



For Immediate Release
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Fourth Quarter 2021 Citi Residential Property Ownership Survey

*Over 40% of respondents expect stable home prices in the coming year
and are cautious about purchasing a property*

Citi Hong Kong conducted a survey in December 2021 on residential property ownership in Q4 2021. According to the survey results:

- 36% of the respondents expected property prices to rise in the coming year, a slightly lower percentage compared with the previous quarter, but higher than the level recorded in the same period in 2020. 42% of respondents expected property prices to be stable in the coming year.
- 5% of the respondents believed that it was a good time to buy a property, a slightly higher percentage compared with the previous quarter.
- 12% of the respondents expressed interest in property ownership, a slightly lower percentage compared with the previous quarter. According to the survey results, more than 370,000 people toured properties in November or December last year. However, more than 60% of respondents said that they are not interested in property ownership at present, representing the highest proportion in the past five years.
- The Fourth Quarter 2021 Citi Residential Property Ownership Survey found that most respondents expected a steady development of property prices in the coming year, and, while the proportion of respondents who consider it is a good time to purchase a home has slightly increased, a number of respondents are not interested in property ownership at the moment.

42% of respondents expect property prices to remain flat in the coming year, and a slightly higher percentage of respondents consider it is a good time to purchase a home

The proportion of respondents who expressed optimism about property prices in Q4 2021 dropped slightly, with 36% of the respondents expecting property prices to rise in the coming year, and 42% anticipating stable property prices. For the whole year of 2021, an average of 40% of respondents expected an upward trend in property prices, a higher percentage than the average of 23% recorded in the previous year. In addition, in Q4 2021, 5% of the respondents considered it to be a good time to buy a property, representing a slight increase compared with the previous quarter. On the other hand, 12% of respondents expressed interest in buying a home, a slight drop compared with the previous quarter. According to the survey results, about 372,000 people toured properties in November or December last year. Overall speaking, respondents expected the property market to develop steadily. Although there is a slight increase in respondents considered it to be a good time to buy a property, there are also more respondents not showing interest in property ownership at the moment. Respondents were holding a wait-and-see attitude towards home ownership.

The Residential Property Ownership Survey was conducted in December last year. Although the local pandemic situation was relatively mild at that time, considering that the residential property price in Hong Kong peaked in August last year, followed by a moderate adjustment by 3% until the end of the year, it was reasonable that the proportion of respondents expressing optimism about the property price has dropped.



Looking forward to this year, the property market may be subject to more challenging factors. With the expected increase in the supply of public and private housing, the housing shortage of the past years may be reversed, and the expected interest rate hike in the United States will also have a psychological impact on the repayment of mortgage loans by prospective owners. Together with the lowering of the rate of rental return, the demand for residential investment may decline accordingly. Factors such as supply and demand for property, costs of repayment of mortgage loans and investment income may affect the perceptions of the respondents regarding the overall property market.

How do you think home prices will trend in the next 12 months?					
Percentage of Respondents					
	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Upward	22%	33%	54%	38%	36%
Flat	43%	47%	35%	37%	42%
Downward	36%	20%	12%	25%	22%

If you do not own any property now, taking your current standard of living and family finances into consideration, do you think it is a good time to purchase a home now?					
Percentage of Respondents					
	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
A good/an excellent time to purchase	8%	7%	7%	4%	5%
Neutral	39%	37%	38%	41%	45%
A bad/terrible time to purchase	54%	56%	55%	55%	50%

How interested are you in purchasing a property now?					
Percentage of Respondents					
	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Very/rather interested	17%	17%	14%	13%	12%
Neutral	27%	29%	28%	33%	26%
Very/rather uninterested	56%	54%	58%	54%	62%

“The survey results show that citizens were cautious about the property market in Q4 2021,” said Josephine Lee, Head of Retail Bank at Citi Hong Kong. “More than 40% of the respondents expected property prices to remain flat in the coming year. Although a slightly higher percentage of respondents consider it to be a good time to buy a property, over 60% of respondents are not interested in buying a property at the moment, showing a wait-and-see attitude towards home ownership. We recommend that citizens should assess their personal financial condition comprehensively when considering buying a property and seek an appropriate mortgage plan to execute their home ownership plan. They should also start reviewing their asset allocation as soon as possible, adjusting their investment portfolio in different market situations to accumulate wealth. This can help to empower them to realise their aspirations in home buying sooner.”

Citibank commissioned the University of Hong Kong Social Sciences Research Centre to conduct the survey, interviewing a random sample of more than 500 Hong Kong respondents by phone in December 2021. Since 2010, Citibank has been conducting surveys of the Hong Kong housing market to assess the current state of home ownership



in the SAR, gauge public intentions towards home ownership, and track public expectations of future housing price trends.

Source: Citibank Q4 2021 Residential Property Ownership Survey

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