

HISTORICAL BACKGROUND

Hanthana housing project is located in Kandy city, Sri Lanka which is from the central province of our country. This is a highly residential area. This is a project of the government started in 1980’s by the former prime minister of Sri Lanka. He planned for 1000 houses, and completed only 400 houses then. This project is a private public partnership project with the National Housing Development Authority. This project consists of 102 housing units. The selling prices are very reasonable compared to the market values. All government approvals were obtained in March 2019, and now the project is in progress.

Already 52 customer applications had been received within 30 days of commencement of the project. The overall management of the project is done by the private sector. The project value is US $ 15m. Already local bank facilities has been obtained and the project is in progress. The investor expects an investment of $ 10m for the construction work of the project, to further reduce finance costs. Already an investment of USD 1.5m has been invested by the existing shareholders.

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| PROJECT TYPE | **PUBLIC PRIVATE PARTNERSHIP** |
| PUBLIC PARTNER OF GOVT | NATIONAL HOUSING DEVELOPMENT AUTHORITY |
| NO OF UNITS | 102 INDIVIDUAL HOUSING UNITS |
| LOCATION | KANDY – Highly residential area  HANTHANA SRI LANKA |
| LAND | OWNED BY THE NATIONAL HOUSING DEVELOPMENT AUTHORITY  AREA - 16 ACRES (APPROX) |
| READINESS TO START | PROJECT CONSTRUCTION JUST STARTED WITH FOUNDATION WORK OF 7 HOUSES |
| INVESTMENT REQUIREMENT | USD 10m  (Investment value may reduce, based on customer deposits to escrow account) |
| TOTAL PROJECT VALUE | USD 15m  (Project value may further increase based on many options that customers needs) |
| CUSTOMER ADVANCE DEPOSITS ALREADY MADE | 24 HOUSES |
| CONTACT PERSON | Mr. A.W. Warnakula – Director |
|  | * Email – [awwarnakula@gmail.com](mailto:awwarnakula@gmail.com) * TP – 00 94 777 365335 |
| APPROVALS  PROJECT PERIOD | ALL OBTAINED  3 years (allowed for Construction) |
| COST OF STAKE OF JV COMPANY | Included in the above total investment |
| STAKE IN THE PPP JV CO’ | TO BE DISCUSSED AND AGREED |
| CUSTOMER TRANSACTION | OPERATED THROUGH AN ESCROW ACCOUNT JOINTLY BY THE PP PARTNERS |

PROJECT PROPONENT

Mr. Anuruddha Warnakula is a finalist of Chartered Institute of Management Accountants of UK. He is heading a group of Companies in Central Province. His Companies includes following sectors of business including Trading, Distribution, Services, Transport, power plants, real estate etc. He served as the President of the Chamber of Commerce and Industry of Central Province since 2006 to 2013. In the year 2010 he was appointed as the President of the Regional Chamber President’s Forum of Sri Lanka heading all 35 Regional Chambers for 4 years. He was appointed as a Director in the Regional Economic Development Agency by the Chief Minister of the Central Provincial Council, and holds the position to date. He also served as the Secretary of the City Development Committee of Kandy Municipal Council since 2008, whilst His worship the Mayor of Kandy held the Chairmanship. Based on the best ever success stories of Private Public Partnerships in Sri Lanka he was given the green light to form City Development Committees in Nuwara Eliya and Mathale Districts in the year 2011. He served as committee members in District Enterprises Forum, World Heritage Committee, Regional Enterprise Forum and the Regional Chamber advocacy Forum. In the National level apart from holding the Presidency of Regional Chamber President’s Forum he was a Committee member of the Ceylon Chamber of Commerce and the Federation of Chamber of Commerce and Industry of Sri Lanka, representing the Central Province Chamber.

STRONG PLUS POINTS OF THE PROJECT

1. The original Hanthana housing scheme was designed by the government for 1000 houses in a total area of 148 acres, which was taken over by the government from the Hanthana tea estate. However only 400 houses were completed. The existing project is the next 102 houses.
2. This is an ongoing project with investments made on the basic requirements such as construction of material stores & office complex, surveys done, clearing of land, boundary lines demarcations, advance payment made for the land valuation to the housing authority, architectural work, engineering drawings and all approvals.
3. Kandy is a world heritage city declared by the United Nation’s World Heritage Committee. Therefore, this is a top-grade tourist destination. There are many boutique hotels around this location. This project is also designed with a shopping complex, restaurants, swimming pool, gym, saloon, super markets etc.
4. At the moment there are 1200 doctors working in 7 hospitals in the Kandy city alone. But majority of doctors are in search of houses in the Kandy city, as most of them are on rent.
5. The selling prices of the houses are below the market prices, as this is a government project. However, the private partner’s profits are attractive and secure. Therefore, sales figures are very attractive without any market promotions.
6. All customer deposits are handled jointly by an escrow account monitored by the housing ministry and the project proponent. Therefore, the customer advances are safe, and the customer confidence is further enhanced.
7. The total project construction work is 100% monitored by resident government engineer and supervised by a project monitoring committee chaired by the central environment authority for quality, quantity and engineering.
8. Almost all the houses have a spectacular view of the Kandy city, and certain houses with the forest view of Hanthana mountain range.
9. This project is the only mega government housing project started after 40 years in the hill capital of Kandy closer to city center. Therefore, the demand for houses are very high with many applications to every single location.

