

Income Projections for Monthly Income Asset @ Pune

	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	2,600	2,700	2,800	3,000	3,100	3,200	3,300	3,400	3,600	3,700	3,900	4,100	4,300	4,400	4,600	
Total No of Flats in entire tower	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123	
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	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	
Number of Rooms Occupied per month	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	
Total Income as per above Occupancy per month	68,27,730	70,90,335	73,52,940	78,78,150	81,40,755	84,03,360	86,65,965	89,28,570	94,53,780	97,16,385	1,02,41,595	1,07,66,805	1,12,92,015	1,15,54,620	1,20,79,830	
40% of Income given back to Investors 1st & 2nd year	40	27,31,092	28,36,134													
50% of Income given back to Investors 3rd year onwards			50	36,76,470	39,39,075	40,70,378	42,01,680	43,32,983	44,64,285	47,26,890	48,58,193	51,20,798	53,83,403	56,46,008	57,77,310	60,39,915
Income per Square feet (Rs.)	44	46	59	64	66	68	70	72	76	79	83	87	91	93	98	
For Studio																
Monthly Income to each owner	15,807	16,415	21,278	22,798	23,558	24,318	25,078	25,838	27,358	28,117	29,637	31,157	32,677	33,437	34,957	
Annual Income to each owner	1,89,679	1,96,974	2,55,337	2,73,575	2,82,694	2,91,814	3,00,933	3,10,052	3,28,290	3,37,409	3,55,648	3,73,886	3,92,124	4,01,244	4,19,482	
Basic Cost	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	34,75,000	
ROI % per annum	5.5	5.7	7.3	7.9	8.1	8.4	8.7	8.9	9.4	9.7	10.2	10.8	11.3	11.5	12.1	
For Premium Studio																
Monthly Income to each owner	22,518	23,384	30,312	32,478	33,560	34,643	35,725	36,808	38,973	40,056	42,221	44,386	46,551	47,634	49,799	
Annual Income to each owner	2,70,213	2,80,606	3,63,748	3,89,730	4,02,721	4,15,712	4,28,703	4,41,694	4,67,676	4,80,667	5,06,649	5,32,631	5,58,613	5,71,604	5,97,586	
Basic Cost	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	49,50,000	
ROI % per annum	5.5	5.7	7.3	7.9	8.1	8.4	8.7	8.9	9.4	9.7	10.2	10.8	11.3	11.5	12.1	
For 1 BHK																
Monthly Income to each owner	36,028	37,414	48,500	51,964	53,696	55,428	57,160	58,893	62,357	64,089	67,553	71,017	74,482	76,214	79,678	
Annual Income to each owner	4,32,340	4,48,969	5,81,997	6,23,568	6,44,354	6,65,139	6,85,925	7,06,710	7,48,282	7,69,067	8,10,638	8,52,210	8,93,781	9,14,566	9,56,138	
Basic Cost	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	79,20,000	
ROI % per annum	5.5	5.7	7.3	7.9	8.1	8.4	8.7	8.9	9.4	9.7	10.2	10.8	11.3	11.5	12.1	

Apartment Details	Number of Units	Basic Cost	Registration	Total Cost	Area (sqft)
Studio (358 sqft - including common areas)	44	Rs. 34,75,000	Rs. 1,80,000	Rs. 36,55,000	358
Premium Studio (510 sqft - including common areas)	60	Rs. 49,50,000	Rs. 2,50,000	Rs. 52,00,000	510
1 BHK (816 sqft - including common areas)	19	Rs. 79,20,000	Rs. 3,50,000	Rs. 82,70,000	816
Total Number of Apartments	123				
Total Built Up Area of the project (in sqft)	61856				

Note:

All figures indicated above are in INR (Rupees)

The projected earnings are the bare minimum on the most conservative basis given by the operator. However, the operator has informally mentioned that the same will be much higher and we assume 7% in the beginning and going as high as 18% in the later years.

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 Studio & 1 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.2600 (Gross ARR Rs.2800/- 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

****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.