

# Exhibit I

## LUXURY TRAVEL

## Belize Is Not Just for Backpackers Any More

**The hiker's haven is getting a serious injection of luxury—and yes, there will be overwater bungalows.**

By **Nikki Ekstein**

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For all of Belize's cultural diversity—the country's melting pot heritage is equal parts Mayan, Creole, Mestizo, Spanish, Lebanese, Chinese, British, Indian, and Mennonite—its tourism scene is surprisingly one-note.

Nearly three-quarters of its 1.4 million annual visitors arrive by cruise ship, docking for just enough time to see the Altun Ha Mayan ruins, ride some zip lines, or go tubing through its famed Crystal Cave. And while a small clutch of luxury hotels exists—led by the pioneering, culinary-focused [Copal Tree Lodge](https://copaltreelodge.com/) [<https://copaltreelodge.com/>](https://copaltreelodge.com/) and the Coppola family's private island retreat, [Turtle Inn](https://www.thefamilycoppolahideaways.com/en/turtle-inn) [<https://www.thefamilycoppolahideaways.com/en/turtle-inn>](https://www.thefamilycoppolahideaways.com/en/turtle-inn) —Belize has suffered from a backpacker reputation that undermines its true Caribbean charms.





The Mahogany Bay Resort and Beach Club. Source: Mahogany Bay Resort & Beach Club

That's changing. "When I started coming here 15 years ago, it was Birkenstocks and REI bags on the TropicAir flights," says Beth Clifford, founder of the three-month-old [Mahogany Bay Resort & Beach Club](https://mahoganybayvillage.com/) [<https://mahoganybayvillage.com/>](https://mahoganybayvillage.com/), referring to the 14-seat Cessna flights that are ubiquitous in Belize. "I just got off a TropicAir plane today and counted no fewer than three Louis Vuitton bags," she adds. "The profile has changed entirely."

Mahogany Bay is the first in a long string of luxury openings coming to Belize. It opened in December on the southeastern tip of Ambergris Caye, with a 70-acre beach club and exploration center for fly-fishing, spelunking, and scuba diving. Joining it soon are a [farm-to-table project](http://www.itzanabelize.com/) [<http://www.itzanabelize.com/>](http://www.itzanabelize.com/) with solar-powered beachfront cottages, a Dream Hotel Group property adjacent to a jaguar preserve, and Leonardo DiCaprio's wellness-focused eco-resort, [Blackadore Caye](https://www.bloomberg.com/news/articles/2016-11-07/leonardo-dicaprio-s-private-island-resort-blackadore-caye-belize) [<https://www.bloomberg.com/news/articles/2016-11-07/leonardo-dicaprio-s-private-island-resort-blackadore-caye-belize>](https://www.bloomberg.com/news/articles/2016-11-07/leonardo-dicaprio-s-private-island-resort-blackadore-caye-belize).





Blackadore Caye Source: Denniston International Architects & Planners Ltd.

All that growth shows no signs of stopping. By the time [Four Seasons Caye Chapel](https://www.cayechapel.com/) opens in 2021 with 30 to 40 overwater bungalows on a private island, the country will be competing with the world's hottest honeymoon destinations.

Four Seasons is leveraging an unheralded aspect of Belize's topography: Off the country's coast are 450 atolls that form a low-lying archipelago, similar to the Maldives or the South Pacific. This archipelago, however, is a five-hour flight from New York, a six-hour flight from Los Angeles, and an hour and a half from Miami. For Americans and South Americans, it's a new destination next door.

"It really does remind me of the Maldives," says Michael Crawford, Four Seasons' president of portfolio management and owner relations. "It's pretty rare to find places like this, where you can create an entire destination unto itself on a private island, much less one that's proximate to the U.S.—and with good infrastructure," he tells Bloomberg.

## Why Now?



A rendering of the waterside bungalows at the Four Seasons Caye Chapel. Source: Four Seasons Caye Chapel

All the things that excite Belize's foreign developers—great beaches, an abundance of watersports activities, crowd-pleasing land excursions, and rich cultural and culinary traditions—have always existed. So why is Belize

just gaining traction now?

“Destinations take time to build,” says Four Seasons’ Crawford. The Belizean government, he adds, built theirs slowly but intentionally, creating a desirable real estate market with a fairly low cost of entry and no estate or capital gains taxes. “They understand that when you draw luxury ownership, the market grows and luxury tourism follows,” Crawford adds. A “qualified persons retirement program” has also encouraged high-net-worth individuals to become full-time transplants, rather than occasional visitors with vacation homes.

According to developer Andrew Ashcroft, whose family has deep roots here—his English grandfather arrived via plane, ship, and “a banana boat” in the aftermath of World War II—Belize is an easy place for expats to settle. It’s English-speaking and ruled in accordance with English common law (it belongs to Britain’s Commonwealth, like Canada and Australia), and the melting pot of cultures means that nobody sticks out.

For tourism, that means a big opportunity for multi-generational trips. “Expats have a nice community here, and they’re bringing their kids down and then *they* fall in love with the place,” Ashcroft explains. (His own project, an Autograph Collection resort called [Alaia](https://www.alaiabelize.com/) [<https://www.alaiabelize.com/>](https://www.alaiabelize.com/), will open in Ambergris Caye in 2020, with an open studio for local artisans just off the lobby.)

Add significant financial incentives for luxury developers—such as free repatriation of profits and waived duties—as well as a geographic location just outside the hurricane belt, and Belize becomes a no-brainer for hoteliers.

## Where to Go





The Great House at Mahogany Bay. Source: Mahogany Bay

Plan a trip to Belize in 2018, and you'll be ahead of the curve. Of the half-dozen properties that are bringing in a high tide for luxury, only Mahogany Bay has opened its doors. But its arrival is significant. "Our resort is on an island with about 2,000 hotel rooms—closer to 2,200, now that we're open" says Clifford. "Of those, less than 500 are up to international standards." Most of the accommodations, she says, are casual bed-and-breakfasts, leaving a big gap in the market.

Mahogany Bay fills that hole. Its lobby occupies the largest wooden structure in Belize (a riff on a colonial-style Great House), and its clapboard cottages and villas stand along a series of picturesque canals. Guests can request "dressing cocktails"—in-room drinks to enjoy while getting gussied up—or lounge in overwater hammocks. Some will recognize it as the backdrop for the most recent *Sports Illustrated* swimsuit issue.

When it opens in November, Itz'ana will have a similar upscaling effect in the beach town of Placencia. Apart from the Coppola family's Turtle Inn and the tiny [Cayo Espanto](https://aprivateisland.com/villas/) [<https://aprivateisland.com/villas/>](https://aprivateisland.com/villas/), Itz'ana will be the only luxury game in town [<http://www.itzanabelize.com/>](http://www.itzanabelize.com/), with 50 sustainably designed rooms and suites, a dedicated Rum Room, and a Hemingway-inspired aesthetic. (Blackadore Caye is still projecting an "end of 2018" opening, but locals are highly skeptical of the timeline.)

Visit during the spring and winter months, when the weather is warm and dry. Simply fly into Belize City—which has recently added direct flights on Southwest and WestJet airlines—and then book TropicAir transfers to get from place to place. The country is roughly as large as New Jersey, so almost any two points in Belize can be connected within an hour.

And bear in mind: Sophia Coppola may have said that Belize is a place to do nothing, but the country offers plenty of tempting excursions. Scuba diving, fly-fishing, kayaking, picnicking by secret waterfalls—it's all easily arranged, and that's just scratching the surface.

## What's Next

Save your Belize trip for 2020 or beyond, and you'll find a totally different destination. For one thing, plans are underway for an international airport in Placencia, which would make it faster and easier to access one of the country's best beaches. "If the airport happens, it's the icing on the cake," says Ronan McMahon, a real estate

expert and contributor to *International Living* <<http://internationalliving.com/>>, who named Placencia among the three overseas beaches most likely to boom in 2018.

The influx of major luxury brands—such as Autograph Collection and Four Seasons—will also bring dramatic change. As Crawford puts it, people are more likely to travel to a lesser-known destination when a company they trust is there to welcome them.



The former Mayan city of Altun Ha. Photographer: MaRabelo/iStockphoto

It's not just Americans that are making bets on Belize, either. On a recent night, Clifford found guests from Manhasset, N.Y., San Francisco, London, South Africa, Montserrat, and Jakarta all sitting around Mahogany Bay's bar—proof that an international clientele has started to catch on.

But neither she nor Crawford worry that Belize will become overdeveloped. “The luxury market will continue to take off here,” says Clifford, “but we're not on the yacht circuit, so we won't become St. Barth, and the building code keeps everything at five stories, so we won't become Cancun, either.”

“You can't build on all of the 450 islands out here—some are far too small,” explains Crawford, “and they won't be places for massive destination resorts.” It really is like the Maldives, he tells Bloomberg: “beautiful to fly over, gorgeous nature, and perfect for intimate experiences that people will remember.”

**[Find more travel destinations: Where to Go in 2018 <https://www.bloomberg.com/news/features/2018-01-02/where-to-go-in-2018>](https://www.bloomberg.com/news/features/2018-01-02/where-to-go-in-2018)**

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