

China and Hong Kong

Quarterly construction cost review



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China and Hong Kong Market Overview

Hong Kong economy is stepping out of the trough in the last year by demonstrating a recovery in the beginning of 2021 due to the further reactivation in economic activities, however the local construction market is still vulnerable to hurdles arising from the COVID-19 pandemic. Construction workers are required to hold negative COVID test result within 14 days to work on site starting from February 2021. Another industry-wide challenge in this quarter is the rising material costs. In view of global factors such as recovery of industrial production in China, strong global market demand, worldwide shortage of shipping containers and stockpiling due to Brexit, international raw material prices inflated in Q1 2021 and led to increase in construction material prices.

Housing supply in Hong Kong remained in a pessimistic situation. The Building Department recorded a remarkably low figure in commencement of private domestic construction. Only 145 domestic flats were commenced in Q1 2021, which is 93% and 89% fewer than that in the same period of 2019 and 2020. Regarding public housing

provision, the Housing Department announced the average waiting time for general applicants to be housed in Public Rental Housing (PRH) was 5.8 years as at March 2021, which increased by 0.1 year QoQ. It is anticipated that the suppressed construction activities would continue to strike the local property market.

MARKET MOVEMENT

ECONOMY

Indicator	Q1/19 - Q1/20	Q4/19 - Q4/20	Q1/20 - Q1/21
GDP Growth per annum	(-) 9.1%	(-) 2.8%	(+) 7.9%
Inflation Rate (CPI) per annum	Mar 19 - 20 (+) 2.3%	Dec 19 - 20 (-) 0.7%	Mar 20 - 21 (+) 0.5%

SUPPLY & DEMAND

Indicator	Q4/19	Q3/20	Q4/20
Activity Level (Gross output; new + A&A)	HK\$65.057 Bn	HK\$57.214 Bn	HK\$60.047 Bn

BASIC COSTS

Indicator	Nov 19 - Jan 20	Aug - Oct 20	Nov 20 - Jan 21
Highways Material Index	865.5	842.9	912.2
Labour Wages Index	Dec 19 - Feb 20 154.4	Sep - Nov 20 152.8	Dec 20 - Feb 21 153.4

CONSTRUCTION COST TREND

Indicator	Q1/20	Q4/20	Q1/21
Tender Price Index (Arcadis)	1785	1740	1740



1 Market Analysis

China

China's economy saw GDP growth of (+)18.3% YoY, in Q1 2021, which presents a strong rebound, after the recession caused by COVID-19 pandemic in Q1 2020.

The real estate investment in Mainland China in the first quarter of this year has been increased by 25.6% YoY. The sales of commercial buildings amounted had an increase of 88.5% YoY (according to National Bureau of Statistics (NBS)). The growth of real estate and construction markets are booming. In addition, the land sales area increased by 16.9%.

In Q1 2021, construction wages remained stable. Comparing with last quarter, the average basic construction product costs fluctuated in price with rebar (+)10%, steel (+)15%, aluminium (+)13%, copper (+)18%, concrete (+)1% and cement (-)1%. The tender price climbs up by 3%. The construction market price level is anticipated to continue to rise in the next quarter.

Hong Kong

Upturn in economy

Economy of Hong Kong is further recovering in 2021 after the year-long recession in last year. Gross Domestic Product (GDP) rose by 7.9% YoY in Q1 2021 after contraction in six consecutive quarters since Q3 2019. Amongst the GDP components, private consumption expenditure slightly recovered with (+)1.6% growth following decline in six quarters as the government is gradually relaxing the social distancing measures. However, not all industries are benefited by the policy. Some service industries such as tourism still stay in a fragile state. Deflation ended in the first quarter of 2021, Consumer Price Index (CPI) increased by 0.5% YoY in March 2021.

Subdued private sector

Following the temporary surge in private construction activities in Q4 2020, the industry became quiet again in this quarter. In Q1 2021, floor area of consented private construction works fell by 41% QoQ and rose by 19% YoY, meanwhile, that of commenced works dropped by 30% QoQ and 25% YoY. Although total gross value of performed private, public and A&A works further grew by 5% QoQ in Q4 2020, only that of public works rose by 14.4% YoY whilst private and A&A works decreased by 25.3% and 8.1% YoY. The private construction market is expected to keep inactive in the short run.

Cost of materials and labour

The Tender Price Index (TPI) remained constant as the last quarter and dropped by 2.5% YoY in Q1 2021. In Q1 2021, Steel price increased dramatically by 26% QoQ. Other material prices such as cement, sand, diesel fuel and basic architectural products also rose in this quarter. Wages of concreter and carpenter decreased by 8% and 11% YoY while mechanical fitter had pay rise of 10% YoY in this quarter, wages of other labours remained stable in Q1 2021.



2

Approximate Building Costs Hong Kong

Notes:

1. The cost for the respective categories given are averages based on fixed price competitive tenders. It must be understood that the actual cost of a building will depend upon the design and many other factors and may vary from the figures shown.
2. The cost per square metre are based on the Construction Floor Areas (CFA) measured to the outside face of the external walls/ external perimeter including lift shafts, stairwells, balconies, plant rooms, water tanks and the like.
3. All buildings are assumed to have no basements (except otherwise stated) and are built on flat ground, with normal soil and site conditions. The cost, excludes site formation works, external works, land cost, professional fees, finance and legal expenses.

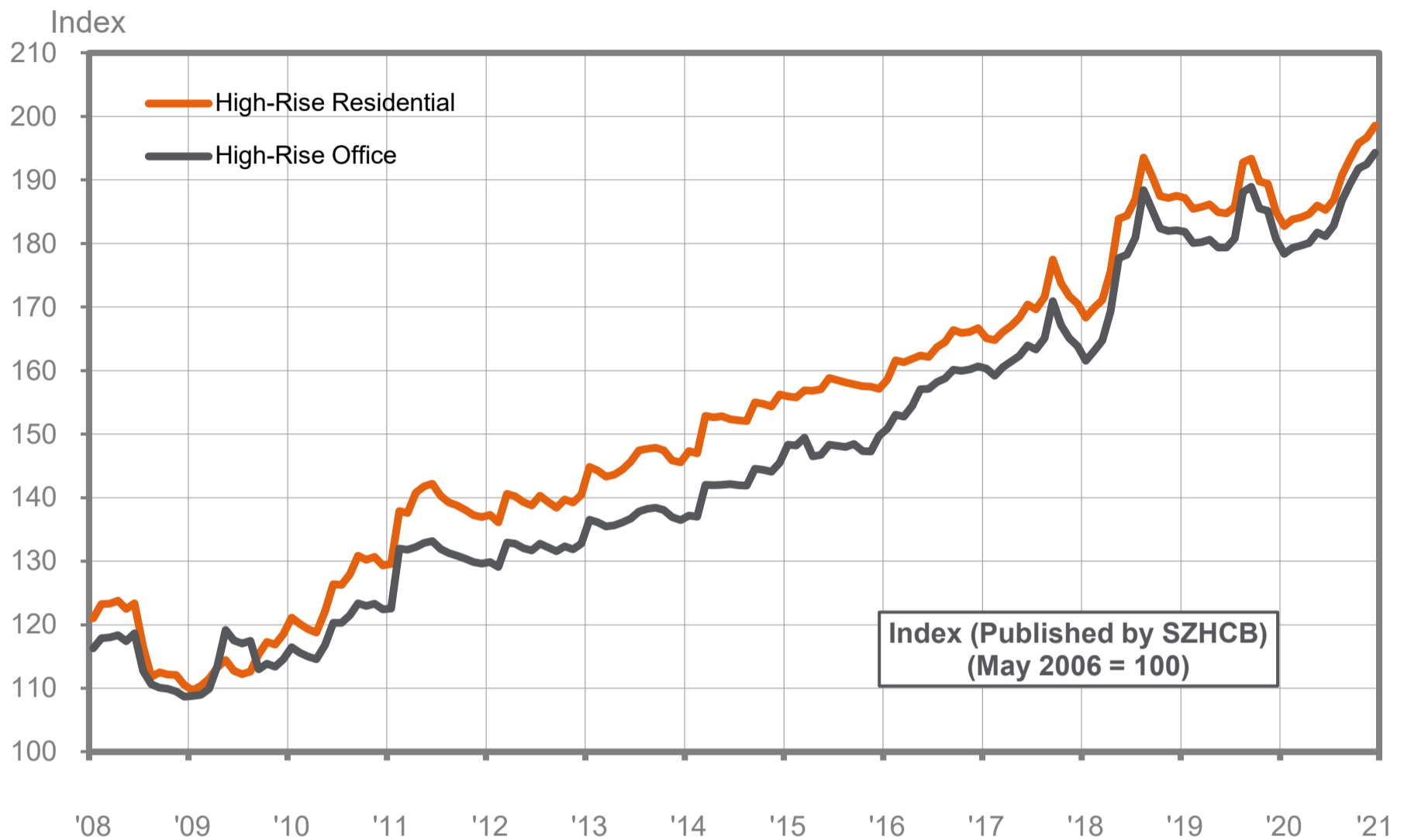
BUILDING TYPE	HK\$/m ² CFA	OUTLINE SPECIFICATION
DOMESTIC		
Apartments, high rise, public authority standard	10,700 - 12,900	Apartment units with fit-out, based on Hong Kong Housing Authority Non-standard Cruciform Block design
Apartments, high rise, average standard	23,200 - 26,800	Apartment units with fit-out, including air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings and loose furniture
Apartments, high rise, high end	30,000 - 35,000	Apartment units with good quality fit-out, including air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings and loose furniture
Terraced houses, average standard	31,600 - 36,600	Houses with fit-out, including air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings, loose furniture, garden and parking
Detached houses, high end	46,300 up	Houses with good quality fit-out, including air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings, loose furniture, garden and parking
OFFICE / COMMERCIAL		
Medium/high rise offices, average standard	22,900 - 26,300	RC structure, curtain wall/window wall, including public area fit-out, tenant area with screeded floor, painted wall and ceiling
High rise offices, prestige quality	27,400 - 31,600	RC structure, curtain wall, including public area fit-out, tenant area with raised floor/carpet, painted wall and false ceiling
Out-of-town shopping centre, average standard	22,700 - 26,600	Including public area fit-out and M&E, but excluding shop fit-out
Retail malls, high end	29,400 - 35,000	
INDUSTRIAL		
Owner operated factories, low rise, light weight industry	17,600 - 22,100	RC structure, including small office with simple fit-out and M&E, but excluding a/c and heating
HOTEL		
Budget hotels - 3-star, mid market	29,100 - 31,000	1) Interior decoration 2) Furniture (fixed and movable) 3) Special light fittings (chandeliers, etc.) 4) Operating Supplies and Equipment (OS&E) excluded
Business hotels - 4/5-star	30,100 - 35,100	
Luxury hotels - 5-star	35,100 - 40,400	
OTHERS		
Underground/basement car parks (<3 levels)	24,800 - 29,700	RC structure
Multi storey car parks, above ground (<4 levels)	14,800 - 17,600	RC structure, natural ventilation, no facade enclosure
Schools (primary and secondary)	19,300 - 20,800	Public authority standard, including fit-out, no a/c, complete with basic external works but excluding educational equipment
Students' residences	22,100 - 24,900	Including fit-out, loose furniture and a/c
Sports clubs, multi purpose sports/ leisure centres (dry sports)	29,000 - 33,100	Dry sports (no swimming pool) and are for 'leisure centre' type schemes including main sports hall, ancillary sports facilities, changing and showers, restaurant / cafe, bar, etc. Costs include a/c, Furniture, Fittings and Equipment (FF&E)
General hospitals - public sector	36,800 - 40,900	Excluding medical and operating equipment

*The above cost are at 1st Quarter 2021 levels.



3 Building & Building Services Price Index

Mainland China



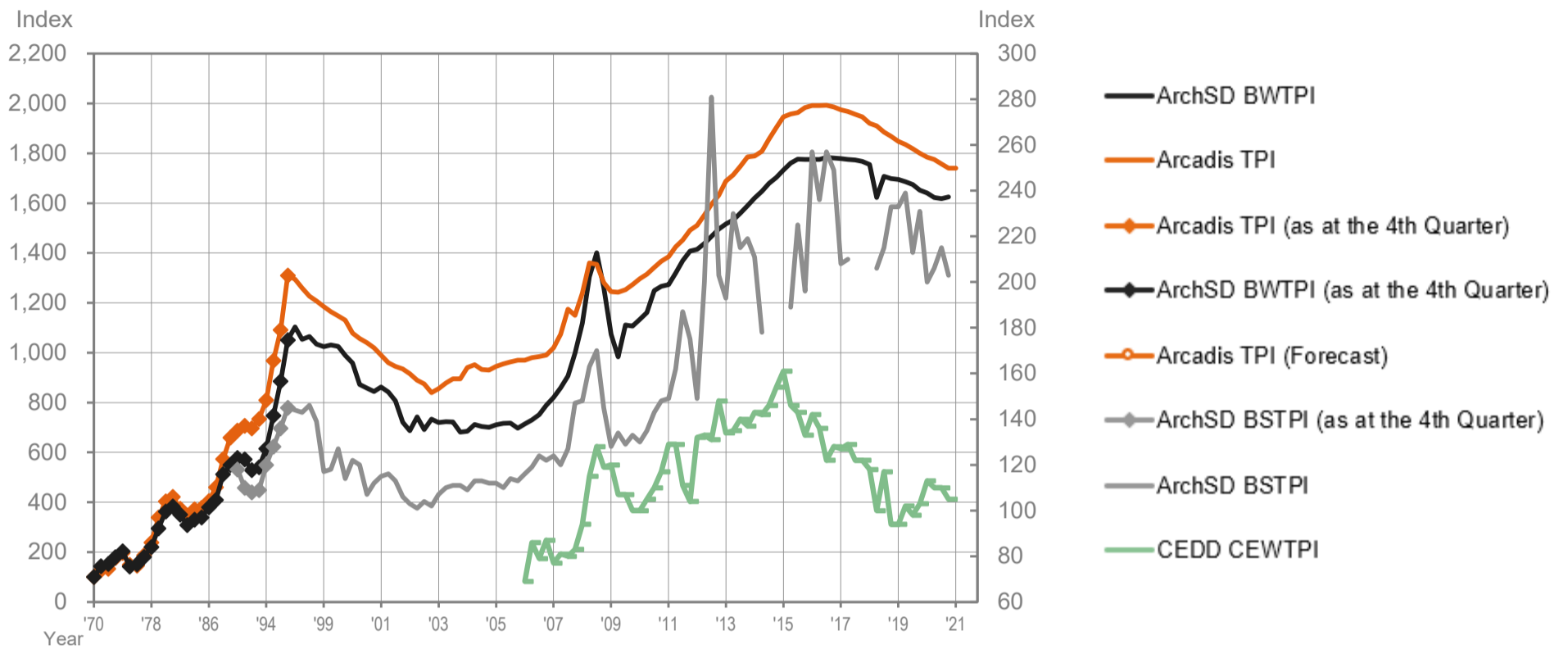
BUILDING & BUILDING SERVICES PRICE INDEX								
Index	(Base Index: May 2006 = 100)							
	High-Rise Residential				High-Rise Office			
Month / Year	2018	2019	2020	2021	2018	2019	2020	2021
January	173.8	187.5	189.8	195.8	167.2	182.4	185.5	191.8
February	171.7	187.2	189.4	196.6	165.1	182.0	185.2	192.4
March	170.5	187.5	185.0	198.5	163.9	182.1	180.8	194.3
April	168.3	187.2	182.7		161.5	181.9	178.3	
May	169.9	185.5	183.8		163.1	180.1	179.3	
June	171.1	185.7	184.1		164.7	180.2	179.7	
July	175.6	186.1	184.6		169.3	180.6	180.1	
August	183.9	184.9	186.0		177.7	179.4	181.7	
September	184.4	184.8	185.3		178.3	179.3	181.2	
October	187.0	185.7	186.8		180.9	180.8	182.8	
November	193.5	192.8	190.8		188.4	188.1	186.8	
December	190.7	193.4	193.4		185.4	189.0	189.4	

Source : Housing and Construction Bureau of Shenzhen



4 Tender Price Index

Hong Kong



Quarter/Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
ArchSD BWTPI (Base = 100, at Year 1970)										
1 st Quarter	1414	1516	1621	1732	1775	1779	1755	1695	1641	
2 nd Quarter	1438	1532	1648	1761	1776	1776	1727	1686	1623	
3 rd Quarter	1467	1559	1679	1777	1783	1773	1708	1675	1618	
4 th Quarter	1496	1590	1703	1775	1781	1768	1698	1652	1625	
ArchSD BSTPI (Base = 100, at Year 1989)										
1 st Quarter	149	193	211	(N/A)	257	208	(N/A)	233	200	
2 nd Quarter	200	230	178	189	236	210	258	239	206	
3 rd Quarter	281	215	(N/A)	225	257	(N/A)	247	213	215	
4 th Quarter	203	219	(N/A)	196	249	287	233	231	203	
Arcadis TPI (Base = 100, at Year 1970)										
1 st Quarter	1511	1688	1789	1946	1992	1975	1920	1848	1785	1740
2 nd Quarter	1552	1713	1808	1958	1992	1968	1910	1835	1775	
3 rd Quarter	1595	1747	1857	1963	1993	1957	1885	1818	1757	
4 th Quarter	1632	1786	1903	1984	1986	1946	1868	1800	1740	
CEWTPI (Base = 100, at Year 2010)										
1 st Quarter	132	134	143	161	142	127	118	94	113	
2 nd Quarter	133	135	142	146	136	129	100	102	110	
3 rd Quarter	131	140	146	143	122	122	117	98	110	
4 th Quarter	148	137	154	133	128	122	94	103	105*	

Source : Competitive tenders received by Arcadis, Building Works Tender Price Index (BWTPI) and Building Services Tender Price Index (BSTPI) of Architectural Services Department (ArchSD) of HKSAR, and Civil Engineering Works Tender Price Index (CEWTPI) of Civil Engineering and Development Department (CEDD) of HKSAR

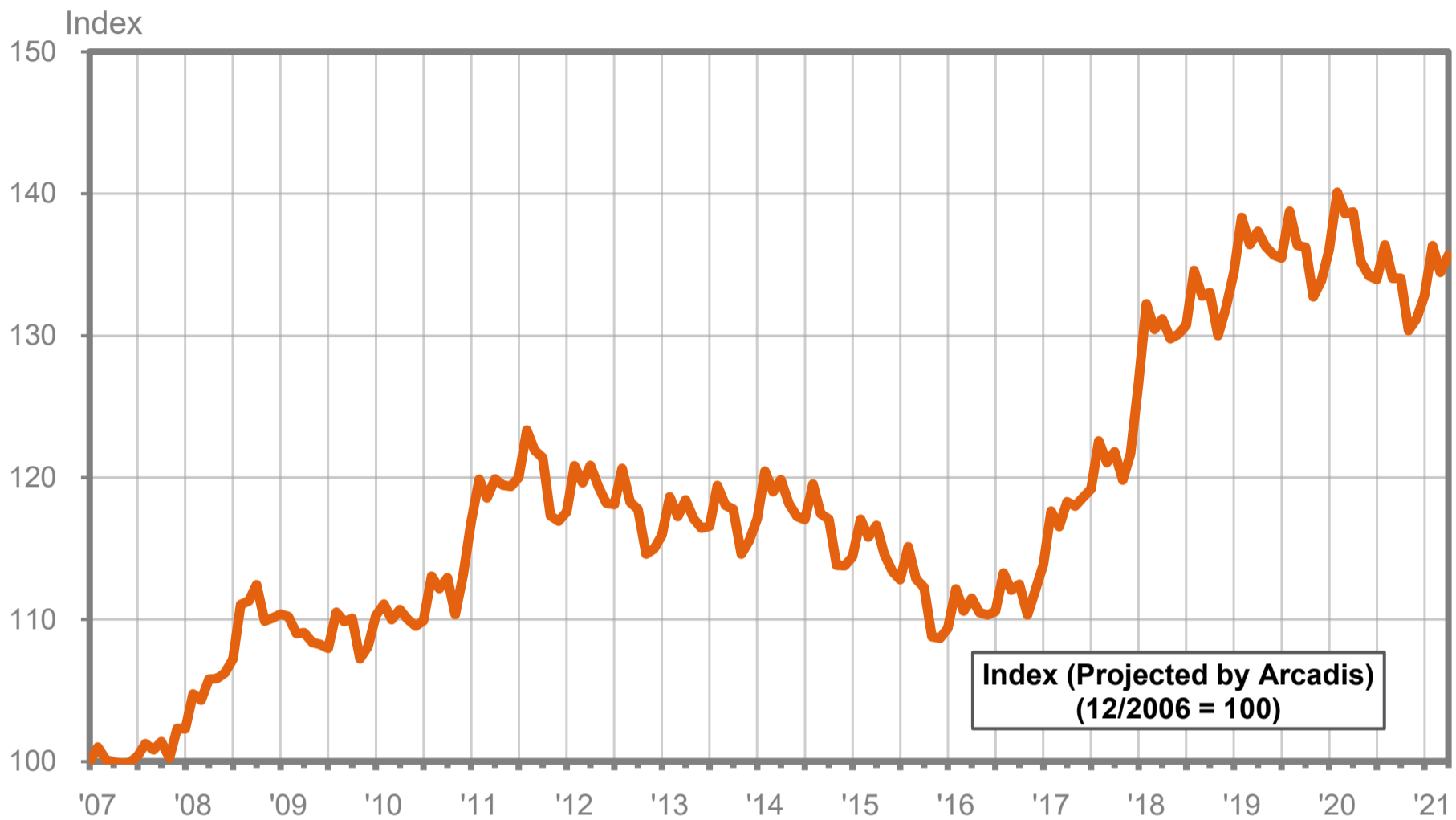
Notes:

- [*] denotes forecast figures
- Both BWTPI (ArchSD) and Arcadis TPI measure the trend of general builder's works only. Special works and Mechanical and Electrical Services would have to be considered separately.
- All indices were published quarterly. For reference purpose, only indices from 1st quarter of 1998 and onwards are given in detail, whereas indices between year 1970 to 1997 are shown with their 4th Quarter figures.



5 Materials

Mainland China



CONSTRUCTION MATERIAL PRICE INDEX								
Index	Published (by NBS of China) (Base: Corresponding Month in Preceding Year = 100)				Projected (by Arcadis) (Base: 12/2006 = 100) (see explanatory notes below)			
	2018	2019	2020	2021	2018	2019	2020	2021
Month / Year	2018	2019	2020	2021	2018	2019	2020	2021
January	112.4	104.6	101.3	97.3	132.2	138.3	140.1	136.3
February	111.9	104.6	101.6	97.0	130.4	136.4	138.6	134.5
March	110.9	104.7	101.0	97.8	131.2	137.3	138.7	135.7
April	110.0	105.0	99.2		129.8	136.3	135.2	
May	109.7	104.3	98.9		130.1	135.7	134.2	
June	109.7	103.6	98.9		130.7	135.5	134.0	
July	109.8	103.1	98.3		134.6	138.8	136.4	
August	109.7	102.7	98.3		132.8	136.4	134.0	
September	109.2	102.4	98.4		133.0	136.2	134.0	
October	108.5	102.1	98.2		130.0	132.7	130.3	
November	108.4	101.5	98.0		131.9	133.9	131.2	
December	106.1	101.2	97.6		134.5	136.1	132.8	

Source : National Bureau of Statistics (NBS) of China

Notes:

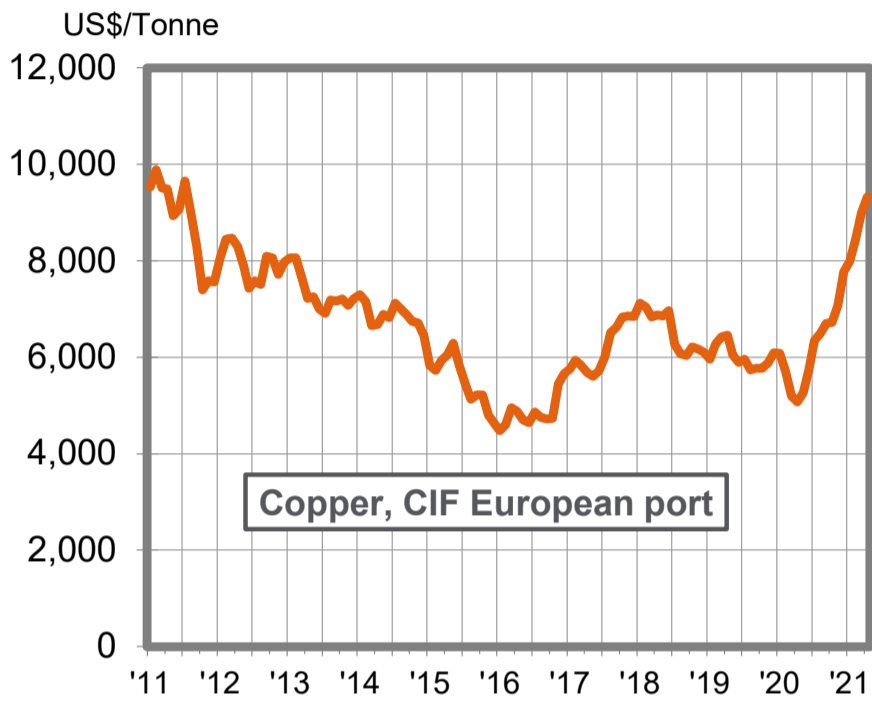
Data are published on a monthly basis, measuring the year-on-year change in price level of each month, but the quarter-on-quarter change is not published, i.e. the changes between consecutive quarters are not given.

To give an illustration of the price trend over time, Arcadis applies a hypothetical calculation to derive the data table and chart as above. For comparison purpose, December 2006 is referred to as base and the base index as 100.

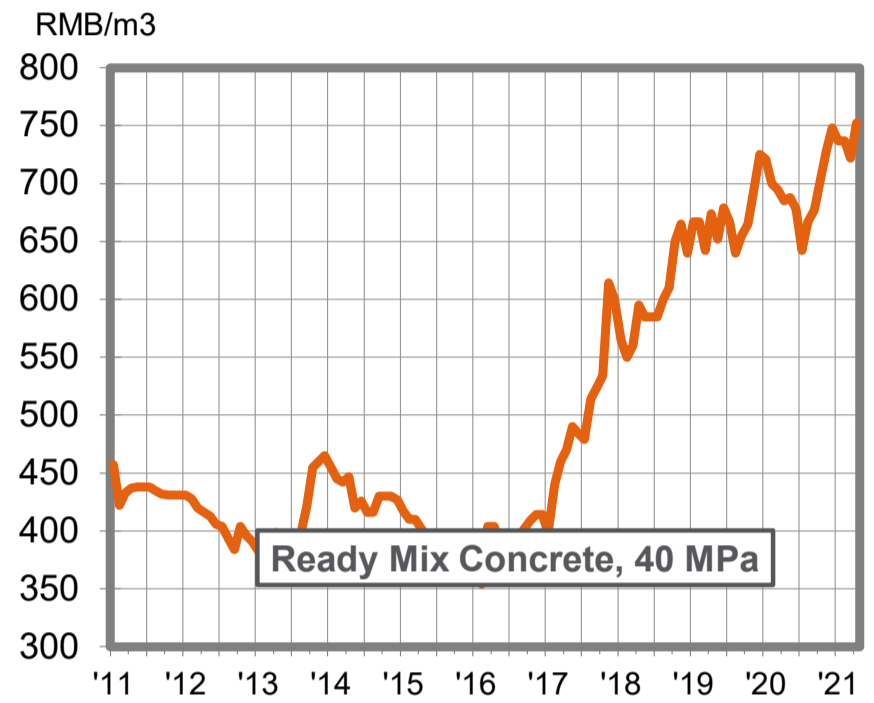


5 Materials Mainland China

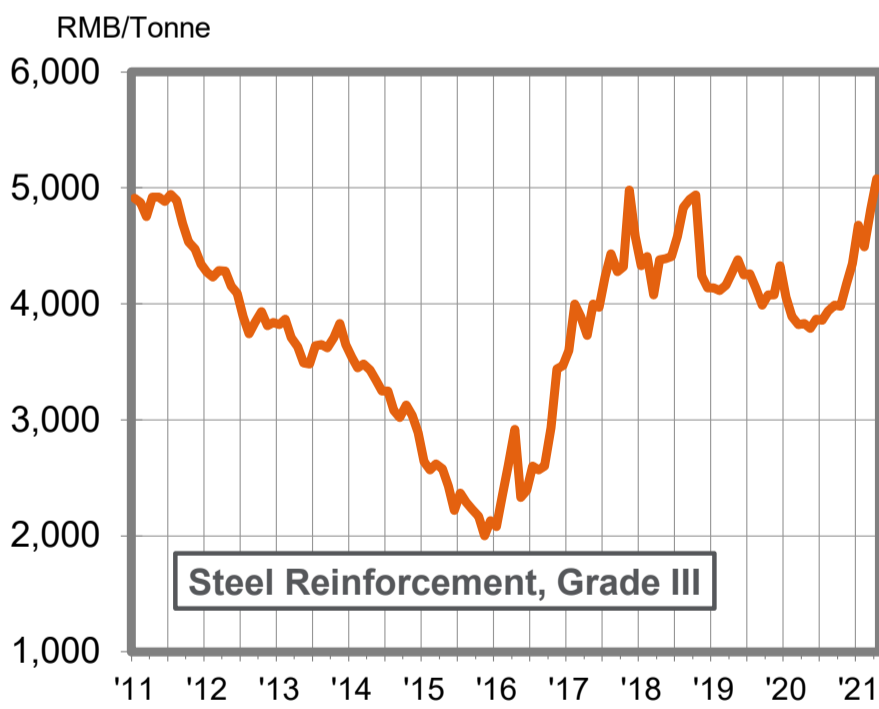
Basic Construction Materials



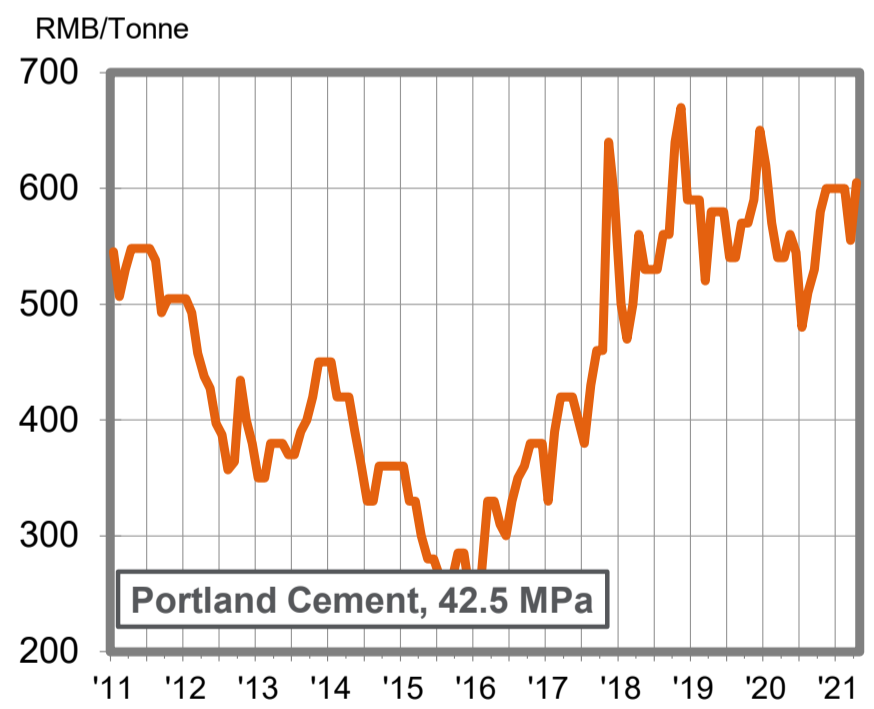
Source : London Metal Exchange



Shanghai Municipal Management Commission of Housing and Urban-Rural Development



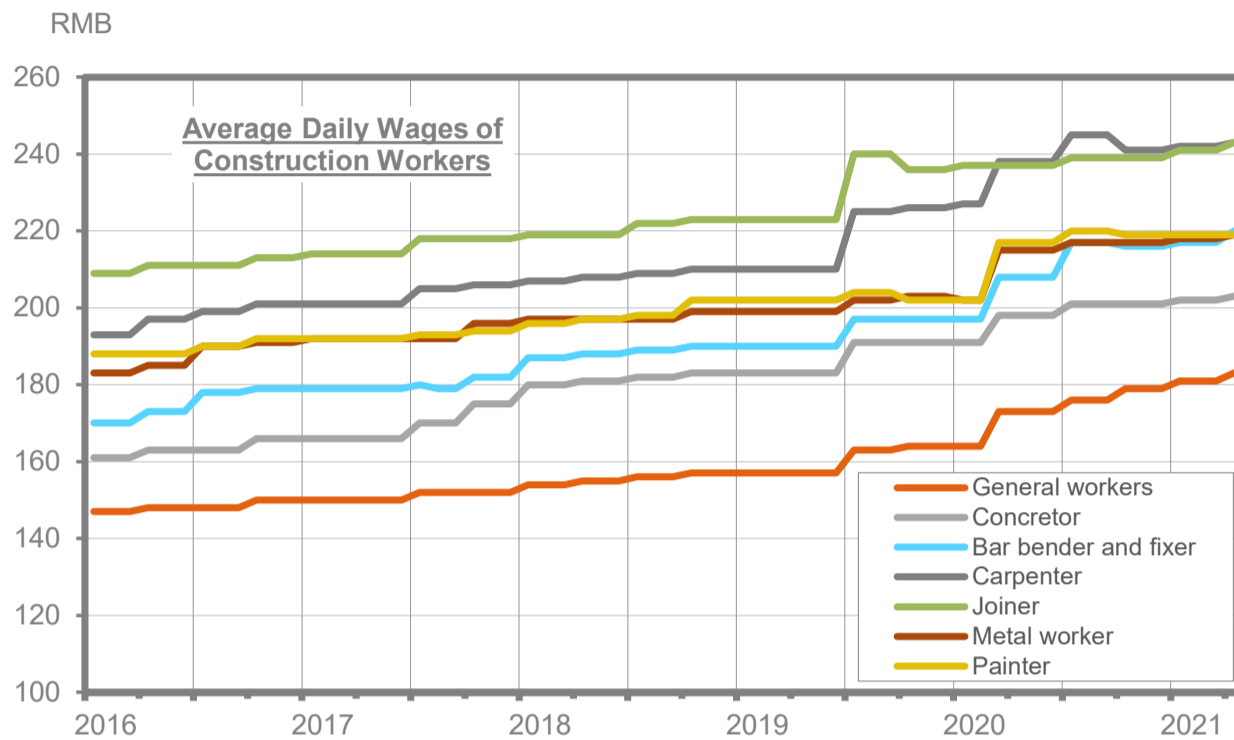
Shanghai Municipal Management Commission of Housing and Urban-Rural Development



Shanghai Municipal Management Commission of Housing and Urban-Rural Development

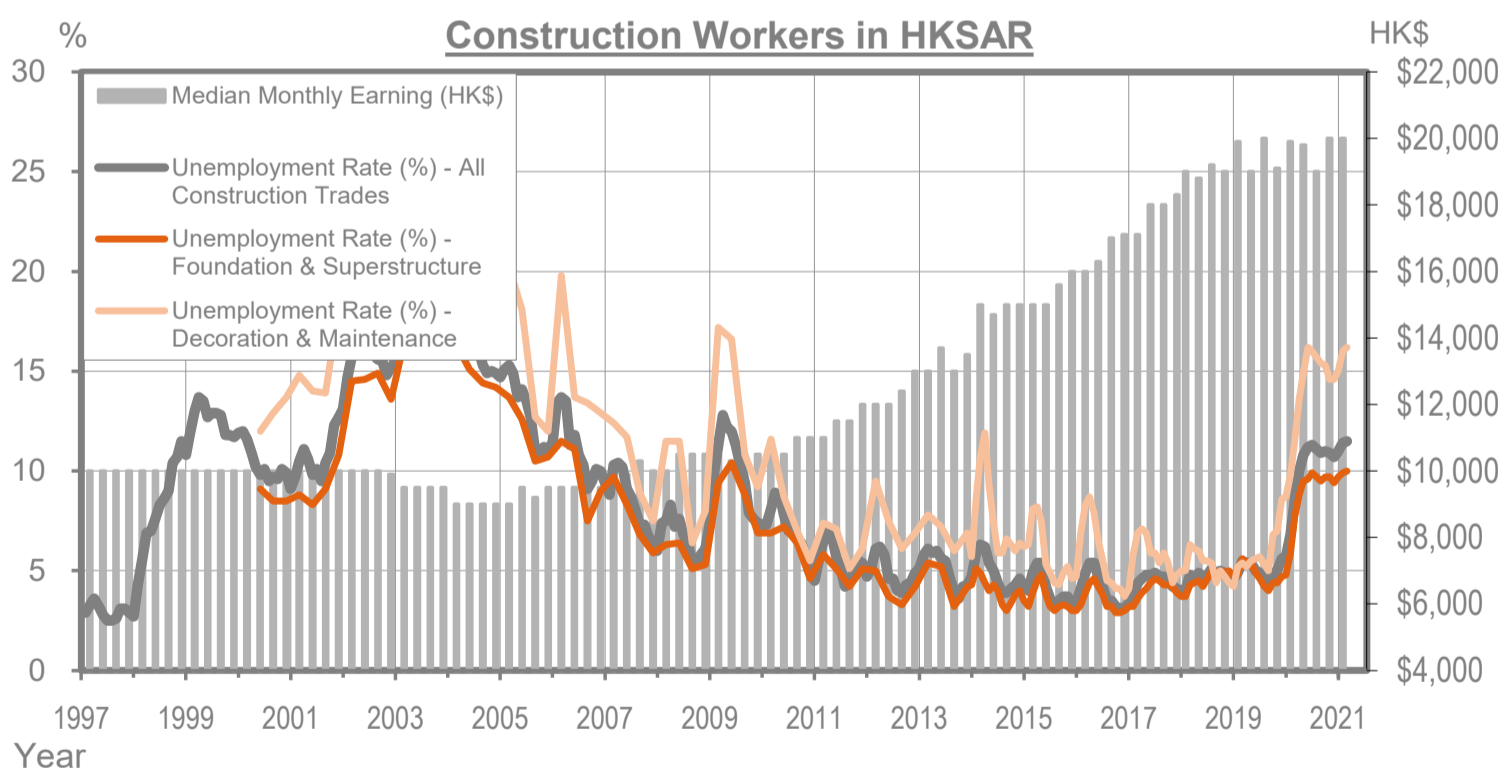
6 Labour

Mainland China



Source : Shanghai Municipal Management Commission of Housing and Urban-Rural Development

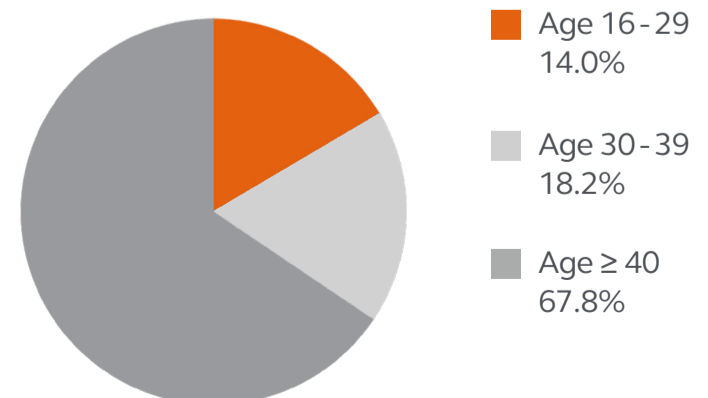
Hong Kong SAR



Source : Census & Statistics Department, Hong Kong SAR

Age Group	No. of Workers Employed by Construction Industry	
Age 16-29	78,774	14.0%
Age 30-39	102,648	18.2%
Age ≥ 40	382,436	67.8%
Total (as at Mar 2021)	563,858	100.0%

Source : Construction Industry Council

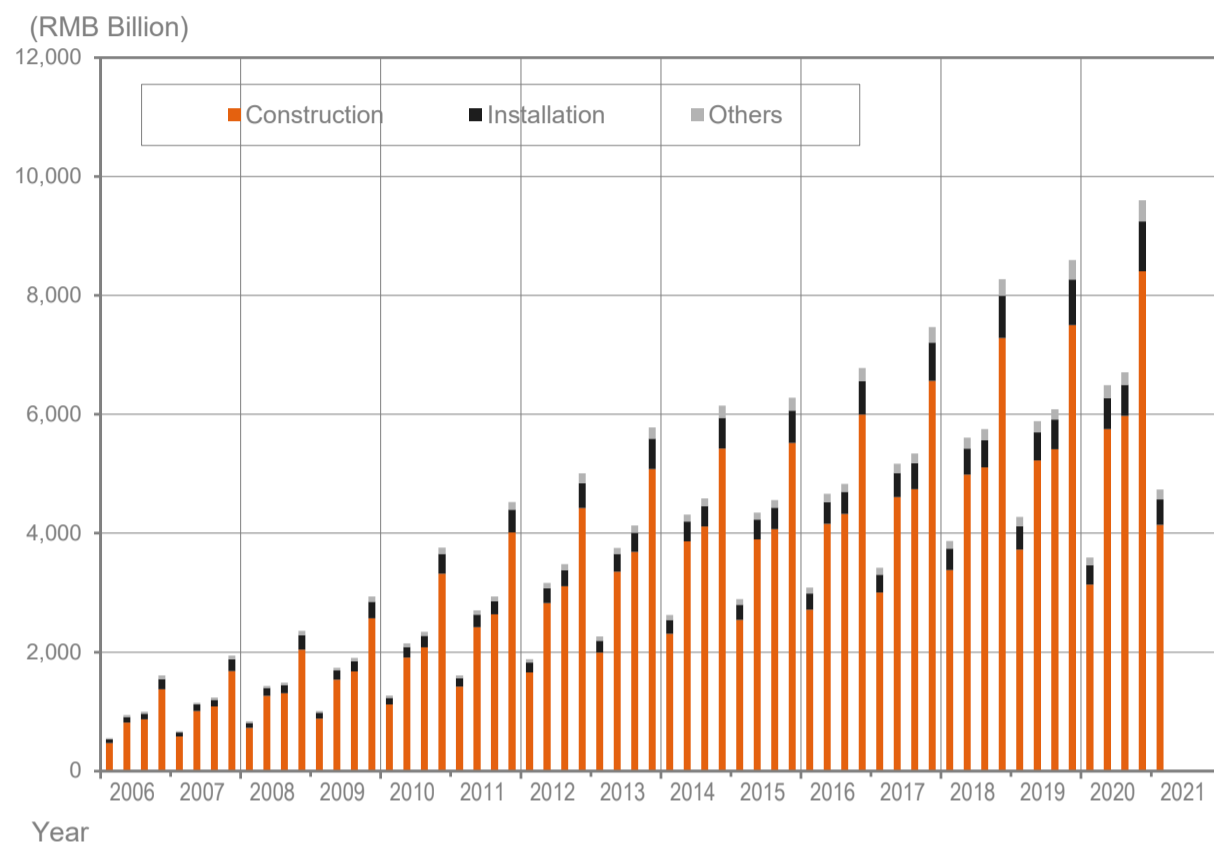


Age Distribution of Workers



Gross Value of Construction Work Performed

Mainland China



Quarter	Value Performed (RMB Billion)									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
A. Construction										
1 st Quarter	1,661	1,994	2,311	2,544	2,712	3,003	3,382	3,727	3,138	4,141
2 nd Quarter	2,826	3,355	3,866	3,899	4,158	4,609	4,985	5,223	5,753	
3 rd Quarter	3,111	3,687	4,113	4,068	4,322	4,742	5,106	5,414	5,977	
4 th Quarter	4,427	5,078	5,425	5,517	5,994	6,562	7,286	7,502	8,405	
Year Total:	12,025	14,115	15,714	16,028	17,186	18,916	20,759	21,867	23,272	4,141
B. Installation										
1 st Quarter	165	200	230	255	277	303	358	393	326	428
2 nd Quarter	251	300	333	331	366	405	438	476	523	
3 rd Quarter	271	322	346	363	374	437	459	498	519	
4 th Quarter	413	514	517	548	561	646	708	768	840	
Year Total:	1,100	1,336	1,426	1,498	1,578	1,791	1,963	2,135	2,208	428
C. Others										
1 st Quarter	57	69	83	91	96	113	129	155	127	164
2 nd Quarter	86	100	118	117	138	154	187	186	217	
3 rd Quarter	97	123	126	126	137	160	189	173	213	
4 th Quarter	166	189	205	216	222	262	282	328	357	
Year Total:	406	481	531	550	593	689	787	843	915	164
Annual gross value performed (A + B + C)										
Total:	13,530	15,931	17,671	18,076	19,357	21,396	23,509	24,845	26,395	4,733

Source : National Bureau of Statistics of China

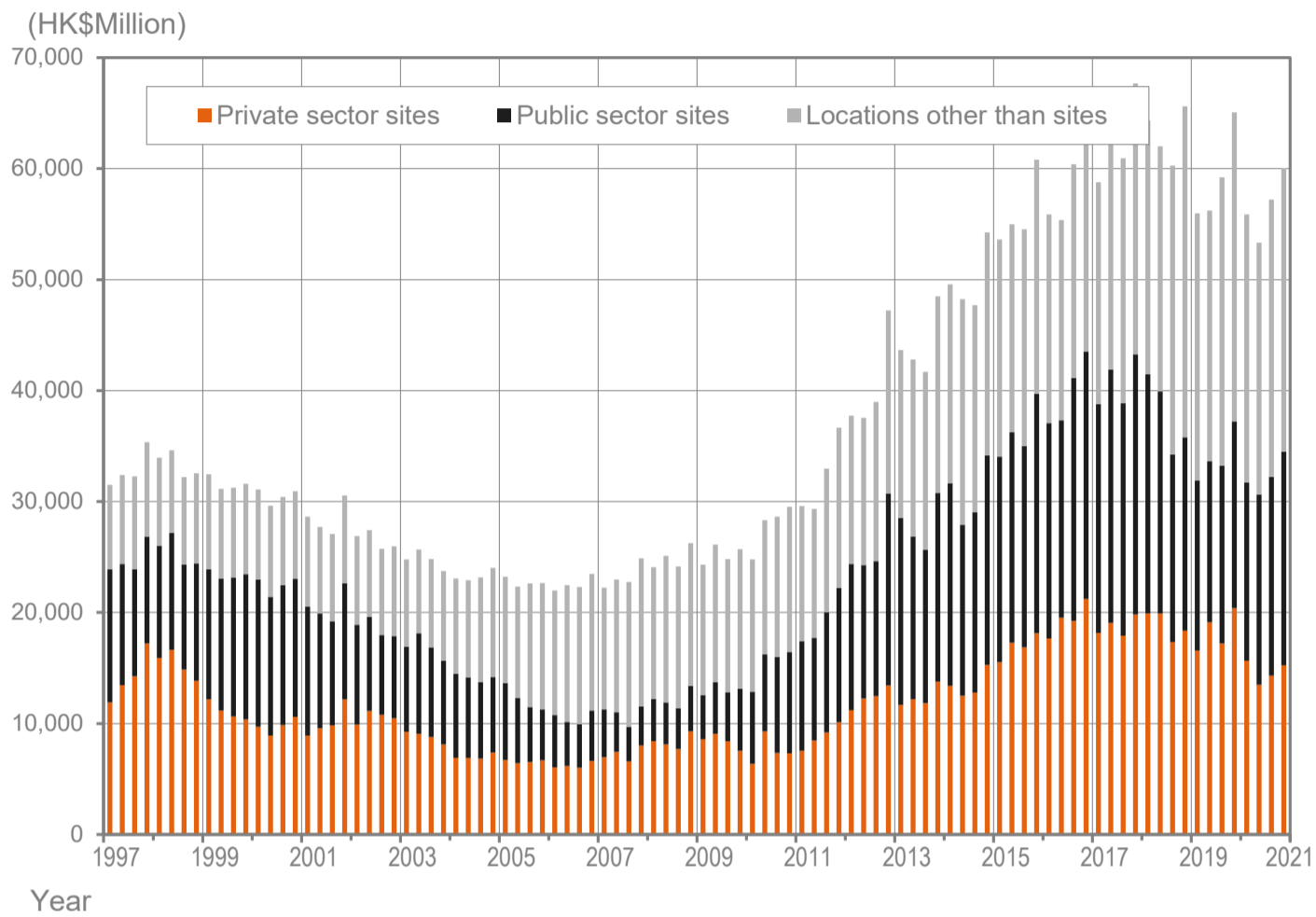
Notes :

1. Value of "Construction" refers to the value of projects included in the project budgets.
2. Value of "Installation" refers to the value of the installation of equipment, excluding the value of the equipment to be installed.
3. Value of "Others" refer to the output value excluding construction projects and installation projects. It includes: output value of repairing buildings and structures; output value of non-standard equipment manufacturing; overhead expenses received by contracted enterprises from the sub-contracted enterprises and the completed output value of construction activities undefined.



8 Gross Value of Construction Work Performed

Hong Kong



Value performed (HK\$ Million)										
Quarter	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
A. Private sector sites										
1 st Quarter	7,529	11,209	11,675	13,395	15,528	17,652	18,150	19,918	16,583	15,647
2 nd Quarter	8,458	12,260	12,176	12,507	17,284	19,530	19,070	19,925	19,112	13,489
3 rd Quarter	9,192	12,481	11,848	12,792	16,849	19,252	17,912	17,340	17,199	14,303
4 th Quarter	10,102	13,411	13,781	15,259	18,119	21,231	19,813	18,369	20,393	15,225*
Year Total:	35,281	49,361	49,480	53,953	67,780	77,665	74,945	75,552	73,287	58,664*
B. Public sector sites										
1 st Quarter	9,880	13,168	16,829	18,258	18,531	19,414	20,639	21,533	15,338	16,083
2 nd Quarter	9,263	12,023	14,690	15,397	18,964	17,780	22,827	20,002	14,512	17,155
3 rd Quarter	10,814	12,137	13,792	16,253	18,163	21,878	20,934	16,888	16,022	17,940
4 th Quarter	12,113	17,332	16,976	18,915	21,585	22,295	23,455	17,433	16,825	19,250*
Year Total:	42,070	54,660	62,287	68,823	77,243	81,367	87,855	75,856	62,697	70,428*
C. Location other than sites										
1 st Quarter	12,172	13,347	15,140	17,909	19,549	18,809	19,963	22,871	24,032	24,126
2 nd Quarter	11,620	13,245	15,914	20,327	18,744	18,041	20,657	22,073	22,592	22,674
3 rd Quarter	12,953	14,358	16,038	18,636	19,520	19,274	22,093	26,027	25,992	24,971
4 th Quarter	14,439	16,479	17,716	20,088	21,111	21,333	24,406	29,797	27,839	25,572*
Year Total:	51,184	57,429	64,808	76,960	78,924	77,457	87,119	100,768	100,455	97,343*
Annual gross value performed (A + B + C)										
Total:	128,535	161,450	176,575	199,736	223,947	236,489	249,919	252,176	236,439	226,435*

*Provisional

Source : Census and Statistics Department, Hong Kong SAR



9 Approximate Building Costs for Major Cities

Asia

BUILDING TYPE	Shanghai	Beijing	Guangzhou/ Shenzhen	Chongqing/ Chengdu
	Q1/2021	Q1/2021	Q1/2021	Q1/2021
RMB/ m ² CFA				
DOMESTIC				
Apartments, high rise, average standard				
- Shell and core	3,049 - 3,476	2,801 - 3,230	2,732 - 3,012	2,710 - 3,155
- Full fit	5,034 - 5,548	4,432 - 4,868	4,262 - 4,691	4,100 - 4,879
Apartments, high rise, high end				
- Shell and core	3,666 - 3,971	3,337 - 4,841	2,850 - 3,710	3,309 - 4,338
- Full fit	11,366 - 12,388	10,734 - 12,223	6,859 - 7,505	6,638 - 8,368
Terraced houses, average standard				
- Shell and core	3,446 - 3,668	3,233 - 3,776	2,895 - 3,189	3,335 - 4,022
- Full fit	6,955 - 7,573	6,343 - 6,873	6,390 - 7,410	5,663 - 6,696
Detached houses, high end				
- Shell and core	5,019 - 5,548	4,869 - 5,419	3,953 - 4,354	4,380 - 5,029
- Full fit	12,229 - 12,971	12,189 - 12,719	12,257 - 13,929	7,213 - 8,239
OFFICE/COMMERCIAL				
Medium/high rise offices, average standard	6,394 - 8,452	6,200 - 8,348	5,955 - 6,635	6,511 - 7,533
High rise offices, prestige quality	8,296 - 11,348	10,074 - 13,711	8,701 - 10,496	8,226 - 11,071
Out-of-town shopping centre, average standard	N/A	4,725 - 6,315	5,738 - 6,295	5,253 - 6,725
Retail malls, high end	8,796 - 11,348	8,545 - 11,761	8,334 - 11,652	7,833 - 10,964
INDUSTRIAL				
Industrial units, shell only (Conventional single storey framed units)	1,991 - 2,434	1,951 - 2,379	2,223 - 2,651	3,200 - 4,029
Owner operated factories, low rise, light weight industry	3,078 - 3,849	3,773 - 4,324	N/A	N/A
HOTELS				
Budget hotels - 3-star, mid market	7,064 - 8,615	6,988 - 8,613	7,546 - 8,300	7,054 - 8,705
Business hotels - 4/5-star	11,380 - 15,412	11,686 - 15,425	12,196 - 17,410	12,694 - 15,846
Luxury hotels - 5-star	15,390 - 18,400	14,874 - 19,143	16,580 - 18,273	15,639 - 18,734
OTHERS				
Underground/basement car parks (<3 levels)	5,278 - 7,357	5,398 - 5,935	3,936 - 6,281	3,107 - 4,365
Multi storey car parks, above ground (<4 levels)	2,705 - 3,776	3,249 - 3,283	2,808 - 3,100	2,471 - 3,050
Schools (primary and secondary)	4,033 - 5,091*	3,759 - 4,854*	3,120 - 3,433*	3,285 - 3,636*
Students' residences	2,953 - 4,026	2,658 - 3,759	1,971 - 2,175	2,291 - 3,331
Sports clubs, multi purpose sports/leisure centres (dry sports) with a/c and including FF&E	6,804 - 8,355	6,438 - 6,492	5,438 - 5,982	5,200 - 5,724
General hospitals - public sector	10,395 - 13,403	8,464 - 10,598	8,239 - 10,299	8,328 - 10,401

The above costs are at 1st Quarter 2021 levels.



9 Approximate Building Costs for Major Cities

Asia

BUILDING TYPE	Hong Kong	Macau	Singapore	Kuala Lumpur
	Q1 / 2021	Q1 / 2021	Q1 / 2021	Q1 / 2021
	USD/ m ² CFA (See also exchange rates per U.S. dollar below)			
	HK\$ 7.75	MOP 7.980	S\$ 1.33	RM 4.16
DOMESTIC				
Apartments, high rise, average standard				
- Shell and core	N/A	1,753 - 2,599	N/A	N/A
- Full fit	2,990 - 3,460	2,258 - 2,762	1,580 - 1,730	315 - 600 \$
Apartments, high rise, high end				
- Shell and core	N/A	2,599 - 3,897	N/A	N/A
- Full fit	3,870 - 4,520	3,154 - 4,819	2,445 - 3,570	710 - 1,425
Terraced houses, average standard				
- Shell and core	N/A	3,079 - 3,822	N/A	N/A
- Full fit	4,080 - 4,720	3,848 - 4,592	2,030 - 2,255	225 - 355 \$\$
Detached houses, high end				
- Shell and core	N/A	3,722 - 5,361	N/A	N/A
- Full fit	5,970 up	4,693 - 6,106	2,595 - 3,420	755 - 1,005
OFFICE/COMMERCIAL				
Medium/high rise offices, average standard	2,950 - 3,390&	2,599 - 3,356	2,030 - 2,255@	595 - 770 \$\$\$
High rise offices, prestige quality	3,540 - 4,080	3,356 - 3,672	2,295 - 2,480@	930 - 1,300 \$\$\$\$
Out-of-town shopping centre, average standard	2,930 - 3,430	2,447 - 3,672	2,295 - 2,370	550 - 730
Retail malls, high end	3,790 - 4,520	3,848 - 4,643	2,445 - 2,630	690 - 1,025
INDUSTRIAL				
Industrial units, shell only (Conventional single storey framed units)	N/A	N/A	900 - 1,090	320 - 440
Owner operated factories, low rise, light weight industry	2,270 - 2,850	N/A	N/A	440 - 530
HOTELS				
Budget hotels - 3-star, mid market	3,750 - 4,000	3,419 - 3,873	2,555 - 2,780	1,030 - 1,430
Business hotels - 4/5-star	3,880 - 4,530	4,643 - 5,550	3,270 - 3,645	1,350 - 2,220
Luxury hotels - 5-star	4,530 - 5,210	5,550 - 6,560	3,270 - 3,645	1,970 - 2,500
OTHERS				
Underground/basement car parks (<3 levels)	3,200 - 3,830	2,030 - 2,977	1,090 - 1,465	320 - 540
Multi storey car parks, above ground (<4 levels)	1,910 - 2,270	1,123 - 1,476	750 - 1,090@@	220 - 350
Schools (primary and secondary)	2,490 - 2,680*	2,246 - 2,599	N/A	250 - 315 \$\$\$\$\$
Students' residences	2,850 - 3,210	1,778 - 2,069	1,880 - 1,990	300 - 370 \$\$\$\$\$\$
Sports clubs, multi purpose sports/leisure centres (dry sports) with a/c and including FF&E	3,740 - 4,270	N/A	2,330 - 2,480	600 - 745
General hospitals - public sector	4,750 - 5,280	N/A	3,270 - 3,420	845 - 1,190

Singapore: Rates are nett of GST.
The above costs are at 1st Quarter 2021 levels.



9 Approximate Building Costs for Major Cities

Asia

BUILDING TYPE	Bangkok	Bangalore	Manila	Ho Chi Minh
	Q1 / 2021	Q1 / 2021	Q1 / 2021	Q1 / 2021
	USD/ m2 CFA (See also exchange rates per U.S. dollar below)			
	BAHT 31.60	INR 74.39	PHP 48.47	VND 23,450
DOMESTIC				
Apartments, high rise, average standard				
- Shell and core	557 - 712	520 - 580	N/A	N/A
- Full fit	800 - 947	585 - 665	1,019 - 1,438	653 - 810
Apartments, high rise, high end				
- Shell and core	649 - 842	765 - 910	N/A	N/A
- Full fit	1,066 - 1,312	880 - 1,060	1,417 - 2,615	831 - 953
Terraced houses, average standard				
- Shell and core	316 - 411	345 - 375	N/A	N/A
- Full fit	500 - 614	405 - 425	993 - 1,214	440 - 517
Detached houses, high end				
- Shell and core	554 - 791	460 - 490	N/A	N/A
- Full fit	866 - 1,046	530 - 560	1,927 - 3,268	503 - 613
OFFICE/COMMERCIAL				
Medium/high rise offices, average standard	800 - 947	460 - 500	1,009 - 1,259	764 - 885
High rise offices, prestige quality	999 - 1,279	580 - 610	1,460 - 1,841	882 - 1,201
Out-of-town shopping centre, average standard	683 - 880	450 - 490	858 - 1,068	N/A
Retail malls, high end	916 - 963	630 - 675	1,171 - 1,641	714 - 935
INDUSTRIAL				
Industrial units, shell only (Conventional single storey framed units)	533 - 664	365 - 420	571 - 736	313 - 395
Owner operated factories, low rise, light weight industry	N/A	385 - 450	768 - 960	355 - 468
HOTELS				
Budget hotels - 3-star, mid market	1,249 - 1,378	865 - 960	1,281 - 1,428	1,417 - 1,734
Business hotels - 4/5-star	1,599 - 1,827	1,350 - 1,600	1,450 - 2,412	N/A
Luxury hotels - 5-star	1,866 - 2,159	1,705 - 1,870	1,992 - 3,836	1,790 - 2,148
OTHERS				
Underground/basement car parks (<3 levels)	600 - 797	295 - 320	600 - 790	648 - 774
Multi storey car parks, above ground (<4 levels)	200 - 325	245 - 265	509 - 732	417 - 458
Schools (primary and secondary)	N/A	305 - 340	751 - 1,036	548 - 598
Students' residences	N/A	335 - 370	795 - 1,020	548 - 703
Sports clubs, multi purpose sports/leisure centres (dry sports) with a/c and including FF&E	N/A	620 - 650	1,271 - 1,849	810 - 866
General hospitals - public sector	N/A	675 - 740	1,527 - 1,770	N/A

Bangkok: Rates are nett of VAT.
 Bangalore: Rates are nett of GST.
 Manila: Rates include 12% VAT.
 Ho Chi Minh: Rates are nett of VAT.
 The above costs are at 1st Quarter 2021 levels.



9 Approximate Building Costs for Major Cities

Asia

BUILDING TYPE	OUTLINE SPECIFICATION
DOMESTIC	
Apartments, high rise, average standard	<u>Shell and core</u> , including finishes to public area, but <u>excluding</u> finishes to apartment units <u>Full fit</u> , with air-conditioning, kitchen cabinets and home appliances, but <u>excluding</u> decorative light fittings and loose furniture
Apartments, high rise, high end	<u>Shell and core</u> , including finishes to public area, but <u>excluding</u> finishes to apartment units <u>Full fit</u> , good quality provisions, with air-conditioning, kitchen cabinets and home appliances, but <u>excluding</u> decorative light fittings and loose furniture
Terraced houses, average standard	<u>Shell and core</u> , joined houses in row(s), <u>excluding</u> garden, parking, finishes and fittings to house interior <u>Full fit</u> , joined houses in row(s), with air-conditioning, kitchen cabinets and home appliances, but <u>excluding</u> decorative light fittings, loose furniture, garden and parking
Detached houses, high end	<u>Shell and core</u> , good quality facade, <u>excluding</u> garden, parking, finishes and fittings to house interior <u>Full fit</u> , good quality provisions, with air-conditioning, kitchen cabinets and home appliances, but <u>excluding</u> decorative light fittings, loose furniture, garden and parking
OFFICE / COMMERCIAL	
Medium/high rise offices, average standard	RC structure, curtain wall, including public area fit-out, tenant area with raised floor/ carpet, painted wall and false ceiling
High rise offices, prestige quality	
Out-of-town shopping centre, average standard	Including public area fit-out and M&E, but <u>excluding</u> shop fit-out
Retail malls, high end	
INDUSTRIAL	
Industrial units, shell only (Conventional single storey framed unit)	RC structure with steel roof and M&E to main distribution, but <u>excluding</u> a/c, heating and lighting
Owner operated factories, low rise, light weight industry	RC structure, including small office with simple fit-out and M&E, but <u>excluding</u> a/c and heating
HOTEL	
Budget hotels - 3-star, mid market	1) Interior decoration 2) Furniture (fixed and movable) 3) Special light fittings (chandeliers, etc.) 4) Operating Supplies and Equipment (OS&E) excluded
Business hotels - 4/5-star	
Luxury hotels - 5-star	
OTHERS	
Underground/basement car parks (<3 levels)	RC structure
Multi storey car parks, above ground (<4 levels)	RC structure, natural ventilation, no facade enclosure
Schools (primary and secondary)	Including fit-out and a/c, but <u>excluding</u> educational equipment
Students' residences	Including fit-out, loose furniture and a/c
Sports clubs, multi purpose sports/leisure centres (dry sports)	Dry sports (no swimming pool) and are for 'leisure centre' type schemes including main sports hall, ancillary sports facilities, changing and showers, restaurant / cafe, bar, etc. Costs include a/c, Furniture, Fittings and Equipment (FF&E)
General hospital - public sector	<u>Excluding</u> medical and operating equipment

Notes :

- The costs for the respective categories given above are averages based on fixed price competitive tenders. It must be understood that the actual cost of a building will depend upon the design and many other factors and may vary from the figures shown.
- The costs per square metre are based on Construction Floor Areas (CFA) measured to the outside face of the external walls / external perimeter including lift shafts, stairwells, balconies, plant rooms, water tanks and the like.
- All buildings are assumed to have no basements (except otherwise stated) and are built on flat ground, with normal soil and site conditions. The cost excludes site formation works, external works, land cost, professional fees, finance and legal expenses.
- The standard for each category of building varies from region to region and do not necessarily follow that of each other.
- "Shell and core" generally covers ONLY base building elements. "Shell" refers to overall structure and foundations, exterior walls, floors and roof, completing with common areas, staircases, lift shafts, service ducts and fire services systems to local statutory requirements. "Core" refers to fully-fitted public areas (like lobbies, corridors and lavatories) and M&E main plant and upfeed, with tenant or occupant areas unfurnished.
- "Full fit" buildings should complete with all elements that allow the buildings to be ready for operation, including public and tenants' (or occupants') areas (i.e. with ALL finishes, fittings and M&E distributions).
- Fluctuation in exchange rates may lead to changes in construction costs expressed in U.S. dollars.
- Hong Kong, Beijing, Shanghai, Guangzhou/Shenzhen, Chongqing/Chengdu: * Public authority standard, no a/c and complete with basic external works. Hong Kong: & Excluding raised floor/carpet and false ceiling but including screeded floor and painted ceiling. Singapore: @ Excluding carpet @@ Open on all sides with parapet Kuala Lumpur \$ 6-12 units per floor, 46m² - 83m² per unit; excluding air-conditioning, kitchen cabinets and home appliances \$\$ Excluding air-conditioning, kitchen cabinets and home appliances \$\$\$ Exclude tenant fit-out and raised floor \$\$\$\$ Exclude tenant fit-out \$\$\$\$\$ Standard government provisions \$\$\$\$\$\$ University standard
- The data for Bangalore / India is provided by Arkind LS Private Limited, an Arcadis Alliance Partner.



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