

Housing Development: Our Own Experience

PRESENTATION BY MAURICE GABAY OF MAGIL CONSTRUCTION

Minister of Water and Housing, the Honorable Karl Blythe, members of the Jamaica Mortgage Bank ladies and gentlemen, good afternoon. It gives us pleasure to be asked to make a presentation at this seminar. You see, Magil is directly involved in housing and have a special commitment to the provision of the highest quality product.

For those who may not know, our company, Magil, is a Canadian-based organization, which has been in the housing and construction business for over 50 years.

Magil's experience has included working as contractors and developers in North America as well as countries worldwide. We have built from multi-story buildings, both commercial and residential, tourism resorts to high-quality, affordable homes.

Five years ago Magil first came to Jamaica as contractors to construct the West Cumberland Housing Scheme in Portmore St. Catherine, for Gore Development.

We saw the opportunity to expand our operations - building quality, affordable homes on a large scale.

There it was, a definite challenge to do what we do best - build homes and create communities. We had to do it, do it right and do it now.

Our commitment was further emphasized when we relocated our regional office from Florida and established ourselves in Kingston. With that move came our first project as developers in Jamaica - the White Water Housing scheme.

Housing development would not be possible without the assistance of the following agencies. The National Housing Trust, through its innovative mortgage programme of providing the Jamaican population with access to low-cost funds, is at the center of solving the housing problem. Our association with this organization has been smooth from personal interaction, to the disbursement of funds.

The Ministry of Housing, through its joint venture programme, opens the possibility for the construction of more homes on lands that otherwise would probably have remained idle.

It is through this programme that our first opportunity for a housing development - the White Water Meadows Housing scheme - came to be. In association with a local company, Can/Cara Limited, the scheme started in the year 2000 with an innovative concept in house construction.

Finally, the Jamaica Mortgage Bank. This organization is pivotal in the provision of affordable housing, and laying a foundation for housing providers to operate successfully. The organization of this seminar is but one simple example. The bank understands what it is to do about low-income housing projects, and do it successfully.

The Jamaica Mortgage Bank has offered invaluable assistance to Magil in the form of financing and market support. Clearly stipulating what a good working relationship is all about.

With the National Housing Trust's funding for mortgages, the Ministry of Housing's joint venture programme, the Jamaica Mortgage Bank financing and the demand in housing, we feel there is enough opportunity here to make business viable.

But, let us not forget about the market and affordability. The average work force and NHT contributors - young professionals, teachers, policemen, nurses and others - all hope to own a home in a suitable community, which Magil intends to provide.

They depend largely on the NHT \$800,000 single applicant limit or the combined \$1.6 million and \$2.4 million mortgages to fund their purchases. We are committed to provide top quality homes between the \$2 million and \$2.2 million.

Personal relationships on site are given the highest priority and we, have no problems to execute our projects.

During our work on White Water, we have come to better understand the Jamaican market place and as such consider ourselves fully prepared to take on other endeavors.

The housing shortage has not yet been contained, and, as our chairman Mr. Joseph Gutstadt said at the start of the White Water scheme, " we are here to stay." We currently have two other developments on the drafting table that is still to be announced. Magil's intention is to provide more than 1,000 housing solutions per year.

Watch us grow. By doing right and doing it now.

Thank you