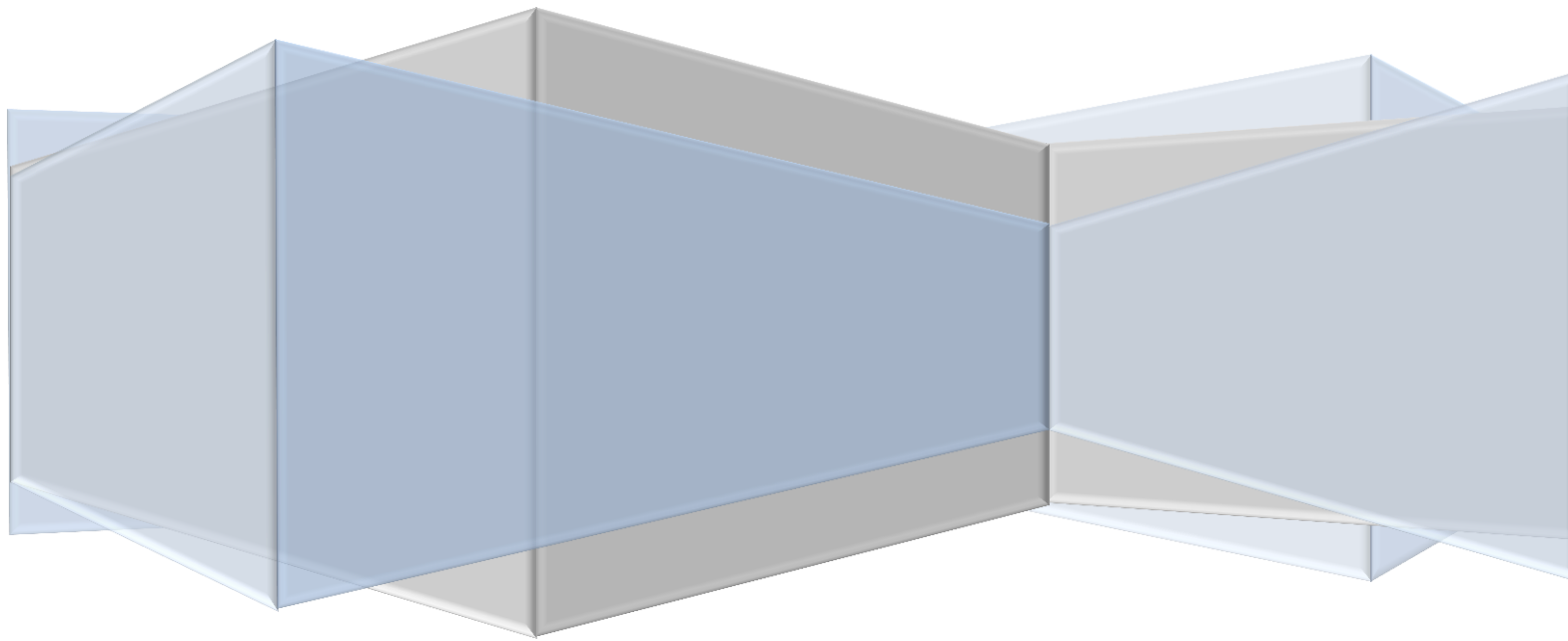


Sample Reports for



INVESTMENT
APPRAISAL



Setup

Data input sheet for global budget parameters on acquisition and disposal, land use categories, capitalisation rates, escalation rates, discount rates, etc.

Valuation Setup for SSG Bellavista Tower 2

Estate Master Licensed to: Unlicensed



Acquisition

Date of First Period	Jan-2008
Nominated Purchase Price	32,000,000
Acquisition Date	
Acquisition Costs (%) *	3.00%
Acquisition Costs (\$AUD)	-
Prepaid Outgoings on Purchase	-
Stamp Duty	NIL

Default is Jan-08

Sale

Selling Costs (%) *	2.50%
Selling Costs (\$AUD)	-
Reimbursement of Outgoings on Sale	-
Disposal Date	

Default is Dec-17

Uses

Code	Description	Add to NLA? *	Unit of Input	Capitalisation Rates	
				Current	Terminal
VAC	Vacant	Y	per Annum	7.75%	8.50%
CAR	Car parking	N	/ Unit per Month	7.75%	8.50%
COM	Commercial	Y	/ SqM or / Unit p.a.	7.75%	8.50%
RET	Retail	Y	/ SqM or / Unit p.a.	7.75%	8.50%

Escalation Profiles

Description	10 Yr Avg Growth	Financial Year (Ending June)											
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 +
CPI	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Fixed	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Market Growth	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

Capitalisation

Capitalisation Sensitivity +/-	0.50%
Long Term Vacancy Allowance *	0.00%
Discount Rate for Bonus Rent	7.75%
Discount Rate for Rental Shortfalls	7.75%

Months of Capex to deduct from Capital Value *	12	Discount?	Y
Months of Letting Up to deduct from Capital Value *	12		

DCF

Discount Rate (Target IRR)	10.00%	Sensitivity +/-	0.50%
IRR Guess	10.00%		
Terminal Capitalisation Rate Sensitivity +/-	0.50%		
Long Term Vacancy Allowance *	0.00%	Start from Month	-

Other Income

Description	Other Income
Income for the First Month	-
Current Capitalisation Rate	7.75%
Terminal Capitalisation Rate *	0.00%
Escalation Profile *	None

Footnotes:

- All values are input and calculated Net of Tax.
- Acquisition costs are totalled and added to the property's total purchase price at the date of acquisition.
- Sellings costs are totalled and subtracted from the end sale value, at the end of the year of disposal.
- An 'N' should be entered if the use is measured in units or car spaces and should not be added to the NLA.
- Long Term Vacancy Allowance is deducted from the gross income in the capitalisation summary (except for capitalisation based on Passing Income).
- Terminal Capitalisation Rate is used to derive the final sale price by capitalising the net cash flow of the 12 months after the end sale date.
- The number of months of Capital Expenditure to be deducted from the capitalised value in the Capitalisation Summary from the Date of First Period.
- The number of months of Leasing Up Allowances and Reletting Fees to be deducted from the capitalised value in the Capitalisation Summary from the Date of First Period.
- The 'Other Income' flows through the entire cash flow and is escalated at the start of each financial year from the start of the Cash Flow (excluding the first financial year).

Tenants

Tenancy Schedule input sheet. This is where the rents, recoveries, leasing details, incentives, market reviews and escalations are entered.

Tenants for SSG Bellavista Tower 2

SSG Bellavista Tower 2																						
Tenant ID	Tenant Name	General Info				Area or Quantity		Current Base Rent*				Turnover Rent						Total Turnover* Rent \$ p.a.	Rent Payment Frequency			
		Floor	Suite	Use Code	Lease Type	NLA (SqM) or Units	Unit Type	Current Base Rent Amount	Unit of Input	Base Amount per Annum	Base Unit Rate / SqM or / Unit p.a.	Current Turnover Amount (\$ p.a.)		Escalation Profile	Turnover Rent %	Threshold 1 Turnover				Threshold 2 Turnover		Base Rent & Turnover Rent*
001	Shop 1	LG		RET	Net	146.00	SqM	310.15	/ SqM or / Unit p.a.	45,282		310.15	250,000	CPI	6.00%	100,000	1.00%	200,000	1.00%	Add Base Rent	17,000	Monthly
002	Shop 2	G		RET	Net	311.00	SqM	310.15	/ SqM or / Unit p.a.	96,457		310.15	350,000	CPI	6.50%	300,000	3.00%	-	0.00%	Add Base Rent	24,250	Monthly
003	Office 1	1		COM	Net	707.00	SqM	310.15	/ SqM or / Unit p.a.	219,276		310.15	-	None	0.00%	-	0.00%	-	0.00%	Base as Minimum	-	Monthly
004	Office 2	2		COM	Net	1,895.00	SqM	310.15	/ SqM or / Unit p.a.	587,734		310.15	-	None	0.00%	-	0.00%	-	0.00%	Base as Minimum	-	Monthly
005	Office 3	3		COM	Net	1,895.00	SqM	310.15	/ SqM or / Unit p.a.	587,734		310.15	-	None	0.00%	-	0.00%	-	0.00%	Base as Minimum	-	Monthly
006	Office 4	4		COM	Net	1,895.00	SqM	310.15	/ SqM or / Unit p.a.	587,734		310.15	-	None	0.00%	-	0.00%	-	0.00%	Base as Minimum	-	Monthly
007	Office 5	5		COM	Net	1,895.00	SqM	310.15	/ SqM or / Unit p.a.	587,734		310.15	-	None	0.00%	-	0.00%	-	0.00%	Base as Minimum	-	Monthly
008	Car 1	C1		CAR	Gross	1.00	Spaces	160.00	/ Unit per Month	1,920		1,920.00	-	None	0.00%	-	0.00%	-	0.00%	Base as Minimum	-	Monthly
009	Car 2	C2		CAR	Gross	64.00	Spaces	160.00	/ Unit per Month	122,880		1,920.00	-	None	0.00%	-	0.00%	-	0.00%	Base as Minimum	-	Monthly
010	Car 3	C3		CAR	Gross	105.00	Spaces	160.00	/ Unit per Month	201,600		1,920.00	-	None	0.00%	-	0.00%	-	0.00%	Base as Minimum	-	Monthly
011	Vacant			VAC	Net	-	SqM	-	per Annum	-		-	-	None	0.00%	-	0.00%	-	0.00%	Base as Minimum	-	Monthly
TOTAL						8,744.00	SqM														41,250	

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Footnotes:

1. Only the Uses that have been nominated (on the 'Setup' sheet) to be included, will be added to the total NLA.
2. Base Rent is exclusive of recoveries.

Footnotes:

3. Tenant's total turnover is escalated at the start of each financial year.
4. 'Base as Minimum' takes the higher of base rent and turnover rent. 'Add Base Rent' adds the base rent to the total turnover rent.
5. Total turnover rent is the % of Total Turnover plus the % of turnover above Threshold 1 plus the % of turnover above Threshold 2 plus the base rent if chosen.

Tenants for SSG Bellavista Tower 2

SSG Bellavista Tower 2																				
Tenant ID	Tenant Name	Option Period (Months)	Option* Probability	Option				Termination and Reletting				Next Review	Base Rent Escalation Profile	Comments	Rent Review				Lease Replication* (Months)	
				Description	Amount	Start Date	Span (Months)	Termination Date*	Leasing Up* Period (Months)	Reletting Costs (%) *					Sqm or / Unit p.a.	Escalation Profile	Net \$ p.a.	Gross \$ p.a.		
001	Shop 1	24	70.00%							6	0.00%	2.00%	1/01/09	Fixed		330.14	CPI	48,200	48,200	-
002	Shop 2	24	70.00%							6	0.00%	2.00%	1/02/08	Fixed		330.14	CPI	102,674	102,674	-
003	Office 1	24	70.00%							6	0.00%	2.00%	1/06/08	Fixed		330.14	CPI	233,409	233,409	-
004	Office 2	24	70.00%							6	0.00%	2.00%	1/11/08	Fixed		330.14	CPI	625,615	625,615	-
005	Office 3	24	70.00%							6	0.00%	2.00%	1/02/09	Fixed		330.14	CPI	625,615	625,615	-
006	Office 4	24	70.00%							6	0.00%	2.00%	1/02/09	Fixed		330.14	CPI	625,615	625,615	-
007	Office 5	24	70.00%	refit	65,000	10/10/12	2			6	0.00%	2.00%	1/01/09	Fixed		330.14	CPI	625,615	625,615	-
008	Car 1	24	70.00%							1	0.00%	2.00%	1/01/09	Market Growth		1,980.00	CPI	1,980	1,980	-
009	Car 2	24	70.00%							1	0.00%	2.00%	1/01/09	Market Growth		1,980.00	CPI	126,720	126,720	-
010	Car 3	24	70.00%							1	0.00%	2.00%	1/01/09	Market Growth		1,980.00	CPI	207,900	207,900	-
011	Vacant	-	0.00%							1	0.00%	0.00%	-	None		-	None	-	-	-
TOTAL					65,000					1	0.00%	0.00%	-	None		-	None	3,223,344	3,223,344	-

Estate Master Licensed to: Unlicensed

Footnotes:

15. The probability will apportion all items that relate to taking up the option (ie. Rents, Option Period Incentives, and Reletting Fees).

Footnotes:

16. The termination date is when the initial lease effectively ends and the tenancy becomes vacant afterwards. By default it is the expiry date plus the option period.

17. The leasing up period will be applied after the end of the lease, up until the Disposal Date, to determine when the lease should be assumed to revert to the escalated market rent.

18. Reletting fees and incentives are calculated based on gross rent (ie. Base rent plus recoveries)

19. Rents will revert back to the escalated Market Rent after the end of the lease and leasing up period. Market Rents are used in market valuations on the Capitalisation Summary. All Market Rents are entered as gross rents (no recoverable og's) (Set via Preferences)

Tenants for SSG Bellavista Tower 2

SSG Bellavista Tower 2																				
Tenant ID	Tenant Name	Recoverable Outgoings				Current Gross Rent*		Lease Terms			Fees and Incentives				Current Effective Rent					
		Lump Sum Recoverables		% of Total Recoverables	Recoveries Amount (Lump Amt + %)	% of Increase After Base Year*	Total Gross Rent \$ p.a.	Gross Unit Rate \$ / Unit p.a.	Start Date	Previous Review	Expiry* Date	Effective* Start Date	Letting Fees (%)	Initial Fitout / Lump Sum Incentives			Total Eff. Rent \$ p.a.	Eff. Unit Rate \$ / Unit p.a.		
		Amount \$ p.a.	Escalation Profile	Amount \$ p.a.	/ SqM or / Unit p.a.	Base Year	% of Total						Description	Amount	Start Date	Span (Months)*				
001	Shop 1	-	None	8,125	56			70,407	482.24	1/01/08	1/01/08	31/01/14		0.00%	fitout	25,000	1/02/08	2	66,322	454.26
002	Shop 2	-	None	17,307	56			138,013	443.77	1/02/07	1/02/07	3/03/13		0.00%		-	-	-	138,013	443.77
003	Office 1	-	None	39,343	56			258,619	365.80	1/06/07	1/06/07	1/07/13		0.00%		-	-	-	258,619	365.80
004	Office 2	-	None	105,453	56			693,187	365.80	1/11/07	1/11/07	1/12/13		0.00%		-	-	-	693,187	365.80
005	Office 3	-	None	105,453	56			693,187	365.80	1/02/08	1/02/08	23/11/13		0.00%		-	-	-	693,187	365.80
006	Office 4	-	None	105,453	56			693,187	365.80	1/02/08	1/02/08	19/10/12		0.00%		55,000	1/03/08	2	657,440	346.93
007	Office 5	-	None	105,453	56			693,187	365.80	1/01/08	1/01/08	18/09/12		0.00%		-	-	-	693,187	365.80
008	Car 1							1,920	1,920.00	1/01/08	1/01/08	18/09/12		0.00%		-	-	-	1,920	1,920.00
009	Car 2							122,880	1,920.00	1/01/08	1/01/08	18/09/12		0.00%		-	-	-	122,880	1,920.00
010	Car 3							201,600	1,920.00	1/01/08	1/01/08	18/09/12		0.00%		-	-	-	201,600	1,920.00
011	Vacant							-	-	-	-	-		0.00%		-	-	-	-	-
TOTAL				486,586			0.00%	3,566,188							80,000				3,526,356	

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Footnotes:

6. % of Total recoverables is calculated by averaging the outgoings recovered in each financial year.
7. % of Increase in outgoings, after the base year, to be recovered is not used in the Capitalisation Summary.
8. Gross rent is the base rent plus the total recoveries amount. This does not include 'Base Year' recoverables.
9. The Increase after base year is set to recover increases at lease anniversary (Set via Preferences)

Footnotes:

10. Expiry date is the end of the initial lease term. The default end of the lease is the expiry period plus the option period.
11. Effective date is when rent is effectively received from the previous review. It is to allow for rent free periods.
12. Recoverables during Rent Free Period are included (Set via Preferences)
13. Incentive amounts are evenly spread across the span (in months).

Tenants for SSG Bellavista Tower 2

SSG Bellavista Tower 2		Leasing Structure																	
Tenant ID	Tenant Name	Year 0 - Jan 2008 to Jun 2008		Year 1 - Jul 2008 to Jun 2009		Year 2 - Jul 2009 to Jun 2010		Year 3 - Jul 2010 to Jun 2011		Year 4 - Jul 2011 to Jun 2012		Year 5 - Jul 2012 to Jun 2013		Year 6 - Jul 2013 to Jun 2014		Year 7 - Jul 2014 to Jun 2015		Year 8 - Jul 2015 to Jun 2016	
		Rent Review Type	Base Rent per Annum	Rent Review Type	Base Rent per Annum	Rent Review Type	Base Rent per Annum	Rent Review Type	Base Rent per Annum	Rent Review Type	Base Rent per Annum	Rent Review Type	Base Rent per Annum	Rent Review Type	Base Rent per Annum	Rent Review Type	Base Rent per Annum	Rent Review Type	Base Rent per Annum
001	Shop 1	E	22,641	C	45,961	E	47,457	E	49,118	E	50,837	E	52,616	E	47,533	E	55,757	E	41,846
002	Shop 2	E	49,635	C	101,081	E	104,327	E	107,979	E	111,758	E	106,820	E	111,387	E	102,498	E	107,303
003	Office 1	E	110,278	E	227,613	C	235,481	E	242,646	400.00	253,108	E	283,625	E	247,641	E	298,797	E	193,231
004	Office 2	E	293,867	E	601,448	C	620,471	E	641,174	E	663,615	E	686,841	E	603,033	E	745,861	E	501,244
005	Office 3	E	244,889	E	596,305	C	615,909	E	635,691	E	657,941	E	680,968	E	596,871	E	741,458	E	501,027
006	Office 4	E	146,934	E	596,305	C	615,909	E	635,691	450.00	733,595	E	727,168	E	850,932	E	533,742	E	792,511
007	Office 5	E	293,867	E	596,020	E	618,950	E	640,614	E	663,035	E	585,346	E	721,287	E	491,911	E	792,511
008	Car 1	E	960	E	1,958	E	2,037	E	2,118	E	2,203	E	2,231	E	2,377	E	2,292	E	2,508
009	Car 2	E	61,440	E	125,338	E	130,351	E	135,565	E	140,988	E	142,801	E	152,138	E	146,694	E	160,525
010	Car 3	E	100,800	E	205,632	E	213,857	E	222,412	E	231,308	E	234,283	E	249,601	E	240,670	E	263,361
011	Vacant	E	-	E	-	E	-	E	-	E	-	E	-	E	-	E	-	E	-
TOTAL																			

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Footnotes:

21. Escalation of rents are done on a financial year basis, also taking into account the rent review anniversary month.
22. Rent Review Type applies to the treatment of the Base Rent component (not Turnover Rent) only during the initial lease and option period only.
23. The review of any Turnover Rent component is managed by the escalation profiles selected for Annual Turnover.
24. Leases that contain Turnover Rents cannot be reviewed to Market (Review Type = M) during the initial lease and option period.

Tenants for SSG Bellavista Tower 2

SSG Bellavista Tower 2					
		Year 9 - Jul 2016 to Jun 2017		Year 10 - Jul 2017 to Jun 2018	
Tenant ID	Tenant Name	Rent Review Type	Base Rent per Annum	Rent Review Type	Base Rent per Annum
001	Shop 1	E	59,222	E	64,777
002	Shop 2	E	133,966	E	137,985
003	Office 1	E	304,546	E	313,682
004	Office 2	E	816,286	E	840,775
005	Office 3	E	816,286	E	840,775
006	Office 4	E	816,286	E	840,775
007	Office 5	E	816,286	E	840,775
008	Car 1	E	2,583	E	2,661
009	Car 2	E	165,341	E	170,301
010	Car 3	E	271,262	E	279,400
011	Vacant	E	-	E	-
TOTAL					

Estate Master Licensed to: Unlicensed

Outgoings

Outgoings input sheet. This is where all the outgoings details are input, such as the amount, payment frequency and escalations.

Outgoings for SSG Bellavista Tower 2

Estate Master Licensed to: Unlicensed

Outgoings														
Codes	Description	Payment Frequency	Payment Dates		Current Outgoings Per Annum		Escalation Profile	Recoverable (Y/N)	Current \$ Per Annum	Current \$ / SqM Per Annum	% of Total Outgoings	Benchmarks (\$ / SqM PA)		
			Start	End *	Amount \$	Rate \$ / SqM						Benchmark 1	Benchmark 2	
301000	Council Rates	Monthly	1/01/08		102,944		CPI	Y	102,944	11.77	17.51%	-	-	
301100	Water Rates	Monthly	1/01/08		19,750		CPI	Y	19,750	2.26	3.36%	-	-	
301110	Land Tax	Monthly	1/01/08		79,572		CPI	Y	79,572	9.10	13.53%	-	-	
301120	Insurance	Monthly	1/01/08		26,400		CPI	Y	26,400	3.02	4.49%	-	-	
302000	Air conditioning	Monthly	1/01/08		15,786		CPI	Y	15,786	1.81	2.68%	-	-	
303000	AC Repair & Maintenance	Monthly	1/01/08		20,000		CPI	N	20,000	2.29	3.40%	-	-	
304000	General Repair & Maintaince	Monthly	1/01/08		74,157		CPI	Y	74,157	8.48	12.61%	-	-	
305000	Cleaning	Monthly	1/01/08		9,735		CPI	Y	9,735	1.11	1.66%	-	-	
306000	Lifts	Monthly	1/01/08		17,600		CPI	N	17,600	2.01	2.99%	-	-	
401000	Electricity	Monthly	1/01/08		88,000		CPI	Y	88,000	10.06	14.97%	-	-	
402000	Fire Protection	Monthly	1/01/08		11,597		CPI	N	11,597	1.33	1.97%	-	-	
403000	Pest Control	Monthly	1/01/08		1,082		CPI	Y	1,082	0.12	0.18%	-	-	
404000	Plumbing	Monthly	1/01/08		8,690		CPI	N	8,690	0.99	1.48%	-	-	
405000	Management Fees	Monthly	1/01/08		10,410		CPI	Y	10,410	1.19	1.77%	-	-	
406000	Administration & Management	Monthly	1/01/08		45,666		CPI	N	45,666	5.22	7.77%	-	-	
407000	Building Supervision	Monthly	1/01/08		46,703		CPI	Y	46,703	5.34	7.94%	-	-	
408000	Energy Management System	Monthly	1/01/08		1,658		CPI	Y	1,658	0.19	0.28%	-	-	
409000	BMU	Monthly	1/01/08		4,999		CPI	N	4,999	0.57	0.85%	-	-	
410000	Misc	Monthly	1/01/08		3,198		CPI	Y	3,198	0.37	0.54%	-	-	
411000	Security	Monthly			-	-	None	N	-	-	0.00%	-	-	
412000	Sewerage Disposal & Sullage	Monthly			-	-	None	N	-	-	0.00%	-	-	
413000	Miscellaneous	Monthly			-	-	None	N	-	-	0.00%	-	-	
415000	PA / Background Music	Monthly			-	-	None	N	-	-	0.00%	-	-	
416000	Signs & Notice Boards	Monthly			-	-	None	N	-	-	0.00%	-	-	
417000	Landscaping	Monthly			-	-	None	N	-	-	0.00%	-	-	
418000	Management & Administration	Monthly			-	-	None	N	-	-	0.00%	-	-	
419000	Sinking Fund & Body Corporate	Monthly			-	-	None	N	-	-	0.00%	-	-	
420000	Promotions / Administration	Monthly			-	-	None	N	-	-	0.00%	-	-	
420001	Special	Monthly			-	-	None	N	-	-	0.00%	-	-	
420002	Non-recoverables	Monthly			-	-	None	N	-	-	0.00%	-	-	
420003	Other	Monthly			-	-	None	N	-	-	0.00%	-	-	
420004	Other	Monthly			-	-	None	N	-	-	0.00%	-	-	
420005	Other	Monthly			-	-	None	N	-	-	0.00%	-	-	
420006	Other	Monthly			-	-	None	N	-	-	0.00%	-	-	
420007	Other	Monthly			-	-	None	N	-	-	0.00%	-	-	
420008	Other	Monthly			-	-	None	N	-	-	0.00%	-	-	
420009	Other	Monthly			-	-	None	N	-	-	0.00%	-	-	
420010	Other	Monthly			-	-	None	N	-	-	0.00%	-	-	
420011	Other	Monthly			-	-	None	N	-	-	0.00%	-	-	
									587,947.00	67.24		-	-	
Footnotes:									Total		First 12 Months			
1. Outgoings are escalated at the start of each financial year (except for the first year).									Outgoings	587,947	596,766			
2. If the Payment End Date is blank, then the Outgoing cost will continue through the life of the cash flow at the nominated payment frequency.									Recoverables	479,395	486,586			
3. For the purposes of the Capitalisation Summary, the model is set to ignore outgoings beyond first year (Set via Preferences)									Non-Recoverables	108,552	110,180			

DCF

Contains the detailed cash flow outputs. This is also where a purchase price can be nominated or calculated.

Discounted Cash Flow for SSG Bellavista Tower 2

Estate Master Licensed to: Unlicensed	Year No. Year Ending	0 Jun-2008	1 Jun-2009	2 Jun-2010	3 Jun-2011	4 Jun-2012	5 Jun-2013	6 Jun-2014	7 Jun-2015	8 Jun-2016	9 Jun-2017	10 Jun-2018
Base Rent	(Calculated)	1,542,263	3,142,636	3,249,374	3,359,331	3,556,459	3,802,826	3,906,028	4,032,517	4,175,762	4,324,104	4,477,726
Market Rent	(Calculated)	1,611,672	3,320,044	3,419,646	3,522,235	3,627,902	3,736,739	3,848,841	3,964,307	4,083,236	4,205,733	4,331,905
Base Rent	(Received)	1,346,351	3,142,636	3,249,374	3,359,331	3,556,459	3,550,273	3,608,097	3,360,899	3,356,067	4,202,064	4,331,905
Shop 1		31,141	63,261	65,366	67,654	70,019	72,464	65,456	56,975	41,846	59,222	64,777
Shop 2		62,176	126,756	131,043	135,766	140,649	134,545	116,760	102,498	107,303	133,966	137,985
Office 1		110,278	227,613	235,481	242,646	253,108	283,625	247,641	298,797	193,231	304,546	313,682
Office 2		293,867	601,448	620,471	641,174	663,615	686,841	603,033	745,861	501,244	816,286	840,775
Office 3		244,889	596,305	615,909	635,691	657,941	680,968	598,871	741,458	501,027	816,286	840,775
Office 4		146,934	596,305	615,909	635,691	733,595	727,168	850,932	533,742	792,511	816,286	840,775
Office 5		293,867	598,020	618,950	640,614	663,035	585,346	721,287	491,911	792,511	816,286	840,775
Car 1		960	1,958	2,037	2,118	2,203	2,231	2,377	2,292	2,508	2,583	2,661
Car 2		61,440	125,338	130,351	135,565	140,988	142,801	152,138	146,694	160,525	165,341	170,301
Car 3		100,800	205,632	213,857	222,412	231,308	234,283	249,601	240,670	263,361	271,262	279,400
Vacant		-	-	-	-	-	-	-	-	-	-	-
Manual Inputs		-	-	-	-	-	-	-	-	-	-	-
Recoveries		222,382	493,777	508,590	523,848	539,563	467,951	232,539	574	-	-	-
Shop 1		4,002	8,245	8,492	8,747	9,009	9,279	8,363	574	-	-	-
Shop 2		8,525	17,562	18,089	18,632	19,191	18,284	3,563	-	-	-	-
Office 1		19,381	39,925	41,122	42,356	43,627	44,935	20,056	-	-	-	-
Office 2		51,947	107,011	110,222	113,528	116,934	120,442	105,447	-	-	-	-
Office 3		43,289	107,011	110,222	113,528	116,934	120,442	95,109	-	-	-	-
Office 4		43,289	107,011	110,222	113,528	116,934	82,302	-	-	-	-	-
Office 5		51,947	107,011	110,222	113,528	116,934	72,265	-	-	-	-	-
Car 1		-	-	-	-	-	-	-	-	-	-	-
Car 2		-	-	-	-	-	-	-	-	-	-	-
Car 3		-	-	-	-	-	-	-	-	-	-	-
Vacant		-	-	-	-	-	-	-	-	-	-	-
Manual Inputs		-	-	-	-	-	-	-	-	-	-	-
Gross Income		1,568,733	3,636,413	3,757,964	3,883,179	4,096,023	4,018,224	3,840,635	3,361,473	3,356,067	4,202,064	4,331,905
Other Income		-	-	-	-	-	-	-	-	-	-	-
Manual Inputs		-	-	-	-	-	-	-	-	-	-	-
Outgoings		(293,973)	(605,585)	(623,753)	(642,466)	(661,740)	(681,592)	(702,039)	(723,101)	(744,794)	(767,137)	(790,152)

Discounted Cash Flow for SSG Bellavista Tower 2

Estate Master Licensed to: Unlicensed	Year No. Year Ending	0 Jun-2008	1 Jun-2009	2 Jun-2010	3 Jun-2011	4 Jun-2012	5 Jun-2013	6 Jun-2014	7 Jun-2015	8 Jun-2016	9 Jun-2017	10 Jun-2018
Incentives		(80,000)	-	-	-	-	(45,500)	-	-	-	-	-
Initial Fitout / Lump Sum Incentives		(80,000)	-	-	-	-	-	-	-	-	-	-
Option Incentives		-	-	-	-	-	(45,500)	-	-	-	-	-
Reversion to Market Incentives		-	-	-	-	-	-	-	-	-	-	-
Manual Inputs		-	-	-	-	-	-	-	-	-	-	-
Letting Fees		-	-	-	-	-	(11,044)	(6,890)	(32,312)	(17,056)	(12,308)	-
Manual Inputs		-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure		(20,168)	(40,336)	(40,336)	(40,336)	(40,336)	(40,336)	(40,336)	(40,336)	(40,336)	(40,336)	(16,807)
Long Term Vacancy Allowance @ 0.00% pa		-	-	-	-	-	-	-	-	-	-	-
NET CASH FLOW BEFORE INTEREST AND TAX		1,174,591	2,990,492	3,093,875	3,200,377	3,393,947	3,239,751	3,091,370	2,565,724	2,553,882	3,382,282	3,524,947
Property Purchase & Sale Price Net of Tax												
Property Purchase & Sale Price		(32,000,000)	-	-	-	-	-	-	-	-	-	42,292,702
Stamp Duty on Purchase		-	-	-	-	-	-	-	-	-	-	-
Purchase and Sale Costs		(960,000)	-	-	-	-	-	-	-	-	-	(1,057,318)
Outgoing Adjustments		-	-	-	-	-	-	-	-	-	-	-
TOTAL		(32,960,000)	-	-	-	-	-	-	-	-	-	41,235,385
Total Investment Cashflow	38,715,747	(31,785,409)	2,990,492	3,093,875	3,200,377	3,393,947	3,239,751	3,091,370	2,565,724	2,553,882	3,382,282	42,989,455

Running Sale Value	35,686,049	35,911,916	37,133,561	39,353,921	38,223,036	35,955,497	30,192,851	29,896,884	39,349,304	40,609,608	1,057,318
PV of Sale Value	35,686,049	32,647,196	30,688,894	29,567,183	26,106,848	22,325,535	17,043,077	15,341,829	18,356,741	17,222,438	407,642
Running Yield	3.57%	8.44%	8.44%	8.23%	8.98%	9.28%	10.40%	8.82%	6.64%	8.46%	334.98%
Running IRR	-	22.39%	17.30%	16.47%	14.02%	12.02%	9.28%	9.09%	11.57%	11.59%	-0.43%

The running IRRs above are calculated based on the yearly cash flow and thus will differ from the calculated monthly IRR on the left.

Nominated Purchase Price	32,000,000
Calculated IRR (per annum Effective)	11.29%
Net Present Value (NPV)	2,686,667
Total Purchase Price (inc. costs)	32,960,000
Discount Rate (per annum Effective)	10.00%

Terminal Capitalisation Rates		Terminal Sale Value
Core Income	Other Income	@ 10-Dec-17
8.50%	0.00%	42,292,702

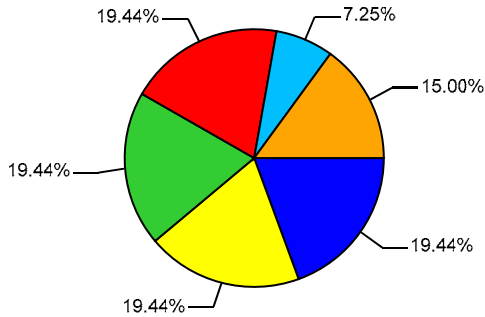
- The Terminal Sale Value is calculated by capitalising the Net Income (Gross Income + Other Income - Outgoings - Long Term Vacancy Allowance) of the proceeding 12 months using the nominated Terminal Cap Rate, less any adjustments for Reletting Fees and Capital Expenditure that are occurring in the proceeding 12 months. It excludes any Uses that do not have a Terminal Cap rate applied.
- Each financial year ends on the month of the Disposal Date as nominated on the Setup sheet.
- Running IRR/XIRR is calculated on a yearly basis (thus differing from the calculated monthly IRR/XIRR), assuming the property is sold on the last day of the year.
- Running Yield is the quotient of the property's net income and the sale value of each year. If the first year does not start on the first month of the financial year, the yield will be lower than normal.
- Manual Inputs only affect results on this DCF sheet (eg NPV/IRR) and do not affect Capitalised Valuations.

Charts

Displays key charts regarding income, net lettable area, leases and escalation rates.

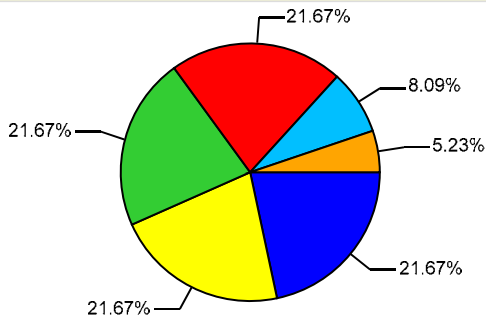
Valuation Date:	Total NLA:
Property Type:	Car Parking:

Top 5 Tenants by Income



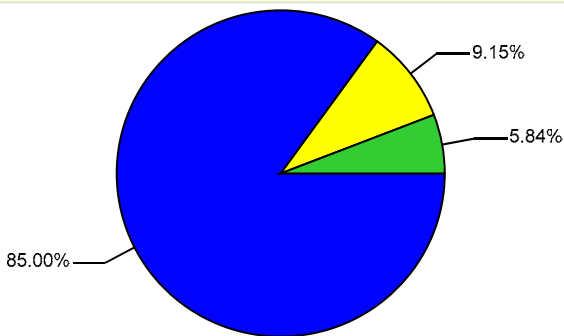
Tenant Name	Income	Percent
Office 2	693,187	19.44%
Office 3	693,187	19.44%
Office 4	693,187	19.44%
Office 5	693,187	19.44%
Office 1	258,619	7.25%
Others	534,820	15.00%

Top 5 Tenants by NLA



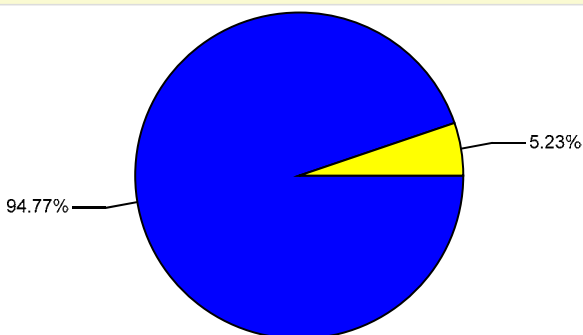
Tenant Name	NLA (SqM)	Percent
Office 2	1,895	21.67%
Office 3	1,895	21.67%
Office 4	1,895	21.67%
Office 5	1,895	21.67%
Office 1	707	8.09%
Others	457	5.23%

Top 3 Uses by Income



Use	Income	Percent
Commercial	3,031,368	85.00%
Car parking	326,400	9.15%
Retail	208,420	5.84%

Top 3 Uses by NLA

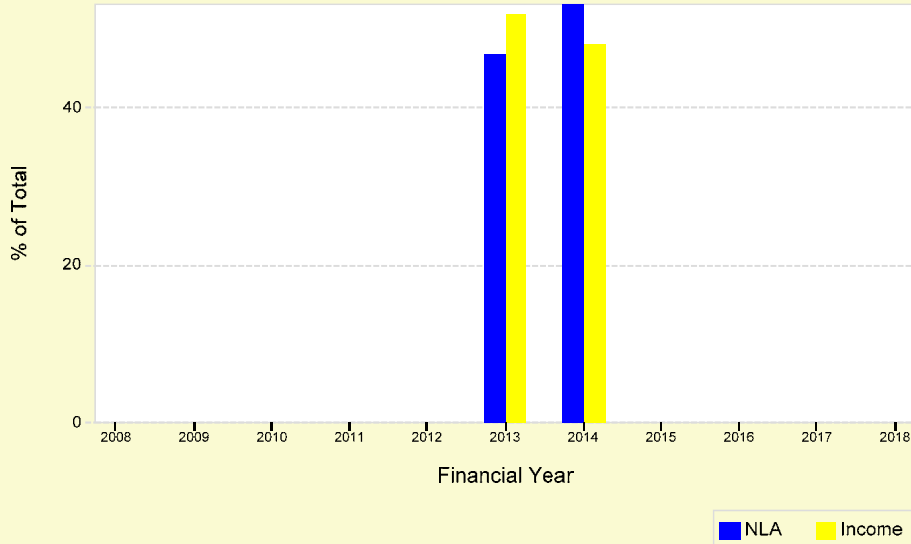


Use	NLA (SqM)	Percent
Commercial	8,287	94.77%
Retail	457	5.23%

Valuation Date: 1-Jan-2008	Total NLA: 8,744 SqM
Property Type: Commercial	Car Parking: 170 Spaces

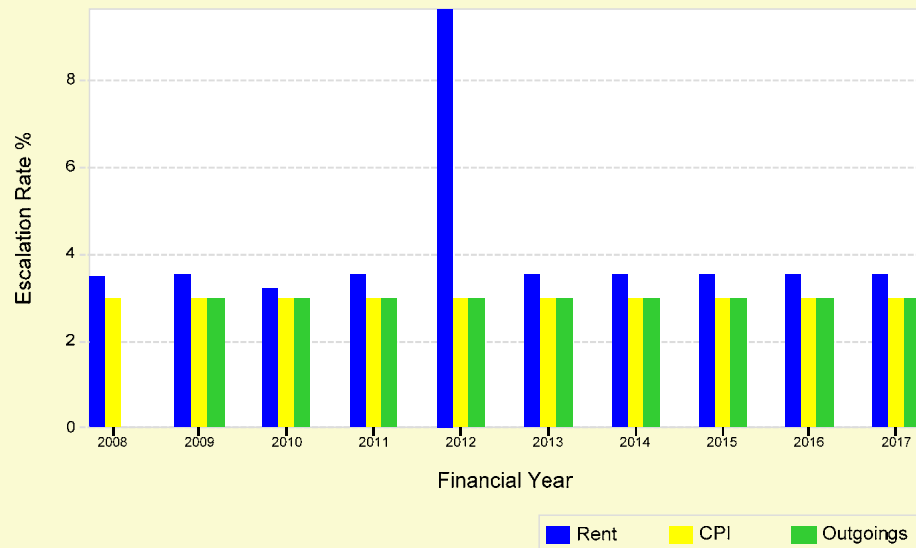
Estate Master Licensed to: Unlicensed

Lease Expiry Profile Chart



Year	NLA	Income
2008	0.00%	0.00%
2009	0.00%	0.00%
2010	0.00%	0.00%
2011	0.00%	0.00%
2012	0.00%	0.00%
2013	46.90%	51.90%
2014	53.10%	48.10%
2015	0.00%	0.00%
2016	0.00%	0.00%
2017	0.00%	0.00%
2018	0.00%	0.00%

Escalation Comparison Chart



Year	Rent	CPI	Outgoings
2008	3.50%	3.00%	0.00%
2009	3.53%	3.00%	3.00%
2010	3.23%	3.00%	3.00%
2011	3.55%	3.00%	3.00%
2012	9.63%	3.00%	3.00%
2013	3.55%	3.00%	3.00%
2014	3.55%	3.00%	3.00%
2015	3.55%	3.00%	3.00%
2016	3.55%	3.00%	3.00%
2017	3.55%	3.00%	3.00%

Executive Summary

Executive Summary sheet. This sheet displays all key information and also includes the sensitivity analysis and the ability to change the adopted valuation.

Property

Property:	SSG Bellavista Tower 2		
Address:	132 Marsden Street, DUBBO NSW		
Property Type:	Commercial		
Net Lettable Area:	8,744 SqM	Commercial	8,287 SqM
		Retail	457 SqM
Car parking:	170 Spaces		



Prepared For:	EM
Purpose:	For First Mortgage Security Purposes Only
Instructions:	Sunrise Property Group
Interest Valued:	Lot 2 in Strata Plan 80889
Valuation Date:	Tue, 01 Jan, 2008
Valuation:	\$33,400,000

Certified By:

John Black
Certified Real Estate Valuer
FAPI
Director, Black & Co Valuations

Name
Qualification
Post Nominal
Position

Major Tenants and Uses

Top 5 Tenants by NLA	SqM	% of NLA
Office 2	1,895	21.67%
Office 3	1,895	21.67%
Office 4	1,895	21.67%
Office 5	1,895	21.67%
Office 1	707	8.09%

Gross Rental Ranges*	Passing	Market
Commercial	\$ 365.80 - 365.80 / SqM	\$ 330.14 - 330.14 / SqM
Retail	\$ 443.77 - 482.24 / SqM	\$ 330.14 - 330.14 / SqM
Other	\$ 0.00 - 0.00 / SqM	\$ 0.00 - 0.00 / SqM

* Excludes items not included in total NLA.

Tenant Analysis

Weighted Lease Duration*		Vacant Area: 0 SqM
By Area:	5.33 Years	(0.00%) of Total Area
By Income:	5.27 Years	

Current Income & Outgoings	\$ PA	\$ per SqM
Gross Passing Income	3,566,188	407.84
Gross Income Fully Leased	3,566,188	407.84
Gross Market Income	3,223,344	368.63
Outgoings	596,766	68.25
Net Operating Income	2,969,421	339.60

Capitalisation Approach

Capitalised Value (inc Adjustments)*	33,852,702	Based on Net Market
Capitalised Value (exc Adjustments)	33,891,328	
Capitalisation Rates	Core Income *	7.75%
	Other Income	7.75%

Yields*	on Capital Value (inc Adjustments)	on DCF Nominated Purchase Price	on Adopted Valuation
	33,852,702	32,000,000	33,400,000
Initial Yield	8.77%	9.28%	8.89%
Initial Yield (Fully Leased)	8.77%	9.28%	8.89%
Reversionary Yield	7.76%	8.21%	7.86%
Equivalent Yield	8.27%	8.75%	8.38%

Sensitivity Analysis

Cap Rate	Purchase Value	\$ / SqM
7.25%	36,187,371	4,138.54
7.75%	33,852,702	3,871.53
8.25%	31,801,023	3,636.90

DCF Approach

Property's Net Present Value (NPV)*	35,646,667
Discount Rate (per annum Effective)	10.00%
Terminal Cap Rates	Core Income * 8.50%
	Other Income 0.00%
Assumed Purchase Price (inc. costs)	32,960,000
IRR (Based on Assumed Purchase Price)	11.29%

Sensitivity Analysis

Discount Rate	Terminal Cap Rate (Core Income)		
	8.00%	8.50%	9.00%
	9.50%	37,818,412	36,770,576
10.00%	36,648,217	35,646,667	34,756,401
10.50%	35,528,216	34,570,711	33,719,596

Annual Allowances

Year	Capital Expenditure	Letting Up
2008	20,168	-
2009	40,336	-
2010	40,336	-
2011	40,336	-
2012	40,336	-
2013	40,336	-

Year	Capital Expenditure	Letting Up
2014	40,336	-
2015	40,336	862,834
2016	40,336	1,015,361
2017	40,336	17,549
2018	16,807	-
Total	400,000	1,895,745

Footnotes:

- Weighted Lease Duration is the average lease term remaining to expiry (excluding option) across all tenants, weighted by Area (excluding items not included in total NLA, such as Car Parking) and Gross Income.
- Adjustments to Capitalised Values include Letting Up Allowances, Capital Expenditure, PV of Bonus/Shortfall rents (Reversionary Market value only) and other manual adjustments made by the user.
- Yields are calculated by dividing the net income with the corresponding value/price. Yields are not adjusted for Long Term Vacancy allowances.
- Property's NPV is the net present value of the property based on the cash flow of the property from month zero (0) to the month of disposal.
- Net Operating Income is Gross Passing Income less Outgoings
- The Core Income Capitalisation Rates are based on the weighted average cap rate applied across the different Uses.
- Letting Up allowances are the costs of lost revenue (inc Relletting Fees) due to vacancy summarised by year. They are computed from the Leasing Up Period and escalated Market Rents in the Tenants sheet.
- Manual Inputs on the DCF sheet only affect the results in the DCF Approach on the Executive Summary, and no other calculations.
- Capitalisation Rates for Core Income are the weighted average of the rates applied to the different uses on the Setup sheet

Capitalisation Summary

Capitalisation Summary sheet. This sheet displays the breakdown of the capitalisation valuation method.

Capitalisation Summary for SSG Bellavista Tower 2



SSG Bellavista Tower 2

132 Marsden Street, DUBBO NSW

Valuation Date: Tue, 01 Jan, 2008

Total NLA: 8,744 SqM

Property Type Commercial

Car Parking 170 Spaces

Estate Master Licensed to: Unlicensed

	Passing Income	Current Income Fully Leased	Net Market	Reversionary Market
Base Rent*				
Cap Rate				
Vacant	7.75%	-	-	-
Car parking	7.75%	326,400	326,400	336,600
Commercial	7.75%	2,570,213	2,570,213	2,735,870
Retail	7.75%	182,989	182,989	150,874
TOTAL BASE RENT		3,079,602	3,079,602	3,223,344
Recoverables				
Vacant	-	-	-	-
Car parking	-	-	-	-
Commercial	461,155	461,155	-	-
Retail	25,431	25,431	-	-
TOTAL RECOVERABLES		486,586	-	-
Less: Outgoings				
Recoverables	(486,586)	(486,586)	(486,586)	(486,586)
Non-Recoverables	(110,180)	(110,180)	(110,180)	(110,180)
TOTAL OUTGOINGS		(596,766)	(596,766)	(596,766)
Total Net Income		2,969,421	2,969,421	2,626,578
Less: Income not Capitalised (Nil Cap Rate applied)	-	-	-	-
Less: Long Term Vacancy Allowance @ 0.00% pa *	-	-	-	-
Plus: Manual Adjustments	-	-	-	-
Net Income for Capitalisation (inc Adjustments)		2,969,421	2,969,421	2,626,578
Weighted Average Capitalisation Rate (WACR) *	7.75%	7.75%	7.75%	7.75%
Core Income Capitalised @ WACR		38,315,114	38,315,114	33,891,328
Other Income Capitalised @ 7.75% pa		-	-	-
Less: Value of Adjustments				
Lease Up Allowances for first 12 months	Discounted @ 10.0% pa	-	-	-
Capital Expenditure for first 12 months	Discounted @ 10.0% pa	(38,627)	(38,627)	(38,627)
Present Value of Bonus/Overage Rents	Discounted @ 7.75% pa	-	-	449,681
Present Value of Shortfall Rents	Discounted @ 7.75% pa	-	-	(935,454)
Manual Adjustments				
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
TOTAL ADJUSTMENTS *		(38,627)	(38,627)	(524,400)
Total Capital Value		38,276,487	38,276,487	33,366,929

Footnotes:

- 1 Passing Income is calculated by taking the income of the first month of income within 12 months of the start of the cash flow and multiplying it by the appropriate payment frequency.
- 2 Current (Net) Income Fully Leased assumes passing income plus all vacancies leased at market rent; and current recoverables for each tenant or adjusted market recoverables for each vacancy.
- 3 Net Market valuations have assumed the property is 100% occupied at market rent and all recoverables are recovered at each tenant's proportion of the total NLA.
- 4 Reversionary Market value calculation is identical to the Net Market calculation except for the adjustment of the present value of rental overage & shortfalls.
- 5 Base Rent includes all rents (whether it is Gross or Net) entered into the 'Base Rent' column of the Tenants sheet (or Turnover rent if it is greater than the base rent for those particular tenants).
- 6 Only Uses that have a Current Capitalisation Rate applied to them on the Setup sheet will be included in the Net Income for Capitalisation and have a Long Term Vacancy applied to them.
- 7 The Weighted Average Capitalisation Rate (WACR) is based on the different Cap Rates applied to each Use.
- 8 The Core (Net) Income is capitalised at the weighted average capitalisation rate (WACR) from the individual rates applied to all uses on the Setup sheet.
- 9 Other Income is capitalised at the separate capitalisation rate for 'Other Income', nominated on the Setup sheet.
- 10 Rental Bonuses (portion of rents, exc. Other Income, over and above the market rent) and Shortfalls (portion of rents below the market rent) only affect the Reversionary Market value.
- 11 The present value of adjustments (exc Manual Adjustments) are discounted at the discount rate nominated on the Setup sheet.
- 12 Manual Inputs on the DCF sheet do not affect any of the above Capitalised Valuations.

Investment

The Investment sheet takes the property cash flows determined in the DCF sheet and adds multiple funding layers to evaluate the property from the perspective of an investor.

Estate Master Licensed to: Unlicensed		Year No.	0	1	2	3	4	5	6	7	8	9	10
		Year Ending	Jun-2008	Jun-2009	Jun-2010	Jun-2011	Jun-2012	Jun-2013	Jun-2014	Jun-2015	Jun-2016	Jun-2017	Jun-2018
PROPERTY OPERATING INCOME			1,194,759	3,030,828	3,134,211	3,240,713	3,434,283	3,280,088	3,131,706	2,606,060	2,594,218	3,422,618	1,770,877
DCF Property Value													
Property Purchase & Sale Price			(32,000,000)	-	-	-	-	-	-	-	-	-	42,292,702
Stamp Duty on Purchase			-	-	-	-	-	-	-	-	-	-	-
Purchase and Sale Costs			(960,000)	-	-	-	-	-	-	-	-	-	(1,057,318)
Outgoing Adjustments			-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure			(20,168)	(40,336)	(40,336)	(40,336)	(40,336)	(40,336)	(40,336)	(40,336)	(40,336)	(40,336)	(16,807)
Property Net Cash Flow before Interest & Tax			(31,785,409)	2,990,492	3,093,875	3,200,377	3,393,947	3,239,751	3,091,370	2,565,724	2,553,882	3,382,282	42,989,455
FUNDING													
Loan 1													
Loan Type	Interest Only												
LVR %	60.00%	19,200,000											
Base Rate + Lender Margin	6.00%	1.00%											
Loan Fees and Costs	Amount	Payment Date											
Line fees	192,000	per annum	80,000	192,000	192,000	192,000	192,000	192,000	192,000	192,000	192,000	192,000	96,000
			-	-	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-	-	-
Other Costs	Description												
	Drawdown	(19,200,000)	(19,200,000)	-	-	-	-	-	-	-	-	-	-
	Interest Charged	(13,328,000)	(560,000)	(1,344,000)	(1,344,000)	(1,344,000)	(1,344,000)	(1,344,000)	(1,344,000)	(1,344,000)	(1,344,000)	(1,344,000)	(672,000)
	Loan Fees Charged	(1,904,000)	(80,000)	(192,000)	(192,000)	(192,000)	(192,000)	(192,000)	(192,000)	(192,000)	(192,000)	(192,000)	(96,000)
	Payments	(34,432,000)	(640,000)	(1,536,000)	(1,536,000)	(1,536,000)	(1,536,000)	(1,536,000)	(1,536,000)	(1,536,000)	(1,536,000)	(1,536,000)	(19,968,000)
	Loan Balance		(19,200,000)	(19,200,000)	(19,200,000)	(19,200,000)	(19,200,000)	(19,200,000)	(19,200,000)	(19,200,000)	(19,200,000)	(19,200,000)	-
	LVR %	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	0.00%
	Lender Cash Flow	15,232,000	(18,560,000)	1,536,000	1,536,000	1,536,000	1,536,000	1,536,000	1,536,000	1,536,000	1,536,000	1,536,000	19,968,000
	IRR	8.30%											
	Interest Coverage Ratio	2.02	1.87	1.97	2.04	2.11	2.24	2.14	2.04	1.70	1.69	2.23	2.31
	Debt Service Ratio	0.89	1.87	1.97	2.04	2.11	2.24	2.14	2.04	1.70	1.69	2.23	2.31
Total Interest Coverage Ratio *	(WA)	2.02	1.87	1.97	2.04	2.11	2.24	2.14	2.04	1.70	1.69	2.23	2.31
Total Debt Service Ratio	(WA)	0.89	1.87	1.97	2.04	2.11	2.24	2.14	2.04	1.70	1.69	2.23	2.31
Total LVR % (on estimated running capitalised property value *)		60.00%	60.00%	53.91%	52.13%	50.41%	47.57%	49.81%	52.17%	62.71%	62.99%	47.73%	0.00%
Net Cash Flow After Debt Funding & Before Tax			(13,225,409)	1,454,492	1,557,875	1,664,377	1,857,947	1,703,751	1,555,370	1,029,724	1,017,882	1,846,282	23,021,455
IRR on Net Cash Flow (per annum Effective)		14.92%											
Fund Management Fees													
Management Fee *	1.00%	per annum	69,976	139,953	139,953	139,953	139,953	139,953	139,953	139,953	139,953	139,953	69,976
Other Fees (Manual Input)			-	-	-	-	-	-	-	-	-	-	-
Cash Flow Available for Investors			(13,295,385)	1,314,539	1,417,922	1,524,425	1,717,994	1,563,799	1,415,417	889,772	877,929	1,706,330	22,951,479
Target Distributions (% p.a)	(WA)	8.00%	3.33%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	3.33%
Funds Under Management													
Working Capital Balance	13,995,259	209,474 Minimum Balance	221,100	407,184	697,134	1,092,430	1,663,856	2,124,948	2,452,499	2,214,998	2,017,206	2,534,682	-
Equalisation			233,365	194,918	298,302	404,804	598,374	444,178	295,797	(229,849)	(241,692)	586,709	(2,584,906)
Interest on Working Capital	0.00%	per annum	-	-	-	-	-	-	-	-	-	-	-
Distributions													
Investor's Cash Flow (Initial Contribution and Distributions)			(13,528,750)	1,119,621	1,119,621	1,119,621	1,119,621	1,119,621	1,119,621	1,119,621	1,119,621	1,119,621	25,536,385
IRR on Investor's Cash Flow (per annum Effective)		12.82%											
NPV @ Discount Rate of	10.00%	2,864,581											

Footnotes

1. Interest Rate Cover is the ratio of the Property Net Cash Flow (Before Interest and Tax) to the total Interest and Loan Fees charged.
2. Interest on Working Capital are applied per annum on a nominal basis.
3. All interest is calculated on a per annum Nominal basis.