

MULTIPLE RESIDENTIAL DEVELOPMENT AND BUILDING COST ANALYSIS FOR PROVISIONAL

REFERENCE: 7
STAND: Residential Development
CITY: Pretoria
SUBURB: Waterkloof Heights
COMPLEX: To be named

OPTION 1

MAIN STAND SIZE: m2 1 900

COMPULSORY STOREYS FOR MAX. UNITS PER DEVELOPMENT: 1

COST OF STAND: R 1 200 000

OFFER PRICE FOR STAND IF ASKING PRICE IS OVER PRICED, AT A DISCOUNT OF: 0% R 1 200 000

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	3	
1	2 Bed, Town House	No	8	
1	3 Bed, Town House	No	5	
2	3 Bed Duplex	No	8	

2	4 Bed Duplex	No	0
1	2 Bed, Flats	No	13
1	3 Bed, Flats	No	10
2	2 Bed, Flats	No	25
2	3 Bed, Flats	No	19

PROPERTY ZONED FOR MAX UNITS:

No	4
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UNIT TYPE PROFIT ANALYSIS:

			Cost /Unit	Sale / Unit	Profit / Unit	No Units
1	1	Full Title Stand	R 2 042 969	R 2 508 000	R 465 031	3
2	1	2 Bed, Town Ho	R 984 722	R 1 322 400	R 337 678	8
3	1	3 Bed, Town Ho	R 1 376 350	R 1 851 360	R 475 010	5
4	2	3 Bed Duplex	R 1 783 516	R 2 644 800	R 861 284	8
5	2	4 Bed Duplex	R 827 937	R 6 347 520	R 5 519 583	0
6	1	2 Bed, Flats	R 581 204	R 720 000	R 138 796	13
7	1	3 Bed, Flats	R 773 762	R 960 000	R 186 238	10
8	2	2 Bed, Flats	R 527 532	R 720 000	R 192 468	25
9	2	3 Bed, Flats	R 702 200	R 960 000	R 257 800	19

PROJECT TYPE PROFIT ANALYSIS:

Reference			Cost /Project	Sale / Project	Profit / Project	% Profit
1	1	Full Title Stand	R 6 469 402	R 7 942 000	R 1 472 598	19%
2	1	2 Bed, Town Ho	R 7 483 890	R 10 050 240	R 2 566 350	26%
3	1	3 Bed, Town Ho	R 7 471 616	R 10 050 240	R 2 578 624	26%
4	2	3 Bed Duplex	R 13 554 724	R 20 100 480	R 6 545 756	33%
5	2	4 Bed Duplex	R -	R -	R -	0%
6	1	2 Bed, Flats	R 7 361 913	R 9 120 000	R 1 758 087	19%
7	1	3 Bed, Flats	R 7 350 742	R 9 120 000	R 1 769 258	19%
8	2	2 Bed, Flats	R 13 364 142	R 18 240 000	R 4 875 858	27%
9	2	3 Bed, Flats	R 13 341 801	R 18 240 000	R 4 898 199	27%

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 13 554 724	R 20 100 480	R 6 545 756

INPUT COST

Stand	R	1 200 000
VAT on Stand	R	180 000
Transfer Fees	R	25 248
Professional Fees	R	790 488
Development Cost	R	212 428
	R	2 408 163
Bond Cost for 70%	R	75 633
NHBRC Fee's	R	182 202
Construction Cost First Inputs	R	988 109
Sectional Title Register	R	14 040
Marketing	R	402 010
	R	1 661 994
TOTAL INPUT COST	R	4 070 157

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	5	Months
Stage 6	2	Months
Stage 1 - 7	21	Months
TOTAL	21	Months

BANK REQUIREMENT FOR PROJECT LOAN

Project Cost	R	13 554 724
70% of Project Cost	R	9 488 307
Input Cost Required from Developer	R	4 066 417
Actual Input Cost	R	4 070 157

Difference between Required and Actual Input **R 3 740**

RETURN ON INVESTMENT (INPUTS)	161%
RETURN ON INVESTMENT (INPUTS) Per Annum	92%