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HONG KONG TOPS THE TABLE AS WORLD'S MOST EXPENSIVE HOUSING MARKET FOR 9TH STRAIGHT YEAR..... 1

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In second place is Vancouver where it would take an average of 12.6 years to get on the property ladder

Hong Kong has been ranked as the world's least affordable housing market for a ninth consecutive year in a global survey released today.

A family would on average need to save up for 21 years without spending a single dollar to afford a home in the city, according to the Demographia International Housing Affordability Study.

That is the longest saving period in the study's history and beats the previous record of 19.4 years set by Hong Kong in 2017.

Demographia categorised Hong Kong as "severely unaffordable".

In second place was Vancouver with a home-price to median-income ratio of 12.6, meaning it would take an average of 12.6 years to save enough money for a house.

A family in Singapore needs to save for 4.6 years to buy a home while in the US that period is 3.9 years.

Although house prices look more than likely to come down in price this year, the odds the city will lose its dubious title of "world's most expensive city" look slim, according to analysts.

"Sadly, Hong Kong is far ahead of other cities in the rankings, which is nothing to be proud of," said Alvin Cheung Chi-wai, associate director at Prudential Brokerage.

"A correction is happening, but a 10 to 20 per cent drop is the biggest we can expect and that would just bring prices back to the level we saw at the beginning of 2018."

Discounts are the order of the day for Hong Kong's property developers to clear their stock, as prices trend downward

The city's builders started offering discounts on new projects recently as a combination of government policies, higher mortgage rates and new supply pushed the residential market to a tipping point.

"We've seen developers, one after another, offering so-called 'cheap prices', in a move to unload their inventories," said Raymond Cheng, head of Hong Kong and China research at CGS-CIMB Securities.

At the weekend, Sun Hung Kai Properties, Hong Kong's biggest developer, enticed buyers to its Downtown 38 apartment complex in Ma Tau Kok, by cutting prices by half compared with a similar project in the same neighbourhood.

International Property Tax Institute

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And mainland builder China Overseas Land and Investment set prices a third lower than neighbouring projects to drum up sales at The Regent in Tai Po.

Sino Land was the first of the city's developers to offer steep discounts, selling its Grand Central project in East Kowloon at a 14 per cent discount in mid-December as the market cooled.

Prices of Hong Kong's lived-in homes have fallen 7.2 per cent in the past four months, according to data from the government's Rating and Valuation Department, after a 28-month rally ended in July.

Cheng expected that in the coming 12 months, home prices would drop by another 10 per cent.

It gives struggling buyers a window of opportunity to get on the property ladder, but still home prices are far beyond most people's affordability.