

Lease and build a Holiday/Retirement home in rural Sri Lanka, near Wilpattu National Park.

WilpattuHouse.com at Eluwankulama ([Google Maps](#)) contact sbarrkum@gmail.com phone: +94 77-858-4009

Outline of proposal

- Upfront lease of EUR 20,000 for 25 years for 269 m² (25 perches).
- Build Holiday Home for approx EUR 20,000.
- Live year Round or Part time and rent out while not occupying.

The Neighborhood and Property

Water front small Coconut Plantation on 2.4 hectares (6 acres) with a small Hotel/Bed and Breakfast on part of the property. The northern boundary is the Lunu Oya Estuary. The property is very visible on [Google Maps](#).

It is surrounded by scrub jungle and 0.5 km from the last house in the nearby village. The Wilpattu National Park Entrance is 3 km and the Puttalam Lagoon a 5 km distance.

Though this is a very rural part of Sri Lanka you will not be isolated from the world. Visitors staying at the Bed and Breakfast would be good company and are a mix of Sri Lankans who are nature lovers and international travellers who are open to other cultures .

Internet is available though slow (50-100 kbs). Enough for email and news. Watching video clips is very frustrating.

For those interested in leasing we suggest that you stay in the Bed and Breakfast as visitors. Do not let us know you have an interest in leasing part of the property. This would enable you to have an unbiased experience without any sales pressure.

Lease of Property

- Pick 269 m² (25 perches) in any part of the property and
- Area will be surveyed and clearly demarcated
- Lease will include right of way.

Building your Holiday Bungalow.

We suggest you use a construction company or pre fabricated housing. Using local builders is somewhat cheaper. However, they lack wide experience and the finish often is below standard, even with owner supervision.

Typical building costs for

- Regular brick and mortar house EUR 200/m² (LKR 3,000/ft²) .
- Pre Fabricated housing is about EUR 146/m²

Estimated Turnkey complete cost for a holiday home of 93 m² (1,000 ft²)

- a) As Pre Fabricated EUR 13,500
- b) Brick and Mortar EUR 20,000

Construction Links (examples for construction cost estimate)

- [Pre Fab Hybrid Villa](#) ([In use as Villa Rental](#) thru Agoda)
- [Vajira Home Builders](#) (n.b. LKR 30 Lakhs=EUR 20,000)

The Investment Numbers



a) EUR 40,000 is the Present Value* of a EUR 215 monthly payment for 25 years at 4% interest rate.

Or equivalent paying 64,500 over 25 years.

It is very difficult in Sri Lanka to rent a house and engage security for EUR 215.

It is unlikely house rents will be remain the same even for 5 years, let alone 25 years.

*In Excel $PV(0.04/12,(25*12), -215,1)=40,732$

b) Recovery of Investment

If you do not plan to stay year round, suggest that the holiday bungalow is rented. If it is a long term rental for the period you are away you collect the complete rental.

If you give it out on an ongoing basis thru a travel website such as AirBnB or Booking.com we would need to collect a percentage for cleaning and maintenance of the holiday bungalow



About Lease Owner

I Sereno am 57 years old (in Jan 2016). So the odds of my being alive until 82 is hopefully remote. The property will be inherited by my sister/niece (25 now). Like me they too are laid back, or more so. I would suggest that you meet them too, even though they will have no involvement in the immediate future.