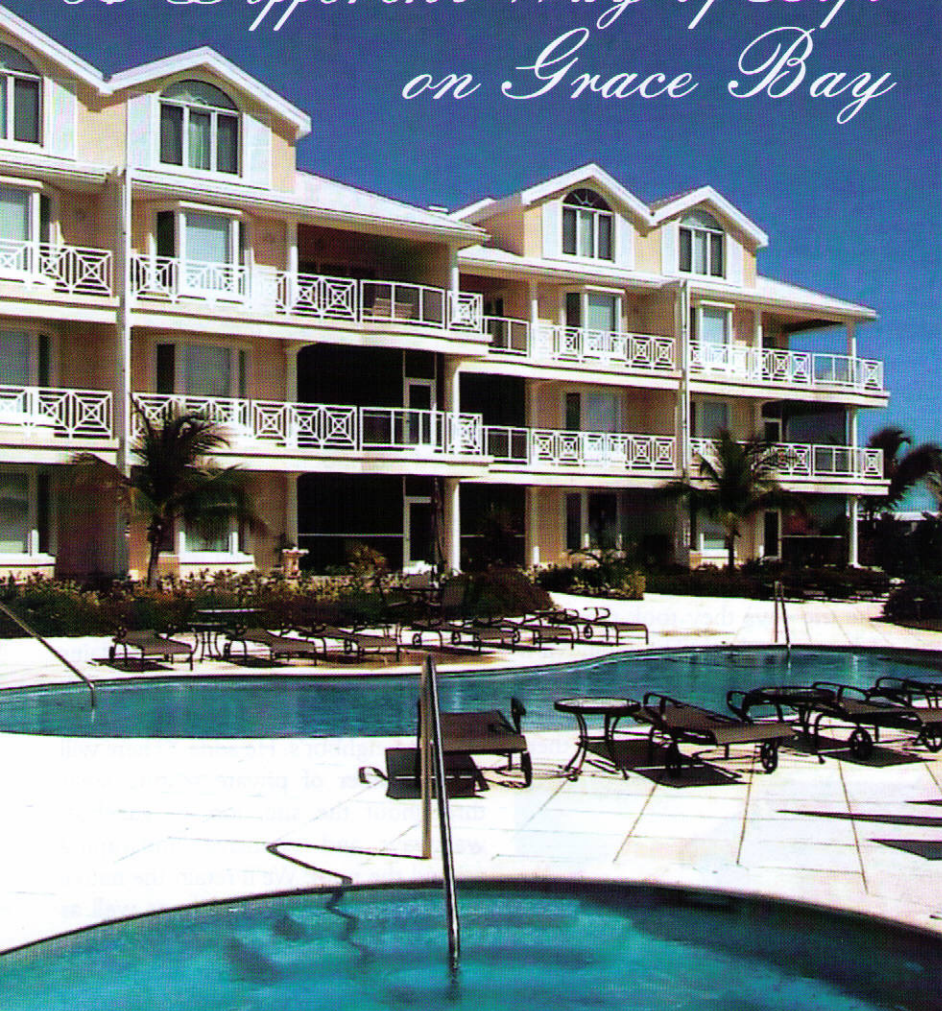


*A Different Way of Life
on Grace Bay*



high-quality, low-density, residential condominium developments in which all units are Grace Bay beachfront. Charles Manuel, manager of RE/MAX TCI and Pinnacle listing agent, says "The Grandview has had the best resale history on Grace Bay. Investors realized a 40 to 80% return within 6 to 18 months. Typical resale turnaround was only three to six months."

Manuel and Wellon attribute this success to several factors. Both The Pinnacle and The Grandview were planned as primarily residential – rather than vacation rental – properties. This enhances enormously the owners' sense of privacy and exclusivity; it's a different way of life than the resort environment.

However, long term rentals in the luxury market *are* allowed. Manuel explains, "With the increasing number of direct flights to Providenciales, a market is developing for one to three month rentals to upscale clientele. They will enjoy their Pinnacle suite at different intervals during the season, much like

THE PINNACLE ON GRACE BAY

The Pinnacle on Grace Bay takes its cues from the completed Grandview on Grace Bay project (shown here).

After the March, 2003, groundbreaking for The Pinnacle on Grace Bay, Fraser Wellon's latest project in the Turks & Caicos Islands, the developer shook his head and said, "It won't happen again."

Wellon was referring to the paucity of developable land left on Providenciales' priceless Grace Bay Beach and to the fact that the value of the land on which The Pinnacle is being built had risen dramatically since the project was conceived. With his ultra

low-density development including only 6 condominium suites per acre (the average is 12 to 16), the land value beneath each unit had increased by \$200,000 in about a year and a half. He adds, "We targeted the upper-end investor with a reasonably priced product that was designed for the greatest appreciation. It will be very difficult for anyone to match this opportunity in the future."

The Pinnacle on Grace Bay takes its cues from Wellon's first TCI effort: The Grandview on Grace Bay. Both are

they do now with ski chalets. Reservations at The Pinnacle's sister project in Grand Cayman are made two to three years in advance, and we expect a similar situation to develop here." With rental management fees at The Pinnacle less than half of those of other Grace Bay luxury condominium resorts, Manuel estimates that just two, one-month rentals each year will cover owners' annual costs.

Each of The Pinnacle's 28 three-bedroom, 2,825 sq. ft. suites is beachfront, with wide ocean-facing terraces off of the living room and master bedroom. That, Wellon believes, is what upscale buyers demand. So rather than housing rows of "back units," he says, "The

BY KATHY BORSUK

CHARLES MANUEL



Artist's rendering of The Pinnacle on Grace Bay.

Pinnacle's 4.6-acre site serves as a private playground for its owners, including extensive gardens, a freeform pool with waterfall and a lighted tennis court."

This beachfront-only configuration also minimizes the price spread between suites. As a result, Wellon notes, "Everyone is at a similar financial level and, because the owner's association ultimately manages the property, all should have similar goals towards maintaining value." The Pinnacle is

Group is known for a series of highly successful luxury condominium developments in Grand Cayman, including The Grandview, Regal Beach and The Pinnacle and he worked with Charles Manuel and project architect John Redmond on The Grandview on Grace Bay. The trio says they took the "wish list" of buyers at both The Grandview and the Cayman projects and incorporated it without compromise into The Pinnacle's design. For instance, there

massage rooms and sun deck with a heated whirlpool.

Other members of the project team include Dempsey & Company, the TCI's longest established legal practice, and landscape architect Jon Philheart, who created the garden for adjacent Ocean Club West. Redmond explains that it is important to The Pinnacle's "eye feel" that its landscaping blends with its neighbor's. He adds, "There will be a number of private seating areas throughout the site, lots of gazebos, walkways and extensive landscaping around the pool. We'll retain the native dune grass along the beach, as well as the prominent second dune."

Construction is being handled by the team of Diamond Construction and Arch and Godfrey. The latter, Grand Cayman's premiere contractor, has built all of Wellon's Cayman projects, including The Pinnacle on Seven Mile Beach.

With some 50% of The Pinnacle's current sales made to owners in The Grandview on Grace Bay and the developer's Grand Cayman projects, it's clear that the team is doing something right. Part of it, they believe, is a firm commitment to the initial concept. Redmond explains, "Fraser never wavered from his vision of a low-density, high-quality, residential-based development. In the face of global economic uncertainty or when land prices soared, he could have added more units to maximize his profit . . . but he didn't." Wellon explains, "It takes discipline to stick to your guns, but I want to set a benchmark for the future. After all, you're only as good as your last project." ❧



The Pinnacle groundbreaking: Top: Chief Minister Derek Taylor; Fraser Wellon, developer. Bottom: John Redmond, John Redmond Associates; Albert Musgrove, Diamond Construction; Charles Manuel, RE/MAX TCI and Paul Dempsey, Dempsey & Co.

located in the heart of Grace Bay, with excellent restaurants and bars, shopping, watersports facilities, and the golf course and casino in close proximity.

These value-maximizing strategies come as no accident to The Pinnacle's well-seasoned development team. Fraser Wellon's Cayman Overseas

will be four apartments on-site that owners can rent to house their pilots, nannies or guests. Every owner has an oversized private garage for cars and extra storage. The owner's lounge will include a wet bar, billiards and media room; the upper level will hold a professionally equipped fitness facility,