

HD **Chinese** Builder Greenland to Expand in Existing Markets

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WC 642 words

PD 16 December 2014

ET 18:47

SN Dow Jones Newswires Chinese (English)

SC RTNW

LA English

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NEW YORK--After a breakneck pace of expansion in overseas markets, **Chinese property** developer Greenland Holding **Group** wants to deepen its investment in markets where it already has a presence rather than focusing on new countries.

The comments this week from Chairman Zhang Yuliang suggest the **company** could place further bets in markets like New York and Sydney. The Shanghai-based **company** has been at the forefront of a wave of **Chinese** investment in real **estate** in major foreign cities, investing about \$20 billion in overseas projects since 2013. It has expanded into 13 cities in nine countries, including the U.S., Australia and the U.K.

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"We will focus on deepening our presence in existing markets," Mr. Zhang said in an interview this week at New York City's Barclays Center, home of the Brooklyn Nets basketball team and where the **company** is developing a project. "It isn't like we have a presence in 10 places now and will have to expand to 20. We'd increase our investment in cities where there is potential for growth, in the big cities. We will maintain a stable pace of increasing our real-**estate** investments abroad."

He didn't give further details.

Many **Chinese property** developers followed their customers, who are looking for homes overseas as well as to diversify from a sharp downturn in the domestic **property** market. **Property** developers such as Country Garden Holdings Co., **China** Vanke Co. and Landsea **Group** Co. have invested in **residential property** projects abroad, while other investors such as insurers and banks are buying up office buildings and hotels.

Greenland **Group** has been on an aggressive expansion spree which has propelled the once-unknown **firm** onto the global stage. Mr. Zhang said his **company** is the world's largest **property** developer by floor space under construction, at 76 million square meters, and by sales revenue, which he said would to exceed 240 billion yuan, or \$40 billion, this year.

Mr. Zhang was speaking after a groundbreaking ceremony of an 18-story, 298-unit, affordable-housing building in its multitower Pacific **Park** Brooklyn project, which was previously known as the Atlantic Yards. Greenland **Group** is developing the \$4.9 billion project jointly with Forest City Ratner Cos., a unit of Forest City Enterprises Inc.

"It's not just size. We want to improve the quality, efficiency and business model of the **firm**," he said, adding that Greenland **Group** is looking to increase the international reach of its real-**estate** projects, and not just cater to **Chinese** buyers. "Our projects must be tied to the development and demand of the city where we are in," he added.

Mr. Zhang said the **company** needs to do more to fuel its global expansion drive, including familiarizing itself with local laws and taxes and to adjust its ambitions to the size of its staff. "We also have to beef up our management of currency fluctuations," he said.

Moves by large developers such as Greenland **Group** are closely watched by their smaller peers, which are also beginning to invest more heavily in **property** projects offshore, said **property** consultancy

Knight Frank in a report. Some have taken a "shotgun approach, engaging a wide variety of advisors, (tax, legal, real-estate advisory, design and government) with mixed results," it said.

Greenland Group said it expects its overseas revenue from presales -- or sales of property units before they are completed -- to reach \$3.9 billion this year. It said \$400 million would come from sales from its Metropolis project in Los Angeles. It has also sold housing units in its projects in Sydney and South Korea.

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16-12-14 0747GMT

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AN Document RTNW000020141216eacg000a1