

# Why dream of a high-rise apartment?

Experts delve into Korea's love affair with the concrete homes



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A crowd pushes to subscribe to buy a new high-rise apartment at a complex in Songdo, Incheon, in March 2007. [YONHAP]

For many Koreans, a home in one of the high-rise apartment buildings that dot Seoul is a lifelong dream. But to preservationists and some residents, these buildings are eyesores, devouring the city's older neighborhoods like a flesh-eating virus.

The Seoul city government has often been at least an enabler, helping developers to bulldoze older or traditional buildings to make way for modern high-density housing. Yet now, Kim Hyo-su and his colleagues at the Seoul Metropolitan Government housing bureau are fighting the high-rise menace.

Kim's mission as a team head at the housing bureau is to diversify the capital's housing. They consider the city's reputation as a sea of concrete apartment buildings disgraceful.

According to the city, about 80 percent of the newly constructed buildings in Seoul were apartments in 2008, while this year about 56 percent of the city's households lived in apartments, 13 times higher than in 1970. The number of houses and apartments in smaller buildings - known here as "villas" - fell by about 10,000 over the same period.

After several rounds of meetings, the team developed a few countermeasures. Among them is the Human Town Project, which was recently announced as an official initiative by the city government.

The project was designed to improve the quality of life of residents living in "villas," by adding neighborhood facilities often found inside high-rise apartment complexes, such as security offices, surveillance cameras, parks, parking lots and senior citizens centers.

"We got to know the major difficulties residents face while living in these houses through meetings with them," said Kim at a press conference last month.

"We believe this project will improve the residential environment while helping people live in their houses" without being forced to consider redeveloping their area into just another apartment complex.

Three Seoul residential areas with a large number of villas were selected for a trial project, after which the city hopes to expand the plan further.

To encourage the construction of new lower-density housing, the city changed a municipal ordinance on March 31 to offer various benefits to residents who opt to redevelop their area into houses or villas. For example, construction firms are not required to make 20 percent of the units compact - as small as 60 square meters (645.8 square feet) - which is mandatory for all new

apartment buildings, a measure often criticized as unprofitable. The city also renovates nearby roads and other public facilities deemed worn-out. More benefits are also being discussed by the city government, though it warned a turnaround won't be immediate.

Indeed, the high-rise apartment rules in Korea - even when it comes to the mortgage. Banks lend more money to families who plan to buy a place in one of these concrete slabs over other types of houses.

It's even common to see newlywed couples putting off having children until they purchase a decent apartment in Seoul. Working women who do have kids sometimes have to send them miles away to their mothers or in-laws so they can save up for a home while living in a tiny apartment. That's alarming to the government, which has also been trying to reverse the low birthrate, so last year the city began requiring a certain percentage of new apartments to go to newlywed couples with at least one baby.

A 34-year-old woman was one of those aspiring homeowners caught in a financial bind. "My 19-month-old daughter doesn't like to spend time with me but with her grandma. It's sad, but there is no other way. Our goal is to buy a three-bedroom apartment within Seoul before my girl turns 8," said the woman, who asked to be identified only as Kim. "After buying an apartment, I'll quit and raise my daughter." Kim's 68-year-old mother has been watching over Kim's daughter in Seosan, South Chungcheong. It takes Kim a nearly four-hour car ride to see her baby on weekends.

### **Almost 90 years to an apartment**

Seoul's very first apartment building appeared in 1962 in Mapo, near downtown. It received a less-than-enthusiastic welcome. Koreans complained there was no place in the apartments to bury their jangdok, the earthenware pots used to make and store Korean staples such as kimchi, red pepper paste

and soybean paste.

Since then, however, apartments have become synonymous with Koreans' image of the good life, and today they dominate the Seoul skyline.

In a survey of 3,560 people conducted by the country's top lender Kookmin Bank in 2009, 73.8 percent of respondents said they wanted to live in apartments.

But purchasing an apartment is not an easy task. According to a recent report by Budongsan Bank, a local real estate consulting agency, one would have to work for an average of 89 years and 8 months to save up enough to buy a 109-square-meter apartment in Gangnam, a wealthy area in southern Seoul, paying cash. Even if you didn't spend a penny of your monthly paycheck on food or rent, you'd still have to save for 21 years and 10 months.

"Let's say it requires 1 million won [\$825] to buy a [high-rise] apartment in Seoul. All you need is half that to purchase a [unit in a] villa," said Jang Jae-hyun, a real estate counselor at the Budongsan Bank.

Even these tough conditions don't dissuade hopeful buyers.

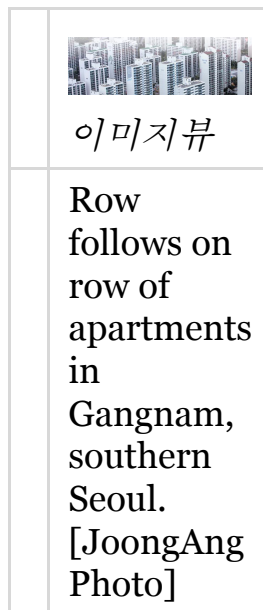
Daily newspapers periodically run pages of real estate information, mostly about newly built apartments, and people in their 20s to 60s register for online and offline classes to learn how to pick an apartment with high potential.

"If you pay about 30,000 won, you can take a class from a star lecturer on strategies about how to buy an apartment quickly and efficiently," said 35-year-old company worker Ahn Jae-young, who often takes such classes at Internet cafes on weekends.

The attractiveness of high-rise apartments to middle- and upper-class families is unique to Korea. “Blue-collar workers often live in apartments in other countries,” said Jun Sang-in, a professor at Seoul National University and author of the book “Crazy About Apartments,” published last year.

So when even acquiring one of these homes is such a struggle, why do Koreans love them when overseas apartments - especially high-density ones - are typically home to lower-income families?

The first person to ask that question was a young French geologist who visited Seoul back in 1990.



### **From cheap to chic**

When Valerie Gelezeau visited Seoul for the first time 20 years ago, she was 23. A college student majoring in geology, she confessed in her book “Apartment Republic,” published in 2007, that she was shocked to see the Han River lined with endless rows of apartments.

Like many Westerners, Gelezeau pictured apartment buildings as cramped places that concentrate all the ills of urban living - poor hygiene, high crime, poverty. But what she saw in Korea was completely different, and inspired

her to start formal research on the topic in 1996.

During that time, Gelezeau said, many of the people she interviewed considered her a naive, ignorant foreigner who didn't understand fundamental Korean geography.

Most told her Koreans had no choice but to build tall apartments because the country's territory is too small for its many people. But Gelezeau already knew that Japan and the Netherlands, which also have high population density, were not dominated by apartments.

Seeing the love affair with the apartment as a unique by-product of Korea's modernization, Gelezeau came to the conclusion that Korean apartments function as factories, producing a middle class through investment. Families buy apartments for lower prices before they're even built through the "bunyang" system, then when construction is completed and values shoot up they find themselves suddenly wealthy.

"In Korea, apartments have become products measured by price, and that's the reason Korean apartments were mass-produced and so hugely popular," Gelezeau wrote. "In addition, the purpose of an apartment [in Korea] is to be owned, not to be rented to the working class as in many other countries."

That financial gain brought high-rise apartments their cultural mystique. Today, mothers consider moving to apartments when their children reach school age as a status symbol.

"I purchased a new villa [apartment] earlier this year but everyone around me said I should have bought a [high-rise] apartment. They say my children will be discriminated against by children living in apartments when they go to school," commented one woman on a Naver cafe for mothers in Incheon named "Precious Ties."

Korean mothers also move into certain apartment complexes for education. Raemian Firstige, a premium brand of apartments from Samsung Construction, is popular among mothers ready to go to all lengths for their children's education.

“Since this apartment complex has prestigious schools from Gyeseong Elementary School to Banpo Middle School and Sehwa High School within the complex, the waiting list is always full,” said Kim Won-kyung, the head of Banpo Raemian Real Estate Agency. “By moving to this area, mothers also want their children to be friends with peers who are from similar circles.”

After Gelezeau published her book on Korean apartments - the first of its kind in Korea - a few similar projects were conducted by Korean professors and experts. One of them was Professor Jun at Seoul National.

Jun said TV commercials for apartments reflect what people want out of them.

The name “Lotte Castle,” an apartment brand under Lotte Engineering and Construction, shows people's desire to elevate their social status, for example.

But Jun believes other major factors also fueled the popularity of apartments in Korea.

“Before we had all these apartments, most houses were built by individual builders in shoddy ways. For this reason, water often leaked and the heating system didn't work properly. In a word, living conditions were not that comfortable,” Jun said.

Unlike poorly built houses, apartments built by medium or large builders offered a relatively pleasant residential environment.

“In addition, security also played a major role in making people prefer apartments,” Jun continued. “Once you lock the main door, you don’t need to worry about security because an apartment is very closed, not like an ordinary house.”

## **The future of the high-rise**

With the apartment market past saturation in Korea, Gelezeau predicted in her book that the next step for Korean real estate would be to face the social problems caused by redevelopment and reconstruction.

Professor Lim Chang-bok at Sungkyunkwan University agreed that Korea’s obsession with apartments is an issue to be tackled on a national basis.

“I’ve been working as a judge to select the best apartment for the past 12 years in a survey organized by a local newspaper. You know what? The interior of every apartment in Seoul and even Jeju Island is the same,” Lim said.

“In the middle of the living room, there’s a huge flat-screen TV facing a leather couch. How come everyone lives in the same apartment? Even beautiful small farming villages are dotted with apartments.

“An increasing number of social problems are somewhat related to these cookie-cutter apartments, I should guess.”

But Jun begs to differ. He says apartments should be accepted as a unique part of Korean housing culture. He is also positive about their future. “I believe their popularity will last for a long time, with the continuous rise in single-member households.”

## **Apartments as players in Korean modern history**



Regardless of their disagreements, Jun and other experts all see apartments as an important influence on modern Korean history, not least on the rights of women.

In the past, women had to stay at home to look after the house. The common Korean phrase “jibboda” literally means “to watch the house.”

With the advent of apartments, however, going out became a lot easier for women. Jun also said apartments helped the nation’s art market, since they have much more space to hang paintings than traditional hanok houses. Apartments also helped Korea become the world’s most wired country, with a 95 percent penetration rate for high-speed Internet services as of this year, according to global research and consulting firm Strategy Analytics.

Once basic equipment and fiber-optic main line cables are installed, people living in apartment buildings can share one line, rather than requiring independent installations in each house.

Despite the city government’s efforts to bring diversity to housing in Seoul, many people still hope to move into a new apartment. On May 19 alone, apartments in 30 buildings were put up for sale nationwide, and a whopping 17,000 apartments will pour onto the housing market next month.

It seems, for now, Koreans aren’t ready to give up on their love for the high-rise.

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