

SE PrimeSpace
HD We'll all suffer if Chinese get cold feet: Triguboff
BY TURI CONDON, GREG BROWN, OUTLOOK
WC 527 words
PD 3 April 2014
SN theAustralian.com.au
SC NLAUSW
ED Australian
PG 26
LA English
CY © 2014 News Limited. All rights reserved.

LP

Overseas buyers are keeping the market buoyant, he says BILLIONAIRE apartment developer Harry Triguboff says apartment prices in some areas would fall 10-15 per cent if Chinese buyers stopped purchasing Australian residential property.

Mr Triguboff, whose Meriton group develops 2000 units a year in Sydney and southeast Queensland, also believes apartment rents would rise if the wave of Chinese developers withdrew, as fewer new projects would be built.

TD

"There is a fear that home prices are so high that people cannot afford them," Mr Triguboff said, adding that the cause was inefficient planning systems across the country.

Mr Triguboff was born in the Chinese city of Dalian and sells about 70 per cent of his apartments to Australians of Asian descent and offshore buyers.

"If production (of units) dropped, the impact would be a huge rise in rents," he said.

Chinese investment had underpinned sectors of the economy hard hit during the global financial crisis, he said, citing a boost to the construction industry and the flow on into home goods retailing and other parts of the economy.

China's biggest developer in the local market is Greenland Holdings Group, which last year recorded global revenue of \$55 billion and aims to invest \$1.5bn in Australian property this year.

The group will next month release the second stage of its first Australian project: the \$600 million luxury apartment tower called the Greenland Centre, on Pitt Street in the Sydney central business district.

Greenland is regenerating an old office building into what will be the tallest residential tower in Sydney. The group will begin selling 200 apartments in the development on April 12. This follows the sale of 300 apartments in the first stage released in December.

Greenland Australia managing director Sherwood Luo said that about half of the first stage went to overseas buyers, giving the group confidence that its Australian projects will be successful. He also said the company aimed to win over the local market. "The demand from overseas will stimulate local property development," Mr Luo said.

"It's not just a question to Greenland, but all the developers, and the whole industry benefits from the demand of overseas buyers." Greenland has this month bought two Sydney sites, in North Sydney and Leichhardt, for multi-million-dollar apartment developments. It is also bidding to develop the multi-billion-dollar Queens Wharf precinct in the Brisbane central business district. Mr Luo would not comment on these projects.

But he pointed out that Greenland's Australian foray would benefit the local community. "We bring funds, we create employment opportunities and we stimulate the local economy," Mr Luo said.

"All these things will be positive to the Australian economy, to people and to society." ANZ head of property research Paul Braddick said that Chinese investment in Australian real estate helped boost the

supply of housing, which was much needed in capital cities around the country. "If we were to see **Chinese** investment slowdown then we could see a turnover of the recent pick up in dwelling approvals," Mr Braddick said.

IN i5010022 : Residential Building Construction | i501 : Building Construction | iconst : Construction | icre : Real Estate/Construction

NS gcat : Political/General News

RE austr : Australia | china : China | greenl : Greenland | queensl : Queensland | sydney : Sydney | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia | namz : North America | nswals : New South Wales

PUB News Ltd.

AN Document NLAUSW0020140402ea43000lg