



RLB | Rider Levett Bucknall

CARIBBEAN  
REPORT |

CONSTRUCTION MARKET  
INTELLIGENCE

QUARTER 4, 2011

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# INDEPENDENT CONSULTANTS LOCAL KNOWLEDGE AND EXPERTISE GLOBAL NETWORK

## RIDER LEVETT BUCKNALL

Rider Levett Bucknall is a global property market and construction cost consultant with offices located worldwide.

## THE CARIBBEAN REPORT

The Rider Levett Bucknall Caribbean Report is published annually and provides detailed local construction market intelligence and data.

Rider Levett Bucknall's long history can be traced back to a small firm of quantity surveyors established in 1785 in Reading, England. Following two centuries of consolidation and growth, three major companies with common strengths and ambitions – Rider Hunt, Levett and Bailey and Bucknall Austin – pooled resources and expertise to form the Rider Levett Bucknall global practice in July 2007.

Rider Levett Bucknall's cost consultancy, project management and advisory services inform a diversity of project types, locations and clients, responding to contexts as diverse as Asia, Oceania, Europe, the Middle East, Africa and the Americas.

RLB would like to thank the following people for their cooperation and assistance in preparing this report...

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## CARIBBEAN OVERVIEW

**The Caribbean seems to be continuing on the road to recovery from the effects of the global recession which has been in place since the second half of 2009, although it must be stressed that the pace of recovery varies considerably between the islands. In addition, economic slowdown in industrialised countries could affect the volume of exports from the region.**

As a result, accurate predictions of economic growth in the Caribbean are difficult to make. After GDP growth of only 0.5% in 2009 and 3.8% in 2010, the World Bank was forecasting growth of 4.1% in 2011. In contrast, latest figures from the Economic Commission for Latin America and the Caribbean (ECLAC) are for only a 1.9% growth in 2011 for the Caribbean.

There is continued strong growth in the Dominican Republic and the reconstruction-led expansion in Haiti, while growth in some other Caribbean countries will be held back by the projected modest expansion in the tourism sector and in remittances. The World Bank sees a continuation of 4.0% plus GDP growth in both 2012 and 2013, although this may prove optimistic.

There have been plans for a single economy – due to be in place by 2015 – but Caribbean leaders have formally accepted that the process will now “take longer than anticipated”; no revised date has been announced.

The economic growth has been accompanied by – and is closely linked to – an increase in Caribbean tourism numbers. Having fallen in 2009, total stay-over arrivals rose 4% in 2010 and cruise tourism registered a 6% increase. US visitors in particular drove Caribbean growth in 2010, up 5.7%. In total, 21 of the 26 reporting countries posted increases in 2010.

A further 5% increase in tourism numbers is predicted for 2011. Particularly significant tourist growth has been enjoyed by the Dominican Republic, Jamaica, Puerto Rico, St. Lucia, Bahamas, Cuba, Anguilla and the Cayman Islands.

This has translated into a recovery for the hotel industry, with 2010 average occupancies up 3.1%, revenue per available room up 4.3% and total room revenue up 7.1%, although performance has not yet reached pre-2008 levels as discounting has been a factor.

Hotel development activity is inevitably being influenced by the availability of funding. With a total of approximately 250,000 hotel rooms currently in the Caribbean, the pipeline of around 8,000 rooms represents 3% of the total; this includes major projects in both Dominican Republic and the Bahamas. Other islands seeing growth of more than 5% are Haiti, Anguilla, St Kitts & Nevis, Turks & Caicos and St Lucia. Most hotel growth is being seen in the luxury segment.

Many of the islands have ambitious development plans but the level of construction activity is often far less than anticipated. Several government-backed schemes are progressing but a number of major projects remain on hold. The most promising prospects for the construction industry are seen in such islands as Antigua & Barbuda, Bahamas, Barbados, Cayman Islands, Cuba, Dominican Republic, St Lucia and US Virgin Islands.



*This Statue was unveiled  
by  
The Rt. Excellent Sir Garfield Sobers  
National Hero  
and  
The Prime Minister of Barbados  
Rt. Honourable Owen S. Arthur  
on Sunday April 28, 2002  
National Heroes Day  
in recognition of  
Sir Garfield's invaluable contribution  
to cricket and sport in general in  
Barbados the Region and the World.*

The artist was selected by Nancy Kerr and Nigel Boothby, on behalf of the Government of Barbados, April 2001

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ANGUILLA

Anguilla has a population of only 13,500 and is heavily reliant on tourism (which has been badly affected by the global crisis). However, the Anguilla United Movement was elected in February 2010 and is keen to bring new foreign direct investment projects to Anguilla. This has resulted in a number of Memoranda of Agreement and Understanding being created for new projects, although the call for independence from Britain is being made at a time of major challenges facing the economy.

Projects include the Etesian Resort (a planned 5-6 star development in the centre of Rendezvous Bay, designed to attain LEED certification), Solaire (another green development), Zemi Beach Resort and the Jumeirah Anguilla Resort project (a 140-room Jumeirah luxury hotel with a spacious spa, conference facilities and beach clubs, 460 residential units and a Jack Nicklaus championship 18-hole golf course).



ANTIGUA & BARBUDA

There are signs of an upturn in the economy during 2011, with a significant increase in the amount of potential investment in the country during the year. This is due to the fact that the capital market is beginning to flow again and there is a sense of confidence growing. In July 2011, Antigua & Barbuda signed a co-operation agreement with the French-speaking Guadeloupe and has also been in discussions with Martinique and Guiana. This is in order to strengthen relations in a number of areas including renewable energy, tourism and agriculture.

Commencing in August 2011, the government has embarked upon an 18-month initiative - "Construct Antigua & Barbuda" - in an effort to stimulate growth in the construction sector and build confidence in the economy. Under this initiative, potential homeowners and participants would be entitled to zero duty and discounts on all building material procured locally as well as reduced rates from the local banks, insurance companies, aggregate suppliers and contractors registered with the Antigua and Barbuda Investment Authority. The program also applies to citizens living abroad. Current projects include the new airport terminal at the V.C. Bird International Airport.

## MARKET INTELLIGENCE CARIBBEAN

### BAHAMAS

Despite the residual effects of the global economic and financial downturn, domestic economic conditions stabilized during 2010 with the better performance mainly reflecting improvements in the key tourism sector, particularly in the high-value stopover segment of the market. In contrast, consumer spending remained relatively weak, and output in the construction sector was constrained by muted levels of foreign investment inflows.

Further improvement to a 2-2.5% growth is forecast for 2011, helped by increased inward direct investment resulting from a re-start of some stalled projects, new funding inflows and significant scheduled public infrastructure investment. However, the government's commitment to fiscal retrenchment may impact on this. Projects include, in New Providence, the continuation of the Lynden Pindling International Airport development (the largest public sector project ever undertaken in The Bahamas); the commencement of work on the new JFK Airport Road upgrade, funded by China; expanded health care infrastructure at Princess Margaret Hospital and the Rand Memorial Hospital. Elsewhere there are new ports and bridges in some Family Islands together with public sector office complexes notably in Abaco, Grand Bahama and, again, New Providence.

The US\$3.5 billion Baha Mar resort on the island of New Providence is the largest single-phase resort ever developed in the Caribbean. It will include almost 2,240 rooms and residences, the largest casino in the Caribbean, the largest convention centre in The Bahamas, a Jack Nicklaus signature golf course, three spas, a 20-acre eco-water park, multiple restaurants, high-end retail and entertainment venues. Project completion is scheduled for December 2014.

### BARBADOS

The tourist trade has recovered well in Barbados and as this accounts for around 60% of the country's foreign exchange receipts, it has a major impact on the economy. Having fallen by 3.6% in 2009 and 0.5% in 2010, real GDP is expected to rise by approximately 2% in both 2011 and 2012 as the country emerges from recession.

Developments include the Limegrove Lifestyle Centre. Located in the heart of Holetown, St. James, this multimillion dollar development covers ten acres and includes approximately 85,000 square feet of retail space as well as apartments, penthouses and townhouses. Other projects include the Villas at Royal Westmoreland, a number of large commercial buildings and various significant private dwellings. In addition, the Four Seasons and the Beachlands developments are yet to restart.

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 BERMUDA

The Bermudan economy continues to suffer. Retail sales have fallen for 36 straight months, with the decline in construction continuing to hurt the building materials sector which was down 9.2%.

The construction industry has been one of the major casualties, with the Bermuda Employers' Council estimating that new work orders are less than 10% of their level before the recession. While the commencement of such projects as the National Aquatic Centre and Wedco housing will help, it is felt that Bermuda's construction crisis will not be transformed by the imminent hospital redevelopment and Waterloo House hotel project; only two major Bermudian contractors are involved in the developments, with just a handful of local subcontractors likely to be used.

 BRITISH  
VIRGIN ISLANDS

Unlike many of its neighbours, the British Virgin Islands have recovered well from the effects of the recession. The economy has been one of the most stable and prosperous in the Caribbean and having grown by 4% in 2010, a similar outcome for the economy is being predicted for 2011 by the government, although some see this as optimistic.

There is talk of the delayed major development on Beef Island commencing and one luxury resort community in the British Virgin Islands which is continuing is Oil Nut Bay, an ultra-exclusive, intimate resort development on 300 acres of a private peninsula of Virgin Gorda.



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 CAYMAN ISLANDS

After a fall in GDP in 2010, the economy is expected to grow again this year, although with a falling population (now around 50,000) and a number of multinational operations moving their place of incorporation to other countries, there are concerns over the effects on the local economy.

After a slow couple of years for Grand Cayman's construction industry, things seem to be turning around with several major new developments in the pipeline. The government is taking temporary steps to encourage growth and investment through incentives for the construction and development industries in Grand Cayman, including deferral of fees and import duties on building materials.

In addition, the government has committed to support projects that prove to provide substantial benefits to the country. This includes the George Town Cruise Port Development project, the Cayman high-schools project, the proposed Narayana Cayman University Medical Centre in East End, the East Seaport and Dragon Bay.

Over US\$300 million of private investment over eight years will be placed in the development of Cayman Enterprise City, consisting of five phased parks in a special economic zone – Internet, Media, Biotech, Commodities and International Academic. Groundbreaking is planned for early 2012.

 CUBA

The outlook is positive for the Cuban economy, with the tourism industry in particular set for robust expansion over the coming years; average real GDP growth could be approximately 4% for the next few years. The Cuban Government is encouraging foreign investment and is looking to tourism to help 'update' the economy by encouraging development of golf resorts, hotels and marinas to attract tourists from Canada, the UK and the US.

Examples include Cuban Golf Resorts (whose first project to be developed is the Carbonera Country Club Resort in Varadero), Leisure Canada's Jibacoa is also a planned high-end golf destination resort east of Havana and other golf courses are planned. Other projects are Leisure Canada's mega hotel at Monte Barreto (a 716 all-suite hotel project) and Cayo Largo, whose proposed Phase One joint-venture would involve the construction of a US\$55 million, 380-room, all-inclusive five-star resort.

## MARKET INTELLIGENCE CARIBBEAN

### DOMINICA

The economy in Dominica continues to improve, with real GDP growth expected in both 2011 and 2012 of 2.5-3%, after a 1.5% increase in 2010. Supported by growing tourist receipts, the effect of Chinese development projects through its strong relationship and the links with Venezuela should make the country less vulnerable to global trends.

However, local construction companies in Dominica are concerned that the government awarded two major construction projects to foreign companies at a time of high unemployment; a Barbadian company won a contract for the US\$22 million construction of a sea wall in Pointe Michel and the US\$27 million State House construction project went to a Chinese firm.

### DOMINICAN REPUBLIC

The Dominican Republic enjoys a strong economy – the Economist Intelligence unit expects annual GDP growth to average 4.7% in 2011-15, although much lower than the 7.1% rate recorded in 2006-10, owing to fiscal constraints and tighter monetary policy that will weaken demand and investment.

With loans of US\$80 million from the Inter-American Development Bank, the confidence in the country's energy industry is shown by the recent approval for the construction of two wind farms in the Dominican Republic. They will be among the first wind farms to be constructed in the country, helping it to diversify its energy matrix. The European Investment Bank is also a strong partner who supports the long term economic development in the Dominican Republic and is keen to participate in major renewable energy projects.

### GRENADA

The government of Grenada is concerned about the island's prospects, with the need to reduce the public debt level from over 90% of GDP a key priority. Tourist revenue has fallen from 25% of GDP in 2006 to 20% in 2009 and 2010 and foreign direct investment flows have been drying up since 2007/8; it is estimated that US\$700 million of tourist projects are on hold. However, the economy is forecast to grow by 1.4% in 2011 (after falls of 5.6% in 2009 and 2% in 2010) and there are a number of potential projects either planned or being discussed, including a flagship hotel, Parliament House, an athletic stadium, St George's Renaissance and a teaching hospital.

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**GUADELOUPE**

The 500,000 inhabitants of Guadeloupe are closely linked to France, which supplies much of its food as well as tourists. The island has suffered from economic recession and civil unrest, affecting the tourist trade, but it has entered into a Bilateral Cooperation Agreement with Antigua & Barbuda to share expertise and make joint approaches to secure development assistance.



**HAITI**

The effects of the massive earthquake in January 2010 continue to impact on the country's economy, already the poorest in the Western Hemisphere. However the IMF is encouraged by the improvements since then and is supporting Haiti's longer term reconstruction plans with US\$26 million under the Extended Credit Facility (ECF) arrangement together with the full relief of the country's outstanding debt to the Fund of US\$268 million.

The outlook is seen as "favourable", providing that "the authorities and the international community make concerted efforts to accelerate the reconstruction and facilitate the transition from disaster recovery to policies aimed at ensuring high and sustained growth and poverty reduction". The government's programme for the fiscal year (2011/12) is aimed at consolidating the recovery and reconstruction efforts.



**JAMAICA**

After a fall in real GDP of 1.2% in 2010, the economy is emerging from recession this year and may achieve real growth of 1.5% in 2011. Inflation was up to 12% at the end of 2010 and while it has fallen to approximately 7%, this remains an area of concern; food and energy prices are particularly key here.

Jamaica's Urban Development Corporation (UDC) is now focusing on major projects. Significant work has already commenced on the redevelopment of downtown Kingston and other objectives include executing plans for development in the next financial year for the Caymanas Estate, St. Catherine, new developments in the resort town of Ocho Rios, St. Ann, and new developments in Jamaica's second city of Montego Bay, St. James. Other projects include Caymanas Development Plan, Hellshire Development Plan, Spanish Town Redevelopment, Montego Bay Convention Centre, The Port Maria Civic Centre-Phase II and the New Parliament Building.



**MARTINIQUE**

As with Guadeloupe, the French government provides assistance to Martinique's economy. Tourism employs approximately 11,000 people on the island, making up a substantial part of the job market, although the island also has such industries as petroleum refining, sugar and rum production, and pineapple canning. During 2011, the US\$10 million renovation of the 175-room Bataliere Hotel will result in a new U.S. flag hotel, the Radisson Hotel & Spa Martinique.

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RELISH  
SINGAPORE  
UN DISA  
A PARIS  
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**MONTSERRAT**

Being a British Overseas Territory, the Montserrat economy benefits from substantial financial backing from the United Kingdom. The government has announced that it is focused on building the economic infrastructure and not population growth per se; the restructuring of the Montserrat Development Corporation to become a more integral part of business development is part of the plan.



**NETHERLANDS  
ANTILLES**

Although the name "Netherlands Antilles" is still used to indicate the Caribbean islands which are part of the Kingdom of the Netherlands, as of October 2010 it was dissolved and the five constituent islands - Curaçao, Bonaire, Sint Eustatius, Saba and Sint Maarten - attained new constitutional status within the Kingdom of the Netherlands. Tourism, petroleum transshipment and offshore finance were the mainstays of the economy and the islands enjoyed a high per capita income and a well-developed infrastructure.



**PUERTO RICO**

Puerto Rico is finally seeing signs of some economic growth in 2011 after declining since 2006; it may grow by 1-2% this year. The improvement has been helped by a pick-up in construction activity and a stronger services sector, although the government has been undertaking a major reduction in the budget deficit.

Plans to build a 93-mile natural gas pipeline that will cross the island from south to north have been held up by protestors, who see it as dangerous, although it is claimed that the US\$3.45 billion project will reduce energy costs by up to 30% and create 4,500 direct and indirect jobs during its construction phase.



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ST KITTS & NEVIS

Although the St Kitts & Nevis economy contracted by 1.5% in 2010, due to decreased activity in tourism and construction sector, the country's economy is expected to recover during the next two years, with a projected GDP growth rate of 0.5% in 2011 and 1.5% in 2012. In particular, the government is keen to ensure the sustainability of the local manufacturing sector as well as tourism. Local manufacturing generates 10% of economic activity and employs a similar number of people to the tourist sector.

There are a number of developments either underway or planned. The Kittitian Hill Resort, a community committed to sustainable developments and responsible tourism, features residential properties, restaurants and sports facilities, including a new 18 hole golf course designed by European Golf Design, in association with Ian Woosnam. Phase 1 of the resort is due to open in December 2012.

A US\$15-20 million investment is underway at the Robert L. Bradshaw International Airport to "enhance the country and its reputation as a premier tourist destination. This in turn will attract further foreign direct investment." It will include a private jet facility, with the first phase due to be completed by August 2012.

Christophe Harbour, located on the more than 2,500-acre southeastern peninsula of St. Kitts, is planned to include a mega-yacht harbour and marina as well as an impressive collection of restaurants, shops, boutiques, five-star hotels, oceanfront and hillside homesites, villas, and a championship golf course.



ST LUCIA

Although still recovering from the effects of the most devastating hurricane to hit the island in over 30 years, St Lucia's economy grew by 4.4% in 2010. Despite delays in commencement of some major projects, the construction of the national and St Jude hospitals, work on the hypermart building and hurricane Tomas rehabilitation projects are some of the activities expected to sustain growth in the construction sector in 2011.

The Saint Lucia Air and Sea Ports Authority (SLASPA) has two major planned projects - the Port Castries redevelopment project (which will transform the port into a modern inner harbour) and secondly, the proposed redevelopment of Hewanorra International Airport.

## MARKET INTELLIGENCE

### CARIBBEAN



#### ST VINCENT & THE GRENADINES

After falling by 0.6% in 2009, GDP fell by 2% in 2010 and the government is seeking to stimulate the economy during 2011, looking to the private sector to play a more dynamic role while managing the level of debt through a Fiscal Stabilisation Plan. April's flooding and landslides will not make this task any easier.

The islands' major project is the St Vincent and Grenadines' Argyle International Airport, scheduled for completion in 2013 and the largest capital project ever to be undertaken in the country at an estimated cost of US\$210 million. In addition to a 30% contribution from the government, a number of friendly countries have also provided funding.

The US\$35 million construction project at Saint Vincent Health Center has been reined back, scrapping plans for a new emergency department although going ahead with its plans for three new, larger operating rooms. Those operating rooms will now be located within the existing hospital building.



#### TRINIDAD & TOBAGO

After years of strong growth, the economy stalled in 2009 and has not yet recovered. Unless the government boosts its infrastructure programme spending, there are fears of a third year of decline in 2011 and possibly beyond. (GDP fell by 3.5% in 2009 and 0.6% in 2010). The first half of 2011 has not seen the expected benefits of the lower-than-expected government expenditure and the best forecast for 2011 is 1% growth.

Although there are signs of an improvement in private sector confidence, this has not really been translated into new private sector investment and as a result there are few new projects appearing.

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TURKS &  
CAICOS ISLANDS

There has been considerable turmoil in the Islands, with many demanding an end to UK rule in the territory and fresh elections. The interim government has continued to struggle to improve the dire state of the public finances amid rising opposition from civil servants. While the Islands and the UK have agreed changes to a draft constitution, discord over the document and the level of the UK's control over the island government persists and there remain concerns over the economic outlook.

A US\$260 million UK government-backed financial support package, which includes a bridge loan of US\$170 million and a five-year term loan of US\$30 million, has been announced and improvements in accessibility of the destination combined with its proximity to the US, has boosted hotel and property development in the Turks & Caicos Islands.



US  
VIRGIN ISLANDS

The US Virgin Islands' economic growth continues to be highly dependent on that of the US.

Recovery began in 2010 with growth of 6% and projections are of a further 4-5% growth in 2011. However, this in turn is based on growth projections in the United States, anticipated expansion of the tourism and financial services markets and subsequent increases in Government expenditure and household consumption. This increased economic activity has filtered into other industries such as construction and real estate.

In order to stimulate economic growth and development in the Virgin Islands, the Government has enacted Tax Increment Financing (TIF). This creates a public-private partnership which encourages public infrastructure, which includes affordable housing and schools.



## RLB WORKING IN THE CARIBBEAN

### BAHA MAR RESORT COMPLEX

This year ground was broken on the US\$3.5 billion Baha Mar resort complex on the Bahamian city of Nassau. Totalling 3.3 million square feet the Baha Mar resort complex comprises four associated but separately branded resorts, a 20-acre beach and pool experience, a 180,000 square foot convention center, retail village, three world-class spas, and a Jack Nicklaus golf course.

When completed in 2014, the resort complex will be the Caribbean's largest single-phase destination resort. In total, the four resort properties – a 25-storey casino resort hotel, a 25-storey convention hotel, a 16-storey lifestyle hotel, and a 12-storey luxury hotel – will provide approximately 2,374 guest rooms, suites, residential units and villas.

Since November 2009 Rider Levett Bucknall has been providing construction cost advisory services to the lender on the project, the Export / Import Bank of China. Rider Levett Bucknall's Initial Audit Report and constructability review provided verification of the project budget and schedule and focused on resources to control or contain project costs during construction. Rider Levett Bucknall's role continues with monitoring the progress of the project's aggressive 44-month construction schedule and processing payment of work complete against US\$2.5 billion construction loan.

Rider Levett Bucknall are heading up the on-site project monitoring team, which includes a schedule specialist, a contract advisor, and cost engineering specialist. Work

on the project to date has revolved around the relocation of a main arterial beachfront highway, several office buildings, and a police and fire station which are being rebuilt in a new, commercial village before construction on the resort can commence. The completion of this portion of the project is critical to allow the construction of the four hotels, convention center and resort to commence.

To date, more than 1,200 jobs have been created on the project, with over 128 local contractors awarded work on projects involving the construction of the new commercial village and work to reroute the arterial infrastructure. Upon completion of the resort, Baha Mar will create over 8,000 permanent jobs for Bahamians, representing over \$305 million in salaries and wages each year.

Speaking on Rider Levett Bucknall's work to date, Tom Dunlap, Executive Vice President of Development and Construction at Baha Mar Ltd, said, "Since Rider Levett Bucknall's initial mobilization they have been able to provide a fresh, skilled and independent review of the project statistics including budget, schedule and contractual content."

"They have assisted not only here in the Caribbean with their on-site presence, but in Beijing as well where we are supported with their local and language-proficient network. We look forward to the continued collaboration over the months ahead," added Mr. Dunlap.

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## CARIBBEAN KEY STATISTICS

ANTIGUA & BARBUDA	YEAR				
	2009	2010	2011(F)	2012(F)	2013(F)
GDP	-8.9%	-4.1%	3.1%	2.5%	3.8%
GDP per capita	XCD 19,583	18,574	18,937	19,202	19,708
PPP rate	2.051	2.084	2.104	2.122	2.135
Inflation	2.4%	-1.1%	4.1%	2.1%	2.2%
Unemployment	N/A	N/A	N/A	N/A	N/A

BARBADOS	YEAR				
	2009	2010	2011(F)	2012(F)	2013(F)
GDP	-5.5%	-0.5%	3.0%	2.5%	2.5%
GDP per capita	BBD 3,895	3,963	4,153	4,331	4,550
PPP rate	1.267	1.283	1.289	1.295	1.307
Inflation	4.3%	5.0%	2.2%	2.0%	2.2%
Unemployment	10.2%	10.0%	9.0%	8.5%	8.5%

JAMAICA	YEAR				
	2009	2010	2011 (F)	2012(F)	2013(F)
GDP	-3.0%	-1.2%	1.4%	2.4%	2.3%
GDP per capita	JMD 181,782	178,495	180,063	183,171	187,083
PPP rate	45.60	50.14	52.97	55.73	58.62
Inflation	9.6%	12.6%	9.0%	6.0%	5.5%
Unemployment	12.5%	12.9%	11.6%	11.3%	10.9%

TRINIDAD & TOBAGO	YEAR				
	2009	2010	2011(F)	2012(F)	2013(F)
GDP	-3.5%	-0.6%	1.8%	2.6%	2.7%
GDP per capita	N/A	N/A	N/A	N/A	N/A
PPP rate	4.802	5.114	5.422	5.729	5.960
Inflation	7.0%	10.7%	11.5%	7.5%	5.25%
Unemployment	5.1%	7.8%	7.0%	5.5%	5.5%

### Definitions

GDP: Gross domestic product, constant prices (Annual percent change). Annual percentages of constant price GDP are year-on-year changes; the base year is country-specific.

GDP per Capita: Gross domestic product per capita, constant prices (National currency). GDP in constant national currency per person. Data derived by dividing constant price GDP by total population.

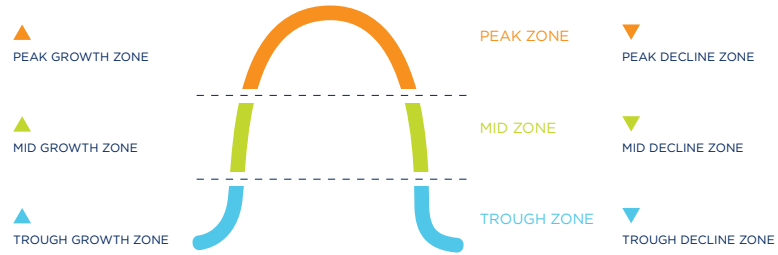
PPP rate: Purchasing Power Parity rate of exchange. Rate against the International dollar (USD), which renders purchasing power identical to the international dollar.

Inflation: Consumer Price Inflation

Unemployment: Percentage of total workforce

## MARKET DATA

### CONSTRUCTION MARKET ACTIVITY CYCLE MODEL



LOCATION	HOUSES	APARTMENTS	OFFICES	INDUSTRIAL	RETAIL	HOTEL	CIVIL
<b>CARIBBEAN</b>							
ANGUILLA	▼	▼	▼	▼	▼	▲	▲
ANTIGUA & BARBUDA	▼	▼	▼	▼	▼	▼	▼
BAHAMAS	▲	▲	▲	▲	▲	▲	▲
BARBADOS	▲	▲	▲	▲	▲	▼	▲
BERMUDA	▲	▲	▼	▲	▼	▼	▲
BRITISH VIRGIN ISLANDS	▼	▼	▼	▼	▼	▼	▼
CAYMAN ISLANDS	▲	▼	▼	▲	▼	▲	▲
CUBA	▼	▼	▼	▼	▲	▲	▲
DOMINICA	▼	▼	▼	▼	▲	▼	▼
DOMINICAN REPUBLIC	▼	▼	▼	▼	▲	▼	▲
GRENADA	▼	▼	▼	▼	▼	▲	▼
GUADALOUPE	▲	▲	▼	▼	▼	▼	▼
HAITI	▲	▲	▲	▲	▲	▲	▲
JAMAICA	▲	▲	▲	▲	▲	▲	▲
MARTINIQUE	▲	▲	▼	▼	▼	▼	▲
MONTSERRAT	▼	▼	▼	▼	▼	▼	▼
NETHERLANDS ANTILLES	▲	▲	▼	▼	▼	▼	▼
PUERTO RICO	▲	▲	▼	▼	▼	▼	▼
ST KITTS & NEVIS	▲	▼	▼	▲	▼	▲	▼
ST LUCIA	▲	▼	▲	▲	▲	▲	▲
ST VINCENT & THE GRENADINES	▲	▲	▼	▼	▼	▲	▲
TRINIDAD & TOBAGO	▲	▼	▼	▲	▲	▼	▲
TURKS AND CAICOS ISLANDS	▲	▼	▼	▼	▼	▼	▼
US VIRGIN ISLANDS	▲	▼	▼	▼	▼	▼	▼

# CARIBBEAN | Q4 2011 REPORT

## MARKET DATA

### CARIBBEAN COSTS

The following data represents estimates of current building costs in the respective market. Costs may vary as a consequence of factors such as site conditions, climatic conditions, standards of specification, market conditions etc. Costs are given per square foot of gross floor area.

LOCATION	OFFICES				RETAIL				HOTELS				
	PREMIUM		GRADE A		SHOPPING CENTRE		STRIP SHOPPING		5 STAR		3 STAR		
	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	
<b>(US\$)</b>													
ANGUILLA	162	270	135	216	129.6	243	108	216	270	432	194.4	270	
ANTIGUA & BARBUDA	200	315	170	285	145	260	135	250	280	510	225	285	
BAHAMAS	230	410	215	300	150	260	140	220	250	650	140	450	
BARBADOS	185	350	165	300	150	250	140	220	180	350	160	250	
BERMUDA	324	432	302	410	270	345	238	313	324	432	270	324	
BRITISH VIRGIN ISLANDS	270	280	235	345	195	325	162	216	432	594	270	378	
CAYMAN ISLANDS	260	380	240	350	250	340	220	300	270	350	230	320	
CUBA	283	395	254	367	283	396	203	271	254	396	203	283	
DOMINICA	170	180	136	192	170	169.5	136	170	226	294	181	226	
DOMINICAN REPUBLIC	113	180	90	147	90	136	79	124	170	339	113	226	
GRENADA	260	339	226	283	203	283	181	250	250	339	226	283	
GUADALOUPE	243	281	178	259	151	226	173	227	324	443	243	297	
HAITI	170	226	113	170	90	147	80	136	170	250	90	147	
JAMAICA	175	200	130	150	130	180	100	150	230	350	150	200	
MARTINIQUE	243	280	178	259	151	227	173	227	324	443	243	297	
MONTSERRAT	170	283	141	226	136	254	113	226	283	452	203	283	
NETHERLANDS ANTILLES	238	302	173	270	162	238	162	216	216	432	140	216	
PUERTO RICO	243	324	189	270	189	243	108	162	351	432	216	270	
ST KITTS & NEVIS	226	324	187	248	162	227	173	227	302	454	227	281	
ST LUCIA	205	313	151	216	130	194	151	194	302	378	205	260	
ST VINCENT & THE GRENADINES	170	180	136	192	113	170	136	170	226	294	181	226	
TRINIDAD & TOBAGO	216	378	194	302	162	270	108	162	270	378	162	238	
TURKS AND CAICOS ISLANDS	270	432	194	378	162	378	162	216	243	324	162	238	
US VIRGIN ISLANDS	260	378	238	345	205	302	151	216	486	594	324	405	

All costs current at 4th Quarter 2011

## MARKET DATA

LOCATION	INDUSTRIAL		RESIDENTIAL MULTI-STOREY			
	LOW	HIGH	INVESTMENT		OWNER OCCUPIED	
			LOW	HIGH	LOW	HIGH
<b>(US\$)</b>						
ANGUILLA	64.8	129.6	162	270	270	324
ANTIGUA & BARBUDA	90	170	170	315	280	320
BAHAMAS	130	210	130	250	215	420
BARBADOS	65	180	280	350	350	400
BERMUDA	216	270	280	324	324	432
BRITISH VIRGIN ISLANDS	104	205	194	270	216	302
CAYMAN ISLANDS	170	270	205	270	230	330
CUBA	147	203	N/A	N/A	N/A	N/A
DOMINICA	136	203	170	226	181	237
DOMINICAN REPUBLIC	57	85	73	136	102	170
GRENADA	150	203	170	283	249	316
GUADALOUPE	108	173	227	324	260	324
HAITI	34	68	90	136	136	170
JAMAICA	80	140	150	250	250	300
MARTINIQUE	108	173	227	324	260	324
MONTSERRAT	68	136	170	283	283	339
NETHERLANDS ANTILLES	108	162	162	270	216	324
PUERTO RICO	86	130	162	216	216	270
ST KITTS & NEVIS	86	184	216	313	248	378
ST LUCIA	76	162	194	270	216	270
ST VINCENT & THE GRENADINES	73	102	136	181	158	237
TRINIDAD & TOBAGO	108	162	130	216	216	270
TURKS AND CAICOS ISLANDS	108	162	243	378	194	302
US VIRGIN ISLANDS	151	216	194	270	216	302

All costs current at 4th Quarter 2011

# CARIBBEAN | Q4 2011 REPORT



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