

The Market State

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A New Beginning at the End of the Season - I recently asked Google for the collective noun for a group of real estate agents, you know, like a murder of crows, a pod of whales or a smack of jellyfish. A "gazump" and an "exaggeration" of real estate agents were two of the more civilised suggestions. "Gaggle" also came up.

Towards the end of May, a gaggle of BVI real estate agents was present at the soft opening of the new marina at Scrub Island—the first new resort, marina and spa development in the BVI in a long time. Also attending the event were several rather large bankers, a few media types, some representatives from the BVI Tourist Board, an investor or two who have purchased villas or marina suites on the island and even a couple of prospective buyers.

The developers of Scrub Island, Mainsail Development International, put on a good show. The champagne was nicely chilled and, as long as you didn't run your hands along any of the freshly painted walls, it was certainly a few hours well spent. The progress in the last couple months, after a few hiccups last year, was impressive, and the marina village has really started to come together. For more info, visit www.coldwellbankerbvi.com or www.scrubisland.com.

The gossip amongst our gaggle largely took the form of verbal prodding and poking, each trying to discover whether the others have been busy or just sitting around twiddling their thumbs. At the tail end of our busy season, it was a rare chance to take collective stock since we don't get together that often. The general feeling was that whilst the global real estate market is generally in tatters, the BVI market has held up rather well. No one was claiming a bumper season, and most are expecting a quiet summer (not unusual, but the suggestion of going sailing down island and not coming back until Christmas was made by more than one of the group) but, all things considered, we held our own.

Most of those who have listed their homes for sale with us recently, particularly our snowbird second home owners, are not panicking. They don't have to sell but may choose to and so are not dropping their prices. They are not the speculative sort, on the whole, but enjoy all that the BVI has to offer as well as resting easy in the knowledge that theirs is a pretty safe investment. The majority are not in trouble and therefore are not desperate to sell. We at Coldwell Banker have had only a couple sellers drop their asking price. Just as many have increased their prices.

Many potential buyers are, however, expecting bargains where few are to be found for the reasons given above. They are not blushing as much as they would have done a year ago when they submit offers way under asking price. More than one has gone home with his tail between his legs when a seller failed to bend sufficiently to make a deal happen. But sales have and are being made and, whilst the number at the end of the year might be down from last year, the prices fetched continue to be impressive which is good news if you own BVI property already or if you are considering buying.

We've probably had a much more efficient season as well. There have been far fewer tyre kickers around this year. Showings have tended to be to people who are serious prospects who can afford the homes they are viewing. So our conversion rate this year should be higher than most. Overall, it's also probably been busier at the more expensive end of the spectrum than at the lower end.