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# **Globalization of Real Estate Markets**

## **An Asian Perspective**

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## **Types of Real Estate Activities**

- Real Estate Services
- Real Estate Occupational Requirements
- Real Estate Investments

## International Trade Volume & Growth

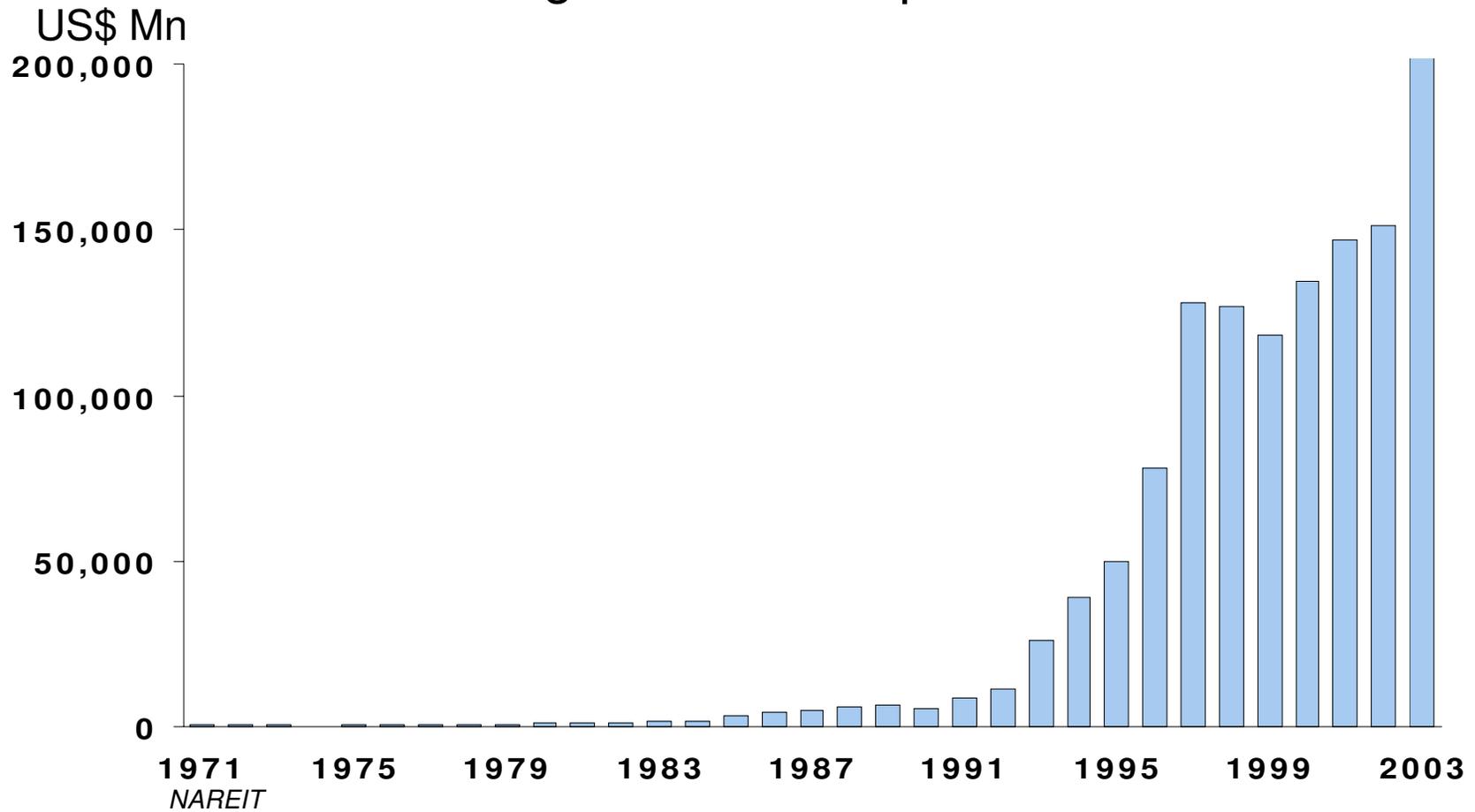
- World Merchandise trade - export value at **US\$ 6272 billion**, 2002
- Growth of World merchandise trade exports

	Total Value
1995	100
1996	104
1997	108
1998	107
1999	111
2000	125
2001	120
2002	125

WTO, Index 1995 = 100



# Growing US REIT Capitalization



## REIT Market Size Relative to Total Market Capitalization

Country	Market Capitalization (US\$ billion)	REIT Market Capitalization (US\$ billion)
United States	12,260	133 (1.1%)
Australia	370	25 (6.6%)
Japan	1,335	3.7 (0.2%)
Singapore	91	0.5 (0.5%)
Hong Kong	340	Theoretical Size 20 (6%)

Mallesons Stephen Jaques



## Amount of Outstanding Loan by Japanese Banks to Asian Countries, 1997

Country	US\$ Mn	Country	US\$ Mn
Hong Kong	76,272	Malaysia	8,551
Singapore	58,649	India	3,919
Thailand	33,180	Taiwan	3,516
Indonesia	22,018	Philippines	2,624
S. Korea	20,278	Pakistan	649
China, Mainland	19,589	Vietnam	257

Total

US\$ 250 Billion

Financial Supervisory Agency, Japan



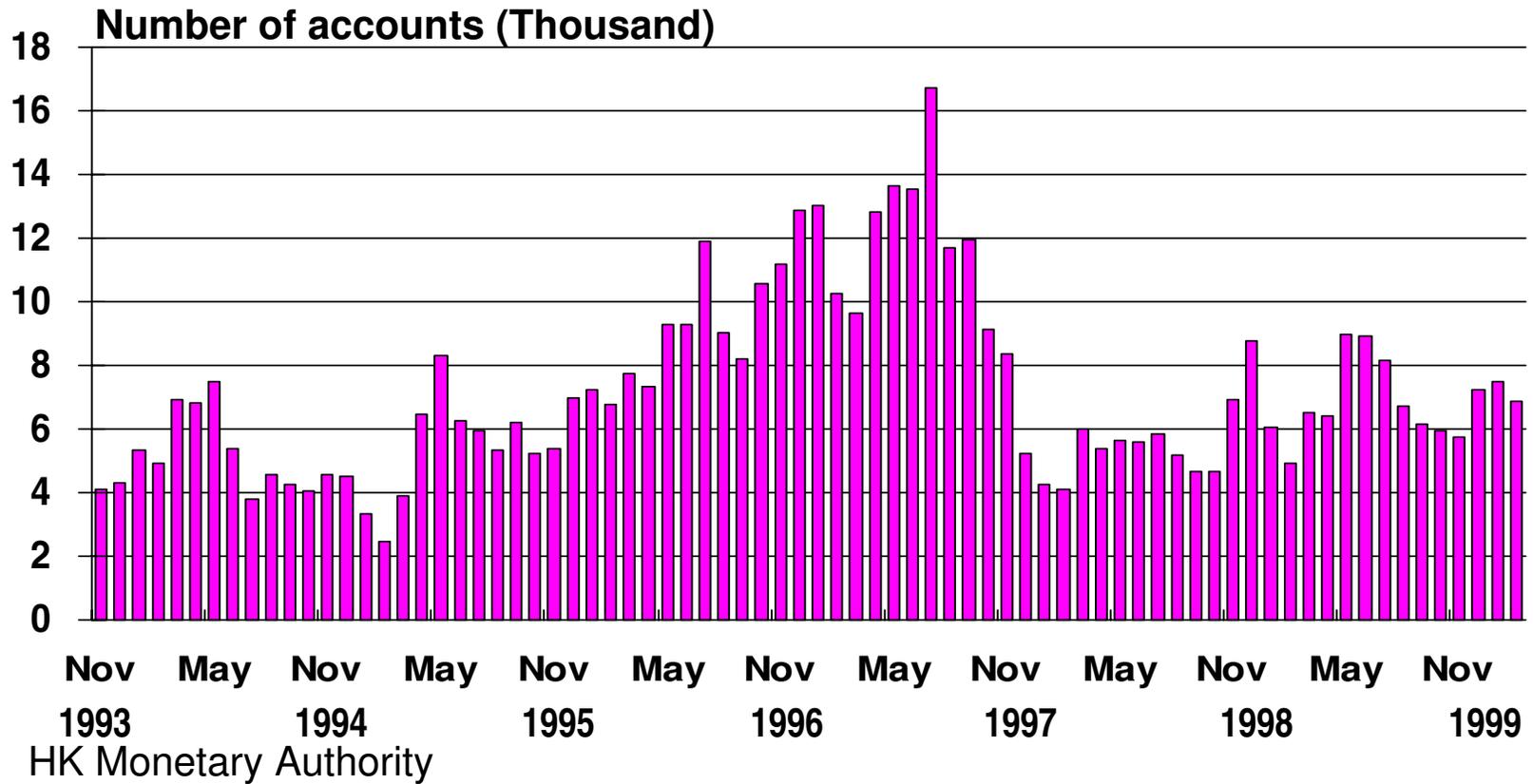
## Real Estate Project Financing by Banks in Hong Kong by Country of Origin, 1997

Country	%	US\$ Billion
Japan	26.7	16.5
Hong Kong	14.8	9.2
Germany	12.0	7.4
United States	11.0	6.8
France	9.5	5.9
United Kingdom	4.7	2.9
Others	21.4	13.2
Total	100	61.8

## Syndicated Bank Loans in Hong Kong by Country of Origin, Oct 97 – Oct 98

Origin	10/97 US\$ M	10/98 US\$ M	Decrease
Japan	9,633	270	97%
Hong Kong	5,122	370	93%
Germany	4,451	326	92%
US	3,410	314	91%
France	3,032	233	92%
UK	1,772	175	90%
China	1,700	365	78%
Canada	1,252	132	90%
Singapore	938	140	85%
Netherlands	906	181	80%
Others	7,020	2,280	67%
<b>Total</b>	<b>39,240</b>	<b>4,791</b>	<b>87%</b>

## Gross New Loans Made During the Month Residential Mortgages, 11/1993 - 2/2000



Asia – improving current account balances (as % of GDP)  
pre 97 and post 97

	1995	1996	1998	1999	2000	2001	2002
Indonesia	-3.3	-3.4	4.3	4.1	5.3	4.9	4.2
Malaysia	-8.5	-5.2	13.2	15.9	9.4	8.3	7.6
Philippines	-4.3	-4.3	2.4	9.1	7.7	1.8	5.4
Thailand	-8.0	-7.9	12.8	10.2	7.6	5.4	6.0

ADB