

**VALUERS
AUSTRALIA**

REAL ESTATE|ADVISORS



ABN 25 121 942 505

CURRENT MARKET RENTAL (GROUND RENTAL)

LUNDBERG DRIVE, MURWILLUMBAH

LEASE TO TWEED VALLEY JUNIOR DEVELOPMENT MOTORCYCLE CLUB

PREPARED FOR:	TWEED SHIRE COUNCIL
YOUR REFERENCE:	Murwillumbah
PURCHASE ORDER:	
OUR REFERENCE:	VA533

TABLE OF CONTENTS

INSTRUCTIONS	2
PURPOSE.....	2
BACKGROUND	2
DATE OF INSPECTION	2
DATE OF VALUATION.....	2
LOCATION.....	3
LEGAL DESCRIPTION	4
SITE AREA	6
ZONING	7
SITE DESCRIPTION.....	11
FLOOD LIABILITY	13
SERVICES.....	13
ACCESS.....	13
CONTAMINATION.....	14
VEGETATION.....	14
BUILDING/STRUCTURES.....	15
PROPOSED LEASE DETAILS.....	16
CURRENT LEASE DETAILS.....	16
VALUATION RATIONALE	17
MARKET EVIDENCE.....	18
MARKET RENTAL EVIDENCE	20
CALCULATIONS.....	22
RENTAL ASSESSMENTS.....	23
DISCLAIMERS/QUALIFICATIONS.....	23
ANNEXURE 1 – LOCATION PLANS.....	25
ANNEXURE 2 - TITLE SEARCH	27
ANNEXURE 3 – DEPOISTED PLANS	29
ANNEXURE 4 88B INSTRUMENT DP1139059	32

INSTRUCTIONS

To determine the current market rent for the land only for part of the former Murwillumbah waste facility for potential lease to the Tweed Valley Junior Development Motorcycle Club.

Council is currently negotiating a lease to Tweed Valley Junior Development Motorcycle Club for an area of landfill at South Murwillumbah to be used as a motorcycle track for the development of riding skills in a safe environment.

PURPOSE

To determine the current market rent for the land for lease negotiations with the applicant.

BACKGROUND

Council is currently negotiating a lease to Tweed Valley Junior Development Motorcycle Club for an area of landfill at South Murwillumbah to be used as a motorcycle track for the development of riding skills in a safe environment.

Council require determination of the current market rent for potential lease negotiations and inclusion in a proposed new lease.

DATE OF INSPECTION

27th September 2012

DATE OF VALUATION

12th October 2012

LOCATION

The subject land is located in on the southern fringe of Murwillumbah industrial area off Lundberg Drive, Murwillumbah.

The property approximately 1,100 metres south from the intersection of Lundberg Drive and Quarry Road, approximately 1,800 metres south east from the Tweed Valley Way and approximately 3.5 kilometres by road from Murwillumbah CBD.

Surrounding development comprises a quarry to the southwest, cane land, industrial land to the north-west and the industry central estate to the south.

LOCATION PLAN 1



LEGAL DESCRIPTION

The subject land comprises:

Lot 1 in Deposited Plan 232745 and Part Lot 1139059
Parish of Condong,
County of Rous
Local Government Area of Tweed.

TITLE SEARCH LOT 1 DP232745

LAND AND PROPERTY INFORMATION NEW SOUTH WALES - TITLE SEARCH				

FOLIO: 1/232745				

SEARCH DATE	TIME	EDITION NO	DATE	
-----	-----	-----	-----	
26/10/2012	10:40 PM	-	-	
VOL 10584 FOL 229 IS THE CURRENT CERTIFICATE OF TITLE				
LAND				

LOT 1 IN DEPOSITED PLAN 232745				
AT CONDONG				
LOCAL GOVERNMENT AREA TWEED				
PARISH OF CONDONG COUNTY OF ROUS				
TITLE DIAGRAM DP232745				
FIRST SCHEDULE				

THE COUNCIL OF THE SHIRE OF TWEED			(T K741439)	
SECOND SCHEDULE (1 NOTIFICATION)				

1	LAND EXCLUDES MINERALS AND IS SUBJECT TO RESERVATIONS AND CONDITIONS IN FAVOUR OF THE CROWN - SEE CROWN GRANT(S)			
NOTATIONS				

UNREGISTERED DEALINGS: NIL				
*** END OF SEARCH ***				

TITLE SEARCH LOT 2 DP1139059

LAND AND PROPERTY INFORMATION NEW SOUTH WALES - TITLE SEARCH			

FOLIO: 2/1139059			

SEARCH DATE	TIME	EDITION NO	DATE
26/10/2012	10:41 PM	1	1/6/2009
LAND			

LOT 2 IN DEPOSITED PLAN 1139059			
AT SOUTH MURWILLUMBAH			
LOCAL GOVERNMENT AREA TWEED			
PARISH OF CONDONG COUNTY OF ROUS			
TITLE DIAGRAM DP1139059			
FIRST SCHEDULE			

THE COUNCIL OF THE SHIRE OF TWEED			
SECOND SCHEDULE (2 NOTIFICATIONS)			

1	LAND EXCLUDES MINERALS AND IS SUBJECT TO RESERVATIONS AND CONDITIONS IN FAVOUR OF THE CROWN - SEE CROWN GRANT(S)		
2	B973896 RIGHT OF WAY APPURTENANT TO THE PART SHOWN SO BENEFITTED IN THE TITLE DIAGRAM AFFECTING PART OF LOT 2 IN DP381029 AND PART OF LOT B IN DP939404		
NOTATIONS			

UNREGISTERED DEALINGS: NIL			
+++ END OF SEARCH +++			

The Right of Way referred to on Title to Lot 2 DP1139059 has not been researched (in part due to the poor quality of print in historical records). The valuation assumes no adverse impact on the use or value of the land. The valuation is subject to confirmation upon full investigation.

No easements, encumbrances, caveats, notations or restrictions have been noted, advised or are suspected apart from those noted on the title search. It is noted however that we are not surveyors or solicitors and we have not undertaken a full title search, survey or any other searches in relation to the land. Comments made in relation to this matter are based on visual inspection only. Should subsequent enquires reveal the existence of any easements, covenants, restrictions on title or related issue then this valuation should be referred back to the valuer for reassessment. The valuation assumes that the subject land is unaffected by any easements, covenants, caveats or notations which may affect the use or saleability of the property.

SITE AREA

Instructions inform the total area to be leased, subject to survey, will be approximately 5.77 hectares.

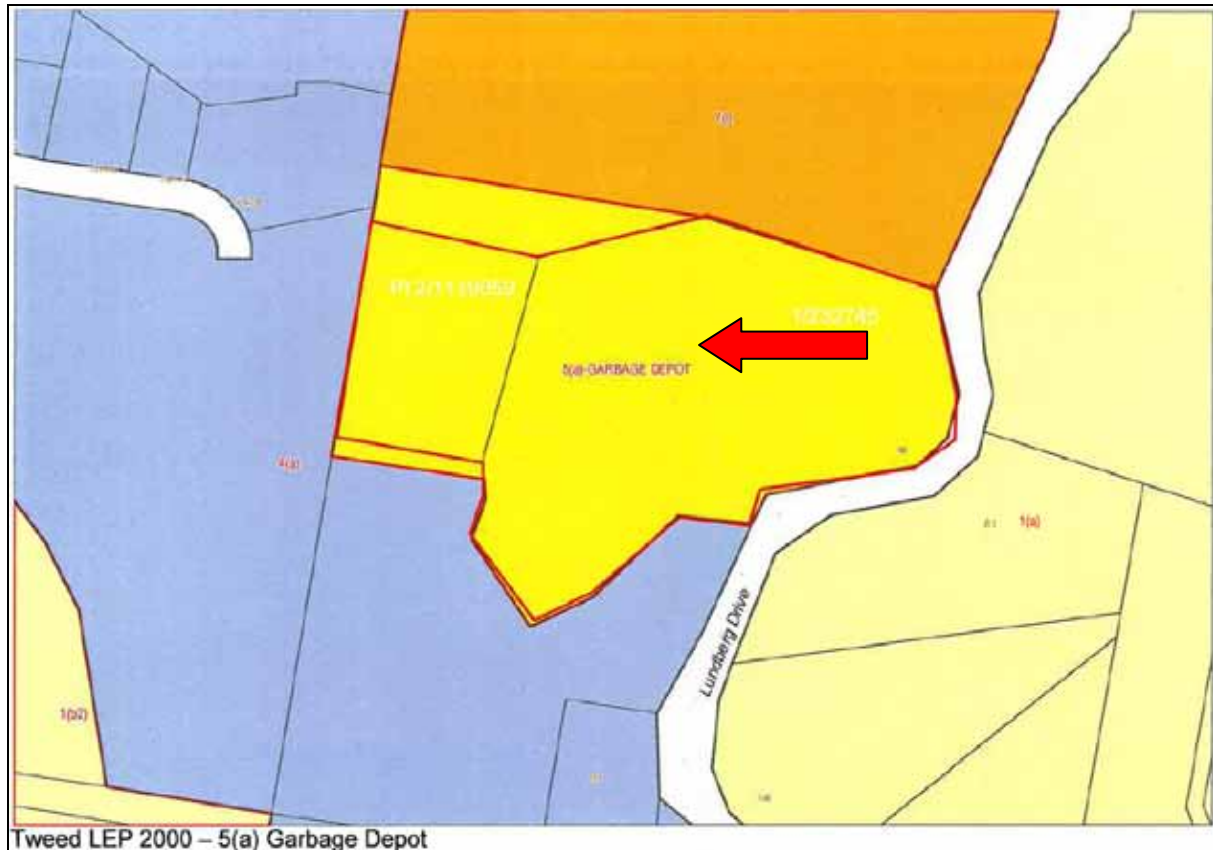
SITE PLAN



ZONING

It is understood that the land is zoned 5(a) Garbage Depot under Tweed Local Environmental Plan 2000.

EXTRACT FROM TWEED LEP 2000



The following extract from Tweed LEP details the aims, objectives and permissible uses within the 5(a) Special Uses Zone.

EXTRACT FROM TWEED LEP 2000

Zone 5 (a) Special Uses

Zone objectives

Primary objective

- to identify land which is developed or is proposed to be developed, generally by public bodies, for community facilities and services, roads, railways, utilities and similar things.

Secondary objective

- to provide flexibility in the development of the land, particularly if it is not yet or is no longer required for the relevant special use.

Development within the zone

In Zone 5 (a) development for the purpose of the following is:

Item 1 allowed without consent:

- environmental facilities
- railways if on land indicated by red lettering as "Railway" on the zone map
- roads (including road widening)
- any use authorised by or under the *Forestry Act 1916* for the purpose of State forests if on land indicated by red lettering as "Forestry" on the zone map

Item 2 allowed only with consent:

- unless it is allowed without consent under Item 1, the particular use indicated by red lettering on the zone map and any development ordinarily incidental or ancillary to that use
- any use which is compatible with adjacent uses and with uses allowed (with or without consent) in adjacent zones
- public utility undertakings
- utility installations

Item 3 allowed only with consent and must satisfy the provisions of clause 8 (2):

- nil

Item 4 prohibited:

- any buildings, works, places or land uses not included in Item 1, 2 or 3

Note: A new Shire Wide LEP has been developed for Tweed LGA. The Draft LEP was placed on exhibition from 27 January 2010 to 30 April 2010. Subsequent to this a review of submissions was undertaken and a number of changes made to the Draft LEP.

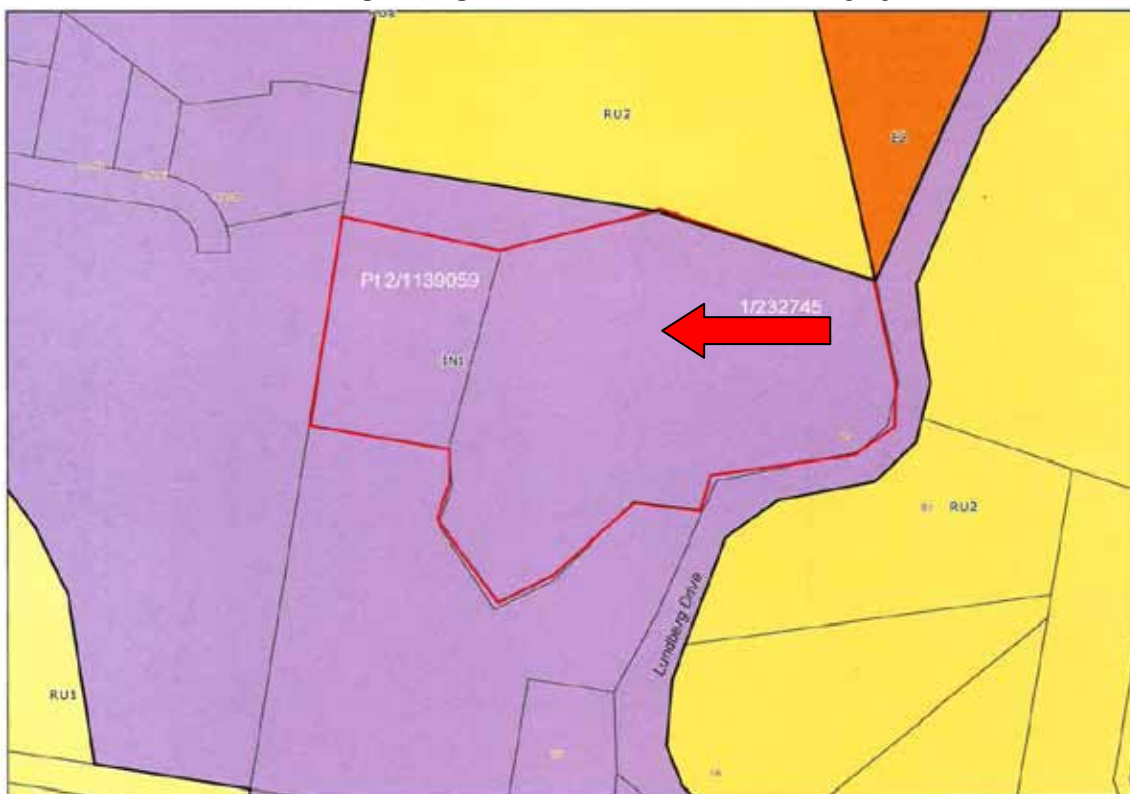
It is understood that the Draft LEP will be re-exhibited during 2012 with a view of adopting the new LEP toward the end of 2012.

We note that the proposed zone under the Draft Tweed Shire wide LEP 2010 is IN1 General Industrial.

This assessment is based on the zoning as at the date of valuation and assumes the zoning will remain unchanged under the New LEP. The valuation is subject to confirmation upon release of the new LEP.

The following extract from the Draft Tweed Shire wide LEP 2010 identifies zone boundaries as they apply to the subject land.

EXTRACT FROM DRAFT TWEED LEP 2010



Draft Tweed LEP 2010 – IN1 General Industrial

The following extract from the Draft Tweed LEP 2010 identifies the aims and objectives of the IN1 General Industrial Zone.

Zone IN1 General Industrial

1 Objectives of zone

- To provide a wide range of industrial and warehouse land uses.
- To encourage employment opportunities.
- To minimise any adverse effect of industry on other land uses.

2 Permitted without consent

Environmental facilities; Environmental protection works; Roads

3 Permitted with consent

Depots; Freight transport facilities; Industries; Kiosks; Light industries; Neighbourhood shops; Storage Premises; Take-away Food and Drink Premises; Warehouse or distribution centres;

Any other development not specified in item 2 or 4

4 Prohibited

Agriculture; Bulky Goods Premises; Business premises; Caravan parks; Cemeteries; Charter and tourism boating facilities; Community facilities; Correctional centres; Educational establishments; Entertainment facilities; Exhibition homes; Exhibition villages; Farm Buildings; Forestry; Health services facilities; Highway service centres; Home-based child care; Home businesses; Home industries; Home occupations; Home occupation (sex services);; Marinas; Moorings; Movable Dwelling; Office premises; Passenger transport facilities;

Port facilities; Recreation areas; Recreation facilities (major); Recreation facilities (outdoor); Residential Accommodation; Restricted premises; Retail premises; Rural Industries; Rural supplies; Self Storage Units; Tourist and visitor accommodation; Water recreation structures

SITE DESCRIPTION

The subject land comprises part of the former land fill facility. It is understood that the landfill was capped around 2.5 years ago.

The land is generally undulating and features several small tiered sections and a large gently undulating, filled and tiered section. The eastern portion of the site features two retention ponds and gully area.

The site has extensive frontage to Lundberg Street along the southern side boundary.

A bitumen sealed access extends from Lundberg Drive to the former landfill area.

AERIAL IMAGE OF THE SITE



SUBJECT PROPERTY VIEWED FROM LUNDBERG DRIVE



SUBJECT PROPERTY – CENTRAL LANDFILL SECTION



FLOOD LIABILITY

Tweed Shire Council Town Planning records indicate that the subject property is not flood prone.

We note that Council flood maps are general in nature and are not site specific. The flood information provided in this report is therefore indicative in nature only and is not to be relied upon for any purpose. The valuation is therefore subject to confirmation on survey of the subject land and provision of site specific flood information. The valuation assumes the land is flood free.

Floor / Flood Level Disclaimer

We are not qualified to comment on the nature or extent of flooding. Interested parties must make their own enquires regarding flooding.

We note that Climate Change has been identified as an environmental issue affecting/likely to affect Australia in coming years. Current opinion is that ocean levels may rise in the future and this may affect flood heights. Due to the uncertainty surrounding this issue this valuation makes no specific provision for the effects of global warming. We do however highlight it as an issue and note that it may affect the use/development potential and value of land in the future.

SERVICES

Telephone, town water reticulated electrical services are available in the area. It is understood that sewer services do not extend to the site. Internal service extensions would be required depending upon location of buildings on-site.

It is understood that on-site effluent system may be a solution for effluent disposal (assuming satisfactory site could be found where the former land fill area would not be disturbed) or failing this portable facilities with regular offsite disposal.

ACCESS

The property is accessed off Lundberg which in this location comprises a reasonably quiet, no-through two way bitumen sealed road with gravel verge. We note however that Lundberg Drive also services the Industry Central Estate. While the estate has suffered considerably from poor management and the economic downturn experienced over recent years it is anticipated that in the future, as the economy improves, the Industry Central Estate will be developed and Lundberg Drive will become busier.

CONTAMINATION

The subject land comprises a former landfill waste facility. It is understood that the land is contaminated.

We are advised that the landfill has been capped and contamination would not pose a problem for the proposed use of the site on the basis that the soil structure is not disturbed. It is understood that the track would need to be constructed on top of the land with no excavation into the surface of the land fill.

We have not been provided with a Contamination Report or Environmental Assessment and the valuer is not qualified nor intends to comment on contamination/environmental issues. This valuation assumes no contamination exists on or is affecting the site which would have an impact on the value or use of the land for the purpose for which the land is to be leased. This assessment is subject to confirmation upon receipt of a Contamination report for the property.

The valuation assumes that fill material has been satisfactorily compacted.

VEGETATION

The valuation assumes that no vegetation exists on site or off site that would have an adverse effect on the use or development of the subject land or that would incur additional cost of development of the site.

BUILDING/STRUCTURES

Ground rental only.

Nominal shedding on the site is to be excluded from the valuation. The site plan denotes the area to be included includes the current SES facility located on the eastern portion of the site. Enquires to Council have revealed that this section of land is excluded from the valuation

SES BUILDING AND COMPOUND LOCATED EAST OF THE SUBJECT LAND



PROPOSED LEASE DETAILS

No current or proposed lease documents have been provided. The valuation is subject to confirmation on receipt and review of full lease documents.

A summary of current lease details, as identified in Schedule A of the lease document have been included below:

Lessor:	Tweed Shire Council
Lessee:	Tweed Valley Junior Motorcycle Development Club
Commencement:	TBA
Term:	Assumed as 15 years.
Expiration:	TBA
Commencing Rent:	TBA
Current Rent:	N/A
Outgoings:	Lessee's responsibility
Escalation:	Annual at a rate to be determined.
Option:	assumed as 15 years
Permitted use:	TBA – Assumed as motorcycle track and associated improvements.
Special Conditions:	Not Advised.

Should any of these details be incorrect the valuer should be notified immediately for possible alteration of this assessment

NOTE:

Lease documents have not been provided. The valuation has therefore been based on terms and conditions as assumed above.

CURRENT LEASE DETAILS

Current lease details are as follows:

There is no current lease over the land.

VALUATION RATIONALE

The rent has been determined on the basis of a rate of return against the value of the land, (unfilled).

Direct comparison, on a rate per square metre basis, with rents for other similar facilities has also been considered however such evidence is limited in availability.

Full lease documents have not been provided. The rent has been determined based on lease terms contained under proposed lease details on page 16 and as included below.

- There is no option to purchase.
- All rentals have been determined on an Ex-GST basis i.e. the lessee shall be liable to Pay the Goods and Services Tax.
- The lessee is responsible for all outgoings
- Escalation by 5% per annum.

In determining the value of the land the following matters have also been taken into consideration:

- The subject land is contaminated and alternative uses would be limited.
- Development of the land for any purpose would be limited due to restrictions on disturbing the surface of the land over much of the site.
- In absence of development consent over the land there are substantial risks inherent in the purchase and development of the site, particularly in gaining approval for development.
- Development of a motor cross facility on site will require substantial capital expenditure.
- Fledgling clubs lack the financial resources to fund substantial capital expenditure on the acquisition of sites. Such clubs often require the backing of more established, substantial clubs however available capital is usually required for development of the track, and associated costs.

NOTE:

The value of the land may be higher on an alternative use basis if Consent exists for any such alternative use. In absence of consent the value of the land is substantially diminished.

The valuation assumes:

- Fill material has been satisfactorily compacted.
- Separate title has been created and no additional subdivision costs are to be incurred or water/sewer or section 94 contributions would be payable in relation to the land.

MARKET EVIDENCE

SALE 1

Address: 1182 Numinbah Road, Chillingham
Title: Lot 1 DP 794307
Sale date: 30 April 2012
Price: \$135,000
Area: 2.85ha
Comments: Vacant land. Located 14km west of Murwillumbah. Old quarry site "Chillcotts Quarry". An open cut quarry site with a gravel road on the boundary to a plateau site with 360° views of river/rural and rural cane land. Located on quiet bitumen sealed road with no kerb or guttering. No water, no septic sewer. Power was at the boundary. Surrounding development consists of rural residential/lifestyle properties. The property has a vegetation category 1 & 2 bushfire risk.

Previously a council owned quarry. A larger site closer to Murwillumbah with a larger, steeper open face quarry but has a better building site on top of the quarry giving exceptional views. Considered superior compared to the subject property.

SALE 2

Address: Bethongabel Court, Dulguigan
Title: Lot 193 DP 755685
Sale date: 28 September 2010
Price: \$80,000
Area: 5.67ha
Comments: A vacant site that rises steeply from an access point on south eastern boundary. Comprises a heavily treed site with native habitat and rainforest. Topography varies from gullies rising strongly through undulating ridges to the ridge top. The site rises to a "paper road " through northern section then becomes gently undulating. The site is fully timbered. There are no improvements. Shows the value of a larger steeper site with no dwelling entitlement with and access difficulties. Has potential for construction of a shed. No contamination.

SALE 3

Address: 13 Donalyn Court, Duranbah

Title: Lots 509, 510 DP 1000612

Sale date: 07 September 2009

Price: \$120,000

Area: 1.76ha

Comments: A vacant site with no dwelling entitlement. The site is poor in shape and part treed. It falls steeply below the road to a low level site adjacent to the freeway. There is a small dam on site. Located in a quiet bitumen sealed no through road with an earth gutter, there is town water and power available but not connected. No sewer. There is a quarry on opposite side of motorway. Considered a strong price at the time and the market has weakened considerably since this sale. This shows the range in values for sites with no dwelling entitlement with access difficulties. Considered superior compared to the subject property.

MARKET RENTAL EVIDENCE

Usually this information is supplied in confidence. As this information is not “public record”, and, in accord with the National Principles for the handling of personal information, pursuant to the Privacy Amendment (Private Sector) Act 2002, I provide this information without specific addresses, nor lessee/lessor names.

The purpose of the proposed lease is for motorcycle track.

Historically the majority of motorcycle tracks have been located on Council owned land and nominal rentals have been paid e.g.

- Ballina Shire Council where the Motorcycle Club occupied part of the Ballina airport site on an informal agreement. The lease was based on a nominal rental of \$1.00 per annum.
- Maclean Motorcycle Club leases land managed by Clarence Valley Council for a fee of \$150 per annum.
- Reedy Creek Motorcycle club (currently closed) lease land (former Quarry) from Gold Coast City Council for a reported fee of \$150 per annum plus Outgoings. The facility has recently been closed by Council due to noise complaints. Enquires have revealed that the Motorcycle Club is working with Council to resolve noise issues with a view of re-opening the club. It is understood that it may not be possible to resolve all issues and the track may remain closed.
- The Gold Coast Motorcycle Club currently lease land at Yatala (Stanmore Park) from Gold Coast City Council. The track was previously closed due to noise complaints however has been redesigned with a view of reducing noise from the site. It is understood that acoustic testing is being undertaken and it is hoped that the track will soon re-open. We are advised that the Club and Council has been undertaking works on site under a 6 month lease at a rent of \$121.55 for the initial term (\$253.10 per annum) plus outgoings. It is understood that a 15 year rental is then proposed if target noise levels can be met.
- A facility has recently been re-opened at Arundel in the Gold Coast City LGA. A long term lease was entered into based on Councils current Fees and Charges Policy at \$253.10 per annum plus rates and charges. Annual escalation of 5% is to be applied for the term of the lease.

In recent times noise complaints and pressure of competing surrounding developments has caused the closure of several tracks e.g. Reedy Creek and Ballina Race track and has prevented the establishment of other proposed facilities.

Enquires within the industry failed to identify any sites in the local area leased on a commercial basis. We were advised however in instances where other land is not available clubs may be willing to purchase land for establishment of a track.

Recently, after being ejected from the Ballina Airport site the Ballina Motorcycle club was willing to purchase land near Casino to establish new facilities.

It is understood that a site was identified however initial enquires regarding development consents required were not favourable therefore the proposal was abandoned.

CALCULATIONS

Comparable market rentals of sites similar to the subject property are very scarce and we are unaware of any recent open market transactions.

In the absence of comparable ground rental leases/licences of comparable properties, one method to determine a commercial rent is to determine a return from the land based on the market value of the land having regard to the restrictions under the lease agreement and disregarding any improvements.

The land is currently zoned 5(a) Special Uses (Garbage Depot) and the proposed zone under the Draft LEP 2011 is IN1 Industrial.

The use of the land is restricted under the current zoning, although the proposed zoning under the Draft LEP is more flexible and allows a greater range of land uses.

In this regard we note however that the land comprises a former landfill facility, is a contaminated site and as such alternative uses would be limited.

We also note that the permitted uses for the site will be restricted under the proposed lease.

The rental has been determined as follows:

1. Assessing the value of the property (excluding existing improvements), taking into account the use as well as the assumed terms and conditions of the lease, then
2. Applying a reasonable annual "rate of return" to the value so determined.

For valuation purposes we have adopted a site area of 5.77 hectares:

After considering the current weak investment market, but taking into account the returns achievable in the market place for various types of real estate, a rate of return of 4% has been adopted. This reflects the fact that upon consent considerable capital outlay is required before the land can be used. It also reflects the recreational nature of the proposed use.

The rental on a commercial basis has been determined as:

Site value as $\$30,000 \times 4\% = \$1,200$ per annum.

As noted previously however all other known motor cross facilities located on Council land are leased on nominal rental of between \$1.00 and \$250.00. We are unaware of any situations where land is leased from Council for commercial rates.

On approval for use of the land and establishment of the club there may be an opportunity to increase the rental to reflect the diminished risk in the proposal. The rent would however be limited by the not for profit nature of the club and

proportionately high cost of ongoing maintenance of the facility/watering of the track to reduce dust and potential costs monitoring noise etc.

RENTAL ASSESSMENTS

As at the date of inspection the current market rent for the subject land, assessed on a commercial basis, is assessed at:

**... One Thousand Two Hundred Dollars Per Annum Plus GST...
...(\$1,200 p.a. plus GST)... plus Outgoings**

We note however that other known sites leased for similar purposes are leased for nominal rentals of between \$1.00 per annum and \$250.00 per annum plus GST plus outgoings.

DISCLAIMERS/QUALIFICATIONS

- This report is for the use of Tweed Shire Council for the specific purpose identified and for no other purpose.
- This rental assessment is expressed on a GST exclusive basis. We caution that Tax advice must be sought before the rental assessment is used.
- This rental assessment is subject to the terms of the API Professional Practice. This valuation (rental assessment) is for the use of the party to whom it is addressed for the specific purpose noted 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. The valuer's inspection and report does not constitute a structural, survey, building, pest, flood, town planning, contamination or geotechnical report and is not intended as such. No extract from this report may be included in any other document without the Valuer's approval as to the context in which it is to be used. A full copy of the lease and any amendments must be provided to the valuer before this assessment can be used.
- A rental assessment relates to a specific point in time. The premises and the rental market can change. The rental assessment must be regularly updated.
- Our professional indemnity insurance requires us to include the following clause in all our valuations.

"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 expiration

of 3 months from the date of this valuation, or such earlier date if you become aware of any factors that have any effect on the valuation”.

- The valuation and other critical information contained within this report is based on the results of verbal enquiries made to relevant parties including Tweed Shire Council and local Real Estate Agents etc. Whilst reasonable endeavours have been made to ensure that information relied upon is correct we cannot guarantee its accuracy. Before this valuation is used it is recommended that further written enquiries be made to verify information relied upon in this report.
- No encroachments have been noted, advised or are suspected however it is noted that we are not surveyors and comments made in relation to this matter are based on visual inspection only. The only way to ensure that no encroachment exists would be to commission a full survey of the properties. A full survey has not been carried out, nor sighted, therefore this valuation assumes that no encroachments or related issues exist in relation to the subject property. Should subsequent enquires reveal the existence of any encroachment or related issue then this valuation should be referred back to this office for reassessment.
- I hereby certify that I personally inspected this property on the date below and have carried out the assessments at this date. Neither I nor 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 therein.
- The subject land comprises a former landfill waste facility. It is understood that the land is contaminated.

We are advised that the landfill has been capped and contamination would not pose a problem for the proposed use of the site on the basis that the soil structure is not disturbed. It is understood that the track would need to be constructed on top of the land with no excavation into the surface of the land fill.

We have not been provided with a Contamination Report or Environmental Assessment and the valuer is not qualified nor intends to comment on contamination/environmental issues. This valuation assumes no contamination exists on or is affecting the site which would have an impact on the value or use of the land for the purpose for which the land is to be leased. This assessment is subject to confirmation upon receipt of a Contamination report for the property.

The valuation assumes that fill material has been satisfactorily compacted.

REPORT PREPARED BY

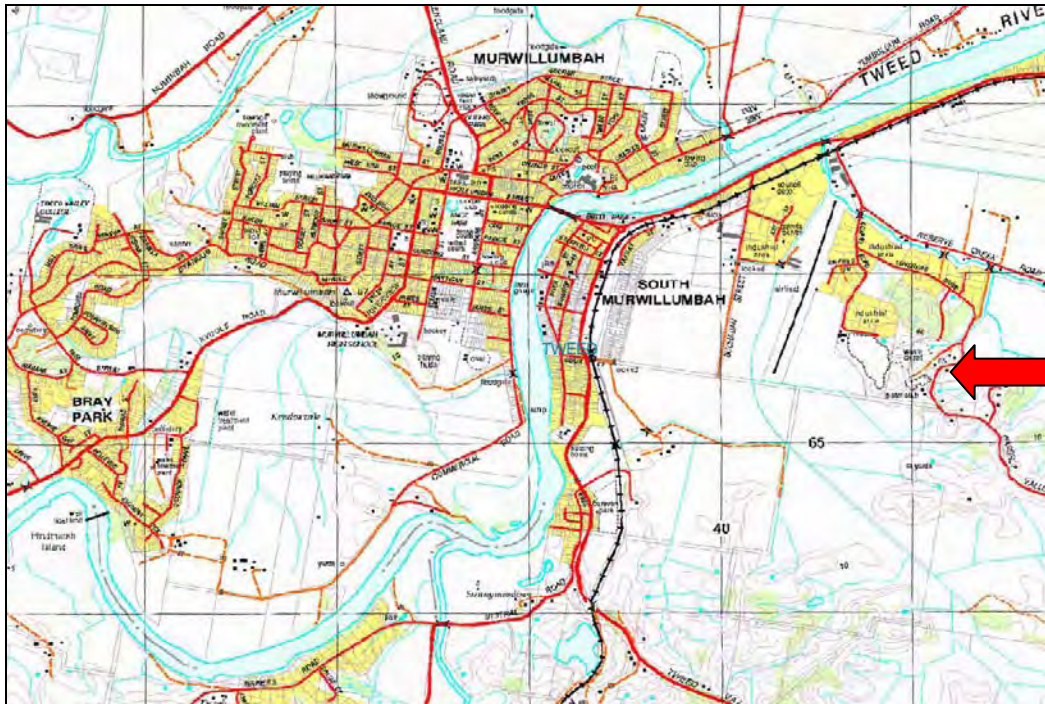


Robert Houlden

Certified Practising Valuer
Registered Valuer No. 3734
12th October 2012

ANNEXURE 1 – LOCATION PLANS

MURWILLUMBAH LOCALITY



LOCATION PLAN 2



ANNEXURE 2 - TITLE SEARCH

TITLE SEARCH LOT 1 DP232745

LAND AND PROPERTY INFORMATION NEW SOUTH WALES - TITLE SEARCH			

FOLIO: 1/232745			

SEARCH DATE	TIME	EDITION NO	DATE
-----	-----	-----	-----
26/10/2012	10:40 PM	-	-
VOL 10584 FOL 229 IS THE CURRENT CERTIFICATE OF TITLE			
LAND			

LOT 1 IN DEPOSITED PLAN 232745			
AT CONDONG			
LOCAL GOVERNMENT AREA TWEED			
PARISH OF CONDONG COUNTY OF ROUS			
TITLE DIAGRAM DP232745			
FIRST SCHEDULE			

THE COUNCIL OF THE SHIRE OF TWEED			(T K741439)
SECOND SCHEDULE (1 NOTIFICATION)			

1 LAND EXCLUDES MINERALS AND IS SUBJECT TO RESERVATIONS AND			
CONDITIONS IN FAVOUR OF THE CROWN - SEE CROWN GRANT(S)			
NOTATIONS			

UNREGISTERED DEALINGS: NIL			
*** END OF SEARCH ***			

TITLE SEARCH LOT 2 DP1139059

LAND AND PROPERTY INFORMATION NEW SOUTH WALES - TITLE SEARCH

FOLIO: 2/1139059

SEARCH DATE	TIME	EDITION NO	DATE
26/10/2012	10:41 PM	1	1/6/2009

LAND

LOT 2 IN DEPOSITED PLAN 1139059
AT SOUTH MURWILLUMBAH
LOCAL GOVERNMENT AREA TWEED
PARISH OF CONDONG COUNTY OF ROUS
TITLE DIAGRAM DP1139059

FIRST SCHEDULE

THE COUNCIL OF THE SHIRE OF TWEED

SECOND SCHEDULE (2 NOTIFICATIONS)

- 1 LAND EXCLUDES MINERALS AND IS SUBJECT TO RESERVATIONS AND CONDITIONS IN FAVOUR OF THE CROWN - SEE CROWN GRANT(S)
- 2 B873896 RIGHT OF WAY APPURTENANT TO THE PART SHOWN SO BENEFITTED IN THE TITLE DIAGRAM AFFECTING PART OF LOT 2 IN DP381029 AND PART OF LOT B IN DP939404

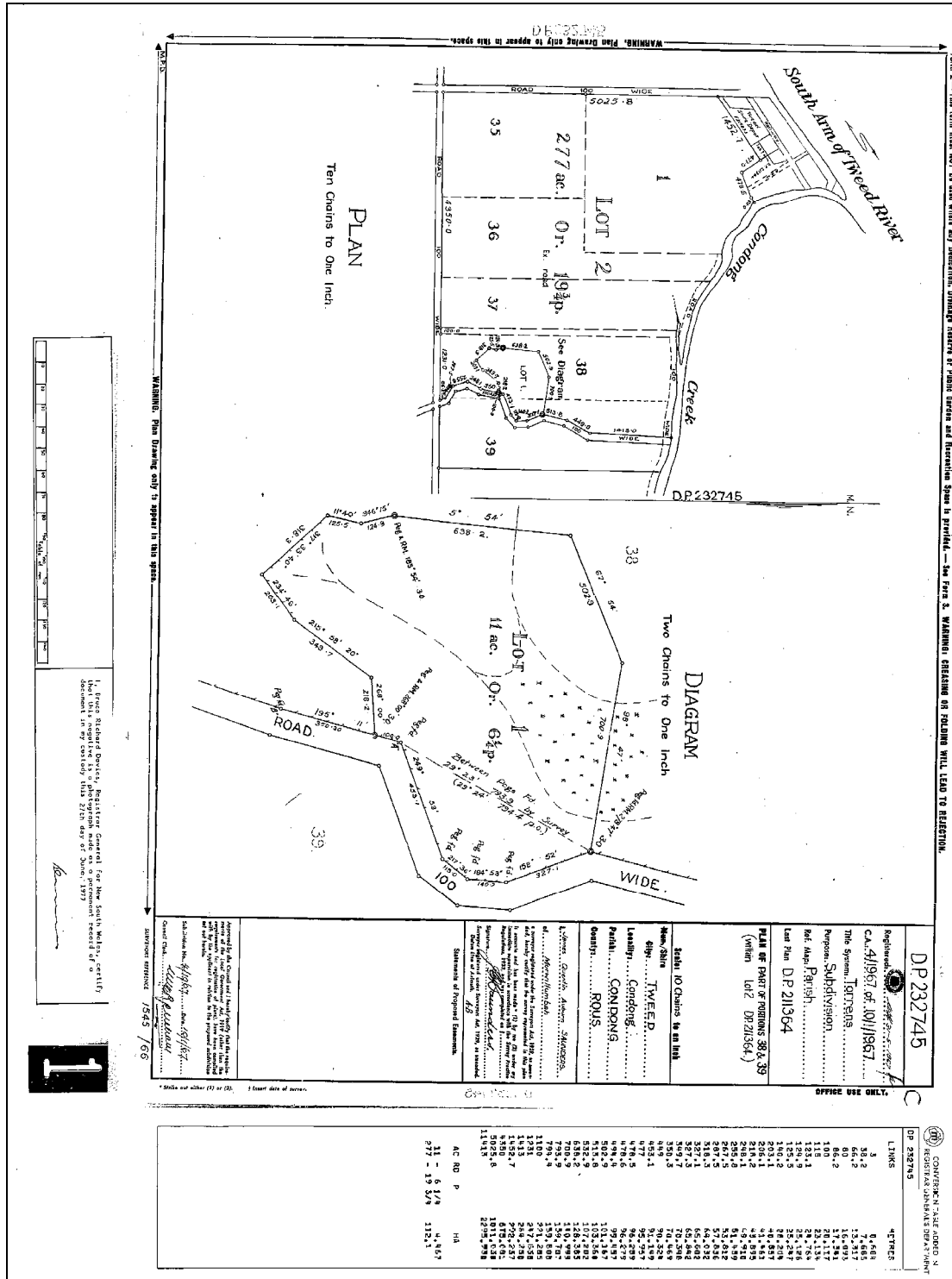
NOTATIONS

UNREGISTERED DEALINGS: NIL

*** END OF SEARCH ***

ANNEXURE 3 – DEPOSITED PLANS

DEPOSITED PLAN 232752



Form 2 - This form must NOT be used where any Dedication, Planning Reserve or Public Garden and Reservation apply in providing - See Para 3. WARNINGS: CHECKING OR FOLLOWING WILL LEAD TO REFLECTION.

DP 232745

Registered	CA 41/1967 of 10/1/1967
Title System	TERRITORIES
Purpose	Subdivision
Ext. Area Parish	
Last Plan	DP 211964
PLAN OR PART OF FORMS 38 & 39	(within Lot 2 DP 21364)

State ID Chain to an link	
Shape	TWEED
Locality	CONDONG
County	ROUS

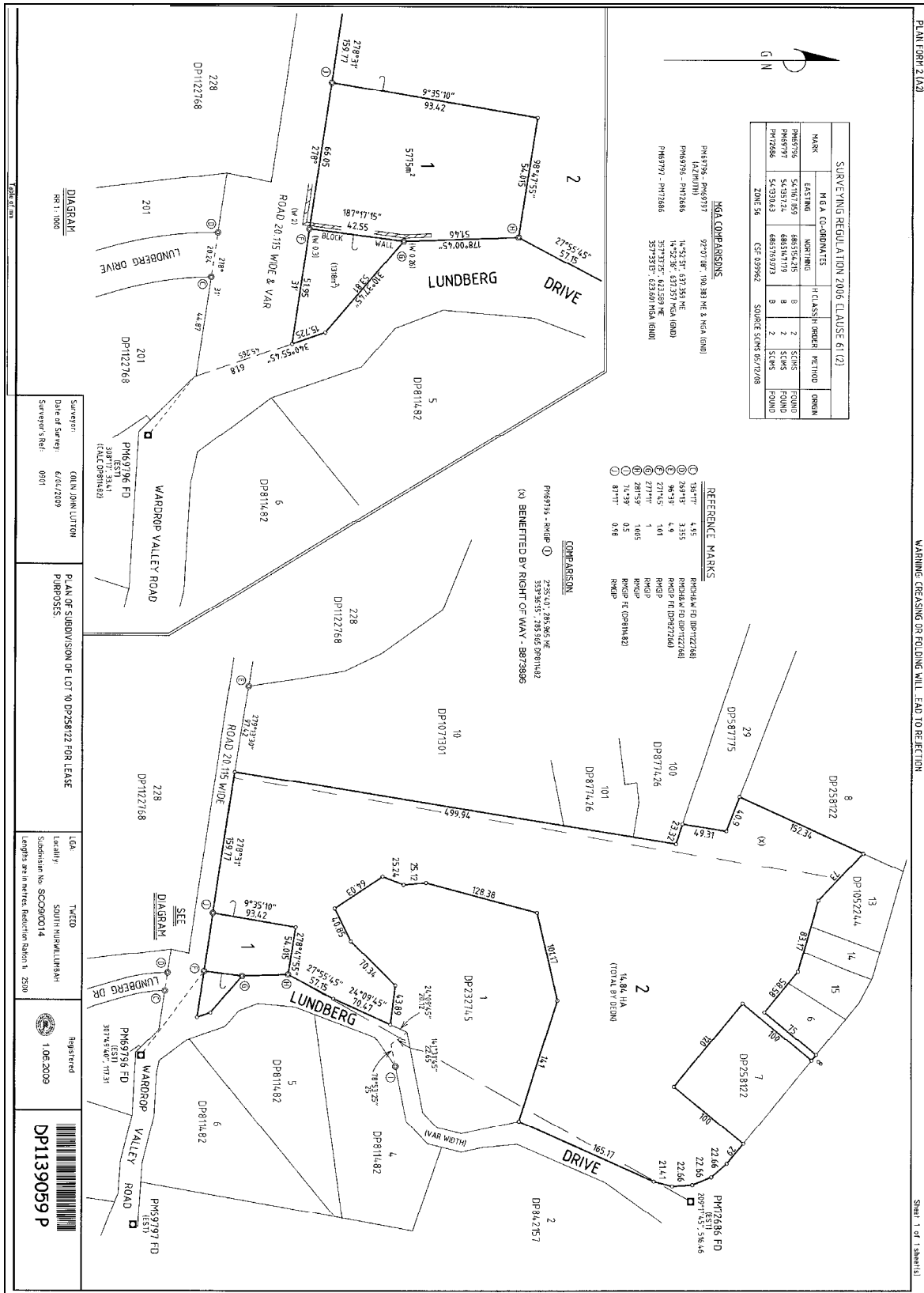
Statement of Proposed Easements	

DP 232745	NETS
3	0.6418
60	0.4812
80	1.5595
100	15.9493
100	2.7441
118	22.1134
123	26.8756
125	35.2827
140	68.2304
206	93.8152
214	214.022
205	63.1430
205	61.4459
267	57.5122
267	64.9032
313	53.8133
327	65.8082
331	67.5017
330	70.5088
330	70.5458
422	92.1199
477	95.9292
478	96.4539
484	96.6239
478	96.6239
518	117.5566
522	107.2402
532	109.7478
723	139.1722
723	139.1722
1180	297.5358
1231	297.5358
1353	675.601
5980	1017.6238
1343	261.067
AC RD P	4.4537
21	6.174
27	112.3

1. From Richard Pevens, Registrar General for New South Wales, certify that this is a true and correct copy of the original deposited plan as shown in the document in my custody this 21st day of June, 1977.

1

DEPOSITED PLAN 1139059



Client: **TWEED SHIRE COUNCIL**
 VA533 Current Market Rental – Lundberg Drive, South Murwillumbah.

SIGNATURES, SEALS and STATEMENTS of intention to dedicate public roads, to create public reserves, drainage reserves, easements, restrictions on the use of land or positive covenants.

PUSUANT TO SEC 88B OF THE CONVEYANCING ACT 1919 IT IS INTENDED TO CREATE -
1. RESTRICTION AS TO USER.

THE COMMON SEAL OF TWEED SHIRE COUNCIL WAS HEREUNTO AFFIXED ON IN PURSUANCE OF A RESOLUTION PASSED AT A MEETING HELD ON 17 October 2006

Mayor
Mr Ray
General Manager



Use PLAN FORM 6A for additional certificates, signatures, seals and statements

Crown Lands NSW/Western Lands Office Approval

..... in approving this plan certify
(Authorised Officer)
that all necessary approvals in regard to the allocation of the land shown herein have been given
Signature:.....
Date:.....
File Number:.....
Office:.....

Subdivision Certificate

I certify that the provisions of s.109J of the Environmental Planning and Assessment Act 1979 have been satisfied in relation to:

the proposed..... Subdivision..... set out herein
(insert 'subdivision' or 'new road')

* Authorised Person/General Manager/Accredited Certifier

Consent Authority: Tweed Shire Council
Date of Endorsement: 27 April 2009
Accreditation no:.....
Subdivision Certificate no: 5009/0014
File no: DA08/0908

* Delete whichever is inapplicable.



DP1139059 S

Registered: 1.06.2009
Title System: TORRENS
Purpose: SUBDIVISION

PLAN OF SUBDIVISION OF LOT 10 DP258122 FOR LEASE PURPOSES.

LGA: TWEED
Locality: SOUTH MURWILLUMBAH
Parish: CONDONG
County: ROUS

Surveying Regulation, 2006

I, Colin John Lutton of Tweed Shire Council a surveyor registered under the *Surveying Act, 2002*, certify that the survey represented in this plan is accurate, has been made in accordance with the *Surveying Regulation, 2006* and was completed on: 6/04/2009

The survey relates to Lot 1 only.....

(specify the land actually surveyed or specify any land shown in the plan that is not the subject of the survey)

Signature Dated: 6/04/09
Surveyor registered under the *Surveying Act, 2002*

Datum Line PM69796 - PM69797 MGA
Type: Urban

Plans used in the preparation of survey/compilation
DP258122 DP811482 DP827266
DP1122768

(if insufficient space use Plan Form 6A annexure sheet)

SURVEYOR'S REFERENCE:0901

* OFFICE USE ONLY

ANNEXURE 4 88B INSTRUMENT DP1139059

INSTRUMENT SETTING OUT TERMS OF EASEMENTS, PROFITS A PRENDRE AND RESTRICTIONS AS TO USER INTENDED TO BE CREATED PURSUANT TO SECTION 88B OF THE CONVEYANCING ACT 1919

Lengths are in metres

(Sheet 1 of 2 sheets)



Deposited Plan

DP1139059 B

Full name and address of
The Proprietors of the land:

**Tweed Shire Council
Tumbulgum Road
MURWILLUMBAH NSW 2484**

PART 1

1. Identity of Easement, Profits a Prendre or Restriction Firstly referred To in the abovementioned plan Restriction as to User

SCHEDULE OF LOTS etc AFFECTED

Lots Burdened

Lots, Name of Road or Authority Benefited

Lot 1

Tweed Shire Council

PART 2

1. Terms of Restriction Firstly referred to in the abovementioned plan:

Any use of the burdened land will not impact negatively on the existing on sewage management system. In the event that the existing on site sewage management system fails then the user of the land shall not replace the existing on site sewage management system but will connect to the sewer system that is available to the subject land and all costs relating to such connection shall be borne by the user of the subject land.

**INSTRUMENT SETTING OUT TERMS OF EASEMENTS, PROFITS A PRENDRE
AND RESTRICTIONS AS TO USER INTENDED TO BE CREATED PURSUANT TO
SECTION 88B OF THE CONVEYANCING ACT 1919**

Lengths are in metres

(Sheet 2 of 2 sheets)

DP1139059

Deposited Plan

**Names of Person, Corporation or Authority empowered to release, vary or
modify the Restriction Firstly referred to in the abovementioned plan:**

Tweed Shire Council

DATED at Murwillumbah this day of 2009

We hereby certify this dealing to be correct for the purpose of the Real Property Act
1900

The Common Seal of Tweed Shire Council)
was hereby affixed pursuant to a resolution)
made at a meeting held on 17 October 2006)



M. Ray

.....
General Manager

Jan Leishout
.....
Mayor

REGISTERED



1.06.2009