



Join the Club

Memberships to clubs are hot investments but getting a foot in the door can be difficult

■ FEATURES
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Dec 14, 2007



Country club culture can generally be split into two categories: there are clubs that people are members of for life, perhaps leaving the membership to a family member; and then there are those bought and sold on the open market in the same way the latest Jaguar would be.

Buying club memberships as an investment is gaining momentum among the world's rich seeking new ways to spend their cash.

In the US and Asia - particularly Japan, Hong Kong and Singapore - the idea is not a new one, but in Europe, where clubs are still regarded as elitist havens whose membership bodies have to be rigorously safeguarded, that is changing. Some high-end golf clubs in Britain and France are offering memberships as an investment, confident prices will increase in a few years. Memberships have become a tradable asset.

No more apparent is this trend than in Hong Kong, where a lack of land and a lot of disposable income have made club memberships much sought after.

"Everyone is looking for a good investment, and membership rates keep rising," says Tony Chan, sales director of Everfine Services, one of the many local companies operating as a broker between buyers and sellers.

Not long ago, he says, you could buy

a membership at the Aberdeen Marina Club for HK\$800,000. Today, getting

a foot in the door will set you back HK\$1.5 million, so those who invested in the club's early days can make a profit

on par with a flat in Mid-Levels.

More clubs around the world are following suit. Troon North, a prestigious golf club in Scottsdale, Arizona, charges about US\$85,000 for membership, up significantly from its opening rate of US\$35,000 in 1995. Membership at Queenwood, in Ottershaw, Surrey, in Britain, has increased 200 per cent in recent years.

Unlike other more passive investments, club memberships are appealing because people get enjoyment from them while watching their stake increase in value.

"People only sell when they stop using it," says Chan, whose company charges a 1 per cent commission on all transactions. "People buying these memberships look at which club has a future and which is the best one they can afford."

Not all clubs allow the practice of second-hand memberships. At the prestigious Hong Kong Country Club, there are no memberships available for individuals, although a few corporate ones are going for about HK\$2 million. Membership secretary Clara Leung says while a corporation can possibly transfer its membership to another company, individuals are not allowed. If an individual member stops using the club, or leaves Hong Kong, they effectively resign or become an absent member, and can't sell their membership.

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