



---

**ATTACHMENT C**

**Simpson Bay Financial Projections**

## Acquisition Terms - Simpson Bay Marina

<b>Acquisition Budget</b>		
<b>Due Diligence</b>		
<b>Fees</b>		
IGY Acquisition Fee	1.00%	100,000
Lender Fee	1.00%	-
Subtotal		100,000
<b>Legal</b>		
Greenburg Traurig		50,000
Deed - Filing Fee		-
Title Insurance		-
Subtotal		50,000
<b>Physical Studies</b>		
ATM - Testing		10,000
Subtotal		10,000
<b>Other</b>		
Appraisal		-
Closing Prorations		-
Lender Due Diligence		-
Survey		-
Travel		-
Valuation Letter		-
Working Capital		-
Other Closing Costs		20,000
		20,000
Conveyance Tax	4.7%	470,000
<b>Total IGY Acquisition Expenses</b>		<b>650,000</b>

<b>Acquisition Terms</b>	
Simpson Bay	<b>\$10,000,000</b>
<b>Total Asset Valuation</b>	<b>\$10,000,000</b>
<b>Debt</b>	
Existing Debt	\$3,355,447
Less: Total Debt	\$3,355,447
<b>Net Equity Purchase Price (100% ownership)</b>	<b>\$6,644,553</b>
Add: IGY Acquisition Expense	650,000
<b>IGY Cash Requirement at Closing</b>	<b>\$7,294,553</b>

# Simpson Bay - St. Maarten, NA

## Revised

## 10 Year Pro Forma

<b>Assumptions</b>	
Revenue Growth	See annual rates
Expense Growth	3.0%
COGS	50.0%
Mgmt Fee (% of NOI)	5.0%
Sales Costs (i) Year 10	3.0%
Terminal Year	10

<b>Valuation</b>	
Purchase Price	(10,000,000)
Cap Rate (Going in)	9.9%
Cap Rate (exit)	8.5%
IRR (Property)	15.0%
IRR (IGY)	16.1%

<b>Debt</b>	
Balance	3,355,447
LTV	34%
Rate	8.78%
Term	7
Amort.	25
Maturity	10/31/2012

<b>Property Information</b>	
Slips	114
Condo/Office	1,560 SF
Gate Houses	960 SF
Restaurant	1,700 SF

### Property Level Returns

	Actual 2005	Reforecast 2006	Year 0	Year 1 2007	Year 2 2008	Year 3 2009	Year 4 2010	Year 5 2011	Year 6 2012	Year 7 2013	Year 8 2014	Year 9 2015	Year 10 2016
<b>Deck Revenue</b>													
Slips				41%	41%	41%	41%	41%	41%	41%	41%	41%	41%
Fuel				32%	32%	32%	32%	32%	32%	32%	32%	32%	32%
Water/Cable/Electric				15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
<b>Upland</b>													
Leases**				2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Provisioning				6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Service				2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Store				1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Other**				0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Total Gross Revenue</b>	2,671,999	3,114,683		3,480,312	3,628,317	3,782,462	3,944,624	4,114,703	4,293,117	4,480,312	4,676,758	4,882,951	5,099,415
Cost of Goods Sold	1,308,773	1,503,248		1,435,822	1,563,998	1,610,385	1,658,179	1,707,423	1,758,159	1,810,431	1,864,286	1,919,770	1,976,933
<b>Net Revenue</b>	1,363,226	1,611,435		2,044,490	2,064,318	2,172,077	2,286,445	2,407,280	2,534,958	2,669,881	2,812,472	2,963,180	3,122,483
<b>Expenses</b>													
Payroll				39%	39%	39%	39%	39%	39%	39%	39%	39%	39%
Admin				15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Marketing				4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
R&M				12%	12%	12%	12%	12%	12%	12%	12%	12%	12%
Utilities				4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
Land Lease				6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Other				13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
Insurance				4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
REC Taxes (no tax in St. Maarten)													
Admin Fee													
<b>Total Expenses</b>	662,846	669,174		1,007,601	1,080,881	1,109,928	1,139,907	1,170,849	1,205,788	1,235,756	1,269,980	1,304,926	1,341,202
Expense Margin	49%	42%		49%	52%	51%	50%	49%	47%	46%	45%	44%	43%
<b>NOI (before Fees)</b>	700,379	942,261		1,036,889	983,438	1,062,149	1,146,538	1,236,431	1,329,171	1,434,125	1,542,681	1,658,254	1,781,281
Mgmt Fee**	42,000	45,117		51,844	49,172	53,107	57,327	61,822	66,609	71,706	77,134	82,913	89,064
<b>Adjusted NOI</b>	658,379	897,144		985,045	934,266	1,009,042	1,089,212	1,174,609	1,262,562	1,362,418	1,465,547	1,575,341	1,692,217
Cap Rate	9.9%	9.3%		9.9%	9.3%	10.1%	10.9%	11.7%	12.7%	13.6%	14.7%	15.8%	16.9%
Exit Value	-	-		-	-	-	-	-	-	-	-	-	19,311,177
<b>Cash Flow Before DS</b>				985,045	934,266	1,009,042	1,089,212	1,174,609	1,262,562	1,362,418	1,465,547	1,575,341	21,003,393
Debt Service**				336,128	336,128	336,128	336,128	336,128	336,128	336,128	336,128	336,128	336,128
DSC				2.93x	2.78x	3.00x	3.24x	3.49x	3.77x	4.05x	4.36x	4.69x	62.49x
<b>Cash Flow After DS</b>				648,917	598,138	672,914	753,084	838,481	929,434	1,026,290	1,129,419	1,239,213	20,667,265
Debt Pay Down													(2,817,727)
<b>Net Cash Flow</b>	(7,294,553)			648,917	598,138	672,914	753,084	838,481	929,434	1,026,290	1,129,419	1,239,213	17,849,538
Deck Capital	513,798								25,000		26,250		27,563
Structural Capital	381,200												
Equipment Capital	471,350												
Revenue Enhancement/Development								100,000		105,000		110,250	
<b>Total Capital</b>	1,366,348			386,200	453,085	75,000	58,000	100,000	25,000	105,000	26,250	110,250	27,563
<b>Net Cash Flow</b>	(7,294,553)			262,717	145,053	597,914	695,084	738,481	904,434	921,290	1,103,169	1,128,963	17,821,976
IRR	15.0%			15.0%									
<b>Return on Equity</b>				3.6%	2.0%	8.2%	9.5%	10.1%	12.4%	12.6%	15.1%	15.5%	

### IGY Level Returns

	100%												
<b>Ownership</b>													
Purchase Price Equity													
Acquisition & Due Diligence Costs													
Acquisition Fee (1% of Acq. Equity)													
IGY Mgmt Fees & Admin Fees**													
IGY Cash Flow													
<b>Net Cash Flow</b>	(7,194,553)			338,561	218,225	675,021	776,411	824,303	995,043	1,016,997	1,204,303	1,235,876	17,935,040
IGY IRR	16.1%			16.1%									
<b>Return on Equity</b>				4.7%	3.0%	9.4%	10.8%	11.5%	13.8%	14.1%	16.7%	17.2%	

- Notes:  
 1. Tenant and Land Leases are fixed @ 3% annual growth  
 2. Loan matures in 2012, assumed it is extended  
 3. Other = Telephone, Finance Charge, Discount Sale  
 4. Mgmt Fee = IGY Fee  
 5. IGY Mgmt Fees includes 5% of NOI and Admin Fees

**Simpson Bay Marina  
2006 - 2010 Capital Projections**

**Blue Font indicates Revised Sun Capex**  
**Red Font indicates ATM Capex**  
**Indicates Item Sun excluded from original 5yr plan**

Item	Sun Resorts (revised 5 year plan)						Sun Resorts and ATM (5 yr plan)				
	2006	2007	2008	2009	2010	Total	2007	2008	2009	2010	Total
Dredging	50,000		25,000		25,000	100,000		25,000		25,000	50,000
Dinghy 19'		20,000				20,000	20,000				20,000
115 Outboard		7,000				7,000	7,000				-
Golf Cart	6,000			6,000		12,000			6,000		6,000
New Fuel Dock House	12,000					12,000					-
New Extension Above Gate	55,000					55,000					-
Truck	7,000					7,000					-
Electrical Boxes (Small)	15,000	15,000	15,000	15,000	15,000	75,000		15,000	15,000	15,000	45,000
Water Boxes	3,000	3,000	3,000	3,000	3,000	15,000	3,000	3,000	3,000	3,000	12,000
Dinghy Travel Lift	7,000					7,000					-
Security Cameras	5,000	3,000				8,000	3,000				3,000
Retail Space-Greenland	300,000					300,000					-
Mooring System	5,000		5,000			10,000		5,000			5,000
Security (recordable camera system)	11,000					11,000					-
Finger Pier Extensions (5 per year)	10,000	10,000	10,000	10,000	10,000	50,000	10,000	10,000	10,000	10,000	40,000
Front Gate	4,000					4,000					-
Fire Extinguishers	5,000			5,000		10,000			5,000		5,000
PC replace 4	1,800			5,000		6,800			5,000		5,000
Monitors	1,200					1,200			5,000		-
Office Furniture		2,500				2,500	2,500				2,500
Tape back Up	1,000					1,000					-
PBX		10,000				10,000	10,000				10,000
Copiers		600		1,000		1,600	600				600
Cooler	1,500					1,500					-
Air Conditioner		2,000	2,000		2,000	6,000	2,000	2,000		2,000	6,000
Up Grade Bathrooms	2,000	2,000	2,000			6,000	2,000	2,000			4,000
Hot Water Tanks			2,000			2,000		2,000			2,000
Sale of Dinghy		(2,000)				(2,000)	(2,000)				(2,000)
Sale of Outboard		(1,000)				(1,000)	(1,000)				(1,000)
Bollard	3,000	3,000	3,000	3,000	3,000	15,000	3,000	3,000	3,000	3,000	12,000
Fendering replacement		3,000	3,000	3,000		9,000	3,000	3,000	3,000		9,000
<b>Main Walkways</b>							182,200				182,200
<b>Finger Docks</b>							24,400				24,400
<b>Concrete Surface</b>							51,500				51,500
<b>Utilities - Repair</b>							15,000				15,000
<b>Utilities - Repair/Maintenance</b>								350,000			350,000
<b>Condominium Office Building</b>								7,530			7,530
<b>Repair Roof (Gate House)</b>								7,680			7,680
<b>Repair Floor (Gate House)</b>								960			960
<b>Repair Concrete walls (Gate House)</b>								4,800			4,800
<b>Repair Window Ext. Trim (Gate House)</b>								30			30
<b>Jimbo's Restaurant</b>								10,200			10,200
<b>Repair Roof (Fuel Dock)</b>								1,160			1,160
<b>Replace Hardware (Fuel Dock)</b>								725			725
<b>Dredging Maintenance</b>							50,000		25,000		75,000
<b>Total Capex (Original)</b>	506,500	78,100	70,000	51,000	58,000	762,600					
<b>(excluded items)</b>	300,000					300,000					
<b>Total Capex (ICM Memo)</b>	206,500	78,100	70,000	51,000	58,000	462,600					
<b>Total Capex for Revised ICM Memo</b>							386,200	453,085	75,000	58,000	965,285

Capital Improvements by Category				
Dock Capital	353,100	36,885	35,000	10,000
Structural Capital	-	381,200	-	-
Equipment Capital	33,100	35,000	40,000	48,000
<b>Total Capex for Revised IC Memo</b>	<b>386,200</b>	<b>453,085</b>	<b>75,000</b>	<b>58,000</b>