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Acumentis®

ABN: 42 746 517 597

ACN: 127 458 593

57-59 Lockyer Avenue,
Albany WA 6330

PO Box 5451, Albany WA 6332

Tel: 0414 281 141

Valuation Report

23 Riverbend Lane, Scotsdale WA 6333

decision certainty.

Reliant Party:	Shire of Denmark
Purpose:	Market Value Assessment
Instructed By:	Kristie Buss
Valuation Date:	23 September 2022
Inspection Date:	23 September 2022
Acumentis ref.	2209004457





Executive Summary

IMPORTANT: All data provided in this summary is wholly reliant on and must be read in conjunction with the information provided in the attached report. It is a synopsis only designed to provide a brief overview and must not be acted on in isolation.

For the purpose of this report "Acumentis" means the company identified on the front of this report.

1.1 Property summary

Property address	23 Riverbend Lane, Scotsdale WA 6333		
Real property description	Lot 1 on Diagram 87539 as contained within Certificate of Title Volume 2023 Folio 688		
Registered proprietor / owner	Shire of Denmark Registered. 25/5/2016		
Encumbrances	Nil		
Basis of valuation	Market value "as is" with Vacant Possession.		
Site area	5.9636ha		
Property description 'As Is'	Comprises a single level fibrous cement and Colorbond clad residential house with three bedrooms and one bathroom that was constructed circa 1940. The home generally presents to a fair standard and appears in fair condition. The site is irregular in shape and benefits from river reserve frontage. The property offers further development potential for up to five lots in accordance with its current zoning although the existing subdivision guide plan for the property shows three potential lots.		
Building areas	Living	132sqm	
Car accommodation	Single detached carport	Carport	19sqm
Marketability	Good		
Environmental issues	Known	Heritage issues	Not Known
Essential repairs	No		
Local authority / zoning	Shire of Denmark	Special Rural	
Current use	Residential		
Relevant dates	Valuation date	23 September 2022	Inspection date 23 September 2022
	Date of issue	17 October 2022	



1.2 Valuation & assessment summary

Interest valued	Fee Simple Vacant Possession		
Value component	Existing Property		
Land	\$850,000		
Improvements	\$50,000	Replacement value	\$335,000
Market value	\$900,000		
	(Nine Hundred Thousand Dollars)		

1.3 Signatory

Valuer Mark Eaton
AAPI CPV 65084
WA Licence No. 44021

Position Director

Entity Bekenstein Pty Ltd ATF The Harrogate F/T
trading as Acumentis

Office ACU - Albany - WA

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This Valuation Report is for the sole use only of the instructing party only and is not to be used for any other purpose by any other party. Any reliance, use, distribution, publication of the Report and/or any other representations made relating to the contents of the Report is restricted solely to the instructing party, and any additional parties expressly named in this Report.

No responsibility is accepted by the Valuer and/or Valuation Firm in the event that the instructing party to which this Report is addressed, or any other agreed additional reliant party(s) noted in this Report, relies, uses, distributes, publishes and /or otherwise represents anything contained in the Report for any other purpose apart from that expressly noted previously.

No responsibility is accepted by the Valuer and/or Valuation Firm to any other parties who rely, use, distribute, publish and/or otherwise represent anything contained in the Report for any purpose.



Qualifications & Definitions

2.1 Material Valuation Uncertainty

API Guidance

The Australian Property Institute's (API) most recent guidance was issued in 1 July 2020.

The API define Valuation Uncertainty as "The possibility that the Valuer's professional opinion as to the Market Value of the asset may differ from the price that could be achieved in transfer of the asset as at the valuation date, assuming all other market conditions and variables remain constant".

We refer you to the following extract from the guidance note: "Members are advised that different regions and sectors of markets may respond differently to major events. For example, as a consequence of COVID-19, there may be a significant decline in transactional activity in a particular asset class resulting in increased/significant market and hence valuation uncertainty, whereas in another asset class markets may continue to be active (albeit possibly at reduced transaction volumes). Some locations/regions may experience a contraction in market activity, but not markets in other locations/regions."

We consider that this guidance remains relevant noting many sectors of the Australian property market have continued to perform strongly through 2020 and into 2021 despite a short pause in activity at the end of Q1 2020.

The API Guidance continues: "In those markets where the Valuer deems that the market continues to function, and where there are transactions which provide reliable evidence of value, significant market and valuation uncertainty may not exist".

It is our opinion that the valuation of this property has been undertaken in a market which did not demonstrate significant market and valuation uncertainty as at the date of valuation. Notwithstanding this, the reliant party must be cognisant of the potential for future COVID-19 events to occur which could cause market or valuation uncertainty in the future. In the event of unforeseen future events which the Valuer could not reasonably have been aware of at the date of valuation. The value assessed herein may change significantly and unexpectedly over a relatively short period of time. We do not accept responsibility or liability for any losses arising from such subsequent changes in value.

We therefore recommend that the Reliant Party review this valuation report periodically.



2.2 Assumptions, conditions and limitations

The valuation is prepared based on the following pertinent assumptions, conditions and limitations:

- Based on an unencumbered Fee Simple Title.
- The improvements comply with the approvals, conditions and requirements of all appropriate authorities.
- All the information supplied/sourced, including tenancy information (where applicable), in conducting this valuation consists of a full and accurate disclosure of all information that is relevant.
- Based on our observations, the site is not contaminated and we assume that no remediation works are required.
- No encroachment of the building over the lot boundaries nor any encroachment of adjoining buildings onto the subject land.
- The property is not affected by historical or anthropological matters other than those identified by the valuer within the body of this report.
- Any objective information, data or calculations set out in the Valuation will be accurate so far as is reasonably expected from a qualified and experienced valuer, reflecting due skill, care and diligence.
- It should be noted that this valuation does not purport to be a structural survey of the improvements nor was any such survey sighted or undertaken. This valuation is conditional upon detailed reports in respect of the structure and serviced installations of the property not revealing any defects requiring significant expenditure. Additionally, in the absence of a Building Certificate issued by Council or other approved certifier, this valuation is conditional upon the property complying with all relevant statutory requirements in respect of such matters as health, building and fire safety regulations.
- The client must review all Critical Documents to sight, prior to relying on this valuation assessment, to confirm that there are no issues which have a pertinent impact on the market value of the subject property.
- **Verifiable assumptions** relate to environmental issues, structural integrity of the improvements, compliance with applicable building regulations, condition of building services, zoning and encroachments and can be confirmed by obtaining appropriate documentation relating to each.
- Should any of the assumptions upon which our valuation assessment is made prove to be incorrect or inaccurate, this report should be referred to Acumentis for further comment/reassessment.



2.3 Disclaimers

Illicit Substances

Unless stated in the Report, we are unaware as to whether the subject property has undergone any testing for the presence of residual illicit drug substances. This assessment is predicated on the condition that the subject property is not contaminated as a result of user consumption and/or manufacture of illicit substances, and that there are no related chemical residues present on or in the premises. If the Reliant Party has concerns in this regard, we would recommend that you engage an appropriately qualified expert to undertake such a test. If chemical residue related to illicit substances is found to be present, this report should be returned to Acumentis for review and potential amendment.

GST

Valuations of residential property are undertaken on the basis that GST is not applicable. This valuation is prepared on the assumption that the subject property does not constitute a 'new residential premises' as defined under ATO Ruling GSTR 2003/3. Further it is assumed the basis that the subject property will transact as a residential property between parties not registered (and not required to be registered) for GST. The market valuation herein reflects a market transaction to which GST is not applicable.

Improvements/Structural Survey

This Valuation inspection and Report does not constitute a structural survey and is not intended as such. We have carried out an inspection only of the exposed and readily accessible areas of the improvements. Note, the Valuer is not a building construction or structural expert and is therefore unable to certify the structural soundness of the improvements. Readers of this report should make their own enquiries.

This valuation is on the basis 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 appropriate approvals have been obtained from the relevant authorities.

Improvements

This Valuation has been based on the condition of the structural improvements and the property in general as at the inspection date, and if the property has to be sold in circumstances where its condition has deteriorated and/or essential fixtures/fittings removed there is likely to be a significant write down in the asset value when compared to the current assessment. Under these circumstances the Valuer will not be responsible for any reduction in value. This valuation also assumes that all improvements on site are constructed in accordance with the Building Codes of Australia and that all materials used comply with relevant Australian Standards.

Aluminium Composite Cladding - Unless otherwise stated in our assessment evidence of aluminium composite cladding was not evident during the inspection and the assessment is on the basis that the improvements are not subject to rectification works.

Insurance Replacement Cost

An assessment of the replacement value of improvements is provided as indicative advice only and should an accurate assessment be required the services of a qualified Architect and /or Quantity Surveyor should be engaged. The replacement and reinstatement estimate for insurance purposes is based upon industry average rates rather than detailed cost estimates. We have considered them based on replacement of like with like as far as possible. In addition to construction costs we have allowed for demolition and clean-up, professional fees for design and supervision of replacement buildings and improvements and an allowance for increases in prices over a twelve month period being the insurance premium year. It is recommended insurance replacement costs are reassessed every twelve months. NOTE: This assessment makes no provision for Catastrophic Events that can result in abnormal and substantial escalation in building costs. The market value of the subject property as assessed within this valuation report has been predicated on the basis that the subject property can obtain adequate Insurance Replacement cover for the existing improvements on generally acceptable market based terms and conditions. The reliant party must be aware that in the event Insurance Replacement cover is not available for whatever reason that this has the potential to adversely impact the market value of the subject property.



Survey

The valuation is made on the basis that there are no encroachments by or upon the property. If the instructing party has any concerns regarding encroachments, they should be referred to a Registered Surveyor for advice or current survey report. Should any encroachments exist, or other affectations be noted by a survey report, this report should be returned to the valuer for comment. We reserve the right to amend our report upon receipt of this information.

Comparable Sales Evidence

The comparable sales evidence used in this valuation report are considered the most relevant sales based on our research, both in terms of physical comparison to the subject property and allowing for market changes between sale and valuation date. In many cases, we have not physically inspected the interior of the sales evidence quoted and have relied on sales evidence as recorded in available property sales databases including the number of bedrooms. We therefore cannot guarantee the accuracy of the information provided.

Environmental

Unless stated otherwise in the report, no soil tests or environmental studies have been made available. Therefore, it should be noted that the valuation is subject to there being no surface or sub-surface soil problems including instability, toxic or hazardous wastes, toxic mould, asbestos or building material hazards in or on the property that would adversely affect its existing or potential use or reduce its marketability. Should any problems be known or arise, then the valuation should be referred to Acumentis for review as Acumentis deems appropriate.

The reliant party client acknowledges and recognises that Acumentis are not an expert in identifying environmental hazards and compliance requirements affecting properties.

Market Movement Clause

This valuation is current 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. Acumentis does not accept liability for losses or damage arising from such subsequent changes in value including consequential or economic loss. Without limiting the generality of the above comment, Acumentis does not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three 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.

Asbestos

Unless stated otherwise within the report, no Asbestos Materials Report has been provided. Should any such matters be known or discovered, no reliance should be placed on the assessment of value unless Acumentis has been advised of these matters and has confirmed that the assessment is not affected. Acumentis has not physically inspected enclosed cavities or air-conditioning plant and equipment and this assessment assumes these areas do not include asbestos based materials.

Town Planning, Building and Other Searches

We advise that a search with the appropriate Council or other relevant authorities has not been carried out or has not been obtained and therefore this valuation has been undertaken on the on the basis that all necessary and appropriate town planning and/or building, consents, approvals and certifications have been issued for the use and occupation of the improvements as described in this report. We recommend the reader make their own enquiries in this regard. Should any issues arise from these enquiries, this report should be returned to the valuer for comment. We reserve the right to reassess value at that time.



Pest & Termite Infestation

Unless otherwise noted we advise that the inspection of the subject property did not reveal any obvious visible pest or termite infestation within reasonably accessible areas to the valuer. The client acknowledges and recognises that the valuer is not a pest inspector or pest expert. The absence of pests, including termites, can only be confirmed by a suitably qualified expert after a comprehensive inspection and the use of specialist equipment. Should any pest or termite infestation issues become apparent, this report should be returned to the valuer for comment. We reserve the right to reassess the value of the property at that time.

Utility Services

We advise that the valuer has not tested any of the services. Should any utility service concerns become apparent, this report should be returned to the valuer for comment. We reserve the right to reassess the value of the property at that time.

Flood Search

We advise that we have not undertaken a formal search to confirm whether or not the property is subject to flooding, or has previously been flooded. We recommend you undertake your own enquiries in this regard. Should any issues arise this report should be referred back to the valuer for comment and or amendment.

Full Disclosure & Reasonably Available Information

The instructing party acknowledges its responsibility for full disclosure of all relevant information and undertakes to provide all relevant documents in its possession that may have an effect on the service to be provided. This valuation is based upon information reasonably available to the valuer as at the date of issue in accordance with usual valuation practices.

Neither the valuer nor Acumentis has any pecuniary interest giving rise to a conflict of interest in valuing the property.

2.4 Definitions

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

Highest and Best Use is the use of an asset that maximises its potential and that is physically possible, legally permissible and financially feasible.

2.5 Critical documents to sight

A critical document is considered to contain information that may have an impact on the marketability and market value of the subject property. Such documents may include a formal search and/or expert report undertaken by a third party professional. This valuation is conditional on the following document(s) being sourced and read in full by the client. Should the documents below identify any matters which materially alter the value of the property, they should be referred to the valuer so that they can be reviewed and the impact (if any) on marketability and/or market value be reassessed. We recommend that the following critical documents be sourced and read in full prior to relying on this valuation:

No Critical documents to sight.



Property Details

3.1 The land

Property identification	Site inspection, street address, cadastral map, certificate of title
Title search undertaken	Yes
Real property description	Lot 1 on Diagram 87539 as contained within Certificate of Title Volume 2023 Folio 688
Site area	5.9636ha
Local authority	Shire of Denmark
Zoning	Special Rural
Zoning effect	<p>The current Single Residential use appears to conform with the permissible uses under the zoning. Single House is the only stated permitted use for this zoning with AA uses or uses permitted only at the discretion of the council limited to Home Occupation and Holiday Accommodation on the basis it is limited to accommodation which is solely within the dwelling.</p> <p>A number of provisions relate to this zoning with some of the most applicable being the following:</p> <p>(i) Subdivision of Special Rural Zone No. 15 is to be generally in accordance with Plan of subdivision (Plan No. A94-17-1) dated May 1995 as signed by the Shire Clerk.</p> <p>(iii) The minimum lot size shall be 1 hectare.</p> <p>(v) (f) All buildings shall be constructed in accordance with Australian Standard 3959-1991 "Construction of Buildings in Bushfire Prone Areas".</p> <p>(vii) (c) The subdivider shall prepare a Foreshore Management Plan for Scotsdale Brook, dealing with stormwater drainage, erosion control and clearing and development within the Scotsdale Brook Foreshore.</p> <p>(d) The subdivider shall prepare a stormwater drainage plan that addresses the drainage requirements of the site and addresses impacts on local water regimes.</p> <p>(e) Building envelopes shall be located outside the 50 metre Creek line setback as shown on the Subdivision Guide Plan.</p> <p>(viii) (a) All buildings constructed within the zone shall be sympathetic to existing landscape elements (namely landform and vegetation) in terms of their location, scale, height, building materials and colour.</p> <p>(b) Buildings shall be constructed of roof and external wall materials comprising natural earth or olive green colours. Zinacalume or other similar cladding will not be permitted. Other roof and external wall materials which would, in the opinion of Council, prejudice the landscape amenity of the area, will not be permitted.</p>



(c) All residential buildings shall be single storey except where it can be proven to Council that a variation to the height restriction would not adversely affect the visual amenity of the locality.

(xiii) (a) Council and the Bush Fires Board may request the Commission to impose a condition, at the time of subdivision that requires fire hydrants to be provided by the subdivider at intervals of no less than 200 metres along East River Road, Scotsdale and the subdivisional road. The Subdivision Guide Plan referred to in condition (i) has been attached to the rear of this report for your perusal. This Plan shows the subject property as having potential to be subdivided into three similar size lots being potential lots 10, 11 and 12.

Potential Lot 10 is the western most potential lot positioned on the corner of Riverbend Lane and Scotsdale Road and shows an area of 2.0 hectares. Potential Lot 11 is the central lot showing an area of 2.0 hectares, while potential Lot 12 is the eastern most lot and adjoins Scotsdale Brook. The land area of Potential Lot 12 is 1.92 hectares. All potential lots benefit from frontage to Riverbend Lane.

Provision (iii) states a minimum lot size of 1 hectare is required. While there is potential for the subject property to be subdivided into up to five lots in accordance with this provision, approval would be at the discretion of the council. Furthermore provision (ii) states that “Notwithstanding (i) above, the Western Australian Planning Commission may approve a minor variation to the subdivisional design, but further breakdown of the lots so created shall be deemed contrary to the provisions of the Scheme”. Consequently we have valued the subject property in accordance with the Subdivision Guide Plan.

Site description & access	The land comprises an irregular shaped, corner site with a largely near level topography although it falls gently near its eastern boundary. Soils appear to be sandy clay in nature. The site has good access quality.
Services	Electricity, telephone, septic and bore water are connected or available for connection to the property.
Location	<p>Scotsdale is a largely rural area forming part of the Denmark locality. Scotsdale is situated approximately 7km north and north-west of the Denmark townsite.</p> <p>Denmark is a small town located within the Great Southern region approximately 414km south-east of Perth and 50km west of Albany. The population of Denmark is approximately 2500 people. The town is well positioned on the Denmark River, close to the Wilson Inlet and surrounded by Karri forest.</p> <p>More specifically, the subject property is located on the north eastern corner of East River Road and Scotsdale Road intersection.</p>

3.2 Building construction details

Year built	Circa 1940
Style	Conventional
Levels	Single level
Main walls & roof	Fibrous cement and Colorbond
Window frames	Aluminium
Main interior linings	Plasterboard and fibrous cement
Flooring	Timber
Parking	Single detached carport
Internal condition	Fair to below average
External condition	Fair to below average
Areas	Living 132sqm Carport 19sqm
Accommodation	Three bedrooms, one bathroom, kitchen, laundry, entry, lounge, meals and sleepout.
Interior layout	Good
PC items	Kitchen: Wall and floor cupboards with laminated benchtop, single bowl stainless steel sink and upright stove. Bathroom/Laundry: Shower recess, single trough and toilet.
Fixtures and features	High ceilings and slow combustion wood fire. Floor coverings include vinyl, tile and carpet.

3.3 Ancillary improvements

Established lawns and gardens, paved pergola and several old sheds in modest condition.

3.4 Heritage issues

We have undertaken a search of all relevant local, state and federal government databases as at the date of valuation which has indicated that the subject is not listed as a heritage interest as at the date of valuation.

3.5 Environmental issues

We have undertaken searches of readily available resources relating to any potential environmental issues with regard to the subject property. Acumentis do not accept any responsibility or liability whatsoever for the accuracy of the information contained in these third party resources.

Any environmental issues which are considered to impact the subject property have been outlined below. As valuers, we are not experts in the field of environmental contamination and if more detailed advice is required, an environmental consultant should be engaged and their report and/or any additional professional advice provided should be provided to the valuer for comment.

The subject property is largely located in a bush fire overlay zone. This is considered to be a general impact which is common to the locality and does not have an adverse impact on marketability and market value specific to the subject property.

Photographs

4.1 Supporting Photographs



Front elevation



Rear elevation



Car Accommodation



External cladding damage



Damaged gutters



General land



Kitchen



Bathroom



General land



General land



Scotsdale Brook



General land



Comments

5.1 Property comment

The subject property comprises a single level, fibrous cement and Colorbond three bedroom plus sleepout and one bathroom residential house originally constructed circa 1940 and later extended. The home is situated on a 5.9636 ha allotment, is located level with the road grade and has a fair presentation from the street. The lot is attractively located adjoining Scotsdale Brook and offers subdivision potential for three lots in accordance with the current Subdivision Guide Plan.

At the date of inspection the home was in fair to below average condition only and generally presented to a below average standard. During the inspection maintenance/repair was required to several areas including rusted/damaged gutters, hole in external cladding and paint peeling to two bedrooms.

The property is large for its proximity to the Denmark town centre and is largely cleared with an attractive brook frontage. We have been provided with a Subdivision Guide Plan from the Shire of Denmark for the current Special Rural 15 zoning that shows the subject property offering subdivision potential for three lots shown as Lots 10, 11 and 12. Potential Lot 10 is the western most lot positioned on the corner of Riverbend Lane and Scotsdale Road and comprises of generally level, cleared and pastured land. The land area of Potential Lot 10 is 2.0 hectares. Potential Lot 11 is the central lot and includes the existing accommodation. It has a land area of 2.0 hectares. Potential Lot 12 is the eastern most lot and adjoins Scotsdale Brook. Potential Lot 12 offers the most attractive land with some attractive mature vegetation plus cleared land. The land area of Potential Lot 12 is 1.92 hectares.

5.2 Market comment

The low interest rate environment and government stimulus in 2019 improved demand in the Denmark residential market and resulted in rising property values across all sectors of the residential property market. The recent commencement of an interest rate rising cycle however has dampened previously strong demand.

5.3 Key market indicators

Level of market activity	Sales Beginning to Weaken
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Recent market direction	Steady
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Valuation Methodology

6.1 Valuation methodology

In establishing a market value for the subject property we have used the following approach.

Direct Comparison Approach

This is the analysis of sales of similar properties by comparative basis. When undertaking this comparison factors such as, but not limited to, the following are assessed and then related back to the subject property as a whole.

- Location
- Land Area
- Frontages
- Topography
- Services and Access
- Rental income potential
- Zoning
- Development Potential
- General Presentation
- Site Layout
- Car Parking
- Type of Buildings
- Design and Function
- Construction Materials
- Age and Quality
- Degree of Obsolescence

Summation Approach

The Summation approach is the land value plus the depreciated value of the existing improvements allowing for condition of the building(s) and both physical and functional obsolescence. This method has been used as a cross check to the Direct Comparison approach.

In applying appropriate replacement cost rates for the building areas, we have relied upon our experience as valuers along with utilising current construction costs detailed in building cost guides such as Rawlinson's Australian Construction Handbook. For the purpose of the valuation, we have adopted an appropriate depreciation rate that reflects the age, degree of obsolescence and condition of improvements. The underlying land value and applied depreciation rate are assessed by comparison to the available sales evidence



Hypothetical Development Analysis

Finally we have analysed the property on a Hypothetical Development basis making allowances for development costs as well as the associated selling, holdings and transfer costs together with a profit and risk factor. The profit and risk factor was derived from analysis and investigations that reflect the general market sentiment. This analysis has showed the level being used by the market ranged between 15% and 25% depending on the style and size of the development. We have adopted towards the lower end of this range to take into consideration the small size of the potential development.

The potential development analysed within our Hypothetical Development Analysis is in accordance with the Subdivision Guide Plan that shows Potential Lots 10, 11 and 12.

In determining our gross realisation amount we have adopted a market value of \$475,000 for Potential Lot 10, \$525,000 for potential Lot 11 and \$525,000 for Potential Lot 12. This results in a Gross Realisation of \$1,525,000

We have undertaken a Hypothetical Development Analysis to establish the subject property's 'In One Line' market value if the development was strata-titled and sold individually. This analysis utilises the Direct Comparison approach to determine the end market value of each villa (assuming each property is subdivided and titled) to calculate the Gross Realisation of the proposed development, from which subdivision costs (selling and marketing of subdivided lots, development costs, interest/holding costs and property acquisition costs to the likely purchaser) and a profit and risk factor are deducted to establish the 'In One Line' market value.

The Hypothetical assumptions are as follows:

- We have adopted a Gross Realisation of \$1,525,000.
- Standard borrowing costs of 6.0% per annum.
- Profit and risk factor of 17.5%.
- Development costs of \$80,000 per lot.

We note that the development costs of \$80,000 is an estimate only and detailed engineers costs may vary from this estimate. Development costs may vary depending on provisions imposed as part of the development approval, such as Provision (xiii) (a) of the Special Rural 15 zoning provisions that may require fire hydrants at 200 metre intervals along road networks.

The Hypothetical Development calculation is included within the Annexures to the rear of this report.

Sales Evidence

7.1 Sales evidence

The following sales provide a sample of the information that has been investigated and analysed for the purpose of this assessment. Whilst we believe the information to be accurate, it was obtained from third party sources and not all details have been formally verified.

We have reviewed all available evidence carefully and have included the most recent and comparable sales in the report to the best of our knowledge.

Development Site Sales.

Address	Sold/under offer	Sale date	Sale price
14 Buckley Street, Denmark WA 6333	Settled	07/06/2022	\$825,000



Comprises two adjoining vacant and largely cleared lots with a combined total land area of 3.07 ha. Property falls moderately below the road grade and offers restricted inlet views. Property adjoins a moderately busy main road. Zoned Residential R2/20 offering further development potential.

The purchase price reflects a sale rate of \$27/sqm.

In Comparison to Subject:

Closer to services. Multiple lots. Smaller land area. Inferior topography. Superior aspect. Vacant land only. **Overall considered inferior to the whole of the subject property.**

267 Ocean Beach Road, Ocean Beach WA 6333	Settled	19/11/2021	\$930,000
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An irregular shaped, gently to moderately sloping, inside site with an undulating topography that generally rises above road level before falling towards its rear boundary. Soils appear to be sandy clay to gravelly loam in nature with granite outcrops. The site has good access quality. Land area is 28.33 hectares. The property is largely cleared with some retained mature remnant vegetation. The property offers restricted but good Inlet views. The majority of the subject property is zoned Residential R20 while smaller areas are zoned Parks and Recreation, Public Use: Primary School and Commercial. Single residential use is permitted under the predominately Residential zoning. The property offers significant further development potential subject to council approval and the provision of main sewer services. The main sewer service is currently located a significant distance from the property and would be required to be extended to the property at considerable cost to enable further development. This is not currently considered viable and the current Highest and Best use of the subject property is single residential/residential lifestyle use.

The purchase price reflects a sale rate of \$3/sqm.

In Comparison to Subject:

Broadly comparable location. Larger land area. Inferior topography. Superior aspect. Higher density development potential. Inferior services availability. Vacant land only. Older sale in weaker market conditions. **Overall considered superior to the whole property.**

Address	Sold/under offer	Sale date	Sale price
20 Smith Street, Denmark WA 6333	Settled	09/07/2021	\$1,275,000



Comprises a vacant 6.6107 hectare allotment that rises above the road grade with a topography that ranges from gentle to steep. A large portion of the property benefits from restricted water views of fair quality with the elevated rear portion of the lot benefitting from superior water views of the Wilson Inlet. The lot is largely cleared of native vegetation with the exception of an area of small to medium size trees positioned towards the rear of the lot. The property appears composed of gravelly/loam soils with a small area of granite outcrops evident within the vegetated area. Zoned Residential R20 and the property was advertised as having conditional approval for a 60 lot residential development. Sewer is available.

The purchase price reflects a sale rate of \$21,250 per potential lot and \$19/sqm.

In Comparison to Subject:

More central location. Larger land area than the whole property. Superior aspect. Higher density development potential. Older sale in weaker market conditions. **Overall considered superior to the whole property.**

Single Residential Site Sales

Address	Sold/under offer	Sale date	Sale price
69 Middleton Close, Shadforth WA 6333	Settled	12/05/2022	\$336,000



Comprises a mature forest covered uncleared vacant lot with a land area of 2.4 ha. The property is irregular in shape and offers ocean views.

The purchase price reflects a sale rate of \$14/sqm.

In Comparison to Subject:

Inferior location. Slightly larger land area to potential lots. Less cleared and versatile. Superior aspect. Vacant land only. **Overall considered inferior to the potential lots of the subject property.**

39 Myers Road, Shadforth WA 6333	Settled	22/04/2022	\$500,000
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Comprises a vacant largely cleared lot with a land area of 2.01ha. The property has an irregular shape and falls moderately to steeply below the road grade. The property offers restricted water views.

The purchase price reflects a sale rate of \$25/sqm.

In Comparison to Subject:

Broadly comparable location. Similar land area to potential lots. Inferior topography. Superior aspect. **Overall considered broadly comparable to the potential lots of the subject property.**

Address	Sold/under offer	Sale date	Sale price
109 Barry Road, Scotsdale WA 6333	Settled	06/08/2022	\$520,000



Comprises a Colorbond clad shed that has been converted into a basic weekender located on an otherwise vacant 1.8 hectare lot. The lot is largely covered in attractive mature forest.

The purchase price reflects a sale rate of \$29/sqm.

In Comparison to Subject:

Located further from services although attractive forest setting. Similar land area to potential lots. Includes a basic weekender accommodation. **Overall considered broadly comparable to the potential lots 11 and 12 of the subject property.**

60 East River Road, Hay WA 6333	Settled	16/06/2022	\$700,000
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This is a two level, conventional style, detached residential house with weatherboard walls and a colorbond roof that was built in circa 1995. It appears of good quality and has good condition/presentation. Accommodation comprises four bedrooms and one bathroom. The site area is 2.77 hectares. Includes a shed, water tank and large dam.

The purchase price reflects a sale rate of \$25/sqm.

In Comparison to Subject:

Inferior location. Larger land area than the potential lots although smaller than the whole property. Superior ancillary improvements. Superior residential accommodation. **Overall considered superior to the potential lots although inferior to the whole property.**

280 Ocean Beach Road, Shadforth WA 6333	Settled	25/01/2022	\$700,000
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Comprises a vacant largely cleared lot with a land area of 6.59ha. The property has an irregular shape and generally gentle topography.

The purchase price reflects a sale rate of \$11/sqm.

In Comparison to Subject:

Broadly comparable location. Larger land area than the whole of the subject property. Less cleared and attractive property. Vacant land only. No further development potential. **Overall considered inferior to the whole of the subject property.**

12 Sagers Road, Parryville WA 6333	Settled	05/07/2022	\$750,000
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This is a single level conventional style detached residential house with fibrous cement/weatherboard walls and a colorbond roof that was built in circa 1960. It appears of good quality and has good condition/presentation. Accommodation comprises two bedrooms and one bathroom. The site area is 10.09 hectares. Includes a machinery shed and water tanks. Largely uncleared lot.

The purchase price reflects a sale rate of \$7/sqm.

In Comparison to Subject:

Inferior location. Larger land area than the whole of the subject property. Less cleared and attractive land. Superior ancillary improvements and superior residential accommodation. **Overall considered inferior to the whole of the subject property.**

Address	Sold/under offer	Sale date	Sale price
202 Walter Road, Scotsdale WA 6333	Settled	04/12/2021	\$820,000



This is a single level, conventional style, detached residential house with hardiplank walls and a tile roof that was built in circa 1970. It appears of good quality and has good condition/presentation. Accommodation comprises three bedrooms and two bathrooms. Home appears to have been partly renovated. Living area is 143sqm. The site area is 2.11 hectares. Includes a patio, Colorbond clad workshop and shed.

The purchase price reflects a sale rate of \$39/sqm.

In Comparison to Subject:

Inferior location. Similar land area to potential lots although smaller than whole property. Superior ancillary improvements and superior residential accommodation. **Overall considered superior to the potential lots and inferior to the whole of the subject property.**

111 Lantzke Road, Scotsdale WA 6333	Settled	23/11/2021	\$925,000
-------------------------------------	---------	------------	-----------



This is a single level, conventional style, detached residential house with mud brick/weatherboard walls and a corrugated galvanised iron roof that was built in circa 1995. It appears of good quality and has good condition/presentation. Accommodation comprises four bedrooms, two bathrooms and a double carport. Approximate living area is 171sqm. The site area is 8.82 hectares. Partly cleared and partly mature forest.

The purchase price reflects a sale rate of \$10/sqm.

In Comparison to Subject:

Similar location. Larger land area. Less cleared and versatile lot. No further development potential. Superior ancillary improvements. Superior residential accommodation. Older sale in weaker market conditions. **Overall considered broadly comparable to the whole property.**

115 Sea Change Close, Hay WA 6333	Settled	22/02/2022	\$940,000
-----------------------------------	---------	------------	-----------



This is a single level, conventional style, detached residential house with rendered brick walls and a colorbond roof that was built in circa 2016. It appears of good quality and has good condition/presentation. Accommodation comprises four bedrooms and two bathrooms. Approximate living area is 254sqm. The site area is 4.4315 ha.

The purchase price reflects a sale rate of \$21/sqm.

In Comparison to Subject:

Inferior location. Smaller land area than the whole property. Superior ancillary improvements. Significantly superior residential accommodation. **Overall considered slightly superior to the whole of the subject property.**



Valuation Rationale

8.1 Valuation rationale

After analysis of the sales evidence within the Denmark locality, it is our opinion that the subject property has a market value within the range of \$860,000 to \$940,000. We have adopted a market value of \$900,000 reflecting the large size of the lot for its proximity to the Denmark town centre, attractive brook frontage and further development potential as well as the modest home that requires some maintenance/repair.

The assessed market value is based on estimated selling period of less than 6 months.

Valuation Reconciliation

9.1 Adopted value

The following table presents the results from the approaches that have been utilised in this valuation report and the value that has been adopted for the subject property.

Valuation Reconciliation	
Land	\$850,000
Improvements	\$50,000
Market value	\$900,000 (Nine Hundred Thousand Dollars)

9.2 Replacement value for insurance purposes

An assessment of the replacement value of improvements is provided as indicative advice only and should an accurate assessment be required the services of a qualified Architect and/or Quantity Surveyor should be engaged.

Our replacement and reinstatement estimate for insurance purposes is based upon overall industry average rates rather than detailed cost estimates. We have considered them on the basis of replacement of like with like as far as possible. In addition to construction costs we have allowed for demolition and clean-up, professional fees for design and supervision of replacement buildings and improvements and an allowance for increases in prices over a twelve month period being the insurance premium year.

Replacement value for insurance	
Estimated replacement value for insurance purposes	\$335,000

9.3 Signatory

Valuer

Mark Eaton
AAPI CPV 65084
WA Licence No. 44021

Position Director

Entity Bekenstein Pty Ltd ATF The Harrogate F/T
trading as Acumentis

Office ACU - Albany - WA

Liability limited by a scheme approved under Professional Standards Legislation.



Annexures

1. Instruction
2. Title Search
3. Title Plan
4. Subdivision Guide Plan
5. Hypothetical Development Analysis Calculation



Shire of Denmark
953 South Coast Highway, Denmark WA 6333
PO Box 183, Denmark WA 6333
Tel: (08) 9848 0300
Email: creditors@denmark.wa.gov.au
Website: www.denmark.wa.gov.au
ABN: 24 355 062 623

PURCHASE ORDER

Creditor: 52555

ACUMENTIS ALBANY (FORMERLY LMW ALBANY)

To: PO BOX 5451
ALBANY WA 6332

Order No: 21621

Order Date: 09/09/2022
Required By: 10/09/2022

Please supply the following in accordance with instructions:

QTY	UoM	Description	Unit Value	Amount	GST
1.00	Each (ea)	Valuation on 23 Riverbend Lane, Scotsdale, WA, 6333	\$1,300.0000	\$1,300.00	\$118.18

Total Including GST: \$1,300.00

Order Number must be quoted on all packing slips and invoices

Special Instructions:

Deliver To:

Authorised By: Kristie Buss - Executive Support Officer

The Shire of Denmark's General Conditions of Contract For The Supply Of Goods And Services Under A Purchase Order (General Conditions) apply to this purchase order.

A copy of the General Conditions can be found on the [website](#).

ORIGINAL—NOT TO BE REMOVED FROM OFFICE OF TITLES

Application F748082
Volume 1201 Folio 610

WESTERN



AUSTRALIA

REGISTER BOOK
VOL. FOL.

CT 2023 688



CERTIFICATE OF TITLE

UNDER THE "TRANSFER OF LAND ACT, 1893" AS AMENDED

I certify that the person described in the First Schedule hereto is the registered proprietor of the undermentioned estate in the undermentioned land subject to the easements and encumbrances shown in the Second Schedule hereto.

G. Sack

REGISTRAR OF TITLES



Dated 5th December, 1994

ESTATE AND LAND REFERRED TO

Estate in fee simple in portion of Denmark Lot 613 and being Lot 1 the subject of Diagram 87539, delineated on the map in the Third Schedule hereto, limited however to the natural surface and therefrom to a depth of 60.96 metres.

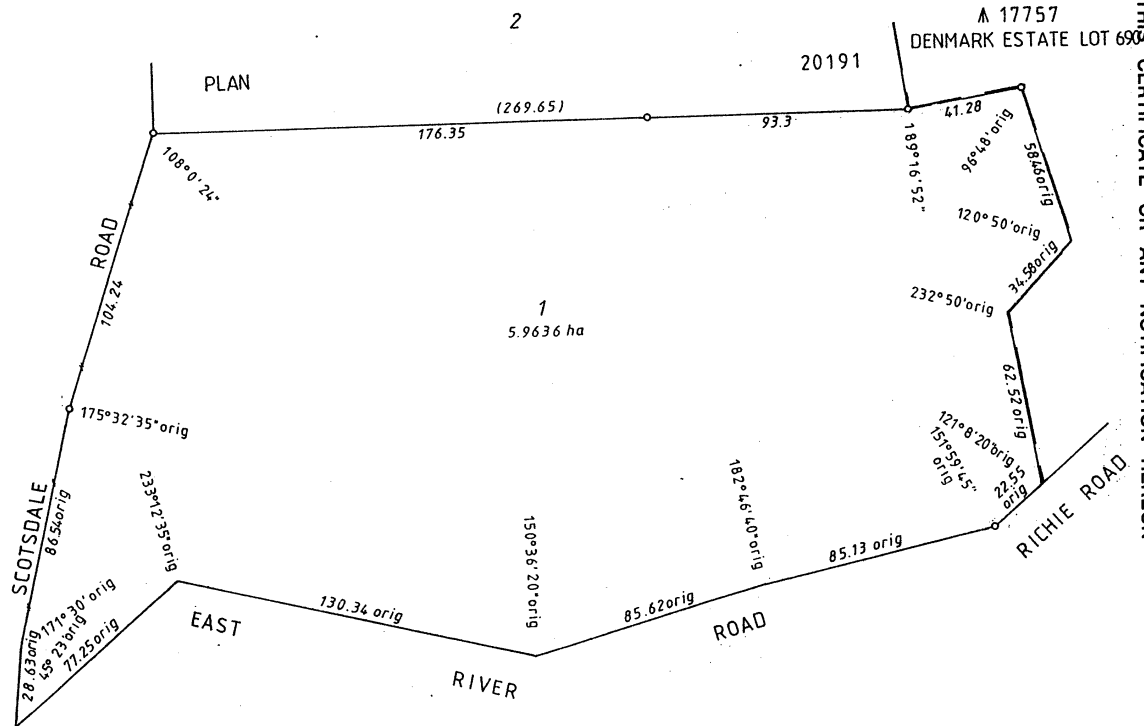
FIRST SCHEDULE (continued overleaf)

~~James Peter Barry and June Dorothy Barry, both of Denmark, as joint tenants~~

SECOND SCHEDULE (continued overleaf)

NIL

THIRD SCHEDULE



PERSONS ARE CAUTIONED AGAINST ALTERING OR ADDING TO THIS CERTIFICATE OR ANY NOTIFICATION HEREON

NOTE: ENTRIES MAY BE AFFECTED BY SUBSEQUENT ENDORSEMENTS.

E67590/3/89-20M-L/4664

Superseded - Copy for Sketch Only

688
2023
Page 1 (of 2 pages)
VOL. FOL.

FIRST SCHEDULE (continued) NOTE: ENTRIES MAY BE AFFECTED BY SUBSEQUENT ENDORSEMENTS

REGISTERED PROPRIETOR	INSTRUMENT		REGISTERED	TIME	SEAL	CERT. OFFICER
	NATURE	NUMBER				
June Dorothy Barry of East River Road, Denmark, by survivorship.	Application	G319476	4.11.96	14.05		

SECOND SCHEDULE (continued) NOTE: ENTRIES MAY BE AFFECTED BY SUBSEQUENT ENDORSEMENTS

PARTICULARS	REGISTERED	TIME	SEAL	CERT. OFFICER	CANCELLATION	NUMBER	REGISTERED OR LODGED	SEAL	CERT. OFFICER

CERTIFICATE OF TITLE VOL. 2023 FOL 688

WESTERN



AUSTRALIA

REGISTER NUMBER 1/D87539	
DUPLICATE EDITION 3	DATE DUPLICATE ISSUED 27/5/2016

RECORD OF CERTIFICATE OF TITLE
UNDER THE TRANSFER OF LAND ACT 1893

VOLUME **2023** FOLIO **688**

The person described in the first schedule is the registered proprietor of an estate in fee simple in the land described below subject to the reservations, conditions and depth limit contained in the original grant (if a grant issued) and to the limitations, interests, encumbrances and notifications shown in the second schedule.

BGRoberts
REGISTRAR OF TITLES



LAND DESCRIPTION:

LOT 1 ON DIAGRAM 87539

REGISTERED PROPRIETOR:
(FIRST SCHEDULE)

SHIRE OF DENMARK OF PO BOX 183 DENMARK

(T N336231) REGISTERED 25/5/2016

LIMITATIONS, INTERESTS, ENCUMBRANCES AND NOTIFICATIONS:
(SECOND SCHEDULE)

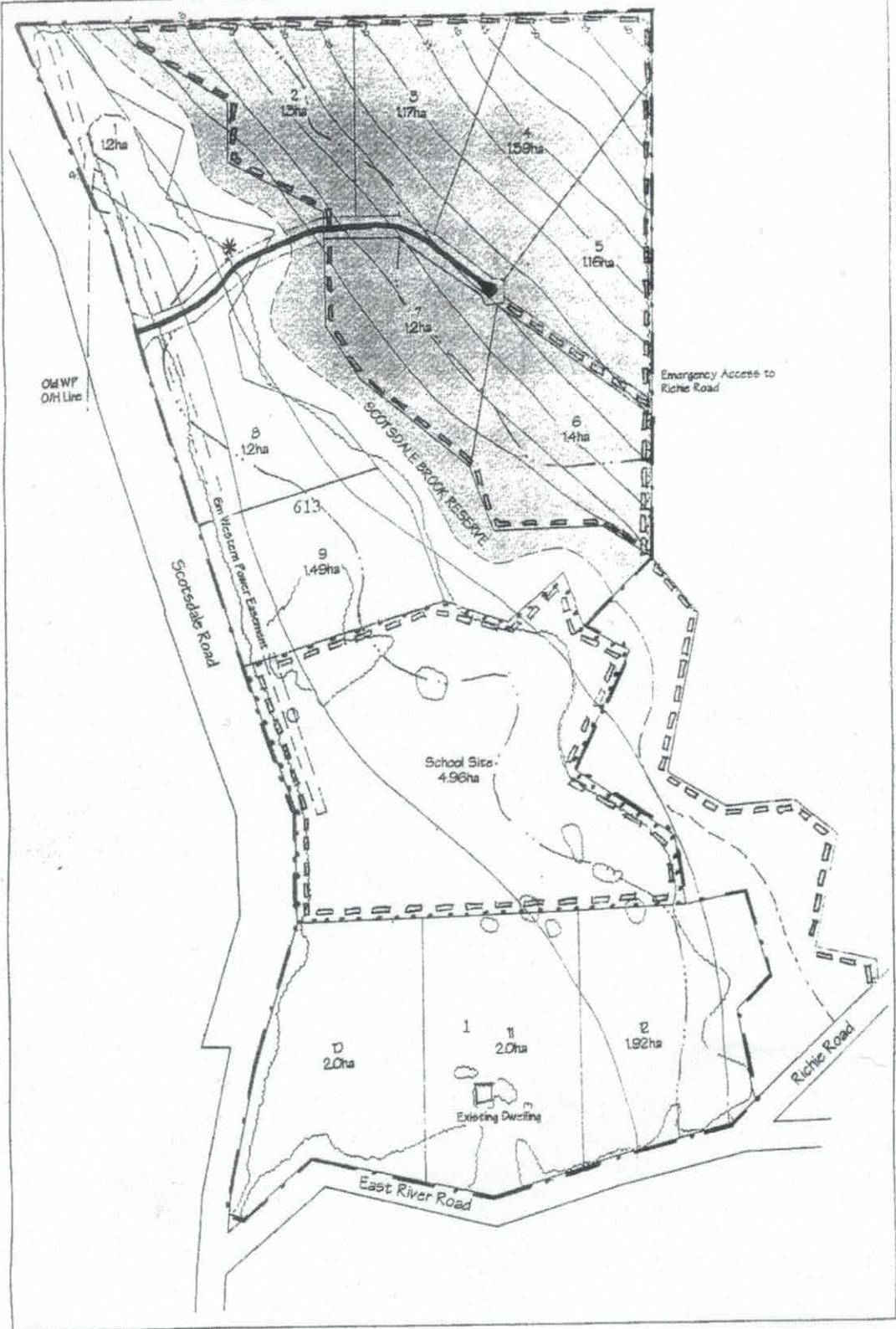
Warning: A current search of the sketch of the land should be obtained where detail of position, dimensions or area of the lot is required.
* Any entries preceded by an asterisk may not appear on the current edition of the duplicate certificate of title.
Lot as described in the land description may be a lot or location.

-----END OF CERTIFICATE OF TITLE-----

STATEMENTS:

The statements set out below are not intended to be nor should they be relied on as substitutes for inspection of the land and the relevant documents or for local government, legal, surveying or other professional advice.

SKETCH OF LAND: 2023-688 (1/D87539)
PREVIOUS TITLE: 1201-610
PROPERTY STREET ADDRESS: 23 RIVERBEND LANE, SCOTSDALE.
LOCAL GOVERNMENT AUTHORITY: SHIRE OF DENMARK



- NOTES:
1. Holding Envelopes to be a maximum 2000m² in area. Efficient system location to be determined on site in consultation with Council.
 2. All lotteries are subject to survey.
 3. Non Road reserve with 6m cartway.
 4. Roofing and external wall materials of all buildings shall be treated with natural earth or registration colours.

Adopted by Resolution of the Council of the Shire of Denmark at the Full Council Meeting held on the 23rd day of MAY 1995
 Shire Clerk: *[Signature]*

Figure 2.



1:3000
 A94-17-1

Subdivision Guide Plan

Pt Lot 613 Scotsdale Road &
 Lot 1 East River Road
 Denmark

- 10m wide Strategic Fire Break & Emergency Access
- 50m Groekline: Setback
- Subject Land
- Existing Vegetation
- Tree Preservation Area
- Additional Use Boundary
- Strandpipe & 25 000l Water Tank Facility (Position to be determined)

AYTON, TAYLOR & BURRELL
 11 DUKE STREET
 ALBANY WA 6330

HYPOTHETICAL DEVELOPMENT ANALYSIS

IN ONE LINE

MARGIN SCHEME

Gross Realisation		\$ 1,525,000				
Less GST Collected:		\$ 54,560	\$ 1,470,440			
Less Selling and Marketing Costs	2.50%	\$ 38,125				
Less GST Collected:		\$ 3,813	\$ 34,313			
			\$ 1,436,128			
Less Profit and Risk	17.50%		\$ 213,891			
			\$ 1,222,236			
Less Estimated Development Costs						
Strata, Survey & Title Fee's	3	@	\$80,000	\$ 240,000		
Less GST Collected:				\$ 21,818	\$ 218,182	
					\$ 1,004,055	
Less, Rates & Taxes	\$5,000			\$ 5,000		
					\$ 999,055	
Less Interest on Development Costs (REPRESENTS 50% EXPOSURE)						
	3	months @	6.00%		\$ 3,600	
					\$ 995,455	
Less Interest on Land (INTEREST ON HOLDING PERIOD)						
	6	months @	6.00%		\$ 28,994	
					\$ 966,461	
Less Land Acquisition Costs						
Stamp Duty and Legal Fees	4.50%			\$ 41,618		
				\$ 924,843		
Adopted Margin Scheme Reference Value:				\$ 924,843		

Lots	@	\$ Per Lot	Gross Income
1	@	\$ 475,000	\$ 475,000
1	@	\$ 525,000	\$ 525,000
1	@	\$ 525,000	\$ 525,000
	@		\$ -
	@		\$ -
	@		\$ -
	@		\$ -
	@		\$ -
	@		\$ -
	@		\$ -
	@		\$ -
3	Total		\$ 1,525,000