

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 22
STAND: Residential Development
CITY: Pretoria
SUBURB: Kilnerpark
COMPLEX: To be named

OPTION 1

MAIN STAND SIZE:	m2	2 118
COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT:		1
COST OF STAND:		R 1 000 000
OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF:	0%	R 1 000 000

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	4
1	2 Bed, Town House	No	8
1	3 Bed, Town House	No	6
2	3 Bed Duplex	No	8
2	4 Bed Duplex	No	0
1	2 Bed, Flats	No	14

1	3 Bed, Flats	No	11
2	2 Bed, Flats	No	28
2	3 Bed, Flats	No	21

PROPERTY ZONED FOR MAX UNITS:

No	4
----	---

UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 537 660	R 2 280 000	R 742 340	4
2	1	2 Bed, Town Hous	R 800 806	R 1 160 000	R 359 194	8
3	1	3 Bed, Town Hous	R 1 118 867	R 1 624 000	R 505 133	6
4	2	3 Bed Duplex	R 1 455 890	R 2 320 000	R 864 110	8
5	2	4 Bed Duplex	R 726 261	R 5 568 000	R 4 841 739	0
6	1	2 Bed, Flats	R 471 807	R 630 000	R 158 193	14
7	1	3 Bed, Flats	R 627 900	R 840 000	R 212 100	11
8	2	2 Bed, Flats	R 429 990	R 630 000	R 200 010	28
9	2	3 Bed, Flats	R 572 144	R 840 000	R 267 856	21

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 5 427 939	R 8 048 400	R 2 620 461	33%
2	1	2 Bed, Town Hous	R 6 784 426	R 9 827 520	R 3 043 094	31%
3	1	3 Bed, Town Hous	R 6 770 743	R 9 827 520	R 3 056 777	31%
4	2	3 Bed Duplex	R 12 334 303	R 19 655 040	R 7 320 737	37%
5	2	4 Bed Duplex	R -	R -	R -	0%
6	1	2 Bed, Flats	R 6 661 911	R 8 895 600	R 2 233 689	25%
7	1	3 Bed, Flats	R 6 649 459	R 8 895 600	R 2 246 141	25%
8	2	2 Bed, Flats	R 12 142 922	R 17 791 200	R 5 648 278	32%
9	2	3 Bed, Flats	R 12 118 018	R 17 791 200	R 5 673 182	32%

BUILDING COST WAS ANALYSED ON

Standard

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
1	1	Full Title Stand	R 5 427 939	R 8 048 400	R 2 620 461

INPUT COST

Stand	R	1 000 000
VAT on Stand	R	150 000
Transfer Fees	R	23 438
Professional Fees	R	261 445
Development Cost	R	232 093
	R	1 666 976
Bond Cost for 70%	R	71 007
NHBRC Fee's	R	78 190
Construction Cost First Inputs	R	98 042
Sectional Title Register	R	-
Marketing	R	160 968
	R	408 206
TOTAL INPUT COST	R	2 075 182

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	5 427 939
70% of Project Cost	R	3 799 557

Input Cost Required from Developer **R 1 628 382**

Actual Input Cost **R 2 075 182**

Difference between Required and Actual Input **R 446 801**

RETURN ON INVESTMENT (INPUTS) **126%**

RETURN ON INVESTMENT (INPUTS) Per Annum **76%**

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	4	Months
Stage 6	2	Months
Stage 1 -7	20	Months
TOTAL	20	Months