

BUSINESS PLAN



Business plan on the web source for united base of Russian immovable estate



2014

What can be a guarantee of the success and positive decision of the investors considering your project? First of all, it's no-ordinary idea and carefully thought out and reasonable investment offer.

«VTSConsulting» company offers not only a prepared business plan: we sell the effective and practicable ideas for your business, starting from the ideas for Internet business to the different spheres of economics. Our clients get a ready, living idea and step-by-step instruction on its realization (business plan document itself), the currentness of which is proved by the market researches made by specialists of «VTSConsulting» company.

The project which is offered as an idea for the given business plan is a complex web source which corresponds to the interests of both sides - a seller and a client - in the sphere of immovable estate and is oriented, first of all, on Moscow and Moscow region. Due to the statements of analytics of the «VTSConsulting» company, this source is a unique base for russian immovable estate.

The latest data of the «VTSConsulting» company researches improve the perspectiveness of the project:

- the feed of the whole area of housing in counting on 1000 of population has increased from 207 sq. m. to 407 sq. m. during ten years.;
- the housing of the population has increased, there is a 23 sq. m. of the whole area of living quarters for each citizen in the available housing;
- the largest size of the housing counting on 1000 citizens was brought exactly to the Moscow region – 1153 sq. m. of the whole area, that is nearly three times bigger than average level in Russia (436 sq. m.);
- the organizations of all patterns of ownership built 242,8 thsd. of apartments with the whole area of 21,0 mln. sq. m, which is on 1,9% higher than equal period of the last year.

Description of the business plan

The project's idea:

«***» is a specialized informational source for immovable estate, which has an aim to offer the users - immovable estate agencies, private estate agents, owners and clients - the easiest and most effective instrument that allows to settle any tasks, whether it is the realization of the immovable estate object or its choice.

Situation on the market:

In 201* in Russia the area of housing feed was *** 200 thsd. sq. m. In the first quarter of 2013 the whole amount of dealings in immovable estate reached \$ *** mlrd. The investments in commercial estate were dominating on Russian market in the first quarter of 2013. The largest amount of investments is concentrated in Moscow, that is ***% of dealings.

Project's benefits:

- usability of website: there is a strict division on residential, commercial and international immovable estate (illustrations for Chapter 1);
- plenty of methods on attracting people's attention to the announcement: raising an announcement in search, pointing it out, purchasing a VIP announcement or premium announcement, purchasing PRO account, verification for the announcements, possibility to order the leading of the announcement in search engines;
- attaching to the Russian Federation map, which makes the search of an object interactive and comfortable;
- presence of the applications for iOS, Android and OS Win.

Competitive surroundings:

- project in the sphere of immovable estate Mail.Ru Group (<http://realty.mail.ru/>);
- project of the company Business World Online (<http://realty.dmir.ru/>);
- AFY.ru (<http://afy.ru/>);
- MIRKVARTIR (<http://www.mirkvartir.ru/>).

Financial constituent of the project:

- Necessary investments: *** thsd. RUB.
- NPV: *** thsd. RUB.
- Project's IRR: ***%
- Pay-off period: 25 months.

Extracts from the research:

Analysis of the commercial immovable estate in Russian Federation

In the first quarter of 2013 general amount of dealings with immovable estate in Russia reached \$ *** mlrd. which is larger on 104% in comparison with the equal period of the previous year. As a result, three months in 2013 became record among the first quarters of other years in terms of investment transactions.

The investments into the office immovable estate were dominating on market in Russia. In the first quarter of 2013 the situation has changed - ***% from the general amount of investments were the dealings with commercial immovable estate versus ***% in the first quarter of 2013. The sector of office dealings occupied ***% from the general amount of transactions in comparison with ***% in the first quarter of previous year.

The investments are mainly concentrated in Moscow - ***% of dealings.

Office immovable estate in Moscow

During the last 10 years the amount of valuable offers on office apartments increased in 7 times - *** mln. sq. m in 2002 in comparison with *** mln. sq. m in the first quarter of 2013. It's important to mention that only ***% of the existing offers belongs to Category A (*** mln. sq. m).

In the first quarter of 2013 in Moscow there were included near *** thsd. sq. m of valuable office areas. Experts are expecting the maintaining of the developers' activity. The appearing of nearly 850 thsd. sq. m of office areas are expected to enter the market till the end of year.

Content

List of illustrations, graphics and diagrams	4
Resume	6
Chapter 1. Project's description	7
Chapter 2. Market analysis	16
2.1. Analysis of inhabited immovable estate in Russian Federation	16
2.2. Analysis of commercial immovable estate in Russian Federation	18
2.2.1. Office immovable estate in Moscow	20
2.2.2. Commercial immovable estate in Moscow	21
2.2.3. Warehouse immovable estate in Moscow	22
2.3. Development of the Internet in Russian Federation	23
2.4. Mobile Internet in Russia	26
2.5. Conclusion	27
Chapter 3. Monetization of the project	29
Chapter 4. Competitiveness	31
4.1. Main competitors	31
4.2. Advantages among competitors	33
Chapter 5. Marketing plan	34
5.1. Website's usability	34
5.2. Search optimization	34
5.3. Context advertising	37
5.4. Promoting in social networks	38
5.5. Advertising on the main pages of search engines	38
Chapter 6. Financial plan	40
6.1. Assumptions of the project	40
6.2. Sales forecast	42
6.3. Unit sales.....	45
6.4. Sales price	48
6.5. Revenue	49
6.6. Variable cost	52
6.7. Fixed cost	54
6.8. Capital expenditure	54
6.9. Taxes	55
6.10. Profit and loss statement	56
6.11. Cash flow statement	59

6.12. Finance indexation	62
Chapter 7. Analysis of sentimental value	63
7.1. Change of price level	63
7.2. Change of prime cost	65
7.3. Change of the size of fixed expenses (without including the fund for remuneration of labour)	68
7.4. Change of the size of fund for remuneration of labor (FRL).....	70
7.5. Change of the discounting rate	73
General conclusion	75

List of applications of the business plan

Diagrams

Diagram 2.1. Investment parts by cities	20
Diagram 2.2. Investment parts by country of origin	20
Diagram 2.3. Investment parts by sections	21
Diagram 2.4. Allocation of dealings by business sections	22
Diagram 2.5. Allocation of dealings by type	24
Diagram 2.6. Entry of Internet in big cities of Russian Federation	25
Diagram 2.7. Structure of users in the Internet by the types of settlement, % of users.....	26
Diagram 2.8. Popular search engines in Russia.....	26
Diagram 2.9. Usage of the off-wire and fixed Internet by Russians	27
Diagram 6.1. Dynamics of development of the main financial rates, thsd. RUB.....	57
Diagram 6.2. Comparison of the dynamics of accumulated money flows and accumulated discounted money flows, thsd. RUB.....	61

Graphics

Graph 2.1. Dynamics of the apartment input in Russia, January 2010 – June 2012, %.....	17
Graph 2.2. Dynamics of the apartment input in Russia in 2005-2012, prognosis on 2013-2015, thsd. sq. m	19
Graph 2.3. Amount of Internet users. Dynamics. Russia, from 18 years and older, mln. people (by cumulative result).....	26
Graph 6.1. Dynamics of the growth of retained earnings, thsd. RUB.....	57

Illustrations

Illustration 1.1. Main page of website	9
Illustration 1.2. Main page of website before loading	9
Illustration 1.3. Immovable estate page	10
Illustration 1.4. Favorites - Comparison	11
Illustration 1.5. Website news	12
Illustration 1.6. Control panel	12
Illustration 1.7. Search	13
Illustration 1.8. Search on a map	13
Illustration 1.9. Enlarged search	14
Illustration 1.10. Help	14
Illustration 1.11. Support tickets	15

Illustration 1.12. Registration (Step 1).....	16
Illustration 1.13. Registration (Step 2).....	16
Tables	
Table 3.1. Main paid services of the source.....	25
Table 7.1. Key principles	41
Table 7.2. Revenue (by units).....	44
Table 7.3. Realizable value.....	47
Table 7.4. Sales revenue, thsd. RUB.....	48
Table 7.5. Variable cost, thsd. RUB.....	51
Table 7.6. Fixed cost, thsd. RUB.....	53
Table 7.7. Capital expenditure.....	53
Table 6.8. Taxes, thsd. RUB.....	54
Table 6.9. Profit and loss statement, thsd. RUB.....	55
Table 6.10. Cash flow statement, thsd. RUB.....	58
Table 6.11. Financial rates	61
Table 7.1. Change of price level	62
Table 7.2. Change of prime cost	64
Table 7.3. Change of the size of fixed expenses (without including the fund for remuneration of labor)	65
Table 7.4. Change of the size of fund for remuneration of labor (FRL).....	67
Table 7.5. Change of the discounting rate	74

*We thank you for your confidence
and would like to remind you that:*

- ✓ with the purchase of the business plan of the
«VTSConsulting» company you'll have a guarantee of
getting a consultation from specialists who have
worked on a specific business plan*
- ✓ during one to two hours our team will be ready to
answer all questions related to the structure and
content of the business plan*

*Respectfully,
«VTSConsulting» team*

INFORMATION ABOUT THE «VTSConsulting» COMPANY

«VTSConsulting» company was founded in May 2010 by a team of professionals led by Vladyslav Tsygoda.

Vladyslav Tsygoda is a business consultant, a recognized leader in the field of business planning in the CIS countries (according to the portal free-lance.ru), today he is the head of the rating of the consulting company.

Development of business plans, feasibility studies, investment memorandums, financial models and business presentations are the main directions of the team, which includes highly skilled analysts.

Experience of the team in the development of investment documents is more than 6 years, and today «VTSConsulting» is the only company in Ukraine, which is a partner of the project «RBC. Market research».

«VTSConsulting» team and principles of work

- ✓ a unique approach to solving problems;
- ✓ an impeccable reputation and a high degree of customer confidence;
- ✓ high professionalism regardless of field of study;
- ✓ practical experience, including the implementation of complex highly specialized projects.

**We appreciate greatly the cooperation with each customer.
And we are proud of our customers!**

LLC «Zemleugodie-Invest», OJSC «Votkinsky plant», SPE «Stealth», State Enterprise UkrSRIPRI «Masma», «Reproto Technologies», «VOK Montage Service» company, LLC «PRIIMAS»

«Petrovizard» company, Port Temryuk, LLC "Spetsbudproekt", group of companies «SEMPROGROUP», LLC «Maximus Construction», «Rosmolodezh», LLC «Sisif Service», LLC "Plant TITAN", LLC «Project K»,

LLC «Portal Logistics», SPK «Nauka», I.N. Frantsevich Institute of Materials of NAS of Ukraine, NTUU «KPI», Science Park «Kyiv Polytechnic», The Russian Government, Verkhovna Rada of Ukraine

This is not a complete list of those
who was pleased with the cooperation with «VTSConsulting».

«VTSConsulting» company is a team of professionals, whose knowledge and experience will allow you to save money, nerves and time: preparation of investment documents will take from 4 to 10 days.

Our customers recommend us to their friends and partners, because we work for the results and complete satisfaction of a Client. Thus, ordering business plan, information or investment memorandum from us, you do not just spend money.

You invest.

*Respectfully,
Vladyslav Tsygoda,
the head of «VTSConsulting»*