

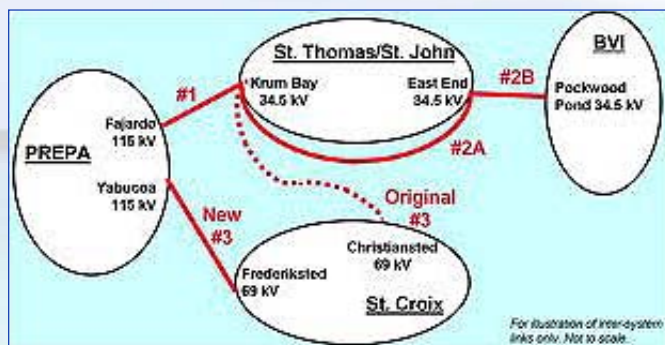
St. Croix Real Estate *reviews*

Featuring Real Estate Market Updates and
Local News of St. Croix, USVI

SEPTEMBER 2011

Siemens' Study Finds Virgin Islands/Puerto Rico Power Grid Viable

A study by Siemens AG, a German engineering conglomerate with prominent energy and industrial divisions, has determined that an electrical grid connecting St. Croix, St. Thomas and the British Virgin Islands to Puerto Rico via submarine cables is both technically possible and economically feasible. Commissioned by WAPA, the Siemens' study further found that such a grid would lower costs, upgrade reliability and decrease pollution.



At WAPA's request, Siemens considered a variety of ways to connect the USVI and the BVI to Puerto Rico's grid and concluded that the most viable submarine power cable interconnections would be: 1) Fajardo to St. Thomas, 2) St. Thomas to Tortola and 3) Puerto Rico directly to St. Croix.

Although connecting St. Croix with St. Thomas would have tied the territory onto a single grid, the deep waters between the two islands proves prohibitive. In keeping with the Siemens' study, WAPA is now looking at a 100 megawatt DC cable, running through shallower waters between Puerto Rico's Yabucoa substation and Frederiksted. WAPA Executive Hugo Hodge, Jr., has surmised that with the entire grid in place, savings could be up to 15 or 20 percent.

The first step toward a Caribbean power grid appears to be a *fait accompli*.

Message from Amy...



Amy Land-de Wilde

Remember, decades ago, when people began speculating as to what would happen when "Cuba opened up?" Everyone bandied about theories on how that would affect tourism elsewhere. Would every jumbo jet be Havana-bound? Would the rest of the Caribbean be left in the dust? Well, no. Now, according to an article in the New York Times last month, the Cuban government has promised to legalize the buying and selling of property by the end of the year.

Apparently, the government there has put forth only a few specifics, such as requiring year-round residency and limiting Cubans to just one dwelling. All else is left to speculation. The New York Times story related general confusion and a lot of apprehension among the residents interviewed. There seemed to be a fear of the unknown, a ubiquitous anxiety. Many expect skyrocketed prices and exorbitant taxes. Others imagine stringent regulations and restrictions. What will actually happen is anyone's guess. Will the Cuban situation mimic that of Hungary and Eastern Germany with previous land owners struggling to produce documentation and deeds? And with requirements in constant flux?

Ah, the good ole U.S.! Rules of the game are clear and relatively constant. You can have an agent guide you. And it's an ideal time to purchase real estate in the United States, even better in the USVI where waterfront property is still only a fraction of what it is on the mainland. If you agree like many that it's a good time to invest in real estate, I think you'll agree that it's a good idea to keep it at home in the U.S.

Amy
Amy Land-de Wilde, Broker/Owner
Coldwell Banker Land-de Wilde Realty

IN THE *Hall of Fame*

Last month *Caribbean Travel and Life* heralded "The Caribbean's All-Time Top 10 Classic Resorts" and St. Croix's Buccaneer Hotel was front and center. The online magazine proudly presented it's "*Hall of Fame inductees--the island retreats that have set the standard for hospitality excellence for a generation.*"

Of course, The Buccaneer has been around for a lot longer than a generation. Built by the Armstrong family in 1947, the hotel is now run by the third generation of Armstrongs. But the estate itself is historic and dates back to the seventeenth century when Knight of Malta, Charles Martel, lived there. During the early Danish-colonial days, Governor von Prock built his home there, also constructing a sugar factory and erecting a sugar mill. Sugar reigned. In subsequent years, cotton was grown and cattle were raised. The Buccaneer Hotel, in all its pink and white splendor, has now graced the estate for over 60 years.

Caribbean Travel and Life quoted Elizabeth Armstrong, one of the current generation, as saying, "A cornerstone of our success is our family's absolute commitment."

While the hotel appeals to families and offers summer vacation packages, it is also a favorite of honeymooners. Many couples marry right there at the old Danish sugar mill. Family and friends tend to linger and enjoy a Crucian sojourn themselves.



Property Tax Collections Boost VI Revenue

With Virgin Islands property tax collections having been stalled in litigation for years, government revenues have seen a dramatic decrease in the recent past. Now that the legal issues have been resolved and the government has resumed property tax collection, revenues are on the upswing for fiscal year 2011.

So far this year, the Tax Assessor's Office has issued the 2007 and 2008 property tax bills and intends to distribute the 2009 bills in January 2012. Assessments for these three years have all been set at the 1998 rate. But, according to Raymond Williams, chief of staff to Lt. Governor Francis, the Office of the Tax Assessor plans to issue 2010 property tax bills at 2010 market values and is seeking updated property appraisals.

The Tax Assessor's Office, which also maintains cadastral land maps, is overseen by the Office of the Lt. Governor. It is one of five governmental divisions that generates revenue for the government. While revenues have been on the decline across most of these divisions, overall revenue is expected to increase this year due to the resumption of property tax collections. By mid July, the Tax Assessor's Office had already collected nearly 160 percent more property tax revenues than in all of 2010.

Home Loans and Rules of Thumb

When going for a loan, whether it's for your home, a commercial property or a piece of land, there are certain rules of thumb that apply. As apparent as these rules may seem, they should not go without saying. Departures may well wreak havoc with the process. Call them "Buying Tips," if you will.

1 Keep your job. Once you've applied for a loan, continue your current job until all is said and done and you've closed on your property.

2 Guard against using credit. You should neither apply for a new credit card nor make any large expenditures on your existing credit cards. Even after you've been approved for a loan, you should resist buying (furniture, say) on credit. Again, wait until you've closed.

3 Maintain your bank balance. In completing your loan application, you've indicated a balance in your savings and checking accounts that must remain stable. Loan officers have verified the amounts and your closing costs and down payment must come from these balances. Should you bring a check from an undivulged bank account to the closing, the whole process will be thwarted until the funds in this account can be verified.

4 Leave a paper trail for large deposits. Make sure you can provide a paper trail for any deposit over \$500; the source of the deposits must be substantiated. It's fine for a relative or partner to bequeath you money, but you will need to fill out a proper form letter which can be obtained from your loan officer.

Being in the know is a good thing and can help facilitate the process. Happy home shopping!

Feature Property of the Month

Mango Hill Greathouse

A traditionally designed Caribbean estate, with all modern amenities, in a premier gated beach community with spectacular sea views and 40' heated pool. Built in 2006 with the finest finishes and construction standards, spacious rooms, 2' deep walls and 14' ceilings. Separate private poolside guest house. Offered partially furnished.
 MLS # 11-1245 **\$3,950,000**



Photo by Ted Davis

ISLAND PROPERTIES

New Listing

#5 Candle Reef I
 Beautifully renovated
 3-bedroom,
 3-bath condo.
 \$579,000
 MLS # 11-1451



Build it New

15 Shoys
 Rare one-acre
 beachfront
 property.
 \$995,000
 MLS # 11-1358



One Acre
 275 Union Mt.
 Washington
 Panoramic sea
 views. Can be
 subdivided.
 \$67,000
 MLS # 10-1861



September's DEAL OF THE MONTH

Great opportunity to own and operate a terrific restaurant on St. Croix's east end. Good location with maximum exposure on the way down from Villa Madeleine condominiums, across the street from the beach, next to The Reef Condominiums and golf course and on the way to the Yacht Club and Cramer Park Beach! Keep it small, or grow it large. Good business with plenty of parking and visibility.
 MLS # 11-1498 **\$68,000**

ST. CROIX REAL ESTATE MARKET WATCH

CLOSED SALES COMPARISON : 8/31/09 - 8/31/10 VERSUS 8/31/10 - 8/31/11

	2009-2010 SOLD	AVERAGE DAYS ON MARKET	AVERAGE SOLD PRICE	2010-2011 SOLD	AVERAGE DAYS ON MARKET	AVERAGE SOLD PRICE
Home Sales	130	291	\$422,424	90	274	\$505,629
Condo Sales	48	296	\$224,555	60	290	\$193,170
Land under \$39,900	33	271	\$30,491	31	278	\$27,500
Land over \$40,000	65	277	\$116,147	49	307	\$84,667
Commercial	10	384	\$316,000	9	331	\$576,000

Information from the St. Croix Multiple Listing Service

* The average sales price and the average days on market could be skewed greatly by only one sale or because of the small number of annual sales.