







## THE PROJECT

Inspired by friends, good times, an exclusive waterfront location, breathtaking views, and first class service, South Point is an exclusive boutique condo hotel. Combining local architecture, the principles of Feng Shui, Italian interiors and the Caribbean's premier yachting centre, South Point redefines the lifestyle of historic English Harbour. South Point is about the blend of a spectacular location, people, fine food, drink, and music to create the set for unforgettable times.

The 23 waterfront units feature open-plan layouts with Italian kitchens, living area, spacious terraces, and a full complement of modern furnishings combined with a view of the most incredible yachts in the world. Amenities and facilities include, a cosmopolitan restaurant over the water, a modern lounge, beach, swimming pool, fully equipped fitness center, boat dock, high-speed Internet access, cable TV, guest reception, serviced laundry, and room, beach, and pool service.

Residents and guests of South Point will find their unit fully furnished to 5-star standards, complete with Italian bathrooms and kitchens, European appliances and lighting, full complement of furniture, linen, china, glassware, and utensils. In addition, its ideal position adjacent to the Antigua Yacht Club, offers South Point guests a slew of entertainment options within walking distance; these include some of the island's most popular bars, restaurants, and cafés, as well as, beach, shopping, tennis, racquet ball, snorkeling, scuba diving, paddle boarding and sailing.

This boutique condo-hotel offers a solid real estate investment opportunity through participation in the Condo Hotel Rental Program as well as your own pied-à-terre in Antigua. A total of five residential buildings house the 20 one-bedroom apartments (4 apartments in each building) and 3 two-bedroom Penthouses (located on the third floor of the 3 center buildings). The one-bedroom units are approximately 1100 sq ft each, while the two-bedroom Penthouses are approximately 2300 sq ft. Units on the same level in the same building are able to interconnect.

South Point is conceived to operate as a condo-hotel; subject to a Resort Fee, Owners may choose to keep their unit for private use. The Condo Hotel Rental Program is the vehicle through which the hotel facility will be operated, generating revenue for Owners.

## OWNERSHIP STRUCTURE

Units may be owned individually or as shared ownership (Citizenship By Investment Program, CIP), each unit with separate condominium title registered in accordance with the Registration of Condominium Titles Act of Antigua & Barbuda and the South Point Falmouth Harbour Condominium Plan No. C200800028. The registered owners, all of whom are members of the Condominium Association, share in the ownership of the Common Property; in the case of shared ownership the Developer shall be given a proxy to the voting rights of the unit.

The Condominium Plan, By-Laws and Management Agreements govern operation, use, and enjoyment of the condominium property and the common area. The Developer retains ownership of the restaurant and lounge, fitness center, docks, laundry and maintenance/back of house areas of the development. The Condominium Plan demarcates the units, as well as creates the subdivision to allow for legal title.

South Point Hotel Inc. (SPHI), an Antigua & Barbuda corporation, wholly owned by the Developer, is the exclusive provider of hotel services through the Condo Hotel Rental Program to those Owners who place their property into the rental pool.

## THE INVESTMENT

South Point is a fully approved Antigua & Barbuda Citizenship By Investment (CIP) Project. Interested purchasers may choose to apply for citizenship in Antigua & Barbuda using the purchase of a South Point Unit as a qualifying real estate purchase or they may simply purchase the real estate without this option. Under the CIP program, purchasers may acquire units either as a single owner or as shared ownership; with shared ownership each unit may be divided into 2 or more shares. In order to execute the shared ownership option purchasers will be required to acquire one share of a local Antigua company into which the ownership of the unit will be vested or to purchase as Tenancy in Common.

Ground Floor and First Floor Units	US\$ 865,000
First Floor Units (1-bedroom, 102 & 104)	US\$ 885,000
Penthouse 2-Bedroom Units (Resale's Only)	US\$ 1,900,000
CIP Shared Ownership	
Ground Floor and First Floor 2 shares each	US\$ 500,000/share
First Floor Units (1-bedroom, 102 & 104)	US\$ 515,000/share
Penthouse 2-Bedroom Units 4 shares each	US\$ 550,000/share

Note: These prices are valid until November 30<sup>th</sup>, 2014; prices include all sales costs and transfer stamp duties except for the buyers' legal fees or any fees associated with the Citizenship by Investment Program (CIP).

UNIT PRICING

Unit No	Bldg No	Floor	Rooms	List Price US\$	Price US\$ Shared Ownership-CIP/Share	Availability	Comments
101	1	Ground	1	865,000	500,000		
102	1	First	1	885,000	515,000		Vaulted Ceiling
103	1	Ground	1	865,000	500,000		
104	1	First	1	885,000	515,000	Reserved	Vaulted Ceiling
201	2	Ground	1	865,000	500,000		
202	2	First	1	865,000	500,000		
203	2	Ground	1	865,000	500,000		
204	2	First	1	865,000	500,000	Sold	Resale Available
205	2	Second	2	1,900,000	550,000	Sold	Resale Available
301	3	Ground	1			Sold	
302	3	First	1			Sold	
303	3	Ground	1			Sold	
304	3	First	1			Sold	
305	3	Second	2			Sold	
401	4	Ground	1	865,000	500,000		
402	4	First	1	865,000	500,000	Reserved	
403	4	Ground	1	865,000	500,000	Reserved	
404	4	First	1	865,000	500,000		
405	4	Second	2	1,900,000	550,000	Sold	Resale Available
501	5	Ground	1			Sold	
502	5	First	1			Sold	
503	5	Ground	1			Sold	
504	5	First	1			Sold	



## CONDOMINIUM FEE

The Condominium Fee, Maintenance Fee or Home Owner's Association Fee as it is sometimes called is charged to each unit monthly. The fee is determined on the basis of actual costs to provide the services and shall be revised annually. The management company appointed on behalf of the Condominium Association will carry out or contract the maintenance and service activities associated with the fee; the fee represents a portion of the aggregate costs of operating the Condominium and maintaining the Common Property. Each unit owner will have access to the expense report through the Condominium Association. The initial estimate for the Fee is as follows:

One Bedroom Unit	US\$1080.00/month (budgeted estimates)
Two Bedroom Apartment	US\$1790.00/month (budgeted estimates)

The Condominium Fee includes the following:

- Management, administration, and operation costs of condo association
- Legal and professional fees
- Buildings and common area cleaning, maintenance, and depreciation
- Common area FF&E, utilities, landscaping, lighting, and irrigation
- Insurance (common areas, buildings, and public liability)
- Property tax (common areas)
- Swimming Pool cleaning, operation, and maintenance
- Cable TV; In unit Internet
- Generator and electrical plant operation, maintenance, and depreciation
- Wastewater Treatment Plant operation, maintenance, and depreciation
- Owner/Guest Laundry facilities, maintenance, and depreciation
- Garbage disposal; Pest control; Security
- Condominium Reserve Fund

Note: It is anticipated that Capital Assessments are made every four years.

## RESORT FEE (NOT APPLICABLE TO UNITS IN THE CONDO HOTEL RENTAL PROGRAM)

The Resort Fee applies ONLY to those units that DO NOT participate in the Condo Hotel Rental Program. This charge is in addition to the Condominium Fee, and allows Owners of units that do not participate in Condo Hotel Rental Program the opportunity to enjoy some of the amenities specific to the hotel's operation. The Resort Fee is also subject to review periodically.

One Bedroom Unit	US\$1245.00/month
Two Bedroom Apartment	US\$2010.00/month

Fee includes the following:

- Management/Marketing/Property Value Enhancement Benefit
- PBX/Telephone/Wi-Fi Internet Access Public areas
- Beach and pool towel service,
- Check-in/Check-out service limited to issue and receipt of keys only; access to Concierge for paid services
- Use of Fitness Center

## ROOM SERVICING AND OTHER FEES (HOUSEKEEPING CHARGE)

In addition to the Condominium Fee and the Resort Fee (Resort Fee, applicable only to units NOT participating in hotel program), while staying in their units, Owners may request certain services which will be for their account; these include Daily Cleaning (includes cleaning and bed make-up, amenity and bath linen re-supply); Daily Cleaning with Laundry (includes complete linen change, kitchen cleaning and amenity re-supply); Departure Cleaning (includes cleaning, complete linen change and amenity re-supply; this is obligatory for all participants in the Condo Hotel Rental Program) and Quarterly Deep Cleaning (includes deep cleaning, linen change, floor cleaning, touch up painting and minor repairs; also obligatory for participants in Condo Hotel Rental Program) The cost for these services are summarized in the table below. These fees will be reviewed annually and adjusted in accordance with the cost of providing the service. Owners who do not include their unit in South Point's Condo Hotel Rental Program may also arrange for these housekeeping services through the Hotel and will be charged based on requests; Owners may also select from an à la carte menu of other services, which they may care to use while staying in their unit.

SERVICE DESCRIPTION	1-BEDROOM US\$	2-BEDROOM US\$	NOTES/COMMENTS
Daily Cleaning	45.00	70.00	Includes kitchen cleaning and amenity re-supply
Daily Cleaning w/Laundry	70.00	110.00	Includes kitchen cleaning and amenity re-supply
Departure Cleaning	105.00	165.00	Required for participants in hotel program
Quarterly Deep Cleaning	165.00	245.00	Required for participants in hotel program

## CONDO HOTEL PROGRAM

GENERAL: The South Point Condo Rental Hotel Program offers residents the opportunity to earn rental income when their apartment is not in use by participating in the Condo Hotel Rental Program (South Point Hotel). The Condo Hotel Rental Program is executed in the form of a rental pool wherein all participants in the program share in the revenue of the program. South Point Hotel Inc., a subsidiary of ROLS Limited, the Developer, which has substantial expertise and experience in hospitality services, hotel management, private property management, and hotel marketing will manage the Condo Hotel Rental Program.

Unit owners, subject to paying the Resort Fee, are not required to participate in the Condo Hotel Rental Program. However, South Point Hotel Inc. reserves the right, but not the obligation, to withdraw the program should less than 70 % of the Units participate in the Program. The rationale for this condition is drawn on the basis that should Owners decide not to place their units in the program, there may be insufficient units under management to make the operation of a 5 star hotel economically viable. Should this occur South Point Hotel Inc. would discuss an alternative rental program with owners that would be mutually acceptable to both parties. Owners are encouraged to participate in the Condo Hotel Rental Program, as this is the core concept of the development.

If an Owner chooses to participate in the Condo Hotel Rental Program, the Owner will sign a Condo Hotel Rental Program Agreement for a minimum term of 5 years. This agreement covers the terms and conditions of the program including reservation procedures, rental procedures and policies, Owner usage, accounting, income, charges, fees and commissions, complimentary usage and other matters in regard to the program.

The Condo Hotel Rental Program Agreement sets out the terms and conditions for participation in the Program, which limits the Owner's use of his/her unit to a guaranteed maximum of 6 weeks (42 nights) annually. Any further usage will be subject to availability and a rental fee; when an Owner is staying in his/her unit, the unit is considered to be out of the program and no revenue is earned for that period.



An Owner may confirm his/her usage periods by reserving the unit for his/her own use (with as much advanced notice as possible) subject to the maximum allowable usage (42 nights annually) and availability. In the event that the Owner's unit is already reserved, South Point Hotel, Inc. reserves the right to substitute the Owner's unit with another available unit, or if possible, move an existing reservation for the Owner's unit to another unit.

REVENUE: Owners receive income from a pro rata portion of the Rental Pool Share of the Adjusted Gross Rental Revenue generated by their unit participating/operating in the Condo Hotel Rental Program. South Point Hotel Inc. (SPHI) will market and operate the hotel and will pay earnings to unit Owners as defined in the Condo Hotel Rental Program Agreement. As there are 2 categories of rental units, 1 and 2 bedrooms, the earnings for both categories will be combined into a single earning pool, the total Rental Pool Share shall then be distributed among the number of participating units prorated by room category, ie using the room rates as the method to determine the pro rating of share (either 1-bedroom or 2 bedroom).

Adjusted Gross Rental Revenue is defined as the Gross Rental Revenue (rent paid by departed guests less statutory taxes and service charge) less Direct Cost of Room Rental (travel agents/online agents and credit card commissions) and Reserve Fund equivalent of 5% of Gross Rental Revenue. The Rental Pool Share will be equivalent to 20% of the Adjusted Gross Rental Revenue.

Notes Re Condo Hotel Rental Program:

- During an Owner occupancy period, the Unit is considered to be out of the Condo Hotel Rental Program and does not qualify for inclusion in Rental Pool Share distribution.
- Owners may choose to occupy their units during the Annual Closure period, however it is important to note that hotel services will be vastly limited and quiet enjoyment cannot be guaranteed due to annual maintenance and refurbishment activity; Owner occupancy during this period is not considered to be part of annual occupancy allowed.

Initial guest room rates and occupancy on average are projected as follows:

UNIT TYPE	SEASON	PERIOD	RACK RATE/US\$	COMMENT
1 Bed	High	December - April	695.00	
1 Bed	Mid	November/July/August	545.00	
1 Bed	Low	May/June/September/October	395.00	
2 Bed	High	December - April	1145.00	
2 Bed	Mid	November/July/August	895.00	
2 Bed	Low	May/June/September/October	645.00	

Note: Rates are subject to change and subject to tax (ABST:12.5%) and service charge (10%)

MONTH	OCCUPANCY	MONTH	OCCUPANCY	MONTH	OCCUPANCY
January	75%	May	50%	September	35%/1 week
February	80%	June	45%	October	35%/1 week
March	75%	July	45%	November	65%
April	80%	August	55%	December	80%

Note: Hotel will be closed for approx. 6 - 8 weeks during the months of September and October

The table below provides a conservative summary of projected profit share over the initial five (5) years of the condo-hotel operation. These projections are based on twenty (20) Units operating in the hotel. Note that these are forecasted numbers only and should not be taken as a guaranteed annual return.

Forecasted performance indicates that Rental Pool Share of revenue is sufficient to cover the Condo Association Fee outlined in the above paragraphs, and generates a potential, positive residual for owners in subsequent years.

South Point Hotel, Inc. Expense Assumptions (Expressed in United States dollars)		PROJECTED				
		Y15 Totals	Y16 Totals	Y17 Totals	Y18 Totals	Y19 Totals
<b>Forecast Statistics (US\$)</b>						
Total Available Rooms		6,688	6,710	6,688	6,688	6,688
Occupied Guest Room Nights		3,604	3,866	4,032	4,212	4,304
Occupancy		54%	58%	60%	63%	64%
ADR - gross		510	515	531	543	557
RevPAR - gross		275	297	320	342	358
ADR - net		510	515	531	543	557
RevPAR - net		275	297	320	342	358
<b>Hotel Program Rental Income</b>						
Gross Rental Revenue		2,385,370	2,585,913	2,778,730	2,969,753	3,112,223
<b>Direct Cost of Room Rental</b>						
Less: Reserve Fund		(119,269)	(129,296)	(138,937)	(148,488)	(155,611)
Less: Credit Card Commissions		(71,561)	(77,577)	(83,362)	(89,093)	(93,367)
Less: Agent Commission		(357,806)	(387,887)	(416,810)	(445,463)	(466,833)
Adjusted Gross Rental Revenue		1,836,735	1,991,153	2,139,622	2,286,710	2,396,412
<b>Rental Pool Share Before Unit Owner Taxes</b>		367,347	398,231	427,924	457,342	479,282
<b>Per Unit Profit Share based on participating units</b>		16,698	18,101	19,451	20,788	21,786
<b>Owners' Calculated Return</b>						
Owners' Annual Nights Value		\$ 18,270	\$ 18,270	\$ 18,270	\$ 18,270	\$ 18,270
Per Unit Rental Pool Share		\$ 16,698	\$ 18,101	\$ 19,451	\$ 20,788	\$ 21,786
Gross Owners' Return		\$ 34,968	\$ 36,371	\$ 37,721	\$ 39,058	\$ 40,056
Annual Condominium Fees Per Unit	\$1,080/mth	\$ (12,960)	\$ (12,960)	\$ (12,960)	\$ (12,960)	\$ (12,960)
Net Owners' Return		\$ 22,008	\$ 23,411	\$ 24,761	\$ 26,098	\$ 27,096
Gross Return % on purchase	\$ 865,000	4.04%	4.20%	4.36%	4.52%	4.63%
Net Return %		2.54%	2.71%	2.86%	3.02%	3.13%

#### THE RESERVE FUND

The Reserve Fund (not to be confused with the Condo or Homeowners Fee reserve fund) is a pooled fund to cover the cost of interior repairs to each unit in the Condo Hotel Rental Program so as to maintain the high standards set for all units participating in the Condo Hotel Rental Program. The Reserve Fund may also be applied against future assessments or replacement of furnishings, fittings and fixtures whenever required for general maintenance and upgrades. The Reserve Fund is equivalent to 5% of Gross Rental Revenue earned from departed guests renting units in the Condo Hotel Rental Program. The Reserve Fund is held by the Hotel Management Company and is used at its discretion in order to maintain units at the standard necessary to maintain the property's market image.

INVENTORY SCHEDULE<sup>1</sup>  
 ONE-BEDROOM UNIT

Location/Room	Quantity	Item	Comments
Kitchen	1	Storage Cabinet	
	1	Kitchen Composition/Cabinetry	
	1	Sink with Faucet	
	1	Dishwasher	
	1	Range	
	1	Refrigerator	
	1	Oven/Microwave	
Bathroom	1	WC	
	1	Bidet	
	1	Shower Column	
	1	Vanity with Cabinetry and Faucet	
	2	Mirrors	
	3	Bathroom Linen Set	
Bedroom	2	Twin Bed/Sommier	
	4	Pillows	
	2	Night Tables	
	1	Bureau	
	1	Bureau Chair	
	1	Lounge Chair	
	2	Night Table Lamps	
	1	Floor Lamp	
	1	Walk-in Closet	
	3	Bed Linen Set	
Living Area	1	Sofa Composition	
	1	Coffee Table	
	1	Entertainment Centre	
	1	Flat screen TV	
	1	iPod Dock	
	1	Internet Connection	
Patio	1	Dining Table	
	4	Chairs	
	2	Chaise Longue	
	1	Coffee Table	

<sup>1</sup> Please note that the developer reserves the right to make comparable changes to this inventory schedule, as necessary.

INVENTORY SCHEDULE<sup>2</sup>  
TWO-BEDROOM UNIT

Location/Room	Quantity	Item	Comments
Kitchen	1	Kitchen Composition/Cabinetry	
	1	Breakfast Table	
	4	Stools	
	1	Dishwasher	
	1	Sink with Faucet	
	1	Range	
	1	Refrigerator	
	1	Coffee maker	
	1	Microwave	
Bathroom	2	WC	
	2	Bidet	
	2	Shower Column	
	2	Vanity with Cabinetry and Faucets	
	1	Mirror	
	2X3	Bathroom Linen Set	
Bedroom	2X2	Twin Bed/Sommier	
	2X4	Pillows	
	4	Night Tables	
	2	Bureau	
	2	Bureau Chair	
	4	Night Table Lamps	
	2	Walk-In Closet	
	1	Mirror	
	6	Bed Linen Set	
Living Area	2	Sofa Composition	
	1	Lounge Chair	
	2	Coffee Table	
	2	Lamp	
	1	Dining Table	
	6	Dining Chairs	
	1	Desk	
	2	Office Chairs	
	1	Flat Screen TV	
	1	iPod Dock	
	1	Internet Connection	
Patio	1	Dining Table Outdoor	
	6	Chairs	
	4	Chaise Longue	
	4	Side Table	
Entry Terrace	2	Benches	

Please note that the developer reserves the right to make comparable changes to this inventory schedule, as necessary.

1 BEDROOM FLOOR PLAN



2 BEDROOM FLOOR PLAN

