

27 July 2021

Alex Yim
Deputy General Manager, Property
New Hope Evergreen
Suite 42.03, Level 42, Chifley Square
Sydney
Sydney, NSW, 2000

Sent via email: alex.yim@newhopegroup.com

Re: 2 Marshall Avenue, St Leonards – Market Value Assessment

Dear Alex

Please find JLL's desktop valuation of the Market Value of 2 Marshall Avenue, St Leonards for Internal Assessment purposes herein.

Please note that we were not able to inspect the subject property internally and have relied on other sources in order to determine the condition of the improvements. Accordingly this assessment has been made under 'Restricted Access' provisions.

Instructions and Reliance

We refer to your acceptance of our Fee Proposal dated 26 July 2021 requesting Jones Lang LaSalle Advisory Services Pty Ltd (JLL) provide you with a Market Value Assessment, both on an 'As Is Current Use' & 'As Part of a Development Site' for the purposes of negotiating with the current owner.

We confirm that JLL does not have any pecuniary interest that would conflict with the advice provided on the subject property.

It is recommended that the reader of this Market Value Assessment undertake their own enquiries in relation to the information as provided. Should the parties to this advice have any concerns or queries regarding the contents or key assumptions made in the preparation of this advice, those issues should be promptly directed to the nominated valuer for comment and review.

Our Market Value Assessment is based on a significant amount of information which is sourced from the instructing party or its agents and other third parties, including but not limited to hypothetical development information, environmental and planning documents. We have relied upon the accuracy, sufficiency and consistency of the information supplied to us.

JLL accepts no liability for any inaccuracies contained in the information disclosed by the instructing party or other parties, or for conclusions which are drawn either wholly or partially from that information. Should inaccuracies be subsequently discovered, we reserve the right to amend our Market Value Assessment.

The Property was inspected externally on 28 July 2021 and we confirm 28 July 2021 to be the date of our valuation.

We confirm that due to **restricted access**, JLL has relied on marketing photos and descriptions noted online of the subject property in order to determine its condition and quality of the improvements.

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 of time (including as a result of general market movements or factors specific to the particular property).

We do not accept liability for the losses arising from such subsequent changes in value. Without limiting the generality of the above, we do not assume any responsibility or accept any liability in circumstances where this valuation is relied upon after the expiration of 90 days from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation. However, it should be recognised that the 90 day reliance period does not guarantee the value for that period; it always remains a valuation at the date of valuation only.

Market Comments & Covid-19

- The outbreak of the Novel Coronavirus (COVID-19) was declared as a 'Global Pandemic' by the World Health Organisation on 11 March 2020. We have seen global financial markets impacted and travel restrictions and recommendations being implemented by many countries, including Australia.
- The real estate market is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. As at the date of valuation we consider that there is a significant market uncertainty.
- This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation).
- We do not accept responsibility or liability for any losses arising from such subsequent changes in value.
- Given the valuation uncertainty noted, we recommend that the user(s) of this report review this valuation periodically.

For the avoidance of doubt, the inclusion of the 'market uncertainty' declaration above does not mean that the valuation cannot be relied upon. Rather, the phrase is used in order to be clear and transparent with all parties, in a professional manner that – in the current extraordinary circumstances – less certainty can be attached to the valuation than would otherwise be the case.

Background

The following points outline JLL's understanding of the current matter:

- 2 Marshall Avenue, St Leonards sits within the northern part of the St Leonards South precinct which has recently been rezoned to R4 High Density Residential.
- The new Masterplan allows an FSR of 3.85:1 and a height of 65 metres.
- New Hope Evergreen has been trying to negotiate with the current owner to purchase the block, however negotiations have failed to secure an agreement.
- The block is identified as Lot 4, Section 3, within Deposited Plan 7259 and provides for 688sqm of area.
- Based on marketing brochures online from 2017, the land is improved by a circa 1920's Californian bungalow comprising 3-4 bedrooms, 2 bathrooms and manicured gardens with a large garage for 2-3 vehicles.
- JLL has been engaged by New Hope Green to provide valuation advice as to the value of this property.

Critical Assumptions

The following critical assumptions have been made by JLL and should be verified by Town Planning and Architectural Experts. Should any of these assumptions prove to be incorrect, JLL reserves the right to review our valuation.

- The subject site can achieve the majority of FSR allowed with the Masterplan.

Property Overview

Property Address / Title Details 2 Marshall Avenue, St Leonards (Lot 4/3/DP7259)

Location The subject site is located on the corner of Marshall Avenue and Canberra Avenue within the Suburb of St Leonards. The subject site is located approximately 250m south of St Leonards Train Station. The following aerial image identifies the approximate location of the subject property in the context of the wider area:-



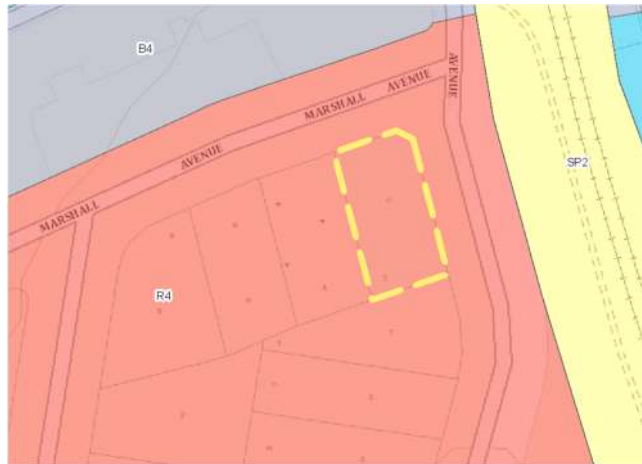
Source: SIX Maps

Site Area	Subject Site: 688 m ² (as per the deposited plan)
Encumbrances	There are no encumbrances noted on title.
Environmental	<p>We note no items that suggested the site would have any environmental issues. We make no representation as to the actual environmental status of the subject property. This indicative market advice assessment assumes that there are no environmental issues with the land holding.</p> <p>Should an environmental assessment be carried out which reveals elevated levels of contamination which requires remediation, this indicative market advice assessment should be referred back to the valuer for further review and possible amendment.</p>
Flooding	We have reviewed the online mapping records from Lane Council which does not indicate the property is susceptible to flooding.
Asbestos	We have assumed the site is free of any subsoil asbestos and have undertaken our assessment assuming no adverse effect on the property's market value or marketability. Our assessment has made no allowance for removal of asbestos materials. If an asbestos removal statement is undertaken by a suitably qualified expert, then this indicative market advice assessment must be referred back to the Valuer for further consideration and possible re-assessment of value.
Native Title	We have not undertaken any formal native title searches, and our indicative market advice assessment is made on the assumption that there are no Native Title Claim issues relating to the Property. If any Native Title Claim issues are found to relate to the Property, we reserve the right to review our indicative market advice assessment.

Town Planning

Key Planning Controls

The St Leonards South Masterplan defines 2 Marshall Avenue, St Leonards as R4 High Density Residential zoning, with a predominant FSR of 3.85:1 and 65m height limit.



Site	2 Marshall Av, St Leonards
Zoning	R4 High Density Residential
FSR	3.85:1
Height Limit	65 metres

Source: www.planningportal.nsw.gov.au

Existing Improvements

Existing improvements comprise (based on marketing brochures online from 2017) a circa 1920's Californian bungalow comprising 3-4 bedrooms, 2 bathrooms and manicured gardens with a large garage for 2-3 vehicles. Photographs taken on the date of valuation of the existing improvements are depicted below: -



Inspection Photo (left) shows the subject dwelling as viewed from Marshall Avenue

External Inspection Date: 28/7/2021

28 Jul 2021 12:47 pm

Sales Evidence

The following sales were considered in arriving at our assessment. We have broken these up into 'Existing House Sales' and 'Potential Development Sales'.

Residential Dwelling Sales

The follow sales evidence of residential zoned land provides a range of process between \$2,775,000 to \$5,250,000.

Address	Sale Date	Sale Price	Site Area (sqm)	Comments
21 Park Road, St Leonards	Feb-21	\$3,050,000	436	Well-presented brick and tile three bedroom residence on a smaller block of land. Comparison: Inferior
14 Merrenburn Avenue, Naremburn	Jun-21	\$2,775,000	541	Architecturally designed dwelling with 5 bedrooms, 2 baths, 3 car garage and 541 sqm of land. Comparison: Inferior
30 Kitchener Road, Artarmon	Jun-21	\$3,150,000	638	This sale comprises a large parcel of 638sqm with views to Sydney CBD skyline plus 4 bedroom cottage with 2 baths, and double carport. Comparison: Inferior
80 Carlotta Street, Greenwich	May-21	\$5,250,000	402	Architect designed 4 bedroom modern dwelling with views across the river and 2 baths plus a double garage. Comparison: Superior
9 Godfrey Road, Artarmon	Apr-21	\$3,525,000	727	Older style part two level 5 bedroom dwelling with 3 baths, expansive living areas and 1 car space. Comparison: Inferior
10 Bent Street, Greenwich	Apr-21	\$4,700,000	575	Two level dwelling comprising 4 bedrooms, 4 baths and triple garage. Comparison: Superior
2 Greenwich Road, Greenwich	Mar-21	\$3,910,000	610	Part two level dwelling comprising 4 bedrooms, 3 baths and double garage. Comparison: Inferior

B4 & R4 Sales

Based on the below sales evidence, B4 & R4 zoned land is ranging at a rate of \$3,716 to \$5,195 for \$/sqm of GFA for sale price.

Address	Zone	Sale Date	Sale Price	Area (sqm)	Potential GFA	Rate \$/sqm (GFA)
378-390 Pacific Highway, Crows Nest	B4	Apr-21	\$51,000,000	1,309	9,817	\$5,195
13-19 Canberra Avenue, St Leonards	R4	Oct-20	\$36,000,000	2,618	9,687	\$3,716
4-8 Marshall Avenue & 2-8 Holdsworth Avenue, St Leonards	R4	Apr-21	\$43,042,100	2,734	10,526	\$4,089

Valuation Rationale

We are of the opinion the most appropriate method to value the subject either as an existing dwelling or as a development site, is via the direct comparison approach via the analysis of sales contained herein.

Key Considerations & Rationale

- The property's is zoned R4 – High Density Residential with a predominant 3.85:1 FSR and 65m Height Limit.
- The use of the land as a single dwelling does not represent the highest and best use of the land.
- Redevelopment of the land as part of Area 1 would provide for the highest and best use of the land.
- Sales evidence of single residential dwellings in the surrounding proximity ranges from \$2,775,000 to \$5,250,000.
- For the value of the subject as an existing dwelling, we have taken into consideration:
 - 3-4 bedroom dwelling with 2 baths and double parking;
 - Convenient location close to transport;
 - 688 square metres of site area.

Based upon the sales evidence and taking the above points into consideration we have adopted a value of between \$3,500,000 and \$4,000,000.

We have adopted the mid point of \$3,750,000 as the value as an existing residence.

- Sales evidence of the R4 & B4 zoned sites in the surrounding proximity ranges from \$3,716/psm to \$5,195/psm of GFA.
- For the value of the subject as a potential development site, we have taken into consideration:
 - Current R4 zoning;
 - FSR of 3.85:1;
 - Height of 65 metres;
 - Location;
 - Proximity to transport;
 - 688 square metres of site area.
- Based upon the sales evidence and taking the above points into consideration we have adopted a value of \$/psm of GFA of between \$4,000 and \$4,250.

Calculations

Based upon the adopted rate our calculations are as follows:

688 sqm site area X FSR of 3.85:1 = 2,648.8sqm of Potential Gross Floor Area

\$4,000/sqm @ 2,648.8m² = \$10,595,200

\$4,250/sqm @ 2,648.8m² = \$11,257,400

We have adopted the mid-point of \$4,125/psm which reflects \$10,926,300 or say \$10,925,000.

Assessment

Based upon the above we are of the opinion the appropriate value for 2 Marshall Avenue, St Leonards is (Lot 4/3/DP7259) is as follows:

Market Value "As Is" As A Single Residential Dwelling

\$3,750,000 (Exclusive of GST)

Market Value As A Potential Development Site Based On The Current Zoning, FSR and Height Limit

\$10,925,000 (Exclusive of GST)

Reliance on this advice is by New Hope Evergreen Pty Ltd only. Our advice is confidential to the party to whom it is addressed for the specific purpose to which it refers. No responsibility whatsoever is accepted to any third parties and neither the whole of this advice or any part or reference thereto, may be published in any document, statement or circular nor in any communication with third parties without our prior written approval of the form and context in which it will appear.

Reliance on this letter is permitted only:

1. By a party expressly identified by the report as being permitted to rely on it;
2. When the given party has received the letter directly from JLL; and
3. For a purpose expressly identified by the report as being a permitted use of the letter.

We thank you for your instructions in this matter and trust that the details provided are satisfactory to your requirements. Should you require any further assistance or have any queries regarding this matter, please do not hesitate to contact the underwriter.

Yours sincerely,

Jones Lang LaSalle Advisory Services Pty Ltd



Bill Fatouros FAPI FRICS

Senior Director,
Head of Residential Development Valuations NSW
Valuation & Advisory Services – NSW
Certified Practising Valuer

Date of Issuance: 2 August 2021

Liability limited by a scheme approved under Professional Standards Legislation.

Valuation Advice

2 Marshall Avenue,
St Leonards NSW 2065

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This Valuation Report has been prepared for the Instructing Party only. It may not be used or relied upon by any other party for any other purpose. It is subject to the terms and conditions, disclaimers, qualifications and limitations contained in the Report and any annexures thereto, including the Instructing Party's Customer Disclaimer contained under the heading "Valuation & Valuation Compliance Statement".

CHARTER.
KECK CRAMER

Valuation Executive Summary

2 Marshall Avenue, St Leonards NSW 2065



Property Description.

Property Type	Residential dwelling.
Highest and Best Use	Residential redevelopment subject to amalgamation with adjoining lots. Refer to Assumptions / Qualifications - Definition of Highest and Best Use
Site Area	682.9 sq.m.
Zoning	R4 High Density Residential
Planning Scheme	Lane Cove Local Environmental Plan 2009
Title Details	Lot 4 Section 3 Deposited Plan 7259
Registered Proprietor	Daryl Francis Hart

Development Potential.

Development Consent	No Approval / Consent at present
Development Potential	The subject property does not meet the minimum site requirements for high density residential redevelopment in isolation. Subject to meeting minimum design requirements and in consolidation with adjoining properties within Site / Area 1 the subject property is entitled to incentive FSR and building height limit providing the potential for high density residential redevelopment.
Unit / GFA Yield	Subject to consolidation with adjoining lots, the subject property may contribute the following GFA and unit yield to the overall redevelopment of Site / Area 1 GFA: 2,629.17 sq.m Units: 30 units The above GFA and unit yield cannot be realised by the subject property in isolation, under the current planning controls.

Instructions.

Instructing Party	New Hope Evergreen
Ordered By	Alex Yim
Interest Valued	Freehold with Vacant Possession.
Date of Instruction	10 August 2021
Purpose	Advice purposes only

Valuation Methodology.

Value "As Is" assuming ongoing use as a residential dwelling	Direct Sales Comparison
Development Value assuming amalgamation with adjoining land	Before and after approach

Valuation Summary.

Value "As Is" assuming ongoing use as a residential dwelling	\$3,000,000 to \$3,500,000 Three Million Dollars to Three Million Five Hundred Thousand Dollars
Development Value assuming amalgamation with adjoining land	\$10,750,000 Ten Million Seven Hundred and Fifty Thousand Dollars
Development Value Analysis	\$4,089/sq.m of permissible GFA \$358,333 p.u.s (30 potential dwellings)

Prepared By.

Charter Keck Cramer (Sydney) Pty Ltd

Peter Wormleaton AAPI
Certified Practising Valuer
API Member: 76392
Associate Director

Sam Barrow, AAPI
Certified Practising Valuer
API Member: 70101
National Director

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

JS00001393 :PAW

VR.PR-S - 2020v1

CHARTER.
KECK CRAMER

Critical Matters

2 Marshall Avenue, St Leonards NSW 2065

Further to recommendations, qualifications and rationale within this report, the instructing party should have particular regard to the following Critical Matters, which forms part of our Executive Summary:

Use of this Valuation Report.

- This Report is for the use of the Instructing Party including for issue to Lane Cove Council. It is not to be used for any other purpose by any other party. Any reliance, use, distribution, publication of the Report and/or any other representations made relating to the contents of the Report is restricted solely to the Instructing Party expressly named in this Report.
- No responsibility is accepted by the Valuer and/or Valuation Firm in the event that the Instructing Party to which this Report is addressed relies, uses, distributes, publishes and/or otherwise represents anything contained in the Report for any other purpose apart from that expressly noted previously.
- No responsibility is accepted by the Valuer and/or Valuation Firm to any other parties who rely, use, distribute, publish and/or otherwise represent anything contained in the Report for any purpose.

Critical Matters.

- Our assessment has been completed on the assumption that the maximum permissible GFA can be achieved for Site / Area 1 both before and after the inclusion of the subject property. Should any subsequent Town Planning advice prove otherwise, we should be advised and a review of this report including our assessment undertaken.
- The current use as a residential dwelling is not listed as a permissible use under the current R4 High Density Residential zoning. It is assumed that the current use would be permissible under existing use rights.
- Full compliance with Town Planning and statutory conditions / regulations.
- The property is unaffected by any detrimental environmental matters.
- The property is unaffected by Aboriginal or archaeological artefacts of significance.
- The property is unaffected by flora and fauna.

Significant Valuation Uncertainty - COVID-19.

- The market is being impacted by the uncertainty caused by the COVID-19 pandemic. As at the date of valuation we consider that there is market uncertainty resulting in significant valuation uncertainty.
- This valuation is therefore reported on the basis of 'significant valuation uncertainty'. As a result, less certainty exists than normal and a higher degree of caution should be attached to our valuation than normally would be the case.
- Given the unknown future impact that COVID-19 might have on markets, we recommend that the user(s) of this report review this valuation periodically.
- This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation). We do not accept responsibility or liability for any losses arising from such subsequent changes in value.

Compliance Statement.

- All investigations have been conducted independently and without influence from a third party in any way.
 - The Valuer/Firm (in addition to the principal Valuer) has no Potential Conflict of Interest or Pecuniary Interest (real or perceived) relating to the subject property.
-

Valuation Advice

2 Marshall Avenue, St Leonards NSW 2065

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Annexures.

Letter of Instruction
Title Search
Deposited Plan

Instructions.

Instructing Party	<p>New Hope Evergreen Suite 42.03, Level 42, 2 Chifley Square SYDNEY NSW 2000</p> <p>Email alex.yim@newhopegroup.com</p> <p>This assessment is valid for 90 days from the date of inspection, no responsibility being accepted for reliance upon reports beyond that period. Accordingly, any parties authorised to rely upon our opinion should be aware of the need for a review as necessary.</p> <p>Refer to Valuation & Valuation Compliance Statement - Valuation Compliance Statement Refer to Assumptions / Qualifications - Definition of Market Value</p>
Purpose	<p>This report has been prepared for Advice purposes only to be relied upon by the instructing party only including issue to Lane Cove Council.</p>
Basis of Valuation	<p>In accordance with our instructions, we have assessed the following basis of valuation as at the date of valuation:</p> <ul style="list-style-type: none">- Value "As Is" assuming ongoing use as a residential dwelling, free of GST.- Development Value assuming amalgamation with adjoining land, exclusive of GST.
Date of Inspection	<p>8 August 2021.</p>
Date of Valuation	<p>8 August 2021.</p>
Our Reference	<p>JS00001393</p> <p>HTTPS://CHARTERKCCOMAU.SHAREPOINT.COM/SEARCH/VALUATIONSSYDNEY/PETER WORMLEATON/1. WIP/ST LEONARDS - 2 MARSHALL AVENUE/JS00001338_NEW HOPE EVERGREEN/1. REPORTING/REPORT - ST LEONARDS, 2 MARSHALL AVENUE V2.DOCX</p> <p>Liability limited by a scheme approved under Professional Standards Legislation.</p>

Title & Land Description.

Title Particulars

The land is generally described as follows:

Address / Lot	Deposited Plan	Folio Identifier
2 Marshall Avenue, St Leonards (Lot No. 4 Section 3)	7259	4/3/7259

Title Search Date – 5 August 2021.

Copies of the relevant extracts are attached as an annexure to this report.

Registered Proprietor(s)

Daryl Francis Hart.

Encumbrances

Encumbrances noted on Title are as follows:

- Reservations and conditions in the Crown Grant(s).
- 658032 Covenant.
- A115775 Covenant.

Covenant A115775 provides a number of design requirements including building set back and the requirement that only one house or pair of semi-detached houses can be erected upon the land. Due to the current zoning and the dated nature of the covenant we have proceeded on the basis that Covenant A115775 can be removed from title and that it is not adverse to the redevelopment of the land. Should this not be the case, our report should be returned for review and value adjustment.

Refer to Assumptions / Qualifications - Encumbrances

Statutory Assessments

The statutory assessment for the subject property is shown below:

Folio Identifier	Land Value	Effective Date
4/3/7259	\$2,060,000	1 July 2020

This land value is provided for information purposes only and is utilised by the relevant authority for rating and taxation purposes.

Land Area & Dimensions

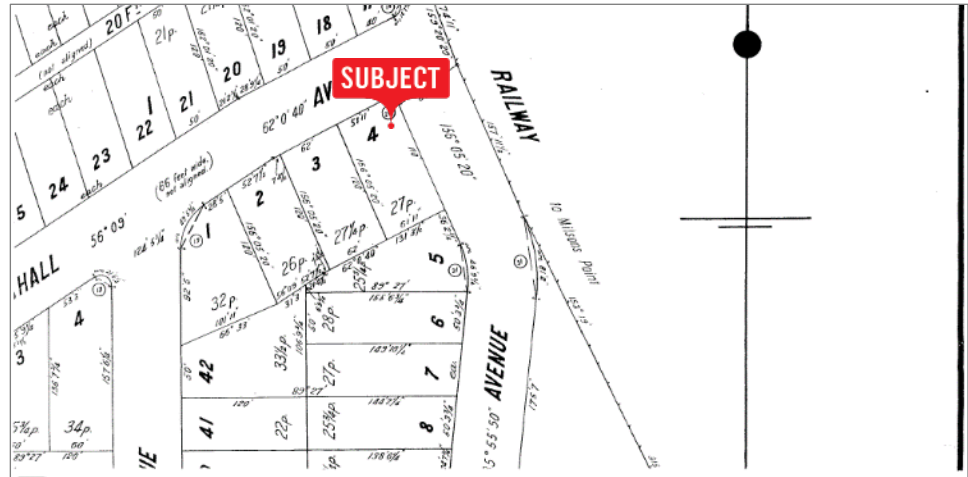
Deposited Plan 7259 identifies the following area for the subject allotment:

Parcel	Area (sq.m.)
4/3/7259	682.90

Positioned on the south-western corner of the intersection of Marshall Avenue and Canberra Avenue.

The subject property is irregular in shape and characterised by a fall to the south.

An extract of Deposited Plan 4259 is provided overleaf indicating the configuration of the subject parcel:



Deposited Plan 4259 extract

SOURCE – Equifax

Refer to Assumptions / Qualifications - Land Area & Dimensions

Road System & Access

The subject property benefits from two street frontages; Marshall Avenue and Canberra Avenue.

Marshall Avenue is bitumen sealed with concrete kerb and gutter providing one traffic lane and one parking lane in each direction. Marshall Avenue extends from Canberra Avenue in the east to Berry Road in the west and carries low volumes of passing vehicular traffic. Kerbside car parking is permitted along both the northern and southern alignments of Marshall Avenue.

Canberra Avenue is bitumen sealed with concrete kerb and gutter providing one traffic lane and one parking lane in each direction. Canberra Avenue extends from Pacific Highway in the north (noting that vehicular access is not provided to Pacific Highway) to River Road in the south and carries low volumes of passing vehicular traffic. Kerbside car parking is permitted along both the eastern and western alignments of Canberra Avenue.

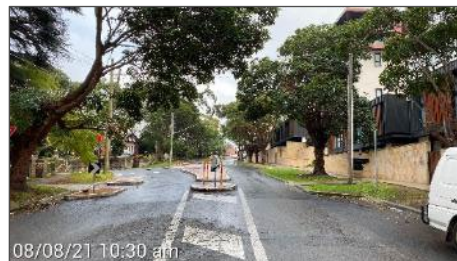
For the purposes of this assessment a Roads and Maritime Services (RMS) search has not been viewed or obtained.



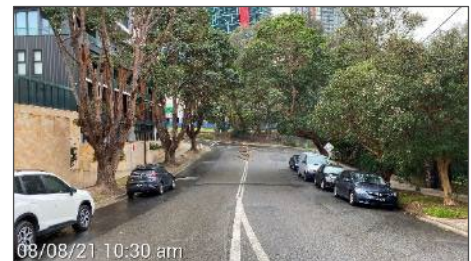
Canberra Avenue Facing North



Canberra Avenue facing South



Marshall Avenue facing East



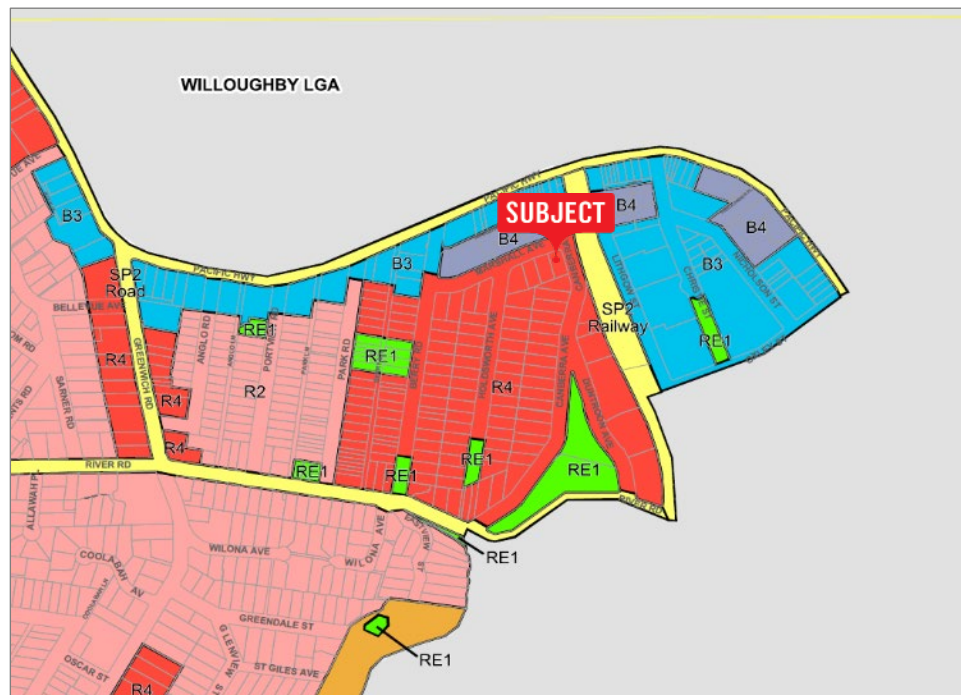
Marshall Avenue facing West

Services

All usual services including electricity, water, telephone, NBN and mains sewer are available.

Planning Details.

Local Authority	Lane Cove Council.
Planning Scheme	Lane Cove Local Environmental Plan 2009 (LCLEP2009).
Zoning	R4 High Density Residential, as shown on the extract below.



SOURCE – Lane Cove Local Environmental Plan 2009 Land Zoning Map – Sheet LZN_004

The current use as a residential dwelling is not listed as a permissible use under the current R4 High Density Residential zoning. It is assumed that the current use would be permissible under existing use rights.

Refer to Assumptions / Qualifications - Zoning

Objectives

The objectives of the R4 High Density Residential zone are as follows:

- To provide for the housing needs of the community within a high density residential environment.
- To provide a variety of housing types within a high density residential environment.
- To enable other land uses that provide facilities or services to meet the day to day needs of residents.
- To provide for a high concentration of housing with good access to transport, services and facilities.
- To ensure that the existing amenity of residences in the neighbourhood is respected.
- To avoid the isolation of sites resulting from site amalgamation.
- To ensure that landscaping is maintained and enhanced as a major element in the residential environment.

Permissible Uses

Permissible uses of the R4 High Density Residential zone are as follows:

Bed and breakfast accommodation; boarding houses; centre-based child care facilities; community facilities; exhibition homes; group homes; home businesses; home industries; hotel or motel accommodation; multi dwelling housing; neighbourhood shops; oyster aquaculture; places of public worship; recreation areas; residential flat buildings; respite day care centres; restaurants or cafes; roads; shop top housing; signage.

Development Controls

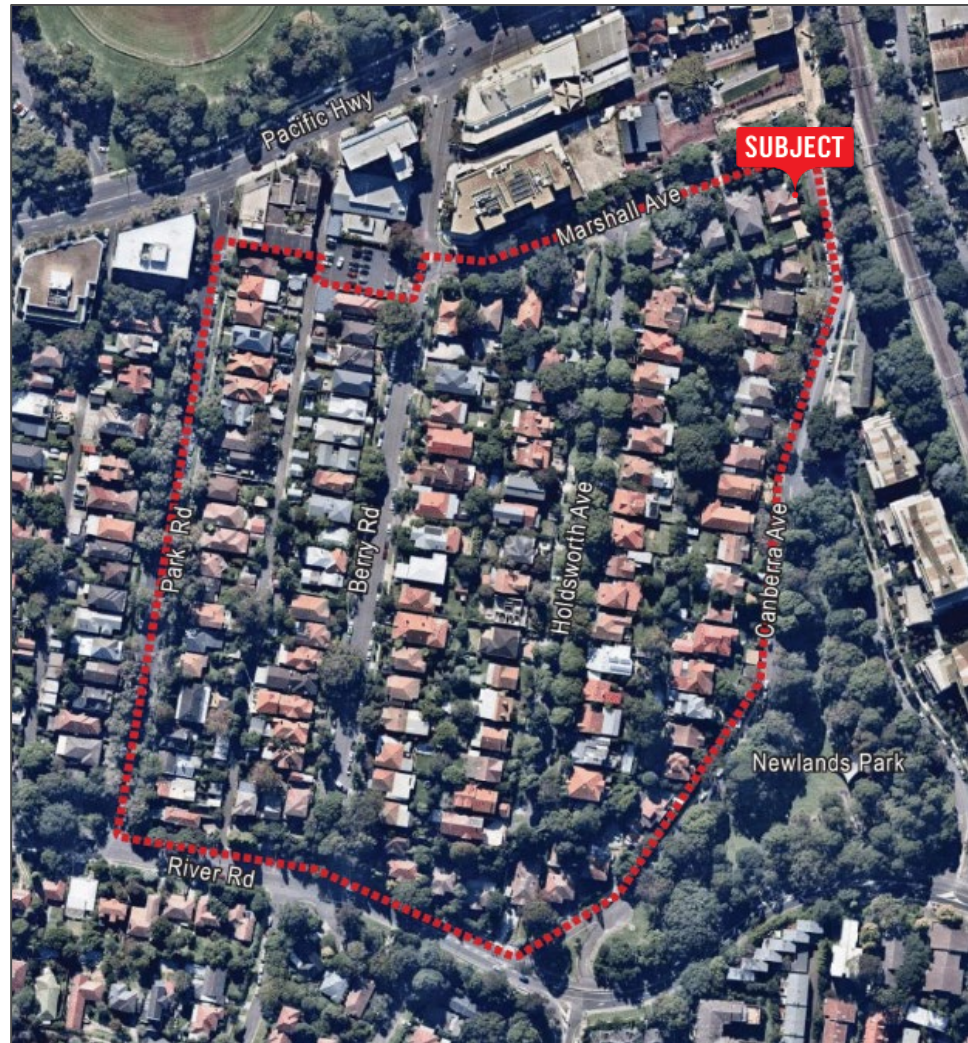
Relevant controls relating to the subject property are noted as follows:

- Maximum Building Height: 9.5 metres
- Floor Space Ratio: 0.5:1.

St Leonards South

The subject property is located within an area identified as the St Leonards South precinct as shown / identified within the Lane Cove Local Environmental Plan 2009. Planning controls (including zoning, increased building height limits and increased FSR) for St Leonards South were implemented in October 2020 to allow for higher density redevelopment of the area.

The below map provides an outline of the St Leonards South area.



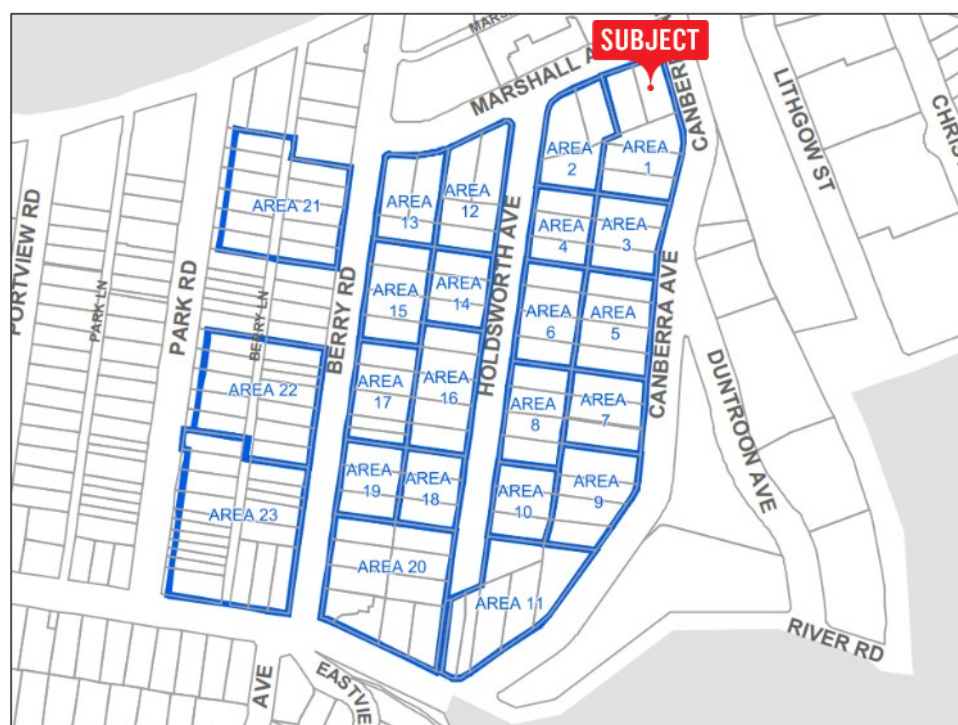
SOURCE – Lane Cove Council

The planning framework for St Leonards South intends to deliver the following:

- Approximately 2,000 new dwellings
- Two new community facilities and childcare centres
- 11,300sqm of new open space including a new park, four new pocket parks and the expansion of Newlands Park.
- East-west pedestrian/cycle links to improve pedestrian connections.
- Approximately 43 new affordable housing units.
- A new local road between Park Road and Berry Road.
- A mix of dwellings to meet the needs of the area's growing population.

The Lane Cove Local Environmental Plan 2009 identifies 23 key sites within St Leonards South with the subject property falling within Area / Site 1.

An extract of the Key Sites Map from the Lane Cove Local Environmental Plan 2009 is provided below:



SOURCE – Lane Cove Local Environmental Plan 20069

Additional Local Provisions Additional local provisions relating land within St Leonards South provide the potential for increases in both floor space ratio and building height where specific site requirements and design requirements are met.

These site requirements and design requirements relating to the subject property include (but are not limited to) the following:

- Minimum site area 3,000 sq.m.
- Minimum affordable housing provision 14 dwellings
- Minimum recreation area and community facilities at least 900 sq.m.

Where specified site and design requirements are met, the following incentive floor space ratio and incentive building height limit are applicable to the subject property:

- Maximum Building Height: 65 metres
- Floor Space Ratio: 3.85:1

Planning Approvals Pursuant to an online search of the City of St Leonards Council Planning Application Register, no recent planning approvals have been issued or lodged.

Highest and Best Use In isolation, the subject property does not meet the minimum site area required to permit incentive floor space and incentive building height under the Lane Cove Local Environmental Plan 2009. The highest and best use of the subject property is for redevelopment subject to consolidation with the adjoining lots within Site / Area 1 of the St Leonards South area.

Refer to Assumptions / Qualifications - Highest and Best Use

Heritage Registration The subject site is not registered on the New South Wales State Heritage Inventory.

Native Title	<p>There are no attributes observed that would identify the property as having coexisting or likely coexisting Native Title interests.</p> <p>Refer to Assumptions / Qualifications - Native Title</p>
Flooding	<p>The subject site is not identified as being within a Flood Planning area from an electronic enquiry with the New South Wales ePlanning Spatial Viewer.</p> <p>If the property is shown to be affected, comment is to be provided here.</p>
Archaeological Considerations	<p>An archaeological assessment has not been provided for the subject property and our valuation is subject to there being no archaeological classifications or materials contained upon the site which adversely affect its existing or potential use or reduce the marketability or development entitlement.</p>

Environmental Details.

Environmental Considerations

The responses detailed below have been collated from our site inspection, as well as perusal of several publicly available websites.

Environmental Considerations
Environment Protection Authority (EPA) Contaminated Land Record
No - The property is not listed.
Environmental Consultant Reports
No – We have not been provided with any environmental reports for the subject property.
Soil / Ground Observation
No - There were no visible signs of any pollution on the property, and we have no reason to suspect it is adversely affected by any soil/ground contamination issues, however, without an environmental expert report, we are unable to confirm there is no contamination of the ground or sub surface soil.
Asbestos
Yes - Our external inspection of the improvements revealed that asbestos may be present in the building materials used, and that the buildings were constructed before 1990 when asbestos was used as a building material.

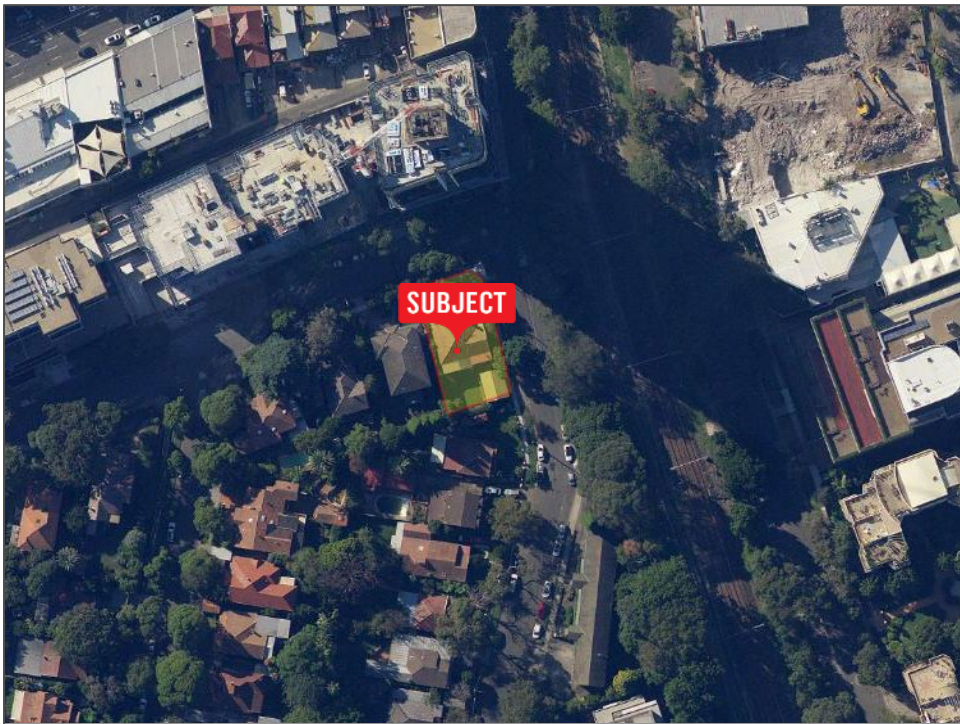
The Valuer is not an expert in the detection or quantification of environmental problems, completion of this questionnaire does not represent an environmental audit, report and/or certificate verifying the site is free of environmental issues.

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. Charter Keck Cramer reserve our rights to review, and if necessary, vary the valuation figure if any contamination or other environmental hazard is found to exist.

Locality.

Locality & Surrounding Development

Physical Location	St Leonards is a suburb on the lower North Shore of Sydney which is located approximately 7 kilometres north of the Sydney GPO. The subject property is located within an area known as St Leonards South which is generally bound by Marshall Avenue and Pacific Highway to the north, Canberra Avenue to the east, River Road to the south and Park Road to the west.
Surrounding Development	Immediate surrounding development within St Leonards South is characterised by predominantly low rise attached and detached residential houses of varying vintage. Development immediately to the north includes medium and high-density mixed-use complexes and older style commercial premises. A heavy rail corridor runs parallel to Canberra Avenue within the vicinity of the subject property.
Services	The property benefits from St Leonards' amenities and services including St Leonards railway station which is located approximately 300 metres north, a local bus network, the Royal North Shore Hospital and local shops.
Other	Other services and amenities also located within proximity to the subject properties include Greenwich Hospital, Mater Hospital, Gore Hill Cemetery, Gore Hill Oval, Australian Catholic University, North Sydney Campus and local schools.



SOURCE – maps.six.gov.au



SOURCE – whereis.com

Improvements.

Description

The subject property is improved with a circa 1920's built single level residence of predominantly brick and weatherboard construction with a tiled roof.

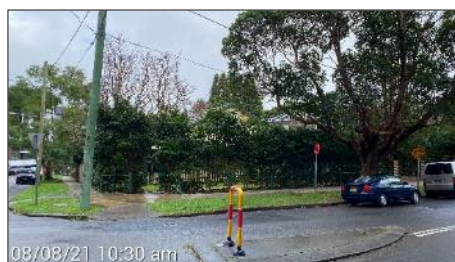
Due to access restrictions an internal inspection has not been undertaken.

Online marketing material indicates that improvements provide a kitchen, dining room, living room, formal dining/living room, bathroom, external laundry, four bedrooms and a balcony. Ancillary improvements include a detached secure double garage.

We have proceeded on the basis that accommodation provided to the dwelling is in line with the description relied upon from third party sources and the internal features and finishes are generally dated yet functional.



Subject property from Marshall Avenue



Subject property from Marshall Avenue



Subject property from Canberra Avenue



Subject property from Canberra Avenue

Development Potential.

Overview

No Development Applications have been submitted or approved for redevelopment of the subject property.

Our assessment of the development value for 2 Marshall Avenue has been assessed by way of the before and after approach whereby a value is determined for Site / Area 1 both before and after the inclusion of 2 Marshall Avenue. Under this approach the development value for 2 Marshall Avenue is equal to the difference in values determined under each scenario.

To assist in determining a value for Site / Area 1 both before and after the inclusion of 2 Marshall Avenue, we have assessed a potential hypothetical project for each scenario.

Potential Project – Before

Our adopted hypothetical potential project to Site / Area 1 before the inclusion of 2 Marshall Avenue has been assessed as follows:

Site area	2,731.60 sq.m.
FSR	3.85:1
GFA (permissible)	10,516.66 sq.m
Efficiency Rate	85%
Net Saleable Area	8,939.16 sq.m
Average Internal Area	75 sq.m
Adopted Unit Yield	119 units

Potential Project – After

Our adopted hypothetical potential project to Site / Area 1 after the inclusion of 2 Marshall Avenue has been assessed as follows.

Site area	3,414.50 sq.m.
FSR	3.85:1
GFA (permissible)	13,145.83 sq.m.
Efficiency Rate	85%
Net Saleable Area	11,173.95 sq.m.
Average Internal Area	75 sq.m
Adopted Unit Yield	149 units

Potential Project Comparison A summary of a potential project to Area A both before and after acquisition of 2 Marshall Avenue is provided as follows;

Component	Before	After	Variance
Site Area	2,731.60 sq.m.	3,414.50 sq.m.	682.90 sq.m.
FSR	3.85:1	3.85:1	Nil
GFA (permissible)	10,516.66 sq.m.	13,145.83 sq.m.	2,629.17 sq.m.
Efficiency Rate	85%	85%	Nil
Net Saleable Area	8,939.16 sq.m.	11,173.95 sq.m.	2,234.79 sq.m.
Average Internal Area	75 sq.m.	75 sq.m.	Nil
Adopted Unit Yield	119 units	149 units	30 units

Market Considerations.

National Economic Summary

The outbreak of the Novel Coronavirus (COVID-19) has presented an unprecedented disruption to the global economy. Although the recovery is well underway with national GDP now above the pre-pandemic levels, there remains ongoing downside risk and potential headwinds (through the presence and potential impacts from mutated strains). The global recovery from the COVID-19 fallout will likely require years to fully overcome.

Notwithstanding, the recovery to date has been stronger than expected with significant fiscal and monetary stimulus supporting the economy through the downturn. These support measures have been increasingly unwound through 2021. With JobKeeper concluding in March 2021, there has been a requirement for alternative support measures in response to ongoing lockdowns from outbreaks.

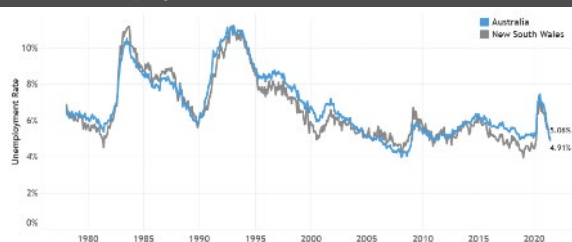
The domestic outlook has been of continued improvement with positive signs in unemployment and GDP indicators. However, recent virus outbreaks are impeding the recovery and, consequently, it is anticipated that GDP may decline for the September quarter. Employment will require further improvement before the RBA considers any upward movement in the cash rate – this is not anticipated until around 2024. Additionally, below-target inflation (supported by low wage growth) will underpin an environment of low interest rates for the foreseeable future. The vaccine rollout in Australia has spurred improved sentiment and strengthened the prospect for a sustained recovery. However, the rollout has been slower than initially planned with some negative sentiment regarding the AstraZeneca vaccine. Significant uptake of the vaccine remains imperative to limit the downside risk of potential future outbreaks.

Key Economic Indicators

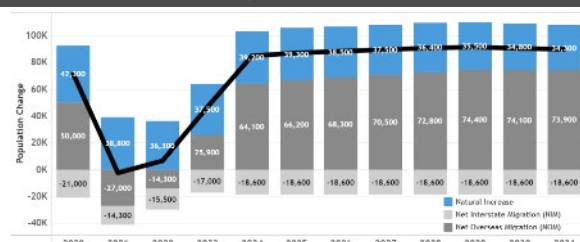
National Level Indicators						
Indicator	Date	Value	Latest Δ	Previous Δ	12 Month Δ	Comments
GDP	Mar Qtr 2021	\$501,065 m	+1.79%	+3.21%	+1.11%	The Australian economy (GDP, seasonally adjusted) increased by +1.79% during the Mar Qtr 2021. This represents the third consecutive quarter of positive growth. Current value measures +1.11% greater than 12 months prior.
Cash Rate	August 2021	0.10%	0.00%	0.00%	-0.65%	At its meeting on August 3, the Reserve Bank Board kept the Cash Rate unchanged at a record low 0.10%.
Inflation	June Qtr 2021	118.8	+0.76%	+0.60%	+3.85%	Australia's CPI (All Groups) increased +0.76% during the June Qtr of 2021. Despite CPI inflation spiking to +3.85% for the year, underlying inflation remains below the Reserve Bank's target rate of +2-3% per annum.
Unemployment	June 2021	4.91%	-0.16%	-0.41%	-2.45%	The unemployment rate decreased by -0.16% to 4.91% in June. The unemployment rate has continued to improve since July 2020 which represented a 22 year high at 7.5%.
Real Net National Disposable Income	Mar Qtr 2021	\$422,119 m	+3.40%	+5.45%	+6.13%	Australia's seasonally adjusted net disposable income increased by +3.40% during the Mar Qtr 2021 and measures +6.13% above the same period last year.
Consumption Expenditure	Mar Qtr 2021	\$268,245 m	+1.21%	+4.48%	-0.04%	Australia's seasonally adjusted expenditure increased +1.21% during the Mar Qtr 2021. This now measures marginally below that of 12 months prior.
Exports of G&S	June 2021	\$ 43,337 m	+3.56%	+4.47%	+23.29%	Australia's exports of goods and services increased by +3.56% during the June 2021 period. This measures +23.29% above that of June 2020.
Consumer Confidence	July 2021	108.6	-2.69%	-1.06%	+19.60%	The ANZ-Roy Morgan Consumer Confidence Rating for July decreased by -2.69% to 108.6. An index reading above 100 indicates that optimism outweighs pessimism among consumers.

State Level Indicators						
Indicator	Date	Value	Latest Δ	Previous Δ	12 Month Δ	Comments
Business Conditions	June Qtr 2021	34	+16	+7	+55	According the NAB Quarterly Business Survey, NSW's business conditions improved by +16 index points during the June Qtr. Conditions have continued to improve since the June Qtr 2020 which recorded a -17 point decline.
Retail Trade	June 2021	\$ 9,705 m	-2.03%	+0.49%	+4.15%	NSW's seasonally adjusted retail turnover decreased by -2.03% in June but measures +4.15% greater than the same period last year.
Building Approvals	June 2021	5,026	-21.27%	-0.62%	+53.28%	NSW has recorded a -21.27% decrease in new dwelling approvals for June 2021. Approvals measure +53.28% above that of the same period last year.
Population	Dec Qtr 2020	8,173 k	+0.10%	-0.04%	+0.44%	NSW's population increased by +0.10% during the Dec Qtr of 2020 and has climbed a total of +0.44% during the previous 12 months.

Historic Unemployment – Australia and NSW



Historic and Forecast Population Growth – NSW



SOURCE - Charter Keck Cramer, ABS, RBA, Westpac-MI, NAB
National and State level indicators represent monthly change unless date specified as quarter

Lane Cove Local Government Area Residential Market Overview

Market Indicator	Comment
Median Values	<div> <ul style="list-style-type: none"> The median house price in the Lane Cove LGA has remained within the limit of approximately \$2,000,000 to \$2,730,000, between 2016 and 2021. The current median house price for the Lane Cove LGA is \$2,730,000 which is the highest median recorded and represents an increase of 10% from the 2020 calendar year. The median residential unit price the Lane Cove LGA has remained within the limit of approximately \$756,000 to \$939,000, between 2016 and 2021. The current median residential unit price for the Lane Cove LGA is \$780,000 which represents a decrease of 8.24% from the median unit price recorded in 2020. </div>
Volume of Sales	<p><u>Residential units</u></p> <ul style="list-style-type: none"> An annual average of approximately 719 residential strata sales was recorded for Lane Cove LGA between the period 2016 to 2021. The lowest number of sales occurred during 2019 with a total of 526 sales. The year of 2017 saw a total of 1,060 sales occurring which is the highest recorded in the 5 year period. At present, 583 strata unit sales (settled) have been recorded for 2021. <p><u>Houses</u></p> <ul style="list-style-type: none"> An annual average of approximately 280 house sales are recorded for Lane Cove LGA between the period 2016 to 2021. The lowest number of sales occurred during 2020 with a total of 245 sales. The year of 2016 saw a total of 325 sales occurring which is the highest recorded in the 5 year period. At present, 261 house sales (settled) have been recorded for 2021.
Buyer Profile	<ul style="list-style-type: none"> The buyer profile for residential units in St Leonards is first home buyers, young families and to a lesser extent, investors. The buyer profile for houses in St Leonards is predominantly young families.
Supply	<ul style="list-style-type: none"> A number of recent completions over the previous two year period has added to available product on the market. Our enquiries would indicate available supply of completed product is being positively absorbed by the market. A high level of residential unit supply is forecast for St Leonards.
Market Sentiment	<ul style="list-style-type: none"> Market conditions drastically changed as a result of the COVID-19 pandemic from March 2020 with consumer and business sentiment declining significantly, having a direct flow on effect for sales enquiry, rates, and pricing. These conditions were not isolated to one location nor market specific, but across the wider Sydney Metropolitan region with real estate markets having effectively stalled due to economic uncertainty, rising unemployment, social distancing measures and a sharp reduction in GDP as industries grappled with the COVID-19 pandemic. Market sentiment is noted to have since improved markedly following a more positive second half of 2020 in both the established residential housing and land markets, with the market continuing to demonstrate strong demand throughout 2021. Significant stimulatory measures put in place at both State and Federal levels have had a cushioning effect on real estate markets during this time. These conditions and positive market sentiment are now permeating into the residential unit market more broadly, having only recently been confined to established, inner-ring localities of low supply and established services and amenity.
Policy	<ul style="list-style-type: none"> Revised measures to The First Home Buyers Assistance Scheme came into effect from 1 August 2020 and will operate until 31 July 2021 providing exemptions for stamp duty. A full exemption is available on a new home valued up to \$800,000 with a concessional rate applicable up to \$1,000,000. For existing homes, a full exemption is available up to \$650,000 in value with a concessional rate up to \$850,000. Vacant residential land qualifies with a full exemption up to \$400,000 and a concessional rate up to \$500,000. A grant of \$10,000 is available under The First Home Owner (New Homes) Grant for eligible participants when they buy their first home (house, townhouse, apartment or similar) up to \$600,000 or purchase land and sign a building contract up to combined value of \$750,000. The First Home Loan Deposit Scheme, administered by the Australian Government, will guarantee 10,000 low-deposit loans a year for eligible participants with a deposit of 5% and is capped to a purchase amount of \$700,000 in Sydney and regional centres, or \$450,000 for the rest of the state. The Family Home Guarantee was announced by the Australian Government under the 2021-2022 budget and will take effect from 1 July 2021. The scheme will guarantee 10,000 loans over four years, to eligible single parents earning less than \$125,000 p.a. (taxable) with dependents, to purchase a new or existing home with a deposit of 2%. The same caps (property values) under the First Home Loan Deposit Scheme apply.

Supply

Examination of Cordell Construction Data reports reveals the potential for 16 proposed projects to comprise a total of 2,576 residential units within St Leonards. This includes projects either under construction, with development approval, development application submitted or mooted. We note a mooted project is a project which cannot be considered likely to be completed at the time of reporting, however they are anticipated to commence during the medium term. If a site has potential for apartments, however we are unaware of a proposed development, then it has not been included.

In addition we note that the St Leonards South precinct has the potential to provide circa 2,000 apartments of which 796 have been detailed herein.

Therefore, there is at present a very high level of supply which will compete with any potential project to be constructed upon the subject property (subject to consolidation with adjoining land within Site / Area 1).

A summary of proposed unit projects within St Leonards is provided below:

Address	DA	No. of Units	Status
54 Chandos Street, St Leonards	Approved	12	Under construction
71-79 Lithgow Street, 82-90 Christie Street, 84A Christie Street & 546-564 Pacific Highway, St Leonards	Approved	654	Under construction
563-565 Pacific Highway, St Leonards	Approved	17	Under construction
496-498, 500 & 504-520 Pacific Highway, St Leonards	Approved	458	Under construction
2 Canberra Avenue, St Leonards	Approved	34	Under construction
23-35 Atchison Street, St Leonards	Approved	100	No works
67-69 Chandos Street, St Leonards	Approved	18	No works
22-24 (Lot 120) Atchison Street, St Leonards	Approved	68	No works
21-41 Canberra Avenue & 18-32 Holdsworth Avenue, St Leonards	Submitted	329	No works
55, 63-65 & 67-69 Chandos Street, St Leonards	Submitted	57	No works
55-89 Chandos Street, St Leonards	Submitted	16	No works
18-20 Atchison Street, St Leonards	Submitted	25	No works
31-41 Canberra Avenue & 28-32 Holdsworth Avenue, St Leonards	Mooted	257	No works
100 Christie Street, St Leonards	Mooted	239	No works
575-583 Pacific Highway, St Leonards	Mooted	82	No works
36-40B Park Road & 27-43A Berry Road, St Leonards	Mooted	210	No works
Total (16)	-	2,576	-

Market Evidence.

Comparative Sales Evidence – Established Residential Houses

In arriving at our assessment of value, we have had regard to a number of established sales within St Leonards and the adjoining suburbs, summarised as follows:

Sales Schedule – Residential Dwellings

8 St Giles Avenue, Greenwich

Sale Price	\$5,000,000
Sale Date	March 2021
Sale Settled	Yes (SOURCE – RP Data)
Land Area	702 sq.m.
Zone	R2 Low Density Residential
FSR	0.5:1
Accommodation	5 bedrooms, 4 bathrooms
Analysis	\$7,113 p.s.m. of improved land area
Description	



An irregular shaped internal allotment incorporating a fall to the south. Positioned along the southern alignment of St Giles Avenue. Improvements comprise a circa 1920's built three storey detached residential dwelling of brick and tile construction. The dwelling appears to have been progressively updated and extended and provides a generally modern and functional standard of five-bedroom accommodation with four living/dining rooms, a workshop/study, and cellar. On grade car parking is provided for four vehicles in a tandem format. Located approximately 400 metres north from Wollstonecraft railway station.

Comparison to Subject

A larger sized and irregular shaped allotment in an inferior to similar location. Superior five bedroom accommodation. Superior assumed internal features and finishes. Overall, we are of the opinion that a lower value is warranted for the subject property.

43 Gore Street, Greenwich

Sale Price	\$3,000,000
Sale Date	March 2021
Sale Settled	Yes (SOURCE – RP Data)
Land Area	656 sq.m.
Zone	R2 Low Density Residential
FSR	0.5:1
Accommodation	4 bedrooms, 3 bathrooms
Analysis	\$4,573 p.s.m. of improved land area
Description	



A regular shaped internal allotment incorporating a fall to the south. The land is positioned along the northern alignment of Gore Street. Improvements comprise a circa 2000 built two storey detached residential dwelling of brick and tile construction providing a generally dated yet functional standard of four-bedroom three bathroom accommodation. Secure car parking is provided for two cars. Ancillary improvements include an in-ground swimming pool. Located approximately 1 kilometre west from Woolstencroft railway station.

Comparison to Subject

A smaller sized and regular shaped allotment of inferior topography. Similar four bedroom accommodation with assumed superior internal features and finishes. A similar to inferior location. Overall, we are of the opinion that a similar to higher value is warranted for the subject property.

Sales Schedule – Residential Dwellings

49 Gore Street, Greenwich

Sale Price	\$2,530,000
Sale Date	February 2021
Sale Settled	Yes (SOURCE – RP Data)
Land Area	655 sq.m.
Zone	R2 Low Density Residential
FSR	0.5:1
Accommodation	3 bedrooms, 1 bathroom
Analysis	\$3,863 p.s.m. of improved land area

Description

A regular shaped internal allotment incorporating a fall to the south. The land is positioned along the northern alignment of Gore Street. Improvements comprise a circa 1960's built two storey detached residential dwelling of brick and corrugated iron construction. The dwelling appears to have been periodically updated internally and now provides a predominantly dated yet functional standard of three bedroom, one bathroom accommodation. Secure car parking is provided for two cars. Located approximately 1 kilometre west from Woolstencroft railway station.

Comparison to Subject

A smaller sized and regular shaped allotment of inferior topography. Similar three bedroom accommodation with assumed superior internal features and finishes. A similar to inferior location. Overall, we are of the opinion that a higher value is warranted for the subject property.



21 Park Road, St Leonards

Sale Price	\$3,050,000
Sale Date	February 2021
Sale Settled	Yes (SOURCE – RP Data)
Land Area	437 sq.m.
Zone	R2 Low Density Residential
FSR	0.6:1
Accommodation	4 bedrooms, 2 bathrooms
Analysis	\$6,979 p.s.m. of improved land area

Description

A regular shaped internal allotment incorporating a fall to the south. The property maintains two street frontages being located at the western alignment of Park Road and the eastern alignment of Park Lane. Improvements comprise a circa 1930's built two storey detached residential dwelling of brick and corrugated iron construction providing a generally dated yet functional standard of four-bedroom two bathroom accommodation with on grade car parking for two cars. Located approximately 650 metres south west from St Leonards railway station.

Comparison to Subject

A smaller sized and regular shaped allotment of similar topography. Similar four bedroom accommodation with assumed superior internal features and finishes. A similar location. Overall, we are of the opinion that a similar to higher value is warranted for the subject property.



23 Kingslangley Road, Greenwich

Sale Price	\$2,770,000
Sale Date	December 2020
Sale Settled	Yes (SOURCE – RP Data)
Land Area	836 sq.m.
Zone	R2 Low Density Residential
FSR	0.5:1
Accommodation	3 bedrooms, 1 bathrooms
Analysis	\$3,313 p.s.m. of improved land area

Description

A regular shaped internal allotment incorporating a fall to the south west. The land is positioned along the north eastern alignment of Kingslangley Road. Improvements comprise an early 1900's built single level residence of brick and tile construction. The dwelling appears to have been periodically updated internally and now provides a dated yet functional standard of three bedroom one bathroom accommodation. On grade parking is provided for approximately three cars. St Leonards railway station is located approximately 1.3 kilometres to the north east.

Comparison to Subject

A larger sized and regular shaped allotment of similar topography. Inferior three bedroom accommodation with assumed superior internal features and finishes. A similar to inferior location. Overall, we are of the opinion that a higher value is warranted for the subject property.



3

Sales Schedule – Residential Dwellings

5 Wilona Avenue, Greenwich

Sale Price	\$3,525,000
Sale Date	September 2020
Sale Settled	Yes (SOURCE – RP Data)
Land Area	563 sq.m.
Zone	R2 Low Density Residential
FSR	0.5:1
Accommodation	5 bedrooms, 3 bathrooms
Analysis	\$6,261 p.s.m. of improved land area

Description

A slightly irregular shaped internal allotment of predominantly level topography. The land is positioned along the northern alignment of Wilona Avenue.

Improvements comprise a circa 1950's built two storey detached residential dwelling of brick and tile construction. The dwelling appears to have been periodically updated and extended and now provides a modern and functional standard of five bedroom three bathroom accommodation. On grade parking is provided for two cars. Ancillary improvements include an in ground swimming pool.

Wollstonecraft railway station is located approximately 550 metres to the south.

Comparison to Subject

A smaller sized and slightly irregular shaped allotment. Superior five bedroom accommodation with superior internal features and finishes. A similar to inferior location. Overall, we are of the opinion that a similar to lower value is warranted for the subject property.



63 River Road, Greenwich

Sale Price	\$2,180,000
Sale Date	August 2020
Sale Settled	Yes (SOURCE – RP Data)
Land Area	575 sq.m.
Zone	R2 Low Density Residential
FSR	0.5:1
Accommodation	4 bedrooms, 2 bathrooms
Analysis	\$3,791 p.s.m. of improved land area

Description

A regular shaped internal allotment incorporating a fall to the south. The land is positioned along the southern alignment of River Road.

Improvements comprise a circa 1940's built two storey detached residential dwelling of brick and tile construction. The dwelling appears to have been periodically updated and extended and now provides a dated yet functional standard of four bedroom two bathroom accommodation. Secure car parking is provided for one car. On grade car parking is also provided.

Located approximately 800 metres south from St Leonards railway station.

Comparison to Subject

A smaller sized and regular shaped allotment. Similar four bedroom accommodation with assumed superior internal features and finishes. A similar to inferior location noting an inferior position along a main road. Overall, we are of the opinion that a higher value is warranted for the subject property.



The previous sales are summarised in the following table:

Sales Summary - Development Sites

Address	Sale Price/ Date	Zoning	Bedrooms	Land area sq.m.	\$/sq.m. improved land area
8 St Giles Avenue, Greenwich	\$5,000,000 March 2011	R2	5	702	\$7,113
43 Gore Street, Greenwich	\$3,000,000 March 2021	R2	4	656	\$4,573
49 Gore Street, Greenwich	\$2,530,000 February 2021	R2	3	655	\$3,863
21 Park Road, St Leonards	\$3,050,000 February 2021	R2	4	437	\$6,979
23 Kingslangley Road, Greenwich	\$2,770,000 December 2020	R2	3	836	\$3,313
5 Wilona Avenue, Greenwich	\$3,525,000 September 2020	R2	5	563	\$6,261
63 River Road, Greenwich	\$2,180,000 August 2020	R2	4	575	\$3,791

Refer to Assumptions / Qualifications - Sales Evidence

Comparative Sales Evidence - Development Sites

In order to establish a Development Value, we have had regard to the following development site sales summarised hereunder which are to varying degrees comparable and as such provide an appropriate guide to a Market Value of Site / Area 1 in our before and after approach. The following sales set the parameters by which a GFA rate may be determined:

Sales Schedule – Residential / Mixed Use Development Sites

4 Marshall Avenue and 1-5 Canberra Avenue, St Leonards (Part Area 1)

Sale Price	\$43,052,100
Sale Date	April 2021
Sale Settled	No (SOURCE – Developer / Purchaser Advised)
Zoning	R4 High Density Residential
Land Area	2,732 sq.m.
FSR	3.85:1
Permissible GFA	10,518 sq.m
Approval	No.
Analysis	\$4,093 p.s.m. of permissible GFA \$361,782 p.u.s. (119 potential units) \$15,758 p.s.m. of land area



Description

Sale of an irregular shaped consolidated development site with frontage to Canberra Avenue and Marshall Avenue within an area known as St Leonards South. The land is located within Site / Area 1 within the St Leonards South precinct with acquisition representing 4 of the 5 lots within Site / Area 1 (excluding 2 Marshall Avenue which is the subject of our assessment). The land falls from the north to the south. Each allotment is improved with a detached residence.

No Development Applications have been submitted or approved for redevelopment of the site.

Where specific site and design requirements are met the site is eligible for incentive floorspace (3.85:1) and an incentive height limit (part 2.5 metres and part 65 metres).

For the purposes of our assessment we have applied an efficiency rate of 85% and an average internal area of 75 sq.m. to the maximum permissible GFA which results in approximately 119 potential units for analysis purposes.

Sold through Colliers International with 12 months delayed settlement. Sale price is as advised by the acquiring developer. Sale details are as advised but not yet confirmed (settled).

Comparison to Subject

This sale represents the partial acquisition of Site / Area 1 which is the subject of our assessment and accordingly a similar rate per square metre of permissible GFA and a similar rate per potential unit are warranted for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue.

6-8 Marshall Avenue and 2-8 Holdsworth Avenue, St Leonards (Areas 2 & 4)

Sale Price	\$58,092,900
Sale Date	April 2021
Sale Settled	No (SOURCE – Developer / Purchaser Advised)
Zoning	R4 High Density Residential
Land Area	3,984 sq.m.
FSR	3.55:1
Permissible GFA	14,143 sq.m
Approval	No.
Analysis	\$4,108 p.s.m. of permissible GFA \$363,081 p.u.s. (160 potential unit) \$14,582 p.s.m. of land area



Description

Sale of an irregular shaped consolidated development site located at the south eastern corner of the intersection of Marshall Avenue and Holdsworth Avenue. The consolidated site consists of 6 lots comprising Site / Area 2 and 4 within the St Leonards South precinct. The land generally falls from the north to the south. Each allotment is improved with a detached residence.

No Development Applications have been submitted or approved for redevelopment of the site.

Where specific site and design requirements are met the site is eligible for incentive floorspace (3.55:1) and an incentive height limit (part 2.5, part 44 and part 53 metres).

For the purposes of our assessment we have applied an efficiency of 85% and an average internal area of 75 sq.m. to the maximum permissible GFA which results in approximately 160 potential units for analysis purposes.

Sold through Colliers International with 12 months delayed settlement. Sale price is as advised by the acquiring developer. Sale details are as advised but not yet confirmed (settled).

Comparison to Subject

A larger sized consolidated development site providing the potential for a larger sized residential project. A similar location and position within the St Leonards south precinct. A smaller permissible FSR and lower maximum height limit. Sold without Development Consent. Therefore, we are of the opinion that a similar to lower rate per square metre of permissible GFA and a similar to lower rate per potential unit are warranted for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue.

Sales Schedule – Residential / Mixed Use Development Sites

378-390 Pacific Highway, Crows Nest

Sale Price	\$51,000,000
Sale Date	April 2021
Sale Settled	No (SOURCE – Agent Advised)
Zoning	B4 Mixed Use
Land Area	1,309 sq.m.
FSR	An FSR control is not currently provided within the LEP. 7.5:1 (proposed) to comprise 2:1 non-residential and 5.5:1 residential.
Proposed GFA	9,818 sq.m. (proposed FSR)
Approval	No.
Analysis	\$5,195 p.s.m. of permissible GFA \$560,440 p.u.s. (91 equivalent unit) \$38,961 p.s.m. of land area



Description

Sale of a consolidated mixed use development site situated on the north western corner of the intersection of Hume Street and Pacific Highway. The consolidated site is generally regular in shape and incorporates a slight fall to the north along the Pacific Highway frontage. Existing improvements comprise 4 low rise retail/commercial premises.

No Development Applications have been submitted or approved for redevelopment of the site.

The St Leonards and Crows Nest 2036 Plan proposes to increase the permissible FSR for the site to 7.5:1 (including non-residential floorspace of 2:1) and to increase the height limit to permit a 24 storey mixed use building.

For the purposes of our assessment we have treated the proposed required non-residential component (2,618 sq.m. GFA) as 10 equivalent units. Applying an efficiency of 85% and an average internal area of 75 sq.m. to the proposed residential component (7,200m² sq.m. GFA) results in approximately 81 residential units and a total of 91 potential equivalent units.

Sold through Colliers International via an International Expressions of Interest of Campaign on delayed settlement terms understood to be up to three years in duration. Sale price is as advised by Colliers. Acquired by a local developer. Sale details are as advised but not yet confirmed (settled).

Comparison to Subject

A smaller sized consolidated development site which was sold prior to re-zoning and accordingly without Development Consent. The proposed development controls provide the potential for a smaller sized mixed-use project. A superior location. Overall, we are of the opinion that a lower rate per square metre of permissible GFA and a lower rate per potential dwelling are warranted for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue.

13-19 Canberra Avenue, St Leonards (Area 5)

Sale Price	\$36,000,000
Sale Date	December 2020
Sale Settled	No (SOURCE – Agent Advised)
Zoning	R4 High Density Residential
Land Area	2,661 sq.m.
FSR (permissible)	3.7:1
Permissible GFA	9,846 sq.m.
Approval	No.
Analysis	\$3,656 p.s.m. of permissible GFA \$324,324 p.u.s. (111 potential units) \$13,529 p.s.m. of land area



Description

Sale of a regular shaped consolidated development site positioned along the western alignment of Canberra Avenue within an area known as St Leonards South. The site is known as Site / Area 5 within the St Leonards South precinct. The land falls from the north to the south. Each allotment comprising the subject property is improved with a detached residence.

No Development Applications have been submitted or approved for redevelopment of the site.

Where specific site and design requirements are met the site is eligible for incentive floorspace (3.7:1) and an incentive height limit (part 2.5 metres and part 44 metres). Part 7.5 of the Lane Cove LEP 2009 requires that to be eligible for the aforementioned incentive FSR and Height Limit a 15 metre wide pedestrian link is required to provide a connection between Holdsworth Avenue and Canberra Avenue.

For the purposes of our assessment we have applied an efficiency of 85% and an average internal area of 75 sq.m to the maximum permissible GFA which results in approximately 111 potential units for analysis purposes.

Sold through Colliers International on delayed settlement terms understood to be up to 12 months in duration. Sale price is as advised by Colliers. Acquired by a local developer. Sale details are as advised but not yet confirmed (settled). We are advised by the sales agent that the sale price reflects a rate of \$4,100 / sq.m. based on their assessment of the achievable GFA after having regard to the required through site links.

Comparison to Subject

A similar sized consolidated development site providing the potential for a similar to smaller sized residential project. A similar location and position within the St Leonards South precinct. A smaller permissible FSR and lower maximum height limit. The site is impacted by through-site links which are likely to impact the achievable GFA. Sold without Development Consent. Therefore, we are of the opinion that a higher rate per square metre of permissible GFA and a higher rate per potential unit are warranted for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue.

Sales Schedule – Residential / Mixed Use Development Sites

37-41 Oxford Street, Epping

Sale Price	\$55,000,000
Sale Date	December 2020
Sale Settled	No (SOURCE – ASX Announcement)
Zoning	B2 Local Centre
Land Area	4,969 sq.m.
FSR (approved)	4.5:1
Approved GFA	22,361 sq.m.
Approval	Yes – Concept Plan
Analysis	\$2,460 p.s.m. of approved GFA \$202,952 p.u.s. (271 equivalent units) \$11,069 p.s.m. of land area



Description

Sale of an irregular shaped mixed use development site positioned along the western alignment of Oxford Street being between Pembroke Street and Chester Street. The site maintains a frontage of 57 metres to Oxford Street and incorporates a fall from the east (Oxford Street frontage) to the west. The site is improved with a 3-4 storey commercial office building.

The site was sold with Stage 1 DA Approval (Panel Reference 2017/SWC056 DA and DA No. DA/314/2017) granted on 7 March 2018 by Sydney Central City Planning Panel for a 30-storey mixed use project to provide 1,283 sq.m GFA of retail/commercial space (3 retail premises and 3 commercial premises) and 21,078 sq.m GFA of residential accommodation (265 residential units comprising 16 x studios, 73 x one bedroom, 159 x two bedroom and 17 x three bedroom). The project is proposed to provide four levels of basement car parking for 299 cars, 12 motorcycles and 296 bicycles.

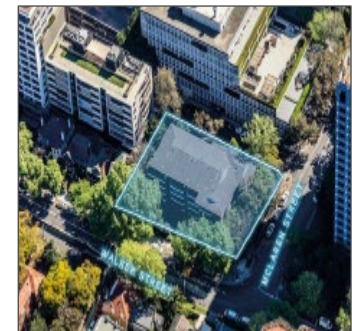
Online marketing material is not available and the site appears to have been acquired by Meriton in an 'off market' transaction with delayed settlement terms. Sale details are as advised but not yet confirmed.

Comparison to Subject

A larger sized site in an inferior location. Sold with Stage 1 Concept Plan approval for a larger sized mixed-use project. Therefore, we are of the opinion that a higher rate per square metre of permissible GFA and a higher rate per potential units are warranted for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue.

45 McLaren Street, North Sydney

Sale Price	\$55,000,000
Sale Date	March 2020
Sale Settled	No (SOURCE: Agent Advised)
Zoning	R4 High Density Residential
Land Area	1,793 sq.m.
FSR	Not Applicable
GFA	10,670 sq.m. (potential)
Approval	No
Analysis	\$5,155 p.s.m. of potential GFA \$478,261 p.u.s. (115 equivalent units) \$30,675 p.s.m. of land area



Description

A mostly regular shaped development site with three street frontages to McLaren Street, Harnett Street and Walker Street. The site is located approximately 800 metres north of North Sydney Railway Station. At the time of sale, the site was improved with a residential strata unit complex consisting of 18 units. The selling agent advises all 18 owners agreed to sell.

A development application (major proposal) was lodged in March 2020 for the demolition of the existing improvements and to construct 100 units and 2,168 sq.m. of non-residential space. The site is zoned R4 High Density Residential and allows for a maximum building height of 12 metres. The site is not controlled by an FSR. Notably, the proposal seeks an FSR of 7.5:1 allowing for a GFA of 13,448 sq.m. and an uplift the height limit to 61 metres. For analysis purposes the non residential floorspace has been treated as 15 equivalent units resulting in 115 potential equivalent units.

The selling agent advises that a bonus will be paid by the developer above the reported sale price of \$55,000,000 if approval is gained above the reported potential GFA of 10,670 sq.m.

Sold through Colliers International (Sydney North) via an Expressions of Interest Campaign. Sale subject to confirmation (settlement).

Comparison to Subject

A smaller sized development site providing the potential for a similar to smaller sized mixed-use project. A superior location. Sold without development consent. Overall, we are of the opinion that a lower rate per square metre of potential GFA and a lower rate per potential unit are warranted for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue.

Sales Schedule – Residential / Mixed Use Development Sites

6 – 30 Artarmon Road, Willoughby

Sale Price	\$218,000,000 (Net)
Sale Date	February 2020
Sale Settled	No (SOURCE – Agent Advised)
Zoning	SP2 Infrastructure
Land Area	29,721 sq.m.
FSR (approved)	1.48:1
Approved GFA	43,907 sq.m.
Approval	Yes – up to 460 dwellings and non-residential floorspace
Analysis	\$4,965 p.s.m. of approved GFA \$458,947 p.u.s. (475 equivalent dwellings) \$7,335 p.s.m. of land area



Description

Sale of the Channel 9 television studio site positioned on the southern side of Artarmon Road, to the west of its intersection with Willoughby Road, north of the Gore Hill Freeway and approximately 6 kilometres north of Sydney CBD. A mostly regular shaped site, being elevated land with a cross-fall from the northwest to southeast. Various buildings are improved over the site relating to the existing studio use by Channel 9.

The site sold with a modified Concept Plan Approval (MP 10_0198 MOD 2) granted on 31 January 2019 for a mixed-use development including nine residential flat buildings comprising up to 460 dwellings (42,557 sq.m. of residential GFA) up to eight storeys in height, 300 sq.m. of non-residential uses, retention and re-use of No. 6 Artarmon Road for retail/commercial purposes (within existing GFA of 1,050 sq.m.), new internal roadways, publicly accessible open space/through site links, temporary exhibition homes and super lot subdivision.

Sold through Colliers International via an International Expressions of Interest of Campaign on delayed settlement terms understood to be up to three years in duration at an agreed sale price of \$249,000,000 including adjacent TX Tower. Net purchase price analysed as advised by Colliers. Acquired by Mirvac. Sale details are as advised but not yet confirmed (settled).

Comparison to Subject

A larger sized development site providing the potential for larger sized mixed-use project. An inferior location. Sold with the benefit of concept plan approval. Overall, we are of the opinion that a higher rate per square metre of potential GFA and a higher rate per potential unit are warranted for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue.

2 – 4 Thomas Street, Chatswood

Sale Price	\$25,150,000
Sale Date	November 2019
Sale Settled	Yes (SOURCE – RP Data)
Zoning	B4 Mixed Use
Land Area	705 sq.m.
FSR	5:1 (current) 6:1 (proposed)
Potential GFA	3,525 sq.m. (current FSR) 4,230 sq.m. (proposed FSR)
Approval	No
Analysis	\$7,135 p.s.m. of permissible GFA \$5,646 p.s.m. of proposed GFA \$558,889 p.u.s. (45 potential equivalent units) \$35,674 p.s.m. of land area



Description

A four storey commercial building positioned on the southern side of Thomas Street and with an eastern boundary directly opposite the Chatswood railway station forming part of the north shore railway line. Existing improvements comprise 1,512 sq.m. of GFA over four levels above basement car parking for 22 vehicles and was sold with vacant possession. The building is understood to present well having been refurbished in 2017.

The property sold without a Development Consent or Application in place.

Positioned within the Chatswood CBD Centre boundary, the site is proposed for an uplift in planning controls put forward in the Chatswood CBD Planning Strategy by Willoughby City Council. This will allow an FSR increase from 5:1 to 6:1 and a Height Limit increase from 60 up to 100 metres. Furthermore, the site is identified for mixed-use development however will require a 1:1 FSR for non-residential uses.

Under the Chatswood CBD Planning Strategy the site provides the potential to yield 705 sq.m of commercial floorspace and 3,525 sq.m GFA of residential floorspace. Applying an efficiency of 85% to the proposed residential GFA and an average internal area of 75 sq.m results in approximately 40 residential units for analysis purposes. The non-residential GFA has been treated as 5 equivalent units resulting in 45 potential equivalent units for analysis purposes.

Sold by JLL via an Expressions of Interest campaign in mid to late 2019 with terms agreed in February 2020. We are advised the site was acquired by Chatswood RSL and was competitively sought between a number of parties. Sale details are as advised but not yet confirmed.

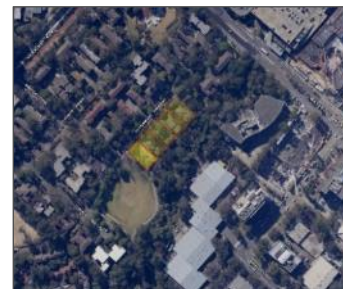
Comparison to Subject

A smaller sized development site which was sold prior to re-zoning and accordingly without Development Consent. The proposed development controls provide the potential for a smaller sized mixed-use project. A superior location. Overall, we are of the opinion that a lower rate per square metre of permissible GFA and a lower rate per potential units are warranted for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue.

Sales Schedule – Residential/Mixed Use Development Sites

2 – 10 Cottonwood Crescent, Macquarie Park

Sale Price	\$59,000,000 (approximate)
Sale Date	Late 2019 – Early 2020
Sale Settled	Yes (SOURCE – Agent Advised / RP Data)
Land Area	4,265 sq.m.
Zoning	B4 Mixed Use
FSR	4.5:1
Approved GFA	19,022 sq.m.
Approval	No Development Application lodged.
Analysis	\$3,101 p.s.m. of approved GFA (base) \$278,302 p.u.s. (212 potential units) \$13,834 p.s.m. of land area



Description

An amalgamation of 5 low rise strata buildings consisting of a total of 60 owners situated on the southern alignment of Cottonwood Crescent within the Waterloo-Cottonwood garden precinct. The site is mostly regular in shape and has a slight fall to the rear southern boundary and adjoins a recreational park to the western boundary. Located within close proximity to Macquarie Centre situated approximately 500 metres to the east.

The site was previously purchased (along with 14 Cottonwood Crescent) for a reported \$50,000,000 back in mid-2017 with a 75% entitlement and had lodged a Development Application with Ryde City Council for the demolition of existing buildings and construction of a 14 storey residential apartment building comprising 143 apartments over 3.5 levels of basement parking. A decision is yet to be made and the application has been referred to Sydney North Planning Panel for determination.

Development Application LDA2020/0243 was approved by the Sydney North Planning Panel for the demolition of existing structures and the construction of a part 13 and part 14 storey mixed use development comprising 207 residential units (81 x one bedroom, 82 x two bedroom and 37 x three and four bedroom), a 69 place child care centre (640 sq.m.) and four levels of basement car parking for 199 cars.

Discussions with the selling agency (Tracy Yap Reality) revealed the site was resold to Meriton (with the exclusion of 14 Cottonwood Crescent) under a standard 2 month settlement (due to settle Q1 2020). The parties reached agreement 'off market' with 100% entitlement with the purchase price unable to be disclosed due to confidentiality agreements, however, was advised in the order of \$3,000 to \$3,500 per square metre of GFA. For our analysis purpose we have assumed the property exchanged at \$3,100 per square metre of GFA.

Comparison to Subject

A larger sized consolidated development site providing the potential for larger sized mixed-use project. Sold with an application submitted and not yet determined. Overall, we are of the opinion that a higher rate per square metre of potential GFA and a higher rate per potential unit are warranted for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue.

The previous sales are summarised in the following table:

Sales Summary - Development Sites

Address	Sale Price/ Date	Zoning	Gross Floor Area sq.m	Value Rate p.s.m.	No. of Units	Value Rate p.u.s
4 Marshall Avenue and 1-5 Canberra Avenue, St Leonards (Part Area 1)	\$43,052,100 April-21	R4	10,518 (permissible)	\$4,093	119 (potential)	\$361,782
6-8 Marshall Avenue and 2-8 Holdsworth Avenue, St Leonards (Areas 2 & 4)	\$58,092,900 April-21	R4	14,143 (permissible)	\$4,108	160 (potential)	\$363,082
378-390 Pacific Highway, Crows Nest (Metroview)	\$51,000,000 April-21	B4	9,818 (proposed)	\$5,195	91 (proposed)	\$560,440
13-19 Canberra Avenue, St Leonards (Area 5)	\$36,000,000 December-20	R4	9,846 (permissible)	\$3,656	111 (potential)	\$324,324
37-41 Oxford Street, Epping	\$55,000,000 December-20	B2	22,361 (approved)	\$2,460	271 (approved)	\$202,952
45 McLaren Street, North Sydney	\$55,000,000 March-20	R4	10,670 (potential)	\$5,155	115 (potential)	\$478,261
6 – 30 Artarmon Road, Willoughby	\$218,000,000 February-20	SP2	43,907 (approved)	\$4,965	475 (approved)	\$458,947
2 – 4 Thomas Street, Chatswood	\$25,150,000 February-20	B4	4,230 (proposed)	\$5,946	45 (potential)	\$558,889
2-10 Cottonwood Crescent, Macquarie Park	\$59,000,000 Late 2019 – early 2020	B4	19,022 (approved)	\$3,101	212 (approved)	\$278,302

Refer to Assumptions / Qualifications - Sales Evidence

Assessment Rationale.

Assessment Methodology

Our assessment has been completed on the following basis:

No.	Basis of Valuation	GST Status	Methodology
i.	Value 'As Is' assuming ongoing use as a single residential dwelling.	Free	Direct Sales Comparison
ii.	Development Value assuming amalgamation with adjoining land.	Exclusive	Before and After approach utilising Direct Sales Comparison

i. Value 'As is' assuming ongoing use as a single residential dwelling [free of GST]

In arriving at a Value "As Is" assuming ongoing use as a single residential, we have utilised the Direct Sales Comparison approach.

Our rationale and assessment under each approach is set-out below.

Direct Sales Comparison Methodology

In assessing the Value 'As Is' assuming ongoing use as a single residential dwelling, we have taken into consideration the following characteristics of the property:

- The assumed four-bedroom accommodation with car parking provided for three vehicles;
- The age and assumed condition of the improvements including the assumed dated yet functional standard of internal features and finishes;
- The corner position of the property with frontage to Marshall Avenue and Canberra Avenue;
- The property is well serviced by local retail amenity and public transport being within close proximity St Leonards railway station;
- The future redevelopment of surrounding sites within the St Leonards South precinct will likely result in overshadowing and loss of privacy;
- Current economic and market conditions including a historically low interest rate environment, recent improvements to market sentiment and continued escalation of residential dwelling prices in the St Leonards locality.

In addition to these comments, we have had most regard to the following sales which we believe provide the best evidence to determine a Value 'As Is' for the subject property assuming ongoing use as a single residential dwelling.

- 43 Gore Street, Greenwich

\$3,000,000 / March 2021 / \$4,573 p.s.m of improved land area

A smaller sized and regular shaped allotment of inferior topography. Superior four bedroom accommodation with assumed superior internal features and finishes. A similar to inferior location. Overall, we are of the opinion that a similar to higher value is warranted for the subject property.

- 21 Park Road, St Leonards

\$3,050,000 / February 2021 / \$6,979 p.s.m of improved land area

A smaller sized and regular shaped allotment of similar topography. Superior four bedroom accommodation with assumed superior internal features and finishes. A similar location. Overall, we are of the opinion that a similar to higher value is warranted for the subject property.

- 5 Wilona Avenue, St Leonards

\$3,525,000 / September 2020 / \$6,261 p.s.m of improved land area

A smaller sized and slightly irregular shaped allotment. Superior five bedroom accommodation with assumed superior internal features and finishes. A similar to inferior location. Overall, we are of the opinion that a similar to lower value is warranted for the subject property.

After consideration of the above rationale, comments and analysed sales evidence, we have assessed the Value 'As Is' for the subject property assuming ongoing use as a single residential dwelling is from **\$3,000,000 to \$3,500,000 free of GST**.

ii. Development Value assuming amalgamation with adjoining land (exclusive of GST)

The Development Value assuming amalgamation with adjoining land has been assessed utilising the Before and After approach whereby a value is determined for Site / Area 1 both before and after the inclusion of 2 Marshall Avenue. The assessed value for both the before and after scenarios has been determined by direct comparison.

Our rationale and assessment under each approach is set-out below.

Before and After Methodology

In assessing an appropriate rate per square metre of GFA for Site / Area 1 both before and after the inclusion of 2 Marshall Avenue we have taken into consideration the following characteristics of Site / Area 1:

- The R4 High Density Residential zoning of the land;
- The maximum permissible FSR of 3.85:1 and maximum building height limit of 65 metres;
- The irregular shape of the site both before and after the acquisition of 2 Marshall Avenue;
- The minimum design requirements imposed on the land in order to be eligible for incentive floorspace and incentive FSR including the requirement to provide 14 affordable housing dwellings;
- The size and high rise nature of a potential project;
- No Development Applications have been submitted or approved for redevelopment of the land;
- The site is considered to be well serviced by local retail amenity and public transport being within close proximity St Leonards railway station;
- The current high level of supply of residential unit product which is forecast for St Leonards;
- The limited availability of supply of well located residential development sites within the Sydney Metropolitan Area at present; and
- Current economic and market conditions headlined by valuation uncertainty due to COVID-19 with a backdrop of a historically low interest rate environment, recent improvements to market sentiment and level of existing competition within the surrounding area.

In addition to these comments, we have had most regard to the following sales which we believe provide the best evidence to determine a rate per square metre of GFA for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue.

- **13-19 Canberra Avenue, St Leonards (Area 5)**

\$36,000,000 / December 2020 / \$3,656 p.s.m. of permissible GFA and \$324,324 p.u.s (111 potential units)

A similar sized consolidated development site providing the potential for a similar to smaller sized residential project. A similar location and position within the St Leonards south precinct. A smaller permissible FSR and lower maximum height limit. The site is impacted by through-site links which are likely to impact the achievable GFA. Sold without Development Consent. Therefore, we are of the opinion that a higher rate per square metre of permissible GFA and a higher rate per potential dwelling are warranted for Site / Area 1 both before and after the inclusion of 2 Marshall Avenue.

- **4 Marshall Avenue and 1-5 Canberra Avenue, St Leonards (Part Area 1)**

\$43,052,100 / April 2021 / \$4,093 p.s.m. of permissible GFA and \$361,782 p.u.s (119 potential units)

This sale represents the partial acquisition of Site 1 which is the subject of our assessment and accordingly a similar rate per square metre of permissible GFA and a rate per potential dwelling are warranted for Site / Area 1 both before and after the inclusion of 2 Marshall Avenue.

- **6-8 Marshall Avenue and 2-8 Holdsworth Avenue, St Leonards (Areas 2 & 4)**

\$58,092,900 / April 2021 / \$4,108 p.s.m. of permissible GFA and \$363,081 p.u.s (160 potential units)

A larger sized consolidated development site providing the potential for a larger sized residential project. A similar location and position within the St Leonards south precinct. A smaller permissible FSR and lower maximum height limit. Sold without Development Consent.

Therefore, we are of the opinion that a similar to lower rate per square metre of permissible GFA and a similar to lower rate per potential dwelling are warranted for Site / Area 1 both before and after the inclusion of 2 Marshall Avenue.

After consideration of the available sales evidence and the nature and scale of Site / Area 1 both before and after the acquisition of 2 Marshall Avenue and current market conditions, we consider appropriate range in rates for Site / Area 1 to be from \$4,050 to \$4,150 p.s.m of GFA. Our adopted rates are applied to the before and after scenarios as detailed below:

Before acquisition of 2 Marshall Avenue

Permissible GFA (sq.m.)		10,517	
Value Rate p.s.m.	\$ 4,050		\$ 4,150
Resultant Values	\$ 42,593,850		\$43,645,550
Rounded for Practical Purposes	\$ 42,500,000		\$43,500,000
Adopted Market Value of Site / Area 1 before inclusion of 2 Marshall Ave (Exclusive of GST)			\$ 43,000,000
Value Rate p.s.m. (10,517 sq.m. of permissible GFA)			\$ 4,089
Value Rate per dwelling (119 potential units)			\$ 361,345

The resultant value on a rate per potential unit of \$361,345 sits within the range demonstrated by the sales evidence and confirms our primary direct comparison approach on a rate p.s.m. of permissible GFA.

After acquisition of 2 Marshall Avenue

Permissible GFA (sq.m.)		13,146	
Value Rate p.s.m.	\$ 4,050		\$ 4,150
Resultant Values	\$ 53,241,300		\$54,555,900
Rounded for Practical Purposes	\$ 53,250,000		\$54,500,000
Adopted Market Value of Site / Area 1 after inclusion of 2 Marshall Ave (Exclusive of GST)			\$53,750,000
Value Rate p.s.m. (13,146 sq.m. of site area)			\$ 4,089
Value Rate per dwelling (149 potential units)			\$ 360,738

The resultant value on a rate per potential unit of \$360,738 sits within the range demonstrated by the sales evidence and confirms our primary direct comparison approach on a rate p.s.m. of permissible GFA.

Development Value Assuming Amalgamation with Adjoining Land

Utilising the 'Before and After' approach we have therefore assessed value assuming amalgamation with adjoining land on a redevelopment basis as follows:

Adopted Market Value Before Acquisition of 2 Marshall Avenue (exclusive of GST)	\$43,000,000
Adopted Market Value After Acquisition of 2 Marshall Avenue (exclusive of GST)	\$53,750,000
Development Value Assuming Amalgamation with Adjoining Land (Exclusive of GST)	\$10,750,000
Value Rate p.s.m. (2,629 sq.m. of permissible GFA)	\$ 4,089
Value Rate per dwelling (30 potential dwellings)	\$ 358,333

GST Implications

No.	Basis of valuation	GST Status
i.	Value 'As Is' assuming ongoing use as a single residential dwelling.	Free
ii.	Development Value assuming amalgamation with adjoining land.	Exclusive

Refer to Assumptions / Qualifications - GST Implications

Assessment Compliance Statement.

Assessment

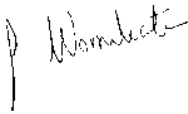
Subject to the assumptions and qualifications contained within this report, we have assessed values as follows:

Basis of valuation	GST Status	Valuation
Value "As Is" assuming ongoing use as a residential dwelling	Free	\$3,000,000 to \$3,500,000 Three Million Dollars to Three Million Five Hundred Thousand Dollars
Development Value assuming amalgamation with adjoining land	Exclusive	\$10,750,000 Ten Million Seven Hundred and Fifty Thousand Dollars

Use of this Valuation Report

- This Report is for the use of the Instructing Party only including for issue to Lane Cove Council. It is not to be used for any other purpose by any other party. Any reliance, use, distribution, publication of the Report and/or any other representations made relating to the contents of the Report is restricted solely to the Instructing Party expressly named in this Report.
- No responsibility is accepted by the Valuer and/or Valuation Firm in the event that the Instructing Party to which this Report is addressed relies, uses, distributes, publishes and/or otherwise represents anything contained in the Report for any other purpose apart from that expressly noted previously.
- No responsibility is accepted by the Valuer and/or Valuation Firm to any other parties who rely, use, distribute, publish and/or otherwise represent anything contained in the Report for any purpose.

Prepared by
Charter Keck Cramer (Sydney) Pty Ltd



Peter Wormleaton, AAPI
Certified Practising Valuer
API Member No. 76392
Associate Director



Sam Barrow, AAPI
Certified Practising Valuer
API Member: 70101
National Director

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 August 2021

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/Valuers' knowledge.
- The analyses and conclusions are limited only by the reported assumptions and conclusions.
- The Valuer(s) and the Counter Signatory for this report are each a Certified Practising Valuer, a member of the Australian Property Institute (API) and hold a current Certificate of Completion for the API's Continuing Professional Development Program.
- Neither the Valuer(s), the Counter Signatory nor Charter Keck Cramer has any pecuniary, commercial or other interest in the property being reported on and is not a Related Entity of any party to the transaction in respect of which the report is being undertaken.
- The Valuation Fee is not contingent upon any aspect of the report.
- The Valuation has been prepared in accordance with the *API Code of Professional Conduct* and the requirements of the current *API Standard Instructions for Valuation Reports*.
- The Valuer(s) has/have experience in the location and category of the property being valued.
- A personal external inspection of the property has been conducted by the Valuer(s).
- No one, except those specified in this report, has provided professional assistance in preparing the report.

Refer to Assumptions / Qualifications - Third Party Disclaimer

Assumptions / Qualifications.

Legend

square metres	sq.m.
per square metre	p.s.m.
Per unit site	p.u.s

Date of Assessment

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 assessment is current as at the date of assessment only. The values 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 should be aware of the need for a review as necessary.

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 advice provided. Charter Keck Cramer and its affiliates do not accept any liability arising with respect to these matters.

Definition of Market Value

The definition of Market Value as stipulated by the International Valuations Standards (IVS) effective 31 January 2020 and endorsed by the Australian Property Institute (API) is:

Market Value is the estimated amount for which the 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.

Definition of Highest and Best Use

The definition of *Highest and Best Use* as stipulated by the by the International Valuations Standards (IVS) effective 31 January 2020 and endorsed by the Australian Property Institute (API) is:

1. *Highest and best use is the use, from a participant perspective, that would produce the highest value for an asset. Although the concept is most frequently applied to non-financial assets as many financial assets do not have alternative uses, there may be circumstances where the highest and best use of financial assets needs to be considered.*
2. *The highest and best use must be physically possible (where applicable), financially feasible, legally allowed and result in the highest value. If different from the current use, the costs to convert an asset to its highest and best use would impact the value.*
3. *The highest and best use for an asset may be its current or existing use when it is being used optimally. However, highest and best use may differ from current use or even be an orderly liquidation.*
4. *The highest and best use of an asset valued on a stand-alone basis may be different from its highest and best use as part of a group of assets, when its contribution to the overall value of the group must be considered.*
5. *The determination of the highest and best use involves consideration of the following:*
 - a) *To establish whether a use is physically possible, regard will be had to what would be considered reasonable by participants.*
 - b) *To reflect the requirement to be legally permissible, any legal restrictions on the use of the asset, e.g. town planning/zoning designations, need to be taken into account as well as the likelihood that these restrictions will change.*
 - c) *The requirement that the use be financially feasible takes into account whether an alternative use that is physically possible and legally permissible will generate sufficient return to a typical participant, after taking into account the costs of conversion to that use, over and above the return on the existing use.*

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 Certificate(s) 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.

Land Zoning

Although a Section 10.7 Planning Certificate has not been sighted, the zoning particulars have been confirmed by the online Planning Portal, which is an internet based copy of the Planning Scheme provided by the New South Wales Department of Planning, Industry & Environment. Our assessment is completed subject to the planning information obtained being current and correct.

Please note that a Section 10.7 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 (Cth)* 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 (Cth)* 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.

Environmental Considerations

We have perused the New South Wales Environment Protection Authority's (EPA's) current Contaminated Land Register, and we can confirm that the subject site is not listed.

In summary, 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.

Sales Evidence

The new Residential Valuation Standing Instructions require "settled sales" to be ideally used as primary sales evidence. The timeframes of settlements may be in excess of 30 days, which invariably delays the method of recording and reporting sales. Therefore our assessment takes into consideration a combination of both recent sales (purchased at auction or on a private treaty basis and therefore acknowledges the willingness to exchange Contracts), in addition to older sales which are invariably outside the "normal" three month parameter. Where it is possible, confirmation of settlement has been noted.

GST Implications

The property 'as is' constitutes Established Residential Premises and we assume that any future transaction would be on that basis, and therefore not subject to a GST sales remittance.

The Development Value assuming amalgamation with adjoining land represents a partial interest in a development site and we assume that any future offering to the market would be on that basis, and therefore the transaction may be subject to a GST sales remittance. We have assumed that any contract could be structured on the basis of a cost plus GST, with the value assessed herein GST exclusive.

Our valuation is expressed exclusive of GST (Development Value assuming amalgamation with adjoining land) and free of GST (Value "As Is" assuming ongoing use as a residential dwelling).

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.

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 assessment(s) contained herein, or to the names and professional affiliation of the Valuers, without the written approval of the Valuer.

Letter of Instruction

Our Reference
SYD1000306

9 August 2021

Alex Yim
Deputy General Manager | Property
New Hope Evergreen
Suite 42.03, Level 42, 2 Chifley Square
SYDNEY NSW 2000

Via Email: alex.yim@newhopegroup.com

Dear Alex,

Re: Fee Proposal
Property: 2 Marshall Avenue, St Leonards NSW 2065

Thank You for Your request for a quote to prepare Value Advice for the abovementioned property. Our Fee proposal is outlined below.

Corporate Profile

Charter Keck Cramer ("Charter") is Australia's leading independent property advisory firm. The firm is well resourced, with approximately 200 staff spread across its Sydney, Melbourne, Brisbane, Gold Coast and Singapore offices, operating nationally and internally on behalf of clients, and has specialists within each of its business units covering all major and niche property segments.



Australia's most
trusted & innovative
property group.

Melbourne
Sydney
Brisbane
Gold Coast
Singapore

charterkc.com.au
reception@charterkc.com.au
T 1300 242 787

Charter Keck Cramer Pty Ltd
ACN: 618 794 853

Charter Keck Cramer (Sydney) Pty Ltd
ACN: 601 785 326

ADVISORY.
RESEARCH.
VALUATIONS.
PROJECTS.
CAPITAL.

Advice Engagement

Briefly, the property forms part of what is known as Site / Area 1 within the St Leonards South precinct. New Hope Evergreen (or related entities) control the remaining allotments within Site / Area 1. New Hope Evergreen propose to acquire 2 Marshall Avenue with the intention of redeveloping Site / Area 1. If acquisition of 2 Marshall Avenue is unsuccessful, New Hope Evergreen intend to redevelop Site / Area 1 excluding 2 Marshall Avenue.

We understand that 2 Marshall Avenue does not provide the minimum land area required for incentive floorspace under the Lane Cove Local Environmental Plan 2009 and accordingly the property cannot be developed for high density residential use in isolation. Furthermore, we have been advised that New Hope Evergreen believe Site / Area 1 can be redeveloped without the inclusion of 2 Marshall Avenue.

Our Value Advice will be completed on the following basis.

1. Value 'As Is' assuming ongoing use as a single residential dwelling.
2. Development Value assuming amalgamation with adjoining land.

Each assessment will be completed utilising the Direct Comparison methodology.

Given that we are unable to complete an internal inspection of 2 Marshall Avenue, our Value Advice 'As Is' will be provided as an indicative range.

Our Development Value Advice assuming amalgamation with the adjoining land will be determined by way of the 'Before and After' approach whereby a value is determined for Site / Area 1 both before and after the acquisition of 2 Marshall Avenue. Unless advised otherwise, this assessment will be completed on the basis that the relevant maximum permissible GFA can be achieved in both the before and after scenarios.

The Value Advice report will be prepared for Advice Purposes only for the use of New Hope Evergreen with and acknowledgement that the report may be provided to Council.

Scope of Work

Our scope of works will include the following:

1. Site inspection
2. Review of property land information
3. Review of town planning controls guidelines
4. Assessment of development potential in amalgamation
5. Market Research
 - a. Residential dwelling sales (without development potential)
 - b. Residential and mixed-use residential development site sales
6. Value assessments: Utilising direct comparison methodology we will assess value on the following basis
 - a. Value 'As Is' assuming ongoing use as a single residential dwelling.
 - b. Development Value assuming amalgamation with adjoining land.

Fee Proposal

Our fee for the Valuation will be **\$14,500 (exclusive of GST)**. Unless otherwise stated, all disbursements are included in Our fee.

Payment of this Fee is required prior to issue of a draft or final report whichever the earlier.

In the event that the formalisation or release of the Valuation report is delayed, either at Your request or by circumstances outside of Our control, We reserve the right to issue Our invoice to You prior to the release of the final Valuation report.

The above Fee proposal is valid for a period of 30 days from the date of this letter.

Timeframe

Subject to receipt of all required information to Our satisfaction, as well as timely access to the property, We anticipate that the Valuation report will be completed by COB on Friday 13 August 2021. We will notify You in advance if We are unable to meet this timeframe.

How to Proceed

Please authorise the instruction by signing and returning this letter, which along with the attached terms and conditions, will then form the Terms of Engagement between New Hope Evergreen and Charter Keck Cramer (Sydney) Pty Ltd.

Should You have any queries in relation to this matter, please do not hesitate to contact the undersigned on +61 413 397 673 or via email at peter.wormleaton@charterkc.com.au.

We look forward to assisting You and assure You of Our best attention at all times.


Please visit our web site: <https://charterkc.com.au>

Yours sincerely
Charter Keck Cramer

Peter Wormleaton, AAPI
Certified Practising Valuer

I / We agree to the fee proposal and attached terms and conditions, and authorise to proceed with the instruction.

Instructing Party				
Name	Alex Yim		Signature	
			Date	10/8/21
Company	SLS Canberra Residences Pty Ltd (ACN 648 008 842)			
Address	42.03, L 42, The Chifley Tower, 2 Chifley Square			
	Sydney			
	State	NSW	Postcode	2000
Telephone				
Mobile	0488 306 855			
Email	alex.yim@newhopegroup.com accountsau@newhopegroup.com			
Reference No. (If Applicable)	SLS-2Marshall			



Payee Details - Same As Above	Please Tick
	X

Payee Details				
Name			Signature	
			Date	
Company				
Address				
	State		Postcode	
Telephone				
Mobile				
Email				
ACN / ABN No.				
Reference No. (If Applicable)				

These terms and conditions apply to all Valuation Services undertaken by Charter Keck Cramer for its clients.

DEFINITIONS

"Confidential information" means information that:

- Is by its nature confidential;
- Is categorised by Us or You as confidential;
- You know or ought to know is confidential;
- Our Quotation for performing the Services; and
- Information comprised in or relating to any of our intellectual property in the Services or any reports or certificate provided as part of the Services.

"Date of Valuation" means the date of inspection or the specific date as at which our opinions are stated to apply.

"Executive Director" means a shareholding employee of Charter Keck Cramer who holds the title of Executive Director, National Executive Director, Managing Director/ CEO or Chairman.

"Fee" means the amount payable to us as per the engagement letter and any additional costs that are payable in accordance with these terms and conditions.

"Fee Proposal" means the quote/fee proposal provided by Us in relation to the Services.

"Services" means the Valuation, Valuation Services or other advice provided by Us pursuant to these terms and conditions and the Quotation.

"Valuation" means a Valuation made or given in relation to any real property.

"Valuation Services" includes any oral or written advice, opinion, recommendation or statement communicated to You by us consequent upon or incidental to a request for a Valuation.

"Valuer" means the individual Valuer who has undertaken the Valuation or Valuation Services.

"We", "Us", "Our" means:

- For properties in Australia (excluding New South Wales), Charter Keck Cramer Pty Ltd and all employees, agents and contractors involved in the completion of a Valuation or any Valuation Services.
- For properties located in New South Wales, Charter Keck Cramer (Sydney) Pty Ltd and all employees, agents and contractors involved in the completion of a Valuation or any Valuation Services.

"You, Your" means the client engaging Us to perform the Valuation.

SCOPE AND PURPOSE

The Valuation will be undertaken on Your instructions. We do not accept a duty of care and are not making any representation whatsoever, to any other person or entity that might read the Valuation report or rely on the Valuation Services in any way whatsoever. We will not

be liable for any loss which arises from any unauthorised use of, or reliance on, the Valuation report or the Valuation Services.

THIRD PARTIES

You will ensure that any third party that reads the Valuation report will be advised that the Valuation report is to be kept strictly confidential and that We do not owe them a duty of care, nor are We making a representation to them. You will fully indemnify Us in relation to any loss and damage We suffer as a result of any third party bringing a claim against Us, including all legal costs incurred by Us in responding to any such claim.

FEE PROPOSAL

Prior to commencing work, We will provide You with a Fee Proposal that sets out who the Valuation report is for and the fee to be charged. The Quotation is based on the information You have provided to Us. Should Our understanding of any detail be incorrect, We reserve the right to vary the Quotation accordingly.

REQUIRED DOCUMENTATION

To enable Us to commence our Valuation Services to You, You agree to provide Us with the documentation listed in Schedule A (attached).

We reserve the right to request further documentation not included in Schedule A should it be required to complete the Valuation report.

It is important that You provide the required documentation as soon as possible so as to avoid any unnecessary delays in the production of the Valuation report. The Valuer may be unable to proceed with the Valuation report if the required documentation is not provided to Us. This may result in termination of the engagement. Alternatively, the Valuer may qualify the Valuation report by taking into account the limited documentation available.

PERIOD THAT OUR VALUATION REPORT CAN BE RELIED UPON

The Valuation report is current at the date of the Valuation only. The value of a property or premises may change significantly and suddenly as a result of market movements or extenuating circumstances. You agree to release Us from any liability for loss arising from such change in value and/ or where the Valuation is relied upon more than 90 days after the date of Valuation.

LETTERS OF ASSIGNMENT

We do not provide letters of assignment for the Valuation reports. If You want a Valuation report addressed to another party, that will need to be done pursuant to a separate instruction which may (at Our discretion) attract a new Fee.

RE-DIRECTION OF VALUATION REPORTS

If You request us to redirect the Valuation report to another party, You agree that You can no longer rely on the original Valuation report issued to You.

Where the Valuation report is to be used for first mortgage security purposes, We may agree to re-direct the Valuation report to, an as yet, unspecified lender, subject to conditions including (but not limited to) the following:

The re-direction will only be on a first mortgage security basis to either:

- An institution (bank) supervised by the Australian Prudential Regulatory Authority (APRA); or
- Managed Investment Funds being organised with an Australian Financial Services (AFS) Licence.

We require that the proposed lender issue their own letter of instruction in accordance with their normal practice. The Valuation report may then be modified to meet the requirements of the lender and then reissued to that lender.

We reserve the right to charge an additional Fee if We are required to re-inspect the property, amend the Valuation report, and/ or issue a new Valuation report as part of any request for re-directing the Valuation report.

We reserve the right to decline a request to re-direct the Valuation report at our absolute discretion.

TIMEFRAME

We will not be responsible to You or any third party for any failure to provide the Services or Valuation due to circumstances which are outside of Our control.

If it is necessary for Us to perform additional Services or incur additional costs due to an unexpected event that is outside of Our control, You may be required to pay reasonable additional fees.

CONFLICT OF INTEREST

We acknowledge that We must not engage in any activity that may give rise to a conflict of interest throughout the term of engagement. We will immediately notify You if we become aware of any potential or actual conflict of interest throughout the term of engagement.

INTELLECTUAL PROPERTY

We retain copyright and ownership of all intellectual property in documents We create in connection with Your Valuation, including the Valuation report.

You warrant that Our use of any documents You provide to Us for the purposes of the Valuation report will not infringe any other person's intellectual property rights.

CONFIDENTIAL INFORMATION

We agree to keep confidential all Confidential Information You provide to Us during the course of the Valuation and will only use Confidential information as necessary to provide Valuation services to You. You also agree to keep confidential any Confidential information that is given to You by Us.

You acknowledge that You must not reproduce any part of the Valuation report in any format, whether directly or indirectly, without Our prior written approval.

You acknowledge that We may use any part of the information (excluding personal information) contained in the Valuation report in other documentation produced by Us.

PERSONAL INFORMATION

We are committed to protecting Your privacy. You acknowledge that in the course of this engagement, We may collect personal information about You. This personal information will only be disclosed and used for the purposes of carrying out our Valuation Services to You.

You may have rights under the *Privacy Act 1988* (Cth) to obtain access to the personal information We have about You. For further information, please view Our privacy policy available at www.charterkc.com.au.

LIMITATION OF LIABILITY

To the fullest extent permissible by law, Our total aggregate liability to You in relation to this agreement under contract, tort (including negligence) or otherwise, is limited to a scheme approved under Professional Standards Legislation, as disclosed to You on Our letterhead ("Cap").

You agree that this Limitation of Liability extends to all Our directors, employees, contractors, servants and agents. Every right, immunity, exemption and limitation in these terms and conditions available or applicable to Us shall also be available and shall extend to every director, employee, contractor, servant or agent of Ours.

No employee, contractor, servant or agent of Ours or any other person has any power to waive or vary any of these terms and conditions unless such waiver or variation is in writing and signed by one of Our Executive Directors.

FINANCIAL SERVICES PROVIDERS MUST BE APRA REGULATED OR AFSL HOLDER

Where the Valuation report is to be used for first mortgage security purposes, We cannot accept instructions from lenders, financiers or other providers of financial security unless they are an Authorised Deposit-Taking Institution (ADI) supervised by the Australian Prudential Regulatory Authority (APRA), or holders of an Australian Financial Services Licensee (AFSL) for first mortgage purposes. We reserve the right to refuse Your instructions or terminate this engagement if You do not satisfy the above.

DECLINE INSTRUCTIONS

We reserve the right, at our absolute discretion, to decline instructions.

MEDIATION AND ARBITRATION

If a dispute arises out of or in any way relates to these terms and conditions or the breach, validity or subject matter thereof ("the dispute"), the aggrieved party shall, within 7 days of becoming aware of the dispute, by notice in writing notify the other party / parties that the dispute exists.

The parties agree to first endeavour to settle the dispute by mediation conducted in accordance with the Australian Dispute Centre (ADC) mediation guidelines and administered by the ADC or as otherwise agreed by the parties.

The costs of the mediation shall be borne equally by the parties.

In the event that:

1. The parties have not agreed upon a mediation or have not requested the ADC to appoint a mediator within twenty-eight (28) days (or other such time period as agreed to in writing between the parties) after the notification of the dispute; or
2. The dispute has not settled at mediation or otherwise within twenty-eight (28) days (or such time period as agreed to in writing between the parties) after the mediation,

The dispute shall be referred to arbitration in accordance with the ADC arbitration rules and the dispute shall be administered by the ADC.

The arbitrator shall not be the same person as the mediator.

The arbitration will be held in the capital city of the state in which the Valuation was conducted and subject to the laws of that State.

The costs of the arbitration shall be borne as the arbitration shall direct and such costs shall become part of the arbitrator's award and may be enforced as such.

In the event that an arbitrator has not been appointed or the parties have not requested the ADC to appoint an arbitrator within seventy (70) days of the notification of the dispute, the parties have liberty to commence proceedings in respect of the dispute in a competent jurisdiction.

TERMINATION

We may terminate this engagement in writing at any time and in Our absolute discretion if:

- A conflict of interest arises; or
- You change Your instructions to the extent that the engagement is significantly altered; or
- We are unable to complete the engagement for any other reason.

If the agreement is terminated (whether by You or Us), You will be required to pay Our costs for work done and expenses incurred up to the date of termination.

Liability limited by a scheme approved under Professional Standards Legislation.

Title Search



NEW SOUTH WALES LAND REGISTRY SERVICES - TITLE SEARCH

FOLIO: 4/3/7259

SEARCH DATE	TIME	EDITION NO	DATE
5/8/2021	9:03 AM	5	31/8/2017

LAND

LOT 4 OF SECTION 3 IN DEPOSITED PLAN 7259
LOCAL GOVERNMENT AREA LANE COVE
PARISH OF WILLOUGHBY COUNTY OF CUMBERLAND
TITLE DIAGRAM DP7259

FIRST SCHEDULE

DARYL FRANCIS HART (AE AM686212)

SECOND SCHEDULE (3 NOTIFICATIONS)

- 1 RESERVATIONS AND CONDITIONS IN THE CROWN GRANT(S)
- 2 658032 COVENANT
- 3 A115775 COVENANT

NOTATIONS

UNREGISTERED DEALINGS: NIL

*** END OF SEARCH ***

gls1check

PRINTED ON 5/8/2021

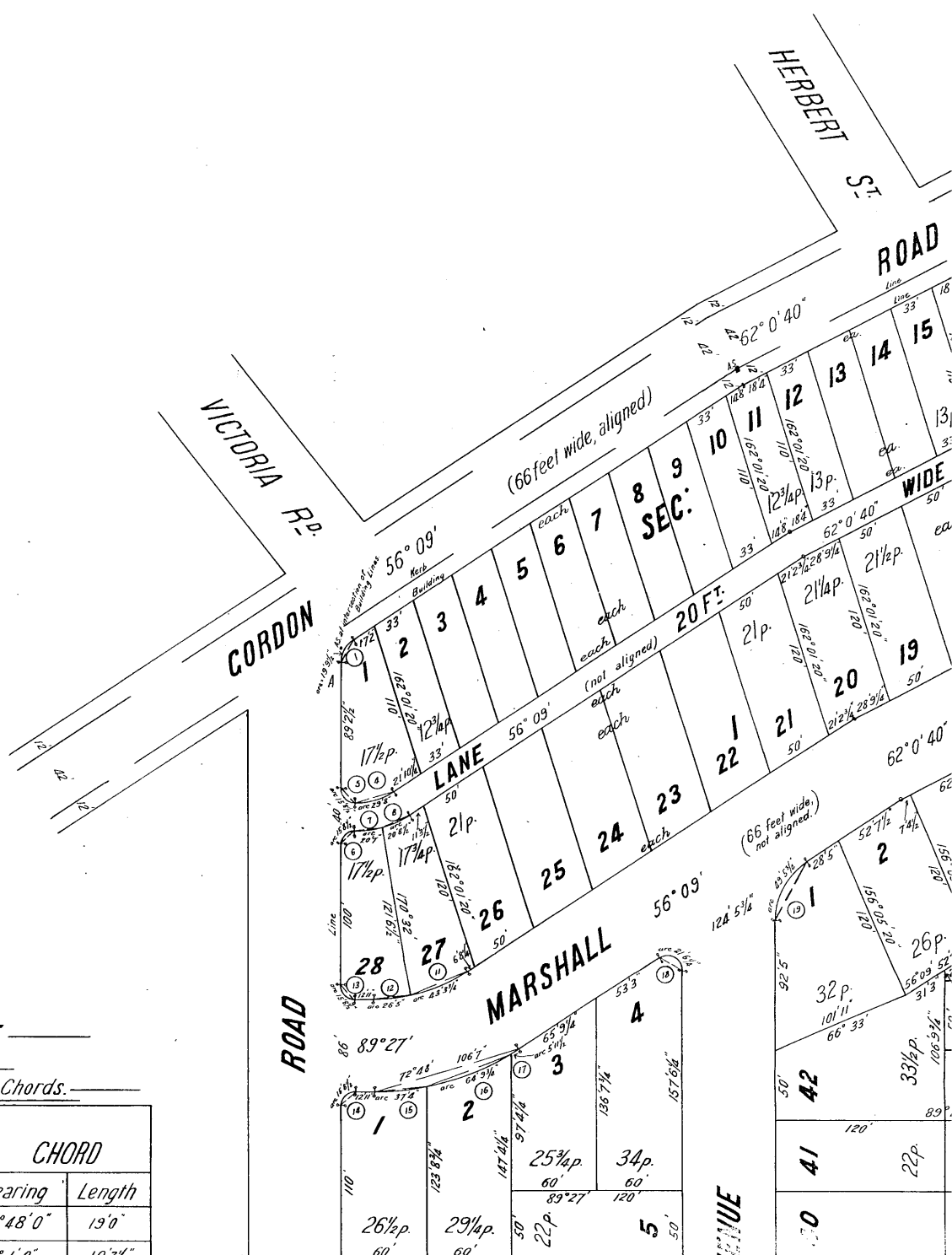
Deposited Plan

A. 54095 - Substituted plan. DP 7259 (E)

PLAN OF
SECTIONS 1, 2 & 3 OF THE AVENUE LANE
ST. LEONARDS.

Municipality of Lane Cove
Parish of Willoughby, County of C

Scale 80 feet to an Inch.



PLAN OF

1, 2 & 3 OF THE AVENUE ESTATE,

ST. LEONARDS.

DP7259^(E)

6

Municipality of Lane Cove,

Willoughby, County of Cumberland.

Scale 80 feet to an Inch.

300 400 500 600 700 Feet.

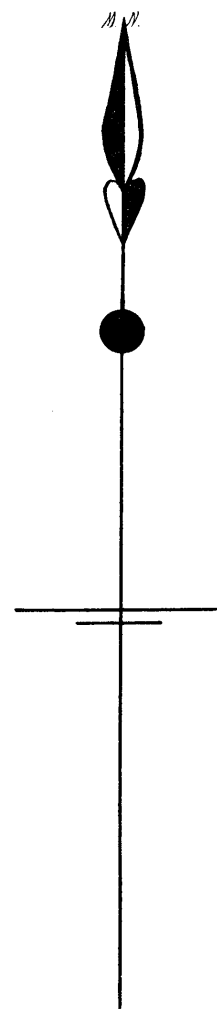
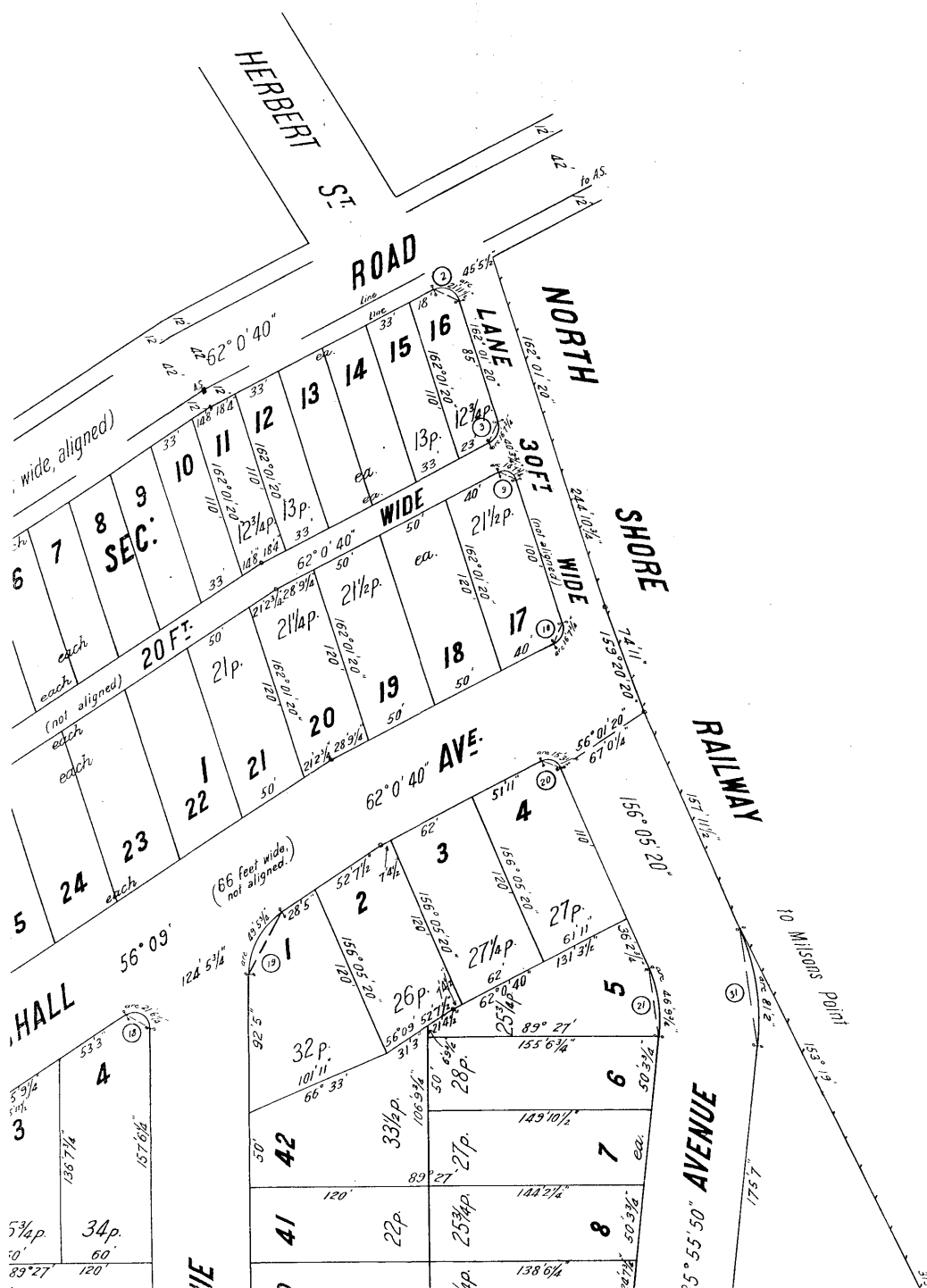


TABLE
 of
 Radii, Arcs and Chords.

No	RADIUS	ARC	CHORD	
			Bearing	Length
1	20'	19'9"	27°48'0"	19'0"
2	12'7"	21'11"	112°1'0"	19'3/4"
3	11'11"	16'7 1/4"	22°1'0"	15'3 1/4"
4	51'0 3/4"	29'8"	72°48'0"	29'3"
5	10'	15'8 1/2"	134°27'0"	14'1 1/4"
6	10'	15'8 1/2"	44°27'0"	14'1 1/4"
7	71'0 3/4"	20'7"	81°9'0"	20'6"
8	71'0 3/4"	20'8 1/2"	64°30'0"	20'7 3/4"
9	8'4 1/2"	14'7 1/4"	112°1'0"	12'10 1/4"
10	11'11"	16'7 1/4"	22°1'0"	15'3 1/4"
11	120'	43'3 3/4"	66°29'23"	43'1"
12	120'	26'5"	83°8'22"	26'4 1/2"
13	10'	15'8 1/2"	134°27'0"	14'1 1/4"
14	10'	15'8 1/2"	44°27'0"	14'1 1/4"
15	186'	37'4"	83°41'55"	37'3 1/4"
16	186'	64'9 3/4"	67°57'56"	64'5 1/4"
17	186'	5'11 1/2"	57°4'0"	5'11 1/2"
18	10'	21'6 1/4"	117°48'0"	17'7 1/4"
19	50'	49'5 1/4"	27°48'0"	47'6"
20	9'3 3/4"	15'3 1/2"	109°03'0"	13'7 1/2"
21	89'10 1/4"	46'9 1/4"	171°0'35"	46'3 1/4"
22	300'	25'7 1/2"	183°29'12"	25'7"
23	300'	25'7 1/4"	178°35'38"	25'7 1/4"
24	70'	37'1 1/4"	191°19'50"	36'8"
25	100'	36'7 1/2"	217°0'10"	36'4 1/4"
26	20'	20'8"	257°6'40"	19'9 1/4"
27	10'	21'1"	167°6'40"	17'4 1/4"
28	166'	60'9"	217°0'10"	60'5"
29	136'	72'1"	191°19'50"	71'3"
30	234'	39'11 1/2"	181°2'15"	39'11"
31	155'10 1/2"	81'2"	171°0'35"	80'3 1/4"

DP 7259 ①

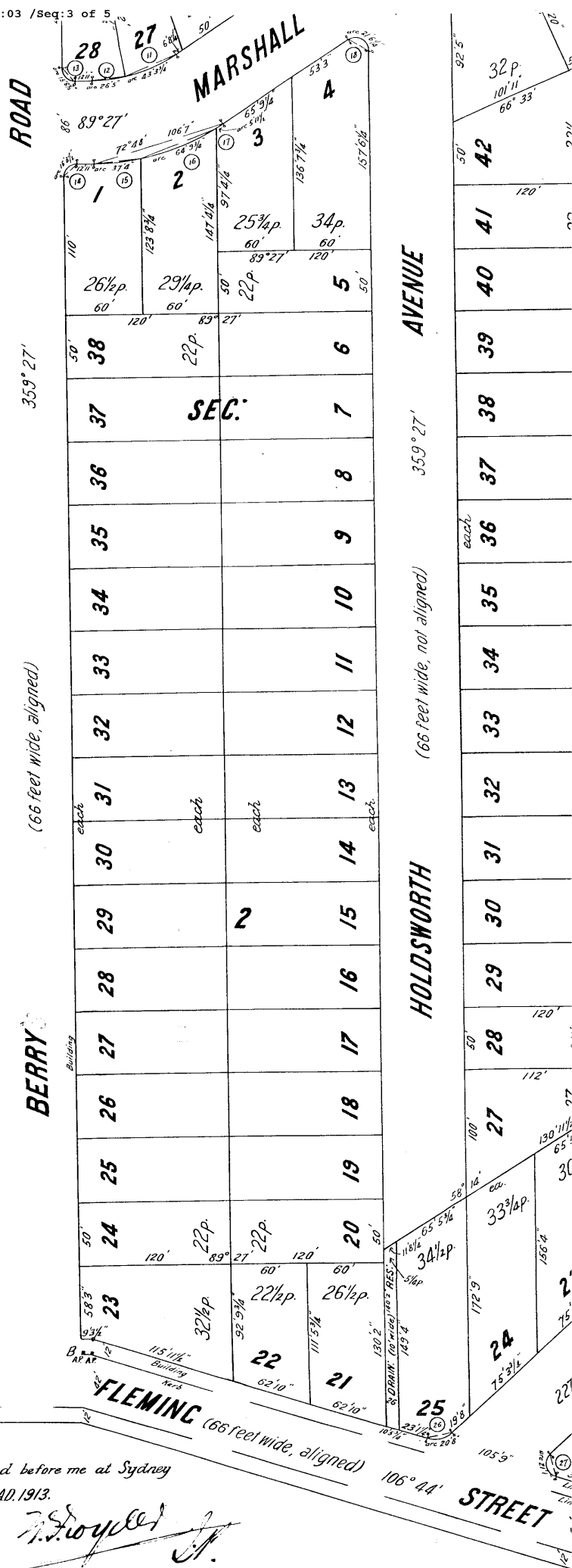
Date of Survey September 1913.

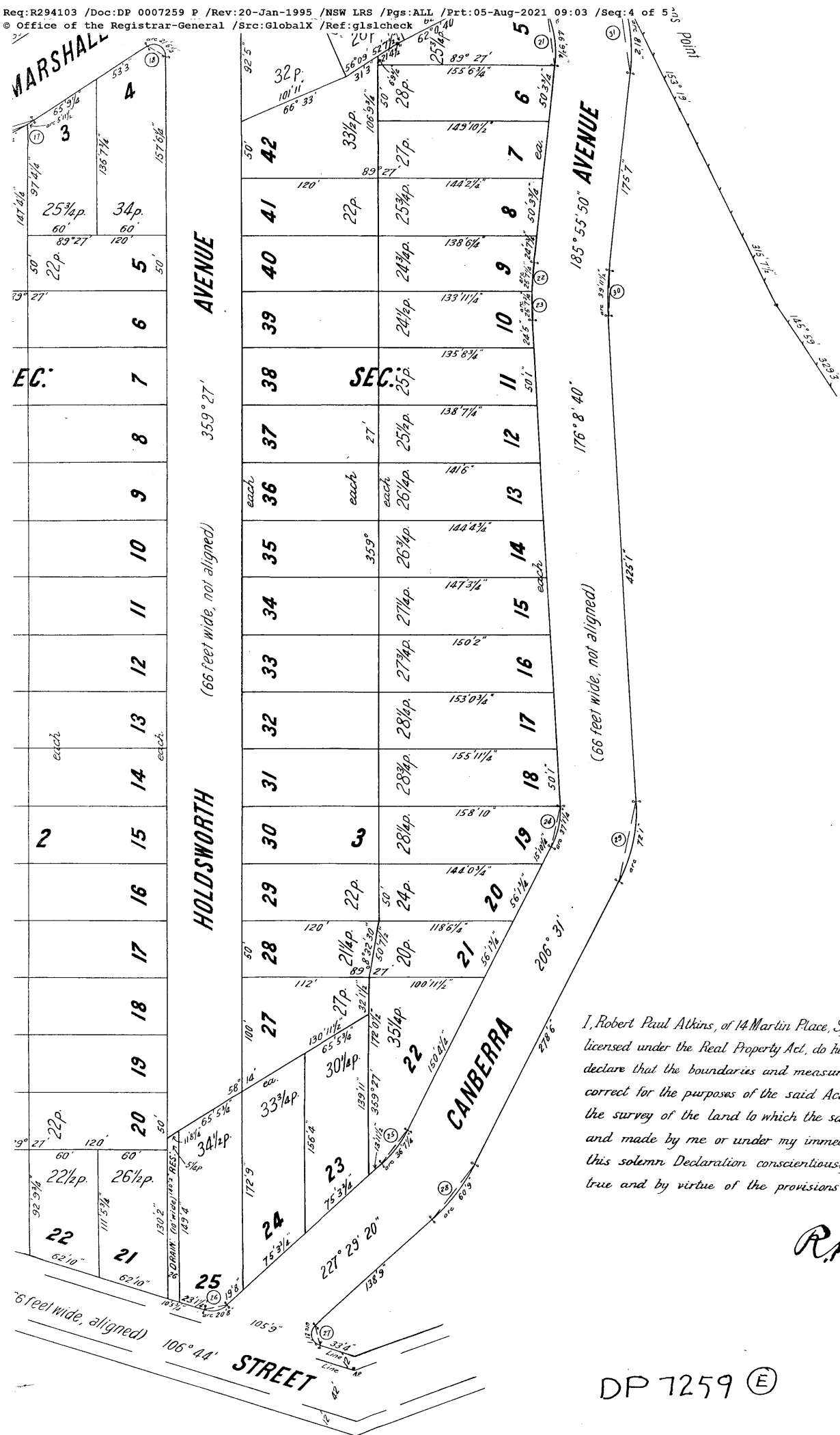
Azimuth taken from AB.

Assumed Magnetic Variation 3°30'E.

Subscribed and declared before me at Sydney

this 30th day of October AD.1913.





I, Robert Paul Atkins, of 14 Martin Place, Sydney, Licensed Surveyor, specially licensed under the Real Property Act, do hereby solemnly and sincerely declare that the boundaries and measurements shown on this Plan are correct for the purposes of the said Act, and that the said Plan and the survey of the land to which the same relates have been prepared and made by me or under my immediate supervision and I make this solemn Declaration conscientiously believing the same to be true and by virtue of the provisions of the Oaths Act 1900.

R.P. Atkins.

Licensed Surveyor.
 30th October 1913.

DP 7259 (E)

CONVERSION TABLE ADDED IN
REGISTRAR GENERAL'S DEPARTMENT

DP 7259	FEET INCHES	METRES
-	0 3/8	0.01
2	3 5/8	0.7
5	11 1/2	1.815
6	5	1.955
6	5 1/4	1.96
6	8 1/4	2.04
6	9 1/4	2.065
6	9 3/4	2.075
7	4 1/2	2.25
8	4 1/2	2.555
9	3 1/2	2.83
9	3 3/4	2.84
10	-	3.05
10	5 3/4	3.195
11	3 1/2	3.44
11	8 1/4	3.56
11	11	3.63
12	-	3.66
12	7	3.835
12	10 1/4	3.92
12	11	3.935
13	7 1/2	4.155
13	11 1/2	4.255
14	1 3/4	4.31
14	7 3/4	4.465
14	8	4.47
15	3 1/2	4.66
15	3 3/4	4.665
15	6 1/4	4.73
15	6 1/2	4.735
15	8 1/2	4.79
15	9 1/2	4.815
15	10 1/4	4.83
16	7 3/4	5.075
17	2	5.23
17	3	5.26
17	4 3/4	5.3
17	7 1/4	5.365
18	-	5.485
18	4	5.59
19	-	5.79
19	3 1/4	5.875
19	8	5.995
19	9	6.02
19	9 1/4	6.025
19	9 1/2	6.03
20	-	6.095
20	6	6.25
20	7	6.275
20	7 3/4	6.295
20	8	6.3
20	8 1/2	6.31
21	1	6.425
21	2 3/4	6.47
21	4 1/2	6.515
21	6 1/4	6.56
21	10 1/4	6.66
21	11 1/2	6.695
23	-	7.01
23	1 1/4	7.04
24	5	7.44
24	7 3/4	7.51
25	7	7.8
25	7 1/4	7.805
25	7 3/4	7.815
26	4 1/2	8.04
26	5	8.05
28	5	8.66
28	9 1/4	8.77
29	3	8.915
29	8	9.04
30	-	9.145
31	3	9.525
32	1 1/2	9.79
33	-	10.06
33	4	10.16
36	2 3/4	11.045

CONVERSION TABLE ADDED IN
REGISTRAR GENERAL'S DEPARTMENT

DP 7259	CONTINUED	FEET INCHES	METRES
36	4 3/4	11.095	
36	7 1/4	11.155	
36	8	11.175	
37	1 1/4	11.31	
37	3 1/4	11.36	
37	4	11.38	
39	11	12.165	
39	11 1/2	12.18	
40	-	12.19	
40	3 3/4	12.285	
42	-	12.8	
43	1	13.13	
43	3 1/4	13.19	
43	3 3/4	13.2	
45	5 1/2	13.855	
46	3 1/4	14.105	
46	9 3/4	14.27	
47	6	14.48	
49	5 3/8	15.07	
49	5 3/4	15.08	
50	-	15.24	
50	1	15.265	
50	3 3/4	15.335	
50	7 1/2	15.43	
51	0 3/4	15.565	
51	11	15.825	
52	7 1/2	16.04	
53	3	16.23	
56	1 3/4	17.115	
58	3	17.755	
60	-	18.29	
60	5	18.415	
60	9	18.515	
61	11	18.87	
62	-	18.9	
62	10	19.15	
64	5 3/4	19.655	
64	9 3/4	19.755	
65	5 3/4	19.96	
65	9 1/4	20.085	
66	-	20.115	
67	0 1/4	20.43	
70	-	21.335	
71	0 3/4	21.66	
71	3	21.715	
72	1	21.97	
74	11	22.835	
75	3 3/4	22.955	
80	3 1/4	24.465	
81	2	24.74	
85	-	25.91	
86	-	26.215	
89	2 1/2	27.19	
89	10 1/2	27.395	
92	5	28.17	
92	9 3/4	28.29	
97	4 1/4	29.675	
100	-	30.48	
100	11 1/2	30.77	
101	11	31.065	
103	9	32.235	
106	7	32.485	
106	9 3/4	32.555	
110	-	33.53	
111	5 3/4	33.98	
112	-	34.14	
115	11 1/2	35.345	
118	6 1/4	36.125	
120	-	36.575	
121	6 1/2	37.045	
123	8 3/4	37.715	
130	2	39.675	
130	11 1/2	39.915	
131	3 1/2	40.02	
133	11 1/4	40.825	
135	8 3/4	41.37	
136	-	41.455	

CONVERSION TABLE ADDED IN
REGISTRAR GENERAL'S DEPARTMENT

DP 7259	CONTINUED	FEET INCHES	METRES
136	7 3/4	41.65	
138	6 1/4	42.22	
138	7 1/4	42.245	
138	9	42.29	
139	11	42.645	
140	2	42.725	
141	6	43.13	
144	0 3/4	43.91	
144	2 1/4	43.95	
144	4 3/4	44.01	
147	3 1/4	44.89	
147	4 1/4	44.915	
149	4	45.515	
149	10 1/2	45.68	
150	2	45.77	
150	4 1/4	45.83	
153	0 3/4	46.655	
155	6 3/4	47.415	
155	10 1/2	47.51	
155	11 1/4	47.53	
156	4	47.65	
157	6 1/4	48.01	
157	11 1/2	48.145	
158	10	48.41	
166	-	50.6	
172	0 1/2	52.44	
172	9	52.65	
173	7	53.52	
186	-	56.69	
234	-	71.32	
244	10 3/4	74.64	
278	6	84.89	
300	-	91.44	
313	7 1/2	96.2	
329	3	100.36	
425	1	129.57	
1237	7 1/2	377.23	

AC	RD	P	SQ	M
-	-	12.73	322	
-	-	12 3/4	322.5	
-	-	13	328.8	
-	-	17 1/2	442.6	
-	-	17 3/4	448.9	
-	-	20	505.9	
-	-	21	531.1	
-	-	21 1/4	537.5	
-	-	21 1/2	543.8	
-	-	22	556.4	
-	-	22 1/2	569.1	
-	-	24	607	
-	-	24 1/2	619.7	
-	-	24 3/4	626	
-	-	25	632.3	
-	-	25 1/2	645	
-	-	25 3/4	651.3	
-	-	26	657.6	
-	-	26 1/4	663.9	
-	-	26 1/2	670.3	
-	-	26 3/4	676.6	
-	-	27	682.9	
-	-	27 1/4	689.2	
-	-	27 3/4	701.9	
-	-	28	708.2	
-	-	28 1/4	714.5	
-	-	28 3/4	727.2	
-	-	29 1/4	739.8	
-	-	30 1/4	765.1	
-	-	32	809.4	
-	-	32 1/2	822	
-	-	33 1/2	847.3	
-	-	33 3/4	853.6	
-	-	34	860	
-	-	34 1/2	872.6	
-	-	35 1/4	891.6	

CAPITAL

Investment Mapping
Research
Proprietary Deal Flow
Acquisitions
Joint Ventures
Investment Management

PROJECTS

Development Strategy
Project Management
Quantity Surveying
Land Surveying
Title Diagram
Civil Engineering

ADVISORY

Corporate Property Strategy
Project Feasibility
Transaction Structuring & Divestment Management
Acquisition Advisory
Strategic Asset Management
Accommodation Solutions

VALUATIONS

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Mortgage Valuation
Construction Valuation
Pre-Purchase & Pre-Sale Advice
Financial Reporting Valuation
Compensation Valuation
Legal & Litigation Valuation
Business Valuation
Rental Assessment
Statutory Valuation

RESEARCH & STRATEGY

Market Analysis
Project Benchmarking Analysis
National Apartment Database
National Land Survey Program
Urban Economics & Policy
Briefings & Workshops

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Charter Keck Cramer (Sydney) Pty Ltd
ACN: 601 785 326

CHARTER.
KECK CRAMER

2 July 2021

Mr. Alex Yim
Deputy General Manager
New Hope Evergreen Group
Suite 42.03, Level 42, Chifley Square
SYDNEY NSW 2000

Email: alex.yim@newhopegroup.com.au

Dear Alex,

RE: CONSULTANCY ADVICE

2 MARSHALL AVENUE, ST LEONARDS, NEW SOUTH WALES, 2065, AUSTRALIA

We have been specifically instructed to consider the site value of the subject property to the adjoining owner with the benefit of additional Gross Floor Area (GFA)/residential apartments. This assessment is for information purposes only and should not be relied upon for mortgage security purposes.

We note that the property does not benefit from Development Consent, nor has a Development Application been submitted to Council. We note that the subject site is within the St Leonards South Precinct, which will involve the reshaping of the urban design, new residential and mixed-use developments, and reconstruction of existing streets. The St Leonards South Planning Proposal was finalised in May 2020 and came into effect in November 2020.

Improvements

Positioned on the land is an older style freestanding single-storey residence constructed circa 1920s. From the exterior the property presents in good condition.

We have been advised that the residence comprises of a formal living room, family room, four bedrooms, two bathrooms, kitchen and a dining area. Externally the property comprises an undercover deck, wrap around verandah to the front of the property, landscaped garden and has a separate three car garage accessed via Canberra Avenue.

Subject Locality

Lane Cove Council is a Local Government Area (LGA) in the Lower North Shore region of Sydney, covering part or all the suburbs of Greenwich, Lane Cove, Lane Cove North, Lane Cove West, Linley Point, Longueville, Northwood, Riverview, and St Leonards.

St Leonards is located approximately 5 radial kilometres north of Sydney's Central Business District (CBD).

The subject property forms part of the recently gazetted St Leonards South Precinct.

Title Details

Title Reference	Description	Registered Proprietor
4/3/7259	Lot 4 of Section 3 in Deposited Plan 7259	Daryl Francis Hart

A copy of the title search is attached as an Annexure to this report; however, we note the following pertinent notations:

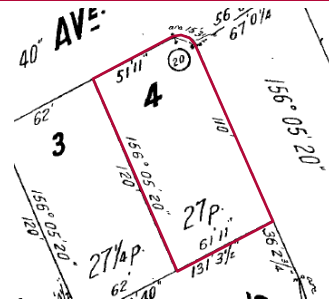
Encumbrances/Notations

Title Reference	Dealing	Comments
4/3/7259	628032	Covenant – Historical Transfer.
4/3/7259	A115775	Covenant – Historical Transfer.

Land Description

The subject property is regular in shape.

Frontage/Boundary	Length	Lot 4 Sec 3 DP7259
Marshall Avenue frontage	15.825 metres	
Canberra Avenue frontage	33.53 metres	
Southern boundary	18.87 metres	
Western boundary	36.575 metres	
Shape	Regular	



Total Site Area	682.9 square metres
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Planning

Planning Controls

Planning Scheme	Lane Cove Local Environmental Plan 2009
Zoning	R4 High Density Residential
Objectives of Zone	<ul style="list-style-type: none"> To provide for the housing needs of the community within a high density residential environment. To provide a variety of housing types within a high density residential environment. To enable other land uses that provide facilities or services to meet the day to day needs of residents. To provide for a high concentration of housing with good access to transport, services and facilities. To ensure that the existing amenity of residences in the neighbourhood is respected. To avoid the isolation of sites resulting from site amalgamation. To ensure that landscaping is maintained and enhanced as a major element in the residential environment.
Permitted without Consent	Nil.
Permitted with Consent	Bed and breakfast accommodation; Boarding houses; Centre-based child-care facilities; Community facilities; Exhibition homes; Group homes; Home businesses; Home industries; Hotel or motel accommodation; Multi dwelling housing; Neighbourhood shops; Oyster aquaculture; Places of public worship; Recreation areas; Residential flat buildings; Respite day care centres; Restaurants or cafes; Roads; Shop top housing; Signage.
Prohibited	Pond-based aquaculture; Tank-based aquaculture; Any other development not specified in item 2 or 3.
Floor Space Ratio (FSR)	0.5:1
Height	9.5 metres
LEP Key Sites	Area 1
Heritage	Nil

Planning Permit

The subject property does not benefit from a specific Development Consent nor has a Development Application been submitted to Council.

Potential Development

We have been specifically instructed to consider the site value of the subject property to the adjoining owner with the benefit of additional Gross Floor Area (GFA)/residential apartments. This assessment is for information purposes only and should not be relied upon for mortgage security purposes.

We note that the property does not benefit from Development Consent, nor has a Development Application been submitted to Council. We note that the subject site is within the St Leonards South Precinct, which will involve the reshaping of the urban design, new residential and mixed-use developments, and reconstruction of existing streets. The St Leonards South Planning Proposal was finalised in May 2020 and came into effect in November 2020 and is highlighted as follows.

Objectives

- To create a highly liveable transit-orientated residential precinct that integrates with St Leonards Station and proposed over-rail public plaza that encourages community interaction, walking, cycling and use of public transport.
- To ensure that all new development will achieve design excellence, as well as providing suitable transition and interfaces to adjoining zones and open space.
- To provide a variety of housing (including affordable housing) that is sustainable, provides housing choice and that meet the needs of residents including access to community facilities.
- To minimise traffic impacts within the precinct and to and from Pacific Highway and River Road.
- To facilitate a new, accessible network for pedestrians, cyclists and families that integrate and connect to functional community infrastructure and open space.
- To create an accessible, well-designed public open space network that provides a variety of recreation spaces (active and passive) and communal open space that is functional and shared by residents.
- To create a Low Carbon Precinct that delivers sustainable and efficient buildings that provide energy, water and waste efficiency.

A depiction of the St Leonards South Precinct is displayed below:



Development Overview

Given the R4 High Density Residential zoning and locality within St Leonards South Planning Proposal, we consider that the property is currently under-utilised and consider it would be suitable for residential redevelopment subject to Council approval. Under the St Leonards South Development Control Plan dated 13 October 2020 the subject property falls within an area that allows an FSR of 3.85:1 and building height limit of 65 metres only if the minimum site area is equal to or above 3,000 square metres.

The area of the subject property is smaller than the minimum site area required. We note New Hope Evergreen is currently in the process of purchasing 4 Marshall Avenue and 1-5 Canberra Avenue, St Leonards. When joined with these properties, the total combined land area will exceed 3,000 square metres.

In this instance we have considered the value of the additional GFA and potential number of apartments the property will provide to the adjoining land (4 Marshall Avenue and 1-5 Canberra Avenue, St Leonards).

In determining the likely development potential of the subject property, we have had regard to the FSR control of 3.85:1. We have applied this rate to the land area to arrive at a total GFA of approximately 2,629 square metres. To this area we have applied an efficiency factor of 90% resulting in an NSA of 2,366 square metres, assuming an average unit area of 80 square metres this equates to approximately 30 additional units.

Our calculations in this regard may be summarised as follows:

Calculations	
Site Area (m ²)	682.9 square metres
FSR	3.85:1
GFA (m ²)	2,629
Building Efficiency	90%
NSA (m ²)	2,366
Average Unit Area (m ²)	80
Potential Additional No. of Units	30

Valuation Approach

Direct Comparison Approach

In completing our assessment we have adopted the Direct Comparison Approach

The direct comparison method for development land has regard to sales of broadly similar properties transacted in the open market and compares these sales to the subject property having regard to factors including, but not limited to:

- Prevailing market conditions with specific consideration to potential unit pricing, sale rates and development costs.
- Land area and potential densities/unit yield.
- Zoning status under the Local Authority Planning Scheme.
- Development Approvals.
- Likely scheme cost contributions where applicable.
- Access and proximity to local transport corridors including freeways and rail facilities.
- Immediate competition and profile of developers active within the general localities.
- Servicing constraints.
- Environmental constraints.
- Location.

Typically, sales are analysed on a rate per square metre of Gross Floor Area (GFA) or equivalent unit site basis, and an appropriate rate is attributed to the subject property having regard to the considerations outlined above.

As Is Market Value

Site Sales

MetroView, 378-390 Pacific Highway, Crows Nest

Sale Details

Sale Price	\$51,000,000
Sale Date	March 2021
Vendor	Undisclosed
Purchaser	Futuro Capital
Zoning	Mixed Use Zone (B4)
DA Status	No Approval
Site Area	1,309m ²
Gross Floor Area	9,818m ²
No. of Equivalent Units	118



Analysis & Assumptions

Site Area Analysis	\$38,961/m ²
Gross Floor Area Analysis	\$5,195/m ²
Per Equivalent Unit Analysis	\$432,203/equivalent unit

Comments

The property is located within the suburb of Crows Nest, approximately 5.7 kilometres by road and 4.5 radial kilometres north from Sydney's Central Business District. The property is situated on the western side of Pacific Highway with additional frontage to Hume Street.

The site is zoned B4 Mixed Use in accordance with the North Sydney Local Environmental Plan 2013. The site is also included in the St Leonards and Crows Nest 2036 Plan. Under this plan the site has a permissible FSR of 7.5:1 with a 24-storey height limit and a non-residential FSR of 2:1. Based on this ratio we have estimated the total allowable floor space for the site to be approximately 9,818 square metres. After allowing for a building efficiency of 90% and an average unit size of 75 square metres, a total site yield of 118 units results.

The property sold following an international expressions of interest campaign which closed 3 December 2020. We note that following discussions with the marketing agents, we understand that the sale had numerous conditions attached.

Comparison

Development site located within proximity of the subject in an inferior location. Larger scale development having sold without the benefit of a Development Application/Consent. Consider the reflective capital value rates as being above the subject.

186 Pacific Highway, Roseville NSW

Sale Details

Sale Price	\$3,050,000
Sale Date	September 2020
Vendor	Saragas
Purchaser	Random Primer Pty Ltd
Zoning	High Density Residential Zone (R4)
DA Status	No Approval
Site Area	1,163m ²
Gross Floor Area	989m ²
No. of Units	12



Analysis & Assumptions

Site Area Analysis	\$2,623/m ²
Gross Floor Area Analysis	\$3,084/m ²
Per Unit Analysis	\$254,167/unit

Comments

The property is located within the suburb of Roseville, approximately 10 kilometres north of Sydney's Central Business District. The property is situated on the southern alignment of Pacific Highway.

The site does not benefit from a Development Consent or Development Application.

The property is zoned R4 High Density Residential in accordance with the Ku-Ring-Gai Local Environmental Plan (Local Centres) 2012 with a permissible floor to space ratio of 0.85:1 and permissible building height of 11.5 metres.

Based on this ratio we have a total allowable floor space for the site to be 989 square metres. After allowing for a building efficiency of 90% and an average unit size of 75 square metres, a total site yield of approximately 12 units results.

Comparison

Development site located within proximity of the subject in an inferior location. Smaller scale development having sold without the benefit of a Development Consent. Consider the reflective capital value rates as being below those applicable to the subject.

4 Marian Street, Killara NSW

Sale Details

Sale Price	\$10,000,000
Sale Date	February 2020
Vendor	Amber Sydney Apartments Pty Ltd
Purchaser	Multiple Purchasers
Zoning	High Density Residential Zone (R4)
DA Status	Development Consent (DA0403/17) and Section 4.55 Modification Application (MOD0096/20)
Site Area	1,949m ²
Gross Floor Area	3,118m ²
No. of Units	31



Analysis & Assumptions

Site Area Analysis	\$5,131/m ²
Gross Floor Area Analysis	\$3,207/m ²
Per Unit Analysis	\$322,581/unit

Comments

The property is located within the suburb of Killara, approximately 16 kilometres north-west from Sydney's Central Business District. The property is situated on the southern alignment of Marian Street.

The site at the time of sale benefited from Development Consent (DA0403/17) which provides for the demolition of existing and construction of a residential flat building with 31 apartments, including 14 affordable apartments under the provisions of SEPP (Affordable Rental Housing) 2009, basement car parking, associated landscaping and lot amalgamation. Furthermore, the property also has a Section 4.55 Modification Application (MOD0096/20) for alterations including relocation of affordable units and changes to external façade which was lodged 3 June 2020.

The property is zoned R4 High Density Residential in accordance with the Ku-ring-gai Local Environmental Plan (Local Centres) 2012 with a permissible floor space ratio (FSR) of 1.6:1 and height limit of 20.5 metres.

Comparison

Development site located within proximity of the subject in an inferior location. Similar scale development having sold with the benefit of a Development Consent. Consider the reflective capital value rates as being below those applicable to the subject.

2 Greenwich Road and 3 Anglo Road, Greenwich, NSW

Sale Details

Sale Price	\$18,000,000
Sale Date	December 2019
Vendor	Phiroan Pty Limited
Purchaser	Alceon Group Pty Ltd
Zoning	Commercial Core Zone (B3)
DA Status	No Approval
Site Area	2,463m ²
Gross Floor Area	5,572m ²
No. of Units	43



Analysis & Assumptions

Site Area Analysis	\$7,308/m ²
Gross Floor Area Analysis	\$3,230/m ²
Per Unit Analysis	\$418,605/unit

Comments

The property is located within the suburb of Greenwich, approximately nine kilometres by road and five radial kilometres north-west from Sydney's Central Business District. The property is situated on the eastern side of Greenwich Road with a secondary frontage to Anglo Road.

The site at the time of sale did not benefit from Development Consent, however pre-development application plans have been developed which provides for the demolition of the current building at 2 Greenwich Road and for the construction of 40 over 55's living apartments and retail/commercial space.

For the purpose of our analysis, we have treated the ground floor retail accommodation as being three equivalent units by dividing the accommodation which extends to approximately 209 square metres by an average equivalent unit area of 75 square metres. Therefore, for the purpose of our analysis the property provides for 43 equivalent units.

Comparison

Development site located within proximity of the subject in an inferior location. Larger scale development having sold without the benefit of a Development Consent. Consider the reflective per unit rate as being above and the GFA rate as being below those applicable to the subject.

84-90 Gordon Crescent, Lane Cove North, NSW

Sale Details

Sale Price	\$17,000,000
Sale Date	October 2019
Vendor	Multiple Owners
Purchaser	Dasco SPV Pty Ltd
Zoning	High Density Residential Zone (R4)
DA Status	Development Approval (DA151/2017)
Site Area	3,870m ²
Gross Floor Area	5,988m ²
No. of Units	69



Analysis & Assumptions

Site Area Analysis	\$4,393/m ²
Gross Floor Area Analysis	\$2,839/m ²
Per Unit Analysis	\$246,377/unit

Comments

The property is located within the suburb of Lane Cove, approximately 12 kilometres by road and eight radial kilometres north-west from Sydney's Central Business District. The property occupies frontage to Gordon Crescent.

The site at the time of sale benefited from Development Consent (DA151/2017) for lot consolidation, demolition of existing structures and construction of a residential flat building containing 69 residential apartments and associated earthworks and landscaping.

The property is zoned R4 High Density Residential in accordance with the Lane Cove Local Environmental Plan 2009 with a permissible floor space ratio (FSR) of 1.6:1 and height limit of 14.5 metres.

Comparison

Development site located within proximity of the subject in an inferior location. Larger scale development having sold with the benefit of a Development Consent. Consider the reflective capital value rates as being below those applicable to the subject.

Assessment

Assessment of Value

In assessing a value under the direct comparison approach, we have considered the sales evidence, our observations in respect of comparability, and the following characteristics of the subject property:

- Good location within St Leonards.
- No development consent.
- Small scale of the proposed development.
- Current market conditions.
- Assuming minimum lot size of 3,000 square metres and FSR of 3.85:1 applies.

Based on the above and the available sales evidence, we provide our summary of the direct comparison approach as follows.

GFA (m ²)	Rate (\$/m ² of GFA)	Value (\$)
2,629	\$3,700	\$9,730,000
2,629	\$3,750	\$9,860,000
2,629	\$3,800	\$9,990,000
Adopt, say		\$9,860,000

No. Units	Rate (\$/Unit)	Value (\$)
30	\$325,000	\$9,750,000
30	\$330,000	\$9,900,000
30	\$335,000	\$10,050,000
Adopt, say		\$9,900,000

We have adopted **\$9,900,000 exclusive of GST** as the site value (development potential to New Hope Group).

This advice is for the private and confidential use only by New Hope Group only and for the specific purpose for which it has been requested. No third party is entitled to use or rely upon this advice in any way and neither the signatory nor m3property Pty Ltd shall have any liability to any third party who does.

We enclose our Memorandum of Fee and thank you for your instructions. Should you have any queries in respect of our initial review, please do not hesitate to contact us.

Yours sincerely

m3property



Daisy Chen AAPI
Certified Practising Valuer
Senior Valuer | Residential Development
Primary Valuer



Ben Toole
Director
Counter Signatory

The opinion of value expressed in this report is that of the Valuer who is the primary signatory to the report. The counter signatory verifies that the report has been reviewed in accordance with our Quality Assurance Policy, is genuine and authorised by m3property Australia Pty Ltd.

Copy of Instructions



17 June 2021

Alex Yim
Deputy General Manager
New Hope Evergreen
Suite 42.03, Level 42, 2 Chifley Square,
SYDNEY NSW 2000

Email: alex.yim@newhopegroup.com

Dear Alex,

RE: FEE PROPOSAL FOR PROFESSIONAL SERVICES
2 MARSHALL AVENUE, ST LEONARDS, NEW SOUTH WALES, 2065, AUSTRALIA

Thank you for the opportunity to provide our fee proposal for the provision of professional services. We confirm our fee and terms of business as below:

Fee Proposal

Purpose	Internal Review
Scope of Works	<ul style="list-style-type: none">Valuation Report: Market Value "As Is" – Free of GSTLetter of Advice: Future Development Potential
Reliance	<p>Our valuation and advice may be relied upon by New Hope Evergreen only and for the specific purpose for which it has been requested. No third party is entitled to use or rely upon this report in any way and neither the valuer nor m3property Australia Pty Ltd shall have any liability to any third party who does.</p> <p>Our valuation may not be relied upon after the expiration of three (3) months from the date of the valuation.</p>
Timing	We anticipate completion of our valuation and advice within 10 business days from confirmation of instructions and provision of all requested information and access for site inspection.
Fee	\$8,000.00 exclusive of GST plus disbursements. Our fee proposal remains valid for 10 business days.

Fee Proposal

Additional Fees	Any additional work undertaken as the result of changes to instructions or further instruction, including but not limited to; changes to reports, attendance at meetings, conferences or hearings, will be charged at the hourly rates set out below. Further instruction must be received in writing. Director \$1,000 per hour + GST
Disbursements	Additional costs for current legal searches including but not limited to titles will be charged at cost.
Payment	100% of our fee is to be paid prior to the release of a draft report.
Required Information	The information required to undertake our valuation is as follows: <ul style="list-style-type: none">• Copy of Title or Title reference.• Current year Land Tax notice• Current year Council Rates Notice.• Current year Water Rates Notice.• If subject to a pending or recent purchase, we will require a full copy of the executed Contract for Sale.• Contact details for access.
Acceptance of Fee Proposal	Please acknowledge acceptance of this fee proposal by signing the attached or issuing written instructions should you wish to proceed on the terms and conditions outlined overleaf.
Early Termination	If the task is cancelled or terminated prior to completion, an invoice will be issued for work undertaken.

We trust that our proposal adequately addresses your requirements. However, if you have any queries or require any further information please contact the undersigned.

Yours sincerely
m3property




Daisy Chen
Valuer
daisy.chen@m3property.com.au

Acceptance of Fee Proposal

2 Marshall Avenue, St Leonards, New South Wales, 2065, Australia

****This valuation is highly confidential and please keep discrete on site****

I accept the above fee proposal and conditions, including responsibility of the payment of the Fee and authorise you to proceed with the task.

Name:	Alex Yim
Company:	New Hope VIMG Pty Ltd as trustee for New Hope VIMG Unit Trust
Address:	Suite 42.03, Level 42, 2 Chifley Square, Sydney NSW 2000
Phone Number:	0488 306 855
Email:	alex.yim@newhopegroup.com
Signature:	
Date:	17/6/2021

Billing Information

To enable efficient invoicing, please provide the correct entity to be billed and any reference or purchase order number required on the invoice.

Contact Person:	Brian Nie
Email:	accountsau@newhopegroup.com (copy in alex.yim@newhopegroup.com)
Entity Name:	As above
Billing Address:	As above
Purchase Order or Reference No.:	SLS-2Marshall

Payment Options

Cheque

Payable To: m3property Australia Pty Ltd

Please mail cheque payments to: Level 29, 600 Bourke Street, Melbourne, Vic, 3000

Credit Card (VISA and MasterCard only)

Alternatively, please contact the office on (02) 8234 8100 to provide your details over the telephone.

Standard Terms & Conditions

These terms and conditions apply to all services (**Services**) that m3property Australia Pty Ltd (m3property) performs or provides to you.

1 Introduction

- 1.1 The following terms are the terms and conditions that apply to valuation or consultancy assignments and services for which m3property is engaged. These terms form part of the appointment of m3property by you to provide the services unless other specific terms and conditions are agreed in writing between m3property and you.
- 1.2 The agreement between a Person/Company (**you**) and m3property consists of these terms and conditions and any proposal, submission, annexure or letter m3property provides to you to provide valuation and/or consultancy services.

2 Definitions

- (a) **Advice** means any written advice that m3property provides to you.
- (b) **Confidential Information** means information that:
 - (i) is by its nature confidential;
 - (ii) is designated by us as confidential;
 - (iii) you know or ought to know is confidential;
 - (iv) and includes, without limitation:
 - information comprised in or relating to any of our intellectual property in the Services or any reports or certificates provided as part of the Services; and
 - the Proposal annexed hereto.
- (c) **Currency Date** means in relation to any valuation or consultancy report, the date as at which our professional opinion is stated to be current.
- (d) **Fee** means the amount agreed to be paid for the Services as set out in the Proposal.
- (e) **Parties** means you or us as the context dictates.
- (f) **Property** means any properties in relation to which you ask m3property to perform valuation or consultancy services.
- (g) **Proposal** means the written proposal provided by us in relation to the Services.
- (h) **Services** means the valuation or consultancy services provided in accordance with these terms and conditions and the Proposal, and includes any reports, advice, letters, documents, spreadsheets and certificates provided by us in the provision of the services.
- (i) **Valuation Report** means any valuation report that m3property provides to you.
- (j) **We, Us, Our** means m3property Australia Pty Ltd (m3property).
- (k) **You, Your** means the entity engaging us to perform the Services set out in the Proposal.
- (l) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) an individual or person includes a corporation, partnership, venture, association, authority, trust, state or government;
 - (iii) time is to a time in the state or territory where the Services are performed;
 - (iv) a day is to a period of time commencing at midnight and ending 24 hours later;
 - (v) a month is to a calendar month.
- (m) Where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning,
- (n) Any headings in this document are for convenience only and do not affect interpretation.
- (o) **Including** and similar expressions are not to be treated as words of limitation.

3 Acceptance

- 3.1 Any direction or notification from you to m3property, whether written or verbal, that you accept the Proposal and / or for m3property to undertake the Services will be deemed that you accept these terms and conditions.

4 Information provided by the client

- 4.1 You must:
 - (a) give m3property adequate directions and instructions to define its requirements;
 - (b) make available to m3property all information, documents and other particulars you hold or have access to relating to the requirements for performing the Services or that m3property otherwise reasonably requests;
 - (c) ensure that all information, documents and other particulars you give m3property relating to the Services are accurate and complete, and
 - (d) advise m3property of the name of the person you appoint as your representative to act on your behalf for all purposes in connection with m3property's provision of the Services.

5 Changes to scope of services

- 5.1 Any material alteration, addition to or deletion from the Services will be agreed in writing.
- 5.2 If the Services are altered, m3property is entitled to claim payment for any altered services and you will pay m3property in accordance with m3property's normal rates or as agreed in writing.

6 Services solely for your benefit

- 6.1 The Services are confidential and provided solely for your benefit and use unless specified otherwise in writing, in the Proposal and / or the Valuation Report. Except as required by law, you must not provide any documents in respect of the Services (including the Valuation Report) to any third party without the prior written consent of m3property. m3property accepts no liability or responsibility whatsoever to any third party arising out of or in any way connected with the Services.
- 6.2 Should any other party seek to rely upon the Services (including the Valuation Report), the consent of m3property must be obtained in writing. m3property reserves the right to use its absolute discretion in the assignment of the Valuation Report or any other aspect of the Services.
- 6.3 You agree that neither the whole nor any part of any advice or report or the substance thereof will be communicated to any other person without first obtaining the written consent of m3property. You further agree that in the event you do communicate the whole or any part of the report, or the substance of the report to any other person, you will also communicate the terms of the engagement to that other person and will fully indemnify m3property in the event of any failure to do so.
- 6.4 The Services are not intended, either expressly or by implication, to confer any benefit on any third party (other than a third party who is nominated to m3property in writing as part of the provision of Services) and the liability of m3property to any third party is expressly disclaimed.
- 6.5 You acknowledge that the valuation is current as at the date of valuation only. m3property do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, m3property do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three (3) months from the date of the valuation.

7 Limitation of liability

- 7.1 The liability of m3property and any sub consultants it engages, arising out of, or in any way connected with the Services, whether under the law of contract, tort or otherwise, shall be limited to a multiplier of 1 times the Fee or the cost of providing the Services again (**Extent of Liability**). You hereby release m3property from all claims arising in connection with the Services to the extent that the liability of m3property would exceed the Extent of Liability.
- 7.2 The liability of m3property and any sub consultants it engages, arising out of, or in any way connected with the Services, whether under the law of contract, tort or otherwise, shall cease after the expiration of one year from the date of receiving the final invoice for the Services.
- 7.3 m3property will not be liable for any losses, claims, expenses, actions, demands, damages, liabilities or any other proceedings arising out of reliance on any information provided by you that is false, misleading or incomplete. You agree to indemnify m3property from any such liabilities m3property may have to any third parties as a result of reliance on any information provided by you that is false, misleading or incomplete.
- 7.4 m3property and any sub consultants engaged by m3property shall not be liable to You for any consequential loss or damages of any kind, including, but not limited to loss of profits, loss of business, revenue, contracts or savings.

8 Third party claims

- 8.1 You will indemnify and hold m3property and its sub-consultants harmless against all costs, loss or liability suffered or incurred by m3property in respect of any claims or demands by third parties in respect of any breach by you of your obligations under this Agreement.

9 Use of documents

- 9.1 m3property may with your verbal or written consent publish, either alone or in conjunction with others, articles, photographs and other illustrations relating to the Services.

10 Records and documents

- 10.1 Neither the whole or any part of any documents m3property produces (including but not limited to Valuation Reports) or any reference to the same may be included in any published document, circular or statement without the prior written consent of m3property, including as to the form and context in which it may appear.
- 10.2 Subject to any laws to the contrary, it is m3property's practice to destroy documents and records belonging to m3property after they are more than seven years old. You consent to m3property destroying any documents that belong to you which become filed amongst m3property own papers. You agree that these data retention and distribution arrangements are acceptable.

11 Fees and expenses

- 11.1 m3property fees for the Services will be charged on the basis set out in the Proposal, or as m3property and you otherwise agree in writing. GST at the prevailing rate will be added and forms part of m3property fees.
- 11.2 Unless m3property otherwise agrees in writing, fees and expenses will be invoiced either monthly, on completion of the Services or at any intervals set out in the Proposal and are payable in accordance with m3property tax invoices. Payment terms are strictly 14 days unless varied by written agreement.
- 11.3 If you instruct m3property to proceed with the Services and subsequently cancel, you must pay m3property a cancellation fee for the time and cost incurred thus far charged at \$500 per hour plus GST with the minimum fee being \$500 plus GST.
- 11.4 Unless the Proposal states that m3property fees for the Services are inclusive of all expenses and disbursements, m3property will charge you for reasonable out-of-pocket expenses and disbursements such as title searches, travel, accommodation, enquiry and report fees etc incurred in connection with the Services. The charges will be calculated as the amounts m3property incurs (net of any GST input tax credit to which m3property is entitled) plus GST as applicable.
- 11.5 If you fail to pay an amount to m3property on the date it is due, m3property may charge you interest on the outstanding amount at 12% per annum from the date on which the amount became due and payable until payment is made, and is payable on the date payment of the amount is made. You must reimburse m3property for all costs (including legal costs on a solicitor-client basis) which m3property incurs in recovering overdue amounts from you.

12 Payment terms

- 12.1 Invoices are due and payable upon 14 days from the date of issue or in accordance with the proposal terms. Unless varied by written agreement, failure to remit payment within this time may result in your account being referred to a collection agency for collection purposes. All costs and expenses incurred in recovering any amount owed will be added to the debt including collections, solicitors and legal costs.

13 Disputed claims

- 13.1 You shall notify m3property in writing of any and all objections (if any) to an invoice within seven days of the date of the invoice, otherwise the invoice shall be deemed proper and acceptable to you. If you dispute any portion of the amount claimed in an invoice you shall pay the portion of the invoice that is not in dispute.

14 Dispute Resolution

Mediation and Arbitration

- 14.1 If a dispute arises out of or in any way relates to these Terms or the breach, validity or subject matter thereof ('the dispute'), the aggrieved party shall, within 7 days of becoming aware of the dispute, by notice in writing notify the other Party / Parties that the dispute exists.
- 14.2 The Parties agree to first endeavour to settle the dispute by mediation conducted in accordance with the Australian Dispute Centre (ADC) mediation guidelines and administered by the ADC or as otherwise agreed by the Parties.
- 14.3 The costs of the mediation shall be borne equally by the parties.
- 14.4 In the event that:
 - (a) The Parties have not agreed upon a mediation or have not requested the ADC to appoint a mediator within twenty eight (28) days (or other such time period as agreed to in writing between the parties) after the notification of the dispute; or
 - (b) The dispute has not settled at mediation or otherwise within twenty eight (28) days (or such time period as agreed to in writing between the parties) after the mediation,The dispute shall be referred to arbitration in accordance with the ADC arbitration rules and the dispute shall be administered by the ADC.
- 14.5 The arbitrator shall not be the same person as the mediator
- 14.6 The arbitration will be held in the capital city of the state in which the Valuation Report or advice was conducted and subject to the laws of that State.
- 14.7 The costs of the arbitration shall be borne as the arbitration shall direct and such costs shall become part of the arbitrator's award and may be enforced as such.
- 14.8 In the event that an arbitrator has not been appointed or the parties have not requested the ADC to appoint an arbitrator within seventy (70) days of the notification of the dispute, the parties have liberty to commence proceedings in respect of the dispute in a competent jurisdiction.

15 Confidentiality and intellectual property rights

- 15.1 Each party must keep confidential any confidential or proprietary information that one party provides to the other, except:
- (a) where the party who gives the information consents to disclosure;
 - (b) as may be required to be disclosed by law or to defend itself against a suit or action; or
 - (c) where information is already publicly known.

16 Conflict of Interest

- 16.1 If either party becomes aware of an actual or potential conflict of interest, it will notify the other party as soon as is reasonably practicable thereafter, and the parties will work together to attempt to resolve any such actual or potential conflict.

17 Termination

- 17.1 Either party may terminate the appointment to provide the Services, for any reason, on seven days written notice to the other party. Termination will be without prejudice to either party's accrued rights and obligations incurred prior to the date that termination becomes effective.

18 Limited liability scheme

- 18.1 m3property's liability is limited by a scheme approved under Professional Standards Legislation.

19 Miscellaneous

- 19.1 Unless expressly stated to the contrary in the Proposal, submission, annexure or letter of which these terms and conditions form part, if there is any inconsistency between these terms and conditions and the proposal, submission, annexure or letter, these terms and conditions prevail to the extent of the inconsistency. These terms and conditions apply to the exclusion of any order form or document you issue to m3property.
- 19.2 No variation of these terms and conditions will be of any effect unless it is in writing and signed by the parties to this agreement.
- 19.3 The invalidity or unenforceability of any provision of these terms, shall not affect the validity or enforceability of any other provision of these terms, which shall remain in full force and effect.