



Chinese Investment in United States Skyrockets

US Property Conference in Hong Kong this month

According to the National Association of Realtors, international investment in the United States surged to over US\$82 billion in 2011. Chinese investment increased over 100 percent compared to three years ago and now represents the second largest investor segment at nearly 10 percent. Hong Kong investors overwhelmingly selected the US as the premiere country of interest, followed by the United Kingdom and Mainland China according to a previous Barclays Wealth report.

New York City posted a 165 percent increase in investment this year, surpassing London as the number one city for commercial investment according to Cushman & Wakefield's third quarter report. Investment in the residential sector has also jumped with New York agents reporting a surge in investors from Asia needs a period. "There has been a noticeable increase in investors from Hong Kong, Taiwan, Singapore and China," says Amy Williamson, Vice President of Prodigy Network. Trump SOHO in Manhattan reports over 20 recent sales to purchasers from the region. "Properties like Trump SOHO appeal to international purchasers because they can use the property when in Manhattan and then rent it out the rest of the time. It is the perfect combination of use and investment."

In addition to New York, international investors are sweeping up deals across the

US. "Chinese investors are interested in the gateway cities," says Consulina Wong, Director of Asia for the ONEILL Group Hong Kong a firm specialising in helping Asian investors buy properties in the United States. "The US is not a homogeneous marketplace. Each city offers varying degrees of capital appreciation and rental yield opportunities. New York is very different from Los Angeles; Honolulu is very different from Las Vegas. The commonalities are historically low financing rates, strong rental yields and great price values."

Hawaii is another area experiencing a surge of investment from Asia. The Trump International Hotel and Tower in Waikiki was completed last year and is over 85 percent sold. "Buyers from Asia have accounted for over half of the US\$600 million in sales [there], with many of the recent sales to Chinese," says Sean Combs, Asia Pacific Sales Director for the Trump Waikiki development. "The combination of luxury lifestyle, hotel services, and the option to have the property managed and rented while they are away are very appealing to this particular buyer segment. This winter we have focused our outreach on buyers in Shanghai and Hong Kong."

Property values in the US peaked in 2006, corrected sharply and bottomed out in late 2009 according to the S & P Case-Shiller Home Price Index. Prices rebounded in

2010 and have been oscillating on a level track with an increase of 0.2 percent in the most recent report. The report further states that cities like New York posted large annual gains while others like Miami and Los Angeles experienced no change in the annual returns.

For investors interested in American properties, check out the US Property Conference, which launches this month in Hong Kong. The bi-annual conference provides a platform for investors throughout Asia to better understand the ownership opportunities available in the United States. The highlight of the conference is the investor seminar scheduled for December 13. The seminar gathers experts in the fields of market analysis, taxation, law, immigration and finance. "The seminar provides investors the knowledge and tools with which to take advantage of the opportunities happening right now," says Wong. 

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For more information about the conference, seminars and private meetings contact the ONEILL Group Hong Kong at usconf@ogrouphk.com, or call 3103 1008. www.ogrouphk.com