



Clockwise from top left, The Agora, Farglory and soon-to-be Shandong's tallest building due to its lengthy communication spire, Qingdao Centre. These three behemoths are all earmarked to go into operation in 2012, but in an increasingly competitive market, filling them with tenants won't be a walk in the park.

从左上起顺时针看：万邦中心，远雄国际广场和青岛中心。青岛中心以其特高的楼顶即将会成为山东省最高的大厦。这三栋大楼都计划于2012年开盘，但现时的房屋市场竞争激烈，要取得足够的商户估计不会那么容易。



TIM LYDDIATT ASKS HOW CAN WE TELL IF A CHINESE REAL ESTATE BUBBLE HAS BURST?

DESCRIBING AN ARC

如何观察中国房地产经济泡沫开始破灭?

曲线描述

At the beginning of a short segment of the BBCs today programme broadcast in December, Martin Patience explains how “a decade ago, there were just a few thousand properties available for sale in the capital. Last year there were more than a quarter of a million up for sale.” Prices have risen “fivefold,” he says, echoing a myriad other reporters the world over in the past few years as they described the formation of a property bubble. Later on, he speaks to Hu Jing Hui, head of one of the biggest real estate agents in China who says sombrely through an interpreter: “In Beijing, prices for new houses have dropped 22% this year. To some extent, yes the bubble has burst.”

But just a few months prior to this report, the world's media was invited to Huaxi village in Jiangsu province (no, I'd never heard of it either) to witness the opening of what has become one of China's tallest buildings. Whilst it stoops some 160m below Shanghai's World Financial Tower, at 328m the Huaxi tower is still taller than anything in London or Tokyo and was built as the rest of the world tightened its belt in a manner not seen since the great depression of the 1930s.

What's going on? How can China's real estate market have bubbled up and burst whilst simultaneously still supporting an environment where a mega tower can be built in a village of just 2000 farming families? As with everything in China, it's complicated.

As we all know, the 'Chinese Miracle' is in its mid thirties. Starting in the late 1970s the rules regarding state and private ownership and foreign investment have been relaxed. As a result, people got richer and when people get richer, they want to live better. And that begins with a place to live. But larger than any of this, even more people (numbered in the hundreds of millions by some accounts) began to leave the countryside to work in the cities. All these needed somewhere to live and China's growth took the form of rapid city creation and expansion, unleashing an unprecedented building boom that levelled the old to make for the new.

Just such an urban transformation is painstakingly observed and recorded in *The Last Days of Old Beijing* (Walker & Co). Journalist Michael Myer spent two years living in one of Beijing's famed hutong in a century-old courtyard home in the run up to the Olympics. He describes what he sees as the destruction of a century's old way of life as “progress closes in, and the neighbourhood

“HAS THE BUBBLE BURST THEN, AND, IF SO, WHAT WILL THE FALLOUT BE? 那么泡沫已经破灭了么?”

is methodically destroyed to make way for high-rise buildings, shopping malls, and other symbols of modern, urban life.” In this excellent, if sometimes dry, exploration of an urban landscape transformed, Myer notes the glee with which property vendors announced their wares. “Live larger, and higher, higher than you ever dreamed of being,” he quotes a man selling apartments in a new development called Atlantic Place.

Was Myers also documenting the beginnings of a bubble? He says that, whilst the property developers teeming through the hutong, offering cash for the sale of courtyard homes, the money was often not enough to pay for an apartment anywhere near the city centre where he and his neighbours currently resided. “In early 2006, the average price for an apartment topped ¥6000/sqm but new developments inside the Third Ring Road ran as high as six times that.”

His observations were not in isolation. Discussing this boom in development in 2005, MIT economist, Yasheng Huang, explained why so much construction was taking place. “A lot of this luxury housing is not for economic migrants, poor farmers from Gansu Province; I mean, if you go to China, a lot of these housing properties are luxurious, they are for making money.” In other words, speculation of the type that was taking place in the US, Europe and elsewhere in the

在十二月的BBC今日栏目一小段的开始部分, Martin Patience解释了“在十年前首都地区仅仅只有几千套商品房。而去年有超过25万套。”房价足足“翻了五番”, 他说道, 以此来回应世界各地记者在近几年所描绘的房地产经济泡沫形成的情景。然后, 他从胡景辉—中国最大的房地产中介的老板口中获悉: “在北京, 今年一手房价将下跌22个百分点。从某种程度上说, 泡沫开始破灭了。”

案中, Myer指出地产商宣布其产品时的欣喜。“活得更开阔、更高远, 比你所梦想的更加高远,” 他引用了一个名为“大西洋新城”的房产项目中一位卖房者的话。

Myer是否也记述了泡沫的产生初始? 他说道, 在房产商们穿梭于胡同中, 为老四合院的居民提供现款来出售房屋时, 他们提供的款额往往达不到在市中心附近的房屋居住所需要的费用, 所以Myer的邻居很多都仍然驻留于此地。“在2006年早些时候, 一间公寓的价格便超过了6000人民币/平方米, 然而在三环路中的新项目几乎已经是那时的六倍。”

他的观察绝非一家之言。对于2005年房产发展的爆棚讨论, MIT经济学家黄亚生解释了为何如此之多的建设工程开始施工。“大部分的奢侈性住房并不是针对经济移民以及诸如甘肃省来的贫困农民; 我是说, 如果你去了中国, 大部分的房产是奢华的, 它们可以帮你赚很多钱。”换句话说, 如此的猜测也在美国、欧洲和世界其他各地出现过: 房产推动财富创造的策略致使迪拜这个小酋长国成了世界最高大楼——哈利法塔的家。(简略的内容脚注: 在2008年迪拜的经济泡沫破灭后, 花旗集团评估“将近一万亿美金的房地产项目被迫中止。”)

然而就在这次报道的几个月前, 世界媒体被邀请至江苏省的华西村(不, 我也没听说过这个地方)去见证作为中国最高建筑之一的对外开放。虽然比上海的环球金融中心矮160米左右, 然而328米高的“空中华西村”仍然高过伦敦或东京的大部分建筑, 而且还是在19世纪30年代大萧条之后如此无力的经济环境下。

究竟怎么了? 中国的房地产业, 如何在膨胀成为泡沫并开始破灭的时候, 还可以支持一个在不到2000户的村落中, 展开的如此巨大的高塔式建筑项目。如同中国的一切事务, 其中的内容相当复杂。

如我们所知, “中国奇迹”其实是“三十岁”中期开始的。在19世纪90年代末开始对国有和私有企业的所有权以及外资引进等政策放宽放松。最终结果是人们变得越来越富裕, 一旦富裕了便渴望更好的生活。而这就伴随了对生活地点的考虑。比这更甚, 数以万计的人开始离开乡村到城市工作。所有这些人需要住所, 而且中国的成长带起了快速城市建设和扩张的形式形成, 释放了空前绝后的房屋建设大爆棚, 毁掉旧的为新的让路。

如此的都市变迁被《旧北京城最后的日子》(Walker & Co)深刻地观察并记载了下来。记者Michael Myer在北京最著名的一条胡同中拥有百年历史的四合院里住了两年, 为等候奥运会的来临。他描述自己所见闻的那些百年建筑被毁, 为的是“进步来临, 旧的邻里被毁掉来迎接新的摩天大厦、百货大楼和其他现代、都市的符号。”在这次时而有有趣时而枯燥的城市地标变迁探

这是一个持续数年的趋势。在2011年11月的报告中, 巴克莱银行揭示了在北京及中国其他多数城市的房产价格, 持续至2010年末几乎一直处于陡峭的上升曲线中, 从2007年来几乎翻了三倍。然而根据同样的数据, 在2011年价格明显放缓甚至开始有跌幅。香港的中原集团揭露在2011年12月13日之前, 四大中国主要城市, 包括北京、深圳、天津, 已经达到了“历史性的低潮”。

那么泡沫已经破灭了么? 果真如此, 会有怎样的后果? 如同之前的一切, 这还得看你在说谁。

北京的房产经纪胡先生所描述的22%的房产商垮台都代价惨重, 然而并非每人都是如此。华尔街老手和杰克控股的创始伙伴Jack Perkowski—在Tim Clissold写于2005年的书中提到的投资圈里的“中国通”, Jack本人在这里融资已经高达4亿美元。在福布斯杂志年终版中写到, Perkowski说: “中国的房产价格并非处于自由落体状态……正如历史中所出现过的一切对于世界末日的语言般, 中国房产市场的诸如此类的设想也会在六个月内化为子虚乌有。”他

THE VIEW FROM QINGDAO

DATA SUPPLIED BY JONES LANG LASALLE QINGDAO.
FOR CONTACT INFORMATION SEE LISTINGS.

青岛的观点

RESIDENTIAL 住户

Overall sales volume for high-end residential units decreased in the last quarter of 2011 and primary sale transactions for high-end residential developments were severely affected. Developers of high-end residential projects only managed an overall sale rate of 31%, as compared to 70% in 2010. This is likely to continue throughout 2012.

高端住宅单元在2011年最终季度的总体销售量下降，高端住宅开发的一期销售交易被严重影响。高端住宅项目开发商只能达到31%销售率，和2010年同期的70%相比。这种情形可能在2012年持续发展。

Based on JLL's basket of high-end residential properties prices, asking prices show a 1.1% decrease over the fourth quarter of 2011. With price decreases continually being seen for a couple of months in the mass market segment, high-end residential developments will likely face increased pressure to decrease prices in the coming months.

基于仲量联行的高端住宅价格的收集，显示要价和2011年最终季度相比跌幅1.1%。在大市场部分两月内所目睹的持续跌价，高端住宅开发会持续在来月面对跌价导致的压力。

OFFICE 办公室

2011 saw an average effective rent increase of 3.72% year-on-year, tapering off slightly in the fourth quarter. Despite evidence of a slowing economy in other parts of China, Qingdao has maintained a relatively stable average office rental rate throughout 2011, reaching 3.1元/m²/day.

2011年迎来了与去年同期相比3.72%的平均有效租房增长，在最终季度逐渐开始放缓。尽管中国其他地区显示经济进程开始减缓，青岛却在2011年中保持了平稳的办公室租赁率，达到了3.1元人民币/平方米/每天

Due to several postponements, no new Grade A buildings came online in 2011, although there are already 3 large-scale Grade A office buildings expected to enter the market over the course of 2012. This will more than triple the existing Grade A stock of 79,744m² to 274,767m² by year-end 2012, and bring a substantial amount of Qingdao's office stock up to international standards.

由于几次延期，2011年没有新的A级建筑上线，即使仍有三个大型A级办公楼预期在2012年进入市场。这会在2012年底前使现存A级建筑原本的79,744平方米升至三倍以上至274,767平方米，并能带来可持续性的青岛办公室存量，达到国际水准。

RETAIL 零售

As a summer tourism hotspot, Qingdao is attracting large-scale recreational resort-style developments. Huangdao has attracted two such developments: Sea Carnival and Tangdao Bay Yacht Club. Combined, these two mixed-use developments total almost 1.2 million square metres of retail, residential, hotel and recreational facilities.

作为夏季旅游热点城市，青岛正在引进大规模的娱乐度假型开发项目。黄岛吸引了两个如此规模的开发项目：海上嘉年华和唐岛湾游艇俱乐部。综合来看，这两个可以混合利用的开发项目共计占一百万平方米的使用面积，包括零售、住户、宾馆和其他娱乐设施。

A new mall, Powerlong, opened late last year, comprising 110,000m² of retail space. This is the first large-scale shopping mall located in this northern district, and within the first month of opening, had successfully leased 80% of its total leasable area.

去年末开始营业的新建宝龙城市广场，涵括了110,000平方米的零售面积。这是在北部地区建设的第一个大规模购物区，并在首月的营业期内，成功出租了80%可租用区域。

An influx of retail stock in 2012 is expected to add pressure to current operators. Retail sales should continue to perform well over the coming year, but with four projects postponed and three new retail developments scheduled for completion in 2012, existing malls may feel the pressure on their market share.

在2012年零售区域存量可能会给现有的营业者带来压力。零售销售会在来年持续保持水准，然而四个项目的推延和三个新零售开发项目定于2012年完成，现存的商场可能会对即将到来的市场配额的评估感到压力十足。

world: property derived wealth creation schemes that would see a tiny Emirate, Dubai, suddenly home to the world's tallest building, the Burj Khalifa. (Brief contextual footnote: since Dubai's bubble burst in 2008, Citigroup estimate that nearly "US\$1 trillion worth of real estate projects have been cancelled or stalled.")

The 22% crash that Beijing realtor Mr Hu was describing sounds bad, but not everyone is so sure. Wall Street veteran and founding partner of JFP Holdings, Jack Perkowski, is known as 'Mr China' in investment circles following Tim Clissold's 2005 book form exploration of his investing over \$400 million here. Writing in Forbes at the back end of last year, Perkowski said: "property prices in China are not in freefall... Just like other doomsday predictions that have been made in the past, the ones about China's property markets will be forgotten six months from now." He says that China is simply witnessing a "softening" in real estate prices, a "response to measures that the Chinese government has been taking over the past 18 months to stem the rapid rise in property prices."

It was a trend that continued for years. In its November 2011 report, Barclays Capital revealed that property prices in Beijing, and many of China's cities, have been on a steep upward curve through to late 2010, nearly tripling since 2007. But, according to the same numbers, in 2011 they slowed and then began to dip. Hong Kong's Centaline revealed that by December 13 2011, prices in four key Chinese cities, including Beijing, Shenzhen and Tianjin, were at their "historical lowest."

Barclays Capital is cautiously optimistic on the matter, predicting in their November 2011 that the decline of "property prices by 10-30% during the current cycle." But that this should not "lead to systemic

Has the bubble burst then, and, if so, what will the fallout be? As ever, it depends on you're talking to.

说中国只是短暂地见证了一个房产价格“疲软”的阶段，不过是一个“测量中国政府在过去的18个月中对房产价格的疾速增长遏制的回应”罢了。

巴克莱银行在此事中采取谨慎的积极态度，在2011年11月预测“房产价格的下滑将会在现存周期中下滑10-30%”。然而这并不会“导致系统化的危机和崩溃。住户无需被迫倒卖房屋”并且“当大型开发商可以在这个转折点持续生存时，小型开发商或许要忍受艰难的经济压力”。

其他人并不认同。在搜房网十二月的一份调查中显示，“80%的（上海）购房者期待来年房价持续下跌。”房地产业也表现出认同消费者的迹象。根据英国卫报的报道，“（中国）最大的季度商务调查显示房产开发商的信心已经崩塌到比2008年经济危机时更低。”

自此，巴克莱银行开展了一系列的研究调查，可能会关系到华西村的“空中花园”。他们的调查和繁荣的建设同时开展，就如同在1929年纽约经济大萧条开始前抛起纽约克莱斯勒大厦和帝国大厦一样。最

近，它指出：“迪拜在进入进退维谷的经济问题前建造了哈利法塔。”在2010年迪拜背弃了它的邻友——阿布扎比，去逃避破产风险。

他们说在世界最高建筑和经济危机之间有一条“不健康关系链”，这很可能也对中国适用，如今那个“世界上半数正在施工摩天大楼的家”。

Andrew Lawrence, 香港巴克莱银行房产调研督导表示：“房产爆棚是盈余贷款的信号。”他说历史中，摩天大楼的建设被描绘成零星然而剧烈活动的裂痕、容易的信贷、土地价格的上涨和过分的积极情绪所组成的，但是每当建筑建成，经济就将遭遇危机。

那么将会如何？中国真的只是在经历一个疲软期？还是退潮现象已是板上钉钉？产业是否即将彻底经历一个关系到本地、国家甚至最终达到全球化的缩水阶段？还是这一切仅仅只是过剩的脱落？如今回答一切问题为时尚早，然而正在关注此事的国际公民应该开始注意。来年值得关注此事。

crisis or collapse. Households are not likely to be forced to sell" and "while large developers could survive the downturn, small developers will probably suffer from significant financial stresses."

Others disagree. A survey in December by Soufun.com, a real estate website, found that "80% of [Shanghai] home buyers expected prices to drop further next year." The industry is also showing signs of agreeing with consumers. According to the UK's Guardian newspaper, "[China's] largest quarterly business survey showed that confidence among property developers had collapsed to a point where it was worse than the lowest point in the 2008 recession."

And since then, Barclays Capital have published a new study, one that might have ramifications for the Huaxi sky seekers. Their study draws parallels between construction booms, such as the one that threw up New York's Chrysler and Empire State buildings just before the New York crash of 1929 and Great Depression. More recently, it says, "Dubai built its Burj Khalifa before it got into terrible financial difficulties." In 2010 Dubai had to be bailed out by its neighbour, Abu Dhabi, to avoid going bankrupt.

They say there is an "unhealthy correlation" between construction of the world's tallest buildings and economic crashes and it was possible that similar events were likely to ensnare China, which is "home to half of the world's skyscrapers currently under construction."

Andrew Lawrence, director of property research at Barclays Capital in Hong Kong, said: "building booms are a sign of excess credit." He said that historically, skyscraper construction had been characterised by bursts of sporadic, but intense activity that coincided with easy credit, rising land prices and excessive optimism, but often by the time the buildings were finished, the economy had slipped into recession.

So what is to be? Is the China real estate market merely suffering a softening, or is the writing already on the wall? Is the industry about to go through a shrinking that will have local, national and then, finally, global connotations, or is it just a natural shedding of excess? It is probably too soon to tell, but any global citizen reading this should take note. Something to watch for the coming year.