

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 23
STAND: Residential Development
CITY: Pretoria
SUBURB: Montana Park
COMPLEX: To be named

OPTION 1

MAIN STAND SIZE: m2 7 400

COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT: 1

COST OF STAND: R 1 900 000

OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF: 20% R 1 520 000

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	250
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	12
1	2 Bed, Town House	No	30
1	3 Bed, Town House	No	21
2	3 Bed Duplex	No	30
2	4 Bed Duplex	No	12
1	2 Bed, Flats	No	49
1	3 Bed, Flats	No	37

2	2 Bed, Flats	No	99
2	3 Bed, Flats	No	74

PROPERTY ZONED FOR MAX UNITS:

No	8
----	---

UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit		Sale / Unit		Profit / Unit	No Units
1	1	Full Title Stand	R 1 377 489	R	2 280 000	R	902 511	12
2	1	2 Bed, Town House	R 733 552	R	1 160 000	R	426 448	30
3	1	3 Bed, Town House	R 1 024 712	R	1 624 000	R	599 288	21
4	2	3 Bed Duplex	R 1 388 637	R	2 320 000	R	931 363	30
5	2	4 Bed Duplex	R 2 114 828	R	2 900 000	R	785 172	12
6	1	2 Bed, Flats	R 503 107	R	630 000	R	126 893	49
7	1	3 Bed, Flats	R 669 634	R	840 000	R	170 366	37
8	2	2 Bed, Flats	R 481 467	R	630 000	R	148 533	99
9	2	3 Bed, Flats	R 640 780	R	840 000	R	199 220	74

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project		Sale / Project		Profit / Project	% Profit
1	1	Full Title Stand	R 16 989 031	R	28 120 000	R	11 130 969	40%
2	1	2 Bed, Town House	R 21 713 147	R	34 336 000	R	12 622 853	37%
3	1	3 Bed, Town House	R 21 665 343	R	34 336 000	R	12 670 657	37%
4	2	3 Bed Duplex	R 41 103 653	R	68 672 000	R	27 568 347	40%
5	2	4 Bed Duplex	R 26 082 877	R	35 766 667	R	9 683 790	27%
6	1	2 Bed, Flats	R 24 819 952	R	31 080 000	R	6 260 048	20%
7	1	3 Bed, Flats	R 24 776 446	R	31 080 000	R	6 303 554	20%
8	2	2 Bed, Flats	R 47 504 705	R	62 160 000	R	14 655 295	24%
9	2	3 Bed, Flats	R 47 417 693	R	62 160 000	R	14 742 307	24%

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
4	2	3 Bed Duplex	R 41 103 653	R	68 672 000	R 27 568 347

INPUT COST

Stand	R	1 520 000
VAT on Stand	R	228 000
Transfer Fees	R	27 784
Professional Fees	R	2 462 644
Development Cost	R	756 799
	R	4 995 227
Bond Cost for 70%	R	167 310
NHBRC Fee's	R	661 560
Construction Cost First Inputs	R	5 233 119
Sectional Title Register	R	33 840
Marketing	R	1 373 440
	R	7 469 268
TOTAL INPUT COST	R	12 464 495
Adjusted INPUT to 70% of Cost	R	12 331 096

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	41 103 653
70% of Project Cost	R	28 772 557
Input Cost Required from Developer	R	12 331 096
Actual Input Cost	R	12 331 096
Difference between Required and Actual Input	R	-

RETURN ON INVESTMENT (INPUTS)

224%

RETURN ON INVESTMENT (INPUTS) Per Annum

96%

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	10	Months
Stage 6	2	Months
Stage 1 -6	28	Months
TOTAL	28	Months