EXECUTIVE INVESTMENT SUMMARY

El Chante – Boutique Experiential Hospitality Project

Ribera de Chapala, Jalisco, México

Imagen ilustrativa — generada con IA con fines visuales.

INVESTMENT OVERVIEW

What is the project?

El Chante is a proposed boutique experiential hospitality project located within the Ribera de Chapala tourism corridor in Jalisco, México.

The concept combines:

- the existing main residence,
- boutique glamping units,
- wellness-oriented hospitality,
- nature-integrated lodging,
- and phased hospitality activation.

Rather than requiring immediate resort-scale development, the project is structured around a controlled low-density hospitality model with phased activation.

Imagen ilustrativa — concepto experiencial.

THE THREE PRIMARY INVESTOR QUESTIONS

1. How much capital is required?

Initial Hospitality Activation Investment

Investment Component	Estimated Amount
4 Glamping units	**~$33,000 USD**
Initial property improvements	**~$18,000 USD**
Branding, OTA setup, operational launch	**~$11,000 USD**
Estimated Total Initial Investment	**~$63,000 USD**

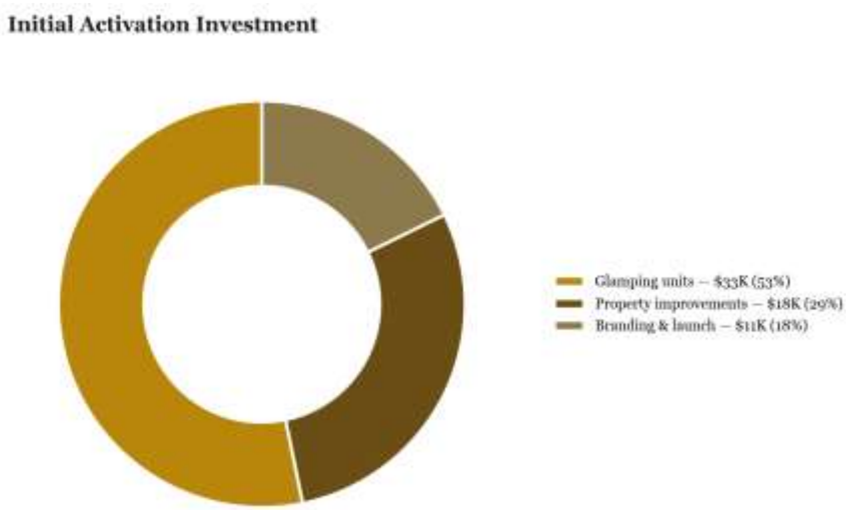

Figura. Inversión inicial de activación.

2. How much could the operation generate?

Financial Indicator	Estimated Result
Estimated annual revenue	**~$190,601 USD**
Estimated annual operating expenses	**~$97K–101K USD**
Estimated GOP (Gross Operating Profit)	**~$89K–94K USD**

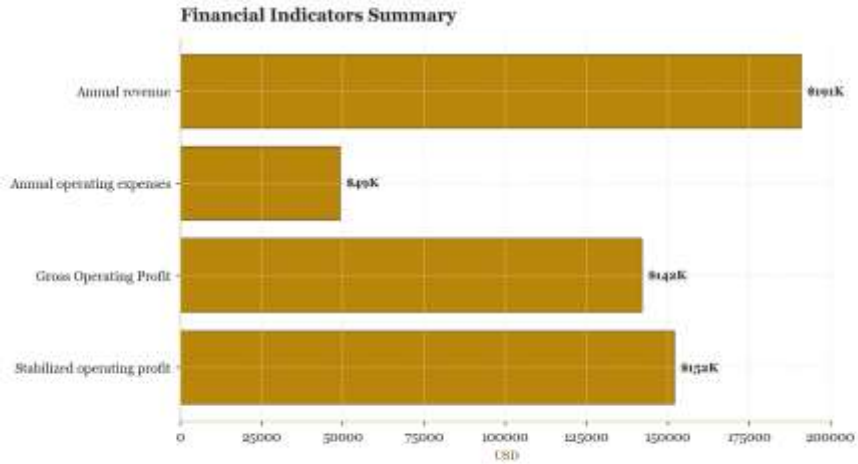

Figura. Indicadores financieros — resumen.

3. How long could investment recovery take?

Scenario	Estimated Recovery Period
Optimistic	**~2–3 years**
Base / Realistic	**~3–5 years**
Conservative	**~5–7 years**

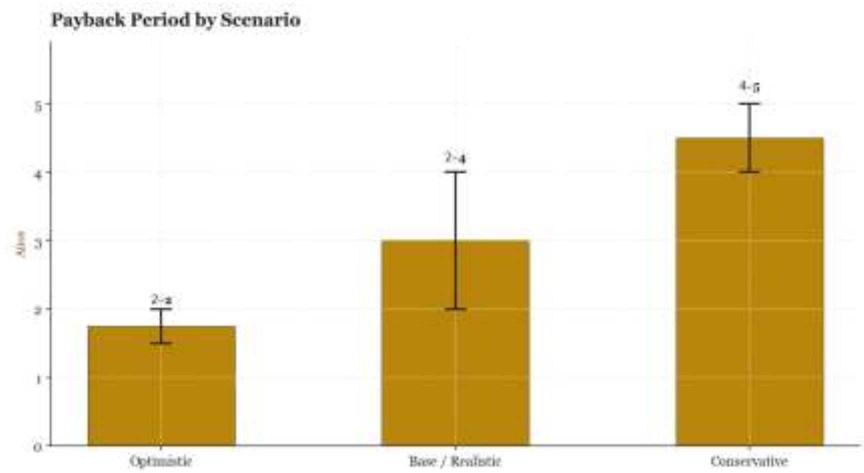

Figura. Periodo de recuperación por escenario.

THE BIGGER PLAY

From inert asset → operating asset → higher exit.

The strategic case for El Chante is not only the operating profit. It is what the property is worth AFTER 2–3 years of demonstrable hospitality income. A revenue-producing boutique asset is valued very differently from a residential property sitting empty on the market.

Today vs. After Stabilization

Stage	Estimated Value
Today (inert, hard to sell, no income)	**~$1,000,000 USD**
After stabilization (operating boutique asset)	**~$1.3M – $1.7M USD**

How the Exit Value is Calculated

Stabilized hospitality assets are valued using the income-capitalization method:

Property Value = Annual GOP ÷ Cap Rate

Boutique hospitality assets in established Mexican lake/leisure destinations typically trade at cap rates of 6%–8%. Lower cap rate = higher value for the same income.

Three Exit Scenarios

Scenario	Key Assumptions	Estimated Sale Value	Uplift vs. $1.0M Base
Conservative	GOP ~$75K · Cap 6.5% · 2-yr hold	**~$1.15M USD**	**+$150K (+15%)**
Base / Realistic	GOP ~$92K · Cap 6.8% · 3-yr hold	**~$1.35M USD**	**+$350K (+35%)**
Optimistic	GOP ~$110K · Cap 6.5% · 5-yr hold	**~$1.70M USD**	**+$700K (+70%)**

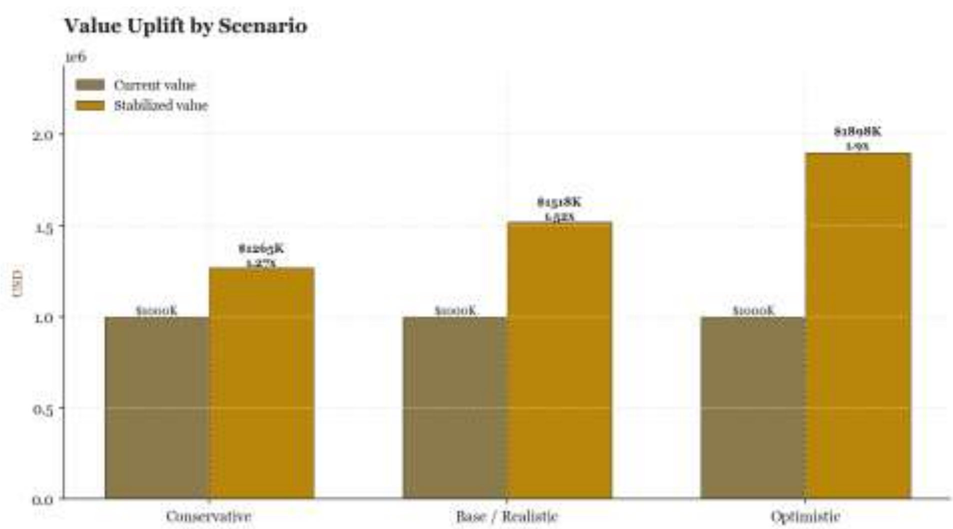

Figura. Value uplift por escenario.

Total Return = Sale Uplift + Cumulative GOP

The investor benefits twice. While the property operates, it generates ~$90K/year. When the property is sold at a stabilized valuation, the uplift adds to the cumulative cash flow:

Component (Base case · 3-yr hold)	Estimated Amount
Sale value uplift	**+$350,000 USD**
Cumulative GOP during hold	**+$270,000 USD**
Less: initial investment	**-$63,000 USD**
Estimated Total Return	**~ $557,000 USD**

Strategic Conclusion

The project transforms an illiquid, hard-to-sell residential property into a sellable, income-producing boutique hospitality asset. The exit value uplift (rather than just the operating profit) is the core economic justification for the activation.

All figures are preliminary estimates. Cap rates, GOP, and uplift outcomes are subject to operational execution, OTA visibility, occupancy stabilization, and broader market conditions.

WHY THIS PROJECT EXISTS

The project is positioned within one of the strongest regional leisure-demand corridors in Western Mexico.

Key market drivers include:

- proximity to Guadalajara,
- Ribera de Chapala tourism activity,
- weekend travel demand,
- wellness-oriented travel behavior,
- glamping and experiential lodging demand,
- and low-density hospitality trends.

Imagen ilustrativa — ubicación estratégica.

STRATEGIC ADVANTAGES

Existing Infrastructure

Unlike raw-land development, the project already incorporates existing residential infrastructure, recreational amenities, pool facilities, and operational access. This dramatically reduces development timelines, infrastructure costs, and initial capital exposure.

Boutique Hospitality Positioning

The project is not structured as a high-density hotel. Instead, it focuses on guest experience, privacy, experiential lodging, wellness-oriented stays, and nature integration — aligned with observable trends across the boutique hospitality and experiential lodging segments.

Imagen ilustrativa — modelo de baja densidad.

Phased Expansion Strategy

The project may initially validate occupancy behavior, ADR performance, guest-review activity, and operational consistency before executing larger expansion phases. This phased structure reduces operational risk, capital exposure, and overdevelopment pressure during early stages.

STRATEGIC CONCLUSION

El Chante demonstrates characteristics compatible with the boutique hospitality segment, experiential lodging market, wellness-oriented accommodation category, and low-density hospitality framework. The project benefits from regional tourism accessibility, existing hospitality-use infrastructure, experiential lodging demand, and phased operational scalability.

The proposed strategy is based on Progressive Hospitality Activation through controlled capital deployment, operational validation, hospitality positioning, OTA visibility, and disciplined operational execution.

Imagen ilustrativa — conclusión estratégica.