

NEWS & VIEWS

JANUARY 2009

ALLAN ZEMAN SOLD HIS PROPERTY IN RIDGE COURT AT HK\$26M

Good news for the sale market: "The father of Lan Kwai Fong" Allan Zeman sold his Ridge Court, Unit 7C at HK\$26M, HK\$11,000 per s.f., he bought the apartment in 2001. After 7 years he earned HK\$11.35M approximately. Another other unit sold in Jan 2009, Unit B on a middle floor at 11,739 per s.f., so Allan Zeman sold his apartment at a current market price.

Ridge Court is on 21A-21D Repulse Bay Road, provides 48 units with full sea view of Deep Water Bay, most of the owners bought their apartment for own-use, they like the location, because of the convenient distance to Central, Causeway Bay and Happy Valley.



21A-21D Repulse Bay Road, Repulse Bay

2 Jan 2009, Sing Tao Daily

THE DISTRICT COUNCIL IS AGAINST THE GOVERNMENT TO SELLING TWO LANDS

The District Council of Central & Western are against The Government proposal to sell the land next to the Shun Tak Centre, where the bus terminal for the public is located currently. If The Government sold the land for a commercial building, the traffic in the area will worsen. They also complained that because the plot ratios 12 times and the maximum height is 100 meters, the building would block the main exit for the wind and worsen the air pollution.

The District Council of South Side are against to sale of land on Repulse Bay Beach and the Public Car Park Area. They think these areas should be reserved for the public and not for private use, i.e. for a hotel or commercial development. There is currently a shopping / commercial complex "The Pulse" nearby on the same road, on the waterfront.



Repulse Bay Beach

9 Jan 2009, Ming Pao

EXPRESS ESCALATOR FOR MTR ISLAND WEST

The MTRC will build an "Express" escalator for the MTR Island West at the Sai Ying Pun Station and the Hong Kong University Station. The escalators will be accessed from the MTR station to Bonham Road and Hong Kong University and will provide 12 new escalators. These will be located outside the fare area of MTR stations for public use. Currently the road is difficult for the people who want to access Sheung Wan and Western District to Mid-Levels. Therefore, the "Express" escalator will help save times.



9 Jan 2009, Ming Pao

HAPPY VALLEY MTR STATION SCHEME DERAILED

The government has decided not to build a station in Happy Valley on its HK\$7 billion MTR South Island Line, sources said.

The decision, to be gazetted in mid-2009, was made after thoroughly considering economic efficiency, construction time, nuisance to residents and interruption to traffic.

There were several options for the Happy Valley station - proposed for the section between Admiralty and Ocean Park - such as near Fung Fai Terrace, at the Happy Valley Tram Terminus, at the racecourse or adjacent to the Hong Kong Jockey Club grandstand.

However, the sources say, not only would these options create a nuisance to residents during the construction, the expense could not be justified as the station would only serve 19,000 residents living in Happy Valley.

The sources estimated building a Happy Valley station would cost an extra HK\$1.6 billion to HK\$2.8 billion for the construction of an additional tunnel of between 1.5 kilometers and 2.5km - which is 50 to 80 percent longer than called for in the original plan. This would lengthen construction time by 10 to 31 months.

Under the original plan, the travel time between Admiralty and Ocean Park would have been only nine minutes. An additional stop in Happy Valley would have added two to four minutes to the trip.

Sources said it is important to start the construction work without delay to provide 3,000 jobs.

The government is eager to start work no later than 2011, as originally scheduled, in order to inaugurate service on the line by 2015.

Meanwhile, sources also said a feasibility study showed a rail link between Shenzhen and Hong Kong airports is a viable option. The next step is to study the logistics between the two airports and the economic efficiency of building a rail link.

"The logistics include the flow of passengers and their luggage as well the arrangement of customs and immigration counters," one source said.

"Also, the government must consider whether there will be enough passengers to justify the project."

The sources did not rule out the possibility of building a stop in Hong Kong, probably at Hung Shui Kiu in Yuen Long.

They also said the government will push to speed up the launch of the Hong Kong-Zhuhai-Macau Bridge project, by streamlining some technical procedures and inviting tenders, while waiting for funding approval by the Legislative Council.



Happy Valley Tram Terminal

14 Jan 2009, The Standard

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BRUCE LEE HOME TO BE SAVED AS TOURIST SITE

A philanthropic bid by a Hong Kong tycoon to preserve the one-time residence of kung fu legend Bruce Lee and transform it into a major tourist attraction honoring the film icon has been approved.

The green light comes after a long-running struggle by fans to save the 5,700 square-foot, two-story town house from an inglorious fate as a love motel in Kowloon Tong.

The fate of Lee's last home had hung in the balance for years, until its owner, real estate and hotel tycoon Yu Pang-lin, decided last year to donate it to the city where the martial arts master first shot to fame.

"Both sides have now reached a consensus to go ahead and essentially proceed with this good plan," Yu told reporters after a meeting with government officials.



No.41 Cumberland Road, Kowloon Tong

6 Jan 2009, The Standard

TOP 10 SHOP FOR RENT IN HONG KONG

According to "FORBES", the top 10 rental shops in the world for 2008. Top one is Fifth Avenue in New York, USA, around HK\$1,202 per s.f. and the top 2 is Causeway Bay Hong Kong. "The King of Shop" in Hong Kong is Unit A of No.2 Cannon Street, Causeway, the rental is HK\$1,789 per s.f., the tenant is running a money exchange business. The details as per the table below:



Unit A, No.2 Cannon Street, Causeway Bay

Placings	Address	Unit No.	Size (per s.f.)	Rental (HKD)	Business of the Tenant	Rental per s.f. (HKD)
1	No.2 Cannon Street, Causeway Bay	A	95	\$170K	Boutique and Money Exchange	1,789
2	No.29 Queen's Road Central, Central	G3 and G4	1,021	\$1.648M	ROLEX	1,614
3	No. 2 and 6 Yee Wo Street, Causeway Bay	1	200	\$320K	BEE CHENG HIANG	1,600
4	No.57 Hankow Road, Tsim Sha Tsui, Kowloon	E	90	\$133K	Money Exchange	1,478
5	No.1 to 1L Yee Wo Street, Causeway Bay	A1	300	\$400K	Advertisement Company	1,333
6	No.29 to 33 Lee Garden Road, Causeway Bay	1 to 2	216	\$275K	CITY CHANCE - CYMA	1,273
7	No.15 Pak Sha Road, Causeway Bay	F, H	273	30	-	1,098

24 Dec 2008, Hong Kong Economics

SERVICED APARTMENT RENTS TO DROP FURTHER

Rents of serviced apartments are expected to drop further this year due to falling demand as a result of declining global economic growth.

"Rents of luxury-end serviced apartments have dropped by 10-15 percent after the global financial crisis," said Edina Wong, a senior director of residential leasing at Savills.

Ms Wong said the rental cuts were in line with declining demand for serviced apartments that emerged in the fourth quarter of last year. She added that it was too early to tell whether this was due to the financial crisis, but early signs were that reservation for coming months signaled a continued fall in demand.

"One-bedroom and studio units have higher vacancy rates, while the larger units with two or three bedrooms still have high occupancy," she said, suggesting that there would be steady demand in the mid-rental range especially for the boutique style quality designer suites. "Take up for the high-end units will be slow as the clientele of these units were mostly from the financial sector."

Ms Wong expects there will be correction in rents of between 20 and 30 percent in high-end serviced apartments this year where the effect of the financial turmoil will be greater. However, mid-and lower-priced apartments could see a moderate reduction of 10 to 15 percent in rents.

"There is support at this level since more clients are opting for the flexible lease terms on offer because of the global uncertainty. This will contribute to a steady demand."

Anne-Marie Sage, a regional director of the residential department at Jones Lang LaSalle, said rents in serviced apartments remained firm, in contrast to the decline in luxury residential rentals of 18 percent in the final quarter. "The serviced apartment sector has not been hit the same as the residential market. In the short term the market has done quite well."

The only major trend change in the sector since the global financial crisis in September was that an increasing number of tenants did not want to commit to long-term lease, she said.

But in her experience, landlords had not responded with across the board cuts in rents, although some such as Shama Group and Four Seasons Place had offered a few studio or one bedroom units at a discount if tenants were willing to commit to a certain length of stay. While rents had remained firm in the past few months, it was too early to tell what would happen this year, she said.

According to Jones Lang LaSalle data, four new serviced apartments with hundreds of rooms will be launched this year.

Ms Sage said vacancy rates were likely to rise and high-end serviced apartments would suffer the most during the consolidation as a result of the change in demand.



shama