

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS PROVISIONAL

REFERENCE: 5
 STAND: Residential Development
 CITY: Pretoria
 SUBURB: Queenswood
 COMPLEX: To be named

OPTION 1

MAIN STAND SIZE: m2 7 415

COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT: 1

COST OF STAND: R 6 850 000

OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF: 20% R 5 480 000

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	12
1	2 Bed, Town House	No	30
1	3 Bed, Town House	No	21
2	3 Bed Duplex	No	30

2	4 Bed Duplex	No	12
1	2 Bed, Flats	No	49
1	3 Bed, Flats	No	37
2	2 Bed, Flats	No	99
2	3 Bed, Flats	No	74

PROPERTY ZONED FOR MAX UNITS:

No	5,176
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UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 657 965	R 2 052 000	R 394 035	12
2	1	2 Bed, Town Hou	R 821 755	R 881 600	R 59 845	30
3	1	3 Bed, Town Hou	R 1 148 548	R 1 234 240	R 85 692	21
4	2	3 Bed Duplex	R 1 434 950	R 1 763 200	R 328 250	30
5	2	4 Bed Duplex	R 3 431 225	R 4 231 680	R 800 455	12
6	1	2 Bed, Flats	R 500 863	R 570 000	R 69 137	49
7	1	3 Bed, Flats	R 666 642	R 760 000	R 93 358	37
8	2	2 Bed, Flats	R 439 840	R 570 000	R 130 160	99
9	2	3 Bed, Flats	R 585 278	R 760 000	R 174 722	74

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 20 489 689	R 25 359 300	R 4 869 611	19%
2	1	2 Bed, Town Hou	R 24 373 247	R 26 148 256	R 1 775 009	7%
3	1	3 Bed, Town Hou	R 24 332 809	R 26 148 256	R 1 815 447	7%
4	2	3 Bed Duplex	R 42 560 629	R 52 296 512	R 9 735 883	19%
5	2	4 Bed Duplex	R 42 404 225	R 52 296 512	R 9 892 287	19%
6	1	2 Bed, Flats	R 24 759 350	R 28 177 000	R 3 417 650	12%
7	1	3 Bed, Flats	R 24 715 756	R 28 177 000	R 3 461 244	12%
8	2	2 Bed, Flats	R 43 485 562	R 56 354 000	R 12 868 438	23%
9	2	3 Bed, Flats	R 43 398 374	R 56 354 000	R 12 955 626	23%

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
8	2	2 Bed, Flats	R 43 485 562	R 56 354 000	R 12 868 438

INPUT COST

Stand	R	5 480 000
VAT on Stand	R	822 000
Transfer Fees	R	58 116
Professional Fees	R	2 467 636
Development Cost	R	788 608
	R	9 616 360
Bond Cost for 70%	R	167 310
NHBRC Fee's	R	884 857
Construction Cost First Inputs	R	1 233 818
Sectional Title Register	R	96 180
Marketing	R	1 127 080
	R	3 509 244
TOTAL INPUT COST	R	13 125 604

PROJECT DURATION

PROJECT MANAGEMENT STAGES

Stage 1	4	Months
Stage 1	4	Months
Stage 1	4	Months
Stage 1 - 5	10	Months
Stage 1 - 5	10	Months
Stage 6	2	Months
Stage 6	2	Months
Stage 6	8	Months
Stage 6	2	Months
Stage 1 -7	20	Months
TOTAL	20	Months

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	43 485 562
70% of Project Cost	R	30 439 893
Input Cost Required from Developer	R	13 045 669

Actual Input Cost **R 13 125 604**

Difference between Required and Actual Input **R 79 936**

RETURN ON INVESTMENT (INPUTS) **98%**