

Launch of Baccarat Residences, Shanghai Reflects Confidence in Luxury Residential Sector

Wednesday, 17 June 2009

Demonstrates Growing Demand for Residential Luxury Brand Concept in Asia

Baccarat Hotels and Resorts officially launched Baccarat Residences, Shanghai an exclusive strata-titled condominium project comprising of a total of 308 luxurious apartments in an East and West tower complex located in the city's famous lifestyle district of XinTianDi.

Baccarat Hotels and Resorts, is owned by Starwood Capital Group, a private investment firm headed by Mr. Barry Sternlicht. Baccarat Hotels and Resorts is responsible for the branding, conceptualization and management of Baccarat Residences, Shanghai, formerly known as Residence 8, which represents the company's first foray into Asia and China with a Baccarat luxury-branded residential complex.

Over the next five years Starwood Capital plans some 20 new properties in the China and the Asia region under the "Baccarat" and "1" Hotel and Residences brands.

Baccarat Hotels and Resorts is a five-star luxury hotel brand inspired by the iconic status of Baccarat, which is 86% owned by Starwood Capital Group and is one of the most prestigious crystal manufacturers worldwide. Baccarat traces its history back to 1764, when King Louis XV of France gave permission to found a glassworks in the town of Baccarat in eastern France to Bishop Louis de Montmorency-Laval. Production consisted of window panes, mirrors and goblets until 1816 when the first crystal oven went into operation.

"Baccarat Residences, Shanghai reflects our confidence in the robustness of the Asian and mainland luxury residential markets," said Mr. Neil Jacobs, President of Global Hotel Operations Starwood Capital Group. "This property is one of our first two Baccarat Residences concepts worldwide, the second being located within the Dubai Pearl. We anticipate more to come, with locations to follow in Europe and other locations in China and the Asia region."

The Shanghai development is designed to exacting standards and draws upon the rich history of the crystal brand to deliver a distinctly personalized experience including a signature Baccarat chandelier in the lobby, a 'crystal tea room' and a wine room featuring an 8-metre table based on a piece at the Maison Baccarat in Paris.

Mr. Hervé Martin, Chief Executive Officer of Baccarat said: "We are delighted that Baccarat's rich heritage and global iconic status lives on in continuing to influence design and contemporary residential living in the 21st Century. The discerning Chinese customer now has the opportunity to live the Baccarat ideal of sophisticated Parisian chic and contemporary elegance."

Residents of Baccarat Residences, Shanghai will enjoy a host of services and amenities ranging from house-keeping, room service, 24-hour concierge, spa and health club facilities, chauffeur driven Rolls Royce, private butlers and extensive property maintenance.

Approximately 15 remaining units in the development's East Tower went on sale to Hong Kong investors over the weekend. Plans for the development's West Tower are still to be finalized but are likely to include a potential Baccarat Six-Star serviced apartment concept. A Baccarat retail concept is also planned as an anchor tenant to the total 3,200 sq. metre ground / mezzanine floor retail area of the property.



Mr. Neil Jacobs, President of Global Hotel Operations for Starwood Capital Group; Mr. Herve Martin, CEO of Baccarat and Mr. David Chen, Senior Director, RPM CBRE China (From Right to Left)



Mr. Herve Martin, CEO of Baccarat, Mr. Neil Jacobs, President of Global Hotel Operations for Starwood Capital Group, Mr. David Chen and Ms. Rebecca Shum from CBRE (From Right to Left)

Speaking at a media briefing to launch the development today, Mr. David Chen, Senior Director of Residential Project Marketing CB Richard Ellis, China, said: "Demand for luxury residences in Shanghai remain robust despite the economic slowdown and still attract significant Hong Kong and international investors as well as high-net-worth mainland investor interest.

"Concentrating on the Luxury Residential Market in Shanghai (for those at RMB 20,000 per sqm or above), we find that since March buyer sentiment has bounced back significantly. As a result, up to end of May, 2009, the take-up has already hit some 5,700 units. This is equivalent to 79% of the entire year of 2008, whilst the new supply of 2,255 units equates to only 15% of the 2008 total. With regards to pricing, luxury residential properties have stabilized and are now experiencing an upward trend."

Baccarat Residences, Shanghai developers Shanghai Apartments (Mauritius) Company Ltd. is the pioneer behind the world's first branded residential project with the Four Seasons Regent Residences in Jakarta, Indonesia.

Source : Baccarat Hotels and Resorts