

What happened to Raffles development?

Resort, developer tight-lipped

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More than two years ago, developers announced plans to turn the Lambert Beach Resort into a \$200-\$250 million, five-star establishment.

Today, ground has yet to be broken on the project, and the resort's future is murky. But there are at least two possible scenarios.

A pending partnership with developer Mark Vanterpool and the mega-resort conglomerate Raffles could transform the resort into the proposed establishment; or the land could be auctioned off in whole to the highest bidder.

But because the parties involved have been tight-lipped in recent months, it's hard to tell what will happen to the north shore resort that is often described as a location packed with potential.

No such auction

For a period after the resort plan was announced, the properties were marketed aggressively here and abroad. Advertisements were placed in local and international magazines and newspapers, and sales representatives talked up the resort in VI restaurants and bars.

But, in March, Elizabeth Beach Resort Limited, represented by J.S. Archibald & Co., placed an advertisement in this newspaper for the auction of the existing resort and surrounding land for a total of \$40 million.

The notice, dated March 23, listed a June 1 auction date.

A subsequent enquiry e-mailed to Jireh Properties Limited, which was listed on the advertisement, said the auction would include: The "existing beachfront hotel of some 28 rooms on approximately 10 acres of land, together with the existing hotel infrastructure;" about 30 acres of hillside land set back from the hotel; and some condos and villas on that land.

At the time, Mr. Vanterpool, who declined to comment for this article, vehemently denied that any such auction would take place. He

further claimed that the auction advertisements were illegitimate and would be detrimental to ongoing sales of the 120 rooms, 100 condo units, and 40 villas he planned to have built on the property by 2012.

The developer insisted that he had until May 31 to complete his mortgage payments before the beach resort's attorneys could auction off the land.

Meanwhile, Dr. Archibald maintained that Elizabeth Beach Resort had been granted an order from the courts to sell the land for \$35 million.

"We do not think that this is a controversial issue," the attorney said at the time. "It is a constant order that we got. The intention is to sell it by private treaty or public auction at the best price, and everyone will be happy."

If the developer came up with the money before June 1, the land would be his, the lawyer conceded. And Mr. Vanterpool insisted that he would have no problem raising enough money from "international investors."

Nothing 'yet' happening

This week, Dr. Archibald said: "The auction has not yet taken place," but declined to elaborate further.

"I have to look at the best interest of my client," the lawyer added.

An on-duty manager at the resort directed this reporter to Mr. Vanterpool, declining to comment further.

Officials at Raffles also kept their response brief when asked about their involvement with the resort.

"At this time, the Raffles Tortola project is on hold due to the slowing residential market," Raffles spokesperson Jennifer Greene said in an e-mail.

But a page on the Raffles Web site still is devoted to the company's Raffles Tortola project, which it says will open in 2011.

"Residents at Raffles Tortola can look forward to an elegantly appointed 100-room resort exuding the intimate, residential feel that distinguishes Raffles hotels and resorts across the globe," the Web site states.