

HD More **Chinese** real **estate** buyers and agents in Australia

WC 428 words

PD 14 June 2014

SN Real Estate Monitor Worldwide

SC RSTWEN

LA English

CY © 2014 Global Data Point. All Rights Reserved. Provided by Syndigate.info, an Albawaba.com company

LP

Property buyers from **China** spent AUS\$5.9billion in 2013 and the number of **Chinese** agents in Australia is rising, too, increasing five-fold in five years, it is claimed

Not only is the number of **Chinese** buyers of Australian **property** rising, but the amount of agents is also fast increasing.

TD

The total of **Chinese property** agents marketing and selling Australian homes to mainland buyers has risen at least fivefold over the past five years, The Australian newspaper reports.

Chinese investors are also on the rise, spending AUS\$5.9billion in 2013 on Australian homes and agents say there is unprecedented demand for existing properties from foreign investors.

Other figures back up the fact that **Chinese** overseas **property** investment is rising. The 150,000 **Chinese** emigrating annually are expected to seek and **buy** properties globally worth more than 75billion yuan, says Li Qingwen, General Manager of DTZ Real **Estate** Consultancy **Company** Guangzhou.

Fu Zhenhuang, an analyst from Deloitte, says the most popular destinations have been London, and Manchester, New York, Singapore, Sydney and **Hong Kong**.

In the first quarter of 2014, institutional investors' offshore **property** investments rose 25% year-on-year to US\$2.1billion, while the sum going to **residential property** grew by 80%, according to global agent, JLL.

The overseas **residential property** investment by **China**'s institutional investors from January to March exceeded US\$1.1billion, smashing last year's record of US\$600million, with most favouring Australia, the UK and the US.

In Australia, it is claimed that some **Chinese residential** buyers have been able to exploit loopholes in Foreign Investment Review **Board** guidelines that are in place to protect local buyers.

Foreign investors are currently only allowed to **buy** off-plan developments, but some **Chinese** buyers are using law firms or children studying in Australia to **buy** luxury properties, a federal parliamentary committee set up examine the overseas **property** sector has heard.

The Foreign Investment Review **Board** has so far failed to prosecute any buyer for breaching the rules.

Frank Hu, founder of the ausproperty.cn website, who is based in Shanghai, says **Chinese** buyers are increasingly interested in Australia because of the current tax laws and the low 10% deposit required. Most **commercial Chinese** banks demand at least a deposit of at least 30%.

"In 2009, there were only around 20 **property** agents for Australian properties based in **China**, but now there are already over 100 agents," he says.

The Foreign Investment Review **Board** committee findings are due to be made public in October.

RE china : China | austr : Australia | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

IPD Real Estate

PUB Global Data Point Ltd.

