MARINA BOATERS REPORT

January to October 2009

Issue No. 1

December 2009

As of October 2009

- Marina Boater Levels are on par with 2008 including those from US
- Sharp fall off in August levels, a 31.4% decrease
- Sharp increase in May levels, a 107.3% over 2007
- US increases by 2.3% during May to August
- Sharp increase in Off Season arrivals to GBI, a 33.2% increase over 2008 due to a strong first quarter
- West Palm Beach and Miami-Ft Laud increase 2.9% and 8%
- Latin Americans increase by 41%, mostly Mexico
- UK grew by 18.1%
- Just under 50% of Marina Boaters visited Bimini, a 4.6% increase
- Changes in other key islands:
  - Nas/PI: -8%
  - Abaco: -10.2%
  - Exuma: -9.2%
- Average stay is 9.4 nights compared to 6.6 nights, the overall stopover stay.
- A Marina Boater spends $153 per night
- Marina Boaters under 12 years of age increases by one percent
- Males aged 35 to 55 climb in the Peak Season by 2.8% but fall in Off Season by 10.1%
- Americans with average annual household income between $50k and $75k grow by 3.4% and in the Peak season (+9.1%)
- $100,000 and up grows by 13.3% with Peak Season growing by 22.7%
- From 2005 to 2009, Marina Boater trends are negative for USA, Males 35 to 54, Nassau/PI, GBI.
- From 2005 to 2009, Marina Boater trends are positive or stable for Family Travel, Bimini, Miami-Ft Lauderdale DMA, Mix-Us Accommodation Boaters and other countries not USA, Canada and Europe.
- The rate of decline between 2005 and 2009 chances little as a function of the number of previous visits.

Arrivals

Stopovers staying in Marinas in The Bahamas to the end of October, 2009 stood at **32,814**, about the same as 2008 and **3.5 %** lower than 2007. Marina Boaters represented **3%** of all stopovers coming to The Bahamas but accounted for **none** of the losses in stopover business so far in 2009.

EXPERIENCE SEGMENT	STOPOVERS JANUARY TO OCTOBER 2009	% CHANGE JAN-OCT 09/08
SUN, SAND & SEA (EP)	471,970	-16.6%
VACATION HOME	121,483	-8.4%
SUN, SAND & SEA (ALL-INCLUSIVE)	122,032	-5.3%
BUSINESS TRAVELERS	49,161	-28.4%
HONEYMOON	78,423	24.4%
CRUISE STOPOVER	42,880	-22.0%
VISITING FRIENDS & RELATIVES	44,498	-3.6%
OFFSHORE BOATERS	37,891	-11.1%
PRIVATE FLYERS	32,765	-12.9%
MARINA BOATERS	32,814	-0.1%
ATTENDING WEDDING	23,640	-15.8%
CHARTER PLANE FLYER	19,534	-15.2%
CASINO EXCURSION	17,749	-10.9%
BUSINESS & VACATION	4,289	-35.0%
MIXED-USE ACCOMMODATION BOATERS	5,694	2.3%
BRIDES & GROOMS	1,674	-21.6%
WEDDING & HONEYMOON	1,100	-9.6%
ALL STOPOVERS TO THE BAHAMAS	1,107,597	-12.1%

Source: Bahamas Immigration Card

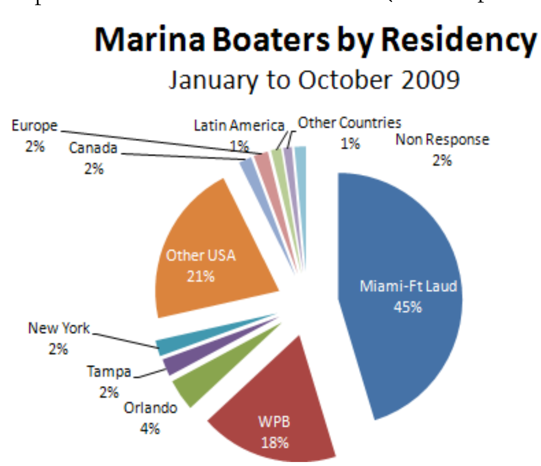
Looking at the all important May to August period showed that the **23,360** Marina Boaters were **1.7%** above 2008 and **7.2%** over 2007. Of significance was the substantial fall off in August business, a **31.4%** decrease compared to 2008 and **51.5%** compared to 2007.There was a tremendous increase in May of 2008 and 2009 over 2007. In 2009, the **5,730** Marina Boaters were **107.3%** above 2007 levels but **two percent** below 2008.

United States: There were **30,368** Marina Boaters from the USA compared to **30,488** last year for January to October. They represented **92.5%** of the Marina Boaters to The Bahamas.

During the May to August period there were **22,312** stopovers compared to **21,814** in 2008 for a **2.3%** gain in arrivals.

The largest single source of business for Marina Boaters in 2009 was Miami-Ft Lauderdale with **14,852** of the **32,814** stopovers. This DMA grew by **2.9%** over 2009. West Palm Beach with its **5,892** stopovers grew by **8%**

West Palm Beach does not get most of its growth between May to August (**435** stopover increase for Jan-Oct compared to **129** increase for May to August). Miami-Ft Lauderdale, on the other hand, sees a **754** stopover increase over May to August 2008, dwindle to **418** when the other months are added.



Europe and Canada: The second largest producer of Marina Boaters was Europe with its **617** stopovers down **some seven** stopovers from last year. UK Marina Boaters accounted for **34.8%** of Jan-Oct European stopovers and grew by **18.1%** over 2008. France and Germany were in the second and third spots with **87** and **68** stopovers respectively. In both cases, arrivals decreased by **3.3%** and **12.8%**.

There were **545** Marina Boaters from Canada up one visitor from 2008. While the main producers of Canadian Marina Boaters were Ontario (**207** stopovers) and Quebec (**129** stopovers), losses in both these markets **(- 26** stopovers) were offset by increases in British Columbia **(+ 13** stopovers) and Manitoba **(+11** stopovers).

For both Europe and Canada May to August arrivals stood at **248** and **141** stopovers respectively and were down **9.2%** and **4.7%** compared to 2008. Note that this was only **32** fewer European and Canadian Marina Boaters.

Other Countries: Latin American Marina Boaters stood at **430** stopovers, **41%** above 2008. **Sixty percent** of this growth was attributed to Mexico (**169** stopovers, **75** more than last year) followed by the **90** Venezuelan stopovers **(+26.8%**) and the **44** Brazilian ones **(+76%**). Interestingly, there were **142** Australia stopovers, **31** more than in 2008.

Looking at the May to August period, **60.8%** of the January to October increase occurred in these months. There were **253** stopovers from Latin America, **42.9%** more than in May to August 2008.

The remaining countries accounted for **362** Marina Boaters compared to **306** in 2008, a **18.3%** increase.

One and a half percent of Marina Boaters failed to indicate residency.

Island of Stay

Of the **32,814** stopovers visiting The Bahamas between January to October 2009, just under **50%** of them visited Bimini with a **4.6%** increase over 2008. With **20.4%** stopping in GBI, this island saw little change from 2008. Abaco, Nassau/PI and Exuma captured **12.7%**, **5.9%** and **3.3%** of Marina Boaters respectively but all saw losses of **10.2%, 8%** and **9.2%**. The remaining Out Islands accounted for **7.8%** of the business and decreased by **1.8%**.

In the May to August period, there were **23,360** stopovers, with just under **56.3%** of them visiting Bimini with a **8.7%** increase over 2008. With **17.8%** stopping in GBI, it saw a **12.1%** decrease from 2008. Abaco, Nassau/PI and Exuma captured **13.1%**, **3.7%** and **3.4%** of Marina Boaters respectively with Exuma experiencing a **23.2%** increase while Abaco decreased by **6.6%** and Nassau/PI by **7.7%**. The remaining Out Islands accounted for **7%** of the business and decreased by **6.9%**.

Market Share

The market shares of Marina Boater stopovers to the end of October were as follows: USA **92.5%**; Europe **1.9%** and Latin America **11.3%**; Canada **1.7%** and with the remaining countries hovering at **0.1%** to **0.4%** each.

Length of Stay

The average length of stay for Marina Boater from January to October 2009 was **9.4** nights, up **0.6** nights compared to 2008. The Off Season stay of **13.4** nights was almost twice as long as the Peak Season stay of **7.8** nights. The length of stay for First Quarter ranged from a low of **14.5** nights in March to **20.2** nights in January. The average length of stay for The Bahamas overall was **6.6** nights for January to October in 2009.

Spending

According to the 2008 Expenditure Survey, stopovers staying in Marinas spent **$153** per night of stay.

Comparisons to other segments show that this **$153** average expenditure per night was higher than those Staying: With Friends **($71)**,In Rented Homes or Apt. **($144)**, In Timeshares **($108)**, In their Own Homes **($106)** and On a Boat Offshore **($94)**. However, a Marina Boater spent less per night than a hotel visitor **($255)**.

Age Cohorts

Baby Boomers and Net Gens dominated the Marina Boater Market. The **11,587** Baby Boomers represented **35.3%** of all Marina Boaters and showed small decrease in arrivals of less than one percent. Net Gens arrivals were almost equal to the Baby Boomers with **11,088** stopovers but saw a drop-off of **7.1%**.

Looking at those under 12 as an indicator of Family Travel, there was an increase of **one percent** so far this year , with all of it occurring in the Offseason **(+9.5%)** compared to **one percent** loss in the Peak Season. January **(+65.4%)**, February **(+45.8%)** and April **(+125.7%)** when Easter occurred drove this increase. **2,398** stopovers in this age group visited Bahamian Marinas, **1,900** in Peak Season and **498** in Off-Season.

Another key group, Males between 35 and 54 years of age fared better in the Peak Season but sharply reduced Off Season travel .The **6,425** males visiting in the Peak Season were **2.8%** above 2008 levels while the Off-Season, the **2,561** visitors were **10.1%** below 2008. Altogether there were **8,986** male stopovers between the ages of 35 and 54 staying in Marinas between January and October 2009 down **1.2%**.

What is SPLOG?

SPLOG is short hand for STOPOVER PROGRESS LOG. A LOG is a journal of observations, in this case trends. However, here it also refers to Logarithmic scales which provide one of the easiest ways to compare rates of change between years, months or what ever time unit studied. The rate of change can be seen in the angle or slope of the line connecting the number of Marina Boater stopovers related to each time period used e.g. years, months. Because a log scale is used you are able to compare the slopes of any lines within one chart or with lines in other charts and make statements about their relative rates of growth, growing faster ,slower etc. even when some lines have small bases (in 100's) or others have large bases (in millions). This occurs because log scales eliminate the distortions caused by how sharp a trend line can look when 10% growth occurs on a small base (100's)and how nothing looks to be changing for a line when 10% growth occurs for a large base (millions). So if the trend though the years for two different groups, say Marina Boaters and Off Shore Boaters look the same they are changing at the same rate. What you see is what you should see.

US House Income

Thirty-five percent of Marina Boaters were from US Households with an Average Annual Household Income between $50,000 and $75,000. These **11,487** stopovers grew by **3.4%** January to October 2009. All of this growth came in the Peak Season where the **8,500** visitors were **9.1%** above 2008 levels. Off Season decreased by **10%**. This showed some parallels with the males 35 to 55 age cohort mentioned above.

There was good news for the all important $100,000 Plus income group. **5,999** stopovers exceeded 2008 levels by **13.3%**, with all of this growth occurring in the Peak Season, **4,422** visitors, **22.7%** above 2008.

Trends

Marina and Offshore Boaters showed similar negative trends between 2005 and 2009 for the period January to October. Mixed Use Accommodation Boaters showed the only positive trend among the segments with 2009 **18.4%** above 2005.

Marina Boater stopovers from countries other than USA, Canada and Europe showed the most consistent upward trend for the origin markets. The US Marina Boaters showed the most negative trend. Between 2005 and 2009, January to October, Marina Boaters fell **16.1%**. Four of the top five DMAs showed roughly the same rate of decline in visitors following an initial increase between 2005 and 2006.Only Miami-Ft Lauderdale bucked that trend and showed little to no change over these months.

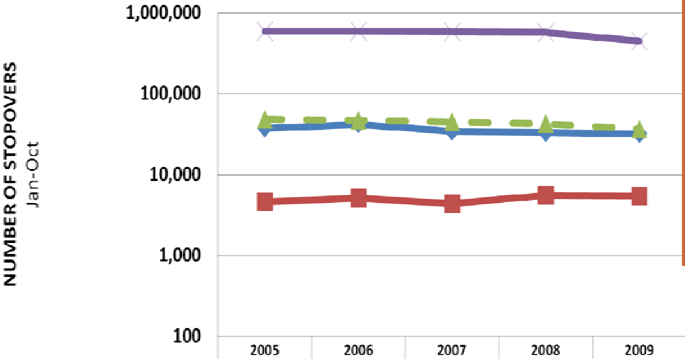
All major islands show negative trends. Nassau/PI had the steepest decline in business over this period matched only by Grand Bahama between 2006 and 2009. Bimini held its business levels.

Family Travel as represented by Marina Boaters under 12 years were steady as well. The important 35 to 54 year old male demographic showed a downward trend starting in 2006. Compared to 2005 this demographic was down **25%** while the Family Travel was down only **2.2%**.

Finally, the number of times they visited The Bahamas did not have any impact on the rate of decline in Marina Boaters.

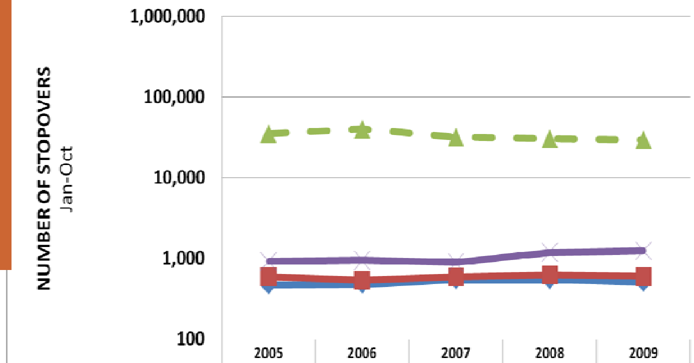
TRENDS

SPLOG OF KEY EXPERIENCE SEGMENTS



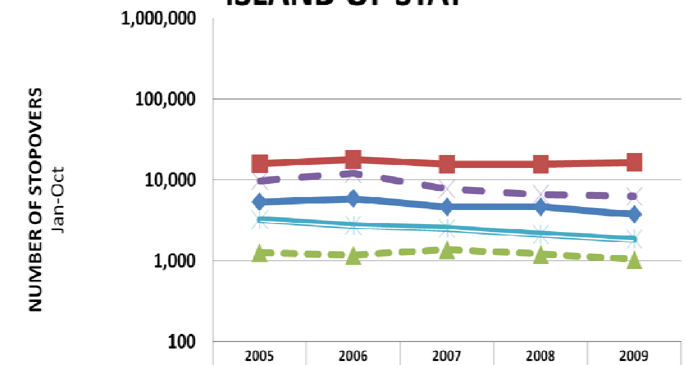
	2005	2006	2007	2008	2009
MARINA BOATERS	37,106	41,980	33,992	32,850	31,813
MIXED-USE ACCOM BOATERS	4,603	5,089	4,399	5,564	5,453
OFFSHORE BOATERS	48,315	47,079	44,676	42,608	36,434
SUN, SAND & SEA (EP)	591,378	588,856	576,999	565,923	442,492

SPLOG OF MARINA BOATERS REGIONS OF RESIDENCE



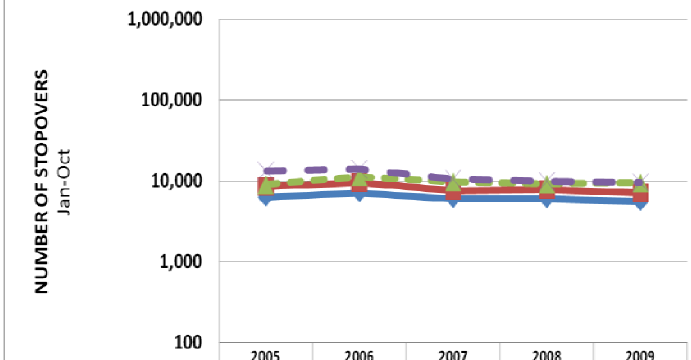
	2005	2006	2007	2008	2009
CANADA	470	479	544	544	506
EUROPE	596	542	594	624	597
USA	35,116	40,010	31,954	30,488	29,459
OTHER	924	949	900	1,194	1,251

SPLOG OF MARINA BOATERS ISLAND OF STAY



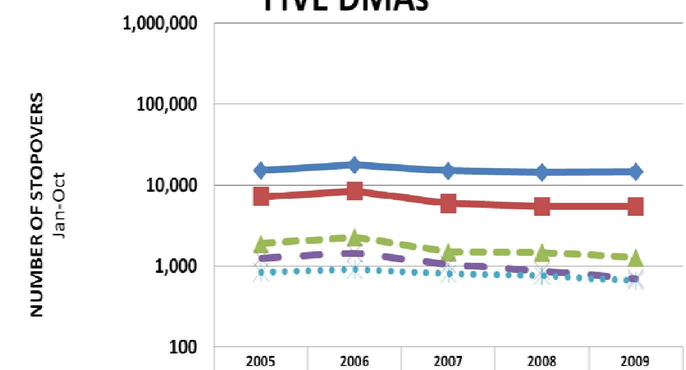
	2005	2006	2007	2008	2009
ABACO	5,347	5,910	4,640	4,644	3,760
BIMINI	15,750	17,954	15,633	15,658	16,373
EXUMA	1,260	1,171	1,378	1,206	1,040
GBI	9,785	12,069	7,727	6,631	6,291
NEW PROVIDENCE	3,232	2,756	2,523	2,118	1,854

SPLOG OF MARINA BOATERS PREVIOUS VISITS



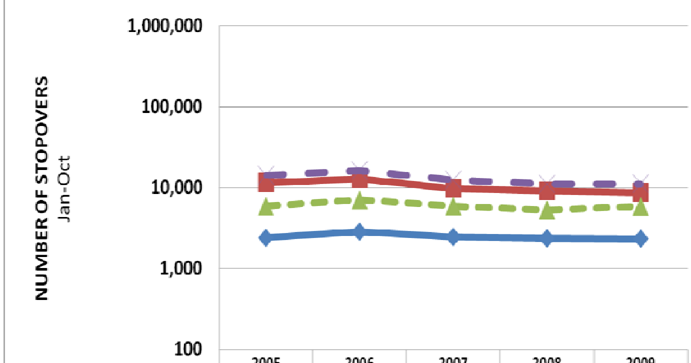
	2005	2006	2007	2008	2009
FIRST VISIT	6,329	7,110	6,035	6,004	5,569
BETWEEN 2 AND 4	8,468	9,547	7,605	7,814	7,124
MORE THAN 5	9,016	11,324	9,775	9,177	9,538
NON RESPONSE	13,293	13,999	10,577	9,855	9,582

SPLOG OF MARINA BOATERS TOP FIVE DMAs



	2005	2006	2007	2008	2009
MIAMI-FT. LAUDERDALE	15,213	17,729	14,987	14,434	14,668
WEST PALM BEACH	7,196	8,482	5,920	5,457	5,509
ORLANDO	1,887	2,288	1,498	1,477	1,276
TAMPA-ST. PETE	1,258	1,460	1,051	872	705
NEW YORK	849	911	803	769	655

SPLOG OF MARINA BOATERS KEY DEMOGRAPHICS



	2005	2006	2007	2008	2009
LESS THAN 12	2,407	2,861	2,469	2,374	2,353
35 TO 54 YRS AND MALE	11,551	12,940	9,671	9,099	8,704
OVER $100K USA HOUSE	5,925	7,064	5,928	5,294	5,889
$50K TO $75K USA HOUSE	14,288	16,131	12,390	11,108	11,155

MARINA BOATER STOPOVERS - 2009

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	PEAK SEASON May to Aug	OFF SEASON	YEAR
Markets															
Total Marina Boaters	1,445	1,739	2,139	2,912	5,730	7,276	7,532	2,822	685	534			23,360	9,454	32,814
% Chg 09/08	41.5%	-10.0%	-23.4%	12.8%	-2.0%	18.4%	9.7%	-31.4%	-8.9%	-33.1%			1.7%	-4.3%	-0.1%
USA	1,207	1,422	1,823	2,535	5,445	7,031	7,228	2,608	603	466			22,312	8,056	30,368
% Chg 09/08	39.1%	-14.0%	-25.9%	11.0%	-2.3%	18.3%	13.5%	-33.6%	-13.5%	-34.4%			2.3%	-7.1%	-0.4%
Miami-Ft Laud.	442	568	480	1,257	2,864	3,419	4,109	1,461	142	110			11,853	2,999	14,852
% Chg 09/08	78.9%	-10.7%	-48.3%	59.9%	1.8%	37.4%	15.1%	-34.4%	-65.0%	-66.8%			6.8%	-10.1%	2.9%
West Palm Bch	199	162	313	291	1,022	1,618	1,368	479	247	193			4,487	1,405	5,892
% Chg 09/08	91.3%	-9.0%	19.0%	-18.5%	-2.9%	23.7%	14.3%	-40.1%	154.6%	93.0%			3.0%	27.8%	8.0%
Canada	93	123	99	56	45	36	47	13	12	21			141	404	545
% Chg 09/08	32.9%	6.0%	-18.2%	-15.2%	-4.3%	12.5%	-2.1%	-38.1%	50.0%	40.0%			-4.7%	2.0%	0.2%
Europe	45	65	99	119	69	50	66	63	23	18			248	369	617
% Chg 09/08	15.4%	-16.7%	12.5%	22.7%	-16.9%	4.2%	-5.7%	-12.5%	43.8%	-45.5%			-9.2%	5.1%	-1.1%
Latin America	22	36	17	82	40	57	84	72	13	7			253	177	430
% Chg 09/08	57.1%	50.0%	-48.5%	156.3%	-13.0%	90.0%	44.8%	67.4%	18.2%	-50.0%			42.9%	38.3%	41.0%
Non-Response	46	54	56	53	68	65	69	50	17	14			252	240	492
Other Countries	32	39	45	67	63	37	38	16	17	8			154	208	362
% Chg 09/08	166.7%	39.3%	9.8%	19.6%	34.0%	23.3%	-22.4%	-15.8%	70.0%	-42.9%			6.2%	29.2%	18.3%
Island of Stay															
Nas/PI	122	210	317	230	245	192	243	189	126	74			869	1,079	1,948
% Chg 09/08	-26.1%	-19.2%	-19.7%	-5.0%	-23.2%	-27.5%	13.6%	31.3%	173.9%	8.8%			-7.7%	-8.2%	-8.0%
GBI	424	380	625	420	1,105	1,237	1,377	451	398	266			4,170	2,513	6,683
% Chg 09/08	94.5%	28.8%	20.7%	-21.9%	-12.4%	-12.3%	8.4%	-43.7%	176.4%	52.9%			-12.1%	33.2%	0.8%
Abaco	159	199	271	342	782	1,170	805	298	41	102			3,055	1,114	4,169
% Chg 09/08	7.4%	-30.7%	-28.5%	-27.1%	-11.4%	13.4%	-12.7%	-31.2%	0.0%	104.0%			-6.6%	-18.9%	-10.2%
Bimini	489	690	560	1,479	2,943	4,021	4,523	1,668		1			13,155	3,219	16,374
% Chg 09/08	92.5%	4.5%	-41.6%	66.2%	0.0%	45.4%	16.1%	-33.3%	-100.0%	-99.7%			8.7%	-9.5%	4.6%
Exuma	106	127	179	95	137	110	147	89	50	55			483	612	1,095
% Chg 09/08	-17.2%	-32.4%	-19.4%	-39.9%	3.8%	64.2%	36.1%	4.7%	13.6%	-25.7%			23.2%	-24.8%	-9.2%
Andros	11	2	13	5	5	31	3	2					41	31	72
% Chg 09/08	120.0%	-50.0%	8.3%	150.0%	0.0%	121.4%	-82.4%	-50.0%	0.0%	0.0%			2.5%	34.8%	14.3%
Harbour Is	30	26	51	72	95	114	151	37	14	7			397	200	597
% Chg 09/08	-3.2%	-60.6%	-58.2%	12.5%	17.3%	15.2%	-15.2%	12.1%	27.3%	-50.0%			1.5%	-35.1%	-14.6%
Eleuthera	3	3	7	11	15	12	2	1	4	2			30	30	60
% Chg 09/08	0.0%	0.0%	-30.0%	175.0%	114.3%	9.1%	0.0%	-66.7%	300.0%	0.0%			30.4%	42.9%	36.4%
Other Islands	101	102	116	258	403	389	281	87	52	27			1,160	656	1,816
% Chg 09/08	46.4%	-39.6%	-33.7%	20.6%	88.3%	-19.3%	8.5%	-23.7%	62.5%	-54.2%			8.5%	-8.6%	1.6%
Key Age Groups															
Under 12	43	86	52	255	300	557	787	256	50	12			1,900	498	2,398
% Chg 09/08	65.4%	45.8%	-71.1%	125.7%	-22.5%	19.3%	13.9%	-31.6%	35.1%	-70.0%			-1.0%	9.5%	1.0%
Under 35 to 54 Males	440	436	532	753	1,721	2,072	1,863	769	218	182			6,425	2,561	8,986
% Chg 09/08	57.1%	-26.5%	-23.2%	-1.8%	0.1%	17.0%	7.9%	-25.6%	-18.7%	-26.3%			2.8%	-10.1%	-1.2%
US Ave House Income															
$50-$75K	465	564	694	881	2,084	2,711	2,790	915	215	168			8,500	2,987	11,487
% Chg 09/08	36.0%	-4.4%	-24.4%	-4.7%	-9.6%	17.7%	60.3%	-36.4%	-17.6%	-41.1%			9.1%	-10.0%	3.4%
Over $100K	207	266	353	611	1,028	1,384	1,407	603	81	59			4,422	1,577	5,999
% Chg 09/08	39.9%	-22.7%	-39.2%	52.8%	8.0%	32.3%	65.3%	-20.0%	-34.1%	-37.9%			22.7%	-6.7%	13.3%
Ave. Stay in Nights															
2009	20.2	17.1	14.5	10.0	8.8	8.5	6.9	6.2	5.4	7.6			7.8	13.4	9.4
2008	23.2	14.2	10.6	10.2	8.3	9.0	6.7	5.3	6.0	8.9			7.5	12.0	8.8
Change in Nights	-3.0	3.0	3.9	-0.2	0.5	-0.5	0.1	0.9	-0.6	-1.3			0.3	1.4	0.6

Source: Bahamas Immigration Arrival Card

NOTE: Some Counts may be low as some Immigration Cards may not be included yet, particularly from the Out Islands