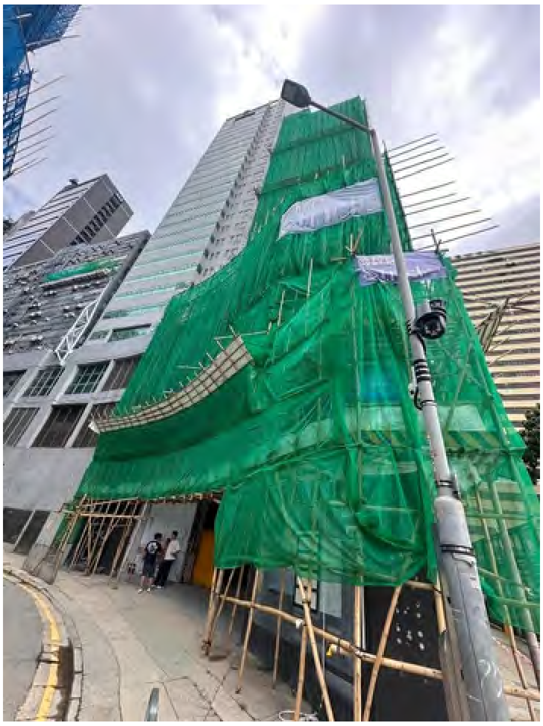
Although conversions can quickly increase supply, in the long run, newly built PBSA (Purpose-Built Student Accommodation) offers greater cost efficiency and operational advantages. In terms of land supply, the Development Bureau invited market expressions of interest in January 2026 for three sites designated for student accommodation development. These sites are located in Kai Tak, Siu Lek Yuen in Sha Tin, and Tung Chung East. All are zoned for "Commercial" use, allowing direct development of student housing without the need for additional planning applications. The government preliminarily estimates that the three sites could provide around 4,500 student bed spaces, with the final number depending on design.



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

From a construction perspective, the increasingly adopted Modular Integrated Construction (MiC) method is well suited to student accommodation projects, as room layouts are relatively standard and adaptable to modular production. Several local student housing projects using MiC have already been completed or are currently under development. MiC can shorten construction time, reduce disruption to the surrounding environment, and ensure consistent room standards from the outset.

The market is also beginning proposal of PBSA developments. Industry representatives have noted in news that, although new-build PBSA requires higher upfront investment, it offers clear advantages in design efficiency, space utilization, and long-term operational costs. Over time, it may deliver better value and returns compared to conversion projects.



Planned for PBSA
64 Wong Chuk Hang Road
(Photo Source: RHL Database)

4. Source: The Government of HKSAR Press Releases Development Bureau invites market to submit expressions of interest for student hostel development on three formed sites
5. Source: (Traditional Chinese Only) SingTao Headline Article

Conclusion

"Hostels-in-the-City Scheme" has opened a new pathway for the transformation of non-residential properties, creating both supply and investment opportunities for the market. However, when considering the conversion, development, and operation of student housing projects, professional analysis is essential. This includes feasibility studies, cost assessments, and operational model evaluations.

Government provision of suitable sites and the streamlining of planning procedures can significantly lower development barriers and attract experienced operators to commit to long-term projects. In addition, establishing certification and license renewal mechanisms, along with encouraging institutional participation and accreditation, can enhance market transparency and service standards, thereby promoting sustainable long-term development.

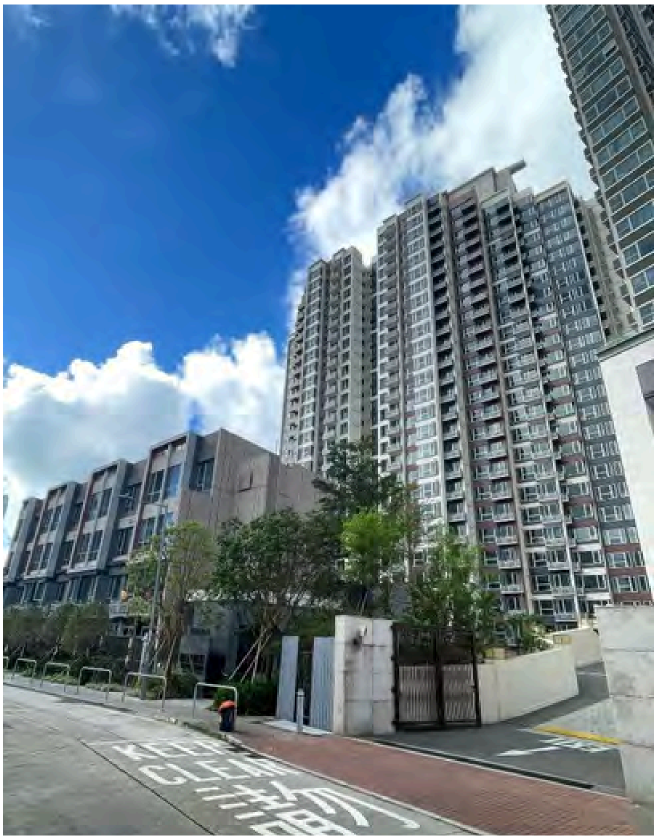
Student accommodation should not be regarded merely as a supporting facility, but as a key component of a city’s hosting capacity and educational competitiveness. To balance short-term supply pressures with long-term sustainability, coordinated efforts are required across design, construction, operation, and governance.

HONG KONG SNAPSHOTS

The Coast Line, Yau Tong: Two Bedroom Unit with Sea View Sold for 8 Million

The overall sentiment in Hong Kong's residential market has continued to improve recently, with particularly active turnover in the secondary market of relatively new developments, where short-term resales have become increasingly common.

At The Coast Line II in Yau Tong, an owner has sold a high-level two-bedroom unit for HK$8 million.



The Coast Line is located adjacent to the MTR Yau Tong station with recreation facilities. (Source of Photo: RHL Photo Base)

According to property market reports, the transaction involved flat B on the high floor of Tower 2A, with a saleable area of approximately 449 sq.ft. and enjoying a full sea view. The unit was initially listed at HK$8.2 million and was sold for HK$8 million after negotiation, representing a saleable price of about HK$17,817 /sq. ft..

Market sources indicate that the original owner purchased the unit in August 2023 for HK$7.42 million. Having held the property for less than three years, the owner resold it with a book profit of over HK$580,000.

HONG KONG SNAPSHOTS

SIERRA SEA, Sai Sha: 2-Bedroom Unit Appreciated about 50% in about 1 Year

A unit at Sierra Sea in Sai Sha has recently been sold for HK$7.5 million. According to property market reports, the original owner held the flat for about one year and achieved an appreciation of approximately 48.8%.

Market sources indicate that the transacted unit was Flat J on the mid-level of Tower 3 in Phase 1A, with a saleable area of around 461 square feet and a two-bedroom layout. After negotiation, the unit transacted for HK$7.5 million, representing a saleable price of about HK$16,269/sq. ft.. The buyer considered the layout practical and found the development environment comfortable, purchasing the unit for self-use.

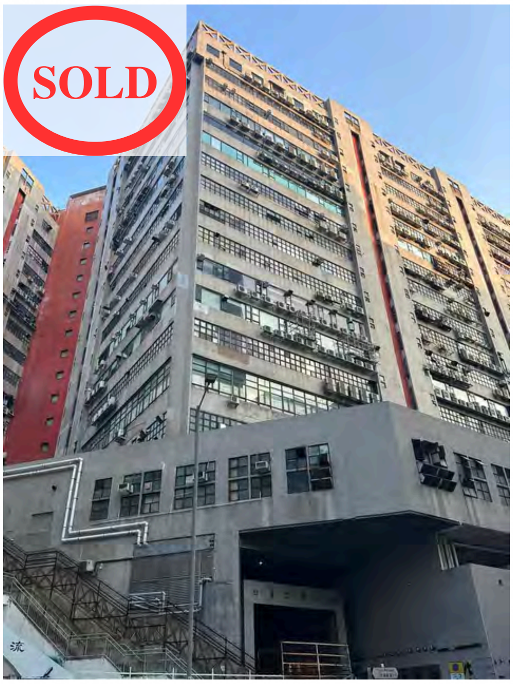
It is understood that the original owner bought the property in June 2025 for around HK$5.04 million. Upon resale, the owner made a book profit of HK$2.46 million, marking the highest gain recorded for this development recently.

Sierra Sea is located in Sai Sha with clubhouse and recreation facilities.
(Source of Photo: RHL Photo Base)

Latest Industrial Property Market Update

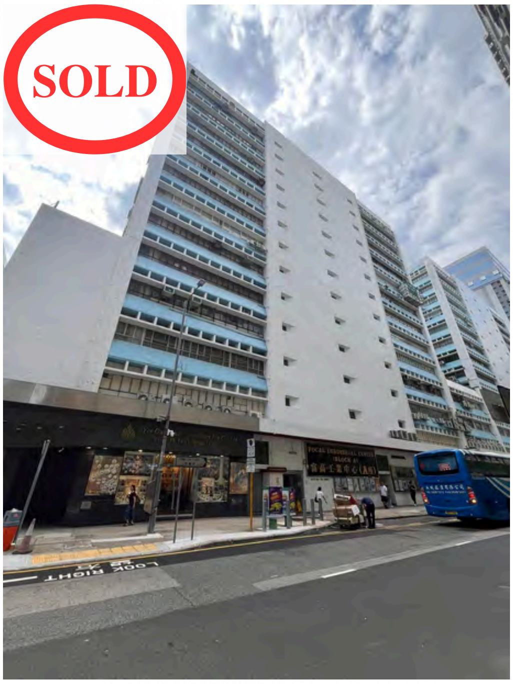
Industrial Property Purchase and Rental Transactions in the Market

Kwai Chung



Address:	Factory Unit 13 on 10/F Vanta Industrial Centre Nos.21-33 Tai Lin Pai Road Kwai Chung New Territories
Transaction Price: (at May 2026)	HK$16.5 million
Saleable Area:	About 6,125 sq.ft.
Unit Rate in Saleable Area:	HK$2,694/sq.ft.
Last Transaction as at November 2017	
Price Change from Last Transaction:	-27.9%
Overall Market Change from Last Transaction:	-32.0% (Private Flatted Factories- Price Index by RVD)

Hung Hom



Address:	Workshop Unit No.8 on 3rd Floor of Block A Focal Industrial Centre No.21 Man Lok Street Kowloon
Transaction Price: (at May 2026)	HK$7.8 million
Saleable Area:	About 1,771 sq.ft.
Unit Rate in Saleable Area:	HK$4,404/sq.ft.
Last Transaction as at October 2010	
Price Change from Last Transaction:	+27.7%
Overall Market Change from Last Transaction:	+83.0% (Private Flatted Factories- Price Index by RVD)

Latest Industrial Property Market Update

Industrial Property Purchase and Rental Transactions in the Market

Sha Tin

Address:	Unit 6 on 6/F, Wah Luen Industrial Centre Nos.15-21 Wong Chuk Yeung Street Shatin New Territories
Monthly Rental (Agreement made in March 2026)	HK$27,000
Saleable Area:	About 2,277 sq.ft.
Unit Rental in Saleable Area:	HK$11.9/sq.ft.
Overall the Private Flatted Factories Rental Market Change	
Compare 2025 Q1 & 2026 Q1:	-2.18% (the Private Flatted Factories- Rental Index)

To Kwa Wan

Address:	Unit C on 6th Floor, Man Foong Industrial Building, No.7 Cheung Lee Street, Hong Kong
Monthly Rental (Agreement made in March 2026):	HK$43,500
Saleable Area:	About 5,300 sq.ft.
Unit Rental in Saleable Area:	HK$8.2/sq.ft.
Overall the Private Flatted Factories Rental Market Change	
Compare 2025 Q1 & 2026 Q1:	-2.18% (the Private Flatted Factories- Rental Index)

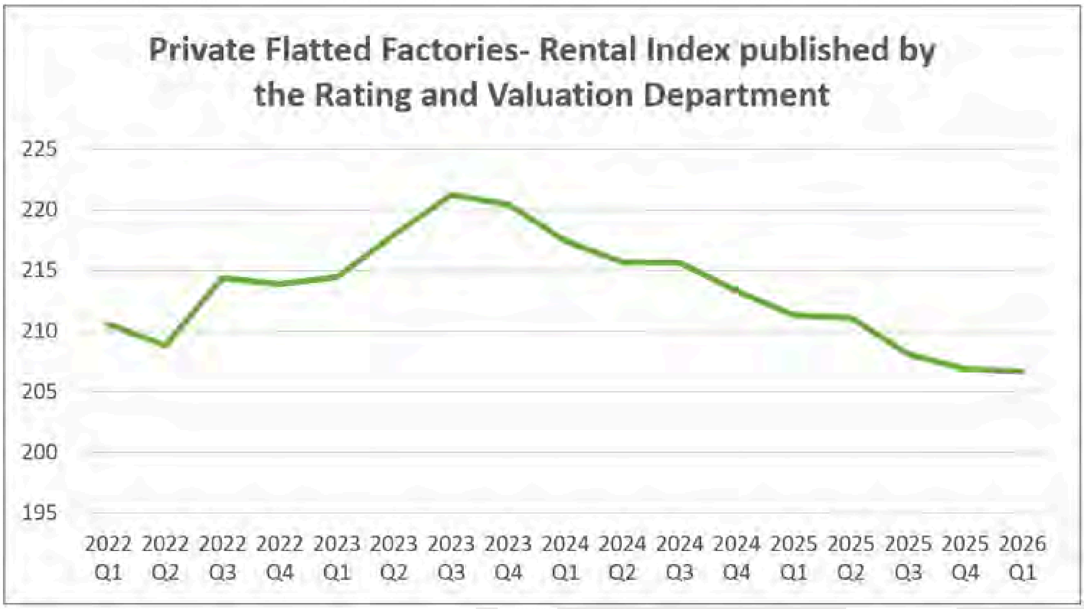
Latest Industrial Property Market Update

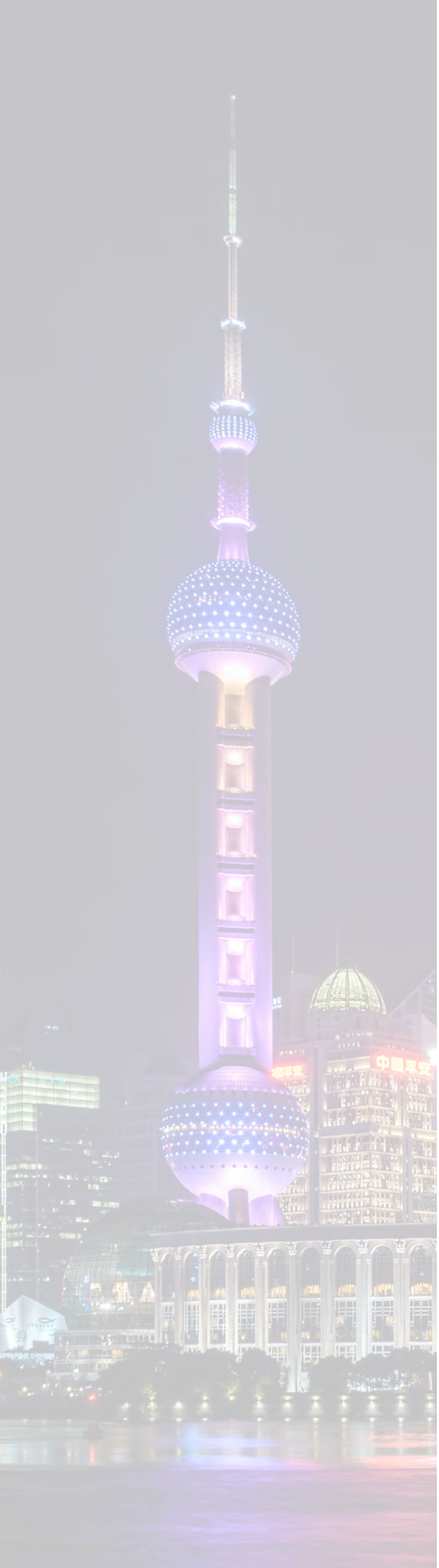
Industrial Property Purchase and Rental Transactions in the Market

Statistics on Industrial Property Transaction Registered by the Land Registry	
Total Volume of Registered Transaction in 2025 Q4	531
Total Volume of Registered Transaction in 2026 Q1	597
Transaction Value of Industrial Property in April 2026	About HK$1.124 billion
Transaction Value of Industrial Property in May 2026	About HK$1.089 billion
Monthly Change in Transaction Value	-3.11%
Source of Information: Land Registry and Centaline Property	

As revealed from the statistics by the Land Registry and market information, as in Q1 2026, the number of industrial property sale-and-purchase registrations rose by about 12% compared with the previous quarter, reaching 597 cases and marking two consecutive quarters of growth. Moreover, the total transaction value in May recorded a slight decline of around 3.11%. According to market statistics released by the Rating and Valuation Department, the industrial property sector continues to lack support. The latest Private Flatted Factory Price Index for April stood at 559.7, with the pace of decline beginning to narrow. Meanwhile, the rental index has also shown signs of stabilization, remaining unchanged for three consecutive months.

Recently, several districts have seen the completion and launch of new industrial buildings, which may provide some stimulus for the market. Nevertheless, overall market conditions remain under pressure.





CHINESE MAINLAND SNAPSHOT

- **Deep Analysis of Guangzhou's Secondary Housing "Trade-In" Policy: Strategies and Drivers for Stimulating Real Estate Circulation**
- **Foreclosed Property Market in Chinese Mainland: A Structural Transformation in the Era of Stok Assets**
- **Residential Price Index of Major Cities (MAY 2026)**
- **Major Land Transaction (MAY 2026)**

CHINESE MAINLAND SNAPSHOT

Deep Analysis of Guangzhou's Secondary Housing "Trade-In" Policy: Strategies and Drivers for Stimulating Real Estate Circulation

Author: Gigi Yim

Introduction

As the supply and demand dynamics of the real estate market undergo significant shifts, the industry has officially transitioned from an era of "incremental development" to a new stage of "activating existing inventory." Against this macroeconomic backdrop, traditional marginal stimulus measures—such as lowering down payments and reducing interest rates—are no longer effective in clearing the bottlenecks in market circulation. At the end of April 2026, the Guangzhou Municipal Government issued the Implementation Opinions on Further Promoting the Stable and Healthy Development of the Real Estate Market (hereinafter referred to as the "Guangzhou Eight Measures"), followed by a series of supporting execution details in May of the same year. As the first first-tier city in China to organize large-scale acquisitions of secondhand homes by state-owned enterprises (SOEs), Guangzhou's move marks a major shift in regulatory thinking: moving away from simply encouraging new home purchases toward actively unblocking the "sell old, buy new" replacement chain. Combining the current state of the macroeconomy and real estate transactions, this article focuses on dismantling the underlying logic and operational procedures of this policy, analyzing its actual efficacy in stimulating real estate transactions.

Policy Background and Core Logic: From "De-stocking" to "Unblocking the Cycle"

The SOE acquisition pilot clarifies 3 core metrics: must be located within the City Ring Expressway, have a total price under 3 million RMB, and have a structural area under 70m^2
(Source of Photo: Canva Photo Base)

The introduction of the "Guangzhou Eight Measures" is not an isolated event, but rather a targeted policy response to current market divergence and circulation hurdles. The primary contradiction facing Guangzhou's current housing market is not a simple lack of purchasing power, but rather a rupture in the replacement chain. A large number of residents holding older, smaller housing units in the central urban areas cannot liquidate their properties due to dried-up liquidity in the secondary market. As a result, their demand for upgraded housing remains locked, preventing them from entering the new home market.

To address this, the Guangzhou Municipal Government established a policy tone of "determining supply based on demand and unblocking the cycle." On one hand, the municipal Anju Group (Housing Group), in cooperation with district-level SOEs, purchases existing residential properties through targeted acquisitions to solve the "selling old" dilemma; on the other hand, special subsidies for "selling old and buying new" are granted to reduce replacement costs. This combination of "SOE acquisition + financial subsidy + financial support" aims to intervene via government credit to repair market failures, transforming assets stagnant in old secondhand housing into purchasing power for the new housing market.

Analysis of the "Sell Old, Buy New" Operational Procedure

To ensure regulatory compliance and capital security during policy implementation, the supporting rules of the "Guangzhou Eight Measures" establish a strict closed-loop operational procedure. This procedure not only clarifies the transaction workflow but also locks the flow of funds through institutional design, ensuring that capital from "selling old" is precisely injected into the new housing market.

1. Qualification Application and Property Verification

Residents must submit applications within the specified timeframe (April 30 to December 31, 2026). The SOE acquisition pilot clarifies three core metrics: secondhand residential properties must be located within the City Ring Expressway, have a total price under 3 million RMB, and have a structural area under 70 square meters, with no restrictions on the age of the building. Applicants must ensure that the property title is clear and free of restrictions such as mortgages or seizures.

2. Dual Appraisal and Negotiated Pricing

The valuation model adopts a mechanism of "two appraisals + negotiated confirmation." First, two independent appraisal agencies issue preliminary and review reports respectively to form an objective "reference value." Subsequently, the SOE negotiates with the owner based on this value to determine the final acquisition price. This mechanism effectively flattens the psychological price gap between buyers and sellers, and the appraisal fees are borne by the SOE, reducing transaction friction costs for residents.

3. Online Contract Signing, Record-Filing, and Capital Supervision

Once an acquisition intent is reached, both parties proceed with online contract signing and record-filing. The proceeds from selling the old house are not directly deposited into personal accounts; instead, the full amount is deposited into a dedicated bank escrow account. This "capital closed-loop" design serves as the policy’s core risk control measure, ensuring that the funds are used strictly for their designated purpose.

4. Purchasing New Housing

The property owner must purchase a newly built commercial residential property within the municipality of Guangzhou within 180 days of selling the old house. The purchase funds are transferred directly from the escrow account to the new housing developer’s account, completing the property replacement.

This upgraded policy aims to achieve the following anticipated outcomes through various supporting mechanisms:

Benefits to Ordinary Citizens:

1. Effectively Resolves Replacement Dilemmas: It tackles issues where citizens' properties remain listed for long periods without selling, under heavy financial turnover pressure, or facing transaction capital security risks.
2. Provides a Risk-Free Liquidation Channel: Through bank escrow accounts and dedicated fund-use mechanisms, it offers a zero-risk liquidation channel for citizens holding hard-to-sell, old, small units. This helps them smoothly convert stagnant housing into funds for a new home, thereby improving their living environment and upgrading family asset value.
3. Lowers Financial Barriers: Combined with an increase in the loanable limit of the Housing Provident Fund, it significantly lowers the home purchase threshold and monthly repayment burden for citizens during the 180-day replacement window.

Benefits to Public and Social Interests:

1. Optimizes Resource Allocation: It effectively improves the efficiency of housing and land resource allocation.
2. Bolsters Public Welfare Resources: Older homes acquired by SOEs will be prioritized for renovation into affordable housing and talent apartments for new citizens and young commuters moving to Guangzhou, successfully converting them into urban public welfare resources.
3. Retains Young Talent: While digesting backlogged secondhand housing and unblocking the property transaction chain, it supplements the supply of affordable rental housing. This helps the city retain young talent, truly realizing the livelihood goals of "providing channels for property replacement, securing affordable rental housing, and ensuring smooth circulation in the property market."

Conclusion

In summary, Guangzhou's "Guangzhou Eight Measures" and its supporting "sell old, buy new" procedure represent a logically rigorous, highly targeted counter-cyclical regulatory policy. It tackles the secondary housing liquidity dilemma through SOE acquisitions, ensures the inflow of replacement funds into the new housing market via capital escrow, and reduces transaction costs through fiscal and financial subsidies. This series of measures has effectively stimulated real estate transactions, driving the market away from a "buyer-seller standoff" toward "orderly circulation." Although regional divergence still exists in the market, with the advancement of construction standards for "good houses" and the optimization of land supply, Guangzhou's housing market is well-positioned to gradually achieve a virtuous cycle of "halting downturns, stabilizing recovery," and high-quality development under policy care.

Source (Chinese Only): China Business Journal (2026); China Real Estate Network (2026a); China Real Estate Network (2026b); Guangzhou Daily – Huacheng (2026); Guangzhou Municipal People’s Government (2026); People’s Daily Online (2026); Securities Times (2026); Sina Finance (2026); Sohu News (2026); Yicai (China Business Network) (2026); Yicai Information (2026)

CHINESE MAINLAND SNAPSHOT

Foreclosed Property Market in Chinese Mainland: A Structural Transformation in the Era of Stok Assets

Author: Estella Wang

Since 2025, Chinese Mainland's foreclosed property market has displayed a markedly different operating dynamic. According to data from the China Index Academy, in the first four months of 2026, nationwide listings of foreclosed residential properties reached 272,000 units, up 0.8% year-on-year with transactions totalled 56,000 units, an increase of 8.5%. However, total transaction value fell 6.0% to RMB 78.46 billion, with an average transaction price of RMB 4,775 per m^2 and an overall discount rate of approximately 72.7%. Rising transaction volumes accompanied by price concessions indicate that buyers are highly price-sensitive and are willing to acquire assets only at significant discounts to market values. Yet, amid general discounting, some premium assets have attracted astonishing premiums – for example, a seven-storey property in Longhua, Shenzhen, went through 212 rounds of bidding and sold for RMB 10.063 million, a 175% premium; a villa in Sheshan, Shanghai, also achieved a 45.5% premium. This divergence is the most striking feature of today's foreclosed property market.

On the supply side, listing volumes have undergone a clear cyclical adjustment. In 2025, total listings fell by 7.7% from their historical peak to 678,000 units, mainly because property prices had been volatile over the previous two years, prompting debtors and creditors to prefer negotiated settlements rather than fire-sales at depressed prices; previously accumulated non-performing assets had been gradually cleared, and the growth rate of new listings slowed. Although listings edged up slightly in 2026, overall supply has moved beyond the explosive growth phase. Its demand, however, has warmed noticeably: in the first five months of 2026, transactions reached 84,000 units, up 26.6% year-on-year, closely linked to the phased recovery of the second-hand housing market in core cities – with prices reaching a cyclical bottom, home-buyers have grown more willing to enter the market, hoping to "pick up good bargains" on auction platforms. At the same time, low interest rates make foreclosed properties more attractive given their discounts, and some local state-owned enterprises have also begun to appear in the market, acquiring properties at low cost for talent housing or rental reserve. The interplay between supply and demand has transformed foreclosed properties from a mere distressed-asset disposal channel into a diversified trading platform serving owner-occupiers, investors and institutional allocators.

Extreme price divergence is another focal point. Ordinary residential units typically trade at 70-80% of market value, but certain properties can trigger intense bidding. Take the Longhua, Shenzhen, case: the property is adjacent to the Huawei Bantian campus, with a floor area of 764.51m^2 over seven storeys, offering up to fifteen rentable rooms with monthly rental income of RMB 29,000, representing an annualised yield of over 3.46% – far above the Shenzhen residential average of 1.7%. Bidders were attracted by the stable cash flow rather than resale spreads, shifting the traditional "comparable sales" mindset to a "return-oriented" logic. Similarly, high-end villas such as Beijing Chaoyang Ocean LA VIE and Shanghai Greentown Rose Garden, even after failed auctions, eventually sold at relatively high prices, reflecting high-net-worth individuals' preference for scarce locations and unique assets. These cases show that transaction prices for foreclosed properties are no longer determined solely by surrounding second-hand home averages, but are more closely tied to cash-flow generation capacity, redevelopment potential, locational scarcity and expected policy dividends.

In response to market evolution, the Supreme People's Court issued the "Guiding Opinions on Further Regulating Online Judicial Auction Work" in early 2025, requiring enforcement courts to conduct comprehensive investigations of the status of auction properties and not to circumvent due diligence by citing "as-is" sales; for real estate, they must obtain complete information through registration records, on-site inspections and household surveys, covering encumbrances, leases and occupancy. These rules have greatly enhanced information transparency, reducing the risk of "hidden pitfalls" for bidders, while clarifying valuation methods and cost allocation to make starting prices more equitable. The more transparent the information, the more rational the bidding, and the more effective the price discovery mechanism. In the first quarter of 2026, the first-auction take-up rate rose to 34.5%, while second auctions still accounted for about 51%; the increase in first-auction success indicates recovering confidence in acquiring quality assets at the initial offering, which is closely related to improved disclosure.

Foreclosed properties have transformed from a mere distressed-asset disposal channel into a diversified trading platform serving owner-occupiers, investors and institutional allocators.
(Source of Photo: Canva Photo Base)

Looking ahead, the foreclosed property market will continue to seek balance amid divergence. The overall property market remains in an adjustment phase, with discounted transactions likely to be the norm and buyer-market conditions persisting in the short term; however, assets with stable yields or unique scarcity will continue to attract capital. For investors, the foreclosed market is no longer simply a bargain-hunting ground, but a professional arena that tests information integration, cash-flow forecasting and risk management. For regulators, continuous improvement of information disclosure, optimisation of auction procedures and protection of all parties' rights are key to fostering healthy market development. For the broader real estate ecosystem, the vibrancy of foreclosed properties actually serves as an important channel for reallocating stock assets, helping to accelerate the clearance of non-performing assets, unlock idle resources, and provide new sources for urban renewal and rental housing supply. In short, Chinese Mainland's foreclosed property market is moving from the periphery to the mainstream, with its price formation mechanisms, participant structure and institutional environment all evolving. It is set to become a more efficient and equitable venue for asset transactions, and those who adapt first to the new rules will undoubtedly gain the upper hand.

Sources (Chinese Only): Zhitong Finance (2026); Fang.com Industry Network (2026), National Business Daily (2025); Jiemian News (2025); Sina Finance (2026); The Paper (2026); Guangdong Legal Network (2026); The Supreme People's Court (2025); Phoenix Real Estate Shanghai (2026)

CHINESE MAINLAND SNAPSHOT

Residential Price Index of Major Cities (May 2026)

City	Sample Average Price (RMB/sq.m.)	M-o-M Change (%)	City	Sample Average Price (RMB/sq.m.)	M-o-M Change(%)
Shanghai	63,827	0.44	Beijing	47,166	-0.08
Chongqing	11,363	-0.11	Tianjin	15,523	0.34
Guangzhou	25,164	0.19	Shenzhen	53,364	0.48
Nanjing	25,978	-0.01	Hangzhou	33,865	0.73
Chengdu	15,242	1.27	Wuhan	13,427	0.40
Dalian	13,134	-0.14	Suzhou	19,358	0.04
Xi'an	13,472	0.58	Xiamen	28,373	-0.13
Ningbo	21,099	-0.10	Changsha	9,672	0.21
Wuxi	14,502	0.01	Dongguan	17,851	-0.03
Shenyang	9,654	-0.02	Fuzhou	16,807	0.12

Source: Fangtianxia Hundred City Price Index

CHINESE MAINLAND SNAPSHOT

Major Land Transaction (MAY 2026)

Shanghai - Residential Land	
Transaction Date:	29-05-2026
Address:	Bounded by Plot 1-4-13 to the east, near the Central River to the south, Pu Teng Road to the west, and near Jiangcai Road to the north
Consideration:	RMB 3,655,000,000
Usage:	Ordinary Commodity Residential Land (Category II)
Site Area:	79,795.81 sq.m.
GFA:	83,785.60 sq.m.
Plot Ratio:	1.05
Accommodation Value/ GFA sq.m.	RMB 43,623.25

Beijing - Industrial Land	
Transaction Date:	19-05-2026
Address:	Renhe Town, Shunyi District
Consideration:	RMB 64,390,000
Usage:	Class I Industrial Land Use
Site Area:	42,085 sq.m.
GFA:	42,085 sq.m.
Plot Ratio:	1.00
Accommodation Value/ GFA sq.m.	RMB 1,530

CHINESE MAINLAND SNAPSHOT

Major Land Transaction (MAY 2026)

Guangzhou- Commercial Land	
Transaction Date:	06-05-2026
Address:	Shenzhen Bay Super Headquarters Base, Shahe Subdistrict
Consideration:	RMB 639,100,000
Usage:	Other Commercial Service Land
Site Area:	93,732.25 sq.m.
GFA:	74,985.80 sq.m.
Plot Ratio:	0.8
Accommodation Value/ GFA sq.m.	RMB 8,522.95

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