

Hong Kong Property Sales and Development

Our performance in property sales bore fruit in the year under review following the successful execution of our sales campaigns.

By year-end, sales of 436 units at The Long Beach; two semi-detached houses at 23-39 Blue Pool Road; two units at Carmel-on-the-Hill; and one unit at The HarbourSide have been recorded. We also took the opportunity to consolidate our portfolio with the timely disposal of some of our non-core stock including some remaining parking spaces at The Aquamarine, and selected car parking spaces at Carmel-on-the-Hill.

THE LONG BEACH

Situated in a prime location in southwest Kowloon, The Long Beach, comprising 1,829 units across eight towers featuring a distinctive wave-like design, is a high-end residential complex offering spectacular, unobstructed sea views. We monitored market sentiment and were successful in our timing of two windows of opportunity in 2016. In April, we gauged the most opportune time to execute the launch of Tower 9, and sold 230 flats together with stocks in other towers. Whilst the Double Stamp Duty imposed in November has curbed investment demand, prospects for The Long Beach have remained positive amid a slowdown in the pace at which competitors have released properties for sale. The reduction in competition has increased market focus on The Long Beach with the only major launch in early December of Tower 2 followed by the release of Tower 1 shortly afterwards. By year-end we had 236 units, most with sea views, available for sale.



The Long Beach is a high-end residential complex offering spectacular sea views



The 18 stylish semi-detached houses at 23-39 Blue Pool Road bring a distinctive combination of contemporary design and urban living

23-39 BLUE POOL ROAD

Occupying a position of unsurpassed luxury in our portfolio and in the market at large, the 18 stylish semi-detached houses at 23-39 Blue Pool Road bring a distinctive combination of contemporary design and urban style. The development was awarded a Gold Level certification under the Leadership in Energy and Environmental Design (LEED) for Homes program issued by the U.S. Green Building Council, and clinched the Silver Award in the category of Best Residential Development at the MIPIM Asia Awards 2014, and the Residential Architect of the Year Award at the Chivas 18 Architecture Awards 2015. Our constant strategic stance of selling only at a price reflective of the development's true asset value paid off in the year under review with two sales recorded within a month.

OUTLOOK

Our outlook for the coming year is generally positive with strategies that factor in the need for due vigilance over events that may inject uncertainty into otherwise broadly stable market conditions. It is possible that the effect of the new stamp duty measure may not be fully reflected at present and may continue to have an impact in the early part of the year ahead. We have also taken into consideration the possibility of a new cycle of U.S. interest rate hikes along with the uncertainty that a new U.S. President and a new Chief Executive in Hong Kong might bring to the market as their respective agendas and policy directions unfold. However, taking into account the strong and sustainable demand for homes, we anticipate that the property market in 2017 will remain stable.

