

Real Estate Market Transformations Amidst Post-Pandemic Sino-U.S. Economic Trends

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Abstract:

In the post-pandemic era, the global economic landscape has undergone profound changes. As the world's largest economies, the economic policies and market performances of the United States and China have exerted far-reaching impacts on the global real estate market. This paper delves into the current state and future trajectory of the real estate market under Sino-U.S. economic trends, focusing on commercial real estate, residential investment, property taxes, financing, and laws and regulations. It also incorporates keywords such as easements, deed transfers, premium discount rates, home mortgages, police powers, liens, common law, fixtures, joint leases, marital property, private property, and trespassing to provide a comprehensive analysis.

Keywords: Real Estate, economic landscape, Chinese Economic Trends, Residential Investment

I. Introduction

The outbreak of the COVID-19 pandemic in 2020 posed unprecedented challenges to the global economy, and the real estate market, as a crucial component of the economy, also underwent severe tests. The United States and China adopted different economic policies in response to the pandemic, which directly influenced the performance and future direction of their real estate markets. This paper aims to analyze the transformations in the real estate market amidst post-pandemic Sino-U.S. economic trends, particularly the new developments in commercial real estate, residential investment, property taxes, financing, and laws and regulations.

II. Post-Pandemic Sino-U.S. Economic Trends

2.1 U.S. Economic Trends

In the early stages of the pandemic, the United States implemented large-scale fiscal stimulus and loose monetary policies, including unlimited quantitative easing (QE), low interest rates, and ample credit supply. These measures significantly stimulated residents' demand for home purchases. Despite the impact of the pandemic on the U.S. manufacturing and job markets, the real estate market demonstrated strong resilience, with both prices and volumes reaching historic highs while inventories hit record lows. However, economists also point out that a full recovery of the U.S. economy will take time and is highly dependent on the control of the pandemic.

2.2 Chinese Economic Trends

Unlike the United States, China achieved significant success in pandemic control and its economy quickly resumed growth. In terms of real estate policies, China adhered to the principle of "housing for residence, not for speculation" and implemented moderately loose monetary policies and flexible fiscal policies to prevent excessive capital inflow into the real estate sector. Although the pandemic had a short-term impact on the real estate market, the overall market showed strong resilience with stable prices and positive sales growth.

III. Transformation and Upgrading of Commercial Real Estate

3.1 Current Situation and Challenges of Commercial Real Estate

After nearly two decades of golden development, China's commercial real estate is currently facing challenges such as oversupply, rising vacancy rates, and declining operational income. Particularly in the post-pandemic era, the rise of remote work and online services has posed severe tests on traditional commercial real estate models. However, as operational properties, commercial real estate retains its irreplaceable significance, and the demand for offline experiences and interactions still exists.

3.2 Paths for Transformation and Upgrading

In the post-pandemic era, China's commercial real estate industry needs to transition towards capability orientation, enhancing capital operation and asset management capa-

bilities. Specifically, this includes the following aspects:
Financial Transformation: Converting indirect financing into direct financing, transforming low-liquidity real estate into high-liquidity financial products, and realizing investment exits through asset securitization and other means.
Refined Division of Labor: Forming a refined division of labor in the industrial chain with separate roles for investors, developers, and operators, and accelerating the transition towards joint ventures, construction on behalf of others, and asset management, which are light-asset models.
Professional Operation: Continuously enhancing the intrinsic value of assets through professional operation, forming a virtuous cycle of investment and financing, and improving the overall return rate of the industry.

IV. New Opportunities for Residential Investment

4.1 Changes in Residential Investment Demand

The pandemic has deepened residents' understanding of living experiences and stimulated their desire to improve living quality. The willingness to purchase own homes, particularly second homes, has increased; at the same time, there is a significant rise in demand for improving residential quality and upgrading basic facilities.

4.2 Future Trends in Residential Investment

In the future, residential investment will place greater emphasis on living experiences and service facilities. Low-density products such as detached houses and villas will become more popular. Furthermore, with the in-depth implementation of the "housing for residence, not for speculation" policy, residential investment will focus more on long-term value and stability rather than short-term speculation.

V. Reform of Property Taxes and Improvement of Laws and Regulations

5.1 Direction of Property Tax Reform

With the maturity of the real estate market, the reform of property taxes has become an inevitable trend. In the future, property taxes will pay more attention to fairness and

efficiency, serving to regulate the supply and demand relationship in the real estate market while increasing local fiscal revenue.

5.2 Improvement of Laws and Regulations

In terms of laws and regulations, China needs to further improve its real estate-related legal and regulatory system to protect consumer rights, regulate market order, and particularly clarify and specify legal provisions related to easements, deed transfers, liens, and common law to address increasingly complex real estate market transactions.

VI. Financing Models and Risk Control

6.1 Innovation in Financing Models

In terms of financing, China's real estate market needs to continuously innovate financing models, reduce financing costs, and improve financing efficiency. Especially, the introduction and development of financial instruments such as real estate funds will provide more financing channels for small and medium-sized real estate developers. At the same time, the introduction of financial products such as asset securitization will also contribute to the financial transformation of commercial real estate.

6.2 Strengthening of Risk Control

In terms of risk control, it is necessary to strengthen the monitoring and early warning mechanisms for real estate market risks, improving risk prevention and response capabilities. Particularly, strict regulation and restrictions are needed for high-leverage and high-risk investment behaviors to prevent the occurrence of systemic financial risks.

VII. Conclusion

The post-pandemic Sino-U.S. economic trends have exerted profound impacts on the global real estate market. China's commercial real estate and residential investment face challenges while also presenting new opportunities. By enhancing industry competitiveness and overall return rates through financial transformation, refined division of labor, and professional operation; strengthening property tax reforms and improving laws and regulations to regulate market order; and innovating financing models and strengthening risk control to address future challenges, China's real estate market will move forward steadily towards higher-quality development.