

# Valuation Report

as at  
15<sup>th</sup> June 2022

Portion

321-331 Condamine Street Manly Vale 2093

Road Widening



ROSS SHEERIN AAPI Valuer

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## 1. VALUATION SUMMARY

<b>Property Address</b>	321-331 Condamine Street Manly Vale NSW 2093		
<b>Title Details</b>	Lots 20, 21, 22, 25 in Deposited Plan 11320 and Lot 123 in Deposited Plan 73725		
<b>Instructed by</b>	Mr Tony Sattler		
<b>Authorised Use</b>	Manly Vale Developments No 2 Pty Limited		
<b>Valuation Purpose</b>	We have been instructed to provide an assessment of value for the portion of land here in described granted to Warringah Council, being required for road widening at the rear of property at 321-331 Condamine Street Manly Vale in accordance with a Voluntary Planning Agreement.		
<b>Date of Inspection</b>	15th May 2022	<b>Date of Valuation</b>	15 <sup>th</sup> June 2022
<b>Zoning</b>	B2 Local Centre	<b>Land Area Affected</b>	54.60 sqm
<b>Brief Description of Subject</b>	The parent parcel comprises a 1,277.33m <sup>2</sup> of land (as per Valuer General records) comprises five lots with a circa 1950's mixed retail commercial development containing single and two storey buildings. The road widening affects a portion of varying width along the western boundary of the site.		
<b>Definition of Compensation</b>	Having regard to the matter of the subject road widening, this report will establish appropriate compensation for the value of that portion affected in accordance the definition of market value contained within this report.		
<b>Valuation of the land being granted for Road Widening</b>	I am of the opinion that the value of the market value of the unimproved portion of 321-325 Condamine Street Manly NSW 2093 (part Lots 20, 21,22 & 25 in Deposited Plan 11320 and Lot 123 in Deposited Plan 73725) which is the subject of road widening and in consideration of the comments expressed herein and excluding GST, as at 15th June 2022 is:		
	<b>\$491,400</b>		
	<b>Four Hundred and Ninety One Thousand Four Hundred Dollars</b>		

**Valuer** Ross J Sheerin, AAPI  
 Certified Practising Valuer  
 API Number 69328



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

**Important Note** This summary page must be read in conjunction with the body of the report. This valuation is for the sole use of parties to which it is addressed and the specific purpose specified in this report. This report is in short form not suitable for Court submission. No duty of care is owed by us for any losses that may occur due to reliance placed on this report for any use other than those specifically defined in this report nor to any other party who places reliance on this report without express written authority from the Valuer. This report is not to be reproduced, published or copied in whole or in part without the express written authority from the Valuer. This Valuation is not for mortgage security.

## 2. INTRODUCTION

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### 2.1 Instructions

I have been instructed by Mr Tony Sattler, Barrister at Law on behalf of Manly Vale Development No 2 Pty Limited to provide a valuation assessment for that portion of land as described within this report, being required for road widening by Warringah Council. In this regard I have made relevant investigations and enquiries enabling us to report as follows.

### 2.2 Authorised Use

This report has been prepared as in accordance with the International Valuation Standards (IVS) and the International Property Measurement Standards (IPMS) for Manly Vale Developments No 2 Pty Limited to provide valuation advice in regards to the proposed road widening occupying an area at the western boundary of 321-331 Condamine Street Manly Vale

The report shall not be used for any other purpose than those set out in this section.

### 2.3 Critical Assumptions

Verifiable Assumptions relate to encumbrances, zoning, development controls and heritage issues, encroachments, sewer location and flood status and can be confirmed by obtaining a Section 10.7 Certificate from Council, sewerage diagram from Sydney Water and a Survey Report.

Assumptions requiring further consultancy relate to any environmental and water management issues and reports from other expert sources. In addition, if I have made any assumptions relating to the development approval or the position and size of the subject road widening, the assumptions have been commented on within the report and may require confirmation by stormwater engineers or council officers.

Our assessment is based on the plans provided and the area of road widening is limited to a height no greater than three (3) metres above the finished floor level of the pedestrian footpath is to be constricted.

Should this not be the case, our assessment will require review.

Assumptions based on opinion are detailed in our assessment and Valuer Comments section of this report.

### 2.4 Pertinent Facts

A development proposal has been approved at 321-331 Condamine Street Manly Vale NSW subject to a Voluntary Planning Agreement being reached for the provision of road widening the western boundary of the site as set out in the attached plans.

I am required to provide an assessment of value for the portion of land being used for road widening in accordance with the Planning Agreement which will form part of the Development consent.

Should this not be the case the report will require review.

### 2.5 Definition of Market Value

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.

- (a) "The estimated amount" refers to a price expressed in terms of money payable for the asset in an arm's length market transaction. Market value is the most probable price reasonably obtainable in the market on the valuation date in keeping with the market value definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

- (b) “An asset or liability should exchange” refers to the fact that the value of an asset or liability is an estimated amount rather than a predetermined amount or actual sale price. It is the price in a transaction that meets all the elements of the market value definition at the valuation date. (c) “On the valuation date” requires that the value is time-specific as of a given date. Because markets and market conditions may change, the estimated value may be incorrect or inappropriate at another time. The valuation amount will reflect the market state and circumstances as at the valuation date, not those at any other date. (d) “Between a willing buyer” refers to one who is motivated, but not compelled to buy. This buyer is neither over-eager nor determined to buy at any price. This buyer is also one who purchases in accordance with the realities of the current market and with current market expectations, rather than in relation to an imaginary or hypothetical market that cannot be demonstrated or anticipated to exist. The assumed buyer would not pay a higher price than the market requires. The present owner is included among those who constitute “the market”.
- (c) “And a willing seller” is neither an over-eager nor a forced seller prepared to sell at any price, nor one prepared to hold out for a price not considered reasonable in the current market. The willing seller is motivated to sell the asset at market terms for the best price attainable in the open market after proper marketing, whatever that price may be. The factual circumstances of the actual owner are not a part of this consideration because the willing seller is a hypothetical owner. (f) “In an arm’s length transaction” is one between parties who do not have a particular or special relationship, eg, parent and subsidiary companies or landlord and tenant, that may make the price level uncharacteristic of the market or inflated. The market value transaction is presumed to be between unrelated parties, each acting independently.
- (d) “After proper marketing” means that the asset has been exposed to the market in the most appropriate manner to effect its disposal at the best price reasonably obtainable in accordance with the market value definition. The method of sale is deemed to be that most appropriate to obtain the best price in the market to which the seller has access. The length of exposure time is not a fixed period but will vary according to the type of asset and market conditions. The only criterion is that there must have been sufficient time to allow the asset to be brought to the attention of an adequate number of market participants. The exposure period occurs prior to the valuation date.
- (e) “Where the parties had each acted knowledgeably, prudently” presumes that both the willing buyer and the willing seller are reasonably informed about the nature and characteristics of the asset, its actual and potential uses, and the state of the market as of the valuation date. Each is further presumed to use that knowledge prudently to seek the price that is most favourable for their respective positions in the transaction is assessed by referring to the state of the market at the valuation date, not with the benefit of hindsight at some later date. For example, it is not necessarily imprudent for a seller to sell assets in a market with falling prices at a price that is lower than previous market levels. In such cases, as is true for other exchanges in markets with changing prices, the prudent buyer or seller will act in accordance with the best market information available at the time. (i) “And without compulsion” establishes that each party is motivated to undertake the transaction, but neither is forced or unduly coerced to complete it.

### 3. TITLE AND PLANNING

#### 3.1 Title

<b>Title Details</b>	Lots 20, 21, 22, 25 in Deposited Plan 11320 and Lot 123 in Deposited Plan 73725
<b>Registered Proprietor</b>	Manly vale Developments No 2 Pty Ltd
<b>Title Search Sighted</b>	No - see Valuer Comments

**Valuer’s Title Comments** I have not sighted all title searches and cannot identify any dealings encumbrances or restrictions on the title, a full title search is recommended.

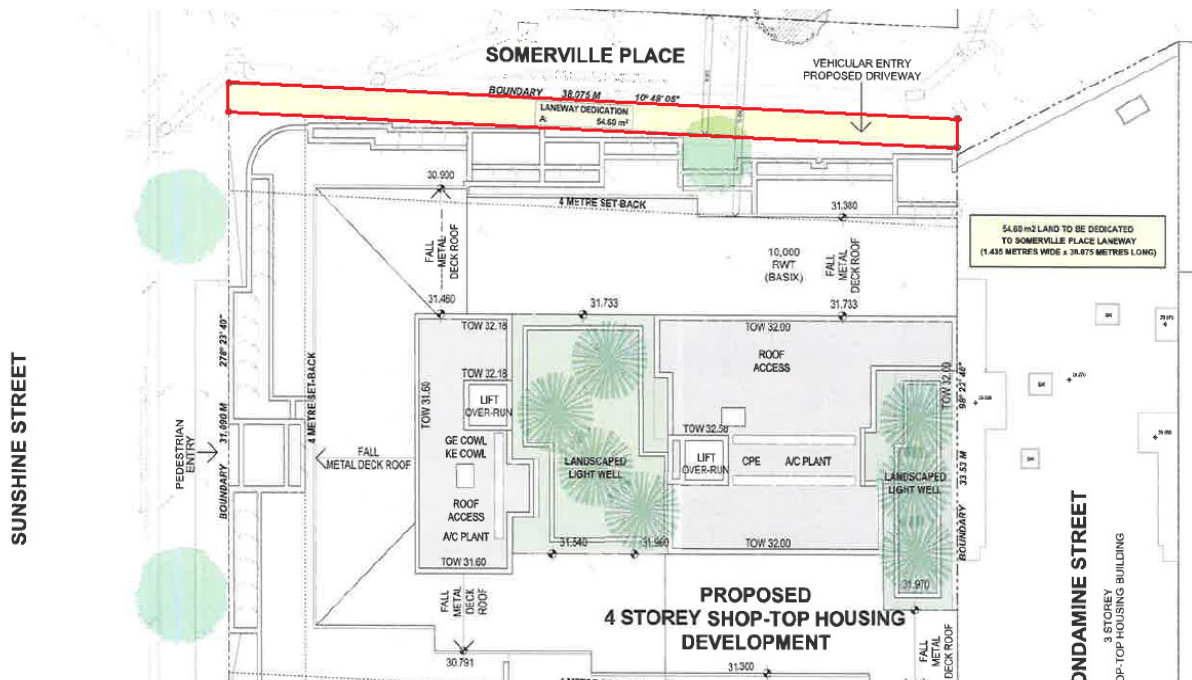
I am not aware of any encroachments encumbrances or title defects which create any concern regarding the title.

Should any encumbrances, easements, leases or other restrictions not mentioned in this report be known or discovered then the valuation should be referred to the valuer for comment.

Our valuation considers the site as described within this report. I make no warranty regarding the title, shape or land area used. Should title particulars not reflect the comments, measurements or areas used within this report, our valuation may require review.

Whilst we are not legally qualified to comment on the any above mentioned covenants, restrictions, easements further, I note no further investigation has been undertaken. It is recommended that qualified legal advice be obtained and if any further information is required. If any detrimental effects are noted, then I reserve the right to review our valuation. I have assumed that there are no easements, rights of way, encroachments other than any mentioned above.

**Approximate position of Road widening:**



### 3.2 Town Planning



*\*NSW Planning Portal Map*

<b>Zoning</b>	B2 Local Centre
<b>Zoning Instrument</b>	Warringah Local Environmental Plan (LEP) 2011
<b>Local Government Area</b>	Northern Beaches
<b>Objectives of Zone</b>	<ul style="list-style-type: none"> <li>• To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.</li> <li>• To encourage employment opportunities in accessible locations.</li> <li>• To maximise public transport patronage and encourage walking and cycling.</li> <li>• To provide an environment for pedestrians that is safe, comfortable and interesting.</li> <li>• To create urban form that relates favourably in scale and in architectural and landscape treatment to neighbouring land uses and to the natural environment.</li> <li>• To minimise conflict between land uses in the zone and adjoining zones and ensure the amenity of any adjoining or nearby residential land uses.</li> </ul>
<b>Height</b>	11 metres
<b>Highest and Best Use</b>	Mixed Use
<b>Use at Date of Valuation</b>	Retail Commercial
<b>Heritage Listed</b>	The property is not listed as an item of local or state heritage significance.

### 3.3 Planning Information Disclaimer

Zoning, flooding and heritage information has been obtained from perusal of the on-line information made available by Council or NSW Planning. For confirmation a Certificate under Section 10.7 of the Environmental Planning and Assessment Act, 1979 should be obtained from Council. Should this fail to confirm the above mentioned zoning, flooding and heritage information this valuation will require review.

## 4. PARENT LAND

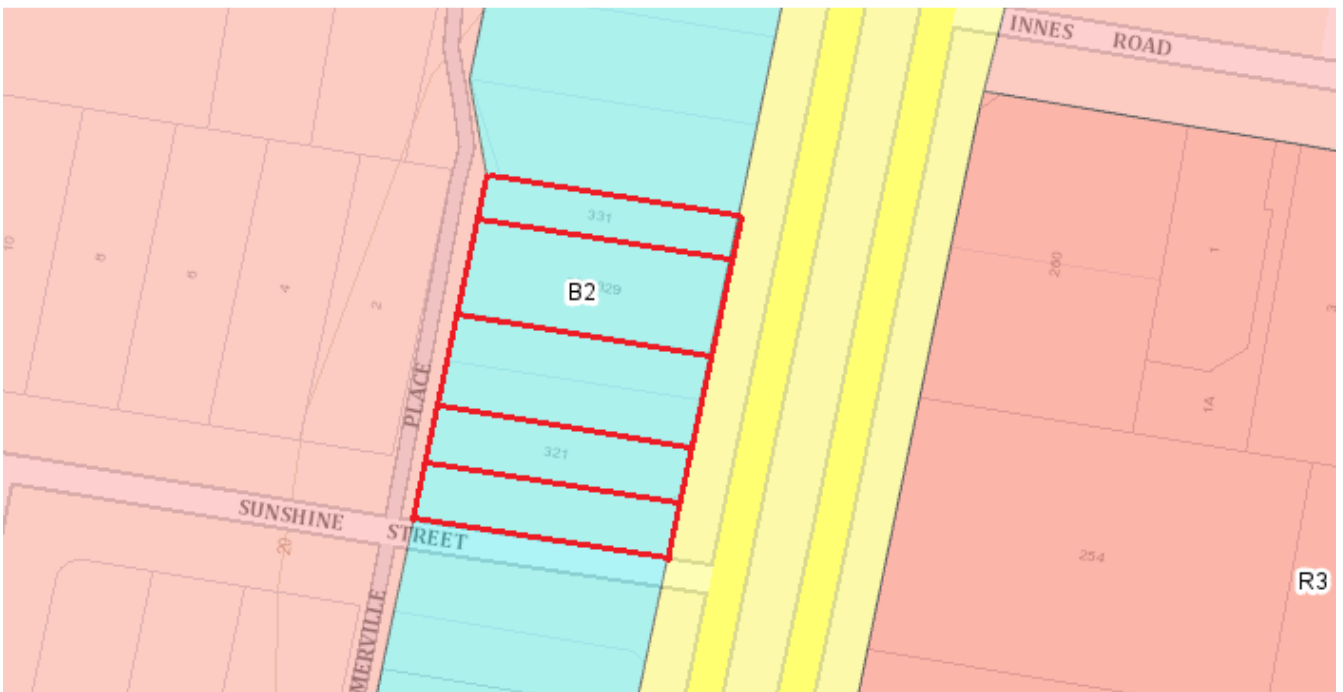
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### 4.1 Land Detail

<b>Parent Land Area</b>	1,277.33m <sup>2</sup> square metres as per Valuer Generals Property Search
<b>Parent Land Dimensions</b>	Approximately 38.075 metres x 33.53 metres regular in shape as shown below
<b>Topography</b>	Generally level site
<b>Shape and Position</b>	Regular shaped corner block
<b>Services</b>	All usual urban services appear connected
<b>Comments on Title</b>	Our valuation considers the site as described within this report. I make no warranty regarding the title, shape or land area used. Should the new title particulars not reflect the comments, measurements or areas used within this report, our valuation may require review.

### 4.2 Parent Land Map

The shape of the subject lots are shown below:



Source: Six Maps

### 4.3 Land Contamination Disclaimer

No environmental search or audit has been undertaken. No soil tests or environmental studies have been made available to us. There are no signs of contamination and it is therefore presumed that there are no surface or sub-surface soil problems, toxic or hazardous wastes or building material hazards in or on the property that would adversely affect its use or marketability, although I cannot and do not warrant that this site is contamination free. Should any problem become known or arise that would adversely affect the value of the property then this valuation will require review.



## 5. LOCATION

### 5.1 Suburb Information

The parent property is located within the area known as Manly Vale near the better known suburb of suburb of Manly. It is predominantly a residential suburb with commercial land use on Condamine Street, containing small patches of light industrial. It is 17 kilometres north-east of the Sydney central business district and is currently within the local government area of Northern Beaches Council.

Manly is the beach-side suburb of the area and has a long-standing reputation as a tourist destination, owing to its attractive setting on the Pacific Ocean and easy accessibility by ferry.

### 5.2 Neighbourhood and Surrounding Development

The surrounding area comprises predominantly of strip shops of mostly circa 1940's/1950's newer infill mixed use developments. Warringah Mall Shopping Centre is approximately 2.8km away.

### 5.3 Situation and Road

The subject property is a corner site positioned on the western side of Condamine Street, bounded by Summerville Street and Sunshine Place at the rear. Condamine Street is an arterial road comprising three lanes kerb and guttered bitumen road.

### 5.4 Locality Negatives and Environmental Issues

No environmental or negative issues were noted during the inspection or advised..

To the best of the valuer’s knowledge, the immediate area is not affected by unstable, hazardous or toxic soil material; or any existing or planned infrastructure of concern other than those mentioned within this report, however, no searches have been undertaken in this regard. The right is reserved to review and, if necessary, vary the valuation figure if any contamination or other environmental hazard or negative is found to exist in the locality that may affect the subject property.

### 5.5 Location Map

The location of the subject property is shown in the map below:



Source: Google Maps

## 6. ROAD WIDENING AREA DESCRIPTION

### 6.1 Description

I have conducted an inspection of the parent lot and found that, currently erected on the parent parcel of land are five brick/metal constructed brick circa 1950's commercial/retail buildings comprising single and two store components.

Our assessment for an area of land required for the road widening and has been calculated at a total area of approximately 54.6m<sup>2</sup>. The area is required to satisfy an agreed Voluntary Planning Agreement with Northern Beaches Council.

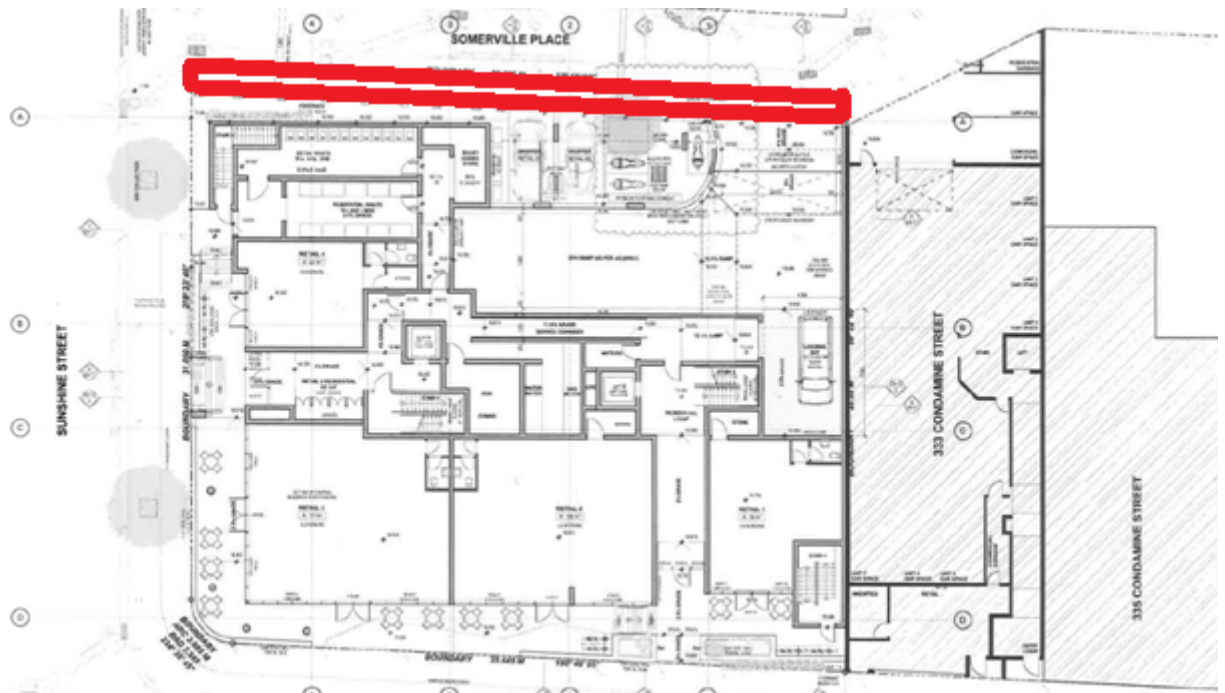
The portion of land situated on the western boundary of the subject parent site along Somerville Place.

The terms of the dedication for this portion of land is set out within the proposed Voluntary Planning Agreement and is to provide an area with width as shown in the plan provided below

### 6.2 Area of Road Widening

I have been provided with plans showing the road to be widened for a length of approximately 38 square metres along the western boundary of the parent site fronting Somerville Place.





I note the information provided by these plans has been relied upon and should the width position or size of the road widening vary or be inconsistent with our calculations our valuation may require review.







Ground floor plan showing road widening.

## 7 COMPARABLE RESIDENTIAL SALES EVIDENCE

### 7.1 Sales Evidence

Address	Date	\$	Comments			
<p><b>Sale 1</b> 23 Oliver Street Freshwater</p>	<p>Oct 2021</p>	<p>\$9,020,000 Land Value equates to \$7,666,000 or \$9,051/m<sup>2</sup> (Assessed)</p>	<p>Nearby single level commercial building potential development site. Zoned B2 - Local Centre. Busy road location Land area of 847sqm, 20.12m frontage Larger sized allotment in superior location. Building area approx 677 sqm Assessed Building Value 1,354,000</p>			
			<p><b>Sale 2</b> 291 Condamine Street Manly Vale, NSW, 2091</p>	<p>April 2021</p>	<p>\$2,700,000 Land Value equates to \$1,880,000 or \$9,307/m<sup>2</sup> (Assessed)</p>	<p>Nearby larger mixed use building currently configured as 2 ground floor retail shops + 2 oversized residential units Sold fully leased with roof top terrace + 4 undercover car spaces Potential strata subdivision(subject to council approval) Land area 202sqm Building area approx 407sqm Assessed Building Value \$820,000</p>
						

Address	Date	\$	Comments
<p><b>Sale 3</b> 357 Sydney Road Balgowlah NSW 2093</p>	<p>Jan 2022</p>	<p>\$3,100,000  Land Value equates to \$2,400,000 or \$9,266/m<sup>2</sup> (Assessed)</p>	<p>A mixed use building with four tenancies. The ground floor is occupied with a refurbished two bedroom apartment/ office on the first floor. Lower ground floor has rear lane access with garaging Located with a similar B2 Zone.  Land area 259sqm Building Area 350m<sup>2</sup> Assessed Building Value \$700,000</p>
			
<p><b>Sale4</b> 37 Darley Road Manly, NSW, 2095</p>	<p>Jul 2021</p>	<p>\$5,010,000  Land Value 3,660,000 or \$13,505/m<sup>2</sup> (Assessed)</p>	<p>Mixed-use building comprising 3 apartments, 1 retail shop recently refurbished with new loft extension Close to Manly Beach and CBD Zoned B1 Land area 271sqm Building area 375sqm Assessed Building Value 1,350,000</p>
			

## 8 COMMENTS AND ANALYSIS

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### 8.1 Valuation Approach

For the purpose of this report we will adopt a valuation approach utilising the “Piecemeal Method” by establishing value by the “Direct Comparison Method”.

The Piecemeal Method is a method of valuation used to assess value to a dispossessed owner. It is a method used extensively in valuation where each unit component is separately determined to provide a total value.

In the case of assessing land value where a “Before and After” approach is difficult or inappropriate (such as small land portions in developable areas), an analysis by means of calculating the proportionate value has been accepted by the courts as a suitable method of valuation.

This method utilises the comparison method of the parent land by assessing value elements such as location, land size, shape, zoning and development criteria on a rate (m<sup>2</sup>) to provide a proportionate value. This proportionate value can then be applied to the subject part to determine its value.

The piecemeal method is an acceptable and suitable method for assessment and accordingly, will be used as our primary method. In the matters of Marrickville Council v Sydney Water Corporation and Penrith City Council v Sydney Water Corporation the courts accepted the piecemeal approach as an appropriate methodology for assessment in acquisition of smaller portions of a larger land area.

### 8.2 Market Value - Piecemeal Calculation

In determining compensation for the proposed road widening, I have adopted a piecemeal approach by a comparative land assessment and identifying my opinion on the value of the subject portion of land.

For comparison purposes, the annexed sales evidence shows a range of \$9,051/m<sup>2</sup> to \$13,505/m<sup>2</sup> of unimproved land area. Considering the analysis of market sales and assessed rate evidence in comparison to the subject site, I determine that the rate is below the lower end of the range of market evidence and is assessed at \$9,000 per square metre of site area.

Given this rate, I can determine that the subject area required for the road widening has an unencumbered fair market value of:

The road widening portion is 54.6 sqm at \$9,000 psm equating to a total land value of \$491,400 of this portion.

#### General Annotations

All photographs contained within this report were taken at the time of inspection.

This valuation has been prepared on instructions from Mr Tony Sattler, Barrister at Law on behalf of Manly Vale Development No 2 Pty Limited to provide the market value of the portion of land here in described granted to Warringah Council, being required for road widening at the rear of property at 321-331 Condamine Street Manly Vale in accordance with a Voluntary Planning Agreement.

My valuation assessment is based on information about the subject from RPData, site inspection, architectural and associated plans provided and my instructions.

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). I do not accept responsibility or liability for any losses arising from such subsequent changes in value.

The report is not to be relied upon by any other person(s) or for any other purpose. I accept no liability to third parties nor do I contemplate that this report will be relied upon by third parties. I invite other parties who may come into possession of this report to seek my consent to them relying on this report. I reserve the right to withhold my consent or to review the contents of this report in the event that my consent is sought.

The NSW property market continues its uncertainty showing ongoing strength in only a few sectors of the property market at this time. Most markets are under threat from recent interest rate rises which have seen the past week's auction results fall sharply across the state. This together with a slowing of buyers interest, and over inflated levels from seller's sentiment of property values are impacting on clearance rates and prices.

Recent announcements by the Reserve Bank of a fall in residential values of up to 15% over the next twelve months has strongly impacted on confidence, which is expected to flow on to other sectors and the economy.

The true economic picture is currently obscured by previous volumes of government incentives still providing structural support. The government and Reserve Bank are carefully monitoring present activity and market movement allowing market forces to dictate pricing levels.

The impact on demand will be felt and dictated by the opening of the Australian borders to investment, overseas students and managing immigration. This is intended to provide the needed stability and ongoing economic recovery, whilst without it much of the economic future remains unclear.

Additionally the current turbulence throughout the world, with the still lingering the effects of COVID-19 and the current Ukrainian conflict, has conditions in the economy and real estate market changing daily.

As at the date of valuation I consider that there is significant market uncertainty

## 9. VALUATION

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**Valuation of the land being granted for Road Widening**

I am of the opinion that the value of the market value of the unimproved portion of 321-325 Condamine Street Manly NSW 2093 (part Lots 20, 21,22 & 25 in Deposited Plan 11320 and Lot 123 in Deposited Plan 73725) which is the subject of road widening and in consideration of the comments expressed herein and excluding GST, as at 15th June 2022 is:

**\$491,400**

**Four Hundred and Ninety One Thousand Four Hundred Dollars**

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**Valuer**

Ross Sheerin, AAPI  
Certified Practising Valuer  
API Number 69328

**Important Note**

This page must be read in conjunction with the body of the report. This valuation is for the sole use of parties to which it is addressed, we owe no duty of care to any other party who places reliance on this report without express written authority from the Valuer. This valuation is for the specific purpose specified in this report. No duty of care is owed by us for any losses that may occur due to reliance placed on this report for any use other than those specifically defined in this report. This Valuation is not for mortgage security.

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## 10 QUALIFICATIONS & DISCLAIMERS

### Inspection

*We have carried out an inspection of the property as per the date of inspection. Nor the Ros Sheerin or Karvon Property Partners has any vested interest in the subject property. This valuation is free of any bias.*

### Use

*This valuation report is for the sole use of parties to which it is addressed. We owe no duty of care to any other party who places reliance on this report without express written authority from the Valuer. This report is not to be reproduced, published or copied in whole or in part without the express written authority from the Valuer. We invite other parties who may come into possession of this report to seek the Valuers written consent prior to relying on this report.*

### Purpose

*This Valuation is for the purposes specifically defined in this report and no reliance should be placed on this report for any other purpose. We do not take any responsibility for any unauthorised use or those using this Valuation for any other purpose other than that specified in the report.*

### Definition of Market Value

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

### Retrospective Valuation

*This valuation is as per the date of valuation. This valuation has been conducting assuming the condition of the improvements on the date of inspection is similar to that at the date of valuation. Where significant renovations or works have been completed over this time we will endeavour to ascertain evidence of the condition as per the date of valuation. Any further assumptions regarding the improvements, if any, will be highlighted in the improvements section of this report.*

### Land and Building Areas

*This Valuation inspection and Report is not a survey of the land or the improvements and is not intended as such nor was such a survey carried out. All measurements and areas in this report are approximate only and if a more accurate measurement is required we recommend the services of a registered surveyor. If a survey indicates a difference in any areas of either the land or the improvements this valuation will require review.*

*Unless stated as otherwise in this report we advise that we have not searched or been provided with a copy of the current Title or Registered Plans and that any dimensions or land areas quoted in this report have been obtained from third party information sources and whilst every endeavour has been made to verify such information we accept no responsibility for inaccuracy of any information provided and relied upon. 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.*

### Improvements

*This assessment presumes 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.*

*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 has been based on the known and assumed 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.*

*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 / 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 concerns become apparent, the valuer should be consulted and reserves the right to reassess any affect on the value stated in this report.*

*POOL - From 29 April 2016, a swimming pool owner must obtain a swimming pool compliance certificate before they can sell or lease their property. The swimming compliance certificate certifies that the swimming pool barrier fencing complies with the relevant standard. Our valuation assumes the pool and fencing is compliant. Should this not be the case we reserve the right to review our valuation.*

*Should any adverse improvement concerns become apparent, the valuer should be consulted and reserves the right to reassess any affect on the value stated in this report.*

### Easements and Encumbrances

*Unless stated as otherwise in this report we advise that a copy of the current Certificate of Title has not been provided or searched. We advise that this valuation is based on the assumption that there are no easements or encumbrances or other title defects other than those identified in this report that would have any adverse effect on the value or marketability of the property. We recommend that a full title search be carried out and that until such time as that search is undertaken and considered by the valuer, no reliance should be placed on the valuation report. Should any such easement or encumbrance or other like affectation on title become apparent, the valuer should be consulted and reserves the right to reassess any affect on the value stated in this report.*



**Environmental**

*The client acknowledges and recognises that the Valuer is not expert in identifying environmental hazards and compliance requirements affecting properties. The Valuer has endeavoured to identify all matters of environmental concern and the effect they might have on the value of the property.*

*However, the Valuer will not be held liable nor responsible for his/her failure to identify all such matters of environmental concern and the impact which any environmental related issue has on the property and its value including loss arising from site contamination; or the non-compliance with environmental laws; or costs associated with the clean-up of the property to which an environmental hazard has been recognized, including action by the Environmental Protection Agency to recover clean-up costs pursuant to the relevant Environmental Protection Act.*

**Site Contamination**

*Our inspection of the site did not reveal any obvious signs of contamination, however, we are not experts in identifying environmental hazards and should you wish to confirm that the site is not contaminated we would recommend that you retain the services of an environmental consultant. Should subsequent investigations show the site to be contaminated, then this valuation will require review.*

**Asbestos**

*Inspection of the improvements did not show the use of asbestos products in the construction of the building unless specifically mentioned in this report. However, we are not experts in this area and therefore, in the absence of an environmental consultants report concerning the presence of any asbestos fibre within the subject property, this valuation is made on the assumption that there is no health risk from asbestos. Should an asbestos related health risk be identified on the property then this valuation will require review.*

**Flood search**

*We advise that we have not undertaken a formal search to confirm whether or not the property is subject to flooding or other impediments caused by excess water saturation. Should any flooding or other impediments caused by excess water saturation concerns become apparent, the valuer should be consulted and reserves the right to reassess any affect on the value stated in this report*

**Further Investigations**

*Where limitations to this report have been highlighted, this is to enable the reader of this report to instruct further investigations if seen fit. We are not liable for any loss occasioned by a decision not to conduct further investigations.*

**Native Title**

*As the subject property is held in a Freehold Certificate of Title, we have not commissioned a search of the Register of Native Claims which is administered by the National Native Title Tribunal, as it is our understanding that such a Certificate of Title extinguishes any potential Native Title Claim. Should this understanding prove to be incorrect, then this valuation will require review.*

**Number of Bedrooms in Sales Evidence**

*The number of bedrooms listed in this reports sales schedule, are either as recorded in available property sales databases or have been assumed by the Valuer. As we have not physically inspected the interior of the sales evidence quoted we cannot guarantee the accuracy of the information provided.*

**Full Payment**

*The instructing party will not rely or be able to rely on the valuation until payment is made in full, or if it does so rely without our express consent, then it warrants that in doing so it does rely at its own risk on the basis that it accepts that we do not accept or assume responsibility for the valuation, and that in doing so there is a total failure of consideration in respect to that valuation service in respect to that retainer.*

**Body Corporate Records**

*We advise, for strata units, that we have not conducted a search of the Body Corporate records and our valuation assumes there are no outstanding requisitions or legal liabilities. We recommend the Introducer/Funder conduct a search of the Body Corporate records prior to the advancement of mortgage funds should they deem this necessary.*

**Market Movement & Report Expiry**

*This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 3 months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.*

**GST**

*Our valuation is on the basis the property is input taxed and free of GST. We are not privy to the financial circumstances of the current owner(s) nor previous transactions upon the property which may impact upon the status of the property in relation to GST. Should the property not qualify as GST free, our assessment is inclusive of GST.*

# 11 PHOTOGRAPHS



Photographs (Cont'd)



**VALUATION  
&  
COMPENSATION  
for Acquisition**

**15<sup>th</sup> June 2022**

321-325 Condamine Street Manly Vale NSW 2093



KARVON PROPERTY PARTNERS PTY. LTD.

PO Box 1110 Parramatta BC 2124

(02) 9890 9890

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# 1. VALUATION SUMMARY

<b>Property Address</b>	321-325 Condamine Street Manly Vale NSW 2093		
<b>Title Details</b>	Lots 20, 21 and 22 in Deposited Plan 11320		
<b>Instructed by</b>	Mr Tony Sattler		
<b>Authorised Use</b>	Manly Vale Developments No 2 Pty Limited		
<b>Valuation Purpose</b>	We have been instructed to provide an assessment, as an expert, for a Voluntary Planning Agreement (VPA) required for the creation of an easement to be given to Council, being in accordance with S88K Conveyancing Act 1919 providing a footpath at the rear of property at 321-325 Condamine Street Manly Vale.		
<b>Date of Inspection</b>	15th May 2022	<b>Date of Valuation</b>	15th May 2022
<b>Zoning</b>	B2 Local Centre	<b>Land Area Affected</b>	26.50 sqm
<b>Brief Description of Subject</b>	The parent parcel comprises a 664.5m <sup>2</sup> of land (as per Valuer General records) comprises three lots with a circa 1950's mixed retail commercial development containing single and two storey buildings. The proposed easement affects a portion of varying width along the western boundary of the three lots.		
<b>Definition of Compensation</b>	Having regard to the matter of the subject proposed easement, this report will establish appropriate compensation for the value of that portion affected in accordance with S88K of the Conveyancing Act 1919 excluding any costs		
<b>Valuation of the land the affected by the easement</b>	I am of the opinion that the value of the market value of the unimproved portion of 321-325 Condamine Street Manly NSW 2093 (part Lots 20, 21 & 22 in Deposited Plan 11320) which is the subject of the proposed easement assessed for the purpose of compensation and in consideration of the comments expressed herein and excluding GST, as at 15th May 2022 is: \$238,500 Two Hundred and Thirty Eight Thousand Five Hundred Dollars		

**Compensation Assessment for the Easement** The compensation items relating to the property (part of resulting from the proposed easement in accordance with S88k of the Conveyancing Act 1919 and the comments expressed herein, as at 15th May 2022 are as follows:

Item	Assessment
The diminution of value of subject portion of proposed easement (@ 50%)	\$119,250
Loss in value resulting from the "Blot on Title"	\$59,805
Other - loss of security, amenity or peace and quiet (N/A as the pipes are to be burrowed with no digging on the surface)	Nil

<b>TOTAL COMPENSATION PAYABLE FOR THE EASEMENT (One Hundred and Seventy Nine Thousand and Fifty Five Dollars)</b>	<b>\$179,055</b>
---	------------------

Valuer Peter Karvon, AAPI MPIA  
Certified Practising Valuer  
API Number 69687



<b>Expert Witness Statement</b>	<p>This report has been prepared in accordance with the Uniform Civil Procedure Rules 2005. I have thoroughly read, acknowledge and accept the Expert Witness Code of Conduct under which I am bound in the preparation of this report.</p>
<b>Summary of Qualifications</b>	<p>Peter Karvon is a Certified Practising Valuer with Accounting, Real Estate, Valuation and Town Planning qualifications. His property career commenced in 1981 and has since worked in and operated a number of real estate and property related companies and enterprises throughout Sydney. He has been a qualified Valuer since 1991, an Associate of the Australian Property Institute from 2000 and a Member of the Planning Institute of Australia since 2010.</p> <p>He has experience in residential, industrial and commercial property with expertise in valuation &amp; development, statutory acquisitions, resumptions easements and compensation gained over the past 30 years with his involvement in property development and project management.</p> <p>Specifically he has been directly involved and advised on easements and property matters to Blacktown Council, Parramatta Council, Mona Lisa Homes, GNN Constructions, amongst others.</p>
<b>Valuer's Statement</b>	<p>I am qualified and experienced in the subject matter.</p>
<b>Definition of Market Value</b>	<p>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 "arms length" transaction after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion.</p>
<b>Important Note</b>	<p>These 2 summary pages must be read in conjunction with the body of the report. This valuation is for the sole use of parties to which it is addressed and the specific purpose specified in this report. This report is in short form not suitable for Court submission. No duty of care is owed by us for any losses that may occur due to reliance placed on this report for any use other than those specifically defined in this report nor to any other party who places reliance on this report without express written authority from the Valuer. This report is not to be reproduced, published or copied in whole or in part without the express written authority from the Valuer. This Valuation is not for mortgage security.</p>

## 2. INTRODUCTION

---

### 2.1 Instructions

I have been instructed by Mr Tony Sattler, Barrister at Law on behalf of Manly Vale Development No 2 Pty Limited to provide a valuation assessment for that portion of land as described within this report, being required for the creation of a right of carriageway easement for pedestrian access in accordance with S88K Conveyancing Act 1919. In this regard I have made relevant investigations and enquiries enabling us to report as follows.

### 2.2 Authorised Use

This report has been prepared as in accordance with the Uniform Civil Procedure Rules 2005 for Manly Vale Developments No 2 Pty Limited to provide valuation advice in regards to the proposed easement occupying an area at the western boundary of 321-325 Condamine Street Manly Vale

The report shall not be used for any other purpose than those set out in this section.

### 2.3 Critical Assumptions

Verifiable Assumptions relate to encumbrances, zoning, development controls and heritage issues, encroachments, sewer location and flood status and can be confirmed by obtaining a Section 10.7 Certificate from Council, sewerage diagram from Sydney Water and a Survey Report.

Assumptions requiring further consultancy relate to any environmental and water management issues and reports from other expert sources. In addition, if I have made any assumptions relating to the development approval or the position and size of the subject easement, the assumptions have been commented on within the report and may require confirmation by stormwater engineers or council officers.

Our assessment is based on the plans provided and the area of easement is limited to a height no greater than three (3) metres above the finished floor level of the pedestrian footpath is to be constricted.

Should this not be the case, our assessment will require review.

Assumptions based on opinion are detailed in our assessment and Valuer Comments section of this report.

### 2.4 Pertinent Facts

A development proposal has been approved at 321-331 Condamine Street Manly Vale NSW subject to a Voluntary Planning Agreement being reached for the provision of an Easement across the south western corner of the site as set out in the attached plans. The easement is required for pedestrian access at the rear boundary of the subject property.

I am required to provide an assessment of value for the proposed easement for the Planning Agreement which will form part of the Development consent.

Should this not be the case the report will require review.

### 2.5 Definition of Compensation

Having regard to the matter of the subject proposed easement, this report will establish appropriate compensation for the value of that portion affected in accordance with S88K of the Conveyancing Act 1919 excluding any costs.



### 3. TITLE AND PLANNING

---

#### 3.1 Title

**Title Details** Lot 20 DP11320, Lot 21-22 DP11320  
**Registered Proprietor** Manly Vale Developments No 2 Pty Ltd  
**Title Search Sighted** Yes - see Valuer Comments

---

*Extract of title search.*

LAND

-----  
 LOT 20 IN DEPOSITED PLAN 11320  
 AT MANLY VALE  
 LOCAL GOVERNMENT AREA NORTHERN BEACHES  
 PARISH OF MANLY COVE COUNTY OF CUMBERLAND  
 TITLE DIAGRAM DP11320

FIRST SCHEDULE

-----  
 MANLY VALE DEVELOPMENTS NO. 2 PTY LTD (T AM752057)

SECOND SCHEDULE (4 NOTIFICATIONS)

- 1 RESERVATIONS AND CONDITIONS IN THE CROWN GRANT(S)  
 2 AC460785 LEASE TO TAKE A SEAT PTY LTD OF GROUND FLOOR SHOP,  
 321 CONDAMINE STREET, MANLY VALE. EXPIRES: 16/7/2011.  
 OPTION OF RENEWAL: 5 YEARS.  
 AG487244 VARIATION OF LEASE AC460785 EXPIRY DATE NOW  
 16/7/2016.  
 AK807700 VARIATION OF LEASE AC460785 EXPIRY DATE NOW  
 16/7/2019. OPTION OF RENEWAL: 5 YEARS.  
 3 AM752058 MORTGAGE TO WESTPAC BANKING CORPORATION  
 4 AP280228 LEASE TO DIANA BELOT OF SHOP 3, 321 CONDAMINE  
 STREET, MANLY VALE. EXPIRES: 30/6/2021. OPTION OF  
 RENEWAL: 3 YEARS.

**Title Details** Lot 21-22 DP11320  
**Registered Proprietor** Manly Vale Developments No 2 Pty Ltd  
**Title Search Sighted** Yes - see Valuer Comments

---

*Extract of title search.*

LAND

-----  
 LAND DESCRIBED IN SCHEDULE OF PARCELS  
 LOCAL GOVERNMENT AREA NORTHERN BEACHES  
 PARISH OF MANLY COVE COUNTY OF CUMBERLAND  
 TITLE DIAGRAM DP11320

FIRST SCHEDULE

-----  
 MANLY VALE DEVELOPMENTS NO.2 PTY LTD (T AJ446247)

SECOND SCHEDULE (3 NOTIFICATIONS)

- 1 RESERVATIONS AND CONDITIONS IN THE CROWN GRANT(S)  
 2 AJ607824 MORTGAGE TO WESTPAC BANKING CORPORATION  
 3 AN901146 LEASE TO HENG BUN & SOKHOM KONG EXPIRES: 10/5/2023.  
 OPTION OF RENEWAL: 5 YEARS.

NOTATIONS

-----  
 UNREGISTERED DEALINGS: NIL

SCHEDULE OF PARCELS

-----  
 LOTS 21-22 IN DP11320.

---

**Valuer’s Title Comments**

I have sighted an extract of two title searches dated 25/10/2021 to identify any dealings encumbrances or restrictions on the title, a full title search is recommended.

I note no encroachments encumbrances or title defects which create any concern regarding the title.

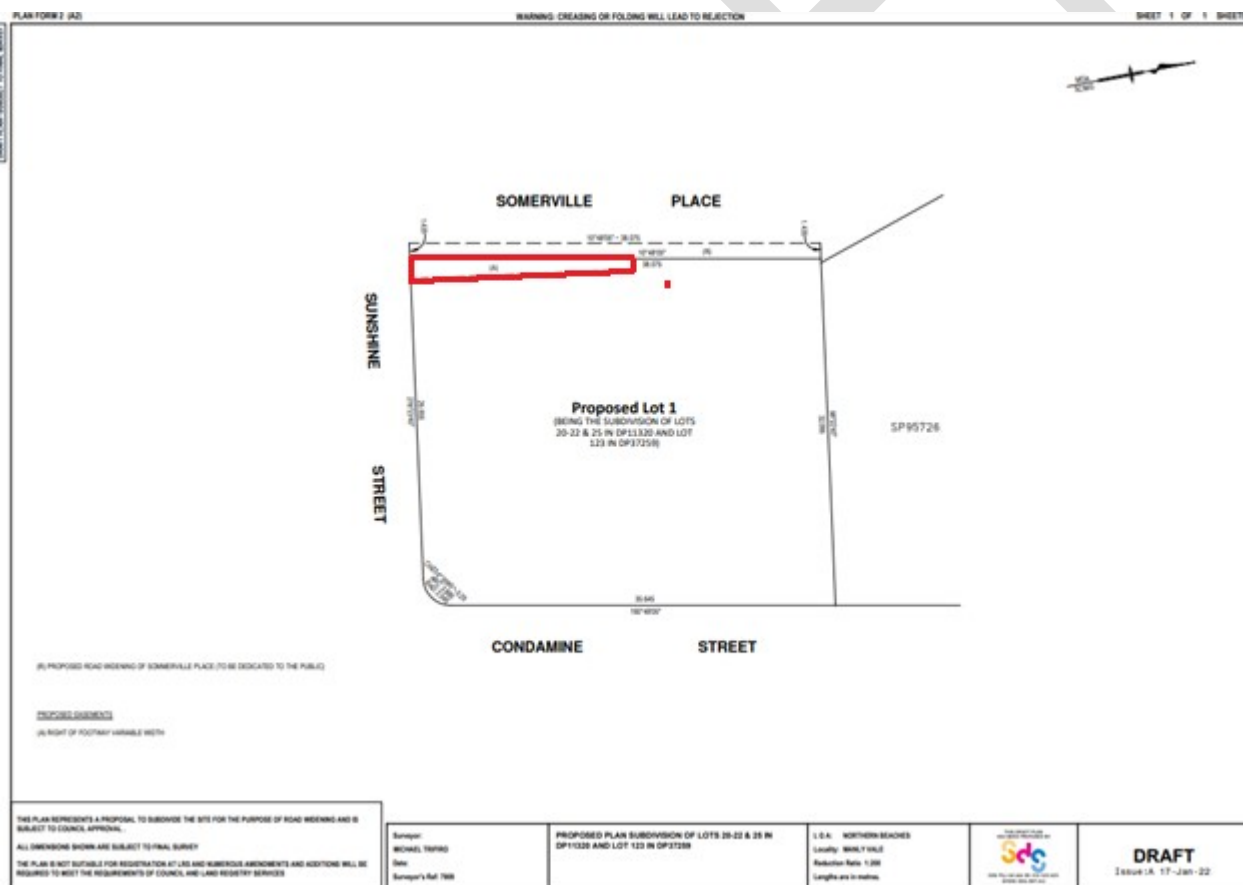
We note details of leases which I consider has no bearing on my assessment of value for the portion as described within this report

Should any other encumbrances, easements, leases or other restrictions not mentioned in this report be known or discovered then the valuation should be referred to the valuer for comment.

Our valuation considers the site as described within this report. I make no warranty regarding the title, shape or land area used. Should title particulars not reflect the comments, measurements or areas used within this report, our valuation may require review.

Whilst we are not legally qualified to comment on the any above mentioned covenants, restrictions, easements further, I note no further investigation has been undertaken. It is recommended that qualified legal advice be obtained and if any further information is required. If any detrimental effects are noted, then I reserve the right to review our valuation. I have assumed that there are no easements, rights of way, encroachments other than any mentioned above.

**Approximate position of Easement:**



### 3.2 Town Planning



*\*NSW Planning Portal Map*

<b>Zoning</b>	B2 Local Centre
<b>Zoning Instrument</b>	Warringah Local Environmental Plan (LEP) 2011
<b>Local Government Area</b>	Northern Beaches
<b>Objectives of Zone</b>	<ul style="list-style-type: none"> <li>• To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.</li> <li>• To encourage employment opportunities in accessible locations.</li> <li>• To maximise public transport patronage and encourage walking and cycling.</li> <li>• To provide an environment for pedestrians that is safe, comfortable and interesting.</li> <li>• To create urban form that relates favourably in scale and in architectural and landscape treatment to neighbouring land uses and to the natural environment.</li> <li>• To minimise conflict between land uses in the zone and adjoining zones and ensure the amenity of any adjoining or nearby residential land uses.</li> </ul>
<b>Height</b>	11 metres
<b>Highest and Best Use</b>	Mixed Use
<b>Use at Date of Valuation</b>	Retail Commercial
<b>Heritage Listed</b>	The property is not listed as an item of local or state heritage significance.

### 3.3 Planning Information Disclaimer

Zoning, flooding and heritage information has been obtained from perusal of the on-line information made available by Council or NSW Planning. For confirmation a Certificate under Section 10.7 of the Environmental Planning and Assessment Act, 1979 should be obtained from Council. Should this fail to confirm the above mentioned zoning, flooding and heritage information this valuation will require review.

## 4. PARENT LAND

---

### 4.1 Land Detail

<b>Parent Land Area</b>	664.5 square metres as per Valuer Generals Property Search
<b>Parent Land Dimensions</b>	Approximately 19.8124 metres x 33.53 metres regular in shape as shown below
<b>Topography</b>	Generally level site
<b>Shape and Position</b>	Regular shaped corner block
<b>Services</b>	All usual urban services appear connected
<b>Comments on Title</b>	Our valuation considers the site as described within this report. I make no warranty regarding the title, shape or land area used. Should the new title particulars not reflect the comments, measurements or areas used within this report, our valuation may require review.

### 4.2 Parent Land Map

The shape of the subject land is shown below:



Source: Six Maps

### 4.3 Land Contamination Disclaimer

No environmental search or audit has been undertaken. No soil tests or environmental studies have been made available to us. There are no signs of contamination and it is therefore presumed that there are no surface or sub-surface soil problems, toxic or hazardous wastes or building material hazards in or on the property that would adversely affect its use or marketability, although I cannot and do not warrant that this site is contamination free. Should any problem become known or arise that would adversely affect the value of the property then this valuation will require review.

## 5. LOCATION

### 5.1 Suburb Information

The parent property is located within the area known as Manly Vale near the better known suburb of Manly. It is predominantly a residential suburb with commercial land use on Condamine Street, containing small patches of light industrial. It is 17 kilometres north-east of the Sydney Central Business District and is currently within the local government area of the Northern Beaches Council.

Manly is the beach-side suburb of the area and has a long-standing reputation as a tourist destination, owing to its attractive setting on the Pacific Ocean and easy accessibility by ferry.

### 5.2 Neighbourhood and Surrounding Development

The surrounding area comprises predominantly of strip shops of mostly circa 1940's/1950's newer infill mixed use developments. Warringah Mall Shopping Centre is approximately 2.8km away.

### 5.3 Situation and Road

The subject property is a corner site positioned on the western side of Condamine Street, bounded by Summerville Street and Sunshine Place at the rear. Condamine Street is an arterial road comprising a six-lane kerb and guttered bitumen road.

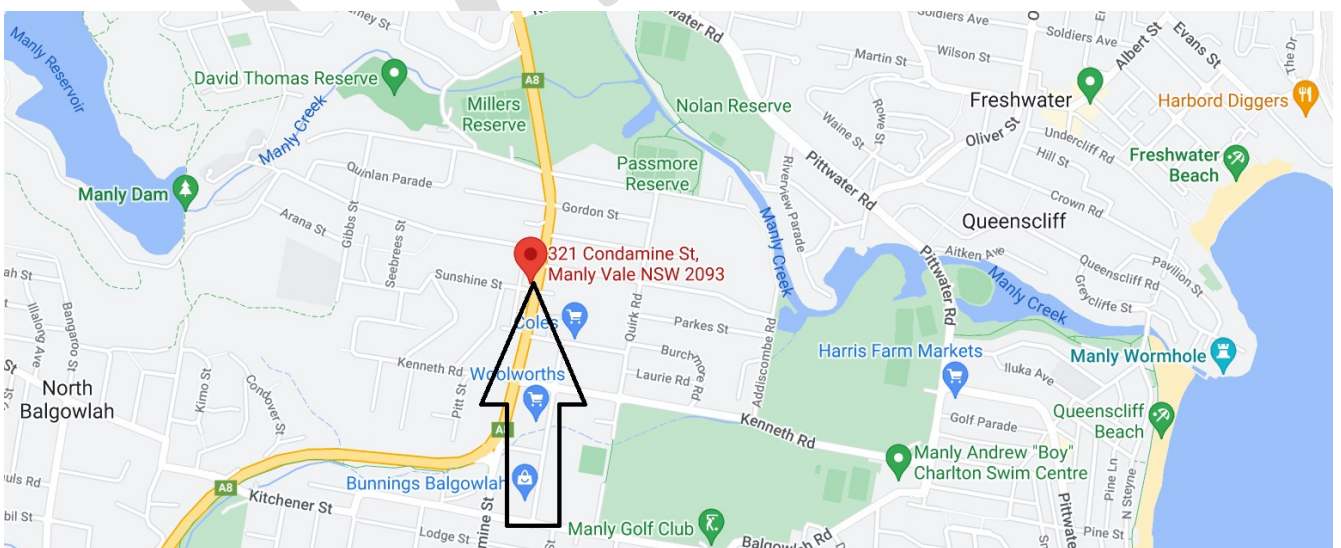
### 5.4 Locality Negatives and Environmental Issues

No environmental or negative issues were noted during the inspection or advised.

To the best of the valuer's knowledge, the immediate area is not affected by unstable, hazardous or toxic soil material; or any existing or planned infrastructure of concern other than those mentioned within this report, however, no searches have been undertaken in this regard. The right is reserved to review and, if necessary, vary the valuation figure if any contamination or other environmental hazard or negative is found to exist in the locality that may affect the subject property.

### 5.5 Location Map

The location of the subject property is shown in the map below:



Source: Google Maps

## 6. EASEMENT AREA DESCRIPTION

---

### 6.1 Description

I have conducted an inspection of the parent lot and found that currently erected on the parent parcel of land are two brick/metal constructed brick circa 1950's commercial/retail buildings comprising single and two store components.

Our assessment pertains to a proposed easement on an area of land required for the purpose of footpath and has been calculated at a total area of approximately 26.5m<sup>2</sup>. The easement is required to satisfy pursuant to an agreed Voluntary Planning Agreement with Northern Beaches Council.

The easement affects land situated on the western boundary of the subject parent site along Summerville Place. It will occupy a stratum area at the rear ground floor of the proposed development.

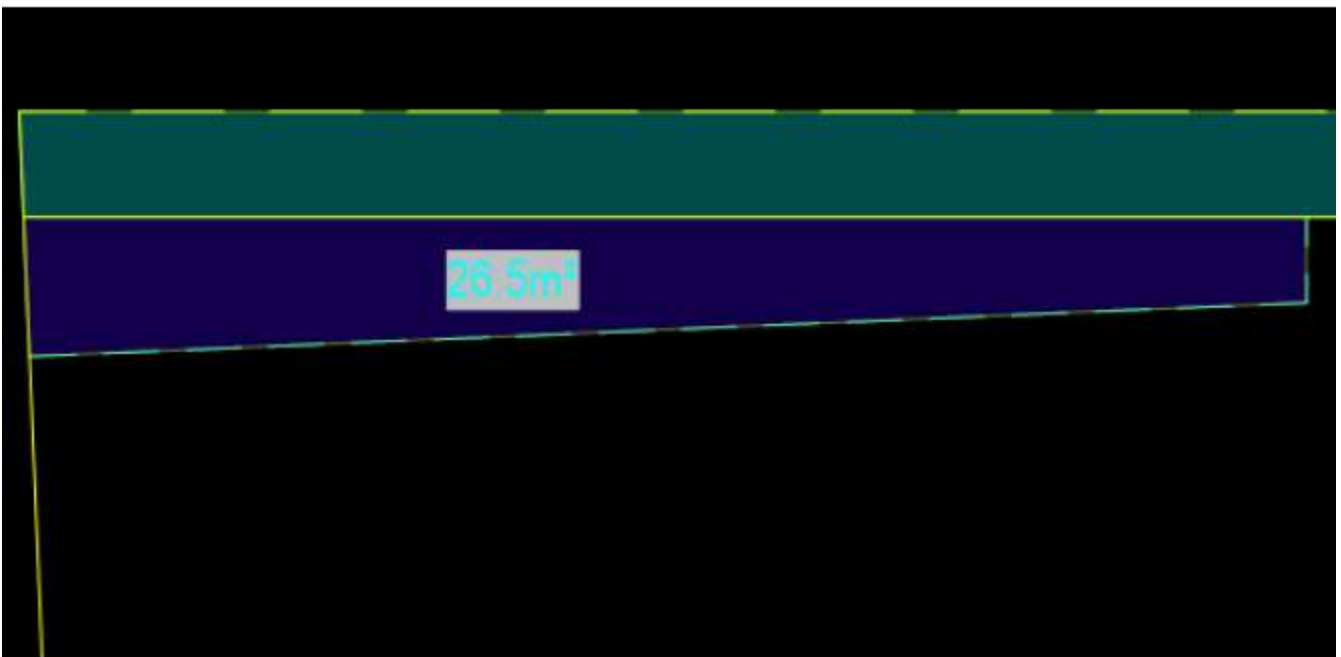
The proposed development cantilevers over the area proposed with an awning approximately three (3) meters above the natural ground floor. I have not been provided with plans setting out the stratum area of the easement and should there be a variation of the height this valuation may require review.

The requirements for the easement, area as set out within the proposed Voluntary Planning Agreement. is to provide an area with a varying width as shown in the plan provided below

### 6.2 Area of Easement

I have been provided with a survey plan drawn by Michael Trifiro of SDG Surveyors dated 13/5/2021 showing the position of the easement and detailing an area of 26.5 square metres along part the western boundary of the parent site fronting Summerville Place.

I note the information provided by these plans has been relied upon and should the width position or size of the easement vary or be inconsistent with our calculations our valuation may require review.



*Area and shape of the easement.*

### 6.3 Statutory Considerations

Our report will establish appropriate compensation in accordance with S88K of the Conveyancing Act 1919. Under this legislation, the Courts are empowered to make easements considered to be reasonably necessary for the effective use of land.




The Act states

- “(1) The Court may make an order imposing an easement over land if the easement is reasonably necessary for the effective use or development of other land that will have the benefit of the easement.*
- (2) Such an order may be made only if the Court is satisfied that:*
- (a) use of the land having the benefit of the easement will not be inconsistent with the public interest, and*
  - (b) the owner of the land to be burdened by the easement and each other person having an estate or interest in that land that is evidenced by an instrument registered in the General Register of Deeds or the Register kept under the Real Property Act 1900 can be adequately compensated for any loss or other disadvantage that will arise from imposition of the easement, and*
  - (c) all reasonable attempts have been made by the applicant for the order to obtain the easement or an easement having the same effect but have been unsuccessful.*
- (3) The Court is to specify in the order the nature and terms of the easement and such of the particulars referred to in section 88 (1) (a)-(d) as are appropriate and is to identify its site by reference to a plan that is, or is capable of being, registered or recorded under Division 3 of Part 23. The terms may limit the times at which the easement applies.*
- (4) The Court is to provide in the order for payment by the applicant to specified persons of such compensation as the Court considers appropriate, unless the Court determines that compensation is not payable because of the special circumstances of the case.*
- (5) The costs of the proceedings are payable by the applicant, subject to any order of the Court to the contrary.*
- (6) Such an easement may be:*
- (a) released by the owner of the land having the benefit of it, or*
  - (b) modified by a deed made between the owner of the land having the benefit of it and the persons for the time being having the burden of it or (in the case of land under the provisions of the Real Property Act 1900 ) by a dealing in the form approved under that Act giving effect to the modification.*
- (7) An easement imposed under this section, a release of such an easement or any modification of such an easement by a deed or dealing takes effect:*
- (a) if the land burdened is under the Real Property Act 1900 , when the Registrar-General registers a dealing in the form approved under that Act setting out particulars of the easement, or of the release or modification, by making such recordings in the Register kept under that Act as the Registrar-General considers appropriate, or*
  - (b) in any other case, when a minute of the order imposing the easement or the deed of release or modification is registered in the General Register of Deeds.*
- (8) An easement imposed under this section has effect (for the purposes of this Act and the Real Property Act 1900 ) as if it was contained in a deed.*
- (9) Nothing in this section prevents such an easement from being extinguished or modified under section 89 by the Court. “*





For the purpose of this report, I have considered the heads of compensations as set out in *Wengarin v Byron Shire Council* (1999) and adopted in *Rainbowforce Pty Ltd v Skyton Holdings Pty Ltd and Ors* (2010) in regards to the necessity and appropriate compensation under this section of the Act.

## 7 COMPARABLE RESIDENTIAL SALES EVIDENCE

### 7.1 Sales Evidence

<p><b>Sale 1</b> 23 Oliver Street Freshwater 2096</p>	<p>Oct 2021</p>	<p>\$9,020,000 Land Value equates to \$7,666,000 or \$9,051/m2 (Assessed)</p>	<p>Nearby single level commercial building potential development site. Zoned B2 - Local Centre. Busy road location Land area of 847sqm, 20.12m frontage Larger sized allotment in superior location. Building area approx 677 sqm Assessed Building Value \$1,354,000</p>
			
<p><b>Sale 2</b> 291 Condamine Street Manly Vale, NSW, 2093</p>	<p>April 2021</p>	<p>\$2,700,000 Land Value equates to \$1,880,000 or \$9,307/m2 (Assessed)</p>	<p>Nearby larger mixed use building currently configured as 2 ground floor retail shops plus 2 oversized residential units Sold fully leased with roof top terrace plus 4 undercover car spaces Potential strata subdivision(subject to council approval) Land area 202sqm Building area approx 407sqm Assessed Building Value \$820,000</p>
			



Address	Date	\$	Comments
<p><b>Sale 3</b> 357 Sydney Road Balgowlah NSW 2093</p>	<p>Jan 2022</p>	<p>\$3,100,000  Land Value equates to \$2,400,000 or \$9,266/m2 (Assessed)</p>	<p>A mixed use building with four tenancies. The ground floor is occupied with a refurbished two bedroom apartment/ office on the first floor. Lower ground floor has rear lane access with garaging. Located with a similar B2 Zone.  Land area 259sqm Building Area 350m<sup>2</sup> Assessed Building Value \$700,000</p>
			
<p><b>Sale4</b> 37 Darley Road Manly, NSW, 2095</p>	<p>Jul 2021</p>	<p>\$5,010,000  Land Value \$3,660,000 or \$13,505/m2 (Assessed)</p>	<p>Mixed-use building comprising 3 apartments, 1 retail shop recently refurbished with new loft extension Close to Manly Beach and CBD Zoned B1 Land area 271sqm Building area 375sqm Assessed Building Value \$1,350,000</p>
			

## 8 COMMENTS AND ANALYSIS

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### 8.1 Valuation Approach

The acceptable methodologies for assessing affect on market value within the courts is the “Before and After Method”, the “Piecemeal Method” and “Direct Comparison Method”.

As the value of an easement is considered nominal, evidence for the before and after method may be inconsistent and cannot be relied upon. The piecemeal method is more suitable for easement assessments and accordingly, will be used as our primary method.

### 8.2 Market Value - Piecemeal Calculation

In determining compensation for the proposed easement, I have adopted a piecemeal approach by a comparative land assessment and identifying my opinion on the diminution of land value and loss of proprietary rights. I have considered other market negotiated comparable easement data as a useful check of the compensation amount.

For comparison purposes, the above sales evidence shows a range of \$9,051/m<sup>2</sup> to \$13,505/m<sup>2</sup> of unimproved land area. Considering the analysis of market sales and assessed rate evidence in comparison to the subject site, I determine that the rate is below the lower end of the range of market evidence and is assessed at \$9,000 per square metre of site area.

Given this rate, I can determine that the subject area required for the easement has an unencumbered fair market value of:

The easement portion is 26.5 sqm at \$9,000psm equating to a total land value of \$238,500 of this portion.

#### DIMINUTION OF LAND

In assessing the value element for compensation in this case, I consider it reasonable to adjust the market value rate of the unencumbered parcel of the land by a percentage factor that reflects the impact of the proposed easement on that parcel of land.

In determining the effect on this portion of land, I have considered the following:-

1. Impact on gross developable area of the development,
2. Physical effect on the current use of the land
3. Any other loss of utility

Given the proposed use of the easement as a pedestrian flow path I am of the opinion that the loss on the value of the land is substantial and consider a diminution range of between 40%-60% as appropriate.

Given the location, nature and benefits presented by the subject, I can conclude a diminution factor of 50% for the affected subject portion.

Calculation is as follows:

Subject portion value \$238,500 is diminished by a factor of 50% equating to - \$119,250

### 8.3 Market Value Loss (Attributable to the "Blot on Title")

In addition, I consider that it is appropriate that a further amount for loss created by the burden and "blot on title" be acknowledged as a separate compensation element.

As set out in *Wengarin v Byron Shire Council* (1999) compensation in matters pertaining to S88K of the Conveyancing Act 1919 would generally have three elements.

- (a) Diminished market value of the land as a result of the easement
- (b) Any associated costs that would be caused to the owner of the land
- (c) Any loss of security, amenity or peace and quiet that may disadvantage the owner of the land.

Whilst accepting that similar easements are becoming more commonplace in the market and that the likely effect on the total value of land is not substantial. It is not prudent to believe that an unaffected parcel of land has the same value as a similar parcel affected by a blot on title.

I have considered the comments of Pain J in the matter of *Dietrich v Denning* (2016) and agree that any affect on the title may constitute a case for double dipping. However, given the nature of an easement as firstly affecting the utility of the land and then the proprietary interest, I consider them as two separate items in my approach.

I agree with Pain J opinion that a nominal amount of 1% - 2% appears appropriate. In this regard given the type, location and neighborhood of the subject this "blot on title" would further diminish the value of the entire lot by a nominal amount of 1.0 %.

As the easement affects only the subject three lots we can determine that the affect is calculated as such "Blot on Title" and loss of proprietary rights affecting Lots 20, 21,22 in Deposited Plan 11320 adopting a 1.0% factor on 664.5m<sup>2</sup> @ \$9,000/m<sup>2</sup> calculates as follows;

\$5,980,500 (664.5 sqm @ \$9,000/sqm) x 1%	\$59,805
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## 9. VALUATION

**Valuation of the land affected by the easement** I am of the opinion that the value of the market value of the unimproved portion of 321-325 Condamine Street Manly NSW 2093 (part Lots 20, 21,22 & 23 in Deposited Plan 11320) which is the subject of the proposed easement assessed for the purpose of compensation and in consideration of the comments expressed herein and excluding GST, as at 15th May 2022 is:  
**\$238,500**  
**Two Hundred and Thirty Eight Thousand Five Hundred Dollars**

**Compensation Assessment for the easement** The compensation items relating to that portion (Lots 20, 21,22 & 23 in Deposited Plan 11320) affected resulting from the proposed easement in accordance with S88k of the Conveyancing Act 1919 and the comments expressed herein, as at 15th May 2022 is are as follows:

Item	Assessment
The diminution of value of subject portion of proposed easement (@ 50%)	\$119,250
Loss in value resulting from the "Blot on Title"	\$59,805
Other - loss of security, amenity or peace and quiet (N/A as the pipes are to be burrowed with no digging on the surface)	Nil
<b>TOTAL COMPENSATION PAYABLE FOR THE EASEMENT (One Hundred and Seventy Nine Thousand and Fifty Five Dollars)</b>	<b>\$179,055</b>

Valuer Peter Karvon AAPI MPIA  
 Certified Practising Valuer  
 API Number 69687



**Important Note** This page must be read in conjunction with the body of the report. This valuation is for the sole use of parties to which it is addressed, we owe no duty of care to any other party who places reliance on this report without express written authority from the Valuer. This valuation is for the specific purpose specified in this report. No duty of care is owed by us for any losses that may occur due to reliance placed on this report for any use other than those specifically defined in this report. This Valuation is not for mortgage security.

## 10 QUALIFICATIONS & DISCLAIMERS

### Inspection

*We have carried out an inspection of the property as per the date of inspection. Nor the Ros Sheerin or Karvon Property Partners has any vested interest in the subject property. This valuation is free of any bias.*

### Use

*This valuation report is for the sole use of parties to which it is addressed. We owe no duty of care to any other party who places reliance on this report without express written authority from the Valuer. This report is not to be reproduced, published or copied in whole or in part without the express written authority from the Valuer. We invite other parties who may come into possession of this report to seek the Valuers written consent prior to relying on this report.*

### Purpose

*This Valuation is for the purposes specifically defined in this report and no reliance should be placed on this report for any other purpose. We do not take any responsibility for any unauthorised use or those using this Valuation for any other purpose other than that specified in the report.*

### Definition of Market Value

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

### Retrospective Valuation

*This valuation is as per the date of valuation. This valuation has been conducted assuming the condition of the improvements on the date of inspection is similar to that at the date of valuation. Where significant renovations or works have been completed over this time we will endeavour to ascertain evidence of the condition as per the date of valuation. Any further assumptions regarding the improvements, if any, will be highlighted in the improvements section of this report.*

### Land and Building Areas

*This Valuation inspection and Report is not a survey of the land or the improvements and is not intended as such nor was such a survey carried out. All measurements and areas in this report are approximate only and if a more accurate measurement is required we recommend the services of a registered surveyor. If a survey indicates a difference in any areas of either the land or the improvements this valuation will require review.*

*Unless stated as otherwise in this report we advise that we have not searched or been provided with a copy of the current Title or Registered Plans and that any dimensions or land areas quoted in this report have been obtained from third party information sources and whilst every endeavour has been made to verify such information we accept no responsibility for inaccuracy of any information provided and relied upon. 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.*

### Improvements

*This assessment presumes 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.*

*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 has been based on the known and assumed 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 be not be responsible for any reduction in value.*

*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 / 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 concerns become apparent, the valuer should be consulted and reserves the right to reassess any affect on the value stated in this report.*

*POOL - From 29 April 2016, a swimming pool owner must obtain a swimming pool compliance certificate before they can sell or lease their property. The swimming compliance certificate certifies that the swimming pool barrier fencing complies with the relevant standard. Our valuation assumes the pool and fencing is compliant. Should this not be the case we reserve the right to review our valuation.*

*Should any adverse improvement concerns become apparent, the valuer should be consulted and reserves the right to reassess any affect on the value stated in this report.*

### Easements and Encumbrances

*Unless stated as otherwise in this report we advise that a copy of the current Certificate of Title has not been provided or searched. We advise that this valuation is based on the assumption that there are no easements or encumbrances or other title defects other than those identified in this report that would have any adverse effect on the value or marketability of the property. We recommend that a full title search be carried out and that until such time as that search is undertaken and considered by the valuer, no reliance should be placed on the valuation report. Should any such easement or encumbrance or other like affectation on title become apparent, the valuer should be consulted and reserves the right to reassess any affect on the value stated in this report.*

**Environmental**

*The client acknowledges and recognises that the Valuer is not expert in identifying environmental hazards and compliance requirements affecting properties. The Valuer has endeavoured to identify all matters of environmental concern and the effect they might have on the value of the property.*

*However, the Valuer will not be held liable nor responsible for his/her failure to identify all such matters of environmental concern and the impact which any environmental related issue has on the property and its value including loss arising from site contamination; or the non-compliance with environmental laws; or costs associated with the clean-up of the property to which an environmental hazard has been recognized, including action by the Environmental Protection Agency to recover clean-up costs pursuant to the relevant Environmental Protection Act.*

**Site Contamination**

*Our inspection of the site did not reveal any obvious signs of contamination, however, we are not experts in identifying environmental hazards and should you wish to confirm that the site is not contaminated we would recommend that you retain the services of an environmental consultant. Should subsequent investigations show the site to be contaminated, then this valuation will require review.*

**Asbestos**

*Inspection of the improvements did not show the use of asbestos products in the construction of the building unless specifically mentioned in this report. However, we are not experts in this area and therefore, in the absence of an environmental consultants report concerning the presence of any asbestos fibre within the subject property, this valuation is made on the assumption that there is no health risk from asbestos. Should an asbestos related health risk be identified on the property then this valuation will require review.*

**Flood search**

*We advise that we have not undertaken a formal search to confirm whether or not the property is subject to flooding or other impediments caused by excess water saturation. Should any flooding or other impediments caused by excess water saturation concerns become apparent, the valuer should be consulted and reserves the right to reassess any affect on the value stated in this report*

**Further Investigations**

*Where limitations to this report have been highlighted, this is to enable the reader of this report to instruct further investigations if seen fit. We are not liable for any loss occasioned by a decision not to conduct further investigations.*

**Native Title**

*As the subject property is held in a Freehold Certificate of Title, we have not commissioned a search of the Register of Native Claims which is administered by the National Native Title Tribunal, as it is our understanding that such a Certificate of Title extinguishes any potential Native Title Claim. Should this understanding prove to be incorrect, then this valuation will require review.*

**Number of Bedrooms in Sales Evidence**

*The number of bedrooms listed in this reports sales schedule, are either as recorded in available property sales databases or have been assumed by the Valuer. As we have not physically inspected the interior of the sales evidence quoted we cannot guarantee the accuracy of the information provided.*

**Full Payment**

*The instructing party will not rely or be able to rely on the valuation until payment is made in full, or if it does so rely without our express consent, then it warrants that in doing so it does rely at its own risk on the basis that it accepts that we do not accept or assume responsibility for the valuation, and that in doing so there is a total failure of consideration in respect to that valuation service in respect to that retainer.*

**Body Corporate Records**

*We advise, for strata units, that we have not conducted a search of the Body Corporate records and our valuation assumes there are no outstanding requisitions or legal liabilities. We recommend the Introducer/Funder conduct a search of the Body Corporate records prior to the advancement of mortgage funds should they deem this necessary.*

**Market Movement & Report Expiry**

*This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 3 months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.*

**GST**

*Our valuation is on the basis the property is input taxed and free of GST. We are not privy to the financial circumstances of the current owner(s) nor previous transactions upon the property which may impact upon the status of the property in relation to GST. Should the property not qualify as GST free, our assessment is inclusive of GST.*

# 11 PHOTOGRAPHS



Photographs (Cont'd)





# 12 TITLE SEARCH



NEW SOUTH WALES LAND REGISTRY SERVICES - TITLE SEARCH

FOLIO: 20/11320

SEARCH DATE	TIME	EDITION NO	DATE
23/5/2022	10:37 AM	9	30/5/2019

LAND

LOT 20 IN DEPOSITED PLAN 11320  
 AT MANLY VALE  
 LOCAL GOVERNMENT AREA NORTHERN BEACHES  
 PARISH OF MANLY COVE COUNTY OF CUMBERLAND  
 TITLE DIAGRAM DP11320

FIRST SCHEDULE

MANLY VALE DEVELOPMENTS NO. 2 PTY LTD (T AM752057)

SECOND SCHEDULE (4 NOTIFICATIONS)

- 1 RESERVATIONS AND CONDITIONS IN THE CROWN GRANT(S)
- 2 AC460785 LEASE TO TAKE A SEAT PTY LTD OF GROUND FLOOR SHOP, 321 CONDOMINE STREET, MANLY VALE. EXPIRES: 16/7/2011. OPTION OF RENEWAL: 5 YEARS.  
 AG487244 VARIATION OF LEASE AC460785 EXPIRY DATE NOW 16/7/2016.  
 AK807700 VARIATION OF LEASE AC460785 EXPIRY DATE NOW 16/7/2019. OPTION OF RENEWAL: 5 YEARS.
- 3 AM752058 MORTGAGE TO WESTPAC BANKING CORPORATION
- 4 AP280228 LEASE TO DIANA BELOT OF SHOP 3, 321 CONDOMINE STREET, MANLY VALE. EXPIRES: 30/6/2021. OPTION OF RENEWAL: 3 YEARS.

NOTATIONS

UNREGISTERED DEALINGS: NIL

\*\*\* END OF SEARCH \*\*\*

ross

PRINTED ON 23/5/2022

Search Date/Time: 23/05/2022 10:37AM

LEGALSTREAM AUSTRALIA - hereby certifies that the information contained in this document has been provided electronically by the Registrar General in accordance with section 98B(2) of the Real Property Act 1900.

\* Any entries preceded by an asterisk do not appear on the current edition of the Certificate of Title. Warning: the information appearing under notations has not been formally recorded in the Register.

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Title Search (Cont'd)



NEW SOUTH WALES LAND REGISTRY SERVICES - TITLE SEARCH

FOLIO: AUTO CONSOL 13720-5

SEARCH DATE	TIME	EDITION NO	DATE
23/5/2022	10:37 AM	9	17/12/2018

LAND

LAND DESCRIBED IN SCHEDULE OF PARCELS  
LOCAL GOVERNMENT AREA NORTHERN BEACHES  
PARISH OF MANLY COVE COUNTY OF CUMBERLAND  
TITLE DIAGRAM DP11320

FIRST SCHEDULE

MANLY VALE DEVELOPMENTS NO.2 PTY LTD (T AJ446247)

SECOND SCHEDULE (3 NOTIFICATIONS)

- 1 RESERVATIONS AND CONDITIONS IN THE CROWN GRANT(S)
- 2 AJ607824 MORTGAGE TO WESTPAC BANKING CORPORATION
- 3 AN901146 LEASE TO HENG BUN & SOKHOM KONG EXPIRES: 10/5/2023.  
OPTION OF RENEWAL: 5 YEARS.

NOTATIONS

UNREGISTERED DEALINGS: NIL

SCHEDULE OF PARCELS

LOTS 21-22 IN DP11320.

\*\*\* END OF SEARCH \*\*\*

ross

PRINTED ON 23/5/2022

Search Date/Time: 23/05/2022 10:37AM

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