Hong Kong Monthly

November 2025

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

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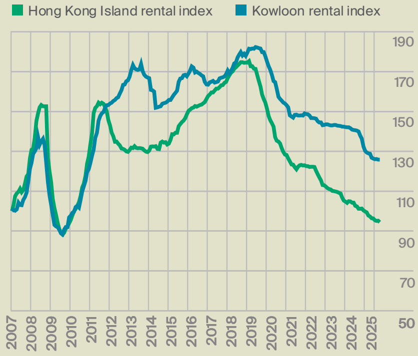
Office

HONG KONG ISLAND

Premium Grade-A offices are showing resilience and faster recovery whereas traditional office buildings remain pressured by oversupply and preference for flight-to-quality. Consequently, YTD rental declines have narrowed to -0.6% for premium Central buildings, while traditional Central buildings recorded a more pronounced decline of -8.5%.

Moreover, co-working space operators in premium offices benefit from IPO-driven demand from PRC firms and startups seeking small, flexible spaces with high specifications.

Fig 1. Grade-A Office Rents
2007 = 100



Source: Knight Frank Research

KOWLOON

November recorded a rise in transaction volumes, largely driven by SMEs relocating to spaces under 3,000 sq ft, with most deals priced below HK$20 per sq ft. This shift indicates support from scattered business demand, largely coming from strata-title buildings, where landlords are considering displacing tenants to capitalise on renewed interest in commercial investment. Consequently, SMEs are seizing the opportunity to upgrade their premises, which further illustrates the increase in demand.

In contrast, large corporations occupying over 20,000 sq ft remain cautious, preferring lease renewals to avoid significant capital expenditure. While the market continues to decline, the pace has slowed, suggesting Kowloon may be approaching a bottom and setting the stage for potential stabilisation.

Prime Office Market Indicators (October 2025)

	Net effective rent	Change		Vacancy	
District	HK$ psf / mth	MoM %	YoY %	Jan 19 %	Oct25 %
Premium Central	102.0	0.7	-2.8	-	-
Traditional Central	76.0	0.0	-7.9	-	-
Overall Central	85.9	0.3	-5.7	1.2	12.1
Admiralty	55.2	-0.7	-6.5	1.9	6.6
Sheung Wan	48.4	-0.2	-7.3	1.3	13.9
Wan Chai	46.8	-3.6	-5.2	1.7	11.4
Causeway Bay	47.7	-2.3	-7.6	1.5	12.5
North Point	29.6	0.0	-8.1	6.9	17.9
Quarry Bay	38.0	-0.1	-8.4	1.1	12.4
Tsim Sha Tsui	51.1	-0.1	-3.6	1.8	7.5
Cheung Sha Wan	25.9	0.0	-10.1	1.9	18.9
Hung Hom	35.3	0.0	-4.4	11.3	11.6
Kowloon East	24.5	0.2	-11.8	7.5	19.4
Mong Kok / Yau Ma Tei	41.9	0.0	-15.8	-	-

Note: Rents and Vacancies are subject to revision.

Source: Knight Frank Research

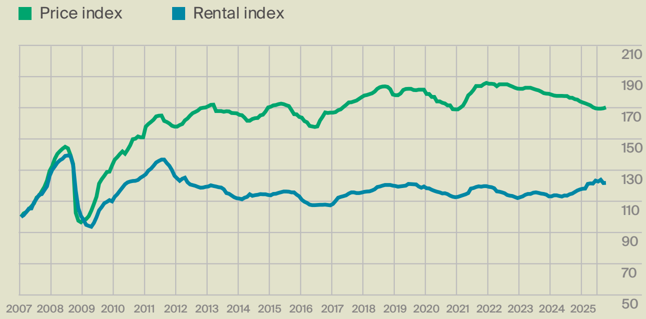
Residential

The Rating and Valuation Department (RVD) reported that the private residential price was +1.1% YoY in October, or +1.8% YTD. This marks a modest recovery compared to last year. A key highlighted development was Spring Garden in Wan Chai, developed by Wheelock Properties. 85 flats have been sold out of 88 released (97% sell-through rate), transaction prices ranged from HK$27,346 to HK$38,511 per sq ft. The project attracted buyers with Chinese mainland and overseas backgrounds to purchase multiple flats for investment purpose.

In the leasing market, demand remains robust for one- to two-bedroom units, particularly from Chinese mainland professionals. Rental activity is concentrated in the below HK$60,000 rental bracket, while the HK$200,000–HK$400,000 bracket has seen increased activity, largely driven by Chinese mainland tenants. Additionally, leasing demand from expatriates in finance and corporate sectors is showing signs of recovery.

Fig 2. Luxury Residential Rents and Prices

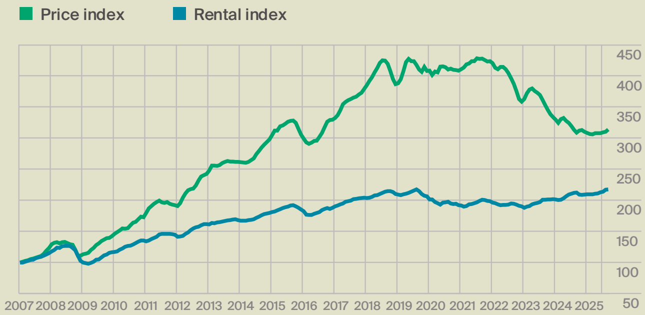
2007 = 100



Source: Knight Frank Research

Fig 3. Mass Residential Rents and Prices

2007 = 100



Source: Knight Frank Research / Rating and Valuation Department

Selected Residential Sales transactions (October 2025)

District	Building	Tower / floor / unit	Saleable area (sq ft)	Price (HK$ million)	Price (HK$ per sq ft)
The Peak	Twelve Peaks	Unit 5	4,359	352	80,752
Deep Water Bay	Deep Water Bay Road 39	Unit 3	4,736	319	67,356
Shouson Hill	Bay Villas	Unit 59	5,400	215	39,815
Stanley	6 Stanley Beach Road	Unit 11	3,171	107	33,743
Kai Tak	Pano Harbour	Tower 1, 7/F, Unit A	2,088	92.7	44,400

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

Selected Residential Lease Transactions (October 2025)

District	Building	Tower / floor / unit	Lettable area (sq ft)	Monthly rent (HK$)	Monthly rent (HK$ per sq ft)
Central	One Central Place	Upper Floor, Flat A	990	97,000	98
Tai Hang	The Legend	Tower 5, Upper Floor, Flat A	871	83,800	96
Happy Valley	The Leighton Hill	Tower 5, Middle Floor, Flat B	1,724	128,000	74
Mid-Levels Central	Dynasty Court	Tower 3, Upper Floor, Flat A	1,520	110,000	72
Mid-Levels Central	Tavistock II	Middle Floor, Flat C	1,282	82,000	64

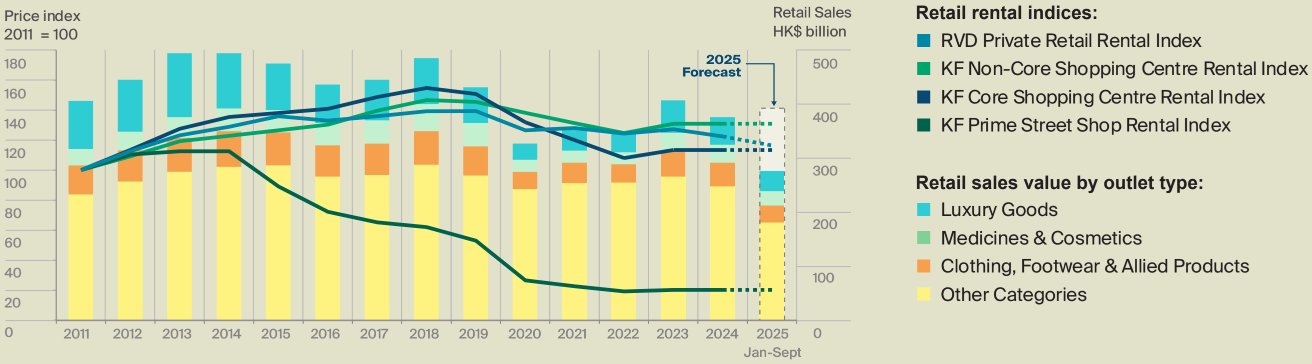
Source: Knight Frank Research
Note: All transactions are subject to confirmation.

Retail

From January to September, retail sales totalled HK$276.5 billion, narrowing the YTD decline to -1.0%. In September alone, the retail sales grew +5.9%YoY, driven by a strong rebound in the consumer durable goods, which +20.5%YoY on the back of seasonal demand and increased move-in activities. Retail sales ended 14 consecutive months of negative growth in April and returned to positive territory in recent months. A closer look into the major retail sales components revealed that luxury sales have displayed a steady recovery since May, +6.2%YoY during the May-September period, while the supermarket sales were +0.14%YoY over the same period.

Meanwhile, core retail districts are gaining momentum as leasing activity improves, with an increasing number of new retailers securing space in prime locations.

Fig 4. Retail Rents and Sales



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

Latest Tourism Statistics – Chinese Mainland Visitors

	Same Day Visitors (No.)
Sept 2025	1,518,213
Sept 2024	1,325,759
Differences	**14.5%**

	Same Day Per-Capita Spending (HK$)	Overnight Per-Capita Spending (HK$)
Q2 2025	$1,143	$4,892
Q1 2019	$2,298	$6,219
Differences	**-50.3%**	**-21.3%**

Source: Knight Frank Research / Tourism Board

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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