

Keyword(s): **Brazil**

FT REPORT - HOUSE AND HOME: Helicopters buzzing in a tropical sky

By Sue Chester

Oh! God, if there were a paradise on earth, it wouldn't be very far from here!" wrote Amerigo Vespucci on discovering Ilha Grande Bay in 1503.

On the Costa Verde, 235km south of Rio de Janeiro, Ilha Grande is one of the most spectacularly beautiful regions in Brazil, with some of the last remaining Atlantic rainforest spilling down coastal mountains into the sea across an endless splattering of humpback islands. Angra dos Reis and Paraty are the two main towns in the region; the former a springboard to the bay and the latter a gem of an 18th-century Portuguese colonial town.

The region remained isolated until the early 1970s when the BR101 highway was constructed, opening it up to wealthy São Paulo and Rio city-slickers who promptly started buying up land to build second homes. And with 365 islands in the vast, sheltered bay, it wasn't too long before the millionaire yacht brigade realised that the best vistas were from offshore.

Internationally renowned plastic surgeon Ivo Pitanguy snapped up the Ilha de Porcos Grande, where he hosts members of the celebrity set such as Keith Richards and Ronnie Wood from the Rolling Stones. Sailor Amyr Klink (who single-handedly rowed the Atlantic in 1984) owns Ilha das Bexigas, where he spends holidays with his family. And football star Ronaldo has bought Ilha das Flechas.

Otherwise it is Brazilian and international media magnates, professionals and industrialists. Supermodel Gisele Bündchen and the glitterati spend lavish weekends on an island owned by Cara, the Brazilian version of Hello magazine. With this elite posse all flying in by helicopter to the island landing pads, in the summer the sky sometimes looks like it is buzzing with mosquitoes.

Although you can find small islands in the bay from \$275,900 (property values are traditionally quoted in dollars), prices are more likely to hover around \$2m, and can reach \$10m. Cheyenne Morrison, a private-island specialist based in Australia for estate agency Coldwell Banker, considers the area fairly pricey. "I think buyers for Brazilian islands are predominantly Brazilians and that's why they are so expensive - because the region is so accessible from Rio or São Paulo. For 40 years Angra dos Reis and Paraty have been known as luxury getaways for rich Brazilians and there are some really rich Brazilians. So that's pushed the prices through the roof."

But it seems the price is irrelevant. "It's the prestige factor that's 100 per cent the top reason why islands are so expensive in Brazil," he adds. "Owning an island is more prestigious than the biggest mainland mansion. You can call it after your wife, mistress, children or yourself. So your name goes on to the atlases after a while."

Joaquim Monteiro's family controls Volkswagen Brazil and various telecommunications and paper companies. It has owned Isla Bonita, which is a little outside Ilha Grande Bay but just 95km from Rio, since 1972, when his grandfather bought the 7 hectare island for family get-togethers. Why chose the island instead of a mainland property? "Because it's really private", says Monteiro. "We enjoy our own private beaches where we can have private parties, lunch or dinner just for the family and friends we invite. And the joy is that it's your land. You can do whatever you want there; you can walk naked if you want, invite famous people because there are no paparazzi, nobody nosing about asking who your guests are. And it's peaceful - no screaming tourists, noise, traffic jams. You can just enjoy the sounds of the macaws, monkeys and waves."

According to Brazilian law anyone can use anyone else's beach during the day but sleeping there at night is prohibited. And as soon as visitors step off the beach on to an owner's private property they are trespassing. But Frederico Araujo, a partner in Judice & Araujo Imóveis, a Rio estate agency that sells properties in the Rio and Angra region, is convinced there's no risk of beach invasion. "The private beaches on these islands are often so close to the property that in reality people don't approach the beaches. They respect the owner's privacy."

And anyway, owning a beach is what makes an island property desirable to a buyer, he continues. "Clients like a beach for guests and family. Some island owners enjoy boasting that their island has more than one beach."

Isla Bonita is now up for sale for \$2.65m, although Monteiro says "no money can pay for the moments we had together as a family on the island". The price includes two homes and the 1 ha Isla Bonitinha. The main house is on a hilltop and has ocean views. It is surrounded by palm trees, with a television and games room on the ground floor and a dining room, compact kitchen and four bedrooms (three with en suite bathrooms) on the first floor. The second house is on the beach and has a dining/living room, kitchen and four bedrooms. With two beaches, a dock, boathouse and the obligatory helicopter landing pad, the island is completely self-contained.

Monteiro recommends thorough investigation into planning permission with the state and national environmental-protection agencies and the local council before any purchase. "Nowadays there are a lot of building restrictions regarding new construction," he says.

Conservation initiatives in the region began relatively recently and rules are now very strict. Extreme beauty comes with extreme restrictions. Some islands can't be touched and on those where building is allowed only 10 per cent of the total area can be used, with only two storeys permitted. Although any style from rustic to modernist goes, no homes can be built over the water or directly on the beach.

To buy an island you need an aforamento contract. This means you own 85 per cent while the government retains 15 per cent, a vestige of an old law intended to ensure the government has right of first refusal if you sell. The islands and coastal areas were originally owned by the Brazilian navy and it has kept a percentage of these strategic areas in case of military action.

You'll also have to pay the one-off laudemio (purchase) tax and the annual foro (residence) tax, both calculated according to the land's value and total area. These taxes are specific to island and coastal properties in Brazil and are in addition to the country's other property taxes.

Charles Sampson Bosworth's American father and Brazilian mother visited Angra on their honeymoon in 1958, travelling to Ilha de Itanhangá on a day trip. It was love at first sight. After a long fight to discover who owned it and exactly how the plots were divided up, they purchased the middle 4ha section of the island's three plots for \$600 in 1963. An American friend bought one of the others. By 1975 the Bosworths had bought the third, 9.7ha, lot for \$15,000.

The national environment agency started auditing the islands in the early 1990s so that it could reclaim some of them for Brazil's national heritage. Those that are leased from the government with an "occupation" license can legally be reclaimed if they have been unoccupied or if the environmental or planning laws have been broken.

Owners who have bought with a legal aforamento contract and are up-to-date with taxes are safe from repossession unless they have violated any government restrictions. The national environment agency tried to reclaim the lot owned by the Bosworths' American neighbour because he hadn't registered his land, built property there or paid the relevant taxes in 15 years. It was defeated by his aforamento contract. "But if he's not careful he could still find out that he is no longer the owner, if he ever turns up," warns Bosworth.

Although Ilha de Itanhangá is now worth \$9.5m, Bosworth can't imagine selling his property. "I remember one particular moment on the island," he says. "A huge moon was rising slowly in the sky on a hot summer night, reflecting on calm waters gently lapping the beach. It was a dream. Some people can go their whole life without seeing something like that. It's a fantasy island."