

**HONGKONG REALTORS FEEL THE PINCH :
WHO WILL SURVIVE AND WHO WILL DIE ?**

As the economy of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) continues to move from one plateau to another, lower plateau, questions in the real-estate industry abound as to which of the 'Big 3' realtors will be left alive, after the dust has cleared.

The 'Big 3', to which TARGET is referring, are the 3 major realtors of the territory, as the Americas would call them, those companies which act as middlemen between vendor and purchaser of property, be they new properties or properties in the secondary market.

The Big 3 realtors in the HKSAR are:

Midland Realty (Holdings) Ltd (Code: 1200, Main Board, The Stock Exchange of Hongkong Ltd;
Centaline Property Agency Ltd; and,
Ricacorp Properties Ltd.

Midland has 167 branches in the HKSAR; Centaline has 180 branches; and, Ricacorp has 52 branches.

When business was good in the HKSAR, all 3 major players, plus a host of much smaller realtors, did a roaring business.

And anybody and his cat could enter the fray, with or without an office.

But, during the past few years, the pickings have been rather lean, to be sure.

The small shops have all but closed down, leaving the bulk of the business in the hand of the Big 3.

Whenever a company grows to a certain size, invariably, there will be disputes with customers and the trades, and some of these disputes will, invariably, land up in the Courts where judges will make determinations as to who is in the right and who is in the wrong, who will pay, and who will receive payment.

But, when a company, of the size of any one of the Big 3, gets sued for not paying rent on one or more of its offices, or when labour successfully stakes a claim(s), then, that is an entirely different matter to a dispute between the company and a client/agent/trades over the payment of a fee or the failure to pay for a service.

In the case of Midland, there appears to have been no legal Actions of materiality, filed against the company in the past few years.

No so for Ricacorp and Centaline, however.

According to **TOLFIN** (TARGET's Online Computerised Information Service), Ricacorp has been on the receiving end of not less than ... [CLICK TO ORDER FULL ARTICLE](#)

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