

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 3
STAND: Residential Development
CITY: Pretoria
SUBURB: Silverton
COMPLEX: To be named

OPTION 1

MAIN STAND SIZE: m2 41 000
COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT: 1
COST OF STAND: R 11 000 000
OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF: 0% R 11 000 000

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	68
1	2 Bed, Town House	No	0
1	3 Bed, Town House	No	0
2	3 Bed Duplex	No	0
2	4 Bed Duplex	No	0
1	2 Bed, Flats	No	273

1	3 Bed, Flats	No	205
2	2 Bed, Flats	No	547
2	3 Bed, Flats	No	410

PROPERTY ZONED FOR MAX UNITS:

No	200
----	-----

UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 871 712	R 2 052 000	R 180 288	68
2	1	2 Bed, Town Ho	R 114 991	R 881 600	R 766 609	0
3	1	3 Bed, Town Ho	R 160 988	R 1 234 240	R 1 073 252	0
4	2	3 Bed Duplex	R 229 983	R 1 763 200	R 1 533 217	0
5	2	4 Bed Duplex	R 551 958	R 4 231 680	R 3 679 722	0
6	1	2 Bed, Flats	R 430 988	R 570 000	R 139 012	273
7	1	3 Bed, Flats	R 573 475	R 760 000	R 186 525	205
8	2	2 Bed, Flats	R 404 903	R 570 000	R 165 097	547
9	2	3 Bed, Flats	R 538 695	R 760 000	R 221 305	410

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 127 900 287	R 140 220 000	R 12 319 713	9%
2	1	2 Bed, Town Ho	-	-	-	0%
3	1	3 Bed, Town Ho	-	-	-	0%
4	2	3 Bed Duplex	-	-	-	0%
5	2	4 Bed Duplex	-	-	-	0%
6	1	2 Bed, Flats	R 117 803 437	R 155 800 000	R 37 996 563	24%
7	1	3 Bed, Flats	R 117 562 391	R 155 800 000	R 38 237 609	25%
8	2	2 Bed, Flats	R 221 346 891	R 311 600 000	R 90 253 109	29%
9	2	3 Bed, Flats	R 220 864 799	R 311 600 000	R 90 735 201	29%

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 221 346 891	R 311 600 000	R 90 253 109

INPUT COST

Stand	R	11 000 000
VAT on Stand	R	1 650 000
Transfer Fees	R	80 113
Professional Fees	R	13 644 380
Development Cost	R	4 119 251
	R	30 493 744
Bond Cost for 70%	R	167 310
NHBRC Fee's	R	4 892 667
Construction Cost First Inputs	R	25 583 213
Sectional Title Register	R	499 200
Marketing	R	6 232 000
	R	37 374 389
TOTAL INPUT COST	R	67 868 133

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	221 346 891
70% of Project Cost	R	154 942 823
Input Cost Required from Developer	R	66 404 067
Actual Input Cost	R	67 868 133
Difference between Required and Actual Input	R	1 464 065

RETURN ON INVESTMENT (INPUTS)

133%

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