

3029CMS002-CIV

12 December 2012

Frasers Broadway Pty Ltd
Suite 11, Lumiere Commercial
Level 12, 101 Bathurst Street
Sydney NSW 2000

Attention: Anthony Green

Dear Anthony,

Re: **Kensington Street Precinct - Block 3B, 3C, 10 & Associated Infrastructure Works**
Capital Investment Value for s75w Scheme

Further to your request, we wish to confirm our current estimated Capital Investment Value (CIV) for the construction of the Student Accommodation Development located at corner of Kensington Lane, Carlton Street and Outram Street, Broadway to be **\$35,403,000** excluding GST. This estimated cost is based on the current s75w scheme drawings by TZG which includes a total of 271 beds. We note that there is a reduction in the CIV value to the original due to changes in the facade system to a light weight system which provides a similar appearance.

The Capital Investment Value has been calculated in accordance with the definition contained in State Environmental Planning Policy Amendment (Capital Investment Value) 2010 stated as: *"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 [a] amounts payable, or the cost of land dedicated or any other benefit provided, under a condition imposed under Division 6 or 6A or 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 [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).*

Should you require any further information please do not hesitate to contact the undersigned.

Yours Faithfully,
Altus Group Cost Management Pty Ltd



Niall McSweeney
Senior Director