



SERENIA
RESIDENCES
TALPE GALLE

FREQUENTLY ASKED QUESTIONS





WHO IS THE DEVELOPER?

Serenia Limited (BOI approved company)

PROJECT TEAM

Consultant Architect - Mr. Roshun Meezan, a-designstudio - <http://www.a-designstudio.com>

Contractor - Tier 1 - Access Projects Pvt Ltd - www.accessprojects.lk (previous projects: Cape Weligama, Anantara Resort and Spa, Galle Face Hotel and many more.)

MEP Consultant (mechanical, electrical and plumbing) - Mr. Noel Josph - NJ Consultants (previous projects: Colombo City Center, The Fortress Hotel and Spa, Cape Welligama, Ozen by Atmosphere Maldives and many more resorts in Maldives.)

Quantity Surveyor - Mr. Rajitha Dasanayake - QSQ Outsource - <http://www.qserveqatar.com>

Structural Engineer - Mr. Shiromal Ferdinando (previous projects: Altair, Colombo City Center, Grand Hyatt, Lotus Tower, Astoria Residencies and many more.)

Banking Partner - Nations Trust Bank PLC - <https://www.nationstrust.com> - providing a 70% loan financing option for Serenia's approved clients

Legal Advisor - Mrs. Faisza Musthapha Markar - Macon & Associates - www.maconsl.com

Auditors and Tax Consultants - KMPG

ADDRESS OF THE PROPOSED PROJECT

724 Galle Matara Main Road, Talpe, Galle, Sri Lanka

Ownership structure - Freehold

Land Extent - 180 perches (land fully paid and 100% owned by Serenia Limited)

Access- Galle - Matara Main Road

Beachfront - approx. 100m unobstructed view of the ocean

Existing Usage - Vacant Land

Total number of Residential units - 47

Construction Commenced: 5th of October, 2018

Anticipated Completion Date - December 2019

The developer has brought together a world-class team of professionals from Europe and Asia to create a unique and first of its kind mixed-use development project in one of Sri Lanka's most prestigious beachfront locations, Talpe-Galle.

Serenia wishes to be recognized as a customer focused apartment serviced brand in beachfront living in Sri Lanka with high ethical and good corporate governance standards.



COMPELLING INVESTMENT FUNDAMENTALS

World-Class Location - The unparalleled selection of luxury lifestyle amenities concentrated in Sri Lanka is within close proximity of the property. Strategically located on the Million Dollar Golden Mile of the Southern Coast, it is an unrivaled stretch of stunning private high-end villas and pristine beaches.

Iconic Property - The property is distinguished by its striking modern and clean architectural design and contemporary interiors.

Tremendous Value - Talpe, Galle is Sri Lanka's most exclusive beachfront villa location. The positive income potential for this property is supported by strong tenant demand for luxury hotel rooms, villas and beachfront properties with the expectation of further increasing occupancy demands in the area.

Visibility and Frontage - Unobstructed visibility of the property from the Galle - Matara road, 100-meter-wide frontage of private beach and an infinite view of the ocean from every habitable floor.

Limited Availability of Prime Land - Limited availability of similar land parcels in Talpe makes the subject property ideal for a premium development.

Sizable Development Potential - Preliminary planning clearance for two towers with 8 and 9 floors allows for a large-scale development on the site.

PARTICULARS	VALUE
No of towers	2
Number of floors - Tower A	Ground + 8
Number of floors - Tower B	Ground + 7
2 Bedroom Residence Suite Units - 1358-1667 sq ft (126-155 sq m) (premier + superior)	36
3 Bedroom Sky Villa Units - 1841 sq ft (171 sq m)	6
3 Bedroom Garden Villa Units - 2694 sq ft (250 sq m)	2
2-Level Custom Sky Penthouse Units - 4240 - 4396 sq ft (394-409 sq m)	2
2-Level Custom Presidential Penthouse Unit 12 707 sq ft (1180 sq m)	1
Total number of units	47
Total car parks	55
Deluxe rooms - 435 sq ft (40 sq m)	9



WHAT IS SERENIA?

1. How would you describe the development?

Serenia is a luxury mixed-use development comprising of chic residences and a 5-star boutique hotel in one of Sri Lanka's most prestigious beachfront locations, Talpe-Galle. The developer has brought together a world-class team of professionals from Europe and Asia to create a unique and first of its kind development in this geography.

Serenia offers a world-class location with an unparalleled selection of lifestyle amenities. Strategically located on the "Million Dollar Golden Mile" of the Southern Coast, it is an unrivaled stretch of stunning private villas and pristine beaches.

Serenia offers owners the opportunity to benefit from both usage and investment returns from the apartments.

2. Who are the key executive and board members responsible for the creation of Serenia?

The Board Members

Mrs. Sabina Baum Karunanayake - Executive Director, Strategic Design & Marketing

Sabina is an Co-Founder and Executive Director of Strategic Design and Marketing who works with the owner of Serenia to grow its professional brand. This has included development of all the strategic design elements of the interiors as well as landscape, pool and restaurant design together with a-designstudio. She developed the brochure, website and 3D walkthrough animation.

Sabina is passionate about fashion and design and believes the move to Serenia was a natural fit. She grew up in the cultural and design hubs of Vienna and Prague and is able to bring sophistication and simplicity to Serenia's interiors.

Prior to Serenia, Sabina has worked for the biggest fashion group in the world Inditex (ZARA) as a display designer and as a legal officer in the investment company Milton Crown, Prague. She holds a LLB in Law from Pan-European University in Bratislava, Slovakia.

Mr. Dilshan Kodituwakku - Executive Director

Dilshan Kodituwakku has over a decade of real estate experience. Most recently he worked across American Express including in its Platinum Cards, All Cards, the Loyalty Program and Strategic Relationships for National Trust Bank American Express. He is a member of the Condominium Developers Association of Sri Lanka. Mr. Kodituwakku holds a degree in Management and Marketing at Deakin University, Melbourne Australia.



Mr. Sivakumaran Malarkolunthu - Executive Director, Chief Financial Officer

Sivakumaran has close to 20 years of experience in the financial services industry. He holds a Bachelor's in Business Administration with honours in Finance from the University of Colombo and a Master's degree in Business Administration from the ICFAI University of India. He is also an associate Member of the Chartered Institute of Management Accountants UK. Sivakumaran possesses extensive experience in financial accounting, investment management, corporate governance and risk management.

Mrs. Faisza Musthapha Markar - Non-Executive Director - Legal

LL.B (Honours) Degree - University of London

Barrister-at-Law - Lincoln's Inn London, LL.M in Commercial and Corporate Law - University of London

An Attorney-at-Law of the Supreme Court on Sri Lanka, practicing in the Appellate Courts of Sri Lanka primarily in the areas of fundamental rights, writs, commercial law and public interest litigation. Former lecturer at the Open University and Royal Institute of Colombo - Sri Lanka. Faisza has experience in facilitating investments (on behalf of investors), with the Board of Investments of Sri Lanka with special emphasis on mega and large-scale infrastructure projects. Faisza has hands on exposure in liaising with various bodies, companies and individuals in setting up projects of a diverse nature and facilitating investments and is very conversant in commercial drafting.



OWNERSHIP/PAYMENT STRUCTURE

1. What is the title option?

The title on the apartments is freehold.

For foreigner nationals freehold title comes for apartment on any floor.

2. What is the payment structure when purchasing an apartment at Serenia Residences?

All the monies are held in Escrow Account at Nations Trust Bank and are released and linked to construction milestones.

The payment structure:

Booking Deposit	5%
Signing of Sales & Purchase Agreement	10%
Start of Construction Work	10%
Completion of 2 nd Floor	10%
Completion of 5 th Floor	15%
Completion of Superstructure	15%
Start of Finishing Work	15%
Completion of Construction	15%
Issuance of COC	5%
Total	100%

There is an initial 5% deposit then an additional 10% is required before the Sales & Purchase Agreement is signed. The Sales & Purchase Agreement is available to clients prior to the deposit being taken. Further payments are required at each construction milestone as outlined above.

The National Building Tax of 2% of the purchase price is paid at each stage.

4% Stamp Duty Tax is paid after Completion of Construction and the subsequent Transfer of Deeds.

Final Payment is made on completion and issuance of COC.

3. How do you calculate the Rupee value for the purpose of Deed of Transfer and Stamp Duty payments?

Stamp Duty will be 4% of the market value of the apartment unit. The Inland Revenue Department of the Southern Province Provincial Council will determine the market value on which the stamp duty is payable at the time of the execution of the Deed of Transfer



4. What are my other costs apart from the purchase consideration?

- i. Connection charge and deposits of all utility services (as will be required by relevant service provider), expected not to exceed 500,000 LKR, this is subject to change by relevant service providers.
- ii. Legal Fees (i.e. notarization Fee, which will be 1% of the total purchase consideration, additional costs and expenses in preparing and registering the Deed of Transfer)
- iii. Payment of Stamp Duty (at the prevailing rate) on the Deed of Transfer (currently 4%)
- iv. Service Charge, Contribution to Sinking Fund and relevant interest free security deposits
- v. Utility Bills, Connection Charges
- vi. Municipal Assessment Rates
- vii. Registration fee at the Land Registry
- viii. Insurance Premium

5. In which currency should the payments be made?

Purchase Consideration is to be paid in United States Dollars or the equivalent in Sri Lanka Rupees calculated at the selling rate as declared by the Nations Trust Bank of Sri Lanka as at the due date of payment.

Service charge, management fees and payment of utility services will be paid in Sri Lanka Rupees.

6. When will I be given possession?

This is subject to the timelines set out in the respective Sale and Purchase Agreement signed between the Purchaser and the Developer.

7. At what stage will you execute the Transfer of Deeds?

Once the Condominium Plan and the Condominium Declaration has been registered at the Land Registry and upon receiving the full payment of the Purchase Consideration.

8. How can I obtain copies of the title documents?

A set of photocopies of relevant title documents will be provided upon payment of the Reservation Fee.

9. What financing options are available?

Nations Trust Bank is Serenia's Banking partner who is providing loans to Sri Lankan Nationals, Dual Citizens and also Foreign Nationals with a residence permit. Nations Trust Bank has approved to lend up to 70% of the purchase price for this project.



FOR FOREIGN PURCHASERS (I.E. INDIVIDUALS/ COMPANIES)

1. Can a foreign national/company incorporated in a foreign state purchase an apartment?

Yes. A foreigner/foreign-owned company can purchase apartments on ANY Floor as specified in the Land (Restrictions on Alienation, AMENDMENT) Act No 21 of 2018 [a condominium parcel specified under the Apartment Ownership Law] , provided that there must be a provable inward foreign remittance of the entire purchase consideration prior to the execution of the Deed of Transfer. The most commonly used method is to bring the money via a Inward Investment Account ("IIA") account (see [3] below).

2. Can a local company with foreign shareholders purchase an apartment unit below the 4th floor?

Yes. A local company may purchase an apartment if less than 50% of its shareholding is foreign owned; and the foreign shareholding of such company has to remain less than fifty per cent [50%] for a consecutive period of at least twenty (20) years from the date of such purchase/transfer.

3. I don't know anything about "IIA" accounts can you elaborate?

'IIA' stands for "Inward Investment Account". It is a method of facilitating inward remittances to Sri Lanka for investment purposes. A person who maintains a 'IIA' can easily remit money as investment/s and repatriate the investment and the return on investment through the same 'IIA'.

Only authorized dealers of the Central Bank of Sri Lanka (such as any commercial banks) are authorized to open and operate 'Inward Investment Accounts'. A 'IIA' can be opened in the name of an eligible investor and can also be held jointly by eligible investors. It can be maintained in Sri Lanka Rupees or in any designated foreign currency.

4. When the property is transferred to a third party, can the proceeds on such transfer be remitted out of the country?

There are restrictions placed by the Exchange Control Department of the Central Bank, in repatriating money out of Sri Lanka. However, a person/company who operates a IIA is NOT affected by such restrictions, provided the proceeds was channelled to Sri Lanka through a IIA. The proceeds may be freely repatriated through IIA provided the seller has remitted money through IIA to originally purchase the property.



5. Can I, being a foreigner borrow money from a local bank to complete the payment of purchase consideration and offer the apartment as security?

A foreigner may not borrow from a local bank to finance the payment of the Purchase Consideration.

DESIGN

1. Has the master plan been approved by Urban Development Authority('UDA')?

Yes. 'CCD' (Coast Conservation Department) and 'PPC' (Preliminary Planning Clearance) from 'UDA' have been obtained. 'CMA' (Condominium Management Authority) preliminary approval have been obtained too. In total, 17 approvals have been obtained before getting the Building Permit.

2. Who is behind the design

The Architect is Roshun Meezan from a-designstudio.

Roshun has over 17 years' experience within the architecture profession with a strong background in residential design and community projects. He began his studies in architecture at the Architectural Association and completed his course at the London Metropolitan University. After qualifying, Roshun gained further experience with Oliver Morgan Architects working on a number of residential and mixed-use schemes within Central London.

He joined GHM Design Ltd's new Abu Dhabi office in 2007 as a senior architect and has been involved with several Emirati housing community projects including: Al Falah New Community, Abu Dhabi, as team leader on the drawing checking of contractors' proposals and Project Architect for Emirati Housing in the Western Region.

Some of his other work includes:

Han'dhu Resort Maldives

Galle Beach Hotel

Aqua Mirissa

Some of their work can be viewed at www.a-designstudio.com/work

The Interiors were designed by Sabina Baum Karunanayake together with a-designstudio team.

3. What has been taken into consideration when designing the Residences?

The return on investment for an owner - Each residence has been designed to have two separate entrances which will give owners a stronger potential yield while renting all bedrooms. Alternatively, owners have an option to lock the master bedroom and living area for themselves and rent the second guest bedroom and still get a good yield.

All the residences have been designed to have uninterrupted ocean views from all rooms and to have plenty of light thanks to floor-to-ceiling windows.



All the rooms have been designed to maximize the space. Serenia Residences believes that when a person is on holiday or on a weekend getaway, they should enjoy a large open space with amazing views, sunlight and an ocean breeze.

The terraces are 6'6 feet (2 meters) wide. This will allow owners to enjoy quality outdoor time with their families and incorporate sunbeds or another dining table.

4. What views can one expect from the apartments?

The Residences have been designed to ensure that all views are maximized and to ensure there is an infinite view of the ocean from all habitable floors. Depending on the orientation of the Residence, the views may vary from an uninterrupted Indian Ocean View or a view of the Indian Ocean and Pool area.

5. What security will the building have in place?

The Residences will be fully equipped with a security system which is in line with international standards. This will include a state of the art security control room, 24/7 CCTV coverage, electronic access systems, 24/7 concierge services, resident identification cards and highly trained security personnel. Each apartment will have a Smart Home System.

6. What fire detection system will the building have in place?

A fire alarm and firefighting system that meets international standards, approved by the local authority will be implemented.

CONSTRUCTION AND QUALITY

1. Who is behind the construction?

Access Engineering

Access Projects is a Tier 1 construction company and they are experts in building oceanfront high-end boutique properties, for example they built Cape Weligama and Anantara Resort and Spa or refurbished oceanfront Galle Face Hotel in Colombo.

2. Who will be ensuring the build quality is going to be of the highest degree at Serenia?

Access were picked due to their experience with corrosion, ocean breeze etc. And also experience high-end finishes. Tier 1 firms are the largest, most financially secure and experienced in the industry. There are only four Tier 1 contractors in Sri Lanka, one of which is Access Projects.

The Construction Industry Development Authority (CIDA) is the Government Organization responsible for the grading of local contractors according to their capacity and capabilities. CIDA recognizes Access Projects (Pvt) Ltd as **SP1 for Aluminium & Finishes (A & F) and Floor, Wall & Ceiling Finishes (FW & C)** which is the highest grade.



Serenia has signed up with top consultants for the project pre-construction and construction period.

3. What is the warranty period for the products and finishes?

All products and finishes come with one (1) year period from the date of project completion, note that a proper maintenance and care of the products and finished has to be followed.

4. Construction timeline

Ground preparations - July and August 2018

Construction Commenced - 5th of October 2018

Completion - December 2019

INVESTMENT AND MANAGEMENT AGREEMENT

1. What is the predicted ROI per year?

The forecasts currently provided to clients illustrate an 8-11% return for two-bedroom residence suite in \$ p.a. Revenue split will depend on how many nights the apartment is available. For more details, please see Serenia's Residential Rental Program document.

2. How many days can I use my apartment?

You are able to use the apartment as many of as few days as you like. You would be required to provide a 3-4 months plan of your visits should you wish to be part of the rental pool.

3. Do I need to sign a management agreement?

No, but It is recommended. This will preserve the quality of the management and returns.

5. How does Serenia Residences compare with similar developments in Sri Lanka?

Serenia is a boutique development offering exclusivity with only 47 apartments, exclusive services and partnerships. There are a number of on-site amenities and facilities offered to owners together with a reduced rate for F&B outlets and spa. Owners will get a privileged membership with discounts for restaurants outside Serenia also.

Serenia also offers a fantastic location with a pristine powder sand beach close to everything you may need. Only 4km from Colombo highway exit, 8km from UNESCO protected Galle Fort and 2km from Unawatuna.

Serenia is the only beachfront project in Sri Lanka using a Tier 1 contractor.



Serenia has high-end European appliances and finishes -

- Homogeneous Italian tiles
- Italian kitchens (Camagni) with built-in Electrolux appliances
- Hand-blown Crystal lights from Czech Republic
- European built-in wardrobes
- European bathroom fittings
- Smart Home System

All the residences have a two entrances. Giving owner a possibility of locking master bedroom and living area and renting out only the guest bedroom, or renting both bedrooms and get higher yield.



Serenia is a boutique residence focused on unparalleled services, including on-site indoor and outdoor spa, fitness center, day care, signature seafood restaurant, library, champagne bar, swim-up bar, all-day alfresco dining restaurant, beach concierge, housekeeping, room service, 24-hour concierge, 24-hour valet parking, 24-hour security personnel.

Apartment unit purchase price includes one parking spot in a fully covered and secured parking building across the street.



6. What amenities and leisure facilities are available in the surrounding area (e.g, banks, supermarkets, restaurants, shops, sporting activities etc)

Closest bank - HSBC - 7km/13 min

Closest ATM - 2,3Km/4min

Closest supermarket - 150 meters/1min by walk - with delivery option for Serenia Residents

Other big supermarkets - Arpico super center - 6 km/10km , Cargills Food City - 5km/9min

Fish market - 7,5km/14 min

Wine store - 1,9km/3 min

Petrol station - 5,6 km/10min

Recommended restaurants and hotels, nightclubs around Serenia

Owl and Pussycat - luxury boutique hotel Talpe - 2,8km/4min

Wijaya Beach - safe natural pool for safe swimming all-year-around - 400m/1min

Zazou beach club Talpe - 1,7km/2min

High-end Villas in Talpe - Villa Five, Footprints villa, Vila Barnes, Elysium Villa, The Frangipani Tree, Era Beach by Jetwing, Apa Villa, WB villa

The Fortress Hotel and Spa - 6km/8min

Marriot Welligama - 21km/20min

W15 Welligama - 20km/20min

Cantaloupe Aqua - 3km/4min

Cantaloupe Levels - 5km/10min

Jetwing Lighthouse - 11km/20min

The Tuna & The Crab Galle (by Dharshan Munidasa also owner of Ministry of Crab) - 8km/15min

Sugar 41 Bistro & Bar - 8km/15min

Kingfisher Unawatuna - 3km/7min





Shops - All kind of shops - fashion, books, - Galle Fort - 8km/15min

Sport and other activities

- Diving Centre - Unawatuna - 2km/3min and Jungle Beach
- Surfing - Unawatuna- 2km/3min, Wijaya beach - 400m/1min, Welligama - 20km/20min
- Jet skiing - Welligama - 20km/20min
- Birdwatching - Madol Duwa islands and lake - 9km/10min
- Sailing trip - from Mirissa - 27km/20min
- Whale Watching - Mirissa - 27km/30 min
- Wildlife - Udawalawe National Park - 2,5 hours, Yala National Park - 3,5 hours
- Boat trips - from Welligama or Mirissa - 20km/20min
- Turtle Hatchery - Habaraduwa - 4km/5min
- Museums - Galle Fort - 8km/15min

LEASING OUT THE APARTMENTS PURCHASED

1. Can I give lease the apartment to a foreigner?

Yes, provided the maximum tenure of the lease does not exceeding 99 years.

2. Can I repatriate the income earned from the lease?

A purchaser may repatriate the income earned through his 'IIA' account provided the purchase consideration was paid through foreign remittance via 'IIA' (Inward Investment Account).

3. Would I be subject to any income tax for the income generated from the lease of the apartment?

In general, a purchaser may be required to treat the rental income from the lease of the apartment as income for income tax purposes. Purchasers are advised to consult their own tax advisers/consultants on personal taxation matters.



TRANSPORT

1. How do I get to Serenia Residences, Galle?

There is a highway going straight from the international airport to Galle. Galle highway exit is only 4 km from Serenia Residences. It takes about 90 minutes from the airport to Serenia. There is also an option of a flight through Cinnamon Air from Colombo city or International airport to Koggala, this flight takes about 35 minutes. Koggala domestic airport is only 5 minutes by car from Serenia Residences.

2. Is there a particular service going to be offered to owners/investors

Yes, Apartment Owners will be treated with the best services including a transport service subject to availability.

RESALE OF APARTMENT

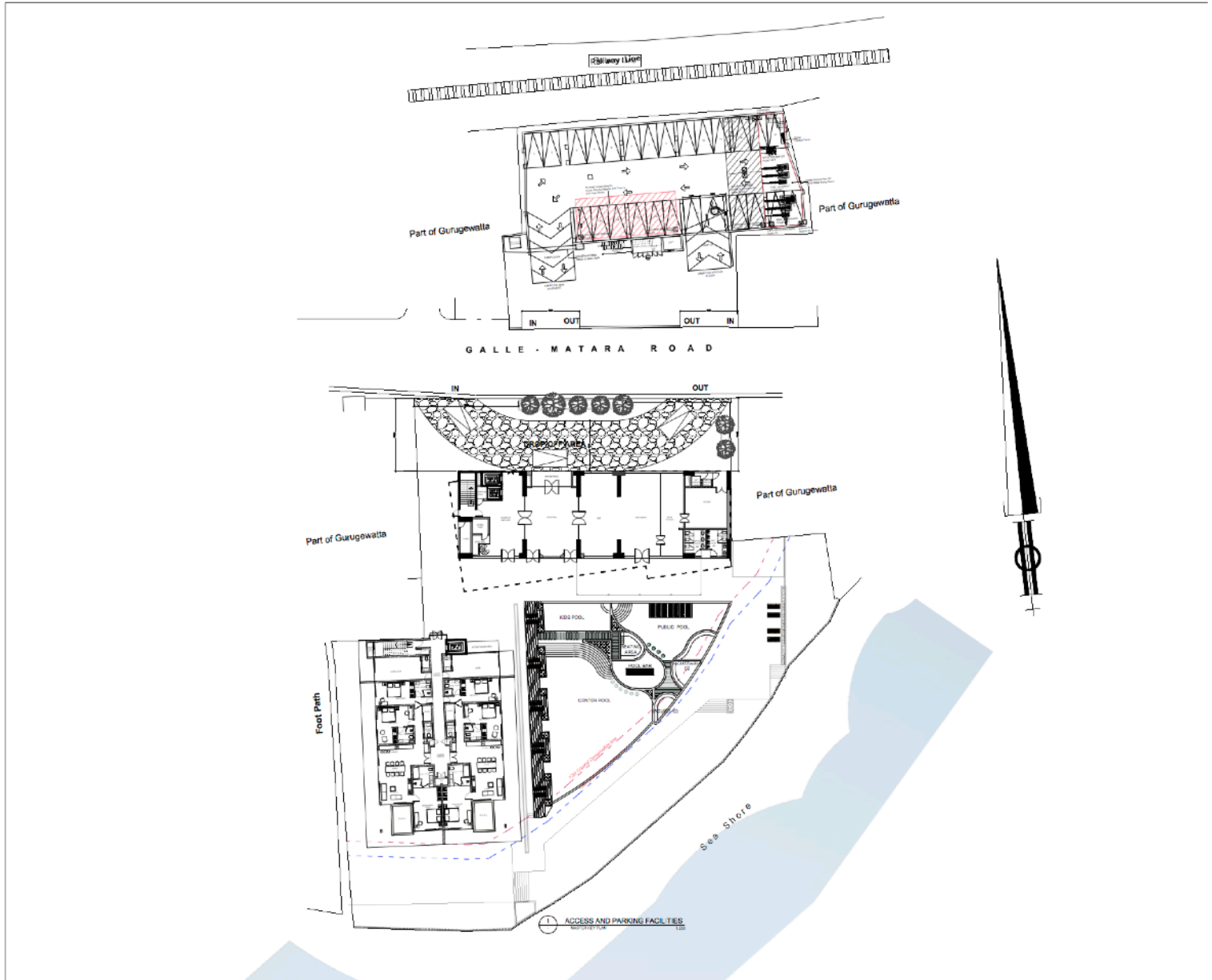
After deed of Transfer, as it is a freehold property for all owners, owners can resale through one of our preferred real estate agents or on their own.

HOW WOULD YOU DESCRIBE SERENIA RESIDENCES IN ONE SENTENCE?

Luxury boutique residences in Sri Lanka's most exclusive beachfront location next to the UNESCO Galle Fort.



Master plan including a parking building



**Above information are set forth for the convenience of the interested purchasers visiting us for the first time and should not in any event be taken as final and comprehensive. We highly recommend that you seek your own legal and tax advice in this regard.

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