

**Developer Pro USA
45 LOT SUBDIVISION DEVELOPMENT EXAMPLE**

INTRODUCTION

This example uses the Quick Proforma Land Subdivisions template.

This practice example consists of three Sections;

1. The input information for the project
2. 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>	<u>Hard Cost</u>	<u>Soft Cost</u>
Land	\$2,850,000	✓	
Legal Fees	\$15,000		✓
Appraisal Fees	\$12,000		✓

Construction sub folder

<u>Description</u>	<u>Amount</u>	<u>Hard Cost</u>	<u>Soft Cost</u>
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>	<u>Hard Cost</u>	<u>Soft Cost</u>
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>	<u>Hard Cost</u>	<u>Soft Cost</u>
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>	<u>Hard Cost</u>	<u>Soft Cost</u>
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

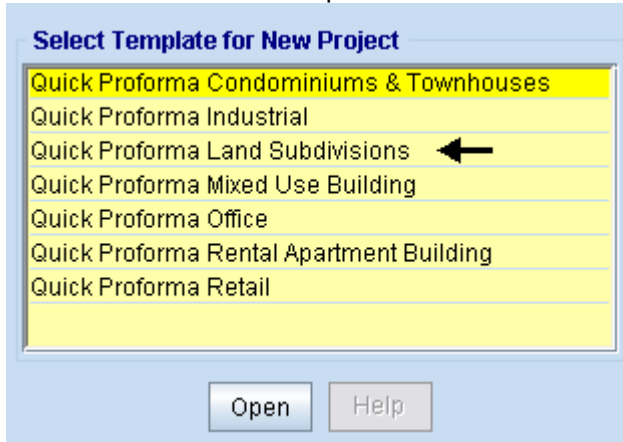
Marketing & Advertising: \$25,000
Legal Fees: 2.00% of Sale Price

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

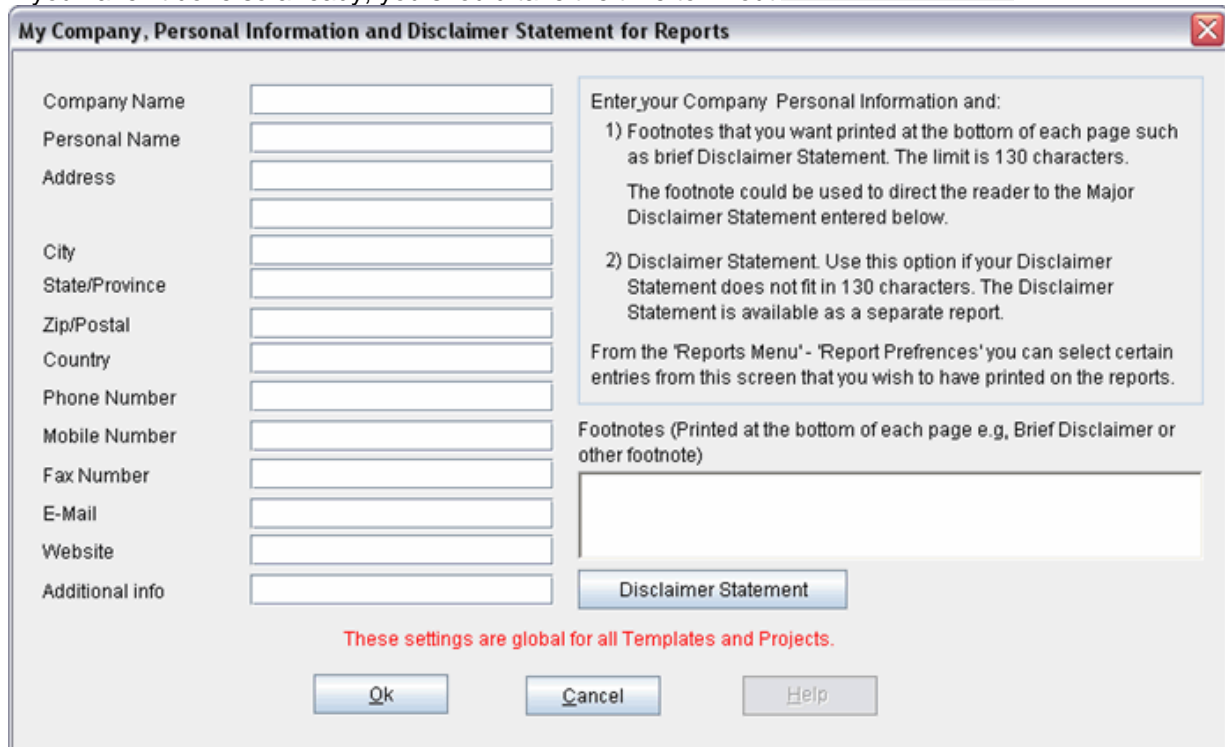


3. Select and open the Investit template “Quick Proforma Land Subdivisions”

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

Company Name

Personal Name

Address

City

State/Province

Zip/Postal

Country

Phone Number

Mobile Number

Fax Number

E-Mail

Website

Additional info

Enter your Company Personal Information and:

- 1) Footnotes that you want printed at the bottom of each page such as brief Disclaimer Statement. The limit is 130 characters. The footnote could be used to direct the reader to the Major Disclaimer Statement entered below.
- 2) Disclaimer Statement. Use this option if your Disclaimer Statement does not fit in 130 characters. The Disclaimer Statement is available as a separate report.

From the 'Reports Menu' - 'Report Preferences' you can select certain entries from this screen that you wish to have printed on the reports.

Footnotes (Printed at the bottom of each page e.g. Brief Disclaimer or other footnote)

Disclaimer Statement

These settings are global for all Templates and Projects.

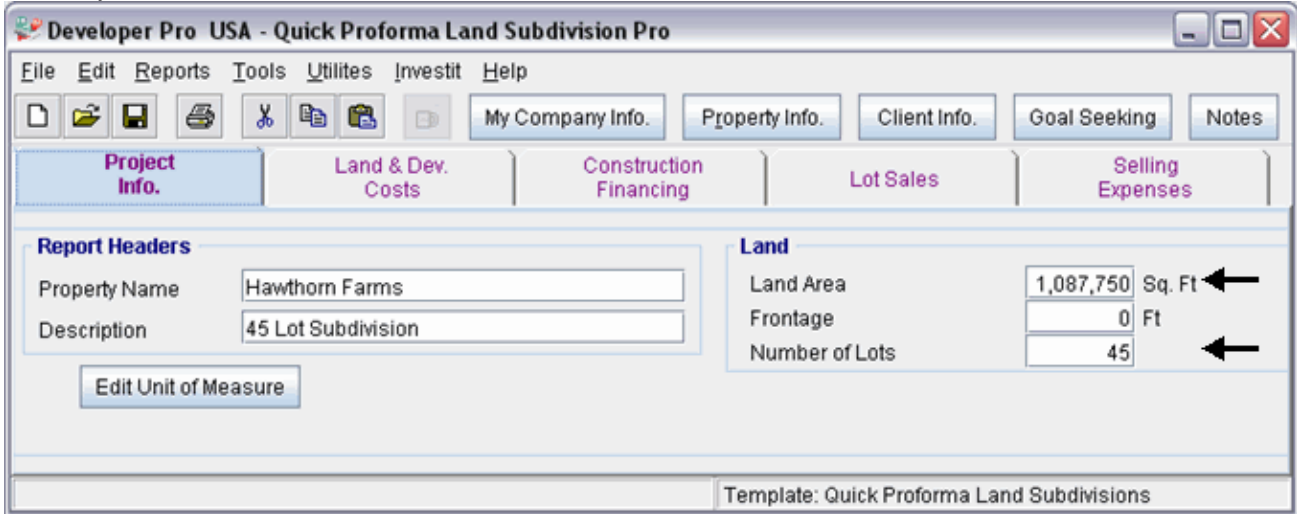
Ok Cancel Help

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;

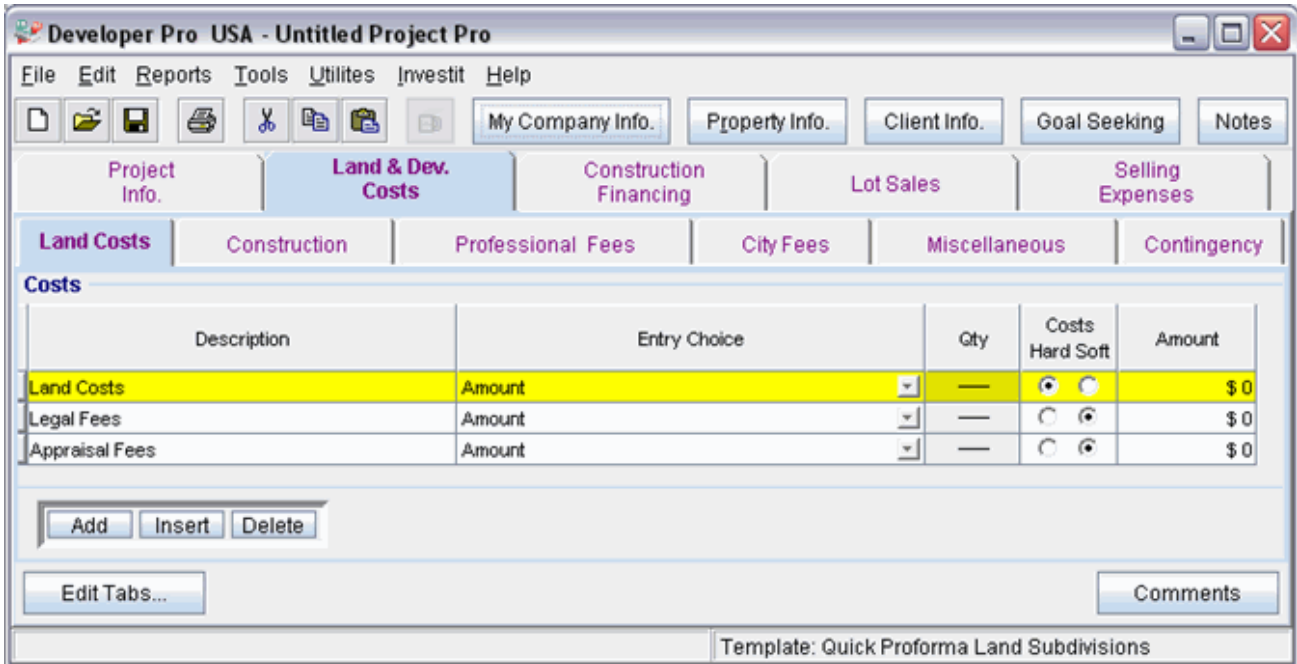


LAND & DEV. COSTS folder

Land Costs sub folder

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

The Land Costs sub folder should appear like this;



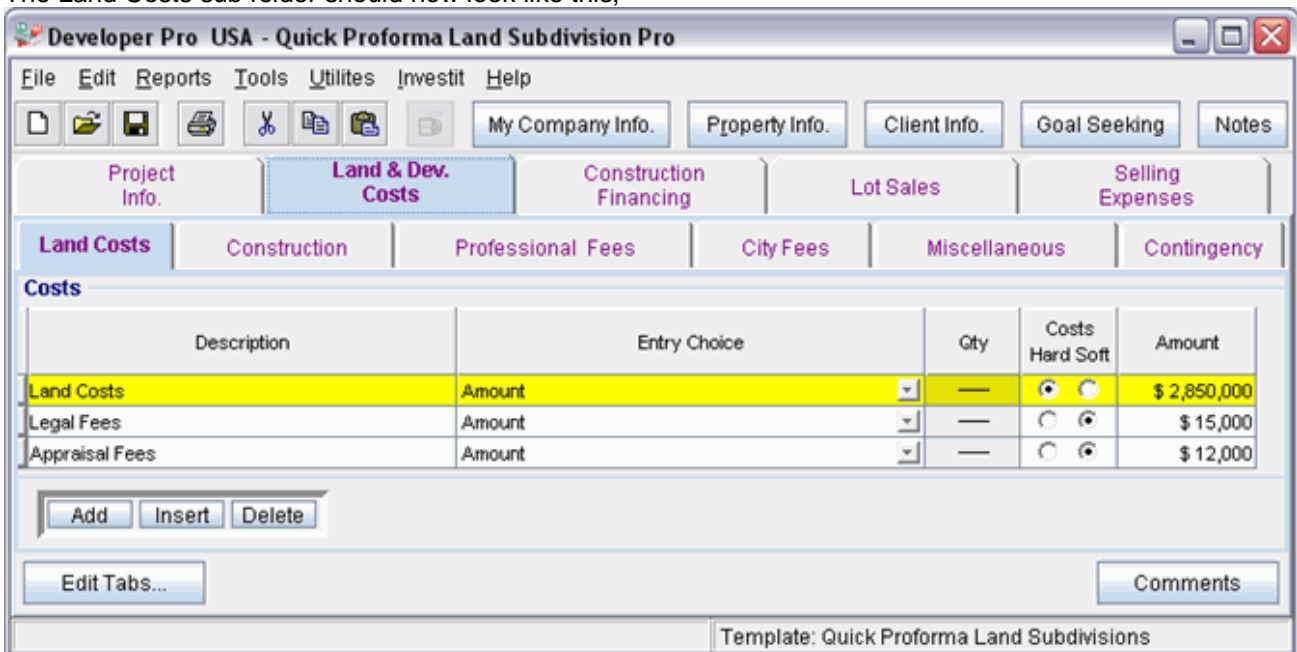
Instructions for entering the Land Costs

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;

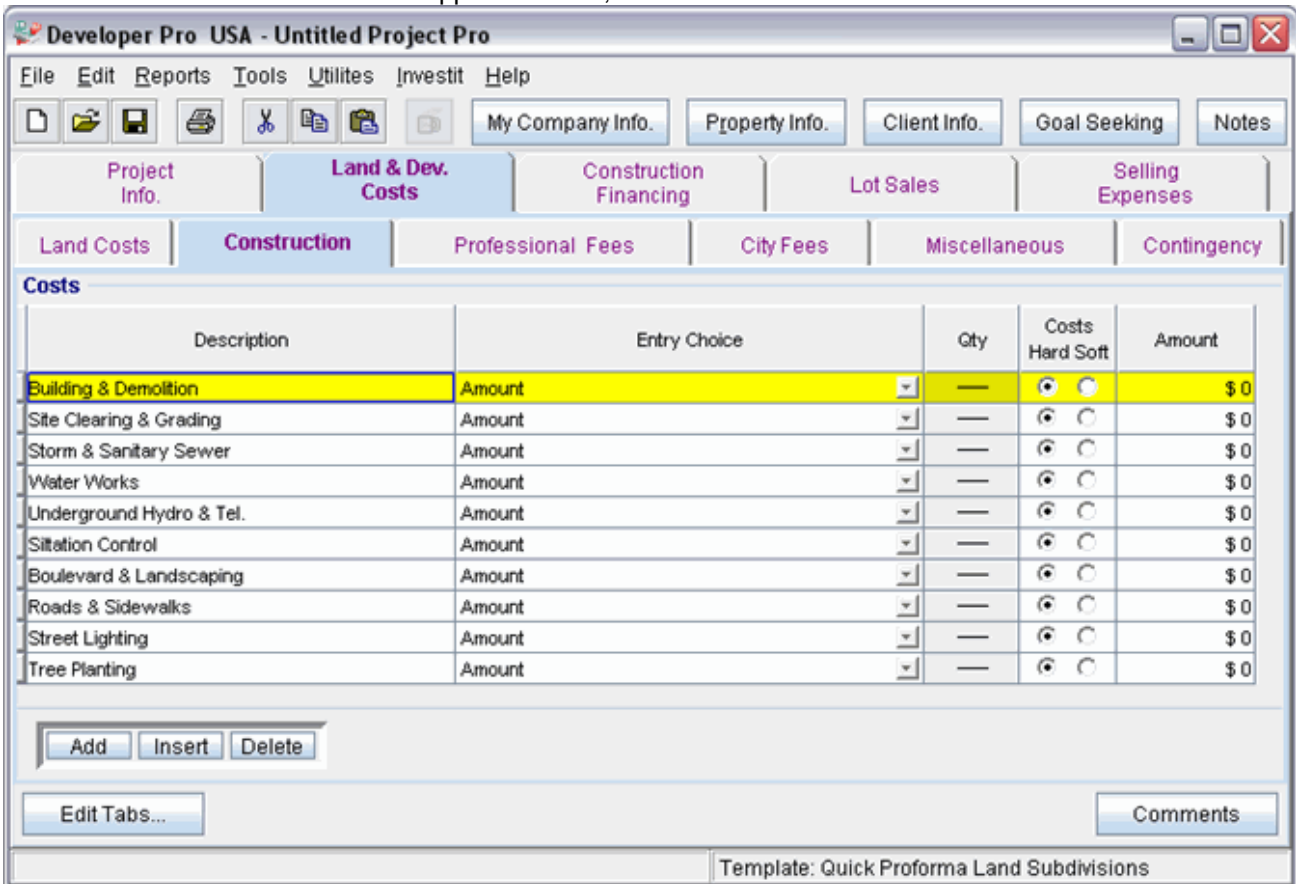


Click on the Construction tab to go to the Construction sub folder

Construction sub folder

<u>Description</u>	<u>Amount</u>	<u>Hard Cost</u>	<u>Soft Cost</u>
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

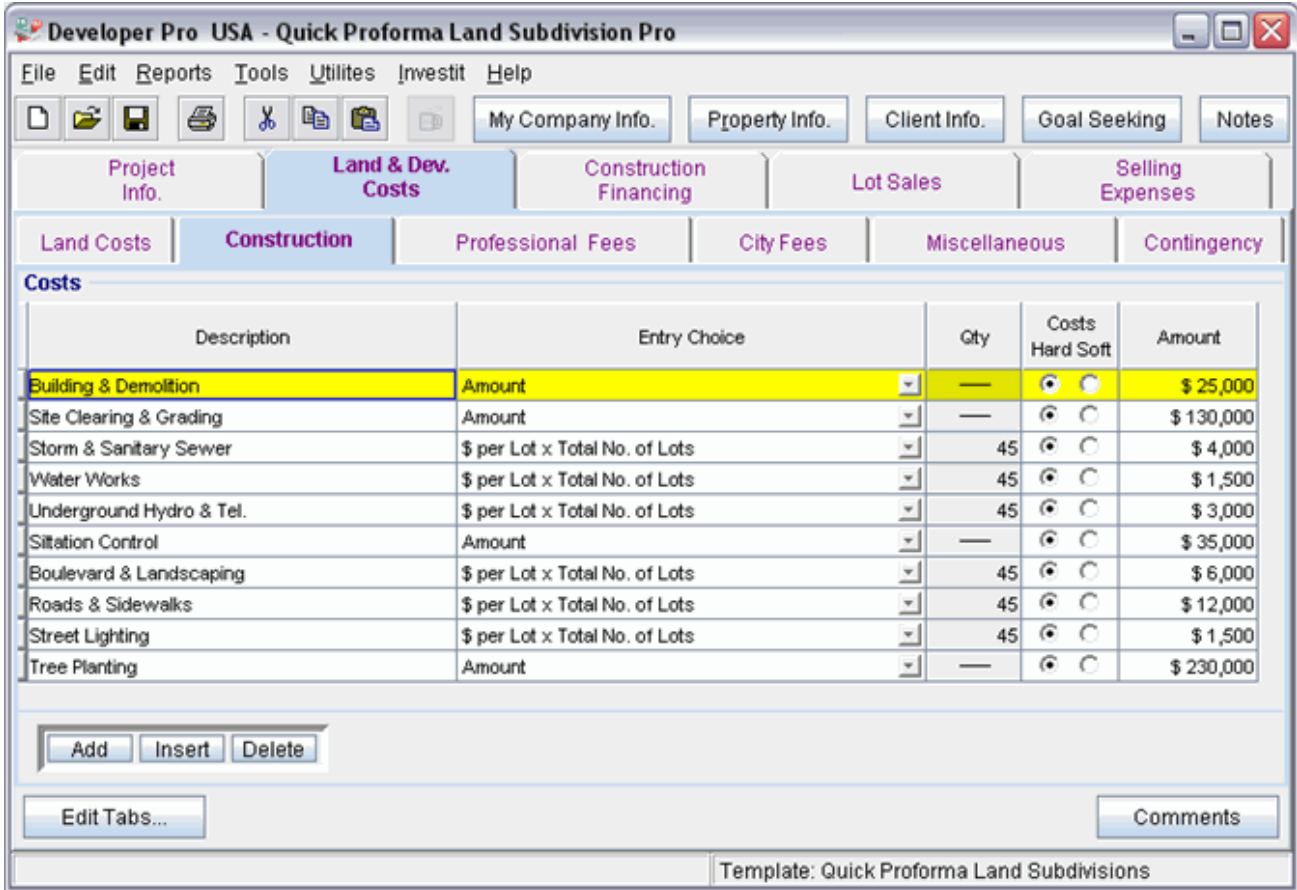
16. Select row with Description 'Boulevard & Landscaping'
17. Select the Entry Choice '\$ per Lot x Total No. of Lots'
18. Enter the Amount: \$6,000

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;

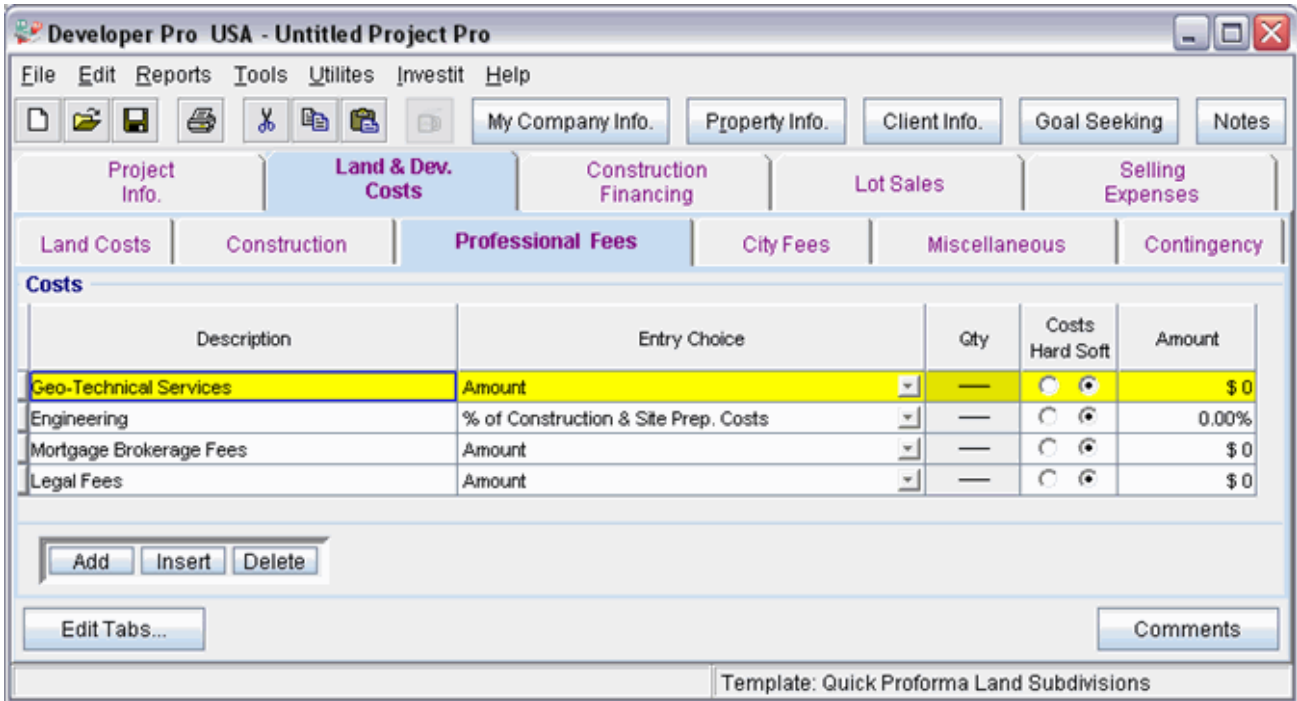


Click on the Professional Fees tab to go to the Professional Fees sub folder

Professional Fees sub folder

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

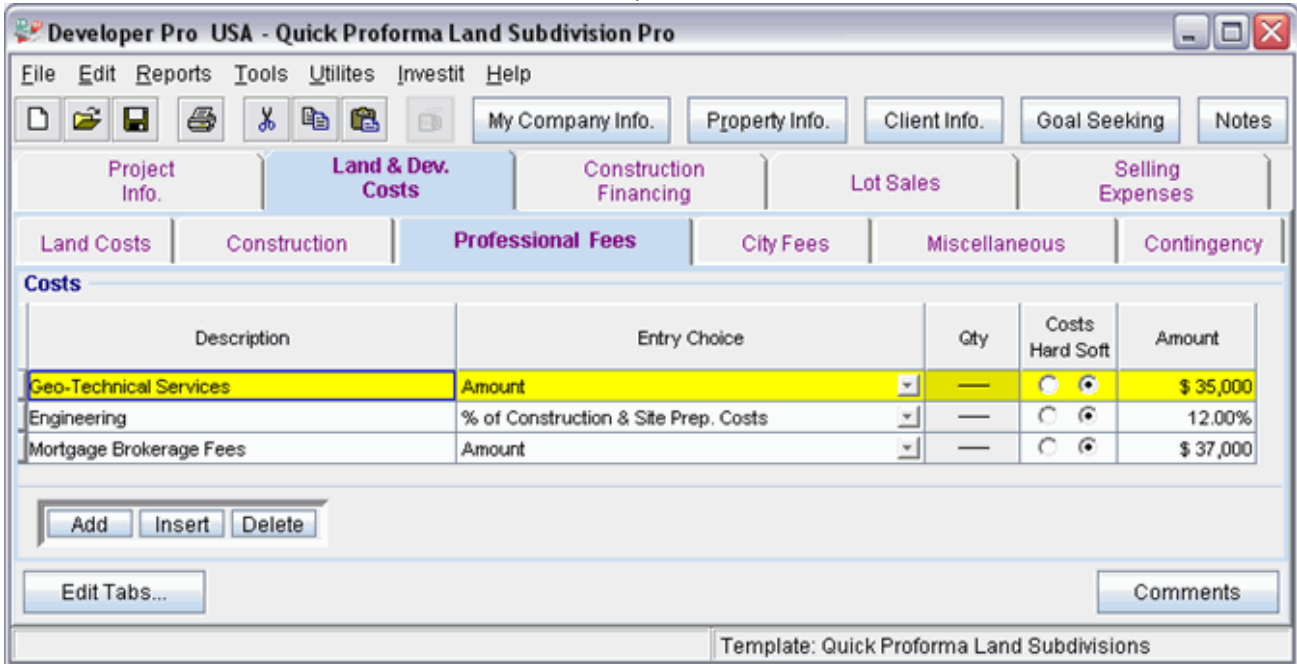
The Professional Fees sub folder should appear like this;



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 button

The Professional Fees sub folder should look like this:

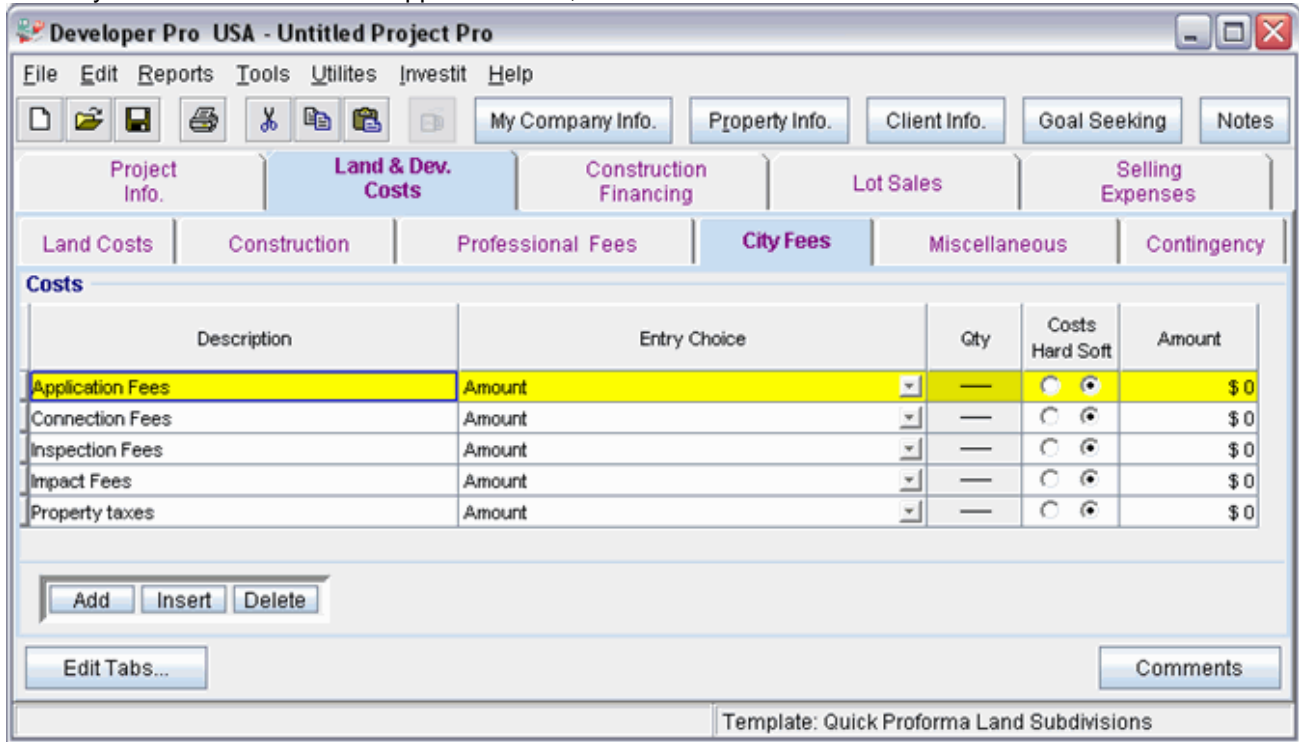


Click on the City Fees tab to go to the City Fees sub folder

City Fees sub folder

<u>Description</u>	<u>Amount</u>	<u>Hard Cost</u>	<u>Soft Cost</u>
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

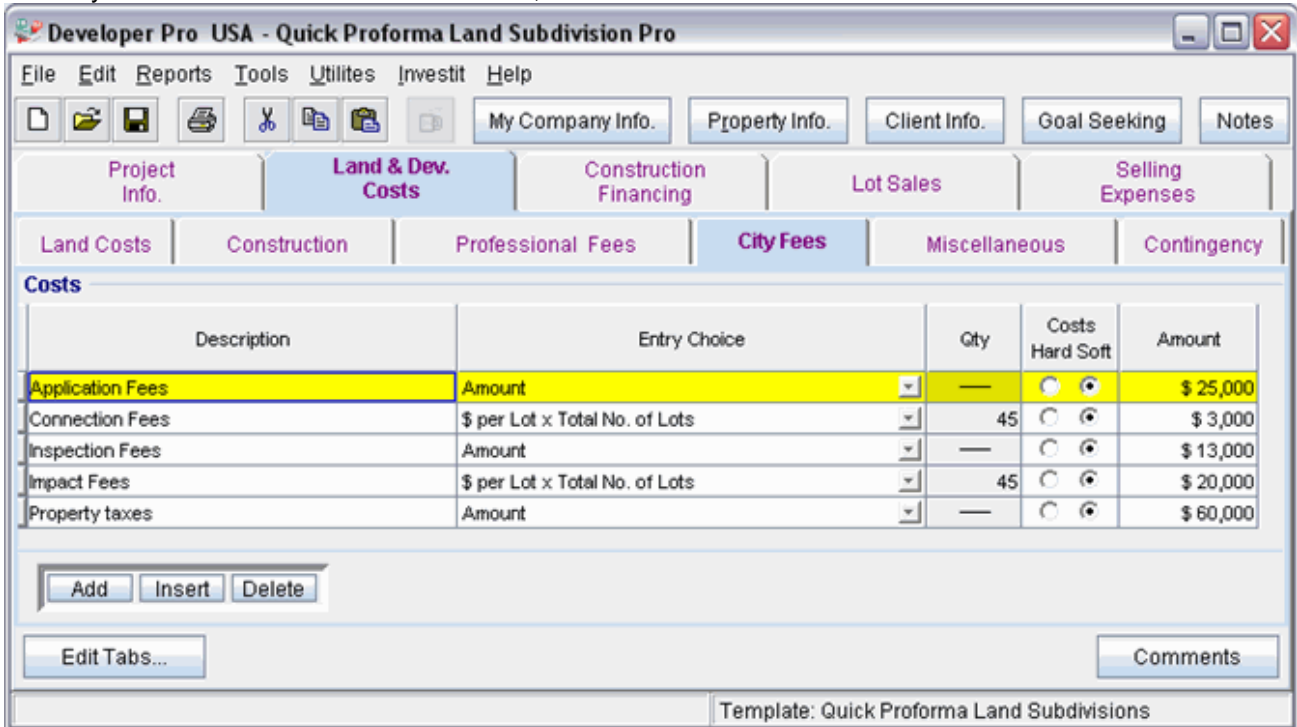
3. Select row with Description 'Connection Fees'
4. Select the Entry Choice: "\$ per Lot x Total No. of Lots"
5. Enter the Amount: \$3,000

6. Select row with Description 'Inspection Fees'
7. Enter the Amount: \$13,000

8. 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;

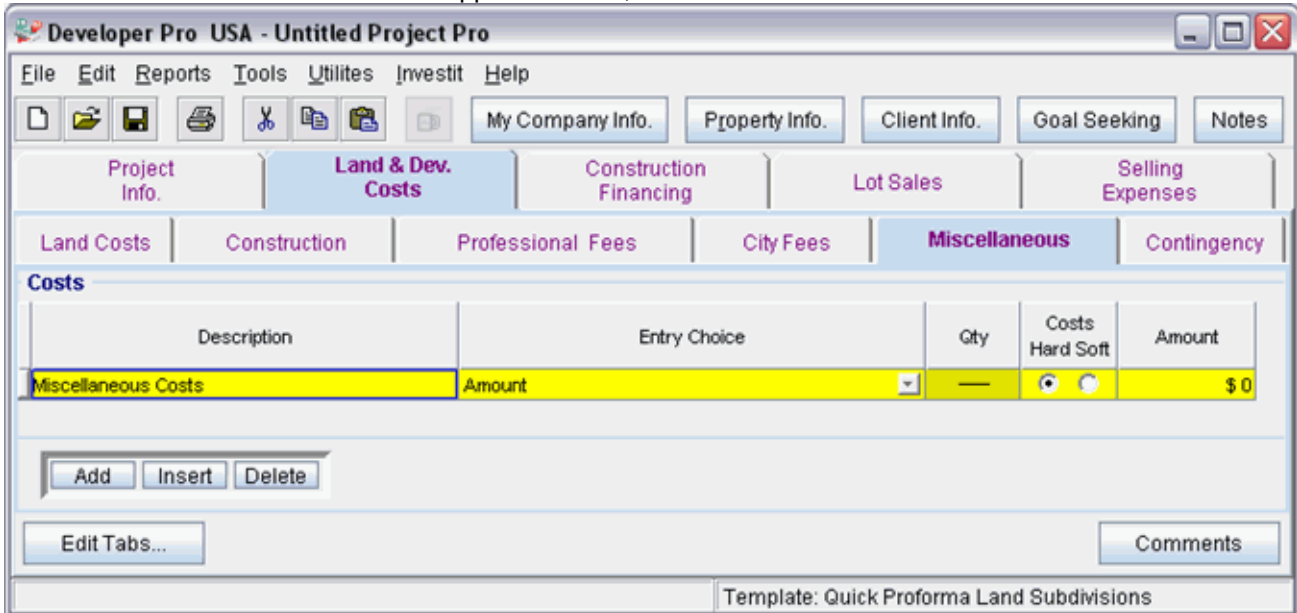


Click on the Miscellaneous tab to go the Miscellaneous sub folder

Miscellaneous sub folder

Description	Amount	Hard Cost	Soft Cost
Miscellaneous Costs	\$25,000	✓	

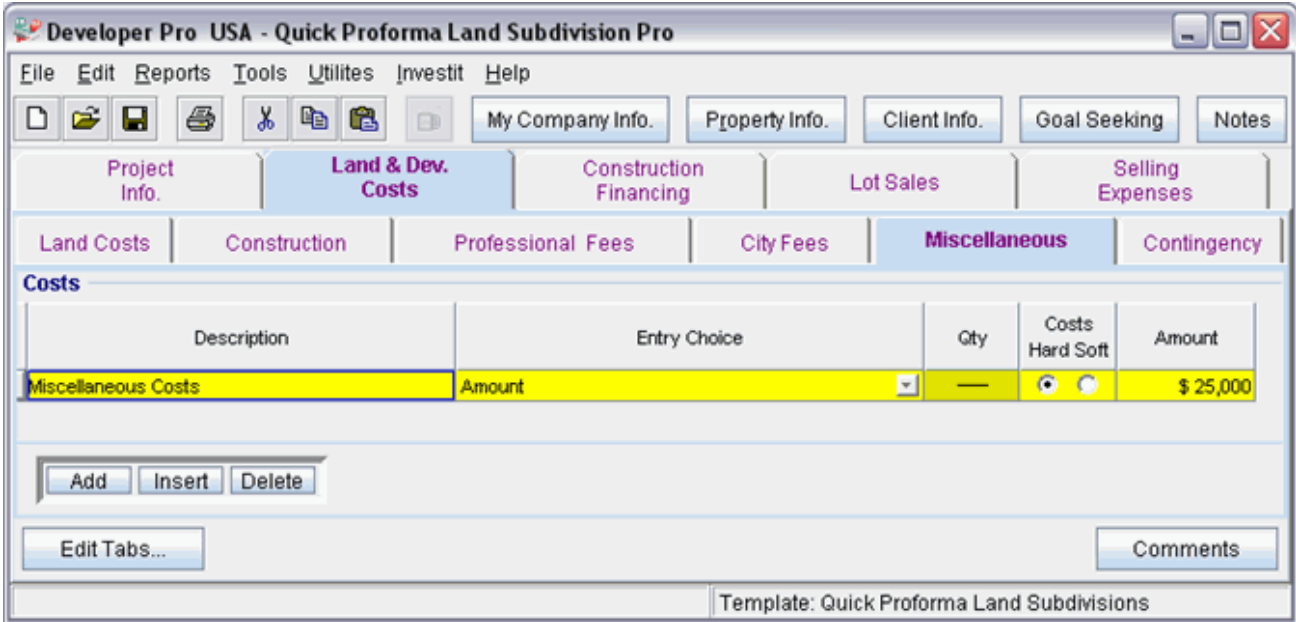
The Miscellaneous sub folder should appear like this;



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;

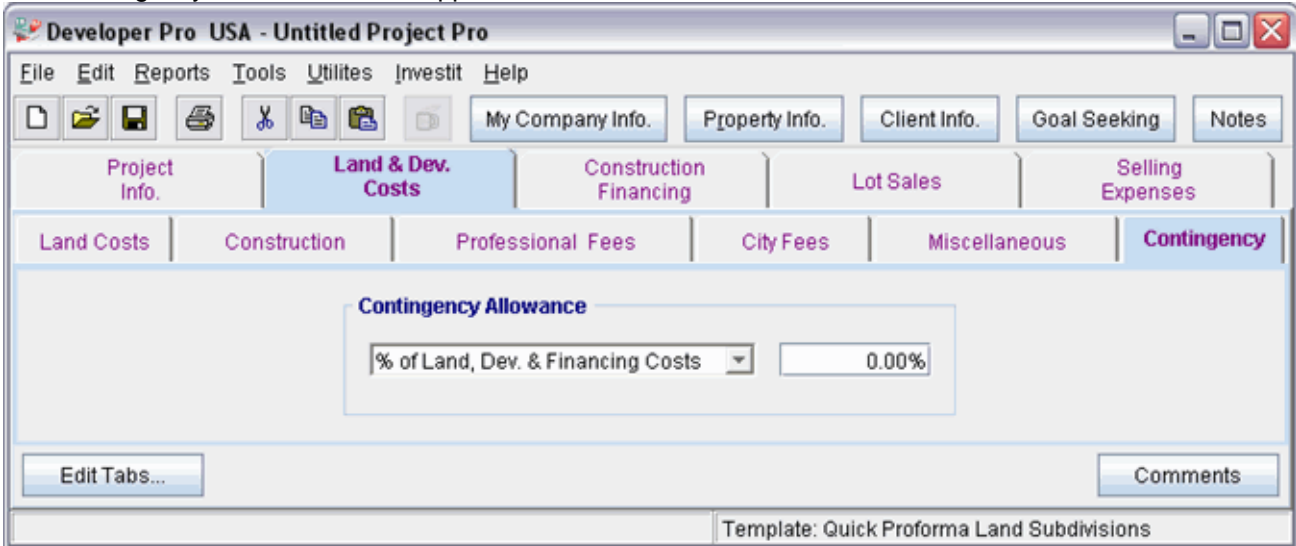


Click on the Contingency tab to go to the Contingency sub folder

Contingency Allowance

10.00% of Land, Dev. & Financing Costs

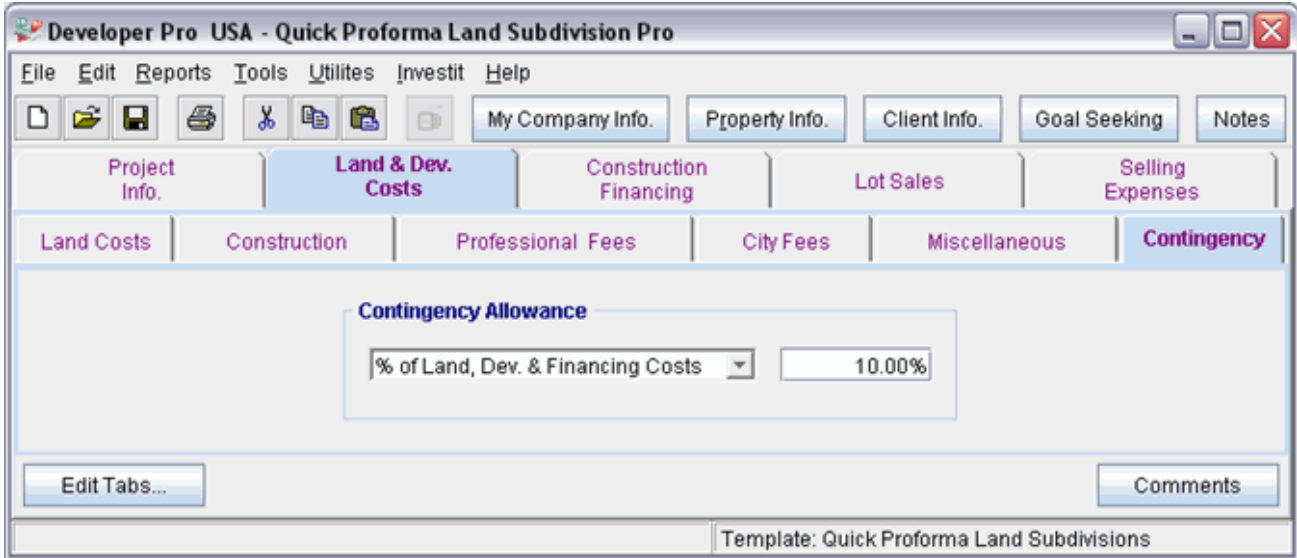
The Contingency sub folder should appear like this;



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;

Developer Pro USA - Untitled Project Pro

File Edit Reports Tools Utilities Investit Help

My Company Info. Property Info. Client Info. Goal Seeking Notes

Project Info. Land & Dev. Costs **Construction Financing** Lot Sales Selling Expenses

Equity
Amount

Financing
Construction Loan. Interest Rate

Development Time (in Months)
Pre-Construction Period
Construction Time
Sales Period

Financing Adjustment Factors
Equity Adjustment

Construction Loan

Description	Amount
Land Costs	1.00
Construction	0.50
Professional Fees	0.75
City Fees	0.75
Miscellaneous	0.50
Selling Expenses	0.50
Sales Period	0.50

Reset Comments

Template: Quick Proforma Land Subdivisions

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;

Developer Pro USA - Quick Proforma Land Subdivision Pro

File Edit Reports Tools Utilities Investit Help

My Company Info. Property Info. Client Info. Goal Seeking Notes

Project Info. Land & Dev. Costs **Construction Financing** Lot Sales Selling Expenses

Equity
 Amount

Financing
 Construction Loan. Interest Rate

Development Time (in Months)
 Pre-Construction Period
 Construction Time
 Sales Period

Financing Adjustment Factors
 Equity Adjustment

Construction Loan

Description	Amount
Land Costs	1.00
Construction	0.50
Professional Fees	0.75
City Fees	0.75
Miscellaneous	0.50
Selling Expenses	0.50
Sales Period	0.50

Reset Comments

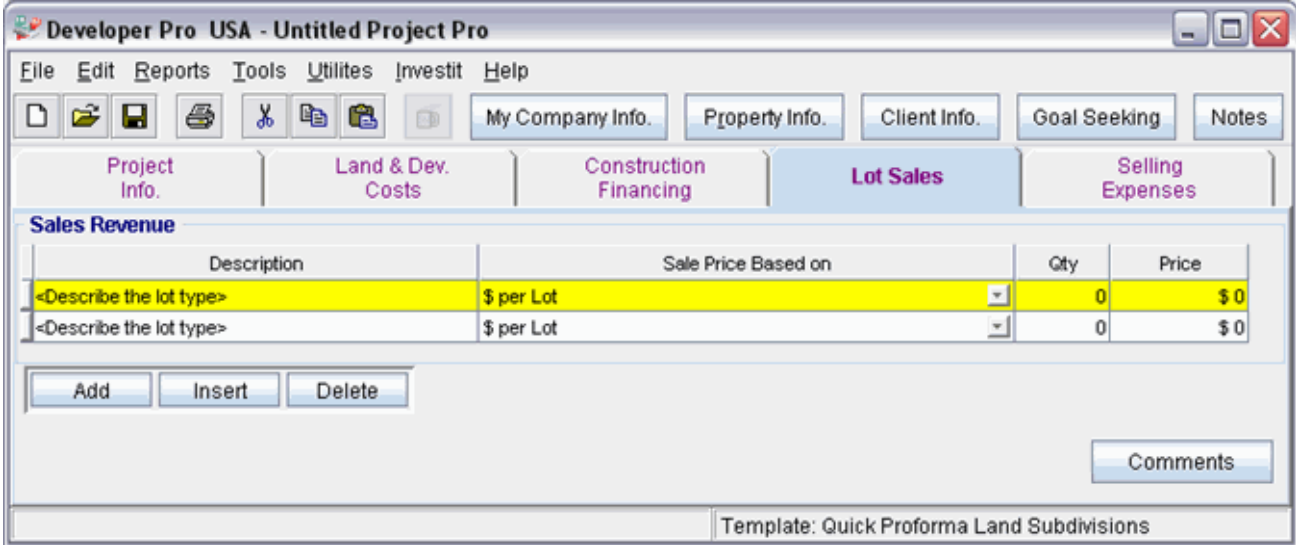
Template: Quick Proforma Land Subdivisions

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;

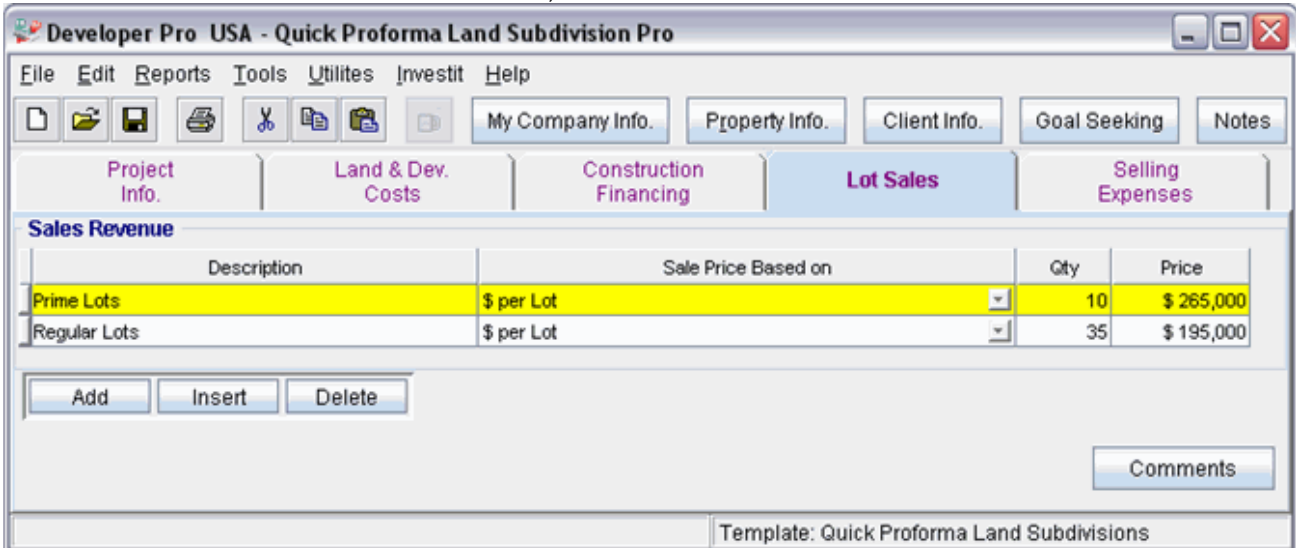


Steps for entering the Lot Sales

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;



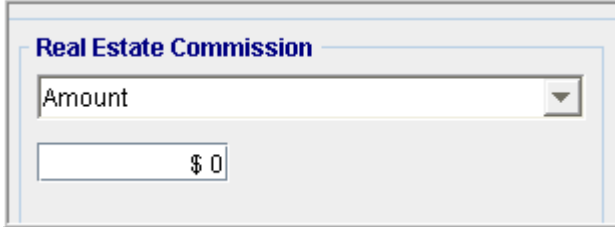
Click on the Selling Expenses tab to go to the Selling Expenses folder

Selling Expenses Folder

Real Estate Commission

5.00% of Sale Price

The Real Estate Commission should appear like this;



The screenshot shows a window titled "Real Estate Commission". It contains a dropdown menu with "Amount" selected and a text input field containing "\$ 0".

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;



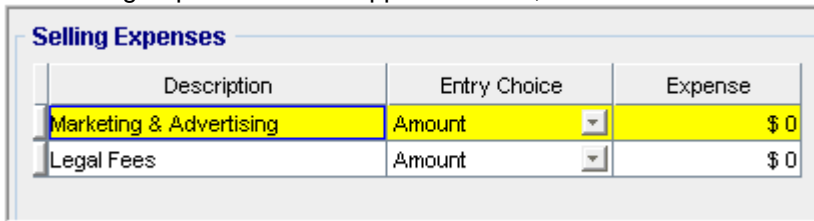
The screenshot shows the same window as before, but now the dropdown menu is set to "Fixed % of Sale Price" and the input field contains "5.00%".

Selling Expenses

Marketing & Advertising: \$25,000

Legal Fees: 2.00% of Sale Price

The Selling Expenses should appear like this;



Description	Entry Choice	Expense
Marketing & Advertising	Amount	\$ 0
Legal Fees	Amount	\$ 0

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;

Selling Expenses		
Description	Entry Choice	Expense
Marketing & Advertising	Amount	\$ 25,000
Legal Fees	% of Sale Price	2.00%

SAVE YOUR PROJECT