

MKTG 7022 PROPERTY FEASIBILITY STUDY

Credit Points 10

Legacy Code 200893

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Description In 2019 this subject is replaced by 201014 Feasibility Modelling. This subject emphasises the evaluation and development of feasibility studies for the purposes of selecting development projects, evaluating different options and making the decision as to whether to proceed to a more detailed feasibility study. The subject provides students with the knowledge and skills to prepare a full feasibility report and analysis of a project's concept and financial feasibility. This is achieved through the application of theories and concepts to a case study. Students will have access to applications being used in the industry to complete a feasibility report. Additionally, students will develop skills to carry out both scenario and sensitivity testing on the outcomes of the proposed development project.

School Business

Discipline Real Estate

Student Contribution Band HECS Band 4 10cp

Level Postgraduate Coursework Level 7 subject

Equivalent Subjects LGYB 7483 - Feasibility Studies

Restrictions

Students must be enrolled in a postgraduate Business program.

Assumed Knowledge

Knowledge of property development.

Learning Outcomes

On successful completion of this subject, students should be able to:

1. Evaluate the meaning of the term feasibility study in terms of comparison of potential objectives with outcomes;
2. Design and evaluate feasibility studies for use in different property development contexts;
3. Prepare and evaluate preliminary feasibility studies used for the purposes of determining whether or not to proceed with consideration of a particular development and / or compare different development options;
4. Prepare and evaluate financial feasibility studies, calculate return and risk of projects and compare risks and returns of different projects, different project options and different financing options;
5. Prepare and evaluate the returns and risks of the different financial stakeholders in a project;
6. Critically evaluate project prospects using sensitivity, simulation and scenario analysis applied to the preliminary financial feasibility study models;
7. Proceed beyond preliminary feasibility studies towards detailed feasibility testing of projects prior to committing to the decision to proceed with the project;
8. Use feasibility testing for the purpose of evaluating and monitoring the performance of ongoing or completed projects.

Subject Content

- what feasibility studies are and The different types of feasibility studies
- components of The feasibility Study
- The Preliminary feasibility Study
- The various concepts of financial feasibility studies
- Minimising Risk in The feasibility process
- Sensitivity analysis, Simulation Scenario analysis, financial feasibility and The decision making process
- returns and risks for The various financial stakeholders in Projects
- further Sensitivity and financial analysis using alternative spreadsheet scenarios
- Monitoring The Project against The feasibility proposal
- feasibility testing, end of Project evaluation and The Reporting process

Prescribed Texts

- Miles, Weiss, Berens and Eppli 2007, Real Estate Development: Principles and Process; 4th edn, Urban Land Institute, Washington.

Teaching Periods