

EXAMPLE B

TYPICAL EXAMPLE OF AN ELEMENTAL ESTIMATE SUMMARY ESTIMATE OF ESCALATED CONSTRUCTION COST AT CONTRACT COMPLETION DATE INCLUDING VALUE ADDED TAX (16/6/99)

SUMMARY OF CONSTRUCTION COST

	Construction Cost R	Rate per m ² R	% of construction cost %
Primary elements	2 781 900	1 028,81	61,48
Special installations	450 050	166,44	9,95
Alterations	-	-	-
External works and services	715 030	264,43	15,80
Training	-	-	-
Preliminaries	278 020	102,82	6,14
Contractor's fee (spread over all elements)	-	-	-
Contingency allowances	300 000	110,95	6,63
ESTIMATE OF CURRENT CONSTRUCTION COST (EXCLUDING VAT) (1/04/97)	4 525 000	1 673,45	100,00
Pre-tender escalation	141 700	52,40	3,13
Contract escalation	351 100	129,84	7,76
Value added tax (VAT)	702 500	259,80	15,52
ESTIMATE OF ESCALATED CONSTRUCTION COST AT CONTRACT COMPLETION DATE INCLUDING VALUE ADDED TAX (16/06/99)	5 720 300	2 115,50	126,42

CONSTRUCTION AREA: 2 704 m²

PROGRAMME ASSUMPTIONS: Date of estimate : 1 April 1997
Contract tender date : 16 June 1997
Contract completion date : 16 June 1999

ESCALATION: Pre-tender contract escalation : Based on latest published BER Building Cost Indices
Date of estimate index : 1092,5
Contract tender date index : 1126,7
Contract escalation : Based on latest published JBCC Contract Price
Adjustment Provisions indices (Work group 180) (PO151)
adjusted for the Haylett formula
Contract tender date index : 158,4
Contract completion date index : 183,6

VALUE ADDED TAX (VAT): Value added tax calculated at 14,00%

EXCLUSIONS

This estimate of construction cost is based on ruling competitive tender market conditions and excludes the following:

Abnormal foundations Security system Loose furniture and fittings Fencing and gates Professional fees

USER NOTE:

Other items comprising the total capital investment for the project should be reflected elsewhere eg:

Property costs	Promotional costs	Financing costs	Funding costs
Local authority costs	Sundry costs	Professional fees	Tenancing costs