



Xu Jiayin, left, here with Alibaba founder Jack Ma, has been ordered to sell his Sydney mansion. PHOTO: GETTY IMAGES

Chinese property buyers spend big on their children, no matter how young

AUS. FIN. REV. 7/8 March 2015 P 5

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Shanghai Chinese overseas property buyers have an average budget of \$3.3 million to spend and more than two-thirds are willing to pay in cash, according to a Shanghai real estate website.

Australia is the second most-researched market after the United States, ahead of Britain and Canada. And investor focus is moving beyond the big cities to regional centres such as Wagga Wagga, new research shows.

Shanghai-based Juwai.com compiled the results based on 30,000 interviews with people who contacted the property portal's call centre last year.

They found 28 per cent of the buyers were younger than 34 years old and a majority were married with children. Their main motivation for buying houses and apartments overseas was investment, emigration and their children's education. The latter is

increasingly important, accounting for 18 per cent of potential buyers who contacted Juwai's call centre last year.

The company's co-founder Simon Henry said one of the best examples was a Chinese client who rang to say his son was going to Stanford University and he needed to look at buying somewhere nearby for him to live. Asked how old his son was, the man replied he had just been born.

Juwai's Mandarin language portal had become a leading site for mainland buyers as well as Chinese people living overseas, attracting 2.5 million visits each month, Mr Henry said.

The most-searched cities in Australia are Melbourne, Brisbane, Sydney, Adelaide and Perth, in that order. Wagga Wagga in southern NSW, with a population of 47,000, is sixth, which could be related to its Charles Sturt University campus.

While Australia is popular, Mr Henry said 2015 was shaping as Europe's year. Chinese buyers were increasingly

looking at properties in Spain, Portugal, Germany, Greece and Bulgaria, he said.

Juwai had seven clients over the past six months with budgets of more than \$US100 million.

"What we are seeing on international property markets, in terms of the impact of the Chinese buyers, is just the tip of the iceberg," he said.

Chinese property consumers had become much more sophisticated over the past four years, Mr Henry said. In 2011, the people who contacted Juwai had small budgets and were focused only on US, Canada, Britain, Australia, Singapore and Hong Kong.

Last year, their average budget was \$US2.6 million (\$3.3 million), the average price of their first property purchase was \$US940,000 and they were asking about tax and investment yields. More than 45 per cent of those surveyed were ready to invest within six months.

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