

Instructed By: Australia and New Zealand Banking Group Limited
Contact: Tao Wang
Client Ref No: N/A
Borrower: ilana melnikov

Lender: Australia and New Zealand Banking Group Limited
Loan Ref No: N/A
ValEx Ref No: 25950786
Valuer Ref No: 4957894.7

1 PROPERTY SUMMARY - UNIT

Property Address: 31/86-88 Beach Road, SANDRINGHAM VIC 3191
Title search sighted?: No

Real Property Description: Lot: 31, PS: 616638, Volume: 11149, Folio: 734
Encumbrances/Restrictions: Not Known

Site Dimensions: 54.8m x irregular (parent)

Site Area: N/A

Zoning: Neighbourhood Residential Zone - Schedule 3, DCPO1, DDO1

Current Use: Residential

LGA: Bayside City Council

Main Dwelling: Apartment with 2 bedroom(s) and 2 bathroom(s)

Built About: Year Built 1928

Additions: Circa 2008

Areas: Living: 116.00 sqm

Other: 0.00 sqm

Outdoor: 60.00 sqm

Car Areas: 26.00 sqm

Number of Car Spaces: 2

Heritage Issues: Not Known

Marketability: Average

Environmental Issues: Known

Essential Repairs: No

2 RISK ANALYSIS

Property Risk Ratings	1	2	3	4	5
Location/Neighbourhood:	2				
Land (inc planning title):	3				
Environmental Issues:	3				
Improvements:	3				

Market Risk Ratings	1	2	3	4	5
Market Direction (price):	3				
Market Activity:	3				
Local/Regional Economy Impact:	2				
Market Segment Conditions:	2				

3 VALUATION & ASSESSMENTS SUMMARY

Interest Valued: Fee Simple Vacant Possession

Other Assessments

Value Component: Existing Property

Rental Assessment Unfurnished: \$825.00 Per week

Units/Lots in Development: 34

Insurance Estimate: Body Corporate Responsibility

Unit/Lot Entitlement: Unknown

MARKET VALUE: \$1,350,000

Documents to be sighted by the Client: Yes

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

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

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Valuation Firm: CBRE Residential Valuations Pty Limited

Date of Issue: 12-03-2025

Inspection/Valuation Date: 11th March 2025

Valuer: Thomas Brosnan

AAPI - Certified Practising Valuer

API No: 63561

Signature:

T. Brosnan

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4 THE LAND

Property Identification: Owner, Street Address, Zoning map

Zoning Effect: Permitted development and use.

Location: The suburb of Sandringham is a predominantly an established residential suburb situated 15 radial kilometres south from the Melbourne GPO. Shopping, recreational and educational facilities are available within a 1 kilometre radius. Public bus services operate along major thoroughfares, while rail facilities are within approximately 1 kilometre.

Neighbourhood: Surrounding development primarily comprises residential dwellings/ units/ townhouses of a complementary nature.

Site Description & Access: An irregular shaped inside parent allotment at road level with a slight slope. Fair access is available from Beach Road which carries a high volume of traffic.

Services: Mains electricity, mains water, mains gas, mains sewerage, telephone, sealed road, kerbing and guttering, footpaths

5 DWELLING DESCRIPTION

Style: Three level

Street Appeal: Good Appeal

Main Walls & Roof: Stucco brick walls Tile roof

Internal Condition: Average

Main Interior Linings: Plasterboard

External Condition: Average

Flooring: Concrete slab

Window Frames: Aluminium and Timber

Accommodation: Entry, kitchen/meals/family, laundry (in cupboard) and study. bedroom (s): 2. bathroom (s): 2.

Interior Layout: Functional for this type of accommodation.

Fixtures & Fittings: Kitchen: Modern style of good condition equipped with a built in microwave, induction cooktop, dishwasher, under bench oven, canopy hood and single bowl sink. Polyurethane cabinets and stone benchtops. Bathroom: Semi-modern style of good condition equipped with a toilet, shower recess, exhaust fan, heated towel rail and single bowl vanity unit with glass top and porcelain floor and wall tiles. Ensuite: Modern style of good condition equipped with a toilet, shower recess, exhaust fan, heater/light and single bowl vanity unit with stone top and porcelain floor and wall tiles. One split cycle air conditioner, two built in robes, built in study desk, down lights, double glazing, bi-fold doors, fireplace, security screens, security system, skirtings and smoke detectors. Floor Coverings: Polished timber floor and tiles.

6 ANCILLARY IMPROVEMENTS

Outdoor Area: Front and rear verandah. Car Accommodation: Double basement parking

Basement storage cage (second storage space on Title), raised and tiled front courtyard area with marble fish pond with water feature, front verandah with servery area with built in small barbecue and fridge, landscaping and bamboo fencing, rear courtyard with storage cupboards and remote operated awning.

Secure entrance foyer with lift services, visitor car parking, common courtyard area, separate access via Beach Road, well presented paved, fenced and landscaped surrounds.

7 SALES EVIDENCE & THE MARKET

Address	Sale Date	Price	Brief Comments	In Comparison to Subject
302/25 Small Street HAMPTON VIC 3188	23 Jan 2025	\$921,000	Site Area: 1166sqm, Modern, single storey, Unit, c2019, Rendered brick construction, 2 bedrooms, 2 bathrooms, kitchen/meals/living, well presented interiors, balcony, carspace, distant bayview, Living	Superior quality of fit-out and views. Similar location and accommodation. Inferior dwelling size, car accommodation and ancillary improvements. Sale is considered to be inferior overall.

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			Area: 98sqm, in a complex of 27 units, Settled Sale, Source: Third Party Database	
4/8 Willis Street HAMPTON VIC 3188	7 Oct 2024	\$930,000	Site Area: 516sqm, Modern, two storey, Unit, c2007, Weatherboard construction, 2 bedrooms, 2 bathrooms, kitchen/meals/living, neat interiors, balcony, roof terrace, carspace, Living Area: 88sqm, Settled Sale, Source: Third Party Database	Similar location, accommodation, quality of fit-out and ancillary improvements. Inferior car accommodation and dwelling size. Sale is considered to be inferior overall.
6/26 Fernhill Road SANDRINGHAM VIC 3191	8 Jan 2025	\$940,000	Site Area: 66sqm, Modern, three level, Unit, c2018, Rendered construction, 2 bedrooms, 2 bathrooms, entry, study, kitchen/meals/living and concealed laundry, single garage, in a complex of 15 units, balcony, Settled Sale, Source: Third Party Database	Similar accommodation and quality of fit-out. Inferior location and ancillary improvements. Slightly inferior car accommodation. Sale is considered to be inferior overall.
1/440 Hampton Street HAMPTON VIC 3188	1 Aug 2024	\$950,000	Site Area: 1032sqm, Modern, two storey, Unit, c2004, Rendered brick and lightweight cladding construction, 2 bedrooms, 1 bathroom, kitchen/meals/living, neat interiors, courtyard, balcony, carspace, Living Area: 133sqm, in a complex of 14 units, Settled Sale, Source: Third Party Database	Dated sale - This sale occurred in superior market conditions. This has been taken into account in our assessment. Superior dwelling size. Similar ancillary improvements. Inferior location, accommodation, quality of fit-out and car accommodation. Sale is considered to be inferior overall.
405C/10 Kookuna Lane HAMPTON VIC 3188	17 May 2024	\$1,010,000	Modern, single level, Unit, c2024, rendered construction, 2 bedrooms, 2 bathrooms, entry, kitchen/meals/family and concealed laundry, single basement car space, situated on level 4, in a complex of 159 units, 2 x balconies with restricted bay views, communal rooftop pool, Settled Sale, Source: Third Party Database/ PDOL	Dated sale - This sale occurred in superior market conditions. This has been taken into account in our assessment. Superior quality of fit-out and views. Similar accommodation and ancillary improvements. Inferior car accommodation. Slightly inferior location and market appeal. Sale is considered to be inferior overall.
104/28 Linacre Road HAMPTON VIC 3188	26 Sep 2024	\$1,215,000	Site Area: 1951sqm, Modern, single level, Unit, c2018, Rendered brick construction, 2 bedrooms, 2 bathrooms, entry, kitchen/meals/family, study and concealed laundry, 2 x basement car spaces, situated on level 1, in a complex of 28 units, balcony, good condition, Settled Sale, Source: Third Party Database	Inferior ancillary improvements. Similar location, accommodation and car accommodation although superior quality of fit-out. Sale is considered to be superior overall.
303/23-31 Small Street HAMPTON VIC 3188	22 Jan 2025	\$1,215,000	Modern, single level, Unit, c2019, rendered brick construction, 3 bedrooms, 2 bathrooms, entry, kitchen/meals/living, study nook and concealed laundry, 2 x basement car spaces, in a complex of 27 units, large balcony with bay views, 2 x basement storage cages, good condition, Under Contract, Source: Third Party Database	Slightly inferior ancillary improvements. Similar location although superior accommodation, views and quality of fit-out. Sale is considered to be superior overall.
11/122 Beach Road SANDRINGHAM VIC 3191	28 Apr 2024	\$1,350,000	Site Area: 3324.5sqm, Attached, two level, Unit, c1998, rendered brick construction, 2 bedrooms, 2 bathrooms, entry, kitchen/meals/family and laundry in bathroom, 2 x basement car	Dated sale - This sale occurred in superior market conditions. This has been taken into account in our assessment. Inferior quality of fit-out and ancillary improvements. Similar location, accommodation and car

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spaces, in a complex of 23 units, 2 x balconies, beach front with good bay views, Settled Sale, Source: Third Party Database

accommodation although superior views. Sale is considered to be superior overall.

Previous Sale of Subject Property(Last 3 years):**Previous Sale Comments:****Current/proposed Sale of Subject Property:****Current Sale in line with current Local Market?:****Full copy of Contract of Sale sighted?:****Selling period greater than 6 months?:** No**8 ADDITIONAL COMMENTS****PROPERTY OVERVIEW**

The property comprises a single level apartment, located on the ground floor of a three level apartment development. The original circa 1920's apartment block was extended with a modern addition circa 2008. The apartment has a westerly aspect towards Beach Road although offers no bay views.

The property is currently listed for private sale by the owner, with an asking price of \$1,350,000 and has been on the market for 18 days.

ADDITIONAL MARKET EVIDENCE

33/86-88 Beach Road, Sandringham was on the market via private sale from 22/07/2024 with local agents, Hodges for 76 days and a quoting price of \$1,000,000 - \$1,100,000.

The property comprises a part two level apartment with 2 bedrooms, 2 bathrooms, entry, kitchen/meals/living, study and concealed laundry presenting in renovated condition. The apartment is complemented by a small balcony, single car space, side deck and multiple basement storage cages. Living Area - 110 sq.m.

OWNERS ESTIMATE OF VALUE

The Owners estimate of \$1,400,000 is considered optimistic and is not supported by the most recent comparable sales evidence.

ASSUMPTIONS CONCERNING EXTENSIONS AND ALTERATIONS

At the time of our inspection, the subject property was renovated and amalgamated into a larger unit development circa 2008. The valuation is given on the basis that any alterations and extensions referred to in the valuation report have been completed in accordance with approval conditions issued by the local government authority. The valuation is further given on the basis of a satisfactory Certificate of Occupancy. Adverse comments or conditions by the local government authority should be referred to the Valuer for re-assessment of the valuation.

OWNERS CORPORATION DISCLOSURE STATEMENT

This assessment is made without any knowledge of orders issued on the Owners Corporation to repair the Common Property, if any, nor what sums are held in the Sinking Fund. We have assumed no detriment to value arising from these matters. If the contrary applies, we retain the right to vary our assessment.

LIMITED SALES EVIDENCE

We have relied on sales which have varying attributes and are from neighbouring, albeit comparable, suburbs. We confirm that the sales noted in this report are considered to be the most recent and relevant available at the date of valuation and advise that the lack of available sales is reflective of the limited number of properties in this area with similar characteristics however, they are sought after when offered to the market. Appropriate adjustments have been made to allow for changes in market movement/conditions since the date of sale.

PHOTOGRAPHS

We confirm that photographs attached to this report were taken during our inspection on the date stated on page one of this report.

MARKET COMMENT:

Market comments have been addressed within our report and we recommend you refer to the risk rating and comment sections for further detail.

RISK ANALYSIS COMMENT:

Please see General Subject Property Comments.

LAND RISK COMMENT:**GENERAL RISK****PLANNING OVERLAYS**

Enquiries with the local government authority have confirmed that the subject property is located within designated Design and

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Development and Development Contributions Plan Overlays. We note that these are reasonably common for the location with a number of properties in the immediate and surrounding area similarly affected. The impact on the marketability and value is reflected in our assessed value and applied risk ratings.

ENVIRONMENTAL ISSUES RISK COMMENT:

GENERAL RISK

AFFECTED BY MAIN ROAD/ MODERATE TRAFFIC NOISE

The subject property is located on a busy main road with associated noise audible from the subject property. The impact on the marketability and value is reflected in our assessed value and applied risk ratings.

IMPROVEMENTS RISK COMMENT:

GENERAL RISK

SHORT TERM ACCOMMODATION LETTING

It is understood the premises has been used by the present owner for short term accommodation letting as part of the Airbnb group. This valuation is assessed on the basis that there is no unregistered or registered encumbrances on Title that would adversely impact the sale of the property due to future lettings. If required, the Lender should undertake formal searches to confirm this assumption.

MARKET DIRECTION (PRICE) RISK COMMENT:

There has been a significant decline in investor activity over the last twelve months, largely a result of stricter residential tenancy laws and an increase in land taxes as part of the Victorian COVID Debt Repayment Plan. While well presented and quality listings continue to be in steady demand, properties with blemishes or in less sought after locations are experiencing extended selling periods. Vendors are increasingly needing to reduce price expectations to secure a sale in a reasonable time frame. Following a period of interest rate rises and sustained elevated interest rates to help reduce inflation, in February 2025 the Reserve Bank of Australia (RBA) has lowered the cash rate from 4.35% to 4.1%, as inflation is now within its target range. Notwithstanding, the relief to mortgage holders and prospective borrowers, the RBA and various economists have tempered expectations of further cuts within this cycle. The immediate outlook for the market in 2025 is fragile. Lending caution recommended.

MARKET ACTIVITY RISK COMMENT:

A surge in listings is now evident. The sustained period of high interest rates, housing affordability and other cost of living pressures has slowed buyer activity. It appears a large proportion of new listings are from investors and vendors impacted by refinancing from much lower fixed rate mortgages during the Pandemic. There is potential for an oversupply of competing stock in the next six to twelve months.

ENVIRONMENTAL ISSUES:

Refer to Environmental Issues Risk Rating comment.

DOCUMENTS TO BE SIGHTED BY THE CLIENT

CRITICAL Documents to sight: None GENERAL Documents to sight: Certificate of Title, Owners Corporation Disclosure Statement, Registered Plans,

9 ASSUMPTIONS, CONDITIONS & LIMITATIONS

LENDER SPECIFIC INFORMATION

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

Australia and New Zealand Banking Group Limited

GST

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

MARKET MOVEMENT

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 movement or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above, we do not assume any responsibility or accept any liability in circumstances where this valuation is relied upon after the expiration of three months from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

PRUDENT LENDING ASSUMPTIONS

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

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

GST

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

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10 CAPPED LIABILITY SCHEME

Liability limited by a scheme approved under Professional Standards Legislation.

PHOTOGRAPHS

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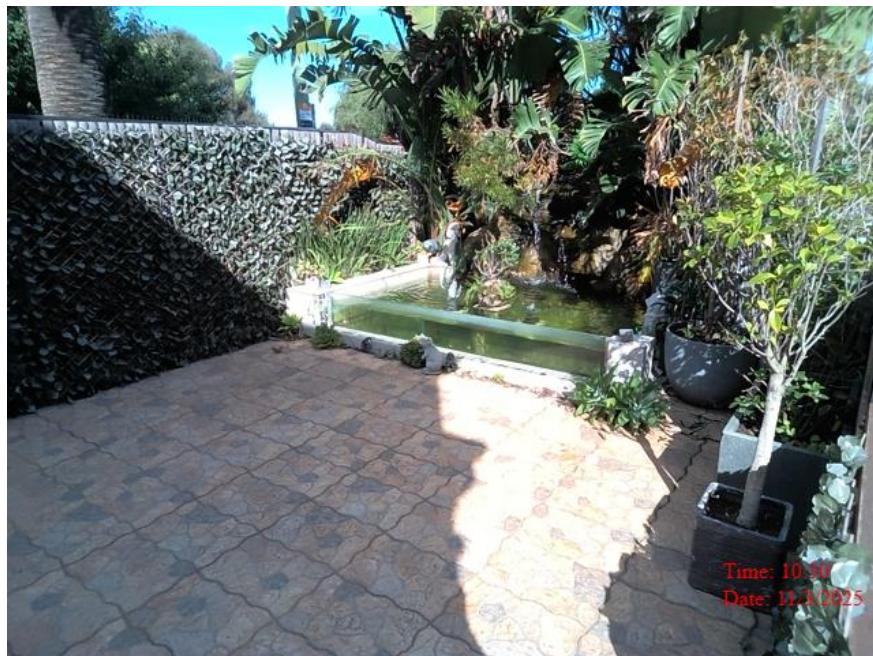


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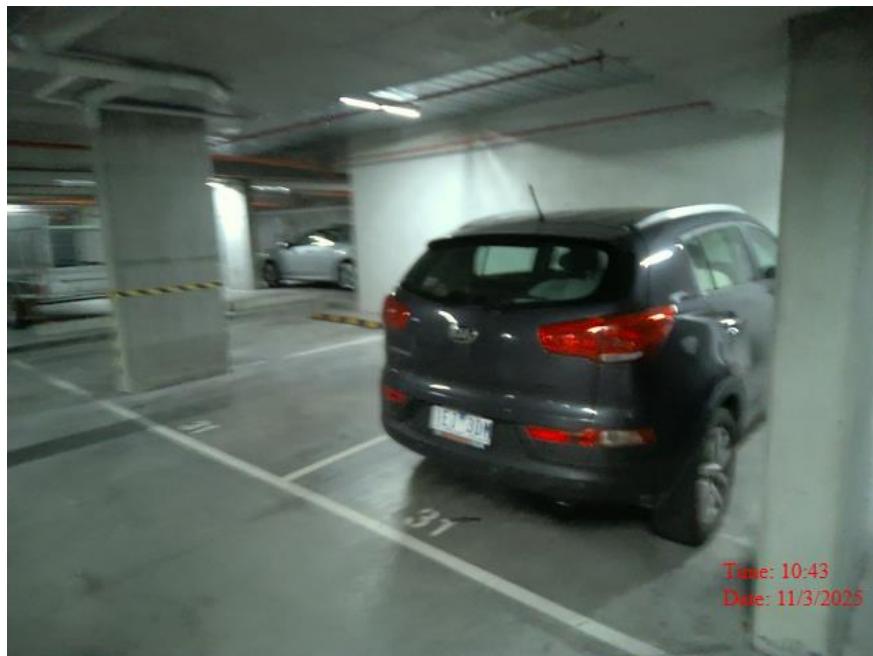


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