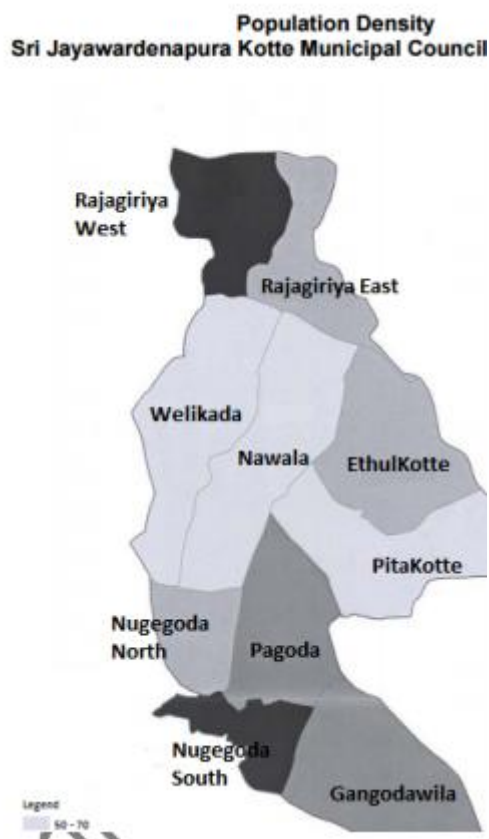


## Real estate market update: Nawala on a good footing

By the Research Intelligence Unit (RIU)

*With the real estate market in Colombo posting sustained positive growth, Nawala has been enjoying the benefits of being located within close proximity to the city, whilst maintaining a green and leafy environment. With pipelined infrastructure also set to benefit the area, the RIU has taken a fresh look at the real estate market in Nawala.*

Nawala is located within the city of Sri Jayawardenepura Kotte, the administrative Capital of Sri Lanka and is predominantly a residential area. The Nawala area borders the towns of Rajagiriya, Ethul Kotte, Pitakotte, Nugegoda North, Pagoda and Battaramulla regions.



Source- Sri Jayewardenepura Municipal Council

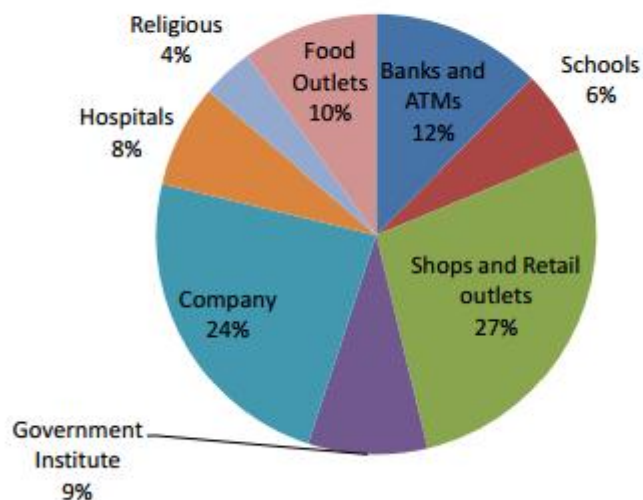
Under the Megapolis transport plan of the Western Megapolis Ministry, the government will focus on providing a solution to growing congestion. This will be through improved and modernised railways along with Rapid Transit Systems (RTS) such as Light Rapid Transit (LRT) and Monorail systems which will help to develop the infrastructure in the Kotte region. This will have positive spillover effects in the region.

According to the government's latest proposal, there are plans to build an elevated RTS from Colombo 4 up to Dematagoda along Baseline Road. This will be the main route as it passes close to the Asiri Surgical Hospital located at Kirimandala Mawatha.

### **Real Estate in and around the Nawala area.**

According to field research carried out by the RIU in 2017 on Nawala, information regarding residential properties indicate an estimated gain of 5 to 10 percent per annum in value, whilst commercial office space rental growth has been between 7.5 to 10 per cent per annum. The Nawala region- specifically the Kirimandala Mawatha- has many government offices and private hospitals which attract a large number of people into the area.

### **Growth in non-residential real-estate**



Source- RIU (2017)

There has been an increase in the commercial real estate segment especially in Nawala. This is due to a large number of business people and entrepreneurs who are engaged in commercial activities within the region. There are also a few prominent schools in the region which attract a large group of young people to the region, whilst the hospitals bring in many middle to old aged people. The Nawala area is very famous for Granite and Ceramic shops which are very useful for the construction of housing in Sri Lanka. Today, Nawala is a cosmopolitan town which is fully equipped with many facilities including Convenience Stores, Retail Outlets, Banks/ATM facilities, Fuel and Gas stations, Stationery Shops, Grocery Shops, Medical Centres, Hardware Shops and many retailers of upmarket brands. These have made Nawala a landmark town.

### **Increased Demand for High-End Residential Apartments**

There has also been an increase in the development of apartments in the region. Many new real estate developers have realised the potential of the area. There has been an increase in the demand for professionals to look for housing and real estate since an important factor to note is that Nawala is in close proximity to the Central Business District (CBD) of the commercial Capital of Sri Lanka. The distance and time saved on the road will have a positive impact on the lives of professionals instead of travelling from other suburbs of Colombo.

Major high end residential apartments are namely:-

- 77 on forth (JAT Holdings)
- Lake Front(Blue Mountain)
- Prime Aqua(Prime land)
- Skyline Kotte (Dwellco Pvt. Ltd)
- Signature Twelve(ZamLank Developers)
- Nawala Residencies(Prime land)
- Royal Park Condominium(Keangnam)
- The Tranquility(Ce-ko Developments(PVT) LTD)
- Heights(Millennium housing developments)

According to the research report produced by the RIU, the real estate market in Nawala is set to enjoy sound growth over the next decade as new infrastructure in and around the area will address issues related to traffic congestion. Given Nawala's proximity to Colombo CBD, more and more retail and commercial development will enter the area, while the green and residential environment will ensure continued popularity among the upper-mid and upper end of the socio-economic groups.

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