Is it a good time to buy property in Shanghai China?

Description

You may say it is crazy to buy Chinese properties esp those first-tiered cities like Shanghai, Beijing, where the expectation of price drop just seems to take hold. Probably people should wait for some time before the market gets clear where it will be going.

Not everybody has that patience.

According to a Wall Street Journal article "China buzzards look for property deals", both foreign and domestic property investors are seeing opportunities in property acquisition deals, citing Singapore Keppel Land Ltd and Soho China.

They are smart people, aren't they?

But they are not alone indeed. Just recently, an overseas property investor approached me for legal service in advising on their contemplated acquisition of an office building in Shanghai which is already in talks for some time. The deal structure is typical: the buyer will buy the shares of the company offshore which directly or indirectly holds the title of the property in Shanghai. This will avoid much market attention and spotlight.

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While property acquisition deal may be controversial, investors may be looking into the future and envisioning price upward move which may and should be close to prices in Singapore or Hong Kong.

Who knows? This is what makes this planet interesting.

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