

CITY LIVING UPDATE

From Bermuda's Real Estate Company – August 2008



BERMUDA REALTY

www.cityliving.bm

Atlantic House, 11 Par La Ville Road, Hamilton ♦ tel: 441-292-1793 ♦ www.bermudarealty.com

Easy Living In The City

City living continues to thrive with new apartment developments on the horizon. The concept of living within the city boundaries is growing exponentially amongst investors, the 20 something group and retired individuals looking, for the no hassle city life style, with all its amenities.

Growth In The City

Subsequently sales on the various units, throughout the city, are flourishing. Investment returns for early purchasers in the city market have already been recorded as high as 9% on re-sales. You will note that in 2004 when the concept first came to light there were some 8 million in sales, 2005 sales climbed drastically to 22 million then dropped as new inventory was being constructed and in 2006 sales were 14 million but in 2008, as the new units, particularly those for sale at Park Place were completed, sales climbed to 21 million.

Rental Opportunity In The City

The trend is towards an easier life style with those happy to indulge in city life -typically focusing on travel and occupation at varying stages in their lives; without the hassles of property ownership and maintenance. Rentals are moving at a steady rate. As of July 1st 2008, 24 of the 52 units at Park Place have tenants in place... only 5 months after the building received occupancy. Furnished city units have been the most attractive, as they have lured many corporate executives. Companies are also embracing this style of city condos for transient workers, opposed to the headaches of hotel hopping and taxi fares, as it is more economical to rent a city unit. With monthly rents between \$4000-\$7000, the price per sq ft is quite comparable to -commercial space ranging between \$60-\$75 per sq ft.

Owner occupation percentage tends to rise with each new development, Atlantis introduced in 2004 is at 12 %, Dundonald House introduced in 2005 is at 24 % and Park Place introduced just this year is at 50%. So the return on ones investment in the long term will be fruitful. Let's just say your monies will not earn the same in a savings account and with the fed dropping interest rates one has to be creative in generating more interest, real estate could be that alternative.

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Sales Trends In The City

As of January 30th 2008- 92 units have sold, prices range from \$665,000 to a high of 1,312,000 for an attractive modern penthouse suite.

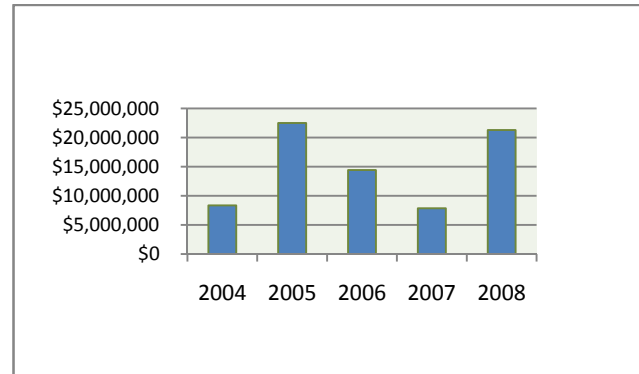
Government's plans to revitalise North Hamilton through the economic development plan are reaping dividends. Development in the area is starting to show with the recent construction of Prosperity Heights, nine available units with 7 left to sell.

There are also plans in the works for future apartment developments in the area. Some developers are investigating the concept of mix use, i.e. residential combined with -commercial. The possibilities are endless and the future lies within the city -limits.

ANNUAL SALES VOLUME

2008 City of Hamilton

(data compiled by Bermuda Realty Company Limited)



Experts In The City

Coldwell Banker Bermuda Realty offers specialised services surrounding 'City Living'. Twenty five percent of the Company's 50+ staff compliment, including sales professionals; surveyors; and property managers; and administrators has completed intensive training in dealing with city transactions.

Market knowledge and analysis is key to successfully navigating this complex new market niche and contributing authors Nakia Warner (Rental Representative) and Angie Gonsalves-Lodge (Sales Representative) are equipped to assist you in all aspects of City Living.



Angie Gonsalves-Lodge

Sales Representative
441-335-0267

Nakia Warner

Rental Representative
441-300-0730

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