

# **China Residential Land Price Indexes**

## **(CRLPI)**

### **News Release** *(Translated Version)*

The Institute of Real Estate Studies, National University of Singapore, Zell/Lurie Real Estate Center, Wharton School, University of Pennsylvania, and the Hang Lung Center for Real Estate of Tsinghua University jointly launched the NUS-Wharton-Tsinghua Chinese Residential Land Price Indexes (CRLPI) on 1 September 2014, in Beijing, China. In conjunction with this, a Land Market Forum was also organized. The CRLPI is the first price index series covering major cities across the vast Chinese market. These indexes aim to provide a reliable reflection of changes in China's land prices and would serve the needs of market participants, researchers and policymakers well in gaining accurate insights on China's residential land prices.

The CRLPI are constant-quality indexes that track changes in the real value of residential land parcels purchased via public bidding or auction from local governments in 35 major cities across China from 2004 (except sites for public housing). It is noteworthy that to address issues of frequent transactions and significant time variant heterogeneity of land parcels, the CRLPI indexes are built on the foundation of the hedonic pricing method to control heterogeneous characteristics such as location, scale, floor area ratio, usage and the required association with public housing. The resultant constant quality indexes are therefore not susceptible to influences from structural changes in the characteristics of transacted land parcels (e.g. suburbanization) and random variation in prices. In this regard, the indexes would better reflect changes in market price levels. With the rich data and improved methodology, CRLPI is able to provide users with a more reliable reference with respect to residential land price fluctuations, and in a more accurate and timely manner.

CRLPI is updated and reported at quarterly, semi-annual, and annual levels for different levels of geographic aggregation (i.e., national, regional and city). A national-level index is reported quarterly beginning in 2004(1), and is based on land parcel transactions in each of the 35 markets we track. Three regional-level indexes are reported at semi-annual frequency. The three regions are East, Middle, and West based on the official definitions of China's National Bureau of Statistics. 12 individual cities indexes are reported at annual frequency, Beijing, Tianjin, Dalian, Shanghai (since 2006), Nanjing, Hangzhou, Wuhan, Changsha, Guangzhou (since 2007), Chongqing, Chengdu, and Xian (since 2007).

The national-level index will be updated quarterly, and released before 5<sup>th</sup> of the 2<sup>nd</sup> month in each quarter (i.e., February, May, August, and November). Three regional-level indexes will be updated

and released in August and February, respectively, and the city-level indexes will be updated in February.

**CRLPI is available at:**

[www.ires.nus.edu.sg](http://www.ires.nus.edu.sg)

(Institute of Real Estate Studies, National University of Singapore)

[real.wharton.upenn.edu](http://real.wharton.upenn.edu)

(Real Estate Department, Wharton School)

[www.cre.tsinghua.edu.cn](http://www.cre.tsinghua.edu.cn)

(Hang Lung Center for Real Estate Tsinghua University)

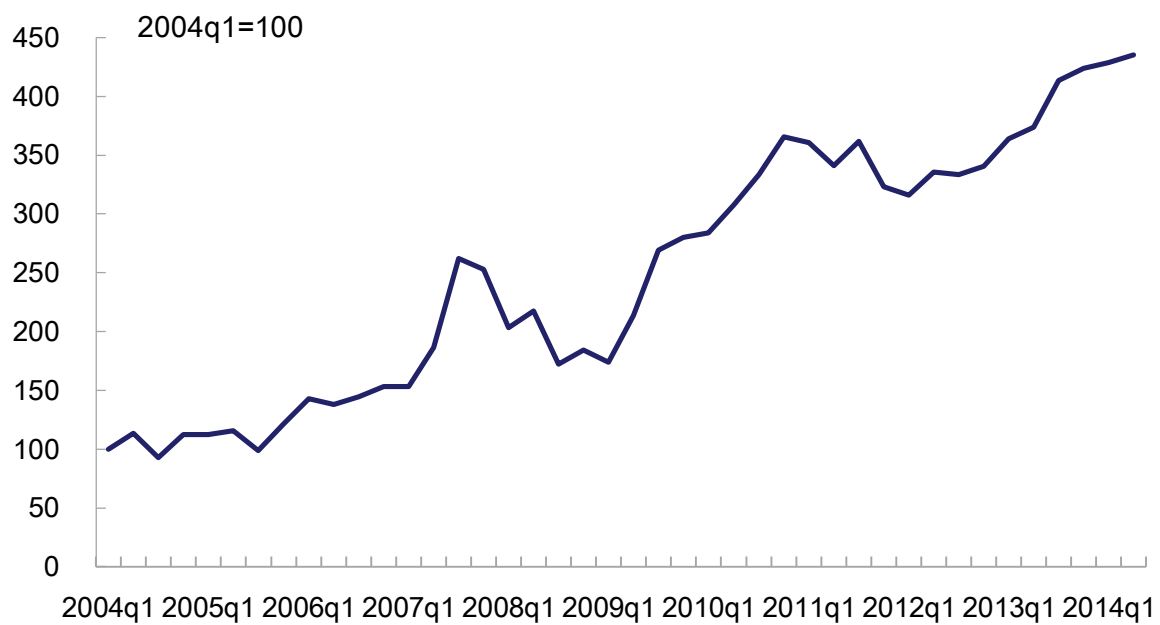


Figure 1: Chinese National Real Land Price Index - 35 Markets, Constant Quality Series (Quarterly: 2004q1 – 2014q2)