

**MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST VIABILITY FOR  
(PROVISIONAL)**

REFERENCE: 42  
 STAND: Residential Development  
 CITY: Pretoria  
 SUBURB: Aideon  
 COMPLEX: To be named

**OPTION 1**

MAIN STAND SIZE: m2 **22 000**

COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT FOR FLATS: **1**

COST OF STAND: R **1 650 000**

OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF: **0%** R **1 650 000**

**AVERAGE UNITE SIZE PER TYPE:**

Storey			
1	Full Title Stand	m2	200
1	2 Bed, Town House	m2	110
1	3 Bed, Town House	m2	130
2	3 Bed Duplex	m2	140
2	4 Bed Duplex	m2	160
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	44
1	2 Bed, Town House	No	80
1	3 Bed, Town House	No	0
2	3 Bed Duplex	No	126
2	4 Bed Duplex	No	98
1	2 Bed, Flats	No	147
1	3 Bed, Flats	No	110
2	2 Bed, Flats	No	293
2	3 Bed, Flats	No	220

**PROPERTY ZONED FOR MAX UNITS:**

**No** 80

**UNIT TYPE PROFIT ANALYSIS:**

			Cost / Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 055 216	R 1 710 000	R 654 784	44
2	1	2 Bed, Town Hou	R 723 396	R 969 760	R 246 364	80
3	1	3 Bed, Town Hou	R 149 489	R 1 146 080	R 996 591	0
4	2	3 Bed Duplex	R 891 500	R 1 234 240	R 342 740	126
5	2	4 Bed Duplex	R 1 022 011	R 1 410 560	R 388 549	98
6	1	2 Bed, Flats	R 402 583	R 570 000	R 167 417	147
7	1	3 Bed, Flats	R 631 138	R 760 000	R 128 862	110
8	2	2 Bed, Flats	R 390 700	R 570 000	R 179 300	293
9	2	3 Bed, Flats	R 519 758	R 760 000	R 240 242	220

**PROJECT TYPE PROFIT ANALYSIS:**

Reference			Cost / Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 46 429 496	R 75 240 000	R 28 810 504	38%
2	1	2 Bed, Town Hou	R 57 871 704	R 77 580 800	R 19 709 096	25%
3	1	3 Bed, Town Hou	R -	R -	R -	0%
4	2	3 Bed Duplex	R 112 074 318	R 155 161 600	R 43 087 282	28%
5	2	4 Bed Duplex	R 99 929 946	R 137 921 422	R 37 991 476	28%
6	1	2 Bed, Flats	R 59 045 473	R 83 600 000	R 24 554 527	29%
7	1	3 Bed, Flats	R 69 425 160	R 83 600 000	R 14 174 840	17%
8	2	2 Bed, Flats	R 114 605 375	R 167 200 000	R 52 594 625	31%
9	2	3 Bed, Flats	R 114 346 691	R 167 200 000	R 52 853 309	32%

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 46 429 496	R 75 240 000	R 28 810 504

**INPUT COST**

Stand	R 1 650 000
VAT on Stand	R 247 500
Transfer Fees	R 28 629
Professional Fees	R 2 715 673
Development Cost	R 2 195 972
	<b>R 6 837 774</b>
Bond Cost for 70%	R 167 310
NHBRC Fee's	R 817 300
Construction Cost First Inputs	R 5 770 805
Sectional Title Register	R -
Marketing	R 1 504 800
	<b>R 8 260 215</b>

<b>TOTAL INPUT COST</b>	<b>R 15 097 988</b>
<b>Adjusted INPUT to 70% of Cost</b>	<b>R 13 928 849</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	12	Months
Stage 6	2	Months
Stage 1 - 6	30	Months

<b>TOTAL</b>	<b>30</b>	<b>Months</b>
--------------	-----------	---------------

**BANK REQUIREMENT FOR PROJECT LOAN**

Project Cost	R 46 429 496
70% of Project Cost	R 32 500 647

<b>Input Cost Required from Developer</b>	<b>R 13 928 849</b>
---	---------------------

<b>Actual Input Cost</b>	<b>R 13 928 849</b>
--------------------------	---------------------

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

<b>RETURN ON INVESTMENT (INPUTS)</b>	<b>207%</b>
--------------------------------------	-------------

<b>RETURN ON INVESTMENT (INPUTS) Per Annum</b>	<b>83%</b>
--	------------

**NOTES:**

1 This property is suitable for a number of different developments