CHINA PROPERTY MONTHLY TRACKER

Aug ASP trajectory unchanged with T1 resilience intact; construction activities undershot

China Property
Finding the new balance of the China housing market; investing in the consolidators.
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Aug ASP decline pace resembled July and June trends in both primary and secondary markets, of which T1 continued to outperform but at marginally subdued recovery momentum; 8 out of 70 cities recorded mom positive or flat secondary price changes in Aug (vs. 8/10/13/16/17 in July/June/May/Apr/Mar) and among them, 4 cities had achieved 5 consecutive months of positive/flat mom since Mar. **Aug primary sales** (vol/val at -15%/-12% yoy) came largely in-line with our expectation, while **construction activities** were weaker than expected, echoing weak land market.

On the brighter side, **Aug secondary sales** were in-line with GSe at 2% yoy with continuous contraction of listing balance, and the NBS newly disclosed secondary online-registered sales GFA grew 10.6% yoy in 8M26; **rents** in 50 top cities also trended up mom in Aug (3rd month in a row); and tracked **developers' landbanking** remained active since July with high-profile land transactions seen in Beijing and Shenzhen in MTD Sep. On average, our covered stronger SOE developers spent 85% of their Aug contract sales in land acquisition, which carry c.27% project level GPM, with 81% exposure to Tier-1 & 2 cities and 70% exposure to Top-10 cities.

Looking into Sep 2026, we expect **1)** primary and secondary ASPs to both decline at a similar pace in Sep, with T1's recovery momentum extending; **2)** yoy declines likely to persist at current pace for new home sales volume and value, reflecting MTD weakness; but secondary transaction volume to improve sequentially; **3)** yoy declines to persist for completion and new starts, aligning with uninspiring value-chain indicators and lackluster broader land market.

What we watch out for: implementation details of the 828 policy by local governments and by banks; signs of property price stabilization/inflection in core T1 cities (i.e. Shanghai and Shenzhen) and whether other key cities will follow suit; whether Shanghai will adopt full HPR relaxation; continuous easing of secondary supply pressure and improvement of absolute rent/rental yields in high-tier cities; policy stimulus such as mortgage subsidies; whether urban renewal implementations

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accelerate on the back of intensified funding/execution supports.

Summary of key market indicators in Aug 2026 and GS forecasts for Sep 2026

(nationwide, unless stated otherwise)			Aug-26	8M26	Aug vs. Jul	Aug vs. GSe	Sep GSe
Primary sales	Volume	*yoy*	-15%	-12%	▼	Inline	Down mid-teens % yoy
	Value	*yoy*	-12%	-13%	▼	Inline	Down low-teens % yoy
	Price	*70 cities mom*	-0.2% (Aug)	-0.2% (Jul)	▬	Inline	Similar declining pace; T1 cities recovery to continue
Secondary sales	Volume	*15 cities yoy*	2%	1%	▼	Inline	Up LSD % yoy
	Price	*70 cities mom*	-0.3% (Aug)	-0.3% (Jul)	▬	Inline	Similar declining pace; T1 cities recovery to continue
Construction	New starts	*yoy*	-31%	-25%	▼	Slightly below	Down high-twenties % yoy
	Completion	*yoy*	-28%	-24%	▼	Slightly below	Down high-twenties % yoy
			Aug-26	**8M26**	**Aug vs. Jul**		
Developers' Landbanking (6 coverage DPs)	Intensity	*as % of sales*	85%	37%	▲		Remain regionally-focused and profitability-oriented; land replenishment pace to sequentially recover
	Strategy*	*% Top-10*	70%	81%	▼		
		% Class I	64%	86%	▼		
	Profitability	*Project GPM*	27%	25%	▲		

What to watch	• Local implementation details of the 828 policy • Potential HPR easing in Shanghai • Listing balance in secondary market • More funding supports/progress on urban renewal program

*By attributable land acquisition value.

Source: NBS, Centaline, CREIS, CRIC, Goldman Sachs Global Investment Research

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Summary of key market indicators in August

1) Aug ASP decline pace resembled July and June trends in both primary and secondary markets at an average -0.2% and -0.3% mom; of which, T1 cities continued to outperform with secondary ASP at +0.1% mom (the sixth consecutive month of positive mom) and primary ASP returned to positive change of +0.1% mom (after positive mom recorded during Feb to Jun and flattish mom in July); T2 cities' primary/secondary ASP was -0.1%/-0.3% mom in Aug (vs. -0.1%/-0.3% mom in July). 8 out of 70 cities recorded mom positive or flat secondary price changes in Aug (vs. 8/10/13/16/17 in July/June/May/Apr/Mar) and among them, **5 cities had achieved 5 consecutive months of positive/flat mom since Mar. 2)** Aug nationwide property sales were largely in line with our high-frequency tracking and GSe in volume/value terms at -15%/-12% yoy. **3)** Construction activities were weaker than expected with new starts/completions decline (-31%/-28% yoy) slightly below GSe, mirroring continued sluggish performance in FAI/land markets. Separately, **4)** Aug secondary sales volume in 15 cities was in-line with GSe at +2% yoy, with secondary listing volume in 100 cities declining both mom and yoy for three consecutive months. Besides, **5)** 50 cities' average rent levels continued to trend higher in Aug-26 for a third consecutive month, though the pace slowed from July-26 and the magnitude of growth aligned with that of Aug-25. Notably, rents in Tier-1 cities achieved positive mom growth for the sixth straight month.

Tracked developers' new land acquisition remained active Aug and MTD-Sep: on average, our covered stronger SOE developers spent 85% of their Aug contract sales in land acquisition, which carry c.27% project level GPM, with 81% exposure to Tier-1 & 2 cities and 70% exposure to Top-10 cities. Overall their 8M26 land investment on average accounted for 37% of contract sales and carried c.25% GPM. We note tracked developers (except for Poly) concentrated their investment in T1 cities in Aug, echoing strong T1 cities' land market performance (+24% yoy by value in Aug), and such momentum has carried forward in MTD Sep, with some high-profile land transactions made by coverage developers, included a Beijing Shunyi district land plot acquired by CR Land at a land premium of Rmb8.3bn and a Shenzhen Futian district land plot acquired by COLI at a land cost of over Rmb98k/sqm.

Prices: Primary: We see primary ASPs in T1s and key T2s to be supported by product mix upgrades and limited new home supply competition (esp. in core areas), and in a longer-run, potential ASP support from the impact of 828 policy on supply and developers' pricing strategies; **Secondary:** We see structural performance divergence for different product positioning in different cities. The latest average transaction price (subject to mix change) in Beike's 15 monitored cities remained relatively stable in MTD Sep. Looking ahead, we expect primary and secondary ASPs to both decline at a similar pace in Sep, with T1's recovery momentum extending.

Primary volume: We expect yoy declines to persist at current pace into upcoming month, factoring in a mixture of **1)** a sizable mom decline in new home sales volume in MTD Sep in monitored cities; **2)** a sequentially increased base from prior year (Sep-25 saw +36% mom), alongside seasonality. Overall we estimate mid-teens % yoy decline for national sales volume and low-teens % yoy decline for sales value in Sep 2026.

Secondary volume: Factoring in the sequentially improving leading indicators (subscription sales) in MTD Sep, yet a moderately higher year-ago base (Sep-25 was

+4% mom and +13% yoy), we overall forecast Sep 2026 secondary volume in 15 large cities to improve LSD % yoy.

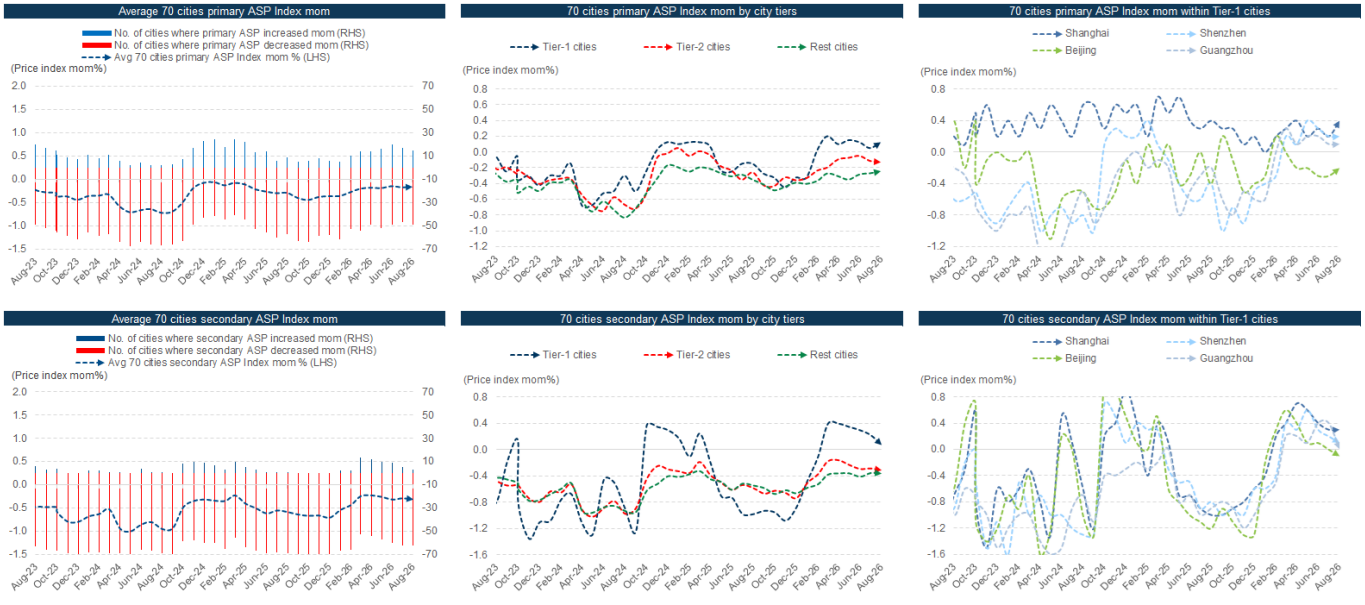
Construction: We anticipate a high-twenties % yoy decline for ***completions*** and a high-twenties % yoy decline for ***new starts*** in Sep 2026, considering **1)** seasonal tailwinds for new starts, with historical trends showing average mom expansion of HSD % since 2021; **2)** MTD Sep value chain indicators momentum muted: for completions, both sequential glass prices and inventory remained largely flattish compared to end-Aug levels; for new starts, cement shipment ratios in MTD Sep came in at 45%, vs. 43% at end-Aug and 47% during the period last year; **3)** June-Aug land sales volume yoy decline remained steep.

Exhibit 1: Summary of latest property development activities in China
YTD national property market development data comparison

		Latest trend		GSe		Key national property data summary											
		Aug-26	8M26	Sep-Dec 26E	2026E	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
GFA sold	(mn sqm)	49	499	312	811	881	965	1,108	1,211	1,614	1,588	1,554	1,562	1,554	1,460	1,215	1,153
	YoY	-14.8%	-12.1%	-1%	-8%	-9%	-13%	-9%	-25%	2%	2%	0%	1%	6%	20%	5%	-8%
Property sales	(Rmb tn)	0.5	4.7	2.7	7.4	8.4	9.6	11.6	12.4	17.0	16.3	15.0	14.1	12.7	11.2	8.4	7.4
	YoY	-12.1%	-13.0%	-9%	-12%	-13%	-17%	-6%	-27%	5%	8%	6%	11%	13%	33%	14%	-7%
ASP	(Rmb/sqm)	9,780	9,517	8,553	9,146	9,527	9,952	10,457	10,233	10,546	10,248	9,673	9,045	8,160	7,699	6,932	6,427
	YoY	3.2%	-0.9%	-9%	-4%	-4%	-5%	2%	-3%	3%	6%	7%	11%	6%	11%	8%	2%
GFA new starts	(mn sqm)	32	299	159	458	588	738	959	1,199	1,989	2,244	2,272	2,095	1,787	1,669	1,545	1,796
	YoY	-30.9%	-24.8%	-16%	-22%	-20%	-23%	-20%	-40%	-11%	-1%	8%	17%	7%	8%	-14%	-11%
GFA completions	(mn sqm)	19	211	302	513	603	737	1,019	854	1,014	912	959	944	1,015	1,061	1,000	1,075
	YoY	-28.4%	-23.7%	-8%	-15%	-18%	-28%	19%	-16%	11%	-5%	2%	-7%	-4%	6%	-7%	6%
Property FAI	(Rmb tn)	0.5	4.8	2.2	7.0	8.3	10.0	11.2	12.4	13.8	13.2	12.4	11.3	10.3	9.7	9.1	9.0
	YoY	-25.5%	-19.9%	-2%	-15%	-17%	-11%	-10%	-10%	5%	6%	10%	10%	6%	7%	1%	10%

Source: NBS, CREIS, Goldman Sachs Global Investment Research

Exhibit 2: Aug-26 70-city ASP index was -0.2%/-0.3% mom (vs. -0.2%/-0.3% mom for July), with 15/3 cities (vs. 17/5 in July) recording sequentially improved ASPs and 6/5 cities (vs. 6/3 in July) recording sequentially flattened ASPs in primary/secondary



Source: NBS, Data compiled by Goldman Sachs Global Investment Research

NBS and primary data snapshot

Property sales volume/value were flat/flat mom (vs. avg +1%/flat mom for Aug during 2014-2021 and -19% mom for Aug-26 as indicated by our high-frequency tracking) and were -15%/-12% yoy in Aug (vs. -13%/-9% yoy in July), sending 8M26 sales volume/value -12%/-13% yoy, respectively. Residential property sales volume and value were -13%/-13% yoy in 8M26 (vs. -13%/-13% in 7M26).

Blended ASP in Aug was flat mom and +3% yoy (vs. +5% yoy in July) and 8M26 ASP was -1% yoy.

70-city primary ASP index on average was -0.2% mom in Aug (vs. -0.2% mom in July), and Tier 1/2/3 cities recorded +0.1%/-0.1%/-0.2% mom in Aug (vs. flat/-0.1%/-0.3% in July), respectively.

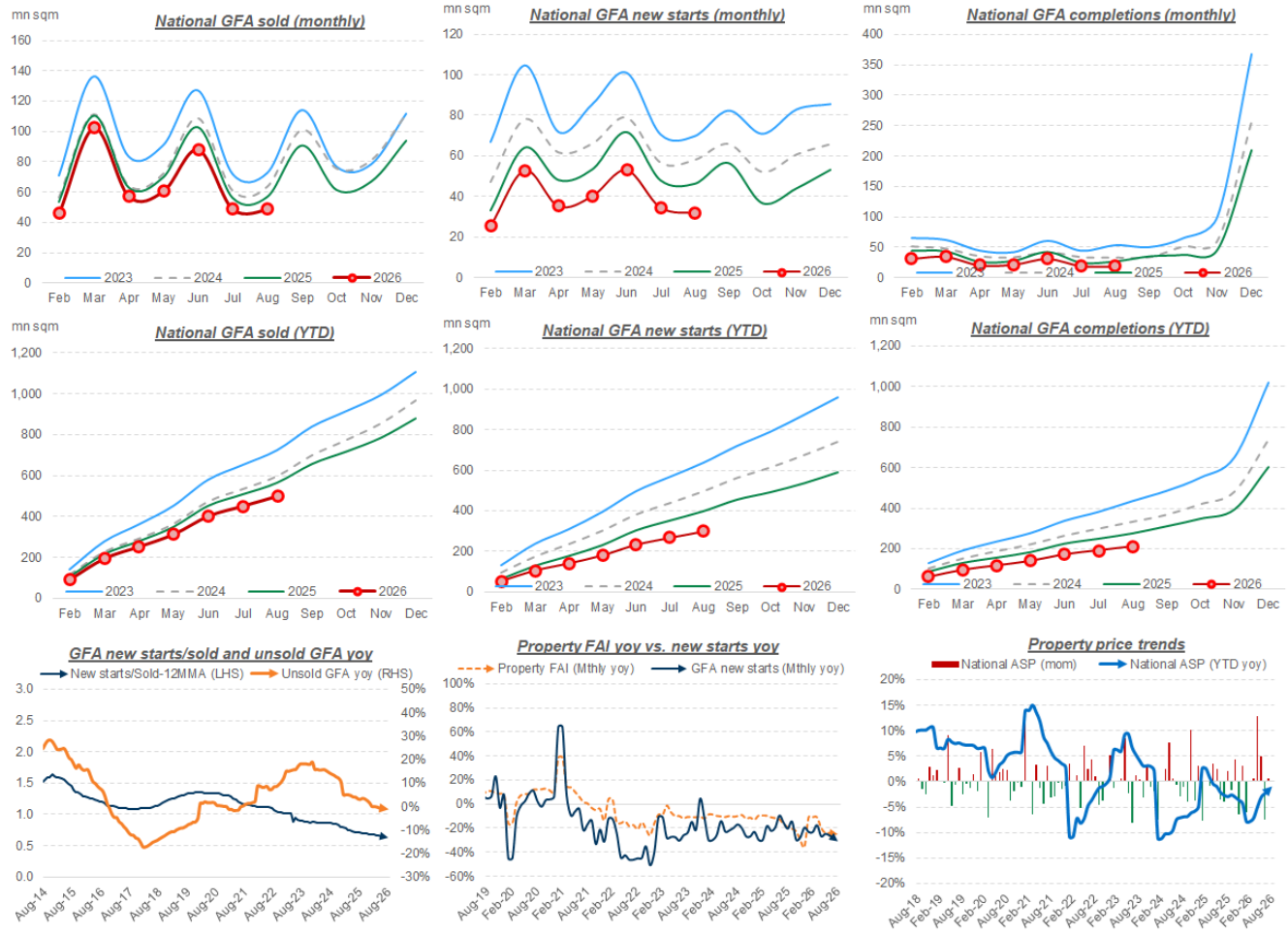
GFA completions were -28% yoy in Aug (vs. -19% yoy in July), slightly below GSe of high-teens % yoy declines as indicated by our refined GS Property Completion (GSPC) tracker, and bringing 8M26 GFA completions to -24% yoy.

GFA new starts recorded -31% yoy in Aug (vs. -28% yoy in July and slightly below GSe of high-twenties % yoy declines), leading 8M26 new starts to decline 25% yoy.

Property FAI declined by 25% yoy in July (vs. -27% yoy in July) and was -20% yoy in 8M26.

Land sales volume/value (excl. industrial land) recorded -28%/+24% yoy in August (vs. -18%/-5% yoy in July), sending 8M26 nationwide land sales volume/value to -22%/-20% yoy.

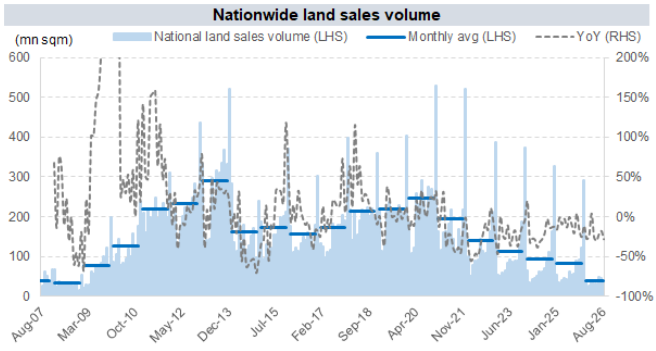
Exhibit 3: Aug 2026: Nationwide property sales volumes and value were in line with seasonal trends and better than GSe, while construction activities were weaker than expected



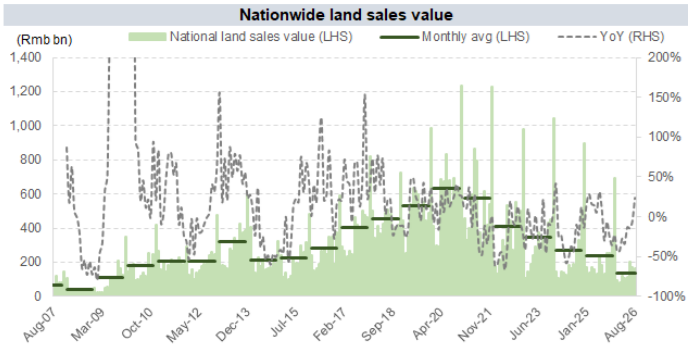
Source: NBS, Data compiled by Goldman Sachs Global Investment Research

Exhibit 4: Land market activity was mixed in Aug-26, with weak volume at -28% yoy (vs. -18% yoy in July) alongside strong value growth at +24% yoy (vs. -5% yoy in July) driven by strong performance in T-1 cities, bringing 8M26 nationwide land sales volume/value to -22%/-20% yoy.

Summary of nationwide land sales volume and value, nationwide and by city tier



Land sales volume YoY	3Q25	4Q25	1Q26	2Q26	Jul-26	Aug-26	8M26
National	-8%	-16%	-17%	-25%	-18%	**-28%**	*-22%*
Tier 1 cities	-51%	-41%	-19%	-8%	84%	**175%**	*12%*
Tier 2 cities	-19%	-8%	-37%	-38%	-14%	**-18%**	*-33%*
Lower tier cities	-3%	-17%	-10%	-20%	-21%	**-33%**	*-19%*

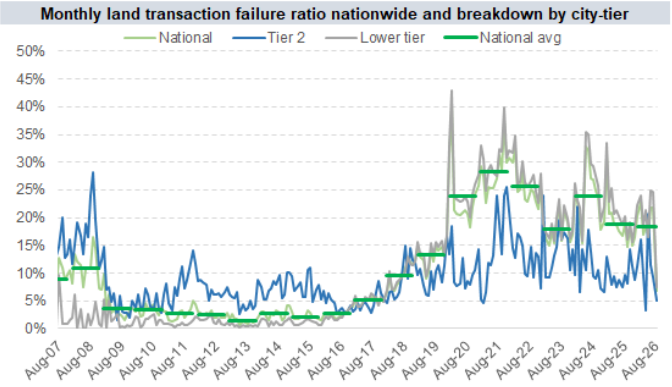


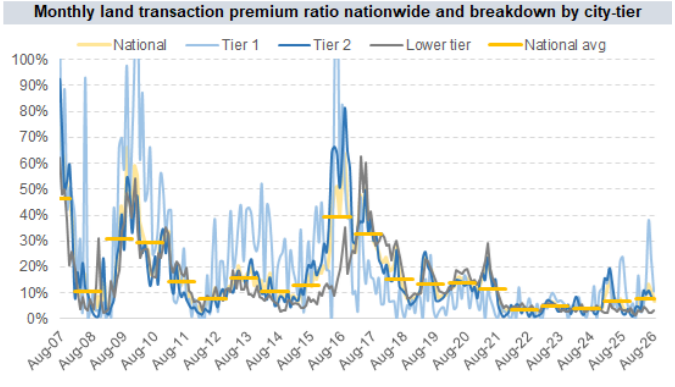
Land sales value YoY	3Q25	4Q25	1Q26	2Q26	Jul-26	Aug-26	8M26
National	-9%	-27%	-38%	-20%	-5%	**24%**	*-20%*
Tier 1 cities	-27%	-45%	-40%	6%	31%	**364%**	*9%*
Tier 2 cities	-10%	-21%	-54%	-35%	-14%	**-2%**	*-37%*
Lower tier cities	-2%	-26%	-16%	-12%	-17%	**-20%**	*-16%*

Excl. industrial land transactions.

Source: CREIS, Data compiled by Goldman Sachs Global Investment Research

Exhibit 5: In August, land auction premium ratio declined mom mainly in higher-tier cities, while land auction failure ratio continued to improve mom in non-tier-1 cities
Summary of land market auction failure ratio and premium ratio nationwide, and by city tier





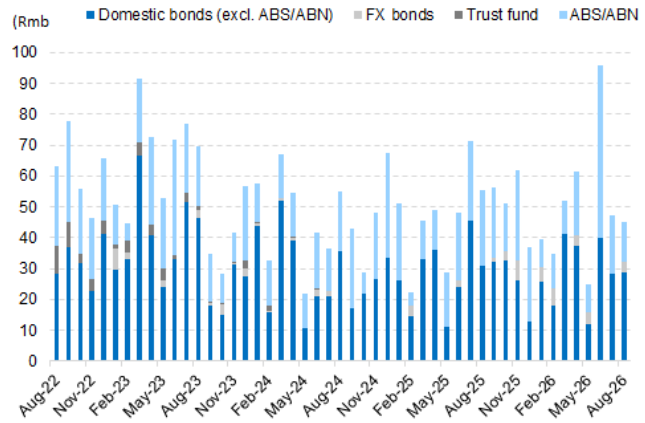
Auction failure ratio	3Q25	4Q25	1Q26	2Q26	Jul-26	Aug-26	Peak
National	17%	17%	20%	19%	22%	**7%**	*40%*
Tier 1 cities	0%	0%	0%	0%	0%	**0%**	*68%*
Tier 2 cities	8%	11%	12%	12%	9%	**5%**	*28%*
Lower tier cities	18%	18%	22%	21%	25%	**7%**	*43%*

Land premium ratio	3Q25	4Q25	1Q26	2Q26	Jul-26	Aug-26	Peak
National	5.2%	2.9%	4.9%	9.6%	10.0%	**7.0%**	*90%*
Tier 1 cities	19.7%	5.3%	6.6%	19.3%	23.3%	**10.8%**	*153%*
Tier 2 cities	2.9%	2.1%	4.3%	10.4%	8.6%	**7.4%**	*93%*
Lower tier cities	3.4%	3.0%	2.6%	3.5%	2.4%	**3.1%**	*62%*

Excl. industrial land transactions.

Source: CREIS, Data compiled by Goldman Sachs Global Investment Research

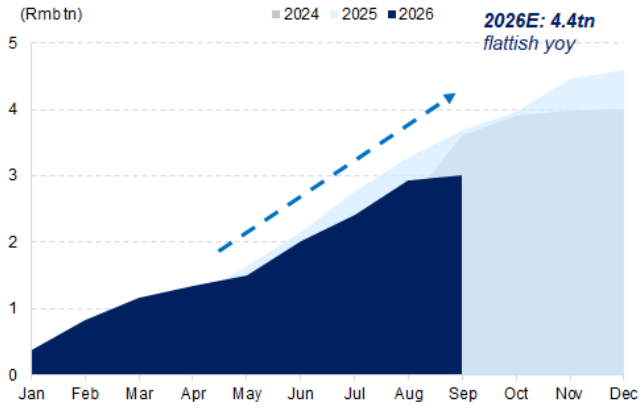
Exhibit 6: We estimate developers' total new funding sources were -4% mom and -18% yoy in Aug-26, implying +8% yoy in 8M26 (vs. +4% yoy in 2025), mainly due to sequential slowdown in ABS/ABN issuances
Breakdown of developers' external funding source



Excl. loans and sales proceeds.

Source: CREIS, Data compiled by Goldman Sachs Global Investment Research

Exhibit 7: We estimate Rmb3.0tn local government special bonds have been issued by mid-Sep
Monthly local government special bond issuance tracker



Mid-Sep as of Sep 11, 2026

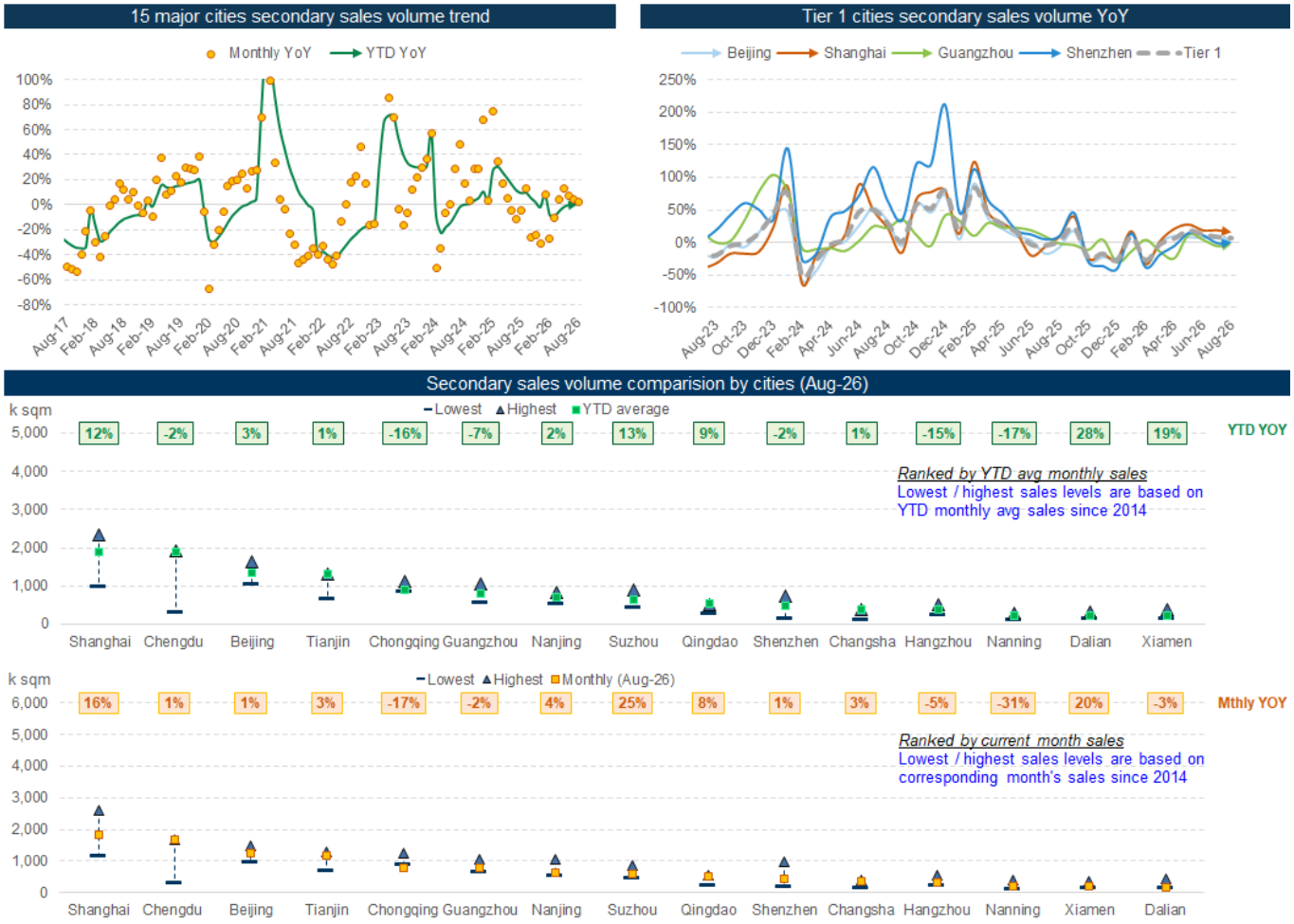
Source: Wind, Data compiled by Goldman Sachs Global Investment Research

Secondary market monthly mosaic

- **Secondary transaction** volumes in 15 major cities were -10% mom and +2% yoy in Aug (vs. +4% in June and largely in line with the MSD % yoy improvements in prior GSe), and were +1% yoy in 8M26; Tier-1 cities recorded +6% yoy in Aug (vs. +8% yoy in July) and +4% yoy in 8M26.
- **70-city secondary ASP index** on average was -0.3% mom in Aug (vs. -0.3% mom in July), and **Tier 1/2/3 cities** recorded +0.1%/-0.3%/-0.4% mom (vs. +0.2%/-0.3%/-0.4% in July), respectively.
- **Secondary housing sentiment** was mixed in Aug-26, with 1) secondary listing volume in 100 cities dropping both mom and yoy, respectively, the 3rd and 6th consecutive month of declines. Tier-1 cities continue to record mom and yoy contractions while Tier 2 and lower tier cities were largely stable; however, 2) residential rental yield edged down marginally mom and secondary transaction turnover pace slowed slightly. August online secondary home searching activities remained largely flat mom.
- **Rent:** Average rent levels across 50 cities trended higher for the third consecutive month in Aug-26, though the pace slowed from July-26 and the magnitude of growth aligned with that of Aug-25. Notably, rents in Tier-1 cities achieved positive mom growth for the sixth straight month.

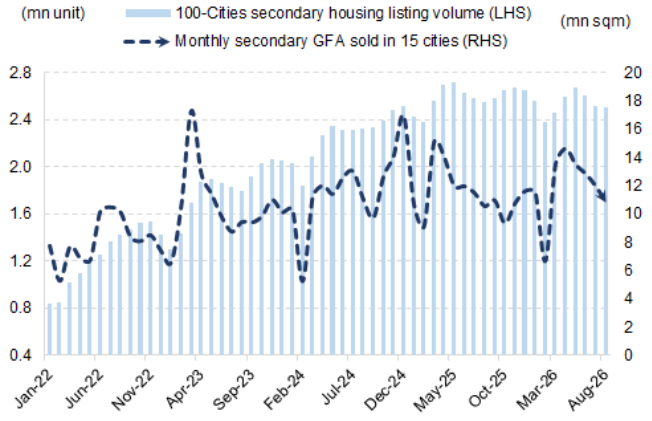
Exhibit 8: 15 major cities' secondary sales volume on average fell 10% mom and was +2% yoy in Aug-26, and recorded +1% yoy in 8M26

15 major cities' secondary market transaction volume tracker



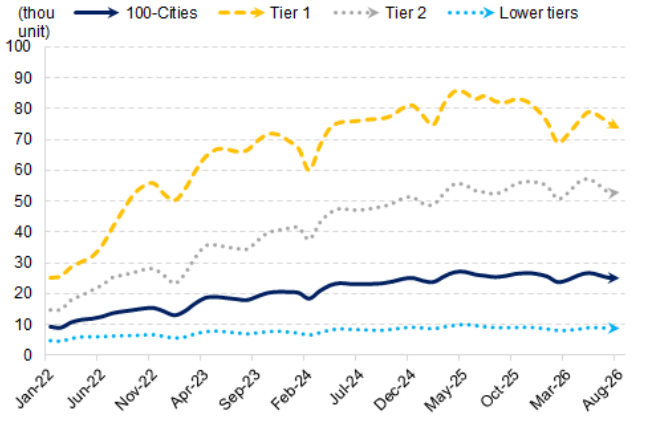
Source: Centaline, CREIS, Data compiled by Goldman Sachs Global Investment Research

Exhibit 9: Aug-26 secondary listing volume in 100 cities dropped both mom and yoy, respectively, the 3rd and 6th consecutive month of declines
Monthly secondary GFA sold in 15 key cities monitored by Centaline, against secondary listing volume in 100 cities monitored by 58 Anjuke



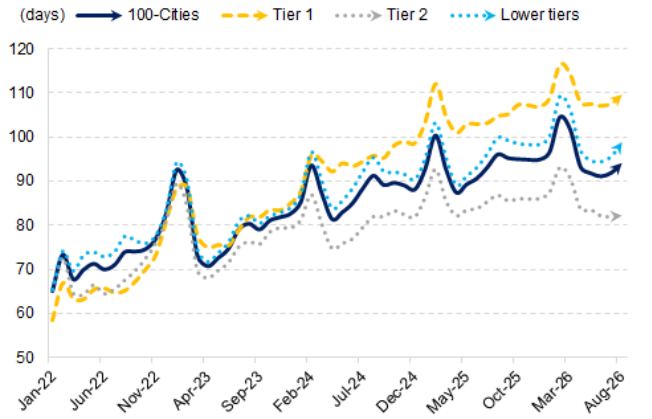
Source: Wind, Centaline, 58 Anjuke Real Estate Research Institute, Data compiled by Goldman Sachs Global Investment Research

Exhibit 10: Secondary supply balance continued to decline mom and yoy in Tier 1 cities, while remained largely stable in Tier 2 and lower tier cities.
Average secondary listing volume per city, by city tier



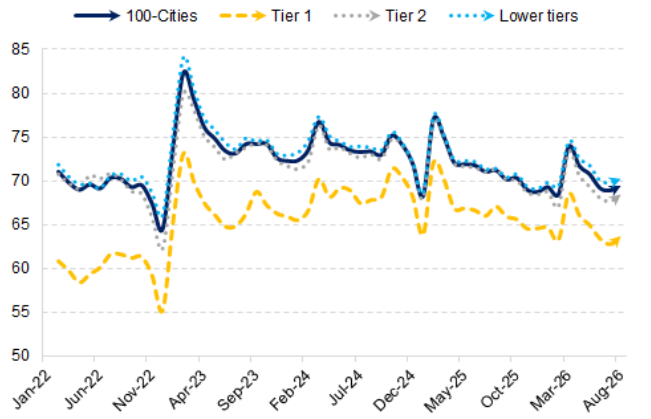
Source: 58 Anjuke Real Estate Research Institute, Data compiled by Goldman Sachs Global Investment Research

Exhibit 11: Aug secondary housing transaction turnover pace slowed marginally compared to July
Average number of days on listing, by city tier



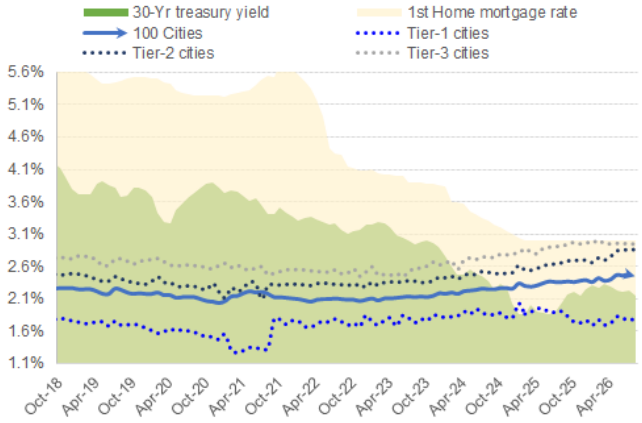
Source: 58 Anjuke Real Estate Research Institute, Data compiled by Goldman Sachs Global Investment Research

Exhibit 12: August online secondary home searching activities remained largely flat mom
Secondary home search demand heat index



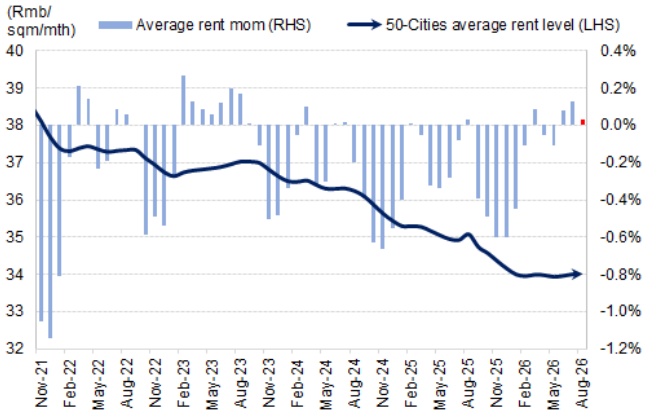
Source: 58 Anjuke Real Estate Research Institute, Data compiled by Goldman Sachs Global Investment Research

Exhibit 13: Residential rental yield edged down marginally mom in Aug-26
100 cities' residential rental yield vs. 30-yr Treasury yield and first-home mortgage rate



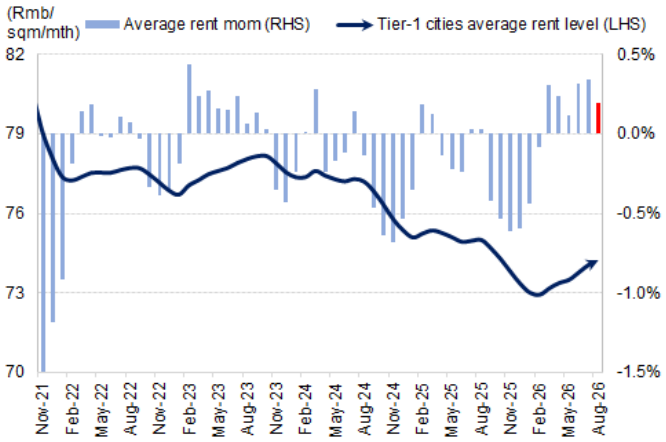
Source: Wind, Goldman Sachs Global Investment Research

Exhibit 14: Average rent levels across 50 cities trended higher for the third consecutive month in Aug-26, though the pace slowed from July-26 and the magnitude of growth aligned with that of Aug-25…
Average residential rent and mom in 50 cities monitored by CREIS



Source: CREIS, Data compiled by Goldman Sachs Global Investment Research

Exhibit 15: …and rents in Tier-1 cities achieved positive mom growth for the sixth straight month
Average residential rent and mom in Tier-1 cities



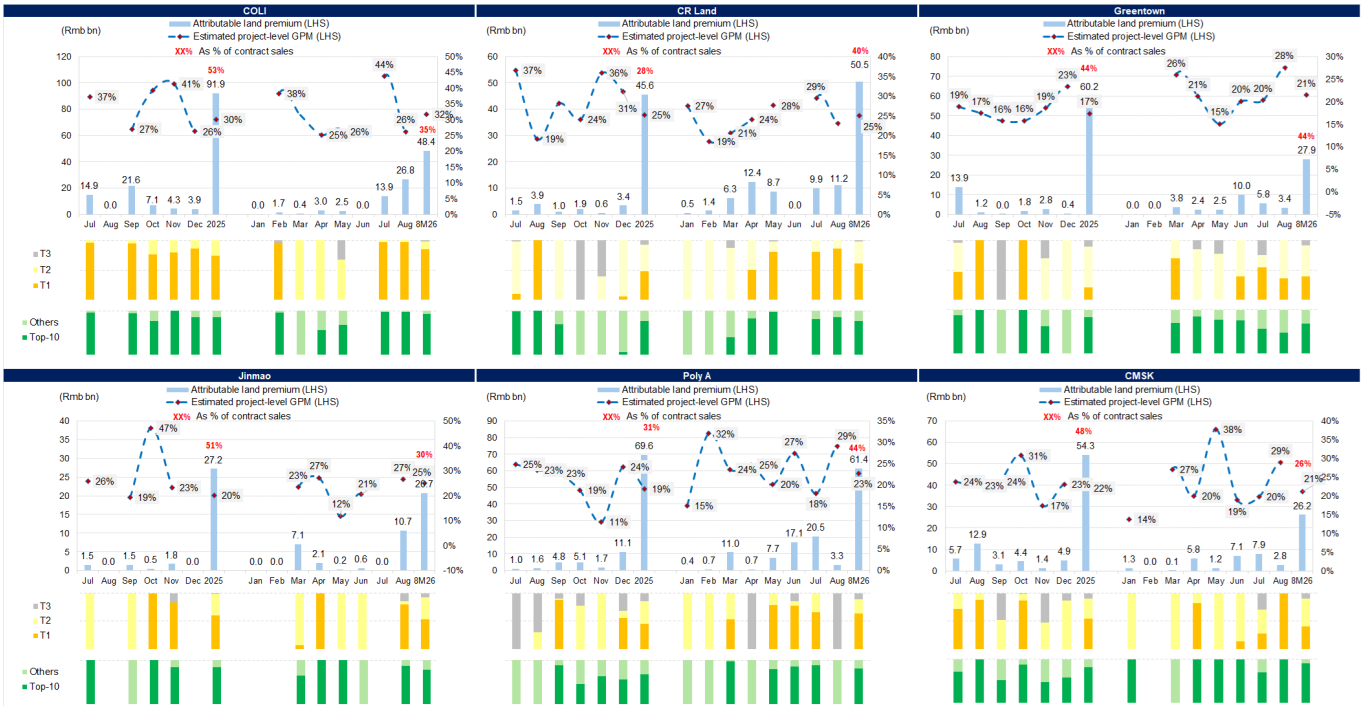
Source: CREIS, Data compiled by Goldman Sachs Global Investment Research

Developers' profitability monitor

- In Aug-26, our tracked six developers' new land acquisition spending was about average 85% of their contract sales, on average carrying c.27% project-level GPM, with 81% exposure to Tier-1 & 2 cities and 70% exposure to Top-10 cities; overall their 8M2026 land investment on average accounted for 37% of contract sales and carried c.25% project level GPM;
- Applying our local housing supply ratio analysis, Class I cities (cities with the most promising longer-term outlook) account for on average 86% and 87% of land acquisition cost and GS estimated project-level profit for the six developers during 8M2026.

Exhibit 16: In Aug-26, our tracked six developers' new land acquisition spending was about average 85% of their contract sales, on average carrying c.27% project-level GPM, with 81% exposure to Tier-1 & 2 cities and 70% exposure to Top-10 cities; overall their 8M2026 land investment on average accounted for 37% of contract sales and carried c.25% project level GPM

Snapshot of land acquisitions by six developers among our coverage universe which have continued to actively engage in landbanking



1) Due to data disclosure, we use company land acquisition newsletters for COLI, CRL, Poly A and CMSK, and CREIS land transaction data for Greentown and Jinmao; 2) % of contract sales are on gross basis due to contract sales data availability; 3) Estimated GPMs and breakdown by city tiers/groups are weighted based on attributable land premium; 4) Top-10 cities include Beijing, Shanghai, Guangzhou, Shenzhen, Hangzhou, Nanjing, Suzhou, Chengdu, Xi'an, Tianjin and Hong Kong (if applicable).

Source: Company data, CREIS, CRIC, Goldman Sachs Global Investment Research