

For Immediate Release

Indians prefer UK and US to buy properties outside of India: Knight Frank’s Wealth Report Survey

- Australia is the preferred destination for residential property among the Asia-Pacific wealthy
- China, Hong Kong, Malaysia and South Korea UHNWIs show buying interest in 2019 to 2020

Mumbai, March 06, 2019 – Australia is the destination of choice for Asian Ultra-High-Net Worth Individuals (UHNWIs) who plan to buy a new home overseas or invest in property in the coming year, based on a Knight Frank survey of 600 private bankers and wealth advisers who between them manage over US\$3 trillion of wealth for UHNWI.

For Indian UHNWIs, United Kingdom (UK) with 74% preferring to purchase in that country while 39% responded favourably to United States (US). Both these places are of high interest for the India ultra – rich from business as well as leisure and lifestyle purposes. These also remain the top choices of investment or self -use purchase for the coming years.

According to the Attitudes Survey in Knight Frank’s Wealth Report, 25% of Asian UHNWIs, plan to buy a home outside their country of residence by 2020, higher than the global average of 22%. **18% Indian UHNWIs showed affinity towards purchasing homes outside of their domicile country.**

Of those, 45% indicated they would buy in **Australia**, 33% say UK and 32% chose Canada. These buyers are mostly from **China, Hong Kong, Malaysia** and **South Korea**, with one in three indicating their interest to buy a residential property overseas this year or next.

Less than 1 in 20 in **Australia** and **New Zealand** plan to buy a home internationally, and 39% indicated they would buy in **Australia**, according to the survey responses from the wealth managers. Australasians largely prefer to buy in their home country rather than overseas.

“The ultra-wealthy are becoming increasingly strategic in their destination choices, a natural response to global uncertainty and political upheavals. As a result, they are investing in additional homes in cities and countries where they see greater levels of stability,” says **Victoria Garrett, Head of Residential, Asia Pacific.**

“Australia continues to draw significant interest from both domestic and overseas buyers, ticking all the boxes not only for stability, but also lifestyle, education, wealth preservation and capital growth,” Garrett adds.

IN WHICH COUNTRY OR TERRITORY ARE YOUR CLIENTS MOST LIKELY TO BUY A NEW HOME IN 2019/20?

Most likely to buy a new home in	Australia	UK	Canada	US	Singapore
Asian UHNWIs	45%	33%	32%	31%	23%
Australasian UHNWIs	39%	34%	32%	27%	8%
Indian UHNWIs	13%	74%	16%	39%	19%
Global average	37%	32%	19%	18%	17%

Source: The Wealth Report Attitudes Survey 2019

EDUCATION DRIVES DESTINATION CHOICES

A key driver influencing Asian UHNWIs’ decisions to purchase property overseas is education. Australia, the UK, Canada and the US have a high number of top-tier universities, and many UHNWIs send their children abroad for education.

As many as six out of ten Asian UHNWIs, notably those from **China, Hong Kong, Indonesia, Malaysia** and **Taiwan** send their children abroad for higher education. Overall, 84% of wealth managers surveyed expect the trend of sending children overseas for university education to continue. Amongst Indian **UHNWIs**, 40% prefer to send their off-spring to foreign locations for their primary and secondary education, while a higher **62% gravitate towards sending their children for higher education.**

BEYOND HOMES - PROPERTY INVESTMENTS

Overall, Asia-Pacific UHNWI investors still prefer to invest in their local market. According to wealth managers surveyed, 71% of respondents from **Taiwan** and 68% from **Australia** have property investments domestically. In 2019 to 2020, 43% of respondents from **South Korea**, 41% from **Malaysia** and a similar proportion in the **Philippines** plan to invest in their home country.

For those looking to invest in property (excluding first or second homes) abroad, **Australia** is also the most popular choice, with 41% of wealth managers indicating that UHNWIs may invest down under in 2019 or 2020. The UHNWIs’ second choice is the US and their third is the UK.

According to the survey, around one in three from **China** (31%), **Malaysia** (33%) and **South Korea** (32%) are likely to invest overseas in 2019 or 2020. When asked about the percentage of UHNWIs who have property investments (excluding first and second homes) outside their country of residence, 40% of the respondents say Malaysians, 39% indicated Indonesians and another 39% say Hong Kong.

Shishir Bajjal, Chairman and Managing Director, Knight Frank India, *“Indians are progressively increasing their global footprint with UHNWIs getting attracted to the quality of services in these countries. We have seen a growing trend in purchase of properties amongst India’s wealthy across the globe. It would be worthwhile to point out that Indians are contributing significantly to global wealth creation.”*

IN WHICH COUNTRY OR TERRITORY ARE YOUR CLIENTS MOST LIKELY TO INVEST IN PROPERTY (EXCLUDING FIRST AND SECOND HOMES) IN 2019/20?

Countries likely to invest in	Australia	United States	United Kingdom	Canada	Singapore
Asian UHNWIs	41%	36%	32%	27%	20%
Australasian UHNWIs	39%	34%	32%	32%	5%
Indian UHNWI	14%	52%	79%	10%	14%
Global average	42%	32%	18%	18%	15%

Source: The Wealth Report Attitudes Survey 2019

About Knight Frank

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