Distribution Status and governance countermeasures of small property right house construction in Sanya City

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Abstract

The problem of small property right house in Sanya City has been widely concerned in recent years. This paper takes the small property house in Sanya City as the research object, introducing the current distribution situation of the small property right house construction from the development pattern, the location situation and actual demolition regulations carried out in recent years for these houses, and further put forward the countermeasures for small property right house management. It is found that the small property house in Sanya mainly distributes in rural area, developed by geographical location and tourism demand, its development mode is diverse and the construction scale is large. In the view of location, the main distribution of small property right house in Sanya City can be divided into three areas: the main urban area, the main city edge and seaside area far from city, and tourist housing demand is one main feature of Sanya small property house. Considering the status of development and construction of small property housing in Sanya City, we put forward the governance countermeasures of small property right house from society and individuals. The countermeasures should respect legitimate property right, perfect legal safeguard, deep system reform, improve management system, converse old land use concept, and raise property right awareness.

Keywords: Sanya city; Small property right house; Distribution status; Governance countermeasures

1. CONCEPT OF SMALL PROPERTY RIGHT HOUSE

In recent years, with the vigorous development of urban real estate industry, small property house has gradually become a topic aroused social concern. Scholars believe that the so-called small property house mainly refer to commercial housing which built incollective land in rural areas which has not been legal recognized by the state housing management departments and unable to obtain the national formal ownership certificate (Fang, 2016). The Ministry of Housing and Urban Construction believes that in many urban suburbs, some village collective economic organizations build farm housing in their village collective land and sell these houses at a lower price to people outside of the collective economic organizations, and these residential building is known as small property (Sun, 2007). In law, the property right cannot be defined by size; it can only distinguished by legal or illegal. The illegal building has no property right indeed, and the property right is not protected by law (Wang, 2010). Because of its special identity, the current small property right housing is widespread and its associated problems are prominent. From the unofficial statistics, our country currently has about 6.6 billion square meters of small property right house, which is equivalent to nearly the total amount of China's real estate industry developed in the past decade (Ren, 2010). Statistics showed that the number of small property righthousing is amazing, Beijing accounted for about 20%, Shenzhen and other cities accounted for a higher proportion, and some cities may reach 40% to 50% (Jin, 2008; Wang and Sun, 2014). Problems like the loss of rural land, the economic disputes, people's unsecured right and interests etc. brought by small property right houses are becoming more acute (Chang-Jian et al., 2008). In view of the current situation of small property right house, the state has issued a series of relevant control policies (Liu, 2008).

Sanya is the southernmost city in China. It is not only the international coastal tourist city developed by the state and Hainan province, but also an important port for foreign trade in Hainan province. Thanks for its outstanding geographical location, the real estate industry in Sanya has been deeply developed in recent years, especially the
small property right house (Wu and Chen, 2016). According to the survey report of Sanya small property right house in 2010, the construction of small property right house have spread from urban surrounding areas to some villages and towns, and the amount has reached to 6000, with area more than 3 million square meters. The main harmful influence of the small property right house in Sanya is its impeding of urban and rural planning, occupying the basic farmland and the traffic arteries, destroying the ecological environment. The study on the distribution of small property house in Sanya city and the corresponding governance policies are seldom found reported until now. Based on the comprehensive renovation of the small property right house in Sanya city in recent years and combined with its development model, this paper discusses the distribution of small property right house in Sanya, analyzes the location distribution of the current small property right house from the location advantages of Sanya, and finally put forward correspondent governance policies from the overall perspective of Sanya city, in order to provide scientific basis for comprehensive treatment of small property right house in Sanya.

2. CURRENT DISTRIBUTION OF SMALL PROPERTY RIGHT HOUSING CONSTRUCTION IN SANYA CITY

2.1 development mode of small property right house

The development mode of small property right house is diversified, all of which are in the form of private occupying the rural collective land with various excuses. At present, the development mode of small property right house is mainly by ways such as oldcity or urban village reconstruction, combination of villages and towns, new rural construction, village collective direct development, cooperative housing and other ways (Ding, 2009; Zhu and Yu, 2011; Yan, 2008). The development of small property right house in Sanya is mainly distributes in rural areas, meeting demand for geographical location and tourism development, it has following models:

(1) The villagers build and sell the house on their own homestead. This model is mainly distributes in the suburbs of rural areas, mainly developed by Sanya tourism resources. The rural homestead is the welfare for local villagers at the beginning, but with the rapid development of the Sanya tourism in recent years and its pleasant climate, many outsiders choose to spend the holiday or retirement in Sanya, then under the stimulation of interest, villagers changed the initial use of homestead, raising the house floor and rented or sold to people outside collective economic organizations. According to the survey, one 30 m² house in the countryside can ask for rent of 500-1000(RMB) per month in winter and the selling price is about 4,000-8000(RMB) per square meter, while the rent for ordinary commercial house is 2000-5000(RMB) per square meter and selling price is 8,000-20000(RMB) per square meter. In such a big gap, consumers are more likely to choose houses with cheaper rent and price, which also promoted the rapid development of the local small property right house.

(2) Collective economic organizations as the main subjects of passive and active development and construction. This development model mainly proceeded in the suburbs and rural areas under the name of new rural construction and the transformation of rural settlements. Urban suburbs locate in rural-urban fringe zone, since the rent and commercial house price is relatively high in the city, the suburban residents build house in their own homestead to rent or for sale. This model is mainly based on private agreement of village collective economic organizations and the builders, and then builders sell or rent these houses. Subsequently, to seek for more economic benefits, the village collective economic organizations develop and build houses by themselves; they also establish property management company under self-management. With the property service level promoted, leasing and selling scale grows and the supporting facilities approach perfect.

(3) Developers as the subject for direct development and construction. This mode is mainly concentrated in urban rural areas, developers leasing agricultural land by name of agricultural development to develop and construct small property right house. Since agricultural resource in Sanya is rich, developers construct the real estate with excuse of agricultural garden construction or science and technology park construction. This kind of small property right house is more mature as they have professional property management companies, with better quality building and larger scale.

2.2 Analysis of the distribution for small property right house construction

2.2.1 Construction status

Sanya locates in the southernmost tip of Hainan province, with an annual average temperature of 25.7°C, its
climate is pleasant and tourism resource is rich which is known as “the most livable city in the world” (Chen and Bao, 2014). Also because of its unique natural geographical conditions, the small property right house in Sanya developed rapidly since it was emerged. Statistics showed that the amount of small property right house had reached to 6000 and the area exceeded 3 million square meters in 2010. Among them, Fenghuang town, Haitang bay, Tianya town and surrounding rural areas are the main distribution. The construction situation of small property right house is complex, which can be summarized from the following aspects.

From the housing type, middle and high-rise apartments are the main types, with a single residential area from 30 to 50 square meters. Their target customer is local residents, migrant workers and outsider old-age groups. Some of these houses are operated as hotels and family inns, mainly for travellers. From the housing investment composition, compared with the government expropriation, residents’ enthusiasm is much higher by renting their land and cooperating with developers to build the small property right house, from which they can gain profit or compensation about 80 to 90 million. From the survey statistics, currently about 40% of small property right houses are invested and built on the homestead of local villagers by developers in and out of Sanya islands, 35% are built directly by developers by leasing land from residents, and the other 25% is built under the form that village cadres participate in leading the residents to self-financing building houses in their own homestead in response to the new rural construction, thus houses apart from self-occupation can launch to the market. From the house building time, the small property right house in Sanya were mostly existed as hotels before 2007 which is mainly used for meeting accommodation demand of outside visitors. Houses in this type accounting for more than 30% of current existing, they mainly distributed along coastal areas or in more convenient urban villages. Since 2008, with the gradual development of Hainan and Sanya tourism, the outside and local private capital began to intervene in the development of Sanya small property house, and small property right house emerged in areas such as Hedong district. After State Council issued the Hainan international tourism island construction scheme in early 2010, the small property right house construction in Sanya reached its peak, then problems becomes more acute.

Recent years, in view of the prominent problems of small property right house, Sanya city has carried out centralized demolition of typical small property right house which has seriously affecting urban and rural areas planning, occupying basic farmland and the traffic arteries, destroying the ecological environment. Table 1 shows the demolition of small property right house since the demolition activities. From the table we know that the demolition number reach to a total of 14163 buildings, with total area of 1074.75m² since 2010. And the demolition effect reflected the current developing scale of small property right house in Sanya and reality problems these houses brought. From the distribution of demolition projects, the demolition work before 2012 was mainly aimed at residential houses of suburban and town villagers, however, after 2013 the main demolition object is the small property right house constructed in the name of project construction, which reflecting the transformation of small property house construction mode in Sanya. Figure 1 is the demolition in each month among 2016, from the total amount; the demolition area reached the maximum value this year. The demolition in each month is different, mainly concentrated in the building peak period from April to July. During this period, the demolition of small property right house played a good warning effect, effectively maintained the real estate market order.

Table 1 Demolition of small property right house

<table>
<thead>
<tr>
<th>Date</th>
<th>Number of demolished buildings (places)</th>
<th>Area of demolition construction(m²)</th>
<th>Main distribution of demolition projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>946</td>
<td>99.7</td>
<td>Fenghuang Town, Within the Haitang Bay National Coastal project, Haitang Bay Town</td>
</tr>
<tr>
<td>2011</td>
<td>1328</td>
<td>94</td>
<td>Hedong District, Next to the new railway station, Haitang Bay Town</td>
</tr>
<tr>
<td>2012</td>
<td>1387</td>
<td>70</td>
<td>Within the Creative Industrial Park project, Jiyang Town, Tianya Town</td>
</tr>
<tr>
<td>2013</td>
<td>2260</td>
<td>124</td>
<td>Within the Banling Hot Spring project, Within Li Feng Logistics project, Within the Shanhu Bay project, Within the Urban Fringe Village Renovation project, Within the Eleventh phase of Tongxin Home project</td>
</tr>
<tr>
<td>2014</td>
<td>1574</td>
<td>66</td>
<td>Haitang Bay Town, Within the Tianya Town Sports Park project, Within the Sanya Bay Sports Park project, Within</td>
</tr>
</tbody>
</table>
the Chinese Medicine Hospital Nursing Home project
Offshore villages in Tianya and Jiyang District,  Within the Sanya Modern Agriculture Science and Education Park project in Yazhou District
Dongan village in Jiyang district,  Within the Old Town Reconstruction project of in Hailuo Village,  Within the Creative Industry Park project in Yazhou District

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
<th>Density</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2694</td>
<td>268.4</td>
</tr>
<tr>
<td>2016</td>
<td>3974</td>
<td>352.65</td>
</tr>
<tr>
<td>Total</td>
<td>14163</td>
<td>1074.75</td>
</tr>
</tbody>
</table>

**Figure 1** The demolition situation of building in each month of 2016

### 2.2.2 Location analysis

Because of the unique advantage of geographical location, the small property right house had a rapid developed in Sanya, and from the perspective of location development, the house has its unique distribution characteristics. Combining relevant statistical data and geographical environment of Sanya city to analysis the location of small property right house, the main distribution of small property houses can be divided into three regions as showed in figure 2.

**Figure 2.** Location distribution of small property right house in Sanya

(1) Main urban area. With the development of economy in Sanya city and the improvement of urbanization level, the area of urban built-up area is expanding. Subsequently, there are incomplete land expropriation area left in the main city such as Yuechuan village, Dongan village and Gangmen village etc. Small property right houses in
this region are mainly supplied for a large number of outside population aggregations. These houses are always in large scale, the surrounding supporting facilities and public infrastructure are perfect, and with vegetable market, primary and secondary schools, hospitals, banks and so on.

(2) Edge of main city zone. Sanya itself is not big, since the main urban housing prices keep rising, the suburbs continue to develop new real estate. Then some of the un-expropriated villages in the suburbs like Jiyang District, Yazhou District, Haitang Bay and other places began to build a large number of small property right houses. Houses in these regions are mainly aimed at some city people and quite a few outsiders, attracting consumers with relative price advantages, and the surrounding facilities have been improved.

(3) Seaside away from city. Surrounded by the ocean, Sanya is rich in landscape resources. Coastal development is a typical characteristic of the small property right house in Sanya. As a unique landscape resource, the coastal line building occupies a high proportion in house price. Coastal small property right houses are mainly concentrated in remote rural areas with rich sea scenery such as Sanya Bay, Yalong Bay, Dadong Sea, Haitang Bay and other places; they are mainly for short or long-term housing needs of tourists. Most of them are not submitted for approval according to the planning requirements.

3. GOVERNANCE COUNTERMEASURES OF SMALL PROPERTY RIGHT HOUSE PROBLEMS IN SANYA

(1) Respecting legal property rights and improving legal protection

Since the birth of the small property right house, the legalization has always been the core issue (Guan and Hong, 2014; Cao, 2008), which attracts people’s attention. First, we should distinguish legal right house and the illegal ones, according to the provisions of "land management law", farmers’ house selling behavior to the outside collective economic organizations is not recognized and protected by the law, so they cannot apply legal papers such as land use certificate, property ownership certificate, deed tax card and so on (Song, 2010). For those who built houses on their rural homestead but not transfer to the outside of the collective economic organizations, when they build houses in other collective construction land which corresponds to the relevant urban planning standards, it is thought that their buildings are legal private property and will be respected and protected by law. Second, we should establish legal guarantee system for small property right house, complement "Land Management Law" and "real estate registration regulations" and other relevant legal provisions about land use rights (Li, 2012). Distinguish land registration validity according to the different land real estate property rights. That is to say the establishment and alteration of farmland rights like land use rights should abide by principles of land use rights and land registration, also rural land contractual management right and homestead land use right should follow the principle of registration antagonism (Zhang, 2016).

(2) Deepening the system reform and improving the management system

The development of small property right houses is not a simple legal problem, but a complicated problem about politics and land system. It is imperative to regulate small property right house under a political and institutionalized way (Liu et al., 2015; Zhao, 2010). Now, deepening system reformation the main way to solve small property right house problem, we can achieve it by reforming land dual management system (Xu, 2016) and the dual system of urban and rural household registration, promoting the coordinated development of urban and rural areas, improving the urban-rural development integration mechanism, promoting the equal exchange of urban and rural factors and finally deepening the reform of rural land system. Second, it is necessary for the government to rationalize the development of the small property right house and its trade, to build a market mechanism of urban and rural construction land, to implement a unified management of rural and urban land in the construction land market and leave land price to the market. At the same time, we should improve the relevant supporting system, including the land use supervision system, urban housing security system and other rural social security system.

(3) Changing the concept of land use and raising the awareness of property right

Interest driven and weak property right consciousness are important reasons for the problem of small property right house in Sanya. At present, both the landowner and the housing purchaser lack sufficient understanding of the legality for small property right house. Buyers’ blind purchase behavior mainly caused by their considering the economic factors only, on the other hand, sellers lack awareness of the right to use their
homestead. So when buildings face the problem of demolition, they are both the first to be affected. Only legal property rights are respected and protected by law, from the perspective of residents themselves, it is necessary to raise awareness of property rights issues, change the concept of land use, and protect their legitimate rights and interests. Residents have to apply permission from relevant government departments before building houses in their own homestead, they cannot arbitrarily sell their houses to others for own benefits. Cooperating with developers to construct small property right house is especially not be allowed, and for those completed houses which is not meet planning standards, the owners need to communicate with the government to reach a demolition agreement. The government endeavor to stifle the small property right house in the cradle by increasing publicity, exposing typical cases and forming deterrence, and make the residents recognize the destruction of small property right house to a good social order. We can establish a reporting system to reward those who report small property right houses seller and purchaser in time, and guiding village committees and villagers to supervise each other to avoid building new small property right houses. Enable the renovation of illegal construction information system to further improve the "sky patrol, ground check, and online control” prevention and control system, so that the illegal construction behavior can be comprehensively curbed.

4. CONCLUSION

This paper takes the small property right house of Sanya as the object of study, from the way of the demolition and renovation works made on these houses in recent years and their developing mode to further discuss the current distribution and construction situation of small property right house. And analyzing the location distribution of the small property right house in Sanya from natural geographical location finally put forward the corresponding governance policy. It is found that:

(1) Small property right house in Sanya distributed by rural area, geographical location and tourism demand. Its development mode can be divided into three kinds: villagers build and sell the house on their own homestead, collective economic organizations as the main subjects of the passive and active development and construction, the developer as the subject of direct development and construction. From the effect of the renovation, the total number of demolition of small property right house reach to 14163 buildings, with a total area of 1074.75m² since 2010, which can reflect the large scale and other serious problems of current situation for small property right house in Sanya.

(2) From the location analysis of the small property right house in Sanya, the current distribution can be divided into three areas: main urban area, edge of main city zone and seaside away from city. Houses in different area can meet the demands of different people. Tourist house demanding is a major feature of the small property right house in Sanya, which mainly concentrate in the remote rural areas with abundant ocean resources.

(3) Setting governance policy of small property right house in Sanya need to consider the following two aspects. First, from social and national level, the whole society need to respect the legitimate property right, improve the legal protection, deepen the system reform and improve the management system. Second, from individual level, we need to change old land use concept and improve the consciousness of property right. The problem of small property right house concerns the implementation of laws and policies, which is related to the vital interests of residents. Therefore, to solve the problem of small property right house perfectly plays a significant role for the development of real estate industry and the stability of society in Sanya.

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