

A GUIDE TO BUYING PROPERTY IN MAURITIUS: OFF-PLAN UNITS AND RESIDENTIAL LAND



Introduction

Mauritius, renowned for its idyllic landscapes and robust economy, offers lucrative opportunities for property investors. Whether you're looking to settle in paradise or expand your investment portfolio, Mauritius provides a straightforward path to property ownership. **This guide simplifies the legal, financial, and procedural aspects of buying property in Mauritius, making your investment journey as smooth as possible.**



Understanding the Mauritian Property Market

Mauritius is not just a picturesque island; it's a dynamic real estate market catering to diverse investment needs. From luxury villas to strategic commercial spaces and serene plots of land, the island offers something for every investor. With government incentives designed to attract foreign investment, Mauritius is a welcoming environment for both residents and non-residents. Various property schemes (IRS, RES, PDS, SCS, HIS and G+2) have been introduced to protect and guide foreign investors.

Government-approved Schemes for Foreigners

Mauritius offers a variety of government-approved investment schemes designed to attract foreign investment whilst ensuring responsible development. Each programme grants some distinct advantages with freehold property ownership and caters to different preferences, offering prime locations, luxurious living and a path to residency.

INTEGRATED RESORT SCHEME (IRS)

Established in 2001, the Integrated Resort Scheme (IRS) unlocks a world of privileges and island living in Mauritius. Owning a residential property under this scheme grants residency to owners, their spouse and dependents. With a minimum investment of USD 375,000, IRS property options, ranging from apartments to sprawling villas, offer access to breathtaking resorts boasting golf courses, marinas and a range of high-end amenities. Non-citizens who have a residence permit under this scheme are exempted from an Occupation or Work permit to invest and work in Mauritius.

REAL ESTATE SCHEME (RES)

Real Estate Scheme (RES) properties are located in exclusive, smaller developments (under 10 hectares) scattered across the island, granting access to both coastal charm and inland serenity. Unlike the IRS, there is no minimum sale price, allowing owners to find a villa, duplex or apartment that suits their financial goals. While residency isn't automatic, properties exceeding USD 375,000 allow foreigners to be eligible for a residence permit for themselves as well as their dependents.



PROPERTY DEVELOPMENT SCHEME (PDS)

Established in 2015 to replace the IRS and RES schemes, the Property Development Scheme (PDS) offers a blend of luxury living, social responsibility and accessibility. These developments featuring at least six luxurious residences on freehold land aren't just opulent spaces; the PDS prioritises fostering vibrant communities. High-quality public areas encourage interaction, while high-class leisure and commercial amenities cater to residents' needs. The extent of land in respect of each residential property, other than for an apartment or a penthouse, is developed on land not exceeding 5,176 square metres excluding common areas.



SMART CITY SCHEME



The Smart City Scheme redefines urban living for investors and residents alike. The programme caters to both foreign and domestic investors with sustainable, integrated communities built around the “work-live-play” concept. Technology and innovation create a seamless and enjoyable lifestyle and beyond business, smart cities prioritise sustainability and convenience. Residency is obtainable for any non-citizen acquiring a residential unit above USD 375,000. Retirees have the option of purchasing life rights, and exceptional investment opportunities can pave the way for Mauritian citizenship.

INVEST HOTEL SCHEME

The Invest Hotel Scheme (IHS) is open to a wide range of investors, including Mauritian citizens, international buyers and companies, allowing hotel developers to sell individual villas, suites or units within their property to investors. Hotels can be built on freehold or leasehold land exceeding 1 hectare. Investors can purchase a unit and lease it back to the hotel, allowing them to enjoy rental income while the hotel manages the property. While the hotel retains primary use, owners can still enjoy their unit for up to 45 days per year.



GROUND+2 SCHEME



In the same spirit as the previous schemes, the Ground+2 Scheme offers an accessible entry point for foreign investors, who can acquire freehold apartment units located on the second floor or above in a building with at least two floors (G+2). With a minimum investment of USD 150,000, this scheme allows them to own a piece of paradise without the complexities of larger property purchases. While residency isn’t automatic, apartments exceeding USD 375,000 unlock a path to residency.

Simplifying the Property Buying Process

Simplified steps to your property investment in mauritius

Investing in property in Mauritius is facilitated by a transparent and structured process, ensuring a seamless journey from selection to ownership. Here's how it unfolds:

Finalising Your Investment

1

SALES AGREEMENT:

Begin with drafting and signing a detailed sales agreement in the presence of a notary. This document will capture all essential aspects of your purchase, including the price, payment plan, and timeline, ensuring transparency and mutual understanding.

2

DEPOSIT PAYMENT:

Secure your commitment with a deposit, typically about 10% of the purchase price. This amount is held in escrow, safeguarding both parties until the completion of the transaction.

3

FUNDS TRANSFER:

Get ready to transfer the balance of the purchase price along with any applicable fees and taxes. This can be done directly to the seller's account or through a trusted escrow service, offering an additional layer of security for your investment. Note that if it's a purchase under the VEFA, the payment is done in installments as construction progresses.

4

COMPLETING THE SALE:

On the set completion date, finalize your payment. Before the transfer of land ownership is official, ensure the sale is registered with the Land Registry, a crucial step for legal acknowledgment of the transaction.

5

TAXES AND FEES:

Fulfill your financial obligations by paying necessary taxes and fees, including Land Transfer Tax, Registration Duty, and notary fees. These contributions are vital for the smooth execution of the sale and the legal establishment of your ownership.

6

TITLE DEED RECEPTION:

With all financial and legal requirements satisfied, you will receive the title deed to your new property. This document is your proof of ownership, symbolising your successful investment in real estate.

Why this process works?



Clarity and Security:

Each step is designed to provide clarity and secure your investment, from the initial agreement to the final receipt of your title deed.

Professional Support:

Engaging with professionals, including real estate experts and notaries, ensures that every detail is handled with precision.

Government Backing:

The structured process is supported by Mauritian law, reflecting the country's commitment to fostering a secure and investor-friendly environment.



By demystifying the investment process, we aim to empower you with confidence as you take steps towards owning property in Mauritius. The journey to property ownership in Mauritius is straightforward, secured by clear legal procedures and professional guidance, ensuring that your path to investment is as smooth and rewarding as possible.



Exploring Off-Plan Investments

The Vente en l'État Futur d'Achèvement (VEFA) is a provision outlined in Article 1601-3 of the French Civil Code, which is also applicable in Mauritius. This regime offers a secure and regulated way to invest in off-plan properties. It essentially refers to the sale of property before its construction or completion. In the context of Mauritius, the VEFA scheme allows buyers to purchase real estate units (such as apartments or houses) from developers before the construction is finished.

Under the VEFA scheme, buyers typically pay for the property in instalments as construction progresses. This arrangement provides several benefits for both buyers and developers. For buyers, it allows them to secure a property at an earlier stage and often at a lower price compared to purchasing a completed unit. For developers, it helps secure funding for construction and reduces the financial risks associated with speculative development.

With a structured payment schedule and the security of a performance bond, investing in construction or future projects has never been more accessible. In addition, buyers benefit from a mandatory ten-year guarantee against structural defects. A notary public also acts as an impartial legal representative for both the buyer and the seller, ensuring that all legal requirements are met.



THE VEFA – A safe investment for the buyer

In the context of the VEFA scheme, The GFA (Garantie Financière d'Achèvement), or Financial Completion Guarantee, is a crucial aspect designed to protect buyers' interests. The GFA is typically required by law for VEFA transactions, and developers are obligated to provide this guarantee to buyers. The GFA ensures that buyers' investments are safeguarded, as they can rely on the guarantee to seek compensation or completion of the project through alternative means if the developer fails to deliver. The specific requirements and regulations regarding the GFA in Mauritius may vary, so buyers should carefully review the terms of the VEFA contract and seek legal advice to understand the scope and limitations of the guarantee provided by the developer. Additionally, buyers should ensure that the GFA is issued by a reputable financial institution (usually banks) or insurer to ensure its reliability and validity.

Government Incentives and Support

Mauritius welcomes investors with a range of tax benefits and programmes to simplify property purchase. These initiatives, coupled with the ease of doing business and a supportive regulatory environment highlighted by the Economic Development Board of Mauritius (EDB), make property investment in Mauritius not only viable but highly rewarding.



Why choose Mauritius?



Streamlined Investment Process:

With guidance from industry experts and a clear, regulated process, investing in Mauritius property is straightforward and secure.



Attractive Returns:

The Mauritian real estate market offers significant growth potential, with areas like Moka showing remarkable appreciation rates.



Government Support:

Incentives designed to encourage investment make Mauritius an even more appealing destination for property buyers.



Discovering the Promise of Moka Smart City

The Investment Appeal of Moka

Choosing to invest in property in Moka Smart City is not just about a purchase; it's about embracing a vision of the future where technology, community, and sustainability converge to create a living environment that's as rewarding financially as it is personally. The city's trajectory of growth and the continuous enhancement of its facilities underscore its status as a prime location for investors seeking both capital appreciation and a vibrant community lifestyle. Here's why Moka is catching the eye of savvy investors:

IMPRESSIVE GROWTH:



Over the last decade, Moka has seen an unparalleled appreciation rate in freehold land value, with an average increase of 320% since 2009. This growth trajectory showcases Moka as not just a place to live but a wise investment choice that promises significant returns.

STRATEGIC LOCATION AND DEVELOPMENT:



Moka's appeal is boosted by its strategic location, offering easy access to essential amenities, business centres, and breathtaking landscapes. The city is at the forefront of urban development, with ongoing projects and infrastructure enhancements that increase its attractiveness to investors and residents alike.

SMART CITY LIVING:



Moka is more than a city; it's a vision of the future. Aligned with Smart City principles, it integrates technology, sustainable practices, and a holistic approach to urban development. This commitment to innovation and quality of life makes Moka a desirable destination for those looking to invest in a dynamic and forward-thinking environment.

SUSTAINABLE INVESTMENT:



The promise of Moka extends beyond immediate returns. Its development is a testament to enduring value, offering investors the opportunity to be part of a community that grows in appreciation over time. By investing in Moka, you're not just securing a piece of land or residential unit; you're investing in a sustainable future.

Choosing ENL Property for your real estate investment

In over 20 years of operation, ENL Property has proved itself to be one of the leading real estate developers of Mauritius, having created signature residential estates in Helvétia, Bagatelle, Courchamps, Gentilly, l'Avenir, Gros Bois, Heritage Villas Valriche, La Balise Marina (the only residential marina of the island) amongst others.

Our residential and commercial developments as well as high-end Grade A offices are proof of our commitment to promote a smarter lifestyle for Mauritius.

Our success hinges on various pillars:

- The quality and accessibility of our projects
- Our reputation as a forward-thinking and trusted developer
- The strict aesthetic guidelines and standards in our developments
- Our multidisciplinary team of professionals
- Last but not least, our track record!

Facts & Figures in Moka :

+750
residential land **sold**

+600
studios / apartments /
penthouses / duplexes **sold**

Return on Investment:

Apartments (Les Promenades d'Helvétia)



Average capital gain
of **38%** since 2019



Annual appreciation
rate of **13%**



Rental yield (net of syndic fee) of
5.3% for a semi-fitted apartment

Freehold land in Moka

An average of **320% appreciation rate** since 2009

Conclusion

Investing in property in Mauritius is an opportunity to participate in a growing market, supported by a stable economy and investor-friendly policies. With expert assistance and government incentives, the journey to owning a piece of paradise is easier and more rewarding than ever. Whether you're drawn to the serene landscapes or the robust investment potential, Mauritius offers a welcoming environment for realising your dreams.



Take the Next Step

Ready to explore the possibilities? Contact us to learn more about how we can assist you in navigating the Mauritius real estate market with ease. Our team is here to provide personalized guidance and support, from selecting the perfect location to finalising your investment. Discover the potential of Mauritius property investment today.

