

VALUATION REPORT

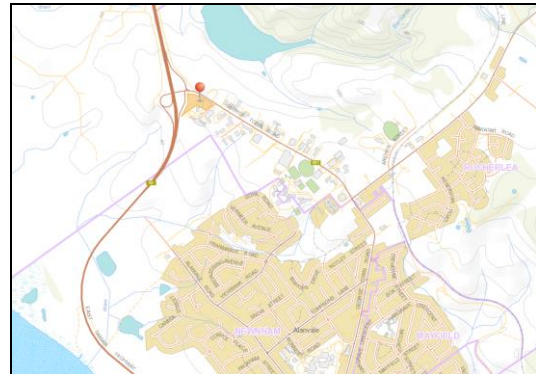
Property Address: Land at 4 Australis Drive, Rocherlea TAS 7249

Our Reference: LG20/1425

Date of Valuation: 9th July 2020



Aerial Photograph



Location Map

Title:

The land which forms the subject of this valuation advice is contained in Certificate of Title Volume 177935, Folio 1.

Ownership:

RDO Australia Property Holdings No 2 Pty Ltd

Purpose of Valuation:

To assess the value of the interest held by City of Launceston in the stormwater easements appurtenant to the land comprised in CT 177935/1 for potential disposal/extinguishment purposes, as indicated on the copy of the title plan appended to this report.

Subject Land Area:

The land parcel of which the subject easements form a part has an area of 1.744 Hectares according to the Title Plan.

The position of the stormwater drainage easements is delineated within Inset “A” on the appended copy of the title plan.

According to the dimensions indicated on the title plan, the subject easements have a total land area of 81.11 square metres (sqm), comprising the main south western section being 77.92 sqm together with a further area of 3.19 sqm adjoining the main section to the north east.

We reserve the right to review our assessment of value should a formal survey of the easements indicate areas that differ significantly from the affected land area as outlined above.

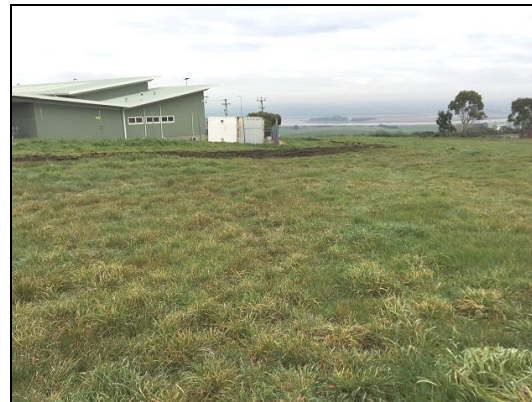
Land Description:

The subject title comprises an irregular shaped parcel of land which has a gentle fall in contour from the north eastern boundary along George Town Road towards the south western corner on the East Tamar Highway access ramp.

Photographs:



Overview of land affected by easement



Overview of easement – view east to west

Location:

The property is located in an outer suburban light industrial precinct between George Town Road and East Tamar Highway, approximately 8 kilometres to the north of Launceston’s Central Business District (CBD).

Surrounding properties include predominantly light industrial warehouses and workshops, including a TasNetworks/Aurora depot which adjoins the subject land, together with semi-rural undeveloped land to the north and east.

The subject parcel of land is situated in a prominent corner position at a major intersection of George Town Road and East Tamar Highway, providing for good access for heavy vehicles and signage opportunities.

Planning:

The subject land is currently zoned “25.0 General Industrial” under the prevailing Launceston Interim Planning Scheme 2015.

Market Sales:

In establishing applicable valuation parameters for the subject property, we have examined market activity within the locality over recent years and have analysed relevant sales for comparison purposes.

Our research revealed that there have been few sales of vacant land within the immediate locality of Rocherlea over recent years, and accordingly it has been necessary to extend our search for market sales evidence to other similar suburban locations around Launceston to assess applicable market parameters.

A selection of market sales transactions which are considered relevant in determining market parameters for the subject land are summarised in the table below:

Address	Sale Date	Sale Price	Land Area (m2)	Rate \$/m2
143 Lilydale Road, Rocherlea	30/05/2019	\$168,000	4,106	\$40.92
83-93 Lilydale Road, Rocherlea	5/04/2019	\$352,000	14,160	\$24.86
21 Killafaddy Road, St Leonards	1/01/2019	\$159,500	5,481	\$29.10
5 Charbooday Drive, Youngtown	6/06/2018	\$330,000	4,686	\$70.42
14 Merino Street, Kings Meadows	3/05/2018	\$300,000	6,331	\$47.39

Valuation Considerations:

Having regard to the available sales evidence, prevailing market conditions, and the particular attributes and characteristics of the subject land, we consider an appropriate range of value for the subject land would be between \$40 and \$45 per square metre.

We have been instructed to provide our assessment of the value of the interest held by City of Launceston in the subject easements, as distinct from the unencumbered market value of the freehold land.

It is acknowledged that the Council's interest in the easement constitutes a lesser interest than that of the freehold title holder, and accordingly we have adopted a lower proportional rate to reflect the Council's interest in our valuation calculations below.

Land Description	Land Area	Value Range	\$/sqm Land	Total Value
CT 177935 / 1				
Subject Land (area of easements only)	81.11 m2	High	40.00	\$3,244
	81.11 m2	Low	45.00	\$3,650
Core Land Value			42.50	\$3,447
Adjust for:				
Proportional Interest - Council		35%		\$1,207
Value of Council Interest				\$1,207
Rounded for Valuation Purposes				\$1,200

Valuation Conclusion:

Our assessment of the value of the interest held by City of Launceston in the subject easements is:

\$1,200

(ONE THOUSAND TWO HUNDRED DOLLARS)

Apportioned between the respective easements as follows –

- SW Section 77.92 sqm: \$1,153
- NE Section 3.19 sqm: \$47

This valuation is exclusive of GST if applicable.

Date of Valuation: 9th July 2020

Signed:



Richard Carhart
MRICS AAPI CPV
Senior Valuer
LG Valuation Services Pty Ltd

13th July 2020

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Definitions

Compliance:

Our valuation has been prepared in accordance with the Australian Property Institute Practice Standards and Guidance Notes.

Market Change:

Due to the possible changes in market forces and circumstances in relation to the subject property, the report can only be regarded as representing our opinion of the value of the property as at the Date of Valuation.

Coronavirus Disease 2020 (COVID-19):

The coronavirus (COVID-19) is currently disrupting world economies and while clear property impacts at a local level are not yet observable, it is prudent to acknowledge this situation and continue to monitor on an ongoing basis. The International Monetary Fund is forecasting a global recession for 2020 and most Australian economists are predicting that Australia will also succumb to recession domestically, despite recent Government stimulus efforts designed to support the economy and employment.

Whilst the current observable market trajectory has been seemingly steady to this point, caution is necessary given that most property classes have benefited from a prolonged cyclical upswing in levels of value. In terms of cyclical positioning, the market is now generally viewed as being at or near the 'top of cycle'. There are additional economic challenges emerging in the market which have the potential to create significant downward pressure on market values. These challenges include the availability of property finance, headwinds facing the broader property market, very low inflation and a current environment characterised by increasing unemployment and concerning government budgetary positions and economic forecasts.

Currency of Valuation:

This valuation is current as at the Date of Valuation only.

Reliance on Valuation:

We do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of the Period of Valuation Reliance identified below, from the Date of Valuation, or such earlier date if you become aware of any factors that have any effect on the valuation. We recommend the valuation be reviewed at regular intervals.

Period of Valuation Reliance:

The Period of Valuation Reliance for this report is 3 months. Without limiting the generality of the above, we do not assume responsibility or accept any liability where the valuation is relied upon after the expiration of three months from the date of the valuation.

Environmental Issues:

This valuation has been assessed on the assumption that the property is free from elevated levels of contaminants and is not impacted by any environmental issues that may affect the marketability and/or value of the property. It should be noted that such environmental matters are outside our area of expertise and that the valuation contained herein has been prepared without the benefit of soil tests or external environmental impact reports.

Should any environmental issues subsequently become apparent that may impact on the marketability and/or value of the property then this valuation is not to be relied upon and the report should be returned to the valuer for review and potential revision.

Appendix 1:

