

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 34
STAND: Residential Development
CITY: Pretoria
SUBURB: Murrayfield
COMPLEX: To be named

OPTION 1

| | | |
|--|-----|-----------|
| MAIN STAND SIZE: | m2 | 1 758 |
| COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT: | | 1 |
| COST OF STAND: | | R 950 000 |
| OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF: | 30% | R 665 000 |

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 | 3 | |
| 1 | 2 Bed, Town House | No | 7 | |
| 1 | 3 Bed, Town House | No | 5 | |
| 2 | 3 Bed Duplex | No | 7 | |
| 2 | 4 Bed Duplex | No | 0 | |
| 1 | 2 Bed, Flats | No | 12 | |

| | | | |
|---|--------------|----|----|
| 1 | 3 Bed, Flats | No | 9 |
| 2 | 2 Bed, Flats | No | 23 |
| 2 | 3 Bed, Flats | No | 18 |

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 1 447 667 | R 2 052 000 | R 604 333 | 3 |
| 2 | 1 | 2 Bed, Town Hous | R 734 794 | R 881 600 | R 146 806 | 7 |
| 3 | 1 | 3 Bed, Town Hous | R 1 026 804 | R 1 234 240 | R 207 436 | 5 |
| 4 | 2 | 3 Bed Duplex | R 1 347 990 | R 1 763 200 | R 415 210 | 7 |
| 5 | 2 | 4 Bed Duplex | R 551 958 | R 4 231 680 | R 3 679 722 | 0 |
| 6 | 1 | 2 Bed, Flats | R 448 687 | R 570 000 | R 121 313 | 12 |
| 7 | 1 | 3 Bed, Flats | R 597 074 | R 760 000 | R 162 926 | 9 |
| 8 | 2 | 2 Bed, Flats | R 413 752 | R 570 000 | R 156 248 | 23 |
| 9 | 2 | 3 Bed, Flats | R 550 494 | R 760 000 | R 209 506 | 18 |

PROJECT TYPE PROFIT ANALYSIS:

| Reference | | | Cost /Project | Sale / Project | Profit / Project | % Profit |
|-----------|---|------------------|---------------|----------------|------------------|----------|
| 1 | 1 | Full Title Stand | R 4 241 665 | R 6 012 360 | R 1 770 695 | 29% |
| 2 | 1 | 2 Bed, Town Hous | R 5 167 075 | R 6 199 411 | R 1 032 336 | 17% |
| 3 | 1 | 3 Bed, Town Hous | R 5 157 487 | R 6 199 411 | R 1 041 924 | 17% |
| 4 | 2 | 3 Bed Duplex | R 9 479 066 | R 12 398 822 | R 2 919 756 | 24% |
| 5 | 2 | 4 Bed Duplex | R - | R - | R - | 0% |
| 6 | 1 | 2 Bed, Flats | R 5 258 615 | R 6 680 400 | R 1 421 785 | 21% |
| 7 | 1 | 3 Bed, Flats | R 5 248 279 | R 6 680 400 | R 1 432 121 | 21% |
| 8 | 2 | 2 Bed, Flats | R 9 698 356 | R 13 360 800 | R 3 662 444 | 27% |
| 9 | 2 | 3 Bed, Flats | R 9 677 685 | R 13 360 800 | R 3 683 115 | 28% |

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 4 241 665 | R 6 012 360 | R 1 770 695 |

INPUT COST

| | | |
|--------------------------------|----------|------------------|
| Stand | R | 665 000 |
| VAT on Stand | R | 99 750 |
| Transfer Fees | R | 18 240 |
| Professional Fees | R | 217 007 |
| Development Cost | R | 191 430 |
| | R | 1 191 427 |
| Bond Cost for 70% | R | 37 281 |
| NHBRC Fee's | R | 61 559 |
| Construction Cost First Inputs | R | 27 126 |
| Sectional Title Register | R | - |
| Marketing | R | 120 247 |
| | R | 246 213 |
| TOTAL INPUT COST | R | 1 437 640 |

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 |
| TOTAL | 22 | Months |

BANK REQUIREMENT FOR PROJECT LOAN

| | | |
|--|----------|------------------|
| Project Cost | R | 4 241 665 |
| 70% of Project Cost | R | 2 969 165 |
| Input Cost Required from Developer | R | 1 272 499 |
| Actual Input Cost | R | 1 437 640 |
| Difference between Required and Actual Input | R | 165 141 |
| RETURN ON INVESTMENT (INPUTS) | | 123% |
| RETURN ON INVESTMENT (INPUTS) Per Annum | | 67% |