

Foreign Real Estate Investment and the Australian Residential Property Market: A Study on Chinese Investors

Authors : Peng Yew Wong

Abstract : House prices in the Australian capital cities were at record levels subsequent to Global Financial Crisis (GFC) 2008 and many believed that foreign investors, especially the Chinese investors, were the main reason for the Australian capital cities' house prices escalation. This research conducted an Australian cross border semi-structured interviews in Shanghai, China to uncover historical evidence and emerging trend supporting the existence of a significant relationship between overseas investors and residential housing markets performance in Australia subsequent to the GFC 2008. Some unique investment strategies of private investors from China which emphasised on non-capitalist factors such as early education were identified, alongside with some insights on the significant China government policies that have incentivised the cross border investments from China. It is believed that this understanding will assist policy makers to effectively manage the overheated Australian residential property market without compromising the steady flow of FREI.

Keywords : Australian housing market, residential property, foreign real estate investment, education, China investor

Conference Title : ICREUE 2017 : International Conference on Real Estate and Urban Economics

Conference Location : London, United Kingdom

Conference Dates : June 28-29, 2017