



Notice of Commercial Services Committee Meeting

Notice is hereby given that a Commercial Services Committee Meeting will be held in the Ballina Shire Council Chambers, 40 Cherry Street, Ballina on **Tuesday 15 October 2013 commencing at 4.00 pm.**

Business

1. Apologies
2. Declarations of Interest
3. Deputations
4. Committee Reports

A handwritten signature in black ink, appearing to read 'Paul Hickey', with a long horizontal line underneath.

Paul Hickey
General Manager

Table of Contents

| | | |
|-----|---|----|
| 1. | Apologies..... | 1 |
| 2. | Declarations of Interest..... | 1 |
| 3. | Deputations | 1 |
| 4. | Committee Reports..... | 2 |
| 4.1 | Tintenbar Quarry - Sale | 2 |
| 4.2 | Residential Land Development - Wollongbar | 27 |
| 4.3 | Property Reserves - Future Cash Flows | 87 |

1. Apologies
 2. Declarations of Interest
 3. Deputations
-

1. Apologies

2. Declarations of Interest

3. Deputations

4.1 Tintenbar Quarry - Sale

4. Committee Reports

4.1 Tintenbar Quarry - Sale

Delivery Program Commercial Services

Objective To determine if Council wishes to sell the former the Tintenbar Quarry.

Background

For many years Council has owned a property that is generally known as the "Tintenbar Quarry" ("the property") and comprises two lots (Lot 3 DP 532703 and Lot 1 DP 597343). An aerial photo plan identifying the property is **attached**.

Details pertaining to the property are summarised as follows:

| Lot | DP | Site Area | Zoning | Services | Building Improvements |
|------------|-----------|----------------------|------------------------|-----------------|------------------------------|
| 3 | 532703 | 15,850m ² | RU1 Primary Production | Nil | Nil |
| 1 | 597353 | 9,352m ² | RU1 Primary Production | Nil | Nil |

The quarry operation on the property was abandoned many years ago. A few years ago Council engaged contractors to remove the derelict plant and equipment pertaining to the quarry.

In its current state the property is heavily overgrown. A major problem with the property is that it is land locked. It is understood that when the property was operational as a quarry, access was gained over an adjoining property to the south, however this arrangement was never formally legalised as an easement or right of way.

Council's Development and Environmental Health Group has advised that Lot 1 DP 597343 has a dwelling entitlement pursuant to Clause 3(c) of Ballina LEP 2012, however Lot 3 DP 532703 does not have a dwelling entitlement.

The purpose of this report is to consider the future of this property.

Key Issues

- Economic potential and viability of the property as a commercial quarry
- Strategic value of the property to Council

Information

The use of the property as a commercial quarry was abandoned many years ago. The Civil Services Group recently engaged consultants, Groundwork plus to undertake a review of the property in regards to its potential to operate as a quarry once again.

A copy of that report is **attached** and a summary of which is as follows:

“In reality the site is too small to be operated as a small to modest sized commercial quarry, without purchasing additional land holdings and even then, environmental constraints are likely to significantly limit the workability and utility of the site. Additionally the topographic variability of the site i.e. being on steep land would severely restrict development of the site without very complex quarry development planning. The operation is considered viable as a very small borrow pit, however the practicality of retaining this site, for these purposes, is considered marginal as other more suitable alternatives exist nearby i.e. Stokers quarry.”

Council also instructed Opteon Property Valuers to undertake a valuation of the property. Their report concluded that the property had limited market appeal beyond the three adjoining owners due to the lack of a legal access. A copy of that report is also attached.

It may be possible to negotiate access to the property with an adjoining owner, however this is not guaranteed and it is unknown how much it might cost to gain such an access. Their report notes that:

“Section 88K of the Conveyancing Act 1919 allows the Supreme Court of New South Wales, in certain cases, to “make an order imposing an easement over land if the easement is reasonably necessary for the effective use or development of other land will have the benefit of the easement.” As such, this may be a legal avenue which may be available to the owner of the subject land to provide practical and legal access. However, such proceedings are likely to be costly and will require compensation to be paid to the owner of the land to be burdened by the easement. It is not unreasonable to expect that the cost of such proceedings and compensation may be in excess of \$100,000.”

Given these circumstances the only readily identifiable market for the property is the three adjoining property owners. The Opteon report also makes the following comment in this regard:

“Given the problems with providing practical, legal access we consider the pool of prospective purchasers to be greatly diminished. It appears reasonable that the pool of prospective purchasers is limited to the three (3) adjoining owners (Lot 214 DP 1093798 and Lot 201 DP 1140299 and Lot 70 DP 1180257).

4.1 Tintenbar Quarry - Sale

Should one of these owners proceed with a purchase of the subject property it would provide some additional land as well as an additional dwelling entitlement. This may provide the new owner with options to either construct a 2nd dwelling or create a boundary adjustment to provide easy legal access to a vacant allotment that possesses a dwelling entitlement. Such allotment could be on-sold for a financial gain. (this is considered the most likely prospect). Nevertheless any such sale is not guaranteed and would be only probable if the subject property was offered at a price to provide a financial incentive for an adjoining owner. Further, it does not guarantee that an adjoining owner will actually purchase the property”

In the circumstances it is proposed to dispose of the property (as one holding) by offering it in writing to the three adjoining owners (as identified on the aerial photo plan attached) at the valuation figure of \$90,000 + GST based on the condition that the purchaser must acquire both lots (i.e. Lot 3 DP 532703 and Lot 1 DP 597343) to avoid Council being left with one low value lot.

Legal / Resource / Financial Implications

The property is classified as “operational land” and can be sold.

The review undertaken by Groundwork plus indicates the property lacks potential as an economically viable quarry. If the property is not to be retained as a future commercial quarry, then it has little if any strategic value to Council.

Consultation

A report on the property’s potential as a commercial quarry has been obtained from Groundwork plus. An independent property valuation has also been obtained from Opteon Property Valuers and Consultants. Internal discussions have been held with all stakeholders.

Options

1. Council resolves to sell the property (Lot 3 DP 532703 and Lot 1 DP 597343) by offering it for sale to each of the three adjoining property owners at the value assessed, or greater, by the independent valuer.

This is the recommended option as an independent consultant has advised that the property lacks potential as an economically viable commercial quarry and as such lacks any future strategic value to Council. The independent valuation of the property, indicates that due to access issues the only identifiable market is the three adjoining property owners.

2. Council resolves to retain the property.

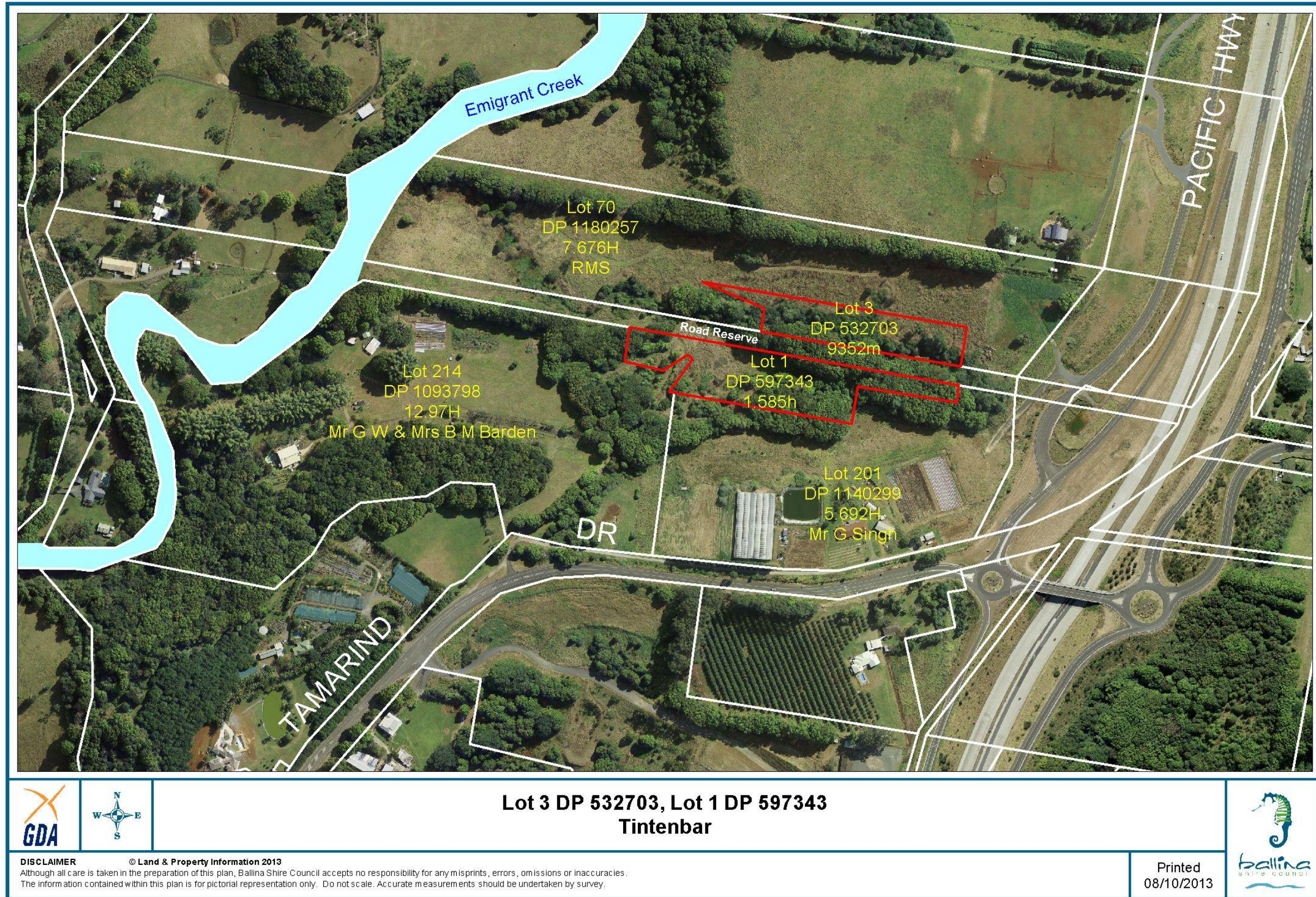
This option is not recommended as the property lacks potential as an economically viable commercial quarry and lacks any future strategic value to Council.

RECOMMENDATIONS

1. That Council approves the sale of the property (Lot 3 DP 532703 and Lot 1 DP 597343) by offering it for sale to each of the three adjoining property owners at the value assessed by the independent valuer, or greater.
2. The property is to be sold to the highest bidder, however if the independent valuation is not reached, any offers received are to be submitted to Council for final determination of the sale.
3. Council authorises the seal to be attached to the contract for sale for the property.

Attachment(s)

1. Aerial Photo Plan
2. Groundwork Plus report
3. Valuation Report





Date 24th September 2013
Ref: 1467_230_005
Craig Brown
Acting Manager Support Operations Civil Services
Ballina Shire Council
PO Box 450
Ballina, NSW, 2478

Via Email craigb@ballina.nsw.gov.au

Quarry Viability Ross Lane Tamarind Drive and Saddle Road

Dear Craig,

As discussed we have performed a brief desktop study on the viability of two old extractive resources known as Lot 3 DP 532703, (9,352m²), and also Lot 1 DP 597343, (15,850m²), occurring near the intersection of Ross lane, Tamarind Drive and Saddle Road Tintenbar.

Historically these two lots formed a small Council quarry, from which low specification gravels were removed via simple dozer ripping and excavator work, with the material used locally for road rehabilitation and maintenance works. Presently the site is abandoned as a quarry operation, and in regard to the viability of the operation we provide the following comments:

- The material is likely to be suitable for minor road repair works, however without visiting the site and fully understanding the rock quality characteristics, it is apparent that the material appears to be decomposed basalt which is of limited use, (suitable mainly for repairing local road shoulders), and not suitable for work in higher specification designs. Additionally this type of material or similar quality materials, occur in large volumes at both Tuckombil and Stokers Quarry.
- The site could only be operated on a small scale, campaign or sporadic basis, without causing significant environmental issues and given its proximity to the Pacific Motorway, it could never be operated on a sizeable commercial basis. Flyrock and potential blasting impacts would negate the use drill and blast works for the site, and accordingly the site would essentially remain a dozer and excavator gravel ridge style quarry. Additionally it is understood from information provided by

www.groundwork.com.au

6 Mayneview Street, Milton Qld 4064 PO Box 1779, Milton BC, Qld 4064
P: +61 7 3871 0411 F: +61 7 3327 3317 E: info@groundwork.com.au
ABN: 69 829 145 306

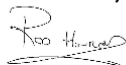
Council that no formed legal access currently exists to the site, which essentially limits the operation of the site, and invalidates removal of quarry materials.

- A house to the immediate north of the site would cause significant constraints for any potential operator and severely limit the size and scale of the operations, as they could not encroach too close to this residence. This residence would also limit the hours of operation unless this residence was owned by any prospective quarry operator.
- While these types of resource have historically been useful to Council, the viability of these types of deposits is becoming limited because of the ongoing costs of compliance and environmental management.
- Any business case is likely to find that unlocking the value of the land by sale of the properties is likely to far outweigh any revenue returned from commercial quarry operations. Furthermore and without knowing the quality of access to the site, the costs of construction of any suitable access could, outweigh any profits made from the site over many years.
- Retaining Stokers, quarry several kilometres south of the subject site, will provide Council similar materials for road repair works should the need arise.
- Without understanding the approval history for the site we cannot comment on the legality of recommencing quarry operations although it is considered prima facie unlikely that operations could recommence on any significant scale without a new approval.

Summary

In reality the site is too small to be operated as a small to modest sized commercial quarry, without purchasing additional land holdings and even then, environmental constraints are likely to significantly limit the workability and utility of the site. Additionally the topographic variability of the site i.e. being on steep land would severely restrict development of the site without very complex quarry development planning. The operation is considered viable as a very small borrow pit, however the practicality of retaining this site, for these purposes, is considered marginal as other more suitable alternatives exist nearby i.e. Stokers quarry. Should you require any more information I would be pleased to assist.

Yours faithfully



Groundwork Plus

Valuation Report

Opteon.

Australia's Property Advisors



| | |
|--|-----------------------|
| Lot 1 & 3 Off Pacific Highway | |
| Tintenbar, New South Wales 2478 | |
| Prepared For | Ballina Shire Council |
| Valuation Date | 5 September 2013 |
| Date Report Issued | 17 September 2013 |
| Our Reference | 4703948 |

Opteon (North Coast NSW)
ABN 27 210 880 320
PO BOX 955, BALLINA NSW 2478
T 02 6686 8935
F 02 6686 8972
E ballina.instructions@opteonproperty.com.au
W opteonproperty.com.au
Liability limited by a scheme approved under Professional Standards Legislation

Value made visible

Lot 1 & 3 Off Pacific Highway
Tintenbar, New South Wales

1.0 Executive Summary


| | |
|---------------------------------------|---|
| Instructing Party | Paul Tsikleas, Ballina Shire Council |
| Client / Authorised Party | Ballina Shire Council |
| Valuation Purpose | To assist Council with the possible sale of the subject property |
| Property Address | Lot 1 & 3 Off Pacific Highway, Tintenbar, New South Wales 2478 |
| Property Description | Vacant land |
| Certificate of Title | Lot 1 Deposited Plan 597343 |
| Registered Proprietor | Ballina Shire Council |
| Certificate of Title | Lot 3 Deposited Plan 532703 |
| Registered Proprietor | Ballina Shire Council |
| Encumbrances | |
| Title Searched? | No |
| Site Dimensions | Irregular |
| Site Area | Approximately 2.5202 ha |
| Zoning | RU1 (Primary Production) |
| Last Sale | Not Applicable |
| Interest Valued | Fee simple vacant possession |
| Key Assumptions | <ul style="list-style-type: none">The instructions and subsequent information supplied contain a full disclosure of all information that is relevant; |
| Recommended Documents to Sight | Title Search |

Lot 1 & 3 Off Pacific Highway
Tintenbar, New South Wales

Valuation

| | |
|------------------------------|--|
| Market Value As Is | \$90,000 |
| Date of Inspection | 4 and 5 September 2013 |
| Date of Valuation | 5 September 2013 |
| Currency of Valuation | Three months from the date of issue of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation. |

Inspecting Valuer


Matthew Tall
AAPI, Cert. Prac. Valuer
Reg no.4013

Important

All data provided in this Executive Summary must be read in conjunction with the remainder of this report. The Executive Summary is only a synopsis designed to provide a brief overview and must not be acted upon in isolation to the contents of the valuation report. Also the contents of the Report proper should be read in conjunction with the Assumptions, Qualifications and Disclaimers listed at the end of this Report.

2.0 Location

The subject property is situated within a rural locale known as Tintenbar, approximately 10 kilometres to north of the seaside resort town of Ballina which provides extensive services such as hospitals, major shopping centres and airport.

The subject property is located in a well established rural district, comprising predominantly a mix of rural-residential lifestyle type properties and larger rural landholdings of a generally superior appeal.

3.0 Tenure

| | |
|--------------------------------------|--|
| Tenure | Freehold interest. |
| Certificate of Title | Lot 1 Deposited Plan 597343 |
| Registered Proprietor | Ballina Shire Council |
| Certificate of Title | Lot 3 Deposited Plan 532703 |
| Registered Proprietor | Ballina Shire Council |
| Recommendation (Recent Title Search) | A recent title search of the property has not been undertaken or sighted. We recommend a recent title search be obtained to confirm title to the property, the title plan, and any encumbrances have not changed. We reserve the right to review our valuation in the event a recent title search reveals any information or discrepancies which may affect the value of the property. |

4.0 Planning

| | |
|-----------------------|---|
| Local Government Area | Ballina Shire Council |
| Planning Scheme | Ballina LEP 2012 |
| Current Zoning | RU1 (Primary Production) |
| Existing Use | Nil (vacant land) |
| Zoning Effect | We have been provided with written advice from Ballina Shire Council that Lot 1 in Deposited Plan 597343 possess a dwelling entitlement. However, given there is no formal access construction of a dwelling appears highly unlikely at this point in time. |
| Road Widening | Does not appear to be affected. |
| Heritage Issues | Not applicable |

5.0 Land

| | | |
|------------|-------------------------|-----------|
| Dimensions | Frontage | Irregular |
| | Depth | Irregular |
| Site Area | Approximately 2.5202 ha | |

| | |
|---------------------|---|
| Description: | <p>Lot 1 (DP 597343) comprises an irregular shaped allotment with topography including a mix of moderately to steeply undulating contours/valleys. The site also includes the remnants of an abandoned/disused quarry which includes very steep cliff face to the bottom of the old quarry floor which whilst quiet level and cleared appears wet under foot.</p> <p>Vegetation is generally heavily timbered with native bush and extensive camphor laurel weed growth to the moderately and steeply undulating sections. The base of the quarry floor is generally cleared to tall grasses and there is a cleared elevated section in the south west corner which is the only suitable site on which to position a dwelling.</p> <p>Lots 1 and 3 are severed by an unformed road reserve.</p> <p>Lot 3 (DP 532703) comprises an irregular shaped allotment with topography including a mix of moderately to steeply undulating contours/valley generally falling in a south westerly direction to a creek at the lowest point.</p> <p>Vegetation is generally heavily timbered with native bush and extensive camphor laurel weed growth to the moderately and steeply undulating sections.</p> |
|---------------------|---|

| | |
|-----------------------|------------------|
| Identification | Registered plans |
|-----------------------|------------------|

6.0 Services

The property is not currently connected to services.

Access to overhead electricity supply has been investigated and would require a substantial financial investment, in the order of \$25,000 and only if the proposed access easement could be formalised, which seems highly unlikely at the present time

7.0 Improvements

Nil - Vacant land

8.0 Photography

Lot 1 DP 597343
Possible dwelling site



Lot 1 & 3 Off Pacific Highway
Tintenbar, New South Wales



From proposed easement looking east over old quarry





From proposed easement looking north over old quarry



View along proposed easement





Lot 3 DP 532703

The heavily timbered areas (not the cleared areas)



Value made visible

Lot 1 & 3 Off Pacific Highway
Tintenbar, New South Wales



Lot 1 & 3 Off Pacific Highway
Tintenbar, New South Wales



8.1 Sales Evidence

In forming our opinion of value we have had regard to various sales transactions, a selection of which are detailed below.

We note sales of directly comparable properties do not exist. Therefore we have concentrated our sales on a mix of vacant allotments that possess dwelling entitlements, though are considered at the lower end of the market for rural lifestyle allotments and sales of vacant allotment without a dwelling entitlement within the immediate area. We note all the sales have superior practical/legal access.

| Address | Sale Date | Sale Price | Brief Comments | Comparison |
|--|-----------|------------|--|--|
| 93 Victoria Park Road, Dalwood, New South Wales | 04-Apr-13 | \$307,500 | A modest, rustic style c1989 multi-level corrugated metal/corrugated metal roof dwelling with 1 bedroom, lounge/meals, kitchen, bathroom and decks in a very private location on a steep, heavily timbered allotment with extensive rural views. The property has frontage to Gum Creek which enhances the overall aesthetic appeal. Land area 3.525 ha. Indicative vacant land component \$250,000. | Comparability on the basis that the subject included formal/legal access. Similar land area. Superior views and appeal as a quiet rural position. Overall considered superior to subject on the basis the subject included formal/legal access. |
| 812 Teven Road, Teven, New South Wales | 15-Mar-13 | \$195,000 | A small rural lifestyle property close to all conveniences. The land is gently undulating and has a north aspect. The existing improvements ie sheds, water tanks and inground swimming pool are in poor condition and add only a nominal value to the value of the land. The property is situated on Teven Road which is a relatively busy thoroughfare. Accordingly, road noise is evident. Land area 2340 m2. | Comparability on the basis that the subject included formal/legal access. Inferior land area. Superior access to services. Inferior location. Overall considered inferior to subject on the basis the subject included formal/legal access. |
| 678 Broken Head Road, Broken Head, New South Wales | 15-Aug-11 | \$240,000 | A 3791m2 irregular shaped vacant rural lifestyle allotment. Generally falling steeply from road boundary to a low lying level to gently undulating allotment. Heavily vegetated with native bush and rainforest. Required extensive works regarding access and extensive clearing and filling to create a dwelling envelope. Suffers some road noise. | Comparability on the basis that the subject included formal/legal access. Inferior land area. Superior access to services. Vastly superior location. Overall considered within a similar value range to subject on the basis the subject included formal/legal access. |

| | | | | |
|---|-----------|-----------|--|---|
| Lot 192 Fernleigh Road, Tintenbar, New South Wales | 12-Dec-09 | \$220,000 | A gently to moderately undulating rural allotment with frontage to Emigrant Creek. The land is aesthetically very appealing and has an east aspect. Relatively clean land with trees along Emigrant Creek. No structural improvements. The land does not have the benefit of a dwelling entitlement. Land area 2.833 hectares. | Comparability on the basis that the subject included formal/legal access. Similar land area. Superior access to service and land quality. Similar location. Inferior market appeal. Overall considered inferior to subject on the basis the subject included formal/legal access. |
| Lot 191 Fernleigh Road, Tintenbar, New South Wales | 25-Jan-10 | \$235,000 | A gently undulating rural allotment with frontage to Emigrant Creek. The land is aesthetically very appealing and has an east aspect. Relatively clean land with trees along Emigrant Creek. No structural improvements. The land does not have the benefit of a dwelling entitlement. Land area 4.55 hectares. | Comparability on the basis that the subject included formal/legal access. Similar land area. Superior access to service and land quality. Similar location. Inferior market appeal. Overall considered inferior to subject on the basis the subject included formal/legal access. |

9.0 General Comments/Valuation Rationale

The subject property comprises 2 separate titles as described which are severed by an unformed road reserve.

The subject property was once utilised as a quarry. We have been provided with written advice from Ballina Shire Council in relation to approvals over the quarry, as follows:

"Council has no record of the quarry obtaining any form of approval under the requirements of SEPP No. 37 and hence any previous use of the land for the purpose of an extractive industry is deemed to have lapsed. As a consequence of this, the land cannot be used for the purpose of an extractive industry without obtaining development consent."

We have also been provided with written advice from Ballina Shire Council relating to dwelling entitlements over the subject property as follows:

"Lot 1 597343 has a dwelling entitlement pursuant to Clause 3(c) of the Ballina LEP 2012. Lot 3 DP 532703 does not have a dwelling entitlement."

Whilst the subject property possesses a dwelling entitlement, it does not possess practical access via its legal access (i.e. via the unformed road reserve).

The only practical access which may be available would be via a Right of Way/Carriageway over the adjoining Lot 201 DP 1140299 or Lot 214 DP1093798. Both properties are privately owned and it cannot be assumed that either owner would agree to creation of such Right of Way/Carriageway. Even if an agreement was reached in principle with either of the adjoining owners it is likely that a

significant consideration (i.e. monetary sum) would be required to be paid to the adjoining owner for them to give the benefit of a Right of Way/Carriageway.

Section 88K of the Conveyancing Act 1919 allows the Supreme Court of New South Wales, in certain cases, to “make an order imposing an easement over land if the easement is reasonably necessary for the effective use or development of other land will have the benefit of the easement.” As such, this may be a legal avenue which may be available to the owner of the subject land to provide practical and legal access. However, such proceedings are likely to be costly and will require compensation to be paid to the owner of the land to be burdened by the easement. It is not unreasonable to expect that the cost of such proceedings and compensation may be in excess of \$100,000.

Given the problems with providing practical, legal access we consider the pool of prospective purchasers to be greatly diminished. It appears reasonable that the pool of prospective purchasers is limited to the three (3) adjoining owners (Lot 214 DP 1093798 and Lot 201 DP 1140299 and Lot 70 DP 1180257).

Should one of these owners proceed with a purchase of the subject property it would provide some additional land as well as an additional dwelling entitlement. This may provide the new owner with options to either construct a 2nd dwelling or create a boundary adjustment to provide easy legal access to a vacant allotment that possesses a dwelling entitlement. Such allotment could be on-sold for a financial gain. (this is considered the most likely prospect). Nevertheless any such sale is not guaranteed and would be only probable if the subject property was offered at a price to provide a financial incentive for an adjoining owner. Further, it does not guarantee that an adjoining owner will actually purchase the property.

We note that sales of properties in Ballina Shire where practical/legal access is unavailable are seemingly non-existent.

We have assessed the value of the subject on the basis that such practical/legal access is available. We have then allowed a discount/inducement to reflect the cost/risk associated with providing practical/legal access.

In adopting a quantum to reflect such cost/risk, in the absence of directly comparable sales evidence, a subjective judgement has been made based upon experience.

Having regard to the available sales evidence we consider a value for the subject property to be \$240,000 on the basis it possessed practical/legal access. From this sum of \$240,000 a discount/inducement is allowed to reflect the cost/risk associated with providing practical/legal access. Value thus,

| | |
|--|------------------|
| Value with practical/legal access: | \$240,000 |
| less, | |
| discount/inducement to reflect cost/risk associated with providing practical/legal access, say | <u>\$150,000</u> |
| | \$ 90,000 |

VALUE AS \$ 90,000

10.0 Valuation

10.1 Market Value - As Is

| | |
|--------------|------------------------------------|
| Market Value | \$90,000 (NINETY THOUSAND DOLLARS) |
|--------------|------------------------------------|

10.2 Valuation Methodology

| | |
|-------------|--|
| Methodology | The most appropriate method of valuation for a property of this nature is direct market comparison whereby the subject property is compared with sales of comparable properties and adjustments made for points of difference. |
|-------------|--|

| | |
|-------------------|------------------|
| Date of Valuation | 5 September 2013 |
|-------------------|------------------|

| | |
|-------------------|--|
| Inspecting Valuer | |
|-------------------|--|



Matthew Tall
AAPI, Cert. Prac. Valuer
Reg no.4013

| | |
|-----------|--|
| Important | <i>This valuation is subject to the definitions, qualifications and disclaimers and other comments contained within this report.</i> |
|-----------|--|

| | |
|--------------------|---|
| Pecuniary Interest | <i>We confirm that the valuer does not have any pecuniary interest that would conflict with the proper valuation of the property.</i> |
|--------------------|---|

11.0 Assumptions, Conditions and Limitations

| | |
|--|--|
| Scope of Work Undertaken | <p>The scope of work undertaken by the valuer in completing the valuation has included:</p> <ul style="list-style-type: none"> • Collation of information from relevant parties regarding the subject property; • Undertaking our own research regarding the subject property; • An inspection of the property and measurement of buildings where required; • Undertaking market research in terms of values and/or costs of similar properties; • Preparation of valuation calculations; and • Preparation of this report. |
| Third Party Disclaimer | <p>This report has been prepared for the private and confidential use of our client, Ballina Shire Council for the specified purpose. It should not be reproduced in whole or part; or any reference thereto; or to the valuation figures contained herein; or to the names and professional affiliation of the Valuer(s) without the express written authority of Opteon (North Coast NSW) or relied upon by any other party for any purpose and the valuer shall not have any liability to any party who does so. Our warning is registered here, that any party, other than those specifically named in this paragraph should obtain their own valuation before acting in any way in respect of the subject property.</p> |
| Full Disclosure Disclaimer | <p>Whilst we have attempted to confirm the veracity of information supplied, the scope of work did not extend to verification of all information supplied or due diligence. Our valuation and report has been prepared on the assumption the instructions and information supplied has been provided in good faith and contains a full disclosure of all information that is relevant. The valuer and valuation firm does not accept any responsibility or liability whatsoever in the event the valuer has been provided with insufficient, false or misleading information.</p> |
| Digital Copies of Reports | <p>Where a report has been provided in digital copy and has not been received directly via our firm, the report contents, especially the valuations and critical assumptions, should be verified by contacting the issuing office to ensure the contents are bona fide. In particular if the reader of this report has suspicions that the report appears to be tampered or altered then we recommend the reader contact the issuing office.</p> |
| Reliance on Whole Report | <p>This valuation should be read in its entirety, inclusive of any summary and annexures. The valuer and valuation firm does not accept any responsibility where part of this report has been relied upon without reference to the full context of the valuation report.</p> |
| Publication of Report | <p>The publication of the valuation or report in whole or any part, or any reference thereto, or the names and professional affiliations of the valuers is prohibited without the prior written approval of the valuer as to the form and context in which it is to appear.</p> |
| Market Change Disclaimer | <p>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 three months from the date of issue of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation. We recommend the valuation be reviewed at regular intervals.</p> |
| Land and Building Area Disclaimer | <p>In the event actual surveyed areas of the property are different to the areas adopted in this valuation the survey should be referred to the valuer for comment on any valuation implications. We reserve the right to amend our valuation in the event that a formal survey of areas differs from those detailed in this report.</p> |
| Title Assumption | <p>Our valuation assumes the property would be offered for sale subject to encumbrances noted on the Title but otherwise unencumbered by mortgages, caveats, or priority notices etc which would prevent transfer of the property.</p> |
| Native Title Assumption | <p>We are not experts in native title or the property rights derived there from and have not been supplied with appropriate expert advice or reports. Therefore, this valuation is made assuming there are no actual or potential native title interests affecting the value or marketability of the property.</p> |

| | |
|---|---|
| Site Survey Disclaimer | <i>This report is not a site survey and no advice is given in any way relating to survey matters. Any comments given in relation to the property are not given in the capacity as an expert, however, are based on our inspection of the property and review of the Certificate of Title plans. Should the addressee require absolute certainty in relation to encroachments we recommend that a surveyor be engaged to provide appropriate advice and a survey of the property if considered necessary.</i> |
| Geotechnical Assumption | <i>We have not sighted a geotechnical engineers' survey of the property. We are not experts in the field of civil or geotechnical engineering and we are therefore unable to comment as to the geotechnical integrity of the ground and soil conditions. It is specifically assumed that there are no adverse geotechnical conditions that compromise the utility of the property for the current or highest and best use. In the event there is found to be adverse ground conditions we recommend the matter be referred to this Company for comment.</i> |
| Planning Disclaimer | <i>Town planning and zoning information was informally obtained from the relevant local and State Government authorities. This information does not constitute a formal zoning certificate. Should the addressee require formal confirmation of planning issues then we recommend written application be made to the relevant authorities to obtain appropriate current zoning certificates.</i> |
| Heritage Disclaimer | <i>Heritage information was informally obtained from the relevant local, State and Federal authorities. Should the addressee require formal confirmation of the heritage status then we recommend written application be made to the relevant authorities.</i> |
| Building Services Assumption | <i>No documentation or certification has been sighted to verify the condition of building services, and we have assumed that building services are operational and satisfactorily maintained.</i> |
| Condition/Structural Disclaimer | <i>This report is not a condition or structural survey and no advice is given in any way relating to condition or structural matters in the capacity of an expert. A condition or structural report on the building and/or its plant and equipment has not been sighted, and nor have we inspected unexposed or inaccessible portions of the premises. Therefore we cannot comment on the structural integrity, any defects, rot or infestation of the improvements, any use of asbestos or other materials now considered hazardous or areas of non-compliance with the Building Code of Australia, other than matters which are obvious and which are noted within this report.</i> |
| Environmental Disclaimer | <i>This report is not an environmental audit and no advice is given in any way relating to environmental matters. Any comments given as to environmental factors in relation to the property are not given in the capacity as an expert. This assessment of value is on basis that the property is free of contamination. In the event the property is found to contain contamination the matter should be referred to this office for comment. Given contamination issues can have a significant impact on the Market Value of the property, we reserve the right to review and if necessary vary our valuation if any contamination or other environmental hazard is found to exist.</i> |
| Information Availability (Market Evidence) | <i>In preparing this valuation the valuer has researched market evidence from various sources. While we believe the information to be accurate, not all details have been formally verified. Due to privacy laws, confidentiality agreements and other circumstances beyond our control, the valuer may not have had access to: Personal details of parties involved in transactions and is therefore unable to confirm whether such dealings are arm's length transactions; information on recent transactions which are yet to become public knowledge; Copies of leases/contracts to confirm rents/prices and to ascertain whether or not rents/prices are inclusive or exclusive of GST. In the event additional market evidence information becomes available regarding these circumstances this may affect the opinion expressed by the valuer. Nevertheless the valuation is based on information and market evidence reasonably available to the valuer as at the date of the valuation in accordance with usual valuation practices.</i> |

4.2 Residential Land Development - Wollongbar

4.2 Residential Land Development - Wollongbar

Delivery Program Commercial Services

Objective To obtain Council approval to develop the first stage of Council's residential land at Wollongbar.

Background

Council is the owner of Lots 5 and 6 DP 1161720 having frontage to Rifle Range Road and Plateau Drive, Wollongbar. The Site is generally referred to as the former drive-in theatre site as a consequence of part of the land having previously been used for that purpose. The combined area of Lots 5 and 6 is 7.94 hectares. The Site forms part of an area referred to as the Wollongbar Urban Expansion Area (WUEA) which is fundamental to Council's endorsed strategy for accommodating future urban growth within the Alstonville Plateau.

A report considering development options for the Site was presented to the Commercial Services Meeting held on 26 March, 2013. The report presented three development scenarios in regards to reconfiguring the residential and open space zonings pertaining to the Site. The resolution from that meeting, and confirmed at the March 2013 Ordinary meeting was as follows:

1. *Council authorises the General Manager to prepare and submit a development application for the residential subdivision and development of allotment 5 DP 1161720 Plateau Drive, Wollongbar.*
2. *Council's preferred development concept is scenario three, as per the plans attached to this report.*
3. *Council authorises the General Manager to initiate a planning proposal having the effect of adjusting the area of land to be allocated for the purpose of public recreation, as per scenario three, in the plans attached to this report.*

Following on from that meeting, consultants Newton Denny Chapelle ("NDC") were engaged to undertake the following tasks:

- a) Prepare and lodge a development application for stage one comprising 15 serviced residential lots. This task has been completed. DA 2013/302 was lodged on 16 August, 2013, and is currently being assessed.
- b) Prepare and lodge a Masterplan for stages two and three. This document has been completed and is pending lodgement.

Property valuers and consultants Herron Todd White ("HTW") has also completed a Feasibility Assessment Report for stage one, a copy of which is **attached** and forms the subject of this report.

Key Issues

- Project viability and degree of risk

4.2 Residential Land Development - Wollongbar

Information

Property valuers and consultants HTW was engaged to undertake a Feasibility Assessment Report for Stage One of a proposed three stage residential subdivision development of the former drive-in theatre site at Rifle Range Road, Wollongbar. Salient points of the feasibility assessment, as attached, are summarised as follows:

- a) Assessment of On-Completion Values and Estimated Rate of Sales
NDC has prepared a lot layout plan for the 15 serviced residential lots proposed for stage one, a copy of which is attached. HTW has attributed on-completion values to each of the lots as noted below based upon a review of the current market for residential lots.

The term “on-completion” means the market value of the lot assuming it were complete as at the date of the report.

HTW consider the current market to present a medium risk for residential lots and note that “...*It is imperative that lots must be competitively priced to maintain acceptable sales rates....*”.

| Lot | Site Area (m ²) | Est. On-Completion Market Value |
|-----------------|-----------------------------|---------------------------------|
| 1 | 861 | \$190,000 |
| 2 | 817 | \$185,000 |
| 3 | 809 | \$185,000 |
| 4 | 780 | \$180,000 |
| 5 | 1458 | \$245,000 |
| 6 | 837 | \$180,000 |
| 7 | 775 | \$190,000 |
| 8 | 680 | \$220,000 |
| 9 | 666 | \$220,000 |
| 10 | 626 | \$220,000 |
| 11 | 627 | \$220,000 |
| 12 | 650 | \$220,000 |
| 13 | 890 | \$220,000 |
| 14 | 879 | \$185,000 |
| 15 | 795 | \$180,000 |
| Total | | \$3,040,000 |
| Averages | 810 | \$202,667 |

HTW estimate that in the current market a rate of sale of two lots per month may be achievable; giving a total estimated selling period of eight months.

Once development approval is granted lots could be offered for sale “off the plan”, however it is often better to wait until site works and roads have been completed so lots can be pegged out and purchasers can gain a better idea of what they are seeking to buy.

4.2 Residential Land Development - Wollongbar

b) Development Costs

HTW estimate the cost to develop the 15 lots to be approximately \$1,720,000 + GST, based upon NDC development cost estimates including Council contributions and a 15% contingency allowance.

Cost estimates are summarised as follows:

| Item | Est. Cost | Est. Cost/lot |
|--|--------------------|------------------|
| Development costs incl. 15% contingency | 1,121,250 | 74,750 |
| Council contributions | 466,590 | 31,106 |
| Professional fees incl. project management | 95,000 | 6,333 |
| Sub-total | 1,682,840 | 112,189 |
| Sales advertising and promotion | 22,500 | 1,500 |
| Rates | 14,834 | 989 |
| | | |
| Total | \$1,720,174 | \$114,678 |

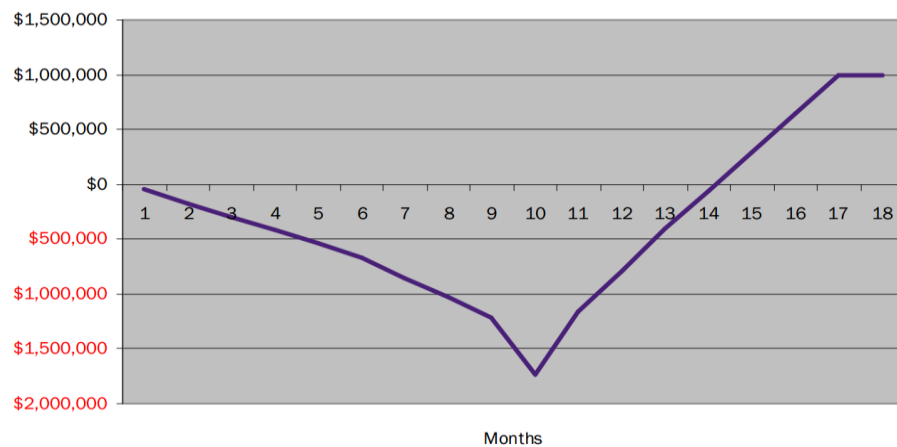
c) Development Period

NDC estimate that, subject to weather, and assuming all approvals are in place it may take approximately nine months to develop stage one, commencing in March 2014 and completed by December 2014.

d) Development Cashflow Analysis

HTW has prepared a development cash flow for the project over an assumed eighteen month period, which indicates a maximum exposure of approximately \$1,740,000 in about the tenth month, as illustrated by the following chart.

Development Cumulative Cashflow



Annexure six of the HTW report contains a copy of the cashflow analysis.

4.2 Residential Land Development - Wollongbar

e) Development Profit

The cashflow analysis indicates that based upon cost estimates provided and assumptions made, the project is forecast to generate a development profit of \$1,050,000, or \$996,000 after allowing for interest at a rate of 7% on funds borrowed.

f) Development Margin and Profitability

Development margins for the project are calculated as follows:

| | | | |
|----|--|--|--------|
| 1. | Development margin before interest; or alternatively expressed as the rate of return on funds applied before interest | $\frac{\$1,050,000}{\$1,720,000} \times 100$ $\$1,720,000 \times 1$ | 61.05% |
| 2. | Development margin after interest or alternatively expressed as the rate of return on funds applied after interest | $\frac{\$996,000}{\$1,720,000} \times 100$ $\$1,720,000 \times 1$ | 58.05% |

g) Site Value

HTW has assessed the value of the site pertaining to stage one to be \$525,000 + GST (\$35,000 per lot) "as is" assuming development consent is in place to undertake a 15 lot residential subdivision. This value has been arrived based upon a review of the local market for residential development sites, which is contained in section eight of the HTW report. This value has also been confirmed by undertaking hypothetical development assessment of the project (see Section 8.50 and Annexure five of the HTW report).

In the local market the generally accepted criteria for a viable land development project of this size is in the order of 15% to 20%.

On this basis of assessment the project reflects a development margin of 22.20% before interest or 16.70% after interest which indicates the project to be viable.

This is also consistent with Council's Property Investment and Development Policy which puts a benchmark of 2% to 5% above the bank bill swap rate for medium risk investments. The current BBSW is 2.60%.

Legal / Resource / Financial Implications

The land pertaining to the site proposed for stage one is classified as operational and can be developed for commercial purposes. Funding has already been included in Council's long term financial plan for the development of this land.

Consultation

An independent feasibility assessment has been completed for this project.

Options

1. That, subject to gaining development consent, Council resolves to undertake development of stage one comprising 15 serviced residential lots. The option is recommended as the HTW report indicates the project to have a low to medium level of risk and is estimated to generate a cash return to Council in the order of \$1 million.
2. That Council resolve not to proceed with the development of stage one comprising 15 serviced residential lots.

This option is not recommended as Council will soon have a site with development consent in place and will have to resolve whether to retain it or place it on the market for sale. If Council resolves to sell the site and achieves a price in line with the value of \$525,000 + GST as attributed to it by HTW, Council is potentially foregoing approximately \$500,000 in development profit.

RECOMMENDATION

That, subject to gaining development consent, Council approves the development of stage one of the Wollongbar Urban Expansion development, as outlined in this report, comprising 15 serviced residential lots.

Attachment(s)

1. Feasibility Report
2. Lot Layout Plan

Feasibility Assessment Report

Residential Development Site



Part of Lot 5 Plateau Dr, Wollongbar NSW 2477

As at 10 September 2013
Prepared for Ballina Shire Council
Our Ref NNC082537

Lismore

Herron Todd White
(NSW North Coast) Pty Ltd
93 402 216 062

Level 3
105 Molesworth Street
LismoreNSW2480
PO Box 503
LismoreNSW2480

Telephone 02 6621 8933
admin.nnc@htw.com.au
htw.com.au

Executive Summary

Property Details

| | |
|--|---|
| Address | Part of Lot 5 Plateau Dr, Wollongbar NSW 2477. |
| Instructing Party | Mr Paul Tsikleas of Ballina Shire Council. |
| Prepared For | Ballina Shire Council. |
| Basis of Assessment | The interest being valued is the unencumbered fee simple subject to the plans and costs supplied and outlined within this report. |
| Purpose of Assessment | Our assessment has been prepared for feasibility assessment purposes only. |
| Date of Inspection and Assessment | 10 September 2013. |
| Registered Proprietor | Ballina Shire Council. |
| Local Authority | Ballina Council. |
| Town Planning | The property is classified within the R3 Medium Density Residential Zone under the Ballina Local Environmental Plan 2012. |

On 16 August 2013, a Development Application was submitted (Reference Number 010.2013.00000302.001) pertaining to the subject site for a Torrens (Residential) Proposed Subdivision to Create 15 Residential Lots and One Residue Lot and Associated Works. This application is yet to be approved and our assessment has been undertaken on the basis of this Development Application being approved with no onerous conditions of approval.

Real Property Description Part of Lot 5 DP 1161720, Parish of Tuckombil, County of Rous.

Property Summary The subject property comprises an irregular shaped, gently to moderately sloping englobo parcel of 4.2 hectares, which is located on the northern site of Rifle Range Rd. The land is intersected by Plateau Dr, creating two separate parcels of land which are to be developed independently. The parcel situated on the southern side of Plateau Dr forms the basis of this feasibility assessment and is to be developed with Stage 1. The balance land situated to the north of Plateau Dr (incorporating Lot 6 DP 1161720) is to be developed at a future date with proposed Stages 2 and 3 (comprising approximately 54 residential allotments).

The subject site comprises 1.427 hectares and it is located on the south western corner of Rifle Range Rd and Plateau Dr. The land rises gently to moderately from the road to the rear southern western boundary. The majority of the land has been extensively cleared with the exception of the south western section of the property which comprises mature tree coverage, dense regrowth and remnants of a previous house. One of the mature trees is to be retained, resulting in a larger proposed allotment (Lot 5).

The subject site is located on the northern fringe of the established suburb of Wollongbar and it forms part of the Wollongbar Urban Expansion Area. The regional townships of Lismore and Ballina are located approximately 21 kilometres west and 1.7 kilometres to the east respectively.

Sales History No historic sales recorded against the property.



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page i

Executive Summary

| Basis of Assessment | Valuation | |
|--|------------------|------------------|
| | Inclusive of GST | Exclusive of GST |
| Current Market Value | | |
| Site Value 'As Is' | \$577,500 | \$525,000 |
| Gross Realisation – Stage 1 'As If Complete' | \$3,040,000 | \$2,763,636 |
| Feasibility Assessment Summary | | |
| | Total | \$/lot |
| Number of Proposed Lots: | 15 | |
| Adopted Sales Rate: | Per Month | 2 |
| Assessed Gross Realisations: | \$3,040,000 | \$202,667 |
| Assessed Net Realisations: | \$2,771,006 | \$184,734 |
| Total Cost (incl advertising, promotion and holding costs) | \$1,720,175 | \$114,678 |
| Interest: | (\$54,822) | |
| Total Profit: | \$996,009 | \$66,401 |
| DM (Before Interest) | 61.1% | |
| DM (After Interest): | 56.1% | |

David Sullivan
 Director
 CPV / AAPI
 QLD 2250 / NSW 4052

Important:

All data provided in this summary is wholly reliant on and must be read in conjunction with the information provided in the attached report. It is a synopsis only designed to provide a brief overview and must not be acted on in isolation.



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
 NNC082537

Executive Summary

Risk Profile

| Risk Indicator | Comment |
|------------------------------|---|
| Market – Englobo Land | <ul style="list-style-type: none"> Soft market conditions currently prevailing for englobo land on the NSW North Coast, due to the current soft to moderate demand for new vacant lot supply. The likely buyer for the englobo land 'as is' and subject to DA approval would be a developer. The value of the site at \$525,000 is considered to be a saleable price point for local developers. The subject property is affected by its situation within the Wollongbar Urban Expansion Area. Due to the recent construction of four separate estates within the WUEA that provide similar and already developed lots, they will have a direct impact on the marketability and resultant value of the proposed subject allotments on an 'as if complete' basis. |

Overall Risk: MEDIUM

| | |
|---------------------------|---|
| Construction Costs | <ul style="list-style-type: none"> The construction cost estimates used for Assessment purposes have been provided by Newton Denny Chapelle, Surveyors Planners Engineers. Construction costs are a major issue in the feasibility of residential developments. If the provided costs and/or the anticipated expenditure are not accurate, or if there is an increase or decrease in the actual cost of construction, the viability of the development, and the assessed land value, could be adversely affected. Based on our experience of construction costs within Wollongbar and the greater North Coast locality, the provided costs appear to be conservative and within tolerances. Notwithstanding our brief comments in this regard, the assessment of construction risk is considered to be outside of our area of expertise. |
|---------------------------|---|

Overall Risk: LOW to MEDIUM

| | |
|------------------------------|---|
| Market Risk - Product | <ul style="list-style-type: none"> Demand for completed residential allotments within the Ballina and the greater NSW North Coast region continues to remain slow. The recent introduction of Land Buyers Subsidy Scheme applied by the Ballina Shire Council to estates situated within the Wollongbar Urban Expansion Area will have a direct impact on the subject development. This scheme has resulted in improved market conditions and sale rates for lower priced vacant lots and/or new housing product in these estates. The sale of the subject lots will be in direct competition with lots located within the Avalon, Wollongbar Park, Killarney Park and Spring Creek Place Estates, which have large amounts of stock available and are benefited by the available subsidies. The more recent introduction of the Scheme applied to the Ballina Heights Estate may have some impact on the proposed development due to the availability of competitively priced allotments in a more coastal orientated estate. It is imperative that lots must be competitively priced in to maintain acceptable sales rates, particularly as house building costs remain relatively high in an otherwise subdued economic climate and due to subsidies available in competing estates. |
|------------------------------|---|

Overall Risk: MEDIUM



Executive Summary

- Asset Profile**
- The subject property is located within the northern fringe of the established Wollongbar residential locality. New subdivisions have recently been or are currently being developed to the east and north of the subject property, within the Wollongbar Urban Expansion Area.
 - Located within close proximity to various residential amenities.
 - The proposed Development Approval for 15 residential allotments ranging in size from 626 sqm to 1,458 sqm is consistent with the assessed highest and best use.
 - The subject site has an area of 1.427 hectares and is irregular in shape. The land rises slightly to moderately above road height. The majority of the site is cleared and the proposed lots will predominately have a northern aspect.
 - 14 of the proposed allotments will be accessed via a two lane cul de sac. The lots fronting Rifle Range Rd and Plateau Dr will be impacted by increased traffic volumes.

Overall Risk: LOW-MEDIUM

Assumptions, Conditions and Limitations

- Critical Assumptions**
- We have made assumptions and conditional comments in respect to Easements (section 2.2), Town Planning (section 3.1), Approvals (section 3.2), Services (section 4.2), Development Costs (section 6) and GST (section 8.5)
 - This feasibility assessment report is provided subject to the assumptions, disclaimers, limitations and qualifications detailed within this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements.
 - At the time of assessment, development approval had not been obtained, however, in accordance with our instructions received from Ballina Shire Council, we have been requested to undertake an assessment on the basis that development approval has been obtained. This assessment is conditional upon approval being obtained subject to no onerous approval conditions. Once the final approval has been granted the report should be requisitioned for further comment by the valuer as if any of the above assumptions were to vary the value could be detrimentally affected.
 - Our assessment is undertaken on the condition that the development will be completed in accordance with the plan of development, Plan 3 Indicative Building Envelopes and Tree Protection Zone dated 30 July 2013 as prepared by Newton Denny Chapelle appended to this report without significant alterations
 - The value as if complete assessed herein is the market value of the proposed allotments as detailed in the report on the assumption that all construction had been satisfactorily completed in all respects at the date of this report.
 - The assessment reflects the valuer's view of the market conditions existing at the date of the report and does not purport to predict the market conditions and the value at the actual completion of the improvements because of time lag.
 - Accordingly, the 'as if complete' assessment must be confirmed by a further inspection by the valuer, initiated and instructed by the lender, on completion of the development. The right is reserved to review and, if necessary, vary the assessment in this report if there are any changes in relation to the project itself or in property market conditions and prices.
-



Table of Contents

| | | |
|--------------------------|---|-----------|
| Executive Summary | | |
| 1 | Introduction | 1 |
| 1.1 | Instructions | 1 |
| 1.2 | Basis of Assessment | 1 |
| 1.3 | Definitions | 1 |
| 1.4 | Date of Inspection and Assessment | 2 |
| 2 | Title and Statutory Details | 3 |
| 2.1 | Title Details | 3 |
| 2.2 | Easements, Encumbrances and Interests | 3 |
| 2.3 | Statutory Assessments | 3 |
| 3 | Town Planning and Approvals | 4 |
| 3.1 | Town Planning Summary | 4 |
| 3.2 | Approvals | 5 |
| 4 | The Land | 6 |
| 4.1 | Location Details | 6 |
| 4.2 | Land Description | 8 |
| 4.3 | Road System/Access | 10 |
| 4.4 | Environmental Issues | 11 |
| 5 | Proposed Development | 12 |
| 5.1 | Introduction | 12 |
| 5.2 | Plan of Subdivision | 12 |
| 5.3 | Development Yield | 13 |
| 5.4 | Design Analysis | 13 |
| 6 | Development Costs | 15 |
| 6.1 | Cost Schedule | 15 |
| 6.2 | Comments on Costs | 15 |
| 6.3 | Construction Time Frames | 15 |
| 6.4 | Goods and Services Tax | 16 |
| 7 | Market Report | 17 |
| 7.1 | Local Land Market Overview | 17 |
| 7.2 | Market Overview | 18 |
| 7.3 | Pending Supply | 18 |
| 7.4 | Sales Evidence – Gross Realisation | 18 |
| 7.5 | Sales Reconciliation | 19 |
| 7.6 | Assessment – Residential Allotments | 26 |
| 7.7 | Comments on Assessment | 26 |
| 8 | Site ASSESSMENT and Profitability Analysis | 27 |
| 8.1 | Introduction. | 27 |
| 8.2 | Development Site Market Overview | 27 |



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page v

| | | |
|-----------|---------------------------------|-----------|
| 8.3 | Sales Evidence | 27 |
| 8.4 | Sales Commentary and Conclusion | 30 |
| 8.5 | Hypothetical Development Method | 30 |
| 8.6 | Sales and Settlement Rate | 32 |
| 8.7 | Feasibility Analysis | 32 |
| 9 | ASSESSMENT | 34 |
| 10 | Disclaimers | 35 |

Annexures

| | | |
|-------------------|-----------------------------|-----------|
| Annexure 1 | Title Search | 1 |
| Annexure 2 | Deposited Plan | 2 |
| Annexure 3 | Subdivision Plan | 6 |
| Annexure 4 | Development Costings | 7 |
| Annexure 5 | Cashflow | 11 |
| Annexure 6 | Feasibility Analysis | 12 |



1 INTRODUCTION

1.1 Instructions

We have been instructed by Mr Paul Tsikleas on behalf of Ballina Shire Council to undertake a feasibility assessment of the Englobo Residential Property located at Part of Lot 5 Plateau Dr, Wollongbar NSW 2477.

Specifically, we have been instructed to assess the parcel of land situated on the southern side of Plateau Dr which is currently subject to a Development Application determination. Subject to approval, the land is to be developed with 15 residential allotments, comprising Stage 1 of the subdivision. As per our instructions, the feasibility assessment report is to undertake the following:

- the gross realisation from the individual sale of the proposed allotments "as if complete";
- overview of the residential land market for Wollongbar, the broader Ballina Shire and Goonellabah;
- the current market value of the development site "as is";
- feasibility/profitability analysis based upon development time frames provided and anticipated selling periods.

1.2 Basis of Assessment

The interest being valued is the unencumbered fee simple subject to the plans and costs supplied and outlined within this report.

Our assessment has been prepared for internal feasibility assessment purposes for use by Ballina Shire Council. It has been prepared in accordance with the Australian Property Institute's Valuation Practice Standards.

The report is not available for any other purpose, nor is any liability extended to any third party, without the valuer's written authority and consent.

1.3 Definitions

This assessment has been undertaken in accordance with the following definitions:

Market Value

"the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion".

Highest and Best Use

"the most probable use of a property which is physically possible, appropriately justified, legally permissible, financially feasible and which results in the highest value of the property being valued".



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 1

As if Complete”

“the valuer, when assessing the value of an asset from plans and specifications “as if complete”, assesses the value having regard to the market at the date that the assessment was made. The valuer reserves the right to review, and if necessary vary, the valuation if there are changes to the project itself or in market conditions and prices”.

Please note the assessment “as if complete” is not a forward projection of value but is at today’s value assuming all proposed works are fully completed

“As Is”

“means a valuation that provides the current market value of the property as it currently exists rather than the value of the proposed development”

1.4 Date of Inspection and Assessment

10 September 2013.



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 2

2 TITLE AND STATUTORY DETAILS

2.1 Title Details

| | |
|----------------------------------|---|
| Search Date | 16 September 2013 |
| Title Reference | 5/1161720 |
| Real Property Description | Part of Lot 5 DP 1161720, Parish of Tuckombil, County of Rous |
| Registered Owner | Ballina Shire Council |
| Encumbrances | Nil |
| Unregistered Dealings | Nil |
| Administrative Advices | Nil |

A copy of the recently searched Certificate of Title and a copy of the Deposited Plan are annexed to this report.

2.2 Easements, Encumbrances and Interests

No easements or encumbrances are noted on the title.

This assessment is subject to there being no other encumbrances, which may have an adverse effect on our assessment. Should any such easement or encumbrance become apparent, we reserve the right to review our assessment.

2.3 Statutory Assessments

\$1,050,000 effective from 1 July 2013 for local authority rating and land tax purposes. It should be noted that the Statutory Assessment relates to the total property and this feasibility assessment is only in relation to the section of the land to be developed with proposed Stage 1.



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 3

3 TOWN PLANNING AND APPROVALS

3.1 Town Planning Summary

| | |
|------------------------|---|
| Local Authority | Ballina Council |
| Planning Scheme | Ballina Local Environmental Plan 2012. |
| Land Use/Zoning | R3 Medium Density Residential Zone. |
| Objectives | <p>The R3 Medium Density Residential Zone objectives are:</p> <ol style="list-style-type: none">Objectives of zone<ul style="list-style-type: none">To provide for the housing needs of the community within a medium density residential environment.To provide a variety of housing types within a medium density residential environment.To enable other land uses that provide facilities or services to meet the day to day needs of residents.To provide development that is compatible with the character and amenity of the surrounding neighbourhood.To encourage housing and infrastructure that supports the ageing population.To provide for development that meets the social and cultural needs of the community.To encourage development that achieves the efficient use of resources such as energy and water.Permitted without consent<ul style="list-style-type: none">Environmental protection works; Home-based child care; Home occupationsPermitted with consent<ul style="list-style-type: none">Attached dwellings; Boarding houses; Child care centres; Community facilities; Extensive agriculture; Group homes; Home industries; Kiosks; Markets; Multi dwelling housing; Neighbourhood shops; Places of public worship; Respite day care centres; Roads; Roadside stalls; Seniors housing; Any other development not specified in item 2 or 4Prohibited<ul style="list-style-type: none">Advertising structures; Agriculture; Air transport facilities; Airstrips; Amusement centres; Animal boarding or training establishments; Boat building and repair facilities; Charter and tourism boating facilities; Commercial premises; Correctional centres; Crematoria; Dairies (pasture-based); Depots; Eco-tourist facilities; Farm stay accommodation; Forestry; Freight transport facilities; Heavy industrial storage establishments; Highway service centres; Industrial retail outlets; Industrial training facilities; Industries; Marinas; Mooring pens; Moorings; Mortuaries; Recreation facilities (major); Restricted premises; Rural industries; Rural workers' dwellings; Service stations; Sex services premises; Storage premises; Transport depots; Truck depots; Vehicle body repair workshops; Vehicle repair stations; Veterinary hospitals; Warehouse or distribution centres; Waste or resource management facilities; Wharf or boating facilities; Wholesale supplies |

We assume that planning data provided to us by the relevant Local Planning Authority is accurate. In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the assessment, we reserve the right to amend the assessment.



3.2 Approvals

On 16 August 2013, a Development Application was submitted (Reference Number 010.2013.00000302.001) pertaining to the subject site for a Torrens (Residential) Proposed Subdivision to Create 15 Residential Lots and One Residue Lot and Associated Works. This application is yet to be approved.

In accordance with our instructions, we have assessed the value subject to development approval being obtained. Our assessment assumes the development approval will be subject to there being no onerous conditions and being in accordance with the plans provided. Should this not be the case it may impact upon our assessed value. We recommend any party relying upon this assessment satisfy themselves in regard to the development approval and conditions and once issued, should be referred to the valuer for comment.

Our assessment proceeds on the basis the abovementioned Development Application Decision Notice is not subject to appeal however, we have not undertaken any searches in this regard.



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 5

4 THE LAND

4.1 Location Details

The general location of the subject property is indicated by the markers on the maps below.



Source: Google Maps



Source: LPI

Note: Satellite image includes the total property (Part of Lot 5)



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

4.2 Residential Land Development - Wollongbar

| | |
|--------------------------------|--|
| Locality | <p>The property is located within the Wollongbar Urban Expansion Area. This is a predominantly developing residential locality situated within the northern fringe of the suburb of Wollongbar.</p> <p>Wollongbar is an established village which is located approximately 2 kilometres west of the village of Alstonville, approximately 21 kilometres east of Lismore and approximately 17 kilometres north-west of Ballina. The Wollongbar village is situated on the northern side of the Bruxner Highway and the urban residential development in this area typically comprises conventional sized residential allotments which are improved with a mixture of semi-modern to modern style, average quality houses, duplex dwellings and small townhouse/villa complexes. The Wollongbar village is surrounded by broad acreage rural residential properties, the majority of which are currently or were formally used for agricultural and farming purposes.</p> <p>Wollongbar, together with the nearby village of Alstonville and the locality of Goonellabah, form the eastern urban extension of the major urban residential and regional commercial centre of Lismore. The future growth of the Wollongbar residential area will mostly consist of a major urban release area which is referred to by the Ballina Council as the Wollongbar Urban Expansion Area. This area consists of several large adjoining rural properties which are located on the northern fringe of Wollongbar. It is proposed that this area will ultimately be developed with a mixture of detached housing, duplex units and medium density townhouses and villas.</p> <p>Wollongbar has a small local shopping centre which includes an IGA supermarket, professional consultation suites (doctor), newsagency, chemist, takeaway cafe/restaurant and a licensed tavern. Regional shopping is available at both Ballina and Lismore. An industrial estate is located on the southern side of the Bruxner Highway. Primary and Secondary schools are located in the area. According to the ABS 2011 Census, Wollongbar has a population of 2,396</p> |
| Situation | <p>The property is situated on the western side of Plateau Dr, being on the south western corner of the intersection of Plateau Dr and Rifle Range Rd.</p> <p>The Wollongbar Post Office is approximately 2 kilometres by road to the south of the subject property.</p> |
| Surrounding Development | <p>The subject property is located within a further expanding residential suburb of Wollongbar. Established, modern style residential dwellings situated on standard size residential allotments are situated opposite the subject property to the south. Similar size, vacant englobo parcels adjoin to the west and are located opposite to the east. New residential subdivisions currently under construction are located further to the north and east of the subject property.</p> <p>The proposed development is a use that is consistent with the surrounding development.</p> |



4.2 Residential Land Development - Wollongbar

Infrastructure

The property is located close to the following infrastructure: arterial roads, major transport routes and public transport.

Urban amenities which are situated within reasonable proximity of the subject property include:

- The Palms local shopping centre which includes an IGA supermarket and a doctors surgery
- Pioneer Tavern
- service station
- Wollongbar State Primary School
- Wollongbar Pre School
- Alstonville State Primary School
- Alstonville State High School
- Alstonville Catholic Primary School
- North Coast Institute Tafe Campus
- local school bus service
- sports fields at Alstonville.

Regional shopping and commercial facilities and a hospital, airport and other educational establishments including a Southern Cross University campus are situated in Lismore.

4.2 Land Description



Source: LPI

Note: Satellite image includes the total property (Part of Lot 5)



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 8



View of subject property facing west



View of subject property facing north



View of subject property facing south east



View over subject property facing west

Area

Lot 5 has a total land area of **4.2 hectares**.

The subject site which forms the basis of this assessment comprises **1.427 hectares**.

Topography

The subject property comprises an irregular shaped, gently to moderately sloping englobo parcel of 4.2 hectares, which is located on the northern site of Rifle Range Rd. The land is intersected by Plateau Dr, creating two separate parcels of land which are to be developed independently. The parcel situated on the southern side of Plateau Dr forms the basis of this feasibility assessment and is to be developed with Stage 1. The balance land situated to the north of Plateau Dr (incorporating Lot 6 DP 1161720) is to be developed at a future date with proposed Stages 2 and 3 (comprising approximately 54 residential allotments).

The subject site is located on the south western corner of Rifle Range Rd and Plateau Dr. The land rises gently to moderately from the road to the rear western boundary with a contour range from RL150m AHD to 168m AHD. The land generally provides a northerly aspect.

The majority of the land has been extensively cleared with the exception of the south western section of the property which comprises mature tree coverage and dense regrowth. Investigations reveal that there is also concrete slab associated with the former farm house situated section of the land. One of the mature trees is to be retained, resulting in a larger proposed allotment (Lot 5).



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 9

Flooding We have not undertaken a formal flood search to confirm whether or not the property is subject to flooding or other impediments caused by excess water saturation and/or flood.

As the property appears to be located in an area that is not subject to flooding we do not consider a flood search necessary.

Services The following major services are available for connection: reticulated water, sewerage, telephone, electric power.

We have physically identified the boundaries upon inspection and there do not appear to be any encroachments. However, we are not surveyors and no warranty can be given without the benefit of an identification survey.

To the best of the valuer's knowledge, the subject property is not affected by landslip, pest infestation or resumption matters, however, no searches have been undertaken in this regard.

4.3 Road System/Access



View north west along Plateau Drive



View north east along Rifle Range Road

Road System The property has a corner road frontage to Plateau Dr and Rifle Range Rd.

Plateau Dr is a bitumen sealed, two lane local road; it has concrete kerbing and channelling.

Rifle Range Rd is a bitumen sealed, two lane arterial road; it has concrete kerbing and channelling along the eastern section of the property and grassed table drain along the western section of the site. This road is a main service road which connects Wollongbar to the rural residential localities located to the north and northeast.

A new roundabout which adjoins the south eastern boundary of the subject property has recently been completed. This roundabout provides access to the residential estates being developed within the WUEA.

Access Vehicular access is easy and direct.

All of the residential allotments in Stage 1 of the estate will have frontage to a bitumen sealed cul de sac with concrete kerb and channel.



4.4 Environmental Issues

| | |
|--|---------------------------------|
| Previous potentially contaminating use | Unknown |
| Environmental planning overlay | No |
| Contamination uses on adjoining properties | Not apparent |
| Known contamination issues in surrounding areas | Unknown |
| Known groundwater contamination in surrounds | Unknown |
| Potentially contaminating processes or materials on site | Not apparent |
| Known past underground storage of contaminant materials | Not evident from our inspection |
| Listed on contaminated or environmental site registers | No search undertaken |
| Do operations require environmental licensing | No |

Whilst we did not note any hazardous or toxic material on site, it should be noted that our assessment has been prepared without the benefit of soil tests or environmental studies. Accordingly, our assessment is subject to there being no surface or sub-surface soil problems including instability, toxic or hazardous wastes or building material hazards in or on the property that would adversely affect its existing or potential use or reduce its marketability.

It should be noted that environmental matters are beyond the scope of our expertise and as such, we would recommend that anyone relying on our assessment for investment or finance purposes satisfy themselves in relation to any environmental risks or contamination issues. Should any such problem become apparent, we would reserve the right to review our assessment.



5 PROPOSED DEVELOPMENT

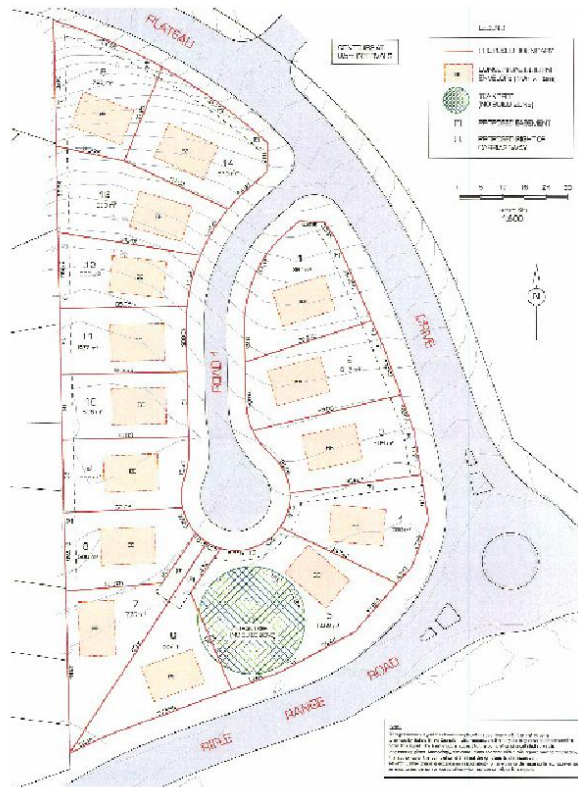
5.1 Introduction

The property is proposed to be developed into a 15 lot subdivision and one residue lot. The development is to comprise Stage 1 and the residue lot is to be developed with a further two stages (incorporating Lot 6 DP 1161720).

As discussed in Section 3.2, development consent is currently being sought for subdivision of land, including the construction of a cul-de-sac and associated urban service infrastructure. The proposed 15 residential lots are to range in size from 626 to 1,458 square metres. The residue allotment will have an area of 2.774 hectares. The application includes the removal of all trees and vegetation on site, other than a large mature Teak tree.

5.2 Plan of Subdivision

The subject development land is to be developed with a 15 lot residential subdivision. The plan of subdivision for the subject land is as follows:



A copy of the Proposed Plan is annexed to this report.



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

5.3 Development Yield

The proposed development yield, lot type and area are as follows:

| Lot | Type | Land Area (sqm) |
|-----|----------|-----------------|
| 1 | Standard | 861 |
| 2 | Standard | 817 |
| 3 | Standard | 809 |
| 4 | Standard | 780 |
| 5 | Standard | 1458 |
| 6 | Standard | 837 |
| 7 | Standard | 775 |
| 8 | Standard | 680 |
| 9 | Standard | 666 |
| 10 | Standard | 626 |
| 11 | Standard | 627 |
| 12 | Standard | 650 |
| 13 | Standard | 890 |
| 14 | Standard | 879 |
| 15 | Standard | 795 |

5.4 Design Analysis

The subject site is to be developed with 15 standard residential allotments accessed via a cul de sac which extends off Plateau Dr.

Proposed lots 1 to 8 and 12 to 15 are to be of a slightly irregular shape. Lots 9 to 11 are of a regular shape. Lots 6 and 7 to 9 are to be located at the end of the cul de sac and therefore have a hatchet shape with narrow road frontage. Lot 5 is to have a large land area of 1,458 square metres due to the retention of a teak tree. We have been advised by Newton Denney Chapelle (NDC) that the building envelope will not be affected by the tree root system. An easement extends along the eastern boundary of Lots 1 to 3 and Lots 14 and 15.

Proposed lots 5 to 8 will be level at road height with minimal slope. Lots 2 to 4 and lots 9 to 12 will be situated at road height with slight falls from south to north. Lot 1 and lots 13 to 15 will have more moderate falls from south to north.

An acoustic barrier fence being 1.8 metres high and of masonry construction will be situated along the Rifle Range Rd frontage. The barrier will form the rear boundary of lots 4 to 7. Landscaping will be provided between the wall and the proposed shared path to match with the existing approved landscaping on the adjoining Killarney Park Estate.

Local views will be provided from lots 8 to 13 to the north over the surrounding development and restricted hinterland views in the distance. Local views only will be provided from lots 1 to 7 and lot 14 and 15.

The locations of proposed allotments are detailed in the plan of subdivision detailed in Section 5.2.



Road Network & Access

A new cul-de-sac will provide access to all but one of the residential allotments (lot 15). The cul-de-sac will be provided with a 7 metre wide carriageway and layback kerb and gutter.

Restrictions will be placed on the title of all lots fronting Rifle Range Road and Plateau Drive (other than Lot 15) to ensure that access to these lots is from the proposed cul-de-sac.

NDC have advised that Rifle Range Road will be widened to a 13 metre wide carriageway with a 3.5 metre wide verge. The Plateau Drive road reserve will be widened to provide for a uniform 3.5 metre verge along the frontage of the site. A 2 metre wide shared path is provided along the Rifle Range Road frontage; and a 1.2 metre wide concrete footpath is provided along Plateau Drive from the proposed cul-de-sac to the Rifle Range Road shared path.

Services

We have assessed the value of the proposed lots on the basis that all major services are adjacent to the boundary of the lots.

Electrical and telecommunications supply will be provided via the existing underground services, with the location of (or requirement for) transformer substations to be determined during the detail design phase of the project.



6 DEVELOPMENT COSTS

6.1 Cost Schedule

We have been provided with development cost estimates prepared by Newton Denny Chapelle (Surveyors Planners Engineers) dated 4 September 2013. The cost estimates for the proposed development are summarised as follows:

| Item | Cost |
|--------------------------------------|--------------------|
| Civil Works | \$975,000 |
| Contingency Allowance on Civil Works | \$146,250 |
| Council Fees and Charges | \$466,590 |
| Professional Fees | \$95,000 |
| Total Development Costs | \$1,682,840 |
| Rate Per Lot | \$112,189 |

NDC have advised that the development cost estimates are exclusive of consultant fees to date and legal fees for the preparation of contracts and 88b. The costs are also exclusive of:

- Land costs,
- Sales and marketing,
- Legal fees,
- Any bonding or security costs (advised by Developer to be of a nominal amount).

N.B. Marketing Fees, Stamp Duty, Legal Fees, Holding Costs (council rates and Land Tax) and Interest, have been accounted for separately in our hypothetical development exercise.

6.2 Comments on Costs

We note the costs provided are within or at slightly the higher end of market parameters for a similar development of this size and nature. NDC have advised that due to the basic nature of the development, the provided cost should be achievable based on the inclusion of a 15% contingency factor.

We note that this report provides assessment advice alone and as such, we are not qualified to comment upon the accuracy of the development cost estimates provided. We recommend that any party relying on this assessment should satisfy themselves and carryout an independent audit of the proposed development costs by a qualified Quantity Surveyor. Should such an audit reveal that the costs, as reported within this report, are incorrect, we reserve the right to review our assessment either in part or in full.

As our assessment of the englobo land has been determined, in part, using a cash flow model which utilises the cost estimates summarised in this section of the report, the accuracy of the cost estimates could have a significant bearing on our assessment.

Accordingly, should the final costs differ significantly from the estimates used in our cash flow model, we would reserve the right to review our assessment.

6.3 Construction Time Frames

Having regard to our experience with similar projects and information provided by Newton Denny Chapelle, we have adopted a construction period of 9 months for the purposes of our cash flow. We have also allowed for a 4 week period for the preparation of construction certificate documentation, construction and tender and an 8 week period for plan registration. It should be noted however, that these time frames can vary from project to project and is also subject to the availability of materials/labour and weather conditions.



6.4 Goods and Services Tax

The cost estimates provided are exclusive of GST.

Our cash flow analysis includes appropriate allowances for the GST and input tax credits relating to the operational works, construction costs and, professional fees. GST is not payable on Council infrastructure charges and other Council fees.

The developer of a residential subdivision, assuming they are a registered enterprise, is able to claim an input tax credit on the GST paid in relation to the cost of developing and selling (marketing, commissions and legal costs) the completed vacant lots.

Accordingly, the developer should not incur any additional net increase in development costs due to the GST. The only additional cost issue for the developer, depending upon their cash flow position, is that there will be a period between the time they pay the GST in developing the land and the time that they receive the input tax credit on this money spent.



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 16

7 MARKET REPORT

7.1 Local Land Market Overview

The market for conventional residential allotments within the NSW Far North Coast was relatively strong in the years extending from 2004 through to the peak of the real estate cycle in late 2007, with most estates reporting increasing growth in sale prices during this period. However, the rate of sale of vacant residential allotments remained relatively steady over this same period of time. This evidence indicates that the NSW Far North Coast land market does not have a lot of depth, even in more buoyant market conditions.

Demand for vacant residential lots on the far north coast of New South Wales has eased following the peak of the real estate cycle in late 2007/early 2008. During this timeframe, the vacant lot market has tended to "ebb and flow" along a historically restricted buyer market with limited depth. Whilst there was a spike in activity in late 2009/early 2010, this market segment has continued to soften further over the past 24 months. The softening of this market segment has been particularly noticeable for first home buyers and investors.

The subdued market conditions have been reflected in falling sale rates and decreasing lot sale prices in the majority of residential estates situated within Wollongbar and the greater Lismore and Ballina regions (including Lennox Head and Cumbalum). In the changed market conditions, there is increasing evidence of developers either reducing sale prices or applying various buyer incentives which have the net effect of reducing the sale price of a lot. In some instances, the reduction in the asking prices of newly released stages of established estates has been significant.

All the North Coast estates are competing for what is a relatively small market with limited depth, and only a modest total number of lot sales on an annual basis. Up until the introduction of the Land Buyers Subsidy Scheme, the rates of sale within all estates have decreased since the beginning of 2011. As a result, there has been a scaling back of allotment production and where possible, allotments are being released in smaller stages. However, there is some early evidence that the various recent interest rate reductions stamp duty concessions, an increased grant for first home buyers who build/buy a new home and the introduction of the Land Buyers Subsidy Scheme may lead to improved conditions in this market segment.

The recent introduction of the Land Buyers Subsidy Scheme (LBSC) will have an impact on sale rates and prices within the subject development. The LBSC is a result of the Ballina Shire Council grant from the Federal Government's Building Better Regional Cities (BBRC) program. The Council first secured BBRC funding for \$4.5 million in 2012 to undertake development of the Wollongbar Sports Fields. A condition of this grant was that Council put in place a land buyers' subsidy scheme for 96 lots over four years within the WUEA. The scheme provides a rebate on the purchase price of land to eligible applicants.

The Ballina Shire Council has also recently secured a \$5 million grant from the Federal Government to construct Ballina Heights Drive. The BBRC grant for Ballina Heights Drive requires Council to put in place a land buyers' subsidy scheme for 120 lots over four years on Ballina Heights Estate and CURA A. The scheme also provides a rebate of \$25,000 to as high as \$45,000 on the purchase price of land to eligible applicants.

There is clear evidence that since the commencement on 14 January 2013 of the land buyers' subsidy scheme for 96 lots within the Wollongbar Urban Release Area, there have been improved market conditions and increased rates of sale for vacant lots within the WUEA. This is evidenced by the sale of 12 lots within the estates since the subsidy was introduced in February 2013 (which analyses to a rate of sale of approximately 2.7 lots per month) and is discussed in further detail in the following sections of this report.



7.2 Market Overview

| | |
|--------------------------|--|
| Current Activity | There is currently increased market activity for estates situated within the Wollongbar Urban Expansion Area as a combined result of the recent introduction of the Land Buyers Subsidy Scheme lowering interest rates and ease of borrowing. |
| Market Volatility | The property is situated within central location between the major townships of Lismore and Ballina. Historically, this locality has proven to have a low level of price volatility. |
| Price Point | Our assessed values range from \$180,000 to \$220,000 for the 14 standard sized residential allotments. These are at the mid to upper range for new allotments within this locality and are a reflection of the superior topography and size of the proposed allotments. |
| Buyer Profile | Buyers for new allotments within this price bracket and location generally are owner occupiers. |
| Market Depth | Demand for the proposed product in this locality is considered to be reasonable due to the recent introduction of the Land Buyers Subsidy Scheme. |

Market data has been obtained from a range of sources, or as reported by real estate agents. As well as using such documented and generally reliable evidence or market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.

7.3 Pending Supply

Below is a list of residential estates recently developed or under construction within the locality of Wollongbar detailing the proposed number of residential lots, current status and impending stock levels:

| Estate | No of Lots Proposed | Status |
|---------------------------|---------------------|-------------------------------|
| Avalon Estate | 240 | 49 lots released, 191 remain |
| Wollongbar Park Estate | 92 | 53 lots released, 39 remain |
| Killarney Park Estate | 82 | 6 lots released, 76 remain |
| Spring Creek Place Estate | Unknown | 30 lots released |
| Rancher Court Estate | 14 | 14 lots released |
| Ballina Heights Estate | 753 | 315 lots released, 438 remain |

7.4 Sales Evidence – Gross Realisation

The subject property is proposed to be developed into 15 residential allotments and the appropriate assessment method is considered to be the Direct Comparison Method; whereby the subject property is compared to recent sales of similar properties.



7.5 Sales Reconciliation

1. Avalon Estate, Wollongbar

Description: The Avalon estate is located in Rifle Range Road, Wollongbar, in the Wollongbar Urban Expansion Area.

The estate has a total development yield of approximately 240 residential allotments.

The civil works for the first two stages of the subdivision (49 allotments) were completed in the first half of 2011.

The off the plan marketing of the estate was commenced in February 2010. There are approximately 8 lots remaining in Stages 1 and 2 and a further stage planned for commencement when the balance lots have been sold.

The asking prices remain unchanged and generally range from \$195,000 to \$268,000 for lots sizes from 493 - 898 square metres, however the marketing agent advises that the asking prices are negotiable.

The Ballina Shire Council are currently offering rebates under the 'Land Buyers Subsidy Scheme' for low to middle income earners for lots within the estate. This is considered an advantage to the estate.

Recent Confirmed Sales

| Lot No. | Address | Area (sqm) | Lot Type | Sale Date | Sale Price |
|---------|----------------|------------|-----------|------------|------------|
| 43 | Woodbury Pl | 478 | Standard | 17/01/2013 | \$210,000 |
| 47* | Woodbury Pl | 796 | Standard | 1/02/2013 | \$250,000 |
| 6* | 14 Woodbury Pl | 457 | Standard | 13/05/2013 | \$188,000 |
| 37 | Avalon Ave | 510 | Standard | 5/06/2013 | \$180,000 |
| 5* | Woodbury Pl | 457 | Standard | 25/06/2013 | \$172,500 |
| 23 | Clovelly Pl | 869 | Duplex | 27/06/2013 | \$270,000 |
| 42* | Woodbury Pl | 499 | Small Lot | 12/07/2013 | \$198,000 |
| 2* | Woodbury Pl | 433 | Small Lot | 9/08/2013 | \$185,000 |
| 7 | Woodbury Pl | 460 | Small Lot | 3/09/2013 | \$208,000 |
| 4 | Woodbury Pl | 649 | Standard | U/C | \$232,500 |



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 19

2. Wollongbar Park Estate, Wollongbar

Description: The Wollongbar Park Estate is located on Plateau Dr which is a link road between Sneaths Rd and Rifle Range Road. This estate forms part of the Wollongbar Urban Expansion Area (WUEA) and is located on the north western fridge of Wollongbar. The estate has a total development yield of approximately 92 residential allotments. Stages 1 and 2 of the estate have been developed and will soon be fully sold. Approximately 15 lots remain unsold. The asking prices in Stage 2 range from \$145,000 to \$225,000 for block sizes from 529 – 1,221 square metres.

The Ballina Shire Council are currently offering rebates under the 'Land Buyers Subsidy Scheme' for low to middle income earners for lots within the estate. This is considered an advantage to the estate and has contributed to a high number of sales in 2013 (as below).

Recent Confirmed Sales

| Lot No. | Address | Area (sqm) | Lot Type | Sale Date | Sale Price |
|---------|------------------|------------|-----------|------------|------------|
| 29* | Callicoma Court | 926 | Standard | 12/08/2013 | \$145,000 |
| 34 | Callicoma Court | 1057 | Large Lot | 27/08/2013 | \$145,000 |
| 47 | Bolwarra Circuit | 544 | Standard | 3/09/2013 | \$170,000 |
| 7 | Plateau Drive | 632 | Standard | Reported | \$250,000 |
| 8 | Plateau Drive | 632 | Standard | Reported | \$250,000 |
| 9 | Plateau Drive | 640 | Duplex | Reported | \$250,000 |
| 12 | Plateau Drive | 616 | Standard | Reported | \$235,000 |
| 13 | Plateau Drive | 603 | Standard | Reported | \$230,000 |
| 15 | Plateau Drive | 683 | Standard | Reported | \$220,000 |
| 22 | Plateau Drive | 551 | Standard | Reported | \$165,000 |
| 40 | Bolwarra Circuit | 666 | Standard | Reported | \$210,000 |
| 38 | Bolwarra Circuit | 696 | Standard | Reported | \$180,000 |



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 20

3. Killarney Park Estate, Wollongbar

Description: Killarney Park Residential Estate is located on Plateau Dr which is a link road between Sneaths Rd and Rifle Range Road. This estate forms part of the Wollongbar Urban Expansion Area (WUEA) and is located on the north western fridge of Wollongbar. The estate has a total development yield of approximately 82 residential allotments with 75 single residential lots, 5 duplex lots and 2 medium density sites. Stage 1 has commenced consisting of 6 lots with 1 lot remaining. The next stages will be released upon the sale of the last remaining lot.

The Ballina Shire Council are currently offering rebates under the 'Land Buyers Subsidy Scheme' for low to middle income earners for lots within the estate. This is considered an advantage to the estate and has contributed to a high number of sales in 2013 (as below).

Recent Confirmed Sales

| Lot No. | Address | Area (sqm) | Lot Type | Sale Date | Sale Price |
|---------|------------|------------|----------|-----------|------------|
| 2 | Plateau Dr | 600 | Standard | 1/08/2013 | \$165,000 |
| 3 | Plateau Dr | 600 | Standard | 1/08/2013 | \$170,000 |
| 4 | Plateau Dr | 601 | Standard | U/C | \$170,000 |
| 1 | Plateau Dr | 800 | Duplex | U/C | \$235,000 |
| 6 | Plateau Dr | 616 | Standard | U/C | \$165,000 |

4. Spring Creek Place Estate, Wollongbar

Description: Spring Creek Place Estate is located approximately half way along Plateau Dr, with the land rising to the north from the lowest part of Plateau Dr. Plateau Dr is a link road between Sneaths Rd and Rifle Range Road. This estate forms part of the Wollongbar Urban Expansion Area (WUEA) and is located on the north western fridge of Wollongbar. The estate has a total development yield of 30 lots. All 30 lots have recently been released with asking prices ranging from \$175,000 to \$270,000 for lot sizes from 650 to 1,798 sqm. Each has frontage to nature reserves at the rear.

The Ballina Shire Council are currently offering rebates under the 'Land Buyers Subsidy Scheme' for low to middle income earners for lots within the estate. This is considered an advantage to the estate and has contributed to a high number of sales in 2013 (as below).

Recent Confirmed Sales

| Lot No. | Address | Area (sqm) | Lot Type | Sale Date | Sale Price |
|---------|-----------------|------------|----------|-----------|------------|
| 7 | Spring Creek Pl | 647 | Standard | 1/08/2013 | \$210,000 |
| 8 | Spring Creek Pl | 700 | Standard | 1/09/2013 | \$210,000 |
| 9 | Spring Creek Pl | 789 | Standard | 1/09/2013 | \$220,000 |



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 21

5. Rancher Court Estate, Wollongbar

Description:

This is a boutique estate which is located on the southern side of Rifle Range Rd. The estate is closer to the township of Wollongbar than newer estates located opposite the estate and to the north of Rifle Range Rd. The estate has frontage to Rifle Range Road and the rear southern boundary has frontage to Rancher Court, which is a cul-de-sac road extending to the boundary of the property.

The southern section of the property is currently being developed with 14 residential allotments (12 standard residential allotments and 2 duplex allotments) which are to be known as 'Rancher Court Estate'.

All of the proposed lots are of a regular shape with the exception of proposed Lots 6 to 9, which are located at the end of the cul de sac and therefore have an irregular road frontage. Proposed Lots 1 to 7 are located on the western side of the cul de sac and the land rises slightly above the road to the rear western boundary. Proposed Lots 8 to 14 are located on the eastern side of the cul de sac and the land is generally level at road height.

Local views are provided from the 14 lots being developed within the southern section of the property. Local and district views are generally to the south-east over the surrounding development and hills in the distance from the second level of the dwelling situated on the residue lot.

The asking prices for the lots range from \$225,000 to \$260,000 for lot sizes from 641 to 887 sqm. The estate does not benefit from the 'Land Buyers Subsidy Scheme'.

Recent Confirmed Sales

| Lot No. | Address | Area (sqm) | Lot Type | Sale Date | Sale Price |
|---------|------------|------------|----------|------------|------------|
| 1 | Rancher Ct | 722 | Standard | 19/02/2013 | \$240,000 |
| 9 | Rancher Ct | 821 | Duplex | U/C | *\$290,000 |
| 8 | Rancher Ct | 887 | Standard | U/C | \$260,000 |



6. Ballina Heights Estate, Cumbalum

Description:

The Ballina Heights residential estate is a large subdivision which is being developed to the north of the Ballina urban area, on an elevated ridge to the east of the Pacific Highway. The estate has a total development yield of 753 allotments over 16 stages, as well as sites for medium density development, a retirement village, a school and a village centre.

A total of 315 allotments have been developed to date in Stages 1 to 7b, and the estate has a further 438 allotments yet to be developed. The asking prices generally range from \$165,000 to \$240,000 for lots sizes from 600 to 1,100 sqm.

The Ballina Shire Council are currently offering rebates under the 'Land Buyers Subsidy Scheme' for low to middle income earners for lots within the estate. This is considered an advantage to the estate. The subsidy was introduced in July 2013 and there have since been 7 sales (contracts have not yet exchanged). The subsidy coincided with a new stage being released.

Recent Confirmed Sales

| Lot No. | Address | Area (sqm) | Lot Type | Sale Date | Sale Price |
|---------|-------------|------------|-----------|-----------|------------|
| 291 | Chilcott Ct | 1,014 | Large Lot | Mar-13 | \$165,000 |
| 299 | Hilander St | 916 | Standard | Mar-13 | \$200,000 |
| 307 | Kemp St | 799 | Standard | Mar-13 | \$250,000 |
| 310 | Kemp St | 882 | Standard | Mar-13 | \$260,000 |
| 283 | Kemp St | 751 | Standard | Jun-13 | \$175,000 |
| 293 | Chilcott Ct | 888 | Standard | Reported | \$155,000 |
| 332 | Cullen Ct | 1101 | Large Lot | Reported | \$175,000 |
| 333 | Cullen Ct | 882 | Standard | Reported | \$175,000 |
| 334 | Cullen Ct | 778 | Standard | Reported | \$177,500 |
| 338 | Cullen Ct | 675 | Standard | Reported | \$195,000 |
| 344 | Cullen Ct | 604 | Standard | Reported | \$225,000 |
| 346 | Cullen Ct | 601 | Standard | Reported | \$230,000 |
| 350 | Cullen Ct | 910 | Duplex | Reported | \$250,000 |
| 335 | Cullen Ct | 729 | Standard | Reported | \$180,000 |
| 336 | Cullen Ct | 677 | Standard | Reported | \$180,000 |
| 337 | Cullen Ct | 671 | Standard | Reported | \$190,000 |
| 339 | Cullen Ct | 616 | Standard | Reported | \$197,500 |
| 342 | Cullen Ct | 601 | Standard | Reported | \$217,500 |
| 345 | Cullen Ct | 611 | Standard | Reported | \$230,000 |



7. Mount Pleasant Estate, Goonellabah

Description: The partially completed average quality Mount Pleasant estate is located off Dudley Drive, in Goonellabah.

Stages 1 and 2 of the estate have been developed and sold.

Stage 3 of the multi-stage subdivision comprises of 10 allotments ranging in size from 739 to 1,034 square metres. There is only 1 lot remaining unsold in Stage 3. Stage 4 has recently commenced and comprises 3 developed allotments to date. Stage 5 is currently on hold until the remaining 3 lots are sold (estimated to resume next year).

Asking prices generally range from \$120,000 to \$180,000 for lots sizes from 780 - 1,000 square metres. The estate does not benefit by the Wollongbar Urban Expansion Area Land Buyers Subsidy Scheme.

The rate of sale over the 2013 year equates to 0.5 allotments per month.

Recent Confirmed Sales

| Lot No. | Address | Area (sqm) | Lot Type | Sale Date | Sale Price |
|---------|------------|------------|-----------|------------|------------|
| 62 | Just St | 1,034 | Large Lot | 24/01/2013 | \$183,000 |
| 40 | 35 Just St | 816 | Standard | 26/02/2013 | \$127,500 |
| 45 | Just St | 781 | Standard | 2/05/2013 | \$133,000 |
| 70 | Just St | 775 | Standard | U/C | \$129,000 |

8. Olley Estate, Goonellabah

Description: The good quality Olley estate is located off Dudley Drive, in Goonellabah.

The estate has sold out a number of stages and there are only 3 lots remaining unsold. The asking prices range from \$185,000 - \$215,000 for lot sizes from 680 - 1,000 square metres.

The rate of sale over the 2013 year equates to 0.4 allotments per month.

Recent Confirmed Sales

| Lot No. | Address | Area (sqm) | Lot Type | Sale Date | Sale Price |
|---------|-------------|------------|----------|-----------|------------|
| 357 | Clare St | 1,280 | Standard | 4/06/2013 | \$120,000 |
| 349 | 28 Clare St | 1,280 | Standard | U/C | \$200,000 |
| 324 | Clare St | 735 | Standard | U/C | \$173,000 |



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 24

9. Waterford Park Estate, Goonellabah

Description: The partially completed Waterford Park estate is located on the southern side of Oliver Avenue, in Goonellabah.

A total of 350 lots are proposed for the 40 hectare estate, which will be a good quality subdivision. Some of the lots provided views of the Nightcap Ranges.

Stage 1 and 2 are fully sold. Stage 3 has one remaining unsold lot of 748 square metres with an asking price of \$164,750. The current release is Stage 4 which includes 24 standard lots. There are only 4 lots remaining unsold with asking prices ranging from \$170,000 to \$180,000 for lot sizes from 600 – 932 square metres.

The rate of sale over the 2012 year equated to 1.9 allotments per month.

Recent Confirmed Sales

| Lot No. | Address | Area (sqm) | Lot Type | Sale Date | Sale Price |
|---------|--------------|------------|----------|-----------|------------|
| 73 | Doyle Pl | 745 | Standard | 2012 | \$185,000 |
| 74 | Doyle Pl | 616 | Standard | 2012 | \$159,000 |
| 75 | Doyle Pl | 616 | Standard | 2012 | \$159,000 |
| 76 | Doyle Pl | 616 | Standard | 2012 | \$164,000 |
| 77 | Doyle Pl | 619 | Standard | 2012 | \$175,000 |
| 62 | O'Mahoney Dr | 860 | Standard | U/C | \$205,000 |

* Denotes sale subject to the Wollongbar Urban Expansion Area Land Buyers Subsidy Scheme.

The sales evidence detailed within the Avalon Estate are considered to be the most relevant in terms of assessing the gross realisation of the subject allotments. The Avalon estate allotments are of a smaller land area, however, the topography is level and superior. The sales within the Killarney Park estate indicated the lower value tolerance for the subject lots. The Spring Creek Place sales evidence provides a good indication of value for proposed lots 7 to 13. The Wollongbar Park estate sales evidence is also considered to provide an overall guide to value. The Goonellabah estates sales evidence provide a guide to lower tolerances.



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 25

7.6 Assessment – Residential Allotments

Based on the available sales evidence, we have assessed the gross realisation from the individual sale of the proposed residential allotments, inclusive of GST, as follows:

| Lot | Land Area (sqm) | Market Value |
|---|-----------------|--------------------|
| 1 | 861 | \$190,000 |
| 2 | 817 | \$185,000 |
| 3 | 809 | \$185,000 |
| 4 | 780 | \$180,000 |
| 5 | 1458 | \$245,000 |
| 6 | 837 | \$180,000 |
| 7 | 775 | \$190,000 |
| 8 | 680 | \$220,000 |
| 9 | 666 | \$220,000 |
| 10 | 626 | \$220,000 |
| 11 | 627 | \$220,000 |
| 12 | 650 | \$220,000 |
| 13 | 890 | \$220,000 |
| 14 | 879 | \$185,000 |
| 15 | 795 | \$180,000 |
| Total Gross Realisation - Inclusive of GST | | \$3,040,000 |

7.7 Comments on Assessment

It should be noted that our indicative gross realisation assessment of the developed allotments are subject to the issue of individual titles.

It should be noted that our indicative assessments are gross realisations and they do not include an allowance for selling costs, including:

- Agents' commission
- Legal fees
- Advertising and promotion.

Our assessments are in current dollar terms. The gross realisation reflects our view of the market conditions existing as at the date of this report and it does not purport to predict the market conditions and value of the lots at the actual completion date of each stage of the subdivision.

Our indicative assessments are based on the assumption that the estate is professionally marketed and promoted with an adequate promotional budget and an orderly marketing campaign.

Our indicative assessments are based on individual sale and do not reflect the value of the lots if they were sold "in one line".



8 SITE ASSESSMENT AND PROFITABILITY ANALYSIS

8.1 Introduction.

In assessing the current market value of the subject property, we have undertaken both a direct comparison approach based on comparable sales evidence, as well as a feasibility analysis. Our primary methods of assessment are:

- Feasibility Analysis
- Direct comparison (Secondary Check Method)

Our assessment of the subject land using these two assessment methodologies is discussed in the following sections of this report. Our principal assessment of current market value herein assumes an effective marketing campaign of up to 6 months.

8.2 Development Site Market Overview

The subject property is situated the Wollongbar Urban Expansion Area on the northern fringe of the North Coast township of Wollongbar. Wollongbar is located to the east of the Lismore and Goonellabah urban area and within close proximity to the village of Alstonville. The Wollongbar Urban Expansion Area has been a recent a growth corridor which has resulted in the development of various residential estates within the WUEA.

The market for residential englobo land on the North Coast of New South Wales has softened considerably since the peak of the real estate market in late 2007.

The residential land market is currently very soft, with poor consumer confidence resulting in poor demand for vacant lots and it has been adversely affected by the competitive pricing of a number of established estates.

The reduced demand, softer sale rates and lower sale prices for vacant allotments over the past five years, combined with the difficult economic environment, has significantly affected the demand for englobo development land (and consequently englobo land values).

Furthermore, the tightening of bank lending policies, and the reduced availability of credit, has also significantly limited the availability of finance for the acquisition of this type of englobo site, which in turn has seen the number of buyers in the market place reduced considerably. The NSW North Coast market for development sites and englobo parcels has also been affected by the withdrawal of the local Managed Investment Funds, who have historically been the main provider of funding for North Coast developments.

Developers are proving to be very cautious in their approach to new acquisitions, ensuring that development land is purchased at an appropriate price to facilitate a viable development and they are having significant regard to development timeframes and the holding costs associated with an englobo parcel.

Against this background, recent sale prices for englobo parcels have reflected considerable discounts on those prices which were paid for similar land holdings in peak market conditions.

There is one recent sale within Wollongbar which is considered to be similar in terms of location, topography and development yield. Apart from this one sale, there are no other recent sales of englobo parcels that we are aware of in the North Coast which are considered to be directly comparable to the subject property in terms of close proximity within the township of Wollongbar, similar topography, land area or development yield.

8.3 Sales Evidence

We have examined market activity within the locality and also searched the records of the Land and Property Information for details of comparable sales. We have inspected all readily accessible parts of the sales evidence.



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 27

4.2 Residential Land Development - Wollongbar

The more relevant sales are summarised in the following schedule.

| No/Address | Sale Date | Sale Price | Land Area (Hectares) | Rate \$/Lot |
|--|------------|-------------|----------------------|-------------|
| 1. 66 Rifle Range Rd, Wollongbar | 21/10/2011 | \$1,275,000 | 2.02 | \$37,500 |
| <p>Comments: A slightly irregular shaped internal allotment which is level at road height and falls slightly to the rear southern boundary. The englobo site has a land area of 2.02 hectares. The property's northern boundary has frontage to Rifle Range Road and the rear southern boundary has frontage to Rancher Court, which is a cul-de-sac road extending to the boundary of the property.</p> <p>The property is currently improved with a large, two storey, semi modern style dwelling of bagged brick and tile construction which was built in 1973. The dwelling comprises 4 bedrooms, 3 bathrooms, 2 living areas and a double garage. Living area 314sqm; garage 50sqm; patios 26sqm. The dwelling is generally in its original condition with some refurbishments undertaken in recent times. The land is also improved with good quality landscaping surrounding the dwelling, a garden shed and a large metal clad machinery shed. The rear southern section of the property was previously utilised as a nursery and various irrigation lines and several concrete slab areas remain.</p> <p>The site is zoned 2(v) Village Area under the current Ballina Shire Council Local Environmental Plan and is designated P1 - Planned Urban Development under the current Development Control Plan. The land is also to be zoned R3 Medium Density Residential Zone in the draft LEP. Based upon the Wollongbar Urban Expansion Area DCP, the property is suitable for a notional development of up to 23 dwellings. The site was purchased without a DA for subdivision. Since the sale, the site has received DA approval for 14 lots and a residual lot of 8,269 sqm. The residual lot can potentially be subdivided into a further 8 lots. At the time of sale, the value of the residual lot including the dwelling and ancillary improvements was \$750,000. The developable land analyses to \$525,000 or \$37,500 per lot based on the DA approval for 14 lots. The sale price analyses to a premium of 27.5% for future redevelopment potential over and above the residential only value (\$1,000,000). The sale price is exclusive of GST.</p> | | | | |
| <p>Comparison: Similar location. Similar site attributes. Smaller land area. Similar development yield. Superior quality building improvements. Overall the subject property would be expected to reflect a similar rate per site and a lower quantum value.</p> | | | | |
| 2. 79C Fischer St, Goonellabah | 01/11/2012 | \$325,000 | 15.86 | \$10,484 |
| <p>Comments: ADVISED UNDER CONTRACT - SUBJECT TO CONFIRMATION - This is a gently to moderately to steeply sloping, irregular shaped site. Views are provided to the south and west over the surrounding development. The site is difficult to develop and geotechnical/engineering studies could uncover problems that are not obvious. The property is contained within a Residential & Rural town planning precinct (Lot 3 DP883865 is zoned residential and comprises 12.7ha, the remainder lots are zoned rural). The property has a road frontage to Fischer St. There is a powerline easement that bisects the property near the northern boundary.</p> <p>The property received DA approval in 2004 for the subdivision of 31 lots and a residual lot over 5 stages. Civil works have commenced for stage 1, with the cost of works expended to date advised to be ranging from \$200,000 to \$500,000.</p> <p>The property is adjoined by rural residential dwellings, and vacant land recently purchased by Woolworths for development.</p> <p>The property was reportedly purchased by a builder who plans to construct a single dwelling, and retain the balance land as a holding proposition until development becomes more viable. Sale price is \$357,500 including GST. Sold mortgagee in possession.</p> | | | | |
| <p>Comparison: Inferior location. Inferior site attributes. Larger land area. Similar town planning classification. Superior development yield. Overall the subject property would be expected to reflect a higher rate per lot and a higher quantum value.</p> | | | | |
| 3. 1 Millar St, Lismore | 08/11/2012 | \$205,000 | 8,700 | \$34,167 |
| <p>Comments: This is an inside site that is below road height. The land falls from the road frontage and is moderately to partly steeply undulating. The land is zoned "2(a) Residential" and is has an approval for a 6 lot community title subdivision with 1 community lot. The site provides a reasonable building contour without significant adverse features. Elevated mountain and valley views are provided from the land. The property has a single road frontage to Millar St. Approximately \$200,000 has been spent developing the property to date with works including drainage, lots cut and retaining wall in place. Sale price excludes GST. Sold mortgagee in possession. Land Area 8700 sqm.</p> | | | | |
| <p>Comparison: Inferior location. Inferior site attributes. Smaller land area. Inferior development yield. Overall the subject property would be expected to reflect a similar to slightly higher rate per lot and a higher quantum value.</p> | | | | |



4.2 Residential Land Development - Wollongbar

| No | Address | Sale Date | Sale Price | Land Area (Hectares) | Rate \$/Lot |
|--------------------|---|------------|-------------|----------------------|-------------|
| 4. | Lot 4 Loaders La, Coffs Harbour | 01/09/2011 | \$1,625,000 | 3.25 | \$35,870 |
| Comments: | Sale price excludes GST. Comprises a vacant, rectangular shaped corner site that is generally level at road height and throughout. The site is low lying and may be prone to flooding. The site is contained within the 2(a) Residential Low Density Zone of the Coffs Harbour City Council LEP. The property has an extended corner road frontage to Loaders La. The property sold conditional on DA consent to subdivide into 46 lots with consent conditions suitable to purchaser. The land is low lying and fill costs are reported to be in the order of \$200,000 (\$4,348/lot), Council contribution fees are \$25,646.38/lot (\$1,179,733). The sale price analyses to \$35,326/lot (unfilled) or \$39,674/lot (if filled). Market conditions have eased since date of sale. | | | | |
| Comparison: | Broad indicator outside the local area. Superior location. Similar site attributes. Similar land area. Superior development yield. Overall the subject property would be expected to reflect a similar rate per lot and a lower quantum value. | | | | |
| 5. | Riveroaks, Off Pacific Hwy, Ballina | 01/05/2013 | \$1,050,000 | 10.9 | \$11,290 |
| Comments: | <p>Advised under contract - subject to confirmation. Sold mortgagee in possession. The subject property comprises the englobo site for the proposed 'Riveroaks Estate'. The land has an area of 10.9 hectares. The englobo parcel consists of level, low lying flood prone land which is bounded by a road and North Creek Canal to the east, Tamarind Dr to the north and the developing 'Ferngrove Estate' to the west. The englobo parcel has been mostly cleared and includes a small section of remnant vegetated creek land located within the north eastern section of the property.</p> <p>The subject property is zoned 2(a) Living Area and part 7(a) Environmental Protection under the current Ballina Local Environmental Plan (LEP) 1987. The land is scheduled to be zoned R3 Medium Density Residential and part E2 Environmental Conservation under the Draft Ballina Local Environmental Plan 2010.</p> <p>The property originally received Development Approval for an urban subdivision consisting of 88 residential allotments and an environmental conservation area on 16 June 2003 under Development Application No 2002/566, subject to conditions.</p> <p>The Approval was in association with the adjoining property to the west now owned by Rayshield Pty Ltd (Rayshield) and partly developed with the 'Ferngrove' estate. The Ferngrove estate also obtained a Part 3A approval to develop the residential component of the estate concurrently with the approval granted under DA 2002/566 for infrastructure required by both the 'Riveroaks' and 'Ferngrove' development areas. Development works undertaken by Rayshield effectively activated DA 2002/566 such that this application is still current.</p> <p>In June 2008 a Section 96 Application to modify consent was lodged and subsequently approved in respect of the terms of consent conditions relating to the relocation of overhead transmission lines to underground mains. Also in 2008 a Section 96 Application to modify consent was lodged and subsequently approved in February 2009 for changes to areas and locations for compensatory works being carried out by Rayshield under DA 2002/566.</p> <p>In 2009, a Section 96 Application to modify consent was lodged and subsequently approved in December 2009 for changes to the development layout under the Riveroaks area. Based on the approved plan, the 'Riveroaks' subdivision is to comprise 93 lots (92 residential allotments and a 5 unit development site). Property sold with purchaser intending to sit on the property until development becomes viable. Sale price reflective of current depressed market conditions and the influence of a developed residential estate adjoining the property with a significant number of unsold lots remaining.</p> | | | | |
| Comparison: | Superior location. Superior position. Larger land area. Superior development yield. Overall the subject property would be expected to reflect a far higher rate per site due to the high cost of fill and a lower quantum value. | | | | |
| 6. | Lot 2 & 3 Hogues La, Maclean | 04/04/2013 | \$590,000 | 13.747 | \$5,960 |
| Comments: | <p>The property is an irregular shaped, near level, inside lot, with a suitable building site which is naturally contoured and positioned at road level. The majority of the lot is cleared with a section of established bushland situated within the rear southern section of the property. The property has frontage to bushland to the south.</p> <p>The property is located within the eastern fringe of the North Coast Township of Maclean. The property is zoned R3 Medium Density under the Clarence Valley LEP 2011. Investigations reveal that the property forms part of an englobo residential subdivision site which currently has a DA for a 99 lot subdivision.</p> | | | | |
| Comparison: | Broad indicator outside the local area. Inferior location. Similar position. Larger land area. Superior development yield. Overall the subject property would be expected to reflect a higher rate per site due to the high cost of fill and a similar quantum value. | | | | |



8.4 Sales Commentary and Conclusion

Based on the direct comparison approach to assessment, we have assessed the current market value of the subject englobo parcel, exclusive of GST, as follows:

| Basis of Assessment | No. of Lots | \$/Lot | Total Value (Rounded) | Total Value (Rounded) |
|----------------------|-------------|----------|-----------------------|-----------------------|
| Lower Range of Value | 15 | \$32,500 | \$487,500 | \$490,000 |
| Upper Range of Value | 15 | \$37,500 | \$562,500 | \$560,000 |
| Adopt | | | \$525,000 | \$525,000 |

8.5 Hypothetical Development Method

In undertaking our current market assessment of the subject development site 'as is', we have prepared a cash flow model, a copy of which is annexed to this report (Annexure 5).

The following parameters have been adopted in our cash flow model:

| | |
|------------------------------|--|
| Gross Realisation: | \$3,040,000 |
| Rate of Sale: | Approx 2 lots per month |
| Development Costs: | Refer to Section 6 |
| Marketing Costs: | |
| - Commission and Legal Costs | 4.4% of gross realisation (inclusive of GST) |
| - Advertising and Promotion | \$1,500 per residential lot |
| Rates and Taxes: | Total of \$14,834 |
| Interest Rate: | 7.00% per annum |

In a development of this size and nature, extending for a total period of under 3 years, we consider the most appropriate investment parameter to establish the value of the subject land is the Development Margin (DM) after interest. We have also referred to the Internal Rate of Return (IRR) after interest as a secondary check for investment parameters.

Having regard to the subject development proposal, we consider that a purchaser of the englobo parcel would require a DM after interest in the order 15% to 20%.

Based on our assessed indicative gross realisations, the advised development costs and the other development parameters of the proposed estate, the adopted englobo land value of \$577,500 (inclusive of GST) utilising the direct comparison approach reflects an DM of 16.7% after interest charges and an IRR of 22.3% after interest charges.



4.2 Residential Land Development - Wollongbar

The more significant results in the cash flow model are summarised as follows:

| | |
|---|--------------|
| Gross Realisation (Inclusive of GST) | \$3,040,000 |
| Selling Costs (Inclusive of GST) | -\$133,760 |
| GST Payable on Sales | -\$147,394 |
| Net Realisation | \$2,771,006 |
| Development Costs (Excluding GST) | \$1,720,174 |
| GST Payable on Costs | \$123,875 |
| Adopted Land Value (Inclusive of GST) | \$577,500 |
| Development Profit (After Interest) | \$395,800 |
| Interest | -\$106,932 |
| Payback Period (Quarters) | 16 |
| Maximum Exposure | -\$2,317,367 |
| Development Margin (Before Interest) | 22.2% |
| Development Margin (After Interest) | 16.7% |
| Internal Rate of Return (Before Interest) | 28.4% |
| Internal Rate of Return (After Interest) | 22.3% |

Our assessment of the subject property using the hypothetical cash flow approach is inclusive of GST.

We have assessed the GST liability on our site assessment on a fully taxable supply basis. Against this background, the GST payable is reflective of the full 1/1.1th of the assessed site assessment including GST.

Against this rationale, the GST payable on our assessment would be \$52,500. Therefore, our assessment of the subject land, exclusive of GST, using the Hypothetical Cash Flow Analysis would be \$525,000.

"Our assessment of the site has, in part, been assessed using a discounted cash flow model. Our cash flow model has been prepared for assessment purposes only. We have adopted certain cash flow projections/forecasts based upon our reasonable investigations and enquiries that include forecasts of estimated future operating characteristics/income. These forecasts have been based on the information and assumptions referred to in our assessment report and where information has been provided by others, we have indicated who has provided that information although we do not adopt or verify the reliability, correctness or completeness of that information, although such information has been accepted as a basis of assumption for the assessment.

The achievement and/or sustainability of financial projections will, by their very nature, be affected by a variety of fluctuating economic and property market conditions of the type that are not necessarily capable of being known or predicted at this or any given time. Therefore, dependent upon other future occurrences that cannot be foreseen, the actual results/value may vary considerably from the value contained herein.

Accordingly, whilst all reasonably ascertainable attempts have been made to verify the likelihood of such forecasts/projections being achieved and/or sustained and subject to our comments above, the valuer does not warrant nor assume responsibility for the ultimate correctness of those projections given the possibility of unforeseen events effecting such projections/forecasts. Therefore, to that extent this assessment must be qualified and read within the context of these warnings and assumptions".



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
NNC082537

Page 31

8.6 Sales and Settlement Rate

In assessing the appropriate sales rate for the subject property we have looked at the sales rate of competing developments in the area. We have also considered whether the sales rate was limited by the supply.

| Estate | Rate of Sale | | | |
|-----------------------------------|--------------|------|------|----------|
| | 2010 | 2011 | 2012 | 2013 YTD |
| Avalon Estate | 1.9 | 0.5 | 0.3 | 1.2 |
| Wollongbar Park Estate | *N/A | 0.3 | 0.8 | 3.2 |
| Killarney Park Residential Estate | *N/A | *N/A | *N/A | 0.8 |
| Spring Creek Estate | *N/A | *N/A | *N/A | 1.2 |
| Rancher Court Estate | *N/A | *N/A | *N/A | 0.7 |
| Ballina Heights Estate | 2.1 | 1.3 | 1.3 | 2.2 |

Based on the current market conditions, the adopted value level, statistical data, and quantity of stock in the market place we consider an appropriate sales rate at 2 lots per month to be appropriate. The adopted rate is less than that currently being achieved within the Wollongbar Park Estate due to this estate having residential product with a lower price bracket. The adopted sale rate is higher than that being achieved within the Avalon estate due to the lower asking price and larger land size which would have greater appeal to the market place.

8.7 Feasibility Analysis

As per our instructions, we are to undertake a feasibility/profitability analysis based upon development time frames provided and anticipated selling periods. In undertaking our feasibility assessment of the subject development, we have prepared a cash flow model, a copy of which is annexed to this report (Annexure 6).

8.7.1 Profit As A Percentage of Cost

This measure is the difference between the net achievable revenue from a project less all costs, expressed as a percentage of the total land, development and holding costs. It is the principal measure used for comparison on smaller or shorter term projects and can be expressed on a before interest or an after interest basis. For the purposes of this assessment, our principal measure is the after interest profit margin.

Our principal assumptions for this feasibility assessment are as follows:

| | |
|------------------------------|---|
| Site Purchase Price | \$1 |
| Gross Realisation: | \$3,040,000 |
| Rate of Sale: | Approx 2 lots per month |
| Development Costs: | Refer to Section 6 |
| Marketing Costs: | |
| - Commission and Legal Costs | 4.4% of gross realisation (inclusive of GST) |
| - Advertising and Promotion | \$1,500 per residential lot |
| Rates and Taxes: | Total of \$14,834 |
| Interest Rate: | 7.00% per annum |
| GST Assumption | Fully Taxed Supply |

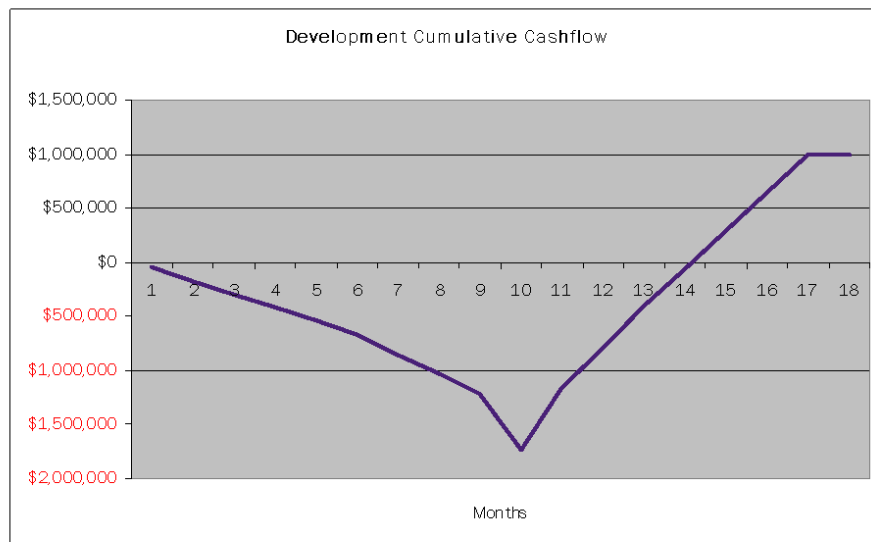


8.7.2 Feasibility Conclusions

The more significant results in the feasibility analyses are summarised as follows:

| | |
|---|--------------|
| Gross Realisation (Inclusive of GST) | \$3,040,000 |
| Selling Costs (Inclusive of GST) | -\$133,760 |
| GST Payable on Sales | -\$147,394 |
| Net Realisation | \$2,771,006 |
| Development Costs (Excluding GST) | \$1,720,174 |
| GST Payable on Costs | \$123,875 |
| Adopted Land Value (Inclusive of GST) | \$1 |
| Development Profit (After Interest) | \$996,009 |
| Interest | 7.00% |
| Payback Period (Quarters) | 15 |
| Maximum Exposure | -\$1,736,106 |
| Development Margin (Before Interest) | 61.1% |
| Development Margin (After Interest) | 56.1% |
| Internal Rate of Return (Before Interest) | 86.5% |
| Internal Rate of Return (After Interest) | 81.7% |

Based on the advised development period and the anticipated selling periods, the total timeframe for the development will be 18 months. The cumulative cash flow over the total development period is indicated in the following graph:



9 ASSESSMENT

Subject to the assumptions and qualifications contained within the body of this report, the Valuer has assessed the market value of the subject property (exclusive of GST) and feasibility analysis at:-

| Basis of Assessment | Valuation | |
|--|------------------|------------------|
| | Inclusive of GST | Exclusive of GST |
| Current Market Value | | |
| Site Value 'As Is' | \$577,500 | \$525,000 |
| Gross Realisation – Stage 1 'As If Complete' | \$3,040,000 | \$2,763,636 |
| Feasibility Assessment Summary | | |
| | Total | \$/lot |
| Number of Proposed Lots: | 15 | |
| Adopted Sales Rate: | Per Month | 2 |
| Assessed Gross Realisations: | \$3,040,000 | \$202,667 |
| Assessed Net Realisations: | \$2,771,006 | \$184,734 |
| Total Cost (incl advertising, promotion and holding costs) | \$1,720,175 | \$114,678 |
| Interest: | (\$54,822) | |
| Total Profit: | \$996,009 | \$66,401 |
| DM (Before Interest) | 61.1% | |
| DM (After Interest): | 56.1% | |



David Sullivan
 Director
 CPV / AAPI
 QLD 2250 / NSW 4052

This assessment is for the use only of Ballina Shire Council to whom it is addressed and for no other purpose. No responsibility is extended to any third party who may use or rely on the whole or any part of the content of this assessment. No responsibility will be accepted for photocopied signatures.



Part of Lot 5 Plateau Dr Wollongbar NSW 2477
 NNC082537

10 DISCLAIMERS

Please note that all specific disclaimers are indicated in italics within the relevant sections of the report.

| | |
|--|---|
| Limited Liability | Liability limited by a scheme approved under professional standards legislation. This scheme does not apply in Tasmania. |
| Encroachments | There do not appear to be any encroachments, however, we are not surveyors and no warranty can be given without the benefit of an identification survey. |
| Land Not Affected | To the best of the valuer's knowledge, the land is not affected by unstable, hazardous or toxic soil material, pest infestation or resumption matters however, no searches have been undertaken in this regard. This assessment assumes that there are no problems, however, should any such issues arise, then this matter should be referred to the valuer for further comment |
| Excluded Searches | The following searches have not been undertaken: Flood, Land Survey Plan, Heritage, Contaminated Land Search and Environmental Management Register. Our assessment assumes such searches would identify no issues that may affect the value and/or liquidity of the property. Should any person relying on the contents of this report be aware or become aware of an issue that may affect value and/or liquidity then the searches should be referred to the valuer for comment. |
| Cashflow Projections | <p>We have adopted certain cash flow projections/forecasts based upon our reasonable investigations and enquiries that include forecasts of estimated future operating characteristics/income. These forecasts have been based on the information and assumptions referred to in our assessment report and where information has been provided by others, we have indicated who has provided that information although we do not adopt or verify the reliability, correctness or completeness of that information, although such information has been accepted as a basis of assumption for the assessment.</p> <p>The achievement and/or sustainability of financial projections will, by their very nature, be affected by a variety of fluctuating economic and property market conditions of the type that are not necessarily capable of being known or predicted at this or any given time. Therefore, dependent upon other future occurrences that cannot be foreseen, the actual results/value may vary considerably from the value contained herein.</p> |
| No Pecuniary Interest | The valuer has no pecuniary interest in the subject property either past, present or prospective at the date of preparing this report and the opinion expressed is free of any bias in this regard. |
| Not to be reproduced without permission | Neither the whole nor any part of this assessment or any reference thereto may be included in any published documents, circular or statement, nor published in part or full in any way, without written approval of the form and context in which it may appear. |
| Market Movement | This assessment is current as at the date of assessment 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 assessment is relied upon after the expiration of 90 days from the date of the assessment, or such earlier date if you become aware of any factors that have any effect on the assessment. However, it should be recognised that the 90 day reliance period does not guarantee the value for that period; it always remains a assessment at the date of assessment only. |



Annexure 1 Title Search



Order number: 13350425
 Your Reference: 82437
 16/09/13 09:03

LAND AND PROPERTY INFORMATION NEW SOUTH WALES TITLE SEARCH

FOLIO: 6/1161720

| SEARCH DATE | TIME | EDITION NO | DATE |
|-------------|---------|------------|-----------|
| 16/9/2013 | 9:03 AM | 1 | 16/9/2011 |

LAND

LOT 5 IN DEPOSITED PLAN 1161720
 AT WOLLONGBAR
 LOCAL GOVERNMENT AREA BALLINA
 PARISH OF TUCKERBELL COUNTY OF ROUS
 TITLE DIAGRAM D1161720

FIRST SCHEDULE

BALLINA SHIRE COUNCIL

SECOND SCHEDULE (1 NOTIFICATION)

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

NOTATIONS

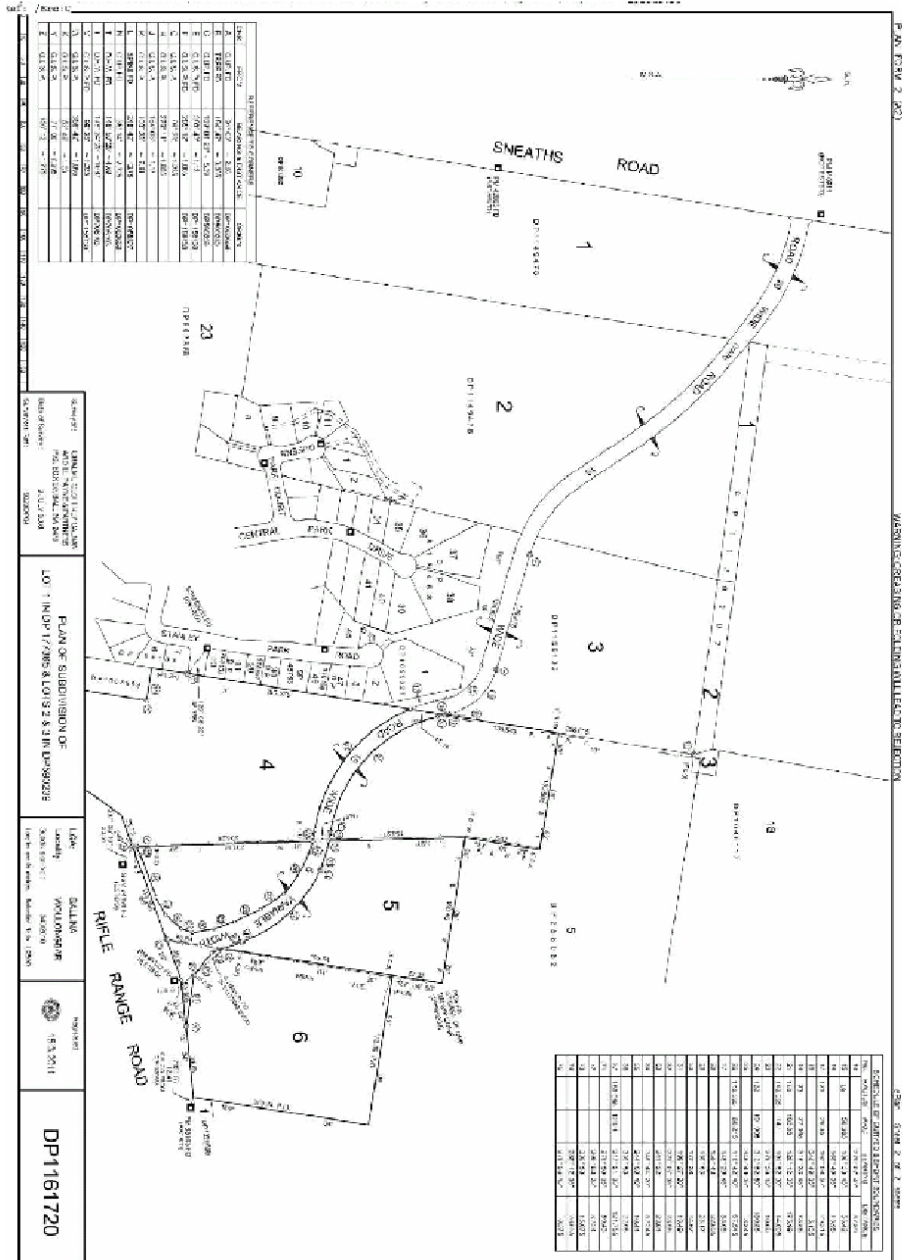
UNREGISTERED DEALINGS: NIL

*** END OF SEARCH ***

PRINTED ON 16/9/2013

* 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 verified and is not to be relied upon.
 © State of New South Wales through Land and Property Information (2013)
 SAI Global Property Division an approved NSW Information Broker hereby certifies that the information contained in this document has been provided electronically by the Registrar General in accordance with section 66(4)(2) of the Real Property Act 1900


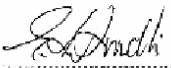


4.2 Residential Land Development - Wollongbar



Req:R233889 /Doc:DP 1161720 P /Rev:16-Mar-2011 /Sts:SC.OK /Prt:16-Sep-201
 Be69:03rppgs:ALL /Seq:3 of 4

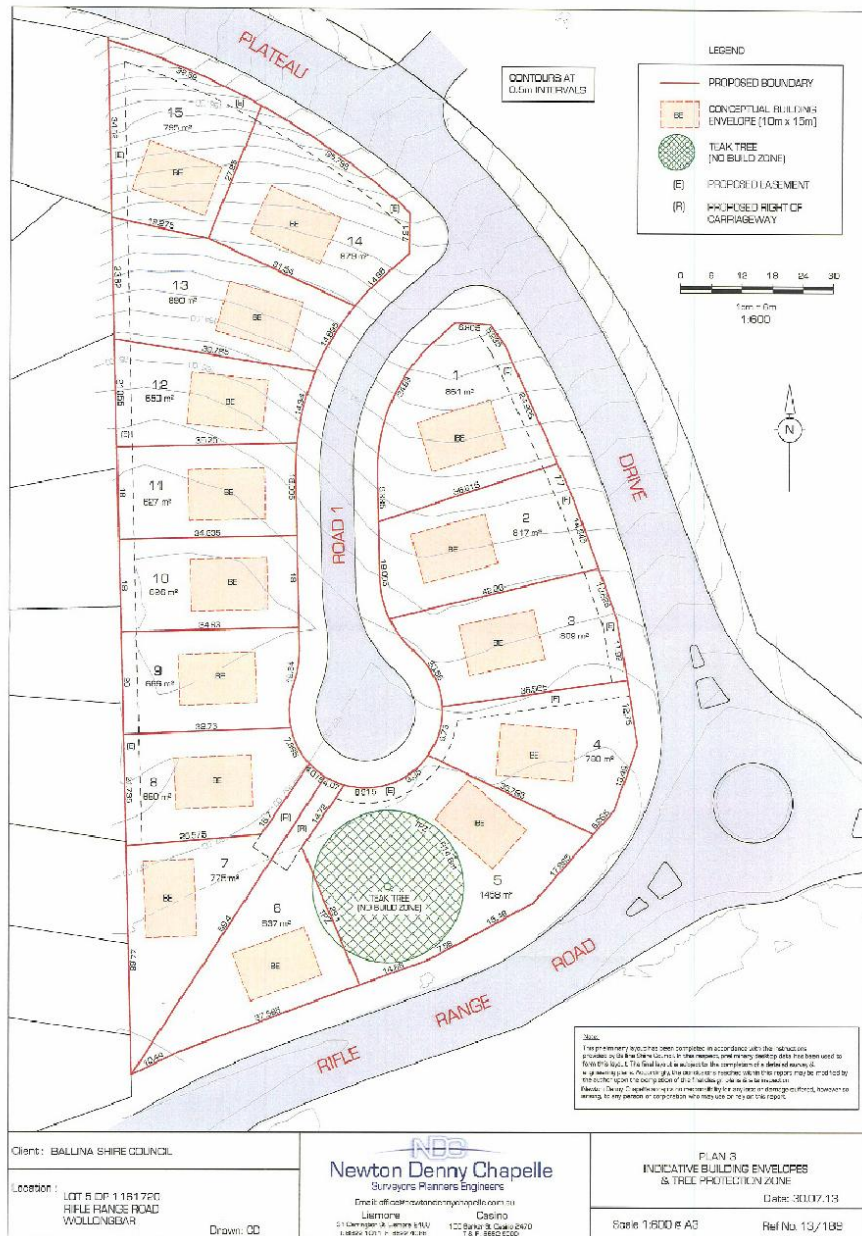
| DEPOSITED PLAN ADMINISTRATION SHEET | | Sheet 1 of 2 sheet(s) | | | | | | | | | | | | | | | | | | | | | |
|---|---|-----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--|--|
| <p>SIGNATURES, SEALS and STATEMENTS of intention to dedicate public roads, to create public reserves, drainage reserves, easements, restrictions on the use of land or positive covenants.</p> <p style="text-align: center;">IT IS INTENDED TO DEDICATE TO THE PUBLIC THE ROAD 18 WIDE & VARIABLE WIDTH AS PUBLIC AS ROAD</p> <p style="text-align: center;">THE COMMON SEAL OF THE BALLINA SHIRE COUNCIL WAS HEREUNTO AFFIXED PURSUANT TO A RESOLUTION OF THE COUNCIL</p> <p style="text-align: center;"><i>[Signature]</i> GENERAL MANAGER</p> <p style="text-align: center;"><i>[Signature]</i> MAYOR</p> <p style="text-align: center;">Use PLAN FORM 6A for additional certificates, signatures, seals and statements</p> | <p style="text-align: center; font-size: 24pt;">DP1161720</p> <p>Registered: 15.3.2011</p> <p>Title System: TORRENS</p> <p>Purpose: SUBDIVISION</p> <p style="text-align: center;">PLAN OF SUBDIVISION OF LOT 1 IN DP 177365 & LOTS 2 & 3 IN DP590239</p> <p>LGA: BALLINA</p> <p>Locality: WOLLONGBAR</p> <p>Parish: TUCKOMBIL</p> <p>County: ROUS</p> | * OFFICE USE ONLY | | | | | | | | | | | | | | | | | | | | | |
| <p>Crown Lands NSW/Western Lands Office Approval</p> <p>I, in approving this plan certify (Authorised Officer) that all necessary approvals in regard to the allocation of the land shown herein have been given.</p> <p>Signature:</p> <p>Date:</p> <p>File Number:</p> <p>Office:</p> | <p>Surveying & Spatial Information Regulation, 2008</p> <p>I, GRAEME GEOFFREY CALNAN of ARDILL PAYNE & PARTNERS P.O. BOX 20 BALLINA, NSW 2478 a surveyor registered under the Surveying & Spatial Information Act, 2002, certify that the survey represented in this plan is accurate, has been made in accordance with the Surveying & Spatial Information Regulation, 2008 and was completed on 9 JULY 2008</p> <p>The survey relates to LOTS 4 & 5 PART 6 & ROAD (specify the land actually surveyed or specify any land shown in the plan that is not the subject of the survey)</p> <p>Signature: <i>[Signature]</i> Dated: 12/5/2010 <small>(Surveyor registered under the Surveying & Spatial Information Act, 2002)</small></p> <p>Datum Used: PM85143 - PM42065</p> <p>Type: Rural</p> | | | | | | | | | | | | | | | | | | | | | | |
| <p style="text-align: center;">Subdivision Certificate</p> <p>I certify that the provisions of s.163U of the Environmental Planning and Assessment Act 1979 have been satisfied in relation to:</p> <p>the proposed NEW ROAD set out herein (insert 'subdivision' or 'new road')</p> <p style="text-align: center;"><i>[Signature]</i> R. R. WILLIAMS * Authorised Person/General Manager/Executed Certifier</p> <p>Consent Authority: BALLINA SHIRE COUNCIL</p> <p>Date of Enforcement: 23 November 2010</p> <p>Accreditation no.:</p> <p>Subdivision Certificate no.: DA 2006/198</p> <p>File no.: DA 2006/198</p> <p><small>* Delete whichever is inapplicable</small></p> | <p>Plans used in the preparation of survey/compilation:</p> <table border="0"> <tr> <td>DP177365</td> <td>DP590996</td> <td>DP590239</td> </tr> <tr> <td>DP708103</td> <td>DP810783</td> <td>DP818257</td> </tr> <tr> <td>DP818458</td> <td>DP842886</td> <td>DP863352</td> </tr> <tr> <td>DP868264</td> <td>DP876132</td> <td>DP1029668</td> </tr> <tr> <td>DP1041527</td> <td>DP1048117</td> <td>DP1055827</td> </tr> <tr> <td>DP1057624</td> <td>DP1062895</td> <td>DP1063669</td> </tr> <tr> <td>DP1149478</td> <td>DP1158133</td> <td></td> </tr> </table> <p><small>(If applicable quote use Plan Form 6A on reverse sheet)</small></p> <p>SURVEYOR'S REFERENCE: 5023DP04</p> | DP177365 | DP590996 | DP590239 | DP708103 | DP810783 | DP818257 | DP818458 | DP842886 | DP863352 | DP868264 | DP876132 | DP1029668 | DP1041527 | DP1048117 | DP1055827 | DP1057624 | DP1062895 | DP1063669 | DP1149478 | DP1158133 | | |
| DP177365 | DP590996 | DP590239 | | | | | | | | | | | | | | | | | | | | | |
| DP708103 | DP810783 | DP818257 | | | | | | | | | | | | | | | | | | | | | |
| DP818458 | DP842886 | DP863352 | | | | | | | | | | | | | | | | | | | | | |
| DP868264 | DP876132 | DP1029668 | | | | | | | | | | | | | | | | | | | | | |
| DP1041527 | DP1048117 | DP1055827 | | | | | | | | | | | | | | | | | | | | | |
| DP1057624 | DP1062895 | DP1063669 | | | | | | | | | | | | | | | | | | | | | |
| DP1149478 | DP1158133 | | | | | | | | | | | | | | | | | | | | | | |

Req:R233889 /Doc:DP 1161720 P /Rev:16-Mar-2011 /Sts:SC.OK /Prt:16-Sep-201
 Be09:09:00:00:ALL /Seq:4 of 4

| DEPOSITED PLAN ADMINISTRATION SHEET | | Sheet 2 of 2 sheet(s) |
|--|---------------------------------------|---|
| PLAN OF SUBDIVISION OF LOT 1 IN DP177365 & LOTS 2 & 3 IN DP590239 | DP1161720 | |
| | | Registered:  15.3.2011 |
| Subdivision Certificate No: 043/2010 | Date of Endorsement: 23 NOVEMBER 2010 | |
| <div style="display: flex; justify-content: space-around; margin-bottom: 20px;"> <div style="text-align: center;">  Ellis Lindsay Smith </div> <div style="text-align: center;">  Margaret Grace Smith </div> </div> <div style="text-align: center;">  Lynette May Wells </div> | | |
| SURVEYOR'S REFERENCE: 5023DP04 | | |

* OFFICE USE ONLY

Annexure 3 Subdivision Plan



Annexure 4 Development Costings



Date: 4th September 2018
 Cur Ref: 13/189

Commercial Services
 Ballina Shire Council
 PO Box 450
 BALLINA NSW 2478

Attention: Mr Paul Talkess

Dear Paul,

**Re: Stage 1 Residential Subdivision of Lot 5 DP 1161720
 Land at Wollongbar**

Following your instruction, we have prepared a Bill of Quantities for the completion of the abovementioned first stage of your subdivision.

In table form below are the costs exclusive of GST: -

| | |
|-------------------|----------------|
| Civil Works | \$1,121,250.00 |
| Consultants | \$95,000.00 |
| Levies | \$466,680.00 |
| Plan Registration | \$7,000.00 |

Exclusions: - Consultant fees to date and legal fees for the preparation of contracts and RAB.
 - Agents fees on the sales of blocks.

The costs are qualified by the following -

Civil Works - includes all roads, drainage, sewer, water, electrical and telecommunications services required to service the 18 lots as well as external works that may be required by the yet to be issued consent conditions. As we have yet to receive development approval or prepare detailed design plans, I have included a 15% contingency into this figure.

Consultants - includes engineering design plans, preparing tender documents, calling tenders, awarding tenders, supervising construction, landscaping, surveying control to the development, surveying final boundaries and final plan preparation.

Levies - as estimated at the time of DA lodgement.

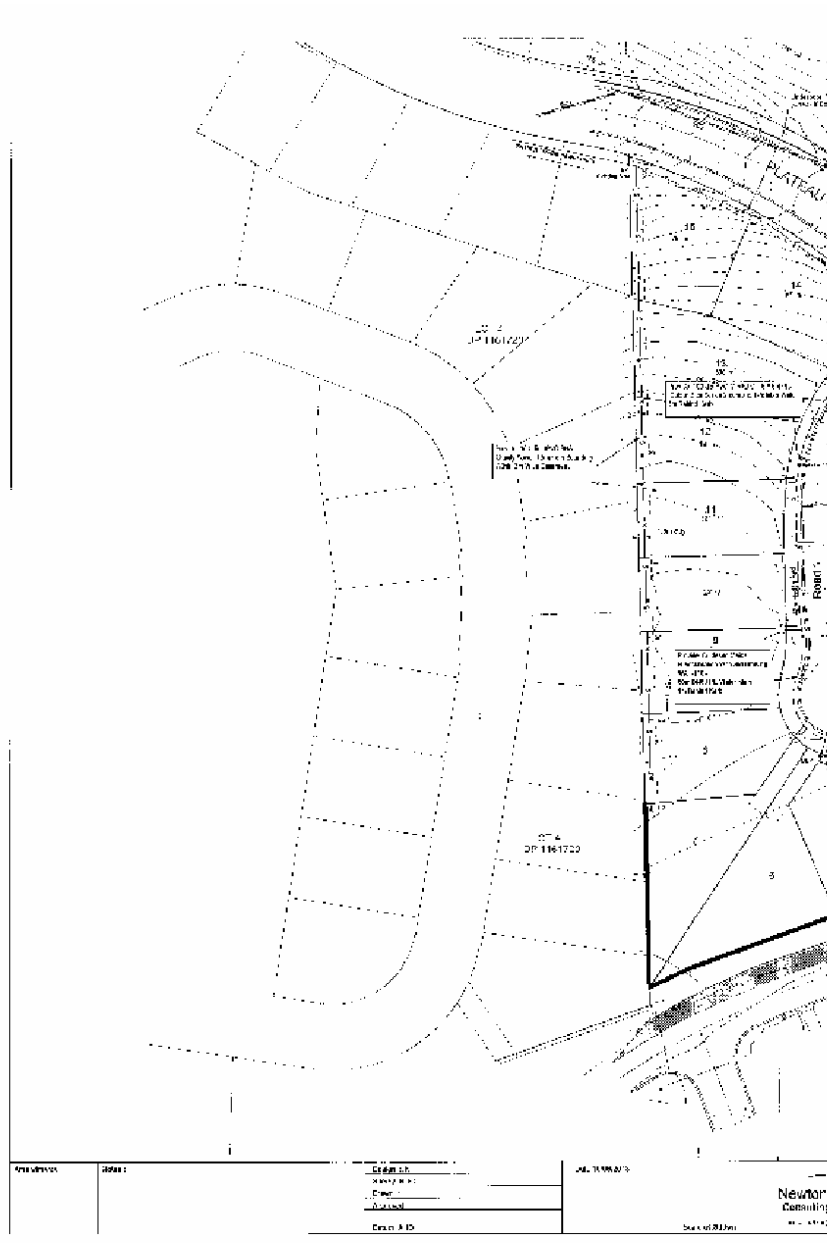
Plan Registration - Electronic plan lodgement and LPI fees and charges.

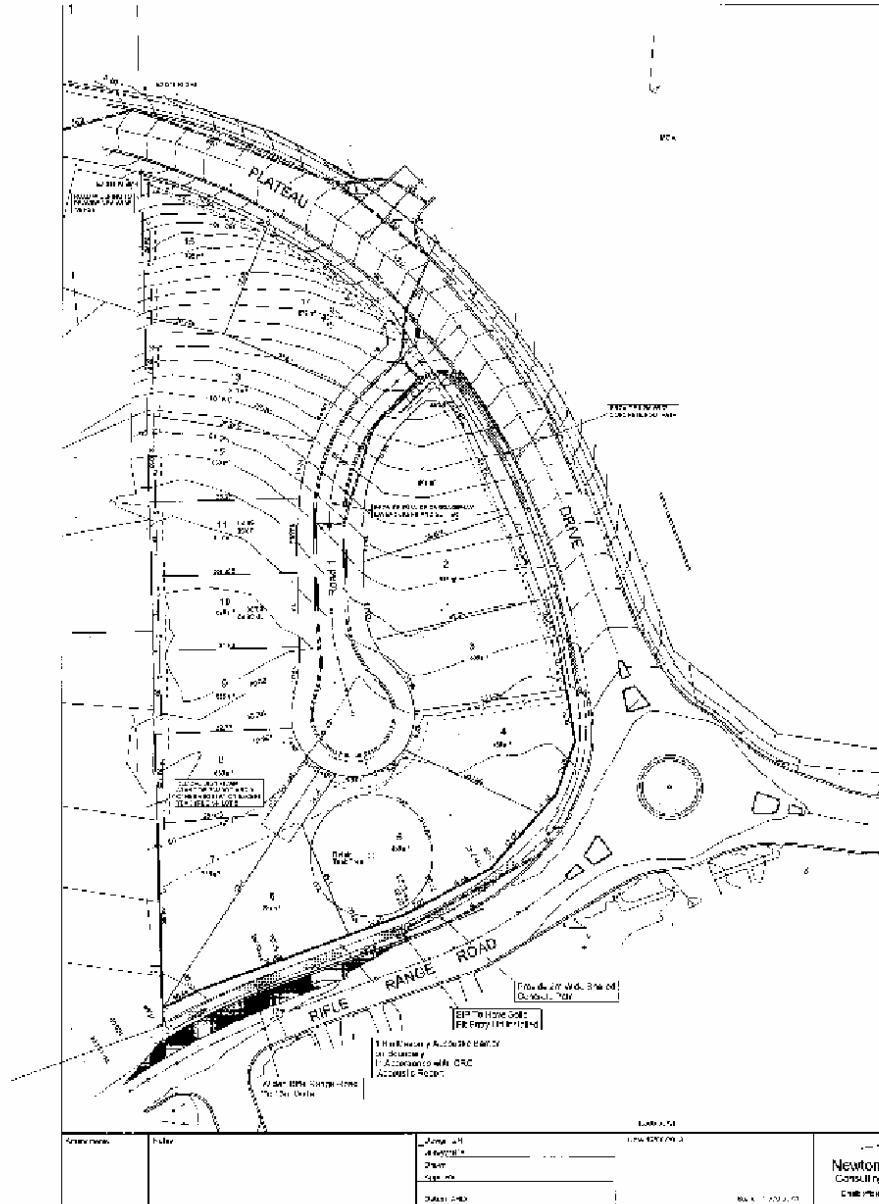
Should you have any questions regarding this matter, please do not hesitate to contact our office on (02) 6622 1011.

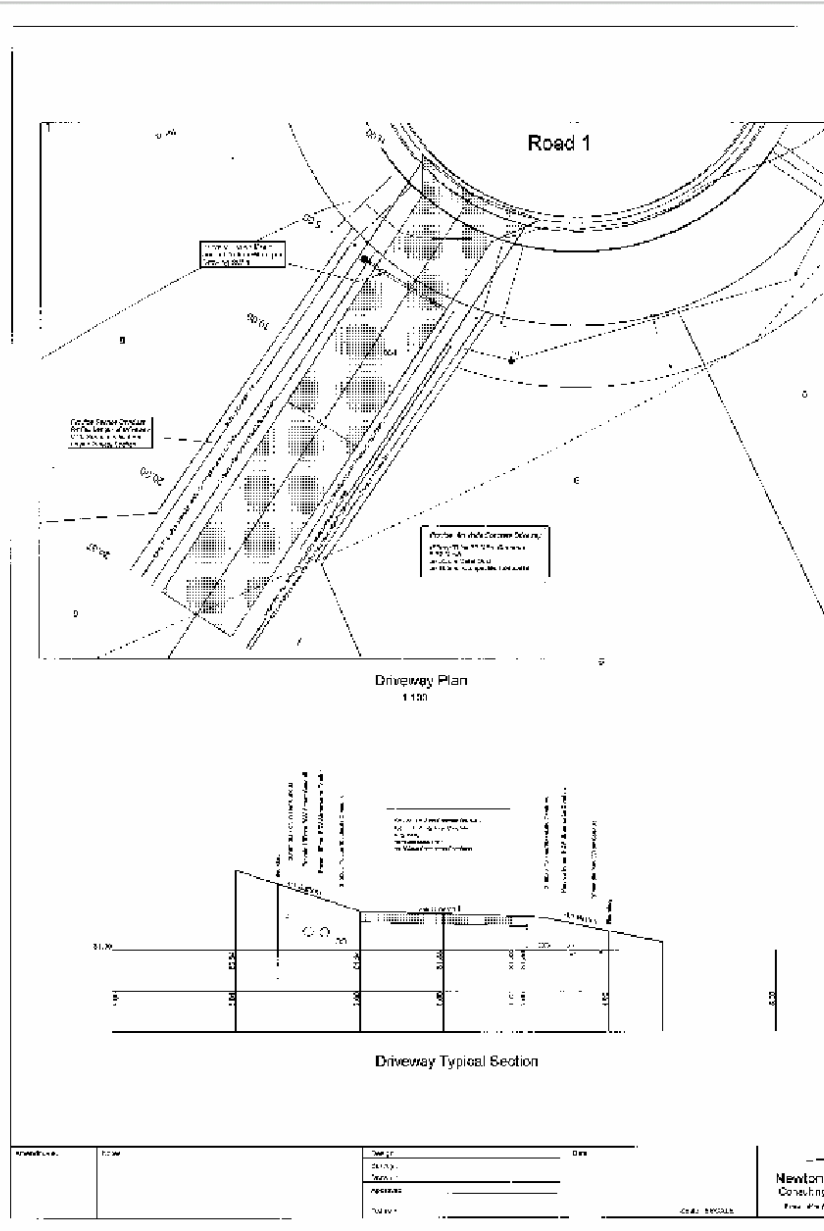
Yours sincerely,
JOHN LAWRENCE NEWTON

Registered Surveyor.

JOHN NEWTON a. SURV. 4183 REG. TONY DENNY a. SURV. 4184 REG. DAMIAN CHAPELLE a. SURV. 4185 REG.
 Office: Suite 1, 31 Carrington Street, Lismore, Postal Address: PO Box 138 Lismore NSW 2480
 Phone (02) 6622 1011 Fax (02) 6622 4033 Email: info@ndc.com.au
 Also at: Castle Court, 100 Barker Street, Casino NSW 2477 Phone/Fax (02) 6662 5000







Annexure 5 Cashflow

Part of Lot 5 Plateau, Wollongbar
 NN082537
 10 September 2013

| | Month 0 | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 | Month 13 | Month 14 | Month 15 | Month 16 | Month 17 | Month 18 | |
|--|---------------|-------------|------------|------------|------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| DEVELOPED STOCK | | | | | | | | | | | | | | | | | | | | |
| At beginning of period Produced | 15 | | | | | | | | | (1) | (2) | (3) | 15 | 8 | 6 | 4 | 2 | | | |
| - Residential Lots | 15 | | | | | | | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | | | |
| Total Rate of Sale | 15 | | | | | | | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | | | |
| GROSS REALISATIONS | NUMBER | RATE | | | | | | | | | | | | | | | | | | |
| - Residential Lots | 15 | \$202,667 | | | | | | | | | | | | | | | | | | |
| TOTAL GROSS REALISATION | | \$3,040,000 | | | | | | | | | | | | | | | | | | |
| TOTAL GROSS REALISATION | | \$3,040,000 | | | | | | | | | | | | | | | | | | |
| GROSS REALISATION - ESCALATED @ | | \$3,040,000 | | | | | | | | | | | | | | | | | | |
| Less selling costs | | (\$133,760) | | | | | | | | | | | | | | | | | | |
| Input Tax Credit on Selling Costs | | \$12,160 | | | | | | | | | | | | | | | | | | |
| Less allowance for GST payable | | (\$147,394) | | | | | | | | | | | | | | | | | | |
| NET REALISATION | | \$2,771,006 | | | | | | | | | | | | | | | | | | |
| LAND PURCHASE | | \$77,500 | | | | | | | | | | | | | | | | | | |
| Less Input Tax Credit on Land Purchase | | (\$22,200) | | | | | | | | | | | | | | | | | | |
| Plus Acquisition costs | | \$5,410 | | | | | | | | | | | | | | | | | | |
| Input Tax Credit | | (\$2,310) | | | | | | | | | | | | | | | | | | |
| DEVELOPMENT COSTS (excl GST) | | \$975,000 | | | | | | | | | | | | | | | | | | |
| Civil Works | | 97,500 | 97,500 | 97,500 | 97,500 | 97,500 | 146,250 | 146,250 | 146,250 | 146,250 | 48,750 | | | | | | | | | |
| Contingency Allowance on Civil Works | | 14,625 | 14,625 | 14,625 | 14,625 | 14,625 | 21,938 | 21,938 | 21,938 | 7,313 | | | | | | | | | | |
| Council Fees and Charges | | 15,000 | | | | | | | | | | | | | | | | | | |
| Professional Fees | | 38,000 | 4,750 | 4,750 | 4,750 | 4,750 | 9,500 | 9,500 | 9,500 | 9,500 | | | | | | | | | | |
| Advertising & Promotion | | \$22,500 | | | | | | | | | | | | | | | | | | |
| Rates and Land Tax | | \$14,854 | | | | | | | | | | | | | | | | | | |
| Costs (excl GST) | | \$1,720,174 | 131,875 | 116,875 | 116,875 | 116,875 | 125,155 | 174,438 | 175,188 | 175,188 | 520,153 | 3,000 | 8,550 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 1,000 | |
| GST On Costs | | \$123,675 | | | | | | | | | | | | | | | | | | |
| Input Tax Credit | | (\$123,675) | | | | | | | | | | | | | | | | | | |
| LAND - Costs | | \$2,268,374 | 135,750 | 116,875 | 116,875 | 116,875 | 125,155 | 180,154 | 175,653 | 175,653 | 505,050 | 8,550 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 1,000 | |
| MONTHLY CASH FLOW | | \$502,732 | 13,010 | (139,753) | (116,875) | (116,875) | (125,155) | (180,134) | (175,653) | (175,653) | (595,090) | 584,804 | 381,360 | 386,120 | 345,272 | 349,272 | 352,572 | 352,272 | 621 | |
| INTEREST | | (\$196,832) | | | | | | | | | | | | | | | | | | |
| MONTHLY CASH FLOW - after interest | | \$305,900 | 3,493 | (143,224) | (121,172) | (121,873) | (122,590) | (131,589) | (187,331) | (187,331) | (515,577) | 571,286 | 371,135 | 378,100 | 343,457 | 345,480 | 350,776 | 352,272 | 621 | |
| CUMULATIVE CASH FLOW | | \$305,900 | (\$53,417) | (\$36,641) | (\$57,815) | (\$75,592) | (\$102,262) | (\$123,571) | (\$142,262) | (\$169,215) | (\$175,750) | (\$174,061) | (\$174,061) | (\$174,061) | (\$174,061) | (\$174,061) | (\$174,061) | (\$174,061) | (\$174,061) | (\$174,061) |
| PROFIT - after interest | | \$355,200 | | | | | | | | | | | | | | | | | | |
| Less: Profit - before Int | | 15,7% | | | | | | | | | | | | | | | | | | |
| DEVELOPMENT MARGIN - after Int | | 28,4% | | | | | | | | | | | | | | | | | | |
| IRR (per annum) - before interest | | 22,3% | | | | | | | | | | | | | | | | | | |
| IRR (per annum) - after interest | | | | | | | | | | | | | | | | | | | | |
| MAXIMUM EXPOSURE | | \$2,317,367 | | | | | | | | | | | | | | | | | | |
| PAYBACK PERIOD-month | | 15 | | | | | | | | | | | | | | | | | | |

Part of Lot 5 Plateau, Wollongbar
 NNCC082537
 10 September 2013

| | | Month 0 | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 | Month 13 | Month 14 | Month 15 | Month 16 | Month 17 | Month 18 | |
|--------------------------------------|---------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--|
| DEVELOPED BTORR | | | | | | | | | | | | | | | | | | | | | |
| At beginning of period Produced | 15 | | | | | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | |
| - Residential Lots | 15 | | | | | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Total Rate of Sale | 15 | | | | | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| GROSS REALISATION | NUMBER | RATE | | | | | | | | | | | | | | | | | | | |
| TOTAL | 15 | \$202,667 | | | | | | | | | | | | | | | | | | | |
| - RESIDENTIAL LOTS | | \$3,040,000 | | | | | | | | | | | | | | | | | | | |
| TOTAL GROSS REALISATION | | \$3,040,000 | | | | | | | | | | | | | | | | | | | |
| GROSS REALISATION - ESCALATED @ 4.4% | | \$3,040,000 | | | | | | | | | | | | | | | | | | | |
| Less selling costs | | (\$132,750) | | | | | | | | | | | | | | | | | | | |
| Input Tax Credit on selling costs | | \$12,150 | | | | | | | | | | | | | | | | | | | |
| Less allowance for GST payable | | (\$147,354) | | | | | | | | | | | | | | | | | | | |
| TOTAL GROSS REALISATION | | \$2,771,050 | | | | | | | | | | | | | | | | | | | |
| NET REALISATION | | \$2,771,050 | | | | | | | | | | | | | | | | | | | |
| LAND PURCHASE | | \$1,460,851 | | | | | | | | | | | | | | | | | | | |
| Input Tax Credit on Land Purchase | | (\$69) | | | | | | | | | | | | | | | | | | | |
| Plus Acquisition costs | | \$0 | | | | | | | | | | | | | | | | | | | |
| Input Tax Credit | | (\$0) | | | | | | | | | | | | | | | | | | | |
| DEVELOPMENT COSTS (excl GST) | | \$976,000 | | | | | | | | | | | | | | | | | | | |
| Civil Works | | \$145,250 | | | | | | | | | | | | | | | | | | | |
| Contingency Allowance on Civil Works | | \$165,550 | | | | | | | | | | | | | | | | | | | |
| Council Fees and Charges | | \$95,000 | | | | | | | | | | | | | | | | | | | |
| Professionals Fees | | \$22,500 | | | | | | | | | | | | | | | | | | | |
| Advertising & Promotion | | \$14,824 | | | | | | | | | | | | | | | | | | | |
| Rates and Land Tax | | \$1,200,174 | | | | | | | | | | | | | | | | | | | |
| Costs (excl GST) | | \$1,200,174 | | | | | | | | | | | | | | | | | | | |
| GST On Costs | | \$123,875 | | | | | | | | | | | | | | | | | | | |
| Input Tax Credit | | (\$123,875) | | | | | | | | | | | | | | | | | | | |
| LAND + Costs | | \$1,720,174 | | | | | | | | | | | | | | | | | | | |
| MONTHLY CASH FLOW | | \$1,650,851 | | | | | | | | | | | | | | | | | | | |
| MONTHLY CASH FLOW - before interest | | (\$85,823) | | | | | | | | | | | | | | | | | | | |
| MONTHLY CASH FLOW - after interest | | \$96,069 | | | | | | | | | | | | | | | | | | | |
| CUMULATIVE CASH FLOW | | \$1,709,109 | | | | | | | | | | | | | | | | | | | |
| PROFIT after interest | | \$1,709,109 | | | | | | | | | | | | | | | | | | | |
| DEVELOPMENT MARGIN - before Int | | 81.1% | | | | | | | | | | | | | | | | | | | |
| DEVELOPMENT MARGIN - after Int | | 88.5% | | | | | | | | | | | | | | | | | | | |
| IRR (per annum)-before interest | | 81.7% | | | | | | | | | | | | | | | | | | | |
| IRR (per annum)-after interest | | 81.7% | | | | | | | | | | | | | | | | | | | |
| MAXIMUM EXPOSURE | | 15 | | | | | | | | | | | | | | | | | | | |
| PAYBACK PERIOD-month | | 15 | | | | | | | | | | | | | | | | | | | |

4.2 Residential Land Development - Wollongbar



4.3 Property Reserves - Future Cash Flows

4.3 Property Reserves - Future Cash Flows

Delivery Program Commercial Services

Objective To review the cash flows for Council's Property Reserves and to provide an update on projects being funded from the reserves.

Background

Council last reviewed its property reserves at the June 2013 Commercial Services Committee meeting. Since that meeting the results for 2012/13 have been finalised, various projects have continued to progress and some new projects have started.

The purpose of this report is to provide the latest information in respect to the predicted movements for the property reserves, while at the same time providing an update on projects being part or fully funded from these reserves.

Key Issues

- Funds available
- Project status
- Forward financial planning

Information

At the June 2013 Commercial Services Committee meeting Council adopted updates to the property reserves to allow that information to be included into our long term financial plan.

The first four attachments to this report are the cash flows for the three property reserves, along with a consolidated result for all the reserves, as adopted at that meeting.

It has now been four months since those cash flows were adopted and with there being numerous projects funded from the reserves; it is timely to provide an update for each reserve. That update now follows.

Community Infrastructure Reserve (attachment five as a comparison to attachment one)

At the June 2013 Commercial Services Committee meeting the forecast closing balance for this reserve for 2012/13 was an overdraft of \$1,651,100. The actual result for 30 June 2013 was a positive cash balance of \$245,600.

The major reasons for this variation, in comparing attachments one and five are:

- Interest accrued on the reserve was \$54,000 compared to the estimate of \$20,000 – positive impact

4.3 Property Reserves - Future Cash Flows

- Net rental on 89 Tamar Street was \$656,000 as compared to the estimate of \$686,300 – negative impact
- Section 94 contributions recouped was \$631,300 as compared to the estimate of \$450,000 – positive impact
- Fawcett Park Café operated at a net loss of \$33,000 which had to be funded from this reserve, as all income from the cafe is allocated to this reserve – negative impact.
- Master Plan – Kingsford Smith Park – The \$18,000 for this project was not expended and has been transferred to 2013/14 – timing difference – no net impact
- Ballina Sports and Events Centre – Actual expenditure was \$26,000 which means the balance of the \$409,000 budget (i.e. \$383,000) has been transferred to 2013/14 – timing difference - no net impact
- Coastguard Tower – Actual expenditure was \$21,000 with the balance of the \$150,000 budget transferred to future years – timing difference – no net impact
- Ballina Surf Club – Actual expenditure was \$1,682,000 which meant that the balance of the \$2.9m budget was transferred to 2013/14 – timing difference – no net impact.

As per these comments the major reasons for the variation between the forecast and actual closing result for 2012/13 were the timing differences in expenditure on the Ballina Sports and Events Centre, Coastguard Tower and Ballina Surf Club.

These three projects represent unexpended funds of approximately \$1.7m which has been transferred from 2012/13 to 2013/14.

Once the unexpended funds are transferred to 2013/14 the forecast closing balance for 2013/14, as per attachment five, is relatively similar to that forecast back in June 2013.

This then leads us to the second part of the review of this reserve, being a status report on the major projects being funded from the reserve.

Ballina Sports and Events Centre

With \$26,000 expended on this project in 2012/13 Council now has \$383,000 remaining out of the original budget, along with the \$18,000 allocated to prepare a Master Plan for Kingsford Smith Reserve. Both the \$383,000 and the \$18,000 have been included as expenditure items for 2013/14 in the revised cash flow for the Community Infrastructure Reserve (i.e. attachment five).

4.3 Property Reserves - Future Cash Flows

Council has not yet been successful in obtaining any grant funding for this project and there still remains no identified funding source for construction. The funds still available should be adequate for Council to obtain planning consent for the project, once a determination is made as to where the facility is to be located and what will actually be included in the facility.

Coastguard Tower

The June 2013 cash flows included \$150,000 in 2012/13 for planning approvals and \$1.6m in 2013/14 for construction, with a grant of \$800,000 to help fund the project.

The designs and planning application for the project are still being prepared, which means that it is unlikely that we will obtain planning consent until the first quarter of 2014.

If funding for the project is available, it will then take at least three months to conduct a tender for the construction of the building, which means that commencement of construction works will, at best, not occur until July 2014.

Council has also not been able to confirm any grant funding for the project, albeit that the former Federal Labor Government promised Regional Development Australia funding of \$750,000 if re-elected. This funding has not been confirmed by the new Federal Government.

The member for Page, Mr Kevin Hogan, has verbally advised that funding for this project is one of his highest priorities for Ballina; therefore Council should continue to lobby both the State and Federal Governments for funding assistance.

Based on this latest information the updated cash flow for the Community Infrastructure Reserve includes \$100,000 in 2013/14 to allow the design and planning consents to be finalised.

The balance of the previously allocated funding, being \$1,629,000 has then been rolled over into 2014/15, as it is highly unlikely construction will commence during 2013/14.

A \$750,000 grant has also been included in 2014/15 the assumption being that Council should only commence this project once we obtain some form of matching funding.

In respect to the total cost of this project the latest estimates from the quantity surveyor appointed by Geolink, being the firm that won the tender for design, is for an estimated building construction cost of approximately \$1.4m.

This excludes fit out costs, which should be funded by the Ballina Marine Rescue, as they have raised over \$115,000 to date to help with this work.

Council has also expressed an interest in tidying up the adjoining car park and an indicative cost for this work could be \$200,000 to \$300,000. This is not based on any detailed designs and is purely an indicative cost for budgeting purposes.

4.3 Property Reserves - Future Cash Flows

Based on these assumptions the total construction cost should be in the vicinity of \$1.6m to \$1.7m.

The revised cash flow has an estimate of \$1.629m in 2014/15 for construction, along with \$100,000 in 2013/14 for the planning approvals, and at this stage the funding is considered adequate.

Surf Club - Ballina

The last update on this project was also reported to the June 2013 Commercial Services Committee, where it was confirmed that Council has funding available of \$6.295 million for the project.

Since that meeting major variations to the cost of the project now include:

- 1) Car Park – Original Estimate – 70 car spaces at \$3,000 = \$210,000 – The Civil Services Group advises that the actual cost of these works, with the detailed design now completed, will actually be \$400,000 once additional pathways are included.

The original estimate of \$210,000 was provided by the quantity surveyors for the project.

The revised estimate is based on the final detailed design which includes urban sensitive design features, lighting, landscaping, shared path works and appropriate utility infrastructure.

In respect to the shared path works there is gap of 100 metres of shared path along Compton Drive once Compton Drive is realigned and the car park is completed, as the current access roads are closed from McKinnon to Cedar Streets and Cedar Street towards Lighthouse Parade, as part of this work.

As this already is and will continue to be a high pedestrian and cycling area it is considered appropriate to provide a shared path in place of the current access roads.

- 2) Building B – Original estimate - \$290,000 – This estimate was also sourced from the quantity surveyors for the project and it could still be accurate, however Council has expressed an interest in relocating the gym from the upstairs floor of the main building and relocating it to Building B (being the storage shed).

This has the potential to substantially increase the cost of Building B as it will now have to have adequate toilet facilities and associated infrastructure.

As the design is still being finalised no accurate estimate is available, however for budgeting purposes it is reasonable to assume that the cost of this building could increase from \$290,000 to \$500,000.

More accurate estimates for the revised design will be provided to Council once the designs are available, and that information can then be used to allow Council to make a formal decision as to whether it wishes to relocate the gym.

4.3 Property Reserves - Future Cash Flows

In the meantime, for current budgeting purposes, it is reasonable to assume a revised estimate of \$500,000.

Once both of these changes are incorporated into the project, along with other more minor variations both up and down, the total cost of the Surf Club is now estimated at \$6.7 million. This is outlined in the following table.

| Description | Expended to Date | Remaining Expend | Total |
|---|------------------|------------------|------------------|
| Main Building | | | |
| Building Contract | 3,534,500 | 3,000 | 3,537,500 |
| Sub Total | 3,534,500 | 3,000 | 3,537,500 |
| Consultant's Fees | | | |
| Acoustics – CRG | 3,500 | 2,700 | 6,200 |
| Architect – Archimages | 184,100 | 5,900 | 190,000 |
| Electrical / Mechanical Engineering – MDA | 64,900 | 5,100 | 70,000 |
| Engineering and Project Mgmt – Ardill Payne | 302,000 | 8,000 | 310,000 |
| Geotechnical – Shaw Urquhart | 15,000 | 0 | 15,000 |
| Planning – Newton Denny Chapelle | 29,400 | 5,600 | 35,000 |
| Quantity Surveyor – Turner Townsend | 4,000 | 0 | 4,000 |
| Other Specialist Sub Consultants | 26,100 | 0 | 26,100 |
| Sub Total | 629,000 | 27,300 | 656,300 |
| Other Costs | | | |
| Council / DPI Fees | 398,600 | 6,400 | 405,000 |
| Council Field Staff | 34,800 | 5,200 | 40,000 |
| Credit on Council Section 94 Contributions | 0 | (124,000) | (124,000) |
| Crane Hire – Aboods and Universal | 12,000 | 0 | 12,000 |
| Legal Fees – Allens | 78,200 | 0 | 78,200 |
| Security, Elect Equip / Furn – CAV and Ors | 42,900 | 21,100 | 64,000 |
| Signage – Armsign | 12,500 | 0 | 12,500 |
| Other Miscellaneous Costs | 102,900 | 7,100 | 110,000 |
| Sub Total | 681,900 | (84,200) | 597,700 |
| Total – Main Building | 4,845,400 | (53,900) | 4,791,500 |
| Other infrastructure works to be completed | | | |
| Boat Shed – Revised Estimate | 0 | 500,000 | 500,000 |
| Car Park and Pathway – Revised Estimate | 10,200 | 389,800 | 400,000 |
| Compton Drive | 155,000 | 595,000 | 750,000 |
| Electrical - Temp Low Voltage Connection | 0 | 11,500 | 11,500 |
| Electrical Substation | 0 | 100,000 | 100,000 |
| Land Acquisition – 4,000 sq metres @ \$10 | 0 | 40,000 | 40,000 |
| Stairs from Shared Pathway to front | 0 | 50,000 | 50,000 |
| Contingency | 0 | 57,000 | 57,000 |
| Sub Total | 165,200 | 1,743,300 | 1,908,500 |
| Total Project | 5,010,600 | 1,689,400 | 6,700,000 |

The major contributors to this increase in cost are obviously the \$210,000 for Building B and \$190,000 for the car park / shared path.

The credit on Council contributions of \$124,000 represents a refund of the Section 94 and Section 64 contributions paid on the building following a reassessment of the actual use of the facility. This is an internal payment to Council with that refund yet to be processed.

4.3 Property Reserves - Future Cash Flows

With total funding allocated of \$6.295 million, this leaves a budget shortfall of \$405,000. As the Community Infrastructure Reserve is already estimated to be overdrawn it is recommended that this short fall in funding be sourced from the Commercial Opportunities Reserve and the Property Development Reserve. The impact of this transfer, from those two reserves, is outlined in further detail later in this report.

Swimming Pools

The adopted Council budget has \$200,000 and \$50,000 for the Ballina and Alstonville swimming pools respectively

Council had expressed an interest in including this funding in the 2013/14 budget to highlight the importance of these works, with the works not to proceed unless significant land sales were realised.

With those sales appearing more and more unlikely the revised cash flow has the funds for the pool expenditure in 2014/15, as this is considered to be a more realistic timeframe.

Other Changes to the Reserve Forecast

In addition to these changes to the capital project other changes to the Community Infrastructure Reserve forecast, as per attachment five, include:

- Insurance Claim – Lennox Head – This reimbursement is now estimated at \$550,000 rather than \$700,000. The claim continues to be in dispute with Council's legal advisors continuing to negotiate with the insurance firm. A confidential report on this claim will be submitted to Council shortly to fully outline the status of the claim.
- Sales – ARC Residual – Reduced from \$625,000 to \$262,500 – The original budget had total income of \$1,255,000 from the sale of this portion of land, with \$630,000 being allocated to the Community Infrastructure Reserve and \$630,000 to the Property Development Reserve (i.e. 50/50 split). Council has approved one sale to date and the revised figure of \$262,500 represents 50% of that sale, with the balance of that sale again being allocated to the Property Development Reserve. As no other sales are imminent the remaining land sale income for this item has been transferred to 2014/15 to reflect a more conservative financial position.

In summary, following all of these various adjustments, the Community Infrastructure Reserve remains overdrawn as at 30 June 2014, with the reserve not actually returning to a positive cash balance until 30 June 2016.

Commercial Opportunities Reserve (attachments six and two)

At the June 2013 Commercial Services Committee meeting the forecast closing balance for this reserve for 2012/13 was \$2,475,300. The actual result for 30 June 2013 was very close to this, with a positive cash balance of \$2,472,800. The variations mainly related to actual interest income and project expenditure being lower than expended, with these items effectively offsetting each other.

4.3 Property Reserves - Future Cash Flows

In respect to the forecast movements for 2013/14 the only income forecast is interest generated on the reserve during the year, along with an internal loan repayment.

The forecast expenditure movements remain largely as predicted for the following projects:

- Ballina Gallery – Refurbishment – This work is planned to start in the near future - \$55,000
- Fawcett Park Café – Refurbishment – Council has accepted a tender for this work and there has also been an insurance payment of \$75,000 to help increase the budget. The existing budget of \$81,300 has been increased by the insurance payment to provide a total budget of \$156,300. The insurance monies are shown as a cash inflow.
- River Street – Refurbishment – This work has been completed - \$50,000
- Shellys on the Beach – Land Purchase - This acquisition is progressing with the lessee still to formally sign off on the agreed acquisition area and the revised lease terms to finance the acquisition - \$300,000
- Tamar Street Refurbishment – Council has accepted a tender for this work with State Property still to confirm the lease adjustments to ensure the work is partially funded by future lease rental increases and an increase in the lease term - \$180,000
- Wollongbar Sports Fields – This is the current allocation for the project with additional funds still to be identified to allow the project to be completed in full - \$1,684,000
- Contingency – Ballina Surf Club – This residual figure of \$271,000 is now recommended to be allocated to the Ballina Surf Club to help fund that project's budget shortfall of \$405,000, as outlined earlier in this report. Once these funds are allocated to the Surf Club this still leaves a shortfall for the Surf Club budget of \$134,000 (i.e. \$405,000 less \$271,000 = \$134,000). The \$134,000 is recommended to be allocated from the Property Development Reserve, as outlined in the comments for that reserve, which follow.

With the allocation of the \$271,000 contingency monies to the Ballina Surf Club the Commercial Opportunities is then effectively closed as no funds are left in the reserve.

Property Development Reserve (attachments seven and three)

At the June 2013 Commercial Services Committee meeting the forecast closing balance for this reserve for 2012/13 was \$4,389,500. The actual result for 30 June 2013 was a positive cash balance of \$4,613,900.

Cash inflows were largely as predicted with the improved result attributed to a lower than expected dividend being paid to the General Fund (budget \$518,200 - actual \$448,200), ARC selling costs not being incurred (budget \$100,000 - actual nil) and development costs for the Russellton Industrial Estate not being expended (budget \$65,000 - actual nil).

4.3 Property Reserves - Future Cash Flows

In respect to 2013/14 onwards updated assumptions are as follows:

Cash Inflows

- Rental and Interest Income – No change to existing forecasts
- Sales – ARC Residual – Reduced from \$625,000 to \$262,500 – As per the comments provided for the Community Infrastructure Reserve.
- Southern Cross – Reduced from \$300,000 to nil for 2013/14 with \$300,000 reallocated from 2014/15 onwards. With no sales imminent, to be conservative, sales of one industrial lot per annum have been included for 2014/15 onwards.

All other income assumptions for 2014/15 remain largely as per the adopted long term financial plan; i.e.

- Sale – Alstonville Tennis Courts - \$2,000,000 – This represents the sale of the tennis court site in 2014/15. This sale is subject to the tennis courts being relocated to the Wollongbar Sports Fields site.
- Sale – Balance Skennars Head Lot – Council has now resolved to sell the property with an estimate sale value included in 2014/15. Hopefully this property will actually sell during 2013/14, which will then allow the income to be brought forward.
- Russellton (Major Sale) - \$1,500,000 – Council is conducting extensive negotiations with interested parties in respect to the possible sale of a large tract of land at this Estate. A conservative estimate has been included for budgeting purposes in 2014/15.
- Sales – Russellton - \$200,000 per annum – This represents a conservative estimate for the sale of one industrial lot per annum from 2014/15 onwards.
- Sales – Southern Cross - \$300,000 per annum – Similar to Russellton, this represents a conservative estimate for the sale of one industrial lot per annum, from 2014/15 onwards.
- Sales – WUEA – It has been assumed that Council will have sixteen lots developed for sale in 2013/14 or early 2014/15, with the sale of that land then commencing in 2014/15.

Cash Outflows

- Operating Expenditure – These figures remain unchanged and reflect the various operating expenses incurred annually for Council's land holdings.
- Animal Shelter – Remains unchanged with work underway
- Ballina Surf Club – The shortfall in the revised budget, being \$134,000 is now funded from this reserve.

4.3 Property Reserves - Future Cash Flows

- Community Infrastructure Dividend – This line highlights the magnitude of funds that can be transferred to the Community Infrastructure Reserve as future land sales proceed. The transfers are a nominal amount.
- ARC Residual – Represents costs incurred in subdividing and selling this land, with the budget increased to include funds unexpended in 2014/15.
- Wigmore Arcade – Represents the approved funding for on-going works along with a revised allowance of \$1.35m for 2014/15, providing a total budget of \$1.5m for 2013/14 and 2014/15. This expenditure is subject to further reports to Council.
- Russellton – Development – A total of \$1.8m of the existing budget of \$1.9m has been deferred to 2014/15. The figure of \$1.9m represents the likely cost of developing stages one and two of the estate, with this figure including a significant one-off cost for a sewer pump station and storm water retention basin. These two items will service the entire next stage of this development (i.e. now 28 lots) however less than 28 lots will initially be developed for sale.

The current status for this project is that a consultant is still to be appointed to prepare the documentation to allow the construction certificate to be finalised, which in turn will then allow Council to call tenders for construction works.

The likely timeframe is that the construction certificate matters will be finalised by the end of 2013 or early 2014, with tenders to then be called and assessed.

As the normal tender process from start to finish is approximately three months it is likely that any construction will commence, at the earliest in July 2014.

- WUEA Development – The existing budget of \$1.8 million has been split between 2013/14 and 2014/15 with other development costs pushed out one year. Similar to the Russellton Estate, with the planning consent for this project to be issued shortly, it will then be a matter of three to six months to allow all the detailed documentation to be prepared along with the tender assessment.

At best this means we will be in a position to start constructing lots in March 2014, with a nine month construction period envisaged.

- Dividend – General Fund – Council's property operations continue to provide an annual dividend to Council's recurrent operations and this figure represents that dividend. Staff would like to see this dividend eliminated over time as it is not best financial management practice to have funding for recurrent expenditure rely on property income streams, as property income can vary from year to year.

Council is already taking a dividend from this reserve through the aforementioned Community Infrastructure Dividend and we need to ensure that we do not drain the property reserves as this will impact on our ability to undertake future projects, both from a property development and community infrastructure perspective.

Total Property Reserves (attachments eight and four)

The final attachment to this report is the consolidated movements for all three reserves. What this summary highlights is the large amount of activity, both from an income and expenditure perspective that originates from Council's property reserves.

This consolidated summary also helps to show what the total consolidated closing balance is each year. It is essential that the consolidated balance remain positive to provide funding for future projects.

Legal / Resource / Financial Implications

This entire report is focused on the financial movements within Council's property reserves.

Consultation

There has been significant consultation with the various Council staff involved in projects identified in this report.

Options

The primary purpose of this report is to inform Council of the latest cash flow movements anticipated for Council's property reserves. The report also recommends the allocation of additional funding for the Ballina Surf Club.

It was hoped that this report would also address the current shortfall in funding for the Wollongbar sports fields, along with providing an update on the Ballina Heights Drive project. These are the other two major community infrastructure projects currently underway.

It is highly likely that Ballina Heights Drive will come in under budget and with part of this project being funded from a Division of Local Government Local Infrastructure Renewal Scheme (LIRS) low interest loan, there may be opportunities to juggle the existing finances to fund a part of the Wollongbar Project.

An update on those two projects will be presented in the near future to a Facilities Committee meeting.

In respect to options for this report, the options available are to support or amend the revised cash flows.

The cash flows also provide a good opportunity for Council to discuss the various projects under consideration and Councillors may wish to seek further information on projects listed, the timing of those projects or to consider other works.

There is also an opportunity to review the cost of projects. For example Council may well wish to remove certain items from the Surf Club budget to reduce the overall expenditure.

4.3 Property Reserves - Future Cash Flows

In conclusion the recommendation is for Council to include the updated cash flows in the long term financial plan, as the attachments represent the most up to date forecasts, at this point in time, for the reserves.

RECOMMENDATIONS

1. That Council approves the updated cash flows for the Council property reserves, as per attachments five to eight for inclusion in Council's long term financial plan.
2. That Council confirms that this includes an updated budget and funding source for the Ballina Surf Club.

Attachment(s)

1. Community Infrastructure Reserve - 10 Year Financial Plan - June 2013
2. Commercial Opportunities Reserve - 10 Year Financial Plan - June 2013
3. Property Development Reserve - 10 Year Financial Plan - June 2013
4. Cash Flow - Total Property Reserves - 10 Year Financial Plan - June 2013
5. Community Infrastructure Reserve - 10 Year Financial Plan - October 2013
6. Commercial Opportunities Reserve - 10 Year Financial Plan - October 2013
7. Property Development Reserve - 10 Year Financial Plan - October 2013
8. Cash Flow - Total Property Reserves - 10 Year Financial Plan - October 2013

| Cash Flows - Community Infrastructure Reserve - 10 Year Financial Plan - Updated as at 18 June 2013 | | | | | | | | | | | | |
|---|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Item | 2011/12 Actual | 2012/13 (Estimate) | 2013/14 (Estimate) | 2014/15 (Estimate) | 2015/16 (Estimate) | 2016/17 (Estimate) | 2017/18 (Estimate) | 2018/19 (Estimate) | 2019/20 (Estimate) | 2020/21 (Estimate) | 2021/22 (Estimate) | 2022/23 (Estimate) |
| Opening Balance | 917,300 | 909,300 | (1,651,100) | (747,700) | (325,200) | 634,200 | 1,647,000 | 4,243,100 | 5,626,100 | 7,409,700 | 9,286,300 | 11,252,100 |
| Add: Cash Inflows | | | | | | | | | | | | |
| Interest Accrued | 177,000 | 20,000 | 0 | 0 | 0 | 16,000 | 41,000 | 106,000 | 141,000 | 185,000 | 232,000 | 281,000 |
| Grant - Marine Rescue Tower (50%) | 0 | 0 | 800,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental - ARC (50%) | 156,000 | 158,800 | 163,500 | 168,400 | 173,500 | 178,600 | 184,100 | 189,600 | 195,200 | 201,100 | 207,100 | 213,300 |
| Rental - 89 Tamar St (100%) | 641,000 | 686,300 | 698,500 | 719,400 | 740,900 | 763,000 | 785,800 | 809,300 | 833,600 | 858,500 | 884,200 | 910,700 |
| Rental - Fawcett Pk (100%) | 65,000 | 0 | 44,000 | 68,700 | 70,700 | 72,800 | 74,900 | 77,100 | 79,400 | 81,800 | 84,200 | 86,700 |
| Rental - Wigmore Arcade (Target 50%) | 0 | 0 | 0 | 0 | 110,000 | 220,000 | 350,000 | 360,000 | 370,000 | 380,000 | 390,000 | 400,000 |
| Sale - Harvey Norman Sale (Part) | 1,780,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Southern Cross Sale | 400,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Land Adjoining BP (50%) | 0 | 0 | 250,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales - ARC Residual (50%) | 0 | 250,000 | 630,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Insurance Claim - Lennox Head C.C. | 0 | 0 | 700,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rate - Roundabouts (30%) | 308,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Infrastructure Dividend | 0 | 0 | 0 | 0 | 400,000 | 300,000 | 1,700,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Section 94 - Recouped | 325,000 | 450,000 | 100,000 | 103,000 | 106,000 | 109,000 | 112,000 | 115,000 | 118,000 | 122,000 | 126,000 | 130,000 |
| Sub Total | 3,852,000 | 1,565,100 | 3,386,000 | 1,059,500 | 1,601,100 | 1,659,400 | 3,247,800 | 1,957,000 | 2,037,200 | 2,128,400 | 2,223,500 | 2,321,700 |
| Less: Cash Outlays | | | | | | | | | | | | |
| Operating Expenditure | | | | | | | | | | | | |
| Loan Repayments | 428,100 | 501,500 | 632,600 | 637,000 | 641,700 | 646,600 | 651,700 | 574,000 | 253,600 | 251,800 | 257,700 | 171,200 |
| Development Application Refund | 27,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plan - Captain Cook Park | 60,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Donations | 0 | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Property Investigations | 20,000 | 18,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sharpes Beach Masterplan | 40,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 575,100 | 524,500 | 632,600 | 637,000 | 641,700 | 646,600 | 651,700 | 574,000 | 253,600 | 251,800 | 257,700 | 171,200 |
| Capital Expenditure | | | | | | | | | | | | |
| Animal Shelter | 280,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ballina Sports Centre | 34,000 | 409,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Coastal Path / Walk | 324,900 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Coastguard Tower | 0 | 150,000 | 1,600,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hockey Field | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lennox Head Rural Fire Shed | 0 | 70,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lennox Head C.C. | 382,000 | 72,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Main St - Alstonville | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Main St - Ballina | 1,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Newrybar Hall | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Street Lighting | 13,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Surf Club - Ballina | 746,000 | 2,900,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Swimming Pool - Ballina | 0 | 0 | 200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Swimming Pool - Alstonville | 0 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 3,284,900 | 3,601,000 | 1,850,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Outlays | 3,860,000 | 4,125,500 | 2,482,600 | 637,000 | 641,700 | 646,600 | 651,700 | 574,000 | 253,600 | 251,800 | 257,700 | 171,200 |
| Closing Balance | 909,300 | (1,651,100) | (747,700) | (325,200) | 634,200 | 1,647,000 | 4,243,100 | 5,626,100 | 7,409,700 | 9,286,300 | 11,252,100 | 13,402,600 |

| Cash Flow - Commercial Opportunities Reserve - 10 Year Financial Plan - Updated as at 18 June 2013 | | | | | | | | | | | | |
|--|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Item | 2011/12 Actual | 2012/13 (Estimate) | 2013/14 (Estimate) | 2014/15 (Estimate) | 2015/16 (Estimate) | 2016/17 (Estimate) | 2017/18 (Estimate) | 2018/19 (Estimate) | 2019/20 (Estimate) | 2020/21 (Estimate) | 2021/22 (Estimate) | 2022/23 (Estimate) |
| Opening Balance | 3,536,500 | 2,350,200 | 2,475,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Add: Cash Inflows | | | | | | | | | | | | |
| Interest Accrued | 178,000 | 100,000 | 95,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Section 94 Recoupments | 122,200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Int Loan Repaid - Street Lighting | 33,000 | 50,000 | 53,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Int Loan Repaid - Flat Rock | 41,000 | 41,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Int Loan Repaid - Plant | 33,500 | 33,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 407,700 | 225,100 | 148,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Less: Cash Outlays | | | | | | | | | | | | |
| Operating Expenditure | | | | | | | | | | | | |
| Sports Fields - Skennars - Approvals | 21,000 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Henderson Farm - Consents | 0 | 60,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 21,000 | 80,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Expenditure | | | | | | | | | | | | |
| Sports Fields - Wollongbar | 1,573,000 | 0 | 1,684,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contingency - Wollongbar / Surf Club / Tower | 0 | 0 | 259,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Shellys on the Beach - Land Purchase | 0 | 0 | 300,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ballery Gallery - Refurbishment | 0 | 0 | 55,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 89-91 Tamar Street - Refurbishment (Air-con) | 0 | 0 | 180,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 139 River Street - Refurbishment | 0 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fawcett Park Café - Refurbishment | 0 | 20,000 | 95,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 1,573,000 | 20,000 | 2,623,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Outlays | 1,594,000 | 100,000 | 2,623,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing Balance | 2,350,200 | 2,475,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Cash Flow - Property Development Reserve - 10 Year Financial Plan - Updated as at 18 June 2013 | | | | | | | | | | | | |
|--|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Item | 2011/12 Actual | 2012/13 (Estimate) | 2013/14 (Estimate) | 2014/15 (Estimate) | 2015/16 (Estimate) | 2016/17 (Estimate) | 2017/18 (Estimate) | 2018/19 (Estimate) | 2019/20 (Estimate) | 2020/21 (Estimate) | 2021/22 (Estimate) | 2022/23 (Estimate) |
| Opening Balance | 303,500 | 4,438,100 | 4,389,500 | 831,000 | 2,816,600 | 3,092,100 | 3,008,700 | 3,007,300 | 3,035,800 | 3,061,000 | 3,076,800 | 3,089,700 |
| Add: Cash Inflows | | | | | | | | | | | | |
| Interest Accrued | 261,000 | 190,000 | 65,000 | 21,000 | 70,000 | 77,000 | 75,000 | 75,000 | 76,000 | 77,000 | 77,000 | 77,000 |
| Rental - Norfolk Homes | 133,600 | 134,800 | 138,000 | 142,200 | 146,500 | 150,900 | 155,500 | 160,200 | 165,100 | 170,100 | 175,300 | 180,600 |
| Rental Income - ARC (50%) | 156,000 | 158,800 | 163,500 | 168,400 | 173,500 | 178,600 | 184,100 | 189,600 | 195,200 | 201,100 | 207,100 | 213,300 |
| Internal Loans Repaid - Waste | 288,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Harvey Norman | 3,819,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales - Southern Cross (Standard Lots) | 426,500 | 0 | 300,000 | 300,000 | 300,000 | 300,000 | 310,000 | 310,000 | 310,000 | 310,000 | 310,000 | 310,000 |
| Sales - Russellton (Standard Lots) | 0 | 413,000 | 0 | 200,000 | 200,000 | 200,000 | 200,000 | 206,000 | 206,000 | 206,000 | 206,000 | 206,000 |
| Sale - Russellton (Major Sale) | 0 | 0 | 0 | 1,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales - WUEA (Standard Lots) | 0 | 0 | 0 | 2,560,000 | 2,400,000 | 2,400,000 | 3,200,000 | 0 | 0 | 0 | 0 | 0 |
| Sale - Balance Skennars Hd | 0 | 0 | 0 | 400,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Alstonville Tennis Courts | 0 | 0 | 0 | 2,000,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Land Adjoining BP (50%) | 0 | 0 | 250,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales - ARC Residual (50%) | 0 | 255,000 | 625,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 5,085,100 | 1,151,600 | 1,541,500 | 7,291,600 | 3,290,000 | 3,306,500 | 4,124,600 | 940,800 | 952,300 | 964,200 | 975,400 | 986,900 |
| Less: Cash Outlays | | | | | | | | | | | | |
| Operating Expenditure | | | | | | | | | | | | |
| North Creek Dredging | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Masterplan | 63,000 | 110,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Operating Exps | 65,600 | 66,000 | 65,000 | 67,000 | 69,200 | 71,400 | 73,700 | 76,000 | 78,400 | 80,800 | 83,300 | 85,900 |
| Russellton - Operating Exps | 35,400 | 11,000 | 13,000 | 89,400 | 29,900 | 30,400 | 16,500 | 15,400 | 15,900 | 16,400 | 16,900 | 17,500 |
| WUEA - Operating Expenses | 7,200 | 15,000 | 35,000 | 138,500 | 133,300 | 134,500 | 167,700 | 41,000 | 42,400 | 43,800 | 45,200 | 46,600 |
| Internal Overheads - Southern Cross | 132,400 | 110,000 | 69,000 | 71,100 | 73,200 | 75,400 | 77,700 | 80,000 | 82,400 | 84,900 | 87,400 | 90,000 |
| Internal Overheads - Russellton | 60,000 | 75,000 | 66,000 | 68,000 | 70,000 | 72,100 | 74,300 | 76,500 | 78,800 | 81,200 | 83,600 | 86,100 |
| Internal Overheads - WUEA | 0 | 0 | 75,000 | 77,300 | 79,600 | 82,000 | 84,500 | 87,000 | 89,600 | 92,300 | 95,100 | 98,000 |
| Sub Total | 368,600 | 387,000 | 323,000 | 511,300 | 455,200 | 465,800 | 494,400 | 375,900 | 387,500 | 399,400 | 411,500 | 424,100 |
| Capital Expenditure | | | | | | | | | | | | |
| Animal Shelter | 0 | 0 | 370,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bridge Club Sale Legals | 42,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wigmore Arcade | 0 | 0 | 0 | 2,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ARC Residual - Selling Costs | 0 | 100,000 | 130,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| WUEA - Development | 0 | 100,000 | 1,800,000 | 1,650,000 | 1,650,000 | 2,200,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Development | 198,000 | 65,000 | 0 | 0 | 0 | 0 | 1,600,000 | 0 | 0 | 0 | 0 | 0 |
| Russellton - Development | 60,400 | 30,000 | 1,900,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Infrastructure Dividend | 0 | 0 | 0 | 0 | 400,000 | 300,000 | 1,700,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Sub Total | 300,400 | 295,000 | 4,200,000 | 4,150,000 | 2,050,000 | 2,500,000 | 3,300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Dividends | | | | | | | | | | | | |
| General Fund | 281,500 | 518,200 | 577,000 | 644,700 | 509,300 | 424,100 | 331,600 | 236,400 | 239,600 | 249,000 | 251,000 | 253,300 |
| Total Outlays | 950,500 | 1,200,200 | 5,100,000 | 5,306,000 | 3,014,500 | 3,389,900 | 4,126,000 | 912,300 | 927,100 | 948,400 | 962,500 | 977,400 |
| Closing Balance | 4,438,100 | 4,389,500 | 831,000 | 2,816,600 | 3,092,100 | 3,008,700 | 3,007,300 | 3,035,800 | 3,061,000 | 3,076,800 | 3,089,700 | 3,099,200 |

4.3 Property Reserves - Future Cash Flows

| Cash Flow - Total Property Reserves - 10 Year Financial Plan - Updated as at 18 June 2013 | | | | | | | | | | | | |
|---|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Item | 2011/12 Actual | 2012/13 (Estimate) | 2013/14 (Estimate) | 2014/15 (Estimate) | 2015/16 (Estimate) | 2016/17 (Estimate) | 2017/18 (Estimate) | 2018/19 (Estimate) | 2019/20 (Estimate) | 2020/21 (Estimate) | 2021/22 (Estimate) | 2022/23 (Estimate) |
| Opening Balance | 4,757,300 | 7,697,600 | 5,213,700 | 83,300 | 2,491,400 | 3,726,300 | 4,655,700 | 7,250,400 | 8,661,900 | 10,470,700 | 12,363,100 | 14,341,800 |
| Add: Cash Inflows | | | | | | | | | | | | |
| Interest Accrued | 616,000 | 310,000 | 160,000 | 21,000 | 70,000 | 93,000 | 116,000 | 181,000 | 217,000 | 262,000 | 309,000 | 358,000 |
| Grant - Marine Rescue Tower (50%) | 0 | 0 | 800,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental - Norfolk Homes | 133,600 | 134,800 | 138,000 | 142,200 | 146,500 | 150,900 | 155,500 | 160,200 | 165,100 | 170,100 | 175,300 | 180,600 |
| Rental Income - ARC | 312,000 | 317,600 | 327,000 | 336,800 | 347,000 | 357,200 | 368,200 | 379,200 | 390,400 | 402,200 | 414,200 | 426,600 |
| Rental - 89 Tamar St (100%) | 641,000 | 686,300 | 698,500 | 719,400 | 740,900 | 763,000 | 785,800 | 809,300 | 833,600 | 858,500 | 884,200 | 910,700 |
| Rental - Fawcett Pk (100%) | 65,000 | 0 | 44,000 | 68,700 | 70,700 | 72,800 | 74,900 | 77,100 | 79,400 | 81,800 | 84,200 | 86,700 |
| Rental - Wigmore Arcade (Target 50%) | 0 | 0 | 0 | 0 | 110,000 | 220,000 | 350,000 | 360,000 | 370,000 | 380,000 | 390,000 | 400,000 |
| Internal Loans Repaid - Waste | 288,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Harvey Norman | 5,599,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales - Southern Cross (Standard Lots) | 426,500 | 0 | 300,000 | 300,000 | 300,000 | 300,000 | 310,000 | 310,000 | 310,000 | 310,000 | 310,000 | 310,000 |
| Sales - Russellton (Standard Lots) | 0 | 413,000 | 0 | 200,000 | 200,000 | 200,000 | 200,000 | 206,000 | 206,000 | 206,000 | 206,000 | 206,000 |
| Sale - Russellton (Major Sale) | 0 | 0 | 0 | 1,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales - WUEA (Standard Lots) | 0 | 0 | 0 | 2,560,000 | 2,400,000 | 2,400,000 | 3,200,000 | 0 | 0 | 0 | 0 | 0 |
| Sale - Balance Skennars Hd | 0 | 0 | 0 | 400,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Alstonville Tennis Courts | 0 | 0 | 0 | 2,000,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Land Adjoining BP | 0 | 0 | 500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales - ARC Residual | 0 | 505,000 | 1,255,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Section 94 Recoupments | 122,200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Int Loan Repaid - Street Lighting | 33,000 | 50,000 | 53,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Int Loan Repaid - Flat Rock | 41,000 | 41,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Int Loan Repaid - Plant | 33,500 | 33,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Southern Cross Sale | 400,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Insurance Claim - Lennox Head C.C. | 0 | 0 | 700,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rate - Roundabouts (30%) | 308,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Infrastructure Dividend | 0 | 0 | 0 | 0 | 400,000 | 300,000 | 1,700,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Section 94 - Recouped | 325,000 | 450,000 | 100,000 | 103,000 | 106,000 | 109,000 | 112,000 | 115,000 | 118,000 | 122,000 | 126,000 | 130,000 |
| Sub Total | 9,344,800 | 2,941,800 | 5,076,000 | 8,351,100 | 4,891,100 | 4,965,900 | 7,372,400 | 2,897,800 | 2,989,500 | 3,092,600 | 3,198,900 | 3,308,600 |
| Less: Cash Outlays | | | | | | | | | | | | |
| Operating Expenditure | | | | | | | | | | | | |
| North Creek Dredging | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Masterplan | 63,000 | 110,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Operating Exps | 65,600 | 66,000 | 65,000 | 67,000 | 69,200 | 71,400 | 73,700 | 76,000 | 78,400 | 80,800 | 83,300 | 85,900 |
| Russellton - Operating Exps | 35,400 | 11,000 | 13,000 | 89,400 | 29,900 | 30,400 | 16,500 | 15,400 | 15,900 | 16,400 | 16,900 | 17,500 |
| WUEA - Operating Expenses | 7,200 | 15,000 | 35,000 | 138,500 | 133,300 | 134,500 | 167,700 | 41,000 | 42,400 | 43,800 | 45,200 | 46,600 |
| Internal Overheads - Southern Cross | 132,400 | 110,000 | 69,000 | 71,100 | 73,200 | 75,400 | 77,700 | 80,000 | 82,400 | 84,900 | 87,400 | 90,000 |
| Internal Overheads - Russellton | 60,000 | 75,000 | 66,000 | 68,000 | 70,000 | 72,100 | 74,300 | 76,500 | 78,800 | 81,200 | 83,600 | 86,100 |
| Internal Overheads - WUEA | 0 | 0 | 75,000 | 77,300 | 79,600 | 82,000 | 84,500 | 87,000 | 89,600 | 92,300 | 95,100 | 98,000 |
| Sports Fields - Skennars - Approvals | 21,000 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Henderson Farm - Consents | 0 | 60,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loan Repayments | 428,100 | 501,500 | 632,600 | 637,000 | 641,700 | 646,600 | 651,700 | 574,000 | 253,600 | 251,800 | 257,700 | 171,200 |
| Development Application Refund | 27,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plan - Captain Cook Park | 60,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Donations | 0 | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Property Investigations | 20,000 | 18,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sharpes Beach Masterplan | 40,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 964,700 | 991,500 | 955,600 | 1,148,300 | 1,096,900 | 1,112,400 | 1,146,100 | 949,900 | 641,100 | 651,200 | 669,200 | 595,300 |
| Capital Expenditure | | | | | | | | | | | | |
| Community Infrastructure | | | | | | | | | | | | |
| Animal Shelter | 280,000 | 0 | 370,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ballina Sports Centre | 34,000 | 409,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bridge Club Sale Legals | 42,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Coastal Path / Walk | 324,900 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Coastguard Tower | 0 | 150,000 | 1,600,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hockey Field | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lennox Head Rural Fire Shed | 0 | 70,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lennox Head C.C. | 382,000 | 72,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Main St - Alstonville | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Main St - Ballina | 1,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Newrybar Hall | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Street Lighting | 13,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Surf Club - Ballina | 746,000 | 2,900,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Swimming Pool - Ballina | 0 | 0 | 200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Swimming Pool - Alstonville | 0 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sports Fields - Wollongbar | 1,573,000 | 0 | 1,684,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contingency - Wollongbar / Surf Club / Tower | 0 | 0 | 259,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Infrastructure Dividend | 0 | 0 | 0 | 0 | 400,000 | 300,000 | 1,700,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Land and Property Development | | | | | | | | | | | | |
| ARC Residual - Selling Costs | 0 | 100,000 | 130,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| WUEA - Development | 0 | 100,000 | 1,800,000 | 1,650,000 | 1,650,000 | 2,200,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Russellton - Development | 60,400 | 30,000 | 1,900,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Development | 198,000 | 65,000 | 0 | 0 | 0 | 0 | 1,600,000 | 0 | 0 | 0 | 0 | 0 |
| Battery Gallery - Refurbishment | 0 | 0 | 55,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 89-91 Tamar Street - Refurbishment (Air-con) | 0 | 0 | 180,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 139 River Street - Refurbishment | 0 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wigmore Arcade | 0 | 0 | 0 | 2,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fawcett Park Café - Refurbishment | 0 | 20,000 | 95,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Shellys on the Beach - Land Purchase | 0 | 0 | 300,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 5,158,300 | 3,916,000 | 8,673,800 | 4,150,000 | 2,050,000 | 2,500,000 | 3,300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Dividends | | | | | | | | | | | | |
| General Fund | 281,500 | 518,200 | 577,000 | 644,700 | 509,300 | 424,100 | 331,600 | 236,400 | 239,600 | 249,000 | 251,000 | 253,300 |
| Total Outlays | 6,404,500 | 5,425,700 | 10,206,400 | 5,943,000 | 3,656,200 | 4,036,500 | 4,777,700 | 1,486,300 | 1,180,700 | 1,200,200 | 1,220,200 | 1,148,600 |
| Closing Balance | 7,697,600 | 5,213,700 | 83,300 | 2,491,400 | 3,726,300 | 4,655,700 | 7,250,400 | 8,661,900 | 10,470,700 | 12,363,100 | 14,341,800 | 16,501,800 |
| Summary | | | | | | | | | | | | |
| Land Development | 4,438,100 | 4,389,500 | 831,000 | 2,816,600 | 3,092,100 | 3,008,700 | 3,007,300 | 3,035,800 | 3,061,000 | 3,076,800 | 3,089,700 | 3,099,200 |
| Commercial Opportunities | 2,350,200 | 2,475,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Infrastructure | 909,300 | (1,651,100) | (747,700) | (325,200) | 634,200 | 1,647,000 | 4,243,100 | 5,626,100 | 7,409,700 | 9,286,300 | 11,252,100 | 13,402,600 |
| Total | 7,697,600 | 5,213,700 | 83,300 | 2,491,400 | 3,726,300 | 4,655,700 | 7,250,400 | 8,661,900 | 10,470,700 | 12,363,100 | 14,341,800 | 16,501,800 |

| Cash Flows - Community Infrastructure Reserve - 10 Year Financial Plan Updated as at October 2013 | | | | | | | | | | | | |
|--|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Item | 2011/12 Actual | 2012/13 Actual | 2013/14 Estimate | 2014/15 Estimate | 2015/16 Estimate | 2016/17 Estimate | 2017/18 Estimate | 2018/19 Estimate | 2019/20 Estimate | 2020/21 Estimate | 2021/22 Estimate | 2022/23 Estimate |
| Opening Balance | 917,300 | 909,300 | 245,600 | (576,500) | (311,700) | 704,000 | 1,781,000 | 4,443,200 | 5,856,100 | 7,632,300 | 9,462,100 | 11,338,700 |
| Add: Cash Inflows | | | | | | | | | | | | |
| Interest Accrued | 177,000 | 54,000 | 0 | 0 | 0 | 24,000 | 51,000 | 80,000 | 78,000 | 83,000 | 88,000 | 93,000 |
| Community Infrastructure Dividend | 0 | 0 | 0 | 0 | 400,000 | 300,000 | 1,700,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Grant - Marine Rescue Tower (50%) | 0 | 0 | 0 | 750,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Insurance Claim - Lennox Head C.C. | 0 | 0 | 0 | 550,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rate Revenue - Roundabouts (30%) | 308,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental - 89 Tamar St (100%) | 641,000 | 656,000 | 698,500 | 719,400 | 740,900 | 763,000 | 785,800 | 809,300 | 833,600 | 858,500 | 884,200 | 910,700 |
| Rental - ARC (50%) | 156,000 | 158,500 | 163,500 | 168,400 | 173,500 | 178,600 | 184,100 | 189,600 | 195,200 | 201,100 | 207,100 | 213,300 |
| Rental - Fawcett Pk (100%) | 65,000 | 0 | 0 | 50,000 | 52,000 | 54,000 | 56,000 | 58,000 | 60,000 | 62,000 | 64,000 | 66,000 |
| Rental - Wigmore Arcade (Target 50%) | 0 | 0 | 0 | 0 | 110,000 | 220,000 | 350,000 | 360,000 | 370,000 | 380,000 | 390,000 | 400,000 |
| Sale - ARC Residual (50%) | 0 | 250,000 | 262,500 | 365,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Harvey Norman Sale (Part) | 1,780,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Land Adjoining BP (50%) | 0 | 0 | 250,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Southern Cross Sale | 400,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Section 94 - Recouped | 325,000 | 631,300 | 100,000 | 103,000 | 106,000 | 109,000 | 112,000 | 115,000 | 118,000 | 122,000 | 126,000 | 130,000 |
| Sub Total | 3,852,000 | 1,749,800 | 1,474,500 | 2,705,800 | 1,582,400 | 1,648,600 | 3,238,900 | 1,911,900 | 1,954,800 | 2,006,600 | 2,059,300 | 2,113,000 |
| Less: Cash Outlays | | | | | | | | | | | | |
| Operating Expenditure | | | | | | | | | | | | |
| Development Application Refund | 27,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Donations | 0 | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fawcett Park Café - Operating Expenses | 0 | 33,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Master Plan - Captain Cook Park | 60,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Master Plan - Kingsford Smith Park | 0 | 0 | 18,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Property Investigations | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sharpes Beach Masterplan | 40,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 147,000 | 38,000 | 18,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Infrastructure | | | | | | | | | | | | |
| Animal Shelter | 280,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ballina Sports and Events Centre | 34,000 | 26,000 | 383,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Coastal Path / Walk | 324,900 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Coastguard Tower | 0 | 21,000 | 100,000 | 1,629,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lennox Head Rural Fire Shed | 0 | 72,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lennox Head C.C. | 382,000 | 73,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loan Repayments Community Infrastructure | 428,100 | 501,500 | 557,600 | 562,000 | 566,700 | 571,600 | 576,700 | 499,000 | 178,600 | 176,800 | 182,700 | 104,200 |
| Main Street - Ballina | 1,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Newrybar Hall | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Street Lighting | 13,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Surf Club - Ballina | 746,000 | 1,682,000 | 1,218,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Swimming Pool - Ballina | 0 | 0 | 0 | 200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Swimming Pool - Alstonville | 0 | 0 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wardell Hall | 0 | 0 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 3,713,000 | 2,375,500 | 2,278,600 | 2,441,000 | 566,700 | 571,600 | 576,700 | 499,000 | 178,600 | 176,800 | 182,700 | 104,200 |
| Total Outlays | 3,860,000 | 2,413,500 | 2,296,600 | 2,441,000 | 566,700 | 571,600 | 576,700 | 499,000 | 178,600 | 176,800 | 182,700 | 104,200 |
| Closing Balance | 909,300 | 245,600 | (576,500) | (311,700) | 704,000 | 1,781,000 | 4,443,200 | 5,856,100 | 7,632,300 | 9,462,100 | 11,338,700 | 13,347,500 |

| Cash Flow - Commercial Opportunities Reserve - 10 Year Financial Plan Updated as at October 2013 | | | | | | | | | | | | |
|---|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Item | 2011/12 Actual | 2012/13 Actual | 2013/14 Estimate | 2014/15 Estimate | 2015/16 Estimate | 2016/17 Estimate | 2017/18 Estimate | 2018/19 Estimate | 2019/20 Estimate | 2020/21 Estimate | 2021/22 Estimate | 2022/23 Estimate |
| Opening Balance | 3,536,500 | 2,350,200 | 2,472,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Add: Cash Inflows | | | | | | | | | | | | |
| Interest Accrued | 178,000 | 67,000 | 95,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Int Loan Repaid - Flat Rock | 41,000 | 41,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Int Loan Repaid - Plant | 33,500 | 33,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Int Loan Repaid - Street Lighting | 33,000 | 36,500 | 53,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fawcett Park Café - Insurance Claim | 0 | 0 | 75,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Section 94 Recoupments | 122,200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 407,700 | 178,600 | 223,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Less: Cash Outlays | | | | | | | | | | | | |
| Property Development Projects | | | | | | | | | | | | |
| Ballery Gallery - Refurbishment | 0 | 0 | 55,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fawcett Park Café - Mtce and Refurbishment | 0 | 34,000 | 156,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Henderson Farm - Consents | 0 | 2,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| River Street - 139 Refurbishment | 0 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Shellys on the Beach - Land Purchase | 0 | 0 | 300,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sports Fields - Skennars - Approvals | 21,000 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tamar Street - 89 Refurbishment (Air-con) | 0 | 0 | 180,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 21,000 | 56,000 | 741,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Infrastructure | | | | | | | | | | | | |
| Sports Fields - Wollongbar | 1,573,000 | 0 | 1,684,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contingency - Ballina Surf Club | 0 | 0 | 271,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 1,573,000 | 0 | 1,955,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Outlays | 1,594,000 | 56,000 | 2,696,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing Balance | 2,350,200 | 2,472,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Cash Flow - Property Development Reserve - 10 Year Financial Plan Updated as at October 2013 | | | | | | | | | | | | |
|---|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Item | 2011/12 Actual | 2012/13 Actual | 2013/14 Estimate | 2014/15 Estimate | 2015/16 Estimate | 2016/17 Estimate | 2017/18 Estimate | 2018/19 Estimate | 2019/20 Estimate | 2020/21 Estimate | 2021/22 Estimate | 2022/23 Estimate |
| Opening Balance | 303,500 | 4,438,100 | 4,613,900 | 2,715,900 | 5,303,900 | 5,726,400 | 6,343,000 | 4,341,200 | 4,403,700 | 4,462,900 | 4,513,700 | 4,562,600 |
| Add: Cash Inflows | | | | | | | | | | | | |
| Interest Accrued | 261,000 | 178,000 | 65,000 | 68,000 | 133,000 | 143,000 | 159,000 | 109,000 | 110,000 | 112,000 | 113,000 | 114,000 |
| Internal Loans Repaid - Waste | 288,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental - Norfolk Homes | 133,600 | 136,500 | 138,000 | 142,200 | 146,500 | 150,900 | 155,500 | 160,200 | 165,100 | 170,100 | 175,300 | 180,600 |
| Rental - ARC (50%) | 156,000 | 158,500 | 163,500 | 168,400 | 173,500 | 178,600 | 184,100 | 189,600 | 195,200 | 201,100 | 207,100 | 213,300 |
| Sale - Alstonville Tennis Courts | 0 | 0 | 0 | 2,000,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - ARC Residual (50%) | 0 | 269,000 | 262,500 | 365,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Balance Skennars Hd | 0 | 0 | 0 | 400,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Harvey Norman | 4,246,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Land Adjoining BP (50%) | 0 | 0 | 250,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Russellton (Major Sale) | 0 | 0 | 0 | 1,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Russellton (Standard Lots) | 0 | 413,000 | 0 | 200,000 | 200,000 | 200,000 | 200,000 | 206,000 | 206,000 | 206,000 | 206,000 | 206,000 |
| Sale - Southern Cross (Standard Lots) | 0 | 0 | 0 | 300,000 | 300,000 | 300,000 | 310,000 | 310,000 | 310,000 | 310,000 | 310,000 | 310,000 |
| Sale - WUEA (Standard Lots) | 0 | 0 | 0 | 2,560,000 | 2,400,000 | 2,400,000 | 3,200,000 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 5,085,100 | 1,155,000 | 879,000 | 7,703,600 | 3,353,000 | 3,372,500 | 4,208,600 | 974,800 | 986,300 | 999,200 | 1,011,400 | 1,023,900 |
| Less: Cash Outlays | | | | | | | | | | | | |
| Operating Expenditure | | | | | | | | | | | | |
| Internal Overheads - Russellton | 60,000 | 80,000 | 66,000 | 68,000 | 70,000 | 72,100 | 74,300 | 76,500 | 78,800 | 81,200 | 83,600 | 86,100 |
| Internal Overheads - Southern Cross | 132,400 | 67,000 | 69,000 | 71,100 | 73,200 | 75,400 | 77,700 | 80,000 | 82,400 | 84,900 | 87,400 | 90,000 |
| Internal Overheads - WUEA | 0 | 0 | 75,000 | 77,300 | 79,600 | 82,000 | 84,500 | 87,000 | 89,600 | 92,300 | 95,100 | 98,000 |
| Russellton - Operating Exps | 35,400 | 30,000 | 13,000 | 89,400 | 29,900 | 30,400 | 16,500 | 15,400 | 15,900 | 16,400 | 16,900 | 17,500 |
| Southern Cross - Operating Exps | 65,600 | 66,000 | 65,000 | 67,000 | 69,200 | 71,400 | 73,700 | 76,000 | 78,400 | 80,800 | 83,300 | 85,900 |
| WUEA - Operating Expenses | 7,200 | 15,000 | 35,000 | 48,100 | 49,300 | 50,500 | 52,100 | 41,000 | 42,400 | 43,800 | 45,200 | 46,600 |
| Sub Total | 300,600 | 258,000 | 323,000 | 420,900 | 371,200 | 381,800 | 378,800 | 375,900 | 387,500 | 399,400 | 411,500 | 424,100 |
| Community Infrastructure | | | | | | | | | | | | |
| Animal Shelter | 0 | 0 | 370,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ballina Surf Club | 0 | 0 | 134,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Infrastructure Dividend | 0 | 0 | 0 | 0 | 400,000 | 300,000 | 1,700,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Sub Total | 0 | 0 | 504,000 | 0 | 400,000 | 300,000 | 1,700,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Property Development Projects | | | | | | | | | | | | |
| ARC Residual - Selling Costs | 0 | 0 | 230,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bridge Club Sale Legals | 42,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| North Creek Dredging | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Russellton - Development | 60,400 | 0 | 100,000 | 1,800,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Development | 198,000 | 115,000 | 0 | 0 | 0 | 0 | 1,600,000 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Masterplan | 63,000 | 110,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wigmore Arcade - Development | 0 | 0 | 125,000 | 1,350,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| WUEA - Development | 0 | 48,000 | 900,000 | 900,000 | 1,650,000 | 1,650,000 | 2,200,000 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 368,400 | 273,000 | 1,355,000 | 4,050,000 | 1,650,000 | 1,650,000 | 3,800,000 | 0 | 0 | 0 | 0 | 0 |
| Dividends | | | | | | | | | | | | |
| General Fund | 281,500 | 448,200 | 595,000 | 644,700 | 509,300 | 424,100 | 331,600 | 236,400 | 239,600 | 249,000 | 251,000 | 253,300 |
| Total Outlays | 950,500 | 979,200 | 2,777,000 | 5,115,600 | 2,930,500 | 2,755,900 | 6,210,400 | 912,300 | 927,100 | 948,400 | 962,500 | 977,400 |
| Closing Balance | 4,438,100 | 4,613,900 | 2,715,900 | 5,303,900 | 5,726,400 | 6,343,000 | 4,341,200 | 4,403,700 | 4,462,900 | 4,513,700 | 4,562,600 | 4,609,100 |

4.3 Property Reserves - Future Cash Flows

| Cash Flow - Total Property Reserves - 10 Year Financial Plan Updated as at October 2013 | | | | | | | | | | | | |
|--|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Item | 2011/12 Actual | 2012/13 Actual | 2013/14 Estimate | 2014/15 Estimate | 2015/16 Estimate | 2016/17 Estimate | 2017/18 Estimate | 2018/19 Estimate | 2019/20 Estimate | 2020/21 Estimate | 2021/22 Estimate | 2022/23 Estimate |
| Opening Balance | 4,757,300 | 7,697,600 | 7,332,300 | 2,139,400 | 4,992,200 | 6,430,400 | 8,124,000 | 8,784,400 | 10,259,800 | 12,095,200 | 13,975,800 | 15,901,300 |
| Add: Cash Inflows | | | | | | | | | | | | |
| Interest Accrued | 616,000 | 299,000 | 160,000 | 68,000 | 133,000 | 167,000 | 210,000 | 189,000 | 188,000 | 195,000 | 201,000 | 207,000 |
| Community Infrastructure Dividend | 0 | 0 | 0 | 0 | 400,000 | 300,000 | 1,700,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Fawcett Park Café - Insurance Claim | 0 | 0 | 75,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grant - Marine Rescue Tower (50%) | 0 | 0 | 0 | 750,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Insurance Claim - Lennox Head C.C. | 0 | 0 | 0 | 550,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Internal Loans Repaid | 396,000 | 111,600 | 53,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rate Revenue - Roundabouts (30%) | 308,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental - 89 Tamar Street | 641,000 | 656,000 | 698,500 | 719,400 | 740,900 | 763,000 | 785,800 | 809,300 | 833,600 | 858,500 | 884,200 | 910,700 |
| Rental - ARC | 312,000 | 317,000 | 327,000 | 336,800 | 347,000 | 357,200 | 368,200 | 379,200 | 390,400 | 402,200 | 414,200 | 426,600 |
| Rental - Fawcett Park Café | 65,000 | 0 | 0 | 50,000 | 52,000 | 54,000 | 56,000 | 58,000 | 60,000 | 62,000 | 64,000 | 66,000 |
| Rental - Norfolk Homes | 133,600 | 136,500 | 138,000 | 142,200 | 146,500 | 150,900 | 155,500 | 160,200 | 165,100 | 170,100 | 175,300 | 180,600 |
| Rental - Wigmore Arcade | 0 | 0 | 0 | 0 | 110,000 | 220,000 | 350,000 | 360,000 | 370,000 | 380,000 | 390,000 | 400,000 |
| Sale - Alstonville Tennis Courts | 0 | 0 | 0 | 2,000,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - ARC Residual | 0 | 519,000 | 525,000 | 730,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Balance Skennars Hd | 0 | 0 | 0 | 400,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Harvey Norman | 6,026,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Land Adjoining BP | 0 | 0 | 500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Russellton (Major Sale) | 0 | 0 | 0 | 1,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale - Russellton (Standard Lots) | 0 | 413,000 | 0 | 200,000 | 200,000 | 200,000 | 200,000 | 206,000 | 206,000 | 206,000 | 206,000 | 206,000 |
| Sale - Southern Cross (Standard Lots) | 400,000 | 0 | 0 | 300,000 | 300,000 | 300,000 | 310,000 | 310,000 | 310,000 | 310,000 | 310,000 | 310,000 |
| Sale - WUEA | 0 | 0 | 0 | 2,560,000 | 2,400,000 | 2,400,000 | 3,200,000 | 0 | 0 | 0 | 0 | 0 |
| Section 94 - Recouped | 447,200 | 631,300 | 100,000 | 103,000 | 106,000 | 109,000 | 112,000 | 115,000 | 118,000 | 122,000 | 126,000 | 130,000 |
| Sub Total | 9,344,800 | 3,083,400 | 2,577,000 | 10,409,400 | 4,935,400 | 5,021,100 | 7,447,500 | 2,886,700 | 2,941,100 | 3,005,800 | 3,070,700 | 3,136,900 |
| Less: Cash Outlays | | | | | | | | | | | | |
| Operating Expenditure | | | | | | | | | | | | |
| Development Application Refund | 27,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Donations | 0 | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fawcett Park Café - Operating Expenses | 0 | 33,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Internal Overheads - Russellton | 60,000 | 80,000 | 66,000 | 68,000 | 70,000 | 72,100 | 74,300 | 76,500 | 78,800 | 81,200 | 83,600 | 86,100 |
| Internal Overheads - Southern Cross | 132,400 | 67,000 | 69,000 | 71,100 | 73,200 | 75,400 | 77,700 | 80,000 | 82,400 | 84,900 | 87,400 | 90,000 |
| Internal Overheads - WUEA | 0 | 0 | 75,000 | 77,300 | 79,600 | 82,000 | 84,500 | 87,000 | 89,600 | 92,300 | 95,100 | 98,000 |
| Master Plan - Captain Cook Park | 60,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Master Plan - Kingsford Smith Park | 0 | 0 | 18,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Property Investigations | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Russellton - Operating Exps | 35,400 | 30,000 | 13,000 | 89,400 | 29,900 | 30,400 | 16,500 | 15,400 | 15,900 | 16,400 | 16,900 | 17,500 |
| Sharpes Beach Masterplan | 40,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Operating Exps | 65,600 | 66,000 | 65,000 | 67,000 | 69,200 | 71,400 | 73,700 | 76,000 | 78,400 | 80,800 | 83,300 | 85,900 |
| WUEA - Operating Expenses | 7,200 | 15,000 | 35,000 | 48,100 | 49,300 | 50,500 | 52,100 | 41,000 | 42,400 | 43,800 | 45,200 | 46,600 |
| Sub Total | 447,600 | 296,000 | 341,000 | 420,900 | 371,200 | 381,800 | 378,800 | 375,900 | 387,500 | 399,400 | 411,500 | 424,100 |
| Community Infrastructure | | | | | | | | | | | | |
| Animal Shelter | 280,000 | 0 | 370,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ballina Sports and Events Centre | 34,000 | 26,000 | 383,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Coastal Path / Walk | 324,900 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Coastguard Tower | 0 | 21,000 | 100,000 | 1,629,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Infrastructure Dividend | 0 | 0 | 0 | 0 | 400,000 | 300,000 | 1,700,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Lennox Head Cultural and Community Centre | 382,000 | 73,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lennox Head Rural Fire Shed | 0 | 72,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loan Repayments for Infrastructure | 428,100 | 501,500 | 557,600 | 562,000 | 566,700 | 571,600 | 576,700 | 499,000 | 178,600 | 176,800 | 182,700 | 104,200 |
| Main Street - Ballina | 1,500,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Newrybar Hall | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sports Fields - Wollongbar | 1,573,000 | 0 | 1,684,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Street Lighting | 13,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Surf Club - Ballina | 746,000 | 1,682,000 | 1,623,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Swimming Pool - Alstonville | 0 | 0 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Swimming Pool - Ballina | 0 | 0 | 0 | 200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wardell Hall | 0 | 0 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 5,286,000 | 2,375,500 | 4,737,600 | 2,441,000 | 966,700 | 871,600 | 2,276,700 | 799,000 | 478,600 | 476,800 | 482,700 | 404,200 |
| Property Development Projects | | | | | | | | | | | | |
| ARC Residual - Selling Costs | 0 | 0 | 230,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Battery Gallery - Refurbishment | 0 | 0 | 55,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bridge Club Sale Legals | 42,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fawcett Park Café - Mtce and Refurbishment | 0 | 34,000 | 156,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Henderson Farm - Consents | 0 | 2,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| North Creek Dredging | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| River Street - 139 Refurbishment | 0 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Russellton - Development | 60,400 | 0 | 100,000 | 1,800,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Shellys on the Beach - Land Purchase | 0 | 0 | 300,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Development | 198,000 | 115,000 | 0 | 0 | 0 | 0 | 1,600,000 | 0 | 0 | 0 | 0 | 0 |
| Southern Cross - Masterplan | 63,000 | 110,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sports Fields - Skennars - Approvals | 21,000 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tamar Street - 89 Refurbishment (Air-con) | 0 | 0 | 180,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wigmore Arcade - Development | 0 | 0 | 125,000 | 1,350,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| WUEA - Development | 0 | 48,000 | 900,000 | 900,000 | 1,650,000 | 1,650,000 | 2,200,000 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 389,400 | 329,000 | 2,096,300 | 4,050,000 | 1,650,000 | 1,650,000 | 3,800,000 | 0 | 0 | 0 | 0 | 0 |
| Dividends | | | | | | | | | | | | |
| General Fund | 281,500 | 448,200 | 595,000 | 644,700 | 509,300 | 424,100 | 331,600 | 236,400 | 239,600 | 249,000 | 251,000 | 253,300 |
| Total Outlays | 6,404,500 | 3,448,700 | 7,769,900 | 7,556,600 | 3,497,200 | 3,327,500 | 6,787,100 | 1,411,300 | 1,105,700 | 1,125,200 | 1,145,200 | 1,081,600 |
| Closing Balance | 7,697,600 | 7,332,300 | 2,139,400 | 4,992,200 | 6,430,400 | 8,124,000 | 8,784,400 | 10,259,800 | 12,095,200 | 13,975,800 | 15,901,300 | 17,956,600 |
| Summary | | | | | | | | | | | | |
| Land Development | 4,438,100 | 4,613,900 | 2,715,900 | 5,303,900 | 5,726,400 | 6,343,000 | 4,341,200 | 4,403,700 | 4,462,900 | 4,513,700 | 4,562,600 | 4,609,100 |
| Commercial Opportunities | 909,300 | 245,600 | (576,500) | (311,700) | 704,000 | 1,781,000 | 4,443,200 | 5,856,100 | 7,632,300 | 9,462,100 | 11,338,700 | 13,347,500 |
| Community Infrastructure | 2,350,200 | 2,472,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 7,697,600 | 7,332,300 | 2,139,400 | 4,992,200 | 6,430,400 | 8,124,000 | 8,784,400 | 10,259,800 | 12,095,200 | 13,975,800 | 15,901,300 | 17,956,600 |