

Dean McPherson
AMC Architecture
Suite 1.01, Level 1, 10 Hobart Place
Canberra City ACT 2601

Dear Dean,

**RE: Alterations & Additions to Perisher Ski Lodge
6 Flame Robin Place, Perisher Valley**

Opinion of Probable Cost

As requested, we wish to confirm that we have completed our Indicative Opinion of Probable Cost for this project in the sum of **\$1,859,000** including GST.

The OPC constitutes an assessment of a competitive tender (i.e. from a tenderer keen to 'win' the project) but not necessarily the lowest price that might be received for that particular project configuration.

Please note that this OPC includes allowances for FF&E, escalation, contingencies and GST, but excludes allowances for relocation and temporary accommodation costs, professional fees, council fees and charges, client costs, finance costs and land costs.

It should be noted that this OPC, due to the broad nature of the documentation that it is based upon and the high-level method of measurement and pricing utilised, should be considered as an indication of the potential project costs, and not a definitive representation of cost.

Staging

If the works were to be staged, we would anticipate an increase to the OPC of between 5% to 20%. This would be dependent upon the proposed staging of the works, as well as which scope of works were to commence in 2026 and 2027.

Attachments

Attached is the Summary of Indicative Opinion of Probable Cost.

Documentation

Please note that the Opinion of Probable Cost is based upon the following information:

- AMC Architecture's 'Concept Design' architectural documentation dated September 2023,
- Verbal / email advice from received progressively between 6 February and 8 March 2024.

Opinion of Probable Cost Assumptions / Clarifications

In reviewing the Opinion of Probable Cost, please note that it is based on the following:

- The Opinion of Probable Cost is based on a high-level measurement and pricing of the building works components with allowances incorporated for potential alterations to the existing building structure and specialist services. It incorporates pricing structures reflecting ASC's perception of alteration / refurbishment projects of this nature in the Snowy Mountains region.
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- Allowances have been made based on the anticipated delivery of the project in a single stage, with the assumption that procurement would be via a construction management / cost plus tender methodology to suitably sized small commercial building organisations with experience in this type of project.
- Trade-based preliminaries incorporate all additional trade-based costs associated with the construction of the project (i.e. surveying, craneage, scaffolding, plant and equipment hire, temporary fencing and hoardings, site security, temporary services, rubbish removal and final cleaning.
- Preliminaries, labour and supervision, as well as builder's profit margin / management fee incorporate all on-costs associated with the construction of the project (i.e. insurances, supervision, temporary services, safety, site supervision, site labour, main office overheads, profit, etc.).
- The OPC has been based on March 2024 pricing structures, although an allowance has been included for escalation to December 2025.
- A 15% contingency has been included to cover the potential unknowns of the project.

Exclusions

No allowance is included within the Opinion of Probable Cost for the following:

- Works to the existing areas, structure, facades and specialist services not directly impacted by the nominated scope of works,
- Any works to the existing site works and external services (except those directly impacted by the dining room extension),
- BCA upgrades,
- Staging of the works,
- Relocation and temporary accommodation costs,
- Professional fees,
- Council fees and charges,
- Adjustment / escalation of building costs after December 2025,
- Finance costs.

I trust this is satisfactory for your present purposes and shall be pleased to provide such additional information as may be required.

Yours sincerely



Aaron Still
Aaron Still Consulting
1 April 2024

Appendix 'A': OPC Summary

ALTERATIONS & ADDITIONS TO PERISHER SKI LODGE
6 FLAME ROBIN PLACE, PERISHER VALLEY

SUMMARY OF INDICATIVE OPINION OF PROBABLE COST

	\$	\$
1. BASEMENT:		290,000
a) Equipment / Wax (incl. storage)	25,000	
b) Drying (incl. light foot kitchen & grease trap)	15,000	
c) Change Area / Boot Storage (incl. storage)	25,000	
d) Lounge Area (incl. furniture, TV, etc.)	60,000	
e) Laundry (incl. washing machines & dryers)	27,500	
f) Sauna	30,000	
g) Shower	10,000	
h) WC (2 no.)	25,000	
i) Accessible WC (incl. shower)	22,500	
j) Alterations to Existing Structure & Services	30,000	
k) Site Works	0	
l) External Services	0	
m) Trade Based Preliminaries (incl. final cleaning, surveying, hoardings, small tools, rubbish removal)	20,000	
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2. LEVEL 1 BUILDING WORKS:		755,000
a) Living (incl. furniture, TV's, etc.)	70,000	
b) Bar / Store (incl. storage)	40,000	
c) Kitchen (incl. appliances)	160,000	
d) Dining Extension (incl. fireplace & FF&E)	270,000	
e) Alterations to Existing Structure & Services	50,000	
f) Site Works (incl. demolition, earthworks, retaining walls, soft landscaping)	60,000	
g) External Services (incl. electrical services, external lighting, stormwater & sewer drainage, water & gas services)	20,000	
h) Trade Based Preliminaries (incl. final cleaning, surveying, temporary fencing / hoardings, site sheds & amenities, small tools, craneage, scaffolding, rubbish removal)	85,000	
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TOTAL OF BUILDING COSTS (CARRIED FORWARD)		<hr/> \$1,045,000

ALTERATIONS & ADDITIONS TO PERISHER SKI LODGE
6 FLAME ROBIN PLACE, PERISHER VALLEY

SUMMARY OF INDICATIVE OPINION OF PROBABLE COST (CONT'D)

	\$	\$
BROUGHT FORWARD:		1,045,000
3. PRELIMINARIES, SUPERVISION & SITE LABOUR		190,000
4. OVERHEADS & PROFIT		155,000
		\$1,390,000
TOTAL OF CONSTRUCTION COSTS (EXCL. GST)		\$1,390,000
5. FURNITURE, FITTINGS & EQUIPMENT		Included
5. PROFESSIONAL FEES		Excluded
6. COUNCIL FEES & CHARGES		Excluded
7. ESCALATION OF BUILDING COSTS (after March 2024 - (assume summer 2026 project commencement)		90,000
8. CLIENT COSTS		Excluded
9. CONTINGENCIES (assume 15%)		210,000
10. FINANCE COSTS		Excluded
11. LAND COSTS		Excluded
		\$1,690,000
SUB-TOTAL (EXCL. GST)		\$1,690,000
12. GOODS & SERVICES TAX		169,000
		\$1,859,000
TOTAL OF INDICATIVE OPINION OF PROBABLE COST (INCL. GST)		\$1,859,000