《住建部对中国不动产发展持乐观态度》

China's housing authority has briefed the media on real estate development. Minister of Housing and Urban-Rural Development, Chen Zhenggao, said China's property market will continue to experience a steady and healthy development. He said it will not collapse as Japan's market did in the 1990s. He cited several favorable factors including stable economic growth, a rapid pace of urbanization and huge demand from urban dwellers. He also listed three main features of China's real estate market.

Minister of Housing and Urban-Rural Development Chen Zhenggao answers questions at a press conference on rebuilding shantytowns and real estate development on the sidelines of the fourth session of the 12th National People's Congress in Beijing, capital of China, March 15, 2016. (Xinhua/Chen Yichen)

"There are three key features for China's real estate market. First, rebounding sales. Last year, the sales started to rise month by month. The sales area increased by 6.5 percent and sales revenue increased by 14 percent. We kept this momentum this January and February. So our conclusion is that sales are now rebounding. Second, big divergence among cities. We see different situations between tier-one and tier-three or four cities, which gives us a big challenge in regulation and control. Third, overstocking. There were 718 million square meters of inventory last year, an increase of 15.6 percent from the previous year. Of course, overstocking is primarily in tier-three or tier-four cities," Chen Zhenggao said.