

18 | home | OVERSEAS PROPERTY



Temples to excess

Bali is on a new high, with overseas buyers lured by its pristine scenery and prices that beat Thailand, says **Karen Robinson**

The boundaries between the villagers' rice paddies are marked by shrines adorned in bright satin draperies and offerings of food, flowers and incense. The Balinese dedication to their Hindu pantheon is on a scale that takes foreigners years to grasp fully: elaborate devotions and temple festivals happen daily. Some attractions of island life, however, seem much more straightforward.

"Land has gone up in value by 20% a year for the past four or five years, and there's further to go," claims Gerrit van der Worp, a Bali-based property developer. "Prices in Phuket, in Thailand, for example, are at least twice as much."

Van der Worp is driving me through rural Tabanan, just up the west coast from the popular Seminyak area. Progress is slowed when we encounter a flock of motorbikes, each bearing a ravishingly beautiful girl in a golden headdress sitting demurely, side-saddle, on the back, going to yet another timeless ceremony.

The villages cede to farmland — rice, grain and beans — sloping down towards virgin beaches. This peaceful Indonesian island is sufficiently distant from Sumatra to have escaped the effects of the recent

earthquakes. In the Tabanan area, the government is planning an upmarket, low-impact enclave, in contrast to the island's tropical Benidorms, Kuta and Nusa Dua.

Van der Worp's Sahaja-Sawa project, nearing completion on a hillside with views to the Indian Ocean, has 16 two-storey, two-bedroom townhouses that share a communal pool, seven two-bedroom villas with their own pools and four two-bedroom villas overlooking a wooded river valley. When the project was launched this year, early buyers paid about £46,500 for a townhouse, which are all sold; one of the 150 sq metre single-storey villas is still for sale, priced at £129,000.

Designed by the Balinese architect Ari Mardawa Kencana, the villas are made of local materials, including the black paras stone we saw being hewn by hand from a river bed and carried up to the bank, block by block, on the male and female workers' heads. They have "cathedral" ceilings lined with merbau wood, stone floors, wooden shutters, outdoor showers and swimming pools. Running costs are about £110 a month, which covers security guards and gardeners. The site is 10 minutes' drive from a palm-fringed beach.

Van der Worp, a Dutchman who has lived in Bali



The presidential suite in Bali's Bulgari Resort is the model for new luxury villas for sale

for many years, is planning a similar small development nearby, with prices starting at £74,000 (available through Claire Brown Realty).

If you would prefer to create your own bespoke Balinese home, Made Ramlie Suandha, of Bali Propertindo, has a 2,500 sq metre plot a short walk from the beach at Seseh, near Canggu, with planning permission for two three-bedroom, 250 sq metre villas with pools. The plot is priced at £273,000 and he reckons building the homes will cost another £314,000.

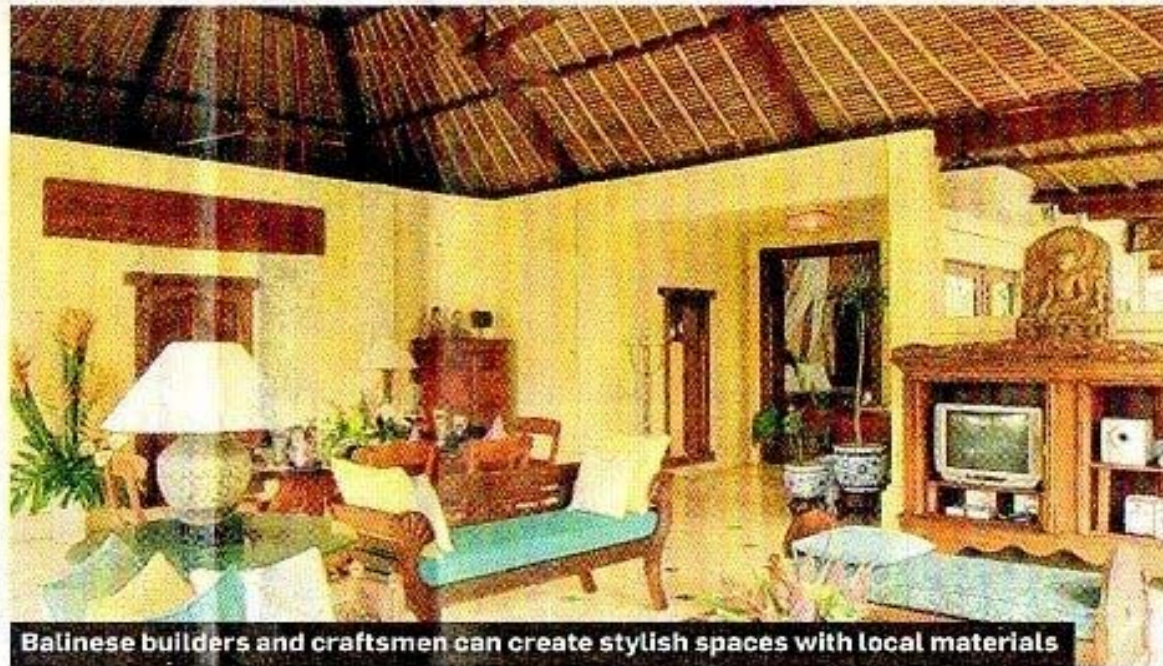
There is a catch: Indonesian law forbids foreigners holding freehold title to land, so careful steps must be taken to ensure that what you buy is and remains yours. Most foreign buyers use the nominee system, with an Indonesian partner, and, says Suandha — entrepreneur,

property fixer and village headman — this will work if it's carried out correctly by notaries.

"I act as nominee for clients," Suandha explains. "But a lot of people are having problems with nominees when the deeds are not drawn up properly, so I'd suggest that anyone coming in to buy now uses the new 'right to use' deed" — in effect, a government-sanctioned lease for foreign investors.

Through his company, Suandha sources land, parcels it into lots and sorts out road access and planning permission, carrying out all the requisite negotiations with village officials and the land office. "It's complex," he says, "especially now the government has tightened up on licences. The first question any buyer should ask is: is there a building permit ready?"





Balinese builders and craftsmen can create stylish spaces with local materials

If not, it's probably best not to proceed." Or go straight to someone like him, of course.

What's the chance of showing a profit on your investment? Land prices are still rising, making buying and holding on to plots a strategy favoured by the savvy: and the value of Balinese property has remained steady during the downturn, mainly due to the fact that it is a cash market, with few forced sales.

Even so, raking in rental income is not easy. Owners struggle to make their holiday homes pay, says the Singapore-based British owner of a villa near Canggu, who prefers to remain anonymous. She and her financier husband were seduced by the idea of a Balinese idyll 10 years ago, bought land and had the house built by an Australian-Balinese company. Now they are

having to top up the cost with the wages from their day jobs. Apart from the licences and extra taxes imposed on villa rentals as a result of pressure on the government from the island's hoteliers, she warns that the market at the top end is competitive. Rates for her three-bedroom property start at only £170 a night, and that's with round-the-clock service from 15 staff, including cooks, maids, drivers and security guards, which is standard in Bali.

While finding plots right on the beachfront is more or less impossible, she also advises that any house within 100yd of the sea has its fixtures and fittings, including the *de rigueur* flat-screen TVs and CD players, destroyed by salt air, resulting in expensive replacement almost annually.

So, if you still want more of this beguiling island than a holiday in someone else's house, where should you build? "Seminyak's finished," Suandha advises. "You'd be paying about £110 a square metre; in Tabanan, it would be £95 or less. And there's beautiful land on the east coast, which people haven't discovered yet."

Buyers with deep pockets and a penchant for luxury labels should head for Uluwatu, on the southernmost tip of the island. Three years ago, the Italian jeweller Bulgari opened a cliff-top resort hotel here. The 59 villa suites are the creation of the design superstar Antonio Citterio, the spa's steam room is covered in gold leaf and one of the watches in the on-site jewellery shop costs only slightly less than one of van der Worp's villas.

The hotel's presidential suite, with its double kitchen and home cinema, is the model for the five villas being constructed on the site for "the affluent lifestyle buyer visiting once or twice a year", says Robert Lagerwey, the general manager. These "supersized" versions range from 1,100 to 1,500 sq metres of indoor and outdoor living space, and will be designed by Citterio.

They will have landscaped gardens, infinity pools and staff quarters (although hotel service from the resort is available), and the cheapest costs more than £3.75m (the priciest is "by negotiation"), making the villas, marketed by Jones Lang LaSalle's Singapore branch, the most expensive on the island. Owners can put them in the hotel's rental pool, but I don't expect the Bali Bulgarati will need to bother.

✦ joneslanglasalle.com.sg/balipropertindo.com

SOUTH SEA BUBBLE

For more properties in tropical climes, visit timesonline.co.uk/overseasproperty





Tabanan £273,000

This three-bedroom, 340 sq metre property is one of a pair of houses completed about six months ago on a country lane, less than 10 minutes' walk from a beach and 10 minutes' drive from the Le Meridien hotel and golf course. Built with local stone and wood, it has an open-plan living area downstairs, opening onto the garden and pool, and a covered terrace on the first floor.

07967 258121, clairebrownrealty.com