



*Mr. Alibhai and Tucker's Point, a premier resort in Bermuda developed by Gencom.  
COURTESY OF KARIM ALIBHAI*



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## Resort-Condo Developer Says Luxury is About 'Service More Than Anything Else'

Karim Alibhai sees increasing interest in high-end properties in Latin America

BY **LUCY COHEN BLATTER** | ORIGINALLY PUBLISHED ON SEPTEMBER 3, 2018 | [MANSION GLOBAL](#)

### The Insiders



Karim Alibhai is the CEO of Gencom, a company he founded in 1987, pioneering the condo-hotel concept.

From 2000 through 2016, Gencom—headquartered in Miami with an additional regional office in Houston—developed or acquired nine Ritz-Carlton and seven Marriott properties, as well as a Four Seasons property and other similar brands, most with real estate development and sales components, in places like Miami, Philadelphia and Beaver Creek, Colorado.

Mr. Alibhai, who was born in Kenya and lives in Coral Gables, Florida, now has the company focused on the acquisition, development, and operation of mixed-use hotels, including Ritz-Carlton, Four Seasons, Rosewood, and Hyatt properties, in Costa Rica, Bermuda and elsewhere.

We caught up with Mr. Alibhai to discuss the strongest resort markets, the importance of being methodical about real estate buys, and more.

### **Mansion Global: Describe your dream property.**

**Karim Alibhai:** I would have to bifurcate into a couple of things. From a resort perspective, an ocean in the front and mountains in the back is great. And having nature-related amenities to enjoy is important to me, too.

But aside from my resort dream, a big-city property in London with old-world charm and all the modern conveniences, where you can walk everywhere, is also great.

### **MG: Do you have a real estate property that got away?**

**KA:** From a business perspective, the Grand Bay Hotel at Coconut Grove. The timing never worked out for us, but It's been one of the most successful condo developments in Miami.

From a personal perspective, I've followed my own advice not to get too personally invested. For example, the home I live in now, my wife had showed it to me for two years, and always asked me about it. But the value and pricing wasn't right. Finally the seller came down to the right value and we got it. I almost let it get away, but it all worked out.

**MG: What does luxury mean to you?**

**KA:** I've just come back from the Four Seasons in Costa Rica, one of our properties. I always ask them for guest and employee satisfaction scores, which means more to me than the financials. We moved up to No. 2 in the world. For me, luxury is about the level of service more than anything else.

**MG: What area do you think is the next hub for luxury properties?**

**KA:** We're about to announce our third property in Costa Rica. There are amazing service levels, and the cost of labor is affordable. I can see how that's becoming a destination. And we're also looking at properties in Bogotá, Colombia. The affluence in Latin America is starting to make for residential condos combined with hotels.

There's a lot of promising demand.

**MG: What's the biggest surprise in the luxury real estate market now?**

**KA:** How important brand loyalty is from a buyer's perspective. I've always thought that it's the product and location that drives buyers, but we've noticed more and more that it's branding—unless you're in a big city like New York City.

Also, other than in 2009, we saw sales shooting up before the stock market bounced back. Luxury buyers may slow down, but they don't change their lifestyles that much, even in a recession.

**MG: Where are the best luxury homes in the world and why?**

**KA:** The U.S. has some of the top pockets, thanks to the affluence there, whether that's California or Miami or New York. The demand is there for the U.S. market, and places like Costa Rica and Bermuda are auxiliary markets that are extensions of the U.S. for American and Canadian buyers.

**MG: What's your favorite part of your home?**

**KA:** The outside loggia, where I can sit back and look at the ocean, have a glass of wine and reflect on life and business. It's also where I like to have a cup of coffee in the morning. I also have a sort of yoga lawn, and that brings peace and tranquility.

**MG: What best describes the theme to your home and why?**

**KA:** Old-world, Mediterranean-style. That's the exterior, so we've continued with that, but made it traditional and modern. Ultimately, it's important that a house is a place you want to live in, and not just a show piece. Our home is warm, with comfortable colors and woods.

**MG: What's the most valuable thing in your home?**

**KA:** My kitchen and my library, which both have very opposite feelings and looks.

**KA: What's the most valuable amenity to have in a home right now?**

**MG:** Buyers love expansive and generous outdoor space— where that's bigger balconies, larger terraces or plunge pools. That really gets a premium.

**MG: What's your best piece of real estate advice?**

**KA:** Money is usually made on the buy. [Businessman] Jay Pritzker was fond of saying he made he made more money in buying than in selling.

A lot of people just want to buy anything and everything, but that can be a problem. My advice is to be methodical about buying. If you miss a deal, something else will come along.

Make sure your filters are always on.

**MG: What's going on in the news that will have the biggest impact on the luxury real estate market?**

**KA:** My biggest concern is about trade wars and their ripple effects. Chinese may not want to invest in the U.S. At some point, you'll see the economy making adjustments.

**MG: What is the best area now for investing in luxury properties?**

**KA:** We've looked at Bermuda and Costa Rica specifically. In Bermuda, the airport is expanding and it has proximity to the Northeast corridor. In Costa Rica, and other parts of Central America, we're also seeing lots of growth.

**MG: If you had a choice of living in a new development or a prime resale property, which would you choose and why?**

**KA:** It's always lower risk to buy a resale and redo it.

For my own home, I also would still prefer to have a resale property and then fix it up, rather than starting from the ground up. It's very time consuming to do all the details of a ground-up home.

**MG: What area currently has the best resale value?**

**KA:** Interestingly, even though London has been beaten up because of Brexit worries, I would always buy there, because people will always come there. Then Paris and New York—they've always held their values over time over time and gotten better.