



**For Immediate Release**  
**Citigroup Inc. (NYSE symbol: C)**  
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## **2023 Citi Residential Property Ownership Survey**

*Over 10% of respondents think it is a good time now to buy a property,  
the second highest proportion recorded in the past 11 years  
Dream of home ownership undeterred by falling home prices as over one-  
fifth of young respondents remain interested in buying a new home*

**Hong Kong** – Citi Hong Kong conducted a survey in September 2023 on residential property ownership in Hong Kong. The survey results found that:

- The proportion of respondents anticipating a rise in housing prices in the coming 12 months dropped to 10% in Q3 this year, compared with 12% in the same period last year. More than half of the respondents expected that housing prices would decline in the coming 12 months.
- The proportion of respondents who think it is a good time now to buy a property fell to 13%, three percentage points down from the same period last year but still the second highest proportion recorded in the past 11 years.
- 13% of the respondents expressed an interest in home ownership, two percentage points down from the same period last year. Of this group of respondents, 75% expected housing prices falling further to the point where making a purchase would eventually be considered desirable. There is a median gap of 24% between the perceived ideal housing price and the current market price. Among those who are interested to buy a property, the median of their ideal price is HK\$5 million.
- The respondents in the age group between 21 and 29 were most interested in home ownership, with 21% expressing an interest to buy a property, representing the same level of interest seen last year. Among the young respondents, their discontent to their current place of residence is mostly related to their dissatisfaction with the transport network and supporting facilities there.
- 80% of the young respondents showed support for easing the “cooling measures” for the housing market, while 93% expressed support for a re-launch of down payment assistance policy. 56% of the respondents pointed to the positive effect of lower stamp duties on their desire to purchase a property and the price range of properties available for selection, while 46% suggested that a relaxation of property value limits for mortgage insurance would create a similar effect.
- For respondents who purchased property in the past five years, the top three reasons are: “desire for a more spacious living environment” (56%), “better transport accessibility” (41%), and “capitalizing on a buying opportunity accorded by falling property prices” (33%).
- 26% of the respondents who purchased property in the past five years opted for pre-sale properties, with approximately the same proportions choosing between the Cash Payment Plan and the Stage Payment Plan.

- 87% of the home-owner respondents expressed no interest in selling their property. 48% believed that the selling price should closely reflect the market price, compared with nearly 40% who suggested that the selling price should go above the market and merit a median premium of 20% over the market price.
- 12% of home-owner respondents expressed an interest in changing to a new property. The primary reason cited by 70% of them was a genuine need for a new home. Another 16% mentioned the availability of more suitable units in the market, while nearly 10% suggested the attraction of falling property prices.

**10% of respondents remain optimistic about the housing market in the coming year despite the current downturn; while over 10% of respondents have expressed an interest in buying a property and the same proportion considers that now is an opportune time to do so**

During Q3 2023, 10% of the respondents believed that housing prices would rise in the coming year. This proportion represents a decrease of two percentage points from the same period last year. While another 57% of respondents expected housing prices to fall, 13% of respondents think it is a good time now to buy a property, hitting a second highest record in the past 11 years, easing back from the record-high of 16% last year.

While the percentage of respondents considering now a good time to enter the market has remained historically high, many respondents are actually holding onto a wait-and-see attitude towards home ownership. This year, the percentage of respondents expressing an interest in home ownership has reverted to 13%, the level seen in 2021 and down two percentage points from the same period last year. Of this group of respondents, 75% expressed the wish to see housing prices declining further until reaching the level they would perceive as desirable for making a purchase. The level of price decline expected is quite significant, with the anticipated median downturn estimated at 24%. When asked about the level of property price considered ideal, those respondents interested in home ownership suggested a median price of HK\$5 million, way lower than the current median housing price in Hong Kong.

**In the sluggish property market, young respondents show the greatest interest in home ownership and support relaxation of the "cooling measures" for the housing market**

Young respondents aged between 21 and 29 showed the highest interest in home ownership, representing over one-fifth of the relevant age group and a similar proportion to the previous year. The survey also reveals that young respondents interested in home ownership or relocating were driven by dissatisfaction with their current living conditions, mostly related to dissatisfaction with the current transport network and supporting facilities. While the "cooling measures" for the housing market had not yet been eased at the time of the survey, any relaxation of these measures was readily welcomed by the respondents, especially the younger ones. 80% of the young respondents expressed support for easing the property curbs, while over 90% showed support for a re-launch of down payment assistance policy. Also nearly 60% of the respondents pointed to the positive effect of lower stamp duties on their desire to purchase a property and the price range of properties available for selection. Close to 50% of the respondents suggested that a relaxation of property value limits for mortgage insurance would create a similar effect.

The respondents who purchased property in the past five years were asked about their reasons for buying a new home. The top five reasons given are: "desire for a more spacious living environment", "better transport accessibility", "capitalizing on a buying opportunity accorded by falling property prices", "preparing for marriage", and "expecting a new family member". Over 25% of these home buyers opted for pre-sale properties, with approximately the same proportions of them choosing between the Cash Payment Plan and the Stage Payment Plan.

**Nearly 90% of home-owner respondents not interested in selling their properties, with just over 10% expressing an interest in changing homes**

Of the home-owner respondents surveyed, nearly 90% expressed no interest in selling their properties. Nearly half believed that the selling price should closely reflect the market price, while almost 40% suggested that the selling price should go above the market and even expected it to fetch a median premium of 20% over the market price.

More than 10% of the home-owner respondents surveyed expressed an interest in changing homes. When asked about their reasons, 70% cited a genuine need for a new home, nearly 20% mentioned the availability of more suitable units in the market, and close to 10% suggested they were lured by falling property prices into wishing to change homes.

<b>How do you think home prices will trend in the next 12 months?</b>				
<b>Percentage of Respondents</b>				
	Q3 2020	Q3 2021	Q3 2022	Q3 2023
<b>Upward</b>	23%	38%	12%	10%
<b>Flat</b>	34%	37%	37%	33%
<b>Downward</b>	43%	25%	51%	57%

<b>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?</b>				
<b>Percentage of Respondents</b>				
	Q3 2020	Q3 2021	Q3 2022	Q3 2023
<b>A good/an excellent time to purchase</b>	10%	4%	16%	13%
<b>Neutral</b>	36%	41%	51%	42%
<b>A bad/terrible time to purchase</b>	54%	55%	34%	45%

<b>How interested are you in purchasing a property now?</b>				
<b>Percentage of Respondents</b>				
	Q3 2020	Q3 2021	Q3 2022	Q3 2023
<b>Very/rather interested</b>	17%	13%	15%	13%
<b>Neutral</b>	28%	33%	41%	36%
<b>Very/rather uninterested</b>	55%	54%	44%	51%

The survey results reflect that the respondents generally expect property price adjustments. However, the dream of home ownership remains alive among over one-fifth of the young respondents. Prospective homebuyers are best advised to start as early as possible to review their asset allocation, assess their personal financial condition comprehensively, and identify an appropriate mortgage plan. The sooner they start preparing, the faster they can expect to gradually realize their home ownership goals.

Citi Hong Kong commissioned the Chinese University of Hong Kong and Cimigo Limited to conduct the survey, interviewing a random sample of over 1,100 Hong Kong citizens in September 2023 via telephone and street interviews. Since 2010, Citi Hong Kong 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: 2023 Citibank Residential Property Ownership Survey

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