How to build quality and price match China’s residential property industry Market-based mechanisms for property service charges

Jian Huang¹, Beijing China
Post Doctoral Researcher

Abstract

China property management industry for over 30 years for real estate development made a significant contribution, but is currently experiencing a huge challenge on the pricing mechanism for residential property in the property services sector, mainly property services in the property service charges and actually provided quality standards do not match, which also makes a lot of low-quality property companies flooding the market, resulting in property companies competitive market confusion, a mixed bag.

So “how to create consistent quality and price of Chinese residential property service industry market-oriented mechanism for property service charges” is an important issue at present Chinese government, academics and entrepreneurs.

“How to create consistent quality and price of Chinese residential property service industry market-oriented mechanism for property service charges” is not only the title of this article but also is the argument of this paper.

I propose that “Three ways to change the status quo of China's residential property industry”:

A. Led by government departments announced the "Chinese property services price index" each year.
B. Property service charges and pricing calculation method should to consider the entire life cycle of property services as well as the dynamic index.
C. to encourage property company launched menu-property service charges.

And finally concluded that  If we can start from the above three aspects we can establish an effective and consistent quality and price of Chinese residential property industry market-based mechanisms for property service charges, market process of property industry will quickly develop a healthy right track.

Foreword

China property management industry development time is very short, the word "property" translated from English property or estate, imported from Hong Kong, and its meaning for the property, assets, real estate, real estate, industry, etc., the term since the 1980s, the introduction of domestic , has formed a complete concept, namely: the property is one that has been built and put into use in various

¹ Huangjian08@sina.com
types of housing and with the support of equipment, facilities and venues. Property contains a variety of formats such as: various forms of property office buildings, commercial buildings, residential quarters, villas, industrial parks, hotels, factories warehouses.

China's property management companies from the real estate development company attached to the property management company that specializes in just 30 years time, China has been booming property industry development, China's nearly 80,000 property service companies, China engaged in the property service industry to reach more than 700 staff million. But the legal system, property services company competition, property managers and property management service level quality and property management-related services, such as, in the property development process will be government departments and property management companies need to study and solve problems.

The author studies the subject is "How to create consistent quality and price of Chinese residential property service industry market-oriented mechanism for property service charges "

Research Hypothesis 1: the article does not include China's residential old district, residential property do not charge fees, affordable housing and so on. Residential property services described herein are subject in 2000 after the construction of market-oriented commodity residential district.

Research Hypothesis 2: This article is not central and local government guidance documents for major changes, but starting from the perfect property industry regulations, from the property's full-service cycle cost estimation method to start to improve the pricing mechanism of property services.

1. First, the case of Chinese residential property industry status research

China property management industry for over 30 years for real estate development made a significant contribution, but is currently experiencing a huge challenge on the pricing mechanism for residential property in the property services sector, mainly property services in the property service charges and actually provided quality standards do not match, the specific reasons as follows:

A. property company charges remained unchanged for decades

Currently the price of property services to implement government guidance, charges more than a decade had not been adjusted. 2008 and 2013, China's GDP growth rate of more than 7%, the average annual CPI index also rose more than 3% of basic, minimum wage and cities are rising year by year, the rapid rise in labor costs, but the vast majority of residential property services prices remain unchanged, the majority still executing upon check prices. Even if the property service contract expires, the property company has prices will, but it is difficult to become a reality, almost all of the property management companies face rising costs caused by the operating pressure.

Currently the minimum wage in each city every year increase, but in recent years, with the gradual disappearance of the demographic dividend, labor demand, causing difficulties in recruiting difficulties of a sharp rise in wages, property service standards and costs a serious upside down the phenomenon, making labor-intensive property services business operating costs rose sharply, resulting in property operations difficult. To wage for a security personnel, for example, the monthly wage in 2006 was 600 RAM, in 2013 to reach 2,500 RAM.

Xi An as an example, by the end of 2012 to early 2013, the property industry in Xi An Management Association survey found that in the past has been rated as the national best 58 projects,
only a small number of property management companies to maintain a national best standards, a lot of projects and national best standards have been very different, property management public satisfaction rate was 38%.

Because these property companies are unable to bear the cost of the property that keep running national best standards.

**B. the property company is difficult to ensure the sustainability of quality of service**

1. a low bid of property service fee charges:

Part of the property company to bid successfully, without considering the cost of property management, property service charges a low bid to mark, holding the first pick of the project say the practice. Wait until after the bid, they then sacrifice the quality of service to reduce costs, serious damage the interests of the owners of such acts, which also makes a lot of low-quality property companies flooding the market, resulting in property companies competitive market confusion, a mixed bag.

The property company is almost no room for upward adjustment of property service charges, even if the property costs can rise, but opposition from owners and regulators from the government will also increase property service charges into a very difficult process. At present, some property management companies not to "Property Management" main industry only limited rent and general maintenance and repair, and how to maintain a good appearance of the buildings, public site, the surrounding environment, proactive maintenance of equipment to improve the use of functional properties etc. almost impossible.

2. the real estate developers to the property company subsidies:

Some real estate developers in order to merchandising, depress property service charges fees to attract customers, and then after the property company by giving subsidies to ensure the quality of property services.

Subsidies for real estate developers to property companies, property owners who do not know that the fee paid is reasonable, even if the owners know subsidies clearly, they still think that this is the developer's behavior, so even if the owners stay for many years does not agreed to raise property service charges. Therefore, either the real estate developers to subsidize long-term commitment to this, or is the property company to bear the loss. To ensure the quality and the loss is difficult to sustain the operations. So, the end result is to reduce the quality of property services.

The residential project of a property management company in Hunan, for example:

A construction area of 160,000 m² of residential projects in the population reached 1,210 families; the monthly fee is $2 / m². In accordance with the service standards, the property company with 84 people required. This project annual income of about 3.84 million, while 84 people reached 3.94 million in labor costs. If this project is not a loss, you can only configure the 44 people, to be reduced by 50% of the staff. If you want to meet the service standard, the pricing should reach 3 RMB per square meter, property service charges spread is 1 RAM per square meter, Loss of property services to rely on developers to subsidize a way to make up.

This project is a typical case. Real estate developers in order to promote real estate sales, they use the lower cost property services to attract customers. In order to maintain the standard of property services, property developers to pay to subsidize the Division of property service charges, but the owner is not clear, therefore, owners think that they pay property charges are reasonable. But with the end of the era of real estate profits, developers increasing emphasis on cost control, it is difficult to
maintain such subsidies.

C. causing property charges remained unchanged for decades Analysis

Currently, the adverse consequences of the current pricing mechanism caused property services apparently easy to see: a low cost of property services property companies were actually harm not only damage the interests of owners, affecting the quality of service the company's property, and potentially reduce property industry threshold, so a lot of cheap no professional property companies flooding the market, resulting in the property management market has entered a vicious cycle of state competition. At present, the company's property market competition mechanism has not yet formed, because the market is unable to do by reasonable price mechanism of property services in accordance with professional property management company standard and the ability to pull the grade of service standards

Cause property company property charges remained unchanged for decades a lot, but I think the main reason is the following two aspects. As follows

1, property management legal system is not perfect

National residential property management laws and regulations is not complete. Currently, the property management system according to the law is difficult to incorporate the management of the legal system, the lack of fundamental legal safeguards standardization and standardization of property management. Property management system, such as property management cost management, property company qualification review, property transfer, and many other major project acceptance issues and so on.

The government guidance documents executed include, "Property Management Qualification Management Measures", "property service charges management approach", "property management bidding Interim Measures," "Property Management Regulations", there are also the following deficiencies:

Property Management Regulations” is the government's guiding document, no constructive comments on the property service charges.

"Property Management Qualification Management Measures” is unable to do quality and price match, you are unable to solve the problem fundamentally. Property companies in order to comment on the level of qualification, by taking over the low end of the project, put together a variety of qualified personnel and other means of proof commentary on the level of qualification, so even with the qualification, the property management company couldn’t achieve the required quality of service standards.

"Property service charges management approach” only contract system and Remuneration system described, price management rights in the hands of local governments. The so-called contract system means a payment by the owners of property to the property management business fixed service charges, earnings or losses by property management companies enjoy or bear property services billing. Remuneration refers to funds at the property in advance according to the agreement or the agreement amounts to extract remuneration paid to the property management business, and the rest all of the expenditure for property services contract, lack of balance or enjoyed by the owners of the property or service billing bear the way

"Property management bidding Interim Measures,” mainly for bidding methods and qualifications examine to do the relevant provisions.
Guidance document issued by the State over the rights to develop the property is basically a standard fee charged to the place, but there is no specific guidance on local government rules, especially on how to correctly guide price leverage through market competition mechanism of the lack of systematic property management guidance.

2. Local governments lack the scientific ways in setting standards of property service charges

Currently the property service charge calculation method is: the sum of the cost of staff salaries, energy and other costs, such as static index constructed by dividing the total area of property services, and finally calculate the unit cost of the monthly m².

Currently Property Services is a unit of the monthly fee calculation method based on service-level positioning m² residential and residential area, and other indicators of the actual service, the sum of the number of service personnel costs, staff salaries and static index composed of energy derived by dividing the area costs

By some typical first and second tier cities in the local property service charges a standard research found the following common questions:

Only part of the city specified in the residential property service charges can be 10% - 20% on floating within. Residential property charges in most cities are fixed, no floating upward content.

II. Three ways to change the status quo of China's residential property industry

Change the status quo approach is complementary to amend the laws and regulations of government departments' property management, the establishment of an effective mechanism to guide and protect, starting from a reasonable scientific property services pricing, establish a pricing mechanism in line with the property services industry characteristics and laws of the market (Property Services pricing mechanism).

A. Led by government departments announced the "Chinese property services price index" each year

Lack of property services for scientific and rational pricing mechanism, called on the government sector led the preparation of "Chinese property services price index", the local price guide can be adjusted by increasing or decreasing the local government changes in the price index, so that the country can make the appropriate property company Property Services price adjustments

What is the "Chinese property services price index"? Digital form is manifested through various regions of China Property Services Economic Indicators average price changes direction

China from 2013 through the "China Property Services Price Index" compiled by non-governmental organizations, this index table shows the 20 largest cities in 2014 the price of property services in 2013 compared to an average gain of 0.38%.

2014 "Chinese property services price index" list below:
If "Chinese property services price index" provides data to support them as an important basis for local government guidance, will facilitate the establishment and improvement of quality and price of property service charges consistent mechanism conducive to sustained and healthy development of the property industry.

B. Property service charges and pricing calculation method should to consider the entire life cycle of property services as well as the dynamic index

Property Services intervention and management of the entire cycle should include the appropriate fee, which is made valuable suggestions for each stage of the development of real estate property companies certainly, but also to encourage companies to increase their property value, look at the design, construction, and so the whole process from the perspective of the owners. This is the macro category of property services, which is not only beneficial to the late better improve service quality, but also to maximize the reduction of operating costs and the cost of the late owner to pay.

Property Services is a full cycle of the project from the developer, the planning began, so the whole cycle is divided into property services early intervention stage, following the identification stage, early stage property management and the establishment of the owners' meeting, the signing of the operational phase of property services property services contract after four stages.

<table>
<thead>
<tr>
<th>No.</th>
<th>NAME</th>
<th>2013.6 index value</th>
<th>2013.12 index value</th>
<th>2014.6 index value</th>
<th>increase</th>
<th>chain groth</th>
<th>June 2014 average urban property services charge (Yuan / square meter / month)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>WUHAN</td>
<td>1007.88</td>
<td>1016.77</td>
<td>1018.99</td>
<td>1.0%</td>
<td>0.22%</td>
<td>1.68</td>
</tr>
<tr>
<td>2</td>
<td>CHENGDU</td>
<td>1000.00</td>
<td>1012.16</td>
<td>1012.16</td>
<td>1.22%</td>
<td>0.00%</td>
<td>1.84</td>
</tr>
<tr>
<td>3</td>
<td>CHONGXING</td>
<td>1003.60</td>
<td>1007.97</td>
<td>1007.97</td>
<td>0.44%</td>
<td>0.00%</td>
<td>1.84</td>
</tr>
<tr>
<td>4</td>
<td>HANGZHOU</td>
<td>1000.97</td>
<td>1000.97</td>
<td>1007.73</td>
<td>0.68%</td>
<td>0.68%</td>
<td>2.08</td>
</tr>
<tr>
<td>5</td>
<td>BEIJING</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1006.98</td>
<td>0.70%</td>
<td>0.70%</td>
<td>2.71</td>
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<tr>
<td>6</td>
<td>SHANGHAI</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1006.66</td>
<td>0.67%</td>
<td>0.67%</td>
<td>2.36</td>
</tr>
<tr>
<td>7</td>
<td>HEFEI</td>
<td>1000.00</td>
<td>1003.77</td>
<td>1005.48</td>
<td>0.55%</td>
<td>0.17%</td>
<td>1.20</td>
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<tr>
<td>8</td>
<td>TIANJIN</td>
<td>1004.09</td>
<td>1004.25</td>
<td>1004.49</td>
<td>0.04%</td>
<td>0.02%</td>
<td>2.20</td>
</tr>
<tr>
<td>9</td>
<td>NANNING</td>
<td>1004.05</td>
<td>1004.05</td>
<td>1004.05</td>
<td>0.00%</td>
<td>0.00%</td>
<td>1.27</td>
</tr>
<tr>
<td>10</td>
<td>NANCHANG</td>
<td>1001.36</td>
<td>1002.66</td>
<td>1003.89</td>
<td>0.25%</td>
<td>0.12%</td>
<td>1.42</td>
</tr>
<tr>
<td>11</td>
<td>SHENZHEN</td>
<td>1000.00</td>
<td>1003.50</td>
<td>1003.50</td>
<td>0.35%</td>
<td>0.00%</td>
<td>2.97</td>
</tr>
<tr>
<td>12</td>
<td>CHANGSHA</td>
<td>1000.00</td>
<td>1000.67</td>
<td>1000.67</td>
<td>0.07%</td>
<td>0.00%</td>
<td>1.75</td>
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<td>13</td>
<td>GUANGZHOU</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1000.00</td>
<td>0.00%</td>
<td>0.00%</td>
<td>2.25</td>
</tr>
<tr>
<td>14</td>
<td>CHANGCHOU</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1000.00</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.90</td>
</tr>
<tr>
<td>15</td>
<td>KUNMING</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1000.00</td>
<td>0.00%</td>
<td>0.00%</td>
<td>1.29</td>
</tr>
<tr>
<td>16</td>
<td>NINGBO</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1000.00</td>
<td>0.00%</td>
<td>0.00%</td>
<td>2.12</td>
</tr>
<tr>
<td>17</td>
<td>QINGDAO</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1000.00</td>
<td>0.00%</td>
<td>0.00%</td>
<td>1.86</td>
</tr>
<tr>
<td>18</td>
<td>SUZHOU</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1000.00</td>
<td>0.00%</td>
<td>0.00%</td>
<td>1.99</td>
</tr>
<tr>
<td>19</td>
<td>WUXI</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1000.00</td>
<td>0.00%</td>
<td>0.00%</td>
<td>1.91</td>
</tr>
<tr>
<td>20</td>
<td>SHENYANG</td>
<td>1000.00</td>
<td>1000.00</td>
<td>1000.00</td>
<td>0.00%</td>
<td>0.00%</td>
<td>1.88</td>
</tr>
</tbody>
</table>

Source: China Index Academy

If "Chinese property services price index" provides data to support them as an important basis for local government guidance, will facilitate the establishment and improvement of quality and price of property service charges consistent mechanism conducive to sustained and healthy development of the property industry.
At present, the property company's pricing model is the main consideration the operational phase of the property management and owners of the General Assembly set up around the stage, and early intervention stage, following the identification stage cost is not included in the cost of property services.

Property's early intervention services for the late property and cost control plays a very important role, but the property service charges are not considered the important role played by the pre-property services. Currently, property service charges pre-paid for by the developer in accordance with the company after consultation with the property. This will affect the long-term cooperation with the developers of the property company, because the pricing mechanism taking into account only the latter part of the property company's operations, so the lack of overall management of the property management thinking the whole cycle.

For the full cycle of property services to the estimated costs brought about by the sense of property services expenses as follows:

1. Property companies involved in the early stages, can provide professional advice on the design and construction aspects.

   In the early intervention stage property company, you can set the property consultancy center. Property Consultant Center issued to real estate developers' property market research report, "reasonable opinions property companies and improvement plan", "construction follow-up Report ", "property services program "and" demonstration area service program, "etc., in order to factors unreasonable design and construction nipped in the bud.

2. Property management company in the demonstration phase of intervention area, the property owners of the company can stand on the position of communication with the real estate developer.

   The company's demonstration area property management phase (including to undertake the

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2 Project
3 Plan
4 Design
5 Contraction
6 Marketing
7 Completion and acceptance
8 The first family stay
9 The establishment of the owners’ congress and Property services contract signed
inspection phase, property management stage, early stage property services operations) demonstration area set up reception centers. Demonstration area reception centers generally located in the sales office. Demonstration area Reception Center is a key pre-property services. Inspection phase refers to the property company to undertake the inspection of all public areas and the owners of the room after the completion of the investigation of risk and recommends remedial measures; the property company to be issued by the "Property Start Programme" and "undertake the inspection program."

3. The estimated cost of property services more detailed, comprehensive, and reasonable:

Property operating expenses estimates of property service template to consider the entire life cycle of the concept of property services, the estimated cost of the property to increase service standards and service prices demonstration zone management phase composition, as well as to undertake the inspection of standard and price, in addition to use present value of service costs over the next 20 years or even longer for dynamic calculations, this is not only a long-term stability and property companies to continuously improve the quality of property services requirements, but also increasing the value of property assets embodied.

C. to encourage property company launched menu-property service charges

Menu-property service charges is to price standard property services and property management services to match, that is, different property service standards to match different service price of the property, and for the owners in the form of a menu selection.

Service menu is the cost of property services match service, and announced property services and property management services standards and content to match its costs to society. Owners or real estate developers choose to meet the standard of the property company providing property services based on the quality of their service needs of the project and some special requirements.

Menu-key implementation is the cost of property services menu-listed, as the cost of residential property is not only relatively simple, but there is a pattern, so it is feasible to implement the menu style.

The following is a list of 11 the proportion of the cost of the total cost of property services, the cost of property services industry experience in China:

<table>
<thead>
<tr>
<th>No.</th>
<th>Property company costs</th>
<th>Cost ratio of market standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Property company staff salaries, benefits, etc</td>
<td>55%-62%</td>
</tr>
<tr>
<td>2</td>
<td>The daily operation of the common parts, facilities and equipment, maintenance costs</td>
<td>7%-15%</td>
</tr>
<tr>
<td>3</td>
<td>Property management area clean fee</td>
<td>4%-6%</td>
</tr>
<tr>
<td>4</td>
<td>Green conservation area property management fee</td>
<td>4%-6%</td>
</tr>
<tr>
<td>5</td>
<td>Property management and maintenance costs of Regional Order</td>
<td>2%-3%</td>
</tr>
<tr>
<td>6</td>
<td>Property company office expenses</td>
<td>4%-6%</td>
</tr>
<tr>
<td>7</td>
<td>Property management companies with fixed assets depreciation</td>
<td>0.50%-1%</td>
</tr>
<tr>
<td>8</td>
<td>Common parts, facilities and public liability insurance costs</td>
<td>0.50%-1.5%</td>
</tr>
<tr>
<td>9</td>
<td>By the consent of the owners of other charges</td>
<td></td>
</tr>
</tbody>
</table>
Owners of property in accordance with the above charges can control the proportion of the cost structure of property companies in general cost structure. Property companies by residential area of public service, special services, special services standards and special requirements to provide the corresponding service standards and cost menu, for example as follows:

<table>
<thead>
<tr>
<th>Project Title</th>
<th>The total area (㎡)</th>
<th>Area</th>
<th>class of service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>construction</td>
<td>area</td>
<td>Above ground</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Title</th>
<th>The total area (㎡)</th>
<th>Area</th>
<th>class of service</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Labor costs menu</th>
<th>Job description</th>
<th>position</th>
<th>Height</th>
<th>Qualifications</th>
<th>Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety Management Department</td>
<td>Management is responsible for community safety and order maintenance work</td>
<td>manager</td>
<td>1.8 m above</td>
<td>Bachelor degree; 40 years of age; With more than five years of work experience and medium-sized enterprises with the job; Fire, vehicles, order maintenance, safety checks, writing training manuals and training capacity:</td>
<td>8,000.00</td>
</tr>
</tbody>
</table>

The above is a simple menu-property services, for example, the above menu labor costs in the cost of property services 11 first item in the list.

Menu-property services also similar to online shopping, you can choose large, but different from the simple selection of goods. Advantages of implementing menu-property service standards are as follows:

1. will help promote market-oriented mechanism property service charges

Completed the implementation of the type of property services menu, the owners of the property company's choice is fully market-oriented, independent of government relations, local protectionism, or other non-market factors, which provide the owners with more choices.

Menu-select property services to the property services market provide a platform for healthy competition, orderly division of property services at different levels of the market, professional ability to provide high-quality services for property companies will naturally correspond to high-end property management area, occupied high-end market; and professional capacity is weak, inexperienced companies are mainly concentrated in the low-end market; at the same time, through a menu-style platform, even higher levels of weaker property company through continuous struggle and hard work will rise even replace veteran of the property company.

In the property service cost control, menu-driven property service standards are a double edged sword. First, the cost of items of property companies were compared in the market at the same time, driven by property companies on cost control efforts, to provide cheap services. On the other hand, the owners have a clear understanding of the cost of the property company's constitution is matched with the quality of service; cost service is naturally high-quality services. Property owners will not raise too
many objections to the price of services and property companies or unnecessary controversy, so charging mode menu-property services promote market-based property company property service charges mechanisms.

2. Will help improve the quality of property services

Property service charges due to menu-driven model to promote market-based property company property service charges mechanism, property companies involved in real estate development in the whole process, through the service model, services and other standards, service planning and design ways and means to property companies the service upgrade to a full cycle of property management, property companies can really stand the owners point of view to consider the issue

Public services are included property body management, managing the main house building housing equipment and facilities, sanitation management, green management, security management, fire management, vehicle road management, the public nature of the service agency. Many property companies in order to survive, regardless of the actual situation of enterprises to discard this industry only emphasizes innovation, Give up the main business, the pursuit sideline, the target focused on non-core business of the special services and value-added services to earn more profits to compensate for the loss of property services . Menu-service property Management Company and no longer worry about the cost of the service do not match, will serve to focus on basic services, so that the property services on track.

3. is conducive to the industrialization of the property management industry

Menu-style service is in favor of property companies in transition or upgrade to a large-scale, professional, information technology and branding, to promote innovation and the property company's business model. Property companies can build a modern Internet technology and information platform, through modern technology, to further enhance the company's property through modern equipment efficiency, reduce labor costs, and through a variety of hardware and software standard uniform property company, to enhance the company's property image, which is not only a property company to build the brand, but also to enhance the quality of residential plot owners of a better life.

4, is conducive to promoting the legal construction of the property management industry

Government departments should develop as soon as possible, and improve relevant laws and regulations of property management. Government laws and regulations in order to increase the property company based supervision. All information property company must undergo a rigorous qualification review of government departments, once is not real situation, not only is the property company and the relevant regulatory authorities are also subject to heavy penalties. Even through menu-selected property company in the actual course of business could not meet the service standard, certified government regulators, you can cancel the property company qualification

III. CONCLUSIONS

If the government can develop on the basis of price and service menu and full-cycle estimates the three aspects of property services to supplement and improve the pricing mechanism from property services pricing policy, we can establish an effective and consistent quality and price of Chinese residential property industry market-based mechanisms for property service charges, market process
property industry will quickly develop a healthy right track, therefore, imperative to reform the property industry service fee market mechanisms should be implemented in the following three levels of responsibility:

<table>
<thead>
<tr>
<th>Responsible</th>
<th>Reforming</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Government</td>
<td>Announced the &quot;Chinese property services price index&quot; each year and perfect legal system of property management.</td>
</tr>
<tr>
<td>Local Government</td>
<td>Pushing service menu according to the price index</td>
</tr>
<tr>
<td>Agency</td>
<td>Full-cycle estimates and full coverage</td>
</tr>
</tbody>
</table>

Finally said, the property services industry as a downstream real estate industry, the important role of increasing the value of a property project has not attracted enough attention to the community. However, the development of China's property sector is a long-term and sustainable; certain property industry is a sunrise industry, but also will develop along the direction of industrialization, the property services sector for the future economic development of China will play a very important and irreplaceable role.

Therefore, how to establish a market-oriented mechanism for property service charges, so that the healthy development of the property industry in the right direction is an important issue at present Chinese government, academics and entrepreneurs should consider.

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