

Booming island defends its beauty

Development on Mallorca is worrying its residents and government alike

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It is 8am on the Mediterranean island of Mallorca. The sun beats down on glamorous villas, glorious views, beautiful mountains and the jade blue sea. This is the time when, across the island, you hear the clank of scaffolding, a distant scrape of mortar on brick, and the occasional beeping of reversing construction lorries.

At least, that's what it used to be like. Last week's announcement, by the newly elected coalition governing the Balearics, that additional areas of Mallorca would be protected, possibly leading to a moratorium on some new building, may be the start of a backlash against development.

Last March an unprecedented 50,000 Mallorcans - one in 12 - took to the streets of capital Palma under the slogan 'Let's Save Majorca', to protest at plans for 14 golf courses, seven roads, a theme park and a series of marinas and recreational ports. They also opposed the expansion of Palma airport to double in traffic capacity to 30m passengers a year by 2015.

'I had reservations when I first bought a home here,' admits Jan Skeaping from Okehampton in Devon, who owns a small villa near Puerto Pollenca. 'But so many locals are involved in the tourist industry. It's not a sideline that benefits some and disadvantages others. Hospitals, schools, quality of roads: everything is better here than on the mainland, and it's down to outside money coming in.'

As ever on Mallorca, there may be more to last week's announcement than meets the eye. 'There may be a significant but partial moratorium while the new government sorts out what it wants to do. Planning restrictions some years ago proved effective and kept prices quite high because they prevented an over-supply of apartments,' says Michael Cunningham of MJC Associates, one of the island's longest-standing estate agents.

Today's busy Mallorca is far from the undiscovered island it used to be. 'There are no inaccessible or remote parts now,' says Sebastian Boelger of Engel & Völkers, a German estate agent that dominates the upper end of the island's property market.

There are clear pros and cons to this. For example stark and beautiful Formentor, at the far north end of the island, used to be a 90-minute drive from Palma airport but now takes less than an hour. What used to be a Mallorcan hideaway with little more than a beach and spectacular winds and waves is now a second-home haven for Britons, Germans and Scandinavians.

So if you want a slice of this beautiful island, where do you begin?

First, open your wallet. It's expensive - a typical property on the Spanish mainland is half the price of one on Mallorca. 'But in return you get some of the best investment prospects in Spain,' says Mark Stucklin, a Barcelona-based property consultant.

Second, many properties that go on sale on Mallorca will be registered with several different estate agents, and not always at the same price, so shop around.

Third, many homes are wildly over-priced. 'It's not unusual for sellers to get our valuation, then add 20 per cent if they're not in a rush to sell. Many are retired and don't have to move so they wait and see if their asking price is achieved,' says Sandra Sofio of Engel & Völkers. The downside is that if you find a dream property and discover it's been on sale since 2005, you cannot assume you can barter the seller down.

Fourth, carefully pick your favoured location. Generally speaking, the north coast, featuring beautiful coastal resorts and winding roads snaking up and down the Tramuntana mountains, is considered the most beautiful - and expensive. Deia village is popular, as are ports such as Andratx, Calvia and Pollença.

One clear example of where infrastructure improvements work well is Puerto Soller. Once a tiny fishing village, it became a popular tourist haven in the 1980s and 1990s. A new tunnel and roads to the rear have allowed the seafront to be pedestrianised, while the marina has been smartened and dredged. Boutique hotels are springing up, restaurants are going up-market and property prices are heading north.

Xisca Coll, sales manager of Engel & Völkers in the town, says the market is now incendiary: 'We've got a property at €4m [£2.78m]- it's totally overpriced but we've got two buyers fighting over it.' If these northern locations are too expensive, try the low hills and jagged coast called the Calas de Mallorca in the south east. There are lovely villages including Cala Figuera and Port Christo, and attractive functional towns such as Artá and Manacor.

Or there is Palma itself - a thriving city but with a charming old town, a modern if under-powered port area, and plenty of nightlife. Wherever you buy in Spain's most salubrious second-home location, you will probably get a good return on your investment. Few on the island expect the latest restrictions to stop most developments but they may protect the remaining large-scale open spaces. And for lucky homeowners, of course, they may make the early mornings much quieter.

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