

# UTS Thomas Street

## Capital Investment Value (CIV) - Report



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Prepared for

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## Quality Information

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## Introduction

Davis Langdon has been engaged by University of Technology Sydney (UTS) to provide Cost Management Services to the proposed re-development located on the corner of Jones and Thomas Street, Ultimo. In undertaking our commission, we have also been requested to assess the Capital Investment Value (CIV) for the development.

In brief, the proposed development works comprise of the construction of 3 in-ground basement levels and six above ground levels of educational facilities comprising of offices, laboratories, teaching areas, lecture theatre and theatre lobby. In addition external and associated infrastructure works.

## Capital Investment Value (CIV)

### Definition

Capital Investment Value (CIV) is defined by the Environmental Planning Authority as:

*“the **capital investment value** of a development or project includes all costs necessary to establish and operate the project, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment, other than the following costs”:*

*(a) amounts payable, or the cost of land dedicated or any other benefit provided, under a condition imposed under Division 6 or 6A of Part 4 of the Act or a planning agreement under that Division,*

*(b) costs relating to any part of the development or project that is the subject of a separate development consent or project approval,*

*(c) land costs (including any costs of marketing and selling land),*

*(d) GST (within the meaning of A New Tax System (Goods and Services Tax) Act 1999 of the Commonwealth).*

### Calculation of CIV

To calculate the CIV, Davis Langdon has prepared a Concept Cost Estimate for the new building construction works.

A separate CIV has been issued for Stage 1 Early works incorporating the demolition, bulk earthworks and ground stabilisation.

Stage 2 Main works CIV includes the basement and above ground structure and external works. We have also added the development costs prepared by UTS to determine the CIV.

The total Capital Investment Value of \$92,263,800 may be summarised as follows:

Project Elements	Cost (\$)
Demolition (Stage 1)	Excl
Bulk Excavation & Site stabilisation (Stage 1)	Excl
Building Works	59,496,125
Prelims & Margin	10,300,703
Client Options	916,575
Sub-total – Construction Works	\$70,713,403
Finance, Selling & Marketing Costs	Excl
Authority Fees & Charges	Excl
Professional Fees	6,254,224
Development Management Fees	3,918,045
Escalation	2,093,905

Project Elements	Cost (\$)
Contingency	9,284,223
Sub-total – Applicable Development Costs	\$21,550,397
<b>TOTAL ESTIMATED CIV</b>	<b>\$92,263,800</b>

## Information Relied Upon

In preparing this report, Davis Langdon has relied on the following information provided by others:

Discipline	Drawing Nos.	Rev
<b>Architectural (Durbach &amp; Block &amp; Jagers)</b>		
Basement 3	101	D
Basement 2	102	D
Basement 1	104	D
Ground	105	D
Level 1	106	D
Level 2	107	D
Level 3	108	D
Level 4	109	D
Level 5	110	D
Roof Plan	111	D
Long Section	112	D
Facade Geometry & Window Schedule	SKT 010	02
Facade Structural System – Option A	SKT 004	02
Facade Structural System – Option B	SKT 005	02
Typical Facade Details	SKT 006	01
Facade Option A	SKT 010	P2
Facade Option B	SKT 011	P1
<b>Structural (Taylor Thomas Whiting)</b>		
Basement 3	SK02	June 11
Basement 2	SK03	June 11
Basement 1	SK04	June 11
Ground	SK05	June 11
Level 1	SK06	June 11
Level 3	SK07	June 11
Level 4	SK08	June 11
Facade Concept Design	SK01	22/07/11
Facade Concept Design	SK02	22/07/11
Facade Concept Design	SK03	22/07/11
Facade Concept Design	SK04	22/07/11

## Development Notes

### Programme

In calculating escalation costs, we have calculated the Concept Cost Plan based on July 2011 dollars and assumed a start on site of July 2012.

### Statutory Fees

Statutory fees are excluded from the calculation in accordance with the amended definition.

### Design & Management Fees

We have based the Design & Management Fees on our assessment of the likely fees to be attributed to this project. The design & management fees comprise the following:

1. Professional fees
2. Project Management & Quantity Surveying Fees
3. Development Management Fees

### Contingencies

The calculation of CIV includes the following contingencies:

1. Design Contingency of approximately 5%
2. Construction Contingency of approximately 5%.

### Escalation

For the purposes of calculating CIV, escalation has been assessed based on the Building Price Index produced by NSW Public works Bulletin no 144

Escalation to a start on site (July 2012)

Please note that the calculation of Contract escalation has considered a standard S-curve cashflow of construction, thereby reducing the annualised rate of escalation in accordance with anticipated cashflow and the timing of contract lettings.

### Sales and Marketing Costs

No allowance has been made for Sales & Marketing based upon the final usage of the Building.

### Finance Costs

No allowance has been made for Financing Costs as the works will be funded privately by the University.

## Specific Exclusions

The following items have been specifically excluded from our estimate for the purposes of this report:

1. Statutory Fees & Charges.
2. Land & legal costs.
3. Holding costs on land.
4. Loose furniture & fittings (FF&E).
5. Stand-by generators.
6. Any costs associated with Green star ratings or upgrades.
7. Early works Contract – subject of separate DA applications.
8. Trigen Infrastructure Costs – subject of separate DA applications.
9. Goods and Services Tax.

## Report Parameters

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## Appendix A

# Schematic Cost Estimate Summary

Project : UTS Thomas Street  
 Cost Plan : Prelim. Schematic Final

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Project Summary

No.	Description	Unit	Quantity	Rate	Total
	Construction Works				
1	Main Building Works	m2	13,032.00	5,219.98	68,026,828
2	Extra Over Cost for PC3 Laboratories	m2	200.00	3,500.00	700,000
3	Extra Over Cost for PC2 Laboratories	m2	400.00	1,800.00	720,000
4	Extra Over Cost for saltwater pool to roof including all plant and equipment, and additional structural costs; Approx 100m2	Item	1.00	350,000.00	350,000
	Construction Sub Total (Jul 11)				69,796,828
5	Escalation Based on Construction Period June 2012 to Dec 2013			3.00	2,093,905
	Construction Total ( Jul 12)				71,890,733
	Project Costs				
6	UTS Management Fee			5.45	3,918,045
7	Professional Fees			8.25	6,254,224
8	Investigation & Surveys	Excl			
9	Authority & Utility Fees	Excl			
10	Design & Construction Contingency - Approx. 10%				9,284,223
	Project Costs Sub Total				19,456,492
	Development Total				91,347,225
11	Cogeneration Plant	Excl			
12	ITD Budget (based on UTS budget for the Broadway Building)	m2	12,221.00	75.00	916,575
	Total				92,263,800

Base Date : 1st Qtr 2011

Location Factor : 1.00

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Main Building Works

No.	Description	Unit	Elemental Qty	Elemental Rate	Total	\$/m2 GFA
1	Area Summary	m2	13,032.00			
2	Demolition and Site Preparation	m2	1,694.00			
3	Substructure	m2	4,708.00	1,040.71	4,899,668	375.97
	Sub Total - Substructure				4,899,668	375.97
4	Columns	m	694.00	750.00	520,500	39.94
5	Upper Floors	m2	8,094.00	595.57	4,820,515	369.90
6	Staircases	M/Ri se	120.00	8,862.50	1,063,500	81.61
7	Roof	m2	1,795.00	834.27	1,497,509	114.91
8	External Walls & Facades	m2		1,879.40	8,876,905	681.16
9	External Doors	No	14.00	2,414.29	33,800	2.59
10	Internal Walls	m2	13,002.00	309.31	4,021,634	308.60
11	Internal Doors	No	219.00	2,420.09	530,000	40.67
	Sub Total - Superstructure				21,364,363	1,639.38
12	Wall Finishes	m2	12,368.00	186.66	2,308,585	177.15
13	Floor Finishes	m2	11,294.00	186.18	2,102,675	161.35
14	Ceiling Finishes	m2	11,879.00	149.44	1,775,250	136.22
	Sub Total - Finishes				6,186,510	474.72
15	Fitments	m2	13,032.00	187.26	2,440,320	187.26
16	Loose FFE excluding Plant Areas	Excl	12,221.00			
	Sub Total - Fitments				2,440,320	187.26
17	Hydraulics	m2	12,221.00	235.39	2,876,735	220.74
18	Mechanical Services	m2	12,221.00	621.98	7,601,270	583.28
19	Electrical and Comms	m2	12,221.00	556.76	6,804,190	522.11
20	Fire Services	m2	12,221.00	120.54	1,473,070	113.03
21	Lifts Services	No	3.00	360,000.00	1,080,000	82.87
	Sub Total - Services				19,835,265	1,522.03
	Nett Construction Cost				54,726,126	4,199.36
22	External Works & Services - Allow Approx. 3.00%				2,000,000	153.47
23	Interface with existing buildings	PC	1.00	500,000.00	500,000	38.37
	Sub Total - Site Works/External Works					
24	Preliminaries & Margin			18.00	10,300,703	790.42
	Sub Total - Preliminaries & Profit				10,300,703	790.42
25	Substation				500,000	38.37
	Sub Total - PROJECT SUB TOTAL				68,026,829	5,219.99
	Carry Forward				68,026,829	5,219.99

Base Date : 1st Qtr 2011

Location Factor : 1.00

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