

Study on the Development Path of Liaoning Province's REITs Business Under the Background of Financial Innovation

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Abstract: *Guided by policies such as the “Notice on Comprehensively Promoting the Regular Issuance of Infrastructure Real Estate Investment Trusts (REITs) Projects”, and in combination with the development practice of REITs in Liaoning Province, this paper analyzes the necessity and feasibility of the development of REITs business in the province under the background of financial innovation. By sorting out the asset base and practical cases of cities such as Shenyang and Dalian, it is found that Liaoning Province has inherent advantages in areas such as industrial parks and public rental housing, but there are problems such as insufficient operational capacity and lagging asset integration. The research suggests that a development path should be constructed from aspects such as the cultivation of assets in multiple fields, the upgrading of operation models, and the improvement of policy mechanisms, to provide financial support for activating the existing assets in Liaoning and promoting the revitalization of Northeast China.*

Keywords: Liaoning Province, REITs, Business development, Path innovation.

1. Introduction

With the in-depth advancement of the supply-side structural reform in the financial sector, infrastructure real estate investment trusts (REITs), as a crucial link for revitalizing existing assets and expanding effective investment, are increasingly playing a fundamental role in connecting the real economy and the capital market. With the successive issuance of a series of documents by the National Development and Reform Commission and the China Securities Regulatory Commission, including the “Notice on Comprehensively Promoting the Regular Issuance of Infrastructure Real Estate Investment Trusts (REITs) Projects” (NDRC Investment [2024] No. 1014), the pilot areas of REITs have been expanded from traditional infrastructure to multiple fields such as affordable rental housing and new infrastructure [1]. All of these have clarified the institutional guidelines for the innovation of local capital markets.

As the leading province in the revitalization of Northeast China, Liaoning Province has developed a series of high-quality infrastructure assets in recent years. At the same time, it is also confronted with problems such as asset accumulation and low utilization rate. The successful approval of the Shenyang International Software Park REIT in 2025 marks the first REITs business project in Liaoning Province, China, to be permitted by the regulatory authorities [2]. Meanwhile, the launch of the first rental housing private REITs product in Dalian in 2025 also indicates the potential of the regional market. However, compared with the more economically developed eastern provinces, the REITs market in Liaoning Province clearly lacks a sufficient asset pool and a dedicated operation team, and is lacking in both finance and cross-regional cooperation. Based on such a situation, this paper, through empirical studies in cities such as Shenyang, Dalian and Anshan, deeply explores the ideas and operation plans for conducting REITs business in Liaoning Province under the background of financial innovation, striving to provide certain guidance for the reform of infrastructure investment and financing models within the region [3].

2. The Necessity of Innovation in REITs Business Development in Liaoning Province

2.1 The Urgent Need to Revitalize Existing Assets

In the field of infrastructure construction, it has a large amount of existing assets, which are concentrated in the old industrial base of Liaoning Province. The construction area of industrial parks in Shenyang and Dalian alone exceeds 10 million square meters. Moreover, the Shenyang International Software Park project itself has a property building with a volume of 201,200 square meters. However, the large scale is also accompanied by disadvantages such as poor liquidity and a relatively long period for capital recovery, which in turn leads to a shortage of investment funds for infrastructure and new infrastructure [4]. The issuance of REITs products can transform the rights contained in high-quality assets like Shenyang International Software Park into standardized financial products, thereby making the asset value explicit and achieving a transmission effect on activating existing assets. This further demonstrates the effectiveness of REITs' activation effect on assets themselves. For instance, the approval of the Shenyang International Software Park REIT It is expected to lead the subsequent investment in the digital economy industrial park to exceed 8 billion yuan and other facts.

2.2 Realistic Options for Alleviating Financial Pressure

In recent years, the demand for infrastructure maintenance and construction in Liaoning Province has been strong. It is estimated that the province's infrastructure investment will increase by 6.2% year-on-year in 2024, and the guarantee of fiscal funds is facing considerable pressure. The case of the issuance of REITs for the heating network in Jinan City to achieve the securitization of municipal assets shows that the issuance of REITs can effectively reduce the government's debt ratio. Currently, Shenyang is at a crucial stage of promoting urban renewal and industrial transformation and upgrading. In 2024, the urban construction plan is set to

complete investments of 48.5 billion yuan, an increase of 6.5% year-on-year. If they are integrated and issued through REITs, it will effectively supplementing fiscal funds [5].

2.3 Strategic Support for Cultivating New Quality Productive Forces

At present, Liaoning Province is making every effort to promote the construction of Digital Liaoning. New infrastructure such as the Baidu Intelligent Computing Center in Shenyang and the Dalian Artificial Intelligence Industrial Park have been successively implemented. However, they are facing problems such as long investment payback periods and immature business models. REITs can provide a closed-loop investment and financing mechanism for new infrastructure. For instance, GDS REIT has achieved scale expansion through asset securitization, with an annualized cash distribution rate exceeding 5%, offering a referenceable path for the market-oriented operation of new infrastructure in Liaoning. As the first REITs in the digital economy field in Northeast China, Shenyang International Software Park REIT has become a capital bond for cultivating new quality productivity in the region [6].

2.4 For Improving the Intrinsic Demand of the Financial Market

In September 2025, there were only one public REITs products in Liaoning Province, lagging behind Shandong Province's 4 in terms of issuance volume, with a significant market gap. The regular issuance of REITs can enrich the levels of Liaoning's financial market and attract capital from outside the province to participate in the development within the region. The issuance of Dalian Huafa Rental Housing private REITs has introduced southern capital to participate in the rental market in Northeast China, with an issuance scale of 322 million yuan, explains the appeal of REITs to cross-regional funds [7].

Table 1: The number and scale of public REITs products in some provinces

Province	The number of REITs products	Market size (billions, RMB)	Main coverage areas
Guangdong	20	31.83	Storage and logistics infrastructure, industrial parks, consumption infrastructure, and public rental housing
Jiangsu	19	25.19	Industrial parks, transportation infrastructure, and public rental housing
Hubei	11	21.12	Storage and logistics infrastructure, and industrial parks
Shandong	4	3.19	Clean energy and heating infrastructure

3. Innovative Measures for the Development of REITs Business in Liaoning Province

3.1 Build a Multi-field Asset Cultivation System to Consolidate the Foundation for REITs Issuance

3.1.1 Deeply cultivate the REITs sub-market of industrial

parks

The Liaoning provincial government should draw on the successful experience of the Shenyang International Software Park REIT to promote the integration of resources in industrial parks throughout the province. The Shenyang Municipal Government should rely on the "Northern Computing Valley" to build and integrate the Digital Cultural and Creative Industrial Park in Huanggu District, the Artificial Intelligence Industrial Park in Hunnan District, etc., replicate the "6 Find 1 Guidance" service model, expand value-added services such as entrepreneurship incubation and bank-enterprise connection, and break through the limitations of the tile economy. The Dalian Municipal Government should fully leverage the 20 years of operational experience of Dalian Software Park, guide Dalian Software Park Co., Ltd. to take the lead in integrating the industrial carriers of the High-tech Zone and the Economic Development Zone, and create a composite asset package of "operation services + investment incubation" [8]. The Anshan Municipal Government should focus on the steel characteristic industrial park, incorporate environmental protection facilities, logistics support and other aspects into the asset category, and enhance the stability of asset returns. The provincial development and reform commission takes the lead in building a provincial-level industrial park REITs cultivation database, providing policy preferences to projects that have been in operation for at least three years and have an occupancy rate of over 80%.

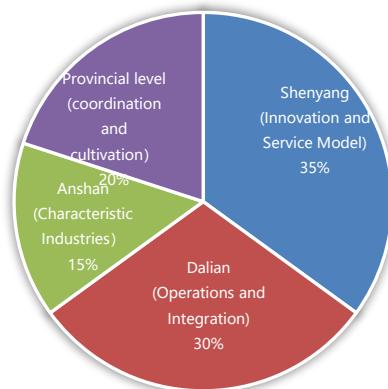


Figure 1: Distribution of product types Purchased by paid investors

3.1.2 Promote the large-scale development of REITs for public rental housing

The Department of Housing and Urban-Rural Development of Liaoning Province should take Dalian Huafa Rental Housing REITs as the basis to improve the asset integration mechanism of the province's affordable housing. The Shenyang Municipal Government should leverage the advantages of the supporting properties in Huanggu District, benchmark against Xiamen Anju Group, guide the district's state-owned enterprises to carry out self-operated leasing business, and build the "Shengjing Talent Apartment" brand on the basis of projects such as Meide Hantang, to achieve the dual goals of "work-residence balance" and asset appreciation. The Dalian Municipal Government can expand the issuance scale of ABS for rental housing, incorporate industrial supporting housing in the High-tech Zone and Economic

Development Zone into the asset package, and strive to upgrade it to a standard public REITs. The provincial development and reform commission should take the lead in establishing a cross-city asset integration mechanism. For projects with insufficient scale in a single city, it should coordinate relevant cities to meet the net value requirement of 800 million yuan through a “multi-region joint” model, and promote the batch issuance of REITs for public rental housing [9].

3.1.3 Cultivate characteristic ips of consumption infrastructure

The Department of Commerce of Liaoning Province should learn from the experience of commercial resource operation in Huanggu District, Shenyang City, and make top-level designs for the release of the value of commercial real estate throughout the province. The Shenyang Municipal Government should coordinate resources such as Wanda Plaza in Huanggu District and Zhongjie Pedestrian Street in Shenyang District, and introduce operating enterprises like China Resources Group to enhance the efficiency of traditional shopping malls like Beixing and Qianjin Market. The Dalian Municipal government plans to integrate the commercial complexes and popular farmers' markets around Xinghai Square, and build a mixed asset package of “culture and tourism + commerce”. On the basis of maintaining the “flavor of daily life”, it will increase cash flow income. The Jinzhou Municipal Government should focus on the Liaoxi Small Commodities Wholesale Market, adopt the “unified management+brand empowerment” model to enhance operational norms, and cultivate regional consumption infrastructure REITs projects [10]. The provincial Department of Commerce should, in collaboration with the provincial State-owned Assets Supervision and Administration Commission, establish a commercial asset rating system. Projects with annual revenue exceeding 200 million yuan and excessively high floor efficiency will be given priority for inclusion in the provincial REITs candidate pool as policy support.

3.2 Innovate the Operation and Management Model to Enhance the Asset's Income-generating Capacity

3.2.1 Promote the professional transformation of operating entities

The State-owned Assets Supervision and Administration Commission of Liaoning Province should take the lead in cultivating a number of local professional operation institutions, support the operation team of Shenyang International Software Park in establishing an independent management company, and provide an integrated service of “park operation + REITs management” [11]. The provincial state-owned assets supervision and administration commission should encourage provincial state-owned enterprises to cooperate with domestic leading enterprises such as China Resources and Hongkun, set up joint venture operation platforms in Shenyang and Dalian, and introduce experience in building industrial ecosystems. The provincial Development and reform Commission should, in conjunction with the provincial State-owned Assets Supervision and Administration Commission, establish a rating mechanism for

operation institutions, incorporate the proportion of service income and the success rate of enterprise incubation into the evaluation system, and give priority to the selection of projects to the top 10 institutions in the rating. The provincial education department should coordinate with Dongbei University of Finance and Economics to establish a REITs professional direction, carry out specialized training for operation talents, and cultivate compound management talents.

3.2.2 Build a diversified income growth mechanism

The Development and Reform Commission of Liaoning Province should urge and guide infrastructure projects to change their single revenue type and strive to achieve a revenue structure of “basic income + value-added services”. For park-type projects, the provincial Development and reform commission should urge the operating entities to increase the proportion of value-added service income by more than 30%, and guide Shenyang International Software Park to replicate the investment and incubation practices of Hongkun Industrial Park, earning investment returns by participating in the enterprises entering the park. For consumption-related projects, the provincial Department of Commerce should urge them to introduce the “rent-sharing” model, such as the revenue-sharing terms agreed upon between the Wanda Plaza in Huanggu District and the merchants that have settled in. For municipal projects, the provincial Department of Housing and Urban-Rural Development should guide the expansion of value-added services, such as adding water quality testing services in water supply projects. The provincial state-owned assets supervision and administration commission should establish incentive policies for revenue growth. For projects with value-added service revenue exceeding 20%, bonus subsidies should be provided to the operation teams.

3.2.3 Cultivate diversified market participants

The Liaoning Regulatory Bureau of the China Securities Regulatory Commission has guided securities firms and fund companies within its jurisdiction to build professional REITs teams and supported CITIC Construction Investment and others in expanding their business scale. The provincial financial regulatory bureau promotes the entry of insurance and social security funds within the province into REITs investment and provides risk compensation to institutions that invest in projects within the province. The Provincial Development and Reform Commission takes the lead in establishing the Liaoning Province REITs Industry Alliance, integrating intermediary forces such as investment banks, law firms, and accounting firms to provide full-process services [12]. The provincial State-owned Assets Supervision and Administration Commission actively introduces high-quality management institutions from outside the province and cooperates with local enterprises such as Dalian Huaxin and Shenyang Financial Holdings to enhance the regional operation and management level.

3.3 Explore a Distinctive Development Path and Build the Brand of Liaoning REITs

3.3.1 Build regional benchmarks for digital infrastructure

REITs

The Department of Industry and Information Technology of Liaoning Province should take Shenyang and Dalian as Windows, make an overall layout, and build a REITs cluster of “intelligent computing power” and “data centers”. The construction of REITs clusters should fully leverage the advantageous resources and core elements of both cities, make scientific plans, and achieve integration within the same city. The People’s Government of Shenyang City should focus on the Huanggu District of Baidu Intelligent Computing Center, strengthen the construction of this project, and prioritize the leading enterprises to drive the agglomeration and development of the industrial chain. Centering on the main players in the industrial chain, gradually build a complete intelligent computing power ecosystem. At the same time, with the exploration of consumer demands as the leading factor, realize the demand chain development model, thereby achieving large-scale development. It is hoped that REITs will be issued in 2027 to promote regional economic development. The Dalian Municipal Government, relying on its own advantageous resources, will integrate and coordinate the existing Dalian Artificial Intelligence Industrial Park and Dalian Marine Data Center to form a high-quality investment package that not only serves as a “computing power foundation” but also has practical uses, achieving the superposition of Dalian’s technical foundation advantages in the field of artificial intelligence and functional positioning advantages in the field of Marine economy. Meanwhile, the Development and Reform Commission of Liaoning Province should take the initiative to propose and, in conjunction with relevant departments, apply for the Northeast Digital Infrastructure REITs Innovation Pilot Zone [13].

3.3.2 Develop products that integrate cultural tourism with municipal affairs

The Department of Culture and Tourism of Liaoning Province should fully draw on the successful case experience of municipal REITs in Jinan City, and work in coordination with the Provincial Department of Housing and Urban-Rural Development to promote the securitization process of Liaoning’s characteristic public resources, activate existing assets, and enhance the economic development potential of local governments [14]. The Shenyang Municipal Government should, from the perspective of top-level design, systematically integrate the Fangcheng Cultural Tourism Area with related municipal service projects such as heating and water supply in the urban area of Shenyang, and explore a dual-engine composite REITs model of “cultural tourism IP+ municipal services”. For instance, the commercial supporting services related to the Shenyang Imperial Palace area and the heating pipelines related to the urban area can be combined into the same asset pool. And carry out integration to achieve supporting development with cultural tourism, making the project more attractive and sustainable. For the Dalian Municipal Government, it can also take advantage of its resource strengths to integrate the cultural and tourism resources and parking lot assets of Xinghai Square, and design a dual-income model of “ticket sharing/parking lot charging”, thereby enhancing the comprehensive income level of the project, increasing stability, and reducing investors’ concerns about income risks [15]. The Anshan Municipal Government

can also design products from the perspective of industrial tourism. In light of local conditions, it can package and issue the Steel Museum, the renovated old factory projects and the nearby related municipal facilities, forming a local characteristic “revitalization” case of industrial heritage. While tapping the potential of industrial heritage, it can achieve both protection and development and utilization. It can also be developed into a “pilot” model for industrial tourism, serving as a benchmark for enhancing the city’s cultural soft power and economic competitiveness [16].

4. Conclusion

In conclusion, REITs are not only an important financial tool for revitalizing existing assets, but also a key approach to promoting the transformation of urban development models in Liaoning Province. All regions in Liaoning Province need to, in light of their own development realities, base themselves on their industrial foundations and the demands of urban renewal, and steadily promote the development of REITs through the dual effects of innovative concepts and channels. By establishing a multi-field asset cultivation system, consolidating the foundation for REITs issuance, improving the policy coordination mechanism, optimizing the REITs development ecosystem, exploring distinctive development paths, and creating the Liaoning REITs brand and other innovative approaches, the accumulated infrastructure assets will be transformed into capital momentum to drive urban upgrading. To explore a sustainable development path for the comprehensive revitalization of Northeast China and achieve multiple goals such as revitalizing existing resources, promoting investment and benefiting people’s livelihood.

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