

CONTACT DEVELOPMENT CORPORATION



“from VISION to REALITY”



CONTACT DEVELOPMENT CORPORATION

An Integrated Resort Real Estate Company

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I. CDC – Brief Background

- CDC is an Integrated Resort Real Estate Company with offices in San Francisco, California and Mexico City
- Services: Development, Investment Banking, and International Marketing & Sales
- Over 30 years of direct experience in international resort development – in 26 different countries
- Extensive network of financial sources, investors and resort/residential developers interested in international resort development
- Work with both Foreign and U.S. clients/partners
- Specialization in cross-border / international transactions and projects

II. Services to the Resort Industry

- Real Estate Development/Advisory Services

- Assist Experienced Developers in a Co-Development and Advisory Capacity in all aspects of project analysis and planning to develop a solid development strategy
- Participate as Lead Developer for Land Owners with No Development Experience
- “Repositioning” and “Expansion” Opportunities for older properties or failing projects

II. Services to the Resort Industry

- Investment Banking Services

For Development Projects: Facilitating Equity Capital, Debt Financing and the Structuring of Joint Venture Partnerships for the Development of Resort Projects and all of their Components including:

- Master Planned Resort/Golf Communities
- Hotels
- Mixed-Use Resorts including a Hotel, Condo-Hotels and Residential Components
- Whole Ownership and Fractional Ownership Residential Projects
- Golf facilities both public and private
- Marinas, etc., etc.

For Existing Resort Assets: Identify Buyers of Land and Operating Resort Assets including Hotels and Condo-Hotels, Golf Courses, etc.

II. Services to the Resort Industry

- International Marketing & Sales

(for Resort Residential Products)

CDC will design, implement, staff and operate a “seamless” marketing and sales organization that is “tailor made” for each resort project and which operates under the name of the project (ie., Punta Mita Properties, etc.).

Keys to Success:

- Experienced Executive Team and Track Record
- On-Site Offices at the Project and Off-Site Offices in Key Target Markets in the United States

III. CDC Work Methodology

CDC has strong relationships with Sophisticated Institutional Investors, Debt Sources and Developers of Resort and Residential master planned communities who require:

- A very well thought out Project – No Short Cuts
- Independent Market Validation
- Independent Project Cost Validation
- International Team Members and Opportunities to introduce “Brands of Distinction”
- Validate acceptable returns on investment
- Validate realistic exit strategy

III. CDC Work Methodology

- Investment Banking:

Four (4) Phase Approach:

- Phase I: Familiarization of Project
- Phase II: Team Building, Information Preparation & Validation
- Phase III: Preparation of Confidential Investment Memorandum & Deal Structure
- Phase IV: Identify Investor/Buyer & Close Transaction

- Timing: between 6-12 months

- Fees: Monthly Retainer plus Success Fee/Commission

- Real Estate Development/Co-Development Services:

- Same Four (4) Phase Approach

- Retainer during Phase I-IV, then Development Fee and Minority Share in Project

- International Marketing & Sales:

- Same Four (4) Phase Approach

- Funding of Marketing & Sales Company until Sales Commence

- Sales Commissions, Repayment of Funding

IV. Examples of Ideal Potential Clients

- A land owner who's property has potential, but who doesn't have experience in executing a resort project aimed at the international market (ie., Taumara)
- An experienced developer who has never developed a project for the international market (ie., Punta Mita)
- Owner of an international caliber resort asset who wants to sell at the highest price in the fastest time
- Owner of an international caliber resort asset who wants to sell "discretely" using our "rifle approach"
- Owner of a property or project that needs equity and/or debt financing to either develop, expand or reposition the project
- Any property in the key international markets of: Mexico, Central America, the Caribbean Region, Europe and the South Pacific.
- Any project whose success will depend a great deal on the international American market

V. Accomplishments & Credentials

I. Development/Co-Development/Advisory Services:

Example: Punta Mita

- CDC assisted the Mexican development company of Dine, S.A. de C.V. in the overall conceptualization and positioning of the 1,500-acre Punta Mita resort.
- Punta Mita was originally going to be "just another" beachfront resort project; however, upon the strong recommendation and literally two-years of work convincing the Dine, S.A. de C.V. executives, CDC was successful in turning Punta Mita into Mexico's first "private" resort/residential golf club community
- CDC was successful in creating real estate values within Punta Mita that averaged \$1.7 million while the average sale of residential property outside Punta Mita was under \$200,000
- CDC executives also worked with Dine, S.A. de C.V. to redesign the overall master plan at Punta Mita to create more valuable for-sale real estate. This contribution involved the re-routing of the second and third golf courses at Punta Mita to create better, more valuable and marketable residential opportunities.
- CDC played a vital role in identifying the luxury hotel brands that should be "invited" into Punta Mita to further position it at the top of the market, ie., Four Seasons, Rosewood, St. Regis, etc

V. Accomplishments & Credentials

I. Development/Co-Development/Advisory Services:

Example: Successful U.S. Developer's First Project in Mexico:

- Since August 2004 CDC has been working with one of the most successful U.S. developers of high-end master planned golf club communities in convincing them that "now" is the time to develop their first project in Mexico and other international destinations.
- CDC has been successful in this regard, which involved analyzing a number of resort markets, site selection and land acquisition negotiation.
- We are now in final negotiations to acquire a very significant 3,000+ acre beachfront property to commence the development of a very high-end master planned golf club community.
- Again, CDC will function in the lead development or as co-developer with a master developer.

V. Accomplishments & Credentials

II. Investment Banking Services

CDC's experience as a real estate investment banker and financial advisor, the following is a representative sample of transactions that CDC has successfully facilitated in the resort sector:

- The \$42 million dollar sale/acquisition of the Indian Wells Country Club, an exclusive private golf club and club facilities located in Indian Wells, California, U.S.A.;
- The \$22 million dollar sale/acquisition of the Monterey Plaza Hotel, Monterey, California, U.S.A.;
- The \$30 million dollars of direct equity investment for the development of The Montanera Country Club, a private residential community in Orinda (near San Francisco), California, U.S.A.;
- A \$30 million dollar joint venture/equity investment into the Isla de La Piedra (currently known as Estrella del Mar) master-planned resort community in Mazatlan, Mexico;
- The largest single/individual private residential land sale transaction of \$12.5 million dollars in the history within the entire Bahia de Banderas area near Puerto Vallarta, Mexico;

In each of these transactions CDC was responsible for identifying the equity investor and/or buyer, managing all negotiations and facilitating the closing of the investment transaction.

V. Accomplishments & Credentials

III. International Marketing & Sales

Example: "Prudential International Resorts"

- In 1993 established "Prudential International Resorts" a joint venture owned between CDC and Prudential Real Estate but managed day to day by CDC and its executives
- CDC opened this venture with 11 projects throughout Mexico ranging from \$175,000 USD ocean front villas in the blue collar resort town on the Sea of Cortez to the \$1,000,000 marina front home with boat dock in the Marina Vallarta project to the \$3,000,000 17 acre custom estate lot in another exclusive master-planned resort project on the Pacific Coast of Mexico and "everything else in between" at the Marina Ixtapa project, the Marina Mazatlan project, Bajamar in Baja California, etc., etc.
- From opening in late 1993 to December 1994 Prudential International Resorts sold millions of dollars of real estate in these projects. On December 20, 1994 the Mexican peso "crashed" and was devalued from about 3.3 per the dollar to about 9 per the dollar in a few weeks which essentially killed the market for sales due to complete lack of confidence in the U.S. buyers that anything was stable in Mexico.
- As a result of all this, CDC quietly disbanded the venture and put all of our "know-how and experience" on the shelf, knowing that we would use it again, which we did when we designed, owned and operated "Punta Mita Properties".

V. Accomplishments & Credentials

III. International Marketing & Sales

Example: "Punta Mita Properties"

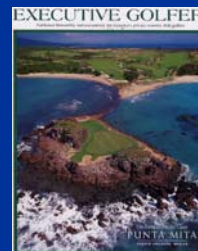
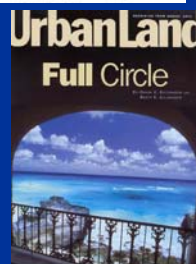
- Beginning in 1997 in the design phase and 1999 in the implementation and operational phases, CDC's marketing and sales division formed "Punta Mita Properties", the exclusive marketing and sales company for the luxury master planned resort of Punta Mita.
- During its first two years of operation, Punta Mita Properties successfully marketed and sold almost USD \$40 million in residential real estate at Punta Mita at prices ranged from \$500,000 up to \$12.5 million with an average sales price of \$1.7 million.

VI. CDC Information:

- Corporate Materials (sent separately via electronic mail)
 - Description of Services
 - Experience and Background
 - Past Projects and Clients
 - Articles Authored by CDC Executives
 - Speeches Given by CDC Executives
 - Strategic Alliance Partners
 - Mexico Articles

VI. CDC Information:

- Article Reprints
 - New York Times:
"The Luxury of Home in Mexico"
 - Bowden's Market Barometer:
"The New Mexico – Part Two"
 - Urban Land Magazine:
"Full Circle, Mexico's New Luxury Resorts"
 - Executive Golfer:
"Discover Mexico's Emerald Coast"



VI. CDC Webpage: www.cdcglobal.com

CDC
CONTACT DEVELOPMENT CORPORATION

mission services news & press clients & projects team

From *vision* to reality.

Resort & Residential Experience In:

- Real Estate Development
- Investment Banking
- Marketing & Sales

News from CDC

[David G. Ellsworth, CDC's Chairman, quoted as expert in New York Times article on January 7, 2005 on "The Luxury of Home." \(PDF\)](#)

[Brett Ellsworth authors new article for Reader's Market Reporter October/November 2004 issue entitled "The New Mexico - Part II" Nov. 2004 \(PDF\)](#)

[CDC to Develop an Exclusive, Beachfront Resort/Residential Project in Puerto Vallarta, Apr. 2004](#)

[CDC & Private Residence Resorts, LLC form "Strategic Alliance" to Develop Resort/Residential Projects, Apr. 2004](#)

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