

# Real estate in St. Barths presents investment opportunity for US HNWIs

Kelsey Butler

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A rebounding international real estate market is creating attractive investment opportunities in St. Barths for wealthy US residents, one industry expert said.

Emmanuel Jacques, attorney at international real estate firm Emmanuel Jacques Almosnino, told *PAM* that historically, most of the foreign investors in St. Barths are US citizens, with a great part of those being from New York State.

"After the subprime crisis, the real estate market of [St. Barths] was frozen," he said. "Since the recovery of the American economy and the rise of Wall Street, American investors are back in full force. Hedge funds also are willing to support investments in [St. Barths]. Consequently, the market is euphoric since the beginning of 2013 with great transactions on hotels and luxury properties. The prices of real estate assets [are] currently [rising] dramatically."

Jacques said the country's attractiveness can be based on the country's proximity to the US, so investors can fully enjoy their real estate investment; unspoiled beaches; a low crime rate and "the French way of life of the island".

He added: "The melting pot of these four factors is extremely rare. It explains why real estate prices have constantly increased in the last 20 years and the movement is far to be over. On the other hand, it is very interesting for US investors to diversify their assets. [St. Barths] is included in the Euro zone, even if the US dollar is accepted everywhere for everyday needs. When investing in [St. Barths], high-net-worth investors can expect capital gains. At the same time, they diversify their investment portfolio which limits their exposure to risks."

Jacques highlighted that as a French territory, St. Barths has a stable legal environment, adding that "thanks to an autonomous status granted in 2007, a specific favorable tax regulation supports the investments".

He added: "With a good structuring, investors can improve their tax planning and secure the devolution of their estates.

"Due to the real estate prices in St. Barths, any investment is a great stake. International investors always face the difficulty of dealing with a foreign language and a foreign legal system. They must be assisted by a professional to seek maximum security for their investment.

"St. Barths is in permanent development and it is very important to be fully informed about the future of the environment around the property targeted."

According to Cushman & Wakefield's International Investment Atlas, there were \$1.18trn worth of international real estate deals in 2013, a 22.6% jump from the year prior, and the highest total since 2007.