



Carlton Savannah REIT (Jamaica) Limited

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September 28, 2009

Ms. Marlene Street-Forrest
General Manager
Jamaica Stock Exchange
40 Harbour Street, Kingston

Dear Ms. Street-Forrest:

This is to inform the Jamaica Stock Exchange, and by extension our shareholders and the wider market, of developments that are now taking place involving the Carlton Savannah REIT (Jamaica) Limited (The REIT).

As you know, currently, The REIT's primary asset is its beneficial ownership of seven (7) units in the Carlton Savannah Hotel in Port of Spain, Trinidad. The completion and full opening of the Hotel has been long delayed, and we have continuously updated the market on the projections received from the developers, Balton Properties Limited.

In late August, 2009 Balton Properties informed the Directors of The REIT that:

- (1) They were unable to dispose of all the units in the hotel which therefore required them to seek alternate financing arrangements in order to complete the hotel and spa.
- (2) These new arrangements required that the entire hotel be used as security and has therefore prompted them to propose to repurchase all units which had been sold including The REIT's seven (7) apartment units.

Since the initial communication from Balton Properties, the Board of Directors has sought clarification and legal advice on the implications, financial impact and the merit of the proposal. By email dated September 14, 2009, Balton Properties advised us that the entire project could be in jeopardy if the units were not made available.

While the preferred option and stated intention of The REIT would have been to continue as investors in an operating hotel in Trinidad for the long term benefit of our shareholders, this new development has caused us to accept the developer's offer but only after negotiating a significantly improved repurchase price that is the equivalent of J\$7.41 per share at the close of business on Friday, Sept 24, 2009.

The Carlton Savannah REIT wishes to inform its shareholders and the public that we will continue to diligently execute our stated operating model of investing in a diversified portfolio of real estate properties generating primarily hard currency cash flows in selected markets across the Caribbean. We are accordingly engaged in advanced negotiations for the purchase of additional properties.

Carlton Savannah REIT (Jamaica) Limited

Once again, we would like to thank our shareholders for their immeasurable level of support as we continue to build our portfolio of real estate properties and deliver sustainable dividends over the years ahead.

Respectfully,

A handwritten signature in black ink that reads "Fayval S. Williams". The signature is written in a cursive style with a large initial 'F'.

Fayval S. Williams
Executive Director