

# Passport to riches?

Are investors who buy a property abroad without even seeing it savvy or insane? Francesco Lombardo finds out

**F**OR MOST of us, a place in the sun is a retreat from the rat race that may or may not make us money. But for an increasing number of people, foreign homes are merely investments to be bought, sat on and then sold for a profit — and often never even seen.

This trend has pushed up the number of British people who own foreign homes to more than two million, as Brits take over tracts of the Spanish costas, Florida, Cyprus and parts of France.

At the moment, Britain's property market is unlikely to make you a small or large fortune as prices creep, rather than shoot, up. But many foreign property markets are still hot spots, and more property investors are wising up to this.

So sure are these buy-to-let entrepreneurs of their expertise that many don't bother to fly over and inspect the area, check out the market or talk to local agents about prices and rental returns. Instead, they buy over the internet or at property shows.

The process is simple: put down a reservation fee and you own a

property you've never seen, sometimes in a country you can only vaguely pin down on a map.

So have they hit upon the next investment trend, or are they reckless fools about to be parted from their money?

"They want to get in early when prices are cheaper and before everyone else hears of the development," says Peter Popov, managing director of Sunshine Bulgarian Estates. "They think there's no time to fly out for an inspection trip."

And these investors buy quickly, too. Ninety per cent make a decision in under ten days. Last week, an Irish buyer bought six apartments in Dubai during a 30-minute meeting with one of our agents," says David Cox from Properties Frontiers.

One man who fits the description is David Andrews, 55, a semi-retired landscape gardener who lives near Chester.

With a portfolio of 11 overseas properties under his belt, David's

investments are generating profitable returns. My first properties abroad were two villas in Florida. I have managed to repay the mortgages over the years and I am now receiving a steady rental income.

David's most recent purchase is a two-bedroom apartment in Goa that cost him just £38,000.

"India's economic growth is promising and I think investing in Goa is a safe bet," he says. "But if it turns out to be different, it was worth taking the risk because it



David Andrews and (left) one of his 11 foreign properties

didn't cost me as much," David says about to set off for Goa for a family holiday and to see his property for the first time. "It is a lovely place to go on holiday anyway," he says.

With the property fully paid for in cash, he can afford to rent it out when he wants, which, at the moment, means only to family and friends. "I am looking to use it for my own holidays at least for a couple of months a year," he says. ■ *More information from Escapes. 0161 351 2160.*