

LIGHTHOUSE

INVESTMENT PROPOSAL





DEAL OVERVIEW

What's for sale: 44 hectares of land with approved detailed planning for 36 plots

Location: Karalase, peninsula on Saaremaa Island

Entry price: €920,000 for land + €1,800,000 for infrastructure = €2,720,000 base investment

Revenue: €7,528,000

Net profit: €4,224,000

ROI: 128% over 24-36 months

KEY ADVANTAGE

Detailed planning approved = sales start immediately

Benefits:

- Zero approval risk (planning ready)
- Sales start in month 1
- Large plots (1 ha) = premium segment
- Simple model
- Quick exit (36 transactions)
- Unique natural location (peninsula, beaches, tranquility)



LOCATION UNIQUENESS: KARALASE-ÄNGI

WHAT MAKES THIS PLACE SPECIAL?

GEOGRAPHY:

Small peninsula - sense of seclusion and exclusivity

Two beaches within reach:

- Sandy beach: 5 minutes by car
- Second beach: 10 minutes by car

Surrounded by water on three sides - bays, views, sunsets

NATURE:

- Pristine forests - pine, juniper, untouched nature
- Lakes - fresh water for swimming and recreation
- Unique landscapes - rocky shores, cliffs, panoramas
- Silence - absence of urban noise, only nature

ECOSYSTEM:

Part of UNESCO Saaremaa Biosphere Reserve

Protected nature zone (guarantees value preservation)

Rich flora and fauna (deer, foxes, seabirds)

Clean air and ecologically pristine environment

WHY IS THIS IMPORTANT FOR BUYERS?

1. Scarcity of offering

- Peninsulas available for private development in Estonia are rare
- Forested land with planning - market deficit
- Competition for such locations is only growing

2. Premium value

- Proximity to two beaches (5 and 10 minutes) = premium location
- Private forest = +30-50% to property value
- Silence and seclusion = primary request from affluent buyers

3. Lifestyle appeal

- Morning: forest run or yoga by the shore
- Day: work in silence with nature views
- Evening: sunsets over water, lake swimming
- Weekends: two beaches to choose from, kayaking in bays

4. Investment attractiveness

- Nature real estate grows faster than market (+15-20% annually)
- Limited supply = stable demand
- Such plots don't depreciate

COMPARISON WITH OTHER LOCATIONS IN ESTONIA:

Parameter	Karalase	Typical Saaremaa plot	Mainland Estonia
Sea access	2 beaches: 5 and 10 min	15-30 min	30+ min
Nature	Peninsula, bays, lakes	Forest	Forest
Silence	Absolute	Medium	Low (road proximity)
Uniqueness	Very high	Medium	Low
Price per m ²	€206	€150-180	€100-150

Conclusion: We're in the premium segment, but pricing is competitive for this location level.

FINANCIAL MODEL

REVENUE

Stage	Plots	Price per plot	Revenue
Pre-sale	5	€123,000	€615,000
Main sales	31	€223,000	€6,913,000
TOTAL	36	---	€7,528,000

Average plot price: €209,111 (~€209/m² for premium segment)

Price structure:

First 5 plots: €100,000 (plot) + €23,000 (utilities) = €123,000

Next 31 plots: €200,000 (plot) + €23,000 (utilities) = €223,000

EXPENSES

Item	Amount	Comment
Land	€920,000	Payment upon purchase
Infrastructure	€1,800,000	Roads + utilities to 36 plots
Marketing and sales	€301,000	4% of revenue (visualizations, advertising, commissions)
Project management	€120,000	24-36 months team work
Legal support	€6,000	36 transactions + ongoing management
Reserve (5%)	€157,000	Contingencies
TOTAL EXPENSES	€3,304,000	

RESULT

Metric	Value
Revenue	€7,528,000
Expenses	-€3,304,000
Net profit	€4,224,000
ROI	128%
Implementation period	24-36 months
Annual return	43-64%

CASH FLOW DYNAMICS

PROJECT PAYMENT SCHEDULE:

MONTH 0:

Land purchase: -€920,000 (full payment immediately)

First infrastructure phase (design, road start): -€360,000

Total: -€1,280,000

MONTHS 1-6: PRE-SALE

Marketing launch: -€120,000

Sale of 5 plots × €123,000 = +€615,000

Infrastructure continuation: -€480,000

Period balance: +€15,000

Cumulative balance: -€1,265,000

MONTHS 7-18: MAIN PHASE

Infrastructure completion: -€960,000

Sale of 18 plots × €223,000 = +€4,014,000

Marketing and management: -€181,000

Period balance: +€2,873,000

Cumulative balance: +€1,608,000 (project in profit)

MONTHS 19-36: FINAL PHASE

Sale of last 13 plots \times €223,000 = +€2,899,000

Finishing touches and support: -€60,000

Period balance: +€2,839,000

Final balance: +€4,447,000 (with reserve remains €4,224,000)

KEY POINT: Project becomes profitable at 12-15 months. After that - only growth.

PRICING: LOGIC

Why €123,000 for pre-sale?

- 45% discount from final price (€223,000)
- Goal: quick cash flow to cover first infrastructure stages
- Buyers take minimal risk (planning ready) → get good price
- 5 plots \times €123,000 = €615,000 covers 34% of infrastructure cost

Why €223,000 main price?

- Unique location: peninsula + 2 beaches + bays = rarity
- 1 ha with utilities in premium Estonia zone = €150-250/m²
- Detailed planning ready = +30% to value
- Comparable waterfront projects: €250-350/m² (we're 15-40% cheaper)
- "Lighthouse" concept (creative community) = another +15% to price
- Total: €223,000 = competitive price for finished product in unique location.



DEVELOPMENT SCENARIOS

SCENARIO 1: QUICK EXIT (OPTIMISTIC)

Timeline: 24 months

Strategy: Aggressive marketing, focus on Scandinavian buyers + premium positioning

Stage	Period	Sold	Cumulative revenue
Pre-sale	0-6 mo	5	€615,000
Phase 1	7-12 mo	15	€3,960,000
Phase 2	13-18 mo	12	€6,636,000
TOTAL	19-24 mo	4	€7,528,000

Annual return: 64%

Risk: Medium (depends on sales speed)

Drivers: Location uniqueness + quality visualizations with bay views

SCENARIO 2: CONSERVATIVE (baseline)

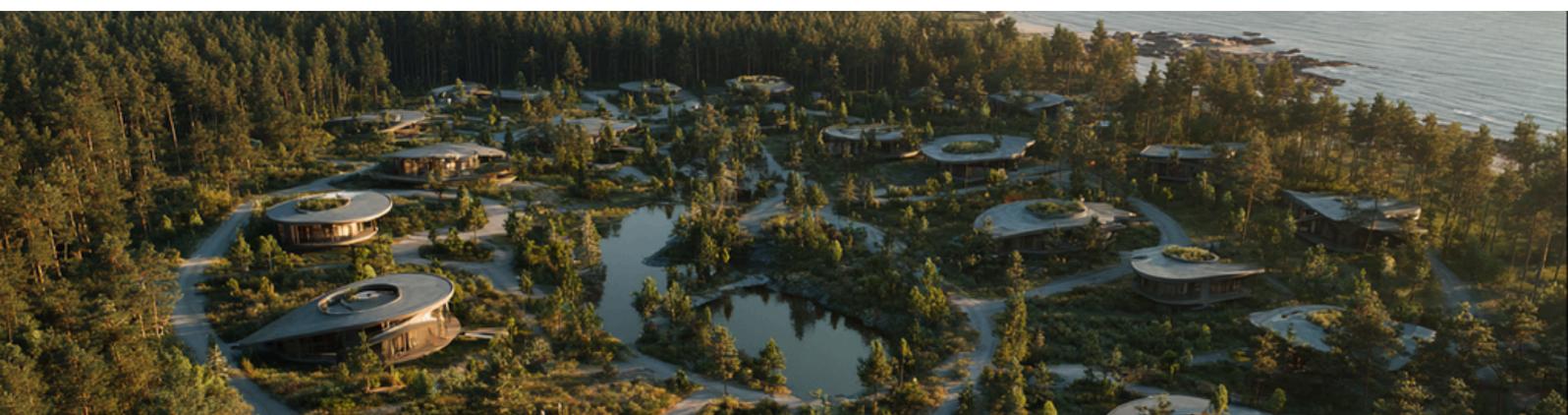
Timeline: 36 months

Strategy: Organic growth, no forcing

Stage	Period	Sold	Cumulative revenue
Pre-sale	0-6 mo	5	€615,000
Phase 1	7-12 mo	18	€4,629,000
Phase 2	13-18 mo	10	€6,859,000
TOTAL	31-36 mo	3	€7,528,000

Annual return: 43%

Risk: Low (more time = more flexibility)



SCENARIO 3: HYBRID (sales + rental)

Timeline: 24 months + passive income

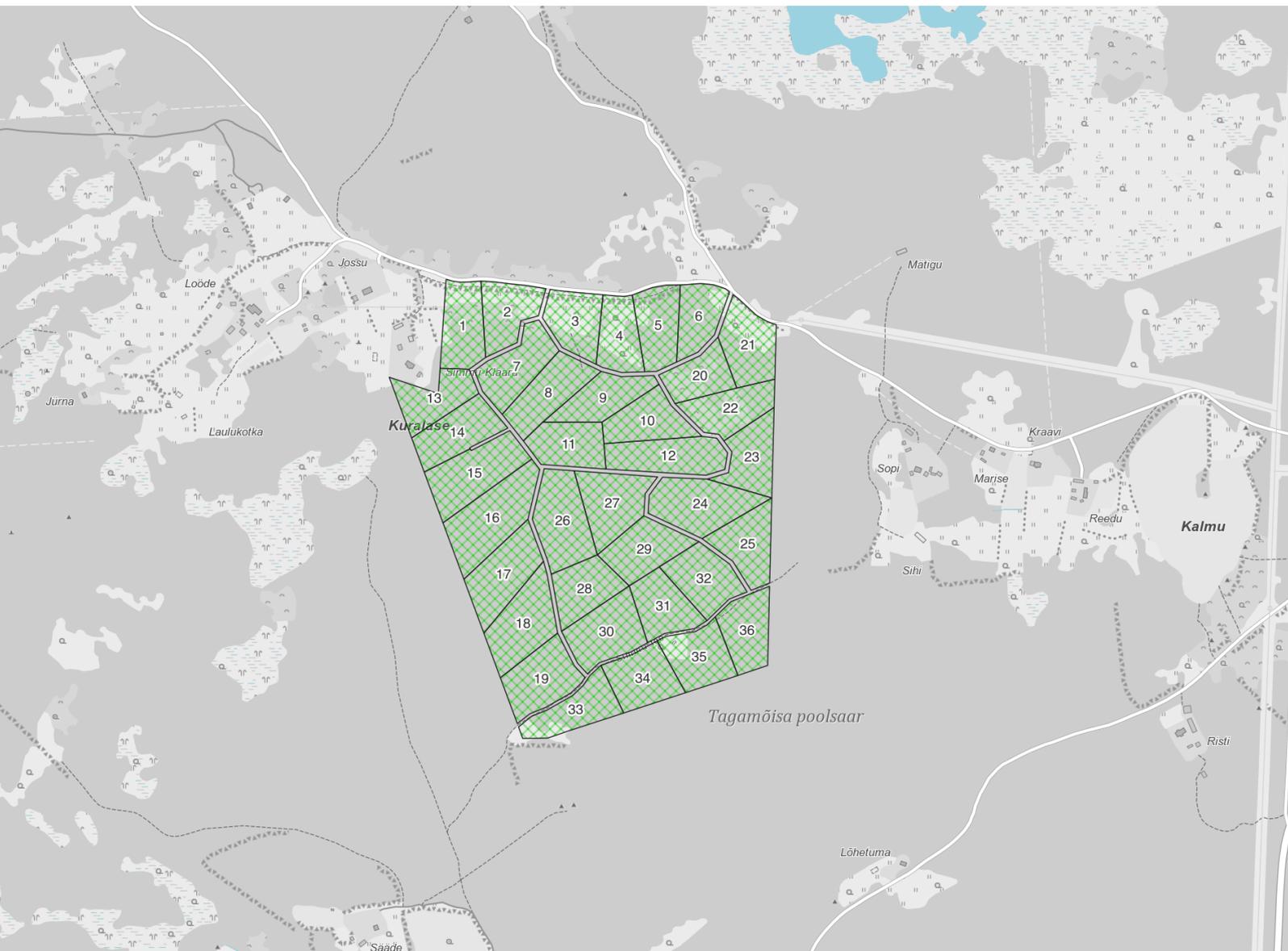
Strategy: Sell 26 plots, keep 10 for rental/glamping

Income type	Amount	Comment
Sales (5+21)	€4,908,000	Pre-sale + 21 plots at full price
Rental of 10 plots	€200,000/year	Glamping/cottages by water, 87% occupancy
Total over 3 years	€5,508,000	Sales + rental over 3 years

Plus: 10 plots remain = passive income €200,000/year forever

Minus: Need to invest in glamping construction (~€300-500k)

Upside: Peninsula glamping by bays = premium rental €250-350/night



TARGET BUYER AUDIENCE

Who will buy 1 ha plot for €123-223,000 on peninsula?

1. Scandinavian creatives (40%)

- Artists, architects, designers with capital
- Seeking: nature inspiration - bays, forests, water sunsets
- Budget: €300-500k (plot + construction)
- Motive: second home for creativity + sea proximity + community
- Why Karalase-Ängi: silence, seclusion, inspiring views

2. IT entrepreneurs (25%)

- Digital nomads, startup founders, remote specialists
- Seeking: work-nature balance - morning in forest, day working, evening at beach
- Budget: €400-800k
- Motive: lifestyle + investment + eco-office with water view
- Why Karalase-Ängi: silence for concentration, 2 beaches for reset

3. Rental investors (20%)

- Private investors, family offices
- Seeking: plot for premium waterfront glamping
- Budget: €500k-1m
- Motive: passive income 20-30% annually (location = high rental)
- Why Karalase-Ängi: peninsula + bays = unique selling proposition for guests

4. Eco-minded families (15%)

- Families 2+2, age 35-50
- Seeking: large plot for nature living + child safety
- Budget: €400-600k
- Motive: quality of life + children's nature education + two nearby beaches
- Why Karalase-Ängi: quiet, safe, lakes and beaches for children

MARKETING STRATEGY

How to sell 30 plots in 24-36 months?

CHANNEL 1: Direct sales (50% of sales)

- Personal network + referrals
- Presentations at closed events
- Outreach to target groups (architects, designers)
- Location focus: organize site visits (show bays, beaches, sunsets)

CHANNEL 2: Online (30% of sales)

- Landing page with 3D visualization + drone video (peninsula flyover, water views)
- Target Scandinavia (Meta, Google) - creative: "Your peninsula retreat"
- SEO for queries "waterfront land Estonia", "peninsula property Baltic Sea"
- Instagram: series of posts with Karalase-Ängi nature (sunrises, bays, forest deer)

CHANNEL 3: Agents and partners (20% of sales)

- Partnership with premium agencies (Scandinavia, Baltics)
- Commission 3-5% per transaction
- Partnership with Iglucraft (modular homes with panoramic water windows)

KEY MESSAGE:

"Not just a plot - your own peninsula. Two beaches, bays, lakes, silence. 36 families. One place."

MARKETING BUDGET: €301,000

- Visualizations, 3D tours, drone video, packaging, sales department: €75,000
- Advertising (18 months): €110,000
- Agent commissions: €85,000
- Events and presentations (incl. site visits): €31,000

WHAT INVESTOR RECEIVES IN THE DEAL

- Ownership of 44 ha of land in unique location (clean deal, no encumbrances)
- Karalase Peninsula - exclusive geography (bays, 2 beaches, lakes)
- Ready detailed planning for 36 plots (sales start immediately)
- "Lighthouse" project concept (documents, presentations, visualizations)
- Detailed financial model
- Contractor contacts for infrastructure
- 6 months consulting support after deal closing

DEAL TERMS

Land price: €920,000 - one-time payment at deal closing

Infrastructure: €1,800,000

Staged payment as work progresses

Contractor contracts transferred to buyer

TIMELINE

Due diligence: 30 days

Deal closing: 45 days from LOI signing

Sales start: immediately after closing

GUARANTEES

Clean deal (no liens, disputes, encumbrances)

Detailed planning approved and valid

Transfer of all rights to "Lighthouse" concept



COMPARISON WITH ALTERNATIVES

Investment	ROI	Timeline	Risk	Liquidity
Lighthouse	128%	2-3 years	Medium	High
S&P500 stocks	30-40%	3 years	Medium	High
Commercial real estate	40-60%	5 years	Low	Low
Residential development	80-120%	4-5 years	Medium	Medium
Office development	60-100%	3-4 years	High	Medium

Conclusion: Lighthouse = best return/risk/timeline ratio in land development segment + unique location.

WHY NOW?

MARKET FACTORS 2025:

Estonia trending

- E-residency attracts 100k+ foreigners
- Baltics = new Scandinavia for creative class
- Land with planning appreciates 12-18% annually
- Waterfront real estate grows 1.5x faster than market

Demand for space and nature

- Post-COVID trend: large waterfront plots instead of apartments
- Remote work = freedom of location (silence needed)
- Premium buyers seek 0.5-2 ha with water view (our sweet spot)
- Wellness trend: nature proximity = primary selection criterion

Window of opportunity

- Detailed planning ready (others wait 18+ months)
- Peninsulas available for development almost gone
- No competition yet (we're first)
- In 12 months such plots at this price won't exist

Unique location deficit

- Waterfront land in Estonia - depleting resource
- UNESCO status of Saaremaa = new development restrictions
- Karalase-Ängi = one of last available peninsulas

NEXT STEPS

1. MEETING AND PRESENTATION (2 hours)

- Detailed financial model review
- Site visit - show bays, beaches, views
- Questions and answers

2. DUE DILIGENCE (30 days)

- Legal document review
- Detailed planning audit
- Site inspection (peninsula walk, coastline viewing)

3. TERM SHEET (7 days)

- Terms agreement
- LOI signing

4. DEAL CLOSING (14 days)

- Notarial execution
- Payment of €920,000
- Document transfer

5. PROJECT START

- Team formation
- Marketing launch (emphasizing location uniqueness)
- Contractor negotiations
- Potential buyer tour organization

SUMMARY

Parameter	Value
Location	Karalase, peninsula, 2 beaches, bays, lakes
Investment	€3,304,000
Revenue	€7,528,000
Profit	€4,224,000
ROI	128%
Timeline	24-36 months
Risk	Medium, manageable
Uniqueness	Planning ready + exclusive location

THIS IS NOT JUST LAND WITH A BUSINESS PLAN. THIS IS ONE OF THE LAST AVAILABLE PENINSULAS IN ESTONIA WITH READY BUILDING PERMIT.