

Opinion: UP Party causes real estate bubble

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Dear Editor,

The UP led government has created a real estate bubble that will burst and hurt many real estate investors. Let us take a look at the real estate transaction by Minister Lake of the UP party from an auditor's view:

Before a minister can sign a document or contract that binds government financially he has to obtain at least 3 approvals from different control units:

1. He has to obtain the approval from the minister of finance, because the minister of finance has higher supervision on all the ministries in government.
2. He has to obtain the approval from the Council of Ministers.
3. He has to obtain the approval from the Governor of St. Maarten and
4. If the transaction is not budgeted, he has to get the approval of the CFT.

Since the transaction with the Vorst family did not have these approvals and it was not budgeted, it will have to be classified as an act of gross negligence.

The Parliament of St. Maarten did not act because the Minister should have gotten a vote of no confidence. The Council of Ministers did not act because the minister could have been suspended. The CFT did not act because they should have written a letter asking questions relating to this matter.

The Audit Chamber still have an opportunity to act and audit this transaction, since the transaction has a negative effect on the community of St. Maarten. Real Estate prices will get out of reach of all local St. Maarteners. Thus our children will not be able to buy a piece of land on St. Maarten. Only rich foreigners will capable of buying overpriced real estate on the Island.

The Governor should have ask some questions and call the minister to order.

This land deal which forces government to buy land for more than 4 times the market price, sends a questionable signal to the real estate market on St. Maarten. This questionable bubble can only burst in the near future.

The young people of this country will not be able to purchase a parcel of land to build their dream home on the rock called St. Maarten. The Audit Chamber should investigate this transaction so as to limit the damage to Government and the community in general.

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