

# Chasing Chinese buyers

Quality investment properties were attracting plenty of interest in Hong Kong. By Andrew Batt

It was a case of quality and not quantity at the latest SMART International Property Exhibition which took place in Hong Kong at the start of June. Chinese buyers from Hong Kong and the mainland were treated to a showcase of some of South East Asia's leading property projects currently on the market, as well as developments and investment opportunities from further afield.

Although there were exceptions, the majority of interest from Hong Kong buyers seemed to be focused on high quality investment properties. Those buying for end use seemed few and far between – which is understandable for an 'overseas' property show, but investment interest remained high. While attendance numbers were down on previous shows, early indications and feedback from exhibitors seemed to indicate healthy levels of interest from visitors.

Claire Brown of Hong Kong-based Claire Brown Realty was especially busy. She told *Property Report South East Asia*: "This was the first Hong Kong SMART expo for us and we had a great show. We collected more than 100 leads - which is excellent for just a two-day event - and quite a few of those visitors have already contacted us independently to schedule meetings and begin researching our investments."

Although some exhibitors also reported sales and contracts from the event, Brown's approach is somewhat different. "We would never try to seal a deal at an expo," she said. "It undermines our message to customers with regard to conducting proper due diligence before parting with any money. I can never understand why exhibitors try to take payments and reservations at an expo, but we have definitely generated some solid new relationships that should come to fruition over the coming months."



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Supported by a range of informative seminars, the SMART Property Exhibition in Hong Kong attracted local and mainland Chinese buyers and investors.

Brown also won plaudits for her frank and full-of-anecdotes presentation on the subject of due diligence. "More than 40 people asked for slides from my presentation," she said, "which made me very happy. Each person who doesn't do any due diligence and subsequently loses money is one less customer for all of us, so we actively encourage our clients to conduct exhaustive research."

Another exhibitor who reported strong interest was Malaysia's project, The Haven. The Ipoh development has been a regular at property exhibitions throughout the region for the last 12 months but Hong Kong is expected to be their last, due to the fact they have now sold more than 80 per cent of the units. One factor attracting Hong Kong buyers was The Haven's offer to fly anyone making a reservation to Malaysia for an inspection trip – and to subsequently tear

up the contract if the buyer was not satisfied in any way. A gimmick perhaps, but one that resulted in several prospects putting pen to paper at the event, clearly boosting the project's appeal.

Indian developments have rarely made an appearance at property exhibitions in South East Asia, so SMART first-timer Sanjay Parekh from Mumbai-based Hiranandani Constructions wasn't sure what kind of interest to expect. He need not have worried. His project caught the attention of attendees and, as *Property Report South East Asia* understands, several contracts were signed.

Exhibitors from Thailand received a mixed response. Bangkok's CMC was marketing its low- and mid-end city condominiums and was attracting limited interest, whereas after a slow start Hua Hin's Banyan Village Resort picked up some good leads. The golf-focused development south of Bangkok on the Gulf of Thailand was benefiting from the locals' love of the little round ball.

From a Hong Kong buyers' perspective, overseas property certainly remains an attractive and value-for-money opportunity at a time when local prices are continuing their ever-relentless push towards the stars. The proliferation of strong leads and contracts signed at the SMART Property Exhibition also suggest that from a developer's point of view, such expos remain a worthy and rewarding tool for the sales and marketing of a new development.

*Property Report South East Asia* is a media partner for the SMART International Property Exhibitions in Hong Kong and Singapore. ■

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