



Luxury in unusual places

Batam may not be synonymous with high-end beachfront living, but KOP Group aims to change that with its Montigo Resorts development

Updated 11:47 AM Mar 11, 2012

by **Conrad Raj**

So you want a high-end beach residence but can't pay the millions demanded at Sentosa Cove. An alternative lies just half an hour by luxury yacht from Singapore.

At the Montigo Resorts on Batam island, investors can find their luxury home for about a tenth of the price of a similar property in Singapore. Developed at a cost close to S\$100 million by Singapore's KOP Group, which is led by lawyer-turned-developer Ong Chih Ching, the 12-hectare site at Nongsa Beach features 88 "villas" and 45 "residences", with just under half the properties already sold. The site was bought from the father of KOP's co-founder and chief executive of its development arm KOP Properties, Ms Leny Suparman.

Says Ms Jo-Ann Teh, the group's public relations consultant: "Though not the most well-known location (Batam) for a luxury retreat, Chih Ching aims to change that perception with the resorts' unique design impression, architecture as well as luxury offerings." The mission statement talks of becoming one of the best resort brands "providing enriching experiences for the entire family".

Prices are around S\$145 per sq ft, compared with over S\$2,000 psf at Sentosa Cove, with each unit costing S\$450,000 and upwards. For that price you can buy a 3,000-sq-ft three-storey "villa" with two bedrooms, or a "three-bedroom residence" with a built-up area of 6,500 sq ft on land ranging from 10,000 sq ft to 20,000 sq ft. While villas are only accessible by buggy or on foot, you can drive your car right up to your residence.

Ms Ong says: "It's a hotel-resort concept except that the properties are owned by individual owners. It allows owners the benefit of staying as and when they want, and to receive income when they are not staying."

Unlike those of other similar operators, the leased properties under Montigo are not placed in a shared pool and owners stay only in their own homes, she explains. "They can also market their property to their friends or acquaintances, but bookings must be done through KOP."

However, owners do have to sign over their properties for at least a year and stay can be subject to black-out periods. A monthly maintenance fee of S\$550 is payable, and for that you get more than 200 staff to attend to your or your tenant's almost every need. Owners also get to be ferried by Montigo's own multi-million-dollar luxury boat. Other luxuries include a plunge pool in each unit and some fittings.

Besides offering a spectacular view of Singapore and a beach front, the development boasts several communal pools, a supermarket, a clubhouse, gym and games and care area for kids, among other facilities. "We will also have a club for teenagers, cooking classes, arts and craft classes and even conduct lessons on organic farming," Ms Ong said. Several high-end restaurants are also on the cards.

SEEING RETURNS

KOP guarantees a yield of 5 per cent annually for the first two years, but a higher yield could be obtained under the shared return basis. "We think that once the whole thing gets

going and the situation stabilises, double-digit returns are possible," says Ms Ong, adding that most investors prefer to lease out their properties to KOP to earn an income.

However, one turn-off for Singaporeans could be the relatively short lease period that Indonesia imposes on foreigners. The properties are on 30+30+20-year tenures, with KOP assuring that under normal conditions, the lease will be renewed for another 30 years after the first 30 with a final renewal of 20 years. "It will be an investment for many generations," assures Ms Ong.

More than 40 per cent of the development has been sold. And, in a case of putting your money where your mouth is, Ms Ong is building her own home on the development's finest 25,000 sq ft site.

The KOP brand has become a byword for luxurious living. In Singapore its portfolio includes Hayden Properties, developer of Hamilton Scotts, touted as the world's tallest building with a car porch in every flat; and the Ritz-Carlton Residences on Cairnhill Road.

The Montigo concept has been enticing enough for a Moroccan group to invite KOP as a partner to develop a site at Mediterrania Saidia. This ultra luxurious resort with 6km of private beachfront is scheduled to open in 2014. "We are looking to open more Montigo Resorts properties and are currently looking for sites in Bali and China," Ms Ong disclosed.

URL <http://www.todayonline.com/Sunday/EDC120129-0000004/Luxury-in-unusual-places>

Copyright 2012 MediaCorp Pte Ltd | All Rights Reserved

Print