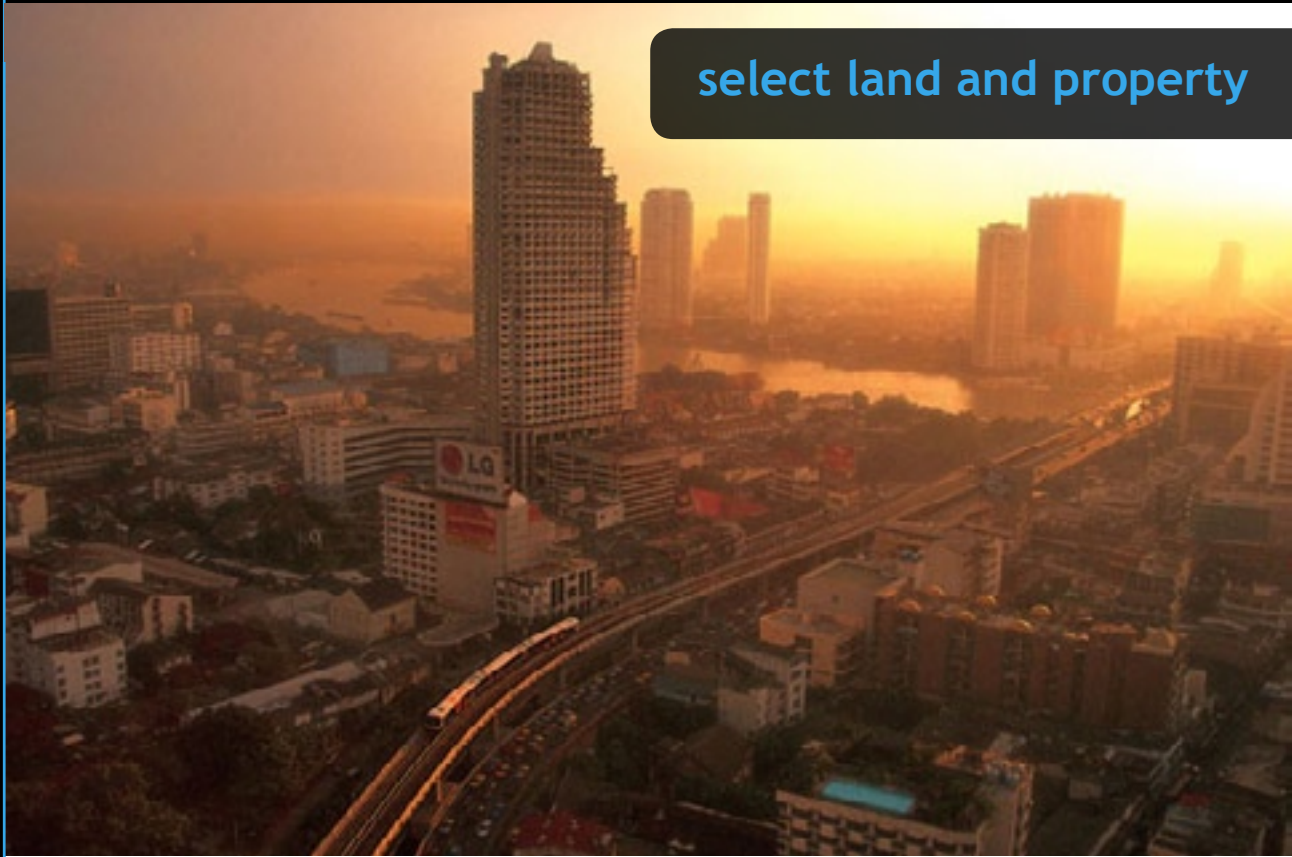


INDIA

Independent Report

select land and property



Contact Details:

Tel: +44 (0) 23 8076 0468

Email: info@brooksglobalproperty.com

Web: www.brooksglobalproperty.com



WHY INVEST IN INDIAN PROPERTY?

“90% of all Millionaires become so by owning property”, said Andrew Carnegie (one of America’s first Billionaires).

It is no shock that over half of the people on “The Time’s Rich List”, have made their money via property. A house acquired for approximately £5000.00 in the 70’s, would be worth approximately £250,000.00 today, an increase of almost 5000%. In certain locations in INDIA, apartments and commercial properties have doubled in value in the last year alone (on average property values in England double every 4-7 years).

SUPPLY AND DEMAND

The main reason for the constant increase in property values, can be explained by using basic economics. If the demand for a commodity exceeds the supply, the price will always rise. Population growth compared to the lack of new housing availability, continues to generate price increases (Mumbai, along with 45 other cities in India, is experiencing this).

India’s property prices are on fire, even though they are still cheap compared to the prices in other emerging countries. Property is appreciating by 25-40% p.a. We believe that the factors behind this growth is the huge Indian population and its middle class. As the needs, desires, requirements and earning capacity of the masses increases, so do the property prices. This will probably continue for the next 30-50 years, until the Indian earning capacity and economy comes to par with the rest of the world.

LEVERAGE AND USE OF OTHER PEOPLE’S MONEY (OPM)

One of the reasons why more people are investing in property both at home and abroad is the increased availability of financing (mortgages).

A QUICK COMPARISON

	£100,000 Property	£100,000 Shares
Deposit Required to Purchase Asset £100,000	£20,000 (80% Mortgage)	
Assume Asset Growth by 20%	£20,000	£20,000

Percentage Return

100%

20%

The above comparison illustrates that your return on a property investment is 5 times greater than shares, assuming that the rental returns are paying the cost of the borrowing.

RISK

Based on the illustration above, £100,000 invested in shares/pensions could rise in value. On the other hand, the decline of the dot.com industry and the recent collapse in pensions, illustrates how quickly the £100,000 investment can be reduced to almost zero. The probability of a £100,000 property becoming worthless is almost nil. When one is buying off-plan, the developer's incentives to the early off-plan investor with discounts, thereby allowing the investor a built-in profit margin on completion of the property, thus minimising risk. The developer will do this for the early investors as it also locks in his own minimum development profits. It's a win-win situation.

FINANCIAL BENEFITS OF PURCHASING IN INDIA

- Low Property Taxes and Low Capital Gains (20%)
- Safe Investment - Notary Supervised similar to France and Spain
- Active Resale Market
- Rental Occupancy reaching 85-95% most years
- 70-80% Mortgages available