

APPENDIX 3

ECONOMIC IMPACT ASSESSMENT MODEL

SUMMARY

	Year 1 2000	Year 2 2001	Year 3 2002	Year 4 2003	Year 5 2004	Year 6 2005	Year 7 2006	Year 8 2007	Year 9 2008	Year 10 2009
CONSTRUCTION										
Net local impact of expenditure:	453,070,382	21,767,723	19,763,812	25,373,034	56,452,468	80,202,881	58,143,955	63,504,148	64,514,034	53,520,000
Net employment effect:	7,261	349	317	407	905	1,285	932	1,018	1,034	858
RETAIL (Regional)										
Net local impact of expenditure:	244,854,058	0	0	0	0	0	35,498,639	58,496,103	64,323,176	86,536,140
Net employment effect:	3,950	0	0	0	0	0	573	944	1,038	1,396
RETAIL (Neighbourhood)										
Net local impact of expenditure:	72,658,234	0	1,409,042	2,217,777	5,268,613	6,031,403	10,353,447	11,481,417	16,812,516	17,286,177
Net employment effect:	1,172	0	23	36	85	97	167	185	271	279
COMMERCIAL										
Net local impact of expenditure:	362,927,453	7,349,575	12,196,940	19,788,514	26,576,929	36,774,368	48,487,309	57,998,492	71,554,289	79,504,765
Net employment effect:	5,057	38	170	276	370	512	676	808	997	1,108
INDUSTRIAL										
Net local impact of expenditure:	176,575,217	1,056,712	5,053,639	8,583,919	13,031,025	17,257,874	24,064,794	29,653,815	35,588,928	39,543,253
Net employment effect:	1,874	11	54	91	138	183	255	315	378	420
SMME										
Net local impact of expenditure:	184,625,860	2,078,706	7,567,498	11,248,030	15,493,196	19,864,955	25,355,908	29,087,514	32,846,454	36,496,060
Net employment effect:	2,367	27	97	144	189	255	325	373	421	468
OFFICES										
Net local impact of expenditure:	136,635,229	0	4,369,021	6,139,134	11,901,491	14,731,029	17,860,858	21,290,979	25,021,390	27,050,152
Net employment effect:	1,297	0	41	58	79	113	170	202	238	257
HOTEL										
Net local impact of expenditure:	2,991,530	0	0	0	302,270	302,270	332,136	332,136	837,893	884,825
Net employment effect:	48	0	0	0	5	5	5	5	14	14
Total net local impact of expenditure:	1,271,410,510	12,963,747	40,319,926	55,693,936	102,449,063	138,390,412	171,608,737	213,846,111	239,944,390	281,318,607
Total net local employment effect:	17,969	195	655	756	1,444	1,965	2,427	3,042	3,393	3,691
Direct Employment										
Total	13,856	1,192	1,239	807	1,703	2,202	1,530	1,651	1,655	1,353
Maintenance	1,192	76	78	62	171	156	149	149	154	136
RETAIL (Regional)	1,579	0	0	0	0	0	263	395	395	526
RETAIL (Neighbourhood)	851	41	41	41	81	122	122	122	162	162
INDUSTRIAL	7,237	132	263	526	658	789	921	1,053	1,184	1,316
SMME	5,978	109	217	326	543	652	761	870	978	1,087
OFFICES	4,200	0	267	317	417	467	517	567	617	667
HOTEL	128	0	0	0	16	16	16	16	32	32
Total Direct Employment	35,022	1,225	1,947	2,238	3,569	4,364	4,278	4,821	5,177	5,278
Temporary Employment	13,856	909	1,239	807	1,703	2,202	1,530	1,651	1,655	1,353
Employment Multiplier	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Off-site (Employment In Supply Industries)	6,928	455	620	404	852	1,101	765	825	827	676
Total Construction related Employment	20,785	1,364	1,859	1,211	2,555	3,303	2,294	2,476	2,482	2,029
Operations Employment	21,165	316	1,140	1,430	1,866	2,161	2,748	3,170	3,522	3,926

CONSTRUCTION

Total Construction Expenditure
Annual estimated construction expenditure (all categories):

	Year 1 2000	Year 2 2001	Year 3 2002	Year 4 2003	Year 5 2004	Year 6 2005	Year 7 2006	Year 8 2007	Year 9 2008	Year 10 2009
Transportation Infrastructure	986,919,658	89,144,847	58,076,250	58,076,250	122,551,250	158,449,691	110,051,100	118,776,100	119,051,100	97,326,100
Bulk Infrastructure	65,416,970	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RETAIL (Regional)	2,700,000	14,400,000	N/A	N/A	N/A	33,800,000	N/A	N/A	N/A	N/A
RETAIL (Neighbourhood)	5,775,470	3,143,590	0	0	0	6,823,591	0	0	0	0
COMMERCIAL	0	0	0	0	0	10,000	5,000	0	5,000	0
INDUSTRIAL	0	1,500	0	0	1,500	20,500,000	10,250,000	0	10,250,000	0
SMME	0	2,475,000	0	0	0	0	1,500	0	1,500	0
OFFICES	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
MEDICAL	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000	7,875,000
RESIDENTIAL : Mortgaged Homes	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
RESIDENTIAL : Affordable Homes	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
RESIDENTIAL : Low Cost Homes	2,062,500	2,062,500	2,062,500	2,062,500	2,062,500	2,062,500	2,062,500	2,062,500	2,062,500	2,062,500
HOTEL	0	8,000	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Total area of development	37,780	38,994	30,994	30,994	85,294	77,901	74,401	74,501	77,201	67,901
Total area of the Retail component of the development	0	1,500	1,500	1,500	3,000	13,000	19,500	19,500	26,000	26,000
Total number of maintenance employees: assuming 1 per 500 sq m	76	78	62	62	171	156	149	149	154	136

Table 5, P0271

Assumptions

- Average salary of construction / maintenance employees
- Estimated spending power of construction employees
- Estimated spending power of maintenance employees
- Percentage of construction employees that reside locally:
- Percentage of non-resident construct employee income retained locally:
- Percentage of construction inputs (except labour) sourced locally:
- Percentage of maintenance employees that reside locally:
- Percentage of non-resident maint employee income retained locally:
- Percentage of maintenance inputs (except labour) sourced locally:
- Estimated MATERIALS construction expenditure @
- Estimated LABOUR construction expenditure @
- Local induced development expenditure multiplier:
- Expenditure/job ratio:
- Percentage of employment that is additional in the region
- Percentage of expenditure that is additional in the region

Derived data

Total number of construction employees:	909	1,239	807	807	1,703	2,202	1,530	1,651	1,655	1,353
Number of additional construction employees residing locally:	182	310	242	283	661	991	765	825	827	676
Number of additional maintenance employees residing locally:	8	8	6	9	51	62	74	89	108	109
Daily local expenditure by non-resident construction employees:	15	15	15	15	15	23	23	23	23	23
Daily local expenditure by non-resident maintenance employees:	15	15	15	15	15	23	23	23	23	23
Local Economic Impact (per annum)										
Annual income stream to additional construct/maint employees residing locally:	3,815,566	6,397,245	5,003,279	5,878,783	14,756,687	21,220,115	16,905,964	18,429,644	18,844,457	15,814,242
Annual local expenditure by additional non-resident construct/maint employees:	3,204,669	4,026,874	2,501,362	2,326,261	4,598,831	7,885,330	5,071,789	5,348,794	5,280,085	4,251,840
Annual additional construct/maint expenditure on local inputs (except labour):	0	5,124,254	6,612,367	9,918,551	20,967,674	28,182,326	19,553,643	21,581,668	21,956,911	18,162,489
Total additional locally retained development expenditure inflow:	7,020,235	15,548,373	14,117,008	18,123,596	40,323,192	57,287,772	41,531,396	45,360,105	46,081,453	38,228,571
Induced effect of local development expenditure:	2,808,094	6,219,349	5,646,803	7,249,438	16,129,277	22,915,109	16,612,558	18,144,042	18,432,581	15,291,429
Net additional local impact of development expenditure (per annum):	9,828,329	21,767,723	19,763,812	25,373,034	56,452,468	80,202,881	58,143,955	63,504,148	64,514,034	53,520,000
Annual local employment supported:	158	349	317	407	905	1,285	932	1,018	1,034	858

RETAIL (Regional)

	Year 1 2000	Year 2 2001	Year 3 2002	Year 4 2003	Year 5 2004	Year 6 2005	Year 7 2006	Year 8 2007	Year 9 2008	Year 10 2009
Annual retail rental cost/square metre:	720	720	720	720	720	720	720	720	720	720
Total take-up of retail space (square metres):	0	0	0	0	0	0	10,000	15,000	15,000	20,000
Rent as percentage of total retail expenses:	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%
Total number of retail employees:	0	0	0	0	0	0	263	395	395	526
Average salary of retail employee:	38,094	38,094	38,094	38,094	38,094	38,094	38,094	38,094	38,094	38,094
Estimated spending power of retail employees	26,666	26,666	26,666	26,666	26,666	26,666	26,666	26,666	26,666	26,666
Assumptions										
Percentage of retail employees that reside locally:	60%	60%	65%	65%	70%	70%	70%	70%	75%	80%
Percentage of non-resident retail employee income retained locally:	10%	10%	10%	15%	20%	20%	30%	30%	30%	30%
Percentage of retail inputs (except labour) sourced locally:	10%	15%	20%	25%	35%	35%	40%	45%	50%	50%
Local induced retail revenue multiplier:	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Expenditure/job ratio:	61,996	61,996	61,996	61,996	61,996	61,996	61,996	61,996	61,996	61,996
Percentage of employment that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of the expenditure that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Derived data										
Total annual retail rental:	0	0	0	0	0	0	7,200,000	10,800,000	10,800,000	14,400,000
Total annual retail expenses:	0	0	0	0	0	0	80,000,000	120,000,000	120,000,000	160,000,000
Number of additional retail employees residing locally:	0	0	0	0	0	0	184	276	296	421
Daily local expenditure per non-resident retail employee:	10.26	10.26	10.26	15.38	20.51	20.51	30.77	30.77	30.77	30.77
Local Economic Impact (per annum)										
Annual income stream to retail employees residing locally:	0	0	0	0	0	0	4,912,130	7,368,195	7,894,494	11,227,725
Annual local expenditure by additional non-resident retail emp	0	0	0	0	0	0	631,560	947,339	789,449	842,079
Annual additional retail expenditure on local inputs (except la	0	0	0	0	0	0	27,990,098	47,233,290	52,481,434	69,975,245
Total locally retained additional retail generated income flow:	0	0	0	0	0	0	33,533,788	55,548,825	61,165,378	82,045,050
Induced effect of local retail expenditure:	0	0	0	0	0	0	1,964,852	2,947,278	3,157,798	4,491,090
Net additional local impact of retail component (per annu	0	0	0	0	0	0	35,498,639	58,496,103	64,323,176	86,536,140
Annual local employment supported:	0	0	0	0	0	0	573	944	1,038	1,396

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RETAIL (Neighbourhood)

	Year 1 2000	Year 2 2001	Year 3 2002	Year 4 2003	Year 5 2004	Year 6 2005	Year 7 2006	Year 8 2007	Year 9 2008	Year 10 2009
Annual retail rental cost/square metre:	420	420	420	420	420	420	420	420	420	420
Total take-up of retail space (square metres):	0	1,500	1,500	1,500	3,000	3,000	4,500	4,500	6,000	6,000
Rent as percentage of total retail expenses:	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Total number of retail employees:	0	41	41	41	81	81	122	122	162	162
Average salary of retail employees:	38,094	38,094	38,094	38,094	38,094	38,094	38,094	38,094	38,094	38,094
Estimated spending power of retail employees	26,666	26,666	26,666	26,666	26,666	26,666	26,666	26,666	26,666	26,666
Assumptions										
Percentage of retail employees that reside locally:	20%	25%	30%	35%	40%	45%	50%	55%	60%	70%
Percentage of non-resident retail employee income retained locally:	10%	10%	10%	15%	20%	20%	30%	30%	30%	30%
Percentage of retail inputs (except labour) sourced locally:	10%	15%	20%	25%	30%	35%	40%	45%	50%	50%
Local induced retail revenue multiplier:	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Expenditure/job ratio:	61,996	61,996	61,996	61,996	61,996	61,996	61,996	61,996	61,996	61,996
Percentage of employment that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of the expenditure that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Derived data										
Total annual retail rental:	0	630,000	630,000	630,000	1,260,000	1,260,000	1,890,000	1,890,000	2,520,000	2,520,000
Total annual retail expenses:	0	7,875,000	7,875,000	7,875,000	15,750,000	15,750,000	23,625,000	23,625,000	31,500,000	31,500,000
Number of additional retail employees residing locally:	0	10	12	14	32	36	61	67	97	114
Daily local expenditure per non-resident retail employee:	10.26	10.26	10.26	15.38	20.51	20.51	30.77	30.77	30.77	30.77
Local Economic Impact (per annum)										
Annual income stream to retail employees residing locally:	0	270,262	324,314	378,367	864,838	972,943	1,621,572	1,783,729	2,594,515	3,026,934
Annual local expenditure by additional non-resident retail emp	0	81,079	75,673	105,402	259,451	237,831	486,472	437,824	518,903	389,177
Annual additional retail expenditure on local inputs (except lab	0	949,597	1,266,129	1,582,661	3,798,388	4,431,452	7,596,775	8,546,372	12,661,292	12,661,292
Total locally retained additional retail generated income flow:	0	1,300,937	1,666,117	2,066,430	4,922,677	5,642,226	9,704,818	10,767,925	15,774,710	16,077,403
Induced effect of local retail expenditure:	0	108,105	129,726	151,347	345,935	389,177	648,629	713,492	1,037,806	1,210,774
Net additional local impact of retail component (per annum)	0	1,409,042	1,795,843	2,217,777	5,268,613	6,031,403	10,353,447	11,481,417	16,812,516	17,288,177
Annual local employment supported:	0	23	29	36	85	97	167	185	271	279

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INDUSTRIAL

	Year 1 2000	Year 2 2001	Year 3 2002	Year 4 2003	Year 5 2004	Year 6 2005	Year 7 2006	Year 8 2007	Year 9 2008	Year 10 2009
Annual industry rental cost/square metre:	96	96	96	96	96	96	96	96	96	96
Total take-up of industry space (square metres):	5,000	10,000	15,000	20,000	25,000	30,000	35,000	40,000	45,000	50,000
Rent as percentage of total industry expenses:	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Total number of industry employees:	132	263	395	526	658	789	921	1053	1184	1316
Average salary of a industry employee:	48,877	48,877	48,877	48,877	48,877	48,877	48,877	48,877	48,877	48,877
Estimated average spending power of a industry employee:	34,214	34,214	34,214	34,214	34,214	34,214	34,214	34,214	34,214	34,214
Assumptions										
Percentage of industry employees that reside locally:	10%	15%	20%	25%	30%	35%	40%	45%	50%	50%
Percentage of non-resident industry employee income retained locally:	10%	10%	10%	15%	20%	20%	30%	30%	30%	30%
Percentage of industry inputs (except labour) sourced locally:	5%	10%	15%	15%	20%	20%	25%	30%	30%	30%
Local induced industry revenue multiplier:	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Expenditure/job ratio:	94,208	94,208	94,208	94,208	94,208	94,208	94,208	94,208	94,208	94,208
Percentage employment that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of expenditure that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Derived data										
Total annual industry rental:	480,000	960,000	1,440,000	1,920,000	2,400,000	2,880,000	3,360,000	3,840,000	4,320,000	4,800,000
Total annual industry revenue:	6,857,143	13,714,286	20,571,429	27,428,571	34,285,714	41,142,857	48,000,000	54,857,143	61,714,286	68,571,429
Number of additional industry employees residing locally:	13	39	79	132	197	276	368	474	592	658
Daily local expenditure per non-resident industry employee:	13.16	13.16	13.16	19.74	26.32	26.32	39.48	39.48	39.48	39.48
Local Economic Impact (per annum)										
Annual income stream to industry employees residing locally:	450,179	1,350,537	2,701,073	4,501,789	6,752,683	9,453,757	12,605,009	16,206,440	20,258,050	22,508,944
Annual local expenditure by additional non-resident industry employees	405,161	765,304	1,080,429	2,025,805	3,151,252	3,511,395	5,672,254	5,942,361	6,077,415	6,752,683
Annual additional industry expenditure on local inputs (except labour):	21,301	85,203	191,707	255,610	426,016	511,219	745,528	1,022,438	1,150,243	1,278,048
Total locally retained additional industry generated income flow:	876,641	2,201,044	3,973,210	6,783,203	10,329,951	13,476,371	19,022,791	23,171,239	27,485,708	30,539,675
Induced effect of local industry expenditure:	180,072	540,215	1,080,429	1,800,716	2,701,073	3,781,503	5,042,004	6,482,576	8,103,220	9,003,578
Net additional local impact of industry component (per annum):	1,056,742	2,741,259	5,053,639	8,583,919	13,031,025	17,257,874	24,084,794	29,653,815	35,588,928	39,543,253
Annual local employment supported:	11	29	54	91	138	183	255	315	378	420

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COMMERCIAL

	Year 1 2000	Year 2 2001	Year 3 2002	Year 4 2003	Year 5 2004	Year 6 2005	Year 7 2006	Year 8 2007	Year 9 2008	Year 10 2009
Annual commercial rental cost/square metre:	144	144	144	144	144	144	144	144	144	144
Total take-up of commercial space (square metres):	7,500	15,000	22,500	30,000	37,500	45,000	52,500	60,000	67,500	75,000
Rent as percentage of total commercial expenses:	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Total number of commercial employees:	188	375	563	750	938	1125	1313	1500	1688	1875
Average salary of a commercial employee:	68,883	68,883	68,883	68,883	68,883	68,883	68,883	68,883	68,883	68,883
Estimated average spending power of a commercial employee:	48,218	48,218	48,218	48,218	48,218	48,218	48,218	48,218	48,218	48,218
Assumptions										
Percentage of commercial employees that reside locally:	15%	20%	20%	25%	25%	30%	35%	35%	40%	40%
Percentage of non-resident commercial employee income retained locally:	10%	15%	20%	25%	30%	35%	40%	45%	50%	50%
Percentage of commercial inputs (except labour) sourced locally:	5%	10%	15%	15%	20%	20%	25%	30%	30%	30%
Local induced commercial revenue multiplier:	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Expenditure/job ratio:	71,774	71,774	71,774	71,774	71,774	71,774	71,774	71,774	71,774	71,774
Percentage employment that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of expenditure that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Derived data										
Total annual commercial rental:	1,080,000	2,160,000	3,240,000	4,320,000	5,400,000	6,480,000	7,560,000	8,640,000	9,720,000	10,800,000
Total annual commercial revenue:	13,500,000	27,000,000	40,500,000	54,000,000	67,500,000	81,000,000	94,500,000	108,000,000	121,500,000	135,000,000
Number of additional commercial employees residing locally:	28	75	113	188	234	338	459	525	675	750
Daily local expenditure per non-resident commercial employee:	18.55	27.82	37.09	46.36	55.64	64.91	74.18	83.45	92.73	92.73
Local Economic Impact (per annum)										
Annual income stream to commercial employees residing locally:	1,356,126	3,616,336	5,424,504	9,040,840	11,301,049	16,273,511	22,150,057	25,314,351	32,547,023	36,163,358
Annual local expenditure by additional non-resident commercial employ	768,471	2,169,802	4,339,603	6,780,630	10,170,945	13,290,034	16,454,328	21,155,565	24,410,267	27,122,519
Annual additional commercial expenditure on local inputs (except labour	29,226	116,903	263,032	350,709	584,515	701,418	1,022,901	1,402,836	1,578,190	1,753,545
Total locally retained additional commercial generated income flow:	2,153,823	5,903,040	10,027,138	16,172,178	22,056,509	30,264,963	39,627,286	47,872,751	58,535,480	65,039,422
Induced effect of local commercial expenditure:	542,450	1,446,534	2,169,802	3,616,336	4,520,420	6,509,405	8,860,023	10,125,740	13,018,809	14,465,343
Net additional local impact of commercial component (per annum)	2,696,273	7,349,575	12,196,940	19,788,514	25,576,929	36,774,368	48,487,309	57,998,492	71,554,289	79,504,765
Annual local employment supported:	38	102	170	276	370	512	676	808	997	1,108

Commercial

SMME

	Year 1 2000	Year 2 2001	Year 3 2002	Year 4 2003	Year 5 2004	Year 6 2005	Year 7 2006	Year 8 2007	Year 9 2008	Year 10 2009
Annual rental cost/square metre:	120	120	120	120	120	120	120	120	120	120
Total take-up of space (square metres):	2,500	5,000	7,500	10,000	12,500	15,000	17,500	20,000	22,500	25,000
Rent as percentage of total expenses:	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Total number of employees:	109	217	326	435	543	652	761	870	978	1087
Average salary of an employee:	43,485	43,485	43,485	43,485	43,485	43,485	43,485	43,485	43,485	43,485
Estimated average spending power of an employee:	30,440	30,440	30,440	30,440	30,440	30,440	30,440	30,440	30,440	30,440
Assumptions										
Percentage of employees that reside locally:	40%	45%	50%	55%	60%	65%	70%	70%	70%	70%
Percentage of non-resident employee income retained locally:	10%	10%	10%	15%	20%	20%	30%	30%	30%	30%
Percentage of inputs (except labour) sourced locally:	10%	10%	15%	15%	20%	25%	30%	35%	40%	40%
Local induced revenue multiplier:	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Expenditure/job ratio:	78,005	78,005	78,005	78,005	78,005	78,005	78,005	78,005	78,005	78,005
Percentage of employment that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of expenditure that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Derived data										
Total annual rental:	300,000	600,000	900,000	1,200,000	1,500,000	1,800,000	2,100,000	2,400,000	2,700,000	3,000,000
Total annual revenue:	5,000,000	10,000,000	15,000,000	20,000,000	25,000,000	30,000,000	35,000,000	40,000,000	45,000,000	50,000,000
Number of additional employees residing locally:	43	98	163	239	326	424	533	609	685	761
Daily local expenditure per non-resident employee:	11.71	11.71	11.71	17.56	23.42	23.42	35.12	35.12	35.12	35.12
Local Economic Impact (per annum)										
Annual income stream to employees residing locally:	1,323,466	2,977,799	4,962,998	7,279,064	9,925,996	12,903,795	16,212,460	18,528,526	20,844,592	23,160,658
Annual local expenditure by additional non-resident employees:	198,520	363,953	496,300	893,340	1,323,466	1,389,639	2,084,459	2,382,239	2,680,019	2,977,799
Annual additional expenditure on local inputs (except labour):	27,334	54,667	123,001	164,001	273,335	410,003	574,004	765,338	984,007	1,093,341
Total locally retained additional generated income flow:	1,549,320	3,396,419	5,582,299	8,336,405	11,522,797	14,703,437	18,870,923	21,676,104	24,508,618	27,231,797
Induced effect of local expenditure:	529,386	1,191,120	1,985,199	2,911,626	3,970,398	5,161,518	6,484,984	7,411,410	8,337,837	9,264,263
Net additional local impact of SMME component (per annum):	2,078,706	4,587,539	7,567,498	11,248,030	15,493,196	19,864,955	25,355,908	29,087,514	32,846,454	36,496,060
Annual local employment supported:	27	59	97	144	199	255	325	373	421	468

OFFICES

	Year 1 2000	Year 2 2001	Year 3 2002	Year 4 2003	Year 5 2004	Year 6 2005	Year 7 2006	Year 8 2007	Year 9 2008	Year 10 2009
Annual rental cost/square metre:	216	216	216	216	216	216	216	216	216	216
Total take-up of space (square metres):	0	8,000	9,500	11,000	12,500	14,000	15,500	17,000	18,500	20,000
Rent as percentage of total expenses:	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%
Total number of employees:	0	266,66667	316,66667	366,66667	416,66667	466,66667	516,66667	566,66667	616,66667	666,66667
Average salary of employee:	68,638	68,638	68,638	68,638	68,638	68,638	68,638	68,638	68,638	68,638
Estimated average spending power of an employee	48,047	48,047	48,047	48,047	48,047	48,047	48,047	48,047	48,047	48,047
Assumptions										
Percentage of employees that reside locally:	10%	15%	20%	25%	35%	40%	45%	50%	55%	55%
Percentage of non-resident employee income retained locally	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Percentage of inputs (except labour) sourced locally:	5%	5%	5%	10%	10%	10%	10%	10%	10%	10%
Local induced revenue multiplier:	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Expenditure/job ratio:	105,311	105,311	105,311	105,311	105,311	105,311	105,311	105,311	105,311	105,311
Percentage of employment that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of expenditure that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Derived data										
Total annual rental:	0	1,728,000	2,052,000	2,376,000	2,700,000	3,024,000	3,348,000	3,672,000	3,996,000	4,320,000
Total annual revenue:	0	19,200,000	22,800,000	26,400,000	30,000,000	33,600,000	37,200,000	40,800,000	44,400,000	48,000,000
Number of additional employees residing locally:	0	40	63	92	146	187	233	283	339	367
Daily local expenditure per non-resident employee:	27.72	27.72	27.72	27.72	27.72	27.72	27.72	27.72	27.72	27.72
Local Economic Impact (per annum)										
Annual income stream to employees residing locally:	0	1,921,864	3,042,951	4,404,272	7,006,796	8,968,699	11,170,835	13,613,203	16,295,805	17,617,087
Annual local expenditure by additional non-resident employee	0	1,633,584	1,825,771	1,981,922	1,951,893	2,017,957	2,047,986	2,041,981	1,999,940	2,162,097
Annual additional expenditure on local inputs (except labour)	0	44,827	53,232	123,273	140,083	156,893	173,703	190,513	207,323	224,133
Total locally retained additional generated income flow:	0	3,600,275	4,921,954	6,509,467	9,098,772	11,143,549	13,392,524	15,845,697	18,503,068	20,003,317
Induced effect of local expenditure:	0	768,746	1,217,181	1,761,709	2,802,718	3,587,479	4,468,334	5,445,281	6,518,322	7,046,835
Net additional local impact of component (per annum):	0	4,369,021	6,139,134	8,271,176	11,901,491	14,731,029	17,860,858	21,290,979	25,021,390	27,050,152
Annual local employment supported:	0	41	58	79	113	140	170	202	238	257

1999 prices

MEDICAL

	Year 1 2000	Year 2 2001	Year 3 2002	Year 4 2003	Year 5 2004	Year 6 2005	Year 7 2006	Year 8 2007	Year 9 2008	Year 10 2009
Annual medical location rental cost/square metre:	0	0	0	0	0	0	0	0	0	0
Total take-up of medical space (square metres):	0	0	0	0	0	0	0	0	0	0
Rental as percentage of total medical expenses:	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%
Total number of medical employees:	0	0	0	0	0	0	0	0	0	0
Average salary of medical employee:	34,307	34,307	34,307	34,307	34,307	34,307	34,307	34,307	34,307	34,307
Estimated average spending power of an employee	24,015	24,015	24,015	24,015	24,015	24,015	24,015	24,015	24,015	24,015
Assumptions										
Percentage of medical employees that reside locally:	0%	0%	0%	90%	90%	90%	90%	90%	90%	90%
Percentage of non-resident medical employee income retained locally:	0%	0%	0%	30%	30%	30%	30%	30%	30%	30%
Percentage of medical expenses (except labour) sourced locally:	0%	0%	0%	30%	30%	30%	30%	30%	30%	30%
Local induced medical expenditure multiplier:	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Expenditure/job ratio:	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500
Percentage of employment that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of expenditure that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Derived data										
Total annual medical rental:	0	0	0	0	0	0	0	0	0	0
Total annual medical expenses:	0	0	0	0	0	0	0	0	0	0
Number of additional medical employees residing locally:	0	0	0	0	0	0	0	0	0	0
Daily local expenditure per non-resident medical employee:	0.00	0.00	0.00	27.71	27.71	27.71	27.71	27.71	27.71	27.71
Local Economic Impact (per annum)										
Annual income stream to medical employees residing locally:	0	0	0	0	0	0	0	0	0	0
Annual local expenditure by additional non-resident of medical e	0	0	0	0	0	0	0	0	0	0
Annual additional expenditure on local inputs (except labour):	0	0	0	0	0	0	0	0	0	0
Total additional locally retained medical generated income flow:	0	0	0	0	0	0	0	0	0	0
Induced effect of local medical expenditure:	0	0	0	0	0	0	0	0	0	0
Net additional local impact of medical component (per annum)	0	0	0	0	0	0	0	0	0	0
Annual local employment supported:	0	0	0	0	0	0	0	0	0	0

Baralink Economic Impact Analysis

1999 prices

HOTEL

	Year 1 2000	Year 2 2001	Year 3 2002	Year 4 2003	Year 5 2004	Year 6 2005	Year 7 2006	Year 8 2007	Year 9 2008	Year 10 2009
Total take-up of hotel space (Rooms):										
Cumulative Total take-up of hotel space (Rooms)	0	0	0	0	80	0	0	0	80	0
Room rate per night	0	0	0	0	80	80	80	80	160	160
Room Occupancy Rate	120	120	120	120	120	120	120	120	120	120
Total number of hotel employees:	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Average salary of hotel employee:	0	0	0	0	16	16	16	16	32	32
Estimated average spending power of an employee	38,094	38,094	38,094	38,094	38,094	38,094	38,094	38,094	38,094	38,094
	26,666	26,666	26,666	26,666	26,666	26,666	26,666	26,666	26,666	26,666

Assumptions

Percentage of hotel employees that reside locally:	0%	0%	0%	0%	30%	30%	30%	30%	35%	40%
Percentage of non-resident hotel employee income retained locally:	10%	10%	10%	15%	20%	20%	30%	30%	30%	30%
Percentage of hotel expenses (except labour) sourced locally:	5%	5%	5%	5%	5%	5%	5%	5%	10%	10%
Local induced hotel expenditure multiplier:	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Running cost to revenue ratio	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%
Ratio of total hotel income to room income	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Percentage of employment that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of expenditure that is additional to the region	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Expenditure/job ratio:	61,996	61,996	61,996	61,996	61,996	61,996	61,996	61,996	61,996	61,996

Derived data

Total annual hotel income:	0	0	0	0	2,207,520	2,207,520	2,207,520	2,207,520	4,415,040	4,415,040
Total annual hotel expenses:	0	0	0	0	1,876,392	1,876,392	1,876,392	1,876,392	3,752,784	3,752,784
Number of additional hotel employees residing locally:	0	0	0	0	5	5	5	5	11	13
Daily local expenditure per non-resident hotel employee:	10.26	10.26	10.26	15.38	20.51	20.51	30.77	30.77	30.77	30.77

Local Economic Impact (per annum)

Annual income stream to hotel employees residing locally:	0	0	0	0	127,996	127,996	127,996	127,996	298,657	341,323
Annual local expenditure by additional non-resident of hotel emp	0	0	0	0	59,731	59,731	89,597	89,597	166,395	153,595
Annual additional expenditure on local inputs (except labour):	0	0	0	0	63,344	63,344	63,344	63,344	253,377	253,377
Total additional locally retained hotel generated income flow:	0	0	0	0	251,072	251,072	280,938	280,938	718,430	748,296
Induced effect of local hotel expenditure:	0	0	0	0	51,198	51,198	51,198	51,198	119,463	136,529

Net additional local impact of hotel component (per annum):

	0	0	0	0	302,270	302,270	332,136	332,136	837,893	884,825
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Annual local employment supported:

	0	0	0	0	5	5	5	5	14	14
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Hotel

QS Rates as @ 17/6/99

Excluding VAT

Excluding Development Costs (eg Professional Fees, etc)

Type	Description	Lower R/Unit	Upper R/Unit	Average R/Unit	Unit
Retail	Regional Shopping Centre	1700	2400		2050 m2
	Strip Suburban Shops	1500	1800		1650 m2
	Parking Area on grade area	120	140		130 m2
	Parking Structure above ground	600	750		675 m2
Industrial	Basement Parking	900	1000		950 m2
	Warehousing	900	1200		1050 m2
	Ablution/Change Rooms	1700	1850		1775 m2
SMME	Admin Offices (Std Finish)	1500	2000		1750 m2
	Warehousing	750	900		825 m2
Offices	Ablution/Change Rooms	1700	1850		1775 m2
	Admin Offices (Std Finish)	1500	1750		1625 m2
	Low Rise Office Park (Std Spec)	1600	1800		1700 m2
	Low Rise Office Park (High Spec)	1900	2100		2000 m2
	High Rise Tower Block (Std Spec)	1900	2400		2150 m2
	High Rise Tower Block (High Spec)	2600	3100		2850 m2
	Basement Parking	1000	1200		1100 m2
Medical	Clinics (5 theatre, 150 bed) (+-8000m2)	135000	190000		162500 Bed
	Hospitals (Kenridge - 165bed, 8 theatre, kitchen, laundry etc) (10000m.m @ +-3000R/m.m)	250000	300000		275000 Bed
Residential	Low Cost Housing	900	1100		1000 m2
	Houses (Std Spec)	1500	2100		1800 m2
	Duplex Townhouses	1400	1750		1575 m2
	Simplex Low Rise Apartment Block	1300	1500		1400 m2
	Prestige Apartment Blocks	1700	2200		1950 m2
	Service to Low Income Stand (250-300m2)	12000	16000		14000 Stand
	Retirement Centres	2100	2400		2250 m2
	Limited Service Hotel (+- 30m.m/bed)	95000	130000		112500 Room
	Luxury Hotel	500000	700000		600000 Room
	Primary School	1300	1600		1450 m2
Secondary School	1250	1800		1525 m2	

DEMAND
Market Development Potential : Baralink Soweto

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Retail (Regional)	0	0	0	0	0	10000	5000	15000	20000	20000
Units										
Square m Cumulative										
Retail (Neighbourhood)	0	1500	1500	1500	1500	3000	4500	4500	6000	6000
Units										
Square m Cumulative										
Commercial	0	7500	7500	7500	7500	7500	7500	7500	7500	7500
Units										
Square m Cumulative										
60% of Total Industrial Demand	0	15000	22500	30000	37500	45000	52500	60000	67500	75000
Units										
Square m Cumulative										
Light Industrial	0	5000	5000	5000	5000	5000	5000	5000	5000	5000
Units										
Square m Cumulative										
40% of Total Industrial Demand	0	10000	15000	20000	25000	30000	35000	40000	45000	50000
Units										
Square m Cumulative										
SMME	0	2500	2500	2500	2500	2500	2500	2500	2500	2500
Units										
Square m Cumulative										
Offices	0	8000	16000	16000	16000	15000	15000	15000	15000	15000
Units										
Square m Cumulative										
Medical	0	0	0	0	0	0	0	0	0	0
Units										
Square m Cumulative										
Beds	0	0	0	0	0	0	0	132	0	0
Conversion : 1 Bed = 50sq m										
Residential : Mortgage Homes	275	275	275	275	275	275	275	275	275	275
Units										
Actual TakeUp - critical	268	258.75	258.75	258.75	258.75	260.2	260.2	260.2	260.2	260.2
Actual TakeUp - critical GLA sq m	227160	21993.75	21993.75	21993.75	21993.75	22117	22117	22117	22117	22117
Actual TakeUp - critical on horizons	208	208	208	208	208	208	208	208	208	208
Conversion : 1 Unit = 85 sq m										
Rate=R1100/sq m Cumulative	23375	23375	23375	23375	23375	23375	23375	23375	23375	23375
Stand Size = 500 sq m sq m	23375	46750	70125	93500	116875	140250	163625	187000	210375	233750
Actual TakeUp - Critical sq m	137500	137500	137500	137500	137500	137500	137500	137500	137500	137500
Cumulative Stand Area sq m	34000	263375	392750	522125	651500	781800	911700	1041800	1171900	1302000
Residential : Affordable Homes	0	0	0	0	0	500	500	500	500	500
Units										
Actual TakeUp - critical	0	0	0	0	0	374	374	374	374	374
Actual TakeUp - critical GLA sq m	0	0	0	0	0	30000	22440	22440	22440	22440
Actual TakeUp - critical on horizons	0	0	0	0	0	500	500	500	500	500
Conversion : 1 Unit = 60 sq m										
Rate=R1100/sq m Cumulative	0	0	0	0	0	30000	30000	30000	30000	30000
Stand Size = 250 sq m sq m	0	0	0	0	0	60000	90000	120000	150000	180000
Actual TakeUp - Critical sq m	0	0	0	0	0	125000	125000	125000	125000	125000
Cumulative Stand Area sq m	0	0	0	0	0	218500	312000	405500	499000	592500
Residential : Low Cost Homes	0	0	0	0	0	500	500	500	500	500
Units										
Actual TakeUp - critical	0	0	0	0	0	358.6	358.6	358.6	358.6	358.6
Actual TakeUp - critical GLA sq m	0	0	0	0	0	14344	14344	14344	14344	14344
Actual TakeUp - critical on horizons	0	0	0	0	0	500	500	500	500	500
Conversion : 1 Unit = 40 sq m										
Rate=R1000/sq m Cumulative	0	0	0	0	0	20000	20000	20000	20000	20000
Stand Size = 150 sq m sq m	0	0	0	0	0	40000	60000	80000	100000	120000
Actual TakeUp - Critical sq m	0	0	0	0	0	75000	75000	75000	75000	75000
Cumulative Stand Area sq m	0	0	0	0	0	128790	182580	236370	290160	343950
Hotel	0	0	0	0	0	0	0	0	80	0
Units										
Square m Cumulative										
Conversion : 1 Room = 35 sq m										
Adding SMME's	0	0	0	0	0	0	0	0	0	0
Units										
Square m Cumulative										
Industrial Total : adding 40% SMME after retail allocation	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000
Commercial Total : adding 60% SMME after retail allocation	9000	9000	9000	9000	9000	9000	9000	9000	9000	9000
Retail Total : one quarter is SMME	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000
IMMEDIATE	0	0	0	0	0	0	0	0	0	0
SHORT	0	0	0	0	0	0	0	0	0	0
DEMAND	0	0	0	0	0	0	0	0	0	0

Demand