

Matt McDonald on What's Next for the Andaz Turks & Caicos Project

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By Joe Pike, Special Contributor

[Andaz Turks & Caicos Residences at Grace Bay](#), a new, boutique hotel and residential resort situated along Grace Bay Beach, is already gaining interest among investors despite not expecting to open until the end of 2022.

Preliminary site work on Andaz, Hyatt's collection of high-end hotels, began before the coronavirus (COVID-19) pandemic halted the process, said Matt McDonald, managing director of Andaz Turks & Caicos Residences at Grace Bay.

In an exclusive interview with *Caribbean Journal Invest* (CJI), McDonald said a lack of supplies slowed down the mobilization of the construction site, which is about five acres, but he still expects groundbreaking to take place in September. And that hasn't slowed down interest from investors.



The resort is comprised of 59 pure hotel rooms and 74 residential condominiums, ranging from studios to four-bedroom units, all with lockout bedrooms to maximize the unit's rental flexibility.

Each residence is integrated into the resort, while three- and four-bedroom residences are designed with lock-off bedrooms to maximize rental income. All operations run through the Hyatt brand reservation system.

CJI spoke with McDonald about why residential resorts like this one will be popular both during and after the COVID-19 pandemic.

Here's what he had to say.

Please talk about the current hotel investment climate in Turks and Caicos and/or the Caribbean in general. Do you anticipate a lot of investment post pandemic/when travel fully resumes?

Buyers are having more interest in pre-construction projects where they can lock in a price and selection and are looking for a place [like Turks and Caicos] that has already gone through that 'COVID reconstruction,' if you will.

We are seeing lot of interest from buyers that have a strong interest in the upscale market and low-density islands. That, and many of the airlines we have flying to the island [attracts investors]. Plus, investors saw how on top of everything the government in Turks was in handling the pandemic.



Have investors showed interest in the Andaz brand specifically? What are some of the Turks and Caicos' property's main selling points?

We just started a pre-construction sale about six months ago. Ten percent [of the residential units] sold and 10 percent are in a hold period as we move forward. The units range from \$1.5 to \$6.2 million.

The \$6.2 million units are a part of what is called the Penthouse Collection. It's a real unique floor plan and designed to face Grace Bay. They are all two-level units that come with a plunge pool, a summer kitchen and a wet bar. Guests here also get to go up a private staircase to the rooftop where they have full views of Grace Bay Beach.

There are 10 penthouse units and six different floor plans. We also have a penthouse loft where designers blend outdoor space and indoor space. It's a two-story, New York City-style loft with a rooftop bar.

Who is renting Andaz? Who is buying the residences? What client would be interested in this property?

Clients today are looking for social distancing. It is so strong, day to day. That's why we are lucky to have an amenity in the form of coral reefs and snorkeling. We have the space so people can be spread out and we have activities where you can distance yourself.

Our rental demographic is couples and our buyers tend to be families of four or five buyers looking at a two- or three-bedroom [unit]."

I think you'll see interest in the high-end, private jet community. Turks has a very strong villa market and that market will see some influx. And as airlines start adding more direct flights, we expect even more investment activity.



Can you please share some vital information about Hyatt's rental program and the perks of investing in a brand like Andaz?

[The rental program] is a standard 50/50 rental split, not mandatory, managed by Andaz and the Hyatt Hotel Corp. reservation system.

I also wanted to expand on the Andaz brand and its fit in Turks and Caicos.

Andaz is unlike many brands, where every Andaz property is unique to that location with a very distinctive expression of the culture that surrounds it, where Andaz is dedicated to capturing the best of local design, art and cuisine.

For more visit [Andaz Turks & Caicos](#).