FeasiBuild

Why Standard Templates Fail in Australia

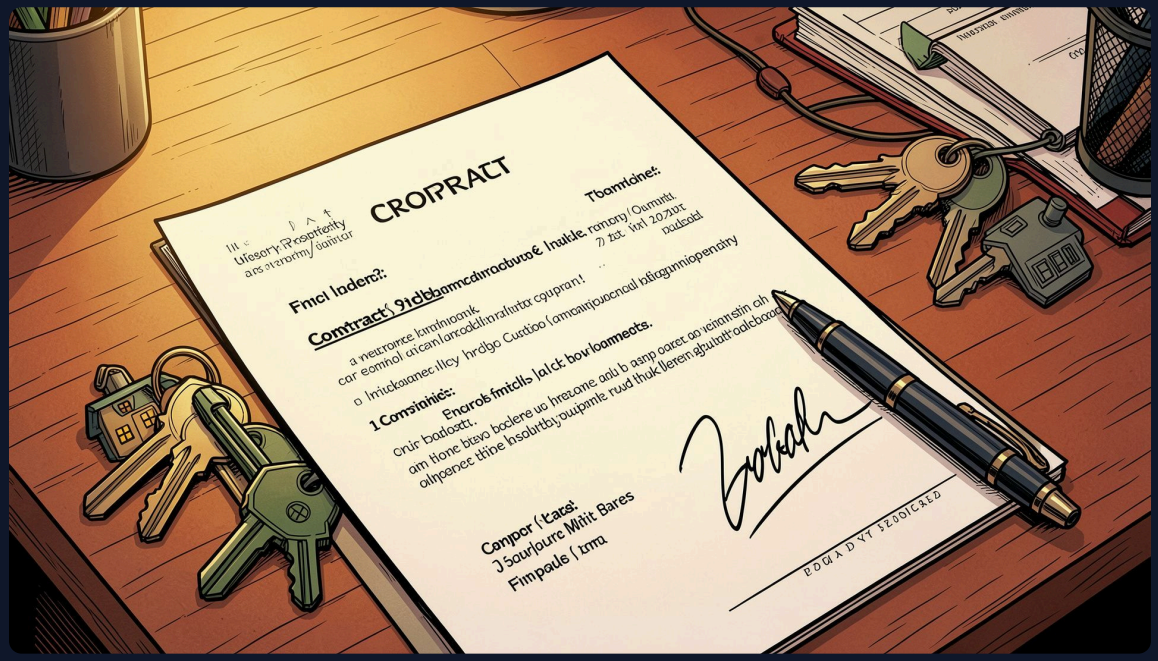
Most feasibility models are built for standard progress payment structures. In Australia, off-the-plan sales work differently – and that difference can quietly destroy your project's cashflow.

THE 10/90 PROBLEM



FeasiBuild

The 10/90 Rule: How Settlement Actually Works



In Australia, off-the-plan buyers pay just **10% at contract**. The remaining **90% isn't due until practical completion** – often 2 to 3 years later.

10% — Day 1

Buyer deposit on exchange of contracts

90% — Completion

Balance due at practical completion (2–3 years later)

Made with GAMMA



FeasiBuild

The Trap: Front-Loaded Equity & Heavy Interest Carry

💰 Equity Is Front-Loaded

Without the 90% settlement, your developer equity must cover far more of the construction cost upfront. Standard templates underestimate this dramatically.

📈 Interest Accrual Is Heavier

Construction loan interest compounds over the full build period with no offsetting settlement receipts. The carry is much larger than generic models predict.

⚠️ Loan Sizing Is Off

If your model doesn't account for delayed receipts, your construction loan will be undersized from the outset.

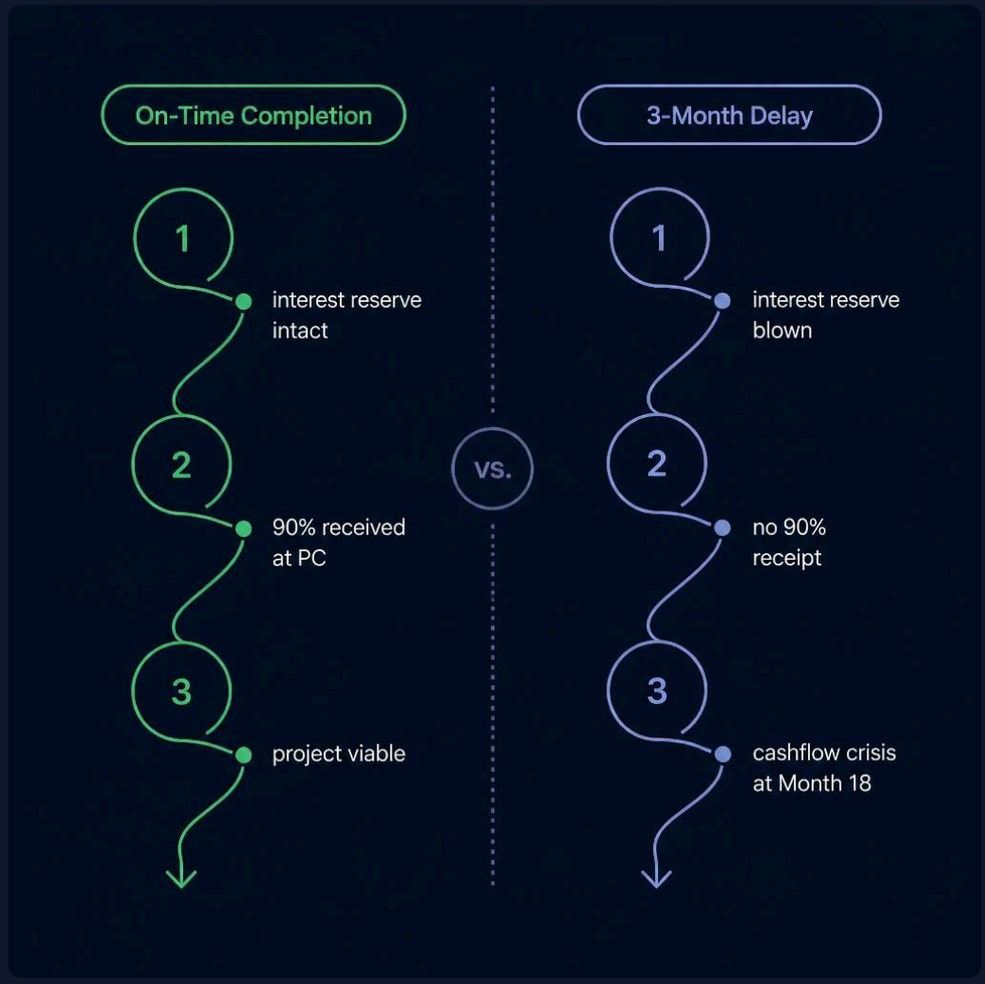
Made with GAMMA

FeasiBuild

A 3-Month Delay Can Blow Up Your Interest Reserve

In a 10/90 structure, **the 10% deposit is kept in escrow and you don't receive both the 10% deposit & 90% settlement capital until completion**. A delay doesn't just push your timeline – it extends your interest-bearing period with zero offsetting income.

⚠ A 3-month delay doesn't just cost time. It compounds interest on the full loan balance, with no settlement receipts to offset it. Your interest reserve can be exhausted before completion.



Made with GAMMA

FeasiBuild

How Generic Excel Templates Get It Wrong



Standard feasibility templates assume **standard progress payment cashflows** – staged receipts throughout construction. They do not model the 10/90 structure natively.

Assume staged settlement receipts

Templates treat buyer payments as evenly distributed, not deferred to completion.

Understate the construction loan

Without the correct cashflow timing, loan sizing is optimistic and equity gaps appear mid-build.

Miss the interest reserve risk

Delays are treated as minor – not as events that can exhaust your entire interest reserve.

Made with GAMMA



FeasiBuild

FeasiBuild: Native 10/90 Cashflow Waterfalls

FeasiBuild is built for the Australian market. The 10/90 structure isn't a workaround – it's the default.

Automatic 90% Deferral

The cashflow waterfall delays the 90% receipt to practical completion – no manual adjustments required.

Correct Interest Carry

Construction loan interest is calculated on the true outstanding balance, reflecting the delayed settlement reality.

Proper Loan Sizing

Your construction loan is sized to the actual equity gap – not an optimistic template assumption.

Made with GAMMA

FeasiBuild

Stop Modelling With the Wrong Assumptions

Try FeasiBuild Free

The **Explorer tier** gives you full access to the 10/90-native feasibility engine at no cost. Build your first model today.

Start for Free @ www.feasibuild.app

Lifetime Access from $99

Lock in lifetime access to FeasiBuild's full feature set – including scenario modelling, sensitivity analysis, and lender-ready reports.

Get Lifetime Access

Built for boutique developers, project financiers, and development managers who can't afford to get the cashflow wrong.

Made with GAMMA