

EXECUTIVE SUMMARY

The digital lifestyle has greatly developed in society along with the development and advancement of technology. Especially with the current state of the COVID-19 pandemic, which encourages adaptation to this lifestyle. This situation causes people to minimize activities outside the home and work from home. For a better quality of life, it is very important to have housing that can support their lifestyle in activities. Today, many developers have launched products with the smart home concept. However, the implementation of smart homes is generally still limited to stand-alone features and even just a gimmick to market their products. Developers who implement smart cluster integration in residential areas are still very limited. The need for this integration is driven by the request to improve safety and comfort, increase energy efficiency and quality of life of residential owners not only in the scope of individual house unit but also in residential areas.

PT Futurintegra Property is formulated to capture this business opportunity and this company formed based on a strategic partnership between PT Sinar Mas Land and PT Futura Development. The company will develop the area and focus on providing housing with smart cluster integration. Smart cluster itself is defined as smart residential technology that is connected and integrated with the residential environment (cluster). This integration is important because it has features that are not owned by smart homes in general, such as integrated fire extinguisher system, integrated mailing/notification system, face/biometric recognition at main entrance, emergency/panic button, integrated home appliances and IT security system. Based on the industry analysis, the company decided to focus on the high-end market that has a digital lifestyle. While the feature of integration with the residential environment is the differentiation offered so that the company is included in the differentiation focus strategic group.

The company plans to acquire and develop a land area of approximately 20 hectares located in the BSD Tangerang Selatan area. This land will be divided into 4 clusters with a total of 189 housing units and 59 commercial building which will be developed over 10 years. There are 3 types of houses, namely Lussuosa (LB/LT: 200/336) with a price of 16 billion Rupiah, Lujoso (LB/LT: 240/384) with a price of 20 Billion Rupiah and Luxueus (LB/LT: 300/456) with a price of 25 Billion Rupiah.

The initial investment required to set up a company is IDR 6 billion for needs, marketing, and resources and IDR 1.9 trillion for the purchase of bank land which will be used in the form of assistance and will be repaid within 10 years. Based on the financial analysis conducted, the business plan of PT Futurintegra Property has a positive NPV (Net Present Value) and will achieve a return on investment within a period of 6.74 years. In addition, the company's business plan has an IRR = 27.63% where this value is greater than the WACC value = 11.63%. This shows that the company's rate of return is greater than the cost of capital invested so that it can be concluded that the business plan is profitable and sustainable for stakeholders.

For the long-term development, the company plans to acquire another strategic land owned by PT Sinar Mas Land which will be used as the next land bank for development (after the first 10 years). Conceptually, the company will continue to carry smart clusters with modern and minimalist themes in accordance with the tagline smart people, smart living. However, the location of the land, target market and other strategic developments will be planned further later.