

## MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

**REFERENCE:** 17  
**STAND:** Residential Development  
**CITY:** Pretoria  
**SUBURB:** Zwavelpoort AH  
**COMPLEX:** To be named

**OPTION 1**

<b>MAIN STAND SIZE:</b>	m2	<b>43 000</b>
<b>COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT:</b>		<b>1</b>
<b>COST OF STAND:</b>		<b>R 6 250 000</b>
<b>OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF:</b>	0%	<b>R 6 250 000</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	72
1	2 Bed, Town House	No	172
1	3 Bed, Town House	No	123
2	3 Bed Duplex	No	172

2	4 Bed Duplex	No	0
1	2 Bed, Flats	No	287
1	3 Bed, Flats	No	215
2	2 Bed, Flats	No	573
2	3 Bed, Flats	No	430

PROPERTY ZONED FOR MAX UNITS:

No	100
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UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 717 174	R 2 280 000	R 562 826	72
2	1	2 Bed, Town Ho	R 837 636	R 1 160 000	R 322 364	172
3	1	3 Bed, Town Ho	R 1 170 429	R 1 624 000	R 453 571	123
4	2	3 Bed Duplex	R 1 612 141	R 2 320 000	R 707 859	172
5	2	4 Bed Duplex	R 726 261	R 5 568 000	R 4 841 739	0
6	1	2 Bed, Flats	R 493 905	R 630 000	R 136 095	287
7	1	3 Bed, Flats	R 657 364	R 840 000	R 182 636	215
8	2	2 Bed, Flats	R 476 865	R 630 000	R 153 135	573
9	2	3 Bed, Flats	R 634 645	R 840 000	R 205 355	430

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 123 064 116	R 163 400 000	R 40 335 884	25%
2	1	2 Bed, Town Ho	R 144 073 381	R 199 520 000	R 55 446 619	28%
3	1	3 Bed, Town Ho	R 143 795 601	R 199 520 000	R 55 724 399	28%
4	2	3 Bed Duplex	R 277 288 317	R 399 040 000	R 121 751 683	31%
5	2	4 Bed Duplex	R -	R -	R -	0%
6	1	2 Bed, Flats	R 141 586 061	R 180 600 000	R 39 013 939	22%
7	1	3 Bed, Flats	R 141 333 257	R 180 600 000	R 39 266 743	22%
8	2	2 Bed, Flats	R 273 402 868	R 361 200 000	R 87 797 132	24%
9	2	3 Bed, Flats	R 272 897 260	R 361 200 000	R 88 302 740	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 277 288 317	R 399 040 000	R 121 751 683

## INPUT COST

Stand	R	6 250 000
VAT on Stand	R	937 500
Transfer Fees	R	62 371
Professional Fees	R	17 889 981
Development Cost	R	4 298 540
	<b>R</b>	<b>29 438 392</b>
Bond Cost for 70%	R	167 310
NHBRC Fee's	R	3 844 200
Construction Cost First Inputs	R	42 488 706
Sectional Title Register	R	162 000
Marketing	R	7 980 800
	<b>R</b>	<b>54 643 015</b>
<b>TOTAL INPUT COST</b>	<b>R</b>	<b>84 081 408</b>

## PROJECT DURATION

### PROJECT MANAGEMENT STAGES

Stage 1	4	Months
Stage 1	4	Months
Stage 1	4	Months
Stage 1 - 5	18	Months
Stage 1 - 5	18	Months
Stage 6	2	Months
Stage 6	2	Months
Stage 6	18	Months
Stage 6	2	Months
Stage 1 -7	38	Months
<b>TOTAL</b>	<b>38</b>	<b>Months</b>

## BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	277 288 317
70% of Project Cost	R	194 101 822
<b>Input Cost Required from Developer</b>	<b>R</b>	<b>83 186 495</b>
<b>Actual Input Cost</b>	<b>R</b>	<b>84 081 408</b>
Difference between Required and Actual Input	R	894 913

## RETURN ON INVESTMENT (INPUTS)

### RETURN ON INVESTMENT (INPUTS) Per Annum

145%
46%