

PROPERTY

Home-sharing site tries to increase bookings

By MENG JING
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Airbnb Inc may be the sharing-economy leader, but a Chinese lodge booking site is taking the game to the next level.

Shenzhen-based Zhubaijia.com is not only offering Chinese outbound travelers the chance to book a stay in private apartments but also providing a string of value-added services including airport pickups, car rentals and tickets to local attractions.

The company made its debut on Friday on China's New Third Board, the national share transfer system for small and medium-sized enterprises, becoming the first listed sharing-economy company in the country.

"After going public, we want to focus on providing more value-added services to Chinese outbound travelers to make sure they can have a hotel-like experience despite of staying in private apartments," said Jimmy Ruan, co-founder of Zhubaijia, which can be translated into "live in hundreds of homes".

He said unlike overseas backpackers who look forward to do-it-yourself traveling experience, Chinese outbound travelers don't prefer uncertainty.

The difference is what makes Zhubaijia stands out in the increasingly crowded sharing-economy market in China. Compared with the US-based Airbnb, which operates on a peer-to-peer model, Zhubaijia puts a lot of effort to make sure its apartments are of high standard.

"We have 15 key overseas destinations, including Seoul, Tokyo and Rome, each equipped with 100 part-time overseas Chinese to vet the quality of apartments and offer tailor-made services locally," he said.

The company, which was founded in 2012, started to see its business take off in 2014 after it repositioned itself as a site dedicated to serve the lodging needs of Chinese outbound travelers.



Two winners of a competition on the Airbnb accommodation site pose in a bed in an underwater room installed in the Aquarium of Paris, on April 11. Zhubaijia is the company's counterpart in China. PROVIDED TO CHINA DAILY

“An increasingly number of affluent Chinese families are able to afford the price to have a decent vacation overseas.”

Jimmy Ruan, co-founder of Zhubaijia

It has more than 200,000 listings in some 650 cities.

In comparison, with more than 1.5 million listings in 34,000 cities, Airbnb is the world's largest provider of accommodation.

In 2015, Zhubaijia's revenue grew 68 times to 45.69 million yuan (\$7.02 million) from the previous year, with 79 percent of it coming from the lodging business and 21 percent from value-added services.

Ruan said there is no urgent need for the company to raise capi-

tal from the stock market.

"We are more interested in riding the reputation we gain from going public and bring our business to the next level," he said, adding the company will focus on providing more value-added services and enriching its apartment portfolio.

On the company's website, private apartments are not the only option being offered. There are also fancy options like castles, beach houses and tree houses.



Chinese superstar Yang Ying, widely known by her stage name Angelababy, invested in Zhubaijia after booking a stay in Paris last year when she shot her wedding photos.

Ruan said that the average price of an order at Zhubaijia is about 16,000 yuan, which allows four to six people to stay at a gorgeous house in Europe for four nights and enjoy services like airport pickups.

"An increasingly number of affluent Chinese families are able to afford the price to have a decent vacation overseas," he said, adding there is plenty of untapped potential in the market.

Statistics from the China National Tourism Administration showed that Chinese travelers made 120 million outbound trips in 2015. About 80 million of the trips were made by self-guided individual travelers.

POLICY

Banks' business with property agencies halted

Regulator says the month-long suspension will help establish an honest credit system

By WU YIYAO in Shanghai
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20 percent

The banking regulator in Shanghai on Monday suspended business between commercial banks and six real estate agencies for a month for violating its rules.

The Shanghai Office of the China Banking Regulatory Commission said it found that some agencies offered financing to homebuyers for down payment, which was against its regulations.

The agencies include the Shanghai arms of Beijing-based Homelink Real Estate Brokerage Co, Pacific Rehouse Co and Shanghai Hanyu Property Brokerage Co.

The regulator also suspended the personal mortgage business for two months of seven branches of banks, including Industrial & Commercial Bank of China Co, Bank of China Ltd and HSBC Holdings Plc.

The CBRC said these measures will help establish an honest credit system among commercial banks, real estate agencies and mortgage applicants to ensure the healthy development of the Shanghai real estate market.

Tightening up down payment management is an effective measure to curb fast-rising housing prices and is also a measure to nip credit risks in the bud, according to Catherin Chen, research director with LaSalle Investment's China operations.

"The emergence of down payment financing in some local markets in China have raised concerns

property price surge in Shanghai over the past several months

of not only regulators but also of market players. When a buyer cannot afford the down payment and seek help from down payment financing, no matter offered directly by real estate agencies or indirectly from lenders, it bears affordability risks, which may turn into nonperforming loan issue," said Chen.

Calls to Pacific Rehouse went unanswered on Monday. An agent with Shanghai Hanyu Property, who spoke on condition of anonymity, said the business of the agency is "of course hugely affected because almost 90 percent of buyers need mortgage, and suspension of mortgage collaboration with banks means suspension of having new buyers."

Shanghai's municipal government has taken steps in recent months to curb surging property prices in the city, which rose more than 20 percent year-on-year in the first quarter of 2016 on average.

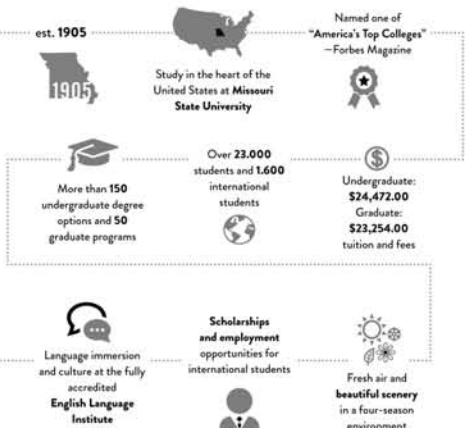
The measures included raising down payment requirements for some applicants for mortgage when purchasing their second homes.

Housing regulators have also been investigating real estate agencies for allegedly providing unauthorized loans or assisting buyers to use deceptive practices to fraudulently obtain a loan.

Student Recruitment Column

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