

FINANCIAL REVIEW

SE **Property**
HD **Ausin close to \$1b in sales**
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Ausin, a **property**, financial services and immigration advisory **group**, claims to be on track to sell more than \$1 billion of **residential** Australian **property** this year to **Chinese** investors, chiefly from the mainland.

Ausin managing director, Joseph Zaja, said it has **sold** more than \$260 million and 450 properties in the past three months and that demand was growing as it built a sales and advice network across major mainland **Chinese** cities. "Overseas investment has only just started," Mr Zaja said.

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It was being driven by a strong Australian **residential property** market, a buoyant international student market, tougher investment rules in **China** and traditional favourite locations for Asians, such as Vancouver, Canada, tightening rules.

Investments totalling billions of dollars were being placed by **Chinese** ex-pats, who were highly visible at weekend auctions in Melbourne and Sydney, and Asian developers, who account for more than half of the 36,000 apartments planned around the country. Mr Zaja also attributes strong sales to his network of offices in major mainland cities, such as Beijing, Shanghai and in major mainland business centres.

The traditional approach has been to market one-off investments projects, typically on road-shows through **Hong Kong**. **Chinese** are major investors in overseas **property** to diversify risk, as a prelude to immigration and to provide accommodation for their children while studying overseas. Restraints in **China**

They have also been discouraged buying multiple properties in **China** by authorities who have imposed high loan-to-value ratios on second properties and who have restricted borrowing on third and more properties. In Vancouver, where large numbers of **Hong Kong-Chinese** have emigrated, there has been a reduction in investment and visas by the Canadian government amid concerns that it was inflating local prices.

Five-year-old Ausin has more than 300 employees and 11 offices.

"All of our overseas buyers go through Australian banks and usually borrow about 70 per cent of the **purchase** price," Mr Zaja said. The typical buyer is between 35 and 60, is seeking to spread investment risk away from **China**, considering a foreign education for their children and possibility permanent residency.

Australian rules about overseas buyers being restricted to new **property**, means the bulk has been in, and around, the central business districts of Sydney and Melbourne.

The main recipient has been Melbourne, because of the recent surge in **apartment** approvals. Inner city areas, like Toorak, are popular, and large communities are developing in middle-ring suburbs, particularly in the south-east suburban corridor.

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