

Zeppelin's Real Estate Tech

4Q 2025: A Real Estate Newsletter by Zeppelin Partners Limited

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Gaza ceasefire, Bondi Beach shooting, and a Hong Kong fire claiming over a hundred lives.

In this issue:

- **Hong Kong condo versus Toronto condo**
- **City of Toronto residential real estate: charts and tables**

"Remember school prefects? Yes, someone who is almost perfect."

We also like to hear from readers wishing to share their real estate experience with us.

This quarterly (generally published in spring, summer, fall, and winter) newsletter is circulated freely via email to readers likely comprising real estate developers, investors, fund managers, financiers, owners, users, top executives, senior managers, prominent academics and related professionals. Our content has also been published in newspapers and web portals such as the [South China Morning Post](#), [China Daily](#), [Hong Kong Economic Journal](#), [21st Century Business Herald](#), [Apple Daily](#), [Sing Tao](#), [Quamnet Magazine](#), [The Standard](#), [MITCRE Alumni Newsletter](#), [Surveying Newsletter](#), [Reidin.com](#), [Centanet.com](#), [Netvigator.com](#), [Hongkong.com](#), [E-finet.com](#), [Red-dots.com](#), [PacificProperties.net](#), [Soufun.com](#) and [House18.com](#). We had also been quoted in the [Asian Wall Street Journal](#) and interviewed by [USA Today](#), [i-Money](#), [Ming Pao](#), [Radio Hong Kong](#), [Cable TV \(Money Café\)](#), [DBC Radio](#), and [Commercial Radio](#). This newsletter is now into its [29th](#) year and [117th](#) issue.

We also operate a website www.real-estate-tech.com through which we intend to share some of our real estate knowledge and ideas with interested parties. There are close to 1,000 content items, in English or Chinese, including analyses, articles, charts, and tables, plus spreadsheets, tutorials, e-books, and the like, the majority of which is free with some requiring a token fee. The website has been visited by tens of thousands from all over the world.

Zeppelin Partners Limited is involved in real estate development, investment, and management and offers services related to [real estate asset management](#) [analysis, investment strategy, and portfolio allocation], [project management](#) [architectural design, cost control, and contract administration], and [facility management](#) [facility utility assessment, property management strategy, and building maintenance]. We are based in Hong Kong with access to regional and global professional networks.

Stephen Chung, who created and writes this newsletter, is now Honorary Advisor to Zeppelin Partners Limited. He continues to write this newsletter.

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Who? Me?

Stephen Chung

Honorary Advisor, Zeppelin Partners Limited
Founder and Writer, Real Estate Tech Quarterly Newsletter
Real Estate Website Developer, www.Real-Estate-Tech.com

Stephen is an independent real estate analyst – number cruncher and chartered surveyor and has been involved in real estate development, investment, and management in Hong Kong / China / Asia and North America.

Stephen provides relevant real estate market insights and macro-micro assessments to real estate developers, investors, owners, financiers, funds, and civic organizations, and possesses many years of experience in building economics, project management, facility strategy, marketing, and research.

Stephen is also a regular real estate writer - columnist and his articles have been published in both English and Chinese media including the following:

- China Daily
- Hong Kong Economic Journal
- South China Morning Post
- Apple Daily, Sing Tao Daily
- Quamnet Magazine
- Real estate and finance websites such as Soufun.com, Finet.com etc
- Journals of professional institutes such as the Hong Kong Institute of Surveyors

Stephen had been an honorary adjunct professor of the University of Hong Kong and the City University of Hong Kong and had spoken to audiences from:

- Universities: such as the University of Hong Kong, City University of Hong Kong, York University
- Professional Institutes: such as the Hong Kong Institute of Surveyors, Canadian Institute of Quantity Surveyors, Royal Institution of Chartered Surveyors
- Business Associations: such as the Rotary Clubs

Stephen has written 4 real estate books in Chinese to date as follows:

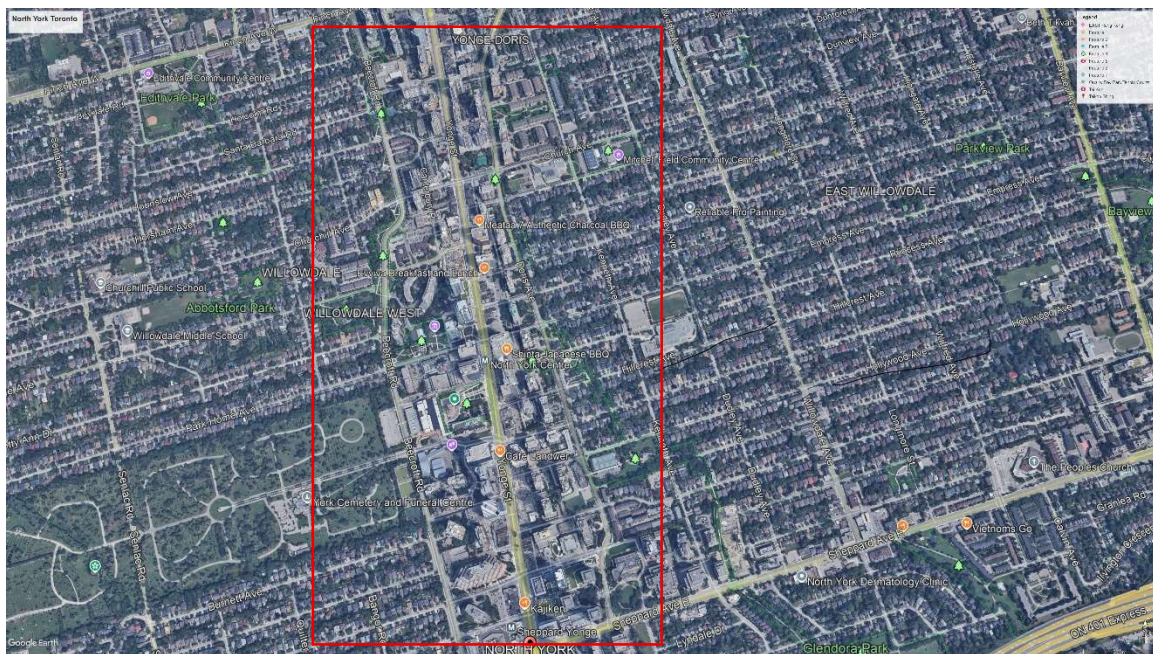
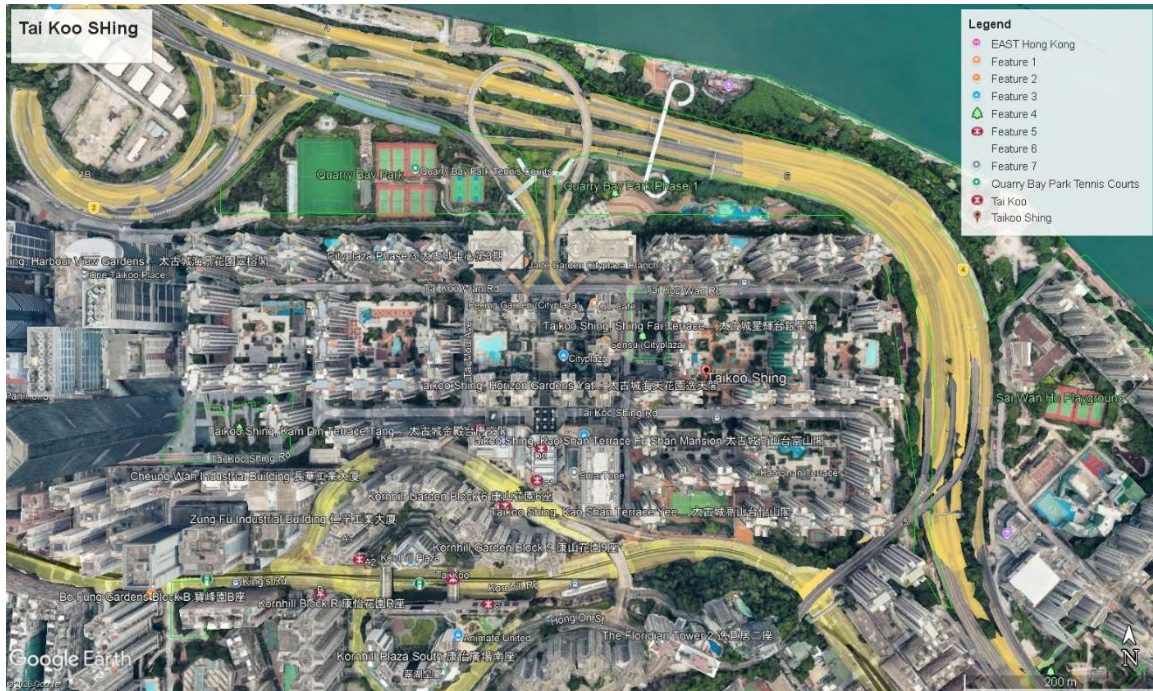
Online book = Easy Real Estate Lectures
Hard copy = Real Estate Investment Know-How above 101
Hard copy = The Real Estate Market Turning Point
E-Report = USA Residential Real Estate Analysis

We welcome enquiries from interested parties and could be reached as follows:

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Hong Kong condo versus Toronto condo

Real Estate Tech, 4Q 2025



Tai Koo Shing and North York-Toronto (Courtesy of Google Earth Pro)

Your humble author is occasionally asked how Hong Kong residential real estate prices compare with Toronto residential real estate prices. One simple answer is Hong Kong prices are still several times > Toronto prices.

Nonetheless, while Hong Kong privately-owned homes are mostly high-rise strata-titled apartment units, Toronto's are mainly some forms of house, detached, semi-detached, or townhouses, etc., although strata-titled apartment units, more commonly called condominium apartments in Toronto, constitute roughly 25% of the housing supply, which is comparatively high among North American cities.

As such, and in order to be as close to comparing apples to apples as possible, your humble author shall focus on the Toronto condo market sector when comparing it to the Hong Kong market. Here's what Google AI came up with in terms of price performances since 1997.

Normalized Price Index (Base Year 1997 = 1.0)

The following index compares the relative growth of property prices in both cities. Values represent the multiplier of the 1997 average price (e.g., an index of 3.0 means prices tripled).

Year	Hong Kong (Residential Index)	Toronto (Condo/Residential Index)
1997	1.00	1.00
2003	0.35 (Market Bottom)	1.25
2010	0.90	2.10
2016	1.83	3.68
2021	2.40 (Market Peak)	5.30
2024	1.83	5.65

Google AI also describes the two markets briefly below.

Key Comparisons

- **Volatility:** Hong Kong's market is significantly more volatile. After 1997, prices crashed by roughly **65%** by 2003 due to the Asian Financial Crisis and SARS. Toronto avoided a similar crash during this period, maintaining steady upward growth.
- **Total Growth Multiplier:** While Hong Kong is often cited as the world's most expensive market in absolute terms, Toronto's *rate of growth* since 1997 has actually outpaced Hong Kong's when starting from that specific base year. Toronto prices have increased over **5.6x** since 1997, while Hong Kong's index (after accounting for the post-1997 crash) sits at approximately **1.8x** to **2.4x** its 1997 peak levels.
- **Affordability Caps:** In 2024, Toronto homes cost roughly **12 times** the median household income, up from 5 times in the 1990s. Hong Kong remains higher at over **18 times** median income, leading to recent price corrections as the market reaches economic limits. R⁺ ResearchGate +5

Stating the obvious, if any reader has any dispute of the foregoing, please take it up with Google AI. Not your humble author (or Zeppelin), who hasn't verified or offered any

guarantees that the foregoing content must all be comprehensive, up-to-date, or accurate. Nor make you happy and comfortable. And yes, AI does save much time in finding a general picture of things, real estate markets, too.

Out of curiosity, your humble author has also compared the average price of a 800 (net or saleable) square foot or so apartment unit at Tai Koo Shing to a similar-sized condo apartment in North York, a part of the City of Toronto, and specifically the areas to the east and west of the Yonge Street corridor between Sheppard Avenue and Finch Avenue, which isn't Toronto's downtown but accessible to it, like Tai Koo Shing isn't Central but accessible to it. This would give a rough indication of how many Toronto-North York condos one Tai Koo Shing apartment unit can buy in Toronto-North York. Here's the rough result based on Google AI info:

a) Tai Koo Shing average HK\$15K per saleable square foot and so $800 \text{ ft}^2 \times \text{HK\$}15\text{K} = \text{HK\$}12,000,000$.

b) Converting this to CAD ($1 \text{ CAD} = \text{HK\$}5.65$), $\text{HK\$}12\text{m} = \text{CAD}2,123,893$, or rounded $\text{CAD}2.10\text{m}$.

c) An 800 ft² condo unit in North York near the Yonge Street corridor averages $\text{CAD}700\text{K}$.

d) $\text{CAD}2,100,000$ divided by $\text{CAD}700,000 = 3$.

e) One Tai Koo Shing unit can be exchanged for 3 similar-sized condos in North York.

Now, this may sound great to a Tai Koo Shing unit owner. Yet, before one rushes into hasty investment, note 1) Toronto real estate professionals have been expecting slowing market conditions; b) Prices have overall been decreasing; c) There are laws that favor tenants, such as the rental increment % for any year is regulated by provincial laws; and d) the net rental yield on average isn't enticing.

Using the hypothetical North York 800 ft² $\text{CAD}700\text{K}$ unit as an example, and leaning on the more cautious side, the monthly rent may be $\text{CAD}3,000$ or thereabouts. At first glance, not a bad rental return percentage, as $(\text{CAD}3\text{K} \times 12)/\text{CAD}700\text{K} = 5.14\%$.

But this is gross rental return. The landlord is responsible for regular outgoings such as the condominium management fee and the municipal (or property) taxes. These two can easily eat up $\text{CAD}1\text{K}$. Factored into the equation the occasional repairs, renovations, replacements of appliances, the real estate broker (agent) fee, the vacant time, and so forth, the actual net rental return can hover between 2% to 3%. If recurrent income is your goal, buying Canadian or US treasuries can be alternative yet safer and less maintenance options.

It feels all doom and gloom. Not exactly. Some condominiums in Toronto, especially the older stocks, can be of great value for homeowners. That is, if you were to use the unit for yourself. Here's why: 1) Average construction cost for condo apartments hovers around $\text{CAD}500$ per ft², not counting the land costs; 2) $\text{CAD}500$ per ft² is based on construction square footage definition, that is, not the same as the net floor area definition when buying and selling real estate; c) This in turn means on a net floor area basis, the construction cost component can easily translate into a higher figure than $\text{CAD}500$, say $\text{CAD}600$, though actual figures can vary significantly with different condo buildings and complexes; d) some older condo stocks are selling for less than $\text{CAD}600$ per ft²; e) yet older stocks do require major renovations and maintenances, hence, it is important that one checks whether a condo building has sufficient funds to meet these expected renovations and maintenances, and f) the good thing is the provincial law requires condo buildings, that is the condo corporations, to hire professionals and engineers to assess every three years on whether their condo corporation funds are sufficient to meet the expected major renovation and maintenance needs. This and other relevant condo building info are required to be made available to intending buyers.

Also, the older stock condos tend to offer higher floor sizes than their counterpart newer condo stocks. For instance, a single bedroom older condo unit can be 600 ft² or so. In the newer

condos, this might be a two-bedroom unit. Site coverage ratios in the old stocks also tend to be lower based on visual observations as the Greater Toronto Area has been encouraging higher density planning and construction in more recent years.

Put simply, Toronto condos may offer good value to prospective homeowners. Investors? Depends.

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City of Toronto residential real estate: charts and tables

Real Estate Tech, 4Q 2025



(Courtesy of www.publicdomainpictures.net)

We have collected data from the website of the Toronto Regional Real Estate Board (<https://trreb.ca/>) focusing on the **City of Toronto's** residential real estate market (largely the secondary market). These data start from April 2017 and end in December 2025. Rough charts and tables were compiled and some of these are listed below:

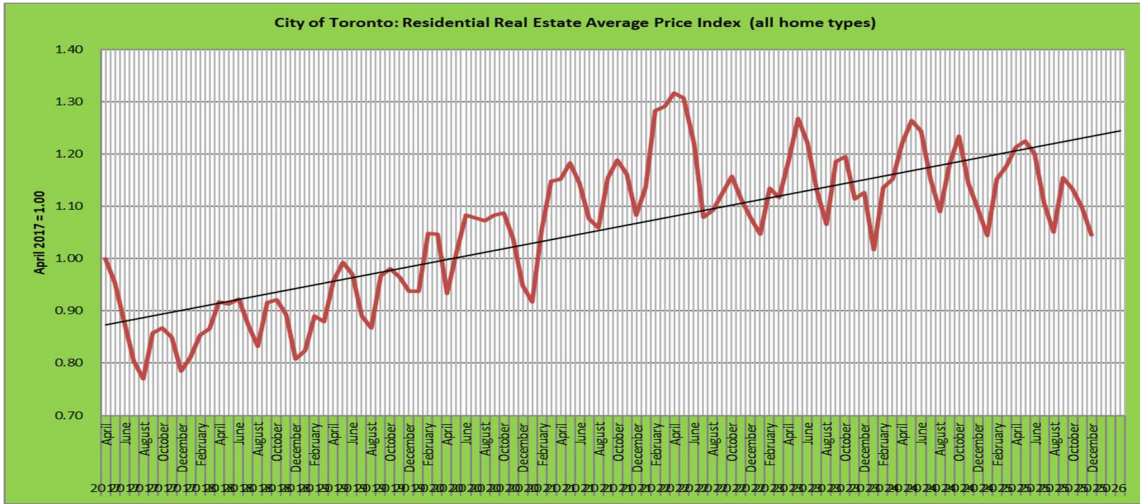
1) From April 2017 (the last price peak) to December 2025 price changes in percentages, major home types

City of Toronto:	Apr17 to Dec25
All Home Types	4.51%
Detached	-5.10%
Semi-detached	1.65%
Townhouse	16.13%
Apartment	14.69%

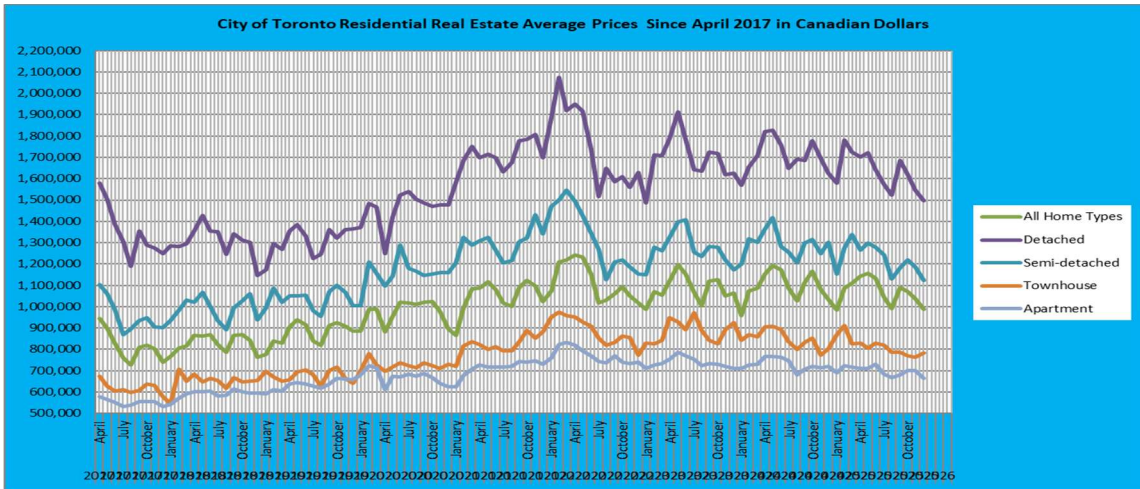
2) November and December 2025 average and median home prices, major home types

Metro Region	Sub-district		Nov-25 Average C\$	Dec-25 Average C\$	Difference C\$ Nov-Dec25	Percentage +- (Dec-Nov)/Nov 2025	Nov-25 Median C\$	Dec-25 Median C\$	Difference C\$ Nov-Dec25	Percentage +- (Dec-Nov)/Nov 2025
Metro Toronto	All Home Types		1,036,362	986,542	-49,820	-4.81%	820,000	780,000	-40,000	-4.88%
	Detached		1,545,941	1,498,079	-47,862	-3.10%	1,200,000	1,165,000	-35,000	-2.92%
	Semi-detached		1,187,111	1,122,309	-64,802	-5.46%	1,050,000	966,500	-83,500	-7.95%
	Townhouse	Condo	762,143	784,615	22,472	2.95%	710,000	702,500	-7,500	-1.06%
	Apartment	Condo	701,259	663,227	-38,032	-5.42%	580,000	546,500	-33,500	-5.78%
Metro West	All Home Types		1,015,386	899,415	-115,971	-11.42%	875,000	805,000	-70,000	-8.00%
	Detached		1,398,516	1,228,964	-169,552	-12.12%	1,110,222	1,025,000	-85,222	-7.68%
	Semi-detached		1,027,532	984,538	-42,994	-4.18%	923,500	882,500	-41,000	-4.44%
	Townhouse	Condo	673,359	682,519	9,160	1.36%	640,000	680,500	40,500	6.33%
	Apartment	Condo	608,665	570,254	-38,411	-6.31%	544,000	521,000	-23,000	-4.23%
Metro Central	All Home Types		1,098,705	1,082,111	-16,594	-1.51%	750,000	730,000	-20,000	-2.67%
	Detached		2,249,616	2,193,329	-56,287	-2.50%	1,850,000	1,876,500	26,500	1.43%
	Semi-detached		1,388,279	1,398,879	10,600	0.76%	1,116,000	1,105,500	-10,500	-0.94%
	Townhouse	Condo	931,866	962,113	30,247	3.25%	810,000	758,950	-51,050	-6.30%
	Apartment	Condo	757,319	728,507	-28,812	-3.80%	610,000	600,000	-10,000	-1.64%
Metro East	All Home Types		940,943	887,355	-53,588	-5.70%	850,500	836,000	-14,500	-1.70%
	Detached		1,146,503	1,142,384	-4,119	-0.36%	1,050,000	971,750	-78,250	-7.45%
	Semi-detached		1,142,093	1,011,118	-130,975	-11.47%	1,080,000	905,500	-174,500	-16.16%
	Townhouse	Condo	658,870	686,805	27,935	4.24%	639,000	685,000	46,000	7.20%
	Apartment	Condo	548,860	488,168	-60,692	-11.06%	506,250	450,000	-56,250	-11.11%

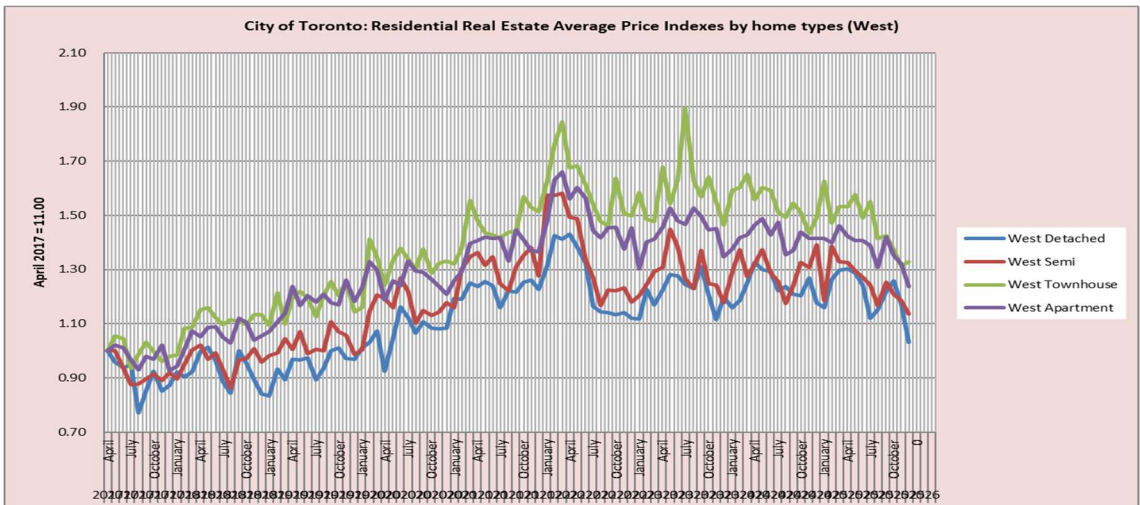
3) From April 2017 to December 2025 home price trend



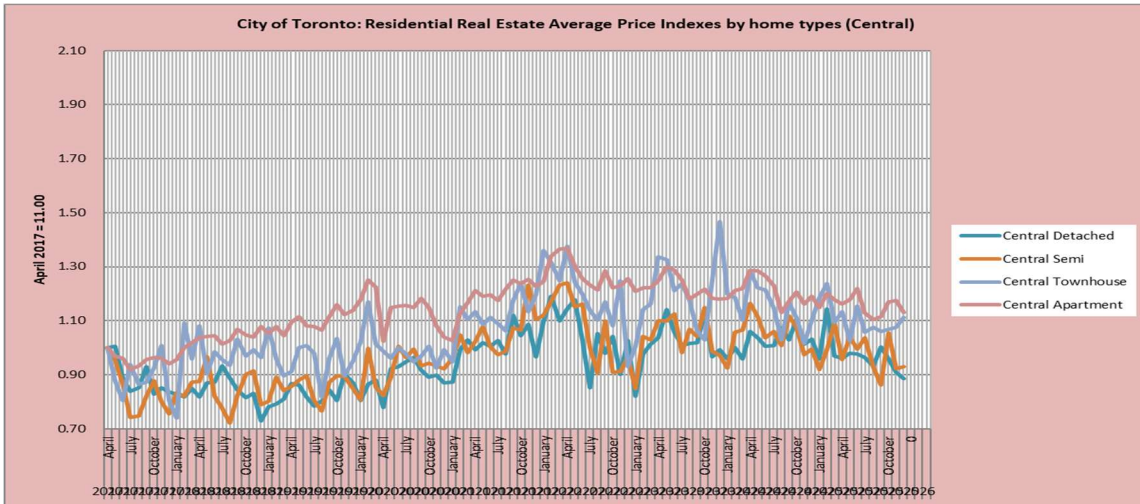
4) From April 2017 to December 2025 average prices of major home types



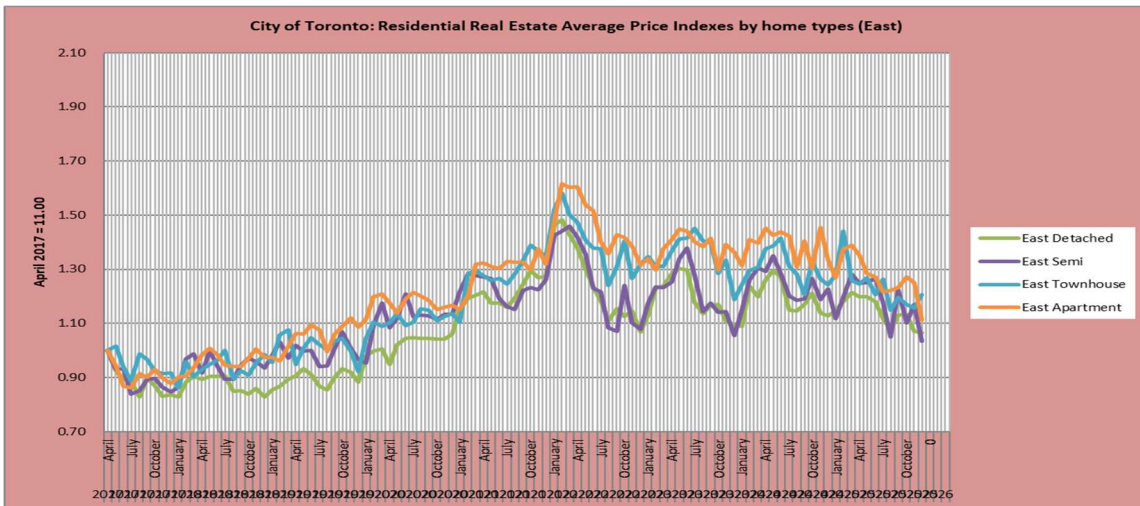
5) From April 2017 to December 2025 average price trends, major home types, West Toronto



6) From April 2017 to December 2025 average price trends, major home types, Central Toronto



7) From April 2017 to December 2025 average price trends, major home types, East Toronto



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