CHINA PROPERTY WEEKLY WRAP

Week 37 Wrap - Primary softened while secondary leading indicators improved; land market cooled post-828

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Key highlights for the week:

Policy update: 1) On the land market, Xiamen became the first major city to attach a completed-sales requirement to a land auction post-828, while local execution standards remain divergent. According to CREIS and CRIC, developer bidding activity pulled back sharply in the second week post-828, with most plots transacting at floor price — developers appear to be turning more cautious on land acquisition amid uncertainty around implementation of the new sales model policy, and land market volumes are likely to remain subdued near-term in our view. **2)** Henan's nine departments issued 15 measures — counties with destocking periods >18 months will suspend residential land sales, those at 12-18 months will cap new supply on a "destock-before-supply" basis, and multi-child families can deduct one unit from their housing count. **3)** Changsha Wangcheng district rolled out a "four-stack" subsidy package combining 50% deed tax rebate, area-based cash rewards (Rmb30-50k/unit), multi-child subsidies (up to Rmb50k for 3+ children), and trade-in incentives — cumulative per-unit subsidy can reach up to c.Rmb180k. **4)** Jiangsu launched a provincial subsidy for purchasing commercial housing stock for university student dormitories (30% fiscal support), a novel destocking channel.

Market performance: Primary transaction volumes declined -4% wow, mirrored by a 1.3% wow drop in new home search activity. Secondary transaction volume increased +6% wow, with secondary subscription sales (which lead registration-based sales by 1-2 weeks) and secondary visitation both increased solidly by 14% and 13% wow. We also note price appreciation expectations have ticked higher for agents for three consecutive weeks, although softened slightly for home sellers. Secondary new listing supply grew 21% wow, partially due to seasonality.

Key data points:

- **New homes** sales volume was -4% wow and +5% yoy, while new home search activities declined 1.3% wow.
- **Secondary** transactions were +6% wow and -1% yoy, with price appreciation expectations ticking higher for agents while slightly softening for home sellers.
- **YTD: Primary GFA** sold on average was -11% yoy and



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was -17%/-36% vs. the 2024/2023 level; **secondary GFA** sold on average was +2% yoy and was +13%/+14% vs. the 2024/2023 level.

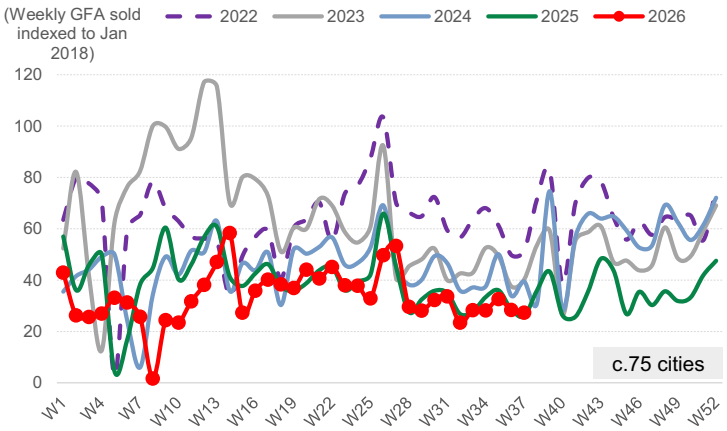
- **Inventory** balance was flat wow, with inventory months at 27.0 (vs. average 27.1/27.2 in July/Aug-26).
- **Valuation:** Over week 37, our covered **stronger SOE developers** saw share prices -4% wow on average, with CRL (1109.HK, Buy), CMSK (001979.SZ, Neutral), and Poly (600048.SS, Neutral) declined the least at -2%/-2%/-2% wow; meanwhile, **other developers** saw share prices on average -6% wow. Our offshore/onshore coverage now trades at an average 43%/24% discount to end-2026E NAV and at 0.4X/0.4X 2026E P/Bs.

Implications:

- **Property sales** in c.75 cities suggest top-100 developers' contract sales are likely to decline 16% yoy in Sep, vs. -4% in Aug.
- **Completions:** GSPC tracker indicates high-teen **% yoy decline** in Aug (vs. -19% yoy/high-teens % yoy decline in July by NBS/GSe) and -15% yoy in FY26E per GSe.
- **New starts:** New starts to record **a high-twenties % yoy decline** in Aug (vs. -28%/mid-twenties % yoy decline in July by NBS/GSe), based on the land sales trends in 300 cities and nationwide cement shipment ratio (+2.5pp wow at 45.7%).
- **GTV for BEKE** (new and existing) likely be flattish yoy (-9%/+11% for new/existing) for July-MTD Sep, vs. internet team's estimate of +1% yoy (flat/+1%) for 3Q26E.

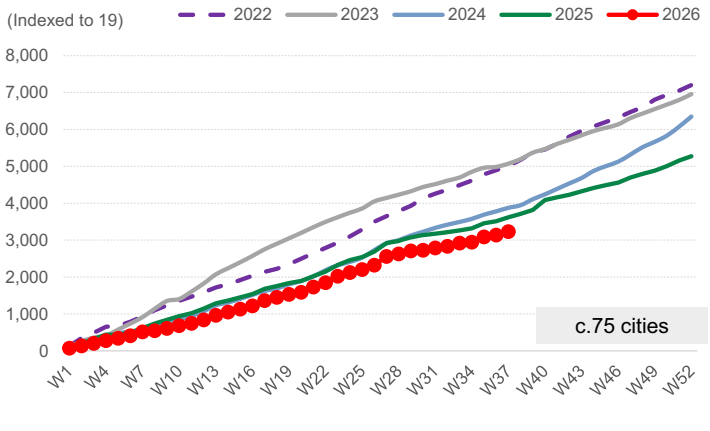
Primary market Week 37: GFA -4% wow and was +5% yoy, sending YTD to -11% yoy

Exhibit 1: Primary GFA sold last week was -4% wow and +5% yoy in c.75 cities



Source: CREIS, Goldman Sachs Global Investment Research

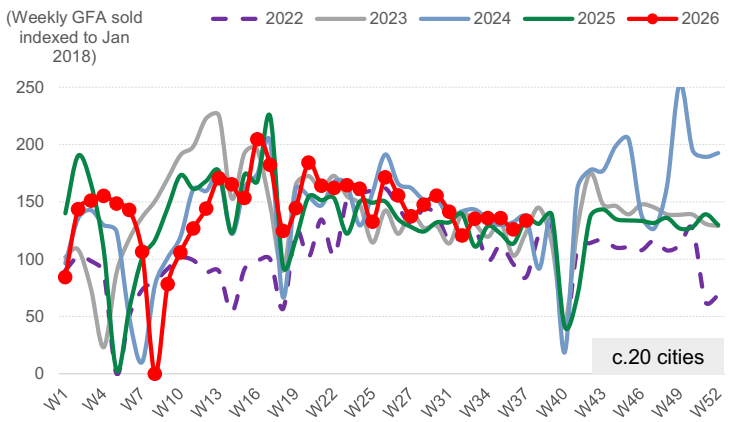
Exhibit 2: Primary GFA sold YTD on average was -11% yoy in c.75 cities, and -17%/-36% vs. 2024/2023 level



Source: CREIS, Goldman Sachs Global Investment Research

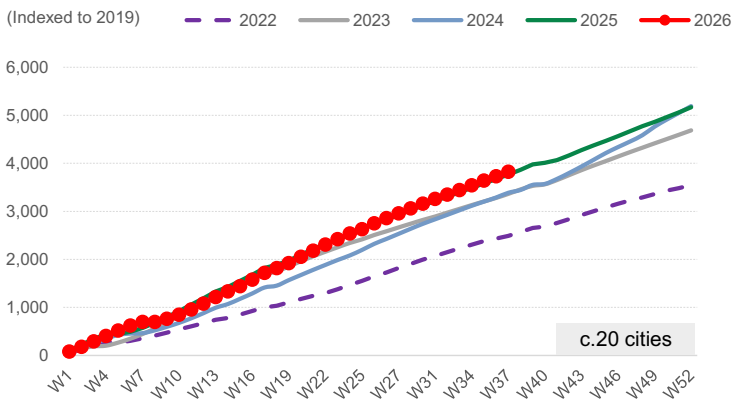
Secondary market: Week 37/YTD volumes were -1%/+2% yoy, with price appreciation expectations edging higher for agents while softening for home sellers

Exhibit 3: Secondary GFA sold last week was +6% wow and -1% yoy in c.20 cities
Average weekly volume of secondary property sales



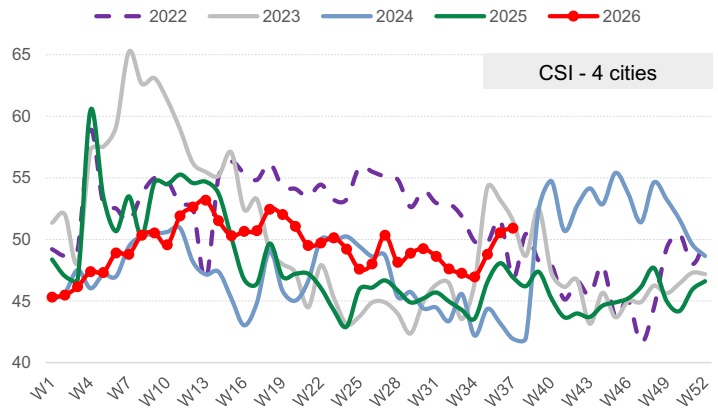
Source: Wind, Goldman Sachs Global Investment Research

Exhibit 4: Secondary GFA sold YTD was +2% yoy in c.20 cities, while +13%/+14% vs. 2024/2023
2026 secondary volume sold vs. 2022-25



Source: Wind, Goldman Sachs Global Investment Research

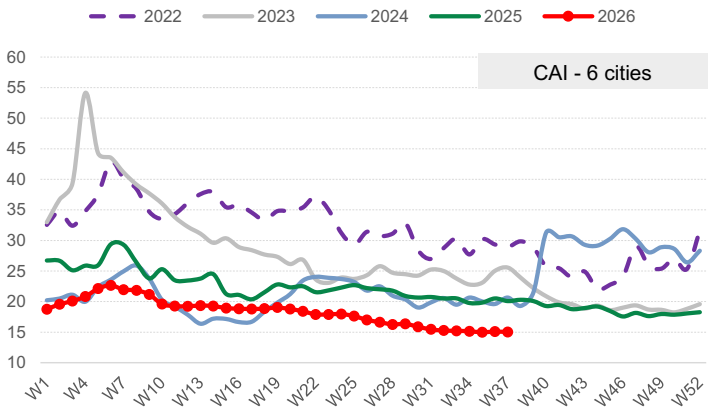
Exhibit 5: Average CSI was +0.4pp wow and +4.0pp yoy
Weekly Centaline Salesman Index (CSI) tracker in 4 cities



CSI refers to agents' view on property price, >50 means positive views on price increases, and vice versa.

Source: Centaline

Exhibit 6: Average CAI was -0.1pp wow and -5.1pp yoy
Weekly Centaline Seller Asking Index (CAI) tracker in 6 cities

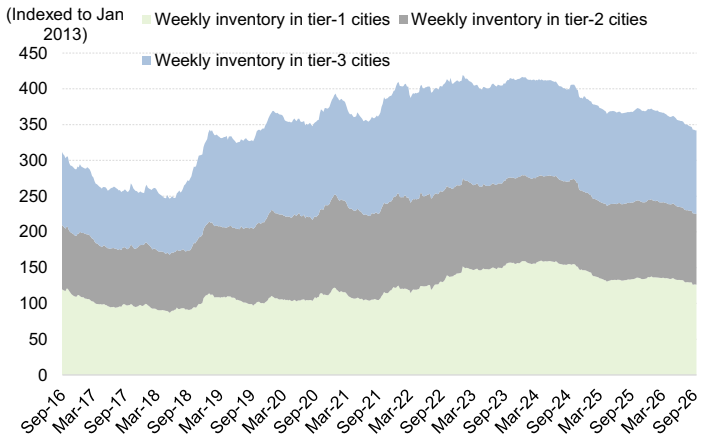


CAI refers to sellers' quoted price.

Source: Centaline

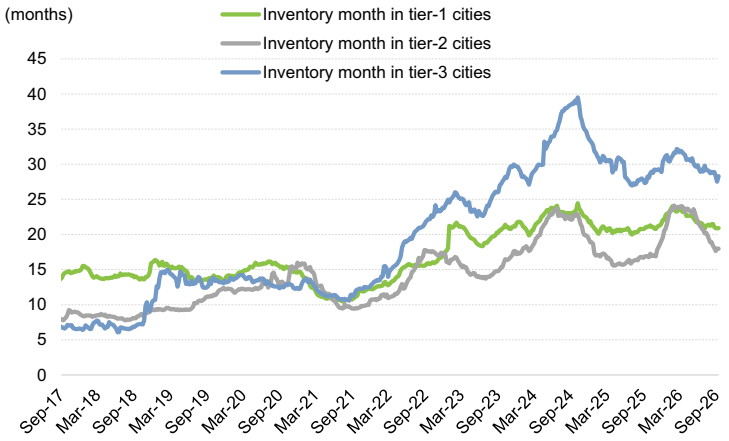
Inventory Week 37: Inventory flat wow and -7.9% from end-25 level, with inventory months at 27.0 (vs. average 27.2 in Aug-26)

Exhibit 7: Inventory balance was flat wow, -7.9% from end-25 levels
c.20 cities' total inventory breakdown by city tier



Source: CREIS, Goldman Sachs Global Investment Research

Exhibit 8: Inventory month was flat wow, representing -3.4% from end-25 levels
c.20 cities' inventory months (12mth rolling) breakdown by city tier

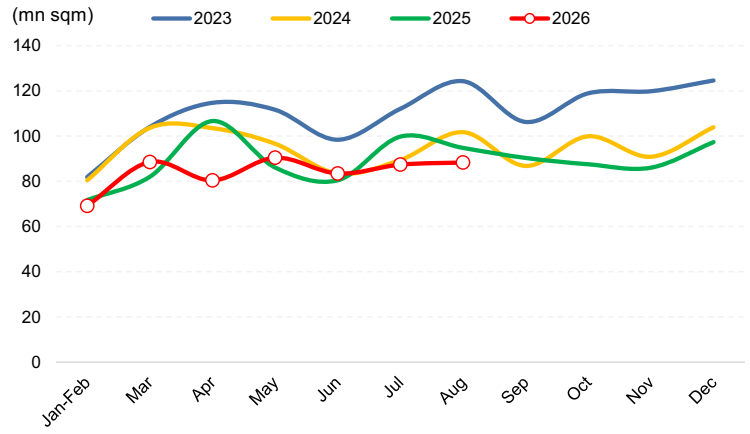


Source: CREIS, Goldman Sachs Global Investment Research

GSPC implies high-teen % yoy decline/-15% yoy in completions for Aug-26/FY26E per GSe

GS Property Completion (GSPC) tracker indicates **a high-teen % yoy decline in Aug-26** (vs. -19% yoy/high-teens % yoy decline in July by NBS/GSe) and **-15% yoy for FY26E per GSe**, based on downstream supply/demand implied from our China float glass industry outlook and proprietary weekly float glass demand model.

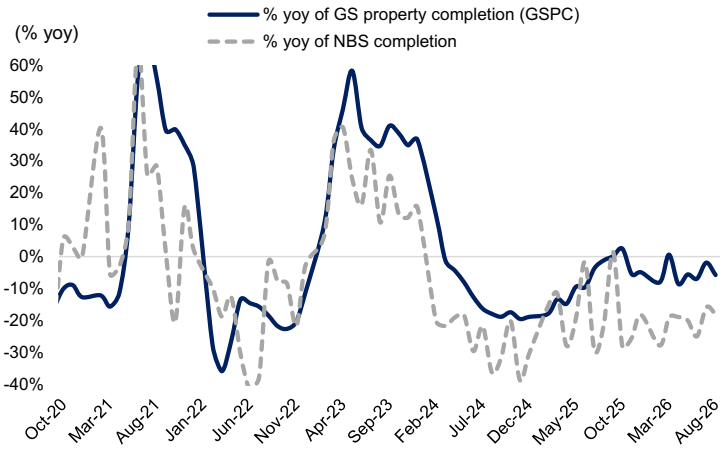
Exhibit 9: GSPC tracker implied monthly completions...
GSPC tracker implied monthly GFA completion - based on GS float glass S-D model



Jan-Feb refers to average level in Jan and Feb.

Source: Sublime China Information, Wind, NBS, Goldman Sachs Global Investment Research

Exhibit 10: ...suggesting completions at a high-teen % yoy decline for Aug-26
% yoy change of GSPC - based on GS float glass S-D model



Source: Sublime China Information, Wind, NBS, Goldman Sachs Global Investment Research

Valuations: P/B valuation at downturn trough

- Over week 37, our covered **stronger SOE developers** saw share prices -4% wow on average, with CRL (1109.HK, Buy), CMSK (001979.SZ, Neutral), and Poly (600048.SS, Neutral) declined the least at -2%/-2%/-2% wow; meanwhile, **other developers** saw share prices on average -6% wow.
- Our offshore coverage developers on average saw share prices -6% wow (vs. -2% for MSCI China); our onshore coverage developers averaged -3% wow (vs. -2% for CSI 300).
- Our offshore coverage now trades at an average 43% discount to end-2026E NAV and 0.4X 2026E P/B vs. 2H2008, 2H2011 and 1H2014 troughs of 39%, 0.7X; 73%, 0.9X; 58%, 0.9X.
- Our onshore coverage trades at an average 24% discount to end-2026E NAV and 0.4X 2026E P/B vs. 2H2008, 2H2011 and 1H2014 troughs of 67%, 1.6X; 64%, 1.5X; 61%, 1.2X.

Exhibit 11: Over week 37, our covered stronger SOE developers saw share prices -4% wow on average, with CRL (1109.HK, Buy), CMSK (001979.SZ, Neutral), and Poly (600048.SS, Neutral) declined the least at -2%/-2%/-2% wow; meanwhile, other developers saw share prices on average -6% wow. Our offshore coverage developers on average saw share prices -6% wow (vs. -2% for MSCI China); our onshore coverage developers averaged -3% wow (vs. -2% for CSI 300).

Company	Ticker	Type	Price as of *9/14/2026*	Share price performance		
				Past week	MTD	YTD
Stronger SOE developers			(LCY)			
CMSK	001979.SZ	Central SOE	6.8	-2%	3%	-22%
COLI	0688.HK	Central SOE	12.3	-5%	-2%	0%
CR Land	1109.HK	Central SOE	29.3	-2%	-3%	8%
Greentown	3900.HK	Mixed ownership	5.6	-6%	-11%	-34%
Jinmao	0817.HK	Central SOE	1.2	-9%	-9%	-1%
Poly	600048.SS	Central SOE	5.1	-2%	2%	-7%
Average				**-4%**	**-3%**	**-11%**
Other developers			(LCY)			
Longfor	0960.HK	POE	5.4	-11%	-15%	-37%
Seazen	1030.HK	POE	1.4	-4%	1%	-32%
Vanke (A)	000002.SZ	Mixed ownership	3.1	-4%	-8%	-34%
Vanke (H)	2202.HK	Mixed ownership	2.2	-7%	-7%	-32%
Average				**-6%**	**-6%**	**-34%**
H-share average				**-6%**	**-6%**	**-18%**
MSCI China Index				**-2%**	**-4%**	**-13%**
A-share average				**-3%**	**-1%**	**-24%**
CSI 300 Index				**-2%**	**-3%**	**-3%**
Value chain Index						
Construction materials				2%	-1%	12%
Construction companies				-2%	-2%	-9%
Building products				-4%	-5%	-18%
Home appliances				-1%	-2%	-7%
Home furnishing				-3%	-3%	-17%

Construction Materials Index (801710.SI), Construction Companies Index (801720.SI), Building Products Index (801713.SI), Decoration Companies Index (801722.SI), Home Appliances Index (801110.SI) and Home Furnishing Index (801142.SI) as compiled by Wind.

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

Exhibit 12: China developers' valuation comparisons

Company	Ticker	Mkt Cap (US$ bn)	Daily liquidity (US$ mn) 1 mth trailing	Type	Rating	Price as of 14/Sep/26	12 mth Price target	Potential upside/ downside (%)	Target price disc. to NAV	End-26E NAV	Shr price (disc)/ prem to NAV	FD Core P/E (x) 25	26E	27E	28E	P/B (x) (excl. revaluation gain) 25	26E	27E	28E	Dividend yield (%) 25	26E	27E	28E
Developers																							
Stronger SOE developers																							
CMSK	001979.SZ	9.1	107	Central SOE	Neutral	6.8 (Rmb)	**8.70**	29	-15%	**10.25**	(34)	n.m.	55.6	19.5	16.4	0.6	0.6	0.6	0.6	0.8	0.8	2.3	2.7
COLI	0688.HK	17.2	61	Central SOE	Buy	12.3 (HK$)	**16.80**	36	-10%	**18.64**	(34)	9.5	9.3	8.9	7.8	0.4	0.4	0.4	0.4	4.0	4.3	4.6	5.2
CR Land	1109.HK	26.6	114	Central SOE	Buy	29.3 (HK$)	**38.80**	32	-10%	**43.16**	(32)	8.5	9.5	8.9	8.5	0.9	0.9	0.8	0.8	4.3	4.1	4.5	4.6
Greentown	3900.HK	1.8	13	Mixed ownership	Buy	5.6 (HK$)	**9.50**	70	-15%	**11.12**	(50)	2.6	3.1	3.3	3.0	0.4	0.4	0.4	0.3	-	1.1	6.2	10.0
Jinmao	0817.HK	2.1	16	Central SOE	Buy	1.2 (HK$)	**1.85**	54	-10%	**2.06**	(42)	30.6	20.2	9.3	5.7	0.5	0.5	0.5	0.5	2.5	2.5	4.6	7.5
Poly	600048.SS	9.1	135	Central SOE	Neutral	5.08 (Rmb)	**6.10**	20	-10%	**6.74**	(25)	58.8	n.m.	n.m.	n.m.	0.3	0.3	0.3	0.3	0.7	-	-	-
Average								**40**	**-12%**		**(36)**	**9.5**	**9.5**	**8.9**	**7.8**	**0.5**	**0.5**	**0.5**	**0.5**	**2.0**	**2.1**	**3.7**	**5.0**
Other developers																							
Longfor	0960.HK	4.9	18	POE	Neutral	5.4 (HK$)	**7.50**	40	-25%	**9.94**	(46)	n.m.	n.m.	29.9	14.4	0.3	0.3	0.3	0.3	1.5	-	1.1	2.2
Seazen	1030.HK	1.3	4	POE	Sell	1.4 (HK$)	**1.55**	12	-50%	**3.11**	(55)	23.6	38.2	16.7	10.3	0.3	0.3	0.3	0.2	-	-	-	-
Vanke (A)	000002.SZ	4.4	65	Mixed ownership	Sell	3.05 (Rmb)	**3.20**	5	-10%	**3.50**	(13)	n.m.	n.m.	n.m.	n.m.	0.3	0.4	0.4	0.5	-	-	-	-
Vanke (H)	2202.HK	0.6	7	Mixed ownership	Sell	2.22 (HK$)	**2.50**	13	-35%	**3.82**	(42)	n.m.	n.m.	n.m.	n.m.	0.2	0.2	0.3	0.3	-	-	-	-
Average								**17**	**-30%**		**(39)**	**n.m.**	**n.m.**	**n.m.**	**n.m.**	**0.3**	**0.3**	**0.3**	**0.3**	**0.4**	**-**	**0.3**	**0.6**
Coverage average								**31**			**(37)**	**22.3**	**22.7**	**13.8**	**9.4**	**0.4**	**0.4**	**0.4**	**0.4**	**1.4**	**1.3**	**2.3**	**3.2**
H-share average								**37**			**(43)**	**15.0**	**16.1**	**12.8**	**8.3**	**0.4**	**0.4**	**0.4**	**0.4**	**1.7**	**1.7**	**3.0**	**4.2**
A-share average								**18**			**(24)**	**58.8**	**55.6**	**19.5**	**16.4**	**0.4**	**0.4**	**0.4**	**0.5**	**0.5**	**0.3**	**0.8**	**0.9**

Source: Datastream, Goldman Sachs Global Investment Research