

**Press Release**  
**2 October 2008**



## **Spain still number one for Brits buying abroad**

**...but gap is narrowing and emerging markets are stealing a march**

Despite all the recent negative reports, Spain still tops the list of most popular destinations for Brits buying property abroad, according to an overseas property 'hot spots' report compiled by Conti Financial Services, the UK's leading overseas mortgage specialist. With France coming a close second, the results prove the enduring attraction of the more established destinations, but the gap is narrowing and new markets like Dubai and Cape Verde are stealing a march on their hot spot rivals.

The report, based on analysis of enquiries received by Conti so far this year, reveals that although Spain and France together account for one in three (29 per cent) of these, interest in both countries has declined slightly since last year. Dubai, on the other hand, is creeping up the table, moving from ninth to seventh place, with a one per cent increase in enquiries. Cape Verde, another emerging market, is also edging quickly into the picture. Although it has not yet made it into the top ten, it's quickly establishing itself as a contender, accounting for an impressive three per cent of enquiries in the last two months of this year alone.

### **Top Ten Hot Spot Destinations**

<b>Country</b>	<b>% of enquiries 2008</b>	<b>Ranking 2008</b>	<b>% of enquiries 2007</b>	<b>Ranking 2007</b>	<b>% change</b>
Spain	15%	1	17%	1	-2%
France	14%	2	15%	2	-1%
Turkey	11%	3	12%	3	-1%
USA	9%	4	7%	5	+2%
Bulgaria	6%	5=	9%	4	-3%
Cyprus	6%	5=	6%	6=	0%
Dubai	5%	7	4%	9	+1%
Portugal	4%	8=	6%	6=	-2%
Italy	4%	8=	5%	8	-1%
Germany	3%	10	0%	0	+3%

Source: enquiries received by Conti so far in 2008 compared with same period in 2007



Whilst the other more established European destinations such as Cyprus, Portugal and Italy are seeing constant or slightly diminishing levels of interest, Germany is bucking the trend, with a three per cent increase in enquiries over the last year. It offers investors an ideal opportunity to benefit from low prices, a stable economy and intensive building projects in Berlin and other cities, following the reunification of east and west. Germany also has a low proportion of owner-occupiers, so its property market offers attractive long-term rental streams from stable tenants with full-time employment.

The USA is the only other country in Conti's top ten to see an increase in enquiries over the last year, rising from seven per cent to nine per cent. In the face of the credit crunch and a slumping economy, mortgage availability from US banks for foreign nationals has become tighter. Despite this, due to the weak dollar and plummeting property prices, following the sub-prime mortgage crisis, properties across the pond are now more affordable for UK buyers and there are plenty of bargains to be had. It's no wonder that enquiries are up on last year.

**Simon Conn, Sales and Marketing Director at Conti Financial Services, says:**

“Spain and France are still leading the pack, albeit with a narrowing margin, and it's not difficult to see why. Affordable prices, low interest rates, easy access and great weather have all contributed to the attraction of these destinations, but their lead is being weakened as investors turn their attention to emerging markets. The strong euro has also taken its toll.

“Low interest rates and the introduction of new property ownership laws are enabling the property market in Dubai to thrive and this is reflected in the levels of interest it's experiencing. Cape Verde, billed as the closest Caribbean islands to mainland Europe, and now with direct flights available from the UK, is another rising star.”

**Spain – the perfect lifestyle opportunity**

Despite recent reports about oversupply, corruption and plunging prices, Spain is still the number one choice, accounting for 15 per cent of total enquiries received. Conti says that although Spain will continue to experience problems in areas with exposure to corrupt licensing laws or land grab issues, the market is well established, it should still provide long-



term growth, and it continues to offer the perfect lifestyle opportunity. Along with France, as it's so popular with tourists, it also offers a strong rental market.

### **France – one of the best markets for property prospects**

France, accounting for 14 per cent of enquiries and creeping ever closer to the number one spot, is enjoying a stable market and has not suffered from the well-documented credit crunch. It's an increasingly attractive investment option, not least because of lower interest rates and property prices, but also due to a number of tax incentives introduced by Sarkozy to promote home ownership. So, although Brad and Angelina have recently splashed out on their huge French Riviera chateau, France is certainly not just for those with a celebrity bank balance.

### **Turkey – free from euro prices with excellent property value**

Turkey, with 11 per cent of total enquiries, offers some great property prices and all the benefits of its Mediterranean location, minus the effects of the strong euro, which have led to decreased levels of demand in countries such as Spain, France, Portugal and Cyprus. Recent reports suggest that Turkey is currently seeing a major increase in the number of British retirees setting up home there because of the country's excellent property value.

### **Overseas Mortgages**

Conti Financial Services Ltd is the UK's leading overseas mortgage specialist, providing finance for purchasing holiday homes, investment and retirement properties in more than 45 countries, and re-financing for any purpose in 15 of those countries.

All mortgage applications are processed and underwritten by Conti's teams of specialists, who know the exact mortgage application requirements for each overseas lender. It can also ensure that clients are put in touch with specialists in the country in question, to enable them to comply fully with planning and legal conditions and assist with currency exchange.

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## Notes to Editors

Results based on number of enquiries received between Jan-Aug 2008 vs Jan-Aug 2007

Conti Financial Services Limited (CFS Ltd) is the UK's leading provider of overseas mortgages with over 225 different mortgage products and is currently linked to 1,000s of independent financial advisers, mortgage specialists, agents & developers worldwide.

For purchases of property overseas, CFS Ltd provide a complete hand-holding service, advising on the most favourable lending rates in the country of interest, and negotiating competitive loan-to-value (LTV) schemes over timescales to suit the client.

CFS Ltd can negotiate loans in more than 45 countries including Andorra, Anguilla, Antigua, Australia, Azores, Bahamas, Balearics, Barbados, Belize, British Virgin Islands, Bulgaria, Canada, Canary Islands, Cape Verde, Cayman Islands, Czech Republic, Cyprus, Dominican Republic, France, Grenada, Germany, Gozo, Hong Kong, Ireland, Israel, Italy, Jamaica, Madeira, Malta, Monaco, Nevis, New Zealand, Poland, Portugal, St Kitts, St Lucia, St Vincent, Sardinia, Singapore, South Africa, Spain, Switzerland, Trinidad & Tobago, Turkey, Turks & Caicos and the USA (special sterling schemes for Florida).

CFS Ltd has teams each specialising in selected countries. Each team consists of mortgage specialists, underwriters and administrators - giving client and lenders consistency whilst dealing with any mortgage application.

Purchasers buying abroad need to know a good deal about the local conditions and legal restrictions operating in their country of choice before moving forward with their mortgage. Given its extensive network of contacts overseas CFS Ltd can ensure that clients are put in touch with specialists in the country in question, to enable them to comply fully with planning and legal conditions and assist with currency exchange.

Conti Financial Services Limited is an Appointed Representative of Anchor Mortgages Limited, which is authorised by the Financial Services Authority.