

**Embargoed until 00.01 Friday 7<sup>th</sup> March**

## SUN OR SKI? WINTER SUN HOLIDAY HOMES OFFER BETTER VALUE FOR MONEY THAN PROPERTIES IN SKI RESORTS

- *Pound vs. Euro up 4.31% over past year, giving buyers £4,900 extra per £100,000*
- *Strength of Pound vs. US dollar gives buyers £6,500 more per £100,000 compared to Feb '13*

Winter sun destinations offer overseas property buyers more for their money compared to ski resorts, with a one bedroom property in Cape Town costing just £47,000 compared to £112,000 in Aspen, Colorado or £160,000 in the French Alps, according to [HSBC's Overseas Winter Holiday Homes study](#).

Florida continues to offer affordable property for Britons, who can buy a one bed property in Orlando for £55,000 or a two bed property for £83,000. The pound is at a year high against the US dollar, up 7.1% from February 2013, giving buyers an extra \$11,000 (just over £6,500) per £100,000 they plan to spend. The strength of the pound versus the South African Rand has risen by almost 33% in the past twelve months, giving buyers in Cape Town around £24,500 more to spend per £100,000 than February 2013.

**James Yerkess, HSBC Head of FX, said:** "There are huge variations in what UK buyers can get for their money abroad, with exchange rates, local property markets and tax levels all making a difference. Buyers should consider how far they are prepared to travel, as well as whether the property is a holiday home or an investment before making a decision to buy. Taxes, the cost of maintenance and the cost of regular flights should also be factored in when making these decisions."

**Table 1. Average winter holiday home prices in 2014**

<b>Destination</b>	<b>1-bed property</b>	<b>2-bed property</b>
Cape Town, South Africa	£47,000	£75,000
Florida, USA	£55,000	£83,000
Aspen, USA	£112,000	£144,000
Tenerife, Canary Islands	£132,000	£149,000
Barbados, Caribbean	£152,000	£277,000
Morzine, French Alps	£160,000	£215,000
Whistler, Canada	£165,000	£210,000
Vaud, Switzerland	£244,000	£395,000
Dubai, UAE	£350,000	£500,000

### **Winter sun versus ski**

Popular winter sun destinations outperform ski destinations in terms of value for money, but the cost of long haul flights can push up the overall price. For those looking to buy in Barbados a one bed

property costs £152,000, with winter return flights costing around £600 per person. A one bed property in Morzine in the French Alps costs slightly more at £160,000, although winter flights cost just £56 per person.

Buyers in Tenerife, the year round holiday destination, on average pay £149,000 for a two bed apartment in a complex with shared pool. They also benefit from flight prices at around £89 per person in the winter months and the increased strength of the pound against the Euro, up by 4.31% over the past year.

Dubai is the least affordable winter sun destination, with a one bed apartment costing £350,000. Vaud in Switzerland is the most expensive ski destination, where a two bed apartment costs £395,000 compared to £144,000 in Aspen.

## Flights

Value for money in winter sun destinations can be offset by the cost of long haul flights. Winter flights to Florida cost around £503 per person, whilst flights to Cape Town cost around £786 per person. European ski destinations offer the cheapest flights, with flights to the French Alps costing just £56 per person.

### Data Tables

	GBP/EUR	GBP/CHF	GBP/USD	GBP/CAD	GBP/ZAR	GBP/AUD	GBP/AED
<b>Current exchange rate</b>	1.21	1.48	1.66	1.81	18.16	1.83	6.09
<b>Current value of £100,000</b>	€ 121,000.00	CHF 148,000.00	\$166,000	\$181,000.00	R 1,816,000.00	\$183,000.00	AED 609,000.00
<b>Current value of £200,000</b>	€ 242,000.00	CHF 296,000.00	\$332,000	\$362,000.00	R 3,632,000.00	\$366,000.00	AED 1,218,000.00
<b>Current value of £300,000</b>	€ 363,000.00	CHF 444,000.00	\$498,000	\$543,000.00	R 5,448,000.00	\$549,000.00	AED 1,827,000.00
<b>Year to date change in rate*</b>	+4.31%	+3.5%	+7.1%	16.77%	32.94%	+22%	6.65%
<b>Change in value per £100,000</b>	€ 6000.00	CHF 5000.00	\$11,000.00	\$26,000.00	R 450,000.00	\$33,000.00	AED 38,000.00

\*Compared to rates from Bloomberg as of 13<sup>th</sup> Feb 2013

**Table 3. Cost of biannual flights for four people and car hire for each destination**

	Total	Summer Flights	Summer Car Hire	Winter Flights	Winter Car Hire
<b>French Alps, France</b>	£1,105.18	£338.12	£318.41	£225.52	£223.13
<b>Tenerife, Canary Islands</b>	£1,146.15	£483.88	£139.00	£354.00	£169.27
<b>Vaud, Switzerland</b>	£1,256.16	£289.00	£354.90	£257.36	£354.90
<b>Dubai, UAE</b>	£3,186.39	£1,404.92	£233.72	£1,391.68	£156.07
<b>Florida, USA</b>	£5,623.98	£3,172.00	£223.80	£2,011.00	£217.18

<b>Barbados, Caribbean</b>	£6,365.67	£3,171.08	£337.91	£2,407.08	£449.60
<b>Aspen, USA</b>	£6,487.15	£3,748.08	£317.91	£2,191.68	£229.48
<b>Whistler, Canada</b>	£6,649.39	£3,048.00	£435.05	£2,850.60	£315.74
<b>Cape Town, South Africa</b>	£6,699.40	£3,189.40	£177.00	£3,145.00	£188.00

**ENDS**

#### **Notes to editors**

#### **Methodology:**

- Research was conducted in December 2013, looking at five locations popular for UK summer holiday home purchases and four popular winter locations (based on information from various holiday rental and property sales companies).
- Exchange rates supplied by HSBC on Friday 14<sup>th</sup> February 2014. Previous exchange rates from 13<sup>th</sup> February 2014 sourced from Bloomberg: <http://www.bloomberg.com/markets/currencies/>
- The property research was conducted using overseas property portals to find a median price for a one bed and two bed property in the area stated.
- For each location, the relevant exchange rate was applied to the median price for a one-bed property and a two-bed property.
- Cost of flights and car hire were sourced in January 2014 for July 14-28 and February 1-15 from opodo.com.

#### **For further information or original copies of the data please contact:**

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