



RENTAL PROGRAM FAQ

Q: What is the Homeowner's Rental Program (HRR) all about?

A: The HRR will be a joint-venture between Thunderbird Pilipinas Hotels and Resorts, Inc. (TPHRI) and our valued homeowner. Villas enrolled with the program will be managed & operated by TPHRI and will offered to its target market as part of room inventory. The Resort will maintain the unit following hotel industry standards and will ensure the smooth operation of all of the hotel's services and amenities to its guests. There is no joining fee.

Q: How long is the validity of the rental program once enrolled?

A: The contract of the rental program is valid for one (1) year and subject to be renewal upon parties mutual agreement without additional costs.

Q: How often can I use my enrolled unit?

A: Homeowners have the right to use their unit for based on their preference, as stipulated in the Rental Program Agreement to be executed by both parties. Availability is subject to a fifteen (15) day advance notice.

Q: What is the profit sharing and earnings distribution schedule?

A: Gross revenues are split on a 50/50 basis. Generated gross revenues are released on a per quarter basis.

Q: How are earnings paid out to the unit owners?

A: Earnings are payable in checks to be mailed to unit owners or paid directly to the bank accounts of unit owners. Earnings will be in peso currency. For foreign currencies, prior arrangement can be made with the hotel operator on a case to case basis.

Q: Are there any association dues incurred within the rental program?

A: None. Since all expenses are charged to hotel operator and part of operating cost covered in the estimated 50% hotel operator's share.

Q: Can a home of customized design be enrolled to the program? What is the direction for interiors and furniture?

A: Yes, customized homes are welcome to the program as long as the design follows general hotel standards and is subject to approval. Management gives emphasis on following a general design guide for recommended furniture pieces and layout.

Q: Will the unit owner still earn if his unit was not rented?

A: Yes. Unit owners will still receive quarterly income based on the type of unit regardless of whether the unit was rented out or not. This is because the hotel operator will pool together its entire total income from rental operations and distribute this to unit owners as dividends according to the pro-rata percentage sharing on unit types.

Q: Who will shoulder the repairs and maintenance of unit?

A: Repairs are shouldered by the hotel operator costing under five thousand pesos (P5,000.00) for each occurrence.

Q: What is the projected return of investment (ROI) for the unit owners?

A: Based on the current occupancy rate of Thunderbird Pilipinas Hotels and Resorts, Inc., an average of 14% per year return on investment is *projected*. This projection may also vary depending on the actual rates and occupancy of the hotel.

INCOME PROJECTION ASSUMPTION (in Pesos)

Lot Area	350 Sqm	
Lot Cost per sqm	8,500	
Floor Area	175 Sqm	
Construction Cost per sqm	35,000	
Approx. Total investment	Php 9,100,000	
Profit Sharing	50/50	
No. of Days Used By Owner	30	
SCENARIOS	REALISTIC	CONSERVATIVE
<i>Villa Occupancy Rate</i>	70%	50%
Days of Occupancy	235	168
Daily Rate	15,000	15,000
Gross Earnings	3,517,500	2,512,500
Less Hotel Operator Expenses	1,758,750	1,256,250
Net Annual Earnings	1,758,750	1,256,250
<i>Net Quarterly Earnings</i>	439,688	314,063
<i>Payback Period</i>	5.2 years	7.2 years
<i>Annual ROI</i>	19.33%	13.80%

The figures stated in this investment scenario is merely for illustration purposes. Prices are subject to change without prior notice. The developer shall exert all reasonable efforts to conform to the specifications indicated herein. However, the developer also reserves the right to alter plans, if deemed necessary, in the best interest of the product and investor.