



RE: PROPOSAL FOR PLACEMENT AGENTS

Procedure and costs involved should the Placement Agent act as a funding agent:

Acting as a Funding Agent on behalf of CAREIF Ltd will occur in the following manner:

CAREIF LTD will supply the Placement Agent with full disclosure on the particular project being pursued. A Confidential Agreement would have already been in place at this time.

CAREIF LTD will supply the Placement Agent with project details (detailed prospectus) on the particular project or projects to be undertaken. Projects could include the development of vacant properties, rehab properties as well as acquiring existing properties.

CAREIF will supply the structure of the offering to the Joint Venture Equity Partner and or the investor if this capitalization is a private or public offering or placement. This simply means that details of what is needed from the contributor in terms of funds; time line before maturing or expected ROI; the projected ROI; the terms and conditions outlined in a standard contract or one tailored for the individual offering and the particulars of the project itself will be supplied.

1. The Placement Agent will be supplied with standard “Equity Distribution Forms”/ ”Joint Venture Equity Distribution Forms” which will be used by contributors to indicate how they wish for their contributions to be distributed across different developments or in only one. The forms will show the total contribution and the projected ROI. This will ensure that the contributors fully know from inception, what his/ her expected ROI will be at the end of the contracted period or upon declaration of profits from sales.
2. The Placement Agent will be responsible for registering and liaising with the various Regulatory bodies including FSC, as per the duties and responsibilities of a Dealer, **if the offering is designed as a Securities offering**. Where it is a Securities offering, which is likely to happen at the end of the construction period and where there is a desire to satisfy ROI to partners in prescribed timeline, a public or private placement could be desired. If this is the case, at that particular time, then as a Dealer, the Placement Agent will be responsible for giving legal guidance as per the investor dealer relationship.
3. Where it is not a Securities offering; as in the case of **Joint Equity Partnerships where the partners are actual owners or will end up as owners in the development and not share holders**, then the Placement Agent can proceed to present to prospects as per our schedules.
4. CAREIF has no objections if the Placement Agent as a Dealer decides to register the offering regardless of category in which it will or may not fall.
5. The Placement Agent will hold in escrow contributed funds and will release to developments as per requirement, instruction from CAREIF LTD and project demand. This escrow will also be governed by a Construction Trustee Programme developed by CAREIF LTD to ensure that the contracted builder; person or firm; contractor or subcontractor, carries out their contracted tasks in accordance to the contract. Unless conditions and terms are met, then funds will be held in the Trust account. If the Contractor fails to complete

the project in a prescribed time then CAREIF LTD or its employed Project Manager will, under the Construction Trustee Programme, have the right to assign a new Contractor to complete the project. This process will be repeated until the satisfactory completion of the task by employed professionals.

6. Upon the supply of the aforementioned documents, CAREIF LTD will if needed, provide in house professionals to carry out an information seminar to staff of the Placement Agent, to ensure that they fully understand the process. The Placement Agent is responsible for selecting those persons and providing the facilities in which to offer this training. The process is achievable in a one day seminar.

7. CAREIF will provide a call center to facilitate any detailed questions that contributors may have. This will ensure that the Placement Agent's staff is not distracted from their general responsibilities.

8. The Placement Agent will collect and hold all funds from contributors.

9. The Placement Agent will collect from fund collected a placement fee of 1/8th of a percentage point on gross of all funds collected on behalf of CAREIF LTD.

Cost to the Placement Agent:-

The Placement Agent will be responsible for its staffing and the reproduction of the offering documents carrying its distinct logo to ensure that counterfeiting will be eliminated. Therefore, only the Placement Agent will handle the production as well as execution of all required documents and or contracts to the investor or joint venture equity partner. If CAREIF LTD has an occasion to sign an investor independent of the Placement Agent, then the documents used must bear the markings of CAREIF and the Placement Agent. The Placement Agent will give a summary of investor activities to CAREIF on a next day basis with a maximum 24 hour business day cycle.

The Placement Agent is also responsible for advertising the offerings to the public as the agents as well as place notices throughout the Placement Agent's Network.

CAREIF's proposal is a very simple and straight forward one in which the Placement Agent will be able to significantly increase its market share in both the local as well as the international market. This will be achieved in the following ways without the Placement Agent incurring negative out flows of capital.

CAREIF's has in fact created multiple options for the Placement Agent, for example including Credit Unions that are licensed:

- **In option one:** The Placement Agent/Credit Union will increase its loan portfolio by offering prospective members of the RIC (Real Estate Investment Club) loans to pay for their membership. The average Credit Union (as do many other financial institutions) already make unsecured loans. The Credit Unions' client base will increase significantly since each RIC prospective member applying for a loan to buy their membership, would first need to become a Credit Union Member.

CAREIF's projected membership growth will significantly increase with the establishment of loan facilities. This is evident since CAREIF has received numerous requests from prospects to assist in identifying institutions that would lend them these funds.

Members of the Group of 144,000 and the Group of Patriots in our Real Estate Investment Club will receive rebates and coupons which they can redeem within one year for cash. These coupons will further protect the Credit Union, CAREIF is willing with a signed agreement between the Credit Union and the borrower, since

CAREIF can in deed directly pay to the Credit Union these cashable coupons and rebates in the event of any default by the borrower. This again protects the Credit Unions FURTHER REDUCING THE ASSOCIATED RISK RELATED TO LOANS and the repayment of these loans. Thus option one offers an increase in membership and loans portfolios for the Credit Unions with reduced risk.

The Placement Agent will not have a negative cost simply because each member will cover the cost of the loans and the processing. The Credit Union would therefore merely be using its current structure to make and service loans thus increasing their loan portfolio. In this option there is no cost to the Credit Union (Placement Agent).

- **In option two:** The Credit Union could actually become the Joint Venture Equity Partner in THE VARIOUS REAL ESTATE DEVELOPMENTS. The Credit Union could then retail the equity to its members of the general public. The Placement Agent will then be recognized as a primary equity partner and can assign equity positions as per equity agreement to whosoever it chose or simply retain for future profit taking. An involvement with CAREIF will give the Placement Agent/Credit Union a direct connection to the USA market and clients.

Projections should the Placement Agent and/or Credit Union members invest in the project:

CAREIF has provided projections of two of the projects namely Phenion On The Ridge Hotel Condominium Resort and Spa and The Sunset Town Centre. [Please see exhibit.](#)

CAREIF LTD will be equalizing the following projects, with 15% of each being offered to Joint Venture Equity Partners.

Phenion On The Ridge:-

(1). Phenion On The Ridge Resort Hotel and Spa, in Montego Bay. BUILD OUT AMOUNT OF US\$220mm. This amount includes the Sunset Town Centre and covers cost of properties. US\$7mm will represent the cost of the properties on which the hotel condo complex and the Sunset Town Centre will be built. The balance represents construction costs for the entire complex.

The project is now going through final approvals. The offer to Joint Venture Equity Partners is minimum 0.25% ownership in the development. The Joint Venture Equity Partners will jointly control the total number of 1,200 sq feet, 1 or 2 Bedroom Condominiums in the Phenion On The Ridge Resort Hotel and Spa complex as collateral. This will provide a further risk reducing barrier and the initial Joint Venture Equity contribution since Joint Venture Equity Partners are protected by the profits from the sale of the units.

The Joint Venture Equity contribution needed to own the 0.25% Joint Venture Equity is US\$200,000.00. The aim is to raise US\$12 Million. \$12mm represents the total 15% being offered. This is a limited Joint Venture Equity Partnership i.e. CAREIF Ltd is offering a mandatory buy out plan to all Joint Venture Equity Partners for an additional 100% value of their contributions within a twelve to thirty-six months period of the anniversary date of all Government approvals which will allow open sale of units to the end user.

Use of Proceeds from sale of Joint Venture Equity: - US\$7Million will be used to complete entitlements of the subject sites. US\$5Million will be applied to soft cost bringing development to end user sale.

US\$188 Million will be raised from pre sales of units. Where there is a short fall of funding and the sale of units is slower than expected, in order to meet Joint Venture Equity Partners obligation as well as completion of the projected 36 month time line from date of final approvals; CAREIF Ltd will utilize loan facilities through local commercial banks. CAREIF Ltd has already met with two Commercial Institutions which have indicated that they will fund up to 65% of the construction cost. CAREIF Ltd has also received offers from developers out of the United States to provide up to 100% of the funding as well as the construction of the towers.

CAREIF LTD has the option to retain up to fifty-six percentage ownership of units in the complex for long term earning. To facilitate meeting Joint Venture Equity partner's expectations at the 3 year maturity date CAREIF LTD will have the option to do so through (1). A private placement offered on 44% stake or shares in the Hotel Condominium. (2). A debt funding facility either from private funding sources or from institutional funding. (3). CAREIF will self fund from its own liquidity base on the earnings from its other products.

(4). Offer partnership in hotel condominium to pension fund or other institutional investors.

CAREIF's has at its disposal multiple options that provide investors with maximum gain with minimal risk. The demand for the product is extremely high, with existing partners opting for permanent ownership of units. This simply means that CAREIF already has a ready list of reserves. Joint Venture Equity Partners who fund the initial US\$12 Million will therefore be operating in a less volatile investor climate.

CAREIF LTD intends to raise the initial funding on or before February 1, 2008. The developments being offered by CAREIF Ltd will be taken on a 5 city international tour in January 2008, including Miami, Atlanta, New York, Toronto and London. The aim is to bring the products to the buyers. This has never been done in a manner as being proposed by CAREIF Ltd and an expected maximum exposure will result in a sell off of the units being offered before actual commencement of construction. **THIS OBVIOUSLY IS THE IDEAL SITUATION FOR THE DEVELOPER** as well as the Joint Venture Equity Partners and their ROI.

CAREIF LTD expects to develop the needed funding through pre sales from this tour as well as regular sale offers on the local markets. With funding from sale of units, CAREIF will be impacted positively with less dependence on institutional or private funding whether debt funding or joint venture equity offerings. This should give investor-partners confidence in the relatively low risk associated to the developments.

Attached is the Quantities Surveyor's Report on the Phenion On The Ridge project. CAREIF has deliberately escalated the construction cost to US\$125.00 per sq feet UP from the US\$57.00 Sq feet calculated in 2005. The minimum selling price is US\$285.00 Per Sq Feet. This price is expected to be significantly higher if the current market trends continue.

Investors are protected by the guaranteed buy back clause, where CAREIF LTD will guarantee a US\$50,000.00 ROI once units go on sale to the open market or there is a capital event in which the joint venture equity partner wishes to withdraw early from the joint venture relationship.

OTHER DEVELOPMENTS AND POSSIBILITIES:-

The percentages of each of the projects being offered are as follows:

1. **Phenion On The Ridge:** 20%. The contributor will receive a 1% equity interest in the development directly secured with a condominium unit of 1,200sq feet for US\$800,000.00. The contributor will have the option of retaining the unit permanently, or may choose to take the proceeds from the sale of the unit once development goes to open market. The contributor will retain the right to resell his / her joint venture equity position or percentage to the open market at any time during the process of the development regardless of stage of construction or implementation for whatever value he/she may be able to obtain from the market. As indicated on the memorandum contributor must first and foremost give first preference to developer and or principal, CAREIF LTD. The conditions are outlined in our prospectus. The contribution amount is now offered at US\$200,000.0 per 0.25% Percentage Point. The offering and the amount of the desired contribution is subject to change and or withdrawn at the discretion of the principal CAREIF LTD.

The joint venture equity partner may choose to title property in his or her name if they decide to retain the unit instead of selling if CAREIF LTD is unable for whatever reason to meet its commitment and or obligation to joint venture equity partners. For each percentage point 1% of the joint venture equity contribution towards the development, the joint venture equity partner is secured by 1% in the total number and projected value of the 1,200sq feet units.

2. **Phenion Preserves:** 15% is being offered to the joint venture equity investor at US\$3,000.00 for 0.005% of the project. US\$9,000,000.00 will be raised from joint venture equity contributors at this value. This will give joint venture equity contributor permanent interest in the entire development, including other phases on the same parcel of land.

3. **Phenion Cotton Bay:** 15% of the development will be equitized at a value of US\$36,000,000.00 for US\$12,000.00 for 0.005% actual joint venture equity in the development for **phase one** of the development. Contributions of US\$12,000.00 per 0.005% will be required from prospective joint venture equity partners.

Phenion Cotton Bay will have ten phases over a seven year period.

4. **The Great Buy Back Jamaica Campaign:** 20% of the joint venture equity ownership will be sold off to joint venture investor partners for US\$1.5Billion. This will give permanent ownership in all developments developed from this offering. 25% of the CAREIF's equity ownership will be dedicated to a permanent Education and Community Outreach Programme into perpetuity. CAREIF's assumptions based on participation of 500,000 contributors at US\$3,000.00 will generate the aforementioned targeted capital needed to effect a successful campaign. Varying proportions of persons to amount contributed will generate the US\$1.5Billion targeted. Thus 250K persons with US\$6,000.00 ; 125K persons with

US\$12,000.00 : 62.5K persons with US\$24,000.00; 31,250 persons with US\$48,000.0 will generate the desired amount to launch a successful Buy Back Jamaica Campaign.

5. **The Down Town Redevelopment Plan:** US\$1.5Billion will be raised along the similar lines as the Great Buy Back Jamaica Campaign.

6. **The Montego Bay Redevelopment Plan:** US\$1.5Billion will be raised along the same lines as the Great Jamaica Buy Back Campaign.

7. | **The CAREIF GENERAL PROSPECTUS:** [CAREIF LTD](#) will raise US\$1.5 Billion for its international investment fund. This fund will be used to acquire commercial developments globally. The fund will also be use to do international developments. A similar investment and equity acquisition model as used in the Great Buy Back Jamaica Campaign will be utilized here; i.e. 1million persons buying equity at US\$1,400.00 will result in targeted amount being actualized; 500,000 Contributors at equity contribution of US\$3,000.00; 250,000 Contributors at US\$6,000.00; 125,000 Contributors at US\$12,000.0; 62,500 Contributors at US\$24,000.00 and 31,250 contributors at US\$ 48,000.00 will result in targeted amount being raised.

8. **Contributing Joint Venture Equity Partners will use the CAREIF Risk Management Form:** this form will allow the joint venture equity partner to exercise multiple options in deciding how to diversify as well as spread their risk in making an application.

How will CAREIF educate the market:

CAREIF LTD currently advertises locally and internationally through the following:

Newspapers

Radio

Own 1 hour radio show every week that streams live on the internet “Inside Real Estate”

Seminars, Presentations, expos

Multiple websites with over 250,000 hits each expected for the month of December as well as on an increasing curve. www.careif.com, www.achieversunion.com

Newsletters

E-mail campaigns - continuous distribution of information to all our members and the general public.

Telemarketing – directly call prospective clients on the telephone.

CAREIF is embarking on a FIRST; A FIVE WEEKS TOUR TAKING Jamaican investment opportunities in real estate on the road to five major international locations namely Florida, Atlanta Georgia; New York; Toronto Canada and London in early 2008. There is a local leg of the tour that will be taken across the island of Jamaica.

The tour will include financial partners willing to premier their products to the Diaspora including ways to access local mortgages as well as highlighting the various opportunities being missed in Jamaica. **This tour falls under our BUY BACK JAMAICA CAMPAIGN.** Every good corporate citizen must get involved so that we can ensure positive growth in our country’s economy. Please find a way to make this tour a success. Every effort in this direction will make the economy better for all participants.

CAREIF has and will continue to aggressively advertise in the market locally as well as internationally.

How will investors' funds be secured?

As in all investment opportunities the investors funds are use to direct the business and in this case the real estate developments. CAREIF has deliberately taken several steps to eliminate the traditional risk to our Joint Venture Equity Partners and futuristically any partner as well as investor who will be joining us in many of these ventures.

- 1.** CAREIF uses joint venture equity contributions to cover all soft costs including any entitlements. The capital contribution by partners is carefully managed to bring the project from concept to permitting. CAREIF limits the number of partners per development and will generally limit their involvement to no more than 15-20% of the over all project. Joint Venture Equity Partners are sold in most cases a percentage of the project for a fixed amount with no further contribution needed. As there is no mortgage involved at this stage of the process, there is no real risk of losing the main asset. The property being developed is never at risk. Our partners know, as is fully disclosed, that the permitting process will be time consuming in most cases. This therefore means that risk at this stage doesn't really exist.
- 2.** We are developing real estate in which the joint venture equity partners have been assigned ownership equity positions, due to their contributions, which offers them the greatest protection possible. Partners are not holding paper they are actual owners with rights defined under the Joint Venture Equity Agreement which they must understand and sign before funds are accepted. Having an investment backed by real estate is the greatest protection possible.
- 3.** Properties which are being developed are researched and any deficiencies cured prior to being developed.
- 4.** CAREIF works closely with Parish Councils and various agencies to ensure that they are in favor of the development before any detail work begins. On the recommendations of the Parish Council Planners and the officials at state agencies such a NEPA, CAREIF will make determinations before inviting in joint venture equity partners to participate. There is therefore no guess work about whether a development can be done or not.
- 5.** Joint Venture Equity Partners are given rights under the agreement to execute the project to completion if for any reason CAREIF LTD, the Principal fails to perform.
- 6.** Capital contributions are deposited with and kept in a legally recognized financial institution, where the execution or development is guided by contracts and agreements.
- 7.** CAREIF does pre marketing exercises to determine market demand. If we are not confident that there will be absorption of the development in a timely manner, then CAREIF will not under take that particular project until conditions change. This further reduces our risk. No partner is brought in until the market is tested.
- 8.** CAREIF's development strategy include in house designers, planners as well as independent contractors. This is one major way to mange the cost escalations which often cripple a project. Any such measure helps to reduce the over all risk.
- 9.** CAREIF has the option for going public, doing a private placement, renting or leasing the development to satisfy partners in a slow market. This will ensure that there is income to cover

the cost of expenditure. Where this is done all the partners will need to do is to wait until the market adjusts.

10. If Joint Venture Partners are not willing to wait, all agreements give them the right to resell their interests on the open market. CAREIF in its agreements also have a buy back policy in all its developments. In some cases there is a guaranteed buy back with minimum values higher than the actual contributions made.

What will be the role of each constituent should there be a funding arrangement:

1. The Placement Agent is to act in the capacity as a dealer/brokerage house for securing funding through equity placements and or offerings as well as identifying Joint Venture Equity Partners for the real estate developments from concept to approval.
2. The Placement Agent will bear no liability for the offerings so long as the joint venture equity being offered is presented and accepted by the Joint Venture Equity Partner in its original form as structured by CAREIF LTD.
3. The Placement Agent will offer the service as an on going one during the established and agreed period of the offering for an agreed brokerage fee calculated at a percentage of the gross amount of funding captured or raised.
4. The fees will be negotiated with a specific and established range, between 0.125% -1.5 % determined by the volume being sought.
5. The Placement Agent will at the point of collection of the funding, execute all recording and documentation necessary to ensure that Joint Venture Equity Partners are effectively processed with completed documentations being handed to CAREIF LTD as being complete.
6. The Placement Agent is responsible for effectively marketing, advertising and handling all phases of the various offerings.
7. The Placement Agent at its discretion is permitted to work in partnership with other Brokers and Dealers in executing offering on behalf of CAREIF LTD. and its subsidiaries.
8. The Placement Agent will act as the Primary Broker and can do co-brokerage agreements with other Dealers at their own cost and fee share.
9. In the event of a co-brokerage agreement between the Placement Agent and any other Dealers / Brokers, The Placement Agent is responsible for the actions of the partnering Broker and will indemnify CAREIF LTD from any actions of those Brokers / Dealers.
10. The Placement Agent will protect all proprietary information provided by CAREIF LTD.
11. The Placement Agent will be responsible for training its staff as well as ensuring proper representation of the particular offering or product.
12. Upon verification and proper accounting payment will be made to the Placement Agent for brokerage services rendered to CAREIF LTD and its subsidiaries.

CAREIF Ltd's Responsibilities:

1. CAREIF LTD will supply detailed prospectus to the Placement Agent.
2. The Prospectus will offer full disclosure and detail all the rights of the Joint Venture Equity Partner.
3. CAREIF LTD will detail the structure of each offering, including the options to be presented to the funding source.
4. CAREIF LTD will provide formatted Joint Venture Equity Contribution Forms to record Joint Venture Equity spread if and where this is allowed based on the particular offering.
5. CAREIF LTD will maintain a 0.125% of the net amount of funding raised from any capital event, in a Trust account with a legally recognized banking institution, local or international to be held in trust and invested independent of the development, product or balance of capital raised for the execution of the project.
6. A standard Trust Agreement will be supplied to the financial institution. CAREIF LTD at its discretion will determine the financial institution or institutions to be included in the process.
7. Where there is no conflict of interest, such a Trust account can be maintained with the Placement Agent. Upon approval from CAREIF LTD all or part of funds held in trust can be invested by the Placement Agent or any agent appointed by CAREIF LTD for said purpose.
8. CAREIF LTD will indemnify the Placement Agent from any liability that may occur as a result of the offering.
9. CAREIF LTD will be responsible for updating Joint Venture Equity Partners as to the progress of developments or projects for which funding is raised, by giving each Joint Venture Equity Partner or their authorized agent access codes to our internet site specific to the particular product in which the investor has an interest. CAREIF LTD will therefore not provide mailed statements or up dates. Up dates will also be made at any meeting of investors at our Annual General Meetings.

What is CAREIF's corporate structure?

- THE BOARD OF TRUSTEE (9 Members including invited members from the Credit Union Placement Agent for oversight and transparency)
- THE BOARD OF DIRECTORS (9 Members)
- MANAGEMENT COMMITTEE FOR RIC (9 Members)
- MANAGEMENT COMMITTEE FOR THE ED. FUND (9 Members)
- MANAGERS
- STAFF

PHENION ON THE RIDGE HOTEL CONDOMINIUM, RESORT AND SPA

INCOME:

			Sales Per Unit	Total Revenue US\$
3 b/room Apt				
	Sq.ft	Sale per Sq ft	Total	
A	53,788	285	15,329,580.00	
A1	42,196	285	12,025,860.00	
A2	39,410	285	11,231,850.00	
		285		
B	51,170	285	14,583,450.00	
B1	43,876	285	12,504,660.00	
B2	38,724	285	11,036,340.00	
		285		
C	34,608	285	9,863,280.00	
2 b/room				
A	32,102	285	9,149,070.00	
A1	38,794	285	11,056,290.00	
A2	32,872	285	9,368,520.00	
A3	32,312	285	9,208,920.00	
		285		
B	37,954	285	10,816,890.00	
B1	36,204	285	10,318,140.00	
1b/room				
	17,038	285	4,855,830.00	
				151,348,680.00

This figure represents the income that would be received from a straight sale. Rates are in USD

**Cost of
Construction**

(cost per sq. ft coated in US dollars)

	Total Sq. Ft	Cost per sq. ft	
	634,500	125	79,312,500.00
Gross Profit from sale of units			72,036,180.00

				Rental Per Unit	Total Rental US\$
3 b/room Apt					
A	53,788.00	125	6,723,500.00		
A1	42,196.00	125	5,274,500.00		
A2	39,410.00	125	4,926,250.00		
B	51,170.00	125	6,396,250.00		
B1	43,876.00	125	5,484,500.00		
B2	38,724.00	125	4,840,500.00		
C	34,608.00	125	4,326,000.00		
2 b/room					
A	32,102.00	125	4,012,750.00		
A1	38,794.00	125	4,849,250.00		
A2	32,872.00	125	4,109,000.00		
A3	32,312.00	125	4,039,000.00		
B	37,954.00	125	4,744,250.00		
B1	36,204.00	125	4,525,500.00		
1b/room	24,000.00	125	3,000,000.00	*	
					67,251,250.00
Cost of Contruction					79,312,500.00
Deficit from first year rental					(12,061,250.00)

The figure s above is used to determine the income for the first year and is only based on minimum calculations. Figure will invariable change over the 3yr period with inflation and the other determining factor.

ADMINISTRATIVE & GENERAL EXPENSES:

Expenses

J\$

Lighting & Electricity	1,313,089.65	12	15,757,075.80	
Water	987,285.45	12	11,847,425.40	
Telephone	63,800.00	12	765,600.00	
Internet/Cable	11,350.00	12	<u>136,200.00</u>	
			28,506,301.20	
Contingencies @ 10%			<u>2,850,630.12</u>	31,356,931.32

Contingencies for water will include meter & mechanical charges. Other charges will be dependent on the size of pipes etc.
PAM rate is a relection of the US rate.

<i>Security/Guards</i>	<i>No.per day</i>	<i>Avg. Rate per hr</i>	<i>Total per hr</i>	
Armed	3	280	840	
Unarmed	3	225	675	
Mobile	2	290	<u>580</u>	
			2095	x 24hrs x 7days x 52 weeks =
				18,301,920.00

Janitorial/ Housekeeping			\$
<i>I Person =20 rooms</i>	15		
Reserves & general cleaning	<u>8</u>		
		*	
Weekly	23	4800	110,400.00
Monthly (\$110,400 * 52/12)			478,400.00
Yearly (\$ 478,400 * 12)			<u>5,740,800.00</u>
			6,329,600.00
Contingencies@ 20%			<u>1,265,920.00</u>

7,595,520.00

Rates are that of a typical janitorial service and therefore it was necessary to assume contingencies of 20%.

This should cover all other variances

	Monthly		
Maintenance	\$		
Landscaping, Pool Cleaning, Plumbing, elevator cleaning	150,000.00	x 12 =	1,800,000.00
Painting (once per year)			32,800.00
Other Contingencies/Overheads			<u>1,730,000.00</u>
			JD <u><u>60,817,171.32</u></u>
			USD <u><u>810,895.62</u></u>

	Revenue	Cost of Construction	Administrative & General Expenses	Profit/(loss)	Year 1	Year 2	Year 3
P1	151,348,680	79,312,500	0.00	72,036,180.00	72,036,180.00	75,637,989.00	79,419,888.45
P2	67,251,250	79,312,500	810,895.62	(12,872,145.62)	(12,872,145.62)	69,802,916.88	72,482,167.11

Rates are in USD

P1=Profit from Sale

P2=Profit from Rental

Figures over the three year period is reflection of inflation and other factors which will result in the increase of lettable spaces. Rate of 5% was used.

NOTES:

In reference to Quantity Surveyor Report as prepared by Mr. Fitzroy Donaldson who has worked on major projects such as the Iberia Star Hotel in Montego Bay, Jamaica and has had over twenty (20) years in the business as a professional Quantity Surveyor, 19 Market Street, Montego Bay, it is important to note that the cost of construction

is US\$69.40 per sq. ft (J\$5,000.00). However, CAREIF has taken the unprecedented step of deliberately escalating by approximately 80% to compensate for any increase in the construction cost index proportionate to the approval time. In spite of the force escalation of US\$125.00 sq. ft as opposed to the actual of US\$69.40 the project yield or profits is still over 100%. The ROI is over 100% represented by actual value of US \$72,036,180.00.

The current offer to partners at US\$200,000.00 for a 1,200 sq. ft will see partners receiving a ROI OF 71% over a projected 24-36 MONTHS .

If the Developer, CAREIF Ltd uses the services of a Placement Agent or Securities Dealer to source funds at a rate of 0.125% of gross then brokers would earn in accordance to the following chart. The Developer as the option of raising 25% of the total construction amount of US\$79,312,500.00 which is equal to US\$19,828,125.00. The Dealer will therefore earn based on 0.125% fee US \$49,570.31. Lets assume that CAREIF decides to equitize the project as part of its REIT in a public or private placement for the current value of US\$150,000,000.00 which is the sales value.

The Placement Agent in this case will also generate an additional 0.125% of gross, which is US\$187,500.00. This allows a Placement Agent such as a financial institution to have multiple income generation from one of CAREIF's projects. In addition to the options aforementioned, there is a third option of underwriting mortgages for the end user and then a fourth option of financial institution retaining permanent stake in the development protecting long term unlimited rental income by taking an equity position. All CAREIF's projects are structured around similar offerings to our joint venture equity partners.