

Feasibility study (CASE1)



3 LOTS and 3 New Houses
Sell All Houses at Title Issue stage

			Total
Main Land			\$ 1,000,000.00
Produce 3 sections			
- include civil works, power, telecom, drives, dev contributions, water care, survey, legal, council			
Rates & Insurance	\$ 4,000.00	1	\$ 4,000.00
Proposed Interest	\$ 34,000.00	1	\$ 34,000.00
Development contribution	\$ 150,000.00	2	\$ 300,000.00
Valuation Costs	\$ 1,200.00	3	\$ 3,600.00
Advertising	\$ 1,500.00	3	\$ 4,500.00
Agents commission	\$ 15,000.00	3	\$ 45,000.00
Legal	\$ 1,500.00	2	\$ 3,000.00
Demolition existing house & clear site			
Clear site completely	\$ 15,000.00	1	\$ 15,000.00
Contingency on subdivision	\$ 30,000.00	1	\$ 30,000.00
Expense Total			\$ 1,439,100.00

Net Sale Stage 1		Section Price
Lot 1	Sell to others	\$ 600,000.00
Lot 2	Sell to others	\$ 600,000.00
Lot 3	Sell to others	\$ 600,000.00
Total		\$ 1,800,000.00
Profit on subdivision stage 1		\$ 360,900.00

Another information

Total House & land Package price

	Section Price	House Price	Others	=	New Buyer Purchase Price
Lot 1	\$ 600,000.00	\$ 400,000.00	\$ 50,000.00	=	\$ 1,050,000.00
Lot 2	\$ 600,000.00	\$ 400,000.00	\$ 50,000.00	=	\$ 1,050,000.00
Lot 3	\$ 600,000.00	\$ 400,000.00	\$ 50,000.00	=	\$ 1,050,000.00

BANK FUNDS

Expense Total	Own Funds	Bank Lending	Interest
\$ 1,439,100.00	\$ 575,640.00	\$ 863,460.00	\$ 34,538.40

Summary

Own Funds	Gross Profit	Duration
\$ 575,640.00	\$ 360,900.00	1 Year