

# Development Opportunity in British Virgin Islands

Beef Island, British Virgin Islands

Presented by



Applied Enterprise Limited

Jan 2016

## Disclaimers:

All figures and assumption in this report are preliminary and are subject to the completion of the ongoing project initiation research phase and further discussions on master planning, engineering and marketing. All sales values, revenue, costs and expenditure are in US dollar constant. Whilst all the assumptions made in this report are considered reasonable and logical, no warranty can be given as to the accuracy and content herein.

This document has been updated constantly to take account of the latest version of the conceptual master plan, land surveys, planning opportunity and market studies.

**Applied Enterprise Limited.** is continually advancing the project and information is constantly being updated. Interest parties should ensure that they are working from the latest available documentation.

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# Agenda

- ▶ Corporate Profile
- ▶ Executive Summary
- ▶ Introduction on British Virgin Islands
- ▶ Facts of the Property
- ▶ Vision of the Property
- ▶ Financial Analysis
- ▶ Introduction of Development Opportunity
- ▶ List of Additional List Reports

# Corporate Profile

- Applied Enterprise Limited ("AEL"), established in 1975 as an electronic OEM manufacturer for multi-national well-known clients such as Texas Instrument, IBM, Phillips, Atari, Tiger Toys, Sega etc.
- Mr. Raymond Hung, CEO and Founder of AEL, was awarded Entrepreneur of the Year for Arizona in 1994. He was also interviewed by Forbes Magazine, Fortune Magazine, Wall Street Transcript, Success Magazine etc.
- Rated in 1995 by Asia Inc. Magazine as Asia's 88 fastest growing company for continuous three years
- Engaged in Property Investment in Hong Kong and China since 1990
- Mission to become one of the best and the most successful resort developer for the luxurious class in the world

*Our Vision*

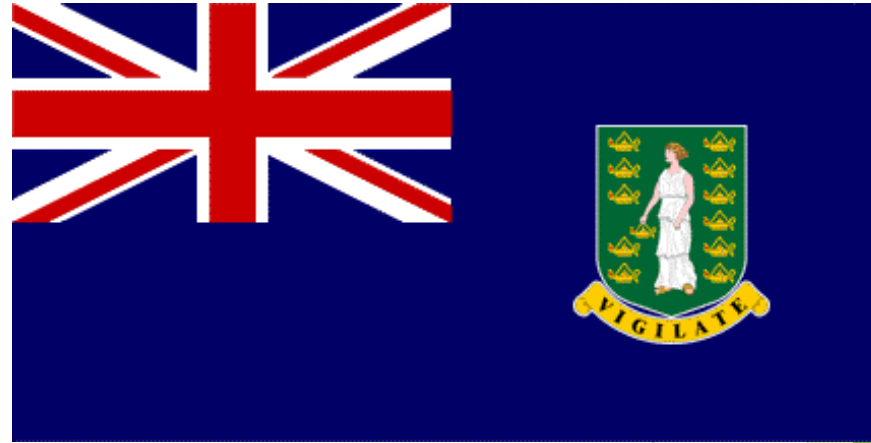
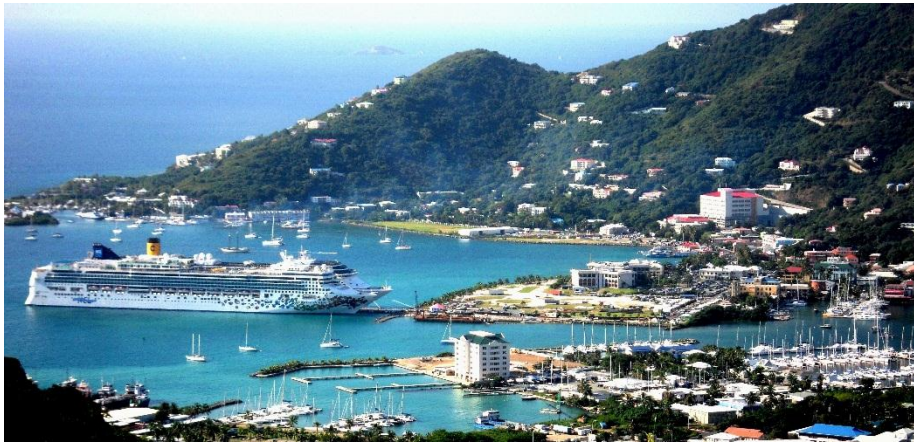
*"Artists Create beautiful things..."*

*... We create Paradise"*



# Executive Summary

- ▶ British Virgin Islands ("BVI") is classed as British Overseas Territories and since 2002 all Islanders have had full British citizenship and deems to be citizens of the EU as well.
- ▶ BVI is one of the most prosperous economies of the Caribbean region, with a per capital average income of \$32,579 (Nominal Value in 2011).
- ▶ BVI has the lowest tax structure in the world and the main currency is USD.
- ▶ Crime rate in the British Virgin Islands is one of the lowest in the world.





# Executive Summary

- ▶ BVI is home to many world class beaches and natural scenic. It is paradise for island-hopping and beach lovers and is well-known for “Nature’s Little Secrets”.
- ▶ BVI is situation in the center of the Caribbean and is one of the most important stop-off point for sailing and cruising.
- ▶ Given the small population, BVI manages to have their own airport, which have international flights from United States or Central America region



# Introduction on British Virgin Islands

## Background:

- ▶ Overseas territory of UK
- ▶ Airport located on Beef Island, which is connect to Tortola (main island), served by 6 primary airlines with runway length of 4,700 feet. The airport receives 60-75 flights daily and is capable to accommodate regular scheduled and charter aircrafts.
- ▶ The government offers offshore registration to companies and incorporation fees now generate an estimated 51.4% of Government revenues.
- ▶ Legal System: English Common Law
- ▶ Currency: US Dollars

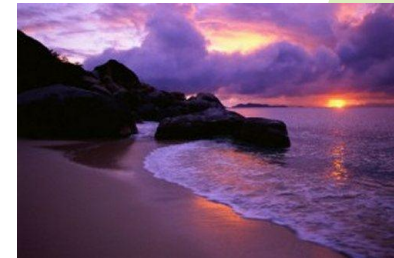
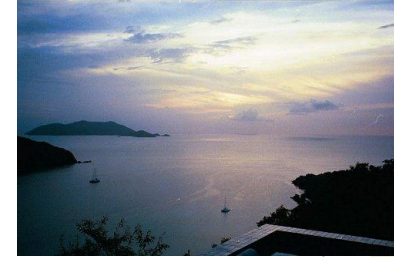
## Opportunities on BVI Tourism:

- ▶ GDP = USD\$9.16M (Nominal Value in 2011)
- ▶ GDP per Capita: US\$32,579 (Nominal Value in 2011)
- ▶ Visitor Expenditure Per Capita: US\$16,848
- ▶ Total Visitor Arrivals: 831,434 [2011 est.]
- ▶ Cruise Ship Visitors: 493,661 [2011 est.]
- ▶ The United States represents the key market for tourists to the BVI. In 2005 the primary feeder markets to the BVI included:

United States-65%

Europe-25%

Others-10%





# Facts of the Property

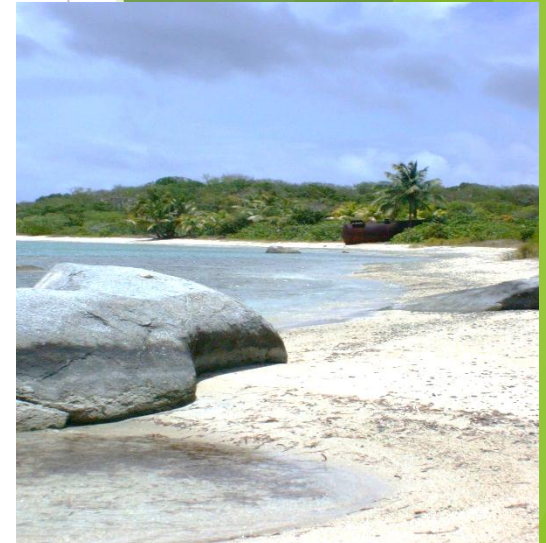
Location of the Property  
Beef Island, British Virgin Islands





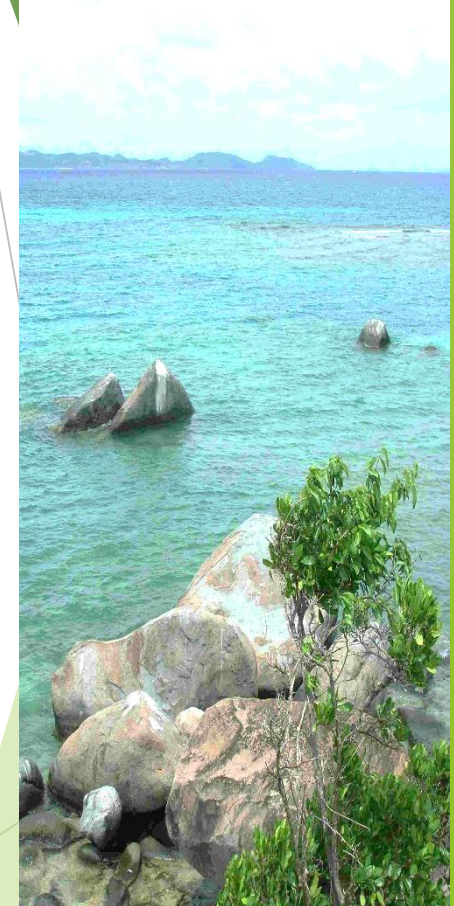
# Facts of the Property

## Photos of the Property



# Facts of the Property

Lots Number	Parcels 4 and 8 of Block 3840A, 1 & 7 of Block 3838A and 9 of Block 3640B of the Beef Island Group Registration Section
Gross Site Area	268 Hectares/663 Acres/28.8 million sq.ft.
Existing Condition	Undeveloped Land
Lease Term	Freehold
Beach Frontage	1.5 km
Nearby Towns	Road Town, Spanish Town
Proximity to Airport	Terrance B. Lettsome International Airport (The primary international airport in BVI and is 5 minutes driving to the property)
Major Attractions	<ul style="list-style-type: none"><li>➤ Anegada or the "drowned island" is completely surrounded by shallow reefs</li><li>➤ The Baths, giant boulders or batholiths brought to the surface by volcanic eruptions, are scattered about forming a beautiful grotto and tranquil pools</li><li>➤ Magnificent beaches with white sand beach and blue colored sea water</li></ul>



**Master plan being approved by BVI Government**



# Vision of the Property

Fractional Ownership Club

Airport  
Commercial

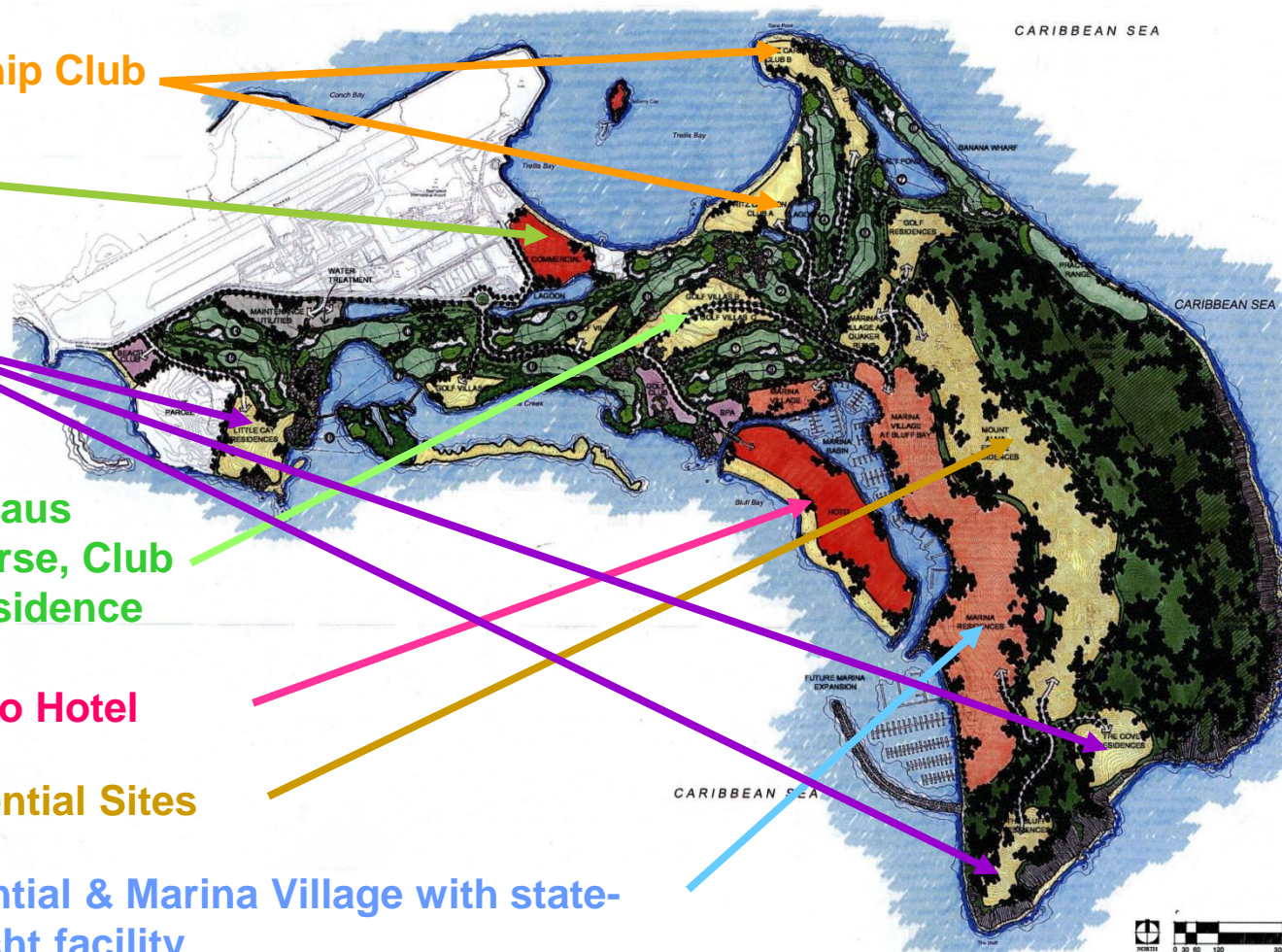
Ocean-view  
Residential

18-holes Jack Nicklaus  
Signature Golf Course, Club  
House and Golf Residence

5-star Luxury Condo Hotel

Mount Alma Residential Sites

Marina Bay Residential & Marina Village with state-  
of-the-art mega-yacht facility



# Vision of the Property

Master Planners/  
Landscape Architect



Website: [www.edsaplan.com](http://www.edsaplan.com)

Resort & Club Architect



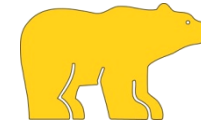
Website: [www.hksinc.com](http://www.hksinc.com)

Resort & Club Interior  
Designer



Website: [www.wilsonassoc.com](http://www.wilsonassoc.com)

Golf Course Architect



Nicklaus Design

Website: [www.nicklaus.com](http://www.nicklaus.com)

Marina Infrastructure  
Architect



Website: [www.appliedtm.com](http://www.appliedtm.com)

Island Infrastructure



Harris Civil Engineers, LLC

Website: [www.harriscivilengineers.com](http://www.harriscivilengineers.com)

Real Estate Advisor



Website:  
[www.rclco.com](http://www.rclco.com)

Applied Enterprise has assembled a stellar team of experienced international residential, hotel, and resort designers, architects, planners, and consultant.



# Vision of the Property

Project Content	
5-Star Luxury Condo Hotel	200 keys Condo Hotel (Two Bedrooms, Three Bedrooms) with ocean view
18 holes Jack Nicklaus Signature golf course	The only golf course in BVI with a development area of 190 acres
Marina Village with state-of-the-art mega-yacht facility	Up to 200 Berths, accommodating Mega Yacht up to 200ft and commercial area. The development area is 17 acres



# Vision of the Property

Project Content	
<b>Marina Residence</b>	Marina Condo and Marina Residences with a development area of 80 acres
<b>Golf Residential</b>	2-storey villa and 1 single family detached home with a development area of 26 acres
<b>Custom Lots Mount Alma</b>	Home site with a development area of 68 acres
<b>Ocean-view Residential</b>	Custom lot residential including Little Cay Residences, The Cove Residences & The Bluff Residence with a development area of 21 acres
<b>Fractional Ownership Club</b>	2, 3 & 4 Bedrooms Duplex with a development area of 21 acres



# Financial Analysis

## British Virgin Islands-Beef Island Development

<b>Total Project Revenue</b>	US\$1.77 billion revenue is expected to be contributed
<b>Project Construction Period</b>	10-12 years
<b>Total Cost of Investments</b>	US\$ 1.24 billion

*Data Source: Financial Analysis and IRR Study, RCLCO, Real Estate Advisor*



# Financial Analysis

				YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR
			TOTAL	0	1	2	3	4	5	6	7	8	9	10	11	12	
TOTAL REVENUES			\$1,777,328	\$0	\$47,438	\$143,620	\$391,798	\$201,688	\$210,691	\$205,072	\$169,717	\$147,036	\$96,762	\$80,917	\$59,191	\$23,398	
TERMINAL VALUE REALIZATION			\$36,721	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,721	\$0	\$0	\$0	\$0	\$0	
TOTAL COSTS			\$1,242,661	\$9,854	\$232,049	\$100,165	\$156,576	\$130,518	\$129,629	\$115,082	\$116,454	\$83,251	\$66,989	\$56,782	\$25,100	\$20,212	
TOTAL NET REVENUES W/TERM VALUE			\$571,388	(\$9,854)	(\$184,611)	\$43,455	\$235,222	\$71,170	\$81,062	\$89,990	\$89,984	\$63,785	\$29,773	\$24,135	\$34,091	\$3,186	
DEBT REQUIRED		65%	(\$126,402)	(\$6,405)	(\$119,997)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
EQUITY REQUIRED		35%	(\$68,063)	(\$3,449)	(\$64,614)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
DEBT SERVICE		8.5%	(\$30,736)	(\$544)	(\$10,744)	(\$10,744)	(\$8,703)										
DEBT REPAYMENT			\$157,138	\$544	\$10,744	\$34,764	\$111,086										

Data Source: Financial Analysis and IRR Study, RCLCO, Real Estate Advisor



# List of Additional Reports

If this brochure has piqued your interest, please contact us for further information. We would be happy to provide you with all of the following more detailed reports and technical documents:

- ▶ Master Plan. EDSA, Land Planners.
- ▶ Agreement Between The Government of The Virgin Islands and Quorum Island (B.V.I) Limited.
- ▶ Preliminary Resort Renderings and Site Plan. HKS Hill Glazier Studio, Resort Architects.
- ▶ Golf Course Master Plan. Jack Nicklaus Design, Golf Course Designers.
- ▶ Strategic Development Analysis, Norton Consulting Inc., Real Estate Advisors.
- ▶ Market and IRR Study Update, RCLCO, Real Estate Advisors.
- ▶ Market Assessment of the Marina at Beef Island Golf & Country Club, ATM, Costal and Marina Engineers.
- ▶ Environmental Impact Assessment Beef Island Resort Core, ATM , Costal and Marina Engineers.
- ▶ Environmental Impact Assessment Beef Island Golf & Country Club, ATM , Costal and Marina Engineers.
- ▶ Environmental Impact Assessment Beef Island Future Development, ATM , Costal and Marina Engineers.
- ▶ Summary Report for Shoreline Protection & Enhancement for Trellis Bay Estates, Ocean Caraibes, Engineering Consultants.



# Contact Information:

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