

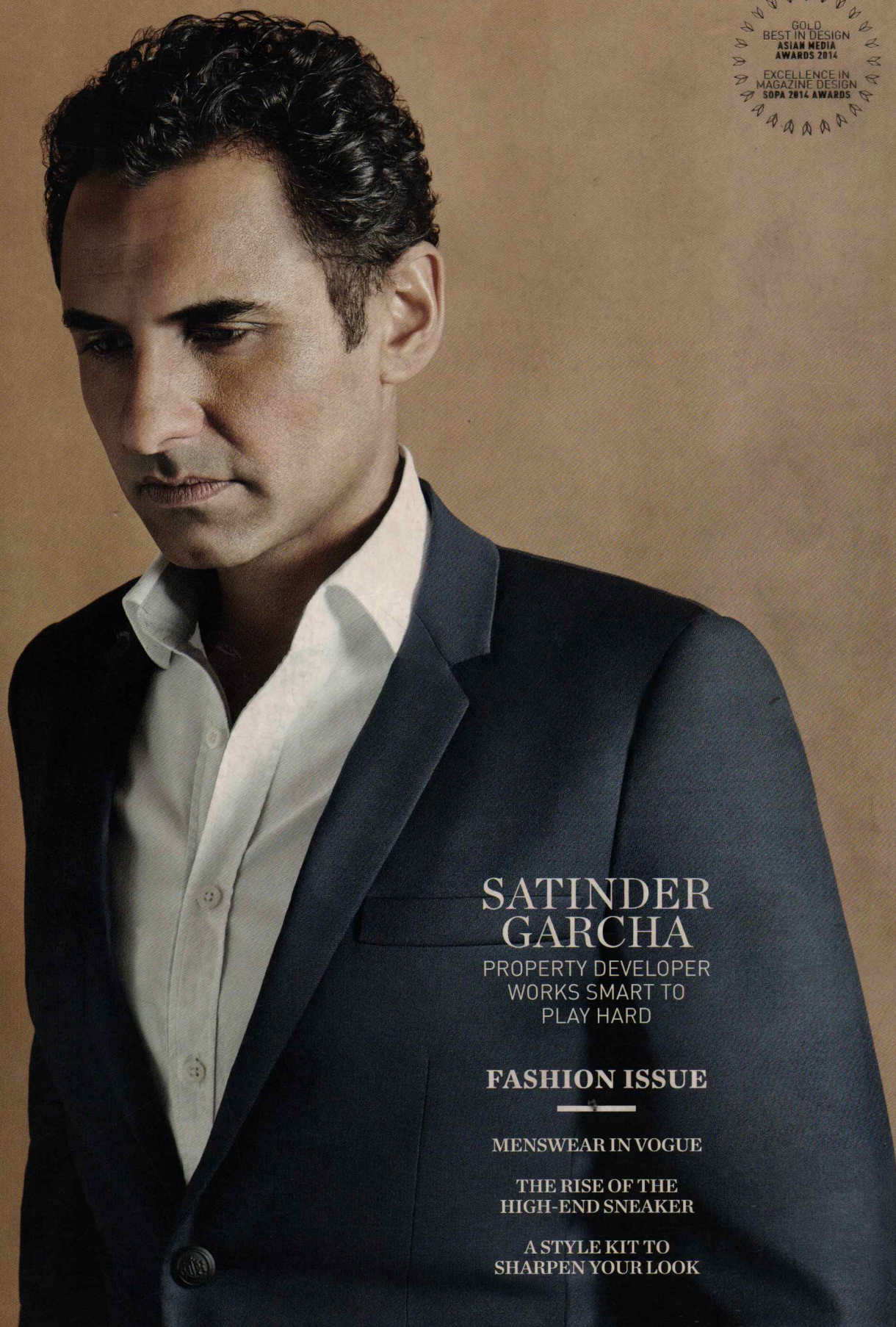
# THE PEAK

30 YEARS  
OF  
LUXURY

SINGAPORE

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SEPTEMBER 2014



**SATINDER  
GARCHA**

PROPERTY DEVELOPER  
WORKS SMART TO  
PLAY HARD

**FASHION ISSUE**

MENSWEAR IN VOGUE

THE RISE OF THE  
HIGH-END SNEAKER

A STYLE KIT TO  
SHARPEN YOUR LOOK









## THURSDAY, 10AM.

While suited executives across Singapore pour into the downtown core to begin another frenetic work day, Satinder Garcha, dressed in a DSquared shirt and jeans, is ensconced in a wicker chair in the arrival lounge of ONE°15 Marina Club. Before him, an idyllic scene of moored yachts, palm trees and multi-million-dollar homes, some of which he owns as part of his property business.

"We thought this would be a good place to chat because it takes you away from the office environment," says his minder. "You don't feel like you're working at all." I imagine Garcha strolling over to the club from his own home, located a short walk away on the other side of the pier, enjoying the morning breeze.

As we chatted, it becomes clear that the 43-year-old is quite adept at leaving the office behind. The founder of real estate firm Elevation Developments is preparing his first foray into hospitality – his luxury boutique hotel, Hotel Vagabond in Syed Alwi Road, is scheduled to open in the first quarter of next year. He's also currently restoring the historic City Hotel in downtown Santiago, Chile – which he purchased in 2010 – to new glories.

Yet, despite all this, if not for an injury sustained off the field, Garcha would be jetting off to Argentina in November to prepare for a major season of polo tournaments. On such tours, the amateur polo player and patron could be away for as long as two months competing with his team, Elevation.

When he's not travelling, the trim six-footer makes sure he practises his swing on one of his seven polo ponies at the Singapore Polo Club at least three times a week.

You'd think that Garcha has given his life to the sport, but he and his wife recently welcomed a baby daughter. They already have a 12-year-old daughter and six-year-old twins.

With his commitments, it's no surprise that Garcha doesn't spend more than three hours a day at the office. Nor does he want to.

### BALANCING ACT

"The industry I'm in now affords me more time. I'm free to pursue polo and have more time for my family. I'm not caught up in a hyper-paced environment like the Internet and software business."

That was when he was carving a name for himself in Silicon Valley, and returning home (which was just opposite Apple's head office in Cupertino) from work only after 10pm daily. His company, People.com, set up in 1995 to

provide software and employment solutions to US companies, was expanding rapidly at the height of the Internet boom in the Valley.

Five years later, the then-30-year-old, who started People.com with US\$100,000 (S\$125,000), sold it in late December 2000 to international recruitment agency TMP Worldwide at twice its US\$55 million top line.

Call it uncanny timing or great foresight, the Internet bubble burst barely a month later in January 2001.

"Being in the Valley, you could sense that things were heating up too fast. Valuations were off the charts," says the New Delhi-born entrepreneur, who scored a scholarship at the University of Texas, where he studied computer science and mathematics.

"On a personal note, I felt that phase of my life was over. I was ready for other adventures."

"Although it was an exciting time, it was obviously very intense. I enjoy the process of

creating. Once something becomes very big, the next question is, how can you grow intellectually for the next five years?"

### NO HORISING AROUND

There was a bigger calling: polo.

Although his father, Colonel Kuldeep Garcha, is a polo stalwart in India, Garcha never had the opportunity to have a go at it. He spent his formative years at India's oldest boarding school, The Lawrence School in Sanawar in the Himalayas, which does not have polo fields. There was never spare time when he was studying in Austin, Texas, and later working in Silicon Valley.

Besides, polo is an expensive sport. Patrons like Garcha pay between US\$50,000 and US\$1 million per tournament to play high-level games and hire top professional players. His teammates have included former world No. 1 Bautista Heguy from Argentina; Pakistan's leading player, Hissam Al Hyder; and top Brazilian player Joao Paulo Gannon.

## LOCATION, LOCATION, LOCATION

He has built the most modern homes in Sentosa Cove, but when it comes to his new hospitality venture, Satinder Garcha is after older buildings. "A building reflects a sense of identity of that country and its evolution. The goal is to try to tie in the hotel's psyche with the city's sensibility."

### HOTEL VAGABOND, SYED ALWI ROAD

To be opened in Q1 2015, the 42-room art-themed hotel will boast of Singapore's first artist-in-residence programme, where artists get free stay for a period of time by contributing their talent.

"The standalone building is within walking distance of Little India and Kampong Glam, two of Singapore's most cultural districts. I was very excited for these attributes to exist in one space."

Garcha declines to reveal room rates but they are reportedly between \$250 and \$400 a night. The transformation is said to be led by French architect and designer Jacques Garcia, who is one of *Architectural Digest's* top 100 designers in 2014.

### THE DUXTON, DUXTON ROAD

As Singapore's oldest luxury boutique hotel, the 23-year-old establishment was converted from a row of eight 100-year-old shophouses once occupied by Straits Chinese traders and their families, and still retains the old wooden shutters and louvred doors. In 1996, it became the first hotel in Southeast Asia to be a member of the prestigious Relais & Chateaux Association.

Room rates are reportedly at least \$500 per night, the highest price point of the group's Singapore hotels. To be renamed Blakes Singapore, it is scheduled to open late next year after a revamp by UK interior decorator Anouska Hempel Design.

### MURRAY TERRACE, OFF MAXWELL ROAD

Currently operating as an office building with advertising agency Leo Burnett as the main tenant, the row of 14 pre-war shophouses were originally built in 1929 and restored in 2009.

Subject to approval for change of use and after existing leases expire in 2015, the plan is to transform it into 160-room The Murray hotel. *The Business Times* reported last June. He envisions it to be a party hotel that will house a high-end lounge, restaurants and bars. Rates are estimated to be \$350 to \$700 a night for rooms, and suites will range from 25 to 40 sq m.

### THE GARCHA SANTIAGO, CHILE

Steeped in history, its prized location was what moved Garcha to purchase it the same afternoon he first viewed it in December 2010. The revamp, also to be headed by Anouska Hempel Design, will reportedly cost US\$40 million. Room rates are said to be between US\$500 and US\$1,000 per night when the hotel opens in 2016.

"At one point, we had 100 archaeologists on the site. Although they found walls around 200 years old, they didn't find anything deemed to be of significant historical meaning, which would have stopped construction."



#### HIGH LIFE

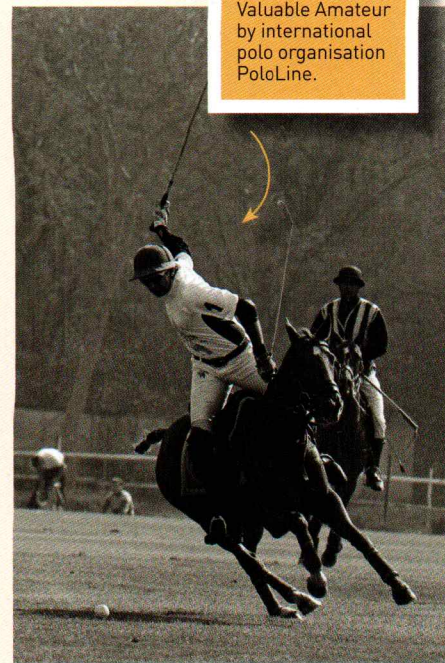
Garcha went into property development to pursue his passion for design and architecture.

#### DESIGN THERAPY

Garcha has amassed over 40 luxury landed homes in Singapore, including on Sentosa, such as these in Jalan Bahasa.

#### HORSES FOR COURSES

Last November, Garcha was named Most Valuable Amateur by international polo organisation PoloLine.



According to a 2010 report by *Financial Times*, a polo pony averages US\$100,000 each. Besides the seven he has in Singapore, Garcha owns 60 in Argentina and India.

In 2001, he and his wife were ready to move back to Asia. It was Singapore versus Hong Kong, and when it came to decision-making time, Singapore won. "Because Hong Kong's polo scene is not as big," he says with a chuckle.

After they came in May that same year, he practised full-time and proved that he had it in him despite being a late starter at 31 years old. In 2007, Garcha – he became a Singapore citizen in 2005 – captained the republic's polo team to a SEA Games silver medal in Bangkok.

Last November, Team Elevation won the prestigious Copa Presidente Cup, which is the largest polo tournament in the world. That same month, Garcha – he has a two-goal handicap, which is high for a polo patron – was named Most Valuable Amateur by international polo organisation PoloLine.

#### AN EYE FOR PROPERTY

As serendipitous as his move to Singapore seems, you know that the shrewd businessman must have come here for practical reasons too.

He and his wife were starting a family and found Singapore a good place to raise children. His eldest daughter was born the same year they moved here.

A bigger impetus was Singapore's conducive business environment. "We have strong laws, transparency, good governance and





**"PEOPLE ALWAYS SAY  
IT'S VERY RISKY TO  
DO YOUR OWN THING.  
ON THE CONTRARY,  
IT'S NOT RISKY. IN  
THE WORST-CASE  
SCENARIO, YOU FAIL.  
YOU'RE YOUNG AND YOU  
START AGAIN."**



**DAPPER MAN**

Garcha's predilection for good design reflects in his sleek sartorial choices – he wore his own togs for this photo shoot.



clear guidelines. I only want to do business in countries that are worthy from the viewpoint of law and transparency."

Moving to Singapore also moved him closer to another passion: design and architecture. "Going into property was a natural progression to pursue this interest."

In 2005, he founded Elevation Developments and built his very first house in Singapore – a bungalow in White House Park that became the family home. Over the next three years, he steadily amassed a portfolio of 22 plush homes, including Good Class Bungalows (GCB) in prime areas such as Nassim and Swettenham roads.

Like many investors at that time, he wanted in on hotspot Sentosa Cove. But by the time he was ready to invest there, the price had shot up more than three times its original asking price of \$350 per square foot when it first launched in 2003.

Still, he went ahead and outbid seven other developers in 2007, paying nearly \$80 million for a 71,600 sq ft site in Sentosa Cove, where he has 20 villas, known as The Green Collection, facing Sentosa Golf Club's Tanjong Course.

The price wasn't as significant as the deed itself. Garcha remembers vividly the day he purchased this plot – it was the same day the collapse of US investment bank Bear Stearns hit the headlines, which also marked the start of the most recent global financial crisis.<sup>14</sup>

He insists that it was a fair price to pay for such a scarce asset. Citing US business tycoon and investment guru Warren Buffett, whom he looks up to, Garcha says: "Such is life. Fluctuations are a given, whether it is business or personal life. You've just got to make sure that you have enough to keep your head above the water. Don't over-leverage and put all your eggs in one basket. You don't want one of these to wipe you out."

It certainly did not. Last year, he was the 46th person on the Forbes list of 50 richest people in Singapore, with a net worth of US\$395 million.

#### CHARACTER-BUILDING

Instead of selling these villas, he leases them. Garcha explains his build-and-rent strategy matter-of-factly: "In Singapore, you're dealing with such scarce assets. There's no new zoning for such landed property and GCBs. If I build and sell, we would have to do condominiums." This plan has worked well for Garcha, especially so with the recent property cooling measures.

Still, the barriers to entry have been raised significantly for investors like Eleva-

tion. Naturally, you wonder if Garcha's latest buying spree in the commercial property sector, which was spared from the property cooling package targeting residential and industrial property segments, is spurred on by these legislative curbs.

In May 2012, he snapped up six adjoining shophouses in Syed Alwi Road for \$23 million. This was followed by the \$75 million purchase of Murray Terrace, a row of 14 conserved shophouses off Maxwell Road, in October 2012. In May 2013, he picked up the former 49-room Berjaya Hotel in Duxton Road for \$50 million.

Apart from these three commercial sites, there's also Santiago's historic City Hotel. He declined to reveal how much he paid. He is currently looking at potential hotel sites in India. "Sort of like a homecoming," he jokes.

These properties will operate under his newly minted hotel management company, Garcha Hotels, which is separate from his ownership of the assets (see side story).

"We have the big hotel chains like St Regis, W and Four Seasons. But we don't have similar top-level boutique hotels, which is a growing trend worldwide," he says.

"More than just luxury, people want a unique experience and individuality. How do you get into the hospitality segment, which is dominated by the few big players here? There aren't many transactions because land is so expensive and scarce here."

And perhaps it is in hospitality – so far removed from his computer science and mathematics background – where Garcha's aspirations for design and architecture will be fulfilled. Hotels will be his core active business now.

"With residential development, I've always felt like an element was missing. Once you build a house, your connection to that thing is lost because it becomes a physical object. With hotels, it's not just about building beautiful things; it is about running them ourselves," he says.

"It's true that I'm drawn to heritage buildings, which are actually more difficult to work with, as there are conservation constraints. At the same time, it is more exciting to work with a building's character and how it fits into the makeup of the city."

His new venture in hospitality could really just be a legitimate excuse for Garcha to spend more time with his true love – polo. In between matches, he flew to Santiago from Argentina in December 2010 to view the City Hotel. He bought it that same afternoon. The city is closer to the heart of polo, Argentina, than most other metropolises.

Garcha is also planning to expand into New York City, London and Miami (which is nicknamed "the capital of Latin America").

"Having leisure time is a very important attribute in life. For some people, being in a flurry of activities and staying at the office until 10pm keeps them going. Yes, I get busy, but projects in the property market can last over an extended period, so you have more time to reflect. Maybe this is why I got into this business."<sup>15</sup>

*Find out what Satinder Garcha is doing in the film industry in the digital edition of The Peak via Magzter.*

## NO MOUNTAIN TOO HIGH

Satinder Garcha wouldn't be where he is today without having weathered tough conditions. For example, on the day he paid nearly \$80 million for the Sentosa Cove site in 2007, US investment bank Bear Stearns collapsed, marking the start of a global financial crisis. The New Delhi-born entrepreneur cites his boarding-school experience for his equanimity.

At the age of eight, he was sent to The Lawrence School in the Himalayas, where he spent the next seven years. It was lonely, and conditions were tough at India's oldest boarding school. For the first five months, he did not have any contact with his family, and had to assemble at 6am daily in the cold wearing only shorts. Defeats in inter-house games were also traumatic.

"The whole boarding-school experience makes you deal with issues with a balanced mind, so you don't get freaked out by situations," he says. "You've been bashed up and you just have to figure things out."