

How Chinese students can boost the property market



Alison Cheung, Real estate reporter, The Daily Telegraph

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The new system, coming into effect on July 1, will reduce the existing eight student visa types to two — one for students and one for student guardians.

It will also simplify paperwork for Chinese applicants, which are graded at level three, the group requiring the most evidence to back up applications in the current system.



Chinese international students usually intend to buy property after renting for several months.

Instead, international students from the age of six will only need to prove they have the financial capacity and language skills to live and study here, with processing periods predicted to take less than a month in most cases.

Under FIRB regulations, non-residents are generally able to buy multiple new properties and temporary visa-holders, including those with a student or guardian visa, are allowed to purchase one existing dwelling.

Students from China accounted for almost a quarter of all international students in the last financial year and, according to Chinese global property portal Juwai.com, 60 per cent of Australian property enquiries made last year were related to education.



Guardians of international students in Australia are allowed to buy multiple new dwellings. Picture: Mitch Cameron

“Anything Australia does to increase the number of Chinese students will also increase investment in strategic areas of the real estate market,” Juwai.com’s Head of Australia Gavin Norris said.

Mr Norris said guardian visa holders in particular were the buyers to look at.

“Guardian visas have the potential to lead to the greatest relative impact on the property market, because family members are much more likely to accompany primary-age and secondary-age children to Australia than they are their 18 to 21 year-olds,” he said.

An estimated 15 per cent of foreign Chinese students buy property, mostly sitting at about \$700,000, managing director of Basis Point, a financial consultancy firm which deals with Australian and Asian markets, David Chin told the Australia-China Property Developers Conference in Sydney yesterday.

Australia will also be piloting ten-year multiple-entry visitor visas for Chinese nationals and visa applications in Chinese at the end of 2016, following the footsteps of countries like Canada, US and Singapore.

DON'T FORGET THE RENTAL MARKET

Chinese student renters are another channel for education to boost Chinese property investment, according to Esther Yong, director of ACProperty.com.au, an Australian property portal targeting Chinese buyers.

With about 250,000 higher education visa holders in Australia, Ms Yong said most international students sought to rent while living here, and should not be overlooked by the market.

Figures from ACProperty.com.au show that rental enquiries almost tripled over from last year and more than half of rental enquirers requested information on buying property within seven months.

“It is not uncommon for Chinese students to rent for the first couple of months when they first arrive, with a high intention to eventually buy a property,” Ms Yong said, adding that the strong sales potential of these students could help tackle [a downturn in foreign investment](#) caused by recent FIRB and bank lending restrictions.

Popular suburbs in NSW included [Chatswood](#), [Campsie](#) and [Strathfield](#), which took out the top three most-searched areas for rental.

TOP SUBURBS FOR CHINESE RENTERS IN NSW

1. Chatswood
2. Campsie
3. Strathfield
4. Sydney
5. Burwood
6. Hurstville
7. Kingsford
8. Bankstown
9. Eastwood
10. Parramatta

(Source: ACProperty.com.au)

[SydneyPropertyExperts.com](#) produces real estate content targeted specifically towards the Chinese community; including market trends, new developments, suburb hot spots and foreign investment issues with the expert knowledge and analysis of NewsCorp real estate journalists.