

BERMUDA BUYING GUIDE



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WELCOME TO BERMUDA

At less than 2 hours away from most Eastern US airports, Bermuda is a perfect location to live, spend vacations and work. Stroll along the beautiful pink sand beaches, sail, dive, swim and snorkel in the clear waters in stunning year round weather, and enjoy the relaxed lifestyle that our beautiful island offers.



Although many believe that Bermuda is a part of the Caribbean, it is actually hundreds of miles north of the Bahamas in a beautiful stretch of the Atlantic, and only 650 miles from North Carolina. The cosy 21 square miles of Bermuda is actually made up of 181 islands, islets and rocks, and although most are uninhabited, the 8 large islands are linked by bridges.

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Bermuda is a British overseas territory, which has its own unique blend of British and American culture unlike anywhere in the world. Shipwrecks, African drum beats, and those famous shorts, all help to make our island what it is today, and if you are lucky you may see a bobby on the beat or spot a judge dressed in a powdered wig just like you would in Britain.

Visitors can enjoy just about any activity that they want here in Bermuda, from Fly-boarding to a visit to an art gallery, we have it all here, and you will soon realise that there is much more to Bermuda than our award winning beaches.



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BERMUDA REAL ESTATE OVERVIEW

If it is your dream to own your own home in Bermuda, now is the perfect time to buy. When you invest in Bermuda real estate, you will be investing in much more than just property. Bermuda offers sophisticated island living in a semi-tropical climate which is less than two hours from New York.

Take a look at our **website** and indulge your dreams while browsing our beach-front homes, townhouses, development land and commercial units for sale. If you are a visitor to Bermuda, the chances are that you have found yourself seduced by our beautiful island, and would like to purchase a property for yourself, however it is important that you are fully informed before you start your search, check out **page13** to find out more.



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Important first steps:

1. Line up your “all-star” team of professionals before you hit the market. A team of experienced professionals will be the key to making the home buying process simple and seamless. Start by interviewing and selecting a real estate agent with whom you “connect”. That real estate agent should also be able to help you identify suitable attorneys, mortgage lenders, home inspectors and others who play a role in the process.
2. Property buyers have access to more information than they have ever had before, with lots of information available online regarding the buying process: Who to talk to, what to spend, and almost any other property related question.



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3. Make good use of the internet, by using online tools to arm yourself with as much knowledge as possible. While this may seem contradictory, the fact is that the more “homework” a buyer does before they meet with their chosen real estate agent the more effectively they are able to narrow down their list of “must haves” in the property they are seeking.
4. Before you begin your search for the property of your dreams, it is important that you decide on your budget and get pre-approval from at least one lender. In today’s market, it is no longer a suggestion to get a pre-approval it is a requirement from homeowners and agents in order to put forth an offer.



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FROM SEARCH TO COMPLETION – ALL YOU NEED TO KNOW

When you commence the search for your property, be sure to pay attention to the details, rate each property based on your list of criteria

Once you have made your decision, our agents can help you to negotiate the terms of an agreement with the seller. Unless otherwise agreed in advance, the agent's fiduciary duty is always to the seller. Even though the seller ultimately pays the agent's fees, it is still their job to work with you to provide the best possible offer.



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- A 10% deposit is required once you have an offer and acceptance
- Next you will need to hire an attorney to conduct the title search, and conveyance. Ask your agent for recommendations, he or she can tell you which attorneys on the island specialise in real estate transactions.
- A sales and purchase agreement will be drawn up for your signature. This is a legal and binding contract, so it is suggested you take legal advice prior to signing.
- The next step is for your attorney to check for “clean” title which can take up to 30 days.
- While the search is being carried out, and if you have applied for a mortgage, the bank will request an appraisal be conducted to ensure that the property value is worth what you agreed to pay.
- After all these steps have been completed it is time for you to collect the keys to your new home.



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TAXES, PROPERTY TAX & STAMP DUTY

Bermuda is known as a tax haven, because there is no:

Income tax, Capital gains tax, Purchase or Sales tax, VAT, or Capital transfer tax.

Employees do pay payroll tax, there are taxes on property, and the customs duty taxes can be quite hefty.

The amount of land tax payable is based on the annual rental value (ARV) and is payable twice a year.

Relief from Bermuda Land Tax

If you are 65 years old or over and own and occupy a private dwelling, you can be exempted from \$1,566 in Land Tax annually. This exemption only applies to homes with annual rental value (ARV) up to \$45,500. Tax will be due on the value of the ARV in excess of \$45,500. The proposed exempted amount beginning July 1, 2019 is \$1,941. The proposed rates for the ARV bands up to the exempted ARV of \$45,500 is \$1,641. The total proposed exemption includes the \$300 flat rate which is being introduced beginning July 1, 2019.



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IMPORTANT INFORMATION FOR INTERNATIONAL BUYERS

Effective 1st March 2021

- Leasehold condominiums are now NOT available to overseas buyers unless the buyer already has a Residential Certificate or if the condominium is located in a Government approved resort residential development.
- If an overseas buyer wishes to purchase a leasehold condominium outside of a resort residential development effective 1st March 2021, they must invest \$2.5M in order to trigger the process. An application will have to be made for an Economic Investment Certificate and a Residential Certificate will be granted in 5 years at which time they can purchase a leasehold condominium located outside of a Government legislated resort residential development, subject to ARV threshold policy.
- At five years, the holder of an EIC would be eligible to apply to The Minister responsible for immigration for the right to reside indefinitely in Bermuda. If successful, a Residential certificate will be granted by the Minister.



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- The cost of a License to Acquire varies depending on the type of property you wish to purchase. The license application fee is currently \$1,706 (refundable upon license approval). Fees are set at the following rates:
 - 12.5% for a residential home
 - 8% for a condominium
 - 6.5% for a property within a hotel development
 - 6% for PRC Purchasers
- In addition to the License fee there are the normal closing cost plus stamp duty and legal fees, your Coldwell Banker agent can estimate these costs based on the purchase price.
- The starting price for resort hotel condos for International buyers is around \$375,000 and for houses the starting price is around \$2,500,000.
- Agreement in principle between an international buyer and seller includes a deposit of 10% of the purchase price. The deposit is held in escrow, subject to contract, and deducted from



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- International owners may be granted permission to rent their property by the Immigration Department. Permission rarely extends to periods of more than a year and includes a tax of 7.25%. Resort hotel condos are available for rental as per the Hotel Management Contract.
- A Non Bermudian working in Bermuda on a work permit currently is unable to purchase a condominium, except in hotel condo developments.
- **Effective 1st March 2021** “The Economic Investment Certificate and Residential Certificate Policy” replaced the 2003 and 2015 Residential Certificate policy.



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What has changed

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LIVING IN BERMUDA

Bermuda has one of the highest expat communities of any country in the world, so you will be in good company if you intend on spending a lot of time in your new home. Although international buyers are welcome to purchase property here, emigration by non-Bermudians is not permitted, and owning your own home here, does not make you eligible to get citizenship in Bermuda or permanent residence.

We welcome visitors to Bermuda where you can stay up to six months. For non-Bermudians, you must hold a work permit to live/work in Bermuda, unless you are married to a Bermudian or have obtained status.

There is also a residential certificate available to those who own property but do not work on the Island (either because they are independently wealthy or retired, etc.). The application process is very in depth and can take 6-12 months.



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IMMIGRATION

Non-Bermudians who have work permits, are not allowed to emigrate to Bermuda, they are only allowed to stay for as long as the work permit allows. The only way to emigrate to Bermuda is to marry and co-habit with a Bermudian, and wait 10 years to become a Bermudian as a direct result of the marriage.



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USEFUL INFORMATION



Schools

Bermuda has many schools to choose from, all of which feature state-of-the-art technology, excellent facilities and grounds. Bermuda's schooling is based on five-phases:

Preschools → Primary Schools → Middle Schools → Senior Schools → Bermuda College or Overseas Institute

[Click here to Visit Bermuda's Department of Education for more information](#)



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Hospitals & Medical Centres

King Edward VII Memorial Hospital

Point Finger Road

Paget Parish

Phone: (441) 236-2345

Mid Atlantic Wellness Institute

44 Devon Spring Road

Devonshire Parish

Phone: (441) 236-3770

Bermuda Healthcare Services – (Private health centre)

9 The Lane

Paget

Phone: (441) 236-2810 (day time) / (441) 699-0787

(nights & holidays)

Email: bhcs@ibl.bm



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Utility Companies

- Belco Electric
- Bermuda Gas
- One Communications

Water Supply - Water is still considered a “natural” resource in Bermuda and the majority of water is provided by rainfall which is collected in subterranean tanks built under our houses. Purification is provided by a limestone based paint used on our rooftops... which is the reason Bermuda houses have white roofs.



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BERMUDA FAQ

Is it safe to drink the tap water?

Good news – Tap water in Bermuda is generally safe to drink, although you may want to check when you arrive.

Is Bermuda in the Hurricane Belt?

The Island of Bermuda is situated far outside the main region for Atlantic hurricanes; however, it does sit within the belt where tropical cyclones occur. According to the Bermuda Weather Service, Bermuda experiences a tropical cyclone on average every few years.

What languages are spoken in Bermuda?

As a British overseas territory, Bermuda's official language is English. A variety of other languages are spoken on Bermuda including Spanish, French and Portuguese. However, English is the language of daily life, so tourists and new residents will find it easy to settle in here.

What is the time zone in Bermuda?

Bermuda's time zone is Atlantic Daylight time between March and November and Atlantic Standard time from November to March. This is because Bermuda observes daylight savings time.

What is the Percentage of Consumer Tax in Bermuda?

There is no VAT or Consumer Tax in Bermuda.



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How do I make Phone Calls to, from and in Bermuda?

Call Bermuda from The USA and Canada

Dial 1 + 441 + Landline Number

Dial 1 + 441 + Mobile Number

Call Bermuda from other international countries

Dial 00 + 1 + 441 + Landline Number

Dial 00 + 1 + 441 + Mobile Number

Call the USA and Canada from Bermuda

Dial 1 + area code + Landline Number

Dial 1 + Mobile Number

Call other International countries from Bermuda

Dial 011 + country code + area code (without the first zero for UK) + Landline number

Dial 011 + country code + Mobile Number (without the first zero for UK)

How can I make a local call in Bermuda?

Dial - Landline Number

Dial - Mobile Number



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What is the Currency in Bermuda?

The official currency in Bermuda is the Bermudian Dollar, which is fixed to the US Dollar, because of this the US Dollar is also accepted everywhere.

What are the Major Supermarkets in Bermuda?

There are many supermarkets dotted around the island, and there are even websites for you to shop online and get your groceries delivered. Here are a few of the supermarkets available.

Lindo's Family Foods, Warwick

PriceRite – South Road and Mill Reach Lane

A1 Fine Foods- South Road

Miles Market – Pitts Bay Road

The Marketplace – Somerset and Hamilton



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How Accessible is the internet?

The Bermuda Tourism Authority now provides one hour of free internet at several places of interest and tourist spots, the network to connect to is “BERMUDAWiFi”. The public library in Hamilton offers five computers which you can access the internet on for 30 minutes. The city of Hamilton is also Wifi enabled, so wherever you are you can search WIFIZone on your phone or tablet and connect. Most of our hotels, restaurants and bars have wifi for customers also, so you can always stay connected.

What are the liquor and drug laws in Bermuda?

The legal age to drink alcohol is 18, and this is strongly adhered to. Most bars close at 1AM. You may take alcohol onto the beach as long as you are not too loud and do not litter. If you walk onto the street with an open bottle, it becomes illegal.

All recreational drugs are illegal.



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What Embassies and Consulates are there in Bermuda?

- U.S. American Consulate
- Portuguese Consulate

Many countries have appointed (Honorary) consuls on the island to represent their unique interests

- Austria (Honorary) Mrs. Katarina Hoskins
- Belgium (Honorary) Philippe Dutranoit
- Canada (Honorary) Heather Conyers
- Denmark (Honorary) Bent Poulsen
- Finland (Honorary) John Riihiluoma
- France (Honorary) Mrs. Nicole Haziza
- Germany (Honorary) Jens Alers
- Ireland (Honorary) John Kane
- Italy (Honorary) Giocchino Di Meglio
- Jamaica (Honorary) Winston Laylor
- Luxemborg (Honorary) Curt Englehorn
- Mexico (Honorary) Rod Attride-Stirling
- Netherlands (Honorary) Maria Peterich
- Norway (Honorary) Cna Butterfield



Honorary consuls Contd...

- Portuguese Consulate
- Spain (Honorary) ACJ Dean
- Sweden (Honorary) Jens Juul
- Switzerland (Honorary) Fabian Schonenberg

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ABOUT US

As Bermuda's largest, full service real estate organisation, we strive to respond to the changing demands in our marketplace and pride ourselves on our commitment to professionalism. Our Professional Services and Real Estate Divisions are pleased to offer the following services:

- Residential Real Estate Sales
- Commercial Real Estate Sales
- Land Surveying
- Valuation Surveying
- Property Management
- Residential Rentals
- Relocation Services
- Vacation Property Services
- Commercial Leasing



View our Bermuda Listings

