



A view of the stalled Four Seasons site.

FIND BUSINESS PARTNERS
LOCAL NEWS
INVESTMENT OPPORTUNITIES
CAREER OPPORTUNITIES



Ready to go: Four Seasons project to resume this year

1/3/2010

By Dorian Bryan

AFTER almost a year of being stalled, work at the Four Seasons Resort and Private Residence on Paradise Beach will resume early this year.

Information reaching the Barbados Advocate has revealed that construction on the project, which ran into financing difficulty in 2009, will re-commence this year, after a deal was struck. The deal involves a refinancing plan, which was reached with lenders, creditors, private residence owners, shareholders and developers. The agreement, which was confirmed by Prime Minister David Thompson, who is also the Minister of Finance, involves Government supporting the refinancing efforts to complete the project. The arrangement in part will allow Government to gain an equity share in the project, while guaranteeing the repayment of the loan, with strict conditions being in place.

The plan includes a US\$60 million facility from Ansa McAL Merchant Bank and its Barbadian affiliate, Consolidated Finance, that allows for a repayment of the Bank of Scotland loan, the acquisition of the Esso land to complete the site, a settlement with creditors, and the recommencement of construction.

The revelation follows efforts by Professor Avinash Persaud, who looked at possibilities of getting the appropriate financing to complete the project which was deemed as important to the development of the island's tourism project. The deal calls for the creation of a new management board to be appointed under the Executive Chairmanship of Prof. Persaud, with the support of the new Lenders, Private Residence owners, existing shareholders and the Government had been working on the project for a few months, prior to the announcement. Professor Persaud has over 20 years of experience in investment banking before becoming an advisor to governments and institutions around the world. He was recently ranked No. 2 in the world of public intellectuals on the financial crisis by Prospect Magazine.

Persaud stated that getting the deal was important and timely in light of the current economic situation. He revealed that tenders for the project will go out shortly. "The problem which the project encountered was of insufficient liquidity at a time when banks were pulling out of property investments around the world and villa sales had slowed... Tenders are being prepared and will be released shortly and construction will resume in the first quarter of 2010. Prime Minister Thompson must be congratulated for his bold and strategic support of this project. This rescue would not have been possible without it."

Prime Minister Thompson stated that Government was pleased that the project would be completed. "I am pleased to support an initiative where Barbadians pull together to put an iconic project back on track, one that will help to shape the future of tourism in Barbados... The resumption of this project will underpin our brand as one of the luxury destinations in the world, boost investor confidence, provide substantial local employment, facilitate skill transfers and generate foreign exchange revenues."

The point was made that the arrangement would ensure that the project was properly managed and the benefits of the deal will be of benefit to the tourism product of the country. He also stated that the deal represented the best possible scenario for Barbados and the project. "The Government of Barbados must use its resources intelligently and sparingly. Under Professor Persaud's plan, the Government of Barbados will guarantee repayment of the loan as long as the project is run under strict conditions and will in return be awarded an equity stake in the project, a 'golden share' to guarantee our interests versus other shareholders and a charge on the assets of the most significant development to occur in Barbados for some time. When these dark days of global economic challenge are behind us, we will come to see this moment as one of our finest hours."

The original completion date for the project was 2011. Co-Chairman and founder of the project, Michael Pemberton, after a tour with Tourism Minister Richard Sealy of the project last January, stated that the sales of the project were going well. The project will feature some 275 rooms comprising hotels and private residences.

Advertisement

Local News

ADVERTISE
WITH US

Indices as of close 9/15/2009

Local	3404.30	-
Cross-List	1665.14	-
Composite	847.81	-