



NORDLUXE HOTEL

Hotel Investment Simplified

ABOUT US

Nordluxe is a leading provider of European Standard Hotel Solutions to the GCC Market. From our 5 Star Pods to customized interiors and outdoor amenities, Nordluxe is well positioned to design, facilitate and implement your high yielding investment in the hospitality sector.

Nordluxe Introduction:

Glamping Resort
Existing Hotel Expansion



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1. Highlights

- Investment in a managed 10 Pod Glamping Hotel
- Total investment AED 2.83 Million
- 42 Month Payback
- Net Return on Investment On Grid

Year 1	Year 2	Year 3	Year 4	Year 5
25%	31%	36%	41%	44%

- NET Return on Investment Off Grid

Year 1	Year 2	Year 3	Year 4	Year 5
22%	27%	32%	36%	38%

- Total time before being operational = 4 months

2. Preamble

The purpose of this document is to provide insight into the popular emerging trend of Glamping and modular housing solutions which are applicable to the hospitality industry. Furthermore, this document will highlight the investment case made by using Nordluxe Pods commercially.

3. Introduction to Nordluxe LLC

With over 50 years of combined experience in the Hospitality and Investment industries, the Nordluxe team is capable of successfully delivering all aspects of your Hospitality Investment. “Nordluxe” meaning Northern Luxury, is a company which produces quality “Northern Products” (Scandinavian). The most prominent of these products are **Nordluxe Pods**, purpose built structures which offer guests “Premium & Luxurious” hotel facilities, whilst still being able to enjoy the beauty of nature experienced when camping.

Apart from comprehensive Hotel Design; Nordluxe is also an established supplier of materials such as marble & carpets, indoor & outdoor furniture, boats, and other amenities used within the hospitality industry. Nordluxe is based in Dubai UAE and currently servicing clients in 6 GCC countries.

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4. Nordluxe Pods

Nordluxe Pods are purpose built structures designed according to the latest Scandinavian building techniques and standards. Pods are designed as an external structure to be used residentially or commercially. They can be placed in multiple locations such as the desert, mountains, forest, beach or in the garden of a villa. Pods are not permanent structures and can be moved infrequently.

Pods are offered:

On Grid - Meaning Pods are connected to the existing utilities available on site.

OR

Off Grid – Meaning Pods use Solar, Septic and Water Genny; to provide on-site utilities independent of traditionally required infrastructure.

Pods are used:

Residentially Pods are used as an additional room to a villa, at a farm or holiday home.

Existing Hotels use Pods as a fast and cost effective way of expanding the number and type of rooms. Hotels with vacant land, beach or desert are able to quickly and efficiently expand their room inventory with minimal disruption in day to day operations.

Investors use Pods as a method of gaining or adding hospitality sector exposure to their portfolios. This is done via a low cost, high yielding Boutique Nordluxe Pod Hotel investment.

Commercially Pods are used as a way for land owners to utilize otherwise vacant and non-yielding land to develop a Boutique Hotel.

Additional uses of Pods which can be custom designed are, Yoga Studio, Gym, Bar, Home Office, Majlis, Shisha Room.

Pod dimensions are **6.3^m(L)*3.3^m(W)*3.5^m(H)= 20.79m²**. A galvanized steel frame structure is used in construction of the frame. Flooring and roofing are constructed using Magna Board, which is Fire and Water Rated according to European building codes. The external area which consists of the decking, fire pit and pool area is a further 20.8m²; this equates to a **Total Area of 41.6m² or 447.77^{Sqft}** per Pod.

The sides and front of the Pod are floor to ceiling windows which are 8mm thick Thermo glass. These windows have a heavy tint which gives occupants privacy and reduces internal heating from the sun, this also gives the Pod its reflective aesthetic appeal. For further privacy windows can be fitted with a switch glass application which allows the windows to be completely frosted with the flip of a switch.

The interior is fitted and furnished according to 5 Star Hotel Standards which amplifies the feeling of “Luxury” experienced by occupants.

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The interior fittings of the Pod include:

Pods used commercially in a resort project can be internally customized to match the theme of the resort. Design and fit out will reflect the brand status under which the resort is marketed.

Bedroom with TV, Bose Sound System, Double Bed and Cupboards.

Kitchenette with a Fridge, Microwave, Wash Basin, Cupboards with Crockery and Cutlery, and Nespresso Coffee Machine.

Bathroom with Toilet, Basin and Shower.

Pod includes Lighting, AC, Water heater.

The Exterior fittings of the Pod include:

- Decking
- Plunge Pool
- Fire Pit
- Shade Cover for decking
- Outdoor seating

Nordluxe Services

Nordluxe provides a turnkey solution which includes

- Assisting clients with the design and layout of their Glamping Resort
- Landscaping
- Foundations and installation of Pods
- Utility connections
- Agreement with hotel management company (Swiss International Hotel)
- Marketing
- Maintenance contracts

Additional services offered include:

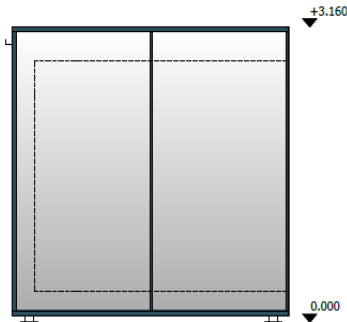
- Business mentorship
- Website design
- Social Media campaigns
- Expanded fit out of hotel
- Kitchen equipment and set up
- Spa

Nordluxe Introduction:

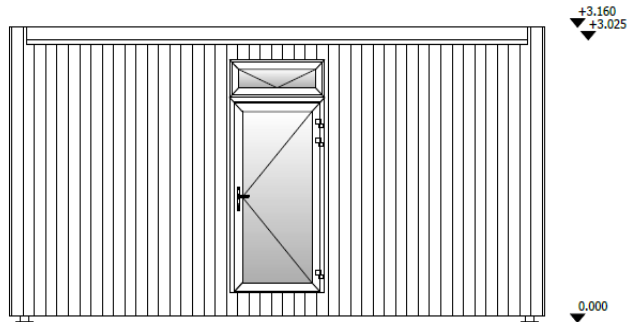
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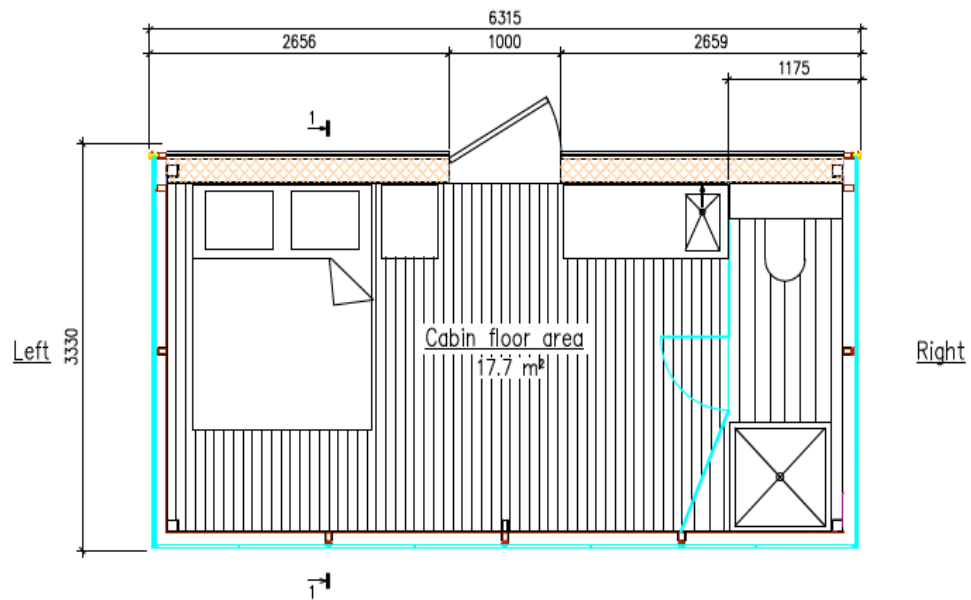
Exterior Elevation Left



Exterior Elevation Back



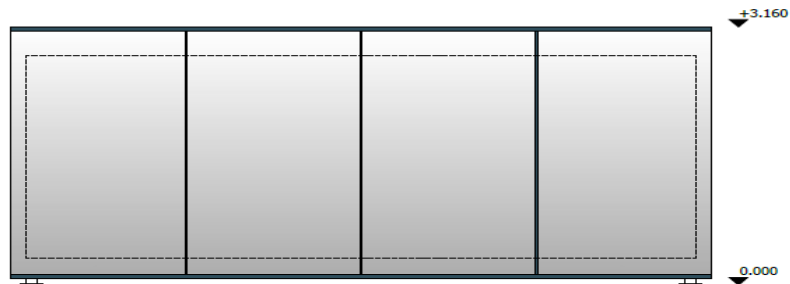
Back



Front

Act
Go to

Exterior Elevation Front



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Exterior



Interior



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Boutique Glamping Resort



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5. Turnkey Pod Pricing

Nordluxe Pods are offered in 2 categories;

- **On Grid**- Pod will need to be connected to utilities such as electricity, waste and water.
 - AED 242,712 (\$66,134)

On Grid	\$	AED
Base Sales Price	58,223	213,678
<i>(VAT)</i>	<i>2,911</i>	<i>10,684</i>
Sales Price including VAT	<i>66,134</i>	<i>242,712</i>

- **Off Grid**- Pod comes fitted with solar, septic and on site water generation.
 - AED 278,311 (\$ 75,834)
 - OFF Grid is suitable for locations where there is no access to existing utility infrastructure.

Off Grid	\$	AED
Base Sales Price	58,223	213,678
Septic & Solar	5,000	18,350
Water Gen incl Installation	4,000	14,680
Pool	5,000	18,350
<i>(VAT)</i>	<i>3,611</i>	<i>13,253</i>
Sales Price including VAT	75,834	278,311

6. Boutique Glamping Resort Proposal & Case Study

Introduction

This proposal seeks to explain the commercial viability of using Nordluxe Pods as a low cost/high yield investment in the hospitality sector. The case study below is made for a Boutique Hotel consisting of 10 Pods. It is assumed this Hotel will be located in the desert or other piece of suitable vacant land which is available for rent and is currently not being utilized.

Boutique Glamping Resort Description

The theme is a luxury desert/sea side/mountain boutique glamping Hotel. A resort where guests can experience nature, scenery and relaxation whilst being in luxurious secluded accommodation.

The proposed Boutique Hotel would consist of 10 Pods, all of which come fully fitted and furnished in accordance with 5 Star Hotel Room interiors.

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Pods are individually placed on the property, each Pod exclusively facing in its own direction, which ensures privacy and a feeling of being secluded from other Pods/Guests. The exterior of the Pod is surrounded by decking, on which an outdoor swimming pool, fire pit and chairs are located for outdoor entertainment. The total Room space including decking and pool is 448^{Sqft}.

Location & Land Rental

The land on which the Boutique Hotel is to be located would typically be leased from an owner who is otherwise unable to utilize or lease the land due to its relatively remote location.

Whilst not a minimum size, the quantity of land used for the Boutique Hotel in this instance is 50,000^{Sqft}. Each Pod with decking has a footprint of 448^{Sqft}. To sufficiently adhere to the theme of the Hotel, it is assumed each of the 10 Pods will require 5,000^{Sqft} of land.

It is assumed that the cost of leasing land in such a location will be AED 2.50 Per^{Sqft} which equates to;

- Yearly lease amount of AED 125,000
- or**
- Monthly amount of AED 10,417

$$(5000*10)*(AED 2.50)= AED 125,000$$

** In the event leasing of land is not required, the ROI should be revised higher.*

7. Financial Forecast

General Assumptions

- Average Daily Rate AED 900
- Operational Room Cost AED 400
- Occupancy Year 1- 55%
- Hotel Management Fee 10%
- Staff Cost Per Annum AED 300,000 & increasing 10% YoY
- Marketing Cost Per Annum AED 100,000 & increasing 10% YoY
- Maintenance is assumed at AED 35 per occupied night, this also covers the fund for future maintenance
- Cleaning is assumed at 1 hour per occupied room at a rate of AED 50 per hour, this includes cleaning materials
- Utilities cost AED50 per occupied room.
- Utility Connection AED 2500 per Pod (On Grid only)
- Utility Storage AED 2500 per Pod (Off Grid only)
- Landscaping AED 2000 per Pod
- Additional Expenses 2% of Total Revenue

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Financial Forecast & Returns- On Grid

5-Year Forecast "Glamping Resort"					
	Year 1	Year 2	Year 3	Year 4	Year 5
Number of Pods	10	10	10	10	10
Available rooms	3,650	3,650	3,650	3,650	3,650
Occupied rooms	2,008	2,190	2,373	2,555	2,555
Occupancy	55%	60%	65%	70%	70%
Number of Guests	4015	4380	4745	5110	5110
Average room rate	800	850	875	900	950
RevPar	440	510	569	630	665
Total revenue	1,606,000	1,861,500	2,075,938	2,299,500	2,427,250
<i>Expenses</i>					
Land Rent	125,000	125,000	125,000	125,000	125,000
Management Fee 10%	160,600	186,150	207,594	229,950	242,725
Staff Costs	300,000	330,000	363,000	399,300	439,230
Marketing Costs	100,000	110,000	121,000	133,100	146,410
Cleaning	100,375	109,500	118,625	127,750	127,750
Maintenance	70,263	76,650	83,038	89,425	89,425
Utilities	100,375	109,500	118,625	127,750	127,750
Additional Expenses	32,120	37,230	41,519	45,990	48,545
Total Expenses	988,733	1,084,030	1,178,400	1,278,265	1,346,835
Net Profit for Investor	617,268	777,470	897,538	1,021,235	1,080,415
Return on Investment	25%	31%	36%	41%	44%
<i>Set Up Costs</i>					
Site Landscaping	20,000				
Utility Connection	25,000				
Pod Purchase X 10	2,427,120				
Total Set Up Cost	2,472,120				

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Financial Forecast & Returns- Off Grid

5-Year Forecast "Glamping Resort"					
	Year 1	Year 2	Year 3	Year 4	Year 5
Number of Pods	10	10	10	10	10
Available rooms	3,650	3,650	3,650	3,650	3,650
Occupied rooms	2,008	2,190	2,373	2,555	2,555
Occupancy	55%	60%	65%	70%	70%
Number of Guests	4015	4380	4745	5110	5110
Average room rate	800	850	875	900	950
RevPar	440	510	569	630	665
Total revenue	1,606,000	1,861,500	2,075,938	2,299,500	2,427,250
<i>Expenses</i>					
Land Rent	125,000	125,000	125,000	125,000	125,000
Management Fee 10%	160,600	186,150	207,594	229,950	242,725
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Maintenance	70,263	76,650	83,038	89,425	89,425
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Additional Expenses	32,120	37,230	41,519	45,990	48,545
Total Expenses	988,733	1,084,030	1,178,400	1,278,265	1,346,835
Net Profit for Investor	617,268	777,470	897,538	1,021,235	1,080,415
Return on Investment	22%	27%	32%	36%	38%
<i>Set Up Costs</i>					
Site Landscaping	20,000				
Utility Storage	25,000				
Pod Purchase X 10	2,783,110				
Total Set Up Cost	2,828,110				