

Abstract

Households in Chinese cities today have to increasingly rely on the market to satisfy their housing needs. The growing freedom in choosing one's own residence implies increased variations in all aspects of housing consumption. Examination of individuals' housing preferences is crucial to understanding these variations. This paper studies the housing preference of Guangzhou people through choice experiments framed in state-of-the-art experimental design methods. Joint logit models comprising both neighbourhood and dwelling attributes are estimated for all subjects and for various sub-samples classified by family income, age, education, nature of employment organization, district of current residence, etc. The models are then used to compute utilities for different attribute levels, the impacts of these attributes on choice probabilities, and the relative prices that the subjects are willing to pay for buying a home in different districts, with different accessibilities, of different types, etc. Neighbourhood and location-related attributes are found to be more important than dwelling-related attributes in home purchase decisions. Further, factors such as family income, age, education, nature of employment organization, etc. are found, to various degrees, to have affected housing preference. Based on the preference structures revealed, we envision a new urban morphology to take shape in Chinese cities which is not too dissimilar from the ones in cities in the West, with the inner core dominated by the aged and the urban poor and the outskirts occupied by younger people and the rich and well-educated class.