

## **Real Estate – Residential Tourism**



Antigua is famous for its 365 white sandy beaches, crystal clear waters, sun and the constant cooling trade winds. Antigua is also famous for cricket, football, sailing, fishing, water sports and carnival. Antiguanians are well educated, worldly and very friendly. It all adds up to a great place for sound property investment. The most successful segment of Antigua's tourist product is **Residential Tourism**.

Residential Tourism, also known to some as "second homes", comprises of a good selection of self-catering vacation properties, apartments, condominiums, attached and stand-alone homes, and high end luxury villas. Many are acquired for retirement while many are rented out.

Antigua attracts investors primarily from the Americas and Europe. Properties purchased are primarily located on hillsides with gorgeous views, on the waterfront of our many harbours and of course on our beaches.

### **Gated Communities**

These include properties where hotels extend their rooms by offering self catering accommodation. Property owners may use the amenities of the hotel while enjoying the privacy of their own homes. Some property owners enter a rental program when not using the property themselves. Management and maintenance services can be contracted from the hotel or these properties can have their own managers, gardeners, maids and cooks.

Jolly Harbour Beach Resort, Marina and Golf Club is the largest gated community offering from one bedroom apartments, the 2 bedroom waterfront and golf course villas, to large beachfront villas. Jumby Bay, is one of our top residential tourist products. Owners and their guests can combine their vacation package to include catering in their home or at the hotel.

Sugar Ridge Hotel opened in 2010. The small 32 room boutique hotel with spa, shops and restaurants is now concentrating on selling and developing its 54 fully serviced building plots complete with building contract.

### **The North West**

Many of our second home owners prefer to live amongst the local population and have settled in all parts of the island.

The North West section of Antigua, the location of choice for many residents, includes the capital St. John's, the Cedar Valley Golf Course and the V.C. Bird International Airport. Popular residential areas are: Paradise View, McKinnon's, Blue Waters, Hodges Bay, Cedar Valley and Coolidge. Returning Antiguanians, wishing to own a 'piece of the rock', tend to invest in this sector.

The North of the island has seen major expansion in amenities such as the new Multiplex Cinema, two very impressive supermarkets and new malls with an excellent variety of stores and restaurants. Located in the North West are the new state of the art Mount St. John's Hospital, the American University of Antigua and several new private health service facilities and clinics.

### **The East Coast**

Many residential tourists chose Antigua's east coast. The most notable development in this area is the Mill Reef Club, established in the late 1940s by east coast Americans. There are many High-end villas located on this coast, taking maximum advantage of the cooling trade winds. Emerald Cove, The Peninsula, Non Such Bay, Half Moon Bay, St. James's Club, English and Fal-mouth Harbours and Turtle Bay are popular areas close to services and amenities.

The South East, encompassing the historic National Park, Nelson's Dockyard and the many surrounding fortifications, is popular and growing steadily. Many Yacht Owners, Captains and Crew invest in property in the St. Paul's Parish, base of the Caribbean Yacht Charter fleet. Adjacent to the Antigua Yacht Club Marina is Antigua's newest, tasteful hotel/apartment complex, South Point.

## **The Caribbean Side or West Coast**

In recent years, the west coast, or Caribbean side, has become the hotspot of Residential Tourism, providing the calmer waters, sunsets and excellent boating. There is a wide selection of property both in gated communities and on the hills and beaches along the coast. Tamarind Hills is one of the newest gated communities developing a combination of up-market villas and apartments. Sugar Ridge and Jolly Harbour are located in this popular St. Mary's South parish.

## **Architecture**

In the Caribbean we tend to spend much of our time on covered verandahs, dining, entertaining and relaxing. Caribbean Styles may be Georgian, Contemporary or Mediterranean. Most homes incorporate pitched roofs with overhang shed roofs that cover verandahs. Louvered windows and doors are common. The peaked roof is the most important element in a Caribbean home, providing protection from the sun and rain as well as security against strong winds. Hurricane shutters provide protection against high winds and also security for vacant homes. There are many competent Architects, Engineers, Builders and Contractors in Antigua. Construction of Concrete block and wood with corrugated galvanized roofs are most common.

## **The Economy**

There is no better time to purchase property in Antigua and Barbuda than now, with an excellent selection of building plots, pre-built property and motivated sellers. For the best results, contact an estate agent who offers a full range of professional services and one stop shopping.

## **Property Acquisition Considerations**

1. For non-citizens a license is required to purchase property. The cost is 5% of the value of the property.
2. On vacant land, building must be completed in compliance with the non-citizen's license terms.
3. Government transfer fees to the buyer, 2.5% and to the seller, 7.5%.
4. Property taxes/rates are based on rental value and are reasonably set.
5. Most property is fee simple or freehold. Leaseholds are rare and usually held by the Crown.
6. Legal cost 1% to 2% depending on the value of the transaction.
7. There is no title insurance. Properties are registered at the Land Registry.
8. Real estate commissions are from 5% to 7%.
9. The property management fee is usually 10%. Rental commissions 8.33%.
10. Withholding taxes are 25% of net rental income for non-residents.
11. Insurance coverage is approx. 1.4% of insured risk; deductible of 2% includes earthquakes and named storms.
12. Bank financing is available but interest rates are high by world standards.
13. Most houses are serviced by septic tank. Water cisterns are required.
14. Most properties are fully serviced with electricity, water, cable TV, telephone and Internet.
15. The Antigua & Barbuda Investment Authority offers attractive fiscal incentives to developers.
16. Permanent Residency and other Residency programs are available. New residency programs are being introduced to attract investment, Inquire of your Lawyer or Estate Agent about these.

### Credits

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