

## MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

**REFERENCE:** 32  
**STAND:** Residential Development  
**CITY:** Pretoria  
**SUBURB:** Pretoria North  
**COMPLEX:** To be named

**OPTION 1**

<b>MAIN STAND SIZE:</b>	m2	<b>1 419</b>
<b>COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT:</b>		<b>1</b>
<b>COST OF STAND:</b>		<b>R 590 000</b>
<b>OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF:</b>	0%	<b>R 590 000</b>

**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	6
1	3 Bed, Town House	No	4
2	3 Bed Duplex	No	6
2	4 Bed Duplex	No	0

1	2 Bed, Flats	No	9
1	3 Bed, Flats	No	7
2	2 Bed, Flats	No	19
2	3 Bed, Flats	No	14
PROPERTY ZONED FOR MAX UNITS:			No 4

**UNIT TYPE PROFIT ANALYSIS:**

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 470 238	R 2 052 000	R 581 762	2
2	1	2 Bed, Town Hou	R 744 407	R 881 600	R 137 193	6
3	1	3 Bed, Town Hou	R 1 040 261	R 1 234 240	R 193 979	4
4	2	3 Bed Duplex	R 1 357 602	R 1 763 200	R 405 598	6
5	2	4 Bed Duplex	R 551 958	R 4 231 680	R 3 679 722	0
6	1	2 Bed, Flats	R 454 455	R 570 000	R 115 545	9
7	1	3 Bed, Flats	R 604 764	R 760 000	R 155 236	7
8	2	2 Bed, Flats	R 416 636	R 570 000	R 153 364	19
9	2	3 Bed, Flats	R 554 339	R 760 000	R 205 661	14

**PROJECT TYPE PROFIT ANALYSIS:**

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 3 477 112	R 4 852 980	R 1 375 868	28%
2	1	2 Bed, Town Hou	R 4 225 253	R 5 003 962	R 778 708	16%
3	1	3 Bed, Town Hou	R 4 217 515	R 5 003 962	R 786 447	16%
4	2	3 Bed Duplex	R 7 705 752	R 10 007 923	R 2 302 172	23%
5	2	4 Bed Duplex	R -	R -	R -	0%
6	1	2 Bed, Flats	R 4 299 141	R 5 392 200	R 1 093 059	20%
7	1	3 Bed, Flats	R 4 290 799	R 5 392 200	R 1 101 401	20%
8	2	2 Bed, Flats	R 7 882 755	R 10 784 400	R 2 901 645	27%
9	2	3 Bed, Flats	R 7 866 070	R 10 784 400	R 2 918 330	27%

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
<b>1</b>	1	Full Title Stand	R 3 477 112	R 4 852 980	R 1 375 868

## INPUT COST

Stand	R	590 000
VAT on Stand	R	88 500
Transfer Fees	R	16 304
Professional Fees	R	175 161
Development Cost	R	156 097
	<b>R</b>	<b>1 026 062</b>
Bond Cost for 70%	R	32 935
NHBRC Fee's	R	49 689
Construction Cost First Inputs	R	21 895
Sectional Title Register	R	-
Marketing	R	97 060
	<b>R</b>	<b>201 578</b>
<b>TOTAL INPUT COST</b>	<b>R</b>	<b>1 227 640</b>

## 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	5	Months
Stage 6	2	Months
Stage 1 -7	22	Months
<b>TOTAL</b>	<b>22</b>	<b>Months</b>

## BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	3 477 112
70% of Project Cost	R	2 433 979
<b>Input Cost Required from Developer</b>	<b>R</b>	<b>1 043 134</b>
<b>Actual Input Cost</b>	<b>R</b>	<b>1 227 640</b>
Difference between Required and Actual Input	R	184 506
<b>RETURN ON INVESTMENT (INPUTS)</b>		<b>112%</b>
<b>RETURN ON INVESTMENT (INPUTS) Per Annum</b>		<b>61%</b>