

THE NEW BERMUDA TRIANGLE

You could say golf, tennis and sailing are the three points of this island haven, which has encouraged an upscale residential scene.

Words - Jean Nayar

Laced with powdery-pink beaches and enveloped by the mysterious turquoise waters of the Sargasso Sea, the 21-square-mile sliver of paradise that is Bermuda has drawn maritime adventurers for centuries. Discovered in 1503 by Spanish conquistador Juan de Bermúdez, it was ultimately settled in the early 1600s by the British, who continue to claim it as Britain's oldest self-governing territory and transformed it into a picturesque echo of the English countryside with pastel-painted cottages and genteel gardens.

As Bermuda gears up to host the America's Cup, its real estate market has seen a burst of activity — particularly among property owners, who have rented their homes and condos to team members and their families ahead of the big event. Not surprisingly, Bermuda has also experienced a recent uptick in house and condo sales by international buyers, many of whom plan not only to participate in the America's Cup, but also to escape uncertainty abroad.

"While the America's Cup publicity helps, we do not see this as the root cause of the increase," says Karin Sinclair, a real estate broker and principal with Sinclair Realty, an affiliate of Christie's International. "The world has changed so much — with Brexit, the evolving status of UK 'non-doms' and, of course, the U.S. presidential election — the wealthy are now left wondering, 'Where should I live?'"

In addition to Bermuda's mild two-season climate, natural beauty and civilized environs, international buyers are drawn to its high standard of living, lack of personal and corporate income tax and capital gains tax, and low crime rate. The government has gradually made the purchase of Bermuda real estate easier for foreigners, too. "Ten years ago, the Bermuda Government license fee related to the acquisition of real estate by a non-Bermudian was calculated at twenty-five

percent of the property purchase price," says Sinclair. "Today, that fee is just eight percent."

"To further encourage foreign investment, the government also lowered its threshold for houses that can be purchased by non-Bermudians to those with an Annual Rental Value of \$126,000, which translates to entry-level prices of about \$3.5 million," says Sallyann Smith, a broker and principal of The Property Group. The lowest-priced condominium units available to international buyers are those with a minimum A.R.V. of \$25,800, or a price of about \$550,000.

Still, certain restrictions remain for foreign buyers.

The real estate market is divided into properties that can be purchased only by Bermudians or permanent residents and high-end "freehold" houses that also can be bought by international buyers. "At any given time, there are about twenty to thirty homes on the market available to non-Bermudians and most house sales for overseas buyers range from \$3 million to \$12 million,"

says Smith. Condominiums range from \$1 million to \$3 million.

"Luxury condominiums typically sell in the region of \$750 to \$1,100 per square foot, while luxury single family estates can range from \$1,000 to \$2,500 per square foot," says Sinclair. "One of the charms of Bermuda is that there really is no such thing as an 'average' luxury home. More so than in the U.S. or Canada, every home is bespoke."

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WHERE TO BUY

Among the preferred locations for international purchasers is Tucker's Town in the East End of St. George's Parish, says broker Sallyann Smith.

"It is a gated area with some very influential owners, and therefore, sought-after for people looking for a private home." The relatively new development includes townhouses, estate homes and waterfront properties, as well as a golf course and club, private beaches, restaurants and pools. Other favored areas include Warwick Parish, Fairylands in Pembroke Parish and in Paget Parish, the Bellevue, Harbour Road and Grape Bay Beach areas.



MY SEA VIEW

Proud owner and operator of a custom 60-foot Simonis sailing catamaran called *Rising Son II*, born-and-bred Bermudian **Steve “Squid” Smith** offers an inside peek into the sweet life in his enchanted homeland.

Your life’s work revolves around the sea. Tell me about your boat and business.

Rising Son II is a gorgeous 60-foot catamaran that has been the No. 1 charter boat in Bermuda for about five years on multiple forums, including TripAdvisor. We provide custom private charters that include anything from sailing, booze cruising, snorkeling, catered events, paddleboarding, kayaking and much more. My regular cruise caters to the cruise ship crowd and we generally take about 65 passengers.

What are your favorite cruising grounds?

Deep Bay has everything for all ages and all levels: Crystal-clear shallow waters with reefs, caves, beaches and even cliff jumping. We usually give the passengers around an hour-and-a-half of free time to snorkel, paddleboard, kayak, play on the beach, swim through the caves, cliff jump or just sit on the boat with a complimentary Rum Swizzle.

In which part do you live?

My home is located on the south shore of Bermuda directly overlooking a beautiful beach.

What is the style of your home?

It’s a spacious, contemporary/ beach-style home with the best views anyone could ask for.

What’s the best part about living here?

I love my home because of its location and the fact that I fall asleep every night hearing the sounds of waves crashing on the rocks. I have a beautiful little backyard for my family, friends and two dogs to hang out in that overlooks the ocean.



I can walk down to a secluded beach directly in front of my house whenever I wish and go for a swim or take my dogs for a walk with my beautiful wife, Stephanie.

What’s your idea of an ideal Sunday afternoon?

My favorite thing to do on the island is to go out on a boat and catch my own fish or lobster to cook on the boat right there and then. There’s nothing fresher, cheaper or more satisfying than indulging in self-caught fresh food on the most beautiful waters in the world!

Where would you take an out-of-town guest to eat?

My favorite restaurant is Harbourfront in Hamilton. It’s a waterfront place and always has a wide range of options – from seafood to the best steak on the island. Great service and fantastic location!

What’s the best local hangout?

My favorite bar has to be Hog Penny. It’s a small, old

English-style pub that we, as young Bermudians, grew up with alongside tourists and locals. Live music, wonderful food and beverage quality and service.

What advice do you have for someone considering to buy a residence or vacation home here?

Befriend the locals and try to find your niche. Once you are a part of a local group, you are set for life. All the hidden gems and special events will be easy from there on. The best part about Bermuda is the locals – having been to many other islands, I can say this with confidence!

RECORD-SETTERS

Bermuda’s highest residential sale to date was the eight-acre Tucker’s Town peninsula property known as Castle Point, which sold in 2006 for just under \$23 million as a complete teardown. The priciest property currently on the market is the 14-acre Chelston Estate, listed at \$35 million (see Hot Properties).

PHOTOGRAPH: COURTESY OF BERMUDA TOURISM AUTHORITY (TOP RIGHT)

PHOTOGRAPHS: J.P. BOLLUA/LOOK BERMUDA, DAN FORBER (TOP), THE PROPERTY GROUP (BOTTOM), COURTESY OF AZURA (AZURA), ©SB ARCHITECTS (CAROLINE BAY), COURTESY OF BERMUDA TOURISM AUTHORITY (ST. GEORGE MARINA)

HOT PROPERTIES

CHELSTON ESTATE

12 Grape Bay Drive—Paget Parish, \$35 million

Recently renovated, the 14-acre Chelston beachfront estate includes a 10,000-square-foot main house, a trio of three-bedroom guest cottages, a two-bedroom staff cottage, as well as a pool house and a charming beach pavilion. The three-level compound comprises 15 bedrooms, floor-to-ceiling windows, a home cinema, a gym, a horticultural office and a two-bedroom/two-bath manager’s suite. Situated near Hamilton, the property served as the official Bermuda residence of the U.S. Consul General for more than 30 years, during which time distinguished guests included President George H.W. Bush, Senator John Kerry, General Colin Powell and actress Brooke Shields, among many others.

Listed by Sinclair Realty



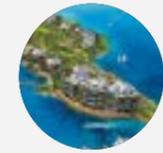
OLD BATTERY

4 South Road — St. George’s Parish, \$23 million

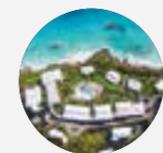
Old Battery, on the South Shore near Tucker’s Town, sits high on the hill overlooking the blue waters of the Atlantic Ocean. Built in 1926 and completely renovated in the late ’90s, the nine-bedroom, nine-bath main house and two guest cottages sit on four-and-a-half acres, which include an infinity pool and a hard-surface tennis court. Situated 20 minutes from Hamilton, the elegant 7,890-square-foot main house features a galleried living room with fireplace, wet bar and hidden wine cellar. On the upper floor, the master bedroom adjoins a cozy study with wet bar, dressing room and gym. A fully contained lower-level housekeeper’s apartment has direct access to the kitchen above. Listed by The Property Group



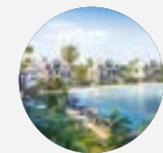
NEW DEVELOPMENTS



Morgan’s Point, a former American military base, is being reinvented as a development with 157 waterfront residences, a high-end 84-room hotel, a golf course and marina slips that can host 77 boats, including 21 megayachts. morganspointrealty.com



Azura is a unique oceanfront development rising on the site of the former Surf Side Beach Club on the South Shore Beach corridor 10 minutes from Hamilton and adjacent to the 8.7-acre oceanfront Blackburn Smith Nature Reserve. It will include private villas, condominium residences and detached homes, as well as a boutique hotel and amenities. azurabermuda.com



Caroline Bay, the first Ritz-Carlton Reserve resort in Bermuda, will be a secluded 182-acre luxury residential and yachting complex in the west end and will include premier shopping and dining, a stunning indoor-outdoor spa and a megayacht marina. It is scheduled for completion in 2018. carolinebay.com



St. George’s Marina, located within the heart of the World Heritage site of St. George’s, currently has six superyacht berths and several smaller slips but is set for a 2017 expansion that will add floating docks protected by a large fixed breakwater. stgeorgesmarina.com