BUILDING COST RATES

This section provides a list of approximate inclusive building cost rates for various building types in South Africa.

It is emphasized that these rates are of indicative nature only and should be used circumspectly, as they are dependent upon a number of assumptions.

See "Inclusive rate estimates" herein.

The area of the building expressed in m² is equivalent to the "construction area" where appropriate, as defined in the "Method for Measuring Floor Areas in Buildings, First Edition" (effective from 1 August 2005), published by the South African Property Owners Association (SAPOA).

REGIONAL VARIATIONS

Construction costs normally vary between the different provinces of South Africa. Costs in parts of the Western Cape and KwaZulu-Natal, specifically upper class residential, for example, are generally significantly higher than Gauteng due to the demand for this accommodation.

Rates have therefore been based on data received from the Gauteng province, where possible. Be mindful, however, that cost differences between provinces at a given point in time are not constant and may vary over time due to differences in supply and demand or other factors. Specific costs for any region can be given upon request by any Davis Langdon office in that region.

BUILDING RATES

Rates include the cost of appropriate building services, e.g. air-conditioning, electrical, etc., but exclude costs of site infrastructure development, parking, any future escalation, loss of interest, professional fees and Value Added Tax (VAT).

**Offices Rate per m² (excl. VAT)**

*Low-rise office park development with standard specification*

R 5,500 - R 6,700

*Low-rise prestigious office park development*

R 7,100 - R 10,600

*High-rise tower block with standard specification*

R 7,800 - R 10,600

*High-rise prestigious tower block*

R10,600 - R 13,250
Note: Office rates exclude parking and include appropriate tenant allowances incorporating carpets, wallpaper, louvre drapes, partitions, lighting, air-conditioning and electrical reticulation.

**Parking Rate per m² (excl. VAT)**

**Parking on grade, including integral landscaping**

R 375 - R 480

**Structured parking**

R 2,950 - R 3,800

**Parking in semi-basement**

R 2,950 - R 4,000

**Parking in basement**

R 3,200 - R 4,800

**Retail**

**Local convenience centres (Not exceeding 5,000m²)**

R 5,300 - R 6,900

**Neighbourhood centres (5,000–12,000m²)**

R 5,300 - R 7,400

**Community centres (12,000–25,000m²)**

R 5,800 - R 8,000

**Minor regional centres (25,000–50,000m²)**

R 6,400 - R 8,500

**Regional centres (50,000–100,000m²)**

R 7,400 - R 9,000

**Super regional centres (Exceeding 100,000m²)**

R 7,400 - R 10,000

**Note:** Super regional centres and regional centres are generally inward trading with internal malls, whereas convenient, neighbourhood and community centres are generally outward trading with no internal malls. Retail rates include the cost of tenant requirements and specifications of national chain stores. Retail costs vary considerably depending on the tenant mix and sizing of the various stores.
**Industrial Rate per m² (excl. VAT)**

Industrial warehouse, including office and change facilities within structure area (architect/engineer-designed):

- **Steel frame, steel cladding and roof sheeting**
  R 2,650 - R 4,000

- **Steel frame, brickwork to ceiling, steel cladding above and roof sheeting**
  R 3,200 - R 4,450

- **Administration offices, ablution and change room block**
  R 5,100 - R 6,400

- **Cold storage facilities**
  R 9,400 - R 13,500

**Residential Rate per no (excl. VAT)**

Site services to low-cost housing stand (250 - 350m²)

R23,500 - R 36,000

**Rate per m² (excl. VAT)**

**RDP housing** R 1,300 - R 1,500

**Low-cost housing** R 2,100 - R 3,400

**Simple low-rise apartment block** R 5,000 - R 7,000

**Duplex townhouse - Economic** R 5,000 - R 7,100

**Prestige apartment block** R 9,500 - R 14,800

**Private dwelling houses:**

- **Economic** R 3,600
- **Standard** R 4,900
- **Middle class** R 5,800
- **Luxury** R 8,300
- **Exclusive** R 12,300
- **Exceptional (super luxury)** R19,000 - R 38,000

**Outbuildings** R 2,100 - R 3,600


**Rate per no (excl. VAT)**

Carport (shaded) - single  R 3,100
- double  R 5,900

Carport (covered) - single  R 4,800
- double  R 8,800

**Rate per no (excl. VAT)**

Swimming pool
- Not exceeding 50 kl  R 64,000
- Exceeding 50 kl and not exceeding 100 kl R64,000 - R 106,000

Tennis court
- Standard  R 228,000
- Floodlit  R 297,000

**Hotels**

Budget  R 525,000 - R 820,000/key

Mid-scale  R 1,100,000 - R 1,450,000/key

Luxury  R 1,865,000 - R 2,565,000/key

**Note:** Hotel rates exclude allowances for furniture, fittings and equipment (FF&E).

**Studios Rate per m² (excl. VAT)**

Studios - dancing, art exhibitions, etc
R 9,400 - R 13,500

**Conference centres**

Conference centre to international standards
R 17,000 - R 22,000
**Retirement centres**

Dwelling houses
- Middle class   R 5,600
- Luxury        R 7,850

Apartment block
- Middle class   R 5,800
- Luxury        R 9,000

Community centre
- Middle class   R 7,500
- Luxury        R 11,100

Frail care      R 9,000

**Schools Rate per m² (excl. VAT)**

Primary school R 4,800 -  R 6,000
Secondary school R 5,100 - R 6,700

**Stadiums Rate per no (excl. VAT)**

Stadium to PSL standards R 23,000 - R 36,000/seat
Stadium to FIFA standards R 53,000 - R 71,000/seat
Stadium pitch to FIFA
standards R15,000,000 - R18,000,000

**Prisons**

1,000 Inmate prison R 400,000 - R 425,000/inmate
500 Inmate prison R 425,000 - R 475,000/inmate
High/maximum security
prison R 635,000 - R 850,000/inmate
BUILDING SERVICES

The following rates are for building services (mechanical and electrical) applicable to typical building types in the categories indicated. Rates are dependent on various factors related to the design of the building and the requirements of the system.

In particular, the design, and therefore the cost of airconditioning, can vary appreciably depending on the orientation, shading, extent and type of glazing, external wall and roof construction, etc.

**Electrical installation Rate per m² (excl. VAT)**

- **generators to office buildings** R 250 - R 340
- Residential R 370 - R 570
- Shopping centres R 560 - R 700
- Hotels R 720 - R 890
- Hospitals R 850 - R 1,100

**Electronic installation**

- Offices
  - Standard installation R 370 - R 470
  - Sophisticated installation R 480 - R 600
- Residential R 200 - R 260
- Shopping centres R 450 - R 600
- Hotels R 400 - R 500
- Hospitals R 400 - R 520

Note: Electronic installation includes access control, CCTV, public address, fire detection, data installation, Wireless Fidelity (WiFi), Community Antenna Television (CATV), Private Automatic Branch Exchange (PABX) and Building Management Systems (BMS).
Fire protection installation Rate per m² (excl. VAT)

(others)

Sprinkler system, including
hydrants and hose reels
(excluding void sprinklers) R 150 - R 240

Air-conditioning installation

Ventilation to parking/service areas
R 160 - R 310

Offices
- Console units R 480 - R 630
- Console/split units R 550 - R 700
- Package units R 770 - R 950
- Central plant R 1,000 - R 1,450
- Variable refrigerant flow (VRF) R 1,000 - R 1,600

Residential — split units R 720 - R 1,250

Shopping centres
- Split units R 660 - R 780
- Package units R 715 - R 1,250
- Evaporative cooling R 330 - R 800

Hotels — public areas R 1,000 - R 1,700

Hospitals — split units to wards R 1,430 - R 1,650

Rate per no (excl. VAT)

Hotels
- Console units R 13,250 - R 18,500/key
- Split units R 27,500 - R 37,500/key
- Central plant R 42,500 - R 70,000/key