



# The Seosan Marina Resort Project

## Introduction

The project is a comprehensive marine tourism development project based on a global migratory bird migration site and Chunsu Bay. It has secured business feasibility through the development of the first fishing hotel in the country, securing the development possibilities of the development site, tax reduction and various support through the designation of the foreign investment zone, excellent accessibility and natural environment.

## Main subject

First, I will introduce the Seosan Changri Marina Project. Seosan Changri is a well-known place for sea fishing. We are developing a fishing hotel and marina facilities by purchasing about 4,000 square meters of land + private land. Development costs will be estimated at around USD 26 million including hotel and infrastructure, and will strengthen tourist attractiveness by creating marinas as well as regional specialized fisheries markets, visitor centers and a boardwalk.

It is possible to link the project with the natural environment and infrastructure and develop tourism products. By attracting local specialized facilities such as hotels, convention centers, fishing equipment stores, marine leisure education, yacht gardens, agricultural and marine products, fishing museums and a ship's sunset cruiser which are connected with content specialized in marine leisure with Seosan City's excellent natural marine environment, we want to create a space that meets complex needs.

We have planned to develop it to meet the needs of customers from accommodation, shopping to complex needs. First, we will attract the content hotel, the core facility, and the first fishing resort in Korea, and establish infrastructure for marine leisure tourism by attracting the necessary infrastructure, marina facilities and support facilities. Finally, we will create a complex facility that meets the needs of our customers, such as attracting outdoor markets, restaurants and cafes. As a result of examining the demand of potential tourist customers, it is found that it is about 1 hour and 20 minutes away from Seoul and Gyeonggi, adjacent to

large cities. With more than 10 million potential tourists in Seoul and Gyeonggi, and more than 2.5 million in major neighboring cities, many tourists can be expected.

First, the Changri Marina Resort will be divided into a hotel type, resort type deluxe and suite, considering potential tourist customers. The total number of guest rooms is 148, total area is 5747 sq. meters, and the investment cost is an estimated USD 14 million. The resort's facilities include a fitness area, spa, commercial facilities, food and beverage facilities, meeting facilities and conferences for organizing group workshops, as well as meeting facilities and support facilities for conferences.

The structure of the business plan is designed to allow long-term lease and transfer of ownership through designation of a foreign investment zone.

The total investment amount of this project is USD 26 million, with an internal rate of return of 13.25% and a net present value of USD 3 million.

As a result of the sensitivity analysis, the discount rate, ADR, OCC, and land price sensitivity were 13.25%. The sensitivity to the land price is low, so the risks to business are small. The Seosan City Ordinance provides a maximum 100% reduction in rent and usage fees. Acquisition tax and property tax are subject to 100% exemption for 15 years, and customs tax and VAT are exempted, too. It is classified as tourism and the minimum foreign investment amount is USD 20 million. In addition, you can receive employment subsidies and education and training subsidies. If the number of new employees exceeds 20, you can receive monthly benefits of up to USD 0.001 million per month for up to 6 months.

## Conclusion

The Seosan Marina Resort Project is securing business feasibility by developing the first fishing hotel in Korea, securing a development site, designating taxi district through taxation reduction and various support, and has excellent accessibility and natural environment in accordance with local characteristics. There are many potential tourists at home and abroad, and it has the advantage of excellent accessibility. Based on these contents, this project will be carried out.