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## Four Seasons bets big on luxury residential apartments in India

Across the globe, residential projects of luxury hotels have been able to command a premium ranging from 15% to 50%

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*Isadore Sharp*

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Luxury apartments would play an important role in the India growth strategy of [Four Seasons](#) Hotels & Resorts as the Ontario, Canada-based company seeks to step-up its brand presence by managing hotels in more cities, Isadore Sharp, founder and chairman, Four Seasons, said in an interview with *Business Standard*.

One of the first such residential projects called [Four Seasons](#) Private Residences, currently under development in South Mumbai, would be ready for possession by 2020. With prices starting at Rs 300 million, the key target group for such apartments are ultra-high net worth individuals who own residences in cities across the world. Eight out of ten hotels and resorts managed by [Four Seasons](#) globally have residential components, said Sharp, adding that the new projects currently under development in Delhi, Goa and Bengaluru too would have them.

“Residential buyers will get all the benefits of Four Seasons—service, quality and the establishment of a proven address,” said Sharp. “The brand keeps [real estate](#) value always at a premium,” he added pointing out that the upcoming projects in Delhi and Goa

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too have residential components.

Across the globe, residential projects of luxury hotels have been able to command a premium ranging from 15 to 50 per cent, depending on the area and location, said Manav Thadani, founder chairman, Hotelivate, a hotel consulting company.

Four Seasons would be the first luxury hotel to have announced the plan. Others too have been studying the market, but have yet to announce a formal entry, he added. While the trend is very common in markets outside India, one hasn't seen that happen in

India yet as residential projects are governed by a very different set of regulations related to the land parcel. It hasn't happened but that doesn't mean it will not happen," said Thadani.

"The potential for such private residences is immense and it will only grow," said Adarsh Jatia, managing director at Provenance Land, which is developing the Mumbai residential property for Four Seasons. The demand for the Four Seasons property coming up in Worli is robust, with half of the apartments in the 53-storey complex, already booked. Four Seasons residences command a 40-100 per cent premium over [real estate](#) developers in a similar location, he said.

The booming economy, coupled with mushrooming start-ups, has given rise to a new breed of entrepreneurs who may not have acquired 'old wealth', but have earned it, says Anuj Puri, chairman, [ANAROCK Property Consultants](#). These so-called millennials have risen above the middle-class median and prefer to live big. The number of millionaires in India is currently about 2,45,000 and this is expected to reach over 3,72,000 by 2022, according to Credit Suisse. Within the Asia Pacific region, India has the fourth-largest population of millionaires, while in the Forbes list of the 'World's Billionaires' for 2017, India accounts for an impressive 101. "These numbers suggest that such projects have enough takers in the country," said Puri.

Sharp, who has been on a whirlwind tour, overseeing as many as 50 upcoming hotels across North America, Asia-Pacific, Middle East and Africa, is bullish on India- a market that hasn't seen any "blockbuster changes" in the hospitality sector, since he last visited a decade ago. The only noticeable and incremental change has been the evolution of social media and its impact, he said.

The Canadian hotel management firm's presence in India has been confined to South Mumbai, despite a decade-long presence in the country. Four Seasons had entered the Northern region through the realty firm-- The 3C Company-- a Noida based [real estate](#) developer known for its mixed-use project called 'Delhi One'. But, that project is now being taken over by a new company.

The project in Goa will be developed by Shiv Kumar Jatia, managing director of Asian Hotels (North) who also developed the Four Seasons in Mumbai.

As part of its expansion plans in India, Four Seasons will launch its second hotel and private residential project with the Embassy Group in Bengaluru. This will be followed by hotel launches in Delhi and Goa and other major metro locations eventually. With the expansion, "the perception of the brand would get burnished," said Sharp.