

Hotspot Guide

Jamaica

A Sample of what's on Offer

Hot Spot

Introduction



Why Invest in Jamaica?

Unlike Latin America, Jamaica has attracted large private-sector investments to support a fast growing expansion and metamorphosis of its infrastructure.

With an open monetary system, banking policies that invites foreign investors, and a stable government, private investors are able to gain larger returns on investments.

The climate is inviting year round and is perfect for vacation; tourism and retirement.

The real estate industry in Jamaica had been dormant for sometime which caused the island's real estate to be undervalued.

This resulted in the real estate value being 30% cheaper than other Caribbean islands.

According to the Planning Institute of Jamaica, Jamaica has attracted close to 3 billion in foreign direct investment and created an in-flow of international expertise to help transform their economy.

In 2005, Jamaica was ranked 17th, by World Investment Report for foreign direct investment, a remarkable feat for this 2.6 million nation.



Fast Facts:

- **Location:** Jamaica is an island in the Caribbean Sea situated about 145 km (90 mi) south of Cuba.
- **Capital City:** Kingston
- **Climate:** Consistently warm tropical weather ensures Jamaica is a popular destination year-round. On the coast, temperatures range from 22°C (72°F) and 31°C (88°F) with chilly mornings and evenings denoting winter
- **Average Temperature:** 77°F (25.5°C) in the winter months and 82°F (28°C) in the summer
- **Total Land Area:** 10,990 sq km
- **Official language:** English
- **Total Population:** 2,682,100
- **Population Density:** 252/km²
- **Major Religion:** Christianity
- **Currency:** 1 Jamaican dollar = 0.011357 U.S. dollars
- **GDP:** \$12.2 billion.
- **GNI per capita:** 379000 PPS\$
- **Inflation:** 9.5%
- **Annual Growth:** 1.5%.
- **Main Exports:** Natural resources, Food, Bananas ,Chemicals, Machinery
- **Main Sources of Income:** taxes and tourism
- **Unemployment:** 9.9%
- **Population Below Poverty Line:** 14.8%
- **Literacy:** 87.9%
- **Life Expectancy:** 73.45 male, 77.49 female
- **Time Zone:** (UTC-5)
- **Internet Domain:** .JM
- **International Dialling Code:** 1-876



Geography



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- Jamaica lies 90 miles (140 km) south of Cuba and 118 miles (190 km) west of Haiti.
- Jamaica is the largest island of the Commonwealth Caribbean and the third largest of the Greater Antilles, after Cuba and Hispaniola.
- Along the south coast are a number of small islands, such as the Port Royal Cays. Pedro Bank, an area of shallow seas, with a number of cays (low islands or reefs), extending generally east to west for over 160 kilometers, lies southwest of Jamaica.

Economy

- The Jamaican economy is heavily dependent on services, which now account for 70% of GDP.
- The country continues to derive most of its foreign exchange from tourism, remittances, and bauxite/alumina.
- But the economy faces serious long-term problems: high interest rates; increased foreign competition; a pressured, sometimes sliding, exchange rate; a sizable merchandise trade deficit; large-scale unemployment; and a growing internal debt, the result of government bailouts to ailing sectors of the economy.
- Jamaica's most important export crop is sugarcane, from which rum and molasses are also made.
- The nation's other agricultural exports include the famed Blue Mt. coffee, bananas, citrus fruits, and yams.

Politics

- The Politics of Jamaica takes place in a framework of a representative parliamentary democratic monarchy.
- The 1962 Constitution established a parliamentary system based on the United Kingdom model.
- As chief of state, Queen Elizabeth II appoints a governor general, on the advice of the prime minister, as her representative in Jamaica.
- The governor general's role is largely ceremonial.
- Executive power is vested in the cabinet, led by the Prime Minister.
- Jamaica is an independent country and Commonwealth Realm.
- It is a parliamentary democracy whose political and legal traditions closely follow those of the United Kingdom.
- Executive power is exercised by the government.
- Legislative power is vested in both the government and parliament

A Brief Guide to Purchasing Property in Jamaica

- There are no restrictions on foreign ownership of property.
- In purchasing property the first step is to make an offer.
- Upon acceptance by the vendor, a land survey and title search is conducted to confirm if there are any other claims or conflicting interests registered against the property.
- Once fully satisfied, the buyer is advised to lodge a caveat on the property to prohibit any other interest from being registered against the property, until transfer has been completed.



Property Market

- Jamaica's housing market has been weak for the last two years due to weak economic growth & high inflation, not helped by a high crime rate.
- In early-2009, property prices and sales volumes dropped further, as foreign demand weakened.
- The luxury property market, i.e., houses valued from JM\$30 million (US\$340,000) and above, has seen little activity from 2008 to 2009.
- Houses that used to sell in just two months have been sitting on the market for almost a year now, local real estate agents complain.
- Real estate developers, especially those in the high-end market, have been forced to stall projects because of weak demand, expensive raw materials and high domestic interest rates.



Fees and Taxes

Legal fees:

Lawyers attend to almost every aspect of a property transaction in Jamaica. The buyer typically pays 2% to 4% of the purchase price plus 16.5% General Consumption Tax (GCT), while the seller pays 3% to 3.5% of the purchase price plus 16.5% GCT.

Stamp duty:

Stamp duty is equally shared between the buyer and the seller. Currently, stamp duty is charged at 5.5%.

Registration fee:

Registration fee is payable at the National Land Agency. The buyer and the seller each pay 0.25% of the purchase price.

Agreement for Sale:

Total costs for the preparation of Agreement for Sale, tax registration form and other miscellaneous costs are typically split evenly between buyer and seller. These costs are typically around 0.4% of property value, plus 16.5% GCT.

Transfer tax:

Transfer tax of 7.5% of property price is paid by the seller.

Agent's commission:

Real estate agent's commission is negotiable, generally, 5% in Kingston (plus 16.5% GCT). Traditionally, the seller pays the agent's fees, recently, however, it has become quite common to pass the cost to the buyer



Hot Spots

Margueritavilla

Beach, Bar and other available fulfilled activities (Montego Bay, Negril, Ocho Rios)

Dunns River Falls

Climbing the waterfalls. Enjoy the scenery while going up (Ocho Rios)
Rafting For those who admire nature's beauty

Green Grotto

Learn some history about Jamaica while seeing interesting and puzzling caves in their natural forms on a tour of the green grotto caves.

Beaches

Jamaica has been blessed with some of the most beautiful beaches in the world all over the country

