

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 38
STAND: Residential Development
CITY: Pretoria
SUBURB: Waterkloof
COMPLEX: To be named

OPTION 1

MAIN STAND SIZE: m2 2 552
COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT: 1
COST OF STAND: R 4 800 000
OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF: 50% R 2 400 000

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	4
1	2 Bed, Town House	No	10
1	3 Bed, Town House	No	7
2	3 Bed Duplex	No	10
2	4 Bed Duplex	No	0
1	2 Bed, Flats	No	17

1	3 Bed, Flats	No	13
2	2 Bed, Flats	No	34
2	3 Bed, Flats	No	26

PROPERTY ZONED FOR MAX UNITS:

No	5
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UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 2 224 496	R 2 508 000	R 283 504	4
2	1	2 Bed, Town House	R 1 060 153	R 1 322 400	R 262 247	10
3	1	3 Bed, Town House	R 1 481 953	R 1 851 360	R 369 407	7
4	2	3 Bed Duplex	R 1 858 947	R 2 644 800	R 785 853	10
5	2	4 Bed Duplex	R 827 937	R 6 347 520	R 5 519 583	0
6	1	2 Bed, Flats	R 626 462	R 720 000	R 93 538	17
7	1	3 Bed, Flats	R 834 107	R 960 000	R 125 893	13
8	2	2 Bed, Flats	R 550 161	R 720 000	R 169 839	34
9	2	3 Bed, Flats	R 732 372	R 960 000	R 227 628	26

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 9 461 522	R 10 667 360	R 1 205 838	11%
2	1	2 Bed, Town House	R 10 822 039	R 13 499 059	R 2 677 020	20%
3	1	3 Bed, Town House	R 10 805 553	R 13 499 059	R 2 693 506	20%
4	2	3 Bed Duplex	R 18 976 128	R 26 998 118	R 8 021 991	30%
5	2	4 Bed Duplex	R -	R -	R -	0%
6	1	2 Bed, Flats	R 10 658 204	R 12 249 600	R 1 591 396	13%
7	1	3 Bed, Flats	R 10 643 201	R 12 249 600	R 1 606 399	13%
8	2	2 Bed, Flats	R 18 720 146	R 24 499 200	R 5 779 054	24%
9	2	3 Bed, Flats	R 18 690 139	R 24 499 200	R 5 809 061	24%

BUILDING COST WAS ANALYSED ON

Medium BUILDING COST

THE UNIT SELL PRICE USED WAS BASED ON A

Up Market PRICE FOR THE AREA

FROM THE ANALYSIS ABOVE THE MOST VIABLE DEVELOPMENT IS;

REF	Storey	Type	Cost	Sell Price	Profit
4	2	3 Bed Duplex	R 18 976 128	R 26 998 118	R 8 021 991

INPUT COST

Stand	R	2 400 000
VAT on Stand	R	360 000
Transfer Fees	R	35 815
Professional Fees	R	1 061 750
Development Cost	R	287 227
	R	4 144 791
Bond Cost for 70%	R	79 888
NHBRC Fee's	R	244 727
Construction Cost First Inputs	R	796 312
Sectional Title Register	R	16 387
Marketing	R	539 962
	R	1 677 276
TOTAL INPUT COST	R	5 822 067

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	18 976 128
70% of Project Cost	R	13 283 289
Input Cost Required from Developer	R	5 692 838
Actual Input Cost	R	5 822 067

Difference between Required and Actual Input **R 129 229**

RETURN ON INVESTMENT (INPUTS) **138%**

RETURN ON INVESTMENT (INPUTS) Per Annum **59%**

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	10	Months
Stage 6	2	Months
Stage 1 -7	28	Months
TOTAL	28	Months