

From Financial Times
March 08, 2008

Business on the Beach

I have left the office in the hands of Shane and Natasha, both glowing in the flush of the success of their first date. Who knows how this will end, though my instincts tell me it will not be well.

Every year I have a meeting with one particular client in an exotic clime. This client, who must remain nondescript, tempts me with the promise of investments mounting to hundreds of millions to build a London property portfolio. So far not one cent, penny or rupee has been spent on acquiring such a portfolio but I am always seduced by the prospect of a mega-commission. It does not hurt that he always chooses destinations that are highly desirable. This time it is Sri Lanka.

I spent a couple of days recuperating in an old, colonial-style tea plantation and then met my client at one of the two Aman hotels on the south coast of Sri Lanka. He had planned for us to stay in both Aman hotels and I wasn't quite sure how our discussion would pan out over five days, but the prospect of that time cushioned in the artificial but immaculately groomed world of Aman did not fill me with dread. And how right I have been proved. The first hotel, the Amanwella, sits on a perfect beach cove. It has tasteful pairs of wooden beds on the beach, discreetly placed at sufficient intervals to allow for private conversations in the shade of the palm trees. It seemed surreal sitting in such a place and sharing my thoughts on the likely capital growth of such areas as King's Cross and Barnsbury. My private villa was bigger than my London flat and, as well as the obligatory wet room, teak furniture and 30 ft terrace overlooking the ocean, I had a private plunge pool. Why buy a block of flats overlooking the dreary Thames in Pimlico, I wondered, when my client could replicate an Aman villa in Sri Lanka for a fraction of the cost?

We headed to Galle, the southern town and former colonial fort where we ensconced ourselves in the Aman hotel there, the Amangalla. This was rather different in style, being a restoration of one of the oldest hotels in the country, rather than newly built perfection. It is run by a wonderful English lady who glides through the building. I learned from her that the fort of Galle, an enclosed area that was built by the Dutch, is becoming something of an Aman enclave. This small but historically rich area has seen prices treble in the past three years and nearly all the directors of the Aman group have bought houses there. Surely, I suggested to my client, Galle Fort is the place to buy into. My client did point out the rather serious factors of the civil war in Sri Lanka and the still devastating consequences of the tsunami.

There is also the ethical question that my client doesn't seem so concerned by but which, in my western liberal way, bothers me. Should rich westerners be colonising this historic fort town and using to advantage the fact that prices are low due to a civil war in the north of country? That money breeds money is one response to this but the division in wealth is so enormous it does play on my conscience.

I head home tomorrow to gauge the libidinal temperature in the office and to undertake the search for some run-down apartment blocks near St Pancras and the new Eurostar terminal.

Some details have been changed. secretagent@ft.com