

INDEPENDENT PROPERTY MANAGEMENT SERVICES PTY LTD

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INSURANCE VALUATION REPORT

INSTRUCTIONS FROM UNIT CARE SERVICES OUR REF 863
CLIENT STRATA CORPORATION INCORPORATED YOUR REF 16926
PROPERTY ADDRESS 1 ST PETERS SA 5069

PURPOSE OF VALUATION: Replacement value of all buildings and building improvements in accordance with provisions of Division IV - Duty to Insure Strata Titles Act, 1988.

STRATA CORPORATION

No.
Description Eighteen (18) units plus subsidiaries
Aggregate Entitlement 18
Encumbrances/Easements Nil
Surveyor Todd Alexander & Co Pty Ltd
Site Area 1396m² or thereabouts.

TOWN PLANNING "Residential" within the City of Norwood, Payneham & St. Peters.

LOCATION Old established inner north eastern suburb with cottages and dwellings of stone and brick construction built 50 to 120 years ago. In recent years there has been active refurbishment together with redevelopment to courtyard homes and upmarket apartments. Situated some 4 kilometres from the GPO. Major arterial roadway. Within 500 metres of all shopping, school and public transport.

SERVICES Mains water, sewerage, electricity, gas and telephone are all available.

MAIN BUILDING Three (3) storey development containing eighteen (18) single level units

Construction	Footings..... concrete	Floors..... concrete
	Windows..... timber	Roof..... cement tile
	External Walls red clay brick	Internal Walls... brick

Age 1971
Condition Average for age

Approximate Building Areas Main 1242m²/ Porches/balconies 246m² or thereabouts

Other Improvements Paving, fences, landscaping and sundries.

COMMENTS A large three (3) storey development containing eighteen (18) units together with landscaped corner site. Reasonably maintained for age with no essential repairs evident.

DISCLAIMERS

This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely upon the whole or any part of the content of this valuation.

This document is a valuation report and not a structural survey, therefore we must advise that we have not carried out a detailed structural survey, tested any of the services or tested unexposed or inaccessible portions of the premises and we have, for the purpose of this valuation, assumed that there are no such defects which would impact upon our valuation and in this respect no one has brought to our attention any such defects.

No soil analysis, geological studies or contamination report were ordered or made in conjunction with this report and, as such, it is assumed that there is no environmentally hazardous material on, in or near the property that would cause loss in value. As far as we are aware, there is no evidence to suggest that the property may have been contaminated by any such materials in its present or previous use and this valuation makes no such allowance. Should an environmental audit report prove otherwise, then the valuation should be returned to the Valuer for re-appraisal.

This valuation is based on the assumption that there are no restrictive covenants or easements or other onerous restrictions affecting the subject property other than those stated herein and is given on the condition that the valuation will be referred back to the Valuer for re-appraisal should future Title searches or certificates disclose any other encumbrances or variations from that set out in this report.

The basis of our agreement to provide this insurance replacement service is limited to all accessible parts only of the improvements and where building details vary in design, presentation, finish and sundry infrastructure, we have averaged to obtain a reasonable estimate of replacement values. Therefore acceptance of our opinion as to the indicative replacement values is at the discretion of the Strata Corporation Body and should not be taken out of context.

While the general nature of the operation of the GST and its commencement date are known, some of the ways in which GST will impact on market values and, consequently, on market valuations, are presently incapable of precise assessment and there will be others that have not yet become apparent. This valuation is based on the assumptions relating to GST set out under the Australian Property Institute Guidance Notes. If any of these assumptions are found to be incorrect, or if the party on whose instructions this valuation is provided wishes our valuation based on different assumptions, this valuation should be referred back to the Certified Practising Valuer for comment and in appropriate cases, amendment.

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, we do not assume any responsibility or accept any liability in circumstances where this valuation is relied upon after the expiration of three months from the date of valuation.

REPLACEMENT VALUATION - STRATA CORPORATION INCORPORATED
ST PETERS SA 5069

Main Building	1242m ² @ \$1020/m ²	\$ 1,267,000
Porches/balconies	246m ² @ \$360/m ²	\$ 89,000
Other Improvements: paving, fencing, landscaping and sundries		\$ 47,000
Demolition, site clearance, plans, specifications, professional fees, contingencies		\$ 169,000
Cost escalation		\$ 79,000
GST allowance		\$ 132,000
Sub-total		\$ 1,783,000
Loss of rent/alternative accommodation		<u>\$ 287,000</u>
Replacement Cost		\$ 2,070,000
TWO MILLION AND SEVENTY THOUSAND DOLLARS		

We believe the minimum allowance of 35 percent should be set aside as an allowance for catastrophic events which may arise due to an unpredictable accident including earthquake, impact, storm, tempest or any other unforeseen circumstance. This may have the effect of increasing replacement cost due to the lack of materials and professional services. It is an indicative percentage based on similar events which have occurred in Australia and could vary widely depending upon the scale of the event and its location.

This valuation is given subject to the various disclaimers and comments made previously within this report. (refer Page 1 and 2)

Date: 19th October :

Signature

M.E. HADLEY
 FELLOW OF THE AUSTRALIAN PROPERTY INSTITUTE
 CERTIFIED PRACTISING VALUER