

# PARADISE AT THE RIGHT PRICE

Mauritius is an exotic mix of French, British, Indian and Creole. No wonder the food is so good and the people so colourful, says **Cathy Hawker**

**T**HE Indian Ocean island of Mauritius, a 12-hour flight from London, is one of the newer property markets on the block. Buying a home there as a foreigner was impossible until 2002, and opportunities for buyers remain limited. But the island's business-minded government, a favourable tax regime and impressive new developments in the pipeline mean many house-hunters may be lured to Mauritius from established upmarket destinations such as the Caribbean.

## EASY TO DO BUSINESS

Mauritius, which has 20 five-star hotels set along more than 200 miles of golden coastline, is an exotic kaleidoscope of French, British, Indian and Creole influence. You see it in the food, where curry and haute cuisine happily co-exist, and in the warm, culturally mixed people. Crime is low, and unlike parts of the Caribbean, it's easy to make transactions: Mauritius came 17th in a recent World Bank poll of 183 countries for ease of doing business.

Since being granted independence from Britain in 1968, successive governments have replaced dwindling sugar production with off-shore banking, textiles, IT and tourism as income-earners for the island. "We're very much export-focused with liberal trade laws, well capitalised banks and regulated property laws," says Ragu Jadoo, head of the Board of Investment. "Property development is a natural fit in an economy that's diversifying."

## NEW DEVELOPMENTS

**From £186,500:** Emerald Heights, a new scheme of 320 properties for foreigners

The Integrated Resort Scheme (IRS) introduced in 2002 allows foreigners spending a minimum of £300,700 to buy homes on pre-approved resorts. In return they receive Mauritian



**£637,500:** homes at Villas Valriche (above) on the south coast of Mauritius (left), 45 minutes from the airport, part of a 525-acre scheme that comes with a championship golf course. Cluttons Resorts (020 7584 3050)

villas are well spaced with generous terraces, pools and built-in barbecues. Prices start from £637,500, rising to £800,450 for larger houses. To date, 100 of the 288 planned homes have been sold to a mix of South African, British and French buyers.

The rentals at Villas Valriche are managed by Veranda Resorts, with a four-bedroom villa costing £770 a night, but in a destination best known for its top-end hotels can owners expect a reasonable rental return?

"Mauritian hotels have high annual occupancy of 77 per cent but they are expensive," says Anton de Waal, CEO of Villas Valriche. "Renting a villa provides better value and more privacy. With Johannesburg four hours away, the main rental market will be South Africans who are used to renting. Europeans love this island and there's plenty to do including golf, tennis and watersports."

## MORE FOR FOREIGNERS

Two years ago the government introduced a further scheme, the Real Estate Scheme (RES). This extended the rights of foreign buyers, allowing them to own apartments and villas priced below £300,700, but again only on pre-approved projects. RES projects are intended to be smaller than the IRS ones, and not resort-based. Owners do not automatically qualify for residency.

Emerald Heights is a 45-acre RES site 15 minutes above the south coast, where British developer Stephen Aldridge plans to build 320 one- to five-bedroom apartments and villas. Prices range from £186,500 to £1,117,300, with the first units due for completion by the end of next year. As there are few local facilities, a supermarket, high-speed internet and business centre are planned for the site.

## CONTACTS AND FACTFILE

**Sea view:** Villas Valriche is on the sheltered and undeveloped south coast of the island

- Villas Valriche: Cluttons Resorts (020 7584 3050). Service charge averages about £300 a month.
- Emerald Heights: Erna Low Property (020 7590 1624).
- Mauritius has no inheritance tax or Capital Gains Tax. Income tax is 15 per cent.
- There are 12 flights a week from London to the capital, Port Louis, which can be taken on British Airways, Virgin or Air Mauritius.
- Registration Duty is £42,000 for IRS buyers and £12,000 for RES buyers. Notary fees are 0.5 per cent.

**NATASHA** and Scott Barnett (right) from south London holidayed on Mauritius five times before buying a house there. "We just fell in love with the island," says Natasha, 40, a nursery school owner. "The people are friendly, the food is out of this world and because of the reef around the island, swimming is safe for our sons."

The Barnetts bought a three-bedroom veranda-style villa at Villa Valriche last year (then priced at about £750,000) and chose their south-west-facing plot carefully. "We wanted to know that nothing could be built in front of us so we could enjoy an evening meal and a gin and tonic on our terrace at sunset overlooking the golf course and the sea," says Natasha. Scott, 39, is an ex-professional golfer so the course was an important part of the package.

When their house is completed, by March next year, they and their two young sons plan to visit at least once a year initially and use the rental pool at other times. The buying process was

## 'IT'S FRIENDLY, THE FOOD IS OUT OF THIS WORLD'



straightforward, though as they were applying for residency there were extra health and police checks.

"We did consider buying in the Caribbean but we all suffered from jet lag when flying there," says Natasha. "The prices were also much higher for similar property."

residency and can benefit from the island's low-tax regime. The first IRS project launched in 2006. Tamarina on the west coast has 119 villas based around a golf course. This sold well, with some early buyers doubling their money on sales.

Another, Villas Valriche, on the sheltered and undeveloped south coast 45 minutes from the airport, has just handed over its first villa. The 525-acre site, which was once part of the Bel Ombre Sugar Estate, faces the sea at the foot of the lush Valriche Nature Reserve and includes an established championship golf course. The beach club is 10 minutes away by golf buggy and owners receive a discount on

facilities at the two nearby hotels on the former plantation.

The freehold two- to four-bedroom

