

## MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

**REFERENCE:** 35  
**STAND:** Residential Development  
**CITY:** Pretoria  
**SUBURB:** Petroria Central  
**COMPLEX:** To be named

**OPTION 1**

<b>MAIN STAND SIZE:</b>	m2	3 521
<b>COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT:</b>		13
<b>COST OF STAND:</b>		R 25 900 000
<b>OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF:</b>	50%	R 12 950 000

**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
13	2 Bed, Flats	m2	60
13	3 Bed, Flats	m2	80

**MAXIMUM UNITE PER TYPE/STAND:**

Storey			
1	Full Title Stand	No	6
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	23

1	3 Bed, Flats	No	0
13	2 Bed, Flats	No	305
13	3 Bed, Flats	No	0

PROPERTY ZONED FOR MAX UNITS:

No	305
----	-----

UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 3 423 815	R 2 280 000	R -1 143 815	6
2	1	2 Bed, Town Hou	R 151 304	R 1 160 000	R 1 008 696	0
3	1	3 Bed, Town Hou	R 211 826	R 1 624 000	R 1 412 174	0
4	2	3 Bed Duplex	R 302 609	R 2 320 000	R 2 017 391	0
5	2	4 Bed Duplex	R 726 261	R 5 568 000	R 4 841 739	0
6	1	2 Bed, Flats	R 943 173	R 630 000	R -313 173	23
7	1	3 Bed, Flats	R 109 565	R 840 000	R 730 435	0
8	13	2 Bed, Flats	R 430 866	R 630 000	R 199 134	305
9	13	3 Bed, Flats	R 109 565	R 840 000	R 730 435	0

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 20 092 089	R 13 379 800	R -6 712 289	-50%
2	1	2 Bed, Town Hou	R -	R -	R -	0%
3	1	3 Bed, Town Hou	R -	R -	R -	0%
4	2	3 Bed Duplex	R -	R -	R -	0%
5	2	4 Bed Duplex	R -	R -	R -	0%
6	1	2 Bed, Flats	R 22 139 411	R 14 788 200	R -7 351 211	-50%
7	1	3 Bed, Flats	R -	R -	R -	0%
8	13	2 Bed, Flats	R 131 480 151	R 192 246 600	R 60 766 449	32%
9	13	3 Bed, Flats	R -	R -	R -	0%

BUILDING COST WAS ANALYSED ON

**Standard** BUILDING COST

THE UNIT SELL PRICE USED WAS BASED ON A

**Average** PRICE FOR THE AREA

FROM THE ANALYSIS ABOVE THE MOST VIABLE DEVELOPMENT IS;

REF	Storey	Type	Cost	Sell Price	Profit
<b>8</b>	13	2 Bed, Flats	R 131 480 151	R 192 246 600	R 60 766 449

## INPUT COST

Stand	R	12 950 000
VAT on Stand	R	1 942 500
Transfer Fees	R	80 113
Professional Fees	R	7 616 393
Development Cost	R	426 986
	<b>R</b>	<b>23 015 991</b>
Bond Cost for 70%	R	167 310
NHBRC Fee's	R	2 914 214
Construction Cost First Inputs	R	9 520 491
Sectional Title Register	R	281 838
Marketing	R	3 844 932
	<b>R</b>	<b>16 728 785</b>
<b>TOTAL INPUT COST</b>	<b>R</b>	<b>39 744 776</b>

## PROJECT DURATION

### PROJECT MANAGEMENT STAGES

Stage 1	4	Months
Stage 1	4	Months
Stage 1	4	Months
Stage 1 - 5	20	Months
Stage 1 - 5	20	Months
Stage 6	2	Months
Stage 6	2	Months
Stage 6	16	Months
Stage 6	2	Months
Stage 1 -7	40	Months
<b>TOTAL</b>	<b>40</b>	<b>Months</b>

## BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	131 480 151
70% of Project Cost	R	92 036 106

<b>Input Cost Required from Developer</b>	<b>R</b>	<b>39 444 045</b>
-------------------------------------------	----------	-------------------

<b>Actual Input Cost</b>	<b>R</b>	<b>39 744 776</b>
--------------------------	----------	-------------------

Difference between Required and Actual Input	R	300 731
----------------------------------------------	---	---------

<b>RETURN ON INVESTMENT (INPUTS)</b>	<b>153%</b>
--------------------------------------	-------------

<b>RETURN ON INVESTMENT (INPUTS) Per Annum</b>	<b>46%</b>
------------------------------------------------	------------