

Comparative Real Estate Global Indexes

Real Estate Tech, July 1998.

By Stephen Chung BS BBA(HKU) MS in Real Estate Development(MIT) ARICS AHKIS MAACE PQS RPS
Zeppelin Property Consultants Ltd - Phone(852)24016388 / 6619 Fax (852)24013084
Real Estate Development, Investment, Asset Management, Marketing, and Operational Analysis

We have created the Comparative Real Estate Global Indexes or **Cregis** in short for reference and interest. The indexes are meant to :

- (A) Give a rough estimate on the **number** (or a fraction thereof) of units in other markets one “counterpart” Hong Kong unit can buy at any given period.
- (B) Give over time an indication of the **change(s) in the number** (or a fraction thereof) of units in the other markets one “counterpart” Hong Kong unit can buy, thus may put interested investors on alert especially if significant changes occur.
- (C) **Residential** homes are being targeted initially.
- (D) The (Greater) **Toronto and** (Greater) **San Francisco** markets are being targeted initially (on which many Hong Kong investors are expected to have an interest)
- (E) The “counterpart” **Hong Kong** residential home is taken to be an apartment unit of around 600 square feet in gross floor area in an established urban location.
- (F) The counterpart Toronto residential home is taken to be a 3-bedroom house dwelling with single garage of around 1,500 square feet in floor area (not counting the basement or garage) in an established sub-urban location.
- (G) The same is assumed for the counterpart San Francisco residential home.
- (H) Other markets and sectors may be included gradually.

Cregis as of July 1998 on Residential Homes :

One Hong Kong Unit can be roughly exchanged for :

- (1) **Toronto = 2.03** residential homes in Toronto
- (2) **San Francisco = 1.10** residential homes in San Francisco

Please note the Cregis are only for rough reference and it is by itself insufficient for making proper investment decisions. Investors should seek the necessary, preferably more comprehensive and/or in-depth, analysis and consultation.