

Niseko Alpen View

Hutchinson Builders' confidence in developing a second high-end residential ski resort in Japan's surging Niseko region has been vindicated by Australian investors, who have secured three quarters of apartments in the building ahead of official launch this week.

Twenty one of the 26 apartments in the \$20 million Alpen Views resort have been sold to predominantly Australian investors, with just three deluxe apartments and two penthouses remaining, priced between \$A975,000 and \$A1.85 million.

The success of Alpen Views follows the launch of Hutchinson's Alpen Ridge residential ski resort in Niseko early last year, which posted a one-day \$23 million sellout of the building before its official release.

Hutchinson Builders chairman Scott Hutchinson says he expects the remaining five apartments in Alpen Views will be snapped up quickly, due to the building's unrepeatable location in the heart of Niseko's main town, Hirafu.

"Alpen Views is located on the main street of Hirafu's prestigious Upper Village and will be the closest residential luxury apartment building to the main chairlift â€" it is a ski enthusiast and investor's dream," he said.

Buyers are also expected to be spurred by the recent announcement of the Commonwealth Bank's new Japanese Snowfields Property Loan product.

The Australian-first product now allows purchasers to secure their loan against their Japanese snowfield property to buy re-sale or 'off the plan,' so they may no longer need to secure their finance through domestic assets. The loan may also be used to refinance an existing loan, or unlock the value in an existing snowfields property.

Mr Hutchinson says the new finance package, coupled with the current availability of yen loans at around 3.95 per cent interest, makes the Japanese snowfield property market extremely enticing for Australian investors.

"Niseko is internationally renowned for having some of the best powder snow conditions, and Australians have become one of the region's biggest tourist and investor markets," Mr Hutchinson said.

"The number of Australasian visitors to Niseko increased more than ten-fold between 2001 and 2006, and the number is still growing â€" 15,000 Australians visited in the 2006/2007 ski season and that figure has reportedly increased by 20 per cent this season.

"Niseko is becoming an alternative to traditional ski destinations like Europe or North America, because of the quality of snow, inexpensive lift tickets, standard of accommodation and availability of direct flights from many cities meaning less jet lag.

"With increasing tourist numbers, affordable loan rates and the ease of securing a loan, it's no wonder investors are scrambling to secure their slice of the action in Niseko."

The avalanche of investors looking to secure property in Niseko has been a catalyst for a wave of new resort development in the village.

Some of the world's biggest finance, development and resort conglomerates are turning their attention to securing sites in Niseko, including Citigroup, the Hilton Hotel Group and Hong Kong's Pacific Century Premium Developments.

Mr Hutchinson says Hutchinson Builders is actively seeking further sites to develop in and around Niseko.

"Prime sites are being taken up very quickly by a number of major development and building companies who understand the true potential of Niseko â€" things are only just getting started," he said.

"The Asahi Shimbun, a Japanese newspaper, reported that the number of sites in Niseko owned by foreigners rose from 11 sites in 2004 to 249 by the beginning of 2006, which really demonstrates the high level of confidence international investors have in this region.

"Although it is known for its popularity as a winter destination, developers are also helping to create amenities to boost summer tourism, which is surging ahead with more than 10 golf courses in the area, white water rafting, climbing, mountain biking, surfing and more.

"The unique Japanese culture is another major drawcard, and we are starting to see Niseko blossom as a world-class destination year-round."

The Alpen Views site was acquired from its Japanese owner in March 2007 for \$A1.3 million.

The building boasts 26 luxury penthouse-style apartments over seven floors, with cutting-edge architectural design.

Alpen Views has been designed by Brisbane-based Cottee-Parker Architects and Japanese Architects Nikken Sekkei – the same team that created Alpen Ridge.

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