

BMT & ASSOC

QUANTITY SURVEYORS



a perspective on the past



a solution for the present



a vision for the future

Preliminary Cost Plan

Project Contact: Martin Sadlier
Director Responsible: Tom Plenty
Direct Contact Number: (02) 9261 1107

Client:

EARLJEST PTY LTD ATF THE HURSTVILLE UNIT TRUST

Property Address:

21-35 Treacy Street, HURSTVILLE, NSW 2220

Date:

July 2, 2010

BMT & ASSOC

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BMT & ASSOC provide an Australian
wide Service with offices in Sydney,
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Adelaide and Perth.

Friday, 2 July 2010

Mr Rusty Moran
EARLJEST PTY LTD ATF THE HURSTVILLE UNIT TRUST
PO Box 8
CARINGBAH, NSW 1495

RE - 21-35 Treacy Street, HURSTVILLE, NSW 2220

Dear Rusty,

Please find attached our Preliminary Cost Plan for the above-mentioned development.

Please refer to the attached indicative elemental trade breakup for an indication of the respective costs of the projects elements. Please note the following indicative elemental trade breakup has been derived from the total project costs, and only illustrates a very broad indication of the percentage of the total cost that can be allocated to the projects trade elements.

These figures have been derived from previous projects of a similar nature and do not necessarily reflect this project directly and as such can only be treated as a very broad indication.

We draw your attention to the lists of "Exclusions" and "Finishes" appended.

Yours Sincerely,



BMT & ASSOC Pty Ltd

Preliminary Cost Plan For 21-35 Treacy Street, HURSTVILLE, NSW 2220

Prepared for: EARLJEST PTY LTD ATF THE HURSTVILLE UNIT TRUST

Prepared by:

BMT & ASSOC Pty Ltd

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Disclaimer

The information provided in this report has been prepared by BMT & ASSOC Pty Ltd (Quantity Surveyors), as Construction Cost Consultants and not in any other capacity, on the basis of estimated costs and information provided to us by the client. It is intended for use by the parties to whom directed. The contents should thus be treated as advice on construction costs and like matters, and not as legal or accounting advice.

1.0 Financial Summary

Based on our professional opinion and the material provided to BMT & ASSOC Pty Ltd, we believe the attached development cost summary reflects a fair and competitive indication of the cost to complete the development.

The BMT & ASSOC Pty Ltd Preliminary Cost Plan for construction cost totals \$116,194,800 exclusive of GST or \$127,814,280 inclusive of GST, with a further \$12,000,000 payable in consultants fees.

When a contingency allowance of \$5,809,740 is factored in the total development cost totals \$134,004,540 exclusive of GST or \$147,404,994 inclusive of GST.

Item	Total Cost GST Exclusive	Total Cost GST Inclusive
BMT Estimate		
Construction Cost	\$116,194,800	\$127,814,280
Council / Authority Fees	Excl	Excl
Consultants Fees	\$12,000,000	\$13,200,000
Development Contingency	\$5,809,740	\$6,390,714
Total Development Cost	\$134,004,540	\$147,404,994
Program		
Anticipated Construction Period	140	weeks

The development consists of a total gross floor area (fully enclosed and unenclosed covered area) of 50,889 square metres.

2.0 Construction Program

BMT & ASSOC Pty Ltd anticipate a period of 104 weeks to be appropriate for the construction of a development of this nature.

3.0 Descriptive Summary

The development involves the construction of a Mixed Use development containing 350 units including 2 retail levels, located at 21-35 Treacy Street, HURSTVILLE, NSW 2220.

An appropriate quality level of finishes has been allocated to the development.

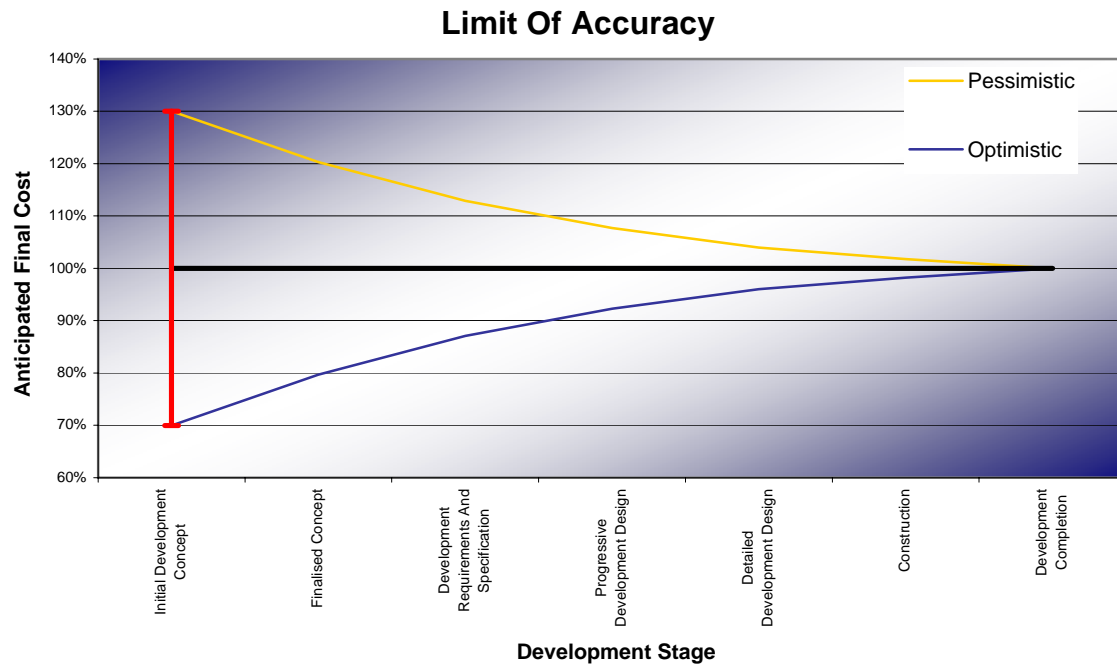
Please refer to attached Schedule of Finishes which have been allowed for within our estimate.

The development cost per square metre of gross floor area (fully enclosed covered area and unenclosed covered area) is \$2,633 exclusive of GST or \$2,897 inclusive of GST.

4.0 Limit of Accuracy

As with any development, the limit of accuracy for any level of cost and risk control is dictated by the level, and quality of documentation associated with its construction.

Figure 1. Below illustrates the effect of cost planning on a client’s perception of the final cost of the proposed development.



For any given stage, anticipation of actual final cost can only improve as the design itself becomes more refined. Estimates can fall anywhere between the two curves. The vertical red line illustrates the current level of documentation available for the completion of the BMT & ASSOC Pty Ltd budget estimate, and the limit of accuracy that can be achieved given this.

5.0 Cash Flow Analysis

Please refer to the attached cash flow diagram for the development. The forecast cash flow for this development has been derived using the CSIRO - Bromilow 20/20 curve that generates a mean cashflow for developments of this nature.

For a further detailed explanation of the scope of works, please refer to the attached trade break up estimate.

6.0 Disclaimer

BMT & ASSOC Pty Ltd have prepared this report in part on the basis of information supplied in the ordinary course of business by EARLJEST PTY LTD ATF THE HURSTVILLE UNIT TRUST.

Whilst all professional care and skill have been exercised to validate its accuracy and authenticity, BMT & ASSOC Pty Ltd is unable to provide any guarantee in that regard, and will not be liable to any party for any loss arising as a result of any such information subsequently being found to be inaccurate or lacking authenticity.

7.0 Conclusion

Should you have any queries or require any further clarification, please do not hesitate to contact our office.

Yours Sincerely,



BMT & ASSOC Pty Ltd

Project Information

Project Number	133787
Project Description	Residential Development
Project Address	21-35 Treacy Street, HURSTVILLE, NSW 2220
Version Number	1
Version Description	Preliminary Cost Plan
Rates Current	July 2, 2010
Gross Floor Area	50,889m ²
Total Cost (GST Exclusive)	\$134,004,540
Cost/m² (GST Exclusive)	\$2,633
Total Cost (GST Inclusive)	\$147,404,994
Cost/m ² (GST Inclusive)	\$2,897

Schedule of Exclusions

- All authority fees
- Design contingency
- Land and legal cost
- Rise and fall
- Holding costs and interest charges
- Unknown ground conditions allowance
- Goods and services tax (GST)
- Leasing and marketing costs
- Finance costs
- Removal of hazardous materials and contaminated soil
- Staging, phasing or delay costs
- Cost increases beyond June 2010
- Land costs

Schedule of Information

Following is a schedule of information used in the preparation of the Preliminary Cost Plan.

- Written and verbal information as provided by Mr Jason Nowosad of Stanisic Associates Architects
- Architectural Drawings: Sheet 1; dated June 2010; as prepared by Stanisic Associates Architects, Level 3/346 Kent Street, SYDNEY NSW 2000

Schedule of Finishes

Following is a schedule of assumed finishes used in the preparation of the Preliminary Cost Plan.

- Wall and floor tiles \$23-\$27 per square metre supply only
- Full height bathroom wall tiles throughout bathrooms
- Aluminium windows and sliding doors
- Medium quality Stainless Steel appliances
- Stone kitchen benchtops
- Semi frameless shower screens
- Supply and lay carpet \$36-\$38 per square metre
- Ducted air-conditioning
- Cold shell to retail areas

Schedule of Areas

The costs within this report are calculated based on a Gross Floor Area (GFA) rate. Typically GFA can be determined as the sum of the Fully Enclosed Covered Floor Area (FECA) and the Unenclosed Covered Floor Area (UCA) of the building at all floor levels, measured in a square metre rate.

Fully Enclosed Covered Areas Include

- Basements
- Attics
- Garages
- Penthouses
- Lift Shafts
- Staircases
- Columns and Piers
- Equipment rooms

Unenclosed Covered Areas Include

- Roofed Balconies
- Open Verandahs
- Porches and Porticos
- Attached Covered Walkways
- Useable Space Under Buildings

Preliminary Cost Plan



Indicative Trade Summary

Residential Development - 21-35 Treacy Street, HURSTVILLE, NSW 2220

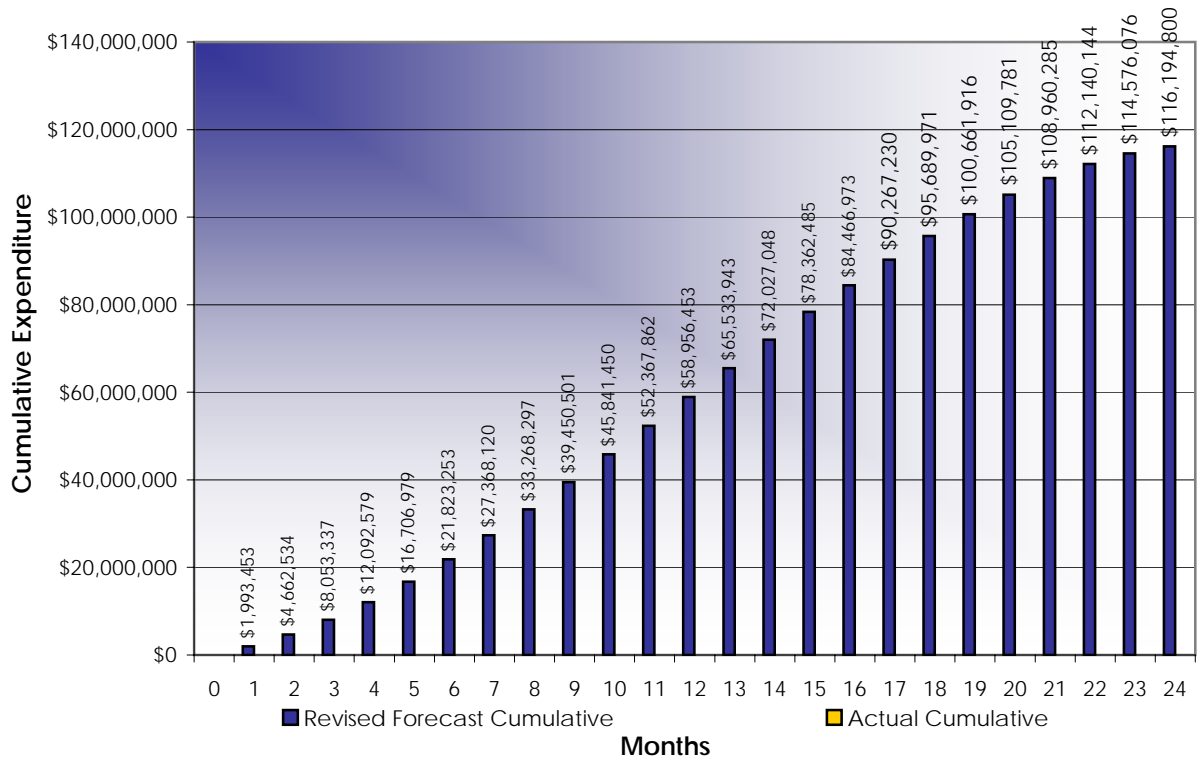
Trade	\$/sqm	%	Total Cost	
			Excl GST	Incl GST
Preliminaries & Margin	265	11.6%	\$13,486,896	\$14,835,586
Demolition	4	0.2%	\$188,628	\$207,491
Excavation	76	3.3%	\$3,866,872	\$4,253,560
Substructure	98	4.3%	\$4,998,640	\$5,498,504
Columns	20	0.9%	\$1,037,454	\$1,141,199
Upper Floors	330	14.4%	\$16,787,885	\$18,466,674
Staircases	35	1.5%	\$1,791,965	\$1,971,162
Roof	48	2.1%	\$2,452,163	\$2,697,379
External Walls	141	6.2%	\$7,167,861	\$7,884,647
Windows & Glazing	78	3.4%	\$3,961,186	\$4,357,305
Internal Walls	250	11.0%	\$12,732,385	\$14,005,623
External Doors	26	1.1%	\$1,320,395	\$1,452,435
Internal Doors	33	1.5%	\$1,697,651	\$1,867,416
Wall Finishes	39	1.7%	\$1,980,593	\$2,178,653
Floor Finishes	83	3.7%	\$4,244,128	\$4,668,541
Ceiling Finishes	59	2.6%	\$3,018,047	\$3,319,851
Fixtures (PC Items)	137	6.0%	\$6,979,233	\$7,677,156
Fitments	67	2.9%	\$3,395,303	\$3,734,833
Electrical Services	107	4.7%	\$5,470,210	\$6,017,231
Hydraulic Services	113	5.0%	\$5,753,152	\$6,328,467
Mechanical Services	63	2.8%	\$3,206,675	\$3,527,342
Fire Services	39	1.7%	\$1,980,593	\$2,178,653
Transportation Services	69	3.0%	\$3,489,617	\$3,838,578
Site Works	76	3.3%	\$3,866,872	\$4,253,560
External Services	26	1.1%	\$1,320,395	\$1,452,435
Sub Total	2,283	100%	\$116,194,800	\$127,814,280
Contingency Allowance	114	4.3%	\$5,809,740	\$6,390,714
Consultants Fees	236	9.0%	\$12,000,000	\$13,200,000
Council Fees	-	Excl	Excl	Excl
Total	2,633		\$134,004,540	\$147,404,994

Please note the above trade costs have been derived from previous project of similar nature and do not necessarily reflect this project directly and as such can only be treated as a very broad indication.

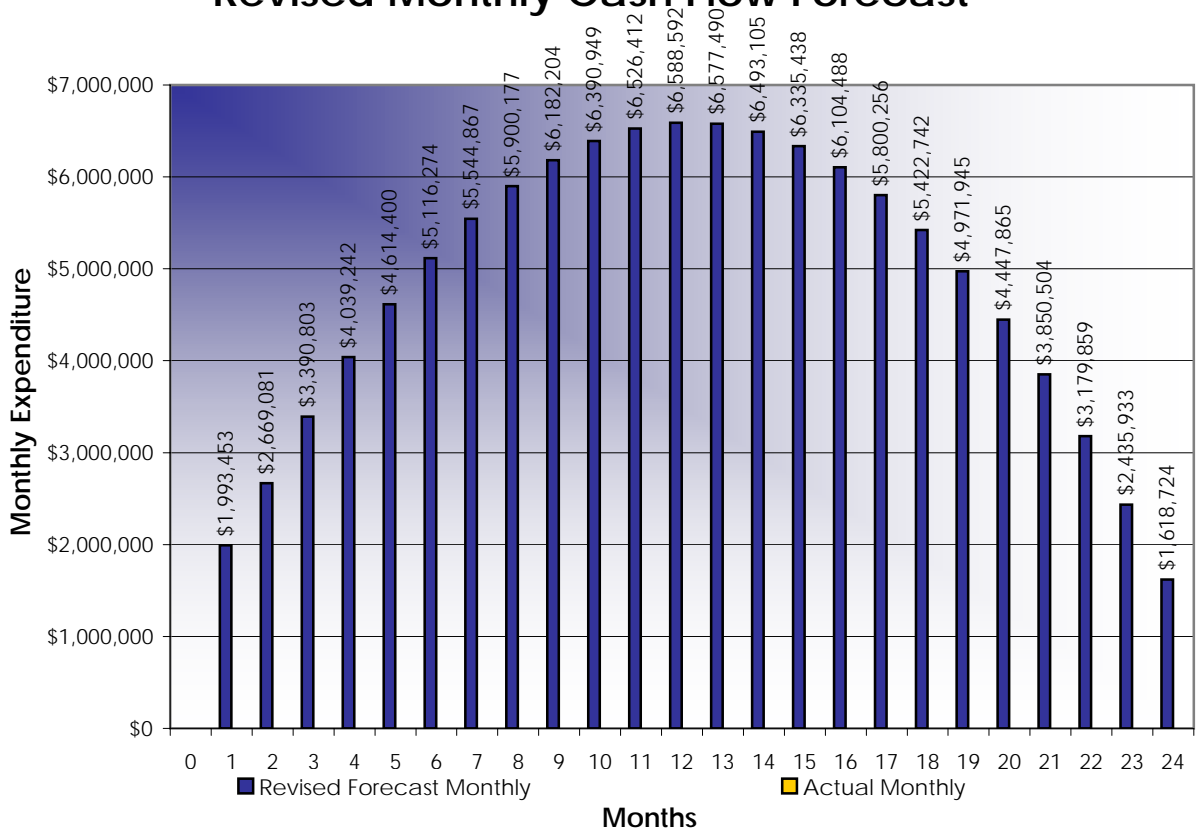
Cashflow Forecast



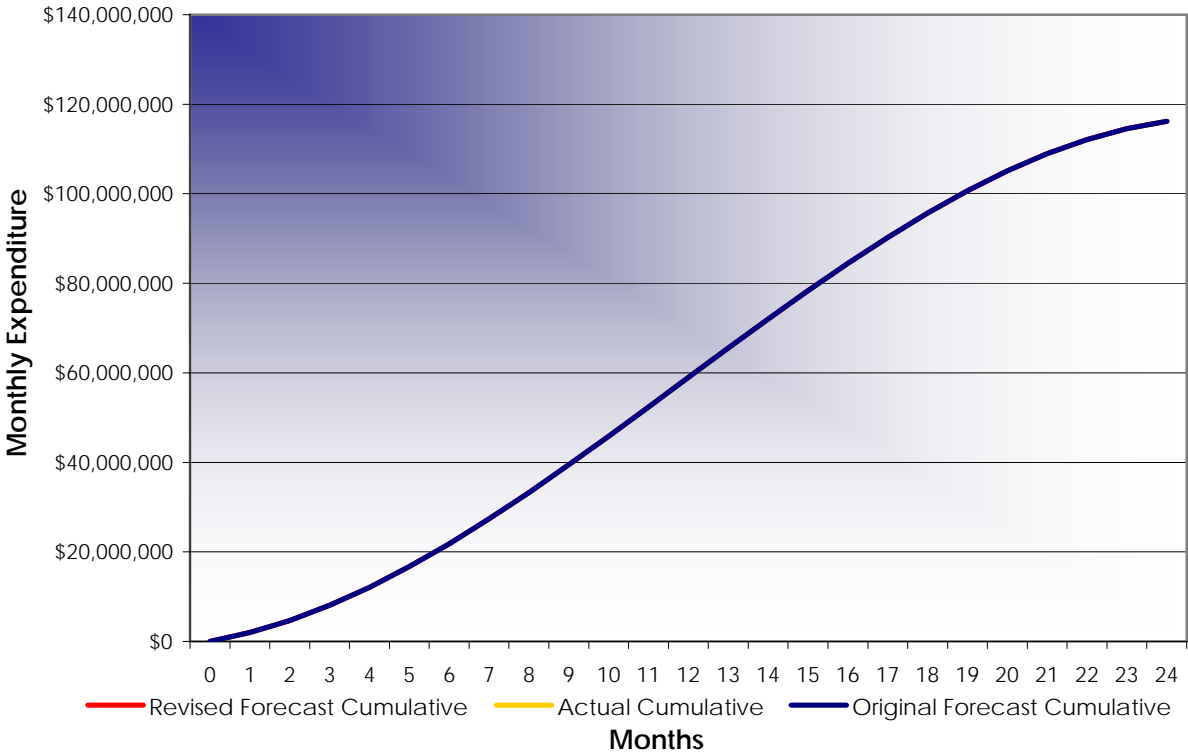
Cumulative Cash Flow Forecast



Revised Monthly Cash Flow Forecast



Original Vs Revised Cash Flow Comparison



Cash Flow Calculations

Anticipated Total Construction Cost		\$116,194,800				
Anticipated Construction Period		24 Months				
Total Works To Date		\$0				
Month	Anticipated Expenditure	Actual Expenditure	Variance	Forecast Cumulative	Actual Cumulative	Cumulative Variance
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1	\$ 1,993,453			\$ 1,993,453		
2	\$ 2,669,081			\$ 4,662,534		
3	\$ 3,390,803			\$ 8,053,337		
4	\$ 4,039,242			\$ 12,092,579		
5	\$ 4,614,400			\$ 16,706,979		
6	\$ 5,116,274			\$ 21,823,253		
7	\$ 5,544,867			\$ 27,368,120		
8	\$ 5,900,177			\$ 33,268,297		
9	\$ 6,182,204			\$ 39,450,501		
10	\$ 6,390,949			\$ 45,841,450		
11	\$ 6,526,412			\$ 52,367,862		
12	\$ 6,588,592			\$ 58,956,453		
13	\$ 6,577,490			\$ 65,533,943		
14	\$ 6,493,105			\$ 72,027,048		
15	\$ 6,335,438			\$ 78,362,485		
16	\$ 6,104,488			\$ 84,466,973		
17	\$ 5,800,256			\$ 90,267,230		
18	\$ 5,422,742			\$ 95,689,971		
19	\$ 4,971,945			\$ 100,661,916		
20	\$ 4,447,865			\$ 105,109,781		
21	\$ 3,850,504			\$ 108,960,285		
22	\$ 3,179,859			\$ 112,140,144		
23	\$ 2,435,933			\$ 114,576,076		
24	\$ 1,618,724			\$ 116,194,800		