

APPENDIX O

Quantity Surveyor's Certificate of Cost



1 September 2011

Mr Frank Tong
Capital Insight
Level 6
77 Berry Street
North Sydney NSW 2060

Dear Frank

**Wagga Wagga Base Hospital Redevelopment
Phase 1 Capital Investment Value (CIV)**

As requested, we have prepared the attached report for the purposes of establishing the Capital Investment Value (CIV) for the above development.

This CIV has been prepared in accordance with the definition of Capital Investment Value included in Clause 3(2)(a) of State Environmental Planning Policy (Major Development) 2005 as noted hereunder.

“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).”

In accordance with the above and based on our cost estimate dated 24 August 2011, the Capital Investment Value of the Project is as detailed hereunder.

Estimated Construction Cost	33,154,634
Design Contingency	1,517,416
Preliminaries, Supervision & Margin	Included
Sub-total – Construction Works	\$34,672,050
Statutory Fees	Excluded
Professional Fees	3,320,776
Development Management Fees	Included
Escalation	Excluded
Finance Costs	Excluded
Long Service Leave	Included
Sub-total – Applicable Development Costs	\$3,320,776
TOTAL ESTIMATED CIV	\$37,992,826

We trust this satisfies your immediate requirements. However, should you have any queries please do not hesitate to contact the undersigned at your earliest convenience.

Yours faithfully



Doug Rayment
Associate

drayment@davislangdon.com.au

Mobile: +61 428 164 864

Direct Dial: +61 2 8934 0982

Direct Fax: +61 2 8934 0001