

# Building a dream house in Bali!

By Debby Reemers

When Simone van Mierlo and her partner John van Abeelen arrived in Singapore in July 2005 they had just sold their London apartment and were wondering how to invest the money they received from the sale. They decided to look around and see if they maybe could buy a holiday house somewhere in the region what they then could rent out.

## But how and where to start?

**Simone:** "Because of the history the Dutch have with Indonesia, we felt it would be good to look for property in Bali. Bali is very accommodating to families, as the people are very child-friendly. With the beautiful beaches, rice fields and culture, it seemed to be just the perfect place for a perfect house."

The first opportunity was a building project that was advertised in the Straits Times. They checked it out, but the villas did not fulfill their requirements. So they continued their research on the internet.

**Simone:** "We checked some websites and found that projects in the North of Bali, as opposed to the South, were very reasonably priced and that we could still buy properties directly facing the sea! I found an interesting website and got in touch with Bert, a Dutch real estate agent who lives in Bali. Bert advised us to also have a look at some new developments and advised us to have a look at [www.balibeachgarden.com](http://www.balibeachgarden.com). This is the website of Jeroen Franken; a Dutch guy who develops villa projects in the north of Bali."

Two months after having arrived in Singapore Simone went to Bali to meet up with Bert to check out some of the locations and projects herself. John and Simone made a list of houses for sale they were interested in. Furthermore they made a list of questions they wanted clarification on, e.g. taxes, insurance etc.

Bert picked up Simone in the south of Bali and they drove to the north. First they visited Jeroen and his wife Sandra. Jeroen explained that the local people who lived on the beach were fishermen. They lived in small huts on the sea shore. Jeroen arranged proper housing for them in the inlands, some of them stayed fisherman but others were trained to work in construction. After having finished a few villas, Jeroen and Sandra set up a helpdesk. This girl "Made" from the helpdesk helps to employ staff for the villas like maids, gardeners etc. These people are also from the local community; in that way these projects really contributed to the local economy!"

After meeting Jeroen and Sandra, Bert showed Simone around the properties John and she

selected. But seeing the existing houses Simone became more and more enthusiast in developing their own dream house. She became so enthusiastic that in four days she signed the contract for their own sea-side villa to be built at Lovina beach!

**Simone:** "It might seem like an impulse decision, but that's definitely not the case. We knew exactly what we wanted. Before I went to Bali, we did a fair amount of research and we had a lot of questions. When I was in Bali I visited several houses and met with different people who had had bought property there, and I only heard positive stories! One funny incident was that Jeroen asked me if I wanted to attend an inauguration ceremony of one of the villas. And guess what, the owners of the villa turned out to be the parents of a high-school friend of mine with whom I lost contact!

Furthermore we of course did some negotiating, asking for the best plot of land and a couple of extras. We offered to decide quickly and that's how we got exactly what we wanted."

After signing the contract on the first of September, the developer started to build the house within one month. The house was finished four months later, on the 5th of February, Simone's birthday.

**Simone:** "Every two weeks we received some pictures of the construction work via email, so we were kept up-to-date of the progress quite regularly. In December we visited the site together. It was the first time John saw it, so that was very exciting. Together we decided on all the details in the house, like bathroom tiles etc, and we spent a whole day on shopping for furniture in the south of the island."

The following visit was at the handover in the beginning of February 2006. John and Simone had an authentic Balinese ceremony to inaugurate the house. They also had two little house altars built.

**Simone:** "We were told that Balinese personnel would not work in your house unless you have this ceremony! John and I and John's parents were





dressed up in a special sarong and sash. There was a priest, different ceremonies involving water, rice and flower pebbles and even a roasted pig. It was quite an elaborate happening..."

Simone and John were very happy with the way the house turned out to be. Everything was built according to the requirements they had given during their visit in December. It was really a dream house! After the newly planted garden had grown a bit, they finished their website in May 2006, and had their first real paying visitors in June.

**Simone:** "The interesting thing is that, apart from arranging the bookings, we really do not need to worry about anything. Made from the helpdesk helped us to get local personnel, like 2 very good housekeepers, a gardener and a night watch. Made not only answers questions from visitors, but also arranges repairs, pays the local personnel and makes sure the electricity 'cash card' is topped up. We pay the helpdesk a fixed amount per month for this service."

On how they promoted their villa Simone answers: "We first developed a website for Villa Branie. Then we started by promoting our website via friends and family. We also put our link on many websites. Additionally D-reizen had had a special offer. We could promote our villa on their website for free for 1 year. They only asked for an additional amount per booking. There are also travel sites like travel-library.com you can use to attract people.

We noticed that only within a couple of months word got around, and booking requests started to come in at a really high pace. At the moment we already have got bookings for 2008!"

Simone has one big piece of advice: "If you want to do what we did, you really need to have a relaxed attitude on how things will work out. You need to be able to have trust in the people there. This does not only apply to the building process, but also to the whole administrative side of the 'renting business'. You cannot oversee everything from another country. So you should be able to cope with some uncertainty.

What really helped us was that we found a trustworthy Dutch real estate agent and ditto project developer. As they live in Bali themselves and have a good network there, they were really able to take a lot of work out of our hands."

All in all the young investors are really happy they started this big adventure and have no regrets at all. ■■■

### Some practical notes:

- Foreigners technically cannot own property in Indonesia. Property is to be put on the name of an Indonesian citizen. Via a notary you can put this arrangement down in such a way, that the property will automatically be transferred to your name in case this requirement will be dropped;
- A flat license fee of €300 is required to be allowed to rent out property;
- Up till now no tourist taxes were levied. The Indonesian government is currently changing this regulation. As of yet the amount is unknown.

More information:

[www.villa-branie.nl](http://www.villa-branie.nl)

[www.bali-informatie.com](http://www.bali-informatie.com)

[www.balibeachgarden.com](http://www.balibeachgarden.com)

*Simone & John's website*

*The real-estate agent that helped out Simone*

*Website of the project-developer of Villa Branie*