

LA BALISE MARINA  
1<sup>st</sup> Floor, Block B  
Ruisseau Créole, La Mivoie  
Black River, Mauritius  
Tel : +(230) 483 7272  
Fax : +(230) 483 7979  
www.labalisemarina.com



South Africa  
Tel : +(27) 11 23 40 963

[www.veranda-resorts.com](http://www.veranda-resorts.com)  
[www.heritageawali.mu](http://www.heritageawali.mu)  
[www.heritageletelfair.mu](http://www.heritageletelfair.mu)  
[www.domainedebelombre.mu](http://www.domainedebelombre.mu)

RENTAL POOL FACILITIES



LA BALISE MARINA

BLACK RIVER • MAURITIUS





# La Balise Marina

Black River – Mauritius

## A SHORT INTRODUCTION TO LA BALISE MARINA

La Balise Marina is an integrated project for a residential marina, being developed under Mauritius's Integrated Resort Scheme (IRS), in the west-coast village of Black River in Mauritius. The project's promoters are a group of reputed local companies including ENL Group, Investec Bank (Mauritius), Mauritius Commercial Bank Equity Fund, and General Construction. Management of the development has been entrusted to ENL Property, and sales to Espral International.

La Balise Marina is the first residential marina in Mauritius. It is a premium development, with amenities and services of excellent quality. The development has been designed by a team of Mauritian and South African consultants.

### The project's main components are:

- 113 residential units, that is 17 villas of some 400 square meters each and 96 duplexes of 200 square meters each on average. Each residential unit is on the water and is allocated a mooring facility.
- Two marina basins with mooring facilities for boats with a draft of up to 2.5 meters.
- Internal canals with mooring facilities for boats with a draft of up to 1.5 meters.
- A commercial centre which will house two restaurants; a bar; facilities for water sports, including scuba-diving and deep-sea fishing; a small supermarket selling high-quality food and beverages; and a number of shops. The commercial centre will also be the departing place for catamaran and dolphin-watching cruises along the Mauritian west coast. The commercial centre will be open to the general public.
- Le Sunset, facility of high standard, will include a gourmet restaurant, a gym and spa, a kids' club, and other facilities of direct interest to La Balise Marina residents and guests.

Construction work, by General Construction, started in 2010 and the first residential units will be completed by December 2012.

Owners of residential units will have the option of placing their residence in a rental pool. The rental-pool operation will be known as La Balise Marina Experience.



(CGI (Computer-generated imagery))



## Sunset facilities at La Balise Marina

Le Sunset at La Balise Marina will offer to residents and tourists a unique, high quality resort experience and will include:

- A reception area to welcome La Balise Marina's residents and rental-pool guests on arrival and for check-in
  - An information and tour operator's desk where guests can obtain information on and make reservations for activities on offer at La Balise Marina
  - A 75-seat gourmet restaurant extending onto a large deck overlooking the Sunset's Marina. The deck will cater for some 100 additional seats in a very casual and relaxed atmosphere
  - A top-of-the-range lounge and bar
  - A large infinity pool extending in front of the restaurant and surrounded by a sandy beach
  - A gym and spa
  - A kids' club and kids' play area.
- Construction will start in early 2012 and will be opened in December 2012.



## Commercial Activities at La Balise Marina

Construction of La Balise Commercial Centre will start in August 2011 and will be completed in December 2012. The centre will include two restaurants and a bar, a number of facilities promoting sea-related activities, such as a dive centre, a deep-sea-fishing centre, and facilities for catamaran cruises. The centre will also house a small number of shops, including a high-quality food store.





Heritage Le Telfair Golf & Spa Resort



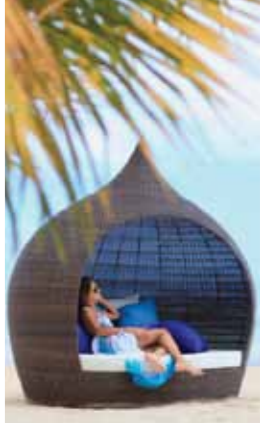
Heritage Awali Golf & Spa Resort, Amafrooty Restaurant



Heritage Le Telfair Golf & Spa Resort



Heritage Le Telfair Golf & Spa Resort, Seven Colours 'Millesime Collection'



## La Balise Marina Experience

### A RENTAL-POOL OPERATION MANAGED BY VLH (VERANDA LEISURE & HOSPITALITY)

The Mauritian tourism industry is recognized as one of the finest in the world; it is well established and well regarded in the high-end tourism market.

As Mauritius broadens its tourism base from one million to two million visitors a year, the introduction of rental services for IRS freehold villas will add a new dimension to the country's tourism sector.

Whereas there has been a regular increase in the number of tourists visiting Mauritius over the past years, the occupancy of luxury hotels has been declining slowly. This is explained to a large extent by a gradual shift of the market away from expensive 5-star resorts offering full compulsory services with limited living space (a typical hotel room has an area of some 50 square metres), to self-contained luxury resort residences offering very generous living space with à la carte services. Statistics indicate that some 40% of the 950,000 tourists who visited Mauritius in 2010 chose to stay in self-contained apartments or villas, whereas only 18% of the island's visitors did so in 2006. That represents a fast-growing market of more than 400,000 tourists a year.

The Mauritius Government has introduced regulations for the orderly marketing and management of IRS villa rentals.

The regulations make it compulsory for IRS developers to take responsibility for the organisation and management of rental pools, requiring any villa rental in an IRS development to be undertaken through the given development company or an estate-management company designated by the development company.



Heritage Golf Club, Domaine de Bel Ombre



Le Chateau de Bel Ombre



C Beach Club



## La Balise Marina Experience

### A RENTAL-POOL OPERATION MANAGED BY VLH (VERANDA LEISURE & HOSPITALITY)

After discussions with a number of local and international operators, La Balise Marina's promoters have selected Veranda Leisure & Hospitality Group as the best partner for that purpose, for the following main reasons:

- VLH has some 30 years of experience in the Mauritian hotel industry.
- VLH is a subsidiary of the Rogers Group, one of the largest listed companies in Mauritius.
- VLH, with some 550 hotel rooms and 50 luxury villas under its management, has a large and experienced team of professionals managing four 3-star hotels (Veranda Pointe aux Biches, Veranda Grand Baie, Veranda Paul & Virginie, and Veranda Palmar) in the north of Mauritius, and two 5-star hotels (Heritage Le Telfair and Heritage Awali) at Domaine de Bel Ombre in the south. At Domaine de Bel Ombre, VLH also owns and manages Le Golf du Château, which is regarded as one of the best golf-courses in Mauritius.
- VLH has accumulated experience in the marketing of IRS villas as the promoter and operator of the Villas Valriche Experience rental pool.
- VLH has an extensive marketing network with offices in Europe and South Africa. It has strong and privileged relationships with more than 250 tour operators, including some of the largest in Europe, Asia, and South Africa.
- VLH has strong relationships with the main incoming-tour operators in Mauritius, and especially with its sister company Mautourco. Mautourco provides a wide range of services – including airport welcome and transfer, guided tours, and catamaran cruises through its sister company Croisières Australes – to more than 100,000 tourists a year.
- VLH will offer La Balise Marina Experience guests preferential access to both of its Heritage hotels and to Le Golf du Château, all in Bel Ombre. Pictures used in this brochure illustrate the various offerings of Domaine de Bel Ombre.



## La Balise Marina Experience

### HIGHLIGHTS

Participation of La Balise Marina owners in the rental pool is optional. VLH will also offer long-term rental services outside the rental pool.

Owners who have chosen to place their residence in the rental pool will be able to occupy their residence whenever they wish to do so. Owners wishing to occupy their residence will be requested to give advance notice (three months' and two months' respectively, for peak and normal periods) to the rental-pool operator.

It is forecast that owners will cover their total operating costs, including all levies and residence expenses, at an occupancy rate of some 15%. The forecast occupancies for the first seven years of operation are given in Appendix 2.

#### **A summary of the main features of La Balise Marina Experience is given below:**

- Owners will be liable for their monthly levies and residence expenses. These expenses will vary depending on the type of residence.
- Owners will receive 80% of the net rental revenue in year one, 85% in year two, and 92% as from year three. The rental-pool operator will be remunerated on the basis of a fee equal to 20% of net rental revenue in year one, 15% in year two, and 8% as from year three. A minimum yearly management fee of USD 75,000 will be payable as from year two of the rental-pool operation.
- Costs for à la carte services (e.g. butler service, excursions) will be borne by the guests and overheads will be borne fully by the providers of such services. Revenues from à la carte services do not form part of the rental pool and are not shared with owners.
- Rental income is pooled. Therefore, owners will receive income even if their particular residence is not rented. Rental income will be distributed in January and July each year.
- Rental revenue will be computed on a daily basis. While an owner is using his or her residence, he or she does not participate in the rental-pool revenues for the specific days involved. They, however, remain liable for their levies and the actual expenses incurred on their residence.
- Rental revenue will be shared among owners on the basis of the actual daily net average rental revenue for each type of residence and the total number of residences in the rental pool for the year. Sharing of rental revenue is further explained in Appendix 3.
- Whereas the promoters cannot guarantee yield forecasts to residence owners, best estimates are provided in Appendix 3.
- Home owners choosing to place their residence in the rental pool will be required to have their furniture and equipment vetted by the rental-pool operator to ensure that appropriate quality levels are met.



## Service to be provided by La Balise Marina



La Balise Marina will provide core services (included in owners' monthly expenses) as well as optional à la carte services, as follows:

### 1) Core Services, including:

- Daily housekeeping
- Security
- Maintenance
- Pool-cleaning services
- Payment of energy expenses
- Gardening services
- All other services included in the Home Owners Association levy.

### 2) Optional, à la carte apres services

#### *Concierge services*

- Airport welcome and transfer
- Car rental
- Private Butler service.

#### *Food & beverage*

- Pre-stocking of fridges
- Private Chef.

#### *Children*

- Babysitters
- Kids' club.

#### *Special events*

- Weddings, birthdays, honeymoons.

#### *Sports and adventure*

a) La Balise Marina will be a sea lover's paradise. The following water sports, services and activities will be on offer:

- Waterskiing
- Windsurfing
- Kite surfing
- Kayaking
- Scuba-diving
- Deep-sea fishing
- Dolphin-watching
- Catamaran cruises
- Boat shuttle to nearby Ile aux Bénitiers.

b) La Balise Marina is located a few kilometers from Black River Gorges, an exceptionally beautiful and wellpreserved endemic forest covering several thousand hectares of hills and mountains. The marina will also propose the following activities:

- Mountain-biking
- Bird watching
- Hiking and running
- Horse-riding.



LA BALISE MARINA



# Appendix 1

Levies and expenses to be borne by home owners who choose to place their residence in the rental pool at La Balise Marina.

**a) ‘Home Owners Association levy relative to common areas’**

This levy will be used to pay for common- and public-area expenses such as security, and the maintenance of common gardens, canals, marina basins, internal roads, etc. The estimated levy for a typical duplex will be about USD 390 a month. The exact expenditure under this category will be presented to and approved by the La Balise Marina Home Owners Association on a yearly basis. Expenses under this category are borne by home owners irrespective of whether they elect to have their residence in the rental pool or not.

**b) ‘Fixed private-property expenses’**

This category of expenses relates to a home owner’s expenses which are directly attributable to his or her residence. It includes expenses such as insurance, swimming-pool maintenance, and private-garden maintenance if applicable. Total expenses under this category are estimated at USD 210 a month for a typical duplex. Expenses under this category are borne by home owners irrespective of whether they elect to have their residence in the rental pool or not.

**c) ‘On-site management and housekeeping expenses’**

This category of expenditure relates to on-site management costs (invoiced as from year four) and housekeeping services provided as a basic service to guests. This expenditure is partly related to occupancy, as minimal housekeeping is required even in an unoccupied residence.

**d) ‘Variable energy costs’**

This category relates to the variable electricity, gas and water expenses resulting from a residence’s occupancy by guests. It has been estimated at USD 210 per residence per month on the basis of an occupancy rate of 30%. (Please note that a basic charge of USD 70 per month has been provided for under Fixed Property Expenses. It corresponds to an estimated minimum charge that is to be borne by home owners whether their residence is occupied or not).

**e) ‘Other operating expenses’**

These relate to other operating expenses – such as telecommunication, IT, printing, postage, and stationery expenses – resulting from the rental-pool operation.

# Appendix 2

<b>Rental-pool forecasts</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2015</b>	<b>Year 2016</b>	<b>Year 2017</b>	<b>Year 2018</b>	<b>Year 2019</b>
<b>ASSUMPTIONS</b>							
No. of residences in rental pool	20	30	40	50	60	60	60
Weighted net average unit rate (net of VAT and TO fees)	\$327	\$344	\$379	\$400	\$418	\$439	\$461
Weighted average price paid by guest per key	\$408	\$430	\$473	\$497	\$522	\$548	\$575
No. of days that each residence is in the rental pool	365	365	365	365	365	365	365
Occupancy (%)	20%	25%	30%	35%	45%	50%	55%
<b>Management fee payable to rental-pool operator:</b>							
Minimum management fee		75,000	75,000	75,000	75,000	75,000	75,000
Base Fee	20%	15%	8%	8%	8%	8%	8%
Incentive Fee	5%	5%	5%	5%	5%	5%	5%
Contribution to marketing fund as a % of turnover	5%	5%	5%	5%	5%	5%	5%
Cost increase	5%	5%	5%	5%	5%	5%	5%
Price increase		5%	10%	5%	5%	5%	5%
	<b>US \$</b>	<b>US \$</b>	<b>US \$</b>	<b>US \$</b>	<b>US \$</b>	<b>US \$</b>	<b>US \$</b>
Gross rental revenue	477,055	941,837	1,659,952	2,557,100	4,120,332	4,807,054	5,552,147
Cost of sales	135,961	221,332	273,892	421,922	679,855	793,164	916,104
Room consumables	16,697	32,964	58,098	89,499	144,212	168,247	194,325
Management fee	95,411	141,276	132,796	204,568	329,627	384,564	444,172
Contribution to marketing fund	23,853	47,092	82,998	127,855	206,017	240,353	277,607
Net rental revenue	341,094	720,505	1,386,060	2,135,179	3,440,477	4,013,890	4,636,043
On-site management and housekeeping expenses	47,927	72,618	99,659	373,140	417,606	438,486	460,411
Variable energy costs	30,400	59,850	100,548	153,964	249,422	290,992	336,096
Other operating expenses	40,667	42,700	46,095	48,400	50,820	53,361	56,029
Revenue for purpose of calculating incentive fee	222,101	545,337	1,139,758	1,559,675	2,722,629	3,231,050	3,783,507
Incentive management fee	11,105	27,267	56,988	77,984	136,131	161,553	189,175
Distributable revenue	210,996	518,070	1,082,770	1,481,691	2,586,498	3,069,498	3,594,332
Home Owners Association levy relative to common areas	92,952	146,400	204,960	269,010	338,953	355,901	373,696
Fixed private-property expenses	49,800	78,435	115,038	150,987	190,244	199,756	209,744
Net revenue left to owners	68,243	293,235	762,772	1,061,693	2,057,301	2,513,841	3,010,892
Average yearly net revenue per residence	3,412	9,775	19,069	21,234	34,288	41,897	50,182

*Disclaimer:*  
The forecasts are based on the assumptions mentioned above. The promoters cannot guarantee that these assumptions will materialise even if they are of opinion that they represent best estimates based on current market conditions.

# Appendix 3

## Yield calculation based on distributable revenue

Residence type	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019
Canal duplex - open space	0.99%	1.62%	2.54%	2.76%	4.04%	4.79%	5.61%
Canal duplex - 2 bedrooms	1.08%	1.76%	2.75%	2.99%	4.38%	5.19%	6.08%
Canal duplex - 3 bedrooms	1.17%	1.91%	2.99%	3.25%	4.76%	5.65%	6.61%
Marina duplex	1.10%	1.80%	2.81%	3.06%	4.48%	5.31%	6.22%
Marina Quay duplex	1.06%	1.72%	2.70%	2.93%	4.29%	5.09%	5.96%

## Rental revenue allocation per type of residence

Residence type	Actual net average room rate for year*	No. of residences in rental pool	% Share of rental revenue for each residence	Distributable revenue per residence type
Canal duplex - open space	\$255	11	1.02%	\$26,259
Canal duplex - 2 bedrooms	\$318	2	1.27%	\$32,824
Marina duplex	\$369	15	1.47%	\$38,075
Marina Duplex	\$478	19	1.90%	\$49,235
Marina Quay duplex	\$541	13	2.16%	\$55,800

\*Example based on Year 2017



