

DON'T START BUILDING YET

A Practical Guide Before You Design, Build or Develop

by Bobby Banerjee

PROPERTY DEVELOPMENT DECISION CHECKLIST

(Print this. Do not rely on memory. Every tick mark prevents a mistake. You can also order a printed copy from www.mercuryarchitecture.co.nz)

STAGE 1 — BEFORE YOU BUY (THE PREPARATION GATE)

Rule: If you buy first and check later, you are gambling; not developing.

1. Define Your Objective (Your WHY)

- ☐ I know whether I want rental income OR capital gain
- ☐ I know my holding period:
 - ☐ Flip (0–2 years)
 - ☐ Medium (3–7 years)
 - ☐ Long term (10+ years)
- ☐ I know my risk tolerance (I can survive delays or not)
- ☐ I know how much time I personally can invest weekly in the project
- ☐ I know my real available cash (not optimistic cash)

2. Market Understanding

- ☐ I have checked recent comparable sales (actual sold prices)
- ☐ I have studied supply in the area (new subdivisions / apartments)
- ☐ I understand who will buy/rent my product (family, students, investors)
- ☐ I know infrastructure plans in the area (roads, metro, schools, zoning changes)

3. Finance Readiness

- ☐ I have loan pre-approval from the bank
- ☐ I have calculated holding cost for 12 extra months (worst case)
- ☐ I have stress-tested interest rate rise
- ☐ I have consulted an accountant about ownership structure (individual/ company/trust)
- ☐ I have contingency funds (minimum 10–15% of project cost)

DON'T START BUILDING YET

A Practical Guide Before You Design, Build or Develop

by Bobby Banerjee

4. Desktop Due Diligence (MANDATORY before you put an offer)

- ☐ Zoning checked
- ☐ Floodplain checked
- ☐ Easements checked
- ☐ Heritage overlays checked
- ☐ Environmental restrictions checked
- ☐ Access/driveway feasibility checked
- ☐ Council records reviewed
- ☐ Planner or architect has reviewed the site

If any of the above is unchecked, do not make an offer to buy the section.

5. Your Core Team (Assemble Your “Avengers”)

- ☐ Lawyer
- ☐ Accountant
- ☐ Architectural Designer
- ☐ Planner
- ☐ Civil Engineer
- ☐ Geotech Engineer
- ☐ Traffic Engineer
- ☐ Arborist
- ☐ Structural Engineer
- ☐ Truss Designer

STAGE 2 — DEFINE THE PROJECT SCOPE

Rule: Don't ask how many houses you can build—ask what the project must achieve.

- ☐ I know my minimum profit target
- ☐ I know my required rental income (if any)
- ☐ I know my exit strategy (sell / hold / refinance)
- ☐ I know my target buyer profile
- ☐ I know the project timeframe expectation

DON'T START BUILDING YET

A Practical Guide Before You Design, Build or Develop

by Bobby Banerjee

STAGE 3 — FORMAL FEASIBILITY

Rule: Ownership ≠ Buildability

1. Legal Feasibility

- ☐ Title search completed
- ☐ Covenants checked
- ☐ Easements checked
- ☐ Legal restrictions understood

2. Planning Feasibility

- ☐ Planner review completed
- ☐ Unit count confirmed realistically
- ☐ Height, setbacks, density verified

3. Technical Feasibility

- ☐ Civil engineer checked services (water, sewer, stormwater)
- ☐ Site slope and drainage reviewed
- ☐ Access width confirmed
- ☐ Utility capacity checked

4. Design Feasibility

- ☐ Bulk & location plan prepared
- ☐ Realistic buildable area known
- ☐ Council compliance possible

If any one of these fails, stop project early (this is success, not failure).

DON'T START BUILDING YET

A Practical Guide Before You Design, Build or Develop

by Bobby Banerjee

STAGE 4 — PROFITABILITY ANALYSIS

Rule: Profit is lost during execution, not at sale.

1.Real Cost Calculation

Include ALL:

- ☐ Land cost
- ☐ Design & consultant fees
- ☐ Council approvals
- ☐ Construction cost
- ☐ Finance interest
- ☐ Holding costs (EMI, rent, rates, utilities)
- ☐ Variations & delays
- ☐ Marketing & legal selling fees
- ☐ Profit still exists after adding 10%-15% cost overrun

2.The Rule of Three (Choose Two Only)

Tick your choice:

- ☐ Quality + Speed (Higher Cost)
- ☐ Quality + Budget (Longer Time)
- ☐ Fast + Cheap (Accept poor quality & risk)

DON'T START BUILDING YET

A Practical Guide Before You Design, Build or Develop

by Bobby Banerjee

STAGE 5 — DESIGN STAGE

Rule: Design must follow purpose and budget.

- ☐ One final decision-maker identified in family/partners
- ☐ Reference images collected
- ☐ Budget discussed honestly with designer
- ☐ Preliminary cost estimate taken from builder/quantity surveyor
- ☐ Design adjusted to fit budget before consent drawings

STAGE 6 — MANAGEMENT & CONSTRUCTION

Rule: Builder builds. Project Manager protects.

- ☐ Independent Project Manager appointed
- ☐ Builder selected based on similar project experience
- ☐ Builder references verified (cost, time, performance)
- ☐ Contract reviewed by lawyer
- ☐ Payment stages clearly defined

STAGE 7 — DELIVERY & EXECUTION

Rule: A project is successful only when completed and usable.

- ☐ Budget reviewed regularly during construction
- ☐ Variations approved before work
- ☐ Timeline monitored
- ☐ Regular site meetings conducted
- ☐ Final inspection completed
- ☐ All compliance certificates received

DON'T START BUILDING YET

A Practical Guide Before You Design, Build or Develop

by Bobby Banerjee

FINAL CHECK (MOST IMPORTANT QUESTION)

Before starting construction ask yourself:

☐ If the project is delayed by 12 months and costs 15% more - will I still survive financially and mentally?

If the answer is NO, you are not ready yet.