



Country – Grenada

Development – Prickly Bay

Date – 23/12/05

OTRR™ -

Olive Tree Risk Rating -

**4.10**

(The risk versus potential return value)

Finance	Comments	R	A	G	Score	
<b>Country Finance</b>						
Interest rates compared with UK	circa 6%	1			<b>1.25</b>	
Size of deposits required	\$5,000			1		
Availability of mortgages locally	70% lending deal available	1				
Local tax rates (rental income and capital gain)	no CGT in Grenada-we're told			1		
Cost of a beer/meal compared with UK				1		
<b>Letting</b>		2	0	3		
Rental potential	great location for renting			1	<b>5.50</b>	
Cost of letting compared to a UK equivalent			1			
Rent level relative to monthly outgoings			1			
Ease of organising rental, or guaranteed rental deal?	18 month initial guaranteed rental			1		
Value for money of furniture pack			1			
<b>Costs / Earnings</b>		0	3	2		
% needed for a mortgage deposit compared with 30% average	30% deposit		1		<b>5.50</b>	
Overall costs of legals relative to the property price			1			
Costs to use on site facilities				1		
Running costs compared to UK water, gas, elec, council tax			1			
Car Parking include – cost / secure (barriers etc)	car parking undercroft			1		
<b>Risk</b>		0	3	2		
Growth created by potential EU membership or similar	Whole area being developed 5 star hotel etc		1		<b>5.25</b>	
History of unrest/wars/trouble spots in local area/country	US invaded to quell communist faction		1			
Stable police / government/Corruption level/Crime rate	met with Prime Minister, v. supportive		1			
Quality of developers previous developments			1			
Legal due diligence satisfactory? If yes A			1			
Risk of natural disasters flooding, hurricanes, earthquakes etc	Hurricane 2 yrs ago, first in 50 yrs		1			
Nearby industry (potential pollution)				1		
Nearby development plans, motorway, nightclub, go-kart track	Nothing detrimental known		1			
Over development supply vs demand	lack of quality on island			1		
Clarity of the land title	long lease		1			
<b>Miscellaneous</b>		0	8	2		
How strong are any guarantees			1		<b>3.00</b>	
Quality of information available on development/town/developer			1			
Mobile phone or internet connections			1			
Planned new airport/ marina/ golf course etc	moorings to be built on site			1		
Value per sq metre	not cheap,but great potential long term	1				
		1	3	1		
<b>OTSR score</b>		<b>3</b>	<b>17</b>	<b>10</b>	<b>4.10</b>	
Your star rating after any suitable adjustment or weighting					<b>4.10</b>	Guide max 5