

FACSIMILE / MEMORANDUM

WT PARTNERSHIP

COMPANY: DAVIDS GROUP		Quantity Surveyors and Construction Cost Consultants
ATTENTION: PAUL KARANTONIS		
FROM: JOHN FERRARIN		
Via:	Email	Job No/Ref: 9063 - 60 charlotte st, campsie - capital investment report - gm report (02).doc
Date:	12 NOVEMBER 2008	Total Pages:
Job Name/ Subject: 60 CHARLOTTE STREET, CAMPSIE		Level 24, Northpoint 100 Miller Street Locked Bag No. 2137 North Sydney NSW 2059 Australia Tel 61 2 9929 7422 Fax 61 2 9957 3161 Email jferrarin@wtpartnership.com.au
CAPITAL INVESTMENT VALUE REPORT		
Copy To: Annelize_Kaalsen@planningworkshop.com.au		
REMARKS:	☐ URGENT Attention ☐ Reply ASAP ☐ For your Information ☐ Original in the mail	

As requested we have prepared a Capital Investment Value Report for this project and we advise you that the estimated cost at current market rates is \$288,320,000.00 excluding GST as shown in the attached Summary of Costs, and as calculated in accordance with SEPP Major Projects (2005) definition.

The Capital Investment Value of a development includes all costs necessary to establish and operate the development including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment, but excludes GST and land costs.

We refer you to the attached report which includes a summary of costs together with a schedule of areas. We also refer you to the Schedule of Exclusions which identifies those items which have been excluded from the Capital Investment Value Report.

The report is based upon the Marchese & Partners Area Schedule for Lots 1, 2, 3, 4 & 5. We have been provided with concept layouts and drawings for Building B basement and typical residential floors and section through the precincts from Marchese & Partners.

We note the following issues which should be considered when assessing the report:-

1. This report is based on the Schedule of Areas on pages 2 & 3 of the attached.
2. We understand that the site will require remediation and has contamination issues. We are unable to quantify the extent of this remediation and therefore included a provisional allowance of \$5,000,000, but this allowance excludes any works in association with the treatment of contaminated ground water. A Remediation Management Plan would outline the procedures for management of the contamination and in turn identify the overall risk profile.
3. We have excluded the Child Care Centre fitout .
4. We have assumed that the residential apartments are of a "Medium" specification.

All information contained in this document is confidential. If you are not the named or authorised recipient, you may not copy or distribute any information it contains. If you have received this document in error please notify the sender by telephone and destroy immediately.

5. We have assumed that the Senior Living Apartments are equal to the residential apartments in finishes.
6. We have assumed that the retail tenancies and the trade and bulky goods warehouse is a traditional cold shell construction, with the exception of any external shopfronts which have been included
7. We have assumed that the Commercial Office will be a warm shell construction
8. We have assumed that the Gymnasium will be a cold shell construction
9. We understand that the site may require the diversion of a sewer trunk main and therefore included a provisional allowance of \$2,000,000,
10. We have excluded any amplification of external services, if required, coming to or from the site.
11. We have excluded and Statutory Authority Headworks charges or fees
12. We have included an allowance of 7½% of construction cost for design and consultant fees.

We specifically note that this estimate is based on concept documentation and therefore we have had to make a number of assumptions in relation to all aspects of the design. We recommend that prior to finalising feasibility studies and funding arrangements that detailed estimates be prepared from further developed design documentation and client specific brief.

Should you wish to discuss any aspect of the attached please do not hesitate to contact us.

Regards,

JOHN FERRARIN

A. SUMMARY OF COSTS

	\$	\$
Demolition works (Provisional)		8,000,000
Site remediation (Provisional)		5,000,000
Carparking		
- Basement Carparking [Lots 1, 2, 3 & 4]	52,400,000	
- Suspended Deck Carparking [Lot 1]	9,600,000	
- On Grade Carparking [Lot 5]	450,000	62,450,000
Child Care Facilities [Lot 3]		1,150,000
Residential Apartments		
- Lot 2 Building A	19,400,000	
- Lot 2 Building B	17,900,000	
- Lot 2 Building C	6,670,000	
- Lot 3	14,420,000	
- Lot 4	16,670,000	75,060,000
Seniors Living Apartments [Lot 5]		25,980,000
High Care Apartments [Lot 5]		16,000,000
Trade & Bulky Goods [Lot 1]		23,450,000
Retail		
- Specialty Retail [Lots 1 & 2]	6,000,000	
- Supermarket [Lot 2]	4,600,000	10,600,000
Commercial Offices		
- Lot 1	11,900,000	
- Lot 1 Commercial Lobby	580,000	12,480,000
Gym – Lot 1		2,500,000
Medical Facilities [Lot 2]		7,450,000
Roof Plant Rooms		5,800,000
External Works		6,000,000
External Services		5,700,000
Upgrade Incoming Services		Excluded
		267,620,000
Design & Consultants Fees @ 7.5%		20,000,000
Escalation		Excluded
DA / CC Fees		700,000
CAPITAL INVESTMENT VALUE AT CURRENT RATES (EXCL GST)		\$288,320,000
Goods and Services Tax @ 10%		28,832,000
CAPITAL INVESTMENT VALUE AT CURRENT RATES (INCL GST)		\$317,152,000

B. SCHEDULE OF AREAS

SUMMARY OF AREAS

	Lot 1 (m2)	Lot 2 (m2)	Lot 3 (m2)	Lot 4 (m2)	Lot 5 (m2)	Total (m2)
Trade Retail	3,301	-	-	-	-	3,301
Bulky Goods	14,967	-	-	-	-	14,967
Specialty Retail	1,250	2,751	-	-	-	4,001
Commercial	5,948	-	-	-	-	5,948
Gym	1,253	-	-	-	-	1,253
Mall	3,455	-	-	-	-	3,455
Commercial Lobby	193	-	-	-	-	193
Residential	-	17,952	5,885	6,802		30,639
Child Care	-	-	636	-	-	636
Supermarket	-	2,585	-	-	-	2,585
Medical	-	3,719	-	-	-	3,719
Seniors Living	-	-	-	-	10,823	10,823
High Care	-	-	-	-	5,800	5,800
Roof Plant Rooms	3,000	600	600	600	-	4,800
TOTAL	33,367	27,607	7,121	7,402	16,623	92,120

B. SCHEDULE OF AREAS (Cont'd)

CAR PARKING

LOT	BASEMENT CARPARKING (No)	SUSPENDED DECK CARPARKING (No)	ON GRADE CARPARKING (No)	TOTAL (No)
Lot 1	433	268	-	701
Lot 2	487	-	-	487
Lot 3	93	-	-	93
Lot 4	96	-	-	96
Lot 5	-	-	130	130
TOTAL	1,109	268	130	1,507
TOTAL (m2)	38,815	11,270	4,550	54,635

Note:

- 1 The basement and on-grade car parking areas are based on 1 car space per 35m2
- 2 The suspended deck car parking area has been provided by Marchese + Partners

CHILDCARE & RESIDENTIAL

LOT	CHILDCARE (m2)	RESIDENTIAL (m2)	TOTAL (m2)
Lot 2 – Building A	-	7,918	7,918
Lot 2 – Building B	-	7,312	7,312
Lot 2 – Building C	-	2,722	2,722
Lot 3	636	5,885	6,521
Lot 4	-	6,802	6,802
TOTAL	636	30,639	31,275

B. SCHEDULE OF AREAS (Cont'd)

SENIORS LIVING & HIGH CARE

LOT	SENIORS LIVING (m2)	HIGH CARE (m2)	TOTAL (m2)
Lot 5	10,823	5,800	16,623
TOTAL	10,823	5,800	16,623

RETAIL

LOT	TRADE (m2)	BULKY (m2)	SPECIALTY RETAIL (m2)	SUPERMARKET (m2)	TOTAL (m2)
Lot 1	3,301	18,422	1,250	-	22,973
Lot 2	-	-	2,751	2,585	5,336
TOTAL	3,301	18,422	4,001	2,585	28,309

COMMERCIAL, GYM & MEDICAL

LOT	COMMERCIAL (m2)	COMMERCIAL LOBBY (m2)	GYM (m2)	MEDICAL (m2)	TOTAL (m2)
Lot 1	5,948	193	1,253	-	7,394
Lot 2	-	-	-	3,719	3,719
TOTAL	5,948	193	1,253	3,719	11,113

C. SCHEDULE OF INFORMATION USED

The Capital Investment Value Report has been based on the following information;

Description	Dated
1.0 Planning Workshop Australia	
Annelize Kaalsen email enclosing Final Area Schedules	10 September 08
Annelize Kaalsen email enclosing Summary of Parking Spaces [Table 16]	10 September 08
2.0 Traffic – Traffic & transport Planners	
Extract from the Traffic Impact Assessment – Section 5 Parking Requirements	October 2008

In preparation of this Capital Investment Report we have made reference to previous reports, which include the following;

Marchese & Partners Location Plan drawing	Not dated
Marchese & Partners Site Analysis	Not dated
60 Charlotte Street, Campsie PEA Submission Masterplan drawing	17 March 08
60 Charlotte Street, Clempton Park PEA Submission Subdivision Plan	17 March 08
60 Charlotte Street, Clempton Park PEA Submission Precinct Plan	17 March 08
60 Charlotte Street, Clempton Park PEA Submission Sections A, B, C, D drawing	17 March 08
Building B Basement, Level 01 Plan drawing	20 February 08
Building B Level 02-04 Plan drawing	20 February 08
Building B Elevations drawing	20 February 08
60 Charlotte Street, Clempton Park Design Presentation Sections E, F	4 April 08
Davids Group Paul Karantonis email enclosing Buchan Group Concept Scheme	9 April 08

D. SCHEDULE OF EXCLUSIONS

The Capital Investment Value Report excludes the following:

1. Land cost, site acquisition costs and legal fees;
2. Costs associated with change of use of land, Council contributions and Section 94 Contributions;
3. Finance Costs (interest, holding charges, etc);
4. Escalation in construction costs beyond November 2008;
5. Construction and Design Contingencies;
6. Sales Commissions, Marketing Fees/Costs;
7. Abnormal ground conditions;
8. Removal and handling of contaminated spoil (in excess of provisional allowance), remediation of acid sulphate soils and contaminated groundwater;
9. Costs associated with Incoming services or diversion of services (other than sewer trunk main as included) ;
10. Costs associated with amplification of sewer, water and gas mains (if required);
11. Section 73 requirements, design works and headwork required by Sydney Water;
12. Child Care Facility fit-out works;
13. Furniture, Fittings and Equipment;
14. Works in association with the culvert adjacent precinct D;
15. Public artwork and sculptures etc
16. Staging costs;
17. Development Managers Fees.
18. Developers Contingencies;
19. Development Profit