

Charterland Ltd.
Chartered Surveyors
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Cayman Property Review 2013

An Independent Review by Charterland





Contents

- 03 Introduction
- 05 Overview
- 13 Condominiums
- 19 Houses
- 23 Land
- 27 Commercial Market
- 34 Construction Market
- 40 About Charterland
- 46 About the RICS
- 47 Notes
- 48 Acknowledgements
- 51 Contacts





Introduction

The most significant event in the Cayman Islands during 2013 was the election which was held in May and resulted in a change of government and a new Premier. 2013 also saw the arrival of a new Governor in September. Against this background of a year of political change, Charterland has undertaken its sixth annual independent review of the Cayman Islands property market in order to measure any changes in the local real estate and construction markets.

As in previous editions, the Cayman Property Review is based upon data collection and analysis 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. Data is obtained by the review of every individual property transfer and lease, registered with the Cayman Islands Government's Land Registry, for the calendar year of 2013. Information on construction in the Cayman Islands is also obtained from the Cayman Islands Planning Department and an independent survey of contractors, architects and other property professionals.

The Cayman Property Review is intended to provide anyone interested in the Cayman Islands property market with the best in independent, objective analysis of the real estate market on Grand Cayman, and the Sister Islands of Cayman Brac and Little Cayman. However, as in previous

editions, we stress that the report is for general information purposes only and anyone with an interest in any specific property would be advised to seek the services of a Chartered Surveyor before making any monetary decisions related to that property.

In addition to the publication of the annual Cayman Property Review, now considered to be the definitive independent review of the Cayman Islands real estate market, Charterland is also pleased to announce the launch of the Cayman Construction Cost Index. Available by subscription, this index benchmarks variations in construction costs in the Cayman Islands, on a quarterly basis, and is a vital tool for anyone wanting to keep abreast of local building costs.

As always, we hope that the reader will find the information set out in our report, and provided by the Cayman Construction Cost Index, to be informative and useful in providing a clear picture of the real estate and construction markets in the Cayman Islands for 2013 and we look forward to continuing to provide you with information that you can trust.

Simon J Watson
Partner
Charterland Ltd.



The Cayman Property Review is intended to provide anyone with an interest in the Cayman Islands property market with the best in independent, objective analysis of the real estate market.





Overview

Continuing the tradition of independent, impartial reporting on the Cayman Islands property market established by previous editions of the Cayman Property Review, our 2013 report has been based on a detailed review of every property transfer registered with the Cayman Islands Government’s Land Registry during the calendar year of 2013. As per previous reports, 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 nil consideration, transfers for Natural Love and Affection and transfers where there was no change in beneficial ownership.

Based on our detailed analysis, the total number of open market transfers registered with the Cayman Islands Government’s Land Registry for 2013 was 1,074. This figure is approx. 6% down on the total number for 2012 of 1,141. This number is, however, still slightly higher than the market low in 2010 of 1,015 transactions for market value in the calendar year (Fig 1).

What is significant for 2013, though, is that the decrease in the number of transfers, when compared to 2012, is not reflected in the total value of the sales. Indeed, the total value of the transactions in 2013 actually increased by approx. 7% over the total value of sales for 2012. A total value of CI\$392.83 million in 2013 compared with total sales of CI\$367.75 million being registered in 2012 (Fig 2).

Regular readers of the Cayman Property Review will recognise that the high value of the total sales in 2011 is a result of the significant acquisitions made by the ‘Dart Group’ in 2011, which represented 28% of the total value of all the property transfers for that year. Thus, if we ignore these specific acquisitions by Dart on the basis that they created a distortion to the market, we see that the total value of transfers per year has been increasing steadily since the low point in the market of 2010 (Fig. 3).

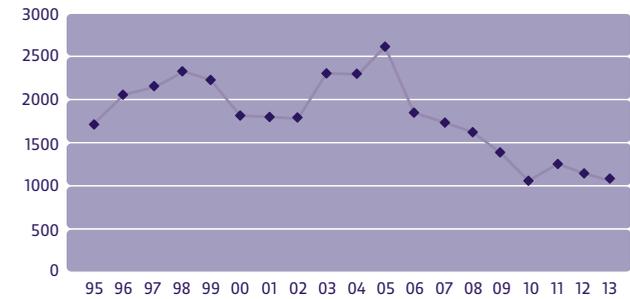


Fig. 1 Total Number of Property Transfers

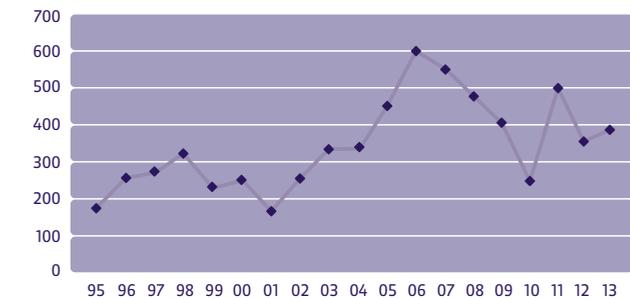


Fig. 2 Total Value of Property Transfers (CIS Millions)

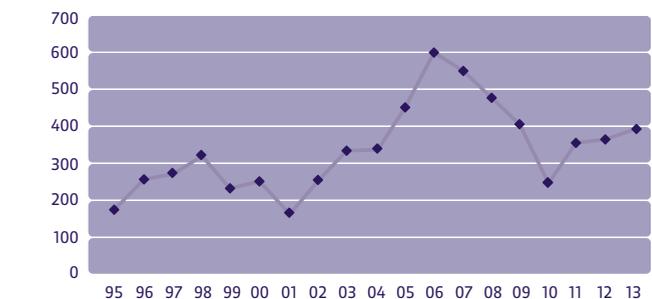


Fig. 3 Total Value of Property Transfers (CIS Millions) (Excluding 2011 Dart Acquisitions)





The increase in the total value of sales in 2013, despite the slight drop in the actual number of transfers for the same period, has resulted in a positive impact on the average value of the transfers, with the average value for 2013 of C\$365,800 being a significant 13.5% increase over the average value of 2012 of C\$321,700 (Fig 4). This does not, of course, mean that the market value for all properties in the Cayman Islands have increased by this figure during 2013, but it is certainly a positive market indicator, notwithstanding the low number of actual transfers.

Similar to the total value of the transfers, it is clear to see from the graph the distortion in the market created by the 2011 Dart acquisitions; however, by again excluding these sales from the data set, a general uplift in the market since 2010 is evident (Fig 5). Indeed, the average value of the total sales in 2013 has now exceeded the high point in 2006, although this observation should be tempered by the fact that the total number of open market sales in 2013 of 1,074 is still 43% lower than the total number of sales during 2006, suggesting that any recovery in the market is still a fragile one due to the limited number of actual transactions when compared with the height of the market.

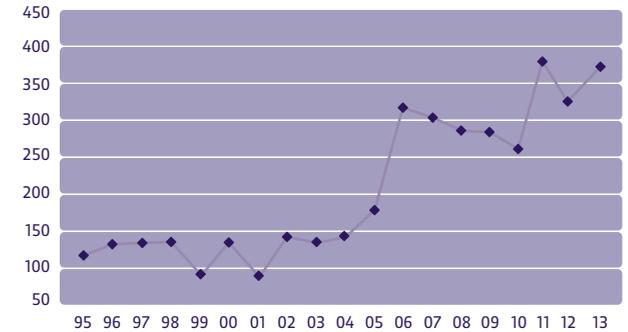


Fig. 4 Average Value of Property Transfers (CIS 000s)

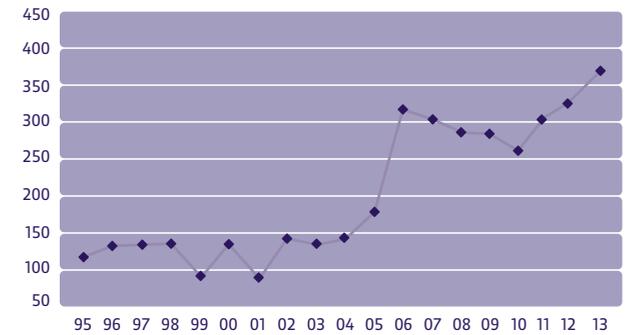


Fig. 5 Average Value of Property Transfers (CIS 000s) (Excluding 2011 Dart Acquisitions)





Fig. 6 Range of Sale Prices

Notwithstanding the increase in the value of the transfers over 2012, the composition of the market remained very similar to 2012 with only 5 sales exceeding C\$5 million, of which only 2 exceeded C\$10 million, compared with 4 sales exceeding C\$5 million in 2012 with 2 of these exceeding C\$10 million. The main difference between the two years is shown in the lower end of the market with an increase from 18.7% to 22.8% in the number of transfers in the C\$250K to C\$499K sector of the market, against a corresponding decrease from 67.8% to 61.1% in the under C\$299K sector. This could again suggest a general upward trend in values (Fig 6).

The highest value sale in 2013 was a Transfer by Chargee of a portfolio of condominiums and other properties at the Ritz-Carlton for the total consideration of C\$48,300,000 (US\$57,500,000). The largest value single sale in 2013 was, however, the sale of a 7.45 acre commercial development site located on the corner of Lawrence Boulevard and West Bay Road which was acquired by one of the Dart Group of companies for C\$10,080,000 (US\$12,000,000). The sale equates to C\$31.06 (US\$36.97) per SF. Other high value sales in 2013 included two commercial buildings; Anderson Square, located on a 0.9333 acre site in central George Town,

which sold for C\$7,140,000 (US\$8,500,000) and Atlantic Star House on Lawrence Boulevard which sold for C\$7,056,000 (US\$8,400,000). These sales are discussed later in the Commercial section of our report.

The highest single residential sale in 2013 was the transfer of the 'Riviera Acres' beachfront property located directly on Seven Mile Beach. This property sold for a stated consideration of C\$4,620,000 (US\$5,500,000).

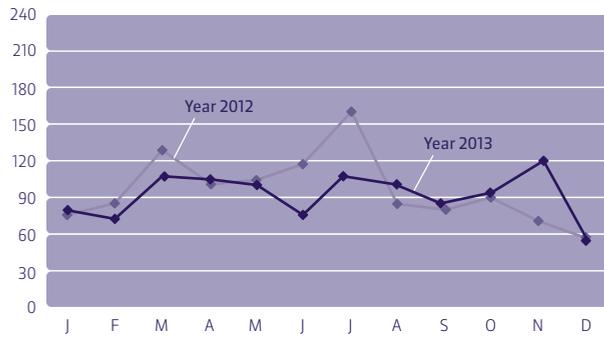


Fig. 7 Total Number of Property Transfers 2013

Being an election year, one might expect to see the pattern of transfers through 2013 to be distorted when compared to other, non-election years. However, when compared against the pattern of transfers for 2012 both years show

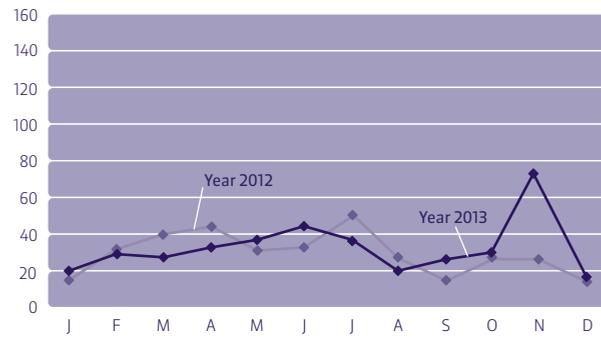


Fig. 8 Total Value of Property Transfers 2013 (CIS Millions)

surprisingly similar trends in terms of the number of transfers (Fig 7) and the value and total value (Fig 8) and average value per sale (Fig 9). The most significant differences being with respect to the increase in the total value,

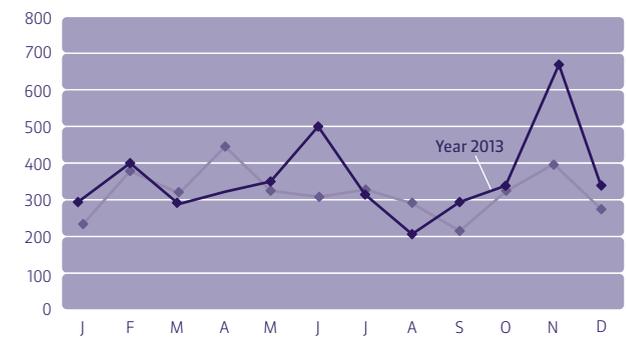


Fig. 9 Average Value of Property Transfers 2013 (CIS 000s)

and average value, of the transfers in November 2013, which can be attributed to the registration of the transfer of the portfolio of properties at the Ritz-Carlton, mentioned above.





Domicile of Purchasers

An area of the Cayman Property Review that has provoked significant interest in recent years is the analysis of the domicile of the registered owners acquiring property in the Cayman Islands. This information is obtained by examining every single 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, we are also able to identify any changes in the trends for ownership.

Based on our research, we have established that, overall, the proportion of purchasers in 2013 with Cayman Islands addresses was very similar to 2012, with 89.53% compared with 90.48%, respectively. Of the remainder, 5.61% were registered in the United States of America, very slightly down from 6.35% in 2012, with the

portion of the sales to persons from elsewhere in the world being very slightly up overall; 1.5% compared with 0.93% in 2012 being from Canada; 1.59% compared with 1.03% from the United Kingdom, and therefore no real change overall (**Fig 10**). With regard to the purchasers in the 'Other' category, we note that three of these had registered addresses in China and another three had addresses registered in Israel.

With regard to sales specifically along the Seven Mile Beach corridor, the percentage of purchasers with Cayman Islands registered addresses decreased in 2013, from 83.02% in 2012 to 77.38% in 2013. This change is generally attributable to an increase in purchasers with registered addresses in the USA from 12.26% to 14.48%, and also increases in purchasers from Canada from 2.83% to 4.07% and from the United Kingdom from 1.89% to 2.26% (**Fig 11**).

On Little Cayman, the percentage of purchasers from overseas also generally remained stable, with those purchasers with Cayman Islands addresses representing 66.67% of the market,

compared with 65.45 % in 2012. However, there was a notable increase in purchasers from the United Kingdom, up from 12.73% in 2012 to 25% in 2013 (**Fig 12**). An examination of the properties acquired by the purchasers from the United Kingdom suggests that this increase is largely due to the sales activity by Crown Acquisitions Worldwide Ltd. and associated companies which have 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.

The percentage of sales to purchasers on Cayman Brac with Cayman Islands addresses increased in 2013 to 73.91%, up from 66.28% in 2012. This increase is generally accounted for by a decrease in the number of purchasers from the USA, down from 19.77% in 2012 to 14.49% in 2013. A similar large decrease was also shown by purchasers from the United Kingdom which saw a drop from 8.14% in 2012 to 2.9% in 2013 (**Fig 13**).





Fig. 10 Domicile of Purchasers (Overall)

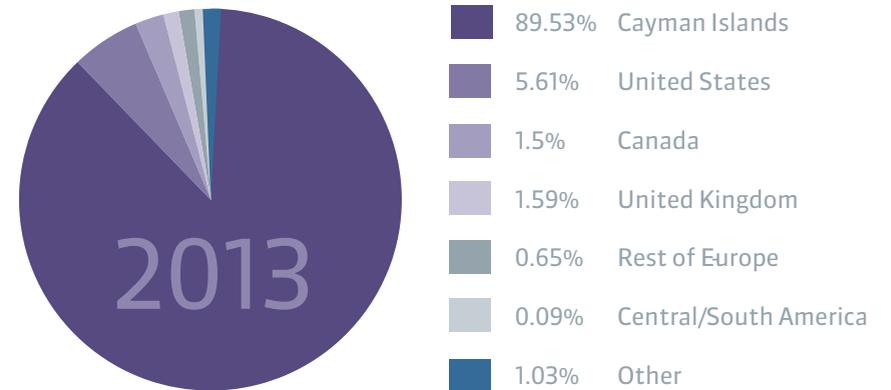
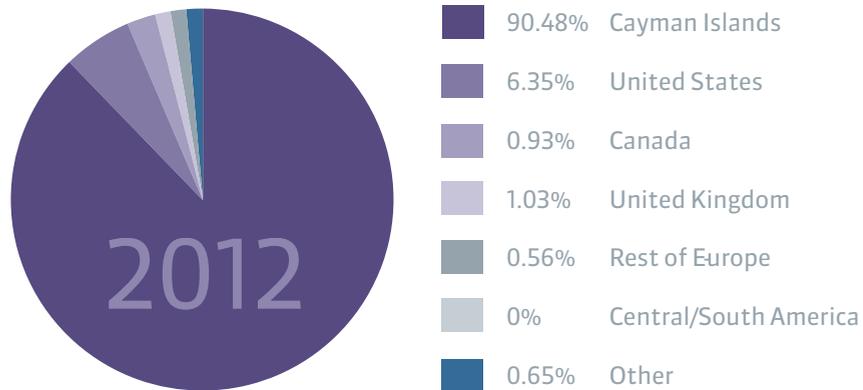


Fig. 11 Domicile of Purchasers (Seven Mile Beach Only)

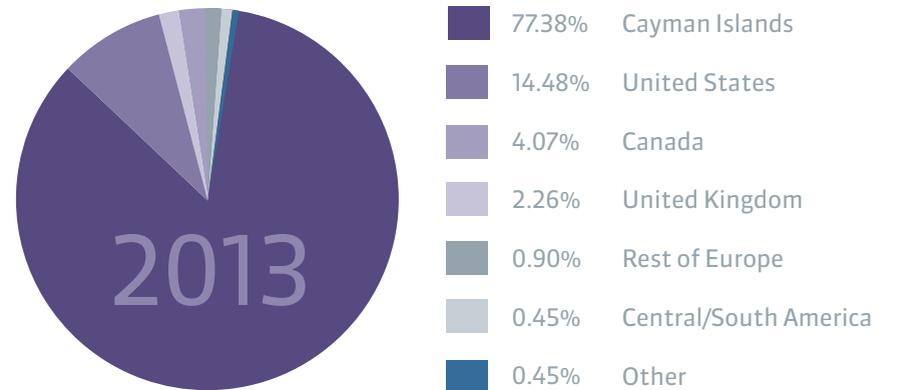
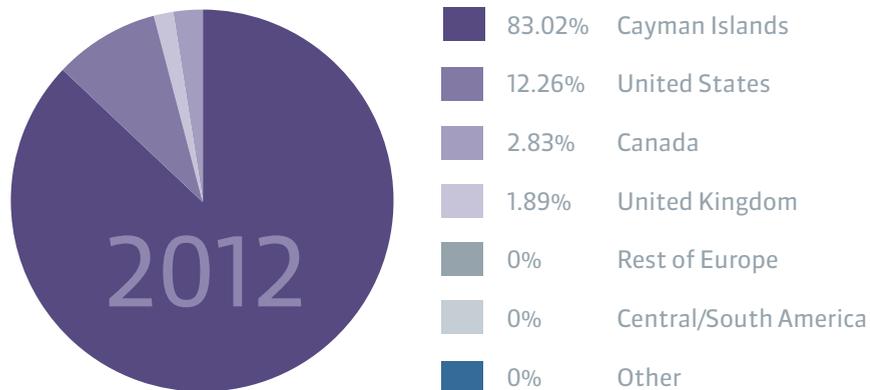




Fig. 12 Domicile of Purchasers (Little Cayman)

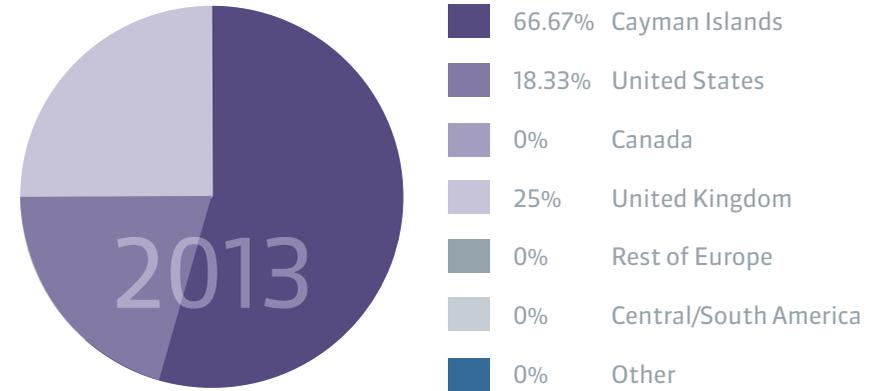
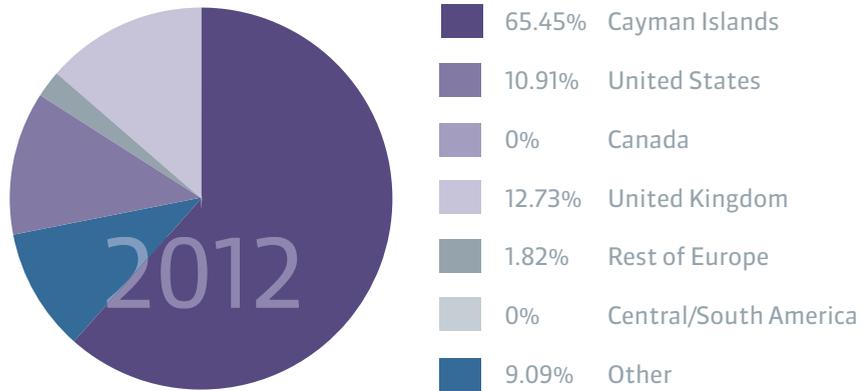
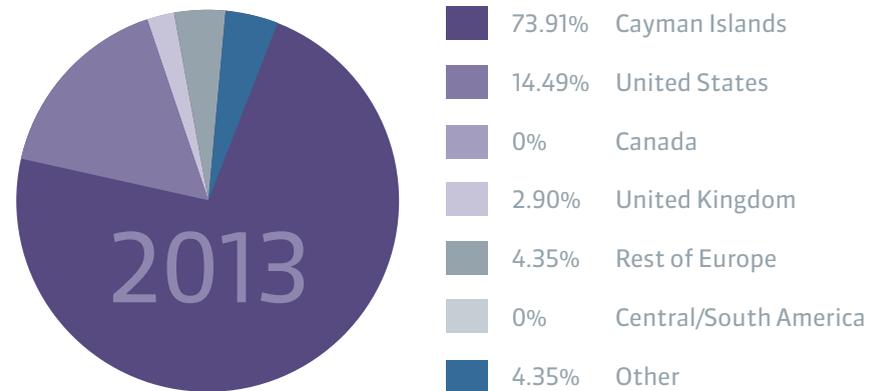
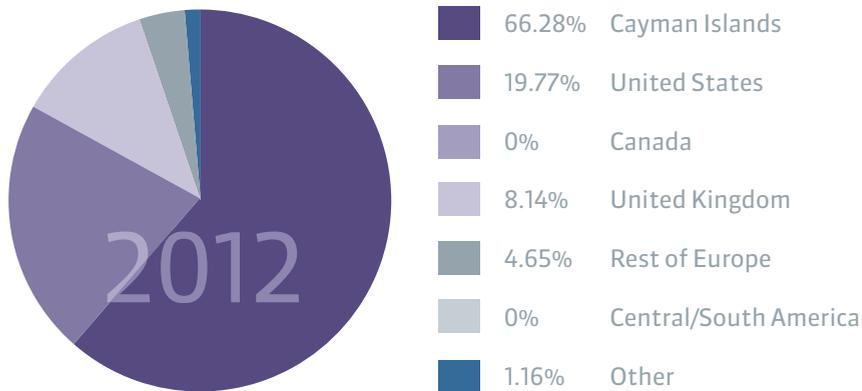


Fig. 13 Domicile of Purchasers (Cayman Brac)



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Our analysis of the Seven Mile Beach condominium market reveals that there were 81 sales of individual condominium properties in 2013, an increase of 30% compared with the 62 sales of beachfront condominiums registered in 2012.



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Condominiums

As per previous editions of the Cayman Property Review, we have split our analysis of the condominium market in the Cayman Islands into two main sections; the first group comprising those condominiums located along 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 extensive relevant, professional experience in the Cayman Islands property market.

Seven Mile Beach

Our analysis of the Seven Mile Beach condominium market reveals that there were 81 sales of individual condominium properties in 2013, an increase of 30% compared with the 62 sales of beachfront condominiums registered in 2012. However, the total value of these sales in 2013 of C\$66.1 million, compared with C\$58.5 million in 2012 suggests that much of the activity was at the lower end of the market for beachfront condominiums, with 69% of the sales being for condominiums which transferred for less than C\$1 million.

Against this background of a significant increase in the total number of sales, compared with only a small increase in total value of the condominiums being transferred, we have undertaken a detailed analysis of specific condominium developments where there have been sufficient sales of similar units over recent years, in order to establish a trend in values for these properties.





The Pinnacle

There were 3 sales of condominiums registered in this development of 42 mainly 2,120 SF, three bedroom units, in 2013, with an average sale price of CI\$1,614,285 (US\$1,921,767), an increase of 4.7% over the saw the average sale price for 2012. This supports the trend that we have seen in the general figures for 2013 of a continued recovery in the market since the low point of 2010 (Fig 15).



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



Fig. 16



The Meridian

Although we were unable to undertake a reliable analysis of sales in this development in last year's Cayman Property Review, due to the single sale of a penthouse property, in 2013 there were two sales of 'standard' units. We have therefore reinstated our analysis of this development for our 2013 review, as a further example of the higher end condominiums along Seven Mile Beach. With an average sale price of the two sales in 2013 of CI\$1,327,692 (US\$1,580,585) this represents a slight 2% increase over the average sale price for similar units in 2011 (Fig 17).



Fig. 17 The Meridian
(Average Sale Price Net CIS Millions)



Fig. 18





Fig.20

The Regal Beach Club

With seven sales of condominiums in 2013, Regal Beach continued to show steady sales from year to year. However, the average sale price for 2013 was only C\$324,938 (US\$386,831), down 20% from the average of C\$409,000 (US\$486,905) for 2012, with half of the registered sale prices being for less than C\$300,000. This decrease in average value may simply be due to the majority of the sales in 2013 being for unimproved units in inferior locations within the development when compared with the sales in 2012, or it may be, as we have suggested in previous editions of the Cayman Property Review, that the older developments along Seven Mile Beach are not maintaining their values in the slow market currently being experienced in the Cayman Islands (Fig.19).

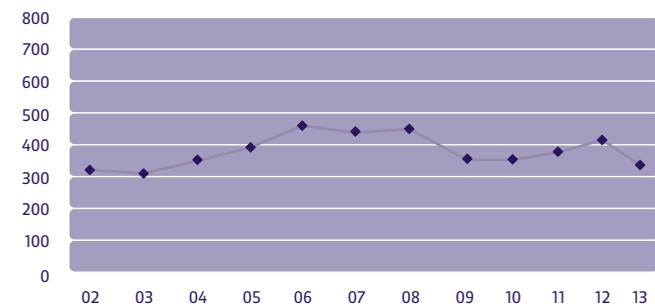


Fig. 19 Regal Beach Club

(Average Sale Price Net CIS 000s - 2 Bed Units)



Fig. 21

George Town Villas

Although there were no transfers for market value registered at George Town Villas in 2012, there were two sales in 2013 equating to an average value of C\$335,374 (US\$399,254). This represents a 4% decrease when compared with the average value of the sales in 2011 (Fig. 22). As per our comments with regard to the decrease in average values at Regal Beach, this could simply be a result of the sales in 2013 being of inferior units to the sales in 2011, or it could support our suggestion that the older Seven Mile Beach units are not maintaining their values in the current market.

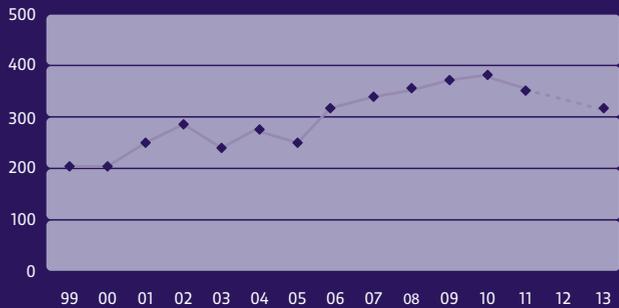


Fig. 22 George Town Villas
(Average Sale Price Net C\$ 000s)



George Town

In addition to the sales of condominiums along Seven Mile Beach, we have also undertaken an analysis of 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. In order to ascertain whether this trend continued through 2013 we have examined sales in the following developments.

Garden, Coco, Mystic and Sunset Retreat.

There were five sales of two bedroom units registered during 2013 in this phased development of over 185 one, two, three and four bedroom units, a similar number to 2012. In addition to being similar in the number of sales, the average value of these sales in 2013 of C\$181,189 is also very similar to C\$180,895 in 2012 and indeed the average value of C\$181,552 in 2011, supporting our supposition in the previous edition of the Cayman Property Review that values for these units have bottomed out (**Fig 24**).



Fig. 23

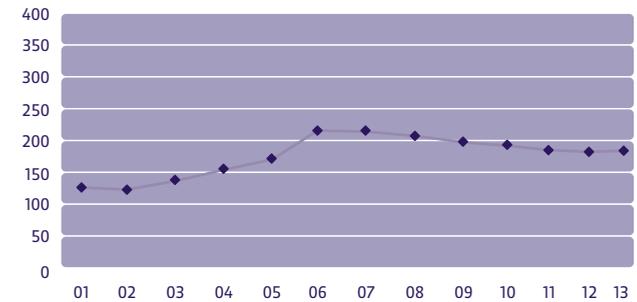


Fig. 24 Garden, Coco, Mystic & Sunset Retreat: 2-Beds
(Average Sale Price Net C\$ 000s)



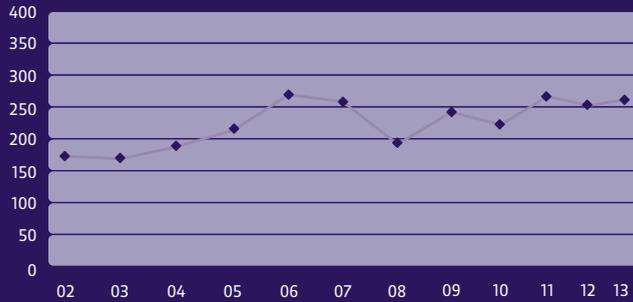


Fig. 25 L'Ambience: 2-Beds
(Average Sale Price Net CIS 000s)



Fig.26

L'Ambience

Similar to the values at Garden, Coco, Mystic and Sunset Retreat, the single sale of a two bedroom unit at L'Ambience also suggests that values in this development are stabilizing in 2013, with a 1% change in the average value of condominium sales over 2012 (Fig. 25).

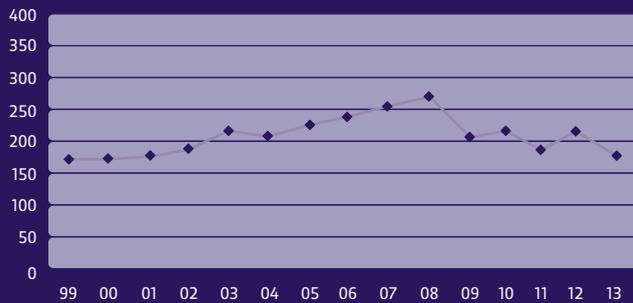


Fig. 27 Southern Skies
(Average Sale Price Net CIS 000s)



Fig.28

Southern Skies

There were two sales in this South Sound located development of 29 mainly two bedroom units during 2013. Of these sales, however, one was a Transfer by Chargee which sold for significantly less than Market Value and was subsequently reassessed by the Cayman Islands Valuation Office for the purposes of Stamp Duty assessment. Even ignoring this sale, though, the average sale price for units in this development in 2013 is over 18% down on the average for 2012, and 6% down on 2011 (Fig. 27).





Houses

As we have stated in recent editions of the Cayman Property Review, 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, rather than from large estates of similar housing that you may find in other markets. This situation is exacerbated in slow markets, such as that still being experienced in the Cayman Islands in 2013, where the numbers of sales registered continue to be significantly lower 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 there were no sales in this mature, residential area, located on the Seven Mile Beach peninsula, during 2012, there were four sales registered in 2013, the highest number since 2007. The average sale price per square foot for these sales equates to C\$222 per SF, 4% down on the average for 2011, although the average for 2013 was negatively impacted by one of the sales being a house in need of refurbishment. Notwithstanding this, the average sale price is still the second highest ever recorded in this popular neighbourhood (Fig. 29).

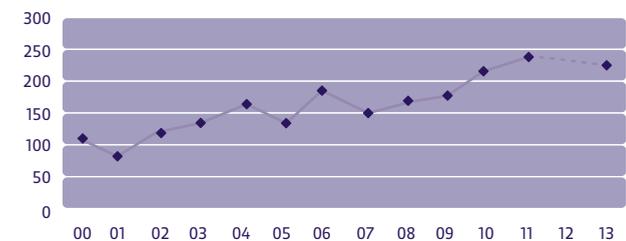


Fig. 29 Snug Harbour
(Average Sale Price CIS per SF)



Fig. 30





West Bay

Following on from our introduction of the analysis of this residential sub-division in West Bay in the Cayman Property Review 2012, we note that there were two sales of houses registered in 2013, with an average value of C\$153 per SF. This represents a slight 2% increase over the average sales price for 2012 of C\$150 per SF (**Fig. 31**).



Fig. 32

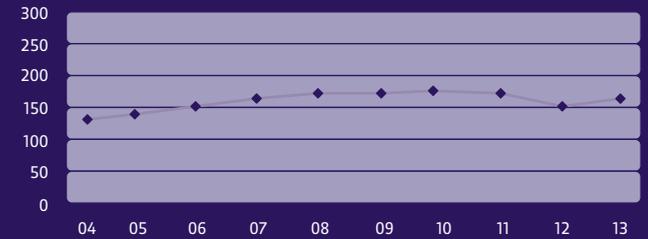


Fig. 31 West Bay: House Sales
(Average Sales Price C\$ per SF)





Savannah

Similar to the Snug Harbour area, we were unable to include the Savannah residential area in our 2012 report due to the lack of suitable sales for analysis during that year. There were, however, three sales within our dataset registered during 2013. The average sale price for these three sales equated to CIS115 per SF, significantly down by 36% on the average sale price for (Fig. 33). The reader is reminded, however, that with such a small dataset the average sale price for any one year can be distorted by the single sale of either a very superior property, or conversely one in poor condition and the trends set out in this report are provided for general information purposes only. Anyone requiring a valuation of a specific property is advised to seek the services of a Chartered Valuation Surveyor who will be able to provide a valuation report based on a detailed inspection of the property and which will be prepared to the strict guidelines of the RICS Valuation – Professional Standards 2014 (Global).

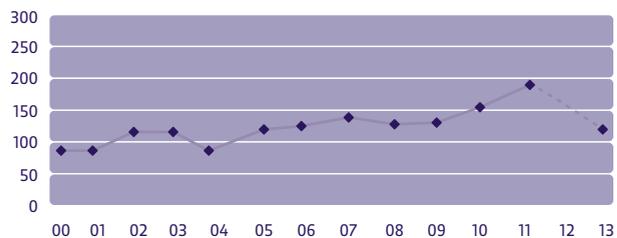


Fig. 33 Savannah: House Sales
(Average Sales Price CIS per SF)

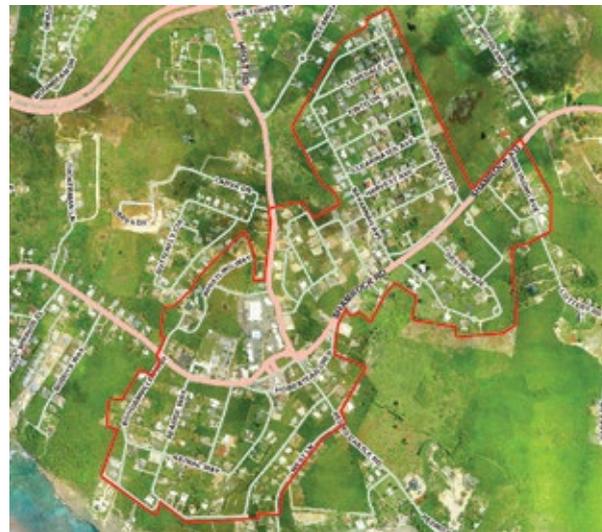


Fig. 34



Fig. 35

Newlands

Included for the first time in last year's Cayman Property Review, there were three sales of houses in the Brightside Street area of Newlands, a similar number to 2012. The average sales prices for these three properties was, however, some 17% higher than the average sales price for 2012 (Fig. 36). Again this increase could be attributable to the improved nature of some of the houses in 2013 when compared with the sales in 2012, but it is certainly a positive indicator of an upward trend after several years of stable values.

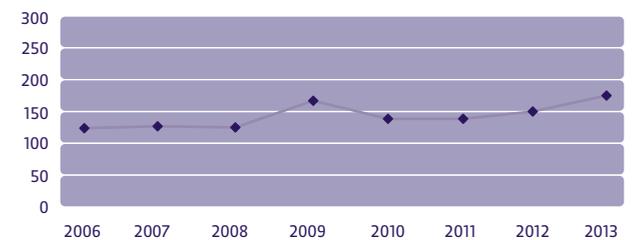


Fig. 36 Newlands: House Sales
(Average Sales Price CIS per SF)





The number of land sales at Crystal Harbour increased dramatically in 2013 with eighteen sales of canal front lots being registered in 2013, compared with ten sales in 2012.





Land

In order to maintain a consistency of our analysis with previous editions of the Cayman Property Review, we have selected the same geographical areas covering the spectrum of residential land in the Cayman Islands, from the high-end Crystal Harbour and Grand Harbour canal front residential sub-divisions, to the lower end Frank Sound and Cayman Brac Bluff areas.



Fig. 37

Crystal Harbour

The number of land sales at Crystal Harbour increased dramatically in 2013 with eighteen sales of canal front lots being registered in 2013, compared with ten sales in 2012. The average sales price for the lots also showed an increase over the previous year with an average price of C\$23.68 per SF, an increase of 16% over the average of C\$20.44 for 2012 (**Fig. 38**).

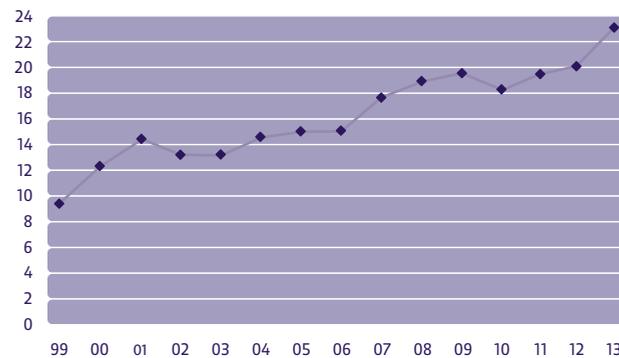


Fig. 38 Crystal Harbour: Land Sales
(Average Sales Price C\$ per SF)



Grand Harbour

Sales in the Grand Harbour canal front sub-division also remained strong through 2013 with eleven sales being registered, compared with ten sales in 2012. The average values of the sales also remained stable at just under CI\$18.00 per SF overall and consistent with the average value for 2012 (Fig. 39).



Fig. 40

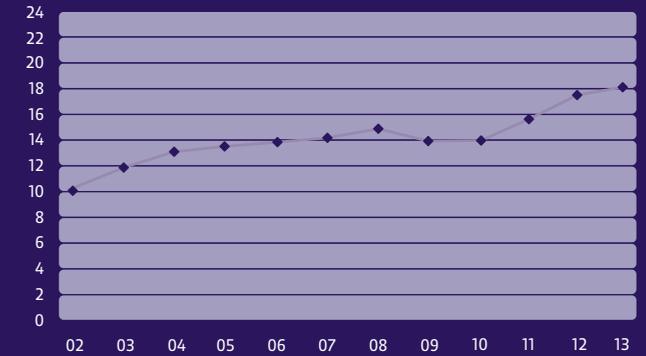


Fig. 39 Grand Harbour: Land Sales
(Average Sales Price CIS per SF)



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 (Fig. 41).

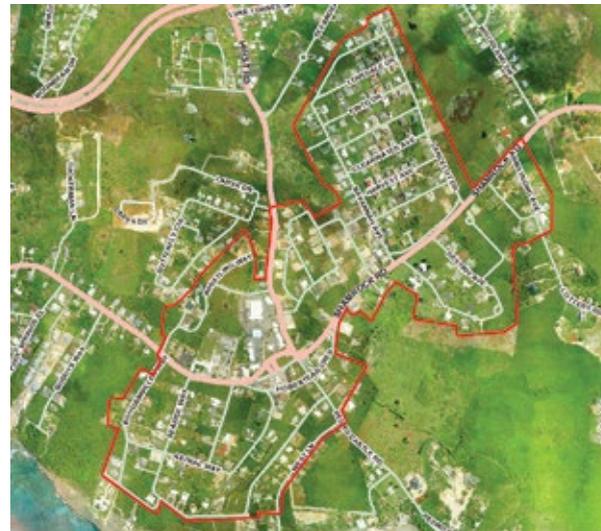


Fig. 42

Frank Sound

There were seven sales of house lots in the Frank Sound area, compared with eleven registered in 2012. The average sale price of these lots also showed a slight decrease, down from CI\$3.54 per SF in 2012 to CI\$3.08 per SF in 2013 (Fig. 43). 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. 44

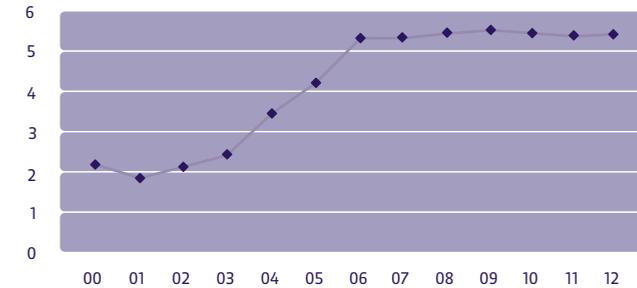


Fig. 41 Savannah: Land Sales
(Average Sales Price CI\$ per SF)

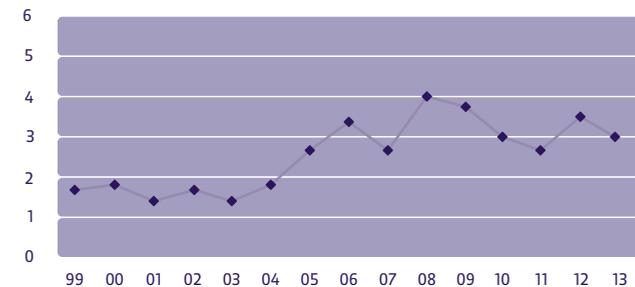


Fig. 43 Frank Sound: Land Sales
(Average Sales Price CI\$ per SF)





Cayman Brac, Land on The Bluff

There were ten sales of house lots in 2013 in our geographical dataset on The Bluff on Cayman Brac, compared with only three in 2012. The average sale prices of these lots, however, remained stable at C\$2.11 per SF compared with C\$2.12 per SF in 2012, continuing the stabilization of values at this level over the last three years (Fig. 46).



Fig. 45

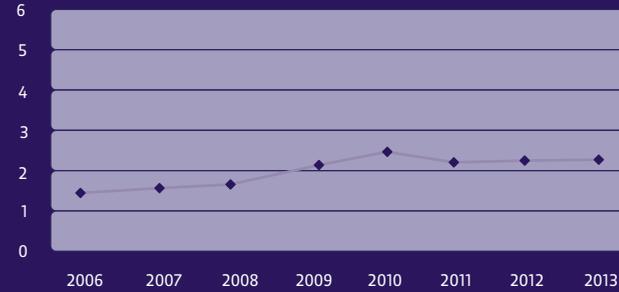


Fig. 46 Cayman Brac: Land Sales
(Average Sale Price Net CIS per SF)





Commercial Market

For our comprehensive review of the commercial property market in the Cayman Islands we have selected the major commercial, commercial/retail leases registered and have provided the details of those registered leases. 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 of the registered leases during 2013

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. 47

As we have done in previous years editions of the Cayman Property Review, the lease registration analysis has been broken down primarily into two select geographical areas; Central George Town (Fig 47) and the Seven Mile Beach corridor (Fig 48) and we have simply provided commentary where necessary.

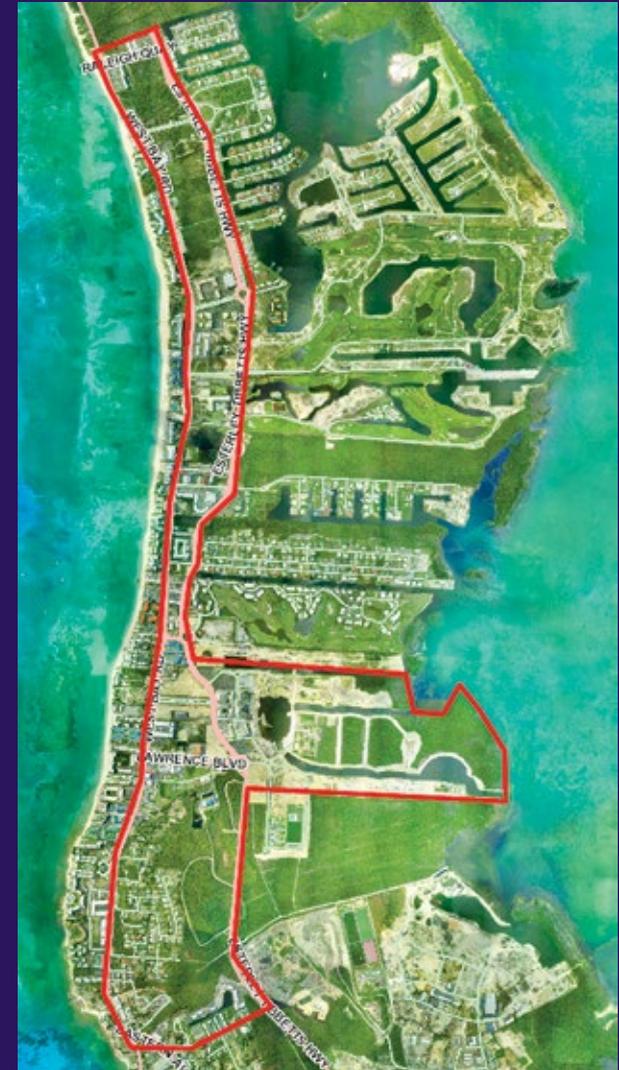


Fig. 48



Commercial Property Sales

There were two registered sales of commercial buildings during 2013. The first being the Class B Anderson Square located in the centre of George Town’s central business district. Anderson Square sold in February 2013 for C\$7,140,000, which equates to US\$8,500,000 when converting at 0.84.

We understand that the net internal area of the property is approximately 41,245SF, therefore, the sale equates to approximately C\$173.11 per SF.

The second registered sale was Atlantic Star House, located on Lawrence Blvd in the Seven Mile Beach corridor, located across the Dart round-about from Camana Bay. Atlantic Star House is a Class A commercial property benefiting from a very high-standard of finish along with emergency back-up systems, such as an enclosed generator. The building was sold to an existing tenant, Island Heritage, and has been re-named Island Heritage House in May 2013 for C\$7,056,000, which equates to US\$8,400,000 when converting at 0.84.

We understand that the net internal area of the property is approximately 12,643SF, therefore, the sale equates to approximately C\$558.10 per SF.



Anderson Square

Sold Feb 2013 for US\$8,500,000 equates to approx. US\$206 per SF

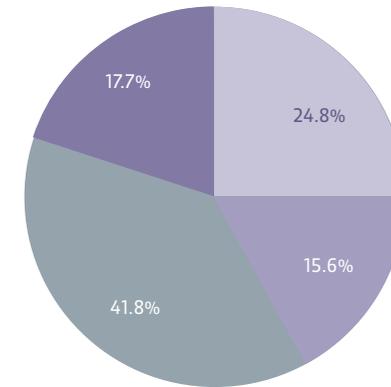
Fig. 49



Atlantic Star House

Sold May 2013 for US\$8,400,000 equates to approx. US\$664 per SF

Fig. 50



Residential	- 59 Total
Commercial	- 35 Total
Commercial & Retail	- 22 Total
Other	- 25 Total
(Restaurants, Industrial, Petrol Stations, Hospital / Medical, Aviation, Hotels & Land)	
Total	- 141

Fig. 51 Total Registered Leases (2013)

Property Leases

Based upon our analysis of data provided by the Cayman Islands Land Registry, we note that there were a total of 141 registered leases* during 2013 (Fig. 51), of which 41.8% were residential, 24.8% were commercial, 15.6% commercial/retail and 17.7% other**

* Includes all registered head leases, sub-leases, transfers (leaseholds) and variations
 ** Other consists of: restaurants, industrial, petrol stations, hospital/medical, aviation, hotels & land





Central George Town

Cayman Corporate Centre

There were three (3) registered lease for Cayman Corporate Centre during the 2013 year. The first being between Cayman Corporate Centre Holdings Ltd. (landlord) and **WestTel Limited** (tenant), for a term of five (5) years, with an annual reserved rent of C\$55,745.93 equating to C\$41.74 per SF, based upon a registered area of 1335.51 SF.

The second lease appears to be between Cayman Corporate Centre Holdings Ltd. (landlord) and Harmonic Fund Services (tenant), with effect from July 2013, for a term of five (5) years, at an annual reserved rent of C\$243,049.49, equating to C\$36.69 per SF, based upon a registered area of 6,624.54 SF.

The third lease is between Cayman Corporate Centre Holdings Ltd., (landlord) and Patriot Captive Management (Cayman) Ltd. (tenant), with effect from January 2013, with a term of three (3) years, at an annual reserved rent of C\$32,393.87, equating to C\$32.89 per SF, based upon a registered area of 985 SF.

Cricket Square

There was a single registered lease at Cricket Square being between Cricket Square Ltd. (landlord) and Overseas Asset Management (Cayman) Ltd. (tenant), for a term of five (5) years, with effect from July 2013 at an annual reserved rent of C\$64,408.01, equating to C\$34.83 per SF, based upon a registered area of 1846 SF.

Cricket Square – Boundary Hall

From the information provided by the Cayman Islands Government’s Lands & Survey Department, there appears to have been six (6) registered leases during 2013. The first lease with registration details is between Cricket Square Ltd. (landlord) and Carey Olsen Cayman Limited (tenant), for a term of five (5) years, with effect from January 2013 at an annual reserved rent of C\$132,957.17 equating to C\$31.97 per SF, based upon a registered area of 4,158.7 SF.

The second lease appears to be between Cricket Square Ltd. (landlord) and Cronos Containers (Cayman) Ltd. (tenant), with effect from January 2013, for a term of five (5) years, at an annual reserved rent of C\$53,153.16, equating to C\$34.83 per SF, based upon a registered area of 1525.9 SF.

The third registered lease between Cricket Square Ltd. (landlord) and Codan Management (Cayman) Limited (tenant), with effect from February 2013, has a term of five (5) years, at an annual reserved rent of C\$151,193.78, equating to C\$34.83 per SF, based upon a registered area of 4,340.4 SF.

The fourth lease with registration details is between Cricket Square Ltd. (landlord) and Campbells Properties Limited (tenant), for a term of ten (10) years, with effect from February 2013 at an annual reserved rent of C\$488,828.83 equating to C\$35.70 per SF, based upon a registered area of 13,693 SF.

The fifth lease appears to be between Cricket Square Ltd. (landlord) and Kane (Cayman) Limited

(tenant), with effect from August 2013, for a term of five (5) years, at an annual reserved rent of C\$218,841, equating to C\$40.68 per SF, based upon a registered area of 5,380 SF.

The final lease is between Cricket Square Ltd., (landlord) and Hedgeserve (Cayman) Ltd. (tenant) for a term of five (5) years, with an annual reserved rent of C\$56,744.54, with effect from September 2013. With a registered area of 1,629 SF, this equates to C\$34.83 per SF.

Genesis Building

There was a single lease registered in July 2013 between Office Development Ltd., (landlord) and F.A. Investments Limited (tenant) for a term of two (2) years, at an annual reserved rent of C\$19,152, with a registered area of 551 SF, which equates to C\$34.76 per SF.

Harbour Centre

There was single registered lease at Harbour Centre being between Harbour Holdings Limited (landlord) and Stenning’s Holding Ltd. (tenant), for a term of three (3) years, with effect from February 2013 at an annual reserved rent of C\$50,400, equating to C\$35.42 per SF, based upon a registered area of 1,423 SF.





Royal Plaza

There was a single lease registered in May 2013 between Falmouth Investments Ltd. (landlord) and The Governor of the Cayman Islands (tenant) for a term of five (5) years, at an annual reserved rent of C\$141,658.71, with a registered area of 5,907 SF, which equates to C\$23.98 per SF.

Ugland House

There was single registered lease at Ugland House being between Ugland House (Cayman) Limited (landlord) and Calamp Limited (tenant), for a term of one (1) year, with effect from August 2013 at an annual reserved rent of C\$199,651.20, equating to C\$33.60 per SF, based upon a registered area of 5,942 SF.

West Wind Building

From the information provided by the Lands & Survey Department, there appears to have been four (4) registered leases during 2013. The first lease with registration details is between IHC Properties Ltd. (landlord) and BW Ventures Ltd. (tenant), for a term of five (5) years, with effect from August 2013 at an annual reserved rent of C\$81,677.89, equating to C\$63.76 per SF, based upon a registered area of 1,281 SF.

The second lease appears to be between IHC Properties Ltd. (landlord) and Cayman Enterprise City Ltd. (tenant), with effect from September 2013, for a term of three (3) years, at an annual reserved rent of C\$149,611.19, equating to C\$27.88 per SF, based upon a registered area of 5,366 SF.

The third registered lease between again IHC Properties Ltd. (landlord) and Cayman Enterprise City Ltd. (tenant), with effect from September 2013, has a term of three (3) years, at an annual reserved rent of C\$153,609.29, equating to C\$29.07 per SF, based upon a registered area of 5,285 SF.

The final lease is also between IHC Properties Ltd. (landlord) and Cayman Enterprise City Ltd. (tenant), for a term of three (3) years, with an annual reserved rent of C\$63,755.44, with effect from December 2013. With a registered area of 1,787 SF, this equates to C\$35.68 per SF.



Fig. 52 George Town
(Rent Cost CIS per SF)



Seven Mile Beach Peninsula

Atlantic Star House (Island Heritage House)

There were two (2) registered lease for Atlantic Star House (now Island Heritage House) during the 2013 year. The first being between Lawrence Boulevard Holdings Ltd. (landlord) and Atlantic Star Limited (tenant), for a term of five (5) years, with an annual reserved rent of C\$13,744.08 equating to C\$38.18 per SF, based upon a registered area of 360 SF.

The second lease appears to be between Lawrence Boulevard Holdings Ltd. (landlord) and Morval Bank & Trust Company Ltd. (tenant), with effect from May 2013, interestingly there is no information with regards to the term, at an annual reserved rent of C\$199,920, equating to C\$38.31 per SF, based upon a registered area of 5,218 SF.

Buckingham Square

registered leases during 2013. The first lease with registration details is between Adare Investments Ltd. (landlord) and Appleby Intellectual Property Services Ltd. (tenant), for a term of four (4) years, with effect from February 2013 at an annual reserved rent of what appears to be C\$95,558.40, equating to C\$29.40 per SF, based upon a registered area of 3,250 SF.

The second lease appears to be between Adare Investments Ltd. (landlord) and Carey's Karma Closet Ltd. (tenant), with effect from March 2013, for a term of three (3) years, at an annual reserved rent of C\$27,600, equating to C\$34.50 per SF, based upon a registered area of 800 SF.

The third registered lease between Adare Holdings Ltd. (landlord) and Karma Kids Ltd. (tenant), with effect from October 2013, has a term of three (3) years, at an annual reserved rent of C\$25,200, equating to C\$31.50 per SF, based upon a registered area of 800 SF.

The final lease is also between Adare Holdings Ltd. (landlord) and Priestleys Limited (tenant), for a term of five (5) years, with an annual reserved rent of C\$95,963.28, with effect from December 2013. With a registered area of 3,200 SF, this equates to C\$29.99 per SF.

Camana Bay

Camana Bay had ten leases registered during 2013, the first between Cayman Shores Development Ltd. (landlord) and Centennial Photo Ltd. T/A Picture This (tenant) for 5 year term, with an annual reserved rent of C\$69,277.99, which equates to C\$32.09 per SF, based upon a demised area of 2,159 SF.

The second lease being between, Cayman Shores Development Ltd. (landlord) and Greenlight Reinsurance Ltd. (tenant) for a 5 year term, with an annual reserved rent of C\$159,309.82, with a demised area of 3,317 SF, which also equates to C\$48.03 per SF.

The third registered lease was between Cayman Shores Development Ltd. (landlord) and LOLA Ventures Ltd. (tenant) for a 5 year term, at an annual reserved rent of C\$43,816.50, with a demised area of 2,488.5 SF, which also equates to C\$26.75 per SF.

The fourth lease being between, Cayman Shores Development Ltd. (landlord) and Cayman

National Property Holdings Ltd. (tenant) for a 5 year term, with an annual reserved rent of C\$14,619.25, with a demised area of 150 SF, which also equates to C\$97.46 per SF.

The fifth registered lease was between Cayman Shores Development Ltd. (landlord) and HF Fund Services Ltd. (tenant) for a 5 year term, at an annual reserved rent of C\$122,386.57, with a demised area of 2,800.3 SF, which equates to C\$43.70 per SF.

The sixth registered lease was between Cayman Shores Development Ltd. (landlord) and North International Group Ltd T/A Cayman Music SC. (tenant) for a 5 year term, at an annual reserved rent of C\$53,618.21, with a demised area of 2,186 SF, which equates to C\$24.53 per SF.

The seventh lease being a variation of an existing lease between, Cayman Shores Development Ltd. (landlord) and Ogier Fiduciary Services (Cayman) Limited (tenant) for an 8 year term, with an annual reserved rent of C\$1,744,366.82, with a demised area of 31,024 SF, which also equates to C\$56.23 per SF.

The eighth registered lease also being a variation of an existing lease was between Cayman Shores Development Ltd. (landlord) and Personnel 2000 Limited (tenant) for a 3 year term, at an annual reserved rent of C\$50,889.26, with a demised area of 1,326 SF, which equates to C\$38.38 per SF.





The ninth registered lease was between Cayman Shores Development Ltd. (landlord) and Ironshore Pharmaceuticals & Development Ltd. (tenant) for a 3 year term, at an annual reserved rent of C\$78,188.40, with a demised area of 1,964 SF, which equates to C\$39.81 per SF.

The final registered lease was between Cayman Shores Development Ltd. (landlord) and Spettacolo Ltd. (tenant) for a 5 year term, at an annual reserved rent of C\$32,301.36, with a demised area of 1,131 SF, which equates to C\$28.56 per SF.

Governors Square

There was a single lease registered in May 2013 between Governor Square Ltd., (landlord) and Celimar Central Clinic Ltd. (tenant) for a term of five (5) years, at an annual reserved rent of C\$23,520, with a registered area of 560SF, which equates to C\$42.00 per SF.

HSBC Building

There was a single registered lease at the HSBC Building being between HSBC Bank (Cayman) Limited (landlord) and Cayman Enterprise City Ltd. (tenant), for a term of five (5) years, with effect from August 2013 at an annual reserved rent of C\$228,322.15, equating to C\$22.89 per SF, based upon a registered area of 9,973.98 SF.

Regatta Business Park

There were two (2) registered leases for Regatta during the 2013 year. The first being a sub/lease between Corporate Centre Ltd. (head-lessee) and St Matthews University (Cayman) Ltd. (sub-lessee), for a term of three (3) years, with an annual reserved rent of C\$628,462.38 equating to C\$33.18 per SF, based upon a registered area of 18,941 SF.

The second sub-lease appears to be between Corporate Centre Ltd. (head-lessee) and Premier Fiduciary Services (Cayman) Ltd. (sub-lessee), with effect from Aug 2013, for a term of three (3) years, at an annual reserved rent of C\$38,346.48, equating to C\$30.97 per SF, based upon a registered area of 1,238.2 SF.

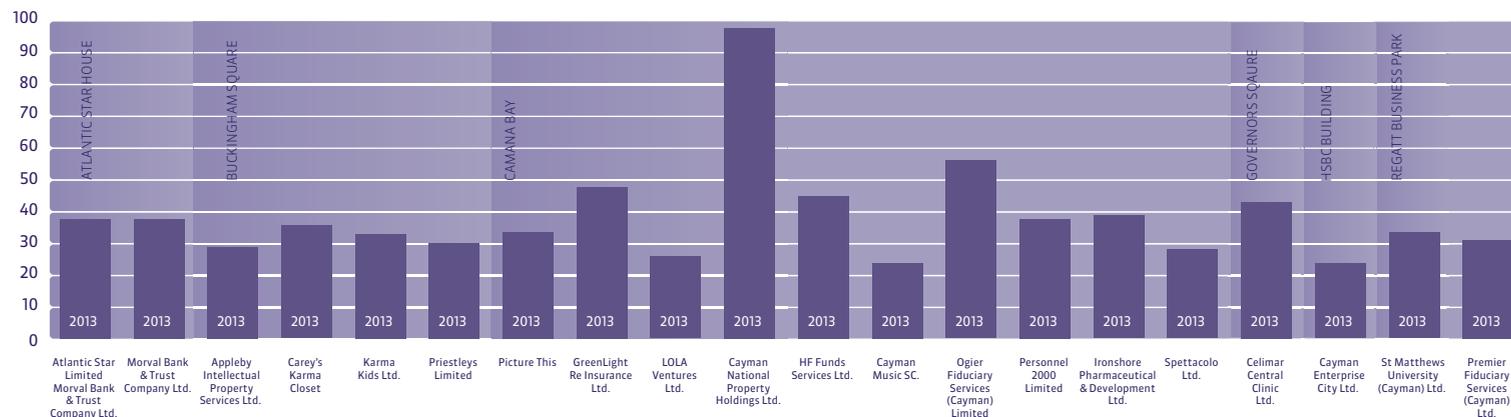


Fig. 53 Seven Mile Beach - Commercial/Retail
(Rent Cost C\$ per SF)



Construction Market

Charterland’s construction market review has been prepared based upon an in-depth analysis of all approved Planning Applications and Building Permits during the calendar year of 2013. 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.

It should be noted that due to the size of the relative construction markets, our research for this year is focused solely on the construction market on Grand Cayman.

Kevin Drysdale
Charterland Ltd.

2013 Construction Review



Since 2009 the construction industry has seen the value of its work load fall from a high of approx. C\$295 million, to a low (in 2012) of approx. C\$113 million. It is, therefore, very encouraging to be able to report in this year’s review of 2013 that the construction industry’s workload increased by approx. C\$60 million to approx. C\$173 million.

The construction industry has always been seen as a barometer of economic health and it is interesting to read in The Cayman Islands’ Semi-Annual Economic Report 2013 that, despite a dip in performance in the first quarter of 2013, the economy in the Cayman Islands rebounded with a 1.2% expansion in the second quarter and that upbeat forecasts were being reported for most sectors, with the Hotel & Restaurant and Construction sectors leading the way.

Our detailed analysis of the industry supports those forecasts and although there is some variation at both the sector and regional levels on the whole the industry has seen positive growth in every quarter of 2013 (Fig. 53).

The largest increase in workload was in the Institutional sector (up approx. C\$27.7 million) with most of that work (C\$26.3 million) being associated with health related projects. The residential sector has seen growth of approx. C\$20.8 million, with commercial work up approx. C\$12.6 million. Rather surprisingly, work in the Hotel and Tourism sector was down slightly on 2012, but having researched this apparent anomaly we can report that the new Kimpton Hotel (arguably the most significant project in this sector) has only received a “foundation only” permit.





In order to prevent the risk of double counting, projects granted a ‘foundation only’ permit do not appear in the official statistics until a full permit is granted. In 2013 the value of work associated with ‘foundation only’ permits totaled approx. C\$182 million, of which the Kimpton Hotel accounts for approx. C\$140 million and Phase 1 of the new Health City Hospital accounts for approx. C\$10 million. The full value of this workload, assuming these projects continue to proceed, will be reflected in the figures for 2014.

One other sector which has seen no positive growth is the Government sector, which has seen a fall for the second year running, this year by approx. C\$4 million. In our opinion this reflects the strict fiscal constraints that the Government has applied in order to balance its budget.

A closer examination of the Residential sector (Fig. 54) reveals that the greatest increase lies in the construction of new single family dwellings (approx. C\$12.6 million), with the only fall being in the construction of standalone garages (down approx. C\$0.3 million).

A closer examination of the Commercial sector (Fig. 55) reveals that the greatest increases lie in the construction and fitting out of office buildings (up C\$7.4 million), commercial facilities associated with the marine industry (up C\$4.0 million) and with retail (food and non-food) projects (C\$2.5 million). However, there were falls, primarily in the construction and fitting out of restaurants (down C\$0.8 million).

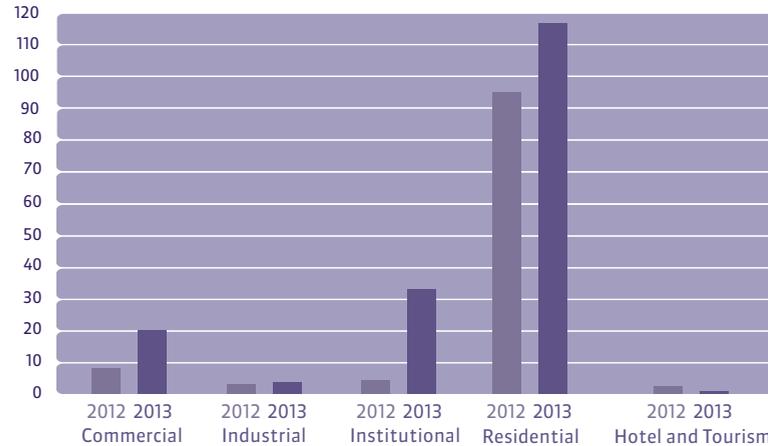


Fig. 53 Total Construction Workload - 2012-2013 (Workload in CIS Millions)

SECTOR	TOTAL WORKLOAD	
	2012	2013
Commercial	C\$8,210,052	C\$20,800,607
Industrial	C\$3,459,988	C\$3,915,000
Institutional	C\$4,599,600	C\$32,359,000
Residential	C\$95,208,613	C\$116,011,485
Hotel and Tourism	C\$2,000,000	C\$300,000
TOTAL	C\$113,478,252	C\$173,386,092

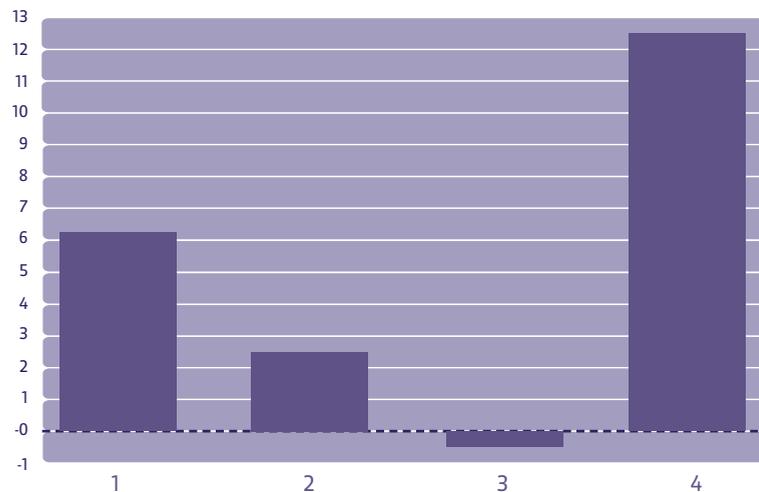


Fig. 54 Difference in Value of Residential Construction - 2012-2013 (Change in Workload CIS Millions)

SECTOR	PROJECT VALUES
1 Apartments	C\$6,179,938
2 Duplex	C\$2,318,676
3 Garage	- C\$321,153
4 House	C\$12,625,412
TOTAL	C\$20,802,872



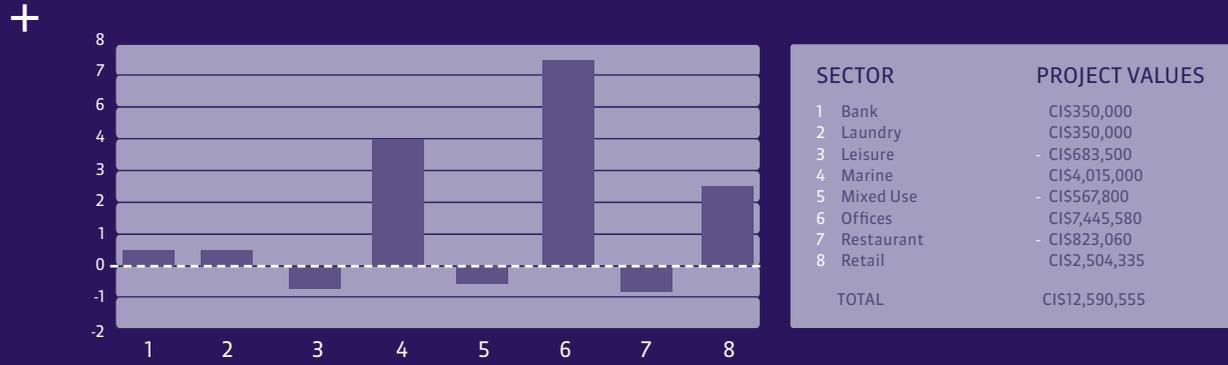


Fig. 55 Difference in Value of Commercial Construction - 2012-2013
(Change in Workload CIS Millions)

At the regional level (Fig. 56), in 2013 only North Side appears to have seen a fall in the value of its construction workload (down approx. 33%) with the largest percentage increase being in the East End where construction workload has increased by just under CIS26.0 million. George Town saw an increase of approx. 77%, Bodden Town was up by approx. 17% and West Bay was up by approx. 8%.

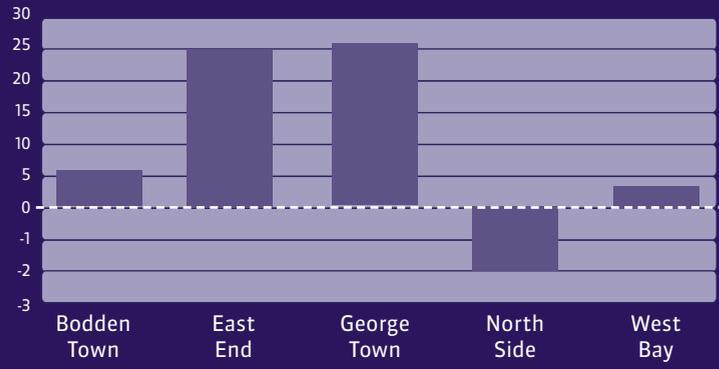
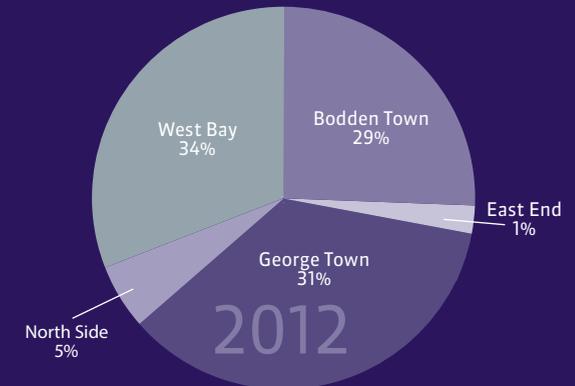


Fig. 56 Difference in Construction Value by District - 2012-2013
(Change in Workload CIS Millions)



Percentage Value of Construction by District - 2012-2013



An Optimistic Year Ahead

As part of our review of 2013 we once again conducted a survey of contractors and construction professionals to gauge the industries experience in 2013 and its expectations for the year ahead.

In a marked contrast to our 2012 survey the majority of respondents reported increased workloads in almost all sectors during the year just past.

In terms of the factors that would help maintain the sustainable growth of the construction industry the top 3 responses were; easing of financial constraints (22% of respondents), easing of planning/regulation (22% of respondents) and a reduction in import duties (19% of respondents).

In terms of the outlook for 12 months ahead, the expectations of the respondents are that over the course of the next 12 months workloads will rise in the residential and hotel & tourism sectors. The commercial, industrial, retail (food and non-food), health and institutional sectors are expected to remain static. However, importantly, only a small minority (less than 10%) of the respondents expect workloads in any of the key sectors to fall

The Cayman Construction Cost Index

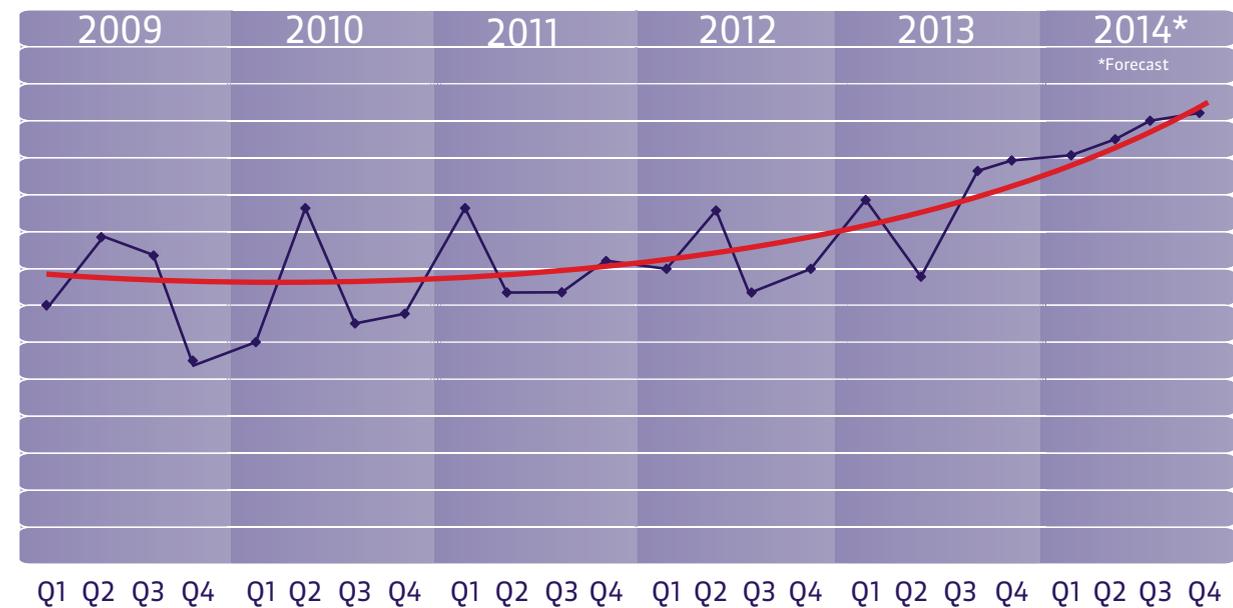
For the past two years we have been researching the underlying trend in building costs throughout the Cayman Islands and as a result of that work we are launching, with this Cayman Property Review of 2013, our Cayman Construction Cost Index.

The index is going to be updated and published on a quarterly basis and will provide subscribers with a basic tool of the trade that will assist with estimating (including updating cost reinstatement valuations), cost checking and fee negotiation on construction works, excluding roads.

Established with 1 quarter 2009 as the Base (100) our index reflects the volatility, generated by a construction market caught between upward cost pressures and downward market pressures, that has existed in the Cayman Islands over the course of the past 4 years.

For further information on the Cayman Construction Cost Index and how to subscribe to this service, please contact any of the Charterland staff listed on the back page of this report.

With increasing workloads comes the opportunity for contractors to recover costs that they had previously had to absorb. Therefore, whilst we do not believe that there is going to be a significant increase in the underlying rate of inflation over the next twelve months, we are forecasting that construction costs could rise by up to 5% during 2014.



Cayman Islands Construction Cost Index





Typical average building costs per square foot (excluding external works and fees) for the following building types are anticipated to be:

Typical Building Costs as per survey results		
Family Dwelling		
2013 CIS\$150 - \$220 Per SF	2014 (estimated) CIS\$150 - \$230 Per SF	2015 (estimated) CIS\$160 - \$245 Per SF
Office Building		
2013 CIS\$180 - \$400 Per SF	2014 (estimated) CIS\$190 - \$420 Per SF	2015 (estimated) CIS\$200 - \$450 Per SF
Retail Building		
2013 CIS\$150 - \$195 Per SF	2014 (estimated) CIS\$150 - \$205 Per SF	2015 (estimated) CIS\$160 - \$220 Per SF

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 Kimpton Hotel (US\$160 million), the redevelopment of the former Hyatt Hotel (US\$ not disclosed) and Cypress Pointe North (US\$ not disclosed).





In terms of the outlook for 12 months ahead, the expectations of the respondents are that over the course of the next 12 months workloads will rise.



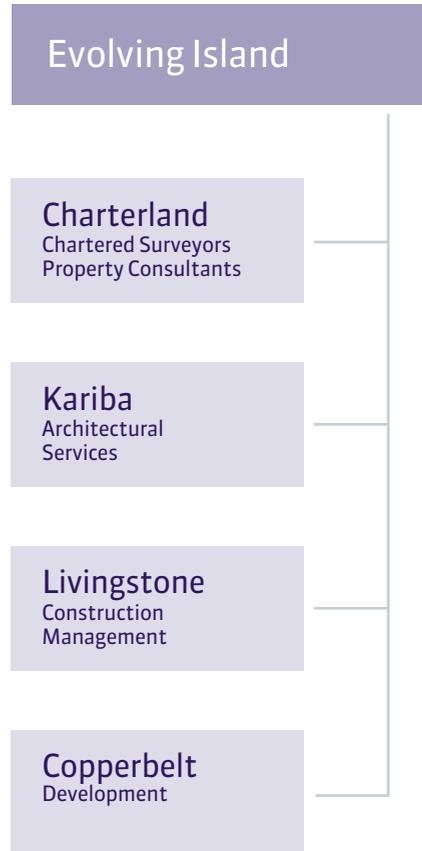


About Charterland

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 specialized 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 Partner

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. With nearly 20 years professional valuation experience in the Caribbean, Simon was previously the Director of Deloitte & Touche responsible for the Property Consulting Division for the Caribbean and Bermuda. He has also 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 both the national Chapter of the Royal Institution of Chartered Surveyors, RICS Cayman, and the regional Chapter, RICS Caribbean. He also previously represented the Caribbean on 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 Partner

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 General Manager

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



Neal Ainscow MRICS Senior Valuation Surveyor

Prior to joining Charterland, Neal was a member of the Valuation and Estates Office team in the Lands & Survey Department of the Cayman Island Government. His main responsibilities involved the provision of valuation advice, both informal and 'Red Book', mainly on individual properties over the majority of property asset classes throughout the islands. The purposes of valuation ranged from the revaluation of all the Government's property assets, potential Government acquisitions, disposals and determining the market value of property for stamp duty purposes.

Neal worked in Romania in the valuation and investment department of King Sturge's Bucharest Office before joining the Lands & Survey Department. He was involved in the provision of 'Red Book' valuation advice on individual or property portfolios over the majority of property asset classes throughout Romania on behalf of banks, investment funds, and developers, for financial statements, loan security & stock listing purposes, in addition to providing market over views and feasibility studies for these clients. The investment remit

covered all asset classes providing advice and recommendations regarding acquisition and disposals of investment products, exit strategies, international marketing, property characteristics, tenant profile and market analysis, either for individual or property portfolios.

Preceding his move to Romania, Neal has worked for GVA Grimley and King Sturge in their UK Birmingham Office's, assembling a broad range of valuation experience over various asset classes around the West Midlands.

Professional Designations

- Member of The Royal Institution of Chartered Surveyors (General Practice Surveying)

Professional Qualifications

- 2000 Masters of Science in Estate Management

“Valuation is the only way through which one can give unchallenged property value to other interested parties such as banks, insurance companies, mortgage institutions, potential buyers or prospective purchasers.”



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 Valuation 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.





Acknowledgements

Charterland would like to acknowledge the assistance provided in the preparation of the Cayman Property Review 2013 by the following:

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

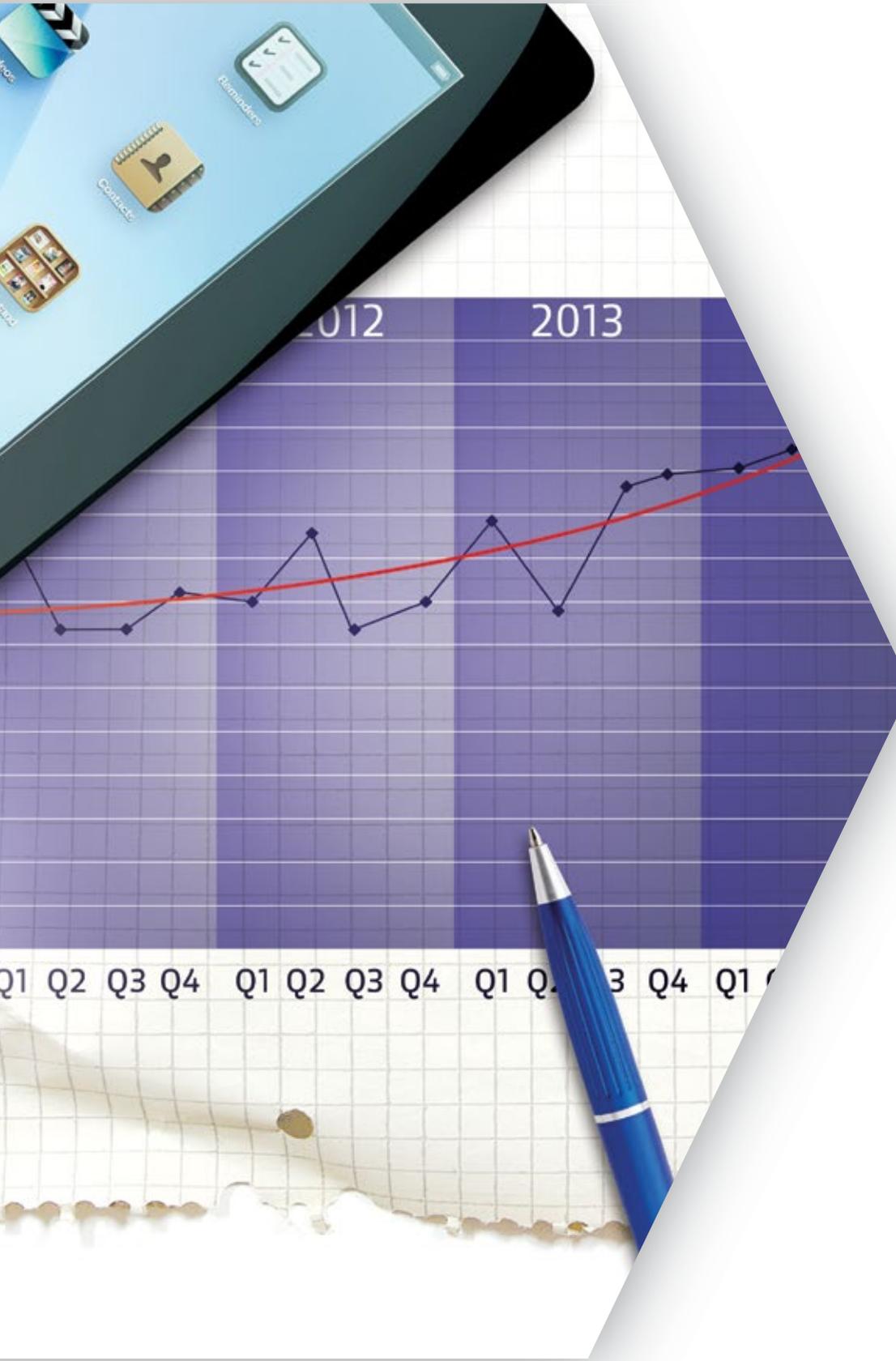


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Your Notes

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Introducing Charterland's Cayman Construction Cost Index

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