

Street Smart. World Wise.

346CMS005/DC/dc

22nd September 2010



CAPITAL CORPORATION PTY LTD

Suite 705
12 Century Circuit
Baulkham Hills NSW 2153

Attention: Adam Wheat

Dear Adam,

Re: 2 Australia Ave, Homebush

Please find enclosed herewith a copy of our Estimate for the above named project.

In relation to the Capital Investment Value Assessment (CIV) for stages 1 & 2 for the above development at 2 Australia Ave, Homebush - we, in our capacity as Quantity Surveyors have estimated the CIV including 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 to be **\$43,313,743 (Excl. GST)**. This estimate has been carried out on inspection of 1:500 architectural plans (A3 Scale) by Architectus dated June 2010.

We draw your attention to our list of assumptions and exclusions from the general notes section in our Estimate and stress that the costs produced in this report are an opinion only of current market rates in the Sydney Metropolitan area based on competitive lump sum contracts.

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

Yours faithfully,

ALTUS GROUP COST MANAGEMENT PTY LTD

A handwritten signature in black ink, appearing to read 'David Collins', written over a horizontal line.

David Collins
Director

Encl.

Research, Valuation & Advisory | Cost Consulting & Project Management | Realty Tax Consulting | Geomatics

Altus Group Consulting Pty Ltd (formerly Page Kirkland Group Pty Ltd) ABN 34 091 512 471

The Podium Building, 1 Market Street, Sydney NSW 2000 Australia

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Summary

Job Name :	346CMS005 REV A	Job Description
Client's Name:	Capital Corporation	2 Australia Ave, Homebush

Trd No.	Trade Description	Trade %	Cost/m2	Sub Total	Mark Up %	Trade Total
	GENERAL NOTES					
	DEMOLITION AND SITE PREPARATION	3.71		1,608,623		1,608,623
	CARPARKING AND RAMPS	10.00		4,332,986		4,332,986
	BASEMENT SUPERMARKET AREA [NOTE: THIS ITEM HAS BEEN EXCLUDED]					
	GROUND FLOOR PODIUM AREA	9.29		4,025,722		4,025,722
	OFFICES (Levels 1 to 7)	61.19		26,505,110		26,505,110
	VERTICAL TRANSPORTATION	4.80		2,078,334		2,078,334
	EXTERNAL WORKS & SERVICES	2.74		1,185,942		1,185,942
	Subtotal					<u>39,736,717</u>
	ESCALATION FROM SEP 2010 TO JUNE 2011	1.93		834,456		834,456
	Subtotal					<u>40,571,173</u>
	FEES	6.33		2,742,570		2,742,570
		100.00		43,313,743		43,313,743
					Final Total : \$	43,313,743

Break - Up

Job Name : 346CMS005 REV A

Job Description

Client's Name: Capital Corporation

2 Australia Ave, Homebush

Item No.	Item Description	Quantity	Unit	Rate	Mark Up %	Amount
Trade : 1 <u>GENERAL NOTES</u>						
	<u>Basis of Estimate</u>					
1	Architectural Concept Drawings 1 to 8 by Architectus (dated June 2010)		Note			
2	Arial Photographs of existing site		Note			
	<u>Assumptions</u>					
3	Construction Commencement in June 2011		Note			
4	Minor modifications to existing water supply, sewer and electrical services		Note			
5	Contiguous piles and shotcrete walls to basement		Note			
6	Excavation in hard shale		Note			
7	Stabilisation of northern corner of existing office building due to proximity to new basement		Note			
	<u>Exclusions</u>					
8	Demolition of the existing office and warehouse		Note			
9	Living walls to external facade		Note			
10	Basement supermarket (this area to be substituted with car parking)		Note			
11	Fit-out costs to ground floor retail facilities and offices		Note			
12	Escalators and escalator pits		Note			
13	Relocation Costs		Note			
14	Diversion of major services		Note			
15	Excavation in Hard Rock		Note			
16	Contaminated material		Note			
17	Professional Fees		Note			
18	Contingency		Note			
19	GST		Note			
<u>GENERAL NOTES</u>						Total :
Trade : 2 <u>DEMOLITION AND SITE PREPARATION</u>						
	<u>Demolition</u>					
1	Allowance for demolition of double storey commercial building	1.00	Item			EXCL
2	Allowance for demolition of large span warehouse building	1.00	Item			EXCL

Break - Up

Job Name : 346CMS005 REV A

Job Description

Client's Name: Capital Corporation

2 Australia Ave, Homebush

Item No.	Item Description	Quantity	Unit	Rate	Mark Up %	Amount
Trade : 2 <u>DEMOLITION AND SITE PREPARATION</u>						(Continued)
3	Allowance for demolition of hard and soft landscaping elements from site (eg. bitumen caprak, trees & turf etc.)	4,800.00	m2	10.00		48,000.00
	<u>Asbestos Removal</u>					
4	Allow for the removal of asbestos material	1.00	Item			EXCL
	<u>Services Diversion</u>					
5	Allowance for diversion of major services [say]	1.00	Item	100,000.00		100,000.00
	<u>Bulk Excavation</u>					
6	Allowance for excavation in material as found to reduced levels approx 6m deep overall	24,315.20	m3	30.00		729,456.00
7	Allowance for temporary ramp for access to basement area	1.00	Item	40,000.00		40,000.00
8	Allowance for dewatering as required	4,200.00	m2	10.00		42,000.00
	<u>Retaining Walls & Stabilization of Excavated Faces, etc.</u>					
9	Allowance for contiguous piles/shotcrete walls to basement carpark	2,016.00	m2	210.00		423,360.00
10	Allowance for underpinning/temporary support to northern corner of existing office building	1.00	Item	50,000.00		50,000.00
	<u>Preliminaries & Margin</u>					
11	Allowance for Builder's Preliminaries	1.00	Item	128,953.44		128,953.44
12	Allowance for Builder's Margin	1.00	Item	46,853.08		46,853.08
<u>DEMOLITION AND SITE PREPARATION</u>						Total : 1,608,622.52
Trade : 3 <u>CARPARKING AND RAMPS</u>						
	<u>Carparking</u>					
1	Allowance for carparking area at basement 2 (incl. area previously set aside for a Supermarket)	3,816.00	m2	415.00		1,583,640.00
2	Allowance for carparking area at basement 1	3,816.00	m2	435.00		1,659,960.00
3	Extra over general carparking areas for ramps and barriers, etc.	560.00	m2	200.00		112,000.00
	<u>Loading Dock</u>					
4	Allowance for turntable (approx 10m dia.)	2.00	No			EXCL
5	Allowance for sundry barriers and dock levellers	1.00	Item			EXCL
	<u>Sundries</u>					
6	Allowance for lift pits	6.00	No	15,000.00		90,000.00
7	Allowance for lift core areas	108.00	m2	1,020.00		110,160.00

Break - Up

Job Name :	346CMS005 REV A	Job Description	
Client's Name:	Capital Corporation	2 Australia Ave, Homebush	

Item No.	Item Description	Quantity	Unit	Rate	Mark Up %	Amount
Trade : 3 <u>CARPARKING AND RAMPS</u>						(Continued)
8	Allowance for stair wells	60.00	m2	990.00		59,400.00
9	Access control system to carpark (i.e. booms and card readers, etc.)	2.00	No	30,000.00		60,000.00
10	Roller Shutter doors	1.00	no	15,000.00		15,000.00
11	NOTE: Lifts elsewhere		Note			
	<u>Preliminaries & Margin</u>					
12	Allowance for Builder's Preliminaries	1.00	Item	516,622.40		516,622.40
13	Allowance for Builder's Margin	1.00	Item	126,203.47		126,203.47
<u>CARPARKING AND RAMPS</u>						Total : 4,332,985.87
Trade : 4 <u>BASEMENT SUPERMARKET AREA [NOTE: THIS ITEM HAS BEEN EXCLUDED]</u>						
	<u>Supermarket</u>					
1	Allowance for basement 2 supermarket (excl. Fit-out)	472.00	m2			
2	Allowance for basement 1 supermarket (excl. Fit-out)	472.00	m2			
	<u>Sundries</u>					
3	Allowance for escalator pits	4.00	No			
4	NOTE : Allowance for escalators elsewhere		Note			
	<u>Preliminaries & Margin</u>					
5	Allowance for Builder's Preliminaries	1.00	Item			
6	Allowance for Builder's Margin	1.00	Item			
<u>BASEMENT SUPERMARKET AREA [NOTE: THIS ITEM HAS BEEN EXCLUDED]</u>						Total :
Trade : 5 <u>GROUND FLOOR PODIUM AREA</u>						
	<u>Terrace/Plaza Area</u>					
1	Allowance for suspended slab complete with waterproofing membrane and selected tile finish to general areas	2,400.00	m2	495.00		1,188,000.00
2	Allowance for columns to support levels 2 & 3 above (Say 10m high columns on average)	2,400.00	m2	110.00		264,000.00
3	Allowance for ceiling finishes and lighting to underside of level 2 & 3 slab areas above	2,400.00	m2	90.00		216,000.00
4	Allowance for sundry balustrades and handrails to void areas below	1.00	Item	20,000.00		20,000.00
	<u>Retail Areas</u>					
5	Allowance for lift lobby and circulation space	260.00	m2	1,500.00		390,000.00

Break - Up

Job Name :	346CMS005 REV A	Job Description	
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Item No.	Item Description	Quantity	Unit	Rate	Mark Up %	Amount
Trade : 5 <u>GROUND FLOOR PODIUM AREA</u>						(Continued)
6	Allowance for lift core areas	54.00	m2	1,020.00		55,080.00
7	Allowance for business lounge	250.00	m2	1,300.00		325,000.00
8	Allowance for amenities areas	58.00	m2	3,500.00		203,000.00
9	Allowance for change room and concierge	100.00	m2	1,300.00		130,000.00
10	Allowance for stairwells	30.00	m2	990.00		29,700.00
11	Allowance for retail areas (cold shell ... i.e excl. ceilings and floor finishes)	442.00	m2	1,010.00		446,420.00
	<u>Service Areas</u>					
12	Allowance for switch rooms	92.00	m2	840.00		77,280.00
13	Allowance for chamber sub-stations	100.00	m2	840.00		84,000.00
	<u>Preliminaries and Margin</u>					
14	Allowance for Builder's Preliminaries	1.00	Item	479,987.20		479,987.20
15	Allowance for Builder's Margin	1.00	Item	117,254.02		117,254.02
<u>GROUND FLOOR PODIUM AREA</u>						Total : 4,025,721.22
Trade : 6 <u>OFFICES (Levels 1 to 7)</u>						
	<u>Level 1 (3.6m floor to floor height)</u>					
	<u>Cost Indicators</u>					
1	Overall Area	2,966.00	m2			
2	Overall Cost Indicator		\$/m2	1,143.56		
	<u>Functional Rates</u>					
3	Allowance for lift lobby and circulation space	236.00	m2	1,200.00		283,200.00
4	Allowance for lift core areas	54.00	m2	1,020.00		55,080.00
5	Allowance for void areas (allowance for extra air-conditioning only)	1,034.00	m2	200.00		206,800.00
6	Allowance for amenities areas	94.00	m2	3,500.00		329,000.00
7	Allowance for stairwells	30.00	m2	990.00		29,700.00
8	Allowance for fire passages & storage areas	45.00	m2	1,100.00		49,500.00
9	Allowance for office areas (warm shell ... i.e ceilings and floor finishes)	1,579.00	m2	1,210.00		1,910,590.00
10	Allowance for extended slab shelf complete with finishes outside of building envelope	130.00	m2	270.00		35,100.00
11	Preliminaries & Margin	1.00	Item	492,824.90		492,824.90
12	Subtotal					<u>3,391,794.90</u>

Break - Up

Job Name :	346CMS005 REV A	Job Description	
Client's Name:	Capital Corporation	2 Australia Ave, Homebush	

Item No.	Item Description	Quantity	Unit	Rate	Mark Up %	Amount
Trade : 6 OFFICES (Levels 1 to 7)						(Continued)
	<u>Level 2 (3.6m floor to floor height)</u>					
	Cost Indicators					
13	Overall Area	2,763.00	m2			
14	Overall Cost Indicator		\$/m2	1,276.13		
	Functional Rates					
15	Allowance for lift lobby and circulation space	176.00	m2	1,200.00		211,200.00
16	Allowance for lift core areas	54.00	m2	1,020.00		55,080.00
17	Allowance for void areas (allowance for extra air-conditioning only)	552.00	m2	200.00		110,400.00
18	Allowance for amenities areas	94.00	m2	3,500.00		329,000.00
19	Allowance for stairwells	30.00	m2	990.00		29,700.00
20	Allowance for fire passages & storage areas	45.00	m2	1,100.00		49,500.00
21	Allowance for office areas (warm shell ... i.e ceilings and floor finishes)	1,800.00	m2	1,210.00		2,178,000.00
22	Allowance for extended slab shelf complete with finishes outside of building envelope	188.00	m2	270.00		50,760.00
23	Preliminaries & Margin	1.00	Item	512,318.80		512,318.80
24	Subtotal					<u>3,525,958.80</u>
	<u>Levels 3 to 7 (3.6m floor to floor height)</u>					
	Cost Indicators					
25	Overall Area	12,466.00	m2			
26	Overall Cost Indicator		\$/m2	1,439.89		
	Functional Rates					
27	Allowance for lift lobby and circulation space	1,020.00	m2	1,200.00		1,224,000.00
28	Allowance for lift core areas	270.00	m2	1,020.00		275,400.00
29	Allowance for void areas (allowance for extra air-conditioning only)	1,040.00	m2	200.00		208,000.00
30	Allowance for amenities areas	469.00	m2	3,500.00		1,641,500.00
31	Allowance for stairwells	150.00	m2	990.00		148,500.00
32	Allowance for fire passages & storage areas	225.00	m2	1,100.00		247,500.00
33	Allowance for office areas (warm shell ... i.e ceilings and floor finishes)	9,375.00	m2	1,210.00		11,343,750.00
34	Allowance for extended slab shelf complete with finishes outside of building envelope	937.00	m2	270.00		252,990.00
35	Preliminaries & Margin	1.00	Item	2,608,078.80		2,608,078.80
36	Subtotal					<u>17,949,718.80</u>

Break - Up

Job Name :	346CMS005 REV A	Job Description
Client's Name:	Capital Corporation	2 Australia Ave, Homebush

Item No.	Item Description	Quantity	Unit	Rate	Mark Up %	Amount
Trade : 6 <u>OFFICES (Levels 1 to 7)</u> (Continued)						
	<u>Roof Level</u>					
	<u>Cost Indicators</u>					
37	Overall Area	2,493.00	m2			
38	Overall Cost Indicator		\$/m2	633.43		
	<u>Functional Rates</u>					
39	Allowance for roof slab complete with waterproofing & insulation layer	2,493.00	m2	330.00		822,690.00
40	Allowance for upstand beams to primeter	280.00	m	300.00		84,000.00
41	Allowance for abseiling lines	1.00	Item	80,000.00		80,000.00
42	Allowance for roof top plant room	330.00	m2	900.00		297,000.00
43	Allowance for lift and stair overrun	330.00	m2	200.00		66,000.00
44	Preliminaries & Margin	1.00	Item	229,447.30		229,447.30
45	Subtotal					<u>1,579,137.30</u>
	<u>Special Items</u>					
46	Allowance for living wall to elevations/facades	527.00	m2			EXCL
47	Other	1.00	Item	50,000.00		50,000.00
48	Preliminaries & Margin	1.00	Item	8,500.00		8,500.00
49	Subtotal					<u>58,500.00</u>
<u>OFFICES (Levels 1 to 7)</u>						Total : 26,505,109.80
Trade : 7 <u>VERTICAL TRANSPORTATION</u>						
	<u>Lift Services</u>					
1	Allowance for 16 person passenger lift serving 10 levels	6.00	No	285,000.00		1,710,000.00
2	Allowance for fitout of lifts	6.00	No	10,000.00		60,000.00
	<u>Escalators</u>					
3	Allowance for 1000mm wide escalator (3m rise)	2.00	No			EXCL
	<u>Preliminaries and Margin</u>					
4	Allowance for Builder's Preliminaries	1.00	Item	247,800.00		247,800.00
5	Allowance for Builder's Margin	1.00	Item	60,534.00		60,534.00
<u>VERTICAL TRANSPORTATION</u>						Total : 2,078,334.00
Trade : 8 <u>EXTERNAL WORKS & SERVICES</u>						

Break - Up

Job Name :	346CMS005 REV A	Job Description	
Client's Name:	Capital Corporation	2 Australia Ave, Homebush	

Item No.	Item Description	Quantity	Unit	Rate	Mark Up %	Amount
Trade : 8 <u>EXTERNAL WORKS & SERVICES</u>						
	<u>Soft Landscaping</u>					
1	Allowance for soft landscaping	1.00	Item	100,000.00		100,000.00
2	Allowance for planter boxes	1.00	Item	50,000.00		50,000.00
3	Allowance for irrigation services	1.00	Item	50,000.00		50,000.00
4	Allowance for artworks and embellishments	1.00	Item	50,000.00		50,000.00
	<u>Hard Landscaping</u>					
5	Allowance for selected stone paving	1.00	Item	150,000.00		150,000.00
6	Allowance for low level retaining walls, steps and ramps, etc.	1.00	Item	100,000.00		100,000.00
7	Allowance for benches and bins, etc.	1.00	Item	50,000.00		50,000.00
	<u>Roads and Accessways</u>					
8	Allowance for cross overs	1.00	Item	20,000.00		20,000.00
9	Allowance for forming new roadway	1.00	Item	150,000.00		150,000.00
	<u>Services</u>					
10	Allowance for street lighting	1.00	Item	50,000.00		50,000.00
11	Allowance for stormwater detention system	1.00	Item	90,000.00		90,000.00
12	Allowance for sewer services	1.00	Item	50,000.00		50,000.00
13	Allowance for water supply services	1.00	Item	50,000.00		50,000.00
14	Allowance for communications cabling	1.00	Item	50,000.00		50,000.00
	<u>Preliminaries and Margin</u>					
15	Allowance for Builder's Preliminaries	1.00	Item	141,400.00		141,400.00
16	Allowance for Builder's Margin	1.00	Item	34,542.00		34,542.00
<u>EXTERNAL WORKS & SERVICES</u>						Total : 1,185,942.00
Trade : 9 <u>Subtotal</u>						
<u>Subtotal</u>						Total :
Trade : 10 <u>ESCALATION FROM SEP 2010 TO JUNE 2011</u>						
	<u>Pre Contract Escalation</u>					
1	Escalation from Sept 2010 to June 2011 based on 2.1% p.a.	0.02	Item	39,736,000.00		834,456.00

Break - Up

Job Name :	346CMS005 REV A	Job Description
Client's Name:	Capital Corporation	2 Australia Ave, Homebush

Item No.	Item Description	Quantity	Unit	Rate	Mark Up %	Amount
<u>ESCALATION FROM SEP 2010 TO JUNE 2011</u>						Total : 834,456.00
Trade : 11 <u>Subtotal</u>						
<u>Subtotal</u>						Total :
Trade : 12 <u>FEES</u>						
	<u>Professional Fees, etc.</u>					
1	Allowance for professional fees during concept planning and detailed design	1.00	Item	1,250,000.00		1,250,000.00
2	Allowance for professional fees during construction	1.00	Item	1,300,000.00		1,300,000.00
3	Allowance for long service levy (0.35% of construction cost)	1.00	Item	141,998.50		141,998.50
	<u>Council Fees & Charges</u>					
4	Allowance for council fees (base cost for value between \$10Mill & \$50Mill)	1.00	Item	20,000.00		20,000.00
5	Allowance for council fees (variable cost at \$1/\$1000 for value over \$10Mill)	1.00	Item	30,571.00		30,571.00
<u>FEES</u>						Total : 2,742,569.50