



NB: Photo from previous inspection on 25 February 2014

VALUATION FOR INSURANCE PURPOSES:
DESKTOP UPDATE

Property Address:
17 Cormorant Street,
Bakewell NT 0832

Instructed by:
Whittles Body Corporate Management
on behalf of
Unit Plan: 2000/29

WORK ORDER NO: A571899

DATE OF VALUATION: 31 March 2020

MDMF FAMILY TRUST T/AS BODY CORPORATE INS VALUATIONS:
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1.0 VALUATION SUMMARY:

Acting on instructions from the Body Corporate manager on behalf of Unit Corporation No. 2000/29 to perform a DESKTOP UPDATE of the insurance replacement value of the current improvements situated at 17 Cormorant Street, Bakewell, SA 0832 as at 31 March 2020; we assess the summary of insurance values to be as follows:

Current Reinstatement Value	\$ 3,320,602
PLUS:	
Cost escalation during reconstruction period	\$ 40,401
Professional Fees for design and reconstruction	\$ 244,770
Demolition and Removal of Debris	\$ 166,822
Cost escalation during Insurance policy period	\$ 37,726
Total Cost Escalation, Demolition and Fee Allowances	\$ 489,719
Total Reinstatement Value	\$ 3,810,321
GST	\$ 381,032
Total Insurance Replacement Value:	\$ 4,191,353
Rounded to nearest \$5000:	\$ 4,190,000

NB: In accordance with our standing instructions and according to the methodology used to calculate the Total Insurance Replacement Cost Estimate for replacement and reinstatement purposes we have made **NO ALLOWANCE** for the following items:

- catastrophe cover, land value, loss of profit, sales and letting fees
- loss of rental income between building loss and reinstatement
- cost of leasing alternative premises in that period, removal & upset expenses
- professional fees and legal fees incurred to prepare a claim after loss
- variations to the design of the existing improvements
- damage, loss or disposal of non-fixed assets, furniture, artwork, loose fittings & personal effects, stock or inventory, trade/advertising signs or logos
- any commercial telecommunications equipment, plant, machinery & equipment used wholly or in part in connection with any industrial or commercial use of the property and not integral to the building or building services
- costs or losses in connection with major statutory or planning changes which may substantially vary the reinstatement of current improvements as described
- removal of hazardous materials, remediation costs if contaminants are present

These items should ALL be considered and assessed separately from this assessment. For a more detailed explanation of exclusions please refer to Specified Exclusions detailed in Section 7 on Page 7.

We recommend a minimum allowance of 15% for loss of rent AND an allowance of 30 to 50% for catastrophe cover over and above the Total Insurance Replacement Cost Estimate contained herein.

This assessment is subject to all definitions, qualifications, assumptions and disclaimers as described further in this report. It is imperative that the report should be considered as a whole before any reliance is placed on any replacement cost figures provided. We strongly recommend that you discuss our method of replacement cost estimation with your Broker and/or Insurer so that they can assist you in deciding the appropriate amount of cover and the appropriate insurance policy for which the subject property should be insured.

2.0 USE OF VALUATION:

This valuation for insurance purposes is prepared under the specific instructions from Lynn Donnelly on behalf of the Body Corporate manager of Unit Corporation 2000/29. This valuation is for the use ONLY of the parties to which it is addressed. No responsibility is accepted or undertaken to ANY other parties in relation to this valuation and report.

It is agreed between the client and Body Corporate Ins Valuations that all valuations are provided in confidence and for the stated purpose herein only. No other party may include any part of this valuation or refer to it in any document, circular or statement without the prior written consent of the Managing Director of Body Corporate Ins Valuations.

3.0 VALUATION:

We hereby certify that we have performed a DESKTOP UPDATE ONLY of the subject property on 31 March 2020 on the specific instructions from the manager of Unit Corporation No. 2000/29 to assess the insurance replacement value of the improvements as described.

This valuation is subject to all definitions, qualifications, assumptions and disclaimers as described further in this report. It is imperative that the report should be considered as a whole before any reliance is placed on any valuation figures provided above.

We strongly recommend that you discuss our method of valuation with your Broker or Insurer so that they can assist you in deciding the appropriate amount of cover for which the property should be insured.

As at 31 March 2020 we assess the total insurance replacement value on a replacement and reinstatement basis to be as follows:

\$4,190,000
(Four Million, One Hundred & Ninety Thousand Dollars)

Body Corporate Ins Valuations



Peter Flower
B.Bus.Prop.(Val), MRICS
Managing Director

NB: It is imperative that the report should be considered as a whole before any reliance is placed on the Insurance Replacement Value provided above. Please refer to the full report with specific reference to the Valuation Methodology, Definitions and Assumptions, Disclaimers and Limitations which clearly outlines all assumptions, inclusions and exclusions considered in the calculation of the Insurance Replacement Value.

4.0 BRIEF DESCRIPTION OF IMPROVEMENTS:

4.1 MAIN BUILDING(S):

Erected on the land is a group of five (5) double-storey buildings comprising ten (10) attached townhouse style home units in good condition.

Construction details are as follows:

Footings:	Reinforced concrete
External Walls:	Rendered masonry
Roof:	Colorbond steel
Window Frames:	Aluminium
Year Built:	Circa 2000
Carports:	Twenty (20)

4.2 GROSS BUILDING AREAS:

Main building area (total):	1,230 m ² approximately
Verandahs under main roof (total):	62 m ² approximately
Carports attached (total):	394 m ² approximately

4.3 ANCILLARY IMPROVEMENTS:

Rendered masonry and colorbond attached matching carports, steel frame and metal deck/shadecloth attached pergolas, metal toolsheds.

4.4 SITE IMPROVEMENTS:

Brick paved common driveway and parking areas with concrete kerbing, brick paved paths, rendered masonry bin enclosure, well established landscaping to yards and common areas, rendered masonry and aluminium front fencing, timber courtyard and boundary fencing.

5.0 VALUATION METHODOLOGY:

Our assessment of the insurance replacement value is calculated on a replacement and reinstatement basis of all buildings, ancillary improvements and site improvements. As far as practical we have assumed replacement with similar building materials to a standard equal to, but not better than, the assessed improvements as at the date of inspection. This assessment includes allowances for demolition and removal of debris, cost escalations during the estimated design and reconstruction period, cost escalations during the assumed insured period of twelve (12) months, and professional fees associated with design and reconstruction of the assessed improvements.

Our assessment of replacement and reinstatement cost is based on industry averages rather than a detailed cost breakdown. An allowance is made for cost variations to regional areas due to increased costs in labour and materials. Discounted construction costs may be used when assessing large unit groups to take into account the cost benefits of economies of scale.

All reconstruction building rates are based on replacing the current improvements on a new for old basis whereby the newly constructed buildings and associated ancillary and site improvements would be of identical dimensions to all improvements as inspected and described as at the date of valuation.

All estimated reconstruction costs are based on industry sourced and quoted building prices which are EXCLUSIVE of GST. The total insurance replacement value as stated in this report includes an allowance for GST.

Our assessment of the total insurance replacement value includes all of the following:

- Buildings as itemised in this report are assessed by the Valuer as the main building areas and include all areas under the main roof such as garages, carports, balconies, verandahs and porches.
- Ancillary improvements as itemised in this report are assessed by the Valuer as supplementary to the main buildings.
- Site improvements as itemised in this report are assessed by the Valuer as distinctly separate from buildings and ancillary improvements.

We recommend a minimum allowance of 15% of the total sum insured for loss of rent AND an allowance of between 30 and 50% of the total sum insured for catastrophe cover IN ADDITION to the Total Insurance Replacement Cost Estimate contained herein. We have NOT included these items in our assessment as these items are dealt with separately by most insurers and are either a standard inclusion or an optional extra.

The level of cover for both loss of rent and catastrophe cover should be discussed with your broker and/or insurer to assess whether they are included in your standard policy terms and conditions and PDS or whether they are additional nominated extras. We clearly state that we have made NO ALLOWANCE for catastrophe cover or loss of rent in this assessment and they should be separately assessed for the reasons above.

6.0 DEFINITIONS AND ASSUMPTIONS:

6.1 **CURRENT REINSTATEMENT VALUE:** This is the current estimated replacement value (exclusive of GST) of the reinstatement of all buildings, ancillary improvements and site improvements based on current cost estimates as at the date of inspection. This value does NOT include any allowances for cost escalations during the reconstruction, demolition and insured periods, professional fees, demolition and removal of debris, reinstatement of current Unit Plan or GST.

6.2 **COST ESCALATION DURING RECONSTRUCTION PERIOD:** We have allowed for a cost escalation of 1% per annum over an estimated reconstruction period of 11 months based on industry averages. This estimated reconstruction period assumes no unforeseeable delays due to excessive weather problems, industrial disputes, or non-availability of materials.

6.3 **PROFESSIONAL AND PLAN LODGEMENT FEES:** We have included an allowance of 7% for professional fees associated with the design and reconstruction of the replacement building, ancillary and site improvements. We have also included an allowance for plan lodgement fees, surveyors fees, valuers fees and conveyancers fees for the reinstatement of the current Unit Plan.

6.4 **DEMOLITION AND REMOVAL OF DEBRIS:** We have allowed for all costs associated with the demolition and removal of debris for the existing improvements. NB: There is NO allowance for the demolition and removal of hazardous materials.

6.5 **COST ESCALATION DURING INSURANCE POLICY PERIOD:** We have allowed for a cost escalation of 1% per annum over the assumed insurance period of 12 months.

6.6 **TOTAL REINSTATEMENT VALUE:** This is the cost (exclusive of GST) of the replacement of all buildings, ancillary improvements and site improvements based on current cost estimates and including all allowances for associated fees and cost escalations as described.

6.7 **GST ALLOWANCE:** All estimated costs are based on figures obtained from either Rawlinsons Australian Construction Handbook or industry sources, all of which are exclusive of the Goods and Services Tax. As per industry accepted practice we have made an allowance for GST for the purposes of this report.

6.8 **TOTAL INSURANCE REPLACEMENT VALUE:** This value is the total recommended sum insured for insurance replacement value purposes.

7.0 SPECIFIED EXCLUSIONS:

7.1 PLANNING AMENDMENTS:

Allowance has been made for compliance with current planning regulations and building codes in the event of reconstruction due to a significant or catastrophic loss which requires demolition and full replacement/reinstatement; but there has been NO provision for any losses or costs incurred due to any major planning amendments (such as changes to plot ratios and setback requirements etc) which may prevent the full or substantial reconstruction of the current improvements as described as at the date of inspection. We clearly state that NO ALLOWANCE has been made for the cost of alterations or upgrades to existing buildings for the purpose of bringing existing buildings and improvements up to current building codes and/or regulations.

7.2 GENERAL EXCLUSIONS:

Our assessment of the insurance replacement value does **NOT** include allowances for the following items:

- catastrophe cover, land value or loss of profit, sales and letting fees
- loss of rental income between building loss and reinstatement, cost of leasing alternative premises in that period, removal & upset expenses
- professional fees incurred to prepare a claim after loss, statutory and legal fees associated with obtaining planning consents
- damage, loss or disposal of furniture/loose fittings & personal effects/stock or inventory, public or private artwork or sculptures, trade advertising signs or logos
- variations to the design of the existing improvements
- costs or losses in connection with major statutory or planning regulations which substantially prevent the full replacement and reinstatement of the current improvements as described with similar materials
- any plant, machinery & equipment used wholly or in part in connection with any industrial or commercial use of the property and not integral to the building or building services
- any commercial telecommunications equipment such as mobile phone towers
- where there is reference to landscaping, although we have made an allowance for general landscaping such as lawns, shrubs and ground cover; it does NOT cover the cost of replacement of mature trees or underground irrigation systems
- We have made NO ALLOWANCE for and accept NO responsibility for the cost of removal/replacement of any hazardous materials (including, but not limited to materials such as asbestos or combustible cladding) or remediation costs if contaminants are present or found to be present, regardless of whether we are made aware of any hazardous materials at the subject property or not. We are NOT experts in the identification of hazardous materials or in the assessment of the cost of the removal, replacement or remediation of hazardous materials. Where any hazardous materials are found to be present; we strongly recommend that the cost of removal, replacement and/or remediation is separately assessed by a qualified and experienced contractor.

ALL items listed above have been expressly excluded in the calculations of this valuation and should be considered separately.

8.0 DISCLAIMERS AND LIMITATIONS:

USE OF VALUATION: This valuation is for the use ONLY of the party to which it is addressed. NO responsibility is accepted or undertaken to ANY other parties in relation to this valuation and report. No other party may include any part of this valuation or refer to it in any document, circular or statement without the prior written consent of the valuer.

FULL DISCLOSURE: This valuation has been prepared on the basis that all information relevant to the assessment of the subject property for the purposes of this report has been supplied to us by the client, or on the client's behalf. We do not accept any liability or responsibility whatsoever for the valuation if full disclosure has not been made; or for any error or defect in the valuation which has resulted from any error, omission or inaccuracy in information supplied by, or on behalf of the client. We clearly state that we have relied on the assumed accuracy of all supplied or sourced Unit Plans or building plans for our calculations of the insurance replacement value.

LIMITATIONS: This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a short period of time (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 responsibility or accept any liability where the valuation is relied upon after the expiration of ninety (90) days from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation. This valuation is based on the assumption that all improvements as described at the date of valuation comply with the current zoning regulations with specific regard to the rebuilding of all current improvements as described in the event of a catastrophic loss.

VALUER'S INSPECTION: **We clearly state that we have performed a DESKTOP UPDATE of the subject property ONLY, we have not re-inspected the property.** We have based our calculations on the assumption that there has been NO significant change to the built improvements of the subject property since our previous external inspection on 25 February 2014. Should there be ANY change to the built improvements since that time, we reserve the right to amend our report accordingly. We state that we have NOT conducted a structural building survey or pest analysis and this report does NOT constitute a structural survey is not intended as such.

We are NOT qualified to:

- detect contaminants including, but not limited to items such as asbestos, combustible cladding, chemicals, toxic wastes, or any other hazardous materials
- estimate the cost of remediation of contaminants, or
- quantify the impact of contaminants on the value of the property

Our assessment assumes that there are no contaminants located at the subject property other than those discussed within this report. If subsequent investigations reveal the presence of contaminants, this report should be referred back to the valuer for review.