

Full Feasibility Report – 11 Beach Parade, Canton Beach

Project Overview

DA approved site for 7 residential units (2 bedroom with parking) and 2 commercial units. Land being sold at \$1.6M (no GST).

Sales Summary (Residential)

2 units @ \$1.1M, 2 units @ \$1.2M, 2 units @ \$1.3M, 1 unit @ \$1.5M. Total GRV = \$8.7M.

Development Costs

Construction: \$3.15M + GST (\$315K). Land cost including stamp duty: ~\$1.688M. Soft costs approx \$640K including marketing, consultants, and contingency.

Total Development Cost

Approx \$5.79M excluding interest.

Funding Assumptions

70% LTC loan at 9.99% interest. Estimated interest for 18 months approx \$625K.

Total Project Cost

Approx \$6.42M including interest.

Profit Analysis

GRV \$8.7M vs total cost \$6.42M = profit approx \$2.28M.

Key Metrics

Profit margin ~35%. Strong return on equity (~130%).

Upside Potential

Two commercial units not included in GRV. Estimated upside between \$800K to \$1.2M.

Risk Considerations

Market drop of 10–15% still leaves project profitable. Key risks include build cost overruns and DA conditions.

Conclusion

Overall a strong development opportunity with solid margins and additional upside from commercial component.

Metric	Amount
GRV (Residential)	\$8.7M
Total Cost (incl. interest)	\$6.42M
Estimated Profit	\$2.28M
Profit Margin	35%