

# OVERSEAS

## Elegance revived

A fledgling residential tourism market is taking hold in the Austrian ski resort of Bad Gastein. **Laura Henderson reports**

Bad Gastein may have long ceded its crown to St Anton as Austria's winter-glam capital, but this age-mellowed resort, once famous for hosting 1920s high society, still attracts its share of fur coats to its polished streets. Nestled in the midst of the Hohe Tauern National Park, the town basks in fresh mountain air and a fog-free setting at 1,000m above sea level. Its centre springs up from the banks of a semi-frozen waterfall that plunges into the River Ache, cascading past old hotels and vintage residences.

The place has an air of refined formality to it, typical of European spa towns, and this is true of the cobbled streets, antique shops and elegant tearooms that keep the old-world order going. "The local architecture was inspired by Emperor Franz Josef, who came to the area for the natural healing waters," explains Alexandra Putz of the regional tourist authority. "He was so taken with the setting that he instructed Italian architects to design many of the buildings that you see today, including the oldest casino in Austria."

The 1950s saw the resort's popularity grow as a winter sports destination, when it hosted the World Ski Championships. Today it functions superbly as both a world-class ski resort and a genteel spa town, although its vintage grandeur is starting to look faded compared to nearby rival resorts. Now with an ambitious £10 million investment programme underway, a fledgling residential tourism market is taking hold, bolstered by one of the fastest-growing winter tourism levels in the country.

"Natives of the French Alps have long been accustomed to selling houses to foreigners, but the Austrian property market is nascent due to previous restrictions on foreign ownership," explains Simon Malster of Investors in Property. "Before the country joined the EU in 1995, only nationals could purchase property and development was small scale. Now the market is maturing and its appeal is growing with a sales pattern similar to Switzerland, where a ski destination relatively unknown to the international market starts to become a viable second-home option."

"House prices are attractive," enthuses Pamela Cooke of Leeds-based developer Austrian Chalets. "While the property market in the rest of Europe has been expanding over the past ten years, house prices in Austria have remained flat, with relatively few homes exchanging hands and sales handled by banks rather than estate agents."

"Traditionally most Brits have headed to France for their annual fix of the white stuff, but with prices levelling off in main-

stream resorts, many are starting to look elsewhere. Austria has remained relatively hype-free and people are beginning to realise just how far real estate values have to grow."

Boasting over 200km of downhill skiing up to an altitude of 2,600m across four main ski areas, the Gastein region forms part of the vast Ski Amade circuit, offering 860km of skiing on one pass. A combination of 48 lifts – an array of gondolas, cable cars a funicular and high-speed chair lifts – means there's plenty of terrain to explore over a couple of weeks' skiing. "Fewer than 20,000 people live in the valley, yet more than two million visitors come for the holidays," says Putz. "The British account for just three per cent of the total, but the number is growing thanks to tour operators expanding their portfolio and a solid network of no-frills flights from UK regional airports."

"The resort also enjoys a long season from December to May and a good snow record thanks to its high altitude."

Continuing re-investment in modern lifts, snowmaking equipment combined with upgraded leisure facilities, are indications of the valley's determination to lure visitors. An asset for hundreds of years, the healing and beneficial effects of the Gastein thermal waters lends the place a unique atmosphere.

"The Alpen Therme in the town centre is Europe's most modern Alpine recreation," says Putz. "We've six health zones and a sauna sphere with bathing lake and vapour baths. A million litres of thermal water from 17 springs feed the thermal-spa pools."

Come summer, the resort takes on a fresh-air vibe – the national park is a veritable treasure trove for hikers, bikers and golfers. "We've an 18-hole championship golf course on the town outskirts, plus over 350km of marked trails that take you across mountain pastures," adds Putz. "Kids love the hill farms which are easy to reach by mountain lift."

Property wise, choice is opening up, with a growing number of chalet restorations to balance the quota of "hands-off" self-contained new-build projects. A popular spot with families is the tranquil outlying district of Bad Hofgastein. "A large chalet will set you back in the region of £190,000, £250,000 for a pristine, ready-to-move-into version, while renovated farmhouses can be picked up for £130,000," says Gerhard Lafenthaler of local agents Lafenthaler Immobilien. "Plus, you're only minutes from the lifts with a regular ski-bus service running throughout the day."

Surrounded by wooded meadows and farmland and sporting panoramic mountain views, a beautifully restored



**Buyer's guide**

- Each province (bundesland) imposes restrictions on ownership of property and in some regions, such as the Tirol, it is almost banned completely for holiday use. Buyers are required to have their purchases approved by the appropriate Grundverkehrs-behorde – part of the local authority.
- A deposit of 10 per cent is usually payable and then a purchase agreement is drawn up and signed by both parties. Both the purchaser and the vendor are required to attend at the notary's office to sign the deed of sale, although parties can assign a power of attorney.
- Neither purchaser nor vendor can back out, which prevents gazumping and means the finance must be in place before you can make an offer.
- Purchase costs work out at about 6 per cent of the purchase price, including purchase tax, "Stamp duty" of 3.5 per cent, entry to the Land Registry of 1 per cent and notary's fees of 1.5 per cent.
- Estate agents' fees are controlled by law and typically cost both buyer and seller 3 per cent.
- Austrian banks will fund up to 70 per cent of the purchase price with a loan period typically between 15 and 25 years. Some banks charge a set-up fee of around 2 per cent. They will also charge an appraisal fee of 0.5 per cent and you will pay a 1.5 per cent mortgage registration fee.
- Capital Gains tax is set at 50 per cent, although main residences are not liable for CGT after ten years of ownership.
- www.investorsinproperty.com;
- www.propertiesinaustria.com;
- www.lafenthaler.com;
- www.austrianchalets.com

Clockwise from above left: property in the Gastein region; heading back to base after a day's skiing; a picturesque setting for an apartment block; a chairlift up the piste

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timber-clad country house with winter garden, double-glazing and airy rooms is being marketed by the agency. Spread over two floors, the property, with a price tag of £325,000, has three spacious bedrooms, two bathrooms and a large, open-plan living room with picture windows.

Blending into its vintage surrounds with its classic 1920s mansard roofs and wrought iron balconies, Sonnwendne boast a prime cliff-top location above the town's waterfall.

with Investors in Property start from £162,000, rising to upwards of £203,000 for a two-bedroom unit.

Head to the hilly outskirts and adjacent to the Bad Gastein Golf Course is the valley location for Resort Gastein. Comprising 19 two and three-bedroom chalet-style residences built in three phases, the next phase is due to complete in spring 2009.

Properties come fully furnished with underground parking, laundry area and heated ski storage. Leisure facilities include a gourmet restaurant, swimming pool, wellness centre and relaxation zone. "Property purchase in this particular development is tied into a rental pool system," Malster explains. "Owners have up to four weeks' personal use per year, split between peak summer and winter

seasons, with unlimited use during the low season provided the unit is not let. Owners may opt to take a variable income of a fixed guarantee, which starts at 3 per cent in the first year, 5 per cent in the second year and rises to 6 per cent in years three, four and five. It's a high return for a ski property as it's a dual season resort."

Prices for two-bedroom apartment start from £215,000, rising to £280,000 with Investors in Property.

Gillian Barnes, from Manchester, who is house hunting in the area, says: "Having a rental income coming in takes a lot of the guesswork out of funding your purchase. The skiing's not bad either. I'd love to get above tree line at Sportgastein, but I ran out of time last visit. The place is that big, you have to ski it to believe it."