

Favorable climate in Hainan attracting holiday investors

More people from the mainland regions eye homes in the tropical island province

By MA ZHIPING in Haikou

The real estate industry is expected to continue to grow in Hainan, China's only tropical province, as more people look to buy holiday homes in an area with a favorable climate, said business insiders.

Wang Lu, chairman of Haikou-based Jincheng Consultancy, a real estate information provider, said: "Favorable climate and better transport links have prompted the more affluent to take a second home or holiday home in Hainan."

Data from the Hainan provincial real estate bureau show that Hainan saw a stable 44 percent increase in house sales last year. Sales volumes in the period reached 129 billion yuan (\$18.82 billion), up 51.2 percent year-on-year.

The average price for commercial apartments was 20,695 yuan per square meter in Sanya, a coastal tourist attraction, in November, up by 15.75 percent year-on-year. Transactions reached 212,400 sq m, an impressive increase of 127 percent year-on-year, according to statistics from the Sanya realty management authorities.

Wang said: "Sales of houses experienced a brisk growth in Hainan last year. Widespread smog in northern cities pushed up the sales on the island."

Consequently, investment in the island's real estate sector also warmed up, with stable growth of funds and decrease of stocks reported.

"Among the country's top 20 leading property developers, 18 have invested in Hainan, such as Sunac China Holdings Ltd, Greenland Group, Evergrande Real Estate



Saleswomen promote a property at a housing fair in Haikou, Hainan province.



Phoenix Island project in Sanya, Hainan province.

Group, Dalian Wanda Group Co Ltd and R&F Properties Co Ltd. All of them continued to pour money into the island in 2016," said Wang.

Zhong Liansheng, general manager of Sunac China Hainan Co Ltd, said: "Investment in Hainan's real estate sector is changing from short-term to long-term investment. Property in the tourist sector is also

changing from focusing on short stays to longer vacation trips."

Sunac turned to Hainan in late 2015 and now is engaged in six property projects on the eastern coastal cities, which have attracted 78.9 percent of the real estate investment on the island.

"People who bought houses in Hainan used to be pure investors

but now most of the buyers are purchasing homes for vacations or as a reservation for their retirement, for their parents or their children," said Zhong.

"There is an increasing tendency that more mainlanders will fly south to enjoy holidays or escape the extreme cold in winter," said Wang.

Data from his company show that except Haikou, about 90 percent of the houses and apartments in all the island's other 17 cities and counties have been purchased by people outside of the island.

Wang said: "Hainan has become a national holiday center, where house prices are still low compared with prices in first- and second-tier cities on the mainland."

Li Gongmei, a middle-aged professor from Baotou, Inner Mongolia autonomous region, said: "Many of my friends and I have bought apartments in Sanya because it has good air and a beautiful climate."

Tips on buying property

By MA ZHIPING in Haikou

As a "pearl" in the South China Sea, Hainan is blessed with blue waters, soft white sand, bright sunshine and vibrant rainforests. It is attracting more tourists on holidays or to even buy homes of their own.

Here is an overview of the island for people planning to buy houses in the province.

Nature's bounty

Hainan boasts 72 natural reserves, which cover 2.67 million hectares. As its forest coverage is 55 percent — the highest in the country, it really is nature's very own oxygen bar. The island has a large number of hot springs that are said to have a curative effect.

The island grows more than 500 kinds of fruits and vegetables, including lychees, durian, mangoes and pineapples.

Transport links

Hainan is connected to all major cities on the mainland and more than 50 overseas routes connecting roughly 20 countries and regions. The island greets visitors with a large number of tourist resorts, star-rated hotels, golf resorts and theme parks that are located in areas with charming tropical landscapes.

City life

In addition to the Sansha Islands which are about 340 kilo-

meters away in the south, Hainan has 18 cities and counties, which are usually divided into three groups — the eastern, the middle and the western part.

The eastern part includes Haikou, Wenchang, Qionghai, Wanning, Lingshui and Sanya, which are favorite places for house buyers because of good infrastructure. The housing prices are among the highest on the island. The middle part includes Anding, Tunchang, Qiongzhong, Wuzhishan, Baoding and Baisha. The western part includes Chengmai, Lingao, Danzhou, Changjiang, Dongfang and Ledong. The opening of the high-speed railway encircling the island in late 2015 has driven up the local real estate market remarkably but the prices are still very competitive compared with the eastern areas.

Where to buy property?

Haikou and Sanya are the top choices if you have enough money. Current average house prices hover around 8,000 yuan (\$1,170) per square meter in Haikou, while those in Sanya, which boasts the best tourist resources of Hainan, are roughly 20,000 yuan. Choose Sanya, Baoting, Lingshui or Ledong, which are located south of the 18 north latitude, if you just want a warm place to escape the cold weather in the north. If you want a warm home that costs less, then go to Wuzhishan, Lingao or Changjiang.



Potential homebuyers visit a property project in Danzhou, a city in western Hainan province. People from other provinces on the mainland are now the major buyers of properties in the tropical island.

