



VACATION RENTALS
OPPORTUNITY 3X
REVENUES



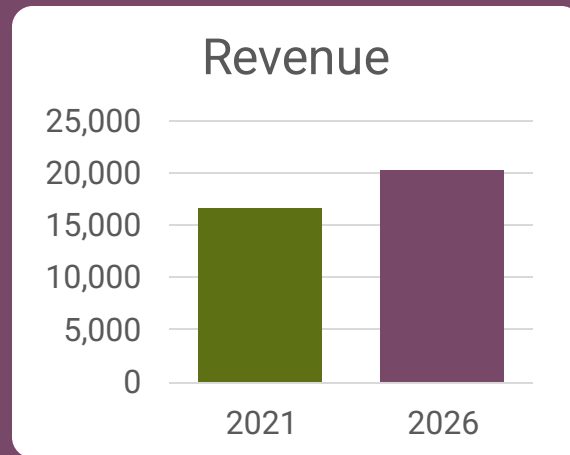
REVENUE

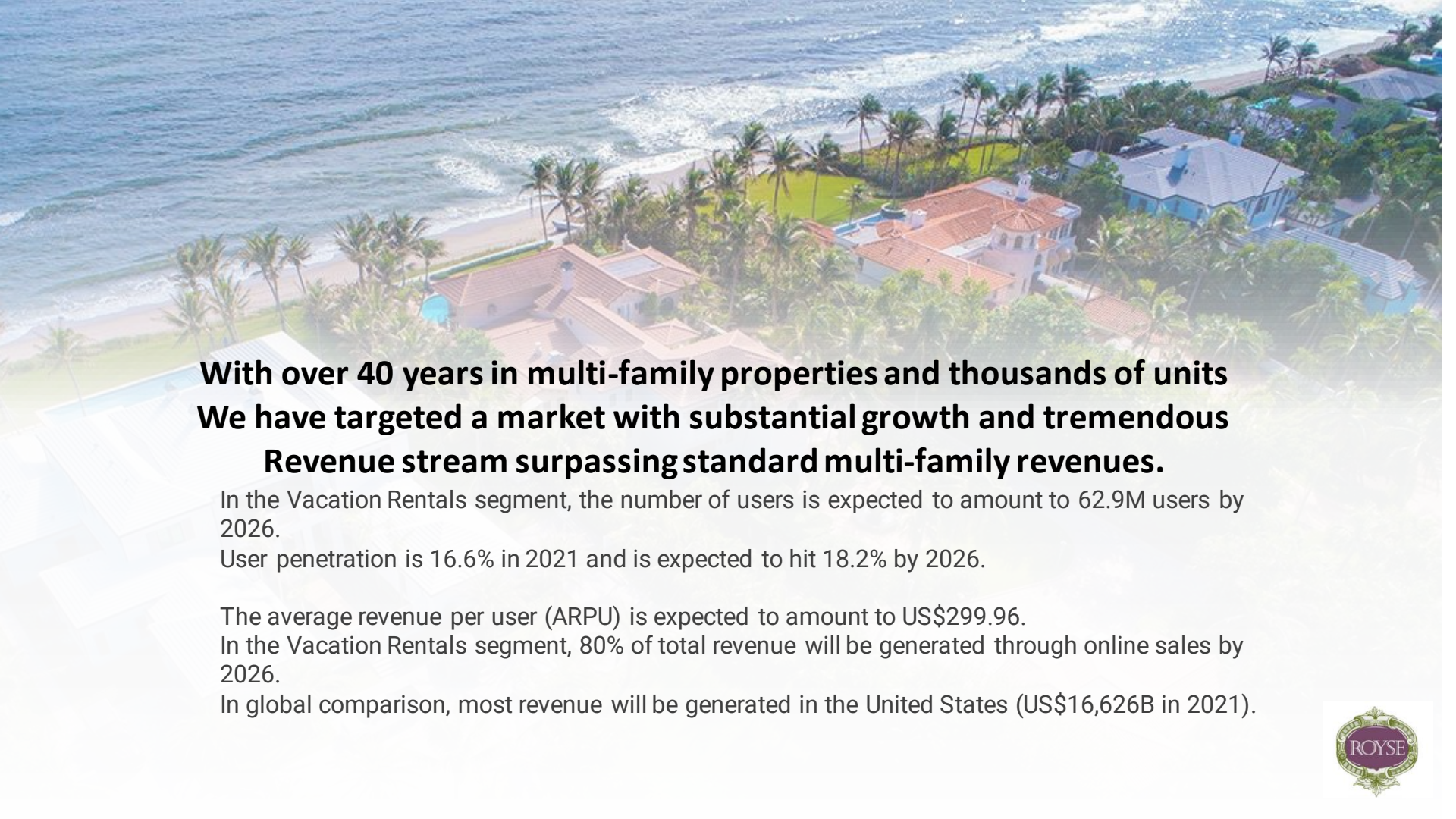
Revenue in the Vacation Rentals segment is projected to reach US\$16,626B in 2021.

Revenue is expected to show an annual growth rate (CAGR 2021-2026) of 4.13%, resulting in a projected market volume of US\$20,359B by 2026.

2021
US\$16,626B

2026
US\$20,359B





**With over 40 years in multi-family properties and thousands of units
We have targeted a market with substantial growth and tremendous
Revenue stream surpassing standard multi-family revenues.**

In the Vacation Rentals segment, the number of users is expected to amount to 62.9M users by 2026.

User penetration is 16.6% in 2021 and is expected to hit 18.2% by 2026.

The average revenue per user (ARPU) is expected to amount to US\$299.96.

In the Vacation Rentals segment, 80% of total revenue will be generated through online sales by 2026.

In global comparison, most revenue will be generated in the United States (US\$16,626B in 2021).





Reasons to invest in a short-term rental property out of state.

- You may have just gone on a vacation and decided the people who own the place you are renting were making a killing.
- You may have been considering buying rental properties and then started seeing the comparison of long-term vs. short-term rentals.
- Maybe you were thinking about buying a home you would like to retire into and can't imagine how expensive they will be by then.
- You may realize there is a reason you keep coming to Florida and have always wanted to own property here.

LOCAL VS. OUT OF STATE

WE HAVE DETERMINED THAT
THE 3RD LARGEST STATE AND
2ND MOST VISITED WAS A
GREAT PLACE FOR US TO START



LOCAL VS. OUT OF STATE

When thinking about short-term rentals and Airbnb, people usually jump to thinking about great vacation destinations. We couldn't agree more! People are coming to Florida in droves and short term rentals are the future of solid returns with huge exit upside.

Now that we have the idea that there is not a workable business model with three times the revenue of apartments we have started in this market with our revenues in off season (warmer summer months) averaging \$6-\$8 pr. Sq. Ft! In season \$12 to \$17 pr. Sq ft. Our test in Florida was off the charts!

We are starting with beach front access properties that are walkable to beaches saving money on higher priced water front properties yet allowing more amenities for guest that are close enough to walk to beaches from the vacation rental property.





LOCAL VS. OUT OF STATE

You may want to diversify your investments. For example, suppose you already have a house and a job tied to your local economy. In that case, having an asset in another local could provide a level of diversification that can help you rest easy.

Let's be honest Florida is the vacation mecca with amazing beaches, restaurants, sun, pools, and don't forget Disney!

This ability to cherry-pick a market for your specific needs is what makes investing out of state so desirable. Are you more interested in appreciation than cash flow? We have both! Look at long term rental returns than take a look at the per sq. ft. rents that national or regional companies are getting than look at the returns they offer? They are terrible! Long term rentals the tenants abuse the properties, pay late, during the pandemic many landlords didn't even get paid!! We get paid before they arrive! And when a family is spending time at the beach or at the pool they are in a happy space leaving great reviews and are respectful of the properties.





**HOW TO SELECT A
MARKET?**

**IRREPLACEABLE
ASSETS! LIKE THE
OCEAN & WORLD
CLASS BEACHES**

HOW TO SELECT A MARKET

Our expertise in real estate isn't just about the 40+ years of success. It's not about building thousands of units across the country. It's not about our ability to get amazing financing on our projects. It's about our ability to move ahead of the curve! See the future and be the market leader!

The thing is, you could be investing in an out-of-state Airbnb 100% for financial reasons. There is probably some alternative motivation as well. For instance, you are looking for a place you can use as your vacation destination. Now you have the best of both worlds. Many Investors DO NOT want to purchase a rental property let alone manage one! GREAT! We agree.

Our management team has been managing thousands of units for decades and now our team has achieved 5 star ratings as well as Super Host on many platforms so we understand customer service!

It is crucial to accurately choose the best vehicle for your investment into real estate. We believe that with the solid revenues that vacation rentals offer is second to none. Great locations, great properties, amazing amenities, world class management team = solid returns.



CATEGORIES OF EXPENSES

Mortgage

Property
Taxes

Utilities

Cleaning

Furniture

Insurance

Linens

Maintenance

REVENUE

Unlike expenses, it will be harder to project the revenue for a short-term rental. But the average long term rental is \$.90 to \$2.5 pr. Sq. Ft. During the pandemic millions of tenants weren't paying their rents causing turmoil for landlords across the country.

Vacation Rentals the average pr. Sq. Ft. Is \$6.44 which is more than 3x that of average long term rentals.

EXPENSES

There is an expense of furnishing the units and the units are only cleaned once at the end of each stay. The guest actually pay a cleaning fee which in many cases is an additional profit center for the property.

REVENUE

There is a rule of thumb that a good Airbnb should make 3x the long-term rental rate. You can find an estimate for the monthly rent on Zillow or Rentometer. If you find your estimates to be too far off of this metric, you better have a reasonable justification for it. Otherwise, you might need to re-do your calculations.

REVENUE CALCULATION

Short Term Revenue = ADR (Average Daily Rate) X Occupancy

We understand the value of a 3x revenue stream and are now designing resorts around this amazing opportunity with significant growth. With our solid expertise in land acquisition, development and finance of these types of projects we know the sky is the limit in this growing market. Enough of the boring returns of multifamily into the new phase of vacation rentals.



MAIN TASKS FOR MANAGING
AN AIRBNB LISTING WE HAVE
THIS DOWN TO A SCIENCE.

**Responding
to inquiries**

Cleaning

Maintenance

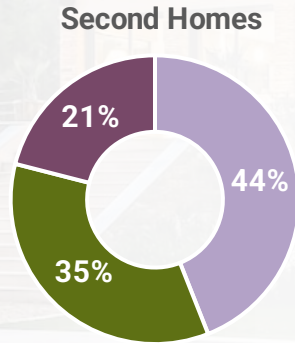




INDUSTRY GROWTH AND SUSTAINABILITY
A FRAGMENTED INDUSTRY WITH
RESIDENTIAL UNITS WHILE WE BUILD
RESORTS THAT HAVE WORLD CLASS
AMENITIES AND TOP NOTCH FURNISHINGS.
OUR CURRENT 5 STAR RATED PROPERTIES
ARE KILLING IT!

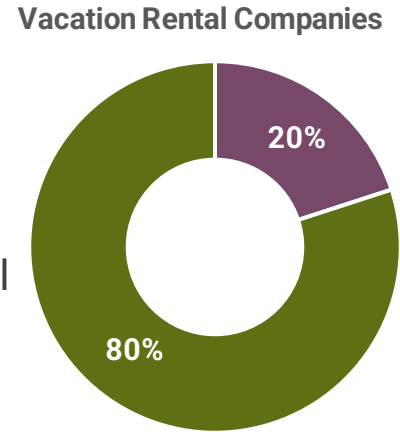
INDUSTRY GROWTH AND SUSTAINABILITY

9 million
second
homes
in the US



■ Professionally managed ■ Rented out ■ Others
(Hostfully)

23,000
Vacation rental
companies
in the US

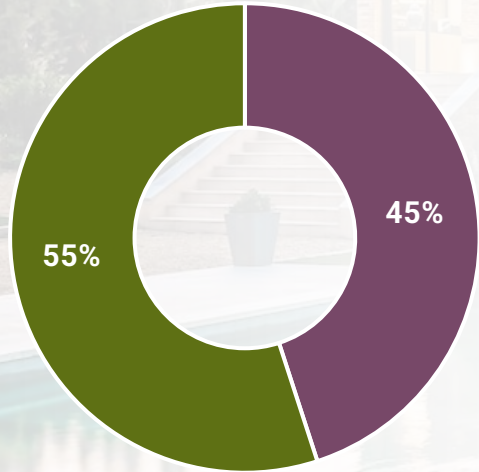


■ US ■ Others
(Hostfully)



INDUSTRY GROWTH AND SUSTAINABILITY

Investment Property Buyers



■ Income Generators

■ Flippers

(VRM Intel)

49%

Vacation buyers plans to use their property for vacations or as family retreat (VRM Intel)

57M

The expected number of users in the vacation rentals segment by 2023 (Statista)



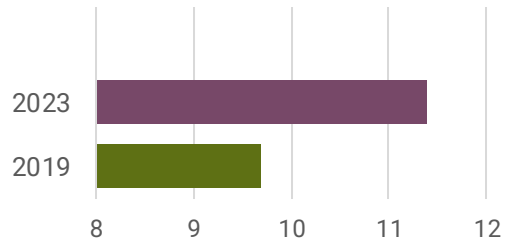
INDUSTRY GROWTH AND SUSTAINABILITY

User Penetration

2019
9.7%

2023
11.4%

(statista.com)

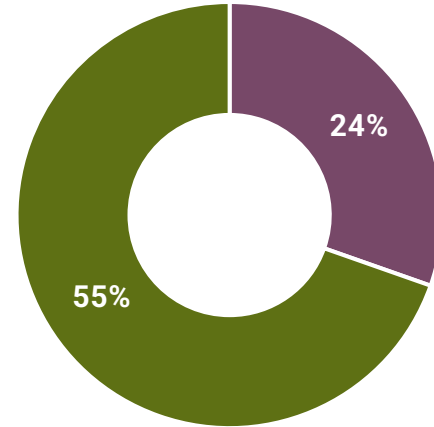


US \$438.49

The average revenue per user (ARPU) currently

(statista.com)

Vacation Rental Income



■ Owner's Income ■ Others

\$13,053B in 2018

Most vacation rental revenue is generated in
the United States (statista.com)

INDUSTRY GROWTH AND SUSTAINABILITY

Revenue in the vacation rentals segment amounts

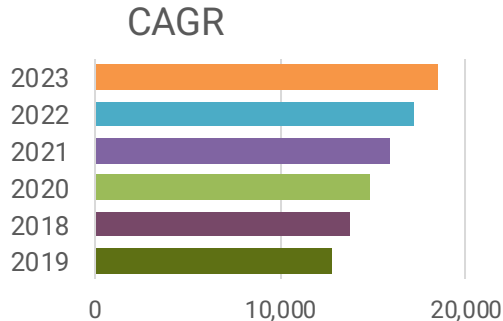
\$17,507B in 2019

(statista.com)

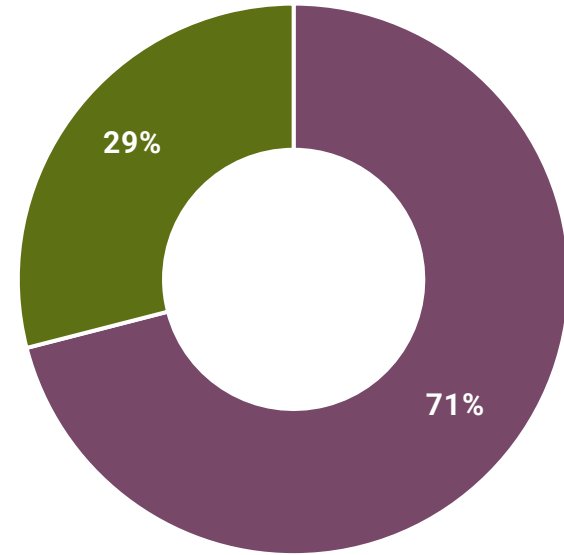
CAGR
7.2%
Annually

2023 Projection
\$18,517B

(statista.com)



Vacation Property Ownership

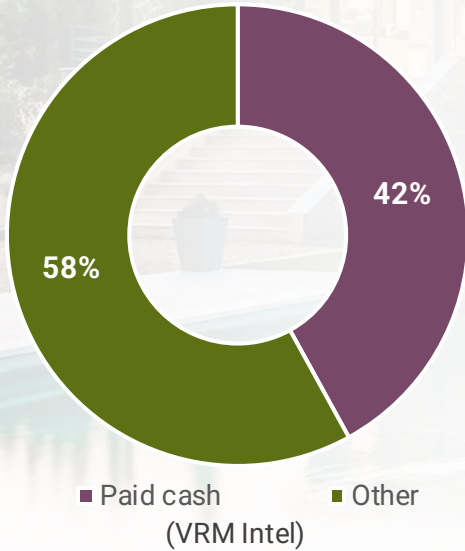


■ One person ■ Above one person
(Vrbo)

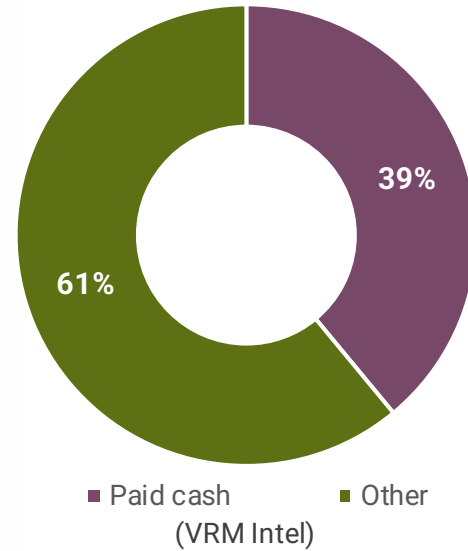


INDUSTRY GROWTH AND SUSTAINABILITY

Property Purchase (Investors)



Property Purchase (Vacation Buyers)



INDUSTRY GROWTH AND SUSTAINABILITY

The average rental income varies greatly by size of home, proximity to the beach, and quality of amenities. 1-bedroom vacation rentals in the 50th percentile earn about \$38,490 per year, while a 3-bedroom brings in \$98,688

(Evolve Vacation Rental Network)

As you can see this industry is in it's infancy stages where most host are small investors or families with a second investment property. Our stance is to basically do what Airbnb has done which is build a brand of properties that have multiple units with what guest are looking for like privacy, small kitchens, pools, bikes, fire pits, BBQs, these units will average 750 sq. Ft. Allowing separation with a private room or two unlike hotels where two queen beds and a tv with a mini fridge just don't cut it anymore. Guest now want a full kitchen and parents want a private room and will pay MORE to have these items. Now they can cook at the property and have a night or two out at the restaurants saving time and money spending more on the unit.





INDUSTRY GROWTH AND SUSTAINABILITY

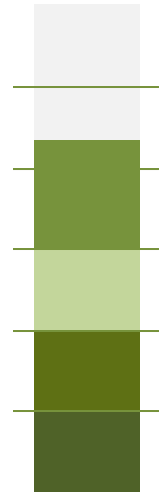
63% of investors and 52% of vacation buyers bought a detached single-family home. (VRM Intel)

The median square feet of an investment property is 1,500. (VRM Intel)

Research showed that the percentage of longer stays (over 7 days) has doubled since 2019. (avantio.com)



INDUSTRY GROWTH
AND SUSTAINABILITY –
OUR PROPERTIES ARE
100% AUTOMATED



85%

of vacation
rental
companies and
hoteliers
surveyed said
that automation
was a priority.
(avantio.com)



82%

of vacation
rental property
managers plan
to implement
keyless
technology.
(avantio.com)



34%

of property
managers were
planning to invest
11-25% more
than currently on
tech.
(avantio.com)



The background features a grid of financial data with various numbers such as 3 314,00, 26 29, 15,00, 825,00, 483,00, 985,00, 0,9,00, 1,00, 3,00, and 5. Overlaid on this are several US coins, including a quarter and a dime, and a series of upward-pointing arrows of varying heights, some topped with a dollar sign (\$).

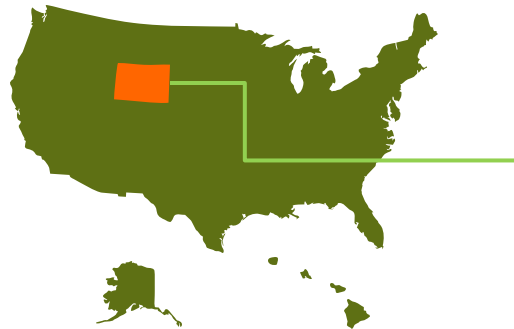
RATES AND PRICING



RATES AND PRICING



Average nightly rates in popular vacation destinations range from \$186 per night to \$978 per night (for a family-sized rental). (Hostfully)

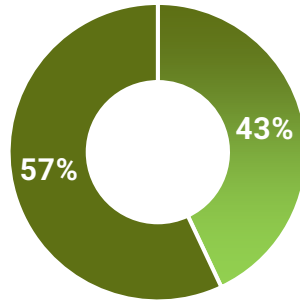


Wyoming is home to the most expensive vacation rentals around the 4th of July. (Hostfully) Florida during the winter months has higher rates of up to 100% during December - April

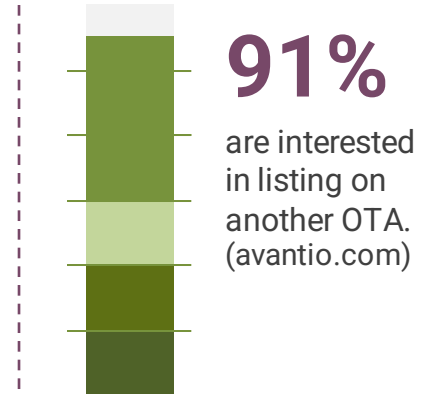
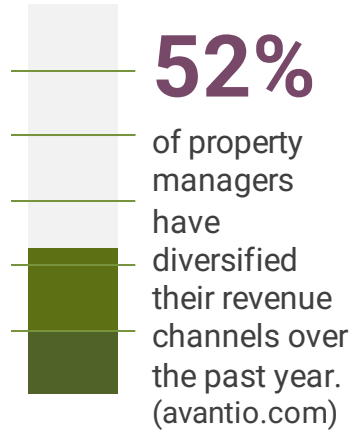




RATES AND PRICING



A recent poll by Vrbo Software revealed that more than half of property managers (57%) adjust their rates once per quarter or less frequently each year. (Vrbo)





RATES AND PRICING

90%

European property managers said they'd made their cancellation policies more flexible.

90%

property managers had noticed an increase in last-minute bookings. Airbnb stated that the percentage of last-minute bookings had doubled. (avantio.com)

52%

European property managers planning to offer free cancellation in 2021. (avantio.com)

According to data from VRM Intel, direct bookings accounted for over 50% of bookings in 2020. (avantio.com)

The pandemic disrupted normal seasonality trends, and surprisingly, average rates actually grew slightly in 2020 by 4%-6%. (avantio.com)



A person in a light-colored suit is sitting at a desk, typing on a silver laptop. The scene is overlaid with a semi-transparent green filter. In the background, there is a dark cup and some papers on the desk. The overall atmosphere is professional and focused.

MARKETING, REVIEWS, AND DISTRIBUTION



MARKETING, REVIEWS, AND DISTRIBUTION



We are competing with mom and pops where it's a gamble to stay at a property that may not have the correct amenities or professionally cleaned.



We are building a world class brand with world class properties and locations. We are building the hard rock of the vacation rental space with branded apparel and locations.

Travelers will spend about
59 seconds

navigating websites and clicking through your pictures. (Bookfull) Most of our clients come through booking sites than we capture their data and market directly to them for future bookings.



MARKETING, REVIEWS, AND DISTRIBUTION

77%

In the Vacation Rentals segment, 77% of total revenue will be generated through online sales by 2023. (statista.com)

68%

69% of tourists find information about vacations from brochures at a display stand and 68% find it online. (VRMA)

Average number of OTAs used by vacation rental companies with 51-250 vacation rental properties: 2.6. (Rentivo)

Vacation rental managers may spend 5%-15% of revenue on commissions to vacation rental platforms. (iGMS)



MARKETING, REVIEWS, AND DISTRIBUTION

67%

67% of travelers think it's easier to book on a brand website rather than a third-party website. (VRMA)

20%

Vacation rental managers that use instant booking on Airbnb increase their bookings by an average of 20%. (Guesty)

2 million renters

On average, more than 2 million renters stay in an Airbnb each night. (Airbnb)





HOSTING AND SERVICES
MOST GUEST PREFER NON
CONTACT CHECK IN AND
OUTS. WE ARE A CONTACTLESS
COMPANY NO NEED FOR
EMPLOYEES



HOSTING AND SERVICES

77.9%

Homeowners admit that the only way they welcome guests to their property is with an email. (Evolve Vacation Rental Network)

57%

Hosts that provide a welcome basket or gift for their guests upon arrival. (the distinguished guest)

84%

Vacation Rental Companies include a printed guidebook within the property (Hostfully).

Over 2/3

hosts provide a brand new sponge and dish soap for incoming guests. (the distinguished guest)

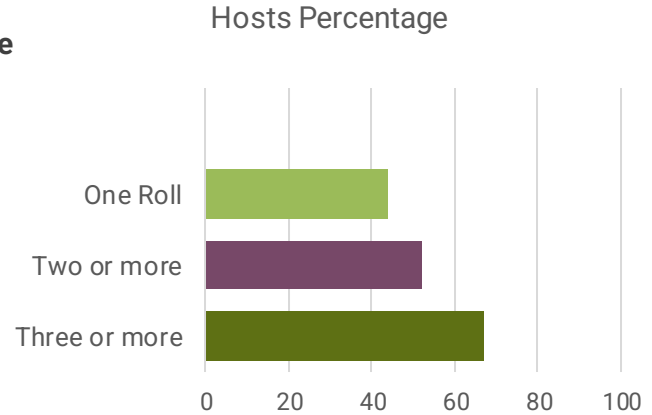


HOSTING AND SERVICES

44%
of Hosts provide One Roll of Paper Towel

52%
Of Hosts provide two or more.

67%
(2/3) of Hosts provide 3 or more.



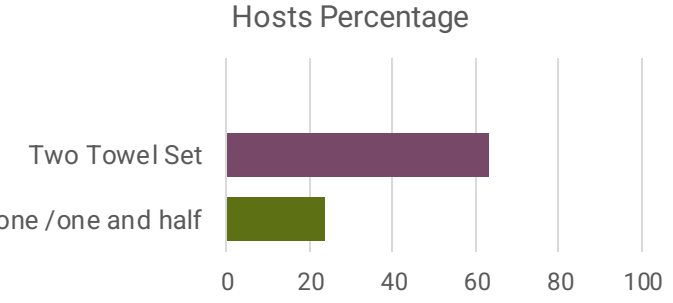
(the distinguished guest)



HOSTING AND SERVICES

63%
of Hosts provide
two towel sets

32.5%
Of Hosts provide
one or one and
half.



68% of Hosts use white bath towels at their vacation rentals

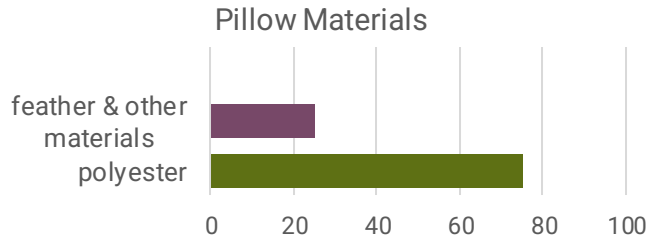
(the distinguished guest)



HOSTING AND SERVICES

68% of Hosts provide four pillows for King, Queen and Full beds

75%
Of Hosts use polyester-filled pillows, other



More than **3/4** hosts use white bed sheets at their property

(the distinguished guest)



HOSTING AND SERVICES

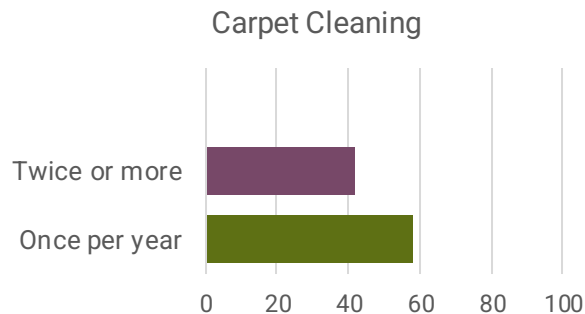
On average, almost half get their windows washed (inside and out) at least twice per year.

41%

Of Hosts gets carpets professionally cleaned twice per year

58%

Of Hosts gets carpets professionally cleaned annually



42% of hosts will deep clean their BBQ grill twice per year, but just over ¼ only do this once. (the distinguished guest)

(the distinguished guest)

A green-tinted illustration of a globe. The globe is the central focus, with various world landmarks and travel elements scattered across its surface. On the left, the Statue of Liberty stands prominently. In the center, the Eiffel Tower is visible. To the right, the Leaning Tower of Pisa is shown. Further right, the Taj Mahal is depicted. In the upper left, a large commercial airplane is flying. In the upper right, a smaller propeller plane is flying. In the lower left, a person is shown sitting on a patterned rug, possibly reading or writing. The overall scene is a collage of global travel and cultural icons, all rendered in a monochromatic green color scheme.

GENERAL TRAVEL AND TRENDS

GENERAL TRAVEL TRENDS

\$2,915

The amount an average millennial spends on travel each year, and they try to get away at least four times a year. (Bookfull).

Overseas visitations account for half of all international visitations to the United States, with the other half originating from Canada and Mexico. (U.S. Travel Association).

100% ↑

Families travel with other families

64% ↑

Are looking for privacy and kitchens saving money (Lodgify)



GENERAL TRAVEL TRENDS

The beach is best for most travelers, with 74% of respondents preferring to spend their vacations on the coast (VRMA)

The top amenity cited by 64% vacation rental travelers for booking a vacation rental is the kitchen (Bookfull).

31% of travelers said spending quality time with family was their main motivation for travel. (avantio.com)

42% of travelers planned to travel as a family group. (avantio.com)

Studies in the US showed that 61% of families were more likely to visit an outdoorsy destination than an urban one. (avantio.com)

The popularity of countryside cabins increased by 25% and people sought to be near lakes and rivers (avantio.com)

59% of US travelers said they were more likely to drive than fly to their next destination. (avantio.com)



GENERAL TRAVEL TRENDS

A survey of guests who had booked flexcations found that:

33% of guests have been able to book vacation rentals and work due to remote working policies.

38% had booked flexcations to offer their children a new experience and break the monotony of staying at home.

67% said they would be likely to do it again. (avantio.com)

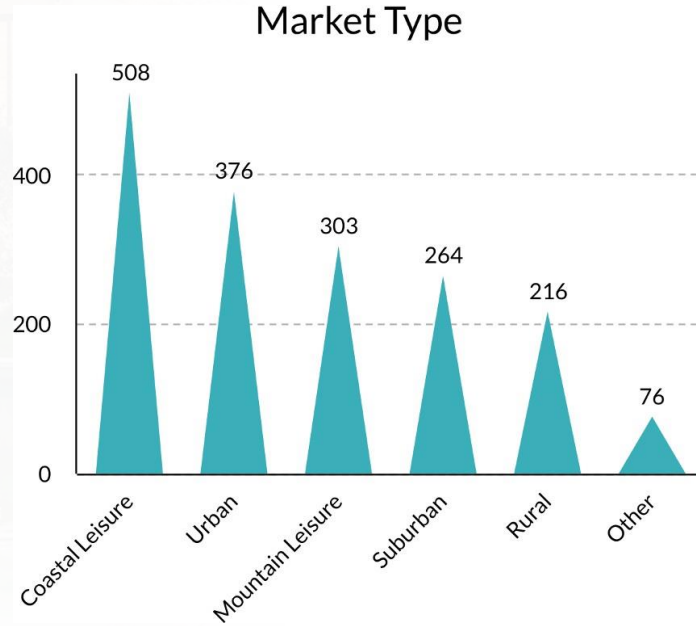
Our branded properties will be easier to identify for returning guest meeting all their expectations



ABOUT THE SURVEY

1,406 RESPONDENTS | SURVEYED APRIL 22 - MAY 1, 2020

U.S. STATE AND TERRITORIES



Note: Respondents could select multiple options



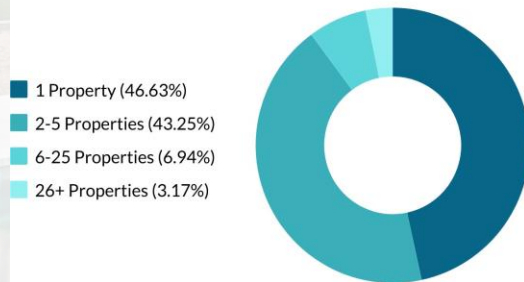
MEET THE OWNERS & MANAGERS

OF RESPONDENTS WHO OWN SHORT-TERM RENTALS:

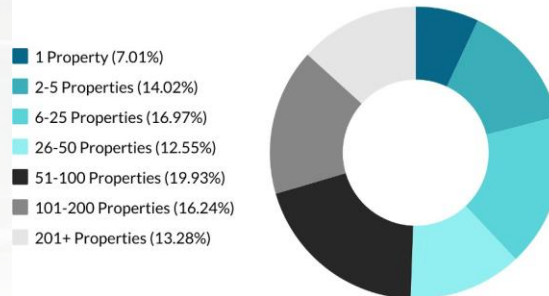
29% RENT THEIR PRIMARY RESIDENCE

89% OWN 5 OR FEWER PROPERTIES

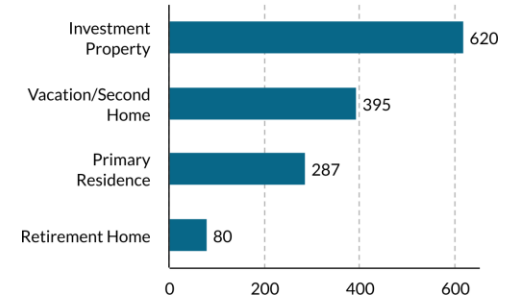
Non-Managers: Properties Owned



Managers (Excluding Owner-Managers): Number of Properties Managed

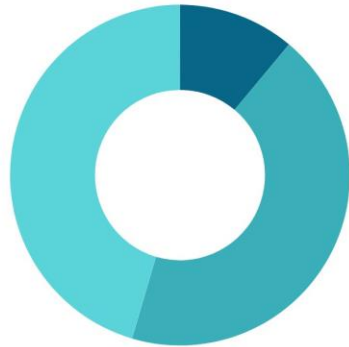


Owners & Owner-Managers: Property Type



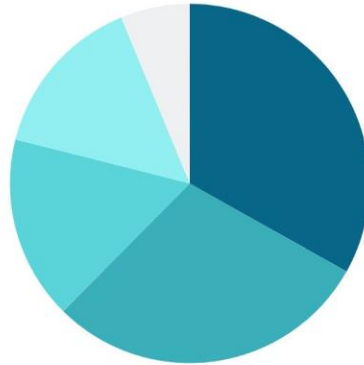
MONEY MATTERS

Non-Manager Owners:
Dependence on STR Revenue



- Not Dependent (11.11%)
- Somewhat Dependent (43.45%)
- Very Dependent (45.44%)

Have you received financial
support from the CARES Act?



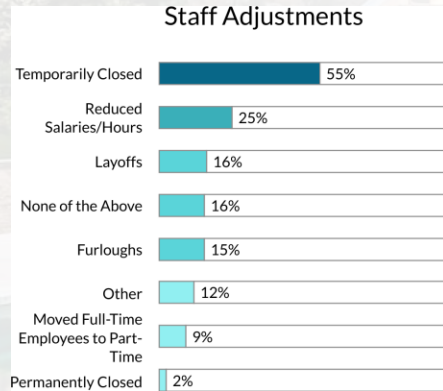
- No, but I have applied and am waiting. (33.16%)
- No, and I won't be applying. (29.26%)
- Yes (16.55%)
- No, but I plan to apply. (14.81%)
- I applied but was denied funding. (6.21%)

88%
OF OWNERS ARE AT
LEAST SOMEWHAT
DEPENDENT ON THEIR
STR REVENUE.

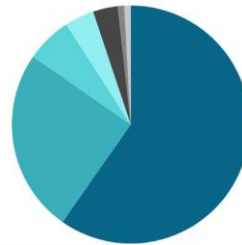
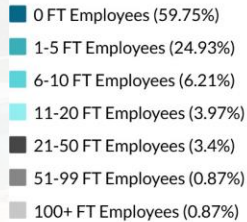


JOBS & LABOR IMPACTS

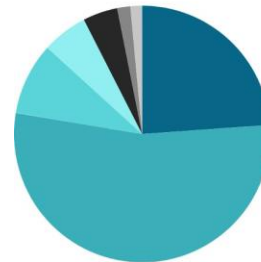
76% OF RESPONDENTS EMPLOY AT LEAST ONE STAFF MEMBER OR CONTRACTOR. 85% REDUCED STAFFING, HOURS OR SALARIES IN SOME WAY DURING COVID-19.



Full-Time Employees Pre-Pandemic



Part-Time Employees/Contractors Pre-Pandemic






A design of one of our future developments near Siesta Key Beach. Our Beach locations are the most searched properties



Birds Eye View





Contact:

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