

# Offshore buyers heading for a place in the sun

**Meighan Hetherington**

COMMENT

**DESPITE** the ongoing media hype about boom and bust property markets in Australia, it seems that we really are the hot destination for the overseas investment dollar.

A trend has emerged over the past six months with overseas demand from destinations such as the UK, United Arab Emirates and Hong Kong snapping up Brisbane bargains.

We are noting that those inquiring have an existing awareness of Brisbane through prior work-related visits and have returned home reporting that they had found a better life for themselves and their families with a resolve to make the move as soon as possible.

Greg Carrol, managing director of the Home Loan Spot, also reports strong interest from South Africa and the US, adding that his clients are drawn to Brisbane by the Australian economy and the potential for growth.

What are they buying? Their choice of housing ranges from brand new 45 square luxury homes to established renovated Queenslanders.

However, the majority of overseas migrants share a common desire to have a large block of land, be located within a 15-minute commute to the CBD, walking distance to their children's school and close to public transport.

For overseas investors looking for solid investment opportunities, the new developments in the inner city are high on their shopping list. Usually they are true investors, rather than speculators,



EMERGING trend . . .  
Meighan Hetherington.

so they hold a long-term view for growth and wealth accumulation.

They also can be very focused about the purchase and can get great value by taking the emotion out of house-hunting.

The attractiveness of new housing certainly isn't an accident but the result of the government policy that requires foreign investment to lead to an increase in housing stock.

The underlying theory behind the policy is that new developments bring benefits to the local building industry and their suppliers. But at what cost to the local home owner?

Residential property is affected by the forces of supply and demand just like any other free market. Brisbane home owners have enjoyed several years of high demand for both established and new properties resulting in upward pressure on prices as demand outstripped supply.

We predict this continuing as global buyers discover Brisbane and its proximity to the coastal playgrounds of southeast Queensland.

Meighan Hetherington is a director of Property Pursuit