

SSDA ESTIMATE REPORT

NOVEMBER 2023

ESR WESTLINK INDUSTRIAL ESTATE – STAGE 2 SSDA ESTIMATE

MAMRE ROAD, KEMPS CREEK
ESR AUSTRALIA

PROJECT ID: 17580-6.1 ES-1



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3 November 2023

ESR Australia
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SYDNEY, NSW 2000

Attention: Nick Mullins
Email: Nick.Mullins@esr.com

Dear Sir

**ESR WESTLINK INDUSTRIAL ESTATE – STAGE 2 SSDA ESTIMATE
SSDA ESTIMATE REPORT**

We have pleasure in enclosing our SSDA Estimate Report for the above project.

We trust that our report is of assistance and will be pleased to provide any further information, which you may require upon request.

Yours faithfully



Richard Rigby

Director

Rider Levett Bucknall

MRICS (77082)

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REPORTS ISSUED

Revision	Date	Title Description	Released By
0	27 September 2022	Stage 2 SSDA Estimate Report	Robbie Stewart
1	3 August 2023	Stage 2 SSDA Estimate Report	Mark Brasher
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1 EXECUTIVE SUMMARY

This report provides preliminary estimate for the proposed project of \$91,640,000 excluding GST and is based on the State Significant Development (SSD) application design information listed in Section 4.1 of this report.

Rates used in the formulation of this estimate are current as at September 2023, and assumes procurement through a competitive tender process.

We note our estimate excludes allowances for the following items:

- Development contributions charges
- Land costs including marketing and selling costs
- Costs subject to a separate consent or approval
- Finance costs
- GST

2 INTRODUCTION

2.1 PURPOSE OF REPORT

This report has been prepared to verify the Capital Investment Value (CIV) of the Westlink Stage 2 Development in accordance with the definition under the Environmental Planning and Assessment Regulation 2000.

In accordance with the Planning Circular PS-21-020 dated 2 December 2021, the CIV is defined as follows;

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 7.1 or 7.2 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)*

The CIV is an indicative order of development cost and is based on preliminary information. The actual cost of the development will vary depending on numerous matters including but not limited to the method of contractual procurement, staging, quality of finishes and fitments, method of construction, calibre of contractor, timing and implementation of the works, utility provisions outside site boundaries, etc. Hence, this report is for the benefit of NSW Department of Planning only and is not to be relied upon by third parties.

2.2 PROJECT DESCRIPTION

The project is the proposed Stage 2 Site Preparation, Lot 2 Warehouse, Offices, Undercroft Car Park, and the associated External Works, located in Kemps Creek.

The Estimate indicates the likely costs for the proposed development and will be further developed and refined as the project progresses through the design stages.

The project comprises the following:

- Single level warehouse unit approximately 40,810m².
- Offices including a single storey office, a two-storey dock office and a three-storey office, approximately 1,100m² in total.
- Undercroft car park approximately 2,066m².
- 153 Car parking spaces.
- External works comprising of hardstand for loading and car parking areas. Landscaped areas around the perimeter of the site.
- Site infrastructure including access roadway.

2.3 STATEMENT OF RELIANCE

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3 PROJECT COSTS

3.1 COST ESTIMATE SUMMARY

The costs can be summarised as follows:

Description	Cost	GFA (m2)	\$/m2	%Cost
Construction Cost	\$70,795,512	43,976	\$1,610	77.3%
Preliminaries	\$4,248,000			4.6%
Builders Design Fees	\$1,876,000			2.0%
Builders Overheads and Margin	\$3,077,000			3.4%
Construction Subtotal	\$79,996,512	43,976	\$1,819	87.3%
Warehouse Racking	\$4,455,300			4.9%
Professional Fees	\$2,534,000			2.8%
Design Development Contingency	\$2,175,000			2.4%
Construction Contingency	\$2,229,000			2.4%
Long Service Leave Levy (LSLL)	\$250,188			0.3%
Escalation to Commencement (June 2024)	Incl.			
GST	Excl.			
TOTAL ESTIMATE COST (EXCLUDING GST)	\$91,640,000	43,976	\$2,084	100%

A further breakdown of cost can be found in the Estimate in Appendix A of this report.

4 BASIS OF ESTIMATE

4.1 BASIS OF QUANTIFICATION & PRICING

This estimate is based upon measured elemental quantities priced with rates current as at September 2023.

Gross Floor Areas (GFAs) are measured in accordance with the standard AIQS definitions as detailed in Appendix C.

The following information was used in the preparation of this estimate:

Document Title	Reference	Date
Architectural drawings prepared by Nettleton Tribe Partnership	12963_DA	01.09.2023
Civil Works Package Infrastructure Works – Stage 2 prepared by AT&L	RTS-SSD-46983729	12.09.2023
Civil Works Package On Lot Works – Stage 2 by AT&L	RTS-SSD-46983729	12.09.2023

A full record of the information used can be found in Appendix B of this report.

4.2 BASIS OF PROCUREMENT

We have prepared this estimate based on the project being procured through a competitive tender process based on suitably advanced documentation.

4.3 PROGRAMME

No programme information has been provided.

4.4 ESCALATION

This estimate is based on fixed price market rates prevailing as at September 2023. Rates used in this estimate would account for escalation during the construction period based on the project being tendered in the current market.

Further, we have included an allowance for escalation from September 2023 to a future construction commencement date of June 2024.

4.5 CONTINGENCY

The estimate includes a contingency of \$4,404,000 which equates to 5% as a provision for uncertainties such as development of design and unforeseen events during construction.

Contingency Type	Percentage	Value (\$)
Design Development Contingency	2.5%	\$2,175,000
Construction Contingency	2.5%	\$2,229,000

The design development contingency has been considered based on the completeness of the design and the degree of other uncertainties that may come to realisation during the design. The allowance will be released as the design progresses and cost certainty increases.

The construction contingency has been included for use during the construction period to provide for unforeseen events such as site conditions, ground conditions, external services, delays by authorities and the like. This allowance should be managed during the construction period and released as the risk of unforeseen events reduces.

4.6 CLARIFICATIONS AND ASSUMPTIONS

The following items are included in the estimate:

- Long service levy (0.25% on the GST inclusive construction value)
- Professional fees
- Contingency (5%)

Due to the stage of the project, some of the report is based on assumptions rather than outline design. These assumptions should be tested as the project progresses.

We have employed the following assumptions in preparing this report:

- No allowance for cost escalation beyond June 2024.
- No allowance for staging of the works and any prolongation of construction programme as a result.
- Our estimate allows for works within the Stage 2 site boundary subject to any services connections and road interface works.
- We understand that the removal and/or remediation of hazardous materials is not required for the site hence, our estimate makes no allowance to remove any contaminated materials from the site including ACM and general solid waste.
- Our estimate makes no allowance for any FF&E, loose fittings and equipment, as this is to be carried out by the tenant as part of a separable application.
- Our estimate assumes works are to be carried out in standard business hours and makes no provision for penalty rates for 'out of hours' or program acceleration.
- Our estimate allows for consultant fees including those engaged directly by the contractor.
- Our estimate allows for authority fees to the extent of long service leave levy and utility contributions.
- Our estimate makes no allowance for any effect of foreign exchange currency fluctuations.
- Our estimate makes no allowance for any changes in law, standards and codes.
- Our estimate allows for development or project costs including all costs necessary to establish and operate the project and makes no provision for land, legal fees, agent fees, lease incentives, marketing, GST, finance and interest charges.
- Our estimate makes no allowance for any tenant specialist equipment, etc. for the purposes of ultimate occupant business operations, other than warehouse racking.
- Our estimate makes no allowance for any costs associated with heritage, cultural, archaeological artefacts, etc.

4.7 ITEMS SPECIFICALLY EXCLUDED

The following items are excluded from the estimate:

- amounts payable, or the cost of land dedicated or other benefit provided, under a condition imposed under the Act, Division 7.1 or 7.2 or a planning agreement,
- costs relating to a part of the development or project that is the subject of a separate development consent or project approval,
- land costs, including costs of marketing and selling land,
- GST, within the meaning of the A New Tax System (Goods and Services Tax) Act 1999 of the Commonwealth

APPENDIX A:
Estimate

KEMPS CREEK INDUSTRIAL ESTATE

WESTLINK STAGE 2 ESTIMATE



GFA: Gross Floor Area
Rates Current At September 2023

LOCATION SUMMARY

Ref	Location	GFA m ²	GFA \$/m ²	Total Cost \$
EW	Early Works Stage 2 (Lot 2, 3, 5, 6A & 6B)			
EW1	Stage 2			22,066,596
	EW - Early Works Stage 2 (Lot 2, 3, 5, 6A & 6B)			22,066,596
A	Warehouse 2 and Amenities	40,810	923	37,686,888
B	Offices			
B1	Office 2A (1 Storey)	250	2,574	643,430
B2	Office 2B (3 Storey)	650	2,632	1,710,812
B3	Dock Office (2 Storey)	200	2,290	457,986
	B - Offices	1,100	2,557	2,812,228
C	Undercroft Car Park	2,066	865	1,787,878
D	External Works			5,392,106
E	Trunk Drainage			1,049,816
F	Infrastructure Upgrades Outside of Site Boundary			
F1	Infrastructure Roads			Excl.
F2	Infrastructure Water			Excl.
F3	Infrastructure Sewer			Excl.
F4	Infrastructure Electrical			Excl.
F5	Infrastructure Stormwater			Excl.
	F - Infrastructure Upgrades Outside of Site Boundary			Excl.
G	Future Development			Excl.
ESTIMATED NET COST		43,976	1,610	70,795,512
MARGINS & ADJUSTMENTS				
	Preliminaries	6.0%		4,248,000
	Builders Design Fees	2.5%		1,876,000
	Builders Overheads and Margin	4.0%		3,077,000
CONSTRUCTION SUBTOTAL		43,976	1,819	79,996,512
	Warehouse Racking	5.6%		4,455,300
	Professional Fees	3.0%		2,534,000
	Design Development Contingency	2.5%		2,175,000
	Construction Contingency	2.5%		2,229,000
	Long Service Leave Levy (LSLL)	0.3%		250,188
	Authority Charges Other than Long Service Leave Levy & Utility Contributions			Excl.
	Escalation to commencement			Incl.
	GST			Excl.
PROJECT TOTAL		43,976	2,084	91,640,000
ESTIMATED TOTAL COST		43,976	2,084	91,640,000

KEMPS CREEK INDUSTRIAL ESTATE

WESTLINK STAGE 2 ESTIMATE



Gross Floor Area: 43,976 m²
Rates Current At September 2023

ELEMENT SUMMARY

Ref	Description	%	GFA \$/m ²	Total Cost \$
SB	SUBSTRUCTURE	6.3%	132	5,810,750
CL	COLUMNS	3.6%	74	3,267,000
UF	UPPER FLOORS	2.6%	54	2,370,775
SC	STAIRCASES	0.1%	2	80,000
RF	ROOF	15.0%	313	13,756,185
EW	EXTERNAL WALLS	2.5%	52	2,291,900
ED	EXTERNAL DOORS	0.3%	7	299,000
NW	INTERNAL WALLS	0.2%	4	193,145
NS	INTERNAL SCREENS AND BORROWED LIGHTS	0.0%	1	34,550
ND	INTERNAL DOORS	0.0%	1	41,000
WF	WALL FINISHES	0.1%	3	133,350
FF	FLOOR FINISHES	1.2%	25	1,117,100
CF	CEILING FINISHES	0.1%	3	112,160
FT	FITMENTS	0.7%	15	667,805
SE	SPECIAL EQUIPMENT	0.3%	6	282,500
HS	HYDRAULIC SERVICES	2.5%	51	2,256,800
SF	SANITARY FIXTURES	0.1%	2	93,400
GS	GAS SERVICE			Excl.
MS	MECHANICAL SERVICES	0.3%	6	251,010
FP	FIRE PROTECTION	3.4%	70	3,078,320
LP	ELECTRIC LIGHT AND POWER	4.8%	100	4,397,600
TS	TRANSPORTATION SYSTEMS	0.1%	2	108,000
XP	SITE PREPARATION	10.0%	209	9,188,628
XR	ROADS, FOOTPATHS AND PAVED AREAS	5.5%	114	5,011,602
XN	BOUNDARY WALLS, FENCING AND GATES	4.8%	100	4,403,975
XB	OUTBUILDINGS AND COVERED WAYS	0.1%	2	100,000
XL	LANDSCAPING AND IMPROVEMENTS	3.1%	65	2,853,885
XK	EXTERNAL STORMWATER DRAINAGE	3.7%	78	3,409,319
XD	EXTERNAL SEWER DRAINAGE	0.3%	6	244,300
XW	EXTERNAL WATER SUPPLY	0.3%	7	307,750
XF	EXTERNAL FIRE PROTECTION	0.2%	4	188,080
XE	EXTERNAL ELECTRIC LIGHT AND POWER	1.3%	26	1,165,074
YY	SPECIAL PROVISIONS	4.9%	101	4,455,300
PR	PRELIMINARIES	5.4%	113	4,961,469

KEMPS CREEK INDUSTRIAL ESTATE

WESTLINK STAGE 2 ESTIMATE



ELEMENT SUMMARY

Gross Floor Area: 43,976 m²
Rates Current At September 2023

Ref	Description	%	GFA \$/m ²	Total Cost \$
MA	BUILDERS MARGIN & OVERHEAD	3.4%	70	3,077,000
FE	FEES	9.9%	206	9,064,188
ES	FUTURE COST INCREASES	2.1%	44	1,933,910
CV	CIVIL WORKS	0.7%	14	633,170
ESTIMATED TOTAL COST			2,084	91,640,000

APPENDIX B:
Schedule of Information

SCHEDULE OF INFORMATION

Architectural drawings prepared by Nettleton Tribe Partnership Pty Ltd dated 1 September 2023:

12963_DA000 – Cover Page (P3)
12963_DA001 - Location Plan (P4)
12963_DA002 - Estate Plan - Stage 1&2 (P4)
12963_DA005 - Site Plan (P8)
12963_DA006 - Roof Plan (P4)
12963_DA011 - Ground Floor Plan – LOT2 (Incl. Undercroft Carpark) (P7)
12963_DA015 – Undercroft Carpark Plan – LOT2 (P4)
12963_DA016 – Office 2A Plans – LOT2 (P2)
12963_DA017 - Office 2B Plans – LOT2 (P4)
12963_DA018 - Dock Office Plans – LOT2 (P4)
12963_DA021 - Elevations – LOT2 (P3)
12963_DA030 – Sections – LOT2 (P3)

APPENDIX C:
Standard Area Definitions

STANDARD AREA DEFINITIONS

The terminology “GFA” as utilised in this report relates to Gross Floor Area. The definition of GFA as measured in this report is as follows:

GROSS FLOOR AREA (G.F.A.)

The sum of the “Fully Enclosed Covered Area” and “Unenclosed Covered Area” as defined.

FULLY ENCLOSED COVERED AREA (F.E.C.A.)

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, lightwells, connecting or isolated covered ways and net open areas or upper portions of rooms, lobbies, halls, interstitial spaces and the like which extend through the storey being computed.

UNENCLOSED COVERED AREA (U.C.A.)

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 area between the enclosing walls or balustrade (i.e. from the inside face of the U.C.A. excluding the wall or balustrade thickness). When the covering element (i.e. 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 to the edge of the cover, whichever is the lesser. U.C.A. shall not include eaves overhangs, sun shading, awnings and the like where these do not relate to the clearly defined trafficable areas, nor shall it include connecting or isolated covered ways.

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