

ABSTRACT

Strategic capital investment decisions are crucial and require careful analysis and consideration. These are due to the characteristics development of the apartment projects that are vulnerable to risks and uncertainties. Risk analysis has become important in feasibility study, especially during financial feasibility study since uncertainty always presents at either construction cost or selling price. This study is to commit the developer can see the feasibility of apartment development from the risks that can occur in later in the day. In this research, analysis of financial feasibility studies and analyse the risks found using Monte Carlo Method which considers probability distribution of any given variable into the model is chosen to see the feasibility of that exist on apartment development. The results analysis of financial feasibility studies shown that this investment has a good level of feasibility. This is supported by the results of the risk analysis using Monte Carlo Simulation Methods, which shown the development of the apartments had the feasibility of 83,9% and there is a 16,1% risk is not feasible.

Keywords: *Investment, feasibility study, risk analysis, monte carlo simulation.*