

THE VILLAS AT CAPE SANTA MARIA

LONG ISLAND · SOUTH BAHAMAS



BEACHFRONT HOMES

FOR MORE INFORMATION OR TO ARRANGE A TOUR
CALL 1-800-926-9704 OR 242-338-5273

WEB: www.capesantamaria.com EMAIL: villas@capesantamaria.com



Greetings from Paradise

Welcome to Cape Santa Maria Beach Resort & Villas. It's time to make where you live and where you wished you live the same place!

Only 300 miles south of Miami and located on what many consider the best beach in the Bahamas, Cape Santa Maria Beach Resort offers mile after mile of talcum-fine sandy beach that melts into the warm turquoise Caribbean water. Each of the 20 bungalows and 20 luxury villas are beachfront with panoramic views of the Caribbean Sea. Snorkel, sail, swim, fish or simply soak up the sun in a beachfront gazebo. Enjoy a cocktail at the bar and a succulent lobster tail as you watch the sunset. Our full-service Resort is a stunning background for this luxury Villa development.

Known for Christopher Columbus's second stop in the Caribbean, Long Island is rich of history and culture. Only 80 miles long, Long Island is known for its peacefulness, beauty and friendly residents.

The following pages provide you with general information about The Villas at Cape Santa Maria, from ownership to specifics on this incredible investment and lifestyle opportunity.





Background

Purchased in 1991, Cape Santa Maria Beach Resort is owned and operated by Oak Bay Marine Group based in Victoria, British Columbia, Canada. Oak Bay Marine Group (www.obmg.com) of Companies include resorts, marinas, restaurants and attractions in the Pacific Northwest and Cape Santa Maria Beach Resort in the Bahamas.

The Owner and President of Oak Bay Marine Group, Mr. Robert Wright spends part of his winters at Cape Santa Maria and had always dreamed of building privately owned beachfront homes at the Resort. In 2004, he started making his dream a reality, constructing villas along the beach adjacent to the Resort. He was able to secure government approval to allow construction of these buildings, thus qualifying for duty free tax exemptions. These tax exemptions provide Purchasers with significant savings not necessarily realized by other developments.

Building plans were methodically designed to maximize beach exposure while maintaining the privacy of each villa. Quality construction materials have been chosen to withstand the elements of a marine environment and assist in minimizing the maintenance of each building.

Mr. Peter Fox is the Project Manager for the villas. Peter has been the Construction Manager since the inception of the project and recently took over the Project Management position. Peter and his team are the most sought after builders on Long Island and some of the best in the Bahamas.



Cape Santa Maria Beach Resort

Cape Santa Maria Beach Resort is located on the north end of Long Island in the South Bahamas. The Resort caters to those seeking a relaxing beach vacation, but also offers activities such as scuba diving, kayaking, bicycling, sailing, snorkeling, nature cruises and guided tours of Long Island. For those that want to explore the island on their own, rental cars are available directly at the resort. The resort offers guided deepsea fishing for Marlin, Wahoo, Dorado, Tuna and Sail Fish. Guided bonefishing is available on world class bone fishing flats located just around the corner from the Resort. Guided reef fishing is also available and fun for the whole family.

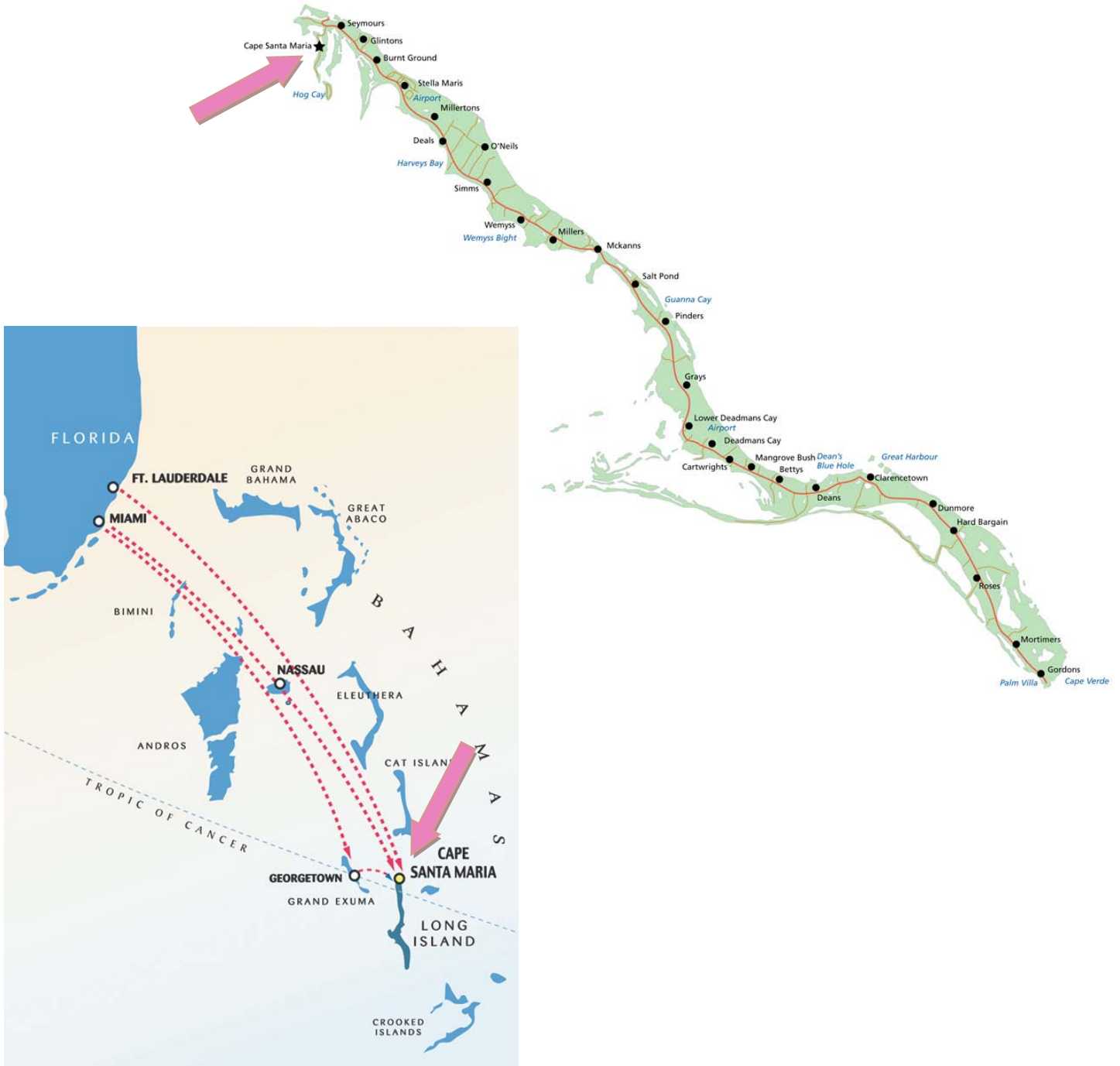
The Beach House has a full restaurant, serving breakfast, lunch and dinner as well as a cocktail bar. Meal plans for adults and children are available.

The resort offers 20 bungalows and 20 luxury villas for rent, all of which line four miles of beach. Our comfortable bungalows have fully- screened porches, air conditioning and two queen sized beds. A limited number of bungalows have one king bed and several have side rooms with two additional twin beds. A boardwalk lines the property, connecting the villas and bungalows to the Beach House. Guests enjoy complimentary use of kayaks, boogie boards, bicycles and complimentary conch fritters during Happy Hour. Complimentary WiFi is also available in the Beach House.

Several major airlines including Southern Air, Bahamas Air and Pineapple Air fly from Nassau to Stella Maris Airport, eight miles from the Resort. Taxi service is available to the Resort. The Airport also has a Customs Office for private pilots. Direct flights from Miami or Fort Lauderdale to Georgetown to neighbouring Exuma Island can be made with American Eagle or Continental Airlines. Charter flights through Island Wings Charters can be made from Exuma to Long Island. For more information on getting to Cape Santa Maria, please reference Schedule D.



Getting to Long Island



For more information, please reference Schedule D



The Villas at Cape Santa Maria

Four Villa buildings have been completed at Cape Santa Maria Beach Resort:

- Building A – Sand Dollar
- Building B – Star Fish
- Building C – Coral Sands
- Building D – Sea Horse

We are nearing completion on Building E – Sea Grapes. Construction is proceeding in a very methodical way in order to maintain the quiet ambience enjoyed by guests of the Resort for many years.

Each of the buildings include four villas, two upper and two on the main floor, all with stunning panoramic views of the beach and Caribbean Sea. Each villa is a spacious 1,800 square feet including your privately screened balcony. These two bedroom villas, featuring Aquatic air jetted tubs and full stainless steel kitchen appliances, are designed with class and sophistication – rich hardwood contrast with cool Italian tile, evoking the quiet elegance and relaxed style of the South Bahamas. By purchasing now, owners within Building E – Sea Grapes are able to choose from a selection of cabinet designs including paint color and tiles. Please reference Schedule B for the Villa floor plans.

All villas associated with this project qualify for duty free and property tax exemptions from the Bahamian Government under the Hotel Encouragement Act. Upon qualification, all purchasers will receive up to \$50,000 duty free exemption on all furniture, art-work and accessories purchased to furnish your villa. Applicable import duties range from 35-100% on the purchase price of all goods and materials, so this project provides a significant advantage over other projects that do not hold this exemption. In addition, the villas hold a 20 year property tax exemption, which provides significant savings over buying property and building your own home. Without this exemption, the yearly property taxes would be in the range of \$13,000.



Frequently Asked Questions

How many Villas are being built?

Only four Villas are being built per year. The supply is very limited.

How long does it take to finish a building?

Approximately 12 to 14 months.

How many Villas per building?

Two upper Villas and two main floor Villas.

How large are the Villas?

Each two bedroom villa is a large 1,800 square feet including a privately screened patio overlooking the beach and Caribbean Sea.

What amenities do the Villas offer?

The Villas offer state-of-the-art amenities such as:

- Central air conditioning
- Aquatic air jetted tub
- Three phase power
- Grohe water fixtures
- Wiring for Fiber Optic high speed internet
- Wiring for Satellite TV
- Stainless steel kitchen appliances

How are the Villas furnished?

Along with the purchase price, we supply high-end stacking washer/dryer and stainless steel kitchen appliances including refrigerator/freezer, microwave, dishwasher and electric range. The villa also includes in-sink-erators, Aquatic air jetted tub in master ensuite, all light fixtures, chandelier and ceiling fans and laundry sink.

Through special arrangement with the Bahamian Government, each Villa owner will qualify to receive up to \$50,000 of duty free exemptions on furniture, accessories, art work, etc. You can work with an interior designer or select the furniture and amenities yourself. We will provide you with a



complete furniture and amenity list along with the guidelines to insure you meet the criteria for duty free exemption. Duty on furniture, accessories and art work can range from 35-100%, so savings are substantial. It will be the owner's responsibility to insure that all the goods are consolidated and shipped to Cape Santa Maria. We will be able to assist in every stage of the process.

Can the Villa owners use the amenities of the Resort?

Yes, just as with our guests at the Resort, the Villa owners will have access to all of our amenities such as the Restaurant and Bar, kayaks, bicycles, sail boats, gazebos, beach chairs, etc. This is just one of the many privileges of being a Villa owner.

What has been the most significant comment made by people when they first see the Villas?

The most common word we hear from people entering the Villas for the first time is "WOW, what a view." It's the spectacular beach and the view from the Villas that create the WOW factor.

What are the primary construction materials?

With over 20 years of experience building in the Bahamas, we have chosen material that is both contemporary in style and suitable to stand up to our marine environment. Everything from 40-year guarantee fibreglass/ asphalt roof shingles, to engineered and steel-strapped trusses including galvanized steel and high PSI concrete is used in construction. We also use storm-resistant glass with high wind ratings and steel beams with 10 x 10 cement columns. We also maintain 16-inch centres and extensive sound proofing through the building. We have gone to great lengths to surpass both Florida and Bahamian building codes. These buildings are extremely well constructed and built to last.



Will construction of the Villas upset the quiet and serene atmosphere of the Resort?

We are keeping construction noise to a minimum and, now that we are working on the fifth building, there is ample distance between our existing accommodation and the construction site to prevent any noise disturbance.

Are there any similar projects in the area for comparison purposes?

There are no other beachfront projects like our Villas on Long Island.

With the purchase of a Villa, are there any residency considerations in the Bahamas?

Yes, with a property investment of over \$500,000 in the Bahamas, the purchaser becomes eligible to apply for residency status. For a nominal yearly fee, the Villa owners are permitted to enter the Bahamas for an extended period of stay.

Will the Villas be available to rent and earn rental income for the owner?

Yes, each owner will be part of our rental program, a great way to generate extra income when your Villa is not being used by yourself, friends or family.

Can I rent my Villa on my own?

You can send people to rent your Villa, but ALL rentals must go through the Resort. Not only is this our policy, but it is Bahamian Law.

Who will handle the marketing and administration of the rental program?

Cape Santa Maria Beach Resort will handle the marketing and administration of the rental program. The Villa owner will receive 51% of the net revenue received from all rentals. The owner will receive a monthly statement showing the expenses and revenue during the period.

What are the rental prices for the Villas?

During peak season, Villas rent for \$795 per night. During the value season, they rent for \$595 per night. There is a three night minimum and this is subject to change.



How does the Resort handle the rental rotation to insure that each owner received their fair share of rental opportunity?

To ensure equality and fairness in the rental program, we will rotate each unit as rental requests come in. The exception will be if a guest requests a specific Villa when making a reservation. This gives the owner an incentive to assist in the promotion of the Villas as their own Vacation Home. If the owner provides the Resort with names of guests that wish to stay in their Villa, we direct these guests to that Villa, even though they may not be next on the rotation schedule.

What is the projection of return for a Villa owner on the rental income?

We cannot give projections due to US Securities Commission regulations, but we can tell you that the current owners have been pleased with their rental return thus far.

Is the fresh water safe to drink?

We make our own pure fresh water by reverse osmosis. Our water supplies both the resort and the Villas and is very refreshing to drink.

How will the utilities be handled?

Water and power are metered into each Villa. Water is supplied to each Villa for the cost of production. Satellite television, telephone and high speed internet is billed monthly.

How much are the property taxes each year?

We are pleased to say that we have qualified for a 20 year exemption from property taxes through the Hotel Encouragement Act of the Bahamas. Without this exemption, the yearly property taxes would be in the range of \$13,000.

What additional costs should the owners expect?

Besides the cost of utilities described above, there is a monthly common area maintenance fee of \$190 to handle garbage removal, grounds upkeep, landscaping and maintenance. The Management Company, handling daily



Villa administration including paying utilities and cleaning, is \$90 per month. Insurance is an additional cost. To date, rental income typically far exceeds monthly fees. (Fee structure is subject to change).

What's the weather like?

Cape Santa Maria Beach Resort & Villas is located in the southern Bahamas, about 300 miles southeast of Miami. The weather is warm year round with low humidity levels due to the soft trade winds. The weather is warmer in winter months than the northern Bahamas and Florida. The Resort is situated on the lee side of Long Island at the head of a horseshoe bay, giving ample protection from any wind conditions that may occur.

Average Temperature Chart (Fahrenheit)

Month	High	Low
January	77	62
February	77	62
March	79	63
April	81	64
May	84	69
June	87	73
July	89	74
August	89	74
September	88	74
October	85	72
November	81	68
December	78	63

How do we get to the Resort and Villa project?

Getting to Cape Santa Maria Beach Resort & Villas has never been easier. With our close proximity to Florida, it's only a short plane ride and you are on the beach. You can travel through Nassau to the Stella Maris airport via Southern Air, Bahamas Air, Pineapple Air. You can also fly from Miami or Fort Lauderdale to Georgetown, Exuma and take a ten minute charter. The reservation coordinators in the sales office are very helpful in recommending



the best way to travel. You can reach the Sales office by calling 1-800-663-7090, or phone the Resort direct at 1-800-926-9704.

Is smoking allowed in the Villas?

For rental guests, smoking is only allowed on patios. Owners can make their own decisions.

Are pets allowed?

For rental guests, no pets are allowed. Owners are allowed up to two dogs that must be less than 12 lbs.

Is there a Marina planned the future?

Yes! We are fortunate to have an ideal marina location at the north end of the Resort property. This area offers ideal protection for boaters and a natural entrance from the ocean into this protected basin. We expect to see a marina developed within the next few years.

How do I know my investment is secure?

Oak Bay Marine Group (OBMG) of Victoria, British Columbia Canada is completing this development. OBMG is the parent company of Cape Santa Maria Beach Resort & Villas. The company has been owned and operated by Mr. Robert Wright for over 45 years. Please contact Mr. Mark Appleton, Financial Consultant in the Victoria, BC Canada office for more information at 1-800-663-7090.

Do you offer any special arrangements if we want to travel to see the Villas?

Yes. Please visit Cape Santa Maria Beach Resort & Villas. Should you purchase a Villa, we will cover the cost of your trip. Please contact Brook Castelsky at 1-800-926-9704 or 242-338-5273 for details.



Advantages of Cape Santa Maria

Duty Free Savings:

The Villas are being built duty free under the hotel encouragement act of the Bahamas. Duties run 35-100% on most imported materials, appliances, furnishings etc, resulting in a savings of hundreds of thousands of dollars.

Property Tax Exemption:

The Resort Villa development has received a 20 year exemption on property tax for each villa owner. Without this exemption, the yearly property taxes would be in the range of \$13,000.

Duty Free Savings on Furniture:

Villa buyers receive a \$50,000 duty free exemption use towards purchasing all furniture and amenities for their Villa.

Unrestricted Usage:

Unlike most vacation home ownership programs, owners at Cape Santa Maria can use their Villas whenever they choose. Additionally, they can have friends, family and clients use their Villa without using the rental program.

Prime Beach Front:

All Villas are located on what is considered the best beach in the Bahamas and one of the top beaches in the world.

Clear Title & Investment Security:

All Villas are purchased from a financially sound Canadian owned company with over 45 years of business operations. Secure investment with clear fee, simple title is provided to each purchaser.

Limited Supply:

Cape Santa Maria is committed to four Villas each year, limiting the supply of this incredible investment opportunity.



Worry Free Ownership:

The Resort takes care of everything. Unlike private home ownership, the Resort handles all aspects of ownership from management, rentals to maintenance and bill payment.

Return on Investment:

Historically, prime beachfront property has always increased in value. Cape Santa Maria Beach Resort anticipates this trend continuing for the foreseeable future. In addition, the Resort rental program returns a percentage of Villa rental income to each owner.



Schedule A - The Villas at Cape Santa Maria

Villa	Level	Building	Name	Price
A24	Main	A	Sand Dollar	SOLD
A25	Main	A	Sand Dollar	SOLD
A26	Upper	A	Sand Dollar	SOLD
A27	Upper	A	Sand Dollar	SOLD
B28	Main	B	Star Fish	SOLD
B29	Main	B	Star Fish	SOLD
B30	Upper	B	Star Fish	SOLD
B31	Upper	B	Star Fish	SOLD
C32	Main	C	Coral Sands	SOLD
C33	Main	C	Coral Sands	SOLD
C34	Upper	C	Coral Sands	SOLD
C35	Upper	C	Coral Sands	SOLD
D36	Main	D	Sea Horse	SOLD
D37	Main	D	Sea Horse	SOLD
D38	Upper	D	Sea Horse	\$995,000 \$895,000
D39	Upper	D	Sea Horse	SOLD
E40	Main	E	Sea Grapes	\$995,000
E41	Main	E	Sea Grapes	SOLD
E42	Upper	E	Sea Grapes	\$995,000
E43	Upper	E	Sea Grapes	\$995,000

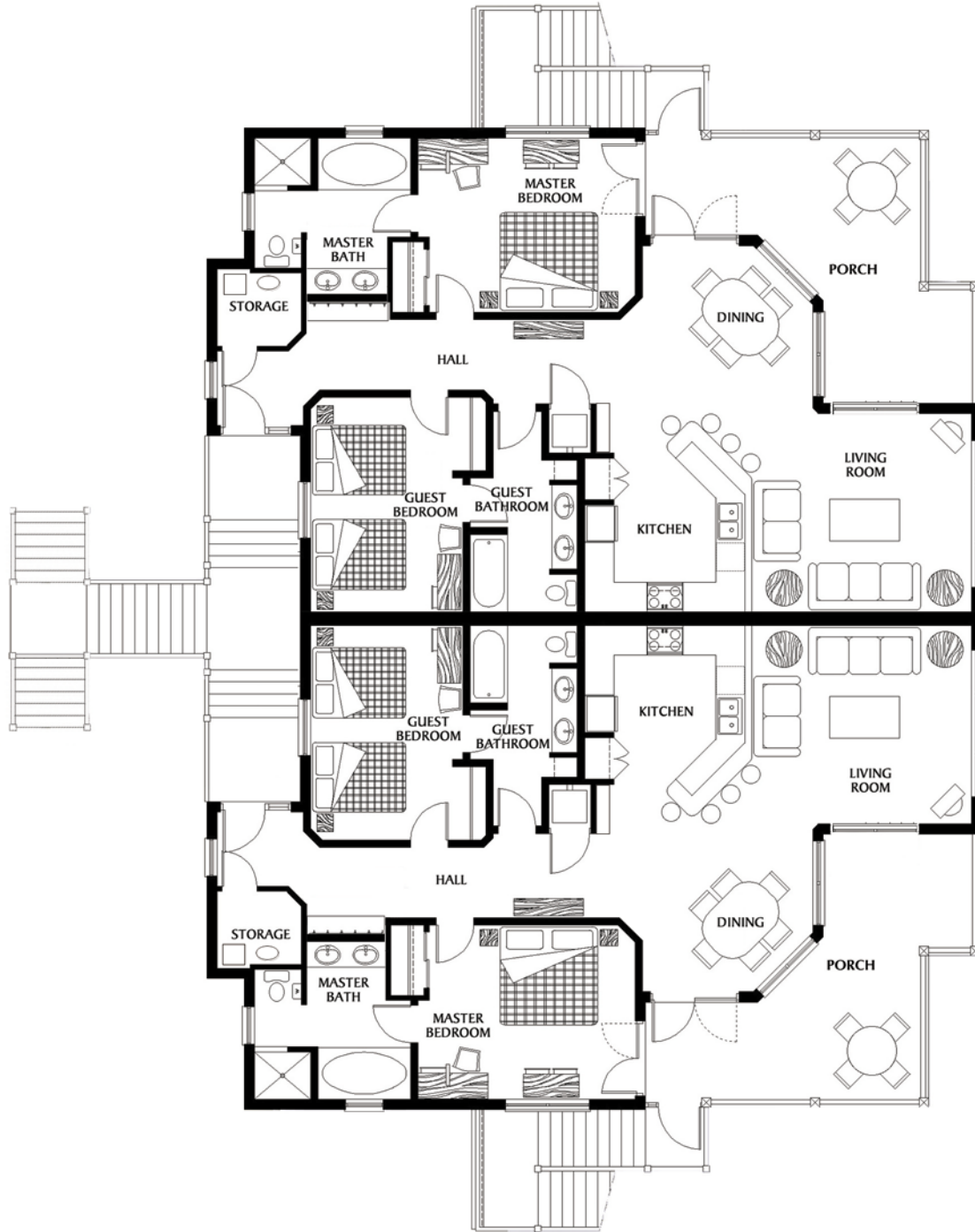
Purchase price includes:

- Full-size stacking washer/dryer, stainless steel kitchen appliances including electric range, refrigerator/freezer, microwave oven and dishwasher. Kitchen Aid, Whirlpool or equivalent brand.
- All light fixtures, ceiling fans and 2" white venetian-style blinds throughout.

Please note that a 12% Government Stamp Tax is applicable to prices.



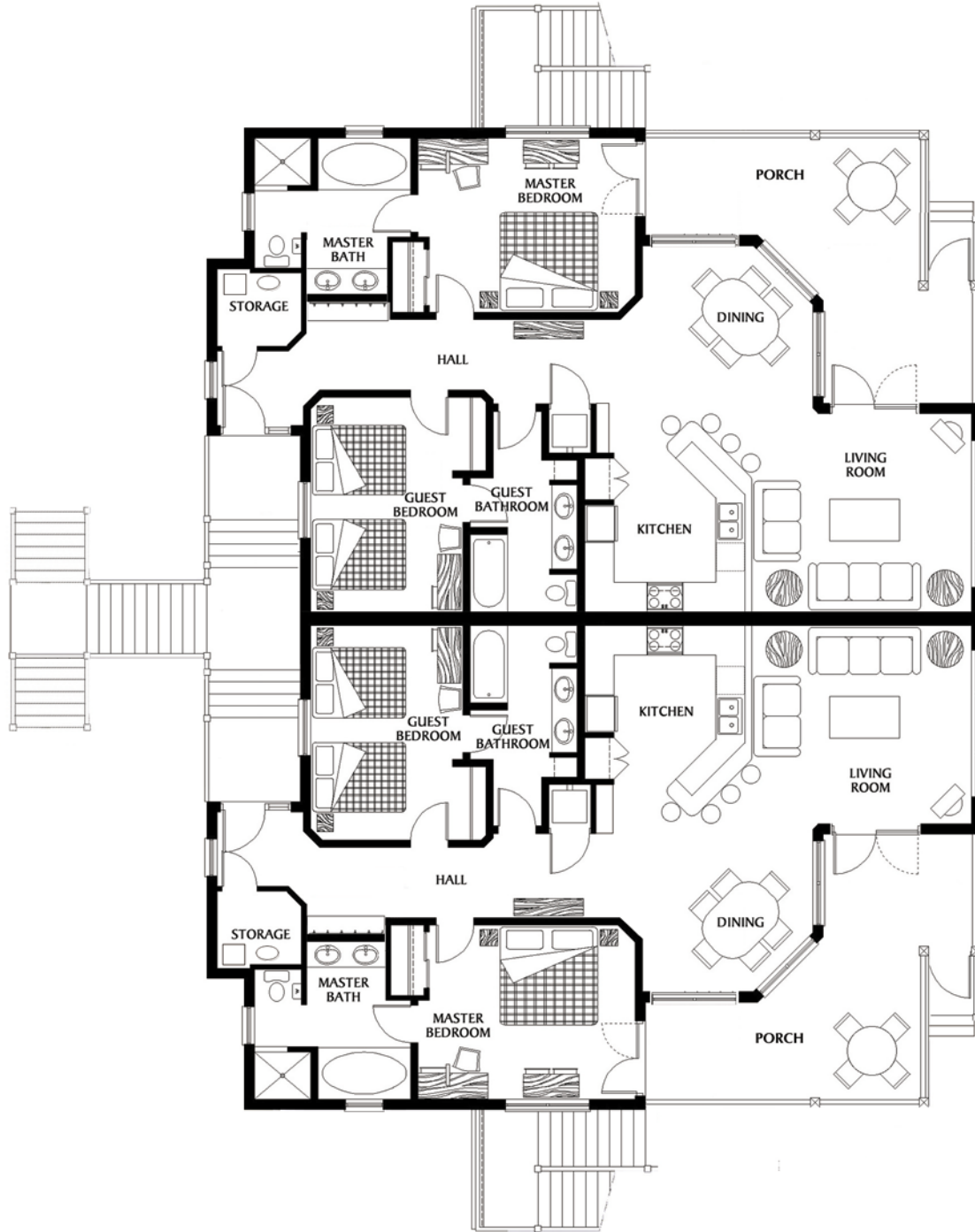
Schedule B – Villa - Upper Floor Plan



Villa floor plan is artist conception only.



Schedule B – Villa - Main Floor Plan



Villa floor plan is artist conception only.



Schedule C - Villa Building E Purchase Payment Schedule

1. Good faith deposit – 45 days until (2) is required (The deposit is refundable for 45 days less a 10% administration fee)	\$ 75,000
2. Signing the contract of Purchase & Sale	\$125,000
3. Construction up to and including the lower belt course	\$200,000
4. Building roof completion	\$200,000
5. Resort Villa to lockup	\$200,000
6. Remaining amount (occupancy)	<u>\$195,000</u>
	Total \$995,000
(Plus mandatory Bahamas Stamp Tax 12%)	\$119,400

It is estimated that each building will take 12 to 14 months to complete. We will do our best to maintain this construction schedule; however we cannot guarantee there will not be delays.

Important:

When you transfer funds, it is important to communicate the details to Brook Castelsky, Director of Villa Sales.

Email: villas@capesantamaria.com
Phone: 1-800-926-9704
Fax: 242-338-6013



Schedule D - Getting to Cape Santa Maria Beach Resort & Villas

Flying from Nassau to Stella Maris:

- Southern Air:
 - Web: www.southeraircharter.com
 - Email: ghltravel@coralwave.com
 - Phone: 242-337-2014

- Bahamas Air:
 - Web: www.bahamasair.com
 - Phone: 242-702-4141
 - Toll free: (US) 1-800-222-4262

- Pineapple Air:
 - www.pineappleair.net
 - Email: pineappleair@yahoo.com
 - Phone: 242-377-0140

Flying to Georgetown, Exuma from Florida

- Continental Airlines, American Eagle, Bahamas Air, Air Shrine and Lynx Air International fly direct.

- From Georgetown, Exuma to Stella Maris, Long Island
 - Island Wings Charter Service
 - Web: www.islandwingscharter.com
 - Email: islandwings@batelnet.bs
 - Phone: 242-338-0360 or 242-472-8888



Schedule E – Testimonials

Testimonials from visitors and Cape Santa Maria villa owners

- Having travelled the world on business and pleasure, to find Cape Santa Maria was icing on the cake. We look upon our Villa at Cape Santa Maria as our favourite place - five star luxury on one of the best beaches in the world. – Trevor, UK
- I absolutely love my Villa at Cape Santa Maria and the beach is incomparable. The Long Islanders are friendly and many are now my personal friends. Owning the villa is completely hassle free; I communicate when I want to come and everything else is taken care of by the Resort Managers and staff. – Don, Tennessee
- CSM has been on our vacation list for over a decade. We feel so blessed to have finally made it here. The amazing beauty will remain etched in our memories. But what will live in our hearts is the genuine graciousness of the beautiful people here. - Connie & Victor, New Jersey
- Thank you so much. We had an incredible time here. So gorgeous, so friendly. A true treasure. Our appreciation is endless. – Bill & Andrea, Vermont.
- It's our 7th trip to the Cape and we are still mesmerized by its beauty. Our wish is to come back again and again. – Judy & Don, Missouri
- Gorgeous beach, fabulous hospitality, relaxing, charming island in the sun. The accommodations are terrific. Everyone is so friendly and helpful and made our stay so very special. – Bernadette & Ray, Virginia



Contact Information:

For more information on Cape Santa Maria Beach Resort & Villas please contact the following:

Brook Castelsky Director of Villa Sales
Phone (toll free): 1-800-926-9704
Phone (local): 242-338-5273
Fax: 242-338-6013
Email: villas@capesantamaria.com
Website: www.capesantamaria.com
Address: PO Box LI30117, Galliot Cay
 Long Island, Bahamas