

Tiger warns investors to be extra cautious in current climate

IRISH overseas investors should beware of some financial products being offered them, especially in the current property climate, according to Chris McGrath, of Tiger Global Property Solutions.

Speaking at the launch of yesterday's workshop on international property investment at the Radisson SAS in Dublin 8, McGrath said that mezzanine finance products are increasingly being offered to the smaller investors who may not be aware they are largely taking over the development risk from the developers.

"Mezzanine finance is high risk business at any time but in a time of financial turmoil and static or falling markets, these risks are greatly enhanced," said McGrath.

Similarly he warned investors to be extra cautious when buying 'off-plans', as builders both at home and abroad are running into financial difficulties, thereby increasing the risk of losing deposits and stage payments.

Syndicate buying was also covered at the workshop, with McGrath claiming that some syndicates had sustained heavy losses during the last year as a result of the credit crisis.

The company is due to launch its Network Asia service aimed at small to medium investment/development companies interested in exploring Asian markets. Further information is available from www.tiger.ie.

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