



OVERSEAS

Buy into Newfie life

Newfoundland offers British second-homers more than just superb scenery and outdoor action. It also has a good supply of friendly, fast-talking neighbours, says **Gordon Miller**

Mush! Mush! The dog-sled driver's call of encouragement to his pack is not one you will hear often near property developments, but then Newfoundland is not your average destination.

Canada's easternmost province, an island 317 miles wide and 316 miles long, is an adventure playground where dogsledding, snowmobiling and heli-skiing are only a few of the outdoor activities visitors can enjoy. Its leisure opportunities, reasonably priced properties and proximity to home – a five-and-a-half hour flight across the Atlantic – are attracting an increasing number of second-home buyers from the British Isles.

About 200 Britons have bought in Newfoundland over the past five years, most of them at Humber Valley Resort, which overlooks Deer Lake, up river from the ocean on the west coast.

According to Geoffrey McClure, of estate agency Anzore Property International, the Irish and British are the main foreign buyers on the island. "Americans aren't buying much anywhere at the moment, and Canadians tend to rent (holiday homes) rather than buy," he says. "Therefore they provide a ready-made rental market for British buyers who want to use their home for a few weeks each year and rent it out the rest of the time."

The benchmark for rental income locally is being set by Humber Valley Resort, where rates start from \$300 (£150) per night, rising to as much as \$900 (£450), depending on the season and size of property. Today's yields are said to be in the region of 2-3 per cent, but the resort's successful initiative, allied with its better accessibility – Air Canada has daily flights from Heathrow to Deer Lake and Monarch Airlines has direct weekly charter flights there from Gatwick – is arousing interest from prospective purchasers and developers locally.

A 10-minute drive down the valley from the resort, at Marble View Estates, developer Dave Sharpe is selling building plots of at least 2.3 acres. Prices for the land, located on the Humber River and with unimpeded views of Marble View Mountain and ski resort, start at \$186,000 (£93,000); house prices are from \$305,000 (£152,500).

Owners are entitled to design and build their property, or they can choose one of six types of timber houses – three in log style and three plank and beam – to be built by a local construction company. The timber comes from sustainable forests in British Columbia, and the homes are well insulated and south-facing for maximum solar gain.

"The external frames can be erected in about six weeks, and a 232-sq m, three-bedroom house can be completed in around eight months," says Darren Pilgrim of developer Humber Developments. "Within the constraints of each type of house, owners can vary room sizes, add

BUYING IN CANADA

- ◆ There are no restrictions to foreign ownership of property. Foreign buyers receive the same legal safeguards as Canadian citizens.
- ◆ Buyers pay a "welcome tax" equivalent to our stamp duty. In general, it adds up to no more than 1.5 per cent, substantially less than in the UK.
- ◆ The Harmonisation Sales Tax (HST), equivalent to our VAT, is added up to 22.5 per cent in total. It can be "offset" by making your property available for rental; some restrictions apply, in that the property must be available for rent 90 per cent of the year, effective giving the owner five weeks' use per annum.
- ◆ The profit from rent attracts Canadian income tax at 25 per cent. Most developers offer to manage this tax accounting.
- ◆ Capital gains tax is set at 25 per cent on the sale of a property. There are inheritance taxes.
- ◆ Local taxes, equivalent to our council taxes, vary by state, but typically are lower than in the UK.

For more information on buying in Canada, contact Undiscovered Properties on 020 734 7968 or visit www.undiscovered-properties.com



Canada welters: (clockwise from above) a moose; the entrance to the harbour at the capital St John's; dogsledding

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extra rooms and even request extras such as geo-thermal heating and cooling systems, which reduce electricity bills, and some from a renewable energy source.”

For the record, about 90 per cent of Newfoundland's electricity provision is from hydro-electricity.

Nonetheless, as the islanders are known, are fast-talking – their words tumble out and roll into one another (Newfoundland is pronounced “newfunlan”) – and have a reputation as modest, unpretentious and hard-working; many locals cheerfully juggle several jobs. And, perhaps thanks to the region's extreme weather, Newfoundlanders are also a hardy bunch: during the six-month winter, -5C counts as mild, but in summer, which arrives in May, temperatures climb to 30C.

For lovers of the outdoors, the island offers sensational hiking, walking and kayaking as well as an abundance of wildlife. Those not inclined to physical exertion may find Newfoundland somewhat limiting, but the towns of St John's, the capital, in the far east of the island, and Corner Brook, in the west, are well worth exploring.

In the Corner Brook and Humber Valley region, local developer Greg Penney aims to raise the bar by building a 24-room boutique hotel, 122 condominiums (apartments) in six blocks, 60 chalets and 80 detached villas. The Bay of Islands development will be at Freshman's Cove, a small community situated in the island's south-east, at the mouth of the Humber river. Most of the homes will be built on a bluff overlooking the sea, and residents will be able to watch spectacular sunsets to the west and whales frolicking in the water.

Mr Penney hopes to build a place where homeowners will want to take holidays regularly, attracted by first-class amenities and a real sense of community. He expects to start building in May 2009, with prices starting from \$245,000 (£122,622) for a one-bedroom condominium with a sea view.

Geoffrey McClure, sales agent for both Bay of Islands and Marble View Estate, says: “Bay of Islands is the first development locally that is offering condos for sale targeted at foreign second-home owners. This is a family destination aimed at the lifestyle buyer. The properties are very affordable and with direct flights from the UK, I expect there to be strong interest from British and Irish buyers.”

- ◆ Details on Bay of Islands and Marble View Estate from Azure Property International (020 7651 2991; www.azureinternational.co.uk)
- ◆ Charter airline Monarch Airlines flies weekly direct to Deer Lake Airport, in the east of Newfoundland, starting on June 19. The service, which takes five-and-a-half hours non-stop from London Gatwick, will fly June to September in the summer, and December to April in winter. (0800 404 9131; www.monarchairlines.com)
- ◆ Air Canada flies daily to Deer Lake via Halifax, Nova Scotia, from London Heathrow (020 7220 1111; www.aircanada.com)

PILGRIMS' PROGRESS

A keen interest in nature and the great outdoors are the main reasons why the Pilgrim family from Royston, Hertfordshire, bought land and built a house at Newfoundland's Marble View Estate.

“Having known the area for five years (through holidaying) there, we were taken with the beauty of the region,” says Glen, 45, a property manager in the UK.

The vast range of activities throughout the year (hiking, golf, fishing, kayaking, skiing, snow-mobiling and more) means there is always something fun and exciting to keep on and our young ones, entertained.”

The Pilgrims paid \$250,000 (£125,000) for their plot and when they have spent an additional \$170,000 (£85,000) to have the three-bedroom, two-bathroom, open-plan house built by Humber Developments, they furnished the house for about \$22,000 (£11,000) from IKEA, including shipping the goods from mainland Canada. The family is delighted with their new home, and is being able to enjoy the company of the “extremely friendly” Neighbours.

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FOR SALE Call of the wild



✦ The **Marble View Estate** has plots on which you can build a home to your own design. All-in prices from about £245,500. Details: Azure Property International (020 7851 2930; www.azureinternational.co.uk)



✦ The **Humber Valley Resort** on the shores of Deer Lake, has one- and two-bedroom apartments from £151,000 and three- to five-bedroom chalets from £252,000. Details: 020 7470 2430; www.livehumbervalley.com



✦ The **Bay of Islands** development, at the mouth of the Humber River, will include 132 condominiums in six blocks, 60 chalets and 20 detached villas. Building is due to start next May. Details: Azure Property International (as above)



✦ **Deer Lodge**, a four-bedroom home at **La Grande Foret** in Mont Tremblant, 90 minutes north of Montreal. Prices there go from £403,000. Undiscovered Properties (0870 7347968; www.undiscoveredproperties.com)