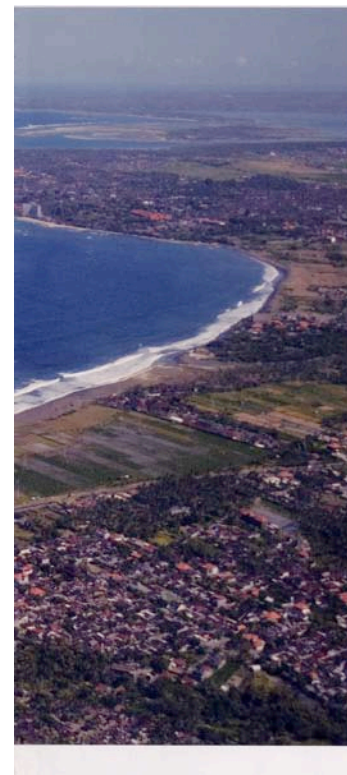
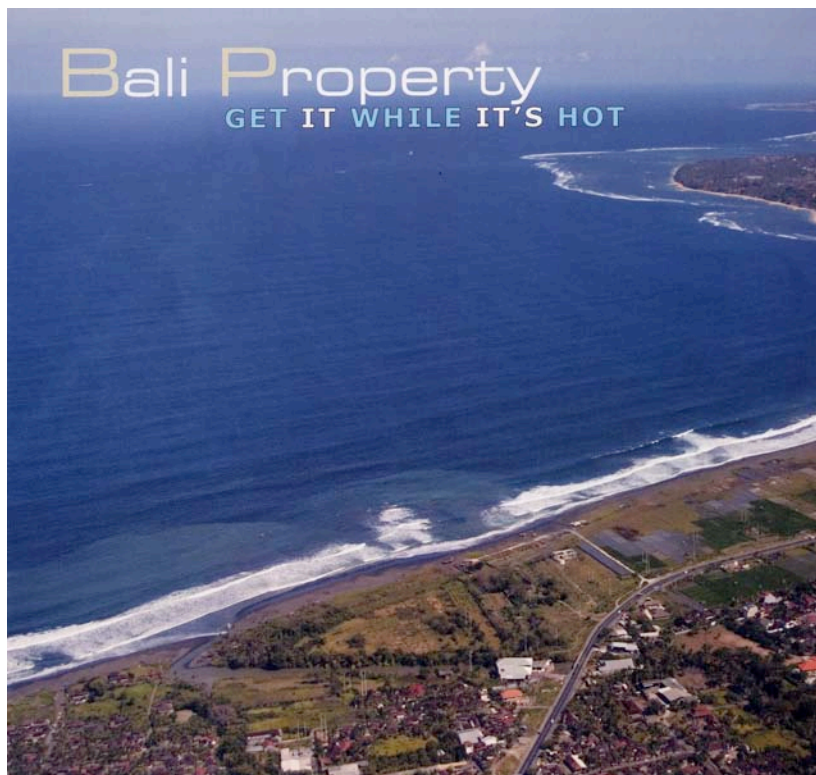


Bali Property | GET IT WHILE IT'S HOT

THERE ARE STILL GREAT OPPORTUNITIES FOR PROPERTY INVESTMENT ON BALI. IAN MACAULAY EXPLAINS THE LATEST TRENDS IN THE ISLAND'S REAL ESTATE GAME.



THERE ARE STILL GREAT OPPORTUNITIES FOR PROPERTY INVESTMENT ON BALI. IAN MACAULAY EXPLAINS THE LATEST TRENDS IN THE ISLAND'S REAL ESTATE GAME.

The Bali property market continues to race. Real estate seems to be popping up in conversations all over the island as both residents and visitors talk about what changes Bali has seen of late. As seen in past years, the roller coaster rupiah-dollar exchange rate is having a ratcheting effect on prices. Potential buyers considering a block of land priced in Rupiah, jump when the local currency falls. The Rupiah then strengthens again while the block adjacent goes up in its Rupiah price, and another buyer enters the market and the Rupiah loses a few percent, and the process continues. All the while the backdrop of the ongoing peaceful election process has also served to enhance confidence in a reduction of political risk.

The greater Oberoi area (Batubelig, Petitenget) continues to see steep rise in prices and a steady occupancy rate providing encouraging rental returns. With these trends underpinning returns in both appreciation and rental yield, there have been many purchases of villas within complexes in that area. One factor of escalating land prices is the inclination of developers to go upwards and a number of apartment projects are underway at the moment in the Seminyak and Oberoi areas.

Those clients looking for the traditional Bali Villa with expansive grounds are starting to direct their attention elsewhere. Two of the most noticeable areas with large volumes of foreign investment are Canggu and the Bukit.

Traditional villages, pastoral views, and reasonable land prices are the hallmarks of the Canggu district. The undulating terrain of the area leads to the opportunity of not only acquiring large parcels of land at reasonable prices but having pleasing contouring within, and a view outside. There has been a noticeable trend of 20 to 50 acre (20000m² to 50000m²) blocks being acquired with the purposes of securing land for either immediate or future construction of land.

While access through the main Canggu road is frustrating during peak traffic hours, vacationers and overseas owners find the ability to adjust their schedule and knowing that the sunset road expansion will in the future overcome these issues more than compensates being able to find a taste of the real Bali. Restaurants and eateries such as Moka and the Beach Café have also started providing dining options that eliminate having to travel all the way into town for some diversion or eating out, I believe we will see a noticeable acceleration of this trend in the future.