

Income Projections for Monthly Income Asset @ Hyderabad

	1st year	2nd year		3rd year	4th year	5th year	6th year	7th year	8th year	9th year	10th year	11th year	12th year	13th year	14th year	15th year
Average Room Rent (ARR) per day in Rupees	4300	4500		4750	5000	5250	5500	5750	6000	6250	6500	6750	7000	7250	7500	7750
Total No of Flats in entire tower	198	198		198	198	198	198	198	198	198	198	198	198	198	198	198
Percentage of Occupancy per month	70	70		70	70	70	70	70	70	70	70	70	70	70	70	70
Rooms sold at above Occupancy Rate	139	139		139	139	139	139	139	139	139	139	139	139	139	139	139
Number of Rooms Occupied per month	4227	4227		4227	4227	4227	4227	4227	4227	4227	4227	4227	4227	4227	4227	4227
Total Income as per above Occupancy per month	18177390	19022850		20079675	21136500	22193325	23250150	24306975	25363800	26420625	27477450	28534275	29591100	30647925	31704750	32761575
40% of Income given back to Investors 1st & 2nd year	40	7270956														
50% of Income given back to Investors 3rd year onwards			50													
Income per Square feet (Rs.)	59	62		81	85	90	94	98	103	107	111	115	120	124	128	132
1 BHK (740 Sft)																
Monthly Income to each owner	43493	45516		60056	63216	66377	69538	72699	75860	79021	82181	85342	88503	91664	94825	97985
Annual Income to each owner	521915	546190		720667	758597	796527	834457	872387	910317	948247	986176	1024106	1062036	1099966	1137896	1175826
Investment by owner	7067000	7067000		7067000	7067000	7067000	7067000	7067000	7067000	7067000	7067000	7067000	7067000	7067000	7067000	7067000
ROI % per annum	7.4	7.7		10.2	10.7	11.3	11.8	12.3	12.9	13.4	14.0	14.5	15.0	15.6	16.1	16.6
1 BHK (760 Sft)																
Monthly Income to each owner	44668	46746		61679	64925	68171	71417	74664	77910	81156	84402	87649	90895	94141	97387	100634
Annual Income to each owner	536021	560952		740145	779100	818055	857010	895965	934920	973875	1012830	1051785	1090740	1129695	1168650	1207605
Investment by owner	7258000	7258000		7258000	7258000	7258000	7258000	7258000	7258000	7258000	7258000	7258000	7258000	7258000	7258000	7258000
ROI % per annum	7.4	7.7		10.2	10.7	11.3	11.8	12.3	12.9	13.4	14.0	14.5	15.0	15.6	16.1	16.6

Apartment Details	Basic Cost	Registration *	Total Cost	Area (sft)
1 BHK (740 sft)	Rs. 6,734,000	Rs. 333,000	Rs. 7,067,000	740
1 BHK (760 sft)	Rs. 6,916,000	Rs. 342,000	Rs. 7,258,000	760

Note:

All figures indicated above are in INR (Rupees)

Registration as of current guidelines and subject to change as per government policies at the time of completion.

The ARR indicated is an average value of the room rent of both 1 BHK & 2 BHK units.

The ARR calculated is the NET ARR (NET ARR = Total Gross ARR MINUS Brokerage/Commissions, Bank Collection Charges & External Maintenance

For example for 1st year Net ARR is Rs.4300 (Gross ARR Rs.4500/- less Rs.200/- expenses as above)

Occupancy assumed at most conservative levels of 70% for the entire lease period (even ARR also assumed on most conservative basis) whereas G&C has understood from Starlit's existing track record & market surveys that this is going to be much better.

****IMPORTANT** | Regarding FIRST YEAR income - At the beginning of operations, like any other hotel, Starlit would like to accept limited bookings to test all rooms for guest feedback on any technical snags and increase the bookings month after month (say 25% in 1st month, 30% to 40% by 3rd month and then 40% to 50% by 6th month and then all the way beyond 60% by 3rd / 4th Quarter) while steadily hiking the average room rental. This process may take between 6 to 9 months depending on which part of the year they start operations (peak season or off-season). Hence, for the first few months, returns can be expected at lower levels which will keep increasing over period of 6 to 9 months and reach projected earnings for 1st year little before end of 1st year. Thereafter, it will be steady and is expected to keep growing as per above projections by Starlit.

****IMPORTANT** | As part of the Sinking Fund - which is used for major overhauls / repairs / upgrades to the building that happen once every 8 to 9 years to ensure building is fresh and relevant to changing tastes and amenities - 3% of your share of income shown above will be kept aside into a Sinking Fund. This money will belong to you and all the other investors jointly and interest earned on the same also belongs to the investors and this accumulated reserve is used to make such large changes and overhauls instead of making investors put in additional money at those times. This way, you will not have to invest extra money once every 8 to 9 years which is very important and has to be done to keep the building and rooms attractive to guests in the long run.