



TAX DEPRECIATION

Maximising your Investment

**DATE OF ASSESSMENT:
29 June 2017**

**888 Collins Street
Lot 3009E, 888 Collins Street
Melbourne VIC 3008**

***Tax Paying Entity:
Connie Reis***

CBRE



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1 EXECUTIVE SUMMARY

SUMMARY OF EXPENDITURE ANALYSED

Prepared by CBRE Capital Allowances providing an independent assessment of the Capital Allowances and Capital Works deductions available to Connie Reis as a result of the Acquisition, as instructed by Connie Reis

Data & Expenditure

We have used the following key inputs:

Exchange Date:	14 November 2016
Settlement Date	14 November 2016
Land Value:	\$30,110
Tax Payer Entity:	Connie Reis

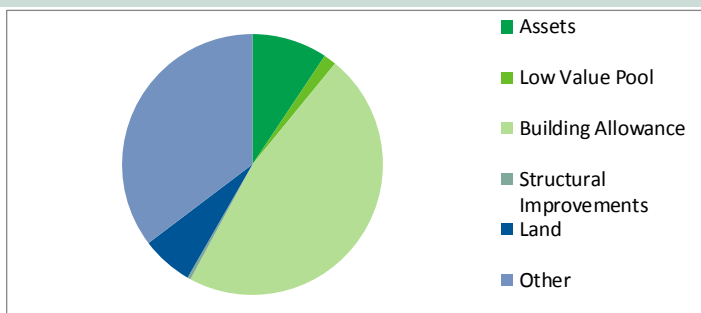
Our assessment is based on the following expenditure:

Vendor's Entity:	the vendor
Purchase Price:	\$468,000
Stamp Duty Payable:	\$1,562
Legal Fees:	\$1,000
Total Expenditure Analysed:	\$470,562

Summary of Findings

Depreciating Assets

Assets	\$44,068	9.37%
Low Value Pool	\$7,264	1.54%
Capital Works		
Building Allowance	\$221,010	46.97%
Structural Improvements	\$1,916	0.41%
Other		
Land	\$30,275	6.43%
Other	\$166,030	35.28%
Total	\$470,562	

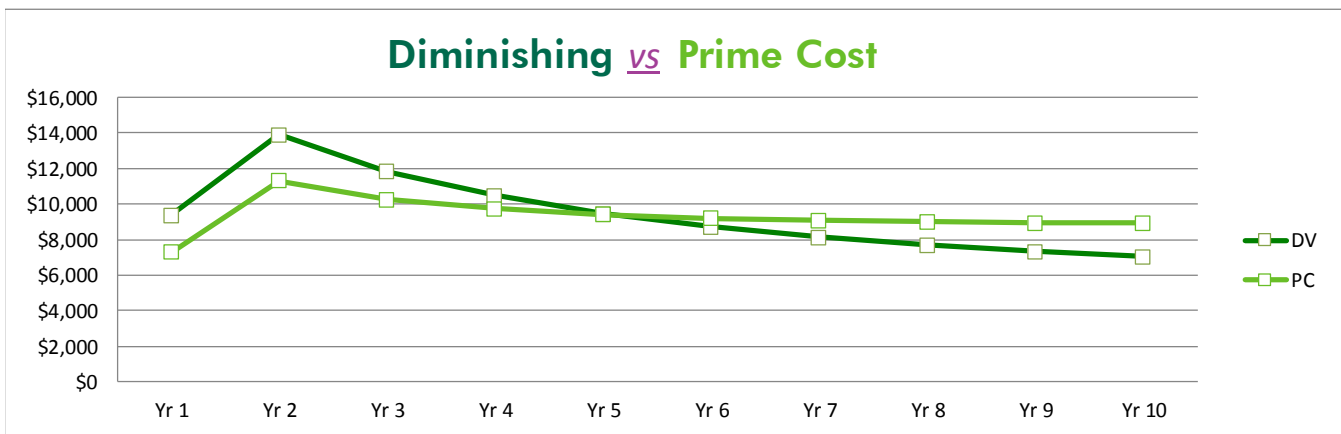


* Non eligible works include but are not limited to soft landscaping items, capital works unavailable due to the age of the property as well as any difference between the purchase price of the property and the construction cost which cannot be apportioned through depreciating assets.

Brief Tax Flow

	DIMINISHING VALUE				Year Savings		
	Div 40	LVP	Div 43	Total	30%	37%	45%
Year 1	\$4,515	\$1,362	\$3,486	\$9,364	\$2,809	\$3,465	\$4,214
Year 2	\$6,109	\$2,213	\$5,581	\$13,903	\$4,171	\$5,144	\$6,256
Year 3	\$4,850	\$1,383	\$5,581	\$11,814	\$3,544	\$4,371	\$5,317
Year 4	\$4,021	\$865	\$5,581	\$10,466	\$3,140	\$3,873	\$4,710
Year 5	\$3,345	\$540	\$5,581	\$9,466	\$2,840	\$3,503	\$4,260
Year 6	\$2,793	\$338	\$5,581	\$8,712	\$2,614	\$3,223	\$3,920
Year 7	\$2,342	\$211	\$5,581	\$8,134	\$2,440	\$3,010	\$3,660
Year 8	\$1,972	\$132	\$5,581	\$7,685	\$2,305	\$2,843	\$3,458
Year 9	\$1,668	\$82	\$5,581	\$7,331	\$2,199	\$2,713	\$3,299
Year 10	\$1,417	\$52	\$5,581	\$7,050	\$2,115	\$2,609	\$3,173

Total Depreciation Claim



2 SYNOPSIS

2.1 Instructions

Instructions:	Written instructions received from: <ul style="list-style-type: none">– Connie Reis, dated 2 June 2017.
Assessment Request:	Independent assessment of the eligible Capital Allowances (Depreciating Assets and Capital Works) of: <ul style="list-style-type: none">– 888 Collins Street - Lot 3009E, 888 Collins Street Melbourne VIC 3008
Reliance:	Connie Reis only, for the sole purpose of claiming depreciation. (Refer to Reliance & Liability.)
CBRE Reference:	11129490.1

2.2 Critical Assumptions

Our assessment specifically assumes:

Information Supplied by Others:	This report contains information which is derived from other sources. Unless otherwise specifically instructed by you and/or stated in the report, we have not independently verified that information, nor adopted it as our own, or accepted its reliability. The Reliant Party accepts the risk that if any of the unverified information/advice provided by others and referred to in this report is incorrect, then this may have an effect on the assessment.
Changed Information:	In the event that the Reliant Party becomes aware of any material changes to the property and/or the property's plant and equipment, and/or that information supplied to us is incorrect, then this assessment must not be relied upon before first consulting CBRE to provide a re-assessment on this updated basis.
Assets Included:	All depreciating assets detailed within this assessment are considered to be beneficially owned by Connie Reis, however should this not be the case then this assessment will need to be revised to reflect this amendment.
Assets Excluded:	This assessment does not take into account the items owned by tenants or any third party.

3 RELIANCE & REPORTING

3.1 Reliance & Liability

- Reliance:** This assessment is strictly and only for the use of the Reliant Party and for the Purpose specifically stated in Synopsis/Instructions.
- Confidentiality:** This assessment is strictly confidential between CBRE and the Reliant Party.
- Transmission:** Only an original report received by the Reliant Party directly from CBRE without any third party intervention can be relied upon.
- Restricted:** No responsibility is accepted or assumed to any third party who may use or rely on the whole or any part of the content of this assessment.
- Copyright:** Neither the whole nor any part of the content of this report may be published in any document, statement, circular or otherwise by any party other than CBRE, nor in any communication with any third party, without the prior written approval from CBRE, and subject to any conditions determined by CBRE, including the form and context in which it is to appear.

3.2 Reporting

- Site Inspection:** A detailed site inspection of the property was undertaken, whereby the eligible depreciating assets were identified and measured (if available). Detailed measurements and photographic evidence was also taken to assist in establishing Capital Works deductions.
- Industry Practice:** Our assessment has been based on our interpretation of the Income Tax Assessment Act 1997 (ITAA), relevant Tax Rulings and court cases at the time of acquisition/first use.

4 ASSESSMENT

4.1 Introduction

Overview: Under the Income Tax Assessment Act 1997 you are able to claim certain deductions for expenditure incurred in gaining or producing assessable income. Generally, the value of a capital asset that provides a benefit over a number of years declines over its effective life. Because of this, the cost of capital assets used in gaining assessable income can be written off over a period of time as tax deductions.

From 1 July 2001, the Australian Taxation Office's Uniform Capital Allowances regime (UCA) applies to most depreciating assets including plant. Under the UCA, deductions for the cost of a depreciating asset are based on the decline in value of the asset.

Analysis:

Unless otherwise noted in this report we have not independently verified information provided to us, nor adopted it as our own, nor can we comment on or accept its reliability. The Reliant Party accepts the risk that if any of the unverified information/advice provided by others and referred to in our assessment is incorrect, then this may have an effect on our assessment. (Refer to Information Supplied by Others.)

4.2 Methodology

4.2.1 Division 40

Depreciating Assets:

\$44,068

A depreciating asset is an asset that has a limited effective life and can be reasonably expected to decline in value over the time it is used*. The opening values of the depreciating assets included within this assessment have been based on reasonable apportionment of cost to the asset (Division 40-195 ITAA 1997). We have assumed there are no restrictive clauses in relation to depreciation included within the contract of sale, and as such, the opening values included herein have been calculated as a reasonable apportionment of the purchase price (including associated costs).

The effective lives of the assets have been based on the tax rulings at the time of first use/ownership (Division 40-100 ITAA 1997). In the event that the effective life of an asset has not been detailed within the relevant tax ruling, these assets have been self-assessed (Division 40 -105 – ITAA 1997).

The tax payer has the option to choose between the Prime Cost (Straight line) method and the Diminishing Value (reducing balance) methods of depreciation for these assets (Division 40 - 65,70,72 & 75 ITAA 1997).

All depreciating assets detailed within this assessment are considered to be owned by Connie Reis, however should this not be the case then this assessment will need to be revised to reflect this amendment.

Low Cost Assets/ Low Value Pool (LVP):

\$7,264

Assets acquired or installed with an opening value (cost) less than \$1,000 in the income year in which they became ready for use are classified for taxable purposes as Low Cost Assets. Assets that are not a Low Cost Asset, have an opening value for the current year of less than \$1,000 and for which the diminishing value method is used to calculate the deductions are classified as Low Value Assets.

Assets can be allocated to the Low Value Pool (LVP). LVP assets are depreciated at 18.75% over the first year (irrespective of the first date of ownership) and 37.5% for subsequent years. The diminishing value (reducing balance) method of depreciation is used for the LVP.

4.2.2 Division 43

Capital Works:

\$222,926

The entitlement to claim Capital Works deductions is dependent on the asset type and the date eligible construction works commenced (43-20 ITAA 1997). Capital Works can only be depreciated using the Prime Cost Method (Straight Line) of depreciation. In the absence of being provided the original construction costs, as quantity surveyors we have estimated the original construction cost (TR 97/25 – 25,26,27 & 28), which is our basis for the opening value (43 -70 ITAA 1997). The amount stated above is the written down value as at settlement.

Non-Eligible Capital Expenditure:

\$166,030

Capital expenditure that cannot be allocated to any of the above is deemed to be non-eligible expenditure. This is generally soft landscaping works, land value and the difference between the purchase price and the construction cost of the asset not apportionable to depreciating assets,

Land Value (including apportionment of costs):

\$30,275

Total Capital Expenditure Analysed:

\$470,562

Should you have any queries please contact us on 1300 665 571 or depreciation@cbre.com.au.

For and on behalf of CBRE (A) Pty Ltd

CBRE (A) Pty Ltd

CBRE (A) Pty Ltd
TPB No. 24664811

4.3 Summary Tax Flow

4.3.1 40 Years Diminishing Value

		DIMINISHING VALUE			
		Div 40	LVP	Div 43	Total
Year 1 -	30-Jun-17	\$4,515	\$1,362	\$3,486	\$9,364
Year 2 -	30-Jun-18	\$6,109	\$2,213	\$5,581	\$13,903
Year 3 -	30-Jun-19	\$4,850	\$1,383	\$5,581	\$11,814
Year 4 -	30-Jun-20	\$4,021	\$865	\$5,581	\$10,466
Year 5 -	30-Jun-21	\$3,345	\$540	\$5,581	\$9,466
Year 6 -	30-Jun-22	\$2,793	\$338	\$5,581	\$8,712
Year 7 -	30-Jun-23	\$2,342	\$211	\$5,581	\$8,134
Year 8 -	30-Jun-24	\$1,972	\$132	\$5,581	\$7,685
Year 9 -	30-Jun-25	\$1,668	\$82	\$5,581	\$7,331
Year 10 -	30-Jun-26	\$1,417	\$52	\$5,581	\$7,050
Year 11 -	30-Jun-27	\$1,210	\$32	\$5,581	\$6,824
Year 12 -	30-Jun-28	\$1,039	\$20	\$5,581	\$6,640
Year 13 -	30-Jun-29	\$896	\$13	\$5,581	\$6,490
Year 14 -	30-Jun-30	\$777	\$8	\$5,581	\$6,367
Year 15 -	30-Jun-31	\$678	\$5	\$5,581	\$6,264
Year 16 -	30-Jun-32	\$594	\$3	\$5,581	\$6,178
Year 17 -	30-Jun-33	\$523	\$2	\$5,581	\$6,106
Year 18 -	30-Jun-34	\$463	\$1	\$5,581	\$6,045
Year 19 -	30-Jun-35	\$412	\$1	\$5,581	\$5,993
Year 20 -	30-Jun-36	\$367	\$0	\$5,581	\$5,949
Year 21 -	30-Jun-37	\$330	\$0	\$5,581	\$5,911
Year 22 -	30-Jun-38	\$297	\$0	\$5,581	\$5,878
Year 23 -	30-Jun-39	\$268	\$0	\$5,581	\$5,849
Year 24 -	30-Jun-40	\$243	\$0	\$5,581	\$5,824
Year 25 -	30-Jun-41	\$221	\$0	\$5,581	\$5,802
Year 26 -	30-Jun-42	\$202	\$0	\$5,581	\$5,783
Year 27 -	30-Jun-43	\$184	\$0	\$5,581	\$5,766
Year 28 -	30-Jun-44	\$169	\$0	\$5,581	\$5,750
Year 29 -	30-Jun-45	\$155	\$0	\$5,581	\$5,736
Year 30 -	30-Jun-46	\$143	\$0	\$5,581	\$5,724
Year 31 -	30-Jun-47	\$132	\$0	\$5,581	\$5,713
Year 32 -	30-Jun-48	\$122	\$0	\$5,581	\$5,703
Year 33 -	30-Jun-49	\$112	\$0	\$5,581	\$5,693
Year 34 -	30-Jun-50	\$104	\$0	\$5,581	\$5,685
Year 35 -	30-Jun-51	\$96	\$0	\$5,581	\$5,677
Year 36 -	30-Jun-52	\$89	\$0	\$5,581	\$5,670
Year 37 -	30-Jun-53	\$83	\$0	\$5,581	\$5,664
Year 38 -	30-Jun-54	\$77	\$0	\$5,581	\$5,658
Year 39 -	30-Jun-55	\$71	\$0	\$5,581	\$5,653
Year 40 -	30-Jun-56	\$66	\$0	\$5,581	\$5,648
Year40+		\$913	\$0	\$1,774	\$2,686
		\$44,068	\$7,264	\$222,926	\$274,258

4.3.2 40 Years Prime Cost Method

		PRIME COST			
		Div 40	LVP	Div 43	Total
Year 1	30-Jun-17	\$2,457	\$1,362	\$3,486	\$7,305
Year 2	30-Jun-18	\$3,535	\$2,213	\$5,581	\$11,329
Year 3	30-Jun-19	\$3,295	\$1,383	\$5,581	\$10,260
Year 4	30-Jun-20	\$3,295	\$865	\$5,581	\$9,741
Year 5	30-Jun-21	\$3,295	\$540	\$5,581	\$9,417
Year 6	30-Jun-22	\$3,295	\$338	\$5,581	\$9,214
Year 7	30-Jun-23	\$3,295	\$211	\$5,581	\$9,087
Year 8	30-Jun-24	\$3,295	\$132	\$5,581	\$9,008
Year 9	30-Jun-25	\$3,295	\$82	\$5,581	\$8,959
Year 10	30-Jun-26	\$3,295	\$52	\$5,581	\$8,928
Year 11	30-Jun-27	\$1,903	\$32	\$5,581	\$7,517
Year 12	30-Jun-28	\$1,067	\$20	\$5,581	\$6,668
Year 13	30-Jun-29	\$690	\$13	\$5,581	\$6,284
Year 14	30-Jun-30	\$464	\$8	\$5,581	\$6,053
Year 15	30-Jun-31	\$464	\$5	\$5,581	\$6,050
Year 16	30-Jun-32	\$464	\$3	\$5,581	\$6,048
Year 17	30-Jun-33	\$464	\$2	\$5,581	\$6,047
Year 18	30-Jun-34	\$464	\$1	\$5,581	\$6,046
Year 19	30-Jun-35	\$464	\$1	\$5,581	\$6,045
Year 20	30-Jun-36	\$464	\$0	\$5,581	\$6,045
Year 21	30-Jun-37	\$464	\$0	\$5,581	\$6,045
Year 22	30-Jun-38	\$464	\$0	\$5,581	\$6,045
Year 23	30-Jun-39	\$464	\$0	\$5,581	\$6,045
Year 24	30-Jun-40	\$464	\$0	\$5,581	\$6,045
Year 25	30-Jun-41	\$464	\$0	\$5,581	\$6,045
Year 26	30-Jun-42	\$464	\$0	\$5,581	\$6,045
Year 27	30-Jun-43	\$464	\$0	\$5,581	\$6,045
Year 28	30-Jun-44	\$464	\$0	\$5,581	\$6,045
Year 29	30-Jun-45	\$464	\$0	\$5,581	\$6,045
Year 30	30-Jun-46	\$464	\$0	\$5,581	\$6,045
Year 31	30-Jun-47	\$174	\$0	\$5,581	\$5,755
Year 32	30-Jun-48	\$0	\$0	\$5,581	\$5,581
Year 33	30-Jun-49	\$0	\$0	\$5,581	\$5,581
Year 34	30-Jun-50	\$0	\$0	\$5,581	\$5,581
Year 35	30-Jun-51	\$0	\$0	\$5,581	\$5,581
Year 36	30-Jun-52	\$0	\$0	\$5,581	\$5,581
Year 37	30-Jun-53	\$0	\$0	\$5,581	\$5,581
Year 38	30-Jun-54	\$0	\$0	\$5,581	\$5,581
Year 39	30-Jun-55	\$0	\$0	\$5,581	\$5,581
Year 40	30-Jun-56	\$0	\$0	\$5,581	\$5,581
Year40+		\$0	\$0	\$1,774	\$1,774
		\$44,068	\$7,264	\$222,926	\$274,258

4.3.3 Division 40 Depreciating Assets – Diminishing Value 5 Years

Description of Asset	Effective Life	Rate DV	Opening Adjustable Value	Year 1	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5	Year 5
				Deduction In Value	Adjustable Value At EOFY	Deduction In Value	Adjustable Value At EOFY	Deduction In Value	Adjustable Value At EOFY	Deduction In Value	Adjustable Value At EOFY	Deduction In Value	Adjustable Value At EOFY
Assets generally													
Air conditioning assets room units	10	20.00	\$6,486	\$810	\$5,675	\$1,135	\$4,540	\$908	\$3,632	\$726	\$2,906	\$581	\$2,325
Floor coverings carpet	10	20.00	\$8,635	\$1,079	\$7,557	\$1,511	\$6,045	\$1,209	\$4,836	\$967	\$3,869	\$774	\$3,095
Intercom system assets	10	20.00	\$1,413	\$177	\$1,237	\$247	\$989	\$198	\$792	\$158	\$633	\$127	\$507
Lifts	30	6.67	\$13,906	\$579	\$13,327	\$888	\$12,439	\$829	\$11,609	\$774	\$10,835	\$722	\$10,113
Window blinds, internal	10	20.00	\$3,371	\$421	\$2,950	\$590	\$2,360	\$472	\$1,888	\$378	\$1,510	\$302	\$1,208
Kitchen assets													
Cook tops	12	16.67	\$2,594	\$270	\$2,324	\$387	\$1,937	\$323	\$1,614	\$269	\$1,345	\$224	\$1,121
Dishwashers	10	20.00	\$2,376	\$297	\$2,079	\$416	\$1,663	\$333	\$1,331	\$266	\$1,065	\$213	\$852
Ovens	12	16.67	\$3,243	\$338	\$2,905	\$484	\$2,421	\$404	\$2,018	\$336	\$1,681	\$280	\$1,401
Range hoods	12	16.67	\$1,405	\$146	\$1,259	\$210	\$1,049	\$175	\$874	\$146	\$729	\$121	\$607
\$300 Items	1	100.00	\$638	\$399	\$240	\$240	\$0	\$0	\$0	\$0	\$0	\$0	\$0
			\$44,068	\$4,515	\$39,553	\$6,109	\$33,444	\$4,850	\$28,594	\$4,021	\$24,573	\$3,345	\$21,228

4.3.4 Division 40 Depreciating Assets – Prime Cost 5 Years

Description of Asset	Effective Life	Rate PC	Opening Adjustable Value	Year 1	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5	Year 5
				Deduction Decline In Value	Adjustable Value At EOFY	Deduction Decline In Value	Adjustable Value At EOFY	Deduction Decline In Value	Adjustable Value At EOFY	Deduction Decline In Value	Adjustable Value At EOFY	Deduction Decline In Value	Adjustable Value At EOFY
Assets generally													
Air conditioning assets room units	10	10.00	\$6,486	\$405	\$6,081	\$649	\$5,432	\$649	\$4,783	\$649	\$4,135	\$649	\$3,486
Floor coverings carpet	10	10.00	\$8,635	\$539	\$8,096	\$864	\$7,232	\$864	\$6,369	\$864	\$5,505	\$864	\$4,642
Intercom system assets	10	10.00	\$1,413	\$88	\$1,325	\$141	\$1,184	\$141	\$1,042	\$141	\$901	\$141	\$760
Lifts	30	3.33	\$13,906	\$290	\$13,617	\$464	\$13,153	\$464	\$12,689	\$464	\$12,226	\$464	\$11,762
Window blinds, internal	10	10.00	\$3,371	\$211	\$3,160	\$337	\$2,823	\$337	\$2,486	\$337	\$2,149	\$337	\$1,812
Kitchen assets													
Cook tops	12	8.33	\$2,594	\$135	\$2,459	\$216	\$2,243	\$216	\$2,027	\$216	\$1,811	\$216	\$1,594
Dishwashers	10	10.00	\$2,376	\$148	\$2,228	\$238	\$1,990	\$238	\$1,752	\$238	\$1,515	\$238	\$1,277
Ovens	12	8.33	\$3,243	\$169	\$3,074	\$270	\$2,804	\$270	\$2,534	\$270	\$2,263	\$270	\$1,993
Range hoods	12	8.33	\$1,405	\$73	\$1,332	\$117	\$1,215	\$117	\$1,098	\$117	\$981	\$117	\$864
\$300 Items	1	100.00	\$638	\$399	\$240	\$240	\$0	\$0	\$0	\$0	\$0	\$0	\$0
			\$44,068	\$2,457	\$41,611	\$3,535	\$38,076	\$3,295	\$34,781	\$3,295	\$31,486	\$3,295	\$28,191

4.3.5 Division 40 Depreciating Assets Allocated to Low Value Pool – 5 Years

Description of Asset	Rate DV	Opening Adjustable Value	Year 1 Deduction In Value	Year 1 Adjustable Value At EOFY	Year 2 Deduction In Value	Year 2 Adjustable Value At EOFY	Year 3 Deduction In Value	Year 3 Adjustable Value At EOFY	Year 4 Deduction In Value	Year 4 Adjustable Value At EOFY	Year 5 Deduction In Value	Year 5 Adjustable Value At EOFY
Assets generally												
Door closers	18.75	\$672	\$126	\$546	\$205	\$341	\$128	\$213	\$80	\$133	\$50	\$83
Garbage compacting systems	18.75	\$919	\$172	\$746	\$280	\$466	\$175	\$292	\$109	\$182	\$68	\$114
Window blinds, internal	18.75	\$1,926	\$361	\$1,565	\$587	\$978	\$367	\$611	\$229	\$382	\$143	\$239
Bathroom assets												
Exhaust fans	18.75	\$1,211	\$227	\$984	\$369	\$615	\$231	\$384	\$144	\$240	\$90	\$150
Fire control assets												
Detection and alarm systems detectors	18.75	\$859	\$161	\$698	\$262	\$436	\$164	\$273	\$102	\$170	\$64	\$106
Detection and alarm systems fire indicator panel	18.75	\$81	\$15	\$66	\$25	\$41	\$15	\$26	\$10	\$16	\$6	\$10
Emergency warning and intercommunication systems speakers	18.75	\$1,455	\$273	\$1,182	\$443	\$739	\$277	\$462	\$173	\$289	\$108	\$180
Pumps	18.75	\$141	\$26	\$115	\$43	\$72	\$27	\$45	\$17	\$28	\$11	\$18
		\$7,264	\$1,362	\$5,902	\$2,213	\$3,689	\$1,383	\$2,305	\$865	\$1,441	\$540	\$901

4.3.6 Division 43 Capital Works

Qualifying Capital Expenditure Incurred On Eligible Works In Accordance with Division 43 Of The ITAA 1997			Total Historical Cost	Annual Claim	Historical Claims	Opening Adjustable Value	Year 1 Deduction In Value	Year 1 Adjustable Value At EOFY	Year 2 Deduction In Value	Year 2 Adjustable Value At EOFY	Year 3 Deduction In Value	Year 3 Adjustable Value At EOFY	Year 4 Deduction In Value	Year 4 Adjustable Value At EOFY	Year 5 Deduction In Value
Effective Life	Rate PC														
Eligible Capital Works															
25-Oct-15 - 24-Oct-16	40	2.50	\$221,328	\$5,533	\$318	\$221,010	\$3,456	\$217,553	\$5,533	\$212,020	\$5,533	\$206,487	\$5,533	\$200,954	\$5,533
Structural Improvements															
25-Oct-15 - 24-Oct-16	40	2.50	\$1,919	\$48	\$3	\$1,916	\$30	\$1,886	\$48	\$1,838	\$48	\$1,790	\$48	\$1,742	\$48
			\$223,247	\$5,581	\$321	\$222,926	\$3,486	\$219,440	\$5,581	\$213,858	\$5,581	\$208,277	\$5,581	\$202,696	\$5,581

5 CONTACT DETAILS

Office:

- CBRE | National Operations Centre
ABN 21 083 694 320
Level 5
3350 Pacific Highway
Springwood QLD 4127
Tel +61 1300 665 571
Fax +61 1300 301 966
Depreciation@cbre.com.au

A ESSENTIAL TERMS & CONDITIONS

The conditions set out in this Attachment 1 are to be read in conjunction with the Engagement Letter provided by CBRE (A) Pty Ltd ("the Company") which confirms the scope of the Services, the personnel providing those Services and the Company's charges for those Services.

Instructing Party's Obligation to Assist

The Instructing Party agrees to provide all reasonable assistance to the Company to allow the Company to complete this instruction including all relevant documents and/or information the Instructing Party knows or ought reasonably to know will so assist the Company, at its own cost and in a timely fashion, including but not limited to:

- all information which the Company requests from time to time for the performance of the Services;
- reasonable access to the property/properties and to the Instructing Party's premises (if relevant) for the purpose of providing the Services.

Fees and Disbursements

All disbursements, including travelling and other reasonable expenses incurred by the Company in the provision of the Services are fully recoverable from the Instructing Party as and when incurred.

All invoices are payable within 14 days of the date of invoice, unless otherwise stated in the Engagement Letter. A late payment fee of 2% per month (or part thereof) for any overdue amount may be charged by the Company.

All legal and debt recovery costs which the Company may incur in recovering overdue account balances from the Instructing Party shall be fully recoverable from the Instructing Party as and when incurred.

Suspension of Services

The Company has the right to suspend its engagement where the Instructing Party fails to pay any invoiced fees and disbursements within the required time frame, by giving the Instructing Party seven days' notice in writing. Should the engagement be suspended by the Company, all obligations by the Company to the Instructing Party cease to exist and, furthermore, all intellectual property that the Company receives from the Instructing Party prior to the engagement being suspended becomes the property of the Company and, unless otherwise agreed, the Company shall be free to use this information and value the property for any other party.

Return of Document

The Company reserves the right to retain possession of all papers and documents owned by the Instructing Party until all outstanding amounts payable by the Instructing Party have been received.

Once the Services provided to the Instructing Party have been finalised and all outstanding invoices have been paid, the Company will return documents owned by the Instructing Party within a reasonable time.

Electronic Communication

If the Instructing Party asks the Company to send any documents by email, the Instructing Party will be deemed to have accepted the risk of (and the Company will have no responsibility for) the message being intercepted, not being received or not being viewed by the recipient.

If the Instructing Party asks the Company to provide the Instructing Party with a copy of a document by email or disk, the Company will do so on the basis that the Company does not warrant that the disk or email communication will be virus or defect free and on the basis that:

- the Company will not be responsible for any loss or damage sustained by the computer system which reads the disk or email; and
- precautions will be taken by the Instructing Party to ensure that the disk or email does not cause any loss or damage.

Copyright

Copyright in any written work, drawing, compilation, table, graph and similar works created by or on behalf of the Company remains with the Company and may not be disclosed to any other person without the Company's prior written consent which may be withheld in its absolute discretion.

Variation

The conditions of the Engagement Letter can only be varied by agreement and in writing by the Instructing Party and the Company.

Privacy Act

Any personal information collected and held by the Company in the course of providing the Services will only be used for purposes relating to the provision of Services. More information about the manner in which the Company handles personal information is described in its privacy policy.

Indemnity

The Instructing Party shall at all times indemnify and hold harmless the Company and its directors, officers, employees and agents from and against any loss (including legal costs) or liability incurred in connection with:

- a) the Instructing Party's breach of any of the terms of this Engagement Letter;
- b) the Instructing Party's negligence;

- c) personal injury or death of the Company's employees, contractors, representatives or agents which is caused by a negligent, wilful or unlawful act or omission of the Instructing Party.

Limitation of Liability

Liability limited by a scheme approved under Professional Standards Legislation.

The Company under no circumstance accepts responsibility or liability whatsoever for the Services unless full disclosure of all information likely to affect the assessment or report has been made. This exclusion of responsibility and liability extends to loss and damages arising from delays by the Instructing Party or its delegate providing all the information that the Company requires to complete the Services.

Conditions, warranties or other rights for the Instructing Party's benefit may be implied or given in respect of these terms and conditions by the Competition and Consumer Act 2010 (Cth) or other laws. Where it is not lawful or possible to exclude them, then those conditions, warranties or other laws apply but only to the extent required by law.

All other implied conditions, warranties and rights together with any implied by custom or other circumstances are excluded.

The Company limits its liability for breach of any implied condition, warranty or right to the extent allowed by law. Subject to the qualifications in Competition and Consumer Act 2010 (Cth), or in other laws, the Company's liability for any breach of any such implied condition, warranty or right is limited in the case of services supplied to one of the following as the Company may determine:

- the supplying of the Services again; or
- the payment of the cost of having the Services supplied again.

Subject to the provisions of this clause and despite any implication arising from any other clauses of this agreement, the Company is not liable in contract or in tort for or in respect of any direct or indirect, special or consequential loss or damage suffered by the Instructing Party or any other person arising out of any breach or other act or omission in connection with the Services.

For the purposes of this condition, indirect loss includes, without limitation, any financial loss or expense including where caused by loss of use or of goodwill, loss of data or delay in the performance of any obligation together with any expense incurred in connection with that loss or in litigation or attempted litigation in respect of that loss.

Entirety of Terms of Engagement

The terms of this Engagement Letter including any attachments thereto and any qualifications, conditions, assumptions, and reservations set out in any report or opinion furnished to the Instructing Party:

- a) Constitutes the entire understanding and agreement of the parties relating to the matters dealt within in;
- b) Supersedes and extinguishes all prior agreements, statements, representations and understandings whether verbal or written between us relating to the matters dealt with in this Engagement Letter; and
- c) May be varied at any time by mutual agreement in writing.

Assumptions

The Company assumes that the information provided to it by the Instructing Party (or sourced from third parties) and contained in the assessment/report is accurate and correct. The Company will not take further steps to verify the accuracy of the information.

The Company also assumes that the any plant and equipment in the property is owned by the Instructing Party. The assessment/report will be based on this assumption. If this is not the case, then the Instructing Party must notify the Company immediately so that assessment or report is adjusted accordingly.

Disclaimers

The Company has prepared the assessment/report, based on the Company's interpretation of the *Income Tax Assessment Act 1997* and any relevant tax rulings. It has been prepared for the sole and limited purpose for claiming property tax allowances and cannot be used for any other purpose.

The assessment/report is for the Instructing Party and cannot be relied upon by any third party and the Company does not assume or accept any responsibility, losses, liability or damages, however arising, to any other person acting upon, using or relying on the assessment/report.

CBRE PROVIDES SERVICES IN

- Agribusiness
- Asset Services
- Capital Advisors
- Capital Allowances
- Capital Markets
- CBRE Hotels
- CBRE Project Management
- Global Corporate Services
- Global Research & Consulting
- Industrial Logistics & Investment Services
- Investment Advisory Services
- Office Services
- Residential Projects
- Retail Services
- Structured Transactions & Advisory Services
- Sustainability
- Town Planning
- Valuation & Advisory Services

ABOUT CBRE

CBRE Group, Inc. (NYSE:CBG), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services and investment firm (in terms of 2013 revenue). The Company has approximately 44,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers through approximately 350 offices (excluding affiliates) worldwide. CBRE offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting. Please visit our website at www.cbre.com.

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