

Do Marble Tiles + Expensive Sanitary Wares = Luxury Homes?

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“No”. The phrase “Luxury (or luxurious) home” is probably the most abused one used in real estate advertisements. Even an apartment in a fringe area of Hong Kong is called a luxury as long as its common lobbies contain a few marble or granite tiles. This may be subjective, yet we think only properties in neighborhoods such as the Peak, Repulse Bay, and the like qualify as a luxury, irrespective of décor or age. **Location counts more.**

The following helps to determine the likelihood of a property being in the luxury grade:

- 1) **Properties on and above the Mass Transit Railway (MTR) stations are UNLIKELY candidates.** Reason = Being right on top of the MTR system means “convenience” especially in the transportation sense = appeals more to middle-class families where most work for a company or corporation = such convenience is usually not a very high priority for the upper classes. On the contrary, the more “inconvenient” the location perhaps the better.
- 2) **Properties which value / price may very well represent the bulk of their owners’ net wealth (or net worth) typically are UNLIKELY candidates** = To a HK\$5M home owner, the property may represent the bulk of his / her net wealth = A person owning a HK\$50M home is more likely to have other assets, both real estate and non-real estate, which total value exceeds his home (speculators and “pretenders” aside).
- 3) **Neighborhoods looking very dense on maps are UNLIKELY candidates** = Compare these to the density of the Peak or Repulse Bay and you will know what we mean by this.
- 4) **Neighborhoods which are difficult to access or where one cannot practically survive without cars are LIKELY candidates** = Special circumstances aside, it is inconceivable that a family living e.g. on the Peak can do without a car (or without “cars”).
- 5) **Neighborhoods which road networks have remained more or less the same for the past several decades are LIKELY candidates** = while there had been some road improvements and repairs, generally roads leading to say the Peak or Repulse Bay remain as they were in the 50s or 60s.

The above is by no means comprehensive but may be used as a quick and rough guide. **Other traits** may be a scenic surrounding, a good relatively “unobstructed” view (e.g. of the harbor) and a sizable floor area (as a very rough guide = 2,500 square feet or more in gross floor area). One may also use the **“strip” test** in conjunction = imagine the home being stripped of its marble tiles, fancy bathrooms or European kitchen, will you still call it a luxury?