



“Tide of investment sweeps Bahamas”

NASSAU, Bahamas: This archipelago where Columbus discovered the New World and Hemingway fished has long been a winter hideaway for the super-rich, the titled and the famous, protecting their privacy and often their fortunes in lush enclaves far from the cruise-ship crowd.

Until now, the 700-plus islands have escaped the global real estate rush for a simple reason. "We have a limited supply of inventory," explained John Christie of H.G. Christie, a Nassau real estate agency established in 1922, when the country was still a British colony. That is about to change.

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From the capital city of Nassau to less sparsely populated islands in the chain, high-end residential projects are in development with amenities that almost routinely include golf courses designed by champions, equestrian centers, full-service marinas accommodating vessels as long as 200 feet, or 60 meters, private air strips, dive shops, spas, unspoiled beaches and turquoise waters.

Almost anything built in the Bahamas these days is considered upscale, with developers courting clients who have multiple homes around the globe. But the prices, linked to the American dollar, look like bargains to anyone paying in pounds or Euros.

Given Florida's proximity to the Bahamas - only about 50 miles, or 80 kilometers, at the closest point - the primary market for the luxury construction will be the United States and Canada, but the strength of European currencies, favorable residence requirements and tax laws draw investors from farther afield.

Rum Cay, the size of Manhattan, once had about 80 inhabitants and no electricity in the 1980s. "Now you can dial the world from Rum Cay. A large fiber-optic cable connects all the islands with infinite bandwidth for all communication and entertainment. When we first went there, no one could call on cell phones," Mittens said. He added with some regret, "Today, phones keep ringing."

With an existing protected 27-acre marina, which can accommodate the largest yachts, Rum Cay initially targeted North American boaters and fishermen but now sees an international market. "We've been in earnest discussion with people in the U.K. and developing sales channels in the U.K. and other places like the Middle East and Russia," Mittens said. "Europeans tend to travel very well. The Brits, the Dutch, the Germans, the Scandinavians don't have trouble with distance. It's the same travel time as to Florida."

Because the Bahamas have catered to the super-high-end, which often deals only in cash, the country has escaped the overbuilding, flipping and mortgage woes of neighboring Florida, but new developments have raised land-use and environmental concerns. Some residents of New Providence, where 70 percent of the roughly 300,000 Bahamians live, worry that more gated communities will squeeze them into the center of the island.

For now, private estates and private islands remain the heart of Bahamian luxury real estate. Private islands, once acquired by celebrities like Nicolas Cage and Johnny Depp, can still be found today for as little as \$350,000, said Christie of H.G. Christie, but now that would buy "only a little rock."

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