

## South Africans are buying into Mauritius property developments

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*Artist's impression of AO Luxury Resort near Grand Baie in Mauritius, with 32 residential units ranging in size from 195m<sup>2</sup> two-bedroomed units to 446m<sup>2</sup> three-bedroomed villas.*

South African buyers continue to show interest in residential property in Mauritius, a location that has sustained its desirability as a prime tourism destination as well as a stable economy and democracy, says Jonathan Tagg, director for Pam Golding Properties (PGP) in Mauritius.

"Since opening an office in Mauritius 10 years ago, we have virtually sold out six Integrated Resort Scheme (IRS) and Real Estate Scheme (RES) developments worth a total of about US\$300 million. All of these developments have been completed and only four units are still for sale in one of these projects."

He says most interest is in the US\$400 000 to US\$1 million price range, which achieves the highest capital growth.

"Many buyers want relocation properties for the future and some investors are taking a longer term view of relocation. Others want to buy leisure property in Mauritius. In addition, an investment of US\$500 000 gives them Mauritian residency, a factor often critical to the transaction. We also have buyers looking in the over US\$1m price range, but there is less stock available in this bracket."

Tagg says at a recent PGP property exhibition held in Melrose Arch in Gauteng there was interest from people wanting to retire to Mauritius and those who will continue to work while basing their businesses from the island.

"Mauritius is already very popular with people who conduct business outside South Africa and want a different tax domicile, and is particularly suited to families as it's very secure, has good schools and flights to most destinations. Add to this the appeal of an idyllic island lifestyle with year round sunshine and warm water, and the fact that the country has developed substantially, particularly over the past five years, and it's not difficult to see why Mauritius is becoming increasingly sought after as a permanent residential location.

"The road network has been substantially upgraded, a new shopping mall has been completed, a cyber city built and a new airport is under construction to cater for twice as many tourists as before.

"Bear in mind that Mauritius has been popular for some time among South African home buyers, expatriates in Dubai, French speaking countries and the UK. The Mauritian property market was closed to foreign buyers until 2004, which created a pent-up demand for homes, especially leisure property. And until late 2008 the only available properties were in IRS schemes where prices were beyond the reach of most buyers at between US\$1.2m and US\$6.5m. In late 2008 the government introduced the RES projects and property was available for purchase from US\$400 000. Most important, these new developments enable buyers to acquire property in the popular towns of Grand Baie and Tamarin, which created an additional wave of interest which has driven the market," he says.

Now PGP is marketing three new residential developments in Mauritius, two of which are developed by SA developer, 2Tribes, which has a string of completed projects on the island. In the exclusive Pereybere quarter, a short walk from well known Merville beach and three minutes' drive from Grand Baie, the new AO Luxury Resort consists of 32 residential units ranging in size from 195m<sup>2</sup> two-bedroomed units to 446m<sup>2</sup> three-bedroomed villas. Ecological design and building principles have been put into place wherever possible, and finishes include natural stone and timber. Prices start from US\$ 600 000 and PGP has already sold 12 units.

At the 27-unit Element Bay Resort, another 2Tribes development which is also in the Grand Baie area, 14 of the one and two bedroomed apartments and penthouses have already been sold through PGP, priced from US\$400 000. Watersport facilities are provided by the nearby Coin de Mire Hotel, and each apartment includes a parking bay as well as a private terrace or a balcony.

Tagg says these are the fourth and fifth developments PGP has marketed on behalf of 2Tribes, and construction on both projects should start in the last quarter of this year.

In the heart of Pereybere, only three units still available at La Residence, an exclusive development with 26 luxury townhouses priced from US\$650 000. The design focus incorporates slate floors, plantation-style shutters and natural materials. Construction is now starting on this project.

At a fourth development in Tamarin on the west coast of Mauritius, only four units remain in the 40-unit La Tourelle development, and the project is scheduled to be completed in four months' time. Priced from US\$450 000, the homes are on an elevated 1.74 ha property, blending into the hillside of La Tourelle Mountain.

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