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6 September 2018

**KDC**  
Suite 2B, 125 Bull Street  
NEWCASTLE WEST NSW 2302Attention: Naomi Weber  
Email: [naomi@kdc.com.au](mailto:naomi@kdc.com.au)

Dear Naomi

**SEAR ESTIMATE  
LINGARD PRIVATE HOSPITAL**

Please find attached our SEAR Estimate for the proposed development at Lingard Private Hospital, Merewether, NSW.

Rider Levett Bucknall accepts no responsibility, or liability, to any other party who might use or rely upon this report without our prior knowledge and written consent. Further, no portion of this report (included without limitation any conclusions which may affect value, the identity of Rider Levett Bucknall or its Sub-Contractors, or any individuals signing or associated with this report, or the Professional Associations or Organisations with which they are affiliated) shall be copied or disseminated to third parties, by any means, without the prior written consent and approval of Rider Levett Bucknall.

Should you have any queries or require any further information or comment, please do not hesitate to contact Lorna Wilkinson or me.

Yours faithfully

**Mark Hocking**  
Director  
Rider Levett Bucknall  
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FS 548756

SEAR ESTIMATE REPORT

SEPTEMBER 2018

## LINGARD PRIVATE HOSPITAL

MEREWETHER, NSW

**Prepared For**

KDC  
Suite 2B, 125 Bull Street  
Newcastle West NSW 2302

**Issued on**

6 September 2018

**Prepared By**

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**Our Ref**

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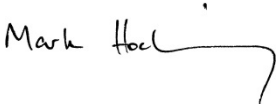
**Project number**

16805

## REPORTS ISSUED

Report	Date	Title Description	Released By
1	6 September 2018	SEAR Estimate	Mark Hocking

## RIDER LEVETT BUCKNALL QA

	Prepared by:	Reviewed by:	Released by:
Name:	Rachel Parker	James Betteridge	Mark Hocking
Signature:			

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## 1.0 EXECUTIVE SUMMARY

### 1.1 INTRODUCTION

This report provides a preliminary estimate for the proposed development at Lingard Private Hospital, Merewether, NSW. The purpose of this exercise is to provide an estimate of the possible construction cost based on the current design documentation. This report has been prepared on the basis that further cost planning will be undertaken in order to guide the project within budget parameters.

### 1.2 COST SUMMARY

The costs can be summarised as follows:

Element	Cost
Lingard Masterplan	\$52,488,147
<b>Construction Cost</b>	<b>\$52,488,147</b>
Design Fees	\$4,199,056
Project Contingency	Excl.
Authority Fees and Charges	\$850,312
Land and Legal Costs	Excl.
Finance Costs and Interest Charges	Excl.
Staging / Phasing Costs	Excl.
Escalation	Excl.
Goods and Services Tax (GST)	Excl.
Rounding	\$2,485
<b>Total Project Costs (Including GST)</b>	<b>\$57,540,000</b>

### 1.3 MAJOR ASSUMPTIONS

This cost report is based on several assumptions, as per Section 3.6 further within this report.

### 1.4 STATEMENT OF RELIANCE

This report is prepared for the reliance for the party/parties for whom it is prepared. Rider Levett Bucknall accepts no responsibility, or liability, to any other party who might use or rely upon this report without our prior knowledge and written consent. Further, no portion of this report (included without limitation any conclusions which may affect value, the identity of Rider Levett Bucknall or its Sub-Contractors, or any individuals signing or associated with this report, or the Professional Associations or Organisations with which they are affiliated) shall be copied or disseminated to third parties, by any means, without the prior written consent and approval of Rider Levett Bucknall.

## **2.0 PROJECT INFORMATION**

### **2.1 PROJECT TEAM**

Client: KDC  
Architect: HSPC Health Architects  
Quantity Surveyor: Rider Levett Bucknall

### **2.2 PROJECT DESCRIPTION**

The project comprises redevelopment and extension works to Lingard Private Hospital and includes the following:

- Demolition and site preparation
- Basement and ground level carparking
- Consulting Suites
- Hospital theatres and wards
- Associated external works and services

## 3.0 BASIS OF REPORT

### 3.1 PURPOSE AND STATUS OF COST REPORT

This report has been prepared to forecast the cost of the project as currently detailed. It has been based on the current preliminary documentation only, which is very conceptual and is not highly detailed.

As the project progresses, the developing design should be reviewed against the allowances made within this report. The costs should be considered in the context of the current stage of the design. We suggest that further cost planning be undertaken in order to guide the project within budget parameters.

### 3.2 BASIS OF PROCUREMENT

The costs in this report are based on the assumption that a competitive tender will be obtained from suitably qualified contractors.

### 3.3 PROGRAMME

To be advised.

### 3.4 FORECAST ESCALATION

Forecast escalation has been excluded from this estimate, as advised by KDC.

### 3.5 INFORMATION USED

The costs in this report are based upon rates applied to measured elemental quantities/square metre rate allowances applied to measured areas and are current as at September 2018.

\* Drawings used – refer Appendix B.

### 3.6 KEY ASSUMPTIONS

Due to the early stage of the project, much of the report is based on assumptions rather than outline design. These assumptions should be tested as the project progresses.

We have employed the following assumptions in preparing this report:

- Architectural specifications and finishes
- Ground conditions
- Demolition scope of works
- Hydraulic, mechanical and electrical services
- General allowance for FF&E, fittings and fitments, etc.
- External works including landscaping and pavements
- Incoming site services
- Kiosk/ Substation; we have assumed the existing kiosk has adequate capacity to support the proposed Kingsland site development
- Foundations; we have assumed a standard piling system will be used

### 3.7 INCLUSIONS

The estimate includes the following allowances:

- Preliminaries and Margin
- Professional fees

### 3.8 EXCLUSIONS

In compiling this estimate, no allowance has been made for the following cost items. Allowances for these items should be added as appropriate to establish the total project cost. If requested, we can provide assistance to assess these allowances:

- Project Contingencies have been excluded as advised by KDC. Adequate allowance for these should be made in the overall business case.
- Costs associated with the removal of contaminated or hazardous material including any time related costs
- Site investigation and test bores
- Tipping fees to dispose excavated material
- Excavation in rock
- Treatment of reactive soil and acid sulphate soils
- Mine grouting and works associated with mine subsidence
- Dealing with heritage, cultural and archaeological artefacts / findings
- Underpinning and shoring of existing structures
- Upgrades to mains services
- Augmentation of incoming service
- ESD requirements
- Site decontamination
- Destructive testing
- Fencing to site boundary
- Artworks
- Environmental impact study costs
- Specialist medical equipment, detailed fitout, loose furniture, fittings and equipment
- Promotion/Marketing costs
- Prototypes
- Special acoustic costs
- Stand-by power generators
- Work outside site boundaries
- Council management costs
- Authority fees and charges
- Planning fees
- Land holding costs
- Finance costs and interest charges
- Legal fees
- Cost increases beyond current date
- Goods and Services Tax



## **4.0 RECONCILIATION WITH PREVIOUS REPORT**

### **4.1 RECONCILIATION**

This is the first Cost Report undertaken by Rider Levett Bucknall.

## 5.0 SCHEDULE OF AREAS

### 5.1 DEFINITION

The terminology “GFA” as utilised in this report relates to Gross Floor Area. The definition of GFA as measured in this report is as follows:

#### GROSS FLOOR AREA (G.F.A.)

The sum of the “Fully Enclosed Covered Area” and “Unenclosed Covered Area” as defined.

#### FULLY ENCLOSED COVERED AREA (F.E.C.A.)

The sum of all such areas at all building floor levels, including basements (except unexcavated portions), floored roof spaces and attics, garages, penthouses, enclosed porches and attached enclosed covered ways alongside buildings, equipment rooms, lift shafts, vertical ducts, staircases and any other fully enclosed spaces and usable areas of the building, computed by measuring from the normal inside face of exterior walls but ignoring any projections such as plinths, columns, piers and the like which project from the normal inside face of exterior walls. It shall not include open courts, lightwells, connecting or isolated covered ways and net open areas or upper portions of rooms, lobbies, halls, interstitial spaces and the like which extend through the storey being computed.

#### UNENCLOSED COVERED AREA (U.C.A.)

The sum of all such areas at all building floor levels, including roofed balconies, open verandahs, porches and porticos, attached open covered ways alongside buildings, undercrofts and usable space under buildings, unenclosed access galleries (including ground floor) and any other trafficable covered areas of the building which are not totally enclosed by full height walls, computed by measuring the area between the enclosing walls or balustrade (i.e. from the inside face of the U.C.A. excluding the wall or balustrade thickness). When the covering element (i.e. roof or upper floor) is supported by columns, is cantilevered or is suspended, or any combination of these, the measurements shall be taken to the edge of the paving or to the edge of the cover, whichever is the lesser. U.C.A. shall not include eaves overhangs, sun shading, awnings and the like where these do not relate to the clearly defined trafficable areas, nor shall it include connecting or isolated covered ways.

### 5.2 SCHEDULE

We refer to our estimate attached to Appendix A.

**APPENDIX A:  
SEAR ESTIMATE**

# Lingard - SEAR

## SEAR Estimate

Location Summary

GFA: Gross Floor Area  
Rates Current At September 2018

Location	GFA m <sup>2</sup>	Cost/m <sup>2</sup>	Total Cost
<b>A LINGARD MASTERPLAN</b>			
ST SITE PREPARATION AND DEMOLITION			461,908
B2 BASEMENT LEVEL 2	3,445	1,555	5,356,286
B1 BASEMENT LEVEL 1	3,510	1,435	5,037,552
GN GROUND LEVEL NEW BUILD	2,550	3,827	9,759,360
GR GROUND LEVEL REFURISHMENT	2,096	2,631	5,514,995
GC GROUND LEVEL CARPARK	960	1,562	1,499,784
L1 LEVEL 1	4,455	3,828	17,051,731
L2 LEVEL 2	2,073	3,417	7,082,951
EX EXTERNAL WORKS AND SERVICES			723,580
<b>A - LINGARD MASTERPLAN</b>	<b>19,089</b>	<b>\$2,750</b>	<b>\$52,488,147</b>
<b>ESTIMATED NET COST</b>	<b>19,089</b>	<b>\$2,750</b>	<b>\$52,488,147</b>
<b>MARGINS &amp; ADJUSTMENTS</b>			
Design Fees	8.0%		\$4,199,056
Project Contingency			Excl.
Authority Fees and Charges	1.5%		\$850,312
Land and Legal Fees			Excl.
Finance Cost and Interest Charges			Excl.
Staging / Phasing Costs			Excl.
Escalation			Excl.
Goods and Services Tax			Excl.
Rounding	0.0%		\$2,485
<b>ESTIMATED TOTAL COST</b>	<b>19,089</b>	<b>\$3,014</b>	<b>\$57,540,000</b>

**APPENDIX B:  
DRAWING REGISTER**

## **DRAWING REGISTER**

### **Architectural drawings prepared by HSPC Health Architects Revision A:**

- SK105 Basement 2 Plan
- SK106 Basement 1 Plan
- SK107 Level Ground Plan
- SK108 Level 1 Plan
- SK109 Level 2 Plan

### **Lingard Private Hospital Concept Plan July 2018**

### **Request for Secretary's Environmental Assessment Requirements – Lingard Private Hospital August 2018**

