

## MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

**REFERENCE:** 10  
**STAND:** Residential Development  
**CITY:** Pretoria  
**SUBURB:** Bronberg  
**COMPLEX:** To be named

**OPTION 1**

<b>MAIN STAND SIZE:</b>	m2	<b>120 000</b>
<b>COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT:</b>		<b>1</b>
<b>COST OF STAND:</b>		<b>R 13 000 000</b>
<b>OFFER</b>	0%	<b>R 13 000 000</b>

**AVERAGE UNITE SIZE PER TYPE:**

Storey			
1	Full Title Stand	m2	240
1	2 Bed, Town House	m2	100
1	3 Bed, Town House	m2	140
2	3 Bed Duplex	m2	200
2	4 Bed Duplex	m2	480
1	2 Bed, Flats	m2	60
1	3 Bed, Flats	m2	80
2	2 Bed, Flats	m2	60
2	3 Bed, Flats	m2	80

**MAXIMUM UNITE PER TYPE/STAND:**

Storey			
1	Full Title Stand	No	200
1	2 Bed, Town House	No	480
1	3 Bed, Town House	No	343
2	3 Bed Duplex	No	480
2	4 Bed Duplex	No	200
1	2 Bed, Flats	No	800
1	3 Bed, Flats	No	600
2	2 Bed, Flats	No	1600
2	3 Bed, Flats	No	1200

PROPERTY ZONED FOR MAX UNITS:

No 150

UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 695 065	R 2 280 000	R 584 935	200
2	1	2 Bed, Town House	R 828 401	R 1 160 000	R 331 599	480
3	1	3 Bed, Town House	R 1 157 501	R 1 624 000	R 466 499	343
4	2	3 Bed Duplex	R 1 602 907	R 2 320 000	R 717 093	480
5	2	4 Bed Duplex	R 3 800 311	R 5 568 000	R 1 767 689	200
6	1	2 Bed, Flats	R 488 364	R 630 000	R 141 636	800
7	1	3 Bed, Flats	R 649 976	R 840 000	R 190 024	600
8	2	2 Bed, Flats	R 474 095	R 630 000	R 155 905	1600
9	2	3 Bed, Flats	R 630 951	R 840 000	R 209 049	1200

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 339 012 971	R 456 000 000	R 116 987 029	26%
2	1	2 Bed, Town House	R 397 632 517	R 556 800 000	R 159 167 483	29%
3	1	3 Bed, Town House	R 396 857 317	R 556 800 000	R 159 942 683	29%
4	2	3 Bed Duplex	R 769 395 130	R 1 113 600 000	R 344 204 870	31%
5	2	4 Bed Duplex	R 760 062 130	R 1 113 600 000	R 353 537 870	32%
6	1	2 Bed, Flats	R 390 691 161	R 504 000 000	R 113 308 839	22%
7	1	3 Bed, Flats	R 389 985 661	R 504 000 000	R 114 014 339	23%
8	2	2 Bed, Flats	R 758 552 017	R 1 008 000 000	R 249 447 983	25%
9	2	3 Bed, Flats	R 757 141 017	R 1 008 000 000	R 250 858 983	25%

BUILDING COST WAS ANALYSED ON

Medium BUILDING COST

THE UNIT SELL PRICE USED WAS BASED ON A

Average PRICE FOR THE AREA

FROM THE ANALYSIS ABOVE THE MOST VIABLE DEVELOPMENT IS;

REF	Storey	Type	Cost	Sell Price	Profit
4	2	3 Bed Duplex	R 769 395 130	R 1 113 600 000	R 344 204 870

## INPUT COST

Stand	R	13 000 000
VAT on Stand	R	1 950 000
Transfer Fees	R	80 113
Professional Fees	R	49 925 530
Development Cost	R	11 901 981
	<b>R</b>	<b>76 857 624</b>
Bond Cost for 70%	R	167 310
NHBRC Fee's	R	10 728 000
Construction Cost First Inputs	R	121 693 478
Sectional Title Register	R	439 200
Marketing	R	22 272 000
	<b>R</b>	<b>155 299 988</b>
<b>TOTAL INPUT COST</b>	<b>R</b>	<b>232 157 611</b>

## BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	769 395 130
70% of Project Cost	R	538 576 591
<b>Input Cost Required from Developer</b>	<b>R</b>	<b>230 818 539</b>
<b>Actual Input Cost</b>	<b>R</b>	<b>232 157 611</b>
Difference between Required and Actual Input	R	1 339 072

## RETURN ON INVESTMENT (INPUTS)

148%

## RETURN ON INVESTMENT (INPUTS) Per Annum

44%

## PROJECT DURATION

### PROJECT MANAGEMENT STAGES

Stage 1	4	Months
Stage 1	4	Months
Stage 1	4	Months
Stage 1 - 5	16	Months
Stage 1 - 5	18	Months
Stage 6	2	Months
Stage 6	2	Months
Stage 6	20	Months
Stage 6	2	Months
Stage 1 - 7	40	Months
<b>TOTAL</b>	<b>40</b>	<b>Months</b>