

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 29
STAND: Residential Development
CITY: Pretoria
SUBURB: Montana
COMPLEX: To be named

OPTION 1

MAIN STAND SIZE:	m2	18 200
COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT:		1
COST OF STAND:		R 3 100 000
OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF:	0%	R 3 100 000

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	30	
1	2 Bed, Town House	No	73	
1	3 Bed, Town House	No	52	
2	3 Bed Duplex	No	73	
2	4 Bed Duplex	No	0	
1	2 Bed, Flats	No	121	

1	3 Bed, Flats	No	91
2	2 Bed, Flats	No	243
2	3 Bed, Flats	No	182

PROPERTY ZONED FOR MAX UNITS:

No	33
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UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 321 564	R 2 052 000	R 730 436	30
2	1	2 Bed, Town House	R 681 465	R 881 600	R 200 135	73
3	1	3 Bed, Town House	R 952 143	R 1 234 240	R 282 097	52
4	2	3 Bed Duplex	R 1 294 661	R 1 763 200	R 468 539	73
5	2	4 Bed Duplex	R 551 958	R 4 231 680	R 3 679 722	0
6	1	2 Bed, Flats	R 416 690	R 570 000	R 153 310	121
7	1	3 Bed, Flats	R 554 410	R 760 000	R 205 590	91
8	2	2 Bed, Flats	R 397 754	R 570 000	R 172 246	243
9	2	3 Bed, Flats	R 529 162	R 760 000	R 230 838	182

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 40 087 438	R 62 244 000	R 22 156 562	36%
2	1	2 Bed, Town House	R 49 610 669	R 64 180 480	R 14 569 811	23%
3	1	3 Bed, Town House	R 49 511 414	R 64 180 480	R 14 669 066	23%
4	2	3 Bed Duplex	R 94 251 310	R 128 360 960	R 34 109 650	27%
5	2	4 Bed Duplex	R -	R -	R -	0%
6	1	2 Bed, Flats	R 50 558 351	R 69 160 000	R 18 601 649	27%
7	1	3 Bed, Flats	R 50 451 350	R 69 160 000	R 18 708 650	27%
8	2	2 Bed, Flats	R 96 521 543	R 138 320 000	R 41 798 457	30%
9	2	3 Bed, Flats	R 96 307 541	R 138 320 000	R 42 012 459	30%

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
1	1	Full Title Stand	R 40 087 438	R 62 244 000	R 22 156 562

INPUT COST

Stand	R	3 100 000
VAT on Stand	R	465 000
Transfer Fees	R	40 887
Professional Fees	R	2 246 602
Development Cost	R	1 833 870
	R	7 686 359
Bond Cost for 70%	R	123 541
NHBRC Fee's	R	637 303
Construction Cost First Inputs	R	2 387 015
Sectional Title Register	R	-
Marketing	R	1 244 880
	R	4 392 739
TOTAL INPUT COST	R	12 079 097

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	40 087 438
70% of Project Cost	R	28 061 207
Input Cost Required from Developer	R	12 026 231

Actual Input Cost **R 12 079 097**

Difference between Required and Actual Input **R 52 866**

RETURN ON INVESTMENT (INPUTS) **183%**

RETURN ON INVESTMENT (INPUTS) Per Annum **110%**

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