Abstract

Grand City is one of mixed used center building in Surabaya, consist of the mall, incentive meeting facility, convention and exhibition (MICE). Price is one of component effecting cash flow and component to fund operational. The objective of this research is to determine proper rent price for mall’s room and convention hall.

Total cost as a internal factor, consist of fixed cost and variable cost. It was analyzed to determine rent price using Break Even Point analysis based on maximum rent unit assumption. Sensitivity analysis was also used to describe level of sensitivity price factors.

From the analysis, it could be shown that the fix price is Rp 154,126,668,649 annually, variable cost for mall is Rp 89,163 per meter square, variable cost for convention hall is Rp 198,718 per meter square. Based on occupancy rate 80% assumption, the adjustment for rent price for mall is Rp 209,057 per meter square. while rent price for convention hall is Rp 11,339 per meter square based on occupancy rate 50% assumption.

Sensitivity analysis showed that rent price for mall will increase by 18.65%, convention hall increase by 34.64%, if
occupancy rate decrease 5%. Rent price for mall will increase 0.71% and convention hall 0.97%, if costs increase 10%. Another sensitivity factor is interest rate which will effect rent price for mall and convention hall until 1.95% if it increase 5%.

Key Word : Break Even Point, Rent Pricing