

**MEDIA RELEASE**

25<sup>th</sup> February 2008

**CariCRIS assigns “high creditworthiness” ratings for  
Eastern Caribbean Home Mortgage Bank**

**Issue Ratings<sup>1</sup>** (For notional debt size of USD 30 million or equivalent)

***CariAA*** (Regional Scale Foreign Currency)

***CariAA*** (Regional Scale Local Currency)

Caribbean Information and Credit Rating Services Limited (CariCRIS), the Caribbean regional credit rating agency, has assigned ratings of *CariAA* (Foreign Currency Rating) and *CariAA* (Local Currency Rating) on its Caribbean regional rating scale to the USD 30 million debt issue (notional) of Eastern Caribbean Home Mortgage Bank (ECHMB). The ratings indicate that the level of creditworthiness of this obligation, adjudged in relation to other obligations in the Caribbean<sup>2</sup> is **high**.

The ratings on ECHMB reflect the Bank’s low credit risk business model, excellent asset quality and its status as a regional financial institution with support from the Eastern Caribbean Central Bank (ECCB), the premiere financial institution in the Eastern Caribbean Currency Union (ECCU). Also supporting the rating is the highly experienced and qualified management team that is well supported by a reputable Board of Directors. Additionally, ECHMB’s operational and underwriting systems are strong, underpinned by its legislative and operational framework. The ratings are tempered by the challenging market conditions and consistently high liquidity in some key markets contributing to a fair degree of geographic asset concentration. In addition, ECHMB’s resource-raising ability via public bond issues has been somewhat constrained by the simultaneous placements of both corporate and sovereign issues in the ECCU.

CariCRIS’ CEO, Wayne Dass, commented that “ECHMB’s management must be congratulated for taking this important initiative as it bodes well for strengthening and

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<sup>1</sup> *The company has no immediate plans of issuing this debt; as such the debt size is only indicative of a possible future debt issue.*

<sup>2</sup> *The term Caribbean as used here covers the following countries: Bahamas, Barbados, Belize, Costa Rica, Dominican Republic, Guyana, Haiti, Jamaica, Panama, Suriname, Trinidad and Tobago and the following countries in the OECS: Anguilla, Antigua & Barbuda, Dominica, Grenada, Montserrat, St. Kitts & Nevis, Saint Lucia and St. Vincent & the Grenadines. Refer [www.caricris.com](http://www.caricris.com) for a more detailed explanation on CariCRIS ratings and rating definitions.*

improving transparency in the capital markets and for bond market development. Their decision to seek a public rating reflects a high standard of corporate governance and sets an important precedent for other corporates and sovereigns in the OECS and the wider region to follow.”

Commenting on the occasion, ECHMB’s CEO, Duleep Cheddie, said “ECHMB’s mandate is to promote the development of the secondary mortgage market in the member states and bring additional benefits by facilitating the development of the money and capital market, improving liquidity management in the financial system and promoting home ownership throughout the member states. A high credit rating should have the dual effect of reinforcing ECHMB’s image as an investment of choice in the region and rationalizing pricing on its bond issues.”

*About the company:* Eastern Caribbean Home Mortgage Bank (ECHMB) was created pursuant to the ECHMB Agreement Act (1995) and commenced operations on April 22nd 1996. Its primary objective is the development of the secondary mortgage market within 8 participating member countries of the Organization of Eastern Caribbean States (OECS) namely Anguilla, Antigua & Barbuda, The Commonwealth of Dominica, Grenada, Montserrat, Saint Kitts and Nevis, Saint Lucia and St. Vincent and the Grenadines. ECHMB is a privately managed corporation and the current 64 shareholders are strictly financial institutions from the OECS as well as the wider Caribbean. These financial institutions includes the Eastern Caribbean Central Bank (ECCB), commercial banks, social security agencies, insurance companies, mortgage companies, building and loan associations and credit unions. The largest shareholder, the ECCB, holding 25%, is the premiere financial institution in the Eastern Caribbean Currency Union (ECCU).

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**Please contact CariCRIS for detailed rating rationale on ECHMB**

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