Learn property development – Developing single family homes

6 Speculative home benefits in real estate
- The initial investment is low
- Financing is simple
- Favourable tax laws
- Liquidity
- No sophisticated market
- Exceptional capital growth

Risks in property development
- High competition
- Inefficient land use

Demand for single home speculation

Business strategy for single-family home
- Construct and sell
- Construct and rent
- Construction, part-sale, and part-rental
- Which strategy should you use?

Consider market profile
- Singles
- A young couple with no plans to start a family
- Young couple planning family
- Single parent
- Established family
- A well-established family of professionals

Location

Site analysis

Market analysis
- Previous sales information
- Currently available rentals

Real estate team for development
- Architect or designer
- Surveyor of land
- Construction estimator
- Structural engineer

Preparing a building budget

Design
- Appeal
- Lightness and radiance
- Open-concept living
- Solar design
- Unused space
- Security

Contract

Construction
- 1. Slab down
- 2. Plate height
- 3. Roof cover
- 4. Lock-up
- 5. Completion

Alternatives
- Owner-building
- Creating a project

Marketing
- Is it OK to give the agent an exclusive?
- Has the agent defined the services?
- Has the agent described all the terms and conditions?

Conclusion