

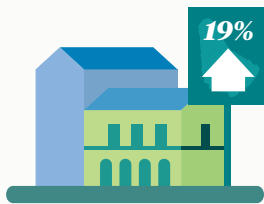
# Barbados residential market insight

2023

## KEY FINDINGS



Residential sales jumped 53% in Q1 2022 compared to the same period a year earlier



Prime prices on Barbados's West Coast command a 19% premium on average over those on the South Coast



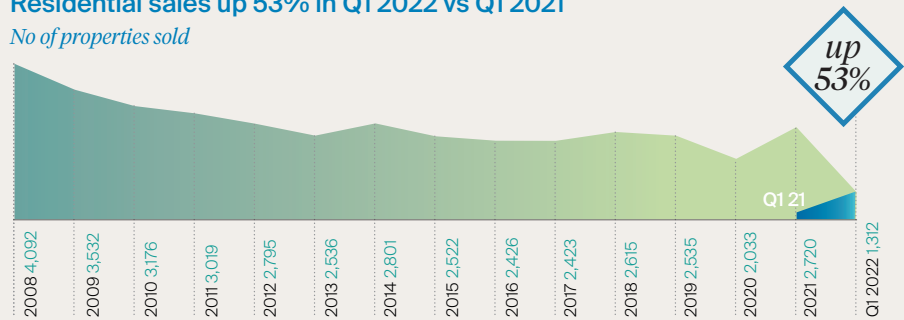
The South Coast saw price growth of 11.2% in 2021 compared to 2.5% on the West Coast



By July 2022, Barbados's 12-month welcome visa had attracted 3,784 applications

## Residential sales up 53% in Q1 2022 vs Q1 2021

No of properties sold



Source: Terra Caribbean

## Welcome Visa applicants July 2022

APPLICANTS	APPROVED	INDIVIDUALS	FAMILIES	MALE	FEMALE
3,784	2,417	64%	36%	64%	37%

**KEY NATIONALITIES OF APPLICANTS**  
US, UK, Canada, Nigeria and Ireland

Source: Barbados Government

Barbados's property market is struggling from a lack of stock, ten words I never thought I'd write given the decade long glut of inventory that we witnessed post the financial crisis and prior to the pandemic.

While available properties and new build completions fall across the country, the demand from tourists and permanent residents remains robust. This provides an opportunity for investors as the country continues to recover from the pandemic.

### Welcome visa

The island's success in pitching itself as a work-from-home base during the pandemic and its innovative 12-month welcome visa has sparked the interest of 3,784 applicants with some 2,417 being approved according to government figures.

The move by Prime Minister Mia Motley not only boosted the economy and profile of the island at a time when tourism was hit hard by the Covid-19 crisis, but the scheme has been copied by numerous global policymakers keen to attract their own cohort of digital nomads.

The scheme allows non-residents to live and work in Barbados for up to 12 months provided they earn at least US\$50,000 a year or have the same amount in savings.

### Prices

The West Coast continues to command a premium over the South Coast of the island

with average prices around 19% higher. But in terms of price performance, the south registered stronger annual price growth of 11.2% in 2021 compared to 2.5% on the West Coast.

### Sales & rentals

Residential sales increased 33% in 2021 year-on-year and transactions in Q1 2022 were up 53% on the same period a year earlier. The expected shift in sentiment due to global recessionary fears will likely temper activity into 2023.

Super-prime sales (US\$ 10m+) have been strong in 2022 with modern, turn-key properties most in demand. The pandemic has seen the appetite for refurbishments wane as buyers seek to enjoy the location and lifestyle from day one. Plus, with supply chain disruptions pushing up construction costs to around US\$400-800 per sq ft there is little appetite to take on the extra cost.

Rental activity is down 23% in Q2 2022 but up 18% compared to pre-Covid levels in 2019. The slowdown over a 12-month period reflects the surge in demand at the height of the pandemic, rather than a marked slowdown.

### Currency

One unexpected boon may be Barbados' currency. Pegged to the dollar (2:1) investors wanting exposure to the strengthening greenback may look to combine currency play with a lifestyle gain and a potential inflation hedge.

## NEED TO KNOW



**Residency:** Special Entry and Reside Permits (SERPs) allow non-Barbadians to get a five-year residency with a property investment of US\$2m or more.



**Taxes:** There is no capital gains tax in Barbados. Individuals who are domiciled in Barbados are taxed on their worldwide income.



**Currency:** The Barbadian dollar is pegged to the US dollar 2:1

The number of stay-over tourists visiting Barbados from January - June in 2022

208,812



Out of 193 countries, Barbados ranked 73rd for the Global Sustainability Index in 2022.

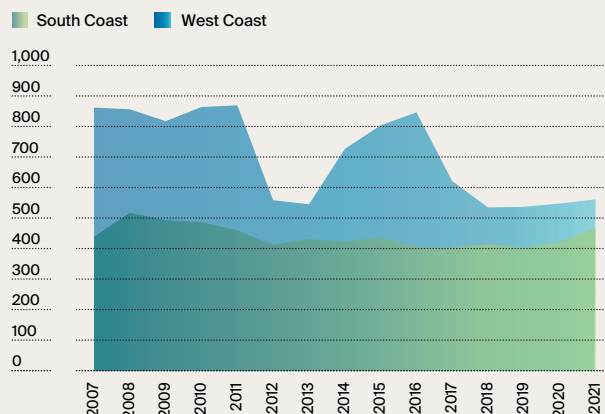
Barbados ranks 58th out of 189 countries for the Human Development Index

58th

Source: Barbados Statistical Service

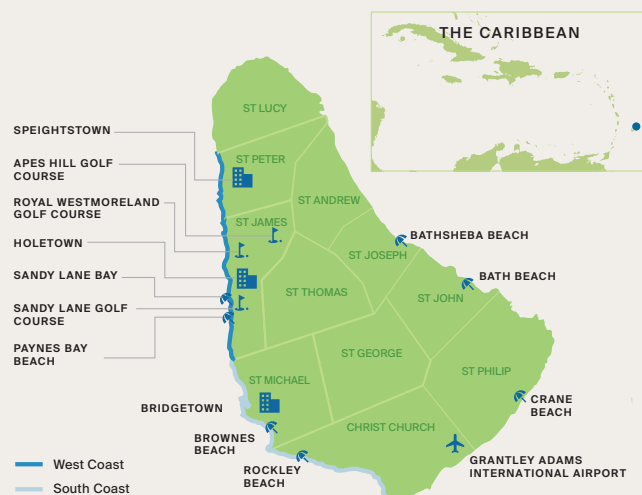
## Prime price performance

BDS\$ per sq ft



Source: Knight Frank Research, Terra Caribbean

## Barbados at a glance



## Please get in touch with us

If you are looking to buy, sell or would just like some property advice, we would love to hear from you.



### Research

Kate Everett-Allen  
+44 20 7167 2497  
kate.everett-allen@knightfrank.com



### Press

Emma Stanley-Evans  
+44 20 3967 7172  
emma.stanley-evans@knightfrank.com



### Sales

Andrew Blandford-Newson  
+44 20 3640 7048  
andrew.blandford-newson@knightfrank.com

Scan the QR codes to receive the latest news, views and research

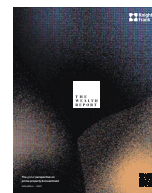
MARKET NEWSLETTER



RESEARCH



The Wealth Report 2022



Knight Frank Research Reports are available at [knightfrank.com/research](https://knightfrank.com/research)



© Knight Frank LLP 2022. This document has been provided for general information only and must not be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this document, Knight Frank LLP does not owe a duty of care to any person in respect of the contents of this document, and does not accept any responsibility or liability whatsoever for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. The content of this document does not necessarily represent the views of Knight Frank LLP in relation to any particular properties or projects. This document must not be amended in any way, whether to change its content, to remove this notice or any Knight Frank LLP insignia, or otherwise. Reproduction of this document in whole or in part is not permitted without the prior written approval of Knight Frank LLP to the form and content within which it appears.