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RESIDENTIAL

More and more Australians are finding a home away from home overseas. **Guy Allenby** looks at the top destinations

YOU only have to spend a few minutes online daydreaming about the possibilities, then do the sums, to know why more of us are buying overseas property than ever before.

In Sydney \$1 million buys a two-bedroom, single-storey, semi-detached terrace at Bondi.

For the same price in France, you can buy a magnificent, ivy-covered, six-bedroom manor house, with a large swimming pool and 1800sq m of landscaped terraces and gardens.

It's only 45 minutes from the Toulouse International Airport and in "excellent condition" (see it at www.green-acres.com/properties/292a-lifswm36.htm).

Around the same money gets you a 35-bedroom, 25-bathroom, 17th century baroque palace in the Mazury region of Poland (find it at www.daft.ie/international).

These are extreme examples, but the simple fact is that the internet presents an utterly irresistible window of real estate possibilities for anyone with big enough dreams, and money to invest.

Add to that the avalanche of books and lifestyle TV programs about living, renovating (or having a steamy love affair) in the French or Italian countryside, and there are some powerful reasons why more and more of us are plucking up the courage to purchase a little piece of elsewhere.

"That's what's opened up the real estate market internationally," says Michael Davoren, LJ Hooker's international business development director, who is also on the executive of the International Consortium of Real Estate Associations.

"There's a lot more information easily available."

There are no figures on just how many Australians are purchasing property overseas, but it's becoming increasingly common, he says.

At ICREA's website www.worldproperties.com, you can scroll through over three million listings in 24 nations.

You can get the word on how real estate is bought and sold in any one of these countries.

For instance, discover the restrictions on foreign ownership in Sweden ("if there is a permit needed it is always granted") or the



HOME OR AWAY?

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Poland is becoming increasingly attractive to property investors because it has the "security of being a member of the EU", he says.

"There are some magnificent parts of Europe that have been hidden behind the Eastern bloc and are now freeing up," Davoren says. "I think there are some wonderful opportunities to buy in those areas."

Language is the main thing Australian buyers have to grapple with in any overseas country Bula says.

"It's hard to find lawyers who have competence in the language plus the legal system. And it wouldn't be as easy in Poland as it is in France or Italy."

That's precisely why, for many, the US and our nearest neighbour, New Zealand, are so attractive.

In the US, a popular destination for Australian property investment is the Rockies.

"Aspen, Beaver Creek Colorado. Places like that," Davoren says.

"There's a lifestyle element but people do expect a return."

"It's your wealthy Sydney lawyer profile that are into that one."

"I also know a real estate agent who lives in the Las Vegas area and she says it's quite amazing how many Australians get into it there."

"Then on the East Coast, down in Miami, Florida — that attracts some Australian dollars as well."

"I think the real estate market over there has been very, very attractive over the last few years and continues to be. Capital gain has been exceptionally good."

"People like to be able have an income in US dollars."

It's always nice to bring back some American dollars.

"And that's one of the attractions to the Euro of course."

"But I think a lot of it is lifestyle."

"It's mainly a holiday thing."

type of land registration system Portugal uses (it's complicated and consists of something called a Cadernata Predial).

There're also links to scrutinise information on a country's economic data, political structure and the social and political forces at work in that country.

It's not a bad place to start any initial research into the international property market, Davoren says.

The five most popular countries for Aussie investors are the US, New Zealand, Poland, Italy and France.

France and Italy are the perennial, romantic favourites.

Sylvia Gregory, a retired commercial property agent living in Queensland, bought a holiday house in a village near Nîmes in the South of France a couple of years ago.

She visits twice a year and lets the property out to friends and acquaintances.

Gregory cites the pace of life as a big attraction of provincial France.

"You look out of your house and see a woman having a chat, a baguette sticking out of her bag," she says.

"An hour later she's still there."

"You see, she didn't go out just to buy the baguette, but to talk to others in the village. People aren't in the same hurry that we are."

More than that, though, Gregory's love affair with la belle France — and the joys and trials she's experienced buying a place there — have inspired her to share her knowledge and experience.

"They have wonderful architecture and history and you can buy property for far less, and there is definitely an interest there because of that," he says.

"I've had a number approach me for Poland and Bulgaria." But Bula warns it's not all plain sailing.

"(In) countries like Bulgaria — and Poland to a lesser degree — you have a risk in terms of who you deal with," he says.

"You have possible corruption, fraud ... law and order and legal professional standards issues that mean you have to be three times more cautious than you would have to be in a country like, say, France, because you have so many checks and balances (there) in terms of consumer protection."

Davoren says Poland and "the newer countries in the European Union" are an increasingly popular option for Australian investors.

"You get a better bang for your buck, because the boom hasn't hit there," he says — even if a 35-bedroom, 25-bathroom palace isn't your bag.

Yet membership of the EU offers the prospect of stability and a relatively safe investment, as opposed to those countries yet to have convinced the EU to let them join.

Coincidentally, the president of the Polish Real Estate Federation, Marek Stelmazak, worked for many years as a real estate agent in Sydney, Davoren says.

"There are those sorts of connections."