ABSTRACT

The financialization of housing is defined as the phenomenon in which housing is treated as a commodity such that it is a vehicle of wealth and investment rather than a social good and basic human right. While the financialization of housing itself can be seen as the product of financial innovation and economic development, it has also become an object of speculation and irrational exuberance in the form of market bubbles and social friction, which excludes disadvantaged members of society from benefiting from this expansive growth, oftentimes marginalizing these communities further. This paper aims to assess the importance of regulation and housing policy in developing economies as a means of controlling the financialization of real estate markets.

Keywords: *Economics, Real Estate, Financialization, Housing Markets, Regulation, Developing Economies*

1. INTRODUCTION

The financialization of housing is defined as the phenomenon in which housing is treated as a commodity such that it is a vehicle of wealth and investment rather than a social good and basic human right[1]. While the financialization of housing itself can be seen as the product of financial innovation and economic development, it has also become an object of speculation and irrational exuberance in the form of marketbubbles and social friction which excludes disadvantaged members of society from benefiting from this expansive economic growth, often times marginalizing these communities further. In essence, while the financialization of real estate enables the wealthy to utilize their assets as vehicles for monetary growth, it also disparages andpillages impoverished sectors of society that stand to lose from rapidly increasing housing prices driven largely by speculation. In fact, the UN Human Settlements Program estimates that around 1.6 billion people continue to live in inadequate housing, while the best data available suggests that more than 100 million people have no housing at all[2]. This inability to provide suitable accommodation represents a serious flaw within global markets which have failed to properly allocate resourcestowards the provision of adequate housing, a basic and fundamental human right that, if unfulfilled, can lead to dangerous levels of social inequality.

This negligence towards the equitable provision of housing is perhaps most evident in developing economies where there is often a blatant disregard towards the rights of minority groups and people of lower socio-economic backgrounds. In India alone around 1.77 million citizens are homeless[3], an issue which was only exacerbated by the COVID-19 pandemic. Nearly 40% of the homeless population in India reportedly received no lockdown relief[4], which is an extremely dangerous thought considering the homeless are the most vulnerable and susceptible to the immediate impacts and aftermath of the COVID-19 crisis. In Vietnam, projects to construct low-priced housing continue to remain unfulfilled, with less than half the target number of low-priced apartments having been constructed as of 2020[5]. The supply of low-priced apartments in Vietnam is also still very scarce, while the need to improve the accommodation for people with limited income grows rapidly[6]. This trend can be observed in larger, more established developing economies as well. In China, autonomous regions such as the Xinjiang province and Tibet are archetypes for the inequitable distribution of housing. Since 2015 the Chinese government has conducted mass evictions across Tibet, destroying hundreds of homes in the process[7]. Without the appropriate infrastructure to support the affected persons, thousands of Tibetans were displaced from their communities and left homeless, withexact numbers difficult to obtain.

The failure of housing markets in developing countries; however, can be explained.In growing financialized housing markets, the key decision-makers are often detached from and indifferent towards the society they are directly impacting. This detachment is critical in understanding the greater implications of the financialization of the housing market. In essence, if the financialization of housing is left uncontrolled, the connection between housing and the rights of the community will sever. While certain governments across the world are working to affirm the social function of housing through facilitating temporary expropriation of vacant housing and prohibiting evictions that would lead to an increase in homelessness (policies that may have been foreign to the Tibetan authorities), there must be a more fundamental shift in the current landscape of the real estate market in order for governments to fulfill their obligations to the people they are appointed to serve and to the values they have sworn to uphold.

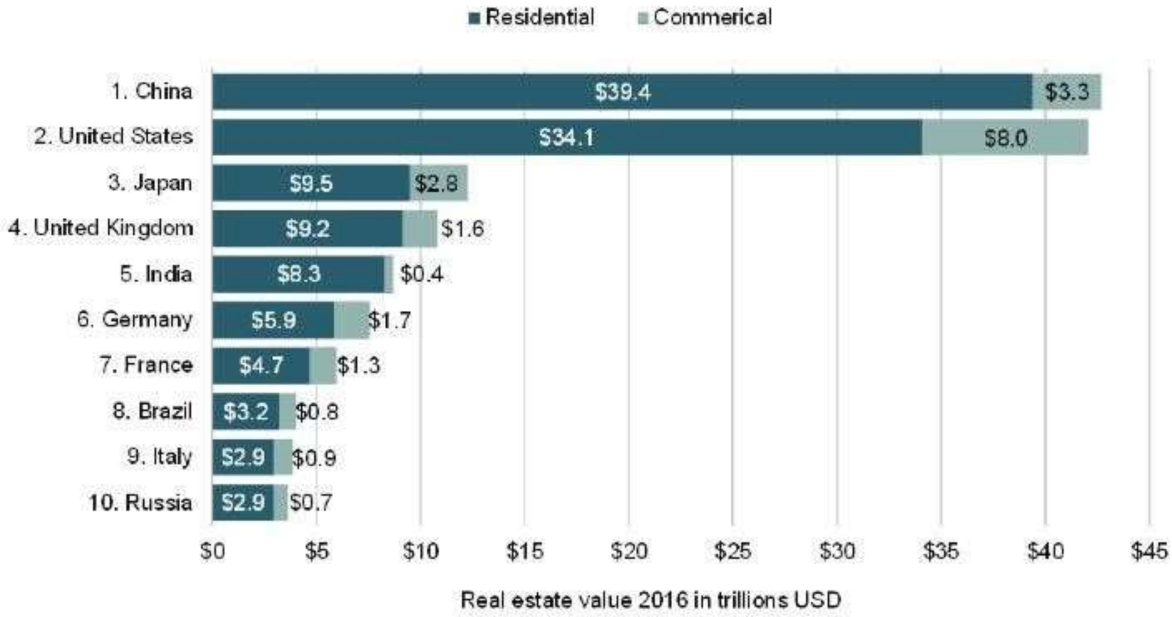
As per the International Monetary Fund the Global Real House Price Index has only been increasing since the turn of the century[8]. If this trend is to continue it is a certainty that affordable housing options will soon become a scarce commodity in developing countries where the equitable provision of accommodation is a trifling issue to governments and regulators alike. By the law of demand, the prices of relatively affordable housing will soon also rise until lower classes of society will no longer have the ability to afford safe and stable housing, a preceding factor to mass homelessness and poverty. This issue puts housing finance at the forefront of the growing real estate market crisis, and highlights the dangers with the invisible hand theory that assumes that the market will find its equilibrium (where social welfare is maximized) without the government or other interventions forcing it into unnatural patterns[9]. According to the World Bank, mortgage depth and housing loan penetration increase with a country's income level in a convex manner[10], suggesting that housing finance is a "luxury" segment of the financial sector. As such, it can be reasonably concluded that increasing the availability of housing finance options in developing countries is the key in the fight to ensure there is equal opportunity in the provision of housing across the world. In India, the development of housing finance and housing finance companies has played a significant role in solving the housing shortage crisis[11], whereas in Vietnam and China the increased availability of housingfinance has contributed greatly to the growth of their respective real estate markets, enabling people from a variety of socioeconomic backgrounds to take advantage of the financialization of housing and ensure their right for basic shelter is met.

2. OBJECTIVE

This research paper aims to assess the current real estate climate in India, Vietnam, and China alike, as well as the success of their current real estate climate. The paper will also explore the necessity and extent to which regulation is necessary in the real estate market, as well how successful regulation policies have previously been integrated into housing markets.

3. CASE STUDIES

India:



List of the largest real estate markets by value[12]

Perhaps unsurprisingly, India is amongst the largest real estate markets in the world,with a real estate value of approximately $9 trillion[13]. However, this large market value can largely be attributed to the country's size rather than its well-structured realestate market. The real estate sector, being a crucial factor in the Indian economy, isliable to heavy taxation. Various direct and indirect taxes apply to real estate transactions, as well as a variety of stamp duty and registration fees governed underthe Income Tax act of 1961 which authorizes the taxation of capital gains from real estate transactions[14]. While the taxation of real estate is undoubtedly an essential process of the economy, the variety of additional costs make real estate in India an extremely unaffordable and unattainable option, especially in a country where over 28% of the population falls below the poverty line[15]. The real estate sector in India is also often seen as unorganized, despite numerous economic reforms such as demonetization, GST, and FDI rules and regulations which sought to improve the accessibility of the real estate market.

However, India has also made strides of progress in terms of offsetting the negativeimpacts of the financialization of its housing market. During the Union Budget 2017-2018 the Central Government discussed the 'Housing For All by 2022' project,which included providing infrastructure status to the affordable housing sector. The act included numerous benefits to real estate developers, such as access to funds with quicker approval to encourage the development of affordable housing units[16]. Unfortunately, new FDI rules and regulations have also enabled non-resident Indiansand foreign investors to more easily purchase property in India[17]. While this will encourage the growth of the real estate sector in India, it also increases the disconnect between property owners and the people they directly impact, ultimately resulting in higher property prices and a greater negligence towards lower class citizens, exacerbating the social inequalities already rooted deep into India's political system. The financialization of housing has also led to the real estate market becoming a considerable ground for black money. House price speculation, which is driven largely by the treatment of housing as a commodity rather than a basic humanright, encourages the use of black money due to various activities such as incorrect valuations, brokerage costs, or unmentioned additional fees.

Despite efforts to subsidize the provision of affordable housing in India, the underlying issue is the unequal distribution of opportunity in terms of real estate. While the provision of housing is a viable short-term solution to homelessness and absolute poverty, the Indian government must focus on improving access to housingfinance in order to ensure there is long term sustainable economic growth alongsidedecreasing social inequality. Last year alone India saw a 9.6% growth in the housingloan market despite the COVID-19 pandemic, of which the affordable housing segment constituted 90% of the market by volume and 60% by value[18]. However,despite the global spread of neoliberalism, access to institutional housing such as mortgages has not succeeded in improving the habitat conditions of poorer sections of society. Mortgage finance is, to a large extent, irrelevant to a majority of households, especially to those at the bottom of the income pyramid. For this reasonthe World Bank promoted the enabling housing market approach in the early 1980s, which implied that governments should change their approach from housing construction to guiding the housing sector[19]. According to this approach, the role of the government should include:

1. Strengthening legal property rights
2. Developing mortgage financing vehicles
3. Rationalizing housing subsidies
4. Regulating land and housing development

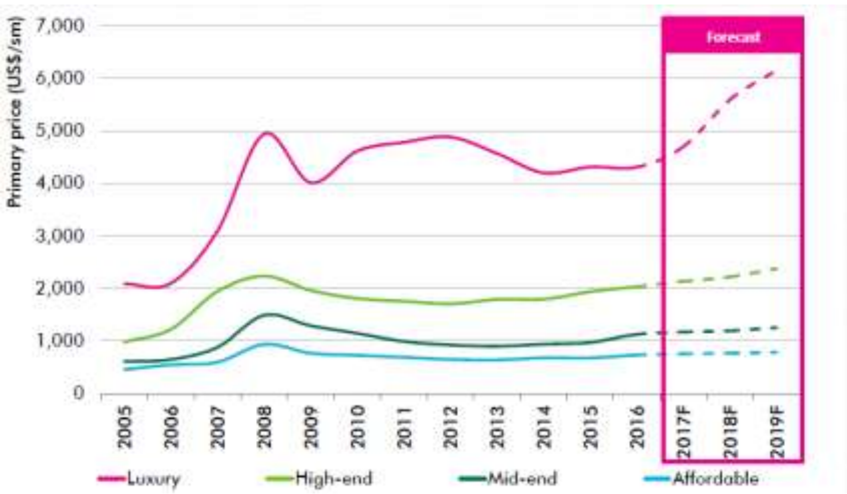
Despite this the Indian government continues to focus on the provision of affordable housing of the poor rather than the aforementioned goals. By improving accessibilityto housing finance and developing strong and reliable real estate systems India can provide its population the ability to afford basic housing without the need for government subsidies, and also the ability to use real estate as a medium to grow their wealth, enabling equal access to opportunity for different segments of society.

Vietnam

Vietnam is amongst the fastest growing housing market prospects in the world dueto a booming economy coupled with laws that have made foreign real estate investment easier and cheaper. As a result, wealthy international investors have

[19] authors, All, and Peer Smets. "Indian Community-Based Housing Finance Systems: Potentials and Pitfalls for Urban Development and Housing Improvement."

been flocking into the country in recent years, as is evident by the 6.3% inflation-indexed price increase of housing in Ho Chi Minh City over the past year[20]. In addition, the homeownership rate in Vietnam exceeds 90% — one of the highest rates in the world — and this growth can be largely attributed to a shift away from theAsian tradition of maintaining family homes[21]. The Vietnamese government is makingno efforts to hinder this growth either, with the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) expected to extend free trade agreements to the real estate market[22]. The CPTPP also enlarges the list of servicesforeign investors can participate in, including real estate brokerage, consulting, and management services[23]. However, while the government is making plenty of effortsto enable the rapid financialization of real estate in Vietnam, very little of these efforts involve improving the affordability and accessibility of housing for poorer segments ofsociety. While the government has begun projects to provide affordable housing solutions to lower income citizens, the supply of cheap housing is still nowhere near its demand. As a result of the lack of supply, the prices for low-income apartments in Vietnam increased from less than $870 to less than $1090[24]. A recent government report also indicates that demand for affordable housing in Vietnam constitutes approximately 70-80% of real estate demand; however, there remains a shortage inthe affordable segment of the market[25]. The report, compiled by the Ministry of Construction for the National Assembly, stated that current residential property pricesare "bloated, volatile and out of reach of most people"[26].



Vietnam housing price speculation in 2017[27]

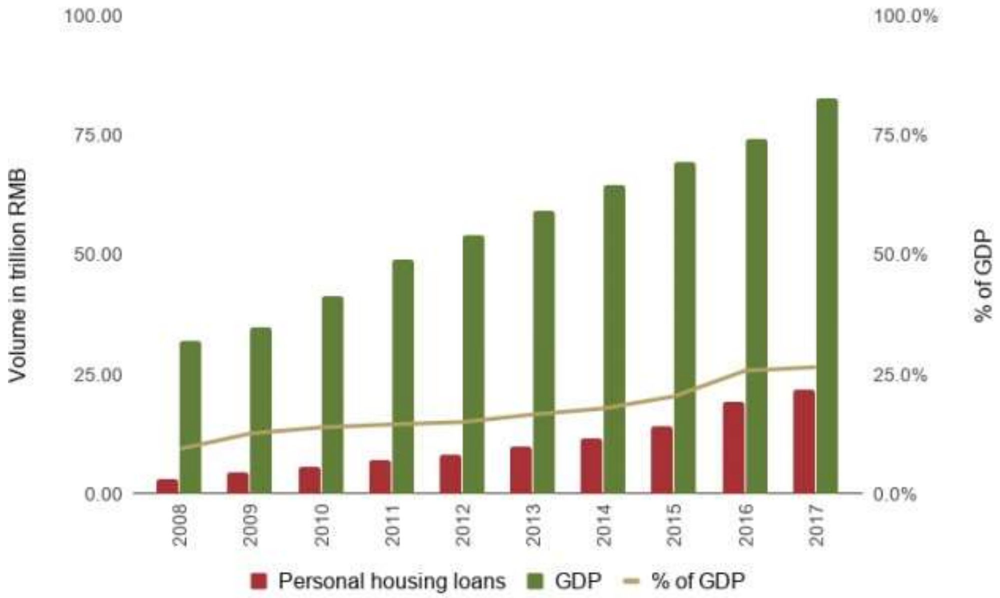
The ministry claims this is due to the lack of funding for social housing programs, as there are currently no channels to mobilize long-term investments. This lack of funding has caused around 221 social housing projects to be delayed or scrapped, with less than 22% of new supply of housing in Ho Chi Minh City being in the affordable segment between 2016-2020[28]. However, while affordable housing iscertainly a short-term remedy to the issues posed by the financialization of housing, as mentioned previously, the key to the solution lies in improving the accessibility of housing finance. In Vietnam, access to housing finance is a major barrier for increasing affordability. For example, 68% of Vietnam's labor force work in the informal economy and, as such, earn informal incomes which excludes them from mortgage rights[29]. In addition, current land tax rates in Vietnam are very low, contributing to house price speculation and elevated land prices which instantly disadvantages lower segments of society. Furthermore, land tax accounts for 2-3%of Vietnam's gross government revenue, and as such the low land tax rates also limit government spending that could have been used to provide services, infrastructure, and funding for other public programs[30]. Despite this, there has been innovation and planning at a local level to combat the challenges created by rising housing prices; however, the dependence of local governments on the central Vietnamese government causes delays and possibly restricts innovation at a local level. All in all, Vietnam's lack of investment into affordable real estate, inefficient housing development projects, and lack of accessible housing finance ultimately holds their real estate market back in terms of improving affordability and growth potential.

China

The real estate market in China has been an important pillar of the Chinese economy over the last decade as demand for new housing remains strong across cities with rising incomes. This rapid increase in demand is associated with the massurbanization that occurred in China during the past two decades, which created a constantly growing need for housing. These two factors, combined with the fact that Chinese investors have seen the housing market as the best place to park their savings over the past decade, help drive the growth of the real estate market in China. Consequently, although China has seen house prices constantly increasing, the Chinese government has taken several steps to control real estate development since the global economic crisis in 2016.

However, China is also a two-sided economy with extremely polarizing levels of economic inequality: the difference in development between Western and Eastern China is a prime example of these inequalities. This creates real estate market differentiation, and the Chinese government characterizes these differences by categorizing cities into 4 tiers (first tier being the most developed)[31]. While third and fourth tier cities are often plagued with low levels of investment and negative net migration as workers move into larger cities in the search for better jobs, first and second tier cities often have booming economies but still struggle with the over-financialization of their real estate markets. Despite the best efforts of the government, property prices in China have quadrupled since the turn of the century,larger down payments are being required, and mortgage rates are going up, further pricing out a sizable portion of the population from the housing market[32].

During the recent Central Economic Work Conference, a gathering of Chinese Communist party leaders declared the real estate bubble a "pronounced problem" that must be prioritized in order to tackle the issue of growing unaffordability of real estate[33]. Ultimately, the conference concluded that real estate is meant to be lived in,and not a target for speculative investment. Policymakers vowed to take appropriate measures in order to promote "stabilized growth" in property markets, and have thus begun to undertake countercyclical expansionary policies in order to offset the effects of the financial easing policies created during the peak of COVID-19. To encourage the growth of the real estate market and to enhance the control of property in different market categories, the government is prioritising policies to encourage development of third and four tier cities. In addition, new policies including the "limited purchase, limited mortgage, limited price, and limited sale" planare designed to rein in the real estate bubble in first and second cities caused by house price speculation and exuberant investments by increasing the cap on mortgage loans[34]. Faced with constrained credit conditions, some buyers may bargain harder on price while others may lose the financial means to a home purchase altogether, both of which will help to cool an overheated market and curb excess borrowing. Indeed, although the volume of personal housing loans has risenexponentially over the past decade, as shown in the figure below, its growth has been scaled down during periods of tightened credit conditions (2010-2011, 2013, and late 2016-2018)[35].



Personal Housing Loans to GDP Ratio in China[36]

But with property prices expected to grow 5% in 2021, the Chinese government mustalso divert its time, effort, and resources to focus on improving accessibility of housing finance and increasing the number affordable housing options in order to ensure that the fundamental human right of basic accommodation is continually met across all segments of society[37].

The Case for Regulation

The assumption, bolstered by neoliberalism, that markets can operate efficiently withno regulation as long as private entities avoid explicit violations of human rights is dangerous and counterproductive. Recent estimates suggest over 3 billion peoplewill need new housing and basic infrastructure by 2030, and without the necessary housing finance and regulatory solutions to tackle this issue, global inequality is poised to increase significantly[38]. An unregulated market in which the wealthy speculate over housing prices leads to price volatility that creates uncertainty amongst the poorer members of society — a consequence of which is the economic unrest and social tension that only propels absolute poverty into existence.

To ensure that there is a consistent right to adequate housing throughout all sectors of society, governing bodies must regulate and directly engage with the private market. There must be a dramatic shift away from prioritizing the financial interestsof the real estate market to retrieve what housing means in terms of basic human dignity and security. Governments must actively work with relevant stakeholders to formulate strict regulations and laws which will serve to protect the interests of marginalized communities. Additionally, comprehensive housing plans for displaced communities must be developed in order to ensure their basic human rights are met in order to prevent dire living conditions, a lack of provision of water and basic sanitation, and an extensive need for the repair of dilapidated housing structures, all of which are prevalent in poorly regulated housing markets such as those in India.

However, over-regulation is another issue prevalent in many housing markets acrossthe world. The USA is currently building homes at its slowest rate in 60 years, worsening a supply problem that has been building over decades[39]. Localities have made it practically illegal to build enough housing to meet demand due to over-regulation, leading to inflated home prices. Investors are thus purchasing real estate because of supply restrictions that, in certain cases, increase the price of real estate in a manner that trumps the effects of speculation. As a result nearly 90 percent of American metropolitan cities experienced home prices jump by double digits over the past year[40].

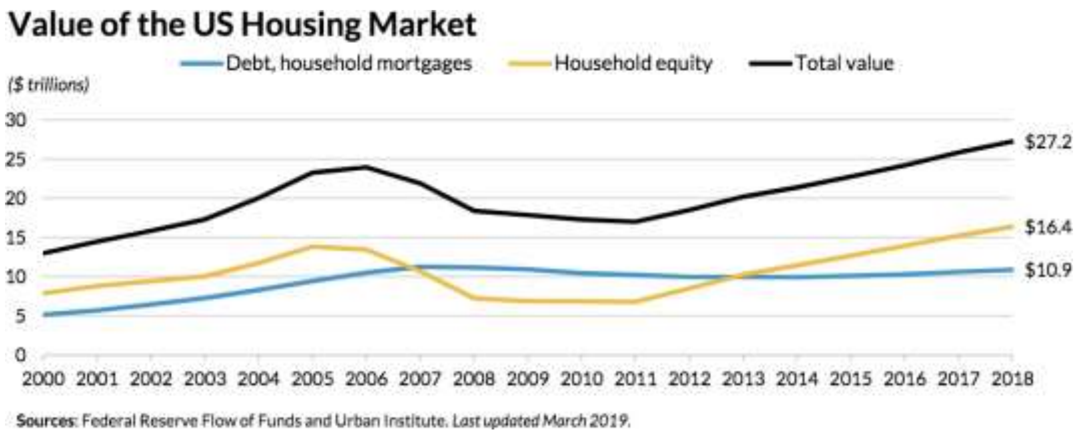
Despite these obvious issues, a mathematical study on regulation in real estate by the University of Lausanne has concluded that government intervention in the housing market, which prevents landlords from exploiting tenants and price discrimination, leads to lower equilibrium rent costs and higher social welfare in an economy (not accounting for inflation)[41]. As such, the fundamental question that nowrises is not whether or not the real estate market must be regulated, but to what extent governments should intervene to ensure it continues to operate at maximum efficiency.

The Successful Implementation of Regulation

The Financial Crisis of 2007-2008 sparked the Great Recession, the most severe financial crisis since the Great Depression, and which had dire implications on real estate markets across the world. Triggered by the collapse of the housing bubble inthe US, the crisis resulted in the collapse of many key financial institutions and brought businesses to the brink of collapse, requiring government bailouts of unprecedented proportions[42]. Many economists claim that the 2008 Financial Crisisarose from unusual monetary policy moves, unwise regulations, and misguided federal housing policies[43]. These poorly chosen policies distorted interest rates andasset prices, diverted loanable funds into the wrong investments, and twisted normally robust financial institutions into unsustainable positions. In response, federal funds rates were slashed across countries around the world, creating excessive liquidity and creating a large demand bubble, the effects of which the global economy is still recovering from today.

USA

Since the Financial Crisis, the US economy has steadily recovered in many aspects,with house prices steadily climbing from the crisis's devastating effects. Currently, the US consistently ranks amongst the top 10 housing markets in the world in terms of a variety of different factors, and is often referred to as one of the world's most lucrative markets for investment in real estate.



This rapid recovery is largely due in part to the American Recovery and Reinvestment Act (ARRA), a fiscal stimulus legislation passed by the U.S. congress in response to the Great Recession of 2008. Commonly referred to as the "Obama stimulus", the ARRA package entailed a series of federal government expenditures aimed at countering the job losses associated with the Financial Crisis, which would in turn help boost the growth of the real estate market[45]. In addition, the Federal Reserve cut federal funds rates to near-zero, which improved the accessibility of capital to reinvest into the economy. Over the last decade, the net effect of near-zero interest rates has stabilized the U.S. economy by encouraging lending among financial institutions that are systemically critical to the housing market, which helpedpromulgate participation within the real estate market[46]. However, there were more specific policies put into place in response to the Financial Crisis which more directly helped alleviate the crisis to a significant degree. Most importantly, the Financial Crisis saw the loss of pre-loan products; currently banks offer only fixed-rate loans oran adjustable rate mortgage (ARM) that meets "Qualified Mortgage" standards established by the Consumer Financial Protection Bureau (CFPB). These adjustablerate mortgages have caps to ensure interest rates remain relatively stable, and downpayments of at least 3% on every loan taken have been made mandatory. In addition, regulatory boards have further restricted lending powers by requiring a minimum credit rating in order to qualify for a loan at all[47]. By doing so, the government hopes to securitize the real estate market to decrease the volume of subprime loans (which made up roughly 1/3rd of all mortgages in 2006[48]), a prominent factor that brought about the Financial Crisis. Furthermore, post-crash reforms by the CFPB under the umbrella of "Know Before You Owe", intended to create greater transparency in the housing market, include a three page Loan Estimate that show whether buyers face a balloon payment or a possible increase increase in their mortgage rate, as well as a Closing Disclosure that combines the former closing documents into one more user-friendly version[49]. In short, the American real estate market has recovered and begun to grow largely due to expansionary fiscal policies, the securitization of housing loans, and the prioritizationof consumer interests and safety.

Finland

Finland is often regarded as a politically stable country with a highly educated workforce and a reliable legislative environment that supports long-term investmentsinto different real estate sectors. As such, the Finnish government is credited for its equitable distribution of access to affordable housing as well as its widespread policies to combat the social inequalities exacerbated by the growing financializationof real estate. Recently, Finland has adopted a national housing first approach to homelessness, with the government targeting to eradicate homelessness entirely by2027[50]. As described by Juha Kaakinen, CEO of Finland's largest housing nonprofit -the Y-Foundation, the philosophy of the Finnish housing market is based upon the principle that housing is a human right, regardless of any personal issues of the tenants[51]. As such, homeless people are given contracts exempt from any preconditions that would exclude them from receiving subsidized housing (for instance, in many countries alcoholics must be first treated before they are eligible for government housing). This enables the homeless to then receive support for theirrespective issues without having to worry about their accommodation. In fact, since 1987 Finland has seen a rapid decrease in homelessness with about 12,000 citizens receiving homes[52]. However a major factor of Finland's success in the real estate market is that regulators have instituted laws that require at least 25% of new housing areas to be constituted of affordable housing[53]. This has helped maintain thesupply of housing to a satisfactory level, preventing a housing crisis and ensuring thesustainable growth of the real estate market which decreases the probability of experiencing a housing bubble. Despite prominent government interference, Finland's housing market continues to grow rapidly, with housing prices going up 4.01% in 2020 and unemployment rates falling to 6.7% — its lowest since 2008[54].

Of course, the simple provision of housing alone is not sufficient to combat the issueof housing affordability within an economy. Since 2019 Finland has seen mortgage rates drop from 1.69% to 0.73%, with certain speculators even suggesting that the rates will eventually drop to 0[55]. This decrease in expected interest has improved theaffordability of housing, helping to significantly decrease the negative effects of the financialization of real estate. While Finland's housing market operates primarily on riskier adjustable rate mortgages, ultimately the final costs of adjustable rate mortgages are often lower than those with fixed rates[56]. Fundamentally, the successof the Finnish housing market can largely be attributed to its housing first and land allocation policies, alongside its growing affordability which enables the sustainable growth of real estate.

Portugal

The Portuguese real estate market has been a centre piece in the development of the Portuguese economy over the past years, attracting different profiles of investors, from high net worth individuals to international investment funds. To a large extent, Portugal's success in the real estate market is a result of a series of successful initiatives that combined tax incentives with broader incentive programs, such as its urban refurbishment tax regime, which allows for property tax exemptionsand a reduced VAT of 6% on construction (compared to the standard 23%)[57].

Similarly, in 2012 the Portugese government introduced the Golden Visa, an investment-based residence permit where real estate investment was a necessary requirement to qualify for residency. The Golden Visa alone has resulted in a direct investment into real estate of over $6.27 billion dollars since the policy's introduction[58]. Consequently, the promotion of the real estate market has resulted inthe rapid financialization of housing in Portugal, with housing prices rising 6.7% in 2021[59]. Nonetheless, with the rapid financialization of housing comes the rise of realestate prices which further price out low and middle income segments of society. Forinstance, Algarve is a region plagued by a considerable shortage of affordable housing options — long-term housing is often difficult to find, with landlords typically only renting on a short-term basis. However, the Portuguese government has begun to launch several programs to promote access to affordable housing. In 2019 the government of Portugal announced the Affordable Rental Programme (ARP) to enhance the supply of long-term residential housing at controlled prices[60]. This initiative involves the premise of creating a win-win situation for both landlords and tenants. Under the Affordable Rental Programme landlords are exempt from propertyincome tax altogether, receive subsidized mortgages to construct housing units, and are provided with income insurance that will compensate for any failed rental payments from the tenant[61]. In turn, the rent must be 20% below market price and rental contracts must last a minimum of 10 years in order to create more long-term housing options[62]. Policies such as the ARM are undeniably essential to the sustainable financialization of Portugal's real estate market — with homelessness rates dropping to an all time low of 0.04%[63] — and the active efforts of the Portugesegovernment guarantee access to affordable housing to all sectors of society.

In all, Portugal's success with intervening in the housing market can be attributed toits focus on actively promoting investment into its real estate while simultaneously creating policies to incentivize the provision of affordable housing to ensure its supply continually satisfies the growing demand for cheaper real estate.

4. CONCLUSION

The Great Recession of 2007 has taught the global economy a costly lesson of whatit means for the real estate sector to be out of control. The US economy alone incurred a financial loss of more than $14 trillion, and more than 20 million jobs were lost worldwide[64]. This was a crisis of confidence, when people's trust in governmentsand businesses was at an all-time low. Perhaps unfortunately, this is a trend that continues to prevail today. Governments must find the formula to regain consumer confidence and prioritize the communities that have been most disadvantaged by therapid financialization of real estate in order to provide equal access to affordable housing across all segments of society. As seen in the case studies of the United States, Finland, and Portugal, the most successful and sustainable real estate markets are not those which focus on the over-regulation of housing (which often drives up housing prices rather than increasing affordability) but are the markets which best promote the growth of its real estate sector while also ensuring that needs for affordable housing are actively met across various sectors of society. Suchmarkets focus on improving the accessibility of housing finance by reducing the costs associated with mortgages (for example, in the United States and Finland where interest rates are near-zero). Successful markets also understand the importance of creating incentives to build affordable housing at a sustainable rate, such as in Portugal through their Affordable Rental Program (which is mutually beneficial to both landlords through tax breaks and to tenants who receive cheaper housing for longer periods of time). Furthermore, these markets do not neglect the importance of the financialization of real estate, and instead create policies and regulations to encourage real estate investment to grow the economy. However, above all, successful housing markets must always ensure that consumer safety is apriority, and new laws such as those in the United States help buyers make smart and informed decisions which helps to foster the sustainable financialization of real estate. Developing economies must not only learn from these precedents, but must also strive to improve upon the policies and regulations used by successful markets to ensure that real estate is no longer treated as a commodity, but rather recognizedas a fundamental human right. By effectively allocating its time and resources to developing smart regulations that protect the consumer but do not hinder the efficiency of the market, improving housing finance accessibility, and focusing on creating schemes to incentivize the production of affordable housing, these developing housing markets can ensure the sustainable growth of real estate.

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