

The
Cayman
Islands

Questions
and
Answers

GEOGRAPHY

Where are the Cayman Islands?

The Caymans are an island group located in the Caribbean. They lie 480 miles south of Miami (60minute flight), near Cuba and north west of Jamaica. The time zone is GMT -5.

How big are the islands?

The Cayman Islands comprise of Grand Cayman, Cayman Brac, and Little Cayman. The latter are known as the 'Sister Islands' and are located about 80miles east of Grand Cayman.

Grand Cayman is 76 miles² and approximately 22 miles long by 8 miles at its widest point.

Cayman Brac is 14 miles² and 14 miles long by 2 miles wide and has the most dramatic topography of the trio.

Little Cayman is 10miles², and 10 miles long and a mile wide.

What are the landscapes like?

The Cayman Islands are the peaks of a massive underwater ridge that stands 8,000 feet (2,400 m) from the sea floor that is known as the Cayman Ridge. There are no rivers or natural run-offs into the surrounding sea, which is why the water is crystal clear. All of the islands are ringed by healthy coral reefs that are the home for marine life and a startling variety of tropical fish. The clear water, the coral reefs and the dramatic walls create ideal conditions for diving, snorkeling and sport fishing

Grand Cayman's most striking feature is the shallow, reef-protected lagoon (the North Sound) that has an area of about 35 square miles. Grand Cayman is also the home of the capital George Town. The land is generally flat and punctuated by canals and natural salt-water lagoons.

Cayman Brac's rugged 14 square miles retains the charm and friendliness of a traditional seafaring community - yet it offers the country's most dramatic scenery. "Brac" is the Gaelic word for bluff and the dominant natural attraction. It is a limestone ridge, which rises gradually from the west along the center of the island to 140 ft. at the eastern tip, plunging as a sheer dramatic cliff into the indigo Caribbean Sea below. It sculpts the landscape into unexpected vistas carved with caves and covered with a startling variety of flora and fauna.

Little Cayman is an untouched tropical paradise with sparkling beaches and sun drenched seclusion. A high measure of natural conservation in keeping with the island's sensitive and unique environmental characteristics and the fact it is so small and exclusive means that it feels like a desert island hideaway.

THE CAYMAN ISLANDS

Background

Christopher Columbus discovered the Caymans in 1503. They remained uninhabited until well after the 1670 acquisition of the islands by the British Crown, which has held dominion over the three islands ever since.

Its superior diving conditions put The Cayman Islands on the international tourist map in the early 1950s. Despite its diminutive size, Little Cayman quickly established itself as a top diving site. Bloody Bay Marine Park has some of the best wall diving anywhere in the world.

During the next decade, Caymanians began to draw up the tax structure that would make Grand Cayman an economic powerhouse and at the same time put in place an infrastructure that has made it the undisputed capital of Caribbean tourism.

Who lives there?

The Cayman Islands foster one of the wealthiest and most privileged populations in the world, with the highest output per capita and amongst the finest standards of living on earth.

With a current population of 57,000 residents, the CIA World Fact book lists The Cayman Islands as the 34th fastest growing population in the world at 2.39% per annum.

The population is a mix of the original descendants, wealthy retirees and a white-collar workforce from the many financial institutions on Grand Cayman.

What languages do they speak?

The official language is English.

What are they like?

Caymanians are renowned for their friendliness and are devout, church-going people. They are proud of their multiracial and multicultural origins. Approximately one in four is European, mainly descended from British settlers. A further quarter is of African descent, and the rest claim mixed ancestry.

What is healthcare like?

There are two hospitals in George Town, the government run George Town Hospital and the smaller, private Chrissie Tomlinson Memorial Hospital. Additionally, Faith Hospital is an eighteen-bed facility on Cayman Brac. The Government maintains a satellite clinic on Little Cayman.

Health insurance is handled by private insurers and a government-run company (CINICO). All employers are required under Law to provide Health Insurance for their employees (although the employee may be required to contribute 50% of the premium). Full time employees also contribute US\$10 every month to the "Indigent Fund", which helps cover care for the unemployed, elderly, and other groups in need of monetary assistance. All visitors to the islands should have health insurance.

Are the islands politically stable?

The success of the Cayman Islands originates from a long-standing stable government, operating under British common law.

The Caymans have cultivated a robust platform to foster continued successful economic growth to attract investors, multinational organizations and skilled personnel.

What is the government's attitude to property development and overseas investors?

There are no legal restrictions of any kind to foreign ownership of property in the Caymans, which makes it very attractive to overseas investors. The government has also established the Department Commerce and Investment (DCI), the territory's dedicated promotion agency with a mandate to facilitate and stimulate long-term investments in all sectors of the economy. Premier Mckeeva Bush has publically demonstrated his support to encouraging foreign investment.

What currency is used in The Cayman Islands?

The official currency is The Cayman Islands dollar (CI\$) and permanently fixed at an exchange rate of CI\$0.80 to US\$1 (US\$1 equals CI\$1.25). US Dollars are accepted but change will be given in Caymanian Dollars.

Can a non-resident open a Cayman bank account?

Yes. Each bank has a different application process but its fairly straight forward although you do have to comply with the banks' due diligence procedure. There are several retail banks in Cayman, as well as the offshore banks. These are: Butterfield Bank, Cayman National Bank, Royal Bank, Scotiabank, First Caribbean and Fidelity. Check out the Business directory for further information on Cayman Island Banks.

How safe are the Cayman Islands?

The crime threat in Grand Cayman is generally considered low. The crime threat on the sister islands is virtually non-existent.

How to get there and get about?

Several airlines serve the Islands, which are just over one hour south of Miami. These include the national airline Cayman Airways, American Airlines, USAIR, Northwest, Delta, Continental, Air Canada, British Airways, and Air Jamaica.

The national carrier serves Miami, Houston, Tampa, Orlando, Fort Lauderdale, Boston, Chicago; Kingston and Montego Bay, Jamaica; Havana, Cuba; and Cayman Brac and Little Cayman. There are direct links with other US gateways such as Atlanta, New York and Charlotte that are provided by the US carriers serving the Islands. Regular, direct scheduled flights departing from London Heathrow to Grand Cayman's Robert Owen International Airport are available with British Airways.

There is a new weekly flight from Miami direct to Cayman Brac. This has opened up the Sister Islands to direct international travel.

Cayman Airways provides an express service offering daily flights four to six times a day between the islands and allows passengers to connect with all of the airlines. Express flights are 35-45 minutes, and may include a brief stop in Little Cayman

What is the weather like?

The Cayman Islands boast an exotic, tropical climate throughout the year, with trade winds moderating high temperatures, which range from 25oC in winter to approximately 30oC in summer. High season runs from December to April where temperatures are generally cooler and more favorable for tourism. The rainy season is typically from May to October with short burst showers.

Are the Islands affected by Hurricanes?

Like all Caribbean islands, the Cayman are affected by occasional hurricanes. Fortunately, the islands sophisticated infrastructure means that they usually pass with the minimum of disruption to daily life. The lessons learned in the past have been the catalyst for imposing strict new building regulations on any recent constructions

LAND OPTIONS IN THE CAYMAN ISLANDS

How many sites are there to choose from?

There are currently six sites available between the three islands:

- Grand Cayman: Royal Birkdale
- Little Cayman: Little Cayman Estate, Ocean Bay Estate & Lakeside Estate
- Cayman Brac: Dolphin Estate & Little Dolphin Estate

Is the property freehold or leasehold?

All the land is freehold.

Do the plots have permission to build?

All plots have planning permission to build residential property.

Does the Developer have land title?

Yes, the developer has full clean land title.

Why the Cayman Islands? Why Now?

Until recently land on the 'Sister Islands' had been kept in the family, passed down from generation to generation. The creation of the Department of Commerce and Investment (DCI) coupled with a Government initiative to increase tourism as a form of self-sufficiency has led to an increase in the value of land. Crown recognised the potential for growth at an early stage and presented landowners with an attractive exit strategy, which is why they have the best selection of land available throughout the Cayman Islands.

BUYING INFORMATION**Reservation**

To reserve a property, the buyer is required to complete a reservation form, which details their particulars as well as the selected property's information.

The reservation process will also require copies of the the buyer's passport and a utility bill. A GBP 1,000 reservation fee is required to secure it.

Deposits are non-refundable but are fully transferable between available plots.

Payment Schedule

Each parcel of land is purchasable under the following terms:

- Reservation fee GBP 1,000 paid upon signing of the Reservation Agreement
- Deposit due within 7 days of reservation. The amount is dependent upon the island
- Remaining balance is paid every quarter over 5 years, interest free

Purchase Contract

Seven days after the initial reservation has been made, the buyer or their legal representative must complete the signing of the Agreement for Purchase and Sale Contract and make payment of 20% of the purchase price. This is a legally binding agreement and confirms the purchase of the land.

Completion

On completion of infrastructure and once receipt of the appropriate payments to register a Transfer and all duly executed documents from the Purchaser are confirmed, the landowner will complete the registration of the transfer of the lot into the Purchaser's name and deliver to the Purchaser an extract of title when registration is complete.

Prices

The price for the plots on the Sister Islands is GBP 60,000. The price for the plots on Grand Cayman is GBP 150,000. All plots are sold with full architectural plans included.

What is the Buy Back Option?

The buy back option provides a guaranteed return of 4% per annum over 5 years in exchange for a developer buy-back option to repurchase the plot at 120% of the original price

Can a buyer sell their contract / property before completion?

Yes, they can be sold independently onto a third party.

Buyers who have entered into the buy back option are free to independently sell the plot at market value once the buy back clause is no longer in effect.

FINANCIAL AND LEGAL**What currency is the property transaction carried out in?**

All transactions are in Great British Pounds Sterling.

Who does the client buy the property from?

The property is bought through Crown Acquisitions Worldwide Limited. They are a Cayman registered company No. 6290867 and hold a Cayman Islands Trade and Business License, which is required for a company to trade in the Cayman Islands.

Is legal help needed?

The Cayman Government guarantees the transfer of title and the Purchase and Sale Agreement is very straightforward, however, we do recommend that all purchasers adopt best practice and seek the counsel of a legal professional. One can expect legal and registration fees in the region of 1-3% of the purchase price.

What tax needs to be considered when buying?

One of the major attractions of the Cayman Islands is that there is no direct taxation. There is no income tax, no property tax, no capital gains tax or other similar taxes in the Cayman Islands. However, there is an initial payment of Stamp Duty on real estate, amounting to approximately 7.5% in areas of high levels of infrastructure, and around 6% in less developed locations. There is also a small Transfer of Land fee, which equates to only approx US\$600 per transfer,

How secure is it to buy land in The Cayman Islands?

The Cayman Islands are a British Territory that operates under British Common Law.

The Land Registry was created as a result of the Land Adjudication process, a UK Government-sponsored initiative during the 1970s. The process replaced the registration of deeds (whereby the papers associated with land transactions were registered) with a registration of title system - whereby the land itself was registered.

The most important single component of Land Registration is that the Cayman Islands Government guarantees title. Land registration brought a certainty and finality to many questions of land ownership and provided confidence in land tenure that allowed for much of the economic development of the Cayman Islands in the last three decades. The Register and associated documents are public records, allowing full transparency in the ownership transactions.