THE GLOBALISATION OF REAL ESTATE

THE POLITICS AND PRACTICE OF FOREIGN REAL ESTATE INVESTMENT

Edited by
Dallas Rogers and Sin Yee Koh

The Globalisation of Real Estate

Individual foreign investment in residential real estate by new middle-class and super-rich investors is re-emerging as a key issue in academic, policy and public debates around the world. At its most abstract, global real estate is increasingly thought of as a liquid asset class that is targeted by foreign individual investors who are seeking to diversify their investment portfolios. But foreign investors are also motivated by intergenerational familial security, transnational migration strategies and short-term educational plans, which are all closely entwined with global real estate investment. Government and local public responses to the latest manifestation of global real estate investment have taken different forms. These range from pro-foreign investment, primarily justified on geopolitical and macro-economic grounds, to anti-foreign investment for reasons such as mitigating public dissent and protecting the local housing market. Within this changing geopolitical context, this book offers a diverse range of case studies from Canada, Hong Kong, Singapore, Russia, Australia and Korea. It will be of interest to academics, policymakers and university students who are interested in the globalisation of local real estate.

The chapters in this book were originally published in the *International Journal of Housing Policy.*

Dallas Rogers is Senior Lecturer at the Sydney School of Architecture, the University of Sydney, Australia.

Sin Yee Koh is Assistant Professor of Geography in the Institute of Asian Studies at Universiti Brunei Darussalam, Brunei.

This page intentionally left blank

The Globalisation of Real Estate

The Politics and Practice of Foreign Real Estate Investment

Edited by
Dallas Rogers and Sin Yee Koh

Routledge
Taylor & Francis Group
LONDON AND NEW YORK

First published 2018
by Routledge
2 Park Square, Milton Park, Abingdon, Oxon, OX14 4RN, UK

and by Routledge
711 Third Avenue, New York, NY 10017, USA

Routledge is an imprint of the Taylor & Francis Group, an informa business

British Library Cataloguing in Publication Data
A catalogue record for this book is available from the British Library

ISBN 13: 978-1-138-57785-5

Typeset in Times New Roman
by RefineCatch Limited, Bungay, Suffolk

Publisher's Note
The publisher accepts responsibility for any inconsistencies that may have arisen during the conversion of this book from journal articles to book chapters, namely the possible inclusion of journal terminology.

Contents

Citation Information

The chapters in this book were originally published in the *International Journal of Housing Policy*. When citing this material, please use the original page numbering for each article, as follows:

Chapter 1
Introduction: The globalisation of real estate: the politics and practice of foreign real estate investment
Dallas Rogers and Sin Yee Koh
International Journal of Housing Policy, volume 17, issue 1 (March 2017), pp. 1–14

Chapter 2
Global China and the making of Vancouver's residential property market
David Ley
International Journal of Housing Policy, volume 17, issue 1 (March 2017), pp. 15–34

Chapter 3
The (geo)politics of land and foreign real estate investment in China: the case of Hong Kong FDI
Karita Kan
International Journal of Housing Policy, volume 17, issue 1 (March 2017), pp. 35–55

Chapter 4
Courting the 'rich and restless': globalisation of real estate and the new spatial fixities of the super-rich in Singapore
C.P. Pow
International Journal of Housing Policy, volume 17, issue 1 (March 2017), pp. 56–74

Chapter 5
The geopolitics of real estate: assembling soft power via property markets
Mirjam Büdenbender and Oleg Golubchikov
International Journal of Housing Policy, volume 17, issue 1 (March 2017), pp. 75–96

Chapter 6
Transnational real estate in Australia: new Chinese diaspora, media representation and urban transformation in Sydney's Chinatown
Alexandra Wong
International Journal of Housing Policy, volume 17, issue 1 (March 2017), pp. 97–119

Chapter 7
Chinese investment in Australian housing: push and pull factors and implications for understanding international housing demand
Sha Liu and Nicole Gurran
International Journal of Housing Policy, volume 17, issue 4 (December 2017), pp. 1–23

Chapter 8
Ethnic connections, foreign housing investment and locality: a case study of Seoul
Hyung Min Kim
International Journal of Housing Policy, volume 17, issue 1 (March 2017), pp. 120–144

Notes on Contributors

Mirjam Büdenbender is a Doctoral Researcher at KU Leuven, Belgium. Her research interests include urban political geography, critical and post-socialist studies, energy geography and sustainable cities.

Oleg Golubchikov is Senior Lecturer in Human Geography at Cardiff University, UK.

Nicole Gurran is Professor at the Sydney School of Architecture, Design and Planning, University of Sydney, Australia. Her research focuses on comparative land use planning systems and approaches to housing and ecological sustainability.

Karita Kan is Assistant Professor in the Department of Applied Social Sciences, The Hong Kong Polytechnic University. Her research interests include the political economy of rural transformation in China, Chinese land and property rights reform, contentious politics related to land disputes, as well as state building and social governance at the rural-urban grassroots.

Hyung Min Kim is Lecturer in Urban Planning at the University of Melbourne, Australia. His teaching and research activities focus on economic and spatial dynamics of cities including globalisation and global cities, urban and environmental economics, liveability, healthy cities and the Asia-Pacific region.

Sin Yee Koh is Assistant Professor of Geography in the Institute of Asian Studies at Universiti Brunei Darussalam, Brunei. Her research covers migration and mobilities, citizenship, colonial legacies and urbanisation.

David Ley is Professor in the Department of Geography, the University of British Columbia, Canada. He is currently studying housing bubbles in several Pacific Rim cities, the causes, social consequences and policy responses to high-priced and volatile housing markets in cities open to global flows of capital and labour.

Sha Liu is a PhD candidate at the University of Sydney, Australia. Her research focuses on analysing the growing interactions between domestic housing policies and international housing markets.

C.P. Pow is Associate Professor in the Department of Geography, National University of Singapore. His research interests include critical geographies of the urban built environment and urban landscape, urban environmentalism and nexus between urban culture, nature and power, and globalisation and urban cultural politics in Asia.

Dallas Rogers is Senior Lecturer at the Sydney School of Architecture, Design and Planning, the University of Sydney, Australia. His research and teaching focuses on the relationships between poverty, wealth, urban planning and governance in global cities.

Alexandra Wong is an Engaged Research Fellow at the Institute for Culture and Society, Western Sydney University, Australia. Her research explores the interplay of innovation/creativity, culture and urban theories which covers a wide range of topics such as cultural economy, knowledge cities, migration, housing, multiculturalism, innovation and entrepreneurship.

INTRODUCTION

The globalisation of real estate: the politics and practice of foreign real estate investment

Dallas Rogers and Sin Yee Koh [1]

Foreign investment in residential real estate – especially by new middle-class and super-rich investors – is re-emerging as a key political issue in academic, policy and public debates. On the one hand, global real estate has become an asset class for foreign individual and institutional investors seeking to diversify their investment portfolios. On the other, a suite of intergenerational migration and education plans may also be motivating foreign investors. Government and public responses to the latest manifestation of global real estate investment have taken different forms. These range from pro-foreign investment, primarily justified on geopolitical economic grounds, to anti-foreign investment for reasons such as mitigating public dissent and protecting the local housing market. Within this changing global context, the six articles in this special issue on the globalisation of real estate present a diverse range of empirical case studies from Canada, Hong Kong, Singapore, Russia, Australia and Korea. This editorial highlights four methodological challenges that the articles collectively highlight; they are (1) investor cohorts and property types, (2) regulatory settings, (3) geopolitics and (4) spatial differences and temporal trajectories.

Introduction

Foreign investment in residential real estate is re-emerging as a key political issue in several Anglo-sphere and Asian countries. The global real estate activities of the Four Asian Tiger countries (i.e., Hong Kong, Singapore, South Korea and Taiwan) in Anglo-sphere markets in the 1980s are well documented. The increasing foreign investor activity of new middle-class and super-rich investors from Brazil, Russia, India, China and South Africa (known collectively as the BRICS) in global real

[1] Sin Yee Koh started work on this special issue while she was Postdoctoral Fellow at the Department of Public Policy at City University of Hong Kong.

estate markets has introduced or revived some deep-seated cultural and political sensitivities (Rogers, Lee, & Yan, 2015).

Government and public responses to the latest manifestation of global real estate investment has taken different forms. On the back of the well-reported rise in Chinese investment in local real estate in Australia, for example, in 2014, the federal government conducted a parliamentary inquiry into individual foreign investment in residential real estate. In Canada, under mounting pressure to take action on housing affordability, the government reviewed their investment visa programme. In London, a 300-strong group of protestors picketed against foreign real estate investment outside The World Property Market international real estate event. Meanwhile, European Union countries such as Spain, Greece, Cyprus and Turkey have introduced visa schemes targeting investors from Asia, Russia and North America in an attempt to attract global capital to their local real estate markets. In Asia, the Chinese government tightened up foreign investment rules for real estate in 2010, and the Singaporean and Hong Kong governments introduced staged 'cooling measures' with implications for foreign investment in real estate beginning in 2009 and 2010, respectively. In the fluid regulatory environment in Hong Kong, the government suspended their Capital Investment Entrant Scheme in January 2015.

Within this changing global context, the six articles in this special issue on the globalisation of real estate present a diverse range of empirical case studies from Canada, Hong Kong, Singapore, Russia, Australia and Korea. David Ley (2015) examines the impact of international real estate investment on the local housing market in Vancouver, Canada. Choon-Piew Pow (2016) exposes the strategies that are used by investors and the government in Singapore to create and seek out new safe havens within which to 'park' and 'grow' super-rich wealth. Karita Kan (2016) moves beyond culturally essentialist analyses of global real estate transactions to show how Hong Kong investors have made inroads into the Mainland Chinese market. This analysis draws attention to geopolitical questions at the abstract level of the nation-state as well as the more embodied level *on the ground*. Mirjam Büdenbender and Oleg Golubchikov's (2016) article also considers geopolitical questions. It demonstrates that global real estate and property markets play an increasingly important role in international relations, and in this Russian case study, foreign investment has emerged as a form of soft geopolitical power. Hyung Min Kim's (2016) article shows how foreign investment is organised socio-spatially in Seoul, Korea. In this case, a knowledge of local conditions, which is often built through previous residency or a shared ethnicity, is important in shaping the spatial distribution of foreign investment in the city. Finally, Alexandra Wong focuses on Mainland Chinese foreign real estate investments into Sydney's Chinatown district, with Chinatown being an important global-urban node within the emerging Chinese foreign real estate market in Sydney.

This editorial contextualises these articles with recent scholarship on the globalisation of real estate to speculate on the methodological challenges this special issue might expose. We are not suggesting that this is a definitive list of the methodological challenges that will confront further empirical and theoretical scholarship in this area. Certainly, there are many more methodological challenges that we have not covered, such as the financialisation of real estate (Fields, 2015), reports of black and grey financial channels, lucre and suspect money sources, and corruption (Rogers & Dufty-Jones, 2015), or the financial, digital and global commodification of real estate (Madden & Marcuse, 2016; Rogers, 2016b). Nonetheless, reading across the articles we find four methodological challenges that deserve a short exposé in this editorial; they are (1) investor cohorts and property types, (2) regulatory settings, (3) geopolitics, and (4) spatial differences and temporal trajectories.

Investor cohorts and property types

There are important differences between the various foreign investor and property categories within the global real estate sector. Individual foreign investors are different from institutional investors. A new residential apartment in a middle-class suburb in Sydney is different from an 'ultra-expensive condominium' in New York's recently rebranded 'Billionaire's Row' (Madden & Marcuse, 2016, p. 39). These properties are different again from a large cattle station or other large agricultural properties that are purchased by foreign commercial entities. The different investor groups and property types are not always fully teased out in the academic scholarship and they are regularly conflated in the public debate.

Although contested, there are broadly four meta-individual foreign investor cohorts that are beginning to frame the renewed focus on foreign real estate investment (Koh, Wissink, & Forrest, 2016). These are largely conceptualised as a set of financial 'disposable asset' categories – to the exclusion of the first cohort listed below, which is class-based. The investor cohorts are: (1) the new middle-class (NMC); (2) high-net-worth individuals (HNWI); ultra-high-net-worth individuals (UHNWI); and ultra-ultra-high-net-worth individuals (UUHNWI). The NMC is a term that increasingly refers to the expanding middle-class in the BRICS countries. HNWI are often defined as people who hold disposable assets that exceed US$1 million (Hay, 2013, p. 4). UHNWI are defined as individuals with asset holdings in excess of US$30 million (Hay, 2013, p. 4). According to one professional super-rich wealth manager, UUHNWI are defined as people who hold an 'absolute bare minimum' of US$50 million in disposable assets that can be solely contributed to a wealth management fund (Harrington, 2016, p. 71 citing an interview with a global wealth manager). These three 'disposable asset' categories (HNWI, UHNWI and UUHNWI) exclude primary residences, collectables and other consumables (Atkinson, 2016, p. 1307; Harrington, 2016; Hay, 2013; Rogers, 2016a, p. 8). Wealth management funds might include a portfolio of ultra-expensive residential or commercial real estate properties in cities such as London or New York (Atkinson, 2016; Fields, 2015; Harrington, 2016; Madden & Marcuse, 2016; Rogers, 2016a).

Within this context, the articles by Kim (2016), Wong (2016) and Kan (2016) call into question the utility of rigid financial 'disposable asset' investor categories for global real estate analyses. These articles show that there are additional ways to further augment these financially defined investors cohorts, including by class (Koh et al., 2016), mobility (Atkinson, 2016), familial relationships (Robertson & Rogers, in press), and age and gender (Knowles, 2016), to name a few. Contemporary global real estate practices unhinge any class, capital or culturally essentialist assumptions we might use to frame these categories, because the global real estate industries, which are central to moving human and financial capital around the world, are increasingly blurring the cultural boundary between the 'West' and the 'East' (Rogers, 2016a, p. 134). Thus, we get both the separating out and the bringing together of different class, cultural and wealth groups within the literature and public debate about foreign real estate investment (also see: Forrest, Koh, & Wissink, in press-a).

For example, the rise of Chinese foreign real estate investment has made the cultural demarcations of this particular investor cohort more prevalent. These types of culturally mediated analyses show that individuals from the Asia-Pacific region have become the greatest contributors to the HNWI and UHNWI cohorts (Hay, 2013, p. 5). This follows on from mid-1980s scholarship by Goldberg (1985) and others which argued that Asian investments into Pacific Rim countries favoured real estate as an investment strategy. In 2012, Wealth-X (2012) estimated that there were 11,730 UHNWI real estate investors in Asia with at least 13% of their net worth held in real estate. Brooke Harrington (2016, p. 11) argues, 'as world wealth has grown to record levels … to an estimated US$241 trillion – inequality has also grown, with 0.7 percent of the global population owning 41 percent of the assets'. Remarkably, UHNWI real investors from the six markets of China, Hong Kong, India, Indonesia, Malaysia and Singapore constitute 87% of the population of UHNWI real estate investors in Asia, and hold 91% of the net worth that is held in real estate in Asia (calculated from Wealth-X, 2012, p. 7). More recently, a survey of UHNWI investments in 2015 (Knight Frank, 2015) shows that the global average in property investments in the overall investment portfolio is 32%, with higher allocations in Australasia (42%), the Middle East (40%), Asia (38%) and Europe (33%).

The personal motivations of international investors are important too, and they can extend far beyond any financial considerations to include, for example, the intersection of familial, migratory and education considerations (Robertson & Ho, 2016; Robertson & Rogers, in press). Wong (2016) and Kim's (2016) articles explore the ethno-cultural dimensions of foreign real estate investment. They draw attention to the roles that migrant- and diaspora-led real estate intermediaries play in mediating the global connections between different investors and across nation-state borders. They expose a range of culturally responsive services that facilitate foreign real estate investment via a suite of new multi-cultural investor-buyer networks (also see: Ley, 2015; Rogers et al., 2015).

Wong (2016) shows how foreign investors are motivated by the opportunities that exist in Australia, particular as they relate to their own migration plans, their children's education and the financial security that Australian real estate supposedly guarantees. Equally, China's state-led housing cooling measures that apply to local real estate markets in Chinese cities are suggested to be motivating Mainland Chinese investors and developers to seek out foreign investment opportunities for their surplus capital. Within this broader shift in the global landscape of property investments, Wong argues that the knowledge-based economy of Sydney has attracted large numbers of Mainland Chinese skilled migrants, who prefer to live in the central business district where Chinatown is located.

Kim (2016) finds an explicit spatial pattern to foreign real estate investments in different neighbourhoods in Seoul, Korea. Kim's geospatial analysis of three neighbourhoods covers: (1) Yeonhee dong, (2) Yongsan and (3) Gangnam. Yeonhee dong attracts the *Hwagyo* (non-Korean Asians), who include the Taiwanese and Mainland Chinese diaspora who have been living in Korea for more than a century. Yongsan, north of the Han River, attracts a more diverse composition of foreign investor-buyers and residents. The famous Gangnam district, south of the Han River, attracts Korean emigrants and the returning diaspora community. Kim argues that a working knowledge of the local social, cultural, economic and political landscape of each neighbourhood – either acquired through previous residency or accessible through shared ethnicity – shapes foreign real estate investments in these specific localities. Therefore, the practices of the foreign real estate investors are shaped by more than financial motives. In this case, there are complex ethno-cultural dimensions that shape foreign real estate investment and the way various diaspora communities and investments impact the urban landscape (also see: Bose, 2014; McGregor, 2014).

Focusing on investments from Hong Kong into Mainland China's real estate markets, Kan's (2016) article further complicates the notion of 'foreign' and 'local' within global of real estate analyses. Her analysis shows how the constructed 'foreignness' of Hong Kong developers in Mainland China worked for, and subsequently against, the developers at different times and places. In the first two decades of the reform period in Mainland China, Hong Kong developers were seen as cultural compatriots contributing to China's modernisation. These developers enjoyed privileged access to the local real estate market, which was unavailable to other foreign developers and investors. In recent years, however, the 'foreignness' of Hong Kong developers was developed as a political strategy to mobilise public discontent around issues of housing affordability, the local politics of land rent extraction and the loss of cultural built heritage in Chinese cities. Kan's (2016) article traces the ebbs and flows of a 'glocal' economy of foreign real estate investment in a 'zone of exception' that has been created as a result of the intertwining of the social, economic and political histories of Hong Kong and Mainland China (also see: Shen, 2003). Notwithstanding the particularities of the Hong Kong–Mainland China case, Kan's work highlights more broadly how 'foreignness' is a contested term within the globalisation of real estate practices.

Beyond this special issue, Atkinson (2016, p. 1309–1310) identifies an additional three types of HNWI and UHNWI investors in terms of their global mobility, which are also useful concepts. The first are the globally mobile 'free-floating' investors who travel around the world, stopping off in various global cities. This group is suggested to have little allegiance to place. The second are those that move between multiple residences, and have place attachments to the cities or neighbourhood that their properties are located in. The third group live in, or send their spouse and/or children to live in the house they have purchased, and, therefore, have an allegiance to place. These groups have very different socio-spatial experiences in the city, they will interact with local infrastructure in different ways (if at all), and will, thus, impact and engage with the city in different ways (see also: Forrest, Koh, & Wissink, in press-b). In London, for example, neighbourhoods with high concentrations of HNWI and UHNWI investors may appear to be (or may be) devoid of people, and local businesses can become unviable in these neighbourhoods (Webber & Burrows, 2016), to say nothing about the broader questions relating to neighbourhood life.

Therefore, the arrival of foreign capital is not always accompanied with the arrival of new permanent inhabitants for the city. Indeed, the way capital hits the ground and intersects with the local real estate market is dependent on who is investing capital, into what properties capital is being placed, and through which investment vehicles capital is being invested and stored. Therefore, it is a conceptual trap to assume that NMC, HNWI, UHNWI and UUHNWI will have the same effects on the housing landscapes of different cities around the world. This lack of conceptual clarity is amplified by a further methodological challenge. Absentee foreign real estate investors might be reportedly common in cities such as London, New York, Vancouver and Sydney. However, capturing the different manifestations and effects of absentee investors, including accurately locating their properties, has proved difficult to achieve with analytical rigour at the level of the city, let alone conducting comparative analysis across different cities (see Andy Yan's scholarship covering Vancouver for some innovative methodologies).

There is also the question of access to the different investor cohorts by researchers. Looking at the wealth management profession, Harrington (2016, p. 20) provides an insight on how wealth managers assess their UHNWI clients' needs, which goes far beyond wealth management and tax avoidance. The way they diversify their client's wealth globally 'depends on the client's country of origin, he or she may also need help protecting the family fortune from corrupt government officials, kidnappers, or frivolous lawsuits. Other clients may wish simply to avoid paying their debts', writes Harrington (2016, p. 20). Many HNWI, UHNWI and

UUHNWI go to great lengths to protect their privacy and to isolate themselves from public scrutiny. Recent studies have shown that gaining access to the economic, social and political spaces of the HNWI, UHNWI and UUHNWI can be a difficult task, with each group presenting different challenges (see the following authors for methodologies suited to HNWI, UHNWI and UUHNWI studies: Atkinson, 2016, p. 1309; Harrington, 2016, p. 22; Webber & Burrows, 2016).

Regulatory settings

The relationship between the global real estate industry and the nation-state is a strange one (Rogers, 2016a, 2016b). Much like the wealth management industry, it 'is a state-building force in some respects and a state-destroying force in others' (Harrington, 2016, p. 21–22). In one sense, many of the professions and professionals that are working within the global real estate industries – such as real estate sales agents, migration professionals, real estate lawyers and wealth managers – repeatedly undermine the nation-states' regulatory settings (Harrington, 2016; Rogers, 2016a). In another sense, these very actors, and the international sale of property across nation-state borders more broadly, are only possible because of the regulatory rules and laws that are enabled by nation-state sovereignty. Without the nation-states there would be no foreign investment laws and immigration policies, and therefore, no loopholes for the global wealth and real estate industries to seek out and manipulate (Harrington, 2016, p. 21).

At the national level, pro-foreign investment and business immigration policy is often justified and defended via one of two related arguments (Rogers & Dufty-Jones, 2015). At times of prosperity, the first narrative is one of 'financial benefits', which suggests that foreign real estate investment will be good for the local economy and could have secondary benefits, such as jobs growth through targeted skill migration and business development. At times of hardship, the second narrative is one of 'economic necessity', which suggests that the country will be at an economic disadvantage if they refuse the global capital.

In this special issue, Ley's (2015) analysis of Canada's Business Immigration Programme (BIP), and its role in the globalisation of Vancouver's local housing market, shows that the Canadian government attempted to 'reboot a troubled regional economy' (p. 1) by inviting Asian capitalists to transfer their entrepreneurial skills to Canada. This study is located within an emerging suite of work that focuses on the way HNWI and UHNWI foreigners acquire citizenship-like status through a real estate purchase or transnational business strategy (Sumption & Hooper, 2014).

As is the case in many global cites, Ley (2015, p. 1) argues that in Vancouver, '[h]ouse prices have risen rapidly and the detached housing market is now unaffordable to most Vancouver residents'. There are increasing calls from a range of actors for government intervention in the area of housing affordability, and this makes the politics of these regulatory systems an important site for further research. Ley's (2015) analyses also contribute to recent work on the global real estate industry, which appears in this special issue (Wong, 2016) and other places (Rogers, in press). He shows that a sophisticated trans-Pacific real estate industry developed to facilitate the flow of capital from Asia to Canada. In this industry, off-the-plan property sales and the offshore marketing of Vancouver property in the Asia Pacific were used to close sales with 'wealthy BIP migrants at or before their arrival in Canada' (Ley, 2015, p. 1).

The effects of the regulatory settings in the home countries of the foreign investors are important too. More than a decade ago, Smart and Lee (2003, p. 161) argued that Hong Kong was moving toward a financialised regime of accumulation where 'the government, the business sector, and individual households have … treat[ed] buying and selling real estate as a central part of their investment activities … and in which real estate has become a key driving force in the economy'. Indeed, the embodied practise of investing in real estate and capitalising on the returns has contributed to the development of local and foreign real estate investment mentalities (Rogers, 2016a), which are increasingly essential to the regulatory settings that underwrite the 'global economies' of cities such as London, New York, Vancouver and Sydney.

Thus, how the home is conceptualised is important for analyses of global real estate. Exploring the home as a repository for capital in relation to the differences between the investor cohorts is an important empirical task moving forward. David Madden and Peter Marcuse (2016, p. 4) put it this way, 'there is a conflict between housing as lived, social space, and housing as an instrument for profitmaking – a conflict between housing as *home* and as *real estate.*' Increasingly, the home is viewed as repository for placing, storing and building capital (Rogers, 2016b), and this view of the *home as real estate* stands in stark contrast to other notions of home as a lived space (Rogers, 2013; Smith, 2008). The motivations of the NMC from Asia to invest in countries like Canada and Australia are being shaped by a suite of intergenerational migration and education plans that involve the whole family (Robertson, 2013; Robertson & Ho, 2016; Robertson & Rogers, in press). These could prove to be very different to the actions of UHNWI and UUHNWI investors (Harrington, 2016; Knowles, 2016; Webber & Burrows, 2016), and ultimately, they may require different regulatory responses.

Fernandez, Hofman, and Aalbers (in press) recently analysed the global real estate activity of UHNWI and UUHNWI investors in London and New York. They developed the idea of a 'safety deposit box' as a way of talking about how UHNWI and UUHNWI investors are seeking ultra-expensive global city real estate assets within which to store their wealth. It might no longer be appropriate to understand ultra-expensive global city real estate in locations such as New York as a repository for capital that investors may or may not live in or rent out while they are chasing a capital gain. Ultra-expensive global city real estate, at least in the case of UHNWI