



Desktop Valuation Report

165 The Northern Road,
Greendale, NSW
(Lot 105 in Deposited Plan 1236319)

Department of Infrastructure

30 June 2019

CIVAS Ref: VW6468



Executive Summary

Z SP1 Special Activities (Commonwealth Activities)	m² 12.26 hectares Site Area (122,600 m ²)	WALE	9.08 Years by Income	 Western Sydney Aerotropolis	 100.00% Leased
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Valuation Details

Instructing Party	Reliant Party	Department of Infrastructure
47E 47E Department of Infrastructure GPO Box 594 Canberra ACT 2601	Registered Proprietor	Commonwealth of Australia
	Purpose of Report	Financial Reporting
	Interest Valued	100% Freehold interest
	Date of Valuation	30 June 2019

Property Overview

The subject property provides a triangular shaped allotment extending to approximately 12.26 hectares. The site provides good frontage to The Northern Road of approximately 567.32 metres.

The site is fully cleared and provides gently sloping topography, falling from the rear to front boundary. The site provides two dams situated towards the rear southern boundary and one dam situated to the middle of the site towards its frontage to The Northern Road. The middle of the site appears to be bisected by a natural watercourse which feeds into the dam.

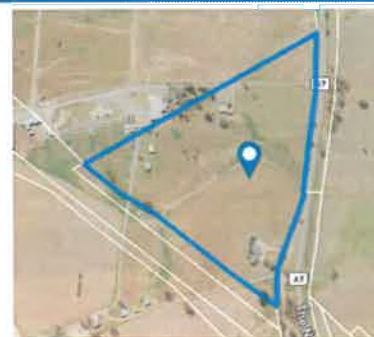
We have been advised that improvements on site consist of five (5) residential dwellings of varying size, standard, vintage and accommodation. Ancillary improvements consist of inground pool, semi-detached shed, bitumen sealed private roads and boundary and internal fencing.

The property is currently leased to Leppington Pastoral Co until July 2028 with two five-year option renewal periods thereafter. The site is utilised as part of dairy farm operations.

The subject property is zoned SP1 Special Activities (Commonwealth Activities) and forms part of the Western Sydney Airport site. The subject is considered to have no identifiable or liquid market as a result of this.

As such, we have conducted our assessment on a 'Highest and Best Use' basis. We consider a likely purchaser would stem from who would consider the property for an alternate use, predominately rural uses given the existing lease agreement and the surrounding Agriculture and Agribusiness precinct. See further comments made throughout the report.

As per our instructions, this assessment is to be undertaken on a desktop basis, and as such, we have not had the benefit of a site inspection, nor have we viewed the improvements thereon. As a result, this assessment is subject to a higher degree of value variability. A Full Report and Valuation (with the benefit of an internal inspection) may produce a differing value opinion than adopted herein.



Tenancy Details

Tenants

Leppington Pastoral Co Pty Ltd 1,222,600.00 m²

Weighted Average Lease Expiry 9.08 years

Valuation

Adopted Value (100% Freehold Interest)

\$4,000,000 (GST Exclusive)

Direct Comparison Rate

\$326,264 / hectare of Site Area Improved

Valuation completed by:

47F

NOTE: This Executive Summary must be read in conjunction with the attached report and the details contained therein.

Liability Limited by a scheme approved under Professional Standards Legislation.

Key Assumptions & Important Comments

We assume all information provided by the Instructing Party is correct and current.

The subject is zoned SP1 Special Activities (Commonwealth Activities) and forms part of the Western Sydney Airport site. We consider the subject would only suit the needs of the Commonwealth and a liquid depth of market for subject cannot be identified.

As such, we would consider a likely purchaser to stem from an alternate use. We consider a likely alternate use to derive from rural uses given the existing lease and operation as a dairy farm and position adjoining the Agriculture and Agribusiness precinct of the Aerotropolis. We have conducted our assessment on this basis. We consider this to be reflective of the subject's Highest and Best Use.

The subject is currently leased to Leppington Pastoral Co for use as a dairy farm due to expire July 2028, with a further two five-year option periods thereafter. Given the remaining lease term of approximately 9 years, we consider the subject to notionally represent a potential investment notwithstanding having a questionable terminal value due to the Gazetted purpose of the land. As such, for valuation methodology purposes, we consider a Discounted Analysis of the assessed land value, along with a present value analysis of the identified rental income over the remaining term, to be an appropriate assessment methodology for Financial Reporting purposes, all things considered. We have conducted our assessment on this basis.

We highlight section 26.4 of the lease agreement sighted indicates the lease agreement will automatically terminate in the instance it is favourable to the operation or development of the airport. Notwithstanding this, we note the subject is not situated within Stage 1 Construction Zone. For reporting purposes herein, we have assessed the term certain income until July 2028. As a result of our methodology adopted for valuation purposes, a shorter term will have a material impact to our assessed value for Financial Reporting purposes.

As per our specific instructions, our assessment has been undertaken on a Desktop basis. Such does not involve an internal inspection of the property. As a result, we are required to make certain assumptions about the property which an internal inspection could confirm. As a result, a greater potential for value variability exists, and we advise that a Full Report and Valuation (post a physical inspection) may provide a differing assessment outcome.

Key Assumptions & Important Comments

We have relied upon advice from the Instructing Party regarding existing improvements on site. We assume all information is correct. Given the subject's position within the Aerotropolis and future development potential, we consider the existing improvements to be of a nominal value.

We note as per the lease agreement, all plant and equipment utilised for the dairy operations remains the property of Leppington Pastoral Co.

We assume there are no other encumbrances or notations except those shown on the Folio Identifier or noted within this valuation report.

Our inquiries with Liverpool City Council were unable to confirm if flooding is an issue with the subject property without formal written application. For the purposes of this valuation, we have assumed that the subject property is not flood liable. We recommend sighting a Section 10.7 Certificate to confirm this.

Our inquiries with Liverpool City Council were unable to confirm if landslip is an issue with the subject property without formal written application. For the purposes of this valuation, we have assumed that the subject property is not within a landslip designated area.

As a result of our Desktop Assessment, we have not physically identified the boundaries. Aerial mapping available to us indicates some improvements to the northern boundary may encroach on the subject holding. Given the site is currently operating in conjunction with the adjacent holdings this is not considered overly detrimental at this time. In the absence of any advice to the contrary, our valuation is provided on the basis that there is no material impact on value. Reliance on this report is therefore contingent upon appropriate advice being provided by a qualified surveyor.

The subject property comprises rural land and is operated as a dairy farm. It is our opinion that this would not appear to pose an obvious environmental threat. Notwithstanding, prolonged use of chemicals associated with operations can sometimes give cause for environmental concern.

We highlight that our valuation is based upon the fundamental assumption that the site is free from any site contamination or environmental issues that may have a negative impact upon value.

We assume appropriate planning permission has been granted by the relevant statutory authorities in relation to the existing improvements on site.

SWOT Analysis



Strengths

- Position with the Western Sydney Aerotropolis;
- Forms part of the Western Sydney Airport site;
- Proximity to emerging development and infrastructure
- Extensive frontage to The Northern Road
- Gently sloping topography,
- Cleared site,
- Lease agreement with Leppington Pastoral Co due to expire 2028



Weaknesses

- Triangular shape parcel;
- Zoned SP1 Special Activities (Commonwealth Activities). Lack of an identified liquid market as a result.



Opportunities

- Vast development potential for Commonwealth purposes given the current zoning,
- Formalisation of the LUIPP and re-zoning priority precincts expected to increase land values and foster development.



Threats

- Speculation regarding current uses;
- Deterioration in market conditions;
- Unforeseen issues within the development of the Airport;
- Lease agreement may be terminated

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1 Instructions

1.1 Purpose of Valuation

We have received written instructions from **47E** Team of Department of Infrastructure, dated 8 July 2019, to determine the Market Value of **165 The Northern Road, Greendale, NSW** as at **30 June 2019**. We advise that the asset is also known as 165 Greendale Road, Greendale and 1675 The Northern Road, Greendale.

Purpose of Valuation

Financial Reporting

Reliant Party

Department of Infrastructure

We have assumed that the instructions and all subsequently supplied material is a full and frank disclosure of all relevant information.

This valuation has been prepared in accordance with our standard Terms & Conditions as provided to you and appended to this report.

Our valuation has been prepared in accordance with the Australian Property Institute (API) Australia and New Zealand Valuation and Property Standards and the Royal Institution of Chartered Surveyors (RICS) Valuation – Global Standards 2017 (Red Book).

A copy of the Letter of Instruction is attached to the rear of this report.

Pecuniary Interest

We confirm that the Primary Valuer who has undertaken this valuation:

- a) *is suitably qualified to carry out such valuations and has appropriate experience;*
- b) *is authorised under the law of the state or territory where the valuation takes place to practice as a Valuer; and*
- c) *has no pecuniary interest that could reasonably be regarded as being capable of affecting that person's ability to give an unbiased opinion of the value or that could conflict with a proper valuation of the property.*

Conflict of Interest

We also confirm that the Valuer has no conflict of interest that could reasonably be regarded as being capable of affecting that person's ability to give an unbiased opinion of the value or that could conflict with a proper valuation of the property.

1.2 Date of Valuation

30 June 2019 based upon our Desktop Assessment.

Given potential changes to the market and the property, this valuation represents our opinion as at the date of valuation only. We do not accept any liability for losses arising from such subsequent changes in value.

1.3 Sources of Information

Our valuation conclusions have been reached after reviewing information provided by the client. The information reviewed and supplied includes, although is not limited to, the following:

- Executed Lease Document;
- Details regarding existing improvements;
- Other relevant information.

1.4 Basis of Valuation

We have assessed the valuation on the basis of Freehold title, subject to an existing lease agreement.

Included in the amount of this valuation are normal fixtures and fittings. Excluded from the amount of this valuation are items of furniture and furnishings, and tenant's fixtures and fittings. This valuation is determined on the basis that the property, the title thereto and its use is not affected by any matter other than that mentioned in this report.

Market Value Definition

This valuation has been completed in accordance with the following definition of Market Value as defined by the International Valuation Standards Council (IVSC) and endorsed by the API:

Market Value

"Market Value is 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."

We further note that this valuation has been undertaken for financial reporting purposes and has been completed in accordance with International Financial Reporting Standards 13 (as defined in the International Valuation Standards 2017 – Fair Value), Australian Accounting Standards Board AASB 13 – Fair Value Measurement and AASB 140 Investment Property. The respective Fair Value definitions are as follows:

Fair Value Definition

Fair Value

The valuation has been undertaken in accordance with Australian Accounting Standards including AASB 140 – Investment Property and AASB 13 Fair Value Measurement.

We note AASB 13 is consistent with International Reporting Standard (IFRS) 13.

Fair Value is defined in (AASB) 13 as follows:

“the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date”.

Underlying the definition of Fair Value is a presumption that the entity is a going concern without any intention or need to liquidate, to curtail materially the scale of its operations or to undertake a transaction on adverse terms. Similarly, to determine the Fair Value of an asset, it is assumed that the asset is exchanged after an adequate period of marketing to obtain its most advantageous price. The Fair Value of an asset is determined by reference to its highest and best use, that is, the use of the asset that is physically possible, legally permissible, financially feasible, and which results in the highest value. Opportunities that are not available to the entity are not taken into account.

Having regard to the definitions of Fair Value and Market Value, we consider the terms to be interchangeable in so far as they are used within our report.

In accordance with AASB 140 and IFRS 13, we note the following additional reporting requirements:

AASB 13 Valuation Technique

AASB 13 requires disclosure of one of three valuation techniques as follows:

Market Approach – A valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable assets. Analysis is generally completed on a unit of comparison basis, such as calculating the price per square metre of building area.

Income Approach – This includes valuation techniques that convert future amounts (e.g. cash flows or income and expenses) to a single current (discounted) amount. The Fair Value measurement is determined on the basis of the value indicated by current market expectations about those future amounts, with the Income Capitalisation Approach and Discounted Cash Flow Approach being the most commonly used methodologies.

Cost Approach – The amount required to replace the service capacity of the asset. The common valuation method applied in this circumstance is the depreciated replacement costs. This method is used when there is limited transaction evidence, and principally applies to specialised property assets.

For the purpose of our assessment we confirm that we have applied the following valuation techniques in order to determine Fair Value:

Income Approach – The Capitalisation of Net Income approach has been undertaken by applying a yield to both the potential fully let passing net income (initial yield) and the potential reversionary net income (reversionary yield). To the value derived, adjustments have been made for any relevant rental reversions including letting up allowances for vacant space, incentives, leasing fees, capital expenditure and other appropriate capital allowances.

Discount Cash Flow Approach – The Discounted Cash Flow approach involves the discounting of the net cash flow on a monthly basis over the assumed cash flow period at an appropriate rate to reflect risk to derive a market value. The net cash flow comprises the cash inflows less the cash outflows over the cash flow period, with the addition of the terminal value in the final cash flow period.

AASB 13 Fair Value Hierarchy

We have completed our assessment of the Fair Value of the asset with consideration for the data input ratings nominated in the Standards and referred to as Levels 1, 2 and 3. Our understanding of the inputs is as follows:

Level 1 Inputs are quoted prices (unadjusted) for identical assets in active markets. These inputs provide the most reliable evidence of fair value and are given the highest priority.

Level 2 Inputs include those other than quoted prices within Level 1 that are observable, either directly or indirectly. Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable (such as interest rates) and market corroborated inputs. If a significant adjustment is required to a Level 2 Input, it should then be classified as Level 3.

Level 3 Inputs are unobservable and are only applied when observable inputs are not available. They are developed using the best information available about the assumptions that market participants would use when pricing an asset or liability, including assumptions about risk.

Fair Value Measurement

For disclosure purposes, we confirm that the overall Fair Value measurement of the asset has been classified as **Level 3**.

Highest & Best Use

The Fair Value of an asset is determined by reference to its highest and best use, that is, the use of the asset that is physically possible, legally permissible and financially feasible.

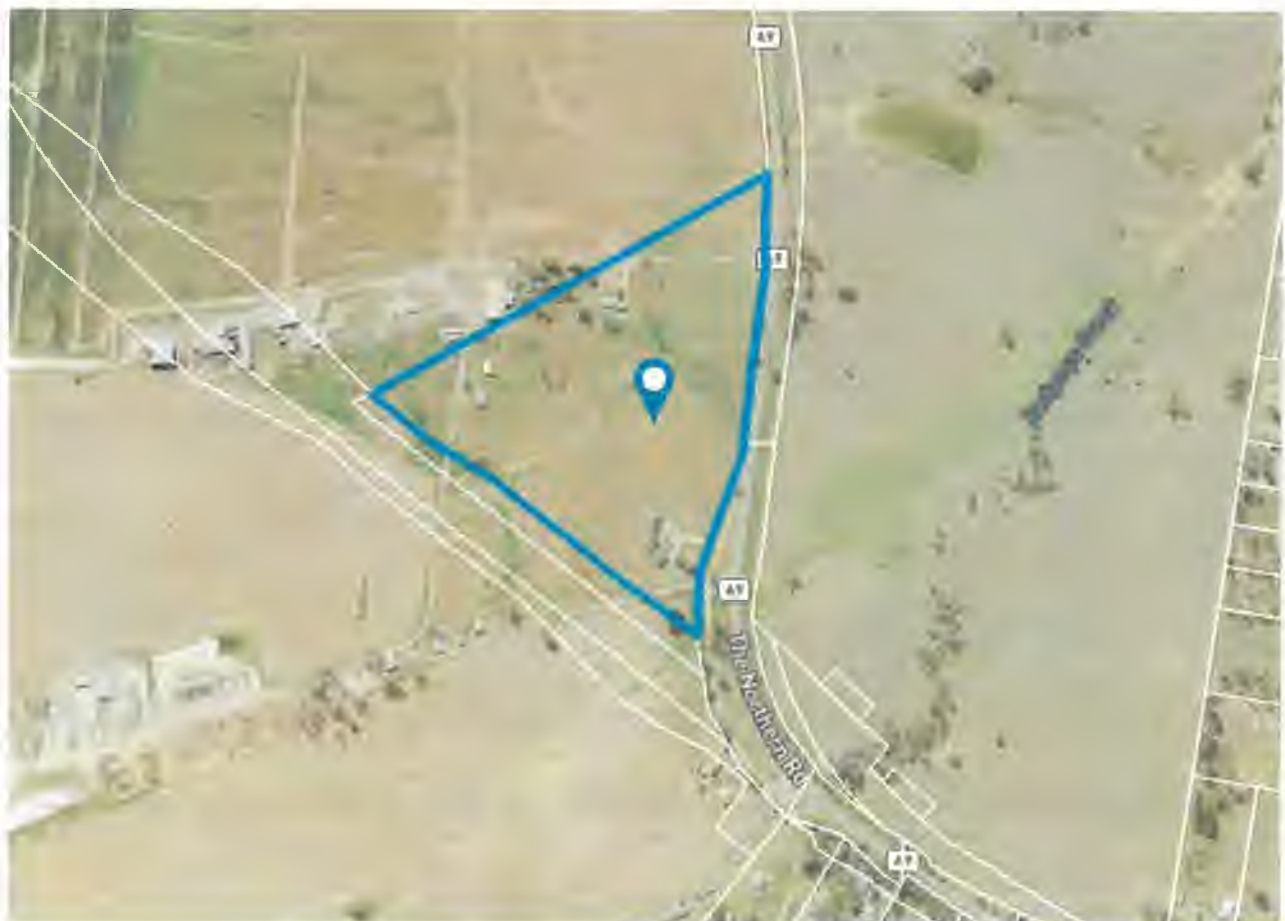
All things considered, our assessment has had regard to Highest and Best Use Principles.

2 Location

The locational attributes of the subject property are summarised as follows:

Precinct	Western Sydney Aerotropolis.
Position	The subject property is situated on the western alignment of The Northern Road approximately 635 metres north of its intersection with Dwyer Road.
Surrounding Development	<p>The surrounding are forms part of the Western Sydney Aerotropolis. Proposed development includes a range of industrial, commercial and rural land uses.</p> <p>At present the surrounding development generally consists of rural and rural lifestyle holding on varying size parcels. We note an influx of current development within the immediate vicinity to the subject.</p>
Public Transport	<p>The property is generally well located to transport routes being within close proximity to the M4, Great Western Highway and The Northern Road. The M4 Motorway also links with the M7 Motorway (which connects to the M2 and M5 Motorways) completing the road network that provides access to all parts of the Sydney metropolitan area.</p> <p>The subject property is position within close proximity to emerging/proposed transport infrastructure such as the M12 Motorway, Outer Sydney Orbital (M9 Motorway) and the North-South Rail link.</p>
Distance from CBD	The subject property is situated approximately 60 kiloemtres south-west of the Sydney CBD and approximately 45.8 kilometres south-west of Parramatta CBD

A location map is provided below:



Source: Metro Maps

2.1 Metropolis of Three Cities

In October 2017, the NSW Government and Greater Sydney Commission released a plan titled 'A metropolis of three cities'.

The plan seeks to address the needs of the growing population by establishing a 40 year vision and a 20 year plan for Greater Sydney. The population of Sydney is expected to grow to 8 million over the next 40 years, with Western Sydney expected to absorb two-thirds of Sydney's expected growth.

The plan seeks to rebalance Greater Sydney, by transforming Greater Sydney into three major cities – The Eastern Harbour City, the Central River City and the Western Parkland City.



The Eastern Harbour City generally refers to Sydney CBD and surrounds. The area will capitalise on its existing reputation and established infrastructure. The Eastern Harbour City will focus on its already strong financial, professional, health and education sectors.

The Central River City refers to the Greater Parramatta Area and is the geographic centre of Greater Sydney. The area will focus on health, education and research institutions as well as its finance, business services and administration sectors to drive the economy.

The Western Parkland City is geographically the largest of the three cities. This city will be poly-centric, providing multiple Central Business Districts' being Western Sydney Aerotropolis, Penrith, Liverpool and Campbelltown-Macarthur. The area will have Western Sydney Airport and surrounding Aerotropolis as a catalyst for growth. Core sectors will include trade, logistics, advanced manufacturing, health, education and science economy.

In March 2018 the 'Western Sydney City Deal' was signed by the Australian Prime Minister, New South Wales Premier and eight Western Sydney mayors across the local governments of the Blue Mountains, Camden, Campbelltown, Fairfield, Hawkesbury, Liverpool, Penrith and Wollondilly. The development of Western Sydney consists of all levels of government and is the largest planning and investment partnership in Australia's history.

Set to open in 2026, the Western Sydney Airport will become the pinnacle of change for Western Sydney, with an infrastructure project that will generate large-scale economic activity, provide strong employment opportunities closer to home for Western Sydney residents, whilst meeting the intensely growing demands for aviation needs in Sydney. Located at Badgerys Creek, the airport will positively influence the Western Sydney Employment Area and the South West Growth Area.

'WSA Co' (Western Sydney Airport Company), a government-owned company has invested close to \$5.3 billion in equity in order to deliver the airport to Greater Western Sydney. Established in August 2017, the company controls the master-planned project, whilst the Federal Government maintains all responsibility for flight path design and biodiversity.

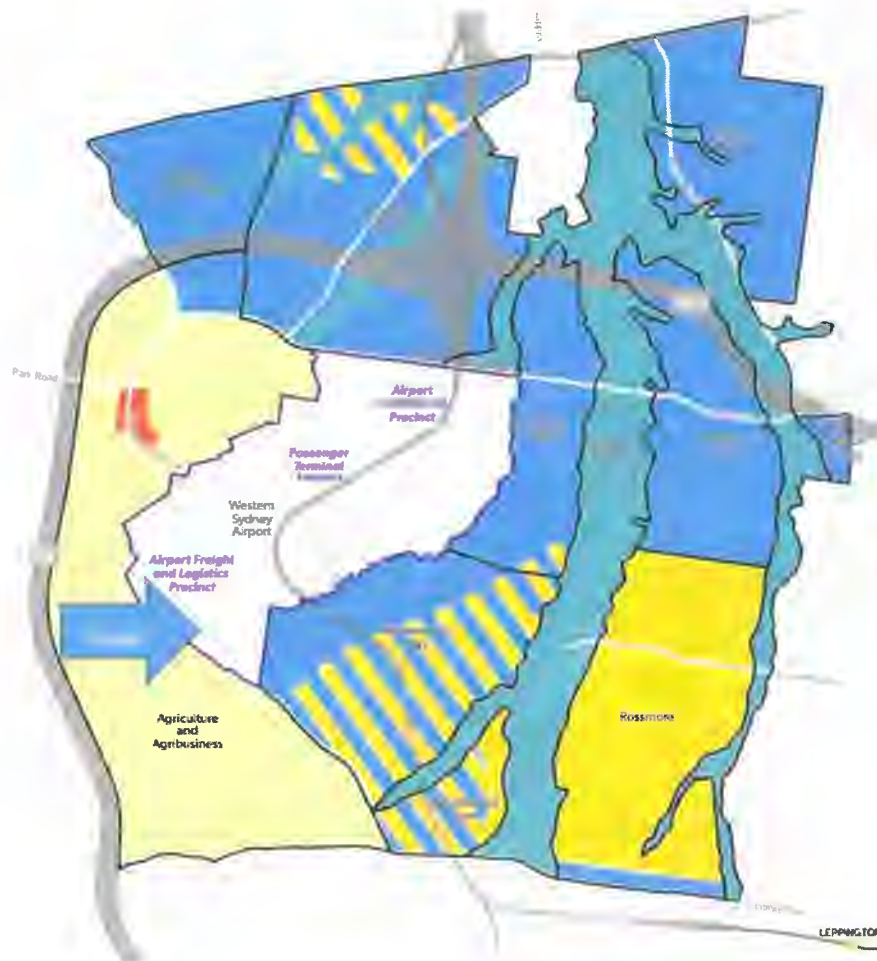
2.2 Western Sydney Aerotropolis

In August 2018, the NSW Government released a plan titled 'Western Sydney Aerotropolis – Land Use and Infrastructure Implementation Plan (LUIPP) Stage 1'.

The Western Sydney Aerotropolis refers to 11,200 hectares immediately surrounding the Western Sydney Airport site. The Aerotropolis consists of nine precincts, including Aerotropolis Core, North Luddenham, Northern Gateway, Mamre Road, Kemps Creek, Badgerys Creek, South Creek, Rossmore and Agriculture and Agribusiness. The LUIPP Stage 1 highlights three precincts as 'priority precincts', being the immediate focus of planning. These include the Aerotropolis Core, South Creek and the Northern Gateway.

The aim of the LUIPP is to capitalise on the 'once in a generation' economic boom created by the development of Western Sydney airport. The LUIPP provides the core guidelines for the provision of infrastructure and transport investment in conjunction with precinct planning.

The federal and NSW governments have committed \$3.6 billion towards the Western Sydney Infrastructure Plan with a focus on proposed roads such as the M12 Motorway and Outer Sydney Orbital (M9 Motorway), road upgrades such as The Northern Road and Bringelly Road and the North-South Rail Link, linking the airport to St Mary's.



Source: Western Sydney Aerotropolis – Land Use and Infrastructure Implementation Plan (LUIPP) Stage 1 – August 2018

The subject holding is situated on the Western Sydney Airport site itself. The subject site is identified in the map below as "Proposed Land Acquisition". We note the site was acquired in July 2018.

We highlight the below map includes the re-configuration of The Northern Road which is yet to occur. The Northern Road currently bisects the airport sit, with the subject holding situated opposite the main site. The reconfiguration of The Northern Road will see it by-pass the site and run along the subject's rear (western) boundary).



Source: Australian Government – Western Sydney Airport Plan – December 2016.

The subject forms a key component to the airport site. Given the current zoning and position within the airport site, we consider the subject would only suit the needs of the Commonwealth. As such, a depth of market for subject cannot be identified.

As such, we would consider the likely purchaser to stem from an alternate use. We consider a likely alternate use to derive from rural uses given the existing lease and operation as a dairy farm and position adjoining the Agriculture and Agribusiness precinct of the Aerotropolis. We have conducted our assessment on this basis. We consider this to be reflective of the subject's Highest and Best Use, all things considered.

As a result of the subject's position adjoining the Agriculture and Agribusiness precinct we consider it appropriate to assume the subject property is similarly situated within for the purpose of this assessment.

The Agriculture and Agribusiness precinct aims to capitalise on existing agricultural operations and the proximity to the airport to cater to both domestic and international demand. As the Western Sydney Airport will operate 24 hours a day, with a focus on freight transport, the precinct will directly benefit from the opportunity to move product to international markets. Given the proposed land uses, there is minimal development to be carried out within this precinct, however an agri-port is currently proposed which will act as a hub of agricultural activities fostering trade within Western Sydney.

3 Title Particulars

3.1 Title Reference

The legal Title for the subject property is described as follows:

Search Date	July 2019
Local Government Area	Liverpool City Council
Parish	Bringelly
County	Cumberland
Legal Description	Lot 105 in Deposited Plan 1236319
Folio Identifier	105/1236319

3.2 Registered Proprietor

The Registered Proprietor of the land is shown as Commonwealth of Australia.

3.3 Encumbrances

The Second Schedule of the registered title indicates the property is subject to the following notifications:

Notation & Dealing Number	Description
1	Reservations and Conditions in the Crown Grant(s) All Titles in New South Wales were originally Crown Grants and most were made subject to reservations of some or all minerals. Therefore, the Registered Proprietor obtains Freehold Title to the land although does not enjoy Title to minerals found in it.
2 Y525353	Proposed Acquisition pursuant to Section 22 Lands Acquisition Act, 1989 affecting the land above described Relates to the acquisition by the Commonwealth of Australia as at 31 July 2018. This should be extinguished from Title.
3 E314004	Restriction(s) as to user Relates to a high intensity approach lighting system and navigational aid system. Our understanding is this relates to supporting infrastructure for the airport operations.
4 DP1104734	Easement for Overhead Power Line(s) 9 wide affecting the part designated (E) in the Title Diagram Perusal of the Deposited Plan indicates this bisects the northern portion of the site. This appears to run parallel to an existing driveway/internal road and provide services to the subject and adjoining holdings. This is not considered detrimental.
5 AN108360	Proposed Acquisition Pursuant to Section 38 Lands Acquisition Act 1989 affecting the land above described. Issued 25/1/2018 Relates to the acquisition by the Commonwealth of Australia as at 31 July 2018. This should be extinguished from Title.
6 AN561595	Lease to Leppington Pastoral Co Pty Ltd Expires: 31/7/2028. Option Of Renewal: 5 Years and 1 further Option of 5 Years Pertains to the existing lease agreement.
7 DP1251766	Easement for Navigational Aids variable width appurtenant to the land above described Perusal of the Deposited Plan indicates this relates to the adjoining holding to the rear and includes the re-configuration of The Northern Road. Our understanding is this relates to supporting infrastructure for the airport operations.
8 DP1251766	Easement for Access 3 Metre(S) wide appurtenant to the land above described Perusal of the Deposited Plan indicates this relates to the adjoining holding to the south and includes the re-configuration of The Northern Road.

165 The Northern Road, Greendale, NSW, (Lot 105 in Deposited Plan 1236319)



We have assumed that there are no other encumbrances or notations except those shown on Title or noted in this valuation report.

We have reviewed the various notifications on Title and do not consider that they have any adverse effect on the value of the subject property. Expert legal advice would be required to confirm our opinion.

A full copy of the Title search is attached to the rear of this report.

4 Site Particulars

4.1 Dimensions and Area

The Deposited Plan indicates the site is triangular in shape with the following dimensions and area:

The Northern Road Frontage (Eastern Boundary)	567.32
Northern Boundary	535.440
Southern Boundary	480.305
Total Site Area	12.26 hectares (122,600 m²)

As a result of our Desktop Assessment, we have not physically identified the boundaries. Aerial mapping available to us indicates some improvements to the northern boundary may encroach on the subject holding. Given the site is currently operating in conjunction with the adjacent holdings this is not considered overly detrimental at this time. In the absence of any advice to the contrary, our valuation is provided on the basis that there is no material impact on value. Reliance on this report is therefore contingent upon appropriate advice being provided by a qualified surveyor.

Should such a survey detect any discrepancies or encroachments, the details of that survey should be provided to us for comment and amendment where required.

An extract of the Deposited Plan for the subject property is depicted below:



A copy of the Deposited Plan is attached to the rear of this report.



4.2 Site Features

Identifying site features and characteristics are noted as follows:

Topography & Drainage

- The site has a gently sloping contour over its entire area, falling from the rear to front boundary.
- The site provides a generally level building platform.
- We have assumed drainage for the site is adequate.

Access & Exposure

- The Northern Road is a bitumen sealed, two lane arterial road with no guttering.
- Access to the site is provided by three concrete/bitumen driveways.
- The subject has adequate exposure to passing trade.

Utilities

- We have assumed the site is connected to all utility services typical for a rural lifestyle holding in this locale including electricity, telephone, tank water, bottled gas and septic system.

Site Identification

- The site has been identified by reference to the Deposited Plan, street address and cadastral map.

4.3 Environmental Issues

EPA Search Date

10 July 2019

Site Contamination

Unlisted

Comments

- The subject property comprises rural land and is operated as a dairy farm. It is our opinion that this would not appear to pose an obvious environmental threat. Notwithstanding, prolonged use of chemicals associated with operations can sometimes give cause for environmental concern.
- We have completed a search of the NSW EPA Contaminated Land Register which failed to indicate a listing of the subject site.

Surrounding Environmental Risks

Unlikely

Comments

- The surrounding uses from our distant inspection would not appear to represent an environmental threat.
- We have completed a search of the NSW EPA Contaminated Land Register which failed to indicate a listing of any site in the immediate vicinity of the subject.

Flooding

- Our inquiries with Liverpool City Council were unable to confirm if flooding is an issue with the subject property without formal written application. For the purposes of this valuation, we have assumed that the subject property is not flood liable. We recommend sighting a Section 10.7 Certificate to confirm this.

Landslip

- Our inquiries with Liverpool City Council were unable to confirm if landslip is an issue with the subject property without formal written application. For the purposes of this valuation, we have assumed that the subject property is not within a landslip designated area.

We have assumed that the property is not impacted by any environmental issues. We have also assumed the use of the property complies with all relevant environmental law.

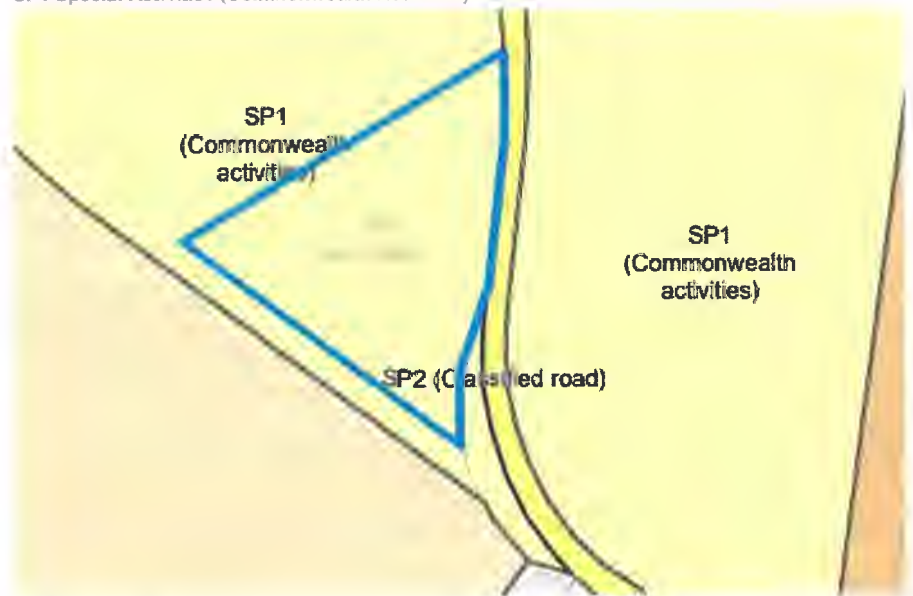


5 Planning Controls

5.1 Current Planning Controls

An overview of the main planning related controls over the subject property are outlined as follows:

Local Government Area	Liverpool City Council
Planning Scheme	Liverpool Local Environmental Plan 2008
Gazettal Date	29-Aug-2008
Zoning	SP1 Special Activities (Commonwealth Activities)



Permitted Use

1 Objectives of zone

- To provide for special land uses that are not provided for in other zones.
- To provide for sites with special natural characteristics that are not provided for in other zones.
- To facilitate development that is in keeping with the special characteristics of the site or its existing or intended special use, and that minimises any adverse impacts on surrounding land.

2 Permitted without consent

Nil

3 Permitted with consent

Aquaculture; The purpose shown on the Land Zoning Map, including any development that is ordinarily incidental or ancillary to development for that purpose

4 Prohibited

Any development not specified in item 2 or 3

Heritage Listing

The subject property is not listed as a heritage item and is not located within a heritage conservation area.

Native Title

Our research indicates that the property is not subject to any specific Native Title claim.

Our valuation is based on town planning information sourced from online databases including local and state government websites. The reliant parties could confirm this by obtaining their own Section 10.7 Certificate of the Environmental Planning and Assessment Act 1979 (NSW).



5.2 Planning and Development Approvals

We have not sighted any planning or building approvals in relation to the construction of the subject property. We have assumed that appropriate permission has been granted by the relevant statutory authority in relation to the existing improvements on site.

Our discussions with Council indicated that there have been no recent development applications or approvals applicable to the subject property.

6 Statutory Assessment

As at the date of valuation the following statutory land valuation was being utilised for the levying of Council Rates and Land Tax:

Property Address	Lot & DP	Rating Year	Statutory Land Value
165 The Northern Road, Greendale	Lot 105 in Deposited Plan 1236319	1 July 2017	\$3,300,000
		1 July 2018	\$3,680,000
		1 July 2019	\$3,680,000
Land Value Used for Rating Purposes (3 Yr avg.)			\$3,553,333
Land Tax Payable – 2018 Land Tax Year			\$45,881

Metrics upon which the calculation of land tax for the 2019 Tax Year is based are summarised as follows:

- The tax-free threshold is \$692,000:
- Land values under the threshold (on a single holding basis) are untaxed;
- Land values between \$6,000 and \$4,231,000 are taxed at \$100 plus 1.6% (above threshold); and
- Land values above \$4,231,000 are taxed at 2.0% over that amount.

As such, we apportion a current Land Tax Liability of \$45,881 in accordance with Revenue NSW guidelines.

It should be noted that the statutory land value assessments are for rating and taxation purposes only, and accordingly are not necessarily representative of the current open market value of the underlying land.

7 Improvements

7.1 General Description

The subject property provides a triangular shaped allotment extending to approximately 12.26 hectares. The site provides good frontage to The Northern Road of approximately 567.32 metres.

The site is fully cleared and provides gently sloping topography, falling from the rear to front boundary. The site provides two dams situated towards the rear southern boundary and one dam situated to the middle of the site towards its frontage to The Northern Road. The middle of the site appears to be bisected by a natural watercourse which feeds into the dam.

We have been advised improvements on site consist of five (5) residential dwellings of varying size, standard, vintage and accommodation. Ancillary improvements consist of inground pool, semi-detached shed, bitumen sealed private roads and boundary and internal fencing.

8 Tenancy Details

8.1 Tenant Lease

The following is a summary of the tenant Lease:

165 The Northern Road, Greendale

Lease Status	Registered (AN561599)
Lessee	Leppington Pastoral Co Pty Ltd
Use	Dairy Farm and Rural Lands
Lease Commencement	31 July 2018
Term	10 years
Lease Expiry	31 July 2028
Option	5 + 5 years
Leased Area	Entire property, being 12.26 hectares including improvements on site.
Current Passing Rental	\$34,334 p.a.
Current Passing Rate	\$2,800 / hectare
Review Structure	Annually to CPI. Market reviews at options.
Outgoings	<p>Lessee responsible for all outgoings including electricity, telephone and water rates.</p> <p>As the subject is owned by the Commonwealth it is exempt from Rates and Taxes, however clause 4.1.7 of the lease agreement states that the Lessee is responsible for council rates at the applicable farmland rate.</p> <p>Further, this clause states the Lessee is responsible for any land tax, however given the subject is operating as primary production, the subject would be exempt from land tax under the New South Wales law.</p>
Incentives	Nil.
Make Good	Leppington Pastoral Co is responsible for the removal of livestock, chattels, plant and equipment from the premises at termination.
Comment	<p>Section 8.1.2 states that the Lessee acknowledges that development and subsequent operation of the airport may impact on the Lessee's activities and that such impacts do not constitute a breach of rights.</p> <p>Section 26.4 of the lease agreement sighted indicates the lease agreement will automatically terminate in the instance it is favourable to the operation or development of the airport. Notwithstanding this, we note the subject is not situated within Stage 1 Construction Zone.</p>

9 Market Commentary

Greendale is a small tightly held semi-rural village located on the outskirts of metropolitan Sydney. The local area comprises mainly of rural lifestyle and rural holdings on medium sized holdings. The subject holding is situated on the border of Greendale and Bringelly. The immediate region forms part of the Western Sydney Aerotropolis and the wider region forms part of the Sydney Region Growth Centres.

The wider region has been subjected to significant speculation regarding land uses and development potential for some time and as a result capital values have increased substantially.

The market for large acreage holdings within this region is currently limited. Existing landowners are acting as land-bankers in attempt to capitalise on future rezoning and as a result are reluctant to sell, creating a 'bottleneck' in the market. Landowners are willing to sit and hold and wait for the next wave of development to occur

Local agents are reporting that the 'Northern Road' and 'Mulgoa Road' corridors in particular have been earmarked by buyers looking to enter and hold onto large holdings. This is due to the proximity to the priority areas of The Northern Gateway and Aerotropolis core and proximity to existing infrastructure works such as the M4 motorway.

We note as a result of the vast redevelopment and provision of infrastructure the wider region has been somewhat immune to the reductions seen in the residential market in Sydney over the course of 2018 and into 2019. We anticipate this to continue into 2020 with the formalisation of the LUIPP due towards the end of 2019. We consider the demand for zoned sites within proximity to the airport site and emerging infrastructure will increase land values in the short term and result in an influx of development

9.1 Sales Evidence

As aforementioned, the subject is considered to have no identifiable market given its current zoning and position within the Western Sydney airport site. As such, we have conducted our assessment on an alternate use basis as rural land.

In this instance, we have considered a variety rural holdings of a similar size to the subject from the wider region. Directly comparable holdings are tightly held and are seldom transferred. As such we have considered a wider range of comparable sales evidence from the wider local region.

Whilst we endeavoured to benchmark the subject against rural holdings within the adjoining Agribusiness and Agriculture Precinct, we note such transactions are limited. We have only been able to identify one marketed and recorded transaction of a holding within this precinct since the start of 2017.

We have had regard to the transactions over the following pages and utilised these as a guide only. Appropriate adjustments have been made based on our experience and opinion in determining the drivers of market value that have been applied to the subject property.

We note the sales detailed over the following pages are based on Colliers International's understanding of the transaction and whilst we understand the facts to be generally reliable, we are unable to guarantee their accuracy. As such, the results of our analysis may change should new information come to light.

262-288 Littlefields Road, Mulgoa



An irregular shape allotment extending to a total site area of approximately 3.21 hectares, providing frontage to Littlefields Road and Farm Road. The parcel is partially cleared with standing timber to the eastern boundary and western portion of the site. The site provides gently sloping topography.

Erected on site is a circa 1990's single level 4 bedroom, 3 bathroom dwelling.

The site is zoned E3 Environmental Management and E2 Environmental Conservation under the Penrith Local Environmental Plan 2010.

The site is identified as Bushfire Prone, being within the Vegetation Category 2 zone.

****Advised under contract – subject to confirmation****

Sale Particulars

Sale Date	June 2019	Sale Amount	\$1,555,000
Site Area	3.21 hectares	Site Value	\$239,917
Zoning	E3 Environmental Management and E2 Environmental Conservation		

Comments

A smaller holding situated in an inferior position. The parcel provides dual road frontage and a more regular shape than the subject. However the parcel provides inferior land clearance. Improvements are of a basic standard. Overall inferior.

We consider the purchaser of this site to derive from rural lifestyle perspective.

367 Greendale Road, Greendale



A generally regular shape allotment extending to a total site area of approximately 10.12 hectares, providing frontage to Greendale Road. The parcel is fully cleared and provides gently to moderately sloping topography. The site is devoid of improvements and provides two dams. The site is zoned RU1 Primary Production under the Liverpool Local Environmental Plan 2008. The site is identified as Bushfire Prone, being within the Vegetation Buffer and Vegetation Category 1 zones.

Sale Particulars

Sale Date	January 2019	Sale Amount	\$2,275,000
Site Area	10.12 hectares	Site Value	\$224,802
Zoning	RU1 Primary Production		

Comments

A slightly smaller sized holding in an inferior position. The parcel provides a superior regular shape and similar land clearance, however inferior topography and contour. The site is devoid of improvements. Overall considered inferior to the subject. We consider the purchaser of this site to derive from a land banker.

1158 Greendale Road, Greendale



An irregular shape allotment extending to a total site area of approximately 10.16 hectares, providing frontage to Greendale Road. The parcel is mostly cleared, providing moderately undulating topography and frontage to the Nepean River.

Erected on site is a circa 2000's single level 4 bedroom, 3 bathroom dwelling. Ancillary improvements consist of detached shed, stable complex and cattle yards. The site provides two dams.

The site is zoned RU1 Primary Production under the Liverpool Local Environmental Plan 2008.

The site is identified as Bushfire Prone, being within the Vegetation Buffer, Vegetation Category 1 and Vegetation Category 2 zones.

Sale Particulars

Sale Date	November 2018	Sale Amount	\$3,600,000
Site Area	10.16 hectares	Site Value Improved	\$354,331 / hectare
Zoning	RU1 Primary Production		

Comments

A smaller site situated in a slightly inferior position. The parcel is similarly fully cleared, however provides inferior topography and contour. Improvements are considered superior. Overall inferior.

We consider the of this site to derive from rural lifestyle buyers and land bankers alike.

115 Smalls Road, Brownlow Hill



An irregular shape allotment extending to a total site area of approximately 8.17 hectares, providing frontage to Smalls Road. The parcel is mostly cleared, with limited standing timber to the rear and eastern boundaries and provides gently sloping topography.

Erected on site is a circa 1980s single level 4 bedroom, 1 bathroom dwelling. Ancillary improvements consist of a detached shed. The site provides a dam.

The site is zoned RU2 Rural Landscape under the Wollondilly Local Environmental Plan 2011.

The site is identified as Bushfire Prone, being within the Vegetation Buffer, Vegetation Category 1 and Vegetation Category 2 zones.

Sale Particulars

Sale Date	September 2018	Sale Amount	\$3,005,000
Site Area	8.17 hectares	Site Value	\$367,809 / hectare
Zoning	RU2 Rural Landscape		

Comments

A smaller site in an inferior position. The parcel is of a superior shape with extensive road frontage. Provides a similar topography and clearance, although limited standing timber to a small portion of the site. The property is within close proximity to the town centre and residential development. Overall inferior.

We consider the purchaser of this site to derive from a developer looking to capitalise on the proximity to residential development.

350 Werombi Road, Brownlow Hill



An irregular shape allotment extending to a total site area of approximately 9.27 hectares, providing extensive frontage to Werombi Road. The parcel is fully cleared and provides gently sloping topography.

The site is devoid of improvements and provides two dams.

The site is zoned RU2 Rural Landscape under the Wollondilly Local Environmental Plan 2011.

Sale Particulars

Sale Date	March 2018	Sale Amount	\$2,500,000
Site Area	9.27 hectares	Site Value	\$269,987 / hectare
Zoning	RU2 Rural Landscape		

Comments

A smaller site situated in an inferior position. The site is situated to the outside the immediate Western Sydney growth centres zone. The parcel provides extensive road frontage. The parcel is similarly fully cleared and provides similar topography. Overall considered inferior.

We consider the purchaser of this site to derive from a land banker.

727 Mulgoa Road, Mulgoa



An irregular shape allotment extending to a total site area of approximately 16.72 hectares, providing frontage to Mulgoa Road. The parcel provides a portion of cleared land towards Mulgoa Road, with the remaining comprising standing timber. The site provides moderately undulating topography.

Erected on site is a circa 1980's single level 4 bedroom, 3 bathroom dwelling. Ancillary improvements consist of detached shed, rain water tanks and undercover entertaining area. The site provides two dams.

The site is zoned E3 Environmental Management, E2 Environmental Conservation and SP2 Infrastructure under the Penrith Local Environmental Plan 2010. The SP2 zoned component is reserved for future widening of Mulgoa Road.

The site is identified as Bushfire Prone, being within the Vegetation Category 1 and Vegetation Category 2 zones.

Sale Particulars

Sale Date	March 2018	Sale Amount	\$3,550,000
Site Area	16.72 hectares	Site Value	\$212,321 / hectare
Zoning	RU1 Primary Production		

Comments

A larger site situated in a slightly inferior position. The parcel provides a superior regular shape, however inferior topography, land clearance and site usability. Overall inferior.

We consider the of this site to derive from rural lifestyle buyers and land bankers alike.

110 Wolstenholme Avenue, Greendale



A regular shape allotment extending to a total site area of approximately 10.11 hectares, providing frontage to Wolstenholme Avenue. The parcel is mostly cleared, providing limited standing timber to the rear. The parcel provides gently sloping topography.

The site is devoid of improvements and provides two dams.

The site is zoned RU1 Primary Production under the Liverpool Local Environmental Plan 2008.

The site is identified as Bushfire Prone, being within the Vegetation Buffer and Vegetation Category 1 zones.

Sale Particulars

Sale Date	February 2018	Sale Amount	\$2,360,000
Site Area	10.11 hectares	Site Value	\$233,432 / hectare
Zoning	RU1 Primary Production		

Comments

A slightly smaller site in an inferior position. Provides a superior parcel shape however inferior land clearance. The property is devoid of improvements. Overall considered inferior.

We consider the of this site to derive from rural lifestyle buyers and land bankers alike.

285 Willowdene Avenue, Luddenham



A regular shape allotment extending to a total site area of approximately 10.11 hectares, providing frontage to Willowdene Avenue. The parcel provides standing timber throughout the entire site. The parcel provides moderately to steeply sloping topography, falling from the rear boundary to the front.

Erected on site is a circa 1980's part two level 4 bedroom, 2 bathroom dwelling. Ancillary improvements consist of detached shed, dressage arena, irrigation system and internally divided yards. The site provides a large dam. The site is zoned RU1 Primary Production under the Liverpool Local Environmental Plan 2008.

The site is identified as Bushfire Prone, being within the Vegetation Buffer and Vegetation Category 1 zones. The property is within the Agriculture and Agribusiness Precinct area under the Land Use and Infrastructure Implementation Plan.

Sale Particulars

Sale Date	July 2017	Sale Amount	\$4,200,000
Site Area	10.11 hectares	Site Value	\$415,430 / hectare
Zoning	RU1 Primary Production		

Comments

A dated sale considered relevant.

A smaller site in a similar position being within the Agriculture and Agribusiness Precinct. The site provides superior parcel shape, however inferior topography and contour. The site is similarly fully cleared. Improvements are considered superior. Overall superior.

We consider the of this site to derive from land bankers, looking to secure holding income from the existing improvements.

9.2 Sales Evidence Conclusions

The sales above have been summarised below: -

Property	Sale Date	Sale Price	Zoning	Developable Site Area (hectares)	Site Value Improved (\$/ha)
262-288 Littlefields Road, Mulgoa	Jun-19	\$1,555,000	E3 Environmental Management and E2 Environmental Conservation	3.21	\$239,917
367 Greendale Road, Greendale	Jan-19	\$2,275,000	RU1 Primary Production	10.12	\$224,802
1158 Greendale Road, Greendale	Nov-18	\$3,600,000	RU1 Primary Production	10.16	\$354,331
115 Smalls Road, Brownlow Hill	Sep-18	\$3,005,000	RU2 Rural Landscape	8.17	\$367,809
350 Werombi Road, Brownlow Hill	Mar-18	\$2,500,000	RU2 Rural Landscape	9.27	\$269,987
727 Mulgoa Road, Mulgoa	Mar-18	\$3,550,000	RU1 Primary Production	16.72	\$212,321
110 Wolstenholme Avenue, Greendale	Feb-18	\$2,360,000	RU1 Primary Production	10.16	\$232,283
285 Willowdene Avenue, Luddenham	Jul-17	\$4,200,000	RU1 Primary Production	10.11	\$415,430

The analysed sales evidence indicates a broad range of Improved Site Values of between \$212,321 and \$415,430 per hectare of Site Area, with differences primarily attributable to location, size and topography, access quality, land clearance, flood affectation (if any), road frontage and exposure, and underlying zoning among others.

We highlight the sales identified above consist of a combination of vacant land and rural lifestyle holdings. We note resultant Site Value (Improved) rates will be skewed based upon their respective improvements. Adjustments have been made accordingly in this regard.

The subject property is situated within a prime position within the Aerotropolis. We have only identified one sale within the aerotropolis, albeit dated. We consider that the position of the subject is superior to the sales identified above. Given this and the existing improvements on site, we consider the subject to sit towards the upper end of the range.

Based upon the sales evidence and taking into consideration the comments above we have assessed the following valuation parameters for the subject property:

Subject Property

165 The Northern Road, Greendale NSW 2745

Capital Value (\$/ha)

\$380,000 - \$420,000

In addition to the sale evidence above, our opinion has also been formed from our regular discussions with a variety of market participants, including but not limited to senior sales operatives, intending purchasers, and industry analysts in light of the prevailing and predicted market sentiment.

It is our recommendation that regular valuation updates be initiated and instructed by any party wishing to rely upon this valuation, particularly as new comparable market sales transactions come to fruition which may provide further direction as to appropriate market parameters.

10 Valuation Methodology

Basis of Valuation

In determining the current market value of the property, we have examined the subject property on an alternate use basis being as rural land. This is considered to be consistent with the subject's Highest and Best Use.

Given the remaining lease term of approximately 9 years, we consider the subject to notionally represent a potential investment notwithstanding having a questionable terminal value due to the Gazetted purpose of the land. As such, for valuation methodology purposes, we consider a Discounted Analysis of the assessed land value, along with a present value analysis of the identified rental income over the remaining term, to be an appropriate assessment methodology for Financial Reporting purposes, all things considered.

Initially we have determined the core value of the subject through the Direct Comparison Approach and have relied upon such in our analysis of appropriate value for Financial Reporting purposes.

10.1 Direct Comparison Approach – Site Area Basis

To facilitate our adopted valuation methodology (to have due regard to the income generated by the asset), we have had to apply the principals of Direct Comparison Approach, to determine an appropriate 'core' underlying value. Such an approach involves the investigation of sales of comparable rural properties. We have analysed the sales evidence and have compared them to the subject properties on a rate per hectare of Site Area (Improved), considering the following:

- Size, topography and configuration of site;
- Zoning designation;
- Land clearance;
- Road frontage / exposure; and
- Current market conditions.

The most comparable sales demonstrate a broad range of Site Values of between \$212,321 - \$415,430 per hectare of Site Area (Improved).

We highlight the sale of 285 Willowdene Avenue, Luddenham reflecting a rate of \$415,430 per hectare improved. This property is the only comparable evidence identified within the Aerotropolis, as such is considered to be the most comparable to the subject. The property provides a superior parcel shape than the subject.

In determining the current market value of the property, we have examined the available market evidence and applied this analysis to the Direct Comparison approach. We consider an appropriate range of rates to apply over the subject property to be \$380,000 and \$420,000 per hectare of Site Area Improved.

Our calculations are as follows:

Direct Comparison Approach	Area (m ²)	Rate (\$ /m ²)	Core Value
		\$380,000	\$4,658,800
Site Area	12.26 hectares	\$400,000	\$4,904,000
		\$420,000	\$5,149,200
Rounded Value			\$5,000,000
Reflected \$/ha			\$407,830 / hectare

We highlight that the above 'core' underlying value assumes an unencumbered transfer of the site. Given the existing lease agreement, such is not apparent in this instance, as an identified notional purchase would not have the benefit of immediate utility of the land, for the assumed Highest and Best Use

Contra to this, the identified notional purchase will have the benefit of an immediate income stream, for approximately 9 years certain. As such, we have had further regard to these principles, and applied same to our valuation analysis.



10.2 Discounted Analysis

Our Approach herein involves the discounting of the expected growth for both land value and net cash flow over the assumed cash flow period, discounted at an appropriate rate to reflect reasonable investment hurdles, to derive an appropriate value for financial reporting purposes.

As aforementioned, we have determined the underlying 'core' value of the subject through the Direct Comparison Approach as above. Income has been determined from the existing lease agreement.

Given the remaining term, we have prepared a 9 year cash flow projection for the subject property.

Our calculations are as follows:

Growth Rates

We have adopted growth rates for the land value and the income. These have been derived from our market knowledge and the lease agreement sighted. CPI projections have been derived from Deloitte Access Economics. Growth rates adopted are as follows:

Net Face Growth Profile		2019	2020	2021	2022	2023	2024	2025	2026	2027
Calendar Year										
Rental Income - CPI		1.55%	2.15%	2.30%	2.50%	2.41%	2.23%	2.21%	2.46%	2.55%
Rural Land		4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

Analysis Summary

We have adopted a discount rate of 7.00% in line with our market knowledge of alternate real estate investments.

Our calculations are as follows:

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Growth Rate	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Land Value	\$5,000,000	\$5,200,000	\$5,408,000	\$5,624,320	\$5,849,293	\$6,083,265	\$6,326,595	\$6,579,659	\$6,842,845
Present Value	\$3,722,054								
Growth Rate	1.55%	2.15%	2.30%	2.50%	2.41%	2.23%	2.21%	2.46%	2.55%
Rental Income	\$34,866	\$35,616	\$36,435	\$37,346	\$38,246	\$39,099	\$39,963	\$40,946	\$41,990
Net Present Value	\$246,806								
Core Market Value	\$3,968,860								
Rounded	\$4,000,000								

Our considered valuation conclusion is summarised as follows:

Valuation Approach	Valuation Figure
Discounted value	\$4,000,000
Adopted Value	\$4,000,000

DD MM YYYY (Date of Signing Report)

Direct Comparison

\$326,264 / Hectare of Site Area Improved

We consider that the resultant Direct Comparison Rate is reflective of the characteristics of the subject property, the current market fundamentals and comparable evidence considered.

11 Goods and Services Tax

The supply (by sale or auction) of vacant premises is a taxable supply, however as purchasers of rural properties which operate for primary production purposes are exempt from GST. Further, typically rural properties are marketed on a GST exclusive basis.

This valuation has had regard to the effects of the Goods and Services Tax (GST). We advise that we are not tax experts and accordingly we would recommend that advice be sought in relation to this matter from a properly qualified professional.

We reiterate that our assessment herein has been undertaken on a GST exclusive basis, and that our comparable sales have been analysed on a GST exclusive basis.



12 Additional Requests

12.1 Sales History

Our research indicates that the subject property was acquired by the Commonwealth on 31 July 2018 for \$29,837,832. We note this amount is inclusive of various heads of compensation and is not a quantum that is reflective of the market value of the real estate.

13 Valuation

In accordance with our instructions, we assess the Market Value of the subject property as at **30 June 2019** and subject to the details referred to herein, to be:

100% Freehold Interest

\$4,000,000 (GST Exclusive)

(FOUR MILLION DOLLARS)

In accordance with our normal practice, we confirm that this report is confidential and provided by CIVAS (NSW) Pty Limited and not by any other company in the Colliers International Group. The valuation has been prepared for the parties and purposes as detailed earlier in this report and should not be relied upon for any other purpose or by any other person. Any reliance on this report by the nominated party must be based on the actual possession or sighting by them of an original signed [and counter-signed] document.

CIVAS (NSW) Pty Limited

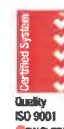
47F

Report Verification: 47F

National Director

QA ID: 7402727

This valuation and the associated report have undergone verification in accordance with the Colliers International Quality Management System (QMS). This QMS has been independently and externally audited and certified in accordance with ISO9001:2015, which confirms the quality of the verification and Quality Assurance process.



Liability Limited by a scheme approved under Professional Standards Legislation

14 Report Qualifications

CIVAS (NSW) Pty Limited accepts no responsibility for any statements in this report other than for the stated purpose. This report is issued on the basis that the statements expressed in this report are those of CIVAS only. No liability attaches to the companies in the Colliers International Group other than CIVAS (NSW) Pty Limited in relation to any statements contained in this valuation report.

No responsibility is accepted for liability to any third party in respect of the opinions expressed in this valuation. Neither the whole of this report, or any part or reference thereto, may be published in any document, statement or circular, nor in any communication with third parties, without our prior written approval of the form and context in which it will appear.

In accordance with the Australian Property Institute Valuers Limited (APIV), this valuation is current as at the date of valuation only. The value[s] 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 more than 90 days after the date of valuation.

Unless stated elsewhere in this report, we have assumed that the property complies with the appropriate statutory, building and fire safety regulations and we have also assumed that there is no timber infestation, asbestos or other defect and have made no investigations for them, nor have we undertaken a structural survey or tested the building services.

Real property is classified as a dynamic form of investment. The value of the asset is highly dependent on its net cash flow position and prevailing market conditions. On this basis therefore, we would recommend that this valuation be updated at regular intervals.



Appendix A Current Title Particulars



NSW LRS - Title Search

NEW SOUTH WALES LAND REGISTRY SERVICES - TITLE SEARCH

FOLIO: 105/1236319

SEARCH DATE	TIME	EDITION NO	DATE
9/7/2019	3:01 PM	2	7/8/2018

LAND

LOT 105 IN DEPOSITED PLAN 1236319
AT GREENDALE
LOCAL GOVERNMENT AREA LIVERPOOL
PARISH OF BRINGELLY COUNTY OF CUMBERLAND
TITLE DIAGRAM DP1236319

FIRST SCHEDULE

COMMONWEALTH OF AUSTRALIA (T AN561598)

SECOND SCHEDULE (8 NOTIFICATIONS)

- 1 RESERVATIONS AND CONDITIONS IN THE CROWN GRANT(S)
- 2 Y525383 PROPOSED ACQUISITION PURSUANT TO SECTION 22 LANDS
ACQUISITION ACT, 1989 AFFECTING THE LAND ABOVE
DESCRIBED
- 3 E314004 RESTRICTION(S) AS TO USER
- 4 DP1104734 EASEMENT FOR OVERHEAD POWER LINE(S) 9 WIDE AFFECTING
THE PART DESIGNATED (E) IN THE TITLE DIAGRAM
- 5 AN108360 PROPOSED ACQUISITION PURSUANT TO SECTION 38 LANDS
ACQUISITION ACT 1989 AFFECTING THE LAND ABOVE
DESCRIBED. ISSUED 25/1/2018
- 6 AN561599 LEASE TO LEPPINGTON PASTORAL CO PTY LTD EXPIRES:
31/7/2028. OPTION OF RENEWAL: 5 YEARS AND 1 FURTHER
OPTION OF 5 YEARS.
- * 7 DP1251766 EASEMENT FOR NAVIGATIONAL AIDS VARIABLE WIDTH
APPURTENANT TO THE LAND ABOVE DESCRIBED
- * 8 DP1251766 EASEMENT FOR ACCESS 3 METRE(S) WIDE APPURTENANT TO
THE LAND ABOVE DESCRIBED

NOTATIONS

UNREGISTERED DEALINGS: NIL

*** END OF SEARCH ***

PRINTED ON 9/7/2019

* Any entries preceded by an asterisk do not appear on the current edition of the Certificate of Title. Warning: the information appearing under notations has not been formally recorded in the Register.



Appendix B Deposited Plan



TITLE INFORMATION

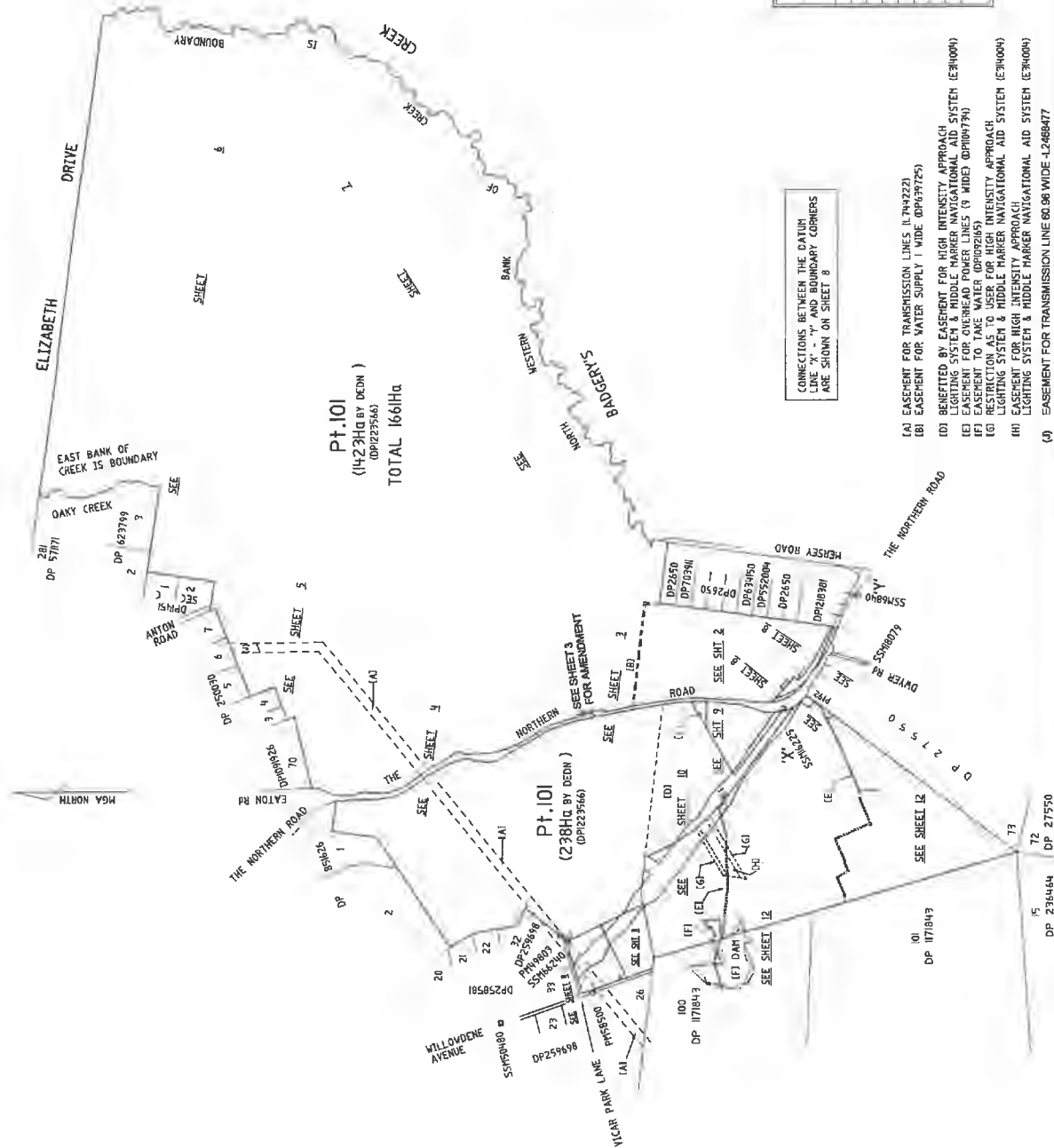
LOTS 98, 99, 100, 101, 102, 103 & 104
LOT 1 DP123566
CT. 1/123566

LOTS 105 & 110
LOT 102 DP12653
CT. 102/12653

LOTS 106 & 109
LOT 11 DP109265
CT. 11/109265

LOTS 107 & 112
LOT 27 DP25698
CT. 27/25698

LOTS 108 & 111
LOT 28 DP25698
CT. 28/25698



MGA CONNECTIONS

MARKS	BEARING	GROUND DIST
SSM 1625 - SSM 6840	123°05'27"	899.121
SSM 1625 - SSM 18079	123°05'27"	899.106
SSM 6840 - SSM 18079	262°38'47"	441.796
SSM 18079 - SSM 18079	262°38'47"	441.773
SSM 18079 - SSM 50480	35°33'40"	3862.771
SSM 50480 - PM 59500	35°33'36"	3862.898
SSM 50480 - PM 59500	162°40'00"	628.603
PM 59500 - PM 14803	162°39'28"	628.596
PM 14803 - SSM 1625	41°27'48"	437.692
PM 14803 - SSM 1625	41°27'48"	437.685
PM 59500 - SSM 1625	131°54'52"	2072.016
SSM 1625 - PM 14803	144°51'16"	987.72
SSM 1625 - PM 14803		52.63

CONNECTIONS BETWEEN THE DATUM LINE "X" - "Y" AND BOUNDARY CORNERS ARE SHOWN ON SHEET 8

- (A) EASEMENT FOR TRANSMISSION LINES (L24222)
- (B) EASEMENT FOR WATER SUPPLY (L24222)
- (C) BENEFITTED BY EASEMENT FOR HIGH INTENSITY APPROACH LIGHTING SYSTEM & MIDDLE MARKER NAVIGATIONAL AID SYSTEM (E34004)
- (D) EASEMENT FOR ONE-HEAD POWER LINES (Y WIDE) (D101741)
- (E) EASEMENT FOR ONE-HEAD POWER LINES (Y WIDE) (D101741)
- (F) RESTRICTION AS TO USER FOR HIGH INTENSITY APPROACH LIGHTING SYSTEM & MIDDLE MARKER NAVIGATIONAL AID SYSTEM (E34004)
- (G) EASEMENT FOR HIGH INTENSITY APPROACH LIGHTING SYSTEM & MIDDLE MARKER NAVIGATIONAL AID SYSTEM (E34004)
- (H) EASEMENT FOR TRANSMISSION LINE 60.96 WIDE (L248847)

SURVEYING & SPATIAL INFORMATION REGULATION 2012 CLAUSE 35(10) & CLAUSE 8(2)						
MARK	F4	M.S.A. CO-ORDINATES		CLASS	ORDER	METHOD
		EASTING	NORTHING			
SSM 6840		280 590.526	6 244 598.863	0	2	SCMS
SSM 1625		288 757.525	6 245 084.825	0	2	SCMS
SSM 18079		288 072.695	6 244 592.309	0	2	SCMS
SSM 50480		295 711.81	6 246 943.648	0	2	SCMS
PM 14803		286 289.752	6 246 552.05	0	2	SCMS
PM 59500		285 905.219	6 246 313.524	0	2	SCMS
SSM 1625		286 253.05	6 246 591.95	0	NA	CAD
MGA CO-ORDINATES OF MARKS WITH SCMS ORIGINS ARE AS AT 21 DEC 2010 COMBINED SCALE FACTOR 1.000077 (PM 59500) ZONE 56						



SCHEDULE OF REFERENCE MARKS

RM	TYPE	BEARING	DISTANCE	ORIGIN
76	RH&IP	FD	270°40'	DP136009
37	RH&B	FD	25°10'	DP250961

SCHEDULE OF SHORT LINES
CIRCLED NUMBERS REFER TO THIS PAGE ONLY

No.	BEARING	DISTANCE
1	175° 53'	21.64
2	78° 32' 40"	19.295
3	128° 42' 50"	64.33
4	218° 55' 20"	25.68
5	128° 38' 50"	37.05

- (B) EASEMENT FOR WATER SUPPLY 1 VIDE (DP136775)
- (D) BENEFITED BY EASEMENT FOR HIGH INTENSITY APPROACH LIGHTING SYSTEM & MIDDLE MARKER NATIONAL AID SYSTEM (E31004)
- (E) EASEMENT FOR OVERHEAD POWER LINES 9 VIDE (DP100734)
- (F) ROAD WIDENING ORDER AND RESTRICTION ON USER UNDER SECTIONS 25 & 26 OF THE ROADS ACT 1993 - DP252919 60% 64% 25-34-1977 F.1699
- (G) RESERVATIONS AND CONDITIONS IN THE CROWN GRANT (HH) P1048217 - ROAD WIDENING ORDER AND RESTRICTION ON USER UNDER SECTIONS 25 & 26 OF THE ROADS ACT 1993- DP250961 100% 64% 27-08-1976 F.3599

Surveyor: RICHARD MCLENNAN
Date of Survey: 15 JUNE 2017
Surveyor's Ref: 16087-DP-1
(RMS:SP3841, CI 1384)
CHECKED: LIVEN REPORT SIGNED
EXAMINED: 20/10/2017 Additional Sheets

PLAN OF SUBDIVISION OF LOT 1 DP1236319 AND LAND TO BE ACQUIRED FOR THE PURPOSES OF THE ROADS ACT, 1993

LGA: LIVERPOOL
Locality: BRINGELLY
Greendale & Luddenhams
Subdivision No: -
Length: see in plan, Section 141, 20.000

Registered
2017
20.10.2017
DP1236319

Ref: / Src: U



RM	TYPE	BEARING	DISTANCE	ORIGIN
36	RMGIP FD	270°40'	0.805	DP386009
37	RMCB FD	259°08'	0.5	DP250961

(G) EASEMENT FOR WATER SUPPLY 1 WIDE (DP-939725)

(H) BENEFITED BY EASEMENT FOR HIGH INTENSITY APPROACH LIGHTING SYSTEM & MIDDLE MARKER NATURAL AID SYSTEM (E30004)

(I) ROAD WIDENING ORDER AND RESTRICTION ON USER (GOV. GAZ. 29-03-1977 1,899) DP-252919

(J) RESERVATIONS AND CONDITIONS IN THE GROWN GRANT UNDER SECTIONS 25 & 26, OF THE ROADS ACT 1939. DP-252919 (GOV. GAZ. 27-03-1977 1,895)

(K) ROAD WIDENING ORDER AND RESTRICTION ON USER (GOV. GAZ. 21-08-1976 7,363)

(L) ROAD WIDENING ORDER AND RESTRICTION ON USER (GOV. GAZ. 21-08-1976 7,363)

2

Surveyor: RICHARD MCGLENAHAN
Date of Survey: 15 JUNE 2017
Surveyor's Ref: 16087-DP-1
RMS: SP3841, CI 1381)
CHECKLIST, LASRA REPORT SUPPLIED
EXEMPTION: 2017M710015186J Additional Effects

PLAN OF SUBDIVISION OF LOT 1 DP1223566 AND
LAND TO BE ACQUIRED FOR THE PURPOSES
OF THE ROADS ACT, 1993

LGA: LIVERPOOL
Locality: BRINGELLY,
BADGERY'S CREEK
GREENDALE & LUDDENHAM

Subdivision No:—
Lengths are in metres. Reduction Ratio: 4,000

Registered
2017
20.10.2016

DP1236319

Surveyor: RICHARD MCLENNAN
Date of Survey: 15 JUNE 2017
Surveyor's Ref: 16087-DP-1
RMS: SP3841, CI 1381
CHECKLIST, LASRA REPORT SUPPLIED
EXEMPTION: 2017/01/11/1981 Additional Sheets

PLAN OF SUBDIVISION OF LOT 1 DP1223568 AND
LAND TO BE ACQUIRED FOR THE PURPOSES
OF THE ROADS ACT, 1993

LGA: LIVERPOOL
Locality: BRINGELLY,
BADGERY'S CREEK
GREENDALE & LUDDENHAM
Subdivision No: -
Leashts are in metres. Reduction Ratio 1: 20,000

DP1236319

Registered
2017
20.10.2016

Table of m	100	110	120	130	140	150	Brunakiti McClennahan & Associates pty Ltd	Computer File 16087-DP-1.dwg
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EFLF: SF2016/099719

9/10 650 4510-1000 250 50 00/0

PI AN: 0154 259 55 4060

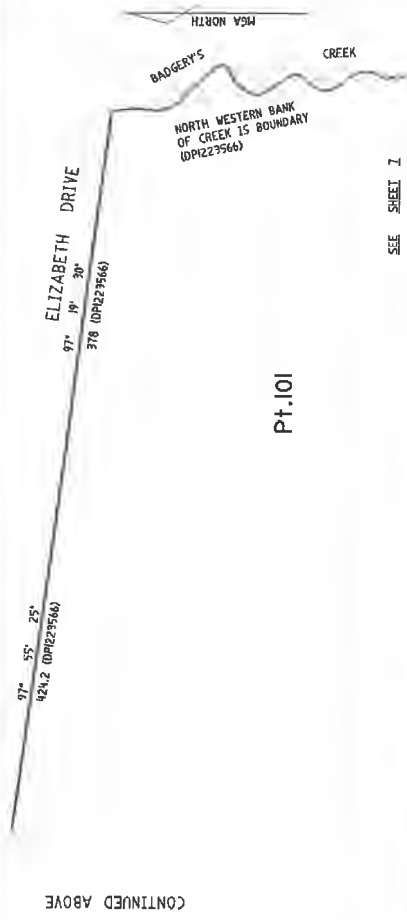
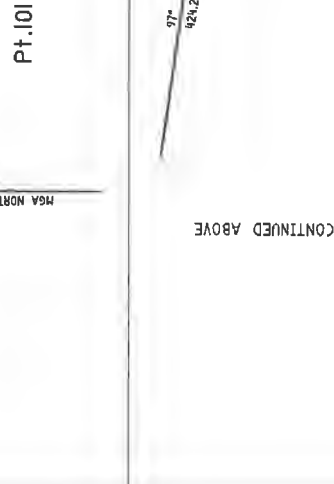
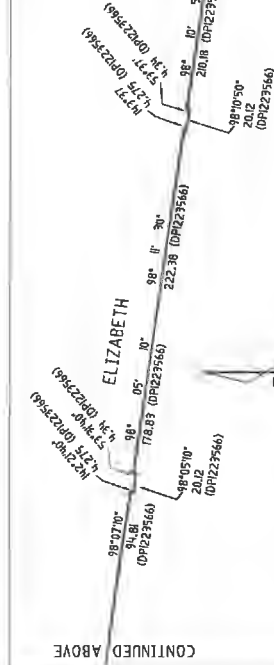
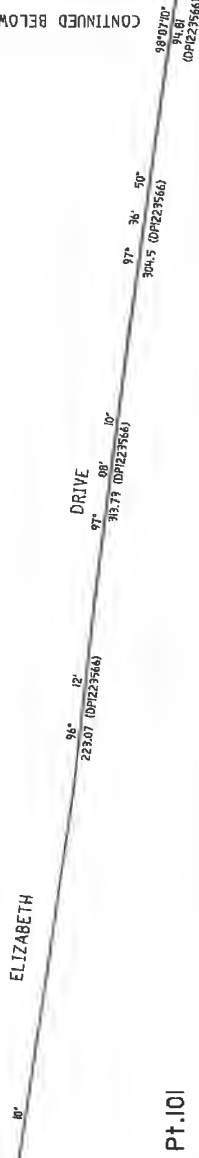
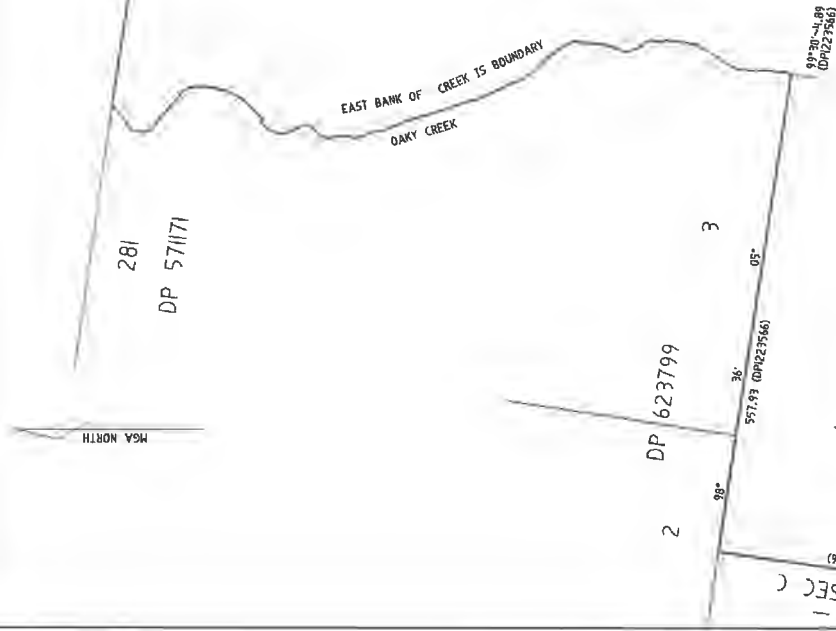
Plan Sheet 4 of 12 sheets

WARNING: CHEASING OR FOLDING WILL LEAD TO REJECTION

PLAN FORM 2 (A2)

Req:R629129 /Doc:DP 1236319 P /Rev:21-May-2019 /Sts:SC.OK /Pgs:ATL /Prt:09-Jul-2019 15:01 /Seq:4 of 14

Req: R629129 / Doc: DP 1236319 P / Rev: 21-May-2019 / Sta: SC.OX / Pgs: ALT / Prt: 09-Jul-2019 15:01 / Seq: 6 of 14



Surveyor: RICHARD MCLENNAN
Date of Survey: 15 JUNE 2017
Surveyor's Ref: 18087-DP-1
IRMS: SP3841, CI 1351
EXCEPTION: 2017/01/01

PLAN OF SUBDIVISION OF LOT 1 DP1236319 AND LAND TO BE ACQUIRED FOR THE PURPOSES OF THE ROADS ACT, 1983

LGA: LIVERPOOL
Locality: BRINGERY'S CREEK
GREENDALE & LUDDENHAM
Subdivision No: -
Lengths are in metres. Scale: 1:4,000

Registered
2017
20.10.2016

DP1236319

ELIZABETH DRIVE
424.2 (DP1236319)
378 (DP1236319)
SEE SHEET 4

MGA NORTH

PT.101

ROBERT'S CREEK
IS THE BOUNDARY (DP1236319)

BANK OF CREEK

NORTH-EASTERN

SEE SHEET 2

97' 33" 42"
13 SE 1
DP 2650

Surveyor: RICHARD MCLENNAN
Date of Survey: 15 JUNE 2017
Surveyor's Ref: 16087-DP-1
(RMS-SP384, CI 1381)
CHECKED: LISA HART GARNER
EXEMPTION 2017/2018/2019 Additional Sheets
Computer File: 6087-DP-1.dwg

LGA: LIVERPOOL
Locality: BRINGELLY,
BADGERY'S CREEK
GREENDALE & LUDDENHAM
Subdivision No: -
Lengths are in metres. Reduction Ratio 1:10,000

Registered
2017
20.10.2016

DP1236319

FIELD BOOK: 6087 259 FP 0005 PLAN: 0154 259 SS 1060

FILE: SF2016/095719

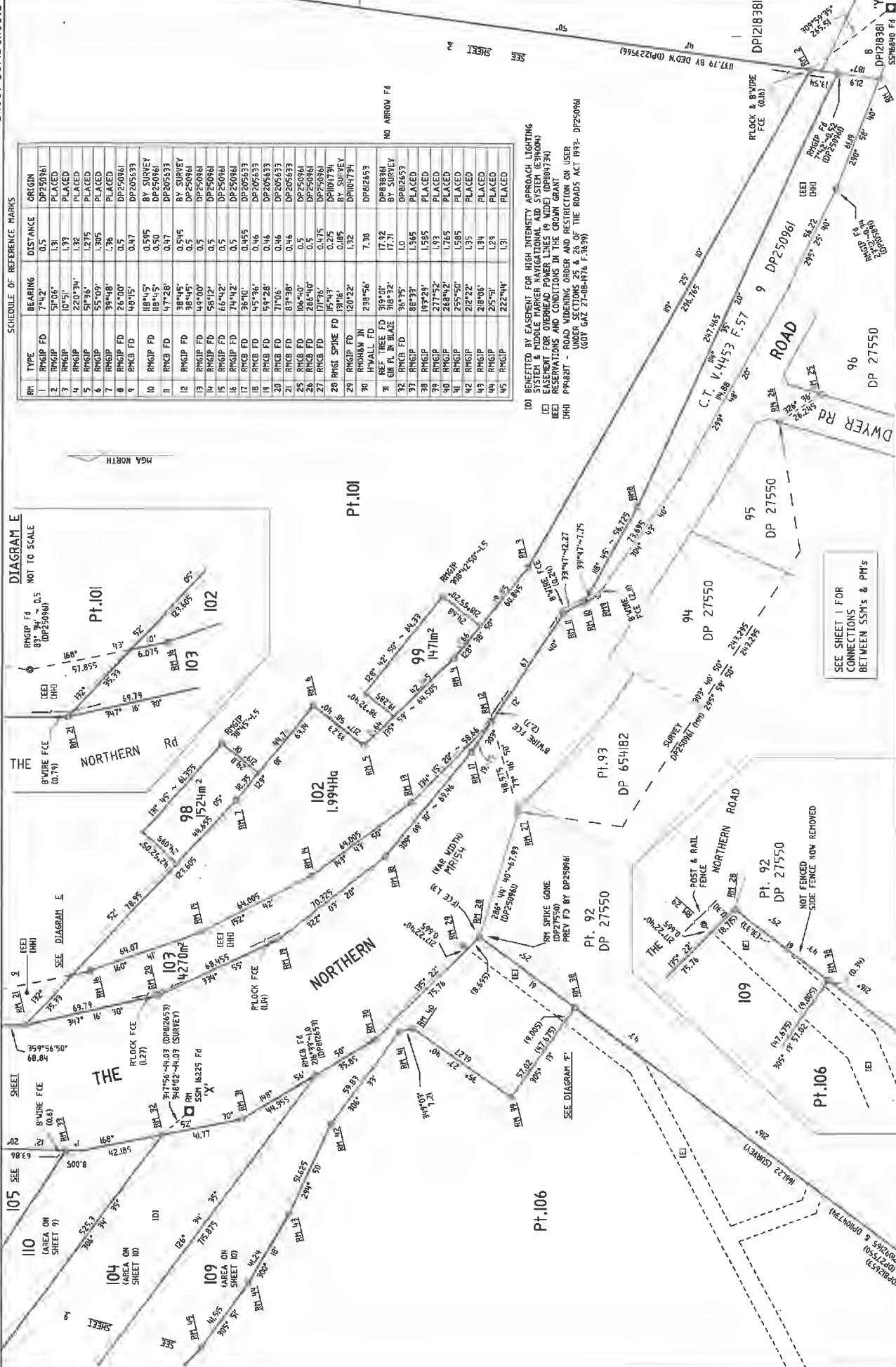
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Req: R629129 /Doc: DP 1236319 P /Rev: 21-May-2019 /sts: SC.OK /pgs: ATL /prt: 09-Jul-2019 15:01 /seq: 7 of 14

WARNING: CREASING OR FOLDING WILL LEAD TO REJECTION

PLAN FORM 2 (A2) DP1236319

Sheet 8 of 12 sheets



REGISTRATION DATE AMENDED WIDE 2017-1398 25.10.2017

REGD: R629129 / Doc: DP 1236319 P / Rev: 21-MAY-2019 / Sta: SC. OR / Pgs: ALT / Ptt: 09-JUL-2019 15:01 / Seq: 8 of 14

PLAN OF SUBDIVISION OF LOT 1 DP235688 AND LAND TO BE ACQUIRED FOR THE PURPOSES OF THE ROADS ACT, 1993

Surveyor: RICHARD MCGLENNAN
Date of Survey: 15 JUNE 2017
Surveyor's Ref: 16087-DP-1
(RMS: SP3841, CI 1361)
EXEMPTION: 2017/000001 Additional Sheets

LOCALITY: BRINGELLY
GARDEN'S CREEK
GREENDALE & LUDDENHAM

Subdivision No.:
Lengths are in metres. Direction North is 125.0

Registered
2017
20.10.2016

FILE: SF2306/094719 FIELD BOOK: 094 259 FP 006 PLANT: 051 259 SS 4060

SCHEDULE OF REFERENCE MARKS			
RM	TYPE	BEARING	DISTANCE
1	RKGP Fd	74°42'	0.5
2	RKGP	51°06'	1.3
3	RKGP	10°51'	1.33
4	RKGP	220°34'	1.32
5	RKGP	51°36'	1.275
6	RKGP	55°09'	1.305
7	RKGP	38°48'	1.76
8	RKGP Fd	26°00'	0.5
9	RKGP Fd	48°15'	0.47
10	RKGP Fd	118°45'	0.595
11	RKGP Fd	118°45'	0.50
12	RKGP Fd	47°28'	0.47
13	RKGP Fd	38°45'	0.545
14	RKGP Fd	49°00'	0.5
15	RKGP Fd	58°12'	0.5
16	RKGP Fd	66°42'	0.5
17	RKGP Fd	74°42'	0.5
18	RKGP Fd	36°10'	0.455
19	RKGP Fd	45°36'	0.46
20	RKGP Fd	59°28'	0.46
21	RKGP Fd	71°06'	0.46
22	RKGP Fd	83°38'	0.46
23	RKGP Fd	106°40'	0.5
24	RKGP Fd	285°40'	0.5
25	RKGP Fd	171°36'	0.475
26	RKGP Fd	171°36'	0.275
27	RKGP Fd	171°36'	0.185
28	RKGP Fd	120°22'	1.32
29	RKGP Fd	238°56'	7.38
30	RKGP Fd	17°32'	17.32
31	RKGP Fd	309°01'	17.32
32	RKGP Fd	308°32'	17.32
33	RKGP Fd	308°32'	17.32
34	RKGP Fd	308°32'	17.32
35	RKGP Fd	308°32'	17.32
36	RKGP Fd	308°32'	17.32
37	RKGP Fd	308°32'	17.32
38	RKGP Fd	308°32'	17.32
39	RKGP Fd	308°32'	17.32
40	RKGP Fd	308°32'	17.32
41	RKGP Fd	308°32'	17.32
42	RKGP Fd	308°32'	17.32
43	RKGP Fd	308°32'	17.32
44	RKGP Fd	308°32'	17.32
45	RKGP Fd	308°32'	17.32

101 BENEFITTED BY EASEMENT FOR HIGH INTENSITY APPROACH LIGHTING SYSTEM AND MIDDLE MARKER NAVIGATIONAL AID SYSTEM (EASMENT) (E) EASEMENT FOR OVERHEAD POWER LINES (9 VIDE) (DP104734) (E) RESERVATIONS AND CONDITIONS IN THE CROWN GRANT (E) ROAD WIDENING ORDER AND RESTRICTION ON USER UNDER SECTIONS 25 & 26 OF THE ROADS ACT 1993. DP250941 (GUY GAZ 21-08-1976 1:3833)

SEE SHEET 1 FOR CONNECTIONS BETWEEN SS1's & PM's

Ref: /Src:U

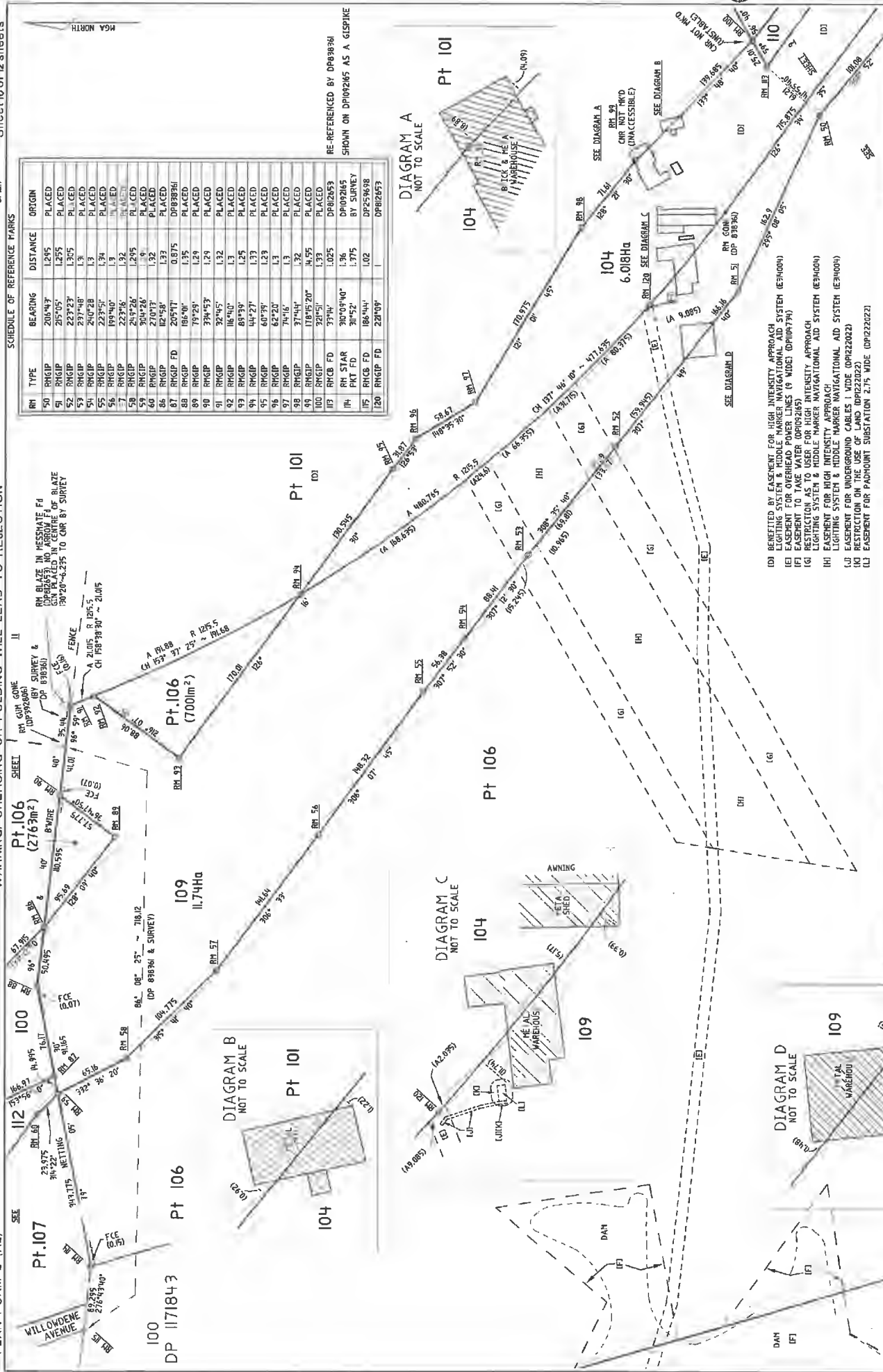
RE-REFERENCED BY DP838361

Surveyor: RICHARD MCGLENAHAN
Date of Survey: 15 JUNE 2017
Surveyor's Ref: 16087-DP-1
RMS: SP3841, CI 1381)
CHECKLIST, LASRA REPORT SUPPLIED
(REVISION: 2017/M7/IND1986) Additional Sheets

LGA: LIVERPOOL
 Locality: BRINGELLY,
 BADGERY'S CREEK
 GREENDALE & LUDDENHAM
 Subdivision No: —
 months are in metres. Reduction Ratio 1:2,000

Registered
2017
2010-2016

DP1236319



RM TYPE	BEARING	DISTANCE	ORIGIN
50 RMGP	208°43'	1.295	PLACED
51 RMGP	205°05'	1.255	PLACED
52 RMGP	223°23'	1.305	PLACED
53 RMGP	237°48'	1.3	PLACED
54 RMGP	240°28'	1.3	PLACED
55 RMGP	223°51'	1.34	PLACED
56 RMGP	199°40'	1.9	PLACED
57 RMGP	223°16'	1.32	PLACED
58 RMGP	249°26'	1.295	PLACED
59 RMGP	270°13'	1.32	PLACED
60 RMGP	304°26'	1.9	PLACED
61 RMGP	182°58'	1.33	PLACED
62 RMGP	205°17'	0.875	PLACED
63 RMGP	186°40'	1.35	PLACED
64 RMGP	179°29'	1.29	PLACED
65 RMGP	324°53'	1.29	PLACED
66 RMGP	32°45'	1.32	PLACED
67 RMGP	18°40'	1.3	PLACED
68 RMGP	89°39'	1.25	PLACED
69 RMGP	44°27'	1.33	PLACED
70 RMGP	60°39'	1.29	PLACED
71 RMGP	62°20'	1.3	PLACED
72 RMGP	74°16'	1.3	PLACED
73 RMGP	37°44'	1.32	PLACED
74 RMGP	178°15'20"	1.55	PLACED
75 RMGP	32°51'	1.33	PLACED
76 RMGP	37°14'	1.025	PLACED
77 RMGP	30°09'40"	1.36	PLACED
78 RMGP	31°52'	1.375	PLACED
79 RMGP	186°44'	1.02	PLACED
80 RMGP	228°09'	1.02	PLACED

RE-REFERENCED BY DP898981
SHOWN ON DP109265 AS A GIPKIE

Reg: R629129 / Doc: DP 1236319 P / Rev: 21-May-2019 / Pgs: 12 / Sigs: 10 of 14

Ref: / Src: 0

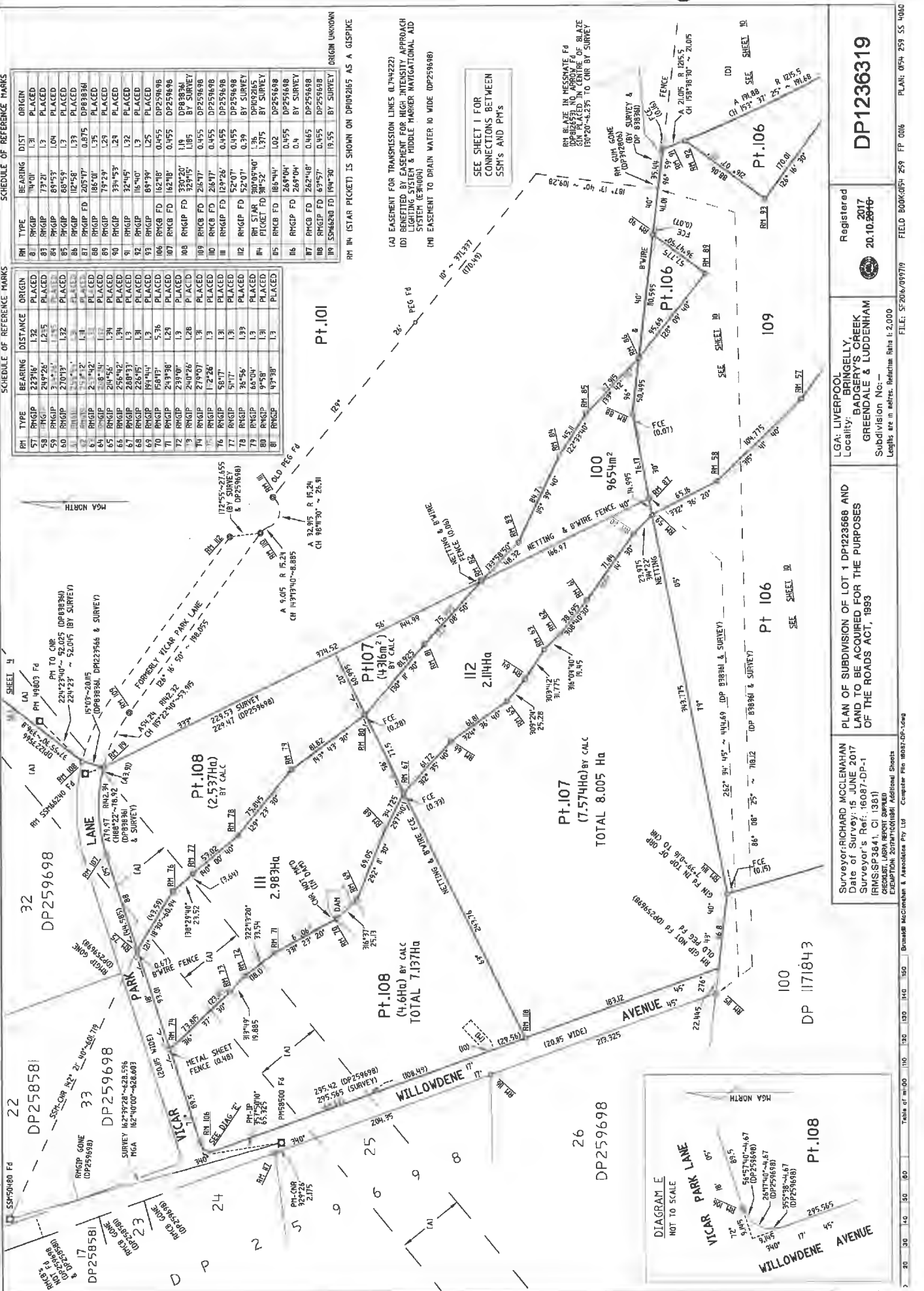
Surveyor: RICHARD MCLENNAN
Date of Survey: 16 JUNE 2017
Surveyor's Ref: 16087-DP-1
(RMS: SP3841, CI 1381)
Circuit: LHM (MCC) (MCC)
Circuit: LHM (MCC) (MCC)

Plan of Subdivision of Lot 1 DP1236319 and Land to be Acquired for the Purposes of the Roads Act, 1983

Location: BRINGELLY
Greendale & Luddenham
Subdivision No: 2,000
Lodging and in nature. Reduction Ratio 1:2,000

Registered
2017
20.10.2016

FILE: SF206/099719 FIELD BOOK: 259 FP 006 PLAN: 059 259 55 4060



Ref: R629129 / Doc: DP 1236319 P / Rev: 21-May-2019 / Pts: SC, OK / Pgs: ATL / Pts: 09-Jul-2019 15:01 / Seq: 11 of 14

Ref: R629129 / Doc: DP 1236319 P / Rev: 21-May-2019 / Pts: SC, OK / Pgs: ATL / Pts: 09-Jul-2019 15:01 / Seq: 11 of 14

Surveyor: RICHARD MCLENNAN
Date of Survey: 15 JUNE 2017
Surveyor's Ref: 16087-DP-1
(RMS SP384, Cl 1381)
CREATED: JUNE REPORT DRAFTED
CHECKED: JUNE REPORT DRAFTED
DRAWN: JUNE REPORT DRAFTED
Computer File: 8031-DP-1.dwg

PLAN OF SUBDIVISION OF LOT 1 DP1236319 AND LAND TO BE ACQUIRED FOR THE PURPOSES OF THE ROADS ACT, 1993

LGA: LIVERPOOL
Locality: BRINGELLY, BADGERY'S CREEK, GREENDALE No. 1
Subdivision No. 1

Registered
2017
20.10.2017

DP1236319

FIELD BOOK: 095719
FIELD: 095719
PLAN: 095719
PLAN: 095719

DEPOSITED PLAN ADMINISTRATION SHEET		Sheet 1 of 2 sheets														
<p>Registered: 2017 Office Use Only 20.10.2016</p> <p>Title System: TORRENS</p> <p>Purpose: SUBDIVISION / ROADS ACT, 1993</p> <p>PLAN OF SUBDIVISION OF LOT 1 DP1223566 AND LAND TO BE ACQUIRED FOR THE PURPOSES OF THE ROADS ACT, 1993</p>	<p style="text-align: right;">Office Use Only</p> <p style="font-size: 2em; text-align: center;">DP1236319 E</p> <p>LGA: LIVERPOOL</p> <p>Locality: BRINGELLY, BADGERY'S CREEK, GREENDALE & LUDDENHAM</p> <p>Parish: BRINGELLY</p> <p>County: CUMBERLAND</p>															
<p>Crown Lands NSW/Western Lands Office Approval</p> <p>I, (Authorised Officer) in approving this plan certify that all necessary approvals in regard to the allocation of the land shown herein have been given.</p> <p>Signature:</p> <p>Date:</p> <p>File Number:</p> <p>Office:</p>	<p style="text-align: center;">Survey Certificate</p> <p>I, 47F of BRUNSKILL MCCLENAHAN & ASSOCIATES Pty Ltd SUITE 22, 1-3 HAVILAH STREET, CHATSWOOD NSW 2067 a surveyor registered under the <i>Surveying and Spatial Information Act 2002</i>, certify that:</p> <p>*(a) The land shown in the plan was surveyed in accordance with the Surveying and Spatial Information Regulation 2012, is accurate and the survey was completed on</p> <p>*(b) The part of the land shown in the plan (*being/*excluding LOTS 98, 99, 100, 102, 103, 104, 109, 112 & CONNECTIONS) was surveyed in accordance with the <i>Surveying and Spatial Information Regulation 2012</i>, is accurate and the survey was completed on, 15 JUNE 2017. The part not surveyed was compiled in accordance with that Regulation.</p> <p>*(c) The land shown in this plan was compiled in accordance with the Surveying and Spatial Information Regulation 2012.</p> <p>Signature: 47F Dated: 6/9/2017</p> <p>Surveyor ID: 1526</p> <p>Datum Line: 'X' - 'Y'</p> <p>Type: *Urban/*Rural</p> <p>The terrain is *Level-Undulating / *Steep-Mountainous.</p> <p>*Strike through if inapplicable.</p> <p>*Specify the land actually surveyed or specify any land shown in the plan that is not the subject of the survey.</p>															
<p style="text-align: center;">Subdivision Certificate</p> <p>I, *Authorised Person/*General Manager/*Accredited Certifier, certify that the provisions of s.109J of the <i>Environmental Planning and Assessment Act 1979</i> have been satisfied in relation to the proposed subdivision, new road or reserve set out herein.</p> <p>Signature:</p> <p>Accreditation number:</p> <p>Consent Authority:</p> <p>Date of endorsement:</p> <p>Subdivision Certificate number:</p> <p>File number:</p> <p>*Strike through if inapplicable.</p>	<p>Plans used in the preparation of survey/compilation.</p> <table border="0" style="width: 100%;"> <tr> <td>DP259698</td> <td>DP1223566</td> <td>DP1092165</td> <td>DP838361</td> <td>DP812653</td> </tr> <tr> <td>DP396009</td> <td>DP27550</td> <td>DP250961</td> <td>DP639725</td> <td>DP1171843</td> </tr> <tr> <td>DP1104734</td> <td>DP252919</td> <td>DP1218381</td> <td>DP258581</td> <td>DP654182</td> </tr> </table> <p>CROWN PLAN 14004-3000 CROWN PLAN 11517-3000 L744222</p> <p style="text-align: right;">If space is insufficient continue on PLAN FORM 6A</p>	DP259698	DP1223566	DP1092165	DP838361	DP812653	DP396009	DP27550	DP250961	DP639725	DP1171843	DP1104734	DP252919	DP1218381	DP258581	DP654182
DP259698	DP1223566	DP1092165	DP838361	DP812653												
DP396009	DP27550	DP250961	DP639725	DP1171843												
DP1104734	DP252919	DP1218381	DP258581	DP654182												
<p>Statements of intention to dedicate public roads create public reserves and drainage reserves, acquire/resume land.</p> <p>LOTS 109, 110, 111 & 112 ARE REQUIRED FOR ROAD AND AFTER CONSTRUCTION WILL BE DEDICATED AS PUBLIC ROAD UNDER SECTION 10 OF THE ROADS ACT 1993.</p>	<p>Surveyor's Reference: 16087-DP-1 (RMS: SP3841-C11381) CHECKLIST, LASRA REPORT SUPPLIED, EXEMPTION 2017M7100(1196) Additional Sheets</p>															
<p>Signatures, Seals and Section 88B Statements should appear on PLAN FORM 6A</p>																

25.10.2017
REGISTRATION DATE AMENDED VIDE 2017-1398



PLAN FORM 6A (2012)

WARNING: Creasing or folding will lead to rejection

ePlan

DEPOSITED PLAN ADMINISTRATION SHEET

Sheet 2 of 2 sheets

Registered:  2017 Office Use Only
20.10.2016

Office Use Only

DP1236319

PLAN OF SUBDIVISION OF LOT 1 DP1223566
AND LAND TO BE ACQUIRED FOR THE
PURPOSES OF THE ROADS ACT, 1993

This sheet is for the provision of the following information as required:

- A schedule of lots and addresses - See 60(c) SSI Regulation 2012
- Statements of intention to create and release affecting interests in accordance with section 88B Conveyancing Act 1919
- Signatures and seals- see 195D Conveyancing Act 1919
- Any information which cannot fit in the appropriate panel of sheet 1 of the administration sheets.

Subdivision Certificate number:

Date of Endorsement:

Lots	Street Number	Street name	Street Type	Locality
100, 101, 104	Not Available	The Northern	Road	Luddenham
98, 99, 102, 103	Not Available	The Northern	Road	Brinqelly
105, 110	Not Available	The Northern	Road	Greendale
106, 109	Not Available	The Northern	Road	Greendale
107, 112	500	Willowdene	Avenue	Luddenham
108, 111	460	Willowdene	Avenue	Luddenham

THE PLAN IS EXEMPT FROM SUBDIVISION CERTIFICATE UNDER SECTION 195C(2) CONVEYANCING ACT 1919

Executed by Commonwealth of Australia)
As represented by the Department of)
Infrastructure and Regional Development)
by a duly authorised delegate in the)
presence of:)

47F

Signature of witness

47F

Signature of Delegate

47F

Print Name & Address of Witness *4 National Cct
Barton ACT 2600*

CARL MURPHY

Print Name of Delegate

*CHIEF OPERATING OFFICER
DEPT. OF INFRASTRUCTURE AND
REGIONAL DEVELOPMENT
62 NORTH BOURNA AVE
CANBERRA CITY*

APPROVED:


PRINCIPAL SURVEYOR
ROADS AND MARITIME SERVICES

If space is insufficient use additional annexure sheet

Surveyor's Reference: 16087-DP-1 (RMS: SP3841 - CI 1381) CHECKLIST, LASRA REPORT SUPPLIED
EXEMPTION: 2017M7100(1196) Additional Sheets

FILE: SF 2016/099719

FBK: 0154 259 FP 0016

PLAN:0154 259

SS4060

25.10.2017



REGISTRATION DATE AMENDED VIDE 2017-1398

Appendix C

Letter of Instruction



PROFESSIONAL SERVICE AGREEMENT

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

Level 8, 20 Smith Street
Parramatta NSW 2150

MAIN +61 2 9840 0222

www.colliers.com.au



8 July 2019

47E

Department of Infrastructure
GPO Box 594
Canberra ACT 2601

47E

infrastructure.gov.au

Dear Sir

RE: Quote for the Provision of Valuation Services

Thank you for considering Colliers International Valuation & Advisory Services (CIVAS) for the assignment identified in this Professional Service Agreement. Please sign one copy of the agreement and return it to the undersigned, thereby indicating your authorisation for us to proceed with this assignment and your acceptance of this Professional Service Agreement including the attached Terms & Conditions.

PROFESSIONAL SERVICE AGREEMENT **("Agreement")**

Property Address: Lot 105 in Deposited Plan 1236319 at 165 Greendale Road, Greendale, NSW
(Also known as 165 The Northern Road, Greendale and 1675 The Northern Road, Greendale).

Parties: CIVAS (NSW) Pty Limited (Us) and Department of Infrastructure (You).

Reliant Parties: The valuation will be prepared for Department of Infrastructure.

Purpose of Advice: The valuation is to be prepared for the following purpose only:

- Financial Reporting

Our advice must not be relied upon for any purpose other than the purpose nominated above.

Basis of Advice: The assessment is of the freehold interest and to be prepared on the basis of:

- Market Value - Market Value is the estimated amount for which an asset or liability 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.

Date of Assessment: 30 June 2019



CIVAS (NSW) Pty Limited | ABN 32 168 282 728

Liability limited by a scheme approved under Professional Standards Legislation.

PROFESSIONAL SERVICE AGREEMENT

CONTINUED

Form of Advice:

▪ Desktop Valuation Assessment – Letter Advice

Note: A Desktop Assessment does not involve an internal inspection of the property. As a result, we are required to make certain assumptions about the property which an internal inspection could confirm. These assumptions may or may not reflect the actual characteristics of the asset which could be confirmed by an internal inspection. As a result, a greater potential for value variability exists, and we advise that a Full Report and Valuation (post a physical inspection) may provide a differing assessment outcome.

In forming our assumptions, we will rely heavily on information provided, as outlined in Annexure 1.

As such, the Reliant Party accepts the limitations of advice of this nature.

Our professional fee includes one PDF soft copy of the report.

Completion Date: 47G days from formal appointment subject to the provision of all required information.

Professional Fees: 47G excluding GST
including GST

Note – Disbursements (title, deposited/strata plan and easement searches, if required) will be charged in addition to the above fee (charged at cost).

This quotation is effective for 10 business days from the date of this correspondence.

The above fee is solely for the scope of professional services as outlined herein. On the basis that subsequent or further advice is required additional fees will be agreed accordingly.

Limitation of Liability Liability limited by a scheme approved under Professional Standards Legislation. Liability further limited in accordance with Clause 19 of the attached Terms & Conditions.

Our assessment will be prepared in accordance with Our Terms & Conditions annexed to this PSA.

Required Information: This Professional Service Agreement is provided on the basis that certain information relating to the subject property is provided to us (where appropriate). This information is detailed in Annexure 1.

Personnel: 47F National Director will be the main point of contact for this assignment.

Standard Conditions: All advice, reports and opinions of value expressed by the firm or its employees are subject to the "Colliers International Valuation & Advisory Services Terms & Conditions" detailed in Annexure 2 herein.

Quality Assurance: Colliers International maintains National Quality Assurance Certification in accordance with ISO Standard 9001.

An internal verification is conducted on all draft and final calculations and reports in order to confirm the accuracy and quality. This verification is carried out in accordance with the procedures and processes of the Colliers International Quality Assurance Manual.

Please indicate your acceptance of this Professional Service Agreement outlined herein by signing and returning a copy of this letter by email or mail.

PROFESSIONAL SERVICE AGREEMENT

CONTINUED

Should you have any queries regarding this matter, please do not hesitate to contact the undersigned.

We look forward to your confirmation of instructions.

Yours sincerely

■ CIVAS (NSW) Pty Limited

47F

Acknowledgment

I have reviewed and hereby accept this Professional Service Agreement and Annexures including "Colliers International Valuation & Advisory Services Terms & Conditions", and nominated fee.

I acknowledge that I/we will be contracting exclusively with CIVAS (NSW) Pty Limited (ABN 32 168 282 728) and not with any other member of the Colliers International Group.

Property Address:

Lot 105 in Deposited Plan 1236319 at 165 Greendale Road, Greendale, NSW

(Also known as 165 The Northern Road, Greendale and 1675 The Northern Road, Greendale).

Name:

47E

Position:

47E

Signed:

47E

Contact Details (phone/email):

47E

infrastructure.gov.au

Dated:

8-7-19

Entity to be Invoiced:

Department of Infrastructure, Transport, Cities and

ABN:

86 267 354 017

Regional Development

Address:

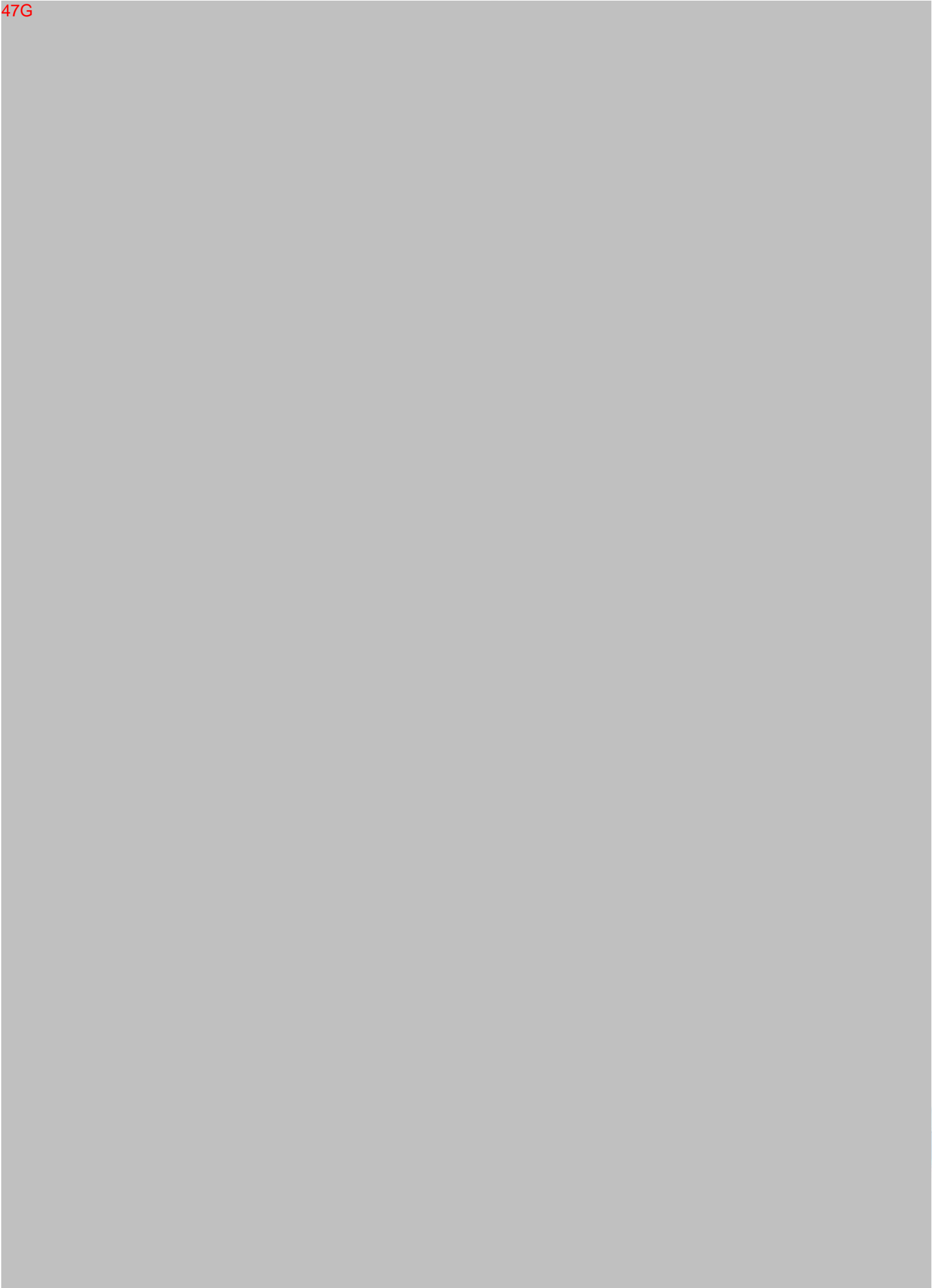
GPO Box 594 Canberra ACT 2601



Appendix D CIVAS Standard Terms of Business









CIVAS (NSW) Pty Limited offers a range of valuation services in the following specialist areas:

Commercial
Industrial
Retail (including Bulky Goods)
Hotels
Healthcare & Retirement Living
Development
Corporate Valuations
Plant & Machinery
Extractive Industries & Waste Management
Rural & Agribusiness
Wine Industry
Self-Storage
Child Care Centres
Service Stations
Consultancy Services

CIVAS (NSW) Pty Limited
ABN: 32 168 282 728
Level 8
20 Smith Street
Parramatta NSW 2150, Australia

+61 2 9840 0222
www.colliers.com.au

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PROFESSIONAL SERVICE AGREEMENT

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

Level 8, 20 Smith Street
Parramatta NSW 2150

MAIN +61 2 9840 0222

www.colliers.com.au



8 July 2019

47E

Department of Infrastructure
GPO Box 594
Canberra ACT 2601

47E

infrastructure.gov.au

Dear Sir

RE: Quote for the Provision of Valuation Services

Thank you for considering Colliers International Valuation & Advisory Services (CIVAS) for the assignment identified in this Professional Service Agreement. Please sign one copy of the agreement and return it to the undersigned, thereby indicating your authorisation for us to proceed with this assignment and your acceptance of this Professional Service Agreement including the attached Terms & Conditions.

PROFESSIONAL SERVICE AGREEMENT **("Agreement")**

Property Address: Lot 105 in Deposited Plan 1236319 at 165 Greendale Road, Greendale, NSW
(Also known as 165 The Northern Road, Greendale and 1675 The Northern Road, Greendale).

Parties: CIVAS (NSW) Pty Limited (Us) and Department of Infrastructure (You).

Reliant Parties: The valuation will be prepared for Department of Infrastructure.

Purpose of Advice: The valuation is to be prepared for the following purpose only:

- Financial Reporting

Our advice must not be relied upon for any purpose other than the purpose nominated above.

Basis of Advice: The assessment is of the freehold interest and to be prepared on the basis of:

- Market Value - Market Value is the estimated amount for which an asset or liability 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.

Date of Assessment: 30 June 2019



CIVAS (NSW) Pty Limited | ABN 32 168 282 728

Liability limited by a scheme approved under Professional Standards Legislation.

PROFESSIONAL SERVICE AGREEMENT

CONTINUED

Form of Advice:

- Desktop Valuation Assessment – Letter Advice

Note: A Desktop Assessment does not involve an internal inspection of the property. As a result, we are required to make certain assumptions about the property which an internal inspection could confirm. These assumptions may or may not reflect the actual characteristics of the asset which could be confirmed by an internal inspection. As a result, a greater potential for value variability exists, and we advise that a Full Report and Valuation (post a physical inspection) may provide a differing assessment outcome.

In forming our assumptions, we will rely heavily on information provided, as outlined in Annexure 1.

As such, the Reliant Party accepts the limitations of advice of this nature.

Our professional fee includes one PDF soft copy of the report.

Completion Date:

47G

days from formal appointment subject to the provision of all required information.

Professional Fees:

47G

Note – Disbursements (title, deposited/strata plan and easement searches, if required) will be charged in addition to the above fee (charged at cost).

This quotation is effective for 10 business days from the date of this correspondence.

The above fee is solely for the scope of professional services as outlined herein. On the basis that subsequent or further advice is required additional fees will be agreed accordingly.

Limitation of Liability

Liability limited by a scheme approved under Professional Standards Legislation. Liability further limited in accordance with Clause 19 of the attached Terms & Conditions.

Our assessment will be prepared in accordance with Our Terms & Conditions annexed to this PSA.

Required Information:

This Professional Service Agreement is provided on the basis that certain information relating to the subject property is provided to us (where appropriate). This information is detailed in Annexure 1.

Personnel:

47F

National Director will be the main point of contact for this assignment.

Standard Conditions:

All advice, reports and opinions of value expressed by the firm or its employees are subject to the "Colliers International Valuation & Advisory Services Terms & Conditions" detailed in Annexure 2 herein.

Quality Assurance:

Colliers International maintains National Quality Assurance Certification in accordance with ISO Standard 9001.

An internal verification is conducted on all draft and final calculations and reports in order to confirm the accuracy and quality. This verification is carried out in accordance with the procedures and processes of the Colliers International Quality Assurance Manual.

Please indicate your acceptance of this Professional Service Agreement outlined herein by signing and returning a copy of this letter by email or mail.

PROFESSIONAL SERVICE AGREEMENT

CONTINUED

Should you have any queries regarding this matter, please do not hesitate to contact the undersigned.

We look forward to your confirmation of instructions.

Yours sincerely

CIVAS (NSW) Pty Limited

47F

Acknowledgment

I have reviewed and hereby accept this Professional Service Agreement and Annexures including "Colliers International Valuation & Advisory Services Terms & Conditions", and nominated fee.

I acknowledge that I/we will be contracting exclusively with CIVAS (NSW) Pty Limited (ABN 32 168 282 728) and not with any other member of the Colliers International Group.

Property Address:

Lot 105 in Deposited Plan 1236319 at 165 Greendale Road, Greendale, NSW

(Also known as 165 The Northern Road, Greendale and 1675 The Northern Road, Greendale).

Name:

47E

Position:

47E

Signed:

47E

Contact Details (phone/email):

47E

infrastructure.gov.au

Dated:

8-7-19

Entity to be Invoiced:

Department of Infrastructure, Transport, Cities and

ABN:

86 267 354 017

Regional Development

Address:

GPO Box 594 Canberra ACT 2601

REQUIRED INFORMATION

1. Signed acceptance of this Professional Services Agreement including the Colliers International Valuation & Advisory Services Terms & Conditions (i.e. this letter of quotation signed at the Acknowledgement section).
2. Copies of statutory charge notices (including but not limited to Land Tax, Council Rates & Water Rates).
3. Detailed description of any onsite improvements and their condition, if available.
4. Details of any leases, side agreements or occupation arrangements of any kind.
5. Confirmation of whether an environmental audit has been undertaken in relation to the subject site. If such a study has been undertaken, we require a copy of same.
6. Details of any known outstanding orders over the subject Development (planning, building, health, etc).
7. Any other relevant information.

47G

47G

47G

Commonwealth Contract – Services



Commonwealth of Australia Commonwealth Contract – Services

Reference ID: 10017142

Customer

Customer Name:

Department of Infrastructure, Regional Development and
Cities

Customer ABN:

86 267 354 017

Address:

GPO Box 594
CANBERRA ACT 2601
CITY ACT 2601

Supplier

Full Name of the Legal Entity

Jones Lang LaSalle Public Sector Valuations Pty Ltd

Supplier ABN:

39 167 493 889

Supplier ACN:

167 493 889

Address:

Level 25, 420 George Street
Sydney NSW 2000

Statement of Work

C.A.1 Key Events and Dates

This Contract commences on the Contract Start Date or the date this Contract is executed, whichever is the latter, and continues for the Contract Term unless:

- a) it is terminated earlier; or
- b) the Customer exercises the Contract Extension Option, in which case this Contract will continue until the end of the extended time (unless it is terminated earlier).

Event	Details
Contract Start Date:	Friday, 4 January 2019
Contract Term:	This Contract will terminate on Monday, 3rd December 2021.
Contract Extension Option:	This Contract includes the following extension option(s): N/A

Commonwealth Contract – Services

C.A.2 The Requirement

The Requirement

For the purposes of this Statement of Requirement:

1. **'Administered Assets'** means assets that are used to provide infrastructure and services in the IOT's, Norfolk Island and Jervis Bay Territory or are held due to their historic or cultural significance;
2. **'Asset Class'** means the types of Assets described in Table 1;
3. **'Assets'** means assets listed on the Customer's Departmental and Administered asset register excluding software assets;
4. **'Departmental Assets'** means all other assets other than Administered assets;
5. **'Fair Value'** means The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date;
6. **'Indian Ocean Territories'** means Cocos (Keeling) Islands and Christmas Island; and
7. **'Net Book Value (NBV)'** means the value of the asset recorded in the asset register after adjusting for accumulated depreciation and accumulated impairment losses.
8. **'Replacement Value'** means Insurance reinstatement value which has been determined in line with the Commonwealth Comcover Policy.

The Supplier will undertake independent expert valuations of the Assets and provide details of those valuations in the form of reports (the 'Reports').

The Supplier will ensure the Services as required under the Contract are provided by appropriately qualified valuation professionals, including that they will have expertise in the valuation of artwork and assets of heritage and cultural significance.

The Supplier should ensure they have capacity to travel to the Indian Ocean Territories, Jervis Bay Territory and Norfolk Island if required.

The Supplier should also be available for additional ad-hoc revaluation requests from the Department during FY2018-19 to 2020-21.

The Supplier will undertake Asset valuations and provide related advice to the Customer and respond to audit enquires for the 2018-19 to 2020-21 financial years.

Annual Reports

For each financial year the Supplier must value the Department's Assets as contained in its asset register according to the valuation schedule in Table 1 and provide a Report detailing:

1. the Fair Value of the Assets in a manner that would ensure the Customer is able to comply with its financial reporting obligations under the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)* and Australian Accounting Standards (particularly AASB 13 *Fair Value Measurement*, AASB 116 *Property, Plant and Equipment* and AASB 138 *Intangible Assets*);
2. the estimated remaining useful life of each asset valued;
3. the method used to value each asset including the valuation technique used for the purposes of AASB 13 *Fair Value Measurement*.
4. the Replacement Value of the Assets for insurance purposes; and
5. advice on factors the Customer should consider to determine whether any of asset classes valued are likely to be subject to changes in fair value that would require more frequent valuation than the minimum frequency listed in Table 1.

The Reports must be presented in the format of a PDF document and excel spreadsheet.

The Reports must be finalised and provided to the Customer by the dates specified in this contract, unless agreed otherwise by the parties.

Commonwealth Contract – Services

Table 1

Asset Class	Next Scheduled Valuation	Minimum Frequency (Each)
Departmental Assets		
Leasehold Improvements	2018-19	Three years
Property, plant & equipment	2019-20	Three years
Administered Assets		
Land	2018-19 2020-21	Two years
Buildings	2018-19	Three years
Artwork	2018-19	Three years
Heritage and cultural	2018-19	Three years
Property, plant and equipment	2018-19	Three years
Other intangible	2018-19	Three years
Western Sydney Airport lease	2018-19, 2019-20, 2020-21	Annual

Other Advice

Where required by the Customer, the Supplier will also provide valuation advice for specific assets on an ad-hoc basis, such as advice on the fair value of assets acquired for no consideration. Such advice will be provided in a form reasonably required by the Customer.

The Contract is not exclusive and the Customer reserves its right to seek alternative valuation advice for specific valuations at its own discretion.

General

The method used to value the Assets must be the most cost-effective approach that is appropriate to each Asset Class, noting the diverse and specialised nature of Administered Assets which are held in the Indian Ocean Territories, Jervis Bay Territory and Norfolk Island.

The Supplier must also respond to audit questions, as required by the Customer, with respect to the valuation advice.

The frequency of valuing each Asset Class, and therefore the next scheduled valuation, is subject to annual review by the Customer.

The Customer will provide the Supplier with an updated asset register from time to time for the purposes of conducting the Services.

Commonwealth Contract – Services

The Supplier will ensure appropriate Specified Personnel are able to travel to the Indian Ocean Territories (Cocos (Keeling) Islands and Christmas Island), Jervis Bay Territory and Norfolk Island where required to provide the Services in accordance with the Contract. Travel dates and contacts for 2018-19 will be confirmed with the supplier at the commencement of the contract, but would be expected to occur between late January and early March 2019.

C.A.2(a) Standards

The Supplier must ensure that any goods and services provided under this Contract comply with all applicable Australian standards (or in its absence an international standard) including any requirements or standards specified in this Statement of Work. If requested by the Customer, the Supplier must enable the Customer, or an independent assessor, to conduct periodic audits to confirm compliance with all applicable Australian or international standards, including, but not limited to, those specified in this Statement of Work.

Web Content Accessibility

As applicable, the Supplier must ensure that any website, associated material and/or online publications (where applicable) complies with the Web Content Accessibility Guidelines available at:

<https://www.w3.org/WAI/intro/wcag>.

Australian Standards

The Supplier must comply with the following Australian Standard(s) and the FRR:

AS Number	Title
AASB 13	Fair Value Measurement
AASB 116	Property, Plant and Equipment
AASB 138	Intangible Assets

Key Performance Indicators

Department of Infrastructure, Regional Development and Cities internal asset policy

Key Performance Indicators

To demonstrate progress towards achievement of the Requirement, the Supplier is required to comply with the following Key Performance Indicators:

C.A.2(b) Security Requirements

The cost of obtaining each security clearance will be borne by the Customer. The Supplier must ensure that its Specified Personnel promptly provide to the Customer relevant details to assist with the security clearance process, and the Supplier must notify the Customer promptly in writing of any change in circumstances which is likely to affect the Customer's assessment of the Specified Personnel's entitlement to hold a security clearance.

Supplier personnel are required to be cleared to a minimum level of Baseline.

C.A.2(c) Work Health and Safety

Prior to commencement of this Contract, the Customer's Contract Manager and the Supplier's Contract Manager will identify any potential Work Health and Safety issues anticipated to arise during the term of this contract and assign management of each issue identified to the party best able to manage it. The Supplier will provide the Customer with a plan for approval.

Commonwealth Contract – Services

Throughout the Contract Term, the Customer and the Supplier will proactively identify and cooperate to manage any Work Health and Safety issues that arise.

C.A.2(d) Delivery and Acceptance

Where the Customer rejects any deliverables under Clause C.C.11 [*Delivery and Acceptance*] the Customer will specify a timeframe in which the Supplier is required to rectify deficiencies, at the Supplier's cost, so that the deliverables meet the requirements of this Contract. The Supplier must comply with any such requirement. Rectified deliverables are subject to acceptance under Clause C.C.11 [*Delivery and Acceptance*].

The Supplier will refund all payments related to the rejected deliverables unless the relevant deliverables are rectified and accepted by the Customer.

If the Supplier is unable to meet the Customer's timeframe, the Customer may terminate this Contract in accordance with Clause C.C.16 [*Termination for Cause*].

Milestone Description	Contact for Delivery	Delivery Location/Email	Due Date
Final Valuation Report for FY2018-19	47E(c)	assets@infrastructure.gov.au	29/03/2019
Final Valuation Report for FY2019-20		assets@infrastructure.gov.au	31/03/2020
Final Valuation Report for FY2020-21		assets@infrastructure.gov.au	31/03/2021
Ad-hoc valuations		assets@infrastructure.gov.au	As agreed

Delivery and Acceptance – Additional Instructions

The Final Valuation Report must be presented in the format of a PDF document and excel spreadsheet as per the due dates.

C.A.2(e) Meetings

The Supplier is required to attend meetings as follows:

Meeting Type	Position Required	Frequency	Teleconference/ Onsite	Location
Initial meeting	Project Manager	Once per valuation	On-site	Canberra
Valuation planning	Project Manager	Annual	On-site	Canberra
Annual review of valuation report	Project Manager	Annual	On-site	Canberra

C.A.2(f) Facilities and Assistance Offered by the Customer

The Customer will provide key contacts for the Indian Ocean Territories, Norfolk Island and Jervis Bay Territory.

The Customer will provide its asset register and accounting policies.

C.A.2(g) Customer Material

Commonwealth Contract – Services

The Customer will not provide any material.

C.A.2(h) Conflicts of Interest

The Supplier has declared that it has no actual, perceived or potential conflicts of interest relevant to the performance of its obligations under this Contract.

C.A.2(i) Public Interest Disclosure

Public officials (including service providers under a Commonwealth contract) who suspect wrongdoing within the Commonwealth public sector can raise their concerns under the *Public Interest Disclosure Act 2013* (PID Act). Prior to making a disclosure, refer to information available at: <http://www.ombudsman.gov.au/about/making-a-disclosure/information-for-disclosers>.

All Public Interest Disclosure matters (relating to this procurement) should be referred to:

Name/Position:	Assistant Director, Governance Section
Email Address:	clientservice@infrastructure.gov.au
Telephone:	02 6274 6495

C.A.2(j) Complaints Handling

Any complaints relating to this procurement should be referred to:

Name/Position:	Assistant Director, Governance Section
Email Address:	clientservice@infrastructure.gov.au
Telephone:	02 6274 6495

Commonwealth Contract – Services

C.A.3 Contract Price

The maximum Contract Price inclusive of GST and all taxes and charges will not exceed **\$328,900.00** as set out below.

Fixed Price (including all expenses)

Due Date	Milestone Description	Total Price GST Exclusive	GST Component	Total Price GST Inclusive
29/03/2019	Final valuation report- FY2018-19	47G		
31/03/2020	Final valuation report- FY2019-20			
31/03/2021	Final valuation report- FY2020-21			

Total Fixed Price for Services \$328,900.00 GST Inclusive

Adjustment to Fixed Pricing for Contract Variation/Extension

Price adjustments will be agreed between the Customer and Supplier where:

- 1 The number of assets to be valued materially changes + or - 10%
- 2 Machinery of Government (MoG) changes, where functions are amalgamated or there is a change in how functions are delivered within the Commonwealth, resulting in more or less assets

If the Supplier is late with delivery of the project and is at fault, the Supplier will reduce their fee by \$1,000 for every day late.

C.A.3(a) Payment Schedule

Progress payments of the *Fixed Fees and Charges* (inclusive of any GST and all taxes and charges) will be made as follows:

Date	Milestone Description	Payment Amount
20/03/2019	Wednesday after delivery of Draft Valuation Report	47G
12/04/2019	After delivery of Final valuation report	
10/04/2020	After delivery of Final valuation report	
12/04/2021	After delivery of Final valuation report	

Commonwealth Contract – Services

C.A.4 Contract Managers and Addresses for Notices

Contract Managers are responsible for issuing or accepting any written Notices under this Contract and are the contact points for general liaison.

C.A.4(a) Customer's Contract Manager:

The person occupying the position of:

Currently:

Telephone:

Mobile:

Email Address:

Postal Address:

47E(c)

infrastructure.gov.au

GPO Box 594

CANBERRA ACT 2601

C.A.4(b) Customer's Address for Invoices:

Addressee Name

Position Title:

Telephone:

Email Address:

Postal Address:

47E(c)

Asset Accountant

47E(c)

infrastructure.gov.au cc

assets@infrastructure.gov.au

GPO Box 594

CANBERRA ACT 2601

The Customer's preferred method of invoicing is by email.

C.A.4(c) Supplier's Contract Manager:

Name:

Position Title:

Telephone:

Mobile:

Email Address:

Postal Address:

Simon O'Leary

Director

47F

Level 7, 121 Marcus Clarke Street

Canberra ACT 2600

C.A.4(d) Supplier's Address for Notices

Commonwealth Contract – Services

Name:	Level 7, 121 Marcus Clarke Street, Canberra ACT 2600
Position Title:	Director
Email Address:	47F
Postal Address:	Level 25, 420 George Street Sydney NSW 2000

Commonwealth Contract – Services

C.A.5 Specified Personnel

Position/Role	Name	Current Security Clearance Level	Percentage of Total Project Time
Director, Valuation of Infrastructure, Plant and Equipment IOT, Norfolk Island and Jervis Bay	Simon O'Leary	47F	20%
Senior Director Project Quality Assurance	Ty Noble		10%
Director, Valuation of Infrastructure, Plant and Equipment IOT, Norfolk Island and Jervis Bay	Todd Svanberg		10%
Senior Valuer, Valuation of Land & Buildings, Christmas and Cocos Islands Mining Lease	Mike Eagle		15%
NSW State Head of Valuations, Valuation of Badgerys Creek - Airport Lease	Tyrone Hodge		5%
Associate Director, Valuation of Land & Buildings Norfolk Island	David Bradford		5%
Valuer, Valuation of Land & Buildings Jervis Bay	Antonio Saveski		5%
Valuer, Valuation of Land & Buildings, Christmas and Cocos Islands	Tom Cooper		5%
Associate Director, Quality Control Land, Buildings & Reports	Brooke Parish		5%
			5%
			5%
			5%

Commonwealth Contract – Services

C.A.6 Subcontractors

Full Legal Name	Postal Address	ACN / ABN / ACNR	Services to be Performed
47F			

Commonwealth Contract – Services

Additional Contract Terms

An executed contract will incorporate the Commonwealth Contract Terms and also the following Additional Contract Terms:

C.B.1 Intellectual Property

The Supplier owns the Intellectual Property Rights in the Material created under this Contract.

The Supplier grants to the Customer:

- a) a non-exclusive, irrevocable, royalty-free, perpetual, world-wide licence to exercise the Intellectual Property Rights in the Material provided under this Contract for any purpose; and
- b) a right to sub-licence the rights in (a) above to third parties, including to the public under an open access or Creative Commons 'BY' licence.

The licence excludes the right of commercial exploitation by the Customer.

The Supplier warrants that it is entitled to grant this licence to the Customer; and that the provision of the Goods and/or Services and any Material by the Supplier under this Contract, and its use by the Customer, in accordance with this Contract, will not infringe any third party's Intellectual Property Rights and Moral Rights.

Intellectual Property Rights in Goods provided under this Contract or pre-existing Intellectual Property of the Supplier, set out below (if any), will not change as a result of this Contract.

Pre-Existing Intellectual Property of the Supplier

Not Applicable

C.B.2 Confidential Information of the Supplier

The Customer agrees that the following information meets the Commonwealth's confidentiality guidelines and agrees to treat the information as confidential unless required by law to disclose the information. The Customer retains the right to disclose any other information contained in this Contract.

Information to be kept confidential
1. Valuation Approach / Methodology - Commercial in confidence 2. Consultants used to undertake the valuations - Commercial in confidence

C.B.3 Interest on Late Payments

The Customer must pay the amount of a Correctly Rendered Invoice to the Supplier within thirty (30) calendar days after receiving it, or if this day is not a business day, on the next business day.

If the total value of this Contract (as amended from time-to-time) is not more than \$A1 million (GST inclusive) and the Customer fails to make a payment to the Supplier by the business day it is due, provided the amount of interest payable under this clause exceeds \$100, the Customer will pay the unpaid amount plus interest on the unpaid amount.

Interest payable under this clause will be simple interest calculated in respect of each calendar day from the day after the amount was due and payable, up to and including the day that the Customer effects payment, calculated using the General Interest Charge Rate formula available at the Australian Taxation Office website.

Commonwealth Contract – Services

C.B.X Ad-hoc valuations

The Supplier should also be available for additional ad-hoc revaluation requests from the Department during FY2018-19 to 2020-21 with price and timeframes to be agreed.

Commonwealth Contract – Services

Commonwealth Contract Terms

C.C.1 Background:

The Customer requires the provision of certain Goods and/or Services. The Supplier has fully informed itself on all aspects of the Customer's requirements and has responded representing that it is able to meet the Statement of Requirement.

Some terms used in these *Commonwealth Contract Terms* have been given a special meaning. Their meanings are set out either in the *Commonwealth Contracting Suite Glossary* or in the relevant *Commonwealth Contract*.

C.C.2 Relationship of the Parties:

Neither party is the employee, agent, officer or partner of the other party nor, by virtue of this Contract, authorised to bind or represent the other party.

The Supplier must ensure that its officers, employees, agents or Subcontractors do not represent themselves as being an officer, employee, partner or agent of the Customer.

In all dealings related to the Contract, the parties agree to:

- (a) communicate openly with each other and cooperate in achieving the contractual objectives; and
- (b) act honestly and ethically; and
- (c) comply with reasonable commercial standards of fair conduct; and
- (d) consult, cooperate and coordinate activities to identify and address any overlapping work health and safety responsibilities aimed at ensuring the health and safety of workers and workplaces; and
- (e) comply with all reasonable directions and procedures relating to work health and safety, record keeping and security in operation at each other's premises or facilities whether specifically informed or as might reasonably be inferred from the circumstances.

C.C.3 Conflict of Interest:

The Supplier has either declared any real or perceived conflicts of interest that might arise; or states that no conflicts of interest exist, or are anticipated, relevant to the performance of its obligations under the Contract.

If any conflict or potential conflict arises during the Contract Term, the Supplier will immediately notify the Customer and comply with any reasonable Notice given to the Supplier by the Customer in relation to the conflict. As soon as practicable, any verbal advice must be followed by written confirmation.

C.C.4 Precedence of Documents:

The Contract is comprised of:

- (a) *Additional Contract Terms* (if any);
- (b) *Statement of Work*;
- (c) *Commonwealth Contract Terms*;
- (d) *Commonwealth Contracting Suite Glossary*; and
- (e) *Contract Annex 1 – Supplementary information* (if any),

unless otherwise agreed in writing between the parties.

If there is ambiguity or inconsistency between documents comprising the Contract, the document appearing higher in the list will have precedence.

The Contract may be signed and dated by the parties on separate, but identical, copies. All signed copies constitute one (1) Contract.

C.C.5 Governing Law:

The laws of the Australian Capital Territory apply to the Contract.

C.C.6 Entire Agreement:

The Contract represents the Parties' entire agreement in relation to the subject matter, at the time this Contract was entered.

Anything that occurred before the making of this Contract shall be disregarded (unless incorporated into the Contract in writing). However, the Supplier represents that the claims made in its Response to the ATM were correct when made and remain correct.

The Parties agree that no agreement or understanding varying or extending the Contract will be legally binding upon either Party unless in writing and agreed by both Parties.

If either Party does not exercise (or delays in exercising) any of its contractual rights, that failure or delay will not prejudice those rights.

C.C.7 Survival:

All Additional Contract Terms (if any), plus Clauses C.C. 14 [*Liability of the Supplier*], C.C.17 [*Supplier Payments*], C.C.20 [*Transition Out*], C.C.22 [*Compliance with Commonwealth Laws and Policies*], C.C.22(A) [*Access to Supplier's Premises and Records*], C.C.22(F) [*Fraud*] survive termination or expiry of the Contract.

C.C.8 Notices:

A Notice is deemed to be effected:

- (a) if delivered by hand - upon delivery to the relevant address;
- (b) if sent by registered post - upon delivery to the relevant address; or
- (c) if transmitted electronically - upon actual delivery as evidenced by an acknowledgement of receipt from the recipient's system by any means (including by means of delivery receipt).

A Notice received after 5.00 pm, or on a day that is not a working day in the place of receipt, is deemed to be effected on the next working day in that place.

C.C.9 Assignment:

The Supplier may not assign any rights under the Contract without the Customer's written consent. To seek consent, the Supplier must provide the Customer with a Notice, which includes full details of the proposed assignee and the rights the Supplier proposes to assign.

To decline consent, the Customer must provide a Notice to the Supplier, setting out its reasons, within twenty-eight (28) calendar days of receiving the Notice seeking consent. Otherwise, the Customer is taken to have consented.

C.C.10 Subcontracting:

Subcontracting any part of, or the entire Supplier's obligations under the Contract, will not relieve the Supplier from any of its obligations under the Contract.

The Supplier must ensure that Subcontractors specified in Item C.A.6 [*Subcontractors*] (if any) perform that part of the Services Specified in that item. Unless otherwise agreed by the Customer (in writing) the Supplier must not subcontract any part of its obligations under the Contract other than to Subcontractors named in Item C.A.6. The Supplier must ensure that specified Subcontractors (if any) are not replaced without the prior written consent of the Customer. The Customer's written consent will not be unreasonably withheld.

At the Customer's request, the Supplier, at no additional cost to the Customer, must promptly remove from involvement in the Contract any Subcontractor that the Customer reasonably considers should be removed.

Commonwealth Contract – Services

Commonwealth Contract Terms

The Supplier must make available to the Customer the details of all Subcontractors engaged to provide the Goods and/or Services under the Contract. The Supplier acknowledges that the Customer may be required to publicly disclose such information.

The Supplier must ensure that any subcontract entered into by the Supplier, for the purpose of fulfilling the Supplier's obligations under the Contract, imposes on the Subcontractor the same obligations that the Supplier has under the Contract (including this requirement in relation to subcontracts).

C.C.11 Delivery and Acceptance:

The Supplier must provide the Goods and/or Services as specified in the *Statement of Work* and meet any requirements and standard specified in the *Statement of Work*.

The Supplier must promptly notify the Customer if the Supplier becomes aware that it will be unable to provide all or part of the Goods and/or Services specified in the *Statement of Work* and advise the Customer when it will be able to so.

Any Goods must be delivered free from any security interest. Unless otherwise stated in the Contract, Goods must be new and unused. Any Services must be provided to the higher of the standard that would be expected of an experienced, professional supplier of similar services and any standard specified in the *Statement of Work*.

The Customer may reject the Goods and/or Services within fourteen (14) calendar days after delivery or such longer period specified in the Contract at Item C.A.2(d) [*Delivery and Acceptance*], if the Goods and/or Services do not comply with the requirements of the Contract ("Acceptance Period").

If during the Acceptance Period circumstances outside the Customer's reasonable control cause a delay in the Customer's evaluation of the compliance of the Goods and/or Services with the Contract, the Customer may give the Supplier a Notice before the end of the original Acceptance Period, setting out the reason for the delay and the revised Acceptance Period date (which must be reasonable having regard to the circumstances causing the delay).

If the Customer does not notify the Supplier of rejection within the Acceptance Period (as extended if applicable), the Customer will be taken to have accepted the Goods and/or Services, though the Customer may accept the Goods and/or Services sooner. Title to Goods transfers to the Customer only on acceptance.

If the Customer rejects the Goods and/or Services, the Customer must issue a Notice clearly stating the reason for rejection and the remedy the Customer requires. No payment will be due for rejected Goods and/or Services until their acceptance.

C.C.12 Licences Approvals and Warranties:

At no cost to the Customer, the Supplier must obtain and maintain all Intellectual Property Rights, licences or other approvals required for the lawful provision of the Goods and/or Services and arrange any necessary customs entry for any Goods.

The Supplier must provide the Customer with all relevant third Party warranties in respect of Goods. If the Supplier is a manufacturer, the Supplier must provide the Customer with all standard manufacturer's warranties in respect of the Goods it has manufactured and supplied.

To the extent permitted by laws and for the benefit of the Customer, the Supplier consents, and must use its best endeavours to ensure that each author of Material consents in writing, to the use by the Customer of the Material, even if the use may otherwise be an infringement of their Intellectual Property Rights and/or Moral Rights.

C.C.13 Specified Personnel:

The Supplier must ensure that the Specified Personnel set out in Item C.A.5 [*Specified Personnel*] (if any) perform the part of the Services specified in that item. The Supplier must ensure that Specified Personnel (if any) are not replaced without the prior written consent of the Customer. The Customer's written consent will not be unreasonably withheld.

At the Customer's reasonable request, the Supplier, at no additional cost to the Customer, must as soon as reasonably practicable replace any Specified Personnel that the Customer reasonably considers:

- (a) is not performing the Supplier's obligations under the Contract to the standard or within the timeframe reasonably required by the Customer;
- (b) is not a fit and proper person; or
- (c) is not suitably qualified to perform the Services.

Any Specified Personnel must be replaced with personnel that are acceptable to the Customer.

C.C.14 Liability of the Supplier:

The Supplier will indemnify the Customer and its officials against any claim, loss or damage arising in connection with any negligent or wilful breach of the Supplier's obligations or representations under the Contract.

The Supplier's obligation to indemnify the Customer and its officials will reduce proportionally to the extent that any act or omission, on the part of the Customer or its officials contributed to the claim, loss or damage.

The Supplier's liability under this clause shall not exceed the maximum applicable amount that applies to the claim loss or damage under a scheme operating under Schedule 4 of the *Civil Law (Wrongs) Act 2002 (ACT)*, or any corresponding State, Territory or Commonwealth legislation, that limits the civil liability of members of particular professions arising from the performance of their professional services, where the Supplier is a member of that scheme, and where that scheme applies to the Goods and/or Services delivered under the Contract.

The Supplier will maintain adequate insurances for the Contract and provide the Customer with proof when reasonably requested.

C.C.15 Termination or Reduction for Convenience:

In addition to any other rights either party has under the Contract,

- (a) the Customer acting in good faith, may at any time; or
- (b) the Supplier, acting in good faith, may notify that it wishes to, terminate the Contract or reduce the scope or quantity of the Goods and/or Services by providing a Notice to the other Party.

If the Supplier issues a Notice under this clause, the Supplier must comply with any reasonable directions given by the Customer. The Contract will terminate, or the scope will be reduced in accordance with the Notice, when the Supplier has complied with all of those directions.

If the Customer issues a Notice under this clause, the Supplier must stop or reduce work in accordance with the Notice and comply with any reasonable directions given by the Customer.

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In either case, the Supplier must mitigate all loss and expenses in connection with the termination or reduction in scope (including the costs of its compliance with any directions). The Customer will pay the Supplier for Goods and/or Services accepted in accordance with clause C.C.11 [Delivery and Acceptance] and item C.A.2(d) [Delivery and Acceptance] before the effective date of termination or reduction.

If the Customer issues a Notice under this clause, the Customer will also pay the Supplier for any reasonable costs the Supplier incurs that are directly attributable to the termination or reduction, provided the Supplier substantiates these costs to the satisfaction of the Customer.

Under no circumstances will the total of all payments to the Supplier exceed the Contract Price. The Supplier will not be entitled to loss of anticipated profit for any part of the Contract not performed.

C.C.16 Termination for Cause:

The Customer may issue a Notice to immediately terminate or reduce the scope of the Contract if:

- (a) the Supplier does not deliver the Goods and/or Services as specified in the Contract, or notifies the Customer that the Supplier will be unable to deliver the Goods and/or Services as specified in the Contract;
- (b) the Customer rejects the Goods and/or Services in accordance with clause C.C.11 [Delivery and Acceptance] and the Goods and/or Services are not remedied as required by the Notice of rejection;
- (c) the Supplier breaches a material term of the Contract and the breach is not capable of remedy;
- (d) the Supplier does not remediate a material breach of the Contract which is capable of remediation within the period specified by the Customer in a Notice of default issued to the Supplier; or
- (e) subject to the Customer complying with any requirements in the *Corporations Act 2001* (Cth), the Supplier:
 - (i) is unable to pay all its debts when they become due;
 - (ii) if incorporated – has a liquidator, receiver, administrator or other controller appointed or an equivalent appointment is made under legislation other than the *Corporations Act 2001* (Cth); or
 - (iii) if an individual – becomes bankrupt or enters into an arrangement under *Part IX* or *Part X* of the *Bankruptcy Act 1966* (Cth).

Termination of the Contract under this clause does not change the Customer's obligation to pay any Correctly Rendered Invoice.

C.C.17 Supplier Payments:

If the Supplier is required to submit an invoice to trigger payment, the invoice must be a Correctly Rendered Invoice.

The Supplier must promptly provide to the Customer such supporting documentation and other evidence reasonably required by the Customer to substantiate performance of the Contract by the Supplier.

Payment of any invoice is payment on account only, and does not substantiate performance of the Contract.

If the Supplier owes any amount to the Customer in connection with the Contract, the Customer may offset that amount, or part of it, against its obligation to pay any Correctly Rendered Invoice.

C.C.18 Dispute Resolution:

For any dispute arising under the Contract both the Supplier and the Customer agree to comply with (a) to (d) of this clause sequentially:

- (a) both Contract Managers will try to settle the dispute by direct negotiation;
- (b) if unresolved, the Contract Manager claiming that there is a dispute will give the other Contract Manager a Notice setting out details of the dispute and proposing a solution;
- (c) if the proposed solution is not accepted by the other Contract Manager within five (5) business days, each Contract Manager will nominate a more senior representative, who has not had prior direct involvement in the dispute. These representatives will try to settle the dispute by direct negotiation;
- (d) failing settlement within a further ten (10) business days, the Customer will, without delay, refer the dispute to an appropriately qualified mediator selected by the Customer or, at the Customer's discretion, to the chairperson of an accredited mediation organisation to appoint a mediator, for mediation to commence within fifteen (15) business days of the request.

Representatives for the Supplier and the Customer must attend the mediation. The nominated representatives must have the authority to bind the relevant party and act in good faith to genuinely attempt to resolve the dispute.

The Customer and the Supplier will each bear their own costs for dispute resolution. The Customer will bear the costs of a mediator.

If the dispute is not resolved within thirty (30) business days after mediation commences, either the Supplier or the Customer may commence legal proceedings.

Despite the existence of a dispute, the Supplier will (unless requested in writing by the Customer not to do so) continue their performance under the Contract.

This procedure for dispute resolution does not apply to action relating to clause C.C.16 [Termination for Cause] or to legal proceedings for urgent interlocutory relief.

C.C.19 Transition In:

The Supplier must perform all tasks reasonably required to facilitate the smooth transition of the provision of the Goods and/or Services from any outgoing supplier to the Supplier.

C.C.20 Transition Out:

If the Contract expires or is terminated under clause C.C.16 [Termination for Cause] the Supplier must comply with any reasonable directions given by the Customer in order to facilitate the smooth transition of the provision of the Goods and/or Services to the Customer or to another supplier nominated by the Customer.

C.C.21 Compliance with Laws:

The Supplier must comply with, and ensure its officers, employees, agents and subcontractors comply with the laws from time to time in force in any jurisdiction in which any part of the Contract is performed.

C.C.22 Compliance with Commonwealth Laws and Policies:

The Supplier must comply with, and ensure its officers, employees, agents and subcontractors comply with all Commonwealth laws and policies relevant to the Goods and/or Services.

If the Supplier becomes aware of any actual or suspected breach of the requirements set out in clauses A to G below, it must:

Commonwealth Contract – Services

Commonwealth Contract Terms

- (a) immediately report it to the Customer and provide a written report on the matter within five (5) business days; and
- (b) comply with any reasonable directions by the Customer in relation to any investigation or further reporting of the actual or suspected breach.

A. Access to Supplier's Premises and Records: The Supplier must maintain proper business and accounting records relating to the supply of the Goods and/or Services and performance of the Contract.

The Supplier agrees to provide to the Customer, or its nominee, access to the Supplier's, or its Subcontractor's premises, personnel, documents and other records, and all assistance reasonably requested, for any purpose associated with the Contract or any review of the Supplier's or the Customer's performance under the Contract, including (but not limited to) in connection with a request made under the *Freedom of Information Act 1982* (Cth) or audit or review by the Australian National Audit Office. Unless the access is required for the purpose of a criminal investigation into the Supplier, its employees or subcontractors, the Customer will reimburse the Supplier's substantiated reasonable cost for complying with the Customer's request.

The Supplier must not transfer, or permit the transfer of, custody or ownership, or allow the destruction, of any Commonwealth record (as defined in the *Archives Act 1983* (Cth)) without the prior written consent of the Customer. All Commonwealth records, including any held by Subcontractors, must be returned to the Customer at the conclusion of the Contract.

B. Privacy Act 1988 (Cth) Requirements: In providing the Goods and/or Services, the Supplier agrees to comply, and to ensure that its officers, employees, agents and subcontractors comply with the *Privacy Act 1988* (Cth) and not to do anything, which if done by the Customer would breach an Australian Privacy Principle as defined in that Act.

C. Confidential Information: Other than information available in the public domain, the Supplier agrees not to disclose to any person, other than the Customer, any confidential information relating to the Contract or the Goods and/or Services, without prior written approval from the Customer. This obligation will not be breached where the Supplier is required by law or a stock exchange to disclose the relevant information or where the relevant information is publicly available (other than through breach of a confidentiality or non-disclosure obligation).

The Customer may at any time require the Supplier to arrange for its employees, agents or subcontractors to give a written undertaking relating to nondisclosure of the Customer's confidential information in a form acceptable to the Customer.

The Customer will keep any information in connection with the Contract confidential to the extent it has agreed in writing to keep such specified information confidential. The Customer will not be in breach of any confidentiality agreement if the Customer is required to disclose the information by law, a Minister or a House or Committee of Parliament.

D. Security and Safety: When accessing any Commonwealth place, area or facility, the Supplier must comply with any security and safety requirements notified to the Supplier by the Customer or of which the Supplier is, or should reasonably be aware. The Supplier must ensure that its officers, employees, agents and subcontractors are aware of, and comply with, such security and safety requirements.

The Supplier must ensure that all information, material and property provided by the Customer for the purposes of the Contract is protected at all times from unauthorised access, use by a third party, misuse, damage and destruction and is returned as directed by the Customer.

The Supplier acknowledges that unauthorised disclosure of security-classified information is an offence. Legislation (including, but not limited to, the *Crimes Act 1914*) contains provisions relating to the protection of prescribed official information and sets out the penalties for the unauthorised disclosure of that information.

E. Criminal Code: The Supplier acknowledges that the giving of false or misleading information to the Commonwealth is a serious offence under section 137.1 of the schedule to the *Criminal Code Act 1995* (Cth). The Supplier must ensure that any subcontractor engaged in connection with the Contract is aware of the information contained in this clause.

F. Fraud: For the purposes of this clause, Fraud means dishonestly obtaining a benefit from the Commonwealth or causing a loss to the Commonwealth by deception or other means.

The Supplier must take all reasonable steps to prevent and detect Fraud in relation to the performance of this Contract. The Supplier acknowledges the occurrence of Fraud will constitute a breach of this Contract.

If an investigation finds that the Supplier or its employees have committed Fraud, or the Supplier has failed to take reasonable steps to prevent Fraud by an employee or subcontractor, the Supplier must reimburse or compensate the Customer in full.

G. Taxation: The Supplier agrees to comply, and to require its subcontractors to comply, with all applicable laws relating to taxation.



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Commonwealth Contracting Suite (CCS) Glossary

In the Commonwealth Contracting Suite:

A reference to:

- a) a clause in the form A.A.[x] – is a reference to a clause of the **Approach to Market**;
- b) a clause in the form A.B.[x] – is a reference to a clause of the **Commonwealth ATM Terms**;
- c) an item in the form C.A.[x] – is a reference to an item in the **Statement of Work**;
- d) a clause in the form C.B.[x] – is a reference to a clause in the **Additional Contract Terms**;
- e) a clause in the form C.C.[x] – is a reference to a clause of the **Commonwealth Contract Terms** or the **Commonwealth Purchase Order Terms**, as the case may be.

“Additional Contract Terms” means the terms and conditions set out in the section of the Contract with the heading ‘Additional Contract Terms’.

“Approach to Market or ATM” means the notice inviting potential suppliers to participate in the procurement.

“Closing Time” means the closing time specified in clause A.A.1 [*Key Events and Dates*].

“Contract” means the documentation specified in clause C.C.4 [*Precedence of Documents*].

“Contract Extension Option” means an option of a Customer to extend the term of a Contract for one or more additional time periods.

“Contract Manager” means the contract manager for the Customer and/or Supplier (as relevant) specified in the Contract.

“Contract Price” means the total contract price specified in the Contract, including any GST component payable, but does not include any simple interest payable on late payments.

“Correctly Rendered Invoice” means an invoice that:

- a) is correctly addressed and calculated in accordance with the Contract;
- b) relates only to Goods and/or Services that have been accepted by the Customer in accordance with the Contract;
- c) includes any purchase order number, and the name and phone number of the Customer's Contract Manager;
- d) is for an amount which, together with all previously Correctly Rendered Invoices, does not exceed the Contract Price; and
- e) is a valid tax invoice in accordance with the GST Act.

“Customer” means a party specified in a Contract as a Customer.

“Delivery and Acceptance” means the process by which Goods and/or Services are delivered to a Customer and accepted by the Customer as meeting the terms specified in the Contract.

“General Interest Charge Rate” means the general interest charge rate determined under section 8AAD of the *Taxation Administration Act 1953* on the day payment is due, expressed as a decimal rate per day.

“Goods and/or Services” means:

- a) the Goods, Services, or Goods and Services and any Material specified in the Contract; and
- b) all such incidental Goods and Services that are reasonably required to achieve the purposes of the Customer as specified in the Contract.

“GST Act” means *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

“GST” means a Commonwealth goods and services tax imposed by the GST Act.

“Intellectual Property Rights” means all intellectual property rights which may subsist in Australia or elsewhere, whether or not they are registered or capable of being registered.

Commonwealth Contract – Services

Commonwealth Contracting Suite (CCS) Glossary

“Material” means any material brought into existence as a part of, or for the purpose of producing the Goods and/or Services, and includes but is not limited to documents, equipment, information or data stored by any means.

“Moral Rights” means the rights in *Part IX of the Copyright Act 1968 (Cth)*, including the right of attribution, the right against false attribution and the right of integrity.

“Notice” means an official notice or communication under the Contract in writing, from one Contract Manager and delivered to the other Contract Manager, at the postal address, or email address, or facsimile number set out in the Contract or as notified from time to time.

“Requirement” means the description of the Goods and Services described in:

- a) for the purposes of the Commonwealth ATM Terms the section of the Approach to Market with the heading ‘Requirement’;
- b) for the purposes of the Commonwealth Contract Terms the section of the Statement of Work with the heading ‘Requirement’;
- c) for the purposes of the Commonwealth Purchase Order Terms the document setting out the Goods and/or Services.

“Specified Personnel” means the personnel specified in the Contract or such other personnel who are accepted by the Customer in accordance with clause C.C.13 [*Specified Personnel*].

“Statement of Requirement” means the section of the Approach to Market with the heading ‘Statement of Requirement’.

“Statement of Work” means the section of the Contract, as the case may be, with the heading ‘Statement of Work’.

“Supplier” means a party specified in a Contract as a Supplier

Commonwealth Contract – Services

Contract Signing Page

The Parties agree that by signing this Commonwealth Contract – Services, they enter into a Contract comprising:

- a) Additional Contract Terms (if any);
- b) Statement of Work;
- c) Commonwealth Contract Terms;
- d) Commonwealth Contracting Suite Glossary; and
- e) Contract Annex 1 – Supplementary Information (if any).

EXECUTED as an Agreement

Signed for and on behalf of the **Commonwealth of Australia** as represented by Department of Infrastructure, Regional Development and Cities

ABN 86 267 354 017 by its duly authorised delegate in the presence of

Signature of witness

47E

Signature of delegate

47E

Name of witness (*print*)

47E

Name of delegate (*print*)

47E

Position of delegate (*print*)

47E

On:

14 January 2014

Executed by Jones Lang LaSalle Public Sector Valuations Pty Ltd **ACN** 167 493 889 **ABN** 39 167 493 889 in accordance with Section 127 of the *Corporations Act 2001*

Signature of director

Signature of director

47F

47F

Name of director (*print*)

John Talbot

Name of director/company secretary (*print*)

Tyron Noble

On:

24 December 2018

Commonwealth Contract – Services



*Achieve
Ambitions*

Department of Infrastructure, Transport, Cities and Regional
Development

Financial Reporting Valuation Land Assets

s22 - Not relevant

Lot 105 (165) The Northern Road, Bringelly NSW 2556

s22 - Not relevant



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Executive Summary

Valuation Details

Instructing Party	47E Chief Accountant Financial Management Team Department of Infrastructure, Transport, Cities and Regional Development
Reliant Party	Department of Infrastructure, Transport, Cities and Regional Development
Assets Valued	s22 - Not relevant Lot 105 (165) The Northern Road, Bringelly NSW 2556 s22 - Not relevant
Purpose of Report	Financial Reporting
Date of Inspection(s)	Roadside inspections were undertaken on 17 July 2019
Date of Valuation	30 June 2019

Valuation Overview

The Department of Infrastructure, Regional Development and Cities (DIRDC) has instructed JLL to perform a valuation of nine (9) properties for financial reporting purposes.

The valuation has been conducted in accordance with Australian Accounting Standards, including AASB 13 Fair Value Measurement and AASB 116 Property, Plant and Equipment, as well as with the Public Governance, Performance and Accountability (Financial Reporting) Rule for the period ending on or after 1 July 2017.

The market approach has been utilised to determine the fair value of the land assets.

In addition to the fair value measurement, we have also reported on the other aspects of the fair value framework including the valuation premise, the highest and best use, the valuation technique, the market (principal or most advantageous), the fair value hierarchy level for the measurement including whether this has changed since the 2017/18 financial year and a description of the significant unobservable input(s).

Summary of Fair Values

Financial Reporting Class	Legal Particulars	Fair Value (\$) 30 June 2019
s22 - Not relevant		

s22 - Not relevant

Lot 105 (165) The Northern Road, Bringelly NSW 2556

Lot 105/DP1236319

3,065,000

s22 - Not relevant

Key Assumptions and Comments

In the preparation of this valuation report, we have made a variety of key assumptions and important comments. In this regard, we advise that this entire report, including appendices, must be read and understood by the nominated parties to whom reliance is extended in order that the various assumptions and comments are understood in the context of the adopted valuation. Should the parties to this report have any concerns or queries regarding the contents or key assumptions made in the preparation of this valuation, those issues should be promptly directed to the nominated Valuer for comment and review. A selection of the Key Assumptions and Important Comments are as follows:-

- That the instructions and subsequent information contain a full and frank disclosure of all information that is relevant and that the information provided by DIRDC and market participants, pertaining to the subject assets is true, accurate and complete.
- 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 (Appendix B - Australian Property Institute Valuers Limited (APIV) Insurance Standards (for the APIV Professional Standards Scheme) Standard 7).
- This report has been made only for the purposes stated and shall not be used for any other purpose. Neither this report or any portions thereof (including without limitations any conclusions as to value, the identity of the client or any individuals signing or associated with this report, or the professional associations or organisations with which they are affiliated) shall be disseminated to third parties by any means without the prior written consent and approval of Jones Lang LaSalle Public Sector Valuations Pty Ltd (JLL).
- All assets are fully owned and free of encumbrances.
- We have completed the valuation of the nominated financial reporting classes and sub-classes, as provided by DIRDC. We have assumed that this classification is correct.
- This valuation report is provided by JLL. The report has been prepared for DIRDC for financial reporting purposes only. JLL accepts no responsibility for any statements in this report other than for the stated purposes.
- We have assumed that the subject property and its associated identified parcels by DIRDC representatives are in 100% fee simple ownership of the Commonwealth of Australia. This assumption has not been qualified by Certificate of Title searches.

Report Preparation

Jones Lang LaSalle Advisory Services Pty Ltd	
----------------------------------------------	--



Brooke Smith CPV FAPI	Simon O'Leary AAPI
Certified Practising Valuer	Certified Practising Valuer
Director, JLL Public Sector Valuations	Director, JLL Public Sector Valuations

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 Brooke Smith. The valuer who is countersigning the report, Simon O'Leary, verifies that the report is genuine and endorsed by JLL. This summary should be read in conjunction with the report to which it is attached.

Introduction

Instructions

Jones Lang LaSalle Advisory Services Pty Ltd (JLL) has been engaged by the Department of Infrastructure, Regional Development and Cities (DIRDC) to undertake a comprehensive valuation of the land assets controlled by DIRDC in accordance with JLL fee proposal dated 6 June 2019.

This valuation has been prepared in accordance with International Valuation Standards (IVS 2017) as issued by the International Valuation Standards Council (IVSC) and endorsed by the Australian Property Institute (API).

We have assumed that the instructions and subsequent information supplied contain a full and frank disclosure of all information that is relevant.

This report has been prepared for DIRDC. With the exception of DIRDC's external auditor, this report cannot be relied upon by third parties without the express approval of JLL.

Purpose of Valuation Advice

Financial Reporting

Following initial recognition, Australian Accounting Standards and Interpretations (AASs) require an entity to choose either the cost model or the revaluation model as its accounting policy and shall apply that policy to each property, plant and equipment asset class on a consistent basis (AASB 116.29). An item of property, plant and equipment whose fair value can be measured reliably can be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses (AASB 116.31).

DIRDC is a government agency and is required to prepare annual reports and financial statements in a form approved by the Finance Minister (subsection 47(1)). The Public Governance, Performance and Accountability Act 2013 (PGPA Act) and the Public Governance, Performance and Accountability (Financial Reporting) Rule for the period ending on or after 1 July 2017 (FRR) sets out the requirements for the preparation of financial statements as required by the Finance Minister (subsection 3(2)(b)) and DIRDC prepares its financial statements accordingly. Guidance on the financial reporting requirements for Australian Government controlled entities is further set out in a number of documents issued by the Department of Finance (DoF) including; Resources Management Guides (RMGS), specifically RMG 125 Commonwealth Entities Financial Statements Guide; PRIMA Forms for Financial Statements; and PRIMA Illustrative.

The FRR states that subsequent to initial recognition an entity must measure land, buildings, heritage and cultural assets (where not intangible), investment properties and material other property, plant and equipment at fair value in accordance with AASB 116 or AASB 140 as applicable (Division 17 (2) Part 3).

It is understood that DIRDC applies the revaluation model to the property, plant and equipment asset classes. AASB 13 Fair Value Measurement applies to all fair value measurements as required under the FRR made under the PGPA Act. AASB 13 sets out a framework for measuring fair value and requires disclosure about fair value measurements. The definition of fair value emphasises that fair value is a market-based measurement, not an entity-specific measurement. When measuring fair value, an entity uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including

assumptions about risk (AASB 13.22). As a result, an entity's intention to hold an asset or to settle or otherwise fulfil a liability is not relevant when measuring fair value.

JLL has been appointed by DIRDC to determine fair value measurements for the land assets specified in Scope of Valuation Advice below, and provide an associated illustrative fair value measurement disclosure note for use in the financial statements for the year ending 30 June 2019.

The report should not be used for any other purpose and we do not accept any responsibility for use outside this purpose. Except in accordance with meeting the stated accounting disclosures requirements, no extract, quote or copy of our report, in whole or in part, should be reproduced without the written consent of JLL, as to the form and context in which it may appear.

Scope of Valuation Advice

In accordance with the agreed instructions, the scope of this valuation engagement will involve a valuation of DIRDC land assets located at:

s22 - Not relevant

■ Lot 105 (165) The Northern Road, Bringelly NSW 2556

s22 - Not relevant

Information Sources

Our valuation conclusions have been reached after reviewing financial and property information provided by the DIRDC. The information reviewed and supplied includes, although is not limited to, the following:

- The DIRDC's Financial Statements for the year ending 30 June 2018;
- Signed Acquisition Declarations in accordance with the Lands Acquisition Act 1989;
- Access to DIRDC staff with knowledge of the properties; and
- Other relevant information and general correspondence.

Definition of Value

Fair Value is defined at paragraph 9 of AASB 13 as follows:

“the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.”

Date of Valuation

30 June 2019

Due to possible changes in market forces and circumstances in relation to the assets subject to this valuation, the report can only be regarded as representing our opinion of values as at the date of valuation.

Date of Inspection

Roadside inspections were undertaken on 17 July 2019.

Pecuniary Interest

We advise that all Valuers involved in the valuation project are authorised under the relevant laws to practice as a Valuer and have had in excess of five (5) years continuous experience in the valuation of similar property to the subject. Further, we confirm that the nominated Valuers do not have a pecuniary interest that could conflict with the proper valuation of the property, plant and equipment assets specified in Section Scope of Valuation Advice, and we advise that this position will be maintained until the purpose for which this valuation is being obtained is completed.

Assumptions

The following assumptions are important to this valuation advice:

- We have relied upon DIRDC's asset information. In instances where there may not be fully disclosed information due to security restrictions or where there is limited detail it has been assumed that the item is as described unless stated otherwise in this report or in the associated asset registers.
- We have relied upon the accuracy, sufficiency and consistency of the information supplied to us. JLL accepts no liability for any inaccuracies contained in the information disclosed by the Client or other parties, or for conclusions which are drawn either wholly or partially from that information. Should inaccuracies be subsequently discovered, we reserve the right to amend our valuation assessment.
- We have assumed that the subject property and its associated identified parcels by DIRDC representatives is in 100% fee simple ownership of the Commonwealth of Australia. This assumption has not been qualified by Certificate of Title searches.

Extent of Investigations

Where possible inspections have been undertaken and as such a stocktake has not been undertaken by JLL. JLL considers that all reasonable enquires with DIRDC representatives have been made regarding the information supplied and nature of the assets subject to this valuation. In consideration of the inquiries, we believe that the information supplied is within a level of accuracy tolerance and that material facts have not been intentionally withheld. For the purpose of our valuation assessment, we have assumed that this information is correct.

Application of the Fair Value Framework

Background

The International Accounting Standards Board and US Financial Accounting Standards Board commenced a review of fair value in 2005 in light of inconsistencies in the use of fair value measurement techniques worldwide. This project culminated in the release of International Financial Reporting Standard 13 *Fair Value Measurement* in May 2011, which was followed by the release of AASB Standard 13 of the same name in September 2011. AASB 13 applies to all financial reporting periods commencing after 1 January 2012.

The fair value definition is a market based measurement and AASB 13 sets out a framework for applying the definition in a consistent manner. In order to determine a fair value measurement, an entity must have regard to the following interlinking components of the framework.

The Assets

AASB 13 states that a fair value measurement is specific to a particular asset (AASB13.11). Therefore, the measurement should incorporate the asset or liability's specific characteristics, such as condition, location, and restrictions, if any, on sale or use, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Unit of Account

The unit of account for an asset is determined at the time the asset is recognised in accordance with the Standard that prescribes how to account for that asset. The unit of account drives the level of aggregation (or disaggregation) for the purposes of applying AASB 13, AASB 116 and other applicable AAS (e.g. the unit of account will determine whether information is presented in the financial statements for an individual asset or group of assets).

The unit of account for DIRDC's tangible assets is determined at the asset level, in accordance with the accounting treatment prescribed in AASB 116.

Highest and Best Use and Valuation Premise

When determining the highest and best use of a non-financial asset, an entity must take into account what is physically possible, legally permissible and financially feasible. Consideration must also be given to the way a market participant would maximise economic benefits either by;

- Using the asset at its highest and best use; or
- Selling it to another market participant who would use the asset in its highest and best use.

An entity's current use of an asset is presumed to be its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

DIRDC is a government agency. DIRDC land and building assets subject to this valuation are being utilised to meet DIRDC's role.

The highest and best use of an asset establishes the valuation premise used to measure the fair value of the asset. The valuation premise is determined by whether market participants would maximise the value of the asset by; using the asset in combination with other assets as a group; or on a standalone basis.

As the land and building would transfer in one line in a hypothetical transaction, it is considered that the asset provides maximum value to market participants on an in combination basis. The highest and best use is discussed with each property summary report.

Principal (or Most Advantageous) Market and Market Participant

AASB 13 discusses the concepts of principal market and most advantageous market. In accordance with these concepts, a market transaction takes place either in:

- The principal market, the market with the greatest volume and level of activity for the asset or liability; or
- In the absence of a principal market, the most advantageous market. The most advantageous market is the market that maximises the amount that would be received to sell the asset or minimises the amount that would be paid to transfer the liability, after taking into account transaction costs and transportation costs. However, although transaction costs are taken into account when determining which market is the most advantageous, the price used to measure the asset's fair value is not adjusted for those costs (although it is adjusted for transport cost).

A market must be accessible to the entity at the measurement date to be considered under AASB 13. The entity is not required to have the ability to sell the asset at that date but rather it should be able to access the market.

When measuring fair value, the entity must identify characteristics of market participants in the principal (or most advantageous) market. Market participants are buyers and sellers who are independent of each other, have knowledge or an understanding of the asset, have the ability to transact within the market and are willing to enter into a transaction without being compelled to do so. The underlying assumptions of a fair value measurement are determined by the position of market participants and so it is important for an entity to understand the forces driving their decisions to transact.

There are identifiable markets for DIRDC land and building assets as such asset do normally transact with enough frequency or transparency to draw meaningful comparisons. JLL has researched potential markets, the characteristics of market participant and given consideration to DIRDC's access to such markets in determining the most appropriate market to utilise to determine fair value.

Valuation Techniques

AASB 13 recognises three (3) valuation approaches to measuring fair value including the market comparison approach, the cost approach (or Depreciated Replacement Cost) and the income capitalisation approach. These approaches are consistent with generally accepted valuation methodologies utilised by the valuation profession. Not all three (3) approaches are applicable to all types of assets and the fair value hierarchy does not prioritise the valuation techniques to be used but rather the inputs used in the application of these techniques. An entity is required to adopt the valuation technique that is appropriate to the characteristics of the asset and adequacy of available market data.

The **cost approach** reflects the amount that would be required to replace the service capacity of an asset at the reporting date. That is, the cost a market participant would be prepared to pay to acquire or construct a substitute asset of comparable utility, whether by purchase or reproduction (modern equivalent asset). Often the asset being valued will be less attractive than the alternative that could be purchased or reproduced because of age or obsolescence. As opposed to depreciation for financial reporting or taxation purposes, obsolescence incorporates physical deterioration, functional (or technical) obsolescence and economic (external) obsolescence specific to the asset. This approach is referred to as the Current Replacement Cost (“CRC”) under AASB 13. However, it is commonly referred to as the Depreciated Replacement Cost (“DRC”) approach in the valuation industry.

The **market approach** provides an indication of value by comparing the subject asset with similar assets for which price information is available. Under this approach the first step is to consider the prices for transactions of similar assets that have occurred recently in the market. If few recent transactions have occurred, it may also be appropriate to consider the prices of identical or similar assets that are listed or offered for sale provided the relevance of this information is clearly established and critically analysed. It may be necessary to adjust the price information from other transactions to reflect any differences in the terms of the actual transaction as well as for differences in the legal, economic or physical characteristics of the assets in other transactions and the asset being valued.

The **income approach** converts future amounts (for example, cash flows or income and expenses) to a single current (that is, discounted) amount. This approach considers the income that an asset will generate over its useful life and indicates value through a capitalisation process. Capitalisation involves the conversion of income into a capital sum through the application of an appropriate discount rate. The income stream may be derived under a contract or contracts, or be non-contractual (e.g. the anticipated profit generated from either the use of or holding of the asset). When the income approach is utilised, the fair value measurement reflects current market expectations about those future amounts.

Not all three (3) approaches are applicable to all types of assets and the fair value hierarchy does not prioritise the valuation techniques to be used; instead, it prioritises the inputs used in the application of these techniques. An entity is required to adopt the valuation technique that is appropriate to the characteristics of the asset and principal (or most advantageous) market and for which adequate data is available. The market approach has been determined to be the most appropriate valuation technique for the subject property with available market evidence of sales transactions.

Fair Value Hierarchy Inputs

To increase consistency and comparability in fair value measurements and related disclosures, AASB 13 establishes a fair value hierarchy that categorises into three (3) levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Fair value measurements developed utilising the market approach are generally classified at either level 2 or 3 in the fair value hierarchy depending on; the volume of market transactions; the level of judgement required to adjust for differences in characteristics between the subject item and transactional evidence; and the sensitivity of those adjustments to the fair value measurement. The table on the following page describes each fair value hierarchy level input and illustrates examples where they would apply.

Fair Value Hierarchy Input	Description	Examples
Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Shares that are actively traded on a stock exchange.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.	An analysed price per square metre rate for a property derived from comparable market transactions.
Level 3	Unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.	A financial forecast (such as a cash flow) developed using the entity's own data if there is no reasonably available information that indicates that market participants would use different assumptions.

Fair value measurements are determined from level 2 or level 3 inputs. The decision to classify a fair value measurement at a particular level will depend upon the individual facts and circumstances of the asset under consideration. For example, sale prices of similar asset in active markets would be considered level 2 inputs. Where significant professional judgements are made to market evidence or where other significant assumptions are unobservable, the fair value measurement would be categorised as a level 3 measurement.

Assets classified at a particular level input in the current financial reporting period may be reclassified into a different level in subsequent periods if there are changes to the market evidence. For example, an asset that is valued on the basis of recent comparable sales evidence would be classified at level 2. If that market ceased to exist in subsequent periods and the fair value measurement involved more significant adjustments and professional judgement it may then be classified into a level 3 measurement.













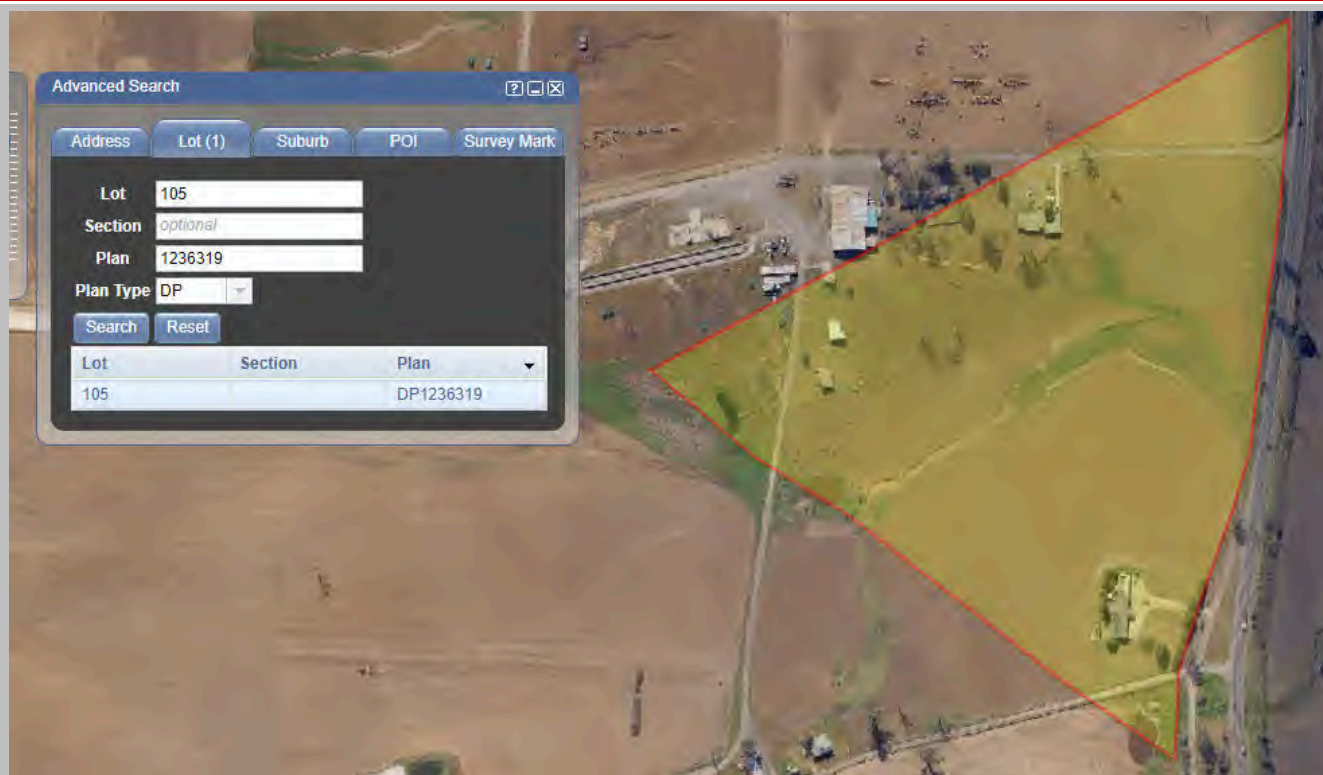






s22 - Not relevant

Lot 105 (165) The Northern Road, Bringelly NSW 2556



Legal Description

Identifier:	Lot 105 in DP1236319	Reg. Proprietor:	Commonwealth of Australia
Site Area:	122,600 sqm (12.26 ha)	Zoning:	SP1 - Special Activities

Improvement Details

A roadside inspection was undertaken of the subject property on 17 July 2019. From this inspection structural improvements were visible however do to the portions of the subject allotment it was difficult for us to accurately determine the age, construction materials, overall condition etc. hence for the purpose of this assessment a land valuation has been undertaken only.

Site / Location Description

The subject property is located in the Greater Western Sydney Region of Bringelly located approximately 60 kilometres south west of Sydney's Central Business District.

Allotment 105 is approximately 12.26 hectares and located along The Northern Road with a 554m frontage to the main road. The allotment is irregular in shape.

The surrounding land uses are predominantly rural lifestyle properties with the surrounding areas being within the Special Activities and Primary Production Zone.

The following maps identifies the approximate location of the property The following maps identifies the approximate location of the property:



Source: <https://maps.six.nsw.gov.au/>

Site Description

The subject allotment is triangular in shape with a generally level contour and approximately 554m frontage to Northern Road. The site has been cleared and improved to include gravel/earthen roads.

Market / General Commentary

The overall market in Sydney's south-western region has softened, driven by tight lending conditions. Following the release of the Hayne Royal Commission, it is seemingly unlikely that banks will tighten lending standards further. APRA have also removed previous limits on investor and interest only loans, which should improve demand in time. However, issues surrounding property taxation in the coming Federal election will likely keep demand muted in the near-term. Nevertheless, there will be a policy-lag before the reversal of these macro-prudential measures takes place and investor demand is likely to remain low in the near term. Likewise, offshore demand will remain muted. While a range of Federal and State imposts on foreign investors have made investment less attractive, steering potential investors to other locations.

For owner occupier demand, fundamentals will remain strong, interest rates remain very low and could even go lower in 2019, due to either strong competition for the diminishing number of owner occupier buyers or a possible further reduction in the official cash rate by the RBA. Tighter credit conditions and extensive negative media coverage of the Sydney price falls have also dampened sentiment elsewhere. While conditions will remain challenging in 2019, supply will fall sharply this year and next, helping the rebalancing and stabilisation of the market from 2020 onwards.

The outlook for the NSW economy remains positive backed by commercial construction activity and the long awaited development of Sydney's second airport at Badgerys Creek, which commenced in September 2018. The project is forecast for completion by 2026, will also add to Sydney's robust pipeline of infrastructure projects. The infrastructure has been driving economic growth in NSW and offsetting the effect of declining development.

Whilst demand in and around Badgerys Creek has softened, these factors appear to indicate that the market has past the peak of the current cycle and accordingly caution is advised on the sustainability of current value levels. We reiterate that this valuation represents our opinion of value as at the valuation date only and regular valuation advice should be sought in order to keep track of market value movements.

In establishing a suitable list of sales evidence to be relied upon in forming our opinion of Market Value for the subject site, we recognise there is a dearth of market transactions which provide a relevant comparison. As such we have searched for sales across a wide geographic region with consideration and adjustments for the dated nature of some of the sales. Sales transactions we have considered in forming our opinion of market and value are as follows:-

Sales Evidence 1

Address:	367 Greendale Road	Sale Price:	\$2,275,000
Suburb:	Greendale	Sale Date:	Jan-19
Approx. Building Area:	N/A	Approx. Site Area:	10.12ha
Circa of Construction:	N/A	Comparison:	Overall Inferior
General Comments:	Allotment of approximately 10.12 ha with tomatoes and organic fed angus cattle on the land. Two large dams and pastoral views. Single phase and three phase power to the land. The proposed South West Rail Link access to Leppington Station within close proximity. Analysed site value \$22.48 which equates to \$224,802pha.		

Sales Evidence 2

Address:	110 Wolstenholme Avenue	Sale Price:	\$2,360,000
Suburb:	Greendale	Sale Date:	Feb-18
Approx. Building Area:	N/A	Approx. Site Area:	10.15ha
Circa of Construction:	N/A	Comparison:	Overall Inferior
General Comments:	Allotment of approximately 10.15 ha. Located within close proximity to proposed Badgerys Creek Airport site. Slightly undulating land with dams and rainwater tanks. Fully fenced. Analysed site value \$23.25 which equates to \$232,512pha.		

Sales Evidence 3

Address:	290 Ramsay Road	Sale Price:	\$2,750,000
Suburb:	Kemps Creek	Sale Date:	June-18
Approx. Building Area:	N/A	Approx. Site Area:	3.5ha
Circa of Construction:	N/A	Comparison:	Overall Inferior
General Comments:	Allotment of approximately 3.5 ha. Horticultural business currently on site with potential to expand. Located within close proximity to Badgerys Creek Airport. Analysed site value \$78.57 which equates to \$785,714pha.		

Sales Evidence 4

Address:	150 Mersey Road	Sale Price:	\$5,000,000
Suburb:	Bringelly	Sale Date:	Feb-17
Approx. Building Area:	114 square metres	Approx. Site Area:	4.04ha
Circa of Construction:	1985	Comparison:	Overall Superior
General Comments:	Sale is located within a General Farming Zone. Within close proximity to the Northern Road, the main arterial access road and also within close proximity to the Badgerys Creek Airport. Improvements include a 4 bedroom 1 bathroom dwelling, shedding and fenced paddocks. Single phase and three phase power to the land. Analysed site value \$123.76 which equates to \$1,237,624pha.		

Valuation Rational

In determining the current market value of the subject property, we have examined the available market evidence and applied this analysis to a traditional direct comparison approach to value.

The direct comparison approach involves the process of deriving an opinion of value for the subject property by comparing similar properties that have recently sold, identifying appropriate units of comparison and making adjustments to the sale prices of the comparable properties based on relevant, price sensitive elements or comparison. These elements can include, but are not limited to; the timing of sale; location; level, quality, size and condition of improvements; and land characteristics and area.

The subject property is a triangular shaped, approximately 12 hectare rural living allotment which has been cleared and improved, zoned 'Special Activities'. For the purpose of this assessment a land valuation has been undertaken and roadside inspection only.

There was a paucity of 'Special Activities' zoned allotment sales hence we have drawn on evidence from a similar location albeit superior zoning and land use alternatives.

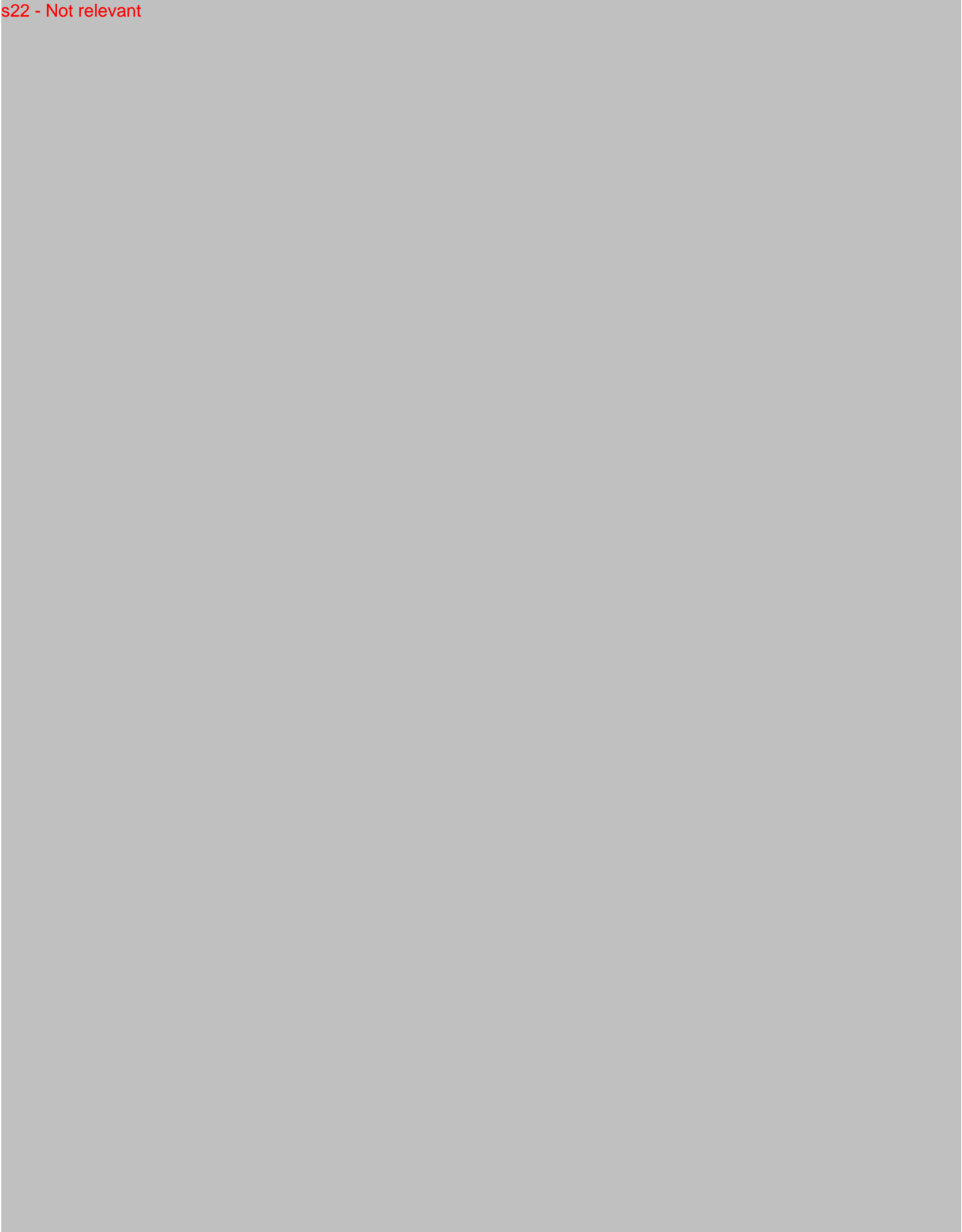
We are aware that the subject property transferred on 31 July 2018 for \$29,837,832. JLL understands that this transfer was between the instructing party and Department of Defence hence not exposed to open market conditions therefore, can't be considered as a market transaction.

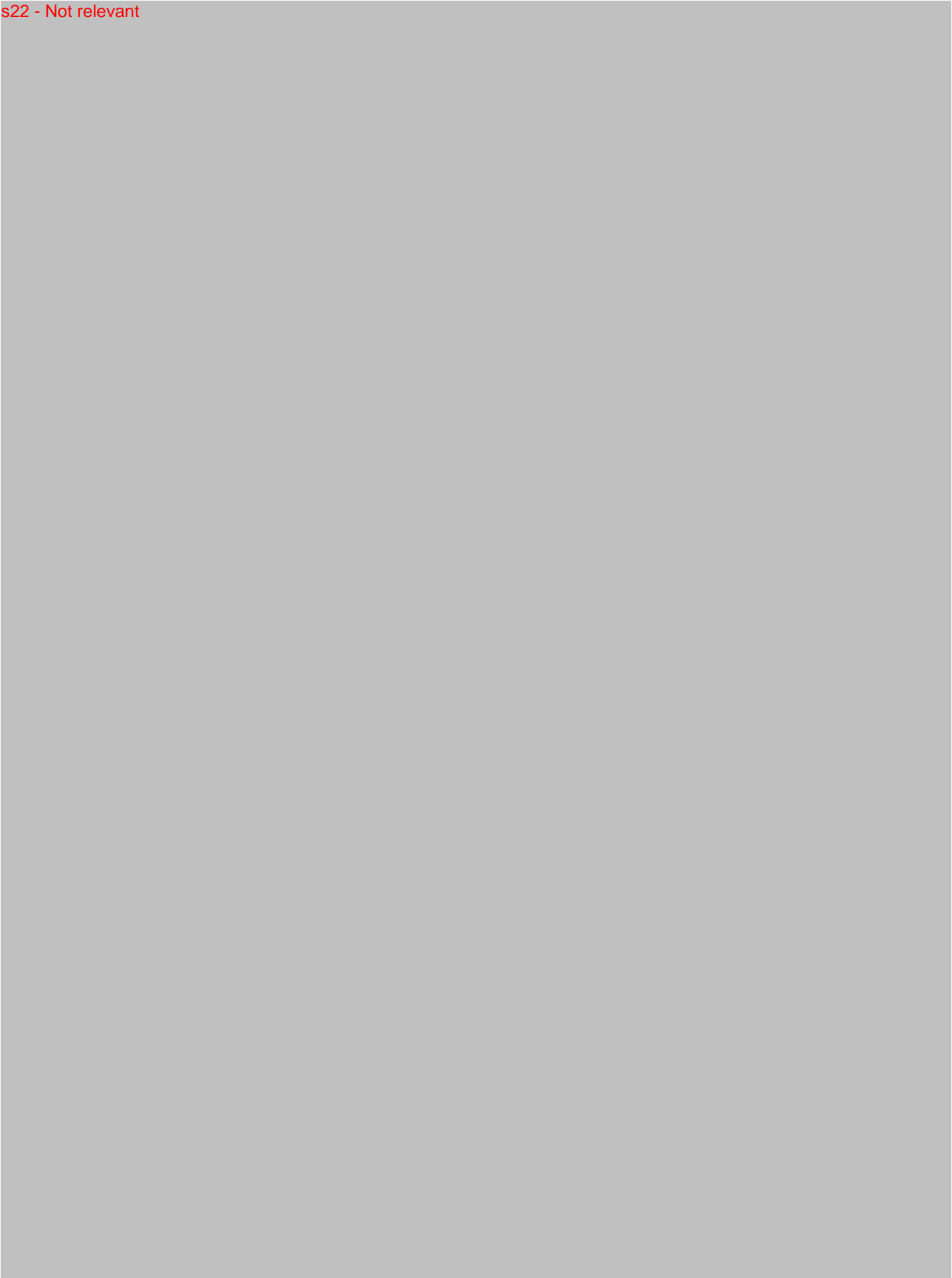
The above tabled sales evidence shows sale prices ranging from \$2,275,000 to \$5,000,000 for properties ranging from 3.5 to 10.15 hectares. We have analysed the evidence on a comparison rate per hectare which shows rates of \$224,802 to \$1,237,624 per hectare improved.

In consideration of the 'Special Activities' zoning, we have adopted \$250,000 per hectare for the land value of the subject property equating to a rounded valuation of \$3,065,000.

Valuation – Lot 105 (165) The Northern Road, Bringelly NSW 2556

Valuation Methodology:	Direct Comparison	Inspection Date:	Roadside 17 July 2019
Land Value:	\$3,065,000	Fair Value Hierarchy:	Level 2
Improvements Value:	\$0	Highest and Best Use:	Rural lifestyle
Fair Value:	\$3,065,000 (Three Million and Sixty Five Thousand Dollars)		
Valuer:	Brooke Smith		







Valuation

Fair Value Valuation Summary The following table summarises the results of the valuation at fair value.

Fair Valuation Summary

The following table summarises the results of the fair value valuation for the land assets controlled by DIRDC at 30 June 2019:

Financial Reporting Class	Legal Particulars	Fair Value (\$)
s22 - Not relevant		
Lot 105 (165) The Northern Road, Bringelly NSW 2556	Lot 105/DP1236319	3,065,000
22 - Not relevant		

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Valuation Project Team

The following valuers were directly involved in the valuation project:

Brooke Parish FAPI CPV has extensive valuation skills across all facets of real property including residential, commercial, development, industrial, retail, rural, agricultural enterprise and institutional assets within South Australia, Northern Territory and Australian Capital Territory for the public and private sectors. Brooke has strong leadership and public speaking skills being a past President of the Australian Property Institute (SA Division & NT Group).

Simon O’Leary AAPI CPV with over 35 years’ experience, Simon has been responsible for the plant and equipment valuations for the DPTI since 1998 as well across a multitude of projects and industry sectors throughout Australia. Simon has managed projects for financial reporting and insurance purposes for government for 20 years for agencies such as the DPTI, Trans Adelaide, Department of Parliamentary Services, Australian National University, Commonwealth Scientific & Industrial Research Organisation and the Australian Nuclear Science and Technology Organisation.

Conclusion

Finally, and in accordance with our normal practice, we confirm that this report is confidential to the Department of Infrastructure, Transport, Cities and Regional Development for **financial reporting purposes** as at **30 June 2019**. No responsibility is accepted to any third party and neither the whole of the report or any part or reference thereto may be published in any document, statement or circular nor in any communication with third parties without our prior written approval of the form and context in which it will appear.

We thank you for this opportunity to undertake the valuation of your non-current assets for financial reporting purposes and trust this report addresses all of your valuation requirements. Should you have any queries please do not hesitate to contact us.

Report Preparation

Jones Lang LaSalle Advisory Services Pty Ltd



Brooke Smith CPV FAPI	Simon O’Leary AAPI
Certified Practising Valuer	Certified Practising Valuer
Director, JLL Public Sector Valuations	Director, JLL Public Sector Valuations



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Brooke Smith
Director



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