

Tourism Highlights

Tourism enjoyed exceptional years in 2000 and 2001. In 2000, international tourism grew by forty-five million arrivals, reaching levels rarely seen before.

In 2001 international arrivals declined by .6 per cent, the first year of negative growth by international tourism since 1982. However, the results for 2001 would have been in line with the trend observed over the past decade had it not been for the magnitude of the increase in tourist arrivals in 2000, which was much larger than the figures obtained during the preceding years.

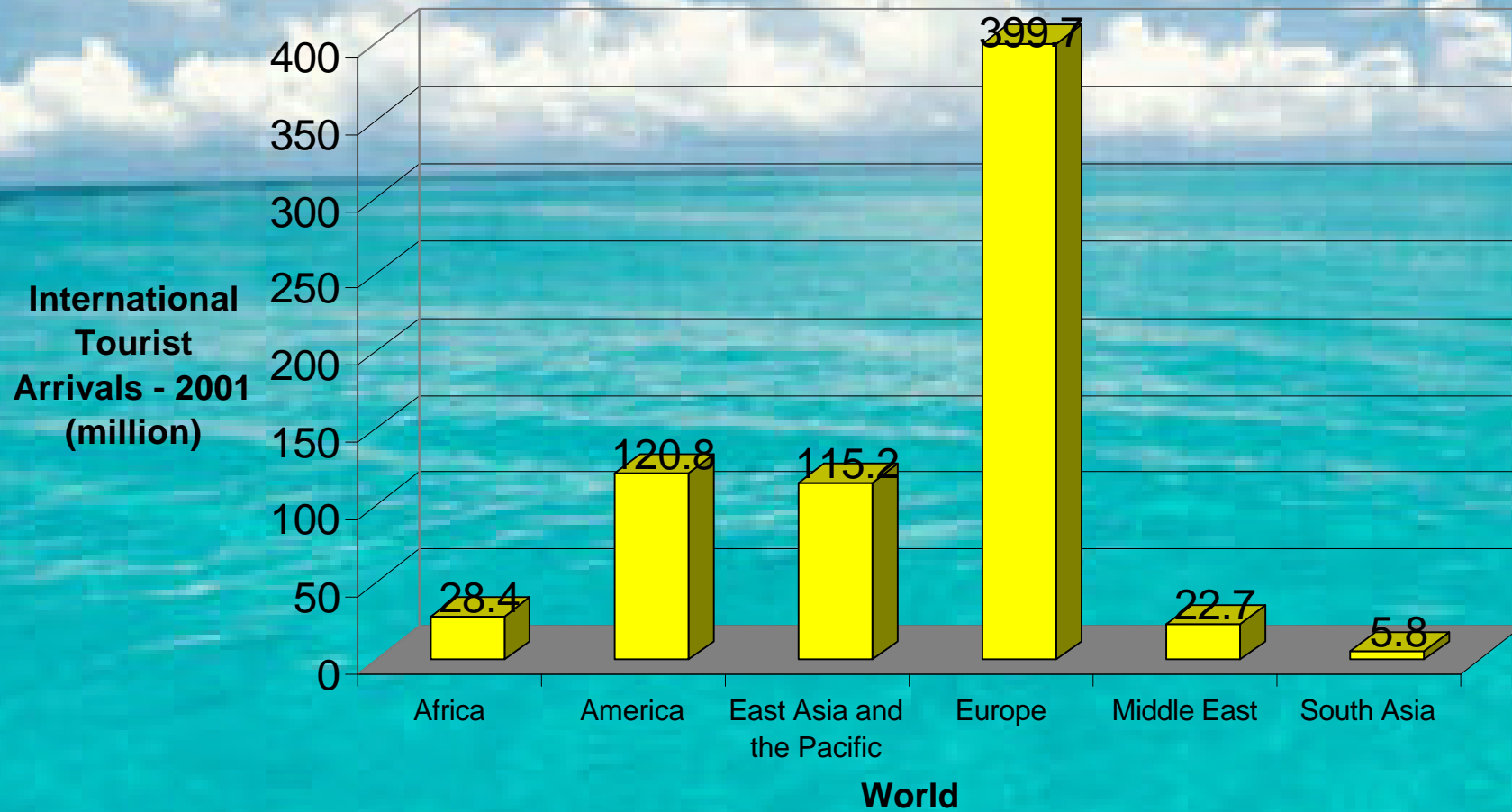
In the first part of 2002 it was evident that recovery was underway, fear was progressively fading away and business was gradually returning to normal. Recovery was most visible in intraregional travel.

For many, the preliminary tourism statistics for 2002 will come as a surprise. For the first time in history, the number of international tourist arrivals has exceeded the 700 million mark, and despite all the grim expectations and debates about the crisis, the year ended with a 3.1 per cent increase. Tourism has once again proven its resilience.

In total, according to the preliminary data sent to the World Tourism Organization from official sources throughout the world, almost 715 million international tourist arrivals were registered last year. That is 22 million more than in 2001 or, compared with the "millennium year" which many experts claim should be taken as the reference, almost 19 million more than in 2000.

International Tourist Arrivals

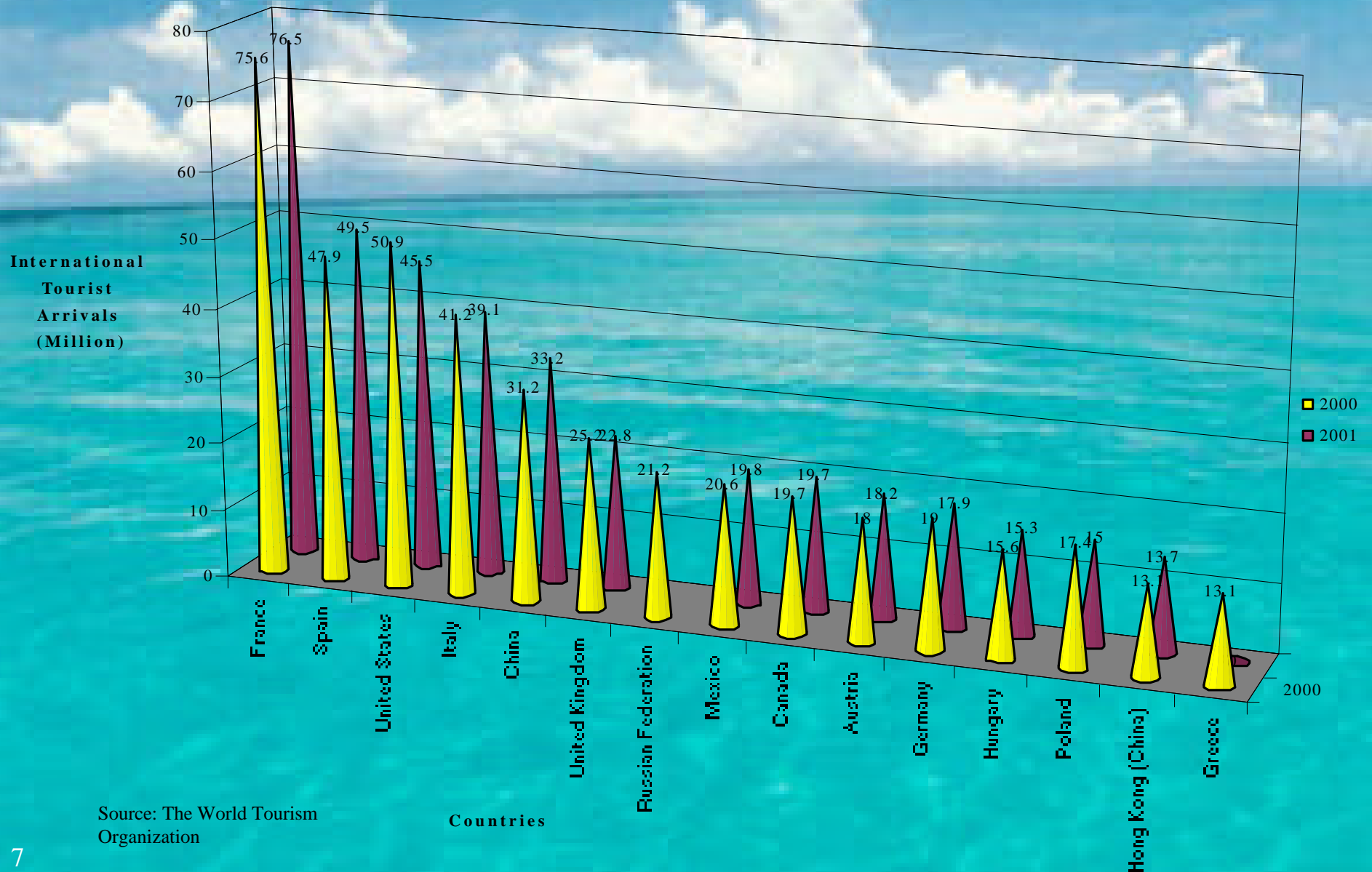
Chart 1



Source: The World Tourism Organization

World's Top 15 Tourism Destinations

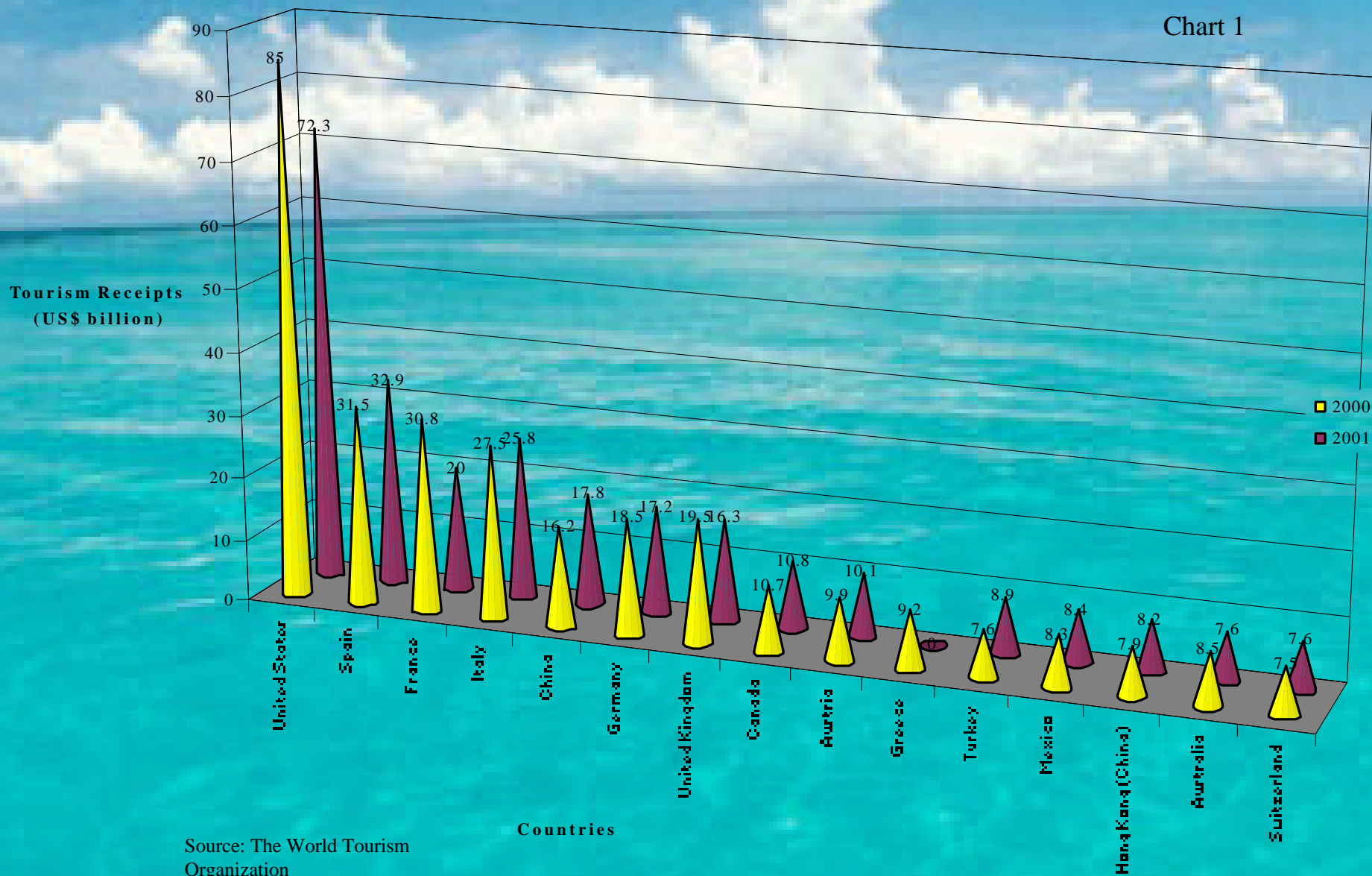
Chart 1



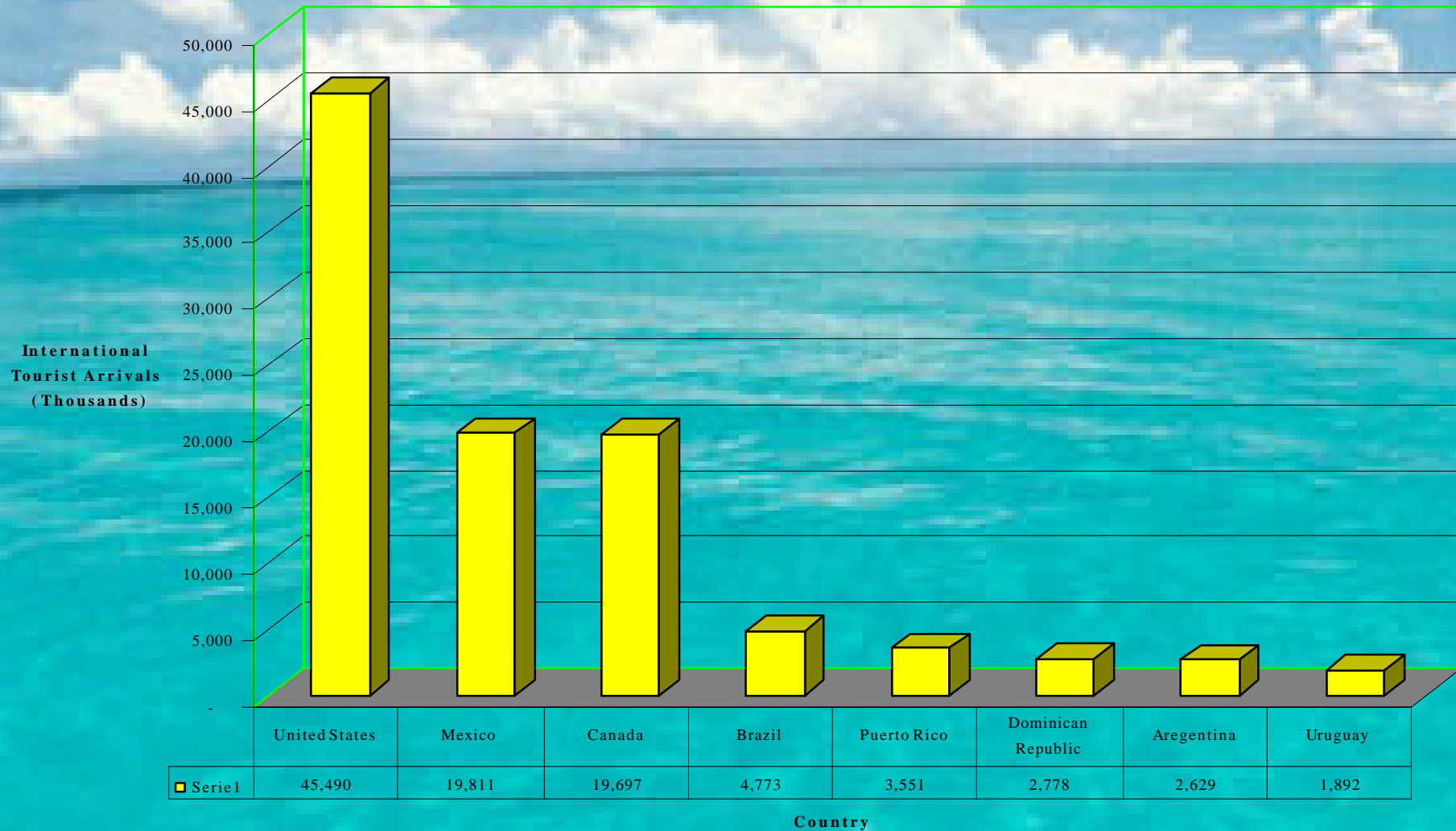
Source: The World Tourism Organization

World's Top 15 Tourism Earners

Chart 1



America International Tourist Arrivals 2001



Source: The World Tourism Organization

Cancun History

The city of Cancun is the first tourist resort planned by the federal government in 1970. It is located in the Municipality of Benito Juárez on the northern part of Chetumal, capital of the State of Quintana Roo. Its main economic activity is tourism. The following are its most important contributions:

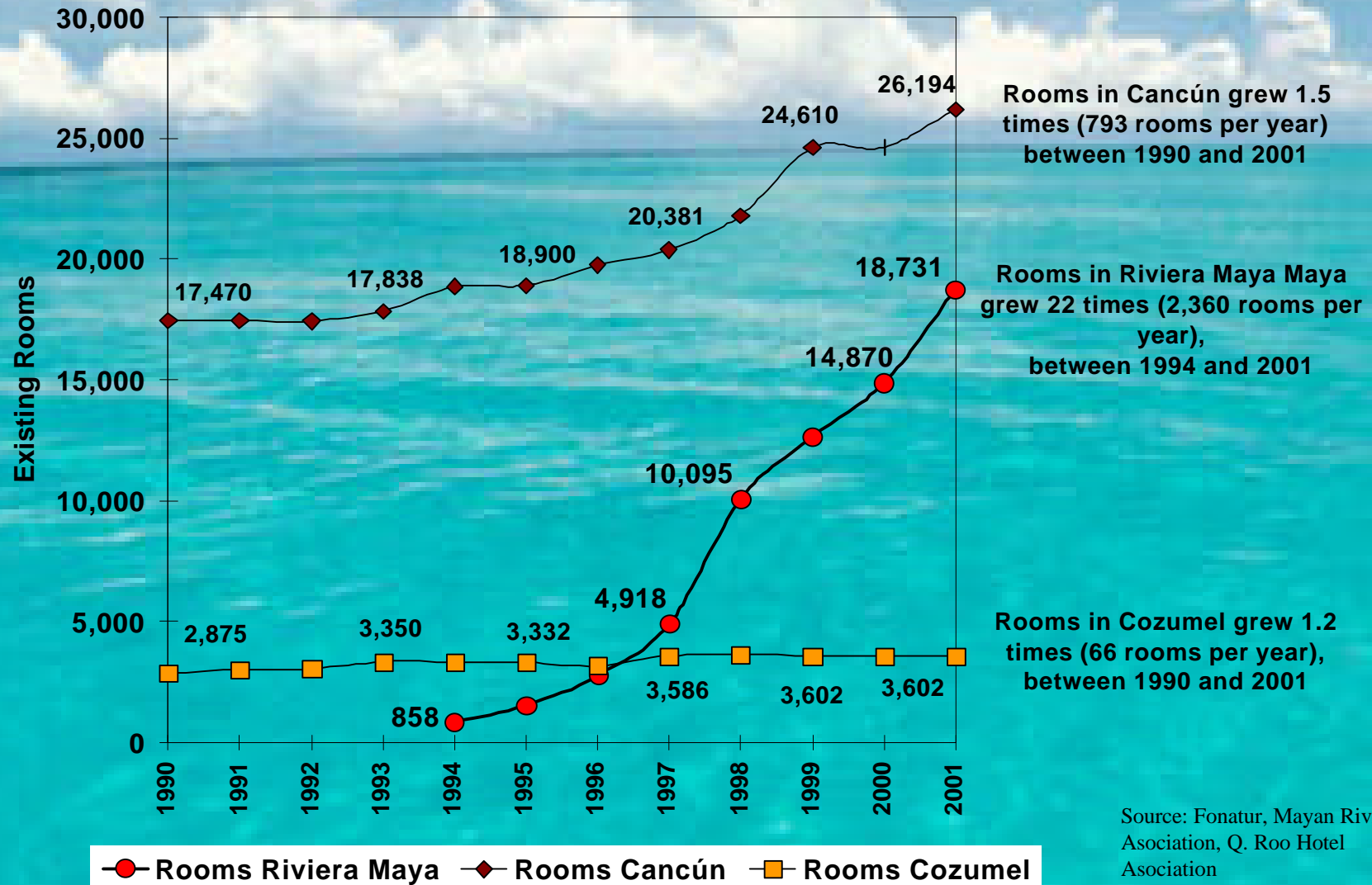
- 75% of the Gross Domestic Product
- It generates 67% employment which is a record at national level.

The main source for the tourism activity and for the aforementioned indicators is Cancun, which has the following characteristics:

- The number of inhabitants is approximately 800 thousand (INEGI (Mexican Department of Statistics), it does not include floating population).
- The population is 51% male and 49% female (INEGI 1995).
- The population's annual average rate of growth from 1970 to 1980 was 11% and 17.3% from 1980 to 1990.
- The population's economically active up to year 2000 was 59.3% of the total population and it was distributed as follows: services 62.9% being tourism the main occupation; agriculture .8%, industry 7%, construction 5.2%, commerce 20.5 and government 3.6%

Current Rooms in Main Mexican Caribbean Resorts

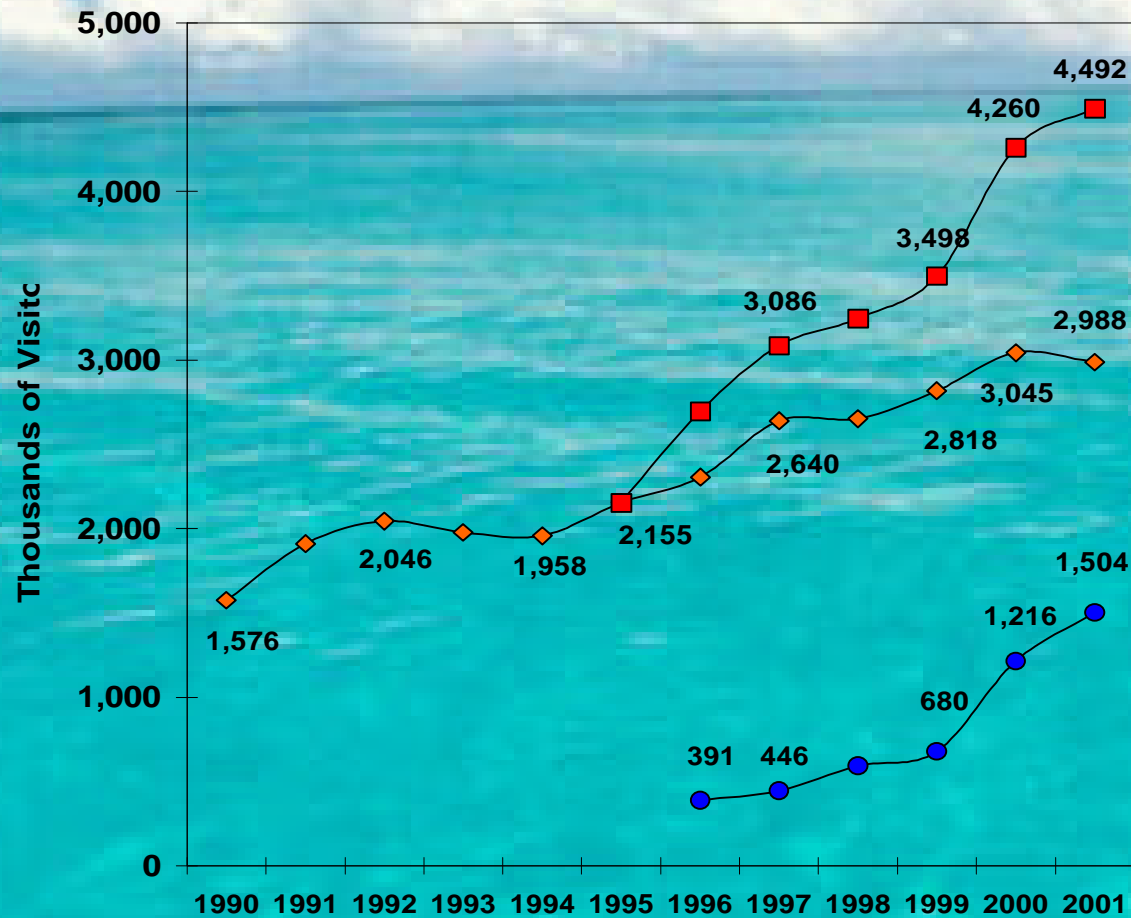
Chart 1



Source: Fonatur, Mayan Riviera Association, Q. Roo Hotel Association

Total Number of Visitors in Cancun and the Mayan Riviera

Chart 2



Between 1990 and 2001 the area known as Riviera Maya (including Cancún) grew at 10% annual rate.

Between 1990 and 2001, Cancun grew at 6.0% annual rate.

Between 1996 and 2001, Riviera Maya without Cancun grew at 30.9% annual rate, while Cancun grew at 5.3% annual rate in the same period.

Riviera Maya including Cancun grew at 10.7% annual rate between 1996 and 2001

Source: Fonatur, Mayan Riviera Association, Q. Roo Hotel Association

—●— Riviera Maya. Total Visitors —◇— Cancún. Total Visitors —■— Total Visitors

International Tourist Arrivals by Destination (2000)



Source: The World Tourism Organization

Occupancy and Rates in Hotels at Mayan Riviera

1999	2000	2001	2002
79%	82%	73%	82%

1999: Includes only August to December

2002: Includes only January to March

	GT	5*	4*	Stay Length
European Plan		\$90	\$75	4.5 days
All Inclusive	\$170	\$120	\$90	7.3 days

Rates in US dollars per day. Stay Length in Days is Average

Source: Mayan Riviera Association

History of the Mayan Riviera

The Riviera Maya is located in Mexico, specifically in the State of Quintana Roo, the youngest in Mexico, achieving statehood in 1974. With a surface area covering 19,387 square miles representing 2.6% of the nation's territory. It is bordered on the East by the Caribbean Sea, to the South by the Central American countries of Belize and Guatemala, and to the West by the states of Campeche and Yucatan.

- **Geography.** The terrain is leveled, covered by low tropical jungle, and its coasts alongside the Caribbean provide many kilometers of powdery white sand beaches, inlets, bays, and mangrove swamps. Due to the limestone soil in this entire zone, there are no important rivers with the exception of the Hondo, a navigable river on the border with Guatemala. The most important lagoons are Coba, North of Tulum, Bacalar to the Northeast of Chetumal, the State's capital, and Chichancanab, between Santa Rosa and Polyuc. Sweetwater "cenotes" are abundant in the region, giving rise to the ancient population centers of the Maya culture.

Mayan Riviera - History

Located on the western end of the Yucatan peninsula, the Mayan Riviera unites independent communities that represent a tourist resort unique in the whole world.

The Mayan Riviera extends along more than 93 miles and is located in the northeast coast of the Yucatan Peninsula, in the state of Quintana Roo. It begins 19.88 miles to the south of the Cancun international airport and ends in the fishing town of Punta Allen representing a biosphere reserve of large dimensions; Between these points are towns and communities representing different styles and sizes, each one maintains its own peculiar personality featuring many lovely bays and isolated beaches (image 1).

In the last several years, there has been rapid growth along the Mayan Riviera. Currently there are almost 25,000 hotel rooms in operation. The occupancy rates exceed the world average: 75% every year.

The growth rate of tourism to the Mayan Riviera has exceeded that of the main tourist resort of Mexico – Cancun. From 1990 to 1995 tourism rates were 11.5% at the Riviera versus 6.6% for Cancun. From 1996 to 2000, the tourism gap is even wider; The Mayan Riviera grew 24.8% versus 5.7% for Cancun.

Mayan Riviera History

Along the Mayan Riviera you can enjoy a wide variety of activities, like windsurfing, sport fishing, horseback riding, and kayaks or just relax on a solitary beach enjoying nature.

This area is famous among diving and snorkeling fans. There are specialized diving stores that offer courses for all levels and tours to the reefs as well as to cenotes.

Towards the south you will find the nature reserve of sian ka'an that offers the opportunity to explore the swamps, old Mayan channels or strolls through a forest full of wild animals almost untouched by man.

The Mayan Riviera is located in the heart of the ancient and mysterious Mayan world. Tours are available to the most important cities of this civilization like Chichen Itza, Tulum, Coba and Tikal.

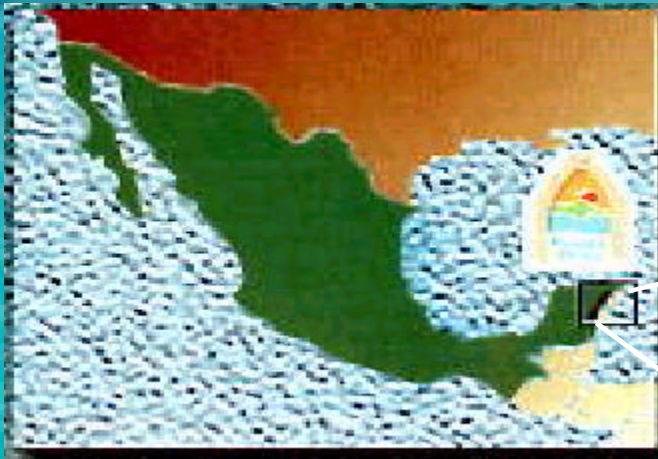
Based on these four aspects, tourists who visit the Mayan Riviera are among those who look for adventure, eco-tourism, culture, exploration, diving, sport fishing, golf, sun-bathing, as well as peace and quiet.

In chart 3 we present a tourist profile of those visiting the Mayan Riviera: the average age is between 33 and 45 years old with annual income of 70 thousand us dollars. Most are married and are in groups of 3 or more.

Map of the Mayan Riviera

Image 1

Image 1



93 miles

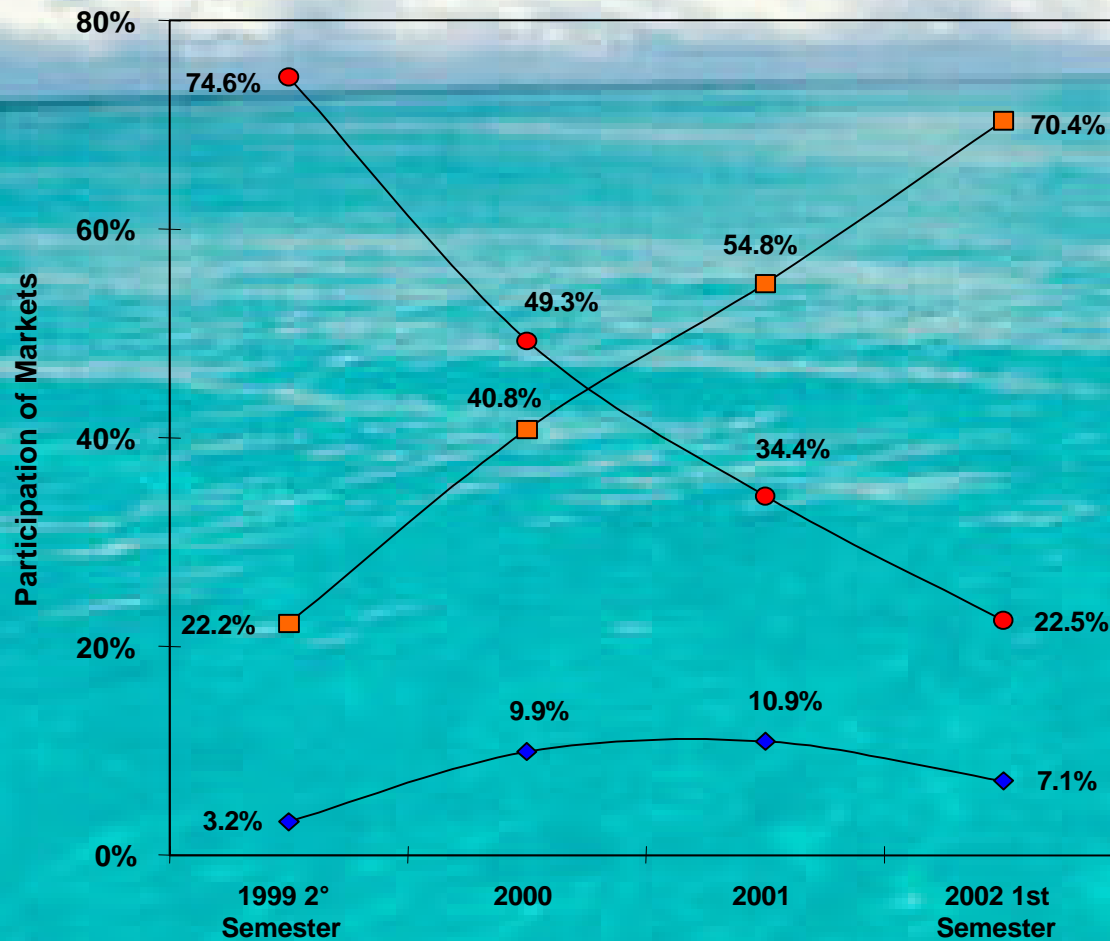
Profile of the Average Tourist

Chart 3

Occupancy		Reason of Trip	
Businessmen and Executives	50.00%	Pleasure	84.00%
Public Employees	15.00%	Honeymoon	9.00%
Students	10.00%	Business	2.00%
Unspecified	26.00%		
Average Age	40.5	Average Annual Income USD 85,000	
Marital Status More than 60% of tourists visiting the Mayan Riviera are married		Average visitors per group: 2.8 persons	
TOTAL EXPENSES DISBURSED BY COUPLE DURING TRIP: USD 3,554 of which 73% is to pay the package			

Origin of Foreign Visitors in The Mayan Riviera

Chart 4



From 1999 to 2002, visitors from North America have grown consistently.

While Europeans decreased in 41.3 thousand visitors per year, between 2000 and 2001; Visitors from US and Canada increased by 163.6 visitors per year in the same period

Source: Fonatur, Mayan Riviera Association

● Europe ■ US and Canada ◆ Other

Rooms by Location in the Mayan Riviera 2001

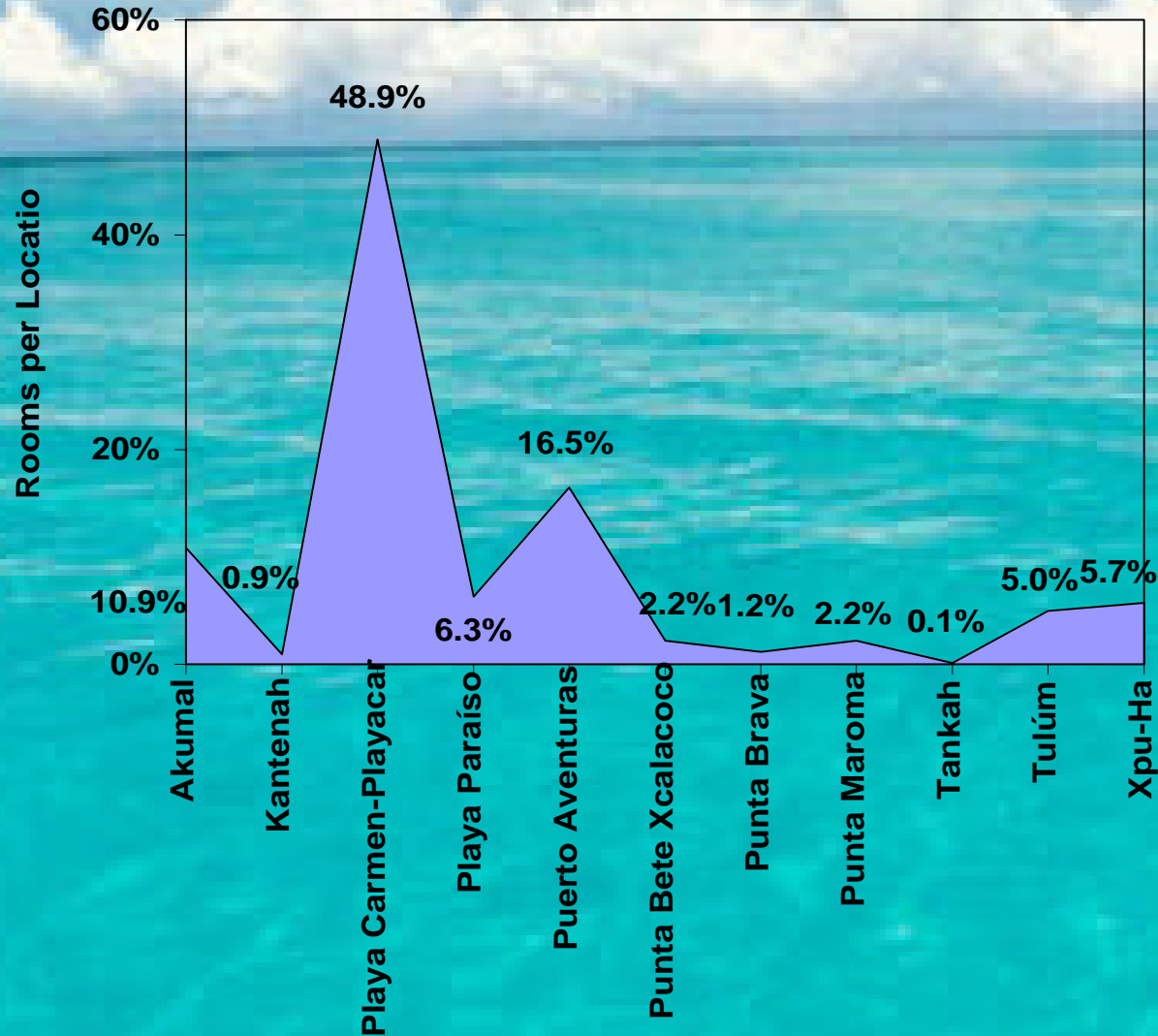
Chart 5

	Hotels	Rooms	Room Share
Akumal	22	2,037	10.9%
Boca Paila	1	9	0.1%
Kantenah	1	177	0.9%
Paamul	1	10	0.1%
Playacar	17	5,066	27.0%
Playa del Carmen	161	4,073	21.7%
Playa del Secreto	1	4	0.1%
Playa Paraiso	4	1,183	6.3%
Puerto Aventuras	15	3,085	16.5%
Punta Vete Xcalacoco	6	420	2.2%
Punta Brava	1	221	1.2%
Punta Maroma	2	419	2.2%
Tahah	8	24	0.1%
Tulum	37	932	5.0%
Xpu-Ha	4	1,071	5.7%
Total	281	18,371	100%

Source: Fonatur, Mayan Riviera Association

Distribution of Rooms in the Mayan Riviera

Chart 6



Rooms have concentrated in two locations; Playa Carmen and Playacar in one point and Puerto Aventuras in the other.

Playa Carmen and Playacar represent 3 times the rooms in Puerto Aventuras.

Playa Carmen and Playacar are the most Dynamic by far

Source: Fonatur, Mayan Riviera Association

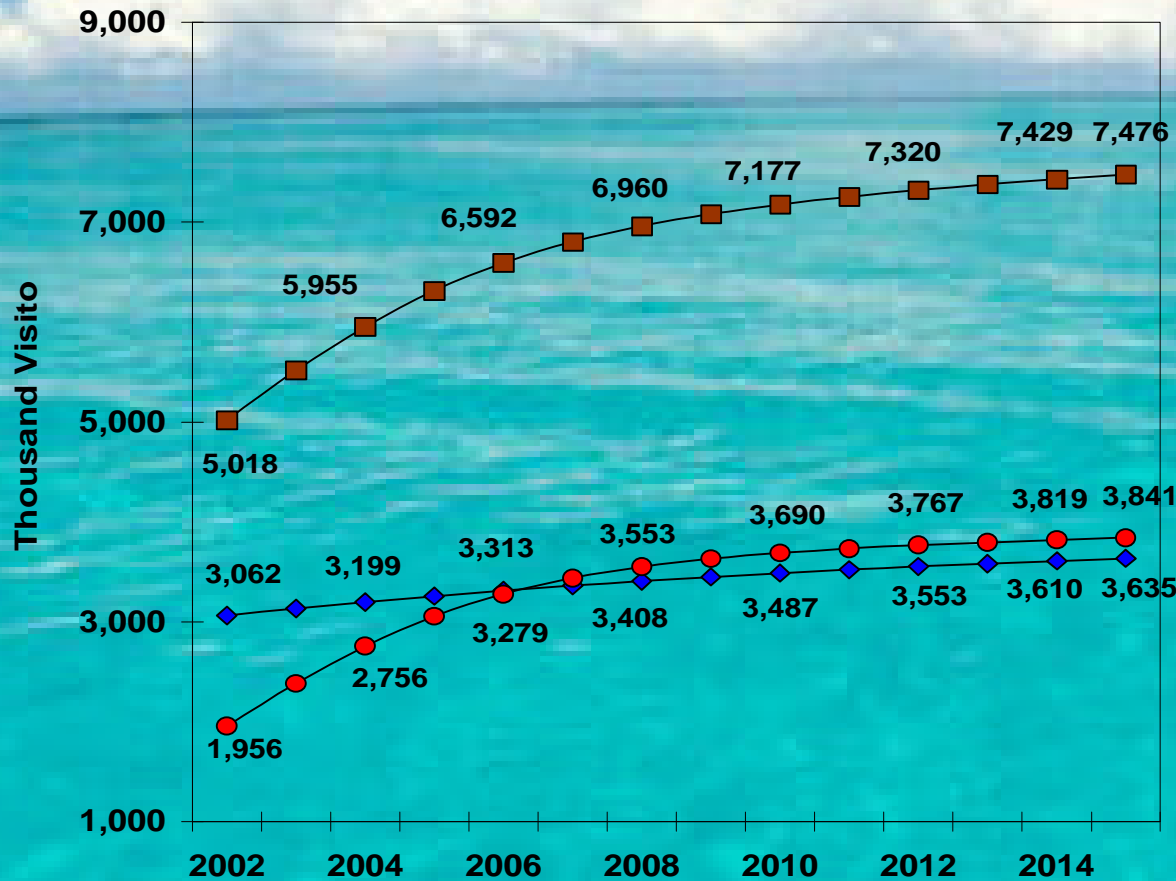
Structure of Room Supply in Mayan Riviera

Category	European Plan	Time Share	All Inclusive	Full Time Condos	Total	%
G.T.		212	801		1,013	5.4%
5*	423	1,050	9,123		10,596	56.6%
4 *	1,269	100	2,286	677	4,332	23.0%
All Categories	4,231	1,362	12,461	677	18,731	100.0%
	22.6%	7.3%	66.5%	3.6%	100.0%	

Source: Fonatur, Mayan Riviera Association

Estimated Number of Visitors in Cancun and in the Mayan Riviera

Chart 7



Due to Riviera Maya success, it is estimated that by 2015 7.48 million visitors will arrive to the area

1.5 times the number of visitors in 2002

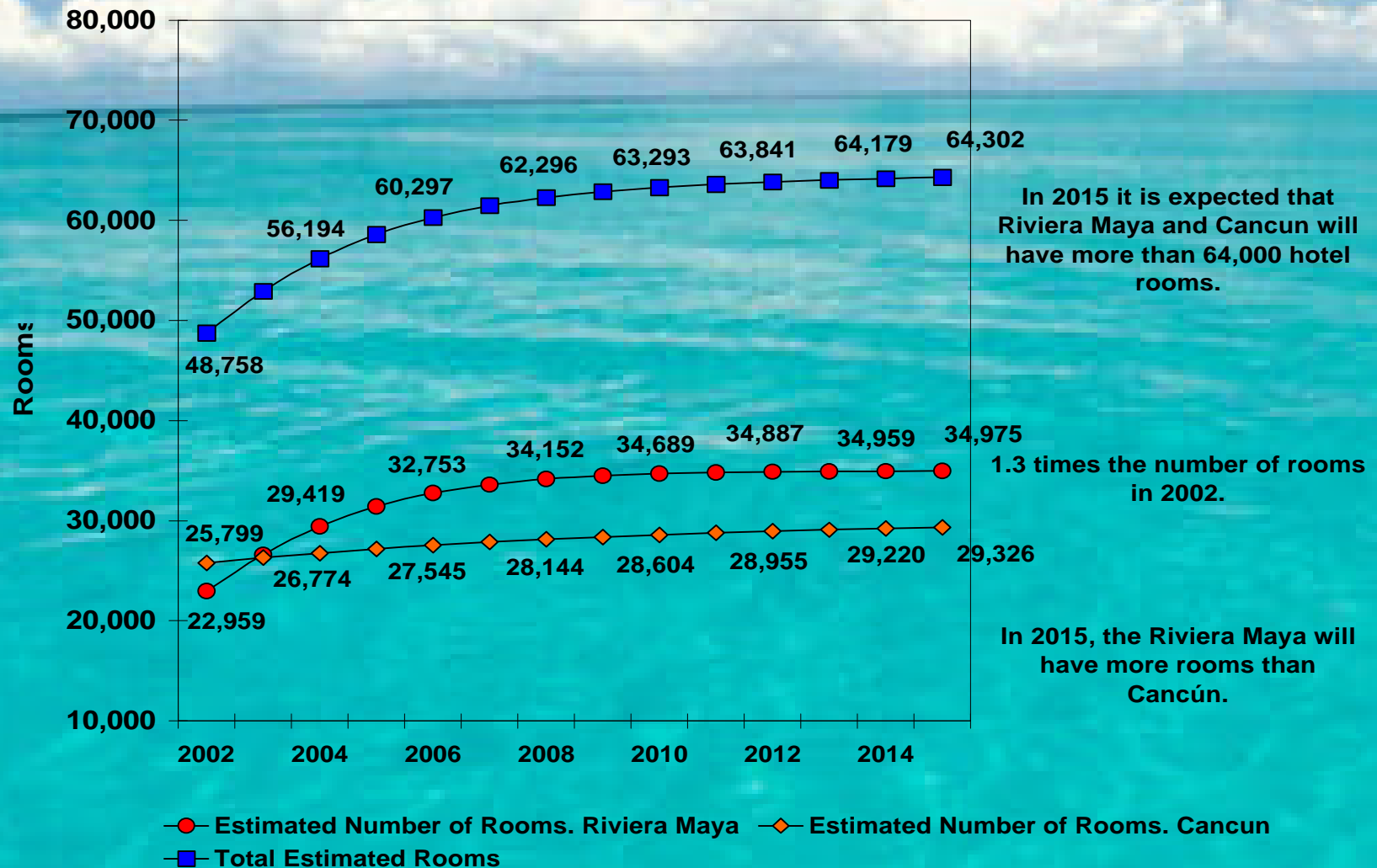
By 2015, it is estimated that Riviera Maya will receive more visitors than Cancun

◆ Estimated Visitors in Cancun
 ■ Estimated Total Visitors

● Estimated Visitors in Riviera Maya

Estimated Number of Rooms in Cancun and Riviera Maya

Chart 8



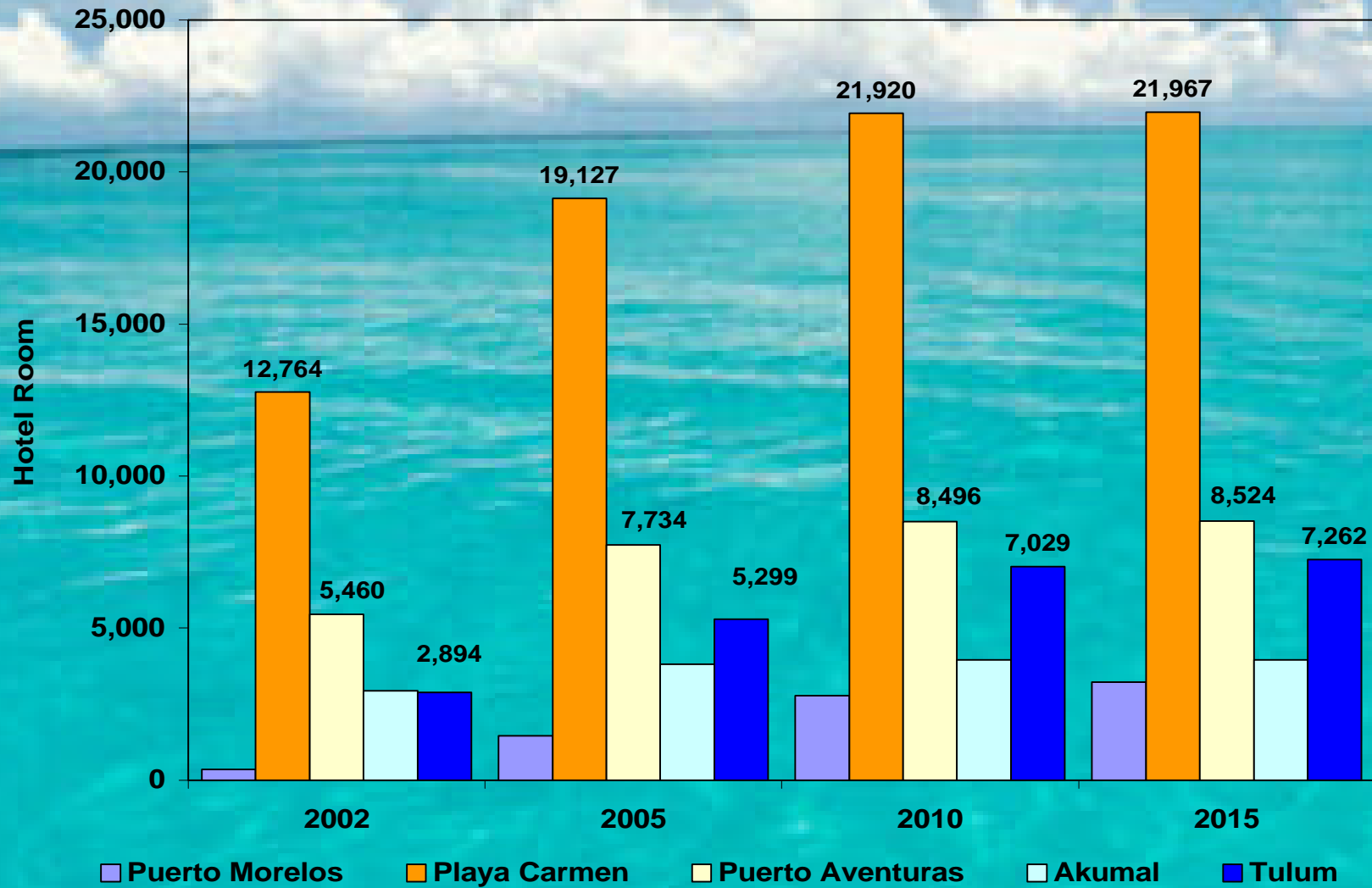
Estimated Number of Rooms in the Mayan Riviera

Chart 9

	2002	2005	2010	2015
Puerto Morelos	350	1,466	2,777	3,213
Playa Carmen	12,764	19,127	21,920	21,967
Puerto Aventuras	5,460	7,734	8,496	8,524
Akumal	2,931	3,811	3,955	3,958
Tulum	2,894	5,299	7,029	7,262

Estimated Number of Rooms in the Mayan Riviera

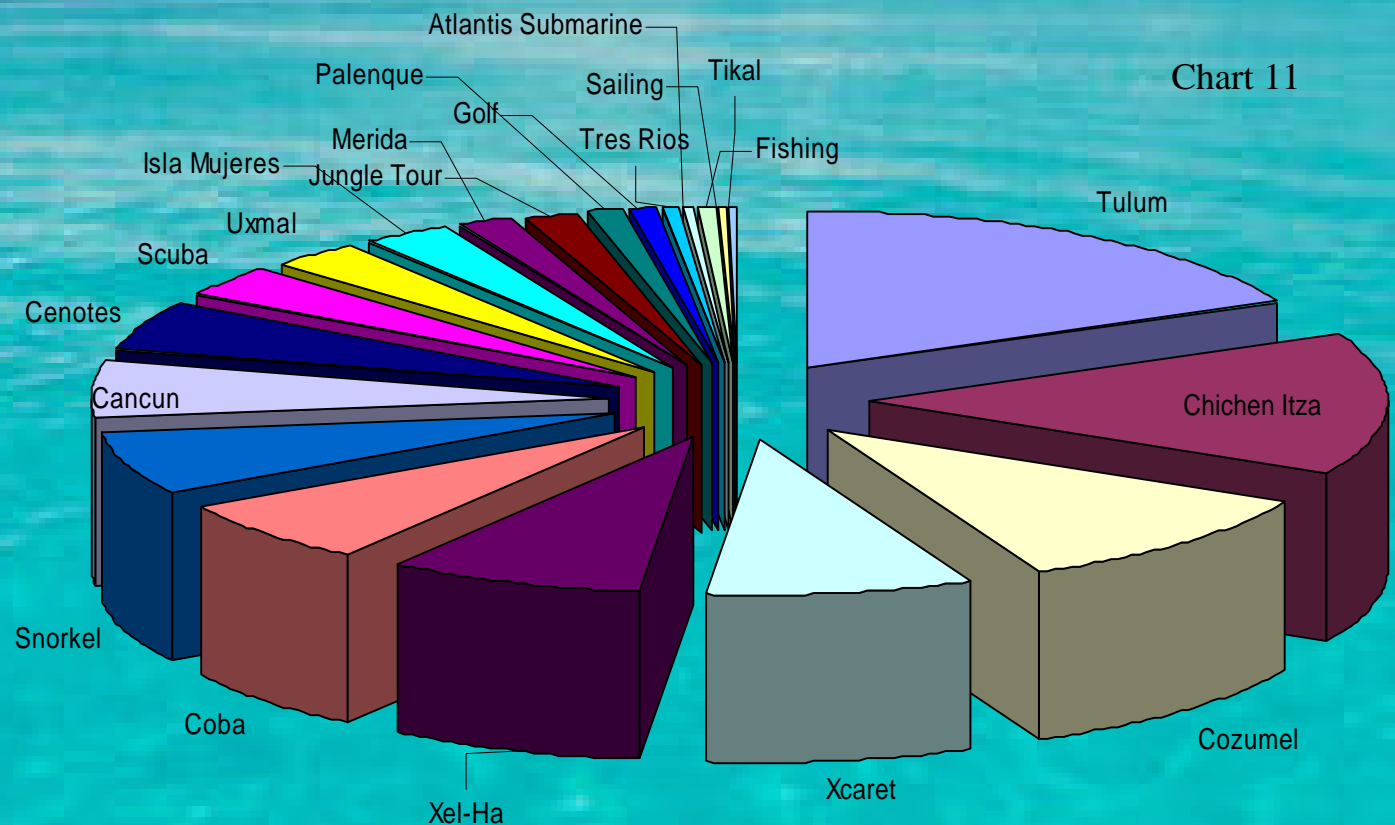
Chart 10



Mayan Riviera Attractions

- In this chart we can observe the preference that the tourists of the Mayan Riviera show to visit the different centers of attractions with which it counts this area.
- That is to say that of the total of visitors how many they visited at least once each center of attraction, it is important to clarify that each center could be visited more than once and that a tourist could visit several centers in his vacations.

Destination	Market Share
Tulum	43.40%
Chichen Itza	36.10%
Cozumel	25.50%
Xcaret	19.80%
Xel-Ha	19.40%
Coba	16.20%
Snorkel	15.90%
Cancun	14.60%
Cenotes	11.90%
Scuba	7.90%
Uxmal	6.70%
Isla Mujeres	6.60%
Merida	4.40%
Jungle Tour	3.70%
Palenque	2.70%
Golf	2.00%
Tres Rios	1.30%
Atlantis Submarine	1.10%
Fishing	0.80%
Sailing	0.80%
Tikal	0.80%



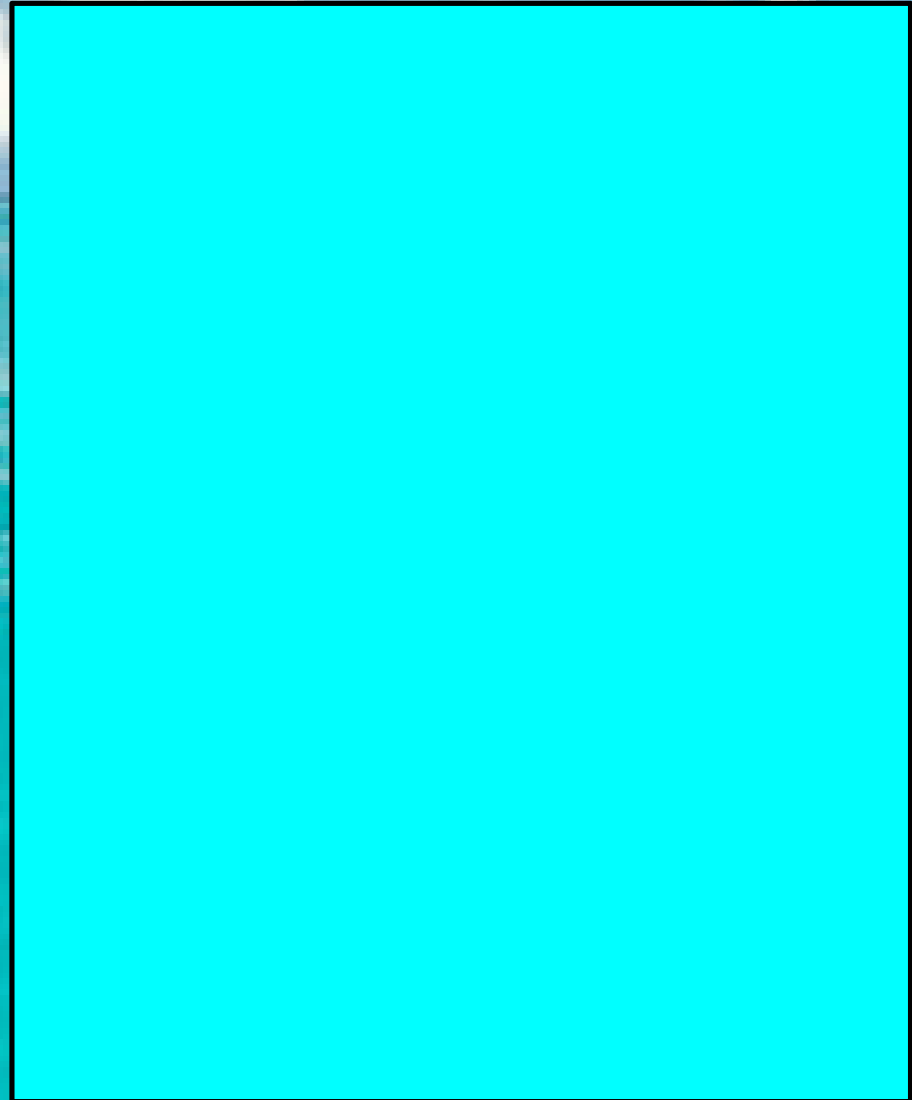
Playa del Carmen

- This little Caribbean beach town has grown tremendously in popularity during the last decade. There's a good reason for that - Playa is a fantastic place to spend vacation, hang out, or live. The town has grown along the beach, so wherever you go, you will feel the closeness to the ocean. The main street is called Quinta Avenida, or 5th Avenue. Sometimes it's just called La Quinta. It is a pedestrian walkway and a common point of reference. Avenues, *avenida* in Spanish, run parallel to the beach. They are given numbers in increments of five, 5th Ave, 10th Ave, etc. Streets, *calles*, are perpendicular to the coast and they have even numbers north of Juarez and odd numbers to the south.
- The town basically has two parts. Let's start from the dock and the main square, El Zocalo. Going west from here is Avenida Juarez, where you will find the bus station, post office, police and most banks. Now head north on 5th Avenue, walking parallel to the beach. This first part of Playa is where you find most hotels, restaurants, bars and shops. Basically, the town gets less crowded the further north you get. Not that Playa is very crowded as far as towns are concerned. The next big avenue you get to is called Constituyentes (constitution) and it ends on the point of the beach where the big yellow hotel Porto Real is located. On the beach between the dock and this point you have a choice of many nice hotels, restaurants, bars and dive shops.

Playa del Carmen Location

Chart 12

	DISTANCE Miles	DISTANCE Km	TRAVEL TIME Minutes
CANCUN AIRPORT	43	69	40
CANCUN	53	85	55



Playa del Carmen Images



History

- The Mayan Riviera has recently enacted a stringent master plan of tourist development for the whole area, leaving only a few pieces of land where a reasonable density of rooms is permitted (See Chart 14).
- The two areas of room concentration are **Playa del Carmen** and its surroundings and **Puerto Aventuras** and its area of influence. The rest of properties with authorized density will remain. However, all others will be reduced to 2 rooms per hectare.
- The best quality beaches in the whole Riviera are located in Playa del Carmen with very few exceptions of minor capacity.
- There are important US companies as well as Fonatur trying to make Cancun and the Riviera Maya, a golf destination. There are at least three planned new golf courses and it is estimated that 13 will be available in the next 10 years.

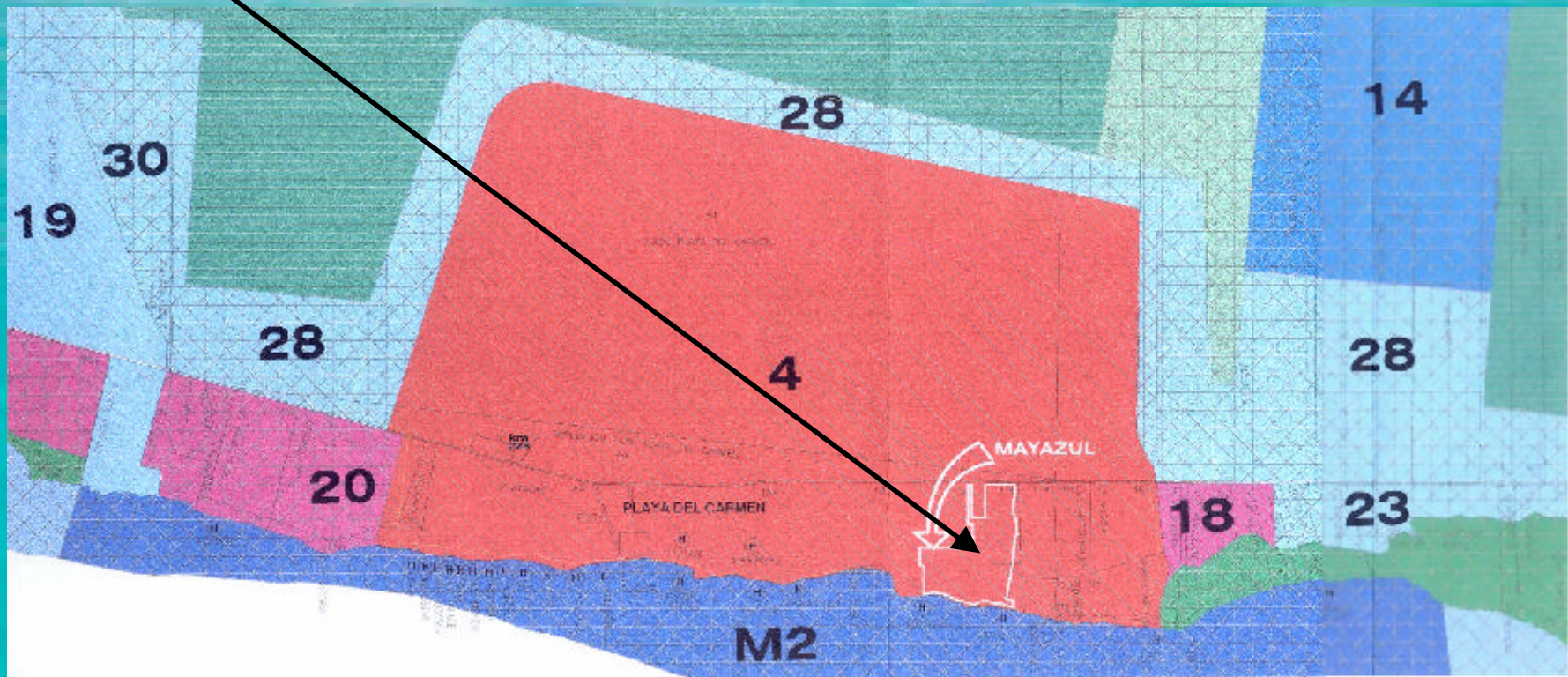
Master Plan Mayan Riviera

- November 16, 2001 were decreed the program of territorial ecological classification of the region denominated The Mayan Riviera.
- The program of ecological classification is environmental politics's instrument whose objective is to encourage a tourist development and appropriate infrastructure of services to political environmental that allow the permanency of its natural resources without arriving to be extremely conservative or to a development without limits that it could cause deterioration and as a result it could behave to the destruction of one of the regions of the Mexican Caribbean that still preserve its beauty and ecological value.
- The above – mentioned results, many properties were severely affected in their Real State density, being many of them with zero density and others with a minimum density, transforming them into non commercial properties.
- In the Charts 14 and 15 we can observe that the Mayazul's property, after the program of territorial classification, obtained the maximum level of density, enough to built more than 18 thousand rooms.

Master Plan Riviera Maya

Chart 14

Classification	Environmental Politics	Predominant Use	Compatible Uses	Conditioned Uses	Incompatible Uses	Match Key		
						Golf	Real State Density on area in it dismounts	Real State Density on Total Area (Gross)
4	Towns on Tulum and Playa del Carmen and New Town	Human Establishments	Flora and Fauna, Tourist Infrastructure	Slight Industry	Agriculture, mining industry and Fishing	**	AH -15 100 inhabitant/Ha = 40.5 Inhabitants/Acre	AH -15 25 Homes/Ha = 10.2 Homes/Acre



Master Plan Riviera Maya

Chart 15

Land Explotation									
Use	Classification	Environmental Politics	Predominant Use	Compatible Uses	Conditioned Uses	Incompatible Uses	Match Key		
							Golf	Real State Density on area in it dismounts	Real State Density on Total Area (Gross)
Human Establishments	4	Towns on Tulum and Playa del Carmen and New Town	Human Establishments	Flora and Fauna, Tourist Infrastructure	Slight Industry	Agriculture, mining industry and Fishing	**	AH -15 100 inhabitant/Ha = 40.5 Inhabitants/Acre	AH -15 25 Homes/Ha = 10.2 Homes/Acre
	10	Urban Area: Chemuyil, Akumal and Puerto aventuras	Human Establishments	Flora and Fauna, Tourist Infrastructure	Slight Industry	Agriculture, Forestal Agriculture, mining industry, Cattle and Fishing	**	AH -13 60 inhabitant/Ha = 32 Inhabitants/Acre	AH -13 15 Homes/Ha = 6 Homes/Acre
	25	Urban Area	Human Establishments	Flora and Fauna, Tourist Infrastructure	Slight Industry, Cattle Infrastructure	Agriculture, Forestal Agriculture, mining industry, Cattle and Fishing	**	AH -14 70 inhabitant/Ha = 28 Inhabitants/Acre	AH -14 17.5 Homes/Ha = 7 Homes/Acre
	26	Urban Area	Human Establishments	Flora and Fauna, Tourist Infrastructure	Slight Industry	Agriculture, Forestal Agriculture, mining industry, Cattle and Fishing	**	AH -13 60 inhabitant/Ha = 32 Inhabitants/Acre	AH -13 15 Homes/Ha = 6 Homes/Acre