Jamaica Developers Association Ltd. NewsLetter

ISSUE
2016
SEPTEMBER

Excerpt from Presentation by Mrs. Sandra Watson – Chief Executive Officer – Real Estate Board at JDA's Membership Meeting on Wednesday, July 6, 2016

Fee Structure

The fee structure for Developers/ Developments are as follows:-

APPLICATION FEE

- Schemes of 41 lots/units and over- $150,000.00
- Schemes of 21-40 lots/units - $110,000.00
- Schemes of 6-20 lots/units - $80,000.00

DEVELOPMENT FEES

For each unit/lot of a development scheme - $6,000.00

ANNUAL RENEWAL REGISTRATION FEE

- Schemes of 41 lots/units and over - $90,000.00
- Schemes of 21-40 lots/units - $55,000.00
- Schemes of 6-20 lots/units - $36,000.00

The provisions of the Real Estate (Dealers & Developer) Act are designed to enforce minimum standards of business conduct for persons in the Real Estate Sector.

The Real Estate Board (which was created by the Act) is mandated to regulate real estate professionals and protect the public.

If you are planning to develop a scheme you must:-

- Obtain all approvals for carrying out the development, inclusive of subdivision and /or building permission;
- If your scheme consists of more than five lots or units, or you have developed another scheme of whatever size in the last 24 months, you are required to submit an application to the Real Estate Board for registration as a Developer;

If you are planning a development scheme, you must:-

- Submit copies of stamped approvals along with plans and specifications to the Real Estate Board.

Legally, no Developer should commence any development works prior to paying applicable fees for registration.

If a Developer commences work in a development scheme prior to registering with the Board, a penalty of 100% of the fees charged will be applied.

REQUIREMENTS FOR REGISTRATION AS A DEVELOPER

All Developers are required to submit an application to the Real Estate Board on the prescribed form (available from the Real Estate Board) as well as the following:-

- Pay the prescribed Application and Development Fee
- Pay fees to any of the thirty offices of the Inland Revenue Department for a Police Record (if the applicant is a body corporate, the fee must be paid for each Director and Secretary).

Fingerprinting is required and is done at the CIB Office located at 34 Duke Street, Kingston, Police Stations at Summit in St. James, May Pen in Clarendon and Pompano Bay in St. Mary, where the report should be collected and submitted to the Real Estate Board.

The Act also requires that applicants supply proof that he/she is not an undisclosed bankrupt. Clearances can be obtained from the Trustee in Bankruptcy at 12 Ocean Boulevard, Kingston Mall

New Era Homes 2000 Ltd.
Developers of Communities

Timelines

Applications are processed within seven (7) working days for express service and thirty-five (35) working days for regular service.

The following scenarios or occurrences may affect the timeline:-

- Incomplete documentation including subdivision and/or building approval from Local Planning Authority
- Failure to pay the prescribed fee for registration as a Developer
- Developer's ownership not registered on the title or adequate joint venture arrangement with the owner not submitted.
- Mortgages or encumbrances noted on the title (that is the indebtedness is not solely for the purposes of construction financing from an Authorized Financial Institution)
- Statutory checks for the applicant were not submitted in a timely manner.

Release of the Real Estate Board Mortgage on Title

Where a Developer wishes to have discharged, from any land, a charge that has been executed and lodged with the Registrar of Titles in favour of the Board, the Developer must:-

Satisfy the Board that he/she has generally fulfilled his/her contractual obligations to the purchaser; and

Provide the Board with:-

(1) Evidence of issuing of the relevant splinter / Strata titles;
(2) Where appropriate, a copy of the relevant Road and Works Certificate/Statutory Declaration and or Compliance Certificate from the Local Planning Authority
(3) Where appropriate, copies of the relevant Certificate of Practical Completion for each respective unit
(4) The relevant discharge of mortgage forms for the Board's execution

Upon completion of a prepayment contract for a specified lot/unit in a development scheme, a request for discharge of the Board's charge can be made. This request should be in keeping with type of unit/lot and the number of such lots/ units which were approved for registration as a Developer. Any variations between what was built and what was approved by the Board would require the developer to amend his planning approvals and registration with the Board, prior to the Board's approval to remove its charge.

The Board's mortgage will be discharged upon payment of either of the following fees and within the timeframe specified in relation to each fee –

Regular discharge (namely, for processing within 25 working days) - $10,000.00

Express discharge (namely for processing within 7 working days) - $15,000.00

These fees are being amended currently. If approved, Developer's discharge fees will be charged on each lot/unit.

Things to Remember:

The Real Estate Board's Inspectors will monitor development schemes throughout construction. If they identify any breaches of the Act, Inspectors may recommend the appropriate sanctions as stated in the Act.

Where there are variations to the contract or works not completed, the Board must receive written indemnity from the Purchasers that they are satisfied or have agreed to those variations.

Statutory Obligations as a Developer

The following mandatory responsibilities:-

- Lodging of all payments received under prepayment contracts within the Trust Account
- Reporting to the Board every lodgement and withdrawals within the Trust Account
- Filing of prepayment contract with the Board
- Lodging of the Board's Charge
- Abiding by the Real Estate Dealers & Developers (Regulation) (Code of Ethics)
- Advertising in compliance with the Regulations
- Satisfy all other obligations under pre-payment contracts

WELCOME NEW MEMBERS

Hardware & Lumber Limited ~ 697 Spanish Town Road, Kingston 11.

Nicholson Phillips [Attorneys-at-Law] ~ 22 Trafalgar Road, Kingston 5

FEATURED PROJECT: HUDDERSFIELD ESTATE

Description:

The Huddersfield Estates located in St. Mary along the North Coast Highway between the World famous Couples Hotel and Sandals Boscobel Beach Resort, just fifteen minutes from Ochi Rios town centre, offers large home options with the convenience of modern life style at an economical price. The (27) 2 bedroom 2 ½ bathroom town homes clustered around a central park enjoys wide vistas within the security of a gated community. The attractive town homes with ample yard space in the front and rear of the units can be built with optional enclosed garage and veranda.

STARTING PRICE:
$13.9M

NEW PROJECTS

DEVELOPER	PROJECT	DESCRIPTION
Geon Group of Companies	55 Paddington Terrace, Kingston 6	10-3 bedroom townhouses
Gore Developments Ltd.	• New Harbour Village 3, St Catherine • Coral Spring Village, Falmouth, Trelawny • Montego West Village, St James	• 2 bedroom detached houses • 2 & 3 bedroom detached houses • 2 & 3 bedroom detached houses
Island Homes Limited	Bayfront Villas Portmore, St Catherine	• 21 - 3 bedroom, 3 bath townhouses • 54 - 2 bedroom, 2 bath
Jamaica Property Company Ltd.	Renovation of the former Oceana Hotel	Hotel
New Era Homes (2000) Ltd.	• Caymans Country Club Estate, St Catherine • Marina Village, Drax Hall, St Ann	• 2 & 3 bedroom detached houses • 32- 2 & 3 bedroom apartments
Selective Homes Ltd.	• Little Bay Country Club, Negril • The Winchester, Green Island, Hanover	• 2 & 3 bedroom detached townhouses & studios • 1003 starter units catering to the tourism sector, entry level civil servants and low income earners
West Indies Home Contractors Ltd.	• Meadows of Irwin, Montego Bay • Forrest Ridge, Red Hills • Le Bermonde, Greater Portmore, St Catherine	• semi-detached townhouses • 67 - 2 & 3 bedroom condos, studios • 76 - 2 bedroom townhouses

DID YOU KNOW…?

has introduced a new product on the market!

EZYCOLOUR

This new paint:

- brings life to an architect's 3d design with actual Berger colour.
- Provides an array of possible colour combinations
- Completed renders include the colour names and codes
- Renders can be used to discuss options with prospective buyers

To access this service:-

- Send a photograph or 3d design by e-mail: ezycolourjam@gmail.com or whatsapp 1876-566-6527
- agree with Berger colour Advisor on shade combinations (4 combinations of 3 shades each)
- the colour combinations are rendered and e-mailed to you for approval

UPCOMING EVENTS

Membership Meeting
October

Directors' Meeting
October

Pre-Christmas Luncheon
December 14, 2016

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
7 Harbour Street
Kingston
Phone (876) 967-2503, Fax (876) 922-7512