

# BUSINESS PLAN



## residential complex "Aviator"



2015

*Adaptation of this business plan is possible for similar project in Russian Federation, Ukraine and CIS countries.*

## **Business Plan Description**

### *Project Idea*

Construction of residential complex "Aviator"

### *Project location*

Moscow region

### *Target market*

The population of the city is the residents of Moscow region who are ready for the qualitative improvement of living conditions (the purchase of housing for the grown-up children, dilapidated fund and so on).

### *Specifics of the project*

#### *The main characteristics of the project objects*

<b>Indicator</b>	<b>Unit</b>	<b>Value</b>
Number of floors	floors	9
Number of entrances	entrances	4
Building area	sq.m	1 785
Number of flats for sale	pcs.	226
Number of studio apartments	pcs.	58
Number of one-bedroom apartments	pcs.	60
Number of two-bedroom apartments	pcs.	84
Number of three-bedroom apartments	pcs.	24

#### *Financial indicators of the project*

<b>Indicator</b>	<b>Unit</b>	<b>Value</b>
Revenue	RUB	***
Costs	RUB	***
Gross profit	RUB	***
Net profit	RUB	***
Net present value (NPV)	RUB	***
Internal rate of return (IRR), annual	%	32,81
Necessary investment	RUB	***
Payback period	quarters	11
Discounted payback period	quarters	12

Formation of a profitable part of budgets of different levels as a result of the tax deductions payment of project in the amount \*\*\* RUB, including:

<b>Tax</b>	<b>Sum, RUB</b>
VAT	***
Income tax	***
Payroll tax	***

## Extract from the research

Considering constrained financial opportunities of the target audience, qualitative conditions and affordability of buying new housing will be provided by modern thoughtful planning decisions and by absence of extra space, dark corners, and unused rooms.

The concept assumes focusing on the studio apartments, one-bedroom and two-bedroom apartments which are ideal as a first accommodation for the grown-up children and non-family soldiers. In a smaller proportion two and three-bedroom apartments, comfortable for families with children, will be represented.

\*\*\*

Studio is a modern version of the apartment layout can accommodate one person or young family without children, also can be a cost-effective solution to the problem of first or temporary housing. The studio apartment functional areas division is not due to the walls, which take space and is associated with a typical housing, but due to decoration and room design- the alternation of different floor coverings, floor height difference, lighting, color of the walls, mobile baffles, etc. Generally studio apartment is convenient and actual housing for young people with an active lifestyle, which can be easily replanned by building more walls over time.

\*\*\*

In 2014, the housing that has been put into exploitation in Moscow region and in Moscow was more than in the previous year - by 11.5% and 5.8% .

On the results of 2014, Moscow region has the largest share of commissioned housing - 9.7% of the total in all regions of the Russian Federation together.

The main reorientation factors of the population to buy apartments exactly in new buildings in the Moscow region, as well as in New Moscow, rather than in Moscow are reducing purchasing capacity; high accessibility to the capital from settlements of the region; desire to work in Moscow and live outside the city.

Housing prices are increasing steadily. The average offer price in new buildings in Moscow region in January 2015 was 82.6 thousand RUB/sq. m, which is 3.1% more than in November 2014.

The factors forming the new buildings prices are mainly a large distance from the capital. So, in January this year, at a distance of less than 5 km from the capital, the average price on the primary housing market was approximately 98.2 thousand RUB/sq. m and at a distance from 20 to 30 km - 63.6 thousand RUB/sq. m.

The average price of housing in economy class new buildings was 76.0 thousand RUB/sq. m, comfort class - 81.0 thousand RUB/sq. m.

The highest price is for houses built upon the monolithic technology (85.5 thousand RUB/sq.m), the most affordable - in panel houses (77.5 thousand RUB/sq.m).

Apartments cost from 3 to 5 million RUB dominate in the offer structure; traditionally two-bedroom apartments are sold more often, and share of two-bedroom housing exceeds the share of one-bedroom housing with a small margin in the overall offer structure. Developers mostly offer to sell finished flats, share of apartments under construction and in the ditch are in the minority.

Most building companies determine the situation in the industry as satisfactory.

\*\*\*

Prices on the secondary real estate market vary greatly in different cities, even if they are the same distance from the capital. According to existing advertisement, the average price of housing on the secondary market in assumed district is about 62 760 RUB/sq.m.

The secondary market is not in direct competition with the primary because on the secondary market comfort class offers dominate, and on the primary - economy class.

## Content

<b>List of Tables, Diagrams, Figures and Charts</b>	<b>3</b>
<b>Executive summary</b>	<b>4</b>
<b>Chapter 1. Description of the project</b>	<b>5</b>
1.1. Name of the project	5
1.2. Goals and Objectives of the project	5
1.3. Location of the project	6
1.4. Description of building area	6
1.5. Target audience	7
1.6. Conception of the project	8
<b>Chapter 2. Description and main characteristics of the residential complex</b>	<b>9</b>
2.1. Architectural and planning solutions	9
2.2. Implementation of an educational program on the basis of a residential complex	22
<b>Chapter 3. Market analysis</b>	<b>30</b>
3.1. The main indicators of residential development in Moscow and Moscow region	30
3.2. Analysis of population solvency in Moscow region	38
3.3. Analysis of the project coverage area	38
<b>Chapter 4. Competitive environment</b>	<b>42</b>
<b>Chapter 5. Marketing plan</b>	<b>50</b>
5.1. Sales strategy and program of residential area sales	50
5.2. Advertising sales promotion of residential real estate	53
5.3. Advertising promotion of the educational program	58
<b>Chapter 6. Financial plan</b>	<b>61</b>
6.1. Assumption of modeling	61
6.2. Seasonality by quarters	61
6.3. Sales volume schedule	62
6.4. Forecast of costs	66
6.5. Taxes	68
6.6. Forecast of financial result	70
<b>Information about «VTSConsulting»</b>	<b>74</b>

## List of Tables, Diagrams, Figures and Charts

### Tables

Table 1. Overall description of apartments based on the number of rooms	9
Table 2. Costs of building of communications	10
Table 3. Steps of project realization	10
Table 4. Costs and revenues from the sale ***	27
Table 5. Costs and revenues from the sale ***	28
Table 6. Costs and revenues from the sale ***	29
Table 7. Main indicators of construction in Moscow	30
Table 8. Main indicators of construction in Moscow region	33
Table 9. Offers on the secondary real estate market	42
Table 10. Comparative table of the strengths and weaknesses of competitors of the project	44
Table 11. Competitors prices	47
Table 12. Advantages and disadvantages of location ***	48
Table 13. Structure of real estate sales methods	52

### Diagrams

Diagram 1. Share of regions in the total number of housing put into operation in 2014	32
Diagram 2. Prices for new buildings in Moscow region, the quantity of offers for sale	35
Diagram 3. Under construction apartments in new buildings in Moscow region, the number of new buildings	36
Diagram 4. New buildings in Moscow region by number of rooms in the apartment, the quantity of new buildings	36
Diagram 5. The number of new buildings by administrative units in Moscow region	37

### Figures

Figure 1. Location of the project	6
Figure 2. Map of the area on which the land plot is located	7
Figure 3. Schematic layout by a typical floor. 1 <sup>st</sup> floor. 1 <sup>st</sup> floor	12
Figure 4. Schematic layout by a typical floor. 1 <sup>st</sup> floor. 1 <sup>st</sup> floor	13
Figure 5. Schematic layout by a typical floor. Typical floor. Type 2. 6 floors	14
Figure 6. One bedroom apartment of 35.19 - 37.88 - 46.11 sq. m. Example 1 of planning decision	15
Figure 7. One bedroom apartment of 35.19 - 37.88 - 46.11 sq. m. Example 2 of planning decision	16
Figure 8. Example of planning decision. Studio apartment	17
Figure 9. Examples of technical possibilities for unification of two studio apartments	18
Figure 10. Two-bedroom apartment	19

Figure 11. Three-bedroom apartment	20
Figure 12. Example of internal planning decisions implementing	21
Figure 13. Simulator cabin ***	24
Figure 14. Air simulators during assembly	25
Figure 15. Layout plan ***	27
Figure 16. Offers on the secondary real estate market	42
Figure 17. Location of competitors on the map	47
<b>Charts</b>	
Chart 1. Dynamic of putting into operation of residential buildings	32

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- ✓ *during one to two hours our team will be ready to answer all questions related to the structure and content of the business plan*

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*«VTSConsulting» team»*



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«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.

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- ✓ 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.

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«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».

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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»*