

## MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

**REFERENCE:** 11  
**STAND:** Residential Development  
**CITY:** Pretoria  
**SUBURB:** Colonade  
**COMPLEX:** To be named

**OPTION 1**

<b>MAIN STAND SIZE:</b>	m2	20 000
<b>COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT:</b>		1
<b>COST OF STAND:</b>		R 3 750 000
<b>ADJUSTED OFFER</b>	0%	R 3 750 000

**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	33
1	2 Bed, Town House	No	80
1	3 Bed, Town House	No	57
2	3 Bed Duplex	No	80
2	4 Bed Duplex	No	0

1	2 Bed, Flats	No	133
1	3 Bed, Flats	No	100
2	2 Bed, Flats	No	267
2	3 Bed, Flats	No	200

PROPERTY ZONED FOR MAX UNITS:

No 60

UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 742 328	R 2 280 000	R 537 672	33
2	1	2 Bed, Town Hou	R 848 158	R 1 160 000	R 311 842	80
3	1	3 Bed, Town Hou	R 1 185 160	R 1 624 000	R 438 840	57
4	2	3 Bed Duplex	R 1 622 663	R 2 320 000	R 697 337	80
5	2	4 Bed Duplex	R 726 261	R 5 568 000	R 4 841 739	0
6	1	2 Bed, Flats	R 500 218	R 630 000	R 129 782	133
7	1	3 Bed, Flats	R 665 781	R 840 000	R 174 219	100
8	2	2 Bed, Flats	R 480 022	R 630 000	R 149 978	267
9	2	3 Bed, Flats	R 638 853	R 840 000	R 201 147	200

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 58 077 585	R 76 000 000	R 17 922 415	24%
2	1	2 Bed, Town Hou	R 67 852 610	R 92 800 000	R 24 947 390	27%
3	1	3 Bed, Town Hou	R 67 723 410	R 92 800 000	R 25 076 590	27%
4	2	3 Bed Duplex	R 129 813 045	R 185 600 000	R 55 786 955	30%
5	2	4 Bed Duplex	R -	R -	R -	0%
6	1	2 Bed, Flats	R 66 695 717	R 84 000 000	R 17 304 283	21%
7	1	3 Bed, Flats	R 66 578 133	R 84 000 000	R 17 421 867	21%
8	2	2 Bed, Flats	R 128 005 860	R 168 000 000	R 39 994 140	24%
9	2	3 Bed, Flats	R 127 770 693	R 168 000 000	R 40 229 307	24%

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 129 813 045	R 185 600 000	R 55 786 955

## INPUT COST

Stand	R	3 750 000
VAT on Stand	R	562 500
Transfer Fees	R	45 958
Professional Fees	R	8 320 922
Development Cost	R	2 016 269
	<b>R</b>	<b>14 695 649</b>
Bond Cost for 70%	R	167 310
NHBRC Fee's	R	1 788 000
Construction Cost First Inputs	R	18 514 051
Sectional Title Register	R	79 200
Marketing	R	3 712 000
	<b>R</b>	<b>24 260 560</b>
<b>TOTAL INPUT COST</b>	<b>R</b>	<b>38 956 209</b>

## BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	129 813 045
70% of Project Cost	R	90 869 132

**Input Cost Required from Developer** **R 38 943 914**

**Actual Input Cost** **R 38 956 209**

Difference between Required and Actual Input **R 12 296**

**RETURN ON INVESTMENT (INPUTS)** **143%**

**RETURN ON INVESTMENT (INPUTS) Per Annum** **57%**

## 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	16	Months
Stage 6	2	Months
Stage 6	2	Months
Stage 6	12	Months
Stage 6	2	Months
Stage 1 -7	30	Months
<b>TOTAL</b>	<b>30</b>	<b>Months</b>