



Indian property investors looking abroad to buy

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As India is tipped to become the world's second biggest economy after China, more and more Indians are investing in international property.

Although the property market in India is doing well with prices in the last two years alone increasing by 70 percent many personal investors and developers are looking abroad with Dubai, London and New York proving very popular, according to industry experts.

Trends show that a mass of ambitious young Indians are rejecting the traditions of living at home in favour of their own property and with earnings growing all the time demand for property is at an all time high.

But ambitious Indians are also looking abroad. India's rich and famous are buying homes in some of the world's most expensive cities. Many are buying for their children who are studying abroad. Jaswant Lalwani who works for the Corcoran Group Real Estate Company in New York says there is huge demand for apartments in Manhattan.

Indians are also entering into joint ventures with local operators in foreign countries such as Mauritius, Bhutan, Sri Lanka and the UAE. 'Global real estate markets offer very lucrative investment prospects,' said Anuj Puri of Jones Lang La Salle Meghraj.

London is also very popular. 'We have Indian parents whose children move to London for higher education. They buy serviced apartments for them where they can have their own cars, maids and chefs. A lot of Bollywood stars are also buying properties in London because they like to spend a lot of time there,' says Superna Sethi, MD at Manhattan Group of Companies which focuses on premium, high end real estate deals in London.

Mauritius is another popular investment. The permanent resident scheme in Mauritius is attractive to high earners who, as part of their wealth planning, wish to consider taking up residency in the tax advantageous islands. Foreigners investing more than half a million dollars in Mauritius are eligible for permanent residence, along with their spouse and children under 18.

The Middle East is popular with realtors. These include the likes of Parsvnath Developers, one of the first Indian developers to look abroad. Many more are now working on overseas projects, mostly in the Gulf.

'They are attracted by low costs and high profit margins. Also incentives like free zones for development in Dubai and plenty of skilled and non-skilled workforce and the availability of cheap finance makes it most attractive,' added Anuj Puri of JLLSM.