

Ask The Experts

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Q: In the wake of the price correction in US, is it the right time to buy US properties? If yes, should I buy residential, or commercial units (my budget is about HK\$10 million). Where should I invest? New York, San Francisco or other areas?

A: Since the peak in 2006, US home prices have dropped over 30 per cent to the lowest levels in April 2009. Since that time prices have stabilized and have been increasing in most major markets. The low property values combined with the all-time-low interest rates have created an ideal investment environment. Commercial real estate by contrast has not yet experienced the same level of value retracements but is expected to correct over the next 12 months. With a budget of HK\$10 million, there are plenty of residential investing opportunities in markets such as New York, Washington DC and San Francisco. Other markets to consider include Miami, Los Angeles and Las Vegas. Our recommendation for US real estate – buy residential now and look for commercial opportunities in early 2011.

Patrick William O'Neill, chief of O'Neill Group

Got a question? Do you have a property-related query for our experts? Send them to property.post@scmp.com

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