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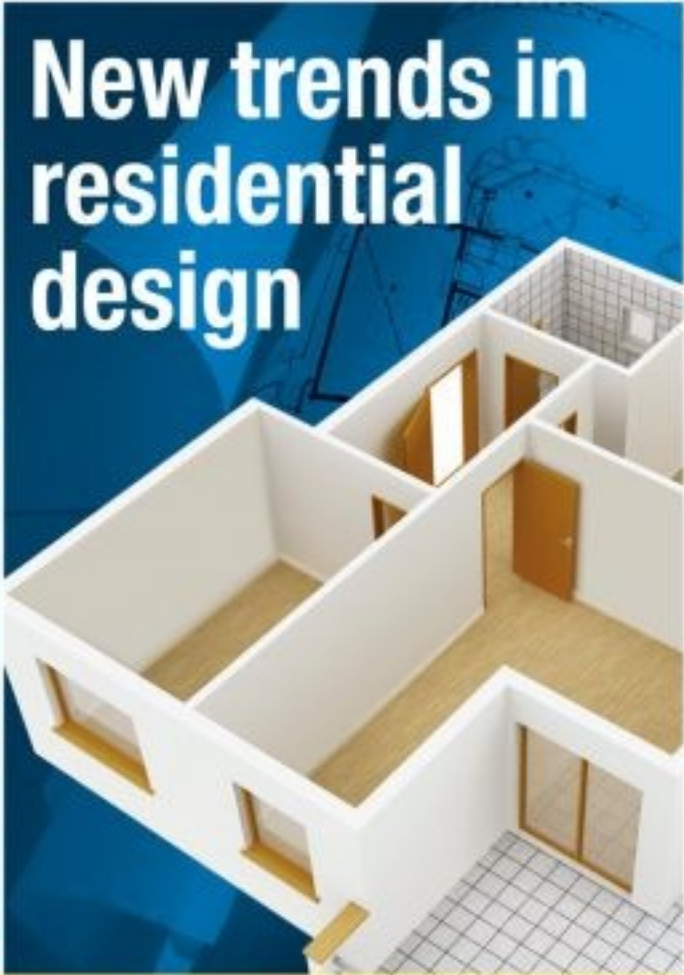
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A publication of **INTEFAS**

New trends in residential design



MARKET DRIVERS

"To be successful, developers have to differentiate themselves from the competition, to offer a new product," said *Karim Bassil*, chairman of real estate developer Byblos Real Estate Investments (BREI). People in need of an apartment are young families or couples, either returning from crisis-hit markets or just starting out into life here. The client base falls in two types of categories. The first is price sensitive and just wants four walls and a roof to move into. "These people don't care what they buy as long as it's inexpensive," said *Patrick Geammal*, chairman and general manager of Ascot, advisors in real estate. No observers would estimate what proportion of the market these base level buyers represent, but it is a significant chunk. The rest of the market is extremely savvy about the standards it requires. Many expatriates returning home bring with them a flair for Western-type's of spaces, whereby smaller apartments use space optimally, rather than large apartments where there is waste of space.

LOCATION

"Choosing the location for a new project is crucial," said *Omar Shantouf*, assistant to the general manager of FFA Real Estate. It either has to be central or located within a pleasant surrounding neighborhood. Selecting the right spot to build a project requires experience and skill on the part of the developer. Every little detail matters – whether it's on a corner, how large the street serving it is, how close it is to main highways or whether neighborhood stores are within easy walking distance. If carefully chosen, location can become a major selling point. *Sherif Aoun* of Mouin Aoun Contractors said for instance said that all his projects are walking distance from ABC Ashrafieh shopping mall. When introducing its newest project, Badaro Gardens, FFA Real Estate started by pointing it out on an enlarged map of the area, pointing out the ease of entry and exit into the area, as well as the centrality of the location to the Beirut Central District (BCD), to the airport, to the Hazmieh Highway, and the brand new underpasses and bridges being completed around the National Museum, which have already done much to ease traffic. Bassil stresses the importance of the neighborhood in which the company's projects are developed. "You have to respect the environment in which you build," he said.

BREI thus designs its projects to coexist harmoniously and become a continuity of the surrounding neighborhood. Indeed, all the Convivium projects (a telling name) blend in with the surrounding buildings, without jarring with the older architectural style of the neighborhood. With that in mind, selecting a neighborhood that presents interesting development potential becomes crucial, which explains BREI's selection of spots: Gemmayzeh and Badaro, one with traditional early twentieth century architecture, the other a historically upscale neighborhood that fell into oblivion over the years and that is currently being revived. "People who grew up in Badaro or who had grandparents in that area are very keen on going back," said *Mireille Korab*, relationship manager at FFA Real Estate.

SMART SPACE

The organization of internal space is also becoming a key feature. "It is not enough to duplicate a repetitive flat design throughout all the projects developed. You must give people a home," said Bassil. To do this, developers must be finely attuned to customer demand. Two features seem to be high on customers' priority lists: A smarter use of smaller apartment areas and high ceilings. Developers are vying with each other for creativity in this second particular area. BREI's Convivium VII project, for instance, boasts 3.5 meter tall ceilings in all the project's apartments. The most innovative introduction on the local market, brought over from European architectural design, is the loft concept. Starting in 2005, Mouin Aoun Contractors expanded into project creation and development and introduced lofts in its concepts. "It was simply a question of taking advantage of the new construction law of 2005," said Aoun. A loft is an apartment over two floors, with the upper floor taking up only two-thirds of the lower footprint area. This leaves a third of the apartment, reserved for the main reception area, with a double ceiling height, reaching 5.75 meters, and an entrance door of 2.70 meters high. "People like the extra space as it gives a feeling of luxury," said Gavin. Increasing ceiling heights don't need to be at the expense of profits in terms of lost built-up area (BUA). "If there is any lost BUA, it is made up in selling prices," Gavin said. Aoun's lost footprint in the loft design is made up for in building total height, as provided for by the new construction law. "We have no lost overall



building area," said Aoun. Financially, the loft concept is very lucrative. Aoun said that the lofts of the lower floors, which usually sell at lower prices, have been selling at the average of the building, gaining about 15 percent in selling value. "So, we are able to sell the lofts of the lower first floors at the price of the middle level apartments," he said. Building designs are also moving back towards the classical Lebanese floor plan. "We have gone through modernization and globalization, and are now moving back to a traditional local architecture," said Gavin. This mostly translates into a central hall plan, with bedrooms and other areas distributed around the central reception area. The older generation's unpleasant memories of having to go around shaking hands with a full house of family and guests before retiring to bed is no longer applicable. Said Gavin: "Changing social mores have changed lifestyles, so a central hall plan is not synonymous with a public area!" Apartments are getting smaller because developers are facing increased costs in land and materials and are thus making up their losses by reducing apartment size to sell

more. A generally smaller apartment size, varying from 140 to 200 square meters at the Mouin Aoun projects, for instance, also means that apartments have to be laid out much more intelligently, with as little lost areas as possible. Developers try to minimize hallways, passageways, and tiny spaces with unnecessary doors. "We aim for as little circulation areas as possible," said Gavin.

GOING GREEN

Green areas are another feature particularly high on customers' lists. Gardens, hanging gardens, and terraces are spaces created particularly for planting greeneries. Badaro Gardens, named because of the planted areas it created, offers a 1,000 square meter central garden, common to all three apartment buildings surrounding it. Each building has additional private green areas for each of its apartments. "Ground floor town houses have private backyards, and each apartment either has a terrace or a balcony that is planted," said Shantouf. The penthouses have a roof garden each. "We have designed these green areas so that the view from each apartment looks out onto a green space," said Shantouf. Most new developments, particularly those outside the very congested town areas, are making more room for planted areas. BREI, for instance, advertises "1,000 square meters of landscaped courtyards, cascades and pedestrian alleys" in its Convivium VI complex, whereas its Badaro Convivium VII double tower project has a 40 meter long private, "open, sunny, and lush" garden separating the two buildings. "People like waking up in the morning to the sound of



birds," said Korab. Mouin Aoun developers have found a twist to offering green areas. "All of our apartment buildings have a roof terrace, à la New York, that is common to all the owners," said Aoun.

EXTRA AMENITIES

Attracting this new, price sensitive yet discerning clientele requires developers to include more options and features in their projects. High-end projects included many of these from the outset, but now the trend is starting to find its way into lower brackets of the market. "It is still a high middle market particularity, but it won't be long before projects even lower down the market scale have to start including at least

some of these new features," said Shantouf. At the lowest end of the scale, beautifying a building is still a superficial cosmetic intervention. "An impressive main lobby and the standard three bedrooms are enough to please most middle market customers," said Geammal. Developers believe that this is the case with very highly price-sensitive customers. "Most of our customers, even those relying on a regular income look for more amenities," said Shantouf. It has become almost a standard feature to include an exercise room and security, for instance. Many buildings are now offering common reception areas, where owners can entertain if they need a bigger area than the one their apartment offers. A concierge service is somewhat newer and still slightly more upper end, as is the case with BREI's Convivium VII complex in Gemmayzeh.

"We are planning the lobby a bit like a hotel lobby, that would be a meeting place for the apartment owners, with a business center," said Bassil. Some other amenities, such as double walling or at least thicker outer walls, double glazing, and variant refrigerant volume (VRV), which individually controls air conditioning temperatures in every room are becoming standard features. Still, according to Geammal, women usually care about the first impression upon entering a building, while men ask about parking spots, without looking further into the quality or the details of the hidden features - piping, water tanks, or electric fixtures. Badaro Gardens, for instance, has





thought of taking parking spaces that extra notch by installing parking spaces for bicycles, a first in the country.

SUSTAINABLY

Bicycle parking spaces fall into the green building concept of Badaro Gardens. Green or sustainable building is a new consideration in the real estate market. Although still taking their first tottering steps, many buildings have started advertising (rightly or not) that they are environmentally friendly. "It is a trend and developers start applying those labels even if they don't really understand what they entail," said Korab. The basic environmentally friendly equipment is solar

energy paneling. Ascot believes that in many cases these are installed simply to tick off a selling list. "Many are badly installed or installed in places where a concierge might easily walk over them. They're mostly there just to show that the building has them," said Geammal. Some professional developers admit the standards of green building have much to improve on. "It is true that very few people understand what is implicated in sustainable buildings and fewer even adhere to these standards," said Korab. "But it is becoming trendy and they feel obliged to include sustainable building features into their new developments." Very few developers apply sustainable building methods as understood by international construction standards. "These span the entire design and construction of a building, from its orientation, to the circulation of air inside the apartments, to the use of materials, to energy saving," said Gavin. Some developers believe such features will become standard in the coming several years. Gavin said he was convinced that sophisticated systems such as intelligent buildings - "where lights automatically turn off as you walk out the door" - are not too far off. Currently, all Solidere developments achieve around 15 percent less energy demand because of proper orientation, shading, insulation, cross ventilation, and the use of energy systems

controlling light and heating. "It requires eight to ten percent more in initial cost, which means it can be recuperated in two to three years down the line in energy savings," said Gavin. BREI has long been insulating all its projects, with double walls and double glazing. But it is Badaro Gardens that is setting a threshold with its

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US-rated Leadership in Energy and Environmental Design (LEED) certification. "Certification follows all the steps of the project, from plan designs to all the stages of implementation," said Shantouf. Badaro Gardens is indeed the first development of its kind on the market. "LEED certification means that we have looked at making the project as environmentally friendly as

we can, including such things as light and noise pollution, using environmentally friendly paint and piping and using environmentally friendly machinery during construction," said Korab. FFA believes that when the residents and neighbors alike realize that water doesn't have to make a noise while going through the pipes and that outdoor lights don't have to flood bedrooms or living areas, they will want the same specifications in other buildings. According to its developer, Badaro Gardens is not selling at higher prices because of all these new features. "We are selling it at the market price, but believe me, we're still making our profits!" said Korab. Under normal market conditions, FFA Real Estate might have sold these extras at a premium. With economic conditions strained as they are, the extras are thrown in as the bait to attract customers. While it may be a few years before these cutting-edge specifications trickle down to the rest of the market, setting high building standards can only open people's eyes to what they have been missing out on - for not much more expense.

Reported by Soha Yammine



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- ▶ L0309-85 Leed certification
- ▶ L0309-86 Construction law
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