



**ENGEL & VÖLKERS®**

Bahamas

The background of the entire page is an aerial photograph of a stunning beach in the Bahamas. The water is a vibrant turquoise, transitioning from shallow near the shore to deeper blue further out. A thin white line of surf marks the edge of the sandy beach, which is visible in the bottom right corner. In the distance, a line of lush green trees and several white houses with red roofs are visible along the coast. A small white boat is anchored in the water on the right side.

# 2018

**Engel & Völkers Bahamas**

**2018 RESIDENTIAL MARKET REPORT**

[BAHAMAS.EVFINEHOMES.COM](http://BAHAMAS.EVFINEHOMES.COM)

## ABOUT ENGEL & VÖLKERS

Engel & Völkers is one of the world's leading service companies specialized in the brokerage of premium residential property, commercial real estate, yachts and aircrafts. Based in over 800 locations in total, Engel & Völkers offers both private and institutional clients a professionally tailored range of services.

## THREE REASONS WHY WE ARE THE BEST PARTNER FOR YOU



### Our network – your benefit

With over 800 locations on four continents, Engel & Völkers has a unique global network and thereby has access to a great number of solvent potential buyers locally and internationally.



### Our service – your privilege

Competence, exclusivity, and passion, as well as our personal, all-round service, distinguish the Engel & Völkers brand – from the individual initial advice to the successful conclusion of a contract.

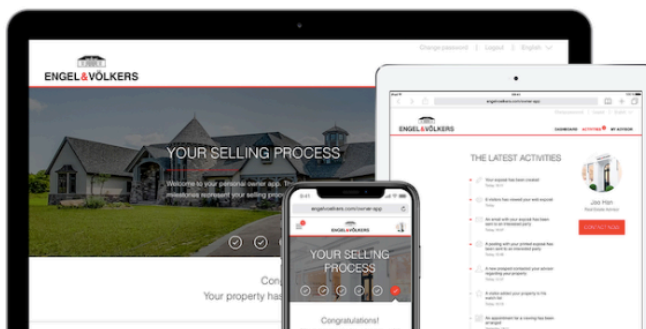


### Our expertise - your gain

Our real estate agents have comprehensive expertise and market knowledge, which you will benefit from when it comes to the reliable service concept of Engel & Völkers in every phase of the marketing process.

**SELL NOW**

## WITH US, YOU WILL REACH THE RIGHT POTENTIAL BUYERS WORLDWIDE



**Engel & Völkers Bahamas**

P.O. Box SS-6481, #1 Bay Street, Nassau, The Bahamas

Bahamas.evfinehomes.com | bahamas@engelvoelkers.com | +1 242 328 7777

**ENGEL & VÖLKERS®**





## Contents

- 2 – Overview
- 3 – Bahamas All Property Average Sales Price & Volume
- 4 – All Listings Sold & Average Days On Market
- 5 – Bahamas Total Residential Sales (Units)
- 6 – Bahamas Average Residential Sales Price
- 7 – Bahamas Average Residential Price/Square Foot & DOM
- 8 – New Providence/Paradise Is. Total Sales & Ang. Price
- 9 – New Providence/Paradise Is. Average DOM & PI Sales
- 10 – Paradise island Average DOM & Average Sales Price
- 11- High End Community Home Sales & Ang. DOM
- 12- High End Community Ang. Sales Price & Avg. List/Sale Price
- 13- High End Community Avg. Price/Square Foot
- 14- Established Community Avg. Sales Price & Avg. DOM
- 15- Established Community Avg. List/Sale Price & Avg. Price/Square Foot
- 16- Cable Beach Sub-Market Avg. Sales Price & Price/Square Foot
- 17- Cable Beach Sub-Market Avg. DOM & Average List/Sales Price
- 18- Cable Beach Condo Rental Prices & Number of Rentals
- 19- Paradise Is. Vs. Cable Beach Long Term Rental Comparison
- 20- Paradise Is. Vs. Cable Beach Long Term Rental Yield Comparison
- 21- Abaco Residential Sales & Avg. Sales Price
- 22- Abaco Sub-Market Total Sales & Avg. Sales Price
- 23- Abaco Sub-Market Avg. Price/Square Foot & DOM
- 24- Exuma Total Sales & Avg. Sales Price
- 25- Exuma Avg. DOM & Price/Square Foot
- 26- Grand Bahama Residential Homes & Lots Avg. Sales Price
- 27- Eleuthera Total Sales (Units) & Average Sales Price All Residential
- 28- Eleuthera Average Sales Price (excluding Harbour Is.) & Developing Islands
- 29- Conclusion
- 30- Real Estate & Conservation

## INTRODUCTION

Existing US home sales fell slowly in 2018. The National Association of Realtors are expecting more of the same overall sales volume in the US housing market for 2019 with a 10% increase in new home sales\*

### US Existing Home Sales



SOURCE: NATIONAL ASSOCIATION OF REALTORS

\*Note: Data reflects monthly sales of existing homes

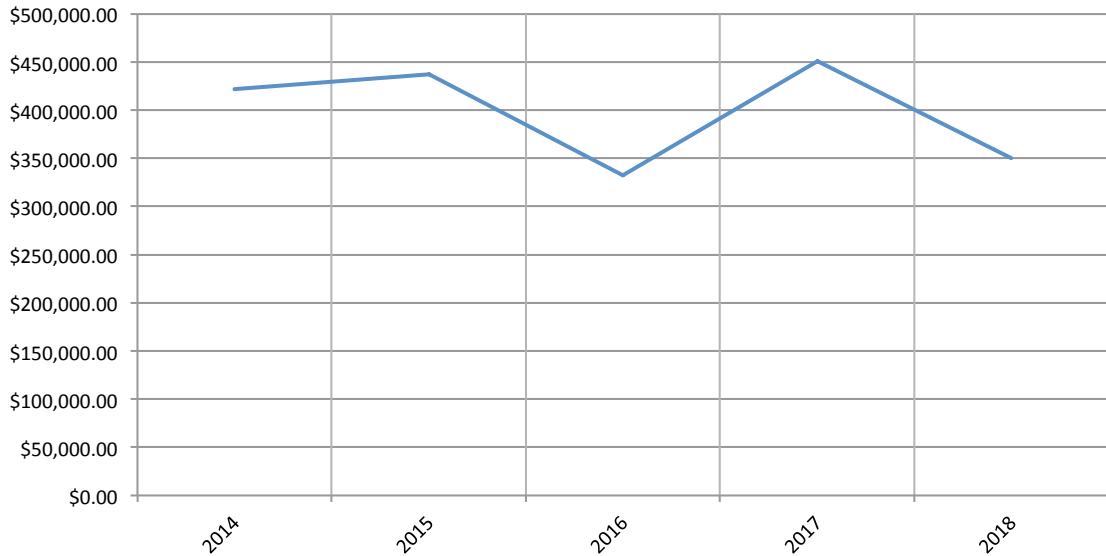
The Bahamas generally follows the US Market and should also see a similar sales volume in comparison to 2018 as well as a significant increase in new inventory on Nassau & Paradise Island in particular. In October 2018, The International Monetary Fund (IMF) chose to “shave - rather than slash - its GDP growth forecasts for The Bahamas for both 2018 and 2019. It cut its economic expansion prediction for this year from 2.5 percent to 2.3 percent, while reducing its 2019 estimate by just 0.1 percent - from 2.2 percent to a revised 2.1 percent.”\*\*

**DATA DRIVEN** – The purpose of this reports is to provide the Bahamas real estate industry and its associate professionals with a baseline study of the real estate market in the Bahamas over the past 5 years. The information in this report is gathered from the Bahamas Multiple Listing Service (MLS) which is the Bahamas Real Estate Associations central database of listings and sales activity. It is important to note that NOT ALL sales in The Bahamas are reported in the MLS however at the present time this is the most centralized data system of which to comprise a market analysis. Engel & Volkers supports the development of a national sales database for realtors, banks, insurance companies and government agencies which will support more astute financial decision making for all parties involved.

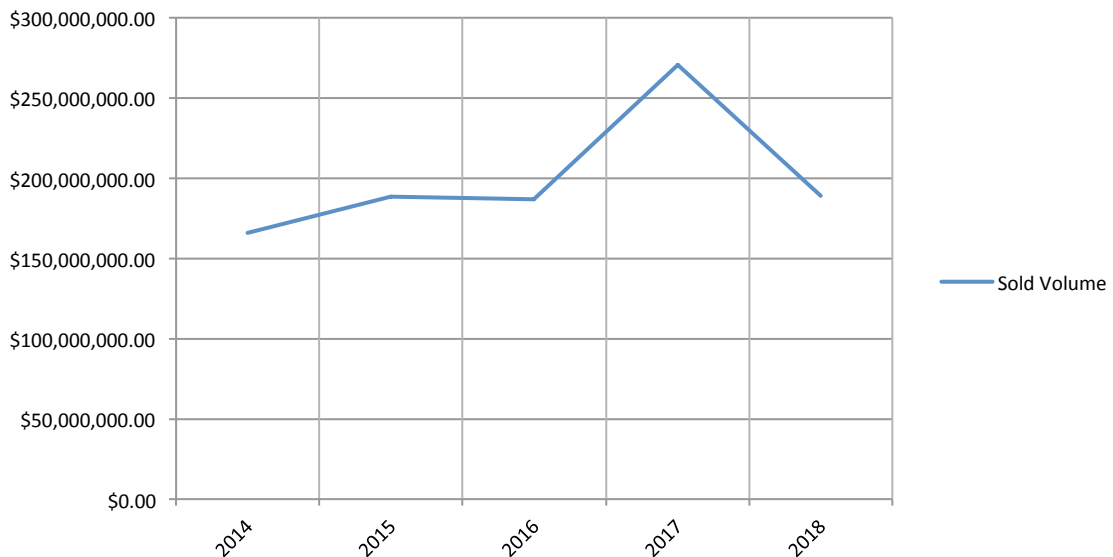
\*<https://www.nar.realtor/sites/default/files/documents/forecast-01-2019-us-economic-outlook-12-28-2018.pdf>

\*\* <http://www.tribune242.com/news/2018/oct/10/gdp-growth-slashes-pleasant-surprise/>

**Bahamas Average Sales Price (All Sales)**

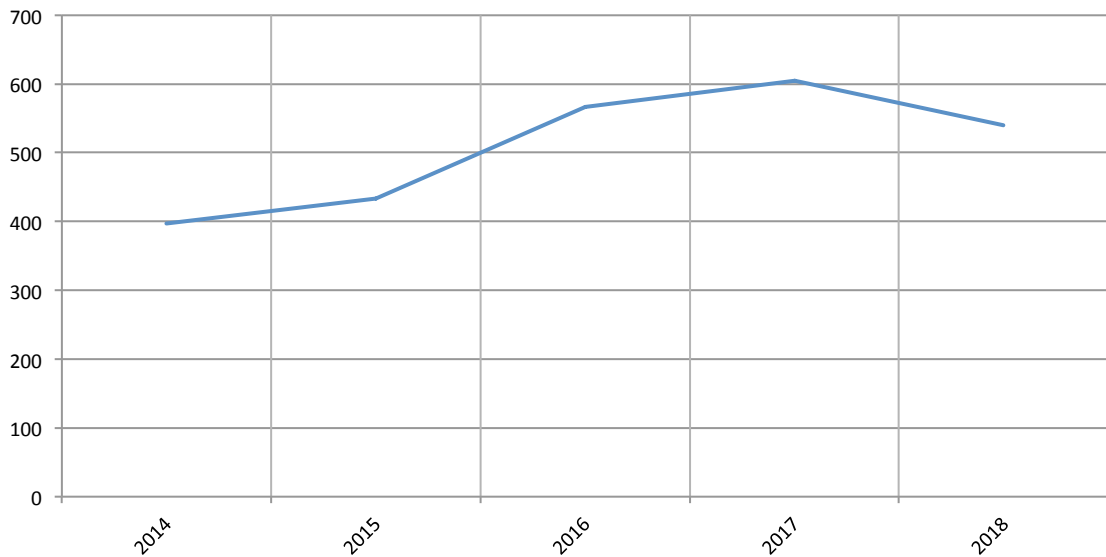


**BREA Total Sold Volume (All Sales)**

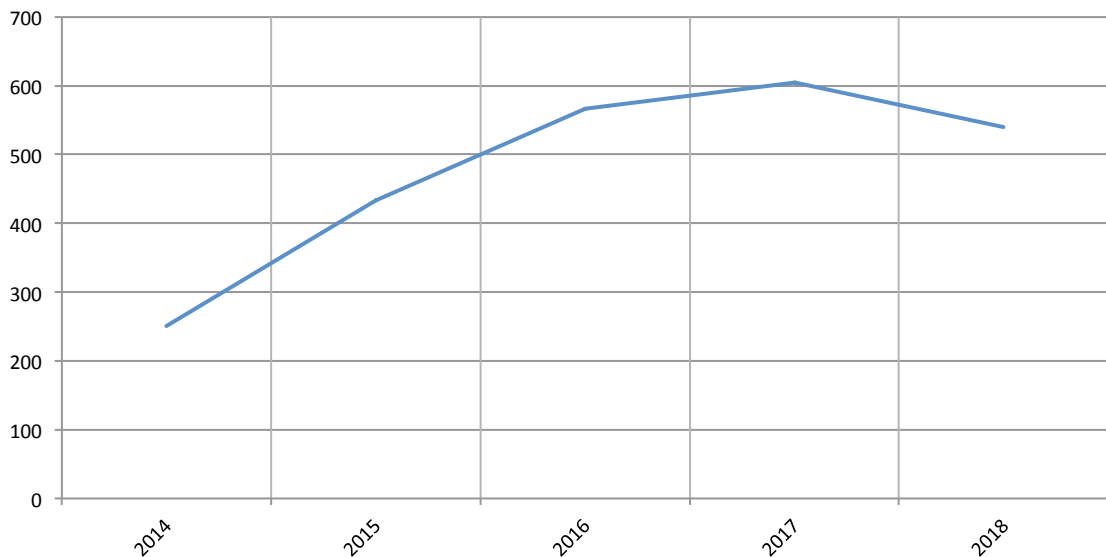




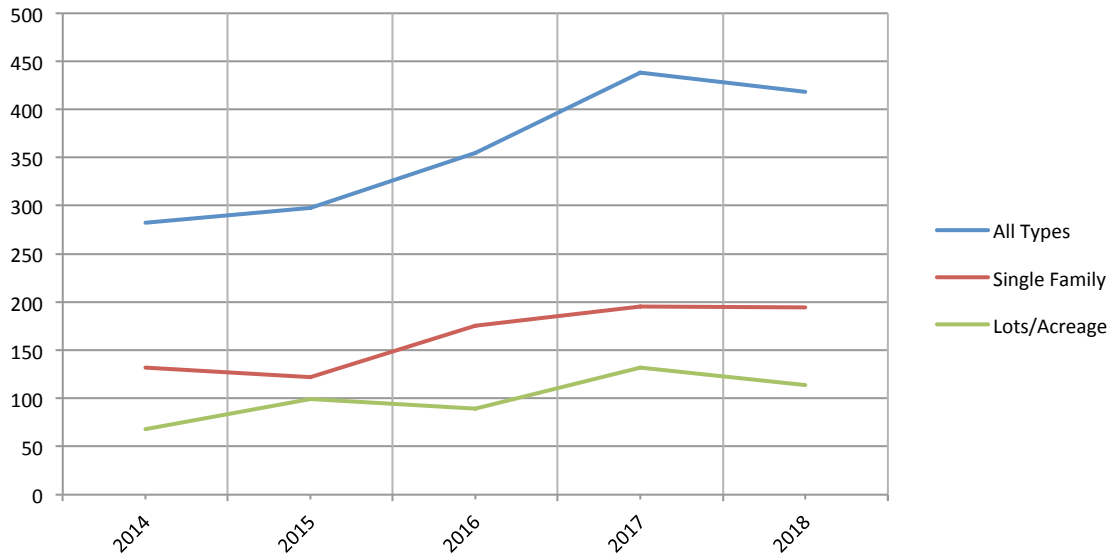
BREA Number of Listings Sold (All Listings)



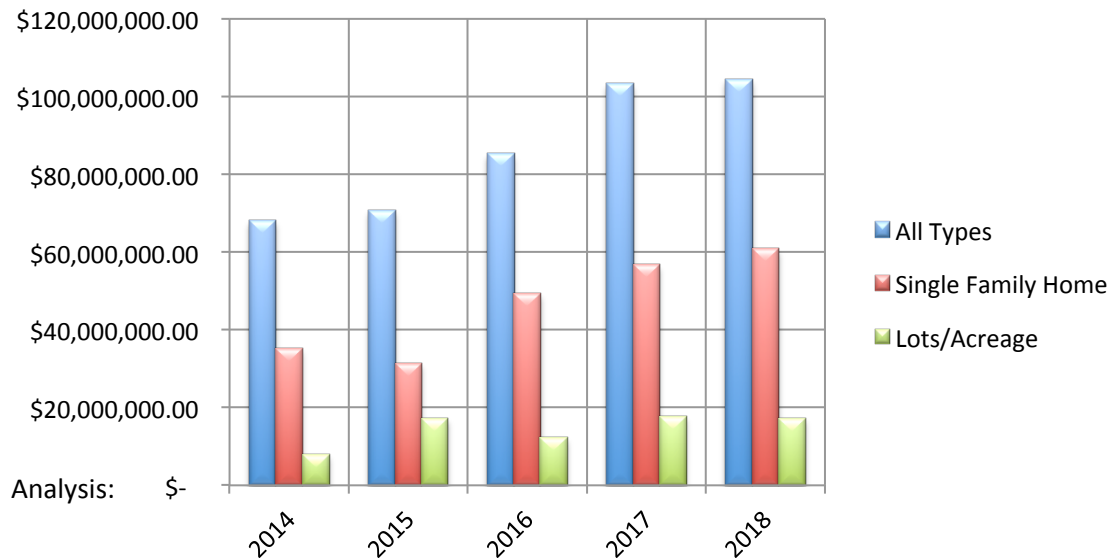
BREA Overall Average Days On Market



**Bahamas Total Residential Sales (Units)**

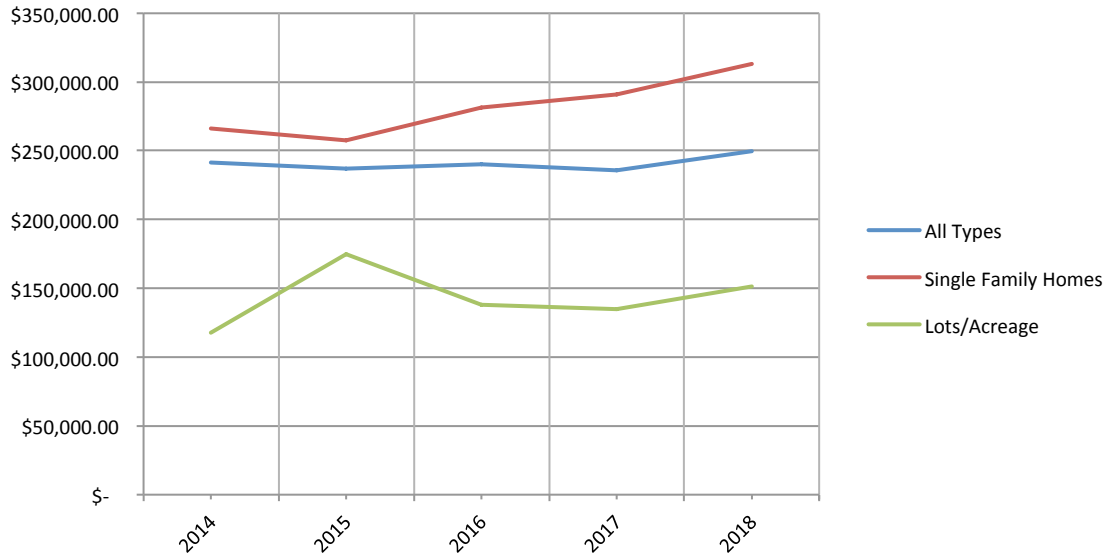


**Bahamas Total Residential Sales(\$)**

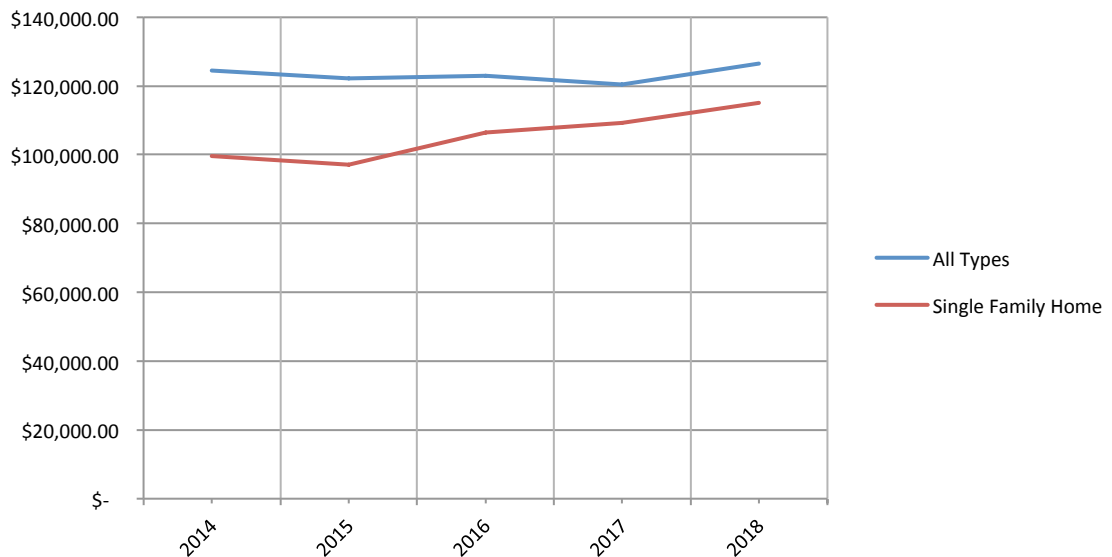




### Bahamas Average Residential Sales Price



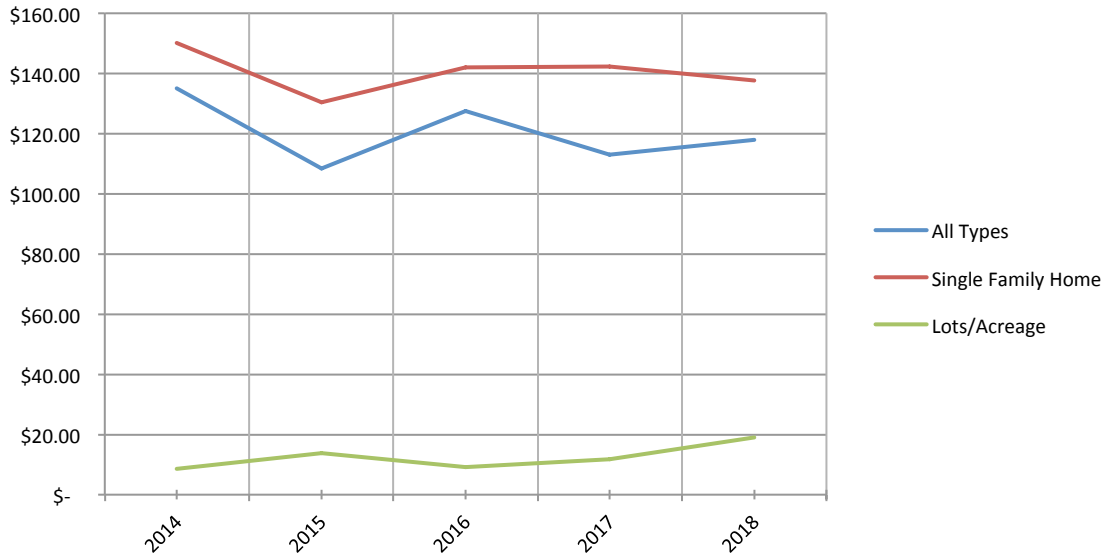
### Bahamas Average Price/Bedroom



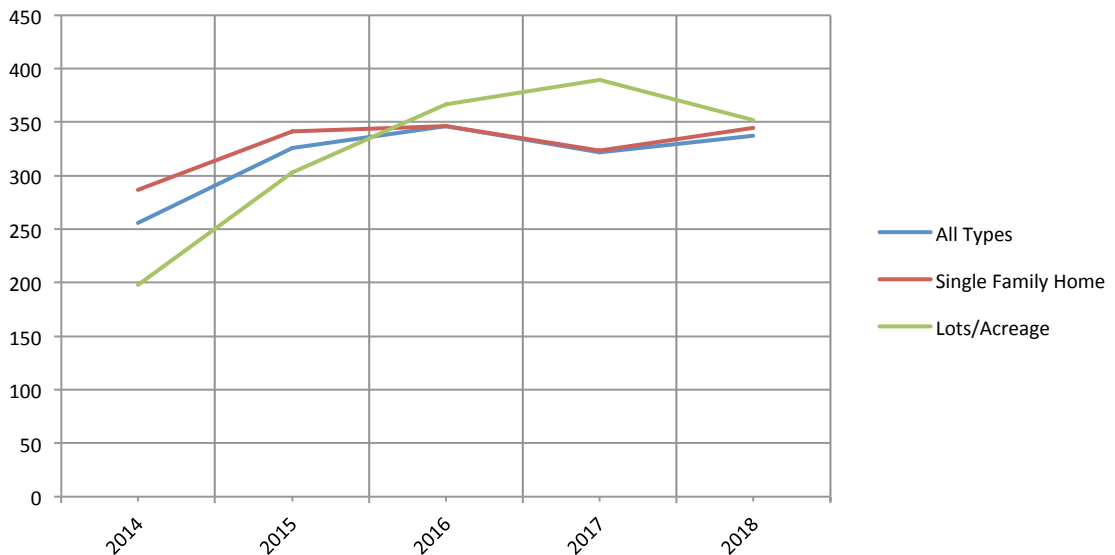




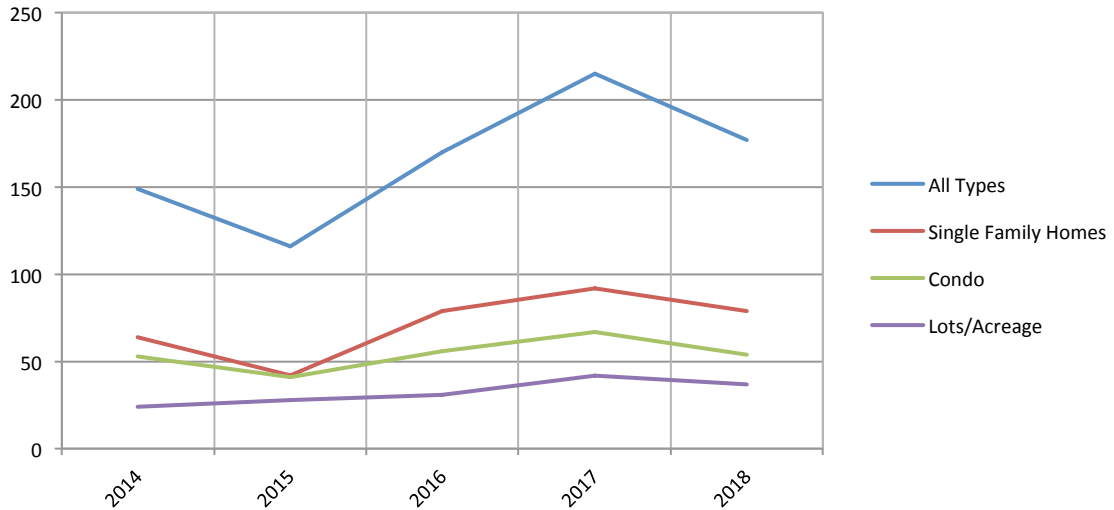
Bahamas Average Price/Sqft



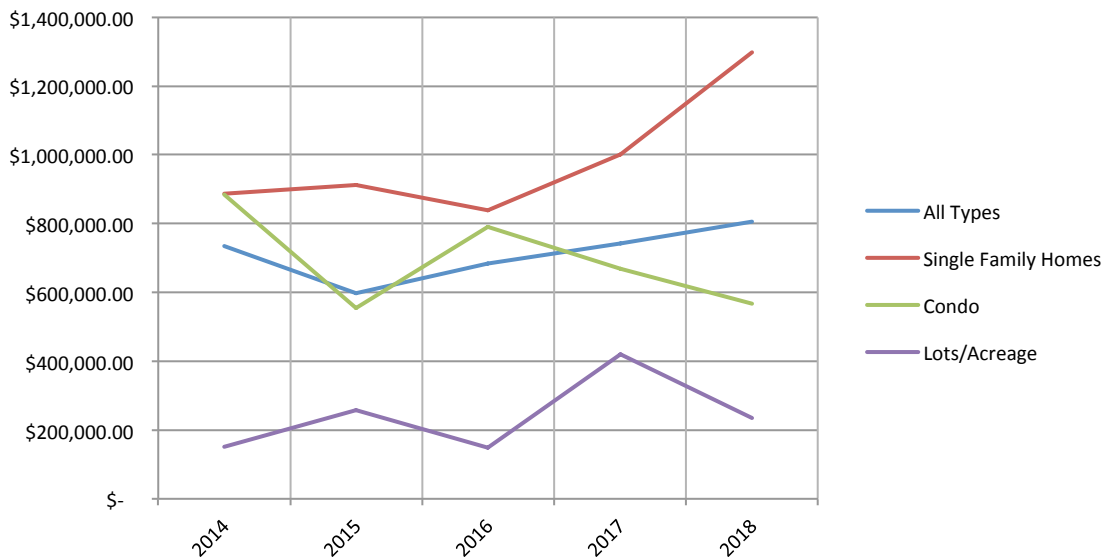
Bahamas Residential Average Days On Market



### New Providence-Paradise Island Total Number of Residential Sales

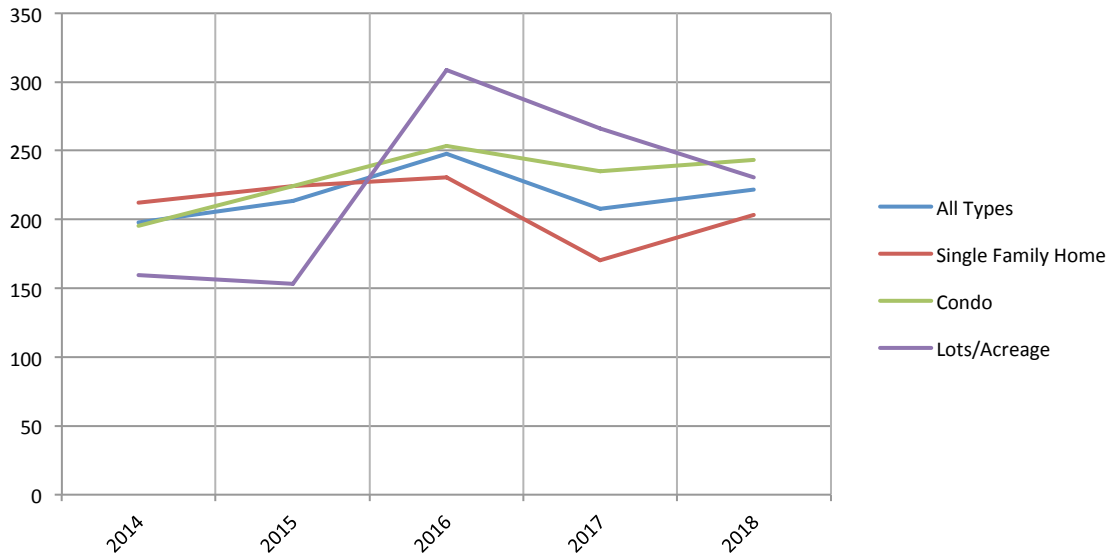


### New Providence - Paradise Island Average Sales Price

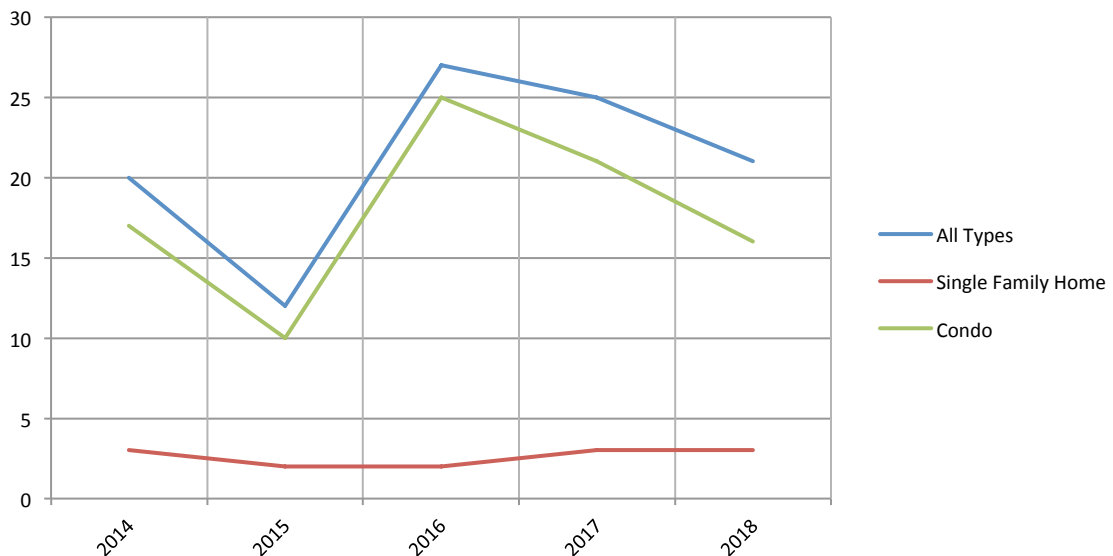




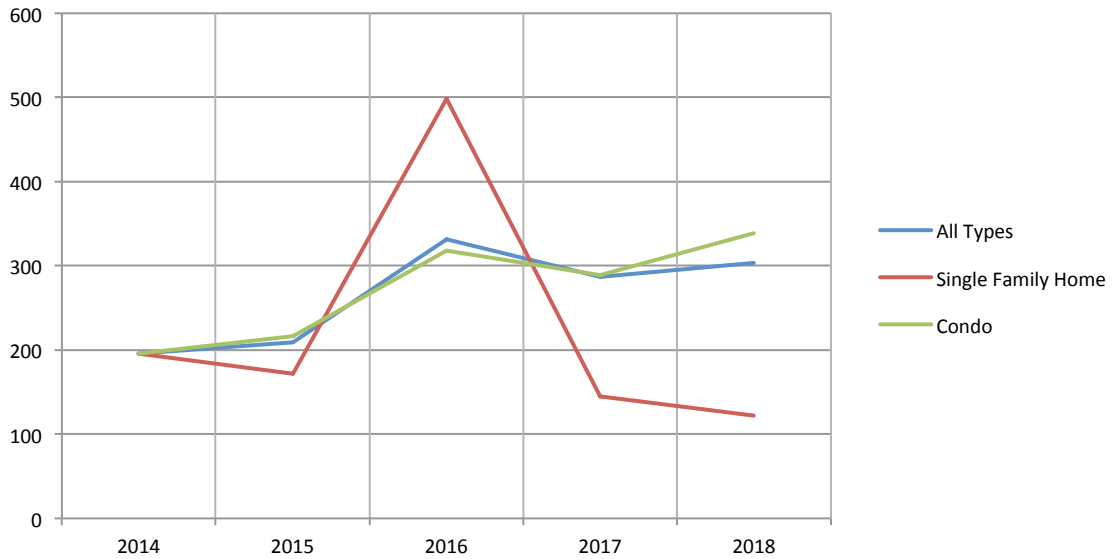
### New Providence/Paradise Island Average Days On Market



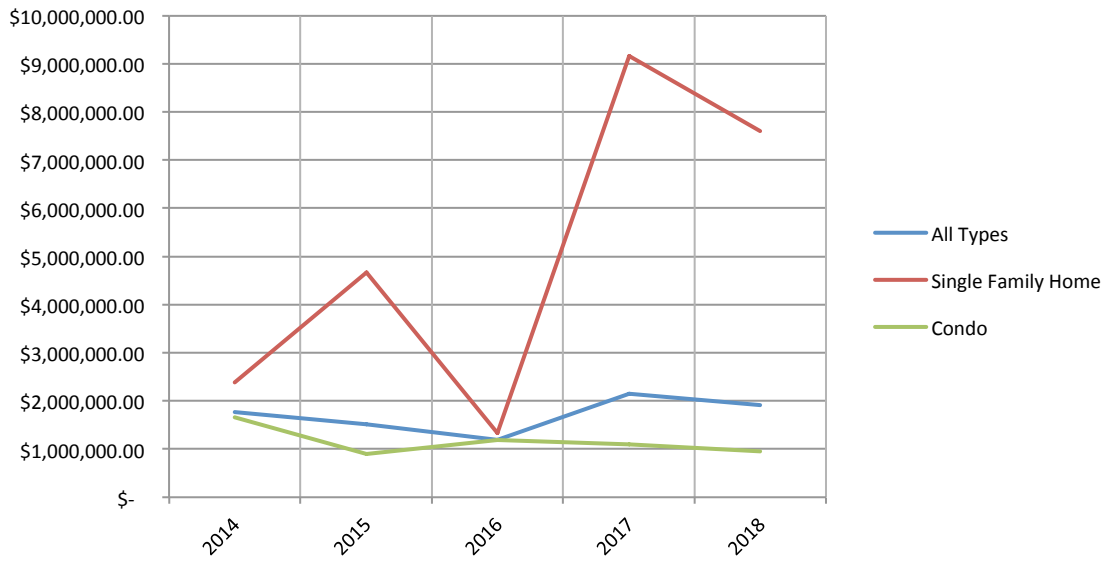
### Paradise Island Overview - Number of Residential Sales



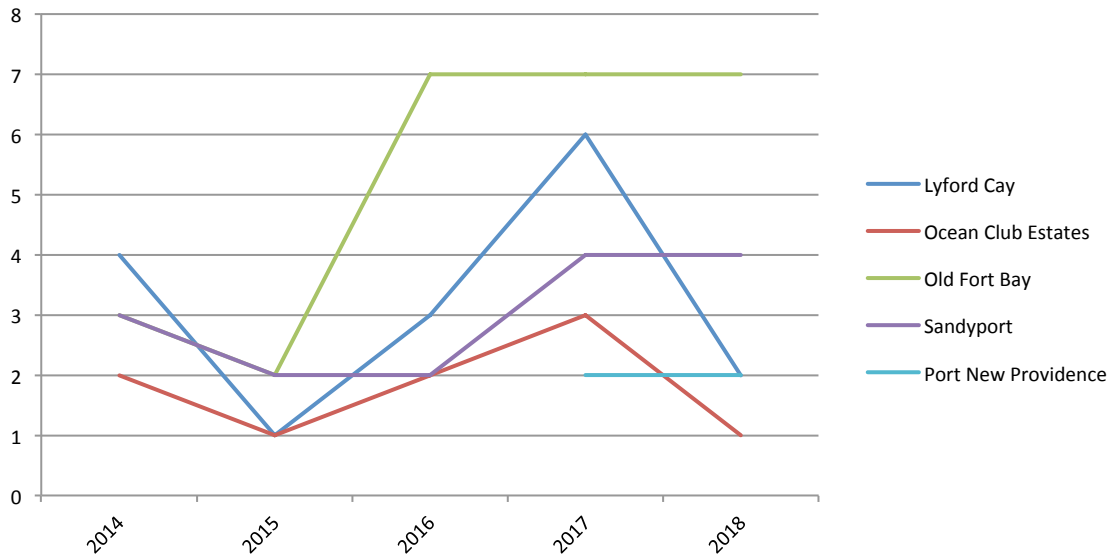
Paradise Island Overview Average Days On Market



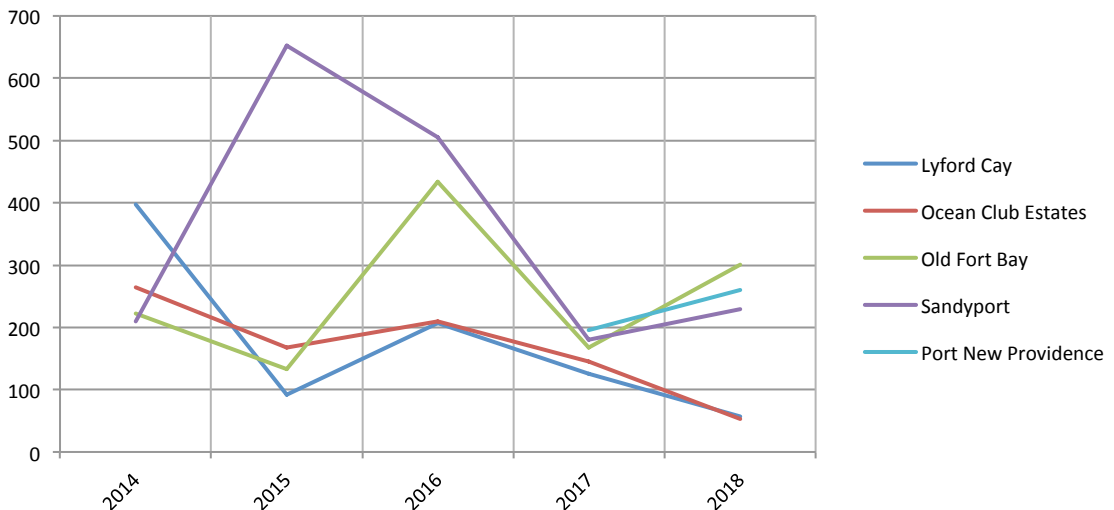
Paradise Island Overview Average Sales Price



High End Gated Community Homes - Number of Sales

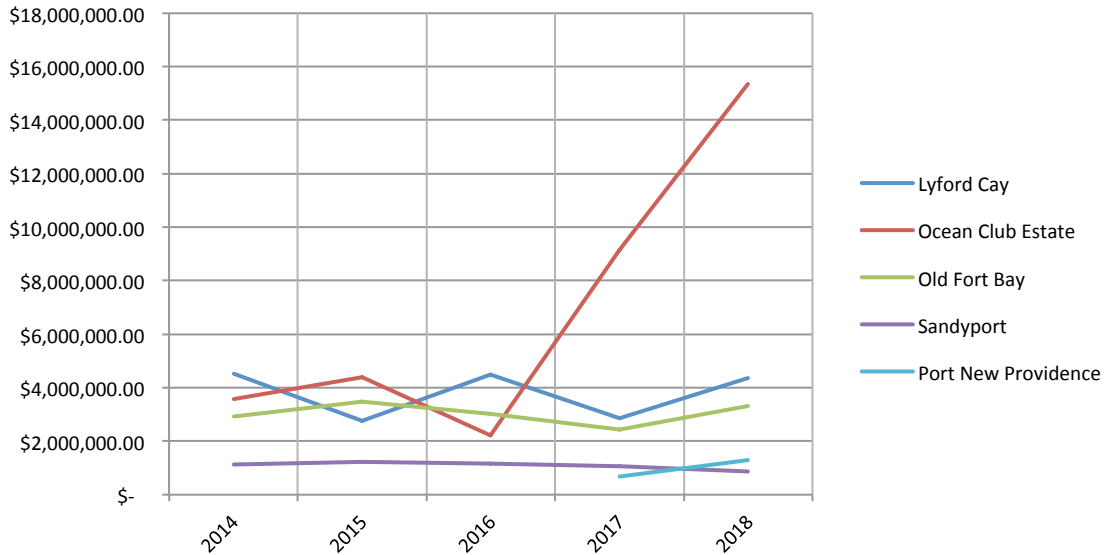


High End Gated Community Homes - Average Days On Market

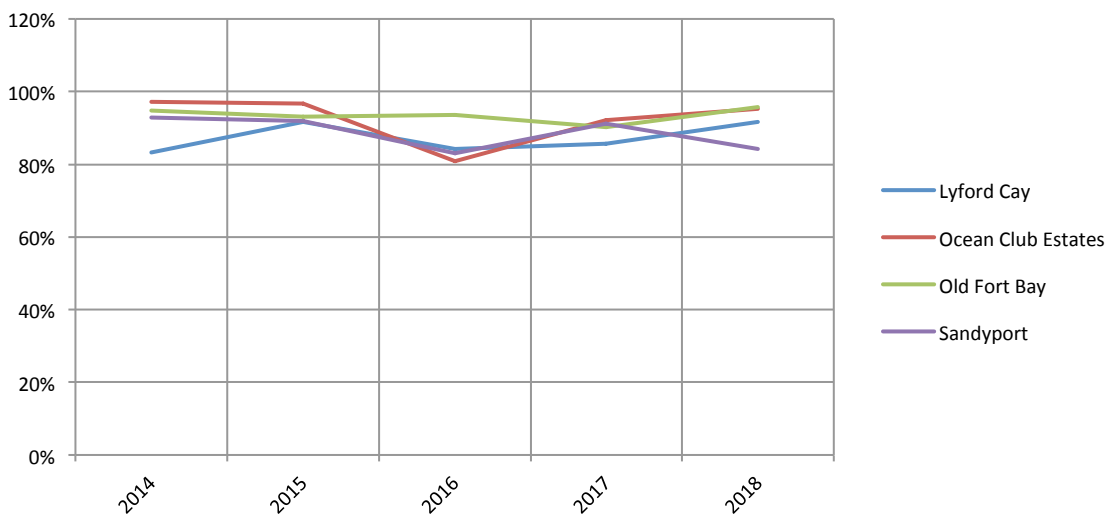




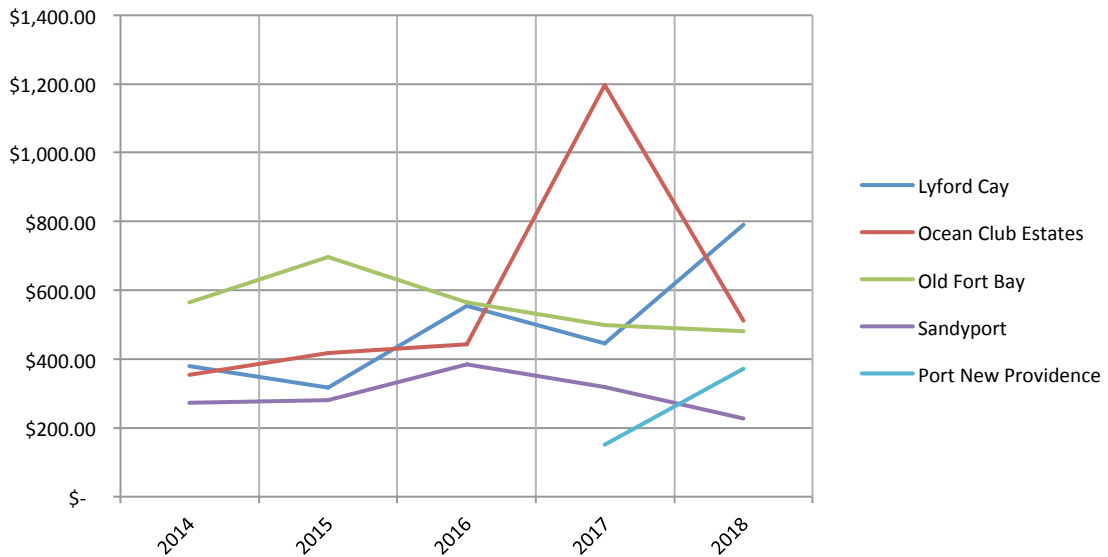
### High End Gated Community Homes - Average Sales Price



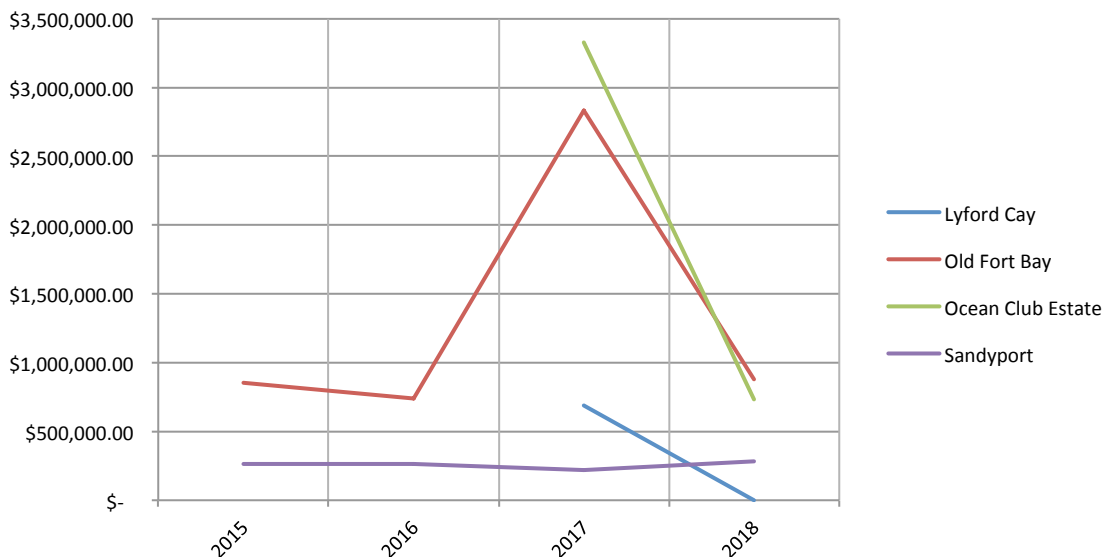
### High End Gated Communities-Homes Average List to Sales Price



### High End Gated Community Homes - Average Price/Sq.ft



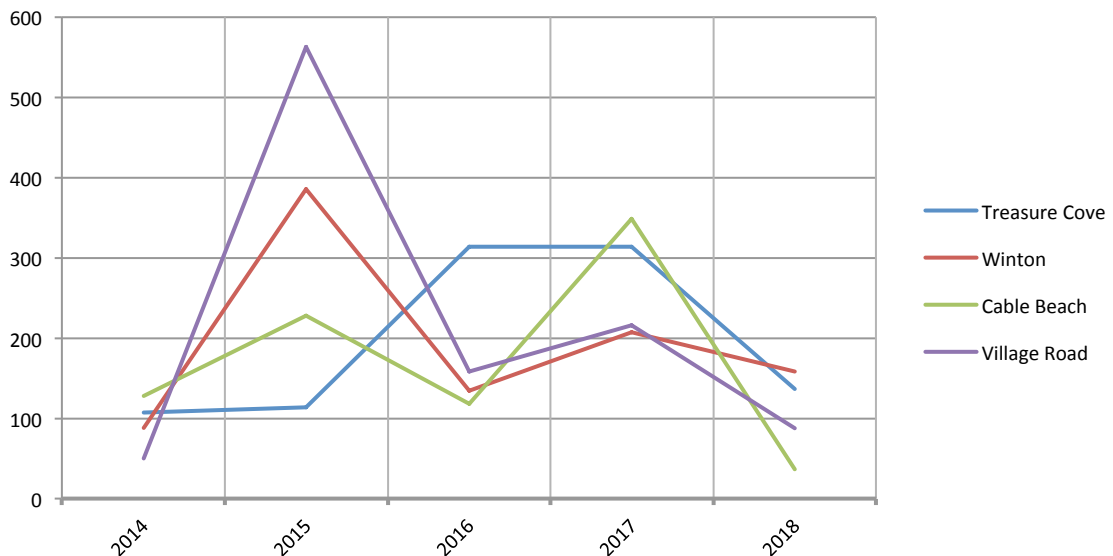
### High-End Gated Communities-Lots Average Sales Price



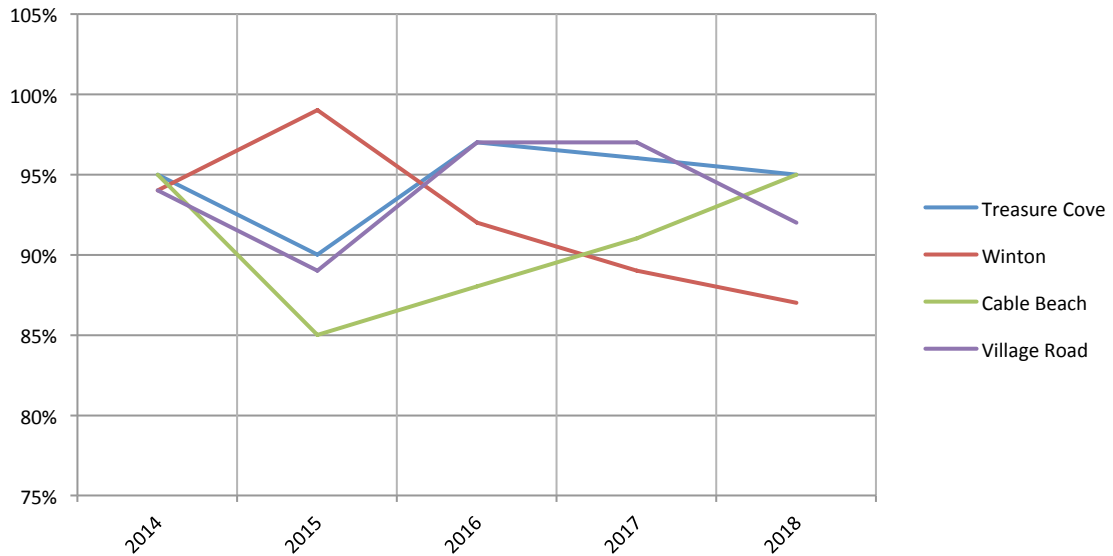
### Established Community Homes - Average Sales Price



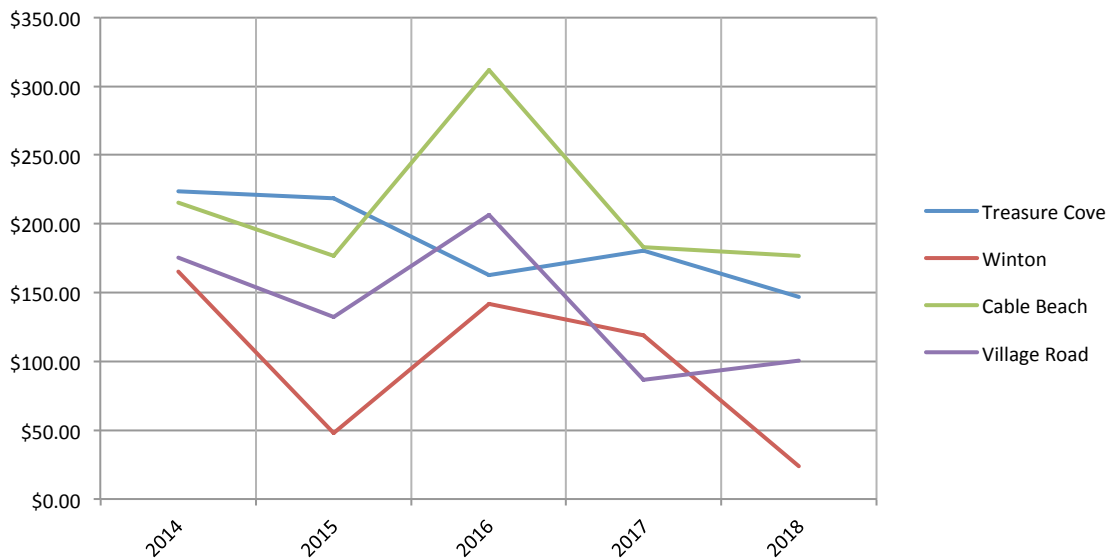
### Established Community Homes - Average Days On Market



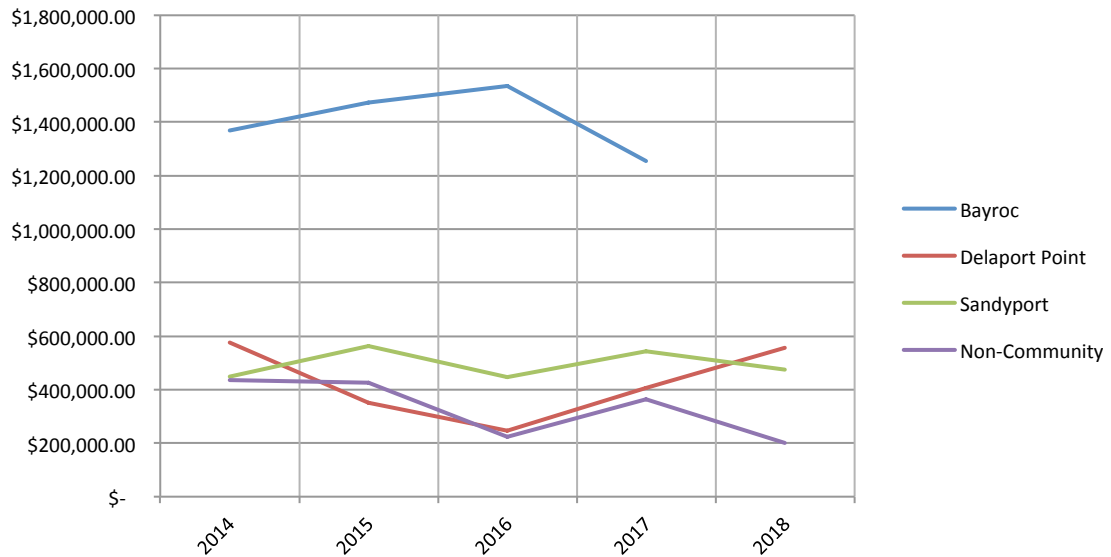
### Established Community Homes – Average List to Sales Price



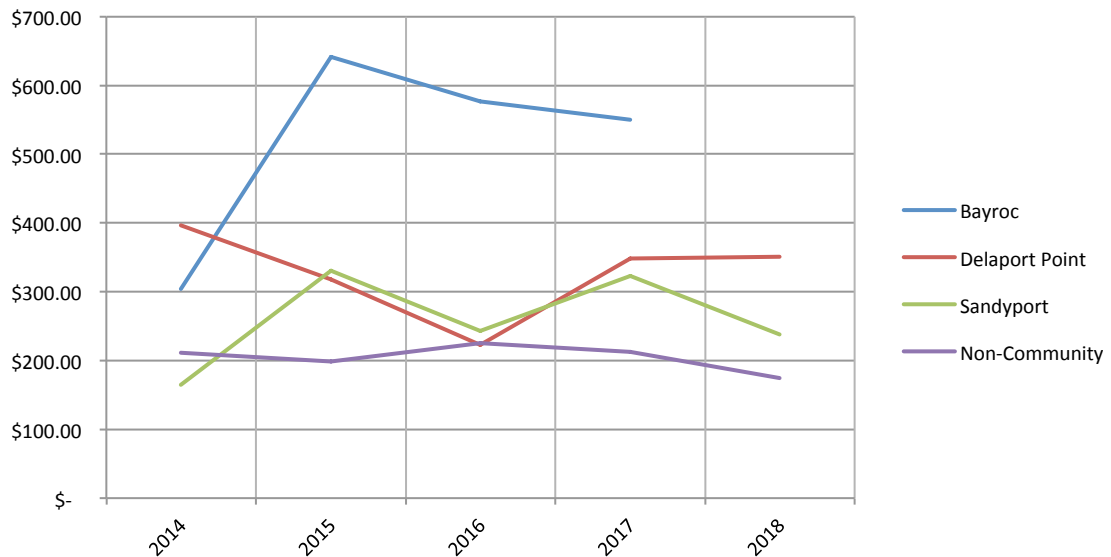
### Established Community Homes - Average Price/Sq.ft



**Cable Beach Condo Sub-Market Average Sales Price**



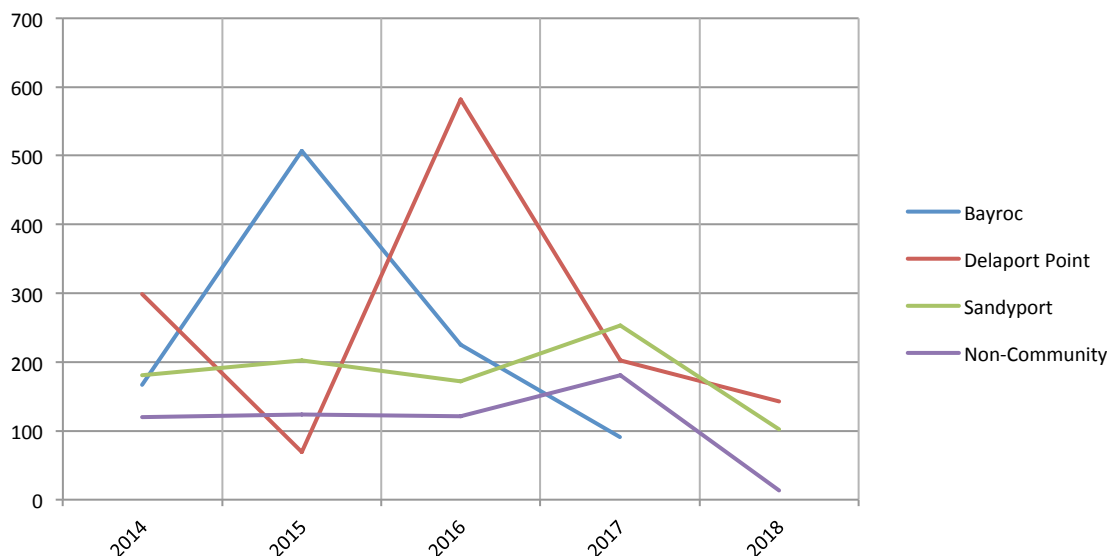
**Cable Beach Sub-Market Price/Sqft**



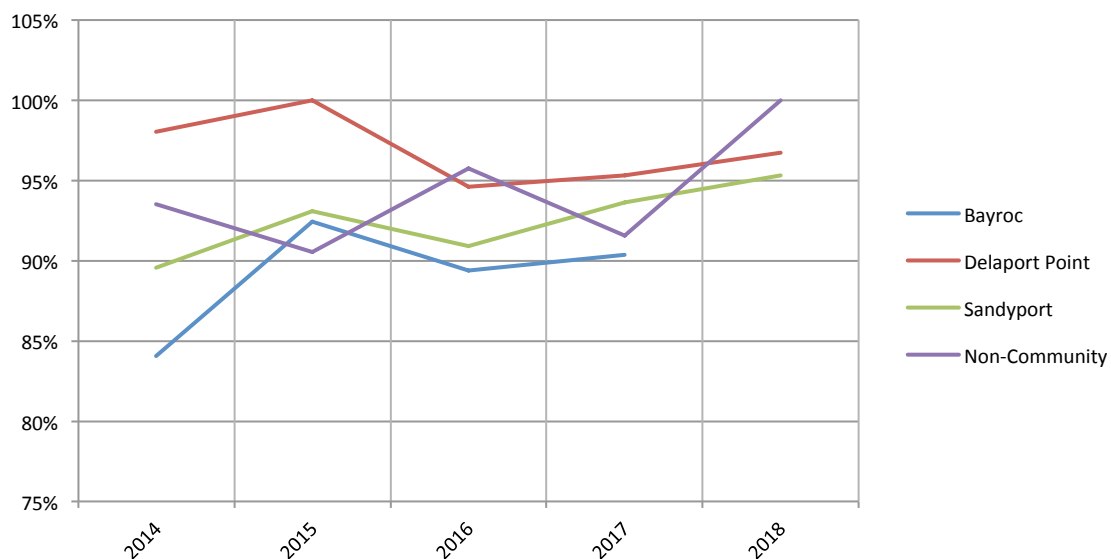




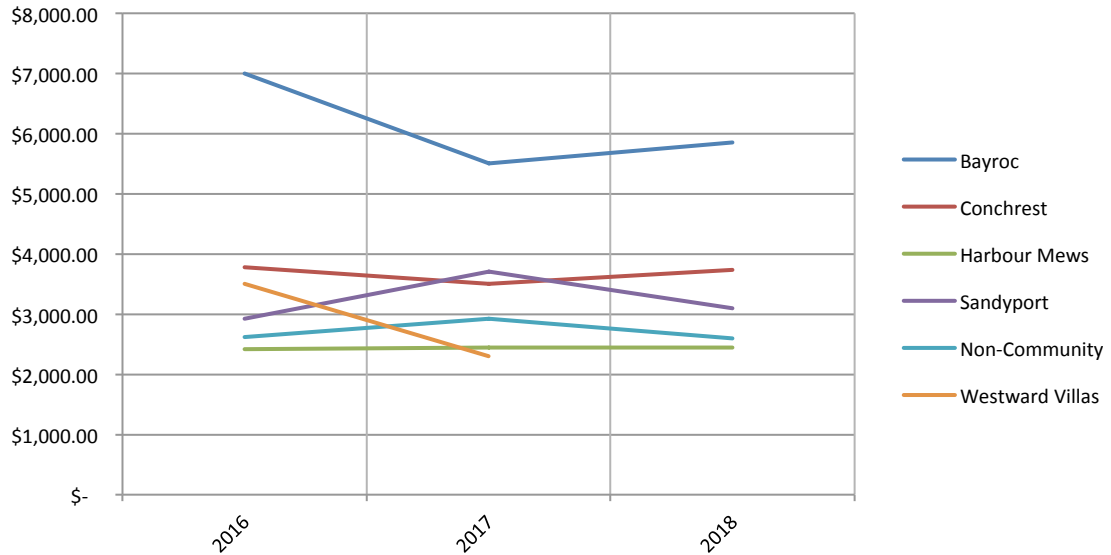
Cable Beach Sub-Market Average Days On Market



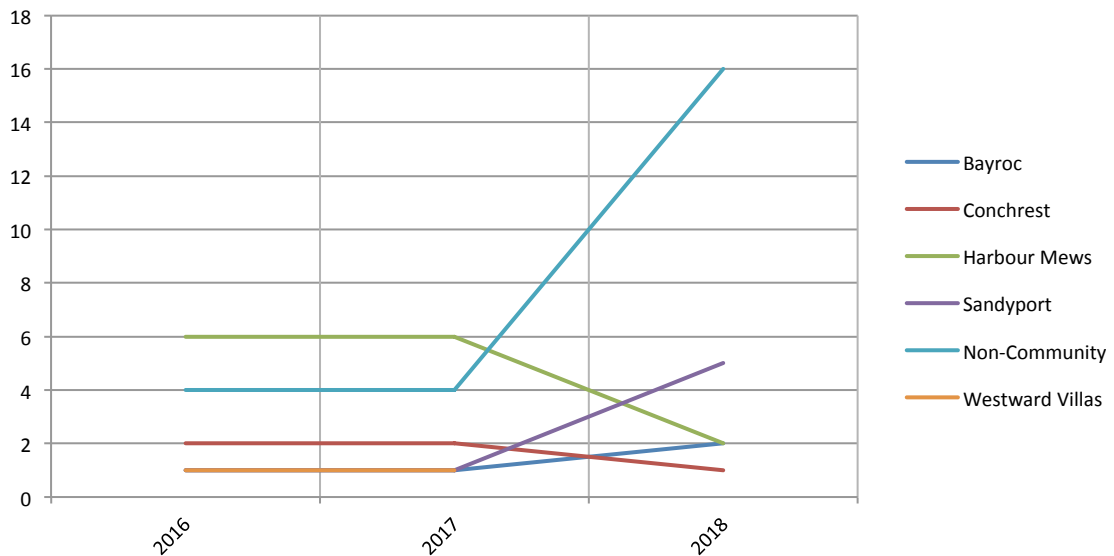
Cable Beach Average List/Sales Price



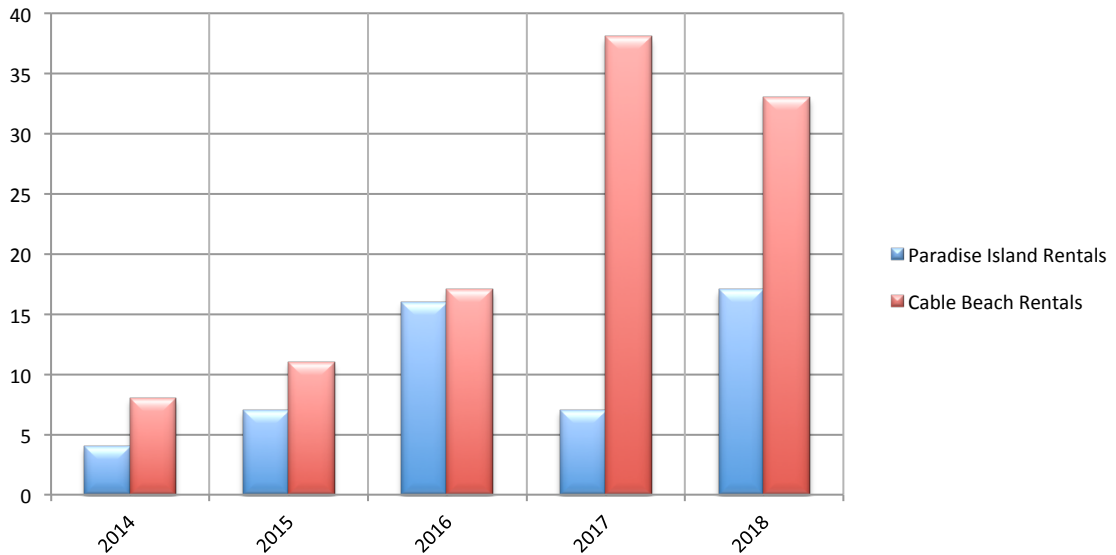
### Cable Beach Condo Average Rental Price



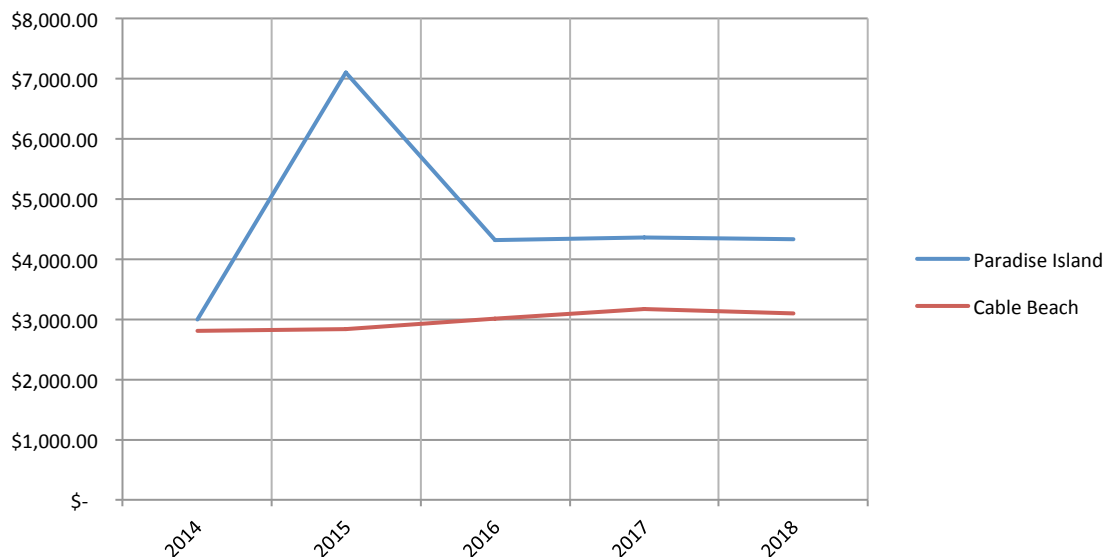
### Cable Beach Condo Number of Rentals

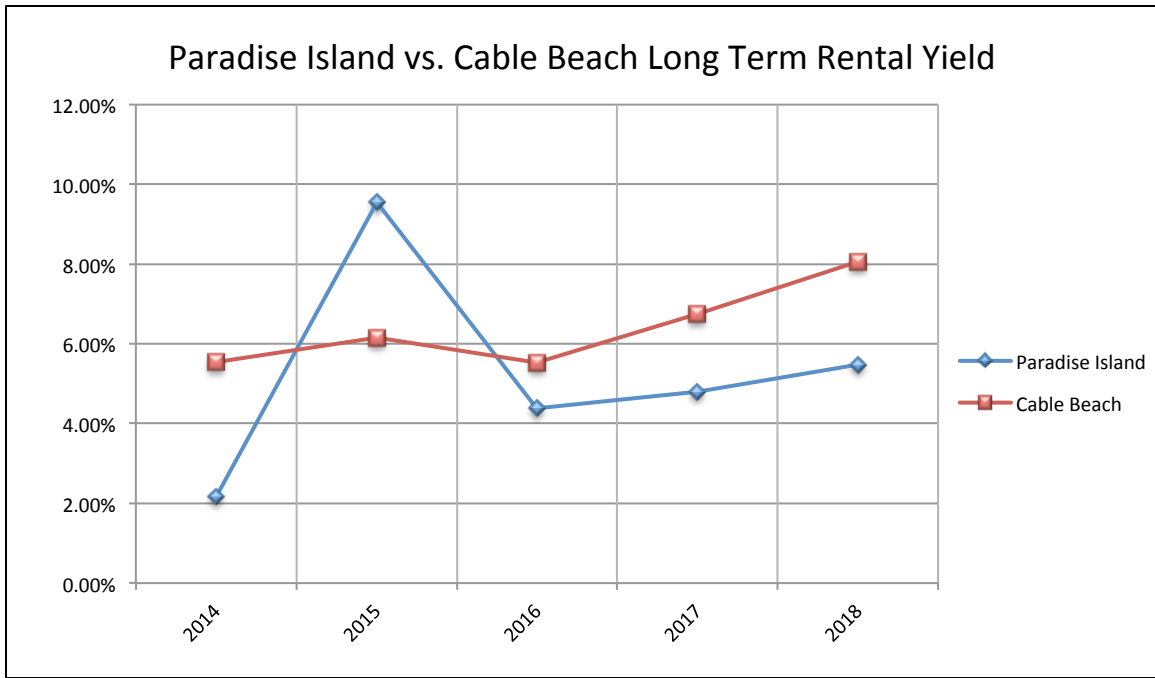


Paradise Island vs. Cable Beach Long Term Rental (Units)



Paradise Island vs. Cable Beach Long Term Average Rental



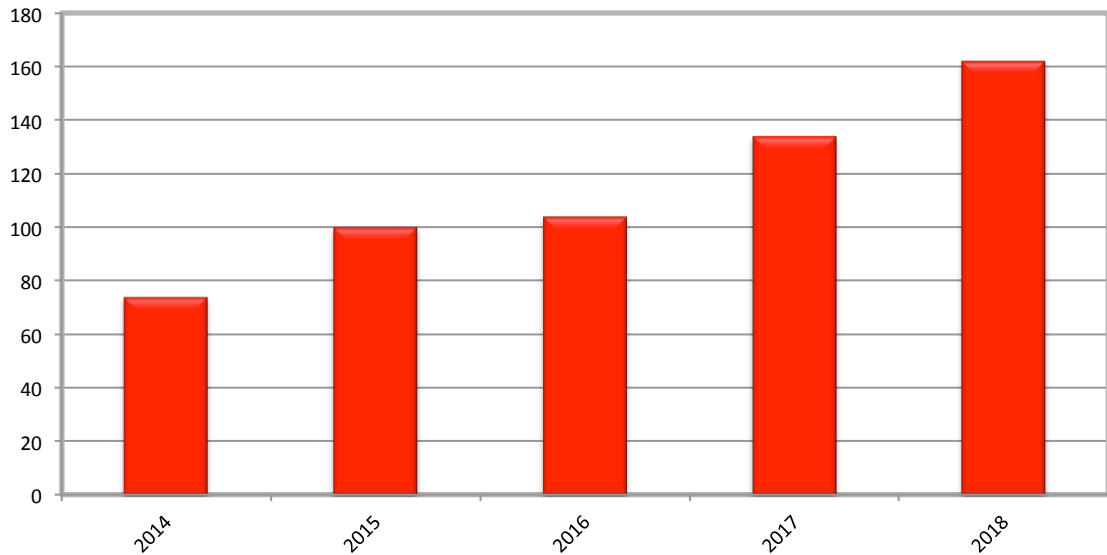


### Summary Analysis:

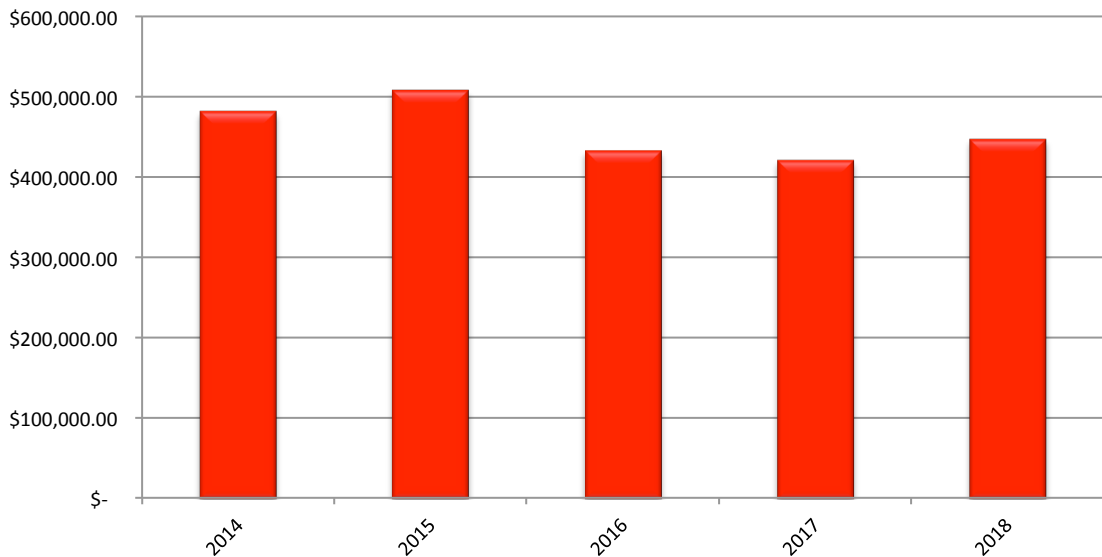
The 2015 spike on Paradise Island were 2 Ocean Club Residences condos that rented at an average of \$14,120/month. The Yield averages in this graph are calculated solely by average annual rent and average sales prices in the respective sub markets. Rental properties will perform both better and worse than the averages depending on several factors.

The median monthly rent for Paradise Island over the 5 year period was \$3500/month while the median for Cable Beach was \$2700/month. The average square feet of a rental apartment on Paradise Island was 1784 square feet while Cable Beach averaged 1,658. 90% of Cable Beach rentals and 69% of Paradise island rentals were under \$5,000/month.

**Abaco All Residential Sales (Units)**

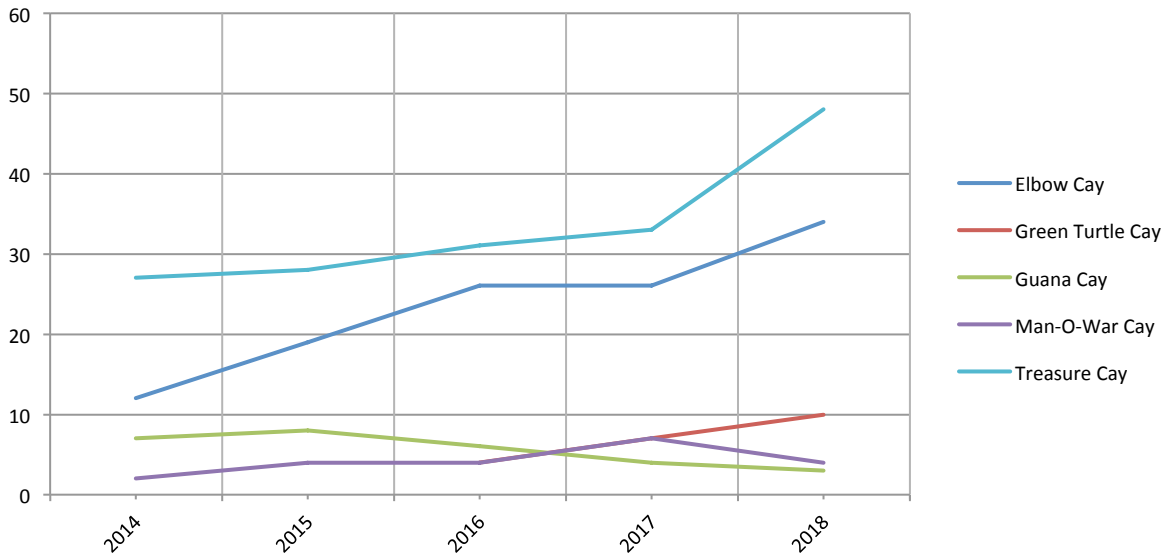


**Abaco Average Residential Sales Price**

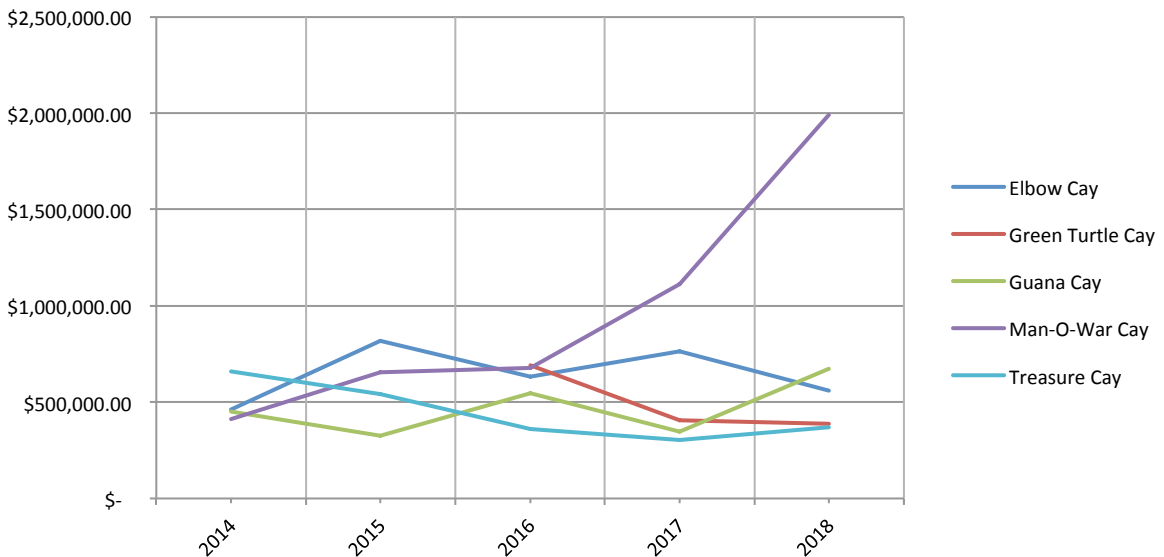




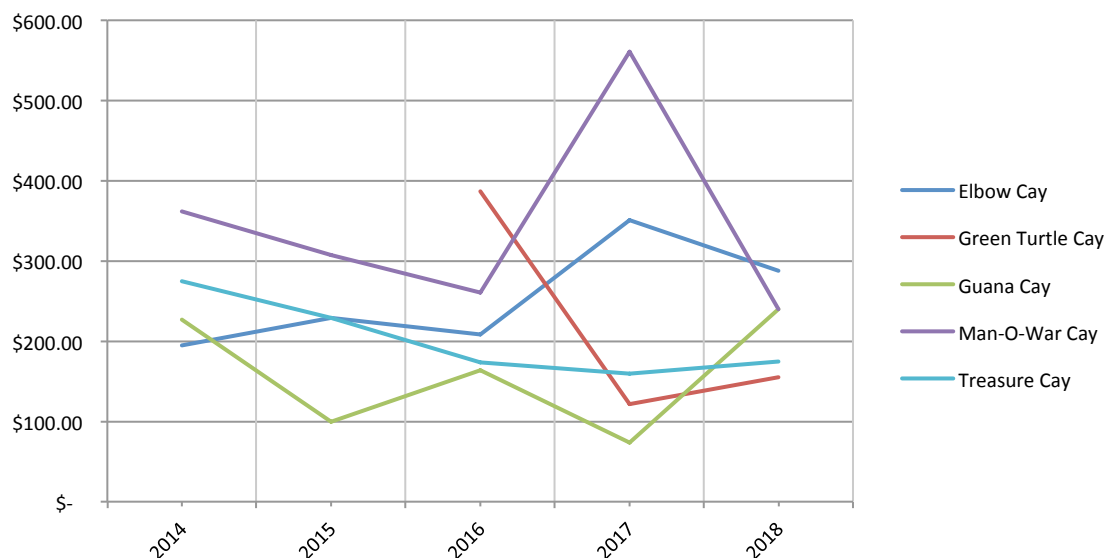
### Abaco Sub-Market Analysis Total Sales (Units)



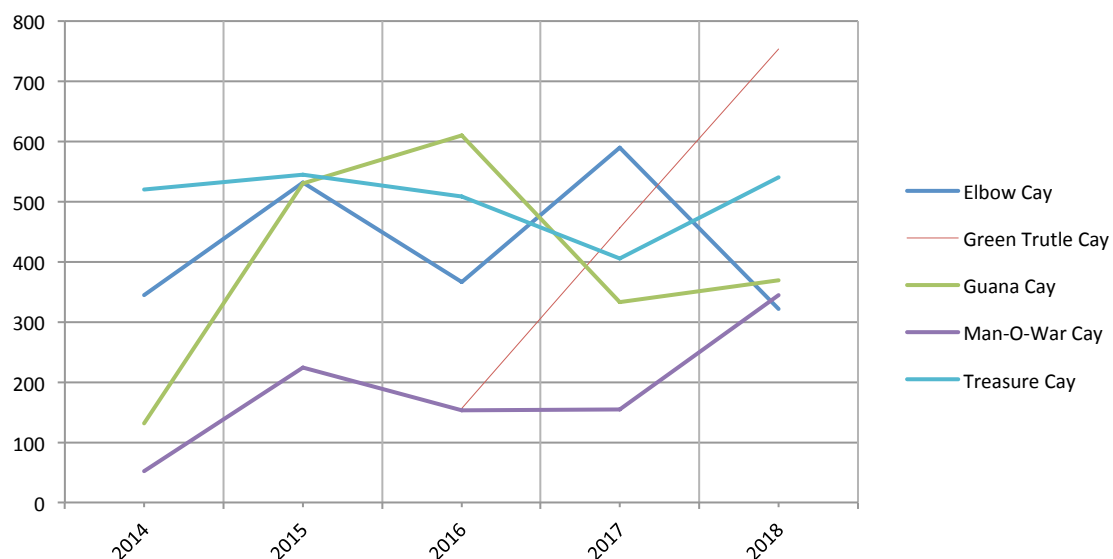
### Abaco Sub-Market Comparison Avg. Sales Price



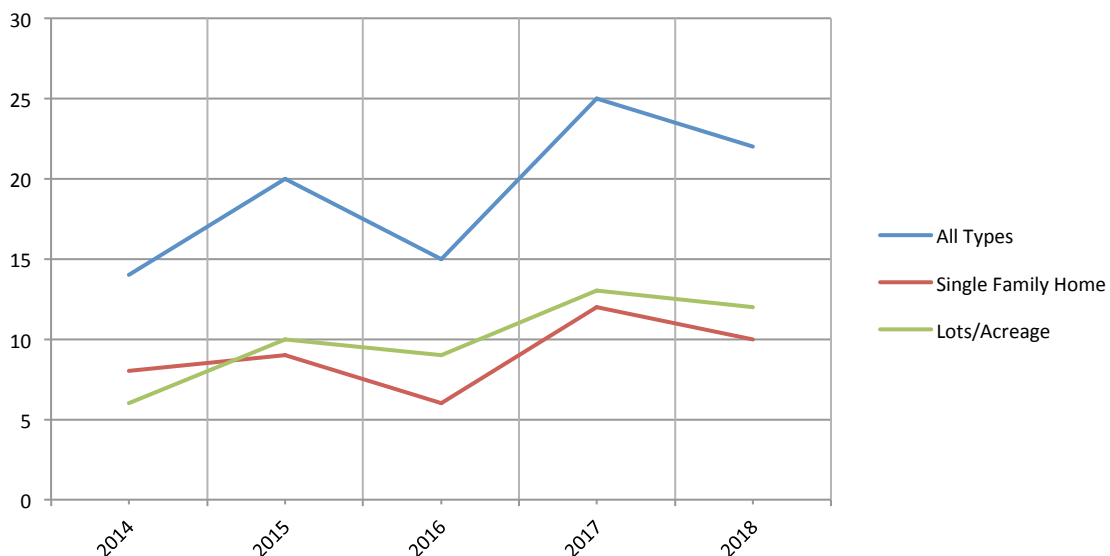
### Abaco Sub-Market Comparison Avg. Price/Sqft



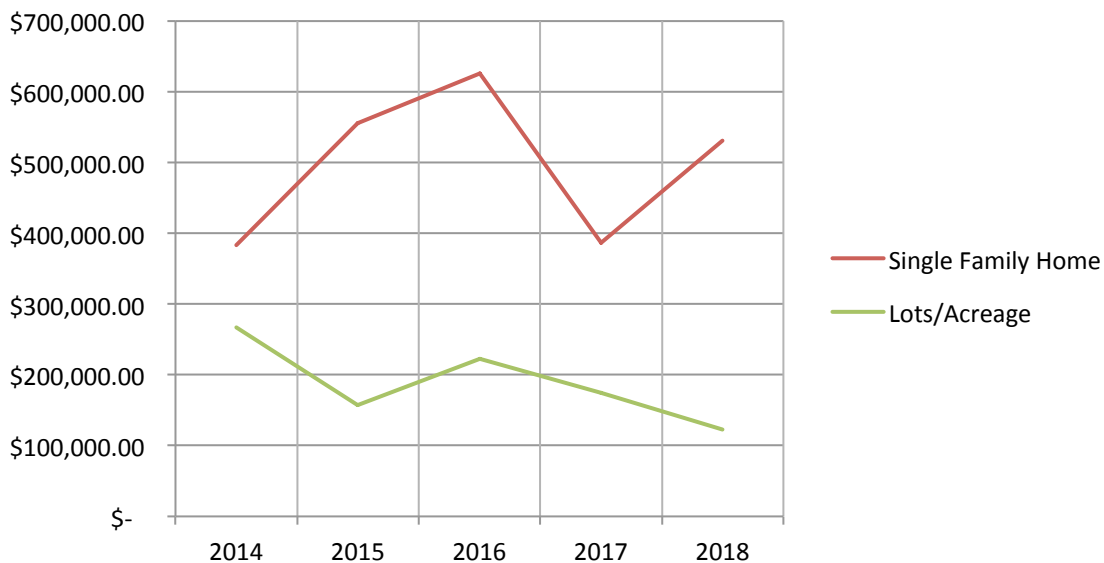
### Abaco Sub-Market Comparison Days On Market



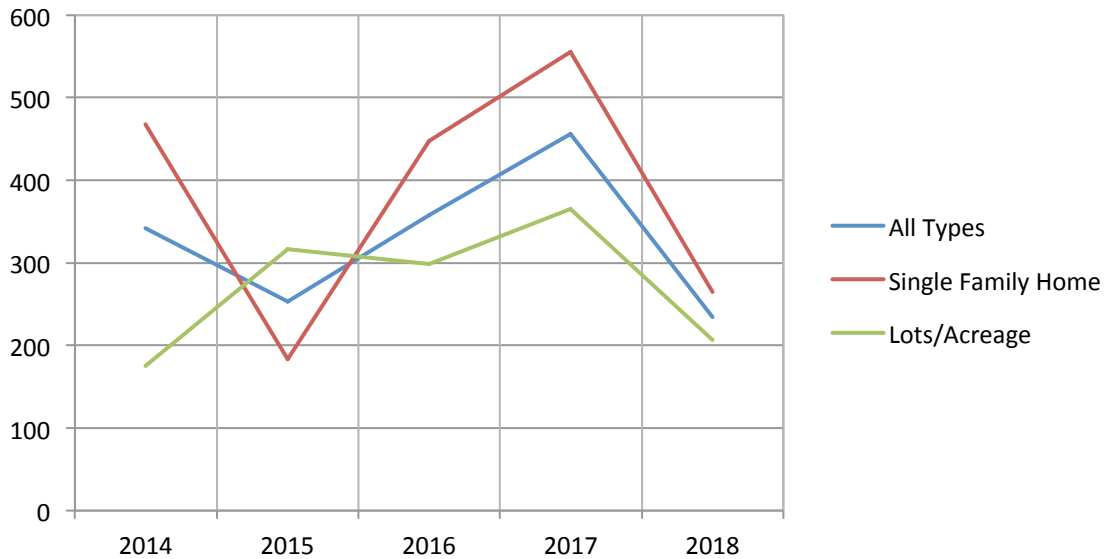
### Exuma Total Number Residential Sales (Units)



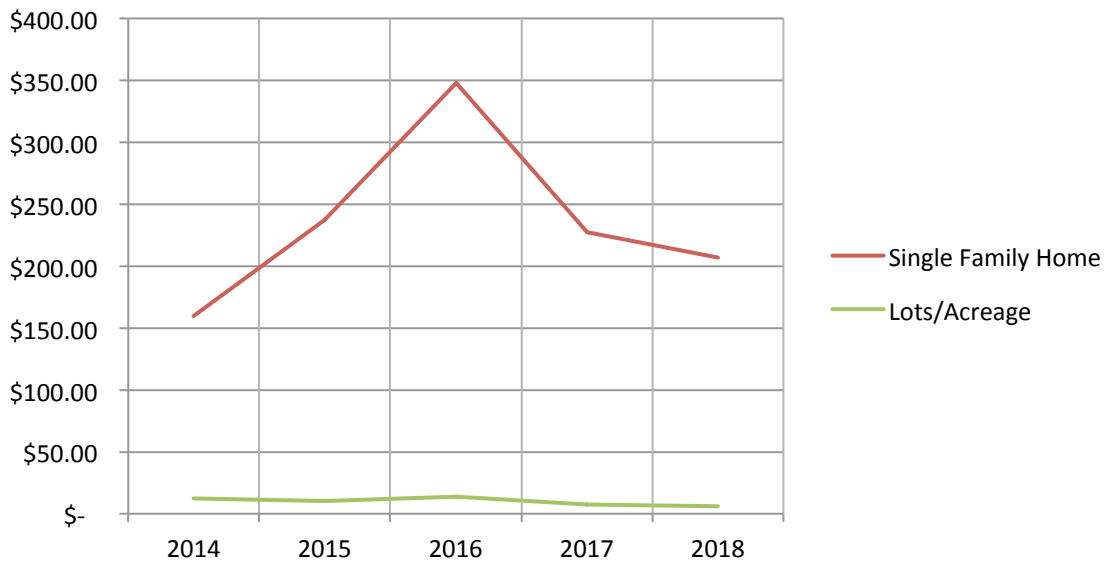
### Exuma Average Residential Sales Price



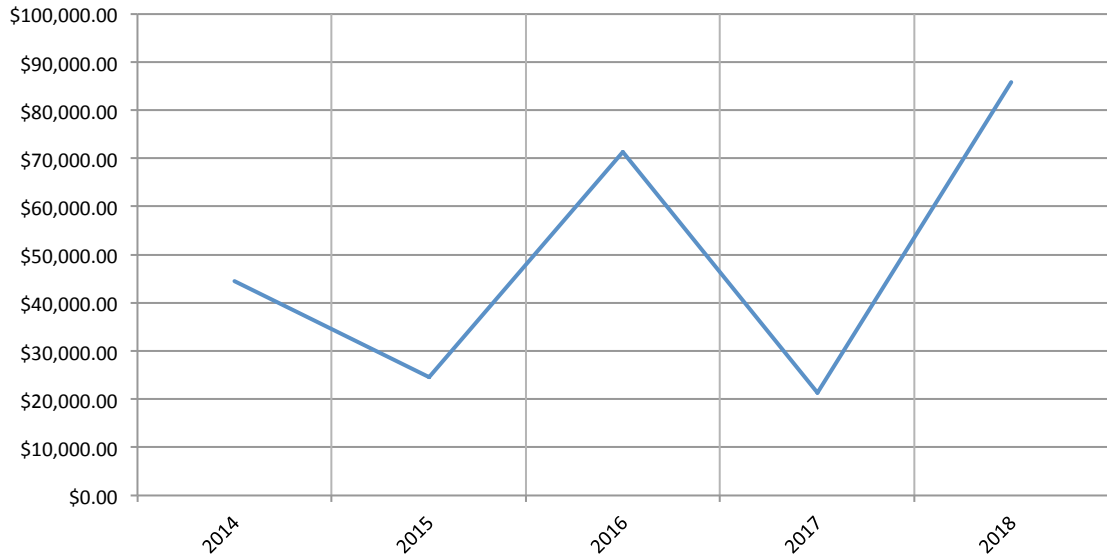
### Exuma Average Days On Market



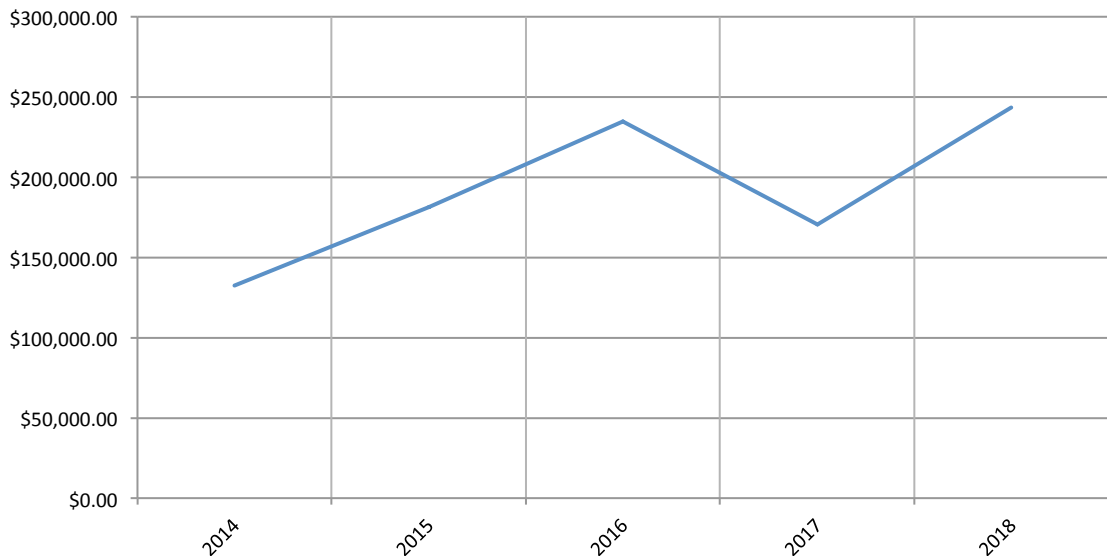
### Exuma Average Price/Sqft



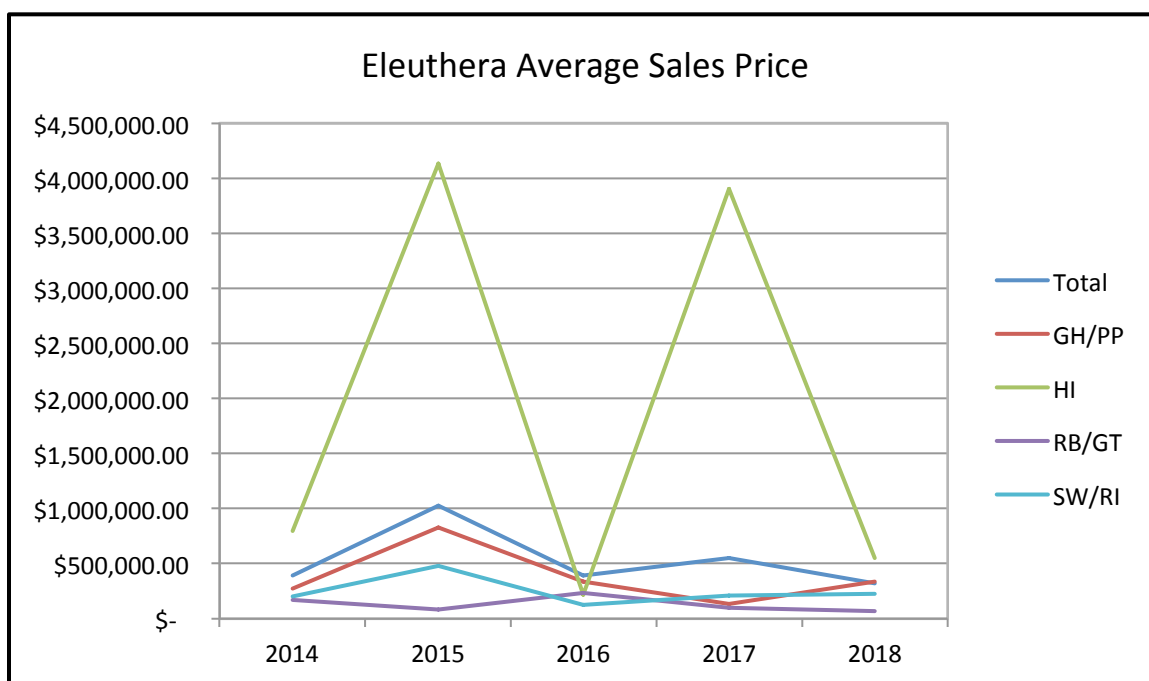
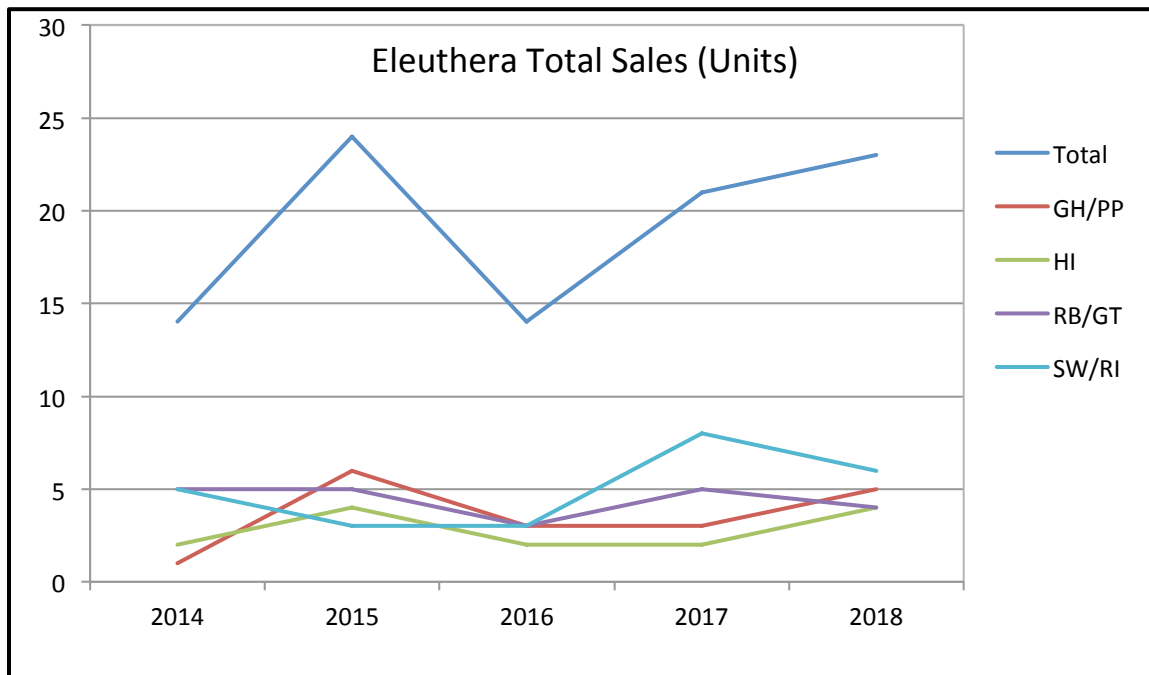
Grand Bahama Lots/Acreage Average Sales Price



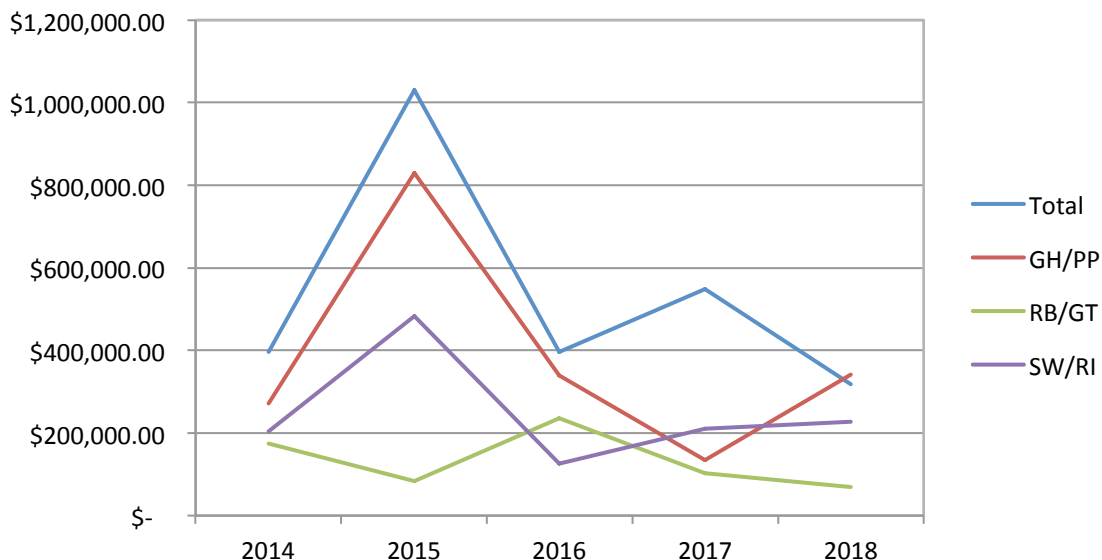
Grand Bahama Single Family Home Average Sales Price







Eleuthera Average Sales Price (modified- no Harbour Island)



	<u>Units Sold</u>	<u>Homes Sold</u>	<u>Median Sales Price</u>	<u>Average Sales Price</u>	<u>DOM</u>
Long Island	12	3	\$92,500	\$169,320	375
Bimini	6	6	\$239,863	\$421,621	75
Berry Is	6	1	\$15,500	\$163,333	145
San Salvador	3	0	\$19,325	\$19,325	194
Andros	8	6	\$550,000	\$784,150	300
<i>No MLS sales for Cat Island, Crooked Island, Mayaguana, Inagua, Rum Cay or Crooked Island</i>					





## Conclusions

**Sellers Market:-** Old Fort Bay, Sandyport and the Abaco Cays, primarily Elbow Cay and Treasure Cay. Supported by both long and short term rental markets, clean communities, amenities and list-to-sale prices consistently in the mid to low 90's, these communities are the best performing Bahamas residential investments over the past 5 years. Paradise Island which is generally on this list is still desirable but has seen strong competition from new development inventory that has affected MLS sales, days on market and list-to-sales ratio. All of these trends should continue in 2019.

 **36%**  
Listings Sold

 **48%**  
Residential Unit  
Sales

 **47%**  
Nassau/PI Avg. \$

 **110%**  
Elbow Cay/Treasure  
Unit Sales

### 5 YEAR GROWTH

**Buyers Market:-** Buyers are looking for more immediate income and are moving away from the stress of building. On New Providence the lending requirements have been strict although there appears to be some increased lending. Vacant land sales should improve in 2019.

**Buyers Market:-** The developing and southern islands have seen minimal activity on the MLS over the past 5 years. Pre-recession, the remote islands were a hot speculative purchase however in recent times investors are looking for steady income, better airlift, amenities and a clear exit plan. Opportunities exist in the developing islands for investors, builders and entrepreneurs. There is a growing market, particularly renting to the AirBNB enthusiast who wants less traffic, no casinos and a pristine natural environment with authentic people and culture.

#### Disclaimer & Copyright

The data provided in this report is solely sourced from the Bahamas Multiple Listing (MLS) service which is supported by a network of licensed real estate agents in The Bahamas. Engel & Völkers makes no guarantees that the data entered in the MLS is always correct. These sales do not represent 100% of the market transactions and would exclude distressed sales, foreclosures, sales by private owners, new development condos and community sales where the developer is not a part of the MLS and other situations where realtors are not a part of the transaction or the sale is not an MLS listing. We do however believe that overall the data serves as the most reliable public source for arms length transactions that are public knowledge. The concept of an arm's length transaction assures that both buyer and seller are acting in their own self-interest and are not subject to any pressure or duress from the other party. It also assures third parties that there is no collusion between the buyer and seller. Engel Völkers Bahamas makes no statement, representation, or warranty and assumes no legal liability in relation to the accuracy, context or suitability for any purpose of the information provided through use of the 2018 Market Report. Distribution of this report or the content herein is not permitted without the written consent of Engel & Völkers Bahamas.



## REAL ESTATE THAT BENEFITS FROM A WORLD CLASS MARINE ENVIRONMENT

"The national park system of The Bahamas, comprising approximately 2.2 million acres of both terrestrial and marine areas, was created, and is managed by, The Bahamas National Trust, a private-public collaboration established by an act of Parliament in 1959.

Uniquely, the Trust is the only such non-governmental entity in the world responsible for the management of a country's national park system.

In 2019, the BNT will celebrate its 60th anniversary. During the past six decades, the Trust has helped to: "conserve and protect Bahamian natural resources", while serving as a "powerful force for [regional] and global biodiversity conservation."

Through passion and courage, a commitment to education and excellence, respect for others, and through integrity, transparency and accountability the Trust has helped to conserve and celebrate the archipelago of biodiversity that is our common wealth of national parks and protected areas.

Over the next five years, the Government of the Bahamas will collaborate with the Trust as it implements the 2018-2022 Strategic Plan. This will include ongoing efforts to address climate change, combating the effects of plastics on our environment, and other measures to conserve our natural environment and to educate Bahamians about our shared environmental trust." Dr. The Hon. Hubert A. Minnis, Prime Minister Of The Bahamas



*"Our vision is to create a comprehensive system of national parks and protected areas, with every Bahamian embracing environmental stewardship." Bahamas National Trust*

Learn more at [www.bnt.bs](http://www.bnt.bs)