

## CASE STUDY - 2 ON SOCIETY SELF-REDEVELOPMENT

### FACTS OF THE CASE

ABC Co-operative Housing Society Ltd (“Society”) is a 50 years old building constructed on a freehold land situated at Dadar, Mumbai consisting of 20 members. Due to the dilapidated condition of the building, Society intends to go for self – redevelopment. Society has carried out a feasibility report for the new building and the broad parameters are as under:

1. Total Carpet area of new building – 45000 sq. ft.
2. The aggregate existing carpet area of flats owned by Old Members is 10,000 sq. ft. They shall be entitled to 50% additional area over and above their existing carpet area. Aggregate new carpet area of flats for old members – 15,000 sq. ft.
3. Corpus of Rs. 20 lacs each to old members.
4. Area for sale to new members / purchasers – 30,000 sq. ft. Estimated sale consideration Rs. 120 crores.
5. Estimated Cost of the project (does not include land cost as it is already owned by Society) – 100 crores.