

# Rental Assessment Report

Strata Industrial Unit



Lot 4, 2 Sierra Pl, Upper Coomera QLD 4209

**As at** 11 March 2021  
**Prepared for** B&T SMSF Property Pty Ltd  
**Our Ref** JB2294178

As required by lease option extension / renewal

Gold Coast

Herron Todd White (Gold Coast & NSW Far North Coast) Pty Ltd  
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## INSTRUCTIONS

|                                     |  |
|-------------------------------------|--|
| <b>Property Address</b>             | Lot 4, 2 Sierra Pl, Upper Coomera QLD 4209.  |
| <b>Instructing Party</b>            | Ben Jones.   |
| <b>Prepared For</b>                 | B&T SMSF Property Pty Ltd.   |
| <b>Basis of Assessment</b>          | The interest being assessed is the market rent of the demised premises in accordance with the existing lease.  |
| <b>Purpose of Assessment</b>        | Our assessment has been prepared for lease negotiation/renewal purposes only.  |
| <b>Date of Inspection</b>           | 11 March 2021.   |
| <b>Market Review Date</b>           | 11 March 2021.   |
| <b>Date of Report Issue</b>         | 12 March 2021.   |
| <b>Registered Proprietor/Lessor</b> | B&T SMSF Property Pty Ltd.   |
| <b>Registered Lessee</b>            | The Vet Lounge Pty Ltd.  |
| <b>Real Property Description</b>    | Lot 4 on Survey Plan No. 172928.   |
| <b>Property/Tenancy Summary</b>     | <p>The parent parcel is a 3,945 square metre, regular shaped corner allotment that is slightly above road grade. It has a corner road frontage to Sierra Pl and Northward St located within a developing industrial precinct on the northern Gold Coast.</p> <p>Erected on the property is a semi-modern style, single level industrial complex comprising a total of 10 strata titled units in a U shape configuration.</p> <p>The subject Lot 4 is an irregular shaped unit positioned towards the northern end of the western wing of the complex. It has a Surveyed Floor Area (SFA) of 258 square metres providing ground floor warehouse and mezzanine office on title along with carport SFA of circa 36 square metres.</p> <p>The improvements are estimated to have been constructed circa 2008 and generally presents in good condition.</p> |

## IMPROVEMENTS



Street view of complex



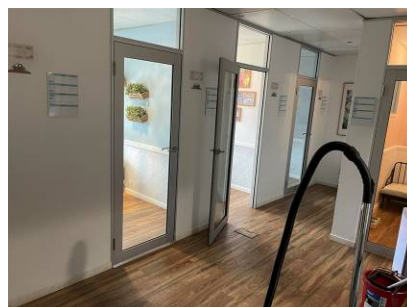
Subject unit



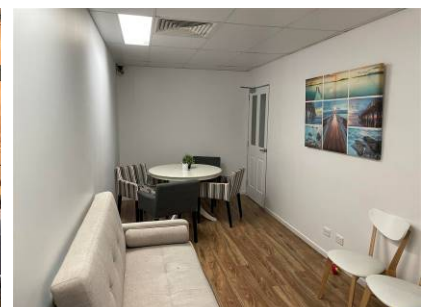
Ground floor office



Ground floor office/consult rooms



Mezzanine SFA/boarding enclosures



Council approved mezzanine office





Warehouse



Undercroft parking

**General Description**

Erected on the property is a semi-modern style, single level industrial complex comprising a total of 10 strata titled units in a U shape configuration.

The subject Lot 4 is an irregular shaped unit positioned towards the northern end of the western wing of the complex.

The improvements are estimated to have been constructed circa 2008.

**Lettable Floor Area**

| Floor Area                 | Square Metres (m <sup>2</sup> ) |
|----------------------------|---------------------------------|
| Ground Floor SFA           | 184                             |
| Mezzanine SFA              | 38                              |
| Council Approved Mezzanine | 70                              |
| <b>Total GFA</b>           | <b>292</b>                      |
| <b>Non-GFA Floor Area</b>  |                                 |
| Carpport SFA               | 36                              |

**Construction**

Ground Floor: Concrete foundation; concrete floor; structural external walls and steel roof frame; concrete tilt panel external walls; concrete tilt panel internal walls to warehouse components, plasterboard to office/amenities; sarking ceilings to warehouse components, plasterboard to office/amenities; bare concrete, tile floor coverings; aluminium frame glazing.

Mezzanine: Particleboard floor; plasterboard internal walls; suspended grid pattern ceilings; carpet floor coverings.

**Layout**

Internally, it is configured to provide high clearance warehouse space having an internal clearance of circa 2.9 metres, being accessed via a glass swing door.

The ground floor is configured to provide veterinary accommodation providing two partitioned consult rooms and various partitioned office/store rooms. Two undercroft car parks are positioned in the north western corner of the unit.

Mezzanine office accommodation extends along the northern elevation comprising a mix of on title and Council approved space. The western end of the mezzanine provides a partitioned pet boarding rooms comprising 5 enclosures. The balance of the extended mezzanine provides two partitioned office/store rooms and staff amenities.

**We are advised the approvals and fitout related to veterinary uses were funded by the Lessee; as such, additional fitout has been excluded for assessment purposes.**

**Services**

Unisex toilet amenities, shower; basic kitchenette; ducted air conditioning; internal stairwell/s; access via a single swing glass door and a high clearance roller door (which has been rendered closed for the current tenant); recessed fluorescent lighting, downlights, feature lighting to office components, mercury vapour lighting to original warehouse component; fire extinguisher/s.

**Parking**

There are two undercroft car spaces included within the SFA and several open car spaces appear to be allocated to the subject tenant.

Parking provisions are appropriate for most likely users of the property.

**Condition**

Generally the property is in good order and no signs of damage or structural movement have been noted.



## OCCUPANCY DETAILS

|                 |                             |  |
|-----------------|-----------------------------|--|
| <b>Overview</b> | <b>Lease Status:</b>        | Executed   |
|                 | <b>Demised Premises:</b>    | Lot 4, 2 Sierra Pl, Upper Coomera QLD 4209   |
|                 | <b>Permitted Use:</b>       | Veterinary surgery and ancillary services  |
|                 | <b>Lessor:</b>              | B&T SMSF Property Pty Ltd  |
|                 | <b>Lessee:</b>              | The Vet Lounge Pty Ltd   |
|                 | <b>Commencement Date:</b>   | 11 March 2016  |
|                 | <b>Expiry Date:</b>         | 10 March 2021  |
|                 | <b>Term/Option:</b>         | 5 years; with a single further 5 year option   |
|                 | <b>Commencement Rental:</b> | \$32,400.00 per annum plus GST   |
|                 | <b>Current Rental:</b>      | \$34,796.40 per annum plus GST   |
|                 | <b>Rent Reviews:</b>        | Annually by CPI; market review at option renewal   |
|                 | <b>Outgoings:</b>           | 100% payable by the lessee; outgoings are defined to include Council rates and charges, Council water charges, all other rates, taxes and assessments whether statutory, municipal and local government or otherwise, including Land Tax, insurance premiums, body corporate levies, repairs and maintenance, excluding structural repairs, and management fees. |

*We are not qualified at law and the lease summary should not be construed as a legal opinion of terms and conditions by which the property is occupied. In this regard a solicitor's advice should be sought. In the event any onerous legal matter was revealed, we would reserve the right to revise this Rental Assessment.*

## ASSESSMENT CONSIDERATIONS

### BASIS OF ASSESSMENT

|   |   |
|---|---|
| <b>Market Rent Review Provisions within the Lease</b> | <p>Section 3.3 of the lease outlines the market review procedure for grant of option.</p> <p>Section 3.3 (a) states <i>"The rent shall be reviewed based on the current market rent, at each Market Review Date in item 4. In the period from ninety (90) days before to ninety (90) days after each Market Review Date, the Landlord will give a notice to the Tenant setting out the reviewed rent. Any delay in giving the notice will not affect the right of the Landlord to review the rent."</i></p> <p>Section 3.3 (b) states <i>"The reviewed rent is due and payable from the Market Review Date. Until the Landlord gives the Tenant notice under clause 3.3 (a), the Tenant must pay the Landlord the old rent, and any adjustments are calculated from the Market Review Date."</i></p> <p>Section 3.3 (c) states <i>"If the Tenant disputes the reviewed rent, and the dispute cannot be resolved by negotiation between the Landlord and the Tenant, then the procedure in Clause 3.4 must be followed."</i></p> <p>Section 3.3 (d) states <i>"If the Tenant does not give the Landlord a notice under Clause 3.4 within the time referred to in that clause, then it is deemed that the Tenant accepts the reviewed rent."</i></p> <p>Section 3.3 (e) states <i>"The reviewed rent will not be less than the previous year's rent."</i></p> <p>The lease does not stipulate the matters to be considered by the valuer under a market review process.</p> |
| <b>Definition of Market Rent</b>                      | <p>The following definition of Market Rent is endorsed by the International Valuation Standards Council and the Australian Property Institute:</p> <p><i>"The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."</i></p>   |



## MARKET EVIDENCE

### Rental Evidence

The commercial property market across the greater Gold Coast region has generally been strong over the past few years, with one of the main catalysts being the sustained low interest rate environment. There are currently many factors at play in the market including historically low interest rates, significant government stimulus targeting certain sectors of the economy (including property market), along with rising unemployment levels, reduced local/international migration and a heightened level of economic uncertainty.

Notwithstanding these factors, the industrial market has been quite resilient to date demonstrating continued transaction activity, however at this stage, the full impact of the economic fallout due to the pandemic, and its flow on effect to the property market over the short/medium term, cannot be known.

Vacancy levels in this industrial area are low. Should the property be offered for lease, we would expect a leasing up period in the order of 6 months, with minimal rental incentives in the current market. However, the evolving situation regarding Coronavirus (COVID-19) has potential to reduce tenant demand whereby extended letting up periods may be experienced across the board.

Rental levels for industrial floor space have remained fairly static over the past few years, however, of recent there has been a lack of supply of available properties for lease as the owner occupier market has intensified; therefore, rents have since started to increase. Although, smaller tenancies have witnessed a higher absorption rate in recent times, whilst larger tenancies are still facing extended lease up periods if not priced to meet the market.

Rental rates for good quality light industrial premises would generally be expected to range between \$160 and \$200 per square metre per annum gross depending upon size, quality and content, together with location, access and exposure attributes, and the extent of natural lighting.

Tabled below is a summary of the most relevant rental evidence that we have reviewed, analysed and compared to the subject.

| No                 | Address   | Commence Date | Term (Years) | Options (Years) | Area (m <sup>2</sup> ) | Gross Rental P.A. | Rate (\$/m <sup>2</sup> ) |
|--------------------|---|---------------|--------------|-----------------|------------------------|-------------------|---------------------------|
| 1.                 | Lot 10, 2 Sierra Pl, Upper Coomera QLD 4209   | 07/12/2020    | 2            | 1               | 206*                   | \$33,200          | \$161                     |
| <b>Comments:</b>   | <p><b>Subject complex.</b></p> <p>Lot 10 is an irregular shaped unit positioned in the south eastern corner of the complex fronting Sierra Pl. Internally, it comprises 172sqm of ground floor warehouse along with 34sqm of overcroft office mezzanine extending from the front south western corner. In addition, carport SFA of circa 32sqm is provided beneath the overcroft mezzanine.</p> <p>Leased to a local tenant on a 2+1 year lease with annual fixed 3% increases returning \$33,200 per annum gross (*\$161/m<sup>2</sup> excluding the carport SFA).</p> <p><b>Further apportionment of rental: Warehouse - \$149/m<sup>2</sup>, Office - \$223/m<sup>2</sup>.</b></p> |               |              |                 |                        |                   |                           |
| <b>Comparison:</b> | <p><b>Subject complex. Superior street front position, albeit with slightly inferior exposure attributes. Smaller enclosed SFA. Similar quality building improvements with a lower proportion of office accommodation. Inferior lease terms. Overall, the subject would be expected to reflect a higher gross rental rate per square metre.</b></p>   |               |              |                 |                        |                   |                           |



| No                       | Address  | Commence Date | Term (Years) | Options (Years) | Area (m <sup>2</sup> ) | Gross Rental P.A. | Rate (\$/m <sup>2</sup> ) |
|--------------------------|--|---------------|--------------|-----------------|------------------------|-------------------|---------------------------|
| 2.                       | 18 Northward St, Upper Coomera QLD 4209  |               |              |                 |                        |                   |                           |
| a)                       | Lot 4  | 12/2020       | 3            | -               | 162                    | \$31,278          | \$193                     |
| b)                       | Lot 5  | 12/2020       | 3            | -               | 160                    | \$30,904          | \$193                     |
| c)                       | Lot 6  | 12/2020       | 2            | 1               | 158                    | \$28,946          | \$183                     |
| Draft Survey Plan 316644 |  |               |              |                 |                        |                   |                           |
| <b>Comments:</b>         | <p>The parent parcel is a 3,257 square metre, level, irregular shaped internal allotment that is slightly above street grade. It has dual road frontages to Northward and Kohl Streets with the allotment extending east to west between the two. The site is classified within the Low Impact Industry Zone under the Gold Coast City Plan.</p> <p>Erected on the property is a modern style, single level industrial complex of concrete tilt panel construction comprising a total of 10 strata titled units in a straight line configuration extending along the northern property boundary. Built 2020.</p> <p><b>Lot 4</b> is a rectangular shaped unit positioned towards the eastern end of the complex. Internally, it comprises 128sqm of ground floor warehouse along with 34sqm of internal office mezzanine extending along the rear northern elevation.</p> <p>Leased to a local tenant on a 3 year lease returning \$27,228 per annum net (\$168/m<sup>2</sup>). Outgoings are advised to be circa \$25/m<sup>2</sup> totalling circa \$4,050 per annum. No incentives.</p> <p><b>Further apportionment of rental: Warehouse - \$175/m<sup>2</sup>, Office - \$262/m<sup>2</sup>.</b></p> <p><b>Lot 5</b> is a rectangular shaped unit positioned towards the centre of the complex. Internally, it comprises 126sqm of ground floor warehouse along with 34sqm of internal office mezzanine extending along the rear northern elevation.</p> <p>Leased to a local tenant on a 3 year lease returning \$26,904 per annum net (\$166/m<sup>2</sup>). Outgoings are advised to be circa \$25/m<sup>2</sup> totalling circa \$4,000 per annum. One months rent free.</p> <p><b>Further apportionment of rental: Warehouse - \$175/m<sup>2</sup>, Office - \$262/m<sup>2</sup>.</b></p> <p><b>Lot 6</b> is a rectangular shaped unit positioned towards the centre of the complex. Internally, it comprises 124sqm of ground floor warehouse along with 34sqm of internal office mezzanine extending along the rear northern elevation.</p> <p>Leased to a local tenant on a 2+1 year lease returning \$24,996 per annum net (\$158/m<sup>2</sup>) with annual fixed 3% increases. Outgoings are advised to be circa \$25/m<sup>2</sup> totalling circa \$3,950 per annum. No incentives.</p> <p><b>Further apportionment of rental: Warehouse - \$165/m<sup>2</sup>, Office - \$248/m<sup>2</sup>.</b></p> |               |              |                 |                        |                   |                           |
| <b>Comparison:</b>       | <p>Similar location within circa 240 metres north of the subject complex. Inferior internal positions and exposure attributes. Smaller lettable areas. Similar quality building improvements, albeit of brand new construction. Lower proportions of office accommodation. Inferior lease terms. Overall, the subject would be expected to reflect a similar gross rental rate per square metre weighing economies of scale, higher proportion of office accommodation and setback street exposure.</p>  |               |              |                 |                        |                   |                           |
| 3.                       | Lot 2, 16 Northward St, Upper Coomera QLD 4209   | 02/2021       | 3            | -               | 239                    | \$48,695          | \$204                     |
| Survey Plan 287150       |  |               |              |                 |                        |                   |                           |
| <b>Comments:</b>         | <p>The parent parcel is a 3,146 square metre, near level, irregular shaped internal allotment that is slightly above street grade. It has dual road frontages to Northward and Kohl Streets with the allotment extending east to west between the two. The site is classified within the Low Impact Industry Zone under the Gold Coast City Plan.</p> <p>Erected on the property is a modern style, single level industrial complex of concrete tilt panel construction comprising a total of 10 strata titled units in a straight line configuration extending along the southern property boundary. Built 2020/21.</p> <p><b>Lot 2</b> is an irregular shaped unit positioned towards the eastern end of the complex. Internally, it comprises 159sqm of ground floor warehouse along with 80sqm of mezzanine office extending along the eastern corner providing a mix of overcroft and internal accommodation (circa 40sqm each).</p> <p>Leased to a local tenant on a 3 year lease returning \$42,720 per annum net (\$179/m<sup>2</sup>) with annual fixed 3% increases. Outgoings are advised to be circa \$25/m<sup>2</sup> totalling circa \$5,975 per annum. Two months rent free incentive.</p> <p>Further apportionment of rental: Warehouse - \$175/m<sup>2</sup>, Office - \$262/m<sup>2</sup>.</p>  |               |              |                 |                        |                   |                           |
| <b>Comparison:</b>       | <p>Similar location within circa 225 metres north of the subject complex. Inferior internal positions and exposure attributes. Smaller lettable areas. Similar quality building improvements, albeit of brand new construction. Lower proportions of office accommodation. Inferior lease terms. Considered a strong result attributed to lack of stock and brand new product. Overall, the subject would be expected to reflect a lower gross rental rate per square metre weighing economies of scale, higher proportion of office accommodation and setback street exposure.</p>  |               |              |                 |                        |                   |                           |



## Rental Conclusion

The evidence presented ranges from \$161 to \$204 per square metre gross.

The rental at the upper end of this range is Rental 3 reflecting a gross rental rate of \$204 per square metre, which is considered to be a strong result, likely attributed to the lack of stock available and being a brand new complex.

Rental 1 is considered to be the most comparable being located within the subject complex reflecting a gross rental rate of \$161 per square metre. Whilst being a street front unit, Lot 10 fronts a side street, cul-de-sac featuring slightly inferior exposure attributes. It reflects an apportioned warehouse / office rate of \$149 / \$223 per square metre.

Rentals 2 reflecting gross rental rates of between \$183 to \$193 per square metre featuring similar building improvements, albeit a brand new construction, smaller lettable areas and inferior internal positions with inferior exposure attributes. They reflect apportioned warehouse / office rates of \$175 / \$262, \$175 / \$262 and \$165 / \$248 per square metre, respectively.

Based on the analysis, we consider that the market rental for the subject property components would fall within a range of \$180 to \$200 per square metre gross per annum.

We have conducted further analysis to refine the range based on the following parameters:

- \$160 to \$170 per square metre per annum gross for warehouse accommodation;
- \$240 to \$255 per square metre per annum gross for office accommodation.

## Gross Rent

Our calculations of the gross rent are as follows:

| Component   |                       |                           |                 |
|---|-----------------------|---------------------------|-----------------|
| Rental evidence suggests a gross rate per square metre of building area range as follows: |                       |                           |                 |
| Comparisons   | GFA (m <sup>2</sup> ) | Rate (\$/m <sup>2</sup> ) | Total (\$)      |
| <b>Lower Value Range</b>  |                       |                           |                 |
| Ground Floor SFA  | 184                   | 160                       | \$29,440        |
| Mezzanine Office SFA  | 38                    | 240                       | \$9,120         |
| Council Approved Mezzanine Office   | 70                    | 240                       | \$16,800        |
| Carport SFA   | 36                    | 0                         | \$0             |
| <b>Total</b>  | <b>292</b>            | <b>190</b>                | <b>\$55,360</b> |
| <b>Upper Value Range</b>  |                       |                           |                 |
| Ground Floor SFA  | 184                   | 170                       | \$31,280        |
| Mezzanine Office SFA  | 38                    | 255                       | \$9,690         |
| Council Approved Mezzanine Office   | 70                    | 255                       | \$17,850        |
| Carport SFA   | 36                    | 0                         | \$0             |
| <b>Total</b>  | <b>292</b>            | <b>201</b>                | <b>\$58,820</b> |
| <b>Core Value</b>   |                       | <b>196</b>                | <b>\$57,090</b> |
| <b>Adopted for Valuation Purposes</b>   |                       | <b>196</b>                | <b>\$57,090</b> |

## Net Rent

Under the existing lease agreement, the tenant is responsible for 100% of outgoings, as outlined in our lease overview above. The Lessor advises actual outgoings recovered are Council general and water rates and Body Corporate levies. The property is managed by the owner, and therefore management fees are not incurred.

Actual Council rates notices and Body Corporate levies have been provided by the instructing party.

Our calculations of net rent excluding outgoings is therefore assessed as follows:

| Net Market Rent Assessment            |                        |                           |                 |
|---------------------------------------|------------------------|---------------------------|-----------------|
| Description                           | GLAR (m <sup>2</sup> ) | Rate (\$/m <sup>2</sup> ) | Total PA        |
| Assessed Gross Effective Market Rent  | 292                    | \$196                     | \$57,090        |
| Less: Budgeted Outgoings              |                        | -\$32                     | -\$9,399        |
| <b>Net Market Rent Assessment</b>     |                        | <b>\$163</b>              | <b>\$47,691</b> |
| <b>Adopted for Valuation Purposes</b> |                        | <b>\$163</b>              | <b>\$47,700</b> |



## RENTAL ASSESSMENT

**Market Rental is assessed at** \$47,700 Per Annum Net  
(Forty Seven Thousand, Seven Hundred Dollars Per Annum Net - Excluding GST)

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

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### Valuer



**Kerriann Ellis**  
AAPI / Certified Practising Valuer  
API Number: 101506 - QLD Registration No.  
4013



**Ryan Kohler**  
Director

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This rental assessment is for the use only of Fletcher Building (Australia) Ltd to whom it is addressed and for no other purpose. No responsibility is extended to any third party who may use or rely on the whole or any part of the content of this assessment.

## ASSUMPTIONS, CONDITIONS AND LIMITATIONS

- Critical Assumptions**
- This market Rental Assessment is provided subject to the assumptions, disclaimers, limitations and qualifications detailed within this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements

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## ANNEXURES

Definitions, Assumptions, Qualifications & Disclaimers  
Letter of Instruction  
Extract of Survey Plan

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## DEFINITIONS, ASSUMPTIONS, QUALIFICATIONS & DISCLAIMERS

### DEFINITIONS

|                              |  |
|------------------------------|--|
| <b>Market Rent</b>           | <p>“the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”</p> <p>This definition is endorsed by the International Valuation Standards Council and the Australian Property Institute.</p> |
| <b>Effective Market Rent</b> | <p>“The actual liability for rent and outgoings after adjustments for any incentives to the face rent are taken into account. Effective Rent and Market Rental Value are synonymous.”</p>  |
| <b>Highest and Best Use</b>  | <p>“the use of an asset that maximises its potential and that is physically possible, legally permissible and financially feasible”.</p>   |

### ASSUMPTIONS

|                        |  |
|------------------------|--|
| <b>Easements</b>       | <p>This rental assessment is subject to there being no easements which may have an adverse effect on our assessment. Should any such easement(s) become apparent, we reserve the right to review our assessment.</p>   |
| <b>Floor Areas</b>     | <p>The adopted floor areas are based on building plans, our own on site measurements, and are subject to confirmation by survey.</p> <p>It is assumed that measurements are in accordance with the Property Council of Australia’s appropriate recommended method of measurement for the specific premises type.</p>   |
| <b>Town Planning</b>   | <p>A Town Planning search has not been provided or obtained and therefore this Rental Assessment has been undertaken on the basis that all necessary and appropriate town planning and/or building, consents, approvals and certifications have been issued for the use of occupation of the improvements as more fully described in this report.</p>  |
| <b>Tenancy Details</b> | <p>The tenancy schedule (lease synopsis) has been produced after perusal of lease documentation or advice supplied.</p> <p>We are not qualified at law and the above summary should not be construed as a legal opinion of terms and conditions by which the property is occupied. In this regard a solicitor’s advice should be sought. In the event any onerous legal matter was revealed, we would reserve the right to revise this report.</p> <p>We have assumed that the tenant/s is/are being charged in accordance with the lease documentation. The information provided by the owner/property manager has not been verified and therefore the assessment is undertaken on the assumption and basis that such information is correct and that there are no arrears.</p> |
| <b>Market Evidence</b> | <p>Market data has been obtained from a range of sources, or as reported by real estate agents. As well as using such documented and generally reliable evidence or market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.</p>   |

### QUALIFICATIONS & DISCLAIMERS

|  |  |
|--|--|
| <b>Accuracy of Information</b>         | <p>We advise that any objective information, data or calculations set out in the Rental Assessment will be accurate so far as is reasonably expected from a qualified and experienced valuer, reflecting due skill, care and diligence. However, we have not independently verified third party information, adopted it as our own, or accepted its reliability. If any of the information provided by others and referred to in the Rental Assessment is incorrect, it may have an impact on the Rental Assessment. The Rental Assessment is provided on the proviso that the reliant party accepts this risk.</p>  |
| <b>API Standards</b>                   | <p>This Rental Assessment has been prepared in accordance with the current Australian Property Institute’s Valuation Practice Standards.</p>   |
| <b>Asbestos Materials</b>              | <p>The valuer is not qualified to conclusively determine the existence of asbestos and will not be held liable nor responsible for his/her failure to identify any asbestos containing materials and the impact which any asbestos material has on the property and its rental value.</p>  |
| <b>Condition of Improvements</b>       | <p>Whilst we have carried out a building inspection, we have not completed a detailed structural survey, verified the condition of the plant and machinery, tested any of the services or inspected unexposed or inaccessible portions of the building. We are therefore unable to state that these are free from defect, rot or infestation. We have viewed the general state of repair of the building and have assumed that the improvements are reasonably structurally sound considering their age</p>  |
| <b>Conflict of Interest</b>            | <p>Neither the valuer, nor to the best of their knowledge, any member of this firm, has any conflict of interest, or direct, indirect or financial interest in relation to this property that is not disclosed herein.</p>   |
| <b>Coronavirus (COVID-19) Pandemic</b> | <p>The market is being impacted by the uncertainty caused by the COVID-19 pandemic. As at the date of valuation we consider that there is market uncertainty resulting in significant valuation uncertainty. This valuation is therefore reported on the basis of ‘significant valuation uncertainty’. As a result, less certainty exists than normal and a higher degree of caution should be attached to our valuation than normally would be the case. Given the unknown future impact that COVID-19 might have on markets, we recommend that any party authorised to rely on this report review this valuation periodically.</p> <p>This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation). We do not accept responsibility or liability for any losses arising from such subsequent changes in value.</p> |
| <b>Encroachment</b>                    | <p>We have physically identified the boundaries upon inspection and there do not appear to be any encroachments. However, we are not surveyors and no warranty can be given without the benefit of an identification survey.</p>   |



|  |  |
|--|--|
| <b>Environmental</b>                           | Our rental assessment is based upon the assumption that the property is not contaminated or impacted by environmental issues that will affect the lettable or rental value of the property. It should be noted that environmental matters are beyond the scope of our expertise and as such, we recommend that anyone relying on our assessment satisfy themselves in relation to any environmental risks or contamination issues. Should any such issues become apparent, this assessment is not to be relied upon and the report must be returned to the valuer for review and comment.  |
| <b>Excluded Searches</b>                       | The following searches have not been undertaken: Flood, Land Survey Plan, Building Survey Plan, Detailed Town Planning, Contaminated Land Register, Heritage Register, Local/State Road Widening, Vegetation Protection, Native Title, Title Search. Our Rental Assessment assumes such searches would identify no issues that may affect the rental and/or lettable of the property. Should any person relying on the contents of this report be aware or become aware of an issue that may affect rental and/or lettable then the searches should be referred to the valuer for comment.   |
| <b>Excludes Fixtures/Fittings</b>              | The Rental Assessment does not include lessee fixtures and fittings.   |
| <b>Goods and Services Tax (GST)</b>            | This Rental Assessment is exclusive of GST and has been completed on the basis that should GST be payable on the lease of this property, it would be recovered from the lessee resulting in the lessor not being financially disadvantaged. All rentals and outgoings quoted in this report are net of GST unless otherwise stated.  |
| <b>Land Not Affected</b>                       | Unless identified within the body of this report, we assume, the land is not affected by unstable, hazardous, or toxic soil material; however, no professional expert advice has been sought in this regard. This Rental Assessment assumes that there are no problems, however, should any such issues arise; then this matter should be referred to the Valuer for further comment.  |
| <b>Limited Liability</b>                       | Liability limited by a scheme approved under professional standards legislation.   |
| <b>Market Movement</b>                         | This Rental Assessment is current as at the date of Rental Assessment 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 and factors specific to the particular property). We do not accept responsibility or liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume responsibility or accept liability where this Rental Assessment is relied upon after the expiration of 90 days from the date of the Assessment or such earlier date if you become aware of any factors that have an effect on the Assessment. However, it should be recognised that the 90 day reliance period does not guarantee the value for that period; it always remains a Rental Assessment at the date of Rental Assessment only.  |
| <b>No Compliance Certificate</b>               | No Compliance Certificate/Certificate of Classification has been obtained. This Rental Assessment is subject to the building(s) complying in all material respects with any restrictive covenants affecting the site. Furthermore, it is assumed that the site improvements have been built, occupied and operated in full compliance with all requirements of law, including all zoning, land-use classifications, building, planning, fire and health by-laws (including asbestos and legionnaires disease), rules, regulations, orders and codes of all authorities, and that there are no outstanding requisitions.  |
| <b>No Pecuniary Interest</b>                   | The valuer has no pecuniary interest in the subject property either past, present or prospective at the date of preparing this report and the opinion expressed is free of any bias in this regard.  |
| <b>Not to be reproduced without permission</b> | Neither the whole nor any part of this Rental Assessment or any reference thereto may be included in any published documents, circular or statement, nor published in part or full in any way, without written approval of the form and context in which it may appear.  |
| <b>Reliance and Disclosure</b>                 | This Rental Assessment has been prepared for the private and confidential use by the party to whom it is addressed. This Assessment is for the use of and may be relied upon only by the party/parties to whom it is addressed. No other parties are entitled to use or rely upon it and Herron Todd White does not assume any liability or responsibility to any other party who does so rely upon the Assessment without the express written authority of Herron Todd White. The whole Report must be read and any failure to do so will not constitute reliance by such party asserting reliance on the Report. Neither the whole nor any part of this valuation or any reference thereto may be included in any published documents, circular or statement, nor published in part or full in any way, without the written approval from Herron Todd White including the form and context in which it may appear. |
| <b>Structural Survey</b>                       | This Rental Assessment does not purport to be a site or structural survey of the land or improvements thereon, and any advice provided is not given in the capacity as an expert.  |



**INSTRUCTION FORM – INDEPENDENT PROPERTY VALUATION**

In order to proceed with the valuation please complete the required information and return this instruction form to the relevant office as detailed below.

|                        |  |
|------------------------|--|
| <b>Office:</b>         | Herron Todd White (Gold Coast & NSW Far North Coast) Pty Ltd |
| <b>Postal address:</b> | PO Box 1884<br>Surfers Paradise QLD 4217                     |
| <b>Fax:</b>            | 07 5584 1622   |
| <b>Email:</b>          | goldcoast@htw.com.au   |

**4/2 Sierra Place, Upper Coomera QLD 4209 (L4 SP172928)**

|                            |  |
|----------------------------|--|
| <b>Purpose/Approach</b>    | Rental Assessment (Market Value/As Is) |
| <b>Reporting Contact</b>   | Ben Jones                              |
| <b>Type of property</b>    | Commercial-Industrial-Strata Unit      |
| <b>Servicing Office</b>    | Gold Coast Ph: 07 5584 1600            |
| <b>Access arrangements</b> |  |
| Contact Person             |  |
| Work Phone                 |  |
| Home Phone                 |  |
| Mobile                     |  |
| Email                      |  |
| Comments                   |  |

**Information required by Herron Todd White to complete the valuation include**

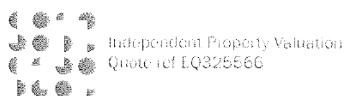
- At this time no additional information is required

**Special instructions for Herron Todd White in respect of the valuation**

- This valuation will not be prepared for, nor will it be suitable to be relied upon for, Mortgage Security Purposes.
- Please note this quote is to provide a rental assessment only.

**Upon completion of the valuation report please provide it by**

- Email

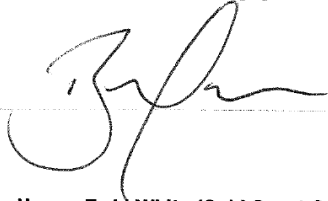


## AUTHORISATION - INDEPENDENT PROPERTY VALUATION

### Authorisation

I hereby accept the conditions of engagement for services (below) and confirm engagement of to perform the services as detailed.

Signed:



Date:

2/3/21

I authorise Herron Todd White (Gold Coast & NSW Far North Coast) Pty Ltd to provide an independent valuation as detailed.

### My details are as follows

|                   |                                   |
|-------------------|-----------------------------------|
| Name              | Ben Jones                         |
| Postal address    | 8/9 SINCLAIR ST, ARUNDEL QLD 4214 |
| Contact telephone | 07 5665 9900                      |
| Mobile            | 0403 242 688                      |
| Email             | ben@candytime.com.au              |

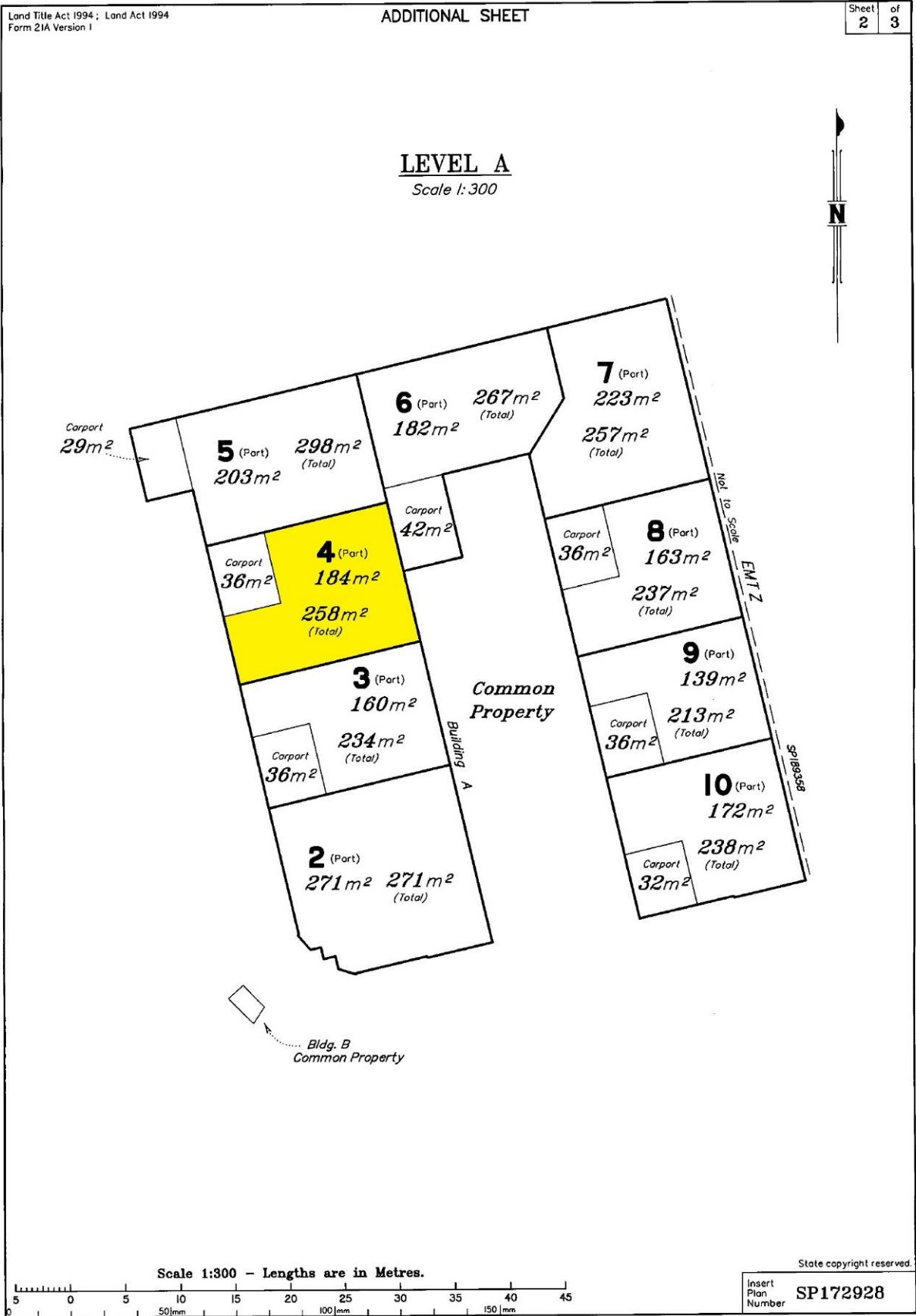
### Properties to be valued

4/2 Sierra Place, Upper Coomera QLD 4209 (L4 SP172928)



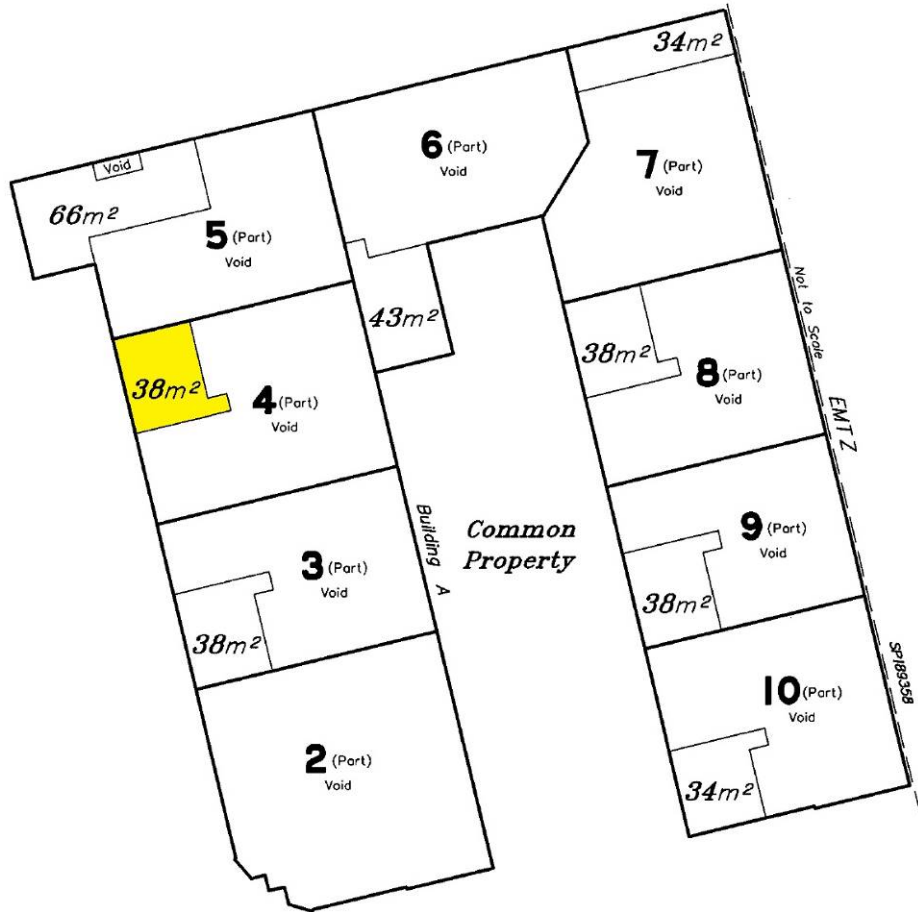
Independent Property Valuation  
Quote ref EQ325566



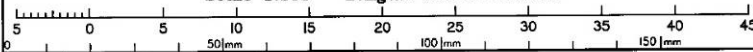


**LEVEL B**

Scale 1:300



Scale 1:300 - Lengths are in Metres.



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Insert Plan Number **SP172928**

