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5 February 2016

Tactical Group
Level 15
124 Walker Street
NORTH SYDNEY NSW 2060**Attention: Mr Nathan Cairney**
Email: ncairney@tacticalgroup.com.au

Dear Sir

MINTO WAREHOUSING DEVELOPMENT – STAGE 1

As requested, we provide below our report on the Capital Investment Value (CIV) for the project.

Definition

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 *Environmental Planning and Assessment 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 (such as tenant fit-out)
- (c) Land costs (including any costs of marketing and selling land)
- (d) GST (as defined by *A New Tax System (Goods and Services Tax) Act 1999* of the Commonwealth).

Basis of Valuation

The estimated Capital Investment Value amounts to \$70,500,000 excluding GST, and \$77,550,000 including GST. The Estimate breakdown is enclosed for your information.

This estimate 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.

In compiling this estimate, no allowance has been made for the following cost items based on advice previously provided by the NSW Department of Planning;

- a. Development Application and Construction Certificate fees;
- b. Any special or additional contributions sought by authorities for public or other facilities as a condition of development approval;
- c. Cost increases beyond January 2016;
- d. Finance costs and interest charges.

ISO 9001
FS 548756

Job Creation

We estimate that the number of jobs that would be created by this Stage of the development of the site would be:-

- a) During construction – approximately 200 construction personnel per year for eighteen months, and
- b) After construction – approximately 75 operational personnel per year.

Conclusion

In accordance with the guidelines created and NSW Planning Circular PS 10-008 dated 10 May 2010, we confirm that the CIV of \$70,500,000 excluding GST is fair and reasonable for the scope of work proposed and based on the documentation provided.

Should you require any further assistance, please do not hesitate to contact us.

Yours faithfully



Richard Rigby

Director

Rider Levett Bucknall

richard.rigby@au.rlb.com