

SE Business
HD **Chinese** housing fear 'unfounded'
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WC 523 words
PD 17 November 2014
SN The Australian
SC AUSTLN
ED Australian
PG 24
LA English
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THE Australian entrepreneur who developed a now booming global real **estate** portal for **Chinese** investors says there could be a "racist" element to the backlash from first-home buyers against soaring investment from **China** in the nation's **property** market.

Shanghai-based Andrew Taylor, co-founder of juwai.com — now **China**'s largest international **property** website for **Chinese** buyers — said he believed the backlash against **Chinese** investors in Australian **property** was "not based on any data".

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"No one was ever complaining when it was people from Canada, from the US and the UK investing in larger sums than what the **Chinese** are doing now. No one ever batted an eyelid. So there is a question mark on whether there is some element of racism or people just not being familiar with the audience," Mr Taylor told The Australian after addressing a forum at the G20 in Brisbane.

"When you have a heated **property** market in Australia that is difficult for first-home buyers, it is easy to start picking on people who look a bit different and are easy to identify rather than a seasoned Australian investor who is buying up a whole heap of first-home buyer stock and then renting it out to the people that couldn't afford to **buy** it." He said that for every example of **purchases** involving **Chinese** investors, "I can give you three or four local examples that are having the same or even greater impact".

Chinese investors have been the largest source of foreign demand for Australian **property** this year and Credit Suisse has forecast that **Chinese** nationals will **buy** about \$44 billion in **residential** real **estate** over the next seven years.

Juwai, which has been asked by the Foreign Investment Review **Board** to provide data on **Chinese** **property purchases** in Australia, is planning to release a report next year that Mr Taylor said would offer transparency "to the whole global as well as Australian **Chinese property** buyer".

It will show that international **Chinese property** buyers wanting to **purchase** in Australia have an average budget of \$US2.6 million (\$3m) whereas **Chinese** residents within Australia have a much lower budget of around \$US800,000 and are largely focused on **purchases** around the \$US500,000 level.

Juwai was launched in 2011 and aims to provide a portal for overseas real **estate** marketers to reach **Chinese property** buyers. Its co-founder is Simon Henry.

Mr Taylor is a former executive of online real **estate firm** REA **Group**. While Australian **property** has long been a popular choice for **Chinese** money, the flow of investment has allegedly increased following the **Chinese** government's crackdown on corruption.

But Mr Taylor said allegations of illegitimate **Chinese** transfers of money into the Australian market had been overplayed. "I don't accept the premise that there is evidence of people funnelling money illegally into the Australian **property** market," he said. "Let's come up with evidence of that. If they did,

I would suggest they look at the Canadians, the US, the UK guys who have been doing it for a long time before this.”

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AN Document AUSTLN0020141116eabh0001j