Abstract—The purpose of this research is to analyze whether the project X that was planned to be built by the developer is economically eligible. This research of feasibility used Net Present Value (NPV), Internal Rate Return (IRR), Payback Period (PP), Profitability Index (PI) and Cash Flow analysis methods. Based on the analysis result it can be concluded that according to a financial aspects the project is economically qualified to conduct.

Keywords—Feasibility research, estate, NPV, IRR, PP, PI, Cash Flow.

I. INTRODUCTION

In this era, other than becoming a shelter homes also built as a long-term investment. This happened because prices of real estate are tending to increase every year. For most people that are from middle to upper class, their house can be sold at a higher price. The demand for fulfillment of housing for the community every year continues to increase, so this research will focus on housing development projects from the Case Study by housing company planning to build housing area located in North Bandung.[3,4,6]

II. RESEARCH METHODOLOGY

The research design used in this proposal is to see the feasibility of the housing development project by , using the financial ratio criteria and how the business plan will be implemented so that the project can provide maximum contribution to the stake holders. To obtain data and information obtained in this study, the authors use data collection techniques through:
1) Observation, direct observation of housing project location
2) Interview, conduct interviews with prospective contractors who will become business partners
3) Questionnaire, especially regarding building materials from material stores.

B. Housing Development Concept

[5] The housing development project by Housing Company Developer located in North Bandung where the project location is very strategic close to the City Center, Public Facilities, Social Facilities and Education facilities ranging from kindergarten, elementary school, junior high school, high school and tertiary institutions and also important housing development locations close to tourist sites.

The area of land that will be built is + 0.3 Ha with the title certificate. The housing that will be built consists of 20 units with a type of building type 80 (minimalist) with a land area ranging from 100 m2 to 150 m2, of course already included with the infrastructure for the formulation of modern cluster models.

III. FINANCIAL ASPECT ANALYSIS

In conducting project analysis, the financial aspects that will be analyzed in this study are:

A). Income Statement.

Income statement provides an overview of the profit for a certain period of profit to be obtained.
B). Cash Flow

The purpose of the cash flow report is to highlight the main activities that have generated cash.
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C. Net Present Value (NPV)

Based on the results of the calculation of the NPV value of Rp. 1,648,969,341, - greater than zero (NPV > 0), then based on the calculation of the consideration of the NPV this project is considered feasible. This NPV prediction for the property sector illustrates that the property business is more promising than the food and beverage business where one of the studies conducted by Ali, W.S. and Soegoto, H.S. (2016) which produces NPV for only Rp. 159,264,682, - [1,7,8,10]

D. Internal Rate of Return (IRR)

The IRR for this project was 32.6%. This result is far better if we save money on a BANK in the form of a Deposit that only gives a return of 5%. [7,8,10]

E. Profitability Index (PI)

The value of PI calculation shows greater than one, so that this housing project can be accepted. [1,2]

F. Payback Period (PP)

Minimum time required for return on investment is 1.33 years or for approximately 16 months, since 2019 it is estimated that the Payback Period will fall in April 2020 so that the time is higher if compared to the length of the project. [9]

IV. CONCLUSION

Based on the results of financial analysis, which can be seen from the Income Statement, Cash Flow, NPV, Profitability Index, Internal Return Rate and Housing Development Fee Return Period by the Developer Housing Company in North Bandung, this project is feasible to build, because:

1. The Profit and Loss Statement shows a profit of IDR 6,860,300,000. - obtained from the cost of the project against the selling price of the house offered
2. Cash Flow Analysis shows that the company earns a profit starting from the second year period, amounting to Rp3,691,418,317 and the end of the third year period is Rp. 3,832,716,178
3. Consideration of the value of project money against time by generating an NPV value greater than zero (NPV> 0), namely the NPV of Rp. 1,648,969,341,
4. The IRR calculation is equal to 32.6% greater than MARR which is around 10%
5. The payback period for investment is the number of years needed to recover the initial cash outlay needed to make an investment for this project, is 1.33 years or about 16 months since 2019.
6. The profitability index, is the profit-loss ratio equal to the present value of future investment cash flows divided by their initial costs, this project gets my P value = 1.33 greater than 0, so this project is worth considering to be built

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