

# Newsletter

JUNE | 2022

OUR PURSUIT OF EXCELLENCE  
HAS GAINED US YET  
**ANOTHER MILESTONE**

bti ACHIEVES



HOW

## CREDIT RATINGS WORK

Companies are rated based on their capacity to pay their debts. The higher the rating, the more likely it is that investing in that particular company is risk-free. This means that a corporate entity that has a lower credit rating is more likely to default on their loans compared to one with a higher credit rating. This is important because it is an indication of that company's willingness to meet financial obligations and overall credibility.

In Bangladesh many real estate companies were unable to survive because their credit ratings were not well established. As a result, many small companies fizzled out over the years and some major players even resorted to fraud. Companies with great reputation, accountability, transparency, and commitment will naturally have higher ratings. Typically, any corporate entity with an A-rating is considered to have high-quality products, but there are other ratings below it such as BBB, CCC, D, and more. Any company with a B-rating is considered financially sound, but may be subject to change and defaulting during economic stress or geopolitical tensions. C-rated companies are at great risk of defaulting, while D-rated companies are at default.

In this regard, bti has long been an A-lister in the real estate sector, which has been attested by all banks and financial institutions we deal with. High-quality A-rated companies such as bti are safe to invest in and have manageable rates of interest. This is of particular appeal to retirees and savvy investors who want to invest in products that guarantee a steady flow of income and better rate of return. However, there are layers within the A-rating as well.

ANY CORPORATE ENTITY WITH AN A-RATING  
*is considered to have* **HIGH-QUALITY**  
PRODUCTS



## OUR STANCE ON **COMMITMENT & RELIABILITY**

---

bti has continuously produced A-rated products for customers, meaning we have always delivered high-quality products and stood firmly on our financial commitments to both our customers and our partner financial institutions. However, as previously mentioned before, there are layers of ranking even within the A-rating. Since we are constantly driven by the need to pursue excellence we made it our goal to achieve even better A-ratings. From AA3 rating we moved to AA2 rating quickly, and now we received the AA1 credit rating. According to Moody's, any company with an AA1 rating has 'superior ability to repay short-term debt obligations'.

bti always strives for excellence and beyond, which is why we are a leader in the real estate sector. The last few months have been phenomenal for us as we have been raking in achievements after achievements. Our recent achievement of AA1 credit rating was a culmination of all the efforts we put behind in pursuit of excellence. We could not have done this without our dear employees, our happy customers, and stakeholders.



# SQUARE FEET STORY:

THE PERFECT SOLUTION TO COHOUSING

# COHOUSING

Cohousing, also known as joint land ownership, is becoming increasingly popular in urban hubs like Dhaka and Chattogram. Since, there is a general lack of availability of land, interested homeowners are keen to form groups and buy lands together. Land prices are sky high. By forming a group and sharing the investment going into buying real estate, each individual is able to easily afford a portion of the land without needing home loans. One might ask, where does Square Feet Story come in all this? There are several ways co-landowners can use our services.

## **CONSTRUCTION MANAGEMENT:**

Group landowners who jointly invested in a piece of land can build their own residential complex or commercial destination on that land with our experts. We will manage all the construction work from top to bottom for them while they can move on with their day-to-day work. They will not need to stress about engineering, building materials, and construction processes while our experts are at work, because they will experience the commitment and craftsmanship that bti has been serving for decades!

## **ARCHITECTURE & INTERIOR DESIGN:**

Square Feet Story offers a comprehensive package of solutions. Co-landowners need not go anywhere else during construction of their desired building. They can talk with our experienced architects and interior designers who will offer them the finest solutions in the city. Our experts deeply care about the customer's concerns, and attempt their best to deliver a solution that fits everyone's needs.

## **LANDSCAPING:**

If co-landowners and homeowners are satisfied with our construction management and design services, they can also use our landscaping experts to add a touch of greenery to their property. We do it best, and you have to see it to believe it.

Our team also offers logistics and 3D visualization services, which means landowners can get a full idea of what their vision will look like in reality. We will map everything out for property owners so that their dreams come to life.

# WHAT'S NEW IN SBUS



We feel very privileged when we fulfill our customers' dreams. We recently handed over homes in Mirpur, Gulshan, Uttara, and more. Our days are happily going by serving the needs of our customers, helping them with registration, sales deeds, transfer of ownership, and other documentation.

Recently, many people are moving towards buying concrete hollow blocks as their use will become mandatory by 2025. Landowners with unused lands are also shifting towards using concrete hollow blocks to build sustainable, affordable housing, accompanied by wall boundaries made of concrete solid bricks. If you are a landowner interested in building your own home sustainably and with the right materials, knock us now!



Square Feet Story is riding a wave of success this month. A particularly proud moment for our team was when they were able to conduct sales with three external clients and two internal clients (bti Shopnoneer and Pacifica) in a single day! This month the highest sales record by an SFS employee in 6 months was 150, with an initial target of 100. We wish him all the best in his endeavors.



Our external bti Property Management team recently signed a deal with the British Council for their yearly support staff service. The same team also scored a 2-year deal with Aungan Properties, which includes providing support staff in all their ongoing and handed over projects. We have been successfully extending our property management services to various business organizations, MNCs, food courts, and more. Apart from these success stories we have also been providing our monthly fire safety drills and training across some of our projects in Dhaka and Chattogram.



Are you looking for an on-the-go ready working space in Dhaka? The Business Center has all the facilities for you. We even have complete office rooms and separate spaces for meetings, conferences, and workshops. Your office needs can be easily met with our fully equipped coworking spaces!





**KNOW YOUR NEIGHBORS CEREMONY** |  
**FOR OUR GRACIOUS CUSTOMERS**

AT  **MONTPELLIER**



# WHAT'S NEW IN REAL ESTATE



## POLICY INTERVENTION NEEDED TO SPEED UP REAL-ESTATE SECTOR RECOVERY

The housing sector in Bangladesh is heading towards a stagflation/ downturn for a temporary period as a fallout of the Russia-Ukraine war and Covid-19, Fasiul Mowla, chief executive officer (CEO) of Anwar Landmark Ltd said. In an interview with The Business Standard, he said the drastic decline in the income of clients had impacted the real estate sector badly. Now that the decline trend is being mitigated, investors are hopeful of seeing a ray of light. For this, however, some policy intervention needs to be introduced by the government to speed up the sector's recovery. There would be stagflation because of the war, especially for the limited or middle income class of buyers who intend to purchase a flat with their life savings, instead of a home loan. As a result, there will also be a fall for real estate developers' regular unit sales and revenue for a short span of time.

The real estate sector has been contributing around 8% to our national gross domestic product [GDP], which amounts to Tk1.41 lakh crore according to the Bangladesh Bureau of Statistics [BBS] and along with its linkage industries the share of total GDP is 15% approximately as per REHAB. Despite the pandemic, this is a very good time for customers to invest in the sector, because the interest rate of banks and other non-bank home loan institutes have come down to 8.0%. Also, the interest rate on fixed deposit schemes has also declined to 5% to 6%. Instead of focusing on the incurred losses, the companies have been looking forward to a future where they can overcome the losses and bounce back into business. Embracing the new normal, working from home or the concept of remote working has become a part and parcel of our life.

*Source: The Business Standard (paraphrased, 28th of June, 2022)*



## RISE IN TAX TO FUEL PRICES OF CONSTRUCTION MATERIALS

Realtors today said the cost of various raw materials, including rod and lift, will increase in the next fiscal year because of the increase in value added tax and customs tariff. The National Board of Revenue (NBR) proposed raising the indirect tax by Tk 200 per tonne at the manufacturing stage of billet and rod. Following the spike, the rate of VAT on the manufacturing of billet will increase 20 percent to Tk 1,200 per tonne from Tk 1,000. As a result, prices of rod will increase affecting the home builders, said Alamgir Shamsul Alamin, president of the REHAB.

Also, the NBR hiked import tariff for lift by 19 percent for the next fiscal year 2022-23 apart from hiking customs duty for cable, tubes plates and aluminium foil, which realtors said will further fuel the prices of homes. The concern comes as the construction cost of under construction and new buildings has gone up by Tk 500 per square foot. REHAB said home buyers will have to pay additional Tk 1,000 for per square foot area. The realtors also demanded continuation of unquestioned amnesty for black money in properties for the next fiscal year.

*Source: The Daily Star (paraphrased, 18th of June, 2022)*



## REHAB WANTS UNDISCLOSED MONEY **INVESTED IN REAL ESTATE**

Realtors have urged the government to continue allowing investment of undisclosed money in real estate to help the industry grow. They observed that the proposed national budget for the fiscal year 2022-23 will hold back growth in the housing and construction sector unless the provision of investing undisclosed money remains in place. However, continuation of investment of undisclosed money will be a respite for the sector, REHAB President Alamgir Shamsul Alamin said on Saturday. Speaking at a post-budget press meet, Real Estate and Housing Association of Bangladesh President Alamgir Shamsul Alamin said Tk20,600 crore was whitened in FY21 and the amount would rise to Tk50,000 crore if the government continues the amnesty for black money. He believes the sector will be able to play a productive role in the government's revenue earning if its demands are met. The REHAB president said the cost of various raw materials, including rod, and lift, will increase in the next fiscal year because of the rise in value-added tax and customs tariff. He called upon the government to provide proper policy support for the real estate sector's development. He said land and flat registration costs should be reduced. The country will be able to reach the growth target for gross domestic product if the manufacturing sector, including the housing sector, remains dynamic, he added.

*Source: Dhaka Tribune (paraphrased, 19th of June, 2022)*



...SINCE 1984

IN PURSUIT OF EXCELLENCE