

# HOME

## CONSTRUCTION



The American wave: Two classic villas on Phoenix Island in Qingdao (above and below left), by Los Angeles-based Landry Design Group, which attracted Chinese clients because of its expertise in traditional European architecture. M+M Creative Studio, based in Beverly Hills, has lent a contemporary touch to its Luxelake Wood Villa project in Chengdu. Photos: SCMP Photos



# CHINA'S BOOM A SAVIOUR FOR AMERICAN ARCHITECTS

US designers are enjoying unprecedented demand in Asia, which many admit kept them afloat after the 2008 crisis brought work to a halt at home

**Kavita Daswani**  
property.post@scmp.com

Call it reverse outsourcing. In a trend that has been accelerating for the past few years, US architects and interior designers are finding that most of their work is now in China as they cater to the nationwide building boom; although analysts have been predicting the softening of the market for several months now, American architects say that, if anything, business is picking up.

Top-notch US architects, who had typically worked on theme parks, outsized celebrity mansions and sleek skyscrapers in the US, largely shifted their focus East as the US market softened. As a result, US names are now attached in China to everything from golf courses and water parks to resorts and even super-deluxe private homes of 200,000 sq ft or more.

"Right now, we have well in excess of eight million sq ft of homes just in China," said Richard Landry, a regular fixture on the *Architectural Digest* AD100 top architects and designers in the world. His Los Angeles-based Landry Design Group has completed homes for the likes of Rod Stewart, Tom Brady and Gisele Bundchen, and Sylvester Stallone.

But it wasn't just the celebrity associations that first brought Landry to the attention of developers in China. Some cachet was acquired through a 2006 book, *Modern to Classic: Residential Estates by Landry Design Group*, which had been translated into Chinese. The company is known for its expertise in traditional European architecture, and found that this is what Chinese clients came to them for.

"We got a lot of calls because of the book and it brought us a certain level of name recognition," Landry said. "Even now, we get contacted at least every week by potential clients."

Among his current projects are a 200,000 sq ft house in Shanghai that has been under construction for almost two years. Although Landry

won't go into details, he did say that the home was for "one large, extended family".

"It's an amazing property," he said, "with beautiful estate grounds, gardens and water features. We have understood the culture of it, where the family can live together but where everyone has their privacy. These are people who do a lot of philanthropy and entertain a lot and need a place not just to live in but to hold events and fund-raisers."

Architects say the mainland construction boom could not have come at a luckier time, some even admitting that it kept their businesses from folding long ago.

"Projects in China now make up about 65 or 70 per cent of our portfolio," said Ahsin Rasheed, who heads DDG, a Baltimore-based company whose international projects range from retail and town centres to hospitality and residential. Although the company started working on the mainland a decade ago, it wasn't until more recently that the number of commissions began to soar.

"When the meltdown happened in 2008, we started getting calls from our US clients telling us to stop work. So we hunkered down and started making calls to contacts in China and we got work and continued to stay in business," he said. "If we hadn't gone out and canvassed that business, we would have shut down."

Rasheed's company's current mainland portfolio includes hotels, resorts, duplexes and town houses

around the country. Current projects include Grand China, a vast retail centre in Tianjin that, at 4 million sq ft, will become the country's largest shopping centre when it opens. DDG also worked on the Xi Cheng Clubhouse in Shenzhen, part of the Xi Cheng Buena Vista mixed-use community. Rasheed has hired several Chinese-speaking architects to work in the Baltimore office.

Detractors may argue that while all this is good news for US-based architects, it is less than optimal for their Chinese counterparts.

"The Chinese are trying to build so much, so quickly, that they would use local talent – it's just that there aren't enough of them," said Chris Mitchell, CEO of M+M Creative Studio, based in Beverly Hills, California. "We're doing two projects through a developer in Chengdu – that same developer has 60 or 70 projects."

Still, more than any perceived scarcity in homegrown talent is another, more critical, factor.

## Projects in China now make up about 65 or 70 per cent of our portfolio

AHSIN RASHEED, CEO, DDG

"Developers in China really appreciate diversity more than anybody," said Mitchell. "They try to create marketable environments that will sell to middle- and upper-middle-level clientele with money. They are not trying to create something for nothing."

"They are trying to move property and they go to multiple firms for multiple projects so they don't create a cookie-cutter look."

That's certainly the case for the Luxelake Villas project that Mitchell is working on in Chengdu, which is as urbane and sophisticated as anything that might be found in, say, the Hamptons or St Barts. These 20,000 sq ft homes benefit from the wealth of craftsmanship in the area, including stone and wood carving that, says Mitchell, "rivals the Egyptians".

Chinese architects are almost always called in to collaborate with their American peers, and joint-venture deals and offices are beginning to mushroom.

The Minneapolis-based Cuningham Group, commissioned to design the Loong Gate Resort in Hainan – a theme park with resort hotels, championship golf course and homes – recently began collaborating with century-old Tsinghua University in Beijing, one of China's leading universities, to create the Architectural Design and Research Institute.

Working from a shared office in Beijing, architects from Cuningham and licensed professionals and graduates from Tsinghua's architectural programme will pursue projects related to entertainment, leisure and health care – fields that are less on the radar of US firms.

"It's critical for any US firm that wants to work in China to have a presence here," said James Scheidel, chairman of Cuningham Group Architecture.

Scheidel said that being able to work side-by-side with local architects helped address the "cultural component" of doing business in China, and was an advantage when pursuing new opportunities.

"We are looking at a large health care project – which is a growing market in China – as well as creating the next generation of schools and learning centres," he said. "Having an established presence there will open up a variety of markets to us."

Interestingly, Chinese developers are savvy about portioning out work, so although it seems that US architects have the lion's share of projects, that may not strictly be true.

"None of these buildings are being done solely by an international architect," said Charles Peace, regional director for Asia for Leo A Daly, a 100-year-old family-run architect firm based in Omaha, Nebraska.

"There are different stages of design, and a lot of collaboration, not just because it's cheaper or quicker but also because foreign firms are not always registered or licensed to do half of this work."

Leo A Daly is now working on about 10 large-scale projects across China, including the national headquarters for China Mobile, the world's largest mobile phone operator, in Beijing.

"Like anywhere else, there are literally thousands of developers in China, from the small provincial ones to the large national ones," said Peace. "Very simply, we focus on the big national developers. We are not hunting around in the backwaters of China for clients."

US architects are aware that the China boom won't last forever, so they are diversifying into other markets – Cuningham has been involved in projects for the 2018 Winter Olympics in South Korea, while Rasheed is looking at Russia.

"The pie is getting bigger," said Peace, "but most of it goes to local designers anyway. We are getting more projects, but we are getting less work out of each project."

**STYLE**  
**DAVID RODEN**



**What:** Tool links  
**Why:** Made by Royal VKB, these decorative hanging hooks give you a unique wall-mounted storage solution for your kitchen utensils  
**How much:** HK\$475  
**Where:** Flea and Cents, 1/F, 36 Queen's Road East, Wan Chai, tel: 2528 0808



**What:** Composition tray table  
**Why:** This solid walnut item is a contemporary take on the butler's table  
**How much:** HK\$1,580  
**Where:** Homeless, 29 Gough Street, Central, tel: 2581 1880



**What:** Orrefors glass collection  
**Why:** Designed by Karl Lagerfeld, these glasses come in transparent, black or milky-white glass  
**How much:** From HK\$1,599 to HK\$2,399  
**Where:** Lane Crawford, 3/F, IFC Mall, Central, tel: 2118 3388



**What:** Fauteuil direction chair  
**Why:** This has a steel frame and solid oak wood arm rests, and comes in grey or off-white cotton  
**How much:** HK\$19,999  
**Where:** Aluminium, 36 Cochrane Street, Central, tel: 2546 5904



**What:** Simone sofa  
**Why:** Voluptuous and generous, this ash-wood sofa makes the most of simple seams and pleats  
**How much:** HK\$43,000  
**Where:** Ovo Home, 16 Queen's Road East, Wan Chai, tel: 2526 7226

## Q & A WITH OUR EXPERTS

**Q: I am 55 and own a mortgaged property that I live in. I would like to ensure that I have some revenue after I retire and am considering investing up to HK\$4 million in a property to rent out. I am interested in reasonable capital appreciation and yield from the rent. I would be grateful for your advice on the areas, buildings (new or secondary), and type of apartment (studio, etc), you suggest appropriate for my objectives.**

**A:** New two-bedroom flats on Hong Kong Island cost around HK\$6 million. You could consider old housing estates which would fit your budget.

You should look for a flat in estates close to an MTR station, which will have a higher upside potential in capital value. Nan Fung Sun Chuen in Quarry Bay, City One Sha Tin, Caribbean Coast in Tung Chung, and housing estates in Tseung Kwan O may be good choices. A 474 sq ft flat at Nan Fung Sun Chuen is currently selling for about HK\$4 million. That could generate a rental yield of about 3 per cent. The other three housing estates also have

upside potential and are attractive to tenants. Willy Liu Wai-keung is the managing director of Ricacorp Properties

**Q: I bought a flat in 2011 and the bank gave me free fire insurance for a year. The insurance will expire this year. Should I extend the insurance? What risk may I be exposed to if I don't extend it?**

**A:** You are obliged to have fire insurance coverage on a mortgaged property, based on the requirement of the mortgage contract.

Many banks provide different insurance packages and you should shop for one most suitable for you. If you own a flat in a housing estate completed in recent years, fire insurance will be included in the management fee and you do not need to buy additional cover. Ivy Wong Mei-fung is the managing director of Centaline Mortgage Broker

**> ASK US**  
Got a question? Do you have a property related query for our experts? Send them to property.post@scmp.com

**> DISCLAIMER** The opinions expressed by the experts in this column are by nature general comments. They are not offered as specific advice on any particular matter and should not be taken as such. Readers should seek independent legal or professional advice on the particular facts and circumstances at issue.

www.darriwill.com

**Geelong, Victoria, Australia**

**Darriwill Estate**

A Renowned Australian Country Estate within 45 minutes of the city of Melbourne, the world's most liveable city.

'Darriwill', a classically restored historic bluestone homestead set within a beautiful private garden with elevated vistas over its 1,000 acres of highly improved and productive prime farmland, including 10 acres of Pinot Noir vineyard and olive grove.

For further details visit [www.darriwill.com](http://www.darriwill.com)

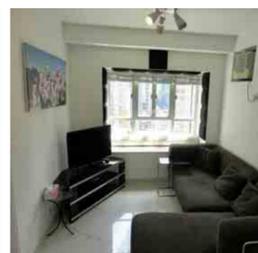
Expressions of Interest:  
Closing Tuesday 29th May at 5:00pm  
Jock Langley +61 419 530 008  
Agents in Conj: Stan Lawrence +61 408 526 836

Abercromby's, 1075 High Street Armadale, Melbourne, Victoria, Australia Telephone +61 3 9864 5300

## ON THE MARKET



**Happy Mansion**  
Completed in 1963, Happy Mansion is in MacDonnell Road, a short driving distance from Central. It is a five-storey building with five units per floor. Despite its age, the building has elevators. This colonial-style block has units of 1,300 sq ft to 1,800 sq ft, with two to three bedrooms. Most units have french windows. On offer is a 1,200 sq ft flat with a saleable area of 977 sq ft. Asking price is HK\$19.8 million. Agent: Michelle Chung of Landscape Christie's International Real Estate (9833 9509)



**Midland Court, Mid-Levels Central**  
Located at 58-63 Caine Road, Midland Court is only a few steps away from the Mid-Levels Escalator and Elgin Street. It consists of 24 storeys with four units per floor. On offer is a one-bedroom unit of 517 sq ft in size. Asking price is HK\$5.8 million. Agent: Ray Tsang of Centaline Property Agency (9192 7707)

