

The Australian – Selong Selo

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Lombok beaches the new Bali

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Thinking of buying a villa in Bali's trendy Seminyak, Canggu or Ubud? Hefty prices and rising demand have put the dream of owning a holiday house in Bali out of reach for many Australians who are instead opting for Lombok's quieter, less polluted beaches.

A swag of Aussies, from NSW and Queensland, have purchased villa and land packages in the new Australian-backed Selong Selo Residences in southern Lombok where international arrivals have jumped 70 per cent in the past year and property prices come in at less than half those of Bali.

"We were going to Bali a lot but we couldn't justify the prices people were paying in Bali for real estate," says Andrew Corkery, an Australian-born Singapore-based former investment banker, who is developing the \$US33 million (\$42.8m) Selong Selo project with a silent partner who also works in investment banking.

The pair have spent the past three years cleaning up the titles across their major beachfront site, close to Lombok's Bandar Udara International Airport.

All up, Corkery, a former bond currency options trader for the Royal Bank of Scotland, and his silent partner purchased 50ha of land.

Ex-pat east coast Australians living in Hong Kong and Singapore are paying about \$US120,000 to \$US250,000 for a plot of land in the development and from a further \$US200,000 up to \$US1.1 million for a bespoke villa. They are leasing the land for up to 100 years given foreigners cannot own freehold land in Indonesia. Land prices in Lombok are increasing at about 30 per cent a year, Corkery notes.

The villas can be rented out given they form part of the Selong Selo Residences development. Two bedders can be leased for \$US300 a night, with the rate including breakfasts and airport transfers. Corkery says several Australian companies are involved in the development and he is passionate about making the carbon footprint as small as possible on the Muslim island.

Of the 60 lots available, he has sold 48 lots and commenced villa construction about 18 months ago. Three villas are completed with about 17 further properties expected to be ready by mid next year.

The sprawling resort development is operating at present and Corkery forecasts a further 10 to 15 villas to come on line annually.

There are two types of villa product: The bespoke villa concept allows buyers to purchase the land while a Hong Kong-based architect will design for them their dream villa, which is constructed by one of Corkery's hand-picked construction companies. Lot sizes range from 630sq m to 5550 sq m.

The other alternative is to purchase an off-the-plan villa, where the buyer purchases the land and a pre-designed villa known as a complete "Kayu Collection" villa. Kayu Collection villas offer studio, one, two or three bedrooms, with ensuite bathrooms.

An infinity edged pool is an optional extra and all villas have uninterrupted views. Owners also have access to full housekeeping facilities.

Completion of all the villas is expected by 2020 and Corkery says the development has been evolutionary for the island and is meeting the standards set by his clients. It will include a restaurant, 24-hour security, swimming pool and surf guiding and lessons.

Corkery is so confident of the team of locals and Australian companies he has assembled that he would pursue another development in Indonesia.

"Once you have a good bunch of people, yes we would do another one."

Most of his Lombok buyers are aged between 35 and 40 and remember visiting Bali 10-15 years ago when the holiday island was less polluted, quieter and with less traffic.

"The growth prospects are a lot higher in Lombok and the natural beauty of the area is a lot nicer, people will have beautiful views and beautiful beaches.

"To spend this sort of money buying a villa in Lombok they will get a villa in (Bali's) Canggu looking at the back of someone's wall.

“The land prices in Lombok are about one-tenth, and beachfront land is one-100th the cost of Bali,” he says.

Naturally, Corkery is hoping a carrier will restart direct flights to Lombok and notes that crime rates in Lombok are less than those of Bali’s and the US.

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