

Holiday homes with a fraction of the hassle

expressproperty

HOLIDAY HOMES WITH A FRACTION OF THE HASSLE



PARTPART OF THE APPEAL: Fractional holiday homes at the Lomas del Rey resort, Spain



Sunday July 26,2009

AS the holiday home market in Spain struggles with nose-diving prices and dwindling consumer confidence, one company thinks it has found a solution: to offer properties for part ownership. JANE SLADE investigates...

WITH SO many developers in Spain left with properties they can't sell and bank debts they cannot pay, the moment is ripe to offer them to more than one buyer at rock-bottom prices.

At least that is the thinking behind the Fractional Group, specialists in selling part-ownership properties in Portugal, Greece and Cyprus.

Until now fractional home ownership has not really existed in Spain, which is strange when you consider it was the birthplace of timeshare.

"It has always been possible for groups of people to buy property in Spain," says Fractional Group's managing director Jerry Cobb, "but it hasn't really been possible to sell to people who are unconnected with each other; until now, that is, as we have come up with a formula that offers zero risk to consumers."

The Fractional Group is only offering properties that are complete and licensed with all the permissions in place.

"We have a strong legal framework and will only take on top-quality properties," Cobb says.

However, not all properties lend themselves to the fractional concept.

They must be ones that offer year-round appeal and have golf courses, spas and restaurants.

“As well as offering the consumer part-ownership so they can benefit from any capital appreciation, we also believe fractional schemes enliven resorts,” says Cobb.

“Therefore, you do not have places that are buzzing three months of the year and dead the rest. Leisure amenities make for year-round appeal.”

The Fractional Group, which also encompasses the Fractional Owners Consultancy (FOC) and its selling arm Property Revolution, is also rolling out its product in Thailand, Australia and Brazil.

“Fractional ownership is the way to own a property for the future,” says Cobb.

“When you consider that most people do not use their second overseas home more than six weeks a year anyway, it makes sense to share the costs with others.

“Not only does it mean that more people will be able to afford a property but the financially savvy are realising that this product makes financial sense.

“Fractional is different from timeshare. Timeshare gives you a right to spend time in a property, whereas fractional gives you a share of ownership.”

All the Spanish resorts where the Fractional Group is offering properties (a quarter share allows 12 weeks’ occupancy, an eighth share allows six and a 12th four) are managed by IGRM, the International Golf Resort Management Group owned by Sir Nick Faldo.

“We provide a range of properties costing from £25,000 for a 12th share of a two-bedroomed apartment rising to £150,000 for a quarter share,” says Peter James, of sales agents Property Revolution.

“We also have the knowledge of selling freehold properties on the Costa del Sol and sell only homes that are already built, which gives confidence to customers.”

JERRY COBB adds: “This is the best time to buy. Prices have bottomed out. Marbella, where we are selling properties in the resort of Lomas del Rey, is not being permitted further development as dictated by a new plan, which will be good for investors.”

The Fractional Group is selling apartments at Alhaurin golf resort, a mountainside development near Fuengirola that has a 27-hole signature course designed by Seve Ballesteros, a hotel and tennis club.

“Roads are being improved so the resort will be just 10 minutes from Marbella and Fuengirola coast,” adds Peter James.

Also for sale are properties at Alboaire Golf at the prestigious San Roque Club, a former home of the Spanish Open. Facilities include two golf courses, a swimming pool complex, tennis courts and an equestrian centre.

“Owners who buy shared freehold property at Alboaire Golf will be entitled to unlimited free golf during their allocated occupancy periods,” James promises