



Feasibility Study to Build a Condo Building

1st Avenue

$$45 \times 115 = 5175 \text{ sq.ft}$$

$$\underline{\times 3}$$

$$15,525 \text{ sq.ft}$$

Land

Floor Space Ratio (FSR)

$$\underline{\times 1.45}$$

$$22,500 \text{ sq.ft.}$$

Buildable

Less 10% Common Area

$$\underline{- 2,500 \text{ sq.ft.}}$$

$$20,000 \text{ sq.ft.}$$

Hallways,
Elevators,
Stairs,
Mechanical
Room

Ideal Mix of Units

$$20 \text{ (1 bedroom)} \times 600 \text{ sq.ft.} = 12,000 \text{ sq.ft.}$$

$$10 \text{ (2 bedroom)} \times 800 \text{ sq.ft.} = 8,000 \text{ sq.ft.}$$

$$20,000 \text{ sq.ft.}$$

Sellable

Construction Costs

Hard Costs

$$\text{\$150/sq.ft.}$$

Woodframe

Soft Costs

$$\text{\$50/sq.ft.}$$

Subtotal

$$\text{\$200/sq.ft.}$$

$$\underline{\times 22,500 \text{ sq.ft.}}$$

Building Cost

$$\text{\$4,500,000}$$

Parking Lot Cost

45 parking Stalls

$$\times \text{\$20,000}$$

$$= \text{\$900,000}$$

Subtotal

$$\text{\$5,400,000}$$

Landscaping

$$\text{\$100,000}$$

Total

$$\text{\$5,500,000}$$

Profitability Feasibility Analysis

Project Value

Average Selling Price per sq.ft.

x Sellable

$$\text{\$500}$$

$$\times 20,000$$

=

$$\text{\$10,000,000}$$

Net Income

Sales

$$\text{\$10,000,000}$$

Construction

$$\text{\$5,500,000}$$

Land Cost

(3x\\$1million/lot)

$$\text{\$3,000,000}$$

$$\text{\$8,500,000}$$

Net

$$\text{\$1,500,000}$$

$$\text{(15\%)}$$