

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 31
STAND: Residential Development
CITY: Pretoria
SUBURB: Equestria
COMPLEX: To be named

OPTION 1

MAIN STAND SIZE: m2 40 000
COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT: 1
COST OF STAND: R 11 605 000
OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF: 0% R 11 605 000

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	67
1	2 Bed, Town House	No	160
1	3 Bed, Town House	No	114
2	3 Bed Duplex	No	160
2	4 Bed Duplex	No	67
1	2 Bed, Flats	No	267
1	3 Bed, Flats	No	200

2	2 Bed, Flats	No	533
2	3 Bed, Flats	No	400

PROPERTY ZONED FOR MAX UNITS:

No	66
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UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 802 367	R 2 280 000	R 477 633	67
2	1	2 Bed, Town House	R 873 136	R 1 160 000	R 286 864	160
3	1	3 Bed, Town House	R 1 220 129	R 1 624 000	R 403 871	114
4	2	3 Bed Duplex	R 1 647 641	R 2 320 000	R 672 359	160
5	2	4 Bed Duplex	R 3 907 674	R 5 568 000	R 1 660 326	67
6	1	2 Bed, Flats	R 515 205	R 630 000	R 114 795	267
7	1	3 Bed, Flats	R 685 764	R 840 000	R 154 236	200
8	2	2 Bed, Flats	R 487 515	R 630 000	R 142 485	533
9	2	3 Bed, Flats	R 648 845	R 840 000	R 191 155	400

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 120 157 775	R 152 000 000	R 31 842 225	21%
2	1	2 Bed, Town House	R 139 701 704	R 185 600 000	R 45 898 296	25%
3	1	3 Bed, Town House	R 139 443 304	R 185 600 000	R 46 156 696	25%
4	2	3 Bed Duplex	R 263 622 575	R 371 200 000	R 107 577 425	29%
5	2	4 Bed Duplex	R 260 511 575	R 371 200 000	R 110 688 425	30%
6	1	2 Bed, Flats	R 137 387 918	R 168 000 000	R 30 612 082	18%
7	1	3 Bed, Flats	R 137 152 751	R 168 000 000	R 30 847 249	18%
8	2	2 Bed, Flats	R 260 008 204	R 336 000 000	R 75 991 796	23%
9	2	3 Bed, Flats	R 259 537 870	R 336 000 000	R 76 462 130	23%

BUILDING COST WAS ANALYSED ON

Medium	BUILDING COST
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THE UNIT SELL PRICE USED WAS BASED ON A

Average	PRICE FOR THE AREA
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FROM THE ANALYSIS ABOVE THE MOST VIABLE DEVELOPMENT IS;

REF	Storey	Type	Cost	Sell Price	Profit
4	2	3 Bed Duplex	R 263 622 575	R 371 200 000	R 107 577 425

INPUT COST

Stand	R	11 605 000
VAT on Stand	R	1 740 750
Transfer Fees	R	80 113
Professional Fees	R	16 641 843
Development Cost	R	4 020 735
	R	34 088 441
Bond Cost for 70%	R	167 310
NHBRC Fee's	R	3 576 000
Construction Cost First Inputs	R	33 699 732
Sectional Title Register	R	151 200
Marketing	R	7 424 000
	R	45 018 242
TOTAL INPUT COST	R	79 106 683

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	263 622 575
70% of Project Cost	R	184 535 802
Input Cost Required from Developer	R	79 086 772
Actual Input Cost	R	79 106 683

Difference between Required and Actual Input R 19 911

RETURN ON INVESTMENT (INPUTS) **136%**

RETURN ON INVESTMENT (INPUTS) Per Annum **35%**

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	18	Months
Stage 6	2	Months
Stage 6	2	Months
Stage 6	24	Months
Stage 6	2	Months
Stage 1 -7	46	Months
TOTAL	46	Months