

Mr Simon Militano
Development Director – Over 55's Development
Platino Properties
Suite 11, 20 Young St, Neutral Bay,
NSW, 2089
4 May 2022

Dear Simon,

Subject: Affordable Housing Assessment - Stage II - Jardin Frenchs Forest

Further to your instructions, Hill PDA has been asked to assess the public benefit of the 15 Social (Disability) and Affordable Housing apartments to be dedicated, at reduced market value, to a community housing provider (CHP) in Stage II of the Jardin Frenchs Forest development located at 5 Skyline Place Frenchs Forest. In formulating our assessment, we have assessed the public benefit to be the revenue forgone from the agreed sale price to that of the potential market value (the discounted value). This is a similar approach to that of Department Housing and Australian Tax office in assessing the social /fringe benefit of a social housing rent compared to a market rent.

Executive Summary

We consider the Total Market Value of the 15 Social (Disability) and Affordable Housing apartments to be \$11,200,000 on an "As If Complete" basis.

Our advice is that a CHP will acquire 15 apartments (& common areas allocated) with a fair Market Value of \$11,200,000 for \$4,00,000. The value of this Public Benefit is \$7,200,000 and the developers (Platino) will forgo \$7,200,000 in revenue to provide **this Public Good component**.

The benefits for broader community are significant, some of which are outlined below:

- Providing opportunities for people aged over 55 or those with a modest intellectual disability, to obtain ownership opportunities and control of their accommodation requirements, enhancing independence and self-esteem.
- Targeting independent living for women over the age of 55 which will reduce dependence on Community Housing and provide ownership opportunities.
- Targeting independent living for people with a modest intellectual disability (particularly younger people) seeking to live independently within the community which will reduce dependence on Community Housing and provide ownership opportunities.
- Younger members of the community would be highly sort after as the suggested plan provides an intentional blending of the socio-economic, age range cohort, and health status mixing of the development's residents within the Jardine development is considered as a beneficial addition to the community dynamic.
- Increasing the opportunity to provide affordable accommodation options for 'worker aged' residents to encourage personal empowerment and provide community housing opportunities.

We consider that the developer's proposal is a significant financial contribution to assist the essential affordable housing needs for Seniors and People with a Disability in the Northern Beaches Community.

We thank you for your instruction in this regard and please do not hesitate to contact the undersigned if you have any further questions.

Yours sincerely,



Christopher Sutton AAPI
Valuer

Certified Practicing Valuer

suttonchrisj@gmail.com



Martin Hill AM

Director

BSc (Hons), Master of Real Estate (UNSW),

Master of Property Development (UTS),

Certified Practicing Valuer (Unrestricted),

Fellow of Australian Property Institute

Martin.Hill@hillpda.com

Disclaimer

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SYDNEY

Level 3, 234 George Street
Sydney NSW 2000
GPO Box 2748 Sydney NSW 2001
t: +61 2 9252 8777
f: +61 2 9252 6077
e: sydney@hillpda.com

MELBOURNE

Suite 114, 838 Collins Street
Docklands VIC 3008
t: +61 3 9629 1842
f: +61 3 9629 6315
e: melbourne@hillpda.com

WWW.HILLPDA.COM