

## **Business Opportunity**

# **Hotel/Condominium Beach Resort Development in St. Maarten**

**Prepared by: Pointe Esprit Development NV**  
for the Caribbean Hotel/Resort Investment Summit  
May 2019



**The 30-acre *Pointe Esprit* Resort Development Site in foreground overlooking Little Bay, Divi Little Bay Resort & Fort Williams with Great Bay & the Port of St. Maarten in background.**

## **EXECUTIVE SUMMARY**

The *Pointe Esprit* Resort Development Site is one of the last large, developable ocean front parcels remaining on St. Maarten. The parcel is well located along an under utilized section of new roadway linking Philipsburg, the Dutch Capitol, with Princess Juliana Int'l Airport (SXM). The site's location on St. Maarten allows for easy access to both the Dutch and French sides.

The parcel has been granted an *irrevocable planning permit* for development of 425-resort hotel & residential units. The 30-acre site offers a 1500 ft long private scenic entrance which descends to Little Bay offering spectacular views. The direct ocean frontage measures 825 feet. The adjoining public access beach offers an additional 650 feet to the east plus 425 feet of shoreline to the west for future beach improvement. Underground public utilities (including electricity & water) have already been brought to the site. Further, the parcel has been protected from undesirable local development and is bordered by the Caribbean, a protected fresh water resource which can not be developed, an area of upscale detached residences and the island's premier American school.

Current economic conditions in the US & Canada and on the island itself are conducive to successful development of for-sale condominium units or fractional-ownership sales. Various properties on the island have mixed these elements to create highly successful projects. In the aftermath of Hurricane Irma there is a shortage of touristic residential units on the island. Some properties were too severely damaged to repair and will not return to service in the near future. Many others are aggressively rebuilding and upgrading their properties, confident that economic and market conditions justify the substantial re-investments required.

There has been only one (1) altogether new project undertaken post Irma. It consists of two 21-story towers, the first being comprised 69-condominium units and the second planned as an adjacent 21-story hotel. Since unit sales began in April 2018 Tower-A has been fully pre-sold, although the building has only progressed to the foundation stage as of April 2019, with no structural steel yet erected. In March of 2019 the developer announced that due to very brisk condo sales in Tower-A, they have decided to set aside the hotel project in favor of more condominiums in Tower-B. With Tower-A sold out the pre-sales effort on the Tower-B has begun and is experiencing continued strong sales. Our expectation is that Tower-B will be sold-out by February 2020. If that is in fact the case (as it now appears), construction of Tower-A will not have yet been finish (although totally sold-out a year prior) and Tower-B will be fully pre-sold, possibly prior to any construction start. Keep in mind that this project is situated in an overbuilt area, is not an ocean front property and offers limited amenities. Clearly the primary reason for these extraordinary sales results is simply that **demand is out stripping supply.**

The undeniable evidence of strong economic environments in both America & locally, paired with robust local unit sales of *yet unbuilt* touristic condominiums, suggests an unmistakable opportunity to develop a new touristic project and bring it to market as soon as is possible. A commitment in the near future will ensure that a development at *Pointe Esprit* will be the lone new project with units on the market for pre-sales a year from today. Another undeniable fact is that St. Maarten is a short day's travel away for 215+ Million residents of the US & Canada living east of the Mississippi River, where winters can be difficult.

The property owners are very flexible with regard to deal structure, whether it be a fee simple purchase or a venture. We are seeking a well qualified investor/developer/partner with experience in hotel/resort/residential development or related, with whom we can establish a mutually cooperative and profitable business relationship

## **Cover**

## **Executive Summary** 1

## **Table of Contents:** 2

## **1. Introduction** 3

## **2. Government, Statistics & Maps**

§2.1 Government & Courts	4
§2.2 General & Tourism Statistics	4
§2.3 Locator Map & Related Information	5
§2.4 Island Map & Site Area	6
§2.5 Site Map & Description	7
§2.6 Land Use Map & View Orientation	8
§2.7 Site Topographic Maps (download)	9

## **3. Site Photos, Aerial Photos & Videos**

§3.1 Site At-Grade Photo (download)	10
§3.2 Site Aerial Photos (download)	11
§3.3 Site Aerial Videos (download)	12

## **4. Conceptual Plans**

§4.1 Conceptual Hotel/Resort Plan (download)	
(a) Upper Main Entry - South	13
(b) Porte Cochure Approach - South	14
(c) Main Lobby - South	15
(d) Courtyard View to Pool – South	16
(d) Wedding & Studio Portico - East	17
(e) Lagoon Garden Promenade - West	18
(f) Condo sAlong Main Drive - North	19
(g) Resort Beach View - Northwest	20
(h) Conceptual Site Plan	21
§4.2 Conceptual Office Park Plan* (download)	22

## **5. Market & Competition**

§5.1 Tourism Market History	23
§5.2 Cruise Passenger to Stay-Over Visitor	23
§5.3 Hotel, Fractional-Ownership and/or Condo	23
§5.4 Competing Properties (a-h)	24
§5.4 Competing Properties (i-q)	25

## **6. Business Opportunity**

§6.1 Economic Environment	26
§6.2 Market Environment	26
§6.3 Market Opportunity	26

## **7. Financing & Contact Information** 27

## **8. Selling A Residence At *Pointe Esprit***

## **1.0 Introduction:**

Pointe Esprit Development NV is offering for sale this 30-acre (120,000 sq. meter) development site on Little Bay in St. Maarten, Dutch West Indies (formerly the Netherlands Antilles). The site has been largely protected from local development and hence is unblemished and retains spectacular scenic views. The parcel is bounded by the gentle surf of Little Bay to the south, a fresh-water lagoon (protected reserve) to the east, upscale single-family-detached homes on the hillside to the west and an American private school on the northern boundary. The site has been granted an irrevocable *planning permit* for resort hotel and/or condominiums and touristic development. Additionally the beachfront portion of the site has been granted a *building permit* for a 225-unit hotel /condominium project. The site offers 825ft (250m) of ocean frontage along Little Bay and an additional 650ft (200m) of adjoining public access beachfront to the east as well as 425ft (125m) of improvable ocean frontage to the west. A resort hotel on the site would be eligible for a *casino license*.

The site is accessible via a new under utilized roadway which connects Philipsburg, the capitol, and Princess Juliana International Airport (SXM) via Brouwer Road & Airport Road. Philipsburg is 2-miles east of the site, the modern international airport (PJIA) is located 5-miles west with Marigot, the French capitol, 5-miles away. The property is accessed by a private upper entry road at 125ft (38m) above sea level and offers a scenic approach, descending to Little Bay. The lower entrance at 20ft (6m) above sea level is accessed from a traffic circle. Traffic at both entrances is light and flows smoothly.

St. Maarten is an independent protectorate of Holland & part of the Dutch Kingdom and hence is governed Dutch law and the Dutch Courts. There is an open border between the Dutch and French side of the island. Local government is anxious to encourage new touristic development and tax incentives may be available.

Due to the effects of Hurricane Irma in September 2017 there is no predictive tourism data for 2017 & 2018. Damage to the hotels was severe, which caused a 56% contraction in hotel visitors in 2018 and continues to effect the availability of rooms for stay-over visitors. Both the hotel industry and the cruise industry were adversely impacted in the immediate aftermath of Irma. However, in the 2018/19 season cruise ship traffic rebounded to 29% over 2017/18 numbers. Princess Juliana has partially reopened and the \$70 million reconstruction of PJIA is ongoing and expected to complete for the 2019/20 season.

Reconstruction, repairs, renovations and new development are proceeding at a brisk pace. Cranes, concrete pumps, scaffolding and general construction activity are everywhere. The local & international business communities, as well as government, with a US\$ 553 Million commitment from the World Bank, have deployed nearly US\$ 1.0 Billion in re-investment capital on the Dutch side. Aggressive reconstruction evidences that capital at work. The post-Irma recovery has been exceptional compared to other islands.

The island is poised for strong economic growth over the coming years. New hotels, renewed infrastructure and rejuvenated businesses present a very positive picture of the future in St. Maarten. The current lack of hotels rooms, condominiums and fractional-ownership properties has created an opportunity for development of a new state of the art resort property on one of the very few remaining undeveloped oceanfront properties of size in St. Maarten.



## 2.0 Government, Statistics & Maps:

### 2.1 Government

**(a) Government:** St. Maarten was formerly part of the Netherlands Antilles until it gained independent status within the Kingdom of the Netherlands in 2010. The island has long been governed by an elected *Island Council* and *Prime Minister*. Leona M. Marlin-Romeo was elected Prime Minister in 2018, and is currently serving. The Head of State is King Willem-Alexander of the Netherlands who succeeded his mother after her 30-year reign.

**(b) Courts:** The courts in St. Maarten are independent of government & politics. The court of First Instance & (first) Appeal is the Joint Court of Aruba, Curaçao & Sint Maarten, which also presides over Bonaire, Sint Eustatius and Saba. Higher appeals are heard by the Supreme Court of the Netherlands in the Hague, world renowned for its jurisprudence.

### 2.2 General & Tourism Statistics

<i>Island Wide</i>	<i>Amount</i>	<i>Dutch St. Maarten</i>	<i>French St. Martin</i>
<b>Government</b>	<b>2</b>	<b>Kingdom of the Netherlands</b>	<b>Dept. of Gaudelupe France</b>
<b>Land Area</b>	<b>34 sq. miles</b>	<b>14 sq. miles</b>	<b>20 sq. miles</b>
<b>Population</b>	<b>85,000</b>	<b>45,000</b>	<b>40,000</b>
<b>GDP</b>		<b>US\$ 3.1 Billion</b>	<b>US\$ 1.5 Billion</b>
<b>Airports</b>	<b>2</b>	<b>Princess Juliana Int'l Simpson Bay (SXM)</b>	<b>Experi�ance Grand Case (SFG)</b>
<b>Air Arrivals*</b>		<b>528,000<sup>1</sup></b>	<b>&lt;50,000<sup>2</sup></b>
<b>Cruise Ports</b>	<b>2</b>	<b>Port of Philipsburg Philipsburg</b>	<b>Port of Marigot Marigot</b>
<b>Cruise Arrivals</b>		<b>1,640,000<sup>1</sup></b>	<b>&lt;50,000<sup>2</sup></b>
<b>Total Arrivals</b>		<b>2,168,000<sup>1</sup></b>	<b>&lt;100,000<sup>2</sup></b>
<b>Non-Stop Jet Service</b>			
City via Carrier		<b>US Domestic Service</b> Atlanta, GA via Delta Boston, MA via Jet Blue Charlotte, NC via American* Chicago, IL via AA, Delta & Jet Blue* Ft. Lauderdale, FL via Jet Blue Miami, FL via American New York, NY via Jet Blue, Delta Newark, NJ via United Philadelphia, PA via American San Juan, PR via Winair & Caribbean Washington, DC via AA & Spirit  <b>Int'l Air Service</b> Amsterdam via KLM Montreal via West Jet Panama City via Copa Paris via Air France Toronto via West Jet	<b>US Domestic Service</b> N/A <sup>3</sup>          <b>Int'l Air Service</b> N/A <sup>3</sup>
Notes:    * 1-Stop Service <sup>1</sup> 2016 Data <sup>2</sup> Estimate / No Current Data <sup>3</sup> No Service Available			

## 2.0 Government, Statistics & Maps: (cont)

### 2.3 (a) Locator Map & Related Information

#### Sint Maarten, DWI



St. Maarten is located in the northeast Caribbean & is 200 miles ESE of San Juan, Puerto Rico. The island is in the Leeward Islands situated at the northern most end of the Lesser Antilles at 18°02'N 63°03'W. St. Maarten's subtropical weather is not as hot as the tropics (which lie between 10°0'N & 10°0'S latitude). The island benefits from the cooling effect of the easterly Trade Winds. The terrific combination of it's subtropical warmth and near constant breeze, matched with the spectacular aqua blue & turquoise waters of the Caribbean create a climate which is arguably the best in the western hemisphere.

The island has very good electrical, telephone and internet infrastructure. Cellular (G4), high-speed wired & wireless internet services are readily available. Potable water is not an issue due a utility owned desalination plant. The international airport, a major Caribbean hub, and ocean port are among the very best in the Caribbean. Regularly scheduled air service from the US & Europe makes the island easily accessible. Flight time from JFK is 3-1/2 hours and less from Miami, Charlotte, Atlanta & Panama City. The island runs on Atlantic Time which is 1-hour later the New York except during daylight savings when they are the same.

## 2.0 Government, Statistics & Maps: (cont)

### 2.4 Island Map & Area

#### St. Maarten / St. Martin



The *Pointe Esprit* site is situated beside the Caribbean on Little Bay and along the airport connector road, 5-miles east of Princess Juliana International Airport (PJIA) and 2-miles west of Philipsburg. The site is easily accessible, serviced by all utilities & within 1000-feet of the island's primary hospital (St. Maarten Medical Center), as well as Dutch police and fire stations.

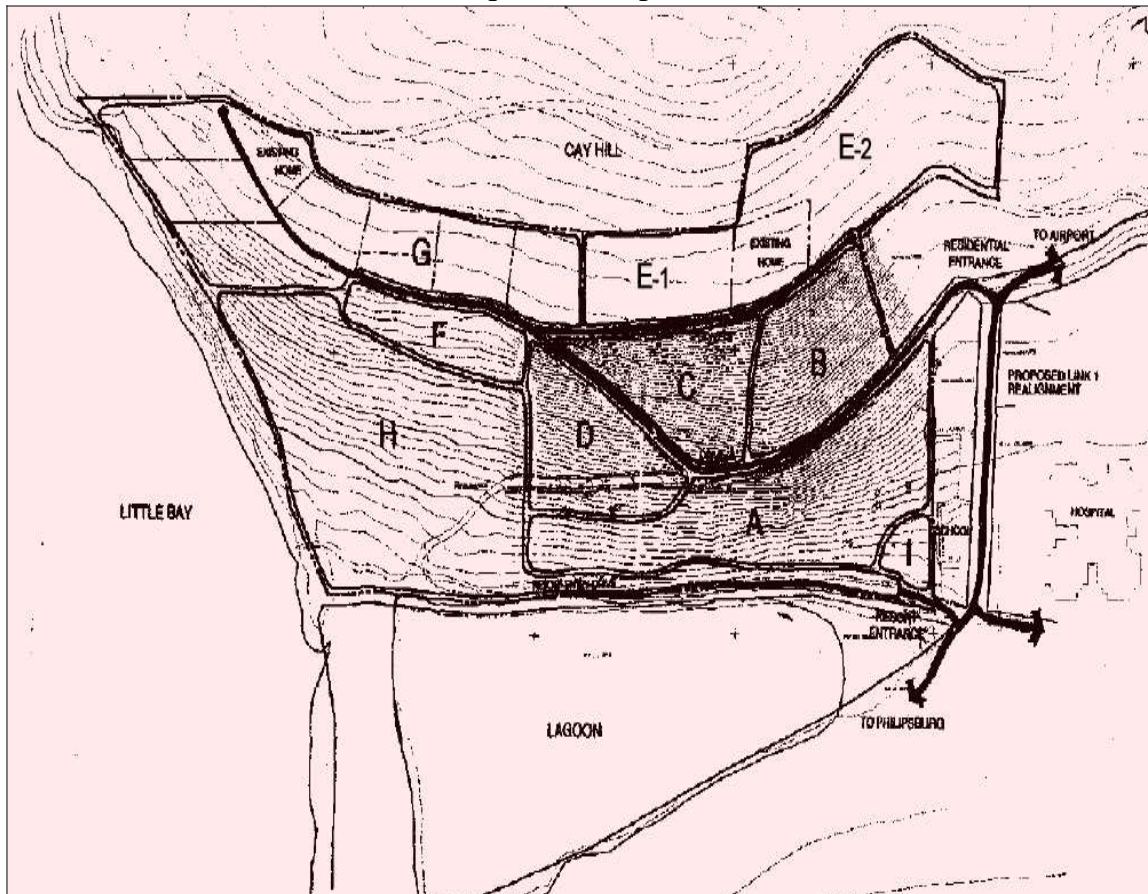
The island is under the administration of two governments (Dutch & French sides) who share an open border. Nearby islands are Anguilla (10-miles north), St. Barth's (18-miles east) & Saba (28-miles south). The four islands act as one community in many ways, with St. Maarten having the largest population by far and serving as the economic center.



## 2.0 Government, Statistics & Maps: (cont)

### 2.5 Site Map & Description

***Pointe Esprit Development Parcel***



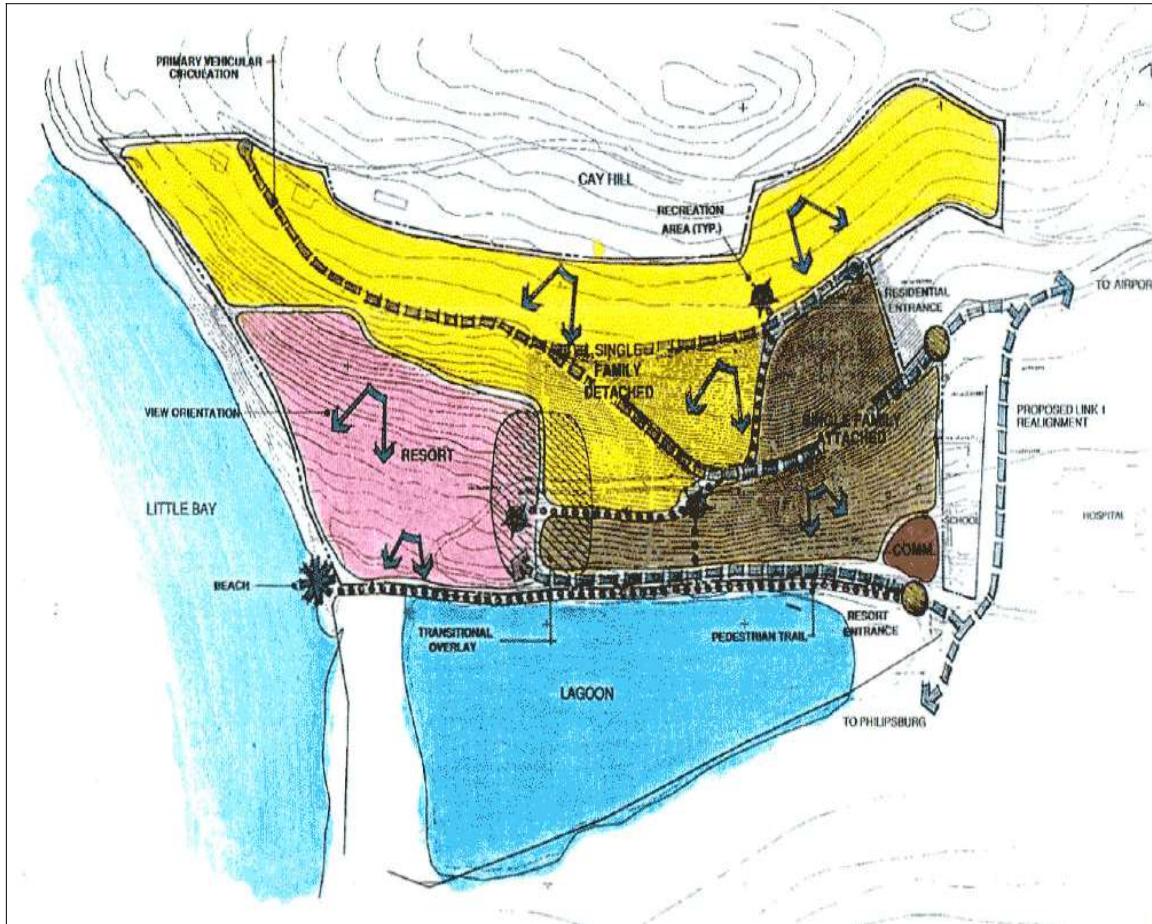
The Sections shown above and marked as A, B, C, D, H & I are included in the subject development parcel. The site measures 30-acres (120,000 m<sup>2</sup>) and is bounded the Caribbean (Little Bay) to the south & Learning Unlimited School (private, K-12) to the north with a protected lagoon forming the eastern boundary & Cay Hill the western boundary. The 19-acre lagoon has been set aside as a *protected resource* by government and, as such, *no future development* is permitted.

The site has largely been protected from local development in an effort to preserve its aesthetic appeal and viability as a resort development site. Unlike many other parcels on St. Maarten (and elsewhere) where views & therefore view premiums can be obscured by current or future development, *Pointe Esprit* offers the opportunity to plan for unobstructed ocean views due to control of all of the land between its northern most point and the southern water line.

## 2.0 Government, Statistics & Maps: (cont)

### 2.6 Land Use Map & View Orientations

#### *Pointe Esprit Site - Parcel Orientation & View Potentials*



The development site has been issued an irrevocable planning permit by VROMI, the island government planning authority. That planning permit authorized the development of a resort hotel and/or condominium project with attached, duplex and single-family-detached residences totaling 425-units. The plan envisioned the residential units as a mix of 1, 2, & 3-bedroom units. The new conceptual plan, presented herein, increases the count to 550+-units while maintaining view premiums and aesthetic values.

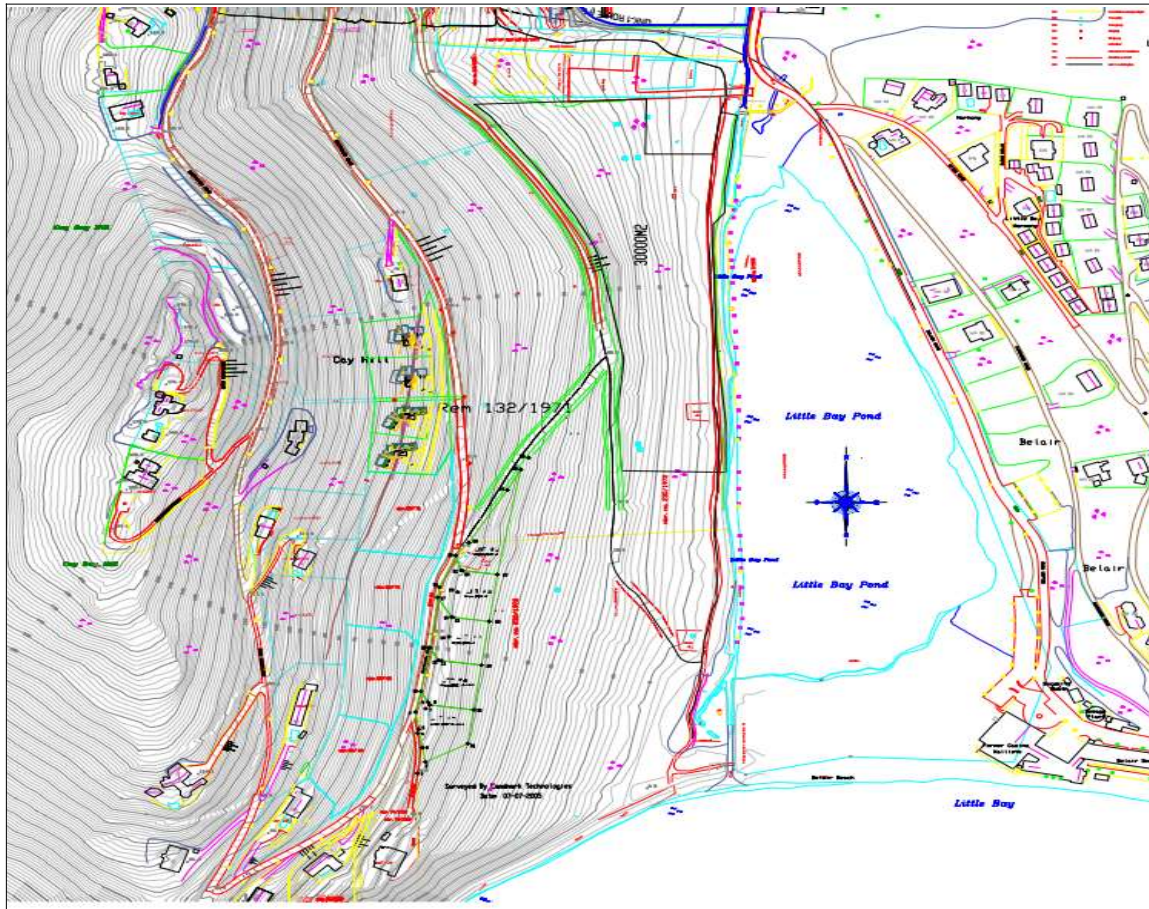
The illustrated map above shows the orientation and view potentials of the various Sections. Note that Sections C, D & H (as shown on the previous map) account for the largest part of the parcel & enjoy excellent ocean view potentials, while Sections A, B & I offer primarily valley views.



## 2.0 Government, Statistics & Maps: (cont)

### 2.7 Area Topographic Maps & Related

#### *Pointe Esprit - Site Topography*



The above is an AutoCad *DWG* image of the site topography. A *DWG* file allows for very precise linear & elevation measurements as well as accurate area calculations & markups. If *AutoCAD* is not available, *DWG* viewing software can be downloaded without charge at the *DWGSeePro* website shown below and allows some of the same functionality.

**All PED Area Topographic Maps can be viewed or downloaded as a *DWG* file or a *PDF* file by clicking the link below or by copying & pasting it into your browser.**

**Link:** <http://www.pointeesprit.com/media-topomap.html>

***DWGSeePro* website:** <https://dwgsee.com/>



### **3. Aerial Photographs, Site Photographs & Aerial Videos:**

#### **3.1 At-Grade Site Photographs**

##### ***Pointe Esprit Resort Development Site - View to Southeast***



As shown in these photographs surf at the site is gentle due to a reef in Little Bay which protects the shoreline from heavy surf. Accordingly, the Little Bay beach is known for the islands calmest waters for ocean swimming and water sports.

**Numerous at-grade site photographs of the development site, including building pads and road-cuts as well as the shoreline of Little Bay can be viewed or downloaded by clicking the link below or by copying & pasting them into your browser.**

**Link: <http://www.pointeesprit.com/media-ground.html>**



### **3. Aerial Photographs, Site Photographs & Aerial Videos: (cont)**

#### **3.2 Aerial Photographs**

##### ***Pointe Esprit Resort Development Site – Aerial View***



Current aerial photographs of the entire development site from various perspectives can be viewed and downloaded by clicking the link below or by copying & pasting it into your browser.

Link: <http://www.pointeesprit.com/media-aerial.html>

### **3. Aerial Photographs, Site Photographs & Aerial Videos: (cont)**

#### **3.3 Aerial Videos**

**The link below accesses to two (2) aerial videos of the development site. They reflect the current condition of the property.**

3.3 (a) The *Pointe Esprit Development Land Video* offers an aerial perspective on the entire development parcel measuring 30-acres (120,000m<sup>2</sup>), including road cuts and preliminary site grading of approximately 25% of the parcel, nearest to Little Bay.

3.3 (b) The *Pointe Esprit Hillside Villas Video* offers an aerial view of 4-villas built adjacent to and west of the site. This video is provided to illustrate the use of multi-level structure designs integrated into the hillside to maximize land-use efficiency and create premium view potentials by utilizing the natural topography on the inclined portions of the site.



*(a) Development Land Video*



*(b) Hillside Villas Video*

**An aerial *Development Land Video* & an aerial *Hillside Villas Video* can be viewed or downloaded by clicking the link below or by copying & pasting it into your browser.**

**Link: <http://www.pointeesprit.com/media-video.html>**



#### 4. Conceptual Plans:

##### 4.1 (a) Conceptual Resort Hotel Plans Upper Main Entry



**Upper Main Entry - Facing South\***

A visitor's first approach to the resort will be via the upper entry approach on the north side of the development. It lies on a recently built public roadway which runs between upper and lower traffic circles. Whether coming from Princess Juliana Int'l Airport or from Philipsburg this section of roadway is lightly trafficked and flows smoothly

The planned entryway monumentation & lush plantings will create the first impression of an elegant planned resort community which unfolds beyond the entry gates. This primary access entry will be secured by a manned entry attendant or by an electronic admission system, as the hour of the day dictates.

The upper main entry will be one of two entries available. This palm lined main entry drive descends to the resort, Little Bay & the Caribbean beyond and will terminate at the Porte Cochere. The lower entrance is located 900 feet (275m) east of the main entry along the same roadway. The lower entry may serve for delivery & commercial traffic as well as secondary access.

*\*All conceptual views reflect actual topography & conditions.*

## 4. Conceptual Plans:

### 4.1 (b) Conceptual Resort Hotel Plans Porte Cochere Approach



**Porte Cochere Approach View – Facing South\***

A series of 35 condominium buildings are set on either side of the entry drive. Each building has a total of 9-units, made up of 1-Studio apartment, 3-One Bedroom units, and 4-Two Bedroom units, with 18 of the buildings having an additional Two-Bedroom Penthouse, for a total of 35-Studios, 105-One Bedrooms, 140-Two Bedrooms and 18-Penthouses - 298 units in total.

Each building fronts a parking courtyard on one side and planted retaining walls on the other, with dedicated lawns, pools, and gazebos disbursed throughout the development. Further, a private clubhouse and pool deck for the sole use of the condominiums is located adjacent to the hotel site, with pergolas and barbecues for residents' use. A wide staircase leads down from this area to the Lagoon below, passing through a dense garden and bosque – filled with unique Caribbean native plantings and trees. At its termination, a boardwalk wanders through the mangroves to the edge of the lagoon itself, where it meets up with a long winding series of nature walks.

Two large parking structures are set into the western hillside, offering 460-parking spaces over 5-levels. These structures are accessed from the main porte cochere, which itself is located at the culmination of the long entry drive.

*\*All conceptual views reflect actual topography & conditions.*



## 4. Conceptual Plans: (cont)

### 4.1 (c) Conceptual Resort Hotel Plans Main Lobby View



**Main Lobby – Facing South\***

A luxurious open air lobby is the hotel guest's first on-the-ground encounter with the development, and it does not disappoint. Bathed in ample sunlight the lobby is centered on a wide skylight atrium and fountain. Statement sized ceramic planter pots hold palms and bougainvilleas, which combined with the colonnades and exotic floor tiles to echo the sea-faring history of the northeast Caribbean. To the left is a wide reception desk with the hotel services behind; to the right, guest rooms, and beyond, a long fountain lined courtyard. The lobby will be a welcoming space that encourages guests to sit, linger, relax, read, people watch or simply enjoy its unique ambiance.

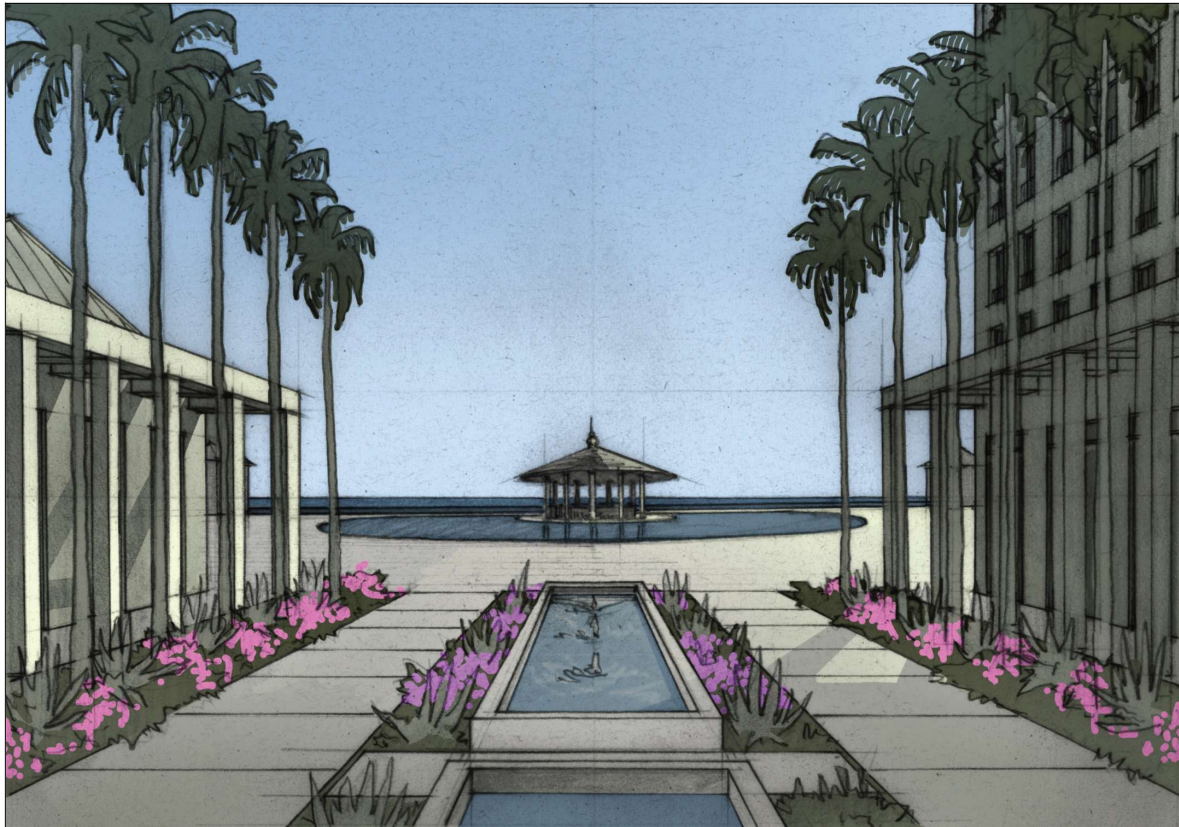
This courtyard is ringed with wide arcades to filter the bright morning and midday sun, lined on the left by small shops, boutiques and a day market, and the right by a few ground-level guest rooms.

*\*All conceptual views reflect actual topography & conditions.*



## 4. Conceptual Plans: (cont)

### 4.1 (d) Conceptual Resort Hotel Plans Courtyard View To Pool & Elevated Beach



**Hotel Courtyard at Midday – Facing South\***

Flanked by the hotel to the right and the restaurant and shops to the left, the long central courtyard is the heart of the hotel, with the pool deck, beach, Jacuzzi and Caribbean beyond, and a long line of reflecting ponds and planters down its middle. Flowering species take center stage, giving pause to the guests and staff who pass through here on their way to the many amenities the resort has to offer, while palm trees carry through the theme of the long drive way, their fronds swaying in the frequent breezes.

The hotel itself is 6-stories above grade, but is set against a retaining wall so as to minimize its height and not impose on the residences above. Four floors of 52-standard rooms, 10-rooms on the ground floor, and 35-penthouse suites with private decks offer a total of 253-rooms. The hotel tower itself is made up of single-loaded corridor floors, which provide ocean views and allowing ample light and air for the room-access hallways. Each floor is accessed by two circulation courts – tall open-air rooms ringed by balconies, stairs, and elevators. Above one of these courts is a tall belvedere tower – a public observation deck that calls to mind the belfries of ancient hillside towns.

*\*All conceptual views reflect actual topography & conditions.*

## 4. Conceptual Plans: (cont)

### 4.1 (e) Conceptual Resort Hotel Plans View From Wedding Chapel



**Wedding Chapel & Studio Portico - View to East\***

High above the pool deck below, the chapel is a calm retreat from the world below, where the entirety of Little Bay and Great Bay beyond can be taken in a single vista. One may retire here for afternoon yoga, or find themselves a guest at an exotic island wedding or graduation. At this height the breezes are stronger, but the air is quieter, and the heart a little more isolated and at ease.

The Chapel is designed to accommodate destination weddings, graduations, coming of age rituals and other celebrations, all of which have become a rapidly expanding market sector in the Caribbean and elsewhere.

**Design Note:** As evidenced in this chapel & project wide, great attention has been given to land planning, topography & view potentials. This concept design is specific to Pointe Esprit, unlike other properties where generic structures are deployed & parcels graded to accommodate them. Most architects simply lack the experience to take full advantage of hillside topography with view potentials. Introduction of a 3<sup>rd</sup> dimension (i.e. elevation) requires a special architectural skill set, not often found. Accordingly, the owners retained a Southern California based architect to prepare this concept due to experience gained by designing for hillside, ocean view properties such as those found in the Pacific Palisades.

*\*All conceptual views reflect actual topography & conditions.*



#### 4. Conceptual Plans: (cont)

##### 4.1 (f) Conceptual Resort Hotel Plans Lagoon Promenade View



**Lagoon Garden Promenade View – Evening Facing West\***

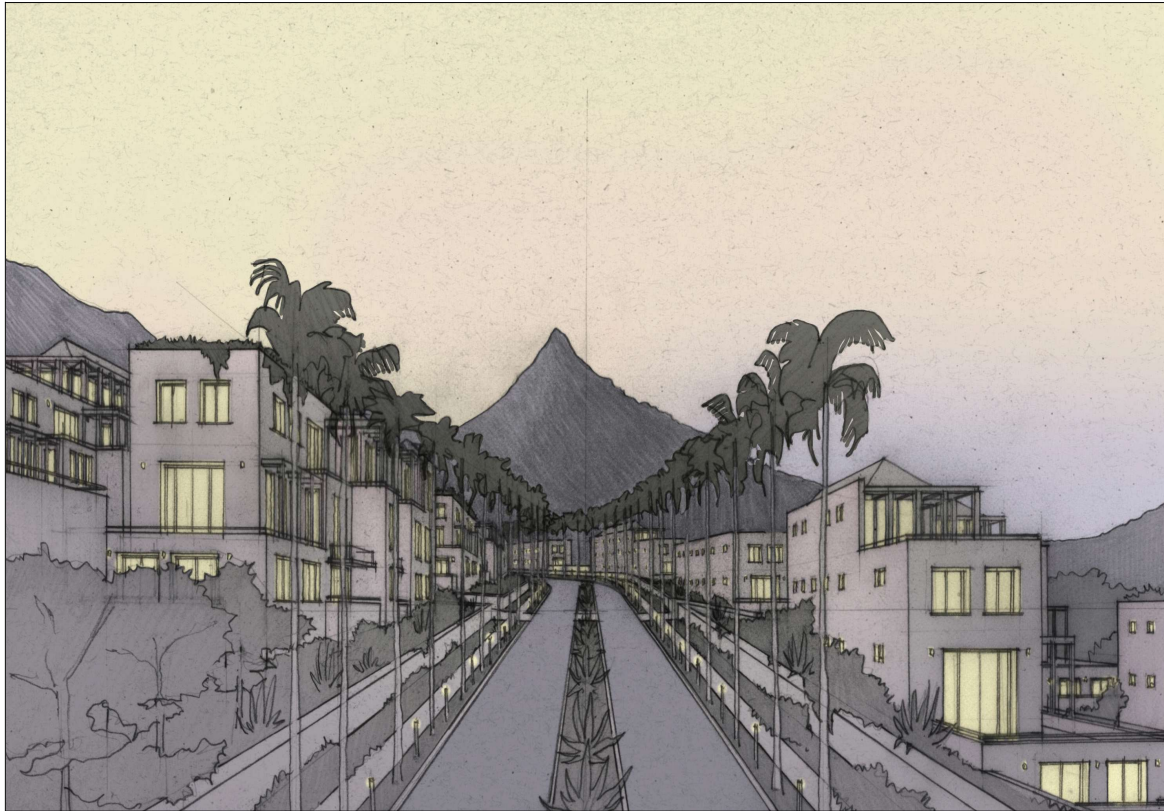
Rising above the lagoon is a wide set of stairs, set in local stone work, and stepped deep into the rise of the terrain, overgrown here and there by wild native species and large sagebrush that is fragrant to the touch. Above the steps is a low plinth, a private clubhouse for the condominium owners and their guests – itself a private haven from the hotel complex. Loggias and gazebos offer the perfect spot for an evening barbecue soiree, as the sun begins to drop behind Cay Hill in the west.

The majestic stairway descends to the freshwater lagoon, which has been set aside as a protected resource & bird sanctuary upon which no future development is allowed. A walkway, cycling path and seating surround the lagoon providing a relaxed space offering solace to guests and residents.

*\*All conceptual views reflect actual topography & conditions.*

#### 4. Conceptual Plans: (cont)

##### 4.1 (g) Conceptual Resort Hotel Plans Entry Road North View



**Condominiums Flank the Entry Drive – Evening Facing North\***

No one *wants* to leave *Pointe Esprit*, but a way back to civilization must be accounted for. Yet even here, the calm collected drama that is the site is not left to chance. The divided drive is oriented to a prominent nearby peak, flanked again by the tall palms and cascading plantings, with 298 stepped condominiums on either side – terracing up the hillside to the left, and down to the lagoon on the right. Low lighted bollards offer an intimate glow to the drive itself and the sidewalks beyond.

Each of the 35-condominium buildings offers access to individual swimming pools & gazebos, grassed yards, and club house with pool, the promenade stairway to the lagoon and of course, the white sand beachfront.

*\*All conceptual views reflect actual topography & conditions.*

#### 4. Conceptual Plans: (cont)

##### 4.1 (h) Conceptual Resort Hotel Plans View From Little Bay



**Hotel & Condominium Complex at Evening Across Little Bay – Facing Northwest\***

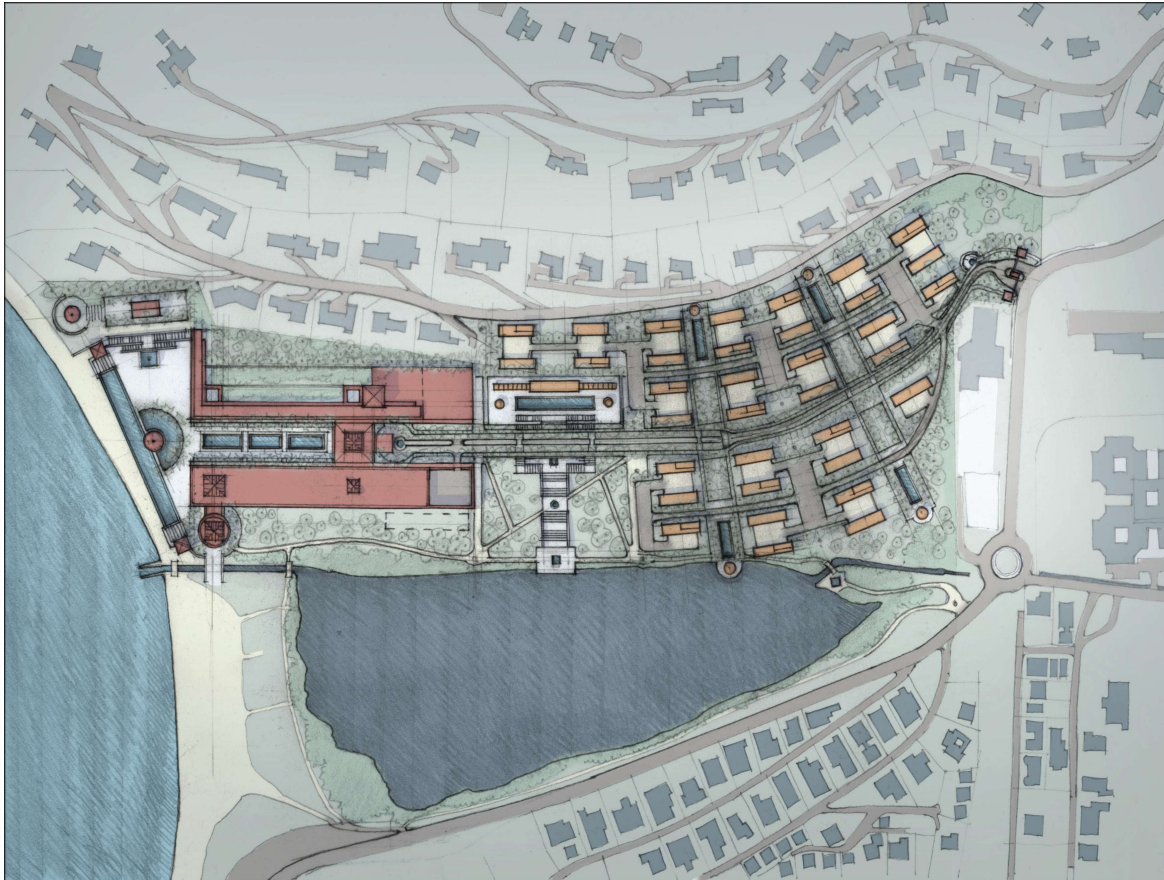
From across Little Bay, *Pointe Esprit* is a magical beacon. The 253-room hotel itself is bathed in the soft glow of the courtyard beneath, and the restaurant pavilions shining warmly through two generous skylights. Two large towers that offer access to the beach from the pool deck have now become lighthouses on the water, turning to the Bay and the Caribbean beyond in the same way that the two pylons anchor the site at the main entrance – bidding all who pass by 'welcome' to *Pointe Esprit*.

*\*All conceptual views are reflect actual topography & conditions.*



## 4. Conceptual Plans: (cont)

### 4.1 (i) Conceptual Resort Hotel Plans Conceptual Site Plan



**Conceptual Plan View (with surroundings)\***

A total of 253-hotel rooms and 298-condominium units are envisioned under this concept plan. The structures and buildings are specifically designed to preserve and maximize premium ocean view potentials. An elegant elevated white sand beach surrounds the crescent shaped pool along the beachfront with a gracious stairway leading to the natural beach and the gentle Caribbean surf.

Ample parking for 460-cars in two parking structures is to be set into the hillside west of the main hotel structure and concealed from view. This location has the additional advantage of allowing for *no loss of premium views* due to the parking structures being nestled along the western hillside retaining wall.

**All *Pointe Esprit Conceptual Design* documents can be viewed or downloaded by clicking the link below or by copying & pasting it into your browser.**

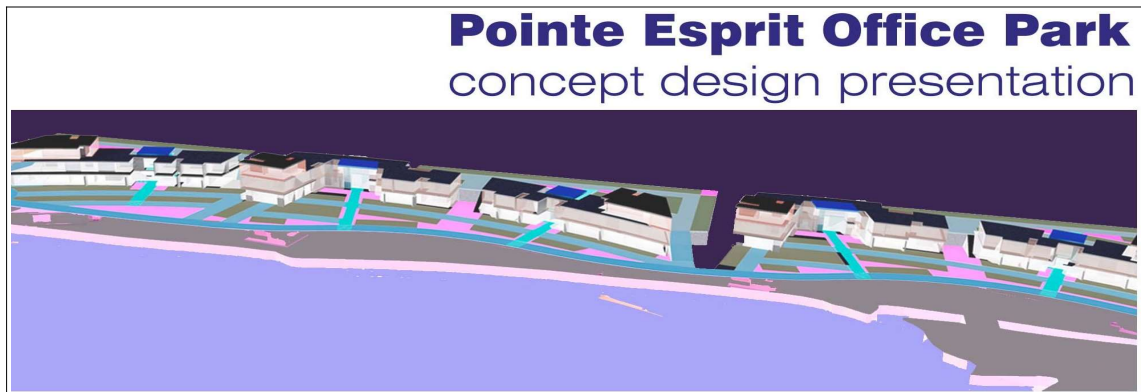
**Link: [www.pointeesprit.com/docs/ResortConceptSketchesSK001-037.pdf](http://www.pointeesprit.com/docs/ResortConceptSketchesSK001-037.pdf)**

*\*All conceptual views reflect topography & conditions.*

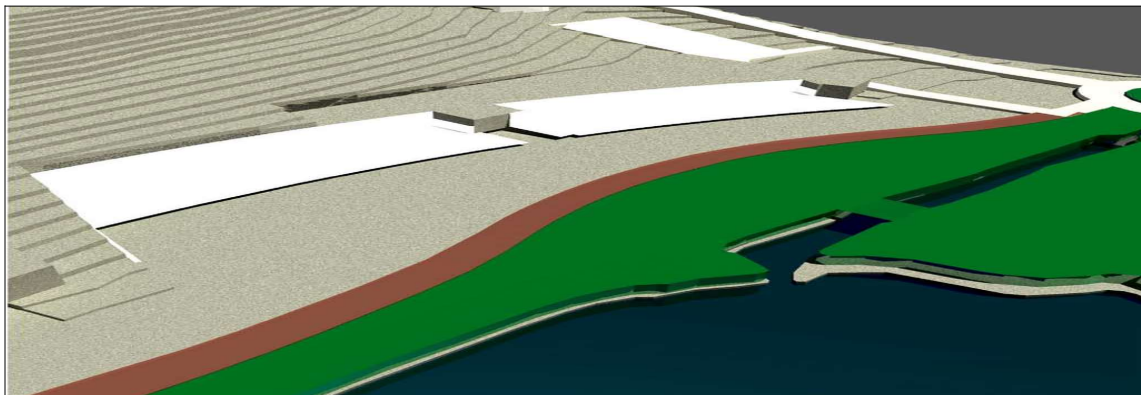


## 4. Conceptual Plans: (cont)

### 4.2 Conceptual Office Park Plan [Optional]



Office Park Buildings Layout



Area Grading Overlay

A 5-acre (20,000m<sup>2</sup>) sub-portion of the site has also been approved for development of an office park with a retail element. The subject area is situated on the northern end of the site, immediately west of the lagoon. This area has less inclined topography & lower elevations that do not offer premium ocean view potentials & therefore is well suited to development an office park. This *optional* plan envisions five 2-3 story office buildings with floor space measuring 20,000 to 30,000 sq ft. each to be built as demand allows. A detailed conceptual plan has been prepared & VROMI approved and can be viewed as shown below.

The complete *Pointe Esprit Office Park Conceptual Presentation* can be viewed or downloaded by clicking the link below or by copying & pasting it into your browser. This presentation is available as a *PowerPoint Presentation (PPS)* or as an *Adobe PDF*.

Link: [www.pointeesprit.com/docs/PE-OFFICE-PARK-PRESENTATION.pdf](http://www.pointeesprit.com/docs/PE-OFFICE-PARK-PRESENTATION.pdf)

*\*All conceptual views reflect actual topography & conditions.*

## **5. Market & Competition:**

### **5.1 Tourism Market History:**

St. Maarten is a very well established Caribbean destination. Its first major hotel opened in the early 1960's. At that time stay-over tourist visitors could have been described as 'pioneers' and, as such, arrived in limited numbers. They mainly arrived on smaller connecting prop flights from San Juan since commercial jets did not then service the island. The cruise business was nascent on island and worldwide as well.

In the mid 1960's the island expanded its small airport substantially by lengthening the main runway to accommodate commercial jets, particularly the Boeing 707, which was industry standard at the time. This new capacity allowed for the initiation non-stop jet service from New York and Europe. With the resulting increase in potential stay-over guests the hotel & hospitality sector began a steady expansion through the 1970s, 80s & 90s. Similarly the cruise port in Philipsburg built new docking capacity so cruise ships could disembark their tourists directly on-shore without the use of tenders. This improvement made the destination more attractive to the cruise ship lines and cruise ship traffic increased steadily.

Continuing infrastructure improvements at Princess Juliana Int'l Airport and the Port of St. Maarten throughout the 1980s & 90's encouraged more and more tourists to visit island. By 2008 a \$100-million redesign of PJIA was complete and allowed for even jumbo aircraft. The port was further upgraded with extensive dredging and construction of a new, larger & more modern passenger terminal & docking facilities. This upgrade allowed for the current class of 4000-passenger cruise ships to dock in port, six at a time. These infrastructure investments helped to further stimulate tourism growth which yielded 528,000 stay-over visitors and 1,640,000 cruise ship visitors in 2016.

### **5.2 Cruise Passenger to Stay-Over Visitor:**

The cruise industry now brings 1.64 million day-visitors to St. Maarten annually. For many, it's their first encounter with the island. A significant percentage of this group will enjoy their brief 'primer visit' and later plan to return as hotel/stay-over guests. Thanks to the cruise industry *1.64 million travelers enjoy a prominent view of the site (passing within 1500-feet during arrivals & departures)* as they introduced and/or re-introduced to St. Maarten each year. Many will subsequently return for longer visits. For this reason the island has not needed to conduct expensive marketing and advertising campaigns to attract visitors and maintain steady growth. In fact, the robust cruise industry acts as St. Maarten's marketing & advertising program for land-side tourism, *without cost*.

### **5.3 Hotel, Fractional-Ownership and/or Condominium:**

With a constant influx of potential customers properties have been successfully developed under the standard hotel hospitality model as well as fractional-ownership schemes and for-sale condominiums. Many properties have combined the foregoing elements to create a mix that serves the hospitality sector and the touristic for-sale residential market simultaneously. Full hotel and full fractional-ownership projects have been successful as well and condominium sales and re-sales remain brisk.

## 5. Market & Competition: (cont)

### 5.4 Competing Properties:

St. Maarten has many successful properties that address one or more segments of the overall touristic market. Below is a brief discussion of some prominent properties. Also, there are many smaller ‘boutique’ properties not shown throughout the island.

#### Dutch Side

**5.4 (a) Divi Little Bay Resort** is a newly renovated traditional beach hotel with a large fractional-ownership component. The operation includes hotel daily & weekly room rentals, fractional hosting and ongoing sales. The main amenity is the beach but it also offers & all-inclusive packages, pools, restaurants, fitness center, water sports, retail shops & ample parking.

**5.4 (b) Belair Beach Hotel** is an older beach side all-suites property which was originally built and fully sold as 80 - 2BR/2BA condominium units. As well as serving the owners directly, nearly all of the condo units are included in a hotel & fractional-ownership program which is marketed and operated by the property’s management. The primary amenity is the beach and a small restaurant.

**5.4 (c) Simpson Bay Resort & Marina** is a large beach side resort first developed in the 1980’s and built out over time. It was considered the most successful fractional-ownership developments in the world for many years. The project has various product types, developed in phases, and now fully developed, and has 272-rooms, studios & one-bedroom suites plus 83 two-bedroom suites. Amenities include its beach, 6-pools, casino, tennis, restaurants, marina & water sports.

**5.4 (d) Royal Palm & the Flamingo Beach Resorts** are sister properties, both located on Simpson Bay. The Royal Palm was initially developed as a beachside fractional-ownership project & features 140 - 2BR/2BA suites. The property was operated as a hotel with pool, fitness center, restaurants & retail shops until damaged by Hurricane Irma in September 2017. The property is undergoing reconstruction, and modernization. The Flamingo also suffered substantial hurricane damage and its 240-rooms (with kitchenettes) are currently closed. Both properties are expected to reopen in 2020.

**5.4 (e) Sonesta Maho Beach Resort** was closed for major reconstruction and renovations post Irma. It has re-opened in part. It is a beach front all-inclusive property with 416-rooms. Its cliff side units were re-opened in early 2019. The larger *Sky Tower* section is currently under repair & reconstruction and is scheduled to be back online for the 2019/20 tourist season. Amenities include several large pools, multiple bars & restaurants, a casino, spa and an attached parking garage.

**5.4 (f) Sonesta Royal Islander** is a recently re-opened fractional-ownership property located on Maho Beach featuring studios and suites. It’s an older fractional-ownership property offering mainly hosting & resales. It maintains a hotel operation to compliment the fractional ownership. Amenities include the beach, pool, restaurant & bar, but it lacks a fitness center.

**5.4 (g) Princess Port du Plaisance** opened in the 1990 on Simpson Bay. It is an 88-room resort operated as hotel & fractional-ownership on a large site. Amenities include the Club Marina, pool, tennis, large fitness center, restaurants & a casino, but does not offer a swimming beach.

**5.4 (h) The Rainbow at Cupecoy** is 150-unit fully sold condominium which operates a fractional-ownership element. It’s now open & amenities include the beach, kitchenettes & parking.

## 5. Market & Competition: (cont)

### 5.4 Competing Properties: (cont)

**5.4 (i) Weston Dawn Beach Resort** is 317-room beach front property opened in the mid 2000's on Dawn Beach and is situated in a remote location on east side of the island. It is operated as a hotel with fractional-ownership and condominium elements. Most of the property is currently undergoing major renovations due to Irma. Amenities include the beach, pool, restaurants, casino, spa, fitness center and a parking garage.

**5.4 (j) Towers at Mullet Bay** is an early 1990's fully sold old 40-unit fractional-ownership project with pool and fitness center. It suffered hurricane damage in 2017 and is still undergoing some repairs, however the property now is open.

**5.4 (k) The Cliff at Cupecoy Beach** is currently under reconstruction. A mid 2000's fully-sold 70-unit condominium property it offers weekly condo rentals and resales. The property features 1, 2 & 3-bedroom suites with ocean views. Amenities include Cupecoy Beach, pool, restaurant, spa, parking and 24/7 security. The property is expected to be reopened in late 2019, although a firm date has not been announced.

**5.4 (l) The Hotel Porto Cupecoy** is a newer 300+ unit fully sold condominium complex located on the Simpson Bay lagoon near the Dutch/French border on the western side of the island. The property operates as a condo/hotel featuring 1, 2, 3 & 4-bedroom units. It offers many amenities including pool, marina, many restaurants, tennis fitness center, boutiques, grocery, parking garage & 24/7 security, but no swimming beach.

**5.4(m) The Holland House** is a 55-room city hotel located in Philipsburg. The hotel was damaged by Irma but an ongoing floor by floor renovation is nearing completion. The hotel is currently in operation. Amenities include the beach, fine dining restaurant, as well as proximity to Philipsburg shopping & the Port of St. Maarten.

**5.4(n) Indigo Bay** is a 150-acre seaside property on Cay Bay currently under halting development for 13-years, but is not yet built out. Several phases have begun with different developers, offering products differing in appearance & quality. Slow progress & limited success are due to a poor master plan. Another issue may be that units are not purchased, but rather offered under long-lease agreements with the developer. The property offers a beach, restaurant & security.

#### French Side

**5.4 (o) Belmond La Samana** is an older, yet elegant, upscale property featuring 83-rooms and 8 - 4,500 sq. ft. villas with private pools located on a large landscaped beach front parcel on Baie Longue. The property features 2-pools, a fine dining restaurant, wine cellar, European spa, fitness center, yoga & Pilates studio and parking. It is considered one of the premier hotels in the Caribbean.

**5.4 (p) Mercure Saint Martin & Marina** is a 172-room, lagoon front, mid-range, French side property located on Simpson Bay Lagoon. It features a marina, pool, restaurant and spa. The property does not offer a swimming beach.

**5.4 (q) Secrets Saint Martin** is beach front property located in Anse Marcel on the north side of the island. It is at the former site of the Riu Palace Saint Martin which closed after Irma. The property is undergoing reconstruction by *Secrets*, with a scheduled opening in 2020

## **6. Business Opportunity:**

### **6.1 Economic Environment**

In the aftermath of Hurricane Irma in September of 2017 many speculated whether the island could sustain such a substantial hit (both physically & economically) and maintain a leadership position within the Caribbean tourism industry. Due to a huge & well timed re-investment by both the private and public sectors the island has bounced back with surprising speed. Any remaining doubts about recovery have now fully dissipated with the completion 2018/19 tourist season. Although a shortage of hotel accommodations will continue for 3-5 years the land-side business is strong and vibrant. The cruise industry has returned to 100%+ compared to pre-hurricane levels. St. Maarten has proved to be a remarkably resilient Caribbean destination.

### **6.2 Market Environment**

About 70%+ of St. Maarten's tourists are comprised of visiting North American travelers. The balance of tourists are a mix of Europeans, South Americans, Asians and other islanders. Accordingly, the US & Canadian economies largely drive St. Maarten tourism. The US economy has been robustly expanding over the last 2-years after a near 10-year period of sluggish growth. Simultaneously, the US experienced a decade of slow real estate appreciation. St. Maarten mirrored these US economic results in both cases.

When Americans were enjoying prosperity in the mid 1990s and early to mid 2000's, St. Maarten prospered with them. When the US real estate market and then the general economy deteriorated in 2008, St. Maarten followed in the American foot steps but trailing 12 to 18 months behind. St. Maarten has experienced limited real estate appreciation since 2008 much like the eastern US. Now with improving conditions in the US, the island can likewise expect broad improvement in the touristic real estate market lies ahead.

With an ever growing number of retirees purchasing second (winter) homes and younger travelers seeking Caribbean vacations, St. Maarten is seen as an attractive location. Of course, the primary draw is the Caribbean and its nearly perfect weather, particularly in the winter months. Due to frequent regularly scheduled NON-STOP major carrier flights from the eastern US & Canada, American travelers benefit from the ease and convenience of short & inexpensive flights compared with competing destinations. The island's excellent beaches, superior fine dining, varied night life as well as the lack of real estate & sales (VAT) taxes are advantageous for both visitors and seasonal residents. Finally, unlike in years past, the local mortgage market is now open to Americans and Canadians at historically low rates (< 5.0%). All of these factors are contributing to what can only be described as a remarkable economic and touristic recovery in St. Maarten.

### **6.3 Market Opportunity**

Currently hotel rooms, fractionals & condominiums are all in high demand. The opportunity is straightforward. It is to develop new residential product to serve the touristic market while the macro economic environment, market demand & the local economy have aligned to create a business opportunity that has not existed since 1998.



## **7. Financing & Contact Information**

The owners are seeking to identify credible developer/investors or developer/partners who desire to create a major touristic real estate presence on St. Maarten. In addition to offering this unique development property, the owners have already entitled the parcel via an irrevocable government planning permit as well as a building permit for a 225-unit condominium hotel on the beachfront portion of the site. Also a planning permit has been granted for the optional development of an office park on another portion of the site.

*The Pointe Esprit resort development site is owned debt free. This allows for a great degree of flexibility in deal structuring whether it be a straight fee simple sale or joint venture. The owners are willing to explore the possibility of offering seller financing or making a substantial equity investment in a project at Pointe Esprit with a well qualified investor, developer or partner.*

For additional information regarding this opportunity please contact:

**POINTE ESPRIT DEVELOPMENT NV**

**Rudolph R. Neuss**

**Managing Director**

**email: [rneuss@pointeesprit.com](mailto:rneuss@pointeesprit.com)**

**USA Tel: 845.943.4307**

**SXM Tel: 845.926.5622**

**SXM Tel: 721.526.5410**

**Cruise Ship Evening Departures Viewed From *Pointe Esprit***





## **8. Selling A Residence At *Pointe Esprit***



Residences at *Pointe Esprit* can be sold by local broker(s) or directly by the developer.

« end »