

CASE STUDY

DEVELOPER CONTRIBUTES LAND AS EQUITY

INTRODUCTION

This case study demonstrates where a developer owns a parcel of land that they are developing, and they want the Performance Indicators in the feasibility analysis to take into consideration the value of the land that has been contributed to the project.

INPUTS

For the land to be considered as a direct investment in the project, its present value must be featured as both a **Land Purchase Price** and an **Equity Contribution** in period zero.

These two identical entries (**Land Purchase Price** and **Equity Contribution**) will cancel each other out in the cash flow, but will be ultimately be deducted from the developers profit and provide an accurate reflection of the project’s performance considering land value contributed.

In this case, the land value of \$12,500,000 is entered in the ‘Land Purchase Price’ input.

Land Purchase & Acquisition Costs				Month Start	Month Span	Cash Flow Period
Costs to be entered Exclusive of GST						
Land Purchase Price		12,500,000				
	% of Land Purchase Price	AND/OR				
	% paid	Amount	Lump Amount			
Deposit in Trust Account *	0.00%	-	-	0	-	-
Payment 1	0.00%	-	-	0	-	-
Payment 2	0.00%	-	-	0	-	-
Payment 3	0.00%	-	-	0	-	-
Settlement (Balance)	100.00%		12,500,000	0	1	Dec-10 - Dec-10
Stamp Duty †	NIL		-	0	-	Dec-10 - Dec-10 (Star
Interest on Deposit in Trust Account	0.00%	Interest from deposit shared between parties				
Profit Share to Land Owner	0.00%	Paid progressively as project makes a profit.				

The land value is also entered as an Equity Injection in the Financing section of the Input Sheet.

10000 Financing (Advanced Mode)			
Equity			
	Fixed Amount	Percentage	
Developer's Equity Contribution Injected in total upfront.	12,500,000	100.00%	Fixed Amount
10001 Interest Charged on Equity	0.00%	per annum Nominal - Capitalised (Compounded)	
10002 Interest received on Surplus Cash	0.00%	per annum received in arrears.	
% of Available Funds to Repay Equity Before Debt	0.00%		

It can alternatively be entered as a manual injection in period zero of the cash flow and have the same effect.

Cumulative Cash Flow		(14,692,892)
FINANCING		
Equity		
Manual Adjustments (Inject + / Repay -)		12,500,000
Injections	12,500,000	12,500,000
Interest Charged	-	-
Equity Repayment	24,542,699	-

As the Developer owns the land, you will have to ensure you omit any preferences or entries that may be related to the purchase of Land.

Firstly ensure that you have placed an ‘N’ in the ‘Add GST on Land Price?’ cell.

of Land Purchase Price	AND/OR	Month Start	Month Span	Cash Flow Period	Add GST on Land Price
paid	Amount	Lump Amount			Reclaim Proportionally
0.00%	-	-			N

You will also need to turn off automatic Stamp Duty calculations. For that, you will need to go to Preferences > General > Regional Settings > Stamp Duty – and choose ‘NIL’.



CASH FLOW REPORT

Once these joint amounts are entered; the Cash Flow will display offsetting Land Payments and Equity Injections; but the Equity Balance will be featured as -\$12,500,000. This represents the developer equity contribution to the project.

FINANCING					
Equity					
Manual Adjustments (Inject + / Repay -)		0	0	0	0
Injections	12,500,000	12,500,000	-	-	-
Interest Charged	-	-	-	-	-
Equity Repayment	24,927,030	-	-	-	-
Less Profit Share	-	-	-	-	-
Equity Balance	12,427,030	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)
Equity Cash Flow	12,427,030	(12,500,000)	-	-	-
Project Cash Account					
Surplus Cash Injection	14,012,444	12,500,000	-	-	-
Cash Reserve Drawdown	(14,012,444)	(12,500,000)	-	-	-

Then once the project begins to make a profit, this \$12,500,000 land value is considered. As just under \$11.5 million is made in Month 32; it is still not enough to put the project into profit, as the developer has not yet recouped the value of his land yet. Profit does not occur until month 34.

2 Cash Flow Report

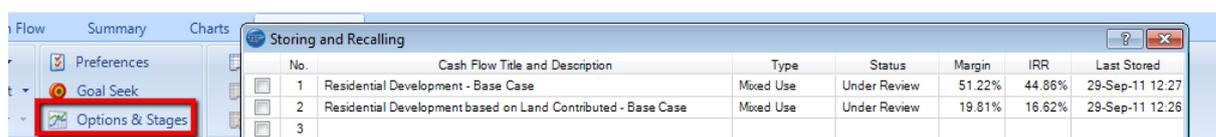
PROJECT CASH FLOW	TOTAL	31 Jul-13	32 Aug-13	33 Sep-13	34 Oct-13	35 Nov-13
Equity						
Manual Adjustments (Inject + / Repay -)		0	0	0	0	0
Injections	12,794,368	-	-	-	-	-
Interest Charged	-	-	-	-	-	-
Equity Repayment	24,717,939	-	11,494,158	-	2,421,146	3,586,483
Less Profit Share	-	-	-	-	-	-
Equity Balance	11,923,571	(12,500,000)	(1,005,842)	(1,005,842)	1,415,303	5,001,786
Equity Cash Flow	11,923,571	-	11,494,158	-	2,421,146	3,586,483
Project Cash Account						

COMPARISON OF OPTIONS

The ability to store Options and Stages in Estate Master DF allows you to compare this ‘Theoretical’ approach with the real profit the developer will make.

This allows the developer to look at two options side by side; one reflecting pure profit (refer to Appendix 1), and another comparing the project considering the value of land contributed (refer to Appendix 2). In this case, you just need to ensure the other option has neither a Land Purchase Price nor Equity Injection as described earlier.

These can be saved by going to ‘Options & Stages’ and saving each scenario in Options 1 and 2 respectively.



Then these two options will be featured side by side in the Consolidate Sheet.

In this case, you can see that although the project will make over \$24 million in real profit; taking into consideration the Land contribution, the profit is \$11 million.

ESTATEMASTER [®] Development Feasibility PROPERTY SOFTWARE		1	2
Summary of Stages and Consolidated Project Land as Equity Case Study		Residential Development	Residential Development based on Land
		Base Case	Base Case
		58 Apartments 7,900 GFA 1,000 SqM	58 Apartments 7,900 GFA 1,000 SqM
		Mixed Use Under Review	Mixed Use Under Review
Estate Master Licensed to: Estate Master			
TOTAL COSTS (after GST reclaimed)		43,330,332	55,830,332
PERFORMANCE INDICATORS			
1	Gross Development Profit	24,423,571	11,923,571
2	Net Developer's Profit after Profit Share	24,423,571	11,923,571
3	Development Margin (Profit/Risk Margin)	51.22%	19.81%
	Target Development Margin	25.00%	25.00%
4	Residual Land Value (Target Margin)	8,085,370	10,400,053
5	Breakeven Date for Cumulative Cash Flow	Aug-2013	Oct-2013
	Discount Rate (Target IRR)	20.00%	20.00%
6	Net Present Value @ Start of Stage	10,267,036	(2,232,964)
	Date of Commencement	Dec-10	Dec-10
	Holding Discount Rate	10.00%	
7	NPV at Start of Consolidated Cash Flow	10,267,036	(2,232,964)
8	Benefit Cost Ratio	1.353	0.946
9	Project Internal Rate of Return (IRR)	44.86%	16.62%
10	Residual Land Value (NPV) @ Start of Stage	10,218,696	10,273,594
	Peak Debt Exposure	44,115,380	44,115,380
	Date of Peak Debt Exposure	Jul-2013	Jul-2013
11	Breakeven Date for Project Overdraft	Oct-2013	Oct-2013
	Total Equity Contribution	294,368	12,794,368
	Peak Equity Exposure	-	12,500,000
	Date of Peak Equity Exposure	N.A.	Dec-2010
12	IRR on Equity	N.A.	23.98%
	Weighted Average Cost of Capital (WACC)	8.22%	15.49%

APPENDIX 1

Main Inputs for Land as Equity Case Study

3000 Professional Fees																
Costs to be entered Exclusive of GST																
Code	Stage	Description	% of Construct. ¹	AND/OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start ²	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost	
3001	-	DA Preparation	1.00%	-	-	-	-	1	6	Jan-11 - Jun-11	Y		326,541	359,195	359,195	
3002	-	Design Fees	2.20%	-	-	-	-	C	-	Aug-11 - May-13	Y		718,391	790,230	790,230	
3003	-	Other Consultants	3.50%	-	-	-	-	C	-	Aug-11 - May-13	Y		1,142,894	1,257,183	1,257,183	
3004	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
3005	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
3006	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
3015	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
			¹ % Based on Net Costs			² Pro-rata with Construction ('C')										
3099	-	Development Management	2.00%					P2	-	Jan-11 - Nov-13	Y		771,048	848,153	848,153	
			% of Project Costs (exc land) excludes finance costs and tax (if applicable).			³ Pro-rata with Construction ('C'), Settlements ('S') Project Costs inc Land ('P1') or exc Land ('P2')										
												TOTAL		2,958,874	3,254,761	3,254,761

4000 Construction Costs																
Costs to be entered Exclusive of GST																
Code	Stage	Description	Cost Type	Units	Base Rate / Units	Escalate (E,R,N) ¹	S-Curve	Month Start	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost	
4001	-	Demolition	Gen	4,500	1,000	E	E	8	4	Aug-11 - Nov-11	Y		4,500,000	4,950,000	5,015,782	
4002	-	Residential Internal Areas	RES	5,985	3,000	R	S	12	18	Dec-11 - May-13	Y		17,955,000	19,750,500	20,839,213	
4003	-	Balconies	RES	1,005	1,800	R	S	12	18	Dec-11 - May-13	Y		1,809,000	1,989,900	2,099,590	
4004	-	Commercial Space	Com	675	2,200	R	S	12	18	Dec-11 - May-13	Y		1,485,000	1,633,500	1,723,544	
4005	-	Residential Lobby	RES	150	4,000	R	S	12	18	Dec-11 - May-13	Y		600,000	660,000	696,381	
4006	-	Service Core & Plant	Gen	1,090	1,700	R	S	12	18	Dec-11 - May-13	Y		1,853,000	2,038,300	2,112,876	
4007	-	New Basement Park	Gen	74	35,000	R	S	12	18	Dec-11 - May-13	Y		2,590,000	2,849,000	2,953,237	
4008	-	Existing Carpark	Gen	21	20,000	R	S	12	18	Dec-11 - May-13	Y		420,000	462,000	478,903	
4009	-		-	-	-	-	-	0	-	-	Y		-	-	-	
4010	-		-	-	-	-	-	0	-	-	Y		-	-	-	
4025	-		-	-	-	-	-	0	-	-	Y		-	-	-	
			¹ Escalation ('N' = no escalation, 'E' = escalation to start period, 'R' = escalation to start period and through span)													
4099	Construction Contingency		-	And / Or	0.00%	of Construction Costs (inc GST)										
												TOTAL		31,212,000	34,333,200	35,919,526

5000 Statutory Fees																
Costs to be entered Exclusive of GST																
Code	Stage	Description	Units	Base Rate / Units	Escalate (E,R,N)	S-Curve	Month Start	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost		
5001	-	Sect 94 fees Bed 1	21	10,010	E	E	12	1	Dec-11 - Dec-11	n		210,210	210,210	216,516		
5002	-	Sect 94 fees Bed 2	21	13,861	E	E	12	1	Dec-11 - Dec-11	n		291,081	291,081	299,813		
5003	-	Sect 94 fees Bed 3	16	17,710	E	E	12	1	Dec-11 - Dec-11	n		283,360	283,360	291,861		
5004	-	DA Lodgement Fee	1	50,000	E	E	6	1	Jun-11 - Jun-11	n		50,000	50,000	50,744		
5015	-		-	-	-	-	0	-	-	Y		-	-	-		
												TOTAL		834,651	834,651	858,935

6000 Miscellaneous Costs 1																
Costs to be entered Exclusive of GST																
Code	Stage	Description	% of Construction ¹	AND/OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start ²	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost	
6001	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
6002	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
6010	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
			¹ Based on net costs.			² Pro-rata with Construction ('C') or Settlements ('S')										
												TOTAL		-	-	-

6000 Miscellaneous Costs 2																
Costs to be entered Exclusive of GST																
Code	Stage	Description	% of Construction ¹	AND/OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start ²	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost	
6001	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
6002	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
6010	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
			¹ Based on net costs.			² Pro-rata with Construction ('C') or Settlements ('S')										
												TOTAL		-	-	-

6000 Miscellaneous Costs 3																
Costs to be entered Exclusive of GST																
Code	Stage	Description	% of Construction ¹	AND/OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start ²	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost	
6001	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
6002	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
6010	-		0.00%	-	-	-	-	0	-	-	Y		-	-	-	
			¹ Based on net costs.			² Pro-rata with Construction ('C') or Settlements ('S')										
												TOTAL		-	-	-

Main Inputs for Land as Equity Case Study

Sales Revenue to be entered Inclusive of GST													GST Included	Land Use Code	Total Current Sales Revenue (exc GST)	Total Current Sales Revenue (inc GST)	Total Escalated Sales Revenue	
Code	Stage	Description	No. Units	Total Area SqM	Current Sale Price	Sales Calc Method	Pre-Sale Exchanges Month Start	Month Span	Month Start	Month Span	Cash Flow Period	Sales Rate Units / SqM per Month						
9001	-	Commercial	-	675	5,500	Per SqM	0	-	32	6	Aug-13 - Jan-14	112.50	N	COM	3,712,500	3,712,500	3,985,660	
9002	-	Level 2	-	765	10,500	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	7,302,273	8,032,500	8,283,744	
9003	-	Level 3	-	765	11,000	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	7,650,000	8,415,000	8,678,208	
9004	-	Level 4	-	765	11,500	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	7,997,727	8,797,500	9,072,672	
9005	-	Level 5	-	765	11,500	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	7,997,727	8,797,500	9,072,672	
9006	-	Level 6	-	765	12,000	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	8,345,455	9,180,000	9,467,136	
9007	-	Level 7	-	765	12,000	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	8,345,455	9,180,000	9,467,136	
9008	-	Level 8	-	765	13,000	Per SqM	0	-	32	6	Aug-13 - Jan-14	127.50	Y	RS	9,040,909	9,945,000	10,827,187	
9009	-	Level 9	-	630	14,000	Per SqM	0	-	32	6	Aug-13 - Jan-14	105.00	Y	RS	8,018,182	8,820,000	9,602,392	
9020	-		-	-	-	Per Unit	0	-	0	-	-	-	Y	-	-	-	-	
Capitalised Sales (refer to Tenants)																-	-	-
Manual Input (refer to Cash Flow)																-	-	-
TOTAL																68,410,227	74,880,000	78,456,810

Other Income to be entered Exclusive of GST						Month Start	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Income (exc GST)	Total Current Income (inc GST)	Total Escalated Income	
Code	Stage	Description	Land Use Code	Units	Base Rate / Units									
9101	-		-	-	-	0	-	-	Y		-	-	-	
9102	-		-	-	-	0	-	-	Y		-	-	-	
9110	-		-	-	-	0	-	-	Y		-	-	-	
Manual Input (refer to Cash Flow)												-	-	-
TOTAL												-	-	-

Equity				Fixed Amount	Percentage	Fixed Amount	Opening Balances	Developer's Injections	Equity Totals
Code	Description	Amount	Rate						
10001	Interest Charged on Equity	0.00%	per annum Nominal - Capitalised (Compounded)				-	Interest Charged	-
10002	Interest received on Surplus Cash	0.00%	per annum received in arrears.				-	Interest Received	-
	% of Available Funds to Repay Equity Before Debt	0.00%							
Equity Notes: Equity is paying outstanding debt Equity is repaid when available (do not retain surplus cash). Injections by Enter Land Owner Name									

Loan 1				Fixed Amount	Percentage	Fixed Amount	Opening Balances	Drawdown	Loan 1 Totals
Code	Description	Amount	Rate						
	Facility Limit	9,500,000	9.00%					Drawdown	9,500,000
	Month Commencement	Auto	0	Jan-2011					
	Maturity Month	Auto	0	Aug-2013					
10004	Interest Rate	9.00%	per annum Nominal - Capitalised (Compounded)				-	Interest Charged	1,752,355
10005	Fees								
	Application Fee	150,000	0.00%				-	Application Fees	150,000
	Line Fee	-	0.00%				-	Line Fees	-
	Profit Split to Lender 1	0.00%						Profit Split	-

Main Inputs for Land as Equity Case Study

Residential Development - Base Case

Loan 2					Opening Balances	Loan 2 Totals	
Description		Lender Name					
Facility Limit	Fixed Amount	Percentage	Fixed Amount			Drawdown	-
Drawn down in total at loan commencement.	-	0.00%					
Month Commencement	Auto	0					
Maturity Month	Auto	0 N.A.					
10004	Interest Rate	0.00%	per annum Nominal - Capitalised (Compounded)		-	Interest Charged	-
10005	Fees	Amount	Percentage	Month Paid		Application Fees	-
	Application Fee	-	0.00%	0	-	Line Fees	-
	Line Fee	-	0.00%		-	Profit Split	-
	Profit Split to Lender 2	0.00%					

Loan 3					Opening Balances	Loan 3 Totals	
Description		Lender Name					
Facility Limit	Fixed Amount	Percentage	Fixed Amount			Drawdown	-
Drawn down in total at loan commencement.	-	0.00%					
Month Commencement	Auto	0					
Maturity Month	Auto	0 N.A.					
10004	Interest Rate	0.00%	per annum Nominal - Capitalised (Compounded)		-	Interest Charged	-
10005	Fees	Amount	Percentage	Month Paid		Application Fees	-
	Application Fee	-	0.00%	0	-	Line Fees	-
	Line Fee	-	0.00%		-	Profit Split	-
	Profit Split to Lender 3	0.00%					

Loan 4					Opening Balances	Loan 4 Totals	
Description		Line of Credit					
No Limit (use as overdraft facility)		-				Drawdown	32,319,128
10007	Interest Rate	7.25%	per annum Nominal - Capitalised (Compounded)		-	Interest Charged	1,919,699
10008	Fees	Amount	Percentage	Month Paid		Application Fees	-
	Application Fee	-	0.00%	0	-	Line Fees	83,334
	Line Fee	50,000	0.00%		-	Interest Charged to Enter Land Owner Name	-
	Maintain Leverage on Loan 4	0.00%		% of Future Positive Net Cash Flows			

Senior Loan Notes: Senior Loan (Loan 4) is being used as an overdraft facility.

Code	Stage	Financing Costs (to be entered Exclusive of GST)	No. of Units	Base Rate / Unit	Escalate (E,R,N)
10009	-	-	-	-	-
10010	-	establishment fee	1	500,000	-
10011	-	-	-	-	-
10012	-	-	-	-	-
10013	-	-	-	-	-
10014	-	-	-	-	-
10015	-	-	-	-	-
10016	-	-	-	-	-
10017	-	-	-	-	-
10018	-	-	-	-	-

Month Start	Month Span	Cash Flow Period
0	-	-
1	1	Jan-11 - Jan-11
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
n		-	-	-
n		-	-	-
y		500,000	500,000	500,000
y		-	-	-
y		-	-	-
y		-	-	-
y		-	-	-
y		-	-	-
y		-	-	-
y		-	-	-
Manual Input (refer to Cash Flow)		-	-	-
TOTAL		500,000	500,000	500,000

Project Hurdle Rates

Project Discount Rate (target IRR)	20.00%	per annum Nominal, on cash flow that includes financing costs but excludes interest and corp tax.
Nominate an estimate of IRR	0.00%	per ann.
Developer's Target Dev. Margin	25.00%	on total development costs (inc selling costs).
Developer's Cost of Equity (for WACC)	40.00%	

12000		Rental Income & Capitalised Sales		Rental Income and Leasing Costs to be entered Exclusive of GST																				Current Net Annual Rent		Current End Sale Value ²		Total Net Rental Income less Incentives		Escalated End-Sale Value			
Code	Stage	Description	Land Use Code	Total Area /SqM	Current Rent /SqM/annum	Outgoings and Vacancies			Pre-Committ Month	Lease Month Start	Lease Month Span	Cash Flow Period	Escalated Rent at Lease Start /SqM/annum	Letting Fee		Total Amount	Rent Free Months	Incentives Fit out Cost	Month Start	Add GST		Residual Cap. Rate	Pre-Sale Exchange Month	Settlement Month	Leasing Up Period		Purchaser's Costs	GST Included on Sales ¹					
						Amount /SqM/annum	% of Rent	Total Per Annum						% of Gross Rent	% paid at PreCommit					on Costs	on Rents				Months	Discount Rate							
12001	-	Current Lease	CCM	3,000	300	-	0.00%	-	-	1	6	Jan-11 - Jun-11	331	0.00%	0.00%	-	-	-	-	Y	Y	0.00%	-	-	-	0.00%	0.00%	Y	-	900,000	-	450,927	-
12002	-					-	0.00%	-	-	0				0.00%	0.00%	-	-	-	-	Y	Y	0.00%	-	-	-	0.00%	0.00%	Y	-				
12010	-					-	0.00%	-	-	0				0.00%	0.00%	-	-	-	-	Y	Y	0.00%	-	-	-	0.00%	0.00%	Y	-				
TOTAL				3,000.00						0																			900,000	-	450,927	-	

¹ If Yes, GST is payable on settlement (end of lease period or settlement date)
² End sale value = annual income (net of outgoings) divided by the capitalisation rate

Estate Master Licensed to: Estate Master

Cash Flow Table for Land as Equity Case Study

PROJECT CASH FLOW	TOTAL	GST	0 Dec-10	1 Jan-11	2 Feb-11	3 Mar-11	4 Apr-11	5 May-11	6 Jun-11	7 Jul-11	8 Aug-11	9 Sep-11	10 Oct-11	11 Nov-11	12 Dec-11	
SALES SUMMARY																
Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
% Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SqM Sold	6,660.00	-	-	-	-	-	-	-	-	-	-	-	765.00	765.00	765.00	
Cumulative SqM Sold	-	-	-	-	-	-	-	-	-	-	-	-	765.00	1,530.00	2,295.00	
% SqM Sold	-	-	-	-	-	-	-	-	-	-	-	-	11.5%	23.0%	34.5%	
AUD Sold	78,456,810	-	-	-	-	-	-	-	-	-	-	-	8,951,554	8,973,631	8,995,763	
Cumulative AUD Sold	-	-	-	-	-	-	-	-	-	-	-	-	8,951,554	17,925,185	26,920,948	
% AUD Sold	-	-	-	-	-	-	-	-	-	-	-	-	11.4%	22.8%	34.3%	
HANDOVER SUMMARY																
Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
% Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SqM Handed Over	6,660.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative SqM Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
% SqM Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
AUD Handed Over	78,456,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative AUD Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
% AUD Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
PROJECT CASH FLOW																
REVENUE																
Gross Sales Revenue	78,456,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Selling Costs	(4,350,992)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gross Rental Income	496,020	-	82,670	82,670	82,670	82,670	82,670	82,670	82,670	-	(280,473)	(280,473)	(73,921)	(73,936)	(73,952)	
Leasing Costs	(32,737)	-	(5,456)	(5,456)	(5,456)	(5,456)	(5,456)	(5,456)	(5,456)	-	-	-	-	-	-	
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Received*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
GST Payments (Liabilities)	(6,815,197)	-	-	(7,515)	(7,515)	(7,515)	(7,515)	(7,515)	(7,515)	(7,515)	-	-	-	-	-	
TOTAL NET REVENUE	67,753,903	-	77,214	69,698	69,698	69,698	69,698	69,698	69,698	69,698	(7,515)	(280,473)	(280,473)	(73,921)	(73,936)	(73,952)
COSTS																
Land and Acquisition																
Professional Fees	3,254,761	-	-	63,459	61,127	61,127	61,127	61,127	62,196	-	99,391	99,391	101,686	101,686	79,183	
Construction Costs (inc Contingency)	35,919,526	-	-	-	-	-	-	-	-	-	1,253,945	1,253,945	1,253,945	1,253,945	755,280	
Statutory Fees	858,935	-	-	-	-	-	-	-	50,744	-	-	-	-	-	808,191	
Miscellaneous Costs 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Costs 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Costs 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Project Contingency (Reserve)	1,991,949	-	2,993	2,993	2,993	2,993	2,993	2,993	5,531	-	66,271	66,271	71,720	71,720	85,775	
Land Holding Costs	451,662	-	116,286	-	-	-	-	-	-	-	-	-	-	-	-	
Pre-Sale Commissions	653,903	-	-	-	-	-	-	-	-	-	-	-	108,984	108,984	108,984	
Financing Costs (exc Fees)	500,000	-	500,000	-	-	-	-	-	-	-	-	-	-	-	-	
GST Refunds (Input Credits)	(4,205,793)	-	-	(6,531)	(6,319)	(6,319)	(6,319)	(6,319)	(6,319)	(6,642)	-	(154,423)	(154,423)	(146,246)	(146,246)	
TOTAL COSTS	39,424,943	-	682,739	57,589	57,801	57,801	57,801	57,801	112,151	(6,642)	1,419,608	1,265,185	1,381,913	1,390,090	1,691,165	
Net Cash Flow (before Interest)	28,328,960	-	(605,525)	12,110	11,897	11,897	11,897	11,897	(42,453)	(873)	(1,700,080)	(1,545,658)	(1,464,026)	(1,464,026)	(1,765,117)	
Cumulative Cash Flow	-	-	(605,525)	(593,416)	(581,518)	(569,621)	(557,723)	(545,825)	(533,927)	(522,029)	(510,131)	(498,233)	(486,335)	(474,437)	(462,539)	

Cash Flow Table for Land as Equity Case Study

PROJECT CASH FLOW	TOTAL	GST	0	1	2	3	4	5	6	7	8	9	10	11	12
			Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
FINANCING															
Equity															
Manual Adjustments (Inject + / Repay -)	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0
Injections	294,368	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Charged	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment	24,717,939	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less Profit Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance	24,423,571	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Cash Flow	24,423,571	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Cash Account															
Surplus Cash Injection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Reserve Drawdown	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Surplus Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 1 - Mezzanine															
Manual Adjustments (Drawdown - / Repay +)	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	(9,500,000)	-	(605,525)	-	-	-	-	-	(42,453)	(873)	(1,700,080)	(1,545,658)	(1,455,834)	(1,464,026)	(1,765,117)
Loan Interest Rate (%/ann)	-	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Interest Charged	(1,752,355)	-	-	(5,666)	(5,618)	(5,571)	(5,524)	(5,476)	(5,428)	(5,380)	(5,332)	(5,284)	(5,236)	(5,188)	(5,140)
Application and Line Fees	(150,000)	-	(150,000)	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	11,402,355	-	-	12,110	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897
Interest and Fees	1,902,355	-	-	12,110	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897
Principal	9,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-	-	(755,525)	(749,082)	(742,803)	(736,476)	(730,102)	(723,727)	(717,352)	(710,977)	(704,602)	(698,227)	(691,852)	(685,477)	(679,102)
% of Land Purchase Price.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 1 Cash Flow	1,902,355	-	(605,525)	12,110	11,897	11,897	11,897	11,897	(42,453)	(873)	(1,700,080)	(1,545,658)	(1,455,834)	(1,464,026)	(1,765,117)
Interest Coverage Ratio	28.96	-	0.51	12.30	12.41	12.51	12.62	12.73	12.83	12.93	13.03	13.13	13.23	13.33	13.43
Debt Service Ratio	4.93	-	-	5.76	5.86	5.96	6.06	6.16	6.26	6.36	6.46	6.56	6.66	6.76	6.86
Loan 2 - Lender Name															
Manual Adjustments (Drawdown - / Repay +)	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of Land Purchase Price.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 2 Cash Flow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 3 - Lender Name															
Manual Adjustments (Drawdown - / Repay +)	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of Land Purchase Price.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 3 Cash Flow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 4 - Line of Credit															
Drawdown	(32,319,128)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)	-	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Interest Charged	(1,919,699)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees	(83,334)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	34,322,162	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	2,003,033	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	32,319,128	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of Project Costs (net of Interest/Fees and GST).	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 4 Cash Flow	2,003,033	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	29.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	1.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Overdraft	-	-	(755,525)	(749,082)	(742,803)	(736,476)	(730,102)	(723,727)	(717,352)	(710,977)	(704,602)	(698,227)	(691,852)	(685,477)	(679,102)
% of Project Costs (net of Interest/Fees and GST).	-	-	1.92%	1.90%	1.88%	1.87%	1.85%	1.84%	1.82%	1.81%	1.79%	1.78%	1.77%	1.75%	1.74%
Total Equity to Debt Ratio	0.70%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Debt Interest Coverage Ratio	15.02	-	0.51	12.30	12.41	12.51	12.62	12.73	12.83	12.93	13.03	13.13	13.23	13.33	13.43
Total Debt Service Ratio	1.31	-	-	5.76	5.86	5.96	6.06	6.16	6.26	6.36	6.46	6.56	6.66	6.76	6.86
Net Cash Flow (after Interest)	24,423,571	-	(755,525)	6,443	6,279	6,326	6,374	6,422	(47,929)	(6,709)	(1,705,966)	(1,564,338)	(1,486,247)	(1,505,585)	(1,817,968)
Cumulative Cash Flow**	-	-	(755,525)	(749,082)	(742,803)	(736,476)	(730,102)	(723,727)	(717,352)	(710,977)	(704,602)	(698,227)	(691,852)	(685,477)	(679,102)
Check Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Cash Flow Table for Land as Equity Case Study

Residential Development - Base Case

PROJECT CASH FLOW	TOTAL	GST	0 Dec-10	1 Jan-11	2 Feb-11	3 Mar-11	4 Apr-11	5 May-11	6 Jun-11	7 Jul-11	8 Aug-11	9 Sep-11	10 Oct-11	11 Nov-11	12 Dec-11
PROJECT IRR & NPV															
Cash Flow that includes financing costs but excludes interest and corp tax			-	(755,525)	12,110	11,897	11,897	11,897	(42,453)	(873)	(1,700,080)	(1,545,658)	(1,455,834)	(1,464,026)	(1,765,117)
Static Discount Rate (per ann. nominal)	20.00%														
PV for each Month	10,267,036			(743,139)	11,716	11,322	11,136	10,954	(38,445)	(778)	(1,489,501)	(1,332,005)	(1,234,031)	(1,220,631)	(1,447,539)
NPV of Future Cash Flows	10,267,036		10,267,036	10,438,154	11,380,240	11,557,599	11,738,130	11,921,670	12,108,289	12,353,234	12,560,009	14,497,757	16,310,805	18,062,750	19,852,222
Variable Discount Rate (per ann. nominal)	20.00%		20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
NPV (using weighted avg discount rate)	10,267,036														

* Includes half interest from deposit on land acquisition plus interest received from pre-sale deposits
 ** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)
 Estate Master Licensed to: Estate Master

Cash Flow Table for Land as Equity Case Study

PROJECT CASH FLOW	TOTAL	GST	13 Jan-12	14 Feb-12	15 Mar-12	16 Apr-12	17 May-12	18 Jun-12	19 Jul-12	20 Aug-12	21 Sep-12	22 Oct-12	23 Nov-12	24 Dec-12	25 Jan-13
SALES SUMMARY															
Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Sold	6,660.00	-	765.00	765.00	765.00	-	-	-	-	-	-	-	-	-	-
Cumulative SqM Sold	3,060.00	-	3,060.00	3,825.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00
% SqM Sold	45.9%	-	45.9%	57.4%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%
AUD Sold	78,456,810	-	9,017,948	9,040,189	9,062,495	-	-	-	-	-	-	-	-	-	-
Cumulative AUD Sold	35,938,896	-	35,938,896	44,979,085	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570
% AUD Sold	45.8%	-	45.8%	57.3%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%
HANDOVER SUMMARY															
Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Handed Over	6,660.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative SqM Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% SqM Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AUD Handed Over	78,456,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative AUD Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% AUD Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROJECT CASH FLOW															
REVENUE															
Gross Sales Revenue	78,456,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Selling Costs	(4,350,992)	-	(73,967)	(73,983)	(73,998)	-	-	-	-	-	-	-	-	-	-
Gross Rental Income	496,020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasing Costs	(32,737)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)	(6,815,197)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NET REVENUE	67,753,903	-	(73,967)	(73,983)	(73,998)	-	-	-	-	-	-	-	-	-	-
COSTS															
Land and Acquisition															
Professional Fees	3,254,761	-	77,833	73,265	92,720	75,529	105,985	115,337	146,026	146,365	152,817	214,441	184,233	246,213	199,760
Construction Costs (inc Contingency)	35,919,526	-	923,579	895,369	1,140,821	952,889	1,337,139	1,455,119	1,842,308	1,846,582	1,927,985	2,705,442	2,324,330	3,106,298	2,490,804
Statutory Fees	858,935	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)	1,991,949	-	54,260	52,789	65,742	50,360	70,668	76,903	97,366	97,592	101,894	142,983	122,841	164,168	131,639
Land Holding Costs	451,662	-	116,286	-	-	-	-	-	-	-	-	-	-	-	116,286
Pre-Sale Commissions	653,903	-	108,984	108,984	108,984	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)	500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Input Credits)	(4,205,793)	-	(100,120)	(112,496)	(109,385)	(134,622)	(97,972)	(137,479)	(149,609)	(189,418)	(189,858)	(198,227)	(278,162)	(238,978)	(319,376)
TOTAL COSTS	39,424,943	-	1,180,822	1,017,891	1,298,882	944,155	1,415,820	1,509,879	1,936,091	1,901,121	1,992,839	2,864,638	2,353,242	3,277,701	2,619,113
Net Cash Flow (before Interest)	28,328,960	-	(1,254,789)	(1,091,874)	(1,372,880)	(944,155)	(1,415,820)	(1,509,879)	(1,936,091)	(1,901,121)	(1,992,839)	(2,864,638)	(2,353,242)	(3,277,701)	(2,619,113)
Cumulative Cash Flow	-	-	(9,786,553)	(10,878,427)	(12,251,307)	(13,195,463)	(14,611,283)	(16,121,162)	(18,057,253)	(19,958,374)	(21,951,213)	(24,815,851)	(27,169,092)	(30,446,794)	(33,065,907)

Cash Flow Table for Land as Equity Case Study

PROJECT CASH FLOW	TOTAL	GST	13 Jan-12	14 Feb-12	15 Mar-12	16 Apr-12	17 May-12	18 Jun-12	19 Jul-12	20 Aug-12	21 Sep-12	22 Oct-12	23 Nov-12	24 Dec-12	25 Jan-13
FINANCING															
Equity															
Manual Adjustments (Inject + / Repay -)			0	0	0	0	0	0	0	0	0	0	0	0	0
Injections	294,368		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Charged			-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment	24,717,939		-	-	-	-	-	-	-	-	-	-	-	-	-
Less Profit Share			-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance	24,423,571		-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Cash Flow	24,423,571		-	-	-	-	-	-	-	-	-	-	-	-	-
Project Cash Account															
Surplus Cash Injection			-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Reserve Drawdown			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Surplus Cash			-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 1 - Mezzanine															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	(9,500,000)		(920,434)	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)			9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Interest Charged	(1,752,355)		(66,486)	(73,888)	(74,442)	(75,001)	(75,563)	(76,130)	(76,701)	(77,276)	(77,856)	(78,440)	(79,028)	(79,621)	(80,218)
Application and Line Fees	(150,000)		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	11,402,355		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	1,902,355		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	9,500,000		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance			(9,851,765)	(9,925,653)	(10,000,095)	(10,075,096)	(10,150,659)	(10,226,789)	(10,303,490)	(10,380,766)	(10,458,622)	(10,537,062)	(10,616,089)	(10,695,710)	(10,775,928)
% of Land Purchase Price.			-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 1 Cash Flow	1,902,355		(920,434)	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	28.96		(1.11)	(1.00)	(0.99)	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	4.93		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 2 - Lender Name															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged			-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees			-	-	-	-	-	-	-	-	-	-	-	-	-
Principal			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance			-	-	-	-	-	-	-	-	-	-	-	-	-
% of Land Purchase Price.			-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 2 Cash Flow			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio			-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 3 - Lender Name															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged			-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees			-	-	-	-	-	-	-	-	-	-	-	-	-
Principal			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance			-	-	-	-	-	-	-	-	-	-	-	-	-
% of Land Purchase Price.			-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 3 Cash Flow			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio			-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 4 - Line of Credit															
Drawdown	(32,319,128)		(334,355)	(1,091,874)	(1,372,880)	(944,155)	(1,415,820)	(1,509,879)	(1,936,091)	(1,901,121)	(1,992,839)	(2,864,638)	(2,353,242)	(3,277,701)	(2,619,113)
Loan Interest Rate (%/ann)			7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Interest Charged	(1,919,699)		-	(2,020)	(8,654)	(17,026)	(22,858)	(31,576)	(40,914)	(52,883)	(64,714)	(77,170)	(94,969)	(109,785)	(130,276)
Application and Line Fees	(83,334)		-	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)
Interest Paid by Equity			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	34,322,162		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	2,003,033		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	32,319,128		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance			(334,355)	(1,432,416)	(2,818,117)	(3,783,465)	(5,226,310)	(6,771,932)	(8,753,104)	(10,711,274)	(12,772,994)	(15,718,968)	(18,171,346)	(21,562,999)	(24,316,555)
% of Project Costs (net of Interest/Fees and GST).			0.85%	3.63%	7.15%	9.60%	13.26%	17.18%	22.20%	27.17%	32.40%	39.87%	46.09%	54.69%	61.88%
Loan 4 Cash Flow	2,003,033		(334,355)	(1,091,874)	(1,372,880)	(944,155)	(1,415,820)	(1,509,879)	(1,936,091)	(1,901,121)	(1,992,839)	(2,864,638)	(2,353,242)	(3,277,701)	(2,619,113)
Interest Coverage Ratio	29.50		-	(11.96)	(5.77)	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	1.73		-	-	-	-	-	-	-	-	-	-	-	-	-
Project Overdraft			(10,186,119)	(11,358,069)	(12,818,212)	(13,858,561)	(15,376,969)	(16,998,721)	(19,056,594)	(21,092,040)	(23,231,616)	(26,256,030)	(28,787,435)	(32,258,709)	(35,092,483)
% of Project Costs (net of Interest/Fees and GST).			25.84%	28.81%	32.51%	35.15%	39.00%	43.12%	48.34%	53.50%	58.93%	66.60%	73.02%	81.82%	89.01%
Total Equity to Debt Ratio	0.70%		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Debt Interest Coverage Ratio	15.02		(1.11)	(0.92)	(0.85)	-	-	-	-	-	-	-	-	-	-
Total Debt Service Ratio	1.31		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow (after Interest)	24,423,571		(1,321,275)	(1,171,949)	(1,460,143)	(1,040,349)	(1,518,408)	(1,621,751)	(2,057,873)	(2,035,447)	(2,139,575)	(3,024,414)	(2,531,405)	(3,471,274)	(2,833,774)
Cumulative Cash Flow**			(10,186,119)	(11,358,069)	(12,818,212)	(13,858,561)	(15,376,969)	(16,998,721)	(19,056,594)	(21,092,040)	(23,231,616)	(26,256,030)	(28,787,435)	(32,258,709)	(35,092,483)
Check Balance			-	-	-	-	-	-	-	-	-	-	-	-	-

Cash Flow Table for Land as Equity Case Study

Residential Development - Base Case

PROJECT CASH FLOW	TOTAL	GST	13 Jan-12	14 Feb-12	15 Mar-12	16 Apr-12	17 May-12	18 Jun-12	19 Jul-12	20 Aug-12	21 Sep-12	22 Oct-12	23 Nov-12	24 Dec-12	25 Jan-13
PROJECT IRR & NPV															
Cash Flow that includes financing costs but excludes interest and corp tax			(1,254,789)	(1,096,041)	(1,377,047)	(948,322)	(1,419,987)	(1,514,046)	(1,940,258)	(1,905,287)	(1,997,006)	(2,868,804)	(2,357,408)	(3,281,868)	(2,623,280)
Static Discount Rate (per ann. nominal)	20.00%														
PV for each Month	10,267,036		(1,012,160)	(868,614)	(1,074,657)	(727,945)	(1,072,132)	(1,124,410)	(1,417,315)	(1,368,954)	(1,411,331)	(1,994,215)	(1,611,860)	(2,207,166)	(1,735,322)
NPV of Future Cash Flows			21,977,627	23,619,623	25,127,592	26,946,383	28,358,617	30,275,930	32,319,809	34,831,068	37,348,628	40,001,395	43,584,702	46,707,812	50,822,842
Variable Discount Rate (per ann. nominal)	20.00%		20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
NPV (using weighted avg discount rate)	10,267,036														

* Includes half interest from deposit on land acquisition plus interest received from pre-sale deposits
 ** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)
 Estate Master Licensed to: Estate Master

Cash Flow Table for Land as Equity Case Study

Residential Development - Base Case

PROJECT CASH FLOW	TOTAL	GST	26 Feb-13	27 Mar-13	28 Apr-13	29 May-13	30 Jun-13	31 Jul-13	32 Aug-13	33 Sep-13	34 Oct-13	35 Nov-13	36 Dec-13	37 Jan-14	38 Feb-14
SALES SUMMARY															
Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Sold	6,660.00	-	-	-	-	-	-	-	345.00	345.00	345.00	345.00	345.00	345.00	345.00
Cumulative SqM Sold	-	-	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,935.00	5,280.00	5,625.00	5,970.00	6,315.00	6,660.00	6,660.00
% SqM Sold	78,456,810	-	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	74.1%	79.3%	84.5%	89.6%	94.8%	100.0%	100.0%
AUD Sold	-	-	-	-	-	-	-	-	4,044,961	4,054,568	4,064,298	4,074,052	4,083,830	4,093,631	-
Cumulative AUD Sold	-	-	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	58,086,431	62,140,999	66,205,297	70,279,349	74,363,179	78,456,810	78,456,810
% AUD Sold	-	-	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	74.0%	79.2%	84.4%	89.6%	94.8%	100.0%	100.0%
HANDOVER SUMMARY															
Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Handed Over	6,660.00	-	-	-	-	-	-	-	4,935.00	345.00	345.00	345.00	345.00	345.00	345.00
Cumulative SqM Handed Over	-	-	-	-	-	-	-	-	4,935.00	5,280.00	5,625.00	5,970.00	6,315.00	6,660.00	6,660.00
% SqM Handed Over	-	-	-	-	-	-	-	-	74.1%	79.3%	84.5%	89.6%	94.8%	100.0%	100.0%
AUD Handed Over	78,456,810	-	-	-	-	-	-	-	58,110,777	4,069,207	4,069,207	4,069,207	4,069,207	4,069,207	-
Cumulative AUD Handed Over	-	-	-	-	-	-	-	-	58,110,777	62,179,983	66,249,190	70,318,397	74,387,603	78,456,810	78,456,810
% AUD Handed Over	-	-	-	-	-	-	-	-	74.1%	79.3%	84.4%	89.6%	94.8%	100.0%	100.0%
PROJECT CASH FLOW															
REVENUE															
Gross Sales Revenue	78,456,810	-	-	-	-	-	-	-	58,086,431	4,054,568	4,064,298	4,074,052	4,083,830	4,093,631	-
Selling Costs	(4,350,992)	-	-	(47,026)	(47,026)	(47,026)	(47,026)	(47,026)	(2,174,072)	(186,953)	(187,185)	(187,417)	(187,650)	(187,883)	-
Gross Rental Income	496,020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasing Costs	(32,737)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)	(6,815,197)	-	-	-	-	-	-	-	-	(5,220,506)	(308,395)	(309,155)	(309,918)	(310,682)	(311,448)
TOTAL NET REVENUE	67,753,903	-	-	(47,026)	(47,026)	(47,026)	(47,026)	(47,026)	55,912,359	(1,352,891)	3,568,719	3,577,480	3,586,262	3,595,066	(311,448)
COSTS															
Land and Acquisition															
Professional Fees	3,254,761	-	185,518	123,966	149,104	113,600	-	-	393	-	-	158	-	-	-
Construction Costs (inc Contingency)	35,919,526	-	2,340,547	1,563,986	1,881,138	1,414,128	-	-	-	-	-	-	-	-	-
Statutory Fees	858,935	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)	1,991,949	-	123,698	82,657	99,418	74,737	-	-	-	-	-	-	-	-	-
Land Holding Costs	451,662	-	-	-	-	75,377	-	-	19,571	-	-	7,856	-	-	-
Pre-Sale Commissions	653,903	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)	500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Input Credits)	(4,205,793)	-	(256,306)	(240,645)	(165,077)	(197,686)	(156,660)	(4,275)	(4,275)	(199,458)	(16,996)	(17,017)	(17,766)	(17,059)	(17,080)
TOTAL COSTS	39,424,943	-	2,393,457	1,529,963	1,964,583	1,480,155	(156,660)	(4,275)	15,688	(199,458)	(16,996)	(9,003)	(17,766)	(17,059)	(17,080)
Net Cash Flow (before Interest)	28,328,960	-	(2,393,457)	(1,576,989)	(2,011,609)	(1,527,181)	109,634	(42,751)	55,896,670	(1,153,434)	3,585,715	3,586,483	3,604,029	3,612,125	(294,368)
Cumulative Cash Flow	-	-	(35,459,364)	(37,036,353)	(39,047,962)	(40,575,142)	(40,465,509)	(40,508,259)	15,388,411	14,234,978	17,820,692	21,407,175	25,011,204	28,623,328	28,328,960

Cash Flow Table for Land as Equity Case Study

PROJECT CASH FLOW	TOTAL	GST	26 Feb-13	27 Mar-13	28 Apr-13	29 May-13	30 Jun-13	31 Jul-13	32 Aug-13	33 Sep-13	34 Oct-13	35 Nov-13	36 Dec-13	37 Jan-14	38 Feb-14
FINANCING															
Equity															
Manual Adjustments (Inject + / Repay -)			0	0	0	0	0	0	0	0	0	0	0	0	0
Injections	294,368		-	-	-	-	-	-	-	-	-	-	-	-	294,368
Interest Charged			-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment	24,717,939		-	-	-	-	-	-	11,494,158	-	2,421,146	3,586,483	3,604,029	3,612,125	-
Less Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance	24,423,571		-	-	-	-	-	-	11,494,158	11,494,158	13,915,303	17,501,786	21,105,815	24,717,939	24,423,571
Equity Cash Flow	24,423,571		-	-	-	-	-	-	11,494,158	-	2,421,146	3,586,483	3,604,029	3,612,125	(294,368)
Project Cash Account															
Surplus Cash Injection	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Reserve Drawdown	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Surplus Cash	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 1 - Mezzanine															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	(9,500,000)		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)			9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Interest Charged	(1,752,355)		(80,819)	(81,426)	(82,036)	(82,652)	(83,271)	(83,896)	(84,525)	-	-	-	-	-	-
Application and Line Fees	(150,000)		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	11,402,355		-	-	-	-	-	-	11,354,554	-	-	-	-	-	-
Interest and Fees	1,902,355		-	-	-	-	-	-	1,854,554	-	-	-	-	-	-
Principal	9,500,000		-	-	-	-	-	-	9,500,000	-	-	-	-	-	-
Loan Balance	-		(10,856,747)	(10,938,173)	(11,020,209)	(11,102,861)	(11,186,132)	(11,270,028)	-	-	-	-	-	-	-
% of Land Purchase Price.	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 1 Cash Flow	1,902,355		-	-	-	-	-	-	11,354,554	-	-	-	-	-	-
Interest Coverage Ratio	28.96		-	(0.58)	(0.57)	(0.57)	(0.56)	(0.56)	661.49	-	-	-	-	-	-
Debt Service Ratio	4.93		-	-	-	-	-	-	4.92	-	-	-	-	-	-
Loan 2 - Lender Name															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-
% of Land Purchase Price.	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 2 Cash Flow	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 3 - Lender Name															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-
% of Land Purchase Price.	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 3 Cash Flow	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 4 - Line of Credit															
Drawdown	(32,319,128)		(2,393,457)	(1,576,989)	(2,011,609)	(1,527,181)	-	(42,751)	-	(1,153,434)	-	-	-	-	-
Loan Interest Rate (%/ann)			7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Interest Charged	(1,919,699)		(146,913)	(162,286)	(172,819)	(186,042)	(196,418)	(196,967)	(198,441)	-	(6,969)	-	-	-	-
Application and Line Fees	(83,334)		(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	34,322,162		-	-	-	-	109,634	-	33,047,959	-	1,164,569	-	-	-	-
Interest and Fees	2,003,033		-	-	-	-	109,634	-	1,882,264	-	11,135	-	-	-	-
Principal	32,319,128		-	-	-	-	-	-	31,165,695	-	-	-	-	-	-
Loan Balance	-		(26,861,092)	(28,604,533)	(30,793,127)	(32,510,516)	(32,601,467)	(32,845,352)	-	(1,153,434)	-	-	-	-	-
% of Project Costs (net of Interest/Fees and GST).	-		68.13%	72.55%	78.11%	82.46%	83.31%	83.31%	83.31%	2.93%	-	-	-	-	-
Loan 4 Cash Flow	2,003,033		(2,393,457)	(1,576,989)	(2,011,609)	(1,527,181)	109,634	(42,751)	33,047,959	(1,153,434)	1,164,569	-	-	-	-
Interest Coverage Ratio	29.60		(0.28)	(0.28)	(0.27)	(0.25)	(0.23)	(0.23)	275.96	-	320.50	-	-	-	-
Debt Service Ratio	1.73		-	-	-	(0.43)	-	1.69	-	-	3.06	-	-	-	-
Project Overdraft			(37,717,839)	(39,542,706)	(41,813,337)	(43,613,377)	(43,787,600)	(44,115,380)	-	(1,153,434)	-	-	-	-	-
% of Project Costs (net of Interest/Fees and GST).			95.67%	100.30%	106.06%	110.62%	111.07%	111.90%	-	2.93%	-	-	-	-	-
Total Equity to Debt Ratio	0.70%		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Debt Interest Coverage Ratio	15.02		-	(0.19)	(0.18)	(0.17)	(0.17)	(0.16)	194.73	-	320.50	-	-	-	-
Total Debt Service Ratio	1.31		-	-	-	(0.43)	-	1.26	-	-	3.06	-	-	-	-
Net Cash Flow (after Interest)	24,423,571		(2,625,356)	(1,824,867)	(2,270,631)	(1,800,041)	(174,222)	(327,781)	55,609,538	(1,153,434)	3,574,579	3,586,483	3,604,029	3,612,125	(294,368)
Cumulative Cash Flow**			(37,717,839)	(39,542,706)	(41,813,337)	(43,613,377)	(43,787,600)	(44,115,380)	11,494,158	10,340,724	13,915,303	17,501,786	21,105,815	24,717,939	24,423,571
Check Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-

Cash Flow Table for Land as Equity Case Study

Residential Development - Base Case

PROJECT CASH FLOW	TOTAL	GST	26	27	28	29	30	31	32	33	34	35	36	37	38
			Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14
PROJECT IRR & NPV															
Cash Flow that includes financing costs but excludes interest and corp tax															
			(2,397,624)	(1,581,155)	(2,015,775)	(1,531,347)	105,467	(46,917)	55,892,504	(1,153,434)	3,581,548	3,586,483	3,604,029	3,612,125	(294,368)
Static Discount Rate (per ann. nominal)	20.00%														
PV for each Month	10,267,036														
NPV of Future Cash Flows			(1,560,048)	(1,011,935)	(1,268,942)	(948,189)	64,233	(28,106)	32,933,573	(668,497)	2,041,733	2,011,029	1,987,738	1,959,544	(157,074)
Variable Discount Rate (per ann. nominal)	20.00%														
NPV (using weighted avg discount rate)	10,267,036		20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%

* Includes half interest from deposit on land acquisition plus interest received from pre-sale deposits
 ** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)
 Estate Master Licensed to: Estate Master

Summary of Project Returns



Land as Equity Case Study Residential Development

Development Feasibility

Base Case

Time Span: Dec-10 to Feb-14	Project Size: 58 Apartments <small>1 per 17.24 SqM of Site Area</small>
Type: Mixed Use	Project Size: 7,900. GFA <small>1 per 0.13 SqM of Site Area</small>
Status: Under Review	Equated GFA: 8,000.0 SqM
Site Area: 1,000. SqM	
FSR: 8:1	

Estate Master Licensed to: Estate Master

				AUD Total			
REVENUE							
	Quantity	SqM	AUD/SqM	AUD			
Total Sales Revenue	-	6,660.0	11,780.3	78,456,810			
Residential	-	5,985.0	12,443.0	74,471,150			
Commercial	-	675.0	5,904.7	3,985,660			
Less Selling Costs				(4,350,992)			
Less Purchasers Costs				-			
NET SALE PROCEEDS				74,105,818			
Rental Income							
	Average Yield	SqM	AUD/SqM/annum	AUD			
Rental Income	-	3,000.0	300.0	496,020			
Commercial	-	3,000.0	300.0	496,020			
Less Outgoings & Vacancies				-			
Less Letting Fees				-			
Less Incentives (Rent Free and Fit-out Costs)				-			
Less Other Leasing Costs				(32,737)			
NET RENTAL INCOME				463,282			
Interest Received				-			
Other Income				-			
TOTAL REVENUE (before GST paid)				74,569,100			
Less GST paid on all Revenue				(6,815,197)			
TOTAL REVENUE (after GST paid)				67,753,903			
COSTS							
Land Purchase Cost				-			
Land Transaction Costs				-			
Construction (inc. Construct. Contingency)				35,919,526			
Residential Construction				23,635,185			
Commercial Construction				1,723,544			
General Construction				10,560,798			
Professional Fees				3,254,761			
Statutory Fees				858,935			
Miscellaneous Costs 1				-			
Miscellaneous Costs 2				-			
Miscellaneous Costs 3				-			
Project Contingency (Project Reserve)				1,991,949			
Land Holding Costs				451,662			
Pre-Sale Commissions				653,903			
Finance Charges (inc. Fees)				733,334			
Interest Expense				3,672,055			
TOTAL COSTS (before GST reclaimed)				47,536,125			
Less GST reclaimed				(4,205,793)			
TOTAL COSTS (after GST reclaimed)				43,330,332			

PERFORMANCE INDICATORS		
¹ Net Development Profit	24,423,571	
³ Development Margin (or Profit/Risk Margin)	51.22%	on total development costs (inc selling costs).
⁴ Residual Land Value (based on 25% Target Margin)	8,085,370	(Exclusive of GST) 8,085.37 per SqM of Site Area
⁵ Net Present Value	10,267,036	(at 20% per ann. discount rate, nominal)
⁶ Benefit Cost Ratio	1.3528	(at 20% per ann. discount rate, nominal)
⁷ Project Internal Rate of Return (IRR)	44.86%	(per ann. nominal)
⁸ Residual Land Value (based on NPV)	10,218,696	(Exclusive of GST) 10,218.70 per SqM of Site Area
Equity IRR	N.A.	(per ann. nominal)
Equity Contribution	294,368	
Peak Debt Exposure	44,115,380	
Equity to Debt Ratio	0.70%	
⁹ Weighted Average Cost of Capital (WACC)	8.22%	
¹⁰ Breakeven Date for Cumulative Cash Flow	Aug-2013	(Month 32)
¹¹ Yield on Cost	1.73%	
¹² Rent Cover	27 Yrs. 2 Mths	
¹³ Profit Erosion	N.A.	

Footnotes:

1. Development Profit: is total revenue less total cost including interest paid and received
2. Note: No redistribution of Developer's Gross Profit
3. Development Margin: is profit divided by total development costs (inc selling costs).
4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
6. Benefit:Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
- 11 Yield on Cost is Current Net Annual Rent divided by Total Costs (before GST reclaimed), including all Selling Costs.
12. The total net development profit divided by the current net annual rental expressed as a number of years/months.
13. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.

Summary of Project Returns

Land as Equity Case Study Residential Development

Base Case

Time Span: Dec-10 to Feb-14	Project Size: 58 Apartments <small>1 per 17.24 SqM of Site Area</small>
Type: Mixed Use	Project Size: 7,900. GFA <small>1 per 0.13 SqM of Site Area</small>
Status: Under Review	Project Size: 7,900. GFA <small>1 per 0.13 SqM of Site Area</small>
Site Area: 1,000. SqM	Equated GFA: 8,000.0 SqM
FSR: 8:1	

Estate Master Licensed to: Estate Master

RETURNS ON FUNDS INVESTED	Equity	Loan 1		Loan 4	Total Debt
		Mezzanine		Line of Credit	
¹ Funds Invested (Cash Outlay)	294,368	9,500,000		32,319,128	41,819,128
% of Total Funds Invested	0.70%	22.56%		76.74%	99.30%
² Peak Exposure	-	11,270,028		32,845,352	44,115,380
Date of Peak Exposure	N.A.	Jul-13		Jul-13	Jul-13
Month of Peak Exposure		Month 31		Month 31	Month 31
Weighted Average Interest Rate	N.A.	9.00%		7.25%	7.99%
Interest Charged	-	1,752,355		1,919,699	3,672,055
Line Fees Charged	-	-		83,334	83,334
Application Fees Charged	-	150,000		-	150,000
Profit Share Received	-	-		-	-
³ Total Profit to Funders	24,423,571	1,902,355		2,003,033	3,905,389
⁴ Margin on Funds Invested	8296.95%	20.02%		6.20%	9.34%
⁵ Payback Date	N.A.	Aug-13		Oct-13	Oct-13
Month of Payback	N.A.	Month 32		Month 34	Month 34
⁶ IRR on Funds Invested	N.A.	9.91%		7.57%	8.58%
⁷ Equity to Debt Ratio		3.10%		0.91%	0.70%
⁸ Loan to Value Ratio	0.00%	14.36%		41.86%	56.23%
⁹ Loan Ratio	N.A.	N.A.		87.06%	115.98%
	<small>of Land Purchase Price.</small>	<small>of Land Purchase Price.</small>		<small>of Project Costs (net of Interest/Fees and GST).</small>	<small>of Project Costs (net of Interest/Fees and GST).</small>

Footnotes:

1. The total amount of funding injected into the project cash flow.
2. The maximum cash flow exposure of that equity/debt facility including capitalised interest.
3. The total repayments less funds invested, including profit share paid or received.
4. Margin is net profit divided by total funds invested (cash outlay).
5. Payback date for the equity/debt facility is the last date when total equity/debt is repaid.
6. IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.
7. Equity to Debt Ratio is the amount of equity contributed into the project as a percentage of debt funding.
8. Loan to Value ratio is the Peak Equity/Debt Exposure divided by Total Sales Revenue.
9. Loan Ratio is the total funds invested by the lender (cash outlay) divided by the nominated ratio calculation method. It includes capitalised interest and fees.

APPENDIX 2

Main Inputs for Land as Equity Case Study

Estate Master Licensed to: Estate Master

Version 5.13 August 2011

Preliminary

Cash Flow Title	Residential Development base	Description of Option/Stage	Base Case
Date of First Period:	Dec-2010		
Cash Flow Rest Period:	Monthly		
Enter Project Size (a)	58.0	Apartments	
Enter Project Size (b)	7,900.0	GFA	
Enter Site Area	1,000.0	SqM	Floor Space Ratio 8:1

Equated Gross Floor Area= 8,000.0 SqM

Type	Mixed Use
Status	Under Review

Goods and Services Tax

(Using General Tax Rule)

Developer	Credits Reclaimed ONE Month Later	Liability Paid ONE Month Later	Liability on Sales All Paid by Developer
Goods and Services Tax Rate	10.00%		

All Project Costs	To be entered Exclusive of GST
Rental Income & Leasing Costs	To be entered Exclusive of GST
Sales Revenue	To be entered Inclusive of GST
Other Income	To be entered Exclusive of GST

1000 Land Purchase & Acquisition Costs

Costs to be entered Exclusive of GST

Land Purchase Price	12,500,000
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Code	Stage	% of Land Purchase Price		AND/OR Lump Amount
		% paid	Amount	
1002	-	0.00%	-	-
1003	-	0.00%	-	-
1004	-	0.00%	-	-
1006	-	0.00%	-	-
1007	-	100.00%	-	12,500,000
1008	-	NIL	-	-
		0.00%	-	Interest from deposit shared between parties
		0.00%	-	Profit Share to Land Owner Paid progressively as project makes a profit.

Month Start	Month Span	Cash Flow Period	Add GST on Land Price?
0	-	-	N
0	-	-	Reclaim Proportionally with Land Payments
0	-	-	
0	1	Dec-10 - Dec-10	
0	1	Dec-10 - Dec-10	(Stamp Duty calculated on Land Value of 12,500,000 exc. GST)

Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
12,500,000	12,500,000	12,500,000
-	-	-
TOTAL	12,500,000	12,500,000

Code	Stage	% of Land Price exc Tax		AND/OR Lump Amount
		% paid	Amount	
1011	-	0.00%	-	-
1012	-	0.00%	-	-
1013	-	0.00%	-	-
1014	-	0.00%	-	-
1015	-	0.00%	-	-

Month Start	Month Span	Cash Flow Period
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
	Manual Input (refer to Cash Flow)	-	-	-
TOTAL		-	-	-

¹ (No GST credit available for Stamp Duty)

² Pro-rata with Land Payments (L¹)

Cost Escalation

		Escalation Rates (Monthly Compounded Escalation) based on Cashflow Period Years commencing									
		Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19
	Professional Fees	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Construction Costs (Uncategorised)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
RES	Residential Construction	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Com	Commercial Construction	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Gen	General Construction	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
OT1	Other	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
OT2	Other	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	Statutory Fees	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	Miscellaneous Costs 1	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	Miscellaneous Costs 2	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	Miscellaneous Costs 3	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	Land Holding Costs	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	Selling and Leasing Costs	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	Finance Costs	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

2000	Project Contingency	-	And / Or	5.00%	of Construction, Professional, Statutory Fees, Miscellaneous Costs 1, Miscellaneous Costs 2, Miscellaneous Costs 3	TOTAL	1,991,949
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Main Inputs for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

3000 Professional Fees							
Costs to be entered Exclusive of GST							
Code	Stage	Description	% of Construct. ¹	AND/OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve
3001	-	DA Preparation	1.00%	-	-	-	-
3002	-	Design Fees	2.20%	-	-	-	-
3003	-	Other Consultants	3.50%	-	-	-	-
3004	-	.	0.00%	-	-	-	-
3005	-	.	0.00%	-	-	-	-
3006	-	.	0.00%	-	-	-	-
3015	-	.	0.00%	-	-	-	-
			¹ % Based on Net Costs		² Pro-rata with Construction ('C')		
3099	-	Development Management	2.00%	% of Project Costs (exc land)	-	-	-
			excludes finance costs and tax (if applicable).		³ Pro-rata with Construction ('C'), Settlements ('S') Project Costs inc Land ('P1') or exc Land ('P2')		

Month Start ²	Month Span	Cash Flow Period
1	6	Jan-11 - Jun-11
C	-	Aug-11 - May-13
C	-	Aug-11 - May-13
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
P2	-	Jan-11 - Nov-13

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
Y		326,541	359,195	359,195
Y		718,391	790,230	790,230
Y		1,142,894	1,257,183	1,257,183
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		771,048	848,153	848,153
	Manual Input (refer to Cash Flow)	-	-	-
	TOTAL	2,958,874	3,254,761	3,254,761

4000 Construction Costs							
Costs to be entered Exclusive of GST							
Code	Stage	Description	Cost Type	Units	Base Rate / Units	Escalate (E,R,N) ¹	S-Curve
4001	-	Demolition	Gen	4,500	1,000	E	E
4002	-	Residential Internal Areas	RES	5,985	3,000	R	S
4003	-	Balconies	RES	1,005	1,800	R	S
4004	-	Commercial Space	Com	675	2,200	R	S
4005	-	Residential Lobby	RES	150	4,000	R	S
4006	-	Service Core & Plant	Gen	1,090	1,700	R	S
4007	-	New Basement Park	Gen	74	35,000	R	S
4008	-	Existing Carpark	Gen	21	20,000	R	S
4009	-	.	-	-	-	-	-
4010	-	.	-	-	-	-	-
4025	-	.	-	-	-	-	-
			¹ Escalation ('N' = no escalation, 'E' = escalation to start period, 'R' = escalation to start period and through span)				

Month Start	Month Span	Cash Flow Period
8	4	Aug-11 - Nov-11
12	18	Dec-11 - May-13
12	18	Dec-11 - May-13
12	18	Dec-11 - May-13
12	18	Dec-11 - May-13
12	18	Dec-11 - May-13
12	18	Dec-11 - May-13
12	18	Dec-11 - May-13
12	18	Dec-11 - May-13
0	-	-
0	-	-
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
Y		4,500,000	4,950,000	5,015,782
Y		17,955,000	19,750,500	20,839,213
Y		1,809,000	1,989,900	2,099,590
Y		1,485,000	1,633,500	1,723,544
Y		600,000	660,000	696,381
Y		1,853,000	2,038,300	2,112,876
Y		2,590,000	2,849,000	2,953,237
Y		420,000	462,000	478,903
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
	Manual Input (refer to Cash Flow)	-	-	-
	Construction Contingency	-	-	-
	TOTAL	31,212,000	34,333,200	35,919,526

4099 Construction Contingency			
4099	-	And / Or	0.00% of Construction Costs (inc GST)

5000 Statutory Fees							
Costs to be entered Exclusive of GST							
Code	Stage	Description	Units	Base Rate / Units	Escalate (E,R,N)	S-Curve	
5001	-	Sect 94 fees Bed 1	21	10,010	E	E	
5002	-	Sect 94 fees Bed 2	21	13,861	E	E	
5003	-	Sect 94 fees Bed 3	16	17,710	E	E	
5004	-	DA Lodgement Fee	1	50,000	E	E	
5015	-	.	-	-	-	-	

Month Start	Month Span	Cash Flow Period
12	1	Dec-11 - Dec-11
12	1	Dec-11 - Dec-11
12	1	Dec-11 - Dec-11
6	1	Jun-11 - Jun-11
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
n		210,210	210,210	216,516
n		291,081	291,081	299,813
n		283,360	283,360	291,861
n		50,000	50,000	50,744
Y		-	-	-
	Manual Input (refer to Cash Flow)	-	-	-
	TOTAL	834,651	834,651	858,935

6000 Miscellaneous Costs 1							
Costs to be entered Exclusive of GST							
Code	Stage	Description	% of Construction ¹	AND/OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve
6001	-	.	0.00%	-	-	-	-
6002	-	.	0.00%	-	-	-	-
6010	-	.	0.00%	-	-	-	-
			¹ Based on net costs.		² Pro-rata with Construction ('C') or Settlements ('S')		

Month Start ²	Month Span	Cash Flow Period
0	-	-
0	-	-
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
Y		-	-	-
Y		-	-	-
Y		-	-	-
	Manual Input (refer to Cash Flow)	-	-	-
	TOTAL	-	-	-

6000 Miscellaneous Costs 2							
Costs to be entered Exclusive of GST							
Code	Stage	Description	% of Construction ¹	AND/OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve
6001	-	.	0.00%	-	-	-	-
6002	-	.	0.00%	-	-	-	-
6010	-	.	0.00%	-	-	-	-
			¹ Based on net costs.		² Pro-rata with Construction ('C') or Settlements ('S')		

Month Start ²	Month Span	Cash Flow Period
0	-	-
0	-	-
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
Y		-	-	-
Y		-	-	-
Y		-	-	-
	Manual Input (refer to Cash Flow)	-	-	-
	TOTAL	-	-	-

6000 Miscellaneous Costs 3							
Costs to be entered Exclusive of GST							
Code	Stage	Description	% of Construction ¹	AND/OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve
6001	-	.	0.00%	-	-	-	-
6002	-	.	0.00%	-	-	-	-
6010	-	.	0.00%	-	-	-	-
			¹ Based on net costs.		² Pro-rata with Construction ('C') or Settlements ('S')		

Month Start ²	Month Span	Cash Flow Period
0	-	-
0	-	-
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
Y		-	-	-
Y		-	-	-
Y		-	-	-
	Manual Input (refer to Cash Flow)	-	-	-
	TOTAL	-	-	-

Main Inputs for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

9000 Sales																	
Sales Revenue to be entered Inclusive of GST																	
Code	Stage	Description	No. Units	Total Area SqM	Current Sale Price	Sales Calc Method	Pre-Sale Exchanges		Settlements		Cash Flow Period	Sales Rate Units / SqM per Month	GST Included	Land Use Code	Total Current Sales Revenue (exc GST)	Total Current Sales Revenue (inc GST)	Total Escalated Sales Revenue
							Month Start	Month Span	Month Start	Month Span							
9001	-	Commercial	-	675	5,500	Per SqM	0	-	32	6	Aug-13 - Jan-14	112.50	N	COM	3,712,500	3,712,500	3,985,660
9002	-	Level 2	-	765	10,500	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	7,302,273	8,032,500	8,283,744
9003	-	Level 3	-	765	11,000	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	7,650,000	8,415,000	8,678,208
9004	-	Level 4	-	765	11,500	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	7,997,727	8,797,500	9,072,672
9005	-	Level 5	-	765	11,500	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	7,997,727	8,797,500	9,072,672
9006	-	Level 6	-	765	12,000	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	8,345,455	9,180,000	9,467,136
9007	-	Level 7	-	765	12,000	Per SqM	10	6	32	1	Aug-13 - Aug-13	127.50	Y	RS	8,345,455	9,180,000	9,467,136
9008	-	Level 8	-	765	13,000	Per SqM	0	-	32	6	Aug-13 - Jan-14	127.50	Y	RS	9,040,909	9,945,000	10,827,187
9009	-	Level 9	-	630	14,000	Per SqM	0	-	32	6	Aug-13 - Jan-14	105.00	Y	RS	8,018,182	8,820,000	9,602,392
9020	-	.	-	-	-	Per Unit	0	-	0	-	-	-	Y	-	-	-	-
													Capitalised Sales (refer to Tenants)				
													Manual Input (refer to Cash Flow)				
													TOTAL				

9100 Other Income															
Other Income to be entered Exclusive of GST															
Code	Stage	Description	Land Use Code	Units	Base Rate / Units	Month Start	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Income (exc GST)	Total Current Income (inc GST)	Total Escalated Income		
														9101	-
9102	-	.	-	-	-	0	-	-	Y		-	-	-		
9110	-	.	-	-	-	0	-	-	Y		-	-	-		
													Manual Input (refer to Cash Flow)		
													TOTAL		

10000 Financing (Advanced Mode)															
Equity															
Developer's Equity Contribution Injected in total upfront.													Opening Balances		
		Fixed Amount	Percentage	Fixed Amount								Equity Totals			
		12,500,000	100.00%									12,794,368			
10001	Interest Charged on Equity	0.00%	per annum Nominal - Capitalised (Compounded)										Interest Charged	-	
10002	Interest received on Surplus Cash	0.00%	per annum received in arrears.										Interest Received	-	
		% of Available Funds to Repay Equity Before Debt	0.00%											Injections by Enter Land Owner Name	-
<p>General Notes: All Line Fees are paid during period of debt, in arrears All Profit Share is Paid progressively as project makes a profit.</p> <p>Equity Notes: Equity is paying outstanding debt Equity is repaid when available (do not retain surplus cash).</p>															

Loan 1															
Facility Limit													Opening Balances		
		Fixed Amount	Percentage	Fixed Amount								Loan 1 Totals			
		9,500,000	9.00%									9,500,000			
		Month Commencement	Auto	0	Jan-2011										
		Maturity Month	Auto	0	Aug-2013										
10004	Interest Rate	9.00%	per annum Nominal - Capitalised (Compounded)										Interest Charged	1,752,355	
		Fees	Amount	Percentage	Month Paid										
		Application Fee	150,000	0.00%	1								Application Fees	150,000	
		Line Fee	-	0.00%									Line Fees	-	
		Profit Split to Lender 1	0.00%											Profit Split	-

Project Hurdle Rates

Project Discount Rate (target IRR)	20.00%	per annum Nominal, on cash flow that includes financing costs but excludes interest and corp tax.
Nominate an estimate of IRR	0.00%	per ann.
Developer's Target Dev. Margin	25.00%	on total development costs (inc selling costs).
Developer's Cost of Equity (for WACC)	40.00%	

12000		Rental Income & Capitalised Sales		Rental Income and Leasing Costs to be entered Exclusive of GST																				Current Net Annual Rent		Current End Sale Value ²		Total Net Rental Income less Incentives		Escalated End-Sale Value				
Code	Stage	Description	Land Use Code	Total Area /SqM	Current Rent /SqM/annum	Outgoings and Vacancies		Total Per Annum	Pre-Commit Month	Lease Month Start	Lease Month Span	Cash Flow Period	Escalated Rent at Lease Start /SqM/annum	Letting Fee		Total Amount	Rent Free Months	Incentives Fit out Cost	Month Start	Add GST		Residual Cap. Rate	Pre-Sale Exchange Month	Settlement Month	Leasing Up Period Months Vacant	Discount Rate	Purchaser's Costs	GST Included on Sales ¹	Current Net Annual Rent	Current End Sale Value ²	Total Net Rental Income less Incentives	Escalated End-Sale Value		
						% of Gross Rent	% paid at PreCommit							on Costs	on Rents																			
12001	-	Current Lease	COM	3,000	300	-	0.00%	-	-	1	6	Jan-11 - Jun-11	331	0.00%	0.00%	-	-	-	-	-	Y	Y	0.00%	-	-	-	0.00%	0.00%	Y	-	900,000	-	0,927	-
12002	-						0.00%			0				0.00%	0.00%						Y	Y	0.00%				0.00%	0.00%	Y					
12010	-						0.00%			0				0.00%	0.00%						Y	Y	0.00%				0.00%	0.00%	Y					
TOTAL				3,000.00																														

¹ If Yes, GST is payable on settlement (end of lease period or settlement date)
² End sale value annual income (net of outgoings) divided by the capitalisation rate

Estate Master Licensed to: Estate Master

Cash Flow Table for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

PROJECT CASH FLOW	TOTAL	GST	0 Dec-10	1 Jan-11	2 Feb-11	3 Mar-11	4 Apr-11	5 May-11	6 Jun-11	7 Jul-11	8 Aug-11	9 Sep-11	10 Oct-11	11 Nov-11	12 Dec-11	
SALES SUMMARY																
Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
% Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SqM Sold	6,660.00	-	-	-	-	-	-	-	-	-	-	-	765.00	765.00	765.00	
Cumulative SqM Sold	-	-	-	-	-	-	-	-	-	-	-	-	765.00	1,530.00	2,295.00	
% SqM Sold	-	-	-	-	-	-	-	-	-	-	-	-	11.5%	23.0%	34.5%	
AUD Sold	78,456,810	-	-	-	-	-	-	-	-	-	-	-	8,951,554	8,973,631	8,995,763	
Cumulative AUD Sold	-	-	-	-	-	-	-	-	-	-	-	-	8,951,554	17,925,185	26,920,948	
% AUD Sold	-	-	-	-	-	-	-	-	-	-	-	-	11.4%	22.8%	34.3%	
HANDOVER SUMMARY																
Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
% Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SqM Handed Over	6,660.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative SqM Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
% SqM Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
AUD Handed Over	78,456,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative AUD Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
% AUD Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
PROJECT CASH FLOW																
REVENUE																
Gross Sales Revenue	78,456,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Selling Costs	(4,350,992)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gross Rental Income	496,020	-	82,670	82,670	82,670	82,670	82,670	82,670	82,670	82,670	-	(280,473)	(280,473)	(73,921)	(73,936)	(73,952)
Leasing Costs	(32,737)	-	(5,456)	(5,456)	(5,456)	(5,456)	(5,456)	(5,456)	(5,456)	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)	(6,815,197)	-	-	(7,515)	(7,515)	(7,515)	(7,515)	(7,515)	(7,515)	(7,515)	-	-	-	-	-	-
TOTAL NET REVENUE	67,753,903	-	77,214	69,698	69,698	69,698	69,698	69,698	69,698	69,698	(7,515)	(280,473)	(280,473)	(73,921)	(73,936)	(73,952)
COSTS																
Land and Acquisition																
Settlement (Balance)	12,500,000	12,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	3,254,761	-	63,459	61,127	61,127	61,127	61,127	61,127	62,196	-	99,391	99,391	101,686	101,686	79,183	
Construction Costs (inc Contingency)	35,919,526	-	-	-	-	-	-	-	-	-	1,253,945	1,253,945	1,253,945	1,253,945	755,280	
Statutory Fees	858,935	-	-	-	-	-	-	-	50,744	-	-	-	-	-	808,191	
Miscellaneous Costs 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)	1,991,949	-	2,993	2,993	2,993	2,993	2,993	2,993	5,531	-	66,271	66,271	71,720	71,720	85,775	
Land Holding Costs	451,662	-	116,286	-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-Sale Commissions	653,903	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)	500,000	-	500,000	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Input Credits)	(4,205,793)	-	-	(6,531)	(6,319)	(6,319)	(6,319)	(6,319)	(6,319)	(6,642)	-	(154,423)	(154,423)	(146,246)	(146,248)	
TOTAL COSTS	51,924,943	12,500,000	682,739	57,589	57,801	57,801	57,801	57,801	112,151	(6,642)	1,419,608	1,265,185	1,381,913	1,380,090	1,691,165	
Net Cash Flow (before Interest)	15,828,960	(12,500,000)	(605,525)	12,110	11,897	11,897	11,897	11,897	(42,453)	(873)	(1,700,080)	(1,545,658)	(1,455,834)	(1,464,026)	(1,765,117)	
Cumulative Cash Flow	-	(12,500,000)	(13,105,525)	(13,093,416)	(13,081,518)	(13,069,621)	(13,057,723)	(13,045,825)	(13,033,927)	(13,022,029)	(14,801,109)	(16,346,788)	(17,802,621)	(19,266,647)	(21,031,764)	

Cash Flow Table for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

PROJECT CASH FLOW	TOTAL	GST	0	1	2	3	4	5	6	7	8	9	10	11	12	
			Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	
FINANCING																
Equity																
Manual Adjustments (Inject + / Repay -)			0	0	0	0	0	0	0	0	0	0	0	0	0	
Injections	12,794,368		12,500,000	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity Repayment	24,717,939		-	-	-	-	-	-	-	-	-	-	-	-	-	
Less Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity Balance	11,923,571		(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	
Equity Cash Flow	11,923,571		(12,500,000)	-	-	-	-	-	-	-	-	-	-	-	-	
Project Cash Account																
Surplus Cash Injection	12,500,000		12,500,000	-	-	-	-	-	-	-	-	-	-	-	-	
Cash Reserve Drawdown	(12,500,000)		(12,500,000)	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on Surplus Cash	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus Cash Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan 1 - Mezzanine																
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0	
Drawdown	(9,500,000)		-	(605,525)	-	-	-	-	-	(42,453)	(873)	(1,700,080)	(1,545,658)	(1,455,834)	(1,464,026)	(1,765,117)
Loan Interest Rate (%/ann)			9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	
Interest Charged	(1,752,355)		-	(5,066)	(5,618)	(5,571)	(5,524)	(5,476)	(5,428)	(5,380)	(5,332)	(5,284)	(5,236)	(5,188)	(5,140)	
Application and Line Fees	(150,000)		-	(150,000)	-	-	-	-	-	-	-	-	-	-	-	
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Repayment	11,402,355		-	-	12,110	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	
Interest and Fees	1,902,355		-	-	12,110	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	
Principal	9,500,000		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Balance	-		-	(755,525)	(749,082)	(742,803)	(736,476)	(730,102)	(723,728)	(717,354)	(710,980)	(704,606)	(698,232)	(691,858)	(685,484)	
% of Land Purchase Price			-	6.0%	6.0%	5.9%	5.8%	5.7%	5.6%	5.5%	5.4%	5.3%	5.2%	5.1%	5.0%	
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan 1 Cash Flow	1,902,355		(605,525)	12,110	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	11,897	
Interest Coverage Ratio	28.96		0.51	12.30	12.41	12.51	12.62	12.73	12.84	12.95	13.06	13.17	13.28	13.39	13.50	
Debt Service Ratio	4.93		-	5.76	5.86	5.96	6.06	6.16	6.26	6.36	6.46	6.56	6.66	6.76	6.86	
Loan 2 - Lender Name																
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0	
Drawdown	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Interest Rate (%/ann)			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Application and Line Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Repayment	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest and Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Principal	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
% of Land Purchase Price	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan 2 Cash Flow	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Coverage Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt Service Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan 3 - Lender Name																
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0	
Drawdown	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Interest Rate (%/ann)			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Application and Line Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Repayment	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest and Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Principal	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
% of Land Purchase Price	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan 3 Cash Flow	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Coverage Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt Service Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan 4 - Line of Credit																
Drawdown	(32,319,128)		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Interest Rate (%/ann)			7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Interest Charged	(1,919,699)		-	-	-	-	-	-	-	-	-	-	-	-	-	
Application and Line Fees	(83,334)		-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Repayment	34,322,162		-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest and Fees	2,003,033		-	-	-	-	-	-	-	-	-	-	-	-	-	
Principal	32,319,128		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
% of Project Costs (net of Interest/Fees and GST)	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan 4 Cash Flow	2,003,033		-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Coverage Ratio	29.60		-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt Service Ratio	1.73		-	-	-	-	-	-	-	-	-	-	-	-	-	
Project Overdraft	-		(755,525)	(749,082)	(742,803)	(736,476)	(730,102)	(723,728)	(717,354)	(710,980)	(704,606)	(698,232)	(691,858)	(685,484)	(679,110)	
% of Project Costs (net of Interest/Fees and GST)	-		1.46%	1.44%	1.43%	1.42%	1.41%	1.40%	1.39%	1.38%	1.37%	1.36%	1.35%	1.34%	1.33%	
Total Equity to Debt Ratio	30.59%		-	2064.32%	2064.32%	2064.32%	2064.32%	2064.32%	1929.08%	1926.48%	532.16%	320.96%	233.63%	183.43%	145.70%	
Total Debt Interest Coverage Ratio	15.02		-	0.51	12.30	12.41	12.51	12.62	12.73	12.84	12.95	13.06	13.17	13.28	13.39	
Total Debt Service Ratio	15.31		-	5.76	5.86	5.96	6.06	6.16	6.26	6.36	6.46	6.56	6.66	6.76	6.86	
Net Cash Flow (after Interest)	11,923,571		(12,500,000)	(755,525)	6,443	6,279	6,326	6,374	6,422	(47,929)	(6,709)	(1,705,966)	(1,564,338)	(1,486,247)	(1,505,585)	(1,817,968)
Cumulative Cash Flow**	-		(12,500,000)	(13,255,525)	(13,249,082)	(13,242,803)	(13,236,476)	(13,230,102)	(13,223,728)	(13,217,354)	(13,210,980)	(13,204,606)	(13,198,232)	(13,191,858)	(13,185,484)	
Check Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-	

Cash Flow Table for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

PROJECT CASH FLOW	TOTAL	GST	0 Dec-10	1 Jan-11	2 Feb-11	3 Mar-11	4 Apr-11	5 May-11	6 Jun-11	7 Jul-11	8 Aug-11	9 Sep-11	10 Oct-11	11 Nov-11	12 Dec-11
PROJECT IRR & NPV															
Cash Flow that includes financing costs but excludes interest and corp tax.			(12,500,000)	(755,525)	12,110	11,897	11,897	11,897	(42,453)	(873)	(1,700,080)	(1,545,658)	(1,455,834)	(1,464,026)	(1,765,117)
Static Discount Rate (per ann. nominal)	20.00%														
PV for each Month	(2,232,964)		(12,500,000)	(743,139)	11,716	11,322	11,136	10,954	(38,445)	(778)	(1,489,501)	(1,332,005)	(1,234,031)	(1,220,631)	(1,447,539)
NPV of Future Cash Flows	(2,232,964)		10,438,154	11,380,240	11,557,599	11,738,130	11,921,670	12,108,289	12,353,234	12,560,009	14,497,757	16,310,805	18,062,750	19,852,222	
Variable Discount Rate (per ann. nominal)	20.00%		20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
NPV (using weighted avg discount rate)	(2,232,964)														

* Includes half interest from deposit on land acquisition plus interest received from pre-sale deposits
 ** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)
 Estate Master Licensed to: Estate Master

Cash Flow Table for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

PROJECT CASH FLOW	TOTAL	GST	13 Jan-12	14 Feb-12	15 Mar-12	16 Apr-12	17 May-12	18 Jun-12	19 Jul-12	20 Aug-12	21 Sep-12	22 Oct-12	23 Nov-12	24 Dec-12	25 Jan-13
SALES SUMMARY															
Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Sold	6,660.00	-	765.00	765.00	765.00	-	-	-	-	-	-	-	-	-	-
Cumulative SqM Sold	-	-	3,060.00	3,825.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00
% SqM Sold	-	-	45.9%	57.4%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%
AUD Sold	78,456,810	-	9,017,948	9,040,189	9,062,485	-	-	-	-	-	-	-	-	-	-
Cumulative AUD Sold	-	-	35,938,896	44,979,085	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570
% AUD Sold	-	-	45.8%	57.3%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%
HANDOVER SUMMARY															
Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Handed Over	6,660.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative SqM Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% SqM Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AUD Handed Over	78,456,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative AUD Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% AUD Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PROJECT CASH FLOW															
REVENUE															
Gross Sales Revenue	78,456,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Selling Costs	(4,350,992)	-	(73,967)	(73,983)	(73,998)	-	-	-	-	-	-	-	-	-	-
Gross Rental Income	496,020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasing Costs	(32,737)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)	(6,815,197)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NET REVENUE	67,753,903	-	(73,967)	(73,983)	(73,998)	-	-	-	-	-	-	-	-	-	-
COSTS															
Land and Acquisition															
Settlement (Balance)	12,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	3,254,761	-	77,833	73,265	92,720	75,529	105,985	115,337	146,026	146,365	152,817	214,441	184,233	246,213	199,760
Construction Costs (inc Contingency)	35,919,526	-	923,579	895,369	1,140,821	952,889	1,337,139	1,455,119	1,842,308	1,846,582	1,927,985	2,705,442	2,324,330	3,106,298	2,490,804
Statutory Fees	858,935	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)	1,991,949	-	54,260	52,769	65,742	50,360	70,668	76,903	97,366	97,592	101,894	142,983	122,841	164,168	131,639
Land Holding Costs	451,662	-	116,286	-	-	-	-	-	-	-	-	-	-	-	116,286
Pre-Sale Commissions	653,903	-	108,984	108,984	108,984	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)	500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Input Credits)	(4,205,793)	-	(100,120)	(112,496)	(109,385)	(134,622)	(97,972)	(137,479)	(149,609)	(189,418)	(189,858)	(198,227)	(278,162)	(238,978)	(319,376)
TOTAL COSTS	51,924,943	-	1,180,822	1,017,891	1,298,882	944,155	1,415,820	1,509,879	1,936,091	1,901,121	1,992,839	2,864,638	2,353,242	3,277,701	2,619,113
Net Cash Flow (before Interest)	15,828,960	-	(1,254,789)	(1,091,874)	(1,372,880)	(944,155)	(1,415,820)	(1,509,879)	(1,936,091)	(1,901,121)	(1,992,839)	(2,864,638)	(2,353,242)	(3,277,701)	(2,619,113)
Cumulative Cash Flow	-	-	(22,286,553)	(23,378,427)	(24,751,307)	(25,695,463)	(27,111,283)	(28,621,162)	(30,557,253)	(32,458,374)	(34,451,213)	(37,315,851)	(39,669,092)	(42,946,794)	(45,565,907)

Cash Flow Table for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

PROJECT CASH FLOW	TOTAL	GST	13	14	15	16	17	18	19	20	21	22	23	24	25
			Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
FINANCING															
Equity															
Manual Adjustments (Inject + / Repay -)			0	0	0	0	0	0	0	0	0	0	0	0	0
Injections	12,794,368		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment	24,717,939		-	-	-	-	-	-	-	-	-	-	-	-	-
Less Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance	11,923,571		(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)
Equity Cash Flow	11,923,571		-	-	-	-	-	-	-	-	-	-	-	-	-
Project Cash Account															
Surplus Cash Injection	12,500,000		-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Reserve Drawdown	(12,500,000)		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Surplus Cash	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 1 - Mezzanine															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	(9,500,000)		(920,434)	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)	-		9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Interest Charged	(1,752,355)		(66,486)	(73,888)	(74,442)	(75,001)	(75,563)	(76,130)	(76,701)	(77,276)	(77,856)	(78,440)	(79,028)	(79,621)	(80,218)
Application and Line Fees	(150,000)		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	11,402,355		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	1,902,355		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	9,500,000		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-		(9,851,765)	(9,925,653)	(10,000,095)	(10,075,096)	(10,150,659)	(10,226,789)	(10,303,490)	(10,380,766)	(10,458,622)	(10,537,062)	(10,616,089)	(10,695,710)	(10,775,928)
% of Land Purchase Price.	-		78.8%	79.4%	80.0%	80.6%	81.2%	81.8%	82.4%	83.0%	83.7%	84.3%	84.9%	85.6%	86.2%
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 1 Cash Flow	1,902,355		(920,434)	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	28.96		(1.11)	(1.00)	(0.99)	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	4.93		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 2 - Lender Name															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)	-		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-
% of Land Purchase Price.	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 2 Cash Flow	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 3 - Lender Name															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)	-		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-
% of Land Purchase Price.	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 3 Cash Flow	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 4 - Line of Credit															
Drawdown	(32,319,128)		(334,355)	(1,091,874)	(1,372,880)	(944,155)	(1,415,820)	(1,509,879)	(1,936,091)	(1,901,121)	(1,992,839)	(2,864,638)	(2,353,242)	(3,277,701)	(2,619,113)
Loan Interest Rate (%/ann)	-		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Interest Charged	(1,919,699)		-	(2,020)	(8,654)	(17,026)	(22,858)	(31,576)	(40,914)	(52,883)	(64,714)	(77,170)	(94,969)	(109,785)	(130,276)
Application and Line Fees	(83,334)		-	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	34,322,162		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	2,003,033		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	32,319,128		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-		(334,355)	(1,432,416)	(2,818,117)	(3,783,465)	(5,226,310)	(6,771,932)	(8,753,104)	(10,711,274)	(12,772,994)	(15,718,968)	(18,171,346)	(21,562,999)	(24,316,555)
% of Project Costs (net of Interest/Fees and GST).	-		0.64%	2.76%	5.43%	7.29%	10.07%	13.04%	16.86%	20.63%	24.60%	30.27%	35.00%	41.53%	46.83%
Loan 4 Cash Flow	2,003,033		(334,355)	(1,091,874)	(1,372,880)	(944,155)	(1,415,820)	(1,509,879)	(1,936,091)	(1,901,121)	(1,992,839)	(2,864,638)	(2,353,242)	(3,277,701)	(2,619,113)
Interest Coverage Ratio	29.50		-	(11.96)	(5.77)	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	1.73		-	-	-	-	-	-	-	-	-	-	-	-	-
Project Overdraft			(10,186,119)	(11,358,069)	(12,818,212)	(13,858,561)	(15,376,969)	(16,998,721)	(19,056,594)	(21,092,040)	(23,231,616)	(26,256,030)	(28,787,435)	(32,258,709)	(35,092,483)
% of Project Costs (net of Interest/Fees and GST).	-		19.62%	21.87%	24.69%	26.69%	29.61%	32.74%	36.70%	40.62%	44.74%	50.57%	55.44%	62.13%	67.58%
Total Equity to Debt Ratio	30.59%		127.11%	114.40%	101.63%	94.39%	85.27%	77.31%	69.04%	62.48%	56.82%	50.27%	45.93%	40.99%	37.75%
Total Debt Interest Coverage Ratio	15.02		(1.11)	(0.92)	(0.85)	-	-	-	-	-	-	-	-	-	-
Total Debt Service Ratio	1.31		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow (after Interest)	11,923,571		(1,321,275)	(1,171,949)	(1,460,143)	(1,040,349)	(1,518,408)	(1,621,751)	(2,057,873)	(2,035,447)	(2,139,575)	(3,024,414)	(2,531,405)	(3,471,274)	(2,833,774)
Cumulative Cash Flow**			(22,686,119)	(23,858,069)	(25,318,212)	(26,358,561)	(27,876,969)	(29,498,721)	(31,556,594)	(33,592,040)	(35,731,616)	(38,756,030)	(41,287,435)	(44,758,709)	(47,592,483)
Check Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-

Cash Flow Table for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

PROJECT CASH FLOW	TOTAL	GST	13 Jan-12	14 Feb-12	15 Mar-12	16 Apr-12	17 May-12	18 Jun-12	19 Jul-12	20 Aug-12	21 Sep-12	22 Oct-12	23 Nov-12	24 Dec-12	25 Jan-13
PROJECT IRR & NPV															
Cash Flow that includes financing costs but excludes interest and corp tax			(1,254,789)	(1,096,041)	(1,377,047)	(948,322)	(1,419,987)	(1,514,046)	(1,940,258)	(1,905,287)	(1,997,006)	(2,868,804)	(2,357,408)	(3,281,868)	(2,623,280)
Static Discount Rate (per ann. nominal)	20.00%														
PV for each Month	(2,232,964)		(1,012,160)	(868,614)	(1,074,657)	(727,945)	(1,072,132)	(1,124,410)	(1,417,315)	(1,368,954)	(1,411,331)	(1,994,215)	(1,611,860)	(2,207,166)	(1,735,322)
NPV of Future Cash Flows			21,977,627	23,619,623	25,127,592	26,946,383	28,358,617	30,275,930	32,319,809	34,831,068	37,348,628	40,001,395	43,584,702	46,707,812	50,822,842
Variable Discount Rate (per ann. nominal)	20.00%		20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
NPV (using weighted avg discount rate)	(2,232,964)														

* Includes half interest from deposit on land acquisition plus interest received from pre-sale deposits
 ** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)
 Estate Master Licensed to: Estate Master

Cash Flow Table for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

PROJECT CASH FLOW	TOTAL	GST	26 Feb-13	27 Mar-13	28 Apr-13	29 May-13	30 Jun-13	31 Jul-13	32 Aug-13	33 Sep-13	34 Oct-13	35 Nov-13	36 Dec-13	37 Jan-14	38 Feb-14
SALES SUMMARY															
Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Sold	6,660.00	-	-	-	-	-	-	-	345.00	345.00	345.00	345.00	345.00	345.00	345.00
Cumulative SqM Sold	-	-	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,590.00	4,935.00	5,280.00	5,625.00	5,970.00	6,315.00	6,660.00	6,660.00
% SqM Sold	-	-	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	74.1%	79.3%	84.5%	89.6%	94.8%	100.0%	100.0%
AUD Sold	78,456,810	-	-	-	-	-	-	-	4,044,961	4,054,568	4,064,298	4,074,052	4,083,830	4,093,631	-
Cumulative AUD Sold	-	-	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	54,041,570	58,086,431	62,140,999	66,205,297	70,279,349	74,363,179	78,456,810	78,456,810
% AUD Sold	-	-	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	74.0%	79.2%	84.4%	89.6%	94.8%	100.0%	100.0%
HANDOVER SUMMARY															
Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Handed Over	6,660.00	-	-	-	-	-	-	-	4,935.00	345.00	345.00	345.00	345.00	345.00	-
Cumulative SqM Handed Over	-	-	-	-	-	-	-	-	4,935.00	5,280.00	5,625.00	5,970.00	6,315.00	6,660.00	6,660.00
% SqM Handed Over	-	-	-	-	-	-	-	-	74.1%	79.3%	84.5%	89.6%	94.8%	100.0%	100.0%
AUD Handed Over	78,456,810	-	-	-	-	-	-	-	58,110,777	4,069,207	4,069,207	4,069,207	4,069,207	4,069,207	-
Cumulative AUD Handed Over	-	-	-	-	-	-	-	-	58,110,777	62,179,983	66,249,190	70,318,397	74,387,603	78,456,810	78,456,810
% AUD Handed Over	-	-	-	-	-	-	-	-	74.1%	79.3%	84.4%	89.6%	94.8%	100.0%	100.0%
PROJECT CASH FLOW															
REVENUE															
Gross Sales Revenue	78,456,810	-	-	-	-	-	-	-	58,086,431	4,054,568	4,064,298	4,074,052	4,083,830	4,093,631	-
Selling Costs	(4,350,992)	-	(47,026)	(47,026)	(47,026)	(47,026)	(47,026)	(47,026)	(2,174,072)	(186,953)	(187,185)	(187,417)	(187,650)	(187,883)	-
Gross Rental Income	496,020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasing Costs	(32,737)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)	(6,815,197)	-	-	-	-	-	-	-	-	(5,220,506)	(308,395)	(309,155)	(309,918)	(310,682)	(311,448)
TOTAL NET REVENUE	67,753,903	-	(47,026)	(47,026)	(47,026)	(47,026)	(47,026)	(47,026)	55,912,359	(1,352,891)	3,568,719	3,577,480	3,586,262	3,595,066	(311,448)
COSTS															
Land and Acquisition															
Land and Acquisition	12,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Settlement (Balance)	12,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	3,254,761	-	185,518	123,966	149,104	113,600	-	-	393	-	-	158	-	-	-
Construction Costs (inc Contingency)	35,919,526	-	2,340,547	1,563,986	1,881,138	1,414,128	-	-	-	-	-	-	-	-	-
Statutory Fees	858,935	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)	1,991,949	-	123,698	82,657	99,418	74,737	-	-	-	-	-	-	-	-	-
Land Holding Costs	451,662	-	-	-	-	75,377	-	-	19,571	-	-	7,856	-	-	-
Pre-Sale Commissions	653,903	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)	500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Input Credits)	(4,205,793)	-	(256,306)	(240,645)	(165,077)	(197,686)	(156,660)	(4,275)	(4,275)	(199,458)	(16,996)	(17,017)	(17,766)	(17,059)	(17,080)
TOTAL COSTS	51,924,943	-	2,393,457	1,529,963	1,964,583	1,480,155	(156,660)	(4,275)	15,688	(199,458)	(16,996)	(9,003)	(17,766)	(17,059)	(17,080)
Net Cash Flow (before Interest)	15,828,960	-	(2,393,457)	(1,576,989)	(2,011,609)	(1,527,181)	109,634	(42,751)	55,896,670	(1,153,434)	3,585,715	3,586,483	3,604,029	3,612,125	(294,368)
Cumulative Cash Flow	-	-	(47,959,364)	(49,536,353)	(51,547,962)	(53,075,142)	(52,965,509)	(53,008,259)	2,888,411	1,734,978	5,320,692	8,907,175	12,511,204	16,123,328	15,828,960

Cash Flow Table for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

PROJECT CASH FLOW	TOTAL	GST	26	27	28	29	30	31	32	33	34	35	36	37	38
			Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14
FINANCING															
Equity															
Manual Adjustments (Inject + / Repay -)			0	0	0	0	0	0	0	0	0	0	0	0	0
Injections	12,794,368		-	-	-	-	-	-	-	-	-	-	-	-	294,368
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment	24,717,939		-	-	-	-	-	-	11,494,158	-	2,421,146	3,586,483	3,604,029	3,612,125	-
Less Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance	11,923,571		(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(1,005,842)	(1,005,842)	1,415,303	5,001,786	8,605,815	12,217,939	11,923,571
Equity Cash Flow	11,923,571		-	-	-	-	-	-	11,494,158	-	2,421,146	3,586,483	3,604,029	3,612,125	(294,368)
Project Cash Account															
Surplus Cash Injection	12,500,000		-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Reserve Drawdown	(12,500,000)		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Surplus Cash	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 1 - Mezzanine															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	(9,500,000)		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)			9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Interest Charged	(1,752,355)		(80,819)	(81,426)	(82,036)	(82,652)	(83,271)	(83,896)	(84,525)	-	-	-	-	-	-
Application and Line Fees	(150,000)		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	11,402,355		-	-	-	-	-	-	11,354,554	-	-	-	-	-	-
Interest and Fees	1,902,355		-	-	-	-	-	-	1,854,554	-	-	-	-	-	-
Principal	9,500,000		-	-	-	-	-	-	9,500,000	-	-	-	-	-	-
Loan Balance	-		(10,856,747)	(10,938,173)	(11,020,209)	(11,102,861)	(11,186,132)	(11,270,028)	-	-	-	-	-	-	-
% of Land Purchase Price.			86.9%	87.5%	88.2%	88.8%	89.5%	90.2%	-	-	-	-	-	-	-
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 1 Cash Flow	1,902,355		-	-	-	-	-	-	11,354,554	-	-	-	-	-	-
Interest Coverage Ratio	28.96		-	(0.58)	(0.57)	(0.57)	(0.56)	(0.56)	661.49	-	-	-	-	-	-
Debt Service Ratio	4.93		-	-	-	-	-	-	4.92	-	-	-	-	-	-
Loan 2 - Lender Name															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-
% of Land Purchase Price.	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 2 Cash Flow	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 3 - Lender Name															
Manual Adjustments (Drawdown - / Repay +)			0	0	0	0	0	0	0	0	0	0	0	0	0
Drawdown	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Application and Line Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-
% of Land Purchase Price.	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 3 Cash Flow	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Coverage Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan 4 - Line of Credit															
Drawdown	(32,319,128)		(2,393,457)	(1,576,989)	(2,011,609)	(1,527,181)	-	(42,751)	-	(1,153,434)	-	-	-	-	-
Loan Interest Rate (%/ann)			7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Interest Charged	(1,919,699)		(146,913)	(162,286)	(172,819)	(186,042)	(196,418)	(196,967)	(198,441)	-	(6,969)	-	-	-	-
Application and Line Fees	(83,334)		(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	34,322,162		-	-	-	-	109,634	-	33,047,959	-	1,164,569	-	-	-	-
Interest and Fees	2,003,033		-	-	-	-	109,634	-	1,882,264	-	11,135	-	-	-	-
Principal	32,319,128		-	-	-	-	-	-	31,165,695	-	-	-	-	-	-
Loan Balance	-		(26,861,092)	(28,604,533)	(30,793,127)	(32,510,516)	(32,601,467)	(32,845,352)	-	(1,153,434)	-	-	-	-	-
% of Project Costs (net of Interest/Fees and GST).			51.73%	55.09%	59.30%	62.61%	62.79%	63.26%	-	2.22%	-	-	-	-	-
Loan 4 Cash Flow	2,003,033		(2,393,457)	(1,576,989)	(2,011,609)	(1,527,181)	109,634	(42,751)	33,047,959	(1,153,434)	1,164,569	-	-	-	-
Interest Coverage Ratio	29.50		-	(0.28)	(0.27)	(0.25)	(0.23)	(0.23)	275.96	-	320.50	-	-	-	-
Debt Service Ratio	1.73		-	-	-	-	(0.43)	(0.43)	1.69	-	3.06	-	-	-	-
Project Overdraft			(37,717,839)	(39,542,706)	(41,813,337)	(43,613,377)	(43,787,600)	(44,115,380)	-	(1,153,434)	-	-	-	-	-
% of Project Costs (net of Interest/Fees and GST).			72.64%	76.15%	80.53%	83.99%	84.33%	84.96%	-	2.22%	-	-	-	-	-
Total Equity to Debt Ratio	30.59%		35.20%	33.71%	31.97%	30.77%	30.77%	30.74%	30.74%	29.89%	29.89%	29.89%	29.89%	29.89%	-
Total Debt Interest Coverage Ratio	15.02		-	(0.19)	(0.18)	(0.17)	(0.17)	(0.16)	194.73	-	320.50	-	-	-	-
Total Debt Service Ratio	1.31		-	-	-	-	(0.43)	-	1.26	-	3.06	-	-	-	-
Net Cash Flow (after Interest)	11,923,571		(2,625,356)	(1,824,867)	(2,270,631)	(1,800,041)	(174,222)	(327,781)	55,609,538	(1,153,434)	3,574,579	3,586,483	3,604,029	3,612,125	(294,368)
Cumulative Cash Flow**			(50,217,839)	(52,042,706)	(54,313,337)	(56,113,377)	(56,287,600)	(56,615,380)	(1,005,842)	(2,159,276)	1,415,303	5,001,786	8,605,815	12,217,939	11,923,571
Check Balance			-	-	-	-	-	-	-	-	-	-	-	-	-

Cash Flow Table for Land as Equity Case Study

Residential Development based on Land Contributed - Base Case

PROJECT CASH FLOW	TOTAL	GST	26 Feb-13	27 Mar-13	28 Apr-13	29 May-13	30 Jun-13	31 Jul-13	32 Aug-13	33 Sep-13	34 Oct-13	35 Nov-13	36 Dec-13	37 Jan-14	38 Feb-14
PROJECT IRR & NPV															
Cash Flow that includes financing costs but excludes interest and corp tax.			(2,397,624)	(1,581,155)	(2,015,775)	(1,531,347)	105,467	(46,917)	55,892,504	(1,153,434)	3,581,548	3,586,483	3,604,029	3,612,125	(294,368)
Static Discount Rate (per ann. nominal)	20.00%														
PV for each Month	(2,232,964)														
NPV of Future Cash Flows			(1,560,048)	(1,011,935)	(1,268,942)	(948,189)	64,233	(28,106)	32,933,573	(668,497)	2,041,733	2,011,029	1,987,738	1,959,544	(157,074)
Variable Discount Rate (per ann. nominal)	20.00%														
NPV (using weighted avg discount rate)	(2,232,964)		20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%

* Includes half interest from deposit on land acquisition plus interest received from pre-sale deposits
 ** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)
 Estate Master Licensed to: Estate Master

Summary of Project Returns



Development Feasibility

Land as Equity Case Study

Residential Development based on Land Contributed

Base Case

Time Span: Dec-10 to Feb-14	Project Size: 58 Apartments <small>1 per 17.24 SqM of Site Area</small>
Type: Mixed Use	Project Size: 7,900. GFA <small>1 per 0.13 SqM of Site Area</small>
Status: Under Review	Equated GFA: 8,000.0 SqM
Site Area: 1,000. SqM	
FSR: 8:1	

Estate Master Licensed to: Estate Master

				AUD Total			
REVENUE							
	Quantity	SqM	AUD/SqM	AUD			
Total Sales Revenue	-	6,660.0	11,780.3	78,456,810			
Residential	-	5,985.0	12,443.0	74,471,150			
Commercial	-	675.0	5,904.7	3,985,660			
Less Selling Costs				(4,350,992)			
Less Purchasers Costs				-			
NET SALE PROCEEDS				74,105,818			
	Average Yield	SqM	AUD/SqM/annum	AUD			
Rental Income	-	3,000.0	300.0	496,020			
Commercial	-	3,000.0	300.0	496,020			
Less Outgoings & Vacancies				-			
Less Letting Fees				-			
Less Incentives (Rent Free and Fit-out Costs)				-			
Less Other Leasing Costs				(32,737)			
NET RENTAL INCOME				463,282			
Interest Received				-			
Other Income				-			
TOTAL REVENUE (before GST paid)				74,569,100			
Less GST paid on all Revenue				(6,815,197)			
TOTAL REVENUE after GST paid				67,753,903			
COSTS							
Land Purchase Cost				12,500,000			
Land Transaction Costs				-			
Construction inc. Construct. Contingency				35,919,526			
Residential Construction				23,635,185			
Commercial Construction				1,723,544			
General Construction				10,560,798			
Professional Fees				3,254,761			
Statutory Fees				858,935			
Miscellaneous Costs 1				-			
Miscellaneous Costs 2				-			
Miscellaneous Costs 3				-			
Project Contingency (Project Reserve)				1,991,949			
Land Holding Costs				451,662			
Pre-Sale Commissions				653,903			
Finance Charges (inc. Fees)				733,334			
Interest Expense				3,672,055			
TOTAL COSTS (before GST reclaimed)				60,036,125			
Less GST reclaimed				(4,205,793)			
TOTAL COSTS after GST reclaimed				55,830,332			

PERFORMANCE INDICATORS		
¹ Net Development Profit	11,923,571	
³ Development Margin or Profit/Risk Margin	19.81%	on total development costs (inc selling costs).
⁴ Residual Land Value (based on 25% Target Margin)	10,400,053	(Exclusive of GST) 10,400.05 per SqM of Site Area
⁵ Net Present Value	2,232,964	(at 20% per ann. discount rate, nominal)
⁶ Benefit Cost Ratio	0.9463	(at 20% per ann. discount rate, nominal)
⁷ Project Internal Rate of Return IRR	16.62%	(per ann. nominal)
⁸ Residual Land Value (based on NPV)	10,273,594	(Exclusive of GST) 10,273.59 per SqM of Site Area
Equity IRR	23.98%	(per ann. nominal)
Equity Contribution	12,794,368	
Peak Debt Exposure	44,115,380	
Equity to Debt Ratio	30.59%	
⁹ Weighted Average Cost of Capital (WACC)	15.49%	
¹⁰ Breakeven Date for Cumulative Cash Flow	Oct-2013	(Month 34)
¹¹ Yield on Cost	1.40%	
¹² Rent Cover	13 Yrs, 3 Mths	
¹³ Profit Erosion	N.A.	

Footnotes:

1. Development Profit: is total revenue less total cost including interest paid and received
2. Note: No redistribution of Developer's Gross Profit
3. Development Margin: is profit divided by total development costs (inc selling costs).
4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
6. Benefit:Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
- 11 Yield on Cost is Current Net Annual Rent divided by Total Costs (before GST reclaimed), including all Selling Costs.
12. The total net development profit divided by the current net annual rental expressed as a number of years/months.
13. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.

Summary of Project Returns



Development Feasibility

Land as Equity Case Study Residential Development based on Land Contributed

Base Case

Time Span: Dec-10 to Feb-14	Project Size: 58 Apartments <small>1 per 17.24 SqM of Site Area</small>
Type: Mixed Use	Project Size: 7,900 GFA <small>1 per 0.13 SqM of Site Area</small>
Status: Under Review	Project Size: 7,900 GFA <small>1 per 0.13 SqM of Site Area</small>
Site Area: 1,000. SqM	Equated GFA: 8,000.0 SqM
FSR: 8:1	

Estate Master Licensed to: Estate Master

RETURNS ON FUNDS INVESTED	Equity	Loan 1			Loan 4	Total Debt
		Mezzanine			Line of Credit	
¹ Funds Invested (Cash Outlay)	12,794,368	9,500,000			32,319,128	41,819,128
% of Total Funds Invested	23.43%	17.39%			59.18%	76.57%
² Peak Exposure	12,500,000	11,270,028			32,845,352	44,115,380
Date of Peak Exposure	Dec-10	Jul-13			Jul-13	Jul-13
Month of Peak Exposure	Month 0	Month 31			Month 31	Month 31
Weighted Average Interest Rate	N.A.	9.00%			7.25%	7.99%
Interest Charged	-	1,752,355			1,919,699	3,672,055
Line Fees Charged	-	-			83,334	83,334
Application Fees Charged	-	150,000			-	150,000
Profit Share Received	-	-			-	-
³ Total Profit to Funders	11,923,571	1,902,355			2,003,033	3,905,389
⁴ Margin on Funds Invested	93.19%	20.02%			6.20%	9.34%
⁵ Payback Date	Oct-13	Aug-13			Oct-13	Oct-13
Month of Payback	Month 34	Month 32			Month 34	Month 34
⁶ IRR on Funds Invested	23.98%	9.91%			7.57%	8.58%
⁷ Equity to Debt Ratio		134.68%			39.59%	30.59%
⁸ Loan to Value Ratio	15.93%	14.36%			41.86%	56.23%
⁹ Loan Ratio	102.35%	91.22%			66.10%	88.06%
	<small>of Land Purchase Price.</small>	<small>of Land Purchase Price.</small>			<small>of Project Costs (net of Interest/Fees and GST).</small>	<small>of Project Costs (net of Interest/Fees and GST).</small>

Footnotes:

1. The total amount of funding injected into the project cash flow.
2. The maximum cash flow exposure of that equity/debt facility including capitalised interest.
3. The total repayments less funds invested, including profit share paid or received.
4. Margin is net profit divided by total funds invested (cash outlay).
5. Payback date for the equity/debt facility is the last date when total equity/debt is repaid.
6. IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.
7. Equity to Debt Ratio is the amount of equity contributed into the project as a percentage of debt funding.
8. Loan to Value ratio is the Peak Equity/Debt Exposure divided by Total Sales Revenue.
9. Loan Ratio is the total funds invested by the lender (cash outlay) divided by the nominated ratio calculation method. It includes capitalised interest and fees.

Comparison of Options

	1	2	3	4	5	6	7	8
ESTATEMASTER Development Feasibility <small>PROPERTY SOFTWARE</small>	Residential Development	Residential Development based on Land						
Summary of Comparison of Options	Base Case	Base Case						
Land as Equity Case Study	58. Apartments 7,900. GFA 1,000. SqM Mixed Use Under Review	58. Apartments 7,900. GFA 1,000. SqM Mixed Use Under Review						
REVENUE								
Total Sales Revenue	78,456,810	78,456,810						
Less Selling Costs	(4,350,992)	(4,350,992)						
Less Purchasers Costs	-	-						
NET SALE PROCEEDS	74,105,818	74,105,818						
Rental Income	496,020	496,020						
Less Outgoings & Vacancies	-	-						
Less Letting Fees	-	-						
Less Incentives (Rent Free and Fit Out Costs)	-	-						
Less Other Leasing Costs	(32,737)	(32,737)						
NET RENTAL INCOME	463,282	463,282						
Interest Received	-	-						
Other Income	-	-						
TOTAL REVENUE (before GST paid)	74,569,100	74,569,100						
Less GST paid on all Revenue	(6,815,197)	(6,815,197)						
TOTAL REVENUE (after GST paid)	67,753,903	67,753,903						
COSTS								
Land Purchase Cost	-	12,500,000						
Land Transaction Costs	-	-						
Construction (inc. Construct. Contingency)	35,919,526	35,919,526						
Professional Fees	3,254,761	3,254,761						
Statutory Fees	858,935	858,935						
Miscellaneous Costs 1	-	-						
Miscellaneous Costs 2	-	-						
Miscellaneous Costs 3	-	-						
Project Contingency (Project Reserve)	1,991,949	1,991,949						
Land Holding Costs	451,662	451,662						
Pre-Sale Commissions	653,903	653,903						
Finance Charges (inc. Line Fees)	733,334	733,334						
Interest Expense	3,672,055	3,672,055						
TOTAL COSTS (before GST reclaimed)	47,536,125	60,036,125						
Less GST reclaimed	(4,205,793)	(4,205,793)						
Plus Corporate Tax	-	-						
TOTAL COSTS (after GST reclaimed)	43,330,332	55,830,332						
PERFORMANCE INDICATORS								
¹ Gross Development Profit	24,423,571	11,923,571						
² Net Developer's Profit after Profit Share	24,423,571	11,923,571						
³ Development Margin (Profit/Risk Margin)	51.22%	19.81%						
Target Development Margin	25.00%	25.00%						
⁴ Residual Land Value (Target Margin)	8,085,370	10,400,053						
⁵ Breakeven Date for Cumulative Cash Flow	Aug-2013	Oct-2013						
Discount Rate (Target IRR)	20.00%	20.00%						
⁶ Net Present Value	10,267,036	(2,232,964)						
⁸ Benefit Cost Ratio	1.353	0.946						
⁹ Project Internal Rate of Return (IRR)	44.86%	16.62%						
¹⁰ Residual Land Value (NPV)	10,218,696	10,273,594						
Peak Debt Exposure	44,115,380	44,115,380						
Date of Peak Debt Exposure	Jul-2013	Jul-2013						
¹¹ Breakeven Date for Project Overdraft	Oct-2013	Oct-2013						
Total Equity Contribution	294,368	12,794,368						
Peak Equity Exposure	-	12,500,000						
Date of Peak Equity Exposure	N.A.	Dec-2010						
¹² IRR on Equity	N.A.	23.98%						
Weighted Average Cost of Capital (WACC)	8.22%	15.49%						
YIELD ANALYSIS								
	Qty	Area	Qty	Area				
SALES		SqM		SqM				
Residential	0	5,985	0	5,985				
Commercial	0	675	0	675				
TOTAL	0	6,660	0	6,660				
TENANCIES		SqM		SqM				
Commercial		3,000		3,000				
TOTAL		3,000		3,000				
Footnotes (based on current Preferences):								
1. Development Profit: is total revenue less total cost including interest paid and received								
2. Developer's Net Profit after distribution of profit share.								
3. Development Margin: is profit divided by total development costs (inc selling costs).								
4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.								
5. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).								
6. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.								
8. Benefit:Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.								
9. Internal Rate of Return: is the discount rate where the NPV above equals Zero.								
10. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.								
11. Payback date for the equity/debt facility is the last date when total equity/debt is repaid.								
12. IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.								