

The Cape Verde islands: A shore property hotspot

The Cape Verde islands are tipped to be a holiday hotspot for 2007 - prepare for prices to take off.

Graham Norwood reports
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Where tourists go, estate agents follow. So Cape Verde's leap into the list of top 10 holiday locations for 2007, compiled by tourist firm Expedia, means that the archipelago of tropical islands off the west coast of Africa is set to be a holiday-home hotspot, too.

Expedia's survey, which placed Cape Verde amongst the world's most popular places to visit for the first time, comes hot on the heels of soaring tourism figures for the 18 islands that make up this former Portuguese colony. Tourism grew 25 per cent between 2000 and 2005, with the sector's contribution to gross domestic product rising from 7 per cent at the millennium to 10.4 per cent a year ago. The country's population of just under 500,000 expands by 10 per cent at peak visitor times and now substantial numbers of new homes are being built.

"What makes Cape Verde stand out for investors is the way in which the government is developing tourism while ensuring the preservation of the natural beauty of the islands. It has become a highly attractive holiday-home destination which won't face the over-development that has impacted other locations in the past 30 years," says Tom Sheehy of Cape Verde Development, a Republic of Ireland-based company building on the archipelago.

There are new tourist facilities being announced almost weekly. For example a Macau-based businessman, David Chow, is investing more than \$100m (£52m) in a casino and hotel complex in the country's capital city, Praia.

"One result of this tourism investment in the economy of Cape Verde is an increased number of businessmen looking for high-specification homes. The property market is still very immature and there are bargains to be had. The recent introduction of direct flights makes it accessible for businessmen in just five hours from London."

The buying process is identical to that of Portugal and falls into two parts. Expect to pay six per cent of the purchase price to cover fees.