

4 HOUSE & HOME

Property

# Protected paradise?

Winter Sun: Seychelles. By Belinda Archer

The Seychelles is one of those tropical paradise destinations that attracts wealthy holidaymakers and ultra-honeymooners. Located in the Indian Ocean, 1,000 miles off Africa's east coast, this otherworldly archipelago of 115 islands – some made of low-lying coral and reef atolls, others of ancient granite – offers textbook white powder sand, aqua waters and a balmy climate with temperatures rarely lower than 24°C nor higher than 32°C. It is more remote and rugged than Mauritius or the Maldives, yet it has regular flight connections direct to the capital of Mahé from Dubai (four hours away) and the UK (10 hours). It also sits in a time zone between Asia and Europe with working hours that overlap with those of major financial centres.

Not surprisingly, property on the islands has long been coveted by foreign househunters. But the market has only opened up in the past four years, following a legislative change that allows non-locals to buy into new, high-end developments. This is designed to promote the right kind of new construction and ensure that locals – who tend to live in two- to three-bedroom traditional wooden or contemporary concrete houses on the main islands of Mahé, Praslin and La Digue – are not priced out of the market.

As a result, a host of new residential resorts is springing up. The first to launch, in early 2006, was Eden Island, a high-density development on a man-made island beside Mahé, followed by the Banyan Tree Residences on Mahé. Last April Dubai-based Kingdom Hotel Investments (KHI) announced it was opening up a group of 23 Raffles-branded residences and estates on Praslin alongside a soon-to-be-constructed Raffles Resort and, in May, Four Seasons Private Residences launched an upscale collection of 28 individual villas on the south-west side of Mahé at Petit Anse. The Per Aquum group has also revealed plans for a project called Zil Pasyon on its own private island, Félicité, with 28 ultra-sleek hilltop residences.

"The Seychelles is regarded as the most beautiful group of islands in the world, it is not too accessible and it is a new marketplace for real estate, so there is a long way to go for appreciation, as well as huge rental potential," says David Sparrow, director of sales for the Zil Pasyon development. "There will never be that much supply but demand will continue to grow."

There is one catch, however. The new homes on the island are only affordable for the seriously wealthy. "We are aimed at people with such significant wealth and such diverse portfolios that they are not so affected by the global credit crunch," says James Davies at Hamptons International, the agency handling sales for the Four Seasons. "A lot of them are worth as much as \$30m and many are significantly wealthier than that."

Indeed, even as recession grips most world economies, Seychelles developers and agents think their market could remain strong. And perhaps it's true. Within 10 days of the Four Seasons project announcement, 15 villas sold for an estimated combined total of \$150m. Buyers are international and have backgrounds from hedge funds to publishing. The starting price for the remaining villas is \$7m (prices are routinely quoted in dollars) and each sits

on a plot of up to two hectares, with infinity pools, gardens, steam showers and Bose entertainment systems.

Zil Pasyon, which is Creole for "island of passion", targets a similar buyer. Entry prices start at \$3.8m for a 612 sq metre, three-bedroom property and the villas have plunge pools, 90in plasma televisions, "castle" entries with drawbridges and moats, plus exclusive access by private helicopter. "Our market is the ultra-high-net-worth individual – people looking for utmost privacy and services with a combination of raw nature and architectural design," says Tania Horouplan, marketing manager.

The Raffles development is slightly less stratospherically priced at \$2.8m-\$5.8m for three- to five-bedroom villas of 325 sq metres to 550 sq metres, with private infinity pools and big ocean-view verandas. The Banyan Tree Residences are in the same category, with one- and two-bedroom hill and beach villas costing from \$1.5m to \$2.9m, though a second phase of larger, more expensive properties is set to go on sale soon. So far, 50

per cent of the first group has sold to Asian, Middle Eastern and north European buyers, "most of which tend to be between 45 and 55, affluent businessmen and -women and semi-retired couples," says Robert Green at Cluttons, which is marketing the project. "The majority have families and own more than one holiday home already."

Properties at Eden Island are meanwhile the most affordable in the islands. A marina development of 450 apartments, maisons and villas, designed to exploit the Seychelles' world-class snorkelling and yachting offerings, it offers owners their own moorings as well as electric vehicles to get around, with prices starting at about \$400,000 for a one-bedroom unit. Half of buyers have been South African, followed by the French and British, Russians and Italians.

Brad Berry at KHI spells out the appeal of the Seychelles. "It is an exclusive sanctuary that is totally untrampled. It is not busy, there are perfect beaches and it [has been] a quite unbranded place [with] no big international real estate or retail brands."

There are financial reasons to buy too. Acquisition of a property enables the owner to establish an off-shore entity and residency is immediate. There are no capital gains or inheritance taxes and the islands' economy is also stable, allowing for a safe, laid-back living environment.

And, in spite of all the construction, the Seychelles government seems keen to protect its biggest asset. Its 2001 Vision 21 mission statement set stringent guidelines on construction and environmental protection and there are conservation laws designed to keep each island's eco-system in its unspoiled state, with 50 per cent of land set aside as protected reserve, including two Unesco (United Nations Educational, Scientific and Cultural Organisation) World Heritage sites – Praslin's prehistoric Vallée de Mai, a sort of Jurassic park for plants, and Aldabra, one of the largest raised coral atolls on earth.

Residents, such as Alex Hurren, 32, who bought a three-bedroom flat in Eden Island for \$330,000 in May 2007, feel understandably blessed to own a little piece of this particular paradise. "The Seychelles is an amazing destination with an ideal climate," he says. "It is perfect for all sorts of activities, from island-hopping to golf and fishing."

Nigel Guenier, 70, a retired yachtie with a penthouse in the same development, agrees. "It is gorgeous, it has very little crime, the beaches are second to none, it is like the West Indies without the hurricanes [and it] is the best place in the world for sailing."

If you have more than half a million dollars to spend on a second home, you could own there too.



Coveted Praslin island, top, and a Raffles villa, above



SEYCHELLES 20 km

Details

**Developments**  
Eden Island, tel: +248 346-000, www.edenisland.sc  
Zil Pasyon, tel: +248 289-900, www.zilpasyon.com  
Four Seasons, tel: +248 393-000, www.fourseasons.com/seychelles  
Raffles, tel: +971 4361-1807, www.seychellesraffles.com  
Banyan Tree Residences, tel: +248 383-500, www.banyantreeresidences.com