

### **An overview of the overseas property market from Property Frontiers**

**In this period of economic uncertainty the vital question is 'where are the best places to invest in property for 2009?'**

The good news is that with diligent research there remain a number of places in which to invest which still offer more than favourable returns on your investment. We at Property Frontiers are particularly excited about Panama, Malaysia, Brazil, Slovakia and the Philippines, and see other appealing opportunities emerging in both the USA and the home of our head office - the United Kingdom.

Much current news refers to falling property prices around the world. Such commentary could lead you to believe that now is a bad time for [property investment](#) . However, the headlines belie two points of fact. The first is simply that not all economies are in negative growth and not all property markets are falling. Despite global trends, much of what dictates the performance of a specific property market is the local, intrinsic dynamics of supply and demand. As a result, there are a number of property markets around the world which still offer immediate growth opportunities.

The second fact is that [turmoil in many markets](#) is creating another exciting basis for investment; value. As prices fall in places like the USA and UK, rental incomes relative to purchase price are increasing. At the point that yields are sufficiently high we start to see value as the level of yield provides sufficient headroom for future price growth before yield drops to an unattractive level. Such value investments therefore offer good yields and long term growth prospects.

As we have always said, the key to identifying current growth and value opportunities is research. We fundamentally believe good opportunities still exist and the property asset class is one of the [most secure](#) in a volatile market. If you would like further information pick up a copy of the latest version (2009) of our book: Where to Buy Abroad: An Investor's Guide.

### **Panama**

Enjoying a strong economy in the heart of Latin America, Panama is rapidly becoming the financial hub of the region, as favourable taxation laws and off-shore banking environments are attracting large multi-national businesses from across the globe. Investors can choose a variety of different options, from hotels (one of the highest occupancy rates in the world) to offices, and beachside resorts. With the expansion of the Panama Canal now well under-way, economic growth looks set to continue. **Malaysia**

Kuala Lumpur has been a favourite of ours for a while now, and we see no reason to withdraw our support any time soon. Right in the heart of South East Asia, the city is rapidly establishing itself as a thriving, cosmopolitan city of the future. Set around the stunning Petronas Towers, with residential real estate prices a fraction of Singapore and Hong Kong, and with virtually no restrictions on foreigners buying property, KL offers investors a genuinely affordable slice of Asian city life.

### **Brazil**

A country that needs no introduction, as one of the Goldman Sacs powerful BRIC economies, Brazil has incredible potential. With one of the largest populations in the world and an emerging middle-class population of millions, demand for property has never been higher. Brazil is well positioned to ride out any global downturn with its rich supply of natural resource, strong internal demand and diverse export sector enjoying extensive trade with Asia.

### **Slovakia**

Perhaps one of the only European economies continuing to perform well, Slovakia offers investors both city centre and holiday resort investments. Knight Frank's latest European bulletin labels the Slovakian real estate market as one of the finest performing in Europe. Those looking for the best returns should avoid the capital Bratislava as the market has reached maturity, and instead should look further east to Kosice and the Tatras Mountains.

### **USA**

America – credited with starting the global housing slowdown and credit crunch may be the country to kick start the markets once again. The power of the States cannot be underestimated and when confidence starts to return to the housing sector here it will generally mean good news for all. As prices drop, properties are beginning to reach a solid bottom and offer sufficiently appealing yields to suggest they offer real value.

### **The UK**

Like the USA this might not be at the forefront of investors' minds but at Property Frontiers we are starting to look very closely at UK property. Prices in the residential sector have been steadily falling over the past year and many buyers are waiting for prices to 'bottom out'. However, prices don't all fall at the same rate, and with proper research, there are some significant investment opportunities to be had right now. It is little wonder that so many UK analysts have commented: "we may never see another buying opportunity like this in our lifetime".

## Where to invest in 2009 - Investment International

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