



REPORT  
*Savills Research*

# BRANDED RESIDENCES

2023



## FOREWORD

*The world has faced a year of economic uncertainty leading to a slowdown in wider residential property markets, however, branded residences as a sector have remained resilient in the face of global headwinds.*

*The global distribution for branded residences also continues to expand, with brands seeking new locations to develop their portfolios. This expansion is notably extending to emerging markets, where brands are capitalising on their reputations in regions experiencing rapid economic growth and wealth accumulation.*

*The landscape of branded residences is evolving with new players, including and especially from non-hotel brands. Although luxury hotel brands remain dominant, other chain segments are making strides, fostering diversification to cater to varying buyer demands across diverse geographical landscapes.*

*Changes in usage patterns also continue to drive buyer preferences. With the ongoing shift to flexible and hybrid working, buyers of branded residences are using their homes for longer periods of time. This shift is prompting changes in amenity and service offerings on a global scale, as brands adapt to meet the evolving preferences of their clientele.*

*Amidst this evolution, competition for developments and buyers remains intense. Success in this ever-growing global sector hinges on a deep understanding of local markets, nuanced buyer inclinations, and the union of brand identity with each unique location, all of which continue to propel schemes and brands forward.*

### Rico Picononi

Head of Global Residential Development Consultancy  
rico.picononi@savills.com

### 4 - 5

#### Branded residences - going for growth

Branded residences can be found in every corner of the globe

### 8 - 9

#### Branded residences hotspots

The current and future key locations for branded residence schemes

### 10 - 11

#### Pipeline trends

How is the sector continuing to grow and diversify?

### 12 - 13

#### Premium pricing

How does the pricing of branded residential compare to non-branded stock?

### 14 - 15

#### Rental programmes

Adding value to premium product

### 16 - 17

#### Outlook - where to next?

What is going to help create the next big thing?

Savills plc is a global real estate services provider listed on the London Stock Exchange. We have an international network of more than 700 offices and associates throughout the Americas, UK, Europe, Asia-Pacific, Africa, India as well as the Middle East, offering a broad range of specialist advisory, management and transactional services to clients all over the world. This report is for general informative purposes only. It may not be published, reproduced or quoted, in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent. While every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills Research.

# Branded residences - going for growth

Geographic diversification is not the only way that the sector is changing, with new buyers and new brands boosting branded residences

The concept of a branded residence has existed since the 1920s, though the sector did not truly emerge as a large subset for the residential market until the 1980s. Historically centred in North America, today's branded residential schemes can be found in almost every corner of the globe. Across the world, there are 690 completed schemes as of mid-2023, with over 600 schemes in the pipeline expected to be delivered by 2030. This future growth is in line with historic trends – over the past decade, branded residences schemes have increased by over 160%.

Once accounting for all of the schemes in existence, today North America accounts for just over one-third of the total supply. In the past 30 years, as the sector has grown, it has expanded into all regions; Asia Pacific and the Middle East are hotspots as they are home to an additional 40% of total supply. The highest growth over the pipeline period can be found in the Middle East (+120%) and in Central and Latin America (+89%), with all global regions forecast to exhibit high levels of growth to 2030.

Beyond growing as a sector, branded residences have diversified away from being entirely luxury hotel-driven to offering products across all of the hotel chain scales as well as offering branded residential schemes from non-hotel brands. Non-hotel brands can cross the spectrum from fashion to design and from automotive to food and beverage brands – each offering distinct lifestyles to their global buyer base.

**Brands, buyers, and boosted growth**  
Geographic diversification is not the only way that the branded residences sector is changing. The sector has evolved from a market dominated entirely by hotel brands to a diverse combination of hotel and non-hotel brands. ➤

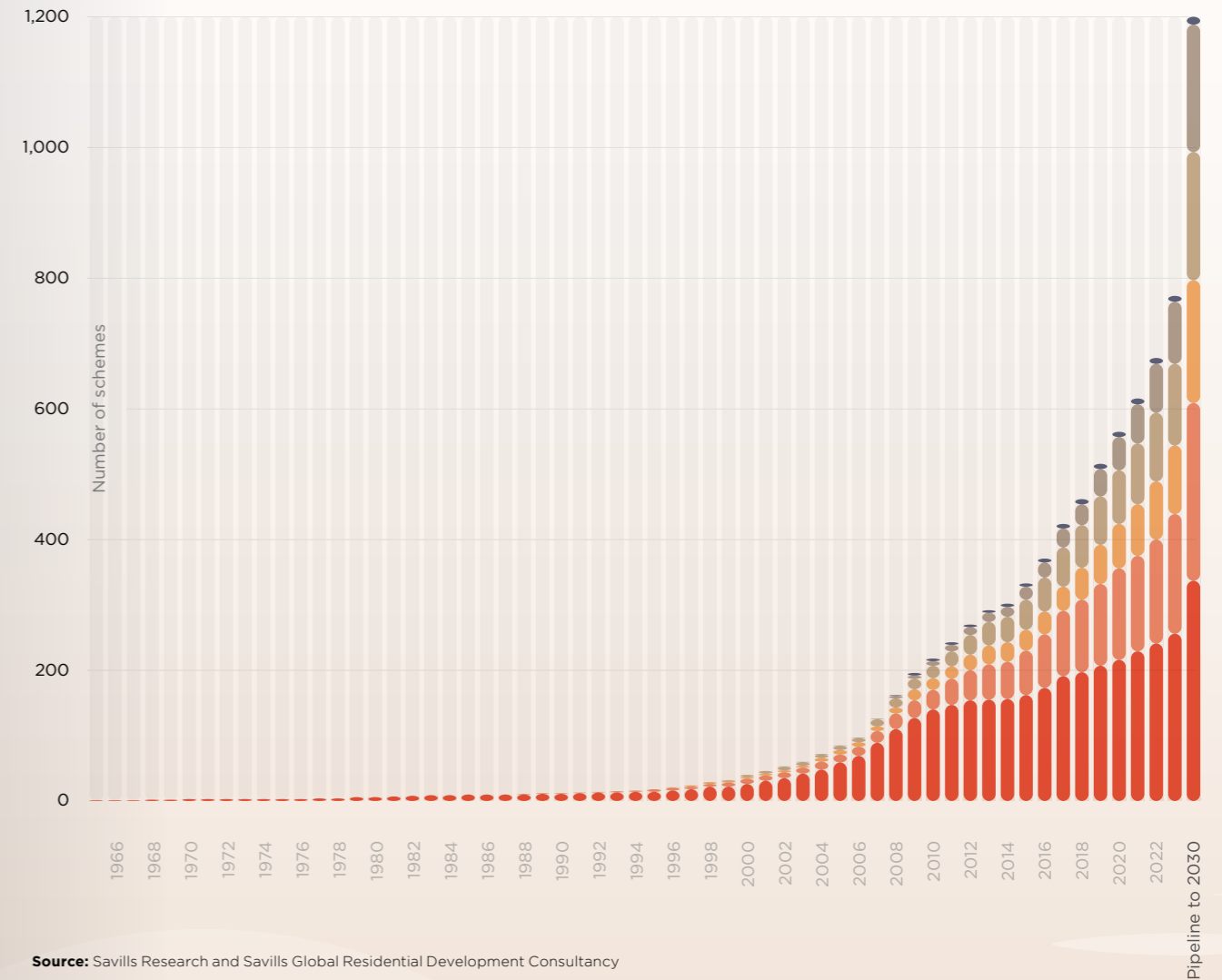


Waldorf Astoria Residences  
Pompano Beach

## Growth and diversification of branded residences sector

Globalisation of residential schemes

North America Asia Pacific Central & Latin America Europe Middle East & North Africa Africa

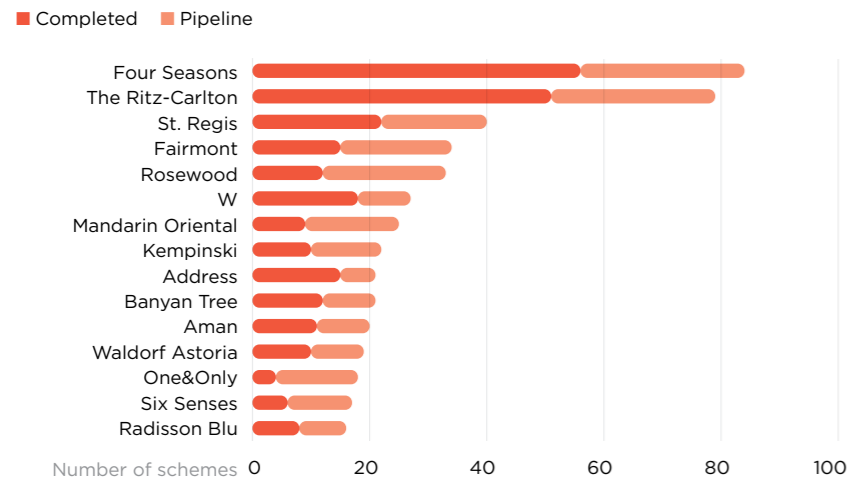


Source: Savills Research and Savills Global Residential Development Consultancy

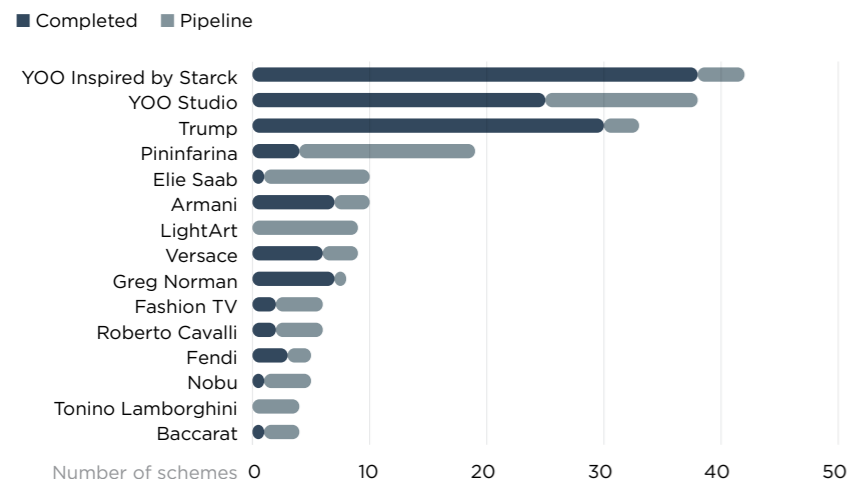
“The highest growth over the pipeline period can be found in the Middle East (+120%) and in Central and Latin America (+89%), with all global regions forecast to exhibit high levels of growth to 2030.”

**Top individual brands**

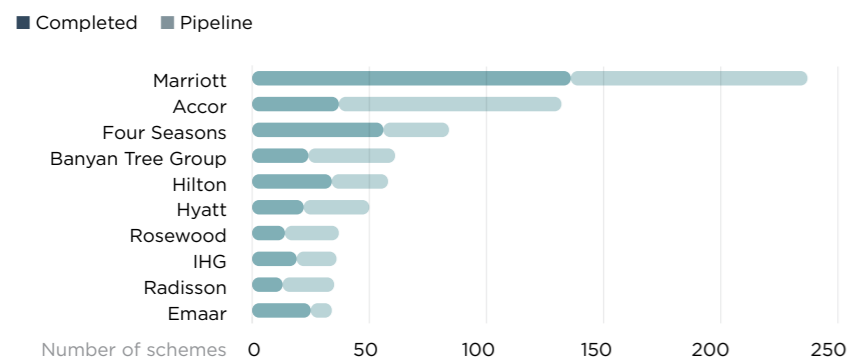
**Hotel**



**Non-hotel**



**Top 10 hotel parent companies**



Source: Savills Research and Savills Global Residential Development Consultancy

Parent companies and parent groups, with large numbers of brands under their umbrellas, continue to compete for market share and brand recognition. Marriott International remains comfortably in first place with the highest number of completed schemes for hotel operators, a position the company has maintained since 2002. This is not guaranteed for the future however, with new entrants and rising competitors, such as Accor, continuing to break into the market.

Non-US parent companies such as Emaar Hospitality and Banyan Tree Group have risen to become global contenders.

With non-hotel branded residences growing at a different pace, there is more activity and jostling for position compared to the hotel parent brands. YOO remains top of the table through the pipeline forecast period. Several other brands, such as Mahindra (Pininfarina), Elie Saab, and Capri Holdings (Versace), will ascend through the rankings over the forecast period.

Just as the parent companies must differentiate themselves while maintaining growth in an increasingly crowded landscape, so too must the individual brands in order to attract buyers. For hotel brands, the top three spots are claimed by Four

Seasons, The Ritz-Carlton, and St. Regis. Four Seasons and The Ritz-Carlton have competed heavily for first place in the rankings for many years; for 2023, Four Seasons has clinched the top spot for hotel brands for the second year in a row.

By contrast to the hotel brands, most non-hotel brands have fewer than ten schemes in operation. YOO and Trump, the latter considered non-hotel brand for the purpose of this report, are the exceptions to this trend, however, as they

have long histories of activity in the branded residential sector. These brands have 72 and 30 completed schemes, respectively, with over 25,000 units between them. Non-hotel brands tend to emphasise their differences from hotels by focusing much more on integrating elements of their specific brand via design, lifestyle, or amenities. For example, fashion brands may design their residences with vibrant colours and patterns that are emblematic of the brand style – think zig-zag patterns for Missoni

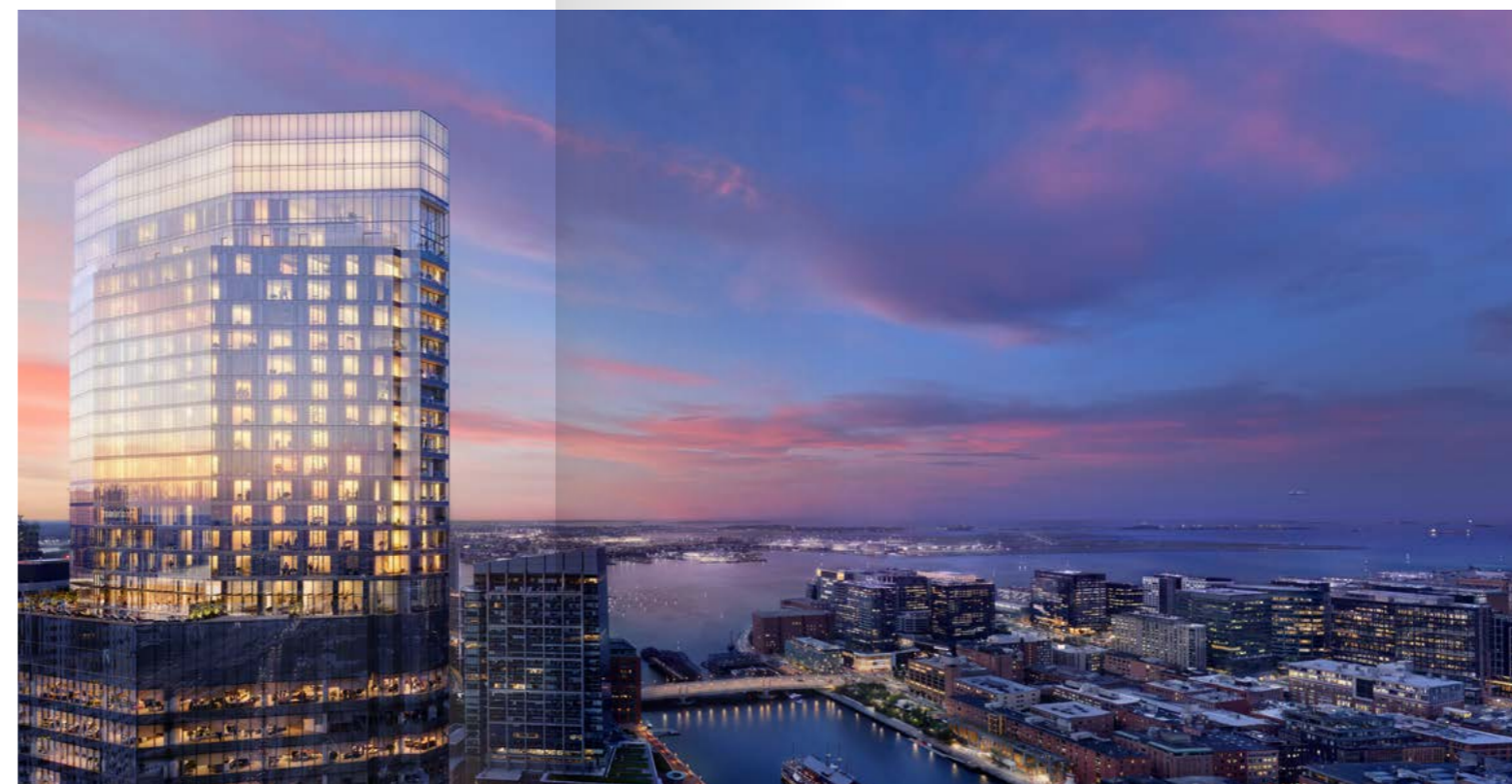
or bold colours, gold, and lions for Versace Residences.

For both hotel and non-hotel brands, there are compelling value propositions for offering branded residential schemes. Hotels deliver their culture of service, quality of food and beverage, housekeeping, and concierge services. Hoteliers already possess the know-how to develop and operate properties—and what are branded residences, other than private homes infused with the DNA of internationally recognized hospitality brand, where services and amenities are re-imagined for that setting? For non-hotel brands, there is the opportunity to offer a specific design or concept that brand followers are familiar with, and offer the possibility for fully designed and integrated spaces in line with the brand ethos.

The buyers of branded residences are as diverse as the brands that make up the sector. However, there are a few general characteristics of a large share of people who buy branded residences. Buyers are typically global high net worth individuals (HNWIs), who are looking for lock-up-and-leave properties to add to an already existing portfolio. Branded residences are trophy assets for these global buyers who are able to buy into the lifestyle and associations with the brand (or brands) of their choosing.

The brand associations that individuals form can be incredibly powerful drivers for choosing to purchase a branded residence. On the main, individuals are highly brand loyal, so once an association or connection to a brand is made, the connection tends to last. Individuals place a great deal of trust and confidence into brands with which they already have a relationship, which can help brands attract more buyers and develop more profound, meaningful relationships. In fact, Millennials and Generation Z, the future buyer base for branded residences, are increasingly – and disproportionately – brand loyal compared to other generations. For brands, this loyalty has the potential to mean a dedicated buyer base in the years to come. ✕

**Left** The Ritz-Carlton Residences Boston, South Station  
**Above** Sky Lounge, Hyde, Panama City, Wanders&YOO



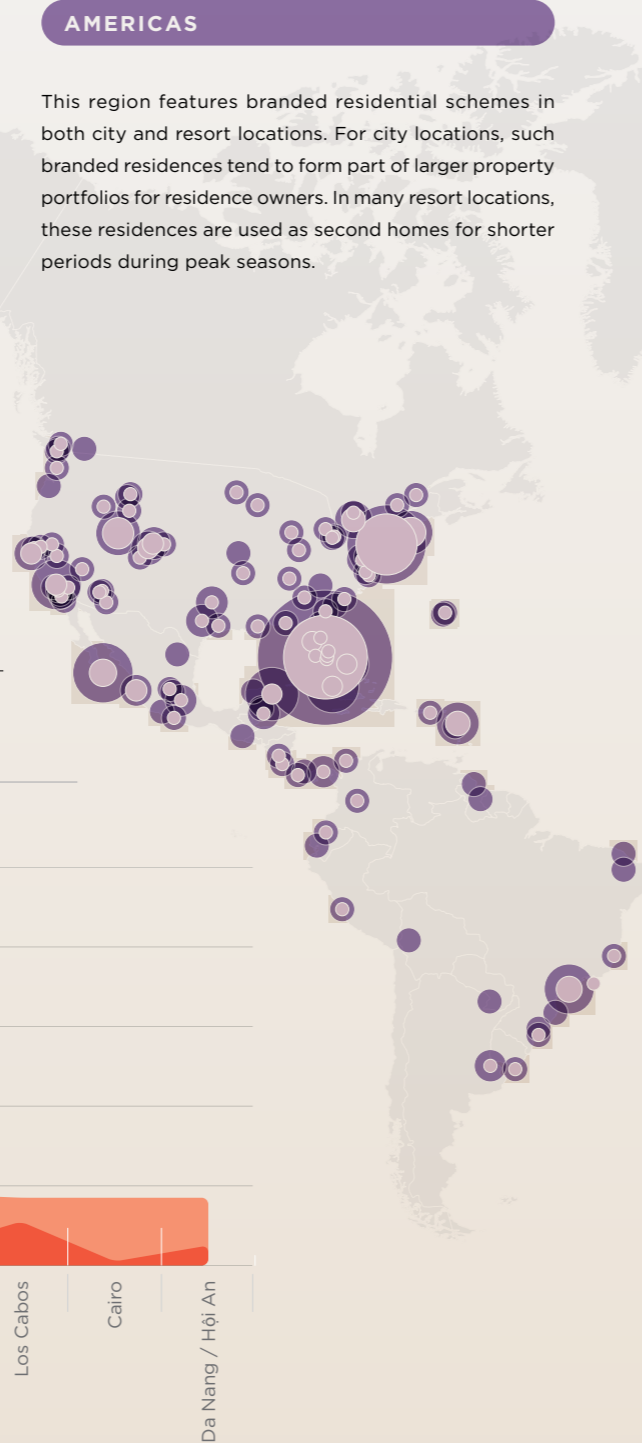
# Branded residences hotspots

Clusters of branded residences schemes are growing as the sector expands

As the sector continues to grow, the locations where branded residential schemes can be found are growing too. By a considerable measure, the hottest of hotspots for branded residences is Dubai, with 51 operational schemes; the total supply of branded residences in the city is expected to nearly double by the end of the forecast period. A close second in terms of completed schemes is South Florida, with 42 completed schemes. These two markets each appeal to international buyers, especially those seeking trophy assets, and have witnessed significant economic growth in recent years. Other top-10 clusters of branded residences schemes are located in Phuket, New York City, Los Cabos, London, and Riviera Maya, among others. ✕

## AMERICAS

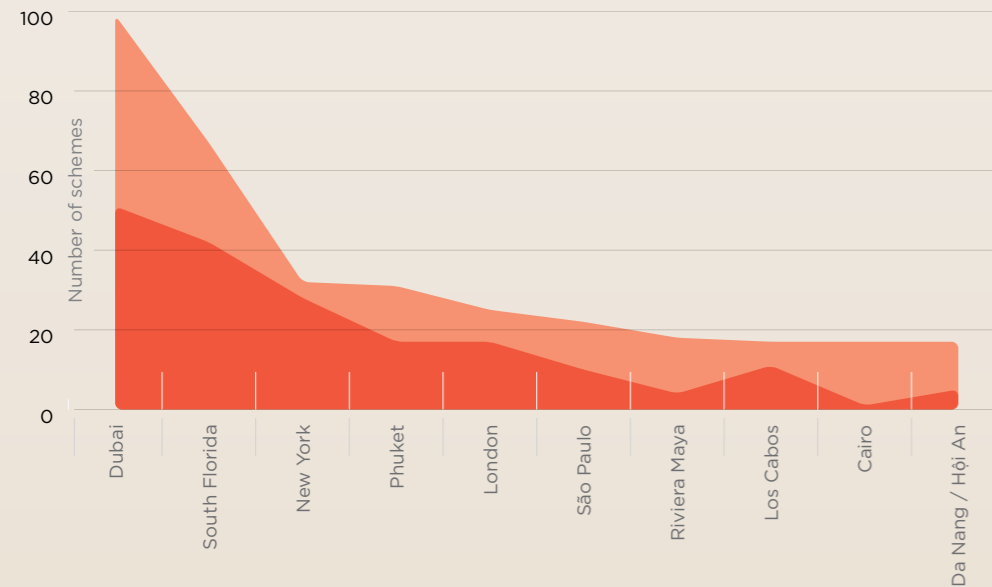
This region features branded residential schemes in both city and resort locations. For city locations, such branded residences tend to form part of larger property portfolios for residence owners. In many resort locations, these residences are used as second homes for shorter periods during peak seasons.



### Growth and diversification of branded residences sector

Hot-spots and rising locations

Completed Pipeline



Source: Savills Research and Savills Global Residential Development Consultancy

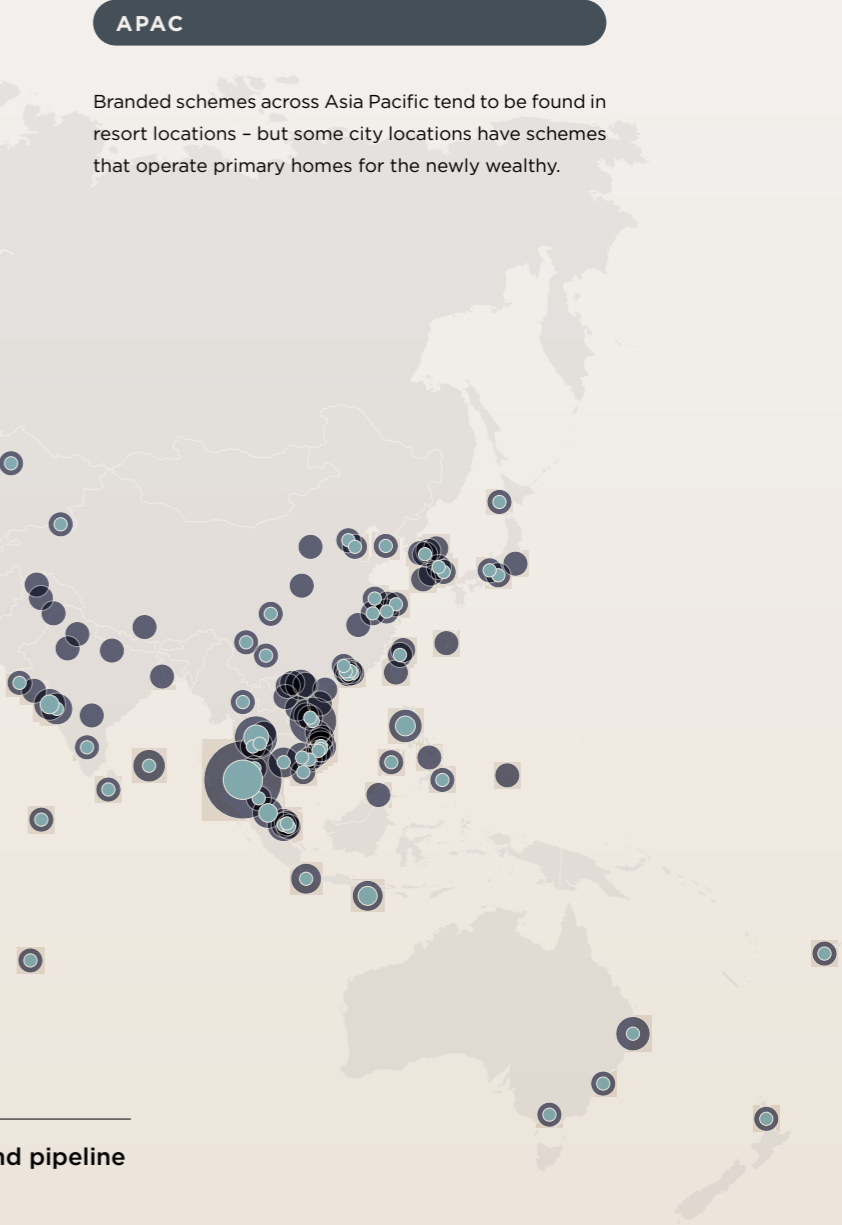
## EMEA

Europe and the Middle East feature branded residences in predominantly city locations. These are mainly used as trophy assets as part of larger property portfolios that are used for secondary homes although some are primary residences, especially in the major global cities. Resort locations are experiencing growing numbers of schemes, especially in coastal and alpine parts of the region.

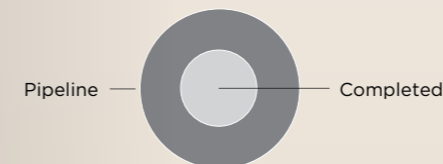


## APAC

Branded schemes across Asia Pacific tend to be found in resort locations - but some city locations have schemes that operate primary homes for the newly wealthy.



### Number of schemes by metro, completed and pipeline



Source: Savills Research and Savills Global Residential Development Consultancy

# Pipeline trends

Diversification of location and product type will be a leading driver of branded residences through the pipeline period

The branded residences sector has historically been led by schemes from luxury hotel developers, but as the sector continues to grow and diversify other brands and chain scales are capturing increasing market share. From being entirely dominated by hotels, it is estimated that by 2030 non-hotel brands will account for 20% of the total supply, an increase of nearly 40% from current levels. Within hotel brands, the offering continues to diversify. While luxury chains still account for two-thirds of completed schemes from hotel brands, upper-upscale and upscale brands are increasing their presence. By the end of the pipeline period in 2030, these two chain scales are forecast to increase their market share by 50% and 70%, respectively.

Since branded residences have been an asset class reserved primarily for the global High net worth population, there have been

a few things which have been absolutely critical for buyers. Services and amenities such as the concierge, fitness centres, restaurants & bars, and housekeeping remain key, but there are new elements which have become integral for today's buyers. Wellness and experiential amenities have risen in importance, especially post-pandemic. These amenities and focus on the lifestyle of branded residence owners are a key part of the new generation of lifestyle and leisure hospitality brands in the pipeline. Buyers are also increasingly interested in sustainable schemes and schemes with both indoor and outdoor space. These changes represent more of a shift towards the desire for living spaces and amenities that suit the lifestyles of an increasingly discerning set of buyers.

Over the coming years, branded residential schemes are forecast to continue

their growth worldwide; however, there are quite a few hotspots which are expected to see significantly higher growth than other metros by 2030. There is substantial growth in emerging cities, such as Cairo. The Egyptian capital is forecast to observe the highest pipeline growth, increasing from one currently operational scheme to 17 by the end of the pipeline period. Ho Chi Minh City, Nha Trang, Guanacaste and San Miguel de Allende round out the top five, each with forecast growth of more than 400% by 2030. With strong historical and forecast economic growth, as well as increasing numbers of high net worth individuals, brands can be confident in increasing their presence in these locations.

Resort locations are also exhibiting increased growth. Coastal locations, especially those around the Mediterranean and the Caribbean, offer hassle-free

“ There are quite a few hotspots with strong economic growth and increasing numbers of high net worth individuals where brands can be confident in increasing their presence.

ownership, security of a known-brand, and rich amenities, rendering them especially appealing to buyers in these areas. In the Caribbean, the Bahamas comprises the largest supply of branded residences with a 27% market share, followed by Cayman Islands (26%) and Turks and Caicos Islands (23%). Across the region, supply is set to double by 2030 from 23 schemes to 44 and account for nearly 3,300 units.

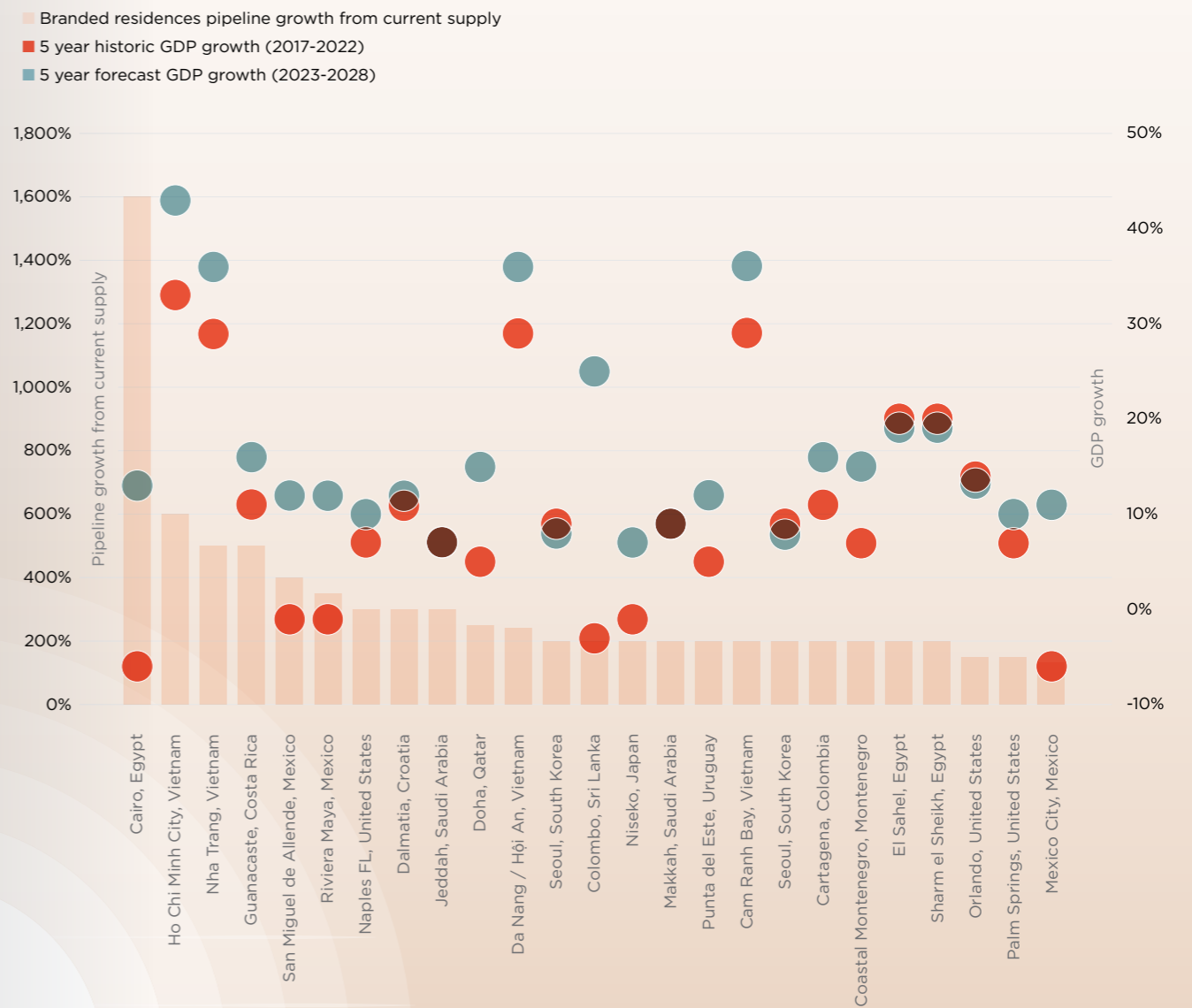
But resort locations are not limited to

summer and winter sun. Branded residences in ski locations, while relatively new, are a growing segment for many operators. Branded residences in ski markets currently total 48 schemes with a further 14 in the pipeline, demonstrating ample opportunity for expansion within these locations. By following their clients from cities to the beach to ski-in and ski-out, brands such as Four Seasons, One&Only and Six Senses have all expanded into mountain locations. ✕

“ Buyers are also increasingly interested in sustainable schemes and schemes with both indoor and outdoor space.

## Pipeline and GDP growth - selected metros

Emerging market growth contributing to growth in branded residences



Source: Savills Research and Savills Global Residential Development Consultancy

# Premium pricing

Brand affiliation can encourage premium pricing when compared to other equivalent non-branded stock in the market

**B**randed residences operate predominantly within the prime end of local residential markets. Associations of quality, luxury, and service which accompany brand affiliation can encourage premium pricing compared to other comparable non-branded stock in the market. Additionally, international knowledge of brands operating within the branded residential sphere can attract increased interest from global buyers.

Analysis of a sample of markets demonstrates that the global premium stands at an average of 30% on an unweighted basis; however, premiums do vary significantly depending on location, brand, and type of branded residential scheme.

Global cities tend to see a lower average premium than other markets as branded schemes may face higher levels

of competition from non-branded stock with similar provision of amenities and similar quality. Notwithstanding this, there is still an attractive premium in these cities; premiums in global cities are estimated to be around the 25% mark on average. In these markets, brands and developers tend to focus on lifestyle and amenities that can be found uniquely in their schemes, rather than residential finishes, as these can be easily replicated in non-branded schemes in global cities.

Emerging cities, on the other hand tend to enjoy the highest price premiums, with branded residential schemes commanding average premiums of over 50% compared to non-branded offerings. Growing numbers of HNWIs, expanding economies, and an increasing desire to maintaining appearances, have produced

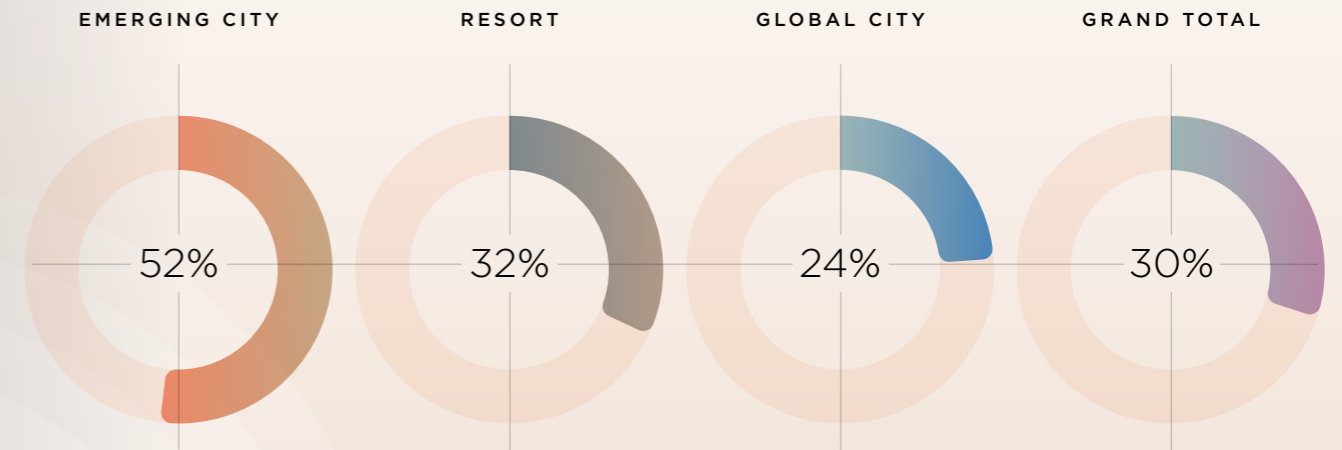
rising demand for branded residences across many emerging cities. In these growing markets, it is likely that a buyer will be looking for a branded residence to use as a primary residence compared to other market types as branded residences offer security, high-quality finishes, and superior implied status compared to non-branded products in these locations.

Finally, premiums in resort locations can be as varied as the locations themselves, but on average, premiums for resort markets stand at just over 30%. These premiums can vary based on market composition, local residential market dynamics, and buyer source markets. As the classification suggests, resort locations tend to be most popular with second home buyers looking to escape the frenetic pace of life in their home cities. ✕

One&Only Mandarin Private Homes, Mexico

## Branded residence price premiums – by location type

Comparing branded to non-branded stock across market types



Source: Savills Research and Savills Global Residential Development Consultancy

# Rental programmes

Rental programmes can offer an additional value proposition to prospective buyers

In the world of luxury real estate, branded residences have emerged as a unique and appealing option for property purchasers. One of the multitude of attractive aspects of branded residences for buyers is the rental programme offered by their developers and branding partners, which provides residence owners the unique possibility of enjoying a luxury lifestyle, and offsetting the cost of ownership of that lifestyle when not in-residence. Rental programmes were conceived in the early 90s and have become increasingly ubiquitous in the last decade, particularly within resort contexts.

Rental programmes can be dissected into mandatory and optional rental programmes. Mandatory rental programmes limit residence owner personal use rights and are more appropriately viewed as investment products, and will for the purpose of this report not be more closely explored.

For those who choose to purchase branded residences, the opportunity to

participate in a rental programme presents an attractive proposition. In certain cases, buyers of these units find themselves in a position where they are able to leverage rental programmes to offset service charges and other fixed costs, and generate a rental income while they are not using their property.

One of the most important benefits of a rental program to a buyer is the fact that the programmes enable the homeowner to seamlessly and effortlessly transition from periods of personal use to periods in which the property is rented, as the details are typically attended by the operator.

The decision to purchase a branded residence is often accompanied with deciding how to furnish the residence. Residence owners may be provided the option to purchase a developer furniture package, or they can purchase an unfurnished unit, allowing for customization. However, if a residence owner intends to participate in the rental programme, they must conform

to the brand’s furniture package, aligning with the brand’s aesthetic and ensuring it is furnished in an operationally viable manner. This ensures a consistent experience for guests and delivers the brand standard.

Incidentally, some high-net-worth individuals (HNWIs) prefer developments that impose restrictions on rental programmes. These restrictions aim to maintain a sense of security, privacy and exclusivity by limiting short-term rentals. Such measures curtail short-term guest traffic from outside sources, bolstering privacy within the community. This level of control over the rental programme enhances the allure of branded residences for HNWIs who seek luxury and seclusion.

Hotel brands play the pivotal role in the success of these rental programmes.

**This page** Four Seasons New Cairo Capital at Madinaty  
**Opposite** InterContinental Residences Hua Hin, Thailand



Buyers who acquire brand-approved furniture, fixture, and equipment (FF&E) packages are subsequently granted the opportunity to participate in the rental programme. Notwithstanding this, the brand may retain the authority to determine the number of units that may be included in the programme based on market demand and careful management and coordination of hotel rooms and residences. Management of the units in the rental programme, as well as their marketing, is exclusively managed by the hotel operator with thoughtful regard for their hotel inventory.

Revenue generated by branded residences through the rental programme may be recorded on a separate profit & loss statement (P&L) or may be accounted for within the hotel’s P&L. The implications of both options require careful consideration as well as the decision to distribute a top-line revenue split, or a bottom-line revenue split to participating residence owners. For the avoidance of doubt, any ancillary revenues, such as those from food and beverage, from spa & wellness amenities, or from other operated departments are accounted for exclusively on the hotel’s P&L, and not included in rental revenues. Regardless how rental programme revenues are recorded, rental programmes possess the ability to improve the bottom line performance of the hotel, demonstrating an uplift on hotel gross operating profit, through cost allocation and operational synergies.

Generally, owners of branded residences participating in rental programmes receive a distribution of the rental revenue. This share typically ranges from 40% to 60% of gross revenue, after which the residence owners must account for fixed property expenses including, but not limited to, their service charge obligations.

Structuring rental programmes within mixed-use developments requires careful planning and thoughtful consideration including clear definitions of contracting parties, limitations and restrictions imposed through the associated rental agreements, as well as budgeting and distribution of revenues in accordance with an optimized index. When it is done successfully, performance

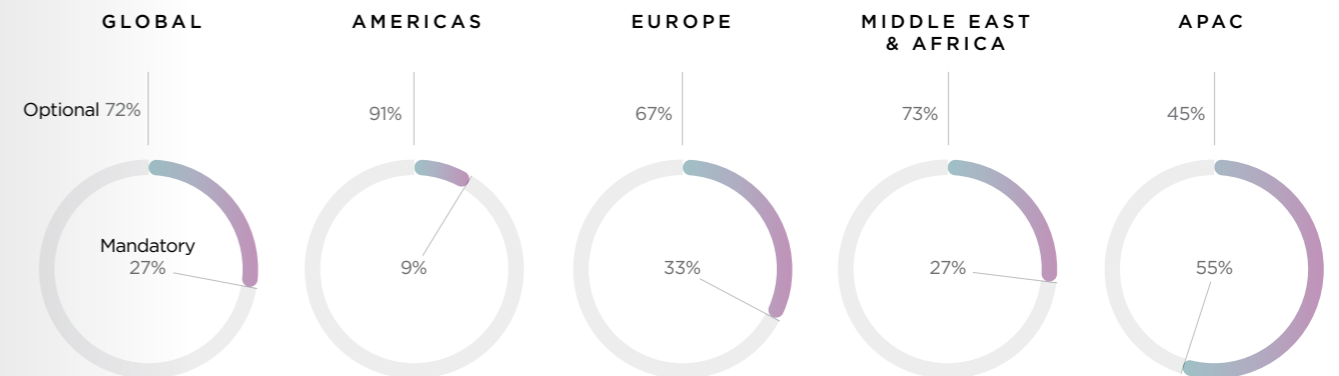
indicators suggest that average daily rates throughout the year can range from several hundred US dollars to several thousand US dollars with occupancies often 20 percentage points behind their co-located hotels and not unusually between 30% and 35%.

For many, rental programmes are a vital component of the branded residential value proposition, and contribute tangibly to the marketability of branded residences. With the allure of luxury living, personalized experiences, and potential financial offsets, the rental programmes in branded residences exemplify a harmonious collaboration between property owners, residence owners, and prestigious hotel brands. ✕



## Rental programme frequency

Share of programmes which are mandatory or optional



Source: Savills Research and Savills Global Residential Development Consultancy



## Outlook – where to next?

The diversity of branded residential schemes, in terms of location, type, brand, and design, continues to be a strong selling point for this unique property type.

In the coming years, as the global economy continues to produce increasing numbers of high-net-worth individuals with international lifestyles, there will be an ever-growing demand for branded residences around the world. New brands will enter the space and existing brands will reinforce their residential offerings.

Brands with debut schemes in the pipeline that will enter the market before 2030 include Dolce & Gabbana, De Grisogono, Mama Shelter, and Rare Finds. Each of the brands entering the sector will introduce their own design and service offering and will attract new and existing buyers to their schemes.

In the coming years, we expect demand for the branded residence product to remain strong in global cities, which are business and education hubs that offer the lifestyle, cultural attractions and unique experiences that are significant drivers for prospective buyers and their families.

Demand for luxury branded residences from domestic buyers is likely to grow faster in emerging cities, such as Ho Chi Minh City, Cairo, São Paulo, Istanbul, where the quality of the existing stock is unlikely to meet the requirements for high-quality fit-out and services by new HNWIs. In these markets, there will be opportunities for urban upscale residences as well as luxury products for brand-loyal, well-travelled customers.

Demand from international buyers is also likely to grow in accessible resort destinations to support demand from major cities with high concentration of wealth. Such demand in accessible destinations around global gateway cities is expected to be driven by flexible working and increased prioritisation of wellness. Sun and ski locations, with expanding numbers of brands and branded residences, will also



continue to attract buyers from around the world.

The diversity of branded residential schemes, in terms of location, type, brand, and design, continues to be a strong selling point for this unique property type. This diversity, along with quality-assurance, exclusivity, and security will all contribute to sustaining this sector that maintains its impressive trajectory year after year. ✘

**Above** Rosewood Residences  
Beverly Hills



**Right** Mandarin Oriental Residences,  
Fifth Avenue  
**Below** SLS Palm Jumeirah Dubai  
Residences



# Contacts

---

---

## World Research

**Eri Mitsostergiou**  
Director  
+30 6946500104  
emitso@savills.com

**Kelcie Sellers**  
Associate  
+44 (0) 20 3618 3524  
kelcie.sellers@savills.com

---

## Global Residential

**Justin Marking**  
Executive Director  
+44 (0) 20 7499 8644  
jmarking@savills.com

**Jelena Cvjetkovic**  
Director  
+44 (0) 20 7016 3754  
jcvjetkovic@savills.com

---

## Global Residential Development Consultancy

**Rico Picononi**  
Director  
+44 (0) 20 3618 3541  
rico.picononi@savills.com

**Peter Grmek**  
Associate Director  
+44 (0) 7414 846 946  
peter.grmek@savills.com

**William Hudson**  
Associate  
+44 (0) 20 7123 6344  
william.hudson@savills.com



33 Margaret Street  
London W1G 0JD  
+44 (0)20 7499 8644

