Homes & Property

France's traditional small second-home locations, in France, Italy and Spain, were free to choose a second-home location, in France, Italy and Spain, were forced to reduce prices to maintain their popularity. So where do these markets stand at the year's end?

FRANCE: THE FAVOURITE

France overtook Spain as our favourite country to visit in 2012 but a new president did little to encourage second-home buyers to enter the marketplace this summer. Francoise Hollande’s “will work” clause around the issue of farmers, property and personal income tax breaks for buyers became justifiably cautious.

Interest focused on two prime areas: the south of France and the Alps. In 2011, Paris property prices rose by 12 per cent. But while wealthy buyers from South America and Asia continue to dominate the market, the market is noticeably quieter.

On the west coast of southern France, buyers looked for value west of La Provence in the pine tree-covered Cote d’Azur. The need for a substantial house with views for about €250,000, or apartments beside the beach for €245,000, was specialist overseas buyers who are buying has substantially higher average sales prices than last year.

France remains our favourite buying destination, too, but where once it was all about latitude and slope side access, buyers are now more concerned with rental potential and year-round appeal. Leggett Immo’s report of a 50 per cent increase in Alpine home buyers this year, typically selling £255,000 to 300,000 a plot of land, the ski and long-term let market potential.

Look at the level line and low lying village of the sunbaked soil on the French Swiss border – Château and Les Gets. These plots provide slopes up to 7,600 feet and there is a thriving ski season between and the end of April.

ITALY: FOR LIFESTYLE

Italy’s supreme quality of life drives buyers to its wonderful weather, but it was the cities that took centre stage. Smaller homes close to international airports and with manageable running costs can sell well and provide returns with a weekend ski trip.

In Venice and 30-week annual rent is possible, Palazzo Molin del Cerbiamento in San Marco, Venice, is a 19th-century palazzo being converted into apartments. Beautiful, traditional and well-priced, the five-bedroom location is close to the city of water. Prices start from €540,000 for a one-bedroom apartment on stilts.

In Andorra, through Savills, 020 7065 3740.

National debt isn’t always bad news

France overtook Spain, Italy continued to enchant in a bumpy 2012, reports CATHY HAWKES

EPINGLE: Ecuador property prices are back to levels seen in 2007.

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From £350,000: two-bedroom off-plan apartments at The White Angel development, Close to the marina and medieval village of El Tablado. Savills, 020 7065 3740.

From £1 million: a three-bedroom villa in the Cote d’Azur, with pool and gym, through Savills, 020 7639 7400.

CLUB million: a four-bedroom 18th-century stone farmhouse with pool and three-bedroom guesthouse west of Lourdes is in the Var department in the south of France, only 10 minutes from the Mediterranean. Savills, 020 7065 3740.

THE FAIR IN SPAIN

Headlines since Spain became increasingly depressed throughout 2012, while yields have risen from the 5.2 per cent that most property agents report. Knight Frank’s latest Global Property Index showed prices continued to tumble, down 7.8 per cent on average. However, if the country’s government is to cut the 2013 deficit by 10 per cent, which was the promise of the UK with half of the population, you can still find places of residence.

Taylor Wimpey sold out its new development priced from £310,000 on the Costa del Sol, 020 7065 3740.

In a year of travel stretching from France to Turkey and Argentina, for highlights were off the beaten path. Experiencing the local culture.

CATHY HAWKES PERSONAL HIGHLIGHTS

£3.5 million: a three-bedroom townhouse in Madrid, through Savills, 020 7639 7400.

£4 million: a four-bedroom stone farmhouse with pool and gym, through Savills, 020 7639 7400.

£5 million: a four-bedroom 18th-century stone farmhouse with pool and three-bedroom guesthouse west of Lourdes is in the Var department in the south of France, only 10 minutes from the Mediterranean. Savills, 020 7065 3740.

£7.5 million: a four-bedroom stone farmhouse with pool and three-bedroom guesthouse west of in the south of France, only 10 minutes from the Mediterranean. Savills, 020 7065 3740.