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In Asian cities, alternative co-living arrangements are becoming more popular.

With its proximity to major urban centers and lower costs, co-living is growing more popular. Increasing numbers of individuals are relocating to cities for job or school, and the co-living sector is seeing a boom throughout Asia Pacific. As a result, regional real estate investors and developers now have fresh avenues for growth. **used car for sale**

Co-living provides inhabitants with shorter and more flexible lease terms, as well as ready-to-move-in convenience, compared to condominiums, while property prices in gateway cities rise. According to a case study in the research, operators can save up to 25% on expenses when compared to the traditional rental model.

Investors will save a lot of money at the same time. Instead of paying three tiers of fees for a conventional residential property's maintenance, maintenance and rent collection (plus an agent to find tenants), work with multi-functional co-living operators like a building manager.

The COO and Head of Alternatives at JLL Asia Pacific, Rohit Hemnani, says, "Co-living fills a housing vacuum that conventional living categories don't." Due to the fact that co-living spaces are fully equipped with cleaning and maintenance services, tenants just need negotiate one deal with a single operator.

It differs substantially from the traditional co-living business model because of lease agreements and ownership types. "Many co-living operators rely on profit-sharing leases or management agreements because they have minimal assets, while others choose fixed market-based leases that give landlords with a stable income over a longer period of time..

Because of their potential to scale, co-living operators may theoretically be able to pay property owners more and provide efficiencies in cleaning, decoration, and services."

Co-living is a relatively new concept in most of Asia Pacific, but JLL expects it to gain traction and attract a broader range of tenants over time.

Although Singapore and Hong Kong are two of Asia's most expensive places to reside in, just a few incumbent businesses are seeking rapid expansion. The Aurum Investments and Sequoia India-backed Hmlet and Singapore Management University's partnership with The Ascott Limited to operate lyf@SMU are two instances of Singapore co-living investments. Co-living areas are becoming increasingly popular in Hong Kong's underperforming hotels and serviced flats as building owners seek ways to boost rental profits.

Research director at JLL in Hong Kong, Denis Ma says: "New investors are flocking to Hong Kong because co-living has evolved from an economical housing option to a lifestyle choice.

New schemes have emerged in the recent year with rentals that are equivalent to, if not greater than, those in the private sector. Co-living investment underwriting's essential concepts are being redefined by the success of these new schemes."

The Chinese rental market for multiple-family homes, on the other hand, has grown rapidly, making it one of the world's most mature co-living sectors. There have been a number of developers that have aggressively bid on land zoned for rental property in order to construct their own branded co-living operators.

When it comes to multifamily en bloc commodities and tax rules that punish residential rental firms, Australia has trailed behind. More developers are however turning to the booming built-to-suit industry as the residential market prices fall.

"Co-living will likely acquire market share in Asia Pacific in the future as renters continue to drive demand and investors seek higher yields. More built-to-suit items will be sold on the market, which will lead to increased acquisition activity for larger players "Head of Capital Markets Research at JLL Asia Pacific, Nick Wilson, summarizes the situation.