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Singapore Millennials feel at home with multiple property purchases – HSBC Survey

- 54% of Singaporean Millennials surveyed are home owners
- 43% of Millennial ‘intenders’ expect to own more than one home
- Of this percentage, 74% intend to use their second home for investment purposes

Bucking all stereotypes, Millennials are the most likely segment amongst all generations in the Singapore market to be multiple property owners and the quickest to save for housing deposits, according to research by HSBC.

HSBC’s *Beyond the Bricks 2: The value of home* is a global survey that took the views of more than 10,000 people across 10 countries and territories, including 1,000 respondents in Singapore (both home owners and intendersⁱ), on their attitudes towards home ownership and financing a home.

Millennials ahead of the pack in property investment

According to the report, Millennials (age 21 – 36 years old) are actually in a stronger position in terms of property ownership than many would assume.

More than half (54%) surveyed already own a home, and 24% of these property owners already own multiple homes. In comparison, this 24% is higher than both Baby Boomers (17%) and Generation X-ers (19%).

Similarly, 43% of Millennial ‘intenders’ surveyed expect to own more than one home in the future, the highest percentage across all generations, with 74% intending to use their second home for investment purposes or to rent out.

Mr Anurag Mathur, Head of Retail Banking and Wealth Management, HSBC Bank (Singapore) said: “This research bucks the stereotypes of Millennials being paycheck spenders and short-term planners. Instead, what the research reveals is a very clear focus on future proofing and investing.”

Great Expectations for future property values

With regards to purchasing a home, almost four in five (79%) home owners expect the value of their homes to increase, with the results being fairly equal across generations.

Singaporean intenders’ expectations are just slightly lower, with almost three-quarters (73%) expecting the value of their future homes to increase. Of these, Millennial ‘intenders’ prove to be the most positive at 76%. Only 33% of Baby Boomer intenders expect the value of a home to increase.

Mr Mathur continued: “Whilst the Singapore property market has cooled over the past few years¹, it is now on track for a recovery especially on the back of recent enbloc activities. And this positive sentiment seems to be coming through in the report.”

¹ HSBC Global Real Estate, <https://www.hsbc.com.hk/content/dam/hsbc/hk/docs/premier/global-real-estate-report-en.pdf>

Millennials are sprinters in savings and shrewd in mortgage shopping

Singaporean Millennials are proving to be focused savers and very astute in going after the most competitive mortgage rates.

On average, Millennial home owners took five years to save for a deposit for their homes, less time than Baby Boomers (6 years) and Gen X-ers (7 years).

Similarly, almost half of all Millennials (47%) check the price of their homes at least once a year. They also switched their mortgage or home loan provider more than any other age group.

Mr Mathur concluded: "Millennials are known for being digitally savvy, and they're backing this up with financial savviness too. Technology has also made it easier for property investors to research and track their loans. This is why it is so important that mortgage providers offer greater transparency, more competitive deals and a wider variety of options to meet all their needs."

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Media enquiries to:

Betty Fong, HSBC Singapore +65 6658 4103 / +65 9712 8597 betty.c.y.fong@hsbc.com.sg

Note to editors:

Beyond the Bricks is an independent consumer research study into global home ownership, commissioned by HSBC. It provides authoritative insights into peoples' attitudes and behaviour towards home buying, renting and funding around the world.

The value of home is the second survey in the series and represents the views of 10,005 people in 10 countries: Australia, Canada, France, Malaysia, Mexico, Singapore, Taiwan, UAE, UK and USA.

The findings are based on a survey of current and prospective home owners aged 21 or older from a nationally representative online sample in each country. The research was conducted by Kantar TNS in September and October 2017.

Baby Boomers	Those born between 1946 and 1963 (54 +)
Generation X	Those born between 1964 and 1980 (37 - 53 years)
Xennials	Those born between 1977 and 1983 (34 - 40 years) A micro-generation i.e. a sub-group within Millennials
Millennials	Those born between 1981 and 1996 (21 - 36 years)

About HSBC Singapore

HSBC Group's history in Singapore dates back to 1877 when its founding member, The Hongkong and Shanghai Banking Corporation Limited, opened its first branch on the island. A qualifying full bank, HSBC in Singapore offers a comprehensive range of banking and financial services including retail banking and wealth management; commercial, investment and private banking; insurance; forfeiting and trustee services; securities and capital markets services. One of the earliest banks to establish in Singapore, HSBC today is a prominent player in Singapore's financial services sector serving the banking needs of multi-national corporations, home-grown businesses, private banking clients, institutional and retail customers. In May 2016, HSBC locally incorporated its retail banking and wealth management business in Singapore and established, HSBC Bank (Singapore) Limited. Till this day, HSBC's flagship office remains at the original Collyer Quay site where its first branch was set up. HSBC Singapore has a retail network of 11 branches (of which 9 are dedicated HSBC Premier Centre) and many locations across the island providing self-service terminals.

About The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group, which serves our customers through four global businesses: Retail Banking and Wealth Management, Commercial Banking, Global Banking and Markets, and Global Private Banking. HSBC Group serves customers worldwide from approximately 3,900 offices in 67 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,652bn at 31 March 2018, HSBC is one of the world's largest banking and financial services organisations.

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ⁱ Intenders in the report is defined as prospective home owners