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 HD **Wealthy Chinese to buy US\$39.4b of Aussie realty**  
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Wealthy **Chinese** will pour A\$44 billion (US\$39.4 billion) into Australian real **estate** over the next seven years, potentially pushing prices in one of the world's most expensive housing markets even higher, a study said yesterday.

Investment bank Credit Suisse used data from the Foreign Investment Review **Board** and other government agencies to estimate the amount of **Chinese** investment in Australian **residential property** at more than A\$5 billion a year.

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"They **purchased** A\$24 billion of Australian housing over the past seven years; we forecast they will **purchase** A\$44 billion over the next seven, to 2020," it said.

As the Asian powerhouse becomes richer, the ranks of those who could easily afford Australian real **estate** will swell beyond the current 1.1 million people, with implications for Australian homebuyers, it said.

"While Australia has some of the most unaffordable housing in the world, further strong **Chinese** demand can push prices even higher," it said.

"A generation of Australians are being priced out of the **property** market. Many face a lifetime of renting."

Australia has one of the most expensive real **estate** markets in the world on a house price to income ratio, while median house prices in Sydney and Melbourne have risen by more than 30 percent since the global financial crisis.

**Chinese** investment is welcomed by the Australian government, although it has become a sensitive issue after rural politicians warned against selling valuable farm and mineral land to foreigners.

The Credit Suisse report found that **Chinese** buyers — some of whom are restricted to buying only new homes — bought 12 percent of new housing nationally per annum, an amount considered insufficient to drive prices up across Australia.

But because they are concentrating their buying in the east coast cities of Sydney and Melbourne — where they are acquiring 18 percent and 14 percent of new supply — they were a much more powerful force in these markets, according to the report.

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