**Event 1: role of real estate in china**

Real estate is a key driver of China's economy, contributing about 20% to the GDP. It generates extensive employment opportunities and fosters economic activity. The sector's impact extends to urbanization, housing expansion, and commercial space provision. Real estate ownership is crucial for wealth creation, financial stability, and social status. It also serves as a major revenue source for local governments through taxes, fees, and land sales, funding infrastructure and welfare programs.

**Event 2: what is Evergrande company**

The number of companies involved in the real estate industry in China is vast and constantly evolving. According to the Ministry of Housing and Urban-Rural Development, there were over 150,000 real estate development enterprises in China in 2021.

Evergrande Group, one of China's largest real estate developers, has played a significant role in shaping the industry. The company, founded in 1996, has a portfolio of over 1,300 projects in more than 280 cities across China. Evergrande is known for its aggressive expansion strategy and its focus on developing large-scale projects, such as mixed-use developments and urban regeneration projects.

If we discuss some part of history then it is

In 1996, Hui Ka Yan, a former steel factory technician, founded Evergrande in Guangzhou, China. With a keen eye for opportunity, Hui capitalized on China's rapid urbanization and growing demand for housing. The company quickly gained momentum, expanding its portfolio of residential, commercial, and industrial projects across the country.

That’s where we get its nature of rapid growth strategy

**what were the achievements of the evergrande and what was it at its peak**

* By 2018, Evergrande had become China's largest real estate developer, with a market share of over 20%.
* Evergrande's annual sales revenue reached a peak of RMB 729.3 billion ($112.6 billion) in 2019.

**some notable places build by Evergrande**

Sure, here are some of the notable places built by Evergrande:

* Guangzhou International Finance Centre (IFC): This 103-story skyscraper is the tallest building in Guangzhou and the fifth-tallest in China. It houses office space, retail shops, and a hotel.

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Guangzhou International Finance Centre (IFC) built by Evergrande

* Guiyang Twin Towers: These two 520-meter-tall skyscrapers are the tallest buildings in Guiyang and the 10th-tallest in China. They house office space, retail shops, and a hotel.

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Guiyang Twin Towers built by Evergrande

* Tianjin CTF Finance Centre: This 598-meter-tall skyscraper is the tallest building in Tianjin and the sixth-tallest in China. It houses office space, retail shops, and a hotel.

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Tianjin CTF Finance Centre built by Evergrande

* Evergrande Huahai City: This planned megacity in Haikou, Hainan Island, is expected to have a population of up to 3 million people. It will include residential, commercial, and industrial space.

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* Evergrande World: This planned theme park and resort in Hengqin, Zhuhai, is expected to be one of the largest in the world. It will include hotels, casinos, and a variety of theme park attractions.

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Evergrande World built by Evergrande

**Start of crisis:**

The Evergrande Group’s bankruptcy was a major event that shook up China’s real estate sector and had a profound impact on the global economy. The company was once China’s biggest property developer, and accumulated a staggering debt of more than $300 billion by 2021. This huge debt and the downturn in China’s real estate market drive Evergrande’s finances in the crisis arose

The Evergrande crisis had a significant impact on the Chinese economy, but its impact is still debated. Some estimates suggest that the crisis could have cost the Chinese economy as much as 1.5% of GDP. This would be a huge blow to China’s economy, which is one of the largest in the world.

It is difficult to estimate the exact number of people affected by the Evergrande crisis, as its effects have been multifaceted and far-reaching. However, various sources and studies have attempted to quantify the ripple effects of the crisis on employment, consumer spending and overall economic well-being According to a 2021 report by Nomura, 2.7 million people in China’s construction industry are expected to lose their jobs as a result of the Evergrande crisis. This figure represents about 1.5% of the total workforce in construction. New research by Moody's Analytics suggests that the crisis could have a significant impact on consumer spending, reducing household consumption by between 0.1 and 0.3 percent by 2022. That consumer spending this reduction in waste can have a significant impact on sectors of the economy, as consumers are making their belts It also reduces unnecessary purchases. The full economic impact of the Evergrande crisis is still being assessed, but it is clear that the crisis has had a significant impact on Chinese employment, consumer spending and the wider economic landscape

**Mistakes by Evergrande:**

Evergrande’s bankruptcy was the result of missteps and questionable decisions that culminated in its downfall. The company’s aggressive credit rating, which accumulated more than $300 billion in debt, made it more vulnerable to economic volatility. Lack of transparency in accounting practices reduced investor confidence and hindered revenue generation. Incompetent participation in non-core sectors led to financial crisis, while failure to adapt to changing market conditions and poor corporate governance exacerbated the situation If landed excessive banking, neglect of liquidity management and ignoring warning signs compounded the crisis. The company’s lack of transparency in financial disclosures and communications eroded trust, and ultimately the failure to secure a working partner or bailout plan led to Evergrande’s downfall

**Chinese government response:**

The Chinese government responded immediately to prevent a widespread financial crisis, with a multi-pronged approach that included: Debt Restructuring and Asset Sale: To encourage Evergrande to restructure its debt, explore mergers, asset sales and partnerships to reduce its financial burden. Land Revaluation: Reduce land values ​​for Evergrande’s unfinished projects to attract potential buyers and reduce development costs. Leasing and Purchase Protection: Prioritize completion and delivery of unfinished construction projects and homeowners’ deposit and legal protection. Financial market stability: To invest in the financial system to prevent and stabilize the industry.

**Current situation of the property industry after Evergrande:**

The Evergrande crisis has significantly impacted the Chinese property industry. Real estate sales have slowed down, property prices have declined, and the risk for developers has increased. The Chinese government has taken measures to stabilize the market, and there are signs of recovery. However, the industry is still facing challenges, and the long-term impact of the crisis remains to be seen.

**Imagine you are the company of China, and you make buildings, lots of buildings, around 20 percent of the real estate industry is owned by you, you do not just make buildings, you make these buildings.**

**You are worth billions of dollars, and your stakes holders trust you, you make lots of money, working for thousands of projects in hundreds of cities. What do you think can go wrong? Everything**

**We are talking about Evergrande a company that was worth in billions, having the experience of working in multiple projects suddenly went bankrupt, and not only hurt the real estate industry but even the Chinese economy. How did all this happen? Let’s find out**