

# RESIDENTIAL - COMMERCIAL BLOCK

## st. HUMSKA 2 - 4

### BELGRADE - SERBIA



## INVESTMENT FEASIBILITY



Humaska  
2 - 4

## CURRENT SITUATION AT THE SITE HUMSKA 2 - 4

- Cadastral parcel 3280/4 , City Municipality Savski venac
- Parcel area 3824 m<sup>2</sup>
- There are two, registered in cadastral commercial buildings, each covering surface of 491 m<sup>2</sup>, which amounts to total of 982 m<sup>2</sup>.
- Cadastral parcel is located in zone I, therefore the billing for participation planning of city building land (for newly built net areas of building), excludes area of existing commercial buildings , which amounts to : 982 m<sup>2</sup> x 400€ = app. 400.000€.

## PLANNED FUTURE LOCATION OUTLOOK HUMSKA 2-4, BY PARAMETERS FOR RESIDENTIAL COMMERCIAL BUILDING BLOCK FROM DETAILED CONSTRUCTION REGULATION PLAN

- Based on the decision of City Municipality of development of detailed regulation plan of area between streets : *Dr Milutina Ivkovića, Boulevard Oslobođenja, Zvečanska, Boulevard Knez Aleksandar Karađorđević, Humska and Dinarska - city municipality Savski venac, ("Sl. grada Beograda 37/2010.)*  
**Processor of the plan is CEP - Center for urban development planning**
- In accordance with **information of respective location** (attached), received from processor of Plan (no.714 from 08.08), we received app. deadline for plan conclusion, spring 2012. as well as following urbanization settings
  - cadastral parcel 3280/4 CM Savski venac
  - **Parcel surface 3.824 m<sup>2</sup>**
  - **Planned function**
    - Open block residents, Zone 4b
    - Ratio residential: commercial space parcel **80%:20%** (residential min 80%,max 100%; commercial max 20%, min 0%)
  - **Planned urbanization settings:**
    - Number of floors.....**P+6+Ps**
    - index of construction.....**2.2**
    - Index of parcel occupancy..... **0,3 (30%)**
    - Minimum percentage of green area.....**30%**

## CONCEPT DESIGN - CUSTOM FLOOR PLAN



## PLANNED GROSS AREA BY REGULATION PLAN

Implementing the parameters from detailed regulation plan- occupancy rate (areas of land under buildings) **from 30%**, number of floors from **GROUND FLOOR + 6 + RECESSED FLOOR**, construction index **from 2.2** - comes to total gross area permitted to be constructed:

1.	Total gross area to be constructed above ground level ..... 8.412 m <sup>2</sup> (NET residential area, above ground level is app. equal to gross area reduced by 20%)
2.	Total gross area of <b>lower ground floor</b> , within the buildings is reduced by 50% for garages, pantries, storages and amounts to (7.315 m <sup>2</sup> x 0.5).....3.657 m <sup>2</sup> (NET area of lower ground floor is 10% less than gross area)

**By underlining ratio that gross area constructed is 20% higher than net area for sale, and 10% construction capacity of lower ground floor net area is (8.412 x 0.8 + 3.657 x 0.9)**  
**We arrive at amount of ..... app. 10.000 m<sup>2</sup>**

## INFORMATION ON INVESTMENT FEASIBILITY OF LOCATION HUMSKA 2-4

- **Estimated implementation and construction costs** per square meter of upper and lower ground **NET** areas
- **Conversion Costs** - Under the Law on Conversation of Republic of Serbia, there are no conversation costs since there are already two buildings on the land registered in Cadastre. (Conversion costs = 0)

PROJECTED CONSTRUCTION COSTS PER 1 m <sup>2</sup> NET AREA		€ / m <sup>2</sup>
1.	Land app	400
2.	Project documentation - Urban design, conceptual and main design (Implementation project, Infrastructure and Exterior design) - app.	20
3.	Location Preparation - demolition of existing buildings and participation in dislocating illegally constructed buildings. (Total of 200.000 €/m <sup>2</sup> ) amounts to-app	20
4.	Building construction ("Turnkey solution", higher construction standard) app	620
5.	Belgrade Land Development Public Agency Fee (Zone I residential - 220 €/m <sup>2</sup> , commercial 400 €/m <sup>2</sup> ), with 50% discount for sole payment and <b>reduce of paid participation fee</b> for existing commercial buildings (Areas 982 m <sup>2</sup> x400 €/m <sup>2</sup> = total app. <b>400.000 €</b> ), amounts to app.	70
6.	Construction costs of infrastructure and public utilities fees - app.	20
7.	Exterior - fences, mobiliard, pedestrian tracks, access roads, greenery - app.	20
8.	Contingencies - app.	20
9.	Financing costs - based on location attractiveness, should enable combined bank - customer funding - app.	30
10.	Sales and Marketing costs - app.	20
<b>TOTAL</b>		1.240
Considering potential changes of events, all estimated costs have been raised by <b>5%</b> which means that actual price per m <sup>2</sup> of net area (residential space, garages and commercial space) amounts to app.:		1.300

- **Location advantages HUMSKA 2 - 4:** Is located in Belgrade central zone, called Autokomanda, Immediate proximity to famous stadium "**Partizan**" and main roadways leading towards city center, highways, etc...

## CONCLUSION ON INVESTMENT FEASIBILITY

1.	Assessment of the sales price per m <sup>2</sup> of area built during years 2012-2013: Based on the above mentioned in the Real Estate Market Belgrade Report, initial price amounts from 2.000 €/m <sup>2</sup> to 2.400 €/m <sup>2</sup> , therefore the average expected price is app.	2.200 €/m <sup>2</sup>
2.	All projected costs required for construction are per m <sup>2</sup> of net sales area and amount to:	1.300 €/m <sup>2</sup>
<b>Previous figures lead to estimated Investor Profit of app.</b>		900 €/m <sup>2</sup>
<b>Having in mind possible adjustments in construction costs and selling price, profit is reduced by 10%, which leads to expected Investor Profit of app.</b>		800 €/m <sup>2</sup>

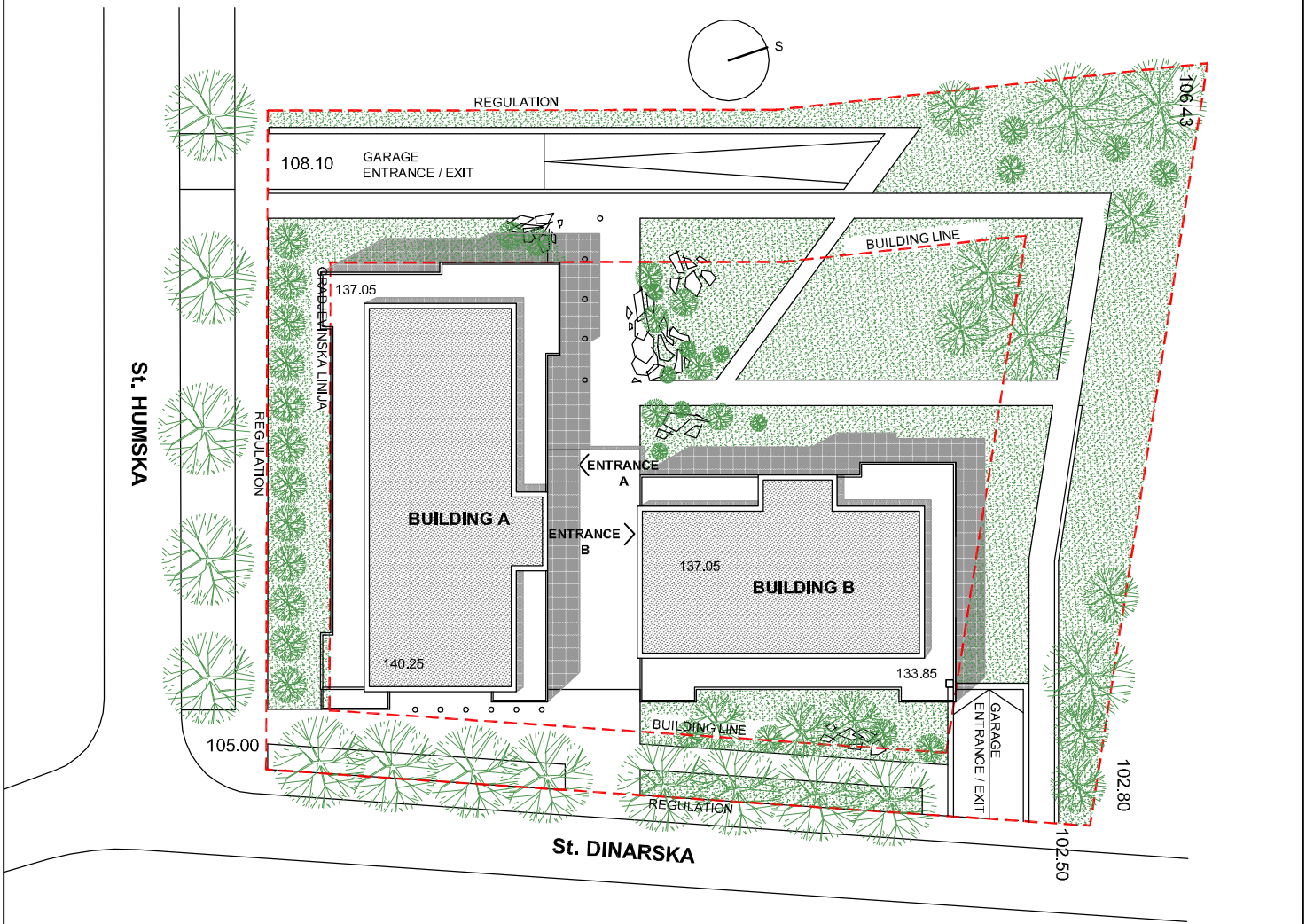
## CONCLUSION ON INVESTMENT PROFITABILITY

- Land on location „Humaska 2 - 4“ registered in cadastre ..... **3.824 m<sup>2</sup>**
- Gross area - Residential, business-commercial space (8.412+7.315)..... **15.727 m<sup>2</sup>**
- Net selling area - Residential, business-commercial space (6.730 + 3.220)..... **10.000 m<sup>2</sup>**

**Estimated profile per total NET selling area (Residential, business-commercial)**

**10.000 m<sup>2</sup> x 800 €/m<sup>2</sup> amounts to app..... 8.000.000 €**

**SITE PLAN - RESIDENTIAL - COMMERCIAL BLOCK - st. HUMSKA 2 - 4**



**SATELLITE IMAGE**

