

# **EXECUTIVE SUMMARY**



CN LUXURY RESORTS, INC.

**\$100,000,000**

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## **Preferred Stock, Series B**

Up to 4,000,000 shares of Preferred Stock, Series B, at a Price of \$25.00 per Share with an accrued Dividend Rate fixed at 8%. The minimum Investment is \$5,000,000. The 4,000,000 shares of Preferred Stock, Series B, will be redeemed for \$100,000,000. Upon the Preferred Stock redemption, dividends will be paid in shares of Common Stock and Residential Real Estate/Marina Certificates.

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CN Luxury Resorts, Inc. has not registered the Preferred Stock, the Common Stock or the Real Estate/Marina Certificates (collectively referred to as the “Securities”) with the Securities and Exchange Commission (“SEC”) under the Securities Act of 1933, as amended (the “Securities Act”) or under any other federal securities laws or the securities laws of any state within the United States. The offering of the Preferred Stock, the Common Stock, and the Real Estate/Marina Certificates is only to accredited investors pursuant to Rule 506(c) promulgated under the Securities Act and a limited number of persons outside of the United States in compliance with Regulation S under the Securities Act.

The date of this Executive Summary is July 30, 2020

## **Business overview**

CN Luxury Resorts Inc., hereinafter called, CNLR, has a contract to purchase and develop the island of Crab Cay, a private island in the Bahamas which is to be acquired from Holmes Company Limited, hereinafter called *Holmes*, a Bahamian company owned by the Peter Murphy family, hereinafter called *Murphy*. Located just off the eastern coast of Great Exuma, and south of Stocking Island in Elizabeth Harbour, Crab Cay, which is 182.8 acres in size, will be developed, along with an additional 48.55 acres on the mainland of Great Exuma, as a gated, limited access, master planned, resort community. Approximately 146 estate homes will be built on subdivided lots from 1/3 to 2.58 acres, along with approximately 208 villa/condominiums, a boutique hotel, a luxury spa. There will also be a marina village and deep-water marina with 13,000 linear feet of marina berthage. The entire island is planned to be developed to a density of 373 private dwellings.

Crab Cay will also accommodate one or more restaurants, fitness facilities, world-class beaches and specialty retail shops. The island will be developed as a Condotel destination luxury resort with recreational facilities and an array of sporting activities. The hotel is projected to have at least 160 rentable units, 36 rooms in the main hotel building and an additional 124 privately owned units in a rental pool consisting of condominiums and multi-bedroom villas which will be managed by the hotel operation.

## **Signed Acquisition and Development Agreement.**

The contract between CNLR and Murphy provides for the acquisition of all the Murphy holdings in the Great Exuma region, to include the entire island of Crab Cay, approximately 182.2 acres (plus 48.55 acres on Great Exuma) for a cash price of \$40,000,000 at closing. Murphy will also receive Two Million, Four Hundred Thousand (2,400,000) shares of CNLR Preferred Stock, Series A. These Preferred Shares will be redeemed for no more than Sixty Million dollars (\$60,000,000.00) at which time, Murphy will be issued, as an accrued dividend, 12,500,000 shares of CNLR Common Stock. Murphy will also receive four (4) fully developed subdivided lots on Crab Cay and up to four (4) Crab Cay marina berths (not to exceed a combined total of 400 linear feet). The Preferred Stock, Series A, will be redeemed before or simultaneously with but not after the redemption of the Preferred Stock, Series B. All other CNLR stockholders (the Common Stockholders) will not receive from CNLR any dividends or any other payments emanating from the ownership of that Common Stock, until the redemption of all the Preferred Stock Shares has occurred. The Closing for the acquisition of Crab Cay, along with the 48.55 acres on Great Exuma, will occur on or about September 30, 2020.

## **The Offering**

The following summary describes the principal terms of the offering. Certain terms described below are subject to important limitations and exceptions. The sections of the Private Placement Memorandum (the "PPM") entitled *Description of the Preferred Stock*, *Description of the Common Stock* and *Description of the Real Estate/Marina Certificates* contain more detailed descriptions of these securities being offered in the private placement by CNLR.

**The Preferred Shares**

Securities Offered ..... 4,000,000 Shares of CNLR Preferred Stock, Series B, at \$25.00 per share. These Preferred Stock Shares will be redeemed by CNLR, for One Hundred Million dollars (\$100,000,000.00), at which time these Preferred Stockholder(s) will receive, as an accrued dividend, 10,000,000 shares of CNLR common stock and Crab Cay Real Estate/Marina Certificates. No Stockholder of Common Stock will receive any dividends, or any other payments emanating from the ownership of the Common Stock, until the Preferred Stock has been redeemed and the accrued dividends have been paid. The date of redemption of the Preferred Stock shall be determined at the sole discretion of CNLR.

**The Common Shares**

Securities Offered ..... 10,000,000 shares of fully diluted Common Stock, \$0.001 par value per share, will be issued as a dividend to the Preferred Stock Shareholders, upon the full redemption of the Preferred Stock Shares. The Common Stock Shares outstanding prior to this offering are 13,372,155. The Common Shares outstanding after the redemption of all the Preferred Stock will be 50,000,000.

**The Real Estate Certificates**

Real Estate Certificates Offered... Each Real Estate Certificate, one certificate for every Five Million dollars (\$5,000,000.00) invested, entitles the holder to receive a credit toward the full purchase price of a Villa on Crab Cay at \$600 per square foot:

One Certificate – entitles an investor to a 4,500 square foot Walker Estate Villa;

Two Certificates – entitles an investor to a 9,000 square foot Enclave Villa.

**Marina Berth Ownership**

Marina Berth Offered ..... Investors will also be entitled to ownership of a Marina Berth located in Crab Cay’s marina. One (1) linear foot of berthage for each \$125,000.00 invested: 40 linear feet for \$5,000,000 and 80 linear feet for \$10,000,000.

**Hotel Ownership**

Hotel Ownership Offered ..... All investors will also be entitled to partial ownership (1% per \$5,000,000.00 invested) of the Crab Cay Hotel(s) and a specified pro-rata share of the profits derived from the hotel operation.

## Use of Proceeds

The following table sets forth estimated applications and order of application of the proceeds to be raised, based on the sale of the Preferred Stock being offered. Amounts indicated are estimates and the actual expenditures may differ. In addition, conditions may cause the order of expenditures to be modified.

<u>Items Paid</u>	<u>Assumes Maximum Proceeds</u>
Crab Cay Land & Marina Acquisition	<b>40,000,000</b>
Offering Costs	<b>6,000,000</b>
Land and Infrastructure Improvements: Phase I	<b>14,215,000</b>
Construction of Hotel	<b>18,860,000</b>
Construction of Marina	<b>12,242,500</b>
Construction of Condominium Models	<b>6,075,000</b>
Contingency Funds	<b>2,607,500</b>
(a) <b><u>Total</u></b>	<b>\$100,000,000</b>

## CN Luxury Resorts Current Investment

**Operating Expenses.** Operating expenses represent the direct costs attributable to the Crab Cay Development. To date, CNLR and its stockholders have invested over \$3,642,348. Expenses include securities offering underwriting costs, legal fees, land planning, subdivision approvals, land survey costs, architecture, accounting, internet design and travel, among others.

- (a) The amounts set forth above merely indicate the proposed use of proceeds. Actual expenditures may vary substantially from these estimates based upon economic conditions and the Company's ability to avail itself of cost saving measures. The Company is unable to predict the precise period for which the offering will provide financing, although management believes that the offering proceeds will provide the Company with more than the necessary working capital to meet its immediate cash requirements for the Crab Cay development. The Company may need to seek additional funds through loans or other financing arrangements, including stock offerings, regardless of the amount raised in this offering. There can be no assurance that financing would be available in the future if that need were to arise; notwithstanding, Management believes that the revenues from the sales of condos, bungalows and villas will provide the additional cash flow needed to support continuing construction requirements.

## **Project Participants**

***Murphy International Development - Master Developer.*** Pete Murphy has brought Murphy International Development to excellent terms with the Bahamian government to develop Crab Cay. In cooperation with the Bahamian authorities and their long-term goals for the region, Murphy Development has laid the foundation for CNLR and its investors to participate in an extraordinary business opportunity.

Pete began his career working on the Murphy family farm in North Carolina. Over the years, Murphy Family Farms grew to become the largest live pork production organization in the world. After merging with Smithfield Foods in 2000, the Murphy family began expanding their real estate development enterprise.

The Murphy family created the premiere real estate development, River Landing Golf Club and Resort, a private gated community of over 1,400 acres, near Wilmington, North Carolina. Their vision, diligent work ethic, and business acumen resulted in an overwhelming success and established Murphy International Development as a successful real estate developer.

***Benchmark Hospitality International – Resort Management.*** Benchmark, a Texas-based hotel and resort management company, has agreed to provide the technical and management advisory services. Benchmark has a 40-year record of successful hotel/resort development and management and manages some of the top resort and hotel destinations in North America and abroad. Benchmark's focus is on managing luxury boutique hotel/resort assets with the objective of providing extraordinary returns via a creative and aggressive management style. Among the 44 exclusive hotels, resorts and personal luxury collection hotels owned or managed by Benchmark are the Forbes-rated 4 star Hotel Granduca, in Houston, Texas, which is the only hotel in Houston with *Leading Hotels of the World* status, and One Bal Harbour on North Miami Beach, in Florida, a world class resort and spa property.

***Osprey Construction – General Contractor.*** Osprey Construction is an international Construction Company which has extensive development experience in the Caribbean. They have a sterling reputation of getting projects completed on time and on budget. They are committed to bringing the highest standards of excellence.

***Sotheby's International Realty – Real Estate Brokerage.*** Sotheby's is one of the world's premier realty firms. With offices located worldwide and throughout the Bahamas, Sotheby's has a thorough understanding of the region and is highly skilled in closing real estate transactions. With an office on Great Exuma, they are a perfect fit for the Crab Cay development.

***Saaverdra & Goodwin – Law Firm.*** Saaverdra & Goodwin will be legal counsel to CN Luxury Resorts throughout the process of a successful Crab Cay development. Over the last 15 years,

Saaverdra & Goodwin has been involved in over 100 Bahamian transactions and developments on behalf of an array of clients world-wide.

**EDSA – Land Planning.** For more than 50 years, EDSA has been creating sustainable places to live, work, learn and play. Their portfolio of completed projects pays tribute to a life-long passion for creating distinctive and inspiring environments. As stewards of the land and the environment, their mission is to improve the way the world looks, one project at a time. With passion and integrity, EDSA will join with our team with a single goal in mind – to create a place where people will make lasting memories.

**Rex Nichols Architects / Bill Storrs Architects – Architectural Firms.** These two architectural firms have been selected to bring a diversity of style to Crab Cay’s landscape. Both firms have been awarded for their distinct designs and attention to detail. Both firms are in Fort Lauderdale, making it convenient for Crab Cay homebuyers to meet with the architects to customize their new homes.

**Jeffrey D. Blume, Limited – Golf course designer.** Jeffrey D. Blume, Ltd. is a golf course architectural and land planning firm dedicated to designing world class golf courses. With over thirty years of experience, Jeffrey D. Blume has been responsible for the design and construction of premier golf facilities worldwide and will design and development the golf course on the mainland of Great Exuma adjacent to Crab Cay should CNLR elect to do so. Completed Jeffrey D. Blume projects include:

**Tres Vidas**  
Acapulco, Mexico

**Pelican Marsh Golf Club**  
Naples, Florida

**Wendeng Golf Club**  
Shandong Province, China

**Malibu, International**  
Hyogo Prefecture, Japan

### **Summary Projected Financial Data**

The next 3 pages are summaries of projected financial information. The tables on pages 7 – 8 display the revenue, costs and net proceeds from the development and sale of the real estate on the island of Crab Cay for the periods indicated. The final page displays the equity ownership, the earned real estate/marina berthage and the projection returns resulting from an investment in the Preferred Stock of CNLR and the Crab Cay development.

**CN LUXURY RESORTS, INC.**  
**PROJECTED REVENUE STATEMENT**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Years 1-10
1 Condominium sales (336 Units)	\$126,991,800	\$262,305,000	\$275,850,500	\$309,258,000	\$323,723,200	\$347,726,150	\$388,593,725	\$388,641,450	175,509,403	\$133,084,322	\$2,731,683,550
2 Marina Berth Sales (96 Berths)	\$8,318,750	\$11,646,250	\$14,973,750	\$19,965,000	\$13,310,000	\$18,301,250	\$29,947,500	\$29,947,500	\$11,646,250	\$8,318,750	\$166,375,000
3 Hotel Operations											
4 Hotel Rooms	-	-	\$5,031,600	\$6,330,000	\$6,570,000	\$6,570,000	\$6,570,000	\$6,570,000	\$6,570,000	\$6,570,000	\$50,781,600
5 Telecommunications	-	-	\$117,978	\$148,423	\$154,050	\$154,050	\$154,050	\$154,050	\$154,050	\$154,050	\$1,190,701
6 Food	-	-	\$2,265,604	\$2,850,241	\$2,958,307	\$2,958,307	\$2,958,307	\$2,958,307	\$2,958,307	\$2,958,307	\$22,865,687
7 Beverage	-	-	\$756,941	\$952,269	\$988,374	\$988,374	\$988,374	\$988,374	\$988,374	\$988,374	\$7,639,454
8 Retail	-	-	\$378,993	\$476,791	\$494,869	\$494,869	\$494,869	\$494,869	\$494,869	\$494,869	\$3,824,998
9 Spa	-	-	\$1,475,253	\$1,855,940	\$1,926,308	\$1,926,308	\$1,926,308	\$1,926,308	\$1,926,308	\$1,926,308	\$14,889,041
10 Concierge	-	-	\$412,403	\$518,823	\$538,494	\$538,494	\$538,494	\$538,494	\$538,494	\$538,494	\$4,162,190
11 <b>Subtotal Hotel Operations</b>	-	-	\$10,438,772	\$13,132,487	\$13,630,402	\$13,630,402	\$13,630,402	\$13,630,402	\$13,630,402	\$13,630,402	\$105,353,671
12 <b>Rental Pool Operations</b>											
13 Rental Pool	-	-	\$10,810,700	\$17,244,650	\$20,038,500	\$20,038,500	\$20,038,500	\$20,038,500	\$20,038,500	\$20,038,500	\$148,286,350
14 Telecommunications	-	-	\$196,557	\$313,537	\$364,334	\$364,334	\$364,334	\$364,334	\$364,334	\$364,334	\$2,696,098
15 Food	-	-	\$1,739,442	\$2,774,664	\$3,224,195	\$3,224,195	\$3,224,195	\$3,224,195	\$3,224,195	\$3,224,195	\$23,859,276
16 Beverage	-	-	\$869,721	\$1,387,332	\$1,612,097	\$1,612,097	\$1,612,097	\$1,612,097	\$1,612,097	\$1,612,097	\$11,929,635
17 Retail	-	-	\$631,417	\$1,007,203	\$1,170,383	\$1,170,383	\$1,170,383	\$1,170,383	\$1,170,383	\$1,170,383	\$8,660,918
18 Spa	-	-	\$2,457,831	\$3,920,600	\$4,555,787	\$4,555,787	\$4,555,787	\$4,555,787	\$4,555,787	\$4,555,787	\$33,713,153
19 Concierge	-	-	\$687,079	\$1,095,992	\$1,273,557	\$1,273,557	\$1,273,557	\$1,273,557	\$1,273,557	\$1,273,557	\$9,424,413
20 <b>Subtotal Rental Pool Operations</b>	-	-	\$17,392,747	\$27,743,978	\$32,238,853	\$32,238,853	\$32,238,853	\$32,238,853	\$32,238,853	\$32,238,853	\$238,569,843
21 <b>Total Revenue</b>	\$135,310,550	\$273,951,250	\$318,655,769	\$370,099,465	\$382,902,455	\$411,896,655	\$464,410,480	\$464,458,205	\$233,024,908	\$187,272,327	\$3,241,982,064
22 Building Costs - Condominium Sales	\$40,002,417	\$82,626,075	\$86,892,908	\$97,416,270	\$101,972,808	\$109,533,737	\$122,407,023	\$122,422,057	\$55,285,462	\$41,921,561	\$860,480,318
23 Building Costs - Investors' Real Estate	-	-	\$5,400,000	\$12,500,000	\$15,000,000	\$24,500,000	\$24,000,000	\$16,000,000	\$13,166,760	-	\$97,400,000
24 Investors' Preferred Stock Redemption	\$32,000,000	\$64,000,000	\$64,000,000	-	-	-	-	-	-	-	\$160,000,000
25 Realty Fees	\$7,619,508	\$15,738,300	\$16,551,030	\$18,555,480	\$19,423,392	\$20,863,569	\$23,315,624	\$23,318,487	\$10,530,564	\$7,985,059	\$163,901,013
26 Marina Berth Cost	\$6,461,950	\$3,960,550	\$10,422,500	-	-	-	-	-	-	-	\$20,845,000
27 Management & Administrative Costs	\$364,800	\$364,800	\$364,800	\$364,800	\$364,800	\$364,800	\$364,800	\$364,800	\$364,800	\$364,800	\$3,648,000
28 Hotel Operations											
29 Departmental Expenses											
30 Room Expense	-	-	\$1,046,573	\$1,316,640	\$1,366,560	\$1,366,560	\$1,366,560	\$1,366,560	\$1,366,560	\$1,366,560	\$10,562,573
31 Telecommunications	-	-	\$90,371	\$113,692	\$118,002	\$118,002	\$118,002	\$118,002	\$118,002	\$118,002	\$912,075
32 Food	-	-	\$1,925,763	\$2,422,705	\$2,514,561	\$2,514,561	\$2,514,561	\$2,514,561	\$2,514,561	\$2,514,561	\$19,435,834
33 Beverage	-	-	\$419,345	\$527,557	\$547,559	\$547,559	\$547,559	\$547,559	\$547,559	\$547,559	\$4,232,256
34 Retail	-	-	\$255,820	\$321,834	\$334,036	\$334,036	\$334,036	\$334,036	\$334,036	\$334,036	\$2,581,870
35 Spa	-	-	\$668,289	\$840,741	\$872,617	\$872,617	\$872,617	\$872,617	\$872,617	\$872,617	\$6,744,732
36 Concierge	-	-	\$314,251	\$395,343	\$410,332	\$410,332	\$410,332	\$410,332	\$410,332	\$410,332	\$3,171,586
37 <b>Total Departmental</b>	-	-	\$4,720,412	\$5,938,512	\$6,163,667	\$6,163,667	\$6,163,667	\$6,163,667	\$6,163,667	\$6,163,667	\$47,640,926
38 <b>Other Operating Expenses</b>											
39 General & Administration Expenses	-	-	\$1,304,846	\$1,641,561	\$1,703,800	\$1,703,800	\$1,703,800	\$1,703,800	\$1,703,800	\$1,703,800	\$13,169,207
40 Marketing	-	-	\$835,102	\$1,050,599	\$1,090,432	\$1,090,432	\$1,090,432	\$1,090,432	\$1,090,432	\$1,090,432	\$8,428,293
41 Maintenance & Repairs	-	-	\$464,525	\$584,396	\$606,553	\$606,553	\$606,553	\$606,553	\$606,553	\$606,553	\$4,688,239

CN LUXURY RESORTS, INC.  
PROJECTED INCOME STATEMENT (continued)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Years 1-10
42 Management Fee	-	-	\$417,551	\$525,299	\$545,216	\$545,216	\$545,216	\$545,216	\$545,216	\$545,216	\$4,214,146
43 Utilities	-	-	\$365,357	\$459,637	\$477,064	\$477,064	\$477,064	\$477,064	\$477,064	\$477,064	\$3,687,378
44 Central Hub Allocated	-	-	\$490,622	\$617,227	\$640,629	\$640,629	\$640,629	\$640,629	\$640,629	\$640,629	\$4,951,623
<b>45 Total Other Operating</b>	-	-	\$3,878,004	\$4,878,719	\$5,063,694	\$5,063,694	\$5,063,694	\$5,063,694	\$5,063,694	\$5,063,694	\$39,138,887
<b>46 Fixed Expenses</b>											
47 Insurance	-	-	\$46,976	\$51,246	\$51,246	\$51,246	\$51,246	\$51,246	\$51,246	\$51,246	\$405,698
48 Building FF&E	-	-	\$66,549	\$72,599	\$72,599	\$72,599	\$72,599	\$72,599	\$72,599	\$72,599	\$574,742
49 Total Fixed	-	-	\$113,524	\$123,845	\$123,845	\$123,845	\$123,845	\$123,845	\$123,845	\$123,845	\$980,439
<b>50 Subtotal Hotel Operations</b>	-	-	\$8,711,940	\$10,941,076	\$11,351,206	\$11,351,206	\$11,351,206	\$11,351,206	\$11,351,206	\$11,351,206	\$87,791,018
<b>51 Rental Pool Operations</b>											
52 Departmental Expenses											
53 Room Expense	-	-	\$4,864,815	\$7,760,093	\$9,017,325	\$9,017,325	\$9,017,325	\$9,017,325	\$9,017,325	\$9,017,325	\$66,728,858
54 Telecommunications	-	-	\$150,563	\$240,169	\$279,080	\$279,080	\$279,080	\$279,080	\$279,080	\$279,080	\$2,065,212
55 Food	-	-	\$1,478,525	\$2,358,465	\$2,740,565	\$2,740,565	\$2,740,565	\$2,740,565	\$2,740,565	\$2,740,565	\$20,280,380
56 Beverage	-	-	\$481,825	\$768,582	\$893,102	\$893,102	\$893,102	\$893,102	\$893,102	\$893,102	\$6,609,019
57 Retail	-	-	\$426,207	\$679,862	\$790,008	\$790,008	\$790,008	\$790,008	\$790,008	\$790,008	\$5,846,117
58 Spa	-	-	\$1,113,397	\$1,776,032	\$2,063,772	\$2,063,772	\$2,063,772	\$2,063,772	\$2,063,772	\$2,063,772	\$15,272,061
59 Conceirge	-	-	\$523,555	\$835,146	\$970,450	\$970,450	\$970,450	\$970,450	\$970,450	\$970,450	\$7,181,401
<b>60 Total Departmental</b>	-	-	\$9,038,887	\$14,418,349	\$16,754,302	\$16,754,302	\$16,754,302	\$16,754,302	\$16,754,302	\$16,754,302	\$123,983,048
<b>61 Other Operating Expenses</b>											
62 General & Administrative Expenses	-	-	\$2,174,093	\$3,467,997	\$4,029,857	\$4,029,857	\$4,029,857	\$4,029,857	\$4,029,857	\$4,029,857	\$29,821,232
63 Marketing	-	-	\$1,391,420	\$2,219,518	\$2,579,108	\$2,579,108	\$2,579,108	\$2,579,108	\$2,579,108	\$2,579,108	\$19,085,586
64 Maintenance & Repairs	-	-	-	-	-	-	-	-	-	-	-
65 Management Fee	-	-	\$695,710	\$1,109,759	\$1,289,554	\$1,289,554	\$1,289,554	\$1,289,554	\$1,289,554	\$1,289,554	\$9,542,793
66 Utilities	-	-	-	-	-	-	-	-	-	-	-
67 Central Hub Allocated	-	-	-	-	-	-	-	-	-	-	-
<b>68 Total Other Operating</b>	-	-	\$4,261,223	\$6,797,274	\$7,898,519	\$7,898,519	\$7,898,519	\$7,898,519	\$7,898,519	\$7,898,519	\$58,449,611
69 Fixed Expenses											
70 Insurance	-	-	-	-	-	-	-	-	-	-	-
71 Building FF&E	-	-	-	-	-	-	-	-	-	-	-
72 Total Fixed	-	-	-	-	-	-	-	-	-	-	-
<b>73 Subtotal Rental Pool Operations</b>	-	-	\$13,300,110	\$21,215,623	\$24,652,821	\$24,652,821	\$24,652,821	\$24,652,821	\$24,652,821	\$24,652,821	\$182,432,659
74 Depreciation	\$383,759	\$660,781	\$830,345	\$832,250	\$832,250	\$832,250	\$832,250	\$832,250	\$832,250	\$832,250	\$7,700,635
<b>75 Total Expenses</b>	\$86,832,434	\$167,350,506	\$206,473,633	\$161,825,499	\$173,597,277	\$192,098,383	\$206,923,724	\$198,941,621	\$116,183,863	\$87,107,698	\$1,597,334,637
<b>76 Net Operating Income</b>	\$48,478,116	\$106,600,744	\$112,182,137	\$208,273,966	\$209,305,178	\$219,798,272	\$257,486,756	\$265,516,584	\$116,841,045	\$100,164,629	\$1,644,647,427
75 Interest Income	\$484,781	\$1,066,007	\$1,121,821	\$2,082,740	\$2,093,052	\$2,197,983	\$2,574,868	\$2,655,166	\$1,168,410	\$1,001,646	\$16,446,474
76 Interest Expense	-	-	-	-	-	-	-	-	-	-	-
<b>77 Pre Tax Income</b>	\$48,962,897	\$107,666,751	\$113,303,958	\$210,356,706	\$211,398,231	\$221,996,253	\$260,061,624	\$268,171,750	\$118,009,455	\$101,166,276	\$1,661,093,901
Investors' Income on \$100mm @ 20% Ownership (Pre Tax)*											\$332,218,780
Investors' Average Annual Return upon 10 year completion*											33.222%

\*In calculating the Founding Investors' Income & Annual Return stated above, the value of the real estate that is attached to the investment was not included.

***\$100,000,000 for 20% Equity Ownership of CN Luxury Resorts, Inc.  
Plus Undivided Ownership of a Crab Cay Villa & Marina Berth***

Investment	Property Description Granted to Investor	Square Footage	Price per Square Foot	Homes Value Retail	Appraised Land Value	Marina Berths Value	Total Combined Value	Investor's Equity Stake	Share Price	Total Shares Acquired	Investor's Share of Net Revenue \$1,661,093,901	Annualized Return Over 10 years w/o Real Estate	Annualized Return Over 10 years w/ Real Estate
\$100,000,000	Total Villas	90,000	\$1,909	\$171,810,000	23,000,000*	\$11,000,000	\$205,810,000	20.00%	\$2.00	10,000,000	\$332,218,780	33.222%	53.803%
\$10,000,000	Enclave Villa	9,000	\$1,909	\$17,181,000	\$2,500,000	\$1,100,000	\$20,781,000	2.00%	\$2.00	1,000,000	\$33,221,878	33.222%	54.003%
\$5,000,000	Walker Estate Villa	4,500	\$1,909	\$8,590,500	\$1,000,000	\$550,000	\$10,140,500	1.00%	\$2.00	500,000	\$16,610,939	33.222%	53.503%

\*Note: This value was determined by combining the land value of 6 Enclave lots and 8 Walker Estate lots.