

# PACHA KUTI Eco Resort Isla de Sol - Lake Titicaca – Bolivia

“creating unforgettable journeys into Bolivia’s nature”



## OUR VISION & OUR MISSION

### EXECUTIVE SUMMARY

- PACHA KUTI: The Company & Concept
- The Market Opportunity
- Factors to Profitability: Development, Marketing & Operations – South America’s Tourism Trends.

### THE PRODUCT

- A Model for Sustainable Tourism – Low-impact luxury
- Leading with Bolivia’s Best Locations
- Journey into Bolivia’s Andean Culture

### THE OPPORTUNITY

- Bolivia: South American Frontier
- Cultural Tourism – Bringing Bolivia’s Indigenous Cultures to the World
- Capitalizing on a Changing Tourism Industry

### SUSTAINABLE PHILOSOPHY & PARTNERSHIPS

- Transformational Encounters with Bolivia’s Beauty - Experiential Restorative Journeys Connecting Naturally: The Healing Power of our Land & Culture
- Beyond Ecotourism: Stewardship, Community and Indigenous Partners
- Sustainable and totally Renewable.

### Capital Requirements.

### ACTIVITIES

- Learn Bio Intensive systems, sustainable living, cooking classes,
- Star Gazing through the eye of a powerful telescope. Learn about the constellations
- Catamaran Sailing, Sailing Tours, Fishing, Swimming, Snorkeling, Horseback tours. Rock Climbing,
- Hiking, exploring Inca ruins, guided hikes, bike tours, boat tours to Isla de Luna, Kayaking, Climbing.
- Hot Tub, massage, yoga, fire pit, hammocks, reading areas.



**Our Vision** – PACHA KUTI's vision is to deliver an exquisitely crafted and transformational tourism experience to domestic and international visitors while setting a new standard of excellence in Bolivian tourism. PACHA KUTI is a leading example of intelligent, sustainable travel that honors the land and the cultural heritage of Bolivia.

**Our Mission** - PACHA KUTI's mission is to connect guests with nature and culture through an extraordinary collection of PACHA KUTI resorts in Bolivia's legendary Andes and Jungles. We will create a remarkable, unforgettable, one-of-a-kind eco destination with unique guest accommodations.

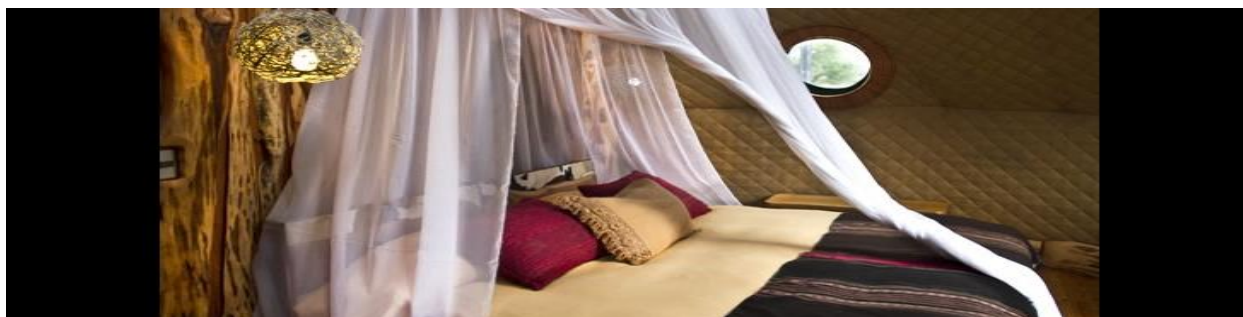
### **EXECUTIVE SUMMARY - The Company & the Concept**

**PACHA KUTI** is a new Bolivian tourism & hospitality company currently engaged in developing an exciting, new concept of high-end, sustainable dome tent/eco-lodges designed to promote and support Bolivia's natural and cultural heritage and to deliver unparalleled travel experiences in spectacular, iconic Bolivian destinations. **PACHA KUTI** will represent a new brand of purely Bolivia hospitality. The project strategy involves the creation of a network of three or more exclusively branded, intimate, upscale, eco-dome locations, developed in collaboration with indigenous communities and possibly, Provincial and/or Territorial Parks in Bolivia's most internationally popular Provinces, like Isla de Sol, Madidi National Park, Solar de Uyuni, and Sojama. **PACHA KUTI** is targeted at the ever-growing demand of the low-volume, high-yield, adventure travel and ecotourism market. **PACHU KUTI** is a new kind of Bolivian experience, and the point of differentiation is an innovative offering of restorative and cultural travel in some of Bolivia's most beautiful regions. Design & construction techniques are proprietary and are based on a highly efficient and beautiful prefabricated design which is environmentally sound and sustainable.

**PACHU KUTI** will introduce a new kind of travel experience to Bolivia's frontiers: Nature has an incredible healing power, implicit in staying at **PACHU KUTI**.

**PACHU KUTI** will deliver simple luxuries and meaningful experiences, steeped in deep ecology and the opportunity to explore the natural beauty that Bolivia has to offer – naturally, sustainably - live in harmony with nature.





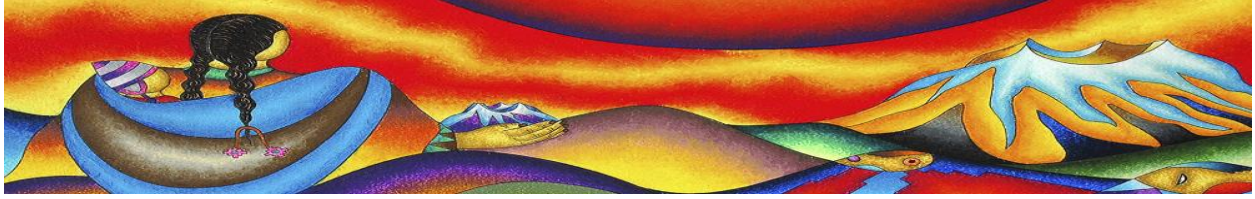
**The Market Opportunity – Ecotourism** A tourism experience of this scope and scale does not currently exist in Bolivia, so PACHU KUTI is a very timely product. Our research and focus group interviews with potential clients and tourism operators confirms the dire need for new, upmarket travel concepts and accommodations. What the world still wants to see is unspoiled nature first, followed by a keen interest in cultural heritage. Until now, it has not been possible to visit and reside within such unique habitations in unique locations for lack of desirable lodgings and softer adventure itineraries.

PACHU KUTI has identified substantial, unaccommodated demand for high-end, experiential holidays staged from upscale, authentic eco-lodges to rival those concurrently offered in Australia, New Zealand, Brazil, Argentina, Chile and many African countries. The market for PACHU KUTI is the same as that shared by luxury travel companies around the world: affluent, sophisticated travelers wishing to explore the world's frontiers in comfort and style, with an exceptional level of amenities, excellent cuisine and service, and searching for deeper cultural and educational encounters and authentic, diverse experiences wherever they go.

PACHU KUTI, a luxury brand that will exemplify unique and authentic cultural, ecological and recreational experiences and deliver superbly presented habitations. Countries like Australia, New Zealand, Costa Rica, Argentina, Chile, South Africa, and Kenya, for example, have been developing luxury lodging industries for over 20 years, and the products available are breathtaking in scope and beauty. Importantly, these resorts are capturing exceptionally high average daily rates (ADR) and revenue per available room (RevPAR) for the exclusivity, amenities and services provided to their guests, and this supports the proposed rate structure for PACHU KUTI of all accommodation, access to amazing fresh food, great local coffee, wine, beers, plus access to a wide variety of adventures, activities, and programs. These highly successful international brands and properties provide excellent comparable in design, format, logistics and feasibility.

PACHU KUTI will compete globally with other luxury destination ecotourism lodges & resorts and will cater to the executive corporate travel market and to the international leisure travel market.





## **Marketing & Promotion.**

PACHU KUTI will utilize a global network of luxury ecotourism distribution companies and sales associates to promote our new brand of wilderness travel in the US, UK, Germany, France and other European countries, as well as Australia, New Zealand and other emerging micro-markets.

Within Bolivia, Peru, Chile and Brazil PACHU KUTI expects to collaborate with existing high-end tourism operators in the target development regions in the creation of a network of cooperative itineraries promoting longer visits by overseas travelers. By adhering, with integrity, to the intended operational business model, PACHU KUTI expects to establish a strong, internationally-recognized brand within 5 years.

We will build relationships with associations like National Geographic, Pure Life Experience, Adventure Travel and Eco Tourism and other groups who showcase eco-resorts of this nature on their web pages.

[nationalgeographiclodges.com/lodges/south-america](http://nationalgeographiclodges.com/lodges/south-america) - [purelifeexperiences.com](http://purelifeexperiences.com) - [adventuretravel.biz](http://adventuretravel.biz)

[ecotourism.org](http://ecotourism.org) [AARP.org](http://AARP.org) & [glamping.com](http://glamping.com)

We already have a number of international bodies like [www.glamping.com](http://www.glamping.com) who have shown a keen interest in this project and once built, we will reach out to these and many more groups. We are working closely with the Bolivian Ministry of Tourism who will showcase this project on their web page. Once the project is complete, we will hold industry events and invite the leaders of Bolivian Tourism to come and experience our facility first hand. In La Paz, we aim to hold Tourism Industry nights where we will showcase PACHU KUTI with a video presentation. The marketing budget provides for two tourism fairs, in Sao Paulo Brazil, and ITB in Berlin.

Within Peru, Chile, Argentina, and Brazil we have identified partners with whom we will build a network to market our facilities.

We will commission Bolivia Artist Roberto Mamani Mamani to paint the interiors and exteriors of our Café and Kitchen, PLUS showcase his art throughout Pacha Kuti . Additionally, we will commission Bolivian Photographer Willy Kenning to photograph the highlights of Isla de Sol's Pacha Kuti, to produce a rich full color coffee table book that we will send to all qualified leads. This hybrid coffee table book/brochure will be beautifully bound and wrapped with a seal personally addressed to high end clients. This booklet will also sit within the rooms of prestigious hotels, within La Paz, Cusco, Machu Picchu and San Pedro Chile and beyond.







### **OUR STRATEGIC PARTNER; GUSTU RESTAURANT, IN LA PAZ**

We have partnered with Group Gustu, an internationally acclaimed/world class restaurant chain with a 5 Star Michelin rating, who share a similar vision and values. Gustu is a family of gastronomic activities, which supports and compliments each other, basing their actions in socially responsible initiatives.

Gustu will supply a world class chef to work within the PACHU KUTI kitchen. We will offer the best of Bolivian products done with Gustu flare.

Undiscovered Bolivia has some world class cheese, chocolate, coffee, wine and artisanal beers to tempt ones pallet.

Gustu, with PACHU KUTI, will seek to empower and improve professional skills and competencies of young Bolivians, offering tools and appropriate working environments, which will foster and encourage the leaders and entrepreneurs of the future. Gustu, through its youth training program, will help Pachu Kuti to identify young, enthusiastic staff, who we will jointly train them from kitchen duties to chefs.

Gustu, through their established international network of restaurants, will promote PACHU KUTI as a must visit destination.

<http://www.gustubo.restaurantgustu.com>





## TOURISM TRENDS in SOUTH AMERICA

Over the last five years, the South America's tourism industry has undergone rapid growth on an unprecedented scale. This has mainly been due to the advent of a 'borderless' world and increased information dissemination about the majestic sceneries throughout South American.

Global Tourism has increased substantially within the past few years. UNWTO figures show that South America has one of the strongest growing markets in the world. South America has been popular with backpackers for many years. However, as news of the wonders of South America become more widespread, there has been a shift towards the middle to upper class traveler.

With infrastructure improvements within Brazil, Peru, Chile, Argentina and Colombia, coupled with the reality that South America is not nearly as dangerous as it was once portrayed, the overall appeal of South America is growing.

Tourists Million.

Country	2012	2013	2014	2015	2016	2017
Bolivia	0.7	0.75	0.9	1.0	1.2	1.4
Peru	2.85	3.2	3.3	3.5	3.8	4.0
Argentina	5.7	5.6	5.25	5.95	6.1	6.3
Brazil	5.4	5.7	5.8	6.4	6.8	6.9
Chile	3.2	3.4	3.6	3.7	3.8	4.0
Colombia	2.2	2.2	2.3	2.5	2.7	2.9
Ecuador	1.1	1.25	1.35	1.6	1.8	2.0

The above figures are from the UNWTO - According to the United Nations World Tourism Organization, "South America will welcome 28 million international tourists in 2017, up 7 million (25%) in 5 years.





## Peru

The Ministry of Foreign Trade and Tourism of Peru (MINCETUR) hopes to receive 5.1 million foreign tourists in 2020. Their long-term plan aims to make tourism the second largest source of foreign currency in Peru (it is currently the third), generating a projected US\$6.852 million in expenditures by international inbound visitors and approximately 1.3 million jobs.

It is reported that about 1 million of these tourists are expected to travel to Cusco, which will exceed the number of visitors in recent years.

## Brazil

RIO DE JANEIRO has traditionally been the major tourist attraction for Brazil. The FIFA cup in 2014 was a huge success, drawing in many new visitors. It will be interesting to see how the 2016 Olympic games fare, given the amount of negative press. In contrast to most of the recent negative financial news from Brazil, on May 24th, the Central Bank released positive figures from the foreign spending sector. According to the Ministry of Tourism, their Central Bank data shows that spending by international visitors grew by 11.47 percent in the first quarter of 2016 compared to the same period of 2015.

From January to April, foreigners injected US\$2.32 billion into the Brazil economy, compared to US\$2 billion in the first four months of 2015. In April 2016, the revenue generated from foreigners-US\$475 million-was 6.88 percent higher than the US\$444 million generated in April 2015. This is the fourth consecutive month in which foreign spending in Brazil has exceeded last year's figures.

The Ministry of Tourism released its tourism figures for last year showing that 6.8 million foreigners visited Brazil in 2015. The number of visitors from South America, in particular, reached a record high of 3,420,349. This accounted for more than half of all visitors to the country, and Argentina alone accounted for almost a third of all of Brazil's visitors with 2,079,823 people in 2015.

José Antonio Parente, head of the Brazilian Tourism Institute (Embratur), which uses campaigns such as "Discover Brazil" and "Visit Brazil" to promote the country throughout South America said, "This substantial growth shows that we are on the right track, that the actions of Embratur are showing results." He added, "This scenario increases our expectations that tourism will be the great legacy of the Olympic and Paralympic Games Rio 2016."







Brazil, Brazil News, Rio de Janeiro, 2016 Olympic and Paralympic Games, Mascots, Olympic Mascot, Paralympic Mascot, Rio Olympic Mascot, 2016 Rio Olympic Branding,

Preparations for the Rio Olympics in August 2016 are in full force.

The tourism and foreign spending segment is expected to receive another boost next week when Australian, Canadian, American and Japanese tourists will be able to enter Brazil without a visa. This measure, which was enacted to facilitate the flow of visitors from these four countries, leading up to and immediately after the 2016 Olympics, will begin on June 1st and last until September 18th.

“These tourists will move the country’s economy, with spending on hotels, restaurants, car rentals, travel agencies and some fifty other sectors, all affected by tourism,” said Brazil’s Minister of Tourism, Henrique Eduardo Alves. “In this period, our attractions will be on a world showcase, and if we do our part, many of these tourists will come back after the Olympics bringing friends and relatives,” he added.

David Scowsill, the president of The World Travel & Tourism Council (WTTC) praised Brazil’s decision to exempt visas during the Olympics, and added “We encourage the government to extend this policy after the end of the Olympic Games.”

It is worthy to note that China too got bad press prior to its hosting of the Olympic Games, yet China proved its critics wrong. Brazil knows how to put on a great show, Brazilians love a good festival and they know what it takes to impress an audience. It is likely that Brazil too will prove its critics wrong.

## **Argentina**

Travel and tourism in Argentina accounted for 10.5% of the national GDP and 9.9% of the country's total employment in 2015 and is still growing in 2016. Tourism is expected to be one of Argentina's best performing sectors over the next decade, with its contribution to the economy growing at 3.5% per annum.

In 2015 Argentina welcomed 5.9 million overseas visitors. Inbound expenditures in 2015 registered growth of 10.0%. Over the forecast period, the volume of inbound visitors is expected to increase at a CAGR of 4.19%. Tourists from South American countries accounted for 74.6% of total inbound tourist arrivals in 2015. European countries accounted for the second-largest share of arrivals with 13.0%.

In Argentina, the value of the car rental market increased from US\$61.9 million in 2008 to US\$88.9 in 2015.







**Bolivia** is South America poorest country but arguably its most beautiful, undiscovered gem! And it is the country that delivers “the most bang for your buck”.

Bolivia’s tourism sector wants to go upmarket with investment opening the door to wealthier visitors.

Bolivia, with its reputation for antiquated infrastructure and endless strikes, has not always been able to attract some of the wealthy US and European tourists who flow into neighboring countries like Peru and Brazil.

Many parts of Bolivia are breathtakingly beautiful and unspoiled, but dormitory style accommodations and erratic transport has put off many travelers.

Things are changing! Recently, many new hotels have sprung up, world standard restaurants are catering to wealthy Bolivians as well as attracting a more affluent class of tourist.

RENDEZVOUS, GUSTU, CASA GRANDE, COMINA REAL, STANUM BOUTIQUE

Recently, the Bolivia government has made a determined push to up Bolivia from its ranking of 100 out of 141 on the 2015 World Economic Forum’s Travel and Tourism Competitiveness Index.

Bolivia is overhauling its tourism development strategy, with the aim of attracting 3 + million tourists a year by 2020, up from 1m in 2014. It intends to invest \$400m to help it achieve this, and is seeking a further \$400m from private-sector investors.

“We intend to position Bolivia as a top destination in South America,” says tourism minister Marko Machicao. “It is a synthesis of the regions: the Amazon, the Andes, the valleys and the indigenous communities.”

Transport links have been improved, allowing a reasonably easy passage between the Andes and the Amazon. An upgrade is being planned for the airport at Santa Cruz de la Sierra, to turn it into a regional hub.

Marriott and Starwood Hotels from the US and Accor Hotels from France are among the international groups that are building premium hotels in the country. All three of these operators are due to open new hotels next year.





Bolivia is poised to achieve a much higher ranking on the MUST GO TO destinations of South America. The Dakar Rally has certainly lifted the profile of the Salt Flats and desert regions of Bolivia. Movies like *Los 33* and *Our Brand in Crisis* have introduced Bolivia to many people who had never heard of Bolivia.

This Last Frontier of South America is simply awe-inspiring. Bolivia is the most superlative of all superlatives.

Bolivia is home to the hemisphere's highest, most isolated and most rugged topographies. It's among the earth's coldest, warmest, windiest and steamiest spots. It boasts some of the driest, saltiest and swampiest natural landscapes in the world. Bolivia is the region's poorest country and South America's most indigenous country, with over 60% of the population claiming indigenous roots. Bolivia has it all...except, that is, for beaches. If you love mountains, this country boasts the most majestic rooftop in the world.

Bolivia is one of the poorest and most under-developed countries in Latin America; it has all the ingredients that define South America as a whole-rugged mountain terrain, the supreme beauty of the Altiplano and the purest Amazon rainforest environments, and the majority of its population represents the true blood of South America.

Bolivia has the Amazon; experience it from a boat on the jungle and pampas tours based out of Rurrenabaque and the Madidi National Park.

Bolivia also boasts the highest Salt Flats on the planet, the highest and largest in the world, the Salt Flats are a wonder like no other. Bright white stretching as far as the eye can see, contrasting with the deep blue skies, offers a scene that simply doesn't look, seem, or feel real. It truly offers amazingly beautiful scenery where you can do all sorts of trick photography on a brilliant white back drop. In February, the flats can be coated with a thin layer of water creating an amazing mirror effect. The sky is reflected on the surface giving the impression you are driving through the clouds. The area has other-worldly landscapes that await you on your jeep trip through scenes out of a fantasy land. Red and green colored lagoons, pink flamingos and other unique wildlife, geysers, volcanoes, and geothermal wonders, mountains, bizarre rock formations, and the feeling of being on the moon are just a sampling of the highlights.





Bolivia is where all things started. It is widely believed that the starting point of culture was in Bolivia. Nearly a millennium before the Incas, a very sophisticated civilization flourished on the west bank of Lake Titicaca. The ruins of Tiwanaku date to some 17 000 years ago, long before the Egyptian pyramids were built. Tiwanaku is situated in the heart of the high plains of the Altiplano where the Andean culture flourished, first through the Tiwanaku culture and, much later, the Inca civilization.

Lake Titicaca is famous for its stunningly intense blues, and its deep, fresh, cold waters fed by the melting ice of the Andes and local rainfall. Its dazzling islands are peppered with archeological remains, some dating back some say beyond the times of the Egyptians.

Isla de Sol is extremely close to the Andes and presents incredible views of the Cordillera Real mountain range. The lakeside and most of its islands are inhabited by rural farmers and fisherman who carry on centuries-old traditions. The coastline is ringed by fields of totora reeds that create habitat for hosts of ducks and other waterfowl and fish. It was on the shores of this lake that the first great South American civilization, the Tiwanakotas built their enormous metropolis Tiwanaku as early as 9000 BC.

Isla de Sol on Lake Titicaca, as Inca legend has it, is the birth place of the sun, the place where all life was created, and it is said that the Incas came out of the great lake of Titicaca.

It is here we will build Pacha Kuti







## THE OPORTUNITY

PACHU KUTI, which means Natural Earth in the local language of Aymara, will be built on Isla de Sol.

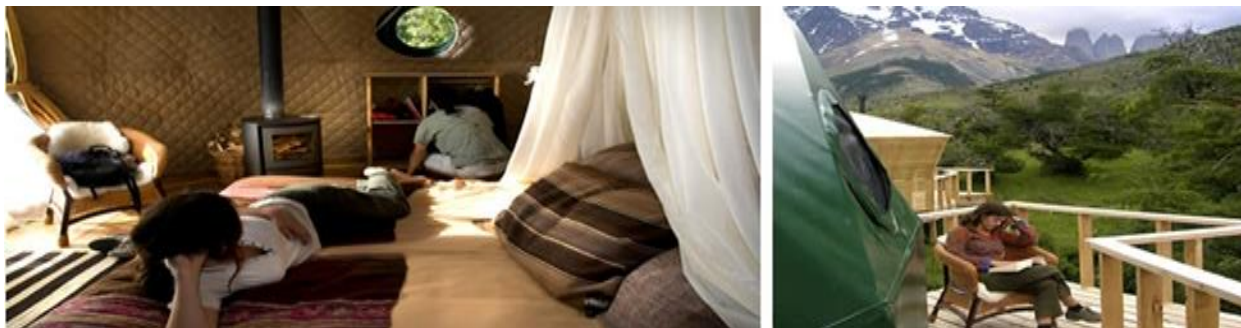
PACHU KUTI recognized an opportunity in the travel marketplace to brand Bolivia's Andean highlands as one of the few remaining frontiers in the world. Coupled with the fact that the demand for high-end adventure & cultural travel is not being addressed on any substantive scale here in Bolivia, PACHU KUTI presents a unique hospitality value proposition. PACHU KUTI proposes to reveal a fresh, new outlook on travel in Bolivia. The company will represent a new brand of iconic resort – stylish, simple, distilled, natural luxury in spectacular locations, with cultural and wilderness experiences second to none. No other development company in Bolivia has recognized the potential of the opportunity to capture a majority share of this niche market.

PACHU KUTI's unique prefabricated structures are specifically and environmentally designed for extreme environments and climate and will ensure efficient and low risk expediting of the physical plant. From design to construction, the Eco lodge will be market ready in 8 to 10 months, depending on site logistics. From an operational point of view each lodge will be financially self-sustaining.

Once successful, it is possible to build an inventory of truly upscale, world-class eco dome lodges/camps in remote locations offering a range of recreational, cultural and ecological experiences which are tied together by one flag management company called Pacha, meaning earth. There is no existing, unified brand of lodging which would assure travelers of a guaranteed level of upscale accommodation, food, cultural and wilderness experiences within Bolivia, Peru Chile or Argentina.

This blueprint is not dissimilar to the franchise operations and brand standards followed by hotel companies around the world, and yet it will allow for, and be tailored to, the individuality of each resort by recognizing the individuality of PACHU community partners and their contributions to the business. We foresee franchise opportunities throughout our network of resorts.





## THE PRODUCT - A Model for Sustainable Tourism

PACHU KUTI will embody sustainable tourism naturally. The properties will be developed and run with maximum respect for PACHU KUTI partner communities and the environment. Guests will experience the commitment to sustainable tourism through every part of the PACHU KUTI Resort expression: the operations, the transportation, the sustainable construction, the recreational activities, the cultural activities, the food, the amenities, and most importantly, PACHU KUTI people. PACHU KUTI is committed to partnering and working with local communities to engage them in the wonderful, exciting, educational and rewarding field of tourism & hospitality, where hosts and guests share a mutually rewarding experience.

We hope that PACHU KUTI – the facilities, the concept, the operations and the management - will become a model of sustainable tourism for others to follow. PACHU KUTI, in a departure from most tourism & resort businesses, has written into its business plan, expense items for supporting management & conservation initiatives, cultural resource protection, indigenous training and community tourism programming, and renewable resource development.

We do not think of the PACHU KUTI model as static, and with each location we will strive to evolve and adapt to the goals of the company and its partners. Low Impact Luxury

The PACHU KUTI concept of extremely comfortable, light impact, creatively designed accommodations, supported by outstanding hospitality management, and coupled with innovative programs fostering a deeper connection between visitors and nature, provides a unique opportunity for many wilderness regions in Bolivia to unleash the bottleneck of potential visitors who have previously been reluctant to visit these beautiful and fascinating places for lack of choice in accommodations and guest services. By promoting a softer travel experience, PACHU KUTI believes we can help grow the low-volume, high-yield tourism market within Bolivia.







### **Pacha Kuti's Sustainable Mission - Reduce Conserve and Preserve.**

Pacha Kuti will take a holistic approach to the community partnerships we develop. We will take the time to build relationships that allow us to truly understand the community's cultural and physical needs while taking into account the challenges of living in remote communities, to ensure investment that has a long-term benefit. We will not dictate the terms of the relationship. We want the relationship to naturally develop with total respect for heritage, tradition and custom.

With the above in mind, we aim to aid economic development to ensure profits that allow the community to naturally prosper.

Social development - development which aims to ensure that people experience good social well-being, that fosters contentment.

Environmental development which aims to ensure that their lands, their natural resources, are maintained for future generations. We will help with a reforestation program using plants that are indigenous to the island.

Everything we do will have a direct benefit to the communities of Isla de Sol. Every service we provide has a percentage that returns directly to the community to preserve and promote healthy happy sustainable lives.

Scenario 1 over 6 years will contribute \$64,000 towards community programs, a further slush fund of \$21,000 for special needs projects.

Scenario 2 over 6 years will contribute \$75,000 towards community programs, the special needs slush fund will contribute \$25,000

Scenario 3, over 6 years will contribute \$98,000 over 4 years towards community programs, while the special needs program will contribute \$33,000.

Additionally, community commission on local activities and tours will contribute a further \$4,000 per year.







### **Our Community projects include:**

Waste management and recycling, treatment of plastic waste.

Child Education and Development, school excursions with community interaction, Scholarships to sponsor young adults to seek further education.

Medical Services and Dentistry by qualified personal. - Medical check-ups.

Our objective is to allow the community an active and vital role in every part of the development of Pacha Kuti. We will use traditional building methods to construct everything from the vegetable garden beds to the foundations and the construction of the solid structures. Using local knowledge and methods to enhance the Pacha Kuti experience.

Pachu Kati will employ up to 15 members of the community and educate them on hotel management, cooking, maintenance, bio intensive farming/gardening. We will train local guides, if they wish to learn English we will sponsor their English classes, while at the same time promoting their native language Aymara. Pacha Kuti is Aymara for Natural Earth.

Pacha Kuti will, where is can, buy fresh local produce, like fish, chickens, eggs from the local markets. We will build strong mutually beneficial relationships with local business. Helping them will ultimately help us.

Ideally everything we do will contribute to a high quality of life while reflective of the community's cultural values.

Our process - Community Engagement, Relationship building, needs assessment, Long-term growth planning, culturally sensitive, affordability, Training & Education, On-job training opportunities, operations and maintenance training, implementation, re-education and assess.

In time Pacha Kuti will offer volunteer programs to help with local community projects





### **PHILOSOPHY - Beyond Ecotourism: Experiential Restorative Journeys**

PACHU KUTI envisages the development of Restorative Journeys based on experiential and transcultural programs deeply rooted in the particular natural and cultural setting of the area where each of its lodges is based. The aim of such programs is for visitors to draw a truly lasting impact from their experiences with nature and culture, possibly resulting in new life habits and attitudes that go beyond the often limited effect of vacations on well-being and lifestyle.

The approach proposed by PACHU KUTI is for visitors to realize, and truly feel during their stays, that they are not separate from nature, but part of it, and to derive permanent wellbeing from this realization. PACHU KUTI Experiential Programs will encourage guests to move beyond the current western world view based solely on mechanistic thinking, technology, science and human interest, in order to reach a better balance with the natural world.







### **Pacha Kuti Esco Dome.**

Dwellings are elegant and intelligent geodesic dome. The timeless design and alluring aesthetics of geodesic domes offer unsurpassed versatility. You will love the intriguing geometry and feel of natural richness experienced under the canopy of geo domes. Spacious and stunning, geodesic canopies offer an experience that will fill you with creative inspiration.

Geodesic domes are easy to construct, they are light but durable, they "do more with less" an efficient structural design.

Geodesic Domes are Immediate. One day of construction is all it takes to fully construct. Geo-domes are a fast action, big impression, eco-friendly answer to sustainable development. Geodesic Domes are Reliable. In severe weather a geo-dome's secure structure give you peace of mind. Compared with traditional buildings geodesic canopies are better suited to withstand heavy snow, high winds of over 120km. The outer liner is designed to withstand direct sunlight for over 10 year, built and designed to stand up to the threat of harsh weather conditions.

### **CONSTRUCTION – Lodgings and Amenities.**

**THE PRESTIGE ECO DOMES 2** Prestige Eco Domes available in years 1 & 2 with a third planned for Year 3, The Prestige Domes are 5 meter diameter with a height of 3.5 meters. The largest of the Eco Dome will comfortably accommodate a family of 5. Ground floor King Size Bed with lounge area, pot belly wood fired combustion stove for heating, thermal insulation, private bathroom, shower and bath tub, loft with two single beds ( a third can be added) , sitting area, solar hot water, coffee tea facilities, mini bar, outdoor decking with sitting area,, with unspoiled views.







**THE DELUX ECO DOMES** - 2 Deluxe Eco Domes available in year 1 with a third planned for Year 2,

The Deluxe is 4 meter diameter with a height of 3 meters. The mid-range of the Eco Dome will comfortably accommodate a family of 3. Ground floor Queen Size Bed and a Single Bed and a lounge area, pot belly wood fired combustion stove for heating, thermal insulation, private bathroom, shower, solar hot water, coffee tea facilities, mini bar, outdoor decking with sitting area,

**THE PACHA ECO DOMES** 2 PACHA Eco Domes available in year 1 with a third planned for Year 2,

The PACHA is a 3.5 meter diameter with a height of 3 meters. The smallest of the Eco Domes will comfortably accommodate two people. Ground floor Queen Bed or two Single Beds, with small lounge area, pot belly wood fired combustion stove for heating, thermal insulation, shared bathroom facilities. shower and bath tub, loft with two single beds, sitting area, solar hot water, coffee tea facilities, mini bar, outdoor decking with sitting area,

Each eco dome will have their own Music system. Huge comfy beds with luxury feather down covers. Balcony area with hammocks, outside sitting area and tables.





**Restaurant and Reception Area, Dining Area, Lounge and Community Area.** Two very large eco domes, one will house Gustu's restaurant dining area, seating capacity of 40 pax, the other dome for Reception and Lounge area. The lounge area doubles as library with many cozy couches, bean bags, large cushions, and wood fired heater. A gift shop with locally made wears, rugs, and gifts. Access to Ipads and WIFI. Each area will be uniquely decorated in keeping with the natural beautiful surrounds of Isla de Sol.

**Restaurant, Café Community Area and Amenities,** Kitchen, Café, Amenities blocks and Staff Lodgings, constructed using traditional adobe constructions methods. All systems and services are sustainable via Solar Power, Solar Hot Water. All waste will be naturally environmentally treated purified and recycled through bio intensive organic gardening. All produce will be grown and harvested on location. Cooking facilities include earth wood fired pizza oven, BBQ area, plus a fire pit.

**Outdoor Community Area** Directly in front of the Restaurant and reception, down the hill slightly so the views remain uninterrupted, the outdoor community area incorporates Hot Tubs, Hammocks, Fire Pit, Water Features and BBQ and Pizza Oven

PACHU KUTI celebrates all that is majestic about its surroundings, perched on a bluff aside Lake Titicaca with views of the Cordillera Real while offering a space where comfort reigns. Every space and location frames the lakes and peaks, an awe-inspiring backdrop.







**Pacha Kuti Eco Lodge Features** Exclusivity – 6 suites offer undisturbed views of Andean Mountains and Lake Titicaca - Wood Fired Slow Combustions Stoves in each suite. - Prestige Dome Private Bathrooms with and Large Bath Tub, -Open fireplace in the lounge area and Restaurant - TV room with board games - 5 Star world renowned restaurant that serves locally sourced cuisine. - Organic vegetables straight from our gardens - Bar with the best Bolivia wines, artisan beer, and Bolivian cocktails - On-site library - Wi-fi in the public areas; iPads available for guest use - Laundry Service – Large Breakfast buffet – Chef on hand to cook a variety of international specialties. - Sustainable systems and services. - Community benefits. Hot Tubs, Yoga, Massage Therapy. Large fire pit, for the star gazers with access to our very powerful telescope.

**Pachu Kuti Adventures and Activities,** Catamaran Hire and Sailing Tours, Mountain Bike Trails, Trout Fly Fishing, Boat tours of Isla de Sol and Isla de Luna visiting ancient ruins, horse riding tours, Hiking, Climbing, Rock Climbing, Kayaking, Cooking classes, Guided Historical Tours. Sunset Walks. Hike the length of Isla de Sol. Or just relax on the hammocks, reading areas, or one of the many plenty of places to sit and enjoy the quiet. Exploring the Isla de Sol just outside the front door is a priority, but so is finding the space and serenity to relax and enjoy your surroundings.





## **Capital – INVESTORS REQUIRED.**

PACHU KUTI Bolivia has calculated capital requirements to 310,000USD, this including soft & hard costs, startup capital, Marketing, Web Site, and Legal Agreements. Company Registration. Everything.

PACHU KUTI will secure development start-up capital for this project, we have commitment from investors totaling \$100,000USD.

PACHU KUTI is seeking joint social venture partners who will bring private and public capital funding to this project in return for shared dividends and ownership. We require just 210,000USD to secure the project.

Financial Partners of 50 000USD will enjoy 7 days per year within the Prestige Eco Lodges, or 10 days per year within the Deluxe. For the first 4 years. Dividends will be paid after 4 years and shared as a percentage of share value.

Anyone wishing to make an early booking? For every week that you buy you will receive an additional two weeks. Which can either be gifted or sold. You can book well in advance to secure your place.

Within the next month we require \$8,600USD, to start our site survey and architectural drawings. We will draft all Legal Agreements, terms for partnerships, we will set the legal agreements with the local communities. A fully detailed costing down to the last nail will quantify all the financial details. Once all stakeholders are in agreement with all the terms, we will then ask for your financial commitment. We plan to begin construction April 2017. Sooner if everything goes smoothly.

A mutually agreed legal representative will have control of the capital. Once agreed project milestones have been reached we will seek the next installment from the legal representative. This will keep tighter control the moneys that are spent. All shareholders and stake holders will be kept abreast of project status.

The Eco Domes are easy to erect, each dome will take 4 people a day to construct. The interior fit-out is where the bulk of the investment is focused. Attention to quality and every little detail is paramount.

Labor and materials are significantly inexpensive in Bolivia. Construction of the staff amenities, dorms, and Kitchen is entirely adobe mud brick, roofing traditional terracotta tiles, interiors finished with ceramic tiles, exteriors coated with oxide colored cement render for protection.

This type of construction is light making it quick and easy to construct. The aim to open the facility in November of 2017, two months soft opening with an official launch February 2018.

Training, education and mentoring programs for PACHU KUTI will begin as soon as partnerships are established to build capacity. The management and operational blueprint for the resorts is a centralized model, and will be used for all training, education and mentoring of on-site management and staff and for the product and service standards applied to all resorts.

## THE OFFERS

**THE PRESTIGE ECO DOMES** 2 Prestige Eco Domes available in years 1 & 2 with a third planned for Year 3, The Prestige Domes are 5 meter diameter with a height of 3.5 meters. The largest of the Eco Dome these will comfortably accommodate a family of 5. Ground floor King Size Bed with lounge area, pot belly wood fired combustion stove for heating, thermal insulation, private bathroom, shower and bath tub. The loft with two single beds (a third can be added) , sitting area, solar hot water, coffee tea facilities, mini bar, outdoor decking with sitting area, and hammocks, with unspoiled views.

Year one 300USD per night, Year two 350 per night and year three 390 per night, minimum stay 2 nights.

In time, considering demand, we will build an additional Prestige Dome. This dome will be the superior offer, (the penthouse). Features include clear sealing to view the stars, internal Jacuzzi, superior décor and sunken lounge area, would have its own wine and beer collection, this superior dome would have its own hot tub and fire pit.

**THE DELUXE ECO DOMES** - 2 Deluxe Eco Domes available in year 1 with a third planned for Year 2, The Deluxe is a 4 meter diameter with a height of 3 meters. The mid-range of the Eco Dome will comfortably accommodate a family of 3. Ground floor Queen Size Bed and a Single Bed and a lounge area, pot belly wood fired combustion stove for heating, thermal insulation, private bathroom, shower, solar hot water, coffee tea facilities, mini bar, outdoor decking with sitting area,

Year one 200USD per night, Year two 250 per night and year three 300 per night, minimum stay 2 nights.

In time, considering demand, we will build 2 additional, deluxe domes. Slightly superior with clear sealing to view the stars, internal bathtub. A grade up from the previous deluxe domes.

**THE PACHA ECO DOMES** 2 PACHA Eco Domes available in year 1 with a third planned for Year 2, The PACHA is a 3.5 meter diameter with a height of 3 meters. The smallest of the Eco Domes will comfortably accommodate two people. Ground floor Queen Bed or two Single Beds, with small lounge area, pot belly wood fired combustion stove for heating, thermal insulation, shared bathroom facilities. shower and bath tub, loft with two single beds, sitting area, solar hot water, coffee tea facilities, mini bar, outdoor decking with sitting area,

Year one 120USD per night, Year two 170 per night and year three 200 per night, minimum stay 2 night.

The Pacha Domes are the economy offer, considering demand, we could add additional domes of this nature or upgrade the interiors to increase their sale value.

## OTHER INCOME SOURCES

We have identified many activities on and off the island, which include but not limited to, Guided tours, Boat Tours, Mountain Bike Tours, Horse Riding, Climbing Expeditions, Sailing Tours, Kayak tours, Island and cultural tours. Café, Bar and Restaurant sales, lunches for day adventures and Travel Agency.

As Pacha Kuti grows we have identified a number of other activities that can be introduced, Zip Line, Rock Climbing, Paragliding, Kayaking, and Wind Surfing.

Ultimately we want our guests to stay for longer than two nights. Pacha Kuti Creative Adventure Packages with a variety of soft and hard adventures to cater to a wider interest group, targeting the emerging demands of the low-volume, high-yield, adventure travel and ecotourism market. Make them that comfortable that they want to stay longer.

## PACKAGES.

### 5 Day 4 Night Package ALL INCLUSIVE.

All inclusive with private Airport Transfers to and from Pacha Kuti. All meals, services and activities.

		5 Day 4 nights Package				
Pax		1	2	3	4	5
Prestige	Per night	\$ 2,490.00	\$ 3,240.00	\$ 4,270.00	\$ 5,330.00	\$ 6,402.00
	per person	\$ 2,490.00	\$ 1,620.00	\$ 1,423.33	\$ 1,332.50	\$ 1,280.40
Deluxe	per night	\$ 2,090.00	\$ 2,840.00	\$ 3,830.00	\$ 4,850.00	
	per person	\$ 2,090.00	\$ 1,420.00	\$ 1,276.67	\$ 1,212.50	
Pacha	per night	\$ 1,770.00	\$ 2,520.00	\$ 3,470.00		
	per person	\$ 1,770.00	\$ 1,260.00	\$ 1,156.67		

### 6 Day 5 Night Package ALL INCLUSIVE. (5<sup>th</sup> night is no change)

All inclusive with private Airport Transfers to and from Pacha Kuti. All meals, services and activities.

Activities include, guided historic tour of Isla de Sol, Star Gaze astrology, Horseback tour, Bike Tour, Boat and hike tour of Isla de Luna and the historic villages of Sampaya, Catamaran tour. Cooking and or Yoga Classes.

Additional activity Mountain bike tour of the historic township Sorata.

		6 Days 5 Night Package				
Pax		1	2	3	4	5
Prestige	Per night	\$ 2,650.00	\$ 3,560.00	\$ 4,750.00	\$ 5,970.00	\$ 7,202.00
	per person	\$ 2,650.00	\$ 1,780.00	\$ 1,583.33	\$ 1,492.50	\$ 1,440.40
Deluxe	per night	\$ 2,250.00	\$ 3,160.00	\$ 4,310.00	\$ 5,490.00	
	per person	\$ 2,250.00	\$ 1,580.00	\$ 1,436.67	\$ 1,372.50	
Pacha	per night	\$ 1,930.00	\$ 2,840.00	\$ 3,950.00		
	per person	\$ 1,930.00	\$ 1,420.00	\$ 1,316.67		



### 7 Day 6 Night Package ALL INCLUSIVE. (6th night at 50% of normal rate)

All inclusive with private Airport Transfers to and from Pacha Kuti. All meals, services and activities.

Activities include, guided historic tour of Isla de Sol, Star Gaze astrology, Horseback tour, Bike Tour, Boat and hike tour of Isla de Luna and the historic villages of Sampaya, Catamaran tour. Cooking and or Yoga Classes. Mountain bike tour of the historic township Sorata,

Additional day activity of Boat tour to the Floating Islands of Lake Titicaca.

7 Days 6 Nights						
Pax		1	2	3	4	5
Prestige	Per night	\$ 2,960.00	\$ 4,030.00	\$ 5,240.00	\$ 6,630.00	\$ 8,062.00
	per person	\$ 2,960.00	\$ 2,015.00	\$ 1,746.67	\$ 1,657.50	\$ 1,612.40
Deluxe	per night	\$ 2,510.00	\$ 3,580.00	\$ 4,805.00	\$ 6,120.00	
	per person	\$ 2,510.00	\$ 1,790.00	\$ 1,601.67	\$ 1,530.00	
Pacha	per night	\$ 2,150.00	\$ 3,220.00	\$ 4,440.00		
	per person	\$ 2,150.00	\$ 1,610.00	\$ 1,480.00		

### The Financial Model Attached opens with 3 Financial Scenarios.

**Scenario 1** assumes a slow first year at just 14% capacity, 19% on the second, 27% on the third and 28% to 36% capacity for years 4 to 6. This scenario also assumes just 3 days per month of activities.

In year two and three this model allows for a reinvestment of \$36,600.00USD for additional, fit out, solar panels and water heaters, upgrade of kitchen, plus additional equipment for activities.

Counting the reinvestment of 36,600USDUSD, this scenario has payback on investment within 3.5 years. With a surplus of 27,000USD at the end of year 4, \$194,000.00, end of year 5 and \$444,000.00 end of year six.

**Scenario 2** the bar is slightly higher, in my mind more realistic, I am comfortably confident we can easily achieve these goals. This scenario assumes a 19% capacity. (all habitations booked for 6 nights per month), 24% for year 2 and 27% for years 3 & 28 to 34% for years 4 to 6, Activities are taken 3 to 5 days per month.

In year two the model allows for a reinvestment of Of 127,000USD for 3 additional Eco Domes and fit out, plus equipment for activities. Counting the reinvestment of 127,000SD, this scenarios payback on investment within 4 years, with a surplus of 46,000USD end of year 4, a surplus of 350,000USD end of year 5 and end of year 6 a surplus of 729,000USD.

**Scenario 3** again the bar is slightly higher, with a little more effort targeting the right markets, I believe we can achieve the goals of this scenario. This scenario assumes a 24% capacity. (All habitations booked for 7 nights per month first year), 27% for year 2 (8 days per month) and 33% (10 days per month) for years 3 & for years 4 to 6 from 33% to 53% capacity over the following three years. Activities are taken 4 to 7 days per month for the first three years with a growth to 12 days per year for year 6.

In year two this model allows for a reinvestment of Of 134,000USD for 3 additional Eco Domes and fit out, plus equipment for activities. Counting the reinvestment of 134,000USD, this scenario payback on investment within 3 years with a surplus of close to 14,000.00USD. At the end of 4 years the surplus of close to \$280,000USD. End of year 5 the accumulative surplus is close to 640,000.00USD.

*Other income streams include the restaurant and café commissions on sales, Pacha Kuti owns the freehold of the restaurant and café, and we will receive 20% commission of sales. Additionally we will have our own travel agency that will contribute a small % of sales commissions. I have not included these commissions in the Financial Model.*

### **Getting to Isla de Sol**

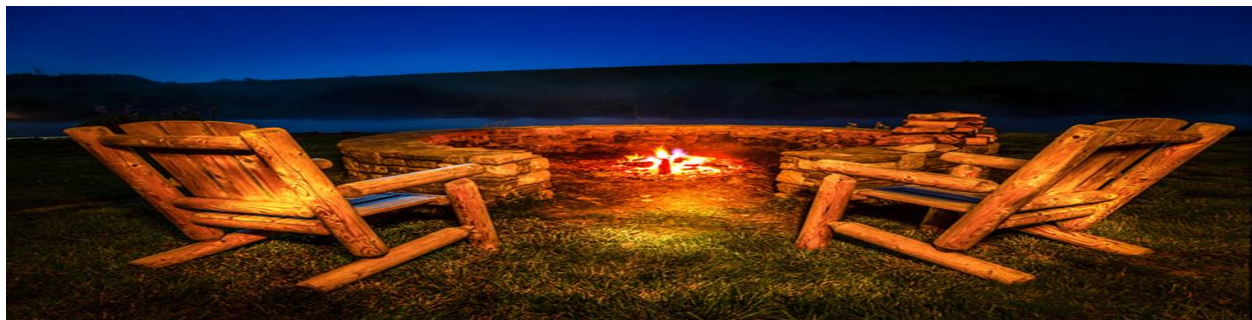
Isla de Sol is a short boat ride from Copocabana a major holiday destination and major port on Lake Titicaca. Pacha Kuti have a dedicated fast boat service between Copocabana and the Eco Resort.

Copocabana is on the major bus route between Cusco Peru and Bolivia's capital La Paz.

Copocabana is 2 hours from Puno's Airport in Peru just a 40min flight from Cusco. Copocabana is just 140km from La Paz International Airport. Transfer by Private Vehicles will chauffeur clients from and return to the Airports. There is also a luxury train service between Cusco to Puno.

Cusco and Machu Picchu receives 1.4 million tourist per year. Many wealthy travelers make their way to visit this Machu Picchu each year, wealthy travels are easy to find, they stay at just a handful of luxury hotels and resorts. Making the link between Cusco and Pacha Kuti as easy and painless as possible is paramount. Thankfully we have the magical lure of Lake Titicaca and Isla de Sol .

Now sit back Imagine you are in front of the fire pit, drinking your Bolivian wine while soaking in a timber hot tub watches the stars light up the Andean snow caped peaks.



PACHU KUTI dependable, consistently outstanding experiences, with convenient itineraries encouraging visitors who may not have contemplated such a journey before.

## **EXAMPLE OF ACTIVITIES - PACHU KUTI - TOURS.**

### **Sampaya – Isla de Luna Boat and Hike Tour, full day, 120USD**

One day boat and hiking tour.

Leave by appointment at 8.00AM from the PACHU KUTI Jetty.

A 10 Km boat ride will take you to Samapaya.

Sampaya is simply filled with magic, a place where time has forgot, a living history, a testimony of a culture that had deep roots to an ancient world. Here you will be able to breathe a vibrant culture that goes beyond time.

Sampaya offers visitors a unique experience of interaction with the Aymara culture. The inhabitants of the site will share with you their customs, their daily life and traditions.

Sampaya still preserves its ancient architecture base stone walls and traditional thatched roofs.

We will spend some time exploring this unique village and get lost in its rich history. After our walk we sample a traditional Andean lunch, delicious, within a beautiful delicately decorated traditional Aymara home.

After lunch we make our way back down to our boat and make our way across to Isla de Luna.

The Island of the Moon (Isla de la Luna) is the legendary home of the Inca goddess Mama Quila. The structures on this island were originally built by the pre-Incan Aymara culture, but the Incas left their mark on the architecture as well. During Inca times, the Isla de la Luna housed chosen women known as the "Virgins of the Sun," who lived a nun-like lifestyle. They wove garments from alpaca wool and performed ceremonies dedicated to the sun.

This was a sacred island for the Incans and their predecessors, it houses a fascinating ruins complex. This small island is home to just six families but hosts an amazing view of the Cordillera Real. Iñak Uyu Palace (Or Moon Temple) is said to have been an "Ajllawasi" or "House of the Virgins of the Sun" .

Facing the mighty Mt. Illampu and ascending three levels of cultivated terracing, this ceremonial structure was built along a 55 by 24 meter rectangle. The building was made by Incan architects from un-worked stone and has a conjoined living complex. The rooms are roofed in a unique style known only to the Aymaras and Mayas called Corbel arch.

Upon arrival you will instantly appreciate the organizational system of the community and the importance of women's role in ancient cultures as we walk the path of women "Warmi thakhi" reaching the Temple of the Virgins "Iñac Uyu", all led by local guides.

Lake Titicaca is deservedly awash with gushing clichés. This incongruous splash of sapphire amid the stark plains of the Altiplano is one of the most beautiful sights in the region. Covering 8400 sq km and sitting at 3808m, it is the largest high-altitude lake of the world.



The lake straddles both Peru and Bolivia, and is a remnant of the ancient inland sea known as Lago Ballivián, which covered much of the Altiplano before geological faults and evaporation brought about a drop in the water level.

The traditional Aymará villages along the lakeshore, with the snow-topped peaks of the Cordillera Real in the background, provide a magical landscape. Even more fascinating for the visitor are the colorful and historical communities that inhabit many tiny islands of the lake. Integral to any visit is learning about the ancient legends of the region, which can enhance the travel experience. Take time to explore and partake in typical delicious Andean snack (Apthapi). Interact with the locals and learn more about their history and customs. We will then make our way back to PACHA KUTI

.