

FEBRUARY 2015

REFLECTIONS



CEO'S NOTE

A Message by Umang SJB Rana

I would like to greet everyone a very happy new year! On behalf of Westar Properties, I am wishing you all the best as we begin another journey of challenges, victories, lessons and changes in the year ahead.

We are pleased with the immense response from our prospects. The perspective towards apartments is changing and people are gradually becoming more confident to purchase them. Whilst the real estate industry is experiencing a gratifying growth, we have been able to make an excellent sales record during the last couple of months.

With the completion of outdoor amenities like basketball, badminton and tennis court, we hope to endow added recreational activities to our residing members at Westar Residency.

We hope to convey you more exciting news throughout our newsletter in the upcoming days.

Your suggestions and feedback are always open!

Sincerely

Umang SJB Rana
CEO



CONSTRUCTION UPDATE

Westar Residency

Final paint on the exterior of all towers is ongoing. The construction of basketball/ badminton court is complete and will be opened soon for use to the residents. The finishing and labeling work for tennis court is expected to complete soon. For the Commercial Building, external plaster work is complete and is ongoing on the internal part.





Westar Skyliving

For Tower 1, 12th floor slab is ready to be casted. Brick work has been completed up to 10th floor and internal plaster work is under progress. MEP work is also under progress at Tower 1. For Tower-2, slab form work is complete on basement -1. Slab work on the ground floor is targeted to complete at the soonest. Casting is complete for parking area and work on Ramp-1 & Ramp-2 is under progress.



12 FRESH IDEAS FOR THE NEW YEAR



Wallpaper Your Closet Doors

The fastest way to make over sliding closet doors is to wallpaper them. Designer Melissa Warner turned her Hollywood apartment's bedroom into her office and used wallpaper as an instant splash of color and pattern. Wallpaper is Osborne & Little's Hothouse in Arizona.

"A grandmother's dresser was painted white and decoupaged with cut-out leaves from a color Xerox of the chair fabric."



Add Pattern to Your Dresser

Tom Scheerer's love of the old-fashioned — and the fresh way he reinterprets it — is nowhere more evident than in the bedroom of a Brooklyn apartment. A grandmother's dresser was painted white and decoupaged with cut-out leaves from a color Xerox of the chair fabric (a discontinued pattern). "It suggests the improvisational charm of pieces my own grandmother and her peers decorated for their summer houses," Scheerer says.

Contrast Trim Colors

Trim a pendant in contrasting colors for a fun, subtle, and surprising touch, like in Sara Story's Gramercy Park apartment.



Cover Your Walls

Instead of wallpaper or paint, cover your walls with an interesting and eye-catching detail. In a New York apartment designed by Phoebe and James Howard, Plastic flowers, made by artist Carson Fox, cascade down a wall covered in a Casamance fabric. "Carson brings boxes of flowers and creates it on the spot," she explains.



Mix and Match Chairs

Your chairs don't have to match. In the breakfast room of her Hollywood Hills house, Tobi Tobin arranged a trio of vintage chairs, all from different periods. She used simple bamboo shades from Target, painted the walls Farrow & Ball's Lamp Room Gray, "and — voilà — a modern farmhouse!" she says.



Use Books to Decorate

Books can be used as decor, too. Designer Jamie Drake filled niches with books, turning the spines of all but a few toward the wall: "It's more provocative that way."



Write on Your Walls

Yes, it's okay to write on your walls. And if you change your mind, just paint over it. When they couldn't find artwork for the master bedroom in a Malibu house, designers Todd Nickey and Amy Kehoe came up with a temporary fix that became permanent: Sean Daly spray-painted "love" above the Nickey Kehoe bed.

Paint Your Closet

Your closet doesn't have to be a dull, white shade - paint it your favorite color. Instead of the usual chrome rods and white backdrop, designer Jeannette Whitson gave her Nashville closet a more luxurious look by painting it Benjamin Moore's Blue Dusk and hanging her clothes on unlacquered brass rods.





Give Your Ceiling a Dramatic Color

When decorating, don't forget to look up. In a Nashville house designed by Markham Roberts, the ceiling painted in Benjamin Moore Aura in Black Knight makes for a handsome porch that's used year-round thanks to a fireplace and fans. The teak sofa and armchairs by Restoration Hardware are covered in Kravet Navy canvas and Quadrille's Island ikat custom-printed on Sunbrella fabric. Palecek wingback chairs. Paul Ferrante pendant.

Use a Runner Instead of a Doormat

Even the smallest things could use an update, like your doormat. In a Malibu house designed by Todd Nickey and Amy Kehoe, a runner made from vintage saris leads to the entry, on a grassy knoll in the Santa Monica Mountains.



Line Your Shelves

Your shelves could use a makeover, too. In William Christie's French countryside estate, local earthenware is displayed in an armoire with shelves lined in delicate lace. The vessels on top are from the famed potter's village La Chapelle des Pots.



Mix Up Mantel Art

Rather than one large piece of artwork above the fireplace, Sara Story hangs three smaller pieces in her Gramercy Park apartment.

Land and house registration revenue collection increased by 35 per cent



The overall land and house registration revenue collection in the first quarter of this fiscal year increased by 35 per cent as compared to the fiscal year 2013-14. According to records maintained by the Department of Land Reform and Management (DoLRM), it has collected a total of Rs 1.963 billion revenue from across the country in this fiscal while it was confined to Rs 1.447 billion in the corresponding period of the last fiscal.

Out of 83 land revenue offices (LROs), Dillibazar topped the list with a collection of the highest amount of registration tax worth Rs 412 million. Manang managed to collect the lowest amount of revenue worth Rs 90,012 in the first three months of this fiscal year. The registration gain tax, which was confined to one to two per cent, is now 4.5 per cent.

Besides, Dillibazar, there are four other LROs in the valley. Chabahil stood second with revenue collection of Rs 241 million while Kalanki secured the third position with revenue collection of Rs 172 million. Similarly, Lalitpur and Bhaktapur follows on the list with revenue collection of Rs 171 million and Rs 95 million respectively. Reportedly, the hike in land price valuation from the beginning of this fiscal year has soared by 100 per cent or even more in semi urban areas like Sangla, Goldhunga, Tokha, Chandeshwori, Gongabu, Jitpur, Manmaiju, Dharmasthali, among others. Sunsari, Chitwan, Jhapa, Morang, Belbari, Makwanpur and Kaski are some other places where revenue collection is remarkable.

“Being the capital city, demand and price of land is high as compared to other parts of the country,” said Gopal Giri, Chief Land Revenue Officer of LRO, Dillibazar, adding that the office includes 29 wards out of 35 in the metropolis which bagged the highest rate of transactions. Citing that although land transactions have not increased significantly, he said, “The growth in revenue collection is the result of the recent appreciation in land price valuation.” According to him, the government has increased land valuation of different areas from 20 per cent up to 100 per cent depending upon the area and demand.

The government has set a target of collecting Rs 5.368 billion from land registration in this fiscal. In the last fiscal, the government collected Rs 7.813 billion in land registration fees against a target of Rs 4.505 billion. “The target we have set for this fiscal year is not so ambitious. If the current trend of revenue collection is something to go by, we are confident to exceed the target,” said Raju Basnet, Section Officer at DoLRM. “The realty sector is gradually recovering as genuine buyers are gaining confidence to invest on property,” he added. According to him, flexible monetary policy and accessible home loans with low interest rates encouraged buyers to own property. He informed that customers are shifting their choice of preference from core areas to the growing sub-urban areas.

At a time when the government claims to exceed the stipulated target for revenue collection, real estate developers opined that the increased registration gain tax has negatively affected the industry. “It is totally invalid to tag the government’s high revenue collection with more transactions in the realty sector,” said Ichachha Bahadur Wagle, Vice President of Nepal Land and Housing Developers Association. “The increased land price valuation and doubled registration gain tax contributed to rise in revenue collection,” he added.

Accusing that the hike in registration gain tax as unscientific, Wagle said, “It has become an unnecessary burden to the buyers which might negatively affect the real estate business.” He opined that the tax should be limited to 0.5 to one per cent. Citing that realty transactions did grow, he said, “We have witnessed 30 per cent growth in transactions as compared to the last fiscal.” He further said that improved cycle of realty sector, confidence of customers, secured investment and plan for regional development are contributing factors to uplift the transaction.

Source: Sujata Awale, The Himalayan Times, Nov 29, 2014

New Bill bars landlords from renting out houses unsafe for human habitation

The fourth NLHDA Real Estate Expo 2014 concluded on Sunday, attracting 214,000 visitors.

The four-day event saw sales of 54 standalone homes and apartment units worth around Rs 270 million.

The organizer, Nepal Land and Housing Developer’s Association (NLHDA), says the event has been a huge success in terms of both peoples’ attendance and bookings. “We are very happy with the response we got as almost all developers received good bookings,” said Minman Shrestha, general secretary of NLHDA.

The property developers say a total of 1,220 prospective buyers have shown interest in purchasing property. “We expect this interest will convert into sales in the next two months,” said Shrestha.

The exhibitors said the expo was successful than last year’s event. “We have been putting our stall every year, but this year we recorded good business,” said Shambhu Phuyal, general manager of CE Group of Companies.

The expo proved the demand for individual homes and apartments is still there, the developers said, adding homes and apartments in the price range of Rs 4 million to Rs 6.5 million attracted more visitors.

Mahesh Swar, assistant general manager of Kantipur Publications, said the expo was able to accomplish the objective. “We saw many serious buyers with great enthusiasm,” he said. “The expo helped boost trust and confidence of the buyers, besides showing signs for the growth of the overall real estate sector.”

Source: The Himalayan Times, Nov 5, 2014

20 LROs to be opened this year

The government is preparing to open 21 new Land Revenue Offices (LROs) in 20 districts in this fiscal year to make it easier for people to carry out land and housing transactions.

According to officials, the cabinet meeting held last week approved the proposal to open new LROs forwarded by the Ministry of Land Reforms and Management (MoLRM).

“We are planning to bring the LROs into operation within this fiscal year,” Raju Basnet, section officer at the Department of Land Reforms and Management, said, adding that it would not only make land and housing transactions easier but will also increase revenue for the government.

With the addition of 21 LROs, the number such offices in the country will reach 103. At present, there are 83 LROs in all 75 districts.

Ministry officials say the new LROs will be opened at Dharan in Sunsari, Gotikhel in Lalitpur, Waling in Syangja, Bardibas in Mahottari, Tulsipur in Dang, Katari in Udaypur, Burtibang in Baglung, Chandrauta in Kapilvastu, Rampur in Palpa and Chandranigahpur in Rautahat.

Likewise, the LROs will be opened at Sankhu and Manamaiju in Kathmandu, Kanchanpur in Saptari, Butwal in Rupandehi, Simara in Bara, Rajapur in Bardiya, Sirdibash in Gorkha, Belauri in Kanchanpur, Hariban in Sarlahi, Rangeli in Morang and Mahelkuna in Surkhet.

Officials say they would soon begin search for suitable venues to open LROs.

Source: Republica, Nov 6, 2014

Real estate business making steady recovery

The real estate business is likely to continue its upward trend in the current fiscal year. In the first two months of the current fiscal year, the government's revenue from property transactions surged by 62 percent compared to the same period last year. According to the data maintained by the Department of Land Reforms and Management (DoLRM), the Land Revenue Officers (LROs) have collected revenue amounting to Rs 1.67 billion as of mid-September, 2014. The revenue collections for the same period of the previous fiscal year amounted to Rs 1.03 billion.

According to Tulsi Ram Vaidya, official at the DoLRM, property transactions in the major cities across the country has improved “significantly”. “The revenue collections from Kathmandu Valley has jumped noteworthy. Likewise, major cities across the country as well as places developing as cities too have posted a healthy growth,” said Vaidya. As per the DoLRM, Kathmandu Valley alone contributes to more than 35 percent of overall land revenue collections of the country.

Staffers at the DoLRM say that the real-estate market has reverted back to corrective

mode after having gone through a spell of recession in the past few years. The fact that the LROs across the country had collected revenue amounting to Rs 7.81 billion in the fiscal year 2013-14, the highest revenue collection so far, also makes it pretty obvious that the real-estate market has reverted back to normal. The previous record was noted in the fiscal year 2008-09 with a collection of Rs 6.3 billion in revenue from property transactions. However, immediately after that the real estate market fell into a downward spiral following intervention from the Nepal Rastra Bank (NRB). The central bank had capped banks and financial institutions (BFIs) from realty lending to avoid a housing bubble.

The intervention of the central bank led to a big set back for the property developers with the revenue collection from property transaction dropping to just Rs 4.18 billion in the fiscal year 2010-11 and Rs 4.79 billion in 2011-12.

DoLRM officials say that the government is likely to achieve revenue collection target this fiscal year too. The government has set preliminary target of Rs 5.56 billion as revenue from the realty sector this year. But looking at the current trend, the target will be easily achieved, according to Vaidya. The fact that property transactions, especially the sale and purchase of land, swells up across the country post Dashain too showcases the wider scope of the property market. The first two months of the fiscal year falls during the monsoon season, when land is occupied by crops and farmers are reluctant to sell it. Post Dashain, with farmers finished with the harvest, the fields get cleared to be sold.

Bijay Raj Bhandari, chairman and managing director of CE Construction, one of the leading players in the country's realty sector said that the current trend is positive. But according to him, there are still many areas that need to show improvement to prove that the real estate sector has bounced back holistically.

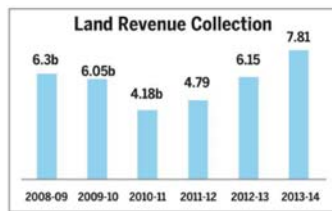
"The revenue has gone up mainly because of the growing land transactions," said Rajbhandari. "However, transaction of houses and apartments constructed by developers is yet to improve in the same manner."

Property developers say that the market has reverted back to normal path due to easy access to loans from banks and financial institutions. "Banks have lowered the interest rates and eased access to loans," informed Rajbhandari.

Source: The Kathmandu Post, Oct 6, 2014

Revenue from property transactions hits record

The government's revenue from property transactions surged more than 50pc to hit record high of Rs 7.81 billion in 2013-14. Land Revenue Offices (LROs) had collected Rs 5.2 billion in fiscal year 2012-13. The previous one-year collection record was Rs 6.3 billion in fiscal 2008-09, since when the real estate market got into a downward spiral after the Nepal Rastra Bank (NRB) capped banks and financial institutions' (BFIs) realty lending to prevent a bubble burst. As a result, the sector



witnessed a long recession with the government's revenue collection from land registration diving to Rs 4.18 billion in fiscal year 2010-11 and Rs 4.79 billion in 2011-12.

"The revenue collection last year remained outstanding," said Raju Basnet, officer at the planning division of the

Department of Land Reforms and Management (DoLRM).

"After witnessing a recession, the sector has shown a strong come back. The growth figure in itself replicates the status of the real estate sector."

The real estate bounce back has surprised many. Considering the dismal performance of the sector for the past few years, even the government had set a revenue target of just Rs 4.5 billion in 2013-14.

"Transactions of real estate property have been good since the beginning of the previous fiscal year. The target set by the government was exceeded within just eight months," Basnet said, adding all the districts witnessed a positive growth.

According to him, places like Kathmandu, Jhapa, Morang, Sunsari and Biratnagar have performed very well.

According to DoLRM, the Kathmandu valley contributes around 35 percent to the overall land revenue collection. Enthused by the collection figure, the government has sent a preliminary target of Rs 5.56 billion for the current fiscal year, according to Basnet. The real estate sector has come along a long way in the past seven years. From a gigantic growth to a terrible slowdown, the sector has witnessed all. And now, real estate entrepreneurs believe the turning point for the sector has come. They believe the business is likely to get better soon.

MinManShrestha, general secretary of Nepal Land and Housing Developers' Association (NLHDA), attributed the growth to increased confidence of people. "Not only has the real estate, share market too has witnessed a massive growth. People's confidence has bounced back and they are making purchases now," said Shrestha, adding the economic indicators have remained positive since the second CA Election and the formation of the government.

He said those who were reluctant to buy property are finally making purchases. The other reason behind the huge surge in land transactions is the surplus liquidity in banks. "Banks are financing genuine and reliable buyers," said Shrestha. "And this too has helped a lot."

NRB statistics show banks are financing property buyers, but are still hesitant to issue loans to property developers. As of mid-May 2014, BFIs' home loans (up to Rs 10 million) increased to Rs 83 billion from Rs 62 billion in mid-May 2013. However, lending to other real estate sectors decreased to Rs 82.72 billion from Rs 87.47 billion. According to realty traders, the other major reason behind the surge in the revenue collection is the transaction of property in terms of fair market value. Earlier, people used to devalue property to avoid registration fees. But as government authorities have started to seek income source, and gains made by paying less in fees are also being questioned. "Stringent anti-money laundering provisions have also forced people to do transactions at fair market price," said Shrestha.

Source: The Kathmandu Post, August 2, 2014

Mr. Prafulla Man Singh Pradhan

Mr. Prafulla Man Singh Pradhan, an Urban Planner by profession is living at Westar Residency with his wife and his youngest son. Despite his tight schedule, Mr. Pradhan took out some time for an interview with us at his apartment.

An Urban Planner by profession, he has worked for United Nations Office for Project Services (UNOPS, Malaysia), The Urban Governance Initiative (TUGI) and United Nations Development Programme (UNDP, Myanmar), to name a few. He now works as a national as well as an international independent consultant. He is also the Training Advisor for Rotary International District 3292 (Nepal).

On a personal side, his day starts with yoga and meditation for an hour every morning. Mr. Pradhan also has a very keen interest to play bridge, an international card game. Here's what he shares about his living experience at Westar Residency.



Please share with us your living experience at Westar Residency.

My family members and I are living quite a comfortable life here. We have more privacy from the neighborhood and feel more secured whenever we leave the home.

Where did you live before (in a Villa or an apartment)? What made you move into Westar Residency from there?

Well! We lived in our own house at Pulchowk. Thing is, we had trouble maintaining it and were looking for a cozy home. Also, my family was seeking for a stress free living environment in terms of basic needs like water, electricity, security and so on. I thought moving into an apartment would solve these problems. We are lucky that the apartment was ready and we could move in nearly 21 months back.

How has your lifestyle changed then and now at Westar Residency?

Yes! Life has been free of worries about managing the basic needs like water, electricity, sanitation and security. The public transportation facility here is easily available as in Pulchowk area. The daily necessities are easily available from the locality. With the development of Westar Residency, the restaurant business is coming up in the neighborhood. This has helped us get a variety of options when you do not want to cook or feel like trying something new. Westar Residency made the move to charge maintenance cost at the time of handover. It is really making us burden free as compared to the residents in other apartments where they need to worry about paying maintenance charge every month. And I appreciate the fairness of the developer.

What were your expectations of how living at Westar Residency would be like?

Personally, I expected an access to basic facilities and comfortable living environment and am happy to get these at Westar Residency. The amenities inside are helping the residents for a better living and to socialize with each other.

We have introduced Integrated Service, a professional property management team. How has it helped in reducing your burden for paying utility bills and other problems you could face in a villa?

They are doing an excellent job. Keep it up! It really helps save time for our professional and personal life. I had the experience of standing in long queue to pay my electricity bills in the past, now it is solved and I have more time for my work and family.

Do you feel your apartment is according to Vaastu? Do you feel the open space maintained here is adequate?

Regarding Vaastu compliance, we are satisfied so far. Almost every guest who has visited us has made a positive comment on this issue and we feel assured that our home is according to Vaastu. I think Westar Residency has maintained enough open space and greenery for its residents.

Would you suggest an apartment or a villa to someone looking for a new home?

As an Urban Planner, I would like to see Kathmandu to be more organized in terms of Land-use Planning. So, I suggest a development like this would help maintain high-density and save valuable land at the same time providing useful community open space.

How do your other family members feel at Westar Residency?

All of us are enjoying our life here. We are busy with our profession, so, have not been able to enjoy the abundance facilities here at Westar Residency. But we hope start doing so, soon.

Do you have any suggestions for us?

I would suggest speeding up the process for getting completion certificate, provide ownership certificate, handover the management to the residents' and contribute in making Westar Residency an exemplary apartment in Nepal.



HighGround Bungee

After an adventurous sky zip line for the first time in Nepal, High Ground Adventures here comes with a bungee spot in a touristic lake city Pokhara. Now, Pokhara is again featured with a new adventurous and ever waited dreamland- Bungee Jump.

Nepal's first and only tower Bungee, HighGround Bungee & Swing has everything for adventure lovers. Located at a convenient 20 minutes from Pokhara Lakeside, the ride to the jump site offers a spellbinding view of the Himalayas, the hills and the rivers that will take your breath away. The initial jump is 70 meter vertical drop from a 45 meter tower with 3 sec of free fall which ends with the jumper touching the water. Just imagine the thrill of flying with your arms wide open and fear closed in.

The HighGround bungee is set-up and operated by highly trained professionals (jump-masters) from Europe and complies with the highest safety standards. The best technologies in the industry have been adopted and the highest quality bungee cord is used to ensure the safety of jumpers.

Feel the thrill with the first tower bungee in Nepal located amidst the stunning views of Himalayas.

Look, Breathe, Jump, Repeat!



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