



Project Manager Financial Feasibility

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International Best Practice Models

Project Manager - Financial Feasibility

INDEX

Explanation Notes

Single Project - Input Sheet

Single Project - Results Report

Multi-Project Quick Compare

Project - Development Type with Option to sell and hold

Single Project - Feasibility Evaluation

Only Populate *BLUE* Cells

INPUTS

Finance Rate/Opportunity Cost

7.00%

Mandatory Input

Enter your activity below

yy/mm/dd

Summary of the total project

Activity	Code	Amount	Date	Code	Balance
Land Purchase	1	7 200 000	2025/07/24	1	-7 200 000
Civils	2	250 000	2025/08/30	3	-7 450 000
Engineer	3	330 000	2025/09/15	4	-7 780 000
Architect	4	2 000 000	2025/09/30	5	-9 780 000
Raw Material	5	100 000	2025/09/30	6	-9 880 000
Staff	6	72 000	2025/09/30	3	-9 952 000
Construction Costs	7	289 000	2025/10/30	2	-10 241 000
Other	8	3 400 000	2025/11/30	7	-13 641 000
	9	1 800 000	2025/11/30	2	-15 441 000
	10	3 400 000	2025/12/30	7	-18 841 000
	11	200 000	2025/12/30	6	-19 041 000
	12	3 400 000	2026/01/30	7	-22 441 000
	13	1 200 000	2026/02/28	5	-23 641 000

Single Project Report

Income Generated
Expenditure Incurred
Gross Profit

45 750 000
39 661 000
6 089 000

XNPV
XIRR
Max Cash Employed

4 936 514
52.37%
-30 661 000



Multi-Projects (Quick Compare)

Enter Funders %, Activity Values and Corresponding Dates

<u>Project A</u>	
Funders %	12.00%
XNPV	3 505 354
XIRR	159.12%
Max Cash out	-5 700 000

Date Sensitive

<u>Project B</u>	
Funders %	12.00%
XNPV	5 097 442
XIRR	43.08%
Max Cash out	-11 400 000

Date Sensitive

Funders %	12.00%
XNPV	785 160
XIRR	99.62%
Max Cash out	-1 000 000

Date Sensitive

Funders %	12.00%
XNPV	1 187 786
XIRR	41.35%
Max Cash out	-2 000 000

Date Sensitive

Mandatory Mandatory

NB No Dates must be earlier than the first date - formula will not work

<u>Value</u>	<u>YYYY/MM/DD</u>	<u>Balance</u>
-1 000 000	<u>2020/01/11</u>	-1 000 000
-700 000	2020/02/28	-1 700 000
-4 000 000	2020/08/20	-5 700 000
10 000 000	2021/01/10	4 300 000
		4 300 000
		4 300 000
		4 300 000

<u>Value</u>	<u>YYYY/MM/DD</u>	<u>Balance</u>
-2 000 000	<u>2020/01/11</u>	-2 000 000
-1 400 000	2020/02/28	-3 400 000
-8 000 000	2020/08/20	-11 400 000
20 000 000	2022/01/10	8 600 000
		8 600 000
		8 600 000
		8 600 000

INPUT AREA

Developers Analysis and Profitability Calculations:

INPUT Activity Code, Value, Dates of all Income/Expenditure Below

Only insert Property Valuation Data in the Report Area

if you are retaining Rental stock!

No date may be younger than the first/start date

<u>Activity</u> Code	<u>Value</u> (-) cash out	<u>Dates</u> YYYY/MM/DD	<u>Cash Flow</u>
1	-3 000 000	2021/10/18	-3 000 000
2	-200 000	2021/11/28	-3 200 000
3	-750 000	2021/12/28	-3 950 000
7	-250 000	2022/02/28	-4 200 000
8	-4 000 000	2022/03/28	-8 200 000
8	-4 000 000	2022/05/28	-12 200 000
8	-4 000 000	2022/07/28	-16 200 000
7	-275 000	2022/08/28	-16 475 000
17	2 500 000	2022/06/30	-13 975 000
4	-200 000	2022/07/28	-14 175 000

REPORT AREA

Developers Analysis and Profitability Calculations:

Development Analysis and Returns

Funders/Opportunity %	8.25%
XNPV	6 575 353
XIRR	108.32%
Max Cash out	-16 475 000

Completed Property Valuation of Rental Stock below

NPV	1 504 329
IRR	18.90%
MIRR	17.92%
Gross Value	2 778 947

Project Name:

The Valuation Results of Retained Stock "if any" (NPV) is auto comput

<u>Activity</u>	<u>Activity</u>	<u>Totals</u>	<u>% Absorbed</u>
<u>Code</u>			
1	Land	-3 000 000	17.42%
2	Town Planning	-200 000	1.16%
3	Services - Civils	-750 000	4.35%
4	Accounting	-200 000	1.16%
5	Architect	-450 000	2.61%
6	Surveyor	-100 000	0.58%
7	Engineer	-525 000	3.05%
8	Construction	-12 000 000	69.67%
9	External walling	0	0.00%
10	Landscaping	0	0.00%
11	Holding Costs - funding	0	0.00%
12	Agent fees	0	0.00%
13	Transfer fees	0	0.00%
14	Interest Paid	0	0.00%
15	other Expense (Rename)	0	0.00%
16	other Expense (Rename)	0	0.00%
17	Sales Income	23 500 000	
18	NPV Value - Rental Stock Q25	1 504 329	
Total Cost Only		-17 225 000	100.00%
Total Result		7 779 329	31.11%
			Gross Profit

Loan Amortization Calculator for Rental retained Stock

Annual Interest	8.25%
No. Years	10
No. Pmts pa	12
Cap amount	1 667 368
Monthly PMT	20 451

Property Valuation Data "if Rental stock" Blank if No Rental/Commercial Stock is retained

Completion/Fruition Date	2022/06/30	YYYY/MM/DD Not younger than G10
Funders %	8.25%	
Gross Monthly Rental	25 000	
Fixed Monthly Costs	2 500	If you have a Rental Component value this Property under the Commercial/Investment Property Evaluation Calculator on the LEFT
Maintenance Provision	500	
Net Monthly Income	22 000	
Net Annual Income	264 000	
Annual rental esc %	5.25%	
Estimated Cape Rate	9.50%	
Value based on Cap Rate	2 778 947	
Analytical Data and Values		
Deposit %	40.00%	1 111 579 Amount
Funding amount	1 667 368	
Annual Value Growth est %	5.20%	

Cash Flow 10 year Model of Rental Stock

Periods	Cash In	Cash Out	Cash Flow	Balance	Exit Value
Start Period 0		1 111 579	-1 111 579	-1 111 579	
Year 1	264 000	245 409	18 591	-1 092 987	2 923 453
Year 2	277 860	245 409	32 451	-1 060 536	3 075 472
Year 3	292 448	245 409	47 039	-1 013 497	3 235 397
Year 4	307 801	245 409	62 393	-951 104	3 403 637
Year 5	323 961	245 409	78 552	-872 552	3 580 626
Year 6	340 969	245 409	95 560	-776 992	3 766 819
Year 7	358 870	245 409	113 461	-663 531	3 962 694
Year 8	377 710	245 409	132 302	-531 229	4 168 754
Year 9	397 540	245 409	152 131	-379 098	4 385 529
Year 10	418 411	245 409	4 786 579	-206 096	4 613 576
Exit/Balance Sheet Value estimate				4 613 576	

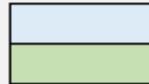
Project Financial Analysis and Compare - Explanation Notes

The Most Important message we preach is that GROSS PROFIT as a financial measurement indicator without the TMV effect (Time Value of Money) is incorrect and can lead to incorrect choices!

XNPV and XIRR are the formulae of choice for these types of valuation. They are the date-sensitive equivalent of NPV and IRR respectively

The Single Project - Financial Analysis

Enter Data in the BLUE Cells only



Green Cells represent the answers

SETTING UP YOUR ANALYSIS

3) Enter the Appropriate accounts - CODE - AMOUNT - DATE for each payment activity (date should be yyyy/mm/dd)

CODE	AMOUNT	YYYYMMDD
1	100 000	2021/07/28
3	175 000	2021/08/28
7	245 000	2021/09/28
28	1 100 000	2021/10/28

← Start date must always be the earliest date in entire Capture

Your Results and Analysis will take on the following Form and Reports:

Financial Results	
XNPV	421 000
XIRR	43.55%
Max Cash out	-520 000
Gross Profit/Loss	580 000

← Must be a positive amount or else it is a negative Project

← Must be well above the Hurdle/Funders Rate

← Maximum Cash Absorbtion

← Gross Profit Amount