

Business Plan – Kaba Kaba Villa Development

Developer: Fifth Avenue Properties

Location: Kaba Kaba, Bali

Tenure: 25-Year Leasehold

Project Size: 20 Villas

1. Executive Summary

This project is a strategically structured residential villa development in **Kaba Kaba, Bali**, designed to deliver **high off-plan absorption, strong downside protection, and accelerated investor returns**.

The development leverages:

- A **controlled land acquisition structure**
- A **proven off-plan sales engine**
- A **pre-sales-funded equity strategy**
- A **high-demand buyer profile** aligned with Bali's strongest residential market segment

The project is forecast to deliver an **investor ROI within ~20 months** and an **annualised IRR of approximately 32.2%**, with upside potential as pricing is adjusted upward once sales momentum is established.

2. Land Acquisition & Risk Mitigation Strategy

Deposit-First, Conditional Execution Model

- A **deposit has already been placed on the land**
- The project has a **90-day pre-sales window** before full land payment is required
- This structure allows the project to:
 - Validate real market demand **before full capital deployment**
 - Avoid speculative land risk
 - Preserve capital flexibility

Downside Protection: Land Flip Optionality

If pre-sales traction is slower than expected:

- The land can be **resold (flipped)** at a profit due to:
 - Strategic location
 - Clean zoning
 - Rising land demand in Kaba Kaba / Buduk corridor
- This creates a **hard downside floor** and materially limits capital risk

Result:

This structure significantly reduces development risk versus traditional speculative builds where land is fully paid upfront.

3. Developer & Execution Capability

Fifth Avenue Properties – Lead Developer

Fifth Avenue Properties is the developer behind this project and brings:

- A **highly experienced in-house marketing department**
- A **fully built off-plan sales infrastructure**
- Proven execution across international investor markets

This is not a first-time or experimental development — it is being executed by a team with **repeatable systems**.

4. Sales & Marketing Engine

Multi-Layered, High-Velocity Sales Funnel

The project's off-plan sales strategy is designed for **speed, scale, and conversion efficiency**:

Lead Generation

- Meta Ads (Facebook & Instagram)
- High-conversion **VSLs (Video Sales Letters)**
- Targeted international investor audiences

Lead Response & Qualification

- **Trained appointment setters**
- All inbound leads are contacted **within 1 minute**
- Immediate qualification to filter serious buyers
- Qualified prospects are booked directly into sales calls

Closers

- Calls handled by **experienced closers**
- Focus on:
 - Lifestyle buyers
 - Investor-operators
 - Cash-flow-driven purchasers

This structure maximises:

- Conversion rates
 - Speed of pre-sales
 - Price control as demand builds
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5. Pre-Sales & Capital Strategy

Pre-Sales as Equity Funding

- Pre-sales are used to fund the **remaining equity requirement**
- This:
 - Reduces external capital risk
 - Lowers investor exposure
 - Improves return efficiency

Financial Control

- The full cash flow has been mapped by the **financial team within the pro forma**
 - Monthly construction outflows are matched against:
 - Deposits
 - Progressive sales receipts
 - This ensures **no liquidity gaps** during build-out
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6. Financial Performance & Returns

Base Case Projections

- **Target ROI:** Achieved within ~20 months
- **Projected IRR:** ~32.2% annualised
- Returns are driven by:
 - Off-plan pricing arbitrage
 - Pre-sales velocity
 - Controlled build costs

Upside Scenario

As pre-sales accelerate:

- Unit prices can be **increased in later phases**
- This improves:
 - Gross revenue
 - Net profit
 - Investor IRR beyond base assumptions

The pricing strategy intentionally starts **slightly conservative** to ensure early absorption, then tightens as demand confirms.

7. Market Confidence & Sales Outlook

The team is **extremely confident** in hitting pre-sales targets due to:

- Fifth Avenue's proven sales infrastructure
- Strong buyer demand in Bali for:
 - Turnkey villas
 - Flexible personal-use + rental assets
- Comparable off-plan successes in nearby areas (Buduk, Seseh, Pererenan)

Bali remains one of the **strongest lifestyle-investment markets globally**, particularly for villas in emerging but accessible locations like Kaba Kaba.

8. Target Buyer Profile

Ideal Client Profile

The project is designed for:

- **Families**
- **Entrepreneurs**
- **Remote business owners**
- **Lifestyle investors**

Buyer Motivation

- Live **part-time in Bali**
- Rent the villa during non-occupancy periods
- Generate **positive cash flow**
- Achieve:

- Lifestyle upside
- Capital appreciation
- Yield-driven ownership

This hybrid “**live + earn**” model aligns perfectly with post-COVID buying behaviour and Bali’s short-term rental demand.

9. Why This Project Works

In summary, this project succeeds because:

- Risk is front-loaded and capped
- Sales validate demand before full commitment
- Capital is recycled efficiently through pre-sales
- Execution is handled by a proven developer
- The buyer profile is deeply aligned with the product