

## PROPERTY DEVELOPMENT FEASIBILITY STUDY

Development:	Demo	page 1
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

### Categorised Profit & Loss (Inclusive of GST) - Full Taxation

Amounts are in \$'s

Income:	Development Sales	7,700,000	
	Lending Interest	33,785	
	Other	1,000	
	Less: GST Collected in Income	-700,091	7,034,694
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Less Development Costs:	Residual Land Value	1,436,710	
	Stamp Duty Fees and Establishment Fees	78,300	
	Conveyancing Fees (Purchase)	3,000	
	Consultants Fees	199,090	
	Construction	3,266,884	
	Rates and Taxes	53,232	
	Selling Fees	154,000	
	Conveyancing Fees (Sale)	8,000	
	Other	5,000	
	Contingency Amount	32,669	
	Less: GST Input Tax Credits	-464,123	4,772,762
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Margin Before Interest			2,261,932
	Less Borrowing Interest		375,474
<hr/>			
Profit Margin			1,886,459
<hr/>			
Total Development Cost			5,148,236
Internal Rate of Return			40.00%
Margin on Development Cost			36.64%
<hr/>			
GST collected in Income			700,091
GST Input Tax Credits			464,123
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Peak Level of Debt :	3,479,112		(Occurs on Nov 2012)
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Equity Amount :	1,258,830		(67.81% IRR on Equity)
Margin on Equity :	1,886,459		(149.86% MoE)
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Site Area :	10,000 square metres.		
Land Purchase Price per square metre :			144
Total Development Cost per square metre :			515
Development Sales Income per square metre :			770

Demo Report - Contents not to be used elsewhere  
**PROPERTY DEVELOPMENT FEASIBILITY STUDY**

Development: Demo  
 Description: Twenty Townhouse Units  
 Location: Sydney  
 Capital City: Sydney  
 Prepared By:

page 1  
 11:47  
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**Categorised Cashflow**

Amounts are in \$'s

Development Length spans 24 months (2 years)  
 Development Cashflow begins July 2011 and ends June 2013

Period Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Subtotals
Month	2011 Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	2012 Oct	
Remaining Sales Units	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Construction Esc.	1.0000	1.0017	1.0033	1.0050	1.0067	1.0084	1.0100	1.0117	1.0134	1.0151	1.0168	1.0185	1.0202	1.0219	1.0236	1.0253	1.0253
Rent/Land Esc.	1.0000	1.0033	1.0067	1.0100	1.0134	1.0168	1.0202	1.0236	1.0270	1.0304	1.0338	1.0373	1.0407	1.0442	1.0477	1.0512	1.0512
Absolute Sellon Esc.	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Ownership Factor	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
AUV	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710
ACV	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710	1,436,710
AAV	71,836	71,836	71,836	71,836	71,836	71,836	71,836	71,836	71,836	71,836	71,836	71,836	71,836	71,836	71,836	71,836	71,836
Land Purchasing	5,000	15,000	100,000	100,000	100,000	1,198,011											1,518,011
Consultants' Fees				34,041		41,141	31,606	2,420	43,988	5,073	5,073	5,073	5,073	5,073	5,073	5,073	188,710
Construction Costs						16,021	51,750	89,700	134,966	207,493	302,087	393,514	422,558	437,865	411,208	335,104	2,802,267
Council Rates						10,601								11,983			22,583
Water & Sewer						116		347			347			347			1,157
Land Tax						13,409											13,409
Selling & Conv.																	0
Other Costs	5,000																5,000
Contingency Costs						160	517	897	1,350	2,075	3,021	3,935	4,226	4,379	4,112	3,351	28,023
GST Debits in Inc.																	0
<b>COSTS B4 INT.</b>	<b>10,000</b>	<b>15,000</b>	<b>100,000</b>	<b>134,041</b>	<b>100,000</b>	<b>1,279,459</b>	<b>83,874</b>	<b>93,364</b>	<b>180,305</b>	<b>214,641</b>	<b>310,528</b>	<b>402,523</b>	<b>431,857</b>	<b>459,646</b>	<b>420,393</b>	<b>343,529</b>	<b>4,579,160</b>
Sell-On Income																	0
Rental Income																	0
Other Income																	0
GST Tax Credits		-455			-3,095		-136,094	-7,625	-8,456	-16,391	-19,513	-28,198	-36,593	-39,260	-40,665	-38,218	-374,562
<b>INCOME B4 INT.</b>		<b>-455</b>			<b>-3,095</b>		<b>-136,094</b>	<b>-7,625</b>	<b>-8,456</b>	<b>-16,391</b>	<b>-19,513</b>	<b>-28,198</b>	<b>-36,593</b>	<b>-39,260</b>	<b>-40,665</b>	<b>-38,218</b>	<b>-374,562</b>
Net Outlay	10,000	14,545	100,000	134,041	96,905	1,279,459	-52,220	85,740	171,848	198,250	291,016	374,325	395,264	420,386	379,728	305,311	4,204,598
Equity Input	-10,000		-100,000	-148,830		-1,000,000											-1,258,830
Cum. Debt B4 Int.		14,545	14,545	-243	96,662	376,121	323,900	409,640	581,488	779,738	1,070,754	1,445,078	1,840,342	2,260,729	2,640,457	2,945,768	
Interest		121	122		969	3,773	3,289	6,269	8,940	12,048	18,438	24,984	31,988	39,528	46,515	52,379	249,365
Cum. Interest		121	243	243	1,212	4,986	8,275	14,543	23,484	35,532	53,970	78,954	110,943	150,471	196,986	249,365	
Cum. Net Debt		14,667	14,789		97,874	381,107	332,175	424,183	604,972	815,270	1,124,724	1,524,033	1,951,285	2,411,199	2,837,443	3,195,133	
<b>NET FLOW</b>	<b>10,000</b>	<b>14,667</b>	<b>100,122</b>	<b>134,041</b>	<b>97,874</b>	<b>1,283,232</b>	<b>-48,932</b>	<b>92,008</b>	<b>180,789</b>	<b>210,298</b>	<b>309,454</b>	<b>399,309</b>	<b>427,252</b>	<b>459,914</b>	<b>426,244</b>	<b>357,690</b>	<b>4,453,963</b>
N.P.V. Factors	1.0000	0.9677	0.9365	0.9063	0.8771	0.8488	0.8214	0.7949	0.7693	0.7445	0.7205	0.6972	0.6747	0.6530	0.6319	0.6115	
N.P.V. Net Flow	-10,000	-14,194	-93,768	-121,484	-85,845	-1,089,206	40,193	-73,140	-139,078	-156,561	-222,949	-278,407	-288,281	-300,310	-269,347	-218,737	-3,321,112
EP's Equity Input	-8,000		-80,000	-119,064		-800,000											-1,007,064
DP's Equity Input	-2,000		-20,000	-29,766		-200,000											-251,766

Demo Report - Contents not to be used elsewhere  
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 Capital City: Sydney  
 Prepared By:

page 2  
 11:47  
 Nov 11  
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**Categorised Cashflow**

Amounts are in \$'s

Development Length spans 24 months (2 years)  
 Development Cashflow begins July 2011 and ends June 2013

Period Number	17	18	19	20	21	22	23	24	Totals
Month	2012 Nov	Dec	Jan	Feb	Mar	Apr	May	2013 Jun	
Remaining Sales Units	20	17	14	10	6	4	2	0	
Construction Esc.	1.0270	1.0287	1.0304	1.0321	1.0339	1.0356	1.0373	1.0390	
Rent/Land Esc.	1.0547	1.0582	1.0617	1.0653	1.0688	1.0724	1.0760	1.0795	
Absolute Sellon Esc.	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
Ownership Factor	1.0000	0.8519	0.6961	0.4935	0.2857	0.1870	0.0883	0.0000	
AUV	1,495,244	1,495,244	1,495,244	1,495,244	1,495,244	1,495,244	1,495,244	1,495,244	
ACV	3,286,824	3,286,824	3,286,824	3,286,824	3,286,824	3,286,824	3,286,824	3,286,824	
AAV	164,341	164,341	164,341	164,341	164,341	164,341	164,341	164,341	
Land Purchasing									1,518,011
Consultants' Fees	5,073	2,653	2,653						199,090
Construction Costs	250,251	122,562	91,805						3,266,884
Council Rates									22,583
Water & Sewer	347			347			231		2,082
Land Tax									28,566
Selling & Conv.		24,000	25,200	32,800	33,600	16,000	16,000	14,400	162,000
Other Costs									5,000
Contingency Costs	2,503	1,226	918						32,669
GST Debits in Inc.			103,636	109,091	141,818	145,455	69,091	131,000	700,091
<b>COSTS B4 INT.</b>	<b>258,174</b>	<b>165,598</b>	<b>224,212</b>	<b>142,238</b>	<b>175,418</b>	<b>161,455</b>	<b>85,322</b>	<b>145,400</b>	<b>5,936,976</b>
Sell-On Income		-1,140,000	-1,200,000	-1,560,000	-1,600,000	-760,000	-760,000	-680,000	-7,700,000
Rental Income									0
Other Income								-1,000	-1,000
GST Tax Credits	-31,230	-23,439	-13,676	-10,961	-2,982	-3,055	-1,455	-2,764	-464,123
<b>INCOME B4 INT.</b>	<b>-31,230</b>	<b>-1,163,439</b>	<b>-1,213,676</b>	<b>-1,570,961</b>	<b>-1,602,982</b>	<b>-763,055</b>	<b>-761,455</b>	<b>-683,764</b>	<b>-8,165,123</b>
Net Outlay	226,944	-997,841	-989,464	-1,428,724	-1,427,564	-601,600	-676,132	-538,364	-2,228,147
Equity Input					1,295,407	601,600	676,132	538,364	1,852,673
Cum. Debt B4 Int.	3,172,712	2,174,871	1,185,407	-243,317	-1,670,881	-2,272,481	-2,948,613	-3,486,977	
Interest	57,035	41,355	25,553	2,167	-7,557	-11,110	-15,119		341,688
Cum. Interest	306,400	347,754	373,307	375,474	367,917	356,807	341,688	341,688	
Cum. Net Debt	3,479,112	2,522,625	1,558,714	132,157	-1,302,964	-1,915,674	-2,606,925	-3,145,288	
<b>NET FLOW</b>	<b>283,978</b>	<b>-956,486</b>	<b>-963,912</b>	<b>-1,426,557</b>	<b>-1,435,120</b>	<b>-612,710</b>	<b>-691,251</b>	<b>-538,364</b>	<b>-1,886,459</b>
N.P.V. Factors	0.5918	0.5727	0.5542	0.5364	0.5191	0.5023	0.4861	0.4704	
N.P.V. Net Flow	-168,059	547,792	534,238	765,152	744,917	307,776	336,029	253,267	0
EP's Equity Input					1,029,131	306,355	345,626	269,182	943,229
DP's Equity Input					273,833	306,355	345,626	269,182	943,229

## PROPERTY DEVELOPMENT FEASIBILITY STUDY

Development:	Demo	page 2
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

### Itemised Profit & Loss (Inclusive of GST) - Full Taxation

Amounts are in \$'s

Income:			
Development Sales			
First Month of Sales	1,140,000		
Second Month of Sales	1,200,000		
Third Month of Sales	1,560,000		
Fourth Month of Sales	1,600,000		
Fifth Month of Sales	760,000		
Sixth Month of Sales	760,000		
Seventh Month of Sales	680,000	7,700,000	
Rental Items		0	
Lending Interest		33,785	
Other Income Items			
Sale of Signboards	1,000	1,000	
Less: GST Collected in Income		-700,091	7,034,694
Less Development Costs:			
Residual Land Value		1,436,710	
Stamp Duty on Transfer		64,509	
Stamp Duty on First Mortgage		13,791	
Finance Establishment Fee		0	
Conveyancing Fees (Purchase)		3,000	
Consultant Items			
Architect	194,090		
Quantity Surveyor	5,000	199,090	
Construction Items			
First Stage	1,630,121		
Second Stage	1,636,763	3,266,884	
Leasing Fees		0	
Rates and Taxes Items			
Council Rates	22,583		
Water & Sewer	2,082		
Land Tax	28,566	53,232	
Selling Fees		154,000	
Conveyancing Fees (Sale)		8,000	
Other Costs Items			
Valuation Fee	5,000	5,000	
Contingency Amount		32,669	
Less: GST Input Tax Credits		-464,123	4,772,762
Margin Before Interest			2,261,932
Less Borrowing Interest			375,474
Profit Margin			1,886,459
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Total Development Cost			5,148,236
Internal Rate of Return			40.00%
Margin on Development Cost			36.64%
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GST collected in Income			700,091
GST Input Tax Credits			464,123

Profit and Loss (Itemised) Report continues on the next page

## PROPERTY DEVELOPMENT FEASIBILITY STUDY

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Development:	Demo	page 3
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
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### Itemised Profit & Loss (Inclusive of GST) - Full Taxation

Amounts are in \$'s

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Equity Amount :	1,258,830	(67.81% IRR on Equity)
Margin on Equity :	1,886,459	(149.86% MoE)
Peak Level of Debt :	3,479,112	(Occurs on Nov 2012)

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Site Area :	10,000 square metres.	
Land Purchase Price per square metre :		144
Total Development Cost per square metre :		515
Development Sales Income per square metre :		770

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## PROPERTY DEVELOPMENT FEASIBILITY STUDY

Development:	Demo	page 4
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

### Categorised Profit & Loss (Valuer's Style) - Full Taxation

Amounts are in \$'s

Income:	Development Sales		7,700,000	
	Lending Interest		33,785	
	Other		1,000	
	Less: GST Collected in Income		-700,091	7,034,694
Less :	Selling Fees		154,000	
	Conveyancing Fees (Sale)		8,000	
	Less: GST Input Tax Credits		-14,727	147,273
Gross Profit (Ex GST)				6,887,422
Profit & Risk Factor (Ex GST)	37.72%	(40.00% IRR)		1,886,459
Equity Amount :		1,258,830		(67.81% IRR on Equity)
Margin on Equity :		1,886,459		(149.86% MoE)
Less Development Costs :				
	Residual Land Value		1,436,710	
	Stamp Duty Fees		78,300	
	Conveyancing Fees (Purchase)		3,000	
	Consultants Fees		199,090	
	Construction			
	Unescalated	3,200,000		
	Escalation	66,884	3,266,884	
	Rates and Taxes		53,232	
	Other		5,000	
	Contingency Amount		32,669	
	Less: GST Input Tax Credits		-449,396	
	Sub-Total		4,625,489	
	Borrowing Interest		375,474	
Total Net Development Costs				5,000,963
GST Collected in Income				700,091
GST Input Tax Credits				464,123

## PROPERTY DEVELOPMENT FEASIBILITY STUDY

Development:	Demo	page 5
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

### Joint Venture Report

Amounts are in \$'s

All Income (GST Inclusive)		7,734,785
Less: GST Debits in Income		700,091
All Income (Ex GST)		7,034,694
Less: Development Costs Before Interest (Ex GST)		4,772,762
Margin Before Interest		2,261,932
Less: Borrowing Interest		375,474
Profit Margin		1,886,459
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Total Development Cost		5,148,236
JV Internal Rate of Return		40.00%
JV Margin on Development Cost		36.64%

	Joint Venture	Equity Partner	Debt Partner
Profit Share as a Percentage	100.00%	50.00%	50.00%
Profit Share in Dollars	1,886,459	943,229	943,229
Equity as a Percentage	100.00%	80.00%	20.00%
Equity Amount	1,258,830	1,007,064	251,766
IRR on Equity	67.81%	49.23%	114.94%
Profit Share on Equity	149.86%	93.66%	374.65%

## PROPERTY DEVELOPMENT FEASIBILITY STUDY

Development:	Demo	page 6
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

### GST Summary Report

Amounts are in \$'s

	With GST	GST	Pre-GST
<b>Income:</b>			
Development Sales	7,700,000	700,000	7,000,000
Lending Interest	33,785	0	33,785
Other	1,000	91	909
<b>Totals</b>	<b>7,734,785</b>	<b>700,091</b>	<b>7,034,694</b>
<b>Development Costs:</b>			
Residual Land Value	1,436,710	130,610	1,306,100
Stamp Duty on Transfer	64,509	0	64,509
Stamp Duty on First Mortgage	13,791	0	13,791
Stamp Duty on Second Mortgage	0	0	0
Conveyancing Fees (Purchase)	3,000	273	2,727
Consultants Fees	199,090	18,099	180,991
Construction			
Unescalated	3,200,000		
Escalation	66,884		
Leasing Fees	0	0	0
Rates and Taxes			
Council Rates	22,583		
Water & Sewer	2,082		
Land Tax	28,566	0	53,232
Selling Fees	154,000	14,000	140,000
Conveyancing Fees (Sale)	8,000	727	7,273
Other	5,000	455	4,545
Contingency	32,669	2,970	29,699
<b>Total Before Borrowing Interest</b>	<b>5,236,885</b>	<b>464,123</b>	<b>4,772,762</b>
Borrowing Interest	375,474	0	375,474
<b>Total Development Cost</b>	<b>5,612,359</b>	<b>464,123</b>	<b>5,148,236</b>



## PROPERTY DEVELOPMENT FEASIBILITY STUDY

Development:	Demo	page 7
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### Sensitivity Analysis for Land Cost Variations

Range is -10.00% to +10.00% in 2.00% Increments of \$28,734

Amounts are in \$'s

Land Cost	Sale Value	Dev. Cost	Margin	MDC	IRR
1,293,039	7,700,000	4,967,756	2,070,402	41.68%	45.19%
1,321,774	7,700,000	5,003,418	2,033,900	40.65%	44.13%
1,350,508	7,700,000	5,039,464	1,997,145	39.63%	43.08%
1,379,242	7,700,000	5,075,722	1,960,249	38.62%	42.04%
1,407,976	7,700,000	5,111,979	1,923,354	37.62%	41.01%
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1,436,710	7,700,000	5,148,236	1,886,459	36.64%	40.00%
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1,465,445	7,700,000	5,184,493	1,849,563	35.67%	38.99%
1,494,179	7,700,000	5,220,750	1,812,668	34.72%	38.00%
1,522,913	7,700,000	5,257,007	1,775,773	33.78%	37.03%
1,551,647	7,700,000	5,293,264	1,738,877	32.85%	36.06%
1,580,381	7,700,000	5,329,521	1,701,982	31.93%	35.11%

### Sensitivity Analysis for Construction Cost Variations

Range is -10.00% to +10.00% in 2.00% Increments of \$65,338

Amounts are in \$'s

Cost	Sale Value	Dev. Cost	Margin	MDC	IRR
2,940,195	7,700,000	4,789,033	2,253,264	47.05%	48.42%
3,005,533	7,700,000	4,860,440	2,180,189	44.86%	46.73%
3,070,871	7,700,000	4,931,848	2,107,115	42.72%	45.04%
3,136,208	7,700,000	5,003,255	2,034,040	40.65%	43.36%
3,201,546	7,700,000	5,075,648	1,960,314	38.62%	41.67%
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3,266,884	7,700,000	5,148,236	1,886,459	36.64%	40.00%
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3,332,221	7,700,000	5,220,823	1,812,603	34.72%	38.33%
3,397,559	7,700,000	5,293,411	1,738,748	32.85%	36.67%
3,462,897	7,700,000	5,365,999	1,664,893	31.03%	35.02%
3,528,234	7,700,000	5,438,587	1,591,038	29.25%	33.37%
3,593,572	7,700,000	5,511,174	1,517,183	27.53%	31.74%

## PROPERTY DEVELOPMENT FEASIBILITY STUDY

Development:	Demo	page 8
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

### Sensitivity Analysis for Construction Period Variations

Range is -3 months to 7 months, in 1 month Increments

Amounts are in \$'s

End - Months	Sale Value	Dev. Cost	Margin	MDC	IRR
10/2012 -- 11	7,700,000	5,029,639	2,007,137	39.91%	53.11%
11/2012 -- 12	7,700,000	5,069,159	1,966,920	38.80%	48.06%
12/2012 -- 13	7,700,000	5,108,505	1,926,881	37.72%	43.75%
01/2013 -- 14	7,700,000	5,148,236	1,886,459	36.64%	40.00%
02/2013 -- 15	7,700,000	5,190,387	1,843,478	35.52%	36.65%
03/2013 -- 16	7,700,000	5,231,186	1,801,966	34.45%	33.74%
04/2013 -- 17	7,700,000	5,272,114	1,760,336	33.39%	31.15%
05/2013 -- 18	7,700,000	5,315,594	1,716,012	32.28%	28.79%
06/2013 -- 19	7,700,000	5,357,728	1,673,149	31.23%	26.68%
07/2013 -- 20	7,700,000	5,400,098	1,630,059	30.19%	24.78%
08/2013 -- 21	7,700,000	5,443,024	1,586,377	29.15%	23.03%

### Sensitivity Analysis for Borrowing Interest Rate Variations

Range is -2.50% to +2.50% in 0.50% Increments

Amounts are in \$'s

Interest	Sale Value	Dev. Cost	Margin	MDC	IRR
7.50%	7,700,000	5,096,121	1,939,490	38.06%	41.15%
8.00%	7,700,000	5,106,449	1,928,981	37.78%	40.92%
8.50%	7,700,000	5,116,824	1,918,423	37.49%	40.69%
9.00%	7,700,000	5,127,247	1,907,817	37.21%	40.46%
9.50%	7,700,000	5,137,717	1,897,162	36.93%	40.23%
10.00%	7,700,000	5,148,236	1,886,459	36.64%	40.00%
10.50%	7,700,000	5,158,803	1,875,706	36.36%	39.76%
11.00%	7,700,000	5,169,418	1,864,904	36.08%	39.53%
11.50%	7,700,000	5,180,081	1,854,053	35.79%	39.29%
12.00%	7,700,000	5,190,794	1,843,152	35.51%	39.06%
12.50%	7,700,000	5,201,555	1,832,202	35.22%	38.82%

## PROPERTY DEVELOPMENT FEASIBILITY STUDY

Development:	Demo	page 9
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

### Sensitivity Analysis for Sell-On Income Variations

Range is -10.00% to +10.00% in 2.00% Increments of \$154,000

Amounts are in \$'s

Sell-On Income	Sale Value	Dev. Cost	Margin	MDC	IRR
6,930,000	6,930,000	5,145,897	1,178,617	22.90%	26.54%
7,084,000	7,084,000	5,146,364	1,320,185	25.65%	29.36%
7,238,000	7,238,000	5,146,832	1,461,754	28.40%	32.11%
7,392,000	7,392,000	5,147,300	1,603,322	31.15%	34.80%
7,546,000	7,546,000	5,147,768	1,744,890	33.90%	37.43%
7,700,000	7,700,000	5,148,236	1,886,459	36.64%	40.00%
7,854,000	7,854,000	5,148,704	2,028,027	39.39%	42.51%
8,008,000	8,008,000	5,149,451	2,169,410	42.13%	44.97%
8,162,000	8,162,000	5,151,142	2,310,170	44.85%	47.36%
8,316,000	8,316,000	5,152,833	2,450,929	47.56%	49.71%
8,470,000	8,470,000	5,154,524	2,591,689	50.28%	52.01%

### Sensitivity Analysis for Sell-On Period Variations

Range is -3 months to 7 months, in 1 month Increments

Amounts are in \$'s

End - Months	Sale Value	Dev. Cost	Margin	MDC	IRR
03/2013 -- 21	7,700,000	5,029,639	2,007,137	39.91%	53.11%
04/2013 -- 22	7,700,000	5,069,159	1,966,920	38.80%	48.06%
05/2013 -- 23	7,700,000	5,108,505	1,926,881	37.72%	43.75%
06/2013 -- 24	7,700,000	5,148,236	1,886,459	36.64%	40.00%
07/2013 -- 25	7,700,000	5,219,102	1,814,258	34.76%	35.03%
08/2013 -- 26	7,700,000	5,289,435	1,742,692	32.95%	30.88%
09/2013 -- 27	7,700,000	5,360,336	1,670,561	31.17%	27.35%
10/2013 -- 28	7,700,000	5,434,496	1,595,017	29.35%	24.26%
11/2013 -- 29	7,700,000	5,507,987	1,520,245	27.60%	21.59%
12/2013 -- 30	7,700,000	5,582,656	1,444,287	25.87%	19.23%
01/2014 -- 31	7,700,000	5,658,508	1,367,099	24.16%	17.14%

## PROPERTY DEVELOPMENT FEASIBILITY STUDY

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Development:	Demo	page 10
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

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### Brief Inputs Report

Amounts are in \$'s

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#### Development Settings

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##### Development Identification

Development Name :	Demo
Type of Development :	Residential
Capital City :	Sydney
Description :	Twenty Townhouse Units
Location :	Sydney
Prepared By :	

##### Development Dates

Reference Date :	July 2011
Completion Date :	June 2013
First month of financial year :	July

##### Residual Land Value Calculation

Residual Land Value Calculation is required.	
Target IRR :	40.00%
Target MDC :	30.00%

##### Equity

Equity has been provisionally injected as monthly instalments.

Provisional Instalment :	10,000	Jul 2011
Provisional Instalment :	100,000	Sep 2011
Provisional Instalment :	255,000	Oct 2011
Provisional Instalment :	1,000,000	Dec 2011

##### Equity and Joint Venture

Equity Partner's Provisional Equity :	80.00%
Debt Partner's Provisional Equity :	20.00%
Equity Partner's Profit Share :	50.00%
Debt Partner's Profit Share :	50.00%

## PROPERTY DEVELOPMENT FEASIBILITY STUDY

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Development:	Demo	page 11
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

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### Brief Inputs Report (continued)

Amounts are in \$'s

#### Loans and Interest

Only Primary Debt Funds apply to any borrowings.

Primary Debt interest rates per annum :

10.00% for the period Jul 2011 to Sep 2011 (inclusive)

12.00% for the period Oct 2011 to Jan 2012

18.00% for the period Feb 2012 to Apr 2012

20.00% for the period May 2012 to Jun 2013

Primary Debt Finance Establishment Fee : 0.00%

Lending interest rate per annum : 7.00%

#### Escalation Rates

Construction escalation rate per annum : 2.00%

Rent/Land escalation rate per annum : 4.00%

Absolute Sell-on escalation rate : 0.00%

#### GST Settings

This Developer is registered for GST.

GST rate : 10.00%

GST is remitted/refunded monthly.

The Margin Scheme has NOT been used.

#### Other Settings

Contingency as a percentage of all construction costs before interest : 1.00%

Monetary amounts are shown in units, rather than in thousands.

Total Site Area: 10,000 Square Metres

Plot Ratio Data is not used.

#### Land Costs

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Total Land Costs :	1,436,710
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Description	Price	Settle.	Deposit	Date	GST
1. Parcel One	1,436,710	Dec 2011	15,000	Aug 2011	Yes

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## PROPERTY DEVELOPMENT FEASIBILITY STUDY

Development:	Demo	page 12
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

### Brief Inputs Report (continued)

Amounts are in \$'s

#### Construction Costs

Total Unescalated Construction Costs :	3,200,000
Total Construction Escalation :	66,884

Description	Amount	Quantity	Rate	Method	Start	End
1. First Stage	1,600,000	1,600	1,000	Curve	Dec 2011	Nov 2012
2. Second Stage	1,600,000	1,600	1,000	Curve	Mar 2012	Jan 2013

#### Consultants' Fees

Total Consultants' Fees :	199,090
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Description	Amount	Method	Link	Start	End
1. Architect	194,090	6.00%	All	Oct 2011	Jan 2013
2. Quantity Surveyor	5,000	Month		Oct 2011	Oct 2011

#### Rates and Taxes

Total Rates and Taxes :	53,232
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Description	Amount	Basis	Frequency	Method	Percentage
1. Council Rates		AUV	Annual	Use Tax Scales	
2. Water & Sewer		AAV	Quarterly	Use Tax Scales	
3. Land Tax		AUV	Annual	Use Tax Scales	

#### Assessed Values for Rates and Taxes

Assessed Unimproved Value is calculated as a percentage  
of Escalated Imputed Land Value: 100.00%

Assessed Capital Value is calculated as a percentage  
of Escalated Imputed Capital Value: 100.00%

Assessed Annual Value is calculated as a percentage  
of Assessed Capital Value: 5.00%

## PROPERTY DEVELOPMENT FEASIBILITY STUDY

Development:	Demo	page 13
Description:	Twenty Townhouse Units	11:47
Location:	Sydney	Nov 11
Capital City:	Sydney	2015
Prepared By:		File: Residential Devt Demo

### Brief Inputs Report (continued)

Amounts are in \$'s

#### Stamp Duty on Transfer and Conveyancing Fees

Stamp Duty on Transfer is calculated using the tax library.	64,509
Purchaser's Conveyancing Fees :	3,000
Vendor's Conveyancing Fees :	400

#### Selling and Leasing Fees

Selling Fees :	2.00%	154,000
Leasing Fees :	0.00%	0

#### Other Costs

Total Other Costs : 5,000

Description	Amount	Total/Monthly	Start	End	GST
1. Valuation Fee	5,000	Total	Jul 2011	Jul 2011	Yes

#### Sell-On Income Items

Total Sell-On Income : 7,700,000

Description	Amount	Method	Quantity	Rate	Start	End	GST
1. First Month of Sales	1,140,000	Q x R	3	380,000	Dec 2012		Yes
2. Second Month of Sales	1,200,000	Q x R	3	400,000	Jan 2013		Yes
3. Third Month of Sales	1,560,000	Q x R	4	390,000	Feb 2013		Yes
4. Fourth Month of Sales	1,600,000	Q x R	4	400,000	Mar 2013		Yes
5. Fifth Month of Sales	760,000	Q x R	2	380,000	Apr 2013		Yes
6. Sixth Month of Sales	760,000	Q x R	2	380,000	May 2013		Yes
7. Seventh Month of Sales	680,000	Q x R	2	340,000	Jun 2013		Yes

#### Other Income Items

Total Other Income : 1,000

Description	Amount	Total/Monthly	Start	End	GST
1. Sale of Signboards	1,000	Total	Jun 2013	Jun 2013	Yes

End of Inputs (Brief) Report