

Real Estate



» Some constructive housing plans

» Living in the lap of luxury

» A perspective on the coming year



VP Sales and Business Development
Sraya Kerner
sraya@jpost.com

Chief Commercial Office
Alon Sivan
alons@jpost.com

Head of the Magazines
and Cooperation Department
Yehuda Weiss
yehudaw@jpost.com

Editor
Juan de la Roca
jroca@jpost.com

Advertising Production
Merav Ifergan, Roi Kadosh

Advertising Designer
Shai Cohen, Natan Schmulewitz

Graphic Design 
Climax Design Studio Ltd.
www.climax-design.co.il
Tel. 03-7516747

Cover Photo
Courtesy of Neot Shiran

Advertising:
Tel: 03-7619002

Note:
The information in the advertisements and
the write-ups is the sole responsibility of
the advertisers.

THE JERUSALEM POST
commercial supplement

CONTENTS ■ ■ ■ ■ ■

- 04** Some constructive housing plans ■ Juan de la Roca
- 06** Gauging the price trend ■ Jochanan Altman
- 10** Living in the lap of luxury ■ Judah Massias
- 14** A perspective on the coming year ■ John Benzaquen
- 16** Keep warm but stay safe ■ Ruth Beloff
- 18** Gold that never tarnishes ■ John Benzaquen
- 22** A World Heritage Site to see ■ Ehud Lahav
- 26** Financing real estate purchases ■ James Harris
- 27** The mortgage game ■ James Harris
- 28** Furnishing the Israeli home ■ Henrique Attias
- 30** Living it up in Herzliya Pituah ■ Henrique Attias
- 32** Designing the modern home ■ Judah Massias
- 34** Accommodating the religious population ■ Judah Massias

Letter from the editor

Dear Readers,

Welcome to the Succot edition of the Real Estate magazine.

Among the many articles in this issue, we have a panel of experts analyzing the current state of the real estate market; an interview with Ariel Attias, minister of construction and housing; and an examination of what is involved in taking out a mortgage in this country.

On behalf of myself and the staff of Real Estate, I would like to take this opportunity to wish you and your loved ones a happy and healthy holiday.

Enjoy your reading,
Juan de la Roca



Our comprehensive **PROPERTY MANAGEMENT SOLUTIONS** save you time and hassle, maximize your returns and provide you with complete confidence that your property is being cared for and maintained by professionals.

Our **RENOVATION AND CONSTRUCTION SERVICE** provides superior workmanship for all your property needs – from basic repairs and home improvement, to interior and exterior design in wood, stone and brick.



PICARD PROPERTY MANAGEMENT
YOUR TRUSTED REPRESENTATIVE IN JERUSALEM
Yaakov Picard: 054-4634234 or picnadlan@gmail.com



We wish you a year of
Professional service
Quality workmanship
Trustworthy representation

blue

T e l A v i v

Right beside the sea



Tel Aviv - a spectacular real estate jewel at the northern point of the Tel Aviv seashore. A luxury residential area, built to exceptionally high standards, with stupendous view. In this unique closed complex of six Buildings you can find ecological pools, luxurious lobbies, a country club with a spa, swimming pools, tennis courts and much more.

www.blue-telaviv.com

blue
T e l A v i v

Last apartments available on pre sale!

FOR DETAILS: +972-9-9549091

CANADA
ISRAEL

Some constructive housing plans



By Juan de la Roca | Photos by Sasson Tiram, courtesy of Ministry of construction and housing

Arieli Attias, the minister of construction and housing, has been in office for the past three and a half years. When he took office, he said that his task as minister was to lower real estate prices, which to quote his words “are very high”.

But three and a half years on, are real estate prices falling? According to industry operators and the chief government appraiser at the Justice Ministry, the prices are rising. But according to figures published by the Finance Ministry and the Construction and Housing Ministry, they are falling. The real estate figures published by the different government offices can make one’s head spin. So who is one to believe?

Attias has no doubts that the figures published by the Construction and Housing Ministry are correct and is certain that prices are falling. He told *The Jerusalem Post*,

“The real price trend of real estate in Israel is falling. It is a gradual and very slow trend, but it is

happening. It is true that there is no one general rule to determine real estate housing prices, but the system used by the Finance Ministry and the Construction and Housing Ministry are the closest to the price trend. We take all real estate transactions at a given month or quarter. We get our figures from the internal revenue department. All transactions have to be reported to this department so that our information is the most up to date and comprehensive possible,” he says.

“I want to point out that both the downward trend in real estate prices and the very slow fall in prices, the slow reaction to the steps we are taking, is perfectly logical and were taken into account by the planners at the ministry,” Attias says.

“The market is reacting to two market forces. The first is a shortage of housing that accumulated during the past 10 years. During those the number of annual housing starts fell below the annual natural demand for housing, which stood at an average of 40,000 units. Consequently, in 2010

when we started initiating our program, there was a general shortage of approximately 100,000 residential units,” he says.

“The second aspect is that housing starts are rising. In 2011 they rose by 10 percent to 44,000. I believe that the figures in 2012 will not be much different. At present, there are 83,000 housing units at different stages of construction. These units are already on the market because the developers sell housing while they are still in the building stage. And this means that the supply has increased substantially. Consequently, we have two opposing forces – increased supply and a backlog of a 10-year accumulated shortage of housing,” says Attias.

“It is a well-known fact that the real estate market reacts comparatively slowly to change. This trend is augmented by the accumulated shortage of housing. As a result, the fall in prices is a slow and painful process.

But it is a process that will continue,” says the minister.

“Since I took office, we have marketed through the Israel Lands Authority building land sufficient to build more than 120,000 housing units. We intend to maintain this tempo so as to increase supply. Increased supply is the key to lowering prices. The price of building land, which is also a very important element in the cost of housing, is falling; and this will also contribute to the continued gradual fall in prices,” says Attias

Marketing more building land that is mostly owned by the government will increase the supply of housing. But to build a house, one needs labor and finance, and neither credit nor skilled labor is plentiful.

I am well aware of the shortage of skilled labor in the industry as well as of the shortage of credit facilities. We have partially resolved the credit problem by abolishing the VAT payments on the bank guarantee that a developer is obliged by law to give those who buy an apartment while it is still in the building stage. According to experts, this has added over NIS 6 billion to the liquidity of the building industry.

With regard to the shortage of labor, the government has authorized an increase of 2,000 foreign workers and an additional 5,000 Palestinian workers.

Why foreign workers? You come from a political group that is opposed to bringing in foreign workers. Why not bring in more Palestinian workers? They do not create social problems because they return to their homes after doing a day's work.

We have 5,000 extra Palestinian construction workers and only 2,000 foreign workers. Mainly for the reason you mentioned. I am personally against importing foreign labor. Nevertheless, I am willing to import foreign labor to solve the housing problem, provided it is regulated by the government and is based on stringent short-term contracts that will ensure they leave the country upon the fulfillment of their contracts

I prefer Palestinians after they have been screened by the relevant security services. But the contractors want foreign labors because Palestinians can be prevented from coming to work if by closures due to security developments the closing of the border or because of religious and national holidays.

When you say that you want prices to come down, you overlook the fact that the Bank of Israel and the Finance Ministry are not keen on real estate prices falling.

I am aware of the fact, but their reasons vary. The Bank of Israel fears that a fall in real estate prices may affect the stability of the banking sector because the value of the collateral held in lieu of bank credits in general and mortgages in particular could fall below what the central bank deems necessary.

I don't want to go into the merits of the reasoning of the central bank. I just want to state that the Bank of Israel is responsible for the stability of the banking system.

As minister of construction and housing, I am responsible for each Israeli having a roof over his head.

With regard to the Finance Ministry, they are always against anything that increases costs or lowers tax intakes. Lowering real estate prices entails falling government income, and they are not happy with that. That is the reasons for most of my disagreements with Treasury officials.

I am glad to say that up to now, I have managed to push through the majority of the most important changes, despite the fact that they cost money and lowered government income.

Even if prices fall, they will only do so by a few percentage points. This still leaves housing beyond the reach of many. When you speak of affordable housing, what exactly do you mean?

Our affordable housing program to increase the stock of government-owned housing for rental purposes will ultimately ensure that every man, woman and child will have a roof over his head. Affordable housing means that the developers will get the land at half price. In a tender, he that quotes the lowest price for the finished apartment will win the tender.

This program is applicable for land that is valued at less than NIS 400,000, and only couples who are buying a home for the first time are eligible.

These affordable apartments will be basic. One of the reasons for the high prices of real estate in Israel is that the apartments have a lot of extras which, in my view, are unnecessary in an affordable apartment, such as underground parking, storage rooms and terraces. All these are well and good

for those who can afford it. An affordable house in which the price of land is subsidized should be well built but have just the basics.

Since the incident in which Moshe Silman immolated himself, there has been a serious discussion about public housing for the poor. How do you intend to resolve the issue of public housing?

I want to make sure that the government has a large enough stock of social housing to ensure that each person or family entitled to get a government apartment can do so. And in the meantime, since last May those on the waiting list receive a monthly NIS 3,000 to rent an apartment. I am also trying to pass a law which says that every developer will have to put aside 5% of the apartment in each project. The apartments will be given to the government to enhance the supply of apartments available for social housing.

In those projects where the value of the land is more than NIS 400,000, for each apartment the developer will pay the government the saleable value of 5% of the project. The money will be deposited in a special fund and will be used to increase the supply of government-owned housing for the needy.

There are those who believe that public housing deteriorate into slums and creates poverty. The system I am proposing will ensure that the poor families entitled to receive a government-owned apartment will not live in a block or compound. If these units are allocated within ordinary residential areas, this will eliminate the potential of their becoming slums.





(Courtesy of Re/Max West & East)

Gauging the price trend

By Jochanan Altman

The real estate market in the autumn of 2012 is a bundle of uncertainties and contradicting figures. The senior management of the Bank of Israel said that the rise in the number of mortgages in July totaling more than NIS 5 billion indicated a vibrant real estate market. But despite the fact that demand for mortgages is rising, which means that demand for real estate is increasing, prices remain more or less the same.

It is not easy to assess the price trend of residential real estate in this country.

Four government bodies publish regular reports on real estate price trends -- the Finance Ministry, the Housing Ministry, the Chief Land and Real Estate Appraisal Office in the Justice Ministry and the Central Bureau of Statistics (CBS). These bodies often release figures and conclusions that are conflicting.

But by combining the figures from government and private sources, one can conclude that demand for housing is growing, or shall we say recovering, after more than a year of sales reaching rock bottom.

One of the major reasons for the decrease in demand for real estate was the expectation that the high prices would fall. This hypothesis was based on the fact that during 2010 and 2011, senior government officials told the public that they would bring prices down. The second reason was the social unrest last summer.

According to figures published by the CBS in Israel, the average price of real estate rose by more than 40 percent during the past four years. That hefty rise in prices was one of the reasons for the social protests. The price of real estate made buying an apartment nearly impossible for many. Because it was thought that the government would increase its efforts to bring down house prices, many would-

be buyers decided to wait. Their reasoning was simple: "Why buy now if prices are set to fall?" Would-be buyers sat on the fence, and a canned demand situation developed.

But despite government efforts, real estate prices are not falling, and the public is now aware that they will not fall in the foreseeable future, if at all.

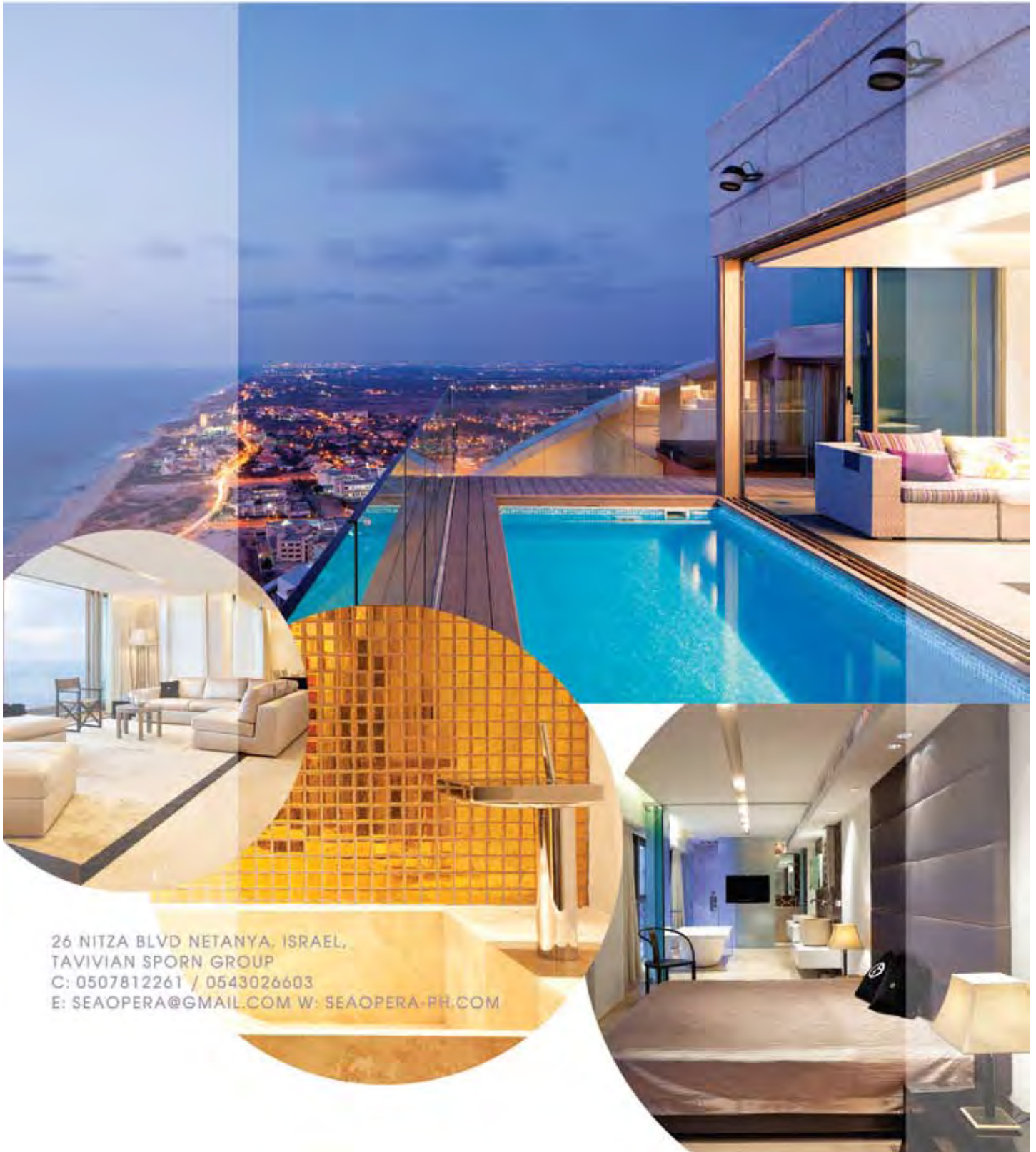
A survey by the Israel Builders Association reveals that not only has government policy failed to bring down real estate prices, but it is actually increasing prices. Since the first of September, the VAT has gone up by 1%.

Furthermore, demand is on the rise, and housing starts are decreasing. In June and July, demand for new apartments increased to 1,939 and 1,933, respectively -- the highest monthly demand since the beginning of the year.



CROWN OPERA

ISRAEL'S TALLEST MOST LUXURIOUS WATER FRONT PENTHOUSE
УНИКАЛЬНЫЙ ПЕНТХАУЗ НА "ИЗРАИЛЬСКОЙ РИВЬЕРЕ" .
ВЕРХ РОСКОШИ. ЖИВИ НА ВЫСОТЕ



26 NITZA BLVD NETANYA, ISRAEL,
TAVIVIAN SPORN GROUP
C: 0507812261 / 0543026603
E: SEAOPERA@GMAIL.COM W: SEAOPERA-PH.COM



The number of unsold apartments decreased to 20,390 units by the end of July compared to 21,500 at the beginning of the year. The latter occurred because housing starts and housing finishes are decreasing. In the second quarter of 2012 they were at 9,236 -- the lowest number of quarterly housing starts in the past three years.

Nissim Bublil, president of the Israel Builders Association, says, "The number of housing starts is falling and will continue to fall because we are having difficulty obtaining credit and because of a severe shortage of skilled construction workers. The government has taken steps to solve the credit crunch problem, but it has yet to be implemented. We have a shortage of 20,000 skilled workers, and the government has authorized importing only 5,000. Not only are real estate prices not falling but they are rising slowly because under the circumstances, there is no way we will be able to satisfy demand. These figures are there for all to see. The public sees that housing starts are dropping and demand is rising. They are aware that prices will rise and are buying now."

Bublil analyzed the market from figures supplied by the Economic Department of the Builders Association, but other real estate operators are seeing the upward trend in prices from firsthand experience. Ronit Porat, CEO of the Oneal construction company, says, "We have a small building project in Tel Aviv. At the beginning of the year we were selling apartments for an average of NIS 1.56 million. Nine months later, we are selling these same apartments for an average of NIS 1.63m. -- a price increase of 4.5%."

The upward trend in real estate prices is caused by demand outpacing supply. But the developers themselves are also feeling the pressure because

building costs are rising. The shortage of skilled construction workers raises the price of labor.

Miko Sada, co-general manager of Shalom & Nathan construction and development company, says that the cost of hiring an experienced Chinese construction worker has gone up by nearly 50% since the beginning of the year. In addition, the cost of gas, transportation and cement have all gone up. And recent green regulations have increased the cost of an average apartment by at least NIS 40,000.

Demand for real estate in 2012 may be higher than expected because demand from overseas residents may increase. This is based on the relatively improving economic situation in the US and the UK compared to the euro zone countries.

If real estate prices continue to rise in 2012, it will increase the trend to purchase property in the peripheral areas of the country, where prices are less expensive. Prices in certain parts of Israel have already reached unattainable levels.

In metropolitan Tel Aviv, for example, prices may well have reached their maximum potential. Despite the fact that most experts believe that the average real estate prices will increase in 2012, it is doubtful whether prices in Tel Aviv will rise because very few buyers can afford today's prices, so any increase will place them well beyond the pale. The only segment of the Tel Aviv metropolitan area that may experience a rise in prices is the luxury market. Overseas buyers may drive the prices of luxury real estate upwards. The high prices in Tel Aviv are increasing demand outside the metropolis, and this will be reflected in a rise in prices there.

The places to watch are Karkur, Be'er Ya'acov, Ashkelon, Zichron Ya'acov, Rosh Ha'ayin, Yavne,

Hod Hasharon and Netanya. These are all relatively close to Tel Aviv, and the upgraded railway and road network makes it easier for residents there to get to work in Tel Aviv.

Modi'in is a case in point. Situated midway between Tel Aviv and Jerusalem, it has a population of approximately 80,000 compared to 40,000 five years ago. Further growth will increase its size to 250,000. An average three-room, 75-square meter apartment in Modi'in costs between NIS 1m. and NIS 1.2 m. A four-room apartment of more than 90 sq.m. costs between NIS 1.4m. and NIS 1.6m. And the prices may rise this year.

The same holds true for the neighborhood of Ir Yamim in Netanya, which is a 20-minute drive from Tel Aviv. The average price for a second-hand four-room apartment is NIS 2.2m. if it has a sea view and is on a high floor. An apartment on a lower floor with no sea view can cost NIS 1.8m. New four-room apartments on a low floor are offered at NIS 1.98m.

Prices in Ir Yamim have doubled in the past five years, but it is doubtful whether they will continue to rise at these levels. But its proximity to Tel Aviv will probably increase prices by 5% to 7% in 2012.

Prices may also rise in Beersheba and Haifa. These are university towns. Rental demand is high, and real estate prices are still low. In Beersheba, the purchase price of an average four-room, 90-sq m. apartment is NIS 470,000, and it rents for a monthly NIS 2,500, an annual yield of 6.5%. An average three-room, 60-sq.m. apartment costs NIS 370,000, and it rents for a monthly NIS 2,000, an annual yield of 6.5%.

The same holds true for Haifa. A NIS 350,000 two-room apartment will bring in a monthly NIS 1,900, an annual yield of 6.5%.



Anat Gertner Interior Design. Old world graciousness and custom design cabinetry set in the Jerusalem Hills. (Photo by Gidi Boaz)



Haneviim Boutique is centrally located at 25 Haneviim Street in Jerusalem. The high-rise building consists of a boutique hotel and beautiful apartments.

The view of the Old City and the Temple Mount as seen from the residential floors, together with the high standard of modern design, combine to produce an exceptional property in a prime location. Haneviim Street is a 10-minute walk from the Western Wall and a two-minute walk from the city center.

A range of luxury apartments with two, three, four or five rooms, as well as penthouses with breathtaking views, can be yours.

For further details:
02-6223000
www.azorim.com

**HANEVIIM
BOUTIQUE**
JERUSALEM



HERSHEY FRIEDMAN'S GROUP

נח"ל 53 אברהם פולאק

Living in the lap of luxury



By Judah Massias | Photos courtesy of Neot Shiran Ltd.



The local economy is slowing down and, as a result, people have less money to spend. Consequently, for most Israelis, buying an average NIS 1.5 million home is nothing short of a struggle.

But for some others, buying a multimillion-dollar home presents no problem at all.

In Israel, as in other free-market economies, there is a thin stratum of affluent people who can purchase very expensive real estate, such as large luxurious penthouses and grand villas on extensive well-kept grounds. These homes cost millions of dollars, and their upkeep costs thousands more a month. In luxury residential towers, there are hefty monthly maintenance fees.

The very expensive segment of the real estate market has rules of its own, thus it behaves differently than the normal real estate market. This is doubly true in Israel, where it is practically separate from the local real estate market.

More than half the buyers of very expensive real estate in Israel are overseas buyers. These people are not affected by the trends of the local economy. In many cases, they are not influenced by economic trends at all. That is why when the economy is in shambles and incomes are falling and real estate prices drop, the really expensive segment of the market is more resistant to falls in real estate prices.

The reason is simple.

The market for these expensive dwellings are affluent people who are less affected by an economic depression than others. They usually have monetary reserves, and their standard of living is not affected much by an economic downturn. But while prices are resilient, demand is not, and the expensive real estate segment is more



SARONA

Gindi Sarona Towers, Tel Aviv

For illustration only
Drori Shlomi



**THE DUPLEX
IN THE BEST LOCATION
IN TEL AVIV**



Gindi
GINDI HOLDINGS

www.gindih.com
17 Ha'arbaa St., Tel Aviv

03-6853265



prone to fluctuations in supply and demand. The very wealthy, despite having the financial resources to buy big, will hesitate to do so in times of economic woes. They might just be cautious or want to keep a low profile. This does not affect prices because a tycoon with a \$15 million property that he wants to sell is usually not strapped for money. If he does not get the price he considers adequate, he won't sell at that time.

Before surveying the price situation in the upscale real estate market, it is important to we define what is meant by the high-end segment of the real estate market. What is meant exactly by high-end houses? It is the size and luxurious appointments, well-tended grounds, servants' quarters and parking space for the Rolls Royces, Jaguars, Cadillacs and Mercedes-Benzenes?

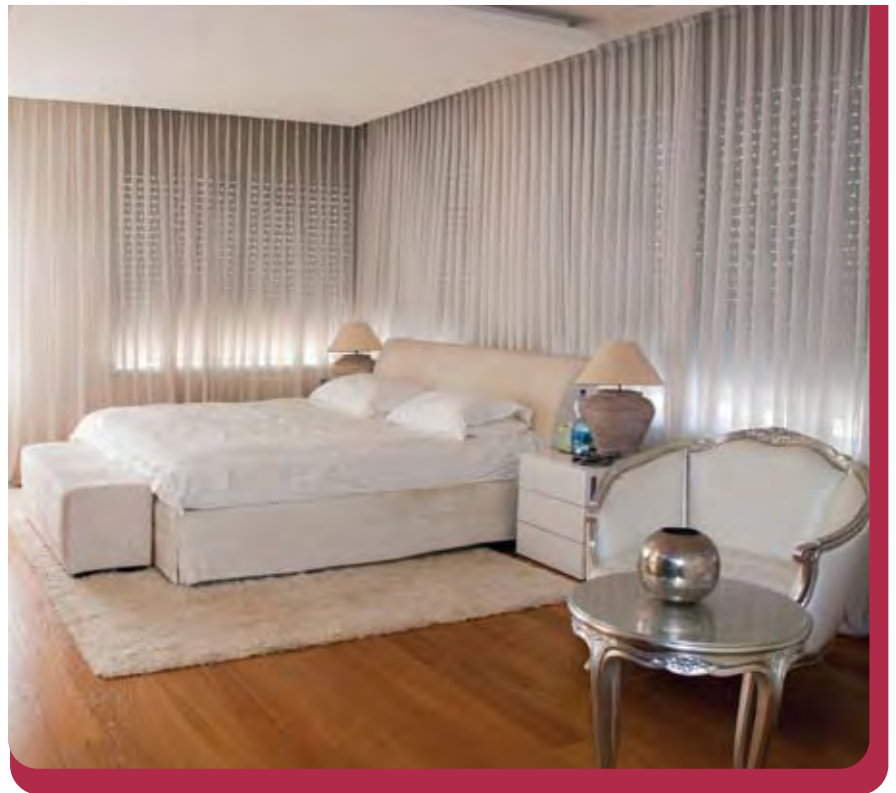
In essence it is all that, but it is not enough. Meir Menachem, co-CEO of Naot Shiran real estate, explains. "Quality in real estate is location. One can build a small palace in Harlem, New York, or on the east side of London and it would probably not be classified as an expensive, high-end property. Luxurious, yes. Large and spacious, absolutely. But prestigious and high class, most emphatically no. It is doubtful whether anyone would spend millions on a house in a slum area of town, as those who can afford such a residence would not want to live there," he says.

Location is therefore the most important element when discussing prestigious dwellings. In Israel, especially Tel Aviv, expensive means as close to the sea as possible. Two years ago a large penthouse opposite the sea in Tel Aviv sold for nearly NIS 100 million, or well over \$25 million. At present, the penthouse in the reconstructed Bauhaus residence at 96 Hayarkon Street is selling for NIS 159m., or \$37.5m. A 600 square meter villa on 1,400 sq. m. of land in the posh suburb of Arsuf, a 30-minute drive from Tel Aviv, with an unobstructed sea view, sells for \$6 million.

In Israel, the sea is a very important factor. For a Mediterranean country with a Mediterranean climate, living near the sea is a great asset. But the number of dwellings opposite the sea is limited. There are apartments facing the sea in Tel Aviv, Jaffa, Netanya and other seaside towns and cities, and there are apartments that are not on the shore but have sea views, such as dwellings in Ashdod and Ashkelon. It stands to reason that dwellings opposite the sea fetch premium prices.

When analyzing the prestigious real estate market in Israel, there are two things that must be taken into account. The first is price.

Real estate prices in this country have always been high. It is true that prices are low now by Israeli standards, but compared to prices in the US, the UK, Australia and Canada, not to mention South Africa or New Zealand, they're high.



Another important element is the scarcity of land. Israel is a very small country. It is the size of the Wales in the UK or the state of Vermont in the US. Therefore, land is a very precious and expensive commodity. While in the US and the UK, the grounds of a stately home are measured in the dozens of acres, here they are measured in the hundreds of square meters. Expensive single-family homes rarely have plots of more than 1,000 to 1,250 sq. m. Those with more are a rarity and can usually be found in rural areas, and even then the acreage is usually not more than 5,000 sq. m. It is generally agricultural land that legally cannot be used for building or for recreational purposes such as gardens but only for growing fruit and vegetables.

Top 10 transactions

Tamir Mintz, CEO of M.M.M. Real Estate, a company that specializes in selling expensive real estate, told The Jerusalem Post, "Since the beginning of the year, overseas buyers are back in the market, and this means that demand for expensive real estate is on the rise."

M. M. M. has compiled a list of the 10 most expensive real estate sales transacted during the past 12 months. The information was compiled from figures published by the Inland Revenue Department. Most of the properties are in Herzliya Pituah and Kfar Shmaryahu, north of Tel Aviv.

1. A private house of 365 sq. m. on a built-up area of 5,000 sq. m. in Herzliya Pituah was sold for NIS 26 million.
2. A large single-family home in Herzliya Pituah with a built-up area of 490 sq. m. was sold for NIS 21.5m.
3. A 314 sq. m. home in Herzliya Pituah with a large garden was sold for NIS 21 m.
4. A 520 sq. m. home in Herzliya Pituah on a 2,000 sq. m. plot with a well-tended garden and swimming pool was sold for NIS 20.7m.
5. In Kfar Shmaryahu, a single-family home on a built-up area of 353 sq. m. with a 1,250 sq. m. garden was sold for NIS 17.8m.
6. A 591 sq. m. villa in Caesarea on 1,000 sq. m. of land was sold for NIS 16.34m.
7. A relatively small 221 sq. m. house in Herzliya Pituah on a 500 sq. m. plot was sold for NIS 15.75m.
8. A 550 sq. m. single-family home in Caesarea with a 700 sq. m. garden was sold for NIS 14.91m.
9. A single-family 342 sq. m. home in Herzliya Pituah was sold for NIS 14.32m.
10. A single-family home on a built-up area of 346 sq. m. with a 500 sq. m. garden was sold for NIS 14.25m.



AFI GROUP

THE LEADING NAME IN LUXURY JERUSALEM APARTMENTS

AFI GROUP IS PROUD TO PRESENT TWO OF ITS MOST PRESTIGIOUS PROJECTS IN THE HOLY CITY OF JERUSALEM

7 KOOK ST. LUXURY RESIDENCES

The opulent 7 Kook St. project introduces a unique residential concept to the heart of Jerusalem, close to the historic HaNeviim St., the cosmopolitan Ben Yehuda pedestrian zone, and all the major cultural and leisure attractions of the city center. Choose from 3-4 room apartments and penthouses.



TEL: +972-2-624-1000

HANEVIIM COURT LUXURY RESIDENCES

Africa Israel Residences invites you to take part in history with this unique residential project right at the heart of HaNeviim St., one of Jerusalem's most prominent and impressive streets. Choose from a range of 1-4 bedroom apartments, garden apartments and penthouses.



TEL: +972-2-674-4800

All images are for illustrative purposes only

A perspective on the coming year

By John Benzaquen

During the past 12 months of the Jewish year, the local real estate industry has been in a state of flux. During the first three quarters of the year demand was weak, but in the last quarter it started to pick up. Prices were expected to fall. Many government officials tried to bring down prices, but they remained the same, despite decreased demand. The state of the real estate market at these times is baffling. That is one of the reasons *The Jerusalem Post* assembled a panel of experts to discuss the real estate market in the autumn of 2012, at the end of the Jewish year.

Ayelet Russak: I would not say that demand is increasing. The increase we are seeing is the canned demand of the second half of 2011 and early 2012. There was a natural demand from those who have no dwellings but had the means to buy. They refused to buy real estate for their needs because the Prime Minister Netanyahu, Finance Minister Steinitz and Housing Minister Attias repeatedly told the public that the price of real estate would fall in the near future. Many asked themselves why they should buy now when they could buy at cheaper prices in the future. Consequently, the rise in demand for real estate is a situation where the market is straightening out.

so but for the moment they prefer to stay on the sidelines. I would say that in this the current uncertain situation, these potential buyers are waiting for things to clarify.

Ms. Hadad, do you see prices rising?

Ofra Hadad: Prices are creeping upwards, but they will have to rise in the very near future. Construction costs are rising because the price of the raw materials used in building is rising. There is also a shortage of skilled labor; and this increases the salaries we have to pay, and it increases the time it takes to complete a building project. Time is money longer building time increases our costs.



Zeev Dekel, head of the Mortgage Division, Discount Bank



Dvir Granot, marketing and sales manager, Boneh Hatichon, Ltd. (Photo by Einat Sharabani)



Isaac Gurevitch, deputy general manager, Israel Builders Association



Ofra Hadad, joint CEO, Euro Israel (Photo by Roy Kamiel)

The panel consisted of the following participants:
Zeev Dekel, head of the Mortgage Division, Discount Bank
Dvir Granot, marketing and sales manager, Boneh Hatichon, Ltd.
Isaac Gurevitch, deputy general manager, Israel Builders Association
Ofra Hadad, joint CEO, Euro Israel
Simhoni Hadad, joint-CEO, Euro Israel
Bennie Loyal, manager, Anglo Saxon Real Estate Jerusalem
Ayelet Russak, head of Real Estate Sector, Bank of Jerusalem
Noam Schweitzer, credit manager Building and Infrastructure Division, Discount Bank
Moderator: Juan de la Roca, *The Jerusalem Post*

Panel, how would you evaluate the current situation in the real estate industry? Demand is increasing and prices are rising slightly.

Bennie Loyal: I agree. I want to point out that the current upward trend in real estate prices is merely prices keeping up with the rise in the cost of living. With regard to an assessment of the real estate market in the past 12 months, I would say that it has been a period of a decrease in demand. In Jerusalem this trend has been aggravated because the capital attracts substantial foreign demand for real estate. During most of the past 12 months, demand from that quarter has decreased because of the economic situation in Europe and North America. The present local rise in demand for real estate has been paralleled by a slow renewal in overseas demand.

Mr. Loyal, demand is picking up, but it is almost impossible to sell dwellings of more than NIS 2 million.

Bennie Loyal: The buyers of these expensive dwellings are those who want to improve their housing standard. They have the money to do

Simhoni Hadad: Prices are also rising because it takes more time to prepare land for building purposes. The government, through the Land Authority, is making more land available through increased tenders. But the local government authorities cannot cope with the increased pressure. It now takes over 18 months from the time we developers have paid for the land until we receive the necessary authorization to start the building process. Two years ago it took eight months. And this means increased costs because we need credit for an additional ten months.

Mr. Granot, can you increase prices when they are so high already?

Dvir Granot: In the past 12 months, building costs have risen by 10%. In these circumstances, we have to raise prices because we cannot absorb such costs. We have raised prices by more than 4% but will have to raise them even more. The safe profit

margin for developers is 15%. Banks will not finance a building project with an expected profit margin of less than 15%. In the present circumstances, developers have no choice but to raise prices. With regard to prices being high, I disagree. Prices are prohibitively high in Tel Aviv and the surrounding areas, but they are not too high in the peripheral areas.

Ofra Hadad: The peripheral areas are no longer an option. Many young couples who bought dwellings in the outlying areas are having a change of heart. The increased price of gas and the difficulty of finding jobs near home may cause a new trend, from the periphery to the center.

Mr. Schweitzer, your job at Discount Bank is to evaluate requests for credit from developers. Are your criteria for granting credit stricter?

Noam Schweitzer: 'Stricter' is not the right word. We are more cautious. We evaluate the financial and business stability of the company making the request, but we also evaluate the environment in which they intend to operate. We usually request that the company put up 25% of the required investment or a bit less in very special cases. The main problem is the Bank of Israel's regulation. The real estate credit portfolio of any given bank must not exceed 20% of its total credit portfolio.

Mr. Gurevich, in your opinion, are prices rising?

Isaac Gurevich: They are most certainly not falling,

beyond their present levels.

As it is, things are bad enough. A recent survey shows that 90% of first-time buyers are young couples who can't afford to buy an apartment without parental assistance. For over two years the housing minister has been that prices will fall, but the reality is stronger than words and prices do not fall because they cannot fall.

Do you think the government and the Bank of Israel want prices to fall?

Isaac Gurevich: The Bank of Israel is interested in the real estate market as such but only how it affects the stability of the banking system. The Finance Ministry is not keen on bringing down prices. It is only the Housing Ministry that shows a real interest in bringing prices down.

Mr. Dekel, you are in charge of mortgages at Discount Bank. Do you agree that prices are rising while salaries are being cut? Does that make you more cautious? Is there a change in trends?

Zeev Dekel: I wouldn't say we are more cautious. I don't think the environment has changed for the worse. The levels of unemployment are low, and the price increases are moderate.

Of course, we check each request for a mortgage, and our golden rule is to approve the request provided that the petitioner has a steady income and that monthly payments amount to less than one-third of his monthly net income. The average

increased building costs by about 6%. This is making it difficult for prospective buyers to purchase a home. Newly married couples or those buying a dwelling for the first time can only afford to buy housing in peripheral areas. But since there are no jobs in those areas, they will have to be prepared to spend a certain amount of time on the roads to commute to work.

Mr. Granot, you have said that the only way to make land available in the congested central areas was to vacate and build – that is, the old building is torn down, a new one is built in its place, and the owners get a larger, more modern home. You said this was a win-win situation, but the number of such projects is very small.

Dvir Granot: I sincerely believe it is a win-win situation for all. The property owners get new apartments, and land is made available for building purposes. But the process is time consuming and sometimes frustrating because one single property owner can stall the whole process. I think we need legislation at the national and local levels to facilitate matters.

Panel, how will the real estate market behave in the coming 12 months?

Ofra Hadad: Unless the political and economic environment changes drastically for the worse, I don't expect any change. The level of demand of the last few months will continue, and prices will rise by a few percentage points.



Bennie Loval, manager, Anglo Saxon Real Estate Jerusalem
(Courtesy Anglo Saxon)



Ayelet Russak, head of Real Estate Sector, Bank of Jerusalem
(Courtesy Bank of Jerusalem)



Noam Schweitzer, credit manager Building and Infrastructure Division, Discount Bank

They are creeping up for many reasons. Building costs are rising, and the increased regulations further increase costs. In addition, the number of unsold dwellings has fallen to 10,000 compared to 24,000 at the beginning of the year. This is a normal development, given that housing starts are decreasing. They are decreasing because of the credit crunch, the shortage of labor and the uncertainty both fiscal and political.

In a normal year, the average birth rate increase requires an annual level of 40,000 housing starts. In 2011 we had 44,000 housing starts. This year we may have 38,000 housing starts. But I think that we'll be lucky if we end up with 35,000.

For these reasons, many developers who have won land tenders are having second thoughts and are returning the land to the Israel Lands Authority. And the fall in housing starts will create a situation where demand outstrips supply, and prices will rise. This is a bad thing. Real estate prices should not rise

mortgage today is NIS 600,000. The most common borrower is someone who is selling his present home and wants to upgrade.

Mr. Loval, a 10% increase in building costs will force developers to increase prices. How will this affect the second-hand market?

Bennie Loval: There are not two real estate markets one for new apartments and another one for second-hand. There is one single market, and that means that an increase in building costs will increase the price of new dwellings, and that will have a direct effect on prices in the market as a whole.

Ms. Hadad, what are the main problems you face as a developer?

The most pressing problem is the scale of new regulations. They are a constant irritant, and they drive prices up. In my opinion, the new regulations enacted during the past year have

Noam Schweitzer: I see a problem in the availability of building land. The supply factor will lessen somewhat, and this will have an upward effect on prices.

Ayelet Russak: Unless we see changes in the Bank of Israel's ceiling on credit to the real estate industry, developers will have increasing difficulty getting financing for their projects, and that will have a dampening effect on supply.

Bennie Loval: Demand will continue to harden. In Jerusalem we see an increase of overseas buyers, which will further harden demand.

Dvir Granot: Demand will continue to rise, and so will prices.

Zeev Dekel: Demand will harden, but I don't see much scope for a further rise in prices.

Keep warm but stay safe



(Photo by Gidi Boaz, courtesy of Anat Gertner)

By Ruth Beloff

As the temperatures begin to cool, our thoughts turn to ways to best keep our houses warm during the winter. In Israel, the most common heating device is the climate control system, or mazgan, which is the safest and most economical. Another popular device is the Inverter, a climate control system that adjusts automatically to suit the individual's needs. On a smaller scale, space heaters, fireplaces and gas or wood-burning stoves will also do the trick in making us feel warm and cozy.

But before you get too comfortable, make sure that your equipment is sound and that you are aware of all the precautions necessary to keep your family and your home safe from fire or other potential hazards related to your heating device. According to fire safety reports, space heaters, woodstoves, fireplaces and other fixed or portable heating sources are the leading cause of injuries, fatalities and home fires during the winter months.

While central home heating systems account for the smallest percentage of heating-related fires and fatalities, supplemental heating devices are more dangerous because there is so much room for error or misuse. For the latter, some of the problems include lack of regular cleaning, not giving space heaters enough space, using the wrong fuel and improper installation.

If you have a central heating system, make sure it is in good working condition before the cold weather sets in. Have it inspected, and leave any repairs to the professionals.

If you're planning to use supplemental heating sources this winter, here are some important safety tips to follow.

When it comes to portable space heaters, these types of heaters need space. The biggest mistake people make is placing them too close to flammable materials such as curtains, upholstered furniture or clothing. The heater must be placed at least 92 centimeters (three feet) away from anything that can burn. By the same token, keep children away from space

heaters, especially when they are wearing nightgowns or other loose clothing that could ignite.

As another precaution, always turn the space heater off when you go to bed or when you leave a room. When turning a portable heating device on or off, follow the manufacturer's instructions. It is preferable to buy a device with an automatic shut-off feature. And when you purchase a new space heater, make sure it has the authorization of an independent testing laboratory.

If you're using an electric heater, do not overload the circuit. If you have to use an extension cord (although it is recommended not to), use one that is the same size or larger than the appliance cord. And do not place an electric heater in the bathroom or any other area where it might come in contact with water. There is too great a danger of electrocution.

If you're considering using a kerosene heater, use only kerosene as fuel. Gasoline, camp stove fuel or any other fuel can be extremely dangerous in a kerosene heater. Make sure the kerosene you use is clear like water, not yellow. And when you refuel the heater, make sure to do so outdoors.

And speaking of outdoors and fresh air, never use a fuel-burning appliance such as a kerosene heater without proper ventilation. These devices generate deadly carbon monoxide fumes. As for the fuel itself, store flammable liquids in approved metal containers in a well-ventilated storage area outside the home.

If you want to take the more natural route and will be using a woodstove or fireplace, here too, proper maintenance, installation and use are essential elements for safety. Wood and coal stoves, fireplaces, chimneys, chimney connectors and all solid-fueled heating equipment should be inspected, as well as cleaned professionally, every year. Wood-burning devices regularly build up creosote, which must be cleaned out. It is a flammable tar by-product of wood smoke that builds up on the walls of a chimney or woodstove.

Any woodstove you buy should be of solid quality and design. When you install it, make sure it has 92 centimeters (three feet) of clearance from any combustible surface and has enough floor support and protection.

To start a fire in a woodstove fireplace, never use a flammable liquid. Similarly, do not use excessive amounts of paper to build a roaring fire. And never burn charcoal indoors, as it can generate lethal amounts of carbon dioxide.

In a fireplace, keep flammable material away from the hearth and mantle. Use a sturdy screen to keep sparks from flying into the room. Before you go to bed, make sure the fireplace fire is cold. Never close the damper when there are still hot ashes in the fireplace because the fire will heat up again, and toxic carbon monoxide can spread into the house.

If you use synthetic logs, be sure to follow the directions on the package. Never break a synthetic log apart to quicken the fire, and don't use more than one log at a time. In both cases, it could release dangerous levels of carbon monoxide into the air.

If you follow these simple but essential rules, you can enjoy a warm winter at home and be as snug as the proverbial bug in a rug.

A summer of opportunities at Mishkenot Hauma



UP TO
NIS **1,000,000** DISCOUNT!

2 room apartments, completely furnished and equipped + walk-in closet

- Luxurious technical specifications
- Balcony
- Covered parking
- Storeroom
- Rent refund until occupancy date
- Occupancy starts summer 2013

*Limited to 5 apartments, subject to the sale regulations. *E&OE

3 room apartments + residential secure space

- Giant apartments
- Luxurious technical specifications
- Spacious living room
- 2 parents' units
- Balcony
- 2 parking spaces
- Storeroom
- Occupancy starts late 2012

Duplexes and penthouses

- Premium specifications
- Jacuzzi on the balcony, overlooking the view
- Large balconies
- Architectural design
- Occupancy starts late 2012



www.b-yair.co.il ■ 074 - 7333784

Sales office open on site: Sun.-Thu. 9:00 a.m.- 6:00 p.m., Fri. 9:00 a.m.- 1:00 p.m.



B. Yair Building Corporation Ltd.

By John Benzaquen

To buy or not to buy -- that is the question. For every buyer, whether a young couple looking for their first home, the family looking to upgrade to a larger home or the investor looking for a wise and solid investment, the big question is When to buy? Is the market at its peak? Is it a bubble ready to burst or is it still strong and continuing to appreciate?

According to Alyssa Friedland, the 17-year veteran real estate broker of RE/MAX Vision in Jerusalem, with a team of 21 agents covering the entire city of Jerusalem, "Timing is everything. But more importantly, buyer readiness and seller opportunity should dictate when to purchase a home. Investing in real estate, especially in areas with constant demand and limited available land on which to build, is always a good decision. Jerusalem is unique in both these aspects; therefore, investors as well

as families can be assured that their property will always retain its value and appreciate over time."

Friedland adds, "The only factor that has caused the Jerusalem real estate market to cycle and dip for a period of time has been terrorism or the fear of it. Although prices fell during the times of terrorist attacks, savvy investors actively purchased properties during those periods and saw 50-80 percent profits within two to three years."

Have the social protests affected the Jerusalem market? They did cause the housing and Israel Lands Authority to release more plots to builders and ease the bureaucratic red tape so that projects could be approved faster and more easily. Since there is very little land available inside the Jerusalem city limits, this affected only the outlying neighborhoods such as Ma'aleh Adumim, Pisgat Ze'ev, Har Homa and areas farther out such as Beit

Shemesh. In fact, Beit Shemesh topped the list of new construction sales in the area.

With bank interest rates at an all-time low, both first-time buyers and savvy investors are taking the opportunity to purchase and leverage as much as possible. Some investors are buying multiple properties with as little as a 30% down payment, and then counting on the rental income to cover their mortgage payments. At these low rates, even young couples, who would otherwise opt to rent their first apartment, are realizing that they can purchase an apartment, making the same monthly payment towards their mortgage that they would have paid to a landlord.

The Bank of Israel began cutting interest rates in late 2011, when Bank of Israel Governor Stanley Fischer began grappling with the impact of the



Templar style home

Gold that never tarnishes



The tender for the first 50 apartments in the Ashdar Tower Bat Yam is starting now!

Bids from **NIS 1,330,000**
Deadline for submitting bids – Oct. 14

The best opportunity ever
Only 50 apartments out of 164 in the luxurious Ashdar Tower, overlooking Bat Yam's gorgeous beach, are now put up for sale by tender at a record price!



Virtualization for illustration only.



For the complete tender regulations scan the code:



Sales office:
10 Yitzhak Sadeh,
Aprt. 89, Bat Yam

***4933**
ashdarbatyam.co.il



The German Colony



global economic slowdown on Israel and the debt crisis in Europe. The prime interest rate has been cut from 4.75% in September 2011 to 3.75% today. Mortgage banks such as Mizrahi-Tefahot and Leumi Le'mashkantaot are offering rates as low as prime minus 0.8% and 5.15% fixed for 20 years. The Bank of Israel reported that an all-time high of NIS 4.93 billion in new mortgages were granted in July 2012, which was 25% more than in June 2012. The number of new mortgages issued in July was 108% higher than the more recent low point of NIS 2.3

billion in October 2011. NIS 3.65 billion in variable interest rate mortgages were issued in July, along with NIS 1.26 billion in fixed-interest mortgages. The number of variable interest-rate mortgages was 57% more than in June.

The price of homes rose by only 0.8% in the second quarter of 2012 and was equal to the corresponding quarter of 2011, the Central Bureau of Statistics reported. The stabilization of prices, combined with low interest rates, has created

optimism in the market, and the public has taken a renewed interest in purchasing homes.

In Jerusalem, this combination of low interest rates and price stability is also attracting foreign buyers back to the market after a relatively quiet period in 2011. New immigration, resulting from European anti-Semitism and the Nefesh B'nefesh aliya project from Western countries, has brought an influx of new buyers looking for housing. Many of the religious newcomers decide to purchase in Jerusalem. Approximately 40% of buyers in these areas are foreign buyers, both newcomers who have made aliya and vacation home buyers. Up until last year, many of these buyers would opt to rent for a few years, as rents were relatively low in comparison to purchase prices. However, in the last year, there has seen a shift in this trend, and more and more of the potential renters are deciding to purchase due to the attractive mortgage rates in the market.

How long this phenomenon can continue is the big question. As long as interest rates remain low, mortgage capital plentiful and prices stable, people will continue to prefer investment in real estate rather than comparable returns in the banks and stock markets. Factors such as instability in neighboring countries in the region or the threat of war with Iran could dampen enthusiasm for real estate investment here, but for the time being, circumstances favor continued real estate investment in Jerusalem.

A unique combination in downtown Jerusalem

The Azorim Investment and Development Company is in the process of constructing a project on Hanevi'im Street in downtown Jerusalem that combines luxury apartments with a small boutique style hotel. The public facilities of the hotel include a restaurant and a spa. The building will have 88 units that range from large penthouse suites to five- to two-room apartments.

The project has been adapted to the needs of overseas buyers who want a foothold or a holiday home in Jerusalem, as well as local and overseas buyers who want a home in the capital.

The two-room apartments are very suitable as pied de terres and cost NIS 2.39 million (approximately \$600,000), while the penthouses are spacious, elegant residences.

From the terraces on the east and south sides of the building there are magnificent views of the Old City of Jerusalem; from the west side, there are panoramic views of the modern capital.

The project is scheduled to be completed at the beginning of 2015.



View from the Haneviim Boutique, Jerusalem
(Photo courtesy of Azorim)

Virtualization for illustration only

152 apartments
have been sold
Join the success!

Gmar Hatima Tova
from the
Bonei Hatihon
family

The opportunity of the year in Top Arnona!

Pay now **only 20%** of the apartment price
**and the remaining amount,
interest-free, after occupancy**

The offer is limited to 20 apartments



For details and to schedule a meeting:

***4909** www.boh.co.il

Sales office: 12 Eliyahu Lankin St., Jerusalem



BONEI HATIHON
Your home is our name

Subject to the sale regulations, E&OE. The interest will be paid by the Bonei Hatihon Company

A World Heritage Site

to see



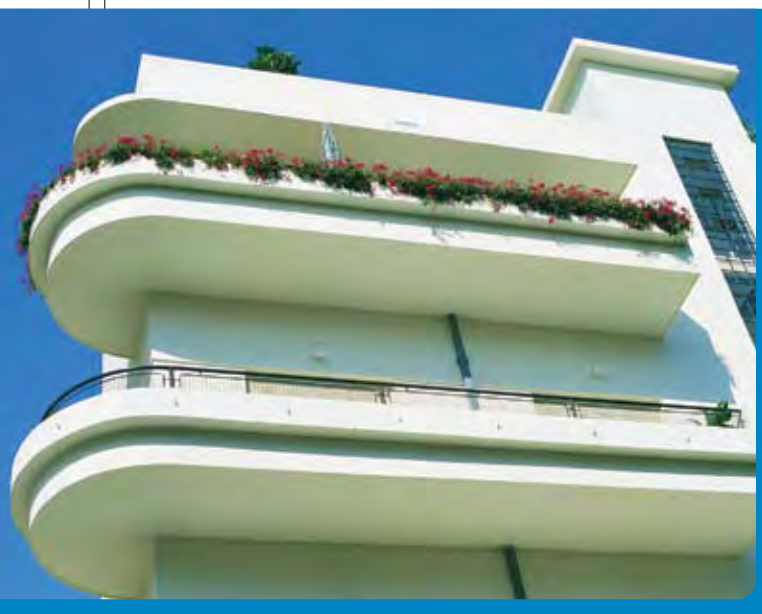
By Ehud Lahav
Photos courtesy Municipality of Tel Aviv |

The historic center of Tel Aviv is a UNESCO World Heritage Site. As defined by UNESCO, a World Heritage Site is one that signifies an important landmark in the development of mankind. Tel Aviv is the fourth World Heritage Site in Israel after Masada, the Old City of Jerusalem and walled Crusader city of Acre.

The fact that there are only four such sites in a region that has a civilized history going back more than 3,000 years is puzzling. Spain, for example, has 14. But perhaps although we have a sense of history, we are less willing than the Spaniards to devote the resources necessary to preserve and enhance our historical landmarks.

Tel Aviv only recently made it to fame. Up to the mid-1980s, real estate developers had a field day tearing down any building that got in the way of making money. Then, when a particularly beautiful apartment building was torn down on the corner of Ahad Ha'am and Hahashmonaim streets, there was a public outcry, and the Tel Aviv municipality decided to preserve whatever was worth preserving.

The historic center of Tel Aviv was declared a World Heritage Site because of the large number of buildings that were built in the 1930s, 1940s and 1950s in the architectural style of Bauhaus. A style of architecture that flourished in Germany in the 1930s, Bauhaus has clean functional lines and aesthetic beauty. Most of the buildings constructed in that style were built in Germany. But in World War II, Germany's cities were bombarded. As a result, most of the world's remaining Bauhaus buildings are found in Tel Aviv. They are located in the area bordered on the east by Ibn Gvirol and Yehuda Halevi streets, to the west by the Mediterranean Sea, to the north by the Yarkon River, and to the south by Allenby Street.



PROFIMEX[®]

The Global Real Estate Investment Firm

Invest with People Worthy of Your Trust!

PROFIMEX - the private equity arm of Bamberger-Rosenheim Ltd. continues a 42-year tradition of adding value to the business community with honesty, integrity and full transparency

For more information and to schedule a meeting, please contact:

PROFIMEX LTD. • 142 Ahuza St. • Ron House • P.O.B 1155 • Ra'anana 43300 Israel
Mobile: +972-54-7779456 • Tel: +972-9-7774456, +972-9-7774444
profimex@profimex.com • www.profimex.com



This area of Tel Aviv was built in the 1930s and 1940s by architects who came from Germany or were educated there. The result is a wealth of Bauhaus style buildings that were adapted to Tel Aviv's Mediterranean climate, featuring large windows, balconies, etc.

Tel Aviv was also declared a World Heritage Site because the municipality had the good sense to preserve the unique garden city planned by Patrick Geddes. He was in charge of city planning in the Palestine British Mandate government in the 1920s and 1930s. He planned a city of boulevards and gardens, as well as small green areas and places of rest around the city. One of the important aspects of the city plan was parceled buildings, which means that each building was a stand-alone on its own green plot, as opposed to the row houses that were current in Europe at the time. Tel Aviv is a major example of a Patrick Geddes garden city.

Tel Aviv was declared a World Heritage Site because of the Bauhaus and Geddes elements, but in its citation the UNESCO committee also mentioned the city's varied and unique mix of architectural styles in the historic center. They named the area the White City because the original facade of the buildings was white. The architectural style is eclectic Mediterranean and Central European. It is doubtful whether such a mix of architectural styles exists anywhere else in the world.



The municipality of Tel Aviv has declared more than 1,000 buildings as historical landmarks that cannot be torn down but should be renovated. Of these, 150 cannot be touched at all and can only be restored to their original form.

Many of these buildings are in a dilapidated state because their owners could not afford even the

most rudimentary maintenance work. The cause for this was a law passed in 1940 in all parts of the British Empire that froze rents for the duration of the war. In the UK, this law was not removed from the statute books until the 1960s. In Israel, it is still in effect.

The result was catastrophic for landowners. Rents were frozen, inflation was rampant; consequently, rents dropped to nothing. Landlords who were not receiving any income had no money to make repairs or maintain their buildings. Many of the original landlords have since passed away.

Today, the new owners who are aware of the potential value of their property are busy trying to buy out the tenants who most probably bought their tenancy rights on the payment of key money. The new owners refurbish the building and then sell the apartments. As apartments in historical buildings, they fetch premium prices, even in the current slack real estate market. Old mansions in the vicinity of the lower part of Rothschild Boulevard are being purchased by law firms, financial houses and corporations and are refurbished as plush offices.

One of the reasons for the popularity of the Bauhaus style in Israel was that it was closely associated with the social democratic movement in Central Europe. Since the mid-1920s, the dominant political ideology in the Jewish Yishuv in Palestine was social democratic. With the establishment of the State of Israel, it was still very much so. In the 1950s very few apartment buildings were built in the Bauhaus style, but many public buildings were.

One of the most striking examples of Bauhaus architecture is in Dizengoff Square; all the buildings facing the square are in the Bauhaus style. Some of the public buildings in the Bauhaus style are the Mann Auditorium, Zionists of America House, the Helena Rubinstein Pavilion and the headquarters of the Histadrut, the Israel federation of labor.

A green project that is true Blue

The Bauhaus concept of the late 1920s and early 1930s was ecological in its own way. The buildings were planned in such a way as to make the most of nature, with large windows to catch the sea breezes, adapting the building to the route of the sun to keep it cool in summer and warm in winter.

The new ecology, or green building, also makes the most of nature in a way that harms it as little as possible. The Blue project at the northwestern edge of Tel Aviv emphasizes this trend. Canada-Israel's Blue residential complex was designed by world-renowned architect Ilan Pivko, and it bears his style of light and space. The exterior walls, for example, are made of reinforced glass. The complex is planned as an exclusive closed compound consisting of 300 luxury apartments in six 13-floor towers. The buildings are set in a large pool of water, and each building looks as if it were emerging from the water.

The design of the building makes full use of the natural elements of wind, water and sun. The pools, for example, are designed to conserve water. They are fed from the air conditioning system, which converts the humidity in the air into water.

What initially inspired Canada-Israel is the unique location of the project. The vast turquoise expanse of the ocean, the clear azure sky, the rays of sunlight sparkling on the waves, the crisp breeze carrying the unmistakable scent of the sea, of summer vacations, of the flowing rhythm of life – all these create the atmosphere at Blue. Situated near the exclusive Tel Aviv Country Club, Blue is a five-minute drive from the center of Tel Aviv, a five-minute drive from Herzliya, and just a few minutes' walk from the beach.



MORE OUTSTANDING QUALITY

hansgrohe



The new concept showroom is now open, 10 Halehi St., Bnei Brak

CONCEPT SHOWROOM

Hansgrohe's elite faucets - more design, more international awards
Hansgrohe's quality faucets have been leading the way for 110 years, with more advanced designs, more patents and technological solutions, more international designers from the Axor home brand and more awards for design and quality than any other company in the industry. Come and get a close look in the most unique showroom in Israel.

Hansgrohe - the original trademark is sold at authorized stores only.
Exclusive importer and marketer Notaly Ltd. www.notaly.co.il
The concept showroom, north: 9 Shlomo Ben Yosef St., Haifa, Tel: 04-872-2304,
fax: 04-872-2306. The concept showroom, center: 10 Halehi St., Bnei Brak,
telefax: 03-578-1544, notaly@hansgrohe-il.com

AXOR[®]
hansgrohe

Financing real estate purchases



(Photo courtesy MMM Consultants)



96 Hayarkon street. (Photo by Oved Zangi courtesy Faire Group)

By James Harris

Demand for local real estate from overseas buyers is growing anew as Jews from the US, the UK, the euro zone countries, South Africa and South America are buying property in Israel. In the past two years, demand from overseas buyers was low, but now it is picking up once more.

Many of these properties are at the high end of the price spectrum -- dwellings that cost \$3 million or more.

At these times, when money is less plentiful than it was four years ago, overseas buyers have more modest needs and are buying less high-end dwellings. The favored areas for overseas buyers are Tel Aviv, Herzliya, Ra'anana, Netanya, Ashdod and Jerusalem.

Some of the overseas buyers of local real estate have the necessary funds to buy a property outright, but others do not or don't want to have their money tied to bricks and mortar. They prefer to have it invested in a business venture that will give them a yield superior to the interest they will be repaying the bank. These buyers need a mortgage. If they have a good credit record, they will get it -- in Israel, but not elsewhere.

Banks in the US, the UK and other European countries will probably refuse to give credit to someone who has real estate in Israel as collateral, but Israeli banks will be only too glad to oblige. Israeli clearing banks and mortgage banks are happy to cater to the needs of overseas buyers of property. After all, a mortgage that is covered by the

property is a very secure credit.

Menachem Levinsky is the manager of the International Mortgage Center of the Mizrahi-Tefahot Bank. He says, "At Mizrahi-Tefahot, we offer our overseas mortgages in dollars, sterling or any other freely interchangeable currency. We offer these mortgages for up to 20 years at either fixed or floating rates. This arrangement, in my opinion, preferable to a mortgage in shekels linked to dollars, since the buyer saves the hefty exchange costs incurred when making monthly payments. Mizrahi-Tefahot gives out the largest number of mortgages in Israel. We also have a presence all over the country and have a multilingual staff. In all branches dealing with overseas residents, we have staffers that speak English, Spanish, French, and even German and Russian, and all the forms and necessary paperwork are done in the language of the client," he says.

When overseas customers take out a mortgage, they should do so in the currency of their income. That way, they avoid the uncertainties and fluctuations in exchange rates. Incidentally Israeli Banks do not except in special circumstances finance more than 70% of the value of the property.

Furthermore, real estate prices in Israel have never fallen below 15 percent. This means that a mortgage of up to, say, 70% of the value of the property is very safe because if at some point during the life cycle of the mortgage the borrower defaults, the proceeds from the sale of the property will more than cover the remainder of the mortgage.

Overseas residents buy property in Israel for many reasons. Some want a foothold in Israel, while others do it as an investment. For those who come to Israel often for the summer or for the Jewish holidays, having a property here makes economic sense. It saves them a lot of money on hotel fees. And in Israel, real estate has always increased in value over the long term.

Mizrahi-Tefahot is not the only bank in Israel that caters to the needs of overseas residents who want to buy property in Israel and need to finance part of it with a bank credit. However, Mizrahi-Tefahot is the largest mortgage lender in the Israeli market.

Levinsky adds, "When a foreign resident buys property in Israel, he should remember that for him this is a foreign country, and a reputable lawyer that is an expert in the intricacies of real estate law in Israel is an indispensable commodity. We at Mizrahi-Tefahot, are in direct contact with the customer's lawyer if the customer so desires in order to facilitate the process."

For more information you can contact Levinsky at tel 972-52-3832379 or e-mail levinskim@umbt.co.il

By James Harris

Buying a home is an essential consideration for any new family in Israel because in this country, very few apartments are built for rental purposes. Consequently, a long-term rental market does not exist. But because of the high real estate prices in relation to average incomes, this means that buying a roof over one's head requires careful financial planning.

When planning the purchase of a home, a mortgage is a must for most people. The government of Israel assists first-time home owners with mortgages. This includes young married couples and new immigrants.

Mortgages in Israel, especially for new immigrants, are not that hard to obtain. The government, through the Absorption Ministry, has special

a mortgage if they are convinced that the borrower has the means to meet the monthly payments and provided that the total monthly payment amounts to not more than one-third of the family's monthly income.

In addition, most mortgage banks will not authorize mortgages in excess of 60% to 70% of the value of the property.

The average cost of an average four-room apartment in the satellite towns of Tel Aviv or Jerusalem is NIS 1.5 million. This means that a first-time buyer will need a cash base of NIS 450,000 to NIS 600,000 to be able to afford a roof.

In more distant areas, average prices may amount to NIS 500,000 to NIS 600,000

This will require a cash payment of NIS 150,000 to NIS 240,000, a large sum of money for a low-

income family. Taking out a mortgage would be the only recourse for the majority of home buyers. They have no choice. But when it comes to the kind of mortgage they are taking out, the "mix" may be all-important.

At present, interest rates are very low, especially on floating non-linked (to the cost of living) mortgages. The rates on fixed linked mortgages are higher; but it is most ill advised to put all one's mortgage eggs in the non-linked floating rate basket.

At present interest rates are low, but they will rise in the future, and each increase in market interest rates will increase monthly payments. It is therefore advisable to take out a mortgage made up of 20%-25% non-linked floating rate funds, 10%-15% of a foreign currency, and the balance made up of linked funds.

The mortgage game

mortgage packages for new immigrants. These mortgages do not cover the cost of an apartment, especially in the central region of the country, but the shortfall can be covered by additional mortgages from local banks, which bear market rates of interest. Currently, interest rates are relatively low, and real estate prices have steadied for the moment.

So for those who want to buy a house or an apartment, the time may just be right for the majority of purchasers who would require a mortgage. Since interest rates are low, the real cost of the apartment mortgage payments is relatively low. On a 20-year mortgage of NIS 100,000, each additional 1% interest rate adds another 10% to the total cost of the mortgage. The most a new immigrant can get from a government mortgage is something like NIS 200,000. The most a local can get is NIS 162,000.

For immigrants from the US and the UK who are used to mortgages of 80% and 90%, these sums may appear miserly -- and they are.

Recently a new law was passed in the Knesset that will give first-time buyers in peripheral areas a monthly subsidy that will cut the monthly payments on mortgages by approximately NIS 800. However, an average four-room apartment in a developing area costs at least NIS 500,000. Four rooms and not three because the most a local can get depends on the size of his family. The average family eligible for the full mortgage will need an apartment of at least four rooms. This also holds true for new immigrants.

Small government mortgages create a problem for low-income families, as they will have trouble getting more money from the mortgage banks.

Mortgage banks are business organizations out to make a profit; consequently, they will only authorize



Modern real estate development in Ramla. (Photo courtesy municipality of Ramla)

Furnishing the Israeli home

By Henrique Attias | Photos by Adi Mazan courtesy of Shomrat Hazorea

Buying a home in this country is something of a financial effort, but it is not the only one. Buying a home is just the first step because for a house or an apartment to become a home, it must be furnished.

Furnishing a home is much less of a financial burden than buying one; but when making the large financial output required to buy a house or an apartment, it is always the last shekels that feel like the greatest burden. That is why when buying a new home, one should plan financially to not only acquire the property but to furnish it as well.

The good news is that buying furniture in this country is a very easy matter:

Arie Wissman, general manager of Shomrat Hazorea, one of the country's largest manufacturers and distributors of furniture, says, "The local industry can produce any kind of furniture, with the exception of chairs. Manufacturing chairs requires special expensive machinery, so it is more cost effective to import them than to produce them in this country. For chairs to be profitable, they must be produced in very large quantities, and that is not possible in this country with its very small home market."

Shomrat Hazorea has been in the business of making furniture for more than 80 years. The company was founded in Jerusalem in 1931 by Leo and Yehudit Wissman. Leo Wissman was a master carpenter; a title given in his native Germany to those specializing in the trade and undergoing an apprenticeship of seven years. Today the company is managed by the founder's two sons -- Arie the general manager and Nahum, an interior decorator who is in charge of the design aspects of the business. Both brothers have followed in their father's footsteps. They not only entered the family business, but they also learned their trade in Germany. Nahum studied interior decoration in Dusseldorf and graduated as a wood technician in Stuttgart.

Shomrat Hazorea is one of the largest and most versatile furniture groups in the country. It consists of the following sectors: Shomrat Hazorea, which produces and sells furniture; Shomrat Hazorea Projects, which specializes in furnishing large corporations such as hotels, offices and hospitals; Wissman Import & Furniture Marketing Co. Ltd., which specializes in importing and selling furniture; Wissman Furniture, the oldest and largest furniture store in Jerusalem; and WE & EAB, which specializes in finding the best and most cost-effective suppliers of finished furniture in Europe and the Far East.

The company is therefore involved in the complete spectrum of the furniture business. They design, produce and sell furniture, as well as import it. Unlike other large industrial manufacturers in Israel, exporting is not Wissman's forte.

The furniture industry in Israel has an annual turnover of approximately NIS 5 billion. Only 20 percent of expensive furniture is imported. Furniture is very bulky; consequently, transportation costs are prohibitive. And that limits imports.

But that is not the only reason imports are low. Bedrooms with floor-to-ceiling closets require precise measurements, and that is not always an easy matter. With a local producer, errors in measurements can be corrected; but with imported goods, this is not so easy to accomplish.

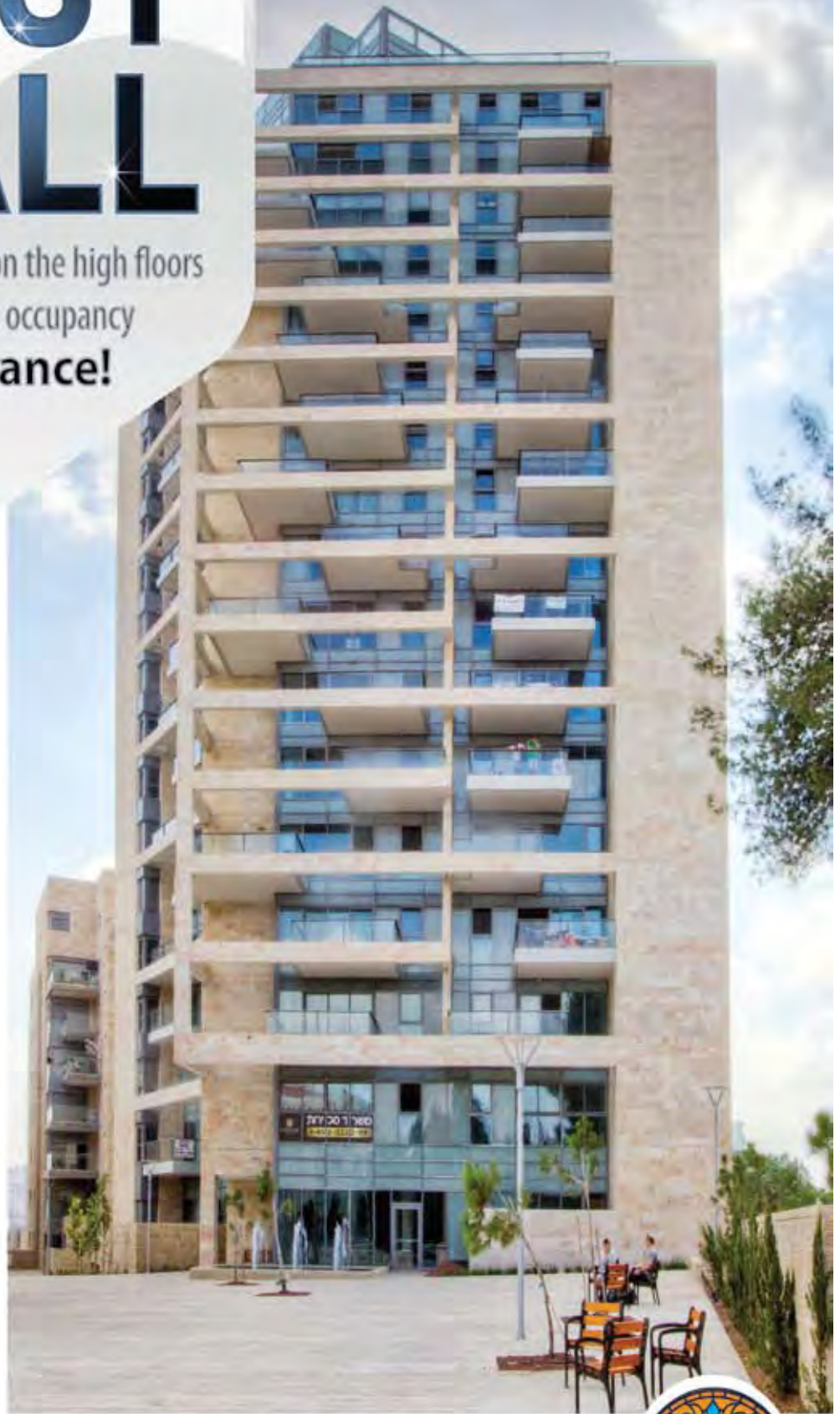
The same holds true for upholstered sofas and easy chairs. The choice of colors and texture of the cloth is limitless, and this complicates the import process.

Shomrat Hazorea specializes in the production and marketing of quality furniture for what is termed middle Israel. They produce and sell any type of furniture for any room in the modern home, such as living room, dining room, den, master bedroom and children's room.



LAST CALL

Select apartments on the high floors
for immediate occupancy
Last chance!



דדורי סלומי BRL



Taken from the 6th floor in the tower



For a
private
meeting
call:

DARA
מגורים יוקרתי

1-800-2222-99

www.the-tower.co.il

facebook



GANEI ZION
A Jerusalem Living Experience in Katamon

Living it up in Herzliya Pituah



By Henrique Attias | Photos courtesy of Anglo Saxon Herzliya Pituah

Herzliya Pituah is one of the premier residential locations in Israel. Penthouses in the Golden Mile in Jerusalem, with the King David Hotel at its epicenter, or penthouses on the Tel Aviv seashore may fetch higher prices, but Herzliya Pituah is without a doubt one of the most prestigious areas in the country, with prices to match.

Herzliya Pituah is bordered by the Mediterranean Sea on the west, the Tel Aviv-Haifa coastal highway to the east, the neighborhood of Nof Yam to the north, and the municipal boundary to the south.

Since the establishment of the State of Israel, Herzliya Pituah has become the preferred residence of the diplomatic corps. In Herzliya Pituah proper, aside from the apartments in the marina compound, there are approximately 2,500 households, of which at least 30 percent are members of the diplomatic corps and overseas residents. The majority of the local residents are affluent people who can afford the real estate high prices. A 500 square meter plot in a good area of Herzliya Pituah can cost from \$1.5 million to \$2m.

The area itself is made up of single-family homes and semi-detached residences. But if you are imagining palatial residences in Herzliya Pituah, remember that this is Israel. It is a small country that has a central coastal area with one of the densest urban populations in the world. Therefore, forget the rolling acres of lawns associated with grand

houses in the UK, the US, Australia and South Africa. In Herzliya Pituah, most of the plots on offer measure 500 sq.m. and less, which means small grounds and small gardens, a corner

Larger plots fetch hefty prices. At present, two adjacent 1,000 sq.m. plots are being sold. If sold separately, each plot would sell for NIS 15m, to NIS 18m. But if sold together as a 2,000 sq.m. plot, it would be worth at least NIS 40m. Eytan Blumberg, the owner and general manager of the Anglo Saxon real estate agency in Herzliya Pituah, told *The Jerusalem Post*, "There is a demand for large plots of land, but supply is very limited. So when such a property comes on the market, the price skyrockets. The market for real estate in the area is limited. The high prices limit potential buyers to a small segment of the population. Furthermore, the amount of available land for building purposes is limited. Much of the real estate activity is concentrated in buying properties, tearing down the existing house and building something grander, more modern and more elaborate. And there are not many of such properties around," he says.

"In relation to the number of households, the number of real estate transactions is large because of the high number of overseas residents. These people buy and sell properties in shorter time spans than locals. Consequently, there is constant upward pressure on prices. Currently we are marketing a magnificent single-family home of a

1,280 sq.m. corner plot on high ground with partial sea views for \$9.8m. The property is being rented for a monthly \$18,000," says Blumberg.

One of the selling points of Herzliya Pituah is its proximity to the sea. Therefore, the price differential among the various streets correlates to their proximity to the sea. The closer to the sea, the more expensive the property. The least expensive properties are those near the eastern boundary of the neighborhoods adjacent to the Haifa-Tel Aviv coastal highway. They are not only the farthest from the sea, but they are also the noisiest because they are near the busy traffic artery.

The most expensive street in Herzliya Pituah and perhaps in all of Israel is Galei Tehelet (Blue Waves). Properties on the side of the street with unobstructed sea views sell for tens of millions of dollars, depending on the size of the plot and the building itself.

The core of Herzliya Pituah is made up of very high-end single-family homes, but to the south is the marina area, a complex of approximately 800 apartments. Some of these are designated as tourist enterprises. This means that the proprietors can use them for only six months, or 183 days a year. Blumberg told *The Jerusalem Post* that apartments not designated as such fetch hefty prices and are snapped up fast. "Currently, we are marketing a 323 sq.m. penthouse with a 140 sq.m. terrace with fantastic sea views for \$6.7m."



THINK

The penthouses in Holyland, Israel's top home address.

HIGHER

- Immediate occupancy
- Premium specifications
- 155 sq. m. – 250 sq. m.
- Balconies overlooking a breathtaking view
- From NIS 3,800,000

הולילנד פארק
מבנה פרטי לאנשים נמוך



WWW.HOLYLAND-PARK.CO.IL

Sun -Thu, between 10:00am-6:00pm
Fri. Between 9:00 a.m. - 1:00 p.m.

*2636

Designing the modern home



Contemporary white and grey softened by a swath of burnt orange

By Judah Massias | Photos by Gidi Boaz, courtesy of Anat Gertner Interior Design

A home in Israel – what does it look like today? Once upon a time Israel was a little village, confined to locally manufactured goods, with horizons that were rather limited. How far we have come in the past 64 years!

From the infamous “balatot” of terrazzo floor tiles and small-room spaces to the open, sun-drenched interiors of today, our architecture and interior design have developed a great deal. Israeli designers are international in scope and at the forefront of world design trends. Not a month goes by in the international media without a mention of Israeli creativity.

In Israel today, there is an abundance of design magazines addressing all levels of interest and budgets and a profusion of materials and technologies not dreamed of even five or six years ago. Israelis travel all over the world and return home with new ideas and a desire to incorporate these ideas into their homes.

Anat Gertner, interior architect and designer based in Jerusalem, was at this year’s Salone de Mobile in Milan, and her visit confirmed for her Israel’s position at the cutting edge of interior design.

“Almost everything I saw at the year’s biggest and most important international design trade show was reflected in work I had seen in Israel in the past year. We in Israel have the creativity, materials and the artisans to inspire us forward, and new technologies available allow us to implement the design dreams we have,” she says.

Homeowners from the biggest to the smallest homes and apartments are interested in enhancing their environment.

Gertner says that as a country made up of so many immigrants, our interior design reflects our unique melding of cultures. “Immigrants bring with them their cultural touchstones; and as a designer, I am inspired to give them a home that comforts their heart while embracing their new environment. The sunlight, the weather and the local landscape all affect us.”

Not so long ago, the look of the moment was all-white interiors with cold metal accents and minimal details. This created a futuristic space that was distanced from our natural environment. Current interior design tempers the sharp geometric lines of modern interiors with the warmth of more color; wood grains and decorative patterns. Clean lines and crisp colors have morphed into richer textures and deeper shades to reflect more of our natural surroundings. Mosaics, European lace effects, painted floor tiles and more detailed furniture are all finding their place again in the contemporary home. But they are implemented in a more modern fashion. Examples are the variety of finishes available from the local manufacturers of quartz surfaces, Caesarstone, particularly the viento, motivo and crocodile patterns.

The choice of wood has also changed. Where once the lighter grained woods, like beech and maple, were common, today there is an abundant use of the richly colored and grained walnut contrasting with the pale solid colors. And there is an increasing use of "green" walls and roofs in Israeli design and architecture. They are used to benefit our physical as well as emotional well-being.

White is not the only base color used today. Taupe and sand colors are very much in use as well. These pale shades soften the sharp light that is so strong in Israel. And the use of various shades of the primary colors serves to provide visual warmth, accent and drama. Similarly, instead of small insets of mosaics in bathrooms or kitchens, today the look is of great swaths of texture and color, which further enhances the open space design.

Stone colors and textures show up in porcelain granite tiles for floors and walls. New technology allows manufacturers to replicate stone and wood and in larger and larger sizes – tiles of 120x120 cm. are readily available, even those of 3x1 meters. Manufacturing realistically mimics the uneven textures and colors of natural stones and has all the benefits of a no-maintenance surface. Instead of laying wood parquet, which is expensive and requires constant maintenance (particularly with our weather), there are floor tiles that look just like wood. With them, even the bathroom can have the warmth and texture of wood on the floor.

New lighting technology developments for residential use have allowed designers to use light in increasingly creative ways. Such illumination as flush-mount fluorescents create slashes of light in a ceiling or wall, thin strips of LEDs less than a centimeter wide allow mounting an even light source in ever more hidden places, and CFLs (compact fluorescent lights) that are design elements on their own provide designs that are a delight to the eye.

Gertner, who also specializes in lighting design,



Contemporary bathroom with warmth of walnut cabinet and tile wood flooring and concealed LED lighting in niche



Contemporary geometry with custom designed railing

says, "Lighting design is an integral component of interior design, creating drama and mystery or movement and excitement. Without layers of lighting, a space is flat and boring. Light and shadow are the contrasting elements that help fashion the magic in a space."

A unique feature of interior design in Israel is the ease of having custom work done here. Designers are only limited by technology and budget. There is a vast selection of custom craftspeople in the country at all price ranges. Custom ironwork, carpentry, lighting fixtures, furniture, tile design -- all these allow the designer to implement new ideas from around the world to the specific needs of the client.

Most Israelis are increasingly interested in bringing creative design into their living and working spaces. A particularly intriguing movement is occurring in the Orthodox and haredi communities. There is growing attention and investment being made in the "material world."

Gertner says, "Many of my clients are observant Jews, and the beauty of their environment matters to them. More and more are visiting design fairs in Israel and overseas; they see, and they realize that their environment can uplift their spirits. They hire a professional to create a space for them that is as interesting and sophisticated as they see in any design magazine."

The greater sophistication of Israelis gained from living abroad or traveling, the wide selection of materials available in the country, the fast-developing technology that inspires and allows for implementation of almost any design fantasy and the plethora of craftspeople are propelling the growing interest and investment in Israeli interior design.



Artificial skylight with dimmable fluorescents providing a multiplicity of lighting options

Accommodating the religious population

By Judah Massias

Photos Courtesy of Mishhab Building and Development



Nahalim



Kiryat Shmuel

Serving the needs of the religious population in this country is big business. According to government statistics, nine percent of the local population is religious, 8% define themselves as *haredi*, or ultra-Orthodox, and 40% are observant. This adds up to nearly 60% of the population.

Based on these figures, one can estimate the number of those who observe the Jewish dietary laws and try to keep Shabbat at about 40% to 50% of the population. Of these, one million to 1.25 million, prefer to live in apartments that are built to cater to their needs.

In this article, we will focus on the modern Orthodox population. They have special housing needs, and many development companies are only too glad to oblige.

Tomer Moskovich is the general manager of Mishab, a development company that has been in the business of catering to the housing needs of the religious segment of the population for over 80 years. He says, "Mishab specializes in catering to the housing needs of the religious segment of the population. We are a very well-established company. In our many years of existence, we have built over 100,000 dwellings. In the past years we have expanded our operations to include the non-religious public as well."

With regard to religious dwellings, he says, "There is no such thing 'a religious dwelling' because any modern apartment can be adapted to the needs of a religious family. The kitchen can be adapted to the requirements of the Jewish dietary laws by having two separate sinks for meat and dairy; the electrical system can be adapted to the needs of those who want to observe Shabbat; and a terrace can in many cases be adapted for a *succa*. In the building itself, the elevators can easily be converted into Shabbat lifts that allows observant Jews to use them on Shabbat and Jewish holidays."

So if every apartment or home can be adapted to the needs of a religious family, what exactly are the developers who specialize in supplying housing to the religious segment of the population offering?

They are offering location!

What these development companies are primarily selling their clients is a religious environment. A religious family needs to be in the vicinity of religious schools, synagogues, a *mikveh*, religious cultural institutions, stores to buy kosher food, as well as an area that ideally has no cars on Shabbat.

Furthermore, these families have social needs that are linked to having other religious families in the area. All these facilities can be found in special neighborhoods. Many of these have been built by Mishab, but other development companies are also building whole neighborhoods for religious families.

M.Aviv Building Enterprises Ltd. is involved in building dwellings for the religious segment of the population. Asaf Aviv, the company's CEO, says, "We are a large development company with building projects for all segments of the population. Within that context, we have projects earmarked for the religious segment of the population. These projects are primarily in areas considered as religious, where the majority of the population is religious. The area has all the necessary communal facilities, such as ritual baths, synagogues and religious schools and, where possible, the streets are sealed off from traffic on Shabbat and Jewish holidays.

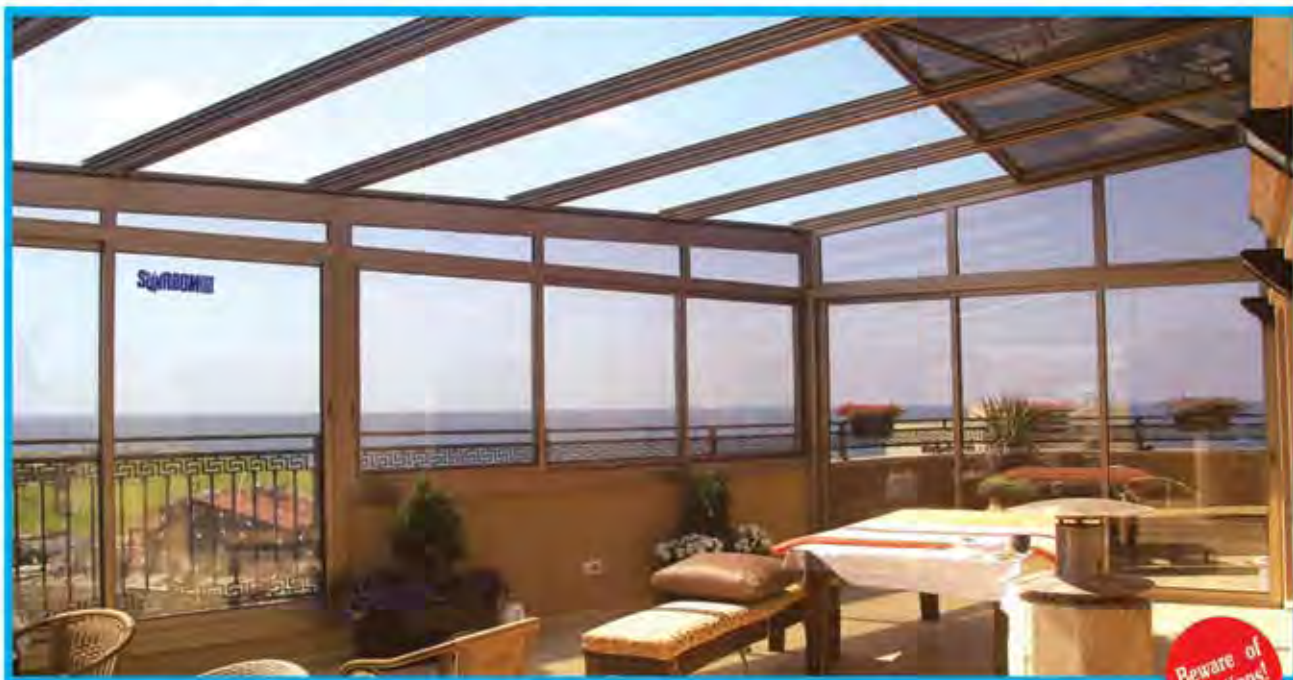
"In such an area, we make sure that the dwellings are equipped with everything a religious family needs to maintain its way of life, such as double sinks, a Shabbat clock, Shabbat elevators and, when possible, a terrace that can accommodate a *succa*."

Being able to accommodate a *succa* on every terrace is somewhat of a problem, especially when designing a high-rise apartment building. Mishab has a building project called *Mishkenot Nahalim* that is comprised of two ultramodern towers built for a religious public. Designing them was a real challenge. The 18-story buildings have 140 apartments, and each and every one of them can accommodate a *succa*. And that is no small feat because to be ritually kosher, a *succa* has to be open to the sky!



The top company in Israel and abroad for planning, manufacturing and installing **retractable roofs** opened manually / electrically

The system is based on propulsion and equipment imported from **Tendergroup** Italy. The system has been tested by the Italian Standards Institution and was found to be resistant to rain and wind in all weather conditions. An ideal solution for enclosing any **porch, roof or courtyard**



● Enclosed porch with modern retractable doors and windows and a retractable roof that can be opened, combined with safety glass. In open position.



● A modern system of retractable doors, for large keys with minimal propulsion. Suitable for private homes and rooftop apartments, for a perfect panorama. Original production by the **SKY FRAME** company, Switzerland



● Enclosed porch with a retractable power roof, combined with safety glass and surrounding modern retractable doors

We specialize in private homes • Sunrooms • Advanced shading products • Over 30 years of experience **M.K. Alkam Ltd.**

Import and export of doors and windows from wood and aluminum by the Italian company, **SOLARIUM** with thorough pasting for achieving total thermal insulation and perfect sealing.

Doors and windows made by the Swiss company **SKY FRAME** for large keys with **minimal propulsion**, for private homes and landscape apartments. Based on architectural plans.

Import, export and installation of doors and windows made by the German company, **SCHÜCO INTERNATIONAL** for private homes, based on architectural plans.

Showroom/factory: 20 Yad Harutzim St. Poleg I.Z. Netanya Tel. **09-885-2870** Sales: **09-865-3743** **WWW.ALKAM.BIZ**

An opulent mansion

in the sky

Like a rare piece of art, the Crown Opera penthouse in Netanya represents a once-in-a-lifetime opportunity for a buyer to purchase one of the most picturesque seafront properties in Israel. Located on the 31st floor of the impressive Sea Opera complex, the Crown Opera penthouse – the highest seafront property in Israel – is the pinnacle of luxury residential living.

The stunning tri-level penthouse, whose interior extends over approximately 420 square meters, with approximately 250 sq.m. of outdoor terrace space, has been impeccably designed and completely furnished by Armani Casa, the upscale home collection inspired by Giorgio Armani. Nothing has been left to the imagination. The penthouse features custom-made components, highlighted by marble flooring, mosaic tiling in the bathrooms, a state-of-the-art smart home and lighting systems.

The Zen garden in the eastern side of the terrace is a unique one of a kind offering a sophisticated lighting system, a water fall and olive trees and exotic potted plants.

The unobstructed view of the Mediterranean, the sunroom lounge are all simply stunning. The private heated outdoor pool on the 32nd floor is the highest in a residential building in the whole of Israel. Unlike some opulent apartments that can sometimes feature a cold and sterile living environment, the Crown Opera penthouse radiates light, soul and a passion for living.



Crown Opera penthouse in Netanya

By personal appointment only: ■■■■

Yair Tavivian

972-50-7812261

uloosh@gmail.com

website: www.seaopera-ph.com

Luxury apartments

at your bidding

Bat Yam, situated to the south of Tel Aviv, is about the only place in the Tel Aviv metropolitan area where developers can build residential towers with sea views. And that is what Ashdar, one of the country's leading real estate development and construction companies, is doing. On the seaside of Bat Yam, they are building, the 42-story Ashdar Tower. This building project is a joint venture between Ashdar and the Bat Yam Development Company, which is owned by the Bat Yam municipality. The involvement of the municipality has created a unique marketing concept. The apartments will be auctioned as a means to lower prices. There will be a minimum price for each apartment, and prospective buyers can make their offers based on those prices. This unique system has not been tried anywhere else in the country and was adopted at the request of the municipality.

Gil Goldstein, the regional sales manager of Ashdar, is very optimistic about the project. He says, "We expect brisk demand for the apartments. Despite the fact that we are on a street that is parallel to the seashore, all our 164 apartments, with the exception of five, have unobstructed sea views. That is because the tower is built between two buildings opposite the sea. We have obtained one of the last remaining vacant spaces on the Bat Yam shoreline, and the appeal of the sea will promote sales."



Ashdar tower. (Photo courtesy of Ashdar)

For further details, contact: ■■■■

Tal Polovinchik

054-232-4204

*“Take care of the luxuries
and the necessities
will take care of themselves.”*

Dorothy Parker

96
hayarkon
Tel Aviv



You are invited to be inspired
and meet one of the most prestigious
building projects in Tel Aviv.

אלית & זורית

Having held key positions in real estate and business for many years,
I would like to invite you to visit the last apartments available in “96 HaYarkon”,
Faire Fund’s most exclusive project in a renovated Bauhaus building.

Sincerely,
Shlomo Grofman
Co-Chairman, Faire Fund



 **FAIRE FUND**

Shoval Grofman Real Estate

To book an appointment: 03-5222351 | www.faire.co.il

Image for illustration only.