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AUM
HOSPITALITY
CONSULTANTS



Importance of Hospitality in Weekend Homes

Introduction

- ▶ Hospitality and real estate go absolutely hand in hand. Second Homes or weekend Homes are fast growing near Mumbai, Pune and Coastal areas of Konkan belt with assured returns on investment and **rent back schemes**. The real success story of any second home happens when majority of customers or end users **start enjoying** the benefits of their own Villa or Studio Apartment. This helps you increasing in foot falls in the property in terms of potential customers.
- ▶ Ideally all such properties have amenities like Club House, Swimming Pool, Gymnasium, Children's Park, Restaurants, Events and Entertainment Centre etc.
- ▶ A Real Estate Developer would normally develop the property campus in terms of infrastructural development like roads, electricity, power back up, water supply etc and then hand it over to their customers.



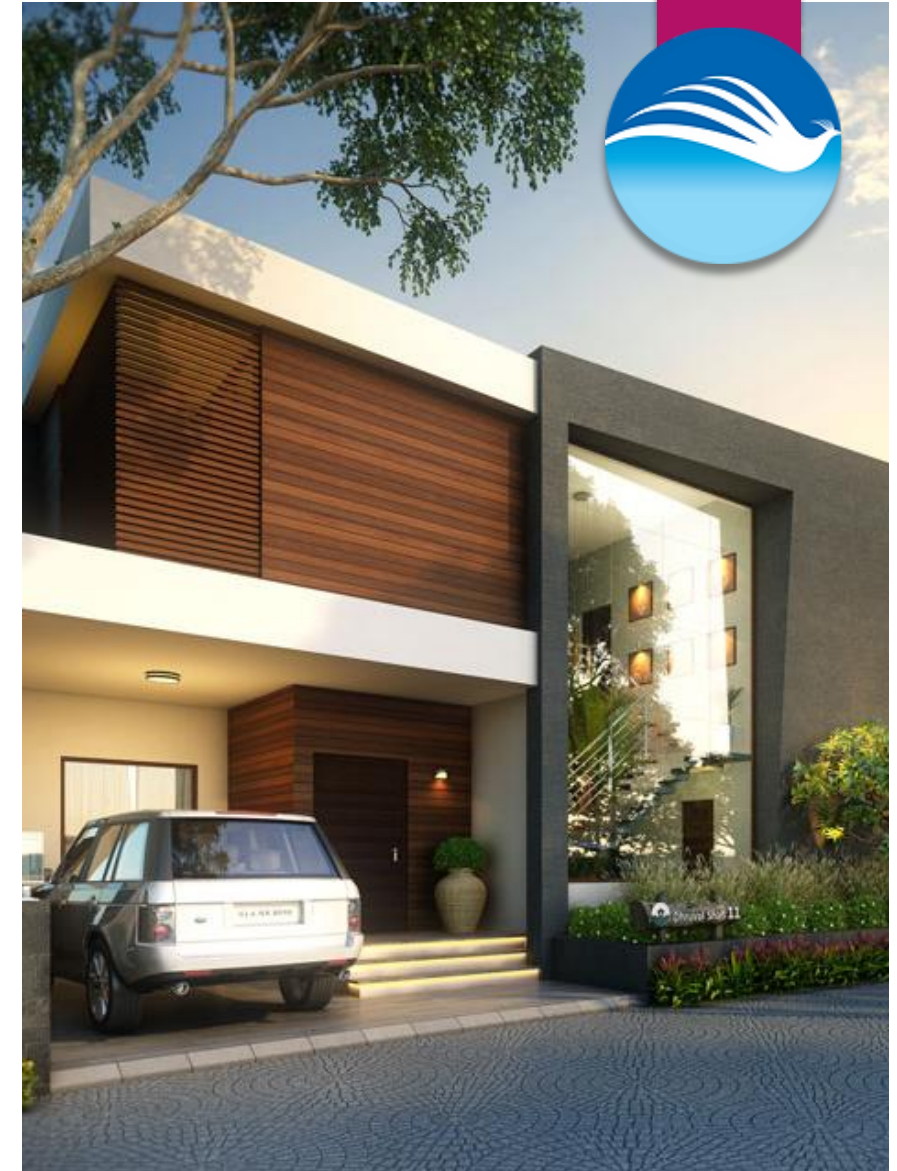
How does it work for a developer?



1. For Club House, Developer could always charge a fixed amount of Life membership fee between RS 50,000 to RS 1, 00,000 from each plot holder depending on its size. Hence a Developer is collecting partly CAPEX from customers. Spare inventory could be sold in open market in terms of room nights for a fixed period
2. In addition to this Club House, Developer can construct 15-25 Eco Friendly Rooms/Cottages or Tents which makes it a complete commercial Resort.
3. Investment of this Resort should be considered as a booster to real estate project. When prospective real estate customers are entertained in this resort, the conversion ratio will be high as customers gain confidence over the delivery of services
4. Normally in a fully developed 2nd home project, year-round occupancy of Apartment and Villa owners is only 10%. But due to the presence of resort business, there would be continuous footfalls and the entire project would always remain live. This also encourages Apartment & Villa owners to visit the project frequently.
5. Entire property management including garden, maintenance etc will be taken care by existing resort team & the Developer does not have to hire any additional agency.
6. Once the resort is fully operational, plot holders would be encouraged to build Villas on their plots and Developer could earn excellent margins on the construction.
7. It is also recommended to encourage Villa owners (once it is constructed) to offer revenue sharing scheme. The entire Villa will be maintained by the resort and revenue shared whenever the inventory is sold in the open market. There is also another option of leasing the Villas or Apartments from the owners. In such cases, Apartments or Villas would be fully furnished and furnished as per industry norms.
8. If the developer is not keen to manage this resort, then it is recommended to find a suitable Resort Management Operator who would manage resort with his brand name. This model is highly successful in India. For an inventory of 15-25 Keys, one may not get a branded operator but surely locate an experienced operator from the field.
9. Alternatively, Developer could lease the resort and get a fixed monthly lease rent but there are lots of disadvantages like no control over the resort management and the kind of business they will be doing, wear and tear will be very high since they are not the owners. In lease model, Developer may get the fix rent which does not give any justification to the investments done. The major chunk of profit is retained by the leasee as Developer will get only fixed & ltd lease rent.
10. R.O.I. (Returns on Investment) will be between 5-6 years based on GOP calculations.

Holiday Homes A Growing Trend In India !

- ▶ We don't know – when will the Covid-19 pandemic end? And that's why many corporations are ready to extend their work-from-home option. And the positive aspect here is – an opportunity for many second-home buyers to choose a holiday home where they can manage their personal & professional life without any disturbances.
- ▶ We all are concerned about our occupation, family, and health. There are lots of people who prefer to rent a holiday home on a monthly, quarterly, and yearly basis. This is a supportive driven force from the investment point of view, holiday homes adequately away from the big metros are a very safe investment with good capital appreciation. These holiday homes or second homes whatever you call are very much in demand, let's find out why through the given below points.
- ▶ **A desire for spacious homes and safety**
- ▶ For the last 2 years, almost everyone was confined to their homes while fulfilling their professional life responsibilities. In this condition, people (high net-worth individuals) who are capable to buy a second home/holiday home are looking for the same with extra space to set up their workstations or create separate home offices. These individuals are looking for holiday homes from reputed real estate developers because their properties are equipped with modern technology and the best services.
- ▶ **Some of the best features for these working professionals are: -**
- ▶ Separate office space or common space to use as an office, organize a meeting or other official work, Concierge Services, Internet Connection, Club House, Gym, Swimming Pool



Holiday Homes A Growing Trend In India !

- ▶ **High-Rental Income + Luxury of holiday home**
- ▶ As we know, 2020-21 has taught us one thing and that is – life is unpredictable and that we need to be very adjustable and positive to survive and grow. Due to the international travel ban, domestic travel will continue to be the biggest growth driver in the holiday home rental market. So, having your own holiday home in one of the most desirable holiday destinations or tourist places will give you the best rental income and you can use this home whenever you want, Afterall it is yours.
- ▶ **Some of the figures & facts of holiday homes rental market**
- ▶ Revenue in the Holiday Homes Rentals segment is estimated to reach \$1,213m in 2022.
- ▶ Revenue is expected to show an annual growth rate (CAGR 2022-2026) of 6.86%, giving
- ▶ rise to an estimated market volume of \$1,582m by the end of 2026.
- ▶ In the Holiday Homes Rentals segment, the number of users is expected to
- ▶ amount to 55.6m users by the end of 2026.
- ▶ User penetration will be 3% in 2022 and is expected to reach 4% by 2026.
- ▶ The average revenue per user is expected to reach \$30.59.
- ▶ In the Holiday Homes Rentals segment, 48% of total revenue will be made through
- ▶ online booking by 2026.
- ▶ If we compare globally, most revenue will be generated in the US with a figure of
- ▶ \$17,660m in 2022.
- ▶



Who we are & what we do?



- ▶ Choose a Hotel Consultant that has skills with Industry Background & Can help you with your Business
 - ▶ **Aum Hospitality Consultants** is a full-service **Hotel & Resort Project & Management Consulting Company**. The company consults Business Hotels, Boutique Hotels, Budget Hotels, Theme Resorts, Camping Resorts, Clubs, Theme Restaurants, Conference & Banquet Halls & so on and deliver clients with the result driven Hospitality Management Services in all areas of hotels. In a nutshell, from Concept to Commissioning.
 - ▶ We provide a detailed Consultancy in Hotel Project Technical Planning and ensure the delivery of optimum returns on the investment. Our focused attitude ensures leverage of hotel assets, greater occupancy, and enhanced levels of service quality and operational performance.
 - ▶ **Aum Hospitality Consultants** was founded on the principle that consultants should deliver sustainable and measurable results—not just reports & lots of paperwork to our clients. We believe a consulting firm should be more than an advisor. Our approach to consulting is to deliver enduring results for our clients and build lasting relationships with them. We look at each organization from the Chief Executive's perspective and care for our clients' businesses as our own. We align our incentives with their objectives, meaning that we prosper only if our clients prosper. Our recommendations are individually tailored for each client's situation.
- ▶ We primarily focus on following Verticals of Hospitality Business as a Consultant:
 1. Greenfield Large Hotels & Resort Projects – 50-250 Rooms
 2. Greenfield Boutique Hotels & Resort Projects – 10-50 Rooms
 3. Greenfield Luxury Glamping & Camping Facilities
 4. Greenfield Restaurants, Food Malls, Food Court Projects
 5. Hotel Operator Search
 6. Kitchen Designing & Menu Engineering
 7. Setting Up Hotel, Resort, Restaurant Operations with Audit Trails for existing units
 - ▶
 1. Cloud Kitchen Set Up
 2. Talent Acquisition - Sr Positions Placement & Recruitment Services
 3. Learning & Development

Role of Aum Hospitality Consultants



If you are a developer & new to weekend homes concept

- ▶ We help you identify suitable land parcel
- ▶ Assistance in designing your weekend home's theme from concept till commissioning including designing the ticket size of spaces, planning of Club House, Utility Spaces etc.
- ▶ Total Infrastructure & facility planning of the spaces
- ▶ Assistance in calculating rent back scheme & how many units to be allotted for weekend home buyers
- ▶ Assistance in selling weekend homes concept through suitable developer with JV agreement.
- ▶ Assistance in identifying suitable hospitality partner for management of the proposed resort
- ▶ Assistance in successful launching of resort inventory in market

If you are an existing developer & wants to venture into weekend homes

- ▶ Assistance in designing your weekend home's theme from concept till commissioning including designing the ticket size of spaces, planning of Club House, Utility Spaces etc.
- ▶ Total Infrastructure & facility planning of the spaces
- ▶ Assistance in calculating rent back scheme & how many units to be allotted for weekend home buyers
- ▶ Assistance in selling weekend homes concept through your internal team members.
- ▶ Assistance in identifying suitable hospitality partner for management of the proposed resort
- ▶ Assistance in successful launching of resort inventory in market

SCOPE OF SERVICES AS A HOSPITALITY CONSULTANT: SUMMARY OF SERVICES OFFERED



- ▶ **INITIAL START-UP SERVICES & PROJECT CONCEPTUALIZATION**
- ▶ **HOTEL OPERATOR SEARCH SERVICES**
- ▶ **TECHNICAL SERVICES & FACILITY PLANNING**
- ▶ **PRE-OPENING, HOTEL OPERATIONS & MANAGEMENT SERVICES**
- ▶ **POST-OPENING STAGE {LIMITED FOR THREE MONTHS}**



Initial Start-up Services & Project Conceptualization

- ❖ Initial Start-Up Services
- ❖ Conceptualization of a Project
- ❖ Hotel Operator Search

Technical Services & Facility Planning

- ❖ Construction and Design Services
- ❖ Physical Infrastructure & Facility Planning
- ❖ PMC & Planning of Infrastructure
- ❖ Planning of Technical Areas & Implementation
- ❖ Food & Beverage Designs & Plans

Pre-Opening (Hotel Operations & Management Services)

- ❖ Hotel Operations and Management Services
- ❖ Food & Beverages (Core expertise)
- ❖ Marketing Services
- ❖ Final Touch Up

Post-Opening Services

- ❖ Increasing Profit and Sales
- ❖ Value Additions {Performance Enhancement & Audits}

*Thank
you*



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