

HD Neighboring countries a lucrative option in **property** investment

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Political and economic stability, favorable foreign ownership rules and strategic locations are fueling demand for overseas properties among Indonesians.

Hartono, a father of three, originally rented an **apartment** in Singapore for his sons who were studying in the country. Later, he decided to **buy** his own **apartment**. "I never meant it for investment. It's simply for my children who were studying there, and for me and my wife when visiting them."

He thought of renting the **apartment** when his children left for their academic exploits in Australia. "However, with my current job requiring me to commute between Singapore and Jakarta, and one of my sons going to work in Singapore, I decided to make use of the **apartment** for my family's accommodation needs. It's actually making life easier," he said.

Hartono is one of many Indonesians who own **property** abroad as an investment and for family stay purposes. Relatively easy requirements govern foreign ownership of condominiums and apartments in Singapore.

On top of that, foreigners are eligible for Singapore dollar mortgage loans. According to data published by the Far East Organization, 27 percent of private **residential property** buyers in Singapore are foreign buyers, the majority from Indonesia and **China**, followed by Malaysia, South Korea, the UK, the US and Australia.

Owning **property** in Singapore is conducive for foreign buyers owing to the country's political stability, strong economy, clear foreign ownership law, as well as competitive pricing on new homes as the result of a cooling measures policy created by the Singapore government years ago.

While people like Hartono picked a **property** location based on the proximity to school and the workplace, others may consider different factors. Singapore Real **Estate** Exchange (SRX), an association of leading real **estate** agencies in Singapore, recommends investors take a second look at **property** locations before deciding on a **purchase**.

In its press release, the association suggests "Geylang is situated in an excellent location, surrounded by expressways with quick access to downtown, Marina Bay, East Coast **Park** and other points of interest. What Geylang needs is some re-zoning and a facelift to enable the area to compete with the more fashionable neighboring areas."

Other prime locations are Novena and Balestier.

Singapore Urban Redevelopment Authority (URA) released a report that 1,964 uncompleted private **residential** units were up for **sale** in the first quarter of 2014. One of the latest projects by MCL Land is Lakeville, located in Jurong West Singapore, which **sold** 210 of 230 units back in April. The condominium project is scheduled to be completed sometime in 2017.

Australia is another sought-after **property** location among Indonesians. Many of them share the same view as those investing in Singapore in that political stability and a strong economy in both countries secures their long-term objectives of **property** investment.

Foreign investments have significantly contributed to Australia's income gain. In 2012 - 2013, Australia's Foreign Investment Review **Board** (FIRB) gave permission for foreigners to **purchase residential** properties, leading to the country gaining an additional A\$17 billion (US\$15.79 billion) in the housing market.

A recent survey conducted by NAB Quarterly Australian **Residential Property** found that foreign buyers now accounted for 13.9 percent of total new **property** and 9.5 percent of existing **property** demand. The same survey also revealed that in Queensland, foreign buyers made up 24.4 percent of the demand.

Burgeoning interest has increased the supply of new developments, as non-residents aren't allowed to **purchase** previously owned **property** in Australia. Every **property purchased** is subject to approval from FIRB. It is advised that foreign buyers obtain FIRB's approval before committing to purchasing any new housing unit. However, if a developer has obtained preapproval to sell their properties to foreign residents then that particular buyer does not need FIRB's approval.

In big cities across Australia, new high-rise towers are located in the city center. One of the popular developments is Leighton Properties' Mosaic in Fortitude Valley, Brisbane. The mixed-use residence offers "a unique lifestyle through the development's fabulous amenities, including a concierge service offering room service and cleaning, a rooftop garden and an entertainment area along with cafes and other retail outlets," explained Gavin Tonnet of Leighton Properties. The development features 212 apartments, a 48-room boutique **hotel**, more than 3,000 sq m of retail and **commercial** space and a 600 sq m residents-only rooftop garden.

"The integrated use of areas at Mosaic sets it apart from other developments. We're reinventing the urban backyard concept by creating one of Brisbane's largest rooftop gardens complete with grassed areas, private garden plots for green thumbs and modern entertaining and barbecue areas," Tonnet added.

Discovery Point at Wolli Creek, Sydney is another example. The new development offers stunning views from its **apartment** windows. Its developer, Australand, stated that 80 percent of the available units were **sold** out when the **property** was launched in December last year. And the project's north tower is slated to be on the market by 2015, with 75 percent of its units overlooking Cooks River.

Discovery Point is located within 10 kilometers from the central business district and right next to Wolli Creek train station.

Australia is one of the strongest countries for **property** price growth, according to the Knight Frank Global House Price Index.

RE austr : Australia | indon : Indonesia | brisbn : Brisbane | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | queensl : Queensland | seasiaz : Southeast Asia

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