

It's a sterling opportunity

The pound has surged and sellers are slashing prices — it could be time to buy in Europe, says **Zoe Dare Hall**

Coming home from summer holidays is all too often a harsh jolt. Returning from that rustic Spanish *finca*, French sea-view flat or Italian lakeside getaway to your humdrum daily surroundings can be a real downer. However, if you've always lusted after your own continental bolt hole, but had given up on ever affording one, take heart. The combination of the pound's surge back over the euro (£1 now buys about €1.20) and thousands of vendors desperate to sell and slashing their prices is a potent one. According to the experts, this could be your chance to bag a serious bargain.

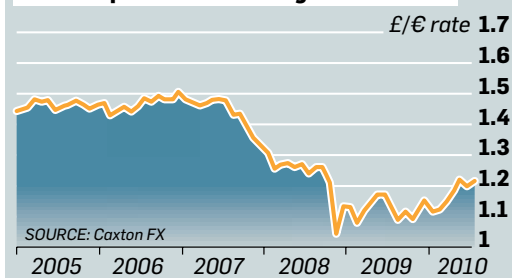
"The increase in the value of the pound, combined with the fact that property prices in the eurozone have not recovered and, in many locations, continue to fall, have made buying abroad a much more attractive proposition," says Rupert Lee-Browne, chief executive of the currency-exchange specialist Caxton FX. Add to this the very real discounts on properties offered by frustrated vendors, and you're looking at opportunities not seen in years.

Bargain-seekers are already heading to western Europe, where some seaside villas, golf properties and even restored chateaux have been reduced by up to 50%. On a new resort near Estepona, on the Costa del Sol, one British vendor is offering a "buy one, get one free" deal to buyers. Unable to flip them before completion when the financial crisis kicked in, she is marketing her two-bedroom penthouse, with golf and sea views, and a two-bed ground-floor flat, near the luxurious Finca Cortesin golf resort, for a combined price of £204,000, through Property Venture (01932 849536, property-venture.com), a 46% discount on the price she paid.

"Since the start of the year we have seen inquiry levels up more than 155% on the same time last year," confirms Andrew Hawkins, head of international sales at Chesterton Humberts. "Intelligent purchasers realise there is a window of opportunity. With prices down between 20% and 30% in most European locations, those ready and able to proceed can negotiate hard and secure a great property for a great price."

Here's our guide to the best deals.

How the pound has fared against the euro



France: chateaux for a song

Price falls in France have been less precipitous than in Spain, but the personal circumstances of individual owners — many of them British and keen to bring the money home — mean there are still some stunning discounted one-off properties at all price levels.

So eager to sell are the owners of one beautifully renovated 19th-century Gascon farmhouse, an hour's drive from Pau airport, they have dropped the price drastically. A year ago they were asking for £660,000; now it is on for £496,000 — and they may go a bit further, says the selling agent, Savills (020 7016 3740, savills.co.uk/abroad). The property has seven bedrooms, a pool and 1.2 hectares of woodland and meadows — and, as it was conceived as a luxurious retreat for business executives, there is even a conference room in one of the outbuildings.

Le Tustet (above), near Toulouse, is a four-bedroom, 18th-century manor house surrounded by 54 acres of lavender fields and olive groves. Its English owners have also made the decision to slash the price, from £1.6m to £1.07m (with Aylesford; 020 7349 5100, www.aylesford.com).

How about a clifftop chateau? Near Sarlat, in the Lot, an impressive five-bedroom medieval castle (below) has been reduced by 23% to £1.16m. "The vendor put it on at too high a price two years ago, and has



been playing catch-up ever since," says the selling agent Roddy Aris, of Winkworth France (020 8576 5582, www.winkworth.fr). "There's still a bit of room for negotiation," he adds.

Near Blois, a 40-minute drive from Tours, the owners of a beautiful manor house, which has been in the family for three generations, are keen to move on as the property is now too big for them. It has 10 bedrooms, a pool, a tennis court, a walled herb garden and five hectares of grounds, and has been reduced

by 29% to £708,000 (also through Winkworth France).

For £88,000 (a 44% discount after a year on the market), you can buy an attractive stone getaway, in need of some renovation, in the Breton town of Pontrieux, through Sextant (020 7428 4910, sextantproperties.com). The same agent also has a carefully renovated four-bedroom stone house, with a large garden and a cottage, an hour's drive south of Calais, down by 29% to £219,000.



Spain: seaside steals

It would be easy to view Spain as one big bargain bin at present — the banks have some 180,000 repossessed properties on their books — but you can't always confuse cheap with good value.

Some of the biggest discounts are on new-builds. Mercers estate agency is targeting the British market with new repos on the Costa Calida, such as a two-bed villa for £80,000 (0845 017 7805, spanishproperty.co.uk). At Desert Springs golf resort, in Almeria, a three-bedroom cottage has been reduced by 46% to £249,000. The same British developer, the Almanzora Group (0800 180 4359, almanzora.com), has reduced its three-bedroom Harbour Lights waterfront flats (right), in the nearby beach town of Villaricos, by 47% to £120,000. "We are now at the very bottom of the cycle," says the sales manager, Simon Coaker. "These levels will not fall further."

Southwest Mallorca has largely escaped the downturn, thanks to its attractiveness to wealthy Germans, Britons and a clique of A-listers. But at Los Altos, in Camp de Mar, surrounded by the Andratx golf course and near the sea, non-millionaires can get a look-in, with two-bed townhouses down from £470,000 to £345,000 (020 3040 8210, chestertonhumberts.com).

For more rustic appeal, Property Venture has a renovated three-bed *finca* inland from Javea on the Costa Blanca for £207,000, reduced from £362,000. Also on the Costa Blanca, in Denia, is a huge five-bedroom villa, with a tennis court and pool, reduced from £785,000 to £519,000 (01974 299055, girasolhomes.co.uk).



Italy: hilltop highs

As in France, vendors have stood firm on their asking prices for a year or so, but are now realising they need to lower their expectations. As a result, there are some striking properties with impressive discounts.

In the Tuscan village of Fivizzano, Jackson-Stops & Staff (020 7828 7387, jackson-stops.co.uk) has a partly restored monastery (below) with three bedrooms, five cellars and a fully refurbished stone house, down from £708,000 to £440,000.

"The vendors were going to restore the monastery, but many buyers in Tuscany are looking to save a bit of money by buying something that is part project," says Frances Petersson,

a marketing manager at the agency.

In the Florentine hills is a beautifully restored 15th-century, six-bed farmhouse, with two flats and two cottages, in 25 hectares of olive groves and orchards. The English owners have had to move back home, and have reduced the price of the property from £2m to £1.5m (020 7349 5100, www.aylesford.com).

Even on Lake Como, with its multi-million-pound properties, some new, smaller homes are going for a song. In Colonno, with dramatic views over the lake, are four flats, including a two-bedroom duplex knocked down by £35,000 to £183,000 (020 3178 4975, ultissimo.com).





Portugal: golfing getaways

So popular are seafront properties, they are rarely discounted, but developers on the Algarve have seen sense with new-builds still on the market after two years. At Terracos de Benagil, in the fishing town of Benagil, two-bedroom cliff-top villas with sea views (above) have been reduced by 35% to £164,000 (0800 014 8201, portugalproperty.com).

"Most discounted properties in Portugal are direct deals from the developers," says Michael Vincent, director of Portugal Property. He suggests looking in Vilamoura, Lagos or

Albufeira, where lots of recently completed developments mean discounts are likely. At Monte Laguna, in Vilamoura, large two-bed penthouses overlooking the golf course are reduced by up to £80,000 to £195,000 (0843 313 2621, infinite-real.com).

Bargains are less common on the popular Vale do Lobo resort, as holiday lets are so lucrative, but one Spanish owner is keen to sell his modern, two-bed flat overlooking the Royal golf course. Recently valued at £917,000, it is now on sale for £679,000, also through Portugal Property.

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