



## PROPERTY INVESTMENT REPORT



PIR 1110  
REDBANK PLAINS QLD  
STRATA DEAL

POSITIVE REAL ESTATE PTY LTD  
Suite 3, Level 2, 11 Albany St  
St Leonards  
NSW 2065

P: +61 1300 365 886  
F: +61 2 8282 4432

[WWW.POSITIVEREALESTATE.COM.AU](http://WWW.POSITIVEREALESTATE.COM.AU)

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## DISCLAIMER

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Positive Real Estate Pty Ltd does not provide advice on investments. All interested parties must rely on their own research before making any investment decision and should seek advice from a qualified Financial Planner or similar professional.

The information contained within this document has been compiled from various sources to assist you in conducting your due-diligence. Please ensure you validate all information contained within this document. All sources for information contained within this Property Summary will be disclosed at your request. Positive Real Estate Pty Ltd will not accept responsibility for inaccurate information provided from external sources or third parties.

As part of your due-diligence, it is the Purchaser's responsibility to seek a legal opinion of the contract and any additional terms or clauses. You must adhere to the terms, conditions and subject clauses contained within the contract of sale. We note that Positive Real Estate Pty Ltd has made a number of assumptions when preparing this analysis – these assumptions have a material impact on the financials and therefore should be assessed carefully by investors.

# PROPERTY SNAPSHOT – REDBANK PLAINS QLD



## INVESTMENT BRIEF

**DEMOGRAPHICS** South East Queensland is the fastest growing region in Australia. Ipswich has the capacity to be the next Parramatta of South East QLD.

**INFRASTRUCTURE** Massive infrastructure as situated in the triangle of Brisbane, Ipswich & the Gold Coast.

**YIELD VARIATION** Demand continuing to increase

**SUPPLY AND DEMAND** Very few vacant land properties

**POPULATION** Redbank Plains 9,000

INVESTMENT TYPE	Strata Title Opportunity
STAGE	Complete
ZONING	Residential
INTERNAL SIZE	100 sq each approx
PROPERTY AGE	built late 1980's
FURNISHED	No
LENDING CATEGORY	70-80%

## STATISTICS

**INVESTMENT** From \$680,000  
\$50,000 less than asking price (\$730,000)

**RATES** \$5,850 pa (for 4 units)

**WEEKLY RENT** \$930 pw

**VACANCY ESTIMATE** Low

**GROSS YIELD** 7.1%

**NET YIELD** 5.2%

**IMPLIED TAX RATE** 40%

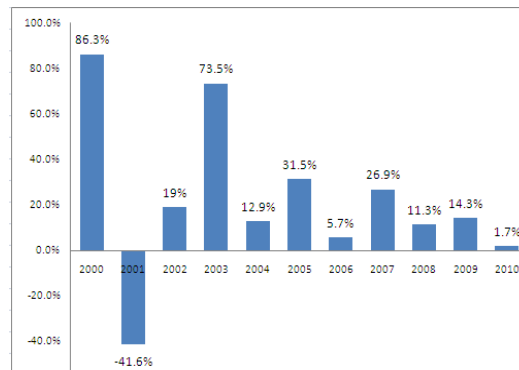
**YR1 PRE TAX CASH FLOW P.A.** **-\$15,669**

**YR1 AFTER TAX CASH FLOW P.A.** **-\$5,014**

**BUYERS FEE** **\$12,995+GST**

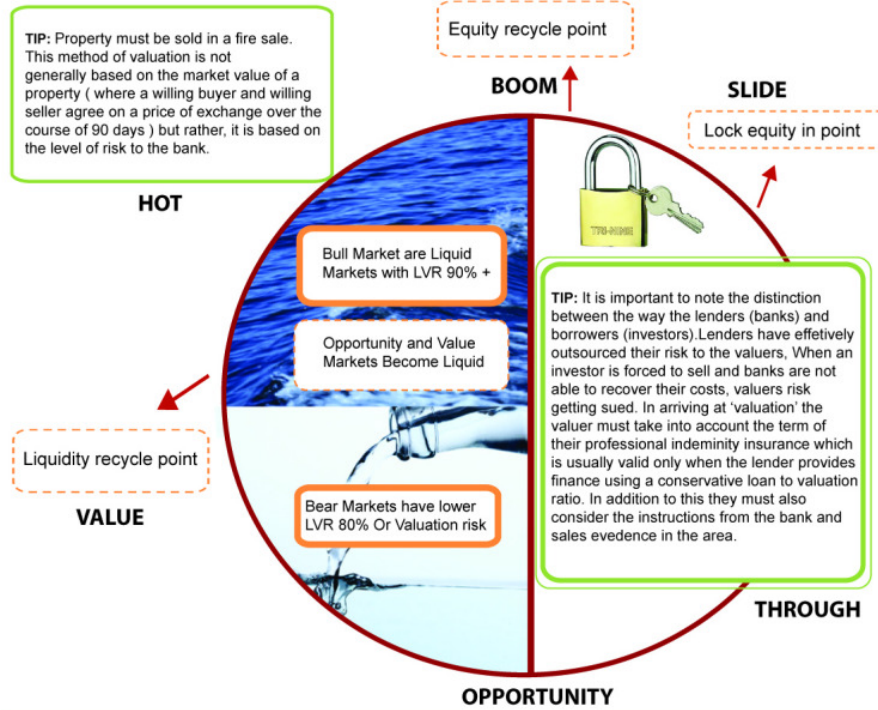
LAST CYCLE PEAK  
2007

MARKET TIMING Bottom of Market



**Note:** Completed on 100% finance. For more financial information see property financial details. Buyers please be aware that all information has been collected by third parties and buyers need to conduct their own further due diligence on all aspects suggested within this report.

# LIQUIDITY METER



**Micro Liquidity Meter.** A property market goes through peaks and troughs. Funders (Banks) like to know they can reduce their risk and exposure in markets by ensuring that what they lend to Investors can be easily regained upon liquidation of the property. PRE generally offers properties in Opportunity and Hot Markets. The above fig 1.1 tries to explain how a property can go from being in a Bear market that is illiquid where lending is usually at an 80% LVR or where valuations can differ from Market Value by 5% in variation. Fig 1.1 conversely shows a Bull market that is considered liquid; valuation and LVR% are generally very firm. Bull Markets have very high property clearance levels, banks can liquidate the property fast if there is a forced sale, Bull Markets allow funders to control risk. So Loan Values are often high and valuations are firm.



# PROPERTY OVERVIEW

Positive Real Estate has brokered a fantastic investment opportunity in Redbank Plains, Queensland. The property is strategically positioned in the South East Queensland growth corridor, part way between Brisbane and Ipswich. The property is a block of four units, 2 bedrooms, 1 bathroom, and 1 lock up garage. Two of the unit are already renovated, we have take into account that the two un-renovated units need \$10,000 spent on a refurb. The unit complex is within an easy walk to shops, schools and public transport.

## KEY INVESTMENT POINTS:

- 2 double bedrooms with built in robes
- 1 bathroom with separate shower
- Very neat and tidy kitchen
- Single lock up garages with the laundry at the rear
- Private fully fenced rear yards
- 29% Growth in the past 36 months
- 10.2% Long term trend growth
- Purchasing under the median unit price of \$295,000 (per unit)
- 30km to Brisbane CBD
- 15km to Ipswich CBD
- **The property was un-affected by flooding please see page (15)**

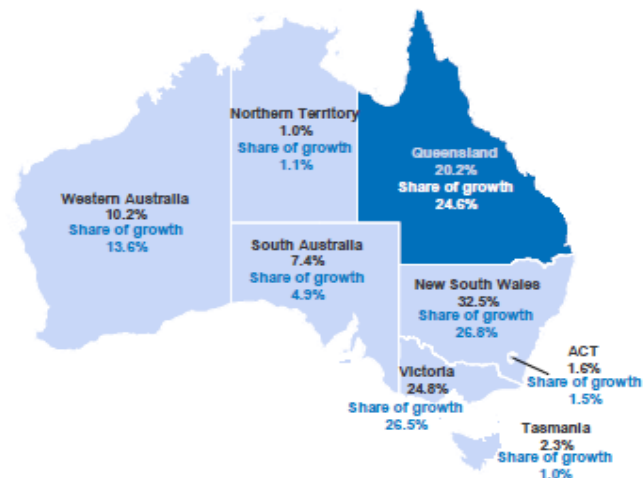
## Redbank Plains 4301

### Property Prices

12 months to January 2011

	HOUSES		UNITS	
	Redbank Plains	LGA Ipswich	Redbank Plains	LGA Ipswich
Median Prices	\$300,000	\$320,000	\$295,000	\$273,000
Long Term Trend	11.8%	11.2%	10.2%	9.0%
Auction Clearance Rates	34.8%	23.7%	SNR	33.3%
Days on Market	123 days	111 days	SNR	130 days
Discounting	9.4%	8.0%	SNR	10.1%

Figure 1.1: Proportion of national resident population at 31 December 2009 and share of national population growth, year to 31 December 2009



## BUY, STRATA, 2 YEAR HOLD (SELLING IN 2013)

<b>Buy,Reno,Strata</b>		
<b>Gross Realisation</b>	<b>\$943,824</b>	<b>4x \$210,000 (6% growth rate p.a)</b>
Purchase Price	\$680,000	
Renovation Costs	\$20,000	2x Reno (\$20,000)
Stamps and legals (approx)	\$27,700	Stamps \$26,000 + legals \$1,700
Strata related costs (surveyor + DA etc)	\$25,000	
Holding Costs	\$10,000	2 years holding
Sales Costs	\$21,000	
Miscellaneous	\$5,000	
Buyers Fee	\$12,995	
<b>Total Costs (approx)</b>	<b>\$801,695</b>	
<b>Total Net Profit before tax</b>	<b>\$142,129</b>	
<b>Profit to Risk as a %</b>	<b>17.73%</b>	

**REFINANCING THE PROPERTY IN 6-9 MONTHS WHEN A STRATA IS DONE. E.G FOUR PROPERTIES ON ONE TILE BECOMES FOUR PROPERTIES ON FOUR TITLES – HIGHER LVR% BECOMES AVAILABLE – GET YOUR CASH OUT!**

- **Once the property is strata titled you will be able to increase the LVR to 90%**
- **Total costs is \$250,195 approx**
- **\$212,000 equity available for redraw once strata titling is complete (Based on 90%LVR of Gross Realisation of \$840,000)**

## PRICE LIST

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23 HENTLEY STREET, REDBANK PLAINS \$680,000.

**PLEASE NOTE THAT THE PURCHASE PRICE MAY VARY, AS THE PROPERTY IS ON THE OPEN MARKET, AND THE DEAL IS LIVE.**

## TENANCY DETAILS

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Currently tenanted with a rental income of \$930 per week  
Good solid leases in place  
3 of the 4 tenants have been there for a considerable time  
Unit 2 are the only tenants that are on their first term.

**Unit 1**

1/23 Henty / Front LHS – Rent \$220pw lease expiry 26/7/2011

**Unit 2**

2/23 Henty / Rear LHS – Rent \$250pw lease expiry 8/4/2012

**Unit 3**

3/23 Henty / Rear RHS - Rent \$230pw lease expiry- 24/9/2011

**Unit 4**

4/23 Henty / Front LHS - Rent \$240pw lease expires 16/8/2011.

## COUNCIL APPROVAL FOR STRATA

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- PRE has spoken to Ipswich City Council regarding strata titling the 4 units at 23 Henty Drive Redbank Plains
- They have said verbally it can be done
- The two properties next door have been strata titled (please see photos below, the properties are a similar block of units and are similar in lay-out)
- The property will have to comply with the strata titling conditions eg parking water meters etc





## PROPERTY PHOTOS



















# THE PROPERTIES CONDITION

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**HARCOURTS GOODNA**  
Suite 2, St Ives Professional Centre  
Smiths Road, Goodna Qld 4300  
P.O. Box 16  
Goodna Qld 4300  
Telephone: 07 3819 1822  
Facsimile: 07 3813 4044  
Website: [www.harcourts.com.au](http://www.harcourts.com.au)  
ACN 097 207 675 ABN 37 297 207 675

April 21, 2011

## TO WHOM IT MAY CONCERN

**Re: 23 HENTY DRIVE REDBANK PLAINS QLD 4301**

This is to acknowledge that the property at 23 Henty Drive Redbank Plains Qld 4301 was not flooded in the Queensland January flooding event of 2011.

Whilst this statement contained herein is based on what we believe to be accurate and reliable information, I do not warrant the preciseness of any statement or opinion herein and no liability whatsoever is accepted by me for the chance of error, omission or on any other account.

Yours faithfully  
**HARCOURTS GOODNA**

  
**GEORGE COLLIS**  
Sales Consultant.



## LOCATION AND SURROUNDINGS

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Redbank Plains is an eastern suburb of Ipswich, Queensland in Australia. The suburb is a neighbor of a similar suburb (Redbank) which contains a large shopping mall called Redbank Plaza. Redbank Plains has mostly residential streets and two shopping centres as well as a fitness centre. The Redbank Plains Library (a branch of the Ipswich Library Service) is a great community facility situated in Redbank Plains. It has services and resources for the whole family.

The suburb is bisected by the Ipswich Motorway and there is a Redbank station on the Ipswich railway line that services the suburb. The nearby Redbank Workshops caters for Citytrain and other Queensland Rail train repairs and maintenance. The Brisbane River is the northern boundary of the suburb.



## TRANSPORT

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Redbank railway station provides access to regular Citytrain services to Brisbane, Ipswich and Rosewood via Ipswich. The standard off peak trains heading for the city depart every 16 and 46 past the hour.

## PARKS AND SPORTS FACILITIES

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- Ipswich Racecourse
- Ipswich Knights Soccer Club
- Ten Pin Bowling and Roller Skating Centre
- Bundamba Swim Centre Public Pool
- Rotary Pk
- Alfred Seymour Pk

Ipswich area has the capacity to be the next Parramatta of SE QLD. For years Ipswich has been the city of promise now that promise is being fulfilled.

# ING INDUSTRIAL ESTATE - REDBANK

Invest now in Ipswich - Australia's fastest growing city.

## POPULATION GROWTH

205% increase by 2031. Australia's fastest growing city, Ipswich City population is expected to increase from 142 400 in 2006 to 435 000 by 2031.

Source: SEQ Regional Plan 2009-2031, Qld Government

## ECONOMIC GROWTH

159.2% increase by 2026 with 80 000 new jobs in the city and many more in the region. Ipswich City's economy is expected to grow from \$4.9billion to \$12.7billion by 2026.

Source: Economic Development Plan for Ipswich City 2009-2031

## INFRASTRUCTURE INVESTMENT \$16.95b

The Government is investing in excess of \$16.96billion in the Western Corridor across a range of significant transport, health, education and community projects.

Source: SEQ Regional Plan & Program 2009-2026, Qld Government

## PERFECT ZERO RISK INVESTMENT

\*Aspire is not only perfectly located immediately adjacent to the Ipswich City Council's signature redevelopment of the Town Square, but also comes with an optional 5 year lease by a public company eliminating any tenancy risk!

IDEAL for Super Funds!

The State Government has released the SEQ Regional Plan, which identifies an additional 1 million people in the SEQ Region over the next 20 years. Ipswich already has in place the strategic planning framework which enables delivery of the Regional Plan and Industrial Plans.

- Goodna Bypass, 2.3 billion
- Western corridor Recycled water project, \$1.7 billion
- **C- 17 Globe master, \$2 billion.** Amberley RAAF Base Redevelopment. Employment to grow from 3,500 to 6,500 by 2010. IPSWICH will become the nation's epicentre of aerospace when the next phase of RAAF Base Amberley is constructed. Details of the Aerospace and Defence Support Centre - Amberley (ADSC) have been announced and the large project is predicted to bring thousands of jobs to Ipswich when construction begins in 2012. The KoBold Group has planned the project and said it would position Ipswich as a global leader in aerospace and defence industries.
  - Stage 2 - \$285 million, estimated completion 2007- 2009
  - Stage 3 - \$331.5 million, estimated completion 2010
- Amberley Aerospace Park \$170 million
- Ipswich River link - \$200 million 1500 jobs
- Extension of Centenary Highway (Springfield - Ripley- Yamanto), \$345 million
- Centenary Highway duplication and Rail extension Darra to Springfield, \$840 million
- Ipswich Logan Motorway Interchange Upgrade \$255 million
- Warrego Highway to Cunningham Highway Connection, \$86 million
- Darra to Springfield Rail Extension \$320 million
- Southern Regional Water pipeline - \$650 - \$ 700 million
- Swan bank Enterprise park \$470 million, 700 jobs during construction, and 750 jobs during operation.
- Aspire Apartments \$65 million

- Orion Shopping Centre - \$155 million
- Capral \$120 million and 330 jobs
- Australian Seamless tube project, \$545 million, 950 jobs
- Ripley Valley Residential development – 120,000 residents by 2030
- \$1 billion Citiswitch/ Lang Walker

#### River heart

- Partnership between Council and State Government to revitalise the Ipswich CBD for retail, recreation and cultural experiences using the Bremer River as a vibrant component

#### River link

- \$200 million retail development – over 135 retail and specialty shops and 2300 car spaces – the majority undercover
- River front precinct comprising restaurants and cafes
- River walk around the site with terraced grounds to the river
- Pedestrian walkway using historical rail buttresses over river

#### \$50 MILLION DEVELOPMENT APPROVED FOR IPSWICH CENTRAL

Excel Development Group will build the NEW seven storey office tower will feature in the redevelopment of the former Super Cheap Auto site in East Street Ipswich. The project also includes an 11 storey tower of residential apartments in Wharf Street.

**Table E.2. Employment by Industry Sector 2008 – 2026**

Industry Sector	2008	2026	Change
Agriculture, Forestry and Fishing	637	495	-142
Mining	360	360	-
Manufacturing	9,842	28,072	18,230
Electricity, Gas and Water	611	1,546	935
Construction	2,946	5,718	2,771
Wholesale Trade	1,420	7,127	5,706
Retail trade	8,314	18,720	10,405
Accommodation, Cafés and Restaurants	1,727	7,515	5,788
Transport and Storage	2,596	7,043	4,447
Communication Services	445	1,127	682
Finance and Insurance	751	1,908	1,156
Property and Business Services	4,271	10,842	6,571
Government Administration and Defence	4,507	9,216	4,709
Education	4,848	9,290	4,442
Health and Community Services	6,178	12,754	6,577
Cultural and Recreational Services	781	4,009	3,228
Personal and Other Services	1,555	5,330	3,775
<b>Total</b>	<b>51,789</b>	<b>131,071</b>	<b>79,282</b>

Source: AECgroup



## EDUCATION

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- Redbank Plains Pre School
- Redbank Plains State High School
- C & K Redbank Plains Community Kindergarten
- Staines Memorial College

### **Colleges and universities**

- University of Queensland, Ipswich
- Auto Trade College, Bundamba
- Bremer Institute of TAFE, Ipswich, Bundamba & Goodna
- University of Southern Queensland, Springfield

### **Secondary schools**

- Bremer State High School
- Bundamba State Secondary College
- Ipswich Girls' Grammar School, established 1892
- Ipswich Grammar School, established in 1863, first school to open as a result of the Grammar Schools Act of 1860
- Ipswich State high School
- Redbank Plains State High School
- Rosewood State High School
- Saint Edmund's College
- Saint Mary's College
- St Augustine's College Springfield
- St Peter Claver College
- West Moreton Anglican College, Karrabin
- Westside Christian College

### **Primary schools**

- Kruger Primary School
- Redbank Primary School
- Goodna State School, established in 1870.
- Ipswich State School
- Silkstone State School
- St Marys Primary school
- St Josephs Primary School
- Brassall State Primary School
- North Ipswich State Primary School
- East Ipswich State Primary School
- West Ipswich State Primary School
- Central State Primary School
- Bundamba State Primary School
- Blair State Primary School
- Karalee State Primary School
- Tivoli State Primary School
- Churchill State Primary School

Ipswich is becoming known nationally and internationally for providing quality educational services, catering for all levels of schooling from pre-school to university.



Ipswich Girls Grammar School



St Edmund's College



St Mary's College



Unique model in Australia, bringing together a range of education, training and learning providers on one campus. Current tenants include USQ, UIL, Bremer TAFE, ABC learning Training Facility, Australia City College, STS and primary and secondary colleges

- Opened in March 2006
- 18ha, 232 000m<sup>2</sup> precinct
- Total project cost \$1 billion over 10-12 years
- Current student population 1500 – projected 10 000+
- Stage 1 – 24 000m<sup>2</sup> opened at a cost of \$85 million
- Total project cost \$1 billion over 10-12 years

## ATTRACTIONS

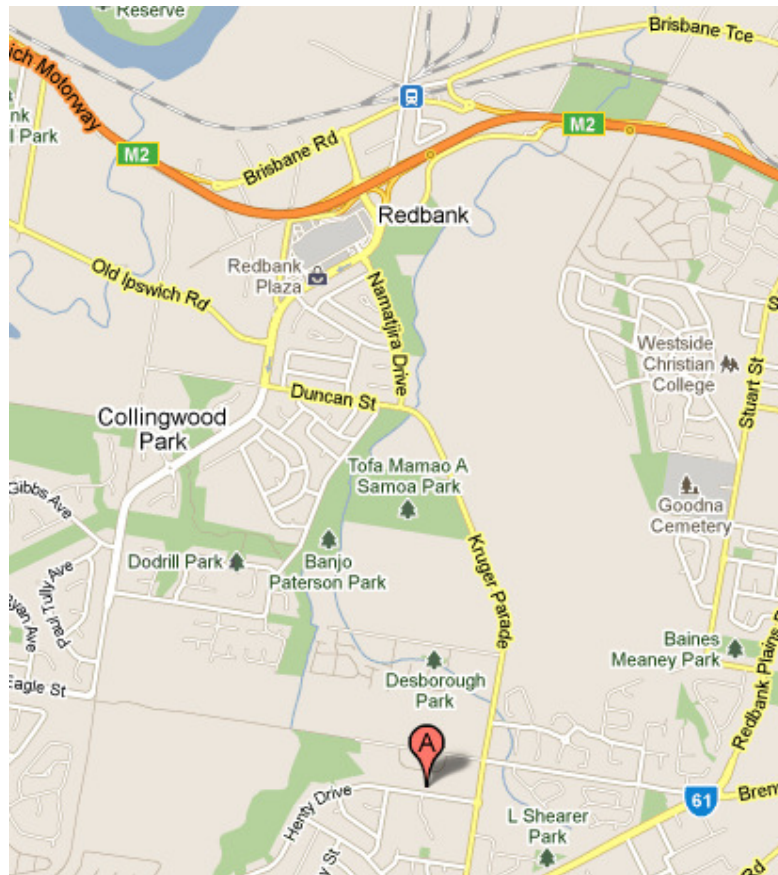
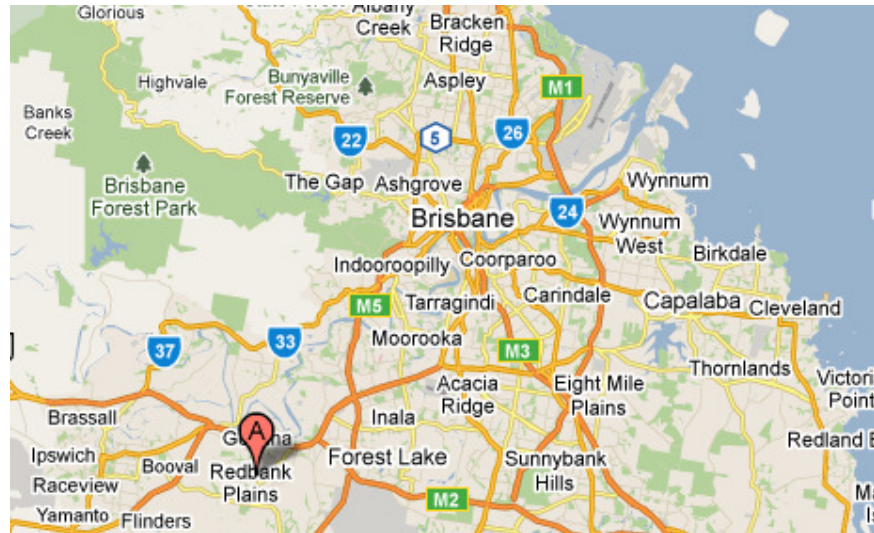
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### IPSWICH RACE COURSE

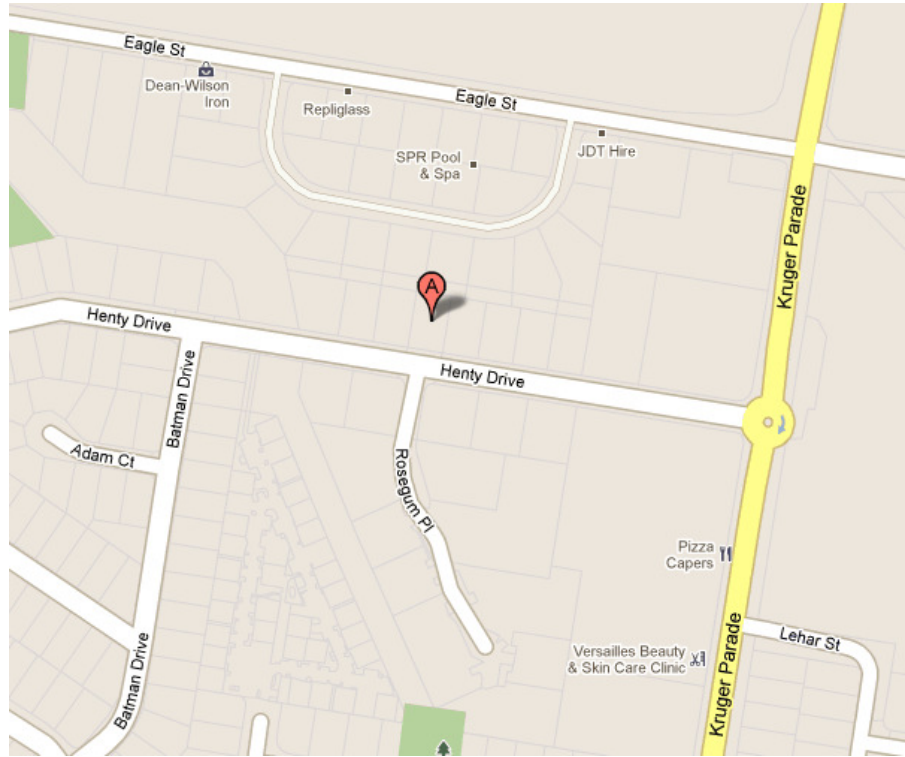
Ipswich Turf Club's Racecourse is about 32 Kilometres from Brisbane and situated in the metropolitan suburb of Bundamba. The race course has a course proper circumference of 1,746 metres and a straight of 300 metres, a relatively short straight and the race course generally favours horses which like racing close to the lead



# LOCATION MAP



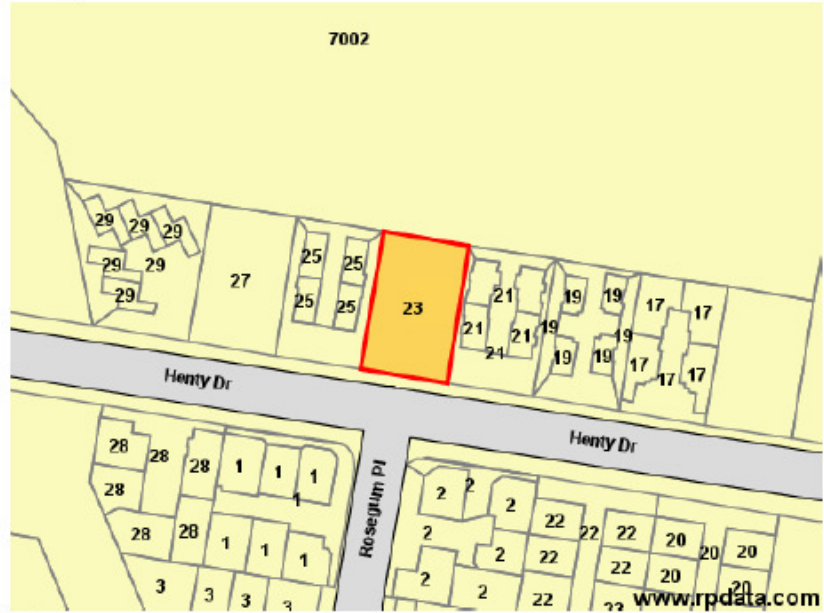






# GOOGLE EARTH MAP

Cadastral Map



Aerial Photo



# PROPERTY FINANCIAL DETAILS

## DATA REPORT-



Market Value \$730,000  
 Purchase Price \$680,000  
 Deposit \$136,000  
 Purchase Costs \$28,331

Block of Units  
 Bedrooms 2  
 Bathrooms 1  
 Single Garage

23 Henty Drive  
 Redbank Plains QLD



Scenario: 1  
 \$930 pw

10 Year Forecast											
Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Capital Growth &amp; Property Value</b>											
Capital Growth	-	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Value Added	-	0	0	0	0	0	0	0	0	0	0
Renovations	-	0	0	0	0	0	0	0	0	0	0
Property Market Value	730,000	817,600	915,712	1,025,597	1,148,669	1,286,509	1,440,890	1,613,797	1,807,453	2,024,347	2,267,269
<b>Loan &amp; Equity</b>											
Loan Amount	544,000	544,000	544,000	544,000	544,000	544,000	544,000	544,000	544,000	544,000	544,000
LOC Limit	-	0	0	0	0	0	0	0	0	0	0
Loan to Value Ratio (LVR)	75%	67%	59%	53%	47%	42%	38%	34%	30%	27%	24%
Equity in Property	186,000	273,600	371,712	481,597	604,669	742,509	896,890	1,069,797	1,263,453	1,480,347	1,723,269
Equity for Refinance at LVR	40,000	110,080	186,570	276,478	374,935	485,207	608,712	747,038	901,962	1,075,478	1,269,815
Buying Power	200,000	558,400	942,040	1,382,398	1,874,676	2,426,038	3,043,560	3,735,188	4,509,812	5,377,038	6,349,079
<b>Rental Income</b>											
Gross Rental Income	-	47,940	49,368	50,647	52,377	53,998	55,990	57,273	59,007	60,792	62,628
Gross Rental Yield	-	7.1%	7.3%	7.5%	7.7%	7.9%	8.2%	8.4%	8.7%	8.9%	9.2%
Net Rental Yield	-	5.2%	5.4%	5.6%	5.7%	5.9%	6.1%	6.3%	6.5%	6.7%	6.9%
<b>Annual Expenses</b>											
Loan Interest Rates	-	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Loan Interest Payments	-	38,440	39,440	39,440	39,440	39,440	39,440	39,440	39,440	39,440	39,440
Principal Repayments	-	0	0	0	0	0	0	0	0	0	0
Property Expenses	-	12,255	12,622	13,000	13,391	13,794	14,208	14,636	15,076	15,529	15,997
Additional Expenses	-	0	0	0	0	0	0	0	0	0	0
Interest on Equity Funds Used	-	11,914	11,914	11,914	11,914	11,914	11,914	11,914	11,914	11,914	11,914
Interest on LOC Funds Used	-	0	0	0	0	0	0	0	0	0	0
Total Annual Expenses	-	63,609	63,976	64,354	64,745	65,148	65,562	65,990	66,430	66,883	67,351
<b>Depreciation &amp; Tax Deductions</b>											
Depreciation	-	15,000	13,000	13,000	10,000	10,000	8,000	8,000	6,000	6,000	4,000
Total Deductions	-	78,789	77,156	77,354	74,925	75,326	73,562	73,980	72,430	72,883	71,351
Net Profit/(Loss)	-	(30,849)	(27,789)	(26,697)	(22,548)	(21,370)	(17,372)	(16,717)	(13,423)	(12,091)	(8,723)
Estimated Tax Return/(Payable)	-	14,855	9,737	9,436	8,165	7,911	6,650	6,196	4,967	4,474	3,228
<b>Pre Tax Cashflow</b>											
Pre Tax Cashflow PA	-	(15,569)	(14,608)	(13,507)	(12,368)	(11,190)	(9,372)	(8,717)	(7,423)	(6,091)	(4,723)
Pre Tax Cashflow PW	-	(301)	(301)	(260)	(238)	(215)	(192)	(168)	(143)	(117)	(91)
<b>After Tax Cashflow</b>											
After Tax Cashflow PA	-	(5,014)	(4,871)	(4,101)	(4,203)	(3,376)	(3,322)	(2,531)	(2,456)	(1,617)	(1,455)
After Tax Cashflow PW	-	(96)	(94)	(79)	(81)	(65)	(64)	(49)	(47)	(31)	(25)

Dis claimer: Property Investment Calculator accepts no liability for the accuracy of this report. Always consult a qualified accountant or financial advisor before making financial investment decisions. © MV Software Pty Ltd 2016. www.propertyinvestmentsoftware.com.au

Scenario: 1  
 \$930 pw

 23 Henty Drive  
 Redbank Plains QLD

 Block of Units  
 Bedrooms 2  
 Bathrooms 1  
 Single Garage

 Market Value \$730,000  
 Purchase Price \$680,000  
 Deposit \$136,000  
 Purchase Costs \$28,331

**Financial Summary**
[www.propertyinvestmentssoftware.com.au](http://www.propertyinvestmentssoftware.com.au)

Capital Expenses				Annual Income & Expenses				Tax & Market Factors	
<b>Property Value</b>				<b>10 Year Average Rental Increased by CPI</b>				<b>Actual Depreciation Schedule</b>	
Description	Amount	Year	Average PW	Wks Vacant	Rent PA	Year	Amount		
Market Value at Year	2011 730,000	Year 1	940	1	47,940	Year 1	15,000		
Purchase Price	680,000	Year 2	968	1	49,338	Year 2	13,000		
Value vs Purchase	7% 50,000	Year 3	997	1	50,847	Year 3	13,000		
		Year 4	1,027	1	52,377	Year 4	10,000		
		Year 5	1,050	1	53,950	Year 5	10,000		
		Year 6	1,090	1	55,530	Year 6	8,000		
		Year 7	1,123	1	57,273	Year 7	8,000		
		Year 8	1,157	1	59,007	Year 8	6,000		
		Year 9	1,192	1	60,792	Year 9	6,000		
		Year 10	1,228	1	62,628	Year 10	4,000		
<b>Due Diligence Costs</b>				<b>Annual Property Expenses</b>				<b>10 Year Average Capital Growth</b>	
Description	Fund	Amount	Description	Amount	Description	Amount			
Building Inspection	Equity	300	Rates	2,860	Average Annual Capital Growth	12%			
Pest Inspection	Equity	200	Land Tax	0					
Other	Cash	0	Building Insurance	300	<b>Consumer Price Index (CPI)</b>				
Other	Cash	0	Body Corporate	3,000	Description	Amount			
Total		500	Repairs & Maintenance	1,200	10 Year Average	3%			
			Cleaning	0	<b>Annual Income</b>				
			Service Contracts	0	Investor	Ownership	Amount	Tax Bracket	
			Garden and Lawn Maintenance	0	Investor 1	100%	100,000	37%	
			Letting Fee	940	Investor 2	0%	0	0%	
			Other	0					
			Other	0					
			Property Management Fee %	8%					
			Total	500	<b>Additional Annual Expenses</b>				
					Year	Fund	Amount		
					Year 1	Cash	0		
					Year 2	Cash	0		
					Year 3	Cash	0		
					Year 4	Cash	0		
					Year 5	Cash	0		
					Year 6	Cash	0		
					Year 7	Cash	0		
					Year 8	Cash	0		
					Year 9	Cash	0		
					Year 10	Cash	0		
					Total		0		
					Value Add Margin	0%	0		
					<b>Loan Details</b>				
					Description	Amount			
					Loan Type	Interest Only			
					Loan Term (Years)	25			
					Loan Amount	544,000			
					Loan to Value Ratio (LVR)	80.0%			
					<b>10 Year Average Interest Rate</b>				
					Description	Loan	Equity	LOC	
					Rate %	7%	7%	0%	
					<b>Line of Credit</b>				
					Year	Limit	Drawdown	Balance	
					Year 1	0	0	0	
					Year 2	0	0	0	
					Year 3	0	0	0	
					Year 4	0	0	0	
					Year 5	0	0	0	
					Year 6	0	0	0	
					Year 7	0	0	0	
					Year 8	0	0	0	
					Year 9	0	0	0	
					Year 10	0	0	0	
					Total	0	0	0	
					<b>Selling Costs</b>				
					Description	Amount			
					Agent Selling Commission %	0%			
					Advertising	0			
					Legal Fees	0			
					Other	0			
					Other	0			

## ANALYSIS REPORT-

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April 21, 2011



**HARCOURTS GOODNA**  
Suite 2, St Ives Professional Centre  
Smiths Road, Goodna Qld 4300  
P.O. Box 16  
Goodna Qld 4300  
Telephone: 07 3818 1822  
Facsimile: 07 3818 4044  
Website: [www.harcourts.com.au](http://www.harcourts.com.au)  
ACN 097 207 675 ABN 37 697 207 675

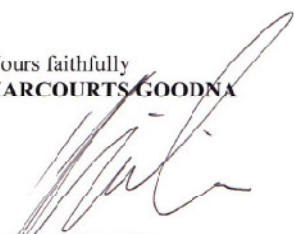
**TO WHOM IT MAY CONCERN**

**Re: 23 HENTY DRIVE REDBANK PLAINS QLD 4301**

I have recently inspected the above property and wish to advise that in my opinion as a Real Estate Agent, with a sound knowledge of the Real Estate Market in this area that the property is currently rented at \$940.00 per week however I estimate that the property could rent for approximately \$240.00 - \$250.00 per week per unit.

Whilst this statement contained herein is based on what we believe to be accurate and reliable information, I do not warrant the preciseness of any statement or opinion herein and no liability whatsoever is accepted by me for the chance of error, omission or on any other account.

Yours faithfully  
**HARCOURTS GOODNA**

  
**VAS VASSILIOU**  
**PRINCIPAL**



**HARCOURTS GOODNA**  
Suite 2, St Ives Professional Centre  
Smiths Road, Goodna Qld 4300  
P.O. Box 16  
Goodna Qld 4300  
Telephone: 07 3818 1822  
Facsimile: 07 3818 4044  
Website: [www.harcourts.com.au](http://www.harcourts.com.au)  
ACN 097 207 675 ABN 37 097 207 675

April 21, 2011

## TO WHOM IT MAY CONCERN

**Re: 23 HENTY DRIVE REDBANK PLAINS QLD 4301**

I have recently inspected the above property and wish to advise that in my opinion as a Real Estate Agent, with a sound knowledge of the Real Estate Market in this area that if the property was to be strata titled and the individual units sold in the current market then each of the units would sell in the range of \$195,000 to \$210,000.

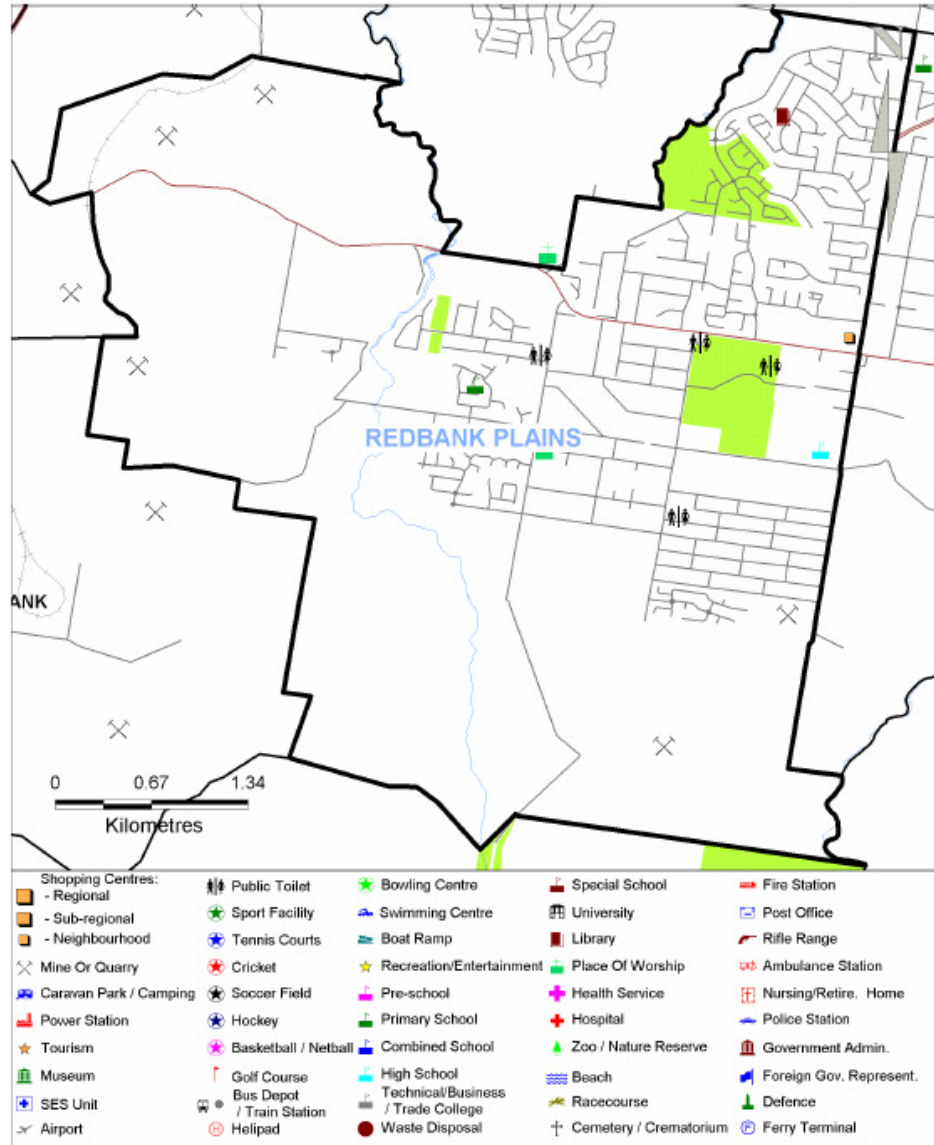
Whilst this statement contained herein is based on what we believe to be accurate and reliable information, I do not warrant the preciseness of any statement or opinion herein and no liability whatsoever is accepted by me for the chance of error, omission or on any other account.

Yours faithfully  
**HARCOURTS GOODNA**

  
**GEORGE COLLIS**  
Sales Consultant.

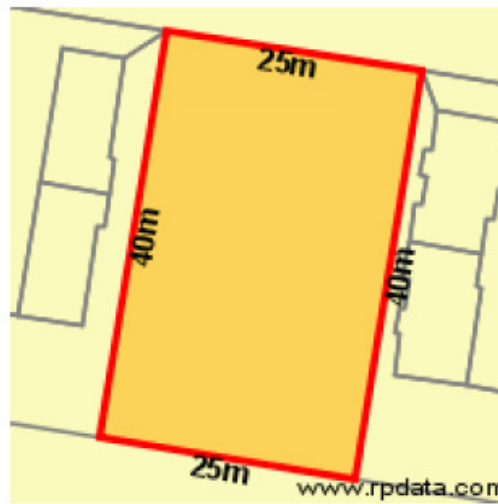


# AREA MAP





## APPENDIX II | SITE PLANS

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# APPENDIX IV | COMPARABLE SALES

## BELOW PROPERTY - SAME STREET

REDBANK PLAINS		2	1	1
	<b>22 HENTY DVE, REDBANK PLAINS</b> L3 GTP3229-PAR GOODNA UBD Ref: Brisbane - 236 B1	\$ 220,000	26/08/2010	197 m <sup>2</sup>
REDBANK PLAINS		2	1	1
	<b>25 HENTY DVE, REDBANK PLAINS</b> L4 BUP10367-PAR GOODNA UBD Ref: Brisbane - 236 B1	\$ 220,000	12/03/2010	85 m <sup>2</sup>

## COMPARABLE LISTINGS


Redbank Plains | \$229,000 |    

**5/29 Henty Dr REDBANK PLAINS**  
**Comfortable Living At It's Absolute Best !!!**  
 A simply gorgeous unit, in a lovely complex! This will be a home to be proud of. With 2 Queen sized bedrooms, each with built-in robes and ceiling fans. A lovely, light and airy kitchen wi...

**Ray White**

[More Details](#)





## ABOVE PROPERTY -SAME STREET


Redbank Plains | \$239,000 |    

**new REDBANK PLAINS**  
**WHO WOULDNT LOVE LIVING HERE...**  
 Dont buy anything until you see this fantastic affordable unit. Dreamy is the first thing that comes to mind from the moment you take your first steps through the front door. This lowset two bedroom brick...

**Go Gecko**  
 Property Sales

[More Details](#)

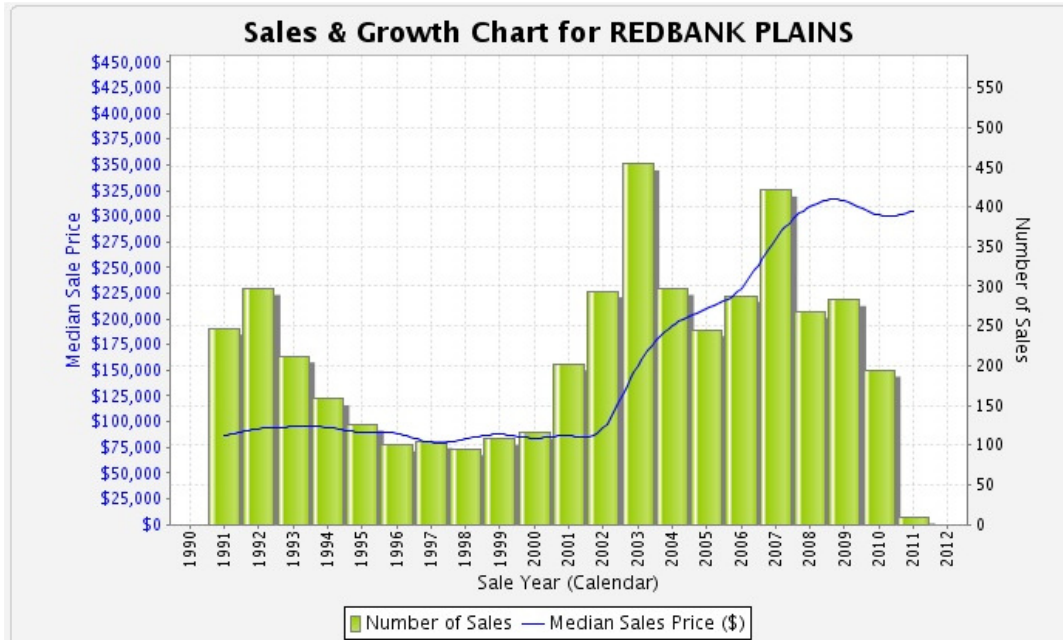
Redbank Plains | \$259,000 NEG |    

**new 4/4 McBrien Court REDBANK PLAINS**  
**Quality home at a budget price**  
 This gorgeous home is situated in a quiet complex, with the majority of the surrounding properties owner occupied. With 2 good sized built-in bedrooms, spacious combined lounge and dining area, and a very mode...  
**Next Open for Inspection**  
 Sat 30 Apr 2011 3.30PM  
 [Add to Inspection Planner](#)

**Ray White**

[More Details](#)

# APPENDIX V | CAPITAL GROWTH RATES



Year	No. of Sales	Average	Median	Growth	Low	High	Q1	Q3	IQR
1991	247	\$85,934	\$86,000		\$16,400	\$160,500	\$78,750	\$93,000	\$14,250
1992	297	\$98,557	\$93,000	8.1%	\$28,500	\$700,000	\$85,000	\$105,000	\$20,000
1993	212	\$97,031	\$95,000	2.2%	\$56,940	\$189,000	\$86,000	\$105,000	\$19,000
1994	158	\$100,934	\$94,500	-0.5%	\$65,000	\$500,000	\$85,000	\$110,000	\$25,000
1995	126	\$90,981	\$89,500	-5.3%	\$19,300	\$180,000	\$80,000	\$104,000	\$24,000
1996	100	\$92,326	\$88,500	-1.1%	\$21,000	\$165,000	\$80,000	\$104,712	\$24,712
1997	104	\$83,015	\$80,000	-9.6%	\$7,500	\$210,000	\$71,812	\$92,625	\$20,812
1998	95	\$84,749	\$83,000	3.8%	\$20,000	\$180,000	\$72,000	\$94,500	\$22,500
1999	108	\$91,832	\$87,750	5.7%	\$21,980	\$240,000	\$77,875	\$100,000	\$22,125
2000	116	\$88,267	\$84,000	-4.3%	\$24,056	\$167,000	\$71,875	\$103,125	\$31,250
2001	202	\$96,218	\$86,500	3.0%	\$15,000	\$350,000	\$77,000	\$105,000	\$28,000
2002	294	\$97,711	\$93,750	8.4%	\$20,000	\$225,000	\$83,000	\$110,000	\$27,000
2003	454	\$156,914	\$154,500	64.8%	\$50,000	\$550,000	\$124,000	\$178,000	\$54,000
2004	297	\$228,629	\$193,000	24.9%	\$60,000	\$6,000,000	\$178,000	\$219,000	\$41,000
2005	245	\$225,846	\$210,000	8.8%	\$115,000	\$1,050,000	\$187,000	\$240,000	\$53,000
2006	288	\$246,388	\$230,000	9.5%	\$139,000	\$800,000	\$202,000	\$260,500	\$58,500
2007	421	\$317,908	\$277,500	20.7%	\$118,000	\$6,350,000	\$248,000	\$335,000	\$87,000
2008	268	\$319,383	\$309,250	11.4%	\$65,000	\$3,100,000	\$265,000	\$346,000	\$81,000
2009	283	\$340,522	\$315,000	1.9%	\$159,000	\$7,500,000	\$277,500	\$350,000	\$72,500
2010	194	\$357,274	\$301,000	-4.4%	\$155,000	\$3,899,465	\$265,000	\$339,750	\$74,750
2011	9	\$311,889	\$305,000	1.3%	\$255,000	\$391,000	\$280,000	\$335,000	\$55,000



# APPENDIX VI | DEMOGRAPHIC DETAILS

## Area Profile

The size of Redbank Plains is approximately 18 km<sup>2</sup>. It has 4 parks covering nearly 4% of the total area.

The population of Redbank Plains in 2001 was 8,738 people. By 2006 the population was 9,081 showing a population growth of 4 % in the area during that time.

The predominant age group in Redbank Plains is 10 - 19 years.

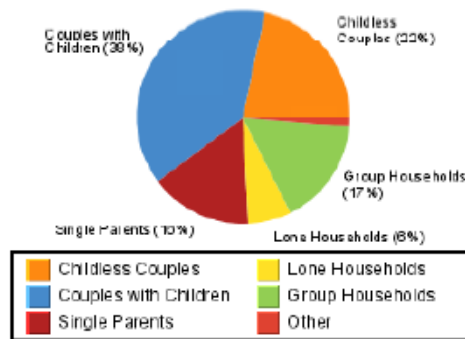
Households in Redbank Plains are primarily couples with children and are likely to be repaying between \$600.00 - \$800.00 per month on mortgage repayments.

In general, people in Redbank Plains work in a non-specific occupation.

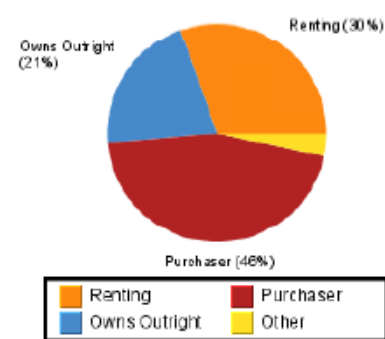
In 2001, 68% of the homes in Redbank Plains were owner-occupied compared with 66% in 2006.

Currently the median sales price of houses in the area is \$293,500.

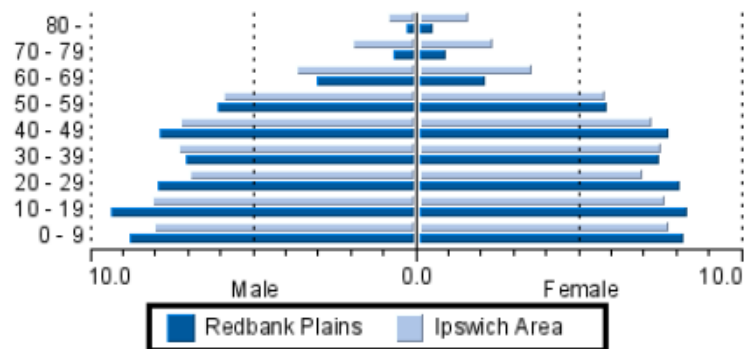
### Household Structure



### Household Occupancy



### Age Sex Ratio



## APPENDIX VII | RISKS

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All investments involve risk. While drivers of growth and other attributes that have a positive effect on an investment have been analysed in depth, it is equally important to be aware of and understand the risks that could have an adverse impact on the investment's performance. Following are some of the risks that investors should consider prior to investing in property:

### **1. Market Value Risk**

This risk relates to the risk of the investment failing to achieve the expected growth. Much of the information we have used in our analysis is predictive and the rate of return may be affected by known and unknown risks and uncertainties. This in turn could result in the re-sale value of the investment not achieving what is expected if the vendor chooses to sell during or following depressed market activity.

### **2. Construction Risk**

This is applied to properties purchased off the plan. Throughout such projects the developer may arrange finance facilities related to the land acquisition, development and construction of the project. This may result in issues arising in the delivery of the product on time and as specified on the contracted terms. Delays in the delivery period would result in opportunity costs as investors funds may not be able to be redirected to alternative investments.

### **3. Rental Yields**

Rental yields fluctuate and are affected by other market factors. They may go up or down depending on factors such as supply, demand, employment, investment in the area and the state of the overall residential market.

### **4. General Risk**

In addition to the risk factors specific to investment in property development projects, there are more general risks that can affect the value of the investment in the development, including:

- The state of Australia's and the world economies
- Movements in inflation and employment
- Changes in socio-economic factors
- Natural or man-made disasters.

### **5. Personal Risk**

Investment strategies will often depend on the income of the investor. Should there be a reduction or loss in the flow of income from the investor it may present a risk in the future ability to hold the investment. These risks may be managed through the appropriate use of income protection insurance, life insurance and trauma insurance.

### **6. Interest Rate Risk**

Movements in interest rates can have a number of effects on an individual property investment. Specifically, an increase in interest rates may have an immediate effect on the costs of holding an investment property. Additionally, sustained interest rate rises may have a lagging effect in the form of reduced sales activity and property growth.

### **7. Policy Risk**

Changes in government policy may affect both holding costs and the expected growth performance of specific property investments. This may result in additional expenditure in order to finance your portfolio and the expected returns.

### **8. Oversupply**

An oversupply in property will have effects on both achievable rents and growth performance. Due to the length of time typically required to construct medium and high density developments, the short term supply curve is inelastic. This means that property supply has an inherent inability to adjust quickly enough to meet demand. A sudden reduction in demand or an unexpected increase in supply may result in oversupply. Typically this risk is most acute towards the end of the property cycle. We do not foresee any short term risk of oversupply in the current market.

### **9. Settlement Risk**

Settlement risks may prevent the purchaser's ability to settle on the property. Typically, these are related to difficulties in obtaining finance through valuation shortfalls at the time of settlement or changes in the purchaser's personal circumstances that result in the refusal of the purchaser's credit application. This may result in the loss of the deposit or any monies owed to the developer. This risk may be managed by obtaining pre-approval of finance (for completed property) prior to exchange of contracts.

## APPENDIX VIII | GLOSSARY OF TERMS

Common terms used by property Investors and Financial Institutions

<b>Application Fee</b>	A fee paid by the borrower to the lending institution for obtaining finance.
<b>Bridging Finance</b>	A short term loan/facility that is often used when buying a new dwelling previous to settling an existing dwelling.
<b>Body Corporate</b>	The term 'Body Corporate' refers to a home owners association charged with the administration of one or more housing units. Owners of the individual dwellings pay a fee to provide for maintenance of common areas and provide cover for repairs that may arise in the future.
<b>Capital Growth</b>	The change in value of an investment. This is calculated by subtracting the purchase price from the current value of the investment and is usually expressed as a percentage. If the price of the capital asset has declined instead, this is called a <b>capital loss</b> .
<b>Comparison Rate</b>	A rate used to compare the borrowing costs from competing lenders. The basis of comparison includes the interest rate and the majority of fees and charges payable during the life of the loan. The figure is expressed in percentage terms. It should be noted that some costs including redraw fees or early repayment fees, and cost savings such as fee waivers, are not included.
<b>Deposit Guarantee</b>	A substitute for a cash deposit used to purchase a property. At the time of settlement, the buyer is required to pay the full purchase price.
<b>Equity</b>	The net value of the asset. This is calculated as the value of the property less any outstanding loans secured by the property.
<b>Gross</b>	The complete amount before deductions for taxation, inflation, or any other various fees that may be incurred. The term 'gross return' refers to the amount of capital growth and yield before taxation, body corporate, fees, inflation and other expenses are taken into account.
<b>Infrastructure</b>	Basic facilities required for a community or society to function as an economy, including transportation, communication, provision of water and power and the public institutions needed for security, welfare, health and education.
<b>Interest in Advance</b>	When interest is charged at the beginning of a period of time. For example, charging the first years interest in the first month of a loan. It is generally only available on fixed rate loans for investment purposes.
<b>Interest Only Loan</b>	A loan facility commonly used for investment loans where the borrower only pays the interest component of the loan for a specific period of time.
<b>Price \$/m2</b>	A measure for determining the relative value of a given property based on the internal size. This is calculated by dividing the purchase price by the internal area (measured in m2) and expressed as dollars per m2.



<b>Real Return</b>	The return on investment, less the reduction in its value as a result of inflation. Real rates are important as they tell you what the actual increase in value is, and how much of a return was less the effect of inflation.
<b>Rental Guarantee</b>	A guarantee by developers to pay an agreed level of rent should a shortfall achievable in the market arise. This is usually based on a percentage of the purchase price.
<b>Valuation</b>	The estimated worth of a project based on comparable sales with projects of a similar type. This is conducted by a registered valuer.
<b>Yield</b>	An annualised rate of return for a given investment. This is calculated as the annual achievable rent expressed as a percentage of the purchase price (or current market value) of paid investment.