

Small is beautiful

ST KITTS is a little Caribbean island with big ambitions. Occupying only 68 square miles, it matches neighbouring Nevis as the smallest nation in the Americas.

You can drive round it in a day, it's wonderfully free from concrete and you're more likely to see wild goats than herds of package tourists.

This might be about to change. A new weekly British Airways flight from Gatwick and the recent visit of England's cricketers on their West Indies tour have helped put it on the map.

Most visitors hail from North America, but the BA flight will raise its profile among the British.

St Kitts was home to the first British (and French) colonies in the Caribbean, but only 9,000-12,000 Brits visit St Kitts each year, compared with more than 200,000 going to Barbados.

It's an emerging property market with plans to pursue the top end of the home market as a business. 'We want

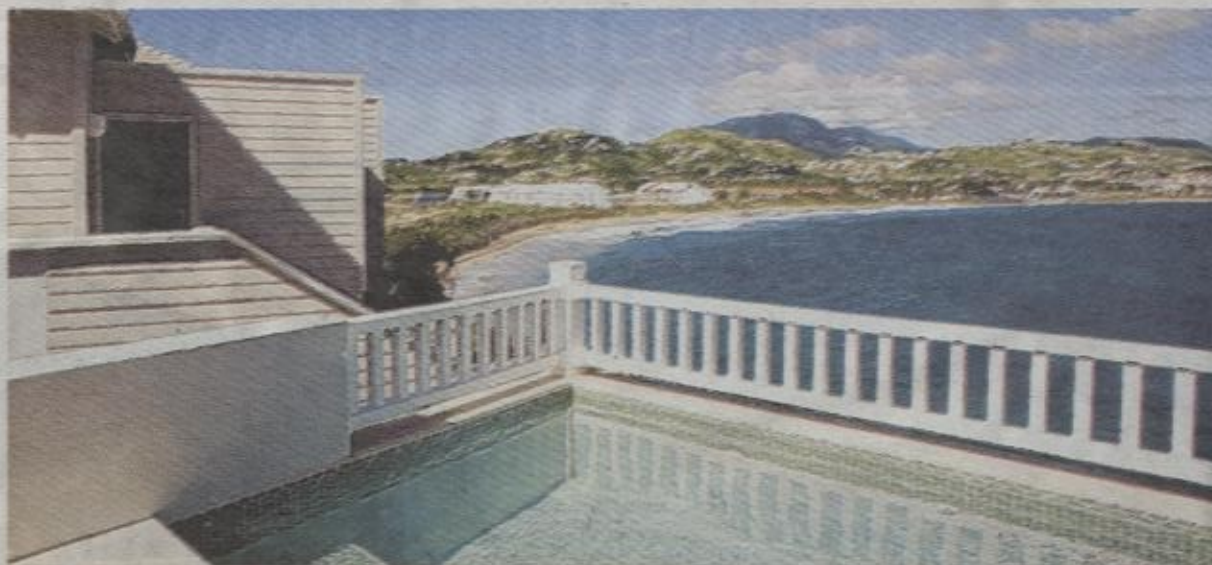
Tiny St Kitts has giant plans, says Liz Rowlinson

to become the new Barbados or St Barts,' says local agent, Brian Kassab, 'and avoid the mistakes St Lucia and Antigua made with over-building.'

An integrated 2,500-acre development, Christophe Harbour, taking up most of the southern peninsula, is going ahead. Currently only home-sites (or villa plots) are available, priced from £340,000-£2 million. Christophe Harbour — which will be developed over 25 years — will feature a new marina, a Tom Fazio golf course and Mandarin Oriental Hotel including private residences selling for £679,000-£3.4 million.

It will provide the five-star hotels, restaurants and luxury villas (around 2,000) the island lacks.

St Kitts currently has only a four-star Marriott and some characterful plantation-house hotels. The



Sweeping vista: The view from Ocean's Edge, a new development on attractive Cable Bay

arrival, five years ago, of the Marriott hotel in Frigate Bay — the traditional tourist hub — is regarded as both a catalyst and a carbuncle by locals. Five storeys high, it's hard to miss, and it 'kick-started everything else', says Ricky Pereira of St Kitts Realty.

'It got people coming to the island, and gave investors confidence, but there's still a limited supply of private properties. You can buy a two-bed plantation house for around £475,000, but properties on new villa developments get snapped up.'

These include 15 West Indian-style 'private retreats' being built 500ft above the sea at Sundance Ridge Estates, with prices from £1.96 million for three bedrooms.

Another development area is Ocean's Edge, a small project on the prime site of crescent-shaped Cable Bay.

The 40-acre plot with villas staggered down the cliff and along the beach is being developed by Newfound Resorts. It's within walking

distance of 'the Strip', a little stretch of beach-shack restaurants serving lobster and rum punch.

The Hillside Suites are finished to a high spec, with plunge pools. They are also built to the Miami-Dade hurricane-proof standard — the island's tourism was hit badly by the 1998-1999 hurricanes.

Communal facilities — to be completed in 2011 — include a swimming pool, spa and tennis court.

The properties range from fully furnished two-bedroom Hillside Suites to garden cottages or villa plots — available through Savills.

Half of the Hillside suites, costing £390,000, have sold to British buyers, including Tom Wanless, a 28-year-old former investment banker, who plans to rent it out for £1,400-£1,700 a month. He says: 'I was attracted to St Kitts because it has a great "local" vibe.'

Other temptations for investors include the British legal system, tax advantages (no income, capital gains or inheritance tax) and the

good-quality infrastructure. A university and veterinary college popular with American students are a boost to the economy and offer a large pool of prospective rentals.

There's also the 'Citizenship by Investment' incentive. If you spend more than £237,000 on a property in an approved project, you get a St Kitts/Nevis passport. The government has adopted a sensible three-tier zoning system that will encourage investment in tourist areas such as Frigate Bay, where you don't need a licence or to pay purchase tax.

To keep the north of the island for locals, foreigners must apply for an Alien Landholder's Licence and pay 10 per cent tax to the government. Buying on the southern peninsula requires a licence but no tax.

■ **CHRISTOPHE Harbour**, (001 866 792 4963, christopheharbour.com); **Sundanceridge Estates**, (001 869 762 5978, sundanceridgestkitts.com); **Savills**, (01202 765011, oceansedgesstkitts.com).