



OCEANIA CAPABILITY STATEMENT

ASSET ADVISORY SERVICES



Independent, privately owned and managed

41

countries covering
5 continents

World leadership
and innovation in
sustainable
design and construction

Voted #1
Cost Consultant
World Architecture
Magazine 2016-2019

4,000

staff worldwide

Repositioning
and transformation
of existing assets

RLB is Oceania's largest and most experienced construction consultancy, specialising in cost management, programming and advisory services.

With over 4,000 people in more than 120 offices around the globe, RLB has the right people in the right places to assist with delivering successful project outcomes. Our range of expertise and organisational resources means we can bring together the best team of consultants. We are committed to our core services and pride ourselves on our dedication to customer care and leading edge service provision.

COST MANAGEMENT AND QUANTITY SURVEYING

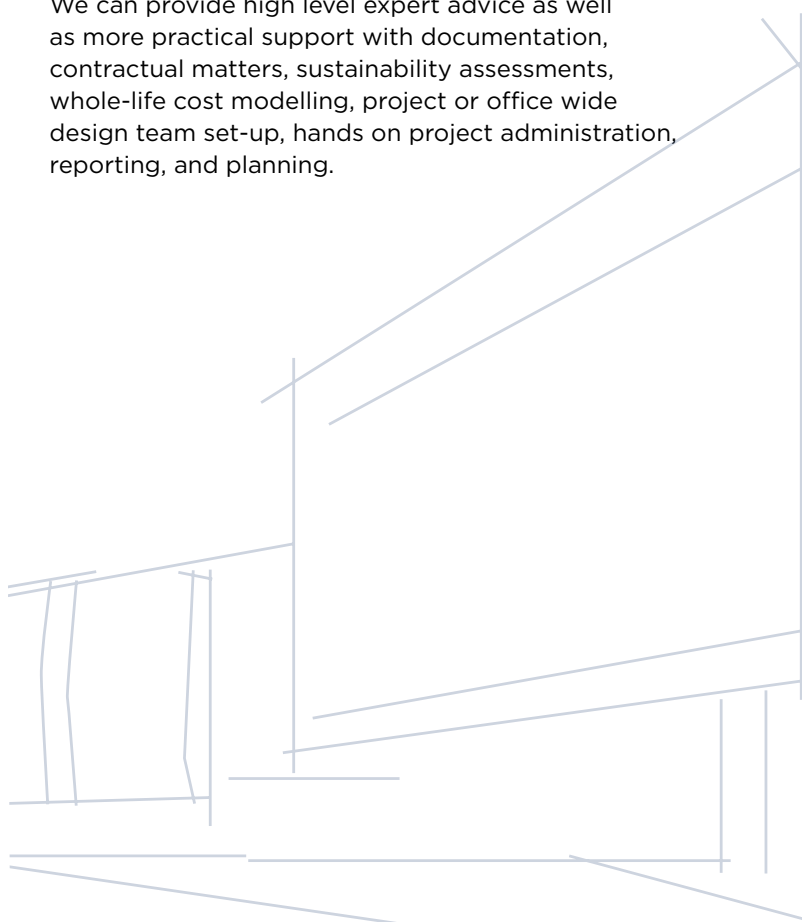
Our approach to cost management is one which focuses on the business needs of the customer and enables them to make informed decisions in relation to their property assets. Our skill in procurement enables us to develop a strategy that encompasses the most suitable techniques, contracts and risk analysis to deliver a service tailored to your needs. In order for our estimates to be as accurate as possible, we have a comprehensive set of cost planning tools and an extensive database of cost information at our fingertips. Our cost managers have a sharp commercial edge and a sound understanding of business, honed by working on complex projects for demanding clients and forging lasting and profitable relationships. Our range of services is enhanced by our sector expertise and appropriate experienced staff who will provide positive advice at the various stages of the project cycle.

PROJECT PROGRAMMING

RLB's project programming and delay claim analysis division utilises the latest project planning techniques to best manage project related time risks from feasibility through to completion, across all building sectors. The skilled project programming professionals at RLB have strong capabilities across all building sectors and utilise the latest project planning techniques. With an in-depth knowledge of a wide range of construction techniques and delivery methodologies, and experience working for owners and developers as well as contractors, we manage the time related risks on your projects, allowing you to focus on what you do best.

ADVISORY

At RLB we group specialist consultancy services under the term Advisory. We offer: design management, specification consultancy, strategic facility management, contract advisory and sustainability consultancy. Our services have been developed, tailored and applied to many high profile projects across the globe working with some of the world's most prestigious customers and designers. We can provide high level expert advice as well as more practical support with documentation, contractual matters, sustainability assessments, whole-life cost modelling, project or office wide design team set-up, hands on project administration, reporting, and planning.



OUR HISTORY

Rider Levett Bucknall are leaders in the provision of world-class Cost Management and Quantity Surveying and Advisory services with a long history in the Australian market making us unique. Rider Levett Bucknall was formed in Reading, England in 1785.

In Australia, Rider Levett Bucknall was first established in Melbourne, as Rider Hunt in 1949 with a second office in Sydney in 1954. The strength of these offices continued with the post war boom and expanded as new offices and partnerships were established throughout the Nation. International expansion occurred in the 1960s and 1970s with mergers and new offices opening in New Zealand and Singapore.

Partnerships and mergers further reinforced the Group's leading industry position throughout the Asia Pacific region, and 1986 saw the commencement of the first Rider Hunt offices in the United States of America where we now have 20 established offices.

In 2006, Rider Hunt (Oceania) joined forces with Levett and Bailey in Hong Kong/China (Asia) and Bucknall Austin in the United Kingdom/Europe (EMEA) to form Rider Levett Bucknall which was officially launched to the world in June 2007.

Our journey has seen us expand into new regional markets around the world through the creation of local offices and alliances and accumulate a strong capability in the fields of Cost Management and Quantity Surveying and Advisory services.

OUR GLOBAL REACH



OUR ADVISORY SPECIALISTS



The RLB key point of difference is our commitment to provide a professional, proactive, innovative service through the passion of our people.

With decades in the business, our advisory team offers high-level expert advice and practical support with documentation, contractual matters, sustainability assessments, whole-life cost modelling, project or office wide design team setup, hands-on project administration, reporting and planning.



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ASSET ADVISORY SERVICES

Forecasting a building's life cycle over 10, 25, 50, or even 100 years is a growing part of RLB's service offering, through cutting-edge tools.

This holistic and wide-reaching approach covers a broad range of strategic issues, not just initial costs, including performance, maintenance, obsolescence and sustainability.

Our advisory services have developed in response to customer needs for a more sophisticated approach to the questions of conception, delivery, operation, and disposal of built assets throughout the property life cycle, in other words total asset management.

Today, RLB's expertise and experience across the property cycle make a real difference to a customer's corporate performance.

RLB’s depth of experience in all aspects of the property cycle enables us to deliver mature and innovative solutions for property, construction and facilities sector clients.

The financial accounting of property assets can reflect not only the book value of the assets but also the assets themselves, their condition, performance and attributes.

RLB extends beyond our traditional quantity surveying offering and works with potential investors, developers, owners and occupiers of buildings to ensure that they are able to take full account of the total financial impact of their buildings over their life cycles. Our advice through this service must not only be informative but also simple in presentation, therefore providing the best platform from which to manage and make decisions.

Property assets today are continually evolving and adapting to a rapid marketplace to stay ahead of the curve. The workplace offering extends beyond providing office space and a lobby. Build-to-rent schemes are addressing the need for affordable housing and residential towers are providing a lifestyle rather than just an apartment to live in.

With total operating costs amounting to several times the initial capital cost, clients are increasingly focusing on longer-term strategies that span their investment horizons and beyond, to ensure they are able to consider the impact on value at all points in a property’s useful life. Our responsibility to sustainability and the reduction of environmental impact makes these considerations even more important.

In particular, we offer the following services:

- Technical Due Diligence
- Capital Expenditure Forecasting / Life Cycle Costing
- Capital Allowance / Tax Depreciation Reports
- Asset Registers
- Replacement Cost Assessments
- Litigation Support

A COMPLETE SERVICE OFFERING



TECHNICAL DUE DILIGENCE

RLB sees due diligence as a systematic and structured process with defined objectives. Commonly, it requires the application of a wide range of specialist skills within imposed budget and time constraints. In many cases this will require the engagement of consultants. Due diligence in the broadest sense, should be seen as a vital part of an organisation's ongoing process of risk management.

Each commission is potentially different and may be for a proposed asset in its design phase or an existing potential or current asset.

RLB acts on behalf of either vendors or purchasers, or potentially as facilities auditors for owners ensuring that long-term asset 'values' are reviewed, monitored and maintained.

Commonly, our technical due diligence will address the following:

- Review of all due diligence information provided by the client / vendor - relevant to scope
- Opinion on current status of the design documentation or the asset including:
 - Building structure and fabric
 - Civil and landscaping
 - Building services
- Commentary on the appropriateness of the proposed design solution or asset condition for:
 - Compliance with agreed specifications or brief
 - Sustainability and WELL rating
 - Current building codes and regulations
 - Risks associated with cost, time and quality
 - Operational readiness - commissioning and handover procedures
- Current status of town planning and building permit submissions and approvals
- A review of all specialist geotechnical and Environmental reports
- Adequacy of construction and materials warranties
- Review of the contract, agreement-for-lease and comment on risks that might be of concern to a prospective purchaser
- Review of the competencies of the construction management team, contractors and consultants
- Review of title identification surveys and comment on any encroachments or easements
- Review of any fire engineering or alternative solutions to achieve building regulation compliance



CAPITAL EXPENDITURE FORECASTING / LIFE CYCLE COSTING

The cost of ownership of an asset over its life far exceeds its initial capital cost. Capital expenditure forecasting provides building owners, asset managers or owners' corporations with a long-term view to meet the ongoing capital requirements deemed necessary to maintain the quality and integrity of the building / facility.

For comparison and analysis purposes, all costs are discounted and dealt with at present value for asset item alternatives. In addition, allowances must be made for matters of finance, inflation, taxation, profit and risk to deal with future costs in 'real' dollars.

By understanding the intricacies of your facilities' life cycles, informed decisions can be made relating to acquisitions / disposals, refurbishments, redevelopments, leasing, maintenance and CAPEX planning - so you can take greater control of the future of your portfolio.

Typically, our capital expenditure forecasting will include anticipated repair and replacement works to common property areas, building structure, fabric and finishes, building services installations, loose furniture and equipment as well as operational expenditure such as outgoings.

This is achieved by setting out the following items:

- The major capital items that will need to be repaired and / or replaced within the forecasting period
- The present condition of those items
- When the items or components will need to be repaired or replaced
- The estimated cost of the repair and replacement of those items or components
- The expected life of those items or components once repaired or replaced
- A sinking or maintenance fund calculating the annual fund level required, taking into account the capital expenditure as established in the forecast plan; and based upon cost escalation and investment returns as agreed with the asset manager / owner

Our methodology is as follows:

- Carry out an inspection of the property to ascertain current condition and status of the improvement
- Discuss and agree with the asset manager / owner any pertinent issues relating to capital expenditure requirements in respect of issues such as building use, occupier churn, maintenance and cleaning arrangements and any particular aspirations
- Review and consider all available existing documentation such as:
 - As-built drawings
 - Architectural plans and facades together with services installation drawings & schedules
 - Plan of subdivision
 - Capital project expenditure records
 - Other available recent technical building reports
 - Current sinking fund arrangements and fund balance

CAPITAL ALLOWANCE / TAX DEPRECIATION SCHEDULES

Capital allowances for the majority of property investors are governed by legislation contained in the Income Tax Assessment Act 1997 (ITAA97). This entitles a property owner to a tax deduction for certain elements of a building based upon the acquisition, either via construction or purchase under Division 40 Capital Allowances and Division 43 Capital Works Deductions.

Indicative capital allowances reports are available prior to acquisition of a property based on anticipated purchase / construction details with detailed reports being compiled post-settlement / post-completion, once more detailed information is available.

RLB's TPB (Tax Practitioners Board) registered tax agents deal with the complexity and pace of change in both legislation and guidelines to ensure our clients are kept up-to-date. Our fees for these services are normally tax deductible.

ASSET REGISTERS

An asset register is a critical management tool for ownership, maintenance, compliance and financial reporting. An asset register should provide an understanding of the asset base to determine the scale of works required to achieve control and improvement. It generally includes descriptions and inventory of all base building assets and tenancy items owned by the client which could be expected to be maintained or replaced over time (normally based on a 5-10 year planning horizon), as follows:

- Building elements by composite items or systems (e.g. type and area of roof)
- Building services by systems and major components (e.g. air-conditioned area plus number of chillers, pumps, fans, etc.)
- Building contents by furniture, fixtures and equipment types / sizes (e.g. number of fixed and loose items: beds, tables, chairs, appliances, etc.)

In addition to details of an asset's description, quantity, location, age and value, an asset register should facilitate understanding of the operational, maintenance and upgrade costs to ensure effective performance management and environmental compliance.

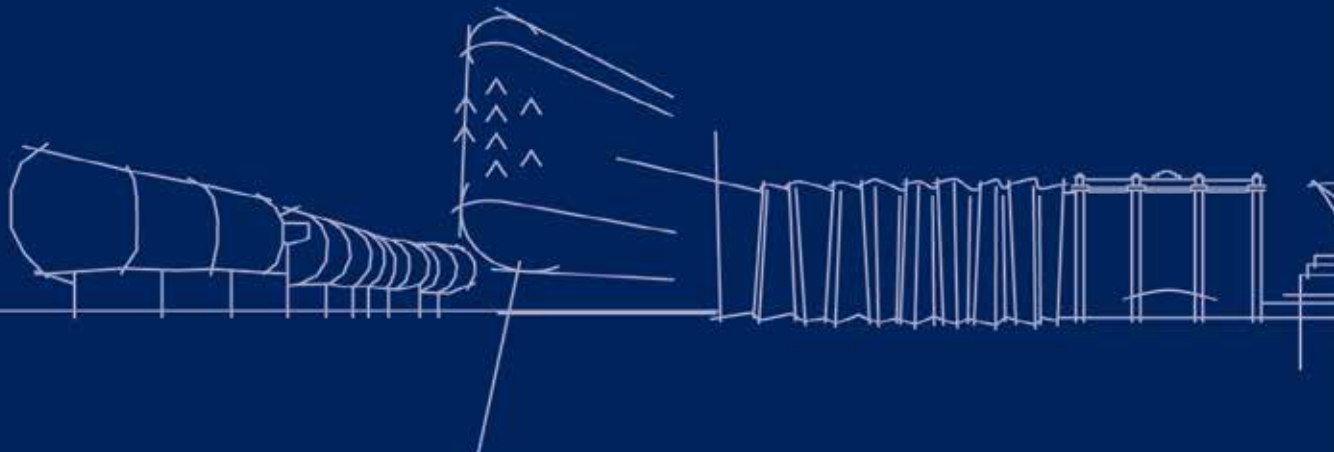
The recording of details for each asset is important for owners, managers and tenants to ensure control and prevent misappropriation. Asset registers also provide a basis for correct valuations, depreciation and write-offs for insurance and tax purposes.

REPLACEMENT COST ASSESSMENT

Property owners can be under-insured according to studies from both the Insurance Council of Australia and the Insurance Council of New Zealand. These owners can face substantial financial loss in the event of a disaster. With fluctuations in insurance premiums and rising construction costs, gambling with your cover by insuring for less than your asset's replacement value is not worth the risk.

If a building was to be destroyed today, there will be many significant costs incurred over and above the replacement of the building itself. For example, the expense and time delay of demolition, debris removal and specialist consultant costs associated with rebuilding. This is where an accurate replacement or reinstatement cost assessment is vital to ensure you are not left meeting the shortfall.

Building owners should also be aware of over-insuring. This occurs when insurance is paid for a greater amount than the insurable interest would justify. This can easily occur if you are increasing your cover each year by a nominal percentage without reference to the specific market conditions. Unnecessarily high premiums can be avoided with an accurate replacement cost assessment so you are not paying any more than you have to.



LITIGATION SUPPORT

Construction project disputes cannot always be avoided. In fact, the important question is not whether a dispute will occur, but rather, what will you do when a dispute does occur?

While Rider Levett Bucknall seeks to prevent construction claims and disputes through our pre-construction risk assessment, planning, scheduling, and dispute avoidance services, we are experienced in helping clients already involved in a dispute mitigate their exposure and assist in the analysis and resolution of a claim or dispute that has occurred.

Our breadth of experience affords us the ability to prepare comprehensive construction claims, counterclaims, and formulate claim defences of the highest professional and technical quality. Additionally, our services extend through all aspects of resolution, whether expert testimony services are needed at a hearing, or by providing qualified and accredited mediators or arbitrators experienced in resolving construction disputes.

We have a thorough understanding of the Society of Construction Law Delay Claim Protocol as well as standard construction contracts. We understand how to select and apply the contemporaneous and retrospective delay analysis methods to real project situations.

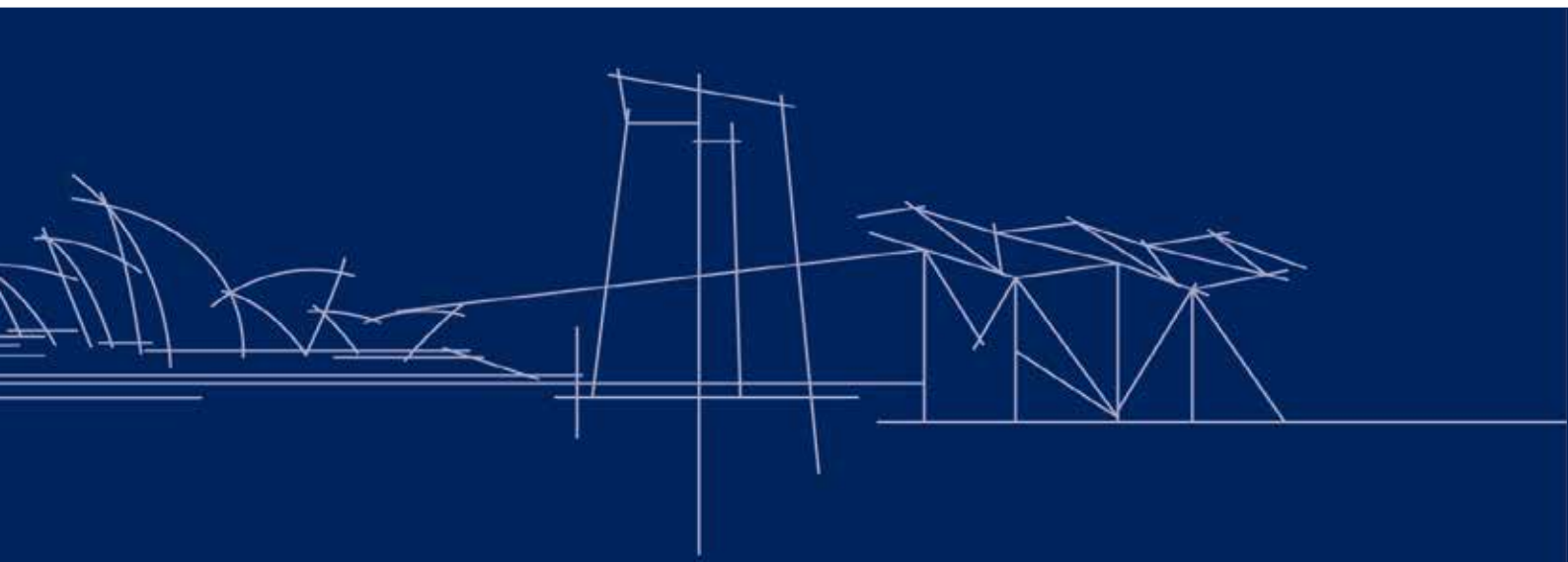
RLB's expert team consists of accredited professionals who are actively involved in the promotion of Alternative Dispute Resolution (ADR).

We understand that to successfully prosecute or defend a claim, it is vital that the evidence is effectively communicated. Providing detailed and comprehensive evidence is fundamental, but this can be undermined if the information is not presented in the most effective manner. Our team ensures that the evidence is presented in a manner that facilitates clear and easy understanding, providing the best chance for success.

We combine our strengths to assemble the best team appropriate for each client and project. Our team has a global understanding of the construction industry, from tender proposal preparation to project planning and scheduling; project controls to project support; dispute avoidance to dispute resolution; and claim analysis to expert witness services.

Services provided:

- Litigation consultant (costs, damage assessment)
- Expert Witness testimony (costs, damages, schedule, construction defects)
- Programming and Delay Claim Analysis
- Independent Certifier and / or Expert Determination
- Alternative Dispute Resolution services



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