

BVHG | BUENA VISTA HOSPITALITY GROUP

BUENA VISTA HOSPITALITY GROUP, INC. INTRODUCTION

BVHG is a Florida based hotel, resort, golf course, spa and residential golf community, development, marketing and operational Company which was incorporated in 1986. BVHG provides development, marketing and management services for hotels, resorts, spas, golf courses, golf clubs and residential golf communities in the U. S. and internationally. On the international level BVHG operates out of its offices in London and Milan, through its subsidiary companies, namely; Buena Vista Hospitality (Europe), Ltd, a UK Company, BVHG-Italy, s.r.l, an Italian Company, and Buena Vista Latin America, Ltd., a Cayman Company.

The founders of BVHG started in the real estate business syndicating the ownership of income producing properties in the early 1970's and continued in this approach until the elimination of the deduction availability for passive losses with the passage of the Tax Reform Act of 1986. Through this period the company concentrated on managing only for the accounts of the syndicates that it had created. Initially apartments and office buildings were the focus of the syndication efforts until 1975 when the first hotel property was acquired. BVHG has become established as one of the world's leading independent hotel and resort development and management companies having provided a full range of services for over 50 hotels, resorts, clubs, and golf communities. BVHG principals have over 120 years of combined hospitality development and operating experience.

The Company's current project activities and past project experience is as follows:

CURRENT ACTIVITIES

Villa Montefoscoli- BVHG entered into a letter of intent in July, 2017 to acquire 100% of the capital stock of Foscolo Holding Company Srl which owns the rights to acquire and develop a 1500 acre property in Tuscany in the township of Palaia, Italy from Societa Agricola Fondi Rustici Montefoscoli Srl which in turn is owned by the Province of Pisa. Presently there are approximately 900 of the acres that are cultivated in high quality vineyards, olives and other crops. Portions of the property will be redeveloped as a destination golf resort and 250,000 sq. ft of resort and residential buildings.

Daytona Beach Resort & Condos- In 2013 BVHG was engaged by the Lysich family of St. Petersburg Russia to provide development services for this ocean front \$168 million development in Daytona Beach a short distance for the Ocean Center convention complex. The project will include a 502 room luxury resort and 122 residential condominiums in two towers along with an 800 space structured parking facility. BVHG has taken the project through design and permitting and construction began in May 2016 with a completion in 2019. The project has signed an affiliation agreement with Preferred Hotels & Resort

Fortune Health Resort- In 2005 BVHG was engaged to do the initial planning for the Fortune Health Resort, however the project had to be set aside during the financial crisis. The project has now been restarted and in 2017 BVHG was engaged by the project's owner, Fortune Health Resorts Ltd., to develop, market, brand and operate this mixed use destination residential health and wellness oriented resort on an 175 acre site in Cyprus. The project is to be branded as the Buena Vista Health & Wellness Resort and the first phase will include a resort hotel, resort village, spa & fitness center, recreational and commercial areas and residential areas. Final planning work will be completed in late summer 2017 with a start of infrastructure construction thereafter. Opening of the core elements are expected in mid-2019.

JW Marriott Resort- BVHG is part of a development team including DeBartolo Development that is developing a 202 room luxury resort on Clearwater Beach in Florida. The project is in its final design and will start construction in August. This will be the first new JW Marriott Branded Resort development in the State of Florida. The project is scheduled to open in late 2020.

Cortona Golf and Spa Resort- BVHG has engaged with the owners of the Cortona Golf and Spa Resort in Cortona, Italy to complete the construction, open and operate this 72 unit luxury golf and spa resort. The owners had taken the project through entitlements and had completed approximately 80% of the project when they realized they needed professional assistance to complete and open the resort. BVHG has arranged that the project will be affiliated with Preferred Hotels and Resorts and the "for sale" villas will be part of the Preferred Residences program. The project includes and Gary Player Signature Golf Course for which 9 holes has been completed with the remaining 9 holes under construction.

Saas Valley Almagell- In conjunction with the Cosmopolitan Fund and the Mountain Trust Property Fund, BVHG is providing development services and will manage the facilities once completed as a luxury hospitality offering in the Saas Valley Ski area. The project will be open for the 2018 ski season.

The Cliffs Preserve- BVHG has been engaged by the purchaser of the The Cliffs Preserve in Patagonia Chile to coordinate the ongoing and future development of the project along with daily operations. The Cliffs is an 11,000 acre destination resort facility that was originally started in 2000. The project includes over 30,000 sq. ft. existing resort and administrative buildings. The plan is to establish the destination as one of the most exclusive resort destinations in the world featuring championship golf, miles of private and secluded beaches. Memberships will be available in The Cliffs Preserve on an invitation only basis starting at \$1.2 million. The membership will include an oceanfront home site.

Mission Inn Resort & Club- BVHG has been working for the past year with Mission Inn's family ownership to complete the purchase of the 174 room Mission Inn Resort and Club located north of Orlando, FL in Howie in the Hills. The project includes over 1000 acres with a remaining 1570 residential units to be developed. Amenities include two Championship Golf Courses ranked in the top 10 in the State of Florida along with multiple restaurants, bars, 40,000 sq. ft. of meeting facilities, and a full service 11,000 sq. ft. spa.

PAST EXPERIENCE

Hotel Royal Plaza- The Royal Plaza was a 400 room hotel in Walt Disney World and was the first hotel acquired by BVHG in 1975. The hotel was acquired from a lender which had taken the property back from a bankrupt borrower. The hotel was classified as a 2-star motor inn in 1975. BVHG resurrected the property securing a coveted Mobil 4-star rating in 1984. The project was sold in 1986 in anticipation of the changes in the capital gains rate in the 1986 Tax Reform Act.

The Buena Vista Palace Resort & Spa- The success that BVHG achieved with the Hotel Royal Plaza prompted the Walt Disney Company in 1980 to give BVHG the right to develop the first new hotel on Walt Disney property since the original group of hotels were developed along with the Disney Theme Park in the early 1970's. BVHG entered into a joint venture with Equitable Life to develop and own the Palace. The 1028 room Palace opened in 1983. With its 90,000 sq. ft. of meeting and convention space, the Palace was one of the top destination meetings resorts in the world. The Palace was inducted into the Meetings & Conventions Hall of Fame in 1990. The Palace was sold by the joint venture in December, 1998 to Patriot American. BVHG was retained to manage the Palace until 2002 when Patriot American acquired the Wyndham hotel company.

PGA National Resort and Spa- After BVHG principal, Colin Wright, spent 5 years heading up the 4500 Sapphire Valley resort and real estate development in Cashiers, NC he joined E. Llwyd Ecclestone in the late 1970's when he was starting development of PGA National in Palm Beach Gardens, Florida. Colin became the President of PGA National which was a 2400-acre PUD approved for a 365 key hotel, 4 golf courses and 6000 residential units. The resort opened in 1981 managed by Sheraton. The Sheraton management and branding did not produce the results desired and ownership eventually was able to terminate the arrangement in 1989. BVHG was hired to manage the resort at that time and the resort was rebranded as an independent PGA National Resort turning the previous 8 years of hotel losses into a profitable business. The resort's golf courses, designed by Tom and George Fazio, and Arnold Palmer hosted a large number of Professional golf tournaments including the 1983 Ryder Cup the 1987 PGA Championship and 18 PGA Senior Championships. In 1992 a state of the art Spa was built adjacent to the Resort hotel along with a separate clubhouse for the club membership. BVHG managed the resort until 1999 when all the residential real estate, together with 700,000 square feet of commercial and retail space was sold.

The Lodge and Bath Club at Ponte Vedra Beach- BVHG developed and operated the Lodge and Bath Club for a private ownership group beginning in 1987. The property is a 66 room

luxury boutique ocean front resort in Ponte Vedra Beach, Fl. BVHG operated the property for 10 years until its sale to Gates Petroleum in 1997. The property was named a Conde Nast Gold Resort as one of the top 50 international resort properties in 1993.

The Lakeway Community- Lakeway is a 5,000 acre residential and resort community in Austin, Texas. This project has three golf courses, including the "Hills", a Jack Nicklaus signature course which was consistently ranked as the second best course in Texas. The project also included a major indoor and outdoor tennis complex, an airport, two private membership clubs and a large marina on Lake Travis. BVHG managed this facility for a subsidiary of NCNB Texas under an asset management arrangement with the FDIC for five years until its sale to the Perot family in 1995.

East Hampton Golf Club- In 1995 BVHG was hired by Credit Suisse to complete the development and set up the operation and membership program for this exclusive private equity membership golf club in East Hampton, Long Island, New York. Memberships are limited to 250 individuals. The starting membership deposit was \$260,000. BVHG arranged for a new ownership group, of which BVHG principals were apart, to purchase the project from Credit Suisse. BVHG principals sold their minority interest in the golf club to the majority owner in 2015.

Hamilton Farm Golf Club- In 1996 BVHG was engaged by Enron Corporation to complete Enron's corporately owned exclusive golf retreat and to convert it from a corporate facility to an exclusive private golf club. BVHG completed the club and set up the membership program with a starting membership price of \$275,000. The club was sold to a private owner from Baltimore in 1998.

Lodge at Rocky Gap- BVHG was engaged by the State of Maryland to develop and operate a new 220 room resort facility and Jack Nicklaus Signature Golf Course in the State's Rocky Gap State Park in 1988. BVHG developed the resort and golf course over a period of about 30 months. BVHG opened and operated the property until the State sold to casino interest in 1995.

Tucker's Point- BVHG was engaged by private owners in 2001 to provide development services during the conversion of Bermuda's Marriott Castle Harbour Resort into the new Tucker's Point Club. BVHG oversaw the reconstruction of the golf course, the demolition of the Marriott hotel, and the development of the new club house and fractional ownership villas.

Chateau Cartier Hotel & Golf Resort- BVHG arranged for the purchase and was part of the ownership group and managed this elegant 129-room French Chateau styled hotel, with its conference center and 18-hole championship golf course situated on 125 acres in Aylmer, Quebec within minutes of Ottawa, Canada's capital city from 1997 until its sale in late 2007.

Arnold Palmer's Isleworth Community- BVHG acted as receiver and manager for this 820-acre prestigious residential community on behalf of Mellon Bank beginning in 1996. Famous for having been the home of Tiger Woods, the project includes an 18-hole golf course, tennis facility and exclusive private membership club. BVHG restarted the real estate sales and membership program that had been suspended during the legal proceedings. The project was sold after Mellon Bank's foreclosure in 1998.

Old Palm Golf Club- In early 2010 BVHG was engaged by ING Clarion and their Irish equity partners to conduct the acquisition due diligence and recreate the operational, membership and real estate marketing program for this exclusive private residential golf club community located on PGA Boulevard in Palm Beach Gardens, Florida. Homes in Old Palm range from a low of \$1.2 million to in excess of \$15 million and the membership deposits were priced at \$175,000. BVHG provided its services until the project was stabilized at the end of August 2011.

Lakeland Terrace Hotel- BVHG was engaged in 1999 by private owners which included the Publix grocery family to oversee the redevelopment of the Lakeland Terrace Hotel in downtown Lakeland, FL. This 88 room property is on the Historic Registry and the redevelopment had to comply with that designation. BVHG completed the redevelopment and operated the hotel until its sale in 2009.

PGA International Resort-Savernake Club- Starting in 2000 BVHG directed the planning process over an eight year period for the development of a luxury golf resort in Wiltshire England on the leasehold estate of this 400-acre project owned by the Earl of Cardigan. Final planning permissions were received in mid-2008 but due to the financial crisis development plans had to be put on hold. Subsequently the Earl of Cardigan's estate lost control of their property through a dispute with the Estate's Trustees.

TPC Cancun (La Roca Country Club)- BVHG was part of the ownership group along with Spanish partners that starting in 2000 created the project and managed the planning and permitting process for 36 holes of golf and the residential community in Cancun Mexico. One course is designed by Nick Price and the other by Tom Fazio. Both courses were licensed as Tournament Player Courses by the Touring Professionals organization. The surrounding gated residential community was scheduled for 1700 homes. The project was sold to a Mexican development company in 2007.

La Gran Reserva- In 2007 BVHG through its affiliate, Buena Vista Latin America, Ltd., entered into a joint venture with Mexican partners and institutional investors to develop, market and manage a 3000 acre residential golf community in the suburbs of Mexico City. The financial crisis put the project on hold and the passage of time has created challenges from changing local and national governments. The joint venture continues to hold the property as we work through the matters with our local partners. The project was designed to ultimately have in excess of 12,000 residential units and two golf courses.

Other Projects for which BVHG has Provided Management and/or Development Services

- Four Points by Sheraton Studio City, Orlando
- LPGA International, Daytona Beach, Florida
- Vista Club Hotel, Orlando, Florida
- Quality Suites, Orlando, Florida
- Quality Inn & Suites, Tampa, Florida
- Old Town Suites, Orlando, Fla
- International Plaza Resort & Spa- Orlando
- Holiday Inn SunSpree, Orlando, Florida

- Pelican Pointe Golf & Country Club, Venice, Florida
- Travelodge-Sleepy Bear Hotel, Orlando, Florida
- Elkhorn Resort, Golf Club & Spa, Sun Valley, Idaho
- Steele Canyon residential golf community- San Diego, California
- Spanish Hills Golf & Country Club, Camarillo, California
- WestWinds residential golf community, Frederick, Maryland
- River Wilderness residential golf community, Parrish, Florida
- Seabrook Island Resort, St. Johns Island, South Carolina
- French Lick Springs Resort, French Lick, Indiana
- Colinas of Puerto Los Cabos- Los Cabos, Mexico
- INVI Beach Front Residential Community- Aracaju Brazil
- PGA International-La Baronia, Estivilla, Spain
- Palazzo Pauly Private Residence Club, Venice, Italy
- Punta Blanca Golf Club, Punta Cana, Dominican Republic
- Stonehaven Country Club, Sainte Agathe, Quebec
- Temenos Villas, Anguilla
- Cayo Largo Inter-Continental Resort Hotel & Country Club, Fajardo, Puerto Rico
- Caguas Real – Caguas, Puerto Rico
- Radisson Hotel & Eagle Point Golf Club, Denton, TX
- Choice Suites, Kissimmee, FL
- Grassy Hill Country Club, Orange, Connecticut
- Imperial Lakes, Manatee County, FL
- Cosmopolitan Golf & Country Club, Pisa, Italy
- Bradenton Resort Inn, Bradenton, FL
- John Newcombe Sports Ranch, New Braunfels, TX
- Golden Harbor Resort and Marina, Zadar, Croatia
- Radisson Bridge Hotel, Boca Raton, FL
- Radisson Suite Beach Resort, Marco Island, FL
- Ramada Inn, Kingsland, Georgia
- Palm Beach Airport Hilton, Palm Beach, FL
- Waterfront Motel, Boca Grande, FL
- Radisson Lackawanna Station Hotel, Scranton, Pa
- Anacapri Inn, Ft. Lauderdale, FL
- Holiday Inn at Kennedy Space Center, Titusville, FL
- Ramada Inn South, Orlando, FL
- Playa Grande, Dominican Republic
- Castillo del Mar, Miami Beach, FL