

## Developers Are Catering to High-End Buyers With Cutting-Edge Features

Tech companies proposing to build developments in the San Francisco area, Chinese property sales break records and more news from around the world

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Oceana Bal Harbour's entrance features a view of Jeff Koons' liquid gold sculpture.  
*OCEANA BAL HARBOUR*

When luxury developers plan their next projects, much thought goes into the amenities and features that will entice buyers. While in the past, a children's play space, party room, gym and doorman service might have been enough, in today's high-end market, those features are considered de rigeur, and often found in regular rental buildings.

“What was once considered a luxury, then becomes a must-have, and later becomes a baseline item,” said developer Shahab Karmely, the CEO of New York-based KAR Properties. While this transition used to take about seven years to achieve, “now, it’s a three-year cycle,” Mr. Karmely added. “It’s fascinating to watch that evolution.”

Today, many developers incorporate amenities and features pulled directly from the luxury hotel and hospitality space **into their projects**. **“People have gotten used to staying in these ultra-luxe resorts,”** said Miami-based real estate developer Daniel Kodsi. **“Now they want the same experience in their personal, day-to-day lives.”**

**But it’s not enough to just include these features and check off the boxes. The authenticity of experiences and the meaningfulness of spaces have become more important than the amenity itself, Mr. Karmely said, noting, “we’re moving away from tokenism.”**

**Other experts agreed. “Genuine quality and genuine function are finally the measuring stick of luxury,”** said Anna Zarro, senior vice president of sales and leasing at Extell Development Company.

**“We’re considering what amenities people are *really* going to use on an everyday basis,”** added Lauren Witkoff, executive vice president of the Manhattan-based Witkoff development firm. **“It’s about the lifestyle.”**

With that push toward meaning in mind, here are four amenities, features or concepts that developers are incorporating into new luxury construction projects now.

A focus on health and wellness

One way top-tier buildings are adding meaning to health and wellness spaces is by hiring professional teams ([The Wright Fit](#) is a favorite) to **both design the building’s gym** and oversee personal training, diet and fitness programs for residents.

**Within these gyms, there’s now much more than standard weight and cardio machines and dumbbells. Now, it’s common to find the TRX cables, elastic bands and medicine balls that functional trainers need.**

Yoga rooms, meditation rooms and Turkish-style hammam steam rooms have also become more common in developments like [One Manhattan Square](#). But going back to that idea of adding value, some developments, like [Oil Nut Bay](#) in the British Virgin Islands, are actually hiring an on-site yoga instructor to lead private and small-group sessions.

**When it comes to swimming pools, saltwater pools are the latest must-have feature, developers say. If not Olympic size, Mr. Karmely prefers that they’re exactly half that standard length, so that swimmers can time their laps correctly.**

And then there are smaller, thoughtful features based on promoting health. At [Miami’s Eleven on Lenox](#), the Shoma Group developers included a smart lighting system in each of the units that **mimics the rhythm of day**. **“It’s meant to coincide with our natural circadian rhythms and ensure that the body’s sleep and waking cycles are properly aligned,”** developer Masoud Shojaee wrote in an email.

**At Tribeca’s [111 Murray Street](#), Ms. Witkoff said they’re putting steam ovens into kitchens in addition to regular ovens, so health-conscious buyers have the option to steam-cook their meals. “Things like this make an impression on people and fit into a healthy lifestyle,”** she said.

## Catering to older kids

When Douglas Elliman broker John Gomes is in planning meetings for new **developments, one amenity he said he's heard a lot about recently are tween rooms, or spaces for older kids.** "There's always a children's playroom," he said, "but this is different."

Tween rooms are **typically separate from the building's shared lounge space, with video game consoles and some space to practice and play musical instruments.**

**Mr. Kodsí, who's working on the [Paramount Miami Worldcenter](#) tower, boasting more than 44 amenities in all, said that this building has a tween-specific room and also a separate "jam room," a "party room on steroids," where people can play instruments or sing karaoke.**

[The Kent](#), located on the Upper East Side of Manhattan, also has a music room, known as **"The Sound Lounge," in which developer Extell added value by having Lenny Kravitz Design handpick the room's materials, color and equipment—including guitars, a drum set, a piano and amplifiers.** "This is a forward-thinking space that appeals to everyone," Ms. Zarro said.

## Smart technology and connectivity

Two years ago, there was a big push to develop smart homes, and include features like a non-traditional key and the latest tech gizmos, said Ms. Zarro. But once people got over the excitement of what was possible, the focus returned to including only those things that are the most useful and functional for residents.

That means that in new luxury construction, pre-wiring for connectivity is a must-have, **Mr. Gomes said.** "No one wants to break through the walls and start this process after construction is finished," he continued.

Another must-have is including multiple zones for heating and cooling, he said, so that owners can control the temperature in each room.

**When it comes to his buildings' security, Mr. Karmely is integrating available technologies so that there is facial recognition in the lobby and elevators of One River Point. "The elevator won't take you anywhere if it doesn't recognize you," he said.**

All of these features—from facial recognition down to a simple USB outlet on a kitchen island—**should be well thought out, convenient and improve owners' daily lives, experts said.**

**"We should be able to explain to people how the hardware, the software and the human element work together to give them meaningful security or luxury," Mr. Karmely said.**

## On-site personal and concierge services

When Ms. Witkoff considered what amenities would make future residents lives easier and better at 111 Murray, one of the first things that came to mind was an on-site salon where women could have a blowout, she said. So, the building will have the first ever

private Drybar. It will also have a “jewel box patisserie,” stocked with yummy pastries from a local bakery for the same reason: convenience.

Private, residents-only restaurants, like the one Argentinian developer Eduardo Costantini has planned for his new Miami building, [Oceana Bal Harbour](#), also fall within this must-have amenity category, and have become popular for the same reason.

As have top-line concierge services, like the one Mr. Kodsi has planned for the Paramount Miami Worldcenter. Whether a resident wants to take a daytrip on a boat or have a specific type of car ready for them to drive the next day, concierge services, accessed via resident’s phones, will make it happen. “People want that personal touch,” Mr. Kodsi said. “They want to feel like they’re living in a five-star resort.”

Here’s a look at other news from around the world compiled by Mansion Global:

### **Almost Half of Vancouver’s Priciest Listings are Secretly Owned, Raising Fears**

A new report from Transparency International indicates that 46% of Vancouver’s most expensive houses were bought using shell companies, anonymous trusts, and other methods that allow buyers to hide their identities, raising concerns that the city’s high-end real estate is being used as a means of money laundering. While the British Columbia government has recently instituted measures to force buyers to disclose their identities (such as changes to transfer tax forms that require foreign buyers to disclose their citizenship), critics say there are too many loopholes that make the rules easy to evade. “An influx of overseas capital is one of several causes of rising property prices (in Vancouver and Toronto), but the extent and impact of foreign investment remains unknown since very little data is collected on property owners,” said the report. ([Vancouver Sun](#))

### Tech Companies Propose Developments To Deal with Bay Area Housing Shortage

As local politicians loosen regulations to encourage development in the chronically-undersupplied Bay Area, tech heavyweights are also starting to step up to create housing solutions of their own. For instance, Google’s parent company Alphabet has proposed a plan to build 330 units of housing near its headquarters, prioritizing residents who work in the city but not limiting the homes to strictly Google employees. Similarly, Facebook is planning a project that would create 1,500 housing units on its property in Menlo Park, 15% of which would be designated as affordable housing. ([San Francisco Chronicle](#))

### Chinese Property Sales in 2016 Hit \$1.48 Trillion in 2016, Setting New Record

Chinese home sales in the first 11 months of 2016 surpassed 10.25 trillion yuan (US\$1.48 trillion), according to new data from the National Bureau of Statistics, setting a new record for the nation. Previously, sales had never surpassed 10 trillion yuan. The

gangbusters market is partly attributable to interest rate and ratio cuts, according to analysts, but as the government takes measures to cool down the market, some cities **including Beijing are already showing signs of a correction, a trend that's expected to** continue into 2017. Additionally, in spite of the record-breaking numbers, sales growth has slowed towards the end of the year; from January through November 2016 sales were up 37.5% year over year, whereas in the January through October period, they were up 41.2%. ([Global Times](#))

## Dubai Developers Strategize Around Main Sites for the 2020 World Expo

The 2013 announcement that Dubai would host the 2020 World Expo gave an immediate boost to property prices, but after the initial effects dropped off, developers and investors are now working to cash in on key areas that will be affected by the Expo, **including Dubai South, near the main airport; Al Furjan; and the area near the Expo's main venue.** For now, however, many of these neighborhoods are still underdeveloped, and thus popular with residents for whom affordability is the top priority. And while developers are moving quickly to make sure their projects are open in time to accommodate the 25 million visitors expected to flood into Dubai for the expo, CBRE **Middle East's head of research and consulting Matthew Green said: "With a huge** number of new off-plan units currently being launched in Dubai, developers are having to be slightly more cautious in their pricing expectations, with a general drive towards **affordability and value in the market at this time."** That said, **prices are expected to spike** closer to the 2020 event. ([Khaleej Times](#))

## Investor-Friendly EB-5 Program Extended Through April, Staving Off Expiration

Congress has once again extended the EB-5 tax program, as lawmakers work to finalize a new version of the bill, which offers green cards to investors who spend a certain amount of money on ventures (often real estate developments and hotels) that create jobs in the area. The proposed new version of the program is expected to raise the minimum investment threshold from \$500,000 to \$800,000 in high employment areas, and from \$1 million to \$1.2 million in low employment areas, with the possibility of redefining Target Employment Areas to better spread around investment wealth and job growth. Though the potential expiration of the program has given some investors pause in the last year, many expect President-Elect Trump to treat the program favorably. The program was set to expire last week but has now been extended through April 28th. ([The Real Deal](#))