

Ref: 2325.CMS001/SN

29 November 2011

Holdmark Property Group  
19 Victoria Avenue  
CONCORD WEST, NSW 2138

**Attention: Mr. Adam Fahim**

Dear Adam,

**Re: Shepherds Bay Urban Renewal, Meadowbank  
Quantity Surveyor's Report on Capital Investment Value**

We refer to the Master Plan for the above issued to this office and the related development statistics.

We are pleased to submit herewith our Report on the Capital Investment Value for your information and onward submission to the Minister of Planning.

We confirm that:

- The meaning of the Capital Investment Value in our report is as per the definition of Capital Investment Value as defined by the Environmental Planning and Assessment Regulations 2000.
- The Capital Investment Value as stated in our report has been calculated in accordance with the terms of this definition.

Please note that our report was based on a selected unit mix for the purpose of cost estimation. We understand that the total unit numbers may vary across the future developments where unit types and mix alter in response to changing site conditions and market demand.

We also attach a summary of the corresponding estimated cost for Stage 1 for your information.

Should you require any clarification or further information, please do not hesitate to contact us.

Yours faithfully  
**ALTUS GROUP COST MANAGEMENT PTY LTD.**



**Stephen Ngai**  
Director

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# Quantity Surveyor's Report – Capital Investment Value

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## Shepherds Bay Urban Renewal Meadowbank

for

Holdmark Property Group

Reviewed by: Stephen Ngai	Job No. 2325.CMS001
<b>ISSUE SCHEDULE</b>	
Document Title	Issue Date
Quantity Surveyor's Report – Capital Investment Value	29 November 2011

**Shepherds Bay Urban Renewal, Meadowbank**  
Estimate of Capital Investment Value

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**Contents**

	<b>Page No.</b>
<b>1. Introduction</b>	<b>3</b>
<b>2. Executive Summary</b>	<b>3</b>
<b>3. Project Scope</b>	<b>3</b>
<b>4. Basis of Estimate</b>	<b>3</b>
<b>5. Exclusions</b>	<b>4</b>

**Appendix**

- A. Cost Estimate Summary**
- B. Definitions of Areas**

# Shepherds Bay Urban Renewal, Meadowbank

## Estimate of Capital Investment Value

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### 1 Introduction

Altus Page Kirkland was requested by Holdmark Property Group to prepare a Quantity Surveyor's Report on the Capital Investment Value for the proposed re-development of the precinct bound by Constitution Road, Belmore Street, Rothesay Avenue and Bowden Street to the west, Shepherds Bay, Meadowbank.

### 2 Executive Summary

The estimated Capital Investment Value as at 29<sup>th</sup> November 2011 is **\$702,046,170 excluding GST**, and for **Stage 1**, the value is **\$83,820,830 excluding GST**.

### 3 Project Scope

This Capital Investment Value Estimate is prepared for the proposed residential re-development at the Shepherds Bay, Meadowbank site and comprises the following:

1. Residential Apartment blocks varying from low rise to high rise buildings with a total Gross Floor Area of 246,902m<sup>2</sup>.
2. The residential apartment blocks produce a total of between 2,002 units based on the following apartment mix:
  - 1 bed – 10%
  - 2 bed – 75%
  - 3 bed – 15%
3. Commercial spaces with a total Gross Floor Area of 10,080m<sup>2</sup>.
4. A total of 2,952 undercover car spaces including 400 visitor carparking and 252 commercial carparking.

### 4 Basis of the Estimate

The Cost Estimate for the Capital Investment Value of the proposed development has been based on the following information:

- Shepherds Bay Preferred Project Concept Plan and Staging Plan prepared by Robertson + Marks Architects dated 25 November 2011.
- Development Statistics : Summary prepared by Robertson + Marks Architects received on 29 November 2011.
- Civil Layout General Arrangement Plan dated September 2010 prepared by BG&E.

## Shepherds Bay Urban Renewal, Meadowbank

### Estimate of Capital Investment Value

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The cost estimate is priced at market rates as at today's date on the basis of competitive lump sum tenders.

Considering that this estimate is based on concept planning stage development information instead of full detailed design information, we recommend that a more detailed cost plan should be prepared once detailed design is developed including, but not limited to, structural, services, geotechnical, environmental including development consent conditions.

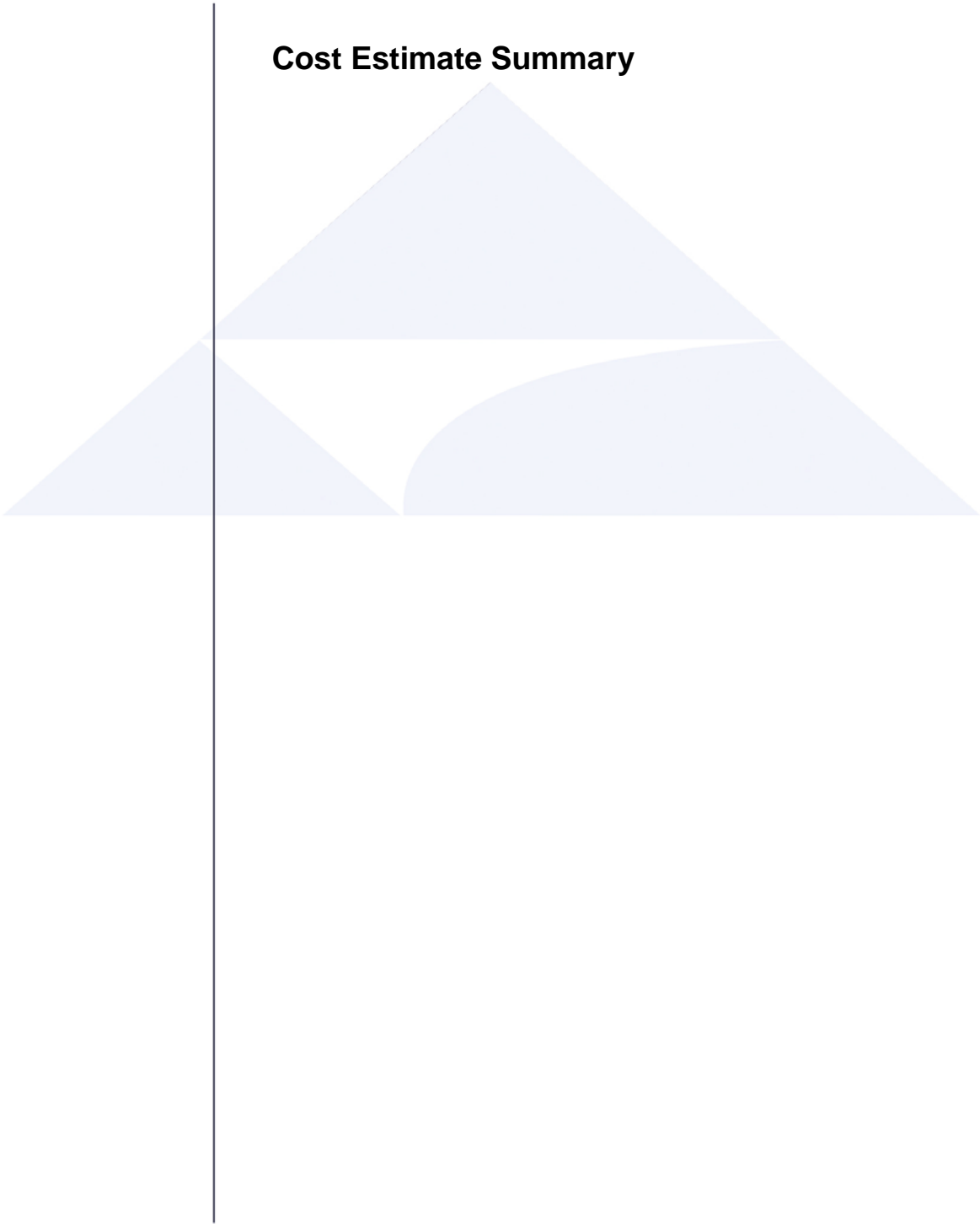
## 5 Exclusions

1. Land costs and land acquisition costs
2. Interest, finance, legal fees
3. Marketing costs
4. Council Contributions
5. Diversion and amplification of existing services
6. Removal of contaminants and hazardous materials
7. Extreme geotechnical conditions
8. Seawall remediation works
9. Works outside site boundaries
10. Loose fitments and furniture
11. Staging of Development
12. GST
13. Escalation from date of this estimate to actual date of commencement of construction

# Appendix A

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Cost Estimate Summary



# SHEPHERDS BAY URBAN RENEWAL, MEADOWBANK

## INDICATIVE ESTIMATE OF CAPITAL INVESTMENT VALUE

	No. of Units/ Element Qty	Element Unit	Total Area (GFA) *	Unit Cost	Total Cost (Excl. GST)	Total Cost (Excl. GST)
			<b>m2</b>			
<b>New Built Elements</b>						
Residential Apartments	2,002	No	246,902	1,950	481,458,900	
Residential and Non-Residential Carparking (Basement)	2,954	No		35,000	103,390,000	
Commercial Spaces			10,080	2,200	22,176,000	
<b>Sub-Total</b>						607,024,900
<b>Demolition &amp; Site Preparation Works</b>						
Demolition of existing buildings (approx. area)	62,562	m2		85	5,317,770	
<b>Sub-Total</b>						5,317,770
<b>Infrastructure</b>						
Civil/ Infrastructure Works per APK/consultants assessment (see attached sheet)	1	Item		31,300,500	31,300,500	
<b>Sub-Total</b>						31,300,500
<b>External Works and Landscaping</b>						
External Works/ Open Space Works /Landscaping Incl. Deep Soil Planting	20,000	m2		320	6,400,000	
<b>Sub-Total</b>						6,400,000
<b>Total Construction Cost</b>						650,043,170
<b>Design, Professional &amp; Authorities Fees</b>						
Design, Professional & Authorities Fees (8%)					52,003,000	
<b>Sub-Total</b>						52,003,000
<b>Total GFA</b>			256,982			
<b>Total Estimated Capital Investment Value</b>					702,046,170	702,046,170

### Notes:

Preliminaries & Builder's Margin Included

Escalation during construction included

Escalation from date of estimate to actual commencement of construction excluded

\* See definitions of GFA in Appendix B

**Shepherds Bay Urban Renewal**  
**Estimated Cost of Infrastructure**

Element	Description	Quantity	Unit	Rate	Amount	Total
<b>Road Reservation</b>						
<b>Nancarrow Avenue (Round About to Belmore Road)</b>						
	Local Road (18m wide)	170	m	4,500	765,000	
	Street lights	17	No.	15,000	255,000	
	Cable, conduits and pits	340	m	300	102,000	
	Allow for retaining walls and earthworks at road break and other locations	1	Sum	300,000	300,000	
	Roundabout (junction of Hamilton Crescent West)	1	No.	400,000	400,000	
<b>Hamilton Crescent West</b>						
	Local Road (18m wide)	100	m	4,500	450,000	
	Street lights	10	No.	15,000	150,000	
	Cable, conduits and pits	200	m	300	60,000	
	Allow for minor retaining walls and earthworks	1	Sum	80,000	80,000	
	Sub-total				2,562,000	2,562,000
<b>Rothsay Avenue extension to join new road under 146 Bowden St site</b>						
	Local Road (12m wide)	250	m	4,000	1,000,000	
	Street lights	13	No.	15,000	195,000	
	Cable, conduits and pits	250	m	300	75,000	
	Allow for associated retaining walls and earthworks	1	Sum	220,000	220,000	
	Sub-total				1,490,000	1,490,000
<b>Roundabouts</b>						
	Roundabout (Constitution Road/Hamilton Crescent West)	1	No.	450,000	450,000	450,000
<b>Sundries</b>						
	Allow for Belmore Street Upgrade	160	m	4,000	640,000	
	Allow for Bowden Road Kerb & Gutter Reconstruction	330	m	650	214,500	
	Nancarrow lane (6m wide)	90	m	2,500	225,000	
	Reseal Nancarrow Avenue and make good (between Bowden St and new Round About)	200	m	800	160,000	
	Allow for new and existing roads connections	10	No.	32,000	320,000	
	Sub-total				1,559,500	1,559,500
	Traffic Management					6,061,500
	Preliminary, Supervision and Margin					Incl.
	Sub-total					Incl. 6,061,500
	<b>Say</b>					<b>6,100,000</b>
<b>Hydraulics (Estimated cost per Floth)</b>						
	Water Services				1,014,750	
	Sewer Drainage				1,117,750	
	Gas Services				476,700	
	Developer Contributions				500,000	
	Contingency (10%)				310,920	
	Sub-total				3,420,120	3,500,000
<b>Electrical and Comms (Estimated cost per Floth)</b>						
	HV/LV Conduits & Street Lights				1,439,870	
	HV Mains				334,950	
	Comms Conduits				389,700	
	HV Feeders from Zone Substation				5,000,000	
	Sub-total				7,164,520	7,200,000
<b>Flood Path (excluding Upstream Works at Constitution Road and beyond)</b>						
	Allowance for Trunk Drainage (from Constitution Road to River including easement protection and seawall modifications)	350	m	10,000	3,500,000	
	Boring under Nancarrow Avenue for Trunk Drain including support and uphold of road utilities and/or necessary services diversions	1	Item		1,500,000	
	Sub-total				5,000,000	5,000,000
<b>Stormwater Services</b>						
	Allowance for Stormwater Services Amplifications					1,500,000
<b>Foreshore Public Open Space</b>						
	Foreshore Landscape and Boardwalk	1	Item		3,500,000	
	Foreshore Park and Eat Street Plaza	2,000	m2	350	700,000	
	Central Park & Play Parks	3,820	m2	250	955,000	
	Sub-total				5,155,000	5,155,000
	Sub-total					28,455,000
	Contingency (10%)					2,845,500
	Design & Professional Fees					Separately Included
	<b>Total Cost (Excl. GST)</b>					<b>31,300,500</b>

**EXCLUSIONS:**

Land Costs, Finance and Interest  
 Authorities Fees; DA and CC Costs  
 Design and Professional Fees  
 Legal Fees  
 Archeological and heritage conservation assessment and works  
 Contribution and Charges  
 Roads and footpaths and landscape works within lot boundaries  
 Works to seawall  
 Constitution Road Regrading (assume Council reconstruct road to meet new development levels)  
 Flood strategy works upstream of Constitution Road  
 Escalation from date of estimate to actual date of commencement of works  
 GST



# SHEPHERDS BAY URBAN RENEWAL, MEADOWBANK

## INDICATIVE ESTIMATE OF CAPITAL INVESTMENT VALUE STAGE 1

	No. of Units/ Element Qty	Element Unit	Total Area (GFA) *	Unit Cost	Total Cost (Excl. GST)	Total Cost (Excl. GST)
			<b>m2</b>			
<b>New Built Elements</b>						
Residential Apartments	249	No	30,639	1,950	59,746,830	
Residential and Non-Residential Carparking (Basement)	336	No		35,000	11,760,000	
Sub-Total						71,506,830
<b>Demolition &amp; Site Preparation Works</b>						
Demolition of existing buildings (approx. area)	28,000	m2		85	2,380,000	
Sub-Total						2,380,000
<b>Infrastructure</b>						
Civil/ Infrastructure Works per APK/consultants assessment (see attached sheet)	1	Item		2,769,800	2,769,800	
Sub-Total						2,769,800
<b>External Works and Landscaping</b>						
External works/ Open Space Works	2,985	m2		320	955,200	
Sub-Total						955,200
<b>Total Construction Cost</b>						77,611,830
<b>Design, Professional &amp; Authorities Fees</b>						
Design, Professional & Authorities Fees (8%)					6,209,000	
Sub-Total						6,209,000
<b>Total GFA</b>			30,639			
<b>Total Estimated Capital Investment Value</b>					83,820,830	83,820,830

### Notes:

Preliminaries & Builder's Margin Included

Escalation during construction included

Escalation from date of estimate to actual commencement of construction excluded

\* See definitions of GFA in Appendix B

**Shepherds Bay Urban Renewal**  
**Estimated Cost of Infrastructure**

Element	Description	Quantity	Unit	Rate	Amount	Total
<b>Road Reservation</b>						
	<b>Nancarrow Avenue (Round About to Belmore Road)</b>					
	Local Road (18m wide)	170	m	4,500	765,000	
	Street lights	17	No.	15,000	255,000	
	Cable, conduits and pits	340	m	300	102,000	
	Allow for retaining walls and earthworks at road break and other locations	1	Sum	300,000	300,000	
	Roundabout (junction of Hamilton Crescent West)	1	No.	400,000	400,000	
	<b>Hamilton Crescent West (Not in Stage 1)</b>					
					0	
	Sub-total				1,822,000	1,822,000
					Sub-total	1,822,000
	Traffic Management					Incl.
	Preliminary, Supervision and Margin					Incl.
	Sub-total					1,822,000
<b>Hydraulics (Estimated cost per Floth)</b>						
	Water Services				1,014,750	
	Sewer Drainage				1,117,750	
	Gas Services				476,700	
	Developer Contributions				500,000	
	Contingency (10%)				310,920	
	Sub-total				3,420,120	
	Pro-rata (Stage 1)				425,380	426,000
<b>Electrical and Comms (Estimated cost per Floth)</b>						
	HV/LV Conduits & Street Lights				1,439,870	
	HV Mains				334,950	
	Comms Conduits				389,700	
	HV Feeders from Zone Substation (Assumed not in stage 1)				0	
	Sub-total				2,164,520	
	Pro-rata (Stage 1)				269,214	270,000
	Sub-total					2,518,000
	Contingency (10%)					251,800
	Design & Professional Fees					Separately Included
<b>Total Cost (Excl. GST)</b>						<b>2,769,800</b>

**EXCLUSIONS:**

Land Costs, Finance and Interest  
 Authorities Fees; DA and CC Costs  
 Design and Professional Fees  
 Legal Fees  
 Archeological and heritage conservation assessment and works  
 Contribution and Charges  
 Roads and footpaths and landscape works within lot boundaries  
 Works to seawall  
 Constitution Road Regrading (assume Council reconstruct road to meet new development levels)  
 Flood strategy works upstream of Constitution Road  
 Escalation from date of estimate to actual date of commencement of works  
 GST

## Appendix B

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### Definitions of Areas

The term **Gross Floor Area (GFA)** used in this document is the sum of the “Fully Enclosed Covered Area” and “Unenclosed Covered Area” as defined below.

#### **Fully Enclosed Covered Area (FECA)**

*The sum of all such areas at all building floor levels, including basements (except unexcavated portions), floored roof spaces and attics, garages, penthouses, enclosed porches and attached enclosed covered ways alongside buildings, equipment rooms, lift shafts, vertical ducts, staircases and any other fully enclosed spaces and usable areas of the building, computed by measuring from the normal inside face of exterior walls but ignoring any projections such as plinths, columns, piers and the like which project from the normal inside face of exterior walls.*

*It shall not include open courts, light wells, connecting or isolated covered ways and net open areas of upper portions of rooms, lobbies, halls, interstitial spaces and the like which extend through the storey being computed.*

#### **Unenclosed Covered Area (UCA)**

*The sum of all such areas at all building floor levels, including roofed balconies, open verandahs, porches and porticos, attached open covered ways alongside buildings, undercrofts and usable space under buildings, unenclosed access galleries (including ground floor) and any other trafficable covered areas of the building which are not totally enclosed by full height walls, computed by measuring the areas between the enclosing walls or balustrade (ie from the inside face of the UCA excluding the wall or balustrade thickness). When the covering element (ie roof or upper floor) is supported by columns, is cantilevered or is suspended, or any combination of these, the measurements shall be taken to the edge of the paving or the edge of the cover, whichever is the lesser.*

*UCA shall not include eaves overhangs, sun shading, awnings and the like where these do not relate to clearly defined trafficable covered areas, nor shall it include connecting or isolated covered ways which are elements of external works or outbuildings.*

The definitions of FECA and UCA above are consistent with the definitions in the Australian Cost Management Manual published by the Australian Institute of Quantity Surveyors.

**It should be noted that local councils or authorities may adopt other definitions for Gross Floor Area for the purposes of floor space ratio calculations or the likes.**