

Rancho Grande-- Lots for Sale

7.87 Hectares Total Area (20 Acres)

Zoned H- 211 (50 Houses per Hectare = 400 Houses)

Phase #1 --- 80 lots with an average size of 200 square meters.(2000 square feet) = 1.6 Hectares .This leaves 6.17 hectares for future development.

The planned total development will be 200 lots with the rest common areas for recreation and the enjoyment of nature. This is only half the allowed density.

Phase #1 Cash Receipts

80 lots of 200 square meters X \$45,000 U.S.D. per lot = **\$3,600,000.**

Phase #1 Costs (All units in U.S.Dollars)

#1 Drill existing 7 meter well to 100 meters install pump	\$ 25,000
#2 Concrete the entrance to the highway	\$ 20,000
#3 Hook up to public electricity	\$ 20,000
#4 Topographic survey and lot -road plan	\$ 17,000
#5 Build roads inside development	\$ 20,000
#6 Modernize drainage system to septic tanks	\$ 5,000
#7 Clean up the lake and the 2 dams	\$ 2,000
#8 Re-roof the palapas and redo the adobe house for sales office	\$ 8,000
#9 Office setup and promotion	\$ 4,000
#10 Government fees for registration of development	\$ 20,000
#11 Lawyers and accounting services	\$ 5,000
#12 landscaping and security	\$ 8,000

Total costs to time of first Sales **\$154,000**

Gross receipts = **\$ 3,600,000**

Sales commissions if sold off site (~5% overall) **\$ 180,000**

Net Profit Phase #1 (gross sales minus initial infrastructure costs and sales commissions) **\$3,266,000**

Full infrastructure costs (swimming pool-Jacuzzi, horses - barns-corrals, gym, clubhouse, tennis court, basketball court, mini-soccer court) **\$ 450,000**

Total Project Net(using same ratio of costs/sales) = 2.5 X \$3,266,000

Minus final infrastructure costs of \$450,000

\$7,715,000

200 lots of 200 Square meters leave 3.87 Hectares (9.56 acres) of open land, of which approximately 40 % will be roads and trails.

This accounting is only for the sale of lots. It does not include income from design and construction, re-sales, rentals, or tourism.

