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HD **Chinese** eyes on homes
BY JESSICA MARSZALEK
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TEN million wealthy **Chinese** want to move to Australia and the desire for an Aussie lifestyle is behind crowds buying in Melbourne's most exclusive suburbs, experts say.

Suburbs close to private schools and the CBD were the most popular, with Toorak, Brighton, Hawthorn, Albert **Park**, Middle **Park** and Deepdene in high demand.

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And 36,000 new apartments bought by foreign investors are currently being built — more than half of them in Melbourne and some of them wholly bought by foreigners.

A parliamentary inquiry is investigating foreign ownership of **residential** properties following concerns wealthy foreigners, particularly from **China**, are buying homes in Melbourne and Sydney and pricing out locals.

First National Real **Estate**'s Stewart Bunn told yesterday's hearing as many as a quarter of all home buyers in the top end of the Melbourne, Sydney and Queensland markets are mainland **Chinese**.

Asian investment **group** CLSA presented research showing almost half of **China**'s 70 million wealthiest people wanted to emigrate, and 10 million had Australia in mind.

"The top two reasons are clean environment and better education for their children," senior analyst Andrew Johnston said.

This intention and the belief Australian real **estate** brought big gains was driving investment which had boomed in the past two years, he said.

There are no restrictions on foreigners investing in new homes in Australia, but they can only **buy** established homes if they have a valid visa.

Once that expires, they have six months to sell.

Those who had been found wrongly renting out Australian properties after returning home had been made to sell up but were allowed to keep their rental "windfall".

Mr Bunn said realtors felt some were lying about their visa circumstances when buying and regarded the potential \$85,000 fine as "low risk".

But UBS Australia chief economist Scott Haslem said Australian first-home buyers in the market for new Melbourne and Sydney CBD apartments "must be" facing greater competitive pressure because of Asian buyers. jessica.marszalek@news.com.au

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