

# Hong Kong Industrial Summary

Q4 2021

## HIGHLIGHTS



According to the official data, the value of total export of good increased by 24.8% YoY in December 2021, slightly slowed by 0.2 percentage points on a monthly basis. The value of total import of goods grew 19.3% YoY, down 0.7 percentage points on a monthly basis. For the whole year of 2021, the value of total goods exports climbed 26.3% over 2020, while that of goods imports increased 24.3%.



In Q4, with the strong leasing demand, the overall industrial rents in Hong Kong recorded HK\$13.7 per sq ft per month, growing 2% on a quarterly basis.



For general industrial buildings, the average rent also recorded a quarterly increase of 2% in Q4. The rental growth in Kwai Chung, Tsing Yi and Tsuen Wan has outperformed the overall market, recording the growth of 2.8% QoQ.



In Q4, the average rent for industrial premises with direct vehicular access in Hong Kong was HK\$16.2 per sq ft per month, up 2% QoQ. The rental growth was led by a few buildings including Kerry Cargo Centre, Goodman Global Gateway and Mapletree Logistics Hub.



Leasing activity in Q4 was mainly supported by sizable transactions from logistics sector. For example, a tenant rented 250,000 sq ft at Lung Wah International Godown in Tsuen Wan while another company leased 180,000 sq ft at China Resources Yuen Sing Centre in Fanling.

### Hong Kong Industrial Rents by District/ Type (Q4 2021)

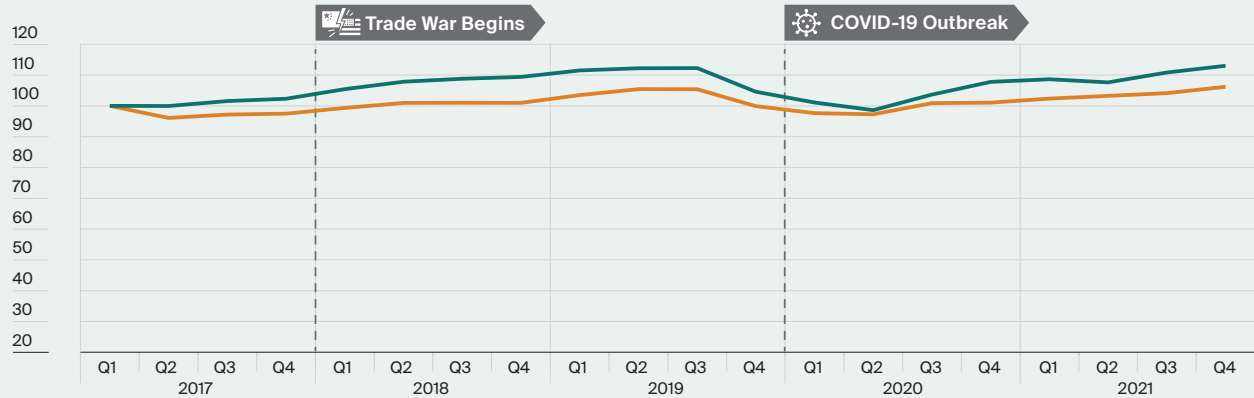
District/ Type	Rent		Change	
	HK\$ psf / mth	QoQ %	YoY %	
<b>General Industrial Building</b>	<b>11.4</b>	<b>2.0%</b>	<b>4.8%</b>	
Kwai Chung, Tsing Yi, Tsuen Wan	11.8	2.8%	6.1%	
Kowloon East	12.2	1.1%	1.4%	
Fanling, Sheung Shui, Sha Tin	11.9	1.2%	5.4%	
Tuen Mun, Yuen Long	10.0	1.7%	4.9%	
<b>Modern Logistics</b>	<b>16.2</b>	<b>2.0%</b>	<b>5.1%</b>	

## Industrial Rental Index

Index (Q1 2017 =100)

Modern Logistics

General Industrial Buildings



Source: Knight Frank Research

## Major Industrial leasing transactions (Q4 2021)

District	Building	Type	Area (approx sq ft)	Indicative Rent (HK\$ / sq ft / month)	Type of Tenant
Tsuen Wan	Lung Wah International Godown	General Industrial Building	250,000	\$10.0	Logistics
Fanling	China Resources Yuen Sing Centre	General Industrial Building	179,653	\$13.0	Logistics
Fo Tan	Pak Sik Godown No.1	General Industrial Building	48,666	\$13.0	Logistics
Tsing Yi	Asia Logistics Hub - SF Centre	Modern Logistics	58,982	\$15.0	Air-Freight Forwarders
Tsing Yi	Goodman Interlink	Modern Logistics	48,712	\$16.5	Air-Freight Forwarders

Source: Knight Frank Research

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.

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