

HD **BRIGHT SIDE OF CHINA FACTOR**

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Two Chinese-born Kiwis in the property industry talk to Catherine Harris about why Chinese investment is a bonus for New Zealand.

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NEW ZEALAND will benefit from the capital Chinese are bringing into the country to fund more housing and commercial property projects, two Chinese-born property players say.

"From my point of view, I see it as an opportunity for New Zealand," says Sky Cai, a 30-year-old entrepreneur who manages the Library Lane apartment project in Albany. "We've got a fast-growing population, we need enough housing to satisfy people."

Cai came to New Zealand at 17. The Library Lane project, a \$100 million apartment complex on Auckland's North Shore, is his baby, backed by Kiwi and Chinese investors.

He expects the first stage of 130 apartments will get under way in February next year, with design and construction by Brown Day Group Architects and Ebert Construction.

So far around 80 units have been sold off the plans, to a range of students, empty nesters, first-home buyers and migrants.

The average apartment takes up 55 square metres and costs \$440,000.

Cai acknowledges that other Chinese-born people in the property industry like to keep a low profile.

"I think that's the culture. It confuses me as well at times."

But aware that Chinese have borne at least some of the blame for Auckland's soaring property prices, he thinks Kiwis should see the investment they bring - especially for development - as a positive.

After all, the only way to keep house prices stable is to stem the demand, he says.

But he warns that the money invested here should be here for the long-term, not "hot money".

"Because that's easy come, easy go. We need some real investment here."

Cai counts himself as a New Zealander, having been in the country for 14 years. He came as a fifth former to study in Christchurch and went on to Lincoln for a commerce degree.

After graduating he built up an import-export business, becoming one of GrabOne's biggest suppliers.

He also has shares in a construction company and has a couple of other projects on the go, including a terraced housing and apartment project on Albany highway and a Birkenhead sub-division.

With Massey University nearby and shopping centres not far away, Cai has high hopes for Albany.

"I believe it will be a second Takapuna," he says.

Another **Chinese** voice in the **property** industry is Sam Yin, the founder of **Chinese**-language **property** website hougarden.com.

Hougarden.com gets about 180,000 unique **site** visits a month, largely from **Chinese** people or **Chinese**-speaking New Zealanders, but also some from Singapore, **Hong Kong** and Malaysia.

Many of these people cannot access New Zealand websites because of **Chinese** firewalls, a problem Hougarden.com does not have because it has a server in **China**.

It also serves in an advisory role, putting customers in touch with lawyers, immigration consultants and brokers. **Chinese** people prefer relationships to bare facts and figures, Yin says.

Visitors to his **site** fall into four camps, the largest consisting of people looking to emigrate to New Zealand, he says.

They are followed by students whose parents are shopping for their accommodation, and permanent residents who have left New Zealand because of lack of job or business opportunities but who now want to return for a better family life.

However, Yin is also seeing a rising number of **Chinese**-born large project **property** investors, who use New Zealand architects and builders and target the Kiwi market.

He cites Library Lane, Albany's Hemisphere Apartments, some of the projects in Hobsonville and the 48-**apartment** Parkview Residences development on Eden Terrace as examples.

More widely, **Chinese** families are also behind the revamp of Auckland's St James and several other CBD building sites in recent months.

"About 50 per cent of apartments [being **sold**] off plans in Auckland are actually owned by **Chinese** developers," Yin says.

These people are attracting attention, "but they are making a contribution to the New Zealand economy".

Many people say **Chinese** push up the price of **residential** housing.

"For some people that is right because you're buying a freehold section and also there is no capital gains tax, and also a lot of **Chinese** do share the treasure of New Zealand, like fresh air, the food. They do want to come to New Zealand for living.

"So they are willing to pay a little bit more than the market price, because they do have those advantages."

However, would-be developers from **China** struggle with the cost of land and building supplies here, which is why Australia, Canada and the United States have been preferred destinations.

Yin, who has been in New Zealand since he was 19, says he can see both sides of the investment debate.

"Everything has double sides . . . Because the economy is growing, that makes the **property** industry always a very popular topic."

He concedes some Kiwis do worry because they can't afford **property** now.

"In the North Shore if you don't have one million, you couldn't really **buy** a **property** now. But with a lot of funding from **China** and other countries, that will make the whole economy grow, and bring more business opportunities into the country," he says.

"But maybe for the short-term, it will hurt some people's interests."

Fears that **Chinese** developers will bring in their own labour are unfounded, as it is quite difficult to do so, he says.

Similarly, **Chinese** building materials imported still have to meet New Zealand standards.

Before starting Hougarden in 2012, Yin graduated from Auckland University and worked as an accountant and for a software development **company**.

His own story is a common one: he stayed after graduating because of his friends, got married and his children were born here.

"The reason I stay is because I have been here 15 years and when I go back to **China** . . . it's a little bit different because of too much time overseas."

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