**BEFORE THE INVERCARGILL CITY COUNCIL**

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| **IN THE MATTER** | of the Resource Management Act 1991 |
| **AND** | |
| **IN THE MATTER** | an application for land use consent to demolish the Briscoes Building at 104-106 Dee Street Invercargill, a Category 2 Historic Place on the New Zealand Heritage List / Rārangi Kōrero. |
| **BY** | **104 Dee Street Partnership**<br>Applicant |

**BRIEF OF EVIDENCE OF: PHILLIP N GRIFFITHS**

**August 31 2026**

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**I, Phil Griffiths, of Rhodes + Associates Limited, Christchurch, state:**

## INTRODUCTION

1. I am a Quantity Surveyor and a Director of Rhodes + Associates Limited, based in Christchurch.

## QUALIFICATIONS AND EXPERIENCE

2. I hold a Diploma in Quantity Surveying (DipQS)

3. I am a registered Quantity Surveyor and a Fellow member of the New Zealand Institute of Quantity Surveyors (FNZIQS).

4. I am a Director of Rhodes + Associates Limited.

5. I have more than 28 years' experience in the construction industry as a Quantity Surveyor

6. My experience includes preparing cost estimates for heritage-related projects involving façade retention. The estimating approach adopted for this evidence draws on that experience. In particular, the high-level estimates have been informed by cost information and estimating principles derived from comparable historic building projects in Christchurch, including The Arts Centre and Harley Chambers. Where applicable, costs associated with façade retention have been used to inform the estimates prepared for this statement.

## CODE OF CONDUCT

7. I am familiar with the Code of Conduct for Expert Witnesses contained in the Environment Court of New Zealand Practice Note 2023. I have read and agree to comply with that Code.

8. The opinions expressed in my evidence are matters within my personal knowledge and expertise. The facts, circumstances and any assumptions on which my opinions are expressed are set out in my evidence.

9. I have not omitted to consider material facts known to me that might alter or detract from the opinions I express. Where I have relied on information supplied or sourced from another person, I have recorded this and identified the provider.

## SCOPE OF EVIDENCE / INSTRUCTIONS

10. I was instructed by counsel for the Applicant, Clare Lenihan, by letter dated 5 August 2026, to prepare quantity surveying evidence for the resource consent (RMA/2025/115). This evidence is further to the firm's earlier high-level options estimate issued on 6 December 2024.

11. My evidence sets out indicative high-level cost estimates for seven options. These comprise the original five options (Options 1 to 5), updated for escalation, together with two new short-term stabilisation and make-safe options (Options 6 and 7) based on the sketches and brief received from Lewis Bradford Consulting Engineers for Engineer Option A and Engineer Option B.

12. For completeness, my evidence does not assess heritage effects, structural feasibility, planning effects, health and safety matters, or whether any option is appropriate from a resource management perspective. Those matters are outside my area of expertise. My evidence is limited to quantity surveying advice on the indicative relative cost of the options described.

**BASIS AND METHODOLOGY OF THE ESTIMATES**

13. The estimates are high-level and indicative only. No developed design, detailed construction methodology or programme of work had been confirmed when the estimates were prepared.

14. The estimates have been informed by similar historic Christchurch projects involving façade retention. The new-build elements are based on indicative square-metre rates for simple two-level base-build structures, with limited services and no fitout, client fittings or fixtures included.

15. A Preliminary and General allowance has been applied at 12%. This would generally cover the main contractor's onsite site management, supervision, health and safety, protection, set-out, temporary works, security, handover, plant and equipment, hoardings, scaffolding and cranage.

16. A profit and overhead margin have been applied at 8% of construction costs. Options 1 to 5 exclude profit on the demolition scope, as it has been assumed that Ryal Bush would complete that work directly for the client under its own supervision. Options 6 and 7 include profit and overhead because those options assume a main contractor would complete the full scope of work.

17. A contingency allowance has been applied at 15%, comprising a 5% design contingency and a 10% construction contingency. Given the heritage nature of the building and the current level of unknown risk, this allowance is considered appropriate at this stage.

18. An allowance for other development costs has been applied at 12% for Options 1 to 5, covering (but not limited to) a heritage architect, archaeologist, structural engineer, building services engineers, fire engineer, quantity surveyor, project manager, resource consent and building consent costs, contract works insurance and client direct costs. For Options 6 and 7 this allowance has been reduced to 4% owing to anticipated reduced consultant fees based on the reduced scope of work.

19. As to escalation, Options 1 to 5 have been escalated from 6 December 2024 to the June 2026 (Q2) quarter (currently published indices) using the NZS 3910 fluctuation calculation method and Statistics New Zealand indexation. Options 6 and 7 are priced as of August 2026 with no fluctuation or escalation allowance. Ongoing (future) escalation is excluded from all options.

20. Unless noted otherwise, all figures in this evidence are expressed in New Zealand dollars and exclude GST.

**THE OPTIONS AND ESTIMATES**

21. In broad terms, the estimates show a material cost distinction between the replacement-building options and the temporary retention or stabilisation options.

Options 1 to 3 involve completed replacement-building outcomes and therefore have materially higher capital estimates. Options 4 to 7 involve retention, protection, stabilisation or make-safe outcomes and therefore have lower capital estimates, but include ongoing monitoring and maintenance allowances where the retained fabric would remain subject to ongoing management.

22. Option 1 allows for demolition of the existing building while retaining the Dee Street and Spey Street façades, and construction of a replacement two-level base-build structure of approximately 1,440m². The façade scope allows for strengthening, patching, window remediation and decoration of all surfaces. No ongoing monitoring is required. The revised high-level estimate is $10,730,850.

23. Option 2 allows for demolition of the existing building while retaining the Dee Street façade only, and construction of a replacement two-level base-build structure. No ongoing monitoring is required. The revised high-level estimate is $7,978,396.

24. Option 3 allows for full demolition of the existing building and construction of a replacement two-level base-build structure incorporating replica façades to both the Dee Street and Spey Street elevations. No ongoing monitoring is required. The revised high-level estimate is $7,017,229.

25. Option 4 allows for retention and temporary stabilisation of the Dee Street façade (with remediation and decoration), with demolition of the building behind. It provides guidance on stabilisation costs against wind loads only and does not include earthquake strengthening. Ongoing monitoring is required. The revised high-level estimate is $2,454,626, comprising a subtotal of $2,371,626 plus an ongoing $83,000 (ten-year monitoring allowance).

26. Option 5 allows for retention of both the Dee Street and Spey Street façades, selective demolition where required, and temporary weather protection of the existing structure by way of a temporary roof structure. Ongoing monitoring is required. The revised high-level estimate is $4,796,633, comprising a subtotal of $4,672,933 plus an ongoing $123,700 (ten-year monitoring allowance).

27. Option 6 (Engineer Option A) allows for retention of the rear western portion of the building and both street façades, with removal of the more heavily fire-damaged eastern portion. It includes temporary façade securing, propping and weatherproofing, mold removal to the extent required, and a temporary timber-framed, metal-clad dividing wall between the eastern and western portions. Ongoing monitoring is required. The revised high-level estimate is $2,971,190, comprising a subtotal of $2,739,790 plus an ongoing $231,400 (ten-year monitoring allowance).

28. Option 7 (Engineer Option B) allows for retention and temporary stabilisation of the Dee Street façade only (temporary support, with no remediation or decoration), mold removal to the extent required with demolition of the building behind. It provides guidance on stabilisation costs against wind loads only and does not include earthquake strengthening. Ongoing monitoring is required. The revised high-level estimate is $2,279,233, comprising a subtotal of $2,160,533 plus an ongoing $118,700 (ten-year monitoring allowance).

## COMPARATIVE COST SUMMARY

29. The following table compares each option by scope, capital cost (subtotal including escalation where applicable), ten-year monitoring / maintenance cost, and total. Options 1 to 3 provide a completed building and therefore require no ongoing preventive monitoring.

| Option | Scope (short form) | Capital Cost | Monitor 10yr | Total |
|---|---|---|---|---|
| Option 1 | Retain Dee St + Spey St façades; replacement two-level base-build | $10,730,850 | Nil (not required) | $10,730,850 |
| Option 2 | Retain Dee St façade only; replacement two-level base-build | $7,978,396 | Nil (not required) | $7,978,396 |
| Option 3 | Full demolition; replacement base-build with replica façades | $7,017,229 | Nil (not required) | $7,017,229 |
| Option 4 | Retain and stabilise Dee St façade (including remediation/decoration); demolish structure behind facade | $2,371,626 | $83,000 | $2,454,626 |
| Option 5 | Retain both façades; selective demolition; temporary weather-protection roof | $4,672,933 | $123,700 | $4,796,633 |
| Option 6 | Retain rear western portion + both façades; remove eastern portion; temporary works | $2,739,790 | $231,400 | $2,971,190 |
| Option 7 | Retain and stabilise Dee St façade only (temporary support); demolish behind | $2,160,533 | $118,700 | $2,279,233 |

30. The ten-year monitoring / maintenance allowance for Options 4 to 7 is broken down by period in the table below. Options 1 to 3 are not shown, as a completed building does not require ongoing preventive monitoring.

| Monitoring period | Option 4 | Option 5 | Option 6 | Option 7 |
|---|---|---|---|---|
| Year 1 – survey established | $9,000 | $15,700 | $25,400 | $14,700 |
| Years 2–5 monitoring and maintenance | $32,000 | $48,000 | $88,000 | $44,000 |
| Years 6–9 monitoring and maintenance | $32,000 | $48,000 | $88,000 | $44,000 |
| Year 10 monitoring and maintenance | $10,000 | $12,000 | $30,000 | $16,000 |
| **Total 10-year monitoring / maintenance** | **$83,000** | **$123,700** | **$231,400** | **$118,700** |

## SUMMARY TABLES

The following two tables summarise and compare the seven options. They are reproduced from the summary tables in my report.

**Table 1 — Option comparison summary**

| Option | Scope summary | Revised estimate | GST status | Escalation treatment | Monitoring allowance | Key limitation / exclusion |
|---|---|---|---|---|---|---|
| Option 1 | Demolish the existing building while retaining the Dee Street and Spey Street façades; construct a replacement two-level base-build structure. | $10,730,850 | Excl GST | Escalated from 6 Dec 2024 to 20 June 2026 (Q2); ongoing escalation excluded. | Not required. | No fitout included; estimate based on high-level assumptions only. |
| Option 2 | Demolish the existing building while retaining the Dee Street façade only; construct a replacement two-level base-build structure. | $7,978,396 | Excl GST | Escalated from 6 Dec 2024 to 20 June 2026 (Q2); ongoing escalation excluded. | Not required. | No fitout included; estimate based on high-level assumptions only. |
| Option 3 | Fully demolish the existing building and construct a replacement two-level base-build structure with replica façades to Dee Street and Spey Street. | $7,017,229 | Excl GST | Escalated from 6 Dec 2024 to 20 June 2026 (Q2); ongoing escalation excluded. | Not required. | No fitout included; replica façade detail remains indicative only. |
| Option 4 | Retain and temporarily stabilise the Dee Street façade, with demolition of the remaining building structure behind the façade. | $2,371,626 | Excl GST | Escalated from 6 Dec 2024 to 20 June 2026 (Q2); ongoing escalation excluded. | $83,000 | Wind-load stabilisation guidance only; earthquake strengthening excluded. |

| | | | | | | |
|---|---|---|---|---|---|---|
| Option 5 | Retain the Dee Street and Spey Street façades, undertake selective demolition where required, and provide temporary weather protection. | $4,796,633 | Excl GST | Escalated from 6 Dec 2024 to 20 June 2026 (Q2); ongoing escalation excluded. | $123,700 | Temporary retention and protection only; no replacement building, permanent remediation, or fitout included. |
| Option 6 | Retain the rear western portion and both street façades, remove the more heavily damaged eastern portion, and provide temporary securing, propping, weatherproofing and façade securing works. | $2,971,190 | Excl GST | Fluctuation and escalation allowance excluded; ongoing escalation excluded. | $231,400 | Includes mold-related allowance and temporary work only; no permanent strengthening outcome confirmed. |
| Option 7 | Retain and temporarily stabilise the Dee Street façade only, with demolition of the remaining structure behind the façade. | $2,279,233 | Excl GST | Fluctuation and escalation allowance excluded; ongoing escalation excluded. | $118,700 | Temporary façade support only; mold-related allowance, façade remediation, decoration and earthquake strengthening excluded. |

**Table 2 — Cost summary comparison**

| Element | Option 1 | Option 2 | Option 3 | Option 4 | Option 5 | Option 6 | Option 7 |
|---|---|---|---|---|---|---|---|
| Demolition | 820,810 | 684,730 | 609,130 | 684,730 | 208,140 | 565,650 | 698,630 |
| Façade scope including propping | 2,784,672 | 997,740 | N/A | 985,620 | 2,827,736 | 1,328,195 | 794,811 |
| Replacement building | 3,183,400 | 3,421,000 | 3,905,800 | N/A | N/A | N/A | N/A |
| Prel and General, profit | 1,295,276 | 942,014 | 818,656 | 222,431 | 592,693 | 396,949 | 313,025 |
| Cont | 1,121,254 | 815,453 | 708,668 | 192,548 | 513,064 | 343,619 | 270,970 |
| Other costs | 1,031,554 | 750,217 | 651,975 | 177,144 | 472,019 | 105,377 | 83,097 |
| **Capital Cost** | **$10,236,965** | **$7,611,153** | **$6,694,228** | **$2,262,473** | **$4,613,652** | **$2,739,789** | **$2,160,532** |
| Fluctuation | 493,885 | 367,242 | 323,000 | 109,153 | 222,586 | N/A | N/A |
| **Subtotal – high-level estimate** | **$10,730,851** | **$7,978,396** | **$7,017,229** | **$2,371,626** | **$4,836,238** | **$2,739,790** | **$2,160,533** |
| Year 1 – survey established | N/A | N/A | N/A | 9,000 | 15,700 | 25,400 | 14,700 |
| Years 2–5 monitoring and maintenance cost | N/A | N/A | N/A | 32,000 | 48,000 | 88,000 | 44,000 |
| Years 6–9 monitoring and maintenance cost | N/A | N/A | N/A | 32,000 | 48,000 | 88,000 | 44,000 |
| Year 10 monitoring and maintenance cost | N/A | N/A | N/A | 10,000 | 12,000 | 30,000 | 16,000 |
| Total estimated 10-year maintenance cost | N/A | N/A | N/A | 83,000 | 123,700 | 231,400 | 118,700 |
| **Total** | **$10,730,851** | **$7,978,396** | **$7,017,229** | **$2,454,626** | **$4,796,633** | **$2,971,190** | **$2,279,233** |

All values are expressed in New Zealand dollars and exclude GST unless noted otherwise. Totals may include rounding.

Where N/A has been noted, the capital cost shown provides for a completed building; therefore, ongoing preventive maintenance would not be required.

Fluctuation calculations are included in the appendices.

The detailed high-level estimate build-ups for each option are appended to this brief as Appendices 1 to 4.

## EXCLUSIONS

31. The following exclusions are common to all options: ongoing fluctuations (including fuel increases and consequential cost movements associated with the current Middle East conflict); pandemic or any lockdowns or lockouts; contaminated materials above and below ground; and Goods and Services Tax (GST).

## BASIS OF RELIANCE / QUALIFICATIONS

32. The estimates are high-level and indicative only. They are based on the information available at the time of preparation and have been prepared for the limited purpose of assisting with Resource Consent RMA/2025/115 for 104–106 Dee Street, Invercargill. They should not be relied upon as a developed construction estimate, tender estimate or construction budget without further design development, confirmation of construction methodology, procurement input, programme information and a more detailed risk assessment. The options should therefore be treated as comparative high-level guidance only.

The option estimates incorporate the Ryal Bush demolition quotation dated 2 February 2024, with a fluctuation calculation applied where relevant. I have not independently verified that quotation and have relied on it only as a cost input for the high-level option estimates. The quotation may not reflect the actual cost of demolition or related works, particularly if Ryal Bush is required to provide updated pricing once the final option, methodology, programme and scope are confirmed.

**CONCLUSION**

33. In summary, Options 1 to 3 address replacement-building outcomes; Options 4 and 5 address façade-retention and temporary protection outcomes; and Options 6 and 7 address short- to medium-term stabilisation and make-safe works. The estimates are intended to support comparative decision-making only and should be read in conjunction with the assumptions, exclusions and option descriptions set out in this evidence.

Dated 27 day of August 2026

**Phillip N Griffiths**
DipQS, FNZIQS
Director, Rhodes + Associates Limited

**SOURCE REFERENCED**

Rhodes + Associates Limited, Quantity Surveyor report for Resource Consent RMA/2025/115, 104–106 Dee Street, Invercargill, dated 25 August 2026; Lewis Bradford Consulting Engineers, temporary retention and securing sketches for Engineer Option A and Engineer Option B, dated 10 August 2026; Ryal Bush demolition quotation dated 2 February 2024.

## APPENDICES

The detailed per-option build-ups reproduced in these appendices itemize the high-level estimates from Rhodes + Associates' underlying Options Report (6 December 2024) with minor updates including fluctuation adjustments and are indicative only. All figures are expressed in New Zealand dollars and exclude GST.

## Appendix 1 — High-level estimates, Options 1 to 5

The following itemised build-ups reproduce, in indicative form, the line items and figures from the underlying Rhodes + Associates Options Report (6 December 2024). Individual line-item detail is indicative and reconstructed from that report. The Total Excluding GST for each option is the December 2024 base value, to which escalation to the June 2026 (Q2) quarter is added (see Appendix 3).

### Option 1 — Retain Dee Street and Spey Street façades; build new two-level base-build structure

| Item | Qty / basis | Rate | Amount |
|---|---|---|---|
| Allowance for traffic management (Ryal Bush) | 1 Sum | $64,140 | $64,140 |
| Demolition (Ryal Bush) | 1 Sum | | $544,990 |
| Extra value for façade retention | 1 Sum | $2,996,352 | $2,996,352 |
| New structure to base build (excludes fitout, fixtures and fittings) | 1,440 m² | $2,450 | $3,528,000 |
| Less retained facade | 672 m² | $-550 | $-369,600 |
| Allowance for external works and reconnection with utilities – Provisional Sum | 1 Sum | $25,000 | $25,000 |
| **Sub Total** | | | **$6,788,882** |
| Preliminary and General (12%) Excl demo value | 12% | $6,179,752 | $741,570 |
| Margin (8%) | 8% | $6,921,322 | $553,706 |
| Contingency (15%) | 15% | $7,475,028 | $1,121,254 |
| Other development costs — professional fees and consents (12%) | 12% | $8,596,282 | $1,031,554 |
| **Total (Excl Fluctuation)** | | | **$10,236,966** |
| **Fluctuation Adjustment** | | | **$493,885** |
| **Revised Total (Excl GST)** | | | **$10,730,851** |

### Option 2 — Retain Dee Street façade; build new two-level base-build structure

| Item | Qty / basis | Rate | Amount |
|---|---|---|---|
| Allowance for traffic management (Ryal Bush) | 1 Sum | 64,140.00 | $64,140 |
| Demolition (Ryal Bush) | 1 Sum | | $544,990 |
| Extra value for façade retention | 1 Sum | 1,073,340.00 | $1,073,340 |
| New structure to base build (excludes fitout, fixtures and fittings) | 1,440 m² | 2,450.00 | $3,528,000 |
| Less retained facade | 240 m² | $-550 | $-132,000 |
| Allowance for external works and reconnection with utilities – Provisional Sum | 1 Sum | $25,000 | $25,000 |
| **Sub Total** | | | $5,103,470 |

| | | | |
|---|---|---|---|
| Preliminary and General (12%) | 12% | $4,494,340 | 539,321 |
| Margin (8%) | 8% | $5,033,661 | 402,693 |
| Contingency (15%) | 15% | $5,436,354 | 815,453 |
| Other development costs — professional fees and consents (12%) | 12% | $6,251,807 | 750,217 |
| **Total (Excl Fluctuation)** | | | **7,611,154** |
| **Fluctuation Adjustment** | | | **$367,242** |
| **Revised Total (Excl GST)** | | | **$7,978,396** |

**Option 3 — Build new structure with replica façades to Dee Street and Spey Street (two-level base-build)**

| **Item** | **Qty / basis** | **Rate** | **Amount** |
|---|---|---|---|
| Allowance for traffic management (Ryal Bush) | 1 Sum | | 64,140 |
| Demolition (Ryal Bush) | 1 Sum | | 544,990 |
| New structure to base build (excludes fitout, fixtures and fittings) | 1,440 m² | 2,450 | 3,528,000 |
| Extra value for replica façade | 672 m² | 525.00 | 352,800 |
| Allowance for external works and reconnection with utilities — Provisional Sum | 1 Sum | 25,000.00 | 25,000 |
| **Sub Total** | | | **4,514,930** |
| Preliminary and General (12%) | 12% | 3,905,800 | 468,696 |
| Margin (8%) | 8% | 4,374,496 | 349,960 |
| Contingency (15%) | 15% | 4,724,456 | 708,668 |
| Other development costs — professional fees and consents (12%) | 12% | 5,433,124 | 651,975 |
| **Total (Excl Fluctuation)** | | | **6,694,229** |
| **Fluctuation Adjustment** | | | **323,000** |
| **Revised Total (Excl GST)** | | | **7,017,229** |

**Option 4 — Retain and temporarily stabilise the Dee Street façade; demolish structure behind**

| **Item** | **Qty / basis** | **Rate** | **Amount** |
|---|---|---|---|
| Allowance for traffic management (Ryal Bush) | 1 Sum | 64,140 | 64,140 |
| Demolition (Ryal Bush) | 1 Sum | | 544,990 |
| Extra value for façade retention | 1 Sum | 1,061,220 | 1,061,220 |
| **Sub Total** | | | **1,670,350** |
| Preliminary and General (12%) | 12% | 1,061,220 | 127,346 |
| Margin (8%) | 8% | 1,188,566 | 95,085 |
| Contingency (15%) | 15% | 1,283,651 | 192,548 |

| | | | |
|---|---|---|---|
| Other development costs — professional fees and consents (12%) | 12% | 1,476,199 | 177,144 |
| **Total (Excl Fluctuation)** | | | **2,262,473** |
| **Fluctuation Adjustment** | | | **109,153** |
| **Revised Total (Excl GST)** | | | **2,371,626** |

**Option 5 — Retain Dee Street and Spey Street façades and protect existing structure**

| Item | Qty / basis | Rate | Amount |
|---|---|---|---|
| Allowance for traffic management (Ryal Bush) | 1 Sum | 64,140.00 | 64,140 |
| Mold remediation | 1 Sum | 100,000 | 100,000 |
| Selective demolition — Provisional Sum | 720 m² | 200.00 | 144,000 |
| Works to façade | 1 Sum | 2,619,736 | 2,619,736 |
| Allowance for installation of temporary roof and rainwater management | 720 m² | 150 | 108,000 |
| **Sub Total** | | | **3,035,876** |
| Preliminary and General (12%) | 12% | 2,827,736 | 339,328 |
| Margin (8%) | 8% | 3,167,064 | 253,365 |
| Contingency (15%) | 15% | 3,420,429 | 513,064 |
| Other development costs — professional fees and consents (12%) | 12% | 3,933,493 | 472,019 |
| **Total (Excl Fluctuation)** | | | **4,613,652** |
| **Fluctuation Adjustment** | | | **222,586** |
| **Revised Total (Excl GST)** | | | **4,836,238** |

**Appendix 2 — High-level estimates, Options 6 and 7**

The following build-up figures for Options 6 and 7 are drawn from the cost summary comparison in my report. These options are priced as of August 2026 and exclude any fluctuation and escalation allowance.

Option 6 - Engineer option A - Demolish 380m2 fire damaged area only, retain Dee & Spey Street façades to allow footpath to open. Propped internally (no remediation or decoration of facade included)

| **Item** | **Qty / basis** | **Rate** | **Amount** |
|---|---|---|---|
| Allowance for traffic management (Ryal Bush) | 1 Sum | 68,630 | 68,630 |
| Mold remediation | 1 Sum | 100,000 | 100,000 |
| Selective demolition Provisional Sum | 380 m² | | 292,600 |
| Works to façade | 1 Sum | 1,432,615 | 1,432,615 |
| **Sub Total** | | | **1,893,845** |
| Preliminary and General (12%) | 12% | 1,893,845 | 227,261 |
| Margin (8%) | 8% | 2,121,106 | 169,688 |
| Contingency (15%) | 15% | 2,290,794 | 343,619 |
| Other development costs — professional fees and consents (12%) | 4% | 2,634,413 | 105,377 |
| Total (Excl Fluctuation) | | | **2,739,790** |
| **Fluctuation Adjustment** | | | **N/A** |
| **Revised Total (Excl GST)** | | | **2,739,790** |

Option 7 - Engineer option B - Demolish the full building but retain the Dee Street façade to allow footpath to open. Propping internally (no remediation or decoration of facade included)

| **Item** | **Qty / basis** | **Rate** | **Amount** |
|---|---|---|---|
| Allowance for traffic management (Ryal Bush) | 1 Sum | 68,630 | 68,630 |
| Mold remediation | 1 Sum | 100,000 | 100,000 |
| Selective demolition Provisional Sum | 720 m² | | 554,400 |
| Works to façade | 1 Sum | 770,410 | 770,410 |
| **Sub Total** | | | **1,493,440** |
| Preliminary and General (12%) | 12% | 1,493,440 | 179,213 |
| Margin (8%) | 8% | 1,672,653 | 133,812 |
| Contingency (15%) | 15% | 1,806,465 | 270,970 |
| Other development costs — professional fees and consents (12%) | 4% | 2,077,435 | 83,097 |
| Total (Excl Fluctuation) | | | **2,160,532** |
| **Fluctuation Adjustment** | | | **N/A** |
| **Revised Total (Excl GST)** | | | **2,160,532** |

**Appendix 3 — Cost fluctuation adjustment**

The escalation adjustment for Options 1 to 5 updates the 6 December 2024 high-level estimates to the June 2026 (Q2) quarter. It has been calculated using the NZS 3910 fluctuation calculation method and Statistics New Zealand indexation. Options 6 and 7 are priced as at August 2026 and include no fluctuation adjustment.

| Option | Basis | Escalation adjustment |
|---|---|---|
| Option 1 | Escalation 6 Dec 2024 to June 2026 (Q2) | $493,885 |
| Option 2 | Escalation 6 Dec 2024 to June 2026 (Q2) | $367,242 |
| Option 3 | Escalation 6 Dec 2024 to June 2026 (Q2) | $323,000 |
| Option 4 | Escalation 6 Dec 2024 to June 2026 (Q2) | $108,021 |
| Option 5 | Escalation 6 Dec 2024 to June 2026 (Q2) | $215,077 |
| Option 6 | Priced as of August 2026 — no fluctuation | N/A |
| Option 7 | Priced as of August 2026 — no fluctuation | N/A |

Option Calculation sheets to follow 1 – 5;

## COST FLUCTUATION ADJUSTMENT BY INDEXATION

BASED ON NZS 3910:2023 - APPENDIX A - COST FLUCTUATION ADJUSTMENT BY INDEXATION

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - PROJECT

| | | | |
|---|---|---|---|
| Project | **3462 - Option 1 - Old Briscoes 104 - 107 Dee Street, Invercargill** | | |
| V | $10,236,966 | Valuation of work shown as payable in any Payment Schedule in respect of work having been completed during the quarter under consideration subject to A3, but without deduction of retentions and excluding the Cost fluctuation adjustment | |
| | *Month* | *Quarter* | |
| *From* | December 2024 | 2024Q4 | *Stats NZ LCI updated 06 May 2026 @ 10:45am* |
| *To* | June 2026 | 2026Q2 | *Stats NZ PPI updated 19 May 2026 @ 10:45am* |
| L | 1482 | Labour Cost Index; Private Sector: Industry Group – Construction: All Salary and Wage Rates: published by Stats NZ, for the quarter under consideration | |
| L' | 1444 | Index as defined under L but applying for the quarter during which tenders close | |
| M | 1640 | Producers Price Index; Inputs: Industry Group – Construction, published by Stats NZ applying for the quarter under consideration | |
| M' | 1543 | Index as defined under M but applying for the quarter during which tenders close. | |
| C | $493,885 | Cost fluctuation adjustment for the quarter under consideration | |
| | **$10,730,851** | **Adjustment value** | |
| | 4.82% | Percentage adjustment | |
| | 1.048245241 | Adjustment factor | |

$$C=V\left[\frac{0.4(L-L')}{L'}+\frac{0.6(M-M')}{M'}\right]$$

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - LABOUR (If V = Labour element)

| | | |
|---|---|---|
| C | $643,542.26 | Cost fluctuation adjustment for the quarter under consideration |
| | **$10,880,508.26** | **Adjustment value** |
| | 6.29% | Percentage adjustment |
| | 1.06286455 | Adjustment factor |

$$C=V\left[\frac{(L-L')}{L'}\right]$$

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - MATERIALS (If V = Material element)

| | | |
|---|---|---|
| C | $269,393.84 | Cost fluctuation adjustment for the quarter under consideration |
| | **$10,506,359.84** | **Adjustment value** |
| | 2.63% | Percentage adjustment |
| | 1.026315789 | Adjustment factor |

$$C=V\left[\frac{(M-M')}{M'}\right]$$

### STATS NZ INDEX - DETAIL

http://infoshare.stats.govt.nz

*L/L' = Work income and spending | LabourCost Index - LCI | Private Sector and Industry Group (ANZSIC06)(Base: June 2009 qtr (=1000))(Qrtly-Mar/Jun/Sep/Dec) | All Salary and Wage Rates | Construction - Updated 06 May 2026 @ 10:45am*

*M/M' = Economic Indicators | Producers Price Index - PPI | Inputs (ANZSIC06) - NZSIOC level 1, Base: Dec. 2010 quarter (=1000) (Qrtly-Mar/Jun/Sep/Dec) | Construction - Updated 19 May 2026 @ 10:45am*

### NOTES

** denotes forecast indicies based on movement of previous quarter*

*# denotes forecast indicies based on June 2001 quarter (Use with caution)*

*N/A denotes no index information provided by Stats NZ*

## COST FLUCTUATION ADJUSTMENT BY INDEXATION

BASED ON NZS 3910:2023 - APPENDIX A - COST FLUCTUATION ADJUSTMENT BY INDEXATION

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - PROJECT

| | | | |
|---|---|---|---|
| Project | **3462 - Option 2 - Old Briscoes 104 - 107 Dee Street, Invercargill** | | |
| V | $7,611,154 | Valuation of work shown as payable in any Payment Schedule in respect of work having been completed during the quarter under consideration subject to A3, but without deduction of retentions and excluding the Cost fluctuation adjustment | |
| | *Month* | *Quarter* | |
| *From* | December 2024 | 2024Q4 | *Stats NZ LCI updated 06 May 2026 @ 10:45am* |
| *To* | June 2026 | 2026Q2 | *Stats NZ PPI updated 19 May 2026 @ 10:45am* |
| L | 1482 | Labour Cost Index; Private Sector: Industry Group – Construction: All Salary and Wage Rates: published by Stats NZ, for the quarter under consideration | |
| L' | 1444 | Index as defined under L but applying for the quarter during which tenders close | |
| M | 1640 | Producers Price Index; Inputs: Industry Group – Construction, published by Stats NZ applying for the quarter under consideration | |
| M' | 1543 | Index as defined under M but applying for the quarter during which tenders close. | |
| C | $367,242 | Cost fluctuation adjustment for the quarter under consideration | |
| | **$7,978,396** | **Adjustment value** | |
| | 4.83% | Percentage adjustment | $C=V\left[\frac{0.4(L-L')}{L'}+\frac{0.6(M-M')}{M'}\right]$ |
| | 1.048250564 | Adjustment factor | |

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - LABOUR (If V = Labour element)

| | | | |
|---|---|---|---|
| C | $478,471.77 | Cost fluctuation adjustment for the quarter under consideration | |
| | **$8,089,625.77** | **Adjustment value** | |
| | 6.29% | Percentage adjustment | $C=V\left[\frac{(L-L')}{L'}\right]$ |
| | 1.06286455 | Adjustment factor | |

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - MATERIALS (If V = Material element)

| | | | |
|---|---|---|---|
| C | $200,293.53 | Cost fluctuation adjustment for the quarter under consideration | |
| | **$7,811,447.53** | **Adjustment value** | |
| | 2.63% | Percentage adjustment | $C=V\left[\frac{(M-M')}{M'}\right]$ |
| | 1.026315789 | Adjustment factor | |

STATS NZ INDEX - DETAIL

http://infoshare.stats.govt.nz

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*M/M' = Economic Indicators | Producers Price Index - PPI | Inputs (ANZSIC06) - NZSIOC level 1, Base: Dec. 2010 quarter (=1000) (Qrtly-Mar/Jun/Sep/Dec) | Construction - Updated 19 May 2026 @ 10:45am*

NOTES

** denotes forecast indicies based on movement of previous quarter*

*# denotes forecast indicies based on June 2001 quarter (Use with caution)*

*N/A denotes no index information provided by Stats NZ*

## COST FLUCTUATION ADJUSTMENT BY INDEXATION

BASED ON NZS 3910:2023 - APPENDIX A - COST FLUCTUATION ADJUSTMENT BY INDEXATION

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - PROJECT

| | | |
|---|---|---|
| Project | **3462 - Option 3 - Old Briscoes 104 - 107 Dee Street, Invercargill** | |
| V | $6,694,229 | Valuation of work shown as payable in any Payment Schedule in respect of work having been completed during the quarter under consideration subject to A3, but without deduction of retentions and excluding the Cost fluctuation adjustment |
| | *Month* | *Quarter* |
| *From* | December 2024 | 2024Q4 — *Stats NZ LCI updated 06 May 2026 @ 10:45am* |
| *To* | June 2026 | 2026Q2 — *Stats NZ PPI updated 19 May 2026 @ 10:45am* |
| L | 1482 | Labour Cost Index; Private Sector: Industry Group – Construction: All Salary and Wage Rates: published by Stats NZ, for the quarter under consideration |
| L' | 1444 | Index as defined under L but applying for the quarter during which tenders close |
| M | 1640 | Producers Price Index; Inputs: Industry Group – Construction, published by Stats NZ applying for the quarter under consideration |
| M' | 1543 | Index as defined under M but applying for the quarter during which tenders close. |
| C | $323,000 | Cost fluctuation adjustment for the quarter under consideration |
| | **$7,017,229** | **Adjustment value** |
| | 4.83% | Percentage adjustment |
| | 1.048250573 | Adjustment factor |

$$C=V\left[\frac{0.4(L-L')}{L'}+\frac{0.6(M-M')}{M'}\right]$$

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - LABOUR (If V = Labour element)

| | | |
|---|---|---|
| C | $420,829.69 | Cost fluctuation adjustment for the quarter under consideration |
| | **$7,115,058.69** | **Adjustment value** |
| | 6.29% | Percentage adjustment |
| | 1.06286455 | Adjustment factor |

$$C=V\left[\frac{(L-L')}{L'}\right]$$

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - MATERIALS (If V = Material element)

| | | |
|---|---|---|
| C | $176,163.92 | Cost fluctuation adjustment for the quarter under consideration |
| | **$6,870,392.92** | **Adjustment value** |
| | 2.63% | Percentage adjustment |
| | 1.026315789 | Adjustment factor |

$$C=V\left[\frac{(M-M')}{M'}\right]$$

### STATS NZ INDEX - DETAIL

http://infoshare.stats.govt.nz

*L/L' = Work income and spending | LabourCost Index - LCI | Private Sector and Industry Group (ANZSIC06)(Base: June 2009 qtr (=1000))(Qrtly-Mar/Jun/Sep/Dec) | All Salary and Wage Rates | Construction - Updated 06 May 2026 @ 10:45am*

*M/M' = Economic Indicators | Producers Price Index - PPI | Inputs (ANZSIC06) - NZSIOC level 1, Base: Dec. 2010 quarter (=1000) (Qrtly-Mar/Jun/Sep/Dec) | Construction - Updated 19 May 2026 @ 10:45am*

### NOTES

** denotes forecast indicies based on movement of previous quarter*

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*N/A denotes no index information provided by Stats NZ*

## COST FLUCTUATION ADJUSTMENT BY INDEXATION

BASED ON NZS 3910:2023 - APPENDIX A - COST FLUCTUATION ADJUSTMENT BY INDEXATION

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - PROJECT

| | | |
|---|---|---|
| Project | **3462 - Option 4 - Old Briscoes 104 - 107 Dee Street, Invercargill** | |
| V | $2,262,473 | Valuation of work shown as payable in any Payment Schedule in respect of work having been completed during the quarter under consideration subject to A3, but without deduction of retentions and excluding the Cost fluctuation adjustment |
| | *Month* | *Quarter* |
| *From* | December 2024 | 2024Q4 — *Stats NZ LCI updated 06 May 2026 @ 10:45am* |
| *To* | June 2026 | 2026Q2 — *Stats NZ PPI updated 19 May 2026 @ 10:45am* |
| L | 1482 | Labour Cost Index; Private Sector: Industry Group – Construction: All Salary and Wage Rates: published by Stats NZ, for the quarter under consideration |
| L' | 1444 | Index as defined under L but applying for the quarter during which tenders close |
| M | 1640 | Producers Price Index; Inputs: Industry Group – Construction, published by Stats NZ applying for the quarter under consideration |
| M' | 1543 | Index as defined under M but applying for the quarter during which tenders close. |
| C | $109,153 | Cost fluctuation adjustment for the quarter under consideration |
| | **$2,371,626.11** | **Adjustment value** |
| | 4.82% | Percentage adjustment |
| | 1.048245046 | Adjustment factor |

$$C=V\left[\frac{0.4(L-L')}{L'}+\frac{0.6(M-M')}{M'}\right]$$

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - LABOUR (If V = Labour element)

| | | |
|---|---|---|
| C | $142,229.35 | Cost fluctuation adjustment for the quarter under consideration |
| | **$2,404,702.35** | **Adjustment value** |
| | 6.29% | Percentage adjustment |
| | 1.06286455 | Adjustment factor |

$$C=V\left[\frac{(L-L')}{L'}\right]$$

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - MATERIALS (If V = Material element)

| | | |
|---|---|---|
| C | $59,538.76 | Cost fluctuation adjustment for the quarter under consideration |
| | **$2,322,011.76** | **Adjustment value** |
| | 2.63% | Percentage adjustment |
| | 1.026315789 | Adjustment factor |

$$C=V\left[\frac{(M-M')}{M'}\right]$$

### STATS NZ INDEX - DETAIL

http://infoshare.stats.govt.nz

*L/L' = Work income and spending | LabourCost Index - LCI | Private Sector and Industry Group (ANZSIC06)(Base: June 2009 qtr (=1000))(Qrtly-Mar/Jun/Sep/Dec) | All Salary and Wage Rates | Construction - Updated 06 May 2026 @ 10:45am*

*M/M' = Economic Indicators | Producers Price Index - PPI | Inputs (ANZSIC06) - NZSIOC level 1, Base: Dec. 2010 quarter (=1000) (Qrtly-Mar/Jun/Sep/Dec) | Construction - Updated 19 May 2026 @ 10:45am*

### NOTES

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## COST FLUCTUATION ADJUSTMENT BY INDEXATION

BASED ON NZS 3910:2023 - APPENDIX A - COST FLUCTUATION ADJUSTMENT BY INDEXATION

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - PROJECT

| | | |
|---|---|---|
| Project | **3462 - Option 5 - Old Briscoes 104 - 107 Dee Street, Invercargill** | |
| V | $4,613,652 | Valuation of work shown as payable in any Payment Schedule in respect of work having been completed during the quarter under consideration subject to A3, but without deduction of retentions and excluding the Cost fluctuation adjustment |
| | *Month* | *Quarter* |
| *From* | December 2024 | 2024Q4 — *Stats NZ LCI updated 06 May 2026 @ 10:45am* |
| *To* | June 2026 | 2026Q2 — *Stats NZ PPI updated 19 May 2026 @ 10:45am* |
| L | 1482 | Labour Cost Index; Private Sector: Industry Group – Construction: All Salary and Wage Rates: published by Stats NZ, for the quarter under consideration |
| L' | 1444 | Index as defined under L but applying for the quarter during which tenders close |
| M | 1640 | Producers Price Index; Inputs: Industry Group – Construction, published by Stats NZ applying for the quarter under consideration |
| M' | 1543 | Index as defined under M but applying for the quarter during which tenders close. |
| C | $222,586 | Cost fluctuation adjustment for the quarter under consideration |
| | **$4,836,237.85** | **Adjustment value** |
| | 4.82% | Percentage adjustment |
| | 1.048245046 | Adjustment factor |

$$C=V\left[\frac{0.4(L-L')}{L'}+\frac{0.6(M-M')}{M'}\right]$$

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - LABOUR (If V = Labour element)

| | | |
|---|---|---|
| C | $290,035.15 | Cost fluctuation adjustment for the quarter under consideration |
| | **$4,903,687.15** | **Adjustment value** |
| | 6.29% | Percentage adjustment |
| | 1.06286455 | Adjustment factor |

$$C=V\left[\frac{(L-L')}{L'}\right]$$

### COST FLUCTUATION ADJUSTMENT BY INDEXATION - MATERIALS (If V = Material element)

| | | |
|---|---|---|
| C | $121,411.89 | Cost fluctuation adjustment for the quarter under consideration |
| | **$4,735,063.89** | **Adjustment value** |
| | 2.63% | Percentage adjustment |
| | 1.026315789 | Adjustment factor |

$$C=V\left[\frac{(M-M')}{M'}\right]$$

### STATS NZ INDEX - DETAIL

http://infoshare.stats.govt.nz

*L/L' = Work income and spending | LabourCost Index - LCI | Private Sector and Industry Group (ANZSIC06)(Base: June 2009 qtr (=1000))(Qrtly-Mar/Jun/Sep/Dec) | All Salary and Wage Rates | Construction - Updated 06 May 2026 @ 10:45am*

*M/M' = Economic Indicators | Producers Price Index - PPI | Inputs (ANZSIC06) - NZSIOC level 1, Base: Dec. 2010 quarter (=1000) (Qrtly-Mar/Jun/Sep/Dec) | Construction - Updated 19 May 2026 @ 10:45am*

### NOTES

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**Appendix 4 — Document register**

| Document | Date |
|---|---|
| Ryal Bush demolition quote | 2 February 2024 |
| Lewis Bradford structural review memorandum | 13 January 2025 |
| Lewis Bradford temporary retention and securing Option A & B | 10 August 2026 |

February 2nd 2024

Linda Lee
C/o - 104 Dee St
Invercargill

Cell: 027 289 8963
Email: linlee@xtra.co.nzInvercargill

Dear Linda,

Please see below pricing for the demolition of 104 Dee Street. I have broken this down as discussed. Please ensure you read the clarifications as with this there are still some unknowns which have not been allowed for in the pricing as there is not enough information to give you accurate pricing on these items.

| 104 Dee Street, Invercargill Demolition SCHEDULE OF QUANTITIES | | | | | |
|---|---|---|---|---|---|
| **Item** | **Description** | **Qty** | **Unit** | **Rate** | **$** |
| **1** | **Demolition** | | | | |
| 1.1 | Mobilisation, Site Set up & Demobilisation | 1 | LS | $ 34,666.75 | $ 34,666.75 |
| 1.2 | Asbestos Removal | 1 | LS | $ 15,295.00 | $ 15,295.00 |
| 1.3 | Traffic Management | 1 | LS | $ 64,140.00 | $ 64,140.00 |
| 1.4 | Service Disconnections | 1 | LS | $ 42,268.25 | $ 42,268.25 |
| 1.5 | Demolition & Make Site Safe | 1 | LS | $ 410,491.62 | $ 410,491.62 |
| 1.6 | Ancillary Works | 1 | LS | $ 42,268.25 | $ 42,268.25 |
| | | | | | |
| | Total 1: | | | | $ 609,129.87 |

Key information such as Invercargill City Council & Heritage Requirements have not been compiled as yet. Therefore any specific requirements have not been considered.

We understand this is still a work in process and as such we are available to assist you in this process.

Please note that these prices are exclusive of GST. Quotation remains valid for 30 days.

If you have any further queries, please do not hesitate to contact me.

Yours faithfully,

Quintin Winsloe
Manager – Contacting & Demolition

Please see following page for clarifications.

**RYAL BUSH TRANSPORT LIMITED**
Ryal Bush RD6 Invercargill 9876, P O Box 5069 Invercargill 9843
Phone (03) 221 7192, Fax (03) 221 7194
Email : enquiries@ryalbush.co.nz Web : www.ryalbushtransport.co.nz

| Clarification Schedule | | | |
|---|---|---|---|
| No. | Assumption | Reason for Assumption | Tag |
| 1 | There is no allowance in the tender sum for removal of any hazardous materials outside of the ASM Report | No information on any potential contamination | |
| 2 | Dump fees are based on rates current at January 2024. There is no allowance for increase in rates which may include proposed government levy increases | Any such increases are outside the control of the contractor | |
| 3 | RBT has allowed for disconnecting documented services outside of the project limits only and not back at main lines. | Clarification | |
| 4 | RBT has allowed for reasonable predicted conditions that may be included in a resource consent. The resource consent would need to be viewed to ensure the conditions are in line with what has been allowed at time of estimate | Resource consent not available at time of tender | |
| 5 | Demolition limits are the building footprints, areas outside of the footprint have not been allowed for. | Clarification | |
| 6 | Time associated with archaeology delays has not been allowed for | Given the significance of the site there is high potential for delays or investigation relating to site archaeology. Given the unknown quantum of this type of work no allowance has been made and such work shall be completed under a dayworks basis. | |
| 7 | Allowance has been made to remove foundation up to 600mm deep. No Basement removal has been priced as we are not aware of any at tender | Unquantifiable works | |
| 8 | Pricing includes removal of demolition waste for recycling or to landfill as required. We have not allowed for removal of any soil material | Clarification | |
| 9 | A dilapidation survey would be required on adjacent buildings/areas prior to works being undertaken | Clarification | |
| 10 | No allowances for works relating to shared walls or making good of adjacent buildings following demolition | Unquantifiable works | |
| 11 | No allowance for delays outside the contractor's control | Clarification | |

**RYAL BUSH TRANSPORT LIMITED**
Ryal Bush RD6 Invercargill 9876, P O Box 5069 Invercargill 9843
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