



# Britons are still bullish about Spain

It seems nothing can make British buyers fall out of love with the home of tapas, paella and sangria, says **Cathy Hawker**

**S**PAIN hasn't earned itself a great image recently among UK buyers: the strength of the euro, corruption scandals, overbuilding in prime coastal locations and global economic gloom has brought confidence in the country's property market to an all-time low. Year-on-year house sales fell 32.6 per cent in 2008 and Spain's housing ministry reports that sales in the last quarter of 2008 were half of those in the boom years of 2005 and 2006.

Yet despite this turmoil, Spain remains the first choice for Britons seeking a home abroad, and the country can still make a very good case for a sale. Spain is easy to reach on scheduled or budget airlines, it has reliably warm summer weather, a long coastline and second-home destinations are stuffed with excellent leisure facilities from lush golf courses to exquisite villages, where the laid back lifestyle leaves plenty of time for sampling the local paella, tapas and sangria. And property prices have never been more affordable. With homes priced at early 2005 levels, is this the time to buy?

For cash-rich buyers, buying top-quality property in a downturn makes perfect economic sense and canny UK buyers can make up in negotiating power what they lose because of the exchange rate. Location

remains key so head for gold-plated destinations: the hillsides around Denia, the Mediterranean beaches of Majorca or the buzzy cities of Barcelona or Seville are all great places to live.

## Looking for 'the real Spain'

After many years of family holidays on the Costa Blanca, Alice Lomax, 34, from Parsons Green, bought a house in Forña in 2003. She paid about £170,000 with a Spanish mortgage and now uses her property for six weeks every year, enjoying climbing in the hills, swimming off unspoilt beaches and eating and drinking in what she calls "the real Spain".

"This was always a long-term plan," says Lomax, a doctor. "It was stressful when interest rates were high, and I have started to let it out when I am not there to help cover the costs, but I paid well below the market value for it and intend to have it for many years. I love the area and the way of life."

Georgina Richards of Knight Frank has seen enquiry levels for Majorca double in recent weeks. "These potential buyers are planning a trip there over Easter with the view that the next few months will be the time to buy," she says. "The main interest is

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in individual villas close to water but many of our clients have reviewed their budgets downwards, leading to increased interest in renovated town houses and flats close to good shops and restaurants.”

### Head west to Costa de la Luz

In the quiet western Costa de la Luz, Titan Properties has a new three-bedroom town house in El Rompido with a communal pool, gardens and a tennis court reduced by 20 per cent to £225,970, or a one-bedroom apartment 15 minutes from the beach close to the Portuguese border reduced by 34 per cent to £92,970. “Investors have all but disappeared from the market in favour of lifestyle buyers keen to find a sunsoaked holiday home at a good price,” says Andrew Benitz of Titan Properties. “Everyone wants a good deal and they are there.”

It was in the eastern Costa de la Luz, close to Jerez, where Lisa and Peter Niemy from

### ‘We like to relax and experience a different culture’

Surrey bought a town house in 2006. They spend several weeks there every year with their twin daughters Florence and Holly, aged seven, and have no regrets about their purchase despite the current gloom in the Spanish market.

“We go there to relax as a family and experience a different culture,” says Lisa, 46, a horse breeder. “This is authentic, undeveloped Spain. They also have a fine tradition of breeding horses and have fiestas there, which appeals to me.”

In the seaside town of Sitges south of Barcelona prices are some of the highest in Spain but reductions can be found. Relocate and Go has a three-bedroom ground-floor

apartment close to the town centre and beach reduced from £403,800 to £328,680, or a four-bedroom apartment a short drive away in Vallpineda with communal gardens, pool and gym reduced from £375,000 to £333,800.

Financing a holiday home remains a concern for many buyers but 70 per cent mortgages are available, says Fiona Watts of International Private Finance. “A Spanish mortgage lender will also carry out additional checks to confirm that the property is prop-

erly licensed, valued and has all the required planning permissions.”

### Where to find more information

- **Knight Frank:** Call 020 7629 8171, or visit [www.knightfrank.com](http://www.knightfrank.com).
- **Titan Properties:** Call 0800 358 7969, or visit [www.titan-properties.com](http://www.titan-properties.com).
- **International Private Finance:** Call 020 7484 4600, or visit [www.internationalprivatefinance.com](http://www.internationalprivatefinance.com).
- **Relocate and Go:** Call 00 34 619 368 433, or visit [www.relocateandgo.com](http://www.relocateandgo.com).

### Visit A Place in the Sun Live

KEEN to research the Spanish market? Make a date to visit A Place in the Sun Live, at Earl’s Court, from 3 to 5 April. This is Britain’s biggest and best-attended overseas property show with more than 200 exhibitors from 42 countries showcasing homes from £20,000 to £1 million-plus. Free seminars will give top tips on buying rules and tax laws, how to arrange a mortgage and immigration procedures.

Tickets cost from £10 for two in advance or £10 each on the door. However, we have 150 pairs of tickets to give away. For your chance to win, please email [jennas@apitsltd.com](mailto:jennas@apitsltd.com) with the word Ticket in the subject line. The tickets will be allocated on a first-come, first-served basis.

Call 0871 845 9400, or visit [www.aplaceinthesunlive.com/exhibition](http://www.aplaceinthesunlive.com/exhibition) for more information.

**Maximise your rental returns:** Ross Elder, founder of [www.holidaylettings.co.uk](http://www.holidaylettings.co.uk) and a speaker at A Place in the Sun Live offers these tips for buyers looking to maximise rental returns in Spain:

- Be realistic about the length of the season. Are there flights all year round?
- Be aware of your competition. If your property isn’t renting but others nearby are, rethink your pricing.
- Be smart about marketing. This is a crowded market so advertise on more than one rental listing, and try using a Spanish website. Good pictures will count.
- The most popular areas for rentals in Spain on holiday lettings sites are Marbella, Nerja and Puerto Banus on the Costa del Sol and Javea and Moraira on the Costa Blanca.

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**£684,000:** large, three-bedroom villas at Puerto del Garo, El Portet. Call Moraira Dreams on 020 8920 5260



**£145,400:** two-bedroom bungalows at Valle del Paraiso, from CAM Bank Properties. Call 0844 736 5644

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### Our Costa Blanca: 'We love walking the beach and green hills'



**£320,000:** the Price's new home should be ready to move into this summer. It is two miles from the sea at Denia

CHRIS and Sue Price from Gloucestershire had considered France and Cyprus before choosing to buy in Spain last year. It was the comparatively mild year-round weather and the easy accessibility that won them around. Their three-bedroom off-plan villa with garden and pool is on the Costa Blanca, where there is plenty to explore.

"We love just walking on the beach or in the green hills," says Chris, 60, a company director with three adult children. "Denia is an authentic Spanish town where at night whole families come out to eat and stroll around. Alicante airport is two hours away, so we can get door-to-door from the UK in only six hours."

In March 2008 they spent £320,000 from their life savings buying the house, two miles from the sea overlooking orange groves. It should be ready to move into this



Chris and Sue Price plan to spend several weeks a year in their new Spanish home near Alicante

summer. With their youngest son about to go to university, they plan to spend several weeks a year there.

To ease their worries over currency rates, they agreed forward currency contracts with Foreign Currency Direct (0800 328 5884; [www.foreigncurrencydirect.com](http://www.foreigncurrencydirect.com)) to pay the five-stage payments to their builder. "We had no idea last March that the credit crunch was coming or that the exchange rate would drop through the floor," says Chris. "FCD offered a transparent way of purchasing fixed rates of exchange for specific amounts of money."

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Arcos de la Frontera, in Andalusia, southern Spain, is typical of the enchanting and relaxed mountain villages, away from the coastal tourist traps, that British property buyers love to “discover”

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**£179,050:** luxury golf duplexes at Mojacar, Almeria, in Andalucia. Call CAM Bank Properties (as before)



**£225,700:** at El Rompido, Costa del la Luz, a new three-bedroom town house. Titan Properties (0800 358 7969)



**£61,000:** two bedroom villa at Costa Calida. Visit [www.spanishproperty.co.uk](http://www.spanishproperty.co.uk)

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The quiet villages of southern Spain, such as Arcos de la Frontera, are top of British buyers' wish lists