

# Property in Majorca: Coast to coast buyer's guide

You'll love it so much you may never want to leave... Graham Norwood offers the complete guide to how and where to buy in the Med's most beautiful destination

There is something unashamedly romantic about Britons who buy homes on Majorca.



So serene: the house in Santa Ponsa which Jane and Barry Krite bought as a summer home

But people don't choose Majorca that way. They just buy there because they love it.

Financial services company owner Barry Krite and his wife Jane know that Majorca is the most expensive part of the Iberian peninsula, but they have still bought a two-bedroom cliffside house at Santa Ponsa on the north-west of the island - the culmination of a seven-year love affair with Majorca.

"We've come back year after year, stayed at the same hotel and felt there's a little part of the island that is ours," Jane explains. "When we thought of buying, we rented a home for a full year to discover the place at our own pace. We fell in love and had to buy."

The couple, from Radlett in Hertfordshire, stay in Majorca in the summer and visit at least once a month throughout the year. Their three grown-up children visit, too.

“Mainland Spain leaves me cold and I’ve never had the slightest interest in buying a home in Portugal,” says Jane. “But Majorca? It’s just paradise.”



The Krites are not alone. Some 11,000 Britons own a holiday home or are based on the island, drawn by 300 days of sun each year, 25 marinas, 23 golf courses and easy air access - more than 20 airlines currently fly there from the UK.

**“Britons have always liked the island, but the love affair has grown in the past 10 years,” says Claudia Dubois, a marketing manager for estate agent Engel & Völkers. “There are three times as many British buyers now as in the late 1990s despite prices rising and the island becoming much more upmarket.”**

The move upmarket has not been accidental. Magaluf, the sleazy teen haven derided by native Majorquins, is surprisingly difficult to find, even though it is close to the capital, Palma. There are few road signs to the resort because, locals say, the authorities are embarrassed by it.

Anyone whose image of Majorca is clubbing and drinking should bring themselves up to date because it is now arguably the most beautiful and chic Mediterranean destination.

The north of the island boasts mountain villages and rugged terrain, now more accessible thanks to new roads. The coast benefits from natural harbours such as Puerto Soller, perhaps the hottest local property market in the Med. Millionaires flock to established playgrounds around Andratx, Puerto Portals and Palma.

Catherine Zeta-Jones and Michael Douglas are well-known holiday-home owners in the arty village of Deia. Near neighbours include finca-owner Andrew Lloyd Webber and PR guru Lynne Franks. Further towards Soller are villas belonging to Boris Becker and Claudia Schiffer.

Property prices have become as stellar as the cast list of owners. Although the market has wobbled slightly over the past two years - some areas of the island have risen, others not, leaving average prices roughly unchanged since 2005 - values over the past decade have soared about 170 per cent.

Part of the attraction to the rich and famous is the exclusivity of the island. “Majorca has had for several years a total ban on any development - individual homes or larger schemes - within 25 metres of the coast,” says Robert Maunder of First Mallorca, a leading estate agent on the island. “Anyone owning directly at the sea now can sit back and smile. A property there, in any condition, is a gold mine.”

Building regulations, once unheard of in Majorca, now ensure that new homes are of a high standard; tall towers are banned in a bid to avoid Spanish mainland-style over-development; and many areas have a quasi green belt designation, so detached homes must be in large plots to avoid dense development.

There are small eco taxes on tourists; hotels are declined planning permission unless they are four-star or better; and there has been a particular push to attract visitors and holiday-home buyers to the growing number of marinas.

“Palma now has moorings for thousands of craft,” claims Maunder. “Puerto Portals, Port Adriano, Santa Ponsa, Puerto Andratx and perhaps a new marina at Sant Elm makes the south-west part of the island especially exclusive and pretty.”

The yacht-owning set is transforming Palma, too, according to Charlotte Wilson, who worked as an estate agent on Majorca for more than six years. She returned to live in Britain last spring, but still owns three investment properties - two in the village of Illetas on the south coast and one just off the Placa Major, the main street running through Palma.

“I rent them out for holiday lets and they’re booked quite solidly from mid-May until November,” says Charlotte, who now works for Savills estate agents in London. “Palma is developing very rapidly now, with quite a few yachties buying in the old part of the town, close to the port, and pushing up prices.

“There’s probably no other market in Europe that seems so completely international among both buyers and sellers. It’s unique and it’s difficult not to fall in love with the place when you see it and live there in the sun.”

Even so, occasional problems disturb Majorca’s serenity. Last year, some 50,000 locals - 8 per cent of the population - took to the streets of Palma under the slogan “Let’s Save Majorca” to protest at plans for 14 new golf courses, new roads, a theme park and yet more marinas. They also oppose Palma airport’s expansion to double capacity to 30 million passengers a year by 2015.

Some believe this may herald a backlash against development. A newly elected regional government in the Balearics has suggested it will limit building, but this may simply make Majorca more exclusive, pushing up prices as supply falls further behind demand.

Of more impact to unwary buyers is the eccentric way properties are marketed. Many homes are on sale with several agents, often at different prices. It is hard to judge the exact value of a specific property as some vendors set their own asking prices.

**“It’s not unusual for sellers to get our valuation, then add 20 per cent if they’re not in a rush to sell,” says Sandra Sofio of Engel & Völkers.**

“Many are retired and don’t have to move, so they wait and see if their asking price is achieved.”

The downside is that if you find a dream property that has been on sale for two years or more, you cannot always barter the seller down.

This quirk does not seem to deter British and German buyers - who traditionally like newbuild or modern homes - nor those from Scandinavia and the former eastern bloc, who tend to favour the historic fincas, which are rare and expensive.

Agents report that business in 2007 was better than in 2006 despite the US and European credit crunches and worries over Spain's property market.

Reasons behind the surge include the relatively stable exchange rate between sterling and the euro, and greater competition between Spanish mortgage companies lending to overseas buyers, according to Peter Ellis of Foreign Currency Direct, an exchange company that monitors the international property sales market.

But there is another reason for the interest in Majorca, of course. People just love it.

## Buyer's guide

### PALMA

The prettiest properties are modernised old stone houses and flats in the Cathedral quarter. Most buy-to-let flats are in blocks built since the 1960s. The city centre is 15 minutes from the airport. Expect to pay £130,000 to £400,000 for apartments and up to £1million-plus for houses. Nearby Puigpunyent and Establiments offer flats from £200,000 and country houses at £600,000 or more.

### SOUTH-WEST

It is 30 minutes from the airport and has an excellent infrastructure, but it also has Magaluf, clubs and all-day English breakfasts. Escape by aiming for resorts such as Portals and Santa Ponsa, or the delightful Andratx. "It's a genuine fishing village with trawlers, harbourside cafés and restaurants, pleasure boats and yachts," says Robert Maunder of First Mallorca. Expect to pay £300,000 upwards.

### NORTH-WEST

Once this was hard to get to, but tunnels and roads from Palma mean it's a 45-minute drive from the airport, prompting **Sebastian Boelger of Engel & Völkers** to declare: "There are no inaccessible or remote parts of Majorca now." Thus tiny Soller, a quiet fishing port a decade ago, is now a property boom town: apartments with sea views fetch £350,000-plus and houses can demand up to £2 million or more.

## INLAND

This mountainous area has opened up since 2005, thanks to motorways and improved rail services. As a result, once cheap small villages, such as Llubí, Alaró and Santa Maria, now have rising demand, rising prices and a busier feel to them. **Engel & Völkers** says 30 per cent of buyers looking inland want plots to build their own homes, while others seek the quintessential Balearic finca - and need £500,000 or more to buy it.

## EAST COAST

The best value is to be had here. It's up to an hour from Palma airport, although temperatures can be 10 per cent lower than in the west, so it can be quiet in winter. The largely unspoilt towns of Artá and Capdepera vie for attention with brasher resorts such as Cala Bona. Small flats in dense schemes start at £100,000 while restored period houses will cost you £1million-plus.

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