

The cash-strapped Spanish are selling homes in prime locations. Go native and grab a bargain, says **Zoe Dare Hall**

On the beachfront in San Pedro, Marbella's neighbour on the Costa del Sol, an attractive two-bedroom flat has just been sold to a British buyer for £155,000. There's nothing unusual about the purchaser — only foreigners are buying on the coast at present — or the hugely discounted price, 6% lower than the property's value in 2007. What's interesting is who is selling it.

The vendor is a Spanish estate agent, who bought it off plan as an investment in 2002. Like many local holiday-home owners, he had clung on in the hope of getting a peak price. Now, with Spain's economic crisis worsening — last month its credit rating was downgraded to BBB+ and one in four people in the country is out of work, the highest jobless rate in two decades — he realised he had to sell for whatever he could get.

On the Costa del Sol's best beaches, there have always been incredible villas — with gardens that lead onto the sand — for sale. Yet a year later, they are usually still on the market — not because nobody wants them, but because their Spanish owners consistently refuse to accept a lower price.

That is all changing, says Barbara Wood, director of the buying agency The Property Finders Andalucía, who for the first time in several years is dealing mainly with Spanish vendors. "The overseas owners who had to get out are long gone," she says. "Spanish owners have been living in denial, but now they are looking at up to 10 years of really bad economic news, and many are realising that they have to get rid of some of their properties."

For Britons, this means the chance to own in some of the best spots on the Spanish coast. "We're not talking about 'stack it high, sell it cheap' rubbish in Murcia," Wood says. "We're talking about properties in prime locations."

"Want to know where? Here's Home's guide to the best cut-price coasts.

Costa de la Luz
You're spoilt for choice when it comes to fabulous beaches on the Costa de la Luz — though many are little known here, including the vast expanses of Zahara de los Atunes and Cadiz, which has a Barcelona-like old town and golden sands still overwhelmingly frequented by Spanish second-homers.

Many properties on this coast have been built illegally, so check title deeds carefully — but wholly legal and in Conil, a white town set on golden sands, is a four-bedroom villa with beach views, being sold by its Madrid-based owner for €450,000 (€0 34 966 4957), cadizcasa.com.

"The Spanish are becoming aware that they have to look to foreign buyers," says Lesley McEwan, who runs Cadiz Casa estate agency and is selling the property. "This vendor's son, who works in the UK, advised his father to seek out a British agent."

Also in Conil is a three-bedroom villa with beach views



On an elegant square in the heart of Marbella, a Spanish owner is selling a one-bedroom duplex flat with a balcony for £190,000. wardahl.com



A two-bedroom penthouse at La Caleta, by San Pedro beach, is on sale for £322,000, 80% off. 00 34 952 853363, alcantaraoestates.com

from the pool area. Its owner, who lives in Cadiz, bought it as a holiday home for €226,000 in 2009 and is now asking for €203,000 through Girsol Homes (girsolhomes.co.uk).

In nearby Roche, the Madrid-based owner of a three-bedroom villa with beach views was offered €1.2m four years ago — and turned it down. Now, with gritted teeth, she is marketing the villa for €750,000, also through Cadiz Casa.

Among the Costa de la Luz's famous pueblos blancos (white towns) is Arcos de la Frontera, where overseas buyers have tended to focus on luxury villas in a nearby golf resort, Arcos Gardens. But those in the know head

to the lakefront, where there are only three houses with direct access to the water and views across it to the old town. One of the three is for sale, as the Spanish owners are retiring; a three-bedroom, 225 sq metre villa, it's priced at €287,000, reduced from €487,000 (00969 492036, andaluciaelveraproperties.com).

Costa del Sol
For decades, Marbella and Sotogrande have been holiday-home hubs for the Madrid jet set. Now, though, even the wealthiest are discreetly targeting British buyers and accepting that prices have fallen by at least 40%.

"There's a five-bedroom villa in Sotogrande that has been reduced from

€6m to €2.3m, but will most likely go for about €3.7m," says James Stewart, dad of the Sotogrande office of Savills 20 7016 5740, savills.co.uk/abroad.

If you have a smaller budget, try San Pedro, which has sandy beaches, an ethnically Spanish old town and a swimmable beach that runs to Marbella. Food is marketing a 170 sq metre penthouse with a vast terrace for €216,000, soon from €300,000 at the market's peak. 800 622 4745, thepropertyfinders.com.

"It's a big new flat, but its Spanish owners are gone for the baronial country look, with beams and big fireplaces, which you add rip out," she says.

The whitewashed houses on the cobbled backstreets of Marbella's old

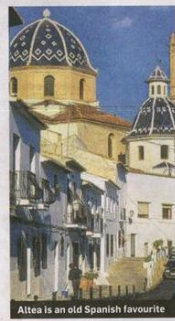


In Barcelona, vendors are accepting offers reduced by 25%



This five-bedroom house in Sotogrande has been reduced from €2.6m to €2.3m, but may sell for about £1.7m, according to the selling agent. savills.co.uk/abroad

"THE OVERSEAS OWNERS WHO HAD TO GET OUT ARE LONG GONE. SPANISH OWNERS HAVE BEEN LIVING IN DENIAL. NOW THEY ARE REALISING THEY HAVE TO SELL UP"



Altea is an old Spanish favourite

cheap. Now you can look at the prime areas again, as Spanish owners are discounting striking contemporary villas, including a seven-bedroom, 540 sq metre villa in a prime area of Altea, with a three-bedroom guest house and sea views, down from €2.08m to €1.4m (00 34 965 791035, rimontgo.com). In Denia, the same agent has a four-bedroom modern glass, stone and wood villa with sea views, in the sought-after Las Retas area, reduced from €2.6m to €1.6m.

"Denia and Altea are popular with Spanish second-home buyers from Madrid and Valencia," says Maria del Mar Bas, sales manager in Rimontgo's Javes Puerto office. "It's the most beautiful area of coastline, and you can catch a ferry to the Balearics. Javes, in between the two, has high-quality properties, but offers good value for money, and Spanish owners are just starting to sell."

South of Alicante, the Spanish flock to Cabo Roig in summer. "They typically bought beachfront homes there 20 years ago, before the other Europeans arrived," says Nigel Salmon, director of Girsol Homes. "The beaches are rammed in

July and August, when they come for family holidays." He is marketing a five-bedroom villa in Cabo Roig for €733,000. Owned by a notary from Barcelona, it is 50 metres from the beach (01934 299055, girsolhomes.co.uk).

Costa Brava
The package resorts of Lloret del Mar and Tossa del Mar aren't what the rugged, beautiful Costa Brava is about for the Spanish. They head to sunnier areas near Begur, Aguiabava, Tamariu and Llafranc, or inland to Baix Empordà, between Girona and the coast.

"Until now, prices haven't fallen significantly due to the shortage of high-end product compared with demand, which has meant a stalemate, with buyers expecting a bargain and sellers sticking to their guns," says Tom Muldren, director of Lucas Fox's local office. "But in recent months we have started to see more flexibility with Spanish sellers."

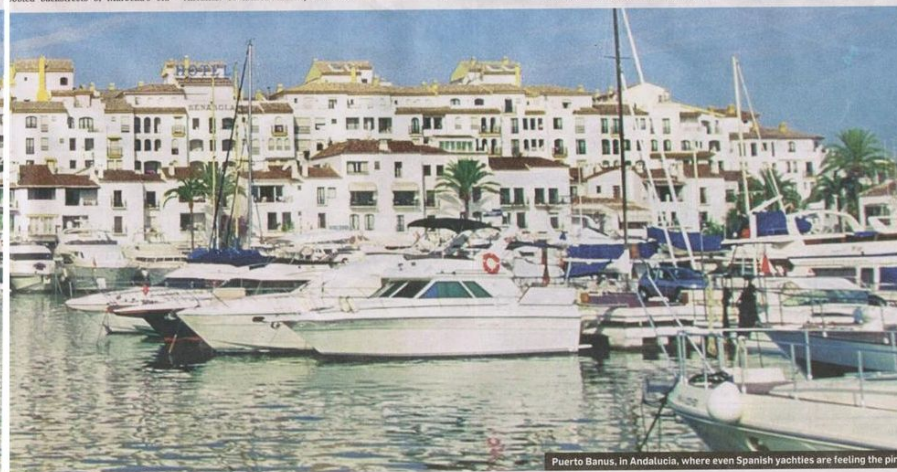
It has a nine-bedroom waterfront house in Aguiabava, with direct sea access to the private port of Fornells, one of the most exclusive parts of the coast, reduced from €5.8m to €3.2m. Restored masias (farmhouses) in prime areas near Girona usually cost €1m-plus, but Lucas Fox has a restored 19th-century, five-bedroom example in Pla de l'Estany, an area of outstanding beauty, reduced by its Catalan owners from €1.08m to €255,000 (00 34 925 92988, lucasfox.com).

In Barcelona, "buyers are bemused by lofty prices that have barely budged since 2008, but vendors are accepting up to 25% less", says James Ma, an estate agent at Casamona.com. In Vila Olimpica, five minutes' walk from the beach, the company has a contemporary four-bedroom flat for €750,000. "We believe that price can be negotiated down," Ma says. "That goes for almost every flat we have for sale."

SUNDAY TIMES DIGITAL
View a slideshow of Spanish-owned property bargains: thesundaytimes.co.uk/overseasproperty



Costa del sold



Puerto Banus, in Andalusia, where even Spanish yachters are feeling the pinch