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The Impact of Government Subsidies on Real Estate Enterprisesin the Post-Epidemic Era

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Abstract

In view of the current bottlenecks faced by real estate development and the urgency of people's housing problems, we raise the following questions: Can government funding and policy subsidies for enterprises to guarantee the delivery of residential real estate ensure the safety of residents' housing, the sustained stability of the real estate market, and the sustainable operation of real estate enterprises? To answer this question, we conduct empirical data analysis and use the results to verify the accuracy of our initial hypothesis. Finally, we summarize the results of this issue, extract relevant experiences for real estate development, and propose solutions that the government should adopt.

Keywords

Government funding support, Real estate, Ensuring residents' housing, Stabilizing the real estate market.

1. Introduction

Real estate, as an important component of China's economic development, has always been a hot project in China's capital market. The upstream and downstream industrial chains formed by real estate are closely related to China's three major industries, ranging from heavy industry civil engineering construction to light industry wood furniture processing and manufacturing, from shop opening to residents' daily consumption, and from people's employment development to grain transportation and sales. It can be said that from the perspective of the public, real estate is a major livelihood issue for the people, and from the perspective of the government and enterprises, every real estate project is a complete industrial chain and a huge driving force for economic development.

With the end of the three-year epidemic prevention and control period and the promulgation of the "New Ten Articles" by the state, China's economy has also entered the "post-epidemic period". However, the "three years of epidemic" have also pushed the real estate market and the issue of people's livelihood and housing to the forefront of urgent solutions. According to data released by the National Bureau of Statistics, from January to November 2022, the national real estate development investment was 12.3863 trillion yuan, a year-on-year decrease of 9.8%, with a new starting area of 111.632 million square meters, a decrease of 38.9%, and a completed area of 55.709 million square meters, a decrease of 19.0%. These data all reflect that

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in the era of epidemic, housing, a social rigid demand, and the real estate market investment are developing towards conservatism, stability, and even rescue. At the same time, many domestic scholars have published many papers on the government's real estate development issues. Ji Honglin stated in the "Analysis and Countermeasures of the Impact of Fiscal Policy on the Real Estate Industry" that "the government mainly regulates the structure of the real estate industry through fiscal revenue (taxation) and fiscal expenditure (fiscal subsidies) to make up for the inadequacy of the real estate market's spontaneity and promote the rationalization of the industry structure to better meet the housing needs of different groups."

It can be seen that the entire real estate market in 2022 is at an extremely unstable and delicate stage, urgently needing a "stimulant" to stimulate real estate development and save the struggling real estate industry. At this time, a series of government agencies such as the central bank and the China Banking and Insurance Regulatory Commission (CBIRC) had a strong response. On November 11th, the central bank and CBIRC jointly issued the "Notice on Doing a Good Job in Current Financial Support for the Stable and Healthy Development of the Real Estate Market", which includes a series of policies such as issuing bond financing to private enterprises, supporting reasonable demand for individual housing loans, and encouraging lawful and independent negotiation of loan principal and interest extensions to stimulate the economy and expand real estate investment.

2. Literature Review and Policy Support

There have been many studies in the academic community on the use of policy support to promote real estate development. One study constructed a TVP-VAR model to empirically analyze the time-varying impact of quantitative and price-based monetary policies on housing prices. Subsequently, using real estate prices as the target variable and dividing the samples into two regimes, an MSIH(2)-VAR(3) model was constructed to study the impact mechanism of fiscal policy on real estate prices. Tang Min also proposed using interest rate levers to control the investment scale of real estate enterprises, as the excessive expansion of the real estate industry poses a significant potential threat to its healthy development. In the modified MM theory, considering the existence of income tax, it is concluded that the higher the debt, the greater the enterprise value, as debt can be used for tax deductions.

We will vigorously support rigid and improved housing demand, encourage the use of credit, bonds, asset-backed securities, and infrastructure real estate investment trusts (REITs) to support the development of professional and large-scale housing leasing enterprises, and increase financing support for the construction of affordable rental housing for new residents and other groups in accordance with laws and regulations. We will promote the stable and healthy development of the real estate market, support rigid and improved housing demand based on local conditions, solidly carry out the work of ensuring the delivery of buildings, people's livelihood, and stability, accelerate the improvement of the financial policy system for housing leasing, and promote the establishment of a new mode of real estate industry development. The notice on extending the policy period for financial support for the stable and healthy development of the real estate market clarifies that the policies in the "16 Financial Articles" with applicable periods will have their applicable periods uniformly extended to December 31, 2024, while other policies not involving applicable periods will be valid for a long time. The notice on measures to restore and expand consumption supports rigid and improved housing demand. We will do a good job in ensuring the delivery of buildings, people's livelihood, and stability, improve the basic system and supporting policies for housing security, expand the supply of affordable rental housing, and focus on solving the housing problems of groups such as new residents and young people. We will strengthen land supply management, optimize the structure of land supply, strengthen land reserve management, improve land use efficiency,

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strengthen land use supervision, strictly implement land use master planning and zoning planning requirements, strengthen urban planning management, promote urban renewal, strengthen urban infrastructure construction and public service facility construction, promote urban greening and ecological environment construction, support technological innovation and industrial upgrading, encourage the application of technological innovation in the real estate industry, promote the construction of smart cities and the development of the digital economy. We will strengthen property service management, improve the property service fee system, promote the standardized development of property service enterprises, promote the construction of supporting facilities in residential areas, strengthen the construction of community service facilities, promote the renovation of old residential areas, support rural dilapidated housing renovation, strengthen rural infrastructure construction, promote rural human settlements environment improvement, strengthen commercial housing sales management, improve the commercial housing sales information publicity system, strictly implement the commercial housing sales price filing system, promote shantytown renovation, accelerate the pace of shantytown renovation, improve the quality of shantytown renovation, support public rental housing construction, increase financial subsidies for public rental housing, promote cooperation between public rental housing and social capital in development, improve the residential property management service system, promote the standardization of property service enterprise construction, and improve the quality and level of property service.

3. Theoretical Analysis

3.1. Research Questions

Based on the strong support of the party and state policies for enterprises with the goal of "stabilizing the economy and promoting real estate development," and considering the current bottlenecks in the development of the real estate industry and the infringement of residents' housing interests, we use data analysis software to simulate and propose the following questions:

Question 1: Can policy support enable enterprises to complete housing construction and delivery tasks, thereby safeguarding residents' housing rights and interests?

Question 2: Does policy support have a positive linear effect on real estate enterprises' profitability in completing housing delivery?

Question 3: Can national monetary and fiscal policy planning be implemented effectively and widely used in the long term?

3.2. Financial Statement Data Analysis of Listed Companies

We analyzed the financial statement data of 31 listed companies, including the following variables:

(1) Total Liabilities (TL): As an important component of a company's assets, liabilities reflect the company's operating performance and borrowing capacity. Therefore, total liabilities are an essential part of empirical analysis. We use X1 to represent this variable.

(2) Return on Assets (ROA): Also known as asset return rate, ROA is a metric that calculates how much net profit is generated per unit of assets. The formula is: ROA = Net Profit / Total Assets * 100%. ROA is one of the most widely used indicators in the industry to measure a company's profitability. The higher the ROA, the better the company's asset utilization effect. We use X2 to represent this variable.

(3) Financial Leverage (LEV): The ratio of non-current liabilities to total assets. A lower proportion of non-current liabilities to total assets indicates greater development potential. We use X3 to represent this variable.

(4) Interest Rate (CF): The total interest rate within a year, represented by X4.

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(5) Housing Delivery Fund (X5): The fund invested by a company in a year to ensure the delivery of real estate projects.

(6) Government Investment (ALL): Government support for enterprises through relevant policies and financial support.

3.3. Variables and Data

3.3.1. Explanatory and Explained Variables

Explanatory variables: X1 - Total Liabilities (yuan); X_2 - Return on Assets (%); X_3 - Financial Leverage (%); X_4 - Interest Rate (%); X_5 - Housing Delivery Fund (yuan); X6 - Government Investment (yuan).

Explained variable: Y - Total Assets (yuan).

3.3.2. Data selection and problem analysis

Table 1. Relevant financial information of 31 real estate companies in 2022

TA（total assets）	TL（Total Liabilities）/X_1	ROA（Return on Assets）/X_2	LEV（Financial Leverage）/X_3	CF（Interest Rate）/X_4	（Housing Delivery Fund）/X_5	all（Government Investment）/X6
12044543142.96	4468062797.72	0.0380	0.3710	0.0004	270150611.59	1000000.00
15281391077.00	7975456538.00	0.0875	0.5219	0.1105	171480998.00	100000.00
16779359276.65	12481902771.63	0.0036	0.7439	-0.0382	219000000.00	1163400.00
14450420809.11	9391399357.39	0.0111	0.6499	-0.0069	150530395.07	5300000.00
16599483730.27	10670724236.67	0.0346	0.6428	0.0434	159080570.24	400000.00
18453360448.50	11351250770.82	0.0239	0.6151	-0.0542	208160094.38	2070000.00
4246670045.02	1943839720.38	0.0287	0.4577	0.0933	37481362.43	469000.00
4004897562.72	1629949372.99	0.0276	0.4070	0.1138	41757819.70	1741000.00
7110347411.96	2862417622.96	0.0830	0.4026	-0.0105	113506000.00	60000.00
7271114435.00	2508871951.07	0.0925	0.3450	0.0495	124683100.00	180000.00
60036990054.02	34032259410.13	0.0164	0.5669	0.0594	1802626947.37	4200000.00
20320601646.97	8956772252.46	0.0429	0.4408	0.1093	296244452.16	20715886.00
40551722167.22	32082642364.53	-0.0084	0.7912	0.0642	1732316230.84	15010000.00
15201583868.55	7643000837.07	0.0458	0.5028	-0.0265	601793875.29	19877658.00
16002223272.55	9351797340.73	0.0660	0.5844	0.0028	749470258.62	12795427.00
21670712649.54	13019968897.89	0.0538	0.6008	0.0050	966755960.63	5240000.00
2608137126.19	1346686004.18	0.0272	0.5163	0.0549	86180000.00	402900.00
10619606224.59	7107594039.19	0.0055	0.6693	0.0061	262276483.64	4247193.50
14142745019.87	8050315148.95	0.0129	0.5692	0.0614	142782749.98	1106398.75
66320362850.69	34921127073.19	0.0488	0.5266	0.0416	1996300925.53	24140000.00
15089632207.75	6412797470.91	0.0328	0.4250	0.0050	536419339.51	920100.00
10248441712.99	5986870421.96	0.0098	0.5842	0.0763	317518378.70	5384896.50
29648498158.12	21787054524.22	0.0497	0.7348	0.1358	61000000.00	1299900.00
35354889045.29	27891027303.15	0.0057	0.7889	0.0809	67700000.00	1883800.00
37374618259.20	29856353045.34	0.0021	0.7988	0.0979	73690000.00	1980000.00
39979314528.57	31910942957.00	0.0014	0.7982	0.1210	81638355.32	2639800.00
39772982665.71	32967008339.76	-0.0354	0.8289	0.0617	85720273.08	2616700.00
22015668467.05	20672143267.13	0.0097	0.8978	0.0573	326179771.96	50000000.00

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5979724985.57	895440610.50	0.1886	0.1497	0.1470	123000000.00	1046000.00
13869959247.35	2540953896.78	0.1504	0.1832	0.0728	243696332.54	700000.00
34713516841.37	19558671956.85	0.0973	0.5634	-0.0585	632322842.39	69900.00

This empirical analysis selects 31 real estate companies and projects supported by government policies as the original data for relevant analysis. After obtaining the measurement results, we conduct thinking, draw conclusions, and provide suggestions and analysis:

3.3.3. Model Establishment and Testing

By constructing a relevant linear regression equation, we can obtain:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + u$$

3.3.4. . Regression Model Analysis

By constructing the regression equation, the following results can be obtained:

Table 2. Construction of regression equation model

Y	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
X1	1.532	.099	15.46	0	1.328	1.737	***
X2	-6.393e+09	1.877e+10	-0.34	.736	-4.514e+10	3.235e+10	
X3	-2.805e+10	7.222e+09	-3.88	.001	-4.296e+10	-1.314e+10	***
X4	-1.872e+10	1.087e+10	-1.72	.098	-4.116e+10	3.723e+09	*
X5	3.661	1.628	2.25	.034	.301	7.022	**
X6	7.487	58.893	0.13	.9	-114.063	129.037	
Constant	1.627e+10	4.234e+09	3.84	.001	7.534e+09	2.501e+10	***

Mean dependent var	21540758675.431	SD dependent var	15844706659.137
R-squared	0.974	Number of obs	31
F-test	151.409	Prob > F	0.000
Akaike crit. (AIC)	1443.643	Bayesian crit. (BIC)	1453.681
*** p<.01, ** p<.05, * p<.1			

The development regression model under the support of enterprise real estate is established through the above regression model:

$$Y = 1.63\mathrm{E}+10 + 1.5326X_1 - 6.39E+09X_2 - 2.81E+10X_3 - 1.87E+10X_4 + 3.6615X_5 + 7.4872X_6$$

3.3.5. Statistical Testing

Goodness of fit: =0.9743 is close to 1, indicating that the model has a high goodness of fit. Through F-test and T-test, it can be analyzed that:

The absolute values of the t-statistics of X_2, X_4, and X_6 are less than 2.0639, indicating that asset return rate X_2, interest rate X_4, and government investment amount X6 have no significant impact on the total assets Y of enterprises. The absolute values of the t-statistics of other explanatory variables are greater than 2.0639, indicating that these explanatory variables have a significant impact on the explained variable.

3.4. Multiple Collinearity Test Analysis

3.4.1. Multiple Collinearity Test

The correlation coefficient matrix is obtained as follows:

Table 3. Correlation Coefficient Matrix

	Y	X1	X2	X3	X4	X5	X6
Y	1						
X1	0.944	1					

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X2	-0.303	-0.472	1				
X3	0.47	0.692	-0.784	1			
X4	0.068	0.127	0.103	-0.057	1		
X5	0.675	0.506	-0.062	0.065	-0.186	1	
X6	0.249	0.264	-0.165	0.298	-0.016	0.362	1

As can be seen from the graph, there is a certain degree of multicollinearity or economically meaningless linear correlation between the explanatory variables and the explained variable, as well as among the explanatory variables themselves. The minimum value of -0.3027 is less than 0, indicating that the model contains variables that do not conform to economic significance and have low correlation. In order to optimize the model and eliminate variables to make it more realistic, an auxiliary regression model test and variance inflation factor test are used here.

3.4.2. Auxiliary Regression Model Test and Variance Inflation Factor Test:

When there are more than two explanatory variables and there is a complex correlation between them, an auxiliary regression model can be established to test multicollinearity.

The results of the above auxiliary model are summarized in the table below:

Table 4.Statistics results of auxiliary models

Model	R^2	F-statistics	P	VIF	TOL
X1=f(X2,x3,x4,x5，x6)	0.789246	18.72431	0.000000	4.744861	0.210754
X2=f(X1,x3,x4,x5,x6)	0.646749	9.154253	0.000048	2.830851	0.353251
X3=f(X1,x2,x4,x5,x6)	0.843767	27.00347	0.000000	6.400693	0.156233
X4=f(X1,x2,x3,x5,x6)	0.271682	1.865135	0.136599	1.373027	0.728318
X5=f(X1,x2,x3,x4,x6)	0.635676	8.724043	0.000068	2.744809	0.364324
X6=f(X1,x2,x3,x4,x5)	0.295118	2.093385	0.099833	1.418677	0.704882

The F-statistic of the above auxiliary regression model shows that the accompanying probabilities of X4 and X6 are both greater than the significance level of 0.05, and the values of X2, X4, and X6 are less than 0.9, indicating a low fitting effect between the explanatory variables and the explained variable, and unable to effectively form multicollinearity.

3.4.3. 3.4.3. Correction of Multicollinearity (Using Stepwise Regression after Eliminating Secondary Variables)

From the above analysis of multicollinearity, it can be seen that:

(1) The absolute values of the correlation coefficients between the return rate X2, financial leverage X3, interest rate X4, government investment amount X6, and the explained variable total assets Y are relatively small.

(2) The t-tests of the partial regression parameters of the return rate X2, financial leverage X3, interest rate X4, and government investment amount X6 are not significant, and cannot effectively represent their economic significance.

(3) The estimated regression parameter symbols of the return rate X2, financial leverage X3, and interest rate X4 are inconsistent with the expected economic theory and actual situation.

Based on the above reasons, we delete the explanatory variables of return rate X2, financial leverage X3, and interest rate X4, and establish a regression model of total liabilities X1 as the

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most basic model because the explanatory variable total liabilities X1 has the highest correlation with the explained variable total assets Y.

The statistical results of the above stepwise regression are shown in the table:

Table 5.Statistics of stepwise regression results

Model	X_1	X_5	X_6	F	R^2	$\overline{R}^2$
y=f(X1)	1.310956 15.34765			235.5503	0.890380	0.886600
y=f(X1,X5)	1.124676 15.40616	7.947171 5.039227		229.5405	0.942515	0.938409
y=f(X1,X6)	1.311208 14.54694		-1.036031 -0.010576	113.7145	0.890380	0.882551
y=f(X1,X5,X6)	1.135423 15.80424	8.602319 5.356735	-107.3022 -1.485487	160.3573	0.946858	0.940953

After the above-mentioned step-by-step testing process, the correlation coefficient of the government investment amount X_6 was negative, which was inconsistent with the actual economic expectations. Therefore, the model was deleted and the new regression model was constructed as follows: Y=(X_1, X_5).

$\hat{Y} = \alpha_0 + \alpha_1 X_1 + \alpha_2 X_5 + \lambda$. After inputting the data, we can obtain:

$\hat{Y} = 2.97E + 09 + 1.1247 X_1 + 7.9472 X_5$

3.5. Statistical Testing

Goodness of Fit Test: The value of =0.9425 is close to 1, indicating a high goodness of fit of the model to the sample data.

Through F-test and T-test, the economic significance can be reflected:

Economic Significance Test (Marginal Analysis): The calculation results of the model show that, assuming other explanatory variables remain unchanged, the marginal effect of total liabilities (X_1) in the asset function of Chinese real estate enterprises is 1.1247, and the marginal effect of the amount invested in ensuring housing delivery (X_5) is 7.9472. For every 1 yuan increase in total liabilities (X_1), the total assets (Y) will increase by 1.1247 yuan; for every 1 yuan increase in the amount invested in ensuring housing delivery (X_5), the total assets (Y) will increase by 7.9472 yuan. The signs of the regression coefficients are reasonable. This shows that the investment in ensuring housing delivery has a relatively positive impact on the development of the enterprise. Therefore, it can be seen that for the 31 real estate enterprises, the government's policy support and subsidy not only help enterprises to ensure the housing safety of residents, but also have a positive effect on corporate profits. This is suitable for the government to adopt for a long time and promote within a certain scope.

4. Impact Effects

4.1. For the Government

The government's fund subsidy to real estate enterprises for ensuring housing delivery has multiple positive effects on the government, from perspectives such as serving the people and government credibility. Firstly, the government's fund subsidy can promote the stable development of the real estate market. When fluctuations occur in the real estate market, the government can help real estate enterprises overcome difficulties and ensure housing delivery through fund subsidies, thereby stabilizing market confidence. Secondly, the government's fund subsidy can protect consumers' rights and interests. In the process of housing delivery, if

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there are quality problems or delayed delivery, the government can help consumers safeguard their own rights and interests through fund subsidies, ensuring their legitimate rights and interests. Finally, the government's fund subsidy can improve the government's credibility. The government's credibility is based on its fulfillment of duties and serving the people. By subsidizing real estate enterprises to ensure housing delivery, the government can better fulfill its duties, serve the people, and improve its credibility.

4.2. For Enterprises and the Real Estate Market

Supporting real estate development policies has the following benefits for enterprises and the market: Firstly, increasing income - government fund subsidies can increase the income of real estate enterprises because subsidy funds can be used as part of enterprise sales revenue. This helps to improve the profitability and financial situation of enterprises. Secondly, improving profitability - government fund subsidies can reduce the costs of real estate enterprises and improve their profitability. This is because subsidy funds can be used to offset some expenses incurred by enterprises in project development, thereby reducing their costs and improving their profit levels. Thirdly, alleviating funding pressure - government fund subsidies can alleviate the funding pressure of real estate enterprises, helping to ensure the smooth progress of real estate development projects and avoid project abandonment or overdue delivery due to funding issues. Finally, enhancing market confidence - government fund subsidies can enhance market confidence and strengthen home buyers' confidence in the real estate market, helping to promote the stable development of the real estate market.

4.3. For Society, Consumers, and People with Rigid Housing Demand

Government fund subsidies for real estate enterprises to ensure housing delivery have the following positive effects on society, consumers, and people with rigid housing demand: alleviating housing problems - government fund subsidies can accelerate the construction progress of affordable housing projects, increase the supply of affordable housing, and alleviate housing shortages. This helps low-income or rigid demand groups improve their living conditions and quality of life. Promoting social equity - government fund subsidies can help solve the housing problems of low-income or rigid demand groups, increase the supply of housing, narrow the social wealth gap, and promote social equity and stability. Enhancing consumer welfare - government fund subsidies for real estate enterprises to ensure housing delivery can help expand the scale of the affordable housing market, promote stable housing prices, and enhance consumers' welfare in purchasing or renting homes. Encouraging healthy competition - government fund subsidies can strengthen competition among affordable housing enterprises, promote the healthy development of the housing market, and facilitate the transformation and upgrading of the real estate industry. Shaping a good image - government fund subsidies for real estate enterprises to ensure housing delivery demonstrate the government's care and support for low-income or rigid demand groups, helping to shape a good government image and enhance people's trust and support for the government.

5. Summary

5.1. Adverse Factors in Real Estate Development

Price fluctuation risk: The real estate market is influenced by various factors, resulting in price fluctuations that could lead to the formation of market bubbles or adverse impacts from excessive regulation. High leverage risk: The real estate industry typically requires significant capital investment, with both enterprises and home buyers relying heavily on borrowing, increasing the industry's exposure to debt and liquidity risks. Land resource pressure: As urbanization accelerates, urban land resources become increasingly scarce, necessitating solutions to sustainable land use and supply issues. Social inequality: The real estate market is

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characterized by income inequality, with some groups struggling to afford high housing prices, exacerbating social inequality.

5.2. Solutions to the Problems

To address these issues, the following solutions can be considered: Establishing a long-term mechanism for the real estate market, improving regulatory policies, and preventing real estate bubble risks to maintain market stability. Promoting land use optimization and urban planning to improve land use efficiency and allocate land resources rationally. Implement real estate tax reform to promote market stability through tax policy adjustments. Strengthening financial regulation to prevent high leverage risks and enhance the anti-risk capability of the financial system. Implementing housing security policies to address the housing needs of low-income groups and enhance social equity. Therefore, on this basis, "to curb real estate speculation and prevent systemic financial risks in real estate enterprises, China will continue to strictly regulate real estate finance in the coming period. Traditional financing channels for real estate enterprises, such as bank loans, bond financing, and private equity funds, will be further restricted. In the future, real estate enterprise financing will transition towards meeting the policy orientation of finance serving the real economy, shifting towards genuine equity financing and standardized financing. Financing resources will also gradually tilt towards high-quality enterprises within the industry. To achieve real estate enterprise development goals, based on their actual operating conditions, a diversified and multi-level financing system should be established to ensure fund safety, upgrade real estate products and services, and compete successfully in increasingly severe market environments."

5.3. The Promoting Effect of Real Estate Development on the Economy

Driving investment and consumption: The real estate industry is a key sector whose development involves significant investment and consumption. The expansion of the real estate-related industrial chain promotes investment and consumption demand from related enterprises, thereby boosting overall economic growth. Promoting employment: The development of the real estate industry drives employment opportunities in sub-industries such as construction, decoration, logistics, and finance, creating a large number of jobs and improving employment rates and resident income levels. Driving the development of related industries: The development of the real estate industry has a direct pulling effect on related industries such as building materials, furniture, and home appliances, promoting the development of these industries and forming industrial cluster effects. Increasing tax revenue: The prosperity of the real estate industry brings tax revenue at multiple levels, including land transfer fees, deed taxes, and value-added taxes, providing considerable financial support for the government.

5.4. Impact of Policy Support and Real Estate Positive News on Real Estate Enterprises

Lower financing costs: Policy support and positive news may reduce financing costs for real estate enterprises, including preferential bank loan interest rates and lower bond issuance costs, thereby alleviating their debt pressure. Increasing sales and profit margins: Policy support and positive news may stimulate market demand, increase sales volumes and profit margins, and help improve the profitability of enterprises. Expanding market share: Policy support and positive news may prompt competitors to exit the market or reduce investment, providing opportunities for enterprises to expand their market share. Boosting enterprise confidence: Policy support and positive news can enhance the confidence of real estate enterprises, encouraging them to have a positive outlook on market prospects and promoting further enterprise development. While fiscal policies and positive news can provide some support for real estate development in the short term, long-term development cannot rely

solely on these factors. Real estate development needs to focus more on the role of market mechanisms, promoting supply-demand balance, regulating market order, and improving industry self-discipline to achieve long-term stable development. Government macro-control policies may have some negative impacts on the development of the real estate industry in the short term, but fundamentally they aim to ensure sustainable, healthy, and stable development of the industry. Therefore, real estate enterprises must fully recognize the current situation, actively respond and seek self-preservation, avoid risks, and "winterize" safely. Say goodbye to the era of real estate profiteering and move towards rational development and prosperity.

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