

VALUATION REPORT

PREPARED FOR: Vinita Super Fund 1 Pty Ltd

SUBJECT PROPERTY: 9 Neumann Road, Capalaba, QLD, 4157

DATE OF VALUATION: 8th April 2020

OUR REFERENCE: LVA - 201177

PURPOSE OF VALUATION: Current Market Value for **Internal Accounting** Purposes

PREPARED BY Philip Lewis AAPI 3061
CERTIFIED PRACTISING VALUER
Australian Property Institute Member



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VALUATION REPORT

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Organisation/Client: Vinita Super Fund 1 Pty Ltd
Business Unit:
Postal Address:

Fax to:
Email to: vinceklm@bigpond.com

1. PROPERTY SUMMARY – Warehouse/Office

Report Focus:	Existing building	Classification:	Asset Assessment Short Form Report
Property Address:	9 NEUMANN ROAD, CAPALABA, QLD, 4157		
Title Details:	Lot: 15 RP: 811196		
Encumbrances/Restrictions:	Not known		
Site Dimensions:	Irregular shaped allotment	Site Area:	1,000m ²
Zoning/Instrument:	Commercial Industry / Redland City Council Planning Scheme	LGA:	Redland City Council
Main Building:	Office/Showroom	Current Use:	Industry
Built About:	1994		
Addition(s):			
TOTAL AREAS:	Areas:		585m ²
Car Accommodation:	On site car parking	Car Spaces:	10
Marketability:	Average	Heritage Issues:	Not known
Environmental Issues:	Nil effect on value		
Essential Repairs:	None		

2. VALUATION & ASSESSMENTS SUMMARY

Interest Valued:	Fee Simple vacant possession	Other Assessments	
Value Component	Existing Property	Rental Value Unfurnished:	\$ 1400.00pw
Land:	\$460,000	Replacement Insurance:	\$ 950,000
Improvements:	\$640,000		
Market Value	\$1,100,000	(One Million One Hundred Thousand Dollars)	

I hereby certify that I personally inspected this property on the date below and have carried out the assessments above as at that date. Neither I, nor to the best of my 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.

This Report is for the use only of the party/s to which it is addressed and no responsibility is accepted or undertaken to third parties in respect of this report.

Valuer: Philip Lewis
Qualifications/Reg. #: Reg No. 3061 AAPI Certified Practicing Valuer
Inspection Date: 8th April 2020
Valuation Date: 8th April 2020
Signature:

Firm: Lewis Valuations Australia Pty Ltd
Address: 23 Tucker St Chapel Hill QLD 4069
Phone: 07 3378 5418
Fax: 07 3009 0584
Mobile: 0412 263 337
Email: plewis@property.com.au

Valuer's File Reference: LVA - 201177

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3. THE LAND

Property Identification:	This property has been identified by reference to Street Address and RP Data Print Out
Title Search Sighted:	No. No title search of the property has been undertaken or sighted. Reliance should not be placed on the valuation report unless or until a title search is undertaken. In the event that the title search reveals any information or discrepancy which may affect the value of the property, the valuer's opinion should be obtained before reliance is placed on the valuation.
Zoning Effect:	Permitted development & use no adverse effect current.
Location:	The property is located on the eastern side of Neumann Road, approximately 20 metres north from the intersection of Currumbin Court and approximately 25 kilometres by road east of the Brisbane GPO. The property is positioned within reasonable proximity to local schooling, shopping and public transport.
Neighbourhood:	Surrounding development within the immediate vicinity comprises predominantly industrial properties.
Site Description & Access:	The allotment is an irregular shaped inside allotment that is sloping below the road level. Vehicle access is via Neumann Road which carries local levels of daily traffic and is bitumen sealed.
Services:	Mains Water, Mains Sewer, Mains Electricity, Gas, Telephone, Bitumen Sealed Road, Concrete Kerb and Gutter.

4. MAIN BUILDING

	Occupancy 1	
Style:	Semi-Modern Single Level Detached	Street Appeal: Average appeal
Main Walls & Roof:	Metal and rendered masonry/Corrugated metal	Window Frames: Aluminium
Main Interior Linings:	Plasterboard	Flooring: Concrete slab
Internal Condition:	Fair	External Condition: Average
Accommodation:	Ground floor warehouse with mezzanine office, showroom.	
Interior Layout:	Functional interior layout.	
Fixtures & Features:	Two front roller doors, mercury vapour lighting, heavy duty floor, 3 phase power, partitioned and air conditioned office.	
AREAS:	Areas: 585.00m ²	
Car Accommodation:	On site car parking	Car Spaces: 10

5. ANCILLARY IMPROVEMENTS

The property is fenced in chain wire with average landscaping and a driveway.

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6. SALES EVIDENCE & THE MARKET

Address	Sale Date	Price	Brief Comments	In Comparison to Subject
171 Railway Parade, Thorneside, Qld, 4158	09/12/2019	\$760,000	A single level brick veneer and metal deck roof warehouse with a building area of 412sqm being positioned on an 850sqm allotment. Sale Rate: \$1,844/sqm	Comparable Location, Inferior Improvements, Comparable Presentation, Inferior Overall on Rate Per Sq Metre
16 Merritt Street, Capalaba, Qld, 4157	17/12/2019	\$775,000	A single level brick veneer and metal deck roof office/warehouse with a building area of 400sqm being positioned on a 1,077sqm allotment. Sale Rate: \$1,938/sqm	Comparable Location, Comparable Improvements, Comparable Presentation, Comparable Overall on Rate Per Sq Metre
12 Veronica Street, Capalaba, Qld, 4157	02/10/2019	\$825,000	A single level brick veneer and metal deck roof office/warehouse with a building area of 400sqm being positioned on a 1,000sqm allotment. Sale Rate: \$2,065/sqm	Comparable Location, Comparable Improvements, Comparable Presentation, Comparable Overall on Rate Per Sq Metre
Lot 1/11 Christine Place, Capalaba, Qld, 4157	06/03/2019	\$850,000	A rendered masonry and metal deck roof office/warehouse with a building area of 547sqm being positioned on a 472sqm allotment. Sale Rate: \$1,550/sqm	Comparable Location, Inferior Improvements, Comparable Presentation, Inferior Overall on Rate Per Sq Metre
18-20 Smith Street, Capalaba, Qld, 4157	13/05/2019	\$1,075,000	A single level brick veneer and metal deck roof office/warehouse with a building area of 500sqm being positioned on a 1,016sqm allotment. Sale Rate: \$2,150/sqm	Superior Location, Comparable Improvements, Comparable Presentation, Superior Overall on Rate Per Sq Metre
6 Hook Street, Capalaba, Qld, 4157	14/09/2018	\$1,562,000	A single level rendered masonry and metal deck roof warehouse with a building area of 760sqm being positioned on a 1,350sqm allotment. Sale Rate: \$2,002/sqm	Comparable Location, Comparable Improvements, Comparable Presentation, Comparable Overall on Rate Per Sq Metre

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Current or Proposed Sale of Subject Property:
Prior Sale (s) of Subject Property (last 3 years):
Level of Market Activity: Stable sales activity
Selling period greater than 6 months: No
Sale in line with Local Market: N/A
Full Copy of Contract of Sale Sighted: N/A

7. ADDITIONAL COMMENTS

The property is an office/warehouse with a building area of approximately 585 square metres and 10 onsite car parking spaces. The warehouse appears to be in fair condition and requires no renovation work to bring it up to a marketable standard.

Analysis of the sales evidence would indicate the market value, as at 8th April 2020, for the subject property lies in the range of \$1,060,000 to \$1,140,000. It is our opinion that the subject property has a value of \$1,100,000.

COVID-19: The Valuer advises that any adverse impact of the COVID-19 Virus on the Queensland property market is unknown at the date of this Valuation.

Please Note: The Valuer has not conducted an internal inspection of this property. The Valuer has made many assumptions on the type, quality and size of the internal fitout to this property.

BASIS of Valuation: Sales Comparison Approach – Sales Comparison compares the subject property to sales of other relatively comparable properties with adjustments made for points of difference. Sale comparisons provided.

Purpose of Valuation: Internal accounting

Valuations of Residential Property are an estimate of 'Current Market Value' based on current sales evidence, both sellers and buyers should always be very cautious when using a Valuation to assist them to buy or sell a property. The purchase of a property is a transaction completed by negotiations between two parties, the Buyer and Seller. Our Valuer is unaware of the financial position of either party in the transaction and there may be circumstances where the seller is desperate to sell and will sell the property at below our Valuation amount. In the current economic climate we strongly recommend that all buyers consider testing out the seller by submitting low offers in the first instance. (Note! the reverse position may also apply with a not desperate Seller, The seller may offer the property to the market by Auction and seek a premium price) The final purchase price on any property must be determined by the Buyer and the Seller and we do not accept any responsibility for the actual purchase price of the subject property. Lewis Valuations does not carry out extensive property searches with our Valuations this job is normally completed by your solicitor. We strongly recommend that buyers make their own enquiries with regard to all issues that may affect the subject property, particularly with land title, easements, flood, contaminated land, survey and road widening searches. We do not accept any responsibility for conducting searches on a property unless specifically instructed in writing and all costs are paid for in advance. We don't carry out a "Builders inspection" of the property. The Valuer has assumed that the building and Title are fit for purpose (free of all encumbrances) and don't require any building works. Purchasing every property involves a financial risk to the buyer. In our valuations we provide to you a 'risk rating' for the subject property. If you need more advice to understand what our risk ratings mean, please contact Philip Lewis.

Due to a low number of Directly Comparable Sales and volatile sale prices in this location we advise you to obtain a written second expert opinion on Value before you make any financial commitments on this property.

Our Valuations are only for the use of the named parties as set out in the Valuation and cannot be used by any other party for any purpose without our expressed written authorisation. Our Valuations are **not** for 'Mortgage Security Purposes'. All banks these days will **only** accept valuations ordered by each particular bank. However we do include a standard lenders clause in all our Valuations and lenders are often very keen to get a second opinion, particularly in this difficult market. We ask all buyers to please read carefully all the additional comments as set out in the Valuation. Should you not understand any of these comments please contact Philip Lewis for further clarification.

COMMENTS RE VALUE TREND: Risk Rating Medium to High; Residential dwelling values have fallen over the past 12 months after rising in Value for the previous 2 years and values may decline further if economic conditions deteriorate.

COMMENTS RE MARKET SEGMENT CONDITIONS: Risk Rating Medium to High; In this market residential dwellings are taking 3 - 9 months to sell. should the market deteriorate properties can take well over 12 months to sell on the open market and

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values may fall.

Please Note: The Value of a property tends to fall immediately after sale and can take 2 - 3 years to fully recover its Value particularly in a tough market. This valuation is current as at the date of valuation only.

Please note our Valuation figure is based on sales evidence and may not be the eventual sale price of the property. Properties are sold on the open market to the highest bidder and it may be that in the current market this property is sold for a price up to 15% above or below our Valuation figure. the actual sale price will be determined by the market at time of sale. We advise that the current residential real estate market in Brisbane is a buyers' market and not conducive to obtaining high sale prices.

FORCED SALE: High Risk, Please note that should this property come onto the market on a forced sale basis, that its sale price would have to be heavily discounted in order to achieve a sale within a 3 month period this discount may be in excess of 25% below our Valuation figure.

SELLING: Should this property be offered for sale we recommend that it be extensively marketed by a prominent local estate agent. The Valuer advises that a purchaser may pay a premium for the property over and above the Valuation figure.

MARKET VOLATILITY Location RISK. The property is within a market that can be subject to a heightened level of volatility as compared to other properties in the market place. The subject property is within a location that during booming markets can increase above the average for the area and can also be subject to greater falls than average.

COMMENTS RE MARKET SEGMENT CONDITIONS:

FREEHOLD TITLE: The Valuer has not conducted a title search on this property and the valuer has assumed the title is freehold and free of all encumbrances. The Value of this property is based on the Title being freehold and free of all encumbrances.

DEVELOPMENT POTENTIAL: The property has been valued as a single unit or single dwelling. The Valuer has not considered the development or redevelopment potential of this site, for this Valuation. Interested parties should make their own investigations as to the development or redevelopment potential of this site.

LIMITED SALES - EXPANDED SEARCH. Limited directly comparable sales have been identified in the subject area. The sales evidence included in this report has relied on some sales which are dated more than 3 months from the date of valuation, and have a differing bedroom configuration to the subject property and vary by more than +/-10%. Sales from nearby and adjoining areas have also been considered. The limited current sales evidence available has caused a widening of the search criteria to include the most comparable sales information, where necessary adjusted for date, size and location variations.

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

Building & Construction: This Valuation inspection and report does not constitute a structural survey of the building. The Valuer is not a building construction expert and is therefore unable to certify the structural soundness of the Improvements. This valuation assumes that all improvements have been constructed in accordance with the appropriate planning and building regulations in force at the time of construction and that all approvals have been obtained from the relevant authorities.

INSURANCE REPLACEMENT COST ESTIMATE: Where an insurance replacement cost has been instructed and provided, the Recipient of this report is advised that the reporting Valuer is not a quantity surveyor and has relied on published building costing guides to arrive at an opinion of replacement cost for insurance purposes for the subject property improvements. The estimate includes an allowance for the following: demolition and removal of debris, professional fees, preliminaries and contingency costs, extra cost of reinstatement, an inflation factor in respect to lead time for demolition and building approval, construction period and policy year.

This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 3 months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation. We are of the opinion that the Queensland residential property market may suffer a significant downturn in values in the short term due to current economic conditions. The residential market is now past its peak and there is a significant risk that the value of this property may fall in the short to medium term. This valuation is prepared on the assumption that the lender as

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referred to in the valuation report (and no other) may rely on the valuation for mortgage finance purposes and the lender has complied with its own lending guidelines as well as prudent finance industry lending practices, and has considered all prudent aspects of credit risk for any potential borrower, including the borrower's ability to service and repay any mortgage loan. Further, the valuation is prepared on the assumption that the lender is providing mortgage financing at a conservative and prudent loan to value ratio. The Valuer accepts no liability whatsoever if prudent lending practices fail to be strictly observed and/or if the lender relies solely on this valuation to advance loan funds.

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8. IMPORTANT NOTES & QUALIFICATIONS

Letter of Instruction:

VALUATION INSTRUCTION – REAL PROPERTY

To Lewis Valuations Australia Pty Ltd

Dear Sir,

Property Address: 9 Neumann Road, Capalaba, QLD, 4157

Registered Proprietors: Vinita Super Fund 1 Pty Ltd

Title Details: Lot: 15 RP: 811196

Purpose of Valuation: Internal Accounting Assessment

Interest Valued: Fee Simple Vacant Possession

Date of Valuation: 8th April 2020

This letter will serve as my/our authority to provide a current market valuation for the above property.

Verbal instructions to proceed received 8th April 2020

9. CAPPED LIABILITY SCHEME

Photographs, if any, begin on the following page.

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PHOTOGRAPH(S)

Front



Front



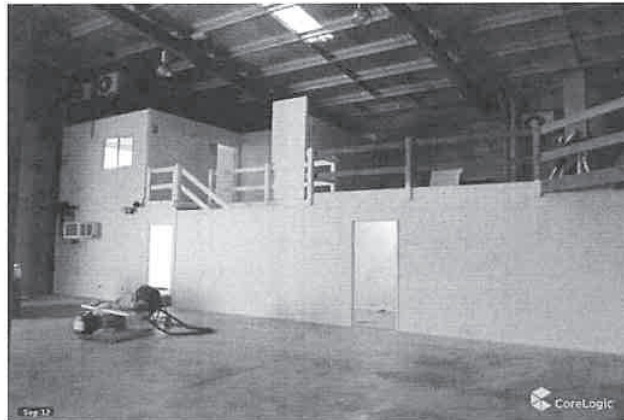
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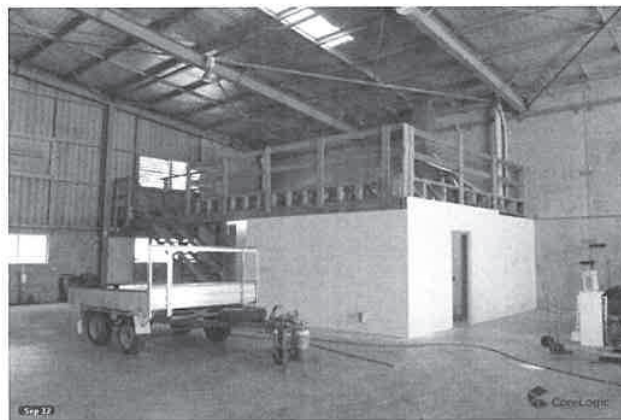
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PHOTOGRAPH(S)

Internal



Internal



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Internal



Internal

