

18 Montrose St, Taringa																				
5 TOWNHOUSES ONLY						5 TOWNHOUSES - PLUS DA AND BUILD						5 TOWNHOUSES - PLUS DA AND SELL WITH DA								
Project duration				9 months		Project duration				18 months		Project duration				12 months				
Purchase				\$2,000,000		Purchase				\$2,000,000		Purchase				\$2,000,000				
Buy costs				\$105,000		Buy costs				\$105,000		Buy costs				\$105,000				
Establishment Fee				\$50,000		Establishment Fee				\$50,000		Establishment Fee				\$50,000				
Buyers agent				\$0		Buyers agent				\$0		Buyers agent				\$0				
Renovation						Renovation						Renovation								
interior	\$48,500	5	\$242,500			interior	\$48,500	5	\$242,500			interior	\$48,500	5	\$242,500					
exterior	\$95,500	1	\$95,500			exterior	\$95,500	1	\$95,500			exterior	\$95,500	1	\$95,500					
			\$338,000	\$338,000					\$338,000	\$338,000					\$338,000	\$338,000				
Consultants				\$0		Consultants				\$40,000		Consultants				\$30,000				
Council				\$0		Council				\$35,000		Council				\$10,000				
Holding Costs			5.50%	\$53,625		Holding Costs			5.50%	\$107,250		Holding Costs			5.50%	\$71,500				
						Civil				\$20,000		civil				\$20,000				
						Build				\$300,000		build				\$0				
TOTAL				\$2,546,625		TOTAL				\$2,995,250		TOTAL				\$2,624,500				
3 bed TH - end		\$570,000	2	\$1,140,000		3 bed TH - end		\$570,000	0	\$0		3 bed TH - end		\$570,000	0	\$0				
3 bed TH - middle		\$570,000	3	\$1,710,000		3 bed TH - middle		\$570,000	5	\$2,850,000		3 bed TH - middle		\$570,000	5	\$2,850,000				
						new SUD		\$750,000	1	\$750,000		land with DA		\$300,000	1	\$300,000				
TOTAL				\$2,850,000		TOTAL				\$3,600,000		TOTAL				\$3,150,000				
Less sales costs			2.7%	\$76,950		Less sales costs			2.7%	\$97,200		Less sales costs			2.7%	\$85,050				
Net Sale Proceeds				\$2,773,050	\$2,773,050	Net Sale Proceeds				\$3,502,800	\$3,502,800	Net Sale Proceeds				\$3,064,950	\$3,064,950			
Net Profit				\$	\$226,425	Target	Net Profit				\$	\$507,550	Target	Net Profit				\$	\$440,450	Target
				%	8.89%	15%					%	16.95%	15%					%	16.78%	15%
					Return on Cash						Return on Cash						Return on Cash			
Cash required				\$1,246,625	18.16%	25%	Cash required				\$1,695,250	29.94%	25%	Cash required				\$1,324,500	33.25%	25%
Loan		65%		\$1,300,000			Loan		65%		\$1,300,000			Loan		65%		\$1,300,000		
				\$2,546,625							\$2,995,250							\$2,624,500		

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Renovation	No units					
	5					
Configuration = 3 bed upstairs, master with ensuite, bathroom downstairs, laundry in garage, keep dining room and garage.						
Exterior						
rendering		\$40,000				
rear courtyard fencing - timber		\$10,000				
front drying area fencing - colorbond with gate		\$5,000				
painting exterior - all painted surfaces (including retaining wall and floor of garages)		\$20,000				
repaint the roof		\$7,500				
clothes lines (5 of)		\$1,000				
general repair of soffits/gutters/termites		\$1,500				
exterior cleaning all surfaces		\$2,500				
general landscaping		\$5,000				
decorative screen for front façade		\$3,000				
Exterior Total		\$95,500				
Interior		per unit	total			
painting (\$3,000 per unit)	5	\$3,000	\$15,000			
internal plastering of exposed brick	5	\$2,000	\$10,000			
add additional ensuite / bathroom upstairs	5	\$12,000	\$60,000			
demo upstairs bathroom and make into 3rd bedroom	5	\$3,000	\$15,000			
convert downstairs laundry/powder into full bathroom	5	\$10,000	\$50,000			
install laundry in garage	2	\$1,500	\$3,000			
new kitchen (quality appliances)	5	\$8,000	\$40,000			
carpets to living, bedroom, "hall" (allowance of 40m2 per unit at \$40 per m2 laid underlay inc.)	5	\$2,000	\$10,000			
doors, door hardware (allowance of \$1,000 per unit)	5	\$1,000	\$5,000			
lighting (allowance of \$750 per unit inc install)	5	\$750	\$3,750			
aircon	5	\$1,750	\$8,750			
miscellaneous fixtures and fittings	5	\$1,000	\$5,000			
install new garage door and motor	5	\$2,000	\$10,000			
window coverings	5	\$500	\$2,500			
Interior Total		\$48,500	\$238,000			
Renovation Total		\$333,500				

RENO AND STRATA PROJECT																								
Pre-Purchase Feasibility		buying subject to DA with vacant possession																						
28-Aug-14																								
18 Montrose St, Taringa																								
Month / Year	Lots	R/Unt	total Budge	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Jan-16	Feb-17	Mar-17	Apr-17	May-17
Month No.				-9	-8	-7	-6	-5	-4	-3	-2	-1	0	1	2	3	4	5	6	7	8	9	10	11
Due Diligence																								
Quotes/Strategy/Research																								
Land Acquisition																								
Preparation of DA																								
DA period																								
Op works																								
Civil and site work																								
Titling of vacant block																								
Marketing / sale of vacant block																								
Renovation																								
Strata-titling Work																								
Sales & Settlements																								
Audit & Distribution																								
Property Purchase																								
Land Acquisition																								
18 Montrose St, Taringa																								
Syndicate Costs																								
Establishment Fee																								
Acquisition Fees																								
Bank Fees																								
Inspections																								
Conveyancing Fees																								
Stamp duty																								
Total Land Purchase Costs																								
Construction, Approvals & Maintenance																								
Renovation Costs																								
External																								
Internal	5																							
Contingency	1	5%																						
Consultants																								
Town planner																								
Civil engineer																								
advertising designer																								
Surveyor – building format subdivision																								
Survey – exclusive use																								
Surveyor – lodgment and registration																								
Solicitor																								
Admin & Sinking Fund Reserve																								
Insurance and Sinking Fund Report																								
Establishment of Body Corp																								
Structural Engineer																								
Services																								
Sewer – QUU																								
Water – QUU																								
Sewer – civil contractor																								
Water – civil contractor																								
Council Fees																								
DA application fee																								
Sealing																								
Registration																								
Rates, Water and Taxes																								
Insurance																								
General Maintenance																								
Management Fees																								
Total Construction Costs																								
Sales & Settlements																								
Rent																								
Vacant Land																								
TH 1																								
TH 2																								
TH 3																								
TH 4																								
TH 5																								
Gross Receipts																								
Settlement Disbursements																								
Commission																								
Conveyancing																								
Admin and Audit Costs																								
Net Receipts																								
Net Cash Movement – Pre Interest																								
Loan Facility																								
Opening Balance																								
+/- Net Cash Movement																								
Interest																								
Closing Balance																								

ASSUMPTIONS:
> Interest calculated assuming LVR of 65%
> All renovation and consultant costs paid with cash
> Zero rent received - this is because inducements may need to be offered to the tenants to leave
> 3 month reno period
> Sales rate of 2 per month for the first month, then 1 per month after that

Indicators – Buy, Reno, Build and Sell All		
Total Receipts (every \$ received and inc. equity since purchase)	Total Receipts	\$3,150,000
Total Expenditure (every \$ spent on property incl purchase)	Total Expenditure	-\$2,729,058
Net Profit	Net Profit	\$420,942
Profit as percentage of Total Costs		15.42%

Loan Amount
Cash Required
% return on cash

-\$1,300,000.00
-\$1,338,758.33
31.44%