



LANTANA



Lantana Resort

53 Railway Trail
Somerset, Bermuda

Proposal - Re-development
Lantana Resort
Design Source International



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I. Executive Summary

Lantana Resort
May 2007

Our commitment to design of the built environment in Bermuda is backed by over a decade of hands on experience here, and over 30 years in the U.S. In addition, we understand the importance of collaboration, particularly when projects of a broader scope such as Lantana are undertaken.

We have joined forces with design teams and engineers, which allows us to complete significantly large projects on time and budget, with a proven track record of satisfied clients. Building in Bermuda is a specialized process, and no one understands the importance of this better than Design Source Intl.

Our building systems provides a cost effective construction process, which is currently in short supply. In projects where budget and flexibility are important, you will find our process utilizes cutting edge materials and methods which make project previously not feasibly, profitable.

As the subject project has many structures on site in various stages of decay and disrepair, a new master plan would involve a good deal of repetitive design and building methods central to modular construction, we see it as a perfect match for our integrated systems approach.

This overview outlines our company, and consultant company profiles, precursory costing guidelines and general design direction with a budget projection.



II. Basic Concept

Lantana Resort

May 2007

As a Spa and or Hotel Resort Lantana faces many of the same challenges any proposed project of similar scope does in Bermuda. Particularly those resort destinations that appeal to the same patron base of individuals. Operating costs are very high, occupancy rates are only marginally good, and new construction rates are astronomical. Time tables, budget limits and schedules are impossible to project with any degree of accuracy using conventional methods.

The most logical approach is to spread the intended use over several solid income producing plans with a view towards long term recovery of costs supported by one of several income sources.

Lantana is a site with nearly limitless natural potential, and this proposal is meant to utilize the natural beauty by centering around two very solid forms of business models, and one very specific group of patrons;

the **luxury resort, and upscale retirement community** and the fastest growing segment of the population; the 55 and older set. This combination will, without fail, generate a very large following, as currently there is nothing to address it in the market today.





The Lantana site has many characteristics that make it a perfect candidate for a luxury resort, or an upscale fractional retirement community. Why not both?

*insert luxury resort info

*insert retirement Life Styles info



III. Background and Method

Background:

The Department of Planning approved a master plan in principle on the 10th of April 2002 (ref.: P1044/01). All the details pertaining to siting, design height, density, landscaping and parking were reserved for the final approval stage.

It was deemed by the DAP that an environmental impact statement be submitted as part of the final application process. Other minor amendments to the master plan were approved in principle on 12th of June 2002, subject to the same conditions.

Portions of the first phase of the development were granted final Planning approval on the 23rd of July 2003 (ref.: P0479/03). This permission involved renovations to 6 existing building to create 6 homes and included renovation to two existing hotel blocks.

On the 11th of December 2002, in principle Planning permission was granted for a 25-berth marina (ref: P0062/02). This approval was renewed in 2004 and was due to expire on the 11th of December 2006.

Numerous permits, and a subdivision application were issued during 2004 and 2005 for renovations associated with the six home (ref.: B1395/04, B1396/04, B1399/04, B0295/05, B0296/05 and B1027/05), which are important in determining the validity of the Planning permissions granted for the master plan in 2002 and the first phase in 2003.

Method:

This project, like any other will ultimately be divided into the following basic stages:

- Preliminary Schematics
- Design Development
- Costing
- Permit Process
- Construction Documents
- Administration

IV. Team Profile

Description:

The following is a list of our company divisions and consultants. We are committed to maintaining a high standard of construction and to meeting the market with carefully assembled strategies for success.

Design Source International

- Bermuda Design Professionals
- Master Planning and Permitting
- Modular Design

Quadrate 2000 Ltd.

- Modular Construction

Retirement Lifestyle Advisors Ltd.

- Consultants for Marketing
- Projections and Advertising Strategies

Horst Hotel and Resort Consultancy

- Resort and Hotel consultants
- Master Planning consultant





Design Source International

Business Designation:

Architectural Design Consultants

Office Locations:

Bermuda Office

Suite 1082, 48 Par-la-Ville Rd.

Hamilton HM 11 Bermuda

Tel: (441) 295-4494 Fax: (441) 295-8576

Email: pjames@designsource.bm

Employees and their Discipline:

Contact: Paul James, Principal

Senior Design Technician 2

Technical Support 1

Accounting 2

Clerical 1

Total 6



Quadrate 2000 Ltd.

Business Designation: Modular Construction

Office Locations: Hamilton, Bermuda

Manufacturing Location: Lancaster, Pennsylvania

48 Par.la.ville #1082

Hamilton, Bermuda HM 11

o: 441-295-4494

f: 441-295-8576

www.designsource.bm

Employees and their Discipline:

Contact: Mr. Paul L. James

Partners	2
Associates	1
Mnf. Personnel	10
Accounting	2
Secretarial/Administrative	1
Total	16



Retirement Lifestyle Advisors Ltd.

Business Designation: Financial Consulting

Office Locations: Hamilton, Bermuda

P.O. Box SN 302

Southampton SN BX BERMUDA

Tel: (441) 295-7832

Fax: (441) 295-7982

www.retirementlifestyleadvisors.com

Employees and their Discipline:

Contact: Mrs. Karen Hills

Accounting 1

Secretarial/Administrative 1

Total 2



Horst Hotel and Resort Consultancy, Inc.

Business Designation: Hotel and Resort Consultant

Office Locations: Hamilton, Bermuda

attn. J.P. Horst
Phase I, Washington Mall
60 Church Street,
Suite 302
Hamilton, HM12

office: 441-295-8200

fax: 441-295-5511

Employees and their Discipline:

Contact: Mr. Edward Fisher

Managment 1

Associates 1

Accounting 1

Secretarial/Administrative 1

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V. Costing & Finance

The Costing:

The following costing should be considered precursory and the approximations based on current site coverage and areas along with intended uses. They are intended only as a guide.

With the absence of a comprehensive master plan that addresses the new development, costing will begin with a complete master planning, and architectural preliminary design schematics:

Estimated total Project Budget: \$24m - \$32m

Land Costs: \$12m

Estimated Improvement Cost: \$12m - \$20m

Master Planning: 1.5%

- Planning Review
- Feasibility Study

Architectural Fees: 4%

Engineering and Survey: 2%

Note:

It should be noted, these numbers are precursory in nature, and have been prepared without specifications or detailed plans and should be considered preliminary.





The Financing:

Worth noting briefly is the capability as a U.S. exporter, of Q2 Ltd. to secure 90% construction financing at significantly reduced rates until modules are actually shipped, thereby decreasing interest charges to the developer.

As construction duration is significantly decreased, the staging of expensive equipment and the need for long term on site administration periods are also reduced.