

CAPITAL INVESTMENT VALUE (CIV)

253 – 267 Aldington Road, Kemps Creek

Preliminary Capital Investment Value Report | 0202-0083

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Prepared For:



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1. Executive Summary

MBM have been engaged by Root Partnership to prepare a high-level Capital Investment Value (CIV) estimate for the proposed subdivision works and warehouse at 253 - 267 Aldington Road, Kemps Creek.

The CIV is prepared in accordance with Clause 3 of the Environmental Planning and Assessment Regulation 2000 and based on a proposed concept masterplan for the site

Below is a summary of the CIV estimate:

Scope of Works	Lot 1	Lot 2	Total
Subdivision Works	\$6,688,638	\$6,490,052	\$13,178,690
Warehouse Construction	\$26,864,250	\$27,405,000	\$54,269,250
Construction Cost Excluding GST	\$33,552,888	\$33,895,052	\$67,447,940
Design Fees	\$2,684,231	\$2,711,604	\$5,395,835
Total CIV Estimate Excluding GST	\$36,237,119	\$36,606,656	\$72,843,775

The project cost excludes GST, escalation, and contingency.

The report should be read in conjunction with MBM's assumptions and allowances made to arrive at the estimated cost. Please refer to the cost summary below and breakup attached for specific inclusions and exclusions.

1.1. Cost alterations related to COVID-19

MBM's cost estimate is subject to the outcomes of COVID-19 and there may be possible delays and cost alterations that have not been considered or allowed in MBM's cost estimate.



2. Capital Investment Value (CIV)

2.1. Capital Investment Value Definition

Environmental Planning Assessment Regulation 2000 Clause 3 defines CIV 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 the following costs:

- a) amounts payable, or the cost of land dedicated, or any other benefit provided, under a condition imposed under Division 7.1 or 7.2 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).”

The CIV is calculated for the proposed development at 253-267 Aldington Road, Kemps Creek. The scope of works include subdivision works and warehouse construction.

2.2. Subdivisions Estimate Summary

Below is a high-level estimate for the subdivision works:

Item	Description	Lot 1			Lot 2			Total (Lot 1 + Lot 2)
		m2	Rate	Amount	m2	Rate	Amount	Total
1	General, Preliminaries and Site Management	67,562	\$9.00	\$608,058	33,990	\$9.00	\$305,910	\$913,968
2	Civil Works	67,562	\$75.00	\$5,067,150	33,990	\$75.00	\$2,549,250	\$7,616,400
3	Utilities	67,562	\$5.00	\$337,810	33,990	\$5.00	\$169,950	\$507,760
4	Landscaping	67,562	\$1.00	\$67,562	33,990	\$1.00	\$33,990	\$101,552
5	Lead-In Services				33,990	\$29.88	\$1,015,520	\$1,015,520
6	External Works (Upgrade of Aldington Rd)				33,990	\$17.93	\$609,312	\$609,312
7	Stormwater Basin (4500m2)				33,990	\$35.78	\$1,216,116	\$1,216,116
8	Subdivision Construction Cost Excl. GST			\$6,080,580			\$5,900,047	\$11,980,627
9	Contingency			\$608,058			\$590,005	\$1,198,063
10	Subdivision Construction Cost Incl. Contingency Excl. GST			\$6,688,638			\$6,490,052	\$13,178,690
11	Design Fees			\$535,091			\$519,204	\$1,054,295
12	Subdivision Total CIV Estimate			\$7,223,729			\$7,009,256	\$14,232,985



2.3. Warehouse Construction Estimate Summary

Below is a high-level estimate based m2 rates for the warehouse construction.

Item	Description	Lot 1			Lot 2			(Lot 1 + Lot 2)
		m2	Rate	Amount	m2	Rate	Amount	Total Amount
1	Warehouse 1A (standard logistics warehouse)	10,400	\$850	\$8,840,000				\$8,840,000
2	Warehouse 1B (standard logistics warehouse)	19,700	\$850	\$16,745,000				\$16,745,000
3	Warehouse 2 (temperature controlled)				14,500	\$1,800	\$26,100,000	\$26,100,000
4	Construction Cost Excl. GST			\$25,585,000			\$26,100,000.00	\$51,685,000
5	Contingency			\$1,279,250			\$1,305,000	\$2,584,250
6	Construction Cost Incl. Contingency Excl. GST			\$26,864,250			\$27,405,000	\$54,269,250
7	Design Fees			\$2,149,140			\$2,192,400	\$4,341,540
8	Warehouse Total CIV Estimate			\$29,013,390			\$29,597,400	\$58,610,790

3. Basis of the Estimate

3.1. Concept Masterplan

The cost estimate is based on the following documents:

- 12068_SK014 (P1) mark-up (provided by Root Partnership)
- Email dated 10 June 2021 from Root Partnership describing warehouse usage
- Capital Investment Value definition in accordance with the Environmental Planning and Assessment Regulation 2000
- NSW Government Planning circular PS10-008 'New definition of capital investment value', dated 10 May 2010
- NSW Government Planning & Infrastructure circular PS13-002 'Calculating the genuine estimated cost of development', dated 14 March 2013

3.2. Procurement Strategy

It is assumed the works will be procured on a lump sum basis.

3.3. Inclusions

The following are included in the estimate:

- Subdivision works
- Warehouse construction
- Professional Fees

3.4. Exclusions

- Artwork
- Site contamination
- Vegetation management
- Aboriginal and European heritage
- Removal of hazardous materials
- Flood proofing works
- Out of Hours Works
- GST



- Authority Fees
- Client Costs
- Marketing and financing costs
- Insurance
- Land cost
- Staging
- Section 7.11 Contributions (S7.11)
- Special Infrastructure Contributions (SIC)
- Escalation
- ESD requirements
- Delay costs
- Loose Furniture

The following items related to COVID-19 are excluded from this estimate:

- Exchange rate fluctuations impacting goods, materials and equipment sourced from overseas
- Potential Material shortages associated with the inability to procure due to closed borders etc
- Potential labour impacts if people are sick or in isolation for extended periods
- Programme delays associated with labour and material shortages / supply chain impacts
- Closure of sites due to corona virus outbreaks
- Any possible delays and cost alterations due to the outcomes of COVID-19



4. Appendix A

4.1. Warehouse Concept Mark-up



Our Expertise



Quantity Surveying

- Feasibility studies
- Cost planning and estimating
- Bills of Quantities
- Tender estimates, analysis and evaluation
- Contract administration
- Financier reporting
- Replacement cost analysis



PPP Advisory

- Business case and reference project
- Technical and services specifications
- Public sector comparator (PSC)
- Bid evaluation and negotiation
- Post contract administration and audit
- Support to private sector bidder



Building Consultancy

- Technical due diligence
- Make good schedules
- Condition audits
- Life cycle costing
- Asset registers
- Sinking funds
- Capital expenditure forecasting and analysis
- BCA consultancy and certification
- Sustainability services



Infrastructure

- Independent/Probabilistic estimating
- Cost planning
- Cost & contract administration
- Audits/assurance reviews
- Expert witness and dispute resolution



Tax & Assets Services

- Tax depreciation and capital allowance schedules
- Management of fixed asset registers
- Depreciation modelling and auditing
- Transaction support for acquisition, disposal and leasing



Facilities Management Advisory

- Review of maintenance services
- Redevelopment of contract models
- Preparation/review of scope of works and specifications
- Procurement of FM maintenance and cleaning
- Assistance with transition



Expert Witness

- Financial evaluation of claims
- Negotiation of costs
- Dispute Resolution
- Tribunal and Court Proceedings
- Quantum Reports

OUR LOCATIONS

MBM has offices in Sydney, Melbourne, Brisbane, Perth, Canberra, Adelaide and the Gold Coast.

We operate as a single entity and are able to utilise specialised skills from any office to deliver a successful outcome for your project or development.

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