

2015

Dubai Property Review Site Business Plan



8/28/2015

# 1 EXECUTIVE SUMMARY

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## 1.1 INTRODUCTION

We have developed an innovative concept to take the best of what online reviews have to offer consumers to the communities, neighborhoods and residences in highly mobile cities in the UAE and around the globe. Our vision is a simple website that allows people to interact and find information about residential buildings and communities that they are considering as their next place of residence. We go well beyond property listings and information about the actual residence. At our site they can find real information from real people who live in the area who give candid reviews on everything from traffic and noise to shopping and recreation. They tell the reader what it is really like to live in the community.

Thousands of apartments/homes available for rent, people are busy and cities are crowded so it can be very time consuming to visit various communities and get a real sense of what it offers. Additionally listings are often inaccurate and agents unreliable.

Our innovative platform is positioned to become the market leader in offering informative, trusted and objective reviews of properties and neighborhoods. We will also give advertisers access to a highly targeted and sought after audience; people actively seeking a new residence who need home services (moving, remodeling, and furnishing) and residents near neighborhood businesses.

Our overall aim is to make the searching and selecting a new home easier, more enjoyable and increase satisfaction by providing insights into properties that only residents can provide.

## 1.2 PRODUCTS AND SERVICES

A review site where people can go to find all of the information they need to make a good decision about buying or renting a property. There will be a website with interactive map, advanced search and sort capability, forum, app, geo capabilities to alert people to reviews as they enter a community.

## 1.3 MARKET OPPORTUNITY

We believe the market opportunity is significant and the timing is right. The convergence of several factors has created an attractive opportunity for the Company; rapid growth in review sites, the social culture and widespread use of social media and the transient nature of residents in major cities. The timing is right as there is only one other review site in Dubai and they have a simplistic site with simple searches. We will offer advanced technology and a sophisticated yet easy to use site to capture share.

In Dubai, our first target city, the population is large, young and mobile making this a very attractive market. Estimated population is 2,213,845 individuals at the end of 2013, of whom 1,677,330 are males and 536,515 are females.<sup>1</sup> There are approximately 400,000 residential units in Dubai<sup>2</sup>

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<sup>1</sup> Dubai Statistics Center – Yearly Population Estimates

<sup>2</sup> Dubai Real Estate Market Overview JLL (Jones Long LaSalle)

## 1.4 MARKETING STRATEGY

An integrated and aggressive marketing strategy with a focus on the utilization of digital media will be developed. The marketing strategy will integrate an up-to-date website, social networks, mobile apps and other digital media to reach, engage and serve its clients. Primary aims of the marketing strategy will be to generate reviews from residents and build traffic to the site. Once there is a critical mass of listings and reviews marketing will focus on securing advertising on the site. Through our marketing efforts we will build a reputation as the preferred residential property review, information and resource solution.

## 1.5 MANAGEMENT

**Founder, Mohammed Alothman** brings a passion for improving lives using modern technology to connect people, save time and provide authentic information to help make better decisions.

An expert in attracting Foreign Direct Investment to funds, in 6 years Mohammed Alothman was able to increase the number of investors in the Kuwait Stock Exchange from 16 to 900.

Personally Mohammed Alothman is strongly committed to lifelong learning and academic diversity.

**Ramez Helou**, CEO & Founder of TAFSE- Sales & Management Consultancy, Keynote Speaker, and Master Trainer at “The Academy for Sales Excellence”. Ramez brings his talents, skills and experience in driving sales performance and achieving results. With over 20 years of experience in a wide range of industries, Ramez has the expertise and insights on how to train, motivate and mentor sales teams to close deals and grow their territory.

**Claudia Lasseter** brings her experience and skill in marketing and leadership. She has 16 years of experience working for well-known and highly successful businesses such as Tesco, Reuters, Deloitte and Procter and Gamble. Her experience spans Western Europe, the Asia Pacific and the Middle East.

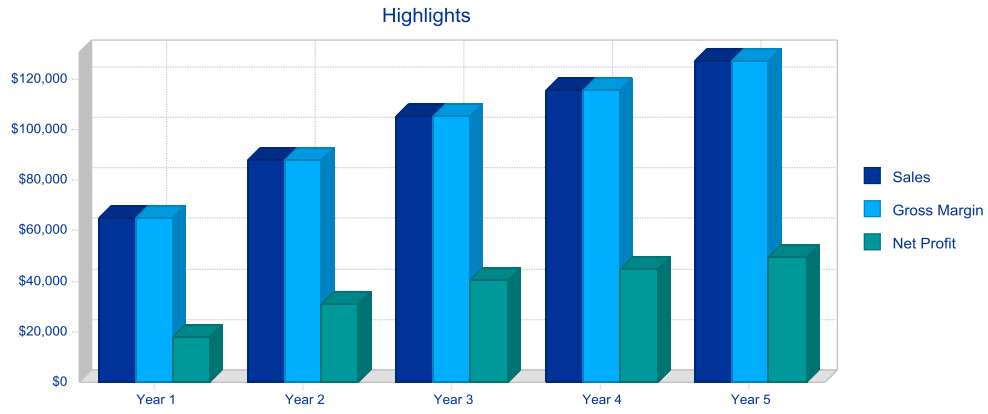
## 1.6 COMPETITIVE ADVANTAGE

The Dubai Property Review Site has the following competitive advantages:

- Developed based on in-depth understanding of online review sites
- Designed to meet the unique needs of the person looking for a home, the reviewers and the advertisers who want to reach that person.
- Advanced technology to provide unmatched level of flexibility, customization and feature set

## 1.7 FINANCIAL PROJECTIONS

Financial projections for the first five years of operation have been developed. The financial outlook is positive for Dubai Property Review Site. Revenue is projected to grow from \$64,920 in Year 1 to \$127,256 in Year 5. The Company begins turning a profit in Year 1 earning \$17,794 in Net Profit. This increases to \$49,325 in Year 5. Cash flow is typically the most significant financial hurdle for start-ups. In order to maintain a positive cash balance during the first year, a cash infusion of \$27,000 is needed. Financial highlights are summarized in Figure 1 below.



*Figure 1: Financial Highlights*

## 2 THE COMPANY

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Dubai Property Review Site is founded by Mohammed Alothman and will be located in Dubai UAE.

### 2.1 OBJECTIVES

- Launch into the first country - Dubai in [Year launch planned]
- Obtain >5000 reviews in Year 1
- Exceed \$50,000 in revenue during the first year of operation
- Launch into additional areas: Sharjah (Year 2) and Ajman (Year 3)

### 2.2 MISSION

To make the searching and selecting a new home easier, more enjoyable and increase satisfaction by providing insights into properties that only a resident can provide.

### 2.3 KEYS TO SUCCESS

Insights from industry best practices as well as a thorough SWOT analysis indicate that the following attributes will be critical for success.

**Flawless execution of site.** As competitive options exist the site must be easy to use for reviewers and property seekers. It must also have advanced technology to provide user defined searches to find the precise info needed.

**Reliability.** As technology has advanced, consumers expect and demand reliability. The Dubai Property Review Site must be maintained and contingency plans in place to ensure the highest level of reliability with downtime kept to an absolute minimum.

**Keep ahead of technology.** Technology, devices and social channels utilized in online searches and reviews continue to evolve at a rapid pace. Dubai Property Review Site must anticipate and quickly address changing needs to ensure optimum functionality and the highest level of customer satisfaction and service.



### 3 PRODUCTS AND SERVICES

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A review site where people can go to find all of the information they need to make a good decision about buying or renting a property. The site will be simple and easy to use for reviewers and property seekers while using advanced technology for the back end to give the site enhanced capabilities. Features will include;

- An interactive map where visitors can zoom in on a property and neighborhood to see what the community has to offer.
- Advanced search and sort capability. For example search for properties with 10 or more reviews and 4 or more stars. Or search for properties with the highest rating for transportation and good for kids. Sort capability could include by most recent review, by review score, last lived in.
- A user forum. Users can ask questions to the review community to get specific answers to their most detailed questions related to living in a community.
- Mobile app. The app will allow searches, review posting and alerts to let people know information and reviews are available when they enter a community.
- Flexibility to evolve as technology and user trends evolve
- Reviewer verification
- Security

## 4 INDUSTRY

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The online review industry has exploded. According to Review Trackers;<sup>3</sup>

- 41 percent of respondents said they read four to seven online reviews before feeling comfortable enough to make a purchase decision.
- 63 percent are more likely to purchase from a site that has aggregated reviews and ratings than from a site without any review data.
- A highly rated service or product will increase the likelihood of purchase by 55 percent.

A review site is a website on which reviews can be posted about people, businesses, products or services. These sites use Web 2.0 techniques to gather reviews from site users or may employ professional writers.<sup>4</sup>

Review sites are generally supported by advertising. Some business review sites may also allow businesses to pay for enhanced listings, which do not affect the reviews and ratings. Product review sites may be supported by providing affiliate links to the websites that sell the reviewed items.

Originally, reviews were generally anonymous, and most review sites have policies that preclude the release of any identifying information without a court order.

Beginning approximately 2005, however, consumers became more open with their identity and personal information on review sites. Some sites like those from Yelp, Inc. encourage consumers to use their real names, real photos and personal tags.

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<sup>3</sup> <http://www.reviewtrackers.com/stats-reveal-online-reviews-big-deal/>

<sup>4</sup> [https://en.wikipedia.org/wiki/Review\\_site](https://en.wikipedia.org/wiki/Review_site)

Most review sites make little or no attempt to restrict postings, or to verify the information in the reviews. Critics point out that positive reviews are sometimes written by the businesses or individuals being reviewed, while negative reviews may be written by competitors, disgruntled employees, or anyone with a grudge against the business being reviewed. So called "reputation management" firms may also submit false positive reviews on behalf of businesses.

## 5 MARKET ANALYSIS

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The Company's website will be targeted to younger people living in buildings and communities in Dubai and then additional cities in our expansion plans. While anyone living in Dubai is a potential target, we will focus efforts on younger people who are likely to move more and be more active in using online reviews and social media.

Social media is one of the most common ways of promotion in modern world. According to statistics the estimated number of Social Media users in the Middle East divides on 58 million of Facebook users, 6.5 million of Twitter users and 5.8 million LinkedIn users, thus making Facebook the most popular social network. Men dominate in social media usage, and according to statistics 65% of men use social media and only 35% of women.<sup>5</sup>



A few statistics on the Dubai population and market help to illuminate just how attractive the opportunity is. The population size of Dubai is an estimated 2,213,845 individuals at the end of 2013, of whom 1,677,330 are males and 536,515 are females with rates of 75.77% and 24.23% respectively of the total population.<sup>6</sup>

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<sup>5</sup> Social Media in the Middle East Infographic

<sup>6</sup> Dubai Statistics Center – Yearly Population Estimates

In addition, about two thirds of the population is concentrated in the 20-39 age group where the 30-34 age group has the highest number of individuals 432,924 which represents 19.56% of total population, followed by the 25-29 age group with 431,292 individuals and a percentage of 19.48% of the population.<sup>7</sup>

The number of rentals or number of people moving per year is not readily available but data tells us that 24 percent of Americans reported moving from their city or area in the past five years. That's comparable to New Zealand (26 percent), Finland (23 percent), and Norway (22 percent).<sup>8</sup> We also know there are approximately 400,000 residential units in Dubai<sup>9</sup> and residential transaction volume is approximately 1000 per month.<sup>10</sup>

With the continued growth of online review sites and the lack of sites in our target markets the timing is right to seize the opportunity with the innovative Dubai Property Review Site platform.

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<sup>7</sup> Dubai Statistics Center – Yearly Population Estimates

<sup>8</sup> <http://www.washingtonpost.com/news/wonkblog/wp/2013/05/15/the-united-states-is-still-one-of-the-most-mobile-countries-in-the-world/>

<sup>9</sup> Dubai Real Estate Market Overview JLL (Jones Long LaSalle)

<sup>10</sup> [https://www2.deloitte.com/content/dam/Deloitte/xs/Documents/realestate/me\\_re\\_real-estate-predictions\\_2015.PDF](https://www2.deloitte.com/content/dam/Deloitte/xs/Documents/realestate/me_re_real-estate-predictions_2015.PDF)

## 6 COMPETITION

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While there are many providers of listings and at least one competitor offering reviews none are as comprehensive and advanced as Dubai Property Review Site. Our focus on the unique needs of the residential property shopper, reviewer and local business represents a significant opportunity that is not currently being addressed by potential competitors. The Dubai Property Review Site offers all of the key features of competitors and then goes well beyond what is currently available. Listed below are competitors in the space with details on their services. We have added several international companies to illustrate the range of services and strategies used around the globe.

	<b>Services</b>	<b>Strengths</b>	<b>Weakness</b>
<a href="http://flatreviews.com">http://flatreviews.com</a>	Reviews of rentals	First and largest property review site 2147 reviews Site is free to users, no registration required Fairly large following on FaceBook Monthly giveaways to encourage reviews	Some buildings only have 1 review Limited search capability Appears to be only rentals Minimal activity on Twitter
<a href="http://movesouq.com">http://movesouq.com</a>	Lists businesses that provide services including moving, painting, storage, cleaning, maintenance	Resources for people moving Fairly large following on Facebook	Minimal activity on Twitter
<a href="http://reviewproperty.com">http://reviewproperty.com</a>	Website coming soon		
<a href="http://apartmentratings.com">http://apartmentratings.com</a>	US based ratings and reviews of apartments for rent nationwide Includes Moving Center - search for moving companies	2,008,403 reviews and ratings	Some advertisers don't seem relevant
<a href="http://apartmentsindubai.org">http://apartmentsindubai.org</a>	Rental listings - don't see any reviews	Easy to use site	No reviews
<a href="http://providentestate.com">http://providentestate.com</a>	Listings - don't see any reviews, also Brokerage, Property Management, Escrow, Insurance, Interior & Exterior design	Full service	No reviews

## 7 SWOT

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The Dubai Property Review Site and founding team have many attributes that will contribute to the successful start-up and expansion in a growing industry. The vision, passion, and expertise of Mohammed Alothman will set Dubai Property Review Site apart from its competitors. He has identified a niche that represents a significant market opportunity in a growing industry.

Threats that could limit success include possible technology advances that could render the site outdated and competitive inroads that could erode pricing and market share.

### 7.1 STRENGTHS

**Business insights and vision.** Mohammed Alothman has a passion and the insights to perceive current and future property shopper needs and create an innovative solution to address the needs.

**Sales and marketing expertise.** Management team brings the ability to grow sales and develop creative marketing strategies.

### 7.2 WEAKNESSES

**Unknown in the industry.** Dubai Property Review Site is a new entity lacking awareness or reputation among the target market. Significant marketing will be required to generate awareness of and begin generating reviews which will be required to attract site traffic and advertisers.

**Mitigation.** *Aggressive and cost effective marketing programs to generate awareness, obtain review, drive site traffic and ultimately advertisers.*

**Lack of experience in online review sites.** While the team brings many talents the area of online review sites is new.

**Mitigation.** *Hire talent to close the knowledge gaps.*

### 7.3 OPPORTUNITIES

**Growth of Online review industry.** The growth of online reviews and the social and sharing culture show no signs of slowing. This creates a great opportunity for Dubai Property Review Site to establish a presence and, in many cases, be first to market.

### 7.4 THREATS

**Competitors enter the market.** Existing listing companies could enter with cost advantages and erode market share.

**Mitigation:** *The Company will have a rapid roll-out to gain a first to market position and continually add new features to stay ahead of the competition.*

**Hacking.** The site could get hacked which could have a negative impact on the Company's reputation.

**Mitigation:** *The Company will employ the highest level of security measures and rigorously monitor systems to ensure the highest level of security and minimal risk of security breach.*



## 8 MARKETING

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An integrated and aggressive marketing strategy with a focus on the utilization of digital media will be developed. The marketing strategy will integrate a state-of-the-art website, social networks and other digital media to reach, engage and serve the target audience. Primary aims of the marketing strategy will be to generate awareness, obtain reviews, drive traffic to the website and attract advertisers. In the online review business model free access for users is standard practice. Promotions and giveaways will be used to encourage reviews. Gamification will be incorporated to improve engagement. Programs will be developed with neighborhood businesses to promote the site during events. Each of the strategies will be executed through a combination of tactics as outlined below.

### 8.1 MARKETING TACTICS

- A comprehensive branding strategy including positioning, messaging, logo, color scheme and graphic design will be developed. Branding will be developed to support the Company's mission and strategies and incorporated into all materials and communications. The branding will be built around the Company's motto: real reviews by real residents.
- SEO will be incorporated into all of the Company's online efforts to help build awareness and drive traffic. This will include development of a keyword list and appropriate use of keywords in online copy, link building and regular posting of new, original, high quality and SEO optimized content to web pages.

- PPC advertising to generate awareness. This may include Google AdWords and advertising on social networks as well as relevant websites, blogs and other digital channels. Ad campaigns with clear objectives will be developed and tested. The successful campaigns will then be implemented and optimized against campaign goals.
- Develop a presence on relevant social networks. This will include custom profiles, posting relevant and valuable content on a regular basis, growing networks by actively pursuing connections and engaging the audience through polls, contests, surveys, giveaways. These tactics will build relationships and community with connections and facilitate word of mouth advertising. Based on a review of the competition, a presence on Facebook is needed at a minimum. Other social networks will be considered including specialty networks that are favored by the target audience.
- Event sponsorships will be used to generate awareness and publicity. Specific community and home related events will be identified for sponsorship opportunities. These will be used to build awareness among potential reviewers, property seekers and potential advertisers.
- Email marketing campaigns to keep reviewers and property seekers engaged and informed.
- Public relations will be used to generate awareness and build credibility of Dubai Property Review site. Press releases will be issued on all important events and Company news and milestones. Relationships with appropriate media contacts will

be established through networking and regularly pitching media with newsworthy stories about the Company and its mission.

## 9 REVENUE FORECAST

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Our revenue is derived from advertising and is projected to reach \$64,920 in Year 1 and grow to \$127,256 in Year 5. Key assumptions in building the revenue forecast are outlined below. Five year revenue projections are detailed in Table 1.

### **Assumptions:**

- Population of Dubai is 2,213,845
- 5% of population moves each year = 110,692
- 50% of movers or 55,346 visit website in Year 1
- Each visitor has 6 page views
- Site page views ramp from 10,000 in Month 1/Year 1 to 240,000 in Month 12.
- Year 2 increased by 35% assuming Sharjah comes on line (+25%) and organic growth (+10%). That market is about 25% the size of Dubai.
- Year 3 increase by 20%. Ajman comes online that year and is about 10% of the size of Dubai. (+10%) and 10% organic growth (+10%) I have not added any other markets in at this point.
- For years 3 through 5 assume 10% organic growth
- CPM is \$3

Table 1: Five Year Revenue Forecast

<i>Sales Forecast</i>					
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Sales</b>					
<b>Advertising</b>	\$64,920	\$87,642	\$105,170	\$115,687	\$127,256
<b>Total Sales</b>	<b>\$64,920</b>	<b>\$87,642</b>	<b>\$105,170</b>	<b>\$115,687</b>	<b>\$127,256</b>

## 10 PERSONNEL PLAN

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Initially the management team and developer will handle day to day operations. As the Company grows and expands to new regions, additional support will be added. In the early phases support will be provided by independent contractors to save on operating expenses. Long-term some of these positions may transition to employee either remote or in-house. Independent contractor expenses are detailed in the P&L.

## 11 OPERATIONS PLAN

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The Dubai Property Review Site will have regular maintenance, version updates and backup to ensure a reliable, up-to-date and trouble free experience.

Customer service will be given the highest priority. Reviewers and property seekers will have the ability to interact with expert support staff through a responsive ticketing system and interactive hangout sessions. Support staff will be fluent in relevant languages.

Systems will be put into place and routinely updated to ensure the highest level of security.

# 12 FINANCIAL PLAN

The financial projections indicate Dubai Property Review Site will be financially sound achieving profitability and turning a positive cash flow beginning in its first year of operation. A one-time infusion of cash will be needed in Year 1 to keep the cash balance positive until revenue ramps up. This additional funding is modeled as investor funding in the amount of \$27,000. Details on the financial projections are provided in the following sections.

## 12.1 START-UP REQUIREMENTS

An estimated \$27,000 will be required to cover start-up expenses and assets. We will need \$21,100 in cash at start-up to cover operating expenses until revenue ramps up. Table 2 provides details of the start-up requirements.

Table 2: Start-up Requirements

<i>Start-up</i>	
<b>Requirements</b>	
<b>Start-up Expenses</b>	
Website design and development	\$5,000
Branding	\$200
Legal	\$500
Insurance	\$200
Other	\$0
<b>Total Start-up Expenses</b>	<b>\$5,900</b>
<b>Start-up Assets</b>	
Cash Required	\$21,100
Other Current Assets	\$0
Long-term Assets	\$0
<b>Total Assets</b>	<b>\$21,100</b>
<b>Total Requirements</b>	<b>\$27,000</b>

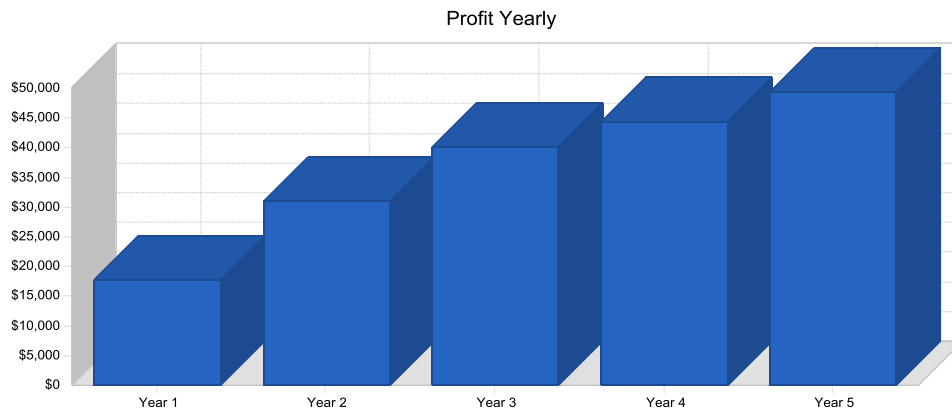
## 12.2 PROFIT AND LOSS

The financial plan projects Dubai Property Review Site will grow revenue from \$64,920 in Year 1 to \$127,256 by the fifth year of operation. Through its operating efficiencies Dubai Property Review Site will be able to control expenses and increase net profit from \$17,794 in Year 1 to \$49,325 in Year 5. The five year Profit and Loss projections are detailed in Table 3 and Figure 2.

Table 3: Five Year Profit and Loss

<b>Pro Forma Profit and Loss</b>					
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Sales</b>	\$64,920	\$87,642	\$105,170	\$115,687	\$127,256
<b>Direct Cost of Sales</b>	\$0	\$0	\$0	\$0	\$0
<b>Other Costs of Sales</b>	\$0	\$0	\$0	\$0	\$0
<b>Total Cost of Sales</b>	\$0	\$0	\$0	\$0	\$0
<b>Gross Margin</b>	\$64,920	\$87,642	\$105,170	\$115,687	\$127,256
<b>Gross Margin %</b>	100.00%	100.00%	100.00%	100.00%	100.00%
<b>Expenses</b>					
<b>Payroll</b>	\$0	\$0	\$0	\$0	\$0
<b>Marketing/Promotion</b>	\$6,500	\$8,764	\$10,517	\$11,569	\$12,726
<b>Depreciation</b>	\$0	\$0	\$0	\$0	\$0
<b>Website maintenance/hosting</b>	\$600	\$660	\$726	\$799	\$878
<b>Phone/Internet</b>	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
<b>Insurance</b>	\$1,000	\$0	\$0	\$0	\$0
<b>Payroll Taxes</b>	\$0	\$0	\$0	\$0	\$0
<b>Customer support</b>	\$15,000	\$16,500	\$18,150	\$19,965	\$21,962
<b>Admin</b>	\$10,400	\$11,440	\$12,584	\$13,842	\$15,227
<b>Total Operating Expenses</b>	\$39,500	\$43,364	\$47,977	\$52,175	\$56,792
<b>Profit Before Interest and Taxes</b>	\$25,420	\$44,278	\$57,193	\$63,513	\$70,464
<b>EBITDA</b>	\$25,420	\$44,278	\$57,193	\$63,513	\$70,464
<b>Interest Expense</b>	\$0	\$0	\$0	\$0	\$0
<b>Taxes Incurred</b>	\$7,626	\$13,283	\$17,158	\$19,054	\$21,139
<b>Net Profit</b>	<b>\$17,794</b>	<b>\$30,994</b>	<b>\$40,035</b>	<b>\$44,459</b>	<b>\$49,325</b>
<b>Net Profit/Sales</b>	<b>27.41%</b>	<b>35.36%</b>	<b>38.07%</b>	<b>38.43%</b>	<b>38.76%</b>





*Figure 2: Profit by Year*

## 12.3 CASH FLOW

Based on the projected revenue the Company will experience periods of slight negative cash flow during the first year of operation. To maintain a positive cash balance until revenue ramps up funding of \$27,000 will be required.

At this point no owner/draw or management salaries have been included. The five year cash projections are detailed in Table 4.

Table 4: Five Year Cash Flow

<i>Pro Forma Cash Flow</i>					
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Cash Received</b>					
<b>Cash from Operations</b>					
Cash Sales	\$64,920	\$87,642	\$105,170	\$115,687	\$127,256
<b>Subtotal Cash from Operations</b>	\$64,920	\$87,642	\$105,170	\$115,687	\$127,256
<b>Additional Cash Received</b>					
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0	\$0	\$0
<b>Subtotal Cash Received</b>	\$64,920	\$87,642	\$105,170	\$115,687	\$127,256
<b>Expenditures</b>	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Expenditures from Operations</b>					
Cash Spending	\$0	\$0	\$0	\$0	\$0
Bill Payments	\$41,338	\$57,780	\$64,437	\$70,728	\$77,380
<b>Subtotal Spent on Operations</b>	\$41,338	\$57,780	\$64,437	\$70,728	\$77,380
<b>Additional Cash Spent</b>					
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0
<b>Subtotal Cash Spent</b>	\$41,338	\$57,780	\$64,437	\$70,728	\$77,380
<b>Net Cash Flow</b>	<b>\$23,582</b>	<b>\$29,862</b>	<b>\$40,733</b>	<b>\$44,960</b>	<b>\$49,876</b>
<b>Cash Balance</b>	<b>\$44,682</b>	<b>\$74,544</b>	<b>\$115,277</b>	<b>\$160,237</b>	<b>\$210,113</b>

## 12.4 BALANCE SHEET

Net Worth grows from \$38,894 in Year 1 to \$203,707 in Year 5. The five year balance sheet details are provided in Table 5.

Table 5: Five Year Balance Sheet

<i>Pro Forma Balance Sheet</i>					
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Assets</b>					
<b>Current Assets</b>					
Cash	\$44,682	\$74,544	\$115,277	\$160,237	\$210,113
Other Current Assets	\$0	\$0	\$0	\$0	\$0
<b>Total Current Assets</b>	\$44,682	\$74,544	\$115,277	\$160,237	\$210,113
<b>Long-term Assets</b>					
Long-term Assets	\$0	\$0	\$0	\$0	\$0
Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0
<b>Total Long-term Assets</b>	\$0	\$0	\$0	\$0	\$0
<b>Total Assets</b>	\$44,682	\$74,544	\$115,277	\$160,237	\$210,113
<b>Liabilities and Capital</b>	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Current Liabilities</b>					
Accounts Payable	\$5,788	\$4,656	\$5,354	\$5,854	\$6,405
Current Borrowing	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0
<b>Subtotal Current Liabilities</b>	\$5,788	\$4,656	\$5,354	\$5,854	\$6,405
<b>Long-term Liabilities</b>	\$0	\$0	\$0	\$0	\$0
<b>Total Liabilities</b>	\$5,788	\$4,656	\$5,354	\$5,854	\$6,405
<b>Paid-in Capital</b>	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000
<b>Retained Earnings</b>	(\$5,900)	\$11,894	\$42,888	\$82,924	\$127,383
<b>Earnings</b>	\$17,794	\$30,994	\$40,035	\$44,459	\$49,325
<b>Total Capital</b>	\$38,894	\$69,888	\$109,924	\$154,383	\$203,707
<b>Total Liabilities and Capital</b>	\$44,682	\$74,544	\$115,277	\$160,237	\$210,113
<b>Net Worth</b>	<b>\$38,894</b>	<b>\$69,888</b>	<b>\$109,924</b>	<b>\$154,383</b>	<b>\$203,707</b>

## 12.5 RATIO ANALYSIS

Table 6 presents several key ratios for Dubai Property Review Site. The current plan does not include any significant liabilities giving the Company a high Current and Quick Ratio. The high Current and Quick Ratios indicate the Company will be able to easily meet its financial obligations. The Company's emphasis on efficiencies in the delivery of services and operations will result in healthy net profit. The pre-tax return on Assets indicates profits as a percentage of Total Assets before taxes and measures the Company's ability to manage and allocate resources.

Table 6: Ratio Analysis

<i>Ratio Analysis</i>					
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Sales Growth</b>	n.a.	35.00%	20.00%	10.00%	10.00%
<b>Profit Before Interest and Taxes</b>	39.16%	50.52%	54.38%	54.90%	55.37%
<b>Main Ratios</b>					
<b>Current</b>	7.72	16.01	21.53	27.37	32.80
<b>Quick</b>	7.72	16.01	21.53	27.37	32.80
<b>Pre-tax Return on Assets</b>	56.89%	59.40%	49.61%	39.64%	33.54%
<b>Additional Ratios</b>	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Net Profit Margin</b>	27.41%	35.36%	38.07%	38.43%	38.76%
<b>Return on Equity</b>	45.75%	44.35%	36.42%	28.80%	24.21%