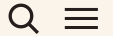


# LUXURY TRIBUNE

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## BUSINESS

### Saint Barthélemy: A Luxury Destination with Emerging Urban Challenges



By CÉCILIA PELLOUX

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Saint Barthélemy, a small island in the Caribbean, blends a rich historical past with a burgeoning luxury real estate market. This destination attracts international luxury tourism, resulting in record-breaking real estate transactions. However, the island faces urbanistic challenges. Here's our analysis.



Christopher Columbus discovered the island of St. Bartholomew on November 11, 1493, naming it after his brother Bartholomew (DR)

**A** Glimpse of History: Christopher Columbus discovered this tiny 21 km<sup>2</sup> rock on November 11, 1493, during his second voyage and named it after his brother, Bartholomew. Over the centuries, the island has drawn Spaniards, French, Dutch, and Swedes and reverted to French sovereignty in 1878. The arrival in the 1950s of American billionaire Rockefeller, followed by the famous Russian dancer Rudolf Nureyev, propelled this small territory onto the international stage. Today, a hub of luxury tourism, the island boasts over 12,000 year-round inhabitants and welcomed 300,000 tourists in 2022, with

80% of Americans. The rental and sales real estate market has been steadily growing for the past decade and remains stronger than ever.

## Booming Real Estate Market

There are approximately 1000 villas available for rent on the island. Among them, 650 [luxury villas](#) are spread across 70 real estate agencies, with roughly 300 more modest ones listed on Airbnb or directly by owners. Established in 2019, Le Barth Villa Rental, an extension of the 5-star Le Barthélemy Hotel & Spa, revolutionized the traditional villa rental approach by addressing market gaps. The agency meticulously curated a portfolio of 200 rental properties meeting rigorous criteria, ensuring high standards of luxury, privacy, comfort, and exceptional service. The collection offers diversity for multigenerational stays for beachfront cottages and ultra-contemporary residences like the iconic Villa Aqua and Villa Bleu on Cul de Sac Beach. Guests enjoy personalized experiences with private transfers, 24/7 dedicated concierge, daily breakfast delivery, and in-villa room service. "Villa rental clients naturally turn to us for property acquisition," explains Guillaume Bichot, General Manager of the agency and a sector specialist who has resided on the island for fifteen years. Le Barth Villa Rental also plans to launch its sales department in the middle of the year.



the post-COVID period sparked an unprecedented momentum with record transactions, leading to a significant decrease in supply and naturally driving up property prices.

**GUILLAUME BICHOT, GENERAL MANAGER OF THE A  
BARTH VILLA RENTAL**



On the island of Saint-Barthélemy, 1,000 villas are available for rent, including 650 luxury villas managed by 70 real estate agencies and 300 more affordable options on Airbnb (DR)

In terms of real estate sales, "the post-COVID period sparked an unprecedented momentum with record transactions, leading to a significant decrease in supply and

naturally driving up property prices. Since the beginning of the year, the supply has been expanding, with a growing number of new properties for sale," says Guillaume Bichot. There are officially 40 villas for sale and around twenty unlisted ones, known as "pocket listings" in real estate jargon.

## Significant Transactions and Island Influence

s is part of the millionaire circuit. Prices have never dropped, even during the 2008 financial crisis

JACQUES ALMOSNINO, LAWYER AND RESIDENT OF SAINT BARTHÉLEMY FOR OVER 20 YEARS

The latest historic sale took place in April 2023, grabbing widespread attention. The legendary estate built by banker David Rockefeller in the late 1950s, a 52-hectare property in a natural area acquired by Linda and Steve Horn in the mid-90s, sold for €135 million. The new buyer, Adam Sinn, is an American businessman. Located in an extraordinary site in Colombier, northwest of the island, the sale piqued the [curiosity of numerous visitors](#) to discover this Caribbean gem. In the past, similar sales, like the one of the Gouverneur estate to

Russian oligarch Roman Abramovich and that of the St Barth Isle de France hotel to Cheval Blanc, had a positive impact on the island, attracting interest from hotel groups. Over the past 20 years, the price per square meter has not wavered; quite the contrary. "St Barths is part of the millionaire circuit. Prices have never dropped, even during the 2008 financial crisis," explains Emmanuel Jacques Almosnino, a lawyer and resident of the island for over 20 years. "In 2017, despite Hurricane Irma, the island recovered extremely quickly, which greatly boosted investor confidence. Suddenly, property values increased by 20%, and then came the COVID crisis, which was again beneficial to the island. Prices increased by another 20%." Today, the market is stable, but rising interest rates have slowed investor momentum. Local newspapers even astonish residents with real estate listings. A two-bedroom apartment of 56m<sup>2</sup> is listed for €3.15 million to be acquired before construction even begins. "We're at Monaco prices seven years ago," says the lawyer.





Property prices in Saint-Barthélemy range from 1 million to 60 million euros, with prices per square meter up 70% in ten years. In photo, Villa Palm Springs (Jeanne Le Menn)

Sale prices range from €1 million for a studio to €60 million for a 6-bedroom ultra-contemporary villa. "Since the data is not public, it's difficult to attribute a precise figure, especially considering numerous factors: the villa's location, height, view, local or seasonal market, etc. Generally, we can say that the price per square meter has increased by about 70% in 10 years, blending the local and seasonal markets," recounts Guillaume Bichot.

St. Barthélemy represents a secure investment. The market is very solid. As evidenced by the sale of the Girasol property in Marigot, a district north of the island, "an offer to purchase was made before Hurricane Irma, which devastated the island in October 2017, and the sale was concluded after Irma. This proves the market's strength; even the hurricane and the destruction of the villa did not prevent the sale," adds Bichot. The Girasol property sold for approximately \$65 million.

Thirty percent of villa owners are local, 40% are French, and 25% are American. The saturation of the real estate market complicates life for locals. It's nearly impossible to find a rental lease when it expires. Prices in restaurants and supermarkets have soared. Many restaurants and groups found in St. Tropez have now [invested in the beaches](#) of St. Barths and Gustavia, its capital.



Someone who buys a €30 million property on the beach hopes to be able to build a legacy that's legitimate. But if we think about the future, the preservation of the island for future generations, we should read the rules to align with the future

HÉLÈNE BERNIER, DEPUTY TO THE COLLECTIVITY OF SAINT-BARTHÉLEMY





Saint-Barthélemy, a Caribbean gem, juggles development with ecological challenges. The local authority adjusts planning regulations to protect its beaches from rising seas and preserve the island's charm for future generations (Shutterstock)

## Urban Challenges and Island Conservation

"The current urban planning regulations need to be changed quickly. Today, these rules still allow construction on beaches. However, with the issue of rising sea levels, these spaces should be preserved to avoid having villas built underwater in 10 or 15 years. It's a very complicated situation. Someone who buys a €30 million plot on the beach hopes to be able to build, and that's legitimate. But if we think about the future, the preservation of the island and future generations, we should readjust the rules to align with the future," explains Hélène Bernier, deputy to the collectivity of Saint Barthélemy.

The collectivity of Saint-Barthélemy currently limits the construction of gigantic villas as seen recently to favor the integration of new properties into the local landscape. Real estate transactions occur more on existing villas rather than land purchases, as building permits are harder to obtain.

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