

Organisation/Lender: Suncorp Bank  
Fax/Email to:  
Borrower:  
Loan Ref. No.:

ValEx Ref: **11143697**

Contact:  
Valuer Ref:

AMENDED REPORT

## 1. PROPERTY SUMMARY - TBE DWELLING

**PROPERTY ADDRESS:** Lot 24 Farinazzo Street, RICHLANDS QLD 4077  
**TITLE DETAILS:** L24 on proposed SP306133 being part of L35 RP52227  
**Encumbrances/Restr's:** None disclosed or evident  
**Site Dimensions:** Shape: rectangular shaped **Site Area:** 190.00 m<sup>2</sup>  
**ZONING/INSTRUMENT:** Low-Medium Density Residential (Up to 3 Storeys)  
Zone/Brisbane City Plan 2014 **LGA:** Brisbane City Council  
**MAIN BUILDING:** Dwelling with 4 Bedrooms, and 2 Bathrooms **Current Use:** Residential  
**Circa:** N/A **Addition(s):**  
**CAR ACCOMMODATION:** 2 car builtin garage **No. of car spaces:** 2  
**Car Areas:** 37.00 m<sup>2</sup>  
**AREAS:** Living Areas: 134 m<sup>2</sup> **Outdoor Areas:** 2.00 m<sup>2</sup>  
**MARKETABILITY:** Average **Heritage Issues:** Not known  
**ENVIRONMENTAL ISSUES:** Not known  
**ESSENTIAL REPAIRS:** None  
**TBE:** **Builder:** Pointcorp Constructions Pty Ltd **Date:** 05-03-2019 **Tender Price:** \$290,450 **Check Cost:** \$290,450

## 2. RISK ANALYSIS

\*MUST "comment" over page on any 3, 4 or 5 Risk Ratings

Property Risk* Ratings	1	2	3	4	5	Market Risk* Ratings	1	2	3	4	5
Location & Neighbourhood:	2					Recent Market Direction:	3				
Land (incl. planning, title):	3					Market Volatility:	2				
Environmental Issues:	2					Local Economy Impact:	1				
Improvements:	3					Market Segment Conditions:	4				
*Risk Ratings: 1 = Low, 2 = Low to Medium, 3* = Medium, 4* = Medium to High, 5* = High											

## 3. VALUATION & ASSESSMENTS SUMMARY

**Interest Valued:** Fee Simple Vacant Possession  
**Value Component:** As If Complete  
Land: \$ 227,000  
Improvements (Added Value): \$ 291,000

### Other Assessments

Rental Value Unfurnished: \$490 per week  
Replacement Insurance: \$345,000

**Market Value - As if Complete:** \$ **518,000** (Five Hundred and Eighteen Thousand Dollars)

**Documents to Sight:** Documents to sight - Contract of Sale - Full Copy, Council approved plans, Full Specifications and Full Construction Contract

**Recommendation:** Yes

I hereby certify that I personally inspected this property on the date below and have carried out the assessments above as at that date. Neither I, nor to the best of my 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.

This Report is for the use only of the party/s to which it is addressed for first mortgage purposes only and is not to be used for any other purpose. No responsibility is accepted or undertaken to third parties in respect thereof. No responsibility is accepted or undertaken in the event that the party/s to which it is addressed use this Report for any other purpose apart from that expressly outlined above.

This report is made in accordance with the PropertyPRO Residential Valuation and Security Assessment Pro-forma Supporting Memorandum and must be interpreted with that Memorandum. The agreed parties are bound by the provisions of the Supporting Memorandum. The Supporting Memorandum is available at [www.api.org.au](http://www.api.org.au).

**Valuer:** William Phillips

**Firm:** Herron Todd White (Brisbane) Pty Ltd

**Qualifications/Reg #:** AAPI - Certified Practising Valuer  
API No: 79685  
QRV No: 3629

**Address:** Level 1, 811 Gympie Road, CHERMSIDE QLD 4032

**Inspection Date:** 7th March 2019

**Phone:** (07) 3353 7500

**Fax:** (07) 3359 4150

**Valuation Date:** 7th March 2019

**Email:** brisresidential@htw.com.au

**Signature:**



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Whilst not having inspected the property, I have reviewed the draft valuation and working papers, and based upon that review and appropriate questioning of the Valuer obtained reasonable satisfaction that the value opinion contained in the valuation has been reached, based on reasonable grounds.

**Valuer:** Samuel Mackay

**Qualifications/Reg #:** AAPI - Certified Practising Valuer  
API No: 77619  
QRV No: 3570

**Signed:**



Valuer to sign:



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#### 4. THE LAND

**Property Identification:** Cadastral Map; Proposed Plan; Site Inspection  
**Title Search Sighted:** No  
**ZONING EFFECT:** A single use dwelling is a permitted use under this zoning.  
**LOCATION:** Richlands is an established residential suburb located approximately 13 radial kilometres south-west of the Brisbane Central Business District and is primarily an industrial suburb with only a small amount of residential housing located on the outer fringes. This suburb is located immediately south of the Ipswich Motorway allowing good access for the large warehouse and distribution industries. Residential housing in this area dates back to the 1970s and is in keeping with the standard and quality of homes within the adjoining suburb of Inala. Local infrastructure including shopping and school facilities are available within the adjoining suburbs of Inala and Durack.  
**NEIGHBOURHOOD:** This is an established residential area with similar quality property surrounding.  
**SITE DESCRIPTION & ACCESS:** The subject property will be a rectangular shaped, gently sloping lot with a suitable building site which is cut levelled and positioned at road level. The property is cleared and faces south-east with no significant views. Access to the property is easy and direct.  
**SERVICES:** Electricity, mains sewerage, telephone, town water and bottled gas are assumed to be connected. Farinazzo Street is a sealed typical suburban street with concrete kerbing and channelling.

#### 5. MAIN BUILDING

**Style:** Two storey ; Detached  
**Main Walls & Roof:** Lightweight composite clad walls, Colorbond roof  
**Street Appeal:** Good  
**Window Frames:** Aluminium  
**Main Interior Linings:** Plasterboard  
**Flooring:** Concrete; Particleboard  
**Internal Condition:** Assumed to be good on completion  
**External Condition:** Assumed to be good on completion  
**Accommodation:** 4 bedroom(s), 2 bathroom(s), powder room, kitchen, entry, family/meals, upstairs living, and laundry. other areas include porch and patio.  
**Interior Layout:** Good  
**PC Items:** The residence will have new PC items of average quality in good condition. KITCHEN : kitchen with double bowl sink, floor & wall cupboards, pantry, breakfast bar, stone benchtops, rangehood, gas cooktop and wall oven. POWDER ROOM: bathroom with hand basin and toilet. BATHROOM: bathroom with bath, shower, single vanity unit, wall mirror and separate toilet. ENSUITE: bathroom with shower, single vanity unit, wall mirror and toilet. LAUNDRY : laundry with automatic washing machine connections and laundry tub.  
**Fixtures & Features:** HEATING/COOLING: split system air-conditioning. FLOOR AND WALL COVERINGS: carpet and tiles. OTHER: Includes built-in robes, walk-in robe(s) and basic window furnishings.

#### 6. ANCILLARY IMPROVEMENTS

Exposed aggregate driveway, fully enclosed yard of timber construction and moderate landscaping, lawns - turf laid.

#### 7. SALES EVIDENCE & THE MARKET

Address	Sale Date	Price	Brief Comments	In Comparison to Subject
41 Nursery Place RICHLANDS QLD 4077	28 Nov 2018	\$251,000	Vacant Land. A near level, regular shaped, inside lot situated at road level. The property has good presentation. Land Area 311 sqm.	Similar location and view. Superior land area. Overall superior on vacant land basis.
37 Cattiger Street RICHLANDS QLD 4077	7 Nov 2018	\$260,000	Vacant Land. The property is a rectangular shaped, inside lot. The lot faces north with no significant views. Land Area 335 sqm.	Similar location and view. Superior land area. Overall superior on vacant land basis.
7 Urigen Street RICHLANDS QLD 4077	30 Dec 2018	\$427,500	A circa 2018, onground, 4 bedroom, 2 bathroom modern dwelling with rendered brick walls, colorbond roof and 1 car builtin garage. Areas: living - 99 sqm. The property is a rectangular shaped, inside lot. The property has good presentation. Land Area 305 sqm.	Inferior dwelling area and overall improvements. Similar location and age. Superior land area. Overall inferior.
14 Panorama Street RICHLANDS QLD 4077	14 Jun 2018	\$460,000	A circa 2005, onground, 4 bedroom, 2 bathroom, detached modern dwelling with brick veneer walls, concrete tiled roof and 2 car builtin garage. Areas: living - 144 sqm. The property is a rectangular shaped, gently sloping, inside lot positioned at road level. The lot faces west with no significant views. The property has good presentation. Land Area 450 sqm.	Inferior age, condition and overall improvements. Similar location. Superior land area. Overall inferior.

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63 Littleton Road RICHLANDS QLD 4077	4 Oct 2018	\$475,000	A circa 2008, two storey, 4 bedroom, 2 bathroom, detached modern dwelling with brick veneer walls, tile roof and 2 car builtin garage. Areas: living - 163 sqm. The property is a rectangular shaped, inside lot. The lot faces north with no significant views. The property has good presentation. Land Area 480 sqm.	Inferior age, condition and overall improvements. Slightly inferior location. Superior land area. Overall inferior.
68 Formigoni Street RICHLANDS QLD 4077	28 Aug 2018	\$490,000	A circa 2007, brick veneer, 4 bedroom, 2 bathroom, dwelling, with concrete tiled roof and 2 car spaces. Areas: living - 152 sqm. The property has good presentation. Land Area 465 sqm.	Inferior car accommodation, condition and overall improvements. Similar location. Superior land area. Overall inferior.
16 Cattiger Street RICHLANDS QLD 4077	6 Aug 2018	\$530,000	A circa 2010, onground, 6 bedroom, 2 bathroom, detached semi-modern dwelling on a concrete slab foundation with brick veneer walls, concrete tiled roof and 3 car attached carport. Areas: living - 195 sqm; outdoor - 8 sqm; car - 46 sqm. The dwelling is located on a rectangular shaped, easy sloping, inside lot with a suitable building site which is cut and positioned slightly below road level. The property is cleared and faces south with no significant views. Access to the property is easy and direct. Ancillary improvements include concrete driveway, fully enclosed yard, concrete paths, gravel paths, basic landscaping and garden shed, rain water tank(s). The property has good external condition, good internal condition and good presentation. Land Area 528.0 sqm.	Similar location. Superior land area, dwelling area and overall improvements. Overall superior.
22 Flower Place RICHLANDS QLD 4077	17 Jun 2018	\$450,000	A circa 2009, onground, 4 bedroom, 2 bathroom, detached conventional dwelling with brick walls, concrete tiled roof and 2 car builtin garage. Areas: living - 156 sqm. Features include: Overall original interior with original kitchen and bathroom. The property is an irregular shaped, gently sloping, corner lot positioned at road level. The lot faces south. The property has good presentation. Land Area 530 sqm.	Inferior age, condition and features. Similar location. Superior land area. Overall inferior.
Current/Proposed Sale of Subject Property:		4th March 2019	\$226,788	Under Contract - subject to confirmation. Sale price is within acceptable market parameters.
Prior Sale(s) of Subject Property (last 3 years):				
Level of Market Activity:		Stable Sales Activity		
Selling period greater than 6 months:		No		
Sale in line with local market:		Yes		
Copy of Contract Of Sale sighted:		Yes		

## 8. ADDITIONAL COMMENTS

### GENERAL SUBJECT PROPERTY COMMENT:

Amended Report - We have amended the contract of sale figure from \$266,788 to the correct figure of \$226,788. We have also amended our assessed figure from \$510,000 to \$518,000 which reflects this contract price and included the sale of 22 Flower Pl, Richlands at \$450,000 which supports our amended value.

The Main Building will comprise a two storey, 4 bedroom, 2 bathroom, detached contemporary dwelling on a concrete slab foundation with lightweight composite clad walls, colorbond roof and 2 car builtin garage.  
Areas: Living - 134 sqm, Outdoor - 2 sqm, and Car - 37 sqm.

The subject property will be a rectangular shaped, gently sloping lot with a suitable building site which is cut levelled and positioned at road level. The property is cleared and faces south-east with no significant views. Access to the property is easy and direct. Ancillary improvements include exposed aggregate driveway, fully enclosed yard of timber construction and moderate landscaping, lawns - turf laid.  
Land Area 190 sqm.

Photographic Evidence - We can confirm that the photographs provided in this valuation report were taken at the date of inspection, as outlined on page 1 of our report. We confirm that we have fully inspected the property.

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To Be Erected - Building Contract Non Council approved plans have been supplied. We have sighted a building contract from Pointcorp Constructions Pty Ltd for \$290,450 which is considered to be at the extreme upper end of market parameters for the type and scope of works proposed.

A progress drawdown schedule has been sighted. The progress payments are staged releases and is considered to be consistent with industry standards. We recommend regular progress inspections are undertaken to ensure that works are completed in a timely manner in accordance with the proposed plans and contract sighted.

The instructing party should ensure that funds are available (held), to complete the project by way of separate contract at any stage, if required, during construction.

Our valuation assumes that at the date of this report, all works will be completed in a professional and workmanlike manner in accordance with the plans and specifications as supplied and adhering to all Council requirements. Accordingly, the as if complete valuation must be confirmed by a further inspection by the valuer, initiated and requested by the instructing party, on completion of the improvements. The right is reserved to review and, if necessary, vary the valuation in this report if there are any changes in relation to the project itself or in property market conditions and prices.

**SELLING PERIOD**  
Less than 6 months

We consider the property would sell at or near the assessed value assuming proper marketing within a selling period of up to 6 months.

**LAND RISK COMMENT:**

New Title - We note that a Certificate of Title for the property was not issued at the date of valuation. Our assessment assumes that all relevant planning conditions are met and an unencumbered Certificate of Title is issued (unless any proposed encumbrances have been noted within this report), and as such, this assessment has been conducted on an 'As If Complete' basis. We recommend that a new assessment is conducted after issuance of the Certificate of Title to verify all pertinent factors listed on the Certificate of Title, including the presence and nature of any encumbrances and the legal address of the property.

**IMPROVEMENTS RISK COMMENT:**

To Be Erected - The dwelling is to be erected and the full value of improvements will not be realised until construction has been completed. Should the property be sold prior to completion of construction an amount less than the cost of construction is likely to be realised. This valuation has been carried out from a photocopy of a floor plan and inclusions list provided and are assumed to be identical to the plans and specifications submitted for approval to the relevant building authorities. This valuation assumes that the residence will be constructed in accordance with the approved plans, the Building Code of Australia to trades standards and that all necessary final certificates will be issued on completion.

**RECENT MARKET DIRECTION RISK COMMENT:**

Low Volatile Prices - Known increase in sales prices from previous sales that have occurred in the last 18 months with known early signs of flattening.

**MARKET SEGMENT CONDITIONS RISK COMMENT:**

Limited Comparative Sales - In providing this assessment we have used our best endeavours to source evidence regarding comparable sales: a) from within the location, and b) that have settled within the last 6 months or lie within 15% of the valuation amount. Due to the limited number of comparable sales within the location, we have relied upon sales from nearby, comparable localities. We advise that the comparable sales quoted in this report are the most recent comparable sales available at the time of producing this report.

Sale Not In-Line With Local Market - The vacant land contract of sale does not appear to be in-line with the local market.

House and Land Packages - A significant portion of new house and land packages are marketed and sold to the investor market, highlighting benefits such as the depreciation of the building as a tax saving. Accordingly, a premium is often paid for new property in comparison to the second hand market. Therefore, there is a higher risk of reduced value over the short to medium term for property of this type. The combined house and land purchase price is considered to place the subject at the very upper limit of current market parameters for this locality, thus increasing the chance of future price reduction should the market soften over the short to medium term.

**COPY OF CONTRACT OF SALE SIGHTED:**

Contract of Sale - We note that the subject property is in the process of being purchased without the intervention of an agent for \$226,788 and we consider this amount in line with the current market. We have sighted a copy of the contract of sale which is dated and executed.

**MARKET COMMENT:**

The fundamentals of demand for residential property within greater Brisbane remain sound. Housing affordability for South East Queensland sits in line with the long term average (indicating an affordable market) and is well above our competing markets in NSW and Victoria. Net interstate migration is now at its highest point since 2007 and strong jobs growth has also experienced over the past 12 months, again rivalling the levels experienced in 2007. Business and consumer confidence, although considered to be somewhat volatile, also appear to be on par with long term averages.

Despite this however, there have been a number of macro financial changes instigated by Australian regulators, which is resulting in more constrained availability of credit. Given this, combined with the current Royal Commission into the banking sector and the negative media emerging from the southern states, there are now early signs across Brisbane of the residential housing and apartment market being impacted with a reduction in the number of sales occurring and a lengthening in sales and marketing periods now being experienced.

The market for detached housing within approximately 6 radial kilometres of the Brisbane CBD, has remained the strongest performing market sector over the past 3 years although after a period of continued growth through 2016 and 2017, prices have remained relatively stagnant since late 2017. We envisage that the fundamentals of this market, characterised by limited available stock and firm underlying demand, will generally remain positive over the short to medium term.

The mid ring areas, typically between 6km and 20km of the Brisbane CBD, which saw increased levels of demand over the preceding 2 years as a flow on from the near city suburbs housing, has moderated over the second half of 2018 in line with other regions of Brisbane although there still remains reasonable demand.

The outer lying/fringe suburbs have seen capital values remain relatively stagnant over the past 12 months, with sale periods lengthening and fewer parties within the marketplace. Sales of vacant land, particularly those targeted at investor markets, have slowed along with building approvals, with owner occupiers generally gravitating to the larger, master planned estates.

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Demand over the past 12 months for units and townhouses throughout greater Brisbane, has generally been soft, particularly for units in the inner suburbs and townhouses in the outer lying areas where oversupply issues have arisen.

Continued constrained availability of credit as a result of the impact of implementing any findings from the Royal Commission, as well as potential for further measures by the RBA and/or APRA to continue to slow demand from the investor sector will continue the soft levels of demand experienced across all sectors of the market. Should the fundamentals of demand decline in the short to medium term there is significant risk of a weakening in values.

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## 9. IMPORTANT NOTES & QUALIFICATIONS

### LENDER SPECIFIC INFORMATION

This Valuation has been instructed by the party shown at the top of this report. It may be relied upon by any of the following parties if so nominated by the instructing party:

QBE Lenders Mortgage Insurance Limited, Suncorp-Metway Limited

### GST

Valuations of residential property for mortgage security purposes are undertaken on the basis that GST is not applicable. This valuation is prepared on the assumption that the subject property does not constitute a 'new residential property' as defined under ATO Ruling GSTR 2003/3. Further it is assumed that the subject property will transact as a residential property between parties not registered (and not required to be registered) for GST. The market valuation herein reflects a market transaction to which GST is not applicable.

### Prudent Lending

This valuation is prepared on the assumption that the lender as referred to in the valuation report (and no other), may rely on the valuation for mortgage finance purposes and the lender has complied with its own lending guidelines as well as prudent finance industry lending practices, and has considered all prudent aspects of credit risks for any potential borrower, including the borrower's ability to service and repay any mortgage loan. Further, the valuation is prepared on the assumption that any such lender is providing mortgage financing at a conservative and prudent loan to value ratio. This clause (Prudent Lenders Clause) only applies if the lender is not a lender regulated by the Banking Act 1959 (Cth).

### As If Complete

The valuation has been completed on an 'As If Complete' basis. The market value 'As If Complete' assessed herein is the market value of the proposed improvements as detailed in this report on the assumption that all construction has been satisfactorily completed in accordance with the plans and specifications provided and final Council Approval obtained and this has been relied upon as at the date of this report.

This valuation assumes that the residence will be constructed in accordance with the approved plans, the Building Code of Australia to trades standards and that all necessary final certificates will be issued on completion.

Unless stated otherwise, we have not obtained a compliance certificate in relation to the proposed building materials. This valuation report has been prepared with the assumption that the building materials that will be used in construction, as well as the application and installation of those materials, will be compliant with the building design as well as Australia's regulatory requirements and codes.

The valuation reflects the valuer's view of the market conditions existing at the date of the report and does not purport to predict the market conditions and the value at the actual completion of the improvements because of time lag. Accordingly, we recommend the 'As If Complete' valuation be confirmed by a further inspection by the valuer, initiated and instructed by the lender, on completion of the improvements. The right is reserved to review and, if necessary, vary the valuation in this report if there are any changes in relation to the project itself or in property market conditions and prices.

### Building Cost Estimates

We are not qualified to comment on the accuracy of building cost estimates. Accordingly, the cost estimates can only be confirmed by a qualified quantity surveyor, building estimator or building contractor, based on detailed plans and engineering design. Should the detailed costings differ significantly from the estimates used in this report, the valuer should be consulted and reserves the right to reassess any effect on the value stated in this report.

### Insurance Assessment

If we have provided an assessment of the replacement value of the improvements for insurance purposes this has been done on a 'new for old' basis and includes an allowance for building cost increases for 12 months, demolition, and professional and Council fees. The valuer has not taken into consideration extra costs associated with dealing with removal of asbestos material if present. The valuer has not been provided nor referred to the insurance policy associated with the property insured. The valuer is not a construction and/or structural engineering expert and therefore the value should be taken as indicative only as to what the reinstatement value of the improvements may be. A precise estimate should be provided by a construction/structural or quantity surveying expert and our assessment of the reinstatement value should only be considered as an indication of that likely value.

### First Mortgage

This valuation is provided on the basis that it may be used for assessing and providing first mortgage over the asset. We do not accept liability for losses arising from the assessment and/or provision of non-first mortgages.

### Land Dimensions / Area

We advise that we have not searched or been provided with a copy of the Registered Plans and that any dimensions or land areas quoted in this report have been obtained from third party information sources and whilst endeavours have been made to verify such information we accept no responsibility for inaccuracy of any information provided and relied upon.

### Asbestos

We advise that the inspection of the subject property did not reveal any obvious visible asbestos materials to the valuer. The client acknowledges and recognises that 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 materials and the impact which any asbestos material has on the property and its value. Should any asbestos concerns become apparent, the valuer should be consulted and reserves the right to reassess any effect on the value stated in this report.

### Flood Search

We advise that we have not undertaken a formal search to confirm whether or not the property is subject to flooding or other impediments caused by excess water saturation. Should any flooding or other impediments caused by excess water saturation concerns become apparent, the valuer should be consulted and reserves the right to reassess any effect on the value stated in this report.

### Pest & Termite Infestation

We advise that the inspection of the subject property did not reveal any obvious visible pest or termite infestation within reasonably accessible areas to the valuer. The client acknowledges and recognises that the valuer is not a pest inspector / pest expert. The absence of pests, including termites, can only be confirmed by a suitably qualified expert after a comprehensive inspection and the use of specialist equipment. Should any pest or termite

infestation concerns become apparent, the valuer should be consulted and reserves the right to reassess any effect on the value stated in this report.

#### Site Survey / Encroachments

We advise that a survey report has not been sighted and our inspection has revealed that there do not appear to be any encroachments upon or by the property. This valuation is made on the assumption that there are no encroachments by or upon the property and that this should be confirmed by a current survey report and/or advice from a registered surveyor. We are not surveyors. Should any encroachments or other affectations be noted by the survey report, the valuer should be consulted and reserves the right to reassess any effect on the value stated in this report.

#### Property Related Tax Implications

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.

#### Recommendation

The decision as to the suitability of security for a lending transaction and/or a mortgage insurance transaction is a commercial decision for the lender-client/LMI. That decision must not only be based on the content of the Report but should also extend to other factors beyond the subject property itself. The recommendation within the Report is based on the opinion of the valuer, as to whether the subject property itself, as observed, is in a satisfactory condition both internally and externally, and is habitable and readily saleable at the assessed market value.

#### Utility Services

We advise that the valuer has not tested any of the services. Should any utility service concerns become apparent, the valuer should be consulted and reserves the right to reassess any effect on the value stated in this report.

#### Reliance and Disclosure

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. 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.

#### Market Movement & Report Expiry

This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 3 months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

#### Comparative Sales Evidence

The comparative sales used in this valuation report are considered the most relevant sales based on our research, both in terms of physical comparability to the subject property and allowing for market changes between comparable sales and valuation date. In many cases, we have not physically inspected the interior of the sales evidence quoted and have relied on the details of the sales evidence as recorded in available property sales databases or third party sources. We therefore cannot guarantee the accuracy of the information provided.

#### Full Disclosure & Reasonably Available Information

The instructing party acknowledges its responsibility for full disclosure of relevant information and undertakes to provide all documents in its possession that may have an effect on the service to be provided. This valuation is based upon information reasonably available to the valuer as at the date of issue in accordance with usual valuation practices.

#### Definition of Highest and Best Use

The use of an asset that maximises its potential and that is physically possible, legally permissible and financially feasible.

#### Definition of Market Value

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

#### Definition of Market Rental

The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. The assessment does not take into account short-term or holiday letting or furniture.

#### Service-Providing Entity

The entity which has provided this valuation is solely the entity named on this report (with its associated ACN/ABN). No other entity forming part of or associated with the Herron Todd White Group is liable. From time to time, the associated invoice for services may be issued by another Herron Todd White entity other than the service-providing entity named on this report. If this occurs, no professional liability is extended to the entity named on the invoice.

#### Conflict of Interest

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.

Liability limited by a scheme approved under Professional Standards Legislation.

Potential Diminution of Value Due to Interest-Only Investor Loan Renewal Issues - During 2017, prompted by securities and prudential regulators, new 'Interest Only' (IO) investor lending criteria and underwriting standards across the majority of Australian lenders were introduced. Borrowers that were previously on IO investor loans may find it more difficult to renew their expiring loans on current terms, particularly if a re-valuation suggests a



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diminution of value, which may trigger the possibility of increased financial stress potentially leading to forced sales. While Lenders are no doubt aware of this risk, Herron Todd White wishes to specifically make mention of this risk in relation to the potential diminution of value as a result of these factors in the coming months and years as the large number of projected refinances come to bear.

**Certificate of Title Not Sighted**

We advise that no title search of the property has been undertaken or sighted. As under the Australian Property Institute's PropertyPro Supporting Memorandum, it is not the responsibility of the Valuer to carry out a Title Search. In the event that a full title search is obtained and that it contains anything which could be considered a title defect or which may affect the value of the property, we reserve the right to review our valuation. Any Real Property Description (ie. Lot and Plan details) quoted in this report have been obtained from third party information sources and whilst endeavours have been made to verify such information we accept no responsibility for inaccuracy of any information provided and relied upon.

**10. CAPPED LIABILITY SCHEME**

Liability limited by a scheme approved under Professional Standards Legislation.

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Front



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Front



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Rear



Rear

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