

Ref 17050_CIV Tower B.

9 November, 2017

Dexus

Australia Square

Level 25, 264 – 278 George Street

Sydney NSW 2000

Via email mark.barrett@dexus.com.au

Attention Mr Mark Barrett

Dear Mark,

North Shore Health Hub

Tower B: Medical specialist suites and associated uses

As requested, Slattery has prepared the following Capital Investment Value (CIV) Report based on the development scheme for Tower B – Medical specialist suites and associated uses.

Executive Summary

The development comprises the construction of the following:

- Building envelope for a new tower, known as 'Tower B', situated on the northern and eastern sides of the 2 storey podium of the proposed development (Tower A and Podium, SSD 7543) on the site.
- Warm shell fit out to the new tower
- The heights of the envelope are:
 - single storey (maximum RL 107.650) on eastern side of podium
 - 8-storeys on northern side of podium. Predominant height of RL 134.000
- Gross floor area (GFA) of 6,980 m².
- Uses associated with the building, including (but not necessarily limited to):
 - ⊖ medical specialist suites and associated uses
- Additional car parking (proposed number to be confirmed) to be accommodated in the basement car park of the development

The Capital Investment Value of the Project is \$37,985,000 excluding GST.

The above has been calculated in accordance with EPA regulation which defines capital investment value 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 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).

Inclusions

As defined within the regional and state planning circular 'PS-10-008' the following items have been included within our capital investment value calculation:

Design and construction

The calculation of CIV should include the amount required to design and construct all buildings and other facilities that are part of/ included in the application, including any temporary buildings that will be used during the construction phase.

Structures and infrastructure

CIV should include all costs incurred from the construction of associated structures and infrastructure that are the subject of the current application. These costs include any supplementary or site preparatory works such as remediation, demolition, excavation and filling, that are required for the construction of buildings, provided these works are needed to make the site suitable for construction and for the operation of the project.

Site services

CIV should include the costs of providing electrical services, water, gas, sewerage and storm water drainage, including any temporary diversions and/ or arrangements during construction, and should form part of the application. The costs of fire protection and communications services that are reasonably required to construct and operate the project should also be included. Site works such as landscaping, car parking, roads and footpaths should also be included.

Plant and equipment

CIV should include standard building plant, such as lifts and air conditioning, and all specialist and specific equipment related to the operation of the project, provided these are specifically included as part of the application. Fit-out cost of a building may be included in the calculation of CIV where the costs are subject to the application. In such cases, the application would need to include specific tenancy use, and would be defined by specific reference to description in the application. Where such tenancy is not referred to or will be subject to further application, the fit out costs should not be included.

Labour fees

All labour and personnel costs, including the payment of long service levies and other associated construction and labour costs should be included in the calculation of the CIV.

Exclusions

As defined within regional and state planning circular 'PS-10-008' the following items have been excluded from our capital investment value calculation;

- Development contributions and fees
- Works to be submitted under a separate development application
- Land costs or value of land dedicated
- Strata related fees, stamp duty, finance charges
- Project contingencies
- GST

Jobs Generated

We are advised that the anticipated jobs generated by this project are as follows:

- Construction phase 330 workers
- Operational phase 110 full time employees

We trust the enclosed meets with your requirements. However, should you require any clarifications or further information please do not hesitate to contact us.

Yours faithfully,

Slattery Australia Pty Ltd



Ivy Halstead

Director

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Appendix A – CIV Calculation Summary

North Shore Health Hub

Tower B

CIV Cost Plan

9 November, 2017

Functional Area	Scope	Bldg Area (m2)	Rate (\$/m2)	Total (\$)
Basement		7,172	1,515	10,869,000
Base Build - Tower B	Base Build	7,636	2,748	20,980,000
Warm shell - Tower B	Fit out	7,636	393	3,000,000
Allowance for vertical transportation included	825,000			
Total Building Cost (at Nov, 2017)		14,808	2,353	34,849,000
Demolition	Item			Incl in Stage 1
Asbestos / hazardous material removal	Item			Excluded
Site preparation and excavation (excluding contamination removal)	Item			Incl in Stage 1
OSD Tank & stormwater system	Item			Incl in Stage 1
Provisional allowance for external services connections and infrastructure	Item			Incl in Stage 1
Allowance for sub station and associated works				Incl in Stage 1
Provisional allowance for landscaping and porte cochere	Item			Incl in Stage 1
Ramp connection into carpark	Item			Incl in Stage 1
Works outside site boundary, etc.	Item			Excluded
Abnormal ground conditions / site decontamination / remediation	Item			Excluded
Total Building and External Works & Services Cost (at Nov, 2017)			2,353	34,849,000
Builder's Preliminaries	Item		18.00%	Included
Builder's Margin	Item		4.00%	Included
ECI Design Management Services - Contractors management costs	Item		0.00%	Excluded
ECI Design Management Services - Consultant fees	Item		0.00%	Excluded
Total Construction Cost (at Nov, 2017)			2,353	34,849,000
Contingencies:				
Staging Allowance	Item			Excluded
Additional ESD Allowances	Item			Excluded
Design Contingency	Item			Excluded
Time related costs:				
Cost escalation allowance	Item			Excluded
Total Construction Cost (at Nov, 2017)			2,353	34,849,000
Construction Contingency	Item			Excluded
Project Contingency	Item			Excluded
FF&E Group 3 (supply and install) & Group 2 (supply)	Item			Excluded
Client Consultants Fees	Item		9.0%	3,136,000
Land, Finance, Legal, Letting Costs etc.	Item			Excluded
Authorities Charges	Item			Excluded
Dexus Healthcare Costs	Item			Excluded
FF&E Allowance	Item			Excluded
IT & Communications	Item			Excluded
Goods & Services Tax	Item			Excluded
Total Project Cost (at Nov, 2017)			2,565	37,985,000

This cost plan is based on preliminary information and therefore should be regarded as indicative only of the possible order of cost. All components of the cost plan will require confirmation once further documentation is available. Refer to the accompanying letter for details of basis of cost plan and exclusions from above costs.