

## Gantt Charts – Worksheet 1 - Demonstration

Subdivision & Reno Tasks	Time	CP?	Funds \$	Overlap With?
Deal finding	1 mth			
Purchase contract	1 wk		65,000	
Due diligence	1 mth		1,000	
Purchase Settlement	1 mth		103,000	
DA Preparation	2 mths		18,000	
DA Lodgement	1 wk			
DA Approval	3 mths		8,000	
Op Works Approval	6 wks		5,000	
Subdivision Quotes	6 wks			
Renovation	6 wks		61,000	
Subdivision siteworks	2 mths		39,000	
Titling	6 wks		10,000	
REA Research	1 mth			
Comparable Sales	1 wk			
Staging/Photos	2 wks		4,000	
Appoint REA	1 wk			
Sale - Marketing House	2 mths			
Sale - Marketing Land	3 mths			
Sale - Contract House	1 wk			
Sale - Contract Land	1 wk			
Sale - Settlement House	1 mth			
Sale - Settlement Land	1mth			





**Gantt Charts – Project Information – Group Activity**

Reno and Strata Title 4 Units

**Project Feasibility**

Sale Price \$262k/unit	1,048,000
Selling Costs 3%	32,000
<b>Net Proceeds</b>	<b>1,016,000</b>
Purchase Price	739,000
Purchase Costs - 6%	44,000
Due Diligence	1,000
Townplanner Council Advice	1,500
Fire Separation Works	12,000
Renovation \$20k/unit	80,000
Seal Driveway	8,000
Building Certifier Fire Sep	3,000
Surveyor - Plans & Lodge	10,000
Council Plan Sealing	2,000
Bank Consent	500
Bodycorp Docs	1,500
Surveyor Lodge with Titles	1,500
Titles Dept	4,000
Photos for Re-tenanting	500
Hold Costs for 7mths	38,000
<b>Total Costs</b>	<b>946,500</b>
Profit	69,500
Rental Income	21,840
<b>Total Profit</b>	<b>91,340</b>

## **DUE DILIGENCE RESEARCH – Group Activity**

### **Strategy**

Vacate units, renovate, re-tenant, strata-title, sell units individually

### **Past Experience**

- Allow 1 month to find Deal
- Allow 1 week to negotiate contract
- Allow 1 month for DD & to get finance approval
- Building & Pest costs \$1,000
- Allow 1 month to get quotes & appoint team once unconditional
- Allow 1 month to research & appoint new RE agent to sell the reno'd strata titled units

### **Broker**

- 80% Finance possible
- Allow 1 month Finance Approval
- Allow 1 month to Settlement post finance approval
- At strata titling stage - Bank Consent needs to happen after Plan sealing, will take 2 weeks and cost \$500
- 6% Bank Interest

### **Realestate Agent**

- \$25k Deposit suggested
- Services are already separate per unit - water and power
- Unit 1 & 3 tenants to vacate Week 1 August (Align settlement with Lease end)
- Unit 2 & 4 tenants to vacate Week 1 October
- To re-sell allow 2 months marketing
- To re-sell make settlement 1 month post titles

### **Property Manager**

- Reno'd units will take 2 weeks to rent
- Reno'd units will achieve a rent of \$285/wk after property management costs
- Allow 2 weeks to re-tenant U1&3 after reno & allow \$500 for photos
- Allow 2 weeks to re-tenant U2&4 after reno

### **Townplanner**

- During DD Council indicated only strata requirement likely to be to seal the driveway
- Will Take 1 month to get Councils official confirmation on strata requirements
- Townplanner fee \$1,500
- Allow 1 week for council to inspect sealed driveway once works are complete, cost is included in Council's plan sealing fee
- Council Plan sealing will take 1 month & Cost \$2,000 fee
- No Council Contribution / Headworks fees for strata

### **Building Certifier**

- During DD certifier indicated fire separating walls are block and go to ceiling but not to underside of roof & needs to be remedied
- Will take 2 weeks to provide official advice & cost \$3,000
- Need to allow 1 week to do inspection once fire separation works are complete, charge included above

### **Handyman / Builder**

- Fire Separation can be done when Unit 1 & 3 are vacant, will take 2 weeks & cost \$12,000
- Allow 1 week between tenants vacate and reno works start
- Budget \$20k per unit reno costs & 3 weeks per unit or 6 weeks if doing 2 units together

### **Concretor - Driveway**

- Need Unit 4 to be vacant to do driveway
- 2 weeks to seal driveway & cost \$8,000

### **Surveyor**

- Strata Survey & plans can be done after driveway is sealed, allow 1 month & cost \$10,000
- Surveyor will lodge docs with Titles Dept once done plan sealing & got bank consent & will cost \$1,500
- Title Dept will take 2 weeks and cost \$4,000

### **Body Corporate Manager**

- Will prepare the Body Corp Docs, take 1 month, and will do for free if they are appointed Body Corp Manager for first 3 years
- Will arrange Insurance Valuation Report & Sinking Fund Report during Body Corp Docs prep & will cost \$1,500

### **Hold Costs**

- Interest @ 80% LVR, 6% interest rate for 7 months, Rates = \$3,000, Insurance= \$3,000