



# Buying a Property

## *A Guide for Purchasers*



Local team,  
*full coverage*

We have a depth of understanding of our communities  
because we live in the areas we service.

# What we *Stand* for

## Community

We don't believe in separating what we do from who we are. The Graham Real Estate team is deeply invested in the local community, through the Ranfurly Home for Children, animal welfare organizations like Baark! and others.

## Connections

Our goal is to make these islands truly feel like home. Whether you need a contractor, housekeeper, mortgage representative or a recommendation for a date night out, we pride ourselves on having the resources and advice you're looking for.

## Customized service

We believe every buyer has unique needs for their home, and the intangible aspects that give personality to the property and neighborhood are taken into account as we help you find the best home for you.



# The essential guide to buying a property in The Bahamas

At Graham Real Estate, we work with buyers every day — and we understand that the process of purchasing a property can be intimidating. We developed this step-by-step guide to help you feel more at ease as you consider purchasing a property in The Bahamas.

Please note that the following information is not a substitute for legal or professional advice. We strongly recommend engaging a real estate agent or attorney to assist in the purchase process.

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## Four steps to purchasing a home in The Bahamas

1. Pre-contract period
2. Pre-closing period
3. Preparation for actual closing and final completion
4. Post-closing period



# 1. The pre-contract period



## In this step, you'll:

- Choose your real estate agent and find a property
- Hire an attorney
- Settle the sales terms
- Complete the Sale Agreement and make a deposit on the property
- Complete the Compliance Commissions requirements

## Choosing your real estate agent and property

Your real estate agent will give you advice and information on the property, values in the area, property use and development restrictions, and the proposed terms of sale. Most importantly, your agent will assist in settling and negotiating the terms of sale with the seller or the seller's agent and securing the best deal possible for you.

The Graham Real Estate Team is here to assist in finding you the right property. We are licensed under the provisions of the Bahamas Real Estate (Brokers and Salesmen) Act and a member in-good-standing of the Bahamas Real Estate Association.

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Laura Kimble did a fantastic job of showing us available properties and guided us through the process for purchasing property in the Bahamas. Having only made real estate purchases in Florida, this was a new experience for us. We would highly recommend Laura and Graham Real Estate as they made our purchase a really great experience.

*Jeffrey and Lynn Z.*

## Hiring an attorney

During this time, you'll also want to engage a Bahamian attorney. You will need one to represent your side of the transaction. We can recommend several law firms so you can determine which attorney would be the right fit for you.

## Settling sale terms

Transactions for the sale and purchase of property usually commence when the buyer and seller enter into a Sale Agreement, which sets out the terms of the sale. In many transactions, parties wishing to clarify their proposals will provide a 'Letter of Intent' or an 'Offer Letter' before entering into a formal contract.

The Letter of Intent will embody the terms of the transaction and include a broad variety of provisions relating to such transactions. Some essential questions that we will consider before signing a contract include:

- What is the Purchase Price for the Property, and the deposit or down payment required?
- What is the time period for completion of the purchase, or the proposed closing date?
- Who is responsible for paying the Stamp Duty and Value Added Tax (VAT) on the sale to the Public Treasury?
- Who is responsible for paying the sales agent's commission?
- How should title to the property be held? Are there estate-planning issues to be considered? Should a trust structure or holding company be used?
- Is anything to be purchased in addition to the property (e.g. the furniture and fixtures in a house), or any licences or other rights being acquired from the seller?
- What, if any, governmental approvals may be required to complete the purchase?
- Does financing need to be arranged for the purchase and, if so, how long will it take to secure such arrangements?
- Are any surveys, tests or inspections required before the agreement to purchase is completed?
- Upon acceptance of the Letter of Intent the buyer makes a deposit (typically 10% of the purchase price) to their attorney.

## Complete the sale agreement and make a deposit

Once the terms of sale have been agreed in principle, the seller's attorney typically prepares the draft Sale Agreement, which the purchaser's attorney will then review and approve. The Agreement is then signed by both parties (the buyer first) and the buyer's attorney transfers the deposit to the seller's attorney. The amount of the deposit may vary but it is usually 10% of the purchase price.

## Complete a KYC form for compliance requirements

The Bahamas introduced a new law, the FTRA 2018, (Financial Transaction Reporting Act) in late 2018 that now requires Real Estate Brokers like Graham Real Estate to obtain KYC/CDD (Know Your Customer aka Customer Due Diligence) information on all clients.

In order to satisfy our obligation under the law, we have introduced a simple compliance form that we will ask you to complete and provide a copy of a valid government issued photo identification. This enables us to fulfill the necessary requirements to be compliant.

A wide-angle photograph of a tropical beach. The water is a vibrant turquoise color, appearing very clear. A white sandy beach curves along the bottom left. In the distance, a low-lying green island is visible across the water. The sky is a clear blue, filled with various sizes of white and grey clouds.

## 2. The pre-closing period

**Once a Sale Agreement is signed, your attorney will typically handle the next steps, including:**

## **The title investigation**

Conveyancing and Law of Property Act of 1909 governs the determination of title to real property and conveyancing transactions in the Bahamas. The Act requires a seller to adduce a minimum of 30 years documentary title.

The seller's attorneys will provide the title particulars relating to the property to your attorney and your attorney uses this information to carry-out the title searches on the property.

## **Title investigations in The Bahamas**

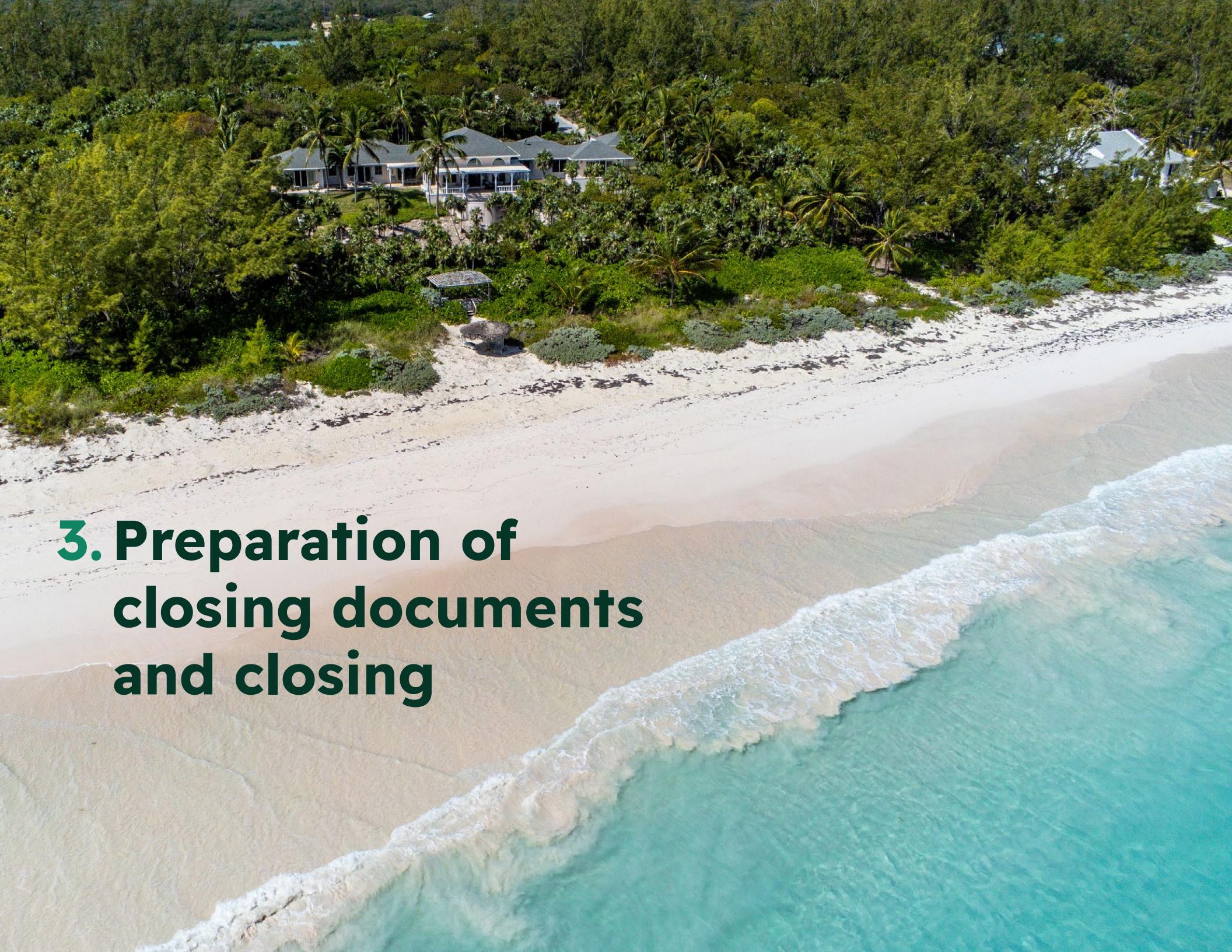
Under the Registry of Records Act, documents of title are fully recorded and appear in the public records. However, recorded documents are found using an index of the names of the previous owners of the property and there is no "land registry" (as is typically the case in most North American, Caribbean and European jurisdictions).

As there is no land registry in The Bahamas, such searches will include searches of the Registry of Records, the Supreme Court Registry and (often) the Companies Registry against the names of predecessors in title. Bahamian law requires that searches of title trace back to a "root of title" (i.e. to a deed not less than 30 years old) or to a "Crown Grant".

## **Raising questions and rendering an opinion**

Where necessary, in the course of the searches and depending on the results, your attorney will have to raise requisitions or questions on the title, and the seller's attorneys will respond and address such requisitions or questions.

When your attorney is satisfied that the documentary title is good and marketable, your attorney will render a 'Report On Title' or 'Title Opinion' in respect of the real estate certifying the title and the transaction can be completed.

An aerial photograph of a tropical coastline. In the foreground, a sandy beach meets the ocean, with white-capped waves crashing onto the shore. Behind the beach, a dense forest of green trees and palm trees surrounds several white, two-story houses with porches. The sky is clear and blue.

### 3. Preparation of closing documents and closing

## **The seller's attorney generally prepares the closing documents for the sale transaction, which are then reviewed and approved by a buyer's attorney.**

The most important document in a sale of land is typically the Deed of Conveyance, which is the document that has the effect of transferring legal ownership of the property from the seller to you.

On closing of the sale and purchase, the balance of the sale price is paid to the seller's attorneys, and the Conveyance and other closing documents are signed by the parties and given to your attorney.

## **Title insurance**

Although the majority of purchasers rely upon Bahamian counsel to investigate title and opine on the same, title insurance is offered in The Bahamas by a number of title insurance agents representing major title insurance companies in the United States and the procedure is no different to acquire insurance. In some cases, certain developers will provide only for title insurance to be issued to buyers and will not adduce title to a property.

## **Property walk-through**

1-2 days before closing you will perform a final walk-through with your real estate agent. After closing the buyer is responsible for everything, you'll want to ensure that the property is in the same condition as when the contract was written and any agreed upon repairs have been completed.

## **Utility and service providers**

You will want to notify the appropriate utility companies, phone, cable and other service providers to arrange for set up of services in your name. In the case of developed property (in particular, where institutional financing was provided for the purchase), insurance coverage may also need to be established with a reputable insurer.

## 4. The post-closing sale process



## **This is for completion of related governmental applications and ownership arrangements.**

Once the transaction has 'closed' (i.e. the purchase price has been paid in full and the signed closing documents have been delivered) your attorney will complete the following:

- 1. Arrange for the applicable VAT to be paid to the Public Treasury and for the Conveyance to be stamped by the Treasury.**
- 2. Arrange (once all deeds are stamped and any applicable Investments Board approval has been obtained) for the Conveyance to be lodged for recording in the Registry of Records.**
- 3. Register the change in ownership of the property with the Real Property Tax Department and ensure that the Valuation Section is provided with the billing address of the new owner in order for them to receive annual Real Property Tax statements.**
- 4. Finalize any approvals that may have been required by you from the Exchange Control Department in respect of the investment made in the real estate (e.g. for 'approved investment status' to be granted to you).**

# Additional information for purchasers

## Holding title to property

In The Bahamas, a purchaser may acquire and hold title to real property in various ways. The approach to be selected should be tailored to suit a purchaser's needs and considerations.

### The most popular approaches to the holding of title include:

- For title to be held directly and personally, in one's own name;
- For title to be held jointly with another party, in your own names (often husbands and wives or family members will often hold title "as joint tenants", or investment partners will often co-own land "as tenants in common");
- For a corporate entity to hold title, such as a Bahamian International Business Company (IBC);
- For title to be held by a trustee of a trust (often a family trust is preferred, and Bahamian or foreign trusts may be used);
- For a foreign entity (e.g. a US LLC) that is registered in The Bahamas to hold title; or
- Using a combination of the above alternatives – e.g. for land to be owned by an IBC and the shares of the IBC are then held by a family trustee or by spouses as joint tenants.

It is useful to mention that most spouses prefer to hold title "as joint tenants" as each has an entire interest in the property with equal right of possession. On the death of a Joint Tenant, the property does not fall into their estate

but passes automatically to the other Joint Tenant(s) automatically by operation of law. This avoids inconvenience and cost of probating a co-owner's estate if it is intended that their spouse would acquire their share of the property in any event.

Most investment partners prefer to hold title "as tenants in common" as, in the event of their death, their respective share of the property would pass to their heirs and beneficiaries rather than their co-owner/partner(s).

When weighing the option of using a foreign company to hold title versus incorporating a Bahamian IBC, it may be useful to know that the incorporation and annual carrying costs of an IBC are less (roughly 50% less) than the cost of registering and maintaining a foreign company in The Bahamas. For that reason, many buyers interested in using a tiered corporate structure prefer to incorporate a new Bahamian IBC holding entity or a Bahamian IBC subsidiary that is owned by their foreign corporation.

It is advisable to take advice from a legal or financial advisor in your home jurisdiction who can help you to consider foreign tax or estate-planning issues before completing your purchase.

## Transfer tax

Unless entitled to very limited and specific exemptions, all sales and transfers of land between third parties, whether direct or indirect, attract a transfer tax payable to the Public Treasury under the VAT Act. In the past, it was referred to as Stamp Duty and is now VAT (Value Added Tax).

The transfer tax is calculated on either the consideration paid for the property or the market value of the property, whichever is greater. The rates of VAT payable on the sale and purchase of land currently for 2022:

- i) 2.5%, where the transaction is less than \$100,000 in value; and
- ii) 10%, where the transaction is greater than \$100,000 in value.

It should be included in your Sale Agreement who is responsible for the payment of VAT. Customarily the seller and the buyer agree that this cost will be split between them equally and paid 50/50 on closing.

## Real property taxes

Owners of real property in The Bahamas must pay Real Property Taxes annually and the rate of tax payable varies according to the type and use of the land. Real Property Taxes are based upon the market value of the property.

The 'market value' for real property taxes is defined as the amount the property would realize if sold in the open market in an arms-length transaction without any encumbrances or restrictions. Usually, the purchase price paid to a seller for a property is accepted as indicative of the current market value for Real Property Tax purposes.

It is important to take specific advice regarding the annual real property taxes which may be payable in respect of your property going forward, how and when taxes should be paid, and the exemptions (if any) which might be available to you in respect of your property.

# Additional information for foreign investors

## Government approvals

Under the International Persons Landholding Act, an overseas buyer intending to acquire real property must obtain approval from the Bahamas Investments Board.

In some cases, such approval must be obtained before the sales transaction may be completed (in those cases a 'Permit' is issued). In other cases – including where a property is to be used for residential purposes or as a vacation home – it may be possible for such approval to be obtained following completion of the purchase (in those cases a 'Certificate of Registration' is issued by the Board).

It is therefore key to take advice on what type of approval must be obtained and when an application is to be submitted. In certain situations, a Conveyance of real property without the appropriate approval may be null and void in law. The current fee payable for a Certificate of Registration is \$250 and the fee payable for a Permit is \$500. [Source](#).

## Financing options

There are a large number of well-established financing institutions in The Bahamas that you can approach if you are interested in obtaining financing in respect of a proposed purchase. We can provide you with recommendations if you wish.

In The Bahamas, under the Conveyancing and Law of Property Act of the Bahamas, a legal mortgage of real property, personal property and fixtures has the effect of conveying and transferring legal title to the lender, subject to the borrower's equitable right to redeem the mortgage by payment of the mortgage debt. A legal mortgage is made by deed and recorded in the Registry of Records. When satisfied, the Satisfaction or Release is also made by deed and recorded.

In the case of non-Bahamians, very often it is necessary to obtain the prior approval of the Exchange Control Department for a non-Bahamian to consummate a loan transaction with a local financial institution. Further specific legal advice should be taken if you intend to enter into such a loan transaction.

Under the Stamp Act, a debenture or mortgage, which secures a monetary obligation, attracts stamp duty of 1.0% of the loan amount.

## Immigration and residency applications

An acquisition of property is often the first step towards acquiring long-term or permanent residence status in The Bahamas (such as a Home-owners Card, Annual Residence or Permanent Residence) and if this is something that you are interested in, you should take further advice on the matter at the outset of your transaction to ensure that you will qualify for such status after the purchase.

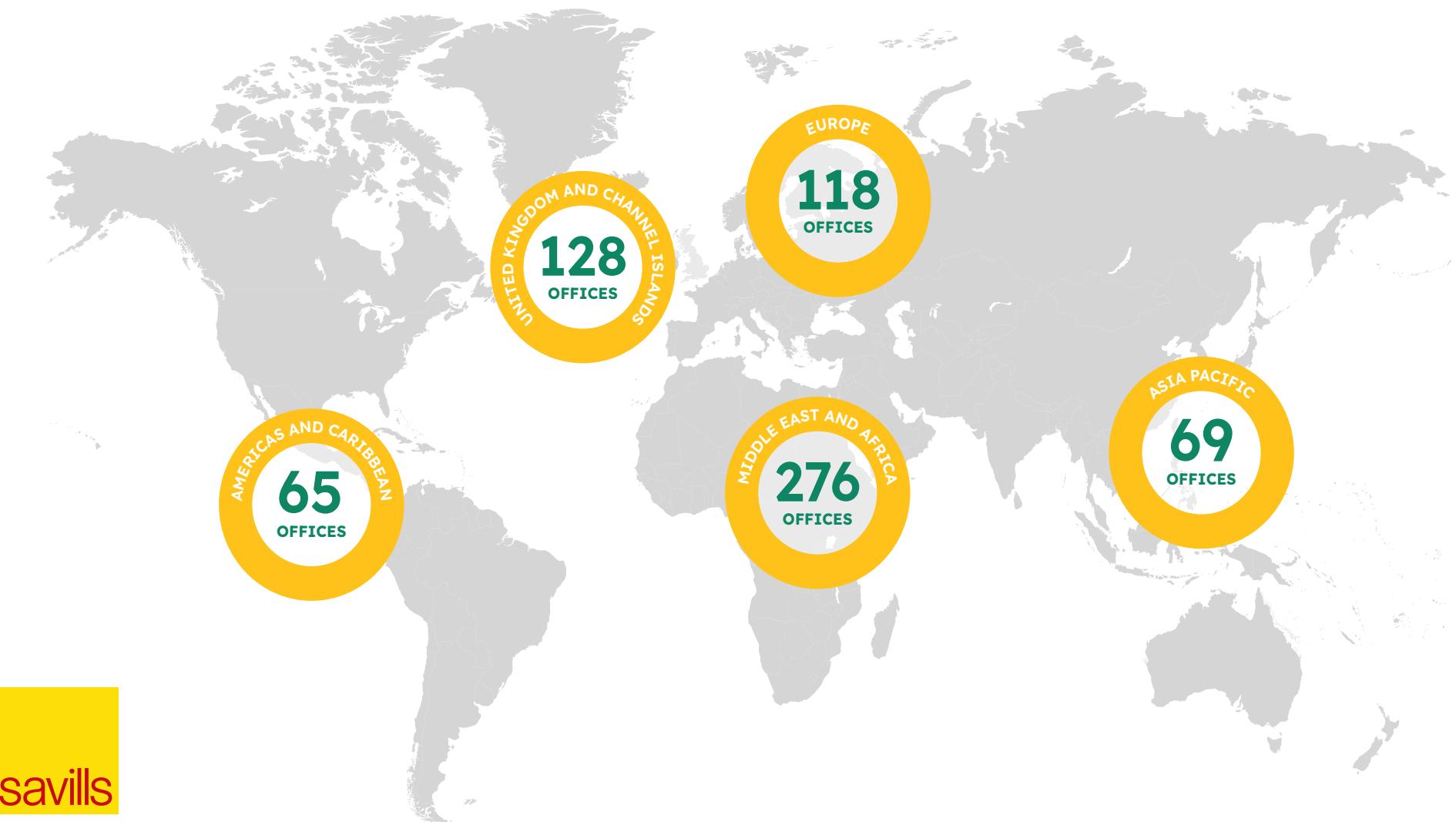
# Our connections extend

Graham Real Estate is deeply and proudly rooted in The Bahamas and we have strong international backing as an affiliate of Savills. Founded in 1855, Savills has more than 600 offices across the globe, with a distinct presence in the UK and Europe.

With our Savills ties, you'll benefit from exposure and connections with an international audience of buyers.

*Around the globe*

with  
**Savills Global  
Network**





# RECENT SALES *Highlights*

## Orchid Penthouse

Spanning 7,500 square feet and overlooking the Albany Marina and the Atlantic Ocean, this penthouse is the ultimate in luxury waterfront living in all of the Caribbean.

Listed in 2021 for \$39 million, the Orchid Penthouse was one of the most talked about properties in The Bahamas. Graham Real Estate was honored to represent the seller in this transaction.

## Pineapple Lodge

Located on Windermere Island, Eleuthera, Pineapple Lodge offers breathtaking ocean views from nearly every room.

With an expansive patio and pool, 5 bedrooms, 200 feet of pristine beachfront on 2.8 acres, Pineapple Lodge is the ultimate private retreat. It sold for \$2,650,000 in 2021.





## **Daiquiri Estate, Eastern Road**

Sold for \$1.5 million in early 2021. This enchanting 3+ acre property is comprised of a 5 bedroom main residence, 4 bedroom guest cottage, and 1 bedroom manager's cottage with 300 feet of water frontage.

## **305 Casa Del Sol, Paradise Island**

A spacious 3 bedroom, 2 bathroom condo with beautiful ocean views and a dock slip on Nassau harbor was last listed at \$645,000.

## **8B Caves Point**

A 3 bedroom, 3.5 bathroom ground floor apartment on West Bay Street and sold for \$660,000.

## **705 Columbus Cove**

A rare, double unit, with an uncompromised view of the ocean on love beach offering 4 bedrooms, 4 baths with bonus efficiency and office, sold for \$1.5 million.

## **5 Beach Island Old Fort Bay**

Sold for \$3.32 million in 2021. The property is well appointed with a 4 bedroom main house, 2 bedroom cottage on top of the garage, dock with boat lift, swimming pool and 105 feet of canal frontage.

## **Dolphin Cove, Old Fort Bay.**

Impeccably landscaped, gorgeous 6 bedroom home with playroom, detached carport with guest suite on the quiet end of the canal sold for \$3.5 million.



# Deep local roots and a clear view for the future



## **Greg Graham** President and Broker

Greg first began selling real estate on the islands in the 1990s, but his family's lineage in the Bahamas can be traced back to the late 1600s. As the ultimate connector, Greg's knowledge of the island and its residents is unmatched.



## **Laura Kimble** Managing Broker

Born in Nassau and educated in Canada, Laura joined the Graham team in 2007. In addition to selling real estate, Laura trains and educates our team of agents and is devoted to animal welfare in the Bahamas.



## **Sophia Porras** Operations, Property and Accounts Manager

Sophia manages Graham's day-to-day operations and our property management portfolio.

An organized, dynamic and bilingual (English and Spanish) leader, Sophia is focused on offering cost-saving strategies and top-tier service to our diverse client base.

## **30+ years of customer-centered service** Since 1994, Graham Real Estate has been known for its:

- Intimate knowledge of the islands and their geography
- Deep community and business relationships
- Uncompromising integrity and trustworthiness



## June Kemp

Born in New Jersey, June left with her family at a young age to live in South Florida. Years later after attending Brevard State College little did she know her life would become one of an island girl.

She has lived in Abaco for the past 26 years, been a Real Estate Broker for 20 years and raised 3 children. Her active lifestyle in the fishing world has helped her match the perfect property to the perfect client.

In her spare time she enjoys travel, spending time with her family and of course all types of fishing.



## Dolly Griffin

Following 19 years in the tourism industry, Dolly transitioned to real estate in 2006. Dolly enjoys the rewards of bringing the seller and buyer together in a successful real estate transaction and her positive attitude and enthusiasm are the key to this success.

Purchasing real estate is one of the largest and personal investments an individual can make in their lives, and Dolly takes this commitment very seriously. Dolly's life is centered around her kids and she is also passionate about giving back to the community and volunteers with the Bahamas Feeding Network.



## Tamina McKinney

Born and raised in Nassau, Tamina has the advantage of dual Bahamian and French citizenship and brings 20 years of real estate experience to Graham Real Estate. A fair amount of time spent abroad has exposed her to different cultures and ways of life.

Her real estate business is built on dedication, communication, and trust, in combination with the ability to cater and adapt to her clients' real estate needs.

Her goal is to educate clients visiting the Bahamian market in general, in so doing empowering them to make the real estate decision that will be most advantageous to them in the long run.



## Lex McKinney

Born in Nassau, Bahamas, Lex graduated with degrees in Economics and Mechanical Engineering at the University of Western Ontario in Canada before returning to Nassau to work in Finance.

After leaving his job as an analyst at an emerging markets hedge fund, Lex pursued his passion for writing, and has released several novels.

An avid amateur chef and father of three, Lex evaluates every property with an eye to how much fun can be had in the kitchen, and how family-friendly the location is.

# Our team



## Dante Hanna

Born and raised in Nassau, Bahamas, Dante graduated from St. John's College and was a member of the Bahamas National Soccer Team as well as a Silver Award holder in GGYA.

Dante joined the Graham Real Estate team in 2021 and has found his passion in assisting customers and clients find their ideal property.

When he is not working he enjoys spending time at the gym, with friends, traveling or reading a new book.



## Lori Roach

Lori grew up in Nassau where she started playing tennis at a young age and represented the Bahamas on an international level. She returned to Nassau after college and ran the family business, Rainbow Farms, for over 20 years.

In 2000, she became a commercial pilot and co-founded Golden Wings Charter.

She started competing in Triathlon in 2010. Lori is community driven and spends time volunteering for the Bahamas Triathlon Association and Baark!

Lori's organized and detail oriented personality along with her connections and knowledge of The Bahamas has made her transition to the luxury real estate market in Nassau seamless.



## Randolph Maycock

Born on the island of Port Nelson in Rum Cay, Bahamas, Randolph moved to New Providence to continue his education. Upon graduating, he entered the world of the financial sector. Randolph built a successful career by helping individuals finance their homes and other investments.

Quality and efficient service has always played a significant role in making his clients feel heard and valued, and now as he has entered the business of helping customers through real estate, Randolph is determined to continue to give the same level of excellence at Graham Real Estate.

In his free time, Randolph enjoys parking on the beach and appreciating the view of a beautiful sunset.



## Celine Albury

Born in Germany to a German Mother and Bahamian Father, Celine grew up in the Abacos until returning to Germany for high school and university. The moment she could return to her island home, she did!

She started her career at Baker's Bay Golf & Ocean Club in the Member Services Department back in 2010 and gradually worked her way into the Sales & Marketing department.

She received her real estate license with Graham Real Estate in 2020. Her love for the Abacos and the desire to help create lifelong memories for newcomers to the islands, translates into her mission to find the perfect island getaway at any budget.

# Our team



**Dee Pratt**

Born in Nassau Bahamas, and raised in Freeport, Grand Bahama, Dee is an island girl at heart. The love for her country cultivated her passion for photography.

Dee combines her creative skills and customer-focused attitude with her passion for assisting customers and clients with their real estate needs.

Dee loves family and believes in supporting the community and volunteers with the Grand Bahama Cancer Society.

She loves the simple pleasures in life; fellowship, listening to past times, reading, art, traveling, snorkeling, fishing, shopping, cooking, an array of music and dancing.



# Kevin Bastian

Born in Nassau, Kevin worked in construction and continues to do so. Kevin relocated to Gregory Town Eleuthera in 1990 where he is an integral part of the community.

With his construction background, he has the knowledge and expertise to guide buyers and sellers in their real estate decisions.

Kevin knows the settlements of Eleuthera very well and is able to give you a clear understanding of each in order to help you find the right fit for your needs.

## Notes:



**GRAHAM**  
REAL ESTATE

*Let's get you on island time*

We look forward to assisting with the process of  
purchasing a home or property.

Call: +1 (242) 356-5030  
or email us at: [laura@grahamrealestate.com](mailto:laura@grahamrealestate.com)