

CHINA HONG KONG



Up-to-date information on the residential rental market, international schooling and visa/immigration regulations in Hong Kong

RESIDENTIAL LEASING MARKET¹

The ongoing COVID-19 and omicron variant situation has resulted in lower activity in the Hong Kong leasing market and luxury leasing transaction volumes remained low in the first half of 2022.

First quarter of 2022 recorded a slight rental drop of 3% on average in the different areas of Hong Kong Island, New Territories & Kowloon. The second quarter increased by around 1% in Hong Kong Island, 2.5% in Kowloon and 0.5% in New Territories.

The local leasing market is mainly driven by locals from Mainland China and new citizens who have been living in Hong Kong (HK) for the past seven years and become HK Permanent Residents.

More expatriates are moving to Singapore due to the local inbound travel restrictions.

The prolonged lockdowns in Shanghai and across multiple cities in China have driven many locals to move to HK or overseas to avoid confinements.

Serviced apartments rental rates dropped slightly by 4% in the first quarter of 2022, with average occupancy rates remaining low at 60%. As a result, some landlords continue to offer rental discount to increase occupancy rates.

Apartment rentals increased slightly by 4.4% in the second quarter of 2022, with low average occupancy rates of 62%.

2022 OUTLOOK

Luxury residential leasing rentals are expected to be stable in the second half of 2022. Due to HK inbound travel restrictions and COVID-19, the demand from expatriates remain low.

PROPERTY RENTAL COST ESTIMATE

	Low Range (HKD)	Mid-Range (HKD)	High Range (HKD)
1 Bedroom	\$16,000 - 33,000	\$24,000 - 57,000	\$57,000 - 90,000
2 Bedrooms	\$21,000 - 42,000	\$34,000 - 87,000	\$75,000 - 148,000
3 Bedrooms	\$40,000 - 66,000	\$60,000 - 120,000	\$105,000 - 178,000

PERMANENT HOUSING

1. Lease agreement is for 2 years, 1 year fixed with 1, 2 or 3 months month break clause;
2. Unfurnished apartment with basic electric appliances such as cooking stove, refrigerator, washing machine, air conditioner, water heater, exhausted fan

SERVICED APARTMENTS MARKET

Serviced apartment rentals and occupancy rates sank due to the outbreak of COVID-19, plus low demand and increasing competition from hotels, as a lot of hotels offer attractive long stay packages.

SERVICED APARTMENT COST ESTIMATE

	Low Range (HKD)	Mid-Range (HKD)	High Range (HKD)
Studio	\$13,000 - 34,000	\$40,000 - 49,000	\$50,000 - 110,000
1 Bedroom	\$20,000 - 42,000	\$40,000 - 58,000	\$70,000 - 220,000
2 Bedrooms	\$21,000 - 53,000	\$50,000 - 83,000	\$140,000 - 250,000
3 Bedrooms	\$25,000 - 56,000	\$80,000 - 150,000	\$170,000 - 330,000

TEMP HOUSING

1. Minimum 1-month lease term
2. The options for 3 and 4 bedrooms are very limited



IMMIGRATION

Updated Situation for Novel Coronavirus (COVID-19) in Hong Kong²

ALL PLACES OUTSIDE CHINA:

Persons applicable:	Inbound travelers who have stayed in any place outside China during the relevant period (the day of boarding for/arrival at Hong Kong or during the 14 days before that day) and who - Have been fully vaccinated
Boarding requirement:	<ol style="list-style-type: none"> (Only applicable to inbound persons aged 3 or above) Negative result proof of a PCR-based nucleic acid test for COVID-19* within 48 hours (or see relevant arrangements for recovered persons); Health declaration QR code; and (If the health declaration QR code is not Green) Confirmation of room reservation for 3 nights starting on the day of arrival at Hong Kong in a designated quarantine hotel (DQH) Fulfilled vaccination requirement
Quarantine requirement:	<ol style="list-style-type: none"> Undergo compulsory quarantine for 3 nights in a DQH; Undergo daily rapid antigen tests (RATs) during compulsory quarantine; Undergo PCR-based nucleic acid tests in the DQH on day 2 of arrival at Hong Kong; and Those who are consecutively tested negative can complete compulsory quarantine in the morning of day 3
Medical surveillance:	<ol style="list-style-type: none"> Medical surveillance at home or in other self-arranged accommodation for 4 nights, and during the period, subject to Amber Code restrictions under the Vaccine Pass; Undergo daily RATs; On days 4 and 6, undergo nucleic acid tests after obtaining negative results of RATs on respective day; and Those who are consecutively tested negative can complete medical surveillance in the morning of day 7
Self-monitoring requirement:	<ol style="list-style-type: none"> Self-monitoring in the subsequent 3 days; Undergo daily RATs; and On day 9, undergo nucleic acid test after obtaining negative result of RAT

Footnote:

* The sample for which was taken from the relevant traveller within 48 hours before the scheduled time of departure of the specified aircraft ("specified aircraft" means a civil aviation aircraft that arrives at, or is about to arrive at Hong Kong, i.e., the aircraft which is directly landing Hong Kong).

- Travellers who are fully vaccinated, and accompanying children aged 11 or below can board for Hong Kong.
- For details on Return2hk Scheme for Hong Kong residents, please refer to this [webpage](#).
- For details on Come2hk Scheme for non-Hong Kong residents, please refer to this [webpage](#).
- Inbound travellers who have been to any [at-risk places temporarily inapplicable under the Return2hk/Come2hk Scheme](#) in the past 14 days do not fulfill the relevant specified conditions under the Return2hk/Come2hk Scheme and will be subject to compulsory quarantine.
- For arrangement on exempted persons under "Compulsory Quarantine of Certain Persons Arriving at Hong Kong Regulation" (Cap. 599C), please refer to this [webpage](#).

DESIGNATED QUARANTINE HOTEL SCHEME

To further prevent importing of new cases and to reduce the contact between returnees from overseas and local community, the Government implemented [Designated Quarantine Hotel Scheme](#). The eighth cycle is valid from 1 August 2022 to 31 October 2022.

DAILY LIVING

Below are some cost estimates and guidelines for utilities and transportation:

Utilities Cost Estimate

- Electricity, Gas & Water Bills: HKD 3,000 per month, electricity is expensive in summer
- Mobile Phone Bills: HKD 600 per month
- Broadband Internet Bills: HKD 500 per month

Transportation Cost Estimate

- Public Transportation (MTR, bus): HKD 600 per month
- Car Lease (e.g., BMW X5): HKD 24,000 per month



SCHOOLING

Majority of the schools are open for half-day classes in the morning and virtual classes in the afternoon.

The availability of International School placements are limited, especially for renowned and popular schools where there is a long waiting list. Early applications are strongly recommended.

INTERNATIONAL SCHOOL COST ESTIMATE

Fees	Cost (HKD)
Applications Fees	Nil - 3,700 (non-refundable)
Assessment Fees	Nil - 4,300 (non-refundable)
Annual Tuition Fees (Nursery to Year 13)	45,900 - 291,200
Annual Capital Levy	Nil - 100,000

Note:

- The application and assessment fees quoted above are fees published by various international schools in Hong Kong.
- Some international schools require mandatory debenture payable upon acceptance of a school place. The range of the mandatory debenture is between HKD60,000 and HKD610,000. Some are for each individual and some for each family. In this instance, no annual capital levy will be charged.

Exclusions:

- School bus transportation, books, uniforms, laboratory equipment, public examination fees, learning support programs.



School Name	Application Fee (HKD)	Debenture (Corporate/Individual) (HKD)	Annual Tuition Fee (HKD)
English Schools Foundation	2,000	Corporate Nomination Rights: Need to contact the ESF Centre Individual Nomination Rights: 500,000	119,100 - 159,300
Chinese International School	2,000 Assessment Fee: 2,000	Corporate Nomination Rights: not issuing new CNR	183,600 - 291,200
Hong Kong International School	2,000	Family Debenture (transferable): 3 million Standard Corporate Debenture (non-transferable): 3 million Comprehensive Corporate Debenture (non-transferable): 5 million	225,200 - 256,300
Kellett	2,000 - 2,500	Corporate Debenture: 650,000 Mandatory Individual Debenture: 120,000	180,400 - 230,700

For further information about relocating to Hong Kong, please contact your Cartus representative, or email cartussolutionsasia@cartus.com.