

Research on the Model of “Long-term Rental of the Public Rental House + Insurance” in Xiong'an New Area Based on Investigation

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Keywords: Xiong'an New Area; Public Rental House; Long Rent Model; Insurance

Abstract: The Mission of Xiong'an New Area is innovation, and many reform policies in Xiong'an New Area have been attempted. This topic investigated and discussed of Xiong'an New Area's rental model is a management model innovation. In order to get real data from multiple directions and angles, the residents of Xiong'an New Area, foreign workers, enterprises, the government and other main bodies were visited in this paper, which combines field research and questionnaires to collect the current status and existing problems of long-term rental housing in Xiong'an New Area. Under the new housing policy of Xiong'an New Area, this paper makes a field investigation on Xiong'an New Area long-term rental housing from the perspective of the risks faced by the government and individual tenants. Learning from the model of public rental housing in Germany and Italy and the policy of "tenants' insurance" in the United States, this paper tries to adjust and innovate the content of family property insurance. Based on the investigation of Xiong'an New Area, the public rental housing model of Xiong'an New Area is preliminarily constructed. By popularizing the model of public rental housing in Xiong'an New Area, the model of "Long-term Rental of the Public Rental House + Insurance" can be flexibly implemented according to the specific conditions of the whole country and alleviate the contradiction between supply and demand of housing in various places.

1. Introduction

From the second half of 2016 to the first half of 2017, housing prices across the country rose under the lead of leading cities such as central cities such as Guangzhou-Shenzhen to the north. According to the “Statistical Bulletin of the People's Republic of China on National Economic and Social Development 2017” issued by the State Bureau of Statistics, by the end of 2017, China's urbanization level was 58.52%, compared with more than 70% in the developed countries in general[1], that is to say, another 100 million people will move to cities to live in cities. In the next decade or so, this 100 million people will have a high probability of going to major cities and economically developed areas such as Xiong'an New Area, and housing prices will continue to rise.

Faced with the "millennium plan" of Xiong'an New Area, many people with real estate investment and even speculation imagine a premium to property prices in the new area. Such a

trend will undoubtedly aggravate the huge gap in wealth distribution and possession among different classes, which should not occur again in the Xiong'an New area.

As the innovative model of housing leasing in the new area is a new attempt, the corresponding insurance guarantee must keep up with the progress of the implementation of the policy. At the present stage, the popularity of housing rental insurance in China is low. Taking the public rental housing in Xiong'an New Area as the insurance pilot will have a strong reference significance for the housing rental market of our country, and reduce the rental pressure of the tenants at the same time.

2. Research status and significance at home and abroad

2.1 European and American model

The public rental housing model of Xiong'an New Area can refer to the German model. Germany now has 38.69 million housing units, of which 15.13 million are owner-occupied houses and 13.791 million private rental housing units (of which 3.405 million housing units were shared by households and tenants), 9.769 million rental units for professional institutions (of these, about 2.597 million units were provided by private housing companies and 7.172 million units were provided by social housing units)^[2]. Housing per unit is 1.17 units, housing supply and demand are balanced, the overall level of housing is relatively high, per capita living area of nearly 45 m². The tenure is neutral, the private rate of housing is only 48%, and the proportion of renting is high^[3].

The characteristics of Germany compared to other countries can be summarized as follows: extremely low owner-owned house rate, high proportion and regulated private rental market, stable housing prices over the long term, extremely inactive housing commercial financial support, a closed housing market out of the influence of investment trends, legal restrictions on speculation in real estate, in particular, the non-correlation between the buoyancy of the housing market and the economic boom^[4].

As the most characteristic housing control country in Europe, Germany has the greatest characteristic in the combination of rent price control and the protection of tenants' housing rights. In terms of rent control, the rental price of the rental is determined by negotiation between the owner and the tenant. The extent of subsequent rent increases is determined by inflation or the prescribed level of fixed rental housing earlier (typically four years ago). Therefore, the rent level is determined mainly by the rental price of the rented house rather than the market transaction price.

In the United States, the prevalence of housing rental insurance is extremely high, and the high penetration of rental insurance greatly promotes the improvement of the housing rental market and encourages people to rent houses. The main insurance involved is landlord insurance, tenant insurance, and natural disaster insurance, which not only reasonably avoid the risk of property loss due to accidents, but also can be resolved by the insurance company in the event of liability disputes.

2.2 Current housing situation in China

At present, the proportion of households that choose to live in rental housing is only 20%. One of the reasons for the lower rental rate is the lack of protection of the interests of the tenants, and the other reason is that the insurance promotion in housing security is not enough, the risks of renting cannot be reduced by insurance. As of 2012, there were more than 1.4 million rental houses in Beijing, the capital city alone, assuming that all of which are insured at the lowest level, the total insurance premium is expected to reach 70 million yuan. But sales have been extremely unsatisfactory, which doesn't fit very well with the huge rental market right now^[6].

3. Solutions and recommendations

For Xiong'an New Area, it is necessary to speed up the establishment of a housing system with multi-agent supply, multi-channel security and rental purchase. It is essential to develop housing rental market, especially long-term lease, and to protect the legitimate rights and interests of leasing stakeholders.

3.1 Trial model of the same right of lease and sale

At present, the concept of the same right of rent and purchase, which is quite hot at present, has received extensive attention from the society. In the ideal state, “rent” can also enjoy the same treatment as “purchase of a house”, such as enrollment of children, social public resources, and social insurance. The light of the same right of rent purchase and purchase into reality is a necessary condition for the "long term lease" to achieve great development, and is one of the fundamental problems that need to be integrated and planned in all directions at present. In order to realize long-term lease, in order to realize long-term lease, apart from developing lease, it is also necessary to break down the barriers between “rent” and “purchase”.

3.2 Adoption of a rental insurance system

There are still some risks in the implementation of public rental housing in China: the short-term cost is huge and conflicts with the land finance of the local government; the construction of local government is too centralized, and in order to save the cost of land use, continuous development and construction increase the difficulty of the management of the centralized area; the low price of public rental housing may also induce rent seeking, breed corruption, erode the basis of fair system, and lead to unfair distribution of public rental housing. Therefore, we need to design and apply the related housing rental insurance to solve a series of risks for the special public rental housing in Xiong'an New Area.

At present, some property insurance companies in China also have such products, which correspond to the actual needs of tenants and landlords, and provide corresponding protection, but it is still limited to the private market, so there is a need for innovation in housing rental insurance for public rental housing.

4. Significance

4.1 Exploring the new mode of "public housing + insurance" and providing new ideas

Combining public rental housing with housing rental insurance, and applying the existing model of housing insurance to the long-term public rental housing model in Xiong'an New Area can not only ensure the long-term smooth implementation of the government policy in the public rental housing policy, but also ensure the personal and property security of the tenants during the rental period. In Xiong'an New Area, the model of "public rental housing + insurance" has been adopted to solve the housing supply and demand problems and the risks involved in rental housing. After innovating the model of public rental housing in Xiong'an New Area, the model of "public rental housing + insurance" can be flexibly implemented and popularized according to the specific conditions of all parts of the country, so as to alleviate the contradiction between supply and demand of housing in various places.

4.2 New ideas for insurance innovation

Public rental housing has emerged in China for only a few years, but at present there is no corresponding insurance product. This is a new opportunity for the insurance industry to innovate its insurance products through public rental housing and expand its market share, and make China's insurance industry bigger and stronger.

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