

SE World  
 HD **Wealthy Chinese head Down Under**  
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In recent weeks, wrecking crews have embarked on a job that symbolizes the international economic clout of the **Chinese** elite: razing an Australian mansion with stunning views of one of the world's most picturesque harbours.

Craig-y-Mor, an elegant 106-year-old home owned over the years by several prominent Sydney businessmen, was bought in 2008 by the son and daughter-in-law of a former senior member of the **Chinese** Politburo for \$32.4 **million**.

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The new owners, Zeng Wei and Jiang Mei, sought permission to demolish the two-storey brick house and replace it with a five-level modern concrete structure with huge windows.

The scale and design of the plan horrified some neighbours and government officials. After the municipality refused to allow demolition, Zeng's lawyers appealed to a state judge, who overruled that decision.

Australia relies on **China** to buy much of its two main exports, **coal** and **iron ore**.

But many say there's a downside to **Chinese** investment: surging property values.

Even though Australia is sparsely populated, house prices in its biggest cities are comparable to those in Washington, San Francisco and Paris.

Apartments overlooking the city's famous Opera House sell for more than \$10 **million**.

"A generation of Australians are being priced out of the property market. Many face a lifetime of renting," Damien Boey, an analyst at investment bank Credit Suisse, wrote in a recent note to clients.

Concerns that **Chinese** buyers could be driving a property bubble are so widespread that the Australian parliament recently began an investigation.

Little is known about Zeng.

His father is Zeng Qinghong, the vice-president of **China** from 2003 to 2008, and a player in the leadership manoeuvring over the past decade that led to the rise of President Xi Jinping.

Foreign Policy magazine reported in 2012 that Zeng Wei was involved in the clandestine privatization of the state-owned Luneng power-generating **company**, which had more than \$9 **billion** in net assets.

Zeng, who is reportedly in his mid-40s and has young children, didn't respond to a letter seeking comment on the Sydney home.

John Landerer, managing director of the law **firm** that represented him in his dispute with the municipal council, declined to comment.

The architect designing the new house, Stephen Gergely, referred questions to a representative of the Zeng family, Gavan Slaughter, who also did not comment.

Bill Malouf, a veteran real estate agent whose **firm** brokered the **sale** of the house, said in an interview that Craig-y-Mor wasn't in need of renovation.

**Chinese** buyers prefer modern, symmetrical houses lacking the ornate detail common to many of Sydney's grand older homes, he said. Views of the Sydney's iconic Opera House and Harbour Bridge are important, he said.

"He was always going to do a major renovation," Malouf said of the buyer. "There was nothing wrong with the house."

A. Odysseus Patrick is a reporter for the Washington Post.

**ART** A 106-year-old mansion was knocked down in order to build another, bigger mansion for **Chinese** buyers. Dominic K. Lorrimer/The Washington Post

**RE** austr : Australia | china : China | 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 | nswals : New South Wales

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