Positioning ahead of potential further HPR easing in Shenzhen

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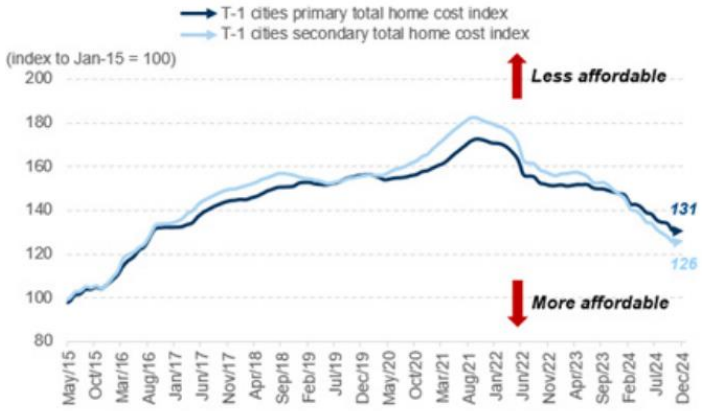
Exhibit 4: By end-24, household home affordability had improved to levels comparable to 2H16, with total home cost (incl. home price and nominal interests) dropping 24%/31% from Sep-21 peak in new/secondary markets respectively, driven by housing price decline and mortgage rate cuts

T-1 cities' total home cost index (indexed to Jan-15 = 100)



Calculated with NBS 70 cities primary and secondary ASP index, converted into total home cost (incl. home price and total nominal interest given current effective interest rate) assuming unchanged LTV of 70% and 30-year loan maturity, and changing mortgage rates per policy. Indexed to Jan-15 = 100.

Source: NBS, Government announcements, Goldman Sachs Global Investment Research

1 Driver for Early Recovery

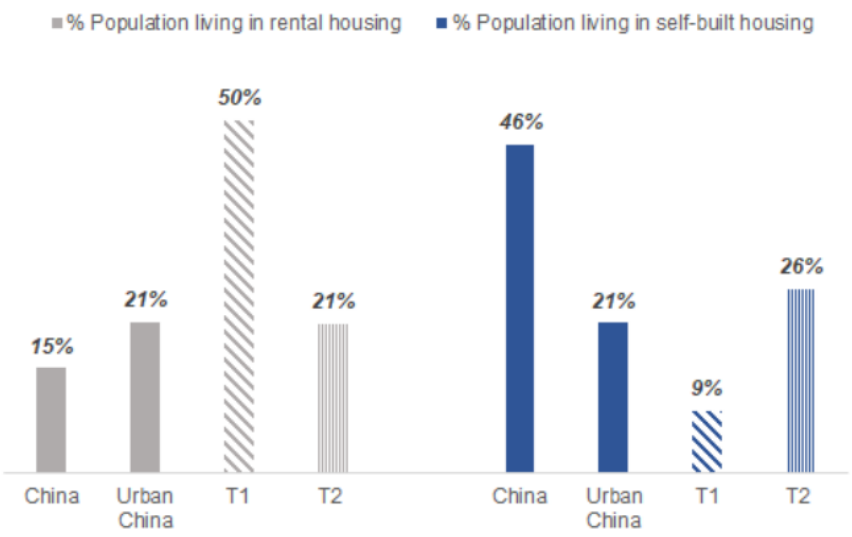
1.1 Demographic Strucutre and Market Implications

1.1.1 Population Composition in Tier-1 Cities

Tier-1 cities such as Shenzhen, Shanghai, Beijing, and Guangzhou possess unique demographic characteristics that significantly influence their property markets. Nearly 50% of the resident population lacks Hukou registration. This demographic trend results in more than half of the households residing in rental accommodations. Additionally, the average housing gross floor area (GFA) per capita in these cities is 25% below the national average. The large migrant worker population occupies living spaces that are less than half the national average.

These conditions indicate substantial pent-up housing demand that could be unlocked through HPR relaxation. In particular, Shenzhen's higher proportion of migrant workers suggests that it could lead the recovery among tier-1 cities, as these workers represent a significant yet untapped source of potential homebuyers.

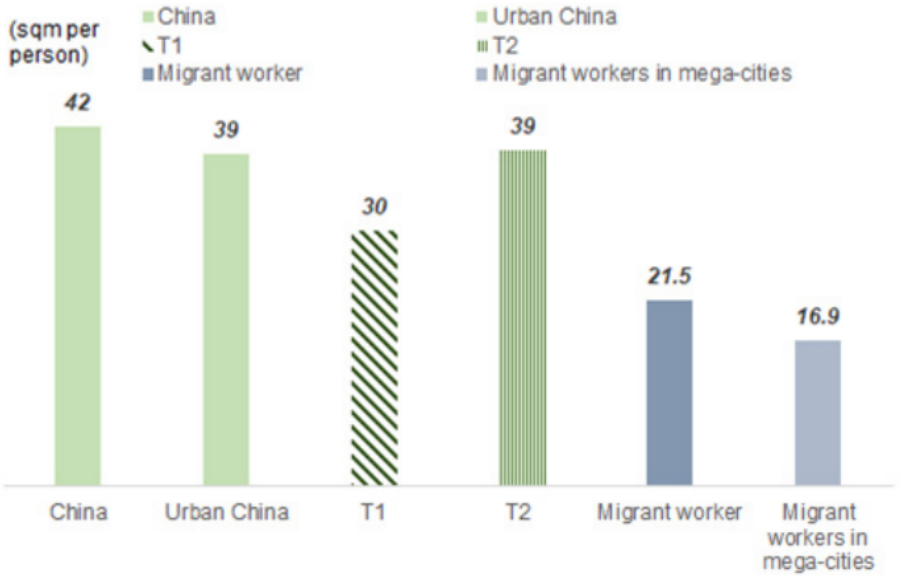
Exhibit 1: Low homeownership in high-tier cities
Population living in rental housing and self-built housing



Tier-1/2 cities' data include both urban and rural areas based on 2020 Census disclosure, same applies to Exhibits 2 & 3.

Source: NBS, Data compiled by Goldman Sachs Global Investment Research

Exhibit 3: Headroom for higher living space per capita in higher-tier cities
Housing space per capita



Source: NBS, Data compiled by Goldman Sachs Global Investment Research

1.1.2 Impact of demograpphic Trends On Market Demand

The demographic profile of tier-1 cities suggests:

- **Unlocking Demand:** Relaxation of HPR policies would enable migrant workers and non-Hukou residents to

participate in the housing market, converting renters into homeowners.

- **Market Liquidity:** The transition from renting to ownership would enhance market liquidity, stabilizing rental markets as ownership opportunities expand.
- **Diversified Housing Needs:** Young professionals prefer smart homes and energy-efficient buildings, while families may demand larger unit sizes. Developers catering to these preferences will gain competitive advantage.

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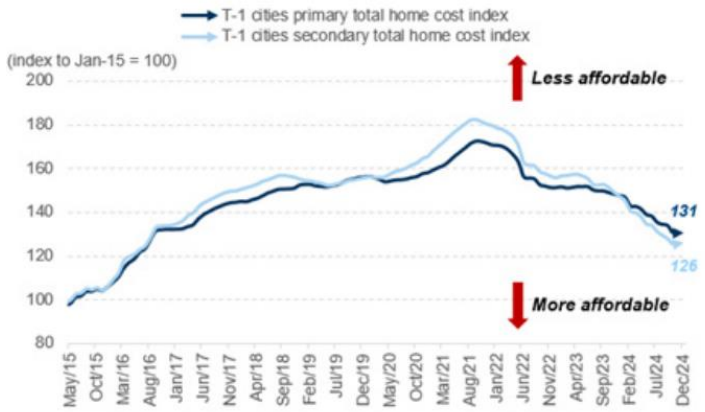
T-1 cities' total home cost index (indexed to Jan-15 = 100)



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Source: NBS, Government announcements, Goldman Sachs Global Investment Research

1.2 Housing Affordability Trends and Recovery Potential

1.2.1 Affordability Metrics in tier-1 Cities

Affordability trends further support the case for recovery. Property prices in tier-1 cities have decreased by 5% in primary markets and 11% in secondary markets. Simultaneously, mortgage rates have cumulatively fallen by 270 basis points since September 2021. These reductions have returned total home costs to levels comparable to those in the second half of 2016, significantly lowering the financial barriers for prospective buyers.

1.2.2 Role Mortgage Rate Reduction

Mortgage rate cuts have enhanced the purchasing power of buyers and strengthened market confidence by making financing more accessible. Although these reductions encourage speculative buying, regulatory oversight is necessary to prevent market overheating.

1.2.3 Comparative Affordability Analysis

Compared with tier-2 and tier-3 cities, tier-1 cities exhibit higher demand elasticity relative to mortgage rate reductions. This suggests that monetary policy adjustments will have a more immediate and pronounced impact on

tier-1 markets, reinforcing their recovery potential.

1.3 Inventory Dynamics and Market Readiness

1.3.1 Current Inventory Levels in tier-1 Cities

Inventory levels in tier-1 cities further support recovery prospects. The average inventory level stands at 19 months, significantly lower than the 80-city average of 27 months. Notably, Shenzhen and Shanghai have inventory levels even lower than those observed during the 2H14-15 downturn, indicating strong market absorption capacity.

1.3.2 Historical Context and Recovery Expectations

Historical data suggests that transaction volumes typically turn positive nine months after HPR relaxation. Given current inventory levels and improved affordability, a similar timeline is expected. Additionally, infrastructure developments, such as expanded metro lines and high-speed rail connections, are expected to further enhance property value appreciation and absorption rates.

Exhibit 5: Absolute inventory level of aggregate T1 cities in the current downturn is roughly similar to the 2H14-15 downturn
Summary of absolute inventory level of T1 cities, current vs. historical

		Saleable resources (mn sqm)								
		Dec-24	2024	2H21-2023	2H14-2015	2016	2018	Peak	Trough	Trend since 2011
T1 cities	Shanghai	8	8	5	14	10	6	15	4	
	Beijing	12	12	13	11	8	7	16	6	
	Guangzhou	18	16	14	12	10	10	15	4	
	Shenzhen	5	6	5	5	6	3	8	2	
	T1 Sum	***43***	***42***	***38***	***42***	***34***	***26***	***54***	***16***	

Source: CRIC, Data compiled by Goldman Sachs Global Investment Research

Exhibit 6: We see T1 cities currently have inventory levels sitting at 19 months, vs. 80-cities average of 27 months, T1 average 14 months both in 2H14-2015 and the mom ASP inflection point
Summary of inventory level of T1 cities, current vs. historical

		Inventory month (mths)									Inventory vs. ASP	
		Dec-24	2024	2H21-2023	2H14-2015	2016	2018	Peak	Trough	Trend since 2011	MoM ASP trend inflection point in 2H14-15 downturn	**Inventory month at inflection point**
T1 cities	Shanghai	14	13	6	16	7	11	23	5		May-15	16
	Beijing	27	26	20	14	8	25	31	6		May-15	14
	Guangzhou	24	25	17	14	9	12	21	5		Jun-15	12
	Shenzhen	11	18	15	12	11	11	26	6		Jan-15	12
	T1 Avg	***19***	***20***	***14***	***14***	***9***	***15***	***25***	***6***			***14***

Note: ASP trend inflection point refers to the third month of at least 3 consecutive positive ASP mom achieved.

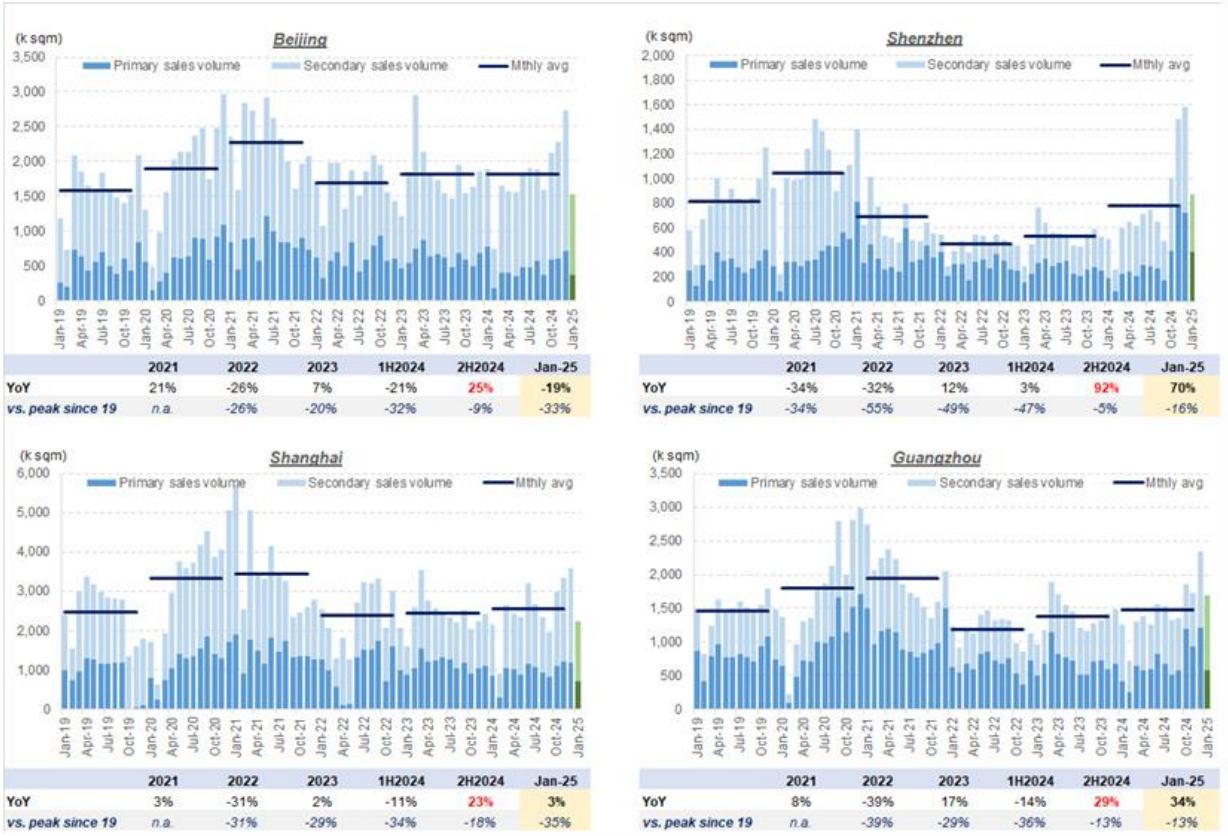
Source: NBS, CRIC, Data compiled by Goldman Sachs Global Investment Research

2. The performance of T1 cities

2.1 Real estate sales performance

Exhibit 7: T1 cities' Jan-25 sales volume performance diverged, with Shenzhen continuing strong 4Q24 momentum and meaningfully outperforming while Beijing and Shanghai registered a sluggish year-start

T1 cities primary and secondary sales volume tracker



Source: CREIS, NBS, Centaline, Data compiled by Goldman Sachs Global Investment Research

This chart shows the performance of real estate sales in the four first-tier cities of Shenzhen, Shanghai, Guangzhou and Beijing in January 2025, especially the monthly changes in the sales volume of both primary and second-hand homes. The picture shows the sales of new homes and existing homes in four cities. The pictures show average sales and year-over-year changes, that is, how much they changed compared to the same month in the previous year. The table shows a comparison between the sales data and the 2019 sales peak, showing the gap between the sales volume of each city and the historical peak.

The results of the year-over-year change show that sales in Shenzhen performed strongly, increasing by 70% year-on-year. Sales in Shanghai and Beijing, on the other hand, were somewhat weaker, with sharp year-on-year declines (e.g., 35% year-on-year decline in Shanghai). Shenzhen is a standout performer, showing strong market demand and recovery trends, especially in terms of sales of both primary and secondary homes. The weaker performance in Beijing and Shanghai shows a more sluggish market, especially at the beginning of the year when sales growth was weak. The market performance in Guangzhou increased slightly, by 8% year on year, and the sales volume was relatively stable.

The chart clearly shows the difference in the extent to which the housing market has recovered in different cities. Shenzhen has shown strong market activity and sales volumes, suggesting that it may be experiencing a more

rapid recovery as a result of policy stimulus. In contrast, the markets in Beijing and Shanghai showed a weaker performance at the beginning of 2025, which could be affected by multiple factors (such as economic pressures, market saturation, etc.).

Shenzhen's strong performance may be related to its policy support, such as the relaxation of home purchase restrictions and stimulus measures (such as home purchase subsidies, easing of purchase restrictions, etc.), which have helped to stimulate demand, especially in terms of home purchase eligibility and loan conditions.

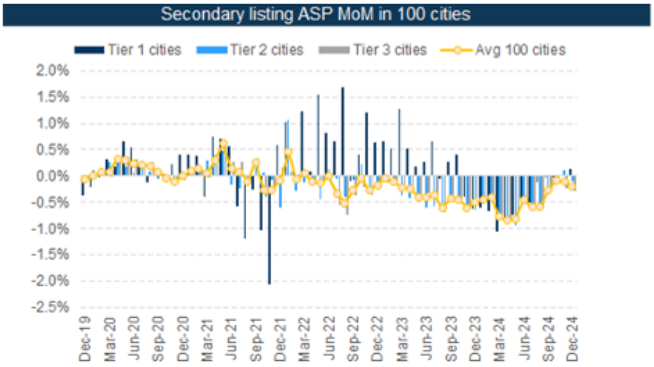
The recovery in sales in Shenzhen, especially in the second-hand housing market, may signal a return of confidence in the market, which in turn will lead to a recovery in sales in other first-tier cities. The year-over-year change in the chart and the comparison with the peak reflect the trend of a gradual recovery of the market.

In this regard, the report believes that there are three market trends in first-tier cities. The first is that Shenzhen's strong market recovery may be a demonstration effect for other first-tier cities, that is, with policy easing and economic support, the real estate market can recover quickly. Second, the weak market performance in Beijing and Shanghai suggests that other first-tier cities may need more time to fully recover or remain under greater pressure. In addition, the slight growth in Guangzhou indicates the emergence of moderately recovered market conditions. This indicates that the market will gradually recover under certain conditions, but at a slower pace.

2.2 Secondary market performance

Exhibit 8: T1 cities are leading the secondary listing ASP stabilization among the 100 cities

Secondary market price index tracker



MoM	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Tier 1 cities	-0.1%	0.0%	0.0%	0.0%	0.1%
Tier 2 cities	-0.6%	-0.2%	0.0%	0.1%	-0.1%
Tier 3 cities	-0.6%	-0.3%	-0.1%	-0.2%	-0.3%
100 cities	**-0.6%**	**-0.3%**	**-0.1%**	**-0.1%**	**-0.2%**

YoY	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Tier 1 cities	-5.1%	-5.4%	-5.8%	-5.4%	-4.7%
Tier 2 cities	-7.0%	-6.8%	-6.4%	-5.6%	-5.1%
Tier 3 cities	-6.5%	-6.3%	-6.0%	-5.7%	-5.6%
100 cities	**-6.6%**	**-6.4%**	**-6.1%**	**-5.7%**	**-5.4%**

Source: Zhuge, Data compiled by Goldman Sachs Global Investment Research

This chart shows the price index of China's second-hand housing market: monthly change (MoM) and year-on-year change (YoY) of Average selling price (ASP) in 100 cities.

First-tier cities saw less fluctuation in changes from August to December 2024. The change is more pronounced in Tier 2 and Tier 3 cities, especially Tier 3 cities, where price changes are usually negative, indicating that these city markets are more volatile in terms of price adjustment. In December 2024, the monthly change in all cities (100 cities) was generally negative, especially in third-tier cities, indicating that prices in the secondary housing market are generally declining.

The year-on-year change in Tier 1 cities was relatively low, but still in negative territory (e.g. -5.7% in December 2024), indicating a decline in prices compared to last year, but to a lesser extent.

Current market characteristics:

Market stability: Prices in first-tier cities are less volatile, showing a more stable market environment, which may also be because demand in these cities is relatively strong, and supply and demand tend to balance. In contrast, Tier 2 and Tier 3 cities, especially Tier 3 cities, face greater market volatility and price declines, which may reflect a slower recovery process in these markets and a greater oversupply situation.

Overall weakness in the real estate market: In terms of year-on-year changes, second-hand home prices in all cities have generally fallen, especially in third-tier cities, which indicates that the overall market is still in a downturn and prices have not seen a significant recovery.

Policy impact: The relative stability of first-tier cities may be related to the recovery of policy regulation and market demand, especially in the case of moderate policy relaxation, first-tier cities are often more attractive to the market. The market weakness in second - and third-tier cities may be related to factors such as population outflow, insufficient housing demand, and excessively high housing prices, leading to more obvious price adjustments in these markets.

2.3. Centaline secondary market performance

Exhibit 9: Centaline's secondary ASP index in selected high-tier cities sequentially improved since Nov-24

Monthly secondary ASP index

Dec-24	Beijing	Shanghai	Guangzhou	Shenzhen	Tianjin	Chengdu	Average
MoM	▲ 0.9%	▼ -0.8%	▼ -0.5%	▲ 0.5%	▼ -1.5%	▬ 0.0%	▼ -0.2%
YoY	▼ -13.5%	▼ -13.3%	▼ -13.7%	▼ -10.1%	▼ -14.7%	▼ -6.6%	▼ -12.0%

Source: Centaline, Data compiled by Goldman Sachs Global Investment Research

This chart shows the monthly change of Centaline's Average resale Price Index (ASP) in several important cities in China. As can be seen from the figure, the second-hand housing prices in all cities have experienced significant fluctuations, especially between 2016 and 2021, the second-hand housing prices have risen rapidly, and then due to policy regulation and market changes, the prices have fallen to a certain extent. Shenzhen showed the highest price volatility of all cities, with its price index near its peak in 2021 before declining.

Market Trends:

Market volatility: Despite signs of price recovery, the secondary home market in all cities remains at a low level compared to the 2021 highs, which shows the continued weakness of the property market, especially amid the long-term downward trend in prices.

Market recovery potential: First-tier cities (Beijing, Shanghai, Shenzhen) due to large market demand, strong economic foundation, so the price recovery is relatively fast, showing the recovery potential of the market.

Policy impact: The government's policy easing, especially in the second half of 2024, may have had a positive impact on the market, especially in the market pick-up in first-tier cities. Markets in second - and third-tier cities may still be weighed down by supply-demand imbalances, population mobility, and slowing economic growth, and more policy support and market confidence are needed to drive recovery.

2.4. Residential rental performance

Exhibit 10: Residential rental yield in selected high-tier cities also improved gradually, while CGB yields continued to decline

Monthly residential rental yield

	Beijing	Shanghai	Guangzhou	Shenzhen	Tianjin	Chengdu
Nov-24	1.8%	1.5%	1.7%	1.7%	1.9%	1.8%
Dec-24	1.8%	1.5%	1.7%	1.8%	2.0%	1.8%

Source: Centaline, Data compiled by Goldman Sachs Global Investment Research

This chart shows the performance of residential rents in major Chinese cities: yields. From 2009 to around 2020, the residential rental yield in all cities has a relatively obvious downward trend. Rental yields in most cities have declined year on year, reflecting the fact that while house prices have risen, rents have failed to keep up, resulting in lower yields. In 2023 and 2024, the curve in the figure gradually recovers at a low level, showing the gradual improvement of rental returns in the market.

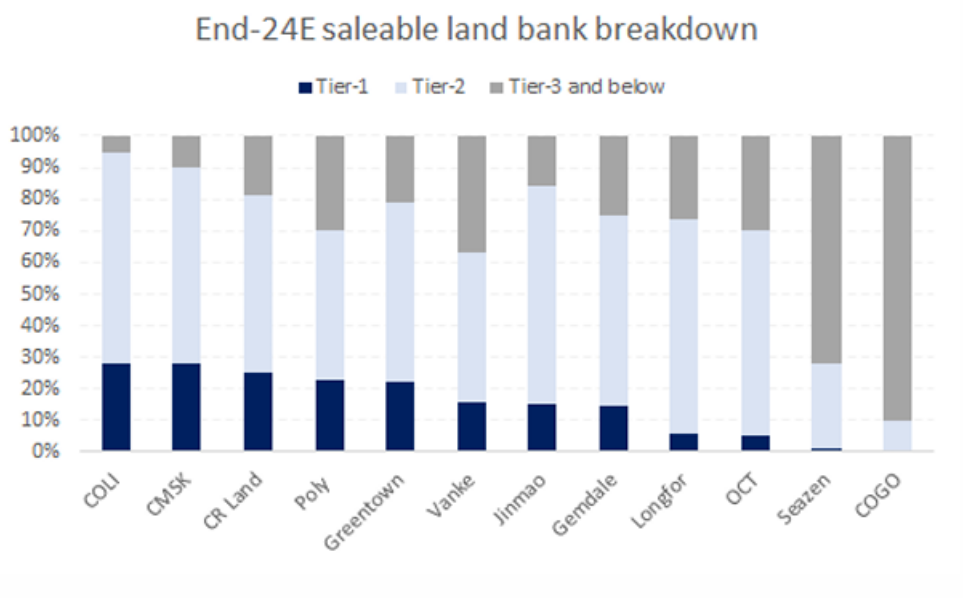
The recovery in residential rental yields shows that despite some challenges in the property market, the rental market in some cities may be gradually recovering. For example, rental yields in Shenzhen and Tianjin have rebounded, indicating that rental market demand in these cities is recovering. The gradual recovery of rental yields in these cities may be related to factors such as policy easing (such as easing of purchase restrictions,

interest rate cuts, etc.) and economic recovery, especially after 2023, as the market gradually stabilizes and the rental market picks up.

While overall rental yields have recovered, they remain at low levels, meaning the rental market still offers low investment returns and may no longer be the first choice for many investors. Low yields may make investors more inclined to look for commercial real estate or other investment opportunities.

3. The performance of developers

Exhibit 11: Our coverage developers have average 15% end-24E saleable land bank exposure to T1 cities, led by COLI, CMSK and CRL



We exclude mega complex land sites in Shenzhen for CMSK in T1 exposure calculation given the long-dated development cycle and sizable non-residential mix.

Source: Company data, Goldman Sachs Global Investment Research

This chart shows the distribution of land banks by different property developers at the end of 2024.

COLI, CMSK and CR Land have the highest proportion of land banks in Tier-1 cities, at close to 30-40%. The land banking strategies of these developers tend to focus more on first-tier cities, showing their high dependence on these markets.

Poly, Greentown and Vanke have a relatively low proportion of land reserves in first-tier cities, but they also maintain a more balanced distribution and have certain reserves in first-tier, second-tier and third-tier cities.

Jinmao, Gemdale and Longfor will allocate more land bank in second-tier and third-tier cities, which may be due to the lower land cost in these markets and the greater future potential, especially with the gradual recovery of policy easing and market demand, second-tier and third-tier cities may become the focus of development.

The report recommends COLI (0688.HK), CRL (1109.HK), Greentown (3900.HK), and Longfor (0960.HK) as Buy-rated stocks, mainly based on the following factors:

1. **Advantage in Tier-1 Cities:**

   COLI and **CRL** have significant land bank exposure in **Tier-1 cities** (especially **Shenzhen and Beijing**), as shown in the previous charts. These companies' land reserves and sales performance in Tier-1 cities are relatively strong. **COLI** and **CRL** have **30%-40%** of their land bank in **Tier-1 cities**, enabling them to benefit from the **strong market demand** in these cities, which typically offer **higher investment returns**.

2. **Stable Financials and Project Portfolio:**

   Companies like **Greentown** and **Longfor** not only have a **diversified land bank** but also maintain **strong financial stability**. Although their sales growth in some **Tier-2 and Tier-3 cities** has been sluggish, their positioning in **Tier-1 cities** allows them to mitigate risks associated with market fluctuations. **Greentown** and **Longfor** have enhanced their **risk resilience** by optimizing their project portfolios.

3. **Stability in the Industry and Market Share:**

   Greentown and **Longfor**, being **major players in the industry**, are expected to show relatively stable market performance despite short-term pressures. These companies have **brand influence** and **market penetration** that can support steady performance. They also have the ability to **adjust their products and strategies** to adapt to the demands of different cities.

4.Valuation Outlook

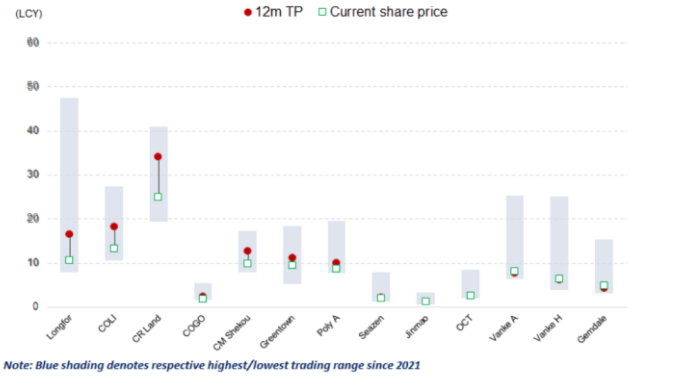
4.1 Current Valuation Landscape of Tier-1 Cities Property Developers

4.1.1 Price Trends and Recovery Potential

The valuation landscape for tier-1 property developers indicates significant upside potential. Current share prices are, on average, 50% above trough levels recorded since 2021 but remain 62% below peak valuations. This valuation gap highlights the considerable room for growth. Shenzhen-based developers, in particular, have outperformed their counterparts, reflecting investor confidence in the region's early recovery potential.

Exhibit 13: Current share prices and our 12m target prices are on average 50%/76% above the trough share price levels since 2021, but -62%/-54% below the peaks

Our base case valuation vs. coverage developers historical share price range since the start of this downturn



Note: Blue shading denotes respective highest/lowest trading range since 2021

Share prices as of Feb 12, 2025.

Source: Datastream, Goldman Sachs Global Investment Research

4.1.2 Developer-Specific Opportunities

Developers such as COLI, CMSK, and CRL, with average exposure of 27% to tier-1 cities, are well-positioned to capitalize on market recovery. Their operational efficiency and robust financial structures further strengthen their

competitive positions, making them attractive options for investors.

Exhibit 14: Valuation comparison of China developers

Company	Ticker	Mkt Cap (US$ bn)	Daily liquidity (US$ mn) 1 mth trailing	Type	Rating	Price as of 12/Feb/25	12 mth Price target	Potential upside/ downside (%)	Target price disc. to NAV	End-25E NAV	Shr price (disc)/ prem to NAV	FD Core P/E (x) 24E	25E	26E	27E	P/B (x) (excl. revaluation gain) 24E	25E	26E	27E	Dividend yield (%) 24E	25E	26E	27E
Developers																							
H-share listed																							
China Vanke (H)	2202.HK	1.8	51	POE	Sell	6.4 (HK$)	6.10	(4)	-35%	9.20	(31)	n.m	n.m	n.m	n.m	0.3	0.4	0.4	0.4	-	-	-	-
COGO	0081.HK	0.8	1	SOE	Neutral	1.8 (HK$)	2.30	30	-15%	2.65	(33)	3.7	3.8	3.7	3.5	0.2	0.2	0.2	0.2	6.2	5.8	6.1	6.4
COLI	0688.HK	18.4	35	SOE	Buy	13.1 (HK$)	18.20	39	-10%	19.86	(34)	7.5	7.8	7.9	7.2	0.4	0.4	0.4	0.4	4.0	3.8	3.8	4.2
CR Land	1109.HK	22.8	40	SOE	Buy	24.9 (HK$)	34.00	37	-10%	37.09	(33)	8.0	8.3	8.2	7.9	0.8	0.7	0.7	0.7	4.7	4.5	4.5	4.7
Seazen	1030.HK	1.7	3	POE	Neutral	1.9 (HK$)	2.15	16	-50%	4.30	(57)	9.0	8.3	6.7	6.0	0.3	0.3	0.3	0.3	-	-	-	-
Jinmao	0817.HK	1.8	3	SOE	Neutral	1.0 (HK$)	1.15	13	-15%	1.33	(23)	7.9	8.5	7.7	7.7	0.4	0.4	0.4	0.4	5.1	4.6	5.2	5.1
Greentown	3900.HK	3.0	8	SOE	Buy	9.3 (HK$)	11.00	19	-15%	12.50	(26)	3.8	4.8	5.1	4.6	0.6	0.6	0.5	0.5	3.5	6.6	5.9	8.7
Longfor	0960.HK	9.3	18	POE	Buy	10.5 (HK$)	16.50	57	-25%	22.04	(52)	7.8	7.5	7.3	7.0	0.5	0.5	0.5	0.5	4.5	4.5	4.6	4.8
Red Star Macalline	1528.HK	0.9	1	POE	Sell	1.7 (HK$)	1.30	(22)	-50%	2.44	(32)	n.m	n.m	n.m	n.m	0.3	0.3	0.3	n.a.	-	-	-	-
H-share average								20	-30%		(36)	7.8	7.8	7.3	7.0	0.4	0.4	0.4	0.4	3.1	3.3	3.3	3.8
A-share listed																							
CMSK	001979.SZ	12.2	85	SOE	Neutral	9.8 (Rmb)	12.50	28	-15%	14.66	(33)	18.3	16.7	14.5	13.8	0.9	0.9	0.8	0.8	2.5	2.7	3.2	3.3
Gemdale	600383.SS	3.0	68	POE	Sell	4.8 (Rmb)	4.20	(13)	-20%	5.20	(8)	n.m	n.m	n.m	n.m	0.4	0.4	0.4	0.4	-	-	-	-
OCT	000069.SZ	2.8	16	SOE	Sell	2.5 (Rmb)	2.50	(1)	-20%	n.m.	n.m.	n.m	n.m	n.m	n.m	0.4	0.4	0.4	0.4	-	-	-	-
Poly	600048.SS	14.1	135	SOE	Neutral	8.6 (Rmb)	10.00	16	-10%	11.15	(23)	20.5	19.7	19.0	15.5	0.5	0.5	0.5	0.5	2.0	2.0	2.1	2.6
Vanke (A)	000002.SZ	10.6	241	POE	Sell	8.0 (Rmb)	7.70	(3)	-10%	8.60	(7)	n.m	n.m	n.m	n.m	0.5	0.5	0.5	0.5	-	-	-	-
A-share average								5	-20%		(18)	19.4	18.2	16.8	14.6	0.5	0.5	0.5	0.5	0.9	1.0	1.1	1.2
Coverage average								15			(30)	7.9	8.3	7.7	7.2	0.5	0.5	0.5	0.5	2.3	2.5	2.5	2.8
SOE								22			(29)	9.9	9.9	9.4	8.6	0.5	0.5	0.5	0.5	3.5	3.8	3.8	4.4
POE								5			(31)	8.4	7.9	7.0	6.5	0.4	0.4	0.4	0.4	0.8	0.7	0.8	0.8

Note:
Our 12-month target prices are based on end-2025E NAV for our coverage universe except for RSM and OCT.
Our RSM TP is based on SOTP given it is not a developer.
Our OCT TP is based on SOTP of its property development (valued by NAV) and its tourism business (valued by P/E).

Source: Datastream, Goldman Sachs Global Investment Research

4.2 Policy Momentum as a Valuation Catalyst

4.2.1 Expected Policy Development

Several policy measures are expected to catalyze market recovery:

- **HPR Relaxation:** Further easing of purchase restrictions, especially in Shenzhen.
- **Provident Fund Adjustments:** Increases in housing provident fund quotas and reductions in mortgage rates.
- **Government Initiatives:** Discussions during the Two Sessions in March, focusing on housing inventory reduction and funding support for UVRP.
- **Subsidies and Incentives:** Potential targeted subsidies for first-time buyers and families.

4.2.2 Impact of Policy on Market Confidence

These policy shifts are likely to boost investor confidence by signaling clearer market stabilization, encourage homebuyers to enter the market, and reduce speculative risks through balanced demand-driven growth.

4.3 Strategic Investment Considerations

4.3.1 Key Investment Strategies

Investors should consider:

- Focusing on developers with high exposure to tier-1 cities and diversified land banks.
- Prioritizing companies with robust financial structures and resilience during previous market downturns.
- Supporting developers that implement green building practices and technological innovations aligned with evolving market preferences.

4.3.2 Long-term Valuation Outlook

The combined influence of demographic-driven demand, policy momentum, and improved affordability suggests that a valuation rebound in tier-1 cities is both achievable and imminent. Investors who proactively position

themselves stand to benefit from this recovery, with Shenzhen likely leading the growth trajectory. Long-term value creation will depend on developers' ability to adapt to regulatory changes, manage debt levels, and leverage digitalization in real estate services, ensuring sustained growth and profitability in China's dynamic property market.