

RENOVATING FOR PROFIT

Renovation Costs & Profit Feasibility

	SCENARIO 1	SCENARIO 2	SCENARIO 3	SCENARIO 4	SCENARIO 5	SCENARIO 6
	BUDGET	BUDGET	MEDIUM	MEDIUM	TARGET	TARGET
INCOMING REVENUE						
Property Re-Sale Price	\$1,000,000	\$1,010,000	\$1,020,000	\$1,030,000	\$1,040,000	\$1,050,000
Sale of Demolition Items	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Interest Earned (Buyer Deposit Cheque)	\$235	\$235	\$235	\$235	\$235	\$235
Interest Earned (Vendor Deposit Cheque)	\$310	\$310	\$310	\$310	\$310	\$310
Other Miscellaneous Income ⁽¹⁾	\$0	\$0	\$0	\$0	\$0	\$0
Other Miscellaneous Income ⁽²⁾	\$0	\$0	\$0	\$0	\$0	\$0
Other Miscellaneous Income ⁽³⁾	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INCOME:	\$1,003,045	\$1,013,045	\$1,023,045	\$1,033,045	\$1,043,045	\$1,053,045
PROPERTY ACQUISITION COSTS						
Purchase Price	\$480,000	\$480,000	\$480,000	\$480,000	\$480,000	\$480,000
Stamp Duty (On Purchase)	\$17,094	\$17,094	\$17,094	\$17,094	\$17,094	\$17,094
Government Fee's (Searches etc)	\$220	\$220	\$220	\$220	\$220	\$220
Legal Fee's	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750
Legal Disbursements	\$120	\$120	\$120	\$120	\$120	\$120
Allowance for Council Rates	\$434	\$434	\$434	\$434	\$434	\$434
Allowance for Water Rates	\$175	\$175	\$175	\$175	\$175	\$175
Due Diligence Costs	\$600	\$600	\$600	\$600	\$600	\$600
Other Miscellaneous Costs ⁽⁴⁾	\$0	\$0	\$0	\$0	\$0	\$0
Other Miscellaneous Costs ⁽⁵⁾	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL: PROPERTY ACQUISITION COSTS:	\$500,393	\$500,393	\$500,393	\$500,393	\$500,393	\$500,393
MORTGAGE / LOAN ESTABLISHMENT COSTS						
Loan Establishment Fee	\$0	\$0	\$0	\$0	\$0	\$0
Valuation Fee	\$0	\$0	\$0	\$0	\$0	\$0
Stamp Duty (On Mortgage)	\$4,832	\$4,832	\$4,832	\$4,832	\$4,832	\$4,832
Mortgage Insurance Fee	\$0	\$0	\$0	\$0	\$0	\$0
Mortgage Registration Fee	\$100	\$100	\$100	\$100	\$100	\$100
Mortgage Legal Fee's	\$230	\$230	\$230	\$230	\$230	\$230
Mortgage Discharge / Refinance Fee	\$0	\$0	\$0	\$0	\$0	\$0
Transfer of Registration Fee	\$90	\$90	\$90	\$90	\$90	\$90
Certificate of Title / Mortgage Document Production Fee	\$60	\$60	\$60	\$60	\$60	\$60
Other Miscellaneous Costs ⁽⁶⁾	\$0	\$0	\$0	\$0	\$0	\$0
Other Miscellaneous Costs ⁽⁷⁾	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL: MORTGAGE / LOAN ESTABLISHMENT COSTS	\$5,312	\$5,312	\$5,312	\$5,312	\$5,312	\$5,312
BANK MORTGAGE / HOLDING COSTS						
	Deposit Amount	Interest Rate	No of Months Property to be held			
Loan Repayment Costs	\$384,000	8.75%	9	\$25,200	\$25,200	\$25,200
Other Miscellaneous Costs ⁽⁸⁾				\$0	\$0	\$0
Other Miscellaneous Costs ⁽⁹⁾				\$0	\$0	\$0
TOTAL: BANK MORTGAGE / HOLDING COSTS:				\$25,200	\$25,200	\$25,200
DEVELOPMENT APPLICATION COSTS						
Survey Costs for DA Survey	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Architectural Fee's (to Development Approval Stage)	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500
Council - DA Application Fee	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Other Miscellaneous Costs ⁽¹⁰⁾	\$0	\$0	\$0	\$0	\$0	\$0
Other Miscellaneous Costs ⁽¹¹⁾	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL: DEVELOPMENT APPLICATION COSTS	\$14,950	\$14,950	\$14,950	\$14,950	\$14,950	\$14,950
CONSTRUCTION CERTIFICATE APPLICATION COSTS						
Architects Fee's (CC Drawings)	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Structural Engineers Fee's	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500
Hydraulic Engineers Fee's	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Stamped Plans (Local Water Authority)	\$85	\$85	\$85	\$85	\$85	\$85