

Generic assumptions

NSA>GFA>GBA
GFA = 85% of GBA
NSA = 85% of GFA

LAND VALUE

Use actual sold price if available
If sold price not available, assume the existing use value is 40% of the gross realisation in line with general RLV approach and add premium
If using a real sold price then didn't add a 20% premium because this is real sold price and not a hypothetical

COSTS

Construction costs - 2023				
	Lower	Upper	Adopted	
Demolition (per site sqm)	\$60	\$65	\$63	Double storey house
Resi medium standard (per sqm)	\$ 2,800	\$ 3,020	\$2,910	Based on GFA now in line with DPIE spreadsheets
Resi high standard (per sqm)	\$ 3,470	\$ 3,740	\$3,605	
Commercial (per sqm)	\$ 1,080.00	\$ 1,145.00	\$1,113	Retail - Neighbourhood shops (+ air conditioning, toilets and awnings)
Balconies (per sqm)	\$ 690	\$ 1,300	\$995	
Car parking (per space)	\$ 50,000		\$50,000	See the rawlinsons note
Landscaping (per dwelling unit)			\$3,450	See the rawlinsons note

Soft costs		
Selling costs	3%	Selling costs includes marketing, legal and commission
Professional fees	10%	Professional fees aka consultant fees includes design etc.
Statutory fees	1%	

Taxes	
GST	10%

Funding		
Finance charges	1%	(Total Above Costs) x (Interest/12) x (No. of Months) x S-curve.
Interest expense	9%	
S-curve	0.55	

Assuming a bank the kind of standard rate is 1.75% pa line fee (charged monthly on the facility limit) and margin of BBSY (90 days) + 1.75% pa (charged on the drawn balance). Estab fee of 0.5% of the facility limit.

REVENUE - Refer to 'LPI Data' sheet for the informing data

Gross realisation/sqm		
Rose Bay	\$ 22,000	Based on key LPI sales data from last 5 years per suburb for brand new RFB units
Bronte	\$ 25,000	Based on LPI sales data from last 5 years per suburb for brand new or highly renovated RFB units
Waverley	\$ 22,500	Based on LPI sales data from last 5 years per suburb for brand new multi-dwelling/seniors units
Dover Heights	\$ 22,000	See note >
Bondi	\$ 24,000	Based on key LPI sales data from last 5 years per suburb for brand new RFB units
Vaucluse	\$ 25,000	Based on LPI sales data from last 5 years per suburb for brand new RFB units
Bondi Beach	\$ 22,000	Based on key LPI sales data from last 5 years per suburb for brand new RFB units
Bondi Junction	\$ 21,000	Based on key LPI sales data from last 5 years per suburb for brand new RFB units
North Bondi	\$ 21,600	Based on key LPI sales data from last 5 years per suburb for old RFB units, w/ 20% premium added to reflect new stock price
Tamarama	\$ 23,000	Based on LPI sales data from last 5 years per suburb for brand new RFBs, or old stock w/ 20% premium added
Queens Park	\$ 22,500	Using Waverley suburb rate, as physically nearby and predominantly R2
Average	\$ 22,782	
Average Rounded	\$ 23,000	

Dover Heights
There was no sales of new build RFB/multi-dwelling/ILU units in Dover Heights in the last 5 years according to LPI data. This is likely due to the fact that Dover Heights does not have any R3 or R4-zoned land so new RFB's are not permitted. The R3 properties on the eastern side of OSH Road which directly abut R2 sites in Dover Heights are technically under the Rose Bay suburb, so the Rose Bay sqm rate of \$22,000/sqm is more reflective of what a new RFB development in Dover Heights (were the zoning to be changed to allow it) would achieve, which **is feasible**.