

INVESTMENT PROSPECTUS



Development Investment
VALLEY VIEW
Kumbor, Montenegro



MONTENEGRO OVERVIEW

Montenegro, a dramatically beautiful coastal country bordering the Adriatic Sea just south of Croatia, is a little smaller than Wales with a population of 620,000. The 293 kilometres of coastline contain 117 sand, shingle or pebble strewn beaches with crystal clear turquoise water. Inland to the south of the country is the Skada Lake providing the perfect location for fishing and rambling. The world heritage site Durmitor National Park in the North East is ideal for summer and winter sports.

Just below Valley View there is progress being made with developing the ex Tivat arsenal into what is going to be the largest super yacht marina in the Mediterranean, the marina will have 150 berths for super yachts along with 600 other berths with also having appealing 5 star hotel and many leisure facilities for all ages, it will also host many high street designer names such as Gucci, Armani, Prada etc

Forecasted by the World travel and tourism Council, Montenegro will be one of the fastest growing holiday destinations in the world during the next few years.

BUYERS GUIDE

- ✓ The Republic of Montenegro is expected to receive ascension to the EU by 2012
- ✓ Low population of just 598,000
- ✓ Stable currency EUR (€)
- ✓ GDP real growth rate: 7.1% (2007)
- ✓ Member of numerous international financial institutions such as; IMF and European Bank
- ✓ for Reconstruction and Development
- ✓ Fantastic tourist hub with visitor numbers up 39% in 2007 to 1.2 million.



DEVELOPMENT OVERVIEW

Valley View is a development of high quality, modern, open-plan freehold 1, 2 and 3 bed apartments and penthouses. The low level buildings are set in 14,000 square meters of landscaped gardens and feature three swimming pools in a secure, pedestrian friendly environment with underground car parking all within a gated community.

Overlooking the Kotorska Fjord, Valley View offers quality apartments designed for al fresco living, with open plan stylish interiors and panoramic views from large verandas.

Each apartment is equipped with state of the art equipment including air-conditioning and modern fitted kitchens and has its own parking. Architecture that is aesthetically pleasing, blends into the landscape and is in keeping with the local style and the minimalist design contains many environmental measures to save energy and running costs.

The coast with its pebble beach's and varied restaurants is only a few minutes' walk and water taxis provide regular connections to all of the main coastal towns and beaches during the summer.

Valley View will have its own management company with on-site letting management and concierge service

KEY FEATURES

- ✓ Three outdoor swimming pools
- ✓ Indoor swimming pool
- ✓ Sauna and fitness centre
- ✓ Café
- ✓ 24 Hour security
- ✓ Satellite and broadband connection
- ✓ Gated Community
- ✓ Communal area
- ✓ Car park space for each apartment





LOCALITY

Valley View is located conveniently 40 minutes from Dubrovnik and Tivat international airports and within 15 if accessed by boat from Tivat airpor. Herceg Novi, local historic town can be reached in just 10 minutes from View Valley by bus or car and is packed with all the restaurants and shops you desire. Planned transport link improvements would place the development 10 minutes from the beach and just 2 hours from Zabljak, ski resort making this a very unique opportunity.

The resort is a short walk from the sea, where you can meander along the coastal road past many small marinas, cafes, restaurants and small beaches. Alternatively you could catch a water taxi to the main towns or one of the many secluded bays or beaches around the bay or on the Adriatic coast.



INVESTMENT OVERVIEW

Total land plot:	15,859 m ²
Permission to build:	110 residential dwellings
Denomination:	A selection of one and two bedroom apartments.
Design stage:	Completed and approved.
Project acquisition cost:	7,136,550 Euros (450 m ²) for the land with designs and permission to build.
Built up area (sellable):	14,263 m ²
Project build cost:	11,410,400 Euros (800 m ²) for a 5 star finish
Project sales value:	38,510,100 Euros (2700 m ² average)
Sales and delivery costs:	3,000,000 Euros
Clear project profit:	19,963,150 Euros*

ROI PREDICTIONS

Depending on the amount of presales achieved, the project return and exposed to deployed funds will vary. Here are a few potential sales forecasts which will help you gauge the best and worst case scenarios, if construction finance is not obtained.

Option 1 -No presales:

Total deployed funds:	15,546,950 Euros
Exposure:	24 months (18 months construction and 6 months of sales and closing out completions)
Profit return :	19,963,150 Euros (128.4%)
Notes:	3m Euros additional costs are mainly deductible at end user sales stage so are not included in deployed funds.

Option 2 - 50% presales on a 30% down payment:

Total deployed funds:	9,770,450 Euros (15,546,950 minus 5,776,500 Euros achieved from presales)
Exposure:	21 months (18 months construction and 3 months of sales and closing out completions)
Profit return:	19,963,150 Euros (200%)
Notes:	The sales to end users or second tire investors are based on a very competitive 30% down payment of the property sales price with the following 70% due on completion.

Option 3 - 80% presales on a 30% down payment:

Total deployed funds:	6,304,526 Euros (15,546,950 minus 9,242,424 Euros achieved from presales)
Exposure:	21 months (18 months construction and 3 months of sales and closing out completions)
Profit return:	19,963,150 Euros (316%)
Notes:	The sales to end users or second tire investors are based on a very competitive 30% down payment of the property sales price with the following 70% due on completion.

*Estimated on current market conditions