Hong Kong Property Market

Monthly Digest

Vigers Research | March 2025

LAND SALES RESULTS

Lot No.	Location	Usage	Site Area	Max. GFA	Price	A.V.	Winner(s) / Remark
			(sq ft) (approx.)	(sq ft) (approx.)	(HK$M)	(HK$ psf)	
-	-	-	-	-	-	-	-

Sources: Lands Department and Vigers Research

UPCOMING TENDER PROJECTS

Lot No.	Location	Usage	Site Area	Max. GFA	Tender closing date
			(sq ft) (approx.)	(sq ft) (approx.)	
YLTL 545	Fuk Wang Street and Wang Lee Street, Yuen Long	Industrial	349,181	1,738,370	25 July 2025
HSKTL 10	Areas 39A and 39B, Hung Shui Kiu and Ha Tsuen, Yuen Long	Industrial	836,753	4,183,766	25 July 2025

Sources: Lands Department, Market information and Vigers Research

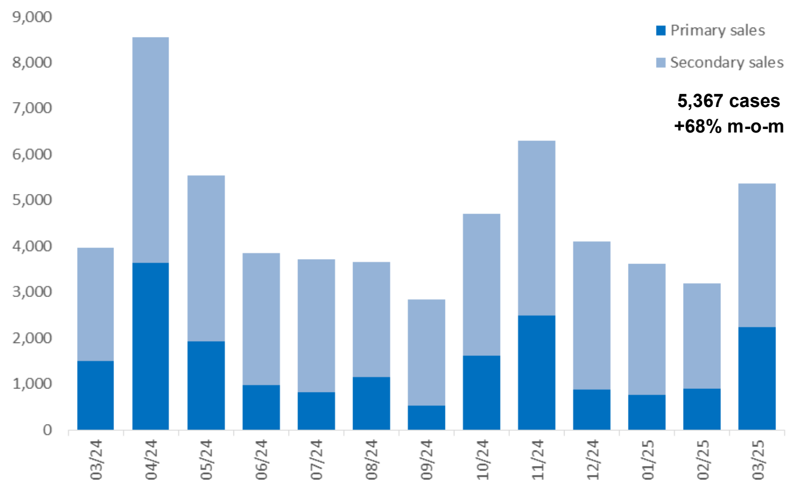
KEY ECONOMIC INDICATORS

Indicators		Latest	(Period)
Real GDP growth (Year-on-year % change in real terms)	(% change y-o-y)	+3.1	(Q1/2025)
Composite consumer price index growth	(% change y-o-y)	+2	(Apr 2025)
Unemployment rate (seasonally adjusted)	(%)	3.4	(Feb-Apr 2025)
Retail sales (volume index)	(% change y-o-y)	-4.8	(Mar 2025)
Visitor arrivals	(change y-o-y)	+12.24%	(Mar 2025)

Sources: Census & Statistics Department and Vigers Research

RESIDENTIAL SALES & PURCHASES AGREEMENTS

Unit: Number of transactions



Sources: The Land Registry, Market Sources and Vigers Research

SNAPSHOT OF RESIDENTIAL PROPERTY

2,229 cases
↑ *148%* m-o-m
Primary S&P Volume
(Mar 2025)

3,138 cases
↑ *36%* m-o-m
Secondary S&P Volume
(Mar 2025)

284.2 pts
↓ *0.49%* m-o-m
Price Index
(Mar 2025)

193.3 pts
↑ *0.10%* m-o-m
Rental Index
(Mar 2025)

Sources: The Land Registry, Rating and Valuation Department, Vigers Research

SELECTED RESIDENTIAL PROPERTY SALES TRANSACTIONS

LUXURY RESIDENTIAL	District	S.A.	Price	Price
		(sq ft) (approx.)	(HK$M)(approx.)	(HK$ psf)
Flat A, 26/F, Tower 1, Grand Homm	Ho Man Tin	2,764	78.77	28,500
Flat A, 5/F, Tower 1, Phase 2B-3, Victoria Harbour II	North Point	1,418	68	48,000
Flat A, 12/F, Tower 5, The Knightsbridge	Kai Tak	1,382	49.8	36,042

Sources: The Land Registry, Market Sources and Vigers Research

VILLA	District	S.A.	Price	Price
		(sq ft) (approx.)	(HK$M)(approx.)	(HK$ psf)
House 6 of Villa La Plage, 51-57 Castle Peak Road	Tuen Mun	5,825	136.6	23,451
House 2, Phase 2, Crown of St. Barths, St. Barths	Ma On Shan	2,908	75	25,800
House 16, Le Cap, No. 83 Lai Ping Road	Sha Tin	2,587	48.7	18,817

Sources: The Lands Department, Market Sources and Vigers Research

RESIDENTIAL PROPERTY

Mass & Luxury

In March, the Hong Kong residential property market recorded a total of 5,367 registrations, representing a robust 68% m-o-m increase. Market activity rebounded strongly across both the primary and secondary segments.

The primary market demonstrated remarkable growth, with 2,229 transactions, marking a 148% m-o-m surge. This significant increase underscores renewed developer activity, likely spurred by the launch of new projects and competitive promotional campaigns. The secondary market also showed solid improvement, registering 3,138 transactions, up 36% m-o-m, indicating increased confidence and activity among existing homeowners and investors.

According to the latest data from the Rating and Valuation Department, the home price index continued its downward trend, declining by 0.49% m-o-m to 284.2 points. Despite the ongoing correction in home prices, the rental market remained resilient, with the rental index edging up by 0.1% m-o-m to 193.3 points. This continued stability in rents is supported by sustained demand, particularly from mainland students and professionals.

In the luxury segment, notable transactions included a high-floor flat at Grand Homm in Ho Man Tin, measuring 2,764 sq ft (S.A.), was reportedly transacted at HK$78.77 million or HK$28,500 sq ft. Besides, a 5,825 sq ft house at Villa La Plage in Tuen Mun was sold for HK$136.6 million or HK$23,451 sq ft.

In March, several residential projects achieved strong sales. Sun Hung Kai Properties' Yoho West Parkside in Tin Shui Wai, developed in partnership with MTRC, sold out all units in the first three rounds of sales, achieving cumulative sales of 501 units and a total transaction value of nearly HK$2.7 billion. Vanke's Le Mont in Tai Po followed with 412 units sold, generating over HK$1.6 billion. Henderson Land's Eight Southpark in Kowloon City recorded 254 units sold, while Kerry Properties' HAVA in Yuen Long sold 201 units. These four projects alone contributed over 1,300 units, accounting for nearly 60% of the month's total primary transactions.

Looking ahead, as expectations of interest rate cuts improve market sentiment, buyer activity is increasing, suggesting that residential property prices may reach a trough and start to recover in 2025.

COMMERCIAL PROPERTY

Office Market

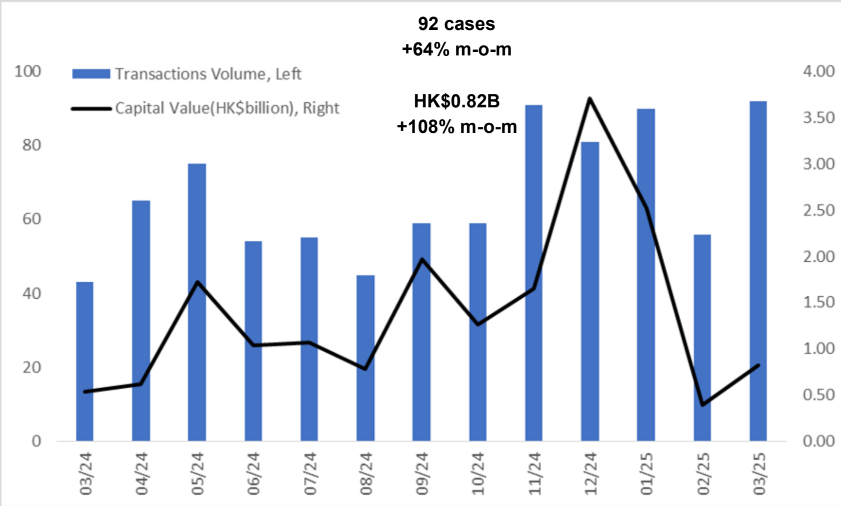
In March, the office property market recorded 92 transactions, representing a robust 64% m-o-m increase. The total transaction value also rebounded significantly to HK$0.82 billion, up 108% m-o-m. This marked improvement reflects renewed investment interest and increased market activity compared to the previous month.

Notably, a major transaction included the sale of an entire floor at Far East Finance Centre in Admiralty for approximately HK$195 million, underscoring renewed investment interest compared to February.

However, according the Rating and Valuation Department's "Hong Kong Property Review 2025," office completions are expected to reach 3.3 million sqft this year, representing a 110% year-on-year increase from last year's 1.6 million sqft. The Yau Tsim Mong District will see the largest share, making up over 60% of new completions, including Sun Hung Kai's International Gateway Centre at the West Kowloon Station.

Looking ahead, the office market is expected to remain subdued. With vacancies rising and new supply increasing, landlords are likely to adopt more flexible leasing terms and offer attractive incentives, further driving down office rents and shifting the market in favour of tenants.

OFFICE PROPERTY SALES AND CAPITAL VALUE



Sources: The Land Registry, Market Sources and Vigers Research

SNAPSHOT OF OFFICE PROPERTY

321.9 pts
↓ *1.17%* m-o-m
Price Index– Overall (Mar 2025)

212.8 pts
↓ *0.51%* m-o-m
Rental Index– Grade A (Mar 2025)

213.6 pts
↓ *0.37%* m-o-m
Rental Index– Overall (Mar 2025)

Sources: Rating and Valuation Department, Market Sources and Vigers Research

COMMERCIAL PROPERTY

Retail Market

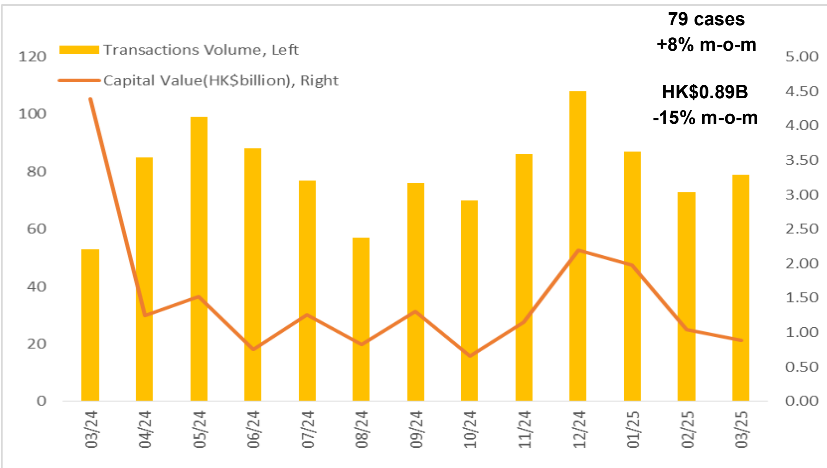
In March, the retail property market recorded 79 transactions, an 8% month-on-month increase. However, total transaction value declined by 15% to HK$0.89 billion, indicating a moderate recovery in volume amid continued contraction in capital values.

A notable transaction involved two ground floor shops at York Place, 22 Johnston Road in Wan Chai, with a combined area of about 5,000 square feet. These units were originally listed at HK$140 million but ultimately sold for HK$128 million, approximately 9% below the asking price, reflecting evolving market conditions and shifting investment strategies.

During the same period, Hong Kong registered 3.82 million visitor arrivals, a 12% year-on-year increase. Of these, 2.98 million were from Mainland China, up 6% from the previous year, while non-Mainland visitors rose 18% to 0.84 million. The "Hong Kong Super March" campaign, featuring diverse citywide events, played a significant role in attracting visitors and enhancing the overall travel experience.

Looking ahead, the anticipated increase in tourist arrivals is expected to help stabilize the retail market, particularly by supporting leasing activity, despite ongoing caution in investment.

RETAIL PROPERTY SALES AND CAPITAL VALUE



Sources: The Land Registry, Market Sources and Vigers Research

SELECTED RETAIL PROPERTY TRANSACTIONS

Sales Transactions	District	Area (sq ft) (approx.)	Price (HK$M) (approx.)	Price (HK$ psf)) (approx.)
Shop 1 and Shop 2, G/F, York Place, No.22 Johnston Road	Wan Chai	4,760	128	26,890
The Whole First Floor, Winner House, No.310 King's Road	North Point	6,770	61	9,010

Leasing Transactions	District	Area (sq ft) (approx.)	Rent (HK$/month) (approx.)	Rent (HK$ psf/ month)
Unit 11, 1/F, World Wide House, No. 19 Des Voeux Road Central	Central	110	85,000	772.7
Shop L, G/F, Carnarvon Mansion, NO.8-12E Carnarvon Road	Tsim Sha Tsui	210	138,000	657.1

Sources: The Land Registry, Market Sources and Vigers Research

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