

GLOBAL SPOTLIGHT

Beijing, People's Republic of China



China's successful bid to host the 2008 Olympics has had a profound effect on Beijing's economic and physical development.

- Despite Chinese regulations, real estate has been growing and will continue to do so. In 2005, it was estimated that US\$5.5 billion was invested in the China real estate markets.
- The Olympic Games are expected to attract \$16.65 billion in direct investment and create 1.82 million new jobs. As a reflection of this, the city government of Beijing predicts that the GDP will grow at a hefty 9% per year until 2010.
- Beijing's GDP and urban resident per capita income grew 12% and 14%, respectively through late 2006.
- Real estate development investment in Beijing rose to RMB 92 billion (US\$11.5 billion) through late 2006, up 16.8% year-on-year, with approximately equal components going into residential and commercial/retail developments.
- High-end residential rentals saw 2-5% growth to averages of US\$17.98, US\$13.05 and US \$26.01 per square meter per month in the villa, apartment and serviced apartment sectors, respectively.
- Rentals in the prime offices sector increased 8.2% (year on year) to US \$21 per square meter per month.
- Through late 2006, the consumer retail sales rose by 12.4% year-on-year to RMB 213 billion, and average market rentals for prime retail space was US\$3.51 per square meter per day.

For further information on doing business in this market, please contact Hongbin Zhou, Regional Director of China, by email at hzhou@naiglobal.com or call 86 21 6279 7111.

Beijing At A Glance

Population	14,930,000
Location	Capital of People's Republic of China
GDP	\$84 billion USD
Inflation	1.5%
Interest	5.85% Source: People's Bank of China
Unemployment	2.5%

Property	Rent/M2/Month		Rent/SF/Year	
	Low	High	Low	High
Downtown Office Class A (Prime)	\$32	\$45	\$35.67	\$50.17
Suburban Office Class A (Prime)	\$12	\$23	\$13.49	\$25.53
Industrial Bulk Warehouse	\$1.20	\$5.00	\$1.34	\$5.35
Retail Downtown	\$135	\$190	\$150.50	\$211.80

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- Chongqing
- Shanghai

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At A Glance

350	Offices
45	Countries
5,000	Professionals
\$40 billion	Annual Transaction Volume
200	MSF of Property Management

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