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press clip

INTERNATIONAL SHOPPERS

TOP SPOT: The Gold Coast is popular with foreign buyers.

FOREIGN INVESTMENT IN QUEENSLAND RESIDENTIAL PROPERTY

2009-10

Country	Number	Value
China	161	\$71,494,355
South Africa	94	\$43,065,045
United Kingdom	98	\$37,213,629
New Zealand	95	\$32,150,457
Japan	32	\$23,252,746
New Caledonia	58	\$21,410,900
Singapore	45	\$16,191,722
Russian Federation	31	\$15,499,400
Malaysia	38	\$14,778,950
United States	20	\$11,142,275
Other (41 countries)	173	\$78,084,885

WHERE THEY ARE BUYING

2009-10

Local government area	Number	Value
Gold Coast	368	\$173,027,840
Brisbane	173	\$81,735,440
Sunshine Coast	52	\$29,338,950
Cairns	72	\$23,795,924
Moreton Bay	40	\$14,319,325
Ipswich	23	\$11,454,396
Townsville	21	\$7,675,900
Logan	19	\$5,578,900
Mackay	13	\$4,098,250
Fraser Coast	14	\$2,727,040
Other (17 LGAs)	50	\$10,532,399



Source: Colliers International



press clip



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

WHILE its tourism industry may be struggling through the after-effects of the global financial crisis, the Gold Coast still tops the list when it comes to where overseas buyers want to spend their money in Queensland.

Brisbane is a far away second on the list followed by other holiday havens, the Sunshine Coast and Cairns, according to the latest Colliers International figures.

While the suburbs overseas buyers are investing in has changed little over the past decade, where buyers are 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.

According to the latest Colliers International research, buyers from China spent 72 per cent more on residential property in Queensland in the past year than they did the previous year.

Buyers from the UK had led the way in residential property spending in Queensland for the previous four years. South Africa came second on the list this year.

Colliers International research manager Lynda Campbell says Chinese buyers were behind 161 transactions 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

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

Total foreign investment in Queensland's residential property 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

press clip

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.

Shabanzadeh 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 headquarters 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.