

Instructed By: St George Banking Group
Contact: Carmelo Todaro
Client Ref No: N/A
Borrower: Chris Gatt

Lender: St. George Banking Group
Loan Ref No: N/A
ValEx Ref No: 15940008
Valuer Ref No: 12222862

1 PROPERTY SUMMARY - UNIT

Property Address: 101/16 Dalgety Street, OAKLEIGH VIC 3166
Title search sighted?: No
Real Property Description: Lot 101 Plan PS822620
Encumbrances/Restrictions: Not Known
Site Dimensions: Regular in shape
Zoning: Commercial 1 (C1Z) / Monash Planning Scheme
LGA: Monash City Council
Main Dwelling: Apartment with 2 bedroom(s) and 2 bathroom(s)
Site Area: N/A
Current Use: Residential
Built About: Year Built 2020
Areas: Living: 69.00 sqm Outdoor: 9.00 sqm Other: 0.00 sqm
Number of Car Spaces: 1
Marketability: Average
Heritage Issues: Not Known
Environmental Issues: Known
Essential Repairs: No
Additions: N/A
Car Areas: 12.00 sqm

2 RISK ANALYSIS

Property Risk Ratings	1	2	3	4	5	Market Risk Ratings	1	2	3	4	5
Location/Neighbourhood:	2					Market Direction (price):	3				
Land (inc planning title):	3					Market Activity:	4				
Environmental Issues:	3					Local/Regional Economy Impact:	4				
Improvements:	4					Market Segment Conditions:	4				

3 VALUATION & ASSESSMENTS SUMMARY

Interest Valued: Fee Simple Vacant Possession
Value Component: Existing Property
Units/Lots in Development: Unknown
Unit/Lot Entitlement: Unknown
MARKET VALUE: \$590,000
Other Assessments:
Rental Assessment Unfurnished: \$600.00 Per week
Insurance Estimate: Body Corporate Responsibility

Documents to be sighted by the Client: Yes

Valuer Declaration: I hereby certify that I personally physically inspected the property on the date below and have carried out the assessments above as at that date. Neither I, nor to the best of my knowledge, any member of this firm, has any conflict of interest, or direct, indirect or financial interest in relation to this property that is not disclosed herein.

This Report is for the use only of the party named above as the Lender for first mortgage purposes only, and is not to be used for any other purpose by any other party. Any reliance, use, distribution or publication of the Report and/or any other representations made relating to the contents of the Report is restricted solely to the named Lender, and any additional parties expressly named in the Lender Specific Information section of the Report.

No responsibility is accepted by the Valuer and/or the Valuation Firm in the event that the Lender to which this Report is addressed, or any other additional parties noted in the Lender Specific Information section of this Report, relies, uses, distributes, publishes and/or otherwise represents anything contained in this report for any purpose apart from that expressly noted previously. No responsibility is accepted by the Valuer and/or the Valuation Firm to any other parties who rely, use, distribute, publish and/or otherwise represent anything contained in this Report for any purpose. This Report is made in accordance with the PropertyPRO Supporting Memorandum and must be interpreted with that Memorandum. The agreed parties are bound by the provisions of the Supporting Memorandum, which is available at www.api.org.au

Valuation Firm: Opteon Property Group Pty Ltd
Inspection/Valuation Date: 9th April 2021
Valuer: Jacob Russell
 AAPI - Certified Practising Valuer API
 No: 63113
Date of Issue: 19-04-2021

Signature:

4 THE LAND

Property Identification: Street number in conjunction with online Cadastral Plan

Zoning Effect: Existing use appears to conform.

Location: The well established suburb of Oakleigh is modestly regarded and situated approximately 17 radial kilometres south east of Melbourne's CBD. Centro Oakleigh Shopping Centre provides local retail facilities. The closest major shopping precinct is Chadstone. Oakleigh is well serviced by recreational and educational facilities as well as public transport services, including the Oakleigh train station. Oakleigh is governed by the Monash City Council. Located in Melbourne's south-east, Oakleigh has a mixture of land uses, combining industrial, commercial, retail and residential areas. The suburb was first developed last century, but the majority of its growth occurred in the immediate post-war period. It is an important transport node, linking rail to bus services in the south-eastern suburbs. Oakleigh also features the Oakleigh Central Shopping Centre, the Pioneer Memorial Park and Jack Edwards, Caloola and Police Paddock Reserves.

Neighbourhood: The subject property is located in a well-established residential neighbourhood, comprising predominantly similar style properties of a complementary nature.

Site Description & Access: Parent Title - Regular shaped corner allotment that is generally level throughout The subject is located on the southern side of the road, having good sealed road access with constructed kerbs/gutters and footpaths.

Services: Electricity, town water, sewerage, gas, telephone are all connected

5 DWELLING DESCRIPTION

Style: conventional attached Low rise; Attached

Street Appeal: Good Appeal

Main Walls & Roof: concrete panels,cladding, rendered finish walls
unknown roof

Internal Condition: Good

Main Interior Linings: plasterboard

External Condition: Good

Flooring: concrete

Window Frames: aluminium

Accommodation: 2 bedrooms, 2 bathrooms, entry/foyer, kitchen/living/dining, laundry (in cupboard)

Interior Layout: Good

Fixtures & Fittings: FIXTURES AND FEATURES: Kitchen/living/dining: floor tiling, floating timber flooring, stone benchtops, glass splashback, built in pantry, built in desk Bathroom 1: floor tiling Bathroom 2: floor tiling Laundry (in cupboard): floor tiling Bedroom 1: carpet, built in wardrobes, built in desk and bed Bedroom 2: carpet, built in wardrobes, built in desk and bed Balcony: floor tiling Entry/foyer: floating timber flooring General: video intercom system, down lights, good quality fit out, smoke alarm(s) PC ITEMS: Kitchen/living/dining: single bowl sink, gas cook top, under bench oven, rangehood, dishwasher, split system air conditioner Bathroom 1: toilet suite, shower, vanity, exhaust fan Bathroom 2: toilet suite, shower, vanity, exhaust fan Laundry (in cupboard): stainless steel laundry tub General: gas hot water service

6 ANCILLARY IMPROVEMENTS

Car Accomodation: Basement stacker car space
secure access with lobby and lifts, storage cage
Outdoor Areas: Courtyard, Balcony

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7 SALES EVIDENCE & THE MARKET

Address	Sale Date	Price	Brief Comments	In Comparison to Subject
807/6 Dalgety Street OAKLEIGH VIC 3166	12 Sep 2020	\$475,000	Settled: The property comprises a 8th level, circa 2019 built, apartment, of concrete and cladding construction. Accommodation comprises 1 bedroom, 1 bathroom and basement/internal carspace for 1 vehicle. Ancillary items include balcony with mountain views. Living area 55 sqm.	Similar location. Comprises a smaller dwelling. Similar dwelling quality. On balance, considered inferior to the subject property.
11/110 Atherton Road OAKLEIGH VIC 3166	22 Aug 2020	\$535,000	Settled: The property comprises a circa 2015 built, attached two storey conventional apartment, of rendered finish construction, with a metal deck roof. Accommodation comprises 2 bedrooms, 1 bathroom and basement/internal carspace for 1 vehicle. Ancillary items include courtyard and balcony. Living area 73 sqm and outdoor area 7 sqm.	Similar location. Comprises a larger dwelling. Inferior dwelling quality. On balance, considered inferior to the subject property.
5/110 Atherton Road OAKLEIGH VIC 3166	8 Oct 2020	\$545,200	Settled: The property comprises a circa 2015 built, attached two storey conventional apartment, of rendered finish construction, with a metal deck roof. Accommodation comprises 2 bedrooms, 1 bathroom and basement/internal carspace for 1 vehicle. Ancillary items include courtyard and balcony. Living area 72 sqm.	Similar location. Comprises a larger dwelling. Inferior dwelling quality. On balance, considered inferior to the subject property.
203/650 Centre Road BENTLEIGH EAST VIC 3165	5 Jun 2020	\$620,000	Settled: The property comprises a 2015 built, attached single level, 2nd floor conventional apartment. The apartment is set within the 'Alexander' development which comprises 13 apartments set over three levels within a building of rendered finish and composite light weight panel construction, with a metal deck roof. Subject apartment living accommodation comprises 2 bedrooms, 2 bathrooms and basement carspace for 1 vehicle. Ancillary items include tiled balcony / terrace area with localised district views. Living area 82 sqm.	Preferred location. Appears to comprise a similar size dwelling. Inferior dwelling quality. On balance, considered superior to the subject property.
107/2 Graham Avenue MCKINNON VIC 3204	16 Nov 2020	\$660,000	Settled: The property comprises a circa 2019 built, attached single storey contemporary apartment, of rendered finish and cement sheet construction, with a colorbond metal deck roof. Accommodation comprises 2 bedrooms, 2 bathrooms and basement/internal car space for 1 vehicle.	Preferred location. Appears to comprise a similar size dwelling. Similar dwelling quality. On balance, considered superior to the subject property.
10/1562-1564 Dandenong Road HUNTINGDALE VIC 3166	20 Oct 2020	\$705,000	Settled: The property comprises a good quality, 2020 built, attached two storey contemporary townhouse, of brick veneer and lightweight cladding (rendered) construction. Accommodation	Preferred location. Appears to comprise a larger dwelling. Superior dwelling quality. On balance, considered superior to the subject property.

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107/28 Jersey Parade CARNEGIE VIC 3163	6 Nov 2020	\$760,000	comprises 2 bedrooms, 2 bathrooms, kitchen/meals/living, courtyard, terrace and attached garage for 1 vehicle.	Settled: The property comprises a good quality, 2017 built, attached low rise conventional apartment, of cladding, concrete and rendered finish construction, with an unknown roof. Accommodation comprises 3 bedrooms, 2 bathrooms, balcony and basement/internal carspaces for 2 vehicles.	Preferred location. Appears to comprise a larger dwelling. Superior dwelling quality. On balance, considered superior to the subject property.
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Previous Sale of Subject Property (Last 3 years):

Previous Sale Comments:

Current/proposed Sale of Subject Property: 22nd March 2021 \$605,000.00

Current Sale in line with current Local Market?: No

Full copy of Contract of Sale sighted?: Yes

Selling period greater than 6 months?: No

8 ADDITIONAL COMMENTS

General Comments:

Building levels and unit position:

Subject property is on level: First Floor

Number of storeys in building: 5

Aspect: The property provides a northerly aspect

As no plan of subdivision has been supplied, the property dimensions and area noted on this report have been obtained from an on-line cadastral mapping service. If the actual dimensions and land area vary significantly from that on this valuation, we reserve the right to amend this report.

Owners' Corporation:

No documentation from the relevant Owners' Corporation to establish the existence of any outstanding or impending levies attributable to the subject unit has been sighted by the valuer and none are assumed to exist. Should such levies exist, we advise that there may be a detrimental effect on marketability and market value.

Modern, high density apartment developments are common in Melbourne, and as a result are particularly price sensitive. We caution that should economic conditions deteriorate, or a large number of similar properties be put to the market at the same time, the value of the subject is likely to be detrimentally affected. This is particularly relevant upon completion of the subject development. Should a material number of apartments within the development remain unsold at completion, it is likely the market value of the subject will suffer as a result of the developer wishing to divest themselves of the project.

Composite Cladding:

The building appears to be clad in composite cladding. Some composite cladding has been identified as being highly flammable. Valuers are not qualified to assess whether the cladding used, or method of attachment, is compliant/conforming or non-compliant/non-conforming.

This valuation report has been prepared under the assumption that the building materials used, as well as the application and installation of those materials, comply with all approvals, legislation, legal codes and or standards. Should this not be the case, we reserve the right to review our valuation. We do not accept responsibility or liability for any losses whatsoever arising from the Valuer failing to identify non-conforming or non-compliant cladding.

In cases where non-compliant or non-conforming material is confirmed there may be a likely impact on the marketability and value of the property. Your reliance on this valuation should have regard to the potential for ongoing market volatility as prices could fluctuate suddenly depending on further investigation, publicity and buyer perception of risks associated with individual properties.

Prior to any reliance on the valuation, any reliant party must make their own enquiries regarding the cladding used, including the application, installation, specification and utilisation of the cladding, and its compliance with all approvals, relevant law, legislation, legal codes and or standards.

Market Observations:

Due to the the market reaction to COVID-19, there are limited recent comparable sales for comparison purposes. The COVID-19 downturn has had a dramatic impact on agent activity and listings volumes. The reduction in supply coincides with a reduction in demand which for now appears to be insulating against significant price reductions.

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Sales Evidence:

Due to the low stock levels as a result of COVID -19, there are limited recent comparable sales for comparison purposes in this segment. As a result, some of the sales evidence relied upon may be over 6 months old, have a different number of bedrooms, be within neighbouring suburbs or fall outside a +/-15% range of variance from the assessed market value. In completing comparative analysis, consideration of differences between the sales evidence compared to the subject property are taken into account, including, but not limited to, physical attributes and any changes in market conditions in the case of older sales.

Significant Market and Valuation Uncertainty:

The market is being impacted by uncertainty caused by the COVID-19 pandemic. As at the date of valuation we consider that there is market uncertainty resulting in significant valuation uncertainty. This valuation is therefore reported on the basis of 'significant valuation uncertainty'. Consequently, less certainty exists than normal and a higher degree of caution should be attached to our valuation than normally would be the case. Given the unknown future impact that COVID-19 might have on markets, we recommend that the user(s) of this report review this valuation periodically. This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation). We do not accept responsibility or liability for any losses arising from such subsequent changes in value.

Contract of Sale:

We have sighted Contract of Sale which is either an incomplete contract or a contract of sale which has not been signed by both parties. It is expected that this contract will be exchanged between the two parties noted in the document provided and at the contract price also noted in the document. If there is any alteration to either of these details, we reserve the right to review and amend our valuation as appropriate.

We note that the contract includes non standard chattel items and has been excluded from the valuation. This includes furniture items such as large dining table.

Photographs:

All photographs are not at the date of valuation because multiple inspections were completed. Photos attached to this report have been taken over varying dates.

Affected by Environmental Hazards:

Refer to Environmental Risk Rating comment.

Overlays:

Design and Development Overlay (DDO10)

Sale in Line with Local Market:

not in line with market

Documents to be Sighted by the Client:

Critical Documents:

General Documents: Certificate of Title, Plan of Subdivision

LAND RISK COMMENT:

Certificate of title is yet to be issued. The valuation is subject to the issue of title.

ENVIRONMENTAL ISSUES RISK COMMENT:

Moderate exposure to traffic noise due to proximity to main road.

IMPROVEMENTS RISK COMMENT:

The building appears to be clad in composite cladding. Some composite cladding has been identified as being highly flammable. Valuers are not qualified to assess whether the cladding used, or method of attachment, is compliant/conforming or non-compliant/non-conforming. This valuation report has been prepared under the assumption that the building materials used, as well as the application and installation of those materials, comply with all approvals, legislation, legal codes and or standards. Should this not be the case, we reserve the right to review our valuation. We do not accept responsibility or liability for any losses whatsoever arising from the Valuer failing to identify non-conforming or non-compliant cladding.

In cases where non-compliant or non-conforming material is confirmed there may be a likely impact on the marketability and value of the property. Your reliance on this valuation should have regard to the potential for ongoing market volatility as prices could fluctuate suddenly depending on further investigation, publicity and buyer perception of risks associated with individual properties.

Prior to any reliance on the valuation, any reliant party must make their own enquiries regarding the cladding used, including the application, installation, specification and utilisation of the cladding, and its compliance with all approvals, relevant law, legislation, legal codes and or standards.

MARKET DIRECTION (PRICE) RISK COMMENT:

There are early signs of a change in market sentiment and prices are beginning to decrease

MARKET ACTIVITY RISK COMMENT:

The economy is being supported by economic stimulus but with a weak future outlook it could take many years for the economy to

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recover from the effects of COVID-19. The economy is currently in a recession. It is too early to fully quantify the extent of the impact on the economy and real estate market however market sentiment seems volatile. Market activity is disrupted witnessed by reduced buyer or tenant demand, withdrawal of property from the market or reluctance by owners to adjust prices all resulting in longer leasing or selling periods and fewer transaction volumes.;

The apartment market is considered susceptible to supply side risk. There has been a surge of apartment development approvals and there exists a risk that off-the-plan apartments, once developed, could oversupply the rental and sales market

LOCAL/REGIONAL ECONOMY IMPACT RISK COMMENT:

The effects of the COVID-19 pandemic are having an adverse impact on the local/regional economy.

MARKET SEGMENT CONDITIONS RISK COMMENT:

Increased market uncertainty and reduced purchaser confidence is evident. The COVID-19 downturn has had a dramatic impact on market activity. There is now emerging evidence the shift in market sentiment is resulting in reduced buyer or tenant demand, withdrawal of property from the market, longer leasing or selling periods and fewer transactions. The selling period for the subject property may extend to a period beyond 6 months.

; Limited comparable and settled sales available within the past 12 months to support the assessed market value;

; The contract price is not supported by available market evidence

ENVIRONMENTAL ISSUES:

Refer to Environmental Risk Rating comment.

DOCUMENTS TO BE SIGHTED BY THE CLIENT

General Documents: Certificate of Title, Plan of Subdivision

9 ASSUMPTIONS, CONDITIONS & LIMITATIONS**LENDER SPECIFIC INFORMATION**

This Valuation has been instructed by the party shown at the top of this report. It may be relied upon by any of the following parties if so nominated by the instructing party:

Genworth Financial Mortgage Insurance Pty Limited, QBE Lenders Mortgage Insurance Limited, Westpac Lenders Mortgage Insurance

GST

Valuations of residential property for mortgage security purposes are undertaken on the basis that GST is not applicable. This valuation is prepared on the assumption that the subject property does not constitute a 'new residential property' as defined under ATO Ruling GSTR 2003/3. Further it is assumed that the subject property will transact as a residential property between parties not registered (and not required to be registered) for GST. The market valuation herein reflects a market transaction to which GST is not applicable.

Currency of Valuation:

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 or factors that the Valuer could not have reasonably become aware as at the date of the Report). We do not accept responsibility or 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 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.

Third Party:

This Report has been prepared for the private and confidential use of our Client, and any Nominated Additional Parties, for first mortgage security purposes only (unless specified otherwise). It should not be reproduced in whole or part without the express written authority of Opteon 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 the Client and Nominated Additional Parties named and approved by Opteon obtain their own valuation before acting in any way in respect of the subject property

Not a Structural Survey:

This Report does not constitute a structural survey. Any comments regarding the condition of any improvements are not given in the capacity of an expert.

Insurance Replacement Estimate:

Our insurance replacement estimate has been assessed assuming a total loss situation and reinstatement with a building of similar size and materials. The insurance replacement estimate includes: the estimated current construction cost; provision for cost escalation during period of insurance and rebuilding process; allowances for demolition and clean up; and professional fees.

The insurance replacement estimate excludes: computer or electrical equipment, furniture, and personal items (ie contents); loss of rent or rent for alternative accommodation; any allowance for loss in land value as a consequence of the existing improvements not being permitted to be rebuilt due to changes in planning controls, development standards or the extinguishment of existing use rights; any increase in proportionate costs as a consequence of a partial loss, particularly in the case of heritage buildings; costs for removal of asbestos; and increased costs as a consequence of widespread catastrophic events.

Prudent Lender:

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This Valuation is given subject to the following Prudent Lending Clause, unless; the person or entity making such loan is an authorised deposit taking institution within the meaning of the Banking Act 1959 (including but not limited to any bank, building society or credit union).

This Valuation is prepared on the assumption that the Lender as referred to in the valuation Report (and no other) may rely on the valuation for mortgage finance purposes and the Lender has complied with its own lending guidelines as well as prudent finance industry lending practices, and has considered all prudent aspects of credit risk for any potential borrower including the borrower's ability to service and repay any mortgage loan. Further, this valuation is prepared on the assumption that the Lender is providing mortgage financing at a conservative and prudent loan to value ratio (LVR). The valuer accepts no liability whatsoever if prudent lending practices fail to be strictly observed and/or if the lender relies solely on this valuation, and no other criteria, to advance loan funds.

No Warranty to Loan Funds Being Extended:

The valuation firm does not make any guarantee, promise, warranty, representation or undertaking that the provision of the valuation Report as part of a loan/finance application will result in mortgage finance being obtained which is dependent upon other lending criteria.

Conflict of Interest:

We certify that the valuer and/or the valuation firm do not have any conflict of interest, or direct, indirect or financial interest in relation to this property that has not been disclosed.

Environmental Disclaimer:

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. Given contamination issues can have an 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.

Scope of Work:

The extent of investigation undertaken by the valuer in completing the valuation has included:

- 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;

This valuation has been based on information supplied which is assumed to have been provided in good faith and contain a full and frank disclosure of all information that is relevant to the valuation of the property. The valuer has not undertaken due diligence or verification of the information supplied.

Valuation Approach:

Unless otherwise stated in Section 8 of this Report, in preparing the valuation a market approach has been used.

Valuation Method:

Unless otherwise stated in Section 8 of this Report, in preparing the valuation a comparable transactions method has been used.

Certificate of Title:

Unless stated as otherwise, a current/complete copy of Title has not been provided; therefore the valuation assumes a freehold, unencumbered title with no encroachments on or by the subject land. If a title search were to disclose any encumbrances, easements, leases or other restrictions not mentioned in this Report a review of this valuation may be necessary. For further consideration of any notification(s) the full details should be referred to the valuer and/or legal experts for review.

Building Area and Land Dimensions / Area:

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 and/or dimensions differs from those detailed in this Report.

10 CAPPED LIABILITY SCHEME

Liability limited by a scheme approved under Professional Standards Legislation.

PHOTOGRAPHS

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Bathroom
Bathroom



Kitchen
Kitchen

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Bathroom
Bathroom



Rear
Rear

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Front
Front