



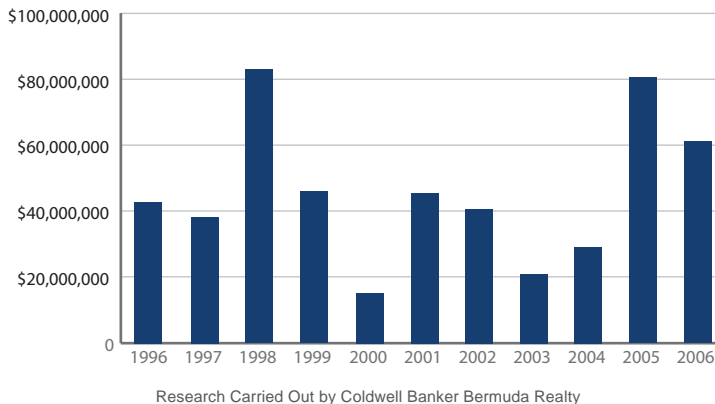
January 2007

LUXURY HOME MARKET UPDATE

By Brian E. Madeiros, B.Sc., M.R.I.C.S.

A Positive Turnaround

Bermuda's luxury home market experienced a positive turn around during the latter part of 2006. As temperatures rose in the height of the summer so too did the level of activity from luxury homebuyers, notably in the Tucker's Town area. While our Canadian and American friends in Bermuda celebrated Thanksgiving, several Bermudian buyers celebrated as well as a result of several closings and the exchanging of contracts for luxury homes. Over 60% of the luxury homes sold in 2006 were purchased by Bermudians. The total dollar value of luxury home sales in 2006 crept to around \$60 million.



Bermudians love their waterfront property. By the end of the first quarter of 2007, at least 3 exceptional waterfront homes situated in Tucker's Town will have been bought by Bermudians.

Predictions for 2007

Luxury home expert, Brian Madeiros, is of the opinion that the first half of 2007 will prove to be exceptional in terms of closings and anticipates \$40 million worth of closings by June of 2007. As significant bonuses are paid out to both local and international based financial and re-insurance related companies in the first quarter of 2007, the luxury home market could have one of its best years ever in 2007. Watch this space.

Falling Inventory

Levels of inventory in the luxury home market available to overseas buyers will continue to fall as we move into 2007 due to imminent closings. In order to continue to attract international buyers at the very high end of the market and to continue to generate alien license fee revenue, we must provide more choice. As Bermudian entrepreneurs and developers are no longer able to contribute to the supply chain with respect to the provision of new high end residential homes for the affluent overseas buyer, the future of the very uppermost end of the luxury home market will remain uncertain with respect to future available inventory of large estate homes.

Our definition of a luxury home: Estate homes with ARV's exceeding \$153,000

Interested in Selling Your Luxury Home?

Before you make a decision to market your luxury home for sale with a real estate agency, you should ask the following questions:

1. What is your history of success in the luxury home market?
2. What is your market share?
3. Can you create a personalised marketing plan which will maximise both local and international exposure?
4. Do you have the professional experience to price luxury homes and analyse historical data and current trends in the marketplace?



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Luxury Homes for Sale



SAN MAR

Spectacular waterfront property on Riddell's Bay Golf and Country Club. This beautiful three bedroom family home with heated swimming pool and circular hot tub, pool house and a two bedroom cottage has it all for you to enjoy.

Under Contract

Sole Listing Agent - Karen Brine



TROON

A charming Tucker's Town property nestled on a terraced hillside adjacent to the first fairway of the prestigious Mid Ocean Golf Club. Beautiful ocean views and boat mooring in Tuckers Town Bay.

Listed at \$8,600,000

Listing Agent - Jill Brackstone

Available to Bermudians and international purchasers.



WILLOUGHBY

Perched prominently overlooking Bailey's Bay; Willoughby stands out as one of Bermuda's real property treasures.

Listed at \$3,300,000

Sole Listing Agent - Miranda Fountain

Available to Bermudians only.

CHAN MAR

Nestled on the protected waters of Cable Bay, Tucker's Town, Chan Mar represents a perfect blend of privacy and accessibility.

Under Contract

Sole Listing Agent
- Brian E. Madeiros



CREWKERNE

A magnificently located waterfront property situated on the northern shore of Tucker's Town overlooking Castle Harbour and the entrance to Tucker's Town Bay. The property totals 0.75 acre and supports a 2 bedroom, 3 bathroom house with large unit built partly beneath.

Under Contract

Sole Listing Agent
- Ian Waddington



AMBER

Enjoy breathtaking views of Jews Bay and the Great Sound from Amber, a beautiful executive home perfect for entertaining.

Sold

Sole Listing Agent - Brian E. Madeiros



AQUAMARINA

Striking in its simplicity this unique beachfront home in Warwick has state-of-the-art, hi-tech features throughout. The modern, clean lines of this property attest a home built with top end materials.

Under Contract

Sole Listing Agent - Kim Webb



ARDSHEAL HOUSE

Majestically situated in an elevated position within the peaceful rolling hills of Paget, Ardsheal House boasts breathtaking views of both Hamilton Harbour and South Shore.

Under Contract

Sole Listing Agent - Brian E. Madeiros

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