

INTERNATIONAL REAL ESTATE

House Hunting on Anguilla: Modern Elegance, Steps From the Caribbean

This January saw some of the island's highest tourism numbers in recent years, lending some momentum to a rebounding sales market.

By Alison Gregor

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A 6,000-Square-Foot Seaside Villa on Anguilla

\$3.5 MILLION

This contemporary six-bedroom villa on the southern coast of Anguilla overlooks a small beach with a cove in the Caribbean Sea. Built in 2006 on 0.65 acres in the LockRum Bay area, the three-story home sits about 25 feet above sea level and has 6,000 square feet of interior space, with hurricane-proof windows and doors, said Elaine Hearn, a co-founder of Properties in Paradise, which has the listing. Numerous balconies and patios surrounding a pool and artificial turf lawn offer views of the nearby Caribbean islands of St. Martin and St. Barthélemy, she said.

"The property has sea frontage and access to a small cove via a natural stone staircase, where there is lovely snorkeling," Ms. Hearn said. "All of Anguilla's beaches are public, but I've never seen anyone on that cove other than the owners of the four homes around it."



A few stairs from the foyer lead down to the sunken living room and dining area, with sliding glass doors out to the pool terrace. Courtesy of Properties in Paradise

A circular drive approaches a portico opening to a foyer with a curved marble staircase. A few stairs from the foyer lead down to the main living room and dining area, with large sliding glass doors out to the pool terrace. An adjacent game room with a pool table leads to the kitchen, which has an island, granite countertops, a blue tile backsplash and a breakfast nook with built-in seating. The game room also opens to a covered terrace furnished for dining, as well as the 52-by-13-foot pool. The first floor also has a gym, bathroom, laundry room and storage rooms.

The villa's furniture, mostly imported from Europe, is included in the asking price. Floor tiles are a mix of marble, travertine, sandstone and local coral stone.

The second floor has four en suite bedrooms, all with access to an extended balcony with sea views. Each bathroom is marble-tiled with a glass-walled shower; two have bathtubs and walk-in closets with built-in shelving.

The third floor has a central living area with a balcony and a kitchenette, flanked by two en suite bedrooms with walk-in closets and sandstone-tiled bathrooms.

There is air-conditioning throughout the home, as well as three outdoor showers. The property, which has parking for at least six cars, is landscaped with cottonwood, palm trees, bougainvillea and hibiscus. Plans have been approved to build a separate one-bedroom structure, Ms. Hearn said.

The villa is a short drive from the village of Blowing Point, where Anguilla's ferry terminal is located, and Rendezvous Bay Beach, a two-mile stretch of white sand. The Valley, Anguilla's capital with about 1,000 residents, is a 10-minute drive, Ms. Hearn said. Also nearby is a golf course, tennis academy and boat excursion companies. Anguilla's international airport, which receives nonstop flights from Miami, is about eight minutes from the villa. Visitors can also fly into St. Maarten and take a 20-minute boat ride to Anguilla.



The 52-by-13-foot swimming pool extends out from a covered terrace outside the living room doors. Courtesy of Properties in Paradise

Market Overview

The housing market on Anguilla, a British overseas territory with about 15,000 residents in the eastern Caribbean Sea, suffered the tandem shocks of Hurricane Irma in 2017 and the coronavirus pandemic in 2020, but has bounced back in the past year, said Neil Freeman, a manager with Freeman Caribbean Investments.

Anguilla doesn't publish official housing-price statistics. However, Mr. Freeman said, after the government lifted quarantine requirements for vaccinated visitors in July 2021, tourism, which dominates the island's economy, picked up and lent some momentum to real estate sales.

While government statistics show that tourism in 2021, with 28,696 arrivals, plummeted by 82.7 percent from 2019, this January saw some of the island's highest tourism numbers in recent years, according to the Anguilla Tourism Board. Stopover arrivals were up 22 percent over the board's base year of 2016.

This was due in part to nonstop flights from Miami, which began in December 2020, said Lisa DeLong, a real estate sales manager with Tranquility Beach Anguilla, a new 15-unit beachfront condo development — the first of its size in a decade.

The flights from Miami, as well as increased traffic from Puerto Rico and the U.S. Virgin Island of St. Thomas, “have been a significant factor for increased tourism and investor interest,” as have relaxed visitor entry protocols, Ms. DeLong said. “Being able to skip the extra transfer in St. Maarten and be on the beach in Anguilla earlier is a game-changer and makes a weekend getaway from the U.S. viable.”

Mr. Freeman, who is a principal with Tranquility Beach Anguilla, said that more than half the development's 15 units have sold in the past 10 months, including about \$4.2 million worth of units in the past few weeks. Two-bedroom beachfront units are asking \$1,100 a square foot, with other units priced as low as \$750 a square foot, he said.



The second floor has four en suite bedrooms, all with access to an extended balcony. Courtesy of Properties in Paradise



Each bathroom is marble-tiled with a glass-walled shower; two have bathtubs and walk-in closets. Courtesy of Properties in Paradise

At the same time, the market for villas continues apace, he said: “I’ve heard of several villa owners who have received purchase offers, often unsolicited, at almost double the value from a few years ago and have chosen to hold.”

Initiatives such as Anguilla’s Residency by Investment program — which was introduced in June 2019 and offers permanent residency to foreigners who invest at least \$750,000 in Anguilla real estate — may be bolstering the island’s economy. The Digital Nomad program, which allows travelers to work in Anguilla for three to 12 months, launched in August 2020 and has been another boon to the real estate market, with more than 500 applicants, brokers said.

“After navigating the pandemic, people have realized they don’t have to be tied to a city or be physically present to do their jobs,” said Janine Edwards, the director of administration at Sunset Homes Anguilla and a principal with Tranquility Beach Anguilla.

A lack of inventory on other Caribbean islands considered Anguilla’s competitors, including Turks and Caicos and Saint Barthélemy, may also be affecting Anguilla’s housing market, Ms. Hearn said. “Since borders reopened, sales have been good, especially in the under-\$1-million range,” she said.

Among the qualities that attract foreign home buyers to Anguilla, a flat 35-square-mile island of coral and limestone, are a famously laid-back and friendly population, favorable tax laws, exceptional beaches and restaurants, and a low crime rate, Ms. Hearn said. “There are no casinos, no fast-food chains, no inheritance tax and no capital gains,” she said.

Houses on Anguilla are more expensive than in countries like Costa Rica and Jamaica, but a better deal than comparable properties on neighboring islands, Mr. Freeman said. “Anguilla properties range from \$1,000 a square foot to \$1,500 a square foot for beachfront locations, and \$500 to \$1,000 for inland or waterfront with a rocky shore,” he said. “In St. Bart’s and Turks and Caicos, prices are higher, from \$2,000 to \$3,000 a square foot.”



The third floor has a central living area with a balcony and a kitchenette, flanked by two en suite bedrooms. Courtesy of Properties in Paradise

Who Buys on Anguilla

About three-quarters of foreign buyers on Anguilla hail from the United States, and about 10 percent come from Canada, Mr. Freeman said. “Anguilla attracts a mix of snowbirds, retirees and high-net worth individuals,” he said. “At Tranquility Beach specifically, we’ve sold to several young families looking for investment income.”

Many of the remaining foreign buyers are British, Ms. Hearn said. “The island is so small, there are no bad areas to buy, but many buyers are looking for the West End, where the majority of five-star hotels are, including Belmond Cap Juluca, Four Seasons and Aurora Anguilla Resort and Golf Club,” she said.

Buying Basics

Foreign buyers on Anguilla must apply for an Alien Land Holding License, a fairly straightforward process with a \$400 application fee that typically takes between one to four months to be granted, brokers said.

There is a 5 percent duty on the Alien Land Holding License, along with a 5 percent transfer tax on the sale of a property.

“For Tranquility Beach Anguilla, the license fee has been reduced to 2 percent, based on the number of days the condominiums are available for vacation rental,” Ms. DeLong said.

Generally, purchases by foreigners are limited to a half acre (commercial developments excepted), and residential construction must be completed within 30 months, though exceptions are made, Ms. Hearn said.

While Anguilla’s official currency is the East Caribbean dollar, many transactions are conducted in U.S. dollars. Buyers often hire a local lawyer, which typically costs about 1 to 2 percent of the sale price. Sale commissions are typically 5 percent and paid by the seller.

Mortgages from local banks are available. “Interest rates are about 6 percent at the moment,” Ms. Hearn said. “Most of my buyers pay in cash.”



The view from the third-floor balcony takes in the turf lawn and cove below, as well as Saint Marten in the distance. Courtesy of Properties in Paradise

Websites

- Anguilla Tourist Board: ivisitanguilla.com
- Anguilla government: gov.ai
- Tranquility Beach Anguilla: tranquilitybeachanguilla.com

Languages and Currency

English; East Caribbean dollar (1 East Caribbean dollar = \$0.37)

Taxes and Fees

Annual property taxes on this villa are about \$2,500. Foreign owners choosing to rent out the villa must pay an annual licensing fee of about \$1,000 to the government, Ms. Hearn said.

Contact

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