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21 (Lot 1254) Edinburgh Avenue, Kinross

V120-05

**McGEES**  
PROPERTY

## Report Summary

**Property Address:** 21 (Lot 1254) Edinburgh Avenue, Kinross

**General Description:** A 1,822m<sup>2</sup> battleaxe lot zoned "Civic and Cultural" situated to the rear of the Kinross Shopping and Medical Centre, having an access leg off Edinburgh Avenue, with primary access to the site being from Kinross Drive.

**Purpose of Valuation:** To assess the fair current market value for disposal purposes.

**Valuation:** \$440,000  
This valuation amount is net of a Goods and Services Tax.

**Date of Inspection:** 11 May 2006

**Date of Valuation:** 11 May 2006

**Valuer:** Jonathan Fyson AAPI, B.Com (Property & Finance)  
Certified Practising Valuer  
Licensed Valuer No. 44213  
Western Australia

### Definition of Market Value:

The International Assets Standards Committee definition of "Market Value" is:

"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".

### Limitations:

To any party relying on this valuation we advise that this summary must be read in conjunction with the body of the report of which this summary forms part. This valuation summary should not be relied upon in isolation for finance or any other purposes.

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Perusal of the City of Joondalup Zoning Tables reveals the following permitted uses under the "Civic and Cultural" zoning classification:

- Art Gallery
- Car Park
- Civic Building
- Hall
- Place of Assembly
- Place of Worship
- Public Exhibition Facility

Uses that are not permitted, but which Council may grant its approval if a number of procedures are adhered to, are listed below. Generally, applications involving a "D" use would require appropriate consultation with the public or with the owners or occupiers of properties adjoining or in the vicinity of the site subject to the application.

Discretionary uses detailed in the Zoning Table include:

- Amusement Facilities/Parlour
- Caretakers Flat/House
- Child Care Centre
- Cinema
- Club (non-residential)
- Consulting Rooms
- Drive-in Theatre
- Education Establishment
- Hospital
- Kindergarten
- Medical Centre
- Nursing Home
- Park
- Private Recreation
- Reception Centre
- Recreation Centre
- Restaurant
- Special Place of Assembly
- Sports Ground
- Take Away Food Outlet
- Theatre

We note also that the subject land has an underlying "Residential R20" density code, with surrounding development zoned Residential R20.

Discussions with town planning officers and reference to the Residential Design Codes of Western Australia disclose that under the Residential R20 zoning an average site area per dwelling of 500m<sup>2</sup> is required for a green title subdivision and 450m<sup>2</sup> per dwelling for a survey strata. Given the underlying site area of 1,822m<sup>2</sup> the subject land has potential to yield 3 units on a green title basis or 4 strata lots under a survey strata development.

**ATTACHMENT**

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**Our Ref:** V120-06

27 April 2007

City of Joondalup  
PO Box 21  
JOONDALUP WA 6919  
**Attention:** Paul Kellick

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West Perth WA 6872  
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Dear Paul

**Re: Updated Market Valuation Advice  
21 (Lot 1254) Edinburgh Avenue, Kinross**

As per your recent instruction, we have undertaken market investigations so as to provide an updated market valuation for the above land.

We refer you to our earlier report (v120-06 dated 15 May 2006) for full valuation comments including legal and location description, land characteristics, and market commentary.

With regards to the subject land, we have investigated a number of recent transactions of broadly comparable sites in terms of lot size and zoning, with the main difference pertaining to location.

As outlined in our previous valuation report, the subject land is to a degree detrimented by its rear position and encumbered portions, with the underlying land area of 1,822m<sup>2</sup> inclusive of an access leg off Edinburgh Avenue and a strip encumbered by an easement granting use of the land for service lane and parking requirements, with deduction of this combined area of approximately 354m<sup>2</sup> disclosing an effective site area of 1,468m<sup>2</sup>.

Again, while the effective area is reduced, we have assessed the lot's market value over its total site area of 1,822m<sup>2</sup> as the encumbered portions are factored in when calculating plot ratios for any subsequent development.

Additionally, as with our earlier valuation, we have assessed the subject site as an alternate "Residential R20" parcel, given the restrictive "Civic and Cultural" zoning classification and the surrounding "Residential R20" blanket zoning.

The relatively limited sales evidence reveals an indicative value range applicable to the subject of between \$275/m<sup>2</sup> and \$316/m<sup>2</sup>. A number of sales achieved higher rates of between \$400/m<sup>2</sup> and \$700/m<sup>2</sup>, with these sites generally reflecting smaller sites occupying superior ocean-side locations or having higher density R40 and R60 classifications.

The sale of a 1,077m<sup>2</sup> site zoned "Residential R20" at Lot 1000 Osterley Terrace, Darch achieved \$300,000 in October 2006 reflecting \$279/m<sup>2</sup> for a slightly smaller site with similar zoning.

A sale of a 1,440m<sup>2</sup> parcel at Lot 141 Hepburn Avenue, Landsdale for \$455,000 in October 2006 being zoned "Residential R20", reflected \$316/m<sup>2</sup> for a slightly smaller site with a similar zoning but having the detriment of a location on a busy thoroughfare.

We have appended to this report a schedule of sales evidence utilised in the undertaking of this valuation, with appropriate commentary in respect of the comparability with the subject.

Accounting for the subject's locational detriments being a battleaxe lot behind a shopping and medical centre with the presence of easements, but assuming successful rezoning to "Residential R20", we consider that the market value of the subject lot is in the order of \$275/m<sup>2</sup> which when applied to the overall land area of 1,822m<sup>2</sup> produces a rounded market value of \$500,000.

We consider that if put to the market, an offer within 5% of this valuation figure should be given proper consideration and would in our opinion still be in line with market.

#### **Valuation:**

Accordingly, after consideration of the factors outlined above and the analysis of relevant market evidence, we are of the opinion the market value of the subject land as at 27 April 2007 and subject to an unencumbered fee simple title is an amount of **Five Hundred Thousand Dollars (\$500,000)** net of GST.

#### **Limitations:**

This valuation is current as at the date of valuation only. The value assessed herein may change significantly 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 valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Neither the whole nor any part of this Report or any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear.

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 other party who may rely on the whole or any part of the content of this valuation.

Yours faithfully,  
**McGees Property**



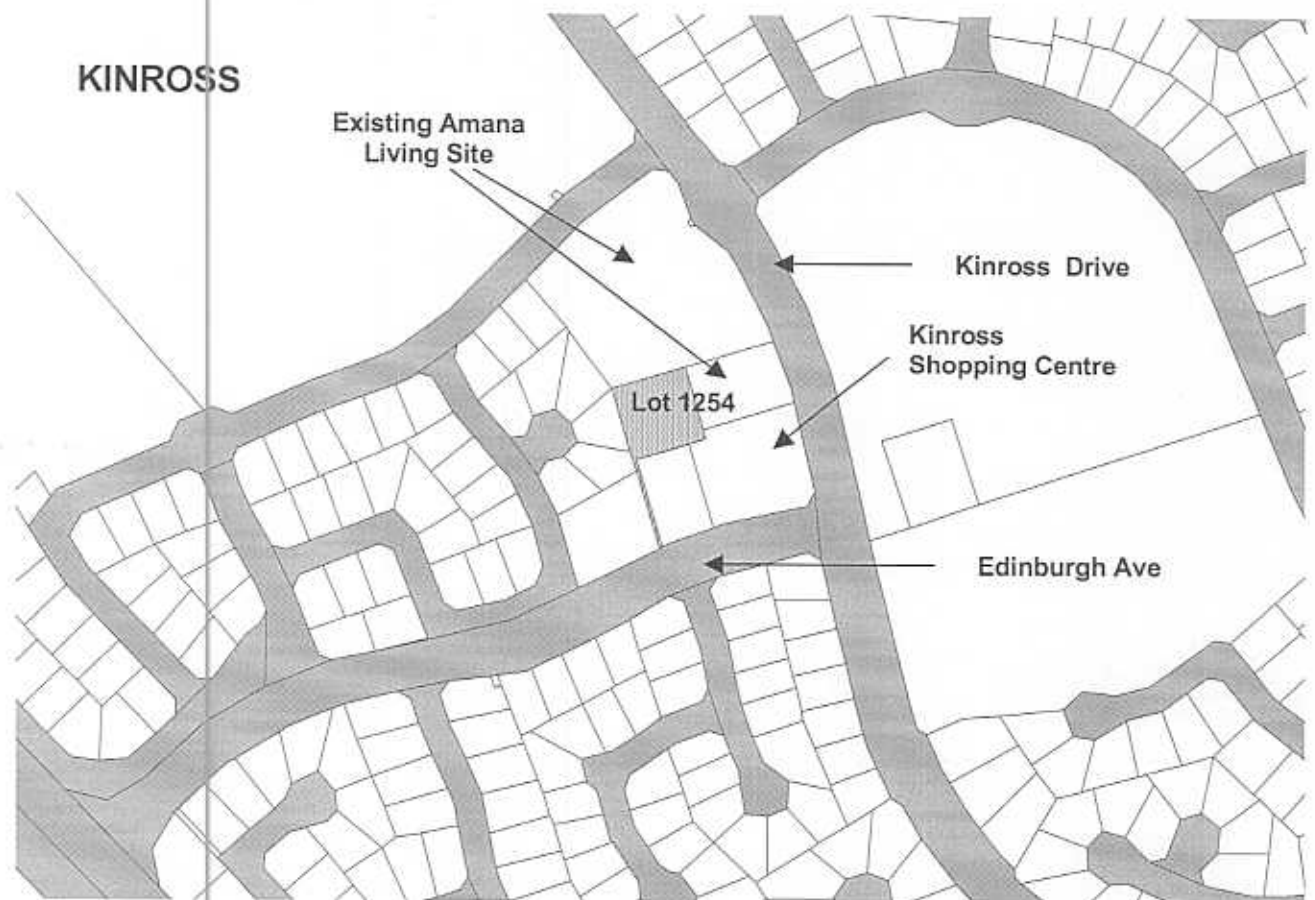
**Jonathan Fyson** AAPI, B. Com (Property & Finance)  
Certified Practising Valuer  
Licensed Valuer No. 44213  
Western Australia



# ATTACHMENT

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Attachment 2 – Locality Plan, 21 Edinburgh Ave Kinross







LOT 1254  
21 Edinburgh Avenue, Kinross

LOT 2277  
15 Selkirk Drive, Kinross

