
PROPERTY REVIEW *1986*

A Summary of Supply, Vacancies, Rentals and Purchase Prices

PROPERTY REVIEW *1986*

Rating and Valuation Department, Hong Kong

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FOREWORD

The format of this year's Property Review is substantially the same as that for last year. The separate analysis of large domestic units and the analysis of offices by sector have been retained.

A minor change in terminology has been introduced in that 'saleable area' is now used to describe the floor area of private domestic accommodation. However, the method of measurement of 'saleable area' is identical to that of 'covered area' used in previous reviews.

Additionally, the district names of Kai Tak and Ngau Tau Kok have been renamed Kowloon City/Wong Tai Sin and Ngau Tau Kok/Kwun Tong respectively. The boundaries of these two districts, however, remain unaltered.

The contents of the Review have been extended to incorporate certain analyses which were previously only available as supplementary tables.

Enquiries regarding this publication should be directed to the department's Technical Secretary (5-7957618) at Hennessy Centre, 500 Hennessy Road, Hong Kong. There is no objection to the reproduction of this Review in whole or in part provided that acknowledgement is given to the source of the data.

A brief commentary on the main classes follows.

PRIVATE DOMESTIC

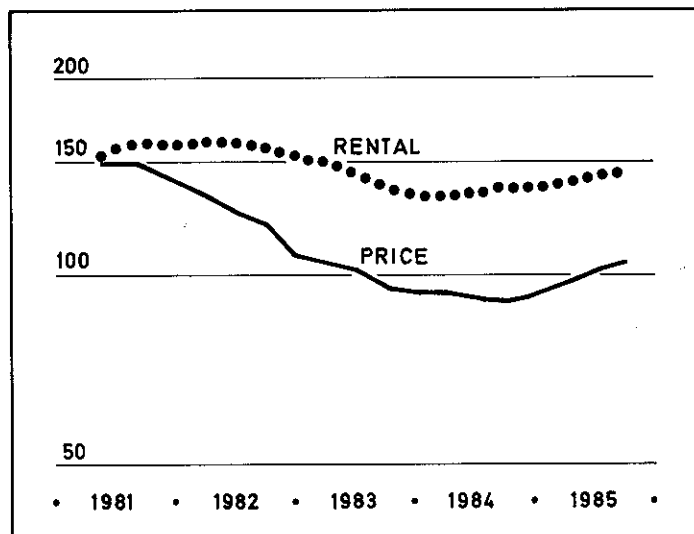
Supply, take-up and vacancy

	(No. of units)			
	Supply	Take-up	Vacancy	%*
1981	33 500	18 000	29 700	5.9
1982	23 100	19 300	31 200	6.0
1983	21 600	26 200	24 400	4.5
1984	22 300	23 500	22 400	4.0
1985	29 900	29 500	22 100	3.7
1986	[37 100]			
1987	[38 100]			

* Vacancy at the end of the year,
expressed as a % of total stock.

[] Forecast.

Rental and price indexes



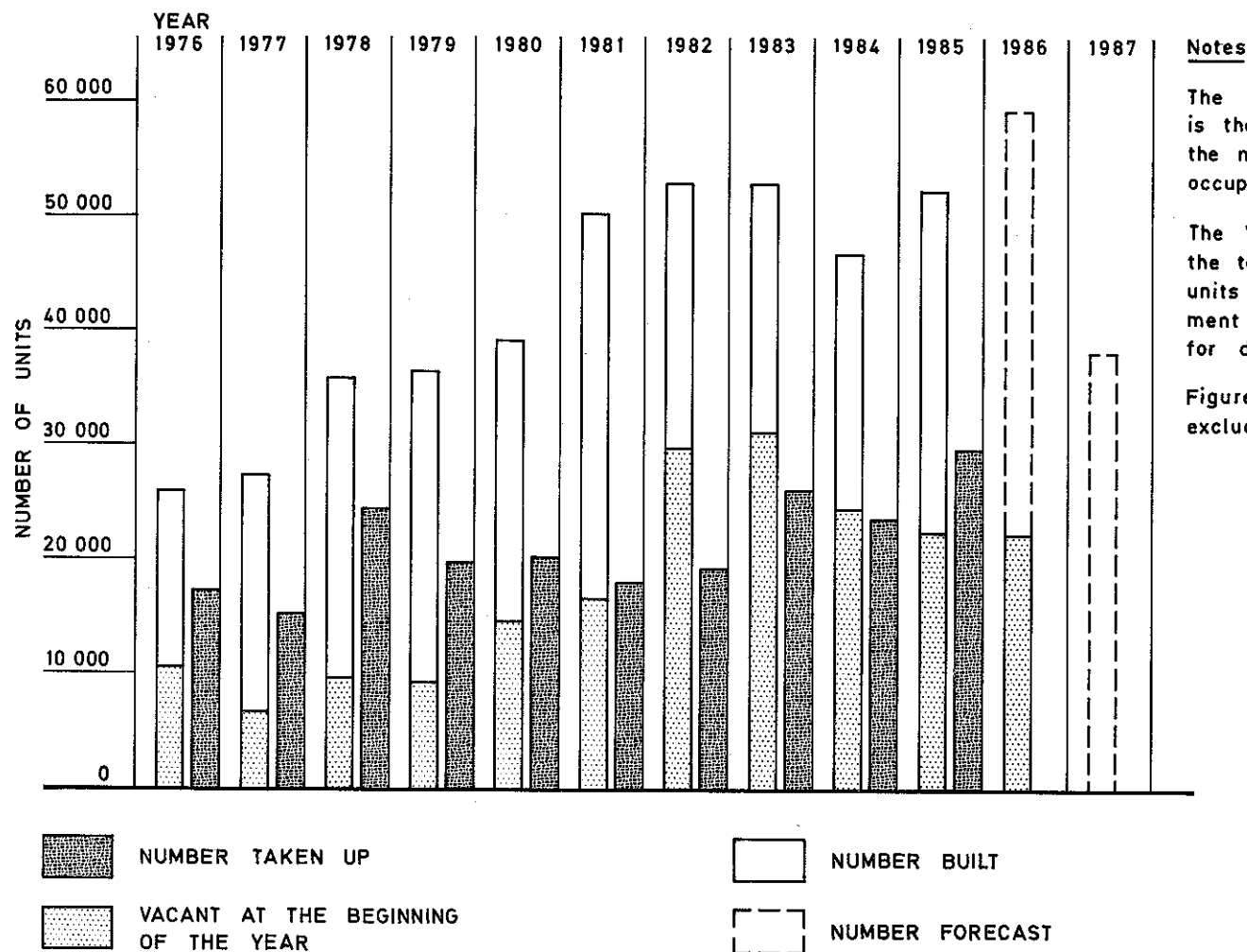
Supply in 1985 was in line with forecast. It exceeded that for 1984 by 34% and was the highest since 1981. Class A units, constituting two-thirds of the total number, continued to dominate the supply of new accommodation. However, the position is expected to change in 1986 and 1987 when completions of such units will represent only about 48% and 35% respectively of total supply. Class A units comprised 42% of the stock at the end of 1985.

The supply of new accommodation in 1986 and 1987 will be mainly in North Point, Shau Kei Wan, Kwai Chung/Tsuen Wan and Sha Tin. If demolition is disregarded, the forecast aggregate supply will increase stock by nearly 13%.

Take-up in 1985 at 29 500 was a record figure representing an increase of 26% over the 1984 figure. As a consequence, vacancies fell slightly despite the significant increase in supply. At 3.7% of the total stock, the vacancy rate was the lowest since 1980. At the current level of demand this trend is likely to be reversed with some 75 000 private sector and nearly 24 000 Home Ownership, Private Sector Participation and Urban Improvement Schemes units due for completion in 1986 and 1987. Of the 22 100 vacant units, roughly half were in the New Territories with the highest vacancy, in absolute terms, in Sha Tin and, in terms of percentage of stock, in Tai Po. These two districts experienced the greatest growth during the year.

The overall rental index showed an increase of 6% over the year with indexes for Class A and B units only marginally up. The overall price index rose 13% and is now just above its 1979 base.

PRIVATE DOMESTIC — TAKE-UP, SUPPLY AND VACANCY



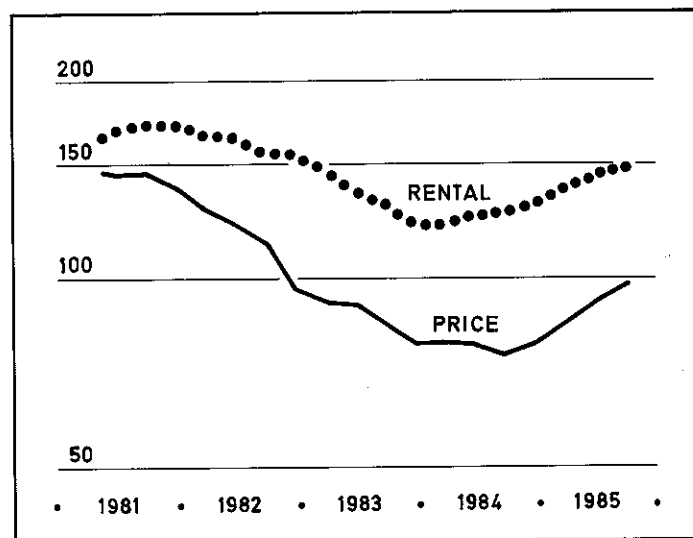
PRIVATE DOMESTIC (LARGER UNITS)

Supply, take-up and vacancy

	(No. of units)			
	Supply	Take-up	Vacancy	%*
1981	2 500	1 200	2 900	7.3
1982	2 500	1 200	3 800	9.1
1983	2 600	1 800	4 400	9.9
1984	1 400	2 850	2 900	6.4
1985	1 950	2 000	2 750	5.8
1986	[2 900]			
1987	[2 850]			

* Vacancy at the end of the year, expressed as a % of total stock.
[] Forecast.

Rental and price indexes



This section covers domestic units with a saleable area of at least 100 m². Two of the private domestic classes are included, Class D and Class E. These units comprise 8% of the total private domestic stock.

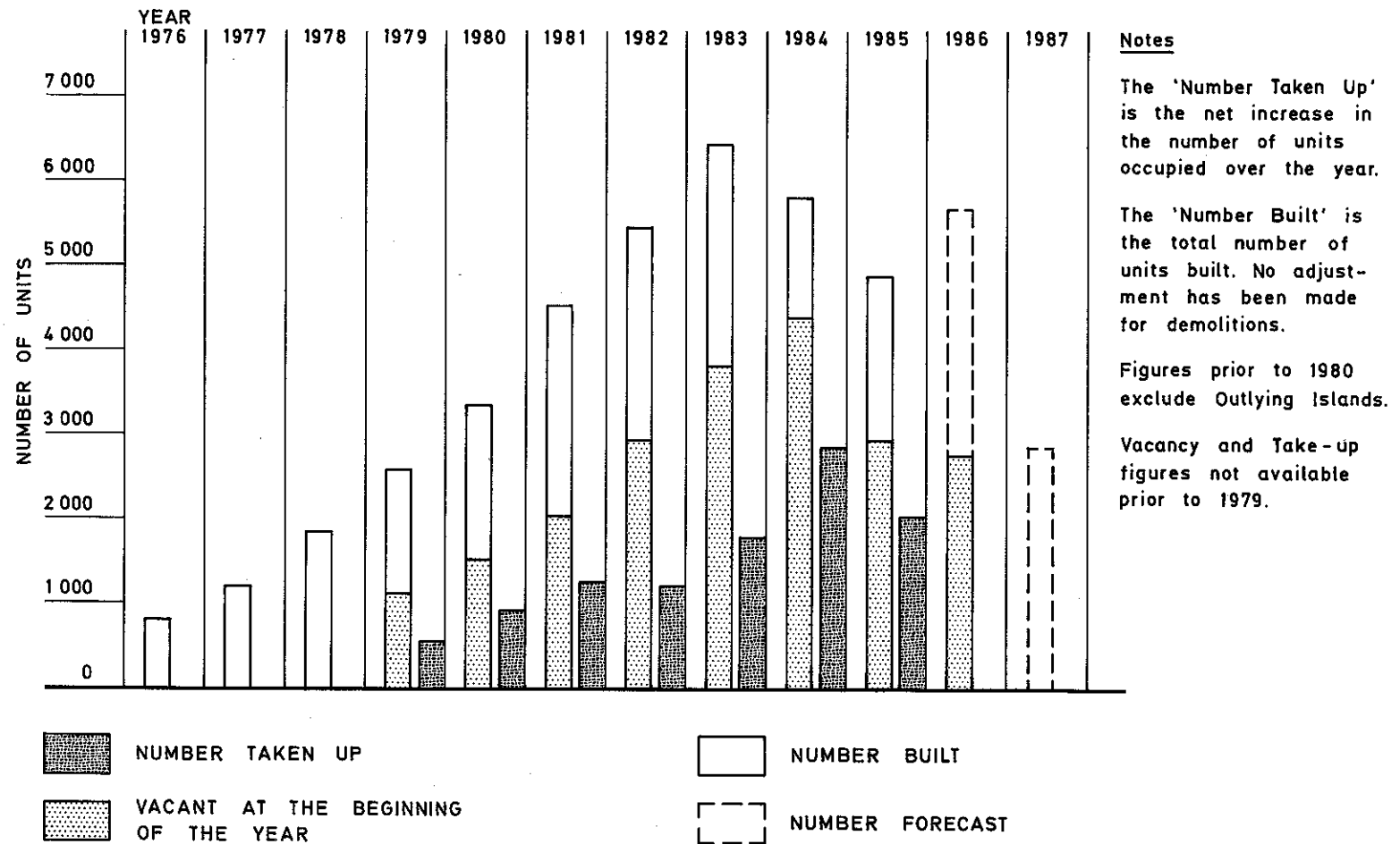
Completion of new units in 1985 increased by 40% over the exceptionally low supply in 1984.

Take-up fell from last year's record figure, but at 2 000 units was slightly greater than the year's supply. Overall vacancies consequently fell to 5.8% of total stock at the end of 1985, the lowest rate recorded since 1980. Supply in 1986 is forecast to reach a record 2 900 units. This together with the likely release by Government of some 300 units should considerably ease the present shortage of D and E class flats unless a dramatic upsurge in take-up occurs. A further 2 850 units are forecast for completion in 1987.

Only 520 Class E units were certified for occupation during the year representing 55% of the average supply of such units in the years 1981-85. Take-up was nearly 650 units and so vacancies fell significantly to 4.9% of stock. However, this shortage is likely to be short-lived as the forecast is for 2 200 such units to be completed in 1986 and 1987. This is spread fairly evenly between the two years and with 72% of the supply being on Hong Kong Island should go a long way to halting or even reversing current increases in rents and prices for such flats.

Based on provisional figures the rental indexes for Classes D and E have increased substantially, by 14% and 27% respectively. The price index for the two classes rose even more sharply than the rental index, to almost 40% above the level at the end of 1984.

PRIVATE DOMESTIC - D & E CLASSES — TAKE -UP, SUPPLY AND VACANCY



COMMERCIAL

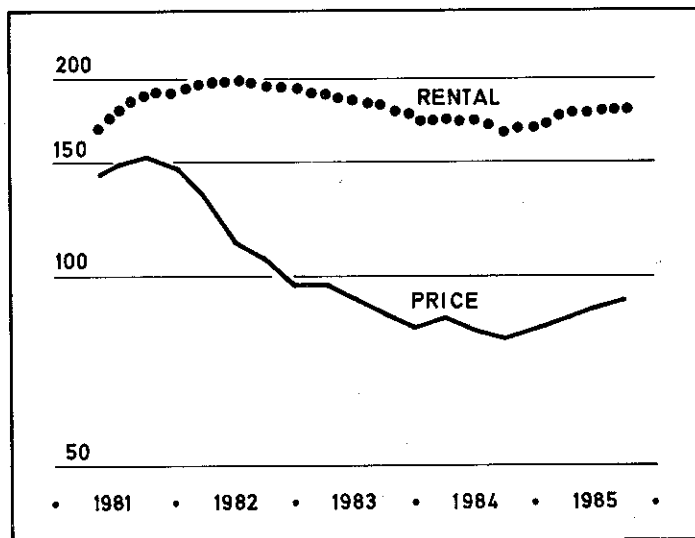
Supply, take-up and vacancy

	('000 m ²)			%*
	Supply	Take-up	Vacancy	
1981	315	178	423	8.9
1982	368	198	545	10.7
1983	270	243	541	10.1
1984	255	229	550	9.9
1985	249	264	524	9.0
1986	[217]			
1987	[278]			

* Vacancy at the end of the year,
expressed as a % of total stock.

[] Forecast.

Rental and price indexes



Indexes are in respect of street frontage
shops only.

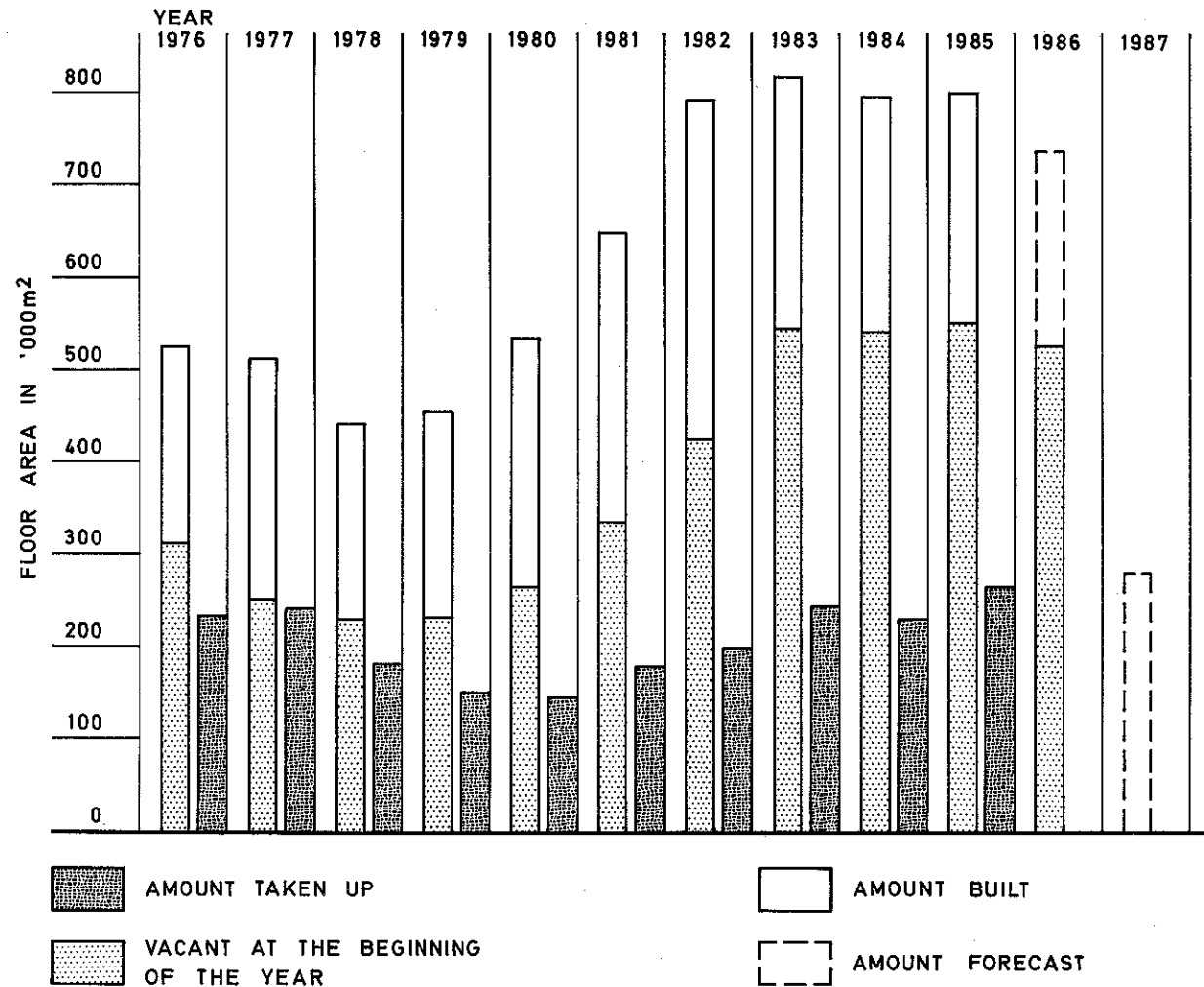
Of the non-domestic sectors, commercial premises continue to show the most stable pattern of supply and take-up in recent years.

Overall supply in 1985 measured just under 250 000 m², slightly down on the level in 1984. In direct contrast to 1984, supply in the New Territories dropped significantly from 126 000 m² to 58 000 m² in 1985.

Overall take-up showed a notable 15% increase on that for 1984 to reach the highest figure recorded over the past few years. As a result vacancies dropped to 9% of the stock at the end of 1985 and are expected to drop further in view of the low supply forecast for 1986.

Whilst the range of commercial premises is wide, the rental and price indexes are compiled for street frontage shops only. Although the least satisfactory of the published indexes, they do generally suggest a stable market for retail properties in 1985, ending the downward movement prevalent during the last few years.

COMMERCIAL PREMISES — TAKE-UP, SUPPLY AND VACANCY



Notes

The 'Amount Taken Up' is the net increase in occupied floor space over the year.

The 'Amount Built' is the total floor area built. No adjustment has been made for demolitions.

Figures prior to 1981 exclude Outlying Islands.

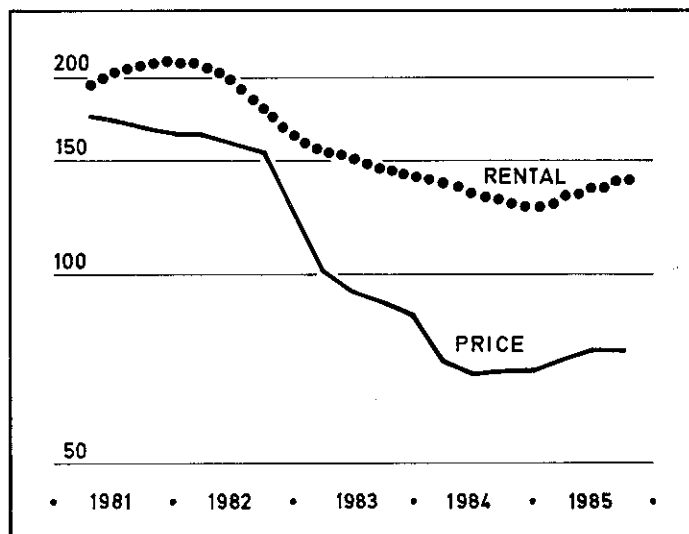
OFFICES

Supply, take-up and vacancy

	('000 m ²)			%*
	Supply	Take-up	Vacancy	
1981	319	203	302	11.0
1982	546	253	573	17.6
1983	591	371	793	20.6
1984	219	449	561	13.8
1985	308	385	484	11.1
1986	[72]			
1987	[183]			

* Vacancy at the end of the year,
expressed as a % of total stock.
[] Forecast.

Rental and price indexes



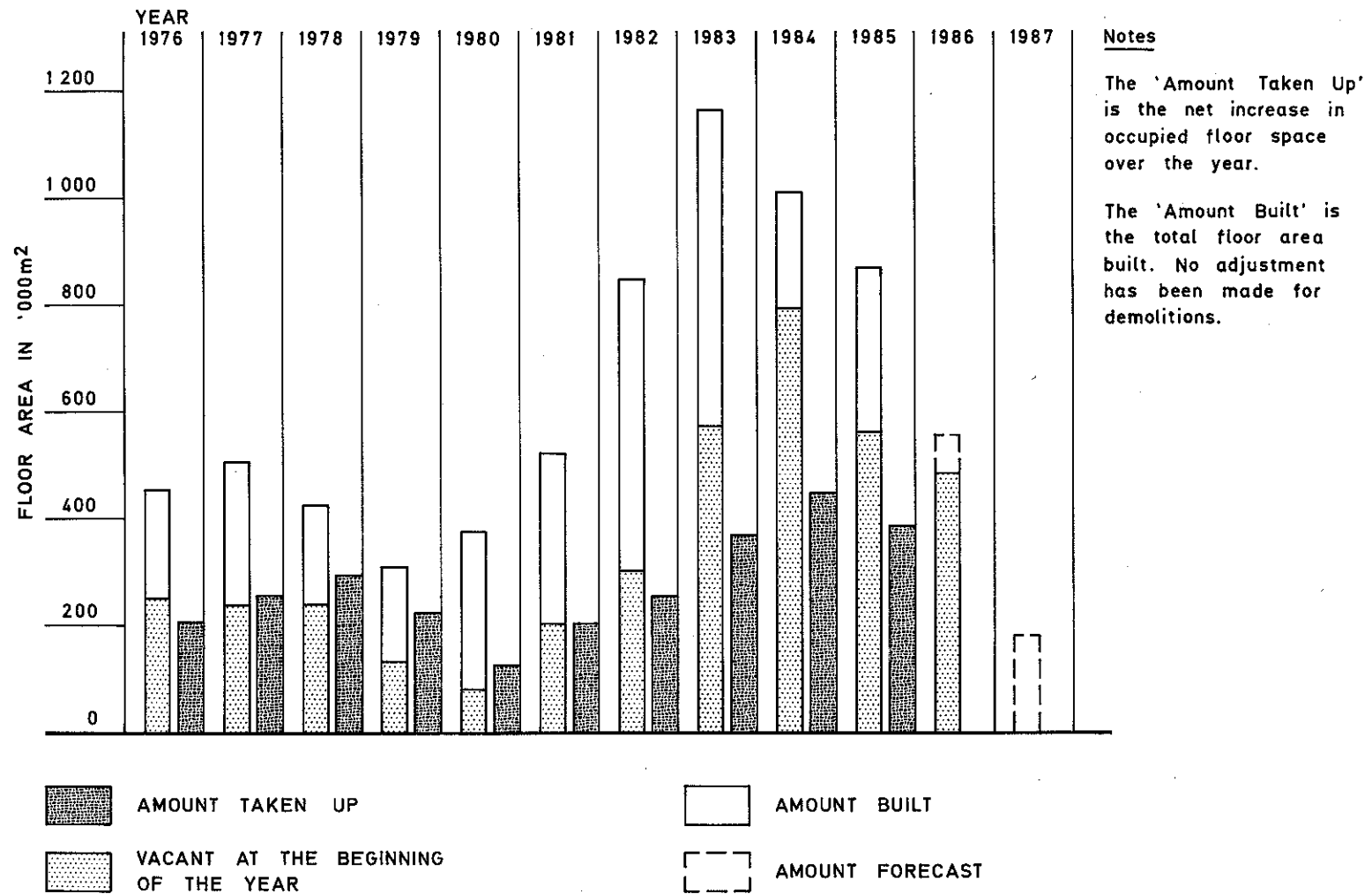
Rental Index - A, B and C grades.
Price Index - B and C grades only.

The supply of new office space in 1985 at 308 000 m² showed an increase of 41% over the 1984 figure. New grade A space totalled 205 000 m² and of this 163 000 m² was in Central. Although take-up in 1985 was 14% below the record figure for 1984, it exceeded the amount completed during the year by 77 000 m². In consequence, the overall vacancy rate fell from 13.8% at the end of 1984 to 11.1% at the end of 1985. The most significant fall was in Tsim Sha Tsui, where the year-end vacancy rate was only 2.9% compared with 10.9% at the end of 1984. Roughly 32% of the total vacant space was in the grade A sector.

The amount of accommodation forecast for completion in 1986 and 1987 is the lowest for many years, thus further tightening the supply situation. However, the situation should improve in 1988 when several large developments are due for completion.

The office quarterly rental index, which includes all grades of offices, rose by 11% over the year reversing the downward trend over the past three years. The quarterly price index, which excludes grade A accommodation, is based on fewer recorded transactions than the rental index. However, the index for the 4th Quarter 1985 suggests that prices have risen to a larger extent than rents since the end of 1984.

OFFICES — TAKE-UP, SUPPLY AND VACANCY



OFFICES - SECTORAL ANALYSIS

Supply, take-up and vacancy

	('000 m ²)			
	Supply	Take-up	Vacancy	%*
<u>I. Central (A)</u>				
1981	41	49	74	12.7
1982	93	66	98	14.5
1983	40	44	94	13.2
1984	30	33	91	12.2
1985	163	153	101	11.1
1986	[7]			
1987	[77]			
<u>II. Central (B), Sheung Wan (A), Wan Chai (A), Causeway Bay/Tai Hang (A) and Tsim Sha Tsui (A)</u>				
1981	151	115	87	10.9
1982	179	133	119	12.4
1983	234	118	235	19.7
1984	11	139	107	8.9
1985	93	90	110	8.5
1986	[9]			
1987	[36]			
<u>III. Remainder</u>				
1981	127	39	141	10.4
1982	274	54	356	22.0
1983	317	209	464	23.9
1984	178	277	363	17.2
1985	52	142	273	12.6
1986	[56]			
1987	[70]			

* Vacancy at the end of the year,
expressed as a % of total stock.

[] Forecast.

In this analysis the office sector has been categorised into three sub-sectors, as follows-

- I. Central A grade;
- II. Central B grade plus Sheung Wan, Wan Chai, Causeway Bay/Tai Hang and Tsim Sha Tsui A grade; and
- III. The remainder i.e. fringe areas and lower grades in other districts.

Sector I

It was an active year for this sector in 1985. The very substantial supply of new space at 163 000 m² was well over five times the previous year's figure, contributing to a 22% increase in stock in this sector. Take-up almost matched supply with the result that the vacancy percentage actually fell. An additional factor during the year was the return by Government to the general market of 20 000 m² of leased accommodation. A further 15 000 m² is likely to be so released during 1986.

In view of the minimal supply forecast for 1986 and 1987 there should be a dramatic drop in vacancies except in the unlikely event of a corresponding fall-off in take-up.

Sector II

With an addition of 93 000 m², the stock in this sector increased by 8% to 1.3 million m² representing 30% of the total office stock. Nearly 55% of the new supply was in Central.

Take-up in 1985 roughly matched supply but was 35% down on that for last year. The overall vacancy rate fell slightly to 8.5%, with a very low rate of 1.6% recorded in Tsim Sha Tsui.

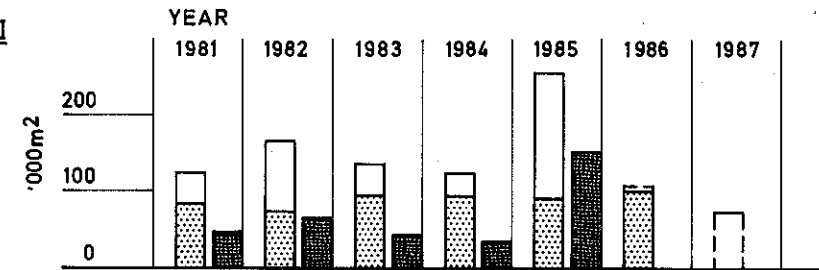
Vacancies will continue to fall in 1986 and 1987 since forecast completions are well below the annual average take-up over the past few years.

Sector III

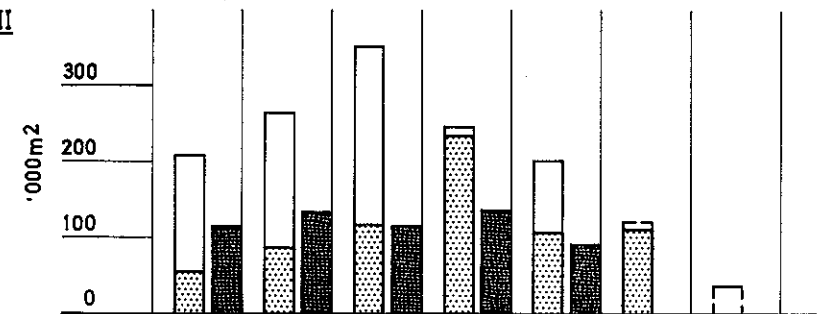
Sector III comprises 2.1 million m² or about half of the total stock of office space. With only 52 000 m² completed in 1985 against a take-up of nearly three times this figure, the vacancy rate fell from 17.2% at the end of 1984 to 12.6% at the end of 1985.

With supply forecast to continue at a low level in 1986 and 1987 the vacancy rate should continue to fall if demand is sustained.

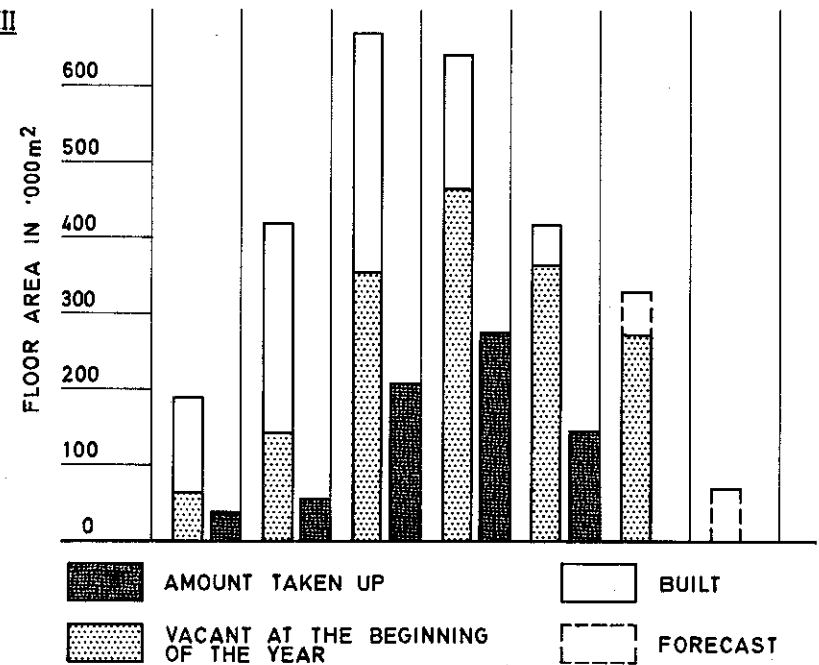
SECTOR I



SECTOR II



SECTOR III



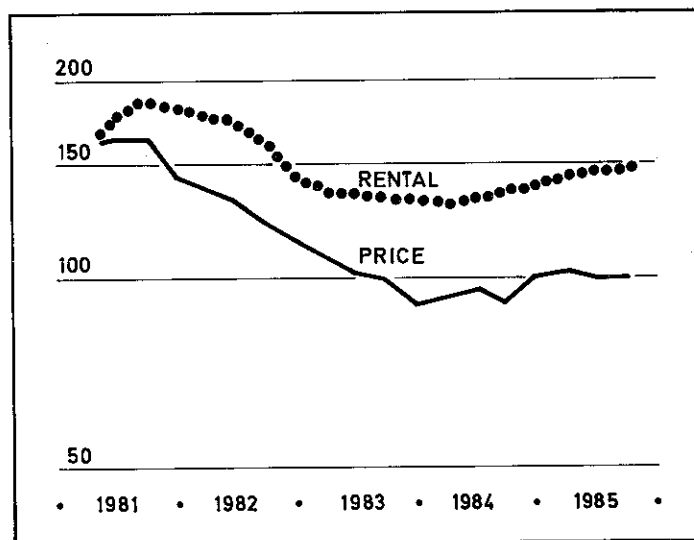
FLATTED FACTORIES

Supply, take-up and vacancy

	('000 m ²)			
	Supply	Take-up	Vacancy	%*
1981	1 122	730	795	7.5
1982	1 041	571	1 219	10.5
1983	621	727	1 089	8.9
1984	429	857	657	5.2
1985	456	389	716	5.5
1986	[863]			
1987	[689]			

* Vacancy at the end of the year,
expressed as a % of total stock.
[] Forecast.

Rental and price indexes



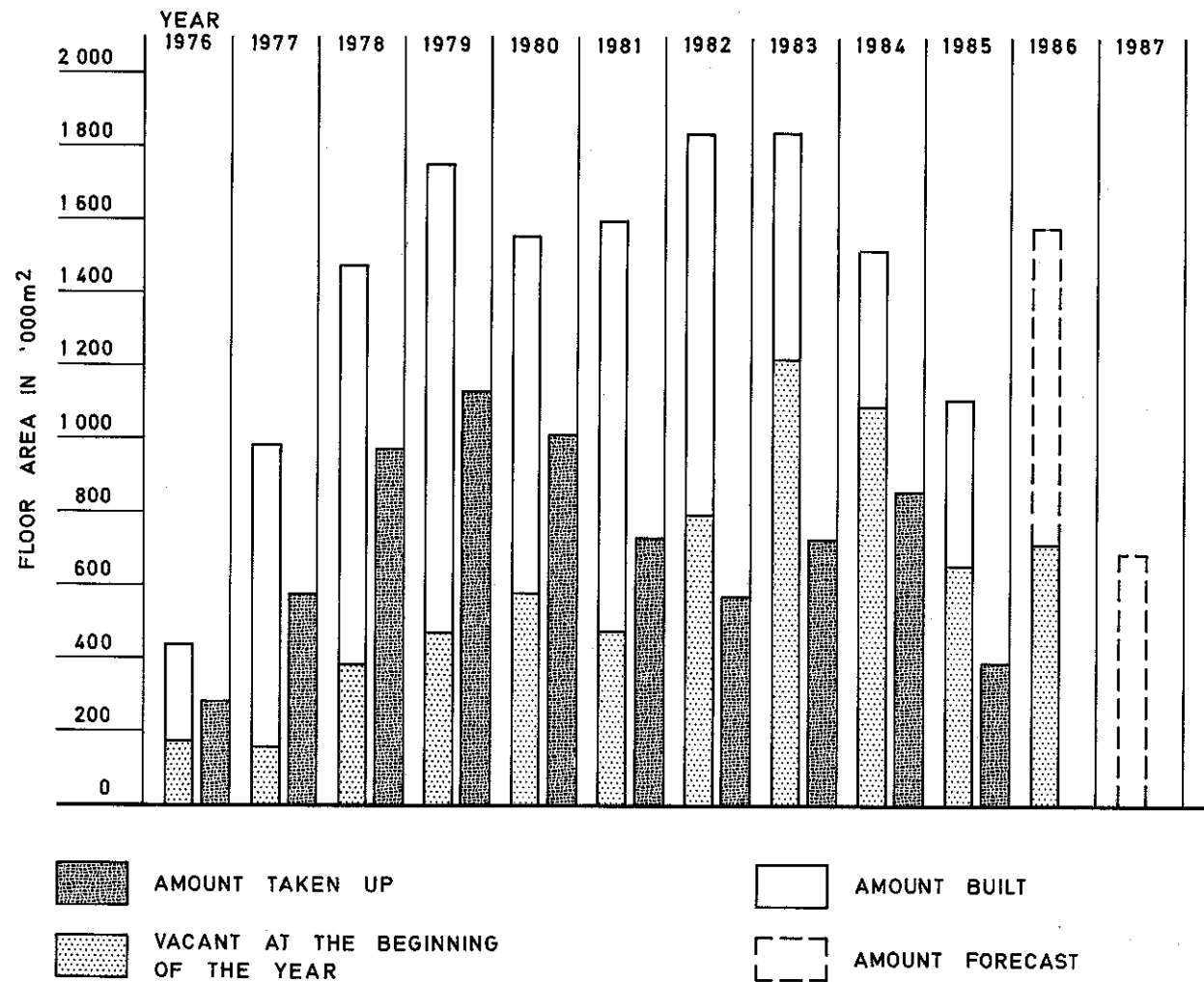
Urban Area only.

Completions of flatted factories in 1985 showed a slight increase over the previous year with some 43% of new building in the Kwai Chung/Tsuen Wan district. The continual low vacancy situation stimulated development plans, with a considerable increase in supply forecast for 1986 and 1987.

Take-up fell to the lowest level since 1976 mainly as a result of the reduced supply in 1984 and 1985 and the low level of vacancies, which raised prices and restricted choice. Vacancy rates remained high in Sha Tin and Tuen Mun whilst those in West, North Point and Cheung Sha Wan were very low.

Both rental and price indexes showed an increase over the lows recorded in 1984, but this trend may not be sustained when the massive supply now being built comes on the market.

FLATTED FACTORIES — TAKE-UP, SUPPLY AND VACANCY



Notes

The 'Amount Taken Up' is the net increase in occupied floor space over the year.

The 'Amount Built' is the total floor area built. No adjustment has been made for demolitions.

SUMMARY

General

The revival of the property market which emerged at the end of 1984 was clearly evident throughout 1985. Rents and prices moved upwards with some fairly steep rises in certain sectors. Actual take-up of accommodation was generally satisfactory although in some sectors it was less than the year before, probably due to the rents and prices asked by some landlords/developers being at a level which end-users were reluctant to accept.

Some speculative activity in the transfer of uncompleted domestic units was noted but this was mainly confined to large developments at convenient locations.

With the exception of offices, the ample supply forecast to be completed over the next two years should contribute to stabilizing the market to the advantage of end-users.

Small Domestic

A high level of activity took place in this sector throughout the year. Some developers took the opportunity to market in advance properties which were not due for completion for nearly two years - a practice which was uncommon during 1983 and 1984.

Given the basic demand for dwellings, the good take-up is expected to continue but the unprecedented level of forecast supply should enable end-users to "shop around".

Large Domestic

The temporary imbalance between supply and demand on Hong Kong Island in the early part of the year drew concern from some existing tenants of large flats and there were calls for Government intervention to prevent excessive rent increases. This situation eased somewhat when new flats came on the market later in the year: the rapid upward movement of rents was restrained and is unlikely to rebound to the same extent in the near future.

Commercial

Improvements in the market were noted here and there. The spread of developments from the urban area has seen the introduction of some successful shopping centres in the New Territories. Vacancy rates are likely to continue to decline.

Offices

Most probably as a result of the large supply in Central during the year there have been cases of companies moving back from fringe districts. Vacancies will continue to decline, causing rents and prices to rise further until supply picks up again in 1988.

Flatted Factories

If domestic exports improve as forecast, the take-up of flatted factories in 1986 should increase but it may not be sufficient to match the increased supply coming on-stream. Suppliers of premises in locations where a large amount is being built will have to compete with one another in attracting users by assessing their needs in terms of structural design and facilities.

G P Blenkinsop
Commissioner of Rating and Valuation

Hong Kong
March 1986

TABLE 1

PRIVATE DOMESTIC - STOCK AND VACANCY BY CLASS

Class	Size Range (m ²)	Stock at the end of 1985 (No. of units)		No. vacant at the end of 1985	% vacant
A	Up to 19.9	9 335			
	20 - 29.9	86 330	247 055	9 085	3.7
	30 - 39.9	151 390			
B	40 - 49.9	108 720			
	50 - 59.9	83 380	242 030	7 845	3.2
	60 - 69.9	49 930			
C	70 - 79.9	26 695			
	80 - 89.9	16 025	55 605	2 420	4.4
	90 - 99.9	12 885			
D	100 - 119.9	16 535			
	120 - 139.9	9 160	30 920	1 930	6.2
	140 - 159.9	5 225			
E	160 - 199.9	7 405			
	200 - 239.9	4 530	16 555	810	4.9
	240 - 279.9	1 765			
	Over 279.9	2 855			
All Classes	-	592 165	592 165	22 090	3.7

TABLE 2

PRIVATE DOMESTIC - STOCK, SUPPLY AND VACANCY

	Stock at the end of 1984 (No. of units)	Supply in 1985 (No. of units)	Supply as a % of 1984 stock	Stock at the end of 1985 (No. of units)	No. vacant at the end of 1985	% vacant
West	29 150	2 645	9.1	31 735	770	2.4
Sheung Wan	10 770	720	6.7	11 455	620	5.4
Central	3 205	205	6.4	3 385	140	4.1
Wan Chai	27 230	365	1.3	27 540	605	2.2
Mid-levels/Pok Fu Lam	16 855	500	3.0	17 320	300	1.7
Peak	1 920	45	2.3	1 960	35	1.8
Causeway Bay/Tai Hang	22 445	400	1.8	22 825	560	2.5
North Point	61 265	3 735	6.1	64 880	2 840	4.4
Shau Kei Wan	16 365	735	4.5	17 085	685	4.0
Aberdeen	13 260	515	3.9	13 775	115	0.8
South	4 010	150	3.7	4 155	150	3.6
HONG KONG	206 475	10 015	4.9	216 115	6 820	3.2
Tsim Sha Tsui	16 780	375	2.2	17 145	685	4.0
Yau Ma Tei	33 310	435	1.3	33 705	485	1.4
Mong Kok	32 760	455	1.4	33 195	285	0.9
Hung Hom	39 745	935	2.4	40 680	620	1.5
Ho Man Tin	13 890	300	2.2	14 190	290	2.0
KOWLOON	136 485	2 500	1.8	138 915	2 365	1.7
Cheung Sha Wan	47 660	945	2.0	48 575	690	1.4
Shek Kip Mei	2 055	165	8.0	2 210	205	9.3
Kowloon Tong	6 310	-	-	6 310	160	2.5
Kowloon City/Wong Tai Sin	15 080	815	5.4	15 850	455	2.9
Ngau Tau Kok/Kwun Tong	30 550	1 800	5.9	32 345	340	1.1
Lei Yue Mun	875	-	-	875	-	-
NEW KOWLOON	102 530	3 725	3.6	106 165	1 850	1.7
Kwai Chung/Tsuen Wan	45 015	885	2.0	45 880	865	1.9
Tuen Mun	7 615	715	9.4	8 330	590	7.1
Yuen Long	19 090	845	4.4	19 935	2 240	11.2
Fanling/Sheung Shui	4 860	20	0.4	4 820	355	7.4
Tai Po	5 930	2 940	49.6	8 865	2 230	25.2
Sha Tin	17 185	7 475	43.5	24 655	3 215	13.0
Sai Kung/Clear Water Bay	5 140	190	3.7	5 285	470	8.9
Outlying Islands	12 680	565	4.5	13 200	1 090	8.3
NEW TERRITORIES	117 515	13 635	11.6	130 970	11 055	8.4
OVERALL	563 005	29 875	5.3	592 165	22 090	3.7

TABLE 3

PRIVATE DOMESTIC - SUPPLY BY CLASS

(No. of units)

	A	B	C	D	E	All Classes
1976*	7 440	5 880	1 300	405	400	15 425
1977*	11 745	7 140	815	375	795	20 870
1978*	12 760	10 405	1 220	1 450	395	26 230
1979	14 055	9 585	2 695	995	465	27 795
1980	12 450	7 995	2 225	1 240	580	24 490
1981	13 895	14 360	2 735	1 210	1 275	33 475
1982	9 670	8 665	2 285	1 470	1 050	23 140
1983	9 530	7 425	2 045	1 230	1 390	21 620
1984	15 645	3 900	1 320	905	500	22 270
1985	19 930	6 325	1 660	1 440	520	29 875
Average 1976-1985	12 710	8 170	1 830	1 070	740	24 520

* Excluding Outlying Islands.

TABLE 4

PRIVATE DOMESTIC - SUPPLY BY SIZE

(No. of units)

Class	Size Range m ²	1981	1982	1983	1984	1985				
						Hong Kong	Kowloon	New Kowloon	New Territories	Total
A	Up to 19.9	320	280	250	560	325	70	170	130	695
	20 - 29.9	5 215	4 530	3 265	9 350	2 645	1 270	1 485	5 275	10 675
	30 - 39.9	8 360	4 860	6 015	5 735	3 590	235	1 680	3 055	8 560
B	40 - 49.9	6 540	4 875	4 820	2 295	795	55	225	3 260	4 335
	50 - 59.9	5 515	1 685	1 710	1 050	540	40	-	195	775
	60 - 69.9	2 305	2 105	895	555	445	40	15	715	1 215
C	70 - 79.9	1 075	830	1 155	365	280	560	-	100	940
	80 - 89.9	900	1 065	580	520	145	-	5	195	345
	90 - 99.9	760	390	310	435	130	50	65	130	375
D	100 - 119.9	605	785	455	480	360	45	80	295	780
	120 - 139.9	295	385	565	315	265	105	-	40	410
	140 - 159.9	310	300	210	110	205	-	-	45	250
E	160 - 199.9	725	620	510	225	215	30	-	185	430
	200 - 239.9	425	185	165	230	30	-	-	10	40
	240 - 279.9	60	200	400	20	5	-	-	5	10
	Over 279.9	65	45	315	25	40	-	-	-	40
OVERALL		33 475	23 140	21 620	22 270	10 015	2 500	3 725	13 635	29 875

TABLE 5

PRIVATE DOMESTIC - SUPPLY AND FORECASTS

(No. of units)

	1981	1982	1983	1984	1985 by Class						Average 1981-1985	(1986)	(1987)
					A	B	C	D	E	Total			
West	1 925	410	970	825	2 505	90	10	40	-	2 645	1 355	1 720	1 020
Sheung Wan	170	105	305	20	430	195	-	95	-	720	265	480	300
Central	10	10	15	45	70	-	-	65	70	205	55	295	160
Wan Chai	385	150	145	175	345	5	5	10	-	365	245	700	270
Mid-levels/Pok Fu Lam	790	155	625	240	40	10	90	320	40	500	460	765	1 575
Peak	35	40	50	-	-	-	-	-	45	45	35	40	25
Causeway Bay/Tai Hang	340	435	490	410	40	150	20	125	65	400	415	990	1 305
North Point	4 615	3 180	3 525	2 380	1 875	1 325	410	125	-	3 735	3 485	6 140	6 075
Shau Kei Wan	600	1 230	1 180	320	735	-	-	-	-	735	815	1 945	4 180
Aberdeen	2 905	530	870	95	510	5	-	-	-	515	985	685	400
South	45	215	170	200	10	-	20	50	70	150	155	775	1 125
HONG KONG	11 820	6 460	8 345	4 710	6 560	1 780	555	830	290	10 015	8 270	14 535	16 435
Tsim Sha Tsui	535	245	210	255	365	10	-	-	-	375	325	255	-
Yau Ma Tei	565	405	335	1 060	320	35	-	80	-	435	560	450	290
Mong Kok	795	40	45	165	455	-	-	-	-	455	300	260	100
Hung Hom	475	270	305	645	335	40	560	-	-	935	525	2 540	2 645
Ho Man Tin	280	60	45	505	100	50	50	70	30	300	240	40	160
KOWLOON	2 650	1 020	940	2 630	1 575	135	610	150	30	2 500	1 950	3 545	3 195
Cheung Sha Wan	980	845	855	1 485	920	25	-	-	-	945	1 020	970	375
Shek Kip Mei	275	25	50	25	-	15	70	80	-	165	110	450	640
Kowloon Tong	135	5	195	-	-	-	-	-	-	-	65	70	35
Kowloon City/Wong Tai Sin	415	120	220	55	815	-	-	-	-	815	325	640	100
Ngau Tau Kok/Kwun Tong	4 780	1 120	75	3 040	1 600	200	-	-	-	1 800	2 165	755	775
Lei Yue Mun	-	-	-	-	-	-	-	-	-	-	-	-	-
NEW KOWLOON	6 585	2 115	1 395	4 605	3 335	240	70	80	-	3 725	3 685	2 885	1 925
Kwai Chung/Tsuen Wan	2 840	3 450	4 810	3 405	650	155	80	-	-	885	3 080	5 820	4 875
Tuen Mun	940	3 050	440	220	220	490	-	-	5	715	1 070	450	2 470
Yuen Long	2 410	1 160	1 375	1 435	595	100	110	10	30	845	1 445	870	1 715
Fanling/Sheung Shui	270	170	295	95	-	15	-	5	-	20	170	35	85
Tai Po	375	325	160	880	2 380	475	-	70	15	2 940	935	1 835	1 925
Sha Tin	4 220	3 300	2 985	3 700	4 440	2 615	150	160	110	7 475	4 335	5 325	4 650
Sai Kung/Clear Water Bay	350	190	205	285	5	45	80	25	35	190	245	570	175
Outlying Islands	1 015	1 900	670	305	170	275	5	110	5	565	890	1 270	635
NEW TERRITORIES	12 420	13 545	10 940	10 325	8 460	4 170	425	380	200	13 635	12 170	16 175	16 530
OVERALL	33 475	23 140	21 620	22 270	19 930	6 325	1 660	1 440	520	29 875	26 075	37 140	38 085

TABLE 6

PRIVATE DOMESTIC - FORECASTS BY CLASS

(No. of units)

	(1986)						(1987)					
	A	B	C	D	E	All Classes	A	B	C	D	E	All Classes
West	1 450	250	20	-	-	1 720	1 005	5	10	-	-	1 020
Sheung Wan	215	265	-	-	-	480	195	40	65	-	-	300
Central	120	125	50	-	-	295	30	65	65	-	-	160
Wan Chai	545	110	-	45	-	700	215	20	-	35	-	270
Mid-levels/Pok Fu Lam	215	190	-	170	190	765	145	515	415	330	170	1 575
Peak	-	-	-	-	40	40	-	-	-	-	25	25
Causeway Bay/Tai Hang	155	130	265	300	140	990	135	115	285	670	100	1 305
North Point	570	4 130	1 155	270	15	6 140	850	4 760	465	-	-	6 075
Shau Kei Wan	40	1 770	135	-	-	1 945	470	3 685	25	-	-	4 180
Aberdeen	400	285	-	-	-	685	350	50	-	-	-	400
South	5	5	-	280	485	775	5	80	280	335	425	1 125
HONG KONG	3 715	7 260	1 625	1 065	870	14 535	3 400	9 335	1 610	1 370	720	16 435
Tsim Sha Tsui	255	-	-	-	-	255	-	-	-	-	-	-
Yau Ma Tei	435	15	-	-	-	450	290	-	-	-	-	290
Mong Kok	245	15	-	-	-	260	100	-	-	-	-	100
Hung Hom	1 295	1 125	120	-	-	2 540	605	1 500	540	-	-	2 645
Ho Man Tin	20	-	10	10	-	40	55	15	-	30	60	160
KOWLOON	2 250	1 155	130	10	-	3 545	1 050	1 515	540	30	60	3 195
Cheung Sha Wan	960	-	10	-	-	970	245	105	-	15	10	375
Shek Kip Mei	-	-	195	225	30	450	-	60	455	125	-	640
Kowloon Tong	-	-	65	-	5	70	-	-	-	10	25	35
Kowloon City/Wong Tai Sin	640	-	-	-	-	640	100	-	-	-	-	100
Ngau Tau Kok/Kwun Tong	710	45	-	-	-	755	30	685	-	30	30	775
Lei Yue Mun	-	-	-	-	-	-	-	-	-	-	-	-
NEW KOWLOON	2 310	45	270	225	35	2 885	375	850	455	180	65	1 925
Kwai Chung/Tsuen Wan	3 520	1 920	195	185	-	5 820	1 200	3 095	535	45	-	4 875
Tuen Mun	395	-	-	40	15	450	1 675	770	-	20	5	2 470
Yuen Long	95	190	550	-	35	870	995	225	420	20	55	1 715
Fanling/Sheung Shui	5	30	-	-	-	35	-	55	20	5	5	85
Tai Po	1 330	410	-	85	10	1 835	1 100	800	-	25	-	1 925
Sha Tin	3 170	2 090	-	20	45	5 325	3 295	1 165	90	90	10	4 650
Sai Kung/Clear Water Bay	-	365	-	40	165	570	-	25	-	45	105	175
Outlying Islands	910	285	-	70	5	1 270	225	410	-	-	-	635
NEW TERRITORIES	9 425	5 290	745	440	275	16 175	8 490	6 545	1 065	250	180	16 530
OVERALL	17 700	13 750	2 770	1 740	1 180	37 140	13 315	18 245	3 670	1 830	1 025	38 085

TABLE 7

PRIVATE DOMESTIC - VACANCY BY DISTRICT

	No. vacant at the end of				1985	
	1981	1982	1983	1984	No. of units	As a % of year end stock
West	1 180	885	645	725	770	2.4
Sheung Wan	485	190	300	245	620	5.4
Central	45	60	210	35	140	4.1
Wan Chai	455	555	635	805	605	2.2
Mid-levels/Pok Fu Lam	740	570	725	380	300	1.7
Peak	65	70	40	125	35	1.8
Causeway Bay/Tai Hang	400	625	815	705	560	2.5
North Point	3 260	3 950	3 670	2 495	2 840	4.4
Shau Kei Wan	535	1 005	1 235	305	685	4.0
Aberdeen	1 830	920	610	320	115	0.8
South	110	320	250	240	150	3.6
HONG KONG	9 105	9 150	9 135	6 380	6 820	3.2
Tsim Sha Tsui	310	775	430	485	685	4.0
Yau Ma Tei	795	840	470	935	485	1.4
Mong Kok	750	700	780	330	285	0.9
Hung Hom	550	840	620	740	620	1.5
Ho Man Tin	685	495	340	360	290	2.0
KOWLOON	3 090	3 650	2 640	2 850	2 365	1.7
Cheung Sha Wan	945	1 160	585	990	690	1.4
Shek Kip Mei	105	55	65	130	205	9.3
Kowloon Tong	420	175	275	160	160	2.5
Kowloon City/Wong Tai Sin	430	445	165	30	455	2.9
Ngau Tau Kok/Kwun Tong	3 510	1 455	725	2 455	340	1.1
Lei Yue Mun	20	25	20	-	-	-
NEW KOWLOON	5 430	3 315	1 835	3 765	1 850	1.7
Kwai Chung/Tsuen Wan	3 150	3 565	2 510	1 305	865	1.9
Tuen Mun	740	3 105	825	560	590	7.1
Yuen Long	2 845	2 905	2 490	1 855	2 240	11.2
Fanling/Sheung Shui	360	315	485	340	355	7.4
Tai Po	620	570	410	595	2 230	25.2
Sha Tin	3 450	2 330	2 150	3 360	3 215	13.0
Sai Kung/Clear Water Bay	355	415	465	490	470	8.9
Outlying Islands	510	1 860	1 485	935	1 090	8.3
NEW TERRITORIES	12 030	15 065	10 820	9 440	11 055	8.4
OVERALL	29 655	31 180	24 430	22 435	22 090	3.7

TABLE 8

PRIVATE DOMESTIC - OVERALL VACANCY TRENDS

	In buildings completed during the year			In all other buildings			Overall Vacancy	
	Total no. of units	No. vacant	% vacant	Total no. of units	No. vacant	% vacant	No. vacant	% of total stock
1981	33 475	18 075	54.0	467 805	11 580	2.5	29 655	5.9
1982	23 140	13 425	58.0	498 940	17 755	3.6	31 180	6.0
1983	21 620	8 630	39.9	519 890	15 800	3.0	24 430	4.5
1984	22 270	9 895	44.4	540 735	12 540	2.3	22 435	4.0
1985	29 875	10 320	34.5	562 290	11 770	2.1	22 090	3.7

PRIVATE DOMESTIC - MODE OF OCCUPATION AFTER COMPLETION

Class	Area	No. of occupied units valued in 1985	Wholly owner occupied		Owner occupied and part let		Fully let	
			No. of units	%	No. of units	%	No. of units	%
A Up to 39.9 m ²	Hong Kong	3 712	3 234	87.1	-	-	478	12.9
	Kowloon	908	804	88.5	10	1.1	94	10.4
	New Kowloon	1 519	1 396	91.9	9	0.6	114	7.5
	New Territories	5 060	4 894	96.7	-	-	166	3.3
	Overall	11 199	10 328	92.2	19	0.2	852	7.6
B 40.0 to 69.9 m ²	Hong Kong	2 017	1 784	88.4	1	0.1	232	11.5
	Kowloon	147	105	71.4	-	-	42	28.6
	New Kowloon	21	21	100.0	-	-	-	-
	New Territories	3 798	3 660	96.4	-	-	138	3.6
	Overall	5 983	5 570	93.1	1	*	412	6.9
C 70.0 to 99.9 m ²	Hong Kong	1 586	1 279	80.6	-	-	307	19.4
	Kowloon	-	-	-	-	-	-	-
	New Kowloon	-	-	-	-	-	-	-
	New Territories	230	228	99.1	-	-	2	0.9
	Overall	1 816	1 507	83.0	-	-	309	17.0
D 100.0 to 159.9 m ²	Hong Kong	644	490	76.1	-	-	154	23.9
	Kowloon	33	23	69.7	-	-	10	30.3
	New Kowloon	34	19	55.9	-	-	15	44.1
	New Territories	220	155	70.5	-	-	65	29.5
	Overall	931	687	73.8	-	-	244	26.2
E Over 159.9 m ²	Hong Kong	502	176	35.1	-	-	326	64.9
	Kowloon	1	1	100.0	-	-	-	-
	New Kowloon	4	2	50.0	-	-	2	50.0
	New Territories	79	50	63.3	-	-	29	36.7
	Overall	586	229	39.1	-	-	357	60.9
All Classes	Hong Kong	8 461	6 963	82.3	1	*	1 497	17.7
	Kowloon	1 089	933	85.7	10	0.9	146	13.4
	New Kowloon	1 578	1 438	91.1	9	0.6	131	8.3
	New Territories	9 387	8 987	95.7	-	-	400	4.3
	Overall	20 515	18 321	89.3	20	0.1	2 174	10.6

* Less than 0.05%

TABLE 10

PRIVATE DOMESTIC - AVERAGE RENTALS

(\$/m² per month)

Class	Area	1984	1984	1985	1985	1985	1985
		<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter*</u>
A Up to 39.9 m ²	Hong Kong	69.6	70.1	70.4	72.5	72.3	71.0
	Kowloon	76.4	79.0	76.9	78.9	75.7	81.0
	New Kowloon	70.2	75.3	79.6	76.4	72.8	77.3
	New Territories	49.6	56.4	55.9	55.5	57.0	59.3
B 40.0 to 69.9 m ²	Hong Kong	65.5	65.8	66.1	68.9	71.9	69.7
	Kowloon	62.0	64.1	65.8	62.5	66.3	63.7
	New Kowloon	62.1	60.6	63.3	58.5	62.3	62.8
	New Territories	48.1	50.5	52.0	48.3	47.5	49.8
C 70.0 to 99.9 m ²	Hong Kong	65.9	68.7	68.4	73.2	74.7	76.1
	Kowloon	65.7	66.2	66.9	73.1	71.0	72.6
	New Kowloon	62.5	60.8	66.2	(61.8)	60.4	(63.7)
	New Territories	(49.9)	51.9	(53.0)	(50.6)	(46.2)	(69.8)
D 100.0 to 159.9 m ²	Hong Kong	72.6	76.7	78.3	80.1	86.9	89.3
	Kowloon	56.2	61.1	66.5	65.5	58.9	(68.8)
	New Kowloon	70.6	61.6	74.2	74.1	(68.2)	(80.8)
	New Territories	(50.6)	52.7	47.2	(45.6)	56.0	(49.1)
E Over 159.9 m ²	Hong Kong	89.4	84.2	96.2	104.2	116.6	109.0
	Kowloon	(70.8)	81.1	(75.0)	78.1	81.1	85.3
	New Kowloon	(63.8)	(52.4)	(61.4)	(46.3)	(67.0)	(70.5)
	New Territories	(56.3)	(51.0)	(50.3)	(43.6)	(46.1)	(53.0)

* Provisional.

() Indicates less than 20 transactions.

TABLE 11

PRIVATE DOMESTIC - AVERAGE PRICES

(\$/m²)

Class	Area	1984	1984	1985	1985	1985	1985
		Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter*	Fourth Quarter*
A Up to 39.9 m ²	Hong Kong	7 419	7 400	7 850	8 137	8 519	8 056
	Kowloon	7 277	7 302	7 609	7 782	8 282	8 348
	New Kowloon	6 956	6 983	7 048	7 328	7 890	8 098
	New Territories#	7 497	6 383	6 206	6 592	6 629	6 526
B 40.0 to 69.9 m ²	Hong Kong	7 369	7 378	7 910	8 397	8 691	8 599
	Kowloon	5 709	6 199	6 521	6 504	6 797	6 547
	New Kowloon	6 212	6 362	6 420	6 796	7 164	6 621
	New Territories#	7 248	6 669	6 328	6 810	6 156	5 255
C 70.0 to 99.9 m ²	Hong Kong	7 059	7 585	7 649	8 327	9 436	9 453
	Kowloon	6 859	7 030	7 443	7 820	8 313	8 870
	New Kowloon	5 975	6 522	7 037	7 818	8 229	8 505
	New Territories#	(7 181)	7 490	7 494	8 280	8 739	-
D 100.0 to 159.9 m ²	Hong Kong	7 319	7 442	7 964	9 144	10 193	10 738
	Kowloon	6 344	6 650	7 095	7 653	9 153	(8 979)
	New Kowloon	6 752	6 991	7 241	8 019	9 029	(8 726)
	New Territories#	(5 997)	6 422	6 573	7 341	(8 382)	-
E Over 159.9 m ²	Hong Kong	7 541	7 613	9 217	11 083	11 281	(13 816)
	Kowloon	(6 545)	(7 077)	(8 049)	(7 692)	(13 244)	-
	New Kowloon	(7 012)	-	(7 661)	(10 612)	-	-
	New Territories#	(5 232)	(6 041)	(6 868)	(7 054)	(7 639)	-

* Provisional.

() Indicates less than 20 transactions.

From January 1985, the New Territories data includes Yuen Long and Fanling/Sheung Shui in addition to Sai Kung/Clear Water Bay, Sha Tin and Tai Po.

TABLE 12

PRIVATE DOMESTIC - RENTAL INDEXES

Year/Quarter	A Up to 39.9 m ²	B 40.0 to 69.9 m ²	C 70.0 to 99.9 m ²	D 100.0 to 159.9 m ²	E Over 159.9 m ²	All Classes	
						Quarterly	6-monthly
1981 1	149	141	137	157	160	145	138
	167	147	148	157	181	155	150
	171	149	154	174	179	162	158
	171	148	153	172	179	160	160
1982 1	165	150	152	169	178	159	159
	172	151	154	163	180	161	160
	170	152	154	159	175	159	160
	174	152	153	158	148	156	158
1983 1	163	145	142	155	156	150	153
	158	142	142	139	142	144	147
	159	139	135	136	133	140	142
	160	137	123	126	124	132	136
1984 1	153	137	126	124	118	131	132
	156	137	127	124	123	132	132
	156	141	128	124	126	134	133
	159	142	127	126	125	135	135
1985 1	157	142	133	132	135	137	136
	160	143	137	134	143	139	138
	160	149	139	141	154	142	141
	162*	146*	146*	144*	159*	143*	142*

* Provisional.

1979 4th Quarter = 100.

PRIVATE DOMESTIC - PRICE INDEXES

Year/Quarter	A Up to 39.9 m ²	B 40.0 to 69.9 m ²	C 70.0 to 99.9 m ²	D and E Over 99.9 m ²	All Classes	
					Quarterly	6-monthly
1981 1	147	149	150	146	148	143
	149	147	153	147	150	149
	150	149	150	145	148	149
	146	146	143	147	145	147
1982 1	140	134	136	135	136	139
	133	132	129	125	129	132
	127	124	125	120	124	127
	120	120	117	107	115	121
1983 1	116	111	105	93	105	108
	117	111	105	93	105	105
	114	107	98	90	100	103
	107	102	92	78	93	97
1984 1	110	105	92	80	94	94
	111	104	90	81	94	94
	106	100	86	74	90	92
	107	101	90	76	91	91
1985 1	110	106	96	80	95	93
	114	113	101	89	99	97
	119*	116*	110*	97*	104*	101*
	120*	112*	111*	106*	103*	104*

* Provisional.

1979 4th Quarter = 100.

Price indexes refer to the Urban Area only.

TABLE 14

DOMESTIC - STOCK, SUPPLY AND FORECASTS

(HOME OWNERSHIP, PRIVATE SECTOR PARTICIPATION AND URBAN IMPROVEMENT SCHEMES)

(No. of units)

	Stock at the end of 1985				Total supply and forecasts		
	Home Ownership	Private Sector Participation	Urban Improvement	Overall	1985	(1986)	(1987)
West	-	-	779	779	80	188	52
Sheung Wan	-	-	105	105	-	17	-
Central	-	-	10	10	-	-	-
Wan Chai	-	-	207	207	-	-	-
North Point	-	-	-	-	-	2 180	-
Shau Kei Wan	1 800	3 838	10	5 648	3 078	-	-
Aberdeen	1 320	-	-	1 320	-	177	-
HONG KONG	3 120	3 838	1 111	8 069	3 158	2 562	52
Yau Ma Tei	-	-	10	10	-	-	-
Mong Kok	-	-	-	-	-	-	480
Ho Man Tin	1 800	-	-	1 800	-	-	-
KOWLOON	1 800	-	10	1 810	-	-	480
Cheung Sha Wan	694	-	-	694	-	398	-
Kowloon City/Wong Tai Sin	1 584	600	-	2 184	600	6 140	-
Ngau Tau Kok/Kwun Tong	5 998	5 904	-	11 902	5 904	-	-
Lei Yue Mun	792	506	-	1 298	-	-	1 680
NEW KOWLOON	9 068	7 010	-	16 078	6 504	6 538	1 680
Kwai Chung/Tsuen Wan	2 766	-	-	2 766	800	1 120	1 340
Tuen Mun	8 979	4 220	-	13 199	2 640	1 680	-
Fanling/Sheung Shui	3 360	-	-	3 360	528	-	-
Tai Po	4 059	1 408	-	5 467	1 680	1 460	-
Sha Tin	11 799	800	-	12 599	4 624	1 226	5 446
NEW TERRITORIES	30 963	6 428	-	37 391	10 272	5 486	6 786
OVERALL	44 951	17 276	1 121	63 348	19 934	14 586	8 998

TABLE 15

COMMERCIAL PREMISES - STOCK, SUPPLY AND VACANCY

	Stock at the end of 1984 (m ²)	Supply in 1985 (m ²)	Supply as a % of 1984 stock	Stock at the end of 1985 (m ²)	Amount vacant at the end of 1985 (m ²)	% vacant
West	217 500	18 600	8.6	235 300	21 500	9.1
Sheung Wan	311 800	10 100	3.2	321 100	25 600	8.0
Central	314 000	35 400	11.3	349 100	29 800	8.5
Wan Chai	428 500	18 900	4.4	446 000	24 300	5.4
Mid-levels/Pok Fu Lam	14 200	-	-	14 200	1 200	8.5
Peak	3 400	-	-	3 400	-	-
Causeway Bay/Tai Hang	233 900	14 700	6.3	248 200	6 400	2.6
North Point	326 200	10 100	3.1	335 000	28 700	8.6
Shau Kei Wan	124 000	7 900	6.4	131 600	19 100	14.5
Aberdeen	103 700	1 800	1.7	105 400	12 400	11.8
South	11 000	100	0.9	11 100	-	-
HONG KONG	2 088 200	117 600	5.6	2 200 400	169 000	7.7
Tsim Sha Tsui	596 800	18 900	3.2	615 500	39 600	6.4
Yau Ma Tei	433 000	5 100	1.2	437 600	20 800	4.8
Mong Kok	329 500	3 300	1.0	332 300	15 300	4.6
Hung Hom	295 800	10 500	3.5	306 300	29 800	9.7
Ho Man Tin	45 700	200	0.4	45 900	5 200	11.3
KOWLOON	1 700 800	38 000	2.2	1 737 600	110 700	6.4
Cheung Sha Wan	432 900	10 900	2.5	441 900	21 200	4.8
Shek Kip Mei	16 500	-	-	16 500	800	4.8
Kowloon Tong	15 300	-	-	15 300	-	-
Kowloon City/Wong Tai Sin	175 900	9 900	5.6	185 200	13 600	7.3
Ngau Tau Kok/Kwun Tong	158 600	15 200	9.6	173 700	13 500	7.8
Lei Yue Mun	17 400	-	-	17 400	3 900	22.4
NEW KOWLOON	816 600	36 000	4.4	850 000	53 000	6.2
Kwai Chung/Tsuen Wan	330 500	4 500	1.4	334 600	37 800	11.3
Tuen Mun	99 900	13 500	13.5	113 400	47 800	42.2
Yuen Long	210 700	6 600	3.1	216 600	47 800	22.1
Fanling/Sheung Shui	62 200	-	-	62 100	1 500	2.4
Tai Po	90 300	13 500	15.0	103 600	26 900	26.0
Sha Tin	113 300	18 100	16.0	131 400	21 400	16.3
Sai Kung/Clear Water Bay	13 000	200	1.5	13 100	3 700	28.2
Outlying Islands	53 500	1 300	2.4	54 300	4 400	8.1
NEW TERRITORIES	973 400	57 700	5.9	1 029 100	191 300	18.6
OVERALL	5 579 000	249 300	4.5	5 817 100	524 000	9.0

TABLE 16

COMMERCIAL PREMISES - SUPPLY AND FORECASTS

(m²)

	1981	1982	1983	1984	1985	Average 1981-1985	(1986)	(1987)
West	11 700	5 200	12 100	4 100	18 600	10 300	7 700	5 200
Sheung Wan	8 800	13 500	7 500	6 200	10 100	9 200	9 400	6 900
Central	5 100	22 100	13 500	4 400	35 400	16 100	8 900	1 700
Wan Chai	8 100	28 500	12 700	7 400	18 900	15 100	8 000	1 800
Mid-levels/Pok Fu Lam	800	-	200	400	-	300	800	2 200
Causeway Bay/Tai Hang	19 400	1 100	3 100	11 800	14 700	10 000	2 400	2 600
North Point	16 700	42 100	28 800	13 100	10 100	22 200	43 700	19 900
Shau Kei Wan	4 200	16 900	9 600	2 100	7 900	8 100	7 500	17 900
Aberdeen	20 600	200	7 700	2 000	1 800	6 500	2 700	1 500
South	300	800	200	2 000	100	700	4 100	100
HONG KONG	95 700	130 400	95 400	53 500	117 600	98 500	95 200	59 800
Tsim Sha Tsui	59 100	73 700	56 200	3 900	18 900	42 300	4 000	30 500
Yau Ma Tei	8 400	5 400	4 700	22 700	5 100	9 300	3 700	15 800
Mong Kok	8 000	11 300	10 900	5 000	3 300	7 700	3 000	1 100
Hung Hom	6 300	20 500	3 300	5 600	10 500	9 200	17 500	28 700
Ho Man Tin	400	400	-	4 900	200	1 200	100	2 100
KOWLOON	82 200	111 300	75 100	42 100	38 000	69 700	28 300	78 200
Cheung Sha Wan	15 600	12 900	12 600	10 200	10 900	12 400	5 600	14 300
Shek Kip Mei	2 500	-	100	-	-	500	900	-
Kowloon Tong	8 200	1 400	-	-	-	1 900	-	-
Kowloon City/Wong Tai Sin	7 300	5 700	2 400	2 000	9 900	5 400	5 900	800
Ngau Tau Kok/Kwun Tong	33 100	-	4 300	21 400	15 200	15 000	10 300	5 400
Lei Yue Mun	-	-	2 100	-	-	400	-	-
NEW KOWLOON	66 700	20 000	21 500	33 600	36 000	35 600	22 700	20 500
Kwai Chung/Tsuen Wan	17 300	18 200	23 500	13 300	4 500	15 300	16 000	16 400
Tuen Mun	16 400	42 200	9 600	1 700	13 500	16 700	300	35 700
Yuen Long	13 100	13 100	21 600	24 700	6 600	15 800	2 000	10 900
Fanling/Sheung Shui	7 800	1 700	1 400	2 400	-	2 700	100	500
Tai Po	2 100	11 000	2 200	21 400	13 500	10 000	13 300	12 800
Sha Tin	9 100	12 200	15 400	58 100	18 100	22 600	21 200	41 200
Sai Kung/Clear Water Bay	2 200	-	200	1 700	200	900	4 900	200
Outlying Islands	1 900	7 400	4 300	2 700	1 300	3 500	13 200	2 200
NEW TERRITORIES	69 900	105 800	78 200	126 000	57 700	87 500	71 000	119 900
OVERALL	314 500	367 500	270 200	255 200	249 300	291 300	217 200	278 400

COMMERCIAL PREMISES - VACANCY BY DISTRICT

	Vacancies in m ² at the end of				1985	
	1981	1982	1983	1984	Amount (m ²)	As a % of year end stock
West	18 000	16 300	28 100	22 500	21 500	9.1
Sheung Wan	17 000	24 900	25 400	23 700	25 600	8.0
Central	25 500	28 000	16 900	16 800	29 800	8.5
Wan Chai	17 100	34 000	31 300	6 300	24 300	5.4
Mid-levels/Pok Fu Lam	900	300	1 200	1 200	1 200	8.5
Peak	700	-	-	-	-	-
Causeway Bay/Tai Hang	11 600	8 500	13 100	17 300	6 400	2.6
North Point	26 300	32 600	30 600	30 700	28 700	8.6
Shau Kei Wan	6 200	21 800	23 100	23 500	19 100	14.5
Aberdeen	11 800	7 900	12 600	11 800	12 400	11.8
South	400	300	600	400	-	-
HONG KONG	135 500	174 600	182 900	154 200	169 000	7.7
Tsim Sha Tsui	57 500	75 500	74 800	49 700	39 600	6.4
Yau Ma Tei	14 600	17 600	20 100	23 400	20 800	4.8
Mong Kok	22 800	19 000	25 500	14 300	15 300	4.6
Hung Hom	15 200	33 700	24 000	22 900	29 800	9.7
Ho Man Tin	1 900	2 300	2 300	7 300	5 200	11.3
KOWLOON	112 000	148 100	146 700	117 600	110 700	6.4
Cheung Sha Wan	23 400	26 300	24 700	24 800	21 200	4.8
Shek Kip Mei	3 800	2 500	1 700	1 700	800	4.8
Kowloon Tong	6 600	800	200	-	-	-
Kowloon City/Wong Tai Sin	13 100	16 300	8 800	8 600	13 600	7.3
Ngau Tau Kok/Kwun Tong	21 300	10 400	9 500	25 400	13 500	7.8
Lei Yue Mun	4 100	2 200	4 100	4 100	3 900	22.4
NEW KOWLOON	72 300	58 500	49 000	64 600	53 000	6.2
Kwai Chung/Tsuen Wan	34 400	45 500	43 500	41 800	37 800	11.3
Tuen Mun	22 200	55 000	49 900	41 700	47 800	42.2
Yuen Long	23 900	27 300	31 900	48 400	47 800	22.1
Fanling/Sheung Shui	2 000	2 000	1 800	3 000	1 500	2.4
Tai Po	4 800	12 200	12 000	30 000	26 900	26.0
Sha Tin	9 600	12 900	13 800	38 400	21 400	16.3
Sai Kung/Clear Water Bay	4 300	2 000	1 700	3 500	3 700	28.2
Outlying Islands	2 300	7 300	7 600	6 900	4 400	8.1
NEW TERRITORIES	103 500	164 200	162 200	213 700	191 300	18.6
OVERALL	423 300	545 400	540 800	550 100	524 000	9.0

TABLE 18

COMMERCIAL PREMISES - OVERALL VACANCY TRENDS

	In buildings completed during the year			In all other buildings			Overall Vacancy	
	Total floor space (m ²)	Amount vacant (m ²)	% vacant	Total floor space (m ²)	Amount vacant (m ²)	% vacant	Amount vacant (m ²)	% of total stock
1981	314 500	210 400	66.9	4 467 500	212 900	4.8	423 300	8.9
1982	367 500	267 800	72.9	4 734 800	277 600	5.9	545 400	10.7
1983	270 200	175 900	65.1	5 070 600	364 900	7.2	540 800	10.1
1984	255 200	154 800	60.7	5 323 800	395 300	7.4	550 100	9.9
1985	249 300	151 000	60.6	5 567 800	373 000	6.7	524 000	9.0

TABLE 19

SHOPS - AVERAGE RENTALS, RENTAL AND PRICE INDEXES

Year/Quarter	<u>Rentals</u>				<u>Prices</u>	
	Size (m ²)	Monthly Rental (\$/m ²)	Quarterly Indexes	6-monthly Indexes	Quarterly Indexes	6-monthly Indexes
1981 1	51.2	169.9	146	146	139	138
				162		141
	50.8	168.0	176	178	144	149
	48.2	196.2	181	188	156	154
1982 1	48.0	192.9	196	190	150	
				194		147
	48.3	183.5	183	194	144	131
	52.9	239.8	204	198	114	113
1983 1	51.6	213.5	193	195	111	107
	49.4	229.9	196		100	
				194		97
	51.6	205.4	191	187	96	97
1984 1	54.7	187.9	184	184	98	93
	53.5	169.5	183	181	90	87
	57.8	155.3	179		82	
				176		83
1985 1	49.7	143.4	172	176	84	85
	52.3	172.1	178	174	86	82
	51.9	163.0	170	167	77	79
	57.3	170.1	163		80	
1986 1				168		82
	47.4	164.8	176	176	84	86
	52.1	178.1	176	179	88	89*
	59.0	167.9	182	180*	91*	91*
1987 1	57.8*	145.3*	174*		91*	

* Provisional.

'Shops' for the purposes of this table comprise only premises designed for retail trade with a frontage to a public thoroughfare.

1979 4th Quarter = 100

Price indexes refer to the Urban Area only.

TABLE 20

OFFICES - STOCK AND VACANCY BY GRADE

	Stock at the end of 1985 (m ²)				Amount vacant at the end of 1985 (m ²)				% vacant			
	A	B	C/D	Total	A	B	C/D	Total	A	B	C/D	Total
West	-	35 000	9 900	44 900	-	20 100	1 300	21 400	-	57.4	13.1	47.7
Sheung Wan	77 600	239 500	295 200	612 300	2 500	32 300	39 700	74 500	3.2	13.5	13.4	12.2
Central	908 200	229 600	154 400	1 292 200	101 000	69 100	10 500	180 600	11.1	30.1	6.8	14.0
Wan Chai	330 100	240 200	171 300	741 600	19 400	28 900	23 800	72 100	5.9	12.0	13.9	9.7
Mid-levels/Pok Fu Lam	-	-	3 900	3 900	-	-	-	-	-	-	-	-
Causeway Bay/Tai Hang	203 500	42 500	29 800	275 800	12 100	6 900	2 500	21 500	5.9	16.2	8.4	7.8
North Point	65 100	26 100	2 800	94 000	1 500	21 100	800	23 400	2.3	80.8	28.6	24.9
Shau Kei Wan	-	11 700	3 400	15 100	-	9 100	-	9 100	-	77.8	-	60.3
Aberdeen	-	500	7 900	8 400	-	-	3 300	3 300	-	-	41.8	39.3
HONG KONG	1 584 500	825 100	678 600	3 088 200	136 500	187 500	81 900	405 900	8.6	22.7	12.1	13.1
Tsim Sha Tsui	459 800	162 100	123 000	744 900	7 300	4 700	9 700	21 700	1.6	2.9	7.9	2.9
Yau Ma Tei	51 700	110 300	60 100	222 100	2 700	3 700	9 500	15 900	5.2	3.4	15.8	7.2
Mong Kok	36 400	37 300	14 900	88 600	-	4 400	1 200	5 600	-	11.8	8.1	6.3
Hung Hom	41 600	1 100	6 200	48 900	500	-	1 600	2 100	1.2	-	25.8	4.3
Ho Man Tin	-	4 500	1 600	6 100	-	-	-	-	-	-	-	-
KOWLOON	589 500	315 300	205 800	1 110 600	10 500	12 800	22 000	45 300	1.8	4.1	10.7	4.1
Cheung Sha Wan	1 900	11 100	22 600	35 600	-	1 000	400	1 400	-	9.0	1.8	3.9
Kowloon Tong	-	2 600	500	3 100	-	-	-	-	-	-	-	-
Kowloon City/Wong Tai Sin	-	13 100	9 000	22 100	-	-	3 000	3 000	-	-	33.3	13.6
Ngau Tau Kok/Kwun Tong	12 500	-	1 800	14 300	-	-	-	-	-	-	-	-
Lei Yue Mun	-	1 800	-	1 800	-	1 800	-	1 800	-	100.0	-	100.0
NEW KOWLOON	14 400	28 600	33 900	76 900	-	2 800	3 400	6 200	-	9.8	10.0	8.1
Kwai Chung/Tsuen Wan	36 100	3 600	-	39 700	500	900	-	1 400	1.4	25.0	-	3.5
Tuen Mun	-	6 400	-	6 400	-	5 400	-	5 400	-	84.4	-	84.4
Yuen Long	10 900	14 500	100	25 500	7 400	9 500	100	17 000	67.9	65.5	100.0	66.7
Fanling/Sheung Shui	-	1 100	-	1 100	-	400	-	400	-	36.4	-	36.4
Tai Po	-	5 300	600	5 900	-	2 200	200	2 400	-	41.5	33.3	40.7
Sha Tin	-	21 500	-	21 500	-	-	-	-	-	-	-	-
NEW TERRITORIES	47 000	52 400	700	100 100	7 900	18 400	300	26 600	16.8	35.1	42.9	26.6
OVERALL	2 235 400	1 221 400	919 000	4 375 800	154 900	221 500	107 600	484 000	6.9	18.1	11.7	11.1

TABLE 21

OFFICES - STOCK, SUPPLY AND VACANCY

	Stock at the end of 1984 (m ²)	Supply in 1985 (m ²)	Supply as a % of 1984 stock	Stock at the end of 1985 (m ²)	Amount vacant at the end of 1985 (m ²)	% vacant
West	44 900	-	-	44 900	21 400	47.7
Sheung Wan	601 900	10 400	1.7	612 300	74 500	12.2
Central	1 075 500	216 700	20.1	1 292 200	180 600	14.0
Wan Chai	682 700	58 900	8.6	741 600	72 100	9.7
Mid-levels/Pok Fu Lam	3 900	-	-	3 900	-	-
Causeway Bay/Tai Hang	262 200	13 600	5.2	275 800	21 500	7.8
North Point	94 000	-	-	94 000	23 400	24.9
Shau Kei Wan	15 100	-	-	15 100	9 100	60.3
Aberdeen	8 400	-	-	8 400	3 300	39.3
HONG KONG	2 788 600	299 600	10.7	3 088 200	405 900	13.1
Tsim Sha Tsui	740 300	4 600	0.6	744 900	21 700	2.9
Yau Ma Tei	220 500	1 600	0.7	222 100	15 900	7.2
Mong Kok	87 900	700	0.8	88 600	5 600	6.3
Hung Hom	48 600	300	0.6	48 900	2 100	4.3
Ho Man Tin	6 100	-	-	6 100	-	-
KOWLOON	1 103 400	7 200	0.7	1 110 600	45 300	4.1
Cheung Sha Wan	35 600	-	-	35 600	1 400	3.9
Kowloon Tong	3 100	-	-	3 100	-	-
Kowloon City/Wong Tai Sin	21 400	700	3.3	22 100	3 000	13.6
Ngau Tau Kok/Kwun Tong	14 300	-	-	14 300	-	-
Lei Yue Mun	1 800	-	-	1 800	1 800	100.0
NEW KOWLOON	76 200	700	0.9	76 900	6 200	8.1
Kwai Chung/Tsuen Wan	39 700	-	-	39 700	1 400	3.5
Tuen Mun	6 400	-	-	6 400	5 400	84.4
Yuen Long	24 800	700	2.8	25 500	17 000	66.7
Fanling/Sheung Shui	1 100	-	-	1 100	400	36.4
Tai Po	5 900	-	-	5 900	2 400	40.7
Sha Tin	21 500	-	-	21 500	-	-
NEW TERRITORIES	99 400	700	0.7	100 100	26 600	26.6
OVERALL	4 067 600	308 200	7.6	4 375 800	484 000	11.1

TABLE 22

OFFICES - SUPPLY AND FORECASTS

(m²)

	1981	1982	1983	1984	1985 by Grade				Average 1981-1985	(1986)	(1987)
					A	B	C/D	Total			
West	-	6 000	37 300	-	-	-	-	-	8 700	200	-
Sheung Wan	33 500	55 200	23 000	39 800	-	5 400	5 000	10 400	32 400	36 500	21 800
Central	52 800	93 900	59 100	34 600	163 000	51 000	2 700	216 700	91 400	11 000	79 600
Wan Chai	51 100	69 000	163 900	30 900	29 800	11 600	17 500	58 900	74 700	3 300	1 500
Mid-levels/Pok Fu Lam	800	-	-	-	-	-	-	-	200	-	-
Causeway Bay/Tai Hang	53 400	-	6 200	14 600	12 200	-	1 400	13 600	17 500	1 600	6 600
North Point	14 700	15 100	45 300	17 900	-	-	-	-	18 600	2 500	11 100
Shau Kei Wan	-	8 400	3 500	-	-	-	-	-	2 400	-	-
Aberdeen	-	-	7 400	-	-	-	-	-	1 500	-	-
HONG KONG	206 300	247 600	345 700	137 800	205 000	68 000	26 600	299 600	247 400	55 100	120 600
Tsim Sha Tsui	96 800	204 700	139 500	15 400	-	3 900	700	4 600	92 200	9 600	30 300
Yau Ma Tei	8 900	6 100	7 600	49 700	-	-	1 600	1 600	14 800	4 100	8 600
Mong Kok	2 200	21 400	23 800	3 200	-	700	-	700	10 300	400	1 100
Hung Hom	-	43 000	1 100	700	-	-	300	300	9 000	-	-
KOWLOON	107 900	275 200	172 000	69 000	-	4 600	2 600	7 200	126 300	14 100	40 000
Cheung Sha Wan	-	5 100	7 500	1 400	-	-	-	-	2 800	-	-
Kowloon Tong	-	2 600	-	-	-	-	-	-	500	-	-
Kowloon City/Wong Tai Sin	1 700	-	500	1 100	-	-	700	700	800	-	-
Ngau Tau Kok/Kwun Tong	-	-	-	-	-	-	-	-	-	2 800	-
Lei Yue Mun	-	-	1 800	-	-	-	-	-	400	-	-
NEW KOWLOON	1 700	7 700	9 800	2 500	-	-	700	700	4 500	2 800	-
Kwai Chung/Tsuen Wan	800	-	32 900	-	-	-	-	-	6 700	-	-
Tuen Mun	2 600	3 800	-	-	-	-	-	-	1 300	-	-
Yuen Long	-	4 700	10 100	9 000	-	700	-	700	4 900	-	-
Fanling/Sheung Shui	-	-	500	600	-	-	-	-	200	-	-
Tai Po	-	5 300	200	400	-	-	-	-	1 200	-	-
Sha Tin	-	2 000	19 500	-	-	-	-	-	4 300	-	22 500
NEW TERRITORIES	3 400	15 800	63 200	10 000	-	700	-	700	18 600	-	22 500
OVERALL	319 300	546 300	590 700	219 300	205 000	73 300	29 900	308 200	396 800	72 000	183 100

OFFICES - FORECASTS BY GRADE

(m²)

	(1986)				(1987)			
	A	B	C/D	Total	A	B	C/D	Total
West	-	-	200	200	-	-	-	-
Sheung Wan	7 300	9 800	19 400	36 500	-	11 700	10 100	21 800
Central	6 500	2 100	2 400	11 000	77 100	2 500	-	79 600
Wan Chai	-	-	3 300	3 300	-	-	1 500	1 500
Causeway Bay/Tai Hang	-	1 600	-	1 600	4 900	-	1 700	6 600
North Point	2 500	-	-	2 500	-	8 100	3 000	11 100
HONG KONG	16 300	13 500	25 300	55 100	82 000	22 300	16 300	120 600
Tsim Sha Tsui	-	5 300	4 300	9 600	28 900	1 400	-	30 300
Yau Ma Tei	-	-	4 100	4 100	-	6 300	2 300	8 600
Mong Kok	-	-	400	400	-	-	1 100	1 100
KOWLOON	-	5 300	8 800	14 100	28 900	7 700	3 400	40 000
Ngau Tau Kok/Kwun Tong	-	2 800	-	2 800	-	-	-	-
NEW KOWLOON	-	2 800	-	2 800	-	-	-	-
Sha Tin	-	-	-	-	-	11 000	11 500	22 500
NEW TERRITORIES	-	-	-	-	-	11 000	11 500	22 500
OVERALL	16 300	21 600	34 100	72 000	110 900	41 000	31 200	183 100

TABLE 24

OFFICES - VACANCY BY DISTRICT

	1981	1982	1983	1984	1985 by Grade				As a % of year end stock
					A	B	C/D	Total	
					(m ²)				
West	200	5 500	39 800	35 100	-	20 100	1 300	21 400	47.7
Sheung Wan	46 900	93 100	87 300	98 300	2 500	32 300	39 700	74 500	12.2
Central	97 400	122 800	142 200	132 300	101 000	69 100	10 500	180 600	14.0
Wan Chai	37 700	71 700	123 700	38 400	19 400	28 900	23 800	72 100	9.7
Causeway Bay/Tai Hang	24 700	4 500	18 800	34 800	12 100	6 900	2 500	21 500	7.8
North Point	12 400	15 000	30 400	20 900	1 500	21 100	800	23 400	24.9
Shau Kei Wan	-	8 400	11 300	10 000	-	9 100	-	9 100	60.3
Aberdeen	100	100	6 600	4 300	-	-	3 300	3 300	39.3
HONG KONG	219 400	321 100	460 100	374 100	136 500	187 500	81 900	405 900	13.1
Tsim Sha Tsui	62 400	149 700	189 400	80 500	7 300	4 700	9 700	21 700	2.9
Yau Ma Tei	9 000	16 700	21 200	45 200	2 700	3 700	9 500	15 900	7.2
Mong Kok	3 600	20 500	32 700	9 200	-	4 400	1 200	5 600	6.3
Hung Hom	200	43 300	34 800	12 200	500	-	1 600	2 100	4.3
KOWLOON	75 200	230 200	278 100	147 100	10 500	12 800	22 000	45 300	4.1
Cheung Sha Wan	900	6 100	7 500	4 000	-	1 000	400	1 400	3.9
Kowloon City/Wong Tai Sin	1 900	900	2 400	2 800	-	-	3 000	3 000	13.6
Ngau Tau Kok/Kwun Tong	-	-	400	-	-	-	-	-	-
Lei Yue Mun	-	-	1 800	1 800	-	1 800	-	1 800	100.0
NEW KOWLOON	2 800	7 000	12 100	8 600	-	2 800	3 400	6 200	8.1
Kwai Chung/Tsuen Wan	1 700	1 100	19 500	3 000	500	900	-	1 400	3.5
Tuen Mun	2 600	5 400	5 200	4 800	-	5 400	-	5 400	84.4
Yuen Long	200	3 200	12 700	18 600	7 400	9 500	100	17 000	66.7
Fanling/Sheung Shui	-	-	500	500	-	400	-	400	36.4
Tai Po	-	5 300	4 700	4 600	-	2 200	200	2 400	40.7
NEW TERRITORIES	4 500	15 000	42 600	31 500	7 900	18 400	300	26 600	26.6
OVERALL	301 900	573 300	792 900	561 300	154 900	221 500	107 600	484 000	11.1

TABLE 25

OFFICES - OVERALL VACANCY TRENDS

	In buildings completed during the year			In all other buildings			Overall Vacancy	
	Total floor space (m ²)	Amount vacant (m ²)	% vacant	Total floor space (m ²)	Amount vacant (m ²)	% vacant	Amount vacant (m ²)	% of total stock
1981	319 300	176 800	55.4	2 416 500	125 100	5.2	301 900	11.0
1982	546 300	375 000	68.6	2 713 600	198 300	7.3	573 300	17.6
1983	590 700	372 500	63.1	3 259 800	420 400	12.9	792 900	20.6
1984	219 300	155 000	70.7	3 848 300	406 300	10.6	561 300	13.8
1985	308 200	161 000	52.2	4 067 600	323 000	7.9	484 000	11.1

TABLE 26

OFFICES - AVERAGE RENTALS(\$/m² per month)

Grade	District	1984	1984	1985	1985	1985	1985
[Average size]		<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter*</u>
A [176 m ²]	Sheung Wan	(101.1)	(96.3)	(90.0)	(107.9)	(126.3)	(137.7)
	Central	(154.5)	148.2	146.7	150.2	172.9	177.8
	Wan Chai/Causeway Bay	(114.3)	(90.5)	(88.4)	(108.9)	(91.6)	(95.2)
	Tsim Sha Tsui	110.6	118.1	116.7	(133.0)	154.3	(147.9)
	Yau Ma Tei/Mong Kok	(91.7)	(84.5)	(90.2)	(90.4)	(91.8)	(96.3)
B [61 m ²]	Sheung Wan	93.3	85.1	83.8	88.0	82.4	84.8
	Central	113.5	113.9	111.5	112.7	113.3	(128.4)
	Wan Chai/Causeway Bay	81.1	75.9	81.8	82.1	86.9	101.2
	Tsim Sha Tsui	99.7	99.1	98.7	111.5	108.5	(90.8)
	Yau Ma Tei/Mong Kok	78.3	81.4	73.5	83.9	83.2	(89.3)
C [49 m ²]	Sheung Wan	63.8	64.5	60.6	65.2	64.5	63.2
	Central	87.7	87.7	95.7	95.3	111.7	90.1
	Wan Chai/Causeway Bay	79.3	80.8	70.8	70.6	76.4	(82.2)
	Tsim Sha Tsui	94.9	91.5	84.5	87.0	107.4	(113.5)
	Yau Ma Tei/Mong Kok	82.2	(77.3)	(74.4)	79.6	(88.8)	(91.1)

* Provisional.

() Indicates less than 20 transactions.

Average size relates to the units analysed during the 6 quarters reviewed.

TABLE 27

OFFICES - AVERAGE PRICES(\$/m²)

Grade [Average size]	District	1984	1984	1985	1985	1985	1985
		<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter*</u>	<u>Fourth Quarter*</u>
A [239 m ²]	Sheung Wan	(12 697)	-	(13 118)	(15 034)	(14 573)	-
	Central	(17 628)	(21 632)	(20 901)	(19 551)	(23 483)	(22 544)
	Wan Chai/Causeway Bay	-	-	-	-	-	-
	Tsim Sha Tsui	(12 191)	(10 862)	11 848	(13 549)	(14 329)	(14 642)
	Yau Ma Tei/Mong Kok	(9 528)	(8 578)	(9 892)	(10 366)	(10 639)	(9 454)
B [104 m ²]	Sheung Wan	(10 929)	(9 924)	(11 363)	(11 400)	10 447	(12 964)
	Central	-	(14 296)	(10 897)	(16 067)	(15 692)	-
	Wan Chai/Causeway Bay	(10 759)	(12 213)	(10 988)	(10 171)	10 172	(12 406)
	Tsim Sha Tsui	(9 581)	(10 254)	(10 088)	(12 434)	(12 892)	(15 108)
	Yau Ma Tei/Mong Kok	(8 554)	(8 993)	(8 489)	(9 122)	(9 627)	(8 775)
C [47 m ²]	Sheung Wan	(8 589)	(8 190)	(9 969)	8 412	8 408	(8 720)
	Central	(8 592)	(9 658)	(11 305)	(11 237)	(10 144)	(10 876)
	Wan Chai/Causeway Bay	(8 852)	(8 688)	(8 600)	(9 525)	(8 687)	(9 259)
	Tsim Sha Tsui	(9 610)	(8 988)	9 600	9 507	10 762	(11 713)
	Yau Ma Tei/Mong Kok	(8 291)	-	(8 006)	(8 860)	(8 863)	(9 408)

* Provisional.

() Indicates less than 20 transactions.

Average size relates to the units analysed during the 6 quarters reviewed.

TABLE 28

OFFICES - RENTAL AND PRICE INDEXES

Year/Quarter	<u>Rentals</u>		<u>Prices</u>	
	Grades A, B and C		Grades B and C	
	Quarterly	6-monthly	Quarterly	6-monthly
1981 1	189	183	178	172
		195	179	178
	2	206	171	175
	3	211	169	171
1982 1	213	217		168
		212	168	167
	2	199	164	161
	3	182	158	158
1983 1	173	165	165	126
		156	108	102
	2	151	98	95
	3	145	92	92
1984 1	144	143	93	87
		139	84	74
	2	135	66	70
	3	130	75	71
1985 1	128	128	68	71
		131	72	74
	2	136	76	76*
	3	139	76*	76*
1985 4		140*	79*	
	142*			

* Provisional.

1979 4th Quarter = 100.

The indexes are not restricted to the main districts.

TABLE 29

FLATTED FACTORIES - STOCK, SUPPLY AND VACANCY.

	Stock at the end of 1984 (m ²)	Supply in 1985 (m ²)	Supply as a % of 1984 stock	Stock at the end of 1985 (m ²)	Amount vacant at the end of 1985 (m ²)	% vacant
West	127 500	-	-	127 500	400	0.3
Wan Chai	700	-	-	700	-	-
Causeway Bay/Tai Hang	500	-	-	500	-	-
North Point	364 100	28 600	7.9	388 400	8 400	2.2
Shau Kei Wan	497 500	12 200	2.5	509 700	17 600	3.5
Aberdeen	540 000	-	-	540 000	33 600	6.2
HONG KONG	1 530 300	40 800	2.7	1 566 800	60 000	3.8
Mong Kok	376 100	-	-	376 100	10 900	2.9
Hung Hom	618 200	27 400	4.4	645 600	38 000	5.9
KOWLOON	994 300	27 400	2.8	1 021 700	48 900	4.8
Cheung Sha Wan	1 037 000	21 200	2.0	1 054 400	12 000	1.1
Kowloon City/Wong Tai Sin	754 700	22 400	3.0	777 100	21 300	2.7
Ngau Tau Kok/Kwun Tong	2 097 700	77 700	3.7	2 175 400	88 200	4.1
Lei Yue Mun	317 500	-	-	317 500	19 200	6.0
NEW KOWLOON	4 206 900	121 300	2.9	4 324 400	140 700	3.3
Kwai Chung/Tsuen Wan	4 406 400	196 600	4.5	4 603 000	301 800	6.6
Tuen Mun	843 900	-	-	843 900	85 500	10.1
Yuen Long	70 500	4 500	6.4	75 000	5 500	7.3
Fanling/Sheung Shui	20 400	-	-	20 400	-	-
Tai Po	138 300	-	-	138 300	1 400	1.0
Sha Tin	461 900	65 500	14.2	527 400	72 100	13.7
Sai Kung/Clear Water Bay	500	-	-	500	-	-
NEW TERRITORIES	5 941 900	266 600	4.5	6 208 500	466 300	7.5
OVERALL	12 673 400	456 100	3.6	13 121 400	715 900	5.5

TABLE 30

FLATTED FACTORIES - SUPPLY AND FORECASTS(m²)

	1981	1982	1983	1984	1985	Average 1981-1985	(1986)	(1987)
West	35 600	-	-	-	-	7 100	-	-
North Point	-	-	-	35 400	28 600	12 800	-	-
Shau Kei Wan	13 800	37 200	12 200	13 300	12 200	17 700	38 800	5 100
Aberdeen	59 200	35 900	49 200	32 900	-	35 500	25 900	-
HONG KONG	108 600	73 100	61 400	81 600	40 800	73 100	64 700	5 100
Mong Kok	2 500	29 600	34 500	21 500	-	17 600	-	-
Hung Hom	44 400	24 700	11 400	32 600	27 400	28 100	75 800	68 100
KOWLOON	46 900	54 300	45 900	54 100	27 400	45 700	75 800	68 100
Cheung Sha Wan	28 400	94 600	19 600	10 300	21 200	34 800	22 300	10 500
Kowloon City/Wong Tai Sin	20 800	37 100	16 600	-	22 400	19 400	-	-
Ngau Tau Kok/Kwun Tong	158 300	35 400	114 000	69 300	77 700	91 000	302 200	192 100
Lei Yue Mun	4 500	-	-	39 200	-	8 700	-	-
NEW KOWLOON	212 000	167 100	150 200	118 800	121 300	153 900	324 500	202 600
Kwai Chung/Tsuen Wan	493 300	370 200	135 100	122 700	196 600	263 600	177 300	89 500
Tuen Mun	110 400	149 600	129 300	7 800	-	79 400	114 200	66 300
Yuen Long	-	5 200	14 600	7 600	4 500	6 400	56 700	4 900
Fanling/Sheung Shui	3 100	-	-	-	-	600	-	-
Tai Po	26 100	69 700	14 600	-	-	22 100	-	-
Sha Tin	121 100	151 900	69 800	36 800	65 500	89 000	49 900	247 000
Sai Kung/Clear Water Bay	-	-	-	-	-	-	-	5 200
NEW TERRITORIES	754 000	746 600	363 400	174 900	266 600	461 100	398 100	412 900
OVERALL	1 121 500	1 041 100	620 900	429 400	456 100	733 800	863 100	688 700

TABLE 31

FLATTED FACTORIES - SUPPLY BY SIZE

(No. of units)

	Up to 49.9 m ²	50.0 to 99.9 m ²	100.0 to 199.9 m ²	200.0 to 399.9 m ²	Over 399.9 m ²
North Point Shau Kei Wan	2 1	10 112	35 10	43 9	14 -
HONG KONG	3	122	45	52	14
Hung Hom	-	-	54	51	3
KOWLOON	-	-	54	51	3
Cheung Sha Wan	15	46	81	10	9
Kowloon City/Wong Tai Sin	-	-	42	42	3
Ngau Tau Kok/Kwun Tong	19	277	235	65	16
NEW KOWLOON	34	323	358	117	28
Kwai Chung/Tsuen Wan	401	236	620	176	57
Yuen Long	43	16	6	4	-
Sha Tin	-	-	221	33	27
NEW TERRITORIES	444	252	847	213	84
OVERALL	481	697	1 304	433	129
%	15.8	22.9	42.9	14.2	4.2

TABLE 32

FLATTED FACTORIES - VACANCY BY DISTRICT

	Vacancies in m ² at the end of				1985	
	1981	1982	1983	1984	Amount (m ²)	As a % of year end stock
West	2 500	300	1 300	-	400	0.3
North Point	20 000	26 000	20 600	21 900	8 400	2.2
Shau Kei Wan	11 000	50 900	35 000	17 500	17 600	3.5
Aberdeen	69 500	73 700	67 700	26 500	33 600	6.2
HONG KONG	103 000	150 900	124 600	65 900	60 000	3.8
Mong Kok	3 100	8 000	24 800	26 500	10 900	2.9
Hung Hom	19 200	50 400	27 800	49 400	38 000	5.9
KOWLOON	22 300	58 400	52 600	75 900	48 900	4.8
Cheung Sha Wan	11 100	82 200	18 200	17 600	12 000	1.1
Kowloon City/Wong Tai Sin	15 500	26 400	28 300	8 400	21 300	2.7
Ngau Tau Kok/Kwun Tong	91 500	93 700	89 600	60 200	88 200	4.1
Lei Yue Mun	11 300	19 900	19 100	19 600	19 200	6.0
NEW KOWLOON	129 400	222 200	155 200	105 800	140 700	3.3
Kwai Chung/Tsuen Wan	359 000	422 200	366 200	198 300	301 800	6.6
Tuen Mun	73 000	157 000	200 000	117 000	85 500	10.1
Yuen Long	400	2 700	18 200	7 800	5 500	7.3
Fanling/Sheung Shui	3 100	-	-	-	-	-
Tai Po	26 100	67 900	36 100	4 300	1 400	1.0
Sha Tin	78 700	137 700	135 600	81 900	72 100	13.7
NEW TERRITORIES	540 300	787 500	756 100	409 300	466 300	7.5
OVERALL	795 000	1 219 000	1 088 500	656 900	715 900	5.5

TABLE 33

FLATTED FACTORIES - VACANCY BY SIZE

(No. of units)

	Up to 49.9 m ²	50.0 to 99.9 m ²	100.0 to 199.9 m ²	200.0 to 399.9 m ²	Over 399.9 m ²
West	-	5	-	-	-
North Point	-	3	6	12	6
Shau Kei Wan	2	87	41	16	2
Aberdeen	117	4	21	47	19
HONG KONG	119	99	68	75	27
Mong Kok	1	22	9	5	10
Hung Hom	-	1	60	54	12
KOWLOON	1	23	69	59	22
Cheung Sha Wan	23	14	9	16	8
Kowloon City/Wong Tai Sin	4	1	28	28	11
Ngau Tau Kok/Kwun Tong	9	74	185	77	55
Lei Yue Mun	-	-	4	5	13
NEW KOWLOON	36	89	226	126	87
Kwai Chung/Tsuen Wan	298	216	712	298	130
Tuen Mun	144	53	95	154	44
Yuen Long	30	11	6	1	2
Tai Po	-	-	-	-	2
Sha Tin	43	56	241	42	21
NEW TERRITORIES	515	336	1 054	495	199
OVERALL	671	547	1 417	755	335
%	18.0	14.7	38.0	20.3	9.0

TABLE 34

FLATTED FACTORIES - OVERALL VACANCY TRENDS

	In buildings completed during the year			In all other buildings			Overall Vacancy	
	Total floor space	Amount vacant	% vacant	Total floor space	Amount vacant	% vacant	Amount vacant	% of total stock
	(m ²)	(m ²)		(m ²)	(m ²)		(m ²)	
1981	1 121 500	603 800	53.8	9 534 900	191 200	2.0	795 000	7.5
1982	1 041 100	707 300	67.9	10 610 100	511 700	4.8	1 219 000	10.5
1983	620 900	413 400	66.6	11 627 000	675 100	5.8	1 088 500	8.9
1984	429 400	181 600	42.3	12 244 000	475 300	3.9	656 900	5.2
1985	456 100	333 000	73.0	12 665 300	382 900	3.0	715 900	5.5

FLATTED FACTORIES - AVERAGE RENTALS(\$/m² per month)

Area [Average size]	1984	1984	1985	1985	1985	1985
	<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter*</u>
Hong Kong [227 m ²]	33.6	33.9	38.4	42.1	40.6	(36.1)
Kowloon [242 m ²]	(45.0)	(46.4)	(41.3)	(48.5)	(39.3)	(46.0)
New Kowloon [291 m ²]	37.6	34.7	39.4	39.4	42.5	47.4
New Territories [271 m ²]	25.3	25.5	26.0	27.2	28.6	26.4

* Provisional.

() Indicates less than 20 transactions.

Average rentals are in respect of upper-floor units only.

Average size relates to the units analysed during the 6 quarters reviewed.

TABLE 36

FLATTED FACTORIES - AVERAGE PRICES(\$/m²)

Area [Average size]	1984	1984	1985	1985	1985	1985
	<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter*</u>	<u>Fourth Quarter*</u>
Hong Kong [208 m ²]	(3 706)	(2 708)	3 827	4 446	4 583	(4 775)
Kowloon [221 m ²]	(3 632)	(3 974)	4 583	(4 977)	4 798	(5 120)
New Kowloon [230 m ²]	3 401	3 376	3 735	3 921	3 958	4 120
New Territories# [128 m ²]	2 688	2 856	2 767	2 865	2 846	(2 878)

* Provisional.

() Indicates less than 20 transactions.

Average prices are in respect of upper-floor units only.

Average size relates to the units analysed during the 6 quarters reviewed.

From January 1985, the New Territories data includes Yuen Long and Fanling/Sheung Shui in addition to Sha Tin and Tai Po.

FLATTED FACTORIES - RENTAL AND PRICE INDEXES

Year/Quarter	<u>Rentals</u>				<u>Prices</u>	
	Urban Area		New Territories		Urban Area	
	Quarterly	6-monthly	Quarterly	6-monthly	Quarterly	6-monthly
1981 1	146	139	134	139	162	154
		161		139		163
	174	178	141	148	164	166
	187	188	154	144	169	166
1982 1	190		136		159	
		185		139		144
	176	177	147	153	139	137
	177	174	158	168	135	133
1983 1	171	160	174	158	128	123
	152		146		114	
		141		138		116
	136	136	133	131	117	109
1984 1	137	136	128	133	101	102
	135	134	138	135	103	99
	133		132		93	
		131		131		92
1985 1	129	129	130	135	92	94
	129	132	139	137	97	96
	137	135	135	136	94	92
	132		137		91	
1986 1		138		137		100
	140	142	137	139	106	102
	143	144	141	142	100	100*
	146	147*	143	142*	100*	100*
1987 1	149*		141*		100*	

* Provisional.
1979 4th Quarter = 100.

TABLE 38

SPECIALISED FACTORIES - STOCK AND SUPPLY

	Stock at the end of 1984 (m ²)	Supply in 1985 (m ²)	Supply as a % of 1984 stock	Stock at the end of 1985 (m ²)
West	12 400	-	-	12 400
Mid-levels/Pok Fu Lam	1 100	-	-	1 100
Causeway Bay/Tai Hang	700	-	-	700
North Point	135 600	-	-	135 600
Shau Kei Wan	40 700	-	-	40 700
Aberdeen	51 400	-	-	51 400
South	900	-	-	900
HONG KONG	242 800	-	-	242 800
Mong Kok	11 500	-	-	11 500
Hung Hom	104 400	3 700	3.5	108 100
KOWLOON	115 900	3 700	3.2	119 600
Cheung Sha Wan	101 200	10 500	10.4	109 700
Kowloon City/Wong Tai Sin	92 500	-	-	92 500
Ngau Tau Kok/Kwun Tong	337 200	27 200	8.1	350 500
Lei Yue Mun	36 200	-	-	36 200
NEW KOWLOON	567 100	37 700	6.6	588 900
Kwai Chung/Tsuen Wan	833 400	-	-	770 900
Tuen Mun	154 800	-	-	154 800
Yuen Long	50 100	-	-	50 100
Fanling/Sheung Shui	31 700	-	-	31 700
Tai Po	298 400	19 700	6.6	317 300
Sha Tin	24 100	14 200	58.9	38 300
Sai Kung/Clear Water Bay	29 200	-	-	29 200
Outlying Islands	5 700	-	-	5 700
NEW TERRITORIES	1 427 400	33 900	2.4	1 398 000
OVERALL	2 353 200	75 300	3.2	2 349 300

SPECIALISED FACTORIES - SUPPLY AND FORECASTS(m²)

	1981	1982	1983	1984	1985	Average 1981-1985	(1986)	(1987)
North Point	-	18 200	-	-	-	3 600	-	-
HONG KONG	-	18 200	-	-	-	3 600	-	-
Mong Kok	-	-	-	5 700	-	1 100	-	-
Hung Hom	7 100	10 600	19 100	-	3 700	8 100	-	-
KOWLOON	7 100	10 600	19 100	5 700	3 700	9 200	-	-
Cheung Sha Wan	8 600	-	-	-	10 500	3 800	-	-
Ngau Tau Kok/Kwun Tong	-	-	31 300	24 800	27 200	16 700	68 500	-
Lei Yue Mun	900	-	-	-	-	200	-	-
NEW KOWLOON	9 500	-	31 300	24 800	37 700	20 700	68 500	-
Kwai Chung/Tsuen Wan	21 200	76 900	-	1 800	-	20 000	-	-
Tuen Mun	-	-	-	28 400	-	5 700	52 800	-
Yuen Long	-	-	2 400	-	-	500	14 600	1 500
Tai Po	71 800	97 000	31 900	21 000	19 700	48 300	30 500	122 900
Sha Tin	-	-	-	-	14 200	2 800	-	10 400
Sai Kung/Clear Water Bay	-	5 900	1 000	700	-	1 500	-	-
NEW TERRITORIES	93 000	179 800	35 300	51 900	33 900	78 800	97 900	134 800
OVERALL	109 600	208 600	85 700	82 400	75 300	112 300	166 400	134 800

TABLE 40

STORAGE - STOCK, SUPPLY AND VACANCY

	Stock at the end of 1984 (m ²)	Supply in 1985 (m ²)	Supply as a % of 1984 stock	Stock at the end of 1985 (m ²)	Amount vacant at the end of 1985 (m ²)	% vacant
West	96 100	-	-	89 100	1 600	1.8
Sheung Wan	12 500	-	-	12 500	800	6.4
Mid-levels/Pok Fu Lam	500	-	-	500	-	-
Causeway Bay/Tai Hang	3 700	-	-	3 700	-	-
North Point	52 300	13 400	25.6	65 700	-	-
Shau Kei Wan	35 000	29 900	85.4	64 900	29 900	46.1
Aberdeen	33 700	-	-	33 700	500	1.5
HONG KONG	233 800	43 300	18.5	270 100	32 800	12.1
Tsim Sha Tsui	43 500	-	-	43 500	-	-
Mong Kok	6 600	-	-	6 600	-	-
Hung Hom	94 600	2 200	2.3	96 800	6 800	7.0
KOWLOON	144 700	2 200	1.5	146 900	6 800	4.6
Cheung Sha Wan	85 300	1 200	1.4	86 500	1 000	1.2
Shek Kip Mei	1 300	-	-	1 300	-	-
Kowloon City/Wong Tai Sin	59 500	-	-	59 500	-	-
Ngau Tau Kok/Kwun Tong	357 200	1 700	0.5	358 900	2 200	0.6
Lei Yue Mun	100 200	-	-	100 200	4 100	4.1
NEW KOWLOON	603 500	2 900	0.5	606 400	7 300	1.2
Kwai Chung/Tsuen Wan	696 100	53 400	7.7	749 500	14 900	2.0
Tuen Mun	3 700	6 800	183.8	10 500	-	-
Yuen Long	15 900	-	-	15 900	-	-
Sha Tin	104 100	-	-	104 100	-	-
Sai Kung/Clear Water Bay	6 700	-	-	6 700	-	-
NEW TERRITORIES	826 500	60 200	7.3	886 700	14 900	1.7
OVERALL	1 808 500	108 600	6.0	1 910 100	61 800	3.2

TABLE 41

STORAGE - SUPPLY AND FORECASTS(m²)

	1981	1982	1983	1984	1985	Average 1981-1985	(1986)	(1987)
West	-	-	-	14 500	-	2 900	-	-
North Point	-	-	-	1 400	13 400	3 000	-	-
Shau Kei Wan	-	3 700	-	-	29 900	6 700	-	63 600
Aberdeen	800	4 700	-	-	-	1 100	800	-
HONG KONG	800	8 400	-	15 900	43 300	13 700	800	63 600
Tsim Sha Tsui	15 300	-	-	28 200	-	8 700	14 500	-
Mong Kok	-	1 100	400	-	-	300	-	-
Hung Hom	10 500	42 300	1 100	2 800	2 200	11 800	1 500	-
KOWLOON	25 800	43 400	1 500	31 000	2 200	20 800	16 000	-
Cheung Sha Wan	-	3 400	400	-	1 200	1 000	2 600	-
Kowloon City/Wong Tai Sin	1 600	-	12 300	-	-	2 800	-	-
Ngau Tau Kok/Kwun Tong	10 900	28 600	47 100	94 100	1 700	36 400	39 700	2 900
Lei Yue Mun	12 500	19 200	-	15 800	-	9 500	-	-
NEW KOWLOON	25 000	51 200	59 800	109 900	2 900	49 700	42 300	2 900
Kwai Chung/Tsuen Wan	114 800	57 800	-	22 500	53 400	49 700	-	39 800
Tuen Mun	-	-	3 700	-	6 800	2 100	-	22 500
Yuen Long	900	900	-	1 700	-	700	-	1 200
Sha Tin	-	14 600	-	30 500	-	9 000	39 600	11 700
Sai Kung/Clear Water Bay	-	-	-	-	-	-	-	600
NEW TERRITORIES	115 700	73 300	3 700	54 700	60 200	61 500	39 600	75 800
OVERALL	167 300	176 300	65 000	211 500	108 600	145 700	98 700	142 300

TABLE 42

STORAGE - VACANCY BY DISTRICT

	Vacancies in m ² at the end of				1985	
	1981	1982	1983	1984	Amount (m ²)	As a % of year end stock
West	-	2 400	15 600	3 300	1 600	1.8
Sheung Wan	-	-	400	800	800	6.4
North Point	4 900	6 900	-	3 000	-	-
Shau Kei Wan	-	5 100	2 500	-	29 900	46.1
Aberdeen	1 200	4 700	600	-	500	1.5
HONG KONG	6 100	19 100	19 100	7 100	32 800	12.1
Mong Kok	900	1 100	400	-	-	-
Hung Hom	5 900	47 400	27 200	6 200	6 800	7.0
KOWLOON	6 800	48 500	27 600	6 200	6 800	4.6
Cheung Sha Wan	-	3 400	2 200	1 100	1 000	1.2
Shek Kip Mei	-	1 300	-	-	-	-
Kowloon City/Wong Tai Sin	1 600	-	100	-	-	-
Ngau Tau Kok/Kwun Tong	3 400	31 200	19 700	40 100	2 200	0.6
Lei Yue Mun	8 000	2 000	-	-	4 100	4.1
NEW KOWLOON	13 000	37 900	22 000	41 200	7 300	1.2
Kwai Chung/Tsuen Wan	18 900	6 100	9 600	17 600	14 900	2.0
Tuen Mun	-	-	3 700	-	-	-
Yuen Long	-	900	-	1 700	-	-
Sha Tin	-	-	-	15 200	-	-
NEW TERRITORIES	18 900	7 000	13 300	34 500	14 900	1.7
OVERALL	44 800	112 500	82 000	89 000	61 800	3.2

STORAGE - OVERALL VACANCY TRENDS

	In buildings completed during the year			In all other buildings			Overall Vacancy	
	Total floor space (m ²)	Amount vacant (m ²)	% vacant	Total floor space (m ²)	Amount vacant (m ²)	% vacant	Amount vacant (m ²)	% of total stock
1981	167 300	30 300	18.1	1 241 300	14 500	1.2	44 800	3.2
1982	176 300	84 100	47.7	1 391 800	28 400	2.0	112 500	7.2
1983	65 000	16 100	24.8	1 548 000	65 900	4.3	82 000	5.1
1984	211 500	66 100	31.3	1 597 000	22 900	1.4	89 000	4.9
1985	108 600	43 200	39.8	1 801 500	18 600	1.0	61 800	3.2

TECHNICAL NOTES

1. Review Period

The Property Review 1986 covers the calendar year ending 31 December 1985.

2. Scope of the Review

The Review is concerned with private building development in the specified rating areas, excluding 'village areas' as designated under the Rating Ordinance.

3. Areas and Districts

3.1 Urban Area - This covers the areas of Hong Kong, Kowloon and New Kowloon. Areas are sub-divided into districts as listed in Appendix B, and shown on Plan 1.

3.2 New Territories - This covers all developed and developing areas in the New Territories. It includes the towns of Kwai Chung/Tsuen Wan together with Tsing Yi Island, Tuen Mun, Yuen Long, Fanling/Sheung Shui, Tai Po, Sha Tin, Sai Kung, the whole of the Clear Water Bay peninsula and the Outlying Islands. Districts are listed in Appendix C and shown on Plan 2.

3.3 Outlying Islands - This covers the islands of Cheung Chau, Peng Chau, Lantau, Ma Wan and Lamma.

4. Property Classes

4.1 Private domestic units are defined as independent dwellings with separate cooking facilities and bathroom (and/or lavatory). They are sub-divided by reference to floor area as follows -

A units - saleable area not exceeding 39.9 m².

B units - saleable area of at least 40 m² but not exceeding 69.9 m².

C units - saleable area of at least 70 m² but not exceeding 99.9 m².

D units - saleable area of at least 100 m² but not exceeding 159.9 m².

E units - saleable area of at least 160 m².

4.2 Domestic units built under the Private Sector Participation Scheme (PSPS), and all units built under the Home Ownership Scheme and various Urban Improvement Schemes are excluded from statistics for the private sector. However domestic units built under these schemes are separately tabulated. In the 1984 and earlier Reviews PSPS units were included as part of private domestic stock etc. In the 1985 and subsequent Reviews the data for previous years has been adjusted to exclude PSPS units.

4.3 Commercial premises include shops and other premises designed or adapted for commercial use, other than offices, in composite buildings. Car-parking space is excluded.

4.4 Offices comprise premises situated in buildings designed for commercial/business purposes, excluding non-domestic floors in composite buildings. Offices are sub-divided as follows -

Grade A - well constructed, designed and managed, centrally air-conditioned premises in suitable locations within the district.

Grade B - less superior buildings in good locations or high quality buildings in secondary locations within the district. With or without central air-conditioning.

Grade C/D - poorer buildings on less attractive sites within the district.

4.5 Flatted Factories comprise premises designed for general manufacturing processes and normally intended for sale or letting by the developers. Single-storey developments are included but specialised factories, as described below, are not.

4.6 Specialised Factories comprise all other factory premises, being primarily purpose-built for a specialised manufacturing process, usually for occupation by a single operator.

4.7 Storage premises comprise premises designed or adapted for use as a godown or cold store.

4.8 Premises are tabulated according to the use for which the occupation permit was originally issued unless subsequently structurally altered. No check is made on current use and no attempt has been made to distinguish those domestic units used for non-domestic purposes and vice versa.

5. Floor Areas

5.1 The floor area of domestic units is calculated by reference to 'saleable area'. 'Saleable area' is defined as the floor area exclusively allocated to the unit including balconies and verandahs but excluding common areas such as stairs, lift shafts, lobbies and communal toilets. It is measured from the exterior of the enclosing walls of the unit and the middle of the party walls between two units. Bay windows, yards, gardens, terraces, flat roofs, carports and the like are excluded from the area.

5.2 The method of measurement of 'saleable area' is the same as 'covered area' used in previous editions.

5.3 The floor area of non-domestic accommodation is calculated by reference to 'internal floor area'. 'Internal floor area' is defined as the area of all enclosed space of the unit measured to the internal face of enclosing external and/or party walls.

6. Stock

Both domestic and non-domestic stock figures

are based on rating records, adjusted to reflect completions and demolitions.

7. Supply

7.1 Premises are deemed completed when either a temporary or full occupation permit or letter of compliance has been issued.

7.2 Premises in respect of which temporary occupation permits were issued in 1984 and earlier, and hence included in the 1985 and earlier Reviews, and for which full occupation permits have been issued in the year 1985 have been excluded.

8. Vacancies

8.1 Vacancies in respect of all premises completed during the review year, and those completed earlier but not yet assessed for rating purposes, are determined by inspection at the end of the year.

8.2 Vacancies for rated non-domestic premises completed prior to the review year are based on applications made for refund of rates, as confirmed by inspection.

8.3 No rates refund has been available for vacant domestic premises since 1974. An estimate of vacancies in rated domestic premises completed prior to the review year is made by inspecting a random sample of such units. For the Property Review 1986, over 26 500 units were included in the sample.

9. Average Rentals and Prices

9.1 Average rentals are based on an analysis of all rental information recorded by the department for new and fresh lettings effective in the quarter being analysed. Rentals negotiated on renewal are also included for non-domestic premises.

9.2 The information is received from a variety of sources including notifications of fresh lettings made under the provisions of the Landlord and Tenant (Consolidation) Ordinance, letters from landlords and tenants and site visits made by officers of the department. All rentals are subject to scrutiny by professional staff before being accepted for analysis.

9.3 All rentals are analysed on a net basis i.e. exclusive of rates, management and other charges.

9.4 Average prices are based on an analysis made of all transactions scrutinized by the department for stamp duty purposes. Only those transactions which are considered 'reasonable' or 'not unreasonable' are accepted for analysis.

9.5 The Rating and Valuation Department has been extending its responsibilities for stamp duty valuation into the New Territories. In 1985 the department scrutinized transactions for stamp duty purposes in Sai Kung/Clear Water Bay, Sha Tin, Tai Po, Yuen Long and Fanling/Sheung Shui. Accordingly, price data for these districts has been included in the 1986 Review. As and when the department becomes responsible for further New Territories districts, the analysis will be extended.

9.6 The rental (and rental index) figures for the fourth quarter and the average prices (and price indexes) for both third and fourth quarters are provisional. Because of time lags the provisional figures are weighted in favour of transactions effective in the earlier part of the respective quarters.

10. Rental and Price Indexes

10.1 The various rental and price indexes are derived from the same data that is used to compile average rentals and prices. The indexes measure value changes by reference to the factor of rental or price divided by rateable value of the subject properties rather than by reference to the rental per square metre of floor area. In effect, by utilizing rateable value, allowance is made not only for floor area but also other qualitative differences between properties.

10.2 New valuation lists with revised rateable values took effect on 1 April 1984. Accordingly new indexes, utilizing the revised rateable values, have been started from the 2nd Quarter of 1984 and the old indexes discontinued. The new indexes have been matched to the old indexes.

10.3 Where the number of transactions recorded in any period is less than 20, no index number has been computed.

10.4 Both quarterly and 6-monthly indexes are published. The quarterly index has been derived from analysis of all transactions effective in a

given quarter. The 6-monthly index is derived from all transactions effective in the relevant 6-month period.

10.5 The graphs of the rental and price indexes which are included with the commentary are based on the 6-monthly indexes.

10.6 The indexes, especially the rental indexes, will tend to understate market trends. Although all rentals are analysed on a net basis (see paragraph 9.3 above) allowance will not always be made for the 'value equivalent' of other contractual terms. In a 'buyers market', for example, landlords are normally prepared to make concessions to tenants such as refurbishment or the granting of extended rent-free periods. If rentals were adjusted to reflect standard terms of agreement, the rentals as adjusted would tend to be lower than the quoted rentals when the index is moving downwards and vice versa.

11. Mode of occupation after completion

This covers only those domestic units valued in 1985 for rating purposes. It does not therefore necessarily relate to units completed in the year, nor does it include those found vacant at the time of valuation.

AREAS AND DISTRICTS IN THE URBAN AREA

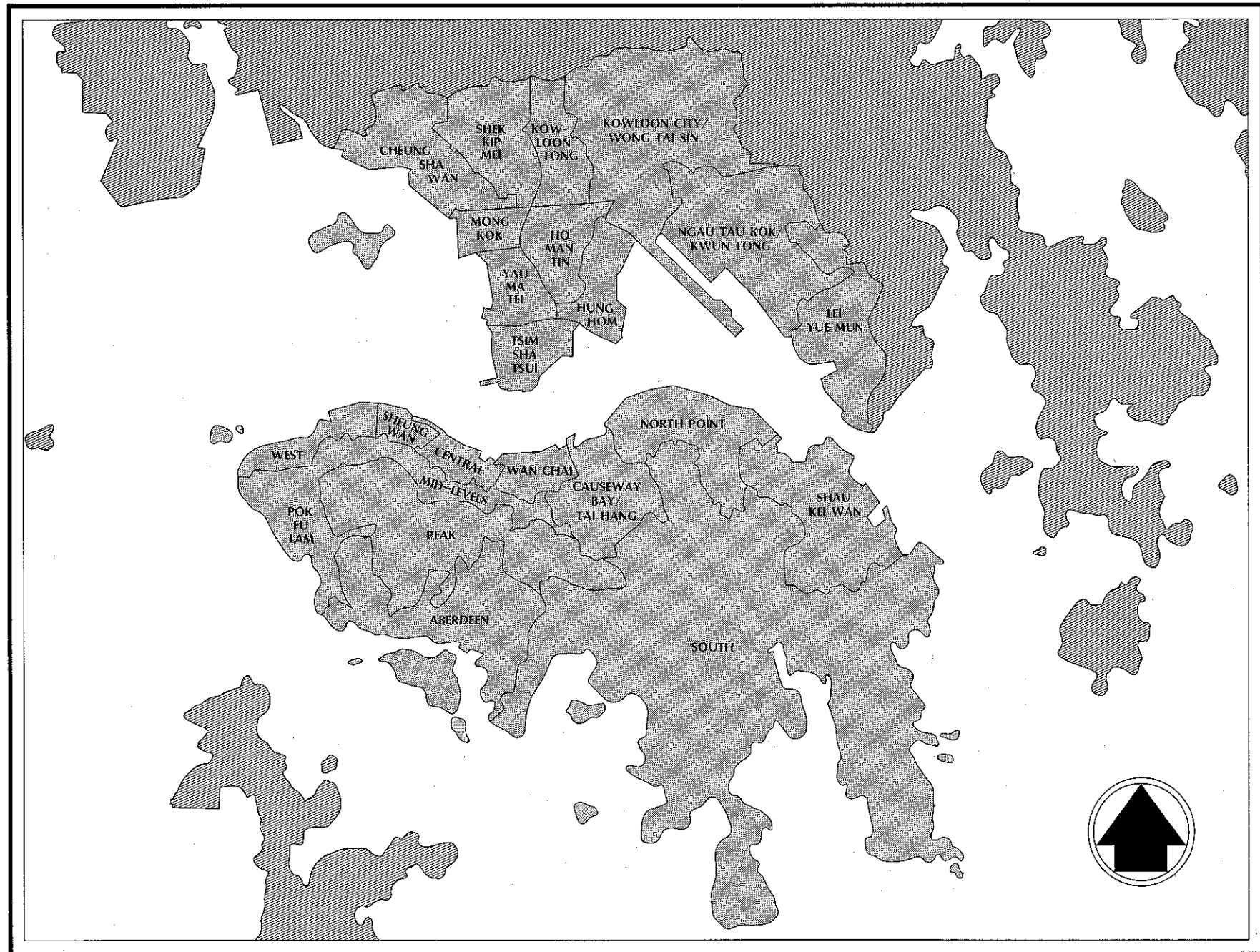
AREA	DISTRICT	NAMES OF SUB-DISTRICTS WITHIN DISTRICT BOUNDARIES	TERTIARY PLANNING UNITS
HONG KONG	West	Kennedy Town, Shek Tong Tsui, Sai Ying Pun	1.1.1, 1.1.2, 1.1.6.
	Sheung Wan		1.1.3, 1.1.4, 1.1.5.
	Central		1.2.1, 1.2.2, 1.2.3, 1.2.4.
	Wan Chai		1.3.1, 1.3.2, 1.3.3, 1.3.4, 1.3.5.
	Mid-levels & Pok Fu Lam		1.4.0, 1.4.1, 1.4.2, 1.4.3, 1.7.1.
	Peak		1.8.1, 1.8.2, 1.8.3, 1.8.4.
	Causeway Bay/Tai Hang	Happy Valley, Jardine's Lookout, So Kon Po, East Point	1.4.4, 1.4.5, 1.4.6, 1.4.7, 1.4.8, 1.4.9.
	North Point	Quarry Bay	1.5.1, 1.5.2, 1.5.3, 1.5.4, 1.5.5, 1.5.6, 1.5.7.
	Shau Kei Wan	Sai Wan Ho, Chai Wan	1.6.1, 1.6.2, 1.6.3, 1.6.4, 1.6.5.
	Aberdeen	Pok Fu Lam Village, Ap Lei Chau, Wong Chuk Hang	1.7.2, 1.7.3, 1.7.4, 1.7.5, 1.7.6.
	South	Deep Water Bay, Shouson Hill, Repulse Bay, Stanley, Tai Tam, Shek O	1.9.0, 1.9.1, 1.9.2, 1.9.3, 1.9.4, 1.9.5, 1.9.6, 1.9.7, 1.9.8, 1.9.9.
KOWLOON	Tsim Sha Tsui	Hung Hom Reclamation	2.1.1, 2.1.2, 2.1.3, 2.1.4, 2.1.5, 2.1.6.
	Yau Ma Tei	King's Park	2.2.0, 2.2.5, 2.2.6, 2.2.7, 2.2.8, 2.2.9.
	Mong Kok	Tai Kok Tsui, Stonecutters Island	2.2.1, 2.2.2, 2.6.9.
	Hung Hom	To Kwa Wan, Ma Tau Kok	2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.7.
	Ho Man Tin	Ma Tau Wai, Kadoorie Hill	2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.6, 2.3.7, 2.4.6.
NEW KOWLOON	Cheung Sha Wan	Lai Chi Kok, Sham Shui Po	2.5.4 (part), 2.5.5 (part), 2.5.6 (part), 2.6.1 (part), 2.6.4, 2.6.5, 2.6.6, 2.6.7.
	Shek Kip Mei	So Uk, Tai Hang Tung, Tai Hang Sai, Yau Yat Tsuen	2.6.2, 2.6.3 (part), 2.6.8.
	Kowloon Tong		2.7.1, 2.7.2.
	Kowloon City/Wong Tai Sin	San Po Kong, Kai Tak, Jung Tau, Wang Tau Hom, Lok Fu, Tai Hom, Diamond Hill, Tsz Wan Shan, Chuk Yuen, Ngau Chi Wan	2.8.1, 2.8.2 (part), 2.8.3, 2.8.4, 2.8.5, 2.8.6, 2.8.7, 2.8.8 (part), 2.8.9 (part), 7.6.1 (part).
	Ngau Tau Kok/Kwun Tong	Jordan Valley, Kowloon Bay	2.8.0, 2.9.1, 2.9.2, 2.9.4, 2.9.5.
	Lei Yue Mun	Sau Mau Ping, Lam Tin, Cha Kwo Ling, Yau Tong	2.9.3 (part), 2.9.7 (part), 2.9.8, 2.9.9 (part).

DISTRICTS IN THE NEW TERRITORIES

DISTRICT		NAMES OF SUB-DISTRICTS WITHIN DISTRICT BOUNDARIES	TERTIARY PLANNING UNITS
NEW TERRITORIES	Kwai Chung/Tsuen Wan	Tsing Yi, Nga Ying Chau, Ting Kau, Sham Tseng, Tsing Lung Tau	2.5.1, 2.5.2 (part), 2.5.3, 2.5.4 (part), 2.5.5 (part), 2.5.6 (part), 2.5.7, 3.1 (part), 3.2.0, 3.2.1, 3.2.2, 3.2.3, 3.2.4, 3.2.5, 3.2.6, 3.2.7 (part), 3.2.8, 3.2.9, 3.3.1 (part), 3.3.2 (part), 3.4 (part), 3.5, 4.1.3 (part), 5.3.3 (part), 7.3.3 (part).
	Tuen Mun	Tai Lam, So Kwun Wat, Castle Peak Bay, Lam Tei	4.1.3 (part), 4.1.4 (part), 4.1.5 (part), 4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7 (part), 4.2.8 (part), 4.2.9, 4.3.2 (part), 4.4.1, 4.4.2 (part), 5.1.2 (part).
	Yuen Long	Ping Shan, Kiu Tau Wai, Tai Shang Wai, San Tin, Hung Shui Kiu, Kam Tin, Shek Kong, Pat Heung, Lau Fau Shan	4.1.4 (part), 4.4.2 (part), 5.1.1 (part), 5.1.2 (part), 5.1.3 (part), 5.1.4 (part), 5.1.5 (part), 5.1.6 (part), 5.1.7 (part), 5.1.8 (part), 5.1.9 (part), 5.2.1 (part), 5.2.2 (part), 5.2.3 (part), 5.2.4, 5.2.5, 5.2.6 (part), 5.2.7, 5.3.1 (part), 5.3.2 (part), 5.3.3 (part), 5.4.1 (part), 5.4.2 (part), 5.4.3 (part), 5.4.4 (part), 6.1 (part).
	Fanling/Sheung Shui	Luen Wo Market, On Lok Tsuen, Wo Hop Shek, Kam Tsin, Ying Pun, Shek Wu Hui, Tin Ping Shan, Ping Che, Kwo Tung	5.4.5 (part), 6.2.1 (part), 6.2.2 (part), 6.2.3, 6.2.4, 6.2.5, 6.2.6, 6.2.7 (part), 6.2.8 (part), 6.2.9 (part), 6.3.1 (part), 6.3.2 (part), 6.3.4 (part), 6.4.1 (part), 6.4.2 (part), 6.5.1 (part), 6.5.2 (part).
	Tai Po	Tai Po Market, Tai Po Kau, Hong Lok Tsuen	6.3.1 (part), 7.2.0 (part), 7.2.2 (part), 7.2.3, 7.2.4 (part), 7.2.5 (part), 7.2.6, 7.2.7 (part), 7.2.9 (part), 7.5.1 (part).
	Sha Tin	Tai Wai, Fo Tan, Ma Liu Shui	2.5.2 (part), 2.6.1 (part), 2.6.3 (part), 2.8.2 (part), 2.8.8 (part), 2.8.9 (part), 7.3.1 (part), 7.3.2 (part), 7.3.3 (part), 7.4.4 (part), 7.5.1 (part), 7.5.2 (part), 7.5.3 (part), 7.5.4, 7.5.5, 7.5.6, 7.5.7, 7.5.8, 7.5.9, 7.6.1 (part), 7.6.2 (part), 8.2.2 (part), 8.2.3 (part).
	Sai Kung/Clear Water Bay	Ho Chung, Pak Sha Wan (Hebe Haven), Hiram's Highway, Tai Mong Tsai, Nam Wai, Chuk Kok, Sha Kok Mei, Tseng Lan Shue, Hang Hau, Junk Bay, Silverstrand, Rennies Mill	2.9.3 (part), 2.9.6, 2.9.7 (part), 2.9.9 (part), 7.4.1 (part), 7.4.2 (part), 7.4.4 (part), 7.6.2 (part), 8.1.1 (part), 8.1.2 (part), 8.1.3 (part), 8.2.1, 8.2.2 (part), 8.2.3 (part), 8.2.4 (part), 8.2.5, 8.2.6, 8.2.7, 8.3.1 (part), 8.3.2, 8.3.3.
	Outlying Islands	Cheung Chau, Peng Chau, Lantau Island, Ma Wan, Lamma Island	9.1.1, 9.1.2, 9.2, 9.3.1, 9.3.2, 9.4.1, 9.4.2, 9.4.3, 9.4.4, 9.5, 9.6.1, 9.6.2, 9.7.1, 9.7.2, 9.7.3, 9.7.4, 9.7.5, 9.7.6.

URBAN AREA DISTRICTS

Plan 1



NEW TERRITORIES DISTRICTS

Plan 2

