

VALUATION REPORT

Our Reference: AM 8717

**WOODSIDE PARK ESTATE,
BANKS CREEK ROAD,
FERNVALE QLD 4306**



As At	24 August 2020
Prepared For	First Mortgage Purposes
On Behalf of	Fernvale Developments Pty Ltd

This Valuation Report is prepared for the party named above for first mortgage purposes and is not to be used or relied upon by any other party for any other purpose. It is subject to the terms and conditions, disclaimers, qualifications and limitations contained in this Valuation Report and any annexures thereto, including the Third Party Disclaimer.

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1 EXECUTIVE SUMMARY

Address:	Woodside Park Estate, Banks Creek Road, Fernvale QLD 4306.	
Instructing Party:	Fernvale Developments Pty Ltd C/- Guardian Securities Limited Suite 45 HQ@ Robina 58 Riverwalk Avenue Robina Qld 4226	Mathew Walters, Fund Administration Manager T: 07 5562 1046 E: mathew.w@guardiansecurities.com.au
Purpose:	An intending mortgagee for First Mortgage Purposes only	
Interest Valued:	Unencumbered Fee Simple assuming vacant possession.	
Basis:	Market Value – Gross Realisation and In One Line assessment “as is” and “as if complete” and Balance Land after Stage 1 (Lot 10) “as is” and “as if complete”.	
Legal Description:	Lots 1, 2, 5, 6, 8, 9, 10, 45 and 46 on Survey Plan 303278; Title Reference 51207248 (Lot 1), 51207249 (Lot 2), 51207252 (Lot 5), 51207253 (Lot 6), 51207255 (Lot 8), 51207256 (Lot 9), 51207257 (Lot 10), 51207259 (Lot 45), 51207260 (Lot 46).	
Property Summary:	<p>The Property currently comprises eight allotments ranging in size from 1,600 to 2,160 square metres remaining from the 12-lot first stage of a 50-lot residential estate plus the balance land of 9.48 hectares which will form the second and third stages. It is located at Fernvale, approximately 62 kilometres by road to the west of the Brisbane CBD and 24 kilometres by road to the north west of Ipswich.</p> <p>Fernvale is an old rural area located to the west of Brisbane, in a region known as the Brisbane Valley. Due to its proximity to Brisbane and Ipswich, demand for residential sites in affordable areas, the surrounding area was subdivided to rural residential allotments. Subsequently suburban development has encroached upon the acreage areas with many sites now developed, or earmarked for subdivision, to standard residential allotments. It is a rapidly developing area with a current population of approximately 3,500. Access to Ipswich and Brisbane is provided by the Brisbane Valley and Warrego Highways and the Ipswich Motorway.</p> <p>Local shopping and business services including a neighbourhood shopping centre, a primary school, sporting fields and limited public transport are available in Fernvale. Secondary schooling is available in Lowood, approximately 10 kilometres to the west while major retail and commercial facilities, government services, tertiary education facilities and public transport including electric commuter trains are available at Ipswich.</p>	

Development immediately surrounding the Property predominantly comprises residential and rural residential sites with the Fernvale commercial precinct located a short distance to the east along the Brisbane Valley Highway.

The parent site had an area of 11.82 hectares and was purchased by the current developer at a price of \$1,395,000 on 14 February 2017. The parent site is shown below:



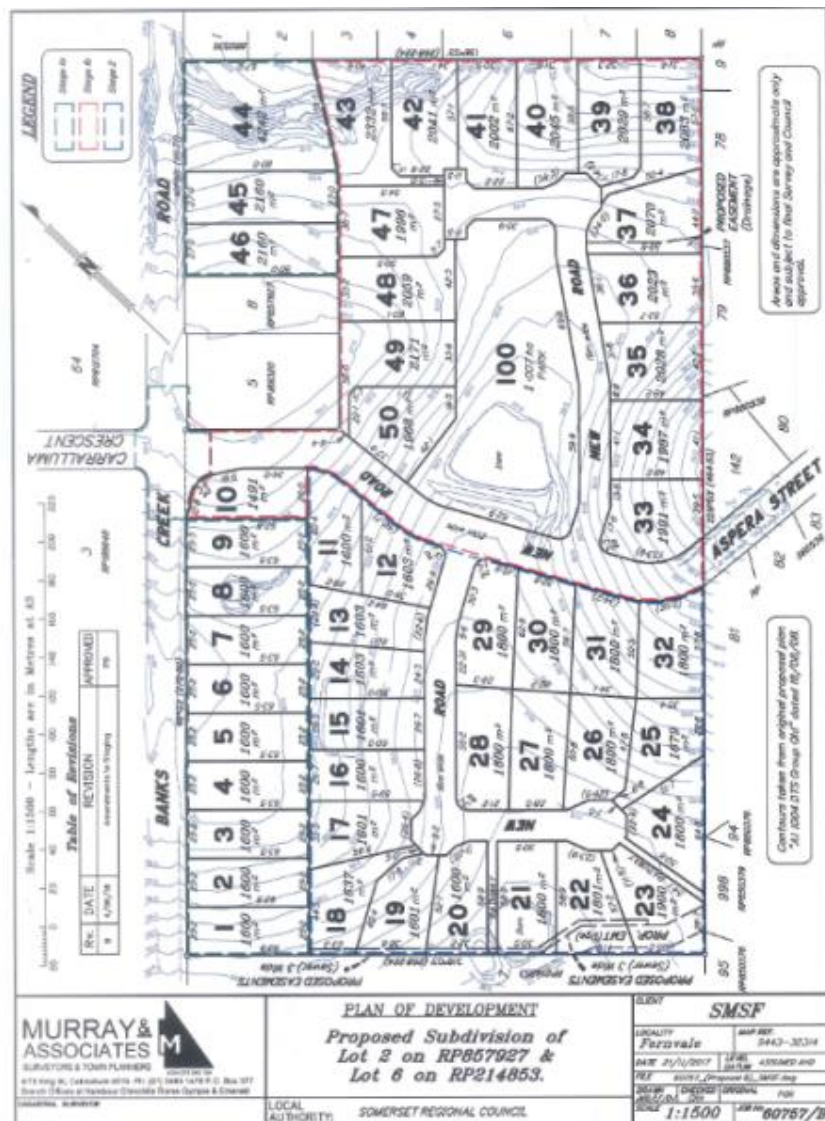
On 29 January 2009, the Somerset Regional Council approved a Development Permit (DA8214) over the parent site for reconfiguring two lots to 43 lots to be developed in two stages. This Permit was effective for four years but was subsequently extended.

On 3 July 2018, the Somerset Regional Council approved a Minor Change to the Development Permit (now described as a Development Approval) with the approved plan amended to provide for 50 lots to be developed in three stages. This Approval was effective until 29 January 2020 but was subsequently extended for 12 months to 29 January 2021.

Copies of the approvals, approved plans and development conditions have been sighted.

Vehicular access to the allotments comprises Banks Creek Road for the Stage 1 lots and one of the later stage lots with all others gaining access via three new internal roads. Services provided include water, sewerage, electricity and telephone.

The approved plan of development is shown below:



Stage 1 of the estate comprises Lots 1 to 9 and 44 to 46. The subject Lot 10 is the balance land after excision of Stage 1 and will be subdivided to Lots 10 to 43 and 47 to 50 plus internal roads and parkland as Stages 2 and 3. As one of the later stage lots will also be known as Lot 10, the balance land Lot 10 is referred to herein as the existing Lot 10.

This valuation is conditional upon the satisfactory completion of any outstanding work for completion of the estate, registration of the new Survey Plan and issue of individual Titles to the Stage 2 and 3 allotments.

Lots 3, 4, 7 and 44 have been sold and so do not form a part of this valuation. The developer has advised that Lots 1, 6, 8, 9 and 46 are under contract. However, as these sales have not settled, they are included in this valuation. It should be noted that once these and any subsequent sales are completed, the valuation assessments herein would change and should be revised accordingly.

The existing Lot 10 is irregularly shaped and has an easy undulating contour. It is mostly well elevated with some lots having minor views over the surrounding area. Located within the estate, in the least elevated area, will be a public park of 1.007 hectares. The balance of the Stage 1 sites included in this valuation are rectangular in shape and have easy sloping contours. The Stage 2 and 3 lots will vary between rectangular and irregular shapes and all have easy sloping contours.

The existing and proposed residential lots within the estate mostly range in size from 1,600 to 2,332 square metres with the exception being Lot 44, which has an area 4,242 square metres. However, Lot 44 has been sold and is excluded from this valuation.

As noted above, the existing Lot 10 is the balance land after excision from the parent site of the 12 lots forming Stage 1 of the estate. We are instructed to provide valuations of Lot 10 on an "as is" and "as if complete" basis as well a Gross Realisation and an In One Line assessment of the unsold lots of Stage 1 "as is" and the Stages 2 and 3 lots "as if complete". However, at inspection, the second and third stages of the estate appeared to be fully completed with little or no construction work required.


The PDS on-line database and the Somerset Regional Council town planning database do not note the new lots and still record the existing Lot 10 as the balance land. Registration of the new Survey Plan and issue of individual Titles has not occurred but we are advised that completion of this is anticipated within the near future. It appears then that all costs and fees required for completion, with the possible exception of plan registration and Titling fees, have been paid and so there would be no practical difference between the "as is" and "as if complete" values of the existing Lot 10.

There are no known sales of similar aggregations of residential allotments with which a comparison may be made as a basis of valuation for the Lot 10 valuation and the In One Line assessment of the whole property. These assessments have therefore been calculated by discounting the gross realisations at a discount considered to be appropriate to achieve a sale of all of the allotments to a single buyer.

An itemised account of development costs for the whole estate has been provided. The total cost to complete is noted as \$1,824,691, which equates to \$36,494 per lot and is generally considered reasonable and within industry expectations. Marketing costs included in the total costs are \$201,200, which equates to \$4,024 per lot or approximately 1.9% of the average value per lot is also generally considered reasonable and within industry expectations. It is noted the marketing cost amount includes \$24,000 for utility costs and furniture hire for a period of two years for a sales office and display home currently under construction on Lot 9 by Home Corp Constructions, a project home builder.

The majority of sales of vacant allotments in Fernvale are to intending owner-occupiers with a small number sold to builders for house and land packages or for speculative development. Investors comprise a small proportion of the site market.

	<p>There are several other similar to smaller estates currently being marketed in Fernvale, which provides a moderate level of competition for buyers. The estimated selling period for sale of all of the subject allotments individually in today's market is considered to be three to four years, with a quality marketing campaign.</p> <p>All investigations have been conducted independently and without influence from a third party in any way. The valuer/firm (in addition to the principal valuer) has no Potential Conflict of Interest or Pecuniary Interest (real or perceived) relating to the Property.</p>
Date of Inspection:	24 August 2020
Date of Valuation:	24 August 2020
Risk Rating:	<p>Having regard to its to its size, type and location, we are of the opinion that the Property would be in receipt of reasonable interest if it again became available to the market, and given our understanding of prevailing market conditions, consider it to provide a medium overall risk.</p> <p>The outbreak of the Novel Coronavirus (COVID-19) was declared as a 'Global Pandemic' by the World Health Organisation on 11 March 2020. We have seen global financial markets and travel restrictions and recommendations being implemented by many countries, including Australia.</p> <p>The real estate market is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. As at the date of valuation we consider that there is a significant market uncertainty.</p> <p>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.</p> <p>Given the valuation uncertainty noted, we recommend that the user(s) of this report review this valuation periodically.</p>
Third Party Disclaimer:	<p>This Valuation Report is for the sole use only of an intending mortgagee for first mortgage purposes only and is not to be used for any other purpose by any other party(s). Any reliance, use, distribution, publication of the Report and/or any other representations made relating to the contents of this Valuation Report is restricted solely to the Lender, and any additional party(s) expressly named in this Valuation Report.</p> <p>No responsibility is accepted by the Valuer and/or Valuation Firm in the event that the Lender to which this Valuation Report is assigned, or any other agreed additional reliant party(s) noted in this Valuation Report, relies, uses, distributes, publishes and /or otherwise represents anything contained in this Valuation Report for any other purpose apart from that expressly noted previously.</p>

	No responsibility is accepted by the Valuer and/or Valuation Firm to any other party(s) who rely, use, distribute, publish and/or otherwise represent anything contained in this Valuation Report for any purpose.	
Market Value:	As If Complete – Gross Realisation (Including GST):	\$9,680,000 (Nine Million Six Hundred and Eighty Thousand Dollars)
	As If Complete – Gross Realisation (Excluding GST):	\$8,955,000 (Eight Million Nine Hundred and Fifty Five Thousand Dollars)
	As If Complete Gross Realisation In One Line (Excluding GST):	\$5,820,000 (Five Million Eight Hundred and Twenty Thousand Dollars)
	Site Value (Balance Land) As Is – (Excluding GST):	\$4,795,000 (Four Million Seven Hundred and Ninety Five Thousand Dollars)
	 Michael Galvin AAPI 66448 Certified Practising Valuer Registered Valuer No. 1779 (Qld)	

This is a summary only. It must not be relied on for any purpose. Hymans Valuers and Auctioneers valuation of this asset is subject to assumptions, conditions and limitations. They are set out in the full valuation report prepared in relation to the asset. This summary is to be read in conjunction with the full report.

Liability Limited by a scheme approved under the Professional Standards Legislation.

2 INTRODUCTION

2.1 INSTRUCTIONS

We refer to your instructions requesting that we undertake a market valuation of Woodside Park Estate, Banks Creek Road, Fernvale QLD 4306 for and on behalf of Fernvale Developments Pty Ltd c/o:

Mathew Walters | Fund Administration Manager
Guardian Securities Limited
Suite 45 HQ@ Robina
58 Riverwalk Avenue
Robina Qld 4226
T: 07 5562 1046 | E: mathew.w@guardiansecurities.com.au

We refer you to our instructions at **Appendix A**.

2.2 PURPOSE OF VALUATION

This valuation report has been prepared for an intending mortgagee for First Mortgage Purposes under instructions from Fernvale Developments Pty Ltd.

This Valuation Report is for the sole use of an intending mortgagee for first mortgage security purposes only and is not to be used for any other purpose by any other party(s). Reliance by an intending mortgagee is subject to written approval/assignment of the valuation by Hymans Valuers and Auctioneers to an approved mortgagee. Any reliance, use, distribution, publication of the Report and/or any other representations made relating to the contents of this Valuation Report is restricted solely to the Lender, and any additional party(s) expressly named, to whom it is assigned. No responsibility is accepted to any third parties. Neither the whole of the report or any part of it or any reference to it, may be published in any document, statement or circular or in any communication with third parties without our prior written approval of the form and context in which it will appear.

2.3 USE OF VALUATION FOR FIRST MORTGAGE PURPOSES

This valuation is prepared on the assumption that the lender to whom this valuation report is expressly assigned (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 of 1959 (Cth).

2.4 INTEREST TO BE VALUED

The interest being valued is the Unencumbered Fee Simple assuming vacant possession.

2.5 DATE OF INSPECTION

24 August 2020.

2.6 DATE OF VALUATION

24 August 2020.

Our valuation reflects the valuer's view of the market at this date, and does not purport to predict the future. Our assessment assumes that there is no material change to the Property or the market between the date of inspection and the date of valuation, and we reserve the right to review the valuation if there are material changes to the Property or the market over this period.

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 general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as is liability where the valuation is relied upon after the date of valuation.

Without limiting the generality of the above, we do not assume any responsibility or accept any liability in circumstances where this valuation is relied upon after the expiration of three months from the date of valuation.

2.7 BASIS OF VALUATION

The value given herein is that of the market value of the Property as defined by the International Valuation Standards Committee (IVSC), and endorsed by the API and PINZ, which is as follows:

"Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

We confirm that this valuation has been undertaken on the basis of the price that might reasonably be expected if the Property was sold at the date of valuation assuming:

- a willing, but not anxious, buyer and seller;
- a reasonable period within which to negotiate the sale, having regard to the nature and situation of the Property and the state of the market for property of the same kind;
- that the Property was reasonably exposed to that market;
- that no account is taken of the value of other advantages or benefits additional to market value, to the buyer incidental to ownership of the property being valued;
- that the current proprietor has sufficient resources to allow a reasonable period for the exposure of the Property for sale; and
- that the current proprietor has sufficient resources to negotiate an agreement for the sale of the Property.

Excluded within this valuation are all movable plant and equipment, furniture, furnishings and any fit-out and improvements owned by third parties.

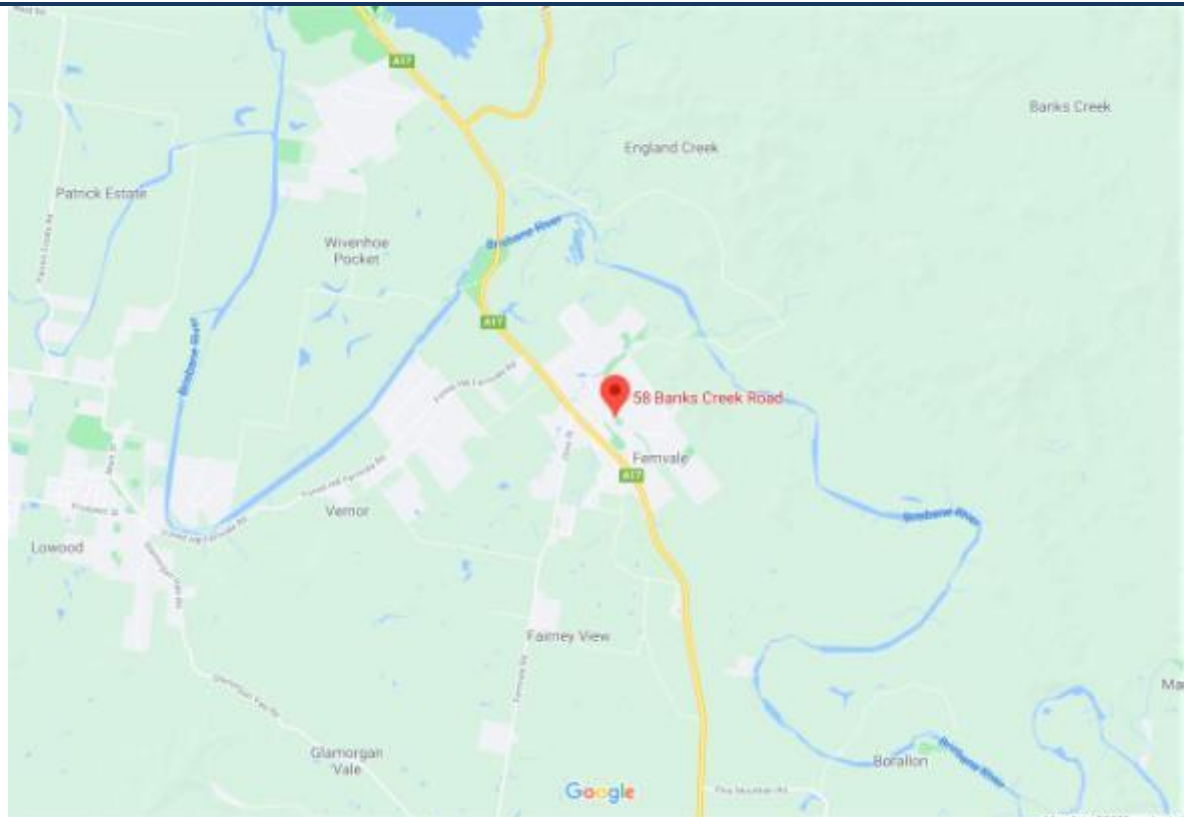
The Gross Realisation Value herein is on an "As If Complete" basis assuming completion as at the date of valuation and is not a projection of future value upon completion. Softening of market conditions may impact upon future values.

The term "In One Line" describes an open market sale of all of the lots to a single purchaser and is not a forced sale value. While there is limited market evidence for the discount necessary to achieve such a sale, given that the Property comprises 46 residential lots, it is considered likely that a substantial reduction would be necessary and the best price achievable on this basis would, therefore, be considerably less than the gross realisation.

3 LAND DETAILS

3.1 LOCATION

The Property is located in Fernvale, approximately 62 kilometres by road to the west of the Brisbane CBD and 24 kilometres by road to the north west of Ipswich. The location of the Property is shown on the map below:



Source: Google Maps (2020)

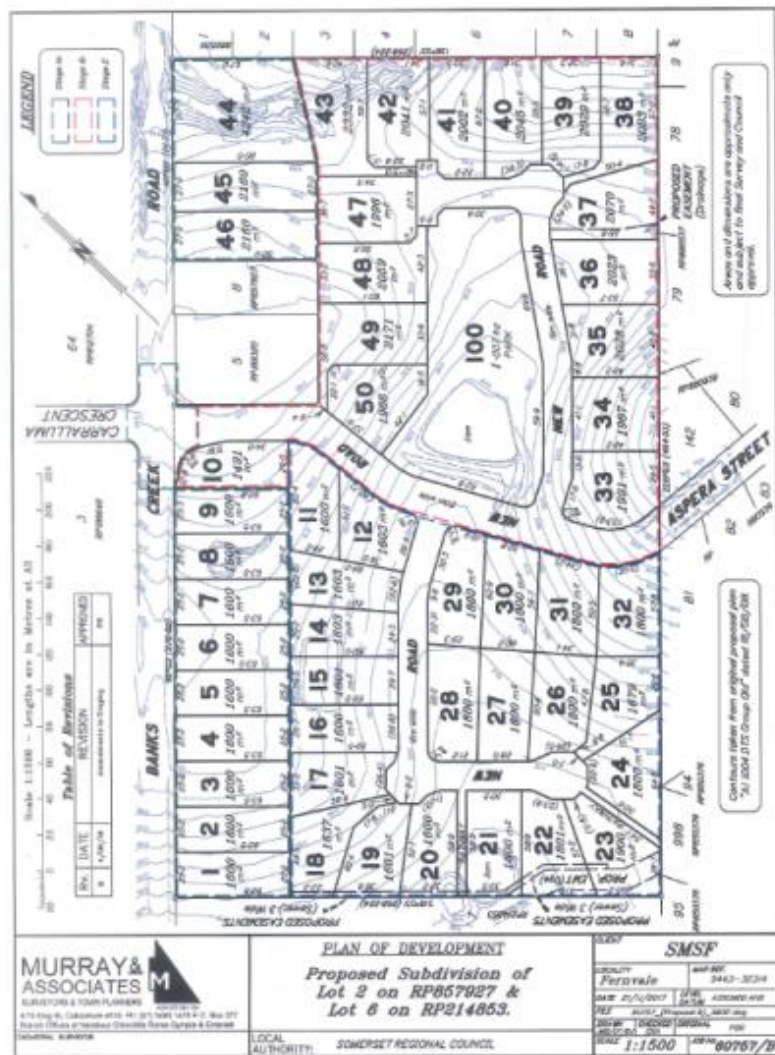
Fernvale is an old rural area located to the west of Brisbane, in a region known as the Brisbane Valley. Due to its proximity to Brisbane and Ipswich, demand for residential sites in affordable areas, the surrounding area was subdivided to rural residential allotments. Subsequently suburban development has encroached upon the acreage areas with many sites now developed, or earmarked for subdivision, to standard residential allotments. It is a rapidly developing area with a current population of approximately 3,500. Access to Ipswich and Brisbane is provided by the Brisbane Valley and Warrego Highways and the Ipswich Motorway.

Local shopping and business services including a neighbourhood shopping centre, a primary school, sporting fields and limited public transport are available in Fernvale. Secondary schooling is available in Lowwood, approximately 10 kilometres to the west while major retail and commercial facilities, government services, tertiary education facilities and public transport including electric commuter trains are available at Ipswich.

Development immediately surrounding the Property predominantly comprises residential and rural residential sites with the Fernvale commercial precinct located a short distance to the east along the Brisbane Valley Highway.

3.2 TITLE PARTICULARS

Title Reference:	51207248 (Lot 1), 51207249 (Lot 2), 51207252 (Lot 5), 51207253 (Lot 6), 51207255 (Lot 8), 51207256 (Lot 9), 51207257 (Lot 10), 51207259 (Lot 45), 51207260 (Lot 46)
Tenure:	Freehold
Description:	Lots 1, 2, 5, 6, 8, 9, 10, 45 and 46 on Survey Plan 303278. Lot 10 is the balance land after excision of Stage 1 (Lots 1 to 9 and 44 to 46) and will be subdivided to Lots 10 to 43 and 47 to 50 plus internal roads and parkland as Stages 2 and 3.
Registered Owner:	Fernvale Developments Pty Ltd



Interests:

A copy of the Title search for Lot 10 (balance land) is at **Appendix B**. The current Title search shows no registered interests of an onerous nature. This valuation is conditional upon there being no other encumbrances than those noted on the Lot 10 Title search on the other Titles.

The estate plan notes that several of the subject lots are affected by easements. Most of these easements comprise narrow strips along rear or side boundaries although those on Lots 22 and 23 are more significant in size and are located further within the sites. The easements provide for underground services and, due to their positions outside the building envelopes, will not materially affect the use of the lots although some inconvenience might be caused by any required maintenance or repair to the underground services.

We have not fully searched the notifications on title. Whilst considered typical and non-onerous, the relying party should obtain legal advice in respect to these encumbrances on Title and should legal advice indicate that these notifications affect value this valuation should be returned to the valuer for review.


Our valuation is made on the basis that the Property is free of encumbrances, restrictions, mortgages, charges, and other financial liens or other impediments of an onerous nature, which would affect value. We have also assumed that there are no other easements, rights of way or notations other than those referred to in this valuation or on the current Title search.

3.3 SITE DETAILS

Description:	The existing Lot 10 is irregularly shaped. It is mostly well elevated with some minor views over the surrounding area. The balance of the Stage 1 sites included in this valuation are rectangular in shape. The Stage 2 and 3 lots will be a mixture of rectangular and irregular in shape with four lots being hatchet shaped.
Topography:	The Stage 1 sites included in this valuation have easy sloping contours. The existing Lot 10 has an easy undulating contour. The Stage 2 and 3 lots all have easy sloping contours.
Site Area:	<p>The existing Lot 10 has an area of 9.48 hectares. The existing and proposed residential lots within the estate mostly range in size from 1,600 to 2,332 square metres. The exception is Lot 44 (4,242 square metres) but this is one of the lots which has been sold and is not included in this valuation.</p> <p>Located within the estate, in the least elevated area, will be a public park of 1.007 hectares. This lot does not form part of this valuation.</p>
Street Frontages:	Banks Creek Road and three new and un-named internal roads.

The Property boundaries are best described through reference to the SmartMap, a copy of which is at **Appendix C**.

3.4 PLANNING

Local Government Area:	Somerset Regional Council (SRC)
Planning Instrument:	Somerset Region Planning Scheme 2016
Zoning:	<p>General Residential, Park Residential Precinct</p>  <p>Source: Somerset Region Planning Scheme 2016</p>
Planning Intent:	<p>The purpose of the General Residential zone is to provide for low density residential development, predominantly dwelling houses on a range of lot sizes serviced by appropriate urban infrastructure. Community uses and small-scale services, facilities and infrastructure which support local residents are also permitted.</p> <p>The Park Residential precinct provides for very low density residential living opportunities on lots generally greater than 4,000 square metres with good access to the infrastructure and services provided in the town centre.</p>
Development Approval (DA):	<p>On 29 January 2009, the Somerset Regional Council approved a Development Permit (DA8214) for reconfiguring two lots in to 43 lots to be developed in two stages. This Permit was effective for four years but was subsequently extended.</p> <p>On 3 July 2018, the Somerset Regional Council approved a Minor Change to the Development Permit (now described as a Development Approval) with the approved plan amended to provide for 50 lots to be developed in three stages. This Approval was effective until 29 January 2020 but was subsequently extended for 12 months to 29 January 2021.</p> <p>Copies of the approvals, approved plans and development conditions have been sighted. It is noted that, at inspection, the approved development of 50 lots was substantially complete.</p>
Highest and Best Use:	<p>In assessing the Market Value of the Property, we must consider the highest and best use.</p> <p>Highest and best use requires considering possible uses of the asset, to determine which is going to maximise its value.</p> <p>Accordingly, we consider the highest and best use of the land to be for redevelopment in accordance with the DA.</p>

We are unaware of any public authority proposals, instruments, orders, notices or declarations affecting the Property however, we recommend that formal enquiries be undertaken to confirm the above.

3.5 ENVIRONMENTAL ISSUES

During the course of our inspection we did not notice any evidence of land or building contamination. Surrounding development is not considered to pose potential environmental concerns. It should be noted that the estate has been developed in accordance with a recent Development Approval. The DA process routinely considers potential or existing contamination as part of the approval considerations.

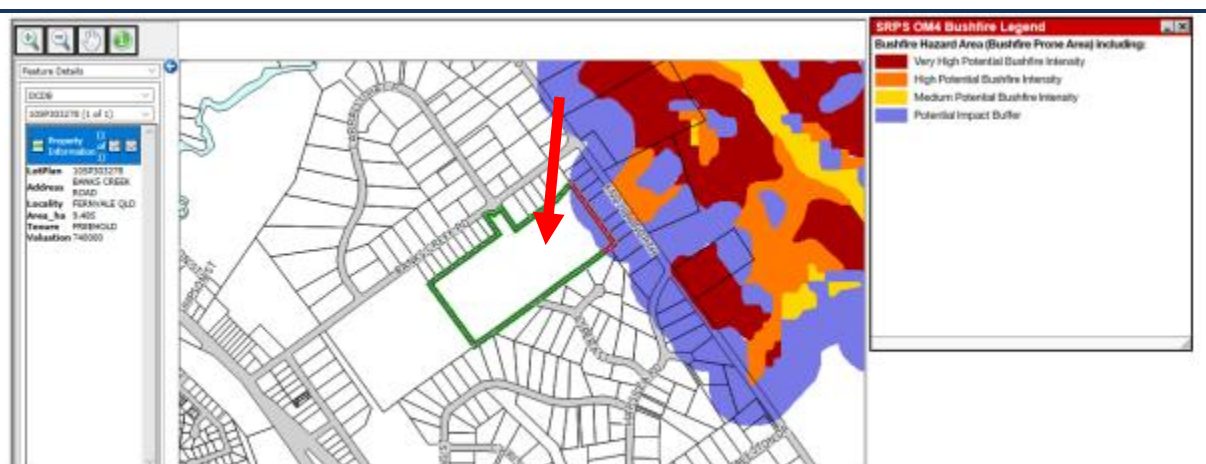
Importantly, however, we are not experts in the detection or quantification of environmental problems and we have not sighted an Environmental Audit to confirm the same. Therefore, it should be noted that our valuation is subject to there being no surface or sub-surface soil problems including instability, toxic or hazardous wastes and pollutants, toxic mould, asbestos or building material hazards in or on the property that would adversely affect its existing or potential use or reduce its marketability.

Our valuation has been made assuming an audit would be available which would satisfy all relevant environmental and occupational health and safety legislation. If the Property's current status needs to be clarified, an Environmental Audit should be undertaken and should any subsequent investigation show that the site is contaminated, this valuation may require revision. Our valuation excludes the cost to rectify and make good the Property, which may have become contaminated as a result of past and present uses.

We highlight the existing residential use. This activity does not fall under the category of potentially contaminating activities, industries and land uses as defined in the A&NZ Valuation and Property Standards (Australia Real Property Guidance Note 1).

3.6 BUSHFIRE/FLOODING

Our search of the Somerset Region Planning Scheme bushfire maps indicates the Property is partially mapped in a Potential Impact Buffer of the Bushfire Hazard Area Overlay as shown on the following map extract. The Property is not mapped in a Flood Hazard area.



Source: Somerset Region Planning Scheme 2016

3.7 SERVICES

All mains services including electricity, water, sewerage and telephone are available to the Property.

3.8 STATUTORY ASSESSMENT

The PDS on-line database lists the combined Statutory Valuations for the Property as at 11 December 2019 as \$1,879,000.

3.9 SALES HISTORY

The PDS on-line database shows the current owner purchased the parent site on 14 February 2017 at a price of \$1,395,000.

Four sales of Stage 1 lots are also shown in the PDS database at prices ranging from \$190,000 to \$220,000.

3.10 ASBESTOS

We have not undertaken any formal searches regarding the existence of asbestos in or on the Property. We are not experts in this area and therefore, in the absence of an environmental consultant's report concerning the presence of any asbestos fibre within the Property, our valuation is made on the assumption that there are no health risks from asbestos. If any asbestos related health risk is found to exist on the Property, we reserve the right to review our valuation.

3.11 HERITAGE

Our investigations with Somerset Region Planning Scheme indicate that the Property is not located within an area covered by a planning overlay deeming it to be of heritage significance.

The above information was obtained from Somerset Region Planning Scheme, however, we have not sighted a Heritage Certificate to verify same. Our valuation report is subject to the information detailed above being true and correct.

3.12 NATIVE TITLE CLAIMS

We have not undertaken any formal native title searches and our valuation is made on the assumption that there are no Native Title Claim issues relating to the Property. If any Native Title Claim issues are found to relate to the Property, we reserve the right to review our valuation accordingly.

4 IMPROVEMENTS

4.1 GENERAL

The subject property comprises the majority of a 50-lot residential subdivision known as “Woodside Park Estate”. It was approved to be constructed in three stages with the first stage of 12 allotments and one later stage lot fronting Banks Creek Road. The balance of the estate gains access via three new internal roads.

The second and third stages of the estate comprising 38 allotments plus internal roads and an area of parkland has been constructed including provision of services but registration of the new Survey Plan and individual Titles has not been completed.

Four of the Stage 1 lots have been sold and a further five are advised by the developer to be under contract. Three allotments in the latter stages are being held for prospective purchasers.

At inspection, several of the sold allotments were improved with new dwellings either recently completed or under construction. It is noted that Lot 9 is earmarked for construction of a display home and three others in second and third stages which are being held for prospective purchasers are proposed to be sold as house and land packages.



5 GOODS AND SERVICES TAX

The specific sums shown are exclusive of Goods and Services Tax.

We note that we have not been provided with legal advice regarding the GST liability and have based our valuation upon our current understanding of the legislation. We are also of the view that an intending purchaser of the investment would obtain his or her own legal advice on the GST position.

However, if any of our assumptions relating to GST prove to be incorrect, we reserve the right to revise our valuation as provided herein, should we deem it to be necessary.

6 MARKET COMMENTARY

6.1 ECONOMIC COMMENTARY

At its meeting on 4 August 2020, the Reserve Bank Board decided to maintain the current policy settings, including the targets for the cash rate and the yield on 3-year Australian Government bonds of 25 basis points.

The global economy is experiencing a severe contraction as countries seek to contain the coronavirus. Even though the worst of this contraction has now passed, the outlook remains highly uncertain. The recovery is expected to be only gradual and its shape is dependent on containment of the virus. While infection rates have declined in some countries, they are still very high and rising in others. International trade remains weak, although there has been a strong recovery in industrial activity in China over recent months.

Globally, conditions in financial markets remain accommodative. Volatility has declined and there have been large raisings of both debt and equity. The prices of many assets have risen substantially despite the high level of uncertainty about the economic outlook. Bond yields remain at historically low levels.

The Bank's mid-March package of support for the Australian economy is working as expected. There is a very high level of liquidity in the Australian financial system and borrowing rates are at historical lows. Authorised deposit-taking institutions are continuing to draw on the Term Funding Facility, with total drawings to date of around \$29 billion. Further use of this facility is expected over coming months.

Government bond markets are functioning normally alongside a significant increase in issuance. The yield on 3-year Australian Government Securities (AGS) has been consistent with the target of around 25 basis points. The yield has, however, been a little higher than 25 basis points over recent weeks. Given this, tomorrow the Bank will purchase AGS in the secondary market to ensure that the yield on 3-year bonds remains consistent with the target. Further purchases will be undertaken as necessary. The yield target will remain in place until progress is being made towards the goals for full employment and inflation.

The Australian economy is going through a very difficult period and is experiencing the biggest contraction since the 1930s. As difficult as this is, the downturn is not as severe as earlier expected and a recovery is now underway in most of Australia. This recovery is, however, likely to be both uneven and bumpy, with the coronavirus outbreak in Victoria having a major effect on the Victorian economy. Given the uncertainties about the overall outlook, the Board considered a range of scenarios at its meeting. In the baseline scenario, output falls by 6 per cent over 2020 and then grows by 5 per cent over the following year. In this scenario, the unemployment rate rises to around 10 per cent later in 2020 due to further job losses in Victoria and more people elsewhere in Australia looking for jobs. Over the following couple of years, the unemployment rate is expected to decline gradually to around 7 per cent.

The Board also considered other scenarios. A stronger recovery is possible if progress is made in containing the virus in the near future. This progress would support an improvement in confidence and a less cautious approach by households and businesses to their spending. On the other hand, if Australia and other countries were to experience further widespread lockdowns, the recovery in both output and the labour market would be delayed. Details on these scenarios will be provided in the Statement on Monetary Policy on 7 August.

In each of the scenarios considered by the Board, inflation remains below 2 per cent over the next couple of years. In the most recent quarter, CPI inflation fell to -0.3 per cent in year-ended terms, reflecting lower oil prices and the effects of various policy measures, including the decisions to make child care and some pre-school free

for a period. Inflation is expected to return to positive territory in the current quarter. Beyond that, given the ongoing spare capacity in the economy, inflation is expected to average between 1 and 1½ per cent over the next couple of years.

As Australians deal with the coronavirus, the economy is being supported by the substantial, coordinated and unprecedented easing of fiscal and monetary policy. The Australian Government's recent announcement that various income support measures will be extended is a welcome development and will support aggregate demand. It is likely that fiscal and monetary stimulus will be required for some time given the outlook for the economy and the labour market.

The Board is committed to do what it can to support jobs, incomes and businesses in Australia. Its actions are keeping funding costs low and assisting with the supply of credit to households and businesses. This accommodative approach will be maintained as long as it is required. The Board will not increase the cash rate target until progress is being made towards full employment and it is confident that inflation will be sustainably within the 2–3 per cent target band.

6.2 LOCAL PROPERTY MARKET

Over the last several years, buyer confidence has returned to the South-east Queensland house market with activity increasing significantly. First home buyers and investors returned to the lower to mid-price sectors, mainly due to greater affordability and easier access to finance.

House prices have been under pressure with price increases occurring in most suburbs, particularly those dominated by lower priced stock. Inner suburbs and the middle priced to higher value sectors have displayed more moderate movements. While market activity eased somewhat from mid 2018 to mid 2019 and prices stabilised in early to mid 2019, the second half of 2019 and early 2020 saw increased market activity.

As a result, good quality suburban subdivision sites have been in strong demand over the last several years with sites which have development approval and/or holding income viewed more favourably in the market and more keenly sought by purchasers. Sites without approvals or requiring a long term hold have been more difficult to sell and generally require longer selling periods.

The improvement in the suburban subdivision site market has been fuelled by higher demand for residential allotments, which has driven a higher level of demand in the site market. In established areas, sites suitable for subdivision have become scarcer and site values have increased.

The outlook for property over the next twelve months is contingent on the performance of the broader Australian economy. The Coronavirus pandemic has created a high level of uncertainty with predictions of falling residential property values through 2020.

While it is considered highly likely that property prices will be affected to some extent, and that demand and sales activity may be restricted over the coming months, there is to date no market evidence to conclusively gauge the effect of the pandemic-induced economic crisis on the residential property market. Over the next few months, it is likely that sufficient transactions will be concluded to provide guidance regarding the effect on market values.

It is noted, however, that transactions continue to occur and recently published data by the ABS reports that since March 2020 244 residential development projects in Queensland have been either postponed or abandoned, but only 17% were land based housing estates with the balance being attached housing (units and townhouses).

Subject Locality

Fernvale generally features a lower than average age demographic than the Brisbane metropolitan area with lower than average household incomes. It is an old rural area which over the last two to three decades has developed as a dormitory suburb for Ipswich and the outer western Brisbane metropolitan area.

As the population has increased, the standard of amenities provided has improved and it is reasonably well located with respect to schools, public transport and retail and commercial facilities. Residential prices in Fernvale have been strengthening over the last several years, underpinned by stable economic conditions and low interest rates.

The majority of local residents are employed outside the locality due to there being little by way of local industry and employment. There does not appear to be any significant projects mooted for the district which would add to the job supply. It is noted however that the gradual development of Fernvale due to population growth over the last twenty years has increased the local demand for employees somewhat.

The closest major employment centre is Ipswich, approximately 24 kilometres to the south east, although some small scale industrial and commercial development is located in the nearby town of Lowood. In addition, local and nearby rural industries provide a minor source of income. However, Ipswich is likely to remain the main employment source for the foreseeable future.

Demand for residential development sites in the area is considered to reasonable with several recent sales of sites with and without Development Approval. There appears to be a moderate level of construction activity in progress and a reasonable level of demand for established houses.

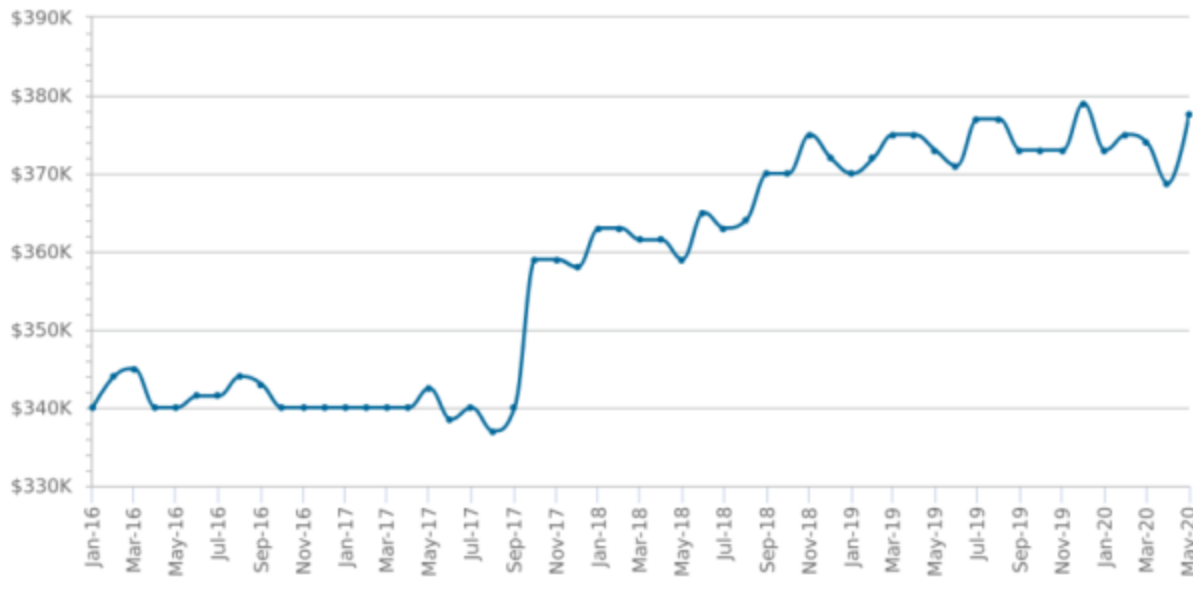
The table and graph from CoreLogic research below show the median sale price for houses in Fernvale since 2016, with the May 2020 median price of \$377,500. The median price fell slightly through the latter months of 2019 but recovered somewhat from late 2019 and into 2020.

Median Sales Price

	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020
Period	Median Price	Median Price	Median Price	Median Price	Median Price
January	\$340,000	\$340,000	\$363,000	\$370,000	\$373,000
February	\$344,000	\$340,000	\$363,000	\$372,000	\$375,000
March	\$345,000	\$340,000	\$361,500	\$375,000	\$374,000
April	\$340,000	\$340,000	\$361,500	\$375,000	\$368,750
May	\$340,000	\$342,500	\$359,000	\$373,000	\$377,500
June	\$341,500	\$338,500	\$365,000	\$371,000	n/a
July	\$341,500	\$340,000	\$363,000	\$377,000	n/a
August	\$344,000	\$337,000	\$364,000	\$377,000	n/a
September	\$343,000	\$340,000	\$370,000	\$373,000	n/a
October	\$340,000	\$359,000	\$370,000	\$373,000	n/a
November	\$340,000	\$359,000	\$375,000	\$373,000	n/a
December	\$340,000	\$358,000	\$372,000	\$379,000	n/a

Statistics are calculated over a rolling 12 month period

Median Sales Price



An analysis of land sales recorded in RP Data since the start of 2010 is noted within the table below:

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 ¹
No.	7	3	2	2	9	10	23	38	34	18	9

Note: The 2020 recorded sales are for the first half of the year only.

The low number of sales during the period 2010 to 2013 was a result of depressed market conditions due to the Global Financial Crisis. The market recovery commenced in 2014, building up to strong demand and sale numbers in 2017 and 2018. Tighter credit conditions from 2019 led to reduced demand with sale numbers through 2019 to mid 2020 effectively halving from their peak.

An analysis of the source of purchasers by their address recorded in RP Data shows that a significant majority are local (South East Queensland) buyers with the majority of these being intending owner-occupiers. A small minority of buyers were located interstate and are likely to have been mostly investors although a small number may be intending owner occupiers.

Local real estate agents report that there is a shortage of rental housing in Fernvale which is supported by the Domain and realestate.com websites reporting that there are just nine houses currently available for rent within the town. This data supports the above analysis that a significant majority of vacant lots in the town are purchased for construction of dwellings for owner-occupation rather than rental.

Most of the new estates in the area are marketed by the developers as vacant allotments. Some allotments are purchased by builders for either resale as house and land packages or dwellings are constructed speculatively and sold as turn key properties. However, the most significant purchasers of land in the town remain intending owner-occupiers who employ their own builders to construct the homes.

Government stimulus measures such as first home owner's grants and the like have assisted first home buyers into the area however it is likely that these measures have also driven price increases which might not otherwise have occurred. The most recent stimulus measures announced as part of the pandemic support package are likely to have an impact but the extent of this is not evident as yet.

Residential allotments in Fernvale tend to be larger than average size compared to other suburban settings, which is keeping with the rural ambience of the locale. There are comparatively few allotments smaller than 1,000 square metres within the town with the majority of lots falling within the range of 1,500 to 3,000 square metres. Larger rural residential allotments of 4,000 square metres or more are found on the fringes of Fernvale, mainly in areas where sewerage is not available. Larger acreage sites are found outside the town where services are not available.

The Domain website notes that there are currently 66 vacant allotments for sale in Fernvale. This number includes the remaining lots in Stage 1 of the subject estate but none in the second and third stages so the effective number of lots available in Fernvale is actually 114. Apart from the second and third stages of the subject estate, the available lots are located within another estate of similar size and two small estates of less than 15 lots with several lots in previously sold out estates being offered for resale.

Based on the current sale rate of approximately 18 per annum, this represents approximately 5.8 years supply. It is noted however that at the 2017/2018 peak in sale numbers, it represents approximately 2.9 years supply. The display home proposed for construction on the subject Lot 9 is noted within documentation supplied by the developer as intended for such use for a period of two years.

The developer of the subject property has achieved four completed sales in Stage 1 and reports a further five in Stage 1 to be under contract and three in Stages 2 and 3 to be "on hold". If these numbers are accurate, then 12 of the 50 lots (approximately one quarter) have been successfully marketed in approximately twelve months, which suggests a selling period of approximately three years to sell the remainder of the estate.

This period lies at the lower end of the range indicated by the analysis of historical selling rates noted above but, given the current low interest rate environment and recent additional stimulus measures might be achievable. However, it may be prudent to expect a somewhat longer selling period for sale of the whole estate.

6.3 SALES EVIDENCE

We have analysed recent sale transactions which we feel support our valuation. The sales evidence adopted is as follows:

47 Titmarsh Circuit, Fernvale



Vacant allotment in an established estate located on the northern fringe of Fernvale. Rectangular shaped inside allotment with a near level contour. No views.

Sale Particulars

Sale Date	June 2020
Sale Amount	\$120,000
Site Area	1,077 m ²

Comments

Smaller allotment than all of the subject lots in an inferior position further from amenities. It has a similar to easier contour to most of the subject lots but an inferior aspect to the more elevated subject lots. Overall, the sale property is considered to be inferior to all of the subject lots, mainly due to its smaller size.

81 Condamine Drive, Fernvale



Vacant allotment in an established estate located on the northern fringe of Fernvale. Near rectangular shaped inside allotment with an easy sloping contour. Elevated position with minor local views.

Sale Particulars

Sale Date	June 2020
Sale Amount	\$237,000
Site Area	4,001 m ²

Comments

Larger allotment than all of the subject lots in an inferior position further from amenities. It has a similar to easier contour to most of the subject lots but an inferior aspect to the more elevated subject lots. Overall, the sale property is considered to be superior to all of the subject lots due to its larger size.

64 Banks Creek Road, Fernvale



Vacant allotment in a recently completed estate located centrally within Fernvale. Near rectangular shaped inside allotment with an easy sloping contour. Elevated position with minor local views.

Sale Particulars

Sale Date	June 2020
Sale Amount	\$220,000
Site Area	1,600 m ²

Comments

Latest completed sale within the subject estate. Smaller allotment than some of the subject lots, being at the lower limit of the size range, with a similar contour to most of the subject lots but a superior aspect to the less elevated subject lots. Overall, the sale property is considered to be superior to most of the subject lots, mainly due to its superior outlook.

39 Marsilea Road, Fernvale



Vacant allotment in an established estate located on the eastern fringe of Fernvale. Near rectangular shaped inside allotment with an easy sloping contour. Elevated position with minor local views.

Sale Particulars

Sale Date	February 2020
Sale Amount	\$165,000
Site Area	2,008 m ²

Comments

Mid range size allotment compared to the subject lots in an inferior position further from amenities. It has a similar contour to most of the subject lots but a superior aspect to the less elevated subject lots. Overall, the sale property is considered to be inferior to all of the subject lots, mainly due to its inferior location.

93 Condamine Drive, Fernvale



Vacant allotment in an established estate located on the northern fringe of Fernvale. Near rectangular shaped inside allotment with an easy sloping contour. Elevated position with minor local views.

Sale Particulars

Sale Date	February 2020
Sale Amount	\$240,000
Site Area	4,290 m ²

Comments

Larger allotment than all of the subject lots in an inferior position further from amenities. It has a similar to easier contour to most of the subject lots but an inferior aspect to the more elevated subject lots. Overall, the sale property is considered to be superior to all of the subject lots due to its larger size.

7 VALUATION CONSIDERATIONS

7.1 SWOT ANALYSIS

Strengths:	<ul style="list-style-type: none"> The lot sizes vary but the range of 1,600 to 2,300 square metres will appeal to the local market as it falls within the local standard Some of the subject lots have minor views, which will enhance their market appeal
Weaknesses:	<ul style="list-style-type: none"> The irregular shape of some lots could reduce their market appeal due to access and construction difficulties
Opportunities:	<ul style="list-style-type: none"> The development is well located within close proximity to the Fernvale commercial precinct and community facilities which adds to its appeal and marketability
Threats:	<ul style="list-style-type: none"> There are several other similar estates in Fernvale currently being marketed which provide substantial competition The current uncertainty in financial and property markets due to Covid-19 may reduce the number of potential purchasers and therefore curtail demand

7.2 LIKELY SELLING PERIOD

As noted in Section 6.2, the estimated selling period for all of the subject allotments, once individual Title has issued, in today's market is considered to be three to four years, with a quality marketing campaign. However, this selling period may be affected depending on the demand, which may be limited, for this property type at the time of sale and a range of other factors.

This is an estimate of the time it might take for the property to sell if it were marketed at the ascribed market value. Naturally, this is not a guarantee, and the actual time it may take to sell the property will be impacted upon by numerous factors including the marketing undertaken, eagerness of buyers both generally and also in relation to assets similar to the Property, availability of finance, and changes in market conditions subsequent to the valuation date.

7.3 MOST PROBABLE PURCHASER

It is considered that, if all of the subject allotments were put to the market for sale as a single entity, there would be very little interest unless a substantial discount of the assessed gross realisation were offered. The price point of all allotments together would be outside the achievable range for most investors and those capable of purchasing at that price point would most likely look instead to the commercial or industrial market. The most probable purchaser is therefore considered to be an experienced developer or marketer who would look to sell down the allotments over a relatively short time period to achieve a profit after selling and holding costs from their discounted purchase price.

8 VALUATION METHODOLOGY

8.1 VALUATION OVERVIEW

In arriving at our opinion of value, we have considered relevant general and economic factors and in particular have investigated recent sales of comparable properties. Various valuation approaches have been considered and we detail below our principal approaches to value.

Our valuation addresses both the As Is (approved residential development site and completed allotments) and As If Complete (Stage 2 and 3 allotments) value of the Property. The assessments of market value under the different scenarios is based on our judgement, interpretation and detailed analysis of the relevant sales considered together with our understanding of town planning issues pertaining to the valuation.

We have approached the market value of the Property on the following bases:

- Gross Realisation As Is and As If Complete (Including GST)
- Gross Realisation As Is and As If Complete (Excluding GST)
- Gross Realisation As Is and As If Complete In One Line (Excluding GST)
- Site Value (Balance Land) As Is (Excluding GST)

8.2 GROSS REALISATION – AS IF COMPLETE (GST INCLUSIVE)

In undertaking our Gross Realisation assessment, the Direct Comparison Approach has also been utilised wherein we have had regard to recent sales of comparable allotments as well as current market conditions, the current supply for residential allotments in the locality, discussions with local real estate agents and the experience of the valuer. Based upon sales evidence contained to this report for residential apartments and taking into account the factors outlined, we have adopted the following Gross Realisation values:

Lot No.	Area (m ²)	Value
1	1600	\$207,500
2	1600	\$207,500
5	1600	\$217,500
6	1600	\$217,500
8	1600	\$212,500
9	1600	\$212,500
10	1491	\$207,500
11	1600	\$212,500
12	1603	\$212,500
13	1603	\$212,500
14	1603	\$202,500
15	1601	\$192,500
16	1600	\$212,500
17	1601	\$212,500
18	1837	\$212,500
19	1601	\$212,500
20	1600	\$212,500
21	1800	\$207,500
22	1801	\$197,500

23	1900	\$197,500
24	1800	\$202,500
25	1679	\$187,500
26	1800	\$207,500
27	1800	\$197,500
28	1800	\$212,500
29	1800	\$212,500
30	1800	\$217,500
31	1800	\$222,500
32	1800	\$222,500
33	1991	\$227,500
34	1987	\$227,500
35	2028	\$222,500
36	2023	\$217,500
37	2070	\$207,500
38	2083	\$212,500
39	2029	\$212,500
40	2045	\$212,500
41	2002	\$212,500
42	2041	\$192,500
43	2332	\$190,000
45	2160	\$212,500
46	2160	\$212,500
47	1996	\$215,000
48	2059	\$215,000
49	2171	\$215,000
50	1968	\$212,500
Total		\$9,680,000

The Gross Realisation inclusive of GST is assessed at at **\$9,680,000 (Nine Million Six Hundred and Eighty Thousand Dollars)**.

8.3 GROSS REALISATION – AS IF COMPLETE (GST EXCLUSIVE)

The Gross Realisation has been adjusted to be provided on a GST exclusive basis in accordance with the Margin Scheme. Based upon construction costings provided and the GST-inclusive Gross Realisation above, the Margin Scheme GST rate has been calculated at 8.08%.

The Gross Realisation exclusive of GST (rounded) is therefore calculated at **\$8,955,000 (Eight Million Nine Hundred and Fifty Five Thousand Dollars)**.

8.4 “IN ONE LINE” ASSESSMENT (GST EXCLUSIVE)

With regard to the valuation of the property “In One Line”, there are no known recent sales of aggregations of residential allotments similar to the subject property in similar adjoining and nearby suburbs with which a comparison may be made as a basis of valuation. An aggregation of 42 industrial allotments at Maryborough, which comprised almost a whole estate, is known to have sold in early 2020 at a discount of approximately 60%. However, there was reported to be an element of vendor distress involved in this transaction, which may have inflated the discount calculation

Given the subject property comprises 46 vacant allotments, and in consideration of the amount of the gross realisation, a discount of 30% to 40% is considered reasonable to induce a sale of all lots to a single purchaser. Therefore, we have assessed the “In One Line” value exclusive of GST (rounded) at **\$5,820,000**.

8.5 SITE VALUE – BALANCE LAND (LOT 10) AFTER EXCISION OF STAGE 1

The existing Lot 10 is the balance land after excision from the parent site of the 12 lots forming Stage 1 of the estate. We are instructed to provide valuations of Lot 10 on an “as is” and “as if complete” basis. However, at inspection, the second and third stages of the estate appeared to be fully completed with little or no construction work required.

The PDS on-line database and the Somerset Regional Council town planning database do not note the new lots and still record the existing Lot 10 as the balance land. Registration of the new Survey Plan and issue of individual Titles has not occurred but we are advised that completion of this is anticipated within the near future.

It appears then that all costs and fees required for completion have been paid, with the possible exception of plan and Title fees and as a result there would be no practical difference between the “as is” and “as if complete” values of the existing Lot 10. The potential minor cost of completion is likely to be accounted for in the rounding factor.

In undertaking an As Is Market Value assessment of a development site, the Direct Comparison Approach would normally be used as the primary method of valuation wherein characteristics of the Property and each of the sales has been analysed and compared, having regard to matters such as size, location, aspect, development consents, and relativity of time of sale to current market conditions.

There are no known sales of similar complete, or near complete, residential estates which have been sold as a single entity with which a comparison may be made with the Property as a basis of valuation. However, this scenario of a virtually complete estate is similar to the In One Line Assessment calculated at Section 8.4 above. The only significant difference is that the unsold allotments from Stage 1 would not be included.

Therefore, the Market Value “as is” and “as if complete” of the existing Lot 10 has been assessed by considering the In One Line value of the 38 allotments of Stages 2 and 3. Removing the unsold Stage 1 lots reduces the Gross Realisation to \$7,980,000 including GST and \$7,380,000 excluding GST. Applying a similar discount to that applied at Section 8.4, calculates an In One Line value (rounded) of the existing Lot 10 excluding GST of **\$4,795,000**.

9 VALUATION

We are of the opinion that the Market Value of the unencumbered fee simple interest in Woodside Park Estate, Banks Creek Road, Fernvale QLD 4306, as at 24 August 2020 for First Mortgage Purposes only and subject to vacant possession, good and marketable title free from encumbrances and the comments, terms and conditions contained within this report is:-

As If Complete – Gross Realisation (Including GST):	\$9,680,000 (Nine Million Six Hundred and Eighty Thousand Dollars)
As If Complete – Gross Realisation (Excluding GST):	\$8,955,000 (Eight Million Nine Hundred and Fifty Five Thousand Dollars)
As If Complete Gross Realisation In One Line (Excluding GST):	\$5,820,000 (Five Million Eight Hundred and Twenty Thousand Dollars)
Site Value (Balance Land) As Is – (Excluding GST):	\$4,795,000 (Four Million Seven Hundred and Ninety Five Thousand Dollars)

For and on behalf of

HYMANS VALUERS AND AUCTIONEERS



Michael Galvin AAPI 66448
Certified Practising Valuer
Registered Valuer No. 1779 (Qld)



Tim Ellis AAPI 65620
National Director – Property Valuation
Registered Valuer No. 1674 (Qld)

Liability limited by a scheme approved under Professional Standards Legislation.

The opinion of value expressed in this report is that of the valuer who undertook the valuation and who is the primary signatory on the report. That valuer is Michael Galvin. The Director who is countersigning the report, Tim Ellis, has not inspected the Property or market evidence and verifies only that the report is genuine and endorsed by Hymans Valuers and Auctioneers. The opinion of value expressed in this report has been arrived at by the prime signatory alone.

10 QUALIFICATIONS

10.1 HYMANS VALUERS AND AUCTIONEERS PTY LTD

This valuation should not be reproduced in whole or in part or relied upon for any other purpose or by any party other than Fernvale Developments Pty Ltd without express written authority from Hymans Valuers and Auctioneers.

This valuation has been instructed for first mortgage security purposes by an intending mortgagee. Reliance by an intending mortgagee is subject to written approval/assignment of the valuation by Hymans Valuers and Auctioneers to an approved mortgagee.

We owe no duty of care to any third party that becomes aware of this valuation and, without our knowledge, chooses to act or rely on the whole or any part of it.

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 general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as is liability where the valuation is relied upon after the date of valuation.

The outbreak of the Novel Coronavirus (COVID-19) was declared as a 'Global Pandemic' by the World Health Organisation on 11 March 2020. We have seen global financial markets and travel restrictions and recommendations being implemented by many countries, including Australia.

The real estate market is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. As at the date of valuation we consider that there is a significant market uncertainty.

This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation). We do not accept responsibility or liability for any losses arising from such subsequent changes in value.

Given the valuation uncertainty noted, we recommend that the user(s) of this report review this valuation periodically.

This valuation has been prepared on the basis that full disclosure of all information and facts that may affect the valuation has been made to us. We do not accept any liability or responsibility whatsoever for the valuation if full disclosure has not been made. Furthermore, we do not accept responsibility for any consequential error or defect in the valuation that has resulted from any error, omission or inaccuracy in date or information supplied by the client or its officers and agents.

Statements and information including figures contained in this document based on information obtained from our principals and other sources are taken to be reliable. Although we have no reason to doubt the accuracy or reliability of the statements and information no responsibility is assumed by us or any of our staff or consultants for any misstatement, omission or error and interested persons should rely on their own enquiries. The Valuer declares that he/she is registered in Queensland to value all types of real property. Neither the Valuer nor the firm Hymans Valuers and Auctioneers has any pecuniary interest past, present or prospective in the subject property and the valuation is free of any bias.

This valuation is prepared on the assumption that the lender to whom this valuation report is assigned (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 of 1959 (Cth).

Our valuation is made upon the basis that the vendor (or party acting on behalf of the vendor) markets the property for sale in such fashion appropriate to the property type and location. This assessment should be undertaken after discussion with the selected agent and Hymans. An agent with experience both in the local area and property type should be engaged, or alternately a specialist agency if appropriate. All parties must be aware that unusual properties and properties in secondary or regional locations may require extended marketing periods, and should be marketed for sale via Private Treaty with an advertised asking price not in excess of market parameters. For secondary or regional locations, Expressions of Interest (EOI) or Auction campaigns should be avoided in favour of a traditional Private Treaty sale process.

We have not fully searched the notifications on title. The relying party should obtain legal advice in respect to these encumbrances on Title and should legal advice indicate that these notifications affect value this valuation should be returned to the valuer for review. Our valuation is made on the basis that the Property is free of encumbrances, restrictions, mortgages, charges, and other financial liens or other impediments of an onerous nature, which would affect value.

We have relied on the land dimensions and areas as provided in the Statutory Plan, as searched. In certain cases physical checking of land dimensions and areas is difficult or not practical due to proximity of adjoining buildings, steep terrain or inaccessible title boundaries. Hymans Valuers and Auctioneers accepts no responsibility if any of the land dimensions or the area shown on title is found to be incorrect.

Our valuation assumes that there are no environmental issues with the land holding unless specifically noted within this report.

In relation to our GST calculations, we are not taxation or legal experts and we recommend competent and qualified advice be obtained. Should this advice vary from our interpretation of the legislation and Australian Taxation Office rulings current as at the date of this valuation, we reserve the right to review and amend our valuation accordingly.

This clause applies upon: any request that this valuation ('the initial valuation') be assigned to a party other than the intended recipients named herein, confirmation of the initial valuation, reissue of the initial valuation or other act which has the effect of assuming or of extending responsibility to any other person other than the person to whom the initial valuation was addressed ('other act') unless:

- The initial valuation was dated within 3 months of the request for the assignment, confirmation, reissue or other act; and
- Such assignment, confirmation, reissue or other act is provided together with a clear written statement that the valuer has not re-inspected the property nor undertaken further investigation or analysis as to any changes since the initial valuation and accepts no responsibility for reliance upon the initial valuation other than as a valuation of the property as at the date of the 'initial valuation'.

10.2 LENDER'S CUSTOMER DISCLAIMER

1. Hymans Valuers and Auctioneers ([FIRM]) does not authorise the disclosure of this Valuation Report by any intending mortgagee to whom this report is expressly assigned (the Lender) to any unauthorised third party other than to their customer, borrower or guarantor (the Lender's Customer) who:
 - a. directly paid for or reimbursed the lender specifically for this Valuation Report; and
 - b. has acknowledged and agreed in writing, prior to receiving a copy of this Valuation Report, that [FIRM] and the valuer has no liability to the Lender's Customer howsoever arising, including as a result of negligence.

Any use by the Lender's Customer is subject to the following warnings and terms of use.

2. The Lender instructed [FIRM] to undertake a valuation of the subject property and prepare a Valuation Report for the Lender to rely upon when assessing the subject property's suitability for mortgage security purposes.
3. [FIRM] prepared the Valuation Report in accordance with the Lender's instructions (Instructions). When preparing the Valuation Report and providing it to the Lender, [FIRM] acted solely and exclusively for the Lender and owed no duty to advise the Lender's Customer or to consider their circumstances or position.
4. [FIRM] is aware that the Lender may be subject to the Banking Code of Practice (Code) and is disclosing the Valuation Report to its customer to meet its obligations under the Code. Where the Valuation Report is disclosed to the Lender's Customer under the Code, or any other disclosure of this Valuation Report, a copy of the Instructions should also have been provided to the Lender's Customer. The Lender's Customer must contact the Lender if they have not been provided with a copy of the Instructions. The Valuation Report should be read in conjunction with the Instructions.
5. [FIRM] has not assumed any duty to advise the Lender's Customer or to consider the Lender's Customer's circumstances or position by being aware that the Lender must meet its obligations under the Code and provide the Lender's Customer with a copy of the Valuation Report.
6. [FIRM] has no liability to the Lender's Customer howsoever arising at law, including as a result of negligence. [FIRM] did not prepare the Valuation Report for the Lender's Customer and therefore makes no representations nor assumes responsibility at all to the Lender's Customer.
7. The Lender's Customer should not rely in any way on the Valuation Report as its sole purpose is for use by the Lender in assessing the subject property for mortgage security purposes in the context of the Lender's Customer's loan application or extension. Specifically, the Lender's Customer should not rely upon the Valuation Report for the purpose of:
 - a. deciding whether or not to enter into a transaction or alter their financial position; or
 - b. seeking finance from a third party, and should seek their own advice and valuation in such circumstances.
8. The estimated insurance value, if included in the Valuation Report is an estimate of the cost to replace the property new and is based on construction costs at the date of valuation. The insurance value includes some, but not all, ancillary costs that may be encountered when rebuilding the property as detailed in the Valuation Report. The insurance value should not be relied on as a full and accurate estimation of the insurance value for the purposes of making a decision as to the level of insurance coverage that the Lender's Customer should maintain.

9. The contents of the Valuation Report are confidential and [FIRM] does not authorise the disclosure of the Valuation Report by the Lender's Customer to any third party.
10. The Lender's Customer should take note of the date of valuation of the subject property and be aware that the Valuation Report is current at the date of valuation only. The market value of the property may change significantly over a short period of time.
11. The Lender's Customer should direct any questions relating to the Valuation Report to the Lender. [FIRM] is unable to speak to the Lender's Customer directly due to privacy and confidentiality obligations owed to the Lender.

APPENDIX A

INSTRUCTIONS

VALUATION INSTRUCTION FORM

VALUATION TYPE								
<input checked="" type="checkbox"/>	LAND & BUILDINGS			<input type="checkbox"/>	CONSULTANCY			
CLIENT DETAILS								
NAME	AS BELOW			PHONE				
ADDRESS				FAX				
				MOBILE				
CONTACT				EMAIL				
TITLE								
INSTRUCTING PARTY & REFERRER								
COMPANY	Guardian Securities Limited			PHONE	07 5562 1046			
ADDRESS	Suite 45 HQ@Robina, 56 Riverwalk Avenue, Robina QLD 4226			MOBILE	0431 775 624			
				EMAIL	mathew.w@guardiansecurities.com.au			
CONTACT NAME	Mathew Walters			REFERER	N/A			
INVOICING DETAILS								
QUOTED FEE	\$5,000 + GST	<input type="checkbox"/>	HOURLY	EXPENSES	<input type="checkbox"/>	INCLUDED	<input type="checkbox"/>	ADDITIONAL
ACCOUNT NAME								
NAME	Fernvale, Woodside Park							
INDUSTRY	Residential			<input checked="" type="checkbox"/>	DEVELOPMENT			
PURPOSE	Mortgage (1st)							
REQUIRED VALUES	<input checked="" type="checkbox"/>	MARKET VALUE	<input type="checkbox"/>	MARKET RENTAL	<input type="checkbox"/>	FORCED SALE	<input type="checkbox"/>	REINSTATEMENT WITH NEW
	<input type="checkbox"/>	FAIR VALUE	<input type="checkbox"/>	RETROSPECT MARKET VALUE	<input type="checkbox"/>	CMV RESTRICTED	<input type="checkbox"/>	OTHER
TEMPLATE	Residential Development Template							
CONTACT / LOCATION DETAILS								
ADDRESS	Lots 2 & 6 Banks Creek Road, Fernvale QLD 4306			PHONE				
CONTACT	TBA			MOBILE				
TITLE				DATE & TIME	TBA			
MANAGEMENT / VALUER DETAILS								
CONTACT MANAGER	Michael Galvin			JOB NUMBER	AM 8717			
FEE BREAKDOWN	L&B QLD - 100%			VIF COMPLETED BY & DATE	19/08/2020			
PROJECT MANAGER	Tim Ellis			VALUERS ASSIGNED (SPECIFY CONTRACTORS)	Michael Galvin			
NOTES / SPECIAL INSTRUCTIONS				DUE DATE: 2 September 2020				
Sub-contractor Fee: Client Notes: Values required – Gross Realisation “as is” and “as if complete”, and Site Value of balance land after Stage 1 Valuation Subject to/Assuming:								

APPENDIX B

CURRENT TITLE SEARCH – LOT 10

CURRENT TITLE SEARCH
NATURAL RESOURCES, MINES AND ENERGY, QUEENSLAND
Request No: 34730586
Search Date: 20/08/2020 12:49
Title Reference: 51207257
Date Created: 23/12/2019

Previous Title: 17100057
18565032

REGISTERED OWNER

Dealing No: 719789250 11/12/2019

FERNVALE DEVELOPMENTS PTY LTD A.C.N. 617 016 341

ESTATE AND LAND

Estate in Fee Simple

LOT 10 SURVEY PLAN 303278
Local Government: SOMERSET

EASEMENTS, ENCUMBRANCES AND INTERESTS

1. Rights and interests reserved to the Crown by
Deed of Grant No. 10315166 (POR 65)
(POR 66)
Deed of Grant No. 10326151 (POR 81)
2. MORTGAGE No 719766212 29/11/2019 at 13:09
GUARDIAN SECURITIES LIMITED A.C.N. 106 187 731

ADMINISTRATIVE ADVICES - NIL
UNREGISTERED DEALINGS - NIL

Caution - Charges do not necessarily appear in order of priority

** End of Current Title Search **

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Requested By: D-ENQ SAI GLOBAL

APPENDIX C

SMARTMAP



STANDARD MAP NUMBER
9443-32314



SmartMap

An External Product of
SmartMap Information Services
Based upon an extraction from the
Digital Cadastral Data Base

MAP WINDOW POSITION &
NEAREST LOCATION



SUBJECT PARCEL DESCRIPTION

DCDB	13/SP303278
Lot/Plan	8/482ha
Area/Volume	9.485ha
Tenure	FREEHOLD
Local Government	SOMERSET REGIONAL
Locality	PERNAPLE
Segment/Parcel	0591380

CLIENT SERVICE STANDARDS

PRINTED (ddmmyyyy) 20/08/2020

DCDB 19/08/2020

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Natural Resources,
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APPENDIX D

ESTATE PLAN

