

Income Projections for Monthly Income Asset @ Tirupati

	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	3900	4250	4500	4750	5000	5250	5500	5750	6000	6250	6500	6750	7000	7250	7500
Total No of Flats in entire tower	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144
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	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101
Number of Rooms Occupied per month	3074	3074	3074	3074	3074	3074	3074	3074	3074	3074	3074	3074	3074	3074	3074
Total Income as per above Occupancy per month	11990160	13066200	13834800	14603400	15372000	16140600	16909200	17677800	18446400	19215000	19983600	20752200	21520800	22289400	23058000
40% of Income given back to Investors 1st & 2nd year	4796064														
50% of Income given back to Investors 3rd year onwards			50												
Income per Square feet (in Rs. per Sft per Month)	32	35	46	49	52	54	57	59	62	65	67	70	72	75	77
1 BHK (843 Sft)															
Monthly Income to each owner	27,167	29,605	39,183	41,360	43,537	45,713	47,890	50,067	52,244	54,421	56,598	58,774	60,951	63,128	65,305
Annual Income to each owner	3,26,002	3,55,259	4,70,196	4,96,318	5,22,440	5,48,562	5,74,684	6,00,806	6,26,928	6,53,050	6,79,172	7,05,294	7,31,416	7,57,538	7,83,660
Investment by owner	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170	54,68,170
ROI % per annum	6.0	6.5	8.6	9.1	9.6	10.0	10.5	11.0	11.5	11.9	12.4	12.9	13.4	13.9	14.3
2 BHK (1224 Sft)															
Monthly Income to each owner	39,445	42,985	56,892	60,053	63,213	66,374	69,535	72,695	75,856	79,017	82,177	85,338	88,499	91,659	94,820
Annual Income to each owner	4,73,342	5,15,821	6,82,704	7,20,632	7,58,560	7,96,488	8,34,416	8,72,344	9,10,272	9,48,200	9,86,128	10,24,056	10,61,984	10,99,912	11,37,840
Investment by owner	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560	79,26,560
ROI % per annum	6.0	6.5	8.6	9.1	9.6	10.0	10.5	11.0	11.5	12.0	12.4	12.9	13.4	13.9	14.4
Apartment Details															
	Basic Cost	Registration	Total Cost	Area (sft)											
1 BHK (843 Sft)	Rs. 52,18,170	Rs. 2,50,000	Rs. 54,68,170	843											
2 BHK (1224 Sft)	Rs. 75,76,560	Rs. 3,50,000	Rs. 79,26,560	1224											

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.3900 (Gross ARR Rs.4100/- 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.