

May 2025

This report analyses the performance of Hong Kong's office, residential and retail property markets

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Office

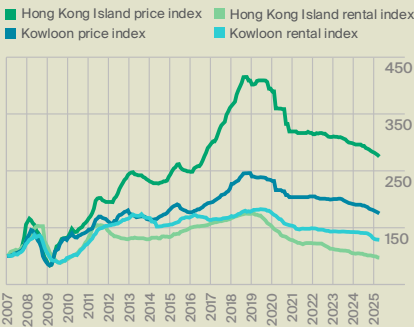
HONG KONG

The office leasing market exhibited stability in Hong Kong Island with both occupancy rate and rent. Additionally, the impact from US tariffs on the office tenants in Hong Kong Island has been limited at this moment.

KOWLOON

Kowloon District is only seeing a mild change with slight movement in Kowloon West during April. However, the market sentiment remains subdued due to the ongoing uncertainty surrounding the tariff war, highly vacant new buildings, and developing projects in Kowloon.

Fig 1. Grade-A office rents and prices
2007 = 100



Source: Knight Frank Research

Grade-A office market indicators (April 2025)

District	Net effective rent	Change		Price (Gross)	Change		Vacancy	
	HK\$ psf / mth	MoM %	YoY %	HK\$ psf	MoM %	YoY %	Jan 19 %	Apr 25 %
Premium Central	101.4	-0.4	-7.1	-	-	-	-	-
Traditional Central	78.0	-1.3	-8.4	-	-	-	-	-
Overall Central	86.9	-0.9	-7.3	28,469	-0.8	-7.5	1.2	13.8
Admiralty	55.9	0.0	-10.5	25,165	-0.9	-7.2	1.9	7.6
Sheung Wan	48.9	-0.2	-9.0	24,096	-0.9	-7.0	1.3	10.7
Wan Chai	48.8	-0.5	-2.5	21,306	-0.8	-7.7	1.7	11.6
Causeway Bay	50.1	0.0	-6.2	18,909	-1.0	-6.6	1.5	6.0
North Point	30.5	0.0	-12.9	-	-	-	6.9	16.3
Quarry Bay	40.8	-0.1	-5.9	-	-	-	1.1	13.6
Tsim Sha Tsui	51.1	0.0	-4.7	12,875	-0.9	-7.1	1.8	9.0
Cheung Sha Wan	27.0	0.0	-8.7	-	-	-	1.9	25.0
Hung Hom	35.5	0.0	-5.2	-	-	-	11.3	11.1
Kowloon East	25.5	-0.4	-11.2	10,424	-1.0	-9.2	7.5	20.0
Mong Kok / Yau Ma Tei	44.8	-1.5	-10.4	-	-	-	-	-

Source: Knight Frank Research
Note: Rents and prices are subject to revision.

Residential

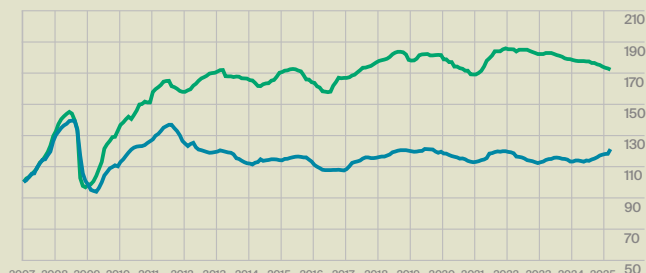
The residential market remained quiet due to the holiday season. However, there has been a noticeable uptick in inspections and inquiries from local buyers. This optimism is fueled by revised Hibor rates, the significant de-escalation of the US-China trade war, and a recovering stock market. In the leasing market, notable activity has been recorded in Mid-Levels, particularly for 800 to 1,000 sq ft units, which are popular among families seeking homes with storage space.



Fig 2. Luxury residential rents and prices

2007 = 100

Price index Rental index

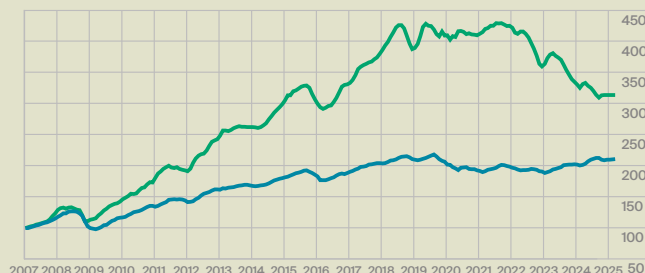


Source: Knight Frank Research

Fig 3. Mass residential rents and prices

2007 = 100

Price index Rental index



Source: Knight Frank Research / Rating and Valuation Department

Selected residential sales transactions (April 2025)

District	Building	Tower / floor / unit	Saleable area (sq ft)	Price (HK\$ million)	Price (HK\$ per sq ft)
The Peak	La Hacienda	Tower A, 2/F, Unit 3	2,734	75	27,432
Pok Fu Lam	Mount Pokfulam	House 86C	4,802	230.5	48,000
Mid-Levels Central	21 Borrett Road	Phase 1, 1/F, Flat 3	2,065	126.95	61,477
Mid-Levels Central	Tregunter 3	Tower 3, 16 /F, Unit B	1,547	40	25,856
Mid-Levels West	Alassio	9/F, Unit A	1,011	21.5	21,266
Repulse Bay	Repulse Bay Garden	14/F, Unit 24	2,049	52	25,378
Tsim Sha Tsui	The Arch	T2-Star Tower, 71/F, Unit A	1,382	45.5	32,923

Source: Knight Frank Research
Note: All transactions are subject to confirmation.

Selected residential lease transactions (April 2025)

District	Building	Tower / floor / unit	Lettable area (sq ft)	Monthly rent (HK\$)	Monthly rent (HK\$ per sq ft)
Mid-Levels Central	Dynast Court	Tower 3, Low Floor, Unit A	1,530	94,000	61
Mid-Levels Central	The Albany	Mid Floor, Unit A	1,308	73,800	56
Mid-Levels West	Robinson Place	Tower 1, Low Floor, Unit B	1,060	48,000	45
Repulse Bay	Grosvenor	High Floor	1,975	100,000	51
Repulse Bay	Repulse Bay Garden	High Floor, Unit 40	2,049	92,000	45
Tsim Sha Tsui	The Arch	Tower 2A, Low Floor, Unit B	960	60,000	63

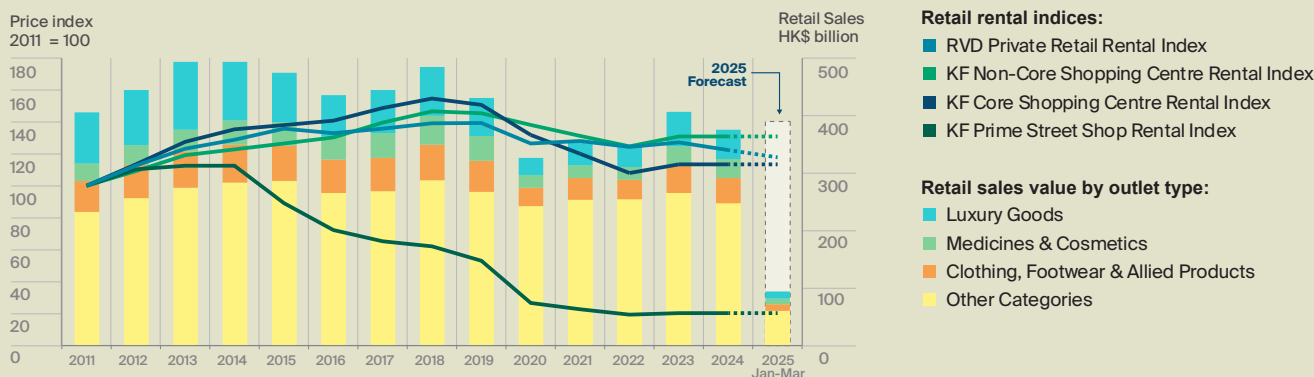
Source: Knight Frank Research
Note: All transactions are subject to confirmation.

Retail

Hong Kong's retail landscape is undergoing profound changes, affecting both traditional and trendy retailers alike. In April and May, several prominent food and beverage establishments have succumbed to these challenges. Notably, Ocean Empire Food Shop closed its doors due to a dramatic shift in dining habits, leading to declining sales and persistent losses. In a similar vein, After You Dessert Café, a popular Asian chain among the younger generation that opened its first overseas branch in Hong Kong during the pandemic in 2022, has also announced its closure. Both establishments are grappling with the impacts of increased traveling by residents, ongoing economic uncertainty, and rising operational costs, marking a troubling trend for the city's vibrant dining scene.



Fig 4. Retail rents and sales



Source: Knight Frank Research / Rating and Valuation Department / Census and Statistics Department

Notable retailers closed down (April - May 2025)

F&B Name	Specialty	Founding Date	Founding Country	No. of Shops at Peak	Location	Full Closure Date
After You Dessert Café	Desserts	2022	Thailand	2	Wan Chai & Kai Tak	April 25
Ocean Empire Food Shop	Congee	1992	Hong Kong	30	All over Hong Kong, Kowloon & New Territories	May 25

Source: Knight Frank Research

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

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