

Developers Association Ltd. NEWSLETTER



THE JAMAICA DEVELOPERS ASSOCIATION LIMITED

Real Estate Development Webinar

• Strata Titles and Destruction of Strata Plans • NHT Joint Venture Projects

The New Building Act and its Impact on Developments



Hon. Pearnel Charles Jr., MP Minister of Housing, Urban Renewal, Environment & Climate Change OPENING REMARKS



Mr. Alton Morgan Attorney-at-Law Alton E. Morgan & Company "NEW BUILDING ACT"



PRESENTERS

Ms. Cheriese Walcott CEO/Commissioner of Lands National Land Agency STRATA TITLING



Mr. Dwayne Berbick Corporate and Public Affairs Manager National Housing Trust NHT JOINT VENTURE PROJECTS



Mr. Norman Minott
Attorney-at-Law/Consultant
Energy, Real Estate, Tourism, Construction
MODERATOR



Managing Director
Hue-Lyew-Chin Engineering Ltd



Mr. Reynold Scott
Chairman
Geon Group



Ms. Carolyn Chuck Attorney-At-Law Delroy Chuck & Co





Mr. Christopher Grant President, Land Surveyors Association of Jamaica



Mrs. Marlene Taylor-Reid Manager, Securities & Registration Victoria Mutual Building Society



Mr. John Leiba Attorney-at-Law/Consultant



Mr Marvin Campbell Chief Executive Officer WIHCON





























DEVELOPING JAMAICA – RECOVERING TOGETHER 2021 AND BEYOND

n Thursday, October 28, 2021 the Jamaica Developers Association Ltd. hosted its third Webinar in the series on Real Estate Development, continuing with the theme "Developing Jamaica – Recovering Together 2021 and Beyond".

The event was a resounding success, with 558 registrants and 494 persons participating at the event.

The Hon. Pearnel Charles Jr., M.P. Minister of Housing, Urban Renewal, Environment and Climate Change once again gave the Opening Address. We appreciate the interaction with the Minister, and the time he took in offering the Opening Address at all three Webinars hosted in 2021.

Presentations were made by various representatives from the industry including:

Mr. Alton Morgan, Attorney-at-Law, Alton E. Morgan & Company

"The New Building Act 2019 – A New Prescription in Real Estate Development"

Ms. Cheriese Walcott, Chief Executive officer /Commissioner of Lands, National Land Agency

"Strata Titles and Destruction of Strata Plans"

Mr. Dwayne Broderick – National Housing Trust
 "NHT Joint Venture Projects"

As usual, the presentations were very well received by the participants. Mr. Norman Minott, Moderator shared a wealth of knowledge and experience in his capacity as an Attorney and a Developer.

Our expert Panelists provided further clarity on the presentations. Special thanks to:

Mr. Reynold Scott Mr. Christopher Grant

Mr. John Leiba

Mrs. Marlene Taylor-Reid

Mr. David Goldson Mr. Marvin Campbell Ms. Carolyn Chuck We once again thank the following sponsors:-

Gold Sponsors

Caribbean Cement Company Ltd. First Rock Realty Gore Developments Ltd. Jamaica Property Company Ltd. National Housing Trust Victoria Mutual Building Society

Silver Sponsors

Housing Agencies of Jamaica Jamaica Public Service Company JN Bank

Bronze Sponsors

Hardware & Lumber Ltd.
Jamaica Mortgage Bank
Matalon Homes Ltd.
West Indies Home Contractors Ltd.

ACCREDITATION

We are pleased to advise that we received accreditation from the General Legal Council, Land Surveyors Board and the Real Estate Board for the following presentations:

- Mr. Alton Morgan Attorney-at-Law Alton E. Morgan & Company
 "The New Building Act 2019 – A New Prescription in Real Estate Development"
- Ms. Cheriese Walcott, Chief Executive Officer / Commissioner of Lands, National Land Agency
 "Strata Titles and Destruction of Strata Plans"

Participants may apply for a Certificate to the Secretary of the JDA. There is a nominal processing fee of \$1,000.00 per Certificate.



CHAIRMAN'S CORNER

n behalf of the Directors of the Jamaica Developers Association Ltd., I wish you a Happy and Holy Easter and Passover.

The housing industry has been much in the news lately with negative rulings by the Court against developers for erecting structures outside of the approvals granted.

BREACHES OF PLANNING GUIDELINES

While the majority of registered developers adhere to the GOJ's approval processes, there are some who do not.

The Supreme Court has ruled against some of these developers with potentially disastrous results: -

- the loss of major investments by the developers, purchasers and financiers
- the potential reduction in property values and the quality of life to the neighbours.

The lack of concern to follow the law casts the industry in a bad light.

As an Association, we promote best practices among our members. We are pleased to advise that our members continue to:

- Show a commitment to orderly, responsible development in Jamaica
- Demonstrate their social responsibility, ensuring sustainable designs with minimal negative environmental impact
- Use only Registered Architects, Engineers, Quantity Surveyors and Land Surveyors
- Volunteer their expertise to promote improvements in real estate development law and administration
- Provide a forum for the legislature to confer with and ascertain the views of real estate developers
- Work cooperatively with government agencies.

Our Associate Members include Commercial Banks, Legal Firms, Building Societies, Suppliers of Building Materials and other mortgage granting Institutions. Throughout the years, they have provided invaluable support toward the growth of the industry.

MEMBERSHIP IN THE JAMAICA DEVELOPERS ASSOCIATION

New members and associate members are always welcomed. Developers wishing to become members of the Association are asked to meet the following criteria:

 To be recommended by at least two members of our Association

- To have successfully completed at least three development schemes
- To have a proven track record of dependability and the highest ethical standards.



ELECTRICAL INSPECTION AND CERTIFICATION FEE

The Government's decision to privatize the electrical inspection and certification service has led to an increased cost of electrical inspections for newly constructed homes.

Developers are now required to pay upwards of \$25,000 per unit for certification. The increased cost is passed along to the Purchasers.

There is an association of Electrical Inspectors that we plan to engage to determine the role the members see for themselves and how best we can work together for the greater good of the housing industry. We ask our members to document their experiences for further discussions with the Electrical Inspectors and the Ministry of Science and Energy. In this way, we believe that there could evolve some standardization of the scale of fees, so that development costs can be more accurately forecasted.

BUILDING REGULATIONS (DENISTY AND WHAT CONSTITUTES A BASEMENT?)

The fog needs to be cleared up by the planning authorities expeditiously as it relates to density and what constitutes a basement.

This will involve consultations with the National Environment & Planning Agency and the Kingston and St. Andrew Metropolitan Corporation in order to have a clear definition /position on what constitutes a basement in terms of:

- habitable rooms
- plot plan ratio
- and the size of the buildings

We will provide further updates in subsequent Newsletters.

REAL ESTATE DEVELOPMENT WEBINARS 2022

We plan to host two Webinars this year on topics that will be of interests to our members, and the general public and look forward to your usual support.

EXCERPTS FROM PRESENTATIONS

THE BUILDING ACT 2019 A NEW PRESCRIPTION IN REAL ESTATE DEVELOPMENT

Mr. Alton Morgan,
Attorney-At-Law, Alton Morgan & Company
& JDA Member

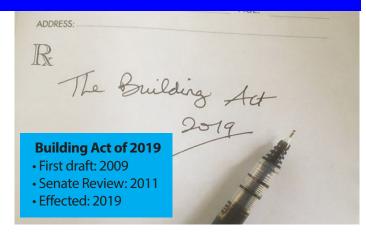
Mr. Morgan once again delivered a very comprehensive presentation. This time, on the Building Act of 2019 – A New Prescription in Real Estate Development.

He gave background information on the Act which came into effect on January 19, 2019. He said the Act actually had its first draft in 2009 and its first reading and review in the Senate in 2011. It then had to wait on the Building Code, which are the Regulations for the practical applications to ensure compliance with the statute.

The statute therefore had a gestation period of about 10 years and may not be described as rushed legislation.

Prior to the new Building Act, each of our fourteen parishes had its own Building Regulations, many of which differed significantly from the others.

The new Building Act repealed the existing parish building statutes and became the single main statute for



administration of the real estate development and construction industry which all the regulatory agencies would refer to.

The immediate benefit to real estate development and construction is that it will no longer matter in which parish of Jamaica you build. The design criteria, the approval rules and the construction regulating factors will be the same.

He then went through various sections of the Act in detail. (The complete presentation can be viewed on our website https://jamaicadevelopersassociation.org/presentations



STRATA TITLES AND DESTRUCTION OF STRATA PLANS

Ms. Cheriese Walcott,

Chief Executive Officer / Commissioner of Lands, National Land Agency

n her presentation Ms. Walcott dealt with the Registration (Strata Titles) Amendment Acts of 2009 and 2013. She said these Acts addressed a number of concerns and weakness in the administration of Strata properties by (inter alia):

- the establishment of a Commission of Strata Corporations
- the mandatory registration of Strata Corporations with the Commission.



- to keep a register of strata corporations;
- to facilitate the resolution of disputes, in particular, those between a corporation and a proprietor consider complaints from proprietors that the amount of the maintenance fee, is unreasonable or inequitable; enforce the by-laws.

STRATA CORPORATIONS

The Act makes it compulsory for each Strata Corporation to register with the Commission. Registration involves the payment of an annual fee (0.4% of unimproved value - Regulations 2010, 2nd Schedule, Part B).

Strata Corporations existing prior to the commencement of the Act are required to register with the Commission within ninety (90) days of the coming into force of the Act.

Corporations that come into existence after the Act has commenced, are required to register within ninety (90) days after they have come into existence.

Failure to register is an offence and carries with it a fine not to exceed \$250,000.00.

POWER OF SALE

The outstanding maintenance is deemed to be a charge on the strata lot and it allows a Power of Sale to be exercised by a strata corporation for the non-payment of maintenance fees.

- Maintenance fees must be outstanding for a period in excess of 30 days;
- The strata corporation must give the delinquent proprietor (and his agent and mortgagee (if any)) notice in writing of the outstanding maintenance.

Power of Sale – The Notice

The notice itself must specifically advise the proprietor of the following:

the outstanding amount of the maintenance and

Continued on page 6

THE STRATA CORPORATION

The statutory duties and powers of the corporation include:

- the duty to insure and keep insured the buildings;
- to keep in good and serviceable repair and properly maintain the common property;
- the power to establish a fund for administrative expenses;
- the power to determine contributions to be made by strata lot owners to the fund (maintenance);
- the power to enforce recovery against the proprietor of the strata lots and to enter any strata lot to effect repairs.

AMENDMENTS TO THE ACT

The Registration (Strata Titles) Amendment Acts of 2009 and 2013:

- The establishment of a Commission of Strata Corporations
- The mandatory registration of all strata corporations with the Commission
- The establishment of two mechanisms to enforce payment of maintenance fees
- The establishment of a Strata Appeals Tribunal
- The imposition of new obligations on strata corporations

STRATA COMMISSION

The functions of the Commission are as follows:

to monitor, regulate and supervise strata corporations;

STRATA TITLES AND DESTRUCTION OF STRATA PLANS

Continued from page 5

- the period for which it is owed;
- the amount of interest accruing on the maintenance and the period for which interest is payable;
- that he is required to pay the outstanding maintenance and interest within thirty days from the date of the service of the notice

The Act requires the Strata Corporation, when exercising its power of sale to:

- ensure that it tries to sell at the best price reasonably obtainable.
- obtain prior to the sale, two separate valuations of the strata lot by qualified professionals to be appointed by the corporation itself and where there is a mortgage, with the approval of the mortgagee.
- Advertise the proposed sale at least once in a daily newspaper in the island.

Power of Sale - Duplicate Title

The duplicate title will normally be in the possession of the strata lot owner of his/her mortgagee. The strata corporation may apply to the Registrar of Titles to cancel the duplicate Certificate of Title in pursuance of its exercise of its power of sale.

The corporation must prove to the Registrar, by statutory declaration with exhibits, that a request in writing was made to the relevant person/entity and that the request was

not complied with. This application will be processed in the same manner as a Lost Title Application.

SALE PROCEEDS

On completion of the sale, the sale proceeds are to be distributed in the following order:

- firstly to pay any costs associated with and incidental to the sale of the strata lot; then
- to pay all amounts owing to the strata corporation; and then
- in the absence of a mortgage on the strata lot, to pay the balance to the proprietor.

In cases where the proprietor cannot be located, the amount must be placed in an interest bearing account in a bank or other financial institution in the name of the Commission and the Commission holds same on trust for the proprietor.

Power of Sale - Appeal

Where a proprietor appeals against the amount of contribution owing, the Corporation cannot exercise its power of sale until the appeal is determined.

Where on appeal the proprietor is found liable and he fails to pay the amount ordered by the tribunal within the time specified, the power of sale may be exercised.

For more detailed information on this presentation please visit the presentations page on our website: https://jamaicadevelopersassociation.org/presentations and click **Webinars** to view.



NHT JOINT VENTURE PROJECTS

Mr. Dwayne Broderick Communications Officer, National Housing Trust

Mr. Broderick's presentation focused on the NHT Joint Venture Projects. He said that the Trust's mandate was "to increase and enhance the stock of available housing in Jamaica as well as providing financial assistance to the most needy of our Contributors who wish to build, to buy or to repair their homes".

He then went through the seven (7) core methodologies the NHT relied on to achieve maximum success:-

- NHT in Partnership with Developers
- Guaranteed Purchase Programme
- Developers Programme
- Interim Finance Programme
- Joint Venture Programme
- Open Market Loan Purchase
- Community Renewal Programme



For more detailed information on this presentation please visit the presentations page on our website: https://jamaicadevelopersassociation.org/presentations and click **Webinars** to view.



CARIB CEMENT TO SPEND \$4.6 BILLION TO INCREASE CEMENT PRODUCTION IN 2022

aribbean Cement Company Limited (CCCL), through its parent company CEMEX, will spend \$4.6 billion (US\$30 million) to upgrade and increase the capacity of its cement production plant in Rockfort, Kingston by 30 per cent.

This planned increase will strengthen the self-sufficiency of the national cement industry, reduce dependency on cement imports, and reinforce CCCL's ability to serve the growth of the construction sector in Jamaica and the Caribbean.

This investment is designed to be accretive and aligned to the company's climate action goals through the production of low-carbon products.

The company anticipates that once this expansion is completed, it will increase its existing cement production capacity by approximately 300,000 metric tonnes, through the implementation of state-of-the-art technologies.

The expansion will introduce novel grinding additives to the manufacturing process and further enhance the production of low clinker products in the region.

This planned major upgrade is scheduled for the second half of 2022. The investment is consistent with CEMEX's growth plan in Jamaica and seeks to strengthen its capacity to respond adequately to local market's demand as well as export needs over the medium term.

The project would also allow CEMEX to reach its ambitious sustainability consolidated targets of reducing CO2 emissions, optimizing the heat consumption in the cement production process, and minimizing the carbon footprint of its activity in Jamaica.

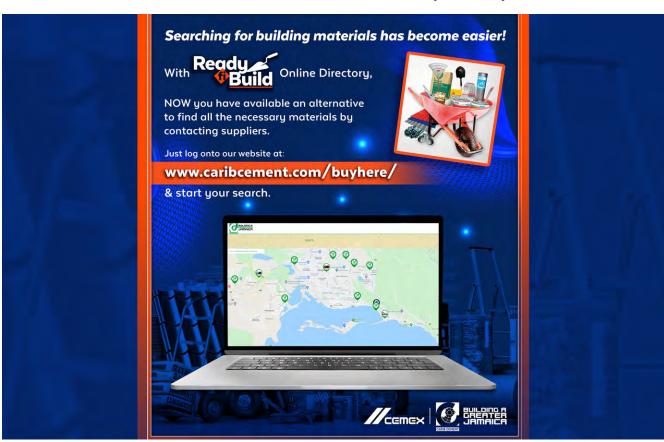
These are just some of the many actions CEMEX is taking locally in markets across the world to drive its climate action goals under its Future in Action programme.

"At CCCL, we reiterate our commitment to the sustainable development of Jamaica's economy. With this investment, we will create jobs and promote the local industry in the country while minimizing our carbon footprint," said Jesus Gonzalez, President of CEMEX South Central America and the Caribbean.

"These are the actions by which CEMEX builds a better future," he continued.

Currently, CCCL supplies more than one million metric tonnes of cement to Jamaica and is expected to increase with this planned project.

Contributed by Chad Bryan



THE REAL DEAL WITH SOLAR - YOUR CHECKLIST



No doubt one of the hottest trends in property development is the use of photo voltaic or solar systems. It is an exciting idea – using natural resources to help power our everyday lives. So how does one go about doing this successfully? Here's a checklist to help with the process of solar system installation:

- 1. Understand what's in the market and is most suitable for you. There are grid tied solar systems, which are connected to the national grid and use it as a back-up. There are also grid intertied systems which have a battery back-up. These may also be connected to the grid.
- 2. You need to do a thorough assessment of your site:
 - a. Identify suitable location(s) for PV panels
 - b. Take into consideration your roof type and orientation
 - c. Examine your roof condition for suitability (especially for older properties)
 - d. Identify shading (from trees and other sources) which may impact solar output
 - e. Identify site specific hazards
- 3. Create a highly specific schedule of your present or anticipated energy use. This is critical to determine the correct sizing of the system
- 4. Shop for a solar provider with the same care as you would when shopping for a car:
 - a. Get references of previous work done
 - b. Find out about their competence level

- c. Is it a registered business with some permanence and ability to give after installation care?
- d. What are the details of the contract you will sign? What are the production levels likely to be?
- e. What is the pay back?
- 5. Get acquainted with the idea of load shifting, whether or not you have batteries
 - a. Since solar power is made in the day you benefit most when your load, i.e. the usage of electricity, takes place predominantly in the day
 - b. Installing solar, but then continuing to have heavy night usage of electricity, can quickly erode the benefits of the system, if your energy consumption from the grid at night, is significant.

If on the other you have batteries, but continue to have heavy use of electricity at nights, you can drain your batteries within a few hours after dark and depending on your solar system configuration, your batteries may even begin to recharge using the grid, thus sending up your energy consumption from the national grid.

The payback from solar installation can be great, if you put in the proper planning, investigation and discipline!

Contributed by Ms. Audrey Williams JPS



SCHOLARSHIP AWARDS TO STUDENTS IN THE BUILT ENVIRONMENT - UNIVERSITY OF TECHNOLOGY

ach year the JDA offers a Bursary to a third or fourth year student in the Built Environment at the University of Technology to assist with tuition. The "Eustace Bird Bursary" is named in honour of the first Secretary/Manager of the Association who served 22 years (from 1969 to 1991). The Award, which assists with tuition, is given to students in the Faculty of the Built Environment who fit the following criteria.

- Completed 2 years of a 3 year course in Construction Management, or Construction Engineering
- Diploma and 4th year Construction Engineering Degree
- Maintained at least a 'B' average.

We are pleased to advise that the Eustace Bird Bursary for 2021/2022 was awarded to **Mr. Santino Demario Mitchell.**

SPECIAL AWARDS

Special Awards to assist in tuition were presented to: -

- Ms. Sophene Shanique Lawrence
- Ms. Kenelia Celestene Brissett
- Mr. Roshaun Ky-Mawnie

This was made possible from part proceeds from Webinars held in January and October 2021. We hope that we will be able to offer more awards this year to needy students.





DOWNTOWN IS BACK

Concierge Apartments & Penthouses coming soon.

Waterfront living, located at King & Ocean.

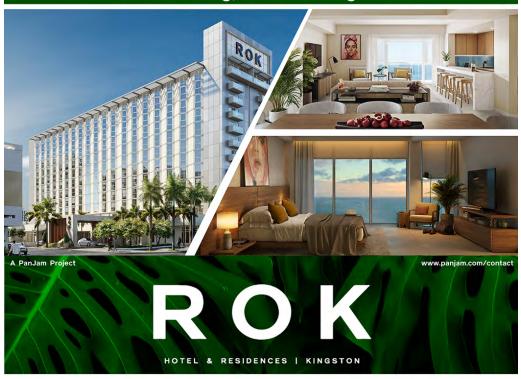


Photo Highlights Webinar October 28, 2021



Top row: Reynold Scott, Chairman, Geon Group; Norman Minott, Attorney-at-law; Bottom row: Dayton Wood, JDA Chairnan; Alton Morgan, Attorney-at-law Alton E. Morgan & Co.; and David Goldson, Managing Director, Hue Lyew Chin Engineering Ltd.



Top row: Norman Minott, Moderator; Dwayne Berbick, Corporate & Public Affairs Manager, National Housing Trust; Bottom row: Dayton Wood, JDA; John Leiba, Attorney-at-Law, DunnCox; and Marvin Campbell, CEO, WIHCON.



Norman Minott, Moderator; and Cheriese Walcott, CEO/Commissioner of Lands, National Land Agency



(Top row): Norman Minott, Moderator; Marlene Taylor-Reid, Manager, Securities & Registration, VM Group; Christopher Grant, President Land Surveyors Association of Jamaica; (Bottom row) Dayton Wood, JDA; Cheriese Walcott, National Land Agency; and Carolyn Chuck, Attorney-at-Law, Delroy Chuck & Co.

AN INSPIRATIONAL THOUGHT

"Success is not final, failure is not fatal: it is the courage to continue that counts" - Winston Churchill





UPCOMING EVENTS

SAVE THE

REAL ESTATE DEVELOPMENT WEBINAR

Thursday, June 16 and Thursday, October 27

ANNUAL GENERAL MEETING Tuesday, September 13



THE JAMAICA **DEVELOPERS** ASSOCIATION LTD.

JDA Members are Developers, Contractors, Suppliers, Financial Institutions, Professionals: Attorneys, Architects, Engineers, Land Surveyors, Real Estate Agents etc.

> For membership apply to: JDA Secretariat 3 Duke Street, Kingston Tel: (876) 967-2503 Email: jamaicadevassn@cwjamaica.com