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Cayman Property Review 2012

An Independent Review by Charterland





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Introduction

2012 will be remembered as the year when the Cayman Islands Government announced (and quickly renounced) the possible introduction of the ‘expat tax’ and, more notably, the year when the Premier was arrested as part of a corruption investigation and then subsequently ousted from the Government by members of his own party. It is against the turbulent political background of 2012 that we have prepared our eagerly awaited, fifth annual independent review of the Cayman Islands property market.

This report is intended to provide anyone interested in the Cayman Islands property market with the best independent, objective analysis of the real estate market on Grand Cayman, and the Sister Islands of Cayman Brac and Little Cayman. As with previous editions of our Cayman Property Review, the data collection and analysis has been undertaken by qualified Chartered Surveyors, with many years of professional experience in the Cayman Islands, working in strict accordance with the Royal Institution of Chartered Surveyors Code of Conduct which requires Chartered Surveyors to act with independence, integrity and objectivity.

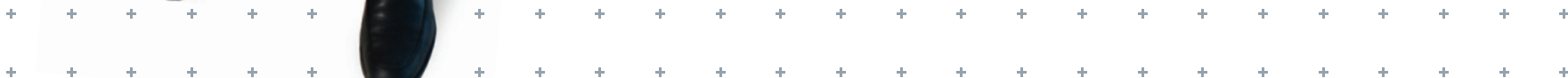
The information and results set out in this report have been based upon a thorough review and analysis of every individual property transfer and lease, registered with the Cayman Islands Government’s Land Registry, for the calendar

year of 2012. It is only by undertaking this detailed review process that we are able to include all property transfers, not just those where a seller engaged the services of a realtor, whilst also disregarding property sales that do not represent transfers for market value, such as court ordered sales, or those where there were no changes of beneficial ownership.

For this year’s report, following popular request, we have also included a section on construction in the Cayman Islands, with a review of planning applications and construction projects across the islands in 2012.

We hope that the reader will find the information set out in our report to be informative and useful in providing a clear view of the 2012 property market in the Cayman Islands and we look forward to continuing to provide you with the definitive, impartial review of the local real estate market for many years to come.

Simon J Watson
Partner
Charterland Ltd.





It is against the turbulent political background of 2012 that we have prepared our eagerly awaited, fifth annual independent review of the Cayman Islands property market.





Overview

As in previous editions of our Cayman Property Review, this report on the 2012 property market has been based on an in-depth review of all property transfers registered with the Cayman Islands Government’s Land Registry during the calendar year of 2012. In order to establish a true picture of the actual market for arm’s-length transactions we have ignored any sales by Court Order, for Natural Love and Affection, or transfers where there was no change in beneficial ownership.

Based on our analysis, the total number of open market transfers registered with the Cayman Islands Government’s Land Registry for 2012 was 1,141. This represents an 11% decrease on the total number of sales for 2011 of 1,286, although the total number is still up on what was the low point in the market in 2010. (Fig. 1).

This decrease in the number of transfers in 2012, when compared with 2011, is also reflected in the total value of the sales, with total sales of CI\$367.75 million being registered in 2012, compared with CI\$497 million for 2011.

This represents a 26% drop in the total value of sales from 2011. As with the number of sales, though, this figure is still up from the low in the market in 2010 when the value of the sales totaled only CI\$258.5 million. (Fig. 2).

A similar pattern is reflected in the average value of sales, with an average of CI\$322,000 for 2012 down 17% from the average of CI\$388,000 for 2011, but still up 26% from the low of CI\$255,000 in 2010. (Fig. 3).

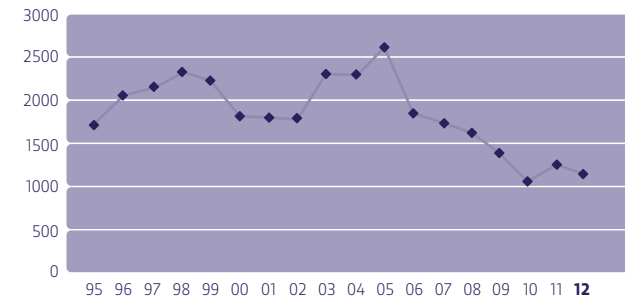


Fig. 1 Total Number of Property Transfers

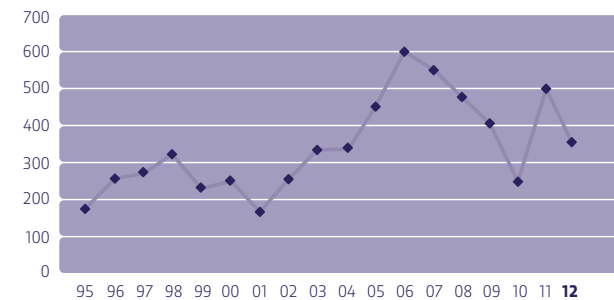


Fig. 2 Total Value of Property Transfers (CI\$ Millions)

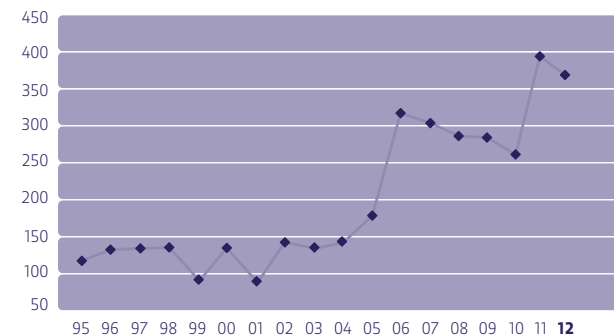


Fig. 3 Average Value of Property Transfers (CI\$ 000s)





Readers of last year’s edition of our Cayman Property Review will recall, however, that the figures for 2011 were somewhat distorted by several acquisitions of substantial property portfolios by companies belonging to the ‘Dart Group’. Based on our analysis, we assessed that these acquisitions represented just over 6% of the total number of transfers for that year and, more significantly, 28% of the total value of all transfers registered in 2011.

Therefore, if we are to examine the figures for 2012 against the data for 2011, adjusted to exclude the Dart related transfers, we note that although the total numbers are still slightly down on 2011, 1,141 against 1,204 for 2011 (Fig. 4), the total value and, significantly, the average value for 2012 shows an actual increase over the preceding year. Ignoring the Dart acquisitions, the total value of transfers for 2012 show a 3% increase over the adjusted total of C\$358 million for 2011 (Fig. 5), whilst the average value for 2012 indicates an 8% increase over the adjusted average value for 2011 of C\$299,000 (Fig. 6).

Therefore, if we are to look at the market free from the distorting influence of the substantial acquisitions by the Dart Group of companies in 2011, the market for 2012 does appear to show a continuing, albeit slow, uplift in total and

average values per year, since the low point of 2010. However, the drop in the total number of transfers for 2012 from even the adjusted figures for 2011 shows us that the market is still considered to be stagnant compared with the ‘boom’ years of 2005 and 2006, and that any perceived recovery in the property market can still be considered to be a fragile one.

This is further illustrated by the fact that, whereas in 2011 there were nine sales of properties valued for in excess of C\$5 million, of which five exceeded C\$10 million, there were only 4 such sales in 2012, of which only 2 exceeded the C\$10 million mark.

The highest value sale in 2012 was the sale of the development site previously known as ‘Impulse Bay’ and located with North Sound frontage to the north of the George Town industrial estate and south of the Camana Bay properties. This mixed-use development site, which had multiple planning zonings ranging from Hotel/Tourism, General Commercial and Marine Commercial, transferred in April 2012 for a sale price equating to C\$13,020,000 (US\$15,500,000), or approx. C\$3.38 per square foot overall.

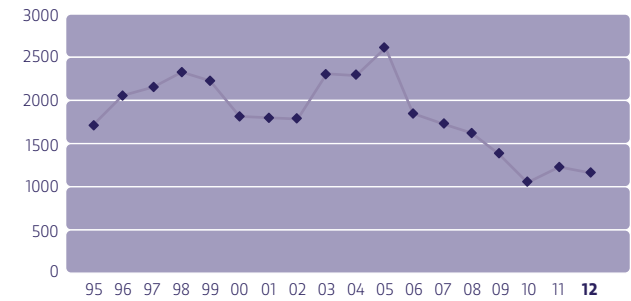


Fig. 4 Total Number of Property Transfers (Excluding 2011 Dart Acquisitions)

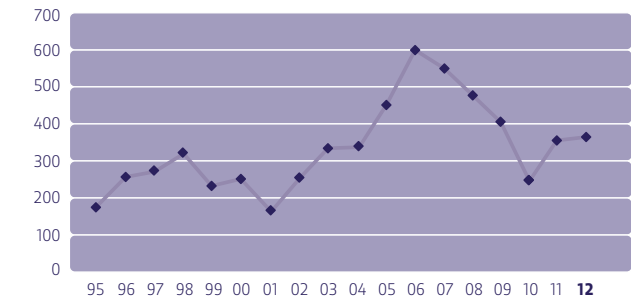


Fig. 5 Total Value of Property Transfers (CIS Millions) (Excluding 2011 Dart Acquisitions)

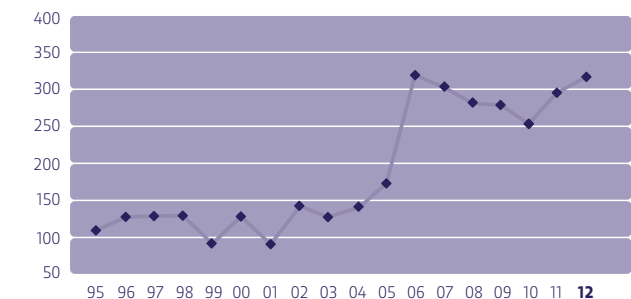
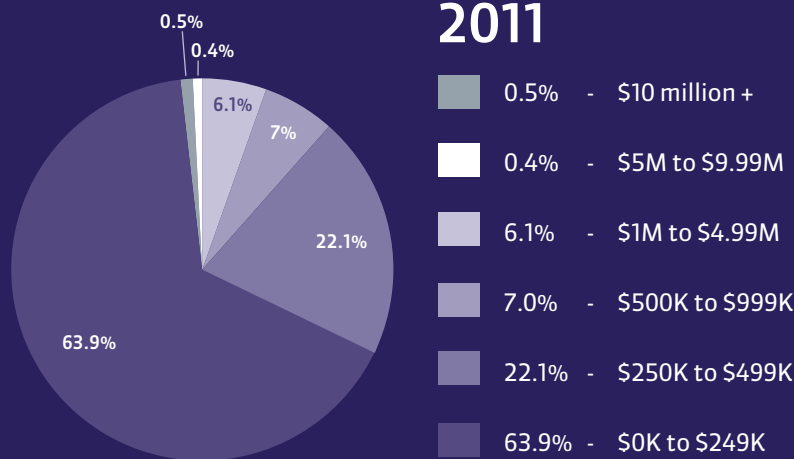
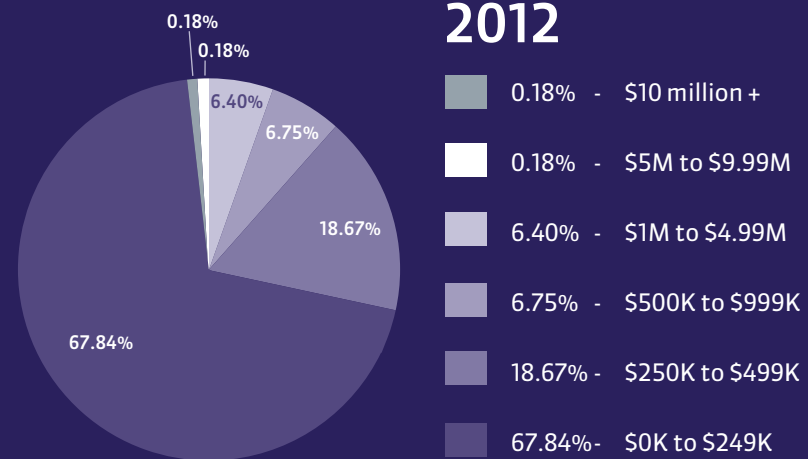


Fig. 6 Average Value of Property Transfers (CIS Millions) (Excluding 2011 Dart Acquisitions)





2011



2012

Fig. 7 Range of Sale Prices

The second highest value sale registered in 2012 was the acquisition of the former ‘Crown Jewel’ condominium development site, located on Seven Mile Beach. This property transferred for a sale price equating to C\$12,936,000 (US\$15,400,000), which equates to approx. C\$63,000 (US\$75,000) per linear foot, based on its 205 foot beach frontage. Other significant sales in 2012 included the sale of approximately 77 units at the Grand Caymanian resort on North Sound for a sale price equating to approx. C\$6,408,360 and the sale of the Piccadilly Centre in central George Town for a sale price equating to approx. C\$5,670,000 (US\$6,750,000). This sale of a commercial office building will be discussed in our focus on the commercial property market, set out later in this report.

The highest value residential property sold in 2012 was a Boggy Sand Road residence, with frontage directly on to Seven Mile Beach, which sold for a sale price equating to C\$4,692,156 (US\$5,585,900), net of chattels. Another high valued residential property which sold in 2012 was a 13,000 square foot single family dwelling located on North Sound, on Sea Wind Drive, in the Mangrove Point gated, canal front community in Newlands. This property sold for C\$4,488,693 (US\$5,343,683).

The most expensive condominium sold in 2012 was a 2,670 square foot unit at The Caribbean Club which transferred in June 2012 for a sale price equating to C\$3,024,000 (US\$3,600,000), or C\$1,132 (US\$1,348) per square foot, one of the highest rates per square foot recorded for a Seven Mile Beach condominium in recent years.

Other high value condominium sales recorded in 2012 included a 3,270 square foot unit at Water’s Edge, which transferred in April 2012 for a sale price equating to C\$2,628,481, or C\$804 (US\$957) per square foot, with the third highest value condominium sold in 2012 being a 3,343 square foot, penthouse unit at The Meridian which sold for, equating to C\$2,579,527 (US\$3,070,866), or C\$772 (US\$919) per square foot.

Overall, there appeared to be a slight decrease in the number of sales at the higher end of the market in 2012, but an overall increase in the number of sales at the bottom end of the market. **(Fig. 7).**



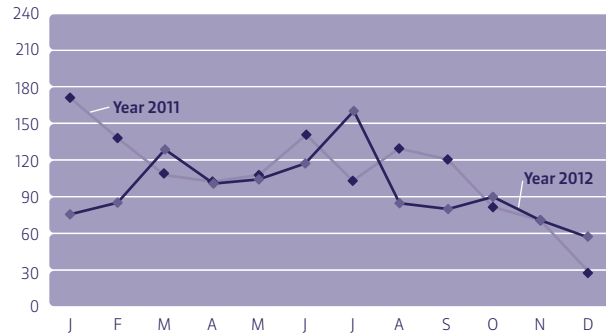


Fig. 8 Total Number of Property Transfers 2012

A review of the sales for 2012 on a month by month basis shows a different pattern to that for 2011 (Fig. 8) Sales in 2012 start slowly with only 72 transfers being registered in January compared with 172 in January 2011. However, this was the month in 2011 when the majority of the Dart acquisitions were registered and some distortion due to this is to be expected. Sales reached a peak for 2012 in July, but fell off dramatically for the remainder of the year.

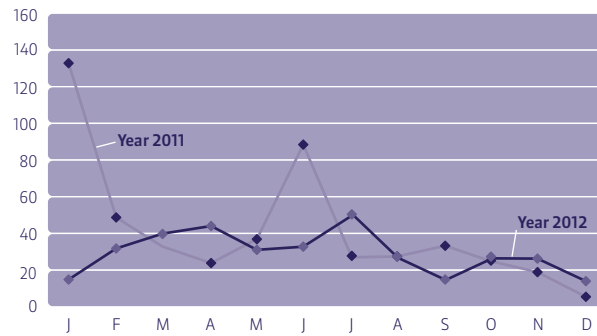


Fig. 9 Total Value of Property Transfers 2012 (CIS Millions)

This pattern is consistent with concerns expressed by some realtors that the announcement of the ‘expat tax’ in July 2012 negatively impacted demand from this area of the market, notwithstanding that this proposed revenue measure was dropped by the Government during August.

The total value of transfers for each month shows a similar pattern, with a peak in July 2012 and then a drop off until the end of the year. (Fig. 9). There is some increase in the total value of sales in October and November and this may

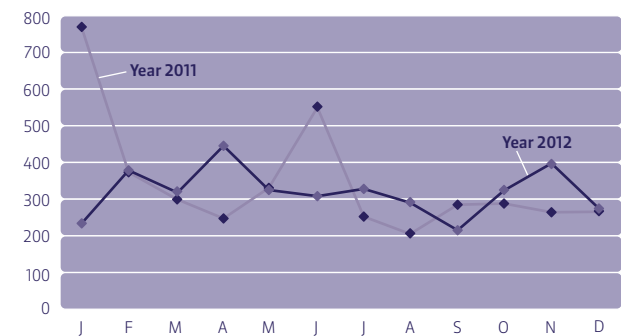


Fig. 10 Average Value of Property Transfers 2012 (CIS 000s)

be attributable to purchasers trying to register their transfers in advance of the increase in Stamp Duty on property transfers from 4% for Caymanians and 6% for Non-Caymanians to 7.5% for all purchasers, which took place on the 11th December 2012.





Domicile of Purchasers

In recent issues of our Cayman Property Review, we have undertaken an analysis of the domicile of the registered owners acquiring property in each year. This information is obtained by examining every property transfer taking place in each year and recording the registered address of the purchaser. Whilst anomalies will no doubt occur, this method of research is the best available for identifying where the purchasers of each individual property originates. By comparing the figures for the current year with previous years when we have undertaken this exercise, we are also able to identify any changes in the trends for ownership.

Based on our research, we have established that, overall, 90% of all purchasers in 2012 were registered with Cayman Islands addresses, a similar proportion to 2011 and 2010. Of the remainder, 6% were registered in the United States of America, very slightly down from 7% in 2011, with 1% being from Canada, the United Kingdom and the rest of Europe, all similar percentages to 2011 and therefore no real change overall. **(Fig. 11).**

A consistent trend is also shown for sales along the Seven Mile Beach corridor, with the percentage of purchasers with Cayman Islands registered addresses remaining fairly constant at 83% for 2012, compared with 82% in 2011 and the percentage of purchasers with United States addresses remaining at around 12% of the total number of sales in the Seven Mile Beach area. **(Fig. 12).**

Whilst the proportion of purchasers registered overseas appears to have remained stable on Grand Cayman, our research did reveal some changes in the Sister Islands. On Little Cayman the percentage of purchasers from overseas decreased, with the number of purchasers with Cayman Islands addresses increasing from just over 50% of all sales on Little Cayman in 2011 to approximately 65% in 2012. There is a corresponding drop in the percentage of purchasers with United States addresses from 18% in 2011 to 11% 2012 and from Europe (excluding the UK) which showed a drop from 6% in 2011 rising to just under 2% in 2012. There was, however an increase in purchasers from the United Kingdom with just over 3% having addresses registered in the United Kingdom in 2011 to just under 13% in 2012. **(Fig. 13).** From closer examination of the Transfer of Land documents, this increase in the number

of purchasers of properties on Little Cayman from the United Kingdom appears to be entirely due to sales by Crown Acquisitions Worldwide Ltd. This developer has been very active in recent years acquiring large tracts of undeveloped land in all three of the islands and targeting sales of sub-divided lots on these properties directly to United Kingdom residents.

On Cayman Brac, where the purchasers have previously been predominantly from the Cayman Islands, the opposite trend appears to have occurred to that on Little Cayman, with the percentage of purchasers overseas increasing in 2012. The percentage of purchasers with Cayman Islands addresses dropped from 84% in 2011 to 66% in 2012, whilst purchasers with United States addresses increased from 6% in 2011 rising to just under 20% in 2012, and the number of purchasers from the United Kingdom also increased, from 5% in 2011 to over 8% in 2012. **(Fig. 14).**





Fig. 11 Domicile of Purchasers (Overall)

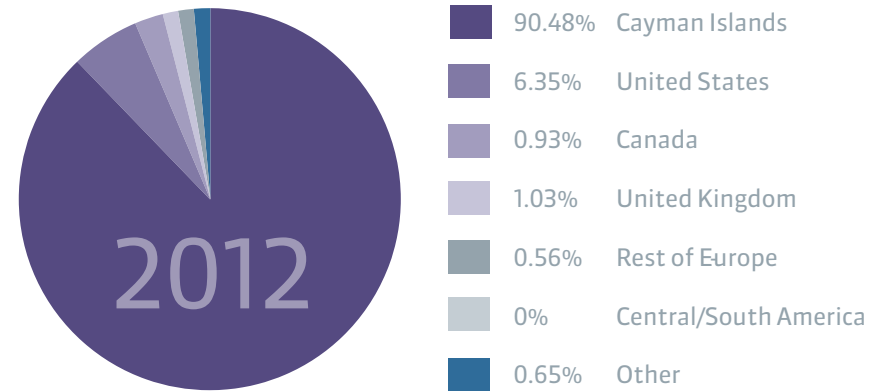
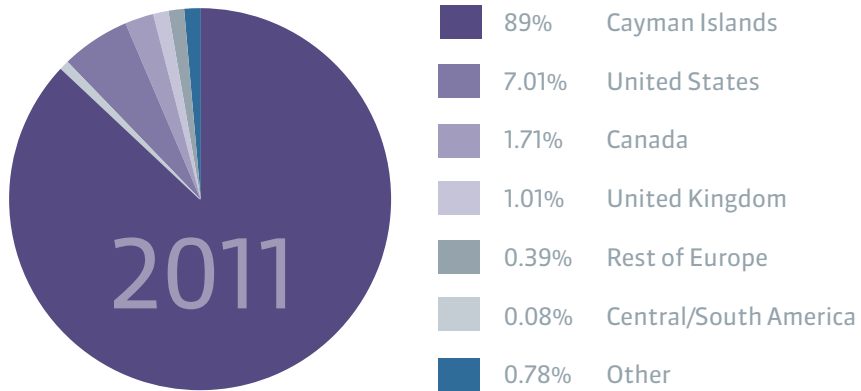


Fig. 12 Domicile of Purchasers (Seven Mile Beach Only)

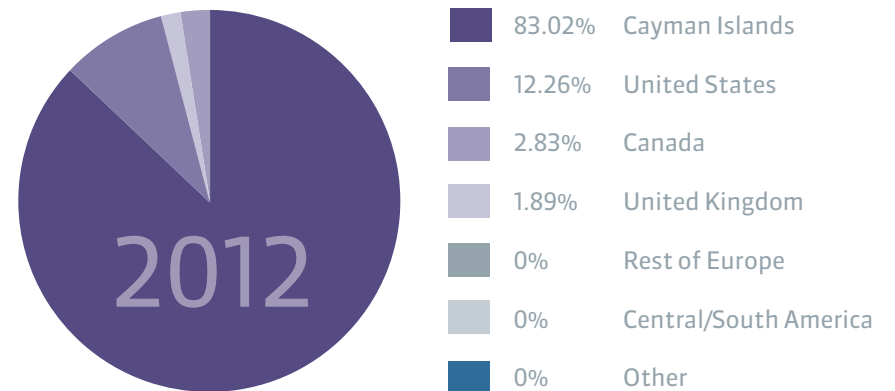
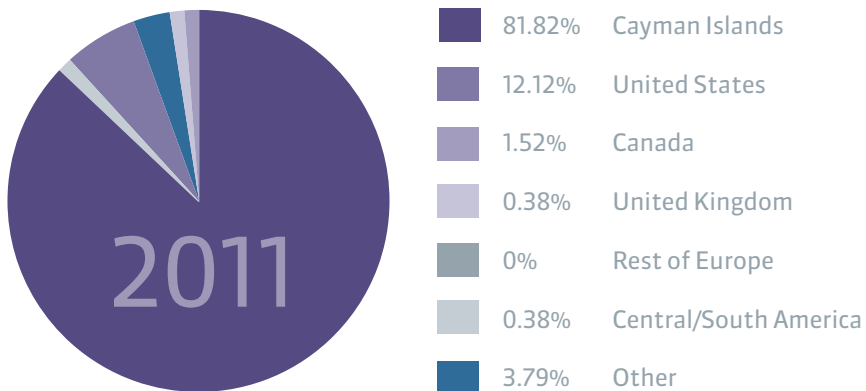




Fig. 13 Domicile of Purchasers (Little Cayman)

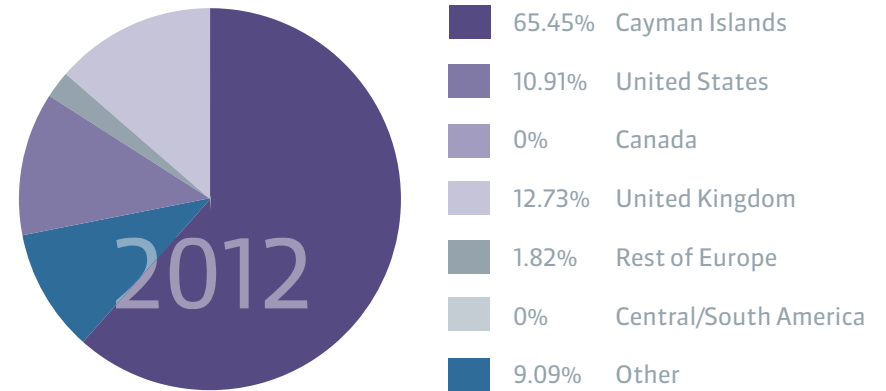
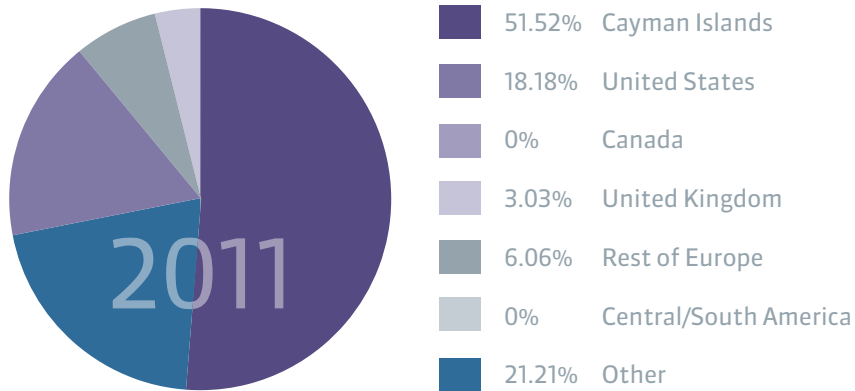
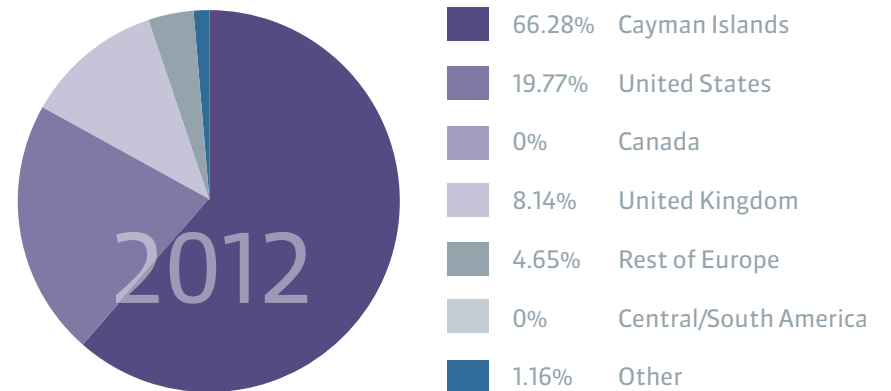
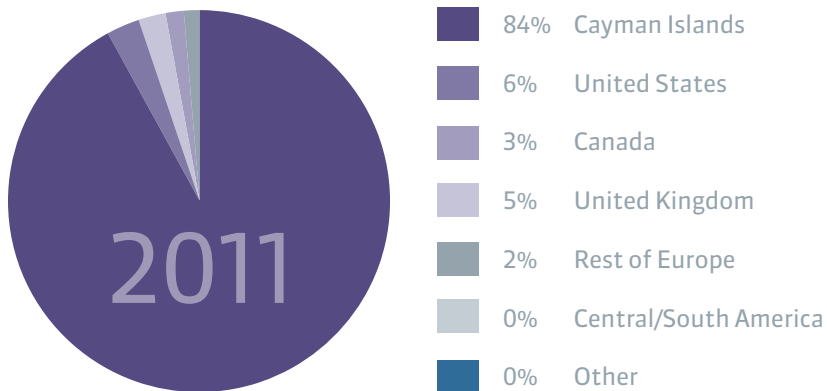


Fig. 14 Domicile of Purchasers (Cayman Brac)





The total value of the beachfront condominiums sold in 2012 of CI\$58.5 million, also showed a similar increase of 28% over the total value for 2011.





Condominiums

In order to undertake an analysis of the condominium market in the Cayman Islands, we have divided the market into two different, main groupings. Our first group are those condominiums located with frontage on to **Seven Mile Beach**, with the second group consisting of the more 'lower-end' condominiums located inland, in the **George Town/South Sound** area. From each of these two groups we have selected specific developments where there have been sufficient sales of condominiums in each calendar year, in order to be able to identify meaningful trends in the market for these properties, whilst also trying to maintain an element of diversity in our selection.

As with all the analysis undertaken in this report, the reader must have regard to the relatively small size of the available datasets. The limited volumes of sales being analysed can mean that there is a risk of trends being easily distorted by anomalous sales, such as the sale of a particularly upgraded or improved property, or conversely by a dilapidated, or perhaps otherwise inferior, property. It should, therefore always be remembered that the following analysis and commentary is presented for general information purposes only and that in order to establish the Market Value of any specific property it is most advisable to retain the services of a qualified Chartered Valuation Surveyor with relevant, professional experience in the Cayman Islands property market.

Seven Mile Beach

There were 62 sales of beachfront condominiums registered with the Cayman Islands Land Registry in 2012, a 26% increase over sales of similar beachfront properties in 2011 and a 40% increase since the low point in the market in 2010. The total value of the beachfront condominiums sold in 2012 of CI\$58.5 million, also showed a similar increase of 28% over the total value for 2011, and a similar 40% increase since 2010.

Whilst there was clearly an increase in activity in the Seven Mile Beach condominium market in 2012, in order to establish whether this marked increase in the number of sales translates into an actual increase in values, we have analysed the average sale prices per square foot of selected condominium developments, where there have been sufficient sales of similar units over previous years, in order to establish the trend in values.





The Meridian In previous editions of the Cayman Property Review, we have relied upon sales in this condominium development in order to provide an indication of the trend for the high-end beachfront condominiums, as there have been annual sales back to 2005. However, there was only a single sale registered in 2012 and this was for one of the penthouse units which we have previously disregarded from our dataset due to the distorting effect of these 3,700 SF units, when compared with the sale prices for the standard 1,916 SF to 1,923 SF units. We have therefore not undertaken an analysis of the sale prices in this development for 2012.

The Pinnacle In the absence of any registered sales of the ‘standard’ units at The Meridian in 2012, for this edition of the Cayman Property Review, we have examined sales of units at The Pinnacle. This development of 42 mainly 2,120 SF, three bedroom units saw the sale of a single unit in 2012 which, when compared with average sale prices for previous years, showed an 11% increase over the average sale price per SF for 2011. **(Fig. 15).**

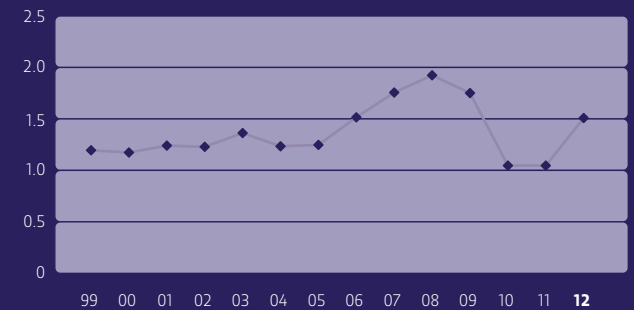


Fig. 15 **The Pinnacle**
(Average Sale Price Net CIS Millions)





Fig.16

The Regal Beach Club As in previous years, 2012 showed steady sales of condominiums in this development of 57 units, with eight sales of the 1,150 SF and 1,240 SF units included in our dataset for this analysis. Equating to an average value of C\$409,000, the sales for 2012 showed a 6% increase over the average values for 2011 and a nearly 15% increase over the recent low point in the market in 2010 (Fig.17).

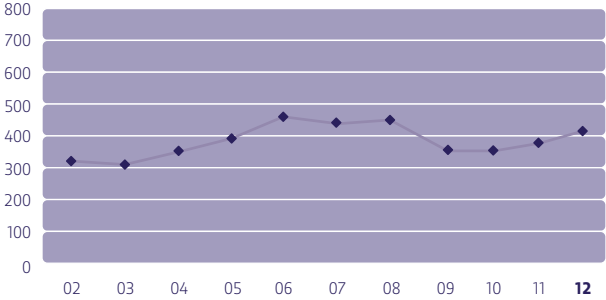


Fig. 17 Regal Beach Club
 (Average Sale Price Net C\$ 000s - 2 Bed Units)



Fig. 18

George Town Villas (Fig. 18) We have previously relied upon the sales in George Town Villas as part of our analysis of the Seven Mile Beach condominium market, in order to examine trends at the lower end of this market sector due to the steady number of annual sales. However, similar to The Meridian, there were no sales registered for this condominium development in 2012. In this regard, for this year's edition of our analysis of the lower end of the Seven Mile Beach condominium market, we have examined the sales of condominiums at Sunset Cove.



Fig. 19

Sunset Cove (Fig. 19) (previously known as **Treasure Island condominiums**) is a large development of 96 units in fourteen, three storey blocks, a mixture of two and three bedroom units in single level apartments. For consistency, we have analysed only the sales of the more numerous two bedroom 1,182 SF units of which there was only a single sale in 2012 compared with 8 sales in the height of the market for these condominiums in 2007. The average values for these units also fell from a peak in 2007 of C\$378,000, to C\$223,000 in 2012. As we saw in last year's analysis of George Town Villas, this trend of decreasing values since a peak in the market in 2006/2007 appears to be consistent for the older, lower-end, condominiums on Seven Mile Beach.



George Town

Our second grouping for the analysis of the condominium market in the Cayman Islands includes the inland condominiums in the George Town and South Sound areas of Grand Cayman. Previous editions of the Cayman Property Review have indicated that the market for condominiums in these areas was experiencing an over-supply, particularly in the two-bedroom, townhouse market, and that this was having a negative impact on the Market Values. We have therefore undertaken our analysis of the same sample developments in order to ascertain whether this trend is continuing in 2012, notwithstanding a slow-down in the construction of new developments of these types of condominiums.

Garden, Coco, Mystic and Sunset Retreat.

This development of over 185 one, two, three and four bedroom units experienced only five sales of two bedroom townhouse across the four phases in 2012, one less than 2011 and five less than in 2010. The average value of these sales, however, fell only very slightly from C\$181,552 in 2011 to C\$180,895 in 2012, a decrease of less than 1%, perhaps indicating that the values for these units have bottomed out (Fig.21).



Fig. 20

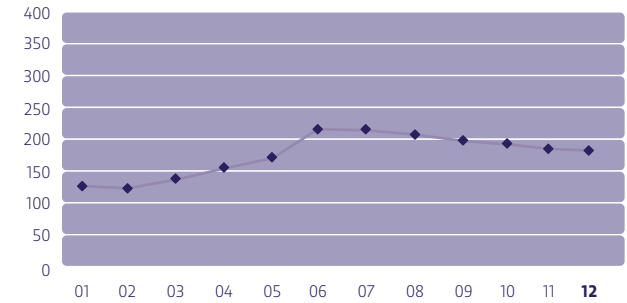


Fig. 21 Garden, Coco, Mystic & Sunset Retreat: 2-Beds
(Average Sale Price Net CIS 000s)



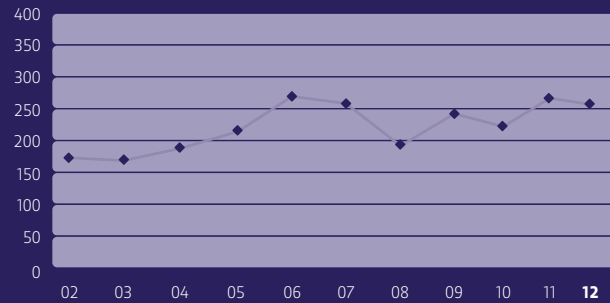


Fig. 22 L'Ambience: 2-Beds
(Average Sale Price Net CIS 000s)



Fig.23

L'Ambience Although this condominium showed an increase in average sale prices in 2011, the single sale of a two bedroom unit in 2012, bought the average down from C\$263,452 in 2011 to C\$248,740 in 2012. However, the general trend still shows an increase in the average sale prices from a low in 2008 which was 28% down from the average in 2012 (**Fig. 22**).

Southern Skies Previous editions of the Cayman Property Review have indicated a general decrease in average sales prices for these condominiums located in South Sound. The two sales in 2012, however, had an average sale price of C\$221,870, which is 15% higher than the average for the three sales registered for the same development in 2011 (**Fig. 24**).

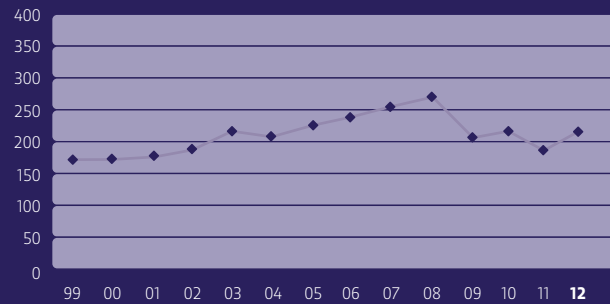


Fig. 24 Southern Skies
(Average Sale Price Net CIS 000s)



Fig.25



Houses

The analysis of trends in the sale of single family dwellings always causes difficulties in a small market, such as the Cayman Islands, where a large proportion of the market is comprised of heterogeneous, individual homes constructed on demand by owners of individual house lots. This situation is exacerbated in slow markets, such as that experienced in the Cayman Islands in 2012, where the numbers of sales registered are less than in other years. Information on the sale prices of single family dwellings is, however, of great interest to many prospective purchasers and therefore, as in previous editions, we have attempted to undertake analysis in areas where the number of sales of similar homes may be large enough to identify meaningful trends. As always, we do ask the reader to note that the trends identified have been based on only a few sales each year and that the trends in values discussed will not apply to all houses, or indeed any particular property.

Snug Harbour

Whilst this mature, residential area, located on the Seven Mile Beach peninsula, has previously provided sufficient sales of single family homes on an annual basis in order for us to undertake some analysis of trends in sale prices in the area, unfortunately there were no sales registered during 2012. We have therefore researched alternative residential areas for this year's report, as follows.



Fig. 26

West Bay

Whilst there have been limited numbers of sales in many residential areas in 2012, there were three sales registered in the Hillandale Close/Windstar Drive sub-division off Watercourse Road in West Bay. This development of fairly similar properties has seen regular sales on an annual basis and thus allowing us to analyse the trends in sale prices for the area. The three sales in 2012 had an average sale price of C\$150 per square foot, approximately 5% down from the average for 2011 and around 9% lower than the peak sale prices for this area in 2009. In considering this trend for this area, the reader is reminded that with such a relatively small dataset, the average sale price for any one year could be distorted by the sale of either a very superior property or, conversely, one in poor condition **(Fig. 28)**.



Fig. 27



Fig. 28 West Bay: House Sales

(Average Sales Price C\$ per SF)



Savannah

There were only two sales of single family dwellings registered in 2012 within our dataset for Savannah (Fig. 29), compared with four in 2011. Unfortunately, both of these sales could be considered to be anomalous, the first being for a house which had been vacant for over one year and was fire damaged, requiring major repairs, according to information on the Cayman Islands Land Information System. The second sale was also located in Savannah Meadows and was with respect to a very large, two storey house, located on 0.64 acres of land. The average sale prices per square foot both equate to substantially less than the norm, due to the condition of the first property and the large size of the second and, therefore, we are of the opinion that to include these sales in our analysis of this residential area would distort our previous research. Therefore, as for Snug Harbour, we have not concluded our analysis for this area for 2012.



Fig. 29



Fig. 30

Newlands

Due to the lack of suitable comparable sales for our analysis of the housing market in Savannah, we have also, for this year's edition, looked at the Newlands area, and in particular the sub-division of relatively new, fairly similar housing in the Brightside Street area (Fig. 30). There were three sales of single family homes in this area in 2012, compared with a single sale in 2011, with an average value per square foot in the region of CI\$150. This average has remained fairly constant since 2009, when there was an increase from an average of CI\$131 per SF (Fig. 31). This increase could be attributed to the later sales being re-sales, compared with the predominantly, pre-construction prices prior to 2009. The re-sale prices would also reflect any improvements to the dwellings undertaken by the owners subsequent to the completion of the original house.



Fig. 31 Newlands: House Sales
(Average Sales Price CI\$ per SF)





The market for 2012 does appear to show a continuing, albeit slow, uplift in total and average values per year, since the low point of 2010.





Land

As per previous editions of our Cayman Property Review, in undertaking our analysis of land sales in 2012 we have selected geographical areas (generally residential sub-divisions) where there have been sufficient property transfers on an annual basis in order to provide sufficient data to allow meaningful analysis of trends for this type of property. We have also tried to provide analysis of a cross-section of the market for land, from the high-end **Crystal Harbour**, to the lower-end sub-divisions in **Frank Sound**.



Fig. 32

Crystal Harbour

Continuing the upward trend in land sales in Crystal Harbour, a high-end, gated, canal-front community, located on the Seven Mile Beach peninsula, sales for 2012 remained good, with ten sales of canal front, house lots registered in 2012. The average sale price per square foot of C\$20.44 represented a 5% increase on the average for 2011 of C\$19.49 and a 9% increase on the average for 2010 (Fig. 33).

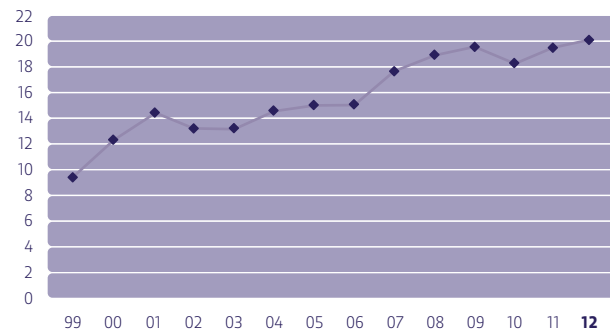


Fig. 33 Crystal Harbour: Land Sales
(Average Sales Price CIS per SF)





Grand Harbour

Similar to our analysis of **Crystal Harbour**, land sales in Grand Harbour continued to be strong through 2012 with ten sales of canal lots registered. This compares with eight sales in 2011 and six sales in 2010. The average value per square foot for the ten sales in 2012 equated to C\$17.73, an increase of 15% from the 2011 average sale price of C\$15.44 per SF and a 26% increase over the 2010 average of C\$14.02 per SF. **(Fig. 35)**. This increase over the last two years comes after a period of relative stability for values in this sub-division.



Fig. 34

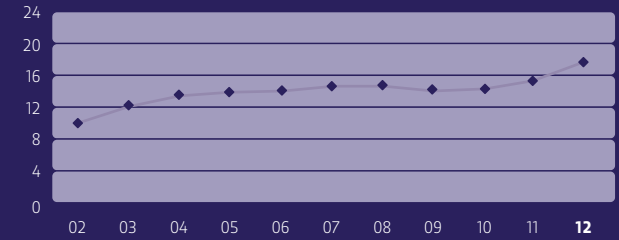


Fig. 35 Grand Harbour: Land Sales
(Average Sales Price C\$ per SF)





Savannah

Similar to the sale of houses in **Savannah**, there were very few sales of house lots in the area in 2012, with only two sales registered within our dataset, compared with five sales of house lots in 2011. Despite this slow market, however, the average sale prices remained stable with an average of CI\$5.48 per SF for 2012, compared with CI\$5.40 per SF for 2011 and CI\$5.48 per SF for 2010.

Frank Sound

The sales of house lots in the **Frank Sound** area showed a marked increase over 2011 with the sales of eleven lots registered in 2012, compared with eight in 2011. The average sale price of these lots also showed a noticeable increase, up from CI\$2.73 per SF in 2011 to CI\$3.54 per SF in 2012 (**Fig. 39**). The average for 2012 may be slightly distorted, however, by the inclusion of the sale of two filled lots in the dataset for 2012, compared with mainly unfilled lots in previous years.



Fig. 36



Fig. 38

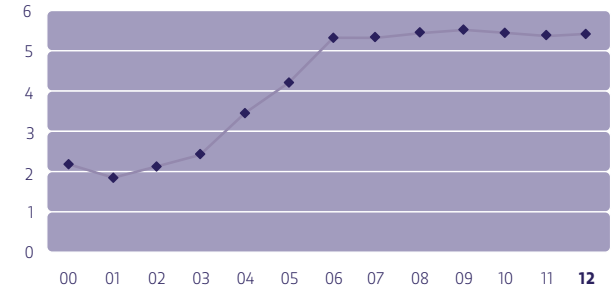


Fig. 37 Savannah: Land Sales
(Average Sales Price CIS per SF)

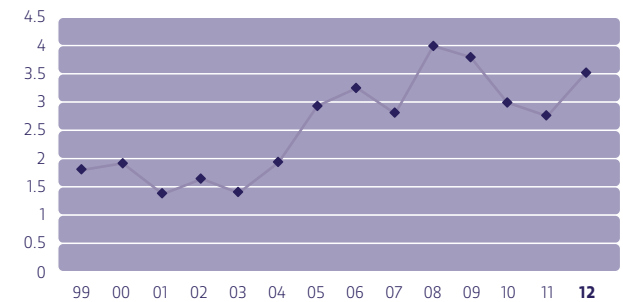


Fig. 39 Frank Sound: Land Sales
(Average Sales Price CIS per SF)





Fig. 40

Sister Islands

Analysis of the property transfers on the Sister Islands reveals that there were 142 sales for Market Value registered in 2012. This total number of sales is consistent with the 140 sales registered in 2011. However, the breakdown between the two islands shows a marked difference with 81 sales on **Cayman Brac** being 22% down from 105 sales in 2011, whilst sales in **Little Cayman** were up 74% from 2011 with 61 sales compared with 35 for the previous year. The total number of sales for the Sister Islands accounted for 12% of the total sales in the **Cayman Islands**, up slightly from 10% in 2011, but similar to the proportion in 2010. As in previous years, this relatively small number of property transfers creates great difficulty in identifying trends within particular areas of the Sister Islands property market.

Land on the Bluff, Cayman Brac

Focusing on the land sales of house lots on **The Bluff** on **Cayman Brac**, we note that there were only three sales in our dataset in 2012, compared with ten sales in 2011. The average sale prices, however, for these three sales remained stable at C\$2.12 per SF, compared with C\$2.10 per SF in 2011, C\$2.44 per SF in 2010 and C\$2.21 per SF in 2009. This represents a spread of only C\$0.31 per SF over the last four years (**Fig. 41**).



Fig. 41 **Cayman Brac: Land Sales**
(Average Sale Price Net CIS per SF)



Commercial Market

For the third successive year, we have undertaken a review of the commercial property market for Charterland's Cayman Property Review 2012. As in previous years we have analyzed the registered leases and, where there has been sufficient historical comparable data, provided commentary with regards to trends that have been identified. In addition, we have analyzed and commented, where possible on any commercial property sales.

It should be remembered that the following data and commentary is presented for general information purposes only and that not all the registered leases during 2012 are represented in this review and that in order to establish the Market Rent, or Market Value, of any specific property it is most advisable to retain the services of a qualified Chartered Valuation Surveyor with extensive experience in the Cayman Islands property market.

Stewart Connelly
Partner
Charterland Ltd.





Fig. 42

As we have done in previous editions of the Cayman Property Review, the lease registration analysis has been broken down primarily into two select geographical areas; **Central George Town (Fig. 42)** and the **Seven Mile Beach** corridor (**Fig. 43**). However, in this year's edition, we have not broken down these geographical areas into commercial and commercial/retail, rather we have simply provided commentary where necessary.



Fig. 43



Commercial Property Sales

There was a single registered sale of a commercial building during 2012, located within the **Central George Town area**. This being the **Class B “Piccadilly Centre”** located in the centre of George Town’s central business district. The Piccadilly Centre sold in March 2012 for CI\$5,670,000, which equates to US\$6,750,000 when converting at 0.84.

Whilst we are unfamiliar with the gross external area or the net internal area, nor the rental income passing at the time of the sale, we understand based upon comments entered into the **Cayman Islands Land Information System**, that the net rentable area is 18,790 SF and the property benefits from 169 car parking spaces, in a multi-storey car park.

Based upon the transfer price and the rentable area of 18,790 SF the sale equates to CI\$301.76 per SF.

Property Leases

Based upon our analysis of data provided by the Cayman Islands Land Registry, we note that there were a total of 238 registered leases* during 2012 (**Fig. 45**), of which 18.5% were residential, 9.7% were commercial, 51.7% commercial/retail and 20.2% other**.

* Includes all registered head leases, sub-leases, transfers and variations

** Other consists of: restaurants, industrial, petrol stations, hospital/medical, aviation, hotels & land



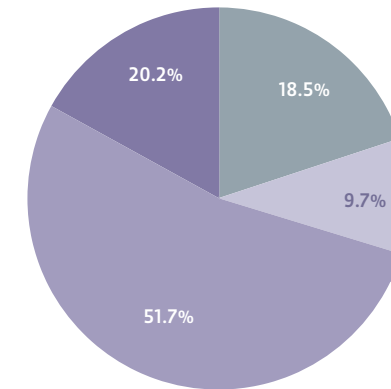
Piccadilly Centre

Sold March 2012 for CI\$5,670,000

- 23,700 sq. ft., 6 level office building consisting of 5 floors and a full basement
- 64,800 sq. ft., 6 storey car park and hurricane storage
- Chilled water A/C
- Hydraulic passenger elevator
- Goods conveyor to basement

Information above was sourced via internet and has not been confirmed

Fig. 44



Residential	- 44 Total
Commercial	- 23 Total
Commercial & Retail	- 123 Total
Other	- 48 Total
	(Restaurants, Industrial, Petrol Stations, Hospital / Medical, Aviation, Hotels & Land)
Not Found	- 0 Total
Total	- 238

Fig. 45 Total Registered Leases (2012)



Central George Town

Cayman Financial Centre – Bermuda House

The building is well located within the centre of **George Town**, and has recently benefited from extensive refurbishment of the parking surface, exterior façade, central courtyard and the interior common property. Improvements include three buildings, with the subject (**Bermuda House**) comprising five floors of prime office space. The gross floor area of the building is assessed at approximately 25,000 SF.

There was only one (1) registered lease for **Cayman Financial Centre** during the 2012 year between **Pamberi Ltd.** (landlord) and **The Governor of the Cayman Islands** (tenant), for a term of five (5) years, with an annual reserved rent of C\$153,279 equating to C\$31.50 per SF, based upon a registered area of 4,866 SF.

Cricket Square – Willow House

Willow House is located within one of Grand Cayman’s most prestigious commercial developments known as **Cricket Square**. We understand that this category 5 rated **Class A building** to be approx. 50,000 SF, offering full back up generator and emergency water supply. **Willow House** also benefits from on-site management, 24/7 security, **Brasserie Restaurant, Market, Terrace, Market Garden** and **energy fitness studio**.

From the information provided by the Lands & Survey Dept, there appears to have been four (4) registered leases during 2012. The first lease with registration details is between **Cricket Square Ltd.** (landlord) and **Roy McTaggart et al.**, (tenant, whom we assume to be **KPMG**), for a term of five (5) years, with effect from July 2012 at an annual reserved rent of C\$1,056,325, equating to C\$30.60 per SF, based upon a registered area of 34,520.70 SF.

The second lease appears to be between **Cricket Square Ltd.** (landlord) and **Kane (Cayman) Limited** (tenant), with effect from September 2012, for a term of five (5) years, at an annual reserved rent of C\$192,398.37, equating to C\$34.79 per SF, based upon a registered area of 5,531 SF.

The third lease, which is a sub-lease between **Paget-Brown Trust Company Ltd.**, (head-lessee) and **Paget Brown PTC** (sub-lessee), with effect from September 2012, has a term of ten (10) years, at an annual reserved rent of C\$43,794.35, equating to C\$37.72 per SF, based upon a registered area of 1,161 SF.

The final lease is between **Cricket Square Ltd.**, (landlord) and **PKF (Cayman) Ltd.** (tenant) for a term of three (3) years, with an annual reserved rent of C\$90,660.36, with effect from December 2012. With a registered area of 2,917 SF, this equates to C\$31.08 per SF.





Harbour Place

There was a single sub-lease registered in June 2012 between **Harbour View Investment Ltd.**, (head-lessee) and **Tetra Laval Finance Ltd.** (sub-lessee) for a term of two (2) years, at an annual reserved rent of C\$60,691.19, with a registered area of 1,489.72 SF, which equates to C\$40.74 per SF.

Walkers Building

There were three leases registered for the **Walkers Building** throughout 2012, two being variations of existing leases, all for ten (10) year terms. The first variation was registered in June 2012, between **Partner Ground Ltd.** (landlord) and **Walkers Real Estate Limited** (tenant) for an annual reserved rent of C\$3,568,993.26. Unfortunately, there are no registered area details, therefore, we are not able to provide a per SF rate.

The second variation also occurred in June 2012, between the same landlord and this time **Walkers SPV Limited** (tenant), for an annual reserved rent of C\$633,845.52. Again unfortunately, there are no registered area details, therefore, we are not able to provide a per SF rate.

The final lease registered in December 2012 was between **Partner Ground Ltd.** (landlord) and **Walkers SPV Limited**, with a registered area of 14,734 SF and an annual reserved rent of C\$624,563.52 this equates to C\$42.39 per SF.

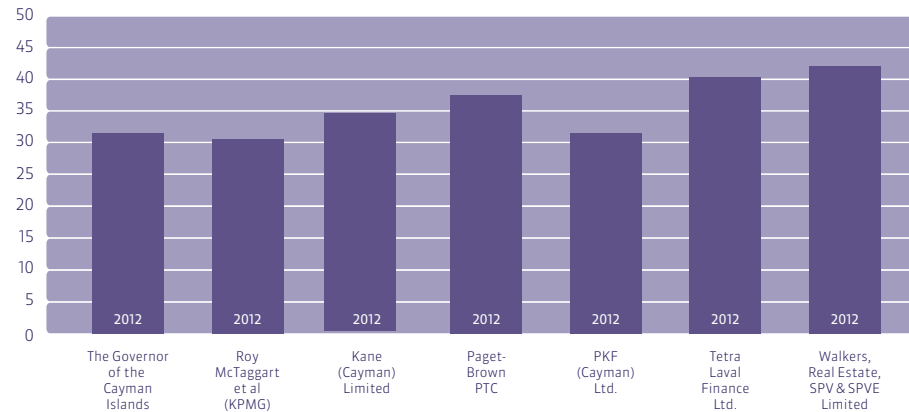


Fig. 46 **George Town**
(Rent Cost CIS per SF)



Seven Mile Beach Peninsula

Governors Square

Governors Square had nine (9) leases registered during 2012, the first between **Governors Square Ltd.** (landlord) and **Marsh Management Services Cayman Ltd.** (tenant) for five (5) year term, with an annual reserved rent of C\$317,469.60, which equates to C\$32.77 per SF, based upon a demised area of 9,687 SF.

The second lease being between, **Governors Square Ltd.** (landlord) and **Spa De Soul International Ltd.** (tenant) for a 5 year term, with an annual reserved rent of C\$88,830 with a demised area of 2,115 SF, which equates to C\$42.00 per SF.

The third registered lease is between **Governors Square Ltd.** (landlord) and **Global Captive Management Ltd.** (tenant) for a 5 year term, at an annual reserved rent of C\$199,449.60, with a demised area of 5,561 SF, which also equates to C\$35.87 per SF.

The fourth lease being between, **Governors Square Ltd.** (landlord) and **Summit Management Ltd.** (tenant) for a 5 year term, with an annual reserved rent of C\$24,155.04, with a demised area of 553 SF, which equates to C\$43.68 per SF.

The fifth registered lease was between **Governors Square Ltd.** (landlord) and **Balaclava Jewellers Ltd.** (tenant) for a 5 year term, at an annual reserved rent of C\$46,563.96, with a demised area of 1,065 SF, which equates to C\$43.72 per SF.

The sixth registered lease being between **Governors Square Ltd.** (landlord) and **Westtel Limited.** (tenant) for a 5 year term, at an annual reserved rent of C\$44,142, with a demised area of 1,051 SF, which equates to C\$42.00 per SF.

The seventh registered lease being between **Governors Square Ltd.** (landlord) and **BDO Cayman Ltd.** (tenant) for a 5 year term, at an annual reserved rent of C\$268,363.32, with a demised area of 7,784 SF, which equates to C\$34.48 per SF.

The eight registered lease being between **Governors Square Ltd.** (landlord) and **Cayman Islands Sotheby's International Realty Ltd.** (tenant) for a 5 year term, at an annual reserved rent of C\$90,257.88, with a demised area of 2,149 SF, which equates to C\$42.00 per SF.

The final registered lease was between **Governors Square Ltd.** (landlord) and **Barrel of Monkey Holdings Ltd.** (tenant) for a 5 year term, at an annual reserved rent of C\$71,097.60, with a demised area of 2,116 SF, which equates to C\$33.60 per SF.

Regatta Business Park

Regatta Business Park had five leases registered during 2012, the first between **Corporate Centre Ltd.** (landlord) and **Julius Baer Cayman Ltd.** (tenant) for a 1 year term, with an annual reserved rent of C\$101,116.97, which equates to C\$36.72 per SF, based upon a demised area of 2,754 SF.

The second lease being between, **Corporate Centre Ltd.** (landlord) and **Caixa Geral De Depositos, S.A.** (tenant) for a 3 year term,

with an annual reserved rent of C\$48,446.30, with a demised area of 1,301.90 SF, which equates to C\$37.21 per SF.

The third lease being between, **Corporate Centre Ltd.** (landlord) and **Endeavour Financial Corporation** (tenant) for a 5 year term, with an annual reserved rent of C\$71,523.38, which equates to C\$33.02, based upon a demised area of 2,166.10 SF.

The fourth lease being between, **Corporate Centre Ltd.** (landlord) and **Axiss International Management Ltd.** (tenant) for a 1 year term, with an annual reserved rent of C\$16,806.46, with a demised area of 457 SF, which equates to C\$36.78 per SF.

The final registered lease was between **Corporate Centre Ltd.** (landlord) and **Crusader International Management (Cayman) Ltd.** (tenant) for a 5 year term, at an annual reserved rent of C\$323,070.89, with a demised area of 8,309.40 SF, which equates to C\$38.50 per SF.

Camana Bay

Finally, Camana Bay had eleven leases registered during 2012, the first between **Cayman Shores Development Ltd.** (landlord) and **Celebrations Group Ltd.** (tenant) for 5 year term, with an annual reserved rent of C\$28,938.00, which equates to C\$27.30 per SF, based upon a demised area of 1,060 SF.





The second lease being between, **Cayman Shores Development Ltd.** (landlord) and **Visionwear Cayman Ltd.** (tenant) for a 5 year term, with an annual reserved rent of C\$35,344.58, with a demised area of 1,314 SF, which equates to C\$26.90 per SF.

The third registered lease was between **Cayman Shores Development Ltd.** (landlord) and **BNY Fund Management (Cayman) Limited.** (tenant) for a 5 year term, at an annual reserved rent of C\$107,275.67, with a demised area of 2,559.15 SF, which equates to C\$41.92 per SF.

The fourth lease being between, **Cayman Shores Development Ltd.** (landlord) and **Zolfo Cooper (Cayman) Limited.** (tenant) for a 5 year term, with an annual reserved rent of C\$121,394.04, with a demised area of 3,065 SF, which equates to C\$39.61 per SF.

The fifth registered lease was between **Cayman Shores Development Ltd.** (landlord)

and **Market Street Group Limited.** (tenant) for a 10 year term, at an annual reserved rent of C\$144,814.95, with a demised area of 4,597.30 SF, which equates to C\$31.50 per SF.

The sixth registered lease was between **Cayman Shores Development Ltd.** (landlord) and **Goldman Sachs (Cayman) Trust Limited.** (tenant) for a 5 year term, at an annual reserved rent of C\$462,391.04, with a demised area of 11,520.30 SF, which equates to C\$40.14 per SF.

The seventh registered lease was between **Cayman Shores Development Ltd.** (landlord) and **AON Insurance Managers (Cayman) Ltd.** (tenant) for a 5 year term, at an annual reserved rent of C\$566,757.68, with a demised area of 11,425.50 SF, which equates to C\$49.61 per SF.

The eighth registered lease was between **Cayman Shores Development Ltd.** (landlord) and **Cayman Apparel Ltd.** (tenant) for a 5 year term, at an annual reserved rent of C\$41,820.87, with

a demised area of 1,531.90 SF, which equates to C\$27.30 per SF.

The ninth registered lease was between **Cayman Shores Development Ltd.** (landlord) and **Michael Kim et al.** (tenant) for a 5 year term, at an annual reserved rent of C\$152,296.08, with a demised area of 3,348 SF, which equates to C\$45.49 per SF.

The tenth registered lease was between **Cayman Shores Development Ltd.** (landlord) and **EFG Wealth Management (Cayman) Ltd.** (tenant) for a 5 year term, at an annual reserved rent of C\$247,838.94, with a demised area of 5,717.60 SF, which equates to C\$43.35 per SF.

The final registered lease was between **Cayman Shores Development Ltd.** (landlord) and **Globeop Financial Service (Cayman) Ltd.** (tenant) for a 5 year term, at an annual reserved rent of C\$130,139.86, with a demised area of 3,008 SF, which equates to C\$43.26 per SF.

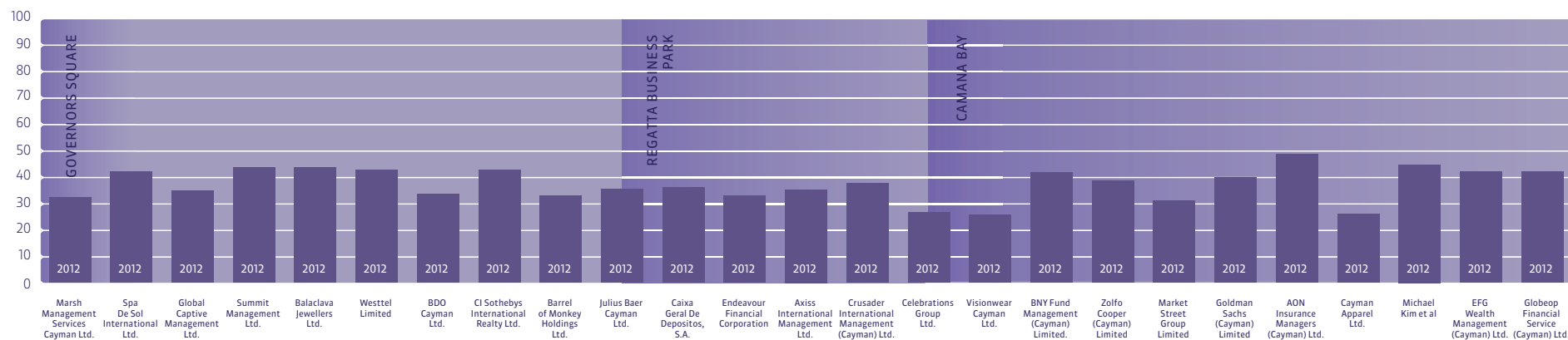


Fig. 47 Seven Mile Beach - Commercial/Retail
(Rent Cost CIS per SF)



Construction Market

Charterland’s Construction Market Review has been prepared based upon an in-depth review of all approved Planning Applications and approved Building Permits during the calendar years 2011 and 2012. In order to establish a true picture of the actual construction sector we have ignored planning applications for sub-divisions, applications of no value and modifications to existing approvals.

As it is by far the largest of the three islands our review is also focused solely on the Construction Market on Grand Cayman.

Kevin Drysdale
Charterland Ltd.

2012 Construction Review

Given that the Cayman Island’s economy grew by just 1.2% in the first half of 2012 compared to 1.3% growth recorded a year earlier, it should be not be a surprise to learn that when compared with 2011 the total value of the construction workload on Grand Cayman fell by 26% in 2012.

This contraction is in line with The Cayman Islands’ Third Quarter Economic Report 2012, published by The Cayman Islands’ Government’s Economics and Statistics Office.

A detailed analysis of the industry reveals some variation at both the sector and regional levels. Indeed, (Fig. 48) workloads in the Tourism and ‘Other’ (i.e. projects that cannot be allocated to any particular sector) sectors are reported to have increased, while Leisure workloads are reported to have stabilised. Falls are reported to have taken place in the remaining sectors, particularly in the Civil Engineering (down 31%), Government (down 73%), Industrial (down 55%) and Institutional (down 46%) sectors.





Of particular concern are the falls in Cayman’s two largest sectors, Residential (down 17%) and Commercial (down 59%) sectors. Combined these two sectors account for approximately 80% of all workload and the combined value of these two falls equates to a reduction of approximately C\$41.6 million in the total value of construction work being undertaken in 2012.

A closer examination of the Residential sector (Fig. 49) reveals that the greatest falls lie in the construction of new single family dwellings (down C\$7.7 million), ‘other’ residential projects (down C\$7.6 million), duplexes (down C\$3.7 million) and apartments (down C\$3.2 million).

A closer examination of the Commercial sector (Fig. 50) reveals that the greatest falls lie in the construction of commercial buildings (down C\$9.7 million), mixed use buildings (down C\$4.4 million) commercial gymnasiums (down C\$1.3 million) garage buildings (down C\$1.2 million) and banks (down C\$1.1 million).

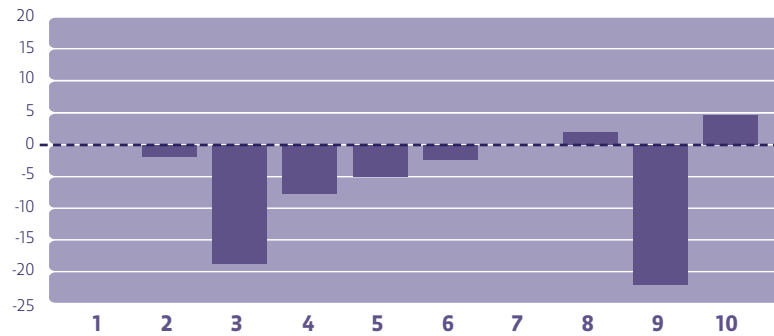


Fig. 48 Difference in Construction Value by Sector - 2011-2012
(Change in Workload CIS Millions)

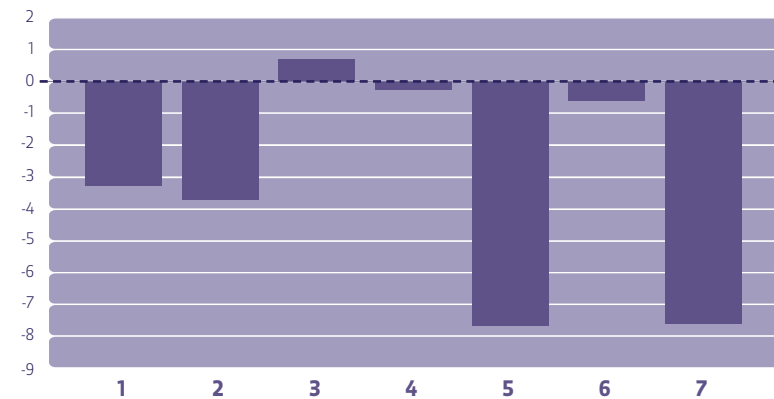


Fig. 49 Difference in Value of Residential Construction - 2011-2012
(Change in Workload CIS Millions)



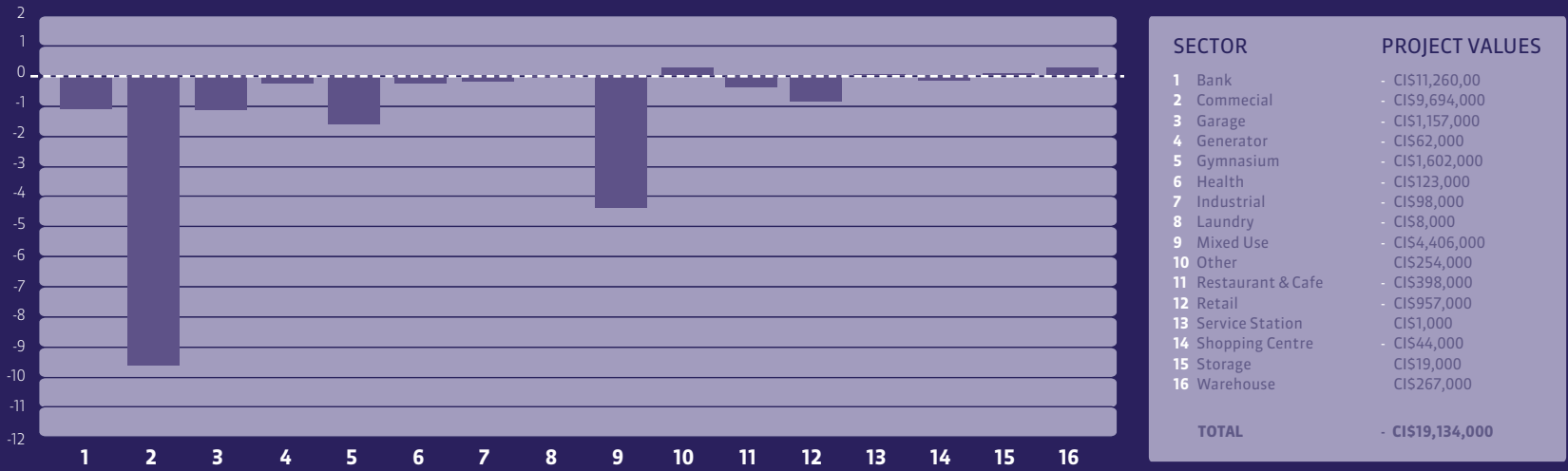


Fig. 50 Difference in Value of Commercial Construction - 2011-2012
(Change in Workload CIS Millions)

At the regional level, whilst workloads are reported to have decreased George Town (down 56%), Bodden Town (down 22%), North Side (down 60%) and East End (down 26%), trends which are in line with the national picture, West Bay has seen a 22% increase in construction workload. As a result (Fig. 51), West Bay's proportion of the overall workload in 2012 was up from 16% to 31%, which was mainly at the expense of George Town's workload which was down from 51% to 35%.

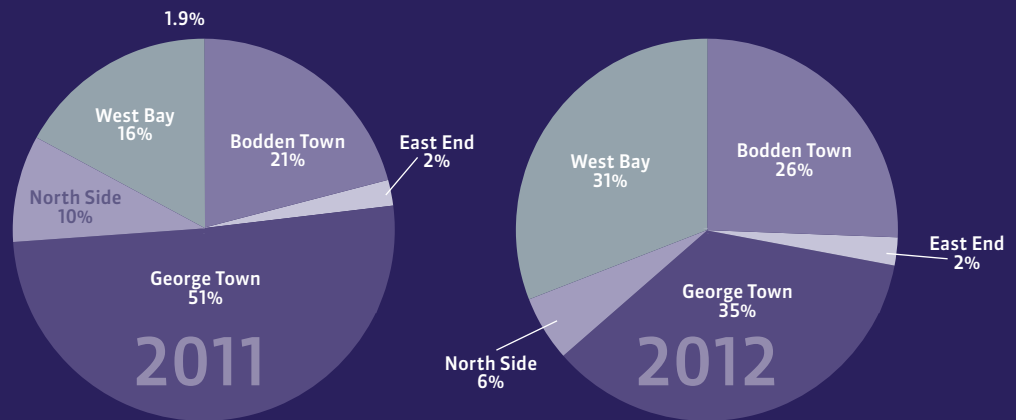


Fig. 51 Percentage Value of Construction by District - 2011-2012



A Challenging Year Ahead

As part of our review we introduced a survey of contractors and construction professionals to gauge the industry's expectations for the year ahead.

According to our survey results, the top four limiting factors affecting the growth of the construction industry are; insufficient demand (67% of respondents), financial constraints (67% of respondents), planning/regulation (67% of respondents) and political uncertainty (67% of respondents).

In terms of the outlook for 12 months ahead, fuelled by an expected increase in US investment in the Cayman Islands, the survey recorded a quiet confidence, with a third of all respondents expecting their employment levels to increase and none of the respondents expecting to shed further jobs. That said the overwhelming majority of respondents do not expect their profit margins to improve for at least a further 12 months.

As for sector workload the expectations of the respondents were that over the course of the next 12 months workloads will rise in the Residential, Commercial (excluding Retail), Tourism and Civil Engineering sectors. The Retail, Institutional, Food Retail and Banking sectors are expected to remain static, or maybe even fall.

As for building costs the respondents expect costs to rise by 5% during 2013 and 5.7% during 2014. Typical building costs per square foot (excluding external works and fees) for the following building types are anticipated as set out below:

Typical Building costs as per survey results		
Family Dwelling		
2012 CIS\$120 - \$225 Per SF	2013 (estimated) CIS\$120 - \$245 Per SF	2014 (estimated) CIS\$120 - \$225 Per SF
Office Building		
2012 CIS\$180 - \$325 Per SF	2013 (estimated) CIS\$180 - \$340 Per SF	2014 (estimated) CIS\$200 - \$400 Per SF
Retail Building		
2012 CIS\$150 - \$150 Per SF	2013 (estimated) CIS\$150 - \$195 Per SF	2014 (estimated) CIS\$150 - \$200 Per SF

In terms of generating sustained growth for the construction industry the top four incentives are; easing financial constraints (67% of respondents), easing planning/regulation (67% of respondents), fairer/regulated completion (67% of respondents) and political certainty (67% of respondents). 33% of all respondents also called for improved material supplies.

Projects in Focus

There are four stand out projects that may have a positive effect upon construction workloads in the Cayman Islands; the Shetty Hospital (US\$2 billion), the redevelopment of the former Marriott Courtyard Hotel (US\$80 million), the redevelopment of the former Hyatt Hotel (US\$ not disclosed) and Cayman Enterprise City (US\$ not disclosed).



In terms of the outlook for 12 months ahead, fuelled by an expected increase in US investment in the Cayman Islands, the survey recorded a quiet confidence.





About Charterland

Charterland Ltd. (“Charterland”) is a Chartered Surveying practice providing a comprehensive range of professional property services with integrity and independence, and in a timely manner, focusing on our clients’ needs, with a view to building long-term relationships.

Based in the Cayman Islands, but providing services throughout the Caribbean, Charterland’s highly skilled, multi-disciplinary management team have over 50 years combined professional experience; having previously provided services to clients in Antigua & Barbuda, Aruba, The Bahamas, Barbados, the British Virgin Islands, the Cayman Islands, Costa Rica, Grenada, Jamaica, Panama, St. Kitts & Nevis, St. Lucia, Trinidad & Tobago and the Turks & Caicos Islands.

Charterland is also associated with the **Evolving Island group of companies**, who offer complementary professional property services.



Our Services

Valuations & Appraisals

Professional, impartial and independent real estate valuations all carried out to strict deadlines and with the emphasis on accuracy and professionalism. All valuation reports will be prepared by a Chartered Valuation Surveyor in accordance with internationally accepted standards of The Royal Institution of Chartered Surveyors and the International Valuation Standards.

With professional experience covering all types of property including commercial, residential, hotel & leisure, industrial, institutional and specialised across the Caribbean region, we can provide the client with all required valuations including Market Valuations, Mortgage Valuations, Insurance & Reinstatement Cost Assessments and Asset Valuations for Financial Reporting.





Property & Asset Management

Property management that reduces risk and improves the value of your asset. Our innovative and rigorous property management strategies backed up by our local knowledge and international qualifications will help our clients to reduce their operating and ownership costs and enhance property values. With experience in the management of the premier commercial and residential properties in the Cayman Islands we are well placed to become the provider of choice for property management services.

Agency & Leasing

With today's increasingly sophisticated real estate requirements, commercial real estate buyers and sellers have brokerage needs that require agents with professional qualifications in commercial property and who have an understanding of their needs and the skills sets to provide for them. Our full commercial agency service line with our team of property professionals will meet those needs whether involving the lease of office space or the sale of a whole portfolio.

Quantity Surveying & Cost Management

Commercial or residential, new build or fit-out, with our international qualifications and local experience we are able to advise on all aspects of the construction process, including construction estimates, pre and post contract services, interim certificates for payment and works in progress, project, contract and cost management and settlement of final accounts.

Stamp Duty & Compensation

Knowledge of the local Cayman Islands legislation on property finance; such as the payment of Stamp Duty and the claim of statutory compensation is an area of specialized knowledge in which we excel. With experience both within and acting against the Cayman Islands Government, our professional knowledge has resulted in the substantial reduction in the Stamp Duty being paid, and increase in the compensation being received, by our Clients.

Insurance Loss Adjusting

With in-depth experience of hurricane and fire damage insurance claims we are able to represent our clients in all types of disaster recovery. We can also provide risk surveys and analysis.





“Chartered Surveyors are required to act with independence, integrity and objectivity. The advice of a Chartered Valuation Surveyor should be relied upon whenever making any monetary related property decisions.”

Our People

Simon J Watson FRICS

Simon is a founding Partner of Charterland, a firm of Chartered Surveyors based in the Cayman Islands and providing professional, property consulting services throughout the Caribbean. Prior to starting Charterland, Simon was the Director of Deloitte & Touche responsible for their Property Consulting Division for the Caribbean and Bermuda. He has also previously worked with the Cayman Islands Valuation Office, advising the Government on valuation and other property related issues.

Simon has a broad background in property consulting but has specialised in preparing valuations and feasibility studies for major properties throughout the Caribbean region, including engagements in Antigua & Barbuda, Aruba, The Bahamas, Barbados, the British Virgin Islands, the Cayman Islands, Grenada, Jamaica, Panama, St. Kitts & Nevis, St. Lucia, Trinidad & Tobago and the Turks & Caicos Islands.

Considered to be one of the most qualified and experienced Chartered Valuation Surveyors based in the Caribbean, Simon is a founding Board Member of the regional chapter of The Royal Institution of Chartered Surveyors, RICS Caribbean, and is the first accredited RICS Assessor for the Valuation Faculty in the Caribbean. He currently serves on the Board of RICS Caribbean and was previously the Caribbean representative to the Board of RICS Americas.

Professional Designations

- Fellow of The Royal Institution of Chartered Surveyors (Valuation & Commercial Property Faculties)
- Member of The Cayman Society of Architects, Surveyors and Engineers
- Member of The Institute of Revenues Rating & Valuation

Professional Qualifications

- 1989 Bachelor of Science in Urban Estate Management
- 1991 Associate of the Incorporated Society of Valuers and Auctioneers
- 1992 Member of the Royal Institution of Chartered Surveyors (General Practice)
- 2004 Fellowship by Achievement of The Royal Institution of Chartered Surveyors



“Commercial and residential property are the biggest assets that you’ll own in your lifetime, therefore having qualified professionals managing those assets is essential.”

Stewart T Connelly MRICS

Prior to founding Charterland, Stewart was the Manager of the Commercial Property Department of Deloitte Property Consulting, where he worked previously. Stewart is a Chartered Surveyor (MRICS), whilst also being a member of The British Institute of Facilities Management (MBIFM) and a member of the International Facilities Management Association. Stewart has fifteen years experience in facilities, property/real estate management, valuations and commercial agency spread across Australasia, Europe and the Caribbean. Five of those years based in London and, since 2005, in the Cayman Islands specializing in facilities/property management, commercial agency, valuations and health and safety in the built environment. Stewart holds a BSc (Hons) in Estate Management, through the prestigious College of Estate Management, Reading University in the UK.

Stewart has managed a Cayman portfolio worth in excess of \$50million with annual budgets in excess of \$2.5million.

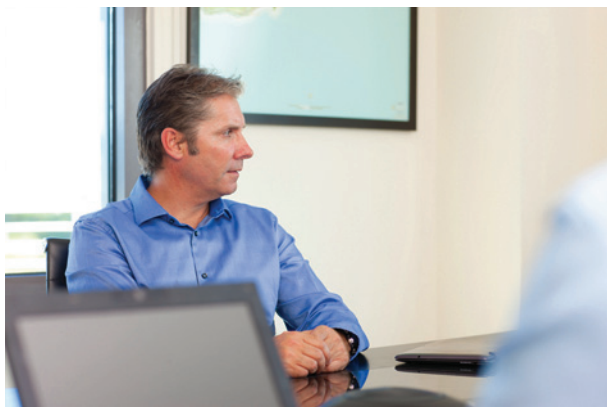
Professional Designations

- Member of The Royal Institution of Chartered Surveyors (MRICS)
- Member of The British Institute of Facilities Management (MBIFM)
- Member of The International Facility Management Association
- Member of The Cayman Society of Architects, Surveyors and Engineers

Professional Qualifications

- Bachelor of Science (Hons) Estate Management





“An outstanding Chartered Quantity Surveyor is one who will manage the costs /contract in a pro-active manner, so that the success criteria of any given client are more than matched and are exceeded.”

Kevin Drysdale MRICS

Prior to joining Charterland, Kevin ran his own business in the United Kingdom, but before that he was the Associate Director of BCQS (BVI) responsible for their Property, Construction and Project Management Consulting Division in the Eastern Caribbean region.

Kevin has a broad background in property and development consulting but has specialised in preparing feasibility studies and project managing major projects throughout the Eastern Caribbean region, including engagements in Anguilla, Antigua & Barbuda, the British Virgin Islands and the Cayman Islands. He has also advised clients on property related matters ranging from property valuations, property management, sales and lease consulting services.

Professional Qualifications

- 1984 Bachelor of Science (Honours) in Quantity Surveying
- 1987 Member of the Royal Institution of Chartered Surveyors (Quantity Surveying)
- 2012 Applied for Fellowship by Achievement of The Royal Institution of Chartered Surveyors





About the RICS

RICS is the world's leading qualification when it comes to professional standards in land, property and construction. Over 100,000 property professionals working in the major established and emerging economies of the world have already recognized the importance of securing RICS status by becoming members.

RICS is an independent professional body that is committed to setting and upholding the highest standards of excellence and integrity – providing impartial, authoritative advice on key issues affecting businesses and society.

The organization has a worldwide network throughout the regions of the Americas, Europe, Asia, India, Africa, Oceania and Middle East. RICS Americas covers North, Central and South America, and the Caribbean. More than 2,300 qualified members work in commercial and residential development, construction management, brokerage, planning and finance, and valuation. Staff support these members from New York, Toronto and Sao Paulo.



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Notes

- 1** All property transfer data was obtained from the Cayman Islands Government's Land Information System and Land Registry. All information provided is in the public realm and no confidentiality has been breached in its presentation in this format.
- 2** Aerial photography is by Licence Agreement with the Cayman Islands Government's Lands & Survey Department.
- 3** All stated consideration for property transfers is in Cayman Islands Dollars and is net of chattels, unless stated otherwise.
- 4** All US Dollar sale prices have been converted at 0.84 in accordance with the Cayman Islands Government's standard conversion rate for property transfers.
- 5** Average sale prices and rentals have been arrived at either by analysis of all, or a best sample of, similar property transfers within a specified development, sub-division or other.
- 6** The opinions stated in this report are based on information obtained from sources considered reliable and believed to be true and correct; however no guarantees are offered on the accuracy of the information provided.
- 7** Average sales prices should not be interpreted as the Market Values of any particular property and any person seeking the same should procure the services of a qualified Chartered Valuation Surveyor with professional experience of the Cayman Islands property market.
- 8** Average rental rates should not be interpreted as the Market Rent of any particular property and any person seeking the same should procure the services of a qualified Chartered Valuation Surveyor with professional experience of the Cayman Islands property market.
- 9** This report has been prepared for general information purposes only and the whole, or any part of this report, or any reference hereto, should not be included in any published document, circular or statement, or published in any way, without the author's prior written approval.
- 10** Neither the authors, nor Charterland Ltd., accept any responsibility for persons or companies relying on information provided in this report for any reason whatsoever. Property, by its very nature, is often heterogeneous and can therefore provide anomalous results when subjected to mass analysis. It is therefore always advisable when considering a specific property in particular, to directly engage the services of an experienced Chartered Surveyor prior to making any monetary decisions.
- 11** This report has been prepared in accordance with the Royal Institution of Chartered Surveyors strict code of professional conduct and the author's declare that they have acted independently and objectively in their analysis.



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- the members of the Cayman Society of Architects, Surveyors and Engineers
- the members of the Cayman Contractors Association
- the Cayman Islands Government Planning Department





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