

PROCEED IF
YOU
DISAGREE

“ “If it sounds too good to be
TRUE then it probably
IS.”

**BECAUSE THERE ARE SOMETHINGS
OUT THERE THAT IS
JUST
TOO GOOD TO MISS OUT ON!**

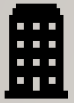
UNIQUE REAL ESTATE INVESTMENT
THAT HAS
BIG NUMBERS

- **24%** - Less than constructing a similar structure
- **57%** - Is what you pay compared with current market rates for a square foot for a property of similar standards
- **Inclusive of a Hotel Grade Liquor License**

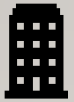
Do we have your attention now ?



WE ARE OFFERING A BUNDLED PACKAGE DEAL TO A DESERVING INDIVIDUAL OR COPORATE



17 APARTMENTS AND 78,345 SQUARE FEET OF RENTABLE COMMERCIAL SPACE IN A SERVICED COMPLEX



THE MANAGEMNT COMPANY WHICH IS CURRENTLY MANAGING THE PROPERTY WITH STAFF



PREMIUM LOCATION IN COLOMBO 3. IN HIGH DEMAND FOR RESIDENTIAL AND COMMERCIAL USE



REVENUE FROM 24 APARTMENTS CURRENTLY UNDER MANAGEMENT



A LIQUOR LICENSE ENABLING YOU TO SERVE THROUGHOUT THE PROPERTY



MAJORITY INFLUENCE IN THE CONDOMINIUM MANAGEMENT COPORATION

100 km

Sri Lanka

A tropical paradise in the Indian Ocean surrounded by golden sandy beaches and misty hills towards the middle carpeted in lush green tea plantations. An island nation with a vibrant growing economy and a flourishing tourism industry.

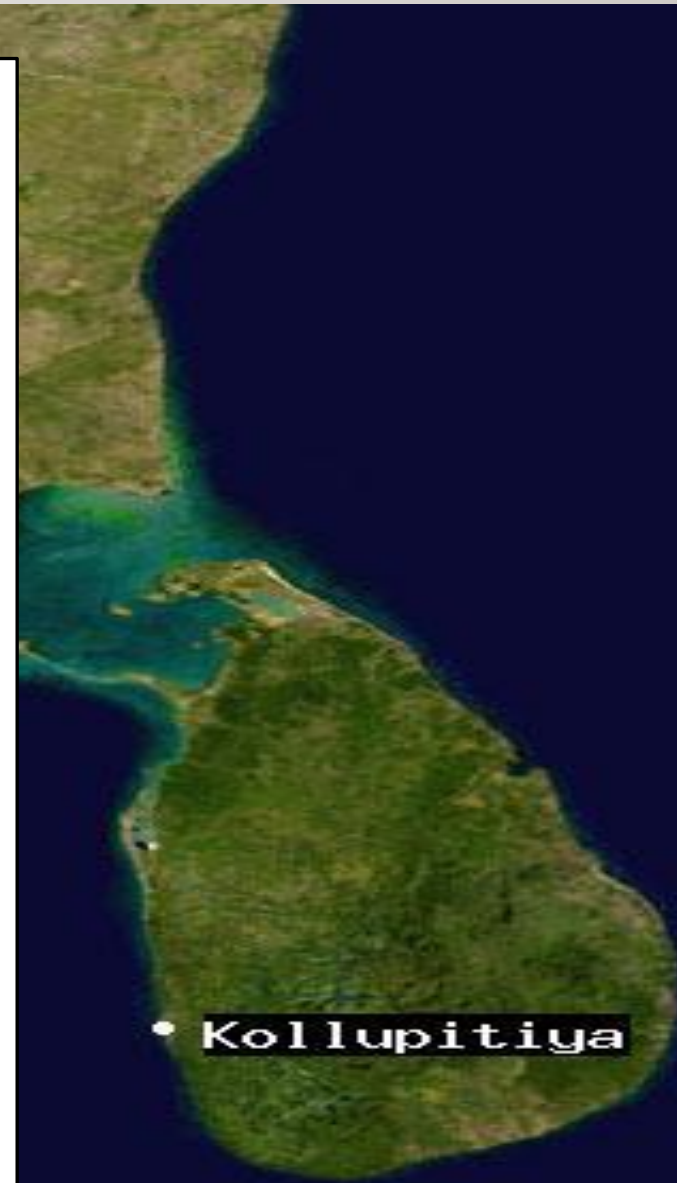
Colombo

Is the commercial capital of the nation with a population of 2.3 million people is by far the most densely populated city and with majority of the economic activity is centered around Colombo it has seen a rapidly increasing demand for real estate.

Colpetty / Kollupitiya (Colombo 3)

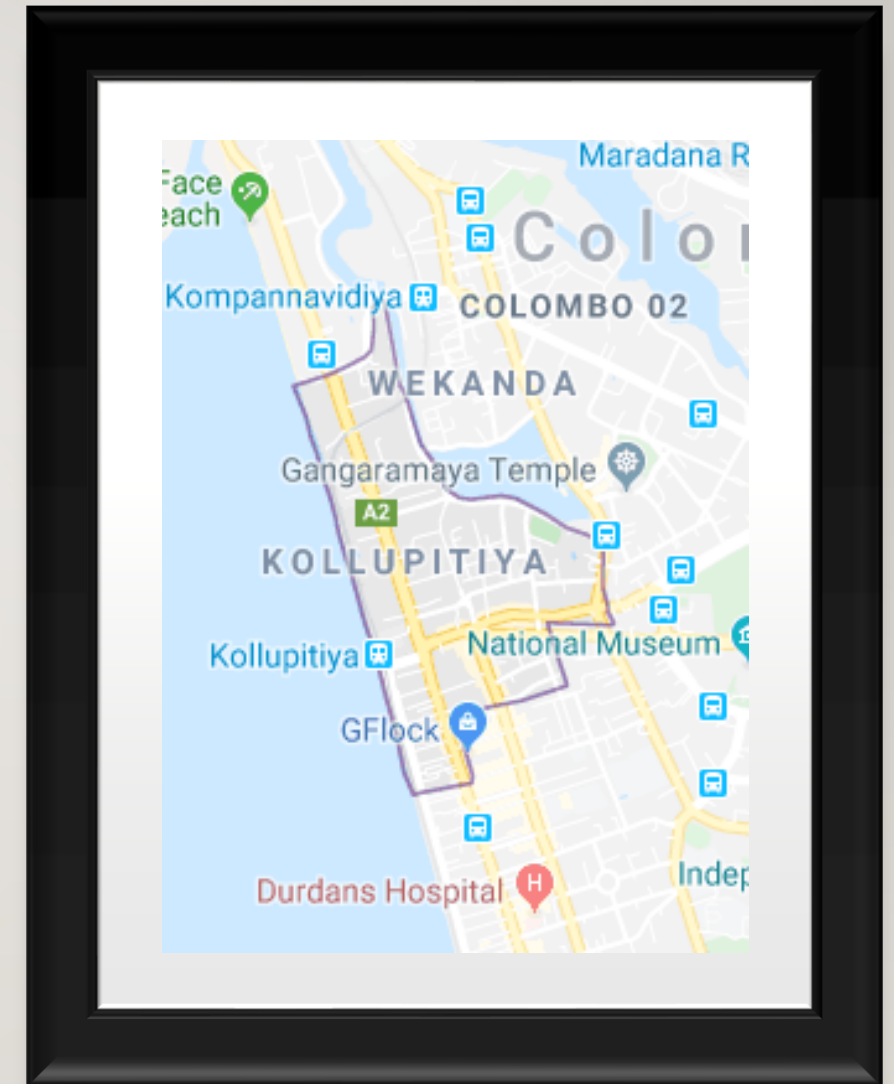
The most desired business and residential location within the city of Colombo. With a mix of residential and commercial establishments Colpetty is a sort after place among tourists looking for short stays.

What's on offer is a hard to come by Real Estate Investment Opportunity in a prime location in Colpetty that is unique and highly profitable.



5-STAR SERVICED APARTMENTS AND OFFICE SPACE IN THE HEART OF THE COMMERCIAL HUB OF COLOMBO CITY

- 17 UNITS OF 3-4 BEDROOM SERVICED APARTMENTS AND OFFICE SPACE TOTTALLING 113,346 SQUARE FEET
- 78,345 SQUARE FEET OF RENTABLE OFFICE SPACE
- FACILITIES INCLUDE GOURMET RESTAURANT, SWIMMING POOL, EQUIPTED GYM, SAUNA AND SPA, SECURITY & AUTOMATED PARKING.
- LOCATION IS HIGHLY IN DEMAND FOR BOTH RESIDENTIAL AND COMMERCIAL USE



JOINT RESIDENTIAL AND COMMERCIAL RENTAL OPPORTUNITY GENERATING HIGH RENTAL INCOME





APARTMENTS COMPRISING 3-4 BEDROOMS

APARTMENT SIZE RANGE 1598 TO 1953 SQFT

13 OF THE APARTMENTS ARE TASTEFULLY FURNISHED

TWO UNFURNISHED PENTHOUSES INCLUDED



OVER 78,000 SQUARE FEET OF MODERN OFFICE SPACE SPREAD OVER FOUR FLOORS.

- PRIME LOCATION WITH ACCESS FROM GALLE ROAD AND A WIDE SIDE ROAD
- AUTOMATED PARKING
- MALE/FEMALE WASHROOMS ON EACH FLOOR
- SECURITY & JANITORIAL SERVICE
- IDEALLY SUITED FOR IT, BPO, EDUCATION OR ANY FINANCIAL INSTITUTION.



UNIQUE OPPORTUNITY

- RESIDENTIAL AND COMMERCIAL RENTAL OPPORTUNITY
 - COVERS AGAINST SEASONAL FLUCTUATIONS IN SHORT STAY DEMAND
 - A FULLY FLEDGED MANAGEMENT COMPANY IS AVAILABLE TO MANAGE THE UNITS IF DESIRED AND GAIN A MONTHLY RENTAL ON PRE-NEGOTIATED TERMS
 - WILL BECOME THE LARGEST UNIT HOLDER IN THE COMPLEX AND GAIN MAJORITY IN THE CONDOMINIUM MANAGEMENT CORPORATION
 - ABILITY TO SELL INDIVIDUAL UNITS IF DESIRED AS THE VALUES APPRECIATE GIVING AN EXIT STRATEGY.
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POTENTIAL VALUE

- OFFER IS CHEAPER COMPARED TO A NEW CONSTRUCTION
- 24% COST SAVING COMPARED WITH CONSTRUCTING A NEW STRUCTURE OF SIMILAR STANDARDS

KEY ASSUMPTIONS

- ❖ A STRUCTURE OF THIS MAGNITUDE WILL REQUIRE A 65 PERCH PROPERTY
- ❖ A NEW CONSTRUCTION TO HAVE A USABLE FLOOR AREA OF 113,346 SQ.FT. IT WOULD REQUIRE TO BUILD AN EXTRA 20% OF FLOOR AREA FOR COMMON AMENITIES SUCH AS LIFTS, WASHROOMS STAIRWAYS, LOBBY AREA ETC.
- ❖ CONSTRUCTION COSTS AS PER AVERAGE 'A-GRADE' MARKET RATES
- ❖ A PERCH OF LAND IS VALUED AT US\$ 138,121

OFFER BASED US\$		NEW CONSTRUCTION (US\$)	
OFFER PRICE FOR 113,346 SQ.FT.	19,500,000	COST OF LAND PURCHASE	8,977,900
COST PER SQ.FT.	171	LAND COST PER SQ.FT. (113,346)	79
		CONSTRUCTION COST PER SQ.FT.	166
		TOTAL COST PER SQ.FT.	244
		NEW CONSTRUCTION COST (136,037 SQ.FT)	33,321,016
SAVING: OFFER VS NEW CONSTRUCTION: US\$ 13,821,016			
COST SAVING AS A PERCENTAGE: 24%			

RENTAL POSSIBILITIES

APARTMENT RENTAL IN 'A GRADE' COMPLEXES IN COLOMBO
AVERAGES BETWEEN US\$ 138- 165 PER DAY (2 BED UNITS)
SERVICED APARTMENT RATES WOULD BE AROUND UD\$ 165 – 220.

COMMERCIAL OFFICE SPACE IN A PRIME LOCATION WOULD BE
BETWEEN US\$ 1.4 – 2.0 PER SQUARE FOOT PER MONTH.

ADVANTAGES

- Diversified rental income from mixed rental income streams of residential and commercial avenues. Mitigates seasonal demand fluctuations and geopolitical risks.
- Condominium titles enables to sell individual units as values appreciate booking capital gains as and when required.
- Ability to acquire the existing service providing company along with the experienced staff and gain an additional income from property management and services venture.
- Gain majority in the condominium management corporation thereby have a major influence in decision making process.
- Hand over the management to the existing company or a different property management company and take a passive role while gaining a healthy return from rentals and value appreciation.

OCCUPANCY	100%	70%	50%
ANNUAL RENT INCOME (USD) 17 APARTMENTS @ \$ 165.75 PER DAY	1,028,479	719,935	514,239
INCOME FROM 24 MANAGED APARTMENTS	1,451,970	1,016,379	725,985
ANNUAL RENT INCOME (USD) FROM 78,345 SQ. FT. @ \$ 1.50 PER SQ. FT.	1,410,210	672,642	480,458
GROSS INCOME	3,890,659	2,408,956	1,720,682
MANAGEMENT FEE FOR TOTAL AREA @ 0.099	-134,655	-134,655	-134,655
FIXED COST FOR MANAGED APARTMENTS	-417,679	-417,679	-417,679
5% VARIABLE COSTS FOR APT (PER ANNUM)	-194,533	-136,173	-97,266
NET INCOME	3,143,792	1,720,449	1,071,082
CONVENTIONAL NETT YIELD %	16.1	8.8	5.5
PROPERTY APRECIATION %	10	10	10
NET RETUEN ON INVESTMNET	26.1	18.8	15.5

KEY CONSIDERATIONS

OFFERED AT US\$ 19.5 MILLION IS 113,346 SQ.FT. IN A 5 STAR SERVICED MIXED DEVELOPEMNT COMPLEX IN PRIME LOCATION IN THE CITY OF COLOMBO.

17 APARTMENTS COMPRICING 3 BEDROOMS WITH AN AREA OF 1,598 TO 1,953 SQ.FT INCLUDING TWO PENTHOUSES WITH AN AREA OF 5,002 & 5,,830 SQFT.

13 OF THE APARTMENTS MENTIONED ARE FURNISHED.

IN ADDITION OFFICE SPACE TOTALLING 78,345 SQ.FT. SPREAD OVER FLOUR FLOORS.

REVENUE FROM 24 MANAGED APARTMENTS & RESTAURANT & BAR

AT THE OFFER PRICE THE COST OF A SQUARE FOOT IS US\$ 171 COMPARED WITH A COST OF US\$ 300 FOR A SIMILAR STATUS SERVICED COMPLEX.

THIS PROPERTY WILL BE A VALUE INVESTMENT AS THE OFFER PRICE IS BELOW MARKET AND THE COST OF CONSTRUCTING A NEW BUILDING OF SIMILAR STATURE AND STANDARDS. IT WILL NOT ONLY ADD VALUE BUT WILL ALSO COME WITH THE PRESTIGE OF HOLDING A STAR CLASS UNIQUE PIECE OF REAL ESTATE IN THE PRIME COMMERCIAL HUB OF THE CITY ON GALLE ROAD IN COLOMBO 3.



BUSINESS STRATEGY TO MAXIMIZE RENTAL INCOME

TO GAIN MAXIMUM INCOME FROM THE 78,345 SQ.FT. OF OFFICE SPACE WE SUGGEST THE OPTION OF COMMENCING A CO-WORKING SPACE.

WE ESTIMATE A POTENTIAL INCOME OF US\$ 5.0 PER SQ.FT. COULD BE ACHIEVED WHEREAS A CONVENTIONAL RENTAL COULD ONLY GENERATE AN ESTIMATED US\$ 1.5 PER SQ.FT.

THE LOCATION AND THE INFRASTRUCTURE THAT IS ALREADY IN PLACE WOULD ENABLE THE TRANSFORMATION OF THE AREA INTO A CO-WORKING SETUP WHICH WOULD ENABLE TO GENERATE MUCH BETTER RETURN THAN RENTING TO A CONVENTIONAL OFFICE.

WITH SRI LANKA'S GROWING ECONOMY AND A MARK INCREASE IN START UP COMPANIES THERE IS A STEADY AND GROWING DEMAND TO CO-WORKING AND FLEXI RENTAL SPACE IN THE CITY.

THE PRESENT FACILITIES SUCH AS THE RESTAURANT AND BAR WILL GIVE THIS OPERATION AN UNIQUE ADVANTAGE.



KEY POINTS

WITH A CO-WORKING SETUP THE RENTAL INCOME COULD BE BOOSTED TO US\$ 5 PER SQ.FT FROM THE COMMERCIAL RENTAL RATE OF US\$ 1.5

IT IS ESTIMATED AN ADDITIONAL INVESTMENT OF US\$ 3.0 MILLION WOULD BE NEEDED TO CONVERT THE 78,345 SQ.FT OF SPACE TO AN ATTRACTIVE CO-WORKING SET UP.

THE COVENTIONAL YIELD IS CALCULATED WITH THE ABOVE ADDITIONAL INVESTMENT TAKEN INTO ACCOUNT.

THE POTENTIAL INVESTOR IS LOOKING AT A NET RETURN OF 11.1% AT A VERY MODEREST OCCUPANCY RATE OF 50% FROM BOTH THE APARTMENTS AND CO-WORKING SPACE EXCLUDING PROPERTY APPRECIATION.

IF CO-WORKING SETUP IS NOT PREFERRED THERE ARE MANY OTHER AVENUES THAT COULD BE PURSUED FROM EDUCATION INSTITUTE TO AN EXCLUSIVE LOUNGE BAR OR PUB.

THERE IS UNTAPPED POTENTIAL UTILIZING THE ROOFTOP WITH ITS AMAZING OCEAN AND CITY VIEWS.

A MIX OF RESIDENTIAL AND COMMERCIAL RENTAL OPTION WILL MITIGATE INCOME FLUCTUATIONS

OCCUPANCY	100%	70%	50%
ANNUAL RENT INCOME (USD) 17 APARTMENTS @ \$ 165.75 PER DAY	1,028,479	719,935	514,239
INCOME FROM 24 MANANGED APARTMENTS	1,451,970	1,016,379	725,985
CO-WORKING INCOME (USD) FROM 78,345 SQ. FT. @ \$5 PER SQ. FT.	4,703,100	3,292,170	2,351,550
GROSS INCOME	7,183,549	5,028,484	3,591,774
MANAGEMENT FEE FOR TOTAL AREA @ 0.099	-134,655	-134,655	-134,655
FIXED COSTS FOR MANAGED APTS.	-417,679	-417,679	-417,679
15% VARIABLE COSTS FOR APT (PER ANNUM)	-1,077,532	-754,273	-538,766
NET INCOME	5,553,682	3,721,877	2,500,674
CONVENTIONAL NETT YIELD %	24.7	16.5	11.1
PROPERTY APRECIATION %	10	10	10
NET RETURN ON INVESTMENT	34.7	26.5	21.1

FOR INQUIRIES PLEASE CONTACT



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