

Sharpe Avenue Apartments
Alternative Options Assessment
6-Aug-21

GFA Adjustment		Base Case	Scenario Two 60% Furnished & 100% Occupied	Option 1		Option 2		Option 3		Option 4	
Apartments		97		80		82		86		96	
GFA		11,387		11,220		11,484		11,858		12,831	
Difference to Base Case GFA		m2		-167		97		471		1,444	
Difference to Base Case GFA		%		-1.5%		0.9%		4.1%		12.7%	
Build Cost (based on rate/m2 GFA)		\$ 3,175	Based on Estate Market Value. Prorated acrosss both Towers.	-\$ 530,225		\$ 307,975		\$ 1,495,425		\$ 4,584,700	Calculated based on \$3.175k per sqm

All units Unfurnished (20 year Cashflow)		Base Case		Option 1		Option 2		Option 3		Option 4	
Total Development Revenue		\$ 118,282,760		\$ 116,439,114		\$ 119,992,267		\$ 124,860,055		\$ 137,472,706	
Total Development Costs		\$ 55,308,375		\$ 54,612,802		\$ 55,674,351		\$ 57,174,498		\$ 61,076,628	
IRR		5.25%		5.22%		5.31%		5.41%		5.64%	
NPV @4%		\$ 9,463,765		\$ 9,167,052		\$ 10,012,393		\$ 11,126,012		\$ 13,997,817	

60% units Furnished (20 year Cashflow)		Base Case		Option 1		Option 2		Option 3		Option 4	
Total Development Revenue		\$ 141,616,700		\$ 135,631,298		\$ 139,609,453		\$ 145,724,892		\$ 160,842,005	
Total Development Costs		\$ 59,924,129	Feasibility talks to \$59.924m Includes land acquisition, fees & refurbishment (i.e. 10 & 20 yrs) Building construction set at \$54.005m as a Karratha based value. Note based on Average Contractors Cost and not Included items. Contractors Construction Estimate of \$45.757m Excl GST	\$ 59,320,648		\$ 60,145,598		\$ 62,225,376		\$ 66,610,380	
IRR		6.25%		5.96%		6.09%		6.16%		6.41%	
NPV @4%		\$ 18,440,364	Net present value (NPV)	\$ 15,777,451		\$ 17,097,914		\$ 18,368,086		\$ 22,205,850	

- Notes
1. Performance Numbers extracted from Estate Master Model

2. Options based upon Plus Architects Yield schedules dated 5 Aug 2021

3. Costs adjusted based on builders rate for apartment GFA and applied to difference in GFA from Base case

4. All other assumptions remain as per Base Case model 8 July 2021 (Rev 2)
- Confirm Base Case is Unfurnished or 60% Furnished