APPENDIX 3 - CASE STUDY ONE, OPTION 1 STAND ALONE - FLOOR SPACE BREAKDOWN
Case Study One - Option 1 Stand Alone floor space breakdown for the Sport & Recreation Centre

<table>
<thead>
<tr>
<th>Ground Floor</th>
<th>m2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth multipurpose room</td>
<td>250</td>
</tr>
<tr>
<td>Meeting/ consulting room</td>
<td>35</td>
</tr>
<tr>
<td>Accessible Toilet</td>
<td>8</td>
</tr>
<tr>
<td>Public Toilet (male)</td>
<td>12</td>
</tr>
<tr>
<td>Public Toilet (female)</td>
<td>12</td>
</tr>
<tr>
<td>Kiosk/café</td>
<td>35</td>
</tr>
<tr>
<td>Commercial Kitchen</td>
<td>50</td>
</tr>
<tr>
<td>Multipurpose/ function room</td>
<td></td>
</tr>
<tr>
<td>Entry and foyer</td>
<td>406</td>
</tr>
<tr>
<td>lift/stairs/ circulation</td>
<td>418</td>
</tr>
<tr>
<td>Additional meeting space fronting Munro Street</td>
<td>320</td>
</tr>
<tr>
<td>Car park - 82 car spaces, 1 shared parking space, 1 motorcycle parking and 130 bike parks</td>
<td>3136</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4722</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>First Floor</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4 indoor playing courts</td>
<td>2946</td>
</tr>
<tr>
<td>Spectator Seating, circulation, team and officials benches</td>
<td>835</td>
</tr>
<tr>
<td>Storage</td>
<td>48</td>
</tr>
<tr>
<td>Umpire Change rooms</td>
<td>10</td>
</tr>
<tr>
<td>Umpire amenities</td>
<td>10</td>
</tr>
<tr>
<td>Umpire Duty Room</td>
<td>20</td>
</tr>
<tr>
<td>Player amenities (female)</td>
<td>20</td>
</tr>
<tr>
<td>Player change rooms (female)</td>
<td>25</td>
</tr>
<tr>
<td>Player amenities (male)</td>
<td>20</td>
</tr>
<tr>
<td>Player change rooms (male)</td>
<td>25</td>
</tr>
<tr>
<td>First aid room</td>
<td>25</td>
</tr>
<tr>
<td>Administration office</td>
<td>36</td>
</tr>
<tr>
<td>Tournament office</td>
<td>15</td>
</tr>
<tr>
<td>lift/stairs/ circulation space</td>
<td>687</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4722</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Second Floor</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Multipurpose room 2</td>
<td>190</td>
</tr>
<tr>
<td>Large multipurpose room</td>
<td>250</td>
</tr>
<tr>
<td>lift/stairs/ circulation space</td>
<td>501</td>
</tr>
<tr>
<td>TOTAL</td>
<td>941</td>
</tr>
</tbody>
</table>

| TOTAL ALL FLOORS                                   | 10385|
### Montague Development Site

<table>
<thead>
<tr>
<th>Podium/tower</th>
<th>Level</th>
<th>Commercial floor space m²</th>
<th>Residential floor space m²</th>
<th>No. of parks</th>
<th>No. of dwellings</th>
<th>Total floor space m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Podium</td>
<td>Ground floor</td>
<td>1,490</td>
<td>43</td>
<td>993</td>
<td>2,483</td>
<td></td>
</tr>
<tr>
<td>Podium 1</td>
<td>1</td>
<td>3,186</td>
<td>91</td>
<td></td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Podium 2</td>
<td>2</td>
<td>3,186</td>
<td>91</td>
<td></td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Podium 3</td>
<td>3</td>
<td>1,956</td>
<td></td>
<td>1,230</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 4</td>
<td>7</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 5</td>
<td>8</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 6</td>
<td>9</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 7</td>
<td>10</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 8</td>
<td>11</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 9</td>
<td>12</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 10</td>
<td>13</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 11</td>
<td>14</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 12</td>
<td>15</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 13</td>
<td>16</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 14</td>
<td>17</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 15</td>
<td>18</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>Tower 16</td>
<td>19</td>
<td>1,416</td>
<td>16</td>
<td>1,416</td>
<td>3,186</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>1,490.00</td>
<td>6,372.00</td>
<td>224.57</td>
<td>2,949.00</td>
<td>27,426.00</td>
</tr>
</tbody>
</table>

### Munro Development Site

<table>
<thead>
<tr>
<th>Podium/tower</th>
<th>Level</th>
<th>Commercial floor space m²</th>
<th>Residential floor space m²</th>
<th>No. of parks</th>
<th>No. of dwellings</th>
<th>Total floor space m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Podium</td>
<td>Ground floor</td>
<td>753</td>
<td>22</td>
<td>1,757</td>
<td>2,510</td>
<td></td>
</tr>
<tr>
<td>Podium 1</td>
<td>1</td>
<td>2,510</td>
<td>72</td>
<td></td>
<td>2,510</td>
<td></td>
</tr>
<tr>
<td>Podium 2</td>
<td>2</td>
<td>2,510</td>
<td>72</td>
<td></td>
<td>2,510</td>
<td></td>
</tr>
<tr>
<td>Podium 3</td>
<td>3</td>
<td>2,510</td>
<td>28</td>
<td>2,510</td>
<td>5,020.00</td>
<td></td>
</tr>
<tr>
<td>Tower 4</td>
<td>4</td>
<td>2,510</td>
<td>28</td>
<td>2,510</td>
<td>5,020.00</td>
<td></td>
</tr>
<tr>
<td>Tower 5</td>
<td>5</td>
<td>828</td>
<td>9</td>
<td>828</td>
<td>828</td>
<td></td>
</tr>
<tr>
<td>Tower 6</td>
<td>6</td>
<td>828</td>
<td>9</td>
<td>828</td>
<td>828</td>
<td></td>
</tr>
<tr>
<td>Tower 7</td>
<td>7</td>
<td>828</td>
<td>9</td>
<td>828</td>
<td>828</td>
<td></td>
</tr>
<tr>
<td>Tower 8</td>
<td>8</td>
<td>828</td>
<td>9</td>
<td>828</td>
<td>828</td>
<td></td>
</tr>
<tr>
<td>Tower 9</td>
<td>9</td>
<td>828</td>
<td>9</td>
<td>828</td>
<td>828</td>
<td></td>
</tr>
<tr>
<td>Tower 10</td>
<td>10</td>
<td>828</td>
<td>9</td>
<td>828</td>
<td>828</td>
<td></td>
</tr>
<tr>
<td>Tower 11</td>
<td>11</td>
<td>828</td>
<td>9</td>
<td>828</td>
<td>828</td>
<td></td>
</tr>
<tr>
<td>Tower 12</td>
<td>12</td>
<td>828</td>
<td>9</td>
<td>828</td>
<td>828</td>
<td></td>
</tr>
<tr>
<td>Tower 13</td>
<td>13</td>
<td>828</td>
<td>9</td>
<td>828</td>
<td>828</td>
<td></td>
</tr>
<tr>
<td>Tower 14</td>
<td>14</td>
<td>828</td>
<td>9</td>
<td>828</td>
<td>828</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>753.00</td>
<td>5,020.00</td>
<td>164.94</td>
<td>1,757.00</td>
<td>14,982.00</td>
</tr>
</tbody>
</table>

**TOTAL across Montague and Munro**

- **Montague:** 2,243.00
- **Munro:** 11,392.00
- **Commercial:** 389.51
- **Residential:** 4,706.00
- **Sport and Recreation Centre:** 42,408.00
- **TOTAL Commercial and Sport and Recreation Centre:** 462.67
- **Residential:** 60,749

- **Minimum Commercial FAR:** 41,749
- **Maximum Residential FAR:** 53,800
- **Residential FAU (110m² for every 100m² of community):** 12,052
- **Excess Commercial floor space:** 429
- **Excess Residential floor space:** 0
APPENDIX 5 - ESTIMATE OF VALUE REPORT, CHARTER KECK CRAMER
ESTIMATES OF VALUE
Fishermans Bend - Funding and Financing Infrastructure Case Studies

Claudio Petrocco
Executive Director
claudio.petrocco@charterkc.com.au

charterkc.com.au

Leaders in Property Intelligence.

AVISORY, RESEARCH, VALUATIONS, PROJECTS.

CHARTER.
KECK CRAMER
Estimates of Value
Fishermans Bend - Funding and Financing Infrastructure Case Studies

Contents

Instructions and Purpose ................................................................. 1
Locality ....................................................................................... 2
Critical Matters .......................................................................... 3
Valuations .................................................................................... 5
Sales Analysis ............................................................................... 21
Declarations ................................................................................ 21
Assumptions / Qualifications ......................................................... 24

Annexures
Certificates of Title (Subdivided Lots/Strata)

Instructions and Purpose

Instructing Party
Mesh Urban Planning & Design
Level 2, 6 Riverside Quay
Southbank, VIC 3006
(Ms Jo Fisher, Principal)
Telephone +61 (0) 3 9695 3025
Email jo@meshplanning.com.au

Purpose of Valuation
To provide estimates of value for land required as follows:

Case Study 1
- The Montague Sport and Recreation Hub.

Case Study 2
- Road widening and the provision of open space.

The purpose is in order to assist the City of Port Phillip in their considerations and case study analysis.

We have relied upon key reference materials from the City of Port Phillip.

Date of Inspection

Date of Valuation

Our Reference
J101395/CP:NM

Liability limited by a scheme approved under Professional Standards Legislation.
Case Study 1  80 Munro Street

Identified as the land contained within 80 Munro Street, Port Melbourne, Postcode 3205 within the municipality of the City of Port Phillip. More specifically the property occupies an island site bound by Johnston Street to the west, Munro Street to the south-east and Montague Street to the north-east.

The property forms part of the larger Montague Precinct, an area bounded by the Westgate Freeway, City Road, Boundary Street and Johnston Street.

The site was identified by the City of Port Phillip as having the potential to provide community infrastructure through the proposed delivery of a ‘community infrastructure hub’. This will be complemented by the Montague North Park, a proposed Neighbourhood Park (future public open space) located to the north-east corner of Montague Street and Munro Street.

It is considered that the most suitable use for the majority of surrounding development is to be of a mixed use nature. In accordance with the “Draft Fishermans Bend Framework”, the site is located in an area with a discretionary maximum building height limit of 24 storeys and a Floor Area Ratio (FAR) of 6.1:1, with a minimum commercial component of 1.6:1.

Existing surrounding development comprises a mixture of older style conventional and modern industrial facilities of varying sizes and utility. Various retail outlets are within close proximity, in particular a number of car dealerships are concentrated to the east and north-west.

The property is located within immediate proximity to primary and secondary arterial roads, specifically Montague Street provides for direct access to the Westgate Freeway.

The subject location is shown below:

[Image of a map showing the location of 80 Munro Street within Melbourne]

SOURCE - Melbourne on CD Edn 41 - Standard
Case Study 2

Study Area

The area which forms the subject of Case Study 2 is generally bound by the eastern side of Graham Street, extending along Plummer Street to the north-west and north-east of Bridge Street, extending north-east bound along Fennell Street intersecting Bertie Street and bound by the southern side of Ingles Street. This area is situated in the inner northern suburb of Port Melbourne, Postcode 3207 within the municipality of the City of Port Phillip.

Existing surrounding development is mixed use in nature generally comprising light industrial including older style, conventional and modern industrial facilities of varying sizes and utility.

The property is located within close proximity to primary and secondary arterial roads, specifically Williamstown Road is easily accessible to the south whilst access to Westgate Freeway is approximately 850 metres to the east.

More specifically, the properties which form the Study Area are summarised as follows:

43 Fennell Street
Comprises a strata titled property situated north on the corner of Bertie and Fennell Streets.

38 Fennell Street
A regular shaped corner site with extensive frontages to south-eastern side of Fennell and north-eastern side of Bertie Streets.

247-251 Ingles Street
Comprises a strata titled property situated on the south-western corner of Ingles and Fennell Street.

61 Bertie Street
A substantial property located to the south-western corner of Bertie and Fennell Streets, bound by Bridge Street to its south.

299 Bridge Street
Located to the south-western corner of Bridge and Plummer Streets.

577 Plummer Street
Located to the north-western corner of Plummer and Bridge Streets, the parent parcel extends approximately 108 metres along the northern side of Plummer Street.

520-533 Plummer Street
A substantial irregular shaped parcel generally bound by Graham Street along its western boundary and Plummer Street to the south of approximately 220 metres, bound by Bridge Street to the East.
Critical Matters.

Key Assumptions

- Our valuations have been based on the following key assumptions:
  - The subject land is zoned for an urban purpose and valued at its unencumbered, highest and best use within this context;
  - Where noted, consideration has been given to the proposed building height controls outlined in Figure 12 of the "Fishermans Bend Framework - Draft for Consultation" document and the associated "Floor Area Ratio (FAR)";
  - The subject land is readily serviceable and accessible by road;
  - The subject land is fully developable;
  - Site remediation works have been undertaken and the respective parcels have received authorisation from the EPA for development in accordance with the Precinct Plan.
  - The subject sites do not have any adverse environmental matters.
  - It should be noted that in the case buildings are located within the portion of land to be acquired (excluding Strata Titled properties), the assessments relate to the purchase of the entire parcel with the land area derived from Title. In the case the property is Strata Titled, we have adopted the assumptions and areas which have been provided to us by Ms. Shelley Bennett of the City of Port Phillip.
  - Where the land to be acquired does not include buildings, the assessment relates only to the area of land to be acquired, which has been provided to us by the instructing party.
  - In any case our assessments do not have any regard to any potential severance or enhancement, disturbance, special value etc. and other heads of claim are ignored for the purpose of the valuation.
  - Based on the nature of this advice the assessments are reflective of vacant unencumbered land only.
  - The assessments are estimates of value only and relate to kerbside inspections. We have not had regard to any Title configuration and leases, therefore the assumption being that they are unencumbered and available with vacant possession.
Valuations.

80 Munro Street, South Melbourne

Purpose of Valuation
Provide an estimate of value as at November 2017 for the land required for a future community facility.

Proposed Use
Land has been identified as being required for a proposed community hub known as the Montague Sport and Recreation Hub within a larger mixed use development. More specifically the proposed community hub will comprise an indoor multipurpose stadium with supporting infrastructure, youth services and multipurpose community rooms.

Site Description
The subject property comprises an irregular shaped island site of 9,709 sq.m., bound by Johnston Street to the west, Munro Street to the south-west and Montague Street to the north-east boundary.

In accordance with Case Study One, the area required for the proposed community facility comprises the total site area of 9,709 sq.m.
Existing Zoning: The subject property is currently zoned Capital City Zone - Schedule 1 (CCZ1) under the Port Phillip City Council Planning Scheme, whilst the entire site is included within a Design and Development Overlay DDO30, forming part of Area 6, allowing a maximum height of 40 storeys.

Proposed Zoning: In accordance with the Draft Fishermans Bend Framework, the subject property has a maximum building height control of 24 storeys, with a FAR of 6.1:1 and a minimum commercial FAR of 1.6:1.

Improvements: Existing improvements comprise a substantial car dealership and workshop. As the highest and best use of the land is for urban development, the existing improvements made to the land (if any), are considered to be of no added value.

Comments: The entire site is shown in the draft “Fishermans Bend Framework” as being within an investigation area for the Montague Sport and Recreation Hub. In this regard, the property has been considered for the purpose of a case study.

Valuation: In assessing the value of the subject property we are of the view that the hypothetical development approach through a discounted cash flow would be the most appropriate basis of assessment. However, in the absence of development plans and costings, we have relied upon the direct comparison approach as our primary basis of assessment. In this regard, our assessments are subject to change following further consideration based on specific development plans and costs.

Valuation Rationale: Our assessment has been concluded on the basis the land is subject to the building height and FAR controls outlined in the “Fishermans Bend Framework - Draft for Consultation”.

Our calculations are as follows:

<table>
<thead>
<tr>
<th>670.0 sq.m. @ $32,500 p.a.</th>
<th>$2,187,500</th>
</tr>
</thead>
</table>

For Practical Valuation Purposes, Say $24,200,000 (Exclusive of GST)

Notwithstanding in the absence of running a hypothetical development scenario, we highlight our limitations with the Direct Comparison Approach as the market is yet to reflect the effects of the Draft Framework.

Date of Valuation: November 2017
43 Fennell Street, Port Melbourne [Strata Titled Property]

Purpose of Valuation
Provide an estimate of value as at November 2017 for the land required for road widening/open space.

Proposed Use
Land has been identified as being required for future road construction/open space within the Fennell / Plummer Street upgrade. More specifically the portion of land specific to 43 Fennell Street is proposed to be acquired for new public open space containing a station box.

Site Description
The portion of land required comprises a rectangular corner allotment of 1,469 sq.m., situated on the corner of Fennell and Bertie Streets featuring an extensive frontage to Bertie Street and to a lesser extent Fennell Street, as displayed in the above aerial plan.

The required land forms part of a larger strata titled development, more specifically included within Lot DT 95 (1,333.76 sq.m.) and Lot PT S7 (730 sq.m.) comprising a combined area of 2,063.76 sq.m.

A summary of the land to be acquired is as follows:

<table>
<thead>
<tr>
<th>Land Area to be Acquired (sq.m.)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,469</td>
<td>New public open space containing station box</td>
</tr>
</tbody>
</table>

A summary of the total site area:

<table>
<thead>
<tr>
<th>Total Site Area (sq.m.)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,333.76</td>
<td>PT35 - assumed the whole area of Lot PT35</td>
</tr>
<tr>
<td>730</td>
<td>PTS7 - assumed portion of land required only (unimproved)</td>
</tr>
<tr>
<td>2,063.76</td>
<td>Total Site Area (as advised)</td>
</tr>
</tbody>
</table>
43 Fennell Street, Port Melbourne [Strata Titled Property] [Cont.]

Planning Map

Map 1 to Schedule 30 of DD030

Zoning

The subject property is currently zoned Capital City Zone - Schedule 1 (CCZ1) under the Port Philip City Council Planning Scheme, whilst the entire site is included within a Design and Development Overlay DD030, forming part of Area A4, allowing a maximum height of 18 storeys.

Proposed Zoning

In accordance with the Draft Fishermans Bend Framework, the parent land is included within an area which has an unspecified building height control. In addition, it has a FAR of 8.1:1 with a minimum commercial FAR of 3.7:1.

Improvements

Existing improvements comprise a conventional two level office development with associated car parking and hardstand component to the rear. As the highest and best use of the land is for urban development, the existing improvements made to the land (if any), are not considered to add any value.

Comments

A portion of the subject land has been identified as being required for public open space. In deriving a valuation figure we have concluded a value for the site area advised. This value is concluded on the basis that the remaining land is able to function to an equal standard/capacity as is current.

Furthermore as a portion of the required land comprises a building, we have provided an additional assessment for the total site area (inclusive of PT 35 and PT S7) advised to us. This value is concluded on the basis that the larger strata development is able to function to an equal standard/capacity as is current.

Valuation

In assessing the value of the subject property we are of the view that the hypothetical development approach through a discounted cash flow would be the most appropriate basis of assessment. However, in the absence of development plans and costings, we have relied upon the direct comparison approach as our primary basis of assessment.

Valuation Kallon

Assessment - Parent Site (inclusive of Lot 11 35 and W 67 as advised):

Having regard to the total site area of 2,064 sq.m. together with the proposed zoning allowing for an unspecified building height and the associated FAR controls, we have assessed the appropriate rate as $3,500 p.s.m. Our calculations are as follows:

<table>
<thead>
<tr>
<th>2,064 sq.m. @ $3,500 p.s.m.</th>
<th>$7,224,000</th>
</tr>
</thead>
</table>

For Practical Valuation Purposes, Say $7,200,000 (Exclusive of GST)

Date of Valuation

November 2017
Purpose of Valuation

Provide an estimate of value as at November 2017 for the land required for road widening/open space.

Proposed Use

Land has been identified as being required for future road construction/open space within the Fennell / Plummer Street upgrade. More specifically the portion of land specific to 247-251 Ingles Street is identified for public open space in addition to a 6 metre road widening along its Fennell Street frontage.

Site Description

The portion of land required comprises an irregular shaped allotment of 1,716 sq.m., situated on the corner of Fennell and Ingles Streets and extending along the parent site’s Fennell Street frontage.

The required land forms part of a larger strata titled development, more specifically included within Lot 1 (3,070 sq.m.) and Lot Common Property area (118.5 sq.m) comprising a combined area of 3,188.5 sq.m

A summary of the land to be acquired is as follows:

<table>
<thead>
<tr>
<th>Land Area to Be Acquired (sq.m.)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,259</td>
<td>New public open space containing station box</td>
</tr>
<tr>
<td>457</td>
<td>6m road widening along the Fennell Street Frontage</td>
</tr>
<tr>
<td>1,716</td>
<td>Total Area Required for this property</td>
</tr>
</tbody>
</table>

A summary of the total site area:

<table>
<thead>
<tr>
<th>Total Site Area (sq.m.)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,070</td>
<td>Lot 1 - assumed the whole area of Lot 1</td>
</tr>
<tr>
<td>118.5</td>
<td>Common Property - assumed portion of land required only</td>
</tr>
<tr>
<td>3,188.5</td>
<td>Total Site Area (as advised)</td>
</tr>
</tbody>
</table>
The subject property is currently zoned **Capital City Zone - Schedule 1 (CCZ1)** under the Port Phillip City Council Planning Scheme, whilst the entire site is included within a **Design and Development Overlay DDG30**, forming part of Area A4, allowing a maximum height of 18 storeys.

**Proposed Zoning**

In accordance with the Draft Fishermans Bend Framework, the parent land is included within an area which allows a maximum height of 30 storeys with a FAR of 8.1:1 and a minimum commercial FAR of 3.7:1.

**Improvements**

Comprises a strata titled property providing for a modern two level commercial premises with office and warehouse to the rear. As the highest and best use of the land is for urban development, the existing improvements made to the land (if any), are not considered to add any value.

**Comments**

A portion of the subject land has been identified as being required for future road construction and public open space. In deriving a valuation figure we have concluded a value for the site area advised. This value is concluded on the basis that the remaining land is able to function to an equal standard/capacity as is current.

Furthermore as a portion of the required land comprises a building, we have provided an additional assessment for the total site area advised to us (inclusive of Lot 1 and a portion of the common property). This value is concluded on the basis that the larger strata development is able to function to an equal standard/capacity as is current.

**Valuation**

In assessing the value of the subject property we are of the view that the hypothetical development approach through a discounted cash flow would be the most appropriate basis of assessment. However, in the absence of development plans and costings, we have relied upon the direct comparison approach as our primary basis of assessment.

**Valuation Rationale**

**Assessment - Parent Site (inclusive of Lot 1 and part of Common Property as advised):**

We acknowledge the increase in the proposed maximum height control and the associated FAR controls, along with the subject's substantially larger area. On this basis we consider the value rate at $3,000 p.s.m., appropriate. Our calculations are as follows:

<table>
<thead>
<tr>
<th>3,189 sq.m. @ $3,000 p.s.m.</th>
<th>$9,567,000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>For Practical Valuation Purposes, Say $9,550,000 (Exclusive of GST)</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Date of Valuation**

November 2017
Purpose of Valuation  Provide an estimate of value as at November 2017 for the land required for road widening/open space.

Proposed Use  Land has been identified as being required for future road construction/open space within the Fennell / Plummer Street upgrade. More specifically the portion of land specific to 38 Fennell Street is proposed to be acquired for a six meter road widening extending along the parent parcel’s Fennell Street frontage.

Site Description  The portion of land required is situated on the southern side of Fennell Street, comprising a rectangular parcel of 610 sq.m., significantly narrow in shape.

A summary of the land to be acquired is as follows:

<table>
<thead>
<tr>
<th>Land Area to be Acquired (sq.m.)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>610</td>
<td>6m road widening along the Fennell Street Frontage</td>
</tr>
</tbody>
</table>
Zoning

The subject property is currently zoned Capital City Zone - Schedule 1 (CCZ1) under the Port Philip City Council Planning Scheme, whilst the entire site is included within a Design and Development Overlay DDO30, forming part of Area A4, allowing a maximum height of 18 storeys.

Proposed Zoning

In accordance with the Draft Fishermans Bend Framework, the land is included within an area which allows a maximum building height control of 30 storeys with a FAR of 8.1:1 and a minimum commercial FAR of 3.7:1.

Improvements

Comprises a conventional two level commercial premises with car parking positioned to the north-west boundary which fronts Fennell Street. In this regard the land required comprises this car parking portion only. As the highest and best use of the land is for urban development, the existing improvements made to the land (if any), are considered to be of no added value.

Comments

A portion of the subject land has been identified as being required for future road construction. In deriving a valuation figure we have concluded a value for the site area advised. Our value is concluded on the basis that the remaining land is able to function to an equal standard/capacity as is current.

Valuation

Valuation of this property is based on the Direct Comparison Approach.

Valuation Rationale

On the basis of the proposed height and the associated FAR controls, after careful consideration of the sales evidence we have assessed the appropriate rate as $4,000 p.s.m. Our calculations are as follows:

| 610 sq.m. @ $4,000 p.s.m. | $2,440,000 |

For Practical Valuation Purposes, Say $2,400,000 (Exclusive of GST)

Date of Valuation

November 2017
Purpose of Valuation

Provide an estimate of value as at November 2017 for the land required for road widening/open space.

Proposed Use

Land has been identified as being required for future road construction/open space within the Fennell / Plummer Street upgrade. More specifically the portion of land specific to 61 Bertie Street is proposed to be acquired for new public open space and road widening.

Site Description

The required land forms part of a substantial rectangular allotment, held within a single Certificate of Title. The parent site features extensive frontages to Fennell, Bridge and Bertie Streets, comprising a total land area of 19,380 sq.m.

More specifically, the portion of land required comprises two components. The first portion is a rectangular shaped corner parcel of 2,376 sq.m., with frontages to the south-west side of Bertie Street and south-east side of Fennell Street whilst the second portion of land extends along the entire properties Fennell Street frontage encompassing a narrow rectangular parcel of 1,016 sq.m.

A summary of the land to be acquired is as follows:

<table>
<thead>
<tr>
<th>Land Area to be Acquired (sq.m.)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,376</td>
<td>New public open space containing station box</td>
</tr>
<tr>
<td>1,016</td>
<td>6m road widening along the Fennell Street Frontage</td>
</tr>
<tr>
<td>5,302</td>
<td>Total Area Required for this property</td>
</tr>
</tbody>
</table>
Zoning
The subject property is currently zoned *Capital City Zone - Schedule 1 (CCZ1)* under the Port Phillip City Council Planning Scheme, whilst the entire site is included within a *Design and Development Overlay DDO30*, forming part of Area A4, allowing a maximum height of 18 storeys.

Proposed Zoning
In accordance with the Draft Fishermans Bend Framework, the parent land is included within an area with a proposed maximum building height of 24-30 storeys with a FAR of 8.1:1 and a minimum commercial FAR of 3.7:1.

Improvements
Improved on the land is a substantial commercial facility comprising two buildings, the first and more substantial is situated to the south-west boundary fronting Fennell Street, whilst the second building fronts Bertie Street to the north-east. The balance of the site is attributable to hardstand and car parking. In this regard the land required comprises portions of both buildings together with car parking along the parent site's Fennell and Bertie Street frontages. As the highest and best use of the land is for urban development, the existing improvements made to the land (if any), are considered to be of no added value.

Comments
A portion of the subject land has been identified as being required for future road construction and public open space. In deriving a valuation figure we have concluded a value for the site area advised. This value is concluded on the basis that the remaining land is able to function to an equal standard/capacity as is current.

Furthermore as a portion of the required land comprises various buildings, we have provided an additional assessment for the total site area of 19,380 sq.m.

Valuation
In assessing the value of the subject property we are of the view that the hypothetical development approach through a discounted cash flow would be the most appropriate basis of assessment. However, in the absence of development plans and costings, we have relied upon the direct comparison approach as our primary basis of assessment.

Valuation Rationale
*Assessment - Parent Site*

Having regard to the total site area of 19,380 sq.m. together with the proposed zoning and the associated FAR controls, we have assessed the appropriate rate at $2,000 p.s.m. Our calculations are as follows:

<table>
<thead>
<tr>
<th>19,380 sq.m. @ $2,000 p.s.m.</th>
<th>$38,760,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Practical Valuation Purposes, Say $38,800,000 (Exclusive of GST)</td>
<td></td>
</tr>
</tbody>
</table>

Date of Valuation
November 2017
Purpose of Valuation

Provide an estimate of value as at November 2017 for the land required for road widening/open space.

Proposed Use

Land has been identified as being required for future road construction/open space within the Fennell / Plummer Street upgrade. More specifically the portion of land specific to 298 Bridge Street is proposed to be acquired for new public open space.

Site Description

The required land forms part of substantial corner allotment, held within a single Certificate of Title. The parent site features extensive frontages to Plummer and Bridge Streets, comprising a total land area of 13,700 sq.m.

More specifically, the portion of land required comprises an irregular shaped corner allotment of 1,997 sq.m., situated on the south-east corner of Bridge and Plummer Streets, featuring an extensive frontage to the southern side of Plummer Street.

A summary of the land to be acquired is as follows:

<table>
<thead>
<tr>
<th>Land Area to be Acquired (sq.m.)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,997</td>
<td>New public open space</td>
</tr>
</tbody>
</table>
Zoning

The subject property is currently zoned Capital City Zone - Schedule 1 (CCZ1) under the Port Philip City Council Planning Scheme, whilst the entire site is included within a Design and Development Overlay DDO30, forming part of Area A3, allowing a maximum height of 12 storeys.

Proposed Zoning

In accordance with the Draft Fishermans Bend Framework, the parent land is included within an area with a proposed maximum building height of 24 storeys with a FAR of 8.1:1 and a minimum commercial FAR of 3.7:1.

Improvements

Industrial facility comprising a significant warehouse, occupied by Delta Group. The land required includes a portion of the warehouse that extends from the Plummer Street Frontage. As the highest and best use of the land is for urban development, the existing improvements made to the land (if any), are considered to be of no added value.

Comments

A portion of the subject land has been identified as being required for future public open space. In deriving a valuation figure we have concluded a value for the site area advised. Our value is concluded on the basis that the remaining land is able to function to an equal standard/capacity as is current.

Furthermore as a portion of the required land comprises a significant warehouse, we have provided an additional assessment for the total site area of 13,700 sq.m.

Valuation

In assessing the value of the subject property we are of the view that the hypothetical development approach through a discounted cash flow would be the most appropriate basis of assessment. However, in the absence of development plans and costings, we have relied upon the direct comparison approach as our primary basis of assessment.

Valuation Rationale

Assessment - Parent Site

Having regard to the total site area of 13,700 sq.m., together with the proposed zoning allowing for a maximum building height of 24 storeys and the FAR we have assessed the appropriate rate at $2,000 p.s.m. Our calculations are as follows:

<table>
<thead>
<tr>
<th>13,700 sq.m. @ $2,000 p.s.m.</th>
<th>$27,400,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Practical Valuation Purposes, Say $27,400,000 (Exclusive of GST)</td>
<td></td>
</tr>
</tbody>
</table>

Date of Valuation

November 2017
Purpose of Valuation: Provide an estimate of value as at November 2017 for the land required for road widening/open space.

Proposed Use: Land has been identified as being required for future road construction/open space within the Fennell / Plummer Street upgrade. More specifically the portion of land specific to 577 Plummer Street is proposed to be acquired for new public open space and intersection/road widening extension from the Plummer Street frontage along the entire property’s length.

Site Description: The required land forms part of substantial corner allotment, held within a single Certificate of Title. The parent site features extensive frontages to Plummer and Bridge Streets, comprising a total land area of 9,047 sq.m.

The portion of land required comprises two components, resulting in an irregular shaped parcel with frontages extending along Bridge and Plummer Streets.

A summary of the land to be acquired is as follows:

<table>
<thead>
<tr>
<th>Land Area to be Acquired (sq.m.)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,995</td>
<td>New public open space</td>
</tr>
<tr>
<td>2,659</td>
<td>Intersection/road widening (exact size unknown)</td>
</tr>
<tr>
<td>3,954</td>
<td>Total Area Required for this property</td>
</tr>
</tbody>
</table>
Zoning
The subject property is currently zoned Capital City Zone - Schedule 1 (CCZ1) under the Port Phillip City Council Planning Scheme, whilst the entire site is included within a Design and Development Overlay DD030, forming part of Area A3, allowing a maximum height of 12 storeys.

Proposed Zoning
In accordance with the Draft Fishermans Bend Framework, the parent land is included within an area with a proposed maximum building height of 12 storeys with a FAR of 8.1:1 and a minimum commercial FAR of 3.7:1.

Improvements
Substantial Industrial facility comprising office and various warehouse components. Land required will include portions of the warehouse and office which are positioned along the site's Plummer and Bridge Street frontages. As the highest and best use of the land is for urban development, the existing improvements made to the land (if any), are considered to be of no added value.

Comments
A portion of the subject land has been identified as being required for future road construction and public open space. In deriving a valuation figure we have concluded a value for the site area advised. Our value is concluded on the basis that the remaining land is able to function to an equal standard/capacity as is current.

Furthermore as a portion of the required land comprises various buildings, we have provided an additional assessment for the total site area of 9,047 sq.m.

Valuation
In assessing the value of the subject property we are of the view that the hypothetical development approach through a discounted cash flow would be the most appropriate basis of assessment. However, in the absence of development plans and costings, we have relied upon the direct comparison approach as our primary basis of assessment.

Valuation Rationale
Assessment - Parent Site
Having regard to the total site area of 9,047 sq.m., together with the proposed zoning and the associated FAR limits, we have assessed the appropriate rate as $2,500 p.s.m. Our calculations are as follows:

<table>
<thead>
<tr>
<th>9,047 sq.m. @ $2,500 p.s.m.</th>
<th>$22,617,500</th>
</tr>
</thead>
</table>

For Practical Valuation Purposes, Say $22,800,000 (Exclusive of GST)

Date of Valuation
November 2017
Purpose of Valuation: Provide an estimate of value as at November 2017 for the land required for road widening/open space.

Proposed Use: Land has been identified as being required for future road construction/open space within the Fennell / Plummer Street upgrade. More specifically the portion of land specific to 520-533 Plummer Street is proposed to be acquired for road widening.

Site Description: The required land forms part of a substantial corner allotment of 5.967 hectares, held within a single Certificate of Title. The parent site is irregular in shape featuring extensive frontages to Plummer, Graham and Bridge Streets.

The portion of land required is situated on the northern side of Plummer Street, extending along the entire property’s Plummer Street frontage, comprising a rectangular parcel of 3,540 sq.m., significantly narrow in shape.

A summary of the land to be acquired is as follows:

<table>
<thead>
<tr>
<th>Land Area to be Acquired (sq.m.)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,540</td>
<td>Road Widening</td>
</tr>
</tbody>
</table>
Zoning

The subject property is currently zoned *Capital City Zone - Schedule 1 (CCZ1)* under the Port Phillip City Council Planning Scheme, whilst the entire site is included within a *Design and Development Overlay DD030*, forming part of Area A3, allowing a maximum height of 12 storeys.

Proposed Zoning

In accordance with the Draft Fishermans Bend Framework, the parent land is included within an area with a proposed maximum building height of 12 storeys with a FAR of 8.1:1 and a minimum commercial FAR of 3.7:1.

Improvements

Comprises an older style industrial warehouse with associated hardstand/car parking component. In this regard the land required comprises portions of the warehouse and hardstand along the site’s Plummer Street frontage. As the highest and best use of the land is for urban development, the existing improvements made to the land (if any), are considered to be of no added value.

Comments

A portion of the subject land has been identified as being required for future road widening. In deriving a valuation figure we have concluded a value for the site area advised. Our value is concluded on the basis that the remaining land is able to function to an equal standard/capacity as is current.

Furthermore as a portion of the required land comprises various buildings, we have provided an additional assessment for the total site area of 5.967 hectares.

Valuation

In assessing the value of the subject property we are of the view that the hypothetical development approach through a discounted cash flow would be the most appropriate basis of assessment. However, in the absence of development plans and costings, we have relied upon the direct comparison approach as our primary basis of assessment.

Valuation Rationale

*Assessment - Parent Site*

Having regard to the total site area of 59,670 sq.m., together with the proposed zoning and associated FAR controls, we have assessed the appropriate rate at $1,700 p.s.m. Our calculations are as follows:

<table>
<thead>
<tr>
<th>59,670 sq.m. @ $1,700 p.s.m.</th>
<th>$101,439,000</th>
</tr>
</thead>
</table>

For Practical Valuation Purposes, Say $100,000,000 (Exclusive of GST)

Date of Valuation

November 2017
Sales Analysis.

Sales Evidence
We have considered the evidence of various sales that have occurred within the subject locations and those which are further removed. The sales also reflect attributes which are of varying comparability in terms of zoning status, sizes and standards of accommodation. Whilst the sales have been maintained on file for confidentiality reasons, they establish a varied land value rate range of between $1,750 p.s.m. - $5,700 p.s.m.

High Level Risk/ SWOT Analysis - Case Study 2.

Considerations
In accordance with the Fennell /Plummer Street concept plan provided to us, we consider two methods of implementation as outlined below and comment on the proposed cost and risks associated with access relocation to sites that currently take their access from the front and the delivery of streetscape improvements prior to ultimate development.

(i) Fennell/Plummer Street streetscape upgrade by way of the compulsory acquisition of land required:

Positive Attributes
- Allows for a more cohesive approach through increased transparency and consistency in the planning, design and implementation process ensuring key initiatives in the streetscape design are delivered.
- Works can be undertaken in a strategic manner with the potential of economies of scale.
- Autonomy in the decision making process as a result of the relatively smaller number of stakeholders involved should one entity acquire all the necessary land required.
- Allows for greater opportunities in delivering transport infrastructure.
- Provides for a more holistic and streamlined approach to access relocation through the planning and delivery of additional road infrastructure.

Negative Attributes
- Significant capital costs required for the purchase of all necessary land.
- Would result in significant business loss and disturbance costs.
- Limited to Fennell and Plummer Street and therefore reliant upon similar outcomes to the connecting precincts.
- The acquisition of land would require the establishment of a public acquisition overlay, which may be subject to a protracted planning period.
- No. 38 Fennell Street is being acquired in part with the acquisition resulting in the loss of car parking areas. The compensation payment would be reflective of the effect that such an acquisition will have on the remainder of the property which may result in the need for the Authority to reinstate the lost car parks or potentially for any further loss suffered by the owner/owners of the property.
- We understand that the current draft planning provisions refer to “development rights” over land which is unaffected by the acquisition and therefore, relevant for the remainder of a site. We have been advised that the remaining area will be permitted to “… build up within the building envelope to meet the floor area ratio ...”. This may potentially be of benefit to the remainder of the land and therefore may also potentially offset any loss in value in the “after” scenario.
- The ability to acquire and undertake a uniform approach to the street upgrade is a positive consideration, however redevelopment works upon the balance of a site could result in damage to the streetscape works. Whilst the onus for reinstatement would be placed upon the owners/developers, this may result in an inconsistent streetscape upgrade as well as additional works for what had already been completed.
- In addition, the redevelopment of the subject sites may require the installation of additional services, facilities, substructure works, servicing conduits, etc. which would be in excess of that which may have been provided, resulting in additional expenditure for the private land redevelopment of potential impact for the streetscape upgrade
Implementation at the point of redevelopment for each site within the private sector through planning:

**Positive Attributes**
- Would not require the significant capital cost involved to purchase all the necessary sites.
- Less significant business and disturbance costs with existing businesses able to continue until such time as the land is ultimately redeveloped.

**Negative Attributes**
- Results in a piecemeal approach which may threaten key design and planning objectives.
- Implementation is reliant upon the redevelopment of the land resulting in a lagged approach.
- Greater barriers for delivering transport infrastructure.
- Access relocation would be done on an ad-hoc basis and may be limited due to the reliance on further road infrastructure.

The Acquisition of Land through the Establishment of a Public Acquisition Overlay and the Land Acquisition and Compensation Act 1986.

- A planning amendment would be required which is likely to extend timing for any potential acquisition.
- Acquisition pursuant to the Land Acquisition and Compensation Act 1980 (LACA) will require adherence to time frames and processes associated with the issuing of a Notice of Intention to Acquire, the accompaniment of an offer and then the subsequent formal gazetting and serving of a Notice of Acquisition.
- Section 41(1)(f) of the LACA means that the acquiring Authority will be responsible for the payment of "any legal, valuation and other professional expenses necessarily incurred by the Claimant by reason of the acquisition of interest".
- Section 42 of the LACA may, subject to meeting certain conditions, represent the reinstatement principle for a Claimant.
- Section 44 of the LACA introduces the element of compensation pertaining to solatium where an amount of compensation may be increased by up to 10% of the market value of the land.
- Section 53 of the LACA provides for an interest payment on compensation for the acquisition. If the matter becomes a disputed claim before a court or a board (VCAT), then the amount of compensation awarded at that time is entitled to interest. This is on the difference between the amount of compensation awarded and the amount of compensation offered by the Authority before the Claimant's claim became disputed.
- Section 46 of the LACA also entitles any person with an interest in land who has suffered a loss or incurred an expense as a direct, natural and reasonable consequence of the service of a Notice of Intention to Acquire in any interest to compensation in the land where such acquisition has subsequently been abandoned.
- The above items are matters which may effect an acquiring Authority with regard to additional costs over and above the value of the property being acquired as a result of the provisions of LACA.

**Alternative Consideration**

In the instance where the Authority acquires land which is in excess of that required specific for the public purpose, then such land remains vested within the ownership of the Authority. In the instance that the formal acquisition is completed, such land may continue to be utilised for project works even though not forming a part of the project. Such land may continue to be utilised by the Authority or may become surplus to their needs and therefore potentially enable them to realise such land for sale either to the open market or to a possible adjoining owner. Such an outcome enables the Authority to maintain control of development within immediate proximity of the acquisition area, whilst also potentially recouping capital costs which have been outlaid due to the acquisition. This outcome is likely to result in a positive outcome in the instance of any appreciating market.

This latter point is however offset in the instance where the market begins to soften and any such appreciation becomes minimal. We do however highlight that in instances of compulsory acquisition, remaining surplus land can in some instances become of a secondary nature as a result of possible amendments to ingress and egress aspects whilst also acknowledging that the remaining land may be of a size and shape which has more limited alternative potential in its own right and therefore may potentially only appeal to an adjoining owner.
Declarations.

Neither Charter Keck Cramer nor its directors have any pecuniary interest in the subject properties, nor do they have a connection with the business entity that may be associated.

This assessment 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.

Prepared by
Charter Keck Cramer Pty Ltd

Claudio Petrocco, B.Bus (Prop), AAPI
Certified Practising Valuer
API Member No 62402
Executive Director
Telephone 03 8102 8910

Date of Issue of the Valuation Report - 11 January 2018

Liability limited by a scheme approved under Professional Standards Legislation.

Valuation Compliance Statement
Charter Keck Cramer confirms that:

- The statements of fact presented in the report are correct to the best of the Valuer’s knowledge.
- The analyses and conclusions are limited only by the reported assumptions and conditions.
- The Valuer has no interest in the subject property.
- The Valuer’s fee is not contingent upon any aspect of the report.
- The valuation was performed in accordance with an ethical code and performance standards.
- The Valuer has satisfied professional education requirements.
- The Valuer has experience in the location and category of the property being valued.
- The Valuer has made a personal inspection of the property.
- No one, except those specified in this report, has provided professional assistance in preparing the report.

We confirm that neither Charter Keck Cramer nor any of its Directors or employees has any pecuniary interest that could conflict with the proper valuation of this property.

Refer to Assumptions / Qualifications - Third Party Disclaimer
Assumptions / Qualifications.

Legend

<table>
<thead>
<tr>
<th>Metric</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>square metres</td>
<td>sq. m</td>
</tr>
<tr>
<td>per annum</td>
<td>p.a.</td>
</tr>
<tr>
<td>per square metre</td>
<td>p.s.m</td>
</tr>
</tbody>
</table>

Date of Valuation

Due to possible changes in market forces and circumstances in relation to the subject property, this report can only be regarded as relevant as at the date 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). We do not accept liability for losses arising from such subsequent changes in value.

We draw attention to the provisions of our professional indemnity insurance that all valuations are only valid for 90 days from the date of valuation, no responsibility being accepted for clients' reliance upon reports beyond that period. Accordingly, any parties authorised to rely upon our opinion are advised that since the date of valuation the subject property has not been re-inspected and that no further investigation or analysis has been undertaken as to any changes since that date.

Our assessment is subject to there being no significant event that has occurred between the date of valuation and the date of issue of the valuation report that would impact on the value of the subject property.

Our report is concluded in the context of current Federal and State Legislation, Regulations and Policies as at the date of this report and does not anticipate or reflect possible changes in these matters that may impact upon the fundamentals of the project or property, its target market, cost structure, profitability or value. Adverse changes in such Legislation, Regulations and Policies (such as fiscal, taxation, FRRB, migration, international affairs and security), among others, are outside the control of the Valuer, and may result in material adverse impact on the valuation advice provided. Charter Keck Cramer and its affiliates do not accept any liability arising with respect to these matters.

Instructing Party / Terms of Reference

Our report has been prepared in accordance with the January 2012 edition of the Australia and New Zealand Valuation and Property Standards, being the third joint publication of the standards by the Australian Property Institute (API) and the Property Institute of New Zealand (PINZ).

However, the advice is qualified and specific to the kerbside estimates.

Any intending third party wishing to rely upon the contents of this valuation and its recommendations should note that in accordance with the provisions of our company’s professional indemnity insurance policy, there must, in written form, seek our approval in response to which we will consider the authorisation of this report for their use. Otherwise, no responsibility is accepted for any third party which may use or rely upon the whole or any part of the contents of this report. It should be noted that any subsequent amendments or changes in any form thereto will only be notified to and known by the parties to whom it is authorised.

Definition of Market Value

This valuation has been prepared in accordance with the following API definition of market value:

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

Encumbrances

Our valuation is subject to there being no undisclosed or unregistered easements or encumbrances which would have an adverse effect on our valuation. Should it be discovered that further easements or encumbrances exist, this report should be referred back to Charter Keck Cramer for consideration, comment and amendment (if necessary).

Land Area & Dimensions

A current survey has not been sighted. This valuation is subject to there being no encroachments by or upon the property and this should be confirmed by a current survey and/or advice from a Registered Surveyor. If any encroachments are noted by the survey report, the Valuer should be consulted to reassess any effect on the value stated herein.

Zoning

Although a Planning Certificate has not been sighted, the zoning particulars have been confirmed by the online Planning Scheme, which is an internet based copy of the Planning Scheme provided by the Department of Environment, Land, Water and Planning. Our assessment is completed subject to the planning information obtained being current and correct.

Please note that a Planning Certificate has not been provided or obtained. In the event that a Planning Certificate is obtained and the information therefore is materially different to that provided to Charter Keck Cramer via the approved internet based version, then we reserve the right to review our assessment and amend this report (as necessary).
Native Title

Pursuant to the Native Title Act (Cth) 1993, and as amended 30 September 1998, land with the exception of an "Exclusive Possession Grant", may be claimed as the property of Indigenous Australians leading to the co-existence or likely co-existence of Native Title in relation to a particular piece of land, subject to the verification of a prior or continuing connection to the land.

We are not experts in Native Title or the property rights derived therefrom and have not been supplied with appropriate anthropological, ethnological and/or ethnographic advice. Therefore, the property valuation or assessment is made subject to there being no actual or potential Native Title affecting:

- The value or marketability of the property.
- The land.

The National Native Title Register (NNTR) was established under Section 192 of the Native Title Act (Cth) 1993. The NNTR contains determinations of Native Title made by the High Court of Australia, the Federal Court of Australia, or such similarly recognised bodies. Formal verification that the property is not subject to co-existing Native Title interests and/or subject to determination should be obtained by searching the Registry of Native Titles Claims, which is administered by the National Native Titles Tribunal. We have reviewed maps prepared by the National Native Title Tribunal detailing Native Title Applications, determination areas and indigenous land use agreements. The map does not identify that the subject property is affected by applications and determinations as per the Federal Court on 31 March 2010.

This assessment is completed on the basis that the property is not affected by co-existing Native Title interests. Should subsequent investigation show that the land is subject to existing or potential co-existing Native Title interests, this property valuation or assessment will require revision and should be referred back to Charter Keck Cramer for consideration, comment and amendment.

Environmental Statement

In summary, a visual site inspection has not revealed any obvious signs of pollution or contamination. Nevertheless, we are not experts in the detection or quantification of environmental problems and, accordingly, have not carried out a detailed environmental investigation. Therefore, this valuation and our report is made subject to there being no actual or potential contamination issues or environmental hazards, including surface or subsurface soil problems including instability, toxic or hazardous wastes or building material hazards issues affecting:

- The existing or potential use of the property.
- The value or marketability of the property.
- The site.

Verification that the property is free from contamination or environmental hazards and has not been affected by pollutants of any kind may be obtained from a suitably qualified environmental expert. Should subsequent investigation show that the site is contaminated or has environmental hazards this valuation and report may require revision. The right is reserved to review, and if necessary, vary the valuation figure if any contamination or other environmental hazard is found to exist.

GST Implications

Transactions of commercial properties are subject to GST from 1 July 2000, at an amount equivalent to one eleventh (1/11th) of the sale price, for which it is the responsibility of the vendor to remit same to the Government. Accordingly, the vendor/notional vendor can only pass on the GST through a specific condition in the sale contract. Most contracts now include a clause that requires the purchaser to pay any GST on the basis that the purchaser is a registered business and entitled to a full input tax credit. This results in GST being a cash flow issue for the vendor only. With regard to commercial property which is sold subject to commercial leases or which is viewed as a "going concern" under legislation, the supply can be GST free if:

- The supply is for consideration.
- The purchaser is registered (or required to be).
- The vendor and purchaser agree that the supply is to be the supply of a going concern.

Supply of a going concern is an agreement in which:

- The vendor gives the purchaser all things necessary for the continuance of the enterprise.
- The vendor continues to carry on the enterprise to the date on which possession changes.

In accordance with the final ruling on "going concerns" as contained within GSTR 2001/5 and 2002/5 issued by the Australian Taxation Office, the use and definition of a "going concern" has been clarified, and therefore the majority of commercial buildings can be classified as "going concerns" and be GST - Free. Under the Rulings "Marketing Test", the GST - Free Rule applies to:

- Fully tenanted buildings.
- Partially tenanted buildings, being marketed for lease.
- New buildings being marketed for lease where at least one tenant has been secured.

Accordingly, the treatment of GST can be handled in a number of ways with respect to the subject property. A vendor/notional vendor may require a purchaser/notional purchaser to pay GST in addition to the purchase price, with such purchaser able to claim back this payment as an "input tax credit". Alternatively, the vendor and purchaser (or notional vendor and purchaser) may each adopt the margin scheme, with the purchaser paying GST on the margin or difference in value of the property between the current date and 1 July 2000.

Our valuation is expressed exclusive of GST.

This valuation is based on the assumptions relating to GST set out above. If any of these assumptions are found to be incorrect, or if the party on whose instructions this valuation is provided wishes our valuation to be based on different assumptions, this valuation should be referred back to the Certified Practising Valuer for comment and, in appropriate cases, amendment.

Third Party Disclaimer

This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted for any third party who may use or rely on the whole or any part of the content of this valuation. No responsibility will be accepted for photocopied signatures. It should be noted that any subsequent amendments or changes to any part of the valuation and report should only be notified in writing to the party to whom it is addressed. This report is a valuation report and is not intended as a structural survey. Charter Keck Cramer prohibit publication of this report in whole or in part, or any reference thereto, or to the valuation assessments contained herein, or to the names and professional affiliation of the Valuers, without the written approval of the Valuer.
Certificates of Title
(Subdivided Lots/Strata)
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REGISTER SEARCH STATEMENT (Title Search) Transfer of Land Act 1958

VOLUME 10452 FOLIO 657

LAND DESCRIPTION

Lot 1 on Plan of Subdivision 424328A.

PARENT TITLE Volume 09980 Folio 500

Created by instrument PS424328A 25/06/1999

REGISTERED PROPRIETOR

Estate Fee Simple

Sole Proprietor

CATB NOMINEES PTY LTD of "GROUND FLOOR," 198 TURNER STREET PORT MELBOURNE VIC 3207

AE948146C 13/03/2007

ENCUMBRANCES, CAVEATS AND NOTICES

MORTGAGE AE948147A 13/03/2007

NATIONAL AUSTRALIA BANK LTD

Any encumbrances created by Section 98 Transfer of Land Act 1958 or Section 24 Subdivision Act 1988 and any other encumbrances shown or entered on the plan set out under DIAGRAM LOCATION below.

DIAGRAM LOCATION

SEE PS424328A FOR FURTHER DETAILS AND BOUNDARIES

ACTIVITY IN THE LAST 125 DAYS

NIL

END OF REGISTER SEARCH STATEMENT

Additional information: (not part of the Register Search Statement)

Street Address: UNIT 1 249-251 INGLES STREET PORT MELBOURNE VIC 3207

ADMINISTRATIVE NOTICES
NIL

eCT Control 16089P NATIONAL AUSTRALIA BANK LIMITED (59)
Effective from
23/10/2016

OWNERS CORPORATIONS

---------------
The land in this folio is affected by
OWNERS CORPORATION PLAN NO. PS424328A

DOCUMENT END

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PLAN OF SUBDIVISION

Location of Land
Parish: MELBOURNE SOUTH
City of PORT MELBOURNE
Township:
Section: 63A
Crown Allotment: 6A
Crown Portion:
LTO Base Record: M 3514
Title Reference: VOL 9980 PDL 500

Last Plan Reference:
Postal Address: 347 INGLIS STREET
PORT MELBOURNE
AMO Coordinates:
E 318 550
N 53 11 90

Vesting of Roads or Reserves
Identifier: NIL
Council/Body/Person: NIL

Survey
This plan is/it is not a survey plan
The survey has been connected to permanent marks noted

LTO use only
Edition 2
Plan Number: PS 42 43 28 A

Council Certification and Endorsement
Council Name: CITY OF PORT PHILLIP
Ref: 652
1. This plan is certified under section 4 of the Subdivision Act, 1988:
   - Date of original certification under section 4: 10/02/1999
   - Date of last certification under section 4: 10/02/1999
   - The requirement has been satisfied:

OPEN SPACE
A requirement for public open space under section 18 of the Subdivision Act 1988 has/have been made.

Notations
Staging: This is not a staged subdivision

Depth Limitation: 15m applies

Survey: This plan is NOT based on survey

Section 12(2) of the Subdivision Act 1988 applies to all land in this plan

Receipt Information
Statement of Compliance/Exemption Statement

Received
Date: 22/06/1999

Original Sheet Size: A3

Surveyor's Details
M.J. REDDIE SURVEYS PTY LTD.
P.O. BOX 268 BERNICK 3860
Phone: (03) 701 4499
Fax: (03) 701 4228

Licensed Surveyor (P/1102725)
Signature: Michael James Reddie
Date: 22/06/1999
Ref: 75-0-20
Version 1
FOR CURRENT BODY CORPORATE DETAILS
SEE BODY CORPORATE SEARCH REPORT
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REGISTER SEARCH STATEMENT (Title Search) Transfer of Land Act 1958

VOLUME 11579 FOLIO 257

LAND DESCRIPTION

Lot 57 on Plan of Subdivision 619903F.
PARENT TITLE Volume 11410 Folio 428
Created by instrument PS619903F Stage 6 23/06/2015

REGISTERED PROPRIETOR

Estate Fee Simple
Sole Proprietor
APN DF2 PROJECT 1 PTY LTD of LEVEL 30, 101 COLLINS STREET MELBOURNE VIC 3000
PS619903F Stage 6 23/06/2015

ENCUMBRANCES, CAVEATS AND NOTICES

MORTGAGE AG865900M 12/11/2009
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD

COVENANT AD595407X 04/05/2005

COVENANT PS619903F 26/10/2009

CAVEAT as to part AJ550147Y 16/03/2012
Caveator
CITIPOWER PTY
Capacity SEE CAVEAT
Lodged by
CITIPOWER PTY
Notices to
CITIPOWER PTY of COMPANY SECRETARY LEVEL 8 40 MARKET ST MELBOURNE VIC 3000

Any encumbrances created by Section 98 Transfer of Land Act 1958 or Section 24 Subdivision Act 1988 and any other encumbrances shown or entered on the plan set out under DIAGRAM LOCATION below.

DIAGRAM LOCATION

SEE PS619903F FOR FURTHER DETAILS AND BOUNDARIES

ACTIVITY IN THE LAST 125 DAYS

NIL

END OF REGISTER SEARCH STATEMENT

Additional information: (not part of the Register Search Statement)

Street Address: 277 289 INGLES STREET PORT MELBOURNE VIC 3207
(Forms part of 43 Rennell Street) - MB, 11-01-18

ADMINISTRATIVE NOTICES

NIL

eCT Control 16165A ANZ RETAIL AND SMALL BUSINESS
Effective from 22/10/2016

OWNERS CORPORATIONS

The land in this folio is affected by
OWNERS CORPORATION 1 PLAN NO. PS619903F

DOCUMENT END

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REGISTER SEARCH STATEMENT (Title Search) Transfer of Land Act 1958

VOLUME 11410 FOLIO 427

LAND DESCRIPTION

Lot 35 on Plan of Subdivision 619903F.
PARENT TITLE Volume 11401 Folio 269
Created by instrument PS619903F Stage 5 18/03/2013

REGISTERED PROPRIETOR

Estate Fee Simple
Sole Proprietor
NIAS NOMINEES PTY LTD of 35 CROCKFORD STREET PORT MELBOURNE VIC 3207
AK706480P 11/11/2013

ENCUMBRANCES, CAVEATS AND NOTICES

MORTGAGE AK706481M 11/11/2013
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD

COVENANT AD595407X 04/05/2005

COVENANT PS619903F 26/10/2009

Any encumbrances created by Section 98 Transfer of Land Act 1958 or Section 24 Subdivision Act 1988 and any other encumbrances shown or entered on the plan set out under DIAGRAM LOCATION below.

DIAGRAM LOCATION

SEE PS619903F FOR FURTHER DETAILS AND BOUNDARIES

ACTIVITY IN THE LAST 125 DAYS

NIL

END OF REGISTER SEARCH STATEMENT

Additional information: (not part of the Register Search Statement)

Street Address: LOT 35 23-31 FENNELL STREET PORT MELBOURNE VIC 3207

1 forms part of 43 Fennell Street) - MB 11-01-2018

ADMINISTRATIVE NOTICES

NIL

eCT Control 16165A ANZ RETAIL AND SMALL BUSINESS
Effective from 22/10/2016

OWNERS CORPORATIONS

The land in this folio is affected by
OWNERS CORPORATION 1 PLAN NO. P5619903F

DOCUMENT END

Delivered from the LANDATA® System by Equifax Australia Information Services and Solutions Pty Limited
PLAN OF SUBDIVISION

Location of Land
Parish: MELBOURNE SOUTH
CITY OF PORT MELBOURNE
Section: 63A
Crown Allotment: 7, 8E, 8C, 15, 16, B (NO SEC) & B1 (NO SEC)
Title References: Vol 9980 Fol 497, Vol 9983 Fol 629
Vol 9980 Fol 502, Vol 9980 Fol 494
Vol 9980 Fol 498, Vol 8284 Fol 520
Last Plan Reference: TP305176Y, TP304774H
TP305180J, TP305175Q
TP305177W, CP100478
Postal Address: 277 - 289 INGLES STREET &
180 BERTIE STREET
PORT MELBOURNE 3207
MGA Co-ordinates:
E 318 485
N 5 811 330
Zone 55

Vesting of Roads or Reserves
Identifier Council/Body/Person
NIL

Council Certification and Endorsement
Council Name: PORT PHILLIP CITY COUNCIL
Date: 5/9/2009
1. This plan is certified under section 6 of the Subdivision Act 1988.
2. The plan is subject to the conditions of the Subdivision Act 1988.
3. This is a statement of compliance issued on section 24 of the

Open Space
(i) A requirement for public open space under section 18 Subdivision
   Act 1988 here has not been made.
(ii) The requirement has been assessed and satisfied.
(iii) The requirement has been satisfied in stage

Council Delegate
Date: 27/7/2009

Stage
This is a staged subdivision
Planning Permit No. 72/2009

Depth Limitation:
15 METRES BELOW THE SURFACE EXCEPT FOR C.A.B.
LOTS ON THIS PLAN MAY BE AFFECTED BY ONE OR MORE OWNERS COMPANIES.
See annexure or survey report for details.

COMMON PROPERTY No. 1 IS ALL THE LAND IN THE PLAN EXCEPT THE LOTS &
COMMON PROPERTY No. 2. COMMON PROPERTY No. 2 INCLUDES THE STRUCTURE
OF ANY WALL, FLOOR, CEILING, WINDOW, DOOR WHICH DEFINE BOUNDARIES

LOCATION OF BOUNDARIES DEFINED BY BUILDINGS:
MIDIAN: BOUNDARIES SHOWN THUS
EXTERIOR FACE: BOUNDARIES SHOWN THUS
INTERIOR FACE: BOUNDARIES SHOWN THUS
HATCHING WITHIN A PARCEL INDICATES THAT THE STRUCTURE OF THE RELEVANT
WALL, FLOOR OR CEILING IS CONTAINED IN THAT PARCEL.
LOTS 34 AND THOSE LOTS PART LOTS SUBDIVIDED BY AN ASTERISK (*) ARE
UNLIMITED IN HEIGHT & DEPTH.
Parts of Lot 58 are unlimited in Height & Depth see cross sections.

Survey: This plan is based on survey.
This survey has been connected to permanent marks not.
MELBOURNE SOUTH PM77, PM78 & PM83 in Proclaimed Survey Area No.

FARREN LAND SURVEYS PTY LTD

97 GEELOONG ROAD FOOTSCRAY 3011
PH 9689 1000 FAX 9689 1002
PO BOX 8124 WEST FOOTSCRAY 3012
EMAIL: info@farrenland.com.au

LICENSED SURVEYOR (PRINT) PETER J. FARREN
SIGNATURE ______________________ DATE 21/9/09
REF: 3530 VERSION 12

APPENDIX 1 TO PLAN (STATEMENT ONLY)

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APPENDIX 1 TO PLAN (STATEMENT ONLY)
CREATION OF RESTRICTION

RESTRICTION No.1
The following restriction is to be created upon registration of the Plan of Subdivision No PS619903F by way of a restrictive covenant.

Land to be benefited: Lot 27 on the Plan of Subdivision No PS619903F

Land to be burdened: Lots on Plan of Subdivision No PS619903F other than Lot 27

DESCRIPTION OF RESTRICTION
The registered proprietor or proprietors for the time being of the whole of the land in Plan of Subdivision No PS619903F other than Lot 27 (the Burdened Land) for itself and its transferees, executors, administrators and assigns covenants with the registered proprietor or proprietors for the time being of Lot 27 on Plan of Subdivision No PS619903F or any part or parts thereof, that if and its transferees, executors, administrators and assigns shall not at any time use or permit to be used the Burdened Land or any part of it as a café or premises where the primary use is the retail sale of food and drinks, with the intent that the benefit of this covenant shall be attached to and run at law and in equity with Lot 27 and that the burden of this covenant shall be annexed to and run at law and in equity with the Burdened Land.
## MODIFICATION TABLE

**PLAN NUMBER**  
**PS619903F**

**WARNING:** THE IMAGE OF THIS DOCUMENT OF THE REGISTER HAS BEEN DIGITALLY AMENDED. NO FURTHER AMENDMENTS ARE TO BE MADE TO THE ORIGINAL DOCUMENT OF THE REGISTER.

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APPENDIX 6 - PRELIMINARY CONSTRUCTION COST ESTIMATE FOR CASE STUDY 1, CHARTER KECK CRAMER
Preliminary Construction
Cost Estimates Report

Case Study 1 – Options 1 and 2

For

Fishermans Bend – Funding & Financing Infrastructure Case Studies

Prepared for
City of Port Phillip

11 January 2018
Table of Contents

1. INTRODUCTION ........................................................................................................................................... 1
2. OPTION 1: STAND ALONE SPORT & RECREATION HUB ........................................................................... 2
3. OPTION 2: SPORT & RECREATION HUB WITHIN A BROADER MIXED USE DEVELOPMENT ...................... 3
4. GENERAL DISCLAIMER .................................................................................................................................. 4

Appendix

1. Case Study 1 – Option 1 Areas Schedule
2. Case Study 2 – Option 2 Areas Schedule
3. Case Study 2 – Option 2 Split of Costs Between Recreation Hub & Broader Mixed Use Components
4. Council’s Project Brief
1. **INTRODUCTION**

Charter Keck Cramer has been engaged by the City of Port Phillip to prepare two preliminary construction cost option estimates for Case Study 1, located within the Fishermans Bend urban renewal area. Case Study 1 relates to the Montague Sport and Recreation Hub and the two options that are dealt with in this report, are:

- **Option 1**: Stand Alone Sport & Recreation Hub
- **Option 2**: Sport & Recreation Hub within a Broader Mixed Use Development

The subject site for the Case Study 1 is located at 80 Munro Street, South Melbourne, which has an area of 9,709m², is triangular in shape and is bounded by Montague Street, Munro Street and Johnson Street. It is understood that council has chosen the site for the purposes of only undertaking a case study and that there is no present commitment or particular preference to deliver the Hub on this site.

Given the nature of the ground on this site, it is envisaged that a piled foundation solution will need to be provided for, in both cost options.

It is further understood that the site, being the subject of this case study, is contaminated. It should be noted, that the cost of remediation, is expected to be substantial. While there are no details available, we understand from other sources, that in a report prepared by Golder Associates in 2012, mention is made of decontamination costs for high risk sites, that could be in the order of $6 million per hectare (this not being an upper limit). Furthermore, Golders have stated that further investigations would be required to determine the actual site remediation costs. For the purposes of our cost estimates, we have used the $6 million value and have escalated these costs up to and including January 2018 prices.

To conform with flood level requirements, it is understood that the subject site, will need to be raised (filled) by approximately 1.0 – 1.5m. Provisions have been included within each option cost estimate, for this requirement.

Other main items addressed within each of the option cost estimates, include:

- Green Star minimum 4 star rating, with some consideration included towards achieving 5 star. However, achieving this, will, in large, depend on further developed design, consultant input, development parameters and restrictions, etc.
- 3.8m high floor to floor height for ground floor car parking to the recreation hub only. All other residential and commercial car parking to be at industry standard floor to floor heights.
- Standard floor to floor heights for high quality commercial and high rise residential spaces.
- Provision for external works, being for landscaping, paving, features, etc. to areas within the site, but outside of the footprints of buildings

Please refer to the Appendices of this report for the area schedules of each option and also to council’s project brief for each option.
2. **OPTION 1: STAND ALONE SPORT & RECREATION HUB**

This Option 1 has a total gross floor area (GFA) of 10,385m² and it is proposed that the building will comprise a ground, first and second floor levels. In summary, the areas are scheduled as follows:

- **Ground Floor:** 4,722m²
- **First Floor:** 4,722m²
- **Second Floor:** 941m²

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<td>Indoor Courts Other Supporting Areas</td>
<td>281 m²</td>
<td>5,050</td>
<td>1,419,050</td>
</tr>
<tr>
<td>4.0</td>
<td>Multi-Purpose Rooms</td>
<td>1,045 m²</td>
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<td>4,075,500</td>
</tr>
<tr>
<td>5.0</td>
<td>Additional Area Requirements – Entry Foyer, circulation space, carparking to recreation hub (Note: Consolidated Average Rate Used)</td>
<td>5,148 m²</td>
<td>2,800</td>
<td>14,414,400</td>
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<tr>
<td>6.0</td>
<td>Fitout to Recreation Centre</td>
<td>Item</td>
<td>1,750,000</td>
<td>1,750,000</td>
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</table>

**Sub-total** 35,643,475

<table>
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<th>Description</th>
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<th>Rate</th>
<th>Total</th>
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<td>7.0</td>
<td>External Works</td>
<td>Item</td>
<td>2,500,000</td>
<td>2,500,000</td>
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<td>8.0</td>
<td>Demolition</td>
<td>Item</td>
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<td>1,300,000</td>
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<tr>
<td>9.0</td>
<td>Decontamination / Remediation Works</td>
<td>Item</td>
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<td>10.0</td>
<td>Site Levels Filling</td>
<td>Item</td>
<td>1,450,000</td>
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**Sub-total** 47,693,475

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<th>Rate</th>
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<tr>
<td>11.0</td>
<td>Planning Fees (1%)</td>
<td>Item</td>
<td>480,000</td>
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<td>12.0</td>
<td>Detailed Design &amp; PM Fees (15%)</td>
<td>Item</td>
<td>7,175,000</td>
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<tr>
<td>13.0</td>
<td>Contingencies (20%)</td>
<td>Item</td>
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<td>11,081,525</td>
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</table>

**TOTAL (GST excluded)** 66,430,000

In addition to the comments above, the following items are excluded from the estimate:

1. Cost escalations beyond January 2018
2. Overtime works due to restricted contract period
3. Negotiated or staged contract
4. Site decontamination / remediation works (other than the provision identified in item 9.0 above)
5. Window furnishings
6. Artworks
7. Infrastructure works outside of the site boundaries (e.g. new roads, headworks costs, new and existing services upgrades)
8. Finance charges and interest
9. Headworks fees and contribution charges to relevant supply authorities
10. Legal fees, marketing, sales, letting charges, etc.
11. GST
3. **OPTION 2: SPORT & RECREATION HUB WITHIN A BROADER MIXED USE DEVELOPMENT**

This Option 2 has a total gross floor area (GFA) of 71,705m² and it is proposed that the building will comprise a sport and recreation centre over part of the ground, first, first mezzanine, second, and second mezzanine levels of the building. In addition to this, there will be commercial and residential spaces to the ground, first, second, third, fourth and fifth levels of the building podium. Residential spaces will occupy the 14 tower levels above the podium floor levels. In summary, the areas are scheduled as follows:

- Sports & Recreation: 10,956m²
- Commercial Carpark: 2,243m²
- Residential Carpark: 11,392m²
- Commercial Office: 4,706m²
- Residential: 42,408m²

**Total GFA Area** 71,705m²

Our preliminary construction cost estimate for this cost option, is set out as follows:

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<th>No.</th>
<th>Description</th>
<th>Area</th>
<th>Rate $</th>
<th>Total $</th>
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</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Indoor Courts</td>
<td>3,416 m²</td>
<td>4,800</td>
<td>16,396,800</td>
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<tr>
<td>2.0</td>
<td>Indoor Courts Supporting Amenities &amp; Rooms</td>
<td>260 m²</td>
<td>5,700</td>
<td>1,482,000</td>
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<tr>
<td>3.0</td>
<td>Indoor Courts Other Supporting Areas</td>
<td>405 m²</td>
<td>5,300</td>
<td>2,146,500</td>
</tr>
<tr>
<td>4.0</td>
<td>Multi-Purpose Rooms</td>
<td>725 m²</td>
<td>4,500</td>
<td>3,262,500</td>
</tr>
<tr>
<td>5.0</td>
<td>Additional Area Requirements – Entry foyer, circulation space, mezzanine area overlooking Sports, rock climbing, carpark to recreation hub <em>(Note: Consolidated Average Rate Used)</em></td>
<td>6,150 m²</td>
<td>4,050</td>
<td>24,907,500</td>
</tr>
<tr>
<td>6.0</td>
<td>Fitout to Recreation Centre</td>
<td>item</td>
<td>2,400,000</td>
<td>2,400,000</td>
</tr>
</tbody>
</table>

**Sub-total** 50,595,300

| 7.0 | Carparking – Commercial                                | 2,243 m² | 1,000   | 2,355,150   |
| 8.0 | Carparking – Residential                               | 11,392 m² | 1,000   | 11,961,600  |
| 9.0 | Commercial Office                                      | 4,706 m²  | 2,700   | 13,176,800  |
| 10.0| Residential Apartments                                  | 42,408 m² | 3,100   | 135,705,600 |

**Sub-total** 213,794,450

| 11.0| External Works                                         | item    | 500,000 | 500,000     |
| 12.0| Demolition                                              | item    | 1,300,000 | 1,300,000  |
| 13.0| Decontamination / Remediation Works                    | item    | 6,800,000 | 6,800,000   |
| 14.0| Site Levels Filling                                     | item    | 1,450,000 | 1,450,000   |

**Sub-total** 223,844,450

| 15.0| Planning Fees (1%)                                     | item    | 2,240,000 | 2,240,000   |
| 16.0| Detailed Design & PM Fees (15%)                        | item    | 33,600,000 | 33,600,000  |
| 17.0| Contingencies (20%)                                    | item    | 51,950,550 | 51,950,550  |

**TOTAL (GST excluded)** 311,635,000

In addition to the comments above, the following items are excluded from the estimate:

12. Cost escalations beyond January 2018
13. Overtime works due to restricted contract period
14. Negotiated or staged contract
15. Site decontamination / remediation works (other than the provision identified in item 13.0 above)
16. Window furnishings
17. Artworks
18. Infrastructure works outside of the site boundaries (e.g. new roads, headworks costs, new and existing services upgrades)
19. Finance charges and interest
20. Headworks fees and contribution charges to relevant supply authorities
21. Legal fees, marketing, sales, letting charges, etc.
22. GST

Please refer to Appendix 3 of this report for a split of the above cost table into each of the Recreation Hub and the Broader Mixed Use Development components.

4. GENERAL DISCLAIMER

We confirm that neither Charter Keck Cramer nor any of its Directors or employees has any pecuniary interest that could conflict with the proper assessment of this development.

This building construction cost report is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted for any third party who may use or rely on the whole or any part of the content of this report. It should be noted that any subsequent amendments or changes in any form to the report would only be notified to and known by the parties to whom it is addressed.
APPENDIX 1

Case Study 1 – Option 1 Areas Schedule
## Case Study One - Option 1 Stand Alone floor space breakdown for the Sport & Recreation Centre

### Ground Floor

<table>
<thead>
<tr>
<th>Area</th>
<th>m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth multipurpose room</td>
<td>250</td>
</tr>
<tr>
<td>Meeting/consulting room</td>
<td>35</td>
</tr>
<tr>
<td>Accessible Toilet</td>
<td>8</td>
</tr>
<tr>
<td>Public Toilet (male)</td>
<td>12</td>
</tr>
<tr>
<td>Public Toilet (female)</td>
<td>12</td>
</tr>
<tr>
<td>Kiosk/cafés</td>
<td>35</td>
</tr>
<tr>
<td>Commercial Kitchen</td>
<td>50</td>
</tr>
<tr>
<td>Multipurpose/ function room</td>
<td>40</td>
</tr>
<tr>
<td>Entry and foyer</td>
<td>406</td>
</tr>
<tr>
<td>Lift/stairs/ circulation</td>
<td>418</td>
</tr>
<tr>
<td>Additional meeting space fronting Munro Street</td>
<td>320</td>
</tr>
<tr>
<td>Car park - 82 car spaces, 1 shared parking space, 1 motorcycle parking and 130 bike parks</td>
<td>3136</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4722</strong></td>
</tr>
</tbody>
</table>

### First Floor

<table>
<thead>
<tr>
<th>Area</th>
<th>m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 indoor playing courts</td>
<td>2946</td>
</tr>
<tr>
<td>Spectator seating, circulation, team and officials benches</td>
<td>835</td>
</tr>
<tr>
<td>Storage</td>
<td>48</td>
</tr>
<tr>
<td>Umpire Change rooms</td>
<td>10</td>
</tr>
<tr>
<td>Umpire amenities</td>
<td>10</td>
</tr>
<tr>
<td>Umpire Duty Room</td>
<td>20</td>
</tr>
<tr>
<td>Player amenities (female)</td>
<td>20</td>
</tr>
<tr>
<td>Player change rooms (female)</td>
<td>25</td>
</tr>
<tr>
<td>Player amenities (male)</td>
<td>20</td>
</tr>
<tr>
<td>Player change rooms (male)</td>
<td>25</td>
</tr>
<tr>
<td>First aid room</td>
<td>25</td>
</tr>
<tr>
<td>Administration office</td>
<td>36</td>
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<tr>
<td>Tournament office</td>
<td>15</td>
</tr>
<tr>
<td>Lift/stairs/ circulation space</td>
<td>687</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4722</strong></td>
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</tbody>
</table>

### Second Floor

<table>
<thead>
<tr>
<th>Area</th>
<th>m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multipurpose room 2</td>
<td>190</td>
</tr>
<tr>
<td>Large multipurpose room</td>
<td>250</td>
</tr>
<tr>
<td>Lift/stairs/ circulation space</td>
<td>501</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>941</strong></td>
</tr>
</tbody>
</table>

**TOTAL ALL FLOORS** 10385
APPENDIX 2

Case Study 1 – Option 2 Areas Schedule
Case Study One - Option 2 Mixed Use floor space breakdown for the Sport & Recreation Centre

<table>
<thead>
<tr>
<th>Ground Floor</th>
<th>m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth multipurpose room</td>
<td>250</td>
</tr>
<tr>
<td>Multipurpose room 2</td>
<td>190</td>
</tr>
<tr>
<td>Large multipurpose room</td>
<td>250</td>
</tr>
<tr>
<td>Meeting/ consulting room</td>
<td>35</td>
</tr>
<tr>
<td>Accessible Toilet</td>
<td>8</td>
</tr>
<tr>
<td>Public Toilet (male)</td>
<td>12</td>
</tr>
<tr>
<td>Public Toilet (female)</td>
<td>12</td>
</tr>
<tr>
<td>Kiosk/cafè</td>
<td>35</td>
</tr>
<tr>
<td>Commercial Kitchen</td>
<td>50</td>
</tr>
<tr>
<td>Multipurpose/ function room</td>
<td>40</td>
</tr>
<tr>
<td>Entry and foyer</td>
<td>406</td>
</tr>
<tr>
<td>lift/stairs/ circulation</td>
<td>751</td>
</tr>
<tr>
<td>55 car spaces, 1 shared parking space, 1 motorcycle parking and 130 bike parks</td>
<td>1678</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3717</strong></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>First Floor</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Indoor sports facilities incl. Spectator Seating, circulation, team and officials benches</td>
<td>1708</td>
</tr>
<tr>
<td>Possible rockclimbing wall</td>
<td>242</td>
</tr>
<tr>
<td>Storage</td>
<td>48</td>
</tr>
<tr>
<td>Umpire Change rooms</td>
<td>10</td>
</tr>
<tr>
<td>Umpire amenities</td>
<td>10</td>
</tr>
<tr>
<td>Umpire Duty Room</td>
<td>20</td>
</tr>
<tr>
<td>Player amenities (female)</td>
<td>20</td>
</tr>
<tr>
<td>Player change rooms (female)</td>
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<tr>
<td>Player amenities (male)</td>
<td>20</td>
</tr>
<tr>
<td>Player change rooms (male)</td>
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</tr>
<tr>
<td>First aid room</td>
<td>25</td>
</tr>
<tr>
<td>Administration office</td>
<td>36</td>
</tr>
<tr>
<td>Tournament office</td>
<td>15</td>
</tr>
<tr>
<td>lift/stairs/ circulation space</td>
<td>809</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3013</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>First floor Mezzanine (sitting above amenities overlooking indoor sports)</th>
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<tbody>
<tr>
<td></td>
<td>592</td>
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<table>
<thead>
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<th>Second Floor</th>
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<tbody>
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<td>Indoor sports facilities incl. Spectator Seating, circulation, team and officials benches</td>
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<tr>
<td>Possible rock climbing wall</td>
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<tr>
<td>Storage</td>
<td>48</td>
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<td>Umpire Change rooms</td>
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<td>Umpire amenities</td>
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<td>Player amenities (female)</td>
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<td>Player change rooms (female)</td>
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<td>First aid room</td>
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</tr>
<tr>
<td>lift/stairs/ circulation space</td>
<td>809</td>
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<td><strong>TOTAL</strong></td>
<td><strong>3013</strong></td>
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<table>
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**TOTAL ALL FLOORS**                                                      **10956**
### Montague Development Site

<table>
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<th>Level</th>
<th>Car Parking</th>
<th>Commercial floor space m²</th>
<th>Residential floor space m²</th>
<th>Total floor space m²</th>
<th>No. of parks</th>
<th>Commercial No. of dwellings</th>
<th>Residential No. of dwellings</th>
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<td>6,372.00</td>
<td>225.00</td>
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<td>2,949.00</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Podium/tower</th>
<th>Level</th>
<th>Car Parking</th>
<th>Commercial floor space m²</th>
<th>Residential floor space m²</th>
<th>Total floor space m²</th>
<th>No. of parks</th>
<th>Commercial No. of dwellings</th>
<th>Residential No. of dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ground floor</td>
<td></td>
<td>753</td>
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<td></td>
<td>22</td>
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<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>753.00</td>
<td>5,020.00</td>
<td>164.94</td>
<td>1,757.00</td>
<td>14,982.00</td>
<td>22,512.00</td>
</tr>
</tbody>
</table>

### Munro Development Site

<table>
<thead>
<tr>
<th>Podium/tower</th>
<th>Level</th>
<th>Car Parking</th>
<th>Commercial floor space m²</th>
<th>Residential floor space m²</th>
<th>Total floor space m²</th>
<th>No. of parks</th>
<th>Commercial No. of dwellings</th>
<th>Residential No. of dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ground floor</td>
<td></td>
<td>1,400</td>
<td></td>
<td></td>
<td>993</td>
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<td>Podium</td>
<td>1</td>
<td></td>
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<td>3,186</td>
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<td>3,186</td>
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<td>3,186</td>
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<tr>
<td>Tower</td>
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<td>1,416</td>
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<td>5,020.00</td>
<td>164.94</td>
<td>1,757.00</td>
<td>14,982.00</td>
<td>22,512.00</td>
</tr>
</tbody>
</table>

TOTAL across Montague and Munro

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th>Commercial floor space m²</th>
<th>Residential floor space m²</th>
<th>Total Commercial floor space m²</th>
<th>No. of Commercial dwellings</th>
<th>Commercial FAU</th>
<th>Residential floor space m²</th>
<th>Residential No. of dwellings</th>
<th>Residential FAU</th>
<th>Residential FAU &amp; FAU</th>
<th>Excess Commercial floor space</th>
<th>Excess Residential floor space</th>
</tr>
</thead>
<tbody>
<tr>
<td>Montague</td>
<td></td>
<td></td>
<td>2,243</td>
<td>11,392</td>
<td>389.94</td>
<td>17,476</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>429</td>
<td></td>
</tr>
<tr>
<td>Munro</td>
<td></td>
<td></td>
<td>10,656</td>
<td></td>
<td>14,982.00</td>
<td>22,512.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>429</td>
<td></td>
</tr>
<tr>
<td>TOTAL across Montague and Munro</td>
<td></td>
<td></td>
<td>2,243 + 10,656 = 12,899</td>
<td>11,392 + 14,982 = 26,374</td>
<td>389.94 + 14,982 = 15,371.94</td>
<td>17,476 + 22,512 = 39,988</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>429 + 429 = 858</td>
<td></td>
</tr>
</tbody>
</table>

Minimum Commercial FAR: 17,476
Maximum Residential FAR: 41,749
Residential FAU (110m² for every 100m² of community): 12,052
Maximum Residential FAR & FAU: 53,800
Excess Commercial floor space: 429
Excess Residential floor space: 0
APPENDIX 3

Option 2 Split of Costs Between Recreation Hub & Broader Mixed Use Components
## Option 2: Sport & Recreation Hub Within a Broader Mixed Use Development

### Part A: Sport & Recreation Hub Component Only

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Area</th>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Indoor Courts</td>
<td>3416 m²</td>
<td>4,800</td>
<td>16,396,800</td>
</tr>
<tr>
<td>2.0</td>
<td>Indoor Courts Supporting Amenities &amp; Rooms</td>
<td>260 m²</td>
<td>5,700</td>
<td>1,482,000</td>
</tr>
<tr>
<td>3.0</td>
<td>Indoor Courts Other Supporting Areas</td>
<td>405 m²</td>
<td>5,300</td>
<td>2,146,500</td>
</tr>
<tr>
<td>4.0</td>
<td>Multi-Purpose Rooms</td>
<td>725 m²</td>
<td>4,500</td>
<td>3,262,500</td>
</tr>
<tr>
<td>5.0</td>
<td>Additional Area Requirements – Entry Foyer, circulation space, carparking to recreation hub</td>
<td>6150 m²</td>
<td>4,050</td>
<td>24,907,500</td>
</tr>
<tr>
<td>6.0</td>
<td>Fitout to Recreation Centre</td>
<td>item</td>
<td>2,400,000</td>
<td>2,400,000</td>
</tr>
</tbody>
</table>

**Sub-total**

| 11.0 | External Works (Based on GFA ratio 10,956/71,705) | item       | 76,396 | 76,396 |
| 12.0 | Demolition (Based on GFA ratio 10,956/71,705) | item       | 198,630 | 198,630 |
| 13.0 | Decontamination / Remediation Works (Based on GFA ratio 10,956/71,705) | item       | 1,038,990 | 1,038,990 |
| 14.0 | Site Levels Filling (Based on GFA ratio 10,956/71,705) | item       | 221,549 | 221,549 |

**Sub-total**

| 15.0 | Planning Fees (1%)                                          | item       | 522,000 | 522,000 |
| 16.0 | Detailed Design & PM Fees (15%)                             | item       | 7,820,000 | 7,820,000 |
| 17.0 | Contingencies (20%)                                         | item       | 12,100,000 | 12,100,000 |

**Total (GST excluded)**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>72,572,865</td>
</tr>
</tbody>
</table>
## OPTION 2: SPORT & RECREATION HUB WITHIN A BROADER MIXED USE DEVELOPMENT

### PART B: BROADER MIXED USE COMPONENT ONLY

11 January 2018

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Area</th>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.0</td>
<td>Carparking - Commercial</td>
<td>2,243</td>
<td>1,050</td>
<td>2,355,150</td>
</tr>
<tr>
<td>8.0</td>
<td>Carparking - Residential</td>
<td>11,392</td>
<td>1,050</td>
<td>11,961,600</td>
</tr>
<tr>
<td>9.0</td>
<td>Commercial Office</td>
<td>4,706</td>
<td>2,800</td>
<td>13,176,800</td>
</tr>
<tr>
<td>10.0</td>
<td>Residential Apartments</td>
<td>42,408</td>
<td>3,200</td>
<td>135,705,600</td>
</tr>
</tbody>
</table>

**Sub-total**  
163,199,150

<table>
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<th>Area</th>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.0</td>
<td>External Works (Based on GFA ratio 60,749/71,705)</td>
<td>item</td>
<td>423,604</td>
<td>423,604</td>
</tr>
<tr>
<td>12.0</td>
<td>Demolition (Based on GFA ratio 60,749/71,705)</td>
<td>item</td>
<td>1,101,370</td>
<td>1,101,370</td>
</tr>
<tr>
<td>13.0</td>
<td>Decontamination / Remediation Works (Based on GFA ratio 60,749/71,705)</td>
<td>item</td>
<td>5,761,010</td>
<td>5,761,010</td>
</tr>
<tr>
<td>14.0</td>
<td>Site Levels Filling (Based on GFA ratio 60,749/71,705)</td>
<td>item</td>
<td>1,228,451</td>
<td>1,228,451</td>
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</tbody>
</table>

**Sub-total**  
171,713,585

<table>
<thead>
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<th>Description</th>
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<th>Rate</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>15.0</td>
<td>Planning Fees (1%)</td>
<td>item</td>
<td>1,718,000</td>
<td>1,718,000</td>
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<tr>
<td>16.0</td>
<td>Detailed Design &amp; PM Fees (15%)</td>
<td>item</td>
<td>25,780,000</td>
<td>25,780,000</td>
</tr>
<tr>
<td>17.0</td>
<td>Contingencies (20%)</td>
<td>item</td>
<td>39,850,550</td>
<td>39,850,550</td>
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</table>

**TOTAL (GST excluded)**  
239,062,135
APPENDIX 4

Council’s Project Brief
Case Study 1: Montague Sport and Recreation Hub

Montague Sport and Recreation Hub

- Community infrastructure in Fishermans Bend is proposed to be delivered through community infrastructure hubs, through two delivery models:
  - Community hub as a stand alone facility
  - Community hub within a larger mixed use development
- The Montague Sport and Recreation Hub will comprise an indoor multipurpose stadium with supporting infrastructure, youth services and multipurpose community rooms.
- A Sport and Recreation Hub is defined as ‘An efficient and innovative model for sport and recreation facilities; co-locating physical activities with related community and health based services’ in the Fishermans Bend Community Infrastructure Plan (CIP).
- The guiding principles for Sport and Recreation Hubs (from Fishermans Bend CIP) are:  
  - Co-location of recreation hubs with open spaces where it is possible.
  - Providing multipurpose courts to accommodate various type of informal and formal sport. This will be achieved by using synthetic and/or hybrid surfaces,
  - Building the courts to the larger netball court dimensions to maximize the flexibility and number of sporting codes that can be played in single court spaces.

Site Context

- The subject site for the case study is located at 80 Munro Street, which is bounded by Montague Street, Munro Street and Johnson Street. The size of the site is 9,709 sqm.
- The site is in the core area of Montague and the hub will service the Montague precinct (the area bounded by The Westgate Fwy, City Road, Boundary Street and Johnson Street.
- The future activity centres in the Montague precinct will be located along the length of Normanby Road and Buckhurst Street.
- Montague North Park, a proposed Neighbourhood Park (future public open space) is located on the north-east corner of Montague Street / Munro Street, opposite the subject site. This will provide informal and opportunistic recreation, relaxation and play. It is proposed to include seating, walking paths and small playground, and potentially outdoor multi-purpose courts. Our preference is to create a clear relationship/design integration of the community facility (particularly youth services) with this open space.
- The site is located in an area with a maximum building height limit of 20-24 storeys. The 24 storey height limit applies to all properties/street blocks directly north of the subject site, and 20 storeys applies to the sites/street blocks directly to the south of the subject site.
- Public transport access to the site includes:
  - Bus route 235 (Montague Street)
  - 109 Light Rail (Montague Street stop)

Hub Community Facilities and Proposed Uses

The Montague Sport and Recreation Hub includes the community facilities and proposed uses outlined in the table below.

<table>
<thead>
<tr>
<th>Community facility (within hub)</th>
<th>Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indoor multipurpose stadium (4 courts)</td>
<td>Netball, basketball, futsal, volleyball, badminton</td>
</tr>
<tr>
<td>Multipurpose Community Room 1</td>
<td>Youth services</td>
</tr>
<tr>
<td>Multipurpose Community Room 2</td>
<td>Sport and wellbeing services</td>
</tr>
<tr>
<td>Large Multipurpose Room</td>
<td>Gymnastics, dance, table tennis, fitness classes</td>
</tr>
</tbody>
</table>
Design Specifications

The Design specifications for the Montague Sport and Recreation Hub are outlined in the two tables below. The first table includes the Design Specifications for the hub, which apply to both development models. The second table includes additional considerations for the Community hub within a larger mixed use development model.

Montague Sport and Recreation Hub – Design Specifications (both development models)

<table>
<thead>
<tr>
<th>Element</th>
<th>Spatial requirements</th>
<th>Additional requirements</th>
<th>Data source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Indoor courts</strong> <em>(classified as sub-regional facility)</em></td>
<td>• The estimated building footprint for an indoor four court stadium is 5,500sqm.</td>
<td>• Please note that this is an estimated floorspaces only and the design exercise will confirm the total floorspace requirements.</td>
<td>Darebin multi-sport stadium project options report, 2015</td>
</tr>
<tr>
<td><strong>4 indoor courts are required.</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dimensions:</td>
<td></td>
<td></td>
<td>Netball Victoria Facility Manual <em>(classified as Sub-Regional Facility)</em></td>
</tr>
<tr>
<td>• Court dimensions (per court): 30.50m long; 15.25m wide</td>
<td></td>
<td></td>
<td>Netball Victoria Compliance Fact Sheet</td>
</tr>
<tr>
<td>• Court run-off dimensions (per court): 3.05m on all sidelines and baselines; 3.65m between courts (clear of all obstructions)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Areas / floorspace:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Area of each court (excluding run-off dimensions) = 465.125sqm</td>
<td></td>
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<tr>
<td>• Area of 2 courts, including run-off dimensions = 1,473.15sqm</td>
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<tr>
<td>• Area of 4 courts, including run-off dimensions = 2,856.63sqm</td>
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<tr>
<td>Floor to ceiling height:</td>
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</tr>
<tr>
<td>• Minimum 8.3m <em>(Netball Vic)</em>, up to 11m <em>(Ferrars Plans)</em>. At least 2-3 storeys will ensure that basketball rings can be stored in roof.</td>
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</tr>
<tr>
<td><strong>Note</strong> – The above dimensions include the court and run-off surfaces only, and must be obstacle free.</td>
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<td></td>
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</tr>
</tbody>
</table>
**Air conditioning will need to be suitable for range of uses.**

**Construction standard:**
- Courts: Netball Victoria compliance standards.
- Slip resistance: Most relevant Australian Standard (i.e. AS 4663:2013 Slip Resistance).

<table>
<thead>
<tr>
<th>Supporting requirements for indoor courts only (these facilities must not be shared with other uses)</th>
<th>Team benches:</th>
<th>These facilities cannot be shared with any other uses within the hub.</th>
<th>Netball Victoria Facilities Manual</th>
</tr>
</thead>
</table>
|  | • Option 1 - Minimum 2 per court, 6m in length each  
• Option 2 – Tiered seating with 2 x 3m length benches  
• Both options require minimum space of 0.915m wide for wheelchair access/standing  
• Benches to accommodate minimum 10 people each | • These facilities cannot be shared with any other uses within the hub. |  |
|  | Officials benches: |  |  |
|  | • Minimum 1 per court, 1.2 metres in length each;  
• Plus minimum space of 0.915 metres wide for wheelchair access/standing  
• Benches to accommodate minimum 2 people each |  |  |
|  | Spectator seating: |  |  |
|  | • Bench seating or suitable seating to accommodate 30 – 50 spectators per court |  |  |
|  | Player amenities: |  |  |
|  | • Minimum 2 areas for 4 courts  
• Minimum 20sqm each area  
• Minimum 2 showers, 3 toilets, 3 hand basins each area |  |  |
|  | Player change rooms: |  |  |
|  | • Minimum 2 change rooms for 4 courts  
• Minimum 25sqm each change room (based on 20 players using a room at the one time) |  |  |
|  | Umpire change rooms and amenities: |  |  |
|  | • Minimum 2 unisex rooms  
• Minimum 10sqm each room |  |  |
<table>
<thead>
<tr>
<th>Supporting requirements for indoor courts that can be integrated and/or shared by community uses</th>
<th>Public toilets:</th>
<th>Netball Victoria Facilities Manual</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Minimum 1 shower, 1 toilet, 1 hand basin in each room</td>
<td>• 2 rooms for 4 courts</td>
<td></td>
</tr>
<tr>
<td>Umpire duty room:</td>
<td>• Minimum 12sqm each room</td>
<td></td>
</tr>
<tr>
<td>• 1 room</td>
<td>• Minimum 2 toilets, 2 hand basins in each room</td>
<td></td>
</tr>
<tr>
<td>• Minimum 20sqm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accessible toilet:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• 1 unisex room</td>
<td>• These aspects can be integrated with and shared with other hub uses.</td>
<td></td>
</tr>
<tr>
<td>• Minimum 8m²</td>
<td>Kiosk/Café &amp; Commercial Kitchen</td>
<td></td>
</tr>
<tr>
<td>• Minimum 1 toilet, 1 hand basin, 1 shower, 1 baby change table</td>
<td>• Kiosk/café should help to activate the Montague Street and/or Munro Street frontage (which will be a nicer street for alfresco dining) and be integrated with the foyer space.</td>
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<tr>
<td></td>
<td>• This facility should be able to be accessed independently of the rest of the hub (likely to be leased to an independent operator).</td>
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</tr>
<tr>
<td></td>
<td>• The kiosk/café will likely be accessed by general resident/worker population as well as people using the hub and therefore a strong street presence is required/encouraged.</td>
<td></td>
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<tr>
<td></td>
<td>• The Commercial Kitchen should be a flexible space that could be shared between a private operator/hire for community groups/functions, and could be integrated with the Kiosk/Café. There are examples of where leases have been structured to enable this outcome.</td>
<td></td>
</tr>
<tr>
<td>First aid room:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• 1 first aid room</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Minimum 25m²</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration office:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• 1 office</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Minimum 20m² (Netball Vic) or 36m² (Ferrars St Plans)</td>
<td></td>
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<tr>
<td>Tournament office:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• 1 office</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Minimum 15m²</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kiosk/Café &amp; Commercial Kitchen:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• 1 kiosk including commercial kitchen.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Minimum 20sqm (Netball Vic) or 35sqm (Ferrars St Plans).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Minimum 50sqm for commercial kitchen (please note that commercial kitchen is a nice to have, however if it does not fit could be excluded).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multipurpose/function room:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Minimum 40sqm with kitchenette/bar (please note that commercial kitchen is a nice to have, however if it does not fit could be excluded).</td>
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<tr>
<td>Storage:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Minimum 25sqm (Netball Vic) or 30m² (CIPT/collaborations) or 48m² (Ferrars Plans).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cleaning/maintenance room.</td>
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</tbody>
</table>

**Multipurpose Rooms**
### Multipurpose Community Room 1 (Youth Services)
- Multipurpose Community Room - minimum size 250sqm (including 20sqm kitchenette and 30sqm storage). This size caters for 100+ people.
- Small meeting / private consulting room minimum size 35sqm.
- Dedicated room for youth services.
- The design should support a range of activities for young people, including potential use for music gigs, exhibitions, groups and gatherings. *(CoPP Youth Places Report 2014)*.
- Youth services also generally require access to smaller meeting rooms /or private consulting rooms. Such a space is important for conducting confidential counselling/ referral services for young people.
- It is important for young people to feel a sense of ‘ownership’ over the spaces that they use. Consideration should be given to youth friendly design principles. This could include the purchase of youth friendly furniture or orientating the youth / multipurpose room to the open space across the road.
- This space should have a visible and accessible street frontage.

### Multipurpose Community Room 2 (Sport and wellbeing services)
- Minimum size 190sqm (including 10sqm kitchenette and 10sqm storage). This size caters for 50-99 people.
- Multipurpose space should be able to be divided into 2 separate spaces using operable walls.

### Large Multipurpose Room (Gymnastics, dance, table tennis, fitness classes)
- Minimum size 250sqm (including 20sqm kitchenette and 30sqm storage). This size caters for 100+ people.
- Multipurpose space should be able to be divided into 2 separate spaces using operable walls.

### Additional requirements / considerations
- Hub location within site
  - The design of the building should ensure a positive relationship between the hub and the surrounding buildings, particularly the public open space opposite.
  - The building must have excellent public exposure, particularly to Montague Street and be considered in the round.

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*CoPP requirements*
| Entry Foyer | • Generous and inviting entrance foyer with reception area (ceiling height not less than 3.5m and preferable higher). Located in close proximity to spaces to be used after-hours (such as multipurpose spaces).  
• Entry air-lock (minimum 3.6m x 3.6m internal dimension). | • Secure and highly visible pedestrian entry from Montague Street, separate to commercial/residential entry.  
• The building entry needs to provide good access (direct and safe) to public transport and on-site parking. | Ferrars Street Design Guidelines |
| Access and car parking | • Car parking, car share, motorcycle and bike parking spaces to be provided as per Table 3.  
• Accessible car spaces and a pick up/drop off area (to accommodate 2 school busses at a time) is to be provided on the street, adjacent to the car park entry. | • Vehicle access is to be from Munro Street or Johnson Street. It must not be from Montague Street.  
• All car parking is to be provided within the podium/lower levels, not in the basement or at grade.  
• Refer to Table 3 for additional design requirements. | CoPP requirements |
| Utilisation data | • Considerations for design of uses, access and traffic. | Recreation Facility  
• Peak periods include 4pm-10pm (school night) and 8am-10pm on weekends  
• Generally not busy during the day  
Community Facility  
• Peak periods include weekdays 9am-5pm and weekday evenings  
Youth Services  
• Peak periods include weekday evenings | CoPP Sport and Recreation & Community Health & Service Planning teams |
| Outdoor space | • While there is no specific requirement for outdoor space for the community infrastructure hub, it would be highly desirable to provide outdoor space on-site. Rooftop spaces can also be considered. | | CoPP requirements |
### Additional Requirements for the Community Hub within a Larger Mixed Use Development

<table>
<thead>
<tr>
<th>Element</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building typology</strong></td>
<td>Podium / tower building typology, nothing that a single building and single typology may not be appropriate across the whole site.</td>
</tr>
<tr>
<td><strong>Mix of uses and location within building</strong></td>
<td>The total floorspace for the building must not exceed 59,224sqm (6.1 times the size of the site). The Sport and Recreation Hub component may exceed this total floorspace, if it is still within the building height.</td>
</tr>
</tbody>
</table>
| **Ground Floor:**                    | - Montague Sport & Recreation Community Hub. Some of the hub facilities may be located on the 1st floor, if necessary. If this is the case, the preference would be for more ‘active’ community uses (such as youth services) to be located on the ground floor.  
  - If there is additional space, commercial space for not-for-profits, residential uses or convenience uses could also be considered at the ground floor.  
  - Consider the possibility of having more than one kiosk/café to ensure activation of Montague and Munro Streets – i.e. one that services the sports hall (never great places) and an option for something a little more interesting. |
| **Upper levels:**                    | - Upper levels to comprise a mix of commercial and residential uses (potentially a tower for each use):  
  - Commercial floorspace must be a minimum of 17,476sqm (1.8 times the size of the site).  
    - Commercial floorspace is the gross floor area (the area above ground of all buildings on a site, including all enclosed areas, services, lifts, car stackers and covered balconies. Voids associated with lifts, car stackers and similar service elements should be considered as multiple floors of the same height as adjacent floors or 3.0m if there is no adjacent floor).  
    - Floor Areas of common service areas shared by commercial/non-residential to commercial within the building.  
    - The Montague Sport and Recreation Hub and any other floorspace for Not-for-profits or community uses can count towards the commercial floorspace, if desired/required.  
  - The total residential floorspace must not exceed 41,748sqm (4.3 times the site size).  
    - This is the gross floor area (see definition above).  
    - Gross Floor Area of common areas shared by other uses should be calculated based on the proportion of residential use to other uses within the building.  
  - Car parking is to be located within the podium/upper levels, not in a basement.  
  - Consider how less sensitive uses can provide a buffer against noise generating areas. |
| **Additional access and car parking requirements** | - Secure and highly visible pedestrian entry from Montague Street, separate to commercial/residential entry.  
  - Preference for car parking for the hub to be distinguishable from the car parking for the residential/commercial uses. |
| **Dwelling size and mix**            | - 22% 1 bedroom (minimum 50sqm)  
  - 50% 2 bedroom (minimum 70sqm)  
  - 28% 3 bedroom (minimum 110sqm)  
  - Residential dwelling density must not be more than 387 dwellings per hectare (based on an average dwelling size of 77sqm). |
### Communal open space
- Communal open space for all uses is encouraged.
- Encourage vertical and roof top greening to contribute to biodiversity outcomes

### Planning requirements
In addition to the hub design specifications above, the table below includes an outline of the additional planning requirements for the site. These apply to both development models.

<table>
<thead>
<tr>
<th>Element</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Floor to ceiling height</strong></td>
<td>Minimum floor to ceiling height:</td>
</tr>
<tr>
<td></td>
<td>• Ground Floor: 4m</td>
</tr>
<tr>
<td></td>
<td>• Commercial uses/Podium levels / car parking levels: 3.8m</td>
</tr>
<tr>
<td></td>
<td>• Residential uses: 2.7m</td>
</tr>
<tr>
<td></td>
<td>• Recreation component: 8.3m -11m (noted here, but not a planning scheme requirement)</td>
</tr>
<tr>
<td><strong>Building height</strong></td>
<td>Maximum 24 storeys</td>
</tr>
<tr>
<td><strong>Streetwall height</strong></td>
<td>Maximum of 6 storeys (23m). This applies to all street frontages (Montague Street, Munro Street, Johnson Street).</td>
</tr>
<tr>
<td><strong>Upper level setbacks</strong></td>
<td>• 10m above the street wall</td>
</tr>
<tr>
<td></td>
<td>• If multiple towers on a single site, 20m between towers.</td>
</tr>
<tr>
<td><strong>Pedestrian connection</strong></td>
<td>• If possible, a through block link for pedestrian access should be provided through the site, preferably connecting the linear open space off Johnson Street to a central location on Montague Street, opposite the Montague North Park. This does not need to be open to the sky, or publicly accessible at all times and could be within the building (the preference is for the sports hub not to be separate buildings, whereas the resi/commercial could be a separate building).</td>
</tr>
<tr>
<td><strong>Active street frontages / pedestrian entry</strong></td>
<td>• All street frontages are to be activated with mixed-use and commercial/non-residential uses with at least 60% visual permeability achieved along ground level street frontages and spill-over spaces encouraged onto the street where possible.</td>
</tr>
<tr>
<td></td>
<td>• Building entry and internal circulation areas and level changes within development should provide universal access to all residential and non-residential uses within buildings; encourage use of stairs rather than lifts and provide a clearly articulated circulation path through the development.</td>
</tr>
<tr>
<td><strong>Car parking, car share, motorcycle and bike parking</strong></td>
<td>Car parking rates:</td>
</tr>
<tr>
<td></td>
<td>• Office / Place of Assembly / Restricted retail premises / Retail Premises - 1 car space to each 100sqm of gross floor area</td>
</tr>
<tr>
<td></td>
<td>• Dwelling – 0.5 car parks to each dwelling</td>
</tr>
<tr>
<td></td>
<td>Motorcycle parking rates:</td>
</tr>
<tr>
<td></td>
<td>• 1 motorcycle parking space for every 100 car spaces.</td>
</tr>
<tr>
<td></td>
<td>Car share rates:</td>
</tr>
<tr>
<td></td>
<td>• 1 car share space per 60 car parking spaces.</td>
</tr>
<tr>
<td></td>
<td>• Located in areas that allow for easy public access from the street.</td>
</tr>
<tr>
<td></td>
<td>Car parking design:</td>
</tr>
<tr>
<td></td>
<td>• Minimum floor to ceiling height of 3.8m</td>
</tr>
</tbody>
</table>
• Car parking must be located within a building, sleeved by active uses to a minimum depth of 10m and not visible from the street.
• Integrate car parking into the building and incorporate quality doors.
• Maximise natural ventilation, consistent with providing active frontages.
• If car lifts, turntables and stackers are proposed, ensure these do not result in cars queuing on the street.
• Include the provision of internal queuing and minimise the need for cars to queue on the street.
• Ensure layout and design of car parking facilitates temporal sharing of car parking spaces between different uses with different peak demand patterns.
• Design car parking areas to include provision for future conversion of car parking to alternate employment generating uses.
• Make provision for easily accessible short term temporary parking and drop-off/pick up zones.
• Car parking areas should be subdivided as common property (not individual titles) to be managed by the body corporate and leased to property owners.
• The design and layout of car parking areas within development should:
  o retain car parking within a single or consolidated title managed by owners corporation
  o facilitate temporal sharing of car parking spaces between different uses with different peak demand patterns
  o include provision for future conversion of car parking to alternative employment generating uses.

Bicycle parking rates:
• Residential development: minimum 1 bicycle parking space per dwelling and 1 visitor bicycle space per 10 dwellings
• Non-residential development: minimum 1 bicycle parking space per 50sqm of non-residential floorspace and 1 visitor bicycle space per 1,000sqm of net non-residential floor area.

Bicycle parking design:
• Bike parking within development should:
  o be provided in a convenient location readily accessible from the main building entrance (non-vehicle),
  o have safe pathways /provided to / from it (i.e. minimise conflict with vehicles),
  o be secure and well-lit,
  o include a range of rack types to enable all user abilities (.the majority of bike racks to be floor mounted rather than wall mounted),
  o consolidated in one location.
• All bike parking should comply with the Australian Standards (AS 2890.3:2015.) and seek to achieve best practice in its design for residential and non-residential buildings, with reference to AustRoads guidelines for design and installation of bike parking facilities (AP-R527-1 2016)
• End of trip facilities should be designed to meet the following requirements:
  o Publicly accessible bike parking rails should be within 30m of popular destinations and bike parking enclosures should be located within 70m of a building entrance or elevator.
  o Bike parking should meet peak period demand and account for growth in demand in the medium term.
| Adaptable buildings | • Car parking areas within a podium or at the lower levels of the building should have level floors (except for ramps) and a floor-to-ceiling height not less than 3.8 metres and should make provision for future conversion of car parking areas to alternative uses.  
• Buildings should be designed with:  
  o Minimum floor to floor heights at ground level of 4.0m and of lower levels of 3.8m (all levels within the podium) to accommodate commercial uses and provide for future adaptation or conversion of use.  
  o Flexible and adaptable internal layouts and floor plates with minimal load bearing walls to maximize flexibility for retail or commercial refits. |
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>• Consolidate services within sites and within buildings, and limit the amount of services (bin enclosures, loading, services rooms, substations) facing streets. Externally accessible services or substations should be visually integrated into the façade design.</td>
</tr>
</tbody>
</table>
| Sustainability | • Minimum 4 Star Green Star as built rating, with a preference for 5 Star Green Star as built rating (if possible).  
• 20% improvement on current National Construction Code energy efficiency standards building envelope energy efficiency and for lighting and building services energy efficiency.  
• Residential Development: average 7 star NaTHERS rating for each building.  
• Facades exposed to summer sun should have an albedo not exceeding 0.7 units.  
• 70% of the site in plan view should comprise building or landscaping elements that reduce the impact of the urban height island effect including vegetation, green roofs, water bodies, roof materials, shade structures of hard scaping materials with high solar reflectivity index.  
• Podium and rooftop open space should include provision for green roofs and green walls and deep planters for canopy trees to maximise shading from summer solstice sun.  
• Maximise opportunity for on-site renewable energy generation – including solar, wind, or other technology as appropriate to the site conditions.  
• Include opportunities for on-site energy storage to respond to peak demand.  
• Include infrastructure to facilitate future connection to a precinct-wide or locally distributed energy supply.  
• Development must include best practice waste management consistent with the Fishermans Bend Wate and Resource Recovery Strategy and the Fishermans Bend Guidelines for Waste Management Plans including:  
  o Optimised waste storage and efficient collection methods  
  o Waste compacters  
  o Separation of recycling and co-mingled waste, and other waste streams  
  o Combined commercial and residential waste storage  
  o Sharing storage or collections with adjacent developments.  
  o Separate collection for recycling, hard waste, and food and green waste and on-site composting.  
  o Future opportunities for waste management innovation. |
**Water Management**

- Minimum floor level of 3.0 metres AHD or 0.3 metres above the local overland flow flood level, whichever is higher.
- Level changes required between street level and elevated ground level should be integrated into the design of the buildings to maintain good physical and visual connection between the street and internal ground spaces.
- Development must install a third pipe to supply non-potable uses including toilet flushing to all properties and commercial spaces, irrigation and laundry. The connection point must be agreed by South East Water to ensure future connection to a recycled water supply.
- Development must install individual meters for potable and recycled water (to the satisfaction of South East Water).
- Rainwater must be captured from 100% of suitable roof harvesting areas and retained in a rainwater tank with a capacity of 0.5 cubic metres for every 10sqm of catchment area.
- Rainwater tanks must be fitted with a South East Water approved first flush device, meter, tank discharge control and water treatment with associated power and telecommunications equipment.
- Rainwater captured from suitable harvesting areas must be re-used for toile flushing, laundry and irrigation, or as a last option, controlled release.
- Development and public realm layout and design must integrated at least best practice Water Sensitive Urban Design to facilitate rainwater harvesting, stormwater harvesting and water recycling within the site.

**Design Measures**

- Development should:
  - Integrate a strong architectural narrative into the design of the building/sand landscape.
  - Provide contemporary interpretations of industrial built form, pre-existing subdivision or development patterns, and social history through architecture and landscape design.
  - Strongly consider the adaptive reuse of existing buildings.
- Buildings should include:
  - A consistent and coherent architectural language, including variation in built form, typologies, and materials as appropriate
  - Diverse dwelling typologies (not just 1, 2 or 3 bedroom apartments where appropriate a diversity of dwelling types on a site)
  - Carefully curated composition of architectural forms that create a strong sense of rhythm, grain and diversity with particular emphasis on the street interface and skyline.
  - Variation in massing, building height, and roof forms and staggering or offsetting of tower footprints where there are multiple towers.
  - For large sites with multiple buildings, incorporate a range of built form typologies to create an ensemble of diverse built form and design languages.
- The materials palette should:
  - A material palette that reflects the industrial context and history of the site, where relevant.
  - Ensure material use for facades correlates with the massing strategy to reinforce a strong, fine grain building base and light weight, slender tower profile where applicable.
- Building materials should be selected with regard to potential impacts of reflectivity of development along main roads and should not exceed
| **15% perpendicular reflectivity, measured at 90 degrees to the façade surface.** | • Buildings should not create blank facades.  
• Building faces on shared boundaries should be finished or treated to provide visual interest until the abutting site is developed. This should incorporate public art rather than decorative architectural effects, including contemporary interpretations of Aboriginal and non-Aboriginal heritage/culture where possible.  
• Building should be designed to:  
  o Integrate or visually screen plant, air-conditioning units and other service equipment within the design of the building  
  o Locate service spaces and cupboards internally within a building. |

| **Interpretation of Aboriginal and non-Aboriginal Heritage and Culture** | • Development, including the design of open space / landscape should:  
  o Include interpretive design celebrating both non-aboriginal and Aboriginal heritage and culture.  
  o Conserve and integrate heritage buildings on the site into the development in a respectful way.  
  o Provide contemporary interpretations of industrial built form, pre-existing subdivision or development patterns, and social history through architecture and landscape design.  
  o Retain or re-use character (non-listed) industrial building elements where these can contribute to the narrative of the development. |

| **Other requirements** | • Towers must be designed to mitigate wind impacts at street levels and communal open spaces.  
• Any requirements due to the site’s proximity to Freeway (Noise levels, vibrations, air-borne emissions, traffic, light spill or glare).  
• Apartments must comply with Better Apartment Standards |

| **Landscaping** | • Wall, façade and roof greening should be located and designed to be maintained to enable planting to thrive with adequate light and water and reflect local micro-climatic conditions  
• Landscaping should integrate water sensitive urban design and be designed to enable sustainable management of all landscape components.  
• Landscaping should incorporate opportunities for productive landscaping including edible gardens, apiary where appropriate. |

| **Smart Cities** | • The building should be future proofed for technology, through:  
  o Embedding ‘smart’ technology into the design, function and operation of public realm, buildings and services.  
  o Integrating ‘smart’ management and design of energy, water, and waste infrastructure that supports efficient use of resources.  
  o Making integrated provision for the delivery of high speed data networks |

| **Cost Plan Requirements** | • This information will be provided prior to the commencement of Stage 3, hopefully within the next couple of weeks. |
APPENDIX 7 - CASE STUDY
1 – INITIAL FEASIBILITY AND OPTIONS ANALYSIS, CHARTER KECK CRAMER
Case Study 1 – Initial Feasibility and Options Analysis

Prepared for
Ms Jo Fisher
Principal Urban Planner
MESH Urban Planning and Design
Level 2, 6 Riverside Quay, Southbank Vic

January 2018 – FINAL DRAFT
Introduction/Background

In accordance with our agreed terms of reference, Mesh Urban Planning & Design (“Mesh”) has on behalf of The City of Port Phillip (“Port Phillip”) appointed Charter Keck Cramer (“Charter”) to prepare an initial Feasibility Study and Options Analysis. The scope of this advice incorporates the development site at 80 Munro Street which is currently privately owned and relates to an irregular shaped allotment of 9,709 sq.m., bounded by Munro, Montague and Johnson Streets. As per the Fishermans Bend Community Infrastructure Plan (CIP), community focused accommodation is proposed to be delivered through infrastructure hubs via two (2) delivery models; the first relating to the construction of a standalone facility; whilst the second relates to Community Hub facilities forming part of a larger mixed-use development. The subject site has been chosen for the purpose of undertaking Case Study 1 and Council have given no commitment or particular preference to deliver the sport and recreation hub on this site at this point in time. The Montague Sport and Recreation Hub will provide some 10,000 sq.m. (approx.) of accommodation comprising of an indoor multipurpose stadium with supporting infrastructure, youth services and multipurpose community rooms where the end users can integrate with the broader community (particularly Youth Services) and enjoy direct connection to the proposed Neighbourhood Park.

In order to provide this key Infrastructure Asset, a range of funding options are being considered to reduce/minimise Capital requirements whilst ensuring a practical solution that sees the effective delivery of key community infrastructure assets. In accordance with our formal instructions, Charter has considered the following four (4) delivery options available:

Option 1: Sport and Recreation Hub (Standalone Model). Government acquire the entire site and construct the Recreation Hub as a standalone facility.

Option 2: Separate Strata Allotment Retained and Recreational Hub Constructed (Mixed Use Development Model). Government acquire the entire site and achieve a permit for a larger Mixed-Use redevelopment incorporating the Recreational Hub; the balance of the site is then divested with construction of the Recreational Hub on the site undertaken independently.

Option 3: Government Leases Recreational Hub (Mixed Use Development Model). The site is retained by the existing owner and is redeveloped for a larger Mixed-Use precinct incorporating the Recreational Hub. Government then lease the facility from the land owner on a long term tenure and market levels.

Option 4: The site is retained by the existing owner and redeveloped for a larger mixed-use precinct incorporating the Recreational Hub, with an agreement to purchase the Recreational Hub at practical completion (Mixed-Use Development Model). The site is retained by the existing owner and is redeveloped for a larger mixed-use precinct incorporating the Recreational Hub, with an agreement for government to purchase the Recreational Hub at practical completion.

In completing this advice Charter has:
- Reviewed the relevant project documentation within the “Dropbox” link and the Case Study Design Specifics;
- Researched a wide range of market based information including leasing and sales evidence;
- Researched current development hurdles, metrics, construction timelines and funding hurdles so to inform accurate albeit initial feasibility testing;
- Reviewed and relied upon Preliminary Construction Cost Estimates (costs and timings) prepared by Charter’s Quantity Surveying Department along with initial valuation advice provided by Mr Claudio Petrocco of our office;
- Discussed various aspects of the scope of works as articulated herein with Mesh and Port Phillip;
- Undertaken high level financial analysis to calculated the estimated Net Present Value (NPV) of all future cashflows required by Port Phillip across each option. This analysis identifies the future capital funding requirement reverted to today’s dollars allowing appropriate benchmarking of the various options;
- Summarised our detailed investigations within this report.

This advice should not be construed as a formal valuation nor is it a report intended for mortgage security purposes, there being no liability accepted at this time for the correctness of title details, zoning, measurements, GFA’s or future occupation etc. or any other information usually researched in detail for the purposes of preparing formal valuation advice.
Introduction

Charter has completed an initial financial analysis for each of the nominated options to establish the NPV of future cashflows and the total cost to be incurred by Government under each scenario. The construction cost assumptions incorporated herein have been extracted from the Preliminary Construction Cost Estimates prepared by Charters Quantity Surveying Business Unit (12 December 2017). Indicative realisations underpinned by data from our Valuations department and our various financial modelling assumptions predicated on market based returns and performance indicators. In undertaking our analysis we have made the following key assumptions:

Key General Assumptions Applicable to Each Option

- Each participation option has been modelled over a theoretical 20 year period for our cashflow purposes at the nominated Discount rate of 7.50% p.a. In reality, some options may see Government holding the facility for a longer period (50-100 years) but to establish consistency across the various scenarios, we have considered the cashflows of all options across a 20 year period;
- Cost Estimates detailed within the Preliminary Construction Cost Estimate Report (QS) include provisions for Remediation, External Works, Planning & Design fees, Core Construction and Contingencies;
- Costs and revenues detailed herein are not subject to any escalations;
- We have assumed general cashflow timelines of 3 months settlement for each option, 18 months for town planning (to secure development approval) and 18 months (standalone)/30 months (Mixed-use) for construction;
- Stamp duty is payable on land purchase as per Victorian SRO with total acquisition costs assumed at 5.50%;
- Terminal Value of Asset under each scenario equal to the last terms escalated Rental Rate capitalised at a Terminal Yield of 8%;
- Commencing Rental Rate p.a. equivalent to 8% of the Market Value of the facility, with Market Value reflective of Cost to Construct under each model;
- Rental Value p.a. escalating in line with CPI over a 20 year period;
- Outgoings in commencing year payable at $409,000 p.a. and escalating at CPI (as advised by Port Phillip);
- For the purposes of our assessment we have not considered any financing costs (i.e. interest). Whilst we understand there may be some portion of third party financing, in order to benchmark the various purchase/construction and leasing options on the basis of development fundamentals, we have disregarded such costs at this initial stage of investigation;
- In the scenarios where Government purchase the site via negotiation, we note that if a Public Acquisition Overlay (POA) was to be placed on the site, this will most likely extend the timelines, costs and statutory obligations associated to the Authority.

Financial Performance and Return Assumptions

- A Discount Rate of 7.50% has been adopted (as instructed by Council) for the purpose of our indicative NPV analysis which is supported by Charters current knowledge of broad domestic based investment scenarios and our assessment of the risk associated with the various options;
- A Terminal Yield of 8.00% has been adopted for the purposes of our NPV analysis which is predicated upon current investment market sales results for similar assets;
- An Alternative Investment Rate of 5.00% has been adopted for the analysis of the “Opportunity Cost” benefit to Government under the Option 3 – Leasing scenario;

Base Case General Cost, Revenue & Return Assumptions

Other key Cost assumptions are summarised as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Construction Cost - Stand Alone Facility</td>
<td>$66,430,000</td>
</tr>
<tr>
<td>Total Construction Cost – Mixed-Use Facility</td>
<td>$311,635,000</td>
</tr>
<tr>
<td>- Sport &amp; Rec Hub only</td>
<td>$72,572,865</td>
</tr>
<tr>
<td>- Broader Mixed-use component</td>
<td>$239,062,135</td>
</tr>
<tr>
<td>Selling Costs</td>
<td>2.0% plus GST</td>
</tr>
</tbody>
</table>

A summary of our indicative feasibility findings for each of the four (4) options are summarised as follows:
Option 1: Sport and Recreation Hub [Standalone Model]

Introduction

Government acquire the entire site from the current owner interests at current market value, achieve a planning permit and subsequently construct the Recreation Hub on the site as a standalone facility for the ongoing use as Community Infrastructure. Costs and timing of construction have been derived from a Preliminary Construction Cost Estimate Report prepared by Charter’s Quantity Surveying Business Unit.

Initial Cash Flow Assumptions

For our cost analysis, the following key assumptions have been adopted:
- Construction of a three level Standalone Recreational Hub of 10,385 sq.m.;
- Total Construction cost (Excl. of land) of $66.4m – as per Charter QS assessment subject to the various assumptions;
- Assessed land value of $24.2m adopted as purchase price;
- Contamination on the site is remediated in parallel with the Planning Permit process (refer QS Costings);
- Terminal capitalisation rate 6.00%, which varies from our base assumption and reflects generous underlying land parcel (9,709 sq.m.) not associated under the balance of options.

Indicative Project Costs (GST Incl.)

- ($92.8m) (including imputed land value - $24.2m assessed by CKC & Construction Cost Estimates of $66.43m + ancillary development costs)

Estimated NPV @ 7.50% discount rate over 20 years

- ($55,289,920)

Indicative Timeframe to Option Implementation:

- Settlement 3 months
- Town Planning Permit, Detailed Design & Remediation 18 months
- Core Construction 18 months
- Total 39 Months

Strengths

- Outright purchase of the land allows Government absolute control in the design, planning process and delivery of a stand-alone Community Infrastructure Hub;
- Development of a prime purpose built Recreational Hub is not contingent upon the design and timing limitations associated with the third-party developer and larger Mixed-Use project;
- Time-line to occupancy significantly shorter in comparison to the larger Mixed-Use scenario;
- Full control of destiny and not subject to annual rental increases/market reviews;
- Flexibility – If at any point in the future the intended end user/occupant changes, the Government can re-design/expand/redevelop the facilities;
- Government retain asset and enjoy capital growth associated with land and buildings over what is likely to be a long term time horizon.

Weaknesses

- Significant upfront cost to Government in implementing this option ($92.8m +/–);
- Substantial funding requirement over/above Government’s annual capital allocation;
- Government as the owner potentially become exposed to environmental, planning and construction risk;
- More generally, the proposed option would represent an underutilisation of the site which is proposed to enjoy a 24 storey height limit.
Option 2: Separate Strata Allotment Retained and Recreational Hub Constructed (Mixed Use Development Model)

Introduction

Government acquire the entire site and achieve a permit for a larger Mixed-Use redevelopment incorporating the Recreational Hub; Government then retain the portion of the site allocated for the Recreational Hub and proceed to divest the balance to the open market for a third party developer to subsequently deliver in accordance with the endorsed plans. Government is to independently undertake construction of the Recreational Hub in Year 2 subject to the Costs outlined in Charter’s QS Estimates.

Initial Cash Flow Assumptions

For the NPV analysis, the following key assumptions have been adopted:

- Government purchase site for $24.2m (assessed value) and achieve a permit (incur planning fees) for Mixed-use development with GFA of 71,705 sq.m.;
- Government divest the balance of the site to the open market for $23.1m, which represents the approximate Residual Land Value of the Mixed-Use scheme feasibility analysis;
- The Recreational Hub and balance of Mixed-Use built-form can be constructed independently of each other;
- Third party developer undertakes construction on balance of the site in accordance with the permit;
- Community Hub component cost of $72,572,865 (excl. GST).

Cost, NPV & Timeframe

Indicative initial (1–4 yr) Net Costs for Site and Construction (exc. outgoings/other consultants)

- ($74.17m)

Estimated NPV @ 7.50% over 20 years

- ($10,684,336)

Indicative Timeframe to Implement Option (Recreational Hub only)

- Settlement 3 months
- Detailed Design, Remediation, Planning 18 months
- Core Construction & Sale of site 18 months
- Final Fitout/Handover 1 Month
- Total 40 Months

Strengths

- Outright purchase of the land allows Government absolute control in the design and planning process before divesting;
- Government has potential to add value by driving the planning process and achieving a favourable outcome before divestment;
- Capital is “unlocked” and received by divesting the balance of the site with an attractive mixed-use permit ($23.1m);
- Significant capital relief by divesting the balance of the site;
- Government transfers construction and delivery risk of the mixed-use component onto third party developer;
- No construction cost obligations by Government for larger precinct;
- Completed Recreational Hub delivered under the control and timing of Government.
- Government enjoy full ownership rights of the asset moving forward;
- Government ultimately enjoy outright ownership of the facility and therefore benefit from future capital growth over what is likely to be a long time horizon.

Weaknesses

- Significant upfront cost to the Government to acquire the site ($24.2m);
- Government loses control over timing and delivery of the broader development;
- Government as the owner become exposed to some form of environmental, planning and construction risk;
- Strata ownership possibly restricts future use compared to outright ownership;
# Option 3: Government Leases Community Hub (Mixed Use Development Model)

## Introduction

The site is retained by the existing owner and is redeveloped for a larger Mixed-Use precinct incorporating the Recreational Hub as required by way of a Section 173 Agreement. Government then lease the facility from the land owner on a long term tenure at market levels and are relieved of all planning and delivery risk, although lose control of project timing and will not benefit from any capital growth associated with ownership.

### Initial Cash Flow Assumptions

For the NPV analysis, the following key assumptions have been adopted:

- Government lease Recreation Hub of 10,956 Sq.m.;
- Site required to be developed with a mixed-use development incorporating the proposed Recreational Hub (ie. S173 Agreement);
- Market value represents construction cost plus builder’s margin on cost to a third party delivering the facility, but does not reflect any form of development profits;
- In recognising the opportunity cost benefit of funds which would otherwise be allocated under an Option 1 scenario ($92.8m), we have assumed Government benefit from a reinvestment rate on each years available funds at 5% p.a. after rent/outgoings;
- Government occupy the facility until available funds (initially $92.8m) are entirely diminished (Year 17);
- Government enter into an initial lease (with options) with fixed annual reviews in line with CPI;

### Cost, NPV & Timeframe

**Indicative Year 1 Rental Cost (exc. outgoings/other consultants)**
- ($6.38m)

**Estimated NPV of net cashflows @ 7.50% over 17 years**
- ($53,366,746)

In recognising theoretical funds available that would otherwise be utilised by Government to purchase and construct rather than lease a new facility, the reinvestment return on these funds less than the annual rental rate/outgoings diminishes these funds entirely at **year 17** which reflects the maximum tenure available under this scenario.

**Estimated Timeframe to occupation:**
- Settlement: 3 months
- Town Planning Permit: 18 months
- Core Construction: 30 months
- Final Fitout/handover/Leasing: 1 Months
- Total: 52 Months

### Strengths

- Significantly lower upfront capital cost than a develop and own scenario;
- Ongoing construction capital expenditure is the responsibility of the developer with no capital outlay required to purchase the land or construction;
- Government remove themselves of planning, design and construction risks;
- Opportunity Cost benefit as theoretically Government may invest unused funds which are not required for the site purchase or construction costs;
- Government may elect to relocate at the conclusion of the lease term;
- Government do not have to pay stamp duty;

### Weaknesses

- Assuming Government have access to similar capital that would be available under a traditional purchase and construct scenario (Options 1 - $92.8m), differences in the reinvestment rate of 4% p.a. and the rental/outgoings p.a. see all funds, and therefore tenancy, diminished in Year 17;
- Government as the tenant do not enjoy the benefit of capital growth and are subject to rent escalations/market reviews;
- Government loses control over timing and delivery of the broader development with a development agreement possibly contingent on financing/pre-sale success of the residential components;
Option 4: Site is retained by the existing owner and redeveloped for a larger mixed-use precinct incorporating the Recreational Hub, with an agreement to purchase the Recreational Hub at practical completion [Mixed Use Development Model].

Introduction

Government work cooperatively with the current owner to assist in achieving a permit outcome on the site, with the developer. Subsequently delivering the entire precinct with an agreement from Government to purchase the Recreational Hub at cost from the developer. Government relieve themselves of delivery risk and benefit from a purpose-built facility at cost plus builders margin on cost.

<table>
<thead>
<tr>
<th>Initial Cash Flow Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>For the NPV analysis, the following key assumptions have been adopted:</td>
</tr>
<tr>
<td>• Government purchase the Recreation Hub of 10,956 Sq.m. upon completion at an agreed value which represents cost and builders margin on cost;</td>
</tr>
<tr>
<td>• Site required to be developed with a Mixed-Use development incorporating the proposed Recreational Hub (ie. S173 Agreement);</td>
</tr>
<tr>
<td>• Third party developer undertakes construction of the project, with a construction timeline and acquisition of the strata titled Recreational Hub at month 52.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strengths</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Lower upfront capital cost than if Government develop and own;</td>
</tr>
<tr>
<td>• Government remove themselves of planning, design and construction obligations;</td>
</tr>
<tr>
<td>• Government transfers construction and delivery risk onto third party developer;</td>
</tr>
<tr>
<td>• No immediate capital required for Government until Recreational Hub is complete.</td>
</tr>
<tr>
<td>• Completed Recreational Hub delivered to Government at an agreed purchase price.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Government loses control over timing and delivery of the broader development with a Development Agreement possibly contingent on financing/pre-sale success of the residential component;</td>
</tr>
<tr>
<td>• Significant Capital output ($84.2m) required at acquisition of Recreational Hub;</td>
</tr>
<tr>
<td>• Stamp Duty payable on the Recreational Hub facility;</td>
</tr>
<tr>
<td>• Government requirement to pay margin on cost for the Recreational Hub being constructed.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cost, NPV &amp; Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicative Cost to acquire facility at Year 4 (Cost equal to value + margin on cost + Acq. cost)</td>
</tr>
<tr>
<td>• Cost ($72.5m) + Margin on cost (10%) + Acq. Cost ($4.39m): ($84.22m)</td>
</tr>
<tr>
<td>Estimated NPV @ 7.50% over 20 years</td>
</tr>
<tr>
<td>• ($11,843,193)</td>
</tr>
<tr>
<td>Indicative Timeframe to occupation</td>
</tr>
<tr>
<td>• Settlement 3 months</td>
</tr>
<tr>
<td>• Town Planning Permit 18 months</td>
</tr>
<tr>
<td>• Core Construction 30 months</td>
</tr>
<tr>
<td>• Final Fitout/handover/commissioning/Strata Acq 1 Months</td>
</tr>
<tr>
<td>• Total 52 Months</td>
</tr>
</tbody>
</table>
General Conclusions

Conclusions
We summarise our conclusions as follows:

▪ Government have a requirement to provide a Community Infrastructure Hub to support the Fishermans Bend precinct through two (2) delivery models; the first being a standalone Recreational Hub; and the second being a Recreational Hub forming part, although independent of, a larger Mixed-Use development on the site. The accommodation advised will provide GFA of 10,385 sq.m. and 10,956 sq.m. respectively with both options providing various indoor sporting courts/stadium with supporting infrastructure, youth services and multipurpose community rooms.

▪ Our initial options analysis has considered four (4) distinct funding options available for Government to consider in delivering the proposed Recreational Hub;
  1. Sport and Recreation Hub (Standalone Model);
  2. Strata Allotment Retained and Recreational Hub Constructed (Mixed Use Development Model);
  3. Government Leases Community Hub (Mixed Use Development Model);
  4. The site is retained by the existing owner and is redeveloped for a larger mixed-use precinct incorporating the Recreational Hub, with an agreement to purchase the Recreational Hub at practical completion (Mixed Use Development Model);

<table>
<thead>
<tr>
<th></th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
<th>Option 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>NPV</td>
<td>($55.29m)</td>
<td>($10.68m)</td>
<td>($53.3m)</td>
<td>($11.84m)</td>
</tr>
<tr>
<td>Indicative Total Cost to Government</td>
<td>$92.8m</td>
<td>$74.14m (net)</td>
<td>$6.38m (1st Year Rent)</td>
<td>($82.4m)</td>
</tr>
<tr>
<td>Timeframe to Occupation</td>
<td>39 Months</td>
<td>40 Months</td>
<td>52 Months</td>
<td>52 Months</td>
</tr>
<tr>
<td>Considerations</td>
<td>- Significant Capital Outlay required; - Government accept planning, construction &amp; delivery risk;</td>
<td>- Government are to guide favourable planning outcome and generate Capital inflow by divesting balance of the site.</td>
<td>- Lower initial funds required, although significant capital outlay over 18 year tenure without the benefit of asset ongoing.</td>
<td>- Loss of control of timing and delivery of facility.</td>
</tr>
</tbody>
</table>

▪ Charter has undertaken financial cashflow analysis of the four (4) funding options available to the Government, determining an indicative Net Present Value (NPV) of all future cashflows over a 20 year period which allows the reader to appropriately benchmark the relevant costs/benefits against each scenario. At this initial stage the results are only indicative, but nonetheless will help guide Government’s deliberations on the most appropriate funding model and indicate which option may warrant further rigorous interrogation.

▪ Option 3 (leasing Scenario) requires significantly less initial capital outlay in comparison to the balance of options and as such our analysis of this option considers the “opportunity cost” benefit which represents the funds that Government would theoretically have at their disposal assuming they do not undertake a scenario such as Option 1 – Purchase and construct ($92.8m). In recognising a reinvestment return on these funds less than the annual rental rate/outgoings, we have determined that the facility could be occupied for a tenure of 17 years before these funds fully diminish. Under the assumption of a reinvestment rate on available funds (Opportunity cost) of 4% less all rental/outgoings, it is important to note that at the end of the 17 year tenure Government do not enjoy ownership of the asset and any capital appreciation associated with the same. Under Option 1, 2 & 4, Government ultimately hold ownership rights over the purpose-built Recreational Hub facility for ongoing use.
Charter acknowledge that Government owned Community facilities often have more than financial based motivations for considering the development/ownership of real estate. Notwithstanding Charter has completed an initial NPV analysis (20 Yr) on options 1, 2 & 4, whilst the Option 3 - Leasing scenario timeline has been funds driven (17 Years), with the result of this initial analysis favouring the **Option 2 Scenario - Strata Allotment Retained and Recreational Hub Constructed (Mixed Use Development Model)**.

In considering the more qualitative metrics of the various scenarios, **Option 2 – Separate Strata Allotment Retained and Recreational Hub Constructed (Mixed-Use Development Model)** again presents the most favourable option as it allows Government to leverage their position in achieving a favourable Mixed-Use planning outcome across the site, sees capital inflow when the balance of the site is divested to the open market and importantly sees the Government enjoying continued ownership rights of the asset and benefiting from any associated capital growth. It is noted that whilst ownership has its benefits, Government will become exposed to various forms of market, planning and construction risk under this scenario.

In summary this scope of work concluded that Port Phillip has identified a site which has the potential to deliver a purpose-built Recreational Hub which aligns with the initiatives of the Fishermans Bend Community Infrastructure Plan (CIP), with our analysis considering four (4) funding options considered available to the government in delivering this key infrastructure asset. After consideration of the various qualitative and quantitative metrics across the options, Charters analysis favours the **Option 2 - Separate Strata Allotment Retained and Recreational Hub Constructed (Mixed Use Development Model)** as an option which warrants further investigation as the preferred funding model for the Government;

In summary, Charter has conducted this analysis on the basis of four (4) initial high level scenarios to assist Port Phillip with their deliberations, but we stress that this advice can only be considered as indicative at this stage and more robust investigations of the various options should be made before any decisions are made.
In terms of Charter Keck Cramer’s ("Charter") standard reporting practice, we advise as follows:

- Charter has no pecuniary interest in any property, past, present or prospective and the advice expressed is free of any bias in this regard;

- Please note that this preliminary advice should not be construed as a formal valuation, nor is it a report intended for mortgage security purposes, there being no liability accepted at this time for the correctness of Title details, zoning, measurements, occupation and planning, or any other information usually researched in detail for the purpose of preparing formal advice;

- The advice has been prepared on the basis of specific instructions and information provided by Mesh/Port Phillip its particular circumstances and for its particular purposes. The contents and conclusions may therefore be inappropriate for any third party in the context of that third party’s particular purpose and circumstances. Any third party should obtain its own independent advice rather than use or rely upon this report;

- This advice has been provided within a compressed timeframe to assist Mesh/Port Phillip with internal deliberations relating to the subject property. Accordingly further more detailed investigations are likely to be required.

- This document contains information which is directly derived from other sources, including the electronic data room without verification by us. We confirm that we are not instructed to verify that information. Further, the information is not adopted by Charter as our own, even where it is relied upon for this advice. Where the content of this document has been derived, in whole or in part, from sources other than Charter, we do not warrant or represent that such information is accurate or correct;

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- The analysis herein excludes any taxation considerations.
APPENDIX 8 - PRELIMINARY CONSTRUCTION COST ESTIMATE FOR CASE STUDY 2, COSSILL & WEBLEY
Contents
INTRODUCTION ................................................................................................................................................................... 1

1. CONSTRUCTION COSTS ........................................................................................................................................... 1

1.1 Profit and Overheads ............................................................................................................................................. 1
1.2 Demolition .............................................................................................................................................................. 1
1.3 Roadworks ............................................................................................................................................................. 1
1.4 Drainage ................................................................................................................................................................. 2
1.5 Sewerage ............................................................................................................................................................... 3
1.6 Potable Water .......................................................................................................................................................... 3
1.7 Recycled Water ......................................................................................................................................................... 3
1.8 Electricity ................................................................................................................................................................. 3
1.9 Smart Cities Communications ............................................................................................................................. 3
1.10 Gas Reticulation .................................................................................................................................................... 3
1.11 Civic Plaza ........................................................................................................................................................... 3
1.12 Contingency ......................................................................................................................................................... 3

2. Professional Fees ....................................................................................................................................................... 4

3. Average Square Metre Rate ................................................................................................................................... 4

3.1 Streetscape Works .................................................................................................................................................. 4
3.2 High Specification Civic Plaza .......................................................................................................................... 4
3.3 Medium Specification Civic Plaza ...................................................................................................................... 4

4. Lineal Metre Rate ....................................................................................................................................................... 4
4.1 Streetscape Works .................................................................................................................................................. 4

5. Intersection Costs ....................................................................................................................................................... 4

6. Extra Over for Intersections ................................................................................................................................... 4
INTRODUCTION

The costs estimated herein are Cossill & Webley Consulting Engineers’ Opinion of Probable Cost and are based on relevant experience and informal discussions with contractors, consultants and suppliers. The estimated costs are subject to variation upon formal advice from relevant authorities and detailed design, survey, traffic and geotechnical investigation.

1. CONSTRUCTION COSTS

1.1 Profit and Overheads

Allows for 8.5% of construction costs for Profit and Overheads, 0.5% for Environmental Management and 3% for Traffic Management in line with industry standards. Estimate assumes that an approximate 6m wide section of road is retained for local traffic only. The new carriageway is then constructed, and traffic diverted to the new carriageway for the remainder of the cross section to be constructed.

1.2 Demolition

The demolition cost estimate makes the following allowances and assumptions:

- Concrete kerbing, footpaths, asphalt and road pavement is removed and disposed off-site. There may be opportunity to re-use the existing pavement, however this will depend on the detailed pavement analysis and alignment of the existing and proposed carriageways.
- All trees are removed and disposed off-site
- All existing drainage is removed and disposed off-site. The existing drainage may have insufficient capacity for the increased density of the Urban Renewal area. In addition, the alignment of the drainage does not suit the new carriageway alignment.
- Removal and disposal off-site of sewer only in Fennell/Bridge/Plummer intersection realignment. Remainder of sewer anticipated to remain.
- Removal of existing water main. Existing water main clashes with the proposed WSUD and street trees. It is also likely that the water main will have insufficient capacity and need to be increased.
- Removal and disposal of existing gas main.

Providing a cost estimate to augment optic fibre is very difficult because it cannot be determined, without formal application to the telecommunications authority, how far the optic fibre will need to be re-hauled. The authorities can only ‘splice’ the optic fibre a limited number of times, because each time the fibre is spliced generates a small reduction in the network speed. There are existing underground Optus, UEComm and Telstra telecommunications networks, and above ground aerials on the above ground power lines. A nominal allowance has been made in the estimate. It is recommended that once the design has progressed an application be made to the authorities to determine the extent of optic fibre modifications and the subsequent cost.

1.3 Roadworks

1.3.1 The roadworks component of the lineal metre rate for Fennell / Plummer is derived using the following assumptions:

- Pavement profile consistent with the preliminary Douglas Partners pavement investigation.
- Removal and disposal of contaminated soil off-site. Soil is assumed to be 13% Category A, 30% Category B and 57% Category C.
- Barrier kerb BK2 profile
- Concrete edge strip between bicycle path and pedestrian path, both edges of WSUD and between tram and southern pedestrian path
- Asphalt bike path
- Bluestone feature paving on pedestrian paths
- Agricultural drain on either side of pavement to convey subsurface water and protect pavement
- WSUD in central median is broken every 15m with a pole or street light. The break in median assumes an edge strip on each side
- Street trees at 15m spacing on both sides of road and in WSUD median
- Bins at 50m spacing on both sides of the road
- Bench seating at 50m spacing on both sides of the road

1.3.2 The roadworks component of the lineal metre rate for Bridge St is derived using the following assumptions:
- Pavement profile consistent with the preliminary Douglas Partners pavement investigation
- Removal and disposal of contaminated soil off-site. Soil is assumed to be 13% Category A, 30% Category B and 57% Category C.
- Barrier kerb BK2 profile
- Concrete edge strip between bicycle path and pedestrian path and between linear park and pedestrian path
- Concrete bike path
- Swanston Street style feature paving on pedestrian paths
- Agricultural drain on either side of pavement to convey subsurface water and protect pavement
- Street trees at 15m spacing on both sides of road and in linear park
- Bins at 50m spacing on both sides of the road
- Bench seating at 50m spacing on both sides of the road
- Turf in linear park

1.4 Drainage

The stormwater drainage component of the estimate makes following allowances and assumptions:
- Cost estimate assumes a 900mm diameter ‘barrel’ drain running underneath the southern edge of the vehicle carriageway. A detailed hydrological assessment will be required to determine the required pipe size and will model the run-off from lots and the increased pervious area of the streetscape.
- There may be opportunity to retain the existing drainage in some areas within Fishermans bend, however a specific and detailed analysis is required to determine if the existing size and location is suitable.
- It is anticipated that the road will be crowned; therefore, drainage pits will be required on both sides of the road and a drainage pipe will be required to convey the stormwater from the northern pits underneath the road into the large barrel drain. The drainage pipes to convey the stormwater under the road into the large barrel drain are assumed to be 300mm diameter.
- Removal and disposal of contaminated soil assumes a 2.25m deep x 1.2m wide trench for the large barrel drain and a 1.5m deep x 0.6m wide trench for the smaller pipework feeding into the barrel drain.
1.5 Sewerage

Allowance for 300mm PVC sewer at a depth of 2-3m. Removal of contaminated soil assumes a trench width of 1.0m and trench depth of 2.5m. Boring/microtunneling could be investigated as an alternative construction methodology.

1.6 Potable Water

Allowance for 300mm PVC water main. Removal and disposal of contaminated material includes potable water, recycled water and gas as these are assumed to be constructed in a shared trench.

1.7 Recycled Water

Allowance for 225mm PVC water main.

1.8 Electricity

The electricity component of the estimate makes following allowances and assumptions:

- Electrical consultant provided a high-level estimate on the anticipated cost to underground all above ground power in the study area. The cost is for a power authority accredited contractor to lay new cable in a trench provided by the civil contractor, and to remove the existing above ground lines.
- Additional allowance is made for the civil works associated with the undergrounding of the electrical, including trenching, removal and disposal of contaminated soil, materials and installation of conduit and service pits.
- Removal and disposal of contaminated soil is for the Fennell Street section of the street only. The proposed electrical alignment in the Plummer St section is in existing private land, for which allowance has been made in a separate estimate.
- Street lights along the standard streetscape on both sides of the road and in the median at 40m spacing. Additional lights are allowed for at intersections.
- Traffic signals at the Fennell/Plummer and Bridge Street intersection, and Fennell/Plummer and Bertie Street intersection. Allowance is made for a 'stop-go' signal at intersections on the southern side of Fennell/Plummer to indicate whether a tram is approaching.

1.9 Smart Cities Communications

Allowance is made for a 100mm duct along the length of Fennell/Plummer, with service pits at 100m spacing. Optic fibre is excluded from the estimate and assumed to be hauled post-construction of streetscape works. Removal and disposal of contaminated soil allows for a 0.5m³/m trench.

1.10 Gas Reticulation

Allowance is made for 150mm gas to replace existing gas. It is anticipated that the pipe will be required to be upgraded as part of the increased density. An upgrade is expected to be funded by the gas authority.

1.11 Civic Plaza

Allowance is made for a high quality civic plaza. A per square metre rate allowance is applied to the plaza area, inclusive of the northern and southern sections of the plaza. Plaza is assumed to be constructed by a different contractor to the civil works. The square metre rate is inclusive of profit and overheads.

1.12 Contingency

Contingency allowance of 20% of construction costs.
2. Professional Fees
Allowance of 15% of construction costs for professional fees.

3. Average Square Metre Rate
3.1 Streetscape Works
Allows for the streetscape upgrade works including demolition and relocation works and all services, including undergrounding the electricity. No allowance for the civic plaza.

3.2 High Specification Civic Plaza
Allows for high specification civic plaza. Includes contractor overheads and 20% contingency. Excludes professional fees.

3.3 Medium Specification Civic Plaza
Allows for medium specification civic plaza. Includes contractor overheads and 20% contingency. Excludes professional fees.

4. Lineal Metre Rate
4.1 Streetscape Works
Allows for the streetscape upgrade works including demolition and relocation works and all services, including undergrounding the electricity. No allowance for the civic plaza.

5. Intersection Costs
The intersection costs for Bridge Street & Bertie Street allow for construction of the intersection and associated streetscape upgrade works (street furniture etc). If extrapolating the intersections costs to other areas within Fishermans Bend, the intersection cost should not be added on top of a cost derived from a per square metre or per lineal metre rate because this would be doubling up the costs for the intersection. When applying the intersection costs to a broader estimate, the length of standard road should be reduced consistent with the length of the intersection. The length of the intersection is measured from where the street begins to deflect from the standard cross section eg. start of a curve sweep or turning lane. The intersection costs for single sided intersections, the mid-block crossing and the stopping bay can be added depending on the quantity of intersections in any given study area.

6. Extra Over for Intersections
Extra over cost for the Bridge and Bertie intersections are in addition to the standard per lineal metre rate derived in section 5. The extra over item costs are in addition to the construction of the standard cross section. The intention is to allow a cost estimate to be derived by adding the extra over intersections costs to the ‘standard’ streetscape cost based on a per metre or per square metre rate. For example, if the estimate was to be extrapolated to a section of streetscape upgrade outside the study area, a high-level estimate could be derived by measuring the length of the road and counting the required intersection quantities and types.