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From buying up distressed homes that need a quick sale to driving hard bargains, Britons are winning big discounts in Spain

We made money like bandits on the Costa del Sol

By **Zoe Dare Hall**

The Costa del Sol has always been a haven for those looking for an opportunity. Now William and Jillian Harrison, a retired couple from Stone in Staffordshire, are among its newest recruits.

'We've made money like bandits,' laughs William, 60, a former technical sales rep for Calor Gas, who has bought a new two-bedroom apartment at El Bosque de la Mairena in Elviria, a sought-after part of Marbella, for £138,000 – 37 per cent below the developer Taylor Woodrow's list price.

'Our neighbours paid nearly £85,000 more 18 months ago. They think ours is a steal,' says William, who bought through escapetospain.co.uk. He and Jillian, 55, a retired product sampler for Sainsbury's, visited Marbella in June and felt it offered all they wanted in a holiday home – great climate, restaurants, shops and good year-round access by low-cost flights. They hadn't expected value for money.

'We couldn't have afforded the full price two years ago, but this developer's discount to get rid of unsold properties has meant we now have a good-quality holiday home with two

wall-to-wall marble bathrooms in a beautiful location,' says William.

There are plenty of other opportunities to capitalise on what has become Spain's Costa del Sol, where the economic crash and over-construction have left thousands of new and resale properties unsold and discounted by up to 60 per cent.

Patrick Conlon, an estate agent on the Costa del Sol for 20 years, runs the IP Partnership, which sources 'distressed' properties (heavily discounted by cash-strapped vendors needing to sell urgently).

Buyers – mainly British and Irish – benefit directly as it is the developers (or, in the case of resale properties, the sellers) who pay the agent's commission. There are 35 two-bedroom apartments 300 yards from the beach in Sabinillas on offer now from £99,000 – a 45 per cent discount on last June's valuation.

'The next six months is when the market will touch the bottom. Prices are back to where they were three or four years ago,' says Conlon, whose properties for sale also include bank repossessions such as a two-bedroom apartment on Los Almendros in Nueva Alcantara, once priced at

£460,000 and now available at an 87 per cent discount for £63,500.

'Developers are happy to sell remaining unsold units at a price that covers their debt. So are banks, as they would rather refinance the property with a cash-rich, good-earning, non-resident buyer than suffer heavy losses trying to recover the debt. And buyers get a bargain,' says Conlon. 'Everyone wins.'

Not all buyers want bank repossessions. Ian Crump, 53, a retired marine, and his wife Lynn, 51, got a knock-down price by driving a hard bargain.

The couple from Tamworth in Staffordshire went sales shopping on the Costa de la Luz last month and returned with a three-bedroom townhouse belonging to a British couple in the fishing village of El Rompido, a few steps from the beach, bought through Titan Properties.

They reduced the price by £50,000 to £216,000 and got the furniture and a boat thrown in.

Ian says: 'We love the area, which is very cultural, quiet and 25 years behind the better-known Costas – and you can be in Portugal in half an hour. But we also wanted a deal.'

'I took my friend, Jan Sor-

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ensen, the Danish ex-footballer, who is also looking to buy a place, and we were tough negotiators. I was paying cash and wanted to do the deal there and then. As for the boat, well, it was hardly worth towing it back to England was it?’

Brennon Nicholas, from Cluttons in Marbella, says that all his customers are asking for a bargain – from one-off buyers who couldn’t afford a holiday home a few years ago to fund managers looking to swoop in and clean up. On La Quinta Golf, only two-bedroom properties cost under £250,000. ‘Now I have six three-bedroom villas on my books for that,’ he says.

Now may be the time for buyers to make money ‘like bandits’ – though caution is required as some people they deal with really are criminals.

Monzer Al Kassar, a convicted arms dealer known as the ‘Prince of Marbella’, extradited this year to America on terrorism charges, owns dozens of properties in Marbella, including a £14.5million villa in Nueva Andalucia. His homes are among those on lists of distressed properties.

‘I keep these distressed lists on file but I’m cynical,’ says Nicholas. ‘The lists are put together by agents who have heard of greatly discounted properties, but many are frozen assets that can’t be sold,’ he says. ‘My other concern is that some less honourable agents will wait for buyers to put down deposits then disappear.’

Chartered accountant Adrian Kelly from Recapitalise.com has repo lists that show desperate vendors selling homes for the value of the mortgage.

One house in the popular town of Coin, 30 minutes inland from Marbella, is on sale for £112,000, 70 per cent below its valuation price. But he strikes a note of caution. ‘Independent verification, checks, double checks are absolutely necessary when buying repossessions,’ says Kelly, ‘as it can take a long time to obtain the legal title if the bank sells you a property without that in the first place.’

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QUIET LIFE: Ian and Lynn Crump saved a fortune in Costa de la Luz

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Harrison and
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