

INTERNATIONAL REAL ESTATE

House Hunting in ... the Bahamas

Luxury prices are inching up in Nassau, thanks in part to foreign investors who see the island nation as a safe investment.

By Roxana Popescu

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A Nassau Retreat With a Private Lighthouse

\$3.5 MILLION

Solomon's Lighthouse, a waterfront estate on the northeast shore of Nassau, in the Bahamas, takes its name from the private lighthouse on the property that offers panoramic views of Montagu Bay, the island of New Providence and the Atlantic Ocean. The estate also includes a 7,000-square-foot British Colonial-style house, a swimming pool and a recently renovated backyard area.

The five-story lighthouse was built in the 1950s by a previous owner of the property — “an eccentric,” said John Christie, the managing broker of H.G. Christie Ltd., the local affiliate of Christie's International Real Estate, which has the listing. “It was just a toy for him.” An elevator in the lighthouse provides access to two en suite bedrooms, a kitchen, a glass-walled “eagle's nest” and an exterior terrace with 360-degree views.



The 7,000-square-foot house has two wings, with a 90-foot waterfront pool in the back.

Moris Moreno for The New York Times

The lighthouse was originally on a separate lot, adjacent to the house. The current owner bought it around six years ago, combined the lots and began renovating both the lighthouse and the main house, adding a stone bridge to connect the two. The merger of the two seafront lots into one eight-bedroom estate was overseen by Alireza Sagharchi, a British architect, who added a waterfront terrace with Italian travertine tile, a wooden deck with access to the shore and a terraced garden under the bridge.

The six-bedroom, four-bathroom main house has two levels, with a shingled roof and a wooden balcony running along the waterfront side. The front door opens into an entrance hall that bisects the home's two wings.

The west wing, built in the 1950s, has a large family room and a separate two-bedroom staff apartment downstairs. Three bedrooms are upstairs, including one that is en suite and two that share a full bath.

The east wing, built in the 1990s, contains a formal living room, kitchen, dining room and the master bedroom. The living room has floor-to-ceiling windows overlooking the rear patio and the ocean. The kitchen has wood cabinets, granite countertops, a wine refrigerator, a breakfast nook and glass doors leading to the pool area. Upstairs, a lofted sitting room has ocean views, glass doors that open to the balcony, a vaulted ceiling and double doors leading to the master suite.

The property, which sits on almost half an acre in a residential neighborhood, has 200 feet of water frontage, as well as shaded parking for five cars, an electric gate, a large generator and an electronic security system.



The second-floor sitting area and study has bookshelves, pastel walls and a vaulted ceiling. In the rear of the room, doors lead to the master suite.

Moris Moreno for The New York Times

Nassau, the capital city of the Bahamas, occupies the entire island of New Providence, with a population of about 270,000. The downtown area, which has several markets and museums, is a 15-minute drive from the house, Mr. Christie said, and Lynden Pindling International Airport is about 30 to 45 minutes by car, depending on traffic.

Market Overview

The real estate market in the Bahamas is still recovering from the global financial crisis in 2008, agents said.

“It’s not on fire, and it’s not in the doldrums,” said George Damianos, the president and managing broker of Damianos Sotheby’s International Realty, a Bahamas agency. Prices have been stable for about three years, he said, with supply and demand balanced.

But in the past couple of years, luxury prices in the strongest markets have increased by an average of \$200 a square foot, said Mr. Christie, who attributed the growth to foreign investors seeing the country as a safe investment.

Christine Wallace-Whitfield, a senior broker at the Bahamas agency Island Living Real Estate and the president of the Bahamas Real Estate Association, said the market is on a slight upswing, reflected in increased sales volume in the past two years but not an overall increase in prices.



A wooden balcony with several seating areas runs along the back of the house.
Moris Moreno for The New York Times

Luxury homes in the Bahamas start at about \$1 million, agents said, with prices per square foot typically ranging from \$750 to \$2,000. (By comparison, the price per square foot in the general market is about \$250 to \$400, they said.)

Most luxury homes are in the \$2 million to \$3 million range, Mr. Damianos said, although Mrs. Wallace-Whitfield noted that \$750,000 can get something approaching luxury.

In areas popular with luxury buyers — Lyford Cay and Old Fort Bay, long-established gated communities on the western side of Nassau, and Albany, a newer residential resort spread over 600 acres on the southern coast — prices can go as high as \$45 million.

But “you can definitely stretch out your dollar more in the outer islands,” Mrs. Wallace-Whitfield said, and Bimini, the country’s westernmost island, is a rising “hot spot.”

Who Buys in the Bahamas

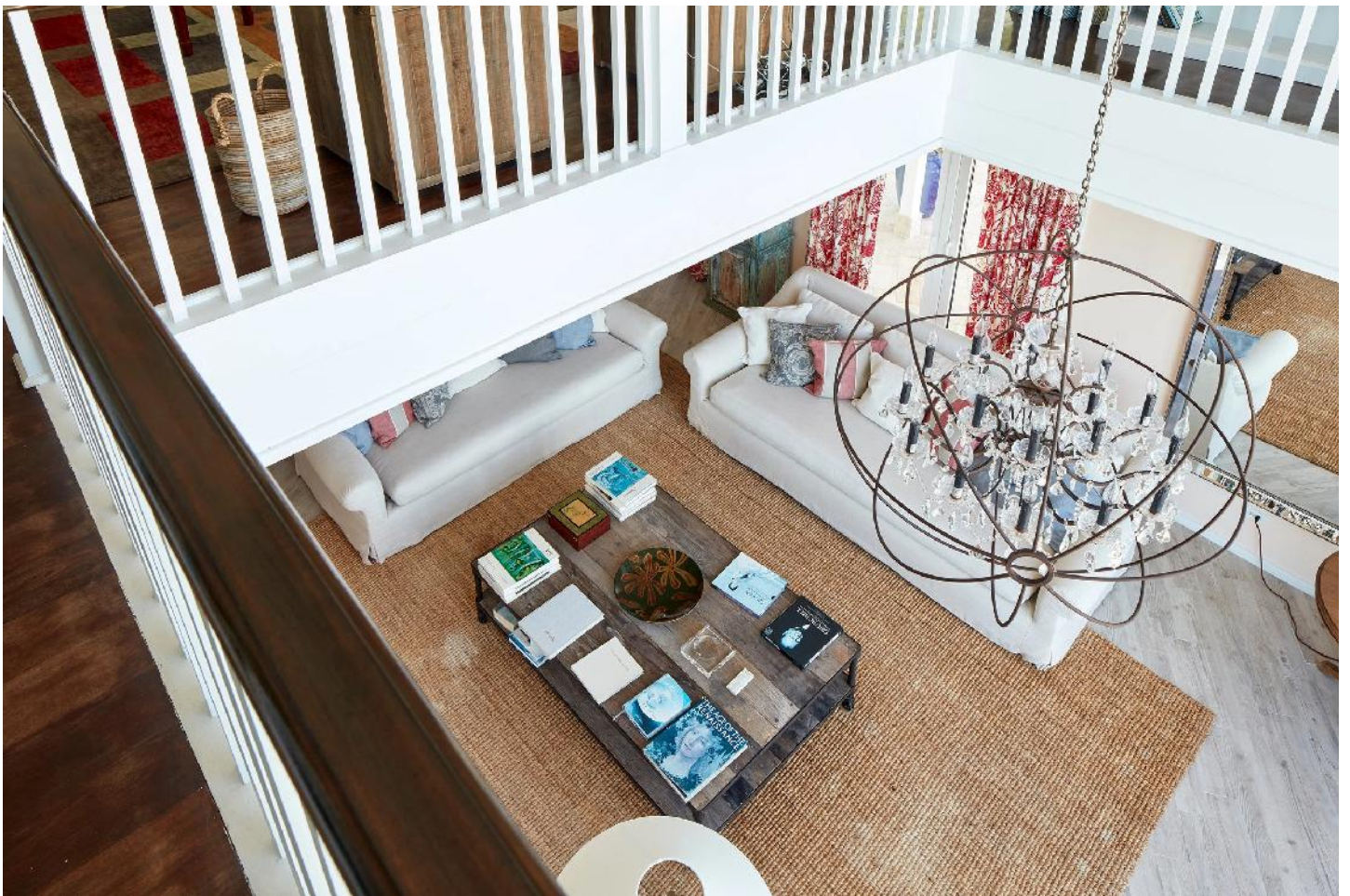
Most buyers of high-end property in the Bahamas are foreigners, agents said.

In the past 12 months, Mr. Damianos said, nearly all of the luxury buyers he has seen have come from other countries: about 60 percent from the United States and the rest from Canada, Mexico, Brazil, Argentina, Peru, France, Switzerland and Britain.

Mrs. Wallace-Whitfield said about 85 percent of her buyers in the past year were foreign, from the coastal United States, Italy and Germany. And Mr. Christie said most of his luxury buyers in the past year were as well — primarily from the United States, Canada, Britain, France, China and Brazil, with a few from Spain, Germany, Russia and Switzerland.



In the living room, a spherical chandelier is suspended from the second level. Glass doors open to the rear terrace. Moris Moreno for The New York Times



The living room is open to the lofted sitting room on the second floor. Moris Moreno for The New York Times

Buying Basics

Noncitizens must obtain permission from the Bahamas Investment Authority before buying property in the Bahamas, said Andrew G.S. O'Brien, a founding partner of Glinton Sweeting O'Brien, a Nassau law firm. The process usually takes 45 to 60 days and costs \$250 to \$500, depending on the size and use of the property.

Buyers of properties that cost \$750,000 or more can apply for economic permanent residency, which does not include the right to work, Mr. O'Brien said.

Buyers and sellers both retain lawyers; fees typically start at 2.5 percent of the sale price and are reduced on a sliding scale as the price of the property goes up.

"This is significantly higher than it is in the states," Mr. O'Brien said. "There's a lot more that the attorneys have to do to get your property processed with the government and documented."

The legal service — on which buyers are charged a 12 percent value-added tax — includes the Bahamian equivalent of title insurance, which is backed by the attorney's professional indemnity policy, he said.

Buyers and sellers typically split the transfer tax, Mr. O'Brien said: On properties priced over \$100,000, the tax is 10 percent; below that threshold, it is 2.5 percent.

Websites

- Nassau tourism: nassauparadiseisland.com

- Bahamas National Parks: bnt.bs/parks
- Pirates of Nassau Museum: piratesofnassau.com
- Bahamas Investment Authority: bahamas.gov.bs/bia

Languages and Currency

English; Bahamian dollar (1 Bahamian dollar = \$1)

Taxes and Fees

Annual property taxes for this house are \$16,000, Mr. Christie said.

Contact

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