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74 OVERSEAS PROPERTY

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Join the Bermuda jet-set

Pictures: ALAMY/REX

A new scheme could help you buy a piece of this exclusive island, says Zoe Dare Hall

MICHAEL DOUGLAS and Catherine Zeta-Jones call it home, wealthy New Yorkers fly there for the weekend and John Lennon was so inspired by it that he wrote the album *Double Fantasy*. It can only be Bermuda.

For ordinary mortals, buying a property on this Atlantic island is harder than joining the world's most prestigious club. Bermudians cannot sell to non-Bermudians and there are just 12 houses on the island available for foreigners to buy, ranging from £3 million to £17 million.

'It's a limited market, with lots of checks and balances for foreign buyers,' says David Dodwell, owner of The Reefs, the seafront hotel where the Douglases like to dine on the beach.

There is also a 25 per cent licensing fee, renting out your property is strictly controlled and money alone is no guarantee that you will get in.

'Investors have to get permission from immigration and they can turn you down without having to give a reason,' says Dodwell. 'Even

if you come here to rent, you can pay £30,000 a month for three years up front for a top-notch house.'

But Britons have an affection for Bermuda, a tiny UK overseas protectorate 650 miles off the U.S. East Coast. You drive on the left, with a speed limit of 35mph, past Union Flags and British-style traffic lights.

'Among foreign buyers, Britons

own a total of 28 per cent of detached houses,' says Buddy Rego of Rego Sotheby's Realty.

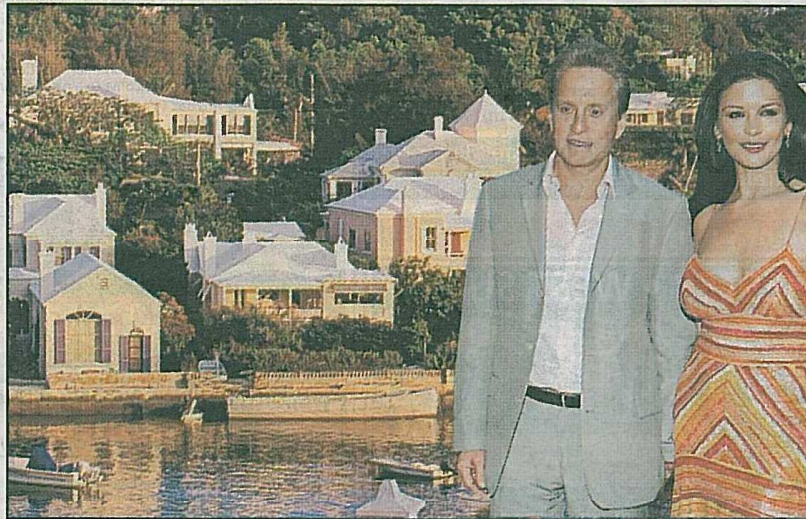
'The dollar rate has been favourable and the market is not suffering in the same way as the U.S. In fact, the average house price has risen from £1.08 million to £1.35 million in the past year.'

Rego is selling a new four-bedroom house at Tucker's Point,

overlooking the golf course and water, for £3.32 million.

The island is starting to open up to a wider cross-section of buyers, with fractional ownership schemes enabling investors to own a slice of Bermuda from £100,000.

'Fractional ownership is a policy that the government has adopted mainly for the benefit of foreign buyers,' says Dodwell, whose



A-list neighbours: The Douglases call the tiny British colony of Bermuda home

hotel is building The Reefs Club. The 19 two and three-bedroom seafront apartments cost from £243,000 for a tenth share, plus unlimited use and access to affiliated residence clubs in the U.S. and Europe.

Another scheme, Newstead Belmont Hills Golf Resort and Spa, overlooking Hamilton harbour, has 45 new apartments, allowing eight weeks' use a year from £90,000.

A new seafront Park Hyatt with 30 branded residences is due to open in 2012. For buyers, it means a holiday home without the hassle of maintenance, where you can use a hotel's facilities.

It is the first time investors without millions to spend can afford a home on the island. In addition, licensing fees for fractional properties are a lower 10 per cent.

'Before fractional ownership, high entry prices made owning property on Bermuda extremely difficult,' says Dodwell.

'Now we're opening up our wonderful island to a wider market. Our 400th anniversary marks a new era in our island's tourism.'

■ **SOTHEBY'S International Realty** (001 441 292 3921,

regosothebysrealty.com).

The Reefs (001 441 239 0190,

reefsclub.com).

Newstead Belmont Hills Golf Resort and Spa (001 441 236 6060,

newsteadbelmonthills.com).