

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 6
STAND: Residential Development
CITY: Pretoria
SUBURB: Wonderboom AH
COMPLEX: To be named

OPTION 1

MAIN STAND SIZE: m2 11 000
COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT: 1
COST OF STAND: R 4 300 000
OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF: 0% R 4 300 000

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	18
1	2 Bed, Town House	No	44
1	3 Bed, Town House	No	31
2	3 Bed Duplex	No	44
2	4 Bed Duplex	No	0
1	2 Bed, Flats	No	73

1	3 Bed, Flats	No	55
2	2 Bed, Flats	No	147
2	3 Bed, Flats	No	110

PROPERTY ZONED FOR MAX UNITS:

No	33
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UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 1 452 169	R 2 052 000	R 599 831	18
2	1	2 Bed, Town Ho	R 735 939	R 881 600	R 145 661	44
3	1	3 Bed, Town Ho	R 1 028 406	R 1 234 240	R 205 834	31
4	2	3 Bed Duplex	R 1 349 135	R 1 763 200	R 414 065	44
5	2	4 Bed Duplex	R 551 958	R 4 231 680	R 3 679 722	0
6	1	2 Bed, Flats	R 449 374	R 570 000	R 120 626	73
7	1	3 Bed, Flats	R 597 989	R 760 000	R 162 011	55
8	2	2 Bed, Flats	R 414 096	R 570 000	R 155 904	147
9	2	3 Bed, Flats	R 550 952	R 760 000	R 209 048	110

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 26 623 097	R 37 620 000	R 10 996 903	29%
2	1	2 Bed, Town Ho	R 32 381 317	R 38 790 400	R 6 409 083	17%
3	1	3 Bed, Town Ho	R 32 321 328	R 38 790 400	R 6 469 072	17%
4	2	3 Bed Duplex	R 59 361 925	R 77 580 800	R 18 218 875	23%
5	2	4 Bed Duplex	R -	R -	R -	0%
6	1	2 Bed, Flats	R 32 954 092	R 41 800 000	R 8 845 908	21%
7	1	3 Bed, Flats	R 32 889 421	R 41 800 000	R 8 910 579	21%
8	2	2 Bed, Flats	R 60 734 043	R 83 600 000	R 22 865 957	27%
9	2	3 Bed, Flats	R 60 604 701	R 83 600 000	R 22 995 299	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
9	2	3 Bed, Flats	R 60 604 701	R 83 600 000	R 22 995 299

INPUT COST

Stand	R	4 300 000
VAT on Stand	R	645 000
Transfer Fees	R	51 354
Professional Fees	R	3 660 687
Development Cost	R	1 135 025
	R	9 792 066
Bond Cost for 70%	R	167 310
NHBRC Fee's	R	1 193 500
Construction Cost First Inputs	R	5 491 031
Sectional Title Register	R	106 200
Marketing	R	1 672 000
	R	8 630 041
TOTAL INPUT COST	R	18 422 106

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	60 604 701
70% of Project Cost	R	42 423 291
Input Cost Required from Developer	R	18 181 410
Actual Input Cost	R	18 422 106
Difference between Required and Actual Input	R	240 696

RETURN ON INVESTMENT (INPUTS)

125%

RETURN ON INVESTMENT (INPUTS) Per Annum

62%

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	8	Months
Stage 6	2	Months
Stage 1 -7	24	Months
TOTAL	24	Months