

FREQUENTLY ASKED QUESTIONS

Making vacation home
ownership a breeze



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I ABOUT BERMUDA



A. Country Status

Is Bermuda a sovereign state?

- a. Bermuda is an island country with its own distinct national identity, but not a sovereign state.
- b. A sovereign state is one neither dependent on nor subjected in any way to any other power or state or country. Bermuda is a British Overseas Territory and as such has a great deal of autonomy.
- c. It is the smallest in size but economically the most advanced, prosperous and populated per square mile as well as the oldest of 14 British Overseas Territories.
- d. Bermuda has its own written constitution, but operates under the British Legal System, and has a Governor appointed by the Crown. The Governor is responsible for matters of defence and to a large extent foreign affairs. We also have a Parliament that operates under the Westminster System.
- e. Bermuda's Head of State is King Charles III.

B. Getting There

- a. You will find a complete list of direct flights to Bermuda [here](#).



C. Things to Do

1. What Annual events are there in Bermuda?

- a. January – Bermuda Restaurants Weeks, Bermuda Marathon Weekend, Bermuda Festival of the Performing Arts
- b. March – Bermuda International Film Festival, Grey Goose World Par 3 Championship, Bermuda Triple Challenge, Good Friday Kitefest, Moth World Championships
- c. April – Bermuda Agriculture Exhibition, The Town Crier Re-enactment in St. George's Peppercorn Ceremony, MS Amlin World Triathlon Bermuda, Hamilton's Summertime Harbor Nights
- d. May – Hamilton's Summertime Harbor Nights, Antigua Bermuda Race, Bermuda Day, Argo Gold Cup
- e. June – Hamilton's Summertime Harbor Nights, Annapolis Bermuda Ocean Race, Bermuda Heroes Weekend, Newport Bermuda Race/Marion Bermuda Race (alternate years).
- f. July – Hamilton's Summertime Harbor Nights, Bermuda Triple Crown Billfish Championship
- g. August – Hamilton's Summertime Harbor Nights, Cup Match Weekend, Non-Mariner's Boat Raft Up
- h. September – Hamilton's Summertime Harbor Nights, Sand Sculpture Competition
- i. October – City Food Festival
- j. November – World Rugby Classic, Viper North American Race
- k. December – Goodwill Golf Tournament
- l. See links below for more information:
 - 1. <https://www.gotobermuda.com/>
 - 2. <https://www.bermuda.com/things-to-do/events-calendar>
 - 3. <http://nothingtodoinbermuda.com/bermuda-events-calendar>

2. What does the Capital, Hamilton offer?

- a. The City of Hamilton is where most of the island's glittering retail shops, great restaurants and many other commercial establishments like banks & insurance companies are located. And as expectedly, this is the busiest place in the island.
- b. Many great restaurants and shops can be found in Hamilton. The central bus terminal and the main ferry terminal are also located here that connect to most parts of the island.
- c. And there is no better place for nightlife in Bermuda than the City of Hamilton. This is the location of the summer Harbor Nights festival, with Gombey Dancers and Beat the Retreat Ceremony, and Happy Hour Friday evenings at the Hamilton Princess Hotel is a great way to kick off the weekend where many Bermudians go to enjoy a drink together and watch the sunset over the harbor while listening to the liveband.
- d. Several restaurants on Front Street have balconies with wonderful views of the Hamilton harbor which looks spectacular at night when the lights at the banks are all illuminated. While you dine or take a drink, you can watch the boats on the harbor and the busy street right below.
- e. Of course, there are plenty more eateries, cafes, bars, pubs, and restaurants at several other places in Hamilton including at Reid Street, Washington Mall etc.
- f. There are two movie theatres in the city which play all the latest Hollywood movies.
- g. At the west end of Front Street, you will find the Visitor's Information Centre located next to the Hamilton ferry terminal. Here you can collect useful pocket maps and brochures for free showing you the main tourist attractions in Hamilton and rest of Bermuda.
- h. Here are the top places to visit in the City of Hamilton:
 - 1) City Hall and Arts Center, Bermuda Cathedral, St. Theresa's Cathedral, Bermuda Underwater Exploration Institute (BUEI), Albuoy's Point Park, Victoria Park, Queen Elizabeth Park, Waterfront Square, Bermuda House of Assembly, Bermuda Cabinet House, The Cenotaph, War Memorial, Perot Post Office, Bermuda National Library, Bermuda Historical Society Museum, Barr's Bay and Park, Birdcage, Fort Hamilton.

3. What “sporty” activities are available in Bermuda?

- a. Swimming and Snorkeling: Can be done during Summer
- b. Swimming with the Dolphins: Can be done in the Summer
- c. Sunset & Sightseeing Cruises, Sailing and Boat Rentals: Can be available year-round. (weather permitting).
- d. Kayaking, Paddle boarding, Waterskiing, Jet skiing, Parasailing, Flyboarding: Can be done year-round.
- e. Windsurfing and Kitesurfing: Can be done between December and May.
- f. Golf, Tennis, Mini Golf, Archery, Fencing: Available year-round, weather permitting.
- g. Bowling, Squash, Spa: Available year-round.
- h. Fishing: Reef and Shore fishing can be done year-round. Deep sea fishing can be done between May to October.
- i. Hiking & Cycling: Can be done year-round and the well-known Bermuda Railway Trail remains accessible. Horseback Riding: Can be done throughout the year. However, beach rides are allowed only during low season (November to April, but trail rides are always open).
- j. Scuba Diving: Can be done year-round. However, in winter (November to April) while the water visibility is much higher, the average water temperature remains in the 60°s and will need a wetsuit.
- k. Helmet Diving: Can be done during Summer
- l. Whale Watching: Can be done in March and April. This is the migration season of humpback whales.
- m. Bird Watching: Different kinds of birds can be spotted from season to season. However, the rare Cahow (which is the national bird of Bermuda) can be seen between December and February.
- n. Glow Worm Cruises: Available between May to November, once a month (2-3 nights after full moon).
- o. Cliff Jumping & Rock Climbing (Solo): Can be done during Summer.
- p. Cave exploring and swimming: All year round (cave waters will be very cold)
- q. Fort Touring (Solo): Year-round.
- r. [See this link for more information.](#)

4. When do I need to be in Bermuda to go whale watching?

- a. You get the best opportunity of watching whales in Bermuda during the springtime between March and April. This is when the humpback whales migrate from the Caribbean water zone to the north Atlantic feeding zone. The whales usually have a regular pattern of behavior and a migration route.

D. Safe Environment

How safe is Bermuda?

- a. Bermuda's crime rate has historically been relatively low, with petty burglaries the most prevalent crime. Almost all of Bermuda is, therefore, relatively secure.

II

ABOUT THE RESORT



A. Hotel Condominium

1. What is a Hotel Condominium?

- a. The hotel condominium business model comprises vacation home apartments designed and developed to be marketable as leisure real estate for outright purchase by individual owners, while providing effective hotel room inventory when owners, themselves, are not occupying their vacation homes. Successful condominium resorts incorporate traditional hotel central facilities for the enjoyment of condominium owners and hotel guests who are paying a nightly rate for accommodation. Typically, these facilities include restaurants, bars, a spa and gym, meeting space, beach facilities and a well-staffed reception/concierge desk.
- b. As a Bermudiana Beach condominium owner you will benefit from modern, carefree ocean-front living while generating an income from your condominium when you are not in Bermuda.
- c. The condos are usually designed to function as one, two or even three-bedroom hotel suites, with a small kitchen and dining area, but with the potential for individual en-suite bedrooms to be “locked-off” – meaning that these rooms can be accessed separately and occupied as individual “hotel type” rooms. This flexible design assists in reaching higher occupancy levels year-round and higher nightly rates than are typically achieved by conventional apartments, being marketed as traditional self-catering accommodation. The architectural and interior design aspects of the apartment layouts must be carefully contrived to achieve the best end result, whereby the usage requirements of both the condominium owner and the hotel guest are met to a satisfactory level.
- d. Revenue from the nightly rental business is split between the apartment owner and the hotel management company. At Bermudiana Beach the split is 40% share of Net Rental Income to the owner and 60% to the hotel management company.
- e. The operating company then covers the costs of all hotel services out of its 60% split and retains the balance as profit. The condominium owner must still pay homeowner association charges.
- f. Owner occupancy is normally restricted to a certain number of days each year and by season.
- g. At Bermudiana Beach Owners are restricted to 90 days usage each year with certain seasonal restrictions.
- h. You wholly own the property, which leaves the remainder of the year available for rental.

B. Amenities

1. What amenities are there on site at Bermudiana Beach?

- a. The resort is being converted in one go. An ocean-view pool and a beach elevator and steps down to the beach will be constructed, and elevators have been added to each of the buildings.
- b. An ocean-view pool bar & grill, restaurant, hotel reception, spa, and gym will be constructed.
- c. Will the pool be heated?
 - 1) The pool will be heated to 80°F. This is a Hilton standard requirement.
- d. Where can I store my car when I am not on island?
 - 2) The hotel will make arrangements for overseas owners to store their cars under cover offsite. A charge will be made for this service.
- e. **Where are the nearest shops & amenities to Bermudiana Beach?**
 - a. Most shopping is in the City of Hamilton. Alternatively, there is select shopping in Dockyard at the Western end of the Island and St Georges located at the eastern end of the island.
 - b. See map below for detail.



C. Locations

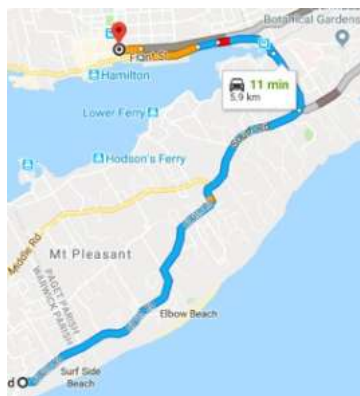
1. How long does it take to get to and from the airport?

- a. The airport is approximately 10 miles from Bermudiana Beach and will take about 30 to 40 minutes via taxi to get there. See map below:



2. How close is Bermudiana Beach to Hamilton?

- a. The City of Hamilton is approximately 4 miles from Bermudiana Beach and will take about 15 minutes via taxi to get there. See Map below:



3. Are the cliffs at Bermudiana Beach stable?

- a. Report by Mark Rowe, MSc, geologist, June 5, 2015
 - 1) Mark Rowe has a degree in Geology from Imperial College London and was Hydrologist to the Bermuda government. He has published several scientific articles on the geology of Bermuda. In a letter to OBMI on June 5, 2015 Mark wrote:
 - 2) “I was part of a group of government officials who inspected the site in 2011 and have revisited it on several occasions since. I concur with the recommendations of Lohse GeoConsulting Inc, including concrete-buttressing of the cliff-toe to above the level of the proto-sol. This has

taken a major source of the potential instability and vulnerability to wave erosion out of the equation. It is my opinion that if the concrete wall and its foundations are monitored and maintained in a state of good repair and vegetation is controlled, that retreat of the cliff-line does not pose a threat to the integrity of the existing housing structures within a timeframe that need be of concern to long-term investors. Several well-established resort properties in Bermuda have been constructed in similar geological environments with buildings positioned closer to a cliff edge.”

b. Report by Colin Campbell, OBMI, 23 January 2015

- 1) Colin Campbell MBA is Regional Director at OBMI Architecture, the architects appointed to carry out the conversion at Bermudiana Beach. Here's what Colin said of the cliff remediation issue:

- (a) “In 2009 the Bermuda Housing Corporation (BHC) concerned for the apparent existing conditions of the proposed development site, required from the developer a geotechnical survey works to be carried out to confirm the site's structural stability. Lohse Geoconsulting Inc, in concert with local engineers Onsite Engineering, provided test data and recommendations in two reports dated 15 October (Preliminary Comments Grand Atlantic Development, South Shore Road Warwick Bermuda) and 29th October 2009 (Slope Stability Grand Atlantic Development, South Shore Road Warwick Bermuda). These reports confirmed the soil bearing capacity in the area of the development, recommendations for providing a protective infill wall at the base of the cliffs, recommended development engineering parameters and location for residential structures. A subsequent report of 24th October 2011 confirmed that the developers had in fact followed the recommendations of the initial reports, and the cliff face was relatively stable as long as preventive maintenance was addressed from time to time.”

III

ABOUT THE CONDOS



A. Interior Design

1. Can the interior design be customized?

- a. The interior design is pre-determined to comply with Hilton standards. Apart from location and property type each condo's interior design is identical, so that it is easier to market hotel rooms as a collective.

B. Construction

1. How are the residential buildings and hotel constructed?

- a. Bermudiana Beach Resort follows the same resilient building practices that have kept Bermuda safe from storms for over 400 years.
- b. Using International Building Code masonry construction methods, the residences and hotel facilities are built with concrete foundations and floors and concrete block walls.
- c. Roofs are constructed using resilient timber secured with hurricane clips, with traditional Bermuda profile roof sheathing glued and screwed to the roof assembly.
- d. Since being built Bermuda has weathered several Atlantic storms and Bermudiana Beach Resort has performed without incident.

2. Can you combine residences?

- a. Condominiums cannot be combined as the room types have to be the same for hotel guests. Combining condominiums would create new room types, which would be hard to market and would affect occupancy.

3. Will the 1-bedrooms have windows on the Western and Eastern Walls?

- a. There are 4 end 1-bed Coralitas and these are dual aspect and are located in Dunscombe (Building D). The 2-bed end-of-building Buttonwoods are also dual aspect.

4. Which condos are accessible to wheelchair users?

- a. There will be one accessible, 3-bedroom condo at Bermudiana Beach:
Groundfloor Astwood #4, 1 Atlantic Crescent, has a lock-off that will allow two separate hotel rooms to become a wheelchair-accessible 1 King Bedroom Grand Suite and a 1 King Bedroom Deluxe Suite. Astwood has been chosen owing to its proximity to the entrance, reception, and amenities.
- b. If a buyer wants a particular condominium to be made accessible this can be considered subject to the above.

IV

BUYING A CONDO



A. Financial Considerations

1. What are the list prices of the condos at Bermudiana Beach?

- a. Prices start at \$412,500 for studios, \$459,000 for 1-bedroom, \$614,000 for 2-bedrooms and \$825,000 for 3-bedroom homes.
- b. HOA fees will not be charged until the hotel opens.

2. Do I buy in Bermuda dollars or US dollars?

- a. Bermuda uses Bermudian Dollars and US Dollars. The Bermudian Dollar is pegged to the US dollar at 1:1.

3. Can I get a mortgage to help me buy?

- a. Each institution has its own rules for determining eligibility. Some prefer to lend to prior depositors.
- b. Local lenders may offer residential mortgage products to overseas buyers although there are some restrictions as it relates to US citizens due to regulatory rules. However, interest rates are significantly lower in other countries so many overseas buyers use their assets at home to raise the necessary capital and effectively buy in Bermuda as cash buyers. We will refer you to local lenders for those seeking a mortgage.

4. What property can a Non-Bermudian buy in Bermuda?

- a. Non-Bermudians may only buy property valued above a set minimum Annual Rental Value (ARV). The minimum ARV for houses is \$126,000 and \$25,800 for condominiums.
- b. The ARV is used to determine land tax and is not necessarily a reflection of market value.
- c. Houses with a qualifying ARV start at approximately \$2,350,000 and condominiums at approximately \$320,000. ARVs may be viewed on the Land Valuation Department's website www.landvaluation.gov.bm The effect of these guidelines means that only the highest valued properties are available to non-Bermudian buyers.

- d. Bermudians must acquire an Acquisition License to buy a property in Bermuda.
- e. A Non-Bermudian is permitted to own up to 2 properties.
- f. A Non-Bermudian is not permitted to acquire vacant land except in specific tourism developments.
- g. Non-Bermudians who buy property are not able to rent it out for short-term or holiday rentals unless it is in a specific hotel tourism designated development. Non-Bermudians may be granted permission to rent their property on a longer-term basis upon application to the Department of Immigration which is subject to a tax of 7.25%.

5. What property can a Bermudian and holder of a Permanent Resident Certificate (“PRC”) buy in Bermuda?

- a. A PRC is able to buy any property on the market with some exceptions.
- b. A PRC is not permitted to acquire vacant land, a property that is part of a Government Scheme, and may not rent out a property that they own which has two assessment numbers.
- c. A PRC is permitted to own up to 2 properties.
- d. A PRC married to a Bermudian no longer needs to apply for a license to own real estate when purchasing jointly.

6. Other Property Buying Costs

- a. Stamp Duty
 - 1) In Bermuda Stamp Duties are charged on a sliding scale: 2% on the first \$100,000; 3% on the next \$400,000 (up to \$500,000); 4% on the next \$500,000 (up to \$1 million); 6% on the next \$500,000 (up to \$1.5 million); and 7% on everything above \$1.5 million. (Thus, any property sale for more than \$1,500,000 will incur stamp duty of \$67,000 plus 7% of the value above \$1,500,000.) This cost is then normally shared between the buyer and seller.
 - 2) **At Bermudiana Beach stamp duty is waived completely. Based on our pricing we estimate this represents a saving to the buyer of between \$5,000 and \$20,000.**
- b. Other TaxMatters
 - 1) Are there tax benefits if I buy at Bermudiana Beach?
 - 2) You will need to seek advice from a tax specialist with expertise in your own country’s laws to assist you with this.

- 3) Do I need a tax advisor to assess tax liability in my home country?
- 4) Again, you should seek advice from a tax specialist.
- 5) Other taxes: There are no other taxes on property.

c. Acquisition License Fee (for overseas buyers only)

- 1) Non-Bermudian buyers must obtain an Acquisition License from the government to buy property in Bermuda. Applications are made through a local attorney of their choosing and at present cost 8% of the purchase price for a single home or 6% of the purchase price for a condo.
- 2) **Because owner occupancy is limited to 90 days a year, the Acquisition License fee at Bermudiana Beach is waived. Based on current prices this represents a saving to the buyer of between \$25,000 and \$70,000.**

ci. Conveyancing and other miscellaneous legal fees

- 1) Legal fees for conveyancing are charged on a sliding scale set by the Bermuda Bar Association. The rate starts at 1% of the sale price for the first \$250,000. The rate is then 0.75% for the next \$250,000 of the sale price. The rate continues to decrease in stages as the price increases until the price is \$2,000,000 or more and the rate charged is 0.125%. Generally legal fees are split between the Vendor and Purchaser in equal amounts, with each party being responsible for any additional personal legal and incidental costs incurred during the conveyancing process.
- 2) At Bermudiana the Vendor's legal costs incurred in connection with the preparation of this Agreement and the Lease shall be paid by the Purchaser to the Vendor's Attorneys on the Actual Completion Date in the sum of \$3,500.
- 3) In addition, the purchaser will also pay \$1,000 for the preparation of the Sale & Purchase Agreement as established by the Bermuda Bar scale of fees.

cii. What additional costs are there apart from the purchase price?

- 1) Additional costs would be \$3,500 for the legal documentation, plus any personal legal costs which the buyer's attorney should advise you on. In addition, the purchaser would pay \$1,000 for the preparation of the Sale & Purchase Agreement.

ciii. Are there closing costs, etc.?

- 1) Closing costs as above, Stamp duty on the conveyance is waived for first time buyer Bermudians, which is a significant saving to this group.

B. Legal Matters

1. How do I own the property?

- a. At Bermudiana Beach your condominium is real estate that you individually and wholly own by deeded title on a 999-year leasehold basis. Everything else is owned by Bermudiana Development Co Ltd. This is a condition of the franchise agreed with Hilton.
- b. You will own your condominium through what is known as Condominium Ownership - “Condominium” is a legal term used in the U.S and most Canadian provinces. In the US, the laws governing condominium development and ownership can vary from State to State. Nevertheless, it is universally understood to mean a development consisting of residential dwellings that are individually and wholly-owned.
- c. Bermudiana Development Company Limited will therefore own all external and common hallways and entryways, recreational and social facilities, exterior walls, the building roof, and other exterior accoutrements such as landscaping, driveways, open spaces, etc. for the benefit of the HomeOwners' Association and hotel guests.

2. What is a 999-leasehold interest?

- a. Condominiums in Bermuda are owned as leasehold interests. At Bermudiana Beach the length of the lease is 999 years - “the leasehold equivalent of freehold real estate”!
- b. You will have to pay a monthly amount for maintenance, which covers the running of the general amenities (see points 4 and 5 below), plus a one-off payment that buys you ownership of the lease until you either sell it, or it expires.
- c. Leasehold purchases generally occur in buildings that comprise more than one unit, such as blocks of condos/apartments. Alterations are limited in accordance with the head lease as well as other restrictions imposed by the landlord/owners committee. You will have some input on the condominium rules and regulations as owners will be consulted via the AGM.
- d. Leases can vary greatly in length. Most recent developments in Bermuda are sold with a 999-year lease.
- e. As a leaseholder, you are in no way obligated to retain the lease. You can sell at any time.
- f. You will be required to pay a maintenance fee to help cover the upkeep of the building, common areas and amenities. This can cover painting, landscaping, cleaning and repairs to the exterior and communal areas, lighting, building

insurance as well as a fee for the managing agent. Payment is a condition of the lease and failure to pay may result in you being served notice.

3. Will I need a local attorney?

- a. Yes. Once you have decided on a property/home, and before you sign the Sale & Purchase Agreement drawn up by the Seller's attorney, you will need to retain a good Conveyance Lawyer. At your first meeting, bring as much information about the property, the Seller, and the transaction as you possibly can. You will also want to discuss with your lawyer, all likely costs associated with the buy of your condominium, including legal fees, bank administration fees, stamp duty, closing costs, etc.

4. Do I need an Overseas Buyers (Acquisition) License to buy a condo in Bermuda?

- a. As an overseas buyer you would normally need an Acquisition License (also known as a Landholding License) to buy a property in Bermuda.
- b. But at Bermudiana Beach, owing to a specific Government legislation for Bermudiana Beach, this license fee is waived provided you put your condominium into the hotel rental program.
- c. Based on the average price of the condos at Bermudiana Beach we estimate that this results in a saving to the buyer of approximately \$50,000 compared to the purchase of a traditional condominium.

5. What happens if my Acquisition License isn't granted?

- a. In Clause 5.6.2 of the Sale & Purchase Agreement it states that if the License in Principle is not approved on or before 6 months from the date of this Agreement, then either the Vendor or the Purchaser may by written notice rescind this Agreement and refund the Deposit to the Purchaser within 10 Working Days and there shall be no further liability or claim between the Vendor or the Purchaser with respect to this Agreement.

6. Who pays the legal fees on the transaction?

- a. The legal fees for the preparation of the Sale & Purchase Agreement and Leasehold Agreement are \$1,000, paid for by the purchaser. The Attorney Cox Hallett Wilkinson Limited is Bermudiana Beach's legal representative.

7. Can buyers use Cox Hallett Wilkinson Limited or do they have to have their own attorney?

- a. Cox Hallett Wilkinson Limited is one of Bermuda's leading commercial law firms and has been engaged by the project to prepare all legal documentation in conjunction with K&L Gates in New York.

- b.** Buyers should use their own attorney to review legal documents prepared by these attorneys. Here is a list of Bermuda lawyers we would recommend:

1. Trott & Duncan - Perry Trott and Delroy Duncan
2. Chancery Legal - John Blackwood
3. Terra Law - Nadine Francis
4. Marshall, Diel, and Meyers - Darren Donnithorne, Kimonea Pitt and Roshanda Smith
5. Appleby - Neil Molyneux

c. Will owners be able to delay closing until the hotel opens?

- a. Sadly no. Furthermore, delaying buying will miss out on “early-bird” rates.

8. What happens if the hotel development fails and the hotel doesn’t open?

- a. This cannot happen as this project has the full support of BHC, a Bermudian government agency, supported by the Bermudian government. The hotel will open come what may.

9. Will I have to go through an anti-money laundering (AML) process?

- a. Since 2018, Bermuda real estate has been subject to globally established and recognized anti-money laundering (AML) legislation, which requires additional due diligence for all sales transactions in Bermuda.
- b. All related and supporting documentation will have to be submitted to the regulatory body upon the execution of a Sale and Purchase Agreement.
- c. Your attorney /agent will need to see your identification (passport, driver’s license) or receive an original certified copy of these. They will assist you through this process.

V OWNING A CONDO



A. Usage Restrictions

1. Can I occupy year round or are there owner usage restrictions?

- a. Section 3 of the Bermuda Immigration and Protection (Tourist Accommodation and Hotel Residences) Regulations 2010, allows owners to occupy tourism-designated property for a maximum period of 90 days in any given calendar year. Bermudiana Beach's condominiums are classified as hotel residences rather than condominiums in a normal apartment building and therefore the resort has to comply with the above.
- b. So, if you own at Bermudiana Beach, you, your family and your friends can use your condo for up to 90 days (3 months) each year. The other 275 days (9 months), plus any days and weeks you don't use from your 90-day usage allocation, can be made available for rent through the Tapestry Collection by Hilton's global sales and reservation system and powerful 100 million-member Hilton Honors loyalty program.
- c. There are also seasonal controls to ensure the year-round viability of the hotel as follows:
 - i. Prime Season (May to August): During the Prime Season, you can use up to 30 days of your 90-day allocation, either all at once or split into multiple trips.
 - ii. Tranquil Season (November to February): During the Tranquil Season, you have unlimited use. You can spend your entire 90-day allocation in one visit or split it into multiple stays, perfect for escaping northern winters.
 - iii. Connoisseurs Season (September/October and April): During the Connoisseurs Season, you can stay up to 40 consecutive days, as long as these days are evenly split over two months, in other words by taking 20 days in one month and another 20 in an adjacent month.

B. Home Owner's Association & Operational Management

1. How is the co-ownership relationship between condominium owners and resort owners managed?

- a. Most condominium developments create a HomeOwners' Association (HOA) and use this as a way of controlling shared responsibilities for common areas of the property on behalf of the owner and the developer/operator.
- b. At Bermudiana Beach a new HOA has been created: South Shore Homeowner's Association. SSHOA will be consulted on all major issues relating to the operation of the Condos.

2. How will the Home-Owner's Association be structured and who will be running it?

- a. Owners will appoint 3 owners' representatives, that can rotate annually. The developer will be represented by directors of the hotel management company who will serve in a consultative capacity.
- b. HOA budgets and accounts will be produced on a regular basis, and the HOA will keep a register of owners readily available for inspection.
- c. An AGM will be called each year to review annual accounts and budgets.

C. Residency and Working in Bermuda

1. If we buy a condo will we have automatic residency in Bermuda?

- a. No. The license that allows home ownership will only give you the right to come and go freely within your 90-day allowance

2. If we buy a condo can we work in Bermuda?

- a. The granting of a work permit is entirely separate from the issue of home ownership.

D. How are costs shared?

1. What costs are condo owners responsible for?

- a. Condo owners are responsible for all costs and expenses relating to the use, operation and maintenance of their condo. This includes electricity, telephone, TV, internet, utilities and services.

2. What costs are the Management Company responsible for?

- a. The Management Company is responsible for all costs and expenses relating to each condo building's common areas and all hotel costs. These include:
 - Hotel Payroll
 - Hotel Sales & Marketing Costs
 - Hotel Building Repairs & Maintenance
 - A proportion of the Grounds Costs
 - Hotel Utility Costs
 - Hotel Insurances
 - Hotel Management Fees
 - Hotel Capital Reserve