

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 28
STAND: Residential Development
CITY: Pretoria
SUBURB: Queenswood
COMPLEX: To be named

OPTION 1

MAIN STAND SIZE:	m2	1 010
COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT:		1
COST OF STAND:		R 795 000
ADJUSTED OFFER:	0%	R 795 000

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	2
1	2 Bed, Town House	No	4
1	3 Bed, Town House	No	3
2	3 Bed Duplex	No	4
2	4 Bed Duplex	No	0

1	2 Bed, Flats	No	7
1	3 Bed, Flats	No	5
2	2 Bed, Flats	No	13
2	3 Bed, Flats	No	10

PROPERTY ZONED FOR MAX UNITS:

No	2
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UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 692 235	R 2 052 000	R 359 765	2
2	1	2 Bed, Town House	R 837 342	R 881 600	R 44 258	4
3	1	3 Bed, Town House	R 1 170 370	R 1 234 240	R 63 870	3
4	2	3 Bed Duplex	R 1 450 538	R 1 763 200	R 312 662	4
5	2	4 Bed Duplex	R 551 958	R 4 231 680	R 3 679 722	0
6	1	2 Bed, Flats	R 510 216	R 570 000	R 59 784	7
7	1	3 Bed, Flats	R 679 112	R 760 000	R 80 888	5
8	2	2 Bed, Flats	R 444 517	R 570 000	R 125 483	13
9	2	3 Bed, Flats	R 591 513	R 760 000	R 168 487	10

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 2 848 595	R 3 454 200	R 605 605	18%
2	1	2 Bed, Town House	R 3 382 863	R 3 561 664	R 178 801	5%
3	1	3 Bed, Town House	R 3 377 354	R 3 561 664	R 184 310	5%
4	2	3 Bed Duplex	R 5 860 173	R 7 123 328	R 1 263 155	18%
5	2	4 Bed Duplex	R -	R -	R -	0%
6	1	2 Bed, Flats	R 3 435 454	R 3 838 000	R 402 546	10%
7	1	3 Bed, Flats	R 3 429 516	R 3 838 000	R 408 484	11%
8	2	2 Bed, Flats	R 5 986 158	R 7 676 000	R 1 689 842	22%
9	2	3 Bed, Flats	R 5 974 282	R 7 676 000	R 1 701 718	22%

BUILDING COST WAS ANALYSED ON

Standard BUILDING COST

THE UNIT SELL PRICE USED WAS BASED ON A

Standard PRICE FOR THE AREA

FROM THE ANALYSIS ABOVE THE MOST VIABLE DEVELOPMENT IS;

REF	Storey	Type	Cost	Sell Price	Profit
8	2	2 Bed, Flats	R 5 986 158	R 7 676 000	R 1 689 842

INPUT COST

Stand	R	795 000
VAT on Stand	R	119 250
Transfer Fees	R	19 931
Professional Fees	R	336 118
Development Cost	R	119 431
	R	1 389 729
Bond Cost for 70%	R	51 129
NHBRC Fee's	R	120 527
Construction Cost First Inputs	R	84 029
Sectional Title Register	R	19 320
Marketing	R	153 520
	R	428 525
TOTAL INPUT COST	R	1 818 254

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	5 986 158
70% of Project Cost	R	4 190 311
Input Cost Required from Developer	R	1 795 847

Actual Input Cost **R 1 818 254**

Difference between Required and Actual Input **R 22 407**

RETURN ON INVESTMENT (INPUTS) **93%**

RETURN ON INVESTMENT (INPUTS) Per Annum **56%**

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