



Property Consultants Ltd.

P.O. Box 30450  
Grand Cayman  
Grand Cayman KY1-1202  
Cayman Islands, B.W.I.

Tel: (345) 945-5930  
Fax: (345) 945-5921  
Email: [contact@jec.ky](mailto:contact@jec.ky)  
Web: [www.jec.ky](http://www.jec.ky)

## **VALUATION REPORT**

**Land Parcel  
at Block 4E Parcel 464 (Part of)  
West Bay North West**

**For**

Chartered Quantity Surveyors

Construction Cost &  
Development Consultants

Project Managers

Valuers/Appraisers

Loss Adjusters

Property Managers

**Director**

**Michael G. Thomas**  
MRICS

**Client & Intended Users:**

**Mr. Bud Volinsky  
The Bridge Foundation  
Grand Cayman  
Cayman Islands**

**December 2020**

**Ref.: 25136b/MM**



# Contents

- A Instruction, Property Details and Opinion of Value**
- B Location and Description**
- C Valuation**
- D Assumptions and Limiting Conditions**
- E Attachments**

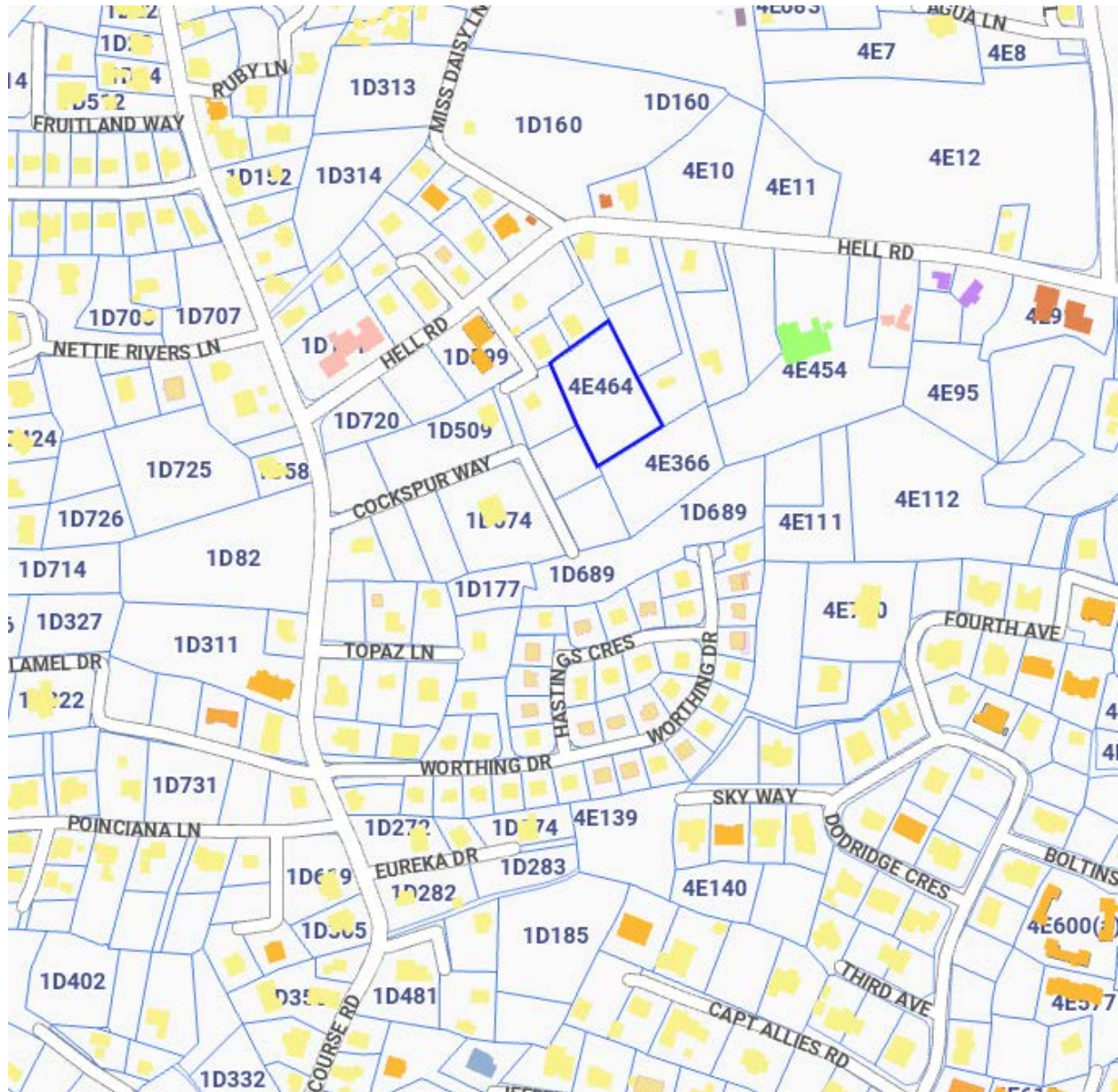
# A Instruction, Property Details and Opinion of Value

<b>Client &amp; Intended Users:</b>	Mr. Bud Volinsky The Bridge Foundation, Cayman Islands
<b>Details of Instruction:</b>	Written from Mr. Bud Volinsky. Terms of engagement executed on 8 December 2020.
<b>Surveyors Name:</b>	Michael McGrath MRICS AAPI CPV
<b>Date of Inspection:</b>	10 December 2020
<b>Valuation Date:</b>	10 December 2020
<b>Report Date:</b>	16 December 2020
<b>Purpose of Valuation:</b>	Acquisition
<b>Type of Valuation:</b>	Land Parcel
<b>Basis of Valuation:</b>	Market Value with Special Assumptions (on the basis of the proposed subdivision)
<b>Title:</b>	Private/Absolute (assumed upon subdivision of the parent parcel)
<b>Registered In The Name Of:</b>	<u>Parent Parcel:</u> GREGORY P. BANKER and LYNNE E. BANKER
<b>Opinion of Market Value with Special Assumptions:</b>	<b>In our opinion the Market Value of the subject property is: CI\$115,000</b>

## B Location and Description

### Location:

The subject property is located off Hell Road, situated a short distance to the east of Watercourse Road in the West Bay North West registration section of Grand Cayman. The subject property is located within close proximity to various amenities situated in West Bay and the Seven Mile Beach corridor. George Town, the Capital and business centre of the Cayman Islands is approximately 6 miles to the south. The surrounding area comprises a mixture of single family residences, apartment complexes and undeveloped land. The parent parcel's exact location is highlighted on the attached Land Registry map extract.



## B Location and Description

### The Land:

Refer to the subdivision plan below. The subject property comprises a near regular shaped inside parcel of land. The site is considered generally level throughout and is cleared and ripe for development. Access is via a legal vehicular right of way of Hell Road.

2018 Aerial Image (Parent Parcel). *Source: Cayman Islands Government – Lands and Survey Department (on-line facility)*



# B Location and Description

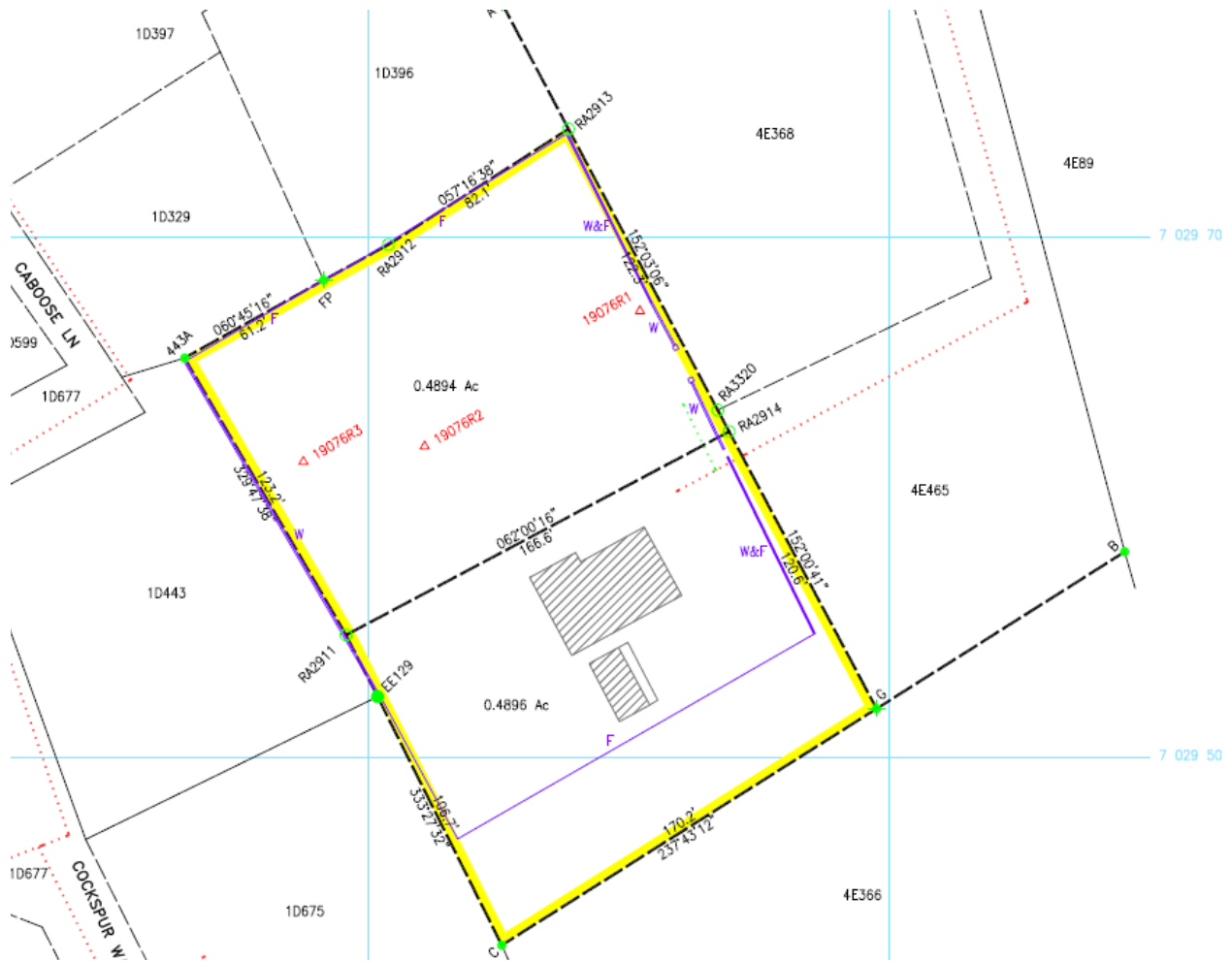
## The Land: (Cont'd)

The site has the following approximate boundary dimensions:-

Boundary	Lin. Feet
North west with 1D 329 & 396	108
South east with 4E 464 (Part of)	167
North east with 4E 368 & 465	122
South West with 1D 443	123

## Proposed Subdivision:

As per the below image, the parent parcel (Block 4E Parcel 464) will be divided into two parcels.



## B Location and Description

### Land Elevation:

According to the Government Lands and Survey data, the land lies at approximately 6 feet above mean sea level and may therefore be prone to flooding in exceptionally inclement weather.

### Area of Parcel (as per the above subdivision plan):

Acres	=	Sq. Ft
0.4894		21,318

### Zoning:

Low Density Residential

### Services:

Mains water is available

Electricity is available

## Valuation:

In making a determination of the value of the subject parcel, we have based the valuation upon the Market Data or Sales Comparison Approach. This is a method of estimating market value by comparing the subject property to recent sales of similar properties. The comparison unit used is the acre or square foot and adjustments are made to allow for variable factors such as size and shape of the property, date of sale, location, zoning and general site characteristics. Land Registry research of sales over the last few years show the following transactions:

Block & Parcel	Area in Sq. Ft.	Date of Sale	Price in CI\$	CI\$ per Sq. Ft.	Remarks
1D 522	16,117	Nov 20	102,000	6.33	Accessed via a VROW
<b>Description:</b> The land comprises a near regular shaped inside allotment. Zoned: High Density Residential.					
<b>Comparison:</b> Smaller site. Similar location. Superior zoning. Slightly less elevated. Slightly inferior.					
Block & Parcel	Area in Sq. Ft.	Date of Sale	Price in CI\$	CI\$ per Sq. Ft.	Remarks
4C 359	22,156	Jul 20	110,000	4.95	Caribbean Lane
<b>Description:</b> The land comprises an irregular shaped inside allotment. Zoned: Low Density Residential.					
<b>Comparison:</b> Similar size. Slightly more elevated. Slightly inferior location. Slightly inferior.					
Block & Parcel	Area in Sq. Ft.	Date of Sale	Price in CI\$	CI\$ per Sq. Ft.	Remarks
1D 263	13,504	Jan 20	88,000	6.52	Cnr of Watercourse Rd & Topaz Lane
<b>Description:</b> The land comprises a near regular shaped corner allotment. Zoned: Low Density Residential.					
<b>Comparison:</b> Smaller site. Similar location. Inferior.					
Block & Parcel	Area in Sq. Ft.	Date of Sale	Price in CI\$	CI\$ per Sq. Ft.	Remarks
4E 380	15,682	Jul 19	97,000	6.19	Jefferson Road
<b>Description:</b> The land comprises a slightly irregular shaped inside allotment. Zoned: Low Density Residential.					
<b>Comparison:</b> Smaller. Superior location. Slightly more elevated. Used as a guide to value with a positive movement in value post the sale date.					

Source: Cayman Islands Government – Lands and Survey Department (on-line facility)



### Valuation: (Cont'd)

The local market in this area appears to be undergoing a period of sharp growth, fuelled by increasing buyer demand set against a comparative lack of available stock linked to emergency pension withdrawals. Agents in the area continue to report an increasing number of 'strong' results, and furthermore a larger than usual number of properties are being sought for purchase prior to scheduled marketing releases.

There are limited recent directly comparable sales for analysis purposes in this instance. The shortage of recent directly comparable evidence restricts the ability of the valuer to make direct comparisons with recent sales evidence in this market segment. We have however had regard to available market evidence in assessing our valuation, making adjustments for points of difference and or changes in market conditions in the ensuing period, in the case of older sales.

With reference to all within, based upon the above listed sales and giving due consideration to the time that has elapsed since the transaction dates, and making due allowance for the location, size and general site characteristics of the subject property, we have determined, in our opinion, a current market value using the comparable sales approach to be in the region of **CI\$115,000** equating to approximately CI\$5.39 per sq.ft..

### Market Commentary:

The real estate market in Grand Cayman has generally been experiencing a period of positive growth over the past 3 years. In particular, the Seven Mile Beach Corridor, South Sound, Rum Point and Grand Harbour have seen strong market growth, fuelled by increasing buyer demand set against a comparative lack of available stock. Agents in the area continue to report an increasing number of 'strong' results, and furthermore a larger than usual number of properties are being sought for purchase prior to scheduled marketing releases. The strongest gains have been limited to the seafront condo market on Seven Mile Beach and development land within the corridor. Prestige canal-front or seafront property has also performed well across the island with rising underlying land values helping to lift values in general.

The district of West Bay has also seen an increase in demand with improved access since the opening of the Esterley Tibbetts Bypass. Areas to the east of Grand Harbour have experienced much more modest growth with gains being price point specific. Demand for inland property above CI\$600,000 in these areas is still very limited and prices must be competitive to achieve a sale. The availability of vacant land in these areas and a continued flow of mortgagee properties for sale has contributed to keeping growth limited.

Government incentives for first time Caymanian buyers has propped up demand for property under CI\$400,000. This has encouraged a large number of new developments catering to this demand with many now under construction or in the presale stages.

Grand Cayman is now at a point with record numbers of new developments being approved or in the early stages of construction. As of the middle of March, due to the COVID-19 global pandemic, unprecedented restrictions on international travel and 'social distancing' measures have been enacted in most countries. It appears likely that a global recession is imminent. The tourism sector in the Cayman Islands has been significantly impacted and the broader economy is under stress. Significant job losses within the tourism sector have occurred and resulted in reduced rental values and mortgage stress. Global share and commodity prices fell sharply at the beginning of the pandemic; however, they have generally recovered though the financial markets are still considered volatile.

To date, we have seen little transactional evidence to suggest a decrease in sale prices/market values post the beginning of the pandemic, however, transactional volumes decreased dramatically during the 'lockdown' period and a number of purchasers withdrew from contracts. In April 2020, the Cayman Islands Government changed legislation in order for people to make a onetime withdrawal from their pension funds. This initiative along with the easing of 'lockdown' restrictions and the fact that COVID-19 is considered to be under control in the Cayman Islands has resulted in a number of properties transacting over the past three weeks and real estate agents and developers are reporting good levels of interest despite these unprecedented times. Further, there has been an increase in interest from North American buyers as they view the Cayman Islands as a safe haven. The situation is certainly dynamic and there may be greater than usual fluctuations and market uncertainty in the near term.

### **Market Value with Special Assumptions:**

We have been asked to provide the Market Value with the special assumption that the parent parcel (Block 4E Parcel 464) has been subdivided as per the proposed subdivision plan as detailed within. Having considered the proven valuation methods to the subject property, we are of the opinion that the subject property is most appropriately valued by using the Comparable Sales Approach. Having regard to all the preceding factors, we are of the opinion that the Market Value of the above described property is in the region of:

**CI\$115,000**  
**(One Hundred and Fifteen Thousand Cayman Islands Dollars)**

### **Material Valuation Uncertainty:**

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

Market activity is being impacted in many sectors. As at the valuation date, we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement.

Our valuation is therefore reported on the basis of ‘material valuation uncertainty’ as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainly – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the subject property under frequent review.

**Validity:**


This valuation is current as at the valuation date only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 6 months from the valuation date, or such earlier date if you become aware of any factors that have any effect on the valuation. However, it should be recognised that the 6 month reliance period does not guarantee the value for that period; it always remains a valuation at the valuation date only.

**Status of Valuer:**

We confirm that Michael McGrath is a Chartered General Practice Surveyor who is acting as an External (Independent) Valuer and who has the knowledge, skills and understanding to undertake the valuation competently. We confirm that the Valuer has no interest in the subject property, either present or prospective, direct or indirect, financial or otherwise and is not associated with the party.

**PREPARATION OF VALUATION:**

This Valuation has been prepared by  
J.E.C. PROPERTY CONSULTANTS LTD.



.....  
MICHAEL MCGRATH MRICS, AAPI, CPV  
CONSULTANT  
CHARTERED SURVEYOR

J.E.C. PROPERTY CONSULTANTS LTD.  
P.O. Box 30450, Grand Cayman KY1-1202  
Cayman Islands, British West Indies  
Tel: 345-945-5930 Fax: 345-945-5921

## **D** Assumptions and Limiting Conditions

### **DEFINITIONS OF VALUE:**

"MARKET VALUE" is defined by the International Valuation Standards Committee as:-

“The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

### **CERTIFICATION:**

We hereby certify that to the best of our knowledge and belief, the statements contained in this valuation report are correct and no responsibility has been assumed for matters which are legal in nature. The valuation assumes marketable title. Employment in and compensation for making this report are in no way contingent upon the value. We further certify that we have no interest, present or contemplated, in the property valued nor have any material connection with either the lender or the borrower and that we have undertaken this valuation in the capacity of External Valuers.

The report has been prepared in accordance with the RICS Valuation Professional Standards, (the “Red Book”) except as may be varied by your instructions.

The legal description and title of the subject property have been obtained from the Cayman Islands Land Registry and a copy of the register and a Land Registry map is attached to this report unless otherwise stated we assume that where the property is developed that planning and building control consents have been granted. These documents are assumed to be true and correct and our valuation report relies entirely upon their accuracy.

In order to arrive at a supportable opinion of value, it was necessary to utilise both documented and hearsay evidence of market transactions. A concerted effort has been made to verify the accuracy of the information contained herein. Accordingly, the information is believed to be reliable and correct and has been gathered according to procedures and principles which are laid down by the Royal Institution of Chartered Surveyors. Comparable sales prices have been obtained from the Cayman Islands Land Registry, or as reported to us by the Realty Companies active in the subject area or by published reports.

The opinion of market value excludes the following:-

- a) Selling expenses
- b) Legal fees and expenses
- c) Stamp duty or other fees levied by Government
- d) Furniture, contents and possessions
- e) Sales commissions

## **D** Assumptions and Limiting Conditions

We have assumed no responsibility for matters legal in character, nor do we render any opinion as to title, which, is assumed to be good. All existing liens, encumbrances or encroachments, if any, have been disregarded and the property appraised as though free and clear. This report is intended for the sole use of the client and their representatives and no reliance on its contents by third parties will be accepted under the principles of Hedley Byrne & Co. Ltd. –V- Heller & Partners Ltd., (1963). Photographs, sketches, etc. presented in this valuation report are included for the sole purpose of illustration.

No legal survey or soil test reports concerning the subject property have been presented to us. Accordingly, no responsibility is assumed concerning these matters, or other technical or engineering techniques which would be required to discover any latent or inherent hidden defective condition of the subject property.

For the purposes of this valuation, therefore, we have assumed that the subject land and property are free from any defects as stated. Parcels sizes have been obtained from the Land Register unless otherwise stated. The property rights valued exclude any mineral rights or values arising therefrom.

Possession of this valuation report, or a copy thereof, does not carry with it the right of publication. Neither the whole nor any part of this valuation report or any reference thereto may be included in any published document, circular or statement, nor published in any way without the valuer's written approval of the form and context in which it may appear.

It is assumed that there are no charges against the subject property which would have a bearing on the market value, except for those, if any, noted in the report and on the Land Register.

