

Grenada CBI Fact Sheet

Summary

- Citizenship in 180 days
- Visa free travel to over 140 countries, including UK, China & Schengen Regions.
- Opportunity to apply for USA E-2 investor visa, allows citizens of Grenada to operate a substantial business in the US and reside therein
- Visa is applicable to spouses, dependent children under 30, Children fully supported by the main applicant, dependent parents & even siblings.
- No interview, education or managerial experience required
- No requirements to travel to Grenada during the application process
- No Physical Residency required
- Exit investment after 5 years & retain citizenship
- No Wealth, Gift, Inheritance or Capital Gains Tax
- No Restrictions of Dual Citizenship in Grenada
- Citizenship transferable to new spouses & future generations
- No criminal record
- Proof of funds were lawfully obtained
- A minimum age for the applicant of 18 years old.
- Grenada has source-based taxation: tax residents are not subject to Grenadian tax on their worldwide income, wealth, gift, inheritance or capital gains
- New citizens who take up residence, after one year can benefit from up to 90% discount for undergrad courses at St. George's University

Options to acquire Grenadian Citizenship

- National Transformation Fund (NTF) donation option: A minimum non-refundable contribution of USD 150,000 for a single applicant and USD 200,000 for a family of up to four members.
- Real estate option: A minimum of USD 220,000 as a $\frac{1}{3}$ or $\frac{1}{6}$ owner in a qualified real estate to acquire property from a government real estate project.
- Real estate option: USD 350,000 purchase of real estate for single ownership.

The Process for Grenada CBI

- The CBI application & purchase process is straightforward & usually takes around 5 months

Step 1: Appoint a professional to handle the file preparation (We can gladly introduce you to a recommended agent)

Step 2: Prior to submission of the completed application by the Local lawyer, you must enter a purchase & sale agreement with Kawana Bay for your selected property & pay Government Due Diligence etc. (outlined costs above)

Step 3: Once approved (usually 5 months), you will need to pay the following:

- Government Contribution fee (\$50,000, covers a family of up to 4)
- Balance of the purchase price (\$209,000)
- Real estate conveyancing costs (\$10,000)
- Passport/document fees (\$1,274)

Step 4: Once completed, the issuance of the Certificate of Citizenship & passports will then be progressed.

****Note, you must retain ownership of the property for at least 5 years from the date of Citizenship, after which time you have the right to sell it on.***

Government Fees & Costs

- For a family of 4 with 2 children under 17, the CBI Government fees & closing costs start at approx. **\$81,274.**
 - \$50,000 (Government contribution fee, covers up to 4 persons)
 - \$20,000 (Government due diligence, application, processing fees)
 - \$1,274 (Passport fees & document)
 - \$10,000 (Real estate closing costs)
- For example, **total costs** for family of 4 approx.:
 - **\$301,274** (\$220,000 + \$81,274) incl Bank transaction charges apply at 1.15%
- **Additional Costs:**
 - Any parents under 55 years (\$50,000 each) & qualifying siblings (\$75,000 each)

Process to Obtain E2 Treaty Visa

- Legal consultation
- Business search & Legal attorney hire
 - Engage with a business broker
- Setup Legal Structure
- Deal Finalisation
 - Execute business investment/acquisition
- Petition submission
 - Once all documentation is received, they will submit it to the appropriate embassy or consulate
- Interview at US Consulate
 - All applicants are interviewed who are part of the application process
- E2 Visa Approval
 - Visa approved & business/investment operations commence

*Note, an investment can be made from \$200,000 into a franchise cooperation such as a 'Dunkin Doughnuts'. The franchise will run the business for you & an investor simply becomes a passive shareholder.

Project Outline Kimpton Kawana Bay

Project Outline

- It will be branded & operated by Kimpton Hotels & Restaurants (an InterContinental Hotels Group)
- Award winning new 5-star condo hotel development on world famous Grand Anse Beach in Grenada.
- Construction update
 - Phase 1 (Culebra/Juara) is complete
 - Phase 2 (Matura) is built and set to achieve practical completion in 2020
 - Phase 3 (Kawa), scheduled completion in Q4 2021
- An investor receives a title deed with the $\frac{1}{3}$ or $\frac{1}{6}$ owners names established on the title deed too. Same returns on the $\frac{1}{3}$ & $\frac{1}{6}$ investment, as it is calculated on the capital investment amount (\$220k).
- Investor is entitled to make use of the studio apartment ($\frac{1}{3}$ investment) for 2 weeks on a once off basis, or 1 week on the suite apartment ($\frac{1}{6}$ investment)
- No top up funds are required by the investor, it is all covered by the developers and the return is dependent on occupancy. This specific project requires a variance of 5% of occupancy to other hotels on the island. Due to the contractual agreements, usually 20 years.

Advantages of Kimpton Kawana Bay

- All units are sold with a title deed. Because you are purchasing real estate at Kawana Bay, under Grenada law the secondary buyer is eligible to apply for Citizenship
- Owners returns formula is based on a transparent revenue sharing model as opposed to a share of profits
- Hassle-free ownership, and no annual fees
- Construction is at an advanced stand with 3 buildings already built. Located at Grand Anse Beach. (<https://vimeo.com/423239092>)
- 18-year management contract demonstrates Kimpton & IHG's confidence.
- The Developers business model is based on success of the operation over the long term as opposed to an early development profit on the sale of properties.
- Very well known brand & loved by the US over the past 35 years, plus it will be favoured by American vacationers. (Only one other Kimpton hotel in the Caribbean, the 5-star Kimpton Seafire in the Cayman Islands)
- Video Links:
 - Kawana Bay Video by clicking [here](#)



- This Month's construction update video, please click [here](#)
- Hotel Rendering video can be viewed [here](#)

Current Offering (Multi-Title Units in Phase 3 Kiawah)

1. Multi Title (1/3) Studios (Floor plans showing in *green & purple* in the attached Kiawah brochure)

- Priced at minimum investment amount of \$220,000 for shared ownership
- Each unit is being sold to three owners as tenants in common. This form of multi-ownership means that each owner holds an individual freehold 1/3 share in a unit by title deed with the right (subject to the mandatory rental program) to possess, sell, mortgage and will his/her 1/3 ownership in the unit without the need for consent of the other owners; making it an ideal structure for multi-ownership of an investment property.
- Owners will receive a 1/3 equal interest in the rental program & entitled to a one-time usage of one week in a Suite or 2 weeks in a Studio.

2. Multi Title (1/6) Suites (Floor plans shown in *Tan* in the attached Kiawah brochure)

- Priced at minimum investment amount of \$220,000 for shared ownership
- Each Suite is being sold to six owners as tenants in common. This form of multi-ownership means that each owner holds an individual freehold 1/6 share in a unit by title deed with the right (subject to the mandatory rental program) to possess, sell, mortgage, and will his/her 1/6 ownership in the unit without the need for consent of the other owners; making it an ideal structure for multi-ownership of an investment property.
- Owners will receive a 1/3 equal interest in the rental program & entitled to a one-time usage of one week in a Suite or 2 weeks in a Studio.

***Note**, it shows both property units represent the same value in rental income & owner usage. The difference is essentially punching 1/3 of a one-room unit as opposed to 1/6 of a two-room unit.

Rental Income Distribution to Owners

- All properties are part of the hotel rental program
- Owners will receive a percentage of the gross revenue less certain deductions, paid bi-annually, and are entailed to personal use (varies)
- Returns are based on a transparent revenue sharing model, as opposed to a share of profits.
- For legal reasons, we are able to give you a forecast, using the attached calculator & independent report on competitor rates & occupancies, you can get an idea of the income potential

- Enter these in the highlighted cells as well as the purchase price in question.
- The developer assumes all hotel operating risks & responsible to cover costs of running the hotel, including operating costs & unit owner condo fees. (*Owners will not be asked to make annual fee payments*)
- **How it Works:**
 - *14% is taken off the gross rental revenue for cost of sales and commissions (booking fees, etc.)*
 - *Of the remaining 86% (Net rental revenue), 32% is allocated to the owners, & out of this 32% the management will deduct 3 expenses (Insurance, property taxes & revenue, refurbishment reserve contribution)*
 - *In the event of a shortfall, the rental manager will cover the costs & recoup from subsequent rental revenue.*

Investment Exit Strateg

- An investor maintains their investment for 5 years as per offering documents. They are able to sell it to a purchaser that is wanting to qualify for the Grenada CBI.
- Should an investor not wish to exit, they are allowed to retain ownership for perpetuity.