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Principal: John Cicero
Our Ref: RD:JF:1009.1552
Your Ref:



BESTHOOPER
SOLICITORS

16 February 2012



Dear Sir/Madam,

**re: 6 Pain Street, Newport
VCAT Reference No. P27/2012**

MELBOURNE OFFICE

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Melbourne 3000

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We continue to act for the Applicant for Review in relation to the above matter.

Following the directions hearing of the matter please find enclosed a statement prepared by Cost Control (Victoria) Pty Ltd in respect of the estimated costs of development.

Yours faithfully

BEST HOOPER

John Cicero
Principal

enc:



Cost Control (Victoria) Pty. Ltd.

ABN 82 070 011 193

PO Box 156, Tunstall Square
East Doncaster VIC 3109

Tel: (03) 9874 3421

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15th February 2012

Mr John Cicero
Best Hooper Solicitors
563 Little Lonsdale Street
Melbourne 3000

Dear Mr Cicero

Re: Proposed Development – 6 Paine Street Newport

We have been requested by Domain Hill Property Group to conduct a review of the construction costs for the above development.

We have viewed the completed Town Planning Drawings prepared by KUD Architects which include construction of:

- 18 new single storey apartments
- 25 new two storey townhouses
- Associated car parking incorporating mechanical car stackers

We comment that the overall design provides for a fair degree of construction cost efficiency with the townhouses generally being in modular format and predominantly lightweight residential construction. The design of the project does not include basement parking which offers a considerable cost saving compared to more conventional designs of medium density apartment projects. We note that a cost allowance has been made for the construction of the car parking pits.

The attached Construction Cost Summary was provided by Domain Hill Property Group and forms the basis of our review. We have not undertaken a full measure or 'take off' from the drawings. The m2 areas, measurements and other quantities however appear reasonable for the scale of the project.

In our opinion, the Cost Summary provides a logical cost breakdown for a project of the type and nature proposed. The various allowances and \$/m2 rates adopted in the Cost Summary appear reasonable.

Domain Hill's Construction Cost Summary includes for Miscellaneous Contingency Costs at 7% and GST. We suggest that further allowances of 4.5% for Cost Escalation (assuming construction works will be completed within 18 months) and 10% for Consultant Design Fees be added to provide a total estimated construction cost of \$13,962,630.

It is our opinion that the total sum of these costs provides a reasonable indication of the likely construction costs on this project.

We understand that the VCAT Practice Notes require exclusion of design fees, contingency and possible cost escalation allowances for the purpose of determining construction costs. However, as a matter of completeness, these costs have been included in our cost summary attached as we have professional responsibility in terms of the project to inform the client that allowances should be made for such costs.

Excluding design fees, contingency and escalation costs the total estimated costs for this project would be \$11,352,055 including GST.

Please advise if we can be of further assistance.

Yours sincerely



Chris Humble AAIQS

Registered Building Practitioner Quantity Surveyor Number QS1108

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Construction Cost Summary

"Parc" Paine Street Newport - KUD Scheme

Item	m2	\$m2	No	\$ each	TOTAL
Suspended Slab (with screed)	2507	\$ 385			\$ 965,195
Slab on Ground	2540	\$ 220			\$ 558,800
Services, Site Works & Authorities			43	\$ 16,500	\$ 709,500
Sub station allow					\$ 220,000
Landscaping & Fencing & Balustrades			43	\$ 7,700	\$ 331,100
Rooftop Decks - 2 x middle			2	\$ 33,000	\$ 66,000
Terrace Treatments			43	\$ 5,500	\$ 236,500
Framed Balcony Structures			23	\$ 11,000	\$ 253,000
Additional Walkway Treatment/Tiling	790	\$ 176			\$ 139,040
Car park ventilation, lighting etc allow					\$ 110,000
Car park sprinklers allow					\$ 77,000
Car Park Stackers allow			22	\$ 13,200	\$ 290,400
Car Park Pitt Construction allow			22	\$ 5,500	\$ 121,000
Water Tank Installation allow say					\$ 33,000
Lift & Lobby from Ground to podium allow					\$ 132,000
Lift to no. 42 & 43					\$ 88,000
Stairs ground to first			4	\$ 16,500	\$ 66,000
<u>Townhouse Construction</u>					
Ground Floor Infill	1049	\$ 1,760			\$ 1,846,240
Upper Two Level Construction	2903	\$ 1,760			\$ 5,109,280
Sub Total					\$ 11,352,055
Add Misc / Contingency @ 7%					\$ 794,644
					<hr/>
					\$ 12,146,699
Add Cost Escalation @ 4.5%					\$ 546,601
					<hr/>
					\$ 12,693,300
Add Consultant Design Fees @ 10%					\$ 1,269,330
					<hr/>
Total Estimated Construction Costs Including GST					\$ 13,962,630