

\$1.4bn

total tourism economy sales (Economic Report 2012)

31%

of all jobs on Guam is supported by the tourism industry

20k

number of all jobs in the tourism industry

\$400m

in hotel room night sales in 2010

\$915m

of Guam's Gross Domestic Product (GDP)

\$150m

in revenue generated for the Government of Guam

\$21.8m

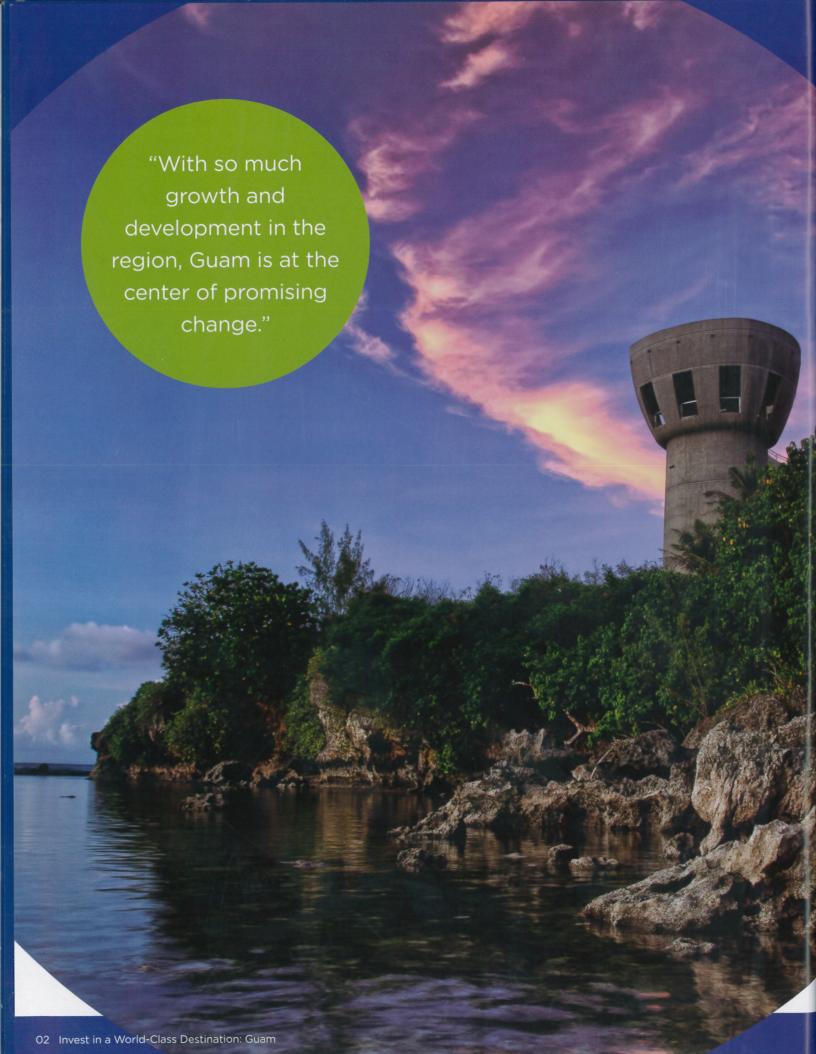
in Hotel Occupancy Taxes (2010)

\$1,100

in on-island spend by each visitor (Economic Report 2020)

Contents

Governor's Message	3
Team Guam's Message	4
About Guam	6
Tourism	8
Guam Visitors Bureau	
Key Visitor Markets	
Hotels	
Airport	16
Overview	
CIPs and Opportunities	
Investments, Improvements and Incentives	
Air Services	
A Strong and Promising Future	
Air Links to Guam	
Proximity to Asia	
Economic/Investment Opportunies	22
Population	
Employment	
Construction	
Other Economic Activity	
Military Activity	
Military Personnel	
GEDA Incentive Programs	
Quliafying Certificate Program	
Immigrant Investor Visa Program - EB-5	



Governor's Message







Hafa Adai! If you put a 2,500 radius around Guam, you reach over 1 billion people. These are people from the Philippines, Japan, Taiwan, Korea, and China. Guam is nestled near two of the world's largest economies, and is on the forefront of expansive economic growth.

Guam is going through a dynamic time in our history. We are America in Asia. With so much growth and development in the region, Guam is at the center of promising change. The theme for this year's HICAP conference is Navigating Changing Tides. This is the time to invest on Guam as the eyes of the world are on our region.

The Guam Economic Development Authority, the Guam Visitors Bureau, and the Guam International Airport Authority stand ready to assist you. They have information to help you receive government program assistance, tax incentive opportunities, and tourism and travel data to maximize your business ventures on our slice of paradise.

History has taught us that Guam's valuable location plays a big role in trade and business. From the Spanish Galleon Trade to the present-day tourism markets, Guam continues her destiny to be a major player in global economics. Let's realize our dream of expansion, and usher in a new era of prosperity for Guamanians and your business.

Sincerely,

Eddie Baza Calvo Governor of Guam

Ray Tenorio Lieutenant Governor of Guam

Team Guam's Message



Karl Anthony Pangelinan General Manager Guam Visitors Bureau



Charles H. Ada II Executive Manager A.B. Won Pat International Airport Authority, Guam



Henry J. Taitano Administrator Guam Economic Development Authority







Hafa Adai! (Greetings from Guam)

On behalf of Governor Calvo, Lt. Governor Tenorio and all the people of Guam, Si Yu'os Ma'ase (thank you) for your interest in investment and development opportunities in Guam.

Guam is the western most Territory of the United States with a close proximity to many of the major cities of Asia and the South Pacific, which greatly contributes to the diversity of the island's population and a thriving visitor industry. Guam is a "Business Smart Destination" and serves as America's Gateway to Asia.

Guam's top economic contributor, tourism, continues to grow exponentially to 1.3 million international visitors annually. This year alone, we have welcomed over 10.000 Mainland Chinese visitors. This market is the fastest growing outbound market in the world and has been named the world's top visitor spender overseas. There is potential right now for Guam to welcome over 100,000 visitors from China and a million over the next decade. This presents many opportunities to grow Guam's product offerings, and we invite you to be part of this growth.

The potential for success is great and is why Guam is the place for your future investments. We stand ready to support your business endeavors through government program offerings that include financial assistance, tax incentive opportunities, public finance services and real property development and management offered through the Guam Economic Development Authority (GEDA).

In this booklet you will find the latest information on Guam economic and investment information as well as our latest tourism/travel data from the Guam Visitors Bureau (GVB) and the Guam International Airport Authority (GIAA). Also included are up to date commercial and government properties available for sale/lease and development on Guam.

We look forward to working with you on the expansion of our island's industries that will usher in a new direction and a new area of prosperity for all our people.

We welcome you as partners, friends and members of our community and we hope to personally meet you in Guam in the very near future.



About Guam

Guam is the westernmost territory of the United States of America (the "U.S."), as well as the largest and southernmost island of the Marianas archipelago, and the largest of the 2,000 islands in Micronesia. Located at 13 degrees north latitude, 144 degrees east longitude in the western Pacific Ocean, the island is about 30 miles long and varies from four to nine miles wide, with a total land area of approximately 212 square miles. Guam is approximately 3,800 miles west-southwest of Honolulu, Hawaii, 1,550 miles south-southeast of Tokyo, Japan and 1.600 miles east of Manila, Philippines. The Mariana Trench, which has the deepest known ocean depth (39,198 ft.), extends from northeast to southwest of Guam. According to the U.S. Census Bureau, Guam's population as of April 2010 was estimated to be 159,358.

Guam was first settled approximately 4,000 years ago. Its strategic location in the Western Pacific has historically made it a desirable property for the world's superpowers. The indigenous Chamorro people first came in contact with Europeans in 1521 when Ferdinand Magellan landed at Guam's Umatac Bay. Miguel Lopez de Legazpi claimed the island for Spain in 1565. Spanish colonization of Guam began in 1668 and lasted until the end of the Spanish-American War in 1898. As outlined in the Treaty of Paris, signed in December 1898, Guam was ceded to the United States along with Cuba, Puerto Rico, and the Philippines. Guam has since remained under U.S. administration, except for two and a half years of Japanese occupation during World War II. On July 21, 1944, U.S. forces recaptured Guam and reestablished a naval government. In 1950, the U.S. Congress passed the Organic Act of Guam (the "Organic Act") granting the Chamorro people U.S. citizenship

and establishing a civilian government.

Guam's current political status is that of an unincorporated territory of the U.S. The organization and powers of the Government of Guam (the "Government") are determined by the Organic Act. The Government consists of three branches: executive, legislative and judicial. A governor (the "Governor") elected at large every four years heads the executive branch. The Government maintains a staff of approximately 11,730 employees under the direction of the Governor and his or her department heads. The unicameral legislature consists of 15 senators elected at large every two years. The judiciary branch consists of the Superior Court of Guam, which is the court of general trial jurisdiction, and the Supreme Court of Guam, the court of highest appeal, established in 1996. Guam also has a Federal District Court and an elected non-voting representative to the U.S. House of Representatives, and is within the jurisdiction of the Ninth Circuit U.S. Court of Appeals and the U.S. Supreme Court.

Tourism revenues and U.S. federal and military spending contribute , to Guam's economy. Guam's proximity to many of the major cities of Asia and the South Pacific greatly contributes to the diversity of the island's population and the visitor industry. This geographic feature also provides U.S. military operations with significant flexibility compared to other locations in the Pacific and Asia. Guam has an international airport. the Antonio B. Won Pat Guam International Air Terminal (the "Airport"), operated by the Guam International Airport Authority (the "Authority"), an autonomous agency of the Government.

On September 24, 2012, the Bureau of Economic Analysis of the United States Department of Commerce ("BEA") released its 2010 gross domestic product ("GDP") and gross domestic income ("GDI") estimates for Guam and revised estimates for 2002 through 2009. As set forth in Table A-1, the BEA's estimates indicate that Guam's GDP grew from \$3.349 billion in 2002 to \$4.577 billion in 2010. The 2010 GDP figure consists of approximately \$2.8 billion of personal consumption expenditures, \$2.9 billion of government consumption expenditures and gross investment, and \$233 million of private fixed investment, and is offset by approximately \$1.4 billion of net exports. The BEA also estimates that Guam's real per capita GDP, measured in 2005 dollars adjusted for inflation, grew from \$23,378 in 2002 to \$25,420 in 2010.

Guam's real GDP increased 1.2% in 2010 after increasing 1.1% in 2009. For comparison, real GDP for the United States (excluding territories) decreased 2.4% in 2010 after increasing 1.7% in 2009. The largest contributor to the growth



in Guam's real GDP during this period was federal government spending. The majority of this spending was by the Department of Defense. Federal spending increased in both 2010 and 2009; the increases in both years largely reflected increases in construction spending and in compensation.

Spending by tourists makes up the vast majority of Guam's exports of services. Guam's net real exports of services increased 1.2% in 2010 after falling 13.2% in 2009 and 11.3% in 2008. These fluctuations correspond with the number of visitors to Guam. Guam's real consumer spending on goods and services fell 3.3% in 2010 after only small declines in 2009 and 2008. Consumer prices rose during this period, increasing 1.0% in 2010 after increasing 1.1% in 2009 and 5.6% in 2008.

Most food and goods are imported, and approximately 70% of imports are from the U.S. mainland. Guam's commercial shipping port owns five cargo-handling piers along with two fuel piers and three marinas. The port is the entry point for more than 90% of Guam's imports and also serves as a transshipment center for Micronesia. The port handled approximately 1.86 million revenue tons, including the contents of over 85,000 twenty-foot-equivalent unit containers, and received approximately 15,000 passengers (including cruise ship calls) in 2012. The port is located within Apra Harbor, a natural lagoon enclosed by a submerged coral bank and a barrier reef, and is operated by the Port Authority of Guam, an autonomous agency of the Government.

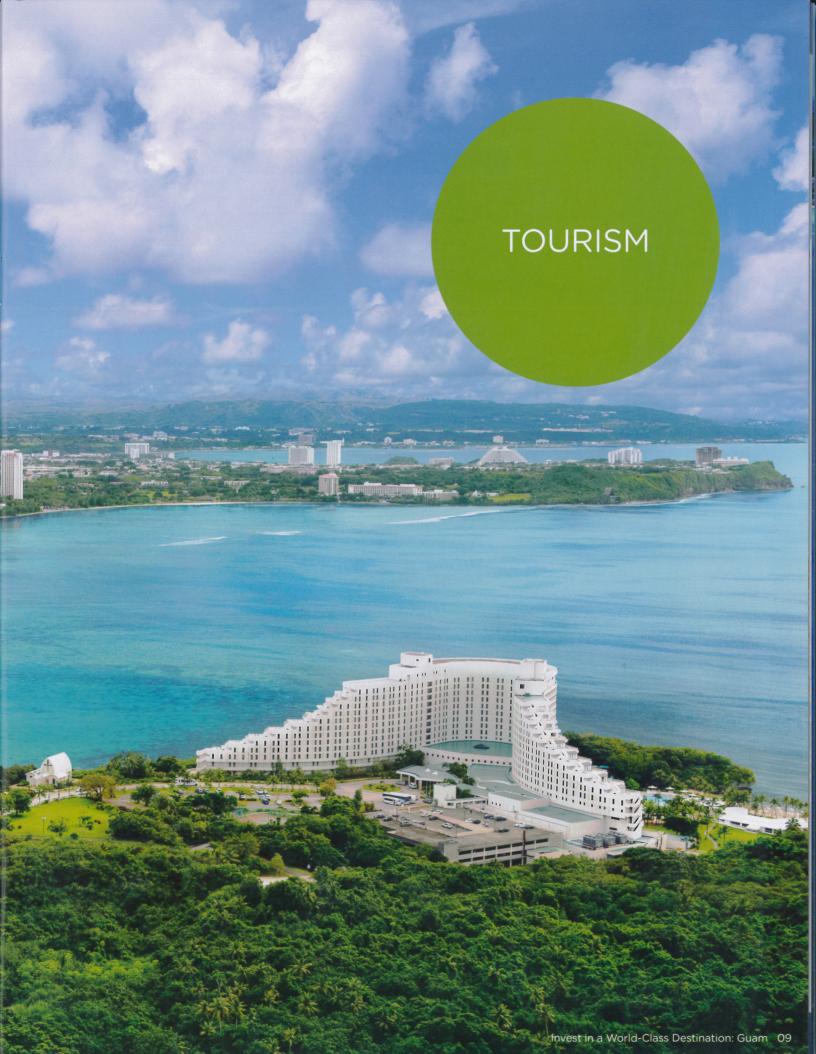
TABLE A-1
Guam GROSS
DOMESTIC PRODUCT
Calendar Years
2002 - 2010¹
(Millions of Dollars)

CALENDAR YEAR GROSS DOMESTIC PRODUCT 2002 \$3,349 2003 3,494 2004 3,774 2005 4,056 2006 4,077 2007 4,207 2008 4,335 2009 4,542 2010¹ 4,577		
2003 3,494 2004 3,774 2005 4,056 2006 4,077 2007 4,207 2008 4,335 2009 4,542		
2004 3,774 2005 4,056 2006 4,077 2007 4,207 2008 4,335 2009 4,542	2002	\$3,349
2005 4,056 2006 4,077 2007 4,207 2008 4,335 2009 4,542	2003	3,494
2006 4,077 2007 4,207 2008 4,335 2009 4,542	2004	3,774
2007 4,207 2008 4,335 2009 4,542	2005	4,056
2008 4,335 2009 4,542	2006	4,077
2009 4,542	2007	4,207
	2008	4,335
2010 ¹ 4,577	2009	4,542
	2010¹	4,577

¹ Latest data available. Source: Department of Commerce Bureau of Economic Analysis



Grow a sustainable visitor industry that generates economic opportunities and enhances the quality of life for all residents, protecting and respecting our island's unique heritage, cultural and natural environment, and making Guam a better place to live, work and visit.



Tourism has represented the primary source of income for Guam's economy for over twenty-five years. Visitor arrivals rose to over 1,000,000 travelers for the first time in 1994 and have remained near or above that level ever since.

Table A-2 sets forth the annual number of visitors to Guam for Fiscal Years 2003 through 2012. The number of annual visitors to Guam increased from 856,931 in Fiscal Year 2003 to 1,270,161 in Fiscal Year 2012, an average annual increase of 5.4%. Visitor arrivals were generally flat from Fiscal Year 2005 to Fiscal Year 2007. Arrivals for Fiscal Year 2008 declined due to the global recession. Arrivals for Fiscal Year 2009 declined due to a spike in diagnoses of the H1N1 virus in Japan in early 2009. Visitor arrivals increased approximately [11]% from Fiscal Year 2009 to Fiscal Year 2010. Arrivals for Fiscal Year 2011 declined following the natural disasters in Japan in March 2011; however, the overall effect was mitigated by increased arrivals from South Korea and Taiwan.

TABLE A-2 Annual Visitor Arrivals to Guam Fiscal Years 2003-2012

FISCAL YEAR	VISITOR ARRIVALS
2003	856,931
2004	1,156,199
2005	1,210,147
2006	1,217,111
2007	1,223,290
2008	1,179,246
2009	1,053,248
2010	1,170,857
2011	1,147,134
2012	1,270,161

Source: Guam Visitors Bureau

Arrivals for Fiscal Year 2012 increased as a result by 10.7%. As of March, 2013, arrivals were 706,549, as compared to 648,410 for the same period in Fiscal Year 2012.

Table A-3 provides a comparison of cumulative visitor arrivals by month to Guam for calendar years 2005 through 2012. A

year-over-year comparison between 2011 and 2012 reflects an increase of visitors for each month. Several factors may account for the increase, such as the expanded number of airline flight routes to Guam, the favorable exchange rate for Asian visitors, the preparations for the military expansion, and the relative improvement of the overall global economy.

TABLE A-3 Cumulative Visitor Arrivals to Guam by Month Calendar Years 2005-2012

	2005	2006	2007	2008	2009	2010	2011	2012
January	114,446	119,562	109,073	108,100	98,298	103,262	108,243	116,588
 February	224,074	226,486	216,072	212,450	191,753	212,583	219,894	228,717
March	327,859	340,561	324,276	319,011	292,693	322,380	328,596	355,093
April	416,461	427,577	414,661	405,898	373,399	405,136	399,490	442,899
May	508,933	520,036	501,054	497,388	445,296	493,628	469,961	525,596
June	606,884	608,955	600,331	592,270	505,396	579,263	545,654	620,544
July	722,020	718,678	711,641	699,103	603,046	690,071	645,240	732,514
August	831,485	833,660	840,564	803,982	706,623	810,220	766,028	864,502
September	931,788	921,312	932,928	887,280	798,749	916,735	866,461	976,844
October	1,025,468	1,012,011	1,024,240	973,493	877,060	1,005,277	956,737	1,081,178
November	1,124,909	1,108,396	1,120,811	1,054,045	958,988	1,099,731	1,056,082	1,190,311
December	1,227,587	1,211,674	1,224,894	1,141,779	1,052,871	1,196,296	1,159,778	1,308,035

Source: Guam Visitors Bureau

Guam Visitors Bureau

The Guam Visitors Bureau ("GVB") is a nonprofit membership corporation and has existed in its current form since 1984. Its mission is to efficiently and effectively promote and develop Guam as a safe and satisfying destination for visitors and to derive maximum benefits for the people of Guam. Policy for GVB is set by a twelve-member board of directors, consisting of five directors appointed by the Governor with the advice and consent of the Guam Legislature, two directors appointed by the Speaker of the Guam Legislature. four directors elected by the members, and one director selected by at least a two-thirds vote of the other eleven directors. The activities of GVB are administered by a board-appointed General Manager. Membership in GVB is not restricted to any particular group. Recent efforts to promote tourism include a Guam branding initiative: efforts to expand visitor markets through expansion of the visa waiver program and similar initiatives and the expansion of airline arrivals to Guam; and encouraging longer stays and repeat visits by enhancing and promoting tourist and cultural destinations and events on the island. Funding for GVB's operations is appropriated by the Guam Legislature from amounts available in the Tourist Attraction Fund.

Key Visitor Markets

Guam receives visitors from a variety of countries, and GVB is intent on further diversifying Guam's visitor base. Guam's top four visitor markets include Japan. South Korea, U.S./Hawaii and Taiwan. The great majority of visitors to Guam originate from Japan, as Guam is one of only four markets worldwide that attracts nearly one million Japanese tourists per year. In Fiscal Year 2012, Japan accounted for approximately 71.5% of visitors to Guam, with approximately 50.3% of Japanese visitors originating from the Kanto (Tokyo) region. In Fiscal Year 2012, Guam's next largest tourist markets were South Korea (13.0%), the U.S./Hawaii 5.1%), Taiwan (3.9%), and the Commonwealth of the Northern Mariana Islands ("CNMI") (1.4%). Total civilian air arrivals increased approximately 5.9% between Fiscal Year 2011 and Fiscal Year 2012.

On March 11, 2011, an earthquake measuring 8.9 on the Richter Scale occurred near northeastern Japan, followed by a tsunami that affected Japan's northern and central east coast. While Guam saw a decline in Japanese tourists in the months following the tsunami in Japan, with total visitor

arrivals from Japan for 2011 dropping approximately 7.2% as compared to 2010, increased arrivals from Taiwan and South Korea helped to minimize the overall effect on tourist arrivals. In Fiscal Year 2011, Japan accounted for approximately 71.8% of visitors to Guam, with approximately 34% of Japanese visitors originating from the Kanto (Tokyo) region. Guam's next largest tourist markets in Fiscal Year 2011 were South Korea (12.6%), the U.S./Hawaii (5.2%), Taiwan (3.5%), and the Commonwealth of the Northern Mariana Islands ("CNMI") (1.6%). Total civilian air arrivals decreased approximately 2% between Fiscal Year 2010 and Fiscal Year 2011. To date, Guam's tourist industry has fully recovered from the effects of the Japanese disasters and Guam is back to pre-disaster arrival numbers from Japan.

GVB continues to market to the South Korea, Taiwan, Hong Kong and China markets to further diversify and expand Guam's visitor base. From Fiscal Year 2011 to Fiscal Year 2012, visitor arrivals from Korea, Taiwan, and China grew 13.8%, 22.5%, and 46.6%, respectively.



Table A-4 sets forth a comparison of visitor arrivals to Guam by country for Fiscal Years 2007 through 2012.

TABLE A-4 Fiscal Year Visitor Arrivals by Country Fiscal Years 2007-2012

	200	07	200	80	200	9	201	10	20	11	20	12
	Arrivals	Percent of Total										
Japan	932,396	76.2%	884,907	75.0%	817,628	77.6%	887,986	75.8%	823,645	71.8%	907,765	71.5%
South Korea	123,024	10.1%	116,250	9.9%	83,803	8.0%	120,065	10.3%	145,081	12.6%	165,143	13.0%
Taiwan	22,635	1.9%	21,239	1.8%	22,191	2.1%	29,420	2.5%	40,709	3.5%	49,851	3.9%
U.S. Mainland/ Hawaii	48,590	4.0%	53,038	4.5%	54,386	5.2%	60,651	5.2%	59,636	5.2%	64,766	5.1%
CNMI	17,099	1.4%	18,196	1.5%	17,786	1.7%	18,369	1.6%	17,932	1.6%	17,272	1.4%
Micronesia ¹	11,742	1.0%	12,978	1.1%	13,894	1.3%	14,176	1.2%	14,933	1.3%	14,884	1.2%
Philippines	8,165	0.7%	10,709	0.9%	11,386	1.1%	12,016	1.0%	10,748	0.9%	10,240	0.8%
Australia	2,339	0.2%	2,413	0.2%	2,440	0.2%	2,896	0.2%	3,660	0.3%	4,071	0.3%
Canada	625	0.1%	756	0.1%	672	0.1%	672	0.1%	703	0.1%	773	0.1%
Europe	1.540	0.1%	1,605	0.1%	1,581	0.2%	1,589	0.1%	1,511	0.1%	1,566	0.1%
Hong Kong	6,790	0.6%	4,921	0.4%	2,802	0.3%	5,640	0.5%	8,519	0.7%	8,396	0.7%
Thailand	195	0.0%	217	0.0%	290	0.0%	327	0.0%	498	0.0%	383	0.0%
China, P.R.C.	1.379	0.1%	1,674	0.1%	2922	0.3%	4,669	0.4%	6,179	0.5%	9,040	0.7%
Vietnam	-	0.0%	56	0.0%	36	0.0%	80	0.0%	105	0.0%	113	0.0%
Russia	31	0.0%	2	0.0%	356	0.0%	385	0.0%	528	0.0%	2,931	0.2%
Others/ Unknown	3,677	0.3%	4,051	0.3%	3,621	0.3%	3,887	0.3%	4,036	0.4%	4,441	0.3%
Total Air ²	1,180,227	96.5%	1,133,012	96.1%	1,035,794	98.3%	1,162,828	99.3%	1,138,423	99.2%	1,261,635	99.3%
Total Sea	43,063	3.5%	46,234	3.9%	17,454	1.7%	8,029	0.7%	8,711	0.8%	8,526	0.7%
Total Air & Sea	<u> </u>	100.0%	1,179,246	100.0%	1,053,248	100.0%	1,170,857	100.0%	1,147,134	100.0%	1,270,161	100.0%

1 Includes Palau, FSM and RMI.
2 Includes military air arrivals.
3 For Fiscal Years 2007 and 2008, includes military vessel arrivals. For Fiscal Years 2009 through 2012, military vessel arrivals were not available.

Source: Guam Visitors Bureau



In November 2009, the U.S. updated its policies relating to the visa waiver program available for travel to Guam for tourism or business. The current program allows visitors holding passports from Australia, Brunei, Hong Kong, Japan, Malaysia, Nauru, New Zealand, Papua New Guinea, Republic of Korea, Singapore, Taiwan and the United Kingdom to visit Guam and/or CNMI without a visa for a period of up to 45 days. The U.S. Department of Homeland Security granted parole authority for Russia commencing on January 15, 2012, allowing visa waivers for Russian visitors to Guam. Visitor arrivals from Russia in Fiscal Year 2012 numbered 2,930 versus 528 in Fiscal Year 2011, an increase of 455%.

The Government of Guam and GVB continue to lobby for expansion of the program to visitors to Guam from mainland China. A decision on China is expected this year.

Hotels

Tumon Bay, located on Guam's west coast, is the heart of Guam's tourist industry. The hotels that line Tumon Bay provide lodging to the majority of visitors to Guam. During the 1990s and early 2000s, Guam's inventory of hotel rooms increased over 100%, with substantial growth in the number of hotel rooms occurring from 1991 to 1993 and from 1995 to 2001. As of April 2013, there were 34 hotels in Guam, including many notable international hotel operators, with an inventory of over 8,200 rooms. Guam's annual weighted hotel occupancy rate improved from 60% in 2006 to 68% in 2007, but declined to 64% in 2008 and to 60% in 2009. In calendar year 2010, annual weighted hotel occupancy rates increased to 71%, then to 72% in 2011. The weighted



Table A-5 lists the top fifteen hotel operators and the number of rooms as of [February 2013].

Pursuant to Section 30101(b), Title 11. Guam Code Annotated, the Hotel Occupancy Tax is an excise tax levied and imposed by the Government against transient occupants of a room or rooms in a hotel, lodging house or similar facility located in Guam. The Hotel Occupancy Tax has been levied at the rate of 11% of the rental price charged or paid per occupancy per day since April 1, 1995. Table A-6 below shows the amount of Hotel Occupancy Tax Revenues collected during each of the calendar years shown.

TABLE A-6
Annual Hotel Occupancy
Tax Revenues
Calendar Years 2004 - 2012

CALENDAR YEAR	AMOUNT
2004	\$17,859,367
2005	19,158,350
2006	19,528,390
2007	21,179,962
2008	20,822,521
2009	19,622,562
2010	22,334,104 ¹
2011	22,964,58
2012	26,759,709

¹ Repeal of exemption applicable to certain Government employees was effective May 17, 2010. Source: Guam Visitors Bureau

TABLE A-5
Top Fifteen Hotel Operations in Guam
As of February 2013

HOTEL/RESORT	YEAR OPENED	LOCATION	NO. OF ROOMS ¹
Pacific Islands Club	1980	Tumon	777
Hilton Guam Resort & Spa	1972	Tumon	645
Outrigger Guam Resort	1999	Tumon	600
Guam Plaza Hotel	1983	Tumon	505
Hotel Nikko Guam	1992	Tumon	492
Hyatt Regency Guam	1994	Tumon	450
Westin Resort Guam	1996	Tumon	432
Onward Beach Resort	1992	Tamuning	430
Guam Reef & Olive Spa Resort	1974 Tumon		422
Guam Marriott Resort	1987	Tumon	380
Fiesta Resort Guam	2006	Tumon	318
Sheraton Laguna Guam	2007	Tamuning	318
Guam Aurora Resort Villa & Spa	2009	Tumon	273
Holiday Resort Guam	2005	Tumon	252
Verona Resort & Spa	2012	Tumon	218

Numbers may not reflect actual capacity as hotel management may make rooms unavailable at any given time. Source: Guam Visitors Bureau

Significant hotel renovations totaling \$100 million over the past few years have been undertaken at Hilton Guam Resort and Spa, Pacific Islands Club, Guam Marriott Resort, Hotel Nikko Guam, Royal Orchid Guam, Sheraton Laguna Guam Hotel, Hyatt Regency Guam and Westin Resort Guam. In addition, the property developer Tanota Partners is constructing a new \$110 million, 400-room hotel tower, the Dusit Thani Guam, which will include a ballroom with a 2.000 person seating capacity and stand between the Outrigger Guam Resort, the Hyatt Regency Guam, and a commercial center filled with retail shops, restaurants and clubs also owned by Tanota Partners in Tumon.

The Dusit Thani Guam is scheduled for a soft opening in late 2013. Under new ownership, the Guam Marriott Resort and Spa began \$25 million of renovations in the second quarter of 2011. These projects are expected to be completed in 2013.

Leo Palace Resort has completed \$2.4 million of hotel renovation projects. The Royal Orchid Hotel has indicated its plans to convert 200 rooms to 98 residential condo units.

The Guam Reef Hotel & Olive Spa has completed its first phase of more than \$12 million of renovations that started in October 2012.

The Sherwood Hotel was sold in September 2011 and re-opened in 2012 as the new Verona Resort and Spa with 218 rooms.

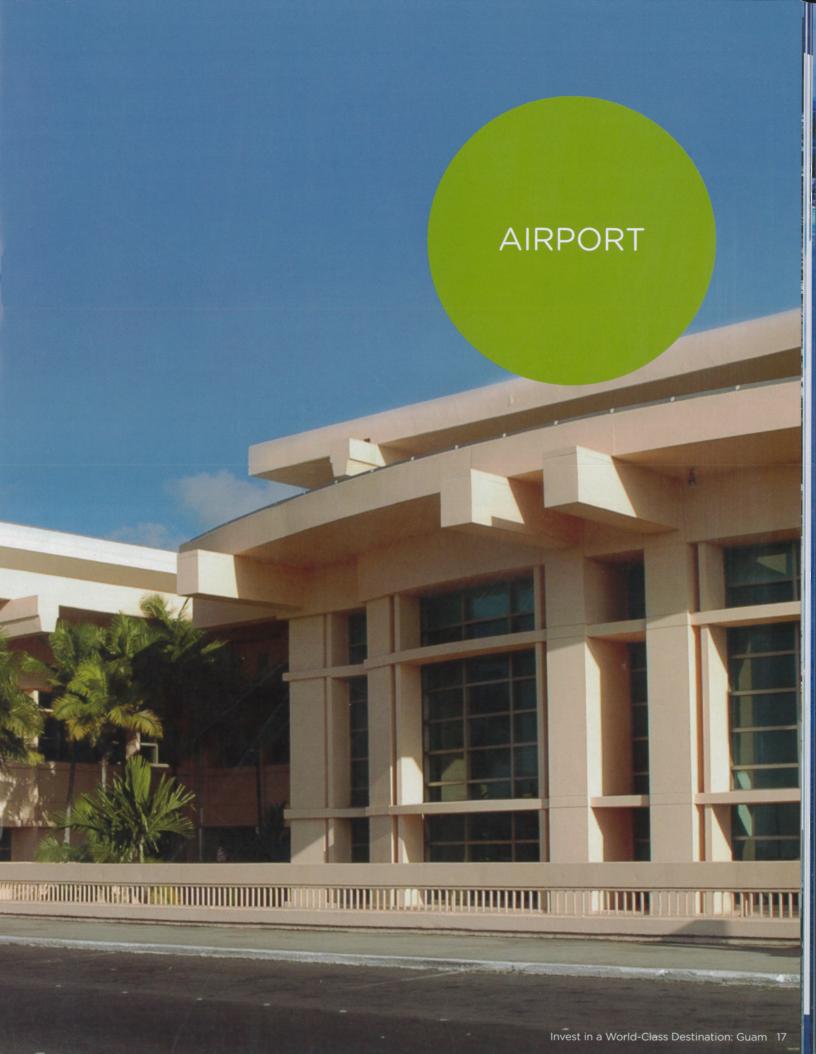
Lotte Hotels and Resorts have begun their \$20 million renovation and rebranding of the Guam Aurora Resort Villa & Spa. Lotte hotels will be renovating the 242 rooms, four restaurants, three banquets, an outdoor swimming pool, a spa, and a chapel currently encompassed by the Guam Aurora Resort. The new Lotte branded hotel is scheduled to reopen in late 2013.





Ensure the safety and security of the traveling public; is dedicated to maintaining a superior and reliable level of airport services for our island residents and tourists; and committed to supporting the development of air linkages and facilities which are integral parts of the island's future economic growth.





Quick Overview

- · Largest airport in Micronesia
- · Over 2.5 Million passenger movements annually
- · Over 1.7 million in direct, indirect or induced revenue
- \$326 million in revenue from supply industries
- Provides services to 22 destinations including Japan, Korea, Taiwan, China, Australia, Fiji, Philippines, Palau, Indonesia, FSM, & CNMI
- · 20,440 jobs due to Airport and Tourism-related activities
- · 628 million to public and private payrolls annually

CIPs and Opportunities

- · \$500 Million investment in Airport facility
- Aggressive CIP Program
- Runway Extension & Rehabilitation
- · Terminal Systems and Amenities
- Roadway System
- · Utility Infrastructure
- · Security Enhancements

Investments, **Improvements** and Incentives

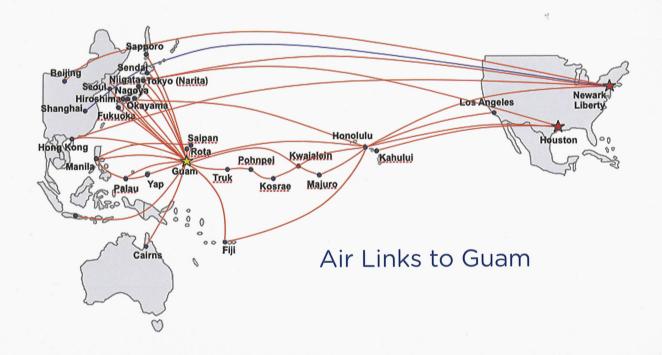
- Development of Airport properties for new support facilities
- Efforts to expand Air Services
- Key Projects
 - Update Master Plan
 - GIS Survey
 - Facility Upgrades
 - Site Development
 - ARFF Facility
 - Demolition

Air Services

- Passenger Airlines
 - Cape Air
 - China Airlines
 - Delta Air Lines
 - EVA Airways
 - Freedom Air
 - Japan Airlines
 - Jeiu Air
 - Jin Air
 - Korean Air
 - Philippine Ailrlines
 - United Airlines
- Cargo Airlines
 - FedEx
 - UPS

A Strong Present and Promising **Future**

- Guam is a World-class destination
- Won Pat International is a World-class Airport
- Guam is the gateway to Micronesia, Asia and the U.S.
- · Our Airport is the largest and most modern facility in the Western Pacific with State-of-the-Art navigational instruments and excellent airfield maintenance
- We're constantly working to improve the safety and security for the traveling public
- · Guam's at the doorstep of a prosperous economic period, fueled by a re-surging tourism industry and long-term military expansion







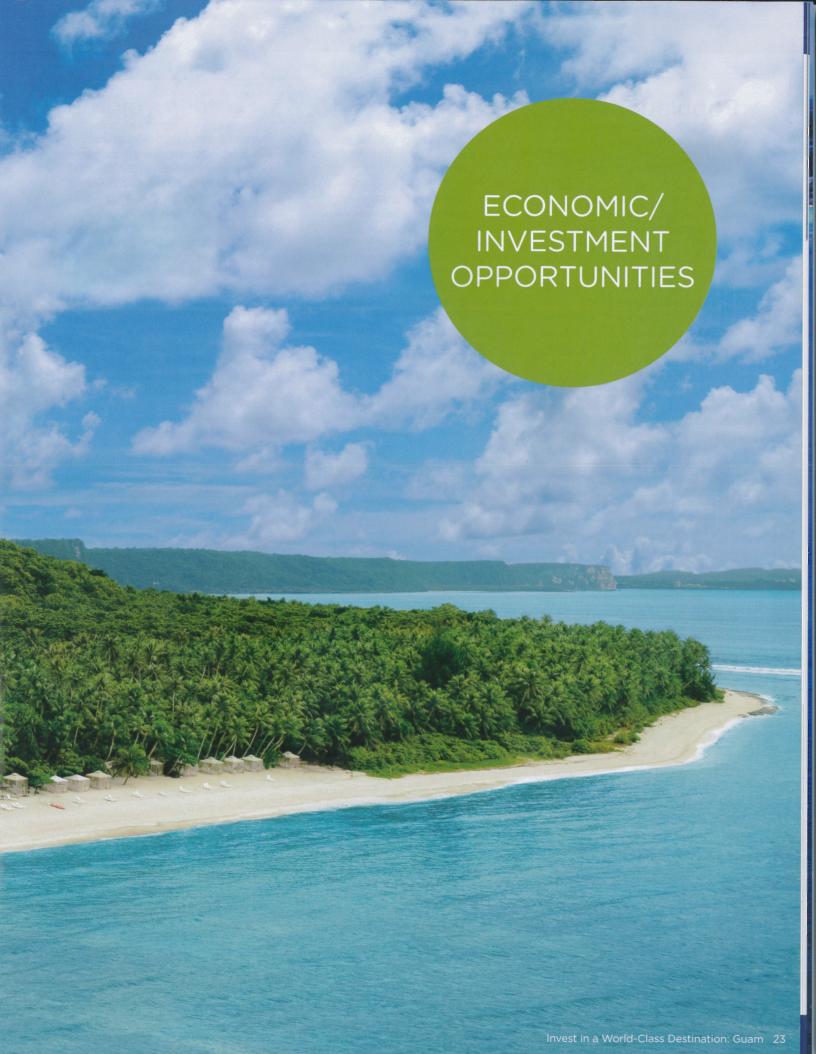
Proximity to Asia

COUNTRY/ REGION	PORT	DISTANCE (MILES)	FLYING TIME	TIME ZONE
AUSTRALIA	Brisbane	2856	5 hrs., 15 min.	GMT + 10
	Cairns	2100	4 hrs., 40 min.	GMT + 10
CHINA	Beijing	2508	4 hrs., 59 min.	GMT + 08
	Hong Kong	2098	4 hrs., 50 min.	GMT + 09
	Shanghai	1926	3 hrs., 53 min.	GMT + 08
	Taipei, Taiwan	1721	4 hrs.	GMT + 08
CNMI	Rota	57	30 min.	GMT + 10
	Saipan	130	40 min.	GMT + 10
FIJI	Nadi	3144	7 hrs.	GMT + 12
FSM	Chuuk	551	1 hr., 45 min.	GMT + 10
	Kosrae	1182	5 hrs., 25 min.	GMT + 10
	Pohnpei	884	3 hrs., 40 min.	GMT + 10
	Yap	461	1 hr., 30 min.	GMT + 10
INDONESIA	Bali	2544	5 hrs., 10 min.	GMT + 07
JAPAN	Fukuoka	1718	3 hrs., 50 min.	GMT + 09
7	Haneda	1351	3 hrs., 25 min.	GMT + 09
	Hiroshima	1413	3 hrs., 45 min.	GMT + 09
	Kadena	1229	2 hrs., 55 min.	GMT + 09
	Kansai	1359	3 hrs., 8 min.	GMT + 09
	Nagoya	1583	3 hrs., 40 min.	GMT + 09
	Narita	1516	3 hrs., 40 min.	GMT + 09
	Sapporo	2047	4 hrs., 35 min.	GMT + 09
	Sendai	1720	4 hrs.	GMT + 09
KOREA	Cheju	1798	4 hrs.	GMT + 09
	Incheon	1992	4 hrs., 45 min.	GMT + 09
MALAYSIA	Kuala Lumpur	3030	5 hrs., 59 min.	GMT + 08
PALAU	Koror	815	1 hr., 45 min.	GMT + 09
PHILIPPINES	Manila	1597	3 hrs., 35 min.	GMT + 08
RUSSIA	Moscow	6090	11 hrs., 58 min.	GMT + 03
SINGAPORE	Singapore	2910	5 hrs., 45 min.	GMT + 08
THAILAND	Bangkok	2960	5 hrs., 50 min.	GMT + 07
1	Phuket	3170	6 hrs., 14 min.	GMT + 07
USA	Honolulu, HI	3801	7 hrs.	GMT - 10
	Los Angeles, CA	6357	12 hrs., 15 min.	GMT - 08

Source: Guam International Airport Authority







Population

Guam's residents originate from all parts of the Asia-Pacific region in addition to the U.S. mainland. In addition to Guam's indigenous Chamorro people, who comprise approximately 47% of the population, large numbers of mainland Americans, Filipinos, Chinese, Japanese, and South Koreans constitute the bulk of Guam's population. There are also substantial numbers of Micronesian islanders, Vietnamese and East Indians. Guam's diverse population makes it one of the most cosmopolitan communities in the Western Pacific.

According to the 2010 U.S. Census, Guam's 2010 population estimate was 159,358. This represents a 2.9% increase over the 2000 U.S. Census tabulation of 154.805.

which was in turn a 16.3% increase over the 1990 population of 133,152.

Guam currently has 40 public schools, 25 private schools, four Department of Defense schools, one community college and one university. Approximately 31,000 students attend Guam's elementary and secondary schools. The Guam Public School System secured financing in late 2006 and in 2008 for the construction of four additional public schools. Three of the new schools opened for the 2008-2009 school year, and the remaining school, an elementary school, opened for the 2009-2010 school year. The Guam Public School System also secured additional financing in 2010 for the demolition and reconstruction of the John F. Kennedy High School facility which closed in 2008 for safety reasons. The reconstruction of the John F. Kennedy High School was completed in August 2011, allowing it to be in service for the 2011 2012 school year. An expansion to the existing Okkodo High School is planned and is expected to be in service for the 2013-2014 school year. Both Guam Community College and the University of Guam are accredited by the Western Association of Schools and Colleges. The University of Guam is the only accredited four-year institution of higher learning in the western Pacific, and it offers graduate programs in select areas of study.



Employment

Approximately 75% of Guam's workforce is employed in the private sector, with the remainder in government, both local and federal. Guam's individual and household incomes have fairly equal distributions, as compared to other nations, islands, or territories in similar stages of economic development.

In 2012, the private sector gained approximately 1,290 jobs, whereas the public sector shed 300 jobs, including 200 Government jobs and 70 federal government jobs. The most significant changes in the private sector were 680 more jobs in construction, 420 more jobs in transportation and public utilities and 220 more jobs in services, offset in part by a decrease of 120 finance, insurance and real estate jobs.

Federal employment for the year ending December 31, 2012 was down by 70 jobs from the prior year's figures. Government employment for the year ending December 31, 2012 decreased by 200 from the previous year's figure.

The distribution of civilian employment in Guam based on payrolls from 2008 to 2012 is listed by industry in Table A-8. Excluded from the civilian employment estimates in Table A-8 are self-employed individuals, active duty military personnel, proprietors, volunteers and unpaid family workers. The payroll survey in Table A-7 includes all civilian personnel on payroll, including multiple jobholders counted at each place of employment, and nonresident alien workers.

Table A-8 shows the top 15 private employers on Guam and number of employees.

TABLE A-7 Civilian Employment¹ 2008-2012

	2008	2009	2010	2011	2012
PRIVATE SECTOR					
Agriculture	350	320	320	210	140
Construction	6,460	6,660	6,660	5,860	6,540
Manufacturing	1,700	1,790	1,790	1,740	1,660
Transportation & public utilities	4,820	4,660	4,500	4,250	4,670
Wholesale trade	2,060	1,930	2,100	2,180	2,320
Retail trade	11,540	11,660	11,610	11,630	11,730
Finance, insurance, and real estate	2,560	2,520	2,650	2,640	2,520
Services	16,240	16,130	17,160	16,250	16,470
Total private	45,730	45,670	46,790	44,760	46,050
PUBLIC SECTOR					
Federal government	3,760	3,830	3,940	4,130	4,060
Guam government²	11,350	11,720	11,870	11,930	11,730
Total public	15,110	15,550	15,810	16,060	15,760
Total Payroll Employment	60,840	61,220	62,600	60,820	61,840

Data includes both full-time and part-time employees who worked during any part of the pay period, temporary alien workers and employees under 16 years of age. Data are based upon the number of paychecks issued by employers. Dual and multiple jobholders are counted once for each job held. Proprietors, unpaid family workers, domestic servants and military active duty personnel are excluded.
Includes temporary contractual employees, autonomous agencies, Agency for Human Resources

Development Disaster Recovery, and senior/youth employment programs.

Source: Current Employment Report, Department of Labor, Government of Guam

TABLE A-8 Top 15 Private Employers on Guam Calendar Year 2012

	EMPLOYER (AND TYPE OF ENTERPRISE)	NO. OF EMPLOYEES
1.	Calvo Enterprises, Inc. (insurance, various)	1,120
2.	DZSP 21 LLC (military support services)	1,010
3.	United Airlines (airline)	1,000
4.	Black Construction Corp. (construction)	983
5.	Triple J Enterprises (automotive, various)	643
6.	Premier Ken Guam LLP (hotel)	590
7.	Pacific International Inc. (construction)	555
8.	Pacific Islands Club Guam (resort)	551
9.	Bank of Guam (financial services)	495
10.	GTA TeleGuam (communications)	346
11.	Joeten Enterprises Inc. (retail and real estate)	345
12.	Atkins Kroll Inc. and Microl Corp. Saipan (distribution)	323
13.	dck Pacific Guam (construction)	320
14.	GFS Group (military support services)	275
15.	Jones & Guerrero Co. Inc. (construction, various)	267
	Total	8,823

Source: Guam Business Magazine 2012 Top Companies



Construction

Guam's construction industry is generally measured by the number and value of building permits. Building permits constitute an important economic indicator of the type and level of construction activities planned as well as corresponding employment increases once the buildings are completed.

Table A-9 lists the dollar value of the construction permits issued during the period from Fiscal Year 2008 through Fiscal Year 2012. Values given include permits for new construction and additions.

During Fiscal Year 2011, approximately \$217 million of building and construction permits were issued. The delay in the planned relocation of U.S. Marines and military dependents from Okinawa and Iwakuni, Japan to Guam resulted in a decrease in construction projects for Fiscal Year 2011. The relocation of U.S. Marines to Guam has been revised to include approximately 4,700 to 5,000 service members and their families, about half the amount originally expected. Negotiations between the United States and Japan governments of the final

TABLE A-9
Fiscal Year Building and Construction Permits
Fiscal Years 2008-2012
(Dollars in Thousands)

The Park of the Park	2008	2009	2010	2011	2012
Residential	\$69,690	\$50,419	\$67,047	\$45,403	\$60,139
Commercial & Industrial	17,209	44,816	14,729	26,911	39,444
Government	94,298	116,268	76,487	84,236	113,390
Hotels	3,070	-	200	934	830
Condominiums	2,200	495	76,537	848	-
Apartments & Dormitories	13,360	6,053	28,494	15,683	2,955
Other ¹	49,466	44,420	15,255	42,942	147,197²
Total	\$249,293	\$262,471	\$278,749	⁴ \$216,957	\$363,955

¹ Includes permit renewals, demolitions, relocations and church buildings.

Includes \$120 million for Guam Regional Medical City. Source: Guam Department of Public Works

terms and extent of the relocation are ongoing. See "-Military Activity—Military Expenditures." However, building and construction permits have since seen a significant increase during Fiscal Year 2012. This increase of approximately 168% in total permits can be associated with permit renewals, demolitions, relocations, church buildings and most importantly the construction of the Guam Regional Medical City. In addition to the rebound in permits issued in Fiscal Year 2012, building and construction permits as of June 2013 are approximately

\$238.6 million, having already exceeded total permits issued for Fiscal Year 2011.

Tracts of private, affordable housing, upscale gated communities and million-dollar ocean-vista homes are under construction. Housing developments under construction include Talo Verde Estates in Upper Tumon, Villa Pacita in Yigo, Quintas del Mar and Pago Bay Resort in Yona. The Government is providing incentives and assistance to developers and contractors to meet the Governor's

goal to build 3,000 more affordable homes on Guam over a five-year period. New shopping centers in Mangilao and Tumon were completed in 2010. Construction of a \$2 million supermarket in the southern part of Guam is scheduled to be completed in October 2013. Construction of a proposed two-story Grandview Mall in Tumon has commenced and is scheduled to begin operations by the end of 2014. Construction is ongoing for the Guam Regional Medical City, a nonprofit, tertiary level medical facility and the first non-governmental facility of its type on the island. Phase one of the hospital is anticipated to open in 2014 with 130 beds (phase two will include 90 additional beds) at a cost of approximately \$250 million. The Hospital Development Foundation on Guam estimates that Guam residents spend \$82 million annually to pay for care at private hospitals outside of Guam: it is anticipated that this new private hospital on Guam will

capture a large portion of that revenue.

Ongoing or recently completed Government construction projects include \$150 million of airport capital improvements, including runway extension and taxiway projects to accommodate expanded air service, long-haul flights to the U.S. mainland and projected passenger and cargo increases, demolition of former naval housing and noise insulation. an estimated \$159.7 million to fund the closure of the Ordot Dump and the opening of a new landfill facility, and \$260 million of capital improvement projects for the Port Authority of Guam master plan. In late 2010, Guam Power Authority issued \$206.6 million of revenue bonds to finance projects that include a smart grid, and generation, transmission and distribution facility upgrades. The Department of Education secured financing to build a new high school to replace an existing facility in Tamuning and is pursuing

funds for the expansion of another high school in Dededo. The University of Guam is working towards a \$21.7 million construction project of a new Student Services Center and Engineering School Annex. The Department of Land Management is also working towards a \$15.75 million construction project for a new administration building. The Department of Public Works' 2030 Guam Transportation Plan provided \$70 million of project funding in 2008 and over \$160 million of federal funding for projects from 2008 through 2011. Finally, the Guam Visitors Bureau ("GVB") secured financing for \$67 million of capital projects, including creation of new tourist destinations and enhancement of existing historical and park sites.

In 2009 and 2010, the Government was also awarded approximately \$386 million of American Recovery and Reinvestment Act funding for programs and infrastructure projects.

Other Economic Activity

Table A-11 reflects the Government's business privilege tax collections for Fiscal Years 2003 through 2011 and for the first 10 months of Fiscal Year 2012. Business privilege tax collections for a given fiscal year may not directly reflect gross business receipts in the prior fiscal year because businesses sometimes file late or multi-year business privilege tax returns. Generally, collections have increased over the last several years due to population growth, inflation, expansion of existing military facilities, and upgrades to a number of local hotels to accommodate increased demand for high-end rooms.

The Government is seeking through legislative and regulatory efforts to streamline business and

construction permitting processes, to obtain an exemption from the Jones Act which would expand the market for shipments to Guam and reduce the cost of imports, to develop the captive insurance market for the Asian market, and continued pursuit of the China visa waiver program.

Other developments being pursued by the Government, private enterprise or both include a bonded warehouse on Guam as a consolidation and customs clearance center, a hub for the collection and transshipment of recyclable materials in the region. a redevelopment of the Hagatña area, light domestic manufacturing of construction materials, expanded eco and sports tourism. and television and commercial film production for Asian producers.

TABLE A-10 Government of Guam Business Privilege Tax Collections Fiscal Years 2003 - 2011 and 2012 Year-to-Date

FISCAL YEAR	BUSINESS PRIVILEGE TAX COLLECTIONS
20031	\$156,095,935
20041	170,610,706
2005	149,081,382
2006	155,386,098
2007	172,745,349
2008	185,795,875
2009	182,583,996
2010	188,621,364
2011	200,047,641
201223	180,476,976

- ¹ Reflects temporary increase in the business privilege tax rate from 4% to 6% from April 2003 through April 2004.
- Unaudited.
 Ten months ended July 2012.

Source: Government of Guam Audited Financial Statements for Fiscal Years 2003-2011; Guam Department of Administration for Fiscal Year 2012

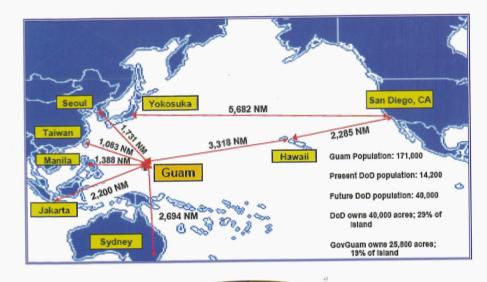
Military Activity

Recent world events have increased recognition of Guam's strategic military value that could result in increasing military presence in Guam and its contribution to the Guam economy. As recently as January 2012, the U.S. Department of Defense indicated the importance of a strong U.S. military presence in Asia-Pacific region. A strong U.S. presence in the Pacific demonstrates active support for Japan, South Korea, Australia and other Pacific Rim allies and supports U.S. economic and security interests. Guam is positioned geographically to constitute an extended homeland defense perimeter, protecting the U.S. west coast and Hawaii from acts of aggression. Military bases on Guam can support forward deployed capabilities in Asia and allow rapid response to any threat to stability of the Asian region or any threat to the U.S. originating in the Asian region. Other advantages of Guam's military activity include:

- Geographic location: closer to potential flashpoints of conflict in Asia and the Middle East.
- U.S. Sovereign territory: no need for host nation consent to pre-position war munitions, to deploy weapons or to conduct operations.
- Air Force, Navy and Marine Corps, Coast Guard, National Guard and Reserve facilities with substantial munitions, fuel supply, communications, command and control capabilities.

- Unencumbered air and sea space for live fire and special operations training including EOD, SEALS and other joint war-fighting and operational readiness initiatives.
- Deep water harbor with 17,000 linear feet of wharfage with ability to handle three million pounds of ordnance (net explosive weight).
- Significant airfield capability including dual, two mile long runways with contingency, mobilization and surge capable civilian airfields on Guam and CNMI.
- Repair capabilities for surface vessels, submarines, aircraft and combat equipment at the Intermediate Maintenance Facility, the privatized ship repair facility, the submarine tender, Naval Base Guam and Andersen Air Force Base and civilian facilities.

The map below shows Guam's location in the Pacific and relative distances between major cities in the Pacific Rim.







The level of active duty military personnel in Guam increased slightly from 2007 to 2010. In the years following 2010, Guam began to experience a decrease in military personnel as a result of the delay in the relocation of the Third Marine Expeditionary Force from Okinawa and Iwakuni, Japan to Guam. Concerns regarding the high cost of the relocation, delays in relocating U.S. military personnel and facilities currently within Japan, and the U.S. budget deficit have extended the implementation timeframe for the relocation of the U.S. Marines from Japan and reduced the expected number of relocating personnel from 9,000 to 6,000. If current U.S. military plans come to fruition, Guam is expected to experience an increase of up to 6,000 active duty military and 10,000 dependents, although the Government cannot predict whether, when or to what extent such increase may occur. Regardless, there currently exists significant United States military missions on Guam. The U.S. Air Force hosts a rotating presence of bomber, tanker and fighter aircraft

and permanently stationed RQ-4 Global Hawk unmanned aerial reconnaissance assets in addition to a variety of aircraft and contingency response training events. The Navy has home-ported three fast attack submarines in Guam: the USS Oklahoma City, the USS Chicago and the USS Key West.

The U.S. government may choose to relocate military fleets,

equipment and personnel from time to time in ways that either increase or decrease the U.S. military presence on Guam, and the Government cannot predict whether or when such adjustments may occur. However, military presence on Guam is expected to increase.

Table A-11 lists active duty military personnel on Guam from 2007 through 2012.

TABLE A-11 Active Duty Military Personnel on Guam 2007-2012

YEAR	NAVY	AIR FORCE	ARMY	MARINES	COAST GUARD	TOTAL
2007	3,879	1,596	632	4	175	6,286
2008	3,584	1,930	625	4	188	6,331
2009	3,523	2,042	619	4	191	6,379
2010	3,488	2,097	620	4	191	6,400
2011	3,555	1,907	615	5	193	6,275
2012	3,065	1,216	260	13	223	4,777

Source: Guam State Data Center, Bureau of Statistics and Plans

GEDA Incentive Programs

Qualifying Certificate Program

The Qualifying Certificate Program. created under Public Law 8-80 and amended under PL 20-178 and PL 22-159, is administered by the Guam Economic Development Authority. It was conceived in 1965 as an economic incentive tool to encourage investment in activities that would strengthen the island economy, enrich its growth, and enhance the quality of life in Guam. This program has proven to be highly successful, particularly in the development of Guam's primary industry - Tourism.

ELIGIBILITY: (12 GCA, Div. 2, Chapter 58, §58104) Any trust. partnership, sole proprietorship, Limited Liability Partnership, Limited Liability Company, or corporation, formed under the laws of Guam and licensed to do business in Guam, which is engaged, or about to engage in any of the following activities:

- Green Technology (Energy Efficiency, Renewable Energy and Environmental Cleanup)
- 2. The manufacture, distribution and sale of non-petroleum based fuels.
- 3. Agriculture
- 4. Aquaculture
- 5. Mariculture
- 6. Manufacturing
- Commercial fishing
- 8. Services
- 9. Tourism
- 10. Improvement of real property by constructing and selling affordable homes thereon, and for other purposes which are specifically determined by the Authority to be beneficial, desireable, and necessary for the economic development of Guam.
- 11. Insurance, commercial insurers. reinsurers, or captive insurers which meet the requirements of 22 GCA, chapter 15, article 3
- 12. Export Trading Companies as defined in 11 GCA, §26101(d), if the main office of the export trading company is on Guam
- 13. Producing water or disposing of wastewater, or both, jointly with the Guam Waterworks Authority
- 14. Operating on a military base on Guam a Base Operating Service Contract (Repealed by PL 31-88).
- 15. A global internet infrastructure services company providing

- internet connectivity and co-location facilities and its/their tenant-sellers in the sales of goods, services and information over the internet.
- 16. Recycling
- 17. Guam based trusts

LOCAL PARTICIPATION: (12 GCA. Div. 2, Chapter 58, §58108) Preference shall be extended to applicants, which have fifty-one percent (51%) or greater portion of local investment, as controlled by bona fide Guam residents.

TAX INCENTIVES (BASIC PROGRAM):

Up to 75% Rebate of corporate income tax for up to twenty (20) years.

- Up to 75% Rebate of corporate dividends tax for up to five (5)
- Up to 100% abatement of real property tax for up to ten (10) years on property utilized by the QC beneficiary to operate its business.
- Up to 100% abatement of Business Privilege tax on income derived from the sale of alcoholic beverages and petroleum products manufactured in Guam for up to ten (10) years.
- The Authority also offers special incentives for Captive Insurance, Trusts, and Recycling (PL 23-109. PL 24-266, and PL 23-127).

TABLE A-12 Minimal Capital Investment

Agriculture, Aquaculture, Mariculture	\$10,000
Manufacturing	\$100,000
Home Manufacturing	\$100
Commercial Fishing	\$25,000
Services	\$50,000
Tourist Facilities	\$50,000
Captive Insurance Companies	\$100,000
Export Trading Company	\$100,000
Industrial Facilities	\$100,000
Hotels, Motels	\$500,000
First Class Hotels	\$5,000,000
Business Class Hotels	\$1,000,000
Recycling	\$100,000
Affordable Housing	(Minimum construction of no less than

twenty- five (25) affordable housing units)

TABLE A-13

Fees (USD): 12 GCA, Div. 2, Chapter 58, §58143) Fees consist of a one-time application fee and an annual surveillance fee assessed through the life of the Qualifying Certificate.

	Application Fee	Annual Serveillance Fee
Agriculture, Aquaculture, Mariculture	\$150	\$500
Home Manufacturing	\$100	\$100
Manufacturing	\$750	\$2,000
Commercial Fishing	\$250	\$1,000
Services (includes trusts)	\$750	\$2,000
Tourism	\$1,000	\$3,000
Captive Insurance Companies	\$750	\$1,000
Export Trading Companies	\$750	\$1,000
Motels under construction	\$750	\$2,000
Motels in Operation	\$750	\$25/per room
Hotels under Construction	\$1,500	\$3,000
Hotels in Operation	\$1,500	\$45/per room
GWA Joint venture partner	\$750	\$1,000
Recycling	\$750	\$2,000
Affordable Housing	\$750	\$1,000

Immigrant Investor Visa Program - EB-5

An Investor Visa category that has attracted the attention of many prospective immigrants is the EB-5 Investor Visa created under the Immigration Act of 1990. This Visa category allows qualified foreign nationals to obtain lawful Permanent Resident Status (Green Cards) through investment in a U.S. enterprise. Ten thousand (10,000) Immigrant Visas are available each year to foreign investors establishing a "new commercial enterprise" or are in the process of investing in an existing enterprise on Guam.

A "new commercial enterprise" is any lawful, for-profit business established after November 29, 1990. Both the creation of a new business, and the purchase and re-capitalization or reorganization of an existing business is allowed.

The minimum investment in the fifty United States and U.S. territories such as Guam is \$1,000,000USD. However, when a jurisdictions unemployment rate is 150% higher than the U.S. national unemployment rate, the minimum investment amount is reduced to \$500,000USD during that period. The investment instruments required for Guam may include legally obtained cash, equipment, inventory, or other tangible property, and cash equivalents. such as: certificates of deposit, Treasury bonds, and other instruments, which are easily converted into cash.

- The primary focus of the program is the creation of employment. Employment must be created within 2-year time frame. Enterprise creates at least 10 full-time jobs for U.S. citizens, permanent residents, exclusive of Investor's spouse and children. "Full-time employment" is defined as employment in a position requiring a minimum of thirty-five (35) working hours per week
- The commercial enterprise may be a sole proprietorship, limited or general partnership, joint venture, corporation, business trust, or any other publicly or privately owned business.

Non-commercial activities, such as owning a personal residence, do not apply.

- An EB-5 Visa can be obtained without a regional center. The disadvantage is that the project must create 10 direct jobs. If done in conjunction with Guam Strategic Development Regional Center then the 10 jobs can be direct, indirect and induced.
- Multiple Investors are permissible, provided each Investor seeking a visa has invested the \$1,000,000 required amount and created the required number of full-time positions.
- Investor personally manages the investment either through exercising day-to- day managerial control or through policy formulation and direction.

GUAM STRATEGIC DEVELOPMENT REGIONAL CENTER -APPLICATION PROCESS:

- Current approved categories include: Transportation, Entertainment, Restaurants, Shopping, and Marketing.
- Current approved projects include: Retail, Hotel, Restaurants, Warehouses, Office complexes, and Mix-Use Developments.
- Investments can be made for existing businesses if:
 - Loss of 20% asset value
 - Loss of 20% revenue
- Obtain application Form I-526 (Alien Entrepreneur Petition) and Form I-485 (Adjustment Status Application) from authorized Regional Center.
- Application process:
 - Submit a one page summary for consideration outlining: amount, timeline, needs, principals, etc
 - If requested, submit a bonified business plan
 - Subject to economist review for program guidelines
 - Regional Center will list business opportunity on website and transmit to agents
 - Interested Investors are required to submit a Due Diligence Plan for

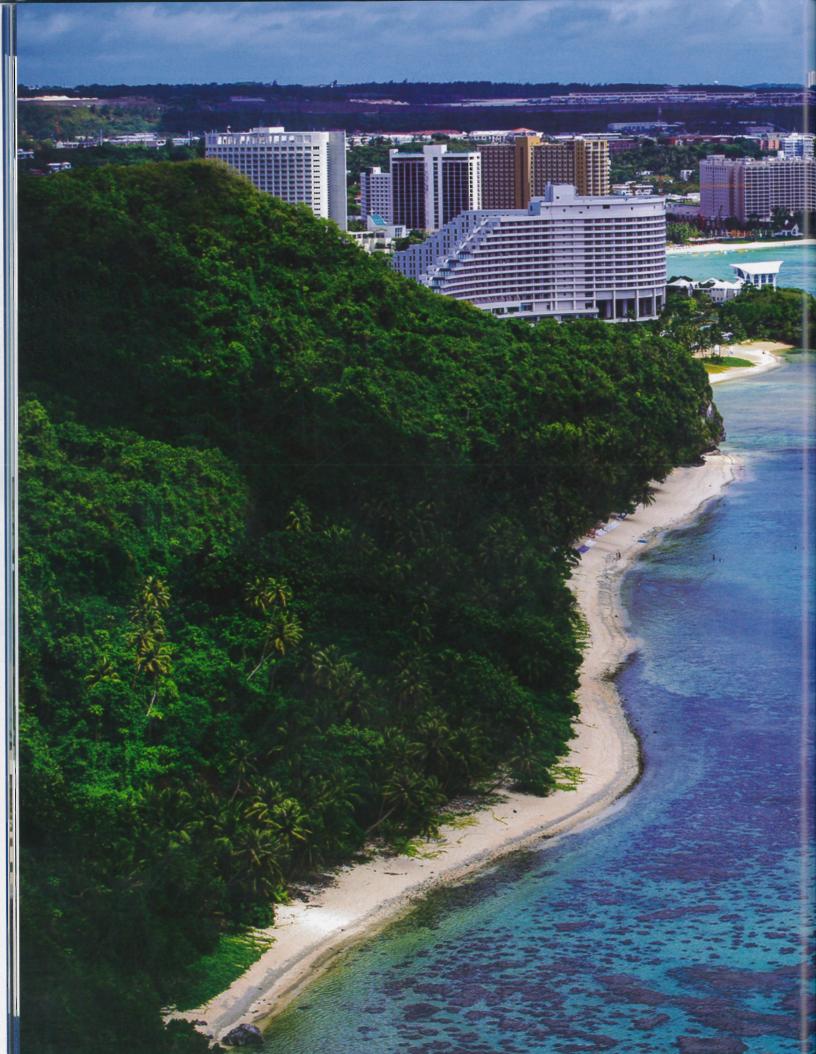
- background checks. Once vetted, they have access to download full opportunity package
- If a match is made negotiations will then take place
- Regional Center and investor enter into an LLC arrangement. The new entity does not need to have majority ownership. Note: The project driver will receive the investment capital.
- Immigration process processing - 45 days.
- Minimum total time is 60 to 90 days.
- Subscription, agent and other fees are applicable. (acceptable forms of payment - cashiers check, money order, personal check.

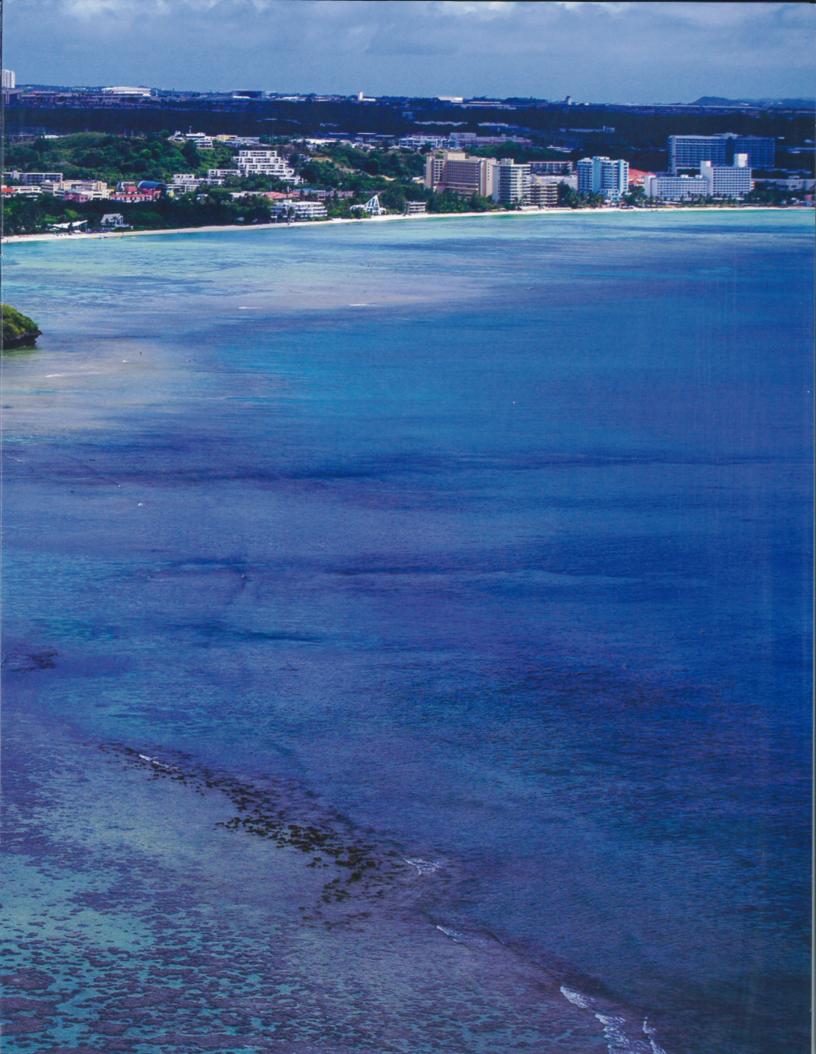
CONDITIONAL VISA APPROVAL:

When the Investor Visa Application is approved, the Investor and his/her spouse and children under 21 years of age receive conditional Permanent Residence for a two-year period. The Investor and family members may then work and/or attend school in the United States, and travel at will on temporary visits abroad.

The commercial enterprise, including the 10 full-time jobs must be satisfactorily maintained for a two-year period. There is no requirement that the enterprise make a profit. At the end of the two-year conditional period the Investor is granted full Permanent Resident (Green Card) status. This must be done within the ninety days preceding the end of the Investor's second year. At this time, the Investor must have the intent to continue with the enterprise.









OFFICE OF THE GOVERNOR OF GUAM

Ricardo J. Bordallo Governor's Complex • Adelup, Guam 96910 Tel: +1-671-472-8931, +1-671-472-8936 • Fax: +1-671-477-4826 governor.guam.gov • calendar.guam.gov



GUAM VISITORS BUREAU

401 Pale San Vitores Road Tumon, Guam 96913 Telephone: +1-671-646-5278 • Fax: +1-671-646-8861 visitguam.org



ANTONIO B. WON PAT GUAM INTERNATIONAL AIRPORT AUTHORITY

P.O. Box 8770 Tamuning, Guam 96931
Telephone: +1-671-646-0300 • Fax: +1-671-646-8823
info@guamairport.net • guamairport.com



GUAM ECONOMIC DEVELOPMENT AUTHORITY

590 S. Marine Corps. Dr. • Suite 511 GITC Building • Tamuning, Guam 96913
Telephone: +1-671-647.4332 • Fax: +1-671-649.4146
help@investguam.com • investguam.com