



Real Estate Valuers

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**REPORT AND VALUATION
DATED 28TH JUNE 2021
A CAFÉ AND WORKSHOP
SITUATED AT
41 PIONEER ROAD, YANDINA**



VALUATION SUMMARY

PROPERTY ADDRESS	41 PIONEER ROAD, YANDINA
BRIEF DESCRIPTION	A Café and workshop.
REGISTERED OWNER	RP Data shows Andrew Wallis and Joanne Ruth Wallis
REAL PROPERTY DESCRIPTION	Lot 10 Y16434
LAND AREA	2007m ²
ZONING	Medium Impact Industry Zone – See Annexure 1
INSTRUCTIONS	Joanne Wallis
CONTACT DETAILS	Email: jo@wallisholdings.com.au Mobile: 0417 633 420
PURPOSE OF VALUATION	Determine the market value of the property for Accounting Purposes.
VALUATION STATEMENT	The abovementioned land and the permanent improvements thereon were inspected externally on the 28 th June 2021 and the market value of the freehold interest therein is assessed as follows: \$1,250,000 ✓ as at 28 th June 2021.

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This valuation summary should be read in conjunction with our detailed valuation report and should not be relied upon in isolation for finance or investment purposes. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation.

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REPORT

1. INSTRUCTIONS AND PURPOSE

- 1.1. Instructions**
Joanne Wallis
- 1.2. Purpose of Valuation**
Determine the market value of the property for Accounting Purposes.
- 1.3. Nature of Interest to be Valued**
The interest being valued is the unencumbered fee simple only.
- 1.4. Date of Inspection**
28th June 2021
- 1.5. Date of Valuation**
28th June 2021
- 1.6. Limited Inspection**
This valuation was undertaken with an external inspection of the workshop and without a detailed inspection of the Café as per instructions from Joanne Wallis. See Critical Assumptions in this Report.
- 1.7. Basis of Valuation**
This valuation has been prepared in accordance with International Valuation Standards and Guidance Notes and Practice Standards of the Australian Property Institute (API). In accordance with these standards the appropriate basis for the valuation of the property is "Market Value" taking into account the "Highest and Best Use" of the property.
- 1.8. Market Value Definition**
Market value is defined as the estimated amount for which an asset 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.
- 1.9. Highest and Best Use**
The API defines the Highest and Best Use of a property "as the most probable use of a property which is physically possible, appropriately justified, legally permissible, financially feasible, and which results in the highest value of the property being valued."
- 1.10. Assumptions and Limitations**
Assumptions are a necessary part of this report. The valuation has been carried out on the basis that I am not engaged to conduct all possible investigations in relation to the property and that the client has disclosed all relevant and known information. The valuation assumes that the property complies with all statutory requirements with respect to Health, Building and Fire Safety Regulations. I have not tested any services at the property. A full schedule of limitations is attached and forms part of this Report.

2. PROPERTY DETAILS

2.1. Real Property Description

Lot 10 Y16434
Local Government Sunshine Coast Council

2.2. Land Area

2007m²

2.3. Registered Owner

RP Data shows Andrew Wallis and Joanne Ruth Wallis

3. STATUTORY INFORMATION

3.1. Local Authority

Sunshine Coast Council

3.2. Statutory Valuation

Site Value is assessed at \$260,000 with date of effect being 30th June 2019.

4. TOWN PLANNING

4.1. Current Zone

Medium Impact Industry Zone – See Annexure 1

4.2. Town Planning Consent

The current use of the property is an “As of Right” use under the zoning as set out in the Sunshine Coast Plan.

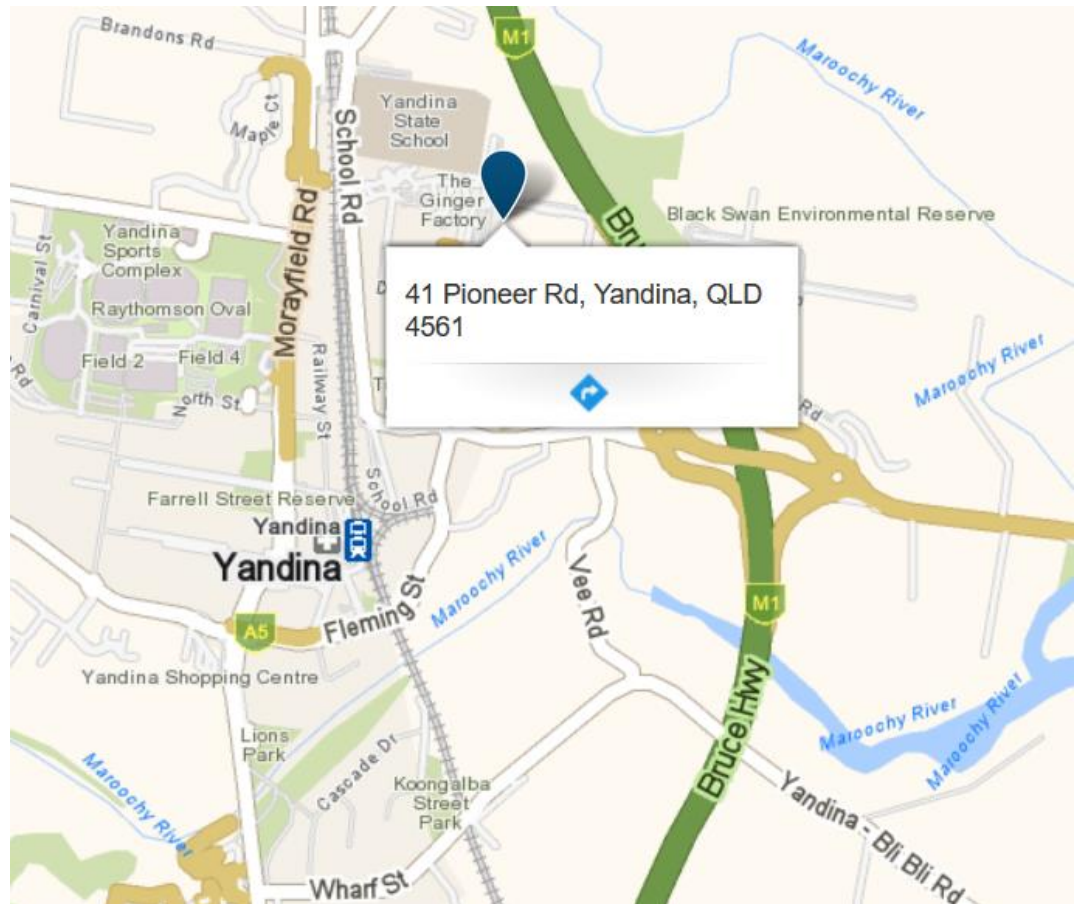
5. LOCATION

5.1. Description of Neighbourhood

This is an industrial area. This property is opposite the Yandina Ginger Factory which is a local tourist destination.

5.2. Property Location

The property is located at 41 Pioneer Road, Yandina.



5.3. Transport Patterns

Pioneer Road has access south to the Yandina shopping and business district and the Yandina Train Station and east via Yandina-Cooloolah Road to the Bruce Highway.

5.4. Roads and Access

Pioneer Road is a bitumen sealed dual lane carriageway with concrete kerbing and channelling.

6. SITE DETAILS

6.1. Physical Description

This is a corner lot elevated above road with a westerly aspect.



6.2. Services/Amenities

Water, electricity, sewerage and telephone are available.

6.3. Flood Inquiry

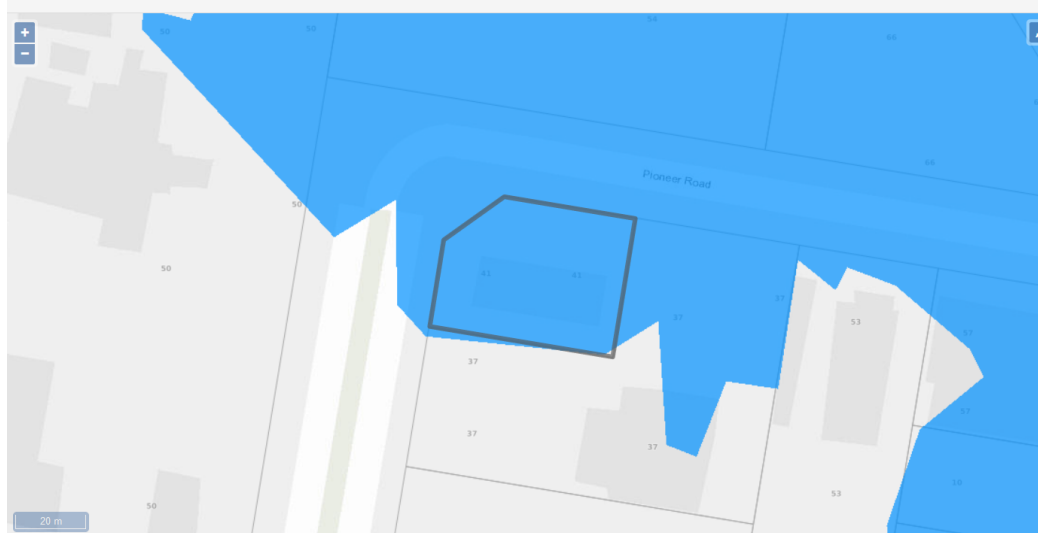
The property is subject to Flood Overlays. See maps below sourced from Sunshine Coast Council.

Land Subject to Flood Hazard Overlay:

[View Tables of Assessment](#)

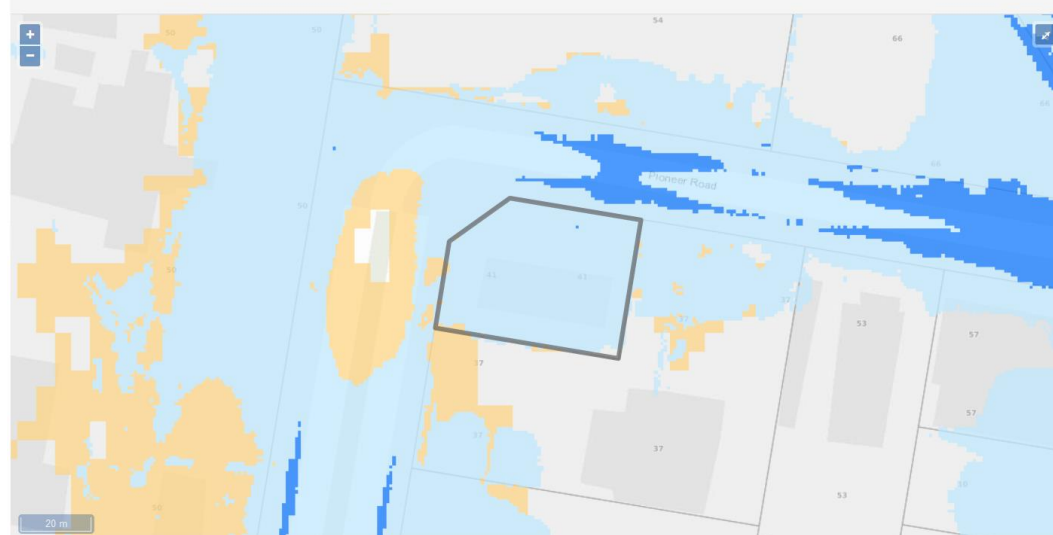
[View Overlay Code](#)

Note: The Flood Hazard Overlay should not be used for any purpose other than triggering the Sunshine Coast Planning Scheme's Flood Hazard Overlay Code. As noted in the Flood Hazard Overlay Code, the Flood Hazard Overlay Maps in Schedule 2 (Mapping) of the Sunshine Coast Planning Scheme identify areas (flooding and inundation areas) where flood and storm tide modelling has been undertaken by the Council. Other areas not identified by the Flood Hazard Overlay Maps may also be subject to the defined flood event or defined storm tide event. For more recent and detailed flooding information, refer to the Defined Flood Extent map at the end of this report.



■ Flooding and Inundation Area

Defined Flood Extent



■ Current Climate Riverine Flooding (Flood Modelling)
■ Possible Flooding Beyond Model Boundaries

■ Future Climate Riverine Flooding (Flood Modelling)
■ Modified Flood Extent (Recent Development)

■ Current Climate Local Flooding (Flood Modelling)

■ Future Climate Local Flooding (Flood Modelling)

PROPERTY ADDRESS:
FILE REFERENCE:

41 PIONEER ROAD, YANDINA, QLD, 4561
0621428

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7. IMPROVEMENTS

7.1. General Description

A metal shed with a Café on the western end.

7.2. Floor Areas (approx) – Measured Aerially from RP Data

Café	85m ²
Workshop	550m ²

7.3. General Construction

Workshop

Foundations	Concrete
Floors	Concrete
Walls	Metal
Roof	Metal

Workshop

Foundations	Concrete
Floors	Concrete
External Walls	Flatsheet
Internal Walls	Plasterboard
Ceilings	Plasterboard
Roof	Metal

8. ACCOMMODATION – FIXTURES AND FITTINGS

Accommodation

Workshop – Inspected Externally Only

The accommodation consists of an office and workshop accessed by a single bay.

Café

The accommodation consists of kitchen and a dining area.

Car Accommodation

There is hardstand for a number of cars near the workshop and on street parking near the Café.

9. IMPROVEMENTS – OTHER VALUATION ISSUES

9.1. Encroachments

No detailed survey of the boundaries has been carried out, however the property appears to be wholly within the boundaries of the land with no encroachments visible. Consideration should be given to obtaining a detailed survey of the land.

9.2. Condition of Improvements

All improvements appear to be in good condition.

Our assessment of the condition of the improvements was based on visual inspection. No liability is assumed for the soundness of the structure since no engineering tests were made in the buildings etc. It must be clearly understood this report is a valuation report and not a structural survey.

9.3. Development Potential

The highest and best use of the property is its current use as a workshop and Café.

10. ENVIRONMENTAL MATTERS

10.1. Contaminated Land

I am not aware of any contamination of the land.

10.2. Heritage Listing

The property is unaffected by Heritage Legislation and unlikely to be affected in the future by potential Heritage Legislation.

10.3. Vegetation Protection Listing

There is no Vegetation Protection Listing known on the property.

10.4. Asbestos Materials

It is unlikely that asbestos materials were used in the construction of this building.

11. BASIS OF VALUATION

11.1. Method of Valuation

Direct Comparison

The property was valued by the Direct Comparison Method.

The Direct Comparison Method requires the comparison of the property directly with local sales. This comparison includes some sales that are superior to the subject and some that are inferior to the subject.

The Direct Comparison Method includes the analyses of sales to rates per square metre where appropriate and in some instances comparison on a site basis.

Factors such as:

- location;
- land area;
- building size;
- age of improvements;
- design of improvements;
- amenity;
- redevelopment or renovation potential;
- style; and
- condition of improvements;

are taken into consideration.

The principal of "added value of improvements" has been applied. This principal dictates that cost does not necessarily equal value.

12. RENTAL RETURNS

Colliers, the Property Managers, record annual rents as follows:

Pioneer Coffee Roastery	\$48,061.56
Makesafe Roofing Pty Ltd	<u>\$57,435.36</u>
	\$105,496.92

13. SALES EVIDENCE

13.1. Sales Evidence

1.
Address: *15 Farrell Street, Yandina*
Sale Date: 11/12/20
Sale Price: \$517,275
Land Area: 985m²
Comments: Vacant storage yard on corner site. Shows \$575/m² for land.
2.
Address: *60 Farrell Street, Yandina*
Sale Date: 12/11/20
Sale Price: \$480,000
Land Area: 2243m²
Comments: Builder's yard sold with lease returning a net of \$35,000/annum. Shows 7.25% yield.
3.
Address: *74 Farrell Street, Yandina*
Sale Date: 1/6/20
Sale Price: \$365,000
Land Area: 1593m²
Comments: Lightly improved industrial site with small shed. Shows \$205/m² for land.
4.
Address: *15-21 Fleming Street, Yandina*
Sale Date: 22/12/20
Sale Price: \$797,500
Land Area: 4304m²
Comments: Vacant industry site. Shows \$185/m² for land.
5.
Address: *7 Harvest Road, Yandina*
Sale Date: 2/9/20
Sale Price: \$1,734,000
Land Area: 2486m²
Comments: Large metal workshop and office. Shows \$1650/m² for building.
6.
Address: *8 Harvest Road, Yandina*
Sale Date: 2/6/20
Sale Price: \$770,000
Land Area: 1794m²
Comments: Metal shed with large annex in industrial estate. Shows \$1525/m² for effective building.
7.
Address: *25 Machinery Road, Yandina*
Sale Date: 2/9/20
Sale Price: \$3,366,000
Land Area: 7907m²
Comments: 2 large metal sheds on lot with exposure to Bruce Highway. Shows \$1000/m² building – large area.

14. REMARKS

I recommend that a structural survey and pest inspection be obtained from suitably qualified professionals.

This is a shed in an industrial complex divided into 2 tenancies. The western tenancy is a Café servicing the industry area with an overflow of tourists from the Ginger Factory across Pioneer Road.

The Pioneer Coffee Roastery has a gross rent, net of GST, of \$48,061.56 per annum and the occupied area appears to include some adjoining land.

The second tenant, Makeshift Roofing operate a workshop with attached office which has a gross rent, net of GST, of \$57,435.36 per annum.

The total gross rent, net of GST, is \$105,496.92 per annum.

I have included 7 Yandina sales and approached the valuation using Direct Comparison with a check by Capitalisation of Net Rents. I note the property was purchased for \$1,200,000 on the 23rd January 2020.

I calculate the value as follows:

Workshop 550m ² at \$1650/m ²	\$907,500
Café 85m ² at \$4000/m ²	<u>\$340,000</u>
	\$1,247,500

NOTE:

The above rates include allowance for ground improvements.

Check by Capitalisation

Gross Annual Income exclusive of GST		\$105,496.92
Less Outgoings		
Rates	\$5,960.00	
Insurance	\$3,476.00	
Water	<u>\$2,400</u>	<u>\$11,836.00</u>
Net Income		\$93,660.92
Capitalised at 7.5% ($\$93,660.92 \div .075$)		\$1,248,812

I therefore conclude that the value of the property rounded is **\$1,250,000**.

15. LIMITATIONS

This valuation is for the use only of the party to whom it is addressed and only for the purpose specified and for no other party or purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation without the written consent of the Valuer.

This valuation is prepared on the understanding that Council or Public Utility searches have not been carried out. While we are not aware of any factors that may affect the value of the property, we reserve the right to amend the valuation if a material fact or circumstance is discovered by a Council or Public Utility search.

16. CRITICAL ASSUMPTIONS

In arriving at my opinion of value I have made various assumptions detailed as follows:

1. That the property complies with all statutory requirements with respect to health, building and fire safety regulations.
2. This valuation was undertaken with an external inspection of the workshop and without a detailed inspection of the Café as per instructions from Joanne Wallis. The Valuer reserves a right to alter this valuation if in his opinion a full inspection reveals information contract to assumptions made in arriving at the value.
3. That a detailed structural survey or pest inspection would not reveal defects or damage other than normal maintenance items associated with this type of property.
4. That a comprehensive test of soils on the land would not reveal contamination by poison or other residues which could affect the utility of the property.
5. That a comprehensive ground test does not reveal poor foundation conditions or the impact of drainage, sewerage, gas, electricity or other services, ducts, pipes, drains or other structures that would require substantial additional expense for the construction or extension of buildings.
6. That there are no orders of compulsory acquisition for the whole or part of the property currently issued by any Government Authority.
7. This valuation has been undertaken without a Title search and therefore no Title defects – easements or other – have been considered in determining the value. Should a Title search reveal easements or other Title encumbrance, other than mortgage, the Valuer reserves the right to adjust this valuation.
8. This valuation assumes that all structural improvements have been erected within the Title boundaries. The Valuer reserves the right to adjust this valuation should a detailed survey reveal encroachment of the improvements on to another lot or encroachments of other improvements on to the subject lot.
9. A Flood Search has not been undertaken. Should a formal search indicate that the property has been or is likely to be affected by flood the Valuer reserves the right to adjust this valuation.
10. It is unlikely that asbestos materials were used in the construction of this building. A suitably qualified expert should be appointed to provide advice if the improvements are to be modified, demolished or removed.
11. This valuation relies on information obtained from RP Data and other sources and whilst this information is deemed to be reliable parties to the sales have not been interviewed to ascertain if all transactions fit the "Spencer Sales Model" the Valuer reserves the right to adjust this valuation if any key transaction is subsequently found not to fit this model.
12. Floor areas have been calculated using aerial measurement drawn from RP Data. However, these may not be accurate and should not be relied on. If accurate floor areas are required I suggest a Surveyor be engaged. Since the primary method of valuation is Direct Comparison a variation in floor area does not impact this valuation.
13. The outbreak of the Novel Coronavirus (COVID-19) was declared as a 'Global Pandemic' by the World Health Organisation on 11 March 2020.
We have seen global financial markets and travel restrictions and recommendations being implemented by many countries, including Australia.
The real estate market is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. As at the date of valuation we consider that there is a significant market uncertainty.
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.
Given the valuation uncertainty noted, we recommend that the user(s) of this report review this valuation periodically.
14. **Full Inspection:** Given that this report has been prepared without a full physical or personal inspection of the property, we recommend that the client considers having us conduct a full inspection of the property when it is deemed appropriate to do so, in order to consider any impact that has on our valuation.

At the time of inspection it is considered that there is no reason to suspect a position contrary to that adopted by the above assumptions, however, if further investigation is considered necessary with respect to any of the above matters, then it is recommended that professional advice be sought relevant to the particular discipline.

17. VALUATION STATEMENT

The market value of the property situated at 41 Pioneer Road, Yandina is assessed as at 28th June, 2021 at:

\$1,250,000
(One Million Two Hundred and Fifty Thousand Dollars)

PETERSON PROPERTY VALUATIONS PTY LTD
Real Estate Valuers



Phillip R Peterson, AVI

Certified Practising Valuer, Registered Valuer No. 1083 QLD

ANNEXURES

Annexure 1
Annexure 2

Sunshine Coast Council Property Search
Photographs

Site Information

Property Address 41 Pioneer Rd YANDINA QLD 4561

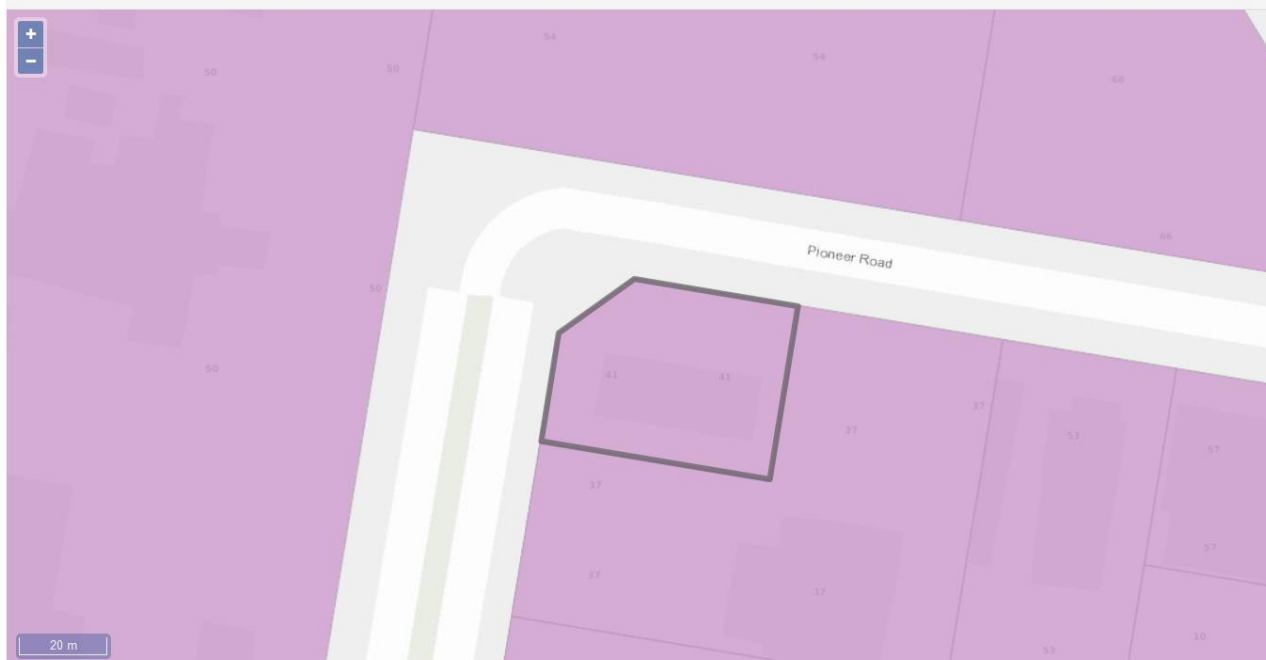
Lot Plan 10Y16434























Land Area 2007 SQ METRES

Zones:

[View Tables of Assessment](#)

[View Zone Codes](#)



 Low Density Residential Zone	 Medium Density Residential Zone	 High Density Residential Zone	 Tourist Accommodation Zone
 Principal Centre Zone	 Major Centre Zone	 District Centre Zone	 Local Centre Zone
 Sport and Recreation Zone	 Open Space Zone	 Environmental Management and Conservation Zone	 Low Impact Industry Zone
 High Impact Industry Zone	 Waterfront and Marine Industry Zone	 Community Facilities Zone	 Medium Impact Industry Zone
 Limited Development (Landscape Residential) Zone	 Rural Zone	 Rural Residential Zone	 Emerging Community Zone
	 Tourism Zone		 Specialised Centre Zone

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