

# Webinar

## 2023 ULI Asia Pacific Home Attainability Index Webinar

Date: July 11, 2023

00:00:00 --> 00:00:06: All right, So welcome everyone. Welcome to the UI Asia  
 00:00:06 --> 00:00:11: Pacific Remina on the 2023 UI Home Attendability Index. I'm  
 00:00:11 --> 00:00:16: Ryan. I'm going to be the host and also the  
 00:00:16 --> 00:00:20: moderator for today. With me, we also have Ken.  
 00:00:21 --> 00:00:25: Which is the executive director of ULI Mainland China. And  
 00:00:25 --> 00:00:28: Ken is also the main author of the you know  
 00:00:28 --> 00:00:32: Uli home attendability in designate Asia Pacific. And we also  
 00:00:33 --> 00:00:36: have Connie who is the executive Director of the Kirk  
 00:00:36 --> 00:00:40: Advisory in Australia. Here in Hong Kong we have Calvin  
 00:00:40 --> 00:00:44: who is the head of the Department of Real Estate  
 00:00:44 --> 00:00:48: and Constructions in the Hong Kong University and then we  
 00:00:48 --> 00:00:49: also have present.  
 00:00:50 --> 00:00:54: Who is the Regional Director and Head of Research at  
 00:00:54 --> 00:00:58: in the Rock in Mumbai? Last but not the least,  
 00:00:58 --> 00:01:01: we also have Mahdi who is the CEO of the  
 00:01:01 --> 00:01:06: Habitat for Humanity in the Philippines and this year is  
 00:01:06 --> 00:01:10: actually the second year where we have the Uli Home  
 00:01:10 --> 00:01:15: Attainability Index in Asia Pacific. So we are very happy  
 00:01:15 --> 00:01:18: for everyone to join this conference.  
 00:01:19 --> 00:01:22: Here's going we're going to go through today. First of  
 00:01:22 --> 00:01:25: all going to invite Ken for to give us a  
 00:01:25 --> 00:01:29: you know 10 to 15 minutes presentations on the key  
 00:01:29 --> 00:01:32: findings of this year's report and then it will be  
 00:01:32 --> 00:01:36: followed by a panel discussions and for all for all  
 00:01:36 --> 00:01:39: of you guys Are you also encouraged to you have  
 00:01:39 --> 00:01:43: you any questions to our panelists? You are also encouraged  
 00:01:43 --> 00:01:46: to put your questions in the Q&A chat box.  
 00:01:47 --> 00:01:50: And we'll pick and choose your questions and then I'll  
 00:01:50 --> 00:01:54: help you to, you know, ask the panelists. So without

00:01:54 --> 00:01:55: further ado that.

00:01:55 --> 00:01:58: Before I start, I'd like to thank the sponsors of

00:01:58 --> 00:02:02: this year's report, namely Grosvenor and James and Lisa Wong

00:02:02 --> 00:02:06: Foundation and UI Tour Liquor Center for Housing. And also

00:02:06 --> 00:02:09: this report is based on not only the data that

00:02:10 --> 00:02:13: we got from the public sources and private sources, but

00:02:13 --> 00:02:14: also with.

00:02:15 --> 00:02:18: Is based on interviews that we conducted and I like

00:02:18 --> 00:02:23: to acknowledge those interviewees were valuable for the overall study.

00:02:23 --> 00:02:27: So that's that they are. Ryan Yid from Hong Kong.

00:02:27 --> 00:02:30: Koyu are you from Japan, Adam Fowler from Vietnam and

00:02:30 --> 00:02:35: then Professor Go from Beijing, Wendy Harianto from Jakarta and

00:02:35 --> 00:02:39: Connie Kerr from Australia and Professor Pano V from NUS,

00:02:39 --> 00:02:39: Singapore.

00:02:40 --> 00:02:44: And and Mari Mapa's Plito from the Philippines, Sudeshna Mitra,

00:02:44 --> 00:02:49: Professor Mitra from Bengaluru, India and Rohan Sharma from JLL

00:02:49 --> 00:02:53: Mumbai. And lastly, Prashant Thakur from Anarak, Mumbai. So again,

00:02:53 --> 00:02:57: I'd like to thank the interviewees for this year's report.

00:02:57 --> 00:03:01: A lot of their comments are incorporated in the report.

00:03:01 --> 00:03:04: And also I'd like to thank the members of the

00:03:04 --> 00:03:08: advisory committee for last year's report. So we had a

00:03:08 --> 00:03:09: committee of.

00:03:10 --> 00:03:15: Academics specializing housing last year. And so their assistance and

00:03:15 --> 00:03:19: their guidance was was very much needed for the success

00:03:20 --> 00:03:23: of last year's report. And so I'd like to thank

00:03:23 --> 00:03:28: those advisory committee members. Now in this year's report, we

00:03:28 --> 00:03:34: added four new countries, namely India, Indonesia, the Philippines and

00:03:34 --> 00:03:38: Vietnam. And as you can tell those are all developing

00:03:38 --> 00:03:39: countries.

00:03:39 --> 00:03:44: And one key variance or key difference with the developed

00:03:44 --> 00:03:48: countries is that there were inherently less available data from

00:03:48 --> 00:03:52: public sources. So as a result, we ended up for

00:03:52 --> 00:03:56: pricing data, home price data and rental data. We actually

00:03:56 --> 00:04:01: used online listing agencies data, right. So we used Internet

00:04:01 --> 00:04:05: crawler to go through the data, collect the data and  
00:04:05 --> 00:04:06: analyze the data.  
00:04:06 --> 00:04:10: And so there is a possibility that good possibility that  
00:04:10 --> 00:04:13: the data that we collected may not represent the overall  
00:04:13 --> 00:04:16: housing stock in those cities. Now, I think a lot  
00:04:16 --> 00:04:19: of you have seen the the, the, the, the cartoon  
00:04:19 --> 00:04:22: on the lefthand side, the blind and the elephant, right?  
00:04:22 --> 00:04:26: So you touch different parts of the elephant while blindfolded  
00:04:26 --> 00:04:29: and you get different impression of what the object is,  
00:04:29 --> 00:04:31: right? So is it a rope, is it a wall  
00:04:31 --> 00:04:32: or is it a snake?  
00:04:33 --> 00:04:37: And when it comes to, I guess, determining home attainability  
00:04:37 --> 00:04:41: of various countries, you may actually come up with a  
00:04:41 --> 00:04:45: misguided or or or limited or I say misguided ill  
00:04:45 --> 00:04:50: informed conclusions, right. So I want to caution against  
00:04:50 --> 00:04:55: making  
00:04:55 --> 00:05:00: definitive conclusions about the housing stock or housing  
00:05:00 --> 00:05:01: situation in  
00:05:01 --> 00:05:04: these countries. The report is to provide the data, relevant  
00:05:05 --> 00:05:07: data for you.  
00:05:07 --> 00:05:11: And and for you to consider those data those data  
00:05:11 --> 00:05:14: is not to rank the city's is to give you  
00:05:14 --> 00:05:17: a better understanding of the housing situation. Right. So on  
00:05:17 --> 00:05:20: the right hand side it's a it's a photo of  
00:05:20 --> 00:05:24: a article that was released on May 30th that was  
00:05:24 --> 00:05:25: the day after we released this year's report in the  
00:05:26 --> 00:05:30: title set Singapore private homes the most expensive to own  
00:05:30 --> 00:05:34: and rent in Asia Pacific.  
00:05:34 --> 00:05:37: Report and that report is reporting to our 2023 ULI  
00:05:38 --> 00:05:42: home attendability report and and and if you read the  
00:05:42 --> 00:05:46: the the line below it says still including HTB flats,  
00:05:46 --> 00:05:51: Singapore housings is ranked most attainable in the in the  
00:05:51 --> 00:05:53: report. So of course considering that HTB flats represent  
00:05:53 --> 00:05:58: 90%  
00:05:58 --> 00:06:02: of the overall housing stock whereas private sector homes  
00:06:02 --> 00:06:06: represent  
00:06:06 --> 00:06:09: 10% of the housing stock in.  
00:06:09 --> 00:06:12: Singapore I guess the main news should be Singapore's H2B  
00:06:12 --> 00:06:15: units are ranked among the most attainable and followed by  
00:06:15 --> 00:06:18: how the private sector homes have become the most  
00:06:18 --> 00:06:21: expensive.  
00:06:21 --> 00:06:24: But again, that's only for 10%. So I would like  
00:06:24 --> 00:06:27: to just caution you to take the Take the Reader

00:06:12 --> 00:06:16: report or the read the rankings and index ratios and  
00:06:16 --> 00:06:18: so on with grain of salt. Now this is this  
00:06:18 --> 00:06:23: shows the population, median age and urbanization rate by  
country.  
00:06:24 --> 00:06:28: So in the upper right hand corner you see Japan  
00:06:28 --> 00:06:32: which has the oldest population at 40. Think about 48  
00:06:32 --> 00:06:35: and then and at the low end you have At  
00:06:35 --> 00:06:40: the left bottom you have the Philippines with median age  
00:06:40 --> 00:06:42: of 24, India with 28.  
00:06:43 --> 00:06:46: And even between Singapore and Hong Kong, there is a  
00:06:46 --> 00:06:49: 10 year gap in median age. So Hong Kong has  
00:06:49 --> 00:06:53: 45 years of median age, while Singapore is is 35,  
00:06:53 --> 00:06:57: right. So in Australia has a relatively young population, even  
00:06:57 --> 00:07:01: actually younger than China, right? So and Japan has again  
00:07:01 --> 00:07:06: those oldest population. And also in terms of urbanization  
rate,  
00:07:06 --> 00:07:10: Vietnam has the lowest urbanization rate followed by India  
and  
00:07:10 --> 00:07:12: the Philippines and so on.  
00:07:13 --> 00:07:17: And this shows the population trajectory for the countries.  
Among  
00:07:17 --> 00:07:21: the most populous countries, India has the largest or the  
00:07:21 --> 00:07:26: fastest population increase, and its population may be  
actually larger  
00:07:26 --> 00:07:29: than China's. And then for the countries in the middle,  
00:07:29 --> 00:07:34: you see the Philippines population increasing at the highest  
rate,  
00:07:34 --> 00:07:37: the fastest rate, followed by Vietnam. And on the right  
00:07:37 --> 00:07:41: hand side, that's the population trajectory for Hong Kong and  
00:07:41 --> 00:07:42: Singapore.  
00:07:42 --> 00:07:45: And you see, while Hong Kong has dipped in the  
00:07:45 --> 00:07:49: last year or so, a couple years, Singapore has actually  
00:07:49 --> 00:07:53: bounced back. And that actually helps explain partly explain  
why  
00:07:53 --> 00:07:57: the Hong Kong home price has been declining whereas  
Singapore  
00:07:57 --> 00:08:01: home price has been increasing. And this is for the  
00:08:01 --> 00:08:05: media median or average home price, U.S. dollar per square  
00:08:05 --> 00:08:07: meter and also media a median.  
00:08:07 --> 00:08:11: I apologize for the spelling error. Is median average home  
00:08:11 --> 00:08:15: price right? So Hong Kong has the highest price per  
00:08:15 --> 00:08:19: square meter at around 20,000 US per square meter, and  
00:08:19 --> 00:08:23: Singapore private sector home is is only about half right.  
00:08:23 --> 00:08:26: So if you look at the home price per unit

00:08:26 --> 00:08:30: on the left hand side, Singapore is the most expensive

00:08:30 --> 00:08:33: at 1.2, followed by Hong Kong at 1.16 million million

00:08:33 --> 00:08:35: dollars per per unit.

00:08:35 --> 00:08:39: On a per square meter basis, Singapore is about half

00:08:39 --> 00:08:43: that of Hong Kong, right? And then also Shenzhen is

00:08:43 --> 00:08:46: it's the second most expensive in terms of price per

00:08:47 --> 00:08:50: square meter. And and then at the bottom lower left

00:08:50 --> 00:08:54: hand corner you see countries, the cities in India, the

00:08:54 --> 00:08:58: Philippines and so on Okay. And this is the household

00:08:58 --> 00:09:01: size, right, the number of people per household.

00:09:02 --> 00:09:07: Again, the Indian Indian families and the Filipino families,

00:09:07 --> 00:09:11: they

00:09:11 --> 00:09:14: have much higher number of people and the lowest number

00:09:15 --> 00:09:18: of people per household is found in Tokyo at below

00:09:18 --> 00:09:23: 2, followed by Osaka and so on. And in Singapore's

00:09:23 --> 00:09:27: population, household size is actually larger than three which

00:09:29 --> 00:09:33: is

00:09:33 --> 00:09:37: also again higher than Hong Kong's which is below 3.

00:09:37 --> 00:09:42: And this is for home ownership by city and country.

00:09:42 --> 00:09:46: Singapore has the highest at 89.3 thanks to HTP units

00:09:46 --> 00:09:49: and government policies that promote home ownership. And

00:09:49 --> 00:09:53: the lowest

00:09:53 --> 00:09:56: is found in Japan and lowest is actually Fukuoka, the

00:09:57 --> 00:09:58: city of Fukoka in Kushu. And it has lower than

00:09:58 --> 00:10:02: 40% home ownership. And it's it's probably because of the

00:10:02 --> 00:10:07: slower demand and also I could be because of the

00:10:07 --> 00:10:12: relatively good.

00:10:12 --> 00:10:16: A public rental housing program in in the in in

00:10:16 --> 00:10:20: Japan and for measuring home attainability. For home

00:10:20 --> 00:10:25: ownership, we

00:10:25 --> 00:10:26: look at median home price to median annual annual

00:10:26 --> 00:10:30: household

00:10:30 --> 00:10:34: income. Ideally you should be below 5X and then for

00:10:34 --> 00:10:38: rent we look at month median monthly rent to median

00:10:38 --> 00:10:42: monthly household income and ideally you should be below

00:10:42 --> 00:10:46: 25

00:10:46 --> 00:10:50: to 30% okay.

00:10:50 --> 00:10:54: And this shows the median home price and median average

00:10:54 --> 00:10:58: home size. As I mentioned before, Singapore private sector

00:10:58 --> 00:11:02: homes,

00:11:02 --> 00:11:06: I think the average about 112 square meters per unit,

00:11:06 --> 00:11:10: whereas Hong Kong is about about 50 square meters per

00:11:10 --> 00:11:14: unit. Whereas the the houses in Sydney, Melbourne and

00:11:14 --> 00:11:18: Brisbane

00:10:46 --> 00:10:50: range between 170 and 190. And the units apartment units  
00:10:50 --> 00:10:54: in those cities are about roughly half the size of  
00:10:54 --> 00:10:54: the houses.  
00:10:55 --> 00:11:01: And then for HTB units, they're still in Singapore. They're  
00:11:01 --> 00:11:06: still very large at close to 100 square meters per  
00:11:06 --> 00:11:10: per unit. OK, now this is for price to income  
00:11:10 --> 00:11:14: and rent to income. And on the left hand side  
00:11:14 --> 00:11:19: you see the median home price to median household  
income.  
00:11:19 --> 00:11:24: And the highest ratio is found in Shenzhen AT35X.  
00:11:25 --> 00:11:29: Followed by Ho Chi Minh City and Beijing, Hong Kong  
00:11:29 --> 00:11:33: and so on. In terms of median rent to median  
00:11:33 --> 00:11:38: monthly household income, the highest is in Ho Chi Minh  
00:11:38 --> 00:11:42: City and nearly 80% are followed by Hanoi, Mumbai.  
00:11:43 --> 00:11:47: And and Jakarta single family homes, again Jakarta single  
family  
00:11:47 --> 00:11:51: homes are very large units that I think mainly cater  
00:11:51 --> 00:11:54: to expats and and affluent local family. So that may  
00:11:54 --> 00:11:58: not representative of the overall rental housing stock. Now for  
00:11:59 --> 00:12:01: Australia, I have like a one or two page for  
00:12:02 --> 00:12:05: each of the countries that are represented in in in  
00:12:05 --> 00:12:08: the panel. So for Australia I think the main trend  
00:12:09 --> 00:12:12: is that the number of apartment units has actually.  
00:12:13 --> 00:12:18: Actually tripled and then it came down until 2015 and  
00:12:18 --> 00:12:22: then it came down. And so the number of apartment  
00:12:22 --> 00:12:25: units and number of houses per year in terms of  
00:12:26 --> 00:12:30: new units approved is similar, but the huge influx, huge  
00:12:30 --> 00:12:36: increase in apartment units actually should have have  
contributed contributed  
00:12:36 --> 00:12:40: to increasing the affordable housing stock.  
00:12:41 --> 00:12:45: And this shows the price trends for homes and apartment  
00:12:45 --> 00:12:49: units and also rents. So you see a huge increase  
00:12:49 --> 00:12:53: in rents overall. And this is for Chinese cities, right,  
00:12:53 --> 00:12:57: in tier one cities. And as I mentioned, Shenzhen has  
00:12:57 --> 00:13:02: the highest price per square meter, highest unit price and  
00:13:02 --> 00:13:06: also highest price to income ratio at 35. And this,  
00:13:06 --> 00:13:07: I think explains why.  
00:13:08 --> 00:13:14: Shenzhen actually experienced highest population increase  
from 2010 to 2022,  
00:13:14 --> 00:13:19: yet they had the lowest increase in new construction  
completed  
00:13:19 --> 00:13:22: during those years. But at the same time, I want  
00:13:22 --> 00:13:26: to cost. I want to add that Shenzhen has a

00:13:26 --> 00:13:30: large stock of informal housing known as Urban Villages that  
00:13:30 --> 00:13:33: are that do not own that they did not have  
00:13:33 --> 00:13:36: property titles yet, but they are.  
00:13:36 --> 00:13:40: They are used by people, they are traded. So the  
00:13:40 --> 00:13:44: home prices of those informal housing units and rents for  
00:13:44 --> 00:13:48: those informal housing units can be very, very inexpensive.  
So  
00:13:48 --> 00:13:52: and and they represent maybe roughly half of the housing  
00:13:52 --> 00:13:55: stock in the city. And this is for the average  
00:13:55 --> 00:13:59: selling price for resale and also primary home sales in  
00:13:59 --> 00:14:02: tier one cities and this is for Hong Kong. So  
00:14:02 --> 00:14:03: you see.  
00:14:04 --> 00:14:08: Hong Kong home price has increased since 20 or 9  
00:14:08 --> 00:14:12: by about 250%, whereas the rent increased only by about  
00:14:12 --> 00:14:16: 75%. So home price has a home price increase has  
00:14:16 --> 00:14:21: significantly outpaced the increase in rent and in terms of  
00:14:21 --> 00:14:25: land use in Hong Kong, only about 7% of the  
00:14:25 --> 00:14:29: the land in Hong Kong is used for residential use.  
00:14:29 --> 00:14:33: So I think that helps explain why home price in  
00:14:33 --> 00:14:37: Singapore in Hong Kong has been high historically and this  
00:14:37 --> 00:14:41: is a home price trajectory for key cities in India,  
00:14:41 --> 00:14:45: pretty much flat and this shows the key statistics for  
00:14:45 --> 00:14:49: homes in in the key cities. So if you look  
00:14:49 --> 00:14:52: at Mumbai which is a top line, the average price  
00:14:52 --> 00:14:56: is about 117,000 U.S. dollars and median flat size is  
00:14:56 --> 00:14:58: about 59 square meters.  
00:14:59 --> 00:15:04: And considering that median annual household income is a  
little  
00:15:04 --> 00:15:08: over \$10,000, home price to median household income ratio  
is  
00:15:08 --> 00:15:11: 11.3. It's still high, but it's not as high as  
00:15:11 --> 00:15:14: the other developing countries.  
00:15:15 --> 00:15:19: Right. And then I think it's interesting that the flat  
00:15:19 --> 00:15:24: sizes for the other cities are significantly higher than larger  
00:15:24 --> 00:15:27: than Mumbai. So if you look at Delhi is about  
00:15:27 --> 00:15:31: 98 square meters per unit and Bengaluru is about 107  
00:15:31 --> 00:15:35: square meters per unit. And lastly for the Philippines, this  
00:15:35 --> 00:15:38: table shows that there is a need for about 5.7  
00:15:38 --> 00:15:41: housing units in the Philippines.  
00:15:41 --> 00:15:46: And the government has an ambitions plan to to develop  
00:15:46 --> 00:15:51: 1,000,000 new units per year for the next five years,  
00:15:52 --> 00:15:56: right. So it looks like the the the shortage housing  
00:15:57 --> 00:16:01: shortage is mainly for the low to yeah, low income

00:16:01 --> 00:16:07: households Okay. So that concludes my presentation. Okay Ryan.

00:16:10 --> 00:16:12: All right. Thanks, Ken. I think there are few a

00:16:12 --> 00:16:15: key take always for me, one is the Hong Kong

00:16:15 --> 00:16:18: is no longer the most expensive city in Asia Pacific

00:16:18 --> 00:16:21: in terms of average home price over taking by Singapore,

00:16:21 --> 00:16:23: you know, for good or bad, but it is still

00:16:23 --> 00:16:26: the most expensive in terms of per square meter price,

00:16:26 --> 00:16:29: right. Second is, you know, despite being the most expensive,

00:16:30 --> 00:16:33: Singapore is still the most attainable city in the report.

00:16:33 --> 00:16:36: I think that's attributable to, you know, 80% of the

00:16:36 --> 00:16:39: people in Singapore living HDB, which is heavily subsidized.

00:16:39 --> 00:16:43: By the government. The third one is actually there is

00:16:43 --> 00:16:47: a divergent you know trajectory for population growth within the

00:16:47 --> 00:16:51: region. You have a country like China, Japan where the

00:16:51 --> 00:16:54: population has sat out and you also have countries like

00:16:54 --> 00:16:58: the Philippines, India and Vietnam, you know for instance where

00:16:59 --> 00:17:03: you expect, you know the population to keep growing increasingly

00:17:03 --> 00:17:06: and relatively quickly and and that going to have a

00:17:06 --> 00:17:06: quite.

00:17:07 --> 00:17:13: Significant effect on housing demand, also potentially attainability in the

00:17:13 --> 00:17:17: respective country and in the future. And before I go

00:17:17 --> 00:17:22: into the panel section, there are actually two more housekeeping

00:17:22 --> 00:17:26: things to talk about. One is the whole webinar is

00:17:26 --> 00:17:30: going to be recorded and will be available on the

00:17:30 --> 00:17:34: Knowledge Finder later. Second one is again I and you

00:17:34 --> 00:17:35: feel free to ask.

00:17:36 --> 00:17:39: Any questions that you want to ask and type it,

00:17:39 --> 00:17:42: type it in the chat box and then I'll I'll

00:17:42 --> 00:17:46: help you ask the panelists later. And so let's begin

00:17:46 --> 00:17:49: the panel discussion. I as mentioned, first of all I

00:17:49 --> 00:17:53: would like to you know invite each of the panelists

00:17:53 --> 00:17:57: to give like a 3 minutes general descriptions on the

00:17:57 --> 00:18:00: situations in in in the respective country and also if

00:18:00 --> 00:18:04: there's anything you want to reply on what is mentioned

00:18:04 --> 00:18:05: by Ken in.

00:18:05 --> 00:18:09: His presentation, So I I think I will first start

00:18:09 --> 00:18:13: with Connie, please your three minute section for you.



00:18:13 --> 00:18:18: Thank you and welcome everyone. Now last year I thought  
00:18:18 --> 00:18:21: I we Australia had broken all the records and I  
00:18:21 --> 00:18:26: did state that in terms of housing attainability that Australia  
00:18:26 --> 00:18:30: had worsened by every measure since the pandemic, but  
we've  
00:18:30 --> 00:18:33: actually exceeded that again this year.  
00:18:34 --> 00:18:37: So in some ways we've got the same six factors  
00:18:37 --> 00:18:41: that are impacting on the housing affordability in Australia. So  
00:18:41 --> 00:18:45: we've got the worst affordability on record, the highest rents  
00:18:45 --> 00:18:48: and and the lowest vacancy rates and the lowest affordability  
00:18:49 --> 00:18:52: on records for rentals. We've got the highest purchase and  
00:18:52 --> 00:18:56: building prices on record for the cities and regions and  
00:18:56 --> 00:18:59: the fastest rise in interest rate on record. So we've  
00:18:59 --> 00:19:02: gone up 14 interest rate rises the the lowest was  
00:19:02 --> 00:19:02: in.  
00:19:03 --> 00:19:06: So we're now 4.1% and the lowest we had been  
00:19:06 --> 00:19:10: in 20/20 was .85 and prior to that it would  
00:19:10 --> 00:19:13: we'd have to go back to November 2010 to be  
00:19:13 --> 00:19:17: that low. So there's a whole generation of people that  
00:19:17 --> 00:19:22: just have never seen interest rate rises. So that's going  
00:19:22 --> 00:19:25: to have a huge impact in the next 12 to  
00:19:25 --> 00:19:25: 18 months.  
00:19:26 --> 00:19:30: And we've also got the highest record of homelessness on  
00:19:30 --> 00:19:34: record and the lowest percentage of government delivered  
social and  
00:19:34 --> 00:19:39: affordable housing, housing. So ironically, even though we've  
got all  
00:19:39 --> 00:19:43: those measures heading in the wrong direction for an  
economy,  
00:19:43 --> 00:19:46: the economy is still fairly robust and we've been driving  
00:19:46 --> 00:19:50: this very narrow path between interest rate rises to try  
00:19:50 --> 00:19:52: and get inflation down, which has.  
00:19:52 --> 00:19:56: Started to traject down and it's now at 6.8% with  
00:19:56 --> 00:20:00: the governor wanting it to to plateau out at about  
00:20:00 --> 00:20:04: that 3% which they're predicting at the second-half of next  
00:20:04 --> 00:20:04: year.  
00:20:06 --> 00:20:10: So we are technically in a in a consumer recession  
00:20:10 --> 00:20:14: but not an economic recession at the moment. So we've  
00:20:14 --> 00:20:18: seen a great falloff in in consumption of purchasing of  
00:20:18 --> 00:20:22: of retail products, but we're still not in an economic  
00:20:22 --> 00:20:26: recession. But the but what is interesting is during COVID  
00:20:26 --> 00:20:30: there was a, there was a a flurry into the  
00:20:30 --> 00:20:33: into the regions a tree change that is now reversed

00:20:33 --> 00:20:36: and that's largely reversed.

00:20:36 --> 00:20:40: Because there were people who thought that the tree change

00:20:40 --> 00:20:43: lifestyle would be great for them and realized that they

00:20:43 --> 00:20:48: hadn't been the forge injection in catalytic infrastructure that people

00:20:48 --> 00:20:52: need in those regions. So access to medical services, great

00:20:52 --> 00:20:56: schooling for example. Some people have chosen to still work

00:20:56 --> 00:20:59: remotely, but a lot of people are coming back to

00:20:59 --> 00:21:03: the cities and and we opened the borders at the

00:21:03 --> 00:21:04: same time and we'd had.

00:21:05 --> 00:21:08: Two years of of reduced housing delivery and as a

00:21:08 --> 00:21:12: result we've now had a huge spike in demand for

00:21:12 --> 00:21:17: houses. So ironically, whilst housing prices are increasing, people's domestic

00:21:17 --> 00:21:22: affordability is going down. We're also having pent up demand

00:21:22 --> 00:21:26: still for housing, so housing prices are continuing to escalate.

00:21:27 --> 00:21:30: And so we've got this almost 2 speed economy when

00:21:30 --> 00:21:35: it comes to housing purchasing and affordability. So anyone over

00:21:35 --> 00:21:38: 50 and and closer to 60 +, a lot of

00:21:38 --> 00:21:42: downsizing, a lot of investment activity in that market and

00:21:42 --> 00:21:45: they seem to be the only market that's are also

00:21:45 --> 00:21:49: consuming in the retail space. And then a lot of

00:21:49 --> 00:21:53: offshore inward investment into into Australia soaking up the the

00:21:54 --> 00:21:55: demand for the houses.

00:21:56 --> 00:21:59: All of that and domestically we had the highest number

00:21:59 --> 00:22:03: of houses, housing loans written during the pandemic and what's

00:22:04 --> 00:22:07: happened is a lot of people, whilst they had their

00:22:07 --> 00:22:10: 30 year housing loans, a lot of those were on

00:22:10 --> 00:22:13: fixed interest rates and all of those are coming to

00:22:13 --> 00:22:15: an end in the next.

00:22:16 --> 00:22:19: 12 to 18 months. So we've got 800,000 loans about

00:22:19 --> 00:22:22: to be realized and come off fixed interest rates in

00:22:23 --> 00:22:26: the next two to three months, another 590,000 by December

00:22:27 --> 00:22:30: and then we've got another 400,000 or so next year.

00:22:30 --> 00:22:33: So whilst a lot of people are ahead with their

00:22:33 --> 00:22:37: payments, they've they've eroded most of their buffer zones.

00:22:38 --> 00:22:43: So that should adds existing supply to the market which

00:22:43 --> 00:22:49: will then also fuel I think another housing price boom

00:22:49 --> 00:22:54: because on the new supply side we're still tracking as

00:22:54 --> 00:22:58: a shortfall of about 100 to 150,000 per year and  
00:22:59 --> 00:23:04: we've just had the lowest number of approvals and  
completions  
00:23:04 --> 00:23:06: in 25 years.  
00:23:06 --> 00:23:09: And that's a result of a a number of different  
00:23:10 --> 00:23:13: issues. Those issues are largely a result of the fact  
00:23:13 --> 00:23:17: that most of the developers in Australia are working on  
00:23:17 --> 00:23:21: about 15% margins. And so we've had some tinkering with  
00:23:21 --> 00:23:25: the with the tax settings. But also it's it's driven  
00:23:25 --> 00:23:29: by the cost constraints. We've got labour increases and  
we've  
00:23:29 --> 00:23:33: got material supply increases in in all those essential  
materials  
00:23:33 --> 00:23:36: which will increase between 20 to 40%.  
00:23:37 --> 00:23:41: So in the last 12 months we've also had the  
00:23:41 --> 00:23:47: largest number of developers that have folded because they  
all  
00:23:47 --> 00:23:54: negotiated fixed term housing developments during the  
pandemic and.  
00:23:54 --> 00:23:58: Cost escalations of of of increases of 20 to 40%  
00:23:58 --> 00:24:01: means most of their margins have been eroded. So we've  
00:24:01 --> 00:24:05: got a very unusual situation happening in Australia at the  
00:24:05 --> 00:24:09: moment which all seems to contradict to each other. So  
00:24:09 --> 00:24:12: there's a, there's a lot of pain being felt, but  
00:24:12 --> 00:24:15: quite quite a number of people in that housing market.  
00:24:15 --> 00:24:19: And it's interesting, Ryan that you were mentioning I think  
00:24:19 --> 00:24:22: that you were talking about Singapore being.  
00:24:24 --> 00:24:27: Whilst one of the most expensive is still one of  
00:24:27 --> 00:24:31: the highest in terms of housing attainability with ownership,  
Australia  
00:24:31 --> 00:24:34: almost has the the largest number of sizes in terms  
00:24:35 --> 00:24:38: of houses and and looks like it's quite attractive. But  
00:24:38 --> 00:24:41: at the same time we've got one of the lowest  
00:24:41 --> 00:24:45: affordability. So there there's some really interesting  
dynamics there in  
00:24:45 --> 00:24:46: the market.  
00:24:47 --> 00:24:51: All right. Thank you. Connie is really interesting. You know  
00:24:51 --> 00:24:54: a lot of you know contraction setting the reversal of  
00:24:54 --> 00:24:57: the people moving to moving back from countryside and also  
00:24:57 --> 00:25:00: back to the capo cities and also A2 speak economy  
00:25:00 --> 00:25:03: in terms of in the housing attainability. I think we  
00:25:03 --> 00:25:06: can come back to that later. But now let's move  
00:25:06 --> 00:25:09: move to Kelvin. This your, you know, your time for  
00:25:09 --> 00:25:12: your you know, 3 minutes situation brief for your Hong

00:25:12 --> 00:25:15: Kong and Meso Mainland China. Kevin, please.

00:25:16 --> 00:25:19: Thank you, Ryan. So actually Ryan is the expert in

00:25:19 --> 00:25:21: Hong Kong, so I also learned from him a lot

00:25:21 --> 00:25:24: And also Ken has a great report I have to

00:25:24 --> 00:25:27: recommend to my students to read the report very carefully.

00:25:28 --> 00:25:30: So what I am going to do is a very

00:25:30 --> 00:25:33: brief supplement to what Ken has just mentioned. Actually I

00:25:33 --> 00:25:37: was comparing the two reports, the 202 free report with

00:25:37 --> 00:25:37: the 202.

00:25:38 --> 00:25:41: And actually I see that you know the the, the

00:25:41 --> 00:25:45: affordability in Hong Kong has improved. So that would mean

00:25:45 --> 00:25:48: that the price to income ratio and the rents to

00:25:48 --> 00:25:52: income ratio has actually dropped. You know, so that means

00:25:52 --> 00:25:55: you know we are now relatively more affordable than last

00:25:55 --> 00:25:59: year. And I guess you know the main reason you

00:25:59 --> 00:26:02: know maybe as you know covered by 10 before is

00:26:02 --> 00:26:05: that first of all the house price and rent has

00:26:05 --> 00:26:07: dropped by around 10% from the peak.

00:26:08 --> 00:26:11: And at the same time our household income has increased

00:26:11 --> 00:26:14: a bit by like 3% in line with inflation. So

00:26:14 --> 00:26:18: that would you know, contribute to you know, improving

housing

00:26:18 --> 00:26:21: affordability in Hong Kong and in terms of OK, why

00:26:21 --> 00:26:24: we have a falling housing price and rents and then

00:26:24 --> 00:26:28: I think we can actually look at housing demand. Supply

00:26:28 --> 00:26:31: didn't quite change much, you know over one year, so

00:26:31 --> 00:26:32: that may not.

00:26:33 --> 00:26:36: Matter a lot. But in terms of demand, we can

00:26:36 --> 00:26:40: look at first of all the demographic in Hong Kong.

00:26:40 --> 00:26:43: We actually see that you know at the population has

00:26:43 --> 00:26:47: dropped by 2.5% since 2019, partly due to migration of

00:26:47 --> 00:26:51: some Hong Kong people to other countries. And then the

00:26:51 --> 00:26:55: second demand driver which I think is quite important is

00:26:55 --> 00:26:56: the mortgage rate.

00:26:57 --> 00:27:00: So Hong Kong is following a pack exchange rate system

00:27:00 --> 00:27:02: with the US So that means, you know, as the

00:27:02 --> 00:27:05: US interest rate increases, you know, Hong Kong somehow

has

00:27:05 --> 00:27:08: to follow. And so that would actually mean, you know,

00:27:08 --> 00:27:11: a higher borrowing cost, you know, for many homeowners

and

00:27:11 --> 00:27:14: that would also contribute to a falling housing price. So

00:27:14 --> 00:27:17: yeah, I think that would be a very brief, you

00:27:17 --> 00:27:19: know, kind of a supplement to what Ken has mentioned  
00:27:19 --> 00:27:21: in his report. Thank you.  
00:27:22 --> 00:27:25: Thank you, Kelvin. Key, key insight. You know falling price  
00:27:25 --> 00:27:27: in Hong Kong is not driven by supplies, driven by  
00:27:27 --> 00:27:30: demand, right. And there's two factors. One is I think  
00:27:30 --> 00:27:32: one is actually quite unity Hong Kong, which is the  
00:27:32 --> 00:27:35: demographic a lot of a lot of Hong Kong people  
00:27:35 --> 00:27:37: have left in the past two years. Another one mortgage  
00:27:37 --> 00:27:41: rate increase actually I think it's more a general phenomenon  
00:27:41 --> 00:27:43: which affect, you know the most of the region. OK.  
00:27:43 --> 00:27:45: Thank you, Kelvin. All right. So now I will, I  
00:27:45 --> 00:27:48: will, I will turn to a present to talk about  
00:27:48 --> 00:27:50: in situation in Mumbai and also in India.  
00:27:50 --> 00:27:53: As a whole. Thank you Prasan. It's all yours.  
00:27:53 --> 00:27:58: Thank you Ran. So India currently I think is is  
00:27:58 --> 00:27:58: in a.  
00:27:59 --> 00:28:01: Person, I think you have to increase your volume a  
00:28:01 --> 00:28:01: little bit.  
00:28:03 --> 00:28:04: Is it better now?  
00:28:06 --> 00:28:06: That is bad, yeah.  
00:28:07 --> 00:28:10: Yeah. So you know what I was saying that India  
00:28:10 --> 00:28:15: both from economy as well as overall housing industry  
seems  
00:28:15 --> 00:28:17: to be in in fairly sweet spot right now.  
00:28:18 --> 00:28:22: While we are seeing that the developed countries and the  
00:28:22 --> 00:28:26: western worlds are facing issue of slow down, the economy  
00:28:26 --> 00:28:30: over here has fairly kind of out stabilized and then  
00:28:30 --> 00:28:33: we have seen a strong growth in both services and  
00:28:33 --> 00:28:37: manufacturing sector. One you know point that I see as  
00:28:37 --> 00:28:41: a concern is that private sector investment is still not  
00:28:41 --> 00:28:42: picking up.  
00:28:42 --> 00:28:47: But however that is being covered by huge government  
expenditure  
00:28:47 --> 00:28:51: in terms of interest structure spent that has a trickle  
00:28:51 --> 00:28:56: down effect on the overall real estate industry as well.  
00:28:56 --> 00:29:00: Now coming to the residential and then an overall real  
00:29:00 --> 00:29:03: estate part I think in last couple of years.  
00:29:04 --> 00:29:08: The Indian real estate has gone through a major  
transformation  
00:29:08 --> 00:29:11: in terms of introduction of era which was you know  
00:29:11 --> 00:29:14: missing. It's kind of a regulatory body which is real  
00:29:14 --> 00:29:18: estate regulatory authority which now holds the developers  
accountable for

00:29:18 --> 00:29:21: quality issues, time to delivery and then you know whatever  
00:29:21 --> 00:29:25: they have fulfilled promised needs to be delivered. So it's  
00:29:25 --> 00:29:28: kind of has brought some kind of accountability and  
transparency  
00:29:28 --> 00:29:29: in the industry.  
00:29:30 --> 00:29:34: Which has attracted good amount of foreign capital in the  
00:29:34 --> 00:29:37: country as well. And as you all know that India  
00:29:37 --> 00:29:40: is still, you know in terms of housing is that  
00:29:40 --> 00:29:43: there's a huge potential. So you know if I have  
00:29:43 --> 00:29:47: to talk about the housing deficiency in the country, it's  
00:29:47 --> 00:29:50: close to 20 million in just top 7 tier one  
00:29:50 --> 00:29:53: cities. And the second point that I would like to  
00:29:53 --> 00:29:56: highlight is that for a country of with a population  
00:29:56 --> 00:29:57: of 135 billions.  
00:29:58 --> 00:30:02: Million only six to seven cities are acting as employment  
00:30:02 --> 00:30:06: center, growth center and that's the reason where we are  
00:30:06 --> 00:30:10: seeing a lot of infrastructure issues be you know in  
00:30:10 --> 00:30:14: the civic domain as well as you know the living  
00:30:14 --> 00:30:19: condition in these seven cities have deteriorated and that's  
the  
00:30:19 --> 00:30:23: reason we see spillage of slums. However, things are set  
00:30:23 --> 00:30:26: to improve because now government has.  
00:30:27 --> 00:30:30: Decided to build couple of other cities as growth centers  
00:30:30 --> 00:30:33: because of which the growth would be decentralized and I  
00:30:33 --> 00:30:36: hope that would lead to a better living condition. The  
00:30:36 --> 00:30:39: the home prices would improve because now we'll instead of  
00:30:39 --> 00:30:42: only seven or eight cities driving the growth will have  
00:30:42 --> 00:30:46: at least 2025 cities, which I think justifies the population  
00:30:46 --> 00:30:46: that we have.  
00:30:48 --> 00:30:51: Another you know good point that we have noticed is  
00:30:52 --> 00:30:55: that retail as as I would say the ball leasing  
00:30:55 --> 00:30:58: part has really picked up because India is a consumption  
00:30:58 --> 00:31:02: driven economy and as as Ken mentioned in his report  
00:31:02 --> 00:31:05: that we are fairly one of the youngest population. So  
00:31:05 --> 00:31:09: that's where consumption is a strictly down in every aspect  
00:31:09 --> 00:31:12: of the economy and we have seen a good amount  
00:31:12 --> 00:31:15: of leasing activity in the retail mall space.  
00:31:17 --> 00:31:20: I think office as a sector is is facing some  
00:31:20 --> 00:31:24: kind of issue and it's a global phenomenon because of  
00:31:24 --> 00:31:27: the talks are slow down. And in India 45% of  
00:31:27 --> 00:31:30: the occupiers are you know Mnc's company who have the  
00:31:30 --> 00:31:34: headquarters in the US that and then since they have

00:31:34 --> 00:31:38: decided to hold on their expansion plans, we are seeing  
 00:31:38 --> 00:31:41: some kind of pressure on office leasing and because of  
 00:31:41 --> 00:31:45: which the vacancy rates are expected to inch up slowly.  
 00:31:46 --> 00:31:49: But, but in a nutshell, if I have to summarize,  
 00:31:49 --> 00:31:52: I think we have seen a fair amount of stabilization  
 00:31:52 --> 00:31:55: in the inflation side because of which the Reserve Bank  
 00:31:56 --> 00:31:58: of India has decided to take a pause on interest  
 00:31:58 --> 00:32:01: rate hike which has kind of resulted in a positive  
 00:32:02 --> 00:32:05: momentum in the residential sector because of which we  
 have  
 00:32:05 --> 00:32:08: seen a very strong enquiries coming in, good amount of  
 00:32:08 --> 00:32:12: sales happening and because of which the developers cash  
 flow  
 00:32:12 --> 00:32:16: has improved and thus the balance sheet has also improved.  
 00:32:16 --> 00:32:20: Another important aspect that we are witnessing in in the  
 00:32:20 --> 00:32:24: residential domain is that earlier it was unorganized. So let's  
 00:32:24 --> 00:32:27: say 60 to 65% of the developers belong to unorganized  
 00:32:27 --> 00:32:31: category and then you know there was hardly any recognized  
 00:32:31 --> 00:32:35: or developer Pan Pan India presence listed and Grady whom  
 00:32:35 --> 00:32:38: we can call today we are seeing a fair amount  
 00:32:38 --> 00:32:42: of consolidation that has happened and now grade A  
 developers  
 00:32:42 --> 00:32:43: are leading.  
 00:32:43 --> 00:32:47: The recovery, which I think is good for overall sector.  
 00:32:47 --> 00:32:50: So with this, you know, I would like to hand  
 00:32:50 --> 00:32:53: it over back to RAN. Thank you all.  
 00:32:53 --> 00:32:57: Right. Thank you Prasan. Simsa, you know the government  
 expenditure  
 00:32:57 --> 00:33:01: is actually driving the real estate market in India and  
 00:33:01 --> 00:33:05: also increased accountability has attract foreign investment.  
 And also the  
 00:33:05 --> 00:33:08: the Third Point that I take away is actually there  
 00:33:08 --> 00:33:10: are a lot of potential in India given its.  
 00:33:11 --> 00:33:14: Sheer size of population and and as compared to the  
 00:33:14 --> 00:33:17: relatively small number of you know, you know, you know  
 00:33:17 --> 00:33:21: employment center right now, but there are also some  
 challenges  
 00:33:21 --> 00:33:24: to be overcome, for instance, Islams etcetera. So I think  
 00:33:24 --> 00:33:27: we'll come back to that later. All right. So now  
 00:33:27 --> 00:33:30: let's invite Marty for your, you know, 3 minutes presentations  
 00:33:30 --> 00:33:33: on on this situation in Philippines. Marty, please.  
 00:33:34 --> 00:33:37: Yes, thank you, Ryan. Big thanks to Ken for helping  
 00:33:37 --> 00:33:40: us see you know through this study the other parts

00:33:40 --> 00:33:42: of the elephant which here would not just be a  
00:33:42 --> 00:33:46: broader comparative view of the housing markets in the Asia  
00:33:46 --> 00:33:50: Pacific region, but also providing us with interesting context  
and  
00:33:50 --> 00:33:52: factors influencing attainability.  
00:33:52 --> 00:33:57: Economists would usually say that affordability is mainly  
determined by  
00:33:57 --> 00:34:00: supply and demand of houses. I like how Ken presents  
00:34:01 --> 00:34:05: his insights on housing attainability challenges in our  
countries, measured  
00:34:06 --> 00:34:09: by the purchase or rental price, a family's monthly income,  
00:34:09 --> 00:34:13: and the median age of people in that country. Very  
00:34:13 --> 00:34:15: interesting, as presented by Ken, sadly.  
00:34:16 --> 00:34:19: Yeah, the Philippines has a much lower GDP per capita  
00:34:19 --> 00:34:23: compared to our other Asian neighbors. We also have lower  
00:34:23 --> 00:34:26: organization and I don't know if I should be happy  
00:34:26 --> 00:34:29: or not, the youngest median age of 24 years old,  
00:34:29 --> 00:34:33: right, in the whole region. Or maybe I said maybe  
00:34:33 --> 00:34:36: we just all look young, skinny. So I don't know  
00:34:36 --> 00:34:39: how to look at that, right? But the study also  
00:34:39 --> 00:34:39: showed.  
00:34:40 --> 00:34:44: How the average house or condominium purchase and rental  
rates  
00:34:44 --> 00:34:48: are extremely high. That's how it's said, no versus the  
00:34:48 --> 00:34:52: monthly household income here. No, sadly, it's the highest in  
00:34:52 --> 00:34:55: Asia and I don't think it's simply because of a  
00:34:55 --> 00:34:59: limited housing stock or demand versus demand, no. So from  
00:34:59 --> 00:35:03: the seven critical factors mentioned by Ken in the report,  
00:35:03 --> 00:35:06: I would put as our top three reasons #1.  
00:35:07 --> 00:35:11: The lack of government involvement in housing provision, the  
Department  
00:35:12 --> 00:35:16: of Housing Settlements and Urban Development or these  
should declare  
00:35:16 --> 00:35:20: this year know that our housing backlog is at 6.5  
00:35:20 --> 00:35:24: million units, half of whom are needed by the informal  
00:35:24 --> 00:35:28: settler families. So it's really the poorest that needed. And  
00:35:28 --> 00:35:31: to respond to that cap, the government has set a  
00:35:31 --> 00:35:35: target of building 1,000,000 units per year very.  
00:35:36 --> 00:35:39: You know, I don't know if they're dreaming because if  
00:35:39 --> 00:35:43: you look at the performance of the private sector the  
00:35:43 --> 00:35:47: past five years, it's only been able to build 300,000  
00:35:47 --> 00:35:52: houses every year. No. And it's depending. The government  
is  
00:35:52 --> 00:35:56: depending on the private sector. But what's worse is this



00:35:56 --> 00:35:58: government plans to.

00:35:58 --> 00:36:03: Our prior is prioritizing vertical building versus the horizontal.  
In

00:36:03 --> 00:36:08: a country where we have many mountain and coastal communities,

00:36:08 --> 00:36:12: the government has this very nice balanced Housing Act requiring

00:36:12 --> 00:36:17: private developers to spend around 5 to 15% for socialized

00:36:17 --> 00:36:20: housing. And yet the government has set too low a

00:36:20 --> 00:36:24: price ceiling of around 10,000 U.S. dollars.

00:36:24 --> 00:36:27: For a 25 square meter floor area, so many of

00:36:27 --> 00:36:31: the private developer, all the private developers are, you know,

00:36:31 --> 00:36:35: cannot actually go into that socialized housing with that low

00:36:35 --> 00:36:39: ceiling and the parameters that this government is putting.  
This

00:36:39 --> 00:36:43: is so really not economically feasible, especially in urban areas

00:36:44 --> 00:36:47: where land and other costs are significantly higher.

00:36:48 --> 00:36:51: The housing sector also has raised a lot of issues

00:36:51 --> 00:36:56: about the tedious permitting and licensing processes, the poor housing

00:36:56 --> 00:37:01: governance between the different housing related offices and a lack

00:37:01 --> 00:37:05: of or in effect the ineffective urban and planning management.

00:37:05 --> 00:37:09: The second reason is you know can for me correctly

00:37:09 --> 00:37:13: know that how it is because of our inefficient urban

00:37:13 --> 00:37:16: transportation infrastructure or traffic.

00:37:16 --> 00:37:19: Right. And that's been there for the past 20 years.

00:37:19 --> 00:37:23: We have so many Filipino workers whose residences are just

00:37:23 --> 00:37:26: around 20 to 30 kilometers away, but they're all forced

00:37:27 --> 00:37:30: to rent closer to work, as it would usually take

00:37:30 --> 00:37:33: them more than three hours each way from their home.

00:37:33 --> 00:37:36: No? So it shows that half of the renters in

00:37:36 --> 00:37:39: Metro Manila are, sadly, from those nearby areas.

00:37:39 --> 00:37:42: And so by renting, they cut their travel to to

00:37:42 --> 00:37:46: are still long, still bad though, but you know it's

00:37:46 --> 00:37:49: shorter And because the rental fees are so high, it's

00:37:49 --> 00:37:53: common for these millennials or your or workers to to

00:37:53 --> 00:37:56: share their rental with about four or eight other workers.

00:37:56 --> 00:38:00: They stay together like in a dorm, like housing near

00:38:00 --> 00:38:03: their workplace and then they go home at the weekend.

00:38:03 --> 00:38:07: So I think this raises the demand and the cost.

00:38:07 --> 00:38:12: Worsening home attainability plus of course even the inadequate government

00:38:12 --> 00:38:17: resettlement sites are contributing to that sad situation. And then

00:38:17 --> 00:38:20: third and last is of course the lack of available

00:38:20 --> 00:38:25: financing for home purchasing. We know that poverty incident is

00:38:25 --> 00:38:29: high in the Philippines. About 26 million people are below

00:38:29 --> 00:38:32: the poverty line and yet with the lack of financing

00:38:32 --> 00:38:35: this were since the situation A plus.

00:38:35 --> 00:38:38: The fact, and I will add that is that the

00:38:38 --> 00:38:42: Philippines is also the top disaster risk country in the

00:38:42 --> 00:38:46: whole world. Like we get hit by everything, earthquakes, typhoons

00:38:46 --> 00:38:49: and we say, I don't know why we're still living

00:38:49 --> 00:38:51: here, but we are. And so because of all that

00:38:51 --> 00:38:55: damage that continues to destroy the houses, the lack of

00:38:55 --> 00:38:59: financing for house repairs, incremental repairs and resilient bills are

00:39:00 --> 00:39:02: lacking. So we think that's, yeah, that's.

00:39:03 --> 00:39:05: What is correctly presented in the report?

00:39:07 --> 00:39:10: All right. Thank you, Marty. So you know, Philippines have

00:39:10 --> 00:39:14: the youngest population within the region. And also you also

00:39:14 --> 00:39:18: mentioned that the relatively low attainability in Philippines attributable by

00:39:19 --> 00:39:22: three sector 3 reasons. One is lack of government involvement,

00:39:22 --> 00:39:26: second is insufficient urban transportation and the third one is

00:39:26 --> 00:39:29: the lack of available financing. So I think I will

00:39:29 --> 00:39:32: direct my first question to you is actually.

00:39:32 --> 00:39:36: On the whole model of you know, Philippine, Philippines using

00:39:37 --> 00:39:41: in providing social housing as you mentioned it, the government

00:39:41 --> 00:39:44: is solely or or majorly or actually solely relying on

00:39:44 --> 00:39:48: the private sector in terms of providing you know social.

00:39:48 --> 00:39:52: So, so, so any challenges facing that model and and

00:39:52 --> 00:39:56: you know any key takeaways from policymakers in other parts

00:39:56 --> 00:39:59: of the regions, should we use that model or or

00:39:59 --> 00:40:01: or you warn them out?

00:40:01 --> 00:40:04: Of using that model of relying the solely the private

00:40:04 --> 00:40:04: sector.

00:40:07 --> 00:40:10: In theory or in principle, it's very good. Now there's  
00:40:10 --> 00:40:14: that law that says all private developers have to give  
00:40:14 --> 00:40:18: around 10% of whatever they're spending on condominium  
or a  
00:40:18 --> 00:40:22: high end subdivision for socialized housing. But they, you  
know,  
00:40:22 --> 00:40:26: they haven't been able to implement this effectively, as I  
00:40:26 --> 00:40:27: said, because of.  
00:40:28 --> 00:40:32: #1 the permitting itself. So private developers are having a  
00:40:32 --> 00:40:35: hard time getting their permits or you know, condition to  
00:40:35 --> 00:40:39: certificate to sell because it takes around 2:00 to three  
00:40:39 --> 00:40:44: years to process the socialized housing project permits or  
accreditation.  
00:40:44 --> 00:40:47: So not only is it the permitting, but it's also  
00:40:47 --> 00:40:50: the ceiling. So if you ask a private developer, they  
00:40:50 --> 00:40:53: would say for that size they will do for them  
00:40:53 --> 00:40:57: to make even just a small profit. It's 1.2 million  
00:40:57 --> 00:40:57: pesos.  
00:40:57 --> 00:41:02: For the 25 square meter, but the ceiling the government  
00:41:02 --> 00:41:06: is giving is is 540,000. So about half of that.  
00:41:06 --> 00:41:11: And then of course now the government is prioritizing that  
00:41:11 --> 00:41:16: fund for vertical when in fact the acceptability of vertical  
00:41:16 --> 00:41:21: is very low here. People prefer the horizontal homes, yeah.  
00:41:21 --> 00:41:25: I see. So theoretically good, but executionally not that good.  
00:41:25 --> 00:41:27: All right. So I, I, I, I will, I will  
00:41:27 --> 00:41:31: come to Prasad. You mentioned slums, they're actually one  
of  
00:41:31 --> 00:41:34: the challenges that you know India has to face in  
00:41:34 --> 00:41:37: terms of you know is improving its housing market. So  
00:41:37 --> 00:41:40: can you share to us, you know what what what  
00:41:40 --> 00:41:43: are the ways the the Indian government is is using  
00:41:43 --> 00:41:46: in terms of you know improving the slums and also  
00:41:46 --> 00:41:49: any challenges that you know is is facing the government  
00:41:50 --> 00:41:51: in terms of doing so.  
00:41:53 --> 00:41:57: You know, so government is trying to, you know, address  
00:41:57 --> 00:42:03: the issue of home ownership through private public  
partnership because  
00:42:03 --> 00:42:07: what government has realized that achieving this target of  
housing  
00:42:08 --> 00:42:11: for all is is such, a, you know, humongous task  
00:42:11 --> 00:42:14: that it cannot be done by government alone.  
00:42:15 --> 00:42:19: So though the government, the central government has its  
ambitious  
00:42:20 --> 00:42:24: scheme called Pradhan Mantri Awasi which you know in

English

00:42:24 --> 00:42:27: would be Prime Minister housing scheme which has the aim  
00:42:27 --> 00:42:31: of providing housing to all and through that it has  
00:42:31 --> 00:42:34: launched a lot of schemes and and then it's trying  
00:42:34 --> 00:42:38: to encourage private developers by giving them some kind of  
00:42:38 --> 00:42:42: incentives to take up affordable housing projects in the.  
00:42:43 --> 00:42:48: Mumbai Metropolitan region and then similar cities where  
housing for  
00:42:48 --> 00:42:52: for urban, you know population has become a challenge. And  
00:42:52 --> 00:42:56: I just to give you a brief stats, you know  
00:42:56 --> 00:43:00: at national level through this Prime Minister housing scheme,  
12  
00:43:00 --> 00:43:05: million houses have been sanctioned out of which 8 millions  
00:43:05 --> 00:43:06: are completed.  
00:43:07 --> 00:43:10: And and to specifically address the problem of slum in  
00:43:10 --> 00:43:15: in Mumbai, Maharashtra government has also planned to  
develop, you  
00:43:15 --> 00:43:20: know 800,000 million units of houses for economically  
weaker section.  
00:43:20 --> 00:43:25: And similarly government is providing some financial  
incentives to the  
00:43:25 --> 00:43:30: developers and also encouraging the developers by giving  
them some  
00:43:30 --> 00:43:33: incentive in the terms of extra FSI if they take  
00:43:33 --> 00:43:36: housing dedicated for urban slums.  
00:43:37 --> 00:43:40: And on the second hand, as I mentioned earlier that  
00:43:40 --> 00:43:44: only six or seven cities cannot sustain the population and  
00:43:44 --> 00:43:47: you know the migration that happens to these cities, so  
00:43:47 --> 00:43:51: government to build other cities which are capable of  
generating  
00:43:51 --> 00:43:55: employment so that the entire population gets distributed  
evenly, has  
00:43:56 --> 00:43:59: taken up an ambitious program called Smart Cities where  
they  
00:43:59 --> 00:44:02: have identified 100 cities across the country.  
00:44:03 --> 00:44:06: And they're trying to rejuvenate it both in terms of  
00:44:06 --> 00:44:11: infrastructure, technology, creating job employment  
opportunities, providing some kind of  
00:44:11 --> 00:44:15: incentives to companies to relocate their offices to these  
cities.  
00:44:15 --> 00:44:17: So in a nutshell, as I you know keep on  
00:44:17 --> 00:44:20: saying that India is still under, I would say work  
00:44:20 --> 00:44:23: in progress where you know 80% of the country is  
00:44:23 --> 00:44:27: still under construction beat in terms of infrastructure or

housing.

00:44:27 --> 00:44:30: But one good thing we have seen is that due  
00:44:30 --> 00:44:31: to governments incentive.  
00:44:32 --> 00:44:37: And an encouragement, there's a lot of participation that is  
00:44:37 --> 00:44:41: happening in the by the private players which has expedited  
00:44:42 --> 00:44:45: the progress. So in my opinion there has to be  
00:44:45 --> 00:44:50: a good mix of both government and private players and  
00:44:50 --> 00:44:51: another thing that.  
00:44:51 --> 00:44:54: Is is you know a challenge in India is that  
00:44:54 --> 00:44:57: real estate is subject of state. So the center might  
00:44:57 --> 00:45:00: have a different rule when it comes to approval. The  
00:45:00 --> 00:45:03: states might have a different rule. So there needs to  
00:45:03 --> 00:45:07: be a better coordination amongst the planning agencies both  
sitting  
00:45:07 --> 00:45:09: at central level as well as state level so that  
00:45:09 --> 00:45:13: the approval process, the planning process is seamless and  
that  
00:45:13 --> 00:45:16: brings down the overall construction time that is required for  
00:45:16 --> 00:45:19: a project from announcement to completion.  
00:45:19 --> 00:45:23: The government is working in that direction also very closely  
00:45:23 --> 00:45:27: with the states, but that is still, you know, I  
00:45:27 --> 00:45:30: would say there's some certain open points which is still  
00:45:30 --> 00:45:34: kind of under consideration. But yes, the talks are in  
00:45:34 --> 00:45:38: the positive direction because if India has to achieve the  
00:45:38 --> 00:45:41: target of achieving 5 to becoming 5 to economy by  
00:45:41 --> 00:45:45: 2025, housing is going to play a very important role.  
00:45:45 --> 00:45:48: Currently the real estate sector contributes 7% of the GDP.  
00:45:49 --> 00:45:52: And it is expected that in another five years this  
00:45:53 --> 00:45:56: contribution will go to, you know, 30 to 14%. So  
00:45:56 --> 00:45:59: clearly the task is clearly set out and most of  
00:45:59 --> 00:46:03: the government agencies are focusing on on housing as as  
00:46:03 --> 00:46:07: you know, a major driver for economy and job creation.  
00:46:07 --> 00:46:10: And by the way, real estate is the second largest  
00:46:10 --> 00:46:14: employment generator in the economy for this country. So in  
00:46:14 --> 00:46:18: my opinion, things are moving in the right direction.  
00:46:18 --> 00:46:22: Consuming the scale of the and the population of the  
00:46:22 --> 00:46:24: country, it might look bit slow but yes we are  
00:46:25 --> 00:46:27: taking some positive steps in right direction.  
00:46:29 --> 00:46:32: All right. Thank you. Things moving in a good directions  
00:46:32 --> 00:46:35: in right direction in India, that's that's good. I'll turn  
00:46:35 --> 00:46:37: to Calvin. I think in Hong Kong we, we don't  
00:46:37 --> 00:46:40: really have storm. So we still have a lot of  
00:46:40 --> 00:46:43: people living in subdivided units, Tong, Fong, right. So what

00:46:43 --> 00:46:46: are the measures that the government has taken in solving  
00:46:46 --> 00:46:46: this?  
00:46:47 --> 00:46:50: Subdivided units issues and how are the impacts so far?  
00:46:50 --> 00:46:53: Are they effective or not having this?  
00:46:53 --> 00:46:57: Yes. So, so first of all, maybe to the benefits  
00:46:57 --> 00:47:00: of our audience, the subdivided units in Hong Kong means  
00:47:00 --> 00:47:04: they're very small units. So Hong Kong typical unit has  
00:47:04 --> 00:47:08: already very small, but a subdivided unit would typically be  
00:47:08 --> 00:47:11: you know around 10 square meter and they have.  
00:47:12 --> 00:47:15: They have you know water supply. They have electricity. But  
00:47:15 --> 00:47:18: there have been a lot of news you know about  
00:47:18 --> 00:47:21: you know, whether the landlord would overcharge the utilities  
00:47:21 --> 00:47:24: you  
00:47:24 --> 00:47:27: know to the 10:00 so that that would be the  
00:47:27 --> 00:47:30: kind of problems you know for subdivided units housing and  
00:47:30 --> 00:47:33: and so the government has been trying as Ryan US  
00:47:33 --> 00:47:36: has been trying to tackle the problem because the ranks  
00:47:36 --> 00:47:40: of this divided units have been relatively high including the  
00:47:40 --> 00:47:41: utility charges and and then the living environment is  
00:47:42 --> 00:47:45: relatively,  
00:47:45 --> 00:47:48: you know, not that good.  
00:47:48 --> 00:47:51: So in terms of government measures, so one thing the  
00:47:51 --> 00:47:54: government has tried to do is to implement some rent  
00:47:54 --> 00:47:56: controlled regulation. But as far as I can see, I  
00:47:56 --> 00:47:59: think the effect has yet to be seen. So because  
00:47:59 --> 00:48:02: you know there could be a lot of informality, you  
00:48:02 --> 00:48:05: know, like you know slums in other places, you know  
00:48:05 --> 00:48:09: it is very difficult for the government to step in  
00:48:09 --> 00:48:11: and control because even the tenants may not want to  
00:48:12 --> 00:48:14: report the landlord, right, because if they report the landlord  
00:48:14 --> 00:48:17: then they may lose the the place they are living.  
00:48:17 --> 00:48:20: So there's a lot of issues and regulation may not  
00:48:20 --> 00:48:23: be the best in the solution to these kind of  
00:48:23 --> 00:48:26: problems. And then now the government is trying to do  
00:48:26 --> 00:48:29: another thing, is to implement a lot of temporary housing  
00:48:29 --> 00:48:32: and the one under spotlight is called like public housing.  
00:48:32 --> 00:48:35: That means, you know, the the government will just, you  
00:48:35 --> 00:48:38: know, find some weaker land typically in the urban areas  
00:48:38 --> 00:48:40: and they will, you know, put some like, you know,  
00:48:41 --> 00:48:44: container boxes, you know, which we call it, you know,  
MIC, you know, modular construction units.  
And and then, you know, this kind of a temporary

00:48:44 --> 00:48:47: housing unit could be rented out to low income people  
00:48:47 --> 00:48:49: for a few years. So now this is, you know,  
00:48:49 --> 00:48:52: under the spotlight and partly because you know, the location  
00:48:53 --> 00:48:53: choice.  
00:48:53 --> 00:48:56: Yes. People are not happy that you know that the  
00:48:56 --> 00:48:58: temporary housing would be next to them and so that  
00:48:58 --> 00:49:01: create you know a lot of disputes, you know, you  
00:49:01 --> 00:49:03: know controversy in Hong Kong as well. So these are  
00:49:03 --> 00:49:06: the the two I think that the main government message.  
00:49:06 --> 00:49:08: So one is the rent control and then the other  
00:49:08 --> 00:49:11: one would be you know more temporary housing supply in  
00:49:11 --> 00:49:12: the short run.  
00:49:12 --> 00:49:16: Alright, thank you. Thanks Cameron. Seems the the  
fundamental things  
00:49:16 --> 00:49:18: of solving this is actually by you know.  
00:49:19 --> 00:49:23: Providing more supply, right, It's actually how we can solve  
00:49:23 --> 00:49:26: this fundamentally Okay. So I'll turn to Connie, you you  
00:49:26 --> 00:49:30: have mentioned in your speech that there is a trend  
00:49:30 --> 00:49:33: of you know people moving back to the capital cities  
00:49:33 --> 00:49:36: as reversal to the to the trend in in the  
00:49:36 --> 00:49:39: COVID. So, So what are the impact of this on  
00:49:39 --> 00:49:42: the housing market on in both the capital cities and  
00:49:42 --> 00:49:45: also the urban size and and and what are the  
00:49:45 --> 00:49:46: impacts on that? Thank you.  
00:49:50 --> 00:49:51: Connie, you have to You have to unbuild yourself.  
00:49:52 --> 00:49:55: In addition to the to the tree changes returning to  
00:49:55 --> 00:49:59: the cities for housing, you've also got of course the  
00:49:59 --> 00:50:02: borders open. So what that's meant is that there's just  
00:50:02 --> 00:50:05: been such a pent up demand for the rental market.  
00:50:06 --> 00:50:10: And for Green Hill, Greenfield builds, so the government's  
now  
00:50:10 --> 00:50:15: looking at improving brownfield and infield developments and  
so trying  
00:50:15 --> 00:50:20: to expedite some of those infrastructure developments, so  
retrofitting for  
00:50:20 --> 00:50:24: those, those brownfield and infield areas. And then certainly  
in  
00:50:24 --> 00:50:28: Sydney reversing some of that trend, which was about really  
00:50:29 --> 00:50:34: expanding Sydney's footprint, also looking at more effectively  
utilizing the  
00:50:34 --> 00:50:34: existing.  
00:50:35 --> 00:50:39: Infrastructure and spaces, So that's also about higher density  
and

00:50:39 --> 00:50:44: medium density properties versus freestanding dwellings. So that's been one

00:50:44 --> 00:50:47: of the impacts in terms of the long term supply

00:50:47 --> 00:50:51: changes and and expediting a lot of those developments through

00:50:51 --> 00:50:54: the various departments of planning.

00:50:55 --> 00:50:59: But the other impact of course is apart from affordability

00:50:59 --> 00:51:02: is that you've got a situation where in in the

00:51:02 --> 00:51:05: regions and one of the reasons or triggers for people

00:51:05 --> 00:51:09: returning to the to the urban environments is that in

00:51:09 --> 00:51:12: the regions there's been a a spike in Airbnb's. So

00:51:12 --> 00:51:16: what's happened in some of those regions is that a

00:51:16 --> 00:51:19: lot of the existing stock has been taken up with.

00:51:20 --> 00:51:23: Airbnb. So some of the local governments now are working

00:51:24 --> 00:51:27: with both the state and federal government to look at

00:51:27 --> 00:51:31: putting restrictions and quotas on that. There's actually in Byron

00:51:32 --> 00:51:35: Bay now a restriction on removing the ability to Airbnb

00:51:35 --> 00:51:38: a property from six months down to three.

00:51:39 --> 00:51:42: So there's initiatives like that to try and get housing

00:51:42 --> 00:51:46: stock back into the into the regional market to help

00:51:46 --> 00:51:48: some of the people stay in those regions, in the

00:51:49 --> 00:51:52: city. It's really about supply, supply, supply at a time

00:51:52 --> 00:51:55: when you know the building fraternity can't afford to do

00:51:55 --> 00:51:59: that. So it's about incentivizing bill to rent now which

00:51:59 --> 00:52:02: we've been all wanting to see happen in Australia. So

00:52:02 --> 00:52:05: bill to rent now is being seen as a viable

00:52:05 --> 00:52:08: alternative. So I think in terms of housing stock, it's

00:52:08 --> 00:52:09: really about.

00:52:09 --> 00:52:14: Moving into that medium density, high density space, retrofitting in

00:52:14 --> 00:52:20: some of those regions, certainly looking at master plan communities

00:52:20 --> 00:52:24: in Sydney which is is negligible compared to the other

00:52:24 --> 00:52:29: capitals where they've they've got up to 2025% master plan

00:52:29 --> 00:52:33: communities in in in play and in Perth for example,

00:52:33 --> 00:52:36: it's roughly 4040 between.

00:52:37 --> 00:52:41: Freestanding and highest density and master plan. So it's really

00:52:41 --> 00:52:45: moving into that that new space that we've all been

00:52:45 --> 00:52:49: encouraging everyone to move into against the backdrop of escalating,

00:52:50 --> 00:52:54: you know, borrowing capacities. So that's the main things. And



00:52:54 --> 00:52:58: in terms of homelessness, it's really about a whole lot  
00:52:58 --> 00:53:02: of social initiatives and policy initiatives to help people.  
There's  
00:53:03 --> 00:53:06: been calls for rent caps, but that is unlikely.  
00:53:06 --> 00:53:09: To occur but what it has done is made people  
00:53:09 --> 00:53:13: think twice they have they have passed legislation in NSW  
00:53:13 --> 00:53:17: with the other state governments to follow now which is  
00:53:17 --> 00:53:22: about outlawing rent bidding which has certainly escalated  
the the  
00:53:22 --> 00:53:27: rental affordability paradigm. So a number of initiatives but  
really  
00:53:27 --> 00:53:31: it's about government stepping into into the frame which has  
00:53:31 --> 00:53:35: been absent from that policy making setting for a long  
00:53:35 --> 00:53:36: time and.  
00:53:36 --> 00:53:40: Really trying to work with the private sector to accelerate  
00:53:40 --> 00:53:40: supply.  
00:53:41 --> 00:53:45: I think, thanks Connelly is also related to one of  
00:53:45 --> 00:53:49: the questions that our audience has asked, which is by  
00:53:49 --> 00:53:54: Jonathan from Collies. The questions that he asked is, are  
00:53:54 --> 00:53:59: there any new alternative affordable housing models such as  
you  
00:53:59 --> 00:54:03: know, called living rent to buy, you know, Bill to  
00:54:03 --> 00:54:05: rent like Connie just mentioned?  
00:54:06 --> 00:54:11: Which is being considered or implemented in your respective  
markets?  
00:54:11 --> 00:54:14: And if so, what are some of the implications of  
00:54:14 --> 00:54:19: these new housing models on housing tenability? Any of the  
00:54:19 --> 00:54:23: panelists would want to answer this question. Maybe my  
idea,  
00:54:23 --> 00:54:26: I saw you type something on the Q&A box. We  
00:54:26 --> 00:54:30: want to, you know, elaborate a little bit more on  
00:54:30 --> 00:54:30: that.  
00:54:31 --> 00:54:35: Yeah, I mean it's an alternative model by.  
00:54:35 --> 00:54:39: Co living right in the Philippines where they're just simply  
00:54:39 --> 00:54:41: coping when you have 4 to 8 renters in one  
00:54:41 --> 00:54:43: unit. But I think this is not going to help  
00:54:43 --> 00:54:46: the longterm housing attainability in the Philippines.  
00:54:47 --> 00:54:50: I see. Oh, and and Kelvin, you want, you want  
00:54:50 --> 00:54:50: to add on that?  
00:54:51 --> 00:54:53: So you also type something on the Q&A as well.  
00:54:54 --> 00:54:56: Yes, I I I just said you know the sub  
00:54:56 --> 00:54:59: divided unit in Hong Kong is mentioned by Ryan is  
00:54:59 --> 00:55:01: you know kind of Co living but not in that

00:55:01 --> 00:55:04: good environment and another model rents to buy I think  
00:55:04 --> 00:55:06: in Hong Kong the government is also trying to do  
00:55:06 --> 00:55:09: that. So in Hong Kong we have a public housing  
00:55:09 --> 00:55:12: for rental purpose. So now the government allow the sitting  
00:55:12 --> 00:55:15: tenants there to buy the homes you know they are  
00:55:15 --> 00:55:17: now living in. So this is you know maybe one  
00:55:17 --> 00:55:19: of the rent to buy alternative.  
00:55:20 --> 00:55:22: I see Connie, so you just met are you also  
00:55:22 --> 00:55:25: mentioned you know Bill to rent in your answers just  
00:55:26 --> 00:55:28: now. Do you want to elaborate a little bit more  
00:55:28 --> 00:55:32: on that how how the Australian government implement this or  
00:55:32 --> 00:55:35: you know any challenges that they face or or what  
00:55:35 --> 00:55:36: are the effective so?  
00:55:36 --> 00:55:39: Far, yeah. Yeah. So, so there's there's incentives that play  
00:55:39 --> 00:55:42: now to try and bring in some of the larger  
00:55:42 --> 00:55:45: overseas developers and superannuation funds to build in  
this space  
00:55:45 --> 00:55:48: as well as some domestic superannuation funds.  
00:55:49 --> 00:55:52: The, the challenge has previously been about the the  
planning  
00:55:53 --> 00:55:56: rules and regulations around bill to rent and then of  
00:55:56 --> 00:55:59: course really the cost of being able to build that.  
00:55:59 --> 00:56:03: But I think given that that the affordability has deteriorated  
00:56:03 --> 00:56:07: so much, people are now accepting that bill to rent  
00:56:07 --> 00:56:10: is the way forward for the future. And so I  
00:56:10 --> 00:56:13: think that will give a lot more certainty to people  
00:56:13 --> 00:56:16: who will be lifetime renters or at least half of  
00:56:16 --> 00:56:18: their working life renters.  
00:56:18 --> 00:56:22: And that means also you know extending leases beyond the  
00:56:22 --> 00:56:26: typical sort of 6 to 12 month lease that that  
00:56:26 --> 00:56:29: a typical renter in Australia has to abide by. So  
00:56:29 --> 00:56:33: I think it's I've been a very positive advocate and  
00:56:33 --> 00:56:36: supporter for bill to rent and I think it will  
00:56:36 --> 00:56:40: certainly help with a lot of the the affordability and  
00:56:40 --> 00:56:44: attainability issues that we actually have in Australia.  
00:56:46 --> 00:56:48: So is there any?  
00:56:48 --> 00:56:54: Similar models in Mumbai, also in in India as well.  
00:56:54 --> 00:57:00: You have unbuilt, you have to unbuilt yourself. Thank you.  
00:57:01 --> 00:57:05: Yeah. So actually the government has, you know, recognized the  
the  
00:57:05 --> 00:57:09: fact that just by constructing a new house, not everybody  
00:57:09 --> 00:57:12: would be, you know, in a position to buy. So  
00:57:12 --> 00:57:16: they have launched A scheme called Affordable Rental

Housing Complexes  
for Urban Migrants.

00:57:16 --> 00:57:18: So it it kind of you know is is a  
00:57:18 --> 00:57:21: subsidized rental program which is in in lines of built  
00:57:21 --> 00:57:25: to rent kind of model which focuses on the migratory  
00:57:25 --> 00:57:28: population which belongs to economically weaker classes.  
00:57:28 --> 00:57:33: So in my  
00:57:33 --> 00:57:37: opinion this this is is something which should bridge the  
00:57:37 --> 00:57:42: gap because home ownership is still a challenge because of  
00:57:42 --> 00:57:43: high prices so.  
00:57:43 --> 00:57:46: This I think is an equivalent model of you know,  
00:57:46 --> 00:57:49: built to rent kind of thing which is slowly taking  
00:57:49 --> 00:57:52: shape in India. We still have various loopholes when it  
00:57:52 --> 00:57:56: comes to rental loss which the government is working  
towards  
00:57:56 --> 00:57:56: it.  
00:57:57 --> 00:58:00: I see. Thank you. We still have two moments, maybe  
00:58:00 --> 00:58:02: 10. Do you want to share a little bit on  
00:58:02 --> 00:58:05: what's happening in the Mainland China as well?  
00:58:06 --> 00:58:07: Yeah, on this.  
00:58:09 --> 00:58:13: Built to rent or Co living. The Chinese central government  
00:58:13 --> 00:58:17: has been promoting this idea that homes are for living  
00:58:17 --> 00:58:21: enough for investing, right? So they've been selling or they've  
00:58:21 --> 00:58:26: been encouraging local governments to sell lots specifically  
for the  
00:58:26 --> 00:58:30: purpose of developing rental housing, right. So we haven't  
really  
00:58:30 --> 00:58:32: seen the new increase in supply.  
00:58:33 --> 00:58:36: From from that kind of effort yet but and also  
00:58:36 --> 00:58:39: there's a complaint that a lot of the lots are  
00:58:39 --> 00:58:43: not too convenient community located right But we are also  
00:58:43 --> 00:58:49: seeing industrial projects properties namely dormitory  
buildings for workers as  
00:58:49 --> 00:58:54: part of factories, manufacturing facilities being converted to  
what they  
00:58:54 --> 00:58:57: call youth departments mainly catering to.  
00:58:58 --> 00:59:01: Young young people, young migrant workers, right. And it's  
not  
00:59:02 --> 00:59:05: for a family, because if you have family families, then  
00:59:05 --> 00:59:09: it violates the original intention of providing dormitory  
housing. So  
00:59:10 --> 00:59:12: it's only for singles. But I think it is, At  
00:59:12 --> 00:59:15: least in Shanghai, we saw a huge project that is  
00:59:15 --> 00:59:18: actually providing a really nice price point.

00:59:19 --> 00:59:22: For young migrant workers, and I think, I think it  
00:59:23 --> 00:59:25: was my friend call you or you told me that  
00:59:25 --> 00:59:29: in the case of rental housing units in Japan, the  
00:59:29 --> 00:59:32: the renters are able to send their kids to schools  
00:59:32 --> 00:59:36: nearby. And that is not necessarily the case in tier  
00:59:36 --> 00:59:40: one cities in China, which actually drives up the demand  
00:59:40 --> 00:59:44: for owning a house again. Whereas in Japan you could  
00:59:44 --> 00:59:47: send your kids to schools nearby even if you are  
00:59:47 --> 00:59:48: not owning.  
00:59:48 --> 00:59:51: A house, right. So even if you're living in an  
00:59:51 --> 00:59:55: apartment unit, so, so to the extent that you increase  
00:59:55 --> 00:59:58: the benefits, you make it easier for people to access,  
00:59:59 --> 01:00:02: you know, public amenities like school and and and and  
01:00:02 --> 01:00:06: then also even like Social Security benefits while being a  
01:00:06 --> 01:00:10: renter. I I think that'll also help alleviate the housing  
01:00:10 --> 01:00:13: shortage and also make it easier for people just have  
01:00:13 --> 01:00:16: good life while staying as a renter.  
01:00:17 --> 01:00:20: All right. Thank you, Ken. I'm closest about the time.  
01:00:20 --> 01:00:23: So once again thank you all for joining us. Hope  
01:00:24 --> 01:00:27: you guys all have a, you know, wonderful and you  
01:00:27 --> 01:00:30: know useful sections for you guys and also thanks to  
01:00:30 --> 01:00:34: all our speakers and panelists. Thanks Ken Corny, Marty,  
Calvin  
01:00:34 --> 01:00:37: for as well. So I think that's all for today.  
01:00:37 --> 01:00:38: Thank you guys.

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