

Investing abroad

Would-be investors need to consider certain factors.

A PROPERTY investor who wants to diversify his portfolio internationally must consider several crucial factors before buying a piece of property abroad, whether as an investment, for children studying abroad or to have a holiday home.

In the preparations for the upcoming Malaysian Annual Real Estate Convention 2012 (MAREC 12), the organisers have raised and outlined some factors pertaining to investing abroad.

Firstly, investors must understand the objectives of investing abroad. Wise investors understand their motivations, whether it is to follow market trends or to make personal investments.

Stability

Secondly, which country should investors look into? Their decision should be made based on location, stability and foreign relations.

General economic and political stability affect a property's capital growth potential or rental yield. This will in turn affect the investment abroad.

Good foreign relations and governmental climate between one's home country and the destination country will ensure that the rights of property investors would not be adversely affected by any regime change.

The third factor concerns legal aspects of property ownership. Certain countries have strict laws regulating foreign property investors or they apply certain taxation laws.

Knowledge of these legal issues and the costs of being a property investor are certain to affect future property investments.

Fourthly, open a foreign bank

Registration fee

Rates	Up to Feb 15 (RM)	After Feb 15 (RM)	Onsite registration
Members	688	738	788
Negotiator/ CREN/ AF	550	600	650
Non-members	788	888	988
General public	888	988	1,088

The registration fee covers:

• Participation in the conference • Morning and afternoon tea break and lunch

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account in the destination country. A localised bank account eases the payment of regular bills, mortgage repayments and taxes, and avoids disconnection of services or potential repossession of property.

Authorisation to transfer funds should be obtained accordingly to avoid being interrogated with money laundering or tax questions by both local and foreign authorities. The bank can also assist with their local property laws.

Lastly, assess the overall market viability of a property. Visiting potential investment sites, comprehending currency fluctuations, speaking to local residents or seeking advice from independent lawyers will assist in forming a judgment.

Aside from properties, investment in bricks and mortar businesses abroad is becoming a popular trend and can be profitable. However, it must be coupled with good planning and thorough research of the countries.

Be it as a real estate practitioner or as a private individual, making a decision to invest abroad is a momentous one.

MAREC 12

Organised by the Malaysian

Institute of Estate Agents, MAREC 12 is the largest property forum in Malaysia.

The convention will be held on March 3 and 4 at the Sime Darby Convention Centre.

Among the distinguished speakers at MAREC 12 is RAM Holdings Berhad group chief economist Dr Yeah Kim Leng. Dr Yeah will be speaking on "Asia Pacific Real Estate & Economic Outlook for 2012".

Another interesting topic being addressed is "A Fundamentals-based Outlook for the Klang Valley Property Market". It will be presented by Khong & Jaafar managing director Elvin Fernandez. Khong & Jaafar is a property consulting firm.

Real estate practitioners and members of the public are encouraged to participate in MAREC 12. The convention seeks to broaden the outlook of property investment and will include tips on investing in properties for the year 2012.

● For more information on MAREC 12, call the Malaysian Institute of Estate Agents (MIEA) at 03-7960 2577 or e-mail the convention chairman at siva@miea.com.my or secretariat@miea.com.my.



Malaysians buy properties abroad for investment, for children studying abroad or to have a holiday home. - Filepic



Fernandez will present the topic "A Fundamentals-based Outlook for the Klang Valley Property Market".



Dr Yeah will be speaking on "Asia Pacific Real Estate & Economic Outlook for 2012".