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SUCCESS STORY CONTINUES

The RIU Annual report comprises the residential, commercial and retail market segments including land prices, the impact of planned infrastructure and investment environment.

REAL ESTATE
ANNUAL REPORT
SRI LANKA

2017

BACKGROUND

An upward incline in the market is always good news but also carries with it the demands of hard work, greater requirements on knowledge and data as well as rising competition. Following a good year for the Sri Lankan real estate industry last year, 2017 promises to be another exciting year that has already witnessed the enactment of several government initiatives that we expect will serve to build international investor confidence. However, a great deal more remains to be done in this connection. Whilst the growth of residential, commercial, retail and leisure over recent years has been supported by underlying positive sentiments in this assets class, a continuation of such strong growth will increasingly hinge on the island's ability to attract more interest from foreigners and Sri Lankans living overseas.

Luxury apartments have continued to mushroom in all parts of Colombo city as well as in the suburbs and have been met with good demand at the upper-mid range levels whilst the alternative business model offered by commercial property development has also lured many investors into this market segment. However, any conversation on this topic invariably ends up with a debate on the prospect of over-supply in the market. The answer to this question can only be found with reference to the anticipated demand, both domestic and international.

Exciting times await with the Port City now getting into gear whilst the governments long-term objectives envisioned in the Megapolis plan has also started to unravel. As such, Sri Lanka remains to be on course for steady growth in all real estate market segments so long as foreign investor interest is converted into actionable outcomes. Far too often we hear of investors who take the first step but then not the second and the third which often results in missed opportunity.

Since 2003, RIU has been monitoring the real estate market in Sri Lanka. With the RIU regional office based in Colombo for the past 14 years, we are the first company in the island to specialize in producing reports and consulting that leverages our local and international expertise on real-estate market commentary and forecasting. We recently launched the RIU Maldives office and we look forward to an expanded international presence in 2017.

Our annual Sri Lanka Market Report 2017, now into the 12th edition, continues to closely monitor the Sri Lankan market by using a wide range of research tools that includes;

- Primary surveys
- Database development and data analysis
- One-on-one in-depth interviews with private sector and government officials
- Focus Group Discussions
- Area observation check lists and surveillance (Case studies)
- Desk research of available secondary data
- Modelling and forecasting

We hope you find this report to be useful as an accurate macro-economic review and analysis of the real estate market in Sri Lanka. Trust you will get in touch with us for your more specific needs.



Roshan Madawela
Founder & CEO - RIU

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