Developer Pro CANADA 45 LOT SUBDIVISION DEVELOPMENT EXAMPLE

INTRODUCTION

This example uses the Quick Proforma Land Subdivisions template.

This practice example consists of three Sections;

- The input information for the project
 Explanation of Developer special features for carrying out development analysis
- 3. The instructions for entering the project data

PROJECT INFORMATION

Property Name: Hawthorn Farms Description: 45 Lot Subdivision Land Area: 1,087,750 Sq Ft

Frontage: 0 Ft Number of Lots: 45

Land & Dev. Costs Folder

Land Costs sub folder

<u>Description</u>	<u>Amount</u>	Hard Cost	Soft Cost
Land	\$2,850,000	✓	
Legal Fees	\$15,000		✓
Appraisal Fees	\$12,000		✓

Construction sub folder

<u>Description</u>	<u>Amount</u>	Hard Cost	Soft Cost
Building Demolition	\$25,000	✓	
Site Clearing & Grading	\$130,000	✓	
Storm & Sanitary Sewer	\$4,000 per Lot x Total No. of Lots	✓	
Water Works	\$1,500 per Lot x Total No. of Lots	✓	
Underground Hydro & Tel.	\$3,000 per Lot x Total No. of Lots	✓	
Siltation Control	\$35,000	✓	
Boulevard & Landscaping	\$6,000 per Lot x Total No. of Lots	✓	
Roads & Sidewalks	\$12,000 per Lot x Total No. of Lots	✓	
Street Lighting	\$1,500 per Lot x Total No. of Lots	✓	
Tree Planting	\$230,000	✓	

Professional Fees sub folder

<u>Description</u>	<u>Amount</u>	Hard Cost	Soft Cost
Geo-Technical Services	\$35,000		✓
Engineering	12.00% of Construction and Site Prep. Costs		✓
Mortgage Brokerage Fees	\$37,000		✓

City Fees sub folder

<u>Description</u>	<u>Amount</u>	Hard Cost	Soft Cost
Application Fees	\$25,000		✓
Connection Fees	\$3,000 per Lot x Total No. of Lots		✓
Inspection Fees	\$13,000		✓
Impact Fees	\$20,000 per Lot x Total No. of Lots		✓
Property Taxes	\$60,000		✓

Miscellaneous sub folder

Miscellaneous costs

<u>Description</u>	<u>Amount</u>	Hard Cost	Soft Cost
Miscellaneous Costs	\$25,000	✓	

Contingency Allowance

10.00% of Land, Dev. & Financing Costs

Construction Financing Folder

Equity: \$2,800,000 Interest Rate: 8.50%

Development Time

Pre-Construction Period: 7 Months Construction Time: 6 Months Sales Period: 13 Months

Lot Sales Folder

<u>Description</u>	<u>Entry</u>	<u>QTY</u>
Prime Lots	\$265,000 per Lot	10
Regular Lots	\$195,000 per Lot	35

Selling Expenses Folder

Real Estate Commission

5.00% of Sale Price

Selling Expenses

Marketing & Advertising: \$25,000 Legal Fees: 2.00% of Sale Price

INSTRUCTIONS FOR ENTERING THE PROJECT INTO DEVELOPER PRO

Getting started

The first step is to open the Developer Pro Template "Quick Proforma Land Subdivisions" as follows:

- 1. Open Developer Pro.
- 2. Select the Investit Templates folder



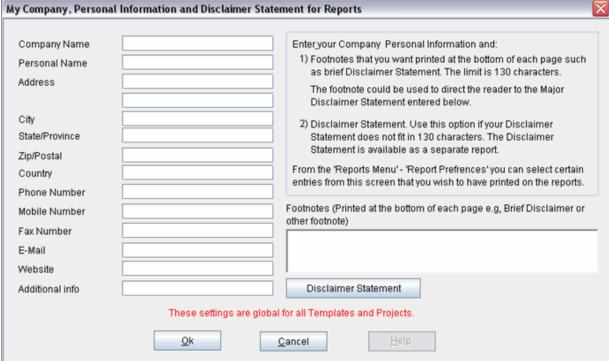
3. Select and open the Investit template "Quick Proforma Land Subdivisions"

Entering the project data and information

If you haven't done so already, you should take the time to fill out

My Company Info.

My Company Personal Information and Disclaimer Statement for Reports

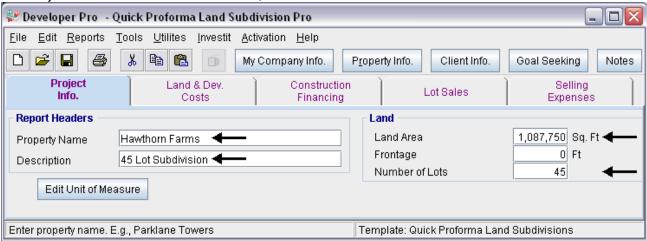


Note the sentence in red

PROJECT INFO Folder

- 1. Enter the Property Name: Hawthorn Farms
- 2. Enter Description: 45 Lot Subdivision
- 3. Enter Land Area: 1,087,750 Sq. Ft
- 4. Enter Number of Lots: 45

The Project Info screen should look like this;

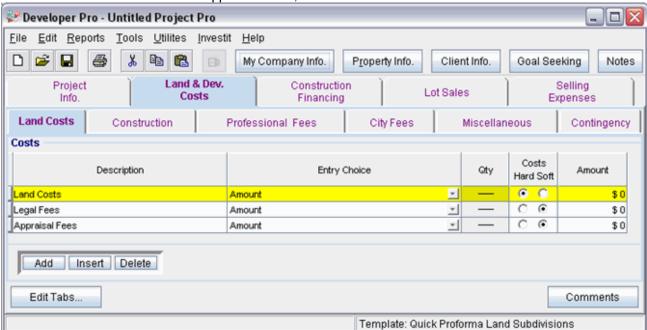


LAND & DEV. COSTS folder

Land Costs sub folder

<u>Description</u>	<u>Amount</u>	Hard Cost	Soft Cost
Land	\$2,850,000	✓	
Legal Fees	\$15,000		✓
Appraisal Fees	\$12,000		✓

The Land Costs sub folder should appear like this;



Instructions for entering the Land Costs

1. Select row with Description 'Land'

2. Enter the Amount: \$2,850,000

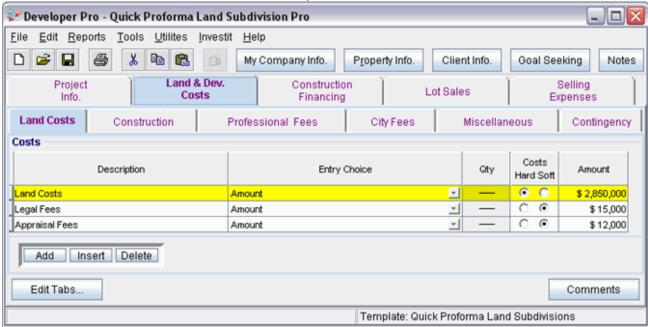
3. Select row with Description 'Legal Fees'

4. Enter the Amount: \$15,000

5. Select row with Description 'Appraisal Fees'

6. Enter the Amount: \$12,000

The Land Costs sub folder should now look like this;

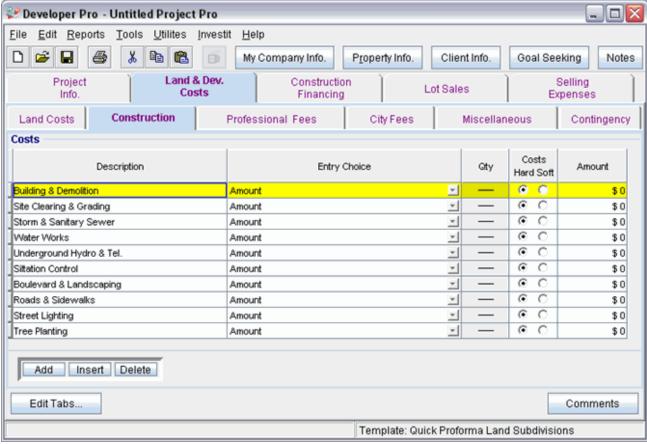


Click on the Construction tab to go to the Construction sub folder

Construction sub folder

<u>Description</u>	<u>Amount</u>	Hard Cost	Soft Cost
Building Demolition	\$25,000	✓	
Site Clearing & Grading	\$130,000	✓	
Storm & Sanitary Sewer	\$4,000 per Lot x Total No. of Lots	✓	
Water Works	\$1,500 per Lot x Total No. of Lots	✓	
Underground Hydro & Tel.	\$3,000 per Lot x Total No. of Lots	✓	
Siltation Control	\$35,000	✓	
Boulevard & Landscaping	\$6,000 per Lot x Total No. of Lots	✓	
Roads & Sidewalks	\$12,000 per Lot x Total No. of Lots	✓	
Street Lighting	\$1,500 per Lot x Total No. of Lots	✓	
Tree Planting	\$230,000	✓	

The Construction sub folder should appear like this;

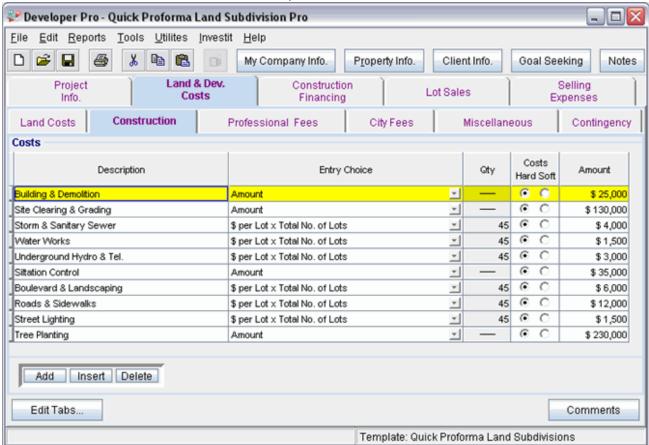


Steps for entering the Construction Costs

- 1. Select row with Description 'Building & Demolition'
- 2. Enter the Amount: \$25,000
- 3. Select row with Description 'Site Clearing & Grading'
- 4. Enter the Amount: \$130,000
- 5. Select row with Description 'Storm & Sanitary Sewer'
- 6. Select the Entry Choice '\$ per Lot x Total No. of Lots'
- 7. Enter the Amount: \$4,000
- 8. Select row with Description 'Water Works'
- 9. Select the Entry Choice '\$ per Lot x Total No. of Lots'
- 10. Enter the Amount: \$1,500
- 11. Select row with Description 'Underground Hydro & Tel.'
- 12. Select the Entry Choice '\$ per Lot x Total No. of Lots'
- 13. Enter the Amount: \$3,000
- 14. Select row with Description 'Siltation Control'
- 15. Enter the Amount: \$35.000
- 16. Select row with Description 'Boulevard & Landscaping'
- 17. Select the Entry Choice '\$ per Lot x Total No. of Lots'
- 18. Enter the Amount: \$6,000

- 19. Select row with Description 'Roads & Sidewalks'
- 20. Select the Entry Choice '\$ per Lot x Total No. of Lots'
- 21. Enter the Amount: \$12,000
- 22. Select row with Description 'Street Lighting'
- 23. Select the Entry Choice '\$ per Lot x Total No. of Lots'
- 24. Enter the Amount: \$15,000
- 25. Select row with Description 'Tree Planting'
- 26. Enter the Amount: \$230,000

The Construction folder should now look like this;

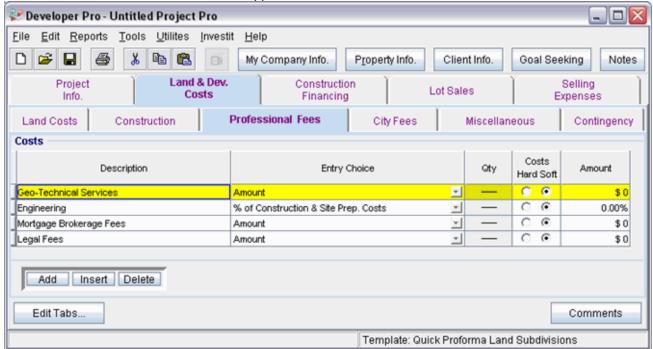


Click on the Professional Fees tab to go to the Professional Fees sub folder

Professional Fees sub folder

<u>Description</u>	<u>Amount</u>	Hard Cost	Soft Cost
Geo-Technical Services	\$35,000		✓
Engineering	12.00% of Construction and Site Prep. Costs		✓
Mortgage Brokerage Fees	\$37,000		✓

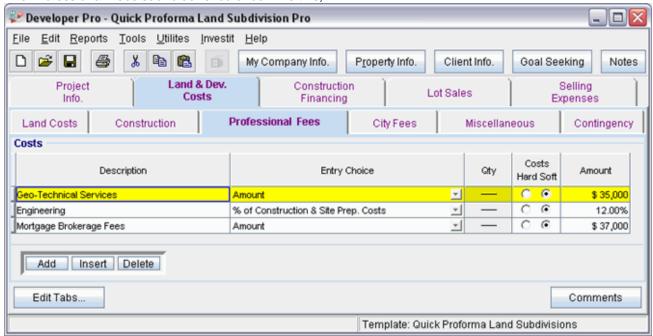
The Professional Fees sub folder should appear like this;



Steps for entering the Professional Fees

- 1. Select row with Description 'Geo-Technical Services'
- 2. Enter the Amount: \$35,000
- 3. Select row with Description 'Engineering'
- 4. Enter the Amount: 12.00%
- 5. Select row with Description 'Mortgage Brokerage Fees'
- 6. Enter the Amount: \$37,000
- 7. Select row with Description 'Legal Fees'
- 8. Click on the Delete button

The Professional Fees sub folder should look like this;

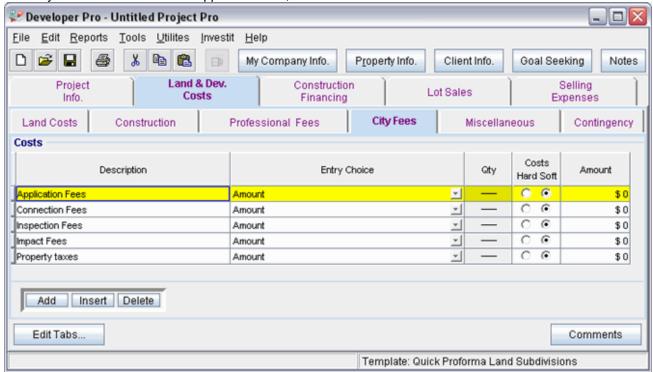


Click on the City Fees tab to go to the City Fees sub folder

City Fees sub folder

<u>Description</u>	<u>Amount</u>	Hard Cost	Soft Cost
Application Fees	\$25,000		✓
Connection Fees	\$3,000 per Lot x Total No. of Lots		✓
Inspection Fees	\$13,000		✓
Impact Fees	\$20,000 per Lot x Total No. of Lots		✓
Property Taxes	\$60,000		✓

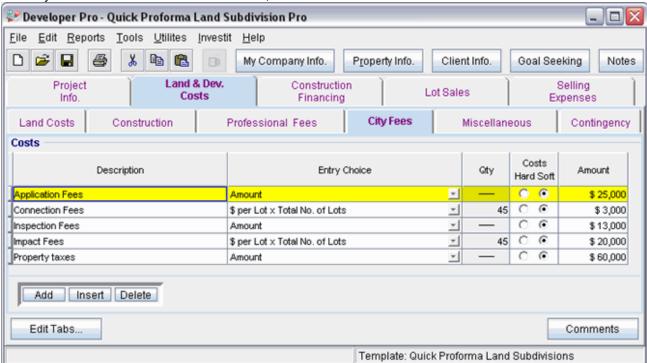
The City Fees sub folder should appear like this;



Steps for entering the City Fees

- 1. Select row with Description 'Application Fees'
- 2. Enter the Amount: \$25,000
- 3. Select row with Description 'Connection Fees'
- 4. Select the Entry Choice: "\$ per Lot x Total No. of Lots"
- 5. Enter the Amount: \$3,000
- 6. Select row with Description 'Inspection Fees'
- 7. Enter the Amount: \$13,000
- Select row with Description 'Impact Fees'
- 9. Select the Entry Choice: "\$ per Lot x Total No. of Lots"
- 10. Enter the Amount: \$20,000
- 11. Select row with Description 'Property Taxes'
- 12. Enter the Amount: \$60,000

The City Fees sub folder should look like this;

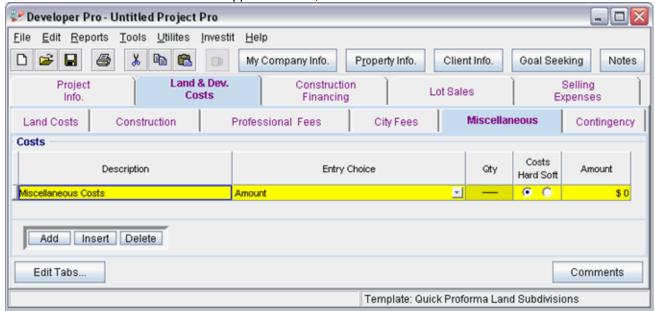


Click on the Miscellaneous tab to go the Miscellaneous sub folder

Miscellaneous sub folder

<u>Description</u>	<u>Amount</u>	Hard Cost	Soft Cost
Miscellaneous Costs	\$25,000	✓	

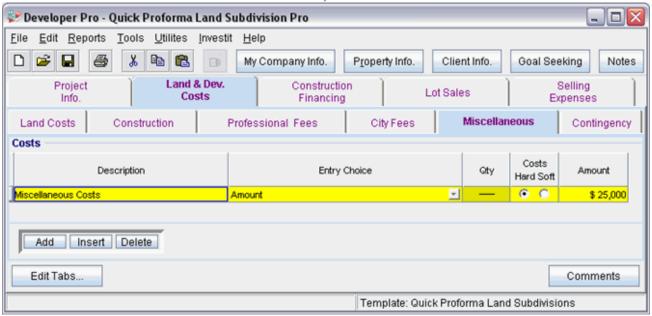
The Miscellaneous sub folder should appear like this;



Steps for entering the Miscellaneous

- 1. Select row with Description 'Miscellaneous costs'
- 2. Enter the Amount: \$25,000

The Miscellaneous sub folder should now look like this:

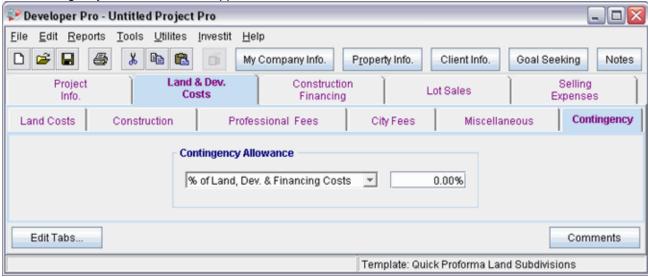


Click on the Contingency tab to go to the Contingency sub folder

Contingency Allowance

10.00% of Land, Dev. & Financing Costs

The Contingency sub folder should appear like this;



Steps for entering the Contingency

1. Enter the Amount: 10.00%

The Contingency folder should now appear like this;



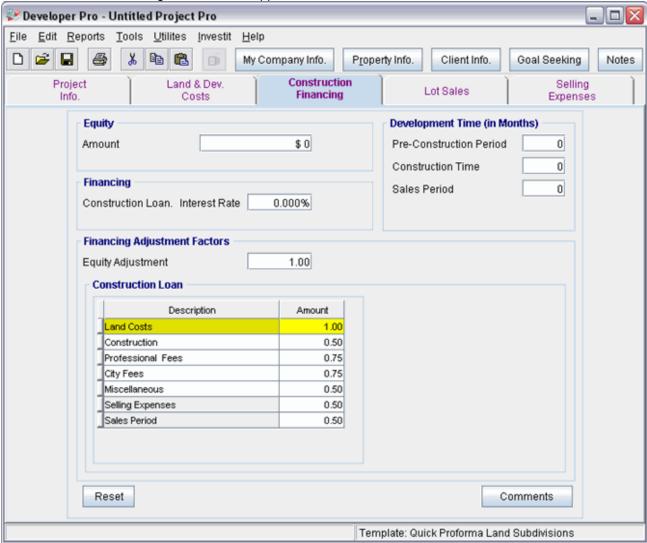
Click on the Construction Financing tab to go to the Construction Financing Folder

CONSTRUCTION FINANCING FOLDER

Equity: \$2,800,000 Interest Rate: 8.50%

Development Time

Pre-Construction Period: 7 Months Construction Time: 6 Months Sales Period: 13 Months The Construction Financing Folder should appear like this;



Steps for entering the Construction Financing

1. Enter the Equity Amount: \$2,800,000

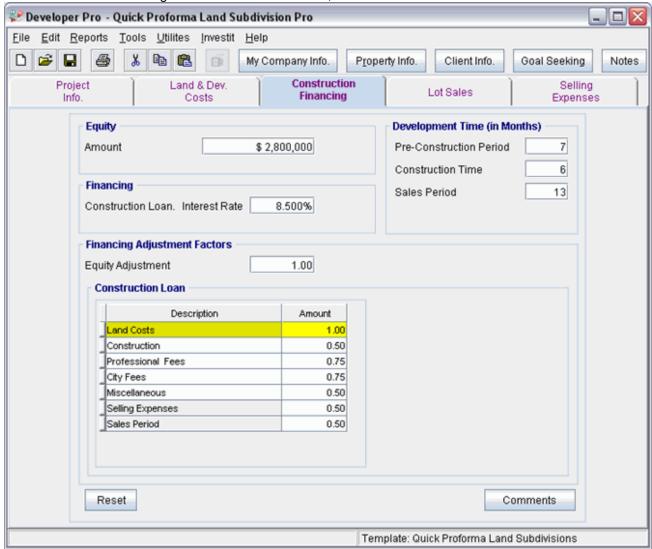
2. Enter the Construction Loan. Interest Rate: 8.50%

3. Enter the Pre-Construction Period: 7 Months

4. Enter the Construction Time: 6 Months

5. Enter the Sales Period: 13 Months

The Construction Financing Folder should look like this;

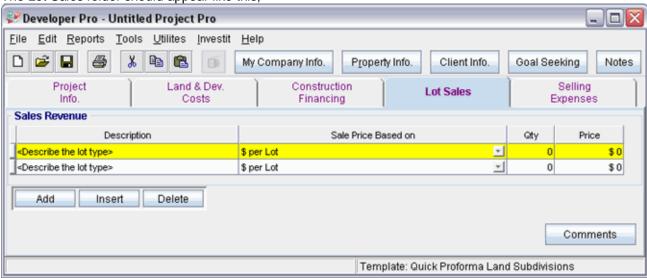


Click on the Lot Sales tab to go to the Lot Sales folder

LOT SALES Folder

<u>Description</u>	<u>Entry</u>	<u>QTY</u>
Prime Lots	\$265,000 per Lot	10
Regular Lots	\$195,000 per Lot	35

The Lot Sales folder should appear like this;



Steps for entering the Lot Sales

- 1. Select row 1
- 2. Enter the Description: "Prime Lots"
- 3. Enter the Qty: 10
- 4. Enter the Amount: \$265,000
- 5. Select row 2
- 6. Enter the Description: "Regular Lots"
- 7. Enter the Qty: 35
- 8. Enter the Amount: \$195,000

The Unit Sales folder should now look like this;



Click on the Selling Expenses tab to go to the Selling Expenses folder

Selling Expenses Folder

Real Estate Commission

5.00% of Sale Price

The Real Estate Commission should appear like this;



Entering the Real Estate Commission

- 1. Select "Fixed % of Sale Price" from the scroll down menu
- 2. Enter the Amount: 5.00%

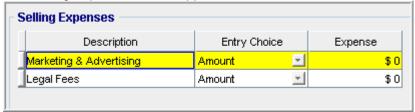
The Real Estate Commission should now look like this;



Selling Expenses

Marketing & Advertising: \$25,000 Legal Fees: 2.00% of Sale Price

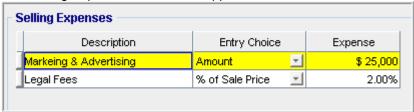
The Selling Expenses should appear like this;



Entering the Selling Expenses

- 1. Select row 1 'Marketing & Advertising'
- 2. Enter Expense: \$25,000
- 3. Select row 2: 'Legal Fees'
- 4. Entry Choice: "% of Sale Price"
- 5. Enter Expense: 2.00%

The Selling Expenses should now appear like this;



SAVE YOUR PROJECT