

Study on the Countermeasures to Promote the Healthy Development of Real Estate Investment in Anhui Province

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Abstract

In order to promote the sustained and healthy operation of the real estate market, in 2020, the central government will continue to adhere to the general tone of "houses are for living in and not for speculative investment", maintain the continuity, consistency and stability of real estate financial policies, and flexibly "implement policies according to the city" to boost market transactions from the supply side and demand side. Firstly, this paper analyzes the overall situation of real estate investment in Anhui from the aspects of the overall investment amount and year-on-year growth rate of real estate industry, real estate development investment for various purposes, real estate construction scale, investment capital source of real estate enterprises, sales scale of commercial housing and so on. Secondly, it compares and analyzes the overall investment in real estate industry and real estate supply in different cities. Thirdly, it points out the main problems of real estate investment in Anhui Province. Finally, it puts forward countermeasures and suggestions on how to promote the healthy development of real estate investment in Anhui Province.

Keywords

Real Estate Investment; Implement Policies According to the City; Financial Regulation.

1. Introduction

The real estate industry is an important power source for the stable operation of the national economy and plays a key role in the process of economic recovery and development. In 2020, China was still suffering from the downward pressure of the economy. The sudden development of COVID-19 made the economy "retrograde" trend for a period of time. The development of the real estate industry also suffered a certain negative impact. Although the investment in the real estate industry has remained stable and warmed up on the whole, the problem of large capital pressure on real estate enterprises still exists. The central economic work conference pointed out that solving the housing problem is an effective way to seek happiness and increase welfare sites for the people. We should unswervingly adhere to the policy of "houses are for living in and not for speculative investment". At the same time, we should adjust measures to local conditions and adopt multiple policies to promote the standardized operation of the real estate market [1]. In 2020, in the face of various internal and external risks such as epidemic situation and flood situation, the growth rate of fixed asset investment in Anhui will advance steadily, and the growth of real estate development investment will accelerate.

In order to promote the sustained and healthy operation of the real estate market, in 2020, the central government will continue to adhere to the general tone of "houses are for living in and

not for speculative investment", maintain the continuity, consistency and stability of real estate financial policies, and flexibly "implement policies according to the city" to boost market transactions from the supply side and demand side. In January, the China Banking and Insurance Regulatory Commission issued the guiding opinions of the China Banking and Insurance Regulatory Commission on promoting the high-quality development of the banking and insurance industry, which proposed that banking and insurance institutions should implement the positioning of "houses are for living in and not for speculative investment", strictly implement the requirements of real estate financial supervision, and promote the healthy and stable development of the real estate market [2]. In March, the Symposium and teleconference on financial support for epidemic prevention and control and economic and social development stressed the requirements of adhering to the positioning of "Houses are for living in and not for speculative investment" and "not using real estate as a short-term means to stimulate the economy", so as to maintain the continuity, consistency and stability of real estate financial policies. In April, the meeting of the Political Bureau of the CPC Central Committee further stressed that in the current economic environment affected by the epidemic, the regulation tone of "Houses are for living in and not for speculative investment" remains unchanged, and some policies that significantly affect market expectations will remain stable, so as to promote the stable development of real estate. In May, the two sessions proposed to give full play to the comprehensive driving role of central cities and urban agglomerations, adhere to the positioning that houses are used for living rather than speculation, and implement policies according to the city to promote the steady and healthy development of the real estate market. In December, the central economic work conference clearly adhered to the positioning that houses are used for living, not for speculation, and adopted multiple policies according to local conditions to promote the steady and healthy development of the real estate market [3]. In November, the Yangtze River Delta housing provident fund integration and the provincial housing provident fund management promotion meeting stressed that we should adhere to the principle of "houses are for living in and not for speculative investment", and earnestly maintain the overall situation of stable and healthy development of the real estate market according to our own situation, urban policies and local conditions. This paper analyzes the investment status and main problems of Anhui real estate industry, and puts forward valuable policy suggestions.

2. Overall Analysis of Real Estate Investment

With the continuous optimization of the investment environment of the real estate industry and the gradual introduction of relevant policies for the real estate industry, the investment scale of Anhui real estate industry will continue to expand on the basis of the previous year in 2020, but the growth rate will be significantly lower than that of the previous year. This section mainly analyzes the real estate investment in Anhui from the aspects of the overall investment amount and growth rate of the real estate industry, real estate development investment for various purposes, real estate construction scale, investment capital source of real estate enterprises, sales scale of commercial houses, etc.

2.1. The Overall Investment in the Real Estate Industry Increased Steadily, but the Year-on-year Growth Rate Fluctuated Significantly

From 2010 to 2020, the total real estate investment in Anhui increased continuously, from 225.18 billion yuan in 2010 to 704.23 billion yuan in 2020. However, the year-on-year growth rate of real estate investment fluctuated significantly, from 34.9% in 2010 to 5.6% in 2020. Specifically, from 2010 to 2013, the investment in real estate development in Anhui increased rapidly, maintaining a rapid growth of more than 15%. Although the government immediately took relevant measures and issued policy documents to curb the rapid growth of real estate

investment, investors' strong demand for risk preservation did not significantly reduce the growth rate of real estate investment. From 2014 to 2016, Anhui provincial government issued more stringent real estate inhibition policies, and the goal of real estate destocking was constantly clarified. The growth rate of real estate investment decreased rapidly, only in single digits. However, in 2017, the investment in Anhui's real estate industry increased by 22% over the previous year and resumed high growth again, mainly due to the improvement of the whole market environment and the remarkable effect of real estate destocking. In the following years, the growth rate of real estate investment slowed down significantly, mainly due to the government's control over real estate investment. In 2020, Anhui's real estate investment growth slowed down month by month, which was affected by COVID-19's growth from -19.3% at the beginning of the year to 5.6% at the end of the year.

2.2. The Investment Structure of Real Estate Development for Different Purposes has Been Continuously Optimized, and the Proportion of Various Types of Investment Tends to be Reasonable

From 2010 to 2020, the scale of real estate investment in Anhui by various use categories continued to expand, and the use was mainly divided into residential, office buildings, commercial business buildings and other four aspects.

Residential investment is the most important field of real estate investment in Anhui. From 2010 to 2020, the completed amount of residential investment continued to grow, and the proportion of investment remained above 60%, showing the characteristics of first decline and then rise. The completed residential investment increased from 159.525 billion yuan in 2010 to 566.201 billion yuan in 2020, and the investment proportion increased from 70.8% in 2010 to 80.4% in 2020. Specifically, from 2010 to 2015, the completed amount of residential investment increased at a low speed, and the proportion of investment decreased slightly. However, since 2016, the completed amount of residential investment has increased rapidly, and the proportion of investment has also increased continuously. In 2020, the central government will continue to adhere to the general tone of "no speculation in housing", maintain the continuity, consistency and stability of real estate financial policies, continue to increase investment in residential housing, meet the needs of residents to buy houses, and implement policies according to the city to promote the steady and healthy development of the real estate market.

From 2010 to 2020, the completed amount of non residential investment in Anhui showed the characteristics of first increasing and then decreasing, and the proportion of investment was the same. Specifically, the completed investment in office buildings increased from 6.563 billion yuan in 2010 to 9.155 billion yuan in 2020, showing the characteristics of first rising and then falling. The proportion of investment is relatively stable, maintained at about 3%. From 2010 to 2015, the completed investment in commercial business Housing maintained a rapid growth rate, and the proportion of investment increased from 13% to 23.2%. Since 2016, the scale of completed investment has begun to decrease, and the proportion will drop to 10.6% in 2020.

Although the completed amount of other real estate investment is increasing, from 29.852 billion yuan in 2010 to 54.226 billion yuan in 2020, the proportion of investment continues to decrease. From 2010 to 2015, although the completed amount of other real estate investment continued to expand, the proportion continued to decline, from 13.3% in 2010 to 7.8% in 2015. Since 2016, the completed amount of other real estate investment has continued to grow, but the proportion has been maintained at about 7.5%, reaching a stable state. Other real estate mainly includes industrial housing and community public housing. In 2020, the proportion of other real estate investment increased by 0.2% over last year, with a slight upward trend in recent years, which shows that Anhui real estate investment is gradually expanding industrial housing investment on the basis of ensuring residents' housing demand, so as to ensure the

steady development of industrial economy; At the same time, increase investment in community public housing to ensure the healthy development of public utilities.

From 2010 to 2020, the proportion of residential and non residential investment in Anhui became more and more reasonable, the proportion of residential investment continued to expand, and the proportion of non residential investment was on the contrary, indicating that the investment direction of the real estate industry is gradually changing from commercial use to residential use, and began to return to the main function of housing. From 2010 to 2012, the proportion of residential investment in Anhui decreased slightly, from 70.8% to 65.3%, while the proportion of non residential investment increased slightly, from 28.2% to 34.7%. From 2012 to 2015, the proportion of residential and non residential investment in Anhui remained stable, unchanged at about 65% and 35% respectively. From 2015 to 2020, the proportion of residential and non residential investment in Anhui began to change, which was opposite to the change trend from 2010 to 2012. The proportion of residential investment gradually expanded and the proportion of non residential investment gradually decreased. In 2020, the proportion of residential and non residential investment in Anhui will become more and more reasonable. The proportion of residential investment will continue to expand to 80.4%, and the proportion of non residential investment will shrink to 19.6%, indicating that the investment direction of the real estate industry is gradually changing from commercial use to residential use and beginning to return to the main function of housing, Strictly implement the government's positioning of "insisting that houses are used for living, not for speculation" to ensure the steady and healthy development of Anhui's real estate industry.

2.3. The Scale of Real Estate Construction has Gradually Expanded, but the Expansion Speed has Decreased Significantly

From 2010 to 2020, the scale of real estate construction in Anhui kept expanding year by year, but the expansion speed decreased significantly. The following will make a detailed analysis from three aspects: house construction area, newly started area and completed area.

From the perspective of housing construction area, the construction area increases year by year, but the year-on-year growth rate shows a downward trend. The housing construction area increased from 175.419 million square meters in 2010 to 44.9746 million square meters in 2020, and the year-on-year growth rate decreased from 23.8% in 2010 to 3.2% in 2020. Specifically, from 2010 to 2013, the growth rate of housing construction area in Anhui has been high, maintained at about 20%. However, in 2014, the growth rate fell sharply. From then on to 2020, the housing construction area in Anhui maintained a single digit growth. This phenomenon is mainly due to the ultra-high growth of construction area from 2010 to 2013 and the sharp increase of housing inventory pressure in Anhui. In order to make the sustainable and healthy development of Anhui real estate industry, the continuous introduction of relevant government policies finally presents a healthy development trend from 2014 to 2020. In 2020, the slogans of restricting travel and commencement were put forward one after another, coupled with continuous rainfall in many regions, resulting in a year-on-year growth rate of only 3.2% in housing construction area in Anhui, and some major construction projects were not completed at the end of the year.

From the perspective of new construction area of houses, the new construction area increased as a whole, but the year-on-year growth rate fluctuated obviously, showing a downward trend in the fluctuation. The new construction area of houses increased from 73.176 million square meters in 2010 to 117.856 million square meters in 2020, and the year-on-year growth rate decreased from 37.6% in 2010 to 6.0% in 2020. Specifically, the growth rate of newly started housing area is positive and negative, with negative growth in 2012, 2014, 2015 and 2018 and positive growth in other years. From 2010 to 2017, the absolute growth rate of newly started housing area exceeded 10%, with great fluctuation. Until 2018, the growth rate was - 4.8%, and

that in 2019 was 2.5%. In 2020, the growth rate of newly started housing area in Anhui increased by 3.5 percentage points compared with the previous year, with little fluctuation. This is mainly because the investment development of the real estate industry is greatly affected by government policies, and the relevant policies are lack of long-term and large changes, resulting in large fluctuations in the growth rate of new housing construction area; At the same time, the destocking of houses also directly affects the scale of new construction area in that year, resulting in changes in year-on-year growth rate.

From the perspective of housing completed area, the completed area shows the characteristics of increasing first and then decreasing, and the growth fluctuation is also obvious. The completed housing area increased from 30.2057 million square meters in 2010 to 51.009 million square meters in 2020, and the year-on-year growth rate decreased from 5.6% in 2010 to -10.1% in 2020. Specifically, from 2010 to 2015, the completed area of commercial housing in Anhui increased continuously, and the growth rate changed significantly, but the year-on-year growth rate was positive. From 2016 to 2020, the year-on-year growth rate of completed commercial housing area in Anhui continued to be negative, but only in 2019, the growth rate changed from negative to positive, with a year-on-year growth of 26.4%. This is mainly due to the year-on-year growth rate of construction area of commercial housing in Anhui decreased due to the dual role of government policies and de inventory pressure since 2014. Due to the timeliness of policies, since 2015, the year-on-year growth rate of completed housing area in Anhui has continued to be negative. However, due to the lack of timeliness of government policies and the year-on-year growth of newly started housing area, the completed housing area will increase again in 2019. In 2020, in the face of the double negative impacts of COVID-19 and flood disasters, Anhui coordinated the epidemic prevention and control, post disaster reconstruction and economic and social development. The housing construction area and new construction area developed at a positive rate. However, affected by the epidemic, the implementation of normalization and prevention and control was in place. The area of housing completion was greatly affected, showing a negative growth, an increase of -10.1% compared to the same period last year.

2.4. The Capital Sources of Real Estate Enterprises in All Aspects Remained Basically Stable

From 2010 to 2020, the investment funds of Anhui real estate enterprises mainly came from domestic loans, utilization of foreign capital, self raised funds and other funds, of which the smaller funds were domestic loans and utilization of foreign capital, and the larger were self raised funds and other funds. Specifically:

Self raised funds and other funds are the two main sources of funds for Anhui real estate enterprises. The total investment of self raised funds increased from 121.107 billion yuan in 2010 to 259.58 billion yuan in 2020. The proportion of funds showed the characteristics of maintaining stability first and then declining continuously, from 42.3% in 2010 to 42.1% in 2014,; Then it began to decline, down to 28.9% in 2020, a decrease of 13.4 percentage points. In 2020, the proportion of self raised funds continued to decline, and the annual growth rate of self raised funds was about 6.12%. Anhui's real estate enterprises raised their own funds mainly from the housing Shoufu, and the residents' buying houses were over heated, the enthusiasm for buying houses gradually diminished, and the demand for housing gradually became saturated. At the same time, influenced by COVID-19, the pace of development of real estate enterprises slowed down, so the proportion of self raised funds continued to shrink.

The total amount of other capital investment increased from 132.272 billion yuan in 2010 to 552.393 billion yuan in 2020. The total amount of capital has more than tripled in ten years, and the proportion of capital has increased steadily, from 46.2% in 2010 to 61.5% in 2020, an increase of 15.4 percentage points. In 2020, the proportion of other funds continued to rise, and

the annual growth rate of other funds was about 7.40%, mainly due to the effect of a series of previous real estate regulation policies in Anhui, and the epidemic prompted banks and other units to take response measures, resulting in the higher proportion of other funds.

Self raised funds and other funds generally show a state of one after another. From 2010 to 2014, the real estate industry entered a period of rapid development, with residents buying houses, and the proportion of self raised funds composed of down payment of main houses of real estate enterprises remained basically unchanged, stable at more than 40%; Affected by financial risks, bank credit has been shrinking, and the decline in the proportion of domestic loan funds has been transformed into the increase in the proportion of other funds; Since the introduction of a series of restrictive policies such as the "ten new national articles" and the "purchase restriction order" in 2014, the proportion of self raised funds has decreased significantly, and the proportion of other funds has gradually expanded, accounting for up to 60%, which further shows that the diversification of capital sources of Anhui real estate enterprises is more conducive to the development of enterprises. In 2020, the proportion of self raised funds continued to decline and continued to decline, maintaining at 28.9%, but the proportion of other funds continued to rise, expanding to 61.5%. Meanwhile, the annual growth rate of self raised funds is about 6.12%, and the annual growth rate of other funds is about 1.28 percentage points higher than that of self raised funds. The main reason may be that a series of previous regulatory policies in Anhui began to produce results, and the epidemic prompted banks and other units to take response measures, resulting in an increasing proportion of other funds.

The total investment of domestic loans increased from 32.373 billion yuan in 2010 to 86.227 billion yuan in 2020. The proportion of funds is relatively stable, falling from 11.3% in 2010 to 9.6% in 2020. It fluctuates around 10% all year round, showing a trend of first decline and then rise. From 2010 to 2013, the proportion of domestic loans began to decrease year by year, which was mainly related to the macroeconomic environment. In order to prevent financial risks, the scale of loans began to shrink. With the reform and improvement of the financial system and the continuous adjustment of relevant policy documents such as investment credit in the real estate industry, the proportion of domestic loans has rebounded slightly since 2014. In 2020, with the support of "implementing policies due to the city" and the financial policy of returning to work and production after the epidemic, some cities with great downward pressure on the market may reduce the threshold of land competition and the proportion of bank down payment, and the shortage of funds of real estate enterprises may be alleviated to some extent.

The total investment of foreign capital utilization has decreased from 618 million yuan in 2010 to 00 million yuan in 2020, and the proportion of funds has never exceeded 1%. Among them, the proportion of funds in 2012, 2013, 2015, 2017, 2018 and 2020 is about 0, which is basically negligible. Even the total amount of foreign capital utilization has decreased to zero in 2018 and 2020. Anhui is located in the central part of China. The overall economic level is not high, the degree of opening to the outside world is low, and there is no strong ability to attract foreign capital, which is the reason why Anhui real estate enterprises use less foreign capital. In 2020, the world was in a situation of fighting with COVID-19. Apart from the fact that our country has begun to restore its positive economic growth, other countries have been deeply affected by it. The economy has been in serious recession and the financial market is even more so. Therefore, the real estate enterprises in Anhui use less foreign capital and are almost zero.

2.5. The Scale of Commercial Housing Sales Continued to Grow, but the Growth Rate Changed Significantly During the Period

From 2010 to 2020, the sales scale of commercial housing in Anhui increased continuously, but there were obvious fluctuations during the period.

The sales area of commercial housing in Anhui increased from 41.1388 million square meters in 2010 to 95.341 million square meters in 2020, and the sales of commercial housing increased from 173.266 billion yuan in 2010 to 734.61 billion yuan in 2020; The growth fluctuation of the two basically kept pace, with significant increase and decrease. From 2010 to 2012, the sales area and sales of commercial housing in Anhui increased slightly, but the year-on-year growth rate decreased significantly. This is mainly due to the impact of the global financial crisis in 2008 and the overall economic downturn, resulting in the low-speed development of the housing market. The most obvious is that in 2012, the sales area of commercial housing increased from 46.0558 million square meters last year to 48.2881 million square meters, with a year-on-year growth rate of 7.2 percentage points, and the sales of commercial housing increased from 219.967 billion yuan last year to 232.967 billion yuan, with a year-on-year growth rate of 21.1 percentage points. In 2013, the sluggish development of the housing market attracted the attention of the national government. With the introduction of a series of favorable real estate policy documents and consumers' efforts to meet basic housing needs, the sales area and sales of commercial housing in Anhui improved significantly, with a year-on-year growth rate of 29.7% and 36.6% respectively. In the following two years, the sales of commercial housing in Anhui remained stable, Compared with the high-speed growth in 2013, the year-on-year growth rate dropped somewhat, and even showed negative growth. With the proposal of supply side structural reform and the de stocking requirements of the real estate industry, the sales of commercial houses in Anhui increased significantly in 2016. Among them, the sales area of commercial housing was 84.9965 million square meters, with a year-on-year growth rate of 38.2 percentage points; The sales of commercial housing reached 503.555 billion yuan, with a year-on-year growth rate of 48.7 percentage points. The real estate market is too hot, "real estate speculation" is emerging one after another, and the basic functions of houses are distorted. Anhui and governments at all levels immediately issued relevant real estate regulation policies and achieved remarkable results. From the actual data, the year-on-year growth rate of sales area and sales of commercial housing in Anhui slowed down from 2017 to 2020, but the year-on-year growth rate of sales area was much higher than that of sales, indicating the fact that the house price of commercial housing was rising. With the intensification of the contradiction between supply and demand of commercial housing and the role of government regulation policies, housing prices remain high and there is great pressure to destock, resulting in the continuous expansion of the sales scale of commercial housing in Anhui. In 2020, although the sales area and sales volume of commercial houses in Anhui showed positive growth, this was based on the negative growth in 2019. In fact, it still maintained the sales situation in previous years, and the house price of commercial houses continued to rise. For Anhui real estate market, although the opening of 2020 is not very smooth, with the strong support of various government policies, Anhui real estate market gradually recovers slowly.

3. Comparative Analysis of Real Estate Investment in Various Cities

The first part generally analyzes the specific situation of real estate investment in Anhui in recent ten years from the provincial level. However, due to different economic development, geographical location and policy environment, there are great differences in real estate investment in each city. Therefore, this part mainly makes a detailed analysis of different cities in Anhui from the overall comparison of real estate investment, the supply of real estate market and land transaction market.

3.1. Comparative Analysis on the Overall Situation of Real Estate Investment in Various Cities

From 2010 to 2020, while the overall scale of real estate in different cities in Anhui is expanding, the difference of real estate investment among cities is also expanding. In 2020, the completed

amount of real estate investment in Anhui was 704.23 billion yuan, an increase of 5.6% over the previous year. Among them, Hefei ranks first in real estate investment, accounting for 21.97%, and is the only city in the province with an investment of more than 100 billion. Chizhou, as the last city in terms of real estate investment, has an investment of only 8.12 billion yuan, accounting for 1.15%. It can be seen that the differentiation of real estate investment in Anhui is obvious, and the investment scale gap between cities is significant. Overall, the level of real estate development investment in 16 prefecture level cities in Anhui has a certain correlation with the economic development level of local cities. Prefecture level cities with high economic development level have more investment in real estate development; On the contrary, the investment in real estate development is less. Hefei is the capital city of Anhui Province. Its economic development level is much higher than that of other prefecture level cities in the province. It has unique advantages in human, material, financial resources and policies. It has a good economic development environment, gradually improved infrastructure and great attraction for real estate investment. Wuhu also has a high level of economic development. It is located in the east of Anhui Province with convenient transportation. It is adjacent to the developed areas of Jiangsu Province, and the attraction of real estate investment is also large.

In order to more specifically analyze the differentiation of real estate investment in various cities, the following research points are the completed amount of real estate investment in the top six cities and the bottom six cities in the province. The total real estate investment in the top six cities in the province increased from 154.7 billion yuan in 2010 to 447.66 billion yuan in 2020; The total real estate investment in the latter six cities continued to rise from 31.2 billion yuan to 115.38 billion yuan; The disparity between the total real estate investment of the former and the latter six cities decreased from 5.0 times in 2010 to 3.9 times in 2018, reflecting the overall expansion of real estate investment in various regions of Anhui and the narrowing of investment differentiation trend. In addition, in recent ten years, the proportion of the first six cities in the total real estate investment in the province has been relatively stable, while the proportion of the latter six cities has decreased first and then increased, from 13.8% in 2010 to 8.0% in 2017. However, the proportion of the lower six cities in Anhui's real estate ranking has continued to rise in 2018, 2019 and 2020, of which the proportion of real estate investment in the latter six cities has increased to 16.4% in 2020, But overall, the differentiation is obvious. From the perspective of geographical location, the investment in real estate industry in southern Anhui is higher than that in Northern Anhui every year, which has obvious geographical distribution characteristics. Most prefecture level cities in southern Anhui are connected with Jiangsu and Zhejiang provinces, adjacent to the developed areas in eastern China, with superior geographical location, which is helpful to undertake the industrial transfer in the Yangtze River Delta and promote economic development; The government has given great policy support, vigorously promoted the development of prefecture level cities in the Yangtze River region and undertook industrial transfer; Convenient transportation, gradually improved infrastructure, good environment and livable, these advantages help to increase the investment in the real estate industry. In addition to Suzhou, prefecture level cities in Northern Anhui are mainly connected with provinces in central and Western China, with poor geographical location, slow economic development, less living environment than southern Anhui, and insufficient policy support from the government. These factors are not conducive to increasing the investment in the real estate industry.

3.2. Comparative Analysis of Real Estate Market Supply in Various Cities

Among many indicators to measure the supply of real estate market, the completed area of real estate can most intuitively reflect the supply scale of regional commercial housing. Here, the completed area of real estate is selected as the measurement standard of market supply.

Through the analysis of the completed real estate area in different cities in Anhui in the past ten years, it is found that the completed real estate area in various cities in Anhui increases year by year and tends to develop steadily. Among them, the completed real estate area in Hefei, Wuhu and Ma'anshan has always been in the forefront of Anhui, In particular, the completed area of real estate in Hefei is equivalent to the sum of the completed area of real estate in other 8 cities in the province.

Specifically, Hefei, Wuhu and Ma'anshan ranked among the top three cities in terms of completed housing area of Anhui real estate development enterprises in 2020, with completed housing areas of 14.624 million square meters, 8.2671 million square meters and 6.0246 million square meters respectively. The total completed housing area of the eight cities at the bottom of the list, such as Huangshan, Chizhou, Bozhou and Xuancheng, is only 14.4672 million square meters, which is very small compared with 14.624 million square meters in Hefei. It can be seen that although the completed area of commercial housing in various cities in Anhui is increasing, there is a significant gap in scale. The reasons involve all aspects, mainly including the following three points: first, geographical differences. The cities with the top completed housing area of real estate development enterprises have superior geographical location and are obviously radiated by coastal developed cities, which is easier to attract foreign investment, so as to promote the expansion of regional real estate investment. Second, the development level of the real estate market is different. Compared with Huangshan, Chizhou, Huainan and other cities, Hefei, Wuhu and Ma'anshan have an early start in the real estate market, a higher level of market development, and a relatively advanced technical level and management system. Third, different cities have different levels of economic development, government policies and real estate investment, resulting in different local demand for housing, and therefore the completed area of real estate will be very different. In 2020, the completed area of real estate in all cities of Anhui decreased to a certain extent, and the year-on-year growth rate showed negative growth. The first quarter was affected by COVID-19 and the whole nation was quarantined. In the second quarter, people's production and life gradually returned to normal, but the normalization of epidemic prevention and control still had an impact; In the third quarter, Anhui was faced with catastrophic floods, some cities were affected by floods, and the progress of real estate construction was limited; In the fourth quarter, economic and social development was on track and achieved the expected rapid development. Therefore, it is normal and controllable that the completed area of real estate in Anhui cities will decline in 2020.

4. Main Problems in Real Estate Investment

At present, there are some problems in Anhui real estate investment, such as the intensification of the contradiction between housing supply and demand, the unreasonable real estate investment structure and the obvious regional differentiation of real estate investment.

4.1. The Contradiction between Housing Supply and Demand has Intensified in Real Estate Construction

From 2010 to 2020, the investment in housing development in Anhui continued to grow steadily, but the structural contradiction between the supply and demand of commercial housing continued to intensify, which was mainly reflected in the "oversupply" of large family commercial housing and the "oversupply" of economic and practical small family commercial housing. Nowadays, the main force of house purchase in the real estate market is mainly composed of middle-aged and young people. Considering the high house prices and their own wage level, most of these housing demanders choose small and medium-sized commercial houses. However, most real estate development enterprises prefer large family commercial houses that enable them to obtain higher benefits, and can not really understand the actual

needs of consumers. A large number of large family houses remain in the market, while fewer and fewer small family houses can meet the needs of buyers. On the one hand, it will further increase the de stocking pressure of commercial housing. On the other hand, driven by interests, real estate development enterprises implement the "hoarding" strategy to indirectly increase the house price of ordinary housing, resulting in that low-income and middle-income people can't afford housing. At the same time, the housing inventory is serious, which eventually leads to the further improvement of the imbalance between the supply and demand structure of real estate.

4.2. The Investment Structure of Real Estate Industry is Unreasonable and the Financing Channel is Narrow

Although the investment structure of Anhui real estate industry has been optimized under the short-term regulation of frequent real estate market policies, there are still unreasonable places. According to the results of the proportion of the above real estate development investment for different purposes, the real estate investment funds mainly flow to the residential investment field. From 2017 to 2020, the proportion of the total real estate investment will continue to maintain more than 70%, and in 2020, it will exceed 80%.The proportion of investment in office buildings and commercial houses conducive to the optimization of urban construction and economic growth continued to decline. On the whole, the investment in real estate development in Anhui is expanding, but the high-quality land resources are not reasonably planned, and the industrial benefits can not reach the expected goal. Through the analysis of the sources of investment funds in Anhui's real estate industry, it is found that the infrastructure investment funds of the whole province mainly come from self raised funds and other funds, accounting for 28.9% and 61.5% respectively in 2020. The proportion of domestic loans is generally stable but still low, and the proportion of foreign investment has never exceeded one percentage point, which can be almost ignored. In recent years, China has continuously promoted high-quality opening to the outside world, actively participated in and held major international exchange conferences, and the attraction of foreign investment has increased year by year. However, Anhui is located in the middle, the real estate industry started late, the opening to the outside world is at a low level, and the attraction of foreign investment is too weak, which is not conducive to the development and progress of Anhui's real estate industry in the future.

4.3. There are Obvious Regional Differences in Real Estate Investment

In recent years, Anhui real estate investment has maintained a steady growth trend, but the problem of unbalanced regional development has gradually emerged. In some cities with superior geographical location and high quality of economic development, the real estate market is more mature, and the trading volume and turnover of commercial housing are ideal. In cities with relatively backward economic development and imperfect real estate control mechanism, the trading volume and turnover of commercial houses are not ideal, and the phenomenon of house vacancy is more serious. With the passage of time, the real estate development between regions is becoming more and more unbalanced, so the degree of investment differentiation continues to deepen. By analyzing the specific situation of real estate investment in various cities in Anhui Province, the top six cities in real estate development investment in 2020 are Hefei, Fuyang, Bengbu, Chuzhou, Wuhu and Suzhou. The above six cities account for 63.6% of the total infrastructure investment in the province, while the remaining 10 cities only explain 36.4% of the change of real estate investment in the province, In particular, the interpretation of the last six cities is less than 17%. In addition, the investment efficiency of real estate industry in various regions of Anhui is also quite different. Due to the perfect urban construction and high level of science and innovation, the investment efficiency in central Anhui is higher, followed by Southern Anhui and Northern Anhui. This shows that the regional development of Anhui is unbalanced, and the regional differences of real estate

investment are significant, which is not conducive to the healthy development of real estate investment in the whole province.

5. Countermeasures and Suggestions for Improving Real Estate Investment

Combined with the current normalization of the epidemic situation, the increase of uncertain and unstable factors in the external environment and the requirements of benefiting people's livelihood and expanding domestic demand, by understanding the actual situation of real estate investment in Anhui, we can promote the steady and healthy development of the real estate market from the following aspects.

5.1. Promote the Diversification of Housing Construction and Alleviate the Contradiction between Supply and Demand

In view of the contradiction between housing supply and demand caused by the unreasonable investment of real estate funds, Anhui government should timely understand the transformation of residents' housing demand, so as to formulate corresponding supporting supply policies. First, reasonably increase other housing types such as low rent housing and affordable housing to meet the needs of different groups. It can also provide appropriate government assistance to the real estate industry, such as loan support or policy relaxation, so as to reduce the real estate cost and promote the decline of house prices and the reduction of residents' living pressure. Second, the government can adopt the auction bidding method, specify the house type standard, sales price and sales object, and try to implement the "lock house price and auction land price" on the housing development projects and land required by residents. And further make it clear that the land auctioned can only be used to build the housing needs of residents. In the above ways, we not only consider the purchase ability of low-income and middle-income people, but also grasp the government's ability and enthusiasm to invest in relevant resources. Third, accelerate the improvement of relevant systems and mechanisms of the rental market, encourage those who are unable to buy houses to choose public rental housing, so as to solve the increasingly prominent housing problem of residents, and realize the coordination between the housing required by residents and the market-oriented housing planning in Anhui [4].

5.2. Improve the Investment Structure and Reasonably Guide the Flow of Funds

At present, the investment scale of real estate development in Anhui is in the stage of continuous expansion. Considering the investment expectation of real estate enterprises, effective land utilization rate and housing demand transformation, in order to improve the investment structure of real estate industry in Anhui, the provincial government can do the following work: on the one hand, according to the specific situation of economic and social development in different regions, Reasonably adjust the proportion between residential investment and non residential investment, and appropriately increase investment in non residential fields with strong economic radiation, such as commercial business buildings and office buildings; On the other hand, we will strengthen the constraints on the development scale of large family types and high-grade commercial housing, encourage real estate development enterprises to reasonably increase the construction of small family types and medium and low-grade commercial housing, and meet the housing needs of residents in the middle and low consumption level as far as possible. At the same time, scientifically plan high-quality land resources to achieve the goal of green and sustainable development. In addition, make full use of the development opportunities of regional integration in the Yangtze River Delta and the

construction of the Huaihe River economic belt to promote a higher level of opening to the outside world and enhance Anhui's ability to attract foreign investment [5].

5.3. We will Improve Regional Regulation and Control and Promote Balanced Regional Development

The healthy development of the real estate market is inseparable from the macro supervision of the government and the micro adjustment of enterprises. For the differentiation of real estate investment in Anhui, the specific work is as follows: first, from the perspective of the government. Carry out differentiated policy guidance according to the current situation of economic development and real estate investment scale in different regions. For cities with more developed real estate investment, the government should introduce relevant market regulation policies to avoid the decline of real estate investment performance and waste of resources caused by over investment. At the same time, in view of the excessive growth of house prices in some areas, we can appropriately liberalize the supply of low rent housing, affordable housing and other housing types in this area, so as to alleviate the purchase pressure of low - and middle-income people. Second, from the perspective of enterprises. Real estate development enterprises should timely adjust the internal structure of enterprises according to the current situation of population mobility and urbanization process in various cities, and formulate reasonable and efficient real estate development plans in combination with regional development advantages [6]. In addition, real estate enterprises also need to change the traditional business mode, take into account the scale and efficiency in the development process, and promote the steady operation of the real estate market.

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