

Enticements for second-house buyers to come

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The government may soon loosen its lending policy on those looking to buy a second home, as the latest move to revitalize the sluggish property market.

"We are closely watching the changes happening in the property market and plan to implement more powerful measures to stimulate stagnant sales, including adjusting the lending policies for second-house buyers," Qi Ji, vice minister of the Ministry of Housing and Urban-Rural Development (MOHURD), told a group of reporters from Hong Kong.

This is the government's latest effort to activate the real estate sector, following the central bank's biggest slash in interest rates in 11 years and a taxation cut on property transactions.

Those measures, meant to trigger consumers' interest in the market made little impact as many still have a wait-and-see attitude .

Property prices in China's 70 large- and medium-sized cities rose 1.6 percent year-on-year in October, the lowest growth rate since 2006, according to the National Development and Reform Commission. And real estate transactions in key cities remains low.

"If the property market continue to slide, more proactive policies will be in the pipeline, even those to help property developers shrug off financial difficulties, such as allowing quality real estate developers to issue corporate bonds," said Qin Xiaomei, research chief at CB Richard Ellis' Beijing branch.

The real estate sector plays an important role in stabilizing the country's overall economy, especially when the global financial turmoil is badly hurting China's export industry

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