



# **Business Plan**

Proposal for the City of Karratha to consider the potential purchase and development of Lot 7020 and Part Lot 7018 Welcome Road, Karratha.

## Contents

<b>1.</b>	<b>Introduction</b> .....	<b>3</b>
<b>2.</b>	<b>Background</b> .....	<b>5</b>
<b>2.1</b>	<b>Land</b> .....	<b>5</b>
<b>2.2</b>	<b>Parties</b> .....	<b>6</b>
<b>2.3</b>	<b>Proposal</b> .....	<b>6</b>
2.3.1	<i>Phase One: Assess Feasibility</i> .....	6
2.3.2	<i>Phase Two: Land Purchase</i> .....	7
2.3.3	<i>Phase Three: Construction</i> .....	7
2.3.4	<i>Phase Four: Leasing</i> .....	8
<b>3.</b>	<b>Timeline</b> .....	<b>9</b>
<b>4.</b>	<b>Legal Structures</b> .....	<b>10</b>
<b>5.</b>	<b>Project Financials</b> .....	<b>11</b>
<b>5.1</b>	<b>Purchase</b> .....	<b>11</b>
<b>5.2</b>	<b>Constructions Costs</b> .....	<b>11</b>
<b>5.3</b>	<b>Lease Payments</b> .....	<b>11</b>
<b>6.</b>	<b>City Financial Implications</b> .....	<b>12</b>
<b>6.1</b>	<b>Funding Source</b> .....	<b>12</b>
<b>6.2</b>	<b>Operational Costs</b> .....	<b>13</b>
<b>7.</b>	<b>Council Policy Implications</b> .....	<b>14</b>
<b>8.</b>	<b>Legislative Compliance</b> .....	<b>15</b>
<b>8.1</b>	<b>Legislative Provisions</b> .....	<b>15</b>
<b>8.2</b>	<b>Specific Requirements</b> .....	<b>15</b>
<b>9.</b>	<b>Risk Analysis</b> .....	<b>18</b>
<b>10.</b>	<b>Summary</b> .....	<b>20</b>

**Attachment 1: Feasibility Report**

**Attachment 2: Preliminary Plans**

## 1. Introduction

The City of Karratha (City) is proposing to enter into a Major Land Transaction involving:

- acquisition from the West Australian Land Authority (DevelopmentWA) of Freehold Lot 7020 on Deposited Plan 401051 being the whole of the land in Certificate of Title Volume 2862 Folio 261;
- acquisition from the West Australian Land Authority (DevelopmentWA) of Part Lot 7018 on Deposited Plan 405188 being the whole of the land in Certificate of Title Volume 2890 Folio 100; and
- construction of approximately 97 studio, one, two and three bedroom apartments, plus 1,730 sqm of commercial and civic space on the land; and
- leasing of the residential and commercial tenancies.

The proposed transaction would be developed over a period of approximately 28 months and, if developed in its entirety, would involve investment of up to \$65M of City funds (including loan funding). These funds would be recovered over time through lease payments from residential and commercial tenants.

Whilst housing is not ordinarily a local government issue, this proposal has very clear linkages to the City's approved Strategic Community Plan 2020-2030 and the City has been working proactively to assist with solving this issue alongside regularly advocating with State and Federal Government, critical industry groups, real estate agents and other key stakeholders.

Access to, and the cost of housing, is a critical issue facing residents in the City and a significant factor to achieve the City's vision of becoming *Australia's most liveable Regional City*. To be consistent with this direction, the City is progressing a series of developments on land it currently owns including the construction of houses and land sub-divisions.

Statistically, there is a significant undersupply of residential properties available to rent or buy within the City, with 1.5% of housing stock available compared to approximately 7% over the past five to six years.

Through the City's Annual Community Survey, the cost of living and housing is consistently identified as the number one issue for Council to address. The Survey results identified that the cost of living and housing were the bottom three performing Services or Facilities overall, with most significant service delivery gaps between community expectation and performance.

The comments section of the Survey, where respondents are asked to identify the most important things for the City to focus on, included the subject of housing mentioned over 200 times, which was almost double the next most mentioned term.

The recent City of Karratha Business Climate Scorecard received 191 submissions that identified four challenges impacting local business and the ability to operate or expand. One of the critical impacts identified was the access to affordable housing for workers, resulting in an increase of 22% highlighting the importance of this issue to the respondents.

In addition, Council's *Investment Policy: Property (CF4)* provides guidance on if and when Council will invest in Property. The adopted policy includes the following statement that are relevant to this matter:

*When making decisions to invest in Property related investments one or more of the following criteria needs to be satisfied:*

*vi. Council may invest in property to achieve key strategic goals of the Council that will deliver a broad based benefit to the community without financial return being the key driver.*

The City has the potential to gain from this project via:

- Further progressing the delivery of the City's Vision to be *Australia's Most Liveable Regional City*.
- Increasing residential housing alleviating the current undersupply and escalating rents.
- Further activating the city centre and supporting nearby food and beverage businesses.
- Assist in further activating the Red Earth Arts Precinct.
- Creation of employment opportunities during construction.
- Potential for indigenous engagement in the project, including indigenous employment in the construction and showcasing local indigenous art.
- Completing the main street and complementing the Red Earth Arts Precinct.
- Financial returns in the form of:
  - Generating a financial yield from a property investment that exceeds current bank interest available; and
  - Potential capital growth over time.

While the returns from the proposal are potentially better than those available through term deposits, it does come with an elevated level of risk than more traditional local government investments, which tend to be long term deposits with A1/AA rated banks, in that the City's capital is less secure and the capital investment reduces the City's liquidity limiting the potential for other capital projects and investments.

However the City does own approximately 100 properties within the district so investment in land and property is not an entirely new space for the City and The Quarter HQ and airport provide examples of where the City has invested in property with the explicit aim of generating a commercial return.

City Officers have discussed this matter informally with Councillors at Council Briefing Sessions and formal reports regarding the potential development of Lot 7020 were considered at the Council's September 2019, November 2020 and May 2021 Ordinary Council Meetings.

This Business Plan:

1. Provides the details of the proposal;
2. Outlines and responds to the legislative framework for the proposal;
3. Provides an analysis of the risks associated with the proposal (and potential mitigation strategies for those risks); and
4. Outlines the projected process and timeframes that would be used to undertake the proposal.

The Business Plan has been prepared in accordance with the provisions of the *Local Government Act (1995)* and the *Local Government (Functions and General Regulations) 1996*. It is intended to seek public comment on the Business Plan for a period of six (6) weeks. Council will consider all public feedback that is received on the Business Plan prior to determining whether to proceed with the proposal or not.

## **2. Background**

### **2.1 Land**

Lot 7020 has a total land area of 4,564 m<sup>2</sup> and is zoned 'City Centre: Precinct 2 – Commercial' under the City of Karratha Town Planning Scheme No 8. The site is currently unimproved and there are no known heritage issues or encumbrances impacting on the property.

Lot 7018 has a total land area of 9,241 m<sup>2</sup> and is also zoned 'City Centre: Precinct 2 – Commercial' under the City of Karratha Town Planning Scheme No 8. The site is currently unimproved, there are no known heritage issues impacting on the property, however there is a 3.5m drainage easement along Welcome Road.

DevelopmentWA has previously attempted to sell the land parcels on the open market, however it has been unable to secure a purchaser with plans to develop the land in a manner that reflects the significance of the site as a defining entry point to the City Centre.

Following discussions between the City and DevelopmentWA, the City entered into an Exclusive Working Period (EWP) with DevelopmentWA for the purpose of undertaking preliminary due diligence and feasibility on the potential to develop a high quality, mixed use project on the site. The primary purpose of this was to establish how the City might be able to work with DevelopmentWA to attract investment which would deliver a development outcome consistent with the expectations of the Karratha City Centre Masterplan.

RFF Consultants was engaged to prepare a pre-feasibility analysis on the site. The key findings of the report indicate:

- significant demand for additional accommodation (both short-stay and residential) linked to forecast economic growth in the City;
- the opportunity to further explore the viability of new cultural and community infrastructure; (eg. Museum, Art Gallery, Exhibition space, cultural centre);
- locating tourism visitor services within city centres can increase visitation and therefore viability of these services in regional communities;
- the size and narrow width of Lot 7020 is a limiting factor for development, particularly when car parking requirements are factored in. A wider Lot 7020 would enable a better development outcome;
- the overall project feasibility is challenged by the overall cost of any development in Karratha, market sentiment and access to adequate finance;
- the capacity to attract private investment to develop the project is strongly associated with the ability to obtain large scale commitments to lease or purchase a final development outcome.

At the September 2019 Ordinary Council Meeting, Council resolved (in part) to continue to engage with DevelopmentWA and the private sector regarding options for the progression of the project. Discussions with DevelopmentWA and the private sector have indicated that the projected returns on the project would be inadequate to attract private investment. Further work has now been undertaken to test the feasibility of the City investing in the project.

The EWP with DevelopmentWA has recently been extended and is due to expire on 31 December 2021.

## 2.2 Parties

In addition to the City of Karratha (as the owner/developer) and DevelopmentWA (as the current land owner), the other major parties to the transaction would be the builder (when appointed), the debt finance provider and any residential/commercial tenants.

## 2.3 Proposal

The proposal involves four (4) separate phases. These phases, along with the proposed roles and responsibilities of the City in each Phase are outlined below:

### 2.3.1 *Phase One: Assess Feasibility*

In order to determine the feasibility of the development, the City engaged APP Corporation Pty Ltd to develop a Feasibility Report (Attachment 1). The Feasibility Report suggests that the project would provide an Internal Rate of Return (IRR) of between 5.25% and 6.25% (excluding finance costs).

The Feasibility Report includes the following Feasibility Summary at page 8:

Revenue	Base Case (unfurnished)	Scenario 2 (60% furnished)
Terminal Value (Gross)	\$63,676,000	\$75,597,000
Rent (Gross over 20 years)	\$98,804,000	\$113,805,000
<b>Total Gross Revenue</b>	<b>\$162,480,000</b>	<b>\$189,402,000</b>
Less Outgoings, Costs and GST	(\$44,197,000)	(47,785,000)
<b>Total Net Revenue (after GST)</b>	<b>\$118,283,000</b>	<b>\$141,617,000</b>
<b>Costs</b>		
Land (incl acquisition costs)	\$1,817,000	\$1,817,000
Building Construction	\$52,409,000	\$54,005,000
Professional Fees	\$3,991,000	\$4,145,000
Statutory Fees	\$762,000	\$762,000
Refurb (after 10 & 20 years)	\$1,862,000	\$5,152,000
<b>Total Costs (including GST)</b>	<b>\$60,842,000</b>	<b>\$65,882,000</b>
Less GST claimed	(\$5,534,000)	(\$5,958,000)
<b>Total Costs (excluding GST)</b>	<b>\$55,308,000</b>	<b>\$59,924,000</b>
<b>Performance</b>		
Profit	\$62,974,000	\$81,692,000
Unleveraged Project IRR	5.25%	6.25%

The following tables indicate APP's assessment of the impact on unleveraged IRR if the total development cost increases and if occupancy rates reduce:

### Unfurnished

		Rental Income	▼30%	▼20%	▼15%	▼10%	no change
Construction Cost	no change		2.35%	3.44%	3.93%	4.39%	5.25%
	▲10%		1.74%	2.81%	3.29%	3.74%	4.58%
	▲15%		1.45%	2.51%	2.99%	3.45%	4.28%
	▲20%		1.18%	2.24%	2.71%	3.16%	3.99%
	▲30%		0.68%	1.72%	2.19%	2.63%	3.45%

## Furnished

		Rental Income	▼30%	▼20%	▼15%	▼10%	no change
Construction Cost	no change		3.26%	4.38%	4.88%	5.36%	6.25%
	▲10%		2.62%	3.72%	4.22%	4.69%	5.56%
	▲15%		2.33%	3.42%	3.91%	4.38%	5.24%
	▲20%		2.05%	3.14%	3.63%	4.09%	4.94%
	▲30%		1.53%	2.60%	3.09%	3.54%	4.39%

Private investors have advised that, given the risk profile and other investment opportunities available within WA and Australia they would be seeking a minimum of 7% IRR (after accounting for finance costs), however the base case IRR is considered adequate for the City given potentially lower finance costs and current low rates of return on term deposits.

### 2.3.2 Phase Two: Land Purchase

Subject to public submissions on the Business Plan and if approved by Council, the City would purchase Lot 7020 and part Lot 7018 with a view to re-subdividing the land for the purpose of development. DevelopmentWA has provided the City with market valuations for the two sites. If Council resolves to proceed with the development it is expected that the sale price will need to be negotiated to ensure that the development remains viable.

If the City were to proceed with the acquisition, this would become a standard private treaty land purchase with conditions. Appropriate steps would be undertaken to ensure that the purchase meets all legislative requirements of the *Local Government Act 1995* and the associated regulations.

### 2.3.3 Phase Three: Construction

Subject to public submissions on the Business Plan and if approved by Council, the City would call tenders for separate design and construction stages of the development and would also project manage both stages.

Indicatively, the development proposal currently envisages the following design:

- 1,000 m<sup>2</sup> civic space at ground level;
- 726 m<sup>2</sup> commercial space at ground level;
- 13 studio apartments;
- 24 x 1 bedroom 1 bathroom apartments;
- 18 x 2 bedroom 1 bathroom apartments;
- 28 x 2 bedroom 2 bathroom apartments;
- 5 x 3 bedroom 1 bathroom apartments;
- 9 x 3 bedroom 2 bathroom apartments;
- rooftop pool and BBQ area;
- yoga facilities, games room and dining amenities;
- 124 car bays.

This mix is subject to change based on market demand, however the overall scale of development is not expected to change significantly.

The development would be built to achieve a 4-star Green Star rating. Apartments are designed with oversized north or south facing balcony, with both unfurnished and furnished options available.

(Preliminary Plans are included at Attachment 2)

#### 2.3.4 Phase Four: Leasing

In order to determine the viability of the development, the City has engaged with a number of potential tenants to assess interest in pre-leasing apartments and commercial space. As at 6 July 2021, the City had received Expressions of Interest in approximately 70 apartments and the commercial space. Interest in the residential apartments has come primarily from five State Government departments (which have expressed interest in 55 apartments). Further Expressions of Interest are expected in coming weeks.

In response to Expressions of Interest, prospective tenants will be provided with an Offer to Lease, which if accepted will constitute an Agreement for Lease. A formal Lease will then be prepared for execution by the parties.

Following a public Request for Quotations process, the City has engaged a Real Estate agent to assist with disposition (sale and leasing) of a number of City properties, including the remaining residential apartments at Lot 7020, if Council approves the development following consideration of public submissions.

The appointed agent has provided current market rates for residential apartments comparing both the Pelago apartments and apartments in smaller complexes. If Council approves the development following consideration of public submissions, it is intended to lock in rental rates prior to STOP/GO point 2 – award of design tender.

A Request for Tender process will be required to appoint an agent to assist with property management of the residential apartments at Lot 7020 if Council approves the development following consideration of public submissions.

Subject to consideration of tenders/public submission for the proposed disposition of the ground floor commercial space, the City would directly lease and manage the commercial property.



### 3. Timeline

The indicative timeline for the project is tabled below.

<b>Process</b>	<b>Timing</b>
Community consultation regarding Business Plan	July - August 2021
Consider public submissions on Business Plan	August 2021
Call tenders for design (if approved)	August 2021
Award design tender	October 2021
Execute Contract of Sale	October 2021
Land subdivision	October 2021
Call tenders for construction	January 2022
Submit Application for Development Approval	March 2022
Award construction tender	June 2022
Construction commences	October 2022
Execute residential leases	August 2023
Public notice regarding disposition of commercial space	August 2023
Consider submissions regarding commercial lease	September 2023
Execute commercial lease	October 2023
Practical completion	December 2023

Up to three STOP/GO points are proposed where Council can review the investment decision and elect to proceed or not proceed with the project. These are at:

1. Consideration of public submissions on Business Plan;
2. Award of design tender;
3. Award of construction tender.

#### 4. Legal Structures

To prepare for and undertake this proposed transaction there are four proposed legal agreements that will need to be entered into including:

##### ***Contract of Sale***

If Council resolves to proceed with the development, the City would enter into a sales contract with DevelopmentWA for the purchase of the land. The contract would be a standard contract for sale of land or strata title by offer and acceptance, with a negotiated purchase price and potentially subject to any or all of the following conditions:

- deferred settlement;
- land swap;
- reciprocal car parking rights.

##### ***Loan Agreement***

If Council resolves to proceed with the project, a loan agreement will need to be executed based on the requirements of the loan provider.

##### ***Residential Leases***

If Council resolves to proceed with the project, standard REIWA residential leases would be executed with the tenants including the following key terms:

Term: 10+ years.

Rent: Studio - \$500 per week  
1 x 1 - \$600 per week  
2 x 1 - \$700 per week  
2 x 2 - \$800 per week  
3 x 1 - \$900 per week  
3 x 2 - \$1,000 per week

plus \$200 per week for fully furnished apartments.

Rent Reviews: CPI annually with market reviews at Y3, 6 & 9.

##### ***Commercial Lease***

If Council resolves to proceed with the project, and subject to consideration of any public submissions regarding the proposed disposition, a lease would be executed with the lessee on standard commercial terms including rent of \$450/m<sup>2</sup> (based on current market rates).

## **5. Project Financials**

### **5.1 Purchase**

Market valuation for Lot 7020 is \$230/m<sup>2</sup> and Lot 7018 is \$168/m<sup>2</sup> however there are a number of issues affecting these valuations that will form the basis of negotiations with DevelopmentWA.

If the sale of the property is subject to GST based on the full commercial value, the City would be entitled to claim this amount as an input tax credit. Stamp duty does not apply as local government is exempt from stamp duty.

### **5.2 Constructions Costs**

The estimated total development cost is \$55.3m. Most of this amount is unlikely to be required until the 2022/23 and 2023/24 financial years.

The total development cost includes the cost of construction of 1,000 m<sup>2</sup> of civic space. If the City was to build or lease this space elsewhere there would be a comparable cost with no return and as such this cost has been excluded from the feasibility modelling.

The construction costs have been independently reviewed by a Quantity Surveyor and three building companies to ensure that the costs are as accurate as possible. The feasibility of the project has been assessed and confirmed in the event that the total development costs are higher than currently estimated, however this would be subject to achieving the expected occupancy rates.

### **5.3 Lease Payments**

The City's financial contribution would be recovered through lease payments. Gross rentals over 20 years are estimated to be \$98.8m (if all apartments are unfurnished) or \$113.8m (if 60% of apartments are furnished).

Detailed revenue projections are included at Attachment 1.

Compared with current term deposit rates, which average less than 0.85%, the IRR would provide a net positive return to the City after allowing for finance costs. While the rate of return shown is higher than current term deposit rates it should be noted that:

- Investing with cash investment in banks present a very low capital risk. There is a higher capital risk associated with a property investment of this nature; and
- The rate of return may not remain positive if term deposit rates increase significantly, however this is considered unlikely in the medium term.

The financial risks associated with this development need to be weighed against other financial and non-financial benefits associated with achieving the Council's vision, increasing housing supply, achieving the City Centre masterplan, economic development, city centre activation and local employment.

## 6. City Financial Implications

### 6.1 Funding Source

The City's 2021/22 Annual Budget includes \$2.6m for strategic land acquisitions and \$250,000 to commence the design element of the development if approved by Council, however the full cost is not currently included within the Budget or the City's Long Term Financial Plan.

While there is currently no specific allocation for the full cost of this project, it is proposed to seek debt funding for approximately 80% of the total development costs (indicatively \$45m but subject to confirmation). The City has had discussions with both the Northern Australia Infrastructure Facility (NAIF) and the WA Treasury Corporation (WATC) regarding the availability and terms of debt funding.

The City currently has healthy financial reserves which can fund the balance of the development cost. In particular, the balance of the City's Infrastructure Reserve is forecast to be \$23.54m as at 30 June 2022.

The stated purpose of the Infrastructure Reserve is to:

*“Allow for the use of these reserve funds for the enhancement, replacement, refurbishment and purchase of infrastructure assets or project works of the City of Karratha inclusive of the associated repayment of borrowings on infrastructure. Project works funded from this Reserve may not necessarily belong to the City of Karratha but must be carried out for the benefit of the City of Karratha”*

The purchase and development of Lot 7020 and Part Lot 7018 is consistent with the reserve purpose.

In addition to the purchase of The Quarter HQ, the Infrastructure Reserve has contributed to funding significant community related capital works projects over the past few years including:

- Karratha Leisureplex (\$7.59m)
- Red Earth Arts Precinct (\$24.1m)
- Wickham Hub (\$5.75m)
- Dampier Palms development (\$9.55m)

NB. Airport, Waste and Major Plant items are not funded through the Infrastructure Reserve as Council has separate Reserve Accounts for these items.

A long standing financial practice for the City is to place additional revenue annually into the Infrastructure reserve. This revenue comes from:

- Airport: An annual return on asset value from the Karratha Airport is transferred to the Infrastructure Reserve. In 2020/21 this amount was \$4.2m.
- Transient Workforce Accommodation (TWA Rates): Traditionally between 50-100% of the difference in the City's TWA Rate in the Dollar compared to the City's Commercial rate in the Dollar on TWA rated properties has been transferred to the Infrastructure Reserve. This amount has varied from year to year but has averaged out at \$2.96M pa over the past four years.
- Budget Surplus: On occasion, surpluses that have been identified in Council's quarterly budget reviews have been allocated to the Infrastructure Reserve.
- Interest: Interest generated from the Infrastructure Reserve is reinvested within the reserve.

While the City's capital expenditure program is projected to remain relatively high for the next few years, the City's Long Term Capital Works program shows a decreasing level of capital works expenditure being anticipated into the future. Over the same period, the annual return on asset from the Karratha Airport is likely to increase and revenue from TWA rates differentials is expected to remain relatively stable.

The net impact of the above is that the Council's Infrastructure Reserve balance is projected to increase significantly post 2026/27.

The Long Term Financial Plan (including the long term Capital Works plan) is currently being revised and updated. If Council resolves to proceed with this transaction, the updated Long Term Financial Plan will include the expenditure and income projections associated with project.

## 6.2 Operational Costs

Once the development is completed, the City will incur ongoing operational costs related to the maintenance of the building, property management fees, debt financing and insurance.

Operating income and expenditure over 20 years (assuming all apartments are unfurnished) is summarised below:

	<b>Revenue</b>	<b>Expenditure</b>	<b>Net</b>
Rental	\$98,804,000		
Finance Costs		(\$20,607,001)	
Property maintenance		(\$21,702,340)	
Property management		(\$9,839,700)	
Insurance		(\$2,733,260)	
<b>Totals</b>	<b>\$98,804,000</b>	<b>(\$54,882,301)</b>	<b>\$43,921,699</b>

## 7. Council Policy Implications

Council's *Investment Policy: Property (CF4)* provides guidance on if and when Council will invest in Property. The adopted policy includes the following statements that are relevant to this matter:

*When making decisions to invest in Property related investments one or more of the following criteria needs to be satisfied:*

*i. Council may invest in land holdings that will have capital growth for future generations.*

*vi. Council may invest in property to achieve key strategic goals of the Council that will deliver a broad based benefit to the community without financial return being the key driver.*

This proposal is consistent with these policy provisions.

## 8. Legislative Compliance

### 8.1 Legislative Provisions

Section 3.59 (3)(b) &(c) of the *Local Government Act 1995* (The Act) states:

*Before it —*

- (b) enters into a major land transaction; or*
  - (c) enters into a land transaction that is preparatory to entry into a major land transaction,*
- a local government is to prepare a business plan.*

The Act defines a major land transaction as:

*A land transaction other than an exempt land transaction if the total value of —*

- (a) the consideration under the transaction; and*
  - (b) anything done by the local government for achieving the purpose of the transaction,*
- is more, or is worth more, than the amount prescribed for the purposes of this definition.*

In the City of Karratha's circumstances, the amount prescribed for a transaction to be considered a major land transaction is the lesser of \$10,000,000 or 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year. If progressed, the purchase of land and development of Lot 7020 and Part Lot 7018 would constitute a major land transaction.

The Act further stipulates key matters that must be addressed in the business plan. These matters are addressed in 8.2 below. The manner and length of public advertising and notice is also prescribed in the legislation. If adopted by Council, it is proposed to significantly exceed the minimum public notification requirement by doing a more comprehensive community consultation than the prescribed minimum requirements, including:

- public advertising for six weeks;
- social media engagement; and
- development of frequently asked questions.

### 8.2 Specific Requirements

Section 3.59(3) of the Act specifies explicit information that must be included in a Local Government Business Plan (as a minimum). While many items are addressed elsewhere within this Business Plan, for completeness, each legislated item is addressed specifically below:

#### **(a) The expected effect on the provision of facilities and services by the local government**

It is not anticipated that the development of the proposal will have any detrimental effect on the ability of the City to continue to fund City infrastructure and/or services in the short, medium or longer term.

#### **(b) The expected effect on other persons providing facilities and services in the district.**

There is currently an undersupply of residential housing in the district which is anticipated to get worse as the economy continues to grow. 97 apartments would increase housing stock in the City by approximately 1.1%. Given the current shortage of

housing and the likely increase in future demand, the addition of 97 apartments is unlikely to have a detrimental impact on other housing providers.

It is anticipated that 50+ employment opportunities would be created during construction and that local companies will be engaged through the construction phase of the development and in the maintenance of the apartments and civic/commercial space after construction is finalised.

**(c) The expected financial effect on the local government.**

The financial projections of the project are detailed in Items 5 and 6 of this Business Plan.

The estimated total development cost is \$55.3m. It is proposed to seek debt funding for approximately 80% of the development cost (\$45m) and fund the balance from reserves. The City's financial contribution would be recovered through lease payments. Gross rentals over 20 years are estimated to be \$98.8m (if all apartments are unfurnished) or \$113.8m (if 60% of apartments are furnished).

The Feasibility Report suggests that the project would provide an Internal Rate of Return (IRR) of between 5.25% and 6.25% which would provide a net positive return compared with current term deposit rates.

**(d) The expected effect on matters referred to in the local government's current plan prepared under Section 5.56 of the Local Government Act (Plan for the Future)**

This proposal has very clear Linkages to the City of Karratha's approved Strategic Community Plan 2020-2030 and in particular Council's vision to be *Australia's Most Liveable Regional City*.

**(e) The ability of the local government to manage the undertaking or the performance of the transaction;**

As the transaction is a property purchase, design and construction project and subsequent disposition by lease, the City has sufficient experience and skills in-house to manage the transaction.

**(F&G Reg 10) Joint venturer details**

**(b)(i) the identity of each joint venturer other than the local government.**

There is no joint venture relationship associated with the transaction.

**(b) (ii) the ownership of, and any other interests in, property that is involved in, or acquired in the course of, the joint venture.**

The proposed Major Land Transaction involves the City acquiring from the West Australian Land Authority (DevelopmentWA) Freehold Lot 7020 on Deposited Plan 401051 being the whole of the land in Certificate of Title Volume 2862 Folio 261 and part Lot 7018 on Deposited Plan 405188 being the whole of the land in Certificate of Title Volume 2890 Folio 100. This land is proposed to be acquired for development (and subsequent leasing) of approximately 97 studio, one, two and three bedroom apartments, plus 1,730 sqm of commercial and civic space on the land.

**(b) (iii) Any benefit to which a joint venturer other than the local government may become entitled under or as a result of the joint venture;**



There is no joint venture relationship associated with the transaction.

**(b) (iv) Anything to which the local government may become liable under or as a result of the joint venture.**

There is no joint venture relationship associated with the transaction.

## 9. Risk Analysis

A risk analysis for the proposal has been undertaken. The analysis has been undertaken using the risk matrix approach. A total of eight (8) potential risks have been identified with one (1) risk rated as low risk, six (6) risks rated as moderate risk and one (1) risk rated high. No extreme risks have been identified. Mitigation strategies for all identified risks have been listed.

The tables below indicate the rating scales that were used in the risk analysis.

### RISK MATRIX

Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	5	10	15	20	25
Likely	4	4	8	12	16	20
Possible	3	3	6	9	12	15
Unlikely	2	2	4	6	8	10
Rare	1	1	2	3	4	5

### RISK ACCEPTANCE CRITERIA

LEVEL OF RISK	DESCRIPTOR	DESCRIPTION	CRITERIA FOR RISK ACCEPTANCE	RESPONSIBILITY
1 – 4	LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring.	Operational Manager
5 – 9	MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring.	Operational Manager
10 – 16	HIGH	Urgent Attention Required	Management attention is required. Risk treatment plan is required to reduce risk exposure to an acceptable level. Regular reporting is required.	CEO / Director
17 - 25	EXTREME	Unacceptable	Urgent and active management required. Risk treatment plan must be implemented immediately to reduce risk exposure to an acceptable level. Regular reporting required.	CEO

## PROJECT RISK MATRIX

Item	Likelihood	Consequence	Rating	Mitigation Strategies
<b>Financial Risks</b>				
Development costs exceed budget.	3	4	12	Modelling indicates that IRR exceeds TD rates at higher cost and lower occupancy than forecast. If required, value management can be applied to reduce costs. Council can elect not to proceed to tender if costs not acceptable.
Capital depreciation.	3	3	9	Net returns will largely cover capital cost over 20 years.
Apartments do not generate predicted returns.	2	3	6	Expressions of interest received to date suggest that this is highly unlikely. Financial modelling indicates that the IRR/rental returns will exceed current term deposit rates.
City capacity for future borrowings limited.	3	2	6	Loan funds expected to be repaid relatively quickly and reserve balances forecast to increase significantly post 2026/27.
Investment in this project means that other Community projects cannot proceed.	2	2	4	It is proposed to fund approximately 80% of the development cost using debt finance, which will be funded through rental returns. This will minimise impact on Council's ability to fund it's 10 year Long Term Capital Works programs.
<b>Operational Risks</b>				
Failure to meet delivery timeline.	3	3	9	Rigorous project management and regular executive oversight will be applied to ensure adherence to timelines.
Staff capacity/ability to manage the project.	3	2	6	Staff can be engaged as required to assist with management of the project.
<b>Other Risks</b>				
Reputational issues: Lack of community support identified through public consultation regarding the Business Plan.	3	3	9	Council can consider whether to proceed with the project or not after feedback on the Business Plan.

## **10. Summary**

The development of approximately 97 residential apartments and civic/commercial space is consistent with Council's Strategic and long term land use plans. Given the City's healthy balance sheet, the strategic value of the development and potential for economic and community return, there is value in in the City seeking community feedback regarding the Business Plan for this development.

## **Attachment 1: Feasibility Report**



STRATEGY > DEFINITION > DELIVERY > TRANSITION

# FEASIBILITY REPORT



# M

hh# h O

K k

o ) . . . k .

**Amendment Record**

Revision	Description / Details	Date
7	@	
	# M	

**Distribution**

u k @h 7 )

Copy No	Name / Location	Position	Organisation
	o M	) o h	# M
	) o	U @ h	# M

**Authorisation Record**

)	o		
h )	Name	Signature	Date



) 0 )

u # M #  
hh# h O hh  
# hh  
u #  
hh

u O o M ‡  
@  
@  
h hh k -  
u

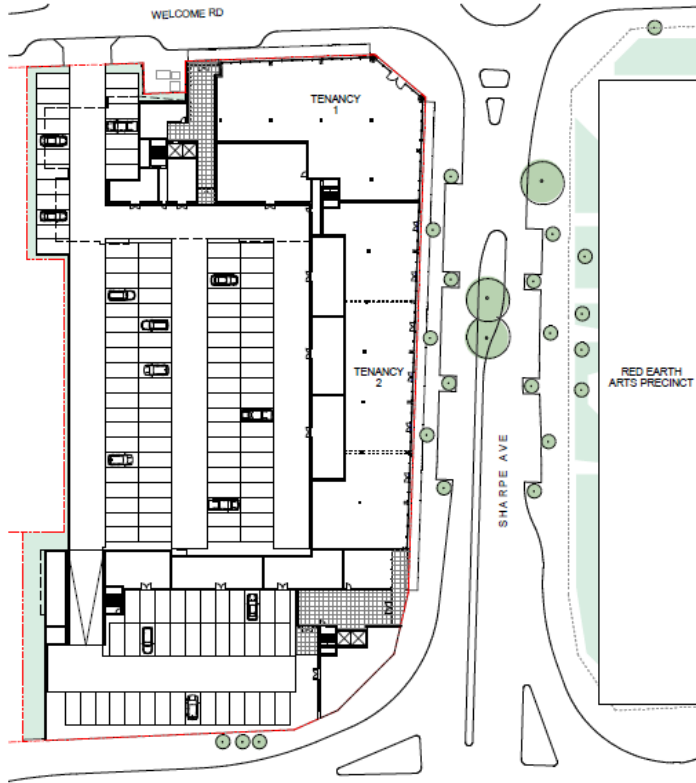
#

u # hh #

# Contents

<b>1. Introduction</b>	<b>3</b>
1.1 Yield	3
1.2 Reference Documents	4
<b>2. Assumptions</b>	<b>5</b>
<b>3. Feasibility Summary</b>	<b>8</b>
<b>Appendices</b>	<b>10</b>
Appendix A. Valuation Reports	
Appendix B. Concept Design Plans	
Appendix C. Builder's Cost Estimate	
Appendix D. Indicative Apartment Rents	
Appendix E. City of Karratha Development Program	
Appendix F. Estate Master Feasibility Base Case	
Appendix G. Estate Master Feasibility Scenario 2	





## 1.2 Reference Documents

u

O t	= u t U
<b>Appendix A</b>	
# \ k o	h
<b>Appendix B</b>	
# # "	O "
<b>Appendix C</b>	
@ U k	k t K
<b>Appendix D</b>	







### 3.7 Revenue

Revenue is presented in the following table, which is based on the information provided in Appendix F and Appendix G.

Revenue	Base Case (unfurnished)	Scenario 2 (60% furnished)
Revenue from the sale of units		
Revenue from the sale of parking spaces		
<b>Total Gross Revenue</b>	<b>\$162,480,000</b>	<b>\$189,402,000</b>
Revenue from the sale of units (after GST)		
<b>Total Net Revenue (after GST)</b>	<b>\$118,283,000</b>	<b>\$141,617,000</b>
<b>Costs</b>		
Costs from the sale of units		
Costs from the sale of parking spaces		
Costs from the sale of units (after GST)		
Costs from the sale of parking spaces (after GST)		
Costs from the sale of units (including GST)		
<b>Total Costs (including GST)</b>	<b>\$60,842,000</b>	<b>\$65,882,000</b>
Costs from the sale of units (excluding GST)		
Costs from the sale of parking spaces (excluding GST)		
<b>Total Costs (excluding GST)</b>	<b>\$55,308,000</b>	<b>\$59,924,000</b>
<b>Performance</b>		
Performance from the sale of units		
Performance from the sale of parking spaces		



## Sensitivity Assessment

### Base Case – Unfurnished

	Rental Income	▼30%	▼20%	▼15%	▼10%	no change
Construction Cost	no change	2.35%	3.44%	3.93%	4.39%	5.25%
	▲10%	1.74%	2.81%	3.29%	3.74%	4.58%
	▲15%	1.45%	2.51%	2.99%	3.45%	4.28%
	▲20%	1.18%	2.24%	2.71%	3.16%	3.99%
	▲30%	0.68%	1.72%	2.19%	2.63%	3.45%

### Scenario 2 – 60% of Apartments are Furnished

	Rental Income	▼30%	▼20%	▼15%	▼10%	no change
Construction Cost	no change	3.26%	4.38%	4.88%	5.36%	6.25%
	▲10%	2.62%	3.72%	4.22%	4.69%	5.56%
	▲15%	2.33%	3.42%	3.91%	4.38%	5.24%
	▲20%	2.05%	3.14%	3.63%	4.09%	4.94%
	▲30%	1.53%	2.60%	3.09%	3.54%	4.39%





## Appendix A. † k

# Valuation Report

Development Property



51 Welcome Road, Karratha WA 6714

**As at** 19 March 2021  
**Prepared for** Development WA  
**Our Ref** JB2306320  
**Client Ref** Z033836

Pilbara

Herron Todd White (Western Australia) Pty Ltd  
ABN 16 096 723 590

Level 3, 516 Hay Street  
Subiaco WA 6008  
PO Box 926  
Subiaco WA 6904

Telephone 08 9388 9288  
perth@htw.com.au  
htw.com.au

## EXECUTIVE SUMMARY

### INSTRUCTIONS

<b>Property Address</b>	51 Welcome Road, Karratha WA 6714.
<b>Instructing Party</b>	Olivia Abrugiato of Development WA.
<b>Prepared For</b>	Development WA.
<b>Client Reference</b>	Z033836.
<b>Interest Being Valued</b>	The interest being valued is the unencumbered estate in fee simple, in vacant possession.
<b>Purpose of Valuation</b>	Our valuation has been prepared for pre-sale advice purposes only.
<b>Date of Inspection and Valuation</b>	19 March 2021.
<b>Date of Report Issue</b>	19 April 2021.

### TITLE AND STATUTORY DETAILS

<b>Registered Owner</b>	Western Australian Land Authority.
<b>Real Property Description</b>	Lot 7018 on Deposited Plan 405188. Certificate of Title Volume 2890 Folio 100.
<b>Encumbrances / Title Discussion</b>	EASEMENT BURDEN – See deposited Plan 405188. This relates to a 3.5m drainage easement along Welcome Road and has been considered within our valuation.
<b>Zoning</b>	The property is zoned "City Centre: Precinct 2 - Commercial" under the City of Karratha Local Planning Scheme No 8.  The property is unimproved.
<b>Road Widening</b>	We are unaware of any road widening requirement affecting the subject property.
<b>Heritage</b>	There are no known Heritage issues impacting on the subject property.

### VALUATION SUMMARY

<b>Property Description 'As Is'</b>	The property comprises a slightly irregular shaped development site of 9,241m <sup>2</sup> , located in the City of Karratha Town Centre.  The property is unimproved.
<b>Valuation Summary</b>	Analysed Rate: \$168/m <sup>2</sup> of land area.
<b>Selling Period</b>	Our principal assessment of market value 'as is' herein assumes an effective marketing campaign of up to six months.
<b>Last Sale</b>	We are not aware of any current contract of sale over the property.



## VALUATION SUMMARY

**Market Value 'As Is' \$1,550,000**

(Excl. GST)

**(One Million Five Hundred and Fifty Thousand Dollars)**

*Our market value assessment is exclusive of any applicable GST. No allowance has been made for realisation expenses.*

***This valuation is subject to the assumptions and qualifications contained within and appended to this report.***

---

### Valuer



---

**Will Gamlin**

AAPI / Certified Practising Valuer  
API No: 65316 - WA Licenced Valuer  
No.44338

**Matthew Tanner**

AAPI - Certified Practising Valuer - Director  
No. 44046 in Western Australia

---

### Important

All data provided in this summary is wholly reliant on and must be read in conjunction with the information provided in the attached report. It is a synopsis only designed to provide a brief overview and must not be acted on in isolation.

The Counter Signatory, **Matthew Tanner**, has reviewed the report and is satisfied that the opinion of value contained in the report has been reached based on reasonable grounds. For the avoidance of doubt, the Counter Signatory has not inspected the property and as such (under the API Professional Practice) cannot be an author of this report, and is confirming prima facie that the methodology used by the author of the report (the prime signatory) is sound.

---



## EXECUTIVE SUMMARY CONT'D

### ASSUMPTIONS, CONDITIONS AND LIMITATIONS

#### Critical Assumptions

- This valuation report is provided subject to the definitions, assumptions, disclaimers, limitations and qualifications detailed within and annexed to this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements.
- This valuation assumes the land is free of contamination.
- We have assumed there are no side agreements of which we are not aware. Should this prove not to be correct, we reserve the right to vary this assessment.
- This valuation has been conducted on a vacant possession basis.

#### Recommendations and Cautions

- As at the date of valuation there have been limited transactions in this asset class, post the Coronavirus (COVID-19) outbreak, for comparison purposes to inform opinions of value. We are therefore faced with a higher degree of market uncertainty on which to base judgement. Consequently a higher degree of caution should be attached to our valuation than would normally be the case.
- 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 any party authorised to rely on this report review this valuation periodically.
- **This report has not been prepared for mortgage security lending purposes. We will not accept any responsibility or liability for reliance upon this valuation for such purposes.**



## PROPERTY DESCRIPTION

### LOCATION

- Locality** The subject property is located within the Karratha Town Centre. Karratha is some 1,500 kilometres north of the Perth CBD, within the resource-rich Pilbara region.
- Situation** The property is situated on the eastern side of Balmoral Road between Welcome Road to the north and Dampier Road to the south. This is at the entrance to the City Centre, while also offering good exposure to Dampier Road.
- Surrounding Development** The existing use is somewhat inconsistent with the surrounding development which is largely built form development providing town centre utility together with additional vacant land and development sites.
- Infrastructure** A full complement of regional community infrastructure is provided within the immediate surrounds.

### THE LAND



Source: Landgate



Source: Landgate

### THE LAND

- Land Area** 9,241 m<sup>2</sup>.
- Shape & Dimensions** The subject property's frontage to Dampier Road (southern boundary) is approximately 59 metres with a truncation of 8.5 metres to Balmoral Road. The frontage to Balmoral Road (western boundary) is 105.2 metres with a truncation to Welcome Road of 8.5 metres. The frontage to Welcome Road (northern boundary) is approximately 94.1 metres.
- Topography** The subject property is a slightly irregular shaped corner allotment that is largely at street grade with Welcome Road however, sits slightly below Dampier Road. Overall, it provides a good building contour in its natural state.
- Services** The following major services are available for connection: reticulated water, sewerage, telephone, electricity and NBN.
- Road System** The property has three road frontages being Dampier Road, Balmoral Road and Welcome Road.
- Dampier Road is a bitumen sealed, four lane arterial road with a concrete median strip; it has gravel verges and concrete kerbing.
- Balmoral Road is a bitumen sealed, two lane local road; it has paved verges and concrete kerbing with kerbside parking.
- Welcome Road is a bitumen sealed, two lane local road with a landscaped median strip; it has paved verges and concrete kerbing with kerbside parking.
- Access** Vehicular access is easy and direct, with any future development likely to have access from Welcome Road.





## THE LAND

**Flooding** The property is located in an area that may be susceptible to flooding; we note however, that we are unable to confirm this without the benefit of a formal flood search. A formal flood search has not been undertaken and should this be an issue, then this report should be referred back to the valuer for comments.



From Dampier Road



Corner of Balmoral Road and Dampier Road



From Balmoral Road



From Welcome Road

## TOWN PLANNING

**Zoning** The property is zoned "City Centre: Precinct 2 - Commercial" under the City of Karratha Local Planning Scheme No 8.

**Objective of Zone** The purposes of the "City Centre: Precinct 2 Commercial" zone are to facilitate development of town centre, commercial, tourism, mixed business and city centre uses. Discussions with the City of Karratha confirms the following:

- Á The minimum height is two levels and maximum height is four levels for any proposed development. While this is the case, the council have confirmed that a proposed development can be single level or above 4 levels if design requirements are exceeded or the development activates the area.
- Á Multiple dwelling and short stay accommodation is a discretionary use only and would likely be permitted with commercial space on the ground floor.

**Approvals** The land is currently vacant.

## IMPROVEMENTS

**General Description** The property is currently vacant.



## ENVIRONMENTAL ISSUES

<b>Site Issues</b>	Any indication of previous noxious or potentially contaminating use?	No
	Subject to an environmental planning overlay that could constrain land use and development?	Yes (Cyclone / Fire Flood)
	Adjoining land subject to an overlay that indicates adjoining land could be contaminated?	No
	Based on visual inspection to the extent that it is reasonably possible, are there adjoining sites that appear to or are known to have or have had noxious or potentially contaminating uses?	No
	Identified industrial processes onsite that involve the use of chemicals or hazardous materials?	No
	Identified past or present underground storage of fuels, chemicals or hazardous materials at the property?	No
	Included in the current register of contaminated sites?	No
	Do operations require environmental licensing, resource consent or equivalent?	No

Whilst our visual site inspection did not indicate any existing or historic use of the site (so far as it is reasonably identifiable) for any hazardous or potentially contaminating industrial processes or for the storage (either above or below ground) of any hazardous chemical substance, we are not environmental experts. Therefore we are unable to certify and confirm that there is no contamination of the property either beneath or above the surface of the soil or elsewhere which might affect value.

In arriving at our assessment(s) of the value of the land, a basic search of the Contaminated Sites database compiled by the DWER disclosed that the subject land is not classified.

The property is located in an area that may be susceptible to flooding; we note however, that we are unable to confirm this without the benefit of a formal flood search. A formal flood search has not been undertaken and should this be an issue, then this report should be referred back to the valuer for comments.

The property is partially located within a Bush Fire Prone Area as identified by the Department of Fire and Emergency Services (DFES). Additional planning and building requirements may apply to development on this land.

The subject property is located within Wind Region D and thus susceptible to severe tropical cyclones.

*Our valuation is based upon the assumption that the property is not contaminated or impacted by environmental issues that will affect the marketability or value of the property. It should be noted that environmental matters are outside of our expertise and that this valuation has been prepared without the benefit of soil tests or any other environmental studies.*

*We recommend that any party who has the right to rely upon this valuation report satisfy themselves in relation to any environmental risks or contamination issues, prior to reliance upon this valuation. Should any such issues become apparent, this valuation is not to be relied upon and the report must be returned to the valuer for review and comment.*

*The environmental checklist has been completed subject to the limitations of our site inspection and in the absence of specialist reports. Whilst we have provided broad commentary on the above questions, we advise that these matters are outside of our area of expertise and if doubt exists, specialist advice should be sought and if relevant, referred to the valuer for comment prior to relying upon the valuation.*



## ENVIRONMENTAL ISSUES

**Acid Sulphate Soils** Acid Sulphate Soils (ASS) are naturally occurring soils, sediments and peats containing iron sulphides which are typically found in low lying areas bordering wetlands. Undisturbed, the soils pose limited risk to human health however once exposed to oxygen significant environmental and health risks can occur.

The presence of ASS have the potential to cause significant cost overruns and time delays in development projects. We have not been provided with a geotechnical investigation to confirm the presence or otherwise of ASS on the subject property however we confirm having undertaken a search of the Landgate Shared Land Information Platform. The platform provides a general mapping tool depicting the following:

- High to moderate risk of ASS occurring within 3m of natural soil surface;
- Moderate to Low risk of ASS occurring within 3m of natural soil surface; and,
- No known risk of ASS occurring within 3m of natural soil surface (or deeper).

Our search has revealed that there is no known risk of ASS occurring on the subject property.

### Asbestos Materials

Could any buildings or improvements at the property predate 1990	No
--	----

Is asbestos containing material known to be present?	No
--	----

Asbestos register/record available?	No
-------------------------------------	----

We advise that the inspection of the subject property did not reveal any obvious visible asbestos containing materials to the valuer. The valuer is not qualified to conclusively determine the existence of asbestos and will not be held liable nor responsible for his/her failure to identify any asbestos containing materials and the impact which any asbestos material has on the property and its value. Should any asbestos concerns become apparent, this report must not be relied upon and should be returned to the valuer for further comment and review.

## OCCUPANCY DETAILS

**Overview** The property is currently vacant.

## VALUATION CONSIDERATIONS

### SALES EVIDENCE

**Introduction** We have examined market activity within the locality and have researched sales evidence provided by national sales data providers for details of comparable sales. The more relevant sales are summarised in the following schedule.



No	Address	Sale Date	Sale Price	Land Area (m <sup>2</sup> )	\$/m <sup>2</sup> Land Area
1.	Lot 1502 Leake Street, South Hedland	9/2020	\$420,000	3,472	121
<b>Comments:</b>	<p>The property comprises a 3,472m<sup>2</sup> development site positioned with frontage to Leake Street, Wise Terrace and McLarty Boulevard. The property is located in near proximity to the South Hedland Hospital and shopping centre anchored by Coles and Kmart.</p> <p>The property is vacant.</p> <p>The property is zoned "Centre" under the Town of Port Hedland Local Planning Scheme No 7.</p> <p>The property sold with vacant possession.</p> <p>Landgate records a sale price of \$462,000 inclusive of GST.</p>				
<b>Comparison:</b>	<p><b>A smaller site in an inferior location with similar planning provisions. South Hedland has less demand for commercial space and residential development is not feasible in the Hedland market, resulting in lower land rates for development sites.</b></p> <p><b>A higher rate on land area is applicable to the subject property."</b></p>				
2.	18 Karratha Terrace, Karratha	12/2018	\$600,000	1,371	438
<b>Comments:</b>	<p>The property comprises a 1,371m<sup>2</sup> development site positioned on the north western side of Karratha Terrace. The property is located centrally in Karratha regional town centre with a wide frontage to Karratha Terrace.</p> <p>The property is vacant.</p> <p>The property is zoned "City Centre – Precinct 3: Retail" under the City of Karratha Local Planning Scheme No 8.</p> <p>The property sold with vacant possession.</p> <p>Landgate records a sale price of \$660,000 inclusive of GST.</p> <p>The town's economy has improved since this sale was negotiated however, development site values are considered to be largely unchanged owing to the questionable viability of commercial and/or multi storey mixed use development.</p>				
<b>Comparison:</b>	<p><b>A smaller site in a slightly inferior location with inferior exposure. Similar planning provisions however this site is positioned within the Retail Precinct, which we consider to be inferior.</b></p> <p><b>Given the size of the subject, we expect a lower rate on land area will apply to the subject property."</b></p>				



No	Address	Sale Date	Sale Price	Land Area (m <sup>2</sup> )	\$/m <sup>2</sup> Land Area
3.	1 Cockatoo Street, Nickol	12/2018	\$1,116,364	4,000	291
<b>Comments:</b>	<p>The property comprises a 4,000m<sup>2</sup> development site positioned on the north western corner of Cockatoo Street and Dampier Road. The property is located adjacent to Tambrey Village Shopping Centre and was acquired by the same developer. It offers good exposure to Dampier Road.</p> <p>The property is vacant.</p> <p>The property is zoned "Urban Development" under the City of Karratha Local Planning Scheme No 8. Under Development Area 7, the property is influenced by the Tambrey Neighbourhood Centre Structure Plan, under which the property is zoned "Residential (Mixed Use)" which allows for commercial, office and residential R60 development. We are aware the developers are considering short stay accommodation.</p> <p>The property sold with vacant possession.</p> <p>Landgate records a sale price of \$1,280,004 which is inclusive of GST.</p> <p>The town's economy has improved since this sale was negotiated however, development site values are considered to be largely unchanged owing to the questionable viability of commercial and/or multi storey mixed use development.</p>				
<b>Comparison:</b>	<p><b>A smaller site in an inferior location, further from the town centre. Given the option for purely residential development, this site arguably has superior planning provisions.</b></p> <p><b>A lower rate on land area is applicable to the subject property given the more restrictive planning provisions."</b></p>				
4.	Lot 1004 Colebatch Way, South Hedland	1/2021 (under offer)	\$160,000	2,001	80
<b>Comments:</b>	<p>A regular shaped, near level, corner lot of 2,001m<sup>2</sup> positioned at road level. The property is located immediately north of the South Hedland Hospital however, has limited exposure to the South Hedland Shopping Centre. The property is vacant.</p> <p>The property is zoned "Centre" under the Town of Port Hedland Town Planning Scheme No 7.</p> <p>The property sold with vacant possession.</p> <p>Landgate is yet to record a sale price. Agent advice records a sale price of \$160,000, exclusive of GST.</p>				
<b>Comparison:</b>	<p><b>A smaller site in an inferior location with similar planning provisions. South Hedland has less demand for commercial space and residential development is not feasible in the Hedland market, resulting in lower land rates for development sites.</b></p> <p><b>A higher rate on land area is applicable to the subject property."</b></p>				
5.	2 Cockatoo Street, Nickol	11/2018	\$3,956,376	13,600	291
<b>Comments:</b>	<p>The property comprises a 13,600m<sup>2</sup> development site positioned on the north western corner of Bathgate Road and Dampier Road. The property has since been developed into the Tambrey Village Shopping Centre. It offers good frontage and exposure to Dampier Road.</p> <p>The property is zoned "Urban Development" under the City of Karratha Local Planning Scheme No 8. The site forms part of the Tambrey Neighbourhood Centre Structure Plan, which seeks to allow uses consistent with the 'Town Centre' zone over the land pursuant to TPS8, to achieve a range of retail, commercial and residential outcomes for the site</p> <p>Landgate records a sale price of \$4,352,013 which is inclusive of GST.</p> <p>The town's economy has improved since this sale was negotiated however, development site values are considered to be largely unchanged owing to the questionable viability of commercial and/or multi storey mixed use development. Further the site was acquired under option with the transaction significantly 'de risked' due to the deferred settlement period which allowed the developer to secure a development approval for the shopping centre, plus pre lease a majority of the accommodation.</p>				
<b>Comparison:</b>	<p><b>A slightly larger site with similar exposure. The location is considered comparable given at the time there was demand for an additional shopping centre out of the town centre, making this a feasible development site.</b></p> <p><b>A lower rate on land area is applicable to the subject property given the difficulty in justifying a feasible development option."</b></p>				



No	Address	Sale Date	Sale Price	Land Area (m <sup>2</sup> )	Lettable Area (m <sup>2</sup> )	Passing Yield (%)	Analysed Market Yield (%)	\$/m <sup>2</sup> Lettable Area
6.	7 Hedland Place, Karratha	5/2020	\$920,000	790	810	VP	10.16	1,136

**Comments:**

A regular shaped lot of 790m<sup>2</sup> located on the Western side of Hedland Place in Karratha.

The land is improved with an older style, single level brick and iron office building occupying the majority of the site. This was previously Commonwealth Bank owned and occupied with a lettable area of approximately 810m<sup>2</sup>, split over several small tenancies on the ground floor and first floor. The office is basic however, offers functional office accommodation close to the town centre.

The land is zoned "Town Centre" under the City of Karratha Town Planning Scheme No. 8.

The property sold on a vacant possession basis.

Applying an estimated composite net market rental of \$101,250 pa (\$125/m<sup>2</sup>) net of GST and outgoings discloses an analysed market yield of 10.16% after the allowance of letting up costs over a notional 6 month period.

Landgate records a sale price of \$1,012,000 which is inclusive of GST.

**The sale price reflects a rate of \$1,165/m<sup>2</sup> on site area.** The improvements are considered to have an added value in the order of \$400,000 (\$500/m<sup>2</sup>), leaving an **underlying land rate at \$660/m<sup>2</sup>.**

**Comparison:**

This is an inferior location however, offers a smaller land area.

A lower rate on underlying land value (<\$660/m<sup>2</sup>) is applicable to the subject property.



**Sales Conclusion** Analysis of the available sales evidence has revealed site area rates for vacant land or underlying land value between \$80/m<sup>2</sup> and \$660/m<sup>2</sup>.

The subject property occupies a highly prominent commercial location within the Karratha City Centre. However, whilst the Karratha residential market has been very strong over the last 12 - 24 month period with a significant uptake in vacant 'development ready' sites occurring, demand for commercial development sites remains subdued given the already ample supply of developed office and retail accommodation within the City Centre and difficulty in identifying further users for new space.

One of the more recent and significant commercial developments in Karratha was the 'Quarter HQ' building, which was completed around 2016 and provided the town with over 6,000m<sup>2</sup> of retail and office accommodation over a multi storey building.

In respect of the subject property, notwithstanding its prominent location, identifying potential viable uses for the site remains difficult owing to the already existing comprehensive retail and office markets and ability to identify further users for the proposed accommodation. Our enquiries do suggest that market conditions for commercial accommodation are showing some signs of improvement however overall have been subdued over the past 5 years.

Discussions with DevelopmentWA confirm that the subject site has been listed (albeit not actively marketed) at an asking price of \$1,800,000 including GST for circa 2 years.

The asking price equates to \$177/m<sup>2</sup> net of GST which when compared to the available evidence does not seem unreasonable. However the inability by a prospective developer to identify a viable commercial development option for the site has obviously meant this value has not yet been achieved.

Having regard to the available evidence, prevailing market conditions and the attributes of the subject property, we have adopted a range of \$160/m<sup>2</sup> and \$175/m<sup>2</sup> on site area.

**Contract of Sale** We are not aware of any current contract of sale over the property.

**VALUATION RATIONALE**

**Highest and Best Use** We consider the existing use of the subject property to be inconsistent with the highest and best use of the land. As previously discussed, identifying a viable use for the site remains difficult however some form of commercial development in the medium term upon further maturation of the Karratha City Centre is considered the highest and best use for the site.

**Methods of Valuation** Direct Comparison on a rate per square metre of land area.



## VALUATION CALCULATIONS

**Direct Comparison Approach** This method is based on applying an appropriate value, expressed on a rate per square metre of land area having regard to all factors impacting upon the property's value including the age, size, condition and utility of the improvements, car parking, land area, site coverage, underlying land value, any Lease agreements, town planning provisions and location.

The adopted rates per square metre are ascertained based on a direct comparison to the best available market evidence analysed on a similar basis, with due regard for prevailing market conditions and the date of sale.

Our valuation calculations are shown as follows:

### Direct Comparison Approach – Land

Sales evidence suggests a rate per square metre of land area range as follows:

Comparisons	Land Area (m <sup>2</sup> )	\$/m <sup>2</sup>	Total (\$)
Low	9,241	160	1,478,560
High	9,241	175	1,617,175
<b>Midpoint</b>		<b>168</b>	<b>1,547,868</b>
<b>Rounded for Valuation Purposes</b>			<b>1,550,000</b>

**Valuation Conclusions** In valuing the subject property, we have relied solely upon the Direct Comparison approach. This approach is an accepted and tested methodology endorsed by the Australian Property Institute and law.

Based on the available evidence we have assessed the market value 'as is' at:

**\$1,550,000 (GST exclusive)**

**Selling Period** Our principal assessment of market value 'as is' herein assumes an effective marketing campaign of up to twelve months.

## ANNEXURES

Definitions, Assumptions, Qualifications & Disclaimers  
Certificate of Title  
Deposited Plan 405188  
Instruction





## DEFINITIONS, ASSUMPTIONS, QUALIFICATIONS & DISCLAIMERS

### DEFINITIONS

<b>Market Value</b>	“the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.
<b>Highest and Best Use</b>	“the use of an asset that maximises its potential and that is physically possible, legally permissible and financially feasible”.
<b>‘As Is’</b>	A valuation that provides the current value of the land as it currently exists rather an “as if complete valuation” of any proposed development.

### ASSUMPTIONS

<b>Easements</b>	This valuation is subject to there being no other encumbrances (other than those noted within this report), which may have an adverse effect on our valuation. Should any such easement or encumbrance become apparent, we reserve the right to review our valuation.
<b>Town Planning</b>	<p>We assume that planning data obtained from the relevant Local Planning Authority is accurate. In the event that a Town Planning search or any other relevant Planning document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.</p> <p>A Town Planning search has not been provided or obtained and therefore this valuation has been undertaken on the basis that all necessary and appropriate town planning and/or building, consents, approvals and certifications have been issued for the use of occupation of the improvements as more fully described in this report.</p>
<b>Market Evidence</b>	Market data has been obtained, in part, from State Government and/or Council records, or as reported by real estate agents. As well as using such documented and generally reliable evidence or market transactions, it may also have been necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.
<b>Environmental</b>	<p>Since the enactment of the Contaminated Sites Act 2003, the Department of Water &amp; Environmental Regulation maintains a public database in Western Australia of land that has been classified as contaminated. Contaminated sites are categorised into one of three groups:</p> <ul style="list-style-type: none"><li>•Á Contaminated - remediation required;</li><li>•Á Contaminated - restricted use, or;</li><li>•Á Remediated for restricted use.</li></ul> <p>In arriving at any assessment of the value of the land, a basic search of the database was undertaken on the 29/03/2021 which disclosed that the subject land is not classified. We do not accept any responsibility or liability whatsoever for the accuracy of the information contained in the search of the Contaminated Sites Database.</p>
<b>Native Title</b>	<p>The value and utility of land can be adversely affected by the presence of Aboriginal Sacred Sites. Aboriginal requirements can only be determined by the appointment of an appropriate expert. Therefore it cannot be warranted that there are no such sites on the land.</p> <p>Accordingly, this valuation has been undertaken on a freehold fee simple basis and any allowance for possible native title claim over the land has not been considered. If it possible to determine that the property is so affected, the right to review this valuation is reserved.</p> <p>An Aboriginal Heritage Sites Register is determined under Section 38 of the State’s Aboriginal Heritage Act 1972 and is maintained by the Department of Indigenous Affairs, the Register is not considered conclusive evidence.</p>

### QUALIFICATIONS & DISCLAIMERS

<b>API Standards</b>	This valuation has been prepared in accordance with the current Australian Property Institute’s Valuation Practice Standards.
<b>Accuracy of Information</b>	We advise that any objective information, data or calculations set out in the Valuation Report will be accurate so far as is reasonably expected from a qualified and experienced valuer, reflecting due skill, care and diligence. However, we have not independently verified third party information, adopted it as our own, or accepted its reliability. If any of the information provided by others and referred to in the Valuation Report is incorrect, it may have an impact on the valuation. The valuation is provided on the proviso that the reliant party accepts this risk.
<b>Condition of Improvements</b>	Whilst we have carried out a building inspection, we have not completed a detailed structural survey, verified the condition of the plant and machinery, tested any of the services or inspected unexposed or inaccessible portions of the building. We are therefore unable to state that these are free from defect, rot or infestation. We have viewed the general state of repair of the building and have assumed that the improvements are reasonably structurally sound considering their age
<b>Conflict of Interest</b>	Neither the valuer, nor to the best of their knowledge, any member of this firm, has any conflict of interest, or direct, indirect or financial interest in relation to this property that is not disclosed herein.
<b>Coronavirus (COVID-19) Pandemic</b>	The Australian economy and property markets are 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 valuation uncertainty. As a result, 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 inspired economic uncertainty might have on markets, we recommend that any party authorised to rely on this report review this valuation periodically.



<b>Encroachment</b>	We have physically identified the boundaries upon inspection and there do not appear to be any encroachments. However, we are not surveyors and no warranty can be given without the benefit of an identification survey.
<b>Excludes Fixtures and Fittings</b>	The valuation assessment does not include lessee fixtures and fittings.
<b>Excluded Searches</b>	The following searches have not been undertaken: Vegetation Protection, Native Title. Our valuation assumes such searches would identify no issues that may affect the value and/or liquidity of the property. Should any person relying on the contents of this report be aware or become aware of an issue that may affect value and/or liquidity then the searches should be referred to the valuer for comment.
<b>Goods and Services Tax (GST)</b>	<p>We stress we are not experts in assessment of GST. We are not privy to the financial circumstances of the owner(s), any agreements executed (or to be executed) between the parties or the previous transactions relating to the property which may impact upon the status of the property for GST. We recommend any party relying upon this valuation seek independent advice in regard to any GST liabilities which may attach to the property.</p> <p>All rentals, outgoings and sale prices quoted in this report are net of GST unless otherwise stated.</p>
<b>Land Not Affected</b>	Unless identified within the body of this report, we assume, the land is not affected by unstable, hazardous, or toxic soil material; however, no professional expert advice has been sought in this regard. This valuation assumes that there are no problems, however, should any such issues arise; then this matter should be referred to the Valuer for further comment.
<b>Limited Liability</b>	Liability limited by a scheme approved under professional standards legislation.
<b>Market Movement</b>	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 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 losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume responsibility or accept liability where the valuation is relied upon after the expiration of 90 days from the date of the valuation or such earlier date if you become aware of any factors that have an 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.
<b>Market Uncertainty</b>	The possibility that the Valuers professional opinion as to the Market Value of the asset may differ from the price that could be achieved in a transfer of the asset as at the valuation date, assuming all other market conditions and variables remain constant.
<b>No Compliance Certificate</b>	No Compliance Certificate/Certificate of Classification has been obtained. This valuation is subject to the building(s) complying in all material respects with any restrictive covenants affecting the site. Furthermore, it is assumed that the site improvements have been built, occupied and operated in full compliance with all requirements of law, including all zoning, land-use classifications, building, planning, fire and health by-laws (including asbestos and legionnaires disease), rules, regulations, orders and codes of all authorities, and that there are no outstanding requisitions.
<b>No Pecuniary Interest</b>	The valuer has no pecuniary interest in the subject property either past, present or prospective at the date of preparing this report and the opinion expressed is free of any bias in this regard.
<b>Not to be reproduced without permission</b>	Neither the whole nor any part of this valuation or any reference thereto may be included in any published documents, circular or statement, nor published in part or full in any way, without written approval of the form and context in which it may appear.
<b>Other Taxation Implications</b>	Herron Todd White are not taxation experts and we provide our valuation assessment and any associated sales, rental or feasibility analysis, independent of any consideration of income tax, capital gains tax or any other property related tax implications that may be associated directly or indirectly with the subject property.
<b>Reliance and Disclosure</b>	The Report has been prepared for the private and confidential use by the party to whom it is addressed. This valuation is for the use of and may be relied upon only by the party/parties to whom it is addressed. No other parties are entitled to use or rely upon it and Herron Todd White does not assume any liability or responsibility to any other party who does so rely upon the valuation without the express written authority of Herron Todd White. The whole Report must be read and any failure to do so will not constitute reliance by such party asserting reliance on the Report. Neither the whole nor any part of this valuation or any reference thereto may be included in any published documents, circular or statement, nor published in part or full in any way, without the written approval from Herron Todd White including the form and context in which it may appear.
<b>Structural Survey</b>	This valuation report does not purport to be a site or structural survey of the land or improvements thereon, and any advice provided is not given in the capacity as an expert.



**Annexure 1A Certificate of Title**

WESTERN



AUSTRALIA

REGISTER NUMBER	
7018/DP405188	
DUPLICATE EDITION	DATE DUPLICATE ISSUED
1	23/11/2015

**RECORD OF CERTIFICATE OF TITLE**  
UNDER THE TRANSFER OF LAND ACT 1893

VOLUME 2890 FOLIO 100

The person described in the first schedule is the registered proprietor of an estate in fee simple in the land described below subject to the reservations, conditions and depth limit contained in the original grant (if a grant issued) and to the limitations, interests, encumbrances and notifications shown in the second schedule.

*BRoberts*  
REGISTRAR OF TITLES 

**LAND DESCRIPTION:**

LOT 7018 ON DEPOSITED PLAN 405188

**REGISTERED PROPRIETOR:**  
(FIRST SCHEDULE)

WESTERN AUSTRALIAN LAND AUTHORITY OF LEVEL 6, 40 THE ESPLANADE, PERTH  
(AF N162756 ) REGISTERED 30/10/2015

**LIMITATIONS, INTERESTS, ENCUMBRANCES AND NOTIFICATIONS:**  
(SECOND SCHEDULE)

- EASEMENT BURDEN CREATED UNDER SECTION 167 P. & D. ACT FOR DRAINAGE PURPOSES TO LOCAL AUTHORITY - SEE DEPOSITED PLAN 405188

Warning: A current search of the sketch of the land should be obtained where detail of position, dimensions or area of the lot is required.  
\* Any entries preceded by an asterisk may not appear on the current edition of the duplicate certificate of title.  
Lot as described in the land description may be a lot or location.

-----END OF CERTIFICATE OF TITLE-----

**STATEMENTS:**

The statements set out below are not intended to be nor should they be relied on as substitutes for inspection of the land and the relevant documents or for local government, legal, surveying or other professional advice.

SKETCH OF LAND: DP405188  
 PREVIOUS TITLE: 2741-225  
 PROPERTY STREET ADDRESS: 51 WELCOME RD, KARRATHA.  
 LOCAL GOVERNMENT AUTHORITY: CITY OF KARRATHA  
 RESPONSIBLE AGENCY: WESTERN AUSTRALIAN LAND AUTHORITY

NOTE 1: N105453 DEPOSITED PLAN 405188 LODGED

LANDGATE COPY OF ORIGINAL NOT TO SCALE 06/04/2021 08:31 AM Request number: 61837480

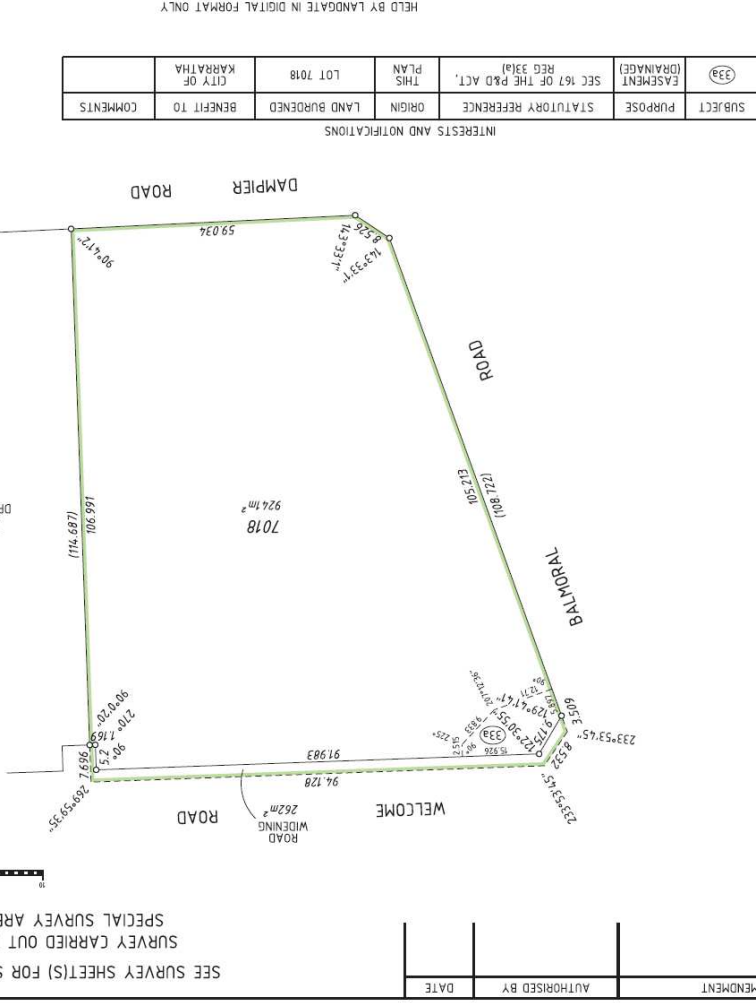




TYPE FREEHOLD S.S.A. YES/NO	PLAN OF SUBDIVISION	<b>LOT 7018, ROAD WIDENING &amp; EASEMENT</b>		FORMER TENURE D.O.L. FILE	DP 52288 LOT 550 C/T 214/225	LOCAL AUTHORITY CITY OF KARRATHA	LOCALITY KARRATHA	FIELD RECORD 123636	ISAN 4860	SURVEYOR'S CERTIFICATE - REG 54 1. PAUL C.C. RHODES I hereby certify that this plan is accurate and is a correct representation of the (a) survey and/or (b) calculations from measurements recorded in the field records. I declare if requested undertaken for the purposes of this plan and that it complies with the relevant written laws in relation to which it is signed. LODGED 2015.08.28 10:00:09 +0800 LICENSED SURVEYOR DATE	27-AUG-15 \$397.00 DATE FEE PAID 17961415 ASSESS NO.	L.S.C.	G.P.O.N.G. EXAMINED 3-Sep-15 DATE	WESTERN AUSTRALIAN PLANNING COMMISSION FILE 151530	Delegated under s.16 P&O Act 2005 10-Sep-2015 DATE	IN ORDER FOR DEALINGS SUBJECT TO S40s 167 & 166(3) P&O ACT	FOR INSPECTOR OF PLANS AND SURVEYS DATE 10-Sep-15	APPROVED REG 26A (4) DATE 30/10/2016	INSPECTOR OF PLANS AND SURVEYS 15. 18 Licensed Surveyors Act 1991
--------------------------------	------------------------	---	--	------------------------------	------------------------------------	-------------------------------------	----------------------	------------------------	-----------	---	--	--------	--	---	--	---	---	--	--



SEE SURVEY SHEET(S) FOR SURVEY INFORMATION  
SPECIAL SURVEY AREA UNDER REG 26A  
SURVEY CARRIED OUT UNDER GUIDELINES



WHELAN'S AUSTRALIA PTY. LTD.  
1081 6241 3333 WWW.WHELAN.COM.AU  
**whelans**

SUBJECT	PURPOSE	STATUTORY REFERENCE	ORIGIN	LAND BURDENED	BENEFIT TO	COMMENTS
33A	EASEMENT (DRAINAGE)	SEC 167 OF THE P&O ACT, STATUTORY REG 31A1	THIS PLAN	LOT 7018	KARRATHA	

INTERESTS AND NOTIFICATIONS

HELD BY LANDGATE IN DIGITAL FORMAT ONLY



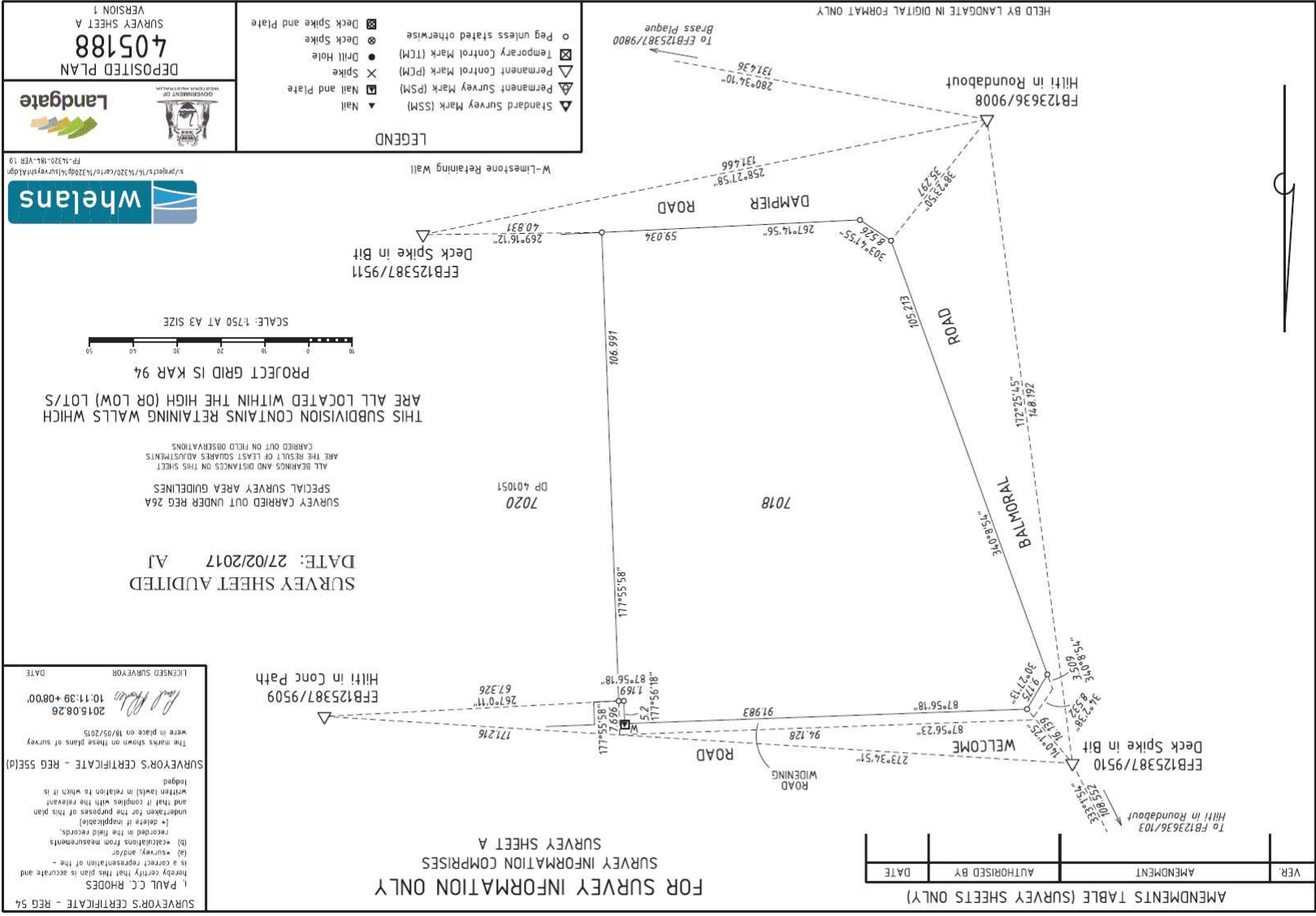
DEPOSITED PLAN  
405188  
SHEET 1 OF 1 SHEETS - VERSION 1  
(PLUS SURVEY SHEETS)



LANDGATE COPY OF ORIGINAL NOT TO SCALE Tue Apr 11 11:00:33 2017 JOB 53627758

VER.	AMENDMENT	AUTHORISED BY	DATE





LANDGATE COPY OF ORIGINAL NOT TO SCALE Tue Apr 11 11:00:33 2017 JOB 53627758





Date: 4 March 2021

**Purchase Order Numbers:**

Z033829 – Madigan Lot Valuations  
 Z033842 – Lot 481 Baynton West Valuation  
 Z033836 – Karratha City Centre Lots 7018 & 7020 Valuation

**TO Herron Todd White (ABN 16 096 723 590) of Level 3, 516 Hay Street Subiaco Western Australia**

**Western Australia Land Authority (ABN 34 868 192 835)** of Level 6, 40 The Esplanade Perth Western Australia, trading as DevelopmentWA ("DevelopmentWA") requests you to supply the goods or services for the price, to be delivered by the latest date and otherwise on the terms and conditions mentioned below.

**Goods or Services to be provided:**

Karratha Residential Valuation – Madigan lots as per the attached schedule and Lot 481 Baynton West  
 Karratha City Centre Lots 7018 & 7020 Valuation

**Price (GST exclusive):**

**\$5,000 – Madigan Lot Valuations**  
**\$2,000 – Lot 481 Valuation**  
**\$3,000 - City Centre Valuations**

**Latest date for delivery:** 16 – 18 business days from inspection

**Professional Indemnity Insurance Amount:** TBC

**Special Conditions:** N/A

**TERMS AND CONDITIONS****GOODS**

1. All Goods supplied shall be fit for the purpose for which they are to be used and shall strictly comply with any specifications of DevelopmentWA and all relevant laws, regulations, standards or codes or practice governing the Goods.
2. All Goods shall be suitably packaged and weather sealed and delivered to the location specified by DevelopmentWA.
3. Title to and risk in the Goods purchased shall pass to DevelopmentWA upon delivery and acceptance of the Goods by DevelopmentWA.
4. DevelopmentWA may inspect and test the Goods to determine whether they comply with any relevant specifications. Prior to accepting the Goods, DevelopmentWA reserves the right to sample and visually inspect any consignment of the Goods on receipt for confirmation with any specifications including opening and inspecting any packaging.
5. No inspection or review of the Goods by DevelopmentWA shall in any way limit or prejudice DevelopmentWA's rights under this agreement or the Supplier's responsibilities.
6. DevelopmentWA may reject any Goods where (acting reasonably), it considers the Goods are defective or do not comply with these conditions. To the extent DevelopmentWA rejects any consignment of Goods, this Agreement shall be treated as not being satisfied.
7. Where any Goods are rejected by DevelopmentWA as being defective, DevelopmentWA shall be under no obligation to make any payment of the purchase price.
8. The Supplier warrants to DevelopmentWA in respect of the Goods that:
  - (a) the Supplier will perform all obligations under this Agreement in a proper, thorough, skilful and professional manner, with due expedition and in accordance with current best practices;
  - (b) the Supplier is aware of the purpose for which DevelopmentWA is acquiring the Goods and that the Goods shall be in accordance with these conditions and suitable and fit for their intended purpose as at the date of delivery and for the warranty period;
  - (c) the warranty period will be a period being the later of Works or Services Agreement Up To \$50k
    - (i) any warranty period specified in the Special Conditions;
    - (ii) the period of any manufacturer's or other warranty provided in respect of the Goods;
    - (iii) the period of 12 months from the date of delivery of the Goods.
  - (d) during the warranty period, the Goods shall be and remain of good and merchantable quality free from all defects and comply with any functional and performance criteria for those Goods;
  - (e) DevelopmentWA shall have the full benefit of any manufacturer's warranties that apply to the Goods or any parts of the Goods;
  - (f) the Goods do not infringe any patent or other intellectual property rights of any third party;

Page | 1

Good and Services Agreement



- (g) all relevant safety standards relating to the Goods have been complied with.
- 9. In the event that the Goods are found to be defective during the warranty period, DevelopmentWA shall be entitled at its election to require the Supplier at its expense to:
  - (a) replace or repair the Goods; or
  - (b) reimburse DevelopmentWA the cost of replacing or repairing the Goods including all associated costs such as transport and labour costs. Any repaired or replaced Goods shall be covered by the same warranty period commencing on the date the Goods are replaced or repaired.
- 10. The above conditions do not in any way restrict or replace any other rights DevelopmentWA may have in respect of the Goods whether under statute or otherwise.
- 11. The Supplier shall indemnify and keep indemnified DevelopmentWA against any claims, damages or losses, arising out of any defects in the Goods or failing to comply with any specifications.
- 12. DevelopmentWA may cancel the order for Goods if the Goods are not delivered by the specified date or it becomes apparent to DevelopmentWA (acting reasonably) that the Goods will not be provided by the latest date specified.
- 13. The Supplier may not assign the rights or obligations under this agreement without DevelopmentWA's prior written approval.
- 14. The Supplier shall pass to DevelopmentWA in the form of a reduced charge for Goods the full benefit of any reduction in the Supplier's costs of supplying the Goods that result either directly or indirectly from the repeal or reduction of any existing tax.

#### SERVICES

- 15. The Supplier shall supply the Services to DevelopmentWA by the latest date for delivery and in doing so must exercise a standard of skill, care and diligence in the performance of the Services as would be expected from qualified, skilled and experienced suppliers of services operating in Australia and providing the Services.
- 16. In providing the Services, the Supplier must:-
  - (a) act on its own initiative and exercise all professional judgement as to the manner in which the Services are to be performed but taking into account any policies or express directions advised by DevelopmentWA;
  - (b) comply with all relevant legislation and obtain all approvals, licences and permits required from any relevant authority for the lawful implementation and completion of the Services, the cost of which shall be borne by the Supplier unless otherwise provided in the Special Conditions;
  - (c) not pledge the credit or incur any debt or otherwise purport to act on behalf of DevelopmentWA in relation to the provision of Services;
  - (d) ensure that all occupational health and safety obligations are met in the provision of the Services including but not limited to:-
    - (i) compliance with the Occupational Safety and Health Act 1984 (WA) and its regulations and any other relevant legislation relating to occupational health and safety; and
    - (ii) provide a completed Site Risk Assessment and Job Safety Analysis as may be required by DevelopmentWA; and
  - (e) as soon as practicable after becoming aware of any matter or circumstance which may or has adversely affected the scope, timing or carrying out of the Services, notify DevelopmentWA in writing of such matter or circumstance.
- 17. The Supplier acknowledges that it is the person solely with control and power over the manner in which the Services are performed and that it is responsible for ensuring that, as far as practicable its employees are not exposed to hazards.
- 18. The Supplier shall at its own cost maintain workers compensation insurance as required by law, public liability insurance (for an amount of not less than \$20,000,000), works insurance and if mentioned in the Special Conditions, professional liability insurance in the amount specified.
- 19. Notwithstanding any insurance effected by the Supplier, the Supplier shall indemnify and keep indemnified DevelopmentWA and its agents and employees against all losses and claims whatsoever, suffered or incurred by DevelopmentWA or its agents and employees arising out of the negligent acts or omissions of the Supplier or any agent, employee or contractor of the Supplier in the provision of the Services.
- 20. DevelopmentWA may at any time prior to the period for delivery of the Services, by written notice to the Supplier require this Agreement to terminate as specified in the notice (being not less than 7 days). DevelopmentWA shall not be liable for any payment to the Supplier after the expiration of the notice period.
- 21. The Supplier acknowledges that it is an independent contractor and that neither the Supplier nor its employees are employed by DevelopmentWA.

#### GENERAL



22. All works and Services must be delivered or provided by the latest date specified.
23. The price payable is a fixed price and shall not be subject to variation unless agreed in writing by DevelopmentWA.
24. Payment by DevelopmentWA is conditional upon:-
  - (a) Works and Services being provided in accordance with the terms and conditions set out above ;and
  - (b) a tax invoice being provided to DevelopmentWA specifying the purchase order number above.
25. Unless disputed, DevelopmentWA will pay tax invoices under this Agreement within 20 days of receipt.

#### **CONFLICT OF INTEREST**

26. The Supplier must immediately inform DevelopmentWA in writing of any direct or indirect interest that the Supplier has or may have which conflicts with or may conflict with the Supplier's duties and obligations under the Contract. Conflict of interest declarations must be signed annually.
27. DevelopmentWA may in its absolute discretion determine how any conflict of interest shall be resolved on the part of the Contractor.
28. If the Supplier is unable to resolve the conflict of interest as required by DevelopmentWA or if DevelopmentWA elects not to provide any mechanism for resolving such conflict, then DevelopmentWA may immediately terminate the Contract or may limit the engagement of the Supplier under the Contract to matters not affected by the conflict of interest.
29. Where the conflict of interest arises as a result of any action by the Supplier or any omission by the Supplier, then the Supplier shall be deemed to be in breach of the Contract as a result of such conflict being allowed to arise and DevelopmentWA shall be entitled to all rights and damages arising from such breach.

#### **SPECIAL CONDITIONS**

30. To the extent of any inconsistency between other terms of this agreement and the Special Conditions the Special Conditions prevail.

**ACCEPTANCE OF AGREEMENT**

The supplier may accept this Agreement by:-

**1** Signing a copy of this Agreement below and returning the signed copy to DevelopmentWA by mail, facsimile or email.

OR

**2** Sending an email to DevelopmentWA referring to this Agreement and confirming acceptance.

OR

**3** Proceeding with the delivery of the Goods or the provision of the Works or Services in accordance with the terms and conditions above.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Print Name and Position

**For and on behalf of Supplier**

Signed on behalf of the **WESTERN AUSTRALIAN LAND AUTHORITY** by person(s) authorised by its Board in accordance with Section 45(2)(b) of the **Western Australian Land Authority Act 1992**.

\_\_\_\_\_  
Authorised Officer

\_\_\_\_\_  
Authorised Officer

\_\_\_\_\_  
Name of Authorised Officer (Print)

\_\_\_\_\_  
Name of Authorised Officer (Print)

# Valuation Report

Development Property



Lot 7020 Dampier Road, Karratha WA 6714

**As at** 19 March 2021  
**Prepared for** Development WA  
**Our Ref** JB2306199  
**Client Ref** Z033836

Pilbara

Herron Todd White (Western Australia) Pty Ltd  
ABN 16 096 723 590

Level 3, 516 Hay Street  
Subiaco WA 6008  
PO Box 926  
Subiaco WA 6904

Telephone 08 9388 9288  
perth@htw.com.au  
htw.com.au

## EXECUTIVE SUMMARY

### INSTRUCTIONS

<b>Property Address</b>	Lot 7020 Dampier Road, Karratha WA 6714.
<b>Instructing Party</b>	Olivia Abrugiato of Development WA.
<b>Prepared For</b>	Development WA.
<b>Client Reference</b>	Z033836.
<b>Interest Being Valued</b>	The interest being valued is the unencumbered estate in fee simple, in vacant possession.
<b>Purpose of Valuation</b>	Our valuation has been prepared for pre-sale advice purposes only.
<b>Date of Inspection and Valuation</b>	19 March 2021.
<b>Date of Report Issue</b>	19 April 2021.

### TITLE AND STATUTORY DETAILS

<b>Registered Owner</b>	Western Australian Land Authority.
<b>Real Property Description</b>	Lot 7020 on Deposited Plan 401051. Certificate of Title Volume 2862 Folio 261.
<b>Encumbrances / Title Discussion</b>	There are no encumbrances impacting on the land.
<b>Zoning</b>	<p>The property is zoned "City Centre: Precinct 2 - Commercial" under the City of Karratha Local Planning Scheme No 8.</p> <p>The property is unimproved.</p>
<b>Road Widening</b>	We are unaware of any road widening requirement affecting the subject property.
<b>Heritage</b>	There are no known Heritage issues impacting on the subject property.

### VALUATION SUMMARY

<b>Property Description 'As Is'</b>	<p>The property comprises a slightly irregular shaped development site of 4,564m<sup>2</sup>, located in the City of Karratha Town Centre.</p> <p>The property is unimproved.</p>
<b>Valuation Summary</b>	Analysed Rate: \$230/m <sup>2</sup> of land area.
<b>Selling Period</b>	Our principal assessment of market value 'as is' herein assumes an effective marketing campaign of up to six months.
<b>Last Sale</b>	We are not aware of any current contract of sale over the property.



## VALUATION SUMMARY

**Market Value 'As Is' \$1,050,000**

(Excl. GST)

**(One Million and Fifty Thousand Dollars)**

*Our market value assessment is exclusive of any applicable GST. No allowance has been made for realisation expenses.*

***This valuation is subject to the assumptions and qualifications contained within and appended to this report.***

---

### Valuer



---

**Will Gamlin**

AAPI / Certified Practising Valuer  
API No: 65316 - WA Licenced Valuer  
No.44338

**Matthew Tanner**

AAPI - Certified Practising Valuer - Director  
No. 44046 in Western Australia

---

### Important

All data provided in this summary is wholly reliant on and must be read in conjunction with the information provided in the attached report. It is a synopsis only designed to provide a brief overview and must not be acted on in isolation.

The Counter Signatory, **Matthew Tanner**, has reviewed the report and is satisfied that the opinion of value contained in the report has been reached based on reasonable grounds. For the avoidance of doubt, the Counter Signatory has not inspected the property and as such (under the API Professional Practice) cannot be an author of this report, and is confirming prima facie that the methodology used by the author of the report (the prime signatory) is sound.

---



## EXECUTIVE SUMMARY CONT'D

### ASSUMPTIONS, CONDITIONS AND LIMITATIONS

#### Critical Assumptions

- This valuation report is provided subject to the definitions, assumptions, disclaimers, limitations and qualifications detailed within and annexed to this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements.
- This valuation assumes the land is free of contamination.
- We have assumed there are no side agreements of which we are not aware. Should this prove not to be correct, we reserve the right to vary this assessment.
- This valuation has been conducted on a vacant possession basis.

#### Recommendations and Cautions

- As at the date of valuation there have been limited transactions in this asset class, post the Coronavirus (COVID-19) outbreak, for comparison purposes to inform opinions of value. We are therefore faced with a higher degree of market uncertainty on which to base judgement. Consequently a higher degree of caution should be attached to our valuation than would normally be the case.
- 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 any party authorised to rely on this report review this valuation periodically.
- **This report has not been prepared for mortgage security lending purposes. We will not accept any responsibility or liability for reliance upon this valuation for such purposes.**



## PROPERTY DESCRIPTION

### LOCATION

- Locality** The subject property is located within the Karratha Town Centre. Karratha is some 1,500 kilometres north of the Perth CBD, within the resource-rich Pilbara region.
- Situation** The property is situated on the western side of Sharpe Avenue between Welcome Road to the north and Dampier Road to the south. This is at the entrance to the City Centre, while also offering good exposure to Dampier Road.
- Surrounding Development** The existing use is somewhat inconsistent with the surrounding development which is largely built form development providing town centre utility together with additional vacant land and development sites.
- Infrastructure** A full complement of regional community infrastructure is provided within the immediate surrounds.

### THE LAND



Source: Landgate



Source: Landgate

### THE LAND

- Land Area** 4,564 m<sup>2</sup>.
- Shape & Dimensions** The subject property's frontage to Dampier Road is approximately 38.66 metres. The depth of the site along the eastern boundary (Sharpe Avenue) is approximately 111.97 metres.
- Topography** The subject property is a slightly irregular shaped corner allotment that is at street grade. Overall, it provides a good building contour in its natural state.
- Services** The following major services are available for connection: reticulated water, sewerage, telephone, electricity and NBN.
- Road System** The property has three road frontages being Dampier Road, Sharpe Avenue and Welcome Road.
- Dampier Road is a bitumen sealed, four lane arterial road with a concrete median strip; it has gravel verges and concrete kerbing.
- Sharpe Avenue is a bitumen sealed, two lane local road; it has paved verges and concrete kerbing with kerbside parking.
- Welcome Road is a bitumen sealed, two lane local road with a landscaped median strip; it has paved verges and concrete kerbing with kerbside parking.
- Access** Vehicular access is easy and direct, with any future development likely to have access from Welcome Road.



## THE LAND

**Flooding** The property is located in an area that may be susceptible to flooding; we note however, that we are unable to confirm this without the benefit of a formal flood search. A formal flood search has not been undertaken and should this be an issue, then this report should be referred back to the valuer for comments.



From Corner of Sharpe Avenue and Welcome Road



Corner of Sharpe Avenue and Dampier Road



From Welcome Road



From Dampier Road

## TOWN PLANNING

**Zoning** The property is zoned "City Centre: Precinct 2 - Commercial" under the City of Karratha Local Planning Scheme No 8.

**Objective of Zone** The purposes of the "City Centre: Precinct 2 Commercial" zone are to facilitate development of town centre, commercial, tourism, mixed business and city centre uses. Discussions with the City of Karratha confirms the following:

- The minimum height is two levels and maximum height is four levels for any proposed development. While this is the case, the council have confirmed that a proposed development can be single level or above 4 levels if design requirements are exceeded or the development activates the area.
- Multiple dwelling and short stay accommodation is a discretionary use only and would likely be permitted with commercial space on the ground floor.

**Approvals** The land is currently vacant.

## IMPROVEMENTS

**General Description** The property is currently unimproved.





## ENVIRONMENTAL ISSUES

<b>Site Issues</b>	Any indication of previous noxious or potentially contaminating use?	No
	Subject to an environmental planning overlay that could constrain land use and development?	Yes (Cyclone / Fire Flood)
	Adjoining land subject to an overlay that indicates adjoining land could be contaminated?	No
	Based on visual inspection to the extent that it is reasonably possible, are there adjoining sites that appear to or are known to have or have had noxious or potentially contaminating uses?	No
	Identified industrial processes onsite that involve the use of chemicals or hazardous materials?	No
	Identified past or present underground storage of fuels, chemicals or hazardous materials at the property?	No
	Included in the current register of contaminated sites?	No
	Do operations require environmental licensing, resource consent or equivalent?	No

Whilst our visual site inspection did not indicate any existing or historic use of the site (so far as it is reasonably identifiable) for any hazardous or potentially contaminating industrial processes or for the storage (either above or below ground) of any hazardous chemical substance, we are not environmental experts. Therefore we are unable to certify and confirm that there is no contamination of the property either beneath or above the surface of the soil or elsewhere which might affect value.

In arriving at our assessment(s) of the value of the land, a basic search of the Contaminated Sites database compiled by the DWER disclosed that the subject land is not classified.

The property is located in an area that may be susceptible to flooding; we note however, that we are unable to confirm this without the benefit of a formal flood search. A formal flood search has not been undertaken and should this be an issue, then this report should be referred back to the valuer for comments.

The property is partially located within a Bush Fire Prone Area as identified by the Department of Fire and Emergency Services (DFES). Additional planning and building requirements may apply to development on this land.

The subject property is located within Wind Region D and thus susceptible to severe tropical cyclones.

*Our valuation is based upon the assumption that the property is not contaminated or impacted by environmental issues that will affect the marketability or value of the property. It should be noted that environmental matters are outside of our expertise and that this valuation has been prepared without the benefit of soil tests or any other environmental studies.*

*We recommend that any party who has the right to rely upon this valuation report satisfy themselves in relation to any environmental risks or contamination issues, prior to reliance upon this valuation. Should any such issues become apparent, this valuation is not to be relied upon and the report must be returned to the valuer for review and comment.*

*The environmental checklist has been completed subject to the limitations of our site inspection and in the absence of specialist reports. Whilst we have provided broad commentary on the above questions, we advise that these matters are outside of our area of expertise and if doubt exists, specialist advice should be sought and if relevant, referred to the valuer for comment prior to relying upon the valuation.*



## ENVIRONMENTAL ISSUES

**Acid Sulphate Soils** Acid Sulphate Soils (ASS) are naturally occurring soils, sediments and peats containing iron sulphides which are typically found in low lying areas bordering wetlands. Undisturbed, the soils pose limited risk to human health however once exposed to oxygen significant environmental and health risks can occur.

The presence of ASS have the potential to cause significant cost overruns and time delays in development projects. We have not been provided with a geotechnical investigation to confirm the presence or otherwise of ASS on the subject property however we confirm having undertaken a search of the Landgate Shared Land Information Platform. The platform provides a general mapping tool depicting the following:

- High to moderate risk of ASS occurring within 3m of natural soil surface;
- Moderate to Low risk of ASS occurring within 3m of natural soil surface; and,
- No known risk of ASS occurring within 3m of natural soil surface (or deeper).

Our search has revealed that there is no known risk of ASS occurring on the subject property.

### Asbestos Materials

Could any buildings or improvements at the property predate 1990	No
--	----

Is asbestos containing material known to be present?	No
--	----

Asbestos register/record available?	No
-------------------------------------	----

We advise that the inspection of the subject property did not reveal any obvious visible asbestos containing materials to the valuer. The valuer is not qualified to conclusively determine the existence of asbestos and will not be held liable nor responsible for his/her failure to identify any asbestos containing materials and the impact which any asbestos material has on the property and its value. Should any asbestos concerns become apparent, this report must not be relied upon and should be returned to the valuer for further comment and review.

## OCCUPANCY DETAILS

**Overview** The property is currently vacant.

## VALUATION CONSIDERATIONS

### SALES EVIDENCE

**Introduction** We have examined market activity within the locality and have researched sales evidence provided by national sales data providers for details of comparable sales. The more relevant sales are summarised in the following schedule.



No	Address	Sale Date	Sale Price	Land Area (m <sup>2</sup> )	\$/m <sup>2</sup> Land Area
1.	Lot 1502 Leake Street, South Hedland	9/2020	\$420,000	3,472	121
<b>Comments:</b>	<p>The property comprises a 3,472m<sup>2</sup> development site positioned with frontage to Leake Street, Wise Terrace and McLarty Boulevard. The property is located in near proximity to the South Hedland Hospital and shopping centre anchored by Coles and Kmart.</p> <p>The property is vacant.</p> <p>The property is zoned "Centre" under the Town of Port Hedland Local Planning Scheme No 7.</p> <p>The property sold with vacant possession.</p> <p>Landgate records a sale price of \$462,000 inclusive of GST.</p>				
<b>Comparison:</b>	<p><b>A smaller site in an inferior location with similar planning provisions. South Hedland has less demand for commercial space and residential development is not feasible in the Hedland market, resulting in lower land rates for development sites.</b></p> <p><b>A higher rate on land area is applicable to the subject property."</b></p>				
2.	18 Karratha Terrace, Karratha	12/2018	\$600,000	1,371	438
<b>Comments:</b>	<p>The property comprises a 1,371m<sup>2</sup> development site positioned on the north western side of Karratha Terrace. The property is located centrally in Karratha regional town centre with a wide frontage to Karratha Terrace.</p> <p>The property is vacant.</p> <p>The property is zoned "City Centre – Precinct 3: Retail" under the City of Karratha Local Planning Scheme No 8.</p> <p>The property sold with vacant possession.</p> <p>Landgate records a sale price of \$660,000 inclusive of GST.</p> <p>The town's economy has improved since this sale was negotiated however, development site values are considered to be largely unchanged owing to the questionable viability of commercial and/or multi storey mixed use development.</p>				
<b>Comparison:</b>	<p><b>A smaller site in a slightly inferior location with inferior exposure. Similar planning provisions however this site is positioned within the Retail Precinct, which we consider to be inferior.</b></p> <p><b>Given the size of the subject, we expect a lower rate on land area will apply to the subject property."</b></p>				



No	Address	Sale Date	Sale Price	Land Area (m <sup>2</sup> )	\$/m <sup>2</sup> Land Area
3.	1 Cockatoo Street, Nickol	12/2018	\$1,116,364	4,000	291
<b>Comments:</b>	<p>The property comprises a 4,000m<sup>2</sup> development site positioned on the north western corner of Cockatoo Street and Dampier Road. The property is located adjacent to Tambrey Village Shopping Centre and was acquired by the same developer. It offers good exposure to Dampier Road.</p> <p>The property is vacant.</p> <p>The property is zoned "Urban Development" under the City of Karratha Local Planning Scheme No 8. Under Development Area 7, the property is influenced by the Tambrey Neighbourhood Centre Structure Plan, under which the property is zoned "Residential (Mixed Use)" which allows for commercial, office and residential R60 development. We are aware the developers are considering short stay accommodation.</p> <p>The property sold with vacant possession.</p> <p>Landgate records a sale price of \$1,280,004 which is inclusive of GST.</p> <p>The town's economy has improved since this sale was negotiated however, development site values are considered to be largely unchanged owing to the questionable viability of commercial and/or multi storey mixed use development.</p>				
<b>Comparison:</b>	<p><b>A slightly smaller site in an inferior location, further from the town centre. Given the option for purely residential development, this site arguably has superior planning provisions.</b></p> <p><b>A lower rate on land area is applicable to the subject property given the more restrictive planning provisions."</b></p>				
4.	Lot 1004 Colebatch Way, South Hedland	1/2021 (under offer)	\$160,000	2,001	80
<b>Comments:</b>	<p>A regular shaped, near level, corner lot of 2,001m<sup>2</sup> positioned at road level. The property is located immediately north of the South Hedland Hospital however, has limited exposure to the South Hedland Shopping Centre. The property is vacant.</p> <p>The property is zoned "Centre" under the Town of Port Hedland Town Planning Scheme No 7.</p> <p>The property sold with vacant possession.</p> <p>Landgate is yet to record a sale price. Agent advice records a sale price of \$160,000, exclusive of GST.</p>				
<b>Comparison:</b>	<p><b>A smaller site in an inferior location with similar planning provisions. South Hedland has less demand for commercial space and residential development is not feasible in the Hedland market, resulting in lower land rates for development sites.</b></p> <p><b>A higher rate on land area is applicable to the subject property."</b></p>				
5.	2 Cockatoo Street, Nickol	11/2018	\$3,956,376	13,600	291
<b>Comments:</b>	<p>The property comprises a 13,600m<sup>2</sup> development site positioned on the north western corner of Bathgate Road and Dampier Road. The property has since been developed into the Tambrey Village Shopping Centre. It offers good frontage and exposure to Dampier Road.</p> <p>The property is zoned "Urban Development" under the City of Karratha Local Planning Scheme No 8. The site forms part of the Tambrey Neighbourhood Centre Structure Plan, which seeks to allow uses consistent with the 'Town Centre' zone over the land pursuant to TPS8, to achieve a range of retail, commercial and residential outcomes for the site</p> <p>Landgate records a sale price of \$4,352,013 which is inclusive of GST.</p> <p>The town's economy has improved since this sale was negotiated however, development site values are considered to be largely unchanged owing to the questionable viability of commercial and/or multi storey mixed use development. Further the site was acquired under option with the transaction significantly 'de risked' due to the deferred settlement period which allowed the developer to secure a development approval for the shopping centre, plus pre lease a majority of the accommodation.</p>				
<b>Comparison:</b>	<p><b>A larger site with similar exposure. The location is considered comparable given at the time there was demand for an additional shopping centre out of the town centre, making this a feasible development site.</b></p> <p><b>A lower rate on land area is applicable to the subject property given the difficulty in justifying a feasible development option."</b></p>				



No	Address	Sale Date	Sale Price	Land Area (m <sup>2</sup> )	Lettable Area (m <sup>2</sup> )	Passing Yield (%)	Analysed Market Yield (%)	\$/m <sup>2</sup> Lettable Area
6.	7 Hedland Place, Karratha	5/2020	\$920,000	790	810	VP	10.16	1,136

**Comments:**

A regular shaped lot of 790m<sup>2</sup> located on the Western side of Hedland Place in Karratha.

The land is improved with an older style, single level brick and iron office building occupying the majority of the site. This was previously Commonwealth Bank owned and occupied with a lettable area of approximately 810m<sup>2</sup>, split over several small tenancies on the ground floor and first floor. The office is basic however, offers functional office accommodation close to the town centre.

The land is zoned "Town Centre" under the City of Karratha Town Planning Scheme No. 8.

The property sold on a vacant possession basis.

Applying an estimated composite net market rental of \$101,250 pa (\$125/m<sup>2</sup>) net of GST and outgoings discloses an analysed market yield of 10.16% after the allowance of letting up costs over a notional 6 month period.

Landgate records a sale price of \$1,012,000 which is inclusive of GST.

**The sale price reflects a rate of \$1,165/m<sup>2</sup> on site area.** The improvements are considered to have an added value in the order of \$400,000 (\$500/m<sup>2</sup>), leaving an **underlying land rate at \$660/m<sup>2</sup>.**

**Comparison:**

This is an inferior location however, offers a smaller land area.

A lower rate on underlying land value (<\$660/m<sup>2</sup>) is applicable to the subject property.

**Sales Conclusion**

Analysis of the available sales evidence has revealed site area rates for vacant land or underlying land value between \$80/m<sup>2</sup> and \$660/m<sup>2</sup>.

The subject property occupies a highly prominent commercial location within the Karratha City Centre. However, whilst the Karratha residential market has been very strong over the last 12 - 24 month period with a significant uptake in vacant 'development ready' sites occurring, demand for commercial development sites remains subdued given the already ample supply of developed office and retail accommodation within the City Centre and difficulty in identifying further users for new space.

One of the more recent and significant commercial developments in Karratha was the 'Quarter HQ' building, which was completed around 2016 and provided the town with over 6,000m<sup>2</sup> of retail and office accommodation over a multi storey building.

In respect of the subject property, notwithstanding its prominent location, identifying potential viable uses for the site remains difficult owing to the already existing comprehensive retail and office markets and ability to identify further users for the proposed accommodation. Our enquiries do suggest that market conditions for commercial accommodation are showing some signs of improvement however overall have been subdued over the past 5 years.

Discussions with DevelopmentWA confirm that the subject site has been listed (albeit not actively marketed) at an asking price of \$1,250,000 including GST for circa 2 years.

The asking price equates to \$249/m<sup>2</sup> net of GST which when compared to the available evidence does not seem unreasonable. However the inability by a prospective developer to identify a viable commercial development option for the site has obviously meant this value has not yet been achieved.

Having regard to the available evidence, prevailing market conditions and the attributes of the subject property, we have adopted a range of \$220/m<sup>2</sup> and \$240/m<sup>2</sup> on site area.

**Contract of Sale**

We are not aware of any current contract of sale over the property.



## VALUATION RATIONALE

**Highest and Best Use** We consider the existing use of the subject property to be inconsistent with the highest and best use of the land. As previously discussed, identifying a viable use for the site remains difficult however some form of commercial development in the medium term upon further maturation of the Karratha City Centre is considered the highest and best use for the site.

**Methods of Valuation** Direct Comparison on a rate per square metre of land area.

## VALUATION CALCULATIONS

**Direct Comparison Approach** This method is based on applying an appropriate value, expressed on a rate per square metre of land area having regard to all factors impacting upon the property's value including the age, size, condition and utility of the improvements, car parking, land area, site coverage, underlying land value, any Lease agreements, town planning provisions and location.

The adopted rates per square metre are ascertained based on a direct comparison to the best available market evidence analysed on a similar basis, with due regard for prevailing market conditions and the date of sale.

Our valuation calculations are shown as follows:

### Direct Comparison Approach – Land

Sales evidence suggests a rate per square metre of land area range as follows:

Comparisons	Land Area (m <sup>2</sup> )	\$/m <sup>2</sup>	Total (\$)
Low	4,564	220	1,004,080
High	4,564	240	1,095,360
<b>Market Value</b>		<b>240</b>	<b>1,049,720</b>
<b>Rounded for Valuation Purposes</b>			<b>1,050,000</b>

**Valuation Conclusions** In valuing the subject property, we have relied solely upon the Direct Comparison approach. This approach is an accepted and tested methodology endorsed by the Australian Property Institute and law.

Based on the available evidence we have assessed the market value 'as is' at:

**\$1,050,000 (GST exclusive)**

**Selling Period** Our principal assessment of market value 'as is' herein assumes an effective marketing campaign of up to twelve months.

## ANNEXURES

Definitions, Assumptions, Qualifications & Disclaimers  
Certificate of Title  
Deposited Plan 401051  
Instruction



## DEFINITIONS, ASSUMPTIONS, QUALIFICATIONS & DISCLAIMERS

### DEFINITIONS

<b>Market Value</b>	“the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.
<b>Highest and Best Use</b>	“the use of an asset that maximises its potential and that is physically possible, legally permissible and financially feasible”.
<b>‘As Is’</b>	A valuation that provides the current value of the land as it currently exists rather an “as if complete valuation” of any proposed development.

### ASSUMPTIONS

<b>Easements</b>	This valuation is subject to there being no other encumbrances (other than those noted within this report), which may have an adverse effect on our valuation. Should any such easement or encumbrance become apparent, we reserve the right to review our valuation.
<b>Town Planning</b>	<p>We assume that planning data obtained from the relevant Local Planning Authority is accurate. In the event that a Town Planning search or any other relevant Planning document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.</p> <p>A Town Planning search has not been provided or obtained and therefore this valuation has been undertaken on the basis that all necessary and appropriate town planning and/or building, consents, approvals and certifications have been issued for the use of occupation of the improvements as more fully described in this report.</p>
<b>Market Evidence</b>	Market data has been obtained, in part, from State Government and/or Council records, or as reported by real estate agents. As well as using such documented and generally reliable evidence or market transactions, it may also have been necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.
<b>Environmental</b>	<p>Since the enactment of the Contaminated Sites Act 2003, the Department of Water &amp; Environmental Regulation maintains a public database in Western Australia of land that has been classified as contaminated. Contaminated sites are categorised into one of three groups:</p> <ul style="list-style-type: none"><li>•Á Contaminated - remediation required;</li><li>•Á Contaminated - restricted use, or;</li><li>•Á Remediated for restricted use.</li></ul> <p>In arriving at any assessment of the value of the land, a basic search of the database was undertaken on the 29/03/2021 which disclosed that the subject land is not classified. We do not accept any responsibility or liability whatsoever for the accuracy of the information contained in the search of the Contaminated Sites Database.</p>
<b>Native Title</b>	<p>The value and utility of land can be adversely affected by the presence of Aboriginal Sacred Sites. Aboriginal requirements can only be determined by the appointment of an appropriate expert. Therefore it cannot be warranted that there are no such sites on the land.</p> <p>Accordingly, this valuation has been undertaken on a freehold fee simple basis and any allowance for possible native title claim over the land has not been considered. If it possible to determine that the property is so affected, the right to review this valuation is reserved.</p> <p>An Aboriginal Heritage Sites Register is determined under Section 38 of the State’s Aboriginal Heritage Act 1972 and is maintained by the Department of Indigenous Affairs, the Register is not considered conclusive evidence.</p>

### QUALIFICATIONS & DISCLAIMERS

<b>API Standards</b>	This valuation has been prepared in accordance with the current Australian Property Institute’s Valuation Practice Standards.
<b>Accuracy of Information</b>	We advise that any objective information, data or calculations set out in the Valuation Report will be accurate so far as is reasonably expected from a qualified and experienced valuer, reflecting due skill, care and diligence. However, we have not independently verified third party information, adopted it as our own, or accepted its reliability. If any of the information provided by others and referred to in the Valuation Report is incorrect, it may have an impact on the valuation. The valuation is provided on the proviso that the reliant party accepts this risk.
<b>Condition of Improvements</b>	Whilst we have carried out a building inspection, we have not completed a detailed structural survey, verified the condition of the plant and machinery, tested any of the services or inspected unexposed or inaccessible portions of the building. We are therefore unable to state that these are free from defect, rot or infestation. We have viewed the general state of repair of the building and have assumed that the improvements are reasonably structurally sound considering their age
<b>Conflict of Interest</b>	Neither the valuer, nor to the best of their knowledge, any member of this firm, has any conflict of interest, or direct, indirect or financial interest in relation to this property that is not disclosed herein.
<b>Coronavirus (COVID-19) Pandemic</b>	The Australian economy and property markets are 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 valuation uncertainty. As a result, 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 inspired economic uncertainty might have on markets, we recommend that any party authorised to rely on this report review this valuation periodically.



<b>Encroachment</b>	We have physically identified the boundaries upon inspection and there do not appear to be any encroachments. However, we are not surveyors and no warranty can be given without the benefit of an identification survey.
<b>Excludes Fixtures and Fittings</b>	The valuation assessment does not include lessee fixtures and fittings.
<b>Excluded Searches</b>	The following searches have not been undertaken: Vegetation Protection, Native Title. Our valuation assumes such searches would identify no issues that may affect the value and/or liquidity of the property. Should any person relying on the contents of this report be aware or become aware of an issue that may affect value and/or liquidity then the searches should be referred to the valuer for comment.
<b>Goods and Services Tax (GST)</b>	<p>We stress we are not experts in assessment of GST. We are not privy to the financial circumstances of the owner(s), any agreements executed (or to be executed) between the parties or the previous transactions relating to the property which may impact upon the status of the property for GST. We recommend any party relying upon this valuation seek independent advice in regard to any GST liabilities which may attach to the property.</p> <p>All rentals, outgoings and sale prices quoted in this report are net of GST unless otherwise stated.</p>
<b>Land Not Affected</b>	Unless identified within the body of this report, we assume, the land is not affected by unstable, hazardous, or toxic soil material; however, no professional expert advice has been sought in this regard. This valuation assumes that there are no problems, however, should any such issues arise; then this matter should be referred to the Valuer for further comment.
<b>Limited Liability</b>	Liability limited by a scheme approved under professional standards legislation.
<b>Market Movement</b>	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 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 losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume responsibility or accept liability where the valuation is relied upon after the expiration of 90 days from the date of the valuation or such earlier date if you become aware of any factors that have an 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.
<b>Market Uncertainty</b>	The possibility that the Valuers professional opinion as to the Market Value of the asset may differ from the price that could be achieved in a transfer of the asset as at the valuation date, assuming all other market conditions and variables remain constant.
<b>No Compliance Certificate</b>	No Compliance Certificate/Certificate of Classification has been obtained. This valuation is subject to the building(s) complying in all material respects with any restrictive covenants affecting the site. Furthermore, it is assumed that the site improvements have been built, occupied and operated in full compliance with all requirements of law, including all zoning, land-use classifications, building, planning, fire and health by-laws (including asbestos and legionnaires disease), rules, regulations, orders and codes of all authorities, and that there are no outstanding requisitions.
<b>No Pecuniary Interest</b>	The valuer has no pecuniary interest in the subject property either past, present or prospective at the date of preparing this report and the opinion expressed is free of any bias in this regard.
<b>Not to be reproduced without permission</b>	Neither the whole nor any part of this valuation or any reference thereto may be included in any published documents, circular or statement, nor published in part or full in any way, without written approval of the form and context in which it may appear.
<b>Other Taxation Implications</b>	Herron Todd White are not taxation experts and we provide our valuation assessment and any associated sales, rental or feasibility analysis, independent of any consideration of income tax, capital gains tax or any other property related tax implications that may be associated directly or indirectly with the subject property.
<b>Reliance and Disclosure</b>	The Report has been prepared for the private and confidential use by the party to whom it is addressed. This valuation is for the use of and may be relied upon only by the party/parties to whom it is addressed. No other parties are entitled to use or rely upon it and Herron Todd White does not assume any liability or responsibility to any other party who does so rely upon the valuation without the express written authority of Herron Todd White. The whole Report must be read and any failure to do so will not constitute reliance by such party asserting reliance on the Report. Neither the whole nor any part of this valuation or any reference thereto may be included in any published documents, circular or statement, nor published in part or full in any way, without the written approval from Herron Todd White including the form and context in which it may appear.
<b>Structural Survey</b>	This valuation report does not purport to be a site or structural survey of the land or improvements thereon, and any advice provided is not given in the capacity as an expert.

---





WESTERN




AUSTRALIA

REGISTER NUMBER <b>7020/DP401051</b>	
DUPLICATE EDITION <b>N/A</b>	DATE DUPLICATE ISSUED <b>N/A</b>

**RECORD OF CERTIFICATE OF TITLE**  
UNDER THE TRANSFER OF LAND ACT 1893

VOLUME **2862** FOLIO **261**

The person described in the first schedule is the registered proprietor of an estate in fee simple in the land described below subject to the reservations, conditions and depth limit contained in the original grant (if a grant issued) and to the limitations, interests, encumbrances and notifications shown in the second schedule.

*BGRoberts*  
REGISTRAR OF TITLES 

**LAND DESCRIPTION:**

LOT 7020 ON DEPOSITED PLAN 401051

**REGISTERED PROPRIETOR:**  
(FIRST SCHEDULE)

WESTERN AUSTRALIAN LAND AUTHORITY OF LEVEL 6, WESFARMERS HOUSE, 40 THE ESPLANADE, PERTH  
(TF M977215 ) REGISTERED 23/4/2015

**LIMITATIONS, INTERESTS, ENCUMBRANCES AND NOTIFICATIONS:**  
(SECOND SCHEDULE)

Warning: A current search of the sketch of the land should be obtained where detail of position, dimensions or area of the lot is required.  
\* Any entries preceded by an asterisk may not appear on the current edition of the duplicate certificate of title.  
Lot as described in the land description may be a lot or location.

-----END OF CERTIFICATE OF TITLE-----

**STATEMENTS:**

The statements set out below are not intended to be nor should they be relied on as substitutes for inspection of the land and the relevant documents or for local government, legal, surveying or other professional advice.

SKETCH OF LAND: DP401051  
PREVIOUS TITLE: LR3047-767  
PROPERTY STREET ADDRESS: NO STREET ADDRESS INFORMATION AVAILABLE.  
LOCAL GOVERNMENT AUTHORITY: CITY OF KARRATHA  
RESPONSIBLE AGENCY: WESTERN AUSTRALIAN LAND AUTHORITY

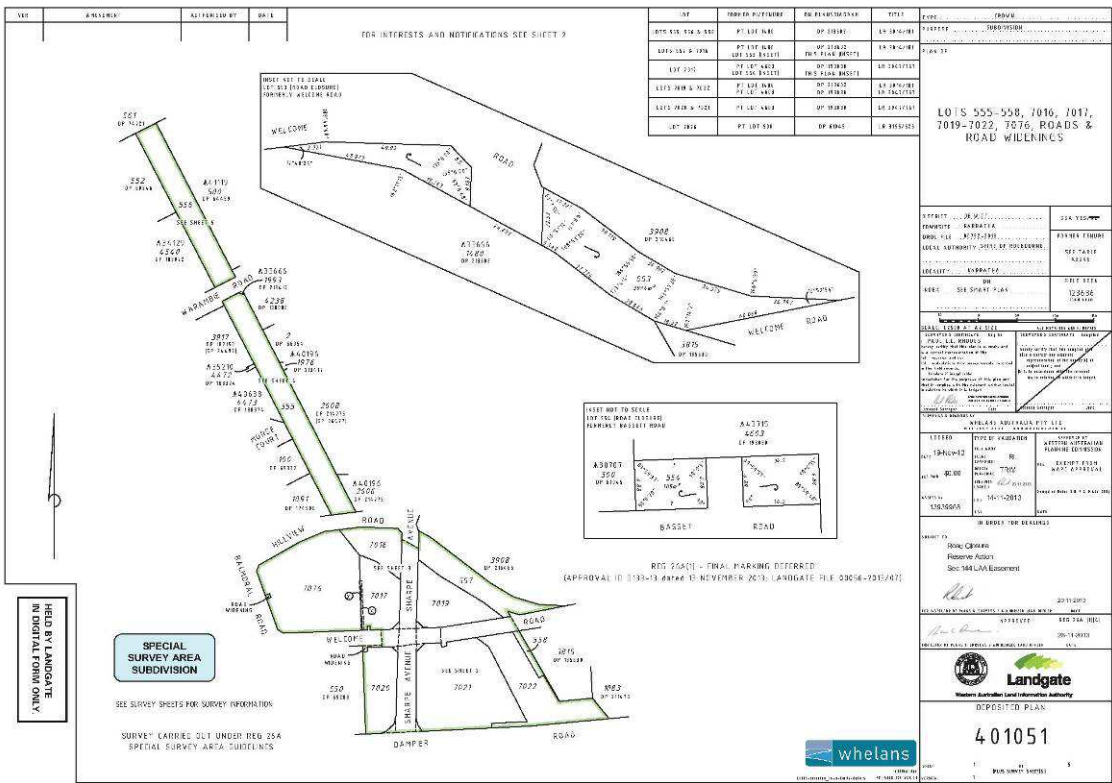
NOTE 1: M977215 DUPLICATE CERTIFICATE OF TITLE NOT ISSUED AS REQUESTED BY DEALING M977215

LANDGATE COPY OF ORIGINAL NOT TO SCALE 29/03/2021 11:16 AM Request number: 61811612

  
www.landgate.wa.gov.au



# Annexure 2A Deposited Plan 401051

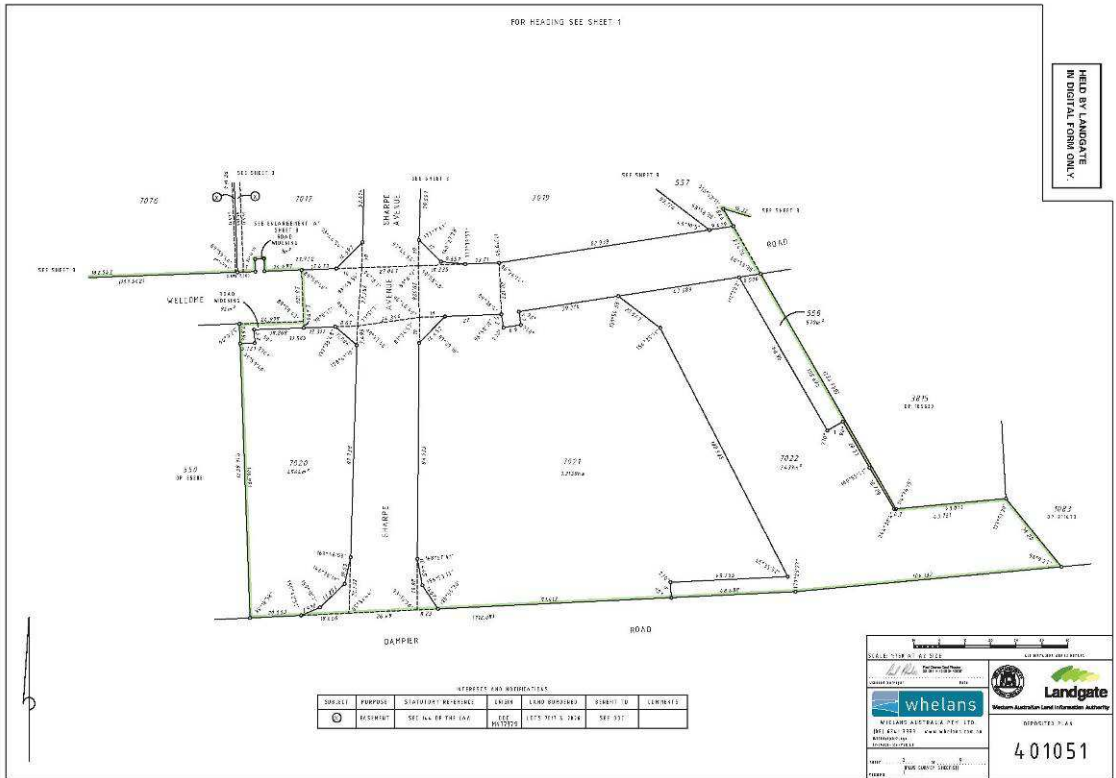


LANDGATE COPY OF ORIGINAL NOT TO SCALE Tue Apr 11 11:00:28 2017 JOB 53627758

Landgate  
www.landgate.wa.gov.au



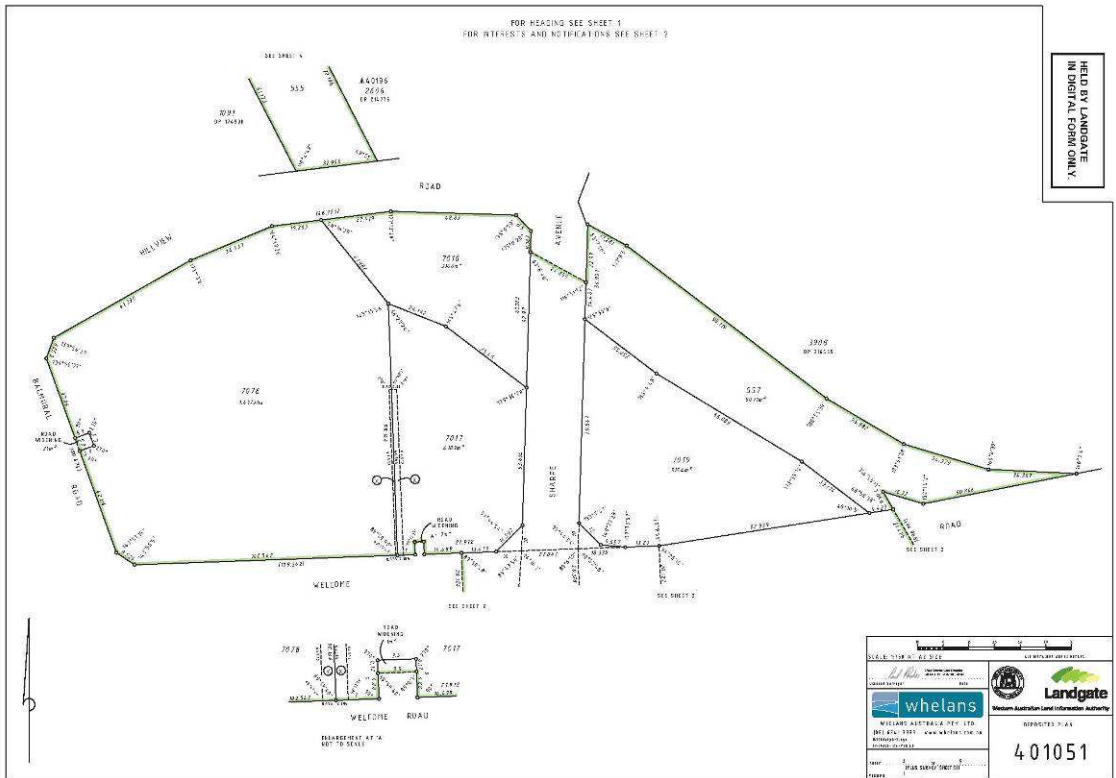
HOLD BY LANDGATE  
IN DIGITAL FORM ONLY



LANDGATE COPY OF ORIGINAL NOT TO SCALE Tue Apr 11 11:00:28 2017 JOB 53627758



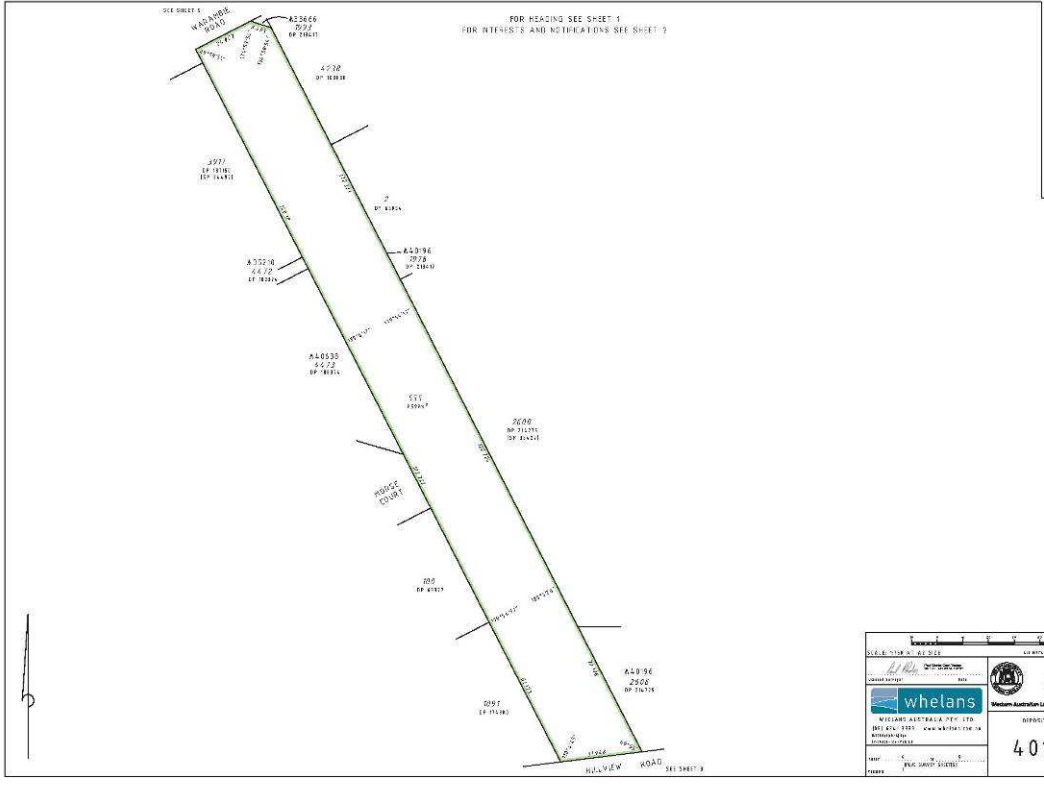
HOLD BY LANDGATE  
IN DIGITAL FORM ONLY



LANDGATE COPY OF ORIGINAL NOT TO SCALE Tue Apr 11 11:00:28 2017 JOB 53627758



Held by Landgate  
in Digital Form Only



SCALE: 1:1000

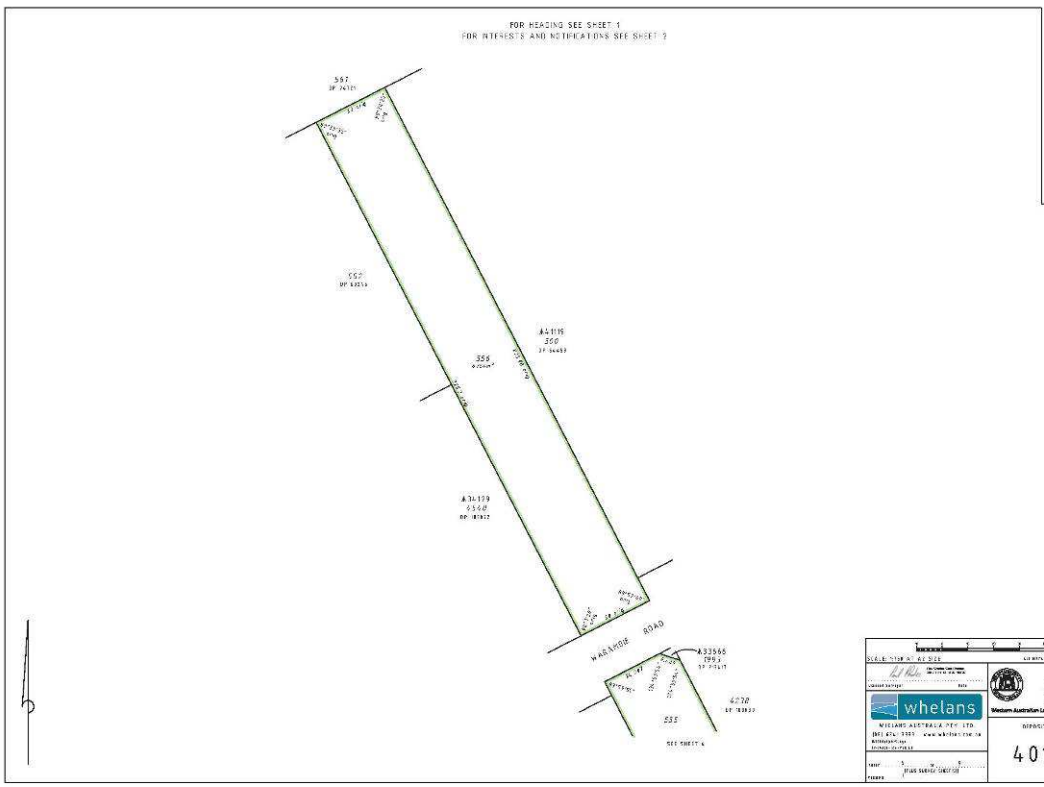
whelans  
WHEELAND AUSTRALIA PTY LTD  
1001 RIVER STREET, KARRATHA WA 6714  
AUSTRALIA

Landgate  
Western Australian Land Information Authority  
DISPOSABLE IN ALL  
4 01051

LANDGATE COPY OF ORIGINAL NOT TO SCALE Tue Apr 11 11:00:28 2017 JOB 53627758



Held by Landgate  
in Digital Form Only



SCALE: 1:1000

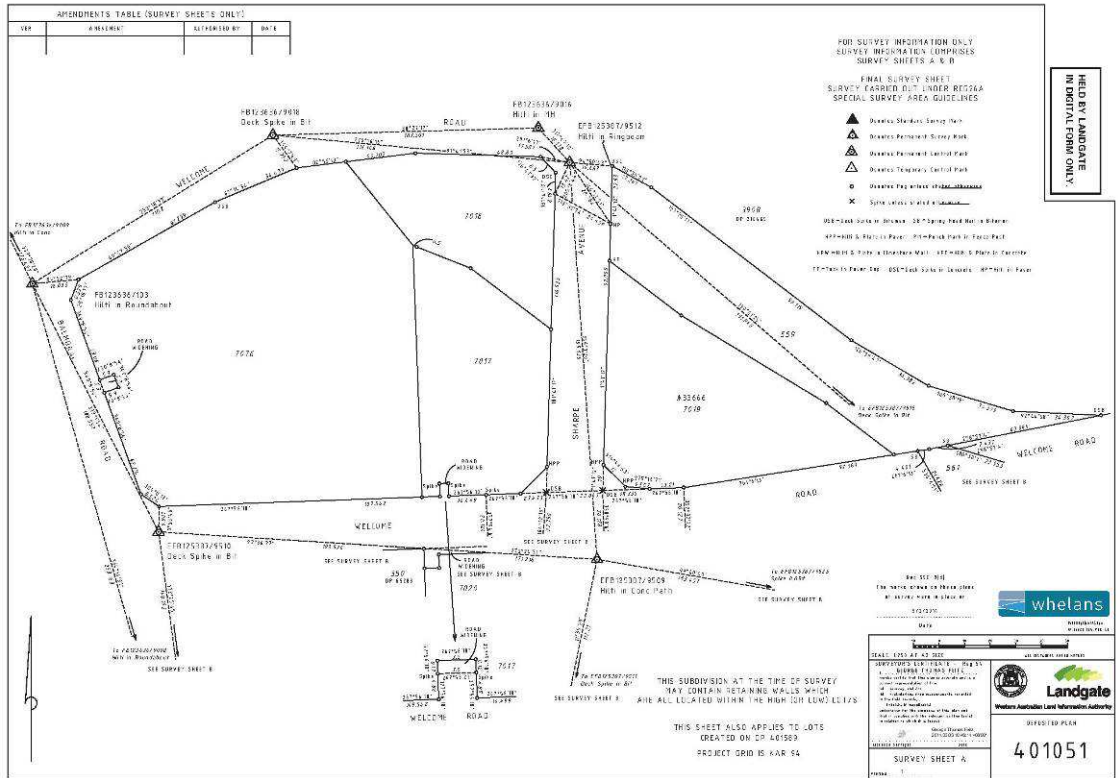
whelans  
WHEELAND AUSTRALIA PTY LTD  
1001 RIVER STREET, KARRATHA WA 6714  
AUSTRALIA

Landgate  
Western Australian Land Information Authority  
DISPOSABLE IN ALL  
4 01051

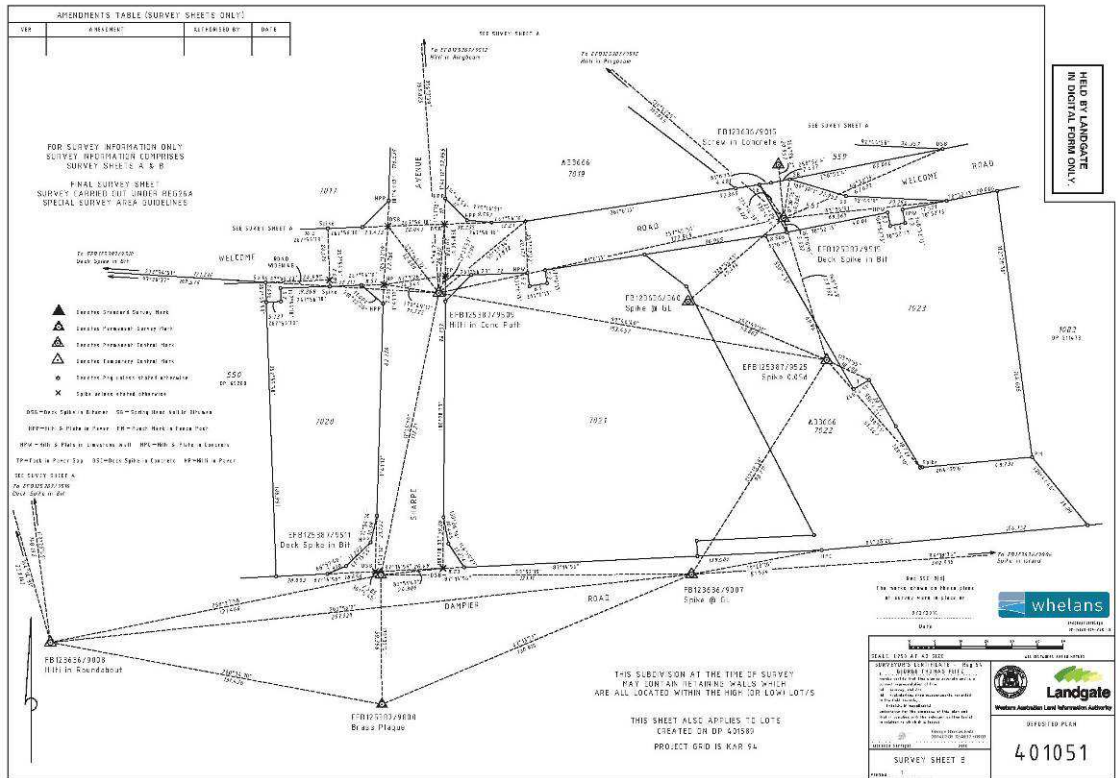
LANDGATE COPY OF ORIGINAL NOT TO SCALE Tue Apr 11 11:00:28 2017 JOB 53627758



LANDGATE COPY OF ORIGINAL NOT TO SCALE Tue Apr 11 11:00:28 2017 JOB 53627758



LANDGATE COPY OF ORIGINAL NOT TO SCALE Tue Apr 11 11:00:28 2017 JOB 53627758



Lot 7020 Dampier Road, Karratha WA 6714  
 Job No. JB2306199  
 Date of Valuation: 19 March 2021



Date: 4 March 2021

**Purchase Order Numbers:**

Z033829 – Madigan Lot Valuations  
Z033842 – Lot 481 Baynton West Valuation  
Z033836 – Karratha City Centre Lots 7018 & 7020 Valuation

**TO Herron Todd White (ABN 16 096 723 590) of Level 3, 516 Hay Street Subiaco Western Australia**

**Western Australia Land Authority (ABN 34 868 192 835)** of Level 6, 40 The Esplanade Perth Western Australia, trading as DevelopmentWA ("DevelopmentWA") requests you to supply the goods or services for the price, to be delivered by the latest date and otherwise on the terms and conditions mentioned below.

**Goods or Services to be provided:**

Karratha Residential Valuation – Madigan lots as per the attached schedule and Lot 481 Baynton West  
Karratha City Centre Lots 7018 & 7020 Valuation

**Price (GST exclusive):**

**\$5,000 – Madigan Lot Valuations**  
**\$2,000 – Lot 481 Valuation**  
**\$3,000 - City Centre Valuations**

**Latest date for delivery:** 16 – 18 business days from inspection

**Professional Indemnity Insurance Amount:** TBC

**Special Conditions:** N/A

**TERMS AND CONDITIONS**

**GOODS**

1. All Goods supplied shall be fit for the purpose for which they are to be used and shall strictly comply with any specifications of DevelopmentWA and all relevant laws, regulations, standards or codes or practice governing the Goods.
2. All Goods shall be suitably packaged and weather sealed and delivered to the location specified by DevelopmentWA.
3. Title to and risk in the Goods purchased shall pass to DevelopmentWA upon delivery and acceptance of the Goods by DevelopmentWA.
4. DevelopmentWA may inspect and test the Goods to determine whether they comply with any relevant specifications. Prior to accepting the Goods, DevelopmentWA reserves the right to sample and visually inspect any consignment of the Goods on receipt for confirmation with any specifications including opening and inspecting any packaging.
5. No inspection or review of the Goods by DevelopmentWA shall in any way limit or prejudice DevelopmentWA's rights under this agreement or the Supplier's responsibilities.
6. DevelopmentWA may reject any Goods where (acting reasonably), it considers the Goods are defective or do not comply with these conditions. To the extent DevelopmentWA rejects any consignment of Goods, this Agreement shall be treated as not being satisfied.
7. Where any Goods are rejected by DevelopmentWA as being defective, DevelopmentWA shall be under no obligation to make any payment of the purchase price.
8. The Supplier warrants to DevelopmentWA in respect of the Goods that:
  - (a) the Supplier will perform all obligations under this Agreement in a proper, thorough, skilful and professional manner, with due expedition and in accordance with current best practices;
  - (b) the Supplier is aware of the purpose for which DevelopmentWA is acquiring the Goods and that the Goods shall be in accordance with these conditions and suitable and fit for their intended purpose as at the date of delivery and for the warranty period;
  - (c) the warranty period will be a period being the later of Works or Services Agreement Up To \$50k
    - (i) any warranty period specified in the Special Conditions;
    - (ii) the period of any manufacturer's or other warranty provided in respect of the Goods;
    - (iii) the period of 12 months from the date of delivery of the Goods.
  - (d) during the warranty period, the Goods shall be and remain of good and merchantable quality free from all defects and comply with any functional and performance criteria for those Goods;
  - (e) DevelopmentWA shall have the full benefit of any manufacturer's warranties that apply to the Goods or any parts of the Goods;
  - (f) the Goods do not infringe any patent or other intellectual property rights of any third party;

Page | 1

*Good and Services Agreement*



- (g) all relevant safety standards relating to the Goods have been complied with.
- 9. In the event that the Goods are found to be defective during the warranty period, DevelopmentWA shall be entitled at its election to require the Supplier at its expense to:
  - (a) replace or repair the Goods; or
  - (b) reimburse DevelopmentWA the cost of replacing or repairing the Goods including all associated costs such as transport and labour costs. Any repaired or replaced Goods shall be covered by the same warranty period commencing on the date the Goods are replaced or repaired.
- 10. The above conditions do not in any way restrict or replace any other rights DevelopmentWA may have in respect of the Goods whether under statute or otherwise.
- 11. The Supplier shall indemnify and keep indemnified DevelopmentWA against any claims, damages or losses, arising out of any defects in the Goods or failing to comply with any specifications.
- 12. DevelopmentWA may cancel the order for Goods if the Goods are not delivered by the specified date or it becomes apparent to DevelopmentWA (acting reasonably) that the Goods will not be provided by the latest date specified.
- 13. The Supplier may not assign the rights or obligations under this agreement without DevelopmentWA's prior written approval.
- 14. The Supplier shall pass to DevelopmentWA in the form of a reduced charge for Goods the full benefit of any reduction in the Supplier's costs of supplying the Goods that result either directly or indirectly from the repeal or reduction of any existing tax.

#### SERVICES

- 15. The Supplier shall supply the Services to DevelopmentWA by the latest date for delivery and in doing so must exercise a standard of skill, care and diligence in the performance of the Services as would be expected from qualified, skilled and experienced suppliers of services operating in Australia and providing the Services.
- 16. In providing the Services, the Supplier must:-
  - (a) act on its own initiative and exercise all professional judgement as to the manner in which the Services are to be performed but taking into account any policies or express directions advised by DevelopmentWA;
  - (b) comply with all relevant legislation and obtain all approvals, licences and permits required from any relevant authority for the lawful implementation and completion of the Services, the cost of which shall be borne by the Supplier unless otherwise provided in the Special Conditions;
  - (c) not pledge the credit or incur any debt or otherwise purport to act on behalf of DevelopmentWA in relation to the provision of Services;
  - (d) ensure that all occupational health and safety obligations are met in the provision of the Services including but not limited to:-
    - (i) compliance with the Occupational Safety and Health Act 1984 (WA) and its regulations and any other relevant legislation relating to occupational health and safety; and
    - (ii) provide a completed Site Risk Assessment and Job Safety Analysis as may be required by DevelopmentWA; and
  - (e) as soon as practicable after becoming aware of any matter or circumstance which may or has adversely affected the scope, timing or carrying out of the Services, notify DevelopmentWA in writing of such matter or circumstance.
- 17. The Supplier acknowledges that it is the person solely with control and power over the manner in which the Services are performed and that it is responsible for ensuring that, as far as practicable its employees are not exposed to hazards.
- 18. The Supplier shall at its own cost maintain workers compensation insurance as required by law, public liability insurance (for an amount of not less than \$20,000,000), works insurance and if mentioned in the Special Conditions, professional liability insurance in the amount specified.
- 19. Notwithstanding any insurance effected by the Supplier, the Supplier shall indemnify and keep indemnified DevelopmentWA and its agents and employees against all losses and claims whatsoever, suffered or incurred by DevelopmentWA or its agents and employees arising out of the negligent acts or omissions of the Supplier or any agent, employee or contractor of the Supplier in the provision of the Services.
- 20. DevelopmentWA may at any time prior to the period for delivery of the Services, by written notice to the Supplier require this Agreement to terminate as specified in the notice (being not less than 7 days). DevelopmentWA shall not be liable for any payment to the Supplier after the expiration of the notice period.
- 21. The Supplier acknowledges that it is an independent contractor and that neither the Supplier nor its employees are employed by DevelopmentWA.

#### GENERAL

22. All works and Services must be delivered or provided by the latest date specified.
23. The price payable is a fixed price and shall not be subject to variation unless agreed in writing by DevelopmentWA.
24. Payment by DevelopmentWA is conditional upon:-
  - (a) Works and Services being provided in accordance with the terms and conditions set out above ;and
  - (b) a tax invoice being provided to DevelopmentWA specifying the purchase order number above.
25. Unless disputed, DevelopmentWA will pay tax invoices under this Agreement within 20 days of receipt.

#### **CONFLICT OF INTEREST**

26. The Supplier must immediately inform DevelopmentWA in writing of any direct or indirect interest that the Supplier has or may have which conflicts with or may conflict with the Supplier's duties and obligations under the Contract. Conflict of interest declarations must be signed annually.
27. DevelopmentWA may in its absolute discretion determine how any conflict of interest shall be resolved on the part of the Contractor.
28. If the Supplier is unable to resolve the conflict of interest as required by DevelopmentWA or if DevelopmentWA elects not to provide any mechanism for resolving such conflict, then DevelopmentWA may immediately terminate the Contract or may limit the engagement of the Supplier under the Contract to matters not affected by the conflict of interest.
29. Where the conflict of interest arises as a result of any action by the Supplier or any omission by the Supplier, then the Supplier shall be deemed to be in breach of the Contract as a result of such conflict being allowed to arise and DevelopmentWA shall be entitled to all rights and damages arising from such breach.

#### **SPECIAL CONDITIONS**

30. To the extent of any inconsistency between other terms of this agreement and the Special Conditions the Special Conditions prevail.



**ACCEPTANCE OF AGREEMENT**

The supplier may accept this Agreement by:-

**1** Signing a copy of this Agreement below and returning the signed copy to DevelopmentWA by mail, facsimile or email.

OR

**2** Sending an email to DevelopmentWA referring to this Agreement and confirming acceptance.

OR

**3** Proceeding with the delivery of the Goods or the provision of the Works or Services in accordance with the terms and conditions above.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Print Name and Position

**For and on behalf of Supplier**

Signed on behalf of the **WESTERN AUSTRALIAN LAND AUTHORITY** by person(s) authorised by its Board in accordance with Section 45(2)(b) of the **Western Australian Land Authority Act 1992**.

\_\_\_\_\_  
Authorised Officer

\_\_\_\_\_  
Authorised Officer

\_\_\_\_\_  
Name of Authorised Officer (Print)

\_\_\_\_\_  
Name of Authorised Officer (Print)

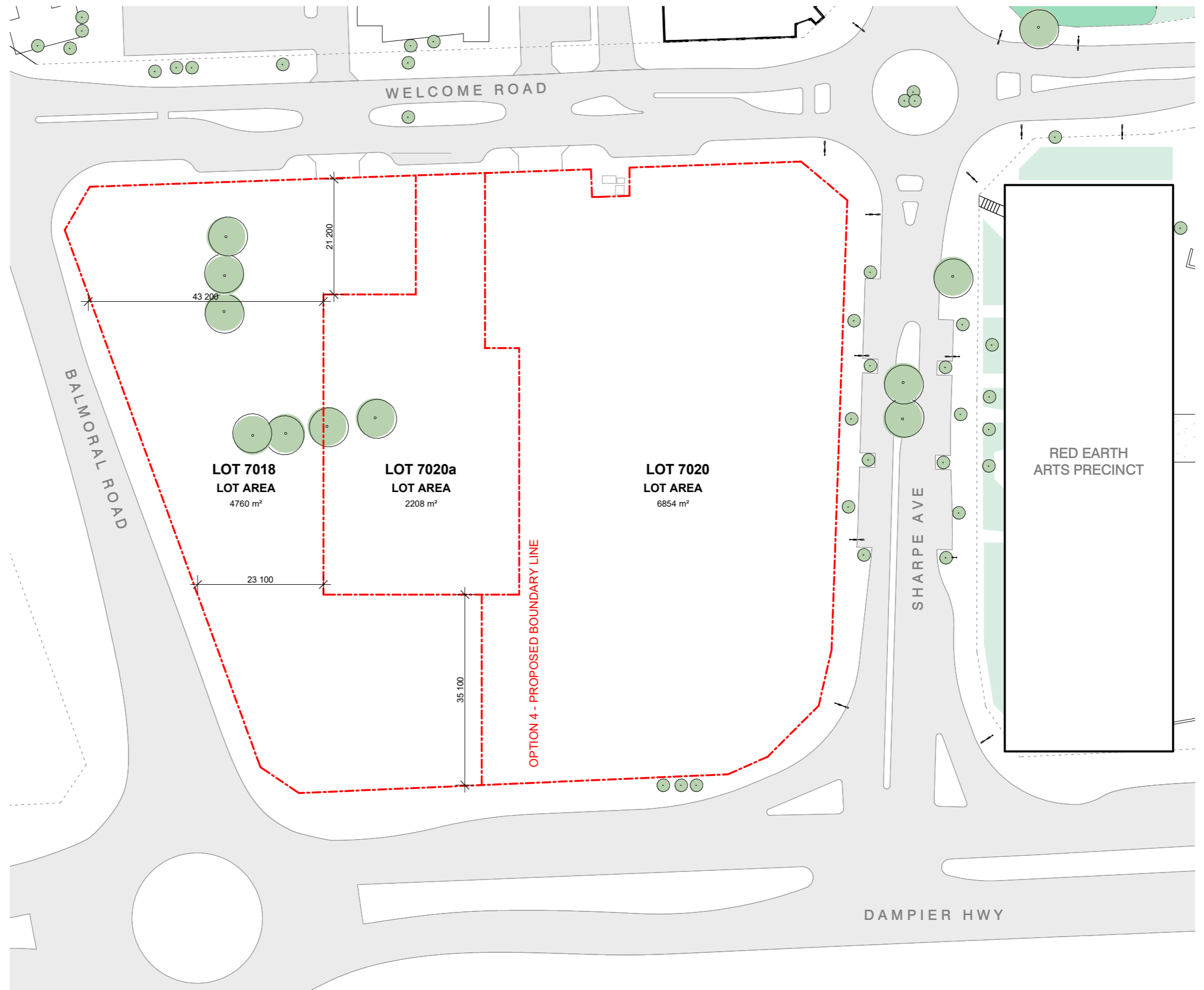


**Appendix B. #**

)

h

'



NOTE: LOT BOUNDARIES SUBJECT TO SITE SURVEY BY A LICENSED SURVEYOR

# TYPICAL UPPER - NORTH STEPPED/TERRACED OPTION

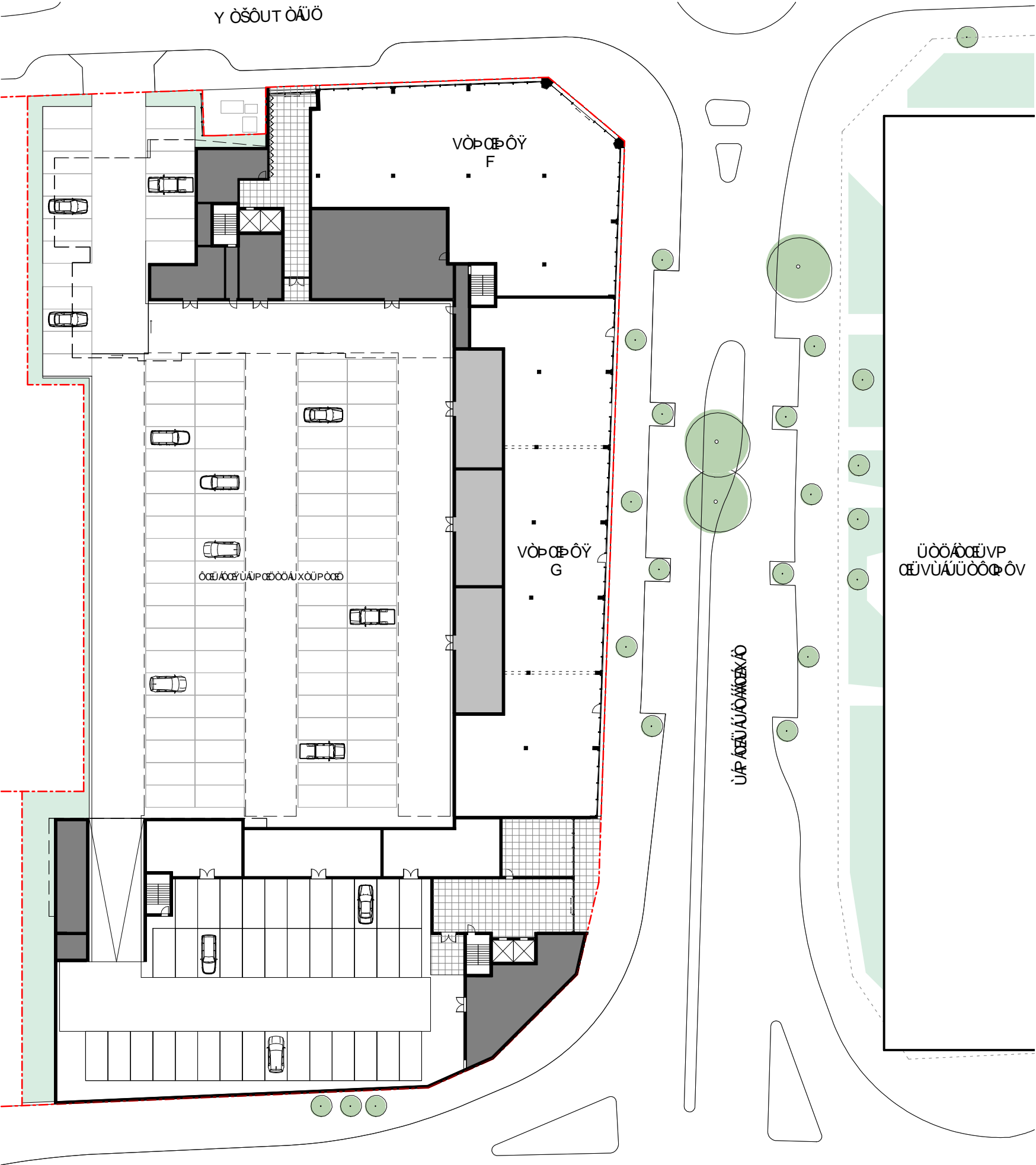
1 : 200











A ? \$\$\$ &  
; FCI B8 : @ CCF  
D @ B

7CAA9F7-5 @5F95

V0P0E0Y A  
OUWOSAP O O P V  
AEU O A A E E G

V0P0E0Y G  
U O O S O P O O P V  
AEU O A A G { G  
Q U U V O P V O E S A U U A W O O X O U P D

- U V U U A E O
- U O U X O U

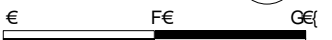
U O O A E U V P  
AEUVU AU O O P ON

UAP AEU AU OAK EK AO

DFC > 97 H  
O a A S a l a e a d a d a }



G75 @ BCFH-  
5 g j b X j W H Y X



85 H9 F9J-GCB

€ € € € F O

H, Y a z f a U j c b d f c j X X X j T j g H U j Y c b m i b X a U m b c h V Y Y j Y X  
i d c b \* e d U j W U z h Y z p U U Y X j a Y g e b g c Z U m i U U t a Y b i g c X  
k j Y Y X m t a j o X V m a Y b e b H W c Z g U j g U a U m g z e t z c a H Y  
X i e p W X X k j g h V i Y m t e h g a U e Y c d e j X Y U W U U X  
W e a d Y W j z f a U j c b h Y X j Y c d Y X e Y g b c h k U U l b i c f Y d f Y g h i  
h U h Y j z f a U j c b j h j z c c f d U j g j Y z c a Y f c i g o f c a j g k b g  
c j j g j a U Y z e i f j a b a X X i g r G a V W W t a m t a g j a d j X V m  
U k k j W U b b c h V Y i W X X h Y X j Y c d Y U W W d g b c  
f g d c b g j h m z e f U m c g g X U a U Y z V e g h c f Y d Y b g Y k i Y h Y X Y W  
c j j g j W e V m e i U g U Y g i h c Z a m t e h c a j g b b c f  
a j g Y d Y g h U j c b j z f a U j c b \* 5 j z f a U j c b j g V W W i c W U j Y  
k j e i h c h W









## Appendix C. " # - "

.

.

**Project:** h ed U ed y e )

**Location:** o pe enue, M

**Date:**

Item	Description	Quantity	Unit	Rate	Total
<b>Budget Estimate Summary</b>					
h	St Pla - N Tow			\$	
h	St Pla - Sou Tow			\$	
#				\$	
h	um O			\$	
k	- V th u			\$	
-	y - V u			\$	
†	C - N Tow			\$	
k	- o uth u			\$	
-	y - o u			\$	
†	C - Sou Tow			\$	
-	W & Se			\$	
	Other h t				-
		<b>Total Project Cost (excl. GST)</b>	<b>17,858 m2</b>	<b>\$ 2,562</b>	<b>\$ 45,757,000</b>
		<b>10% GST</b>			<b>\$ 4,575,700</b>
		<b>Total Project Cost (incl. GST)</b>			<b>\$ 50,332,700</b>

**1.0 Notes & Exclusions:**

- u s Bu Est is f t con t w p a a V
- st
- u "udget - e ed n the V
- k # ) o Plus A d
- u "udget - e d y th V
- s on b nd .
- u s Bu Est sa to sla h 3 V
- u "udget - e ed n d ry V
- ng n the e, tent f
- A v t or of - cou b
- u "udget - e V
- # y
- = se u y u s an ch
- ‡ w , e ure nd
- h rt r rt

Project: h edU edy e)

Location: o pe ' enue, M

Date:

Item	Description	Quantity	Unit	Rate	Total
<b>2.0</b>	<b>Parking, Stores, Plant - North Tower</b>				
	# ng - y			\$	
	# - O G			\$	
	h nd o e 7-#*			\$	
	<b>Total for Parking, Stores, Plant</b>	<b>3,419</b>	<b>GFA</b>	<b>\$ 553</b>	<b>\$ 1,889,000</b>
<b>3.0</b>	<b>Parking, Stores, Plant - South Tower</b>				
	# ng - y			\$	
	# - O G			\$	
	h nd o e 7-#*			\$	
	<b>Total for Parking, Stores, Plant</b>	<b>1,396</b>	<b>GFA</b>	<b>\$ 1,247</b>	<b>\$ 1,741,000</b>
<b>4.0</b>	<b>Commercial</b>				
	# ial FECA - cold			\$	
	h nd o e 7-#*			\$	
	<b>Total for Commercial</b>	<b>1,597</b>	<b>GFA</b>	<b>\$ 2,712</b>	<b>\$ 4,331,000</b>
<b>5.0</b>	<b>Podium Level</b>				
	Pool - PRO†@@V OSUM				
	# n - y#*			\$	
	O ng - hk\†@@V OoyU		ho		
	<b>Total for Residential Apartments - North Tower</b>	<b>568</b>	<b>GFA</b>	<b>\$ 2,954</b>	<b>\$ 1,678,000</b>
<b>6.0</b>	<b>Residential Apartments - North Tower</b>				
	° tment Vo°			\$	
	" y UCA			\$	
	# n y#*			\$	
	h 7-#*				
	<b>Total for Residential Apartments - North Tower</b>	<b>6,489</b>	<b>GFA</b>	<b>\$ 3,171</b>	<b>\$ 20,574,000</b>
<b>7.0</b>	<b>Embellishment/Amenity - North Tower</b>				
	k y - 7-#*			\$	
	h			\$	
	<b>Total for Embellishment/Amenity</b>	<b>210</b>	<b>GFA</b>	<b>\$ 2,814</b>	<b>\$ 591,000</b>
<b>8.0</b>	<b>Vertical Circulation - North Tower</b>				
	O Sh - D			\$	
	O Cars - 7 St		V	\$	
	o			\$	
	<b>Total for Vertical Circulation</b>	<b>291</b>	<b>GFA</b>	<b>\$ 4,241</b>	<b>\$ 1,234,000</b>
<b>9.0</b>	<b>Residential Apartments - South Tower</b>				
	° tment Vo°			\$	
	" y UCA			\$	
	# n y#*			\$	
	h 7-#*				
	<b>Total for Residential Apartments - South Tower</b>	<b>3,424</b>	<b>GFA</b>	<b>\$ 3,181</b>	<b>\$ 10,892,000</b>

Project: h edU edy e)

Location: O pe ' enue, M

Date:

Item	Description	Quantity	Unit	Rate	Total
<b>10.0</b>	<b>Embellishment/Amenity - South Tower</b>				
	k y - 7- #			\$	
	h			\$	
	<b>Total for Embellishment/Amenity</b>	<b>247</b>	<b>GFA</b>	<b>\$ 2,526</b>	<b>\$ 624,000</b>
<b>11.0</b>	<b>Vertical Circulation - South Tower</b>				
	O Sh - D			\$	
	O Cars - 4 St		V	\$	
	o			\$	
	<b>Total for Vertical Circulation</b>	<b>217</b>	<b>GFA</b>	<b>\$ 4,811</b>	<b>\$ 1,044,000</b>
<b>12.0</b>	<b>External Works &amp; Services</b>				
	ote h			\$	
	k Foot s & Pa				
	" ry ‡ , 7 8				
	O ng - h o		ho		
	- o ter)			\$	
	- oewer)		@		
	- ‡ er O		@		
	- al 8		V		-
	- 7 e		@		
	7 Ta s & Pu s - Pr Su		ho		
	- - Oght h		@		
	- #		@		
	<b>Total for External Works &amp; Services</b>	<b>6,551</b>	<b>m2</b>	<b>\$ 177</b>	<b>\$ 1,159,000</b>
	<b>Total Construction Cost</b>	<b>17,858</b>	<b>GFA</b>	<b>\$ 2,562</b>	<b>\$ 45,757,000</b>
<b>13.0</b>	<b>Other Project Costs</b>				
	#		V		-
	= s cost		V		-
	O e 7 ure -		V		-
	h lic A		V		-
	<b>Total for Other Project Costs</b>			<b>\$</b>	<b>-</b>
	<b>Total Project Cost (excl. GST)</b>			<b>\$ 45,757,000</b>	
				<b>10% GST</b>	
	<b>Total Project Cost (incl. GST)</b>			<b>\$ 50,332,700</b>	

## Appendix D. @

°

k

.



7 k V  
o † K °U  
u =  
o † h  
=  
7 h  
M  
@ 7 M M U 7  
o  
\  
@  
o  
7  
@  
k V  
U ) O  
k † M  
U  
°h\ " o M †



## Appendix E. # M ) h

.

.

.

ID	Task Mode	Task Name	Duration	Start	Finish	2022				2023				2024								
						Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1					
1		<b>PROJECT</b>	<b>664 days?</b>	<b>Tue 1 06 21</b>	<b>Fri 15 12 23</b>																	
2		PROGRAM START	0 days	Tue 1 06 21	Tue 1 06 21																	
3		<b>Design Documentation</b>	<b>344 days</b>	<b>Tue 1 06 21</b>	<b>Mon 26 09 22</b>																	
4		Finalise Concept Design Phase (Plus Architecture)	20 days	Tue 1 06 21	Mon 28 06 21																	
5		Prepare Design Team Tender Documentation	20 days	Tue 29 06 21	Mon 26 07 21																	
6		Design Team Call Tender Report	10 days	Tue 29 06 21	Mon 12 07 21																	
7		Report to CEO	0 days	Mon 9 08 21	Mon 9 08 21																	
8		Council Meeting	0 days	Mon 23 08 21	Mon 23 08 21																	
9		Tender Issue Period	7 days	Mon 23 08 21	Tue 31 08 21																	
10		Tender Period	20 days	Wed 1 09 21	Tue 28 09 21																	
11		Tender Evaluation	10 days	Wed 29 09 21	Tue 12 10 21																	
12		Prepare Council Award Report	10 days	Wed 29 09 21	Tue 12 10 21																	
13		Report due to CEO	0 days	Mon 11 10 21	Mon 11 10 21																	
14		Council Meeting	0 days	Mon 25 10 21	Mon 25 10 21																	
15		Tender Award Period	10 days	Mon 25 10 21	Fri 5 11 21																	
16		Design Team Schematic Design Phase	30 days	Mon 8 11 21	Fri 17 12 21																	
17		<b>HOLIDAY PERIOD</b>	10 days	Mon 20 12 21	Fri 31 12 21																	
18		Design Team Schematic Design Phase	15 days	Mon 3 01 22	Fri 21 01 22																	
19		Prepare Council Presentation	5 days	Mon 24 01 22	Fri 28 01 22																	
20		Prepare Council Report (Builder, Development Application & Report to CEO	10 days	Mon 24 01 22	Fri 4 02 22																	
21		Council Presentation	0 days	Fri 18 02 22	Fri 18 02 22																	
22		Council Meeting	0 days	Mon 21 02 22	Mon 21 02 22																	
23		Council Meeting	0 days	Mon 28 02 22	Mon 28 02 22																	
24		Prepare DA documents	10 days	Mon 28 02 22	Fri 11 03 22																	
25		Development Application (60 Calender days)	40 days	Mon 14 03 22	Fri 6 05 22																	
26		Design Team Design Development	80 days	Mon 28 02 22	Fri 17 06 22																	
27		Design Team Detailed Design	40 days	Mon 20 06 22	Fri 12 08 22																	
28		Value Management	20 days	Mon 15 08 22	Fri 9 09 22																	
29		Prepare Council Report	10 days	Mon 29 08 22	Fri 9 09 22																	
30		Report to CEO	0 days	Fri 16 09 22	Fri 16 09 22																	
31		Council Presentation	0 days	Mon 19 09 22	Mon 19 09 22																	
32		Council Meeting	0 days	Mon 26 09 22	Mon 26 09 22																	
33		<b>Contract with Builder</b>	<b>510 days?</b>	<b>Mon 3 01 22</b>	<b>Fri 15 12 23</b>																	
34		<b>Tender</b>	<b>115 days</b>	<b>Mon 3 01 22</b>	<b>Fri 10 06 22</b>																	
43		<b>Builder design document review</b>	10 days	Mon 13 06 22	Fri 24 06 22																	
44		<b>Construction</b>	<b>320 days?</b>	<b>Mon 26 09 22</b>	<b>Fri 15 12 23</b>																	
45		Building Licence Application	10 days	Mon 26 09 22	Fri 7 10 22																	
46		Preperation for Site Mobilisation	10 days	Mon 26 09 22	Fri 7 10 22																	
47		Site Possession	0 days	Fri 7 10 22	Fri 7 10 22																	
48		Construction Period Approx Fifteen (15) Months Completion	310 days	Mon 10 10 22	Fri 15 12 23																	
49																						

Project: 210623\_Lot 7020 Conc  
Date: Thu 24 06 21

Task		Project Summary		Manual Task		Start-only		Deadline	
Split		Inactive Task		Duration-only		Finish-only		Progress	
Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
Summary		Inactive Summary		Manual Summary		External Milestone			

ID	Task Mode	Task Name	Duration	Start	Finish	2022				2023				2024								
						Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1					
50		<b>Cost Consultant</b>	<b>314 days</b>	<b>Tue 1 06 21</b>	<b>Fri 12 08 22</b>																	
51		Preparation of QS scope	20 days	Mon 8 11 21	Fri 3 12 21																	
52		Quoting period	10 days	Mon 6 12 21	Fri 17 12 21																	
53		<b>HOLIDAY PERIOD</b>	10 days	Mon 20 12 21	Fri 31 12 21																	
54		Award	5 days	Mon 3 01 22	Fri 7 01 22																	
55		Schematic Design Estimate	5 days	Mon 10 01 22	Fri 14 01 22																	
56		Detailed Design Estimate	5 days	Mon 8 08 22	Fri 12 08 22																	
57		Pre Tender Estimate	5 days	Tue 1 06 21	Mon 7 06 21																	
58		<b>Market Testing</b>	<b>20 days</b>	<b>Tue 1 06 21</b>	<b>Mon 28 06 21</b>																	
59		Marketing Documentation Tuesday 8 June 2020	5 days	Mon 7 06 21	Fri 11 06 21																	
60		Appointment of Real estate agent	20 days	Tue 1 06 21	Mon 28 06 21																	
61		Council Briefing Presentation 21 June 2020	20 days	Tue 1 06 21	Mon 28 06 21																	
62		<b>Business Plan &amp; funding</b>	<b>59 days</b>	<b>Tue 1 06 21</b>	<b>Mon 23 08 21</b>																	
63		Draft Business Plan Issued for Comment 7 July 2020	15 days	Tue 1 06 21	Mon 21 06 21																	
64		Forty Two (42) Day Public Comment Period	42 days	Tue 22 06 21	Wed 18 08 21																	
65		Council Report	10 days	Thu 5 08 21	Wed 18 08 21																	
66		Council Meeting	0 days	Mon 23 08 21	Mon 23 08 21																	
67		Northern Australia Infrastructure Facility (NAIF) Funding	20 days	Tue 1 06 21	Mon 28 06 21																	
68		Expresssion of Interest (EOI)	20 days	Tue 1 06 21	Mon 28 06 21																	
69		<b>Management</b>	<b>1 day</b>	<b>Tue 1 06 21</b>	<b>Tue 1 06 21</b>																	
70		Rental Data, Leasing, & Commercial Leasing Agent	1 day	Tue 1 06 21	Tue 1 06 21																	
71		Property Management of Development	1 day	Tue 1 06 21	Tue 1 06 21																	
72		Converting EOI's to Head of Agreement	1 day	Tue 1 06 21	Tue 1 06 21																	
73		<b>Land Acquisition</b>	<b>100 days</b>	<b>Tue 1 06 21</b>	<b>Mon 18 10 21</b>																	
74		Purchase Land	40 days	Tue 1 06 21	Mon 26 07 21																	
75		Development & Land Subdivision	60 days	Tue 27 07 21	Mon 18 10 21																	
76		<b>Community use</b>	<b>185 days</b>	<b>Mon 5 07 21</b>	<b>Fri 18 03 22</b>																	
77		Project Brief, Scope of Works & Functional Brief	120 days	Mon 5 07 21	Fri 17 12 21																	
78		Lease Arrangements	30 days	Mon 7 02 22	Fri 18 03 22																	
79		Facility Management Plan	20 days	Mon 20 12 21	Fri 14 01 22																	

Project: 210623\_Lot 7020 Conc  
Date: Thu 24 06 21

Task		Project Summary		Manual Task		Start-only		Deadline	
Split		Inactive Task		Duration-only		Finish-only		Progress	
Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
Summary		Inactive Summary		Manual Summary		External Milestone			

# Appendix F. - U 7 " # ' .

· · · y · · ·



**PRELIMINARY**

Cash Flow Title	G U d Y G h 5 d U f a Y b i g 1 : ' 6 U g Y 7 U g Y		Description of Option/Stage	20 year Cashflow - unfurnished 0% vacancy
Date of First Period:	Aug-2021			
Cash Flow Rest Period:	Monthly			
Project Size (a)	-	Units		
Project Size (b)	-	GFA		
Site Area	-	SqM	Floor Space Ratio	0:1

Input Sheet Last  
Recalled as Option/Stage 1

Type	Miscellaneous
Status	Under Review

**GOODS & SERVICES TAX**

Using General Tax Rule

Goods and Services Tax Rate	10.00%
-----------------------------	--------

Developer Credits Reclaimed in the Same Month	Liability Paid in the Same Month	Liability on Sales All Paid by Developer
---	----------------------------------	--

All Project Costs	To be entered Exclusive of GST
Rental Income & Leasing Costs	To be entered Inclusive of GST
Sales Revenue	To be entered Inclusive of GST
Other Income	To be entered Inclusive of GST

**1000 LAND PURCHASE & ACQUISITION COSTS**

Costs to be entered Exclusive of GST

Land Purchase Price	1,576,420.00
---------------------	--------------

Code	Stage		% of Land Purchase Price % paid	Amount	AND/OR Lump Amount
1002	-	Deposit In Trust Account <sup>1</sup>	0.00%	-	-
1003	-	Payment 1	0.00%	-	-
1004	-	Payment 2	0.00%	-	-
1005	-	Payment 3	0.00%	-	-
1006	-	Payment 4	0.00%	-	-
1007	-	Settlement (Balance)	100.00%	-	1,576,420
1008	-	Stamp Duty <sup>1</sup>	WA	-	83,219
		Interest on Deposit in Trust Account	0.00%	-	Interest from deposit shared between parties
		Profit Share to Land Owner	0.00%	-	Paid progressively as project makes a profit.

Month Start	Month Span	Cash Flow Period	Add GST on Land Price? <input checked="" type="checkbox"/>
0	-	-	Y
0	-	-	Y
0	-	-	Y
0	-	-	Y
0	-	-	Y
29	1	Jan-24 - Jan-24	Y
29	1	Jan-24 - Jan-24	Y

Reclaim All After Final Land Settlement

(Stamp Duty calculated on Land Value of 1,734,062 inc. GST)

Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
1,576,420	1,734,062	1,734,062
83,219	83,219	83,219
<b>TOTAL</b>	<b>1,659,639</b>	<b>1,817,281</b>

Code	Stage	Other Acquisition Costs To be entered Exclusive of GST	% of Land Price exc Tax % paid	Amount	AND/OR Lump Amount
1011	-	.	0.00%	-	-
1012	-	.	0.00%	-	-
1013	-	.	0.00%	-	-
1014	-	.	0.00%	-	-
1015	-	.	0.00%	-	-

Month Start	Month Span	Cash Flow Period
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
	Manual Input (refer to Cash Flow)	-	-	-
<b>TOTAL</b>		-	-	-

<sup>1</sup> (No GST credit available for Stamp Duty)

<sup>1</sup> Pro-rata with Land Payments (L)

**COST ESCALATION**

Monthly Compounded Escalation - based on Cashflow Period Years commencing

Code		Aug-21	Aug-22	Aug-23	Aug-24	Aug-25	Aug-26	Aug-27	Aug-28	Aug-29	Aug-30
	Professional Fees	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Construction Costs (Uncategorised)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SUB	Subdivision Costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
STG	Stage Costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
BUI	Built Form	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OT1	Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OT2	Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Statutory Fees	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Refurbishment Costs	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Miscellaneous Costs 2	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Miscellaneous Costs 3	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Land Holding Costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Selling and Leasing Costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Finance Costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

<b>2000 PROJECT CONTINGENCY</b>	-	And / Or	of Construction, Professional (exc Development Management), Statutory Fees, Refurbishment Costs, Miscellaneous Costs 2, Miscellaneous Costs 3 and Pre-Sale Commissions	GST	0.00%	<b>TOTAL</b>	-
---------------------------------	---	----------	--	-----	-------	--------------	---

3000 PROFESSIONAL FEES								Costs to be entered Exclusive of GST									
Code	Stage	Description	% of Construct. <sup>1</sup>	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start*	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost		
3001	1	Professional Fees (Planning & Design)	5.00%	-	-	-	-	1	13	Sep-21 - Sep-22	Y		2,382,234	2,620,457	2,620,457		
3002	1	Professional Fees (Construction)	1.50%	-	-	-	-	14	15	Oct-22 - Dec-23	Y		714,670	786,137	786,137		
3003	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3004	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3005	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3006	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3007	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3008	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3009	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3010	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3011	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3012	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3013	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3014	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
3015	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-		
			<sup>1</sup> % Based on Net Costs					<sup>2</sup> Pro-rata with Construction (C)									
3099	1	Development Management	1.00%	% of Project Costs (exc Land, Finance & Tax)		-	-	1	29	Sep-21 - Jan-24	Y		531,964	585,160	585,160		
													Manual Input (refer to Cash Flow)		-	-	-
													<b>TOTAL</b>		3,628,867	3,991,754	3,991,754

4000 CONSTRUCTION COSTS								Costs to be entered Exclusive of GST									
Code	Stage	Description	Cost Type	Units	Base Rate / Units	Escalate (E,R,N) <sup>1</sup>	S-Curve	Month Start	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost		
4001	1	Parking, Stores and Plant - North Tower	BUJ	1.00	1,889,000.00	E	S	14	15	Oct-22 - Dec-23	Y		1,889,000	2,077,900	2,077,900		
4002	1	Parking, Stores and Plant - South Tower	BUJ	1.00	1,741,000.00	E	S	14	15	Oct-22 - Dec-23	Y		1,741,000	1,915,100	1,915,100		
4003	1	Community	BUJ	1.00	2,443,661.46	E	S	14	15	Oct-22 - Dec-23	Y		-	-	-		
4004	1	Commercial	BUJ	1.00	1,887,338.54	E	S	14	15	Oct-22 - Dec-23	Y		1,887,339	2,076,072	2,076,072		
4005	1	Podium Level	BUJ	1.00	1,678,000.00	E	S	14	15	Oct-22 - Dec-23	Y		1,678,000	1,845,800	1,845,800		
4006	1	Residential Apartments - North Tower	BUJ	1.00	20,574,000.00	E	S	14	15	Oct-22 - Dec-23	Y		20,574,000	22,631,400	22,631,400		
4007	1	Embellishment/Amenity - North Tower	BUJ	1.00	591,000.00	E	S	14	15	Oct-22 - Dec-23	Y		591,000	650,100	650,100		
4008	1	Vertical Circulation - North Tower	BUJ	1.00	1,234,000.00	E	S	14	15	Oct-22 - Dec-23	Y		1,234,000	1,357,400	1,357,400		
4009	1	Residential Apartments - South Tower	BUJ	1.00	10,892,000.00	E	S	14	15	Oct-22 - Dec-23	Y		10,892,000	11,981,200	11,981,200		
4010	1	Embellishment/Amenity - South Tower	BUJ	1.00	624,000.00	E	S	14	15	Oct-22 - Dec-23	Y		624,000	686,400	686,400		
4011	1	Vertical Circulation - South Tower	BUJ	1.00	1,044,000.00	E	S	14	15	Oct-22 - Dec-23	Y		1,044,000	1,148,400	1,148,400		
4012	1	External Works and Services	BUJ	1.00	1,159,000.00	E	S	14	15	Oct-22 - Dec-23	Y		1,159,000	1,274,900	1,274,900		
4013	-	-	-	-	-	-	-	0	-	-	Y		-	-	-		
4014	-	-	-	-	-	-	-	0	-	-	Y		-	-	-		
4015	-	-	-	-	-	-	-	0	-	-	Y		-	-	-		
4016	-	-	-	-	-	-	-	0	-	-	Y		-	-	-		
4017	-	-	-	-	-	-	-	0	-	-	Y		-	-	-		
4018	-	-	-	-	-	-	-	0	-	-	Y		-	-	-		
4019	-	-	-	-	-	-	-	0	-	-	Y		-	-	-		
4025	-	-	-	-	-	-	-	0	-	-	Y		-	-	-		
			<sup>1</sup> Escalation ('N' = no escalation, 'E' = escalation to start period, 'R' = escalation to start period and through span)														
4099	Construction Contingency		-	And / Or	10.00%	of Construction Costs (inc GST)				GST 10.00%		Construction Contingency	4,331,334	4,764,467	4,764,467		
													<b>TOTAL</b>		47,644,672	52,409,140	52,409,140

5000 Statutory Fees								Costs to be entered Exclusive of GST									
Code	Stage	Description	Units	Base Rate / Units	Escalate (E,R,N)	S-Curve	Month Start	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost			
5001	1	Statutory Fees	0.01	47,644,672.39	-	-	7	1	Mar-22 - Mar-22	N		285,868	285,868	285,868			
5002	1	Artwork Contribution	0.01	47,644,672.39	-	-	14	1	Oct-22 - Oct-22	N		476,447	476,447	476,447			
5003	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5004	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5005	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5006	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5007	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5008	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5009	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5010	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5011	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5012	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5013	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5014	-	-	-	-	-	-	0	-	-	Y		-	-	-			
5015	-	-	-	-	-	-	0	-	-	Y		-	-	-			
													Manual Input (refer to Cash Flow)		-	-	-
													<b>TOTAL</b>		762,315	762,315	762,315





**REVENUE ESCALATION**

Monthly Compounded Escalation - based on Cashflow Period Years commencing

Code	Category	Aug-21	Aug-22	Aug-23	Aug-24	Aug-25	Aug-26	Aug-27	Aug-28	Aug-29	Aug-30
RS1	Residential	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RS2	Residential - 2 Bedroom Units	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RS3	Residential - 3 Bedroom Units	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RDD	Detached Dwellings Lots	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RTH	Townhouse Lots	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COM	Commercial Office	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RET	Retail Shops	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
IND	Industrial Units	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
STW	Storage & Warehousing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OTH	Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Rental escalation occurs up to lease start date. For rent review escalation during lease period refer to the Tenants sheet.

**8000 SELLING & LEASING COSTS**

	Sales Commission <sup>1</sup>	% of Comm. Pre-sales <sup>2</sup>	Deposits (% of Price) <sup>3</sup>	
8001	1.00%	0.00%	0.00%	<sup>1</sup> % of Gross Sale Values (including Tax). The rate entered is Exclusive of GST
8002	0.00%	0.00%	0.00%	<sup>2</sup> Percentage of Sales Commission paid at exchange date for pre-sales
8003	0.00%	0.00%	0.00%	<sup>3</sup> Percentage of price deposited on exchange (for pre-sales)
8004	0.00%	0.00%	0.00%	
8005	0.00%	0.00%	0.00%	
8006	1.00%	0.00%	0.00%	
8007	0.00%	0.00%	0.00%	
8008	0.00%	0.00%	0.00%	
8009	0.00%	0.00%	0.00%	
8010	0.00%	0.00%	0.00%	

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
Y		355,880	391,468	625,821
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		42,429	46,671	74,611
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
	<b>TOTAL</b>	<b>398,309</b>	<b>438,140</b>	<b>700,432</b>

Pre-sale Comm are reported as a Project Cost

Interest Rate on Deposits Invested in Trust Account 0.00%  
 % of Interest retained by Developer upon Settlement 0.00%

Code	Stage	Other Selling Costs To be entered Exclusive of GST	% of Gross Sales	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)
8101	1	Conveyancing	0.25%	-	-	-
8102	-	-	0.00%	-	-	-
8103	-	-	0.00%	-	-	-
8104	-	-	0.00%	-	-	-
8105	-	-	0.00%	-	-	-
8106	-	-	0.00%	-	-	-
8107	-	-	0.00%	-	-	-
8108	-	-	0.00%	-	-	-
8109	-	-	0.00%	-	-	-
8110	-	-	0.00%	-	-	-
8111	-	-	0.00%	-	-	-

Month Start	Month Span	Cash Flow Period
S	-	Dec-43 - Dec-43
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
Y		99,577	109,535	175,108
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
	<b>TOTAL</b>	<b>99,577</b>	<b>109,535</b>	<b>175,108</b>

Pro-rata with Settlements ('S') or Exchanges ('E')

Code	Stage	Other Leasing Costs To be entered Inclusive of GST	% of Gross Rent	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)
8201	1	Management Fees	10.00%	-	-	-
8202	-	-	0.00%	-	-	-
8203	-	-	0.00%	-	-	-
8204	-	-	0.00%	-	-	-
8205	-	-	0.00%	-	-	-
8206	-	-	0.00%	-	-	-
8207	-	-	0.00%	-	-	-
8208	-	-	0.00%	-	-	-
8209	-	-	0.00%	-	-	-
8210	-	-	0.00%	-	-	-
8211	-	-	0.00%	-	-	-

Month Start	Month Span	Cash Flow Period
29	240	Jan-24 - Dec-43
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
N		9,880,418	9,880,418	9,880,418
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
	<b>TOTAL</b>	<b>9,880,418</b>	<b>9,880,418</b>	<b>9,880,418</b>

Pro-rata with Rental Income ('R')

9000 SALES													GST			Total Current Sales Revenue		
Sales Revenue to be entered Inclusive of GST													Included on Sales	Withheld by Purchaser	Land Use Code	(exc GST)	(inc GST)	(exc GST Withheld)
Code	Stage	Description	No. Units	Total Area	Current Sale Price	Sales Calc Method	Pre-Sale Month Start	Exchange Month Span	Settlements Month Start	Month Span	Cash Flow Period	Sales Rate Units / SqM per Month						
9001	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	RS2	-	-	-
9002	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9003	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9004	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9005	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9006	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9007	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9008	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9009	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9010	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9011	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9012	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9013	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9014	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9015	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9016	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9017	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9018	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9019	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9020	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
Capitalised Sales (refer to Tenants)																34,042,174	39,830,868	63,675,624
Manual Input (refer to Cash Flow)																-	-	-
<b>TOTAL</b>																<b>34,042,174</b>	<b>39,830,868</b>	<b>63,675,624</b>

9100 OTHER INCOME													Total Current Income					
Other Income to be entered Inclusive of GST													(exc GST)	(inc GST)	(exc GST Withheld)			
Code	Stage	Description	Land Use Code	Units	Base Rate / Units	Month Start	Month Span	Cash Flow Period	GST Included	Remarks								
9101	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9102	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9103	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9104	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9105	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9106	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9107	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9108	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9109	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9110	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
Manual Input (refer to Cash Flow)																-	-	-
<b>TOTAL</b>																<b>-</b>	<b>-</b>	<b>-</b>

10000 FINANCING (Simple Mode)													Equity Totals					
<b>Equity</b> Developer's Equity Contribution Injected in total upfront. Fixed Amount - Percentage 0.00% Fixed Amount.													Opening Balances - -			Developer's Injections - -		
10001	Interest Charged on Equity 0.00% per annum Nominal - Capitalised (Compounded)											Interest Charged -						
10002	Interest received on Surplus Cash 0.00% per annum received in arrears.											Interest Received -						
% of Available Funds to Repay Equity Before Debt 0.00%																		

Senior Loan													Senior Loan Totals					
Description Lender Name Debt No Limit (use as overdraft facility) -													Opening Balances -			Senior Loan Totals 53,826,043		
10007	Interest Rate 0.00% per annum Nominal - Capitalised (Compounded)											Interest Charged -						
10008	Fees Application Fee - 0.00% 0 Annual Line Fee - 0.00% Monthly Paid in Arrears Standby Fee - 0.00% Monthly Paid in Arrears											Application Fees - Line Fees - Standby Fees -						
Maintain Leverage on Senior Loan 0.00% % of Future Positive Net Cash Flows																		



1000 LAND PURCHASE & ACQUISITION COSTS					
Code	Stage	Description	Month Start	Month Span	Cash Flow Period
1007	-	Settlement (Balance)	29		Jan-24 - Jan-24
1008	-	Stamp Duty 1	29	1	Jan-24 - Jan-24
<b>TOTAL</b>					
3000 PROFESSIONAL FEES					
Code	Stage	Description	Month Start	Month Span	Cash Flow Period
3001	1	Professional Fees (Planning & Design)	1	13	Sep-21 - Sep-22
3002	1	Professional Fees (Construction)	14	15	Oct-22 - Dec-23
3099	1	Development Management	1	29	Sep-21 - Jan-24
<b>TOTAL</b>					
4000 CONSTRUCTION COSTS					
Code	Stage	Description	Month Start	Month Span	Cash Flow Period
4001	1	Parking, Stores and Plant - North Tower	14	15	Oct-22 - Dec-23
4002	1	Parking, Stores and Plant - South Tower	14	15	Oct-22 - Dec-23
4003	1	Community	14	15	Oct-22 - Dec-23
4004	1	Commercial	14	15	Oct-22 - Dec-23
4005	1	Podium Level	14	15	Oct-22 - Dec-23
4006	1	Residential Apartments - North Tower	14	15	Oct-22 - Dec-23
4007	1	Embellishment/Amenity - North Tower	14	15	Oct-22 - Dec-23
4008	1	Vertical Circulation - North Tower	14	15	Oct-22 - Dec-23
4009	1	Residential Apartments - South Tower	14	15	Oct-22 - Dec-23
4010	1	Embellishment/Amenity - South Tower	14	15	Oct-22 - Dec-23
4011	1	Vertical Circulation - South Tower	14	15	Oct-22 - Dec-23
4012	1	External Works and Services	14	15	Oct-22 - Dec-23
4099		Construction Contingency			
<b>TOTAL</b>					
5000 Statutory Fees					
Code	Stage	Description	Month Start	Month Span	Cash Flow Period
5001	1	Statutory Fees	7	1	Mar-22 - Mar-22
5002	1	Artwork Contribution	14	1	Oct-22 - Oct-22
<b>TOTAL</b>					
6000 Refurbishment Costs					
Code	Stage	Description	Month Start	Month Span	Cash Flow Period
6001	1	Reburbishment after 10 years	149	2	Jan-34 - Feb-34
6002	1	Reburbishment after 20 years	268	2	Dec-43 - Jan-44
<b>TOTAL</b>					
8000 SELLING & LEASING COSTS					
8001	RS1	Residential			
8006	COM	Commercial Office			
Other Selling Costs					
Code	Stage	Description	Month Start	Month Span	Cash Flow Period
8101	1	Conveyancing	S		Dec-43 - Dec-43
<b>TOTAL</b>					
Other Leasing Costs					
Code	Stage	Description	Month Start	Month Span	Cash Flow Period
8201	1	Management Fees	29	240	Jan-24 - Dec-43
<b>TOTAL</b>					
9000 SALES					
Capitalised Sales (refer to Tenants)					
<b>TOTAL</b>					
Rental Income					

Code	Stage	Description	Month Start	Month Span	Cash Flow Period
<b>1000 LAND PURCHASE &amp; ACQUISITION COSTS</b>					
1007	-	Settlement (Balance)	29		Jan-24 - Jan-24
1008	-	Stamp Duty 1	29	1	Jan-24 - Jan-24
<b>TOTAL</b>					
<b>3000 PROFESSIONAL FEES</b>					
3001	1	Professional Fees (Planning & Design)	1	13	Sep-21 - Sep-22
3002	1	Professional Fees (Construction)	14	15	Oct-22 - Dec-23
3099	1	Development Management	1	29	Sep-21 - Jan-24
<b>TOTAL</b>					
<b>4000 CONSTRUCTION COSTS</b>					
4001	1	Parking, Stores and Plant - North Tower	14	15	Oct-22 - Dec-23
4002	1	Parking, Stores and Plant - South Tower	14	15	Oct-22 - Dec-23
4003	1	Community	14	15	Oct-22 - Dec-23
4004	1	Commercial	14	15	Oct-22 - Dec-23
4005	1	Podium Level	14	15	Oct-22 - Dec-23
4006	1	Residential Apartments - North Tower	14	15	Oct-22 - Dec-23
4007	1	Embellishment/Amenity - North Tower	14	15	Oct-22 - Dec-23
4008	1	Vertical Circulation - North Tower	14	15	Oct-22 - Dec-23
4009	1	Residential Apartments - South Tower	14	15	Oct-22 - Dec-23
4010	1	Embellishment/Amenity - South Tower	14	15	Oct-22 - Dec-23
4011	1	Vertical Circulation - South Tower	14	15	Oct-22 - Dec-23
4012	1	External Works and Services	14	15	Oct-22 - Dec-23
4099		Construction Contingency			
<b>TOTAL</b>					
<b>5000 STATUTORY FEES</b>					
5001	1	Statutory Fees	7	1	Mar-22 - Mar-22
5002	1	Artwork Contribution	14	1	Oct-22 - Oct-22
<b>TOTAL</b>					
<b>6000 REBURISHMENT COSTS</b>					
6001	1	Reburishment after 10 years	149	2	Jan-34 - Feb-34
6002	1	Reburishment after 20 years	268	2	Dec-43 - Jan-44
<b>TOTAL</b>					
<b>8000 SELLING &amp; LEASING COSTS</b>					
8001	RS1	Residential			
8006	COM	Commercial Office			
<b>Other Selling Costs</b>					
8101	1	Conveyancing	S		Dec-43 - Dec-43
<b>Other Leasing Costs</b>					
8201	1	Management Fees	29	240	Jan-24 - Dec-43
<b>9000 SALES</b>					
<b>Capitalised Sales (refer to Tenants)</b>					
<b>TOTAL</b>					
<b>Rental Income</b>					

Sharpe Avenue Apartments

Sharpe St Apartments UF Base Case  
20 year Cashflow - unfurnished 0% vacancy

Licensed to: APP Corporation Pty Ltd

Time Span: Aug-21 to Jan-44 (269 Months)  
Type: Miscellaneous  
Status: Under Review  
Site Area:  
FSR: :1  
Project Size:

				Total AUD	AUD Per Unit	AUD Per SqM of Site Area	% of Total Net Revenue	Total Exc GST
<b>Revenues</b>								
	Quantity	SqM	AUD/Quantity					
<b>Gross Sales Revenue</b>								
Residential	98	726.00	649,751.26	63,675,624			53.8%	57,886,931
Commercial Office	97	-	586,523.50	56,892,779				51,720,709
	1	726.00	6,782,844.36	6,782,844				6,166,222
Less Selling Costs				(875,540)			-0.7%	(795,945)
Less Purchasers Costs				-			0.0%	-
<b>NET SALES REVENUE</b>				<b>62,800,084</b>			<b>53.1%</b>	<b>57,090,985</b>
	Average Yield	Units	AUD/Unit/week					
<b>Gross Rental Income</b>								
Residential	7.00%	98.00	759.01	98,804,181			83.5%	89,821,983
Commercial Office	7.00%	97.00	702.06	90,458,742				82,235,220
	7.00%	1.00	6,282.69	8,345,440				7,586,763
Less Outgoings & Vacancies				(18,599,372)			-15.7%	(18,599,372)
Less Letting Fees				(70,824)			-0.1%	(70,824)
Less Incentives (Rent Free and Fitout Costs)				-			0.0%	-
Less Other Leasing Costs				(9,880,418)			-8.4%	(9,880,418)
<b>NET RENTAL INCOME</b>				<b>70,253,567</b>			<b>59.4%</b>	<b>61,271,369</b>
Interest Received				-			0.0%	-
Other Income				-			0.0%	-
<b>TOTAL REVENUE (before GST paid)</b>				<b>133,053,651</b>			<b>112.5%</b>	<b>118,362,354</b>
Less GST paid on all Revenue				(14,770,891)			-12.5%	-
<b>TOTAL REVENUE (after GST paid)</b>				<b>118,282,760</b>			<b>100.0%</b>	<b>118,362,354</b>
<b>Costs</b>								
Land Purchase Cost				1,734,062			1.5%	1,576,420
Land Acquisition Costs				83,219			0.1%	83,219
<b>Construction Costs (inc. Contingency)</b>				<b>52,409,140</b>			<b>44.3%</b>	<b>47,644,672</b>
Built Form				47,644,672			40.3%	43,313,339
Contingency				4,764,467			4.0%	4,331,334
Professional Fees				3,991,754			3.4%	3,628,867
Statutory Fees				762,315			0.6%	762,315
Refurbishment Costs				1,861,723			1.6%	1,692,476
Land Holding Costs				-			0.0%	-
Finance Charges (inc. Fees)				-			0.0%	-
Interest Expense				-			0.0%	-
<b>TOTAL COSTS (before GST reclaimed)</b>				<b>60,842,213</b>			<b>51.4%</b>	<b>55,387,969</b>
Less GST reclaimed				(5,533,838)			-4.7%	-
Plus Corporate Tax				-			0.0%	-
<b>TOTAL COSTS (after GST reclaimed)</b>				<b>55,308,375</b>			<b>46.8%</b>	<b>55,387,969</b>

Performance Indicators			Per Unit	Per SqM of Site Area	Total Exc GST
<sup>1</sup> Net Development Profit					<b>62,974,385</b>
<sup>3</sup> Development Margin (Profit/Risk Margin)	Based on total costs (inc selling costs)				<b>112.09%</b>
<sup>5</sup> Net Present Value	Based on Discount Rate of 4% p.a. Nominal				<b>9,463,765</b>
<sup>6</sup> Benefit Cost Ratio					1.1862
<sup>7</sup> Project Internal Rate of Return (IRR)	Per annum Nominal				<b>5.25%</b>
<sup>8</sup> Residual Land Value	Based on NPV (Exclusive of GST)				<b>11,440,232</b>
Equity IRR	Per annum Nominal				N.A.
Equity Contribution					-
Peak Debt Exposure					53,575,139
Equity to Debt Ratio					N.A.
<sup>9</sup> Weighted Average Cost of Capital (WACC)					0.00%
<sup>10</sup> Breakeven Date for Cumulative Cash Flow	Month 248				Apr-2042
<sup>11</sup> Yield on Cost					4.52%
<sup>12</sup> Rent Cover					22 Yrs, 7 Mths
<sup>13</sup> Profit Erosion					0 Yrs, 0 Mths

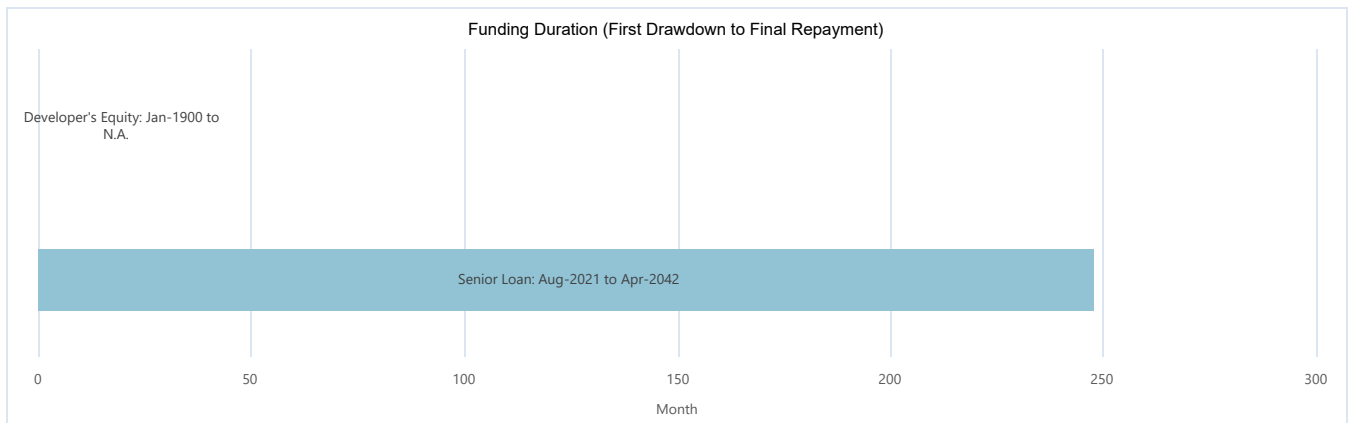
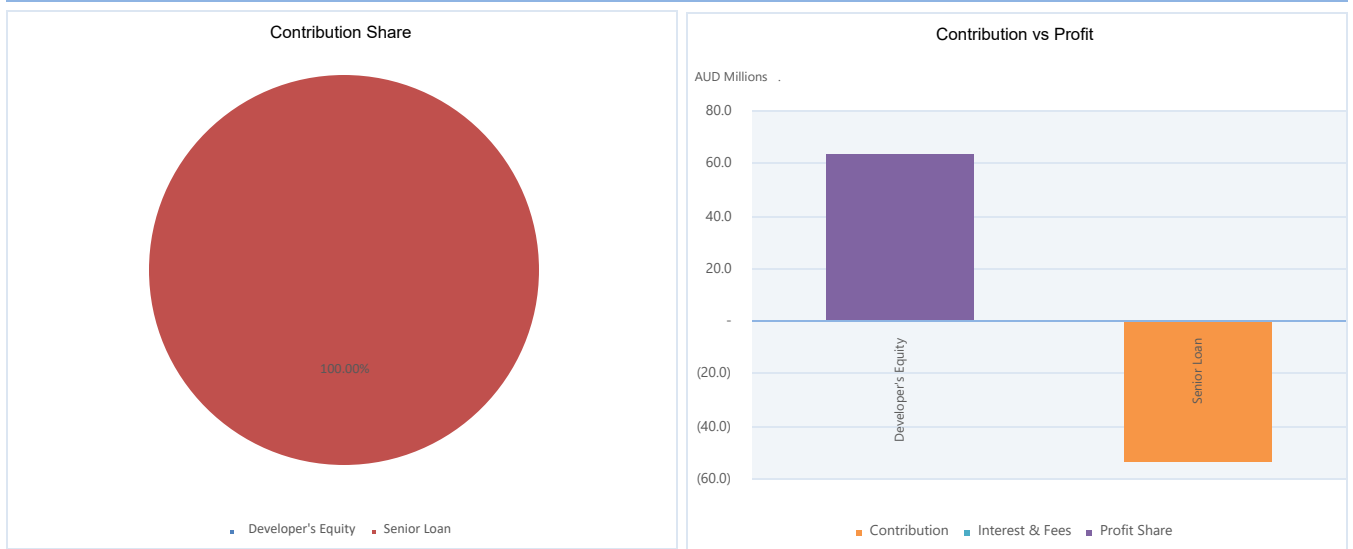
Footnotes:  
 1. Development Profit: is total revenue less total cost including interest paid and received  
 2. Note: No redistribution of Developer's Gross Profit  
 3. Development Margin: is profit divided by total costs (inc selling costs)  
 5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.  
 6. Benefit Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.  
 7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.  
 8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.  
 9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.  
 10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).  
 11 Yield on Cost is Current Net Annual Rent divided by Total Costs (before GST reclaimed), including all Selling Costs.  
 12. The total net development profit divided by the current net annual rental expressed as a number of years/months.  
 13. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.

Sharpe Avenue Apartments

Sharpe St Apartments UF Base Case  
20 year Cashflow - unfurnished 0% vacancy

Licensed to: APP Corporation Pty Ltd

Returns on Funds Invested	Developer's Equity	Senior Loan	Total Equity	Total Debt	Total Funding
	Equity	Debt			
		Lender Name			
<sup>1</sup> Funds Invested (Cash Outlay)	-	53,826,043	-	53,826,043	53,826,043
% of Total Funds Invested	0.00%	100.00%	0.00%	100.00%	100.00%
<sup>2</sup> Peak Exposure	-	53,575,139	-	53,575,139	-
Date of Peak Exposure	N.A.	Jan-24	N.A.	Jan-24	-
Month of Peak Exposure		Month 29	Month 0	Month 29	
Weighted Average Interest Rate	N.A.	N.A.	N.A.	N.A.	
Interest Charged	-	-	-	-	-
Line & Standby Fees Charged	-	-	-	-	-
Application Fees Charged	-	-	-	-	-
Profit Share Received	-	-	-	-	-
<sup>3</sup> Total Profit to Funders	62,974,385	-	62,974,385	-	62,974,385
<sup>4</sup> Margin on Funds Invested	N.A.	0.00%	N.A.	0.00%	
<sup>5</sup> Payback Date	N.A.	Apr-42	N.A.	Apr-42	
Month of Payback	N.A.	Month 248	N.A.	Month 248	
<sup>6</sup> IRR on Funds Invested	N.A.	0.00%	N.A.	0.00%	
<sup>7</sup> Loan to Value Ratio	0.00%	84.14%	0.00%	84.14%	
<sup>8</sup> Loan Ratio	0.00%	3104.04%	0.00%	3104.04%	
	of Land Purchase Price.	of Land Purchase Price.	of Land Purchase Price.	of Land Purchase Price.	



**Footnotes:**

- The total amount of funding injected into the project cash flow.
- The maximum cash flow exposure of that equity/debt facility including capitalised interest.
- The total repayments less funds invested, including profit share paid or received.
- Margin is net profit divided by total funds invested (cash outlay).
- Payback date for the equity/debt facility is the last date when total equity/debt is repaid.
- IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.
- Loan to Value ratio is the Peak Equity/Debt Exposure divided by Total Sales Revenue.
- Loan Ratio is the total funds invested by the lender (cash outlay) divided by the nominated ratio calculation method. It includes capitalised interest and fees.

1200		ARGUS EstateMaster Development Feasibility		RENTAL INCOME & CAPITALISED SALES																														
Rental Income and Leasing Costs to be entered Inclusive of GST																																		
Code	Stage	Description	Land Use Code	Units	Total Area SqM	Current Rent /Unit/week	Outgoings and Vacancies			Pre-Commit Month	Lease Month Start	Lease Month Soon	Cash Flow Period	Escalated Rent at Lease Start /Unit/annum	Letting Fee			Rent Free Months	Incentives		GST Included on		Residual Cap. Rate	Pre-Sale Exchange Month	Settlement Month	Leasing Up Period Months Vacant	Discount Rate	Purchaser's Costs	GST Included on Sales*					
							Amount /Unit/week	% of Rent	Total Per Annum						% of Gross Rent	% paid at Pre-Commit	Total Amount		Fibout Cost	Month Start	on Costs	on Rents												
13001	1	Studio	RS1	13	-	400.00	113.46	0.00%	76,700	0	29	240	Jan-24 - Dec-43	20,800	2.00%	0.00%	5,408	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	169,118	2,415,974	4,314,658	3,862,237	
13002	1	1x1	RS1	24	-	600.00	129.37	0.00%	161,448	0	29	240	Jan-24 - Dec-43	31,200	2.00%	0.00%	14,976	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	519,278	7,418,275	13,249,835	11,859,227	
13003	1	2x1	RS1	18	-	700.00	144.23	0.00%	135,000	0	29	240	Jan-24 - Dec-43	36,400	2.00%	0.00%	13,104	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	460,636	6,580,519	11,753,694	10,519,949	
13004	1	2x2	RS1	08	-	800.00	154.38	0.00%	224,784	0	29	240	Jan-24 - Dec-43	41,600	2.00%	0.00%	23,096	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	834,125	11,916,074	21,284,144	19,949,632	
13005	1	3x1	RS1	5	-	900.00	171.15	0.00%	44,500	0	29	240	Jan-24 - Dec-43	46,800	2.00%	0.00%	4,680	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	168,227	2,403,247	4,292,628	3,841,951	
13006	1	3x2	RS1	9	-	1,000.00	183.08	0.00%	85,680	0	29	240	Jan-24 - Dec-43	52,000	2.00%	0.00%	9,360	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	339,775	4,453,922	8,670,064	7,759,723	
13007	-	-	-	-	-	-	-	0.00%	-	0	-	-	-	-	0.00%	0.00%	-	-	-	0	N	Y	0	0	-	0.00%	0.00%	Y	-	-	-	-	-	
13008	1	Commercial	COM	1	728.00	6,282.69	-	0.00%	-	0	29	240	Jan-24 - Dec-43	326,700	0.00%	0.00%	-	-	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	297,000	4,242,857	7,586,763	6,782,844
13009	-	-	-	-	-	-	-	0.00%	-	0	0	-	-	-	0.00%	0.00%	-	-	-	0	N	Y	0.00%	0	0	-	0.00%	0.00%	Y	-	-	-	-	-
13010	-	-	-	-	-	-	-	0.00%	-	0	0	-	-	-	0.00%	0.00%	-	-	-	0	N	Y	0.00%	0	0	-	0.00%	0.00%	Y	-	-	-	-	-
13015	-	-	-	-	-	-	-	0.00%	-	0	0	-	-	-	0.00%	0.00%	-	-	-	0	N	Y	0.00%	0	0	-	0.00%	0.00%	Y	-	-	-	-	-
TOTAL				86	728.00	-	-	0.00%	-	0	0	-	-	-	0.00%	0.00%	-	-	-	0	N	Y	0.00%	0	0	-	0.00%	0.00%	Y	-	2,788,161	39,830,868	71,151,787	63,675,684

\* If Yes, GST is payable on settlement (end of lease period or settlement date)  
 \* End sale value = annual income (net of outgoings) divided by the Residual Cap Rate

Licensed to: APP Corporation Pty Ltd

- Inclusive of GST



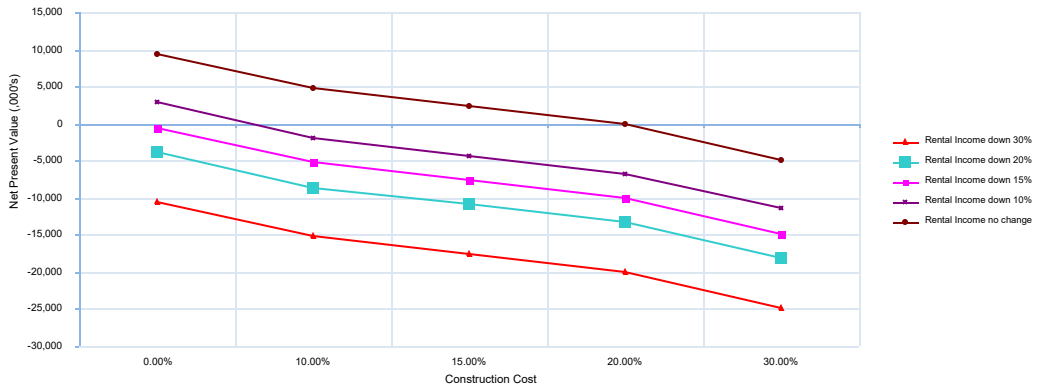
**Sharpe Avenue Apartments**

Sharpe St Apartments UF Base Case  
20 year Cashflow - unfurnished 0% vacancy

Licensed to: APP Corporation Pty Ltd

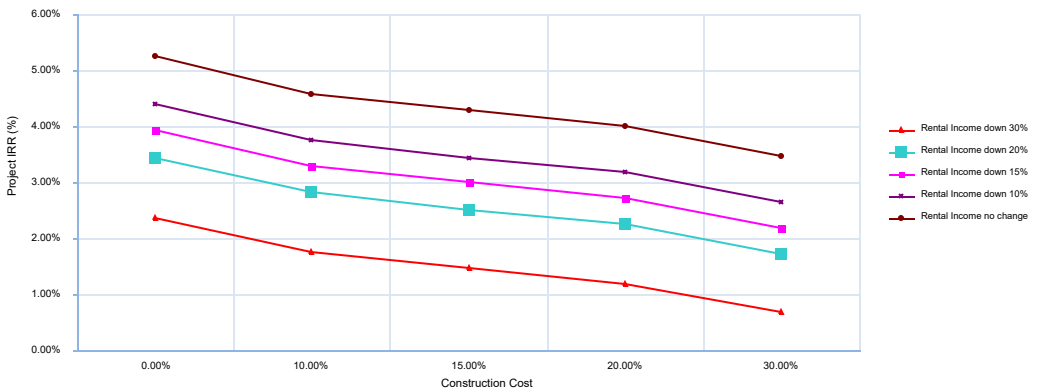
	Change %	Net Dev. Profit	NPV	Dev. Margin	Project IRR	Equity IRR	WACC	RLV (Target Margin)	RLV (Target IRR)
<b>Base Case (No Variation)</b>	<b>0.00%</b>	<b>62,974,385</b>	<b>9,463,765</b>	<b>112.09%</b>	<b>5.25%</b>	<b>N.A.</b>	<b>0.00%</b>	<b>61,174,295</b>	<b>11,440,232</b>
<b>Construction Costs</b>	0.00%	62,974,385	9,463,765	112.09%	5.25%	N.A.	0.00%	61,174,295	11,440,232
	10.00%	57,849,486	4,687,948	94.36%	4.58%	N.A.	0.00%	56,323,142	6,462,533
	20.00%	52,724,587	(87,870)	79.36%	3.99%	N.A.	0.00%	51,479,069	1,484,836
	30.00%	47,599,687	(4,863,687)	66.52%	3.45%	N.A.	0.00%	46,622,868	(3,734,656)
<b>Rental Levels</b>	-30.00%	22,992,985	(10,468,787)	41.15%	2.35%	N.A.	0.00%	23,337,970	(9,970,826)
	-20.00%	36,320,118	(3,824,603)	64.88%	3.44%	N.A.	0.00%	35,949,562	(2,578,583)
	-10.00%	49,647,252	2,819,581	88.52%	4.39%	N.A.	0.00%	48,565,473	4,515,189
	0.00%	62,974,385	9,463,765	112.09%	5.25%	N.A.	0.00%	61,174,295	11,440,232

**Variations in Net Present Value**



Construction Cost	Rental Income				
	▼30%	▼20%	▼15%	▼10%	no change
no change	(10,468)	(3,824)	(502)	2,819	9,463
▲10%	(15,244)	(8,600)	(5,278)	(1,956)	4,687
▲15%	(17,632)	(10,988)	(7,666)	(4,344)	2,300
▲20%	(20,020)	(13,376)	(10,054)	(6,732)	(87)
▲30%	(24,796)	(18,152)	(14,829)	(11,507)	(4,863)

**Variations in Project IRR**



Construction Cost	Rental Income				
	▼30%	▼20%	▼15%	▼10%	no change
no change	2.35%	3.44%	3.93%	4.39%	5.25%
▲10%	1.74%	2.81%	3.29%	3.74%	4.58%
▲15%	1.45%	2.51%	2.99%	3.45%	4.28%
▲20%	1.18%	2.24%	2.71%	3.16%	3.99%
▲30%	0.68%	1.72%	2.19%	2.63%	3.45%

Notes: Two-Way What-If Charts don't consider variations to Corporate Tax caused by the change in the 2 selected variables. This is due to Finance Fees and/or Interest Charges being allocated to Works in Progress (WIP) for Profit and Loss reporting.

PROJECT CASH FLOW		TOTAL	GST	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
				Jun-22	Jun-23	Jun-24	Jun-25	Jun-26	Jun-27	Jun-28	Jun-29	Jun-30	Jun-31	Jun-32	Jun-33	Jun-34
<b>Sale Summary</b>																
<b>Units Sold</b>		98.00		-	-	-	-	-	-	-	-	-	-	-	-	-
Residential		97.00		-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - 2 Bedroom Units		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office		1.00		-	-	-	-	-	-	-	-	-	-	-	-	-
	Cumulative Units Sold			-	-	-	-	-	-	-	-	-	-	-	-	-
	% Units Sold			-	-	-	-	-	-	-	-	-	-	-	-	-
<b>SqM Sold</b>		726.00		-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office		726.00		-	-	-	-	-	-	-	-	-	-	-	-	-
	Cumulative SqM Sold			-	-	-	-	-	-	-	-	-	-	-	-	-
	% SqM Sold			-	-	-	-	-	-	-	-	-	-	-	-	-
<b>AUD Sold</b>		63,675,624		-	-	-	-	-	-	-	-	-	-	-	-	-
Residential		56,892,779		-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - 2 Bedroom Units		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office		6,782,844		-	-	-	-	-	-	-	-	-	-	-	-	-
	Cumulative AUD Sold			-	-	-	-	-	-	-	-	-	-	-	-	-
	% AUD Sold			-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Handover Summary</b>																
<b>Units Handed Over</b>		98.00		-	-	-	-	-	-	-	-	-	-	-	-	-
Residential		97.00		-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - 2 Bedroom Units		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office		1.00		-	-	-	-	-	-	-	-	-	-	-	-	-
	Cumulative Units Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-
	% Units Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-
<b>SqM Handed Over</b>		726.00		-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office		726.00		-	-	-	-	-	-	-	-	-	-	-	-	-
	Cumulative SqM Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-
	% SqM Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-
<b>AUD Handed Over</b>		63,675,624		-	-	-	-	-	-	-	-	-	-	-	-	-
Residential		56,892,779		-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - 2 Bedroom Units		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office		6,782,844		-	-	-	-	-	-	-	-	-	-	-	-	-
	Cumulative AUD Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-
	% AUD Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Project Cash Flow</b>																
<b>Revenue</b>																
Gross Sales Revenue		63,675,624		-	-	-	-	-	-	-	-	-	-	-	-	-
Selling Costs		(875,540)		-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Rental Income		98,804,181		-	1,933,950	3,916,249	4,014,155	4,114,509	4,217,372	4,322,806	4,430,876	4,541,648	4,655,189	4,771,569	4,890,858	
Leasing Costs		(28,550,614)		-	(681,890)	(1,231,234)	(1,249,665)	(1,268,556)	(1,287,919)	(1,307,767)	(1,328,110)	(1,348,962)	(1,370,336)	(1,392,244)	(1,414,699)	
Other Income		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*		-		-	-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)		(14,770,891)		-	(175,814)	(356,023)	(364,923)	(374,046)	(383,397)	(392,982)	(402,807)	(412,877)	(423,199)	(433,779)	(444,623)	
<b>TOTAL NET REVENUE</b>		118,282,760		-	1,076,246	2,328,992	2,399,567	2,471,907	2,546,055	2,622,057	2,699,959	2,779,808	2,861,654	2,945,546	3,031,535	
<b>Costs</b>																
Land and Acquisition		1,817,281		-	-	1,817,281	-	-	-	-	-	-	-	-	-	-
Professional Fees		3,991,754		2,217,515	1,318,538	455,700	-	-	-	-	-	-	-	-	-	-
Construction Costs (inc. Contingency)		52,409,140		-	26,204,570	26,204,570	-	-	-	-	-	-	-	-	-	-
Statutory Fees		762,315		285,868	476,447	-	-	-	-	-	-	-	-	-	-	-
Refurbishment Costs		1,861,723		-	-	-	-	-	-	-	-	-	-	-	-	839,755
Miscellaneous Costs 2		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Land Holding Costs		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-Sale Commissions		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)		-		-	-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Inout Credits)		(5,533,838)		(201,592)	(2,502,101)	(2,581,303)	-	-	-	-	-	-	-	-	-	(76,341)
<b>TOTAL COSTS</b>		55,308,375		2,301,791	25,497,454	25,896,248	-	-	-	-	-	-	-	-	-	763,413
Net Cash Flow (before Interest & Corporate Tax)		62,974,385		(2,301,791)	(25,497,454)	(24,820,003)	2,328,992	2,399,567	2,471,907	2,546,055	2,622,057	2,699,959	2,779,808	2,861,654	2,945,546	2,268,122
Cumulative Cash Flow				(2,301,791)	(27,799,245)	(52,619,248)	(50,290,256)	(47,890,689)	(45,418,782)	(42,872,727)	(40,250,670)	(37,550,711)	(34,770,903)	(31,909,249)	(28,963,703)	(26,695,581)
Corporate Tax		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow (before Interest & after Corporate Tax)		62,974,385		(2,301,791)	(25,497,454)	(24,820,003)	2,328,992	2,399,567	2,471,907	2,546,055	2,622,057	2,699,959	2,779,808	2,861,654	2,945,546	2,268,122
Cumulative Cash Flow				(2,301,791)	(27,799,245)	(52,619,248)	(50,290,256)	(47,890,689)	(45,418,782)	(42,872,727)	(40,250,670)	(37,550,711)	(34,770,903)	(31,909,249)	(28,963,703)	(26,695,581)
<b>Financing</b>																
<b>Developer's Equity</b>																
Manual Adjustments (Inject + / Repay -)		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Injections		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Charged		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment		62,974,385		-	-	-	-	-	-	-	-	-	-	-	-	-
Less Profit Share		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance		62,974,385		-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Cash Flow		62,974,385		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Project Cash Account</b>																
Surplus Cash Injection		63,438,916		-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Reserve Drawdown		(63,438,916)		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Surplus Cash		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance		-		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Senior Loan - Lender Name</b>																
Drawdown		(53,826,043)		(2,301,791)	(25,497,454)	(25,775,894)	-	-	-	-	-	-	-	-	-	(250,903)
Loan Interest Rate (%/ann)				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Fees Charged (Application, Line & Standby)		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment		53,826,043		-	-	955,892	2,328,992	2,399,567	2,471,907	2,546,055	2,622,057	2,699,959	2,779,808	2,861,654	2,945,546	2,519,025
Interest and Fees		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Principal		53,826,043		-	-	955,892	2,328,992	2,399,567	2,471,907	2,546,055	2,622,057	2,699,959	2,779,808	2,861,654	2,945,546	2,519,025
Loan Balance		0		(2,301,791)	(27,799,245)	(52,619,248)	(50,290,256)	(47,890,689)	(45,418,782)	(42,872,727)	(40,250,670)	(37,550,711)	(34,770,903)	(31,909,249)	(28,963,703)	(26,695,581)
% of Land Purchase Price		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Loan Cash Flow		-		(2,301,791)	(25,497,454)	(24,820,003)	2,328,992	2,399,567	2,471,907	2,546,055	2,622,057	2,699,959	2,779,808	2,861,654	2,945,546	2,268,122
Interest Coverage Ratio		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio		1.01		-	-	1.13	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.20
Project Overdraft				(2,301,791)	(27,799,245)	(52,619,248)	(50,290,256)	(47,890,689)	(45,418,782)	(42,872,727)	(40,250,670)	(37,550,711)	(34,770,903)	(31,909,249)	(28,963,703)	(26,695,581)
Net Cash Flow (after Interest & Corporate Tax)		62,974,385		(2,301,791)	(25,497,454)	(24,820,003)	2,328,992	2,399,567	2,471,907	2,546,055	2,622,057	2,699,959	2,779,808	2,861,654	2,945,546	2,268,122
Cumulative Cash Flow**				(2,301,791)	(27,799,245)	(52,619,248)	(50,290,256)	(47,890,689)	(45,418,782)	(42,872,727)	(40,250,670)	(37,550,711)	(34,770,903)	(31,909,249)	(	

PROJECT CASH FLOW		TOTAL	GST	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22
				Jun-35	Jun-36	Jun-37	Jun-38	Jun-39	Jun-40	Jun-41	Jun-42	Jun-43	Jun-44
<b>Sale Summary</b>													
Units Sold		98.00	-	-	-	-	-	-	-	-	-	-	98.00
Residential		97.00	-	-	-	-	-	-	-	-	-	-	97.00
Residential - 2 Bedroom Units		-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office		1.00	-	-	-	-	-	-	-	-	-	-	1.00
	Cumulative Units Sold		-	-	-	-	-	-	-	-	-	-	98.00
	% Units Sold		-	-	-	-	-	-	-	-	-	-	100.0%
SqM Sold		726.00	-	-	-	-	-	-	-	-	-	-	726.00
Commercial Office		726.00	-	-	-	-	-	-	-	-	-	-	726.00
	Cumulative SqM Sold		-	-	-	-	-	-	-	-	-	-	726.00
	% SqM Sold		-	-	-	-	-	-	-	-	-	-	100.0%
AUD Sold		63,675,624	-	-	-	-	-	-	-	-	-	-	63,675,624
Residential		56,892,779	-	-	-	-	-	-	-	-	-	-	56,892,779
Residential - 2 Bedroom Units		-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office		6,782,844	-	-	-	-	-	-	-	-	-	-	6,782,844
	Cumulative AUD Sold		-	-	-	-	-	-	-	-	-	-	63,675,624
	% AUD Sold		-	-	-	-	-	-	-	-	-	-	100.0%
<b>Handover Summary</b>													
Units Handed Over		98.00	-	-	-	-	-	-	-	-	-	-	98.00
Residential		97.00	-	-	-	-	-	-	-	-	-	-	97.00
Residential - 2 Bedroom Units		-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office		1.00	-	-	-	-	-	-	-	-	-	-	1.00
	Cumulative Units Handed Over		-	-	-	-	-	-	-	-	-	-	98.00
	% Units Handed Over		-	-	-	-	-	-	-	-	-	-	100.0%
SqM Handed Over		726.00	-	-	-	-	-	-	-	-	-	-	726.00
Commercial Office		726.00	-	-	-	-	-	-	-	-	-	-	726.00
	Cumulative SqM Handed Over		-	-	-	-	-	-	-	-	-	-	726.00
	% SqM Handed Over		-	-	-	-	-	-	-	-	-	-	100.0%
AUD Handed Over		63,675,624	-	-	-	-	-	-	-	-	-	-	63,675,624
Residential		56,892,779	-	-	-	-	-	-	-	-	-	-	56,892,779
Residential - 2 Bedroom Units		-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office		6,782,844	-	-	-	-	-	-	-	-	-	-	6,782,844
	Cumulative AUD Handed Over		-	-	-	-	-	-	-	-	-	-	63,675,624
	% AUD Handed Over		-	-	-	-	-	-	-	-	-	-	100.0%
<b>Project Cash Flow</b>													
<b>Revenue</b>													
Gross Sales Revenue		63,675,624	-	-	-	-	-	-	-	-	-	-	63,675,624
Selling Costs		(875,540)	-	-	-	-	-	-	-	-	-	-	(875,540)
Gross Rental Income		98,804,181	5,013,129	5,138,458	5,266,919	5,398,592	5,533,557	5,671,896	5,813,693	5,959,036	6,108,012	6,263,710	3,091,710
Leasing Costs		(28,550,614)	(1,437,716)	(1,461,309)	(1,485,491)	(1,510,278)	(1,535,684)	(1,561,726)	(1,588,418)	(1,615,778)	(1,643,822)	(1,672,576)	(829,009)
Other Income		-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*		-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)		(14,770,891)	(455,739)	(467,133)	(478,811)	(490,781)	(503,051)	(515,627)	(528,518)	(541,731)	(555,274)	(568,316)	(6,069,758)
<b>TOTAL NET REVENUE</b>		<b>118,282,760</b>	<b>3,119,674</b>	<b>3,210,016</b>	<b>3,302,617</b>	<b>3,397,533</b>	<b>3,494,822</b>	<b>3,594,543</b>	<b>3,696,757</b>	<b>3,801,527</b>	<b>3,908,916</b>	<b>4,019,100</b>	<b>58,993,027</b>
<b>Costs</b>													
Land and Acquisition		1,817,281	-	-	-	-	-	-	-	-	-	-	-
Professional Fees		3,991,754	-	-	-	-	-	-	-	-	-	-	-
Construction Costs (inc. Contingency)		52,409,140	-	-	-	-	-	-	-	-	-	-	-
Statutory Fees		762,315	-	-	-	-	-	-	-	-	-	-	-
Refurbishment Costs		1,861,723	-	-	-	-	-	-	-	-	-	-	1,021,969
Miscellaneous Costs 2		-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3		-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)		-	-	-	-	-	-	-	-	-	-	-	-
Land Holding Costs		-	-	-	-	-	-	-	-	-	-	-	-
Pre-Sale Commissions		-	-	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)		-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Inout Credits)		(5,533,838)	-	-	-	-	-	-	-	-	-	-	(172,501)
<b>TOTAL COSTS</b>		<b>55,308,375</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>849,468</b>
Net Cash Flow (before Interest & Corporate Tax)		62,974,385	3,119,674	3,210,016	3,302,617	3,397,533	3,494,822	3,594,543	3,696,757	3,801,527	3,908,916	4,019,100	58,143,559
Cumulative Cash Flow			(23,575,907)	(20,365,890)	(17,063,273)	(13,665,740)	(10,170,917)	(6,576,374)	(2,879,617)	921,910	4,830,826	8,850,736	62,974,385
Corporate Tax		-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow (before Interest & after Corporate Tax)		62,974,385	3,119,674	3,210,016	3,302,617	3,397,533	3,494,822	3,594,543	3,696,757	3,801,527	3,908,916	4,019,100	58,143,559
Cumulative Cash Flow			(23,575,907)	(20,365,890)	(17,063,273)	(13,665,740)	(10,170,917)	(6,576,374)	(2,879,617)	921,910	4,830,826	8,850,736	62,974,385
<b>Financing</b>													
<b>Developer's Equity</b>													
Manual Adjustments (Inject + / Repay -)		-	-	-	-	-	-	-	-	-	-	-	-
Injections		-	-	-	-	-	-	-	-	-	-	-	-
Interest Charged		-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment		62,974,385	-	-	-	-	-	-	-	-	-	-	62,974,385
Less Profit Share		-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance		62,974,385	-	-	-	-	-	-	-	-	-	-	62,974,385
Equity Cash Flow		62,974,385	-	-	-	-	-	-	-	-	-	-	62,974,385
<b>Project Cash Account</b>													
Surplus Cash Injection		63,438,916	-	-	-	-	-	-	-	-	921,910	3,908,916	58,608,091
Cash Reserve Drawdown		(63,438,916)	-	-	-	-	-	-	-	-	-	-	(63,438,916)
Interest on Surplus Cash		-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance		-	-	-	-	-	-	-	-	-	921,910	4,830,826	(0)
<b>Senior Loan - Lender Name</b>													
Drawdown		(53,826,043)	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged		-	-	-	-	-	-	-	-	-	-	-	-
Fees Charged (Application, Line & Standby)		-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity		-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment		53,826,043	3,119,674	3,210,016	3,302,617	3,397,533	3,494,822	3,594,543	3,696,757	3,801,527	3,908,916	4,019,100	58,143,559
Interest and Fees		-	-	-	-	-	-	-	-	-	-	-	-
Principal		53,826,043	3,119,674	3,210,016	3,302,617	3,397,533	3,494,822	3,594,543	3,696,757	3,801,527	3,908,916	4,019,100	58,143,559
Loan Balance		0	(23,575,907)	(20,365,890)	(17,063,273)	(13,665,740)	(10,170,917)	(6,576,374)	(2,879,617)	(0)	(0)	(0)	(0)
% of Land Purchase Price		-	-	-	-	-	-	-	-	-	-	-	-
Senior Loan Cash Flow		-	3,119,674	3,210,016	3,302,617	3,397,533	3,494,822	3,594,543	3,696,757	3,801,527	3,908,916	4,019,100	58,143,559
Interest Coverage Ratio		-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio		1.01	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.32	1.32	1.32
Project Overdraft		-	(23,575,907)	(20,365,890)	(17,063,273)	(13,665,740)	(10,170,917)	(6,576,374)	(2,879,617)	(0)	(0)	(0)	(0)
Net Cash Flow (after Interest & Corporate Tax)		62,974,385	3,119,674	3,210,016	3,302,617	3,397,533	3,494,822	3,594,543	3,696,757	3,801,527	3,908,916	4,019,100	58,143,559
Cumulative Cash Flow**			(23,575,907)	(20,365,890)	(17,063,273)	(13,665,740)	(10,170,917)	(6,576,374)	(2,879,617)	921,910	4,830,826	8,850,736	62,974,385
Check Balance		-	-	-	-	-	-	-	-	-	-	-	-
<b>GST Liability Summary</b>													
Total Liability on Revenue		(14,770,891)	(455,739)	(467,133)	(478,811)	(490,781)	(503,051)	(515,627)	(528,518)	(541,731)	(555,274)	(568,316)	(6,069,758)
Withheld by Purchaser		-	-	-	-	-	-	-	-	-	-	-	-
Net Liability (-ve) / Credit (+ve)		(14,770,891)	(455,739)	(467,133)	(478,811)	(490,781)	(503,051)	(515,627)	(528,518)	(541,731)	(555,274)	(568,316)	(6,069,758)

\* Includes half interest from deposit on land acquisition plus interest received from pre-sale deposits  
 \*\* Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)  
 Licensed to: APP Corporation Pty Ltd



## **Appendix G. Estate Master Feasibility Scenario 2**

20 year cashflow – 60% Furnished Apartments

# Development Feasibility Model

ARGUS EstateMaster Licensed to: APP Corporation Pty Ltd

## 12883 : Sharpe Avenue Apartments

Sharpe St Apartments Scenario 2 : 20 year Cashflow - 60% furnished executive

<b>Date of Report :</b>	08-Jul-2021	<b>Project Size :</b>	
<b>Time Span :</b>	Aug-21 to Jan-44 (269 Months)	<b>Project Size :</b>	
<b>Type :</b>	Miscellaneous	<b>FSR :</b>	:1
<b>Status :</b>	Under Review	<b>Equated GFA :</b>	SqM
<b>Site Area :</b>		<b>Address :</b>	7020 Sharpe Avenue
<b>Prepared By :</b>	Steve Egger		Karratha
<b>Prepared For :</b>	City of Karratha		WA
<b>Developer :</b>	City of Karratha		Australia

### Disclaimer

This feasibility has been prepared by APP in accordance with the terms of engagement and for the purpose of determining the potential return to the City of Karratha in progressing the development of an apartment building with ground floor commercial/community. APP gives no warranty to third parties as to the models accuracy, reasonableness, currency, reliability or completeness and as such third parties must rely on their own enquiries. The Client agrees not to provide this report to third parties without the written consent of APP, which consent may be qualified.

The feasibility has been based upon inputs from various sources which have generally been referenced within. A number of these inputs are considered indicative only and will require further testing to determine their accuracy and influence on model outcomes. APP does not warrant the accuracy or status of any of these inputs. Please note that APP does not hold a Real Estate valuation licence and none of the estimates in regard to potential property values should be construed as a valuation in accordance with Australian Property Institute (API) guidelines and requirements.

This model is subject to change as a result of further design, construction and property market fluctuations, statutory and zoning changes, financial market movements, and/or changing requirements by the City of Karratha and delivery strategies.

To the maximum extent permitted by law or by its agreement with the City of Karratha, APP disclaims any and all liability for any loss or damage (whether foreseeable, consequential or not) suffered by the City and any third party acting on or refraining from acting because of, based on or relating to any information contained in this document, any errors or omissions in the model or for any written or oral communications transmitted to a third party in the course of its evaluation of the document, whether the loss or damage arises in connection with any negligence, default, lack of care, misrepresentation or otherwise and whether it arises in tort, contract, under statute or equity.

Main Inputs for Sharpe Avenue Apartments

Licensed to: APP Corporation Pty Ltd

PRELIMINARY

Cash Flow Title	Sharpe St Apartments Scenario 2		Description of Option/Stage	20 year Cashflow - 60% furnished executive
Date of First Period:	Aug-2021			
Cash Flow Rest Period:	Monthly			
Project Size (a)	-	Units		
Project Size (b)	-	GFA		
Site Area	-	SqM	Floor Space Ratio	0:1

Input Sheet Last  
Stored as Option/Stage 2

Type	Miscellaneous
Status	Under Review

GOODS & SERVICES TAX

Using General Tax Rule

Goods and Services Tax Rate	10.00%
-----------------------------	--------

Developer Credits Reclaimed in the Same Month	Liability Paid in the Same Month	Liability on Sales All Paid by Developer
---	----------------------------------	--

All Project Costs	To be entered Exclusive of GST
Rental Income & Leasing Costs	To be entered Inclusive of GST
Sales Revenue	To be entered Inclusive of GST
Other Income	To be entered Inclusive of GST

1000 LAND PURCHASE & ACQUISITION COSTS

Costs to be entered Exclusive of GST

Land Purchase Price	1,576,420.00
---------------------	--------------

Code	Stage	Description	% of Land Purchase Price % paid	Amount	AND/OR Lump Amount
1002	-	Deposit In Trust Account <sup>1</sup>	0.00%	-	-
1003	-	Payment 1	0.00%	-	-
1004	-	Payment 2	0.00%	-	-
1005	-	Payment 3	0.00%	-	-
1006	-	Payment 4	0.00%	-	-
1007	-	Settlement (Balance)	100.00%	-	1,576,420
1008	-	Stamp Duty <sup>1</sup>	WA	-	83,219
		Interest on Deposit in Trust Account	0.00%	-	Interest from deposit shared between parties
		Profit Share to Land Owner	0.00%	-	Paid progressively as project makes a profit.

Month Start	Month Span	Cash Flow Period	Add GST on Land Price? <input checked="" type="checkbox"/>
0	-	-	Reclaim All After Final Land Settlement
0	-	-	
0	-	-	
0	-	-	
0	-	-	
29	1	Jan-24 - Jan-24	
29	1	Jan-24 - Jan-24	(Stamp Duty calculated on Land Value of 1,734,062 inc. GST)

Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
1,576,420	1,734,062	1,734,062
83,219	83,219	83,219
<b>TOTAL</b>	<b>1,659,639</b>	<b>1,817,281</b>

Code	Stage	Description	% of Land Price exc Tax % paid	Amount	AND/OR Lump Amount
1011	-	Other Acquisition Costs	0.00%	-	-
1012	-	To be entered Exclusive of GST	0.00%	-	-
1013	-	.	0.00%	-	-
1014	-	.	0.00%	-	-
1015	-	.	0.00%	-	-

Month Start	Month Span	Cash Flow Period
0	-	-
0	-	-
0	-	-
0	-	-
0	-	-

Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
Y		-	-	-
	Manual Input (refer to Cash Flow)	-	-	-
<b>TOTAL</b>		-	-	-

<sup>1</sup> (No GST credit available for Stamp Duty)

<sup>1</sup> Pro-rata with Land Payments (L)

COST ESCALATION

Monthly Compounded Escalation - based on Cashflow Period Years commencing

Code	Category	Aug-21	Aug-22	Aug-23	Aug-24	Aug-25	Aug-26	Aug-27	Aug-28	Aug-29	Aug-30
	Professional Fees	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Construction Costs (Uncategorised)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SUB	Subdivision Costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
STG	Stage Costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
BUI	Built Form	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OT1	Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OT2	Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Statutory Fees	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Refurbishment Costs	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Miscellaneous Costs 2	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Miscellaneous Costs 3	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Land Holding Costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Selling and Leasing Costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Finance Costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

2000	PROJECT CONTINGENCY	-	And / Or	of Construction, Professional (exc Development Management), Statutory Fees, Refurbishment Costs, Miscellaneous Costs 2, Miscellaneous Costs 3 and Pre-Sale Commissions	GST	0.00%	TOTAL	-
------	---------------------	---	----------	--	-----	-------	-------	---



Main Inputs for Sharpe Avenue Apartments

6000 Refurbishment Costs															
Costs to be entered Exclusive of GST															
Code	Stage	Description	%of Construction <sup>1</sup>	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start <sup>2</sup>	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
6001	1	Reburbishment after 10 years	0.00%	1.00	597,000.00	E	-	149	2	Jan-34 - Feb-34	Y		597,000	656,700	839,755
6002	1	Reburbishment after 20 years	0.00%	1.00	597,000.00	E	-	268	2	Dec-43 - Jan-44	Y		597,000	656,700	1,021,969
6003	1	Furniture Refurbishment after 10 years	0.00%	1.00	1,055,200.00	E	-	149	2	Jan-34 - Feb-34	Y		1,055,200	1,160,720	1,484,270
6004	1	Furniture Refurbishment after 20 years	0.00%	1.00	1,055,200.00	E	-	268	2	Dec-43 - Jan-44	Y		1,055,200	1,160,720	1,806,334
6005	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6006	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6007	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6008	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6009	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6010	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
Manual Input (refer to Cash Flow)												-	-	-	
<b>TOTAL</b>												3,304,400	3,634,840	5,152,327	

<sup>1</sup> Based on net costs.

<sup>2</sup> Pro-rata with Construction (C) or Settlements (S)

6000 Miscellaneous Costs 2															
Costs to be entered Exclusive of GST															
Code	Stage	Description	%of Construction <sup>1</sup>	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start <sup>2</sup>	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
6001	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6002	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6003	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6004	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6005	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6006	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6007	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6008	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6009	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6010	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
Manual Input (refer to Cash Flow)												-	-	-	
<b>TOTAL</b>												-	-	-	

<sup>1</sup> Based on net costs.

<sup>2</sup> Pro-rata with Construction (C) or Settlements (S)

6000 Miscellaneous Costs 3															
Costs to be entered Exclusive of GST															
Code	Stage	Description	%of Construction <sup>1</sup>	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start <sup>2</sup>	Month Span	Cash Flow Period	Add GST	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
6001	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6002	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6003	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6004	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6005	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6006	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6007	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6008	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6009	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
6010	-	-	0.00%	-	-	-	-	0	-	-	Y		-	-	-
Manual Input (refer to Cash Flow)												-	-	-	
<b>TOTAL</b>												-	-	-	

<sup>1</sup> Based on net costs.

<sup>2</sup> Pro-rata with Construction (C) or Settlements (S)

7000 LAND HOLDING COSTS														
Costs to be entered Exclusive of GST														
Code	Stage	Description	No. Units	Base Rate /unit/term	Term <sup>1</sup>	Escalate (E,R,N)	Month Start	Month Span <sup>2</sup>	Cash Flow Period	Add GST	Remarks	Total Annual Costs (exc GST)	Total Annual Costs (inc GST)	Total Escalated Cost
7001	-	-	-	-	M	-	0	-	-	Y		-	-	-
7002	-	-	-	-	M	-	0	-	-	Y		-	-	-
7003	-	-	-	-	M	-	0	-	-	Y		-	-	-
7004	-	-	-	-	M	-	0	-	-	Y		-	-	-
7005	-	-	-	-	M	-	0	-	-	Y		-	-	-
7006	-	-	-	-	M	-	0	-	-	Y		-	-	-
7007	-	-	-	-	M	-	0	-	-	Y		-	-	-
7008	-	-	-	-	M	-	0	-	-	Y		-	-	-
7009	-	-	-	-	M	-	0	-	-	Y		-	-	-
7010	-	-	-	-	M	-	0	-	-	Y		-	-	-
7011	-	-	-	-	M	-	0	-	-	Y		-	-	-
7012	-	-	-	-	M	-	0	-	-	Y		-	-	-
Manual Input (refer to Cash Flow)												-	-	-
<b>TOTAL</b>												-	-	-

<sup>1</sup> Y=Yearly, BA=BiAnnually, Q=Quarterly, BM=BiMonthly, M=Monthly

<sup>2</sup> Diminish proportionally with Leasing (DR) or Settlements (DS)





Main Inputs for Sharpe Avenue Apartments

9000 SALES													GST			Total Current Sales Revenue		
Sales Revenue to be entered Inclusive of GST													Included on Sales	Withheld by Purchaser	Land Use Code	(exc GST)	(inc GST)	(exc GST Withheld)
Code	Stage	Description	No. Units	Total Area	Current Sale Price	Sales Calc Method	Pre-Sale Month Start	Exchange Month Span	Settlements Month Start	Month Span	Cash Flow Period	Sales Rate Units / SqM per Month						
9001	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	RS2	-	-	-
9002	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9003	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9004	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9005	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9006	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9007	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9008	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9009	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9010	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9011	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9012	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9013	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9014	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9015	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9016	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9017	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9018	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9019	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
9020	-	-	-	-	-	Per Unit	0	-	0	-	-	-	Y	N	-	-	-	-
Capitalised Sales (refer to Tenants)																40,792,154	47,664,634	75,597,273
Manual Input (refer to Cash Flow)																-	-	-
<b>TOTAL</b>																<b>40,792,154</b>	<b>47,664,634</b>	<b>75,597,273</b>

9100 OTHER INCOME													Total Current Income					
Other Income to be entered Inclusive of GST													(exc GST)	(inc GST)	(exc GST Withheld)			
Code	Stage	Description	Land Use Code	Units	Base Rate / Units	Month Start	Month Span	Cash Flow Period	GST Included	Remarks								
9101	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9102	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9103	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9104	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9105	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9106	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9107	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9108	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9109	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
9110	-	-	-	-	-	0	-	-	Y		-	-	-	-	-	-		
Manual Input (refer to Cash Flow)																-	-	-
<b>TOTAL</b>																<b>-</b>	<b>-</b>	<b>-</b>

10000 FINANCING (Simple Mode)													Equity Totals								
<p><b>Equity</b></p> <table border="1"> <tr> <th>Developer's Equity Contribution Injected in total upfront.</th> <th>Fixed Amount</th> <th>Percentage</th> </tr> <tr> <td></td> <td>-</td> <td>0.00%</td> </tr> </table> <p>Fixed Amount.</p>													Developer's Equity Contribution Injected in total upfront.	Fixed Amount	Percentage		-	0.00%	<p>Opening Balances</p> <p>Developer's Injections</p>		
Developer's Equity Contribution Injected in total upfront.	Fixed Amount	Percentage																			
	-	0.00%																			
10001	Interest Charged on Equity											0.00%	per annum Nominal - Capitalised (Compounded)		-	Interest Charged	-				
10002	Interest received on Surplus Cash											0.00%	per annum received in arrears.		-	Interest Received	-				
% of Available Funds to Repay Equity Before Debt											0.00%			-		-					

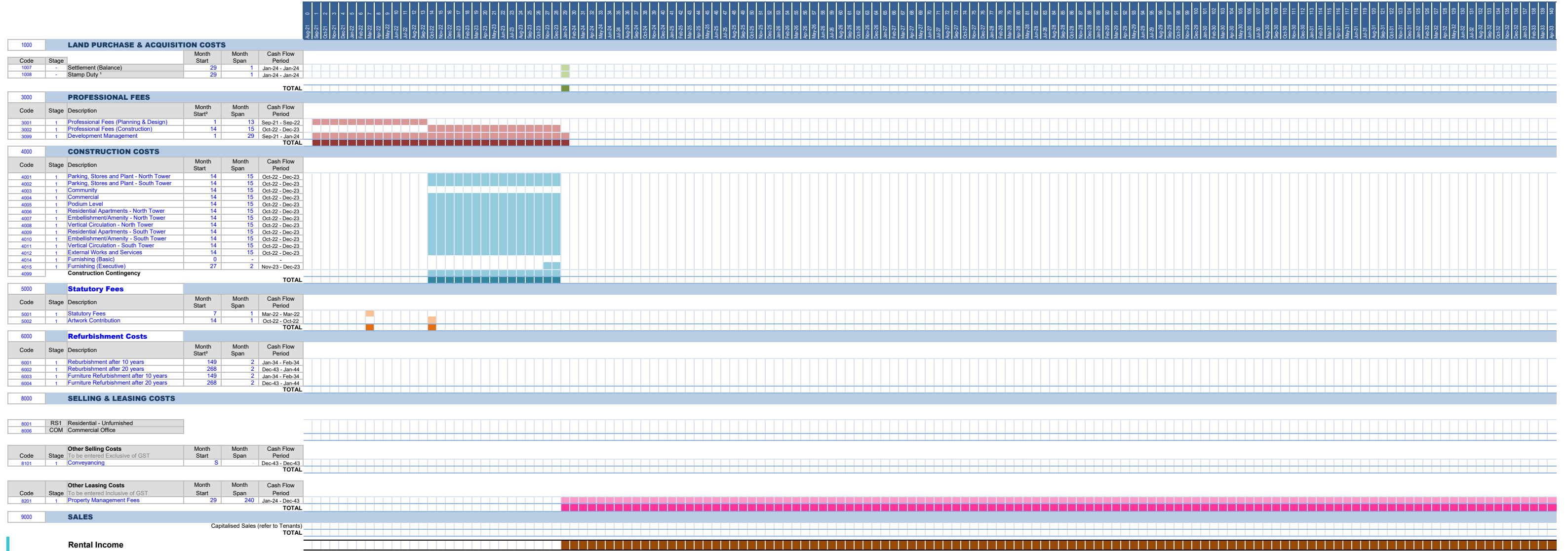
**General Notes:** All Line Fees are paid during period of debt, in arrears  
All Profit Share is Paid progressively as project makes a profit.

**Equity Notes:** Equity is paying outstanding debt  
Equity is repaid at project end.

**Senior Loan Notes:** Senior Loan is being used as an overdraft facility.

Senior Loan													Senior Loan Totals																		
No Limit (use as overdraft facility)													56,637,105																		
10007	Interest Rate											0.00%	per annum Nominal - Capitalised (Compounded)		-	Interest Charged	-														
<table border="1"> <tr> <th>Fees</th> <th>Amount</th> <th>Percentage</th> <th>Month Paid</th> </tr> <tr> <td>Application Fee</td> <td>-</td> <td>0.00%</td> <td>0</td> </tr> <tr> <td>Annual Line Fee</td> <td>-</td> <td>0.00%</td> <td>Monthly</td> </tr> <tr> <td>Standby Fee</td> <td>-</td> <td>0.00%</td> <td>Monthly</td> </tr> </table>													Fees	Amount	Percentage	Month Paid	Application Fee	-	0.00%	0	Annual Line Fee	-	0.00%	Monthly	Standby Fee	-	0.00%	Monthly	<p>Application Fees</p> <p>Line Fees</p> <p>Standby Fees</p>		
Fees	Amount	Percentage	Month Paid																												
Application Fee	-	0.00%	0																												
Annual Line Fee	-	0.00%	Monthly																												
Standby Fee	-	0.00%	Monthly																												
Maintain Leverage on Senior Loan											0.00%	% of Future Positive Net Cash Flows		-		-															







**Sharpe Avenue Apartments**

Sharpe St Apartments Scenario 2

20 year Cashflow - 60% furnished executive

Licensed to: APP Corporation Pty Ltd

Time Span: Aug-21 to Jan-44 (269 Months)  
 Type: Miscellaneous  
 Status: Under Review  
 Site Area:  
 FSR: .1  
 Project Size:

				Total AUD	AUD Per Unit	AUD Per SqM of Site Area	% of Total Net Revenue	Total Exc GST
<b>Revenues</b>								
	Quantity	SqM	AUD/Quantity					
<b>Gross Sales Revenue</b>	98	726.00	771,400.74	75,597,273			53.4%	68,724,794
Residential - Unfurnished	39	-	533,161.39	20,793,294				18,902,995
Residential - Furnished (Executive)	58	-	838,326.50	48,622,937				44,202,670
Commercial Office	1	726.00	6,181,041.69	6,181,042				5,619,129
Less Selling Costs				(504,610)			-0.4%	(458,737)
Less Purchasers Costs				-			0.0%	-
<b>NET SALES REVENUE</b>				<b>75,092,663</b>			<b>53.0%</b>	<b>68,266,057</b>
	Average Yield	Units	AUD/Unit/week					
<b>Gross Rental Income</b>	7.00%	98.00	877.37	113,805,230			80.4%	103,459,300
Residential - Unfurnished	7.00%	39.00	646.15	33,473,719				30,430,654
Residential - Furnished (Executive)	7.00%	58.00	939.66	72,393,560				65,812,327
Commercial Office	7.00%	1.00	6,282.69	7,937,951				7,216,319
Less Outgoings & Vacancies				(18,599,372)			-13.1%	(18,599,372)
Less Letting Fees				(82,888)			-0.1%	(82,888)
Less Incentives (Rent Free and Fitout Costs)				-			0.0%	-
Less Other Leasing Costs				(11,380,523)			-8.0%	(11,380,523)
<b>NET RENTAL INCOME</b>				<b>83,742,447</b>			<b>59.1%</b>	<b>73,396,517</b>
Interest Received				-			0.0%	-
Other Income				-			0.0%	-
<b>TOTAL REVENUE (before GST paid)</b>				<b>158,835,110</b>			<b>112.2%</b>	<b>141,662,574</b>
Less GST paid on all Revenue				(17,218,409)			-12.2%	-
<b>TOTAL REVENUE (after GST paid)</b>				<b>141,616,700</b>			<b>100.0%</b>	<b>141,662,574</b>
<b>Costs</b>								
Land Purchase Cost				1,734,062			1.2%	1,576,420
Land Acquisition Costs				83,219			0.1%	83,219
<b>Construction Costs (inc. Contingency)</b>				<b>54,005,130</b>			<b>38.1%</b>	<b>49,095,572</b>
Built Form				49,095,572			34.7%	44,632,339
Contingency				4,909,557			3.5%	4,463,234
Professional Fees				4,145,397			2.9%	3,768,543
Statutory Fees				762,315			0.5%	762,315
Refurbishment Costs				5,152,327			3.6%	4,683,934
Land Holding Costs				-			0.0%	-
Finance Charges (inc. Fees)				-			0.0%	-
Interest Expense				-			0.0%	-
<b>TOTAL COSTS (before GST reclaimed)</b>				<b>65,882,449</b>			<b>46.5%</b>	<b>59,970,003</b>
Less GST reclaimed				(5,958,321)			-4.2%	-
Plus Corporate Tax				-			0.0%	-
<b>TOTAL COSTS (after GST reclaimed)</b>				<b>59,924,129</b>			<b>42.3%</b>	<b>59,970,003</b>

Performance Indicators		Per Unit	Per SqM of Site Area	Total Exc GST
<sup>1</sup> Net Development Profit				<b>81,692,572</b>
<sup>3</sup> Development Margin (Profit/Risk Margin)	Based on total costs (inc selling costs)			<b>135.19%</b>
<sup>5</sup> Net Present Value	Based on Discount Rate of 4% p.a. Nominal			<b>18,440,364</b>
<sup>6</sup> Benefit Cost Ratio				1.3428
<sup>7</sup> Project Internal Rate of Return (IRR)	Per annum Nominal			<b>6.25%</b>
<sup>8</sup> Residual Land Value	Based on NPV (Exclusive of GST)			20,796,284
Equity IRR	Per annum Nominal			N.A.
Equity Contribution				-
Peak Debt Exposure				55,138,332
Equity to Debt Ratio				N.A.
<sup>9</sup> Weighted Average Cost of Capital (WACC)				0.00%
<sup>10</sup> Breakeven Date for Cumulative Cash Flow	Month 226			Jun-2040
<sup>11</sup> Yield on Cost				5.03%
<sup>12</sup> Rent Cover				24 Yrs, 6 Mths
<sup>13</sup> Profit Erosion				N.A.

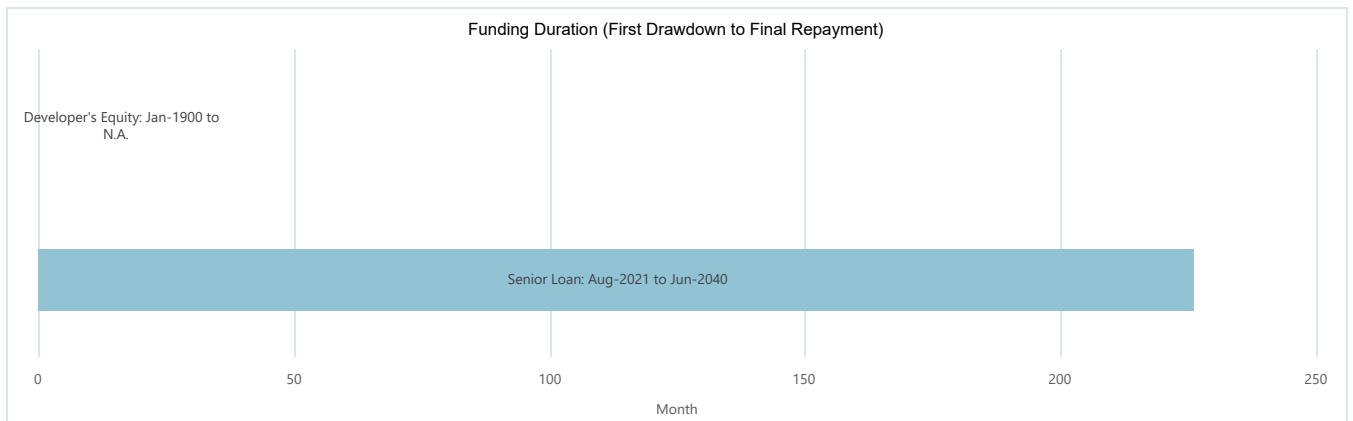
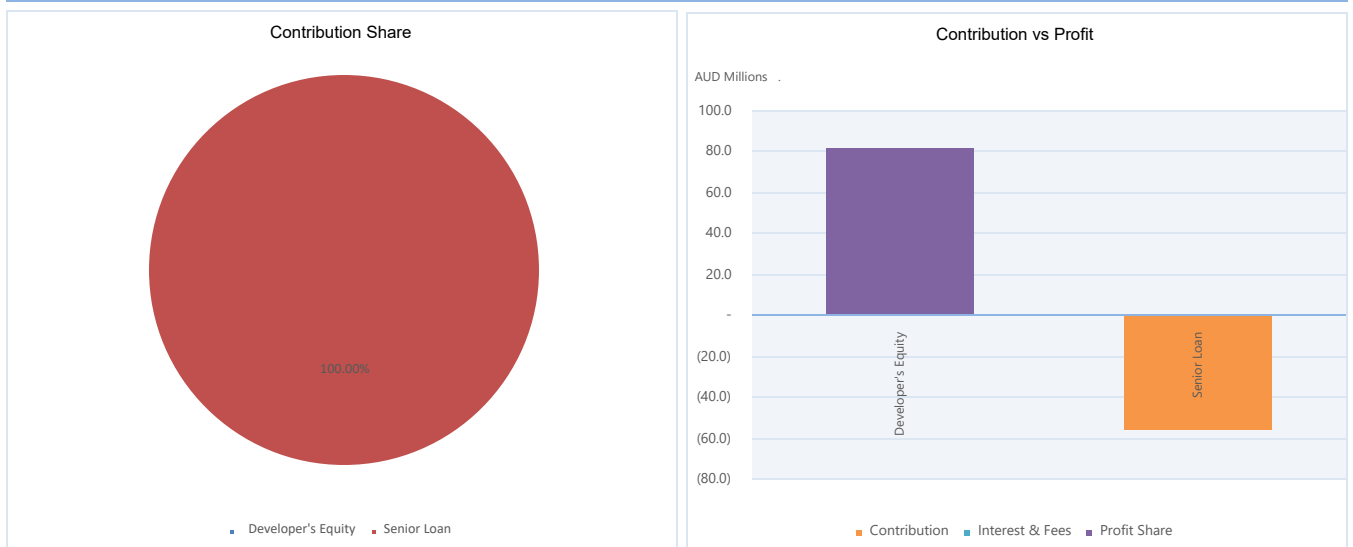
**Footnotes:**  
 1. Development Profit: is total revenue less total cost including interest paid and received  
 2. Note: No redistribution of Developer's Gross Profit  
 3. Development Margin: is profit divided by total costs (inc selling costs)  
 5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.  
 6. Benefit:Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.  
 7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.  
 8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.  
 9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.  
 10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).  
 11. Yield on Cost is Current Net Annual Rent divided by Total Costs (before GST reclaimed), including all Selling Costs.  
 12. The total net development profit divided by the current net annual rental expressed as a number of years/months.  
 13. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.

Sharpe Avenue Apartments

Sharpe St Apartments Scenario 2  
20 year Cashflow - 60% furnished executive

Licensed to: APP Corporation Pty Ltd

Returns on Funds Invested	Developer's Equity	Senior Loan	Total Equity	Total Debt	Total Funding
	Equity	Debt			
		Lender Name			
<sup>1</sup> Funds Invested (Cash Outlay)	-	56,637,105	-	56,637,105	56,637,105
% of Total Funds Invested	0.00%	100.00%	0.00%	100.00%	100.00%
<sup>2</sup> Peak Exposure	-	55,138,332	-	55,138,332	
Date of Peak Exposure	N.A.	Jan-24	N.A.	Jan-24	
Month of Peak Exposure		Month 29	Month 0	Month 29	
Weighted Average Interest Rate	N.A.	N.A.	N.A.	N.A.	
Interest Charged	-	-	-	-	-
Line & Standby Fees Charged	-	-	-	-	-
Application Fees Charged	-	-	-	-	-
Profit Share Received	-	-	-	-	-
<sup>3</sup> Total Profit to Funders	81,692,572	-	81,692,572	-	81,692,572
<sup>4</sup> Margin on Funds Invested	N.A.	0.00%	N.A.	0.00%	
<sup>5</sup> Payback Date	N.A.	Jun-40	N.A.	Jun-40	
Month of Payback	N.A.	Month 226	N.A.	Month 226	
<sup>6</sup> IRR on Funds Invested	N.A.	0.00%	N.A.	0.00%	
<sup>7</sup> Loan to Value Ratio	0.00%	72.94%	0.00%	72.94%	
<sup>8</sup> Loan Ratio	0.00%	3266.15%	0.00%	3266.15%	
	of Land Purchase Price.	of Land Purchase Price.	of Land Purchase Price.	of Land Purchase Price.	



**Footnotes:**

- The total amount of funding injected into the project cash flow.
- The maximum cash flow exposure of that equity/debt facility including capitalised interest.
- The total repayments less funds invested, including profit share paid or received.
- Margin is net profit divided by total funds invested (cash outlay).
- Payback date for the equity/debt facility is the last date when total equity/debt is repaid.
- IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.
- Loan to Value ratio is the Peak Equity/Debt Exposure divided by Total Sales Revenue.
- Loan Ratio is the total funds invested by the lender (cash outlay) divided by the nominated ratio calculation method. It includes capitalised interest and fees.

12000		ARGUS EstateMaster Development Feasibility		RENTAL INCOME & CAPITALISED SALES																													
Rental Income and Leasing Costs to be entered Inclusive of GST																																	
Code	Stage	Description	Land Use Code	Units	Total Area SqM	Current Rent /Unit/week	Outgoings and Vacancies			Pre Commit Month	Lease Month Start	Lease Month Soon	Cash Flow Period	Escalated Rent at Lease Start /Unit/annum	Letting Fee			Rent Free Months	Incentives Fibout Cost	Month Start	GST Included on		Residual Cap. Rate	Pre-Sale Exchange Month	Settlement Month	Leasing Up Period Months Vacant	Discount Rate	Purchaser's Costs	GST Included on Sales*	Current Net Annual Rent	Current End Sale Value*	Total Net Rental Income Less Incentives	Escalated End-Sale Value
							Amount /Unit/week	% of Rent	Total Per Annum						% of Gross Rent	% paid at PreCommit	Total Amount				on Costs	on Rents											
12001	1	Studio (unfurnished)	RS1	10	-	400.00	113.46	0.00%	59,000	0	29	240	Jan-24 - Dec-43	20,800	2.00%	0.00%	4,160	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	130,091	1,858,442	3,318,968	2,970,968
12002	1	1x1 (unfurnished)	RS1	10	-	600.00	129.37	0.00%	67,270	0	29	240	Jan-24 - Dec-43	31,200	2.00%	0.00%	6,240	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	216,366	3,090,948	5,520,765	4,941,345
12003	1	2x1 (unfurnished)	RS1	8	-	700.00	144.23	0.00%	80,000	0	29	240	Jan-24 - Dec-43	36,400	2.00%	0.00%	7,280	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	204,727	2,524,675	5,223,864	4,673,533
12004	1	2x2 (unfurnished)	RS1	8	-	800.00	154.38	0.00%	96,168	0	29	240	Jan-24 - Dec-43	41,600	2.00%	0.00%	8,320	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	178,741	2,553,444	4,560,888	4,052,064
12005	1	3x1 (unfurnished)	RS1	2	-	900.00	171.15	0.00%	17,800	0	29	240	Jan-24 - Dec-43	46,800	2.00%	0.00%	9,360	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	67,291	961,299	1,717,051	1,538,780
12006	1	3x2 (unfurnished)	RS1	3	-	1,000.00	183.08	0.00%	28,560	0	29	240	Jan-24 - Dec-43	52,000	2.00%	0.00%	10,400	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	113,258	1,617,674	2,890,021	2,588,574
12007	-	-	-	-	-	-	-	0.00%	-	0	-	-	-	-	0.00%	0.00%	-	-	-	-	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	-	-	-
12008	1	Commercial	COM	1	728.00	6,282.69	-	0.00%	-	0	29	240	Jan-24 - Dec-43	326,700	0.00%	0.00%	-	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	297,000	4,242,857	7,216,319	6,181,042
12009	-	-	-	-	-	-	-	0.00%	-	0	-	-	-	-	0.00%	0.00%	-	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	-	-	-	
12010	1	Studio (furnished - Executive)	RS2	3	-	600.00	113.46	0.00%	17,700	0	29	240	Jan-24 - Dec-43	31,200	2.00%	0.00%	6,240	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	67,391	962,727	1,719,606	1,539,084
12011	1	1x1 (furnished - Executive)	RS2	14	-	800.00	129.37	0.00%	94,178	0	29	240	Jan-24 - Dec-43	41,600	2.00%	0.00%	8,320	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	435,277	6,218,236	11,107,342	9,940,785
12012	1	2x1 (furnished - Executive)	RS2	10	-	900.00	144.23	0.00%	78,000	0	29	240	Jan-24 - Dec-43	46,800	2.00%	0.00%	9,360	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	359,455	5,006,694	8,942,881	8,003,634
12013	1	2x2 (furnished - Executive)	RS2	22	-	1,000.00	154.38	0.00%	178,618	0	29	240	Jan-24 - Dec-43	52,000	2.00%	0.00%	10,400	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	863,384	12,334,057	22,031,969	19,717,843
12014	1	3x1 (furnished - Executive)	RS2	3	-	1,100.00	171.15	0.00%	29,700	0	29	240	Jan-24 - Dec-43	57,200	2.00%	0.00%	11,440	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	129,300	1,847,143	3,299,492	2,852,385
12015	1	3x2 (furnished - Executive)	RS2	3	-	1,200.00	183.08	0.00%	37,120	0	29	240	Jan-24 - Dec-43	62,400	2.00%	0.00%	12,480	-	0	N	Y	7.00%	0	0	-	0.00%	0.00%	Y	-	183,344	2,616,318	4,722,474	4,088,678
TOTAL				81	728.00																												

\* If Yes, GST is payable on settlement (end of lease period or settlement date)  
 \* End sale value = annual income (net of outgoings) divided by the Residual Cap Rate



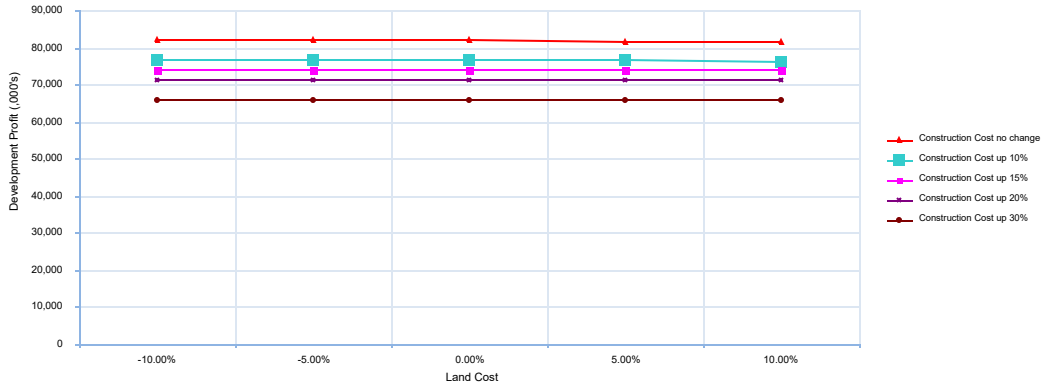
**Sharpe Avenue Apartments**

Sharpe St Apartments Scenario 2  
20 year Cashflow - 60% furnished executive

Licensed to: APP Corporation Pty Ltd

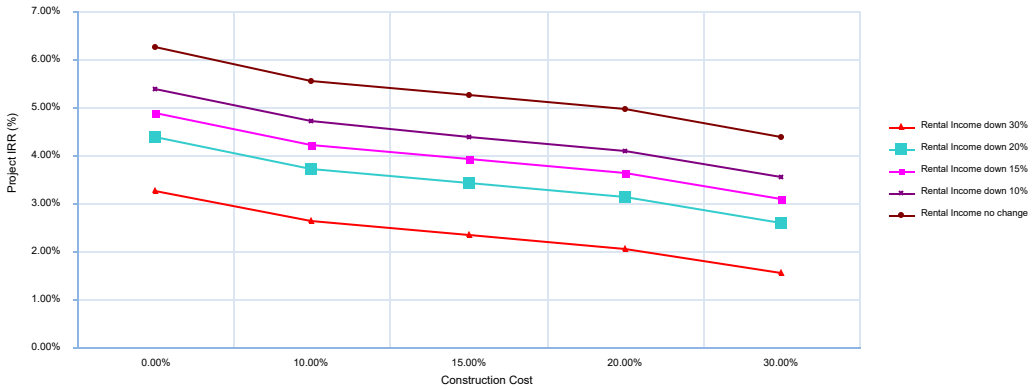
	Change %	Net Dev. Profit	NPV	Dev. Margin	Project IRR	Equity IRR	WACC	RLV (Target Margin)	RLV (Target IRR)
<b>Base Case (No Variation)</b>	<b>0.00%</b>	<b>81,692,572</b>	<b>18,440,364</b>	<b>135.19%</b>	<b>6.25%</b>	<b>N.A.</b>	<b>0.00%</b>	<b>78,894,678</b>	<b>20,796,284</b>
<b>Construction Costs</b>	0.00%	81,692,572	18,440,364	135.19%	6.25%	N.A.	0.00%	78,894,678	20,796,284
	10.00%	76,411,606	13,521,616	116.29%	5.56%	N.A.	0.00%	73,892,507	15,669,614
	20.00%	71,130,641	8,602,868	100.20%	4.94%	N.A.	0.00%	68,899,765	10,542,944
	30.00%	65,849,676	3,684,120	86.34%	4.39%	N.A.	0.00%	63,891,412	5,416,273
<b>Rental Levels</b>	-30.00%	34,690,458	(5,082,796)	57.57%	3.26%	N.A.	0.00%	34,410,357	(3,978,434)
	-20.00%	50,357,829	2,758,258	83.49%	4.38%	N.A.	0.00%	49,236,491	4,451,273
	-10.00%	66,025,201	10,599,311	109.36%	5.36%	N.A.	0.00%	64,056,881	12,623,778
	0.00%	81,692,572	18,440,364	135.19%	6.25%	N.A.	0.00%	78,894,678	20,796,284

**Variations in Development Profit**



Construction Cost	Land Cost				
	no change	▲10%	▲15%	▲20%	▲30%
▼10%	81,859	76,578	73,937	71,297	66,016
▼5%	81,775	76,494	73,854	71,213	65,932
no change	81,692	76,411	73,771	71,130	65,849
▲5%	81,609	76,328	73,687	71,047	65,766
▲10%	81,525	76,245	73,604	70,964	65,683

**Variations in Project IRR**



Construction Cost	Rental Income				
	▼30%	▼20%	▼15%	▼10%	no change
no change	3.26%	4.38%	4.88%	5.36%	6.25%
▲10%	2.62%	3.72%	4.22%	4.69%	5.56%
▲15%	2.33%	3.42%	3.91%	4.38%	5.24%
▲20%	2.05%	3.14%	3.63%	4.09%	4.94%
▲30%	1.53%	2.60%	3.09%	3.54%	4.39%

Notes: Two-Way What-If Charts don't consider variations to Corporate Tax caused by the change in the 2 selected variables. This is due to Finance Fees and/or Interest Charges being allocated to Works in Progress (WIP) for Profit and Loss reporting.

PROJECT CASH FLOW		TOTAL	GST	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
				Jun-22	Jun-23	Jun-24	Jun-25	Jun-26	Jun-27	Jun-28	Jun-29	Jun-30	Jun-31	Jun-32	Jun-33	Jun-34
<b>Sale Summary</b>																
Units Sold	98.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Unfurnished	39.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Furnished (Executive)	58.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office	1.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Sold				-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Sold				-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Sold	726.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office	726.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative SqM Sold				-	-	-	-	-	-	-	-	-	-	-	-	-
% SqM Sold				-	-	-	-	-	-	-	-	-	-	-	-	-
AUD Sold	75,597,273			-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Unfurnished	20,793,294			-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Furnished (Executive)	48,622,937			-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office	6,181,042			-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative AUD Sold				-	-	-	-	-	-	-	-	-	-	-	-	-
% AUD Sold				-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Handover Summary</b>																
Units Handed Over	98.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Unfurnished	39.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Furnished (Executive)	58.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office	1.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Handed Over				-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Handed Over				-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Handed Over	726.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office	726.00			-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative SqM Handed Over				-	-	-	-	-	-	-	-	-	-	-	-	-
% SqM Handed Over				-	-	-	-	-	-	-	-	-	-	-	-	-
AUD Handed Over	75,597,273			-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Unfurnished	20,793,294			-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Furnished (Executive)	48,622,937			-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Office	6,181,042			-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative AUD Handed Over				-	-	-	-	-	-	-	-	-	-	-	-	-
% AUD Handed Over				-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Project Cash Flow</b>																
<b>Revenue</b>																
Gross Sales Revenue	75,597,273			-	-	-	-	-	-	-	-	-	-	-	-	-
Selling Costs	(504,610)			-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Rental Income	113,805,230			-	2,235,550	4,526,172	4,637,676	4,751,936	4,869,017	4,988,992	5,111,931	5,237,908	5,366,997	5,499,277	5,634,826	
Leasing Costs	(30,062,783)			-	(731,457)	(1,306,240)	(1,324,670)	(1,343,561)	(1,362,924)	(1,382,772)	(1,403,115)	(1,423,968)	(1,445,341)	(1,467,249)	(1,489,705)	
Other Income	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*	-			-	-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)	(17,218,409)			-	(203,232)	(411,470)	(421,607)	(431,994)	(442,638)	(453,545)	(464,721)	(476,173)	(487,909)	(499,934)	(512,257)	
<b>TOTAL NET REVENUE</b>	<b>141,616,700</b>			<b>-</b>	<b>1,300,861</b>	<b>2,808,462</b>	<b>2,891,400</b>	<b>2,976,380</b>	<b>3,063,455</b>	<b>3,152,676</b>	<b>3,244,095</b>	<b>3,337,767</b>	<b>3,433,747</b>	<b>3,532,094</b>	<b>3,632,865</b>	
<b>Costs</b>																
Land and Acquisition	1,817,281			-	-	1,817,281	-	-	-	-	-	-	-	-	-	-
Professional Fees	4,145,397			2,296,108	1,371,967	477,322	-	-	-	-	-	-	-	-	-	-
Construction Costs (inc. Contingency)	54,005,130			-	26,204,570	27,800,560	-	-	-	-	-	-	-	-	-	-
Statutory Fees	762,315			285,868	476,447	-	-	-	-	-	-	-	-	-	-	-
Refurbishment Costs	5,152,327			-	-	-	-	-	-	-	-	-	-	-	-	2,324,025
Miscellaneous Costs 2	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Land Holding Costs	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-Sale Commissions	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)	-			-	-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Inout Credits)	(5,958,321)			(208,737)	(2,506,958)	(2,728,359)	-	-	-	-	-	-	-	-	-	(211,275)
<b>TOTAL COSTS</b>	<b>59,924,129</b>			<b>2,373,239</b>	<b>25,546,026</b>	<b>27,366,804</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,112,750</b>
Net Cash Flow (before Interest & Corporate Tax)	81,692,572			(2,373,239)	(25,546,026)	(26,065,943)	2,808,462	2,891,400	2,976,380	3,063,455	3,152,676	3,244,095	3,337,767	3,433,747	3,532,094	1,520,115
Cumulative Cash Flow				(2,373,239)	(27,919,264)	(53,985,208)	(51,176,745)	(48,285,346)	(45,308,965)	(42,245,510)	(39,092,835)	(35,848,740)	(32,510,974)	(29,077,226)	(25,545,132)	(24,025,018)
Corporate Tax	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow (before Interest & after Corporate Tax)	81,692,572			(2,373,239)	(25,546,026)	(26,065,943)	2,808,462	2,891,400	2,976,380	3,063,455	3,152,676	3,244,095	3,337,767	3,433,747	3,532,094	1,520,115
Cumulative Cash Flow				(2,373,239)	(27,919,264)	(53,985,208)	(51,176,745)	(48,285,346)	(45,308,965)	(42,245,510)	(39,092,835)	(35,848,740)	(32,510,974)	(29,077,226)	(25,545,132)	(24,025,018)
<b>Financing</b>																
<b>Developer's Equity</b>																
Manual Adjustments (Inject + / Repay -)	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Injections	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Charged	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment	81,692,572			-	-	-	-	-	-	-	-	-	-	-	-	-
Less Profit Share	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance	81,692,572			-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Cash Flow	81,692,572			-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Project Cash Account</b>																
Surplus Cash Injection	82,978,163			-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Reserve Drawdown	(82,978,163)			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Surplus Cash	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance	-			-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Senior Loan - Lender Name</b>																
Drawdown	(56,637,105)			(2,373,239)	(25,546,026)	(27,219,068)	-	-	-	-	-	-	-	-	-	(1,498,773)
Loan Interest Rate (%/ann)				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Fees Charged (Application, Line & Standby)	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	56,637,105			-	-	1,153,124	2,808,462	2,891,400	2,976,380	3,063,455	3,152,676	3,244,095	3,337,767	3,433,747	3,532,094	3,018,887
Interest and Fees	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	56,637,105			-	-	1,153,124	2,808,462	2,891,400	2,976,380	3,063,455	3,152,676	3,244,095	3,337,767	3,433,747	3,532,094	3,018,887
Loan Balance	(0)			(2,373,239)	(27,919,264)	(53,985,208)	(51,176,745)	(48,285,346)	(45,308,965)	(42,245,510)	(39,092,835)	(35,848,740)	(32,510,974)	(29,077,226)	(25,545,132)	(24,025,018)
% of Land Purchase Price	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Loan Cash Flow	-			(2,373,239)	(25,546,026)	(26,065,943)	2,808,462	2,891,400	2,976,380	3,063,455	3,152,676	3,244,095	3,337,767	3,433,747	3,532,094	1,520,115
Interest Coverage Ratio	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	1.00			-	-	1.13	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.20
Project Overdraft				(2,373,239)	(27,919,264)	(53,985,208)	(51,176,745)	(48,285,346)	(45,308,965)	(42,245,510)	(39,092,835)	(35,848,740)	(32,510,974)	(29,077,226)	(25,545,132)	(24,025,018)
Net Cash Flow (after Interest & Corporate Tax)	81,692,572			(2,373,239)	(25,546,026)	(26,065,943)	2,808,462	2,891,400	2,976,380	3,063,455	3,152,676	3,244,095	3,337,767	3,433,747	3,532,094	1,520,115
Cumulative Cash Flow**				(2,373,239)	(27,919,264)	(53										

PROJECT CASH FLOW	TOTAL	GST	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22
			Jun-35	Jun-36	Jun-37	Jun-38	Jun-39	Jun-40	Jun-41	Jun-42	Jun-43	Jun-44
<b>Sale Summary</b>												
<b>Units Sold</b>	98.00	-	-	-	-	-	-	-	-	-	-	98.00
Residential - Unfurnished	39.00	-	-	-	-	-	-	-	-	-	-	39.00
Residential - Furnished (Executive)	58.00	-	-	-	-	-	-	-	-	-	-	58.00
Commercial Office	1.00	-	-	-	-	-	-	-	-	-	-	1.00
Cumulative Units Sold	-	-	-	-	-	-	-	-	-	-	-	98.00
% Units Sold	-	-	-	-	-	-	-	-	-	-	-	100.0%
<b>SqM Sold</b>	726.00	-	-	-	-	-	-	-	-	-	-	726.00
Commercial Office	726.00	-	-	-	-	-	-	-	-	-	-	726.00
Cumulative SqM Sold	-	-	-	-	-	-	-	-	-	-	-	726.00
% SqM Sold	-	-	-	-	-	-	-	-	-	-	-	100.0%
<b>AUD Sold</b>	75,597,273	-	-	-	-	-	-	-	-	-	-	75,597,273
Residential - Unfurnished	20,793,294	-	-	-	-	-	-	-	-	-	-	20,793,294
Residential - Furnished (Executive)	48,622,937	-	-	-	-	-	-	-	-	-	-	48,622,937
Commercial Office	6,181,042	-	-	-	-	-	-	-	-	-	-	6,181,042
Cumulative AUD Sold	-	-	-	-	-	-	-	-	-	-	-	75,597,273
% AUD Sold	-	-	-	-	-	-	-	-	-	-	-	100.0%
<b>Handover Summary</b>												
<b>Units Handed Over</b>	98.00	-	-	-	-	-	-	-	-	-	-	98.00
Residential - Unfurnished	39.00	-	-	-	-	-	-	-	-	-	-	39.00
Residential - Furnished (Executive)	58.00	-	-	-	-	-	-	-	-	-	-	58.00
Commercial Office	1.00	-	-	-	-	-	-	-	-	-	-	1.00
Cumulative Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	98.00
% Units Handed Over	-	-	-	-	-	-	-	-	-	-	-	100.0%
<b>SqM Handed Over</b>	726.00	-	-	-	-	-	-	-	-	-	-	726.00
Commercial Office	726.00	-	-	-	-	-	-	-	-	-	-	726.00
Cumulative SqM Handed Over	-	-	-	-	-	-	-	-	-	-	-	726.00
% SqM Handed Over	-	-	-	-	-	-	-	-	-	-	-	100.0%
<b>AUD Handed Over</b>	75,597,273	-	-	-	-	-	-	-	-	-	-	75,597,273
Residential - Unfurnished	20,793,294	-	-	-	-	-	-	-	-	-	-	20,793,294
Residential - Furnished (Executive)	48,622,937	-	-	-	-	-	-	-	-	-	-	48,622,937
Commercial Office	6,181,042	-	-	-	-	-	-	-	-	-	-	6,181,042
Cumulative AUD Handed Over	-	-	-	-	-	-	-	-	-	-	-	75,597,273
% AUD Handed Over	-	-	-	-	-	-	-	-	-	-	-	100.0%
<b>Project Cash Flow</b>												
<b>Revenue</b>												
Gross Sales Revenue	75,597,273	-	-	-	-	-	-	-	-	-	-	75,597,273
Selling Costs	(504,610)	-	-	-	-	-	-	-	-	-	-	(504,610)
Gross Rental Income	113,805,230	5,773,725	5,916,057	6,061,907	6,211,362	6,364,512	6,521,448	6,682,264	6,847,056	7,015,922	7,191,222	3,550,693
Leasing Costs	(30,062,783)	(1,512,722)	(1,536,314)	(1,560,496)	(1,585,283)	(1,610,689)	(1,636,731)	(1,663,424)	(1,690,784)	(1,718,827)	(1,747,587)	(866,511)
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*	-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)	(17,218,409)	(524,884)	(537,823)	(551,082)	(564,669)	(578,592)	(592,859)	(607,479)	(622,460)	(637,811)	(653,731)	(7,195,270)
<b>TOTAL NET REVENUE</b>	141,616,700	3,736,119	3,841,920	3,950,328	4,061,410	4,175,231	4,291,858	4,411,362	4,533,812	4,659,283	4,789,411	70,581,575
<b>Costs</b>												
Land and Acquisition	1,817,281	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	4,145,397	-	-	-	-	-	-	-	-	-	-	-
Construction Costs (inc. Contingency)	54,005,130	-	-	-	-	-	-	-	-	-	-	-
Statutory Fees	762,315	-	-	-	-	-	-	-	-	-	-	-
Refurbishment Costs	5,152,327	-	-	-	-	-	-	-	-	-	-	2,828,302
Miscellaneous Costs 2	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3	-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)	-	-	-	-	-	-	-	-	-	-	-	-
Land Holding Costs	-	-	-	-	-	-	-	-	-	-	-	-
Pre-Sale Commissions	-	-	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)	-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Inout Credits)	(5,958,321)	-	-	-	-	-	-	-	-	-	-	(302,992)
<b>TOTAL COSTS</b>	59,924,129	-	-	-	-	-	-	-	-	-	-	2,525,310
Net Cash Flow (before Interest & Corporate Tax)	81,692,572	3,736,119	3,841,920	3,950,328	4,061,410	4,175,231	4,291,858	4,411,362	4,533,812	4,659,283	4,789,411	68,056,265
Cumulative Cash Flow	-	(20,288,898)	(16,446,979)	(12,496,650)	(8,435,240)	(4,260,009)	31,849	4,443,211	8,977,023	13,636,307	18,425,718	81,692,572
Corporate Tax	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow (before Interest & after Corporate Tax)	81,692,572	3,736,119	3,841,920	3,950,328	4,061,410	4,175,231	4,291,858	4,411,362	4,533,812	4,659,283	4,789,411	68,056,265
Cumulative Cash Flow	-	(20,288,898)	(16,446,979)	(12,496,650)	(8,435,240)	(4,260,009)	31,849	4,443,211	8,977,023	13,636,307	18,425,718	81,692,572
<b>Financing</b>												
<b>Developer's Equity</b>												
Manual Adjustments (Inject + / Repay -)	-	-	-	-	-	-	-	-	-	-	-	-
Injections	-	-	-	-	-	-	-	-	-	-	-	-
Interest Charged	-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment	81,692,572	-	-	-	-	-	-	-	-	-	-	81,692,572
Less Profit Share	-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance	81,692,572	-	-	-	-	-	-	-	-	-	-	81,692,572
Equity Cash Flow	81,692,572	-	-	-	-	-	-	-	-	-	-	81,692,572
<b>Project Cash Account</b>												
Surplus Cash Injection	82,978,163	-	-	-	-	-	31,849	4,411,362	4,533,812	4,659,283	4,789,411	69,341,857
Cash Reserve Drawdown	(82,978,163)	-	-	-	-	-	-	-	-	-	-	(82,978,163)
Interest on Surplus Cash	-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance	-	-	-	-	-	-	31,849	4,443,211	8,977,023	13,636,307	18,425,718	0
<b>Senior Loan - Lender Name</b>												
Drawdown	(56,637,105)	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Charged	-	-	-	-	-	-	-	-	-	-	-	-
Fees Charged (Application, Line & Standby)	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	56,637,105	3,736,119	3,841,920	3,950,328	4,061,410	4,175,231	4,260,009	-	-	-	-	-
Interest and Fees	-	-	-	-	-	-	-	-	-	-	-	-
Principal	56,637,105	3,736,119	3,841,920	3,950,328	4,061,410	4,175,231	4,260,009	-	-	-	-	-
Loan Balance	(0)	(20,288,898)	(16,446,979)	(12,496,650)	(8,435,240)	(4,260,009)	0	0	0	0	0	0
% of Land Purchase Price	-	-	-	-	-	-	-	-	-	-	-	-
Senior Loan Cash Flow	-	3,736,119	3,841,920	3,950,328	4,061,410	4,175,231	4,260,009	-	-	-	-	-
Interest Coverage Ratio	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Ratio	1.00	1.00	1.00	1.00	1.00	1.00	1.01	-	-	-	-	-
Project Overdraft	-	(20,288,898)	(16,446,979)	(12,496,650)	(8,435,240)	(4,260,009)	0	0	0	0	0	0
Net Cash Flow (after Interest & Corporate Tax)	81,692,572	3,736,119	3,841,920	3,950,328	4,061,410	4,175,231	4,291,858	4,411,362	4,533,812	4,659,283	4,789,411	68,056,265
Cumulative Cash Flow**	-	(20,288,898)	(16,446,979)	(12,496,650)	(8,435,240)	(4,260,009)	31,849	4,443,211	8,977,023	13,636,307	18,425,718	81,692,572
Check Balance	-	-	-	-	-	-	-	-	-	-	-	-
<b>GST Liability Summary</b>												
Total Liability on Revenue	(17,218,409)	(524,884)	(537,823)	(551,082)	(564,669)	(578,592)	(592,859)	(607,479)	(622,460)	(637,811)	(653,731)	(7,195,270)
Withheld by Purchaser	-	-	-	-	-	-	-	-	-	-	-	-
Net Liability (-ve) / Credit (+ve)	(17,218,409)	(524,884)	(537,823)	(551,082)	(564,669)	(578,592)	(592,859)	(607,479)	(622,460)	(637,811)	(653,731)	(7,195,270)

\* Includes half interest from deposit on land acquisition plus interest received from pre-sale deposits  
 \*\* Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)  
 Licensed to: APP Corporation Pty Ltd



**Adelaide**

61 8 8409 4280

Level 1  
151 South Terrace  
Adelaide SA 5000

**Brisbane**

61 7 3238 0400

Ground Floor  
143 Coronation Drive  
Milton QLD 4064

**Canberra**

61 2 6268 0600

Unit 8, Level 1  
32 Lonsdale Street  
Braddon ACT 2612

**Melbourne**

61 3 8866 0200

Level 7  
420 St Kilda Road  
Melbourne VIC 3004

**Newcastle**

61 2 4928 7600

Level 2  
426 King Street  
Newcastle NSW 2300

**Perth**

61 8 9224 6300

Level 4  
181 Adelaide Terrace  
Perth WA 6004

**Sydney**

61 2 9957 6211

Level 7  
116 Miller Street  
North Sydney NSW 2060

**Tamworth**

61 421 959 484

Suite 6  
493 Peel Street  
Tamworth NSW 2340

**Wollongong**

61 2 4220 6300

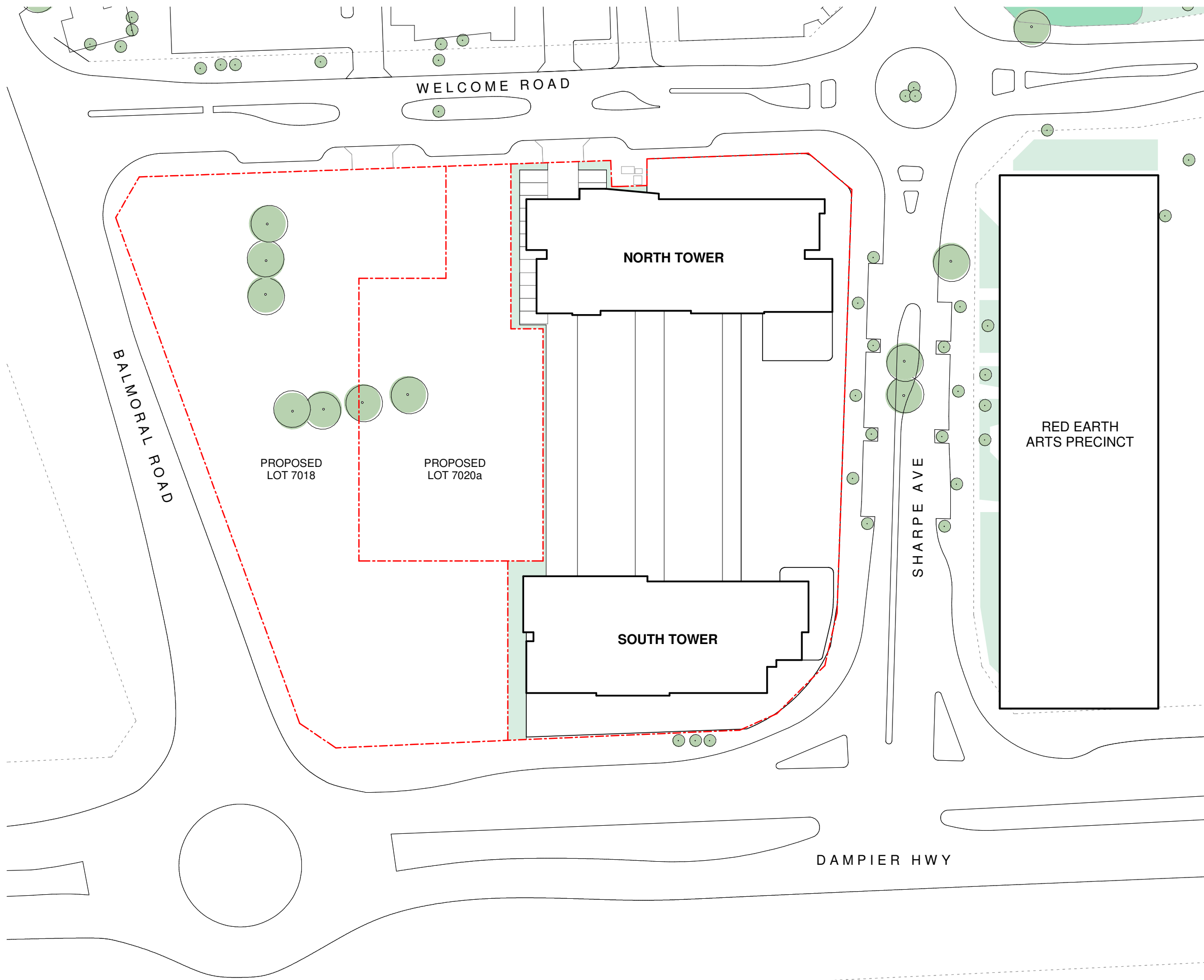
Suite 3, Level 1  
6-8 Regent Street  
Wollongong NSW 2500

## **Attachment 2: Preliminary Plans**

---



**MK001**  
**SITE PLAN**



**PROJECT**  
City of Karratha Apartments



**SCALE**  
1 : 750

0 15 30m

**NORTH**

**DATE** 08/06/2021  
**REVISION** D

The information provided is illustrative only and may not be relied upon. In particular, the final area dimensions of any apartment sold will be determined by the contract of sales and may differ from the depicted. Whilst every effort is made to provide accurate and complete information, the developer does not warrant or represent that the information in this floor plan is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law which cannot be excluded the developer accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) by you as a result of any error, omission or misrepresentation in information. All information is subject to change without notice.



**MK002**  
**GROUND FLOOR**  
**PLAN**

COMMERCIAL AREA

**TENANCY 1**  
 DOUBLE HEIGHT  
 AREA: 600m<sup>2</sup>  
 MEZZANINE LEVEL: 400m<sup>2</sup>  
 APPROX.

**TENANCY 2**  
 SINGLE HEIGHT  
 AREA: 726m<sup>2</sup>  
 (POTENTIAL FOR SUBDIVISION)

■ STORAGE  
 ■ SERVICES



**PROJECT**  
 City of Karratha Apartments



**SCALE**  
 As indicated

**NORTH**

A north arrow pointing upwards and a scale bar showing 0, 10, and 20 meters.

DATE	REVISION
08/06/2021	D

The information provided is illustrative only and may not be relied upon. In particular, the final area dimensions of any apartment sold will be determined by the contract of sales and may differ from the depicted. Whilst every effort is made to provide accurate and complete information, the developer does not warrant or represent that the information in this floor plan is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law which cannot be excluded the developer accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) by you as a result of any error, omission or misrepresentation in information. All information is subject to change without notice.





**MK005**  
**LEVEL 1 FLOOR**  
**PLAN**



**PROJECT**  
 City of Karratha Apartments



**SCALE**  
 1 : 500

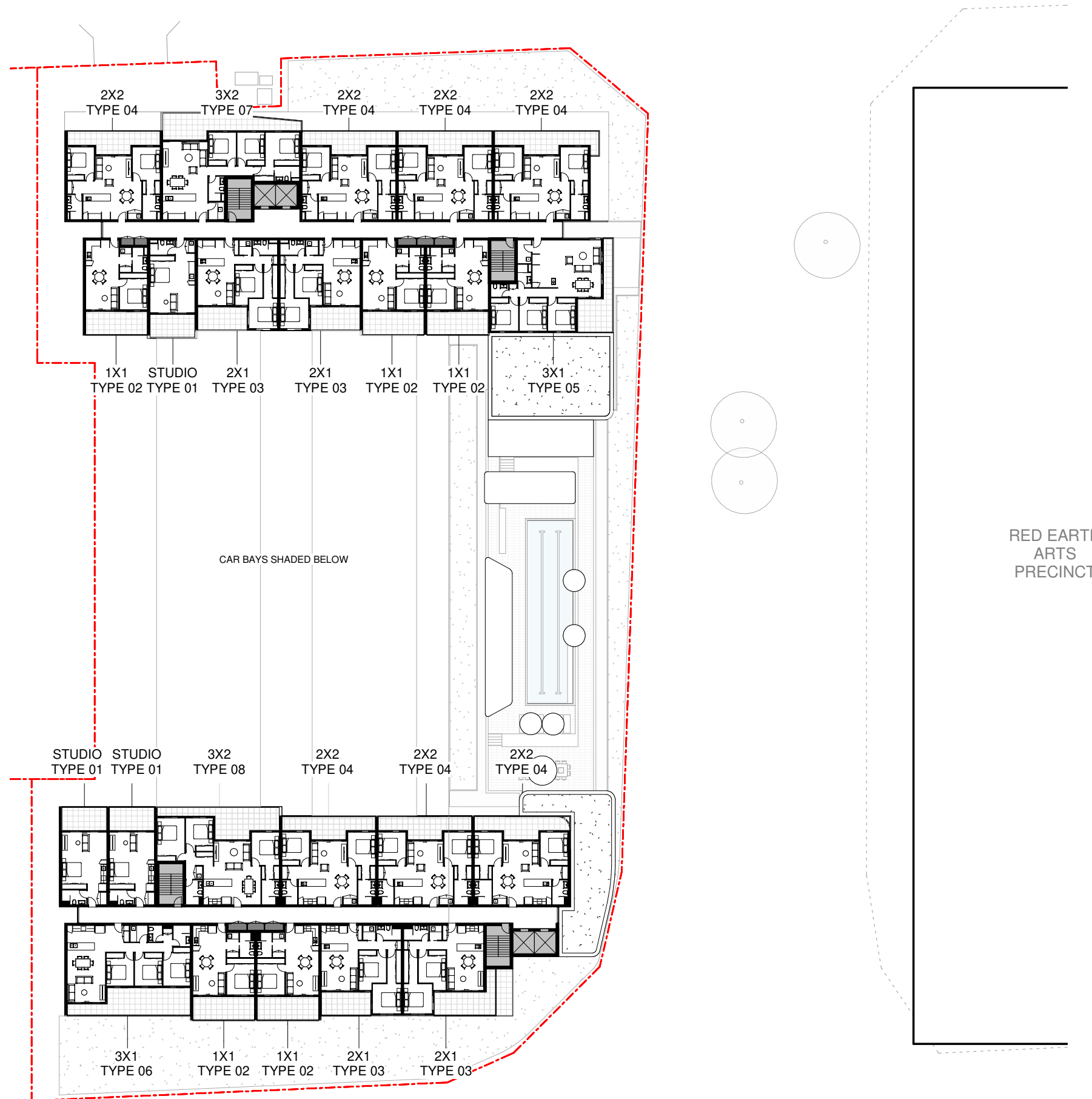
**NORTH**

DATE	REVISION
08/06/2021	D

The information provided is illustrative only and may not be relied upon. In particular, the final area dimensions of any apartment sold will be determined by the contract of sales and may differ from the depicted. Whilst every effort is made to provide accurate and complete information, the developer does not warrant or represent that the information in this floor plan is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law which cannot be excluded the developer accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) by you as a result of any error, omission or misrepresentation in information. All information is subject to change without notice.



**MK006**  
**TYPICAL FLOOR**  
**PLAN**



RED EARTH  
 ARTS  
 PRECINCT

**PROJECT**  
 City of Karratha Apartments



**SCALE**  
 1 : 500

**NORTH**

0 10 20m

**DATE** 08/06/2021 **REVISION** D

The information provided is illustrative only and may not be relied upon. In particular, the final area dimensions of any apartment sold will be determined by the contract of sales and may differ from the depicted. Whilst every effort is made to provide accurate and complete information, the developer does not warrant or represent that the information in this floor plan is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law which cannot be excluded the developer accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) by you as a result of any error, omission or misrepresentation in information. All information is subject to change without notice.



**MK901  
PERSPECTIVE -  
WALGU PARK**

APARTMENT AREA



**PROJECT**  
City of Karratha Apartments



**SCALE** **NORTH**

0 1 2m

**DATE** **REVISION**

08/06/2021 -

The information provided is illustrative only and may not be relied upon. In particular, the final area dimensions of any apartment sold will be determined by the contract of sales and may differ from the depicted. Whilst every effort is made to provide accurate and complete information, the developer does not warrant or represent that the information in this floor plan is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law which cannot be excluded the developer accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) by you as a result of any error, omission or misrepresentation in information. All information is subject to change without notice.

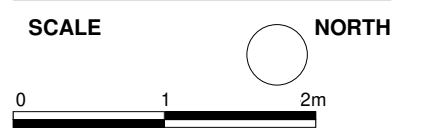


**MK902  
PERSPECTIVE -  
SHARPE CORNER**

APARTMENT AREA



**PROJECT**  
City of Karratha Apartments



**DATE** **REVISION**  
08/06/2021 -

The information provided is illustrative only and may not be relied upon. In particular, the final area dimensions of any apartment sold will be determined by the contract of sales and may differ from the depicted. Whilst every effort is made to provide accurate and complete information, the developer does not warrant or represent that the information in this floor plan is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law which cannot be excluded the developer accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) by you as a result of any error, omission or misrepresentation in information. All information is subject to change without notice.



**MK904  
PERSPECTIVE -  
POOL TO NORTH**

APARTMENT AREA



**PROJECT**  
City of Karratha Apartments



**SCALE** **NORTH**

0 1 2m

**DATE** **REVISION**

08/06/2021 -

The information provided is illustrative only and may not be relied upon. In particular, the final area dimensions of any apartment sold will be determined by the contract of sales and may differ from the depicted. Whilst every effort is made to provide accurate and complete information, the developer does not warrant or represent that the information in this floor plan is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law which cannot be excluded the developer accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) by you as a result of any error, omission or misrepresentation in information. All information is subject to change without notice.



**MK906  
PERSPECTIVE -  
BIRD'S EYE**

APARTMENT AREA



**PROJECT**  
City of Karratha Apartments



**SCALE** **NORTH**

0 1 2m

**DATE** **REVISION**

08/06/2021 -

The information provided is illustrative only and may not be relied upon. In particular, the final area dimensions of any apartment sold will be determined by the contract of sales and may differ from the depicted. Whilst every effort is made to provide accurate and complete information, the developer does not warrant or represent that the information in this floor plan is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law which cannot be excluded the developer accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) by you as a result of any error, omission or misrepresentation in information. All information is subject to change without notice.



**MK907  
PERSPECTIVE -  
REAP CORNER**

APARTMENT AREA



**PROJECT**  
City of Karratha Apartments



**SCALE** **NORTH**

0 1 2m

**DATE** **REVISION**

08/06/2021 -

The information provided is illustrative only and may not be relied upon. In particular, the final area dimensions of any apartment sold will be determined by the contract of sales and may differ from the depicted. Whilst every effort is made to provide accurate and complete information, the developer does not warrant or represent that the information in this floor plan is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law which cannot be excluded the developer accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) by you as a result of any error, omission or misrepresentation in information. All information is subject to change without notice.




**MK908  
PERSPECTIVE -  
SHARPE  
STREETSCAPE**

APARTMENT AREA



**PROJECT**  
City of Karratha Apartments



**SCALE**  **NORTH**



**DATE** **REVISION**

08/06/2021 -

The information provided is illustrative only and may not be relied upon. In particular, the final area dimensions of any apartment sold will be determined by the contract of sales and may differ from the depicted. Whilst every effort is made to provide accurate and complete information, the developer does not warrant or represent that the information in this floor plan is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law which cannot be excluded the developer accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) by you as a result of any error, omission or misrepresentation in information. All information is subject to change without notice.

