

**Schedule 2
FORM ECSRC - Q**

(Select One)

Quarterly Report For the period ended September 30, 2009

Issuer Registration Number: 345640

Grenreal Property Corporation Limited
(Exact name of reporting issuer as specified in its charter)

Grenada, W.I.
(Territory or jurisdiction of incorporation)

Melville Street, P.O. Box 446, St. George's, Grenada, W.I.
(Address of principal executive Offices)

(Reporting issuer's:

Telephone number (including area code): + 1 473 435 8372

Fax number: + 1 473 435 8373

Email address: info@grenreal.com

(Former name, former address and former financial year, if changed since last report)
Not applicable

(Provide information stipulated in paragraphs 1 to 8 hereunder)

1. Financial Statements:

S. attached P+L and Balance Sheet.

2. Management's Discussion and Analysis of Financial Condition and Results of Operation

Liquidity and Capital Resources:

The liquidity position of the Company is still a bit tight, due to increased vacancies caused by necessary vacancy for the reconstruction, as well as a few tenants who moved out due to the worsening economic conditions, resulting in lower rental income.

The economic situation has resulted in an increase of outstanding rental income from average half a month in 2008 to average 1 month in 2009, effecting the cash position. Further enforcing that tenants comply with the terms and conditions of the lease have been undertaken.

The construction of the connection between the two properties is financed by an increase of the present bank loan of a total of EC\$ 3,3 million. No cost overruns have materialized. Therefore, capital resources as well as the positive cash flow of the company are sufficient to cover its obligations.

Furthermore occupancy level will improve significantly as from the 1st October. The vacant units affected by the construction work as well as the new units created by the connection of the two buildings have for more than 80% rented out against budgeted rental conditions.

These new rental contracts will have a positive effect up from Q4 2009.

The letting efforts will also profit from an encouraging outlook for the upcoming cruise season. According to the information available, the numbers of passengers should be at least at the same level as last season.

Based on the foregoing, the management of Grenreal is confident, that by the end of the year the cash position will show a substantial improvement.

Off Balance Sheet Arrangements:

The Company does not have any off-balance sheet arrangements.

Results of Operations:

As mentioned before, total rental income dropped significantly in the first half year 2009, due to necessary vacancy for the building improvements as well as due to some unexpected vacancies caused by economic problems of a few tenants. However, cash flow remains positive and the company can therefore without problems fulfill its obligations.

The operating and general costs however, developed as expected. They were higher compared to the previous year, due to professionalization of the organization but were within the budgeted amounts in the operational plan 2009. The same can be said in connection with the financing costs. They were lower than in the first nine months of 2008, due to a successful reorganization of the existing financing.

In order to further lower the financing costs, the management is considering a syndicated loan with several banks. This would lower the risk for each involved bank and therefore could result in a more favorable interest rate.

Nevertheless, increasing the occupancy level in order to create a higher return out of the rental income will remain the main priority. As mentioned before, the management is confident, that due to the positive outlook for the next cruise season, the higher rental value with newly created space and the ongoing interest in retail space within Grenreal's properties, the Company is well positioned for the future. With the newly rented units in Q4 2009, the vacancy will significantly drop to 0% for the Esplanade and 8.16 % in the Dr. Jan Bosch Building, resulting in a combined vacancy of a only 3,26 %.

3. Disclosure of Risk Factor

No additional risk factors to the ones already stated in the Prospectus dated June 30, 2008 (see attachment Risk Factors), occurred.

4. Legal Proceedings

The Company is not involved in any ongoing legal proceedings other than using its legal rights to enforce compliance with the terms and conditions of the lease against a few tenants..

5. Changes in Securities and Use of Proceeds

There have been no changes to number and type of securities since listing in July 2008.

6. Defaults upon Senior Securities

The Company never had any event of default before and since listing in July 2008.

7. Submission of Matters to a Vote of Security Holders

The shareholders approved the financial statements of the Company for the financial year 2008. A dividend of EC\$ 0.13 per share was announced. The dividend for minor shareholder has been paid out immediately, while the three major shareholders postponed their entitlement until the cash situation allows a pay out.

8. Other Information

Not applicable

9. Attachments:

- Profit and Loss Statement and Balance Sheet as per September 30, 2009
- Risk Factors

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report.

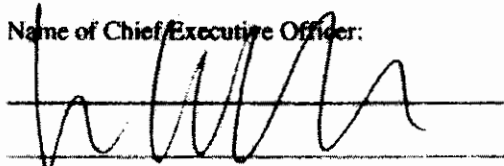
| CLASS | NUMBER |
|-----------------|-----------|
| Ordinary Shares | 7,662,598 |
| | |
| | |

SIGNATURES

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Quarterly Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Chief Executive Officer:

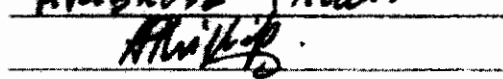


Signature

H.A. van Dijk

Date Nov 10, 2009

Name of Director:

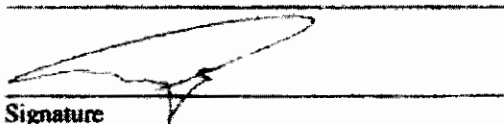
AMBROSE PHILIP


Signature

Date Nov 10, 2009

Name of Chief Financial Officer:

Sükrü Evrengün



Signature

S. EVRENGÜN

Date Nov 10, 2009

V. RISK ISSUES

Investors contemplating the purchase of the shares should carefully consider the risk factors below in addition to the other information contained in this Prospectus before making an investment. The occurrence of any of the following events could adversely affect the business, financial condition and operating results as well as adversely affect the value of the registered shares. Additional risks not currently known to the Company or known risks that are currently deemed immaterial may also harm the Company.

Dependency on Economic Developments

The Company is dependent on the general economic development in Grenada, for example the interest rate levels, the inflation rate or the attractiveness of St. George's as a main economic area by international comparison and the development of the Tourism industry of Grenada as one of the main growth factors for the future.

Factors based on Location, Force Majeure

The real estate market is by nature subject to factors that are based on location so that the performance of a property can be quite different depending on the location.

Valuation of Real Estate

The valuation of a property is dependent on numerous factors and founded on assumptions based on experience and general market observances, but in the end always includes a certain subjective assessment. It cannot be guaranteed that the determined value of a property can be realized in a sale.

Competition

Changes in the management of commercial properties, in particular an increase in renting rather than buying commercial properties for own use, as well as the separation of real estate and/or real estate management from the operative core business, can lead to stronger dynamics on the real estate market.

Market Risk regarding Rental Income

Rental income is subject to fluctuations that result from changed market rents, the credit rating of the tenants, vacancies and other factors relevant with respect to rental income. Since the real estate portfolio of the company is concentrated in the St. George's economic area, any changes in the real estate situation in St. George's have a special effect on the rental income of the company.

There is no guarantee that expiring leases can be renewed at the same conditions. No guarantee can be given that any property will be fully leased, so vacancies may occur. In case of vacancy, the company, in addition to the rent loss, must also bear those costs that, if the property were rented, would normally be charged to the tenant as service charges. Further, the Company, on the basis of statutory or contractual provisions, may be forced to compensate the tenant for conversion costs upon termination of the lease, which may be considerable.

Dependency of Rental Income and Real Estate Values on the Development of Interest Rates and Inflation

Changes in interest rates on the money and capital markets, in particular mortgage rates, and in inflation or inflation forecasts can have a material impact on the development of rental income and the value of the real estate. Changes in interest rates also have an effect on the discount rate applied by the Company in the valuation of the real estate (DCF Method).

Financing Risks and Risks due to Increased Financing Costs

Investments in properties, making advance payments or carrying out renovations make the real estate business very capital-intensive. Therefore, real estate companies rely on access to equity and debt capital to a high degree. It is the Company's intention in accordance with its strategy, that the debt capital will not exceed 60% of the market value of its property portfolio.

There is no guarantee that access to debt and equity capital can be ensured when required. For example, access to equity capital can be restricted or impossible due to the state of the capital markets, current investor requirements, the operating results of the Company or the relative attractiveness of the Company to investors in comparison to its competitors. As regards debt capital, the company finances itself primarily through bank loans. There is no guarantee that the maturing bank loans will be renewed or that new loans, if required, will be granted. It cannot be excluded that real estate investments must be sold due to lack of access to capital or an increase in the cost of capital.

Limited Liquidity of the Real Estate Market

The Grenada real estate market is characterized by both a limited property supply and a limited property demand which can have an adverse effect on the price structure. The disposal or acquisition of property within a short period may sometimes be impossible or possible only with corresponding price concessions, depending on the market situation. Since investments in real estate by the Company generally are long-term investments, a forced sale of real estate at short notice can result in the expected sales prices not being realized and the property possibly having to be sold at a loss.

Dependency on Employees in Key Positions

The success of the Company depends materially on the performance of its professionals. Since the pool of qualified professionals is relatively small and competition on the market for qualified professionals is intensive, it cannot be guaranteed that the Company will be in a position going forward to attract, integrate and retain such qualified professionals.

Dependency on Legislative Developments

Possible future amendments of laws, other regulations or administrative practice, in particular in the area of tax, tenancy or environmental protection law, can affect real estate prices, costs and income and thus influence the results of the Company.

Tax Risks

The Company has made comprehensive tax arrangements and obtained tax rulings from the competent tax authorities with regard to its business activities. Should the tax authorities change and/or revoke their rulings either on the basis of changes in legislation, international treaties or other reasons, this can have a material adverse effect on the business, financial and earnings situation of the Company.

Pricing and Volatility

Although the shares of the Company will be listed on the ECSE, there is no certainty that there will be a sufficiently large and therefore liquid market for their trade at all times. A number of factors influence the liquidity of the market for the shares, for example the way the investors evaluate the company or the share and real estate markets, possible changes in the economic environment and new trends in the real estate sector. A restricted market for the shares can have a negative impact on their marketability and price as well as cause a high volatility of the shares. The share price can deviate from the book value in the future and it is possible that the difference between the share price and the book value will increase. The influence of this listing on the relation of the share price to the book value as well as the future development of the share price and the book value cannot be anticipated. It cannot be guaranteed that the shares will be traded on the ECSE at or above the subscription or offer price.

GRENREAL PROPERTY CORPORATION LIMITED

BALANCE SHEET AT 30 ST SEPTEMBER, 2009

| | September 30th 2009 <u>EC\$</u> | September 30th 2008 <u>EC\$</u> |
|---|---------------------------------------|---------------------------------------|
| ASSETS | | |
| Non-Current Assets | | |
| Investment property | 87'064'476 | 79'350'000 |
| Computers and office furniture | 51'628 | 71'366 |
| Public Listing | 156'267 | 184'698 |
| | <u>87'272'371</u> | <u>79'606'064</u> |
| Current Assets | | |
| Receivables and prepayments | 549'380 | 295'651 |
| Cash and cash equivalents | 71'062 | 577'753 |
| | <u>620'442</u> | <u>873'404</u> |
| TOTAL ASSETS | <u>87'892'814</u> | <u>80'479'468</u> |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | |
| Stated capital | 25'365'000 | 25'365'000 |
| Accumulated surplus | 22'514'390 | 18'251'993 |
| Total equity | <u>47'879'390</u> | <u>43'616'993</u> |
| Non-Current Liabilities | | |
| Long term loan | <u>36'260'897</u> | <u>34'990'000</u> |
| Current Liabilities | | |
| Deposits from tenants | 989'112 | 1'008'657 |
| Amount due to related party | 296'021 | 578'894 |
| Payables and accrued expenses | 924'699 | 284'925 |
| Proposed building improvements | 1'542'695 | -- |
| Total liabilities | <u>3'752'527</u> | <u>1'872'475</u> |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | <u>87'892'814</u> | <u>80'479'468</u> |

GRENREAL PROPERTY CORPORATION LIMITED

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE PERIOD JANUARY / SEPTEMBER 2009**

| INCOME | Jan./Sept. 2009 EC\$ | Jan./Sept. 2008 EC\$ |
|---|-------------------------------------|-------------------------------------|
| Rental income -retail units | 3'988'014 | 4'537'900 |
| Rental income -kiosks | 109'538 | 121'134 |
| Service re-charge | 189'329 | 210'065 |
| Parking | 154'528 | 108'144 |
| Other income | 45'742 | - |
| | <u>4'487'151</u> | <u>4'977'243</u> |
| Net gain from fair value on investment property | - | - |
| | <u>4'487'151</u> | <u>4'977'243</u> |
| EXPENSES | | |
| Operational expenses | | |
| Accounting fees | 22'050 | 20'717 |
| Insurance | 273'353 | 245'506 |
| Security | 240'926 | 232'766 |
| Janitorial services | 130'344 | 123'247 |
| Marketing and public relations | 69'320 | 12'921 |
| Utilities | 291'096 | 299'547 |
| Property management / Salaries | 297'535 | 196'105 |
| Parking | 18'608 | - |
| Maintenance and other costs | 117'854 | 220'385 |
| Legal fees/broker - new rental contracts | 26'996 | 47'715 |
| Office rent | 134'497 | - |
| Office supplies | 9'151 | - |
| | <u>1'631'730</u> | <u>1'398'909</u> |
| General expenses | | |
| Service Charge MPMC | 44'232 | - |
| Auditor Fee | 19'937 | 17'056 |
| Subscription ECCSR | 26'432 | 8'000 |
| Banking Fees | 18'473 | 35'707 |
| Legal Fees Corporate | 2'723 | 8'437 |
| Directors Fees | 42'100 | 41'700 |
| Miscellaneous expenses | 6'628 | 3'567 |
| Professional Fees | 56'254 | 35'625 |
| General and administration | <u>216'779</u> | <u>150'092</u> |
| Total operational and general expenses | <u>1'848'509</u> | <u>1'549'001</u> |
| Operating Income | <u>2'638'642</u> | <u>3'428'242</u> |
| Depreciation | 31'916 | 18'918 |
| Bank Interest | 2'025'254 | 2'101'362 |
| Other interest | 5'674 | - |
| Profit for the year | <u>575'798</u> | <u>1'307'962</u> |