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INTERNATIONAL SHOPPERS



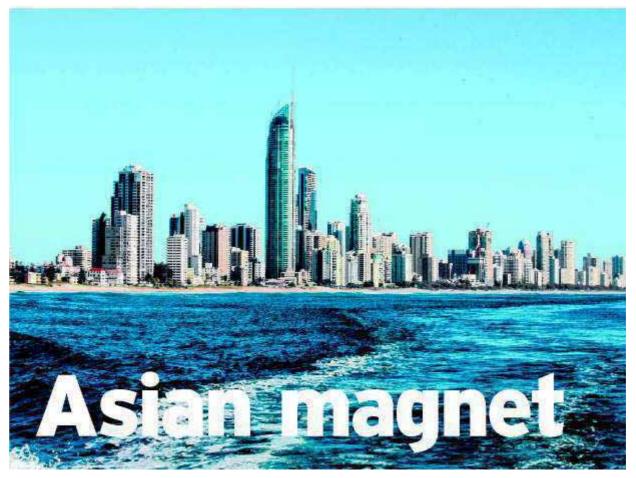
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Overseas buyers are still fascinated by the state's southeast, writes Michelle Hele

HILE its tourism industry comes to where overseas buyers want previous year. to spend their money in Queensland.

Brisbane is a far away second on the according to the latest Colliers International figures.

coming from has.

In the 1980s, Japanese investors were very prominent. Now they are fifth on the list. Buyers from China who didn't even make it into the top 10 in 2002—are now the leaders.

may be struggling through International research, buyers from the after-effects of the China spent 72 per cent more on global financial crisis, the residential property in Queensland in Queensland's residential property Gold Coast still tops the list when it the past year than they did the

Buyers from the UK had led the way in residential property spending list followed by other holiday havens, in Queensland for the previous four the Sunshine Coast and Cairns, years. South Africa came second on the list this year.

Colliers International research While the suburbs overseas buyers manager Lynda Campbell says are investing in has changed little over Chinese buyers were behind 161 transthe past decade, where buyers are actions across 11 different local government authorities.

In all, about 56 per cent of the purchases are for investment while the remainder is for owner-occupiers.

In Brisbane, buyers from China spent \$30.8 million on 61 deals, their

According to the latest Colliers next-biggest spend was on the Gold Coast where they spent \$29.3 million.

> Total foreign investment in market for the 2009-10 financial year was almost \$364.3 million, down from \$407.7 million last year.

> Campbell says the decline in spending is not surprising given the strength of the Australian dollar and current worldwide economic conditions.

> "With our dollar reaching parity against the US for the first time in recent history, this has flowed through to other currencies and I expect we may see it start to put downward pressure on foreign investment levels from not only the Americas but around the world," she says.

Colliers International Gold Coast

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director of project marketing Brinton Keath says the Gold Coast has long been the favoured destination for foreign buyers. He says that, more recently, foreign investors—particularly Asian-based buyers—have made purchase decisions based around the affordability and standard of tertiary education on offer.

He says Chinese investors, in particular, are increasingly looking for property which is attractive to locals, and which suits the Australian culture and climate, largely due to Foreign Investment Review Board restrictions

interest in Brisbane property from Asian-based investors was another indicator of a burgeoning local market. She says that, in the past six months, she has received significantly more inquiries from investors from China, Singapore, Korea and New Caledonia, for inner-city Brisbane property.

"Our figures are matching independent reports that Queensland is the second-most-sought-after state for foreign investors, in front of NSW, with Victoria leading the way," she says.

She believes the increase in international interest for local property

Those buying properties aren't just looking to park their investment dollars here, with many planning to make it their home.

Shabanzadch says that, in 2008 and 2009, there were 183 transactions from UK buyers, 133 of which were owner-occupiers. She says Chinese and Japanese buyers are looking to inner-city markets at the moment they want something close to infrastructure and value for money.

"Because, in China and Japan, what you get for your money is so much less."

She says buyers from Japan and China are often influenced by lucky numbers when buying properties, with the number eight considered particularly auspicious but the number four considered unlucky.

Gold Coast prestige agent Lucy Cole has noticed more attention from overseas buyers since the federal election was resolved, with buyer inquiries increasing.

"The Asian market are still our prime buyers and that is why we have opened up an office in Shanghai. A lot of the buyers are certainly coming from over there," she says.

"What they are looking for is new properties. They like houses, and they like them big and ultra-modern and of good quality."

Foreign investment in Queensland's residential property market . . . was almost \$364.3 million

relating to the resale of properties.

According to the FIRB, during 2008-2009, there were 2457 proposals approved for the acquisition of developed residential real estate. These were primarily temporary residents buying an established dwelling as their principal place of residence.

There were only three applications to invest in residential real estate knocked back during the period.

Ayda Shabanzadeh of property investment consultancy Grow Consulting Group says the recent influx of shows that Brisbane property is not over-priced, nor in a bubble.

Some transactions, according to Shabanzadeh, involve overseas investors buying property to house their staff who travel to Brisbane head-quarters for business frequently, rather than putting them up in a hotel.

Overseas-based buyers need to apply through the FIRB before they can buy a property or land in Australia, with the exception of new dwellings where the developer has pre-approval to sell to foreign persons.