

Who will join the Majorca elite?

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by Richard Holledge

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A moratorium on new coastal homes could make many British buyers seek a retreat inland

By Richard Holledge

All those in favour say aye. Or ja. Or even si. It was a typically Majorcan moment – a meeting of the Santa Ponsa residents' association, chaired by retired Briton John Hughes. The motion, carried unanimously by a group of international settlers from the UK, Germany and Spain, was to end the weekly truck deliveries of water and raise the funds for a piped-in supply.

John Hughes, who has retired from the print business and has lived on the island for 17 years, is among 14,750 British residents who live in Majorca full-time, their ranks swelled by 55,000 second-home owners. Just like the residents of Santa Ponsa, they care about the community they have adopted.

They relish their gentle, golf-playing, sun-drenched way of life so there were no complaints from them last week when the president of the Balearic Islands announced a moratorium on building new properties on Majorca's coastline.

'We cannot mistreat our natural resources, damage the coastline and allow for disproportionate growth in residential properties,' said Francesc Antich, who announced that new areas will be protected, in addition to the 40 per cent of the island where building is banned.

Already aerial surveys by the coastal authorities are making sure no unauthorised work is going on.

Will this clampdown drive property



BEATING THE BAN: Andrew and Sally Ann Egginton, with children James and Annabelle, are having a villa built above Puerto Andratx

prices back on the crazy spiral of the five years up to 2006 when they rose 100 per cent? Dominique Carroll of Engels & Volkers, one of the island's biggest estate agents, says: 'Prices have steadied at a

more realistic ten per cent rise so far this year, but only this week I heard that a plot of land with a villa on it had been bought for more than £5 million. The buyer is planning to knock down the building and start again, so the total will probably be double that.'

'Some areas will always be expensive. Palma and the South West with the cosmopolitan resorts such as Portals, Puerto Andratx and Santa Ponsa are twice as expensive as properties inland because of the good roads, the golf courses and the marinas.'

'If you own a property on the sea then you can virtually name your price – from about £180,000 to £400,000 for one or two-bedroom flats to £2 million, often more, for a four-bedroom villa overlooking the sea.'

Engels & Volkers is finding that increasing numbers, encouraged by new motorways to the north and centre of the island, are looking inland where they can buy plots of land and build to their specifications or renovate an old house.

Crucially, they get better value and a quieter, more private neighbourhood than the coast with its celebrity homeowners such as Catherine Zeta-Jones and Michael Douglas, Michael Schumacher and Claudia Schiffer.

A finca in the hills behind Pollensa to the north-east with four bedrooms, three bathrooms, a pool and more than 16,000 sq m of land is on

the market for £1.4 million. Another in Alaro in the middle of the island has 21,000sq m and costs £2.8 million.

John Hughes and his Spanish wife Maite sold their town house in Santa Ponsa and are spending £1.2 million buying and renovating a 30-year-old house in the grounds of an old manor house on the mountain-side of Son Font.

'I always planned to do something like this. It has a tower with a small house attached and we are making the place bang up-to-date with a new kitchen and bathroom.'

'Planning permission is more difficult to get and specifications have become tighter. In Son Font, they are building more than 100 new houses and they have to follow traditional styles.'

'I love it here and the clamp-down on coastal development is good news because the views across the countryside to the Bay of Palma are incredible.'

Kevin Reeves, of Majorca Property Partners, has also detected the move inland and reckons that huge international demand which now includes Russian and Chinese buyers will guarantee a steady increase in prices.

'This is a sound place to invest in because people who buy here want to make their

homes here and become part of the community. The buy-to-let market is growing and rentals are high, with rents for an apartment in Palma at about £1,000 a month, rising to up to £3,200 for a villa in the west.'

One investment which guarantees five per cent return for the first year is an imaginative development of old village homes in the less fashionable South East. Called Suite DO, they are designed by a Majorcan architect and, says Andy Hawkins of Chesterton International, which is handling the sales: 'He has transformed the buildings into luxurious, contemporary homes, while keeping the original features from the 18th and 19th Centuries.'

They will be on the market next year, with prices starting from £193,500 for a 60sq m apartment to £778,879 for one of 200sq m with a wide terrace.

Bristol-based developer Andrew Egginton, 48, however, has bucked the trend by beating the new building ban. He and his wife Sally Ann, 46, daughter Annabelle, 17, and son James, 13, used to spend holidays on their yacht moored off Portals. Now he is having a villa built right on the cliffs above Puerto Andratx.

'We must have won our planning permission before the latest ruling,' he says. Although he is coy about revealing how much he spent on his plot, those next to him went for between £340,000 and £400,000.

'The foundations, which cost £30,000, have been carved out of the hillside and I am waiting for the tenders to come in from the builders. It is a dream site. I think we'll be spending a lot of time here.'

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Already built in Majorca

PINA, £450,000: Three-bedroom cottage, pool, separate guest apartment. Agent: The Property Finders, 00 34 971 233 207.

POLLENSA, £1.49 million: Four-bed country house. Two receptions, three bathrooms, pool. Agent: Engel & Volkers, 00 34 971 672 650.