

4 March 2016

The Directors
Peet Funds Management Limited
Level 7, 200 Georges Terrace
PERTH WA 6000

Dear Sirs,

383 Black Forest Road, Werribee Planning Due Diligence Report

1 Introduction

This planning report has been prepared at the request of Peet Funds Management Limited for inclusion in a Product Disclosure Statement to be issued for the Peet Werribee Land Syndicate (the Syndicate).

Urbis Pty Ltd is a consulting firm offering a unique range of skills, expertise and knowledge in planning, urban design, property, social planning, economics and research and is well qualified to provide this advice.

2 The Property

The Property comprises land on Black Forest Road, Werribee. Specifically, the landholding is described as 383 Black Forest Road, Werribee (the Property). The Property has a land area of 86.58 hectares.

The property is largely flat save for a depressed feature running broadly east/west through the middle of the Property. There are some structures associated with its past agricultural use including various sheds and outbuildings. The Property boundary is demarked by a dry stone wall in various heights and states of repair. Access to the Property is from Black Forest Road.

The Property is part of the approved Black Forest Road South Precinct Structure Plan (BFR PSP).

The Property is broadly bound by:

- To the North: Black Forest Road adjoins the northern boundary of the site. Black Forest Road is currently operating as a local road aligned east west between Werribee Racecourse and the Regional Rail overpass, continuing west of the Regional Rail overpass as an unsealed rural road before terminating part way across the northern boundary of the Property. The land to the north of Black Forest Road is as yet undeveloped and forms part of the Black Forest Road North Precinct Structure Plan (BFRN PSP). This PSP has recently been approved (11 February 2016).
- To the East: As yet undeveloped land which forms part of the BFR PSP area. This land is nominated for residential development. The Regional Rail Link corridor runs on a north to south alignment approx. 240m east of the Property.

- To the South: Currently undeveloped farming land. The land will form part of the Mambourin East PSP; this PSP has not commenced as yet. Pursuant to the Western Growth Corridor Plan, land to the south of the Property will be developed for Industrial purposes. Land to the south west of the Property is currently used for extractive industry.
- To the West: Currently undeveloped farming land. The land will form part of the Bayview PSP; however this PSP has not been commenced as yet. No timeframe has been set for the preparation of the PSP, and a 3-5 year timeframe is envisaged. Pursuant to the Western Growth Corridor Plan, it is expected that the land to the west of the Property will be developed for Residential purposes.

Existing facilities in the wider area include Wyndham Vale Activity Centre located some 2km north. Beyond this lies Manor Lakes Shopping Centre, approximately 3 km to the north, and Werribee City Centre, circa 5km to the east. Manor Lakes includes child care, shopping centre, library and community centre, and schools. Iramoo Primary School is located 3.5km to the east on McGrath Road.

3 Location

The Property lies approximately 33 kilometres west of the Melbourne Central Business District and lies south west within the Western Growth Corridor. The Property abuts, and has a frontage to Black Forest Road, which runs to the east, providing a connection to the Werribee City Centre which is located approximately 5 kilometres east of the Property.

4 Planning Controls

The Property is subject to a number of Planning Controls, ranging from State based controls to more local planning controls contained within the Wyndham Planning Scheme. Relevant controls are discussed below. In summary, the controls dictate that the Property can be developed for residential purposes.

4.1 STATE POLICY

4.1.1 PLAN MELBOURNE

Melbourne has had the largest population growth (95,500 people in 2013) of any Australian city according to *Plan Melbourne*, the State Government's Metropolitan Planning Strategy for the period to 2031. Furthermore, over the past decade, the city has added over 600,000 new residents, with almost 60 per cent making their homes in the outer suburbs. Plan Melbourne estimates that the 'Western Subregion' of Melbourne, within which the Property is located, will accommodate a future population growth of between 370,000 to 430,000 by 2031.

Plan Melbourne is the State Government's current strategic policy document to manage Melbourne's growth and this document anticipates that population growth will be accommodated both within the established urban area and within designated growth corridors.

The Victorian Government announced an update to Plan Melbourne in March 2015, known as the Plan Melbourne Refresh.

4.1.2 PLAN MELBOURNE REFRESH

A Ministerial Advisory Committee has been set up to review the initiatives and direction of Plan Melbourne known as the Plan Melbourne Refresh, and have provided recommendations around:

- **Housing targets** which would see the focus move to accommodating increased population growth in inner locations as opposed to outer locations; and
- **The sequencing of development** within growth corridors which would see Councils and the Metropolitan Planning Authority (MPA) cap or limit development approvals.

Notwithstanding the Review and its recommendations, Urbis considers it extremely unlikely that the updated Plan Melbourne document will be retrofitted into existing Precinct Structure Plans.

4.1.3 URBAN GROWTH BOUNDARY

The Urban Growth Boundary (UGB) was introduced in 2005, as part of Melbourne 2030. Land within the UGB is expected to ultimately be developed for urban purposes whilst land outside the UGB is expected to remain associated with low intensity, mainly rural uses.

The Property is contained within the UGB.

4.1.4 GROWTH CORRIDOR PLANS

The Growth Corridor Plans (June 2012) provide a strategic framework to guide the planning of new communities in each of the growth corridors. Each growth corridor has a plan prepared to guide development.

The Western Growth Corridor Plan identifies the Property as being developable for residential purposes.

4.1.5 GROWTH AREAS INFRASTRUCTURE CONTRIBUTION

The Growth Areas Infrastructure Contribution (GAIC) is a levy payable on relevantly zoned land brought into the Urban Growth Boundary since 2005. The Property and surrounding area was brought into the Urban Growth Boundary as part of Amendment C80 in November 2005. The GAIC applicable to the Property is currently \$90,470 (Type A land for 2015/16 financial year) per hectare, with the cost indexed annually. Subject to approval from the MPA, the GAIC obligation can be deferred and/or staged.

A GAIC certificate has been issued for the Property.

4.1.6 STATE PLANNING POLICY FRAMEWORK

The State Planning Policy Framework (SPPF) seeks to foster the objectives of planning in Victoria (as set out in the *Planning and Environment Act 1987*) through appropriate planning policies and practices which encompasses relevant environmental, social and economic factors.

Specific state policies of particular relevance to the development of the Property are:

- Settlement;
- Environmental and Landscape Values;
- Environmental Risks;
- Natural Resource Management;

- Built Environment and Heritage;
- Housing;
- Transport; and
- Infrastructure.

The proposed development of the Property successfully complies with these policies.

4.2 LOCAL PLANNING POLICY

The Municipal Strategic Statement (MSS) articulates the planning objectives and strategies to guide the future development of Wyndham and its community.

The MSS confirms that the Wyndham City Council is a rapidly growing municipality with a wide range of existing and potential land uses.

4.3 ZONING

Urban Growth Zone

The Urban Growth Zone (UGZ) is applied to land within the UGB which has been identified as being suitable for urban development. The purpose of the UGZ is to manage the transition of non-urban land into urban land in accordance with a Precinct Structure Plan. Schedule 6 of the UGZ details the future urban structure for the Property. Schedule 6 of the UGZ applies to the Property. The existence of a Schedule to the UGZ indicates a Precinct Structure Plan (PSP) applies to the Property, in this case the BFR PSP, which was gazetted in August 2013.

Per the BFR PSP and UGZ, the Property is nominated for predominantly residential development with two areas of passive open space, an active open space reserve, and a centrally located drainage reserve.

The following figure of the Property includes the zoning controls.

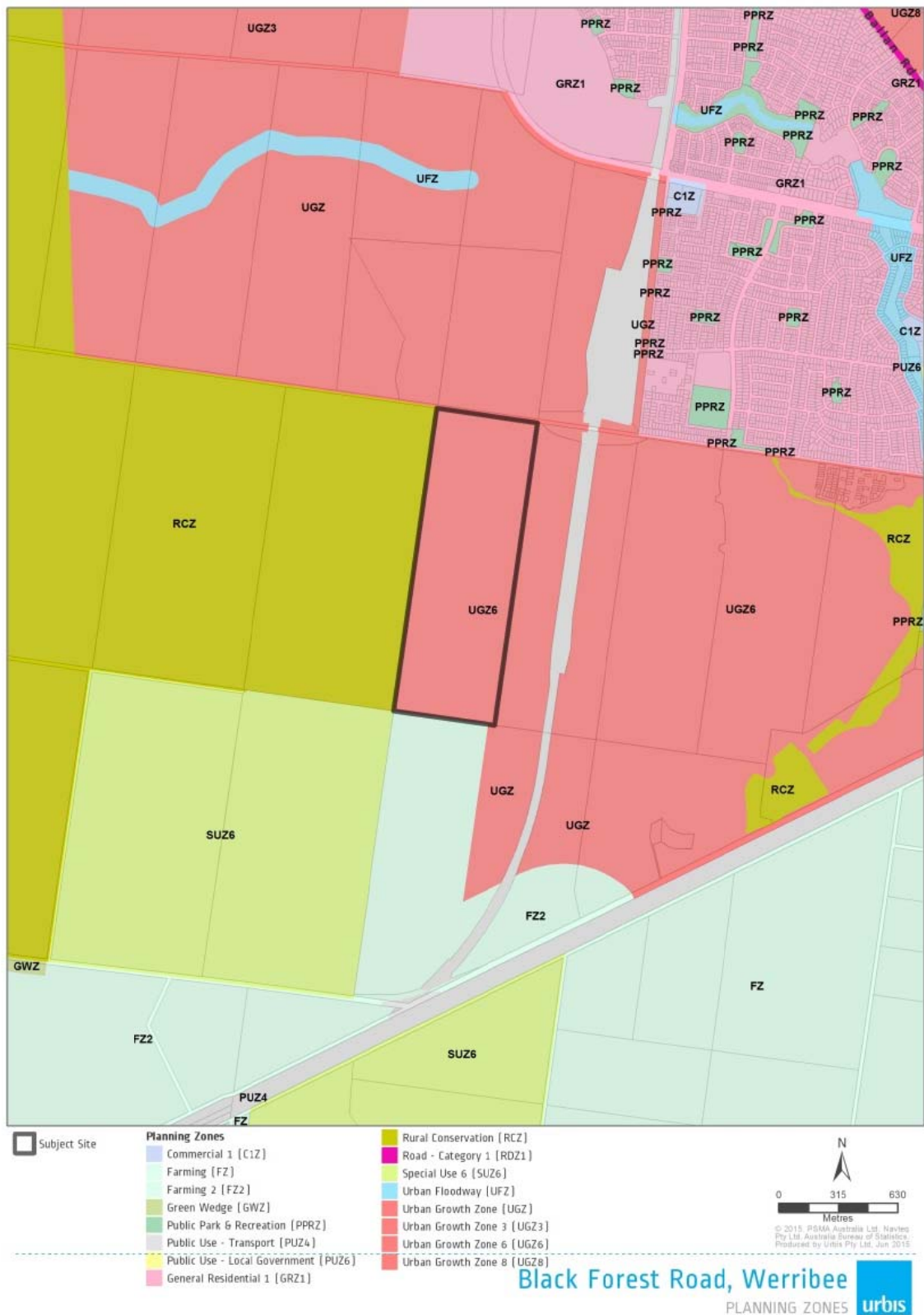


FIGURE 1 – ZONING PLAN

4.4 OVERLAYS

Development Contributions Plan Overlay (DCPO) – Schedule 11 Wyndham West Development Contributions Plan

The purpose of the Development Contributions Plan Overlay (DCPO) is to identify areas which require the preparation of a development contributions plan for the purpose of levying contributions for the provision of works, services and facilities before development can commence.

A DCPO – Schedule 11 – Wyndham West Development Contributions Plan applies to the Property.

4.5 BLACK FOREST ROAD SOUTH PRECINCT STRUCTURE PLAN (2013) (BFR PSP)

Precinct Structure Plans (PSPs) respond to the strategic framework contained within the Growth Corridor Plans and set the broad structure for future suburbs. A PSP has to be prepared for land contained within the UGZ before land can be developed. Permit applications to develop land need to respond to the provisions of the PSP.

The BFR PSP was incorporated into the Wyndham Planning Scheme in August 2013. The BFR PSP guides future urban development and enables the transition of non-urban land to urban land.

The BFR PSP identifies the future urban structure of the precinct. Generally, within the BFR PSP, the Property:

1. is nominated for **residential** development in the main, with the following requirements:
 - a) must achieve a minimum of 16 dwellings per Net Developable Hectare across the entire precinct;
 - b) must deliver a full range of dwelling densities and housing types as outlined in the PSP Guidelines;
 - c) that, because of its proximity to the proposed activity centre in the Black Forest North PSP area, the north of the Property is developed at a higher density than the south with the balance of the site to be developed with a diverse range of attached and detached dwellings in well landscaped streets;
 - d) lots must front or side:
 - i. water bodies and lineal waterway corridors;
 - ii. Road network; or
 - iii. Open Space;
2. is shown as accommodating a **widened Black Forest Road** road-reserve and associated infrastructure;
3. is shown as being bisected by a **proposed Arterial Road**, Ison Road, which runs east-west through the Property;
4. is shown as accommodating two areas of **passive open space**. The PSP provisions for this **open space designate a total 1.97Ha**, to be located in accordance with the PSP, in two separate reserves (0.97Ha and 1.0Ha). Wyndham City Council will be responsible for the reserves in the future;

5. is shown as accommodating **active open space of 16.14 Ha** to be located to the south of the proposed Ison Road;
6. is shown as accommodating a **stormwater drainage and water quality treatment infrastructure of an area of 6.59 hectares** generally running from north-west to east through the property; and
7. is shown as being affected by a 480 metre **quarry buffer** in the south-west corner. Areas of active open space and residential land are affected by the buffer.

An extract from the PSP is shown below:

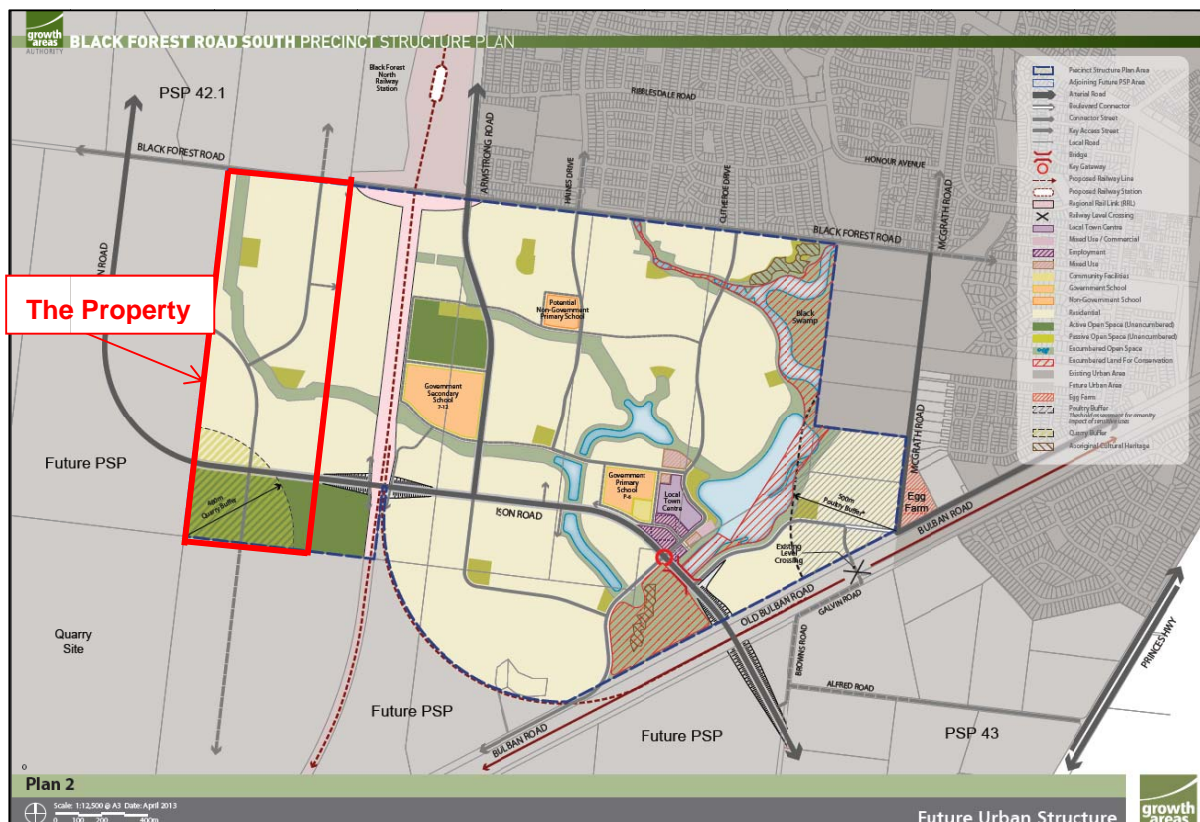


FIGURE 2 – FUTURE URBAN STRUCTURE

4.6 WYNDHAM WEST DEVELOPMENT CONTRIBUTION PLAN (2014)

The Wyndham West Development Contribution Plan (DCP) was incorporated into the Wyndham Planning Scheme in July 2014.

The DCP identifies the Property within PSP 42.2 – Black Forest Road South, which will ultimately accommodate approximately 15,000 people and 5,300 dwellings. The DCP collects funds on a developable hectare basis for specific physical and social infrastructure facilities within the PSP area.

The DCP sets out a development levy rate per net developable hectare of \$233,986 for Charge Area 1, in which the Property is located. When applying the net developable hectare rate of \$233,986 (2014 figure) by the total net developable hectares (58.12Ha), the development contributions payable for the Property are \$13,599,266 (2014 figure). At the time of writing we have been unable to secure figures

for this financial year which would include the indexation of infrastructure works, and the revaluation of land, both of which get updated on an annual basis.

The following projects, to be funded by the DCP, are located on or are directly adjacent to the Property:

	TYPE	PROJECT TITLE	DESCRIPTION	LAND IN KIND REIMBURSEMENT (2014\$)
RD3	Road	Ison Road – Regional Rail Link to Greens Road	Purchase of land to create road reserve 41m wide (8.2904ha ultimate treatment) and construction of 2 lane carriageway for 1,604m, excluding intersections (interim treatment).	\$650,692.17
RD11	Road	Black Forest Road – Armstrong Road to Ison Road	Purchase of land to upgrade road reserve from 20m to 25m (0.2027Ha ultimate treatment) and upgrade of existing carriageway for 1,024m, excluding intersections (ultimate treatment).	\$24,324.00
IN03	Intersection	Ison Road / North-South Connector 2 (within PSP42.2)	Purchase of land for intersection totalling 2.7679Ha (ultimate treatment) and construction of arterial to connector signalised 4-way intersection (interim treatment).	\$784,210
IN23	Intersection	Black Forest Road / North-South Connector (within PSP42.1)	Purchase of land for intersection totalling 0.8826Ha (ultimate treatment) and construction of arterial to connector signalised 4-way intersection (interim	\$98,375

	TYPE	PROJECT TITLE	DESCRIPTION	LAND IN KIND REIMBURSEMENT (2014\$)
			treatment).	
AR19	Active Recreation	Black Forest Road South Active Recreation Reserve 10	Purchase of land (15.5526Ha) for active recreation reserve and construction of 2 x senior AFL / cricket ovals, 3 x senior soccer pitches, 12 x tennis courts, 4 x netball courts and associated works.	\$3,705,819.00
AR20	Active Recreation	Black Forest Road South Active Recreation Reserve 10	Construction of 8 x senior softball fields, 1 x softball pavilion, 1 x AFL / cricket pavilion, 1 x soccer pavilion, 1 x tennis pavilion, 1 x netball pavilion and associated works.	Not Applicable

Note: The above reimbursement rates are estimates only, based on assumed areas, and on an assumption that each property is valued similarly.

The total Land Credits for the Project equate to \$5,263,420 which means that the overall net obligation development contributions payable would be \$8,335,846.

City Of Wyndham DCP Management & Integration Framework Project

Council is presently reviewing its management of DCPs across the municipality. This review will have an impact on the timing of credits for both works which developers undertake which are nominated as DCP infrastructure items (Works in Kind) and the handing over of the land identified as active open space (Land in Kind). Council intends to prioritise infrastructure items into short/medium/long term projects. Council intends to release its priority list in April 2016. As a general rule, infrastructure items nominated as long term will not receive credits in the short term, even if delivered early on in the project.

Based on our knowledge and understanding of the emerging DCP Framework, we believe that most, if not all, the items tabulated above will be 'long term' projects, and thus not credited until towards the end of the project. Having said that, in our experience Council prefers to transact on any land required for open space sooner rather than later to avoid annual escalations in valuation (such as AS19 – Land associated with Active Recreation).

Community Infrastructure

A community infrastructure levy of up to \$900 per dwelling is also payable. This payment is made by the home-builder at the time of construction of the building approval. This payment can be made by the

developer at the time of the subdivision. We understand that the Syndicate will not be seeking to make this payment and instead the cost will be passed on to the purchasers of future lots.

4.7 OPEN SPACE CONTRIBUTION

Clause 52.01 of the Wyndham City Council Planning Scheme requires that a person who proposes to subdivide land must make a contribution to the council for public open space in an amount specified in the schedule to Clause 52.01 (being a percentage of the land intended to be used for residential, industrial or commercial purposes, or a percentage of the site value of such land, or a combination of both). The Schedule to Clause 52.01 identifies that for land identified for residential, an open space contribution of 3% is required and that land and/or cash contributions must be in accordance with R24 of the BFR PSP, August 2013.

R24 of the BFR PSP states:

Where a public open space shown on the land in Plan 5 of this PSP is greater than 3% of the lot's net developable area, the relevant land must be transferred to council at no cost to Council. In this case Council will compensate the landowner, at a time to be agreed, for the amount of land provided in excess of 3% but no greater than the difference between 3% and the amount of land shown as local park on Plan 5.

The endorsed plan provides for 1.97Ha of land which meets the requirements of the PSP and exceeds the requirement of Clause 52.01 by 0.18ha (0.31%) An equalisation payment will therefore be made by Council for the Property to reimburse the over provision.

5 Quarry Buffer

The Property is impacted by a Quarry buffer in the south-west corner of 18.05ha. The majority of the buffer impacts on the proposed active open space and Ison Road alignment, with 3.11Ha of residential land impacted (approximately 46 lots based on the Subdivision Concept Plan prepared by Breese Pitt Dixon (Version 30)). These lots are contained within Stage 24 and Stage 25 of the development and therefore would be developed late in the development programme however; the concept plan does not assume that these lots will be developed and that the Quarry Buffer will remain in place for the life of the Syndicate.

Establishment of Quarry Buffer

Quarry sites with blasting require a 500m buffer from the edge of the works area, based on the EPA's 'Recommended separation distances for industrial residential air emissions' document. Given the works area for the Holcim Quarry is setback 20 metres from the site's boundary, the buffer distance within the BFR PSP is 480 metres.

Uses within the Quarry Buffer

In terms of permitted uses, the following could be contemplated under the existing General Residential zone controls, and may not be considered 'sensitive' by Department of Economic Development, Jobs, Transport and Resources (DEDJTR):

- Medical Centre;
- Convenience Shop;
- Food and Drink Premises.

There may be the opportunity for the quarry buffer to be amended, as the extraction activities move further away from the Property. However, we are unsure if this would have implications on the operator of the quarry, and their existing works authority.

We understand that sensitive land uses would not be supported in the short term by DEDJTR within the buffer area, regardless of where the works are occurring on-site at the Quarry. Ultimately the buffer area does not preclude the development of the land for sensitive uses at some time in the future. Sensitive uses are still able to occur within the buffer zone area subject to approval from the applicable authorities and appropriate conditioning on the planning permit. This approach would allow Council to consider matters such as lot design and layout, without releasing the lots for a sensitive use, until such time as the quarry operations have moved away from the boundary, or appropriate measures are taken to ensure that any lot for a sensitive use would not experience adverse amenity impacts.

It is our understanding that Peet Funds Management Limited financial model assumes no development of this area, and that the area will be sold as an englobo site. We consider this to be a conservative assumption.

Whilst some quarry works have commenced it is our understanding that these are ad hoc works with full quarrying activity yet to begin in earnest.

6 Planning Permits

Due to the scale of the project there will be more than one planning permit for the Property. An initial permit (discussed in Section 6.1 below) generally dealing with the northern portion of the land, and a balance permit (or permits) (discussed in Section 6.3 below) dealing with the balance portion have been lodged with Wyndham City Council.

In Summary:

PERMIT	NUMBER OF LOTS	NET DEVELOPABLE HECTARES
Permit Area 1 (See section 6.1)	537	33.34Ha
Balance Area (See section 6.3)	414	26.03Ha
Less Lots impacted by Quarry Buffer	-46	-3.11Ha
Total (Standard Residential Lots) *	905	56.41Ha

* Excludes one medium density site and quarry buffer land

Urbis is of the opinion that the above yield represents a reasonably achievable development outcome for the Property.

6.1 WYP7570/14 – SUBDIVISION

A planning permit has been issued for part of the Property. Planning Permit WYP7570/14 was issued on 5 May 2015 by Wyndham City Council. The permit allows for '*Staged Residential Subdivision in accordance with the endorsed plans*', and applies to land in the north-east portion of the site. A plan has been endorsed by Council, and the most recent amendment to the plan was approved by Council on 1 March 2016. We understand that engineering approval has not yet been granted. The endorsed plan provides for:

- 537 residential lots plus 1 superlots, at a density of 16 dwellings per net developable hectare;
- 1.97ha of passive open space; and
- a linear waterway corridor.

6.2 WYP8483/15 – DRY STONE WALL REMOVAL

A planning permit (WYP8483/15) has been issued to remove part of the existing dry stone wall located along the site's boundaries. The portion of wall to be removed accords with the extent of the 'Permit 1' area. This permit requires the reconstruction of a 100m length of wall within the subdivision area. Permit WYP8483/15 requires the amendment of the subdivision permit (WYP7570/14) to ensure that a portion of wall is reconstructed within the subdivision area. The request to amend the permit was lodged with council in November 2015.

The location of where the wall is to be re-constructed has not been finalised, and will need to be agreed with Council. From our preliminary discussions with Council, we understand that the wall can be re-located to the passive open space reserve; however the final location has not been confirmed. Notwithstanding that the final location of the wall is yet to be approved, we consider it will have no impact on yield.

6.3 BALANCE APPLICATION

A planning permit application for the subdivision of the balance land and removal of the remaining dry stone walls was lodged with Wyndham City Council on 22 December 2015.

The Subdivision Concept Plan prepared by Breese Pitt Dixon (Version 30) shows the subdivision of the balance of the Property to create 414 lots, with a range of lot sizes provided, together with land set aside for active open space, and the delivery of Ison Road. This application includes the lots located within the Quarry buffer area, and suggests that a permit condition can be used to ensure that these lots can only be developed upon the cessation of use of the Quarry. The permit also seeks to remove the remaining dry stone walls on site save those adjoining the active open space.

PRE-APPLICATION MEETING

A pre-application meeting has been held with Wyndham City Council (Council) in relation to the balance application. Whilst the concept plan (version 26) tabled was generally well received, issues raised by Council in relation to temporary access, open space and road reserves have been addressed in Version 30 of the plan which was lodged with Council in December 2015.

POTENTIAL ISSUES WITH SUBDIVISION PLAN

The following matters have been identified by Urbis as being potential issues that may impact on yield.

Quarry Buffer: An application for a sensitive use (including residential) will be referred to the DEDJTR. We understand from discussions held with the Earth Resources Regulation department, that any application for a sensitive use will not be supported. As part of the application, we will be seeking that a condition be included on any Balance Application permit that no Statement of Compliance will be issued for lots within the quarry buffer until the quarry use ceases. This approach will ensure that the final yield of the site is known, even if they cannot be developed.

North-South Connector through Active Open Space (AOS): The BFR PSP shows the provision of a north-south connector road through the AOS reserve. We note that this is not shown on the lodged layout plan. The BFR PSP, at Requirement 91, requires all new development to provide and meet the total cost of delivering certain infrastructure works, including connector roads. It is our understanding

that Council would require this road to be developed; however given the expected timing for delivery of Ison Road and the AOS, the connector road will not be utilised in the short-medium term. Urbis have been advised that the Responsible Entity has allowed for the cost of this road in its financial forecasts.

Dry Stone Wall Retention/Removal: The application seeks to remove the dry stone walls contained within the developable area, whilst retaining the wall around the active open space. Council may require the developer to rebuild/maintain the wall via a condition of permit. Based on Council's approach for the northern parcel of land, we consider it likely that Council will approve the removal of the wall, based on the fact that wall is being retained on the east, south and west of the Active Open Space.

7 Planning Scheme Amendments

7.1 AMENDMENT C209

A Planning Scheme Amendment is currently in progress that affects the Property. Amendment C209 to the Wyndham Planning Scheme seeks to apply a Heritage Overlay to the dry stone walls that are currently located on the site's boundaries. This matter was heard before an Independent Panel on 25 November 2015.

A heritage expert provided evidence on behalf of Peet, in relation to the walls on the balance land. Whilst the Heritage Overlay is intended to apply to all walls on the land, Wyndham Council, at its Ordinary Council meeting on 24 August 2015, resolved to

Delete the HO134 from CA 2 Section 15 Parish of Mambourin (within the Black Forest Road South Precinct Structure Plan) only if planning approval is granted for the demolition of the dry stone wall in planning permit application WYP8483/15.

This position was further clarified to apply to walls sought for removal in Planning Permit WYP8483/15. As such, the evidence prepared on behalf of Peet Limited related to walls for which a permit has not been granted (the balance land).

The Panel report has been released. In relation to the Property, the Panel recommends:

- Removal of the Heritage Overlay where a permit has been issued for the removal of the wall, being WYP8483/15 (northern and part of eastern boundaries).
- Removal of the Heritage Overlay for C and D graded walls (western boundary).
- Retention of the Heritage Overlay for A and B graded walls (southern boundary and southern section of the wall on the eastern boundary – to the south of the drainage corridor).

Whilst the majority of the Dry Stone Walls on the southern boundary and southern section of the eastern boundary are within the Active Open Space, there is a portion of the Property's eastern boundary that may be affected.

Council can chose to adopt the Amendment in line with the Panel's recommendations, adopt with changes or abandon the Amendment. This decision will be made at a Council meeting, on a date to be determined.

The current subdivision application being considered by Council seeks to remove the dry stone walls from part of the western and eastern boundaries under the existing Clause 52.37. Council will continue to assess the application under Clause 52.37 until such time as the overlay controls come into effect, which may be after consideration of the subdivision application. Whilst we are of the view that a permit to remove the wall will likely issue, it is possible that Council may seek to retain part of the eastern

wall. Should the wall be required to be retained, a re-design would be required in order to retain the wall in the streetscape rather than to the rear of the lots. Having said that, we do not believe this change would have a great impact on yield.

8 Other Matters

A number of technical reports have been prepared relating to the Property, some of which have been used to support the initial permit and/or the current permit application.

CULTURAL HERITAGE

An Aboriginal Cultural Heritage Report (CHMP) was prepared and approved in November 2010. Standard and complex site assessment work was undertaken in preparing the CHMP. Two areas of sensitivity were identified and the CHMP recommends that salvage is undertaken in these areas before the earth moving activities within the sensitive areas commences.

The layout as proposed on the endorsed and proposed plans is not impacted by this report.

TRAFFIC

A traffic and transport assessment was prepared for the Property in December 2015. This report concludes that:

- the proposed road hierarchy has been designed in accordance with the BFR PSP;
- all access will be provided via Black Forest Road in the short term until additional road connections and infrastructure are available; and
- the proposed road network, public transport routes, pedestrian and cycling provision are consistent with the BFR PSP and are expected to provide a good level of public transport provision and connectivity through the estate and to adjoining land uses.

STORMWATER MANAGEMENT

A Surface Water Management Strategy (SWMS) report was produced in June 2014. The report was used in support of the initial permit application but contemplated the development of the whole Property. As such, the SWMS has been used to support the permit application for the balance land.

The SWMS informed the layout presently proposed and resulted in the central linear waterway.

9 Conclusion

The Strategic Planning Framework for the Property is such that it is readily available for development. A planning permit exists for the northern part of the site. An application to amend this layout has been lodged with Council. Even in the event that Council has concerns about the nature of the changes, it is anticipated that the yield of 905 residential lots plus the medium density site proposed would remain largely unaffected as it is in accordance with the PSP.

An application to develop the balance of the land has been lodged in December 2015. The layout is generally in accordance with the PSP. Council has been broadly supportive of the layout proposed in pre-application discussions. Changes which materially impact on yield are not expected.

It is therefore Urbis' opinion that the town planning framework for the Property is well resolved and that the proposed planning permit, including the layout for the site responds well to the broader planning

framework. Whilst changes to the layout may occur during consideration of both the northern and southern parts of the Property, these changes are not expected to materially impact the developable lot yield.

10 Disclaimer

Urbis has consented to the inclusion of this advice in the Product Disclosure Statement. Urbis is not providing advice about a financial product, or the suitability of the investment as set out in the Product Disclosure Statement. Such opinion can only be provided by a person who holds an Australian Financial Services Licence. Urbis does not hold such a licence and is not operating under any such licence in providing this report.

Urbis has been retained by Peet Funds Management Limited and no other party to provide this report. We do not have a financial interest in either Peet Limited or Peet Funds Management Limited and have provided this report solely in our capacity as an independent professional advisor. We have received a fee of \$10,000 +GST for our professional services in providing this report.

Yours sincerely,



Breton Fleming
Director – Planning & Design