

9 February 2009

**To whom it may concern**

David Reid Homes (Hawkes Bay) Ltd is pleased to submit an estimate for the building of a new home on Lot 7 Waipuka Road Waimarama Havelock North.

Our estimated cost for the proposed building Project (House & Double Garage – 252m<sup>2</sup> approximately excluding loft), in terms of Specification and Concept Plan attached is **\$538,000 to \$579,000 incl. GST.**

This estimate is based upon the David Reid Homes Concept Design of Freedom 6 together with DRH Specification (copies attached) and includes the following items:

**Key Specifications**

Single level dwelling  
Concrete block foundation with poly insulation  
2.55m stud  
Double glazing except garage  
Plaster Brick to exterior with linea highlights if required  
Electric hot water  
Electric undertile heating to bathrooms & kitchen  
2 x Wood burner to lounge and family  
Heat Pump to family  
Longrun colorsteel roofing  
Cedar front doors  
Cedar sectional double garage door  
Caesar stone bench with Meltica / Melamine to kitchen  
SMEG appliances  
Xera tap ware by Aquatica or similar  
Clearlite bathroom fittings  
Tiled showers  
Carpet and tiles flooring  
Septic tank system  
Water tanks

Allowances in the pricing include estimates as follows (figures are GST inclusive):

|  |    |        |
|--|----|--------|
| Design & Consent costs                           | \$ | 12,000 |
| Plumbing & Drainage                              |    | 14,625 |
| Electrical                                       |    | 21,500 |
| Kitchen units, appliances & wardrobe fitout      |    | 39,000 |
| Carpet, tiles & waterproofing                    |    | 27,500 |
| Heating (2xwood burners, heat pump & under tile) |    | 18,500 |
| Septic & water tanks                             |    | 19,750 |

These estimates / PC sums are considered to be very realistic amounts as they reflect the overall quality and level of specification which I believe puts the home at well above mid range.

**Things that still may affect pricing:**

- a) Kitchen units design and specification.
- b) Final window configurations.
- c) Floor coverings and tiling final areas
- d) Drainage and power mains, water and telecom
- e) final drawing of design to scale
- f) travel
- g) Council consents
- h) cost of final working drawings
- i) cost of the loft, which is not included in this pricing

N.B. Pricing increases. We are currently facing a number of pricing increases and wherever possible these have been taken into account when assessing your build cost. However there may be future price increases from this estimate date which could impact the final fixed contract amount.

**Any special foundations and engineering required to foundations and concrete slab outside NZS3604 building code and any adjustments in heights to foundations and concrete slab and fill will be an extra.**

Landscaping such as excavations, retaining walls, lawns, drives, patios, decks, paths and fencing are additional to the above estimate; indicative pricing for your information is as follows (inclusive of GST):.

|                                      |    |        |
|--------------------------------------|----|--------|
| Exposed pebble concrete per m2       | \$ | 90.00  |
| Concrete Holland pavers per m2       | \$ | 59.00  |
| 1.8m high timber paling fence per LM | \$ | 97.00  |
| 1m high timber retaining, per LM     | \$ | 195.00 |

The next step is to have the Concept plan finalised. Once the Concept plans have been confirmed, working drawings can be completed; with these drawings dispatched to our suppliers & sub contractors for quoting, so as we can offer a fixed price contract.

Because David Reid Homes is a Design & Build Company we can offer alternative solutions and materials (you are not locked into one type of system, materials or design look) - the fixed price can be adjusted to meet most budgets.

DRH do not price houses by square metre rates because this is not a true indication of what a building project will finally cost. Freedom 6 has entrance pillars for example which would not be allowed for in a square metre calculation. (Square metre rates should be only used for the purpose of estimating.)

We offer free consultancy with experienced kitchen and colour consultants who will keep you informed of the latest fashions and trends. In addition, David Reid Homes (Hawkes Bay) Ltd is a Master Builder and also offers a completion guarantee. Further information can be found on our web site [www.davidreidhomes.co.nz](http://www.davidreidhomes.co.nz). This gives clients great comfort during the building process and confirms the quality of the package that David Reid Homes provides. We believe it's all about going the extra mile and doing all the little things that stand us apart from the rest.

Please do not hesitate to call me if you require any further information. Remember I am available to assist with the planning process and provide guidance through all facets of your building project.

Kind regards

**David Reid Homes (Hawkes Bay) Limited**

**Tony Southey**  
**Director / Manager**  
**021673192**