



BUY ON THE ISLAND OF DREAMS

If your travel tastebuds have been tantalised, why not go the whole hog and buy a house on Sri Lanka? **Caroline Phillips** reports on the island's latest property hot spot

Imagine a palm-fringed beachfront retreat. An 8,500 sq/ft tropical villa built in 2005. One boasting a massage temple – with sides open to the jungle foliage – and a colonnaded walkway. An outside sitting room with a chandelier and a 49ft dining room overlooking monkeys swinging in the Khomba tree and the courtyard swimming pool. Add to this six colonial bedrooms with soaring ceilings and inside/outside bathrooms open to the fireflies that sparkle in the inky sky.

There's also a drawing room with a teak floor rescued from a hill station ballroom, plus a garden bursting with hibiscus and King coconuts that leads onto Mahawella Beach – one of the island's best, plus it's almost deserted. All this for less than the price of an Edwardian terraced house in Kensal Rise.

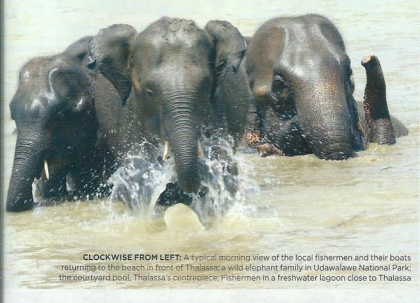
Welcome to Thalassa – the hideaway of author Charlotte Breese and her journalist husband, Irfan Husain – on the market for £1.85m. It's in the Tangalle district – a relatively undiscovered region in the deep south of Sri Lanka with pristine beaches, ancient Buddhist rock temples and turtle hatcheries; close to the nature reserves of Yala and Udawalawe with their leopards and elephants, and Mirissa for early morning whale watching. And nearby surfing at Hiriketiyi.

Prices in fashionable Galle – 50 miles from Mahawella Beach, and with a UNESCO world heritage site Dutch fort – have reached Notting Hill heights. Thus, canny investors are

turning their attention to the Tangalle region in the Hambantota district. There are many good reasons for this. The final stretch of the expressway from Colombo will be completed in 2019. This is expected to push prices up quickly – as happened in Galle when an earlier section of this road was finished. The expressway will also cut the drive time from Colombo airport by 40 minutes to two and a half hours.

Mattala Rajapaksa International Airport (42 miles from Mahawella beach) opened in 2013 but there was little demand from international airlines. Now the Chinese and Indians are vying to monetise it with budget airlines, and hence further open up that part of the country. Add to this that in 2014, Cinnamon Air started sea plane flights from Colombo to Dickwella, and that a new train line to Kataragama is due for completion. So it's not surprising that the area is being dubbed the island's next property hotspot.

The Tangalle beachfront land is currently approximately £400,000 per acre, inland it's just £80,000. 'Until now, there has been a year-on-year growth of ten to 15 per cent around Tangalle,' comments agent, Shane Thantirimudalige. 'I expect property prices on the beach to double in and around the Tangalle area when the highway is completed,' adds Ivan Robinson, director of Lanka Real Estate. 'Around Galle, prices have increased dramatically, a third in the last year on the



CLOCKWISE FROM LEFT: A typical morning view of the local fishermen and their boats returning to the beach in front of Thalassa; a wild elephant family in Udawalawe National Park; the courtyard pool, Thalassa's centerpiece; Fishermen in a freshwater lagoon close to Thalassa

beach.' Property is currently still around five times cheaper than anything comparable in Phuket or Bali.

The wider picture is frangipani-sweet too. There's a democratic and relatively stable government. The president is encouraging foreign investment and continuing to simplify the island's confusing property restrictions. He has plans to allow freehold condominium ownership for foreigners, welcoming serviced villas in 2018. Rules have been simplified so that a foreigner can buy a freehold by creating a corporate structure with a lawyer (for around £2,300). Stamp duty on leasehold purchases has been reduced to one per cent and four per cent on freeholds.

Smart folk have been investing in Sri Lanka ever since the 30-year civil war ended in 2009, although there are relatively few primary residences. They've been building

homes, renovating beachside villas and opening (mostly) boutique hotels. In Tangalle, they've been mainly sticking to its golden coast. The British High Commission guides potential investors through the pitfalls of buying, renting or building.

People who've already invested in Tangalle are smiling as broadly as Buddhist monks. Tim Jacobson, an former banker, commissioned the last house designed by tropical modernist architect, Geoffrey Bawa; then Jacobson opened The Last House, now an elegant and thriving boutique hotel on Mahawella beach. The award-winning Kadju House – overlooking Seenimodera Beach – also lures paradise seekers. 'It's simple, minimalistic and allows guests to be constantly aware of the surrounding nature,' says owner, Vikrom Mathur. It's available to rent. Most owners cover their annual costs with rentals for just a few weeks a year; and most say one thing about Tangalle: invest now.

Luxury hotel groups have read the signs. The Amanwella built overlooking a beautiful horseshoe bay. In 2016, the Anantara Peace Haven Tangalle Resort opened Tangalle's first upscale beachfront property. Peace. Haven. Tangalle. Says it all, really. But for anyone who wants more than just a holiday, there's always Thalassa with its hammocks slung between palm trees, croquet lawn and clear title. ■

