

Bulletproof real estate

Managing investment risk may be quite a challenge, but it does not mean you have to head for the hills or don a bulletproof vest.



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I can't recall ever being given a bullet proof vest as I walked into a property sales office. These days though, whether you are condo shopping in Kabul, seriously eyeing a town house in Syria or ecstatic about a fixer-upper in Egypt, it might not be such a bad idea.

Even in comfortable and safe Thailand, the rash of flooding late last year has brought an onslaught of strategic advertisements aimed at the paranoid or fragile, nervous individual who is looking for a failsafe bolt hole investment.

One of my favorites is a monolithic sized billboard next to the expressway in Bangkok that shows an island and shouts out in largish letters "No Flooding". Of course, once the floods do re-appear, you will be able to hydrofoil down from your house in Chiang Mai, dodging drowning animals, crocodiles and the odd sewer rat or two and in no time you can be right on the island of your dreams. Perhaps the project promoters have never heard of global warming?

It's ironic, but scare tactics do work. Buyers have been flocking to snap up land parcels in Chiang Rai, Khao Yai and even upper floors on the condo towers in Pattaya. Although

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the latter seem to have ignored the risk of earthquakes. Politics also come into play, after all of those antics in Bangkok in the past few years, international agents have been doing a good cop and bad cop routine promoting London properties which are safe havens from the madness of the developing world. Certainly the UK has zero risk despite the financial crumbling of its neighbours - Godzilla sized debt and a woeful outlook of the Euro. "No! Not on our watch," shouts out a guy in a Union Jack t-shirt.

Or perhaps the flood proof universe of brand USA (minus Katrina of course) is an option? Although the entire property industry is so far underwater with no hope of recovery that spectators routinely pass Atlantis and the remains of the Titanic. Back

in pre-subprime times, it was written in stone that property prices would continue to rise until the end of time. Well, that proved not to be the case.

Blue chips, stock in Eastman Kodak, strong fundamental they say. I think I just heard a thud from someone jumping off a high rise on Wall Street. To peg a quote of ill advised optimism from Hunter Thompson in the epic novel "Fear and Loathing in Las Vegas", Raul Duke glossed: "We had all the momentum; we were riding the crest of a high and beautiful wave. So now, less than five years later, you can go up on a steep hill in Las Vegas and look west, and with the right kind of eyes you can almost see the high-water mark - that place where the wave finally broke and rolled back."

And speaking of waves, as one who lived through the Asian tsunami in Phuket, it was only a matter of months until advertisements for land on hillsides started to appear with headlines that blared - "tsunami safe land." There is a thin line between the doomsayer and the ad man, looking to cash in on a quick sale or trend. Perhaps a bit of morbid curiosity got a hold of me, but I recently started to wonder what one of those Kevlar bullet proof vests cost? Punching up eBay on the trusty web stallion I stumbled onto 200 pages of listings. Top, of course, is body armour, a concealable vest under a stylish wool coat. Then, oddly enough, a bulletproof clipboard. Perhaps I need to get out of the consulting business and start a small niche factory - island style of course - bullet proof thongs, flip flops or beer coolers anyone?

At the end of the day, investing remains risky business and even if you don't go looking for trouble, there is still a slim chance it's going to come knocking whether you like it or not. Next time you see one of those silly ads, I'd suggest pulling it down and heading to the nearest shooting range to use it for target practice. I still don't get what you do with the clipboard though.



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