

Jamaica 1Q14

Market Overview Report



Kingston and Montego Bay are the main commercial centers, with other towns - Ocho Rios, May Pen and Mandeville being secondary, but these towns reflect the Montego Bay market levels.

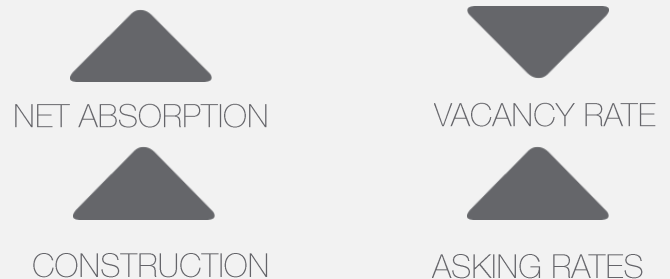
A number of large **industrial/warehouse** buildings are being Built-to-Suit for owner-occupiers. Due to a fairly tight supply, rent rates are firm in areas deemed desirable for occupation in Kingston. In other areas values can be 50% lower. Hardware merchants report flat business, signifying slow construction activity.

The retail sector remains flat as landlords succeed at holding the current rental levels. Although there is pressure on retail profitability, the sector has not yet seen any significant increase in vacancies. In Kingston, main rental levels are in the US\$15.00 - \$25.00 level.

The Jamaican dollar has continued to fall against the benchmark US\$. Despite an agreement between the Government of Jamaica and the IMF uncertainty remains in the markets. Many investors are holding off plans. For safety, many currency holders are selling Jamaican dollars for the US\$. Banks and businesses are having difficulty acquiring foreign exchange for their usual needs. The IMF agreement is successfully in place with the Government passing all quarterly tests.

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Overall Market Trends for 1Q14



Market Overview:

Economy

Current Currency	Ja Dolls
GDP	US\$ 12,3442
GDP/Capita	US\$ 4,400
GDP Growth (forecast 2009)	-3%
Inflation	8.0%
Interest Rate 3 Month	6.5%
Unemployment Rate	13%

Principal Business Taxes

Corporate Tax	33.33%
Withholding Tax	25%
VAT (GCT in Jamaica)	16.5%
Transfer Tax (Property)	5%
Stamp Duty (on Property sales)	4%
Exchange Rate	US\$1.00 = J\$110

Significant Trends:

Location	Office			Retail			Industrial/Warehouse		
	Ja\$/M2/m	US\$/M2/m	Trend	Ja\$/M2/m	US\$/M2/m	Trend	Ja\$/M2/m	US\$/M2/m	Trend
Kingston	1,586	15.25	-	1,679	16.15	-	840	8.07	-
Montego Bay	1,256	12.20	-	1,511	14.53	-	756	7.27	-