

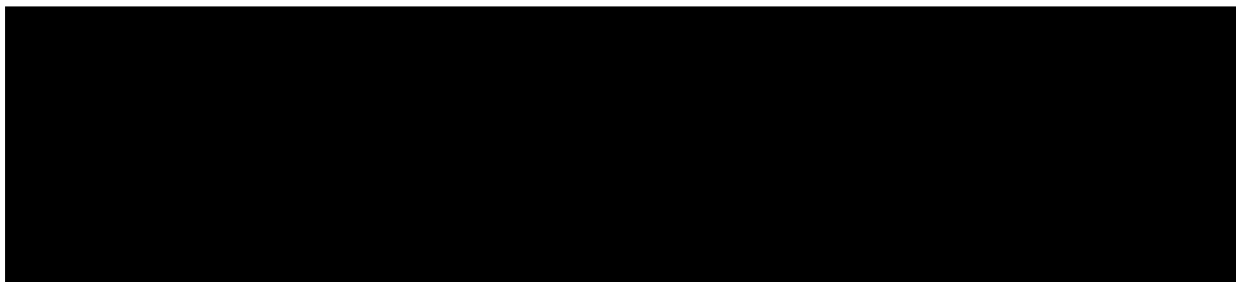


VALUATION PARTNERS

VALUATION REPORT

FOR

MR ERIC WALMSLEY



Reference: 108629

Date: 7 May 2007

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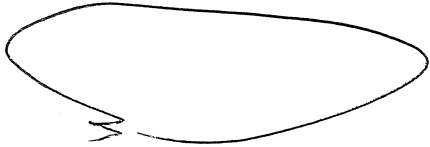
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NATIONAL VALUERS &
PROPERTY ADVISERS



VALUATION PARTNERS

Major improvements include a substantial sized single level, detached, 3 bedroom plus study, 2 bathroom, double brick residence, with Colorbond metal roof, having good overall presentation and condition plus extensive attached verandahs, single attached carport and pergola. The property also comprises a substantial part lockup general purpose shed. Access to the property is via Boundary Road.

Property Description "Proposed Improvements"	:	N/A
Land Area	:	68.9175 hectares
Zoning	:	"Rural 4 - Hills Face" - Shire of Waroona Town Planning Scheme No. 7.
Last Sale	:	Not within the last 3 years.
Valuation "Unaffected"	:	\$1,750,000 (ONE MILLION SEVEN HUNDRED & FIFTY THOUSAND DOLLARS) NET OF GST
Interest Valued	:	Freehold - Land and Buildings
Date of Valuation	:	7 May 2007
Inspecting Valuer	:	 CAMERON MCGREGOR AAPI Certified Practising Valuer <u>Licensed Valuer No. 42003</u>
Disclaimer	:	<i>All data provided in this summary is wholly reliant on and must be read in conjunction with the information provided in the attached report. It is a synopsis only designed to provide a brief overview and must not be acted on in isolation.</i>

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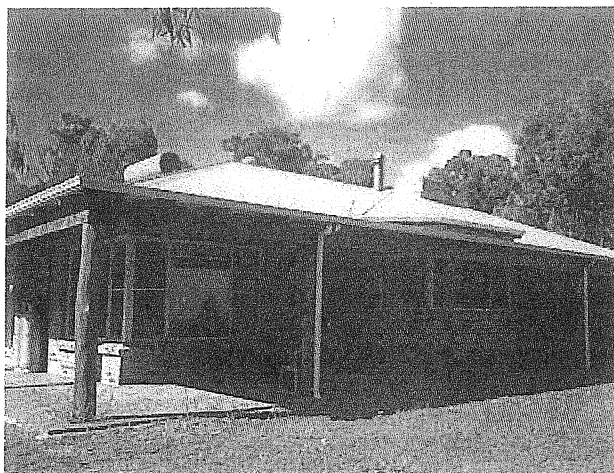


Herron
Todd White

Independent Property Advisors

VALUATION REPORT

Residential Dwelling



As At	12 September 2012
Prepared For	Rural Bank Limited
On Behalf Of	Eric Charles & Kylie Deborah WALMSLEY
Our Ref	SW012346

Busselton

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cladding, metal frame, metal roof; garden shed of 6 sqm with concrete floor, metal cladding, metal frame, metal roof; open sided shed/canopy of 9 sqm with earth floor, metal cladding, timber frame and metal roof. The property has fair external condition, fair internal condition and fair presentation. Land Area 68.9 ha.

ENCUMBRANCES

Easement burden - See sketch of volume 2142 folio 168.

In providing this assessment we have undertaken our best endeavours to source sales from evidence from within the immediate locality that have settled within the last 6 months or lie within 10% of the valuation amount. Although evidence in this report falls outside this range, we have analysed the best sales evidence available to us with comparisons drawn against the subject property on the basis of size and quality of improvements, zoning, presentation and locational attributes.

In undertaking our assessment of value, we have adopted the direct comparison method of valuation based on the best available sales evidence as contained within this report and as a secondary method of valuation we have adopted the summation method based on the underlying land value added to the depreciated replacement cost of the subject improvements.

The subject property is an attractive rural lifestyle lot being situated on the escarpment and in an elevated location with good views back across the coastal plain. The land is predominantly bush and is not currently utilised for rural pursuits. A creek runs through the property and an attractive waterfall adjacent to the residence is considered to add to the overall presentation of the property.

Situated directly adjacent to the subject property is a property owned and operated by the Department of Water. As such there are several large water tanks on the property the sight of which are considered to be a slight detriment. Furthermore there is an easement burden on the title which refers to the right to enter upon a small section of land adjacent to Lot 502 for the purpose of exercising certain water pipeline rights. This is not considered to have any significant affect on the value of the property.

The property is situated within close proximity of the Alcoa Aluminium Refinery. It is within the area designated by the EPA and known as "Wagerup Land Management Plan Area A" which is a special control area covering properties within approximately 3 kilometres of the refinery and which are affected by noise from the refinery. The aim of the plan was to provide affected land owners with an option to move away from the refinery noise to an equivalent property elsewhere. Through the Plan Noise Regulation Strategy 17 has been implemented to achieve continuing noise reductions from the refinery in order that the refinery and the community could coexist. Properties located within this area are however still considered to be to be significantly detrimentally affected by the noise and the potential air pollution from the refinery. There is as a result of negative media a stigma associated with properties within the vicinity of the refinery. Demand for property in the area is therefore considered to be very low as a result.

In 2006 the refinery was expanded and Alcoa undertook to purchase many properties in the locality which were affected by the noise pollution from the refinery. Generally it was considered that Alcoa were paying above average prices for these properties and that these sales were not at arms length. Sales evidence involving Alcoa has therefore been disregarded.

There have been very few recent sales in the locality recently which are not related to Alcoa purchases. We have therefore had to analyse older sales and sales from across the region to assist us in assessing a value for the property. As a consequence our assessment of value is considered to be somewhat more subjective than normal. To assist us in assessing a value for the property we have also discussed the market with agents active in the locality as well as comparing the property with others currently on the market.

The land being predominantly bush is unlikely to be cleared and is therefore considered to have limited utility so the highest and best use is considered to be as a rural lifestyle property. This has been taken into consideration in our assessment of value.

Termite/Pest Infestation

The subject property is located in an area considered susceptible to termite infestation. We are not pest inspectors / pest experts. Inspection of the subject improvements did not reveal any obvious visible termite infestation. However, this can only be confirmed by a certified pest control expert.

Asbestos

There does not appear to be any building materials used in the construction of these improvements that may contain asbestos. Please note we are not qualified to conclusively determine the existence of asbestos and recommend you satisfy yourself in this regard. The presence of asbestos, change in community attitudes and the costs associated with dealing with its removal has the potential to reduce future marketability and value of the property. The extent of this can't be known.

Marketability

Below average.

Level of Market Activity

Weakening Sales Activity.

Recent Market Direction

Stagnant.

VALUATION

Based on the Direct Comparison Approach, we have assessed the local market value of the subject property at **Six Hundred and Fifty Thousand Dollars:**

Land as Established	\$450,000
Added Value of Improvements	\$200,000
Total Market Value	\$650,000

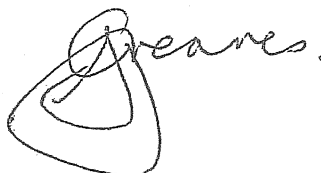
Our valuation is on the basis the property is input taxed and free of GST. We are not privy to the financial circumstances of the current owners(s) nor previous transactions upon the property which may impact upon the status of the property in relation to GST. Should the property not qualify as GST free, our assessment is inclusive of GST.

Other Assessments**Insurable Value**

\$405,000.
(Replacement cost for insurance purposes including GST).

Rental

\$320 per week unfurnished.



Shane Greaves AAPI
Certified Practising Valuer
WA LICENSED VALUER NO. 654