

Financial Feasibility

➤ Estimate Income

➤ Estimate Costs

➤ Analyze Yield

Perspective & Income/Expenses

- Location seeking a User
- User seeking a location
- Investor seeking an Investment
- Investment seeking an Investor

Fast Food Site Example

Location Seeking a User:

Maximize Return

Sell for highest current value

Develop and Lease for long term return

Do nothing and continue to wait

Income = Selling Price or Net Rental Income

**Expenses = Cost to sell or Cost to create
building**

Fast Food Site User Example

User Seeking a Location

Maximize Return

Will site support business

Purchase or lease acceptable price

Income = Potential sales less costs of operation

Expenses = Lease or Capital Costs of occupancy

Fast Food Site Investor Example

Investor seeking an Investment

Maximize Return

Obtain Competitive Yield

Stable long term investment

Income = Rental Income from Operations

**Expenses = Cost to operate property as well as
personal income tax impacts**

Fast Food Site Investment Example

Investment seeking an Investor

Maximize Return

Attract an Investor with competitive returns

Time is Money

Income = Sale price of investment units

Expenses = Costs of finding an investor