

# South Africans keen on Mauritian marina

SAVVY South African investors are using the strength of the rand to their advantage by buying property in Mauritius.

The recently launched La Balise Marina development in Mauritius has reported strong sales of residential units due to the stronger rand and South African investors' continued aversion to local property.

Matkovich & Associates MD Rob Hudson says investors are looking to get into dollar-based assets and Mauritian property offers the ideal investment.

"We have 49 properties reserved and in the sales process since launching the development in SA at the beginning of August. There are a number of international buyers who have secured a property in the development, but the majority of investors are South African, (accounting for) 52% of sales in process," Hudson says.

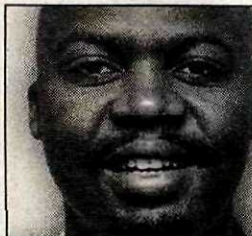
The Mauritian market has defied the global trend of deflated property values due to the country's continued economic growth and government policies that support the property market.

Initiatives include the Integrated Resorts Scheme (IRS), which offers foreign buyers of luxury, freehold-title residential property over \$500 000 permanent residency. No one who has invested in Mauritian IRS property has resold for less than the acquired value.

"The situation is quite the contrary, in fact," Hudson says, "as only about 10 of the 350-odd foreign owners have resold since the scheme's inception, and they have all realised substantial returns.

"This is a scenario very few international property markets can lay claim to in recent times."

As Mauritius is a Southern African Development Community member, South Africans are not subject to the R2m foreign invest-



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ment allowance.

This affords the opportunity to own a second home in an emerging, foreign-currency based property market, offering a rand hedge without any investment cap, Hudson says.

"La Balise Marina is the first IRS development of its kind on the island, and the first to offer foreign buyers the opportunity to own freehold title property on the water's edge," he says.

The development, being developed by ENL Property and Investec (Mauritius) Bank, will have 118 residential units, from 135m<sup>2</sup> canal duplexes to 350m<sup>2</sup> villas.

"An additional factor that is attracting a great deal of interest is the rental pool, which will be managed by the Island Grace Hotel, the boutique Grace-branded hotel being developed on the site," Hudson says. This offers buyers a regular return on their investment, he says. "When the home is not being used by the owner for holiday purposes, it becomes a working asset."

Dredging of the marina and infrastructure development starts in November, with construction beginning early next year. Duplexes are priced at \$700 000-\$1,6m and villas at \$2,1m-\$2,8m.