



GUACALITO DE LA ISLA
NICARAGUA'S EMERALD COAST

March 18th, 2010

Dear Founding Member,

Greetings! I hope all is well with you and your family and I am writing to you on behalf of the Guacalito Team to update you on the current activities that are taking place at the project.

Groundbreaking at Guacalito de la Isla

I'm excited to announce that after many years of planning, Guacalito de la Isla is breaking ground this month with infrastructure for the *La Reserva* lots. In December 2009, we obtained the Environmental Permit from MARENA and are awaiting the Construction Permit from the Tola Municipality which will allow us to deliver the first ready-to-build lots this coming December 2010. We assure you that the time spent will be well invested in providing you with infrastructure of the highest quality.

The design guidelines and community documents are in the works and are expected to be completed by June 2010. You will be mailed a copy for your review and signature.

We are equally excited to communicate that *Mukul*, a luxurious owner's lodge that will serve as the hospitality component for the project, will also break ground mid-year. *Mukul*, will offer a private, secluded hideaway with an artistic touch and a new level of luxury rendered in the most organic and authentic manner for the savviest of travelers.



LXVII Central America Interclub Golf Tournament



On February 9th, 2010, the Nejapa Golf and Country Club in Nicaragua was the proud host for the LXVII Central American and Panama Interclub Golf Tournament. Many golf enthusiasts were gathered at this challenging course to passionately play and represent their countries.

Guacalito de la Isla was invited to sponsor this tournament and was able to showcase all our amenities to a wide range of

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interested golfers. People who visited our display were able to enjoy a splendid No. 45 Maduro courtesy of Padron Cigars and a Flor de Caña cocktail as they saw incredible renderings of *Mukul* come to life on the flat screen.

We were also glad to introduce David McLay Kidd as the golf architect selected for the planned golf course at Guacalito de la Isla. Kidd was able to share with avid golfers his daring plans for the golf course and the spectacular views to be enjoyed while playing there.

Congratulations Nicaragua! After 33 years, the Senior Men's Team representing Nicaragua won in their category and earned them the right to place a metal plate over this prestigious cup and house it for the next year. Also, Carina Cuculiza proudly represented Nicaragua and obtained the best individual points score of 406 making her the Central American Ladies' Champion for a second year in a row! Keep it up for next year!

A note on David McLay Kidd



David Kidd at Manzanillo Beach

David McLay Kidd, is originally from Scotland and son of James Kidd – a Golf Course Superintendent. He is very humble and accessible despite being selected as Golf Magazine's 2008 Inaugural "Golf Architect of the Year", included on Golfweek's "40 under 40" list of the most influential people in golf under the age of 40 and having won numerous awards for his excellent designs around the world.

As a purist golf designer, Kidd is deeply committed to preserving the places he touches by working with the natural topography while respecting the more than 600 years in traditions of golf design. He offers golfers playable courses allowing *"them to discover all it has to offer from the intimate quiet scene to the explosive broad vista."*

David Kidd's portfolio includes amazing golf courses such as *Bandon Dunes*, Oregon, USA; *Tetherow*, Oregon, USA; *Fancourt*, South Africa; and *The Castle Course*, St. Andrews, Scotland among others.



Fancourt Course



Fancourt Course

Of the course at Guacalito de la Isla, he says *"The Golf Course at Guacalito de la Isla will be unique of that I'm sure. No other course has the stunning topography, dramatic views and rare dry tropical rainforest all in one place. When completed I want to see this course blend subtly into the landscape without opposing it, using native plants and local materials at every turn... Guacalito de la Isla will embrace the true character of the dry rainforests of Nicaragua. An unprecedented golf experience will soon be uncovered on the edge of Manzanillo beach."*

Welcome aboard David Kidd!

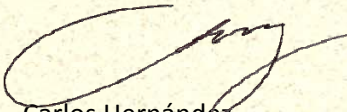
Guacalito de la Isla's First Newsleter

For June 2010, we will launch our first newsletter dedicated to share in the life of Guacalito de la Isla. Here you will find anecdotes about the latest activities taking place, notes and comments from our contributors, how our role in sustainability matters, and Nicaragua as an up and coming destination and much more. Be sure to include newsletter@guacalitodelaisla.com to your contact list so you don't miss out on any activity regarding the project. You can write to us at this same e-mail address with your own experiences at Guacalito de la Isla, questions or comments.

On a final note, all of us at Pellas Development Group would like to take the opportunity to invite you to visit Guacalito de la Isla. We have two houses comfortably equipped for you to start enjoying your new family adventures at Guacalito. At this time of year, we recommend snorkeling around La Vieja Island to view the diverse marine life that the Pacific Ocean offers in this area. We truly value your investment and will do our utmost to ensure your family's comfort and fun, and we look forward to your feedback. For any assistance on planning a trip to Guacalito de la Isla or further information feel free to contact Katia Lacayo at (505) 8740-4070 or klacayo@guacalitodelaisla.com.

Thank you again for your participation in our project, and remember you can contact me at any time at chernandez@pellasdevelopment.com or in Costa Rica at (506) 2205-7111.

Yours Truly,



Carlos Hernández
CEO