

Davis Langdon Banking & Finance Team: Information Sheet Q1 2010

CONTRACTOR PRELIMINARIES (March 2010)

Our analysis shows that preliminaries costs typically range between **£1,350 - £1,850 / week / million** of project value (excluding preliminaries and contingencies).

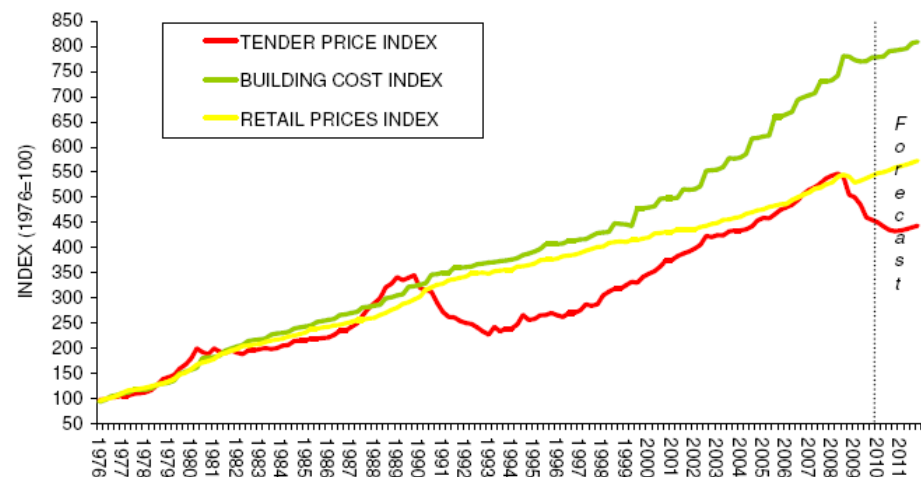
% of Preliminaries by Procurement Route

Preliminaries Items	Design & Build	Traditional	Construction Management
Insurances	3%	4%	
Management & Staff	50%	53%	58%
Site Accommodation	3%	7%	8%
Temporary Services & Facilities	16%	13%	14%
Mechanical Plant	10%	8%	15%
Temporary Works	16%	16%	4%
Other Preliminaries	1%	0%	1%

PRICE INDICES

The Tender Price Index is a measure of the movement of building prices paid by building clients. The index reflects changes in materials costs, labour costs, plant costs, preliminaries costs, overheads and profit.

The Building Cost Index is a notional index of the movement of building labour and material costs. The labour element of the index reflects changes in nationally agreed union labour rates



ALL IN BUILDING RATES

Exclusions:

Demolitions and site preparation / Site abnormalities /
Furniture, fittings and equipment / External works and external services / VAT
Contingencies and design reserve / Professional fees /

2010 Forecast
min max
(£/m2) (£/m2)
GIFA

Distribution Centres:

Up to 10,000 m2	309	617
10-20,000 m2	265	397
20-40,000 m2	220	282
40-60,000 m2	220	265
60,000+ m2	212	256

City and West End office; Shell & Core

high quality; less than 150,000ft2; less than eight storeys, A/C 1,675 2,381

City and West End office; Shell & Core

high quality; greater than 150,000ft2, eight-to-20 storeys, A/C 1,614 2,072

City and West end office; Shell & Core

iconic office tower, A/C 2,381 3,130

Office Refurbishment

Minor refurbishment	242	670
Medium refurbishment	670	1,190
Major refurbishment	1,190	1,719+

Retail: Supermarket

Shell	353	617
Supermarket fit-out	794	1,058

Retail: New-build shopping centre

Mall - comfort cooled	2,645	3,527
Retail shell – anchor tenant, capped off services	705	1,058
Retail shell – small/medium unit, capped off services	705	970
Public WCs	1,764	2,645
Centre management	1,587	2,293
Landlord's back of house and service corridors	1,234	1,675
Basement service yard	1,234	1,587

Affordable residential apartments

Inner-London location, mixed-tenure development, frame construction, rainscreen cladding with punched windows, basic finishes and LTHW heating 1,323 1,631

Mid-range private residential apartments

Inner-London location, single tenure development, mid-rise frame construction, rainscreen cladding with punched windows, medium-quality finishes LTHW heating with centralised services 1,455 2,072

High-quality mid-rise private residential apartments

Inner-London location, single-tenure development, frame construction, multiple core, unitised curtain walling, high-quality finishes, comfort cooling, underfloor heating, centralised services 1,764 2,204

High-quality high-rise private residential apartments

Inner London location, single-tenure development, framed construction, multiple core; unitised curtain walling; high quality finishes; comfort cooling; under floor heating; centralised services 1,940 2,645

Prestige quality multistorey private residential apartments

Inner London location; Single tenure development; framed construction; multiple core, high-quality stone and glass unitised curtain walling, luxury quality finishes, comfort cooling, underfloor heating, centralised services 2,381+

