

# FINANCIAL REVIEW

SE **Property**  
HD **Buy a weekend flat in London**  
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If the ultra-wealthy could travel at more than 6500km/h, buying their luxury home would be location-driven, rather than motivated by travel times.

A New Yorker or a **China**-based investor could arrive at their second home in Europe within two hours, making an international weekender a reality.

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Virgin Galactic founder and entrepreneur Richard Branson has invested heavily in designing a way of flying outside the earth's atmosphere.

He has predicted that suborbital flying will allow the world's super-rich to embrace the ultra-fast flights. This would allow easier access to luxury **property** all over the world and could reshape the premium market, according to global real **estate firm** Knight Frank. The suborbital flying technology would also affect **commercial property** space as the potential for extreme-speed flying evolves over the next 20 years.

Virgin Galactic expects to launch suborbital flights between London and Sydney by 2020. The trip would take just 2½ hours.

"Expect more **property** demand, more development, more travel and, as a result, more people searching for really private escapes. Maybe it's time to invest in that South Pacific **island** you've had your eye on," Knight Frank said in its annual wealth report.

The real **estate group** released its annual wealth survey on Thursday. It takes a broad look at where the world's ultra wealthy individuals spend their money and attitudes toward the global and luxury investment markets.

Three-quarters of the wealth analysts and bankers Knight Frank surveyed agreed the world's rich are growing richer. London calling Asian investment in **property** continues to grow. More than 76 per cent of all offshore investment into the UK, US and Australian **property** markets was from Asia.

Luxury **residential property** was most expensive in Monaco, **Hong Kong** and London – prime homes in Sydney ranked the seventh-most expensive on Knight Frank's international list. Investors in **commercial property** have been looking beyond the traditional hotspots. Regional UK cities, such as Birmingham and Manchester, are grabbing attention and now that conditions have stabilised in Dublin, prime yields are hardening.

Matt Whitby, head of Knight Frank Research Australia, said Australian yields appeared high to investors from the US, Singapore and **Hong Kong**.

The strong Asian appetite for Australian assets, combined with slowdowns in the local mining sectors, have created different conditions in the sales and leasing market. Mr Whitby said leasing demand may rise from technology firms and for warehouse space from the big online retailers.

Skyscrapers are generally ranked according to floors and height. But stacked according to capital value, Sydney is the sixth-highest ranking city for skyscrapers in the world, unsurprisingly behind **Hong Kong**, Tokyo, New York, Singapore and London. More than 40 per cent of respondents to the wealth survey said their clients had increased their exposure to **commercial property** and expect investment to rise further this year.

Besides **property**, wealthy individuals have been investing in classic cars – values have increased 28 per cent in 12 months. Interest in coins has grown in **China**, India and Russia and rare stamp values have also risen. Gold is still in favour, despite falling prices over the past 12 months.

**CO** vglctl : Virgin Galactic LLC | virgin : Virgin Group Ltd

**IN** ireest : Real Estate | icre : Real Estate/Construction | i751 : Space Transport | itsp : Transportation/Shipping

**NS** ereal : Real Estate Markets | ccat : Corporate/Industrial News | glux : Luxury Homes/Estates | gsech : Second Homes | e11 : Economic Performance/Indicators | ecat : Economic News | gcat : Political/General News | glife : Living/Lifestyle | gpersf : Personal Finance | greest : Real Estate/Property

**RE** austr : Australia | eland : England | london : London (UK) | sydney : Sydney | apacz : Asia Pacific | ausnz : Australia/Oceania | eecz : European Union Countries | eurz : Europe | nswals : New South Wales | uk : United Kingdom | weurz : Western Europe

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