



REAL - ESTATE NEWS FEED



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1. REAL-ESTATE

- **Sri Lanka gives official go ahead for China Port City; CHEC welcomes approval**

Sri Lanka's government officially informed the Chinese investors of resuming the construction of the Port City project in capital Colombo, yesterday one year after its suspension, a foreign news agency reported. According to China's state media, Xinhua Sri Lanka's Ministry of Ports and Shipping, in an official letter to the CHEC Port City Colombo (Pvt) Ltd, said that the company could resume the construction of the project immediately.

"At its meeting held on March 9, 2016, the Cabinet of Ministers has granted approval for the project to resume immediately," the letter said

"Accordingly the suspension effected by my letter dated March 6, 2015, is hereby withdrawn with effect from today (Monday)." Earlier, Sri Lanka's Prime Minister Ranil Wickremesinghe said that the country plans to have a 'unique financial and business district' in Colombo when the sea reclamation project by a Chinese firm is resumed

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- **Rajagiriya flyover work to commence July 2016: Harsha**

May 16, 2016 (LBO) – Work on the proposed Rajagiriya Flyover will commence from July 2016 and be completed by 2018, a senior official said.

"It gives me great pleasure to announce that as an interim solution to the total traffic solution in the Megapolis plan, we will soon start work on the Rajagiriya Flyover," Harsha de Silva, deputy minister of foreign affairs said on Facebook.

"Soon you will save 50 percent of time now spent from Nelum Pokuna to Battaramulla."

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- **MTD Walkers expands to Maldives**

Integrated infrastructure and engineering solutions provider MTD Walkers announced today that it has expanded its operations to the Maldives. Walkers CML International (Private) Limited, a subsidiary of MTD Walkers PLC was incorporated in the Maldives to meet the growing demand of infrastructure development activities in the country.

The group also hopes to work with local partners and government institutions to assist in achieving the development objectives of the Government of Maldives.

“We hope to capitalize on emerging engineering opportunities available in the Maldives in the areas of Civil Engineering, Mechanical Engineering, Electrical Engineering, Building Services and Marine Engineering,” LalPerera, head of group business development of MTD Walkers said. He further explained that the Walkers CML Group is in a strong position to contribute to the local construction industry in the Maldives by introducing international best practices and construction technology to the local industry

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- **Construction of Access Tower 2 in full swing**

Sporting in the commercial property arena, Access Tower 2, the latest investment by Access Realties 2 Ltd.; a subsidiary of Access Engineering PLC is taking shape to serve the unfilled demand for commercial spaces in the financial city of Colombo.

The property which is now under construction will consist of 190,000 rentable square feet in G+29 storey building with unique and aesthetic architectural features. The development is to compose a collection of extremely spacious and meticulously designed office spaces that vary in size from 2,500 sq. ft. to 9,000 sq. ft. across 29 floors.

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- **SL hotel construction loses steam in 2015**

Hotel construction in Sri Lanka which had slightly slowed down in 2015, may raise questions over the quantity and quality of tourists the country is attracting, and will attract by 2020. Central Bank data showed that Sri Lanka had 19,377 rooms in graded establishments (1-5 star hotels) in 2015, compared to 18,078 rooms in 2014. This was a 7.19 percent year-on-year (yoy) increase in graded room construction, compared to a 11.43 percent yoy growth witnessed from 2013- 14. However, in the space of supplementary establishments, which include home stays, rest houses and other non-graded accommodation, the number of rooms grew 34.46 percent yoy to 10,702 rooms, compared to 7.94 percent yoy rate over 2013-14. Tourism sector analysts point out that the slowdown cannot be attributed to political uncertainty which was prevalent in the country during 2015, as projects were commissioned and construction started years in advance.

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- **Western Megalopolis Plan to generate US\$ 40 bn**

The Western Region Megalopolis Plan (WRMP), will generate massive opportunities for foreign private investment of over US\$ 40 billion.

Development Strategies and International Trade Minister Malik Samarawickrama said these opportunities in a 15-year program, would come up in infrastructure, transport, residential and commercial real estate, an international financial center, a logistics hub, as well as IT and manufacturing zones.”

He was speaking at the German Investor Forum at Export Development Board which was attended Uwe Beckmeyer, Parliamentary State Secretary at the German Federal Ministry of Economic Affairs and Energy. In addition several opportunities are also opening up in Hambantota, Jaffna, Kandy and Trincomalee District development programs.

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- **Construction Expo 2016 begins July 29**

Construction Expo 2016, the exhibition featuring all aspects related to the construction and building industry will be held on July 29,30 and 31, at the BMICH.

The Ceylon Institute of Builders (CIOB) together with Lanka Exhibitions & Conference Services will be organizing this mega event for the fifth consecutive year.

Endorsed by the construction fraternity as the premier construction and building materials exhibition to be staged in Sri Lanka, Construction Expo 2016 will once again showcase the best of what the industry has on offer.

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- **LSE Group opens in TRACE City**

London Stock Exchange Group (LSE) will be setting up their biggest service centre in Sri Lanka at the TRACE Expert City in Tripoli Market, Maradana. Named as London Stock Exchange Business Services Ltd, the company will offer 400 direct employment opportunities to Sri Lanka s from the project.

Group Head of Shared Services Martin Ryan said they have been planning this centre for two years and it will provide all support services for their entire business spread all over the world.

He said that they will start the centre in July and will be fully operational by September.

Ryan said that they were also happy with the architecture of the TRACE Expert City which has a good mix of old and new culture.

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- **JLanka powers second seminar on Megapolis Development Plan**

Following the wildly successful first lecture session on the Western Region Megapolis Development Plan, the Ceylon Institute of Builders (CIOB) in association with JLanka Technologies is planned to conduct the second seminar in the series titled “Seminar on How to Solve the Urban Traffic Congestion in the Megapolis Development Plan.” An initiative formulated with the intention of creating awareness among stakeholders of the industry, the session is scheduled to be held on the 19th of May at Hotel TajSamudra from 05.30 PM onwards.

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2. ECONOMY

- **Upper limit for Sri Lanka bank leasing to be imposed: Finance Minister**

Several changes to Sri Lanka's financial services will be enacted soon such as leasing services offered by banks, Finance Minister Ravi Karunanayake said, speaking at a forum in Colombo.

A proposal in the budget that banks should stop leasing from June 1 will be modified, he said.

"Finally, it is being settled. We are looking at an upper limit where anything below 5 to 7.5 million rupees cannot be done by banks and can be handed over to finance companies," he said.

Earlier, the proposal to take leasing out of the banking portfolio was brought in through the budget due to the concern that Sri Lankan banks had limited themselves to collateral-based lending and were not engaging in 'business model' based lending.

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- **Granting good credit is directly connected with economic growth targets**

The Sri Lanka Institute of Credit Management (SLICM) the leading institute which offers credit management education in Sri Lanka hosted its 19th Annual convocation recently at the Centre for Banking Studies with Prof. Ajantha Dharmasiri, Director of Postgraduate Institute of Management (PIM) gracing the occasion as the Chief Guest.

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- **London Stock Exchange revs up knowledge industry scope in SL**

Extending its foot print in Sri Lanka, the London Stock Exchange Group (LSEG) is geared to boost Sri Lanka's knowledge economy by setting up its inaugural business services center to facilitate high end technological roles closely knitted to capital market infrastructure.

The global giant is aiming on hiring 400 local personnel for the job while the London Clearing House is deemed to be the first customer for the upcoming service center which is to be located at Tripoli Market, Maradana.

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- **Rupee forwards firm up as foreign investors pick bonds**

Sri Lankan rupee forwards closed firmer on Thursday as bond buying by foreign investors helped dollar inflows which eased pressure on the currency, dealers said.

The dollar/rupee forwards, known as spot next, ended at 146.75/80 per dollar, gaining from Wednesday's close of 146.90/147.00.

"There were dollar sales by two foreign banks after the bond auction. Many foreign investors seem to have bought bonds," a currency dealer said, asking not to be named.

The market is also waiting for cues from a monetary policy announcement scheduled for Friday, analysts said.

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