



Home Truth

Bali (un)Real Estate

In a past Home Truth we highlighted the dangers of buying US foreclosure homes.

The concerns we had have since been largely realised. A lot of people have lost a lot of money, a few have made some, and unsurprisingly, the agents peddling them, have made the most.

It seems now that Bali (and Lombok) are taking over where sub-prime property left off. Both are currently the focus of an intense international property marketing push (read scam) targeting unsuspecting (or just plain dumb) Australians.

The many high disposable income blue collar Australian workers who frequent the tourist hot-spots (and who have juicy employer contributed superannuation nest eggs) are presently being aggressively pursued by marketers recommending they use their retirement fund money to 'invest'.

So what's wrong with that? Bali's pretty, close, and there's lots of Australians.

Well, Bali may be the island of the gods but it is also part of Indonesia and like its 13,666 other islands, the subject of vague (or non-existent) corporate governance.

If the intentionally very poorly concealed concerns above aren't enough, know too that non-Indonesians CAN NOT own title to landed property in Indonesia.

The marketers seem not to have a problem with that, offering the 'solution' of you 'partnering' with a 'trusted Indonesian national' (where you put up the money, take all the risk, and have his or her name on the title). No thanks I think!!