

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 2
STAND: Residential Development
CITY: Pretoria
SUBURB: Olympus
COMPLEX: To be named

OPTION 1

MAIN STAND SIZE:	m2	25 000
COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT:		1
COST OF STAND:		R 5 600 000
OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF:	0%	R 5 600 000

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	42
1	2 Bed, Town House	No	100

1	3 Bed, Town House	No	71
2	3 Bed Duplex	No	100
2	4 Bed Duplex	No	42
1	2 Bed, Flats	No	167
1	3 Bed, Flats	No	125
2	2 Bed, Flats	No	333
2	3 Bed, Flats	No	250

PROPERTY ZONED FOR MAX UNITS:

No	40
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UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 880 507	R 2 280 000	R 399 493	42
2	1	2 Bed, Town House	R 857 068	R 1 160 000	R 302 932	100
3	1	3 Bed, Town House	R 1 197 634	R 1 624 000	R 426 366	71
4	2	3 Bed Duplex	R 1 631 573	R 2 320 000	R 688 427	100
5	2	4 Bed Duplex	R 3 869 111	R 5 568 000	R 1 698 889	42
6	1	2 Bed, Flats	R 505 564	R 630 000	R 124 436	167
7	1	3 Bed, Flats	R 672 909	R 840 000	R 167 091	125
8	2	2 Bed, Flats	R 482 695	R 630 000	R 147 305	333
9	2	3 Bed, Flats	R 642 417	R 840 000	R 197 583	250

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 78 354 459	R 95 000 000	R 16 645 541	18%
2	1	2 Bed, Town House	R 85 706 769	R 116 000 000	R 30 293 231	26%
3	1	3 Bed, Town House	R 85 545 269	R 116 000 000	R 30 454 731	26%
4	2	3 Bed Duplex	R 163 157 313	R 232 000 000	R 68 842 687	30%
5	2	4 Bed Duplex	R 161 212 938	R 232 000 000	R 70 787 062	31%
6	1	2 Bed, Flats	R 84 260 653	R 105 000 000	R 20 739 347	20%
7	1	3 Bed, Flats	R 84 113 673	R 105 000 000	R 20 886 327	20%
8	2	2 Bed, Flats	R 160 898 331	R 210 000 000	R 49 101 669	23%
9	2	3 Bed, Flats	R 160 604 373	R 210 000 000	R 49 395 627	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
2	1	2 Bed, Town House	R 85 706 769	R 116 000 000	R 30 293 231

INPUT COST

Stand	R	5 600 000
VAT on Stand	R	840 000
Transfer Fees	R	58 116
Professional Fees	R	5 200 576
Development Cost	R	2 521 005
	R	14 219 696
Bond Cost for 70%	R	167 310
NHBRC Fee's	R	1 445 000
Construction Cost First Inputs	R	7 800 864
Sectional Title Register	R	97 200
Marketing	R	2 320 000
	R	11 830 374
TOTAL INPUT COST	R	26 050 070

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	8	Months
Stage 6	2	Months
Stage 1 -7	30	Months
TOTAL	30	Months

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost R 85 706 769
70% of Project Cost R 59 994 738

Input Cost Required from Developer R 25 712 031

Actual Input Cost R 26 050 070

Difference between Required and Actual Input R 338 039

RETURN ON INVESTMENT (INPUTS) 116%