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HD Foreign buyers' \$25b raid
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LP FOREIGN buyers splashed out up to \$25 billion on residential property in Victoria in the last financial year — substantially more than in any other state.

The [Foreign Investment Review Board's](#) latest annual report reveals 16,587 offshore buyers were given the go-ahead to buy new and existing homes, vacant land and properties for development in the state in 2014-15.

TD The figure was well up on the previous financial year, in which 9979 foreigners were allowed to snap up \$14 billion worth of Victorian real estate.

The [FIRB](#) report — which details how many offshore buyer applications were approved and their dollar value, but not actual completed sales — also reveals almost \$97 billion worth of real estate investment by foreigners was authorised in Australia in 2014-15. The Chinese had the biggest appetite for Aussie homes for the second consecutive year.

Approved Chinese investment in Australian residential and commercial real estate has now doubled for two years running, reaching \$24.35 billion in the last financial year.

This was more than triple the outlay from US buyers.

CONTINUED PAGE 4 FROM PAGE 1 Real estate agents in Melbourne's middle eastern suburbs say Asian buyers have driven their property markets more than any other group over the past two years.

"Chinese buyers are ... making property sales more competitive, and that has to increase prices," Jellis Craig Doncaster director Dallas Taylor said.

Mark Brown, director of Stockdale & Leggo's Glen Waverley and Mount Waverley offices, said his suburbs had become "two of the hottest spots for real estate in Australia", with their median house prices "skyrocketing" over the past few years.

"That's being driven by foreign buyers, whether they're here to stay or investing," he said. "Quite often money doesn't become an issue for them — it's about pride. They think, 'I'm here to buy the property at whatever price'. The vendors love it." Buyer's advocate Frank Valentic said while Chinese investment was "boosting our economy", it wasn't so positive for those trying to buy into parts of Melbourne.

"If you're trying to get into the market and you're getting beaten by an overseas buyer every week, it's a negative," he said. The [FIRB](#) report shows that after Victoria, the next most popular state with offshore buyers was NSW, where 12,079 foreigners spent up to \$19.7 billion on residential real estate.

Of the \$25.07 billion worth of foreign property investment approved in Victoria in 2014-15, \$5.55 billion was to be spent on established homes, split among 4664 offshore buyers.

Of this, \$840 million worth was approved for 575 foreigners who intended to demolish the existing dwellings and redevelop new ones.

"These are normally approved as long as the redevelopment increases Australia's housing stock, (with) at least two dwellings built for the one demolished," the report said.

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APPROVED FOREIGN PROPERTY INVESTMENT IN VICTORIA 2014-15 New dwellings: 8435 worth \$5.41 billion Existing property: 4089 worth \$4.71 billion Redevelopment: 575 worth \$840 million Vacant land: 3426 worth \$1.26 billion Developer (including off-the-plan approvals): 62 worth \$12.85 billion Total: 16,587 approvals worth \$25.07 billion TOP FOREIGN BUYERS OF AUSTRALIAN PROPERTY 2014-15 China: \$24.349 billion US: \$7.103 billion Singapore: \$3.85 billion Malaysia: \$3.43 billion Republic of Korea: \$2.528 billion Source: [Foreign Investment Review Board annual report 2014-15](#)

RECENT MELBOURNE PROPERTIES BOUGHT BY CHINESE BUYERS 5 GLENDORA LANE, DONCASTER EAST 5 bedrooms, 2 bathroom, 2 car parks Sold by Jellis Craig Doncaster for \$1.52 million 42-44 FROGMORE CRES, PARK ORCHARDS 5 bedrooms, 3 bathrooms, 2 car parks Sold by Jellis Craig Doncaster for \$1.43 million 91-93 SERPELLS RD, TEMPLESTOWE 5 bedrooms, 4 bathrooms, 3 car parks Sold by Jellis Craig Doncaster for \$3.8 million

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