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Why Ukraine is sitting pretty

CAPITAL GAIN: Kiev is at the centre of Ukraine's economic and cultural revival

THE VITAL STATISTICS

GETTING THERE

- No visa is required
- Time: GMT+2
- Fly from Gatwick or Heathrow to Lviv or Kiev - three-and-a-half hours
- Transfers: regular buses or trains to Slavsk - two-and-a-half hours

EAGLE VALLEY

PAYMENT DETAILS

- Cash sales, no mortgage. Deposits are €1,000 with three payment plan options and discounts for multiple buys
- The Ukrainian currency is hryvnia (UAH), 9.91 to £1

EAGLE VALLEY RENTALS

- A pool system operates to ensure all owners get a fair share
- Twenty weeks occupancy rates minimum estimated
- Estimated rental incomes per night for a one-bedroom apartment after commission: £61 high season, £26.50 low season

SELLING

- Foreigners can take money out of Ukraine
- No capital gains tax to be paid in Ukraine on properties less than 100m² and first sale.
- Over that size, five per cent charged and on all second sales within a year



UKRAINE is probably best known in the West for its ability to produce football talents like Chelsea striker Andriy Shevchenko and fill catwalks with sculpted supermodels.

But as the property bandwagon continues to roll eastwards, this enormous country on Europe's fringe is unveiling other reasons to turn heads.

So what do people know about Ukraine? A postage stamp would do for most answers. As its name, which means borderland, suggests, it shares frontiers with seven countries including Russia, Romania, Belarus and Poland. This has led to an eventful history. Its 48 million people enjoy a distinctive heritage that embraces golden-domed cathedrals, exquisite icons and a vibrant folk culture.

Its fertile soils made it the bread-basket of the former Soviet Union, but since the USSR's disintegration independent Ukraine, 233,000 square miles of mountains, Black Sea coast and plains, has had 14 chequered years finding its democratic feet.

Stagnation culminated in the peaceful 'Orange Revolution' in 2004. Now the stable republic is enjoying strong economic growth based on its oil, gas, minerals and prodigious vodka production. It is keen to join the European Union, though membership is probably still a decade away.

This is early-bird investor territory, for those who can afford to take a punt on something quirky.

Sceptics may dismiss Ukraine as one outlandish steppe too far east (although Mongolia has probably trumped it) but there are others who first took the plunge in Croatia or Egypt who have good reason to disagree. While Ukraine has drawbacks, such as limited transport links, it is changing fast.

Its political leaders broadly agree that the way forward for the country must be based on investment-led growth, transparency and clear property laws. Continuing growth is helping to build a new middle class that has money to spend on leisure time.

This has led to a boom in visitors to the Carpathian Mountains, a region in western Ukraine full of sweet air, snowy peaks and wild forests where boar and lynx still roam.

It is here that newly-prosperous Ukrainians and many other mainly eastern Europeans are discovering skiing, along with traditional pleasures like walking and fishing in what is a popular outdoors playground.

Hanroc, an east European specialist, saw how the future was shaping up and is the developer of the Eagle Valley Mountain Resort, located deep in the Carpathians, 120km south of western Ukraine's architectural jewel and capital, Lviv.

The company is the first in the region to offer buyers a stake in Slavsk, the Ukraine's most popular

By Maisha Frost

ski area, at prices a fraction of its established counterparts in the Alps and half that of Bulgaria's Bansko. Seventy-four off-plan apartments are for sale on an endless lease basis, with prices starting at £26,608 (€39,303) for a studio rising to £187,245 (€247,076) for a grand five-bedroom penthouse. For a rough guide add a further 10 per cent to cover all other charges including furnishing packages.

Surrounded by stunning peaks and woods, the development will be ready by summer 2009.

Perched on a crest overlooking a pristine river valley, the Eagle Valley project covers 1.5 acres in total. The building forms a five-storey half-moon

that looks out over its own private woods and is just 400m from the nearest chairlift with access to a range of long beginner and intermediate pistes.

A traditional Alpine exterior leads to light, contemporary interiors. Each apartment, with utility mains connections, will have its own balcony, but there will also be a large communal sun terrace and bar/cafe as well as a spa, complete with pool, gym and sauna, and ski equipment shop.

Other developments are bound to follow but the pioneering Eagle Valley has been designed to preserve its stunning views. Hanroc

project manager, Jeremy Cornah, said: "Our approach is roots-up, ensuring reliability for our clients with good, local service providers." Mr Cornah is working with Ukrainian partner UA Property, to take full advantage of the so-called 'Bansko bounce'.

He added: "We specialise in introducing the best international designs and fuse them with the best local ideas. Better design adds value."

Eagle Valley is just 2km from Slavsk, a quaint village of carved wooden houses with ornate pitched roofs in hues of violet, cobalt and rose. Slavsk's charms and access to five mountains drew more than 600,000 visitors last year. But guesthouses cannot compensate for the lack of hotel space and accommodation gets booked months ahead.

Rental potential here extends into three seasons, based on strong local demand that sees Ukrainians and other east Europeans take to the great outdoors in summer for hiking, cycling, fishing and riding, followed by time-honoured mushroom and berry gathering trips in autumn, and now the slopes in winter.

To cash in on the growing popularity, the regional government plans a £51million improvement programme including expansion of the lift and piste networks - the first of two gondolas is to be installed next year - along with upgrading of the local roads.

Mr Cornah added: "The biggest profits come from identifying those markets on the brink of acceptance. That is what Eagle Valley is all about."



SKIING HAVEN: Eagle Valley when completed



FAMOUS EXPORT: Footballer Andriy Shevchenko with his wife, supermodel Kristen Pazik