

Land Acquisition Assessment

Melton North Development
Contributions Plan (DCP)
Land Assessment

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Valuation Executive Summary

Melton North Development Constructions Plan [DCP] Land Assessment



Property Description.

The Melton North Precinct Structure Plan (PSP) relates to a total of nine properties with a total area of 105.94 hectares. The precinct is irregular in shape, generally bound by Arnolds Creek to the west, Minns Road to the north, existing residential development to the south, and a drainage reserve to the east. The land is generally flat with a slight fall towards the south. Two overflow paths being the Arnolds Creek (east branch) and Little Blind Creek are located along the western and northern boundary of the precinct, respectively.

As at the date of our inspection, the subject land generally comprises vacant, rural / farming land identified for future development. The land is improved with associated dwellings, sheds and infrastructure. Parcel 2 is improved with a telecommunications tower on the southern side of Minns Road. Furthermore, development had commenced on Parcels 1, 3 - 5, 7 and 8. Our valuation excludes any development works carried out on the parent holdings to date.

Property Type	Melton North Precinct Structure Plan (PSP)
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Cumulative "Before" Area	40.57 ha.
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Cumulative "After" Area	39.64 ha.
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Instructions.

Instructioning Party	Melton City Council
Interest Valued	Freehold
Date of Instruction	2 April 2019 (As Per Contract) 10 January 2020 (Contract Received)
Contact	Luke Shannon

Valuation Summary.

Date of Inspection	12 December 2019
Date of Valuation	1 July 2019 Refer to Assumptions / Qualifications - Date of Valuation
Cumulative Assessed Value "Before"	\$37,725,000 (Exclusive of GST) Thirty Seven Million, Seven Hundred and Twenty Five Thousand Dollars
Cumulative Assessed Value "After"	\$36,850,000 (Exclusive of GST) Thirty Six, Eight Hundred and Fifty Thousand Dollars
Acquired Land Value	\$875,000 (Exclusive of GST) Eight Hundred and Seventy Five Thousand Dollars

Prepared By.

Charter Keck Cramer Pty Ltd

Claudio Petrocco
B.Bus (Prop), AAPI
Certified Practising Valuer
API Member No 62402
Executive Director

Bradley W Papworth
Counter Signatory
API Member No 62349
National Executive Director

Leaders in Property Intelligence.

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NOTE - This Valuation Executive Summary should be read in conjunction with the Valuation Report and Assumptions / Qualifications.

J 140585 :CP

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Valuation Report

Melton North Development Contributions Plan [DCP] Land Assessment

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Letter of Instruction
Title Details
Planning Details
Melton North PSP Future Urban Structure Plan
Melton North DCP - Property Specific Land Use Budget

Instructions.

Instructing Party

Melton City Council
232 High Street
MELTON VIC 3337
(Mr Luke Shannon, General Manager – Planning and Development)
Telephone +61 (0) 3 9747 7180
Email LukeS@melton.vic.gov.au
Refer to Assumption / Qualifications - Terms of Reference
Refer to Assumptions/Qualifications - Definition of Market Value

Purpose

To assess the fair market value of the land to be acquired for the Melton North DCP, namely land identified and acquired for the following:

- Land required for future road widening of Coburns Road.
- Land required for the community centre.
- Land required for active open space.

The assessments of the individual holdings have been concluded from an external inspection and publicly available information relating to the development potential of each holding. Detailed development potential for each holding had not been provided at the time of valuation. Therefore, should information relating to encumbrances and development potential of the individual holdings be made available, this report should be returned to us for further consideration and, if necessary, re-assessment.

Our Reference

J 140585 :CP
H:\GOV\MELTON PSP\MELTON NORTH\MELTON NORTH PSP 2020\J140585 FINAL VALUATION REPORT - PRIVATE.DOCX
Liability limited by a scheme approved under Professional Standards Legislation.

Title & Land Description.

Title Particulars

The Melton North PSP relates to a total of nine properties. The title particulars of the parent holdings are described below:

Property No.	Description	Certificate of Title	
		Volume	Folio
1	Lot 1 on Title Plan 089095X	9505	016
2	Lot 4 on Lot Plan 080278	8716	637
3	Lot 3 on Lot Plan 080278	8716	636
4	Lot 2 on Lot Plan 080278	8716	635
5	Lot 1 on Lot Plan 080278	8716	634
6	Lot 3 on Lot Plan 137761	9531	535
7	Lot 1 on Lot Plan 144107	9536	875
8	Lot 2 on Lot Plan 144107	9536	876
9	Lot 1 on Lot Plan 137760	9535	822

Furthermore, the Melton North precinct includes an existing road for which title particulars could not be confirmed. In terms of the roadway, whilst the road increases the developable area within the PSP, adjacent properties abutting the road have a right of access and therefore the roadway is considered encumbered land.

Our valuation is based on the assumption that the acquired parcels are individually titled and there are no easements or encumbrances which have an adverse effect on our valuation.

Our valuation excludes any development works completed to date upon the subject parcels and reflects the known physical circumstances and configuration of the parent holdings at the inception of the Melton North PSP (May 2010).

Additionally, our assessment of value has been concluded on the assumption that the land acquired for the purpose of active open space and community facilities are separately titled and valued individually. Our assessment does not reflect the ownership of multiple titles but rather the assessments are provided on the basis that each parcel is within individual ownership.

Refer to Assumptions / Qualifications - Encumbrances.

Planning Details.

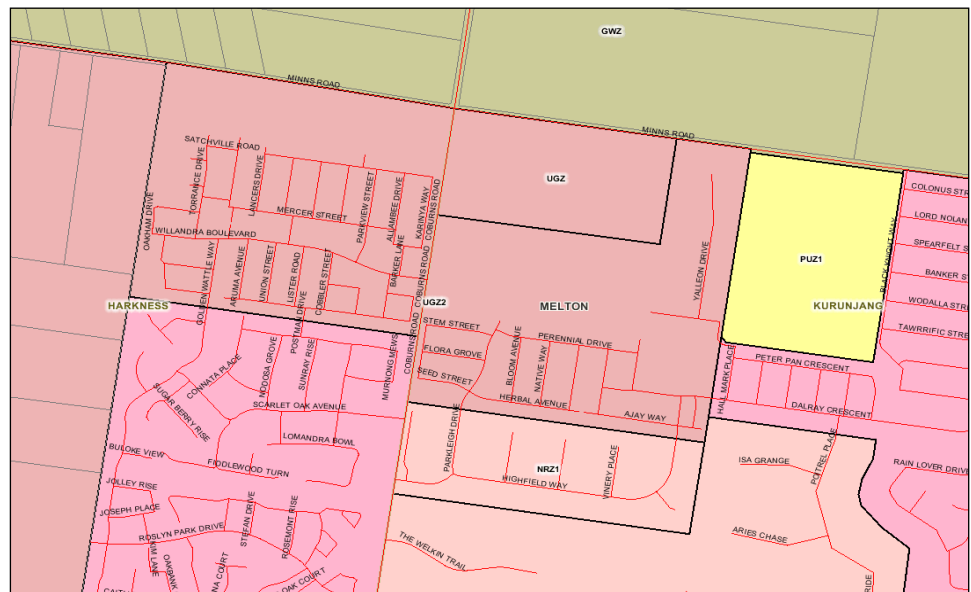
Local Authority Melton City Council.

Zoning Pursuant to the provisions of the Melton Planning Scheme, the land is predominantly included within an *Urban Growth Zone (UGZ)*. The objectives of this zone are as follows.

- *To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.*
- *To manage the transition of non urban land into urban land in accordance with a Precinct Structure Plan.*
- *To provide for a range of uses and the development of land in accordance with a Precinct Structure Plan.*
- *To contain urban use and development to areas identified for urban development in a Precinct Structure Plan.*
- *To provide for a continued non urban use of the land until urban development in accordance with a Precinct Structure Plan occurs.*
- *To ensure that, before a Precinct Structure Plan is applied, the use and development of the land does not prejudice the future urban use and development of the land.*

Schedule 2 of the Urban Growth Zone (UGZ) refers to the Melton North PSP.

Furthermore, the subject land is included within a Development Contributions Plan Overlay (DCPO2) pursuant to Schedule 2. The objective of this overlay is to identify areas which require the preparation of a Development Contributions Plan for the purpose of levying contributions for the provision of works, services and facilities before development can commence. More particularly, Schedule 2 relates to the Melton North Precinct Structure Plan.



SOURCE - www.land.vic.gov.au (2017)

Refer to Assumptions / Qualifications - Zoning

Current Use As at the date of our inspection, the subject land generally comprises vacant, rural / farming land identified for future development. The land is improved with associated residences, sheds and infrastructure. Parcel 2 is improved with a telecommunications tower on the southern side of Minns Road. Development had commenced upon Parcels 1, 3-5, 7 and 8.

Having regard to the Melton North PSP Future Urban Structure Plan, the scope of development and areas to be acquired, the highest and best use of the land is for urban development as identified within the PSP. Therefore, the original improvements upon the subject parcels (if any) are considered to be of no added value.

Potential / Future Use Pursuant to the Planning Scheme, the potential uses for the subject property may be summarised as those where a planning permit is not required (Section 1 of the Planning Scheme) and those where a planning permit is required (Section 2 of the Planning Scheme). Those uses noted under Section 3 (prohibited) are not considered to place any undue restriction upon the future use or development of the site. We refer you to the ordinances provided as an annexure to this report with respect to the allowable and prohibited uses.

In undertaking our assessment of value of the subject parcels, we have had regard to the Melton North PSP Future Urban Structure Plan, with the highest and best use of the individual parcels determined by the surrounding uses identified within the PSP and social and economic conditions within the Melton North PSP locality. The highest and best use of the individual holdings is summarised within the Scope of Development - Highest and Best Use section of this report

Native Title There are no attributes observed that would identify the property as having coexisting or likely coexisting Native Title interests.

Refer to Assumptions / Qualifications - Native Title

Environmental Details.

Environmental Statement A visual site inspection has not revealed any obvious signs of pollution or contamination. Nevertheless, we are not experts in the detection or quantification of environmental problems and, accordingly, have not carried out a detailed environmental investigation. Therefore, this valuation and our report is made subject to there being no actual or potential contamination issues or environmental hazards, including surface or sub-surface soil problems including instability, toxic or hazardous wastes or building material hazards issues affecting:

- The existing or potential use of the property.
- The value or marketability of the property.
- The site.

Verification that the property is free from contamination or environmental hazards and has not been affected by pollutants of any kind may be obtained from a suitably qualified environmental expert. Should subsequent investigation show that the site is contaminated or has environmental hazards this valuation and report may require revision. The right is reserved to review, and if necessary, vary the valuation figure if any contamination or other environmental hazard is found to exist.

Archaeological Considerations The Melton North PSP notes that the traditional owners of the land were the people of the Wurundjeri. The PSP further identified that the *“Assessments of the precinct has found no Aboriginal or post - contact heritage values.”*

Our valuation is subject to there being no archaeological classifications, nor materials contained upon the site which adversely affect its existing or potential use or reduce the marketability or development entitlement. Should any problem be known or arise, then the valuation should be referred back to us for further comment.

Flora and Fauna Considerations Pursuant to the Melton North PSP, the land is within the Victorian Volcanic Plain bio-region. The PSP identifies that “the majority of land within the precinct consist of highly modified Plains Grassland that are now dominated by Wallaby Grass and Spear Grass and as such are classified as degraded treeless vegetation.” The Melton North PSP identifies that there are opportunities to improve the biodiversity through the enhancement of the creek lines with indigenous plantings, provision of wetlands and ponds and the creation of green links to existing and future urban areas to the south and east of the catchment and non-urban land to the north and west.

Our valuation is subject to there being no remnant vegetation or flora which would impact the development potential of the land or incorporate or warrant costs associated with assessment or compensation for habitat destruction. Should any problem be known or arise, then the matter should be referred back to us for further comment.

Locality.

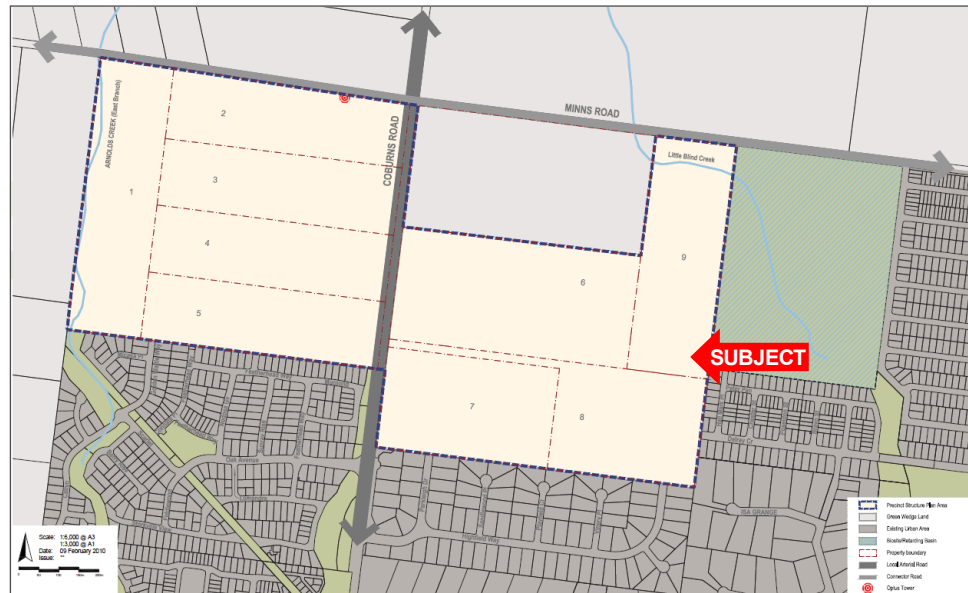
Precinct Description

The Melton North PSP relates to a total of nine holdings and a roadway with a total area of 105.94 hectares.

The precinct is irregular in shape, generally bound by Arnolds Creek to the west, Minns Road to the north, existing residential development to the south, and a drainage reserve to the east. The land is generally flat with a slight fall towards the south. Two overflow paths being the Arnolds Creek (east branch) and Little Blind Creek are located along the western and northern boundary of the precinct, respectively. In accordance with the Melton North PSP, the overflow paths have been included as encumbered land.

We refer you to the Scope of Development section of this report for a summary of detailed uses for the individual holdings. Should the areas of uses vary from that adopted / indicated, the matter should be referred back to us for further comment.

A map highlighting the individual parent holdings forming the Melton North precinct is shown below:



SOURCE - Melton North PSP (May 2010) - Plan 1

Refer to Assumptions/Qualifications - Land Description and Site Identification.

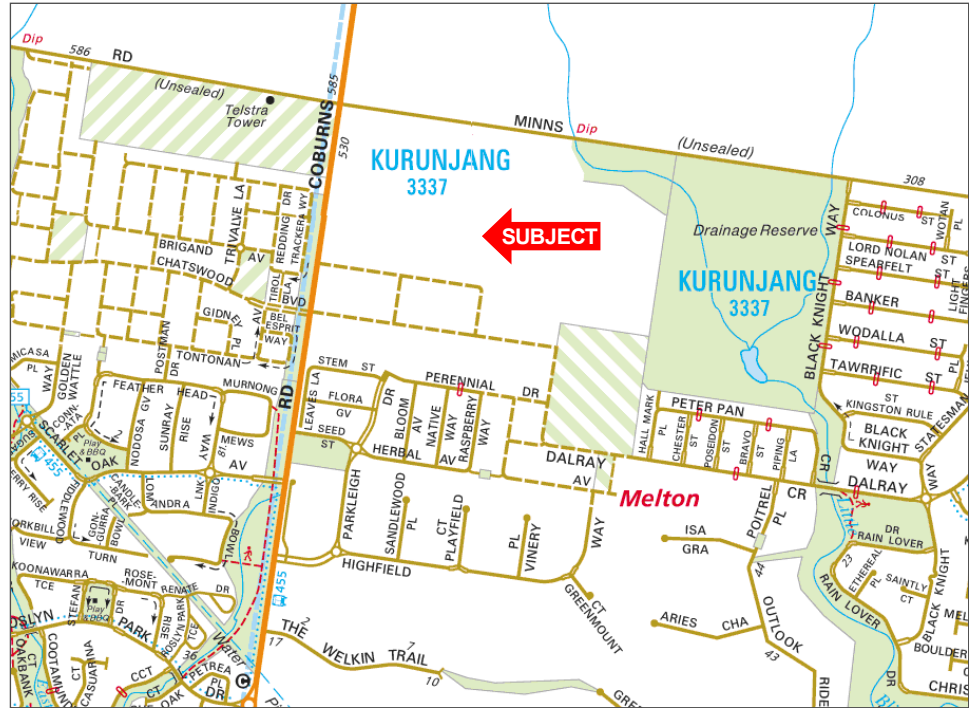
Locality & Surrounding Development

Within the Melton City Council, in the area known as Melton West and Kurunjang, Postcode 3337, the Melton North precinct is located on the southern side of Minns Road and north of existing established residential development.

Residential development throughout the locality provides serviced allotments to first home buyers. The Melton North precinct adjoins the completed Micasa Rise estate to the south, with further surrounding properties to the north, north-east and west situated outside the Urban Growth Boundary (UGB), being Green Wedge zoned.

The surrounding region provides most services and facilities complementing residential occupation. Retail centres within proximity to the subject precinct include the Woodgrove Shopping Centre and Coburns Central Shopping Centre, approximately 3.5 kilometres

south-east which incorporates a supermarket and speciality shops. Further shopping facilities are located along High Street, Melton, and west of the Melton Recreation Reserve. Educational facilities nearby include Catholic Regional College, St. Catherine's Catholic Primary School, Wedge Park Primary School, Melton West Primary School and Melton Secondary College. In relation to public transport, bus services operate along Bulmans Road and Centenary Avenue, whilst the Melton railway station is located approximately 4.5 kilometres south-east of the precinct. We note the precinct is also well located in relation to recreational facilities including the Arthur Westlake Memorial Reserve, Melton Indoor Recreation Centre, Melton Olympic Swimming Pool, MacPherson Park and the Melton Equestrian Park.



SOURCE - Melbourne on CD Edn 41 - Standard

Road System and Access

Coburns Road, in this section, is a sealed roadway with open channels, providing access from Melton to the south and to the Toolern Vale township in the north. Minns Road is an unsealed roadway with open channels and provides access predominantly for local traffic.

The region is well serviced by major roadways, with Coburns Road providing access to the Western Freeway to the south which provides access to the Melbourne Central Business District (CBD) and inner western suburbs

Services and Amenities

In accordance with the Melton North PSP, infrastructure and services required to meet the development needs of the precinct will be implemented in accordance with the Melton North PSP - Future Urban Structure Plan and Melton North Precinct Infrastructure Plan. Our assessment has been provided on the basis that infrastructure (road network and services) has been extended to each parcel in accordance with the Melton North PSP.

Pursuant to the Melton North PSP, urban amenities located within reasonable proximity to the subject property are as follows:

Activity Centres	Watgardens Shopping Centre at Sydenham, Melton Town Centre, Woodgrove Shopping Centre
Open Space	MacPherson Park located to the north of the precinct
Educational Facilities	Melton Primary School, Kurunjang Primary School, Kurunjang Secondary School
Melton Township	Approximately 3.6 kilometres

Scope of the Development.

Description

The Melton North PSP relates to nine properties with a total area of 105.94 hectares (including Road Reserve 1). The Melton North PSP, prepared by the Victorian Planning Authority (VPA), originally the Growth Areas Authority (GAA), dated May 2010, identifies the holdings within the PSP to yield conventional and medium density residential development, business uses including retail and commercial uses, community facilities, and active and passive open space.

An extract of the Melton North Future Urban Structure (Plan 5 within the Melton North PSP) is included below:



SOURCE - Melton North PSP (March 2012)

Improvements

Each holding is assessed having regard to the proposed zoning and the notional highest and best use per the PSP. The parcels are considered to have future development potential and, as such, existing improvements are considered to be of little or no added value and have not been incorporated within our assessment. The assessment therefore relates to the underlying land value

Acquired Land

In accordance with the Melton North DCP - Property Specific Land Use Budget, prepared by the VPA, originally the GAA dated May 2010, the areas and holdings affected by the acquisition of the following items are as follows:

Future Land Use Description	Project No.	Property No.	Area (Ha.)
Coburns Road Reserve Widening	RD01 and RD02	2, 3, 4, 5	0.93
Active Open Space	AR01	8, 9	5.82
Community Facility	CI01	6	0.80

The Coburns Road Reserve further incorporates the existing road, providing for a total area of 2.29 hectares. As abutting properties have the right of access via the existing road reserve, the road reserve is considered encumbered land and has not been included within this assessment. Additionally, other items to be acquired including passive open space are beyond the scope of this assessment.

“Before” & “After” Scenarios The Coburns Road widening (RD01 and RD02) affects four parent holdings being identified as Property No’s. 2 - 5.

Areas in the “before” and “after” scenarios for the Coburns Road widening (RD01 and RD02) have been adopted from the Melton North DCP - Property Specific Land Use Budget. The area in the “before” scenarios exclude land within the Property Specific Land Use Budget as encumbered land which includes land identified as waterway / drainage line / wetland / retarding areas.

The “before” and “after” scenarios provide that the land has appropriate approval for the highest and best use identified, with the “after” area reflecting the reduction to the developable area for the road widening. A summary of the “before” and “after” areas for the parent holdings adopted within our valuation is noted as follows:

Property No.	Parent Holding	Area (Hectares)		
		“Before”	Acquired	“After”
2	10.16	10.16	0.22	9.94
3	10.15	10.15	0.24	9.91
4	10.12	10.12	0.23	9.89
5	10.14	10.14	0.24	9.90
Total	40.57	40.57	0.93	39.64

Should the developable area of underlying use vary from that adopted, the report should be referred back to us for further comment.

Site Specific Parcels

Parcels which are to be acquired and vested in Council for the provision of the community centre and active open space represent land which can be individually sold as inglobo development sites and therefore have been assessed accordingly. The respective areas of the parcels acquired and proposed uses in accordance with the Melton North DCP - Property Specific Land Use Budget is as follows:

Property No.	Description / Proposed Future Use	Project No.	Acquired Area (Ha.)
8 & 9	Active Open Space	AR01	5.82
6	Community Centre	CI01	0.80

Our valuation of the site specific parcels is provided on the basis that services and infrastructure are available to the individual sites and that the individual sites are separately titled.

Highest and Best Use

In accordance with the Melton North Future Urban Structure Plan, the parent holdings are proposed to yield primarily conventional residential with areas around proposed community facilities, business uses, and open space designated as medium density residential uses.

Residential preferences are largely underpinned by a common set of factors that relate to housing needs, social / cultural norms, demographic / socio - economic characteristics, household / family structures and lifestyle. General trends in the demographics within metropolitan Melbourne have resulted in an increasing acceptance of higher density housing by all generations, including singles, couples, households and empty nesters. Higher density housing in Melbourne exists predominantly in inner suburban localities where development is established and the need for space is highly competitive. In established areas, the onus of developing higher density dwelling demand is generated from the increased choice in housing without the trade-offs between location and tenure choice, and maximisation of the benefit and cost minimisation of existing infrastructure.

In line with current planning policies and the increase in demographic characteristics within Melbourne together with social preferences to be closer to activity nodes, high density development therefore can be concluded to be viable in proximity to activity centres or amenities which directly support residential occupation. It can therefore be concluded that medium density development demand is generated once the establishment of such facilities is developed.

Therefore, in assessing value, we have considered the highest and best use of the parent holding and site specific parcels as inglobo residential development land.

Furthermore, Property No's. 6 and 8 are proposed to yield retail and commercial uses. The Melton North DCP - Property Specific Land Use Budget does not differentiate between the residential and commercial uses. Therefore, in assessing value, we have adopted the underlying highest and best use of the whole parcel as inglobo residential development land.

Valuation Rationale.

Valuation - "Before" and "After"

In assessing value, we have had regard to the extent of the proposed acquisition. The area and location of the land for the proposed Coburns Road widening are slithers or part of land deemed to have only one possible purchaser - that of the adjoining owner. In this instance, the land is sold to the adjoining owner and therefore a premium would not be associated with the transaction value. As such, the most appropriate method is to assess the value of the holding "before" and "after" the acquisition. The difference in the assessments represents the amount payable for the acquisition of land for the proposed Coburns Road widening.

In arriving at our assessment of value, we have assessed the individual parent holdings in the "before" scenario and a separate assessment "after" the acquisition, having regard to the sales evidence of land, highest and best use, market conditions and associated positive and negative attributes. In particular, we make note of the sales of similar sized and zoned properties as previously detailed.

Furthermore, we note that a significant number of holdings have been purchased by developers providing for larger amalgamated holdings. Our assessment has been concluded reflecting the Parent Title configuration, with our assessment not reflecting ownership patterns of the holdings.

The difference between the "before" and "after" value assessments of the affected holdings is the indicated value determined applicable to the acquired land. A summary of the indicated value for the acquired land can be shown as follows:

Property 2, 3, 4 and 5				
"Before"		"After"		Difference
Area (Hectares)	Assessed Value	Area (Hectares)	Assessed Value	
40.57	\$37,725,000	39.64	\$36,850,000	\$875,000

Site Specific Valuation

Parcels which are to be acquired by Council for the provision of active open space and community facilities have the ability to be marketed to a wider market as individually titled development sites and therefore have been individually valued.

Our valuation has been concluded on the basis that infrastructure (road and services) is extended to each parcel, having occurred in accordance with the Melton North PSP, and that such infrastructure and services can be augmented to service the proposed underlying use.

Furthermore, the property represents an infill site within an established development with constructed road frontages and residential development surrounding, similar to that of a school site.

After analysis of the sales evidence within the Comparable Sales Evidence - Residential Development Land section of this report, we have assessed the site specific land value of the acquired parcels as follows:

Active Open Space (AR01)

The 5.82 hectare parcel is proposed to be acquired for active open space uses. Proposed uses surrounding the parcel comprise of residential uses. Having regard to the sales analysed, we have considered it appropriate to adopt a rate of \$1,750,000 per hectare. A summary of our assessment is as follows:

5.82 Hectares @ \$1,750,000 Per Hectare	\$10,185,000
For Practical Valuation Purposes, Say \$10,185,000 (Exclusive of GST)	

Community Centre (CI01)

The 0.80 hectare parcel is proposed to be acquired for community centre uses. Proposed uses surrounding the parcel comprise of residential uses, passive open space and business uses. Having regard to the sales analysed, we have considered it appropriate to adopt a rate of \$2,200,000 per hectare. A summary of our assessment is as follows:

0.80 Hectares @ \$2,200,000 Per Hectare	\$1,760,000
For Practical Valuation Purposes, Say \$1,760,000 (Exclusive of GST)	

Critical Issues

Our valuation has been completed on the basis:

- The subject property relates to nine properties within the Melton North precinct which have been identified for future road widening, active open space and a community centre.
- Areas have been derived from the Melton North DCP - Property Specific Land Use Budget, prepared by the VPA, originally the GAA, dated May 2010.
- The parcels are considered to have future development potential in accordance with the PSP, with existing improvements considered to be of no added value and have not been incorporated within our assessment.
- Our valuation excludes any development works carried out on the parent holdings to date and represent the physical known circumstances of the holdings and configuration as at the inception of the Melton North PSP, prepared by the VPA, originally the GAA, dated May 2010.
- Land within the Melton North precinct is unaffected by unsupervised fill, soil or groundwater contamination.
- Land within the Melton North precinct is unaffected by Aboriginal or archaeological artefacts of significance.
- Land within the Melton North precinct is unaffected by flora and fauna issues.
- The current highest and best use of the holding within the Melton North precinct has been adopted as inglobo residential development land.
- The assessments of the individual holdings have been concluded from an external inspection and publicly available information relating to the development potential of each holding.
- Services and facilities are available to the Melton North area, including water, gas, electricity, telephone and mains sewer. However, costs associated with augmentation of services to the individual parcels are not known. The costs associated with extending services to the land are not reflected in our assessment of value.
- Our assessment has been concluded on the basis that the identified parent holdings are assessed as individual titles, with our assessment not reflecting current ownership patterns for the holdings.
- The “before” and “after” scenarios would provide that the land is zoned appropriately and issued appropriate Town Planning approval.
- Our assessment of value has been concluded on the basis that infrastructure (road network and services) is extended to each parcel, having occurred in accordance with the Melton North PSP and such infrastructure and services are reticulated within the Melton North PSP area and can be augmented to service the proposed underlying uses.
- Our valuation is based on the assumption that the acquired parcels are separately titled.
- Our assessments reflect that the Growth Area Infrastructure Contribution (GAIC) will be paid at development.
- Our assessments are exclusive of Goods and Service Tax (GST).

GST Implications

Transactions of commercial properties and development land are subject to GST from 1 July 2000, at an amount equivalent to one eleventh (1/11th) of the sale price, for which it is the responsibility of the vendor to remit same to the Government. Accordingly, the vendor / notional vendor can only pass on the GST through a specific condition in the sale contract. Most contracts now include a clause that requires the purchaser to pay any GST on the basis that the purchaser is a registered business and entitled to a full input tax credit. This results in GST being a cash flow issue for the vendor only.

Our valuation is expressed exclusive of GST.

This valuation is based on the assumptions relating to GST set out above. If any of these assumptions are found to be incorrect, or if the party on whose instructions this valuation is provided wishes our valuation to be based on different

assumptions, this valuation should be referred back to the Certified Practising Valuer for comment and, in appropriate cases, amendment.

Refer to Assumptions / Qualifications - GST Implications

Land Acquisition Assessment & Valuation Compliance Statement.

Valuation

To indicate value of the acquired land for the proposed Coburns Road widening, we have assessed value in the “before” scenario and a separate assessment reflecting the holding after the acquisition. The difference between the “before” and “after” value assessments is the indicated value attributable to the land identified for the proposed road widening. A summary of our assessment is as follows:

Description	Cumulative Assessed Value “Before”	Cumulative Assessed Value “After”	Difference
Coburns Road Widening	\$37,725,000	\$36,850,000	\$875,000


Parcels which are to be acquired and vested in Council for the provision of proposed active open space and the community facility represent land that can be individually sold as inglobo development sites and therefore have been assessed accordingly. In assessing value on this basis, we have utilised the direct comparison approach, having regard to the sales of inglobo development land. A summary of our assessment can be shown as follows:

Description	Area Acquired (Hectares)	Assessed Value
AR01 Active Open Space	5.82	\$10,185,000
CI01 Community Facility	0.80	\$1,760,000

Prepared by
Charter Keck Cramer Pty Ltd



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Bradley W Papworth
Counter Signatory
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The counter signatory has reviewed the valuation based on the data presented in the report for the accuracy of calculations, the reasonableness of data, the appropriateness of methodology, and compliance with client guidelines, regulatory requirements and professional standards. The counter signatory is satisfied that the valuation is based on reasonable grounds. The data presented has not been independently confirmed and the property has not been inspected by the counter signatory.

Date of Issue of the Valuation Report – 13 February 2020

Liability limited by a scheme approved under Professional Standards Legislation.

Valuation Compliance Statement

Charter Keck Cramer confirms that:

- The statements of fact presented in the report are correct to the best of the Valuer's knowledge.
- The analyses and conclusions are limited only by the reported assumptions and conditions.
- The Valuer has no interest in the subject property.
- The Valuer's fee is not contingent upon any aspect of the report.
- The valuation was performed in accordance with an ethical code and performance standards.
- The Valuer has satisfied professional education requirements.
- The Valuer has experience in the location and category of the property being valued.
- The Valuer has made a personal inspection of the property.
- No one, except those specified in this report, has provided professional assistance in preparing the report.

We confirm that neither Charter Keck Cramer nor any of its Directors or employees has any pecuniary interest that could conflict with the proper valuation of this property.

Refer to Assumptions / Qualifications - Third Party Disclaimer

Assumptions / Qualifications.

Legend

square metres	sq.m.
hectares	ha.
per annum	p.a.
per hectare	p.ha.

Date of Valuation

Due to possible changes in market forces and circumstances in relation to the subject property, this report can only be regarded as relevant as at the date of valuation.

This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

We draw attention to the provisions of our professional indemnity insurance that all valuations are only valid for 90 days from the date of valuation, no responsibility being accepted for clients' reliance upon reports beyond that period. Accordingly, any parties authorised to rely upon our opinion are advised that since the date of valuation the subject property has not been re-inspected and that no further investigation or analysis has been undertaken as to any changes since that date.

Our assessment is subject to there being no significant event that has occurred between the date of valuation and the date of issue of the valuation report that would impact on the value of the subject property.

Our report is concluded in the context of current Federal and State Legislation, Regulations and Policies as at the date of this report and does not anticipate or reflect possible changes in these matters that may impact upon the fundamentals of the project or property, its target market, cost structure, profitability or value. Adverse changes in such Legislation, Regulations and Policies (such as fiscal, taxation, FIRB, migration, international affairs and security), among others, are outside the control of the Valuer, and may result in material adverse impact on the valuation

Instructing Party / Terms of Reference

We note that this valuation is not for mortgage purposes.

The assessments of the individual holdings have been concluded from an external inspection and publicly available information relating to the development potential of each holding. Development potential details have not been provided. Therefore, should information relating to encumbrances and development potential of the individual holdings be made available, this valuation may need to be re-assessed in light of circumstances not previously known.

Should the basis in which the valuation has been constructed or methodology change, this valuation should be referred back to us for reassessment.

Any intending third party wishing to rely upon the contents of this valuation and its recommendations should note that in accordance with the provisions of our company's professional indemnity insurance policy, they must, in written form, seek our approval in response to which we will consider the authorisation of this report for their use. Under the provisions of our policy certain third party mortgagees may be ineligible for reliance upon our valuation. Otherwise, no responsibility is accepted for any third party which may use or rely upon the whole or any part of the contents of this report. It should be noted that any subsequent amendments or changes in any form thereto will only be notified to and known by the parties to whom it is authorised.

Definition of Market Value

This valuation has been prepared in accordance with the following API definition of market value:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

Encumbrances

Our valuation is subject to there being no undisclosed or unregistered easements or encumbrances which would have an adverse effect on our valuation other than those previously described and noted on the Certificates of Title attached as an annexure at the rear of this report. Should it be discovered that further easements or encumbrances exist, this report should be referred back to Charter Keck Cramer for consideration, comment and amendment (if necessary).

Land Area & Dimensions

Measurements taken on site appear to substantially accord with those shown on title. A current survey has not been sighted. This valuation is subject to there being no encroachments by or upon the property and this should be confirmed by a current survey and/or advice from a Registered Surveyor. If any encroachments are noted by the survey report, the Valuer should be consulted to reassess any effect on the value stated herein.

Zoning

Although a Planning Certificate has not been sighted, the zoning particulars have been confirmed by the online Planning Scheme, which is an internet based copy of the Planning Scheme provided by the Department of Planning and Community Development (DPCD). Our assessment is completed subject to the planning information obtained being current and correct.

Please note that a Planning Certificate has not been provided or obtained. In the event that a Planning Certificate is obtained and the information thereon is materially different to that provided to Charter Keck Cramer via the approved internet based version, then we reserve the right to review our assessment and amend this report (as necessary).

Native Title

Pursuant to the *Native Title Act (Clth)* 1993, and as amended 30 September 1998, land with the exception of an “Exclusive Possession Grant”, may be claimed as the property of Indigenous Australians leading to the co-existence or likely co-existence of Native Title in relation to a particular piece of land, subject to the verification of a prior or continuing connection to the land.

We are not experts in Native Title or the property rights derived therefrom and have not been supplied with appropriate anthropological, ethnoecological and/or ethnographic advice. Therefore, the property valuation or assessment is made subject to there being no actual or potential Native Title affecting:

- The value or marketability of the property.
- The land.

The National Native Title Register (NNTR) was established under Section 192 of the *Native Title Act (Clth)* 1993. The NNTR contains determinations of Native Title made by the High Court of Australia, the Federal Court of Australia, or such similarly recognised bodies. Formal verification that the property is not subject to co-existing Native Title interests and/or subject to determination should be obtained by searching the Registry of Native Titles Claims, which is administered by the National Native Titles Tribunal. We have viewed maps prepared by the National Native Title Tribunal detailing Native Title Applications, determination areas and indigenous land use agreements. The map does not identify that the subject property is affected by applications and determinations as per the Federal Court on 31 March 2010.

This assessment is completed on the basis that the property is not affected by co-existing Native Title interests. Should subsequent investigation show that the land is subject to existing or potential co-existing Native Title interests, this property valuation or assessment will require revision and should be referred back to Charter Keck Cramer for consideration, comment and amendment.

Third Party Disclaimer

This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted for any third party who may use or rely on the whole or any part of the content of this valuation. No responsibility will be accepted for photocopied signatures. It should be noted that any subsequent amendments or changes in any form to the valuation and report would only be notified to and known by the parties to whom it is addressed. This report is a valuation report and is not intended as a structural survey. Charter Keck Cramer prohibit publication of this report in whole or in part, or any reference thereto, or to the valuation assessments contained herein, or to the names and professional affiliation of the Valuers, without the written approval of the Valuer.
