

Hermosa Beach Resort

Costa Rica



Master Plan -Hermosa Beach

Costa Rica
March 2023

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Executive Summary



Opportunity

- Purchase about 66 Acres of unique TITLED Beachfront Property or approximately 270,000m² of a BEACHFRONT in Costa Rica for Resort, Condominium, Residential, or Casino

Investment

- Freehold, Free and Clear Titled Land, 270,000 m² (+- 66 Acres)
- Excellent Return on Investment
- Valuation done by Colliers International \$33 million or \$125m²
- Beachfront land in town of Jaco only 3km to the north is selling for \$1250 - \$2000/m²

Location

- Costa Rica – Central Pacific Coast
- 5 KM south of the successful 4 Star Los Suenos Marriott Golf Resort and Marina
- 3 KM south of the new 5 Star St. Regis Resort

The Land

- 270,000 m² (about 66 Acres) of flat Beachfront terrain
- 600 linear meters of Beachfront by 300 meters deep
- Free and Clear Titled (freehold) Beachfront land – rather than Concession or Lease
- Rare ability to develop directly on the beach in Costa Rica instead of 200 m back from the water, as per usual. Only 5% of Coastal land in Costa Rica has this zoning.

Development

- 5 Star Hotel Resort with full Amenities including option to build Casino
- Eco-friendly Villas, Residences and Condos
- Villas, Serviced Apartments Residences, Low-Rise Towers

Permits

- Building permits for 1200 units, however projected building only 750 units plus 5 Star Hotel in financial calculations as per attached
- Availability of electric, road, telephone, internet, and water already on property
- Pre-approved Casino Permits
- Pre-environmental approval complete

Government

- Costa Rica is Switzerland of Latin America with a history of stability
- President Oscar Arias – Nobel Prize winner has pledged full government support

Master Plan Summary

Resort Development

The resort development at Hermosa Beach is envisioned to incorporate for-sale housing, composed of three basic asset types: a five star luxury resort hotel, commercial area, and for sale housing in the form of Serviced Apartment/Residences, Luxury Villas, and Condominium Towers. Current financial projections show the development of 750 units, while the property is currently permitted and entitled for up to 1200.

Asset Type	# of Building	# of Units	Each Building Footprint m2
Residences	5	300	2,403
Fractional	2	100	1,289
Villas	50	50	500
Towers	5	300	1,502
Commercial	1		4,645
Hotel	1		15,355
Totals		750	



THE RESIDENCES:

There are 300 residences in total. The residential are built in 5 different buildings and each building consisting of 10 units per floor for a total of 60 residences per building. Each residence is approximately 240.28 m2 and can be adjusted as a 3 bedroom or a 2 bedroom residence, similar to the ones at the St. Regis Residence Hotel. All of the appointments are of the highest quality and marble is laid out throughout the floor in the bathrooms and kitchen area with Italian and Brazilian tile in the outside balcony and verandas, as per pictures below.



Total Area/Unit m2	240.28
Units/Floor	10
# Floors	6
Units/Building	60
# of Buildings	5
Footprint/Building m2	2,403
Total Footprint m2	12,014
Total Footprint Hectares	1.20
Total Site Area m2	183,500
Footprint as % of Site	6.55%



Serviced Apartments/Fractional Ownership

Only 100 units : The Serviced Apartments/Fractional Ownership portion of the Hermosa Beach Resort Development will incorporate stand-alone residential units. The Residences will also incorporate shared pool facilities and landscaped open space along with on-site surface parking. Quality interior finishes will be incorporated into high quality single family construction with architectural elements reflecting local tropical design.



There design are 100 Fractional ownership units. Similarly built like the Residences with the utmost quality and material each unit has its own beachfront view and can be sold 4 times during the year as per attached cash flow.

The size of each unit allows for international ownership and family vacationers to enjoy a week or 2 months stay at the Development as per Master Plan development. Each Fractional measures a total of 240.28 m2 and is either a 3 bedroom or 4 bedroom unit.

Finishing are granite in the kitchen with marble in the bathrooms. The 2 Towers are devoted to the sales of fractional only.

The success of the fractional sales should follow similar pricing as per the cash flow attached.

Total Area/Unit m2	240.28
Units/Floor	10
# Floors	6
Units/Building	60
# of Buildings	5
Footprint/Building m2	2,403
Total Footprint m2	12,014
Total Footprint Hectares	1.20
Total Site Area m2	183,500
Footprint as % of Site	6.55%

Villas

Only 50 stand-alone luxury Villas will be designed as a variety of eight designs with the highest quality finishes throughout, including marble flooring, granite countertops, and top-of-the-line stainless steel appliances. Every Villa will have it's own parking. THE VILLAS:

Exclusive Villas are part of the development of the MASTER PLAN. Each unit is 500 m2 in size to accommodate the most luxurious demands.

Each Villa is built with the finest materials available and the finishing with marble floor in the bathrooms, and kitchen. There are 3, 4 and 5 bedroom Villas available depended on the client's needs. All appointments are first class and marble is used throughout the construction of each unit.

Tile is used in the balconies and outside verandas. Wooden floors are used throughout the dining and living room.



Total Area/Unit m2	500
Units/Floor	1
# Floors	1
Units/Building	1
# of Buildings	50
Footprint/Building m2	500
Total Footprint m2	25,000
Total Footprint Hectares	2.50
Total Site Area m2	183,500
Footprint as % of Site	13.62%

Towers

300 units in Condominium Towers will include high quality interior finishes and top-of-the-line appliances. They will also include private balconies for each condominium. Luxuriously landscaped common areas will consist of a pool and fitness center for each tower and two assigned parking spaces for each condominium. **THE APARTMENTS**

There are 5 towers of apartment Towers - namely THE TOWERS- HOWEVER THESE ARE LOW LEVEL TOWERS being just 6 floor high in order to maintain the local ambiance and natural feeling of the Playa Hermosa environment.

Each Tower has 60 units and each unit of no more than 150m² including 2 and 3 bedroom in dimension with exclusive material. Finishing are granite in the kitchen with marble in the bathrooms with wood throughout the ceiling and doors and paneling inside the apartments.



Total Area/Unit m²	150
Units/Floor	10
# Floors	6
Units/Building	60
# of Buildings	5
Footprint/Building m²	1,502
Total Footprint m²	7,508
Total Foot Hectares	0.75
Total Site Area m²	183,500
Footprint as % of Site	4.09%

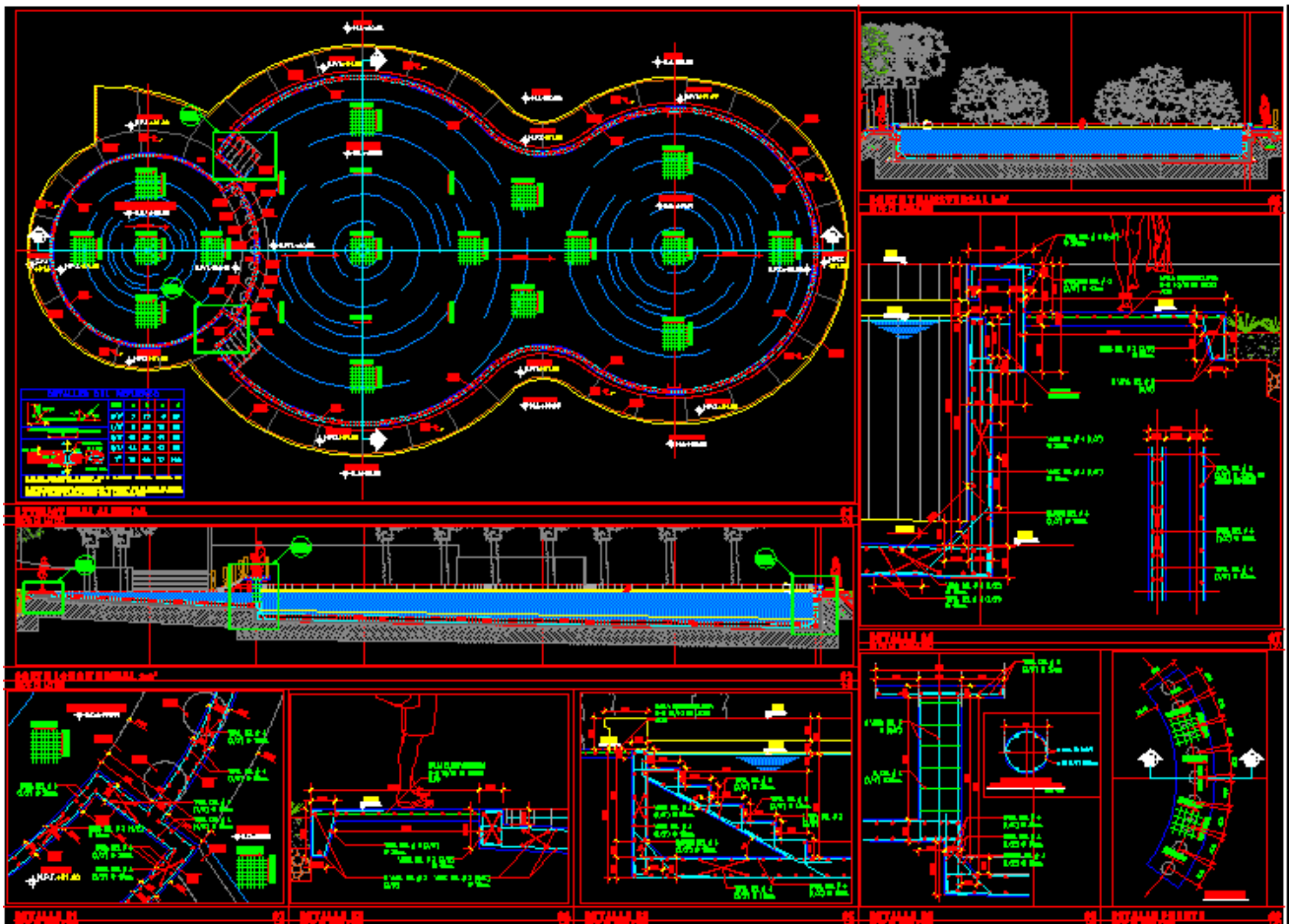
Pools

The location of each pool is strategic right in front of the buildings and close to the Beachfront where a wonderful breeze accommodates each guest throughout the year. Playa Hermosa in Jaco is well known for its fantastic surfing waves having the most consistent surf throughout the year. Curving like a sparkling blue lagoon, our seaside pool and esplanade offer every imaginable amenity, including private cabanas with drapes that close, comfortably upholstered lounge chairs, delicious food and fresh beverages from a poolside grill and Seagrapes Restaurant.

ADOBE PHOTOSHOP SWIMMING POOL 1



SWIMMING POOL AUTOCAD



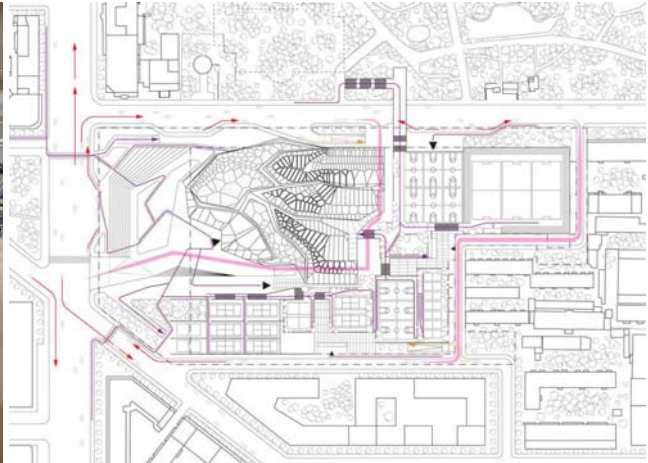


ADOBE PHOTOSHOP SWIMMING POOL 2



ADOBE PHOTOSHOP SWIMMING POOL 3

Athletic Club



ATHLETIC CLUB AUTOCAD

Our light and airy Athletic Club offers the finest in Techno Gym equipment, including treadmills and elliptical, upright and reclining bikes, as well as strength-training and core work areas with free weights.

The facility also offers an adjacent yoga and Pilates studio and personal training sessions.

If you would like custom personal training, please contact the spa concierge for availability and pricing.

Though there is no regular schedule for yoga, Pilates or meditation classes, they may be booked individually.

Classes will be provided in different parts of the property depending on availability.

All wellness services, from workouts and yoga to massage, can be provided beachside.

Locker rooms are furnished with personal lockers and towels and at all times a fitness assistant is available for your convenience.

Guests may access the facility with their room key.

Athletic Club

Fitness Equipment: Techno Gym

Fitness Room: Yes

Free Weights: Yes

Personal Training: Yes

Pilates

A customized session of Pilates can be provided in our Athletic Club studio or on the beach.

- Fees: 60 minutes: Private Session/ Estimated Price \$135

Meditation

A customized, private session of meditation to give one peace of mind and bring one to a deeper state of relaxation.

- Fees: 60 minutes/ Estimated Price \$115



Stretch

Join a stretch class to promote flexibility and strength. This one is especially welcome after a long flight.

- Fees: 60 minutes: Private Session/ Estimated Price \$115

Custom Personal Fitness Training Session

Take advantage of a customized, private session focusing on personalized training needs and desired results.

- Fees: 60 minutes/ Estimated Price \$115

Yoga

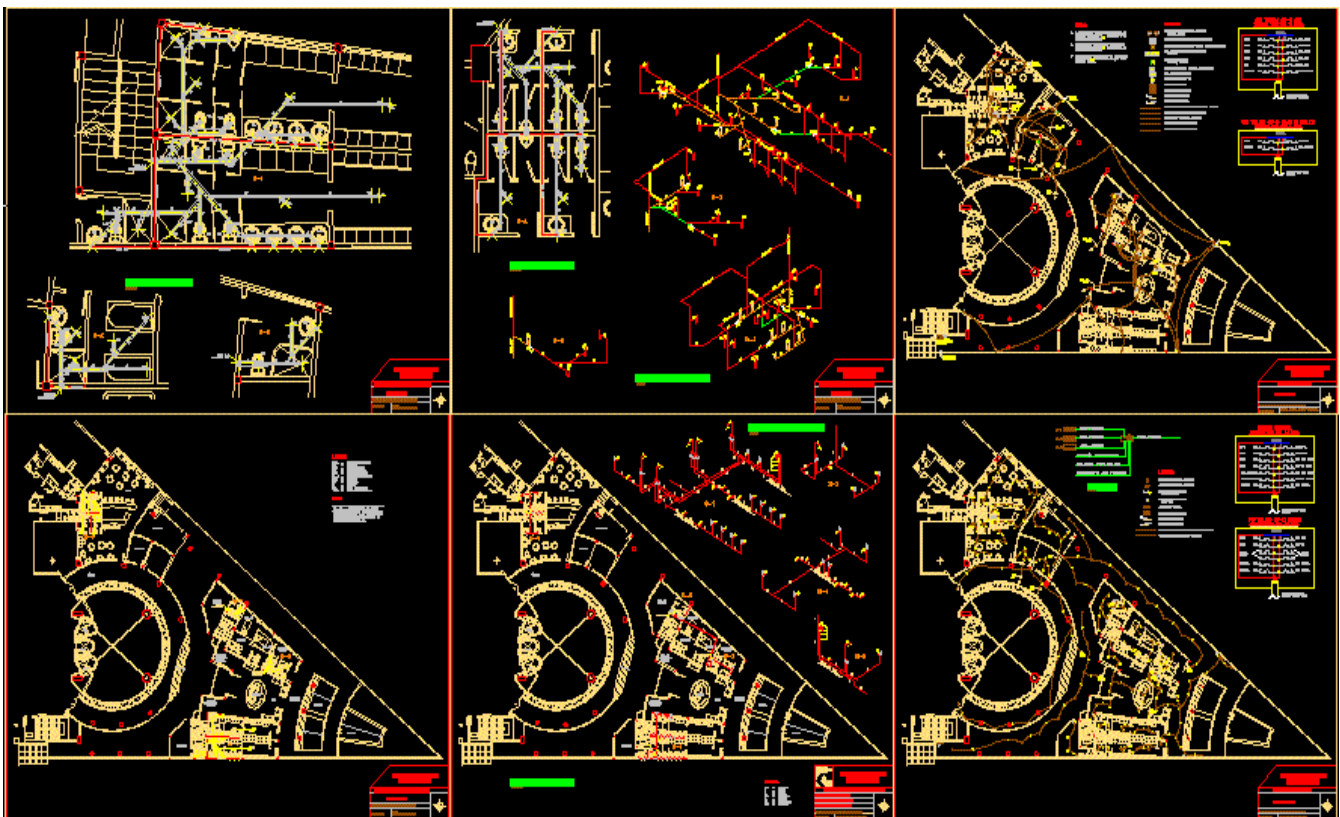
Breathe and move in a serene setting, in our yoga studio or on the beach.

- Fees: 60 minutes: Private Session/ Estimated Price \$145. Additional Attendees: Estimated Price \$65 per person.



Spa Relaxation Area

Spa AUTOCAD



Dedicated solely to the beauty of pampering and tranquility, we offer a serene retreat where nature blends with traditional spa. A floating pathway delivers guests to seven secluded massage villas, each with large picture windows framing the spa's fire garden. This enchanting spa experience is located just outside of the resort's main entrance.

Spa offers an alluring selection of facials, body treatments, massages, and impeccable waxing, hair, and nail services. At the Spa we embody the belief that through extraordinary products, spa design, and custom services, each individual will experience a sense of escape and rejuvenation with unsurpassed results. Feel free to linger before and after your treatments, and to order from a light menu of fresh foods, created to enhance your spa experience.

Understanding that no two faces or bodies are the same, we create unique products and experiences customized to each individual's specific needs and desires with one goal in mind—to deliver the best possible results for each guest.



Each treatment at our island spa has been carefully designed with indigenous and cultural influences, using organic native ingredients such as coconut and sugar cane. In the tradition of “Fiestas Patronales” each service is influenced by Queen Loiza herself, in honor of the diversity of the African, Taino Indians, and Spanish heritage that now comprise the exotic and colorful Puerto Rican culture. Spa offers access to men’s and women’s steam, sauna, and hot and cold plunges. A separate 1000-square-foot state-of-the-art fitness facility and spacious yoga/Pilates studio sits adjacent to the spa. Appointments are highly recommended. If this is a first visit, please arrive at least 30 minutes prior to treatment time to allow leisurely check-in, change of clothing and relaxation. If late arrival is unavoidable, please call to notify the spa receptionist when possible. Arriving late will simply limit the time for treatment, as therapists must complete each service by the designated end-time in order to appropriately accommodate the next guest.



Guests may purchase Gift Certificates at the Spa.

Spa

Spa Dining:

Light seasonal food menu featuring local flavors hand picked by our executive chef.

Products:

Labratoire Remède, Skin Sceuticals, Comfort Zone, Omorvicza, Bliss, MD Skincare, Zeleans

Special Facilities:

7 secluded massage villas, steam, sauna, and hot and cold plunges.

Spa hours:

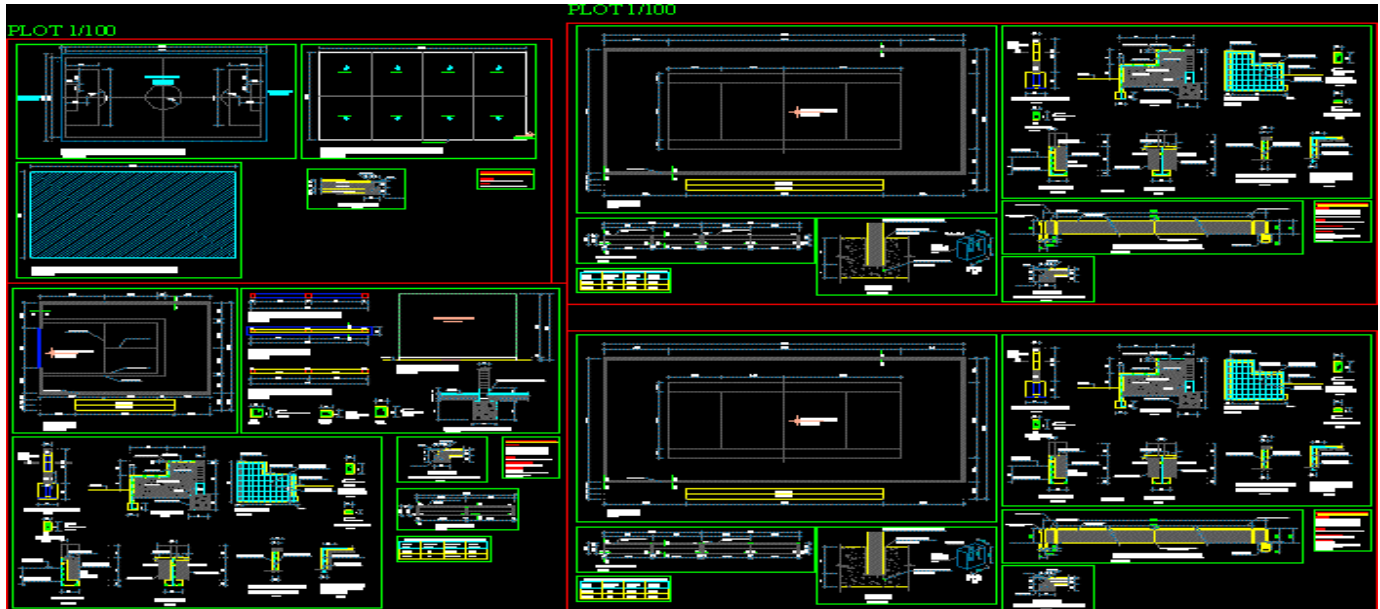
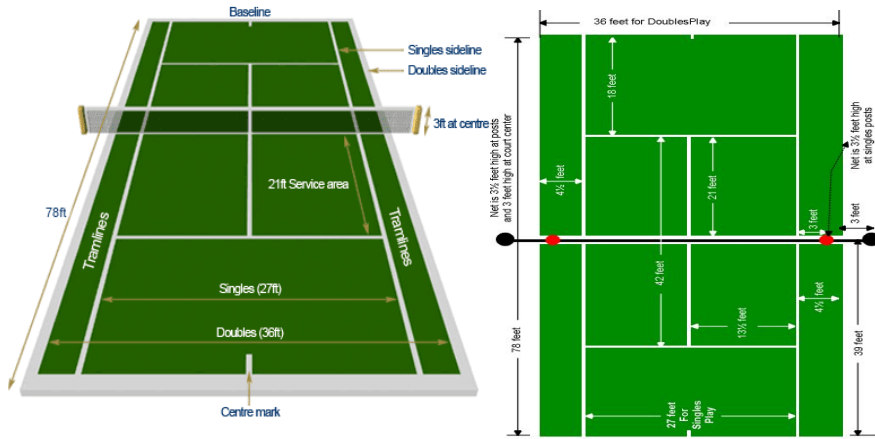
Monday - Thursday 10:00 AM - 6:00 PM; Friday - Sunday 10:00 AM - 8:00 PM

Body Treatments

- After-Sun Reprieve
- The Remède Customized Body Polish
- The Bahia Beach Organic Ritual
- Taino Warm Native Stone Ritual
- Bahia Reflexology
- Queen Loiza’s Royal Treatment
- The Remède Customized Wrap

Tennis Courts

There are 8 Tennis courts contemplated in the Master Plan Development Project as per pictures below. All courts are official dimensions and are hard courts alike the USTA - Flushing Meadows specifications.



The eight tennis courts projected in the Master Plan will be installed with appropriate night lighting in order to enable the guests to play at night but taking into consideration the eco friendly nature of the Master Plan for the turtle refuge 7 miles down the road. The Master Plan projects having 2 master series tournaments throughout the year including Central America Davis Cup tournaments.

Agreements have been projected with Harold Salomon, Bolateri and Saddlebrook Academy in order to bring the best players and professionals in the USA to the area in order to promote and teach the best tennis quality in the world. The facility will also have included a physiotherapist that will help with the students and Pros.

Sales Comparables

Sales Price Assumption = \$4700 per m2

Hotel Branded Properties

Rating	Property	Location	Sales Price	Size m2	Price m2
4 Star	Marriott Los Suenos	Herradura	\$850,000	158 m2	\$5,380
5 Star	St. Regis	Herradura	\$1,500,000	150 m2	\$10,000
5 Star	Four Seasons	Guanacaste	\$2,500,000	313 m2	\$8,000
5 Star	Four Seasons	Guanacaste	\$4,600,000	514 m2	\$8,500

Unbranded Properties

Property	Location	Sales Price	Size m2	Price m2
Acqua	Jacó	\$534,885	159 m2	\$3,350
Macaws	Jacó	\$853,600	195 m2	\$4,370
Tres Regalos	Jacó	\$507,500	154 m2	\$3,290
Jaco Beach Village	Jacó	\$462,000	139 m2	\$3,320

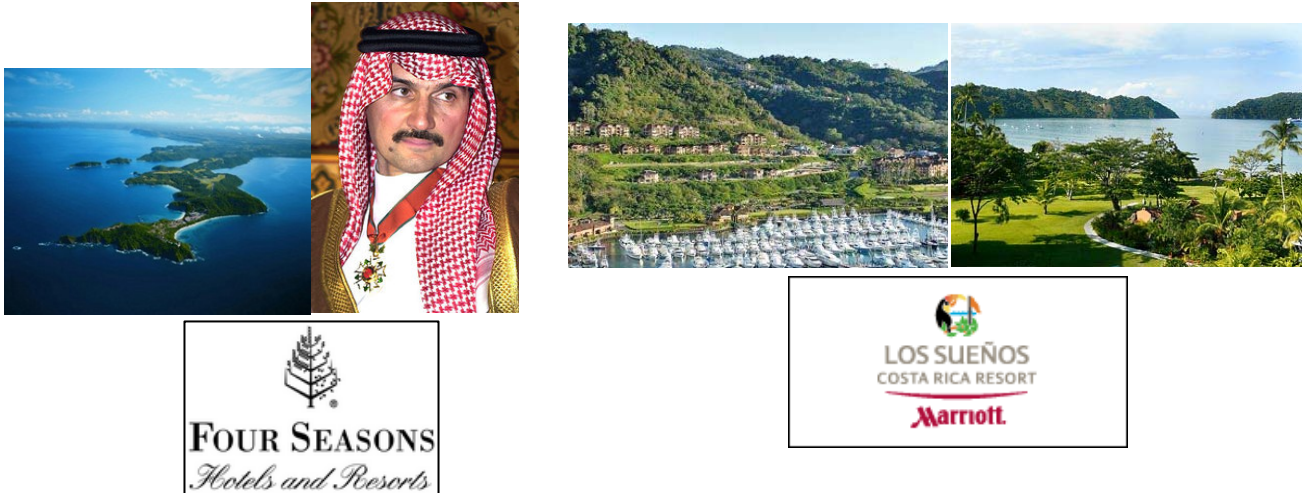
Cost of Construction

For the Purpose of financial analysis, \$2,000 per square meter has been used as the assumption for cost of construction, However, the general quote is \$850 to \$1,200 per square meter for top quality, 5 star finishes as seen listed in historical data below.

Historical Construction Cost Comparison			
Construction Cost Assumption (per m2)		\$2,000	
Project	Year	Min per m2	Max per m2
Marriott Los Suenos	2002-2005	\$790	\$920
Marriott Los Suenos	2006-2007	\$850	\$975
Marriott Los Suenos	2007-2008	\$975	\$1,150
Del Mar	2006-2007	\$850	\$975
Dalbo	2007-2008	\$800	\$880
Hermosa High	2007-2008	\$725	\$875
Edificar	2007-2008	\$950	\$1,100
Hermosa Palms	2002-2005	\$600	\$800
Hermosa Palms	2005-2007	\$780	\$890
Acqua Building	2006-2007	\$950	\$1,100

Beach Resort & Residences

Current Most Prestigious International Resorts



Future International Resort Developments

Development Name & Hotel Brands	Investment in US\$ Million	Opening Date	Number of Hotel Rooms	Residential Units
Punta Casique: One & Only, Miraval, Rosewood, Revolution	\$800	2010	590	400
Guacamaya: Ritz Carlton	\$1,000	2010	150	800
St. Regis Resort	\$300	2008	133	100
Hyatt Azulera	\$300	2008	214	100
JW Marriott	\$350	2009	180	250
Mandarin Oriental	\$200	2009	130	180



Sal Naciente S.A.



Hermosa Beach Resort 17

Costa Rica General Info

Known as the 'Switzerland of the Americas' for its democratically political stability of over 115 years, Costa Rica was one of the first country to constitutionally abolish its army in 1949, in favor of providing free education and health care to all citizens. Now, Nobel Laureate President Oscar Arias Sanchez is working towards another 'World's First,' by converting Costa Rica into a carbon-neutral nation by 2021. Costa Rica boasts highest literacy rate (96%), highest life-expectancy rate (77 years), and highest standard of living in all of the Latin American Region. Christopher Columbus gave it—Costa Rica meaning "Rich Coast." Even though the small country only has 0.03% of the Earth's Surface, it has 6% of the World's Total Bio Diversity, which is preserved in 34 National Parks (26% of the country).

Quick Facts

Official Name: Republic of Costa Rica

Government Type: Democratic Republic

Executive: President Oscar Arias Sanchez

Budget: Revenues: \$3.572 billion

Expenditures: \$3.843 billion

Legal System: Based on Spanish Civil Law

Population: 4,133,884

Area: 51,100 sq. km (19,730 sq. mi.)

Coastline: 1,290 km (801.5 miles)

Climate: Tropical; dry season (December to April); rainy season (May to November); cooler in highlands

Terrain: coastal plains separated by rugged mountains

Time Zone: UTC -6 hours

Capital: San Jose

Language: Spanish, English

Religion: Roman Catholic: 76.3%, Protestant, 15.7%, other 4.8%

Ethnicity: Unlike most surrounding countries, Costa Ricans are of European Decent: White (including mestizo) 94%, Black 3%, Amerindian 1%, Chinese 1%, other 1%

Currency: Costa Rica colon (CRC)

Conversion: 1 USD = 525 CRC

Consumer Inflation Rate: 9.3%

Unemployment: 5.5%

GDP PPP: US\$55.95 billion

GDP Real: US\$ 25.75 billion

GDP - real growth rate: 6.8%

GDP - per capita (PPP): \$13,500

GDP - By sector:

Agriculture: 8.6%

Industry: 29.4%

Services: 62.1%

Exports: \$8.238 billion (2006 est.) bananas, pineapples, coffee, ornamental plants, sugar, textiles, electronic components, medical equipment

Exports Partners: US 27.4%, Netherlands 12.2%, China 11.7%, UK 6.2%, Mexico 5.8%

Imports: \$10.84 billion (2006 est.) Raw materials, consumer goods, capital equipment, petroleum

Import-Partners: US 41.2%, Venezuela 5.4%, Mexico 5.2%, Ireland 5%, Japan 4.9%, Brazil 4.3%, China 4.1%

Costa Rica Location

Location

Borders:

- North: Nicaragua
- South: Panama
- East: Atlantic Ocean
- West: Pacific Ocean



Strategically Located w/ Direct Flights:

- Miami: 2.5 hours
- NYC: 5 hours
- Houston: 3.5 hours
- Los Angeles: 5 hours
- Madrid: 10 hours

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Agriculture: 8.6%, Industry: 29.4%

Services: 62.1%

Top 10 Reasons to Invest

1. Strategic Location
2. Political Stability
3. Good Trade Access to Markets
4. Land Ownership by Foreigners
5. Favorable Investment Incentives
6. Low Taxes
7. Competitive Building Costs
8. Advanced Infrastructure
9. Educated Work Force
10. Excellent Quality of Life

Foreign Direct Investment (FDI)

Top 10 Reason

1. Strategic Location

As little as 2 1/2 hour from the U.S., Costa Rica is located at the center of the Americas, with two major airports possessing excellent airlift as well as two ports providing easy international access from either coast.

2. Political Stability=Safe Investment

Costa Rica has a long democratic and world-renowned tradition, which has more than 115 years of history. The 2006 World Bank survey for Global Governance Indicators showed Costa Rica as 1st within Latin America for political stability and lack of violence.

3. Good Trade Access to Markets

Costa Rica has easy access to markets worldwide through several free trade agreements. Most recently, the Central America Free Trade Agreement (CAFTA) between Costa Rica and the United States was signed

4. Land Ownership by Foreigners

Unlike in Mexico and other countries, the Costa Rican Government allows foreign investors to hold fee simple title/freehold land.

5. Favorable Investment Incentives

President Oscar Arias Sanchez and his government offer several incentives, tax and otherwise, for foreign investment.

6. Low Real Estate Taxes

Under Costa Rican tax law, you must declare the value of your home and land to the Costa Rican Municipal Government every 5 years. An annual flat rate of 0.25% is charged, calculated.

7. Competitive Construction Costs

It's relatively easy to develop in Costa Rica. A good work force comes at a low cost compared to that of the U.S. Building Constructions costs in Costa Rica are 1/3 the price of prices in the Middle East, while the Real Estate is selling at Dubai prices or higher at \$300 per square foot for projects in the hills and over \$700 per square foot for beach front, luxury projects.

8. Advanced Infrastructure

Costa Rica has 2 major ports, 157 airstrips, and 2 international airports. The main airport (Juan Santamaria) is 15 km from San Jose and the second (Daniel Oduber) is located in the northern part of the country in Liberia, Guanacaste. Also, Costa Rica has favorable infrastructure for development with 97.04% national electricity coverage, 99% urban potable water coverage (92% rural).

9. Educated Workforce

Universal public education provides highly qualified, bilingual human resource availability with a range of skills in architecture, engineering, environmental consultants specialized in hotel development, hotel management, culinary skills, among many others.

10. Excellent Quality of Life

According to International Living.com's 2022 Quality of Life Index, Costa Rica ranks 26th overall out of 193 countries, ahead of even Sweden and the UK. Costa Rica has achieved the highest education and health levels in Latin America and has reduced poverty from 40% to 20% over the last 20 years.

Costa Rica Airlift

Air transport to and around Costa Rica is easy with 157 airstrips, and 2 international airports. The main airport, Juan Santamaria San Jose International Airport is 15 km from San Jose and the second (Daniel Oduber is located in the northern part of the country in Liberia, Guanacaste. Both airports have been approved Class I by the Federal Aviation Administration of the USA.

Almost a dozen airlines either began flying to Costa Rica for the first time or added an additional route to provide 675,000 new inbound seats in 2022 for a 22% increase. A dozen North American cities have daily, direct flights to Costa Rica's San Jose International Airport.

North American Flights to San Jose International Airport (SJO)

<u>Gateway City</u>	<u>Flights Per Week</u>	<u>Airline Carrier</u>	<u>Flight Duration</u>
Miami, FL (MIA)	42	American Airlines, LACSA, Iberia, Martin Air	2:30 hours
Houston, TX (IAH)	21	Continental (21)	3:30 hours
Dallas-Fort Worth, TX (DFW)	21	American Airlines (14), LACSA	3:50 hours
New York, NY (JFK)	14	Delta(7), LACSA	5:10 hours
Newark, NJ (EWR)	14	Continental (14)	5:15 hours
Atlanta, GA (ATL)	14	Delta (14)	3:55 hours
Los Angeles, CA (LAX)	14	American Airlines (7), LACSA	5:30 hours
Phoenix, AZ (PHX)	14	US Airways, America West	5:10 hours
Ft. Lauderdale, FL (FLL)	14	American Airlines (7), Spirit (7)	2:45 hours
Charolette, NC (CLT)	7	US Airways	4:10 hours
Denver, CO (DEN)	7	Frontier	5:15 hours
Toronto, CANADA (YYZ)	3	Air Canada	5:20 hours

European Flights to San Jose International Airport

<u>Gateway City</u>	<u>Flights Per Week</u>	<u>Airline Carrier</u>	<u>Flight Duration</u>
Madrid, Spain (MAD)	10	Iberia, Air Comet	11:10 hours
Amsterdam, Netherlands (AMS)	3	Martin Air	N/A
Paris, France (CDG)	2	Air Caraibes	N/A

Tourism in Costa Rica

Throughout history, Costa Rica has been considered an exclusive and tranquil destination catering to the upwardly mobile tourist, buyer/investor. Preservation of resources, abundance of activities and natural beauty has led to the continued presence of multinational hotel chains and growth in demand.

Costa Rica is the most visited country in Central and South America due to its beautiful beaches, lush rainforest, low crime, and plethora of tourist activities. When tourists were asked to choose which of five words—service, nature, peace, sustainability, friendliness—to describe what they like most about Costa Rica on the 2022 exit survey, the visitors said friendliness. Tourists come to this tropical destination for more than just its beautiful beaches because Costa Rica is the destination of choice for EcoTourism, Adventure Tourism, Honeymoon Vacation Market, Senior/Family Travel,

With only 48% of total annual visitors coming from the U.S., Costa Rica relies less on the U.S. market for tourists numbers compared to its neighbors in the rest of the region, such as The Bahamas and Mexico, with over 80% of annual visitors from the U.S. In October 2022, The Costa Rica Tourist Board announced they have set a new goal to attract more European tourists because that market as an interest in adventure sport.

65.5% of visitors to the country reported having been turned onto Costa Rica by friends and family, and the Tourism Board or ICT is increasing the marketing budget from \$8 million in 2022 to \$26 million in 2023 to attract more new visitors to continue progress towards goal of 3.3 million tourists per year by 2024, which they are on pace to achieve by 2023 at current growth rates. In December 2022, Minister of Tourism and The Costa Rica Tourist Board selected the U.S. based firm of Burson-Marsteller to develop and implement a 24-month tourism promotion campaign across North America.

2007 Tourism Statistics

Total Visitors: 1.9 million

Annual % Growth: 11.5%

5 Yr % Growth: 9.06% (2003-2007)

Country of Origin: 48% USA, 16% Europe, 36% Other

GDP Tourism % Increase: 18%

Average length of stay: 11-12 days

Average amount spent: \$1,200

Tourism Investment: \$800 million

GDP Tourism: \$2 billion

Tourism & Hotel Development

Costa Rica started developing its tourist activity 1930, and over 90 years later, Costa Rica is experiencing its largest boom in the development of tourism products. The fact that it possesses an outstanding 6% of world's total biodiversity, the existence of great areas of tropical forests and volcanoes, as well as an affinity to tourists and the ability to quickly travel from coast to coast, has favored it to be one of the preferred ecological and nature hotspots. This magical combination, along with its large sun-beach extensions, are earning for the country over \$2 billion in foreign exchange reserves annually.

Due to the large government incentives for tourism products through the Tourism Interest Declaratory and favorable tourism factors, real estate developments have been seen rising from \$500,000 to \$900 million in value, including golf courses and marinas. Hotel infrastructure investment was over \$800 million in 2022. Despite the sharp rise of investment dollars, the industry will still fall short of meeting demand.

According to a survey in 2022 by the Camara Nacional de Turismo, approximately 45% of requests for rooms were turned down in the high season period between December and April. And the Instituto Costarricense de Turismo (ICT) predicts that Costa Rica requires nearly 49,000 rooms to provide accommodation for the influx of tourists. **If estimates are correct, although new hotels will alleviate the room shortage, the region will still come up short by over 45,000 rooms.**

Internationally Branded Hotels in Costa Rica

Established

- Marriott Hotels & Resorts***
- Doubletree by Hilton
- InterContinental Hotels & Resorts
- Barceló Resorts & Hotels
- Sol Meliá Hotels & Resorts
- Holiday Inn Hotels & Resort Hotels
- Best Western International***

***Hotels in Jacó Area

- Starwood's St. Regis Hotel***
- Rosewood Hotels & Resorts

Coming Soon:

- Kerzner International: One&Only
- Regent International Hotels & Resorts
- Hyatt Regency Hotels & Resorts
- J.W. Marriott Hotels & Resorts
- Miraval Resorts & Spas
- Ritz Carlton Luxury Hotels & Resorts
- Hilton Hotels & Resorts
- Mandarin-Occidental Hotel Group
- Aman Resorts International
- Wyndham Hotels & Resorts***
- Ramada Resort & Residences***

Four Seasons Resort

Four Seasons Resort Costa Rica at Peninsula Papagayo is a part of the Toronto-based Four Seasons chain of luxury hotels and resorts. Four Seasons Resort Costa Rica, the only Four Seasons Resort in Central America. Completed in 2004, Four Seasons Resort Costa Rica was designed to reflect the nature around it.

HRH Prince Al Waleed bin Talal Al Saud

On the 11th of August 2007, in a private jet with 48 others, HRH Prince Al Waleed bin Talal Al Saud arrived to visit the Four Seasons Hotel in Costa Rica. Owning 22% of the shares, the 52 year old prince from Saudi Arabia is the largest shareholder in the Four Seasons Hotel chain, HRH Prince Al Waleed bin Talal, chairman of Kingdom Holding Company (KHC), discussed investment opportunities in Costa Rica during his two-day official visit to the country and reviewed his current investments, including his stake in the Four Seasons Resort at Peninsula Papagayo considered one of the best in Central and South Americas. **HRH Prince Al Waleed has set up an office in Costa Rica to look for further investment opportunities and said in a press conference he is going to invest in 6 more hotels in Costa Rica.**

He held talks with President Oscar Arias Sanchez, who expressed gratitude for Al Waleed's visit. In a press conference at the Presidential Palace, he also discussed the Kingdom's bilateral relations with Costa Rica as well as social and economic issues pertaining to both countries.

General Info

Website: <http://www.fourseasons.com/costarica/>.

Location: Guanacaste Province; Peninsula Papagayo

Accommodations: 153 Rooms; 20 Villas

Occupancy Rates: 90 % Annual

Suite Room Rates: \$470 (Low Season), \$800 (High Season)

Notable Attractions: Constructed with a par-72 championship 18-hole premier golf course, which was designed by Arnold Palmer and is considered Costa Rica's top golf course by Golf Digest

Awards: 46th by Travel + Leisure's 2006 World's Top 100 Resorts

- 'World's Top Resorts' 2007/2008 by Zagat Survey
- '100 Best Hotels in the World' by Conde Nast Traveler; Ranked #1 South & Central America



Tourism Housing Demand

Government Initiative for Tourism Housing

As the #1 tourist destination in Latin America, Costa Rica carries a \$1,000 USD expenditure per tourist per trip; with a rate of tourist per capita of 0.46. This poses attractive demand for local market housing. The country itself is number one in ecotourism in Latin America, including immense biodiversity, protected national parks, and royalties on biological discoveries. Thus, indicating high government involvement in protection of its human, cultural and natural resources.

Addition to the natural incentives provided by its geographical location and abundance of natural resources, Costa Rica is politically stable with an equitable dispersion of wealth. Therefore each tourist and potential land owner is able to have an experiential based stay without compromising his/her lifestyle. The local government understands the demand linked with tourism and has made active measures in the abundant preservation of its assets.

Therefore based on the preservation of Costa Rica's natural resources, the majority of land is concession/lease; with only five percent of all beachfront land being freehold/titled. The Maritime Zone Law states the first fifty (50) meters above mean high tide is public; the following one hundred fifty (150) meters after the first fifty (50) meters is Maritime Zone.

Exceptions refer to the freehold/titled land, as is on offer and therefore, unrestricted foreign ownership.

Foreign Ownership and Growth in Demand

One need not be a resident to purchase property in Costa Rica. Therefore, an allowance of one hundred percent foreign ownership on freehold/titled land and property is permitted by the Costa Rican government.

The tax incentives of one hundred percent foreign ownership (on freehold/titled land) and no capital gains tax bring added value to the potential buyer. Once the buyer holds title to the land and/or property, a property tax is applicable. The property tax is a quarter (0.25%) of a percentage of the declared property value.

Costa Rica has the highest rate of Americans living per capita than any other country (excluding the USA). Depicting the large influx of continued tourism and housing demand, Americans, Europeans, and wealthy Latin Americans continue to expand interest in Costa Rica Real Estate for investments, residences, and vacation homes.

The Jacó Area

Hermosa Land Location on Jacó Coastline



Marriott Los Suenos located 5 miles North and the St. Regis located 4 miles north from the property. St. Regis is not Beachfront, while the Marriott is built 200m from the beach. Ansonia has 1,300m of linear Beachfront property.

Hermosa Beach



Sal Naciente S.A.



Hermosa Beach Resort 27

The Jacó Area

Jacó, including Playa Herradura, Playa Jacó, and Playa Hermosa, is **the first established beach town when driving from the Capital of San Jose**. In the future it's predicted to be the largest beach city in Costa Rica due to hotel presence, proximity to Capital, real commercial growth, and the commercial response to support all this. This famous surf town has only begun the transformation from 'Mom and Pop' operation to sophisticated tourist market with strong potential.

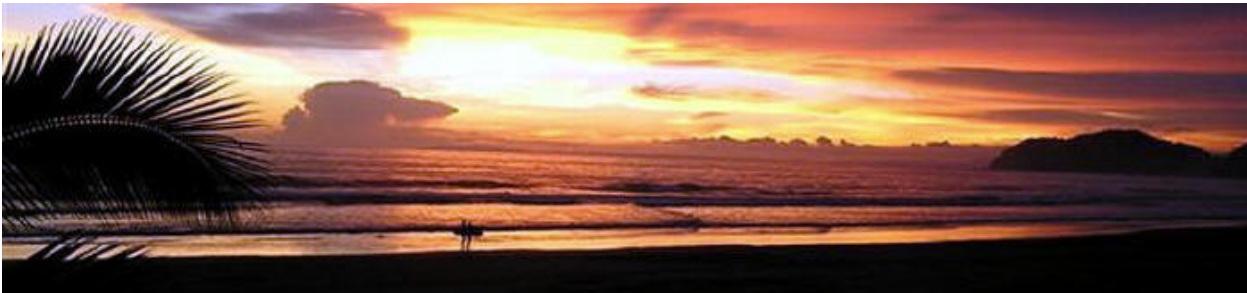
Unique Selling Points

- Construction on a new highway January 2012 and completed in 2014 has decrease drive time from San Jose International Airport to Jacó from 1.5-2 hours down to 30-45 minutes. Property values Area are expected to quadruple according to local real estate agents
- Government sanctioned tourist destination According to the Costa Board (ICT), Jacó offers the most extensive tourist services in Costa Rica
- Over 150 restaurants and bars, banks, spas, shopping, markets
- Activities: Canopy Tours, White-Water Rafting, Horseback Riding, Hiking, Cycling, Adventure Tours, Wildlife/Bird Watching, Sport-Fishing
- 3 World-Class Golf Courses
- Jacó is one of few areas in all of Costa Rica to have titled (freehold) beachfront land instead of the more common public land governed by a restricted Terrestrial Maritime Zone (first 200m from water) that can be used only as lease or concession land.
- Jacó is expected to get future infrastructure improvements before any other beach town and has already seen improvements with beach cleaners, concrete sidewalks, and paved roads through the work of the local municipality and \$6 million in funds raised by the newly established Jacó Chamber of Commerce.
- International Hotel presence established in last 5 years with Marriott, Starwood's St. Regis, Wyndham, Ramada, Soseto, and Best Western
- Donald Trump, Tiger Woods, Hilton Hotels & Resorts, and other High-end boutique hotels establishing a presence in the area.
- Local Real Estate Agents say Real Estate Appreciation for the past 3 years has been 20% per year and in some cases 50%. Since most of these units were sold in Pre-Construction, the real Maturity lies ahead.
- Expect great appreciation over the next 5 years



Jacó Progress

The municipality of Garabito, which includes the towns of Herradura, Jacó and Playa Hermosa, is to spend \$6.6 million dollars next year according to its 2022 budget. Included in that spending is the creation of a 25-strong municipal police force, into which the municipal government is investing \$800,000; city beautification projects for Jacó; the construction of a city park and amphitheater and four playgrounds; \$250,000 in reparations and works on area schools; and two low-income housing projects that would build homes for between 650 and 750 families. With nearly every road in Jacó now paved, including beach entries.



Jacó Hotels and Real Estate

Jacó's growth began with the opening of the Los Suenos Marriott Ocean & Golf Resort opening in 2003. Currently, Starwood's St. Regis Resorts, the Wyndham, and the Ramada have hotels and residential units under construction. According to local Real Estate Agents, Jacó has experienced tremendous Real Estate Appreciation with Annual growth of 20% over the last three years and some cases 50%. Current projects in the Jacó Area, with most units sold as pre-construction sales at prices up to \$700/ sq. ft.

Los Suenos Marriott Ocean & Golf Resort

Website: <http://www.lossuenosresort.com>

Investor: William Royster, California Developer

Opened: 2011

Location: Playa Herradura, Puntarenas Province

Hotel Accommodation: 201 Suites

Occupancy Rates: Annual 75%, High Season 93%, Low Season 68%

Room Rates: \$470 to 100 per night

Real Estate Total # Units: 600 sold with 400 more planned

Range of Price: \$400-\$700 per square foot

Notable Attractions:

- 200 Wet-Slip Marina, 100 Dry Storage Spaces
- 11,900 sq. ft of Meeting Space
- 18 hole Championship Golf Course
- Nestled next to 1,100 acre rainforest overlooking the Pacific Ocean
- Casino on-site

Awards:

- Recognized Travel + Leisure's as one of the "World's Best"

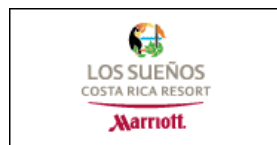
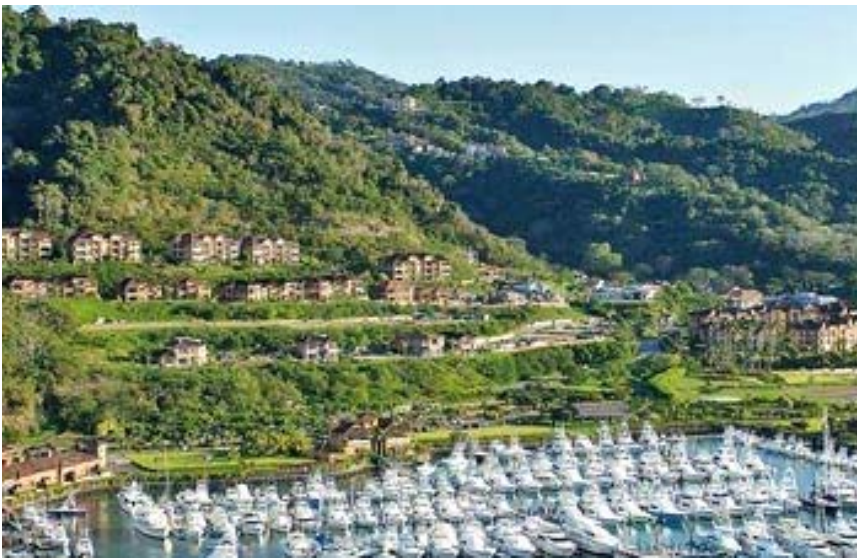


Sal Naciente S.A.



Hermosa Beach Resort 30

Marriott Los Suenos Pictures



Playa Hermosa Property

Playa Hermosa, meaning 'Beautiful Beach' in Spanish, is a jewel of perfect waves, sandy beaches and natural vegetation, which is only 3 km or 5 minutes South of Jacó Beach. It is one of the premier surfing beaches in the world, hosting world-class events, such as the International Quicksilver Surf Championships every August. This is one of the largest parcels of undeveloped beachfront property still available within an hour's drive from the capital San Jose, and is the best opportunity for a Resort, Residential, Condo, and/or Casino Developer to develop almost 80 acres of Titled Fee Simple (Freehold) Beachfront Property.

In Jacó, there are few beachfront parcels still available in this somewhat crowded beach town. Playa Herradura, the next beach to the north of Jacó has been successfully developed by the Marriott and Los Suenos which sold over 600 condos, residences and single family lots in the last 3 years, and is releasing 400 more in 2008. The Marriott Hotel has 201 rooms and has an independently run golf course. The beach in Playa Herradura has no waves and is used as a harbor for deep-sea fishing fleets (see above for details), while Jacó and Hermosa also have beautiful waves. It is hard to find property anywhere in the World with this kind of return, since there is a limited amount of prime beach available in Costa Rica and Globally. The proximity of the Marriott Los Suenos provides the Developer a Price Umbrella, on which is relatively easy to capitalize.

FOTOS AEREAS - AERIAL PICTURES



Property boundaries are outlined in white with the Northern Half on left and southern half on right

Hermosa Beach Pictures

Fantastic Road Access



Hills Between Jaco and Hermosa w/ 3 Kilometers of proper highway connecting the 2 beaches.



Highway designated by yellow line and property outline in white. Excellent Road Access!



Flat Beachfront Land with Mountains in the Background



Sal Naciente S.A.

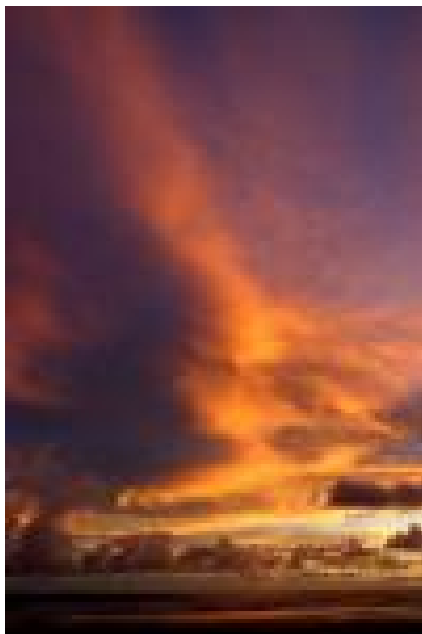


Hermosa Beach Resort 33

Beautiful Beach



Sunrise and Sunsets



Current Ownership

CARLOS MEKBEL

VISTA AL MAR VERDE S.A.- SOL NACIENTE DE MAR S.A.

Local Costa Rican entities or S.A. owns approximately 270,000 m2 of land on Hermosa Beach, including the Sol Naciente S.A. plot.

The structure is such to enable the buyer to mitigate local taxes by receiving the corporate documents including the shares and books of the corporation as well if the buyer wants or needs the corporate bank accounts in the financial institutions that the buyer may want to use for the development of such project as described above or other additional investments.

Costa Rica corporations are commonly used in Real Estate transactions in Costa Rica.

All of the documents related to the property are properly registered at the PUBLIC REGISTRY OR REGISTRO NACIONAL DE COSTA RICA AND THE PLOT MAPS IN THE CATASTRO AT THE REGSITRO NACIONAL.

Contact Details

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