



## ANGLAIS

5 Just how bad is China's housing bubble ? One important measure—the most important for those trying to get a foot on the property ladder—is affordability. Many believe that Chinese housing prices have soared well beyond the reach of the ordinary people. There is some truth to that. But a closer look at the data reveals a more complex picture. The Economist Intelligence Unit, our sister company, created a city-level index to track the relation between housing prices and incomes across China. Two points stand out.

10 First, the country's biggest cities such as Beijing and Shanghai, with populations of more than 10 million, are in a class of their own terms of unaffordability. Homes are markedly cheaper in almost all slightly smaller cities, even though **they** have millions of residents. The price of a 100 square-metre house is on average 14-fold higher than annual household incomes in mega-cities. For cities with populations of less than 10 million, the price to income ratio is eight. It thus makes sense for China's cities to tailor their housing policies to their own needs; some must focus on building subsidised homes, while others need to attract new residents to occupy their many homes now standing empty.

15 Second, regardless of city size, housing has become more affordable over the past four years throughout China. At the peak, in April 2010, house prices on average were nearly 12 times household incomes; that has dropped to less than nine times today. Prices are higher than in many developing countries, but they are not wildly divergent.

20 The apparent improvement in affordability does not tally with the perception of many Chinese. But the official price data used in constructing this index show that many people are adjusting to high inner-city prices by buying homes that are ever farther from urban centres. That may not be especially painful: suburbs are increasingly well-connected by road and railways.

25 The bigger concern, especially in smaller cities, is that China suffers from an oversupply of housing. So many homes have been built that prices in such cities are now declining quickly relative to incomes. **That** is desirable. But a sudden rise in affordability could pose considerable risks to the financial system, which is heavily exposed to loans made to the property sector. So far, at least, China has yet to experience the pain of a property-market crash.

The Economist December 20<sup>th</sup> 2014, page 79.

### Glossary

1. **To get a foot on the property ladder** : devenir propriétaire, accéder à la propriété.
2. **To tailor** : adapter
3. **To tally with** : correspondre.
4. **Affordability** : accessibilité.

### I. COMPREHENSION (09pts)

A. Which of the following title is the most appropriate one for the text ? (01mark)

1. The problems in big cities and small ones in China.
2. Housing problems in China
3. Household incomes and overpopulation in China.

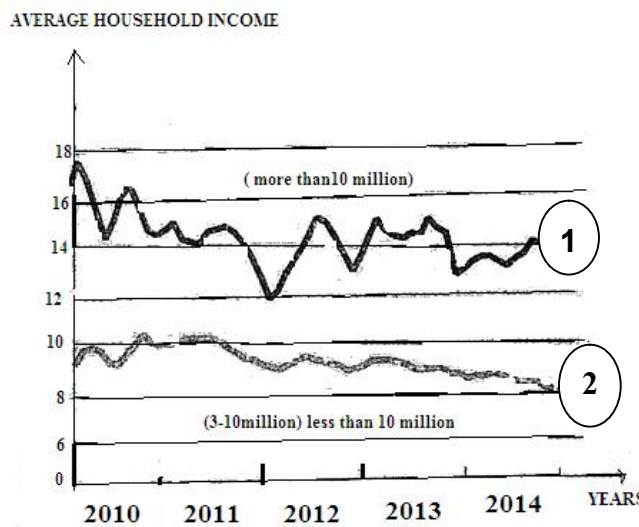
**B. Are these statements true or false ? Put (T) or (F) and justify your answers by quoting from the text. (03pts=0.75pt / answer)**

- 4. Anyone can afford a house in China at a lower price.
- 5. According to the Economist Intelligence Unit, China's housing problems are partly due to city sizes.
- 6. House prices have been the same in China since 2010.
- 7. There is no way for people in urban China to face high house prices.

**C Read the text and complete the table below with the right information. (02pts=0.5pt/ answer)**

City population	City-level index	Housing policies
More than 10m	8.....	9.....
10.....	Price income ratio is eight	11.....

**D. The line graphs below show China's housing affordability in cities over time. Refer to the text and find the type of city corresponding to each graph line. (01pt=0.5pt/answer)**



**Source .** Economist intelligence Unit

- 12. Graph 1 corresponds to.....
- 13. Graph 2 corresponds to.....

**E. Find in the indicated paragraphs of the text words meaning the same as the following : (01pt=0.25pt/answer)**

- 14. homes that receive a financial contribution from a government (paragraph 2)
- 15. sums of money borrowed from a financial institution to be paid later (paragraph 5)
- 16. have quickly increased to a high level ( paragraph 1)
- 17. cheap enough for ordinary people to get ( paragraph 3)

**F. What do the following words refer to in the text?**

**(0.5pt= 0.25pt/answer)**

18. **they**(.....they have millions of residents.)

19. **That**( That is desirable.)

**G. Find in the text two sentences showing changes in housing affordability and prices over time.**

**(0.5pt=0.25pt/answer)**

20.....

21.....

**II. LINGUISTIC COMPETENCE (07pts)**

**H. Reformulate the following sentences using the prompts given.**

**(03pts=0.75pt/answer)**

22. Many Chinese could not have access to homes because house prices soared.

If.....

23. The government built more subsidized homes in the big cities but not in the small ones.

Instead of.....

24. Reports say that house prices are higher than in many developing countries.

House prices.....

25. Although houses are still unaffordable in the biggest cities, city residents are trying to cope with the situation.

Despite.....

**I. Complete this dialogue between a tenant and his landlord about the President's decision to lower house prices in the urban areas.**

**(02pts=0.5pt/answer)**

Tenant: I hope that all the landlords are going to respect the President's decision.

Landlord: Which decision do you mean?

Tenant: 26.....

Landlord: It is unbelievable. How can a government make us lose so much money every year ?

Tenant 27:.....

Landlord: 28 .....

Tenant: 29.....

Landlord: If it is so, we landlords would rather sell our houses for another business.

**J. Derive words from those in brackets to complete the paragraph.**

**(02pts=0.25pt/answer)**

The main problem in China is that people can't .....30.....(affordable) houses. Millions of them .....31.....(residents ) in the big cities and have to pay an expensive price for a 100 square-metre house. If the Chinese government really wants to .....32.....(improvement) housing affordability, it should build more new houses. Some experts believe that only homes .....33.....(subsidized) remains the best solution for the housing problems in China.

**III. WRITING: Choose one of the topics below and write on it.**

**(04marks)**

**K. Letter:** You are Mr. Yankhoba Diedhiou living at 22 Rue Jules Ferry in Dakar. Because rent is expensive there, you have decided to move to the suburb where house prices are lower.

Write to Gorgorloulmimo, Tableau MTOA at Ker Massar, Tel : 33 825 36 40, to inquire about the types of houses available and renting conditions.

**L. Essay (about 150 words):** Access to homes has become more and more difficult for most city residents in Senegal. According to you, what should be done to make homes affordable ?