

ABSTRACT

Property development for vertical residential is growing rapidly concurrent with an increasing demand for residence. Many vertical housing developments have been built, but not all have been sold. Possible solutions include providing consumers with alternative payment options. The effect of different alternative payment options is the basis of this feasibility study.

This thesis will discuss the feasibility study of XYZ apartment in Bandung. The construction of this apartment complex is nearing completion, yet the development has not been fully sold. Several alternatives will be reviewed enhance the feasibility of this project.

The feasibility study process starts with the analysis of obtained data, with some relevant assumptions being made. Five payment system conditions are then introduced, one of which is a credit payment system based on the new regulations of Bank Indonesia. The data is then used as an input to create a cash flow report (output). Later Net Present Value (NPV) and Internal Rate of Return (IRR) analysis has been carried out, to determine the feasibility of the different payment schemes. From the analysis, it can be seen whether the payment system is feasible.

In the end, sensitivity analysis was completed based on several factors, including: sale price, time payment, loan interest rates, capital and debt ratio, cost of construction, changes in currency exchange rates (hedging), time of sale and selling rates. Thus, the dominant factors that mostly affect the feasibility of this project were determined.

Key words : investment, feasibility, Net Present Value (NPV), Internal Rate of Return (IRR), hedging, new regulation, sensitivity