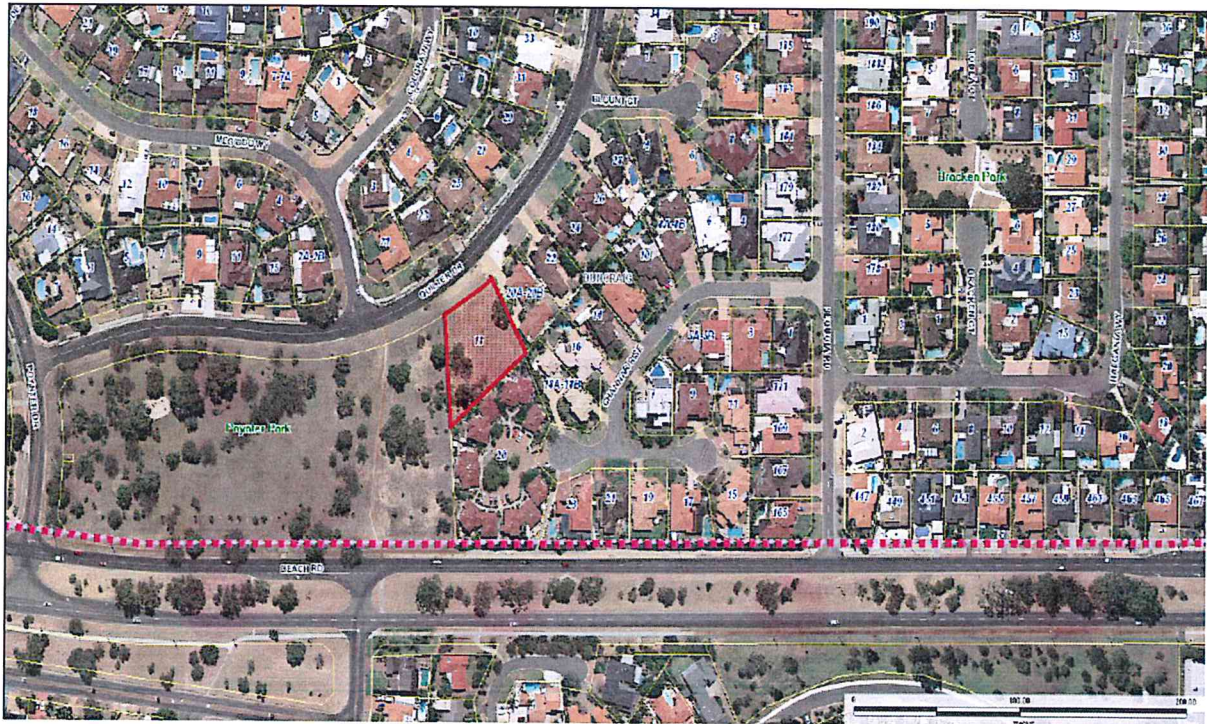


LOT 200 QUILTER DRIVE, DUNCRAIG



LOT 766 DAMPIER AVENUE, KALLAROO



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LOT 202 KANANGRA CRESCENT, GREENWOOD



LOT 147 MILLPORT DRIVE, WARWICK



CONFIDENTIAL

LOT 613 PACIFIC WAY, BELDON



LOT 671 CAMBERWARRA DRIVE, CRAIGIE



CONFIDENTIAL

LOT 103 CARIDEAN STREET, HEATHRIDGE



LOT 977 BURLOS COURT, JOONDALUP



CONFIDENTIAL

LOT 23 GIBSON AVENUE, PADBURY



LOT 1001 CAMBERWARRA DRIVE, CRIAGIE



CONFIDENTIAL

LOTS 642/643 MARRI ROAD, DUNCRAIG



LOT 971 CREANEY DRIVE, KINGSLEY



CONFIDENTIAL

LOT 549 MOOLANDA BOULEVARD, KINGSLEY



CONFIDENTIAL

Updated Valuation Advice – Six Properties to be Auctioned on 14 March 2013

Property Address	Highest and Best Value - 24 May 2010 (GST exclusive)	January 2013 Value (GST exclusive)	Valuation as at 1 July 2000	Margin Subject to GST	GST Payable	January 2013 Value (GST inclusive under the Margin Scheme)
Lot 200 (18) Quilter Drive, Duncraig	\$ 1,300,000	\$1,000,000	\$ 240,000	\$ 760,000	\$ 76,000	\$1,076,000
Lot 766 (167) Dampier Avenue, Kallaroo	\$ 1,300,000	\$1,000,000	\$ 240,000	\$ 760,000	\$ 76,000	\$1,076,000
Lot 202 (2) Kanangra Crescent, Greenwood	\$ 1,000,000	\$ 720,000	\$ 160,000	\$ 560,000	\$ 56,000	\$ 776,000
Lot 147 (25) Millport Drive, Warwick	\$ 1,300,000	\$1,060,000	\$ 240,000	\$ 820,000	\$ 82,000	\$1,142,000
Lot 613 (11) Pacific Way, Beldon	\$ 900,000	\$ 700,000	\$ 180,000	\$ 520,000	\$ 52,000	\$ 752,000
Lot 671 (178) Camberwarra Drive, Craigie	\$ 850,000	\$ 800,000	\$ 180,000	\$ 620,000	\$ 62,000	\$ 862,000
Totals	\$6,650,000 (2010)	\$5,280,000 (2013)	\$1,240,000	\$4,040,000	\$404,000	\$5,684,000

Valuation Advice as at January 2013

The information detailed in the January 2013 market valuations in theory, should have been similar to the valuations undertaken in May 2010; however, this is not the case. McGees Property, who undertook the latest valuations, advised that the variances between the valuations in 2010 and 2013, could be partly due to the softening of the market for development sites. Further, it is also McGees' opinion that the 2010 valuations were on the "high side".

McGees Property use a direct comparison approach when undertaking valuations, as it considers there to be a sufficient pool of development site sales evidence available to rely solely on this approach. A hypothetical valuation approach - as used by the valuers in May 2010 - is a more subjective exercise, as it relies on making various assumptions. McGees' opinion is that theoretically both methodologies should have similar results and a basic static hypothetical subdivision approach exercise was undertaken on each property above in January 2013 to test this theory. This exercise supported that the valuations adopted by McGees dated 14 January 2013 using the direct comparison approach were not dissimilar when using a hypothetical approach.

GST Information – Margin Scheme

Local governments can apply the 'Margin Scheme' on the sale of any land held before 1 July 2000, as is the case with the above six properties. However, local governments are seeking approval from the Australian Taxation Office to apply the provisions of the Margin Scheme that currently apply to State Government, where the margin is calculated as the difference between the property price and the value of the land at the time of sale. In this case, the GST will be payable to a much lesser extent if the sale price exceeds the land value at the time of sale.

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