

SUGGESTED RETIREMENT PROJECT FEASIBILITY STUDY

FORMAT

A. SUMMARY OF PROJECT

1. Project Name
2. Name of Developing Firm
3. Location
 - a. Head Office
 - b. Project Site
4. Brief Description of the Retirement Product
5. Highlights of major assumptions such as market projections, share and prices, investment costs, method of financing, etc.
6. Summary of findings and conclusions on the following:
 - a. Market Feasibility
 - b. Technical Feasibility
 - c. Financial Feasibility

B. GENERAL INFORMATION

1. Management of the Project
 - a. Management during the pre-operating period (*firms or persons involved or to be involved in marketing, engineering, and other studies*).
 - b. Management during the operating period (*type of business organization, organizational chart and functions of each unit, management personnel specifying the duties and time to be devoted to the project, qualifications, and compensation*).
 - c. Labor (*skills required of each job, recruitment and training programs, compensation, fringe benefits, and facilities*).
 - d. Professional firms or consultants to be hired, if any.
2. Project Timetable
3. Other information on pending litigations, information regarding intangibles, etc.

C. ECONOMIC ASPECTS

1. Market Analysis
 - a. Demand and Customer Analysis
 - b. Industry Analysis
 - c. Competitive Analysis
2. Retirement Product Offering Description
 - a. Description of the Housing, Healthcare, and Lifestyle/Leisure components of retirement living including their linkages.
 - b. Pricing (*prices to be adopted including tariff protection assumed or expected for the project. Comparison with prevailing prices of similar retirement products in the area and competitiveness of the quality of the product*).
3. Marketing Program (*proposed marketing program of the project, describing the selling organization, terms of sales, channels of distribution, costs, etc*).
4. Projected Sales (*by market segments, for the next 10 years*).
5. Contributions to the Philippine economy

a. Net annual amount in US\$ earned or saved, after subtracting for amortization of imported capital investment and any importation of input materials.

b. Local jobs to be generated and taxes projected to be paid during pre-operating and operating periods.

D. TECHNICAL FEASIBILITY

1. Master-planned Community Layout (*structures and costs, land improvements such as road, drainage, etc and their respective costs*).

2. Utilities (*Electricity, fuel, water, telecom, and supplies specifying the projected quantity required, sources, and costs*).

3. Waste Disposal

a. Description and quantity of waste to be disposed of.

b. Description of waste disposal methods.

c. Cost of waste disposal.

d. Clearances from proper authorities or compliance with legal requirements.

E. FINANCIAL FEASIBILITY

1. Total Project Cost (*All items considered and assumptions made*).

2. Initial Capital Requirements (*All items considered and assumptions made*).

3. Sources of Financing

a. Selected or proposed sources for both long-term and shortterm financing.

b. Alternative sources considered.

c. Amount and terms of financing for each source selected indicating the currency, security, repayment period, interests, and features.

d. Status of financing from each source relating to actual release already made, applications already approved, applications pending, and applications still to be made.

e. Financing of contingencies and seasonal peaks in working capital.

4. Financial Statements

a. Projected Income Statement for 10 years

b. Projected Cash Flow Statement for 10 years

c. Projected Balance Sheet for 10 years

5. Financial Analyses

a. Unit cost estimates and detailed breakdown of all cost factors from first year until normal operation is attained.

b. Break-even Point Analysis

c. Capital recovery and earnings showing cash pay-off period, rate of return, and discounted cash flow rate of return.

d. Others