

The Chamber of Commerce

ECONOMIC FORUM



The Cayman Islands Real Estate Industry

Current State

Recent Trends

Key Issues of Concern / Impediments to Growth

Potential Opportunities



What is CIREBA?

34 Broker Companies

192 Real Estate Professionals

\$500M Annual Sales



The Cayman Islands Real Estate Brokers Association (CIREBA) is a not-for-profit Association that was set up in 1987 to provide a professional network for the different real estate companies in the Cayman Islands.

Today it provides the Multiple Listing System (MLS) and acts as a central source of information for its Members.

CIREBA performs a self-regulatory role for its Members; all MLS real estate transactions carried out by its Members are subject to CIREBA Rules and to the scrutiny of the Association's Board of Directors. The Association aims to ensure fair, straightforward and trouble-free property transactions for anyone doing business with any CIREBA Members.

To be a member of CIREBA, agents and brokers must follow the Association's code of business standards as set out in CIREBA's Rules and Regulations.

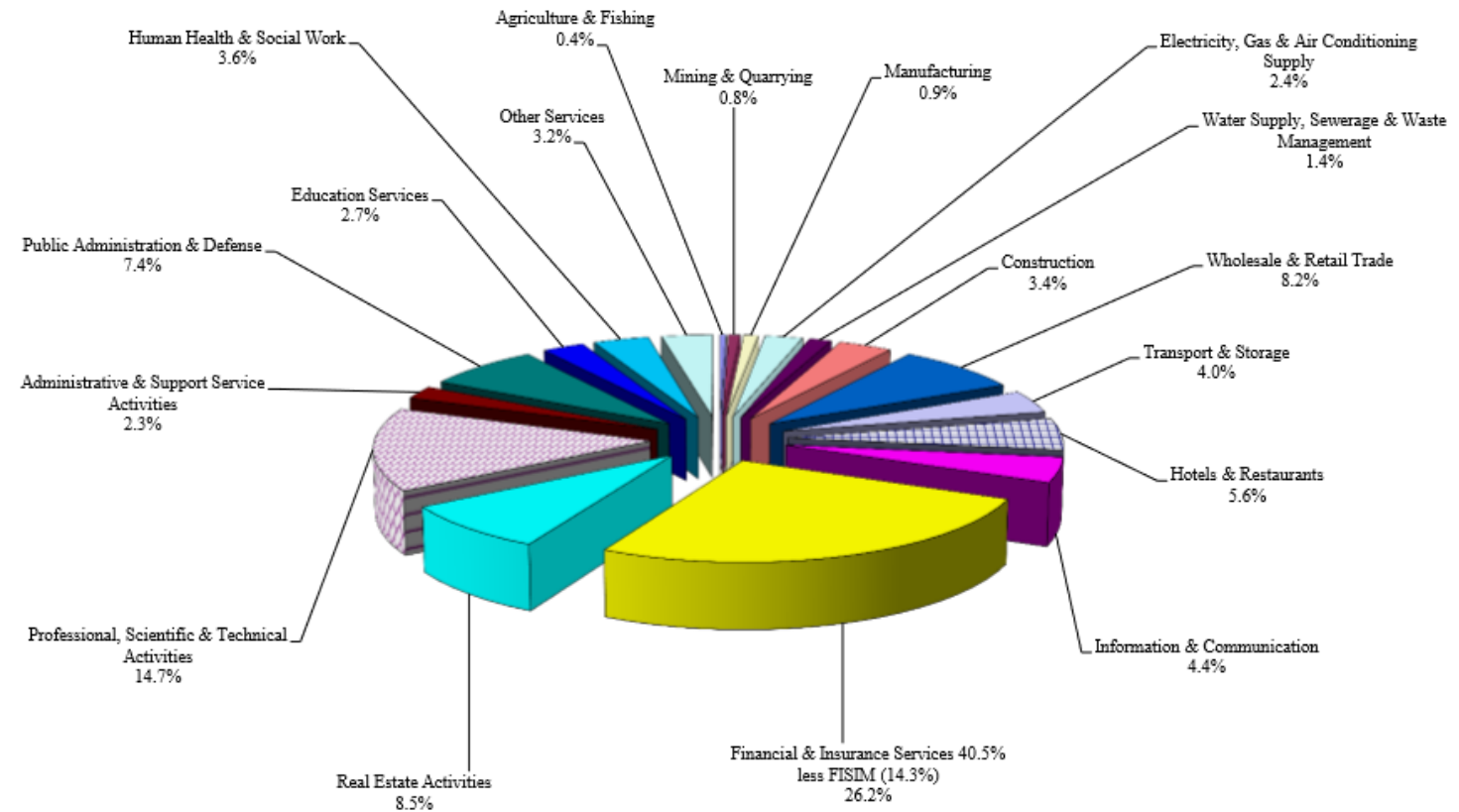
A high level of competence is expected from all Members and they must adhere to the Code of Ethics set down by the Association. CIREBA monitors the business standards and practices of all its Members to ensure fair, honest and professional dealings in all real estate transactions.

Current State

Real Estate - Contribution to Cayman Islands GDP



**Fig 5: Industry Contribution to Cayman Islands GDP
at Constant Basic Prices, 2016***



* The sum of individual shares might not add up to 100% due to rounding.

Current State

- Seller's Market

- Buoyant Market + Limited Supply = Increased Prices

	2016		2017		2018	
Number of Active Listing	1,548	\$1,352,461,687	1,604	\$1,568,740,077	1,489	\$1,826,896,568
Average Per Active Listing	\$873,683.26		\$978,017.50		\$1,226,928.52	
YR / YR			4%	12%	-7%	25%

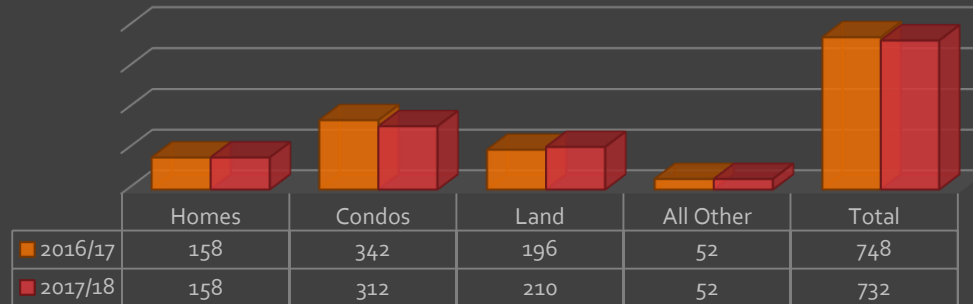
Current State

YR / YR Residential

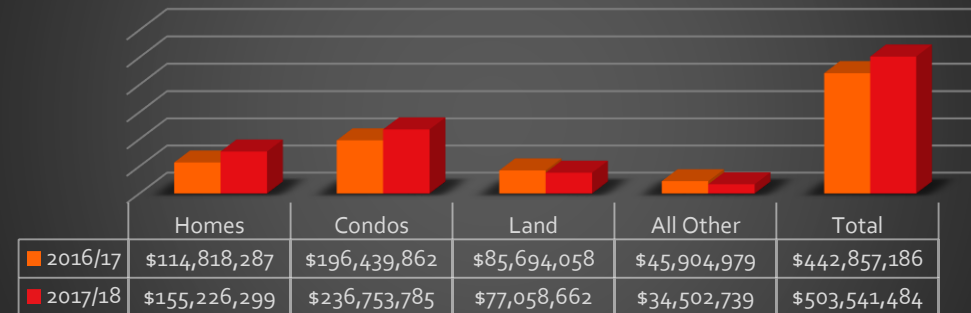
- * Units Sold down 6%
- * \$\$ Volume Sold up 26%
- * Average Sold Price is up 34%



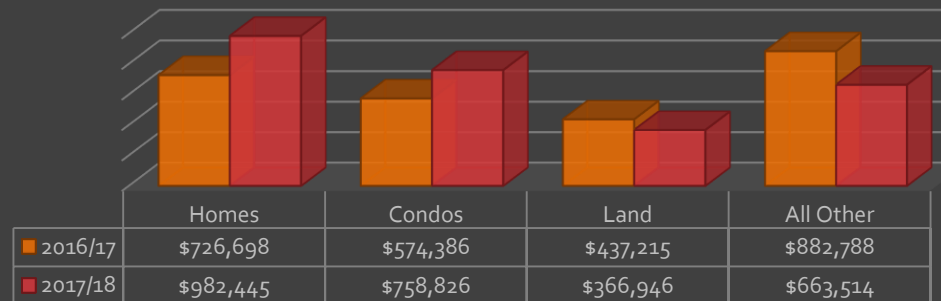
PROPERTIES SOLD



\$\$ VOLUME SOLD



AVG. \$\$ PER PROPERTY SOLD



Current State

* Seven Mile Beach
Leading the Way



- 2017 - Properties Sold -

- Total Properties Sold = 701 @ US\$463M
 - Average Per Property SOLD = US\$660K
- Seven Mile Beach Properties SOLD = 112 @ US\$150M
 - Average SOLD Per Seven Mile Beach Property Sold = US\$1.34M

- 2018 Units Sold To-Date -

- Total Units Sold = 313 @ US\$221M
 - Average Per Unit SOLD = US\$706K
- Seven Mile Beach Units SOLD = 38 @ US\$72M
 - Average Per Seven Mile Beach Unit SOLD = US\$1.89M

- Current MLS Listings -

- Total Current Listings on MLS = 1,489 @ US\$1.827B
- Seven Mile Beach Current Listings = 202 @ US\$439M
 - Average Per Seven Mile Beach LISTING = US\$2.17M
 - **Top 50 Units Listed Between US\$3.5M – US\$16.1M**

Current State



- Active Market

.....However Depends on Location and Sector

- SMB and Surrounding Areas Very Strong
- Improved Local Market, Especially in the Areas Close to George Town
- Outer Islands Not Enjoying Same Buoyancy
- Eastern Districts Still “Poised” for Development - Especially Around Beaches
- This “Active Market” Cycle Has Spurred Significant Development
 - Commercial Development Continuing to Move East
 - Several Major Projects Recently Started or Scheduled to Start Shortly

.....and it’s just not DART.

Current State

* Construction is BOOMING!

.....Take an Island Drive and See What's Going On

- ❖ Boggy Sands Club
- ❖ Camana Bay Expansion
- ❖ Cayman Enterprise City
- ❖ Dart Real Estate Hotel District
- ❖ Esterley Tibbetts Highway
- ❖ Fin Condominiums
- ❖ Indigo Bay
- ❖ Kembali Kai
- ❖ Kimpton Seafire Residences Resort + Spa
- ❖ Leeward Quay
- ❖ Linford Pierson Highway
- ❖ Locale Boutique Hotel
- ❖ Orchid Development Community
- ❖ The Grand Hyatt - Pageant Beach
- ❖ Owen Roberts International Airport
- ❖ Ironwood Resort & Arnold Palmer Golf Course
- ❖ George Town Redevelopment & Cruise Ship Dock
- ❖ Health City Expansion (Apartments & Commercial Centre)
- ❖ The Shore Club
- ❖ Periwinkle
- ❖ Tides South Sound
- ❖ Twenty 40
- ❖ Vela
- ❖ Solara
- ❖ Margaritaville Resort
- ❖ One Nexus Way
- ❖ Revive Resort
- ❖ Wellness Boutique Hotel By Ncb
- ❖ Rum Point Club Residences
- ❖ Seacrest By Brian Butler
- ❖ Seahaven By Encompass
- ❖ St. James Point
- ❖ Stone Island Residences
- ❖ The Channels - Prospect
- ❖ The Grove
- ❖ The Sanctuary

Current State

* On the Drawing Board



Recent Trends



- More Contemporary Styled Homes and Condos Being Offered
 - Architecture Generally Now Inline With Global Trends
- Younger, International Buyer Profile
- Developers Understand That Buyers Want Amenities Within Developments
- More Interest From 1st Time, Young Caymanian Home Buyers
- Longer Term Interest for Repurposing of George Town Centre Buildings
- South Sound Boom
- George Town Harbour Condo

Key Issues of Concern & Impediments to Growth

- Proposed Public Beneficial Owners Register
- Exposure to Hurricanes
- Escalation in Crime
- Infrastructure Deficiencies
 - Shortage of Schools
 - Lack of Affordable Housing
 - Roads
 - Telecommunications / Internet
- Increase of Non-CIREBA / Non-Regulated Companies Selling Real Estate
- Length of Time to Obtain Planning Approvals
- Valuations Methods
- Tedious Immigration Policies

Potential Opportunities



- Regenerate George Town Centre, Specifically Cardinal Avenue and the Few Blocks Along the Waterfront into a “Pedestrian Only” area.
 - *George Town has Taken a Hit of Late = Potential Opportunities*
 - *Rental Rates and Sales Values Have Bottomed = Excellent Value*
 - *If Courthouse stays and grows in George Town Centre, this will have very positive effect on the centre’s rejuvenation bringing back in tenants and vibrancy to the centre regardless of cruise berths.*
- Demand for Various Types of New Housing at all Levels
- Development of Industrial Land
- Under-Market Pricing for Upper Market Products
- Opportunity to Attract High Net Worth Individuals

Potential Opportunities



CONFIDENCE IS KEY AND NOW STRONG!.....

- We Are Unique in the Region
 - No Direct Taxation
 - Stable Government
 - Relatively Safe Environment
 - Fairly Affluent Demographic
 - Great Quality of Life
 - Good Medical Care

.....IMPORTANT THAT WE NOT LOSE THE MOMENTUM!

Thank You!

