

Building Wealth Without Bureaucracy



2007

CAREIF[®]
Caribbean Real Estate Investment Fund

A GLIMPSE OF OUR PERSPECTIVE ON INNERCITY DEVELOPMENTS:-

CAREIF's objective is to redevelop the greater Down Town area of Kingston into a modern first world mixed use Town Centre with all amenities to ensure that businesses and residents alike enjoy the highest standards of living possible. We are well aware of the challenges and have developed cooperative strategies that when implemented will affect positively the re-development of a neglected city that has so much to offer.

The development strategy approaches the location in the following manner:

The people that currently live within the immediate area: -

- ❖ Different cultural groups must be invited to become a part of the development process if we are to ultimately have a smooth transition from the existing situation to one of an upwardly moving community.
- ❖ Housing and housing solutions must therefore be approached with an eye on accommodating the persons who would be unable to find the necessary deposits to reserve one of the homes to be built.
- ❖ A system of identifying the current residents must be enacted so as not to have opportunities undermine the situation by fraud gaining access to homes through any incentive process to be used.
- ❖ A massive rapid release census and registration of all the persons; with the aid of the Police and Military, must be used to achieve the objective of identifying legitimate owners of properties from those just merely occupying the buildings. We must have them provide proof of ownership e.g. receipts of tax payments and utility bills in their names. Employment records and current number of dependents must be also addressed in respect of the occupants of these homes and or buildings. All legal tenants must also be recognized. Home or property owners living outside of the area must be contact with the aim of working out a buy out plan.
- ❖ The other option which must also be used to eliminate any future claim issues where there are no identifiable owner, is for the Government to declare eminent domain in favor of the development process if at all necessary. This would first and foremost apply to properties where owners cannot be found or are deceased. The properties will be sold to the developer. It therefore means that the developer will pay for the property and not Government.
- ❖ Churches within the area will also be asked to identify property owners and to become stake holder in the process.

❖ It is being recommended that any meeting of representatives from the area be held outside of the area. In fact all meetings of a sensitive nature must be held in another Parish some distance away from the location.

The process of rapidly enacting a census will have multiple effects. 1). the Police will be able to do a thorough sweep of the area. This will drive criminals or potential criminals who dwell in the area to move out. 2.) Have Police and Military set up posts and occupy all unoccupied residences and buildings in the area until and during the development process. Thus until all building plans are in place, the buildings and the areas will be occupied. This will begin the cleansing process which itself will help in the marketing of the area to potential residents and businesses.

3). Carrying out necessary land surveys, technical work and architectural work will be done without the added pressure of criminals interfering. 4). Identifying and working with law abiding residents will become less problematic as the fear of intimidation from thugs is eliminated. 5). the development process can then begin without incidents. This is so as weeks of occupation by the Military will indicate to residents and people in general that the government is serious about eradicating the criminal elements. This should eliminate any criminal interruptions of the actual development process. Especially when law abiding residents would have been the ones to actually land the construction jobs; if qualified and they do make themselves available for training before the building process. This process must be carried out with the utmost sense of secrecy and stealth so as not to provide warning for criminals to merely shift to another area or across the Island. We must see this as an opportunity to close down crime once and for all, a little at a time, community to community.

[CAREIF LTD is willing to work along with HEART and The Minister of Labour to ensure that workers are trained and certified.](#)

The people who live outside the area and work there: -

❖ Must be given the assurance that they will be safe when they return to live, work or do businesses in the area. All of the above activities mentioned will help in that direction.

❖ Another strategy or fact that will motivate persons to move to this area is to ensure and demonstrate that the cost of living associated with living in this section of Kingston is significantly lower than uptown. E.g. we should highlight the cost of ground provisions from the downtown markets.

❖ In addition, retailers and wholesalers should be encouraged to support any marketing campaign which will bring in more persons to the area. Mass marketing in the media will be launched as an educational process prelude to actually taking reservations at any marketing **Expo**, which will be a perfect venue to show case the redevelopment as well as to use the event to register prospective owners. Current business owners will be encouraged to sponsor an

extensive marketing campaign which will remove the stigma from the areas in general and therefore make it easier to market the concepts of shopping; playing and living in the area.

❖ The equity programme as practiced by CAREIF Ltd will be highlighted to show how affordable housing can be for those persons of high moral repute who will be able to afford the area once the modernization begins... Our equity plan plus membership in RIC can almost be viewed as a subsidy.

❖ All incentives must be given and outlined. These include easy access to all that you need from entertainment to jobs within walking distance. Additionally there will be a tram service to facilitate ease of access to the entire redevelopment zone without necessarily walking. We should also feature successful urban projects which will demonstrate the success of the process in places such as West Palm Beach, Florida; e.g. City Place.

The businesses and the cultural thinking of the owners: -

❖ We must be guided by the thinking of the companies within the area, so as to know how to approach each market as they are identified. They have been there for many years and will have a buzz on news items relevant to the success of the area.

Commercial activities in the area: -

❖ Need to identify all commercial bodies in the market and the nature of their businesses as well as to verify which ones will be willing to consider the opportunity.

Security infrastructure in the immediate and out lying/bordering areas: -

❖ Police aided dragnet will help to achieve this policy and practice. Local security companies must be able to provide services at reasonable cost to be considered. A long term strategic security plan must be implemented before, during and after redevelopment. These will include centralized cameras on street corners; neighborhood watches; street patrol by Police; private security for residential developments and commercial developments alike. Each condo or apartment complex whether rented or bought will have 24 hour security and (doorman services).

To have a successful re-development exercise

❖ A concerted effort must be enacted to change the image of the Police and their presence. This can be achieved in the following manner; (1). Have the Police announce a policy of adopting neighborhoods. Here the Officers will make their presence felt in a physical and friendly atmosphere.

❖ The inclusion of corporate sponsors in this effort will help to make this plan a success. Having a friendlier Officer will erode and quickly eliminate the sentiments of distrust, hate and corruption leading to feelings of contempt for the Officers and law enforcement in general.

❖ (2). providing the Officers with a realistic compensation package, ensuring that they can and will attain financial success for themselves and their families will make a much more dedicated Officer. This can be done in several ways:

- The most obvious is to ensure that the over all income of the Officers make sense with the job description.
- By offering scholarships for the Officers and their children at college level is one immediate way to help.
- To ensure affordable housing in the redevelopment zone to Officers is another way to achieve this objective. Since we can offer housing payment per month to Non- Officers in inner-city housing developments at what must be subsidized mortgage repayment costs, we must also offer Officers the same opportunity. The National Housing Trust can provide long term financing to these Officers which will extend mortgage payments beyond 40 years. Officers must remain a part of the force and in good standing with the Law as well as the moral codes of conduct, e.g. stay clear of corruption and occupy the homes for at least 10 years before residing else where or have another Officer live there if for any reason he really must relocate. Obviously in the event of casualty, the relatives can relocate or sell the property. The aforementioned is to ensure that we do have a strong security presence in the area at all times. Having Officers residing in the area in which they work will strengthen law enforcement as well as community relations. The Officer will keep his neighborhood clean for himself and his family. Provide sensible retirement plans that allow the Officer to live well above inflation after retirement.
- Provide health care of the highest quality as a part of the compensation package for both the Officer and his family, inclusive of the parents. This benefit will continue well after retirement for the Officer and any minor child.
- Extended vacations for the Officers and their families to local attractions and resort facilities. CAREIF will set aside a minimum percentage of housing units for the Police and security personnel in any re-development project for the Down Town areas.

Physical infrastructure existing and non-existing that will affect the plan:

To have ultimate success we must develop an engineering plan which will ensure that we don't compromise the quality of the development. CAREIF LTD will propose a blue/ grey water treatment facility for the treatment of waste water and storm water runoffs. This will provide water for irrigation as well as lessen the burden on existing facilities. Obviously reducing water cost while helping to maintain the flora of the area will ensure that the area remains aesthetically pleasing to the residents and visitors alike. Retention Ponds will also be a part of the redevelopment of the area. This will greatly reduce silting in the harbour and therefore help to restore the quality of the marine life there. It is the intention that helping to improve the marine life will also help to regenerate fishing along the coastline which will be developed with board walks and other recreational facilities which are all designed to benefit both residents

and visitors alike. High rise water catchments tanks will be infused in the building design to ensure maximum capture of precipitation whenever it occurs.

Availability of existing commercial space: - must be identified with a determination of the best possible use. Depending on location and distance from the more active commercial retail or other strips will greatly influence the use of the buildings. A redevelopment and rehab programme will be implemented with the façade and period of the architecture, playing a role in the final look and use of the properties. Preservation will be high on the agenda since aesthetics will enhance the tourism product as architecture is normally a great draw for visitors.

Availability of existing residential space: - a similar course of action will be implemented with the residential areas.

Availability of industrial space

Civil Engineering infrastructure: retention ponds and blue water treatment plants can be incorporated into a more comprehensive design with management of waste converted to methane for use in local homes and restaurants. *A COOPERATIVE VENTURE BETWEEN RESTAURANTS AND OTHER BUSINESSES USING METHANE* will be encouraged. The benefit to be derived is the lowered cost of fuel and therefore a lower cost to businesses. This translates into savings, greater profits, lowered menu cost to patrons, which will help to bring them to the area for their leisurely activities. Vertical catchments tanks will ensure the reduction of flooding as well as water for irrigation. Tanks will catch storm water from the high-rise buildings.

Aesthetics of the area: - area to be developed with water fountains, water parks, gated residential communities for added security as well as rehabbing of community that will facilitate the security of children as they play. Side walk restaurants for seating and listening to piped music while awaiting meals. All buildings will be refurbished and painted to bring colour and life to the areas. Pedestrian traffic will be able to handle the transportation business. Back alleys will be converted into pedestrian friendly dining as well as shopping experiences. No vehicular traffic will be allowed in on these streets. This will keep the main streets open to vehicular and pedestrian traffic so these streets won't need to be blocked on a regular basis, unless that becomes a cultural desired feature of the area on certain days. Elevated LANDSCAPED COURTYARDS AS WELL AS treed side walks will add to the aesthetic quality of the area.

Educational facilities: - build private schools serving all levels; college towns will bring revenue. Students will need housing while studying. One suggested institution to be constructed is a school of nursing. There is a very high demand for nurses internationally and this will form the basis of establishing an export strategy for persons wishing to work in the international markets. The

benefits of having persons working abroad will also more than likely bring in support dollars for the relatives left behind. Income will increase the affluence and employment in the areas from which these nurses come. Developing educational facilities at the university level will generate revenue and jobs for the areas. Having sustainable jobs will change the social habits of the area in direct reference to crime.

Health facilities: - introduction of holistic, modern and eastern medicines; retirement villages; especially since the hospital facilities are so close, operated by Private Practices will also be developed. The *Health Tourism product* will be developed for persons who are living abroad and who would see the advantage of a vacation and health care as a package deal...

Entertainment: Restaurants, Theatre, Jazz Clubs, Opera, Museum and Art Galleries. The redevelopment would not be completed without the building of luxury hotels on the water front. Smaller hotels will be built along with bed and breakfast facilities.

Religious facilities: construction of a one of a kind Cathedral, the glass concept/ icon designed to be an attraction for the area.

Incentives to businesses and residents alike: - lower rental & buying rates. New high rise parking garages with adequate security will encourage patrons to shop down town. This will be a plus to the growth of businesses in the area. The Tram Service provision of specific buses to transport persons to and from the areas, will ensure that residents will have reliable cost effective transportation to the entire Down Town area regardless of time of day or night.

Targeted groups: - professionals; businesses; retailers; entertainment.

Tourism development: - water front; museum; festivals; art; opera; theatre; hotels

Job creation: - securities; clerical; creative/ fashion; art; entrepreneurial; education; artisans; construction; transportation; janitorial; entertainment; hospitality home services (helpers); landscaping; maintenance; educators etc.....

Architecture: - modern water front and up scale condo; period preservation; hotels; commercial rehab and new construction.

Economics and the benefit to the area inside the development zone: - having high-density housing and commercial mixed use facilities will be the catalyst for a vibrant commercial centre. The presence of all needed amenities to enhance the lifestyle of the residents; their quality of life, will result in more persons shopping in the area. Commercial activities will result in more affluent Down Town communities. As dollars circulate and are retained in the area there can only be greater wealth for the area. We will see the rise of financial

services including Banking; Investments Brokers and Houses amongst other supporting industry from the secondary markets. These will include Computer and other "IT" services. Printing services are also one market feature which will grow with the return of residential and vibrant commercial activities to the area.

Economic advantages to the areas out side the development zone: - Areas immediately out side the redevelopment zone will benefit from the spill over shoppers and visitors to the area. In fact it is expected that smart entrepreneurs will cease the opportunity to launch businesses that will attract and hold patrons before getting into the redevelopment zone. Any commercial activities which will result in the empowerment of areas close to the Town Center will be of an economic as well as security advantage for all involved. Areas further North, upper St Andrew, and WILL SEE AND INITIAL SHIFTING of the demand for housing for the young professionals as well as the demand for entertainment in favor of the redevelopment zone. This will however be balanced in time as maturing residents and professionals from the Down Town district looking for more affluent homes as opposed to apartments and condo and to raise their families will relocate to these areas. Thus the Areas out side of the immediate redevelopment zone will not be negatively impacted whether businesses or residential life.

Crime reduction with the creation of more and better paying jobs will be a plus for the entire country as more international shoppers will feel more comfortable doing businesses here.

With creative catchments for flood control: - marketing the development zone becomes much easier. Man made lakes and gardens will enhance the areas in general. Used efficiently these same feature will aid in improving the security of the areas by reducing access points to criminals. Monitoring access points will therefore be more efficient. These catchments will also advance the aim of providing recreational activities such as fishing for the residents. More leisurely activities will enhance the quality of life for all within the area.

First Step:-

1. Contract all buildings for sale in the immediate area with minimal deposits to lock and with differed payments; payable when funding secured through sales or equalizing; both methods can be utilized. In one instance contributors will individually own the buildings. In the other, groups of investors will collectively own from placements (public offering). Long term income is the incentive here. CAREIF's Real Estate Investment Club will be encouraged to buy back any equity from its members.
2. Utilize ground lease as much as possible with right to buy clause. This can be used to minimize start up acquisition while reducing cost due to costly transfers for both buyers and sellers.

3. Request a due diligence and permitting period of over 15 months with minimal interest bearing principals until paid. Seller financing will be encouraged here as well. This is largely because the buildings may need permitting and time could be several months.
4. Identify all assets for sale or being advertised in the areas in general.
5. Assemble team for completing all designs and drawings for buildings new and remodeled.
6. Seek assistance from KRC in getting permitting as well as negotiate with KSAC on differing permitting fees until after approvals. Fees can be advanced from reservation funding from the end users or the equity partners who wish to own properties in the areas.
7. Make presentation on project at **EXPO** and on Radio Shows with the aim of securing investors buyers and future patrons. A pre-marketing event will only be good for the future of the project in general.
8. Do magazine features on the area before the actual sale event. Out lining the beautiful buildings and lifestyle that was and will be a part of this condo developed district.

Debt funding: - The development can be funded by several means including debt funding. This simply is where we borrow at a minimal cost to fund the development through its various stages. As a practice though most institutional lenders will not lend on developments until all permits and a percentage of sales of the units are achieved. The funding by this method will be more than likely through private persons who will seek a much higher return than the institutional lender. Unless they receive incentive pricing as a trade off. So for this reason the funding through this method can only be on relatively small amounts of start up cost or capital; which we will refer to here as bridge funding. BRIDGE FUNDING of soft costs will therefore be funded through this method. Other methods such as EQUITY FINANCING and PRESALES will be employed. Other methods will/could include issuance of BONDS or STOCKS in particular buildings; such as apartments and condos, and hotels. Investors will benefit from the long term income and profit share. Funding may be sought from pension funds and other institutions sitting on large amounts of capital and are looking for a safe productive place to invest. These same institutions can then buy back the assets for their long term investment plans and offerings to their investors.

To enact the over all development plan and to avoid the lead businesses being targeted as anti-resident; the following is being recommended:-

1. A massive public relations campaign dealing directly with the reality and implications for the future of Down Town and its residents. The Campaign MUST TARGET the cultural acceptance of crime as the norm for the area and that it's in fact not desirable or admirable or even accepted for the persons

living there to adapt a life of crime. Television; radio and film must be dedicated to show the utter disgust and the “lowly” outlook most Jamaicans have of that lifestyle and what it really means to and for all civilized persons across Jamaica. “It’s time we become civilized men as opposed to vicious criminals” FIND ANY MEANS TO UNDERMINE THE CULTURE OF “ADMIRISM” that persons have for this absolutely horrific system of human relations. We must go to the core of human psychology and provide treatment for the persons living there.

2. The campaign must involve convincing Government to implement a policy for young persons leaving school and not having a job or going off to college, absorption into the military. This will give them military training and discipline; where they are given practical trades and skills in a disciplined environment. The programme should target per-persons leaving school. E.g. compulsory CADET OR Scout TRAINING. This will create activities for the young adult that would keep them from merely hanging on the streets. If an infusion of practical physical and beneficial activities is introduced within their everyday lives they will have less energy to become involved in activities leading to antisocial behavior. It is likely that many of these individuals have not been exposed to alternative lifestyles out side of their immediate environment and any such exposure to alternative lifestyles would make a difference in the entire nation’s existence. A suggested part of the training is in the sending of as many of these individuals abroad to study and gain skills in other countries for two basic reasons; (a). It could mean absorption in those markets for those skills, (b). It will mean having a viable means of employment when they return to Jamaica and the Caribbean in general. The cost to the nation especially when worked through charitable organizations via scholarships will be far less expensive that the over all cost of fighting increasing crime as well as the loss of potential investment opportunities for Jamaica as a result of the current situation.

3. A targeted military campaign and relocation process designed for persons living in these areas. Removing the old and retired to retirement homes deep in the rural areas is one way to solve the diminished quality of life of many of these individuals. They could be placed on senior housing located on farms where they themselves can be infused into productive activities such as light gardening and more. Excess production can be sold on the open market depending on the product. A farm training programme can also be implemented for adults as well as those who are not yet at retirement age but need to have productive activities. A mass media campaign showing the value of the quality of life for persons living such a life style could be launched to begin the process of changing the mindset of despair and lack of hope which cause many of these individuals to coexist amongst criminals. Gradually removing the community from around the criminal will leave him more exposed and therefore the situation can be more easily contained. Cooperation is needed between all Government Agencies having the mandate to change lives for the positive growth of the nation.

The reality on the ground.

There are evident problems which have been outlined and touched on above. The strongest deterrent to positive growth in these communities is the long standing political culture that continue to reap havoc on the unsuspecting. As a result they live in an actual war zones which can be cured simply by political factions realizing that they can actually gain much more by not participating in the violence causing death and mayhem. Again a massive public relations campaign must be launched in these areas not up town or in the affluent areas where the message is already known and understood.

The problem of revitalizing these communities lies in the participation of the residents who are motivated to change their situation. These are the persons who are willing to live and invest in these neighborhoods. Home owners and businesses already existing in the neighborhood are our strongest allies in redevelopment. We must seek to achieve our objective without seeming to want to or intentionally dislodging persons from their homes. If optional housing is to be provided then the strategy will be to do so outside of the general area. Housing solutions can be established for the elderly in rural areas where nursing or retirement homes are being developed or will be developed by CAREIF LTD.

These homes will offer ultra modern facilities including stocked fishing ponds for recreation as well as retention ponds for storm water run off. The Grace Kennedy community outreach programme will be an asset in enacting the changes needed to revitalizing the communities.

The components which must be carefully looked at include the following:-

1. The women that live and work there.
2. Children ages 1-15.
3. The men
4. Politicians
5. Senior Citizens
6. Businesses
7. The physical communities.

The Women: - the women are the gateway to success. We must therefore include the women of the community who especially have a concern for the welfare of their children, need to have the security of a home and the need for

stable income. They definitely like the idea of having a retirement plan. The housing solutions will be offered to any member of the community who is willing to buy a home; not just women. The legitimate person who lives in a home that they actually own will be the foundation model in this process.

THE FOLLOWING WILL EXPLAIN IN DETAILS

1. The Real Estate Investment Club as structured by RIC will have the greatest impact with its membership fee of US\$1,120.00, gives the smart person life time income, which they could also buy for their children. The housing solutions and the strategies in paying for that home will be furnished through RIC.
2. Prospective occupants of the area who are in need of income can use the RIC Achievers Group plan to generate income.
3. Training the local residents so as to become competitive. They can be trained in computer sales and servicing of products on the internet. Working out of Jamaica but earning US\$ without leaving home.
4. Training in construction so as to development marketable skills. This training will invariably help these women in building the wealth; directly receiving their salaries. The skills will also allow them to contribute sweat equity in the development process. This is especially pronounced when the development of this area will last for several years. The end result is sustainable jobs both in new and rehab construction.
5. Using the technical skills learnt, helps in the finding of employment or being about credit worthiness, this will directly influence the income of these persons and their ability to access mortgages.
6. Pooling of limited recourses, cash and or people is a very strong ingredient in any development of the area. This will keep the cost of homes down and allow a greater productive time line and participation of the participants. Bonds will be used to provide a percentage of the needed funding for building these homes.
7. Develop a 40 year mortgage plan using RIC's Guarantee mortgage/ protection plan.
8. Identify the buildings which can be rehabbed.

9. Identify the properties that can be used for new construction especially in homes and businesses such as nursing homes, high rise condos and apartments.
10. Introduce the rotation system. This will allow the development through rehab or new construction to ensure that no family of property owner will be forced out of their communities unless they wish or want to move. As one building is completed then that family will be housed in another until fixed or finished. This will eliminate the fear of being dislodged.

The children:-

1. Education: - building private schools will bring in income / revenue; create jobs but more than that, it will allow the emergence of an educated business class from the poverty stricken area. The prospects of these persons operating legitimate businesses will have a positive impact on the sustainability of the redevelopment process.
2. Exposure: - children must have worthwhile recreational activities. The experience of traveling out of their communities and country and seeing how other people as well as other Jamaicans live will have an impact on them for the rest of their lives...
3. Activities: - introducing different productive activities will help in bringing civil action and behavior to areas such as these.
4. Being members of reputable institutions or organizations - having membership in leadership organizations will give them a definite life skill in leadership and positive role models. Encouraging these organizations to do programme here is the one way they can help in this process...
5. Health plan: - developing a health care system from income generated through the various programmes e.g. a percentage of profits from the parking garages can be applied to this programme. This will provide almost free health care for residents and their children at hospital care facilities. The health care plan will see the development of these facilities where annual health visits would be free for members of the Real Estate Investment Club (RIC). This service will be further paid for from sales at pharmacies which the development process will include all over the area. This plan should be used as an incentive for returning professionals to the area who will also receive the free health care (or a merger of the free with the HMO concept) and annual check ups.

The Men:-

1. Develop training programmes which will employ the men as security patrols persons; security service officers and service attendants at parking garages. Courtesy Officers for the Down Town Tourism and shopping experiences. Train them in conflict resolution; JOINT PATROLS with other groups of men from other areas. They will be uniformed.

Politicians:-

The high density development will actually bring in a greater number of persons to the area. It therefore means they won't have to worry about reducing the population the area. In FACT THE HIGH DENSITY DESIGN WILL GREATLY INCREASE the number of persons in the community.

Senior Citizens:-

Residents who are unable to live or support their lifestyle CAREIF LTD is willing to develop the assets they own for a % of profit. Those that have properties to sell or develop will be presented with a JV proposal. The proposal will foster the development of the asset as long as it meets certain criteria.

Provide them with an education programme which will allow them to understand the dynamics of business and how they can operate their own businesses. One area to look at is the Food / Restaurant business.

Businesses to be introduced:-

1. Multi-level parking garages for the public in the business districts. This will provide jobs as well as security for patrons.
2. Shopping centers in areas where there are now none. This will facilitate the new professional persons who will occupy the high rise condos and town homes to be built. They will also provide jobs both for the young as well as the mature person in the area. Teaching the young to work at these facilities at an early age will have positive work attitudes later.
3. Export labor: international employment agency. This will focus on jobs internationally; train persons for these jobs. Military training and service in foreign armies will be also looked at as a possible way to provide work for these persons who largely remain unemployed.
4. Cultural businesses:- museum; art galleries; theatres;
5. Pharmacies
6. Supermarkets
7. Medical Facilities
8. Retirement homes
9. Schools at all levels e.g. nursing schools. We will examine the international labour markets see where the demand lies and fill them with trainees from our educational training institutes in the development zones.
10. Construction companies; Antique shops
11. DEEP SEA Fishing facilities for local consumption as well as tourism
12. Marinas for boating enthusiasts.
13. Ferry system

14. Security companies
15. Stock brokerage houses (Finances in GENERAL)
16. DRESSMAKERS
17. TAILORS
18. Janitorial services
19. Car care facilities
20. Theatres
21. Retail shops
22. Research facilities and library including duplicate archives of Jamaica and the Caribbean.
23. Banks
24. Investment housed
25. Virtual office complexes.

FUNDING:-

To fund the process and make it possible for the locals to enjoy the end result such as home ownership we will need to do so through several creative strategies;

1. Having the home and property owners pledge the property for development. Thus the audit of the property will show what is best suited for the area. The plans are drawn submitted and development executed in a **Joint Venture facility** establishes between the property owner and CAREIF LTD. The properties will be developed in a manner consistent with providing cash flows for the Joint Venture partner. Multi family dwellings will be done, either for rental or a sale of a number of units. The property owner will receive a unit and rental income from the remaining units depending on level of input.
2. CAREIF will provide mortgage brokerage services for private lenders who will want to take advantage of the opportunity by providing direct loans. This will give them greater returns in an atmosphere where they have greater control over their funds. This process will develop the private lending sector.
3. The funding process will also be done through a series of bonds sold to businesses in the area; the local residents; and the general public. The rate and maturity will be determined at an appropriate time. Long term bonds will be preferable. We should seek Government backed bonds so that the international markets especially Jamaicans living abroad, will respond. Government will generate increase revenue from these new developments. So it does make good business sense for them to become involved by providing backing and nothing else. Government's involvement must be craftily done so there are no political overtones.
4. Equitizing the developments to the end user. That simply means those persons who are looking to own units here will buy into an equity ownership plan. They will then trade in their ownership positions and profit share towards the price of the unit. This simply means that they may not need a down payment. The profit share can be applied to reduce the price of the unit. Therefore funding through institutions will become much easier for the end user especially if they have a RIC plan which provides them with long term

income. This can be used as additional collateral for interested and participating lending institutions. The mortgage guarantee plan as developed by RIC will also be attractive to lenders for the development areas and real estate.

5. Debt funding
6. Pre-sales of units upon approvals
7. Mortgage Financing private or institutional upon approval of the units. Financing will include the bridge construction funding and then a rap around mortgage for the long term. This last method will work best on property built for leasing or rental.

CAREIF will equitize one or several buildings to create a vibrant equity trade adding to the growth of another sector of the local financial market. This will allow persons who have equity agreements or bonds to sell or trade them before the maturity date. CAREIF will also have a buy back policy and plan for those persons if so desired by them. Having an instrument with a guaranteed buy back will be more encouraging for the investor who may need to find some liquidity in the near future.

Properties available will be contracted on a lease basis with a locked- in purchase agreement. THE PURCHASE AGREEMENT MAY BE THROUGH AN EQUITY FACILITY ESTABLISHED with an executed JV agreement. Sellers would be asked to have all approvals in place before being paid any cash. A TIME LINE BASED ON THE FUNDING process and approvals will need to be established.

Pre-marketing must begin months before any actual sales. The expo is an important avenue to begin the process of sensitizing the public.

SAMPLE OF LETTER SENT TO STAKE HOLDERS.

Dear Ms.,

Thanks for taking the time to see us on Friday and supplying us with the critical information needed to go forward. We have come to the conclusion that our original plan of inclusion of the current residents must be the only way to go. As a matter of fact we believe that the approach of meeting their needs must be first and foremost on our list of items if the development strategy is to

be successful. Obviously we will not be able to fully satisfy each person living there. However our approach will meet the needs and expectations of a significant portion of the population now living there. Based on our meeting, all are agreed that this is the way to go.

In going forward please give an indication of your response to the plan which we will briefly outline here. We would also like to emphasize that to make this venture a success we must, as indicated before, have maximum cooperation between all the stake holders including national security bodies. We would prefer at this time to work through existing organizations such as your own in order to have smooth transition and an effective development plan. This plan will be more easily accepted if it is coming from organizations which have already established significant trust within the community. CAREIF Ltd need not be upfront in any effort to advance the redevelopment process. One thing to emphasize here is that by increasing the population within these areas we eliminate the fear political entities may have of fragmenting their sphere of influence. There will be more people living there when this plan is introduced.

1. First we must have formal cooperation from the unofficial governance structure now in existence. This is essential as you well imagine. We must have safe access to the areas in order to execute housing solutions for the residents. A pictorial survey, including aerials of the development zone identified in our last meeting will be needed. We will also need to meet with the property owners in order to structure how best to approach initiating the strategy inclusive of the funding strategy. We have already worked out several practical methods of funding which will not become restrictive or burdensome for the existing property owners. The methods formulated will give permanent long term ownership and can be compared to the proposal made by NHT. Once we have positive acknowledgement of our proposal from the community leaders, we can then have our development teams begin the arduous process of designing a modern first world urban community which will help to eliminate a significant percentage of the problems you detailed. We have no intention of simply throwing up affordable housing without the supporting infrastructure needed for the survival of a vibrant and safe community.

2. Upon working out strategies in satisfying the housing needs, we will then turn to employment for persons who will now own these homes. We have also developed a strategic plan that would allow them to pay for the residences as well as have a positive cash flow if our plan is accepted as viable by the property owners and leaders within these areas. Several job creating businesses will be introduced as well as training facilities which will focus on training persons for the international labor markets. Some have already been identified. One strategy in insuring that mortgage payments are maintained includes a mortgage guarantee repayment plan offered through CAREIF's (RIC) programmes. These strategies will ensure that residents and home buyers have access and a more than fair chance to mortgage funding. This will

increase funding opportunities for residents who would normally be locked out. This facility will also be available to any persons relocating to the areas in our redevelopment incentive programme.

3. Home rental programmes will be centralized under a management company to ensure that creditors are properly serviced and will help to reduce the interaction of tenants and land lords.

4. The area can then be developed to attract new and future residence who would not normally consider the area as a prime residential and or professional community. This will therefore lead us to address modern housing solutions, inclusive of security plans in order to effect the repopulation of the area with professionals and upwardly mobile residents. They will become the primary consumers for many of the new businesses as well as existing businesses which we will attract to the area. Our strategy includes physically establishing businesses if there is a need. Once other entrepreneurs see businesses being established and their success, they will follow. We will refer to this strategy as 'priming the pump'. These businesses will provide real time jobs as well.

5. Business is a natural progression once there are people residing. To increase the population will increase the demand for services and goods. This means commercial, retail and other businesses.

6. An extensive educational and scholarship drive, policy and programmes must be a significant long term part of any effort to advance the communities as is our aim. This aspect of the development should see the support from as many if not all the local businesses now existing and those to come to the area. A part of the programme will be business training for existing entrepreneurs in the area. Formalizing their operations to generate stable income in an organized manner will allow them to establish permanent jobs and a salaried system to their employees. It will in effect make their operations more efficient and therefore more profitable. These are items we will need to detail and discuss with area leaders. Business image will be important factors that will attract persons and visitors to the area.

7. Upon successful implementation of the strategy we will simply duplicate in other areas. A timeline has not yet been established. Phasing, as is our agreement, is the only way to go. The complete phase one will be evidence to the other communities and Jamaica as a whole, that the plan is workable.

Please don't hesitate to contact us for any clarification on any items raised here or that you have thought of. We again look forward to working with you Ms..... as well as with Mr. , in making what you both have started, a total success. The accomplishments thus far are immeasurable but obviously will be the foundation and the catalyst for the eventual redevelopment programme. It is achievable by all means.

Thanks again.

Sincerely,

CAREIF Ltd.