

Information memorandum

The Conservatory

9 Abbott & 12-14 Lake Street
Cairns QLD 4870

Prepared by Ray White Transact & Ray White Commercial Cairns
September 2015



Opportunity to acquire
a building with future
development potential,
in a recognised premier
tourism destination



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The opportunity

To acquire an existing commercial/retail building with future development potential in the Cairns Central Business District (CBD) in North Queensland, Australia.

The existing building erected on the site is known as The Conservatory which is a two level retail and commercial property located next door to the Pullman Hotel and comprising a through-street arcade link between Abbott and Lake Streets, Cairns.

The property is leased short-term to a variety of tenants and produces approximately \$377,059* net passing income and \$425,889* full leased net income. It is likely tenants would pay higher rent if they were able to extend their lease tenure, however, as the building is located on a prime 3,091 m²* development site with code assessable capacity for 16 storeys, the vendors have restricted lease terms to enable future development.

Consequently, the opportunity exists;

- for an investor to extend leases and modify the building to create an increased income revenue, or
- for a developer to obtain vacant possession within 12 months from settlement or at some future date and develop the site in the short term.

Given the prime location within the Cairns CBD, the opportunity exists for several development uses, however, Architects have been engaged to produce rough development schemes capable under planning guidelines and these are available upon request.

Cairns is a recognised premier tourism destination which has experienced significant growth over recent decades. The Cairns hotel market is currently enjoying record trading levels and achieved the highest RevPAR growth in Australia in 2014, with growth forecast to continue into the future. Increased demand has seen strong occupancy levels in existing accommodation facilities and there is very limited supply in the development pipeline. As a result we believe a hotel/serviced apartment project is the most suitable redevelopment use for the site.

¹In 1994 this property was sold for \$18,720,000 and is now able to be bought at less than half this historic price level and well below replacement cost for the existing land and improvements.

*Approximately

Executive summary

The property 地址	9 Abbott Street and 12-14 Lake Street, Cairns QLD 4087	
Property description 物业描述	Improvements comprise a tropical colonial style two level building comprising retail and commercial space, with a through-street arcade linking Abbott and Lake Streets Cairns. 两层零售商业用楼，中间拱廊连接Abbott和Lake两条街	
Building area 建筑面积	Approximately 2,935 m ² GLA 约2935平方可租面积	
Land area 土地面积	Approximately 3,091 m ²	
Approximate net passing income 净租金	\$377,059 pa	
Approximate fully leased net income	\$425,889 pa	
Method of sale	The property is being offered for sale by Offers to Purchase campaign, closing Wednesday 14 October 2015.	
Marketing agents	Rick Bird Ray White Transact T 07 3231 2236 M 0417 750 950 E rbird@raywhite.com	Scott Green Ray White Commercial Cairns T 07 4044 1111 M 0412 283 282 E scott.green@raywhite.com

* Approximately

^ Important:

Prospective purchasers conduct due diligence investigations of the property strictly at their own expense and risk, and the vendor will have no liability in relation to such expenses. Consent by the vendor to the conduct by any potential purchaser of due diligence activities or investigation will not in any circumstance be construed as a representation that the vendor will be exercising, or refraining from exercising its rights to deal with the property, or any representation that the vendor intends to contract with that potential buyer, or at all.

Property overview

Address	9 Abbott Street and 12-14 Lake Street, Cairns QLD 4087
Real property details	Lot 32 on Plan RP747595 County Nares, Parish Cairns
Title reference	21376224
Zoning	City Centre (2060)
GLA	Approximately 2,935 m ²
Property description	<ul style="list-style-type: none">• Situated in a prime location within the Cairns CBD 位于凯恩斯市中心黄金地段• Building has frontages to both Abbott and Lake Streets 两面临街• Property includes both retail and commercial space 零售、办公混合• 3,091 m²* development site• Prime development land parcel with code assessable capacity for 16 storeys 可建16层• Short-term leases to 30 existing retail and commercial tenants with an additional three vacant areas 现有30个租户租期都很短，都到2016年结束。还有3个目前空着
Design	<p>The existing building known as 'The Conservatory' was constructed in 1989.</p> <p>It comprises a ground level retail arcade linking Abbott and Lake Streets with office accommodation on the upper level with a central atrium with escalators linking the levels.</p> <p>The complex features attractive 'tropical colonial' Architectural style typical of the Cairns and Port Douglas region.</p>



Property overview (continued)

Local government area	Cairns Regional Council
Site area	Approximately 3,091m ² 土地面积
Property dimensions	Refer to Survey Plan – Annexure C 地块尺寸见附表C
Abbott Street (North East Frontage)	Approximately 33.624 metres 东北向临街长度33.624米
Lake Street (Soth West Frontage)	Approximately 30.261 metres 西南向临街长度30.261米
North West Side Boundary (Pullman Hotel Side)	Approximately 100.905 metres 西北向边界长度100.905米
South East Side Boundary	Approximately 100.455 metres 东南向边界长度100.455米

*All areas are approximates.



Location

Cairns is the gateway to tropical North Queensland and the famous Great Barrier Reef and World Heritage Listed Daintree Rainforest. It has international and domestic airports with direct flights to Asia (inc Singapore, Shanghai, Hong Kong and Tokyo, Manila and Bali) and other international capital cities and Australian capital and provincial cities with 4.5 million arrivals in financial year 2014-15.

Cairns has experienced strong growth over recent decades and has world class infrastructure including James Cook University, Cairns Convention Centre and air, sea and rail networks.

The subject property is located in the south eastern section of the Cairns CBD opposite the Reef Casino on the Abbott Street frontage, adjacent to the Pullman Hotel (sold recently for \$75m) and in close proximity to other Cairns landmarks including Cairns Convention Centre, Hilton Hotel, The Pier and Cairns Marina. Directly opposite in Lake Street is the Cairns Corporate Tower, the tallest office building in Cairns.



Location (continued)

Market commentary

Cairns is emerging as a real estate hot spot for 2015 as a weaker Australian Dollar combines with some major recent development announcements and a surge in the local economy to restore confidence in the city's property market.

One of the most recent development announcements includes the major Aspiat apartment project which is a \$400 million development featuring seven commercial and residential towers in the Cairns city centre. This project is within close walking distance of the subject property.

The subject property has development potential for a variety of projects including: Hotel, Apartments, Retirement Living, Student Accommodation, Offices and Retail.

- Hotel - The Cairns hotel market is currently enjoying record trading levels, achieving the highest RevPAR growth in Australia in 2014 and this growth is expected to continue into the future. Increase in demand is outstripping supply resulting in strong occupancy levels.
- Apartments - Cairns has emerged as the states best unit hot spot in terms of rental yields according to News.com.au as of an article in February 2015. In the same article Matusik property insights is quoted as saying "Cairns market has entered into the recovery phase of the property cycle" with sales volumes rising slightly and property prices just starting to rise, rents up slightly, new housing beginning to rise and existing supply tight.
- Student Accommodation - The softening of the Australian dollar has seen a significant increase in international students, and this is expected to grow further with the easing of visa restrictions, and a Government scheme that allows graduates temporary stays up to 18 months, and the ability to work will further encourage this market.
- Office - Most new office space leasing demand is for small areas of up to 300 square metres and for modern, good quality green star rated office areas. However, there are only a handful of such buildings in Cairns. These buildings achieve high levels of occupancy and are experiencing stable rent levels typically of \$350 to \$400 per square metre per annum.

Infrastructure

A factor pushing up values in the Cairns property market is infrastructure spending. Large building projects at the Cairns International Airport, the seaport, the Public Hospital and the proposed Aquis Great Barrier Reef Resort all give Cairns a boost, injecting money into the local economy.

The proposed Aquis Casino development, at nearby Yorkeys Knob is Australia's largest, most exciting, world-class integrated resort, and will be a major tourism drawcard which is forecast to inject circa \$55.4 billion into the economy by 2030.

Town planning

Subject property

The property is designated “City Centre” under the Town Planning Scheme for the Cairns Regional Council.

The City Centre designation allows for the highest density on the Cairns CBD.

Development of the site is currently set at a maximum of 48 metres in height (16 levels). This is under Council review and could increase.

Please refer to Gilvear Planning report in the Annexure E.

*** Architects plans of proposed project available on request.**

Improvements

General description

The subject property comprises a two level semi-modern colonial style retail arcade development located within the Cairns CBD. The building has a total of 33 tenancy areas. The property provides a moderate standard of commercial accommodation.

Construction

Principal construction components comprise:

- Reinforced concrete slab floors to the lower level
- Reinforced suspended concrete slab floors to the upper level
- Rendered masonry block external walls
- Timber framed shop fronts and glazing
- Colorbond roof
- Plasterboard internal walls
- Plasterboard and aluminium clad ceilings to external common areas
- Suspended acoustic tile ceilings to tenancy areas
- Fluorescent lighting
- Exposed beam cathedral ceiling to central atrium

Fixtures and fittings

Fixtures and fittings forming part of the building are as follows:

- Ceramic tile floors to lower level common areas
- Timber decking to upper level walkways
- Decorative timber fretwork throughout
- Granite tiled planter boxes throughout common areas
- Male and female ablutions to each level
- Roller door to loading dock

Improvements (continued)

Other improvements

Other improvements forming part of the property are as follows:

- Concrete driveway
- Landscaped garden beds through the property
- 2 x escalators to central atrium

Conditions and appearance

The subject property is a semi-modern two level colonial style retail/commercial development. The property was previously poorly maintained, however in recent times significant catch-up maintenance has been carried out. Further works are still required including replacement of some sections of timber verandahs and re-levelling of the paved walkway to the Lake Street end of the property. In addition some external painting is required. Overall the appearance of the property has been improved substantially by the recent works carried out.

Tenancy schedule

Passing Income as at 1 October 2015

Conservatory Lane, Cairns												
TENANCY SCHEDULE - as at 1/10/2015												
Shop No	Area m2	Lessee	Trading As	Term	Lease Start date	Lease Expiry Date	Gross Rent PA	Gross Rent/m2	Outgoings Recovery PA	Total Gross Rent PA	Total Gross Rent/m2	Agreement Type
1	65	Capital corp Finance and Leasing Pty Ltd	Capital Corp Finance and Leasing	3	1/10/2013	30/09/2016	22538	347	499	\$23,037	\$354.42	REIQ Commercial Agreement with a termination clause to provide 9 month notice at nil compensation.
3	140	Oakland Enterprises Pty Ltd	Ray White	1	1/09/2015	30/08/2016	35000	250	0	\$35,000	\$250.00	REIQ Commercial Agreement now expired. Renewal under offer
5	45	Troy and Noelene Fraser	Nirvana Massage	1	1/03/2015	29/02/2016	10400	231	480	\$10,880	\$241.78	REIQ Commercial Agreement
7	52	SME Services Group Pty Ltd	SME Services Group	1	9/01/2015	8/01/2016	14300	275	480	14780	\$284.23	REIQ Commercial Agreement
9	93	Indigenous Community Volunteers Limited	Community Volunteers	2	1/01/2014	31/12/2015	23250	250	480	\$23,730	\$255.16	REIQ Commercial Agreement
11	60	Hon Consul of Fed Republic Germany & France	Germany & France Consul	1	1/05/2015	30/04/2016	14560	243	480	\$15,040	\$250.67	REIQ Commercial Agreement
12A	39	Regional Development Aust and FNQ and TI inc	Regional Development Aust and FNQ and TI inc	1	1/08/2015	30/06/2016	11200	287	0	\$11,200	\$287.18	REIQ Commercial Agreement
12B	39	Real Estate	Real Estate	1	1/10/2015	30/09/2016	11700	300	480	\$12,180	\$312.31	Under offer
13	62		Vacant					0	0	\$0	\$0.00	
15	90	Elizabeth Shephard	Elizabeth Shephard	1	1/01/2015	31/12/2015	22500	250	0	\$22,500	\$250.00	REIQ Commercial Agreement
16	98	Suzanne Beyer	Sweet Bistrot (Coffee)	1	1/01/2015	31/12/2015	24500	250	600	\$25,100	\$256.12	REIQ Commercial Agreement
17	76		Vacant					0		\$0	\$0.00	
18	54	W H Morgan Pty Ltd	Bill Morgan	1	1/09/2015	31/08/2016	14850	275	480	\$15,330	\$283.89	REIQ Commercial Agreement
19	133	BCA Trust	BC Accountants	1	1/09/2015	31/08/2016	36575	275	480	\$37,055	\$278.61	REIQ Commercial Agreement
21 & 22	149	O'Connor Law	O'Connor Law	1	14/10/2015	13/10/2016	41422	278	960	\$42,382	\$284.44	REIQ Commercial Agreement
23	39	East Group Aust Pty Ltd	East Group	1	1/04/2015	31/03/2016	10725	275	0	\$10,725	\$275.00	REIQ Commercial Agreement
25 & 26	88	David G Hannay Pty Ltd	David Hannay Solicitor	1	1/10/2015	30/09/2015	24200	275	480	\$24,680	\$280.45	REIQ Commercial Agreement
27,29 & 30C	141	Thomson Adsett Pty Ltd	Thomson Adsett	1	1/08/2015	31/07/2016	35045	249	480	\$35,525	\$251.95	REIQ Commercial Agreement
30B	30	Jodi Williams	Art Of Nails	1	3/02/2015	2/02/2016	8464.5	282	480	\$8,945	\$298.15	REIQ Commercial Agreement
31	67	The Conservatory Bar	Conservatory Bar	1	1/10/2015	30/09/2016	18425	275	0	\$18,425	\$275.00	Retail Shop Tenancy Agreement
32	67	J R March	Allure Hair	1	1/06/2015	31/05/2016	22177	331	480	\$22,657	\$338.16	Retail Shop Tenancy Agreement
F1	65	Qld Positive People Inc	Qld Positive People	1	1/10/2015	30/09/2016	17875	275	480	\$18,355	\$282.38	REIQ Commercial Agreement
F2	41		Vacant					0				
F3	75	Leah Rawlings	Rawlings Psych	1	23/07/2014	22/12/2015	16500	220	0	\$16,500	\$220.00	REIQ Commercial Agreement
F4	311	Dept of Foreign Affairs	PNG Consulate	3	1/09/2013	31/08/2016	107727	346	600	\$108,327	\$348.32	REIQ Commercial Agreement
F8	192	Crawford & Company (Australia) Pty Ltd	Crawford Loss Adjusters	3	1/02/2013	31/01/2016	52695.56	274	1200	\$53,896	\$280.71	REIQ Commercial Agreement. 3 year option. Tenant has advised they are about to exercise option.
F8 & F10	130	Wildmast Pty Ltd	Wildmast	1	1/10/2014	30/09/2015	20000	154	0	\$20,000	\$153.85	REIQ Commercial Agreement
F11	41	Shane Raso	Humac Design	1	22/09/2015	21/09/2016	10400	254	480	\$10,880	\$265.37	REIQ Commercial Agreement
F12	115	Taft Law Pty Ltd	Taft Law	1	1/06/2015	31/05/2016	28050	244	480	\$28,530	\$248.09	REIQ Commercial Agreement
F14 & F15	105	Devenish Law	Devenish Law	2	1/01/2014	31/12/2015	28198	269	480	\$28,678	\$273.12	REIQ Commercial Agreement
F16	38	Just Hire It Pty Ltd	Just Hire It	1	1/06/2015	31/05/2016	10400	274	480	\$10,880	\$286.32	REIQ Commercial Agreement
F17	177	Stateland Pty Ltd	Stateland	1	1/05/2015	30/04/2016	42080.76	238	480	\$42,561	\$240.46	REIQ Commercial Agreement
F17A	18	Peta Smerdon Bookkeeping Services	Peta Smerdon Bookkeeping Services	1	1/05/2015	30/04/2016	4900	272	480	\$5,380	\$298.89	REIQ Commercial Agreement
	2,935			1.3			740658		12499	\$753,157		

Disclaimer

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Colour identification

Green = Vacant
Yellow = Under offer

Tenancy schedule

On a Fully Leased basis

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Outgoings

THE CONSERVATORY BUILDING, 12 – 14 LAKE STREET, CAIRNS

Building Outgoings 1 July 2014 to 30 June 2015	
Statutory Outgoings	
Council Rates	\$ 68,054
Water Rates	\$ 3,079
Land Tax	\$ 37,631
Insurance Premiums	
Public Liability	\$ 2,300
Machinery Breakdown	\$ 2,053
Industrial Special Risk	\$ 20,658
Land Rent	
Land Rent	\$ 2,280
Airconditioning	
Contract Fee	\$ 7,800
Repairs & Maintenance	\$ 11,151
Cleaning	
Cleaning including rubbish removal	\$ 35,148
Electricity	
Common Area	\$ 53,628
Meter Reading Fees	\$ 2,100
Fire Protection	
Fire Protection	\$ 7,867
Lifts & Escalators	
Lifts & Escalators	\$ 26,351
Electrical Repairs & Maintenance	\$ 4,682
Repairs & Maintenance	
General	\$ 23,417
Locks, Keys	\$ 2,198
Painting	\$ 300
Plumbing	\$ 8,175
Security	
Security Patrols	\$ 13,611
Miscellaneous	
Licence / Registration Fees	\$ 220
Landscaping	
Gardening Contract Fees	\$ 2,257
Management Fee	
Management Fees	\$ 41,138
Total + GST	\$376,098

Financial Analysis

Passing Net Income as at 1 October 2015

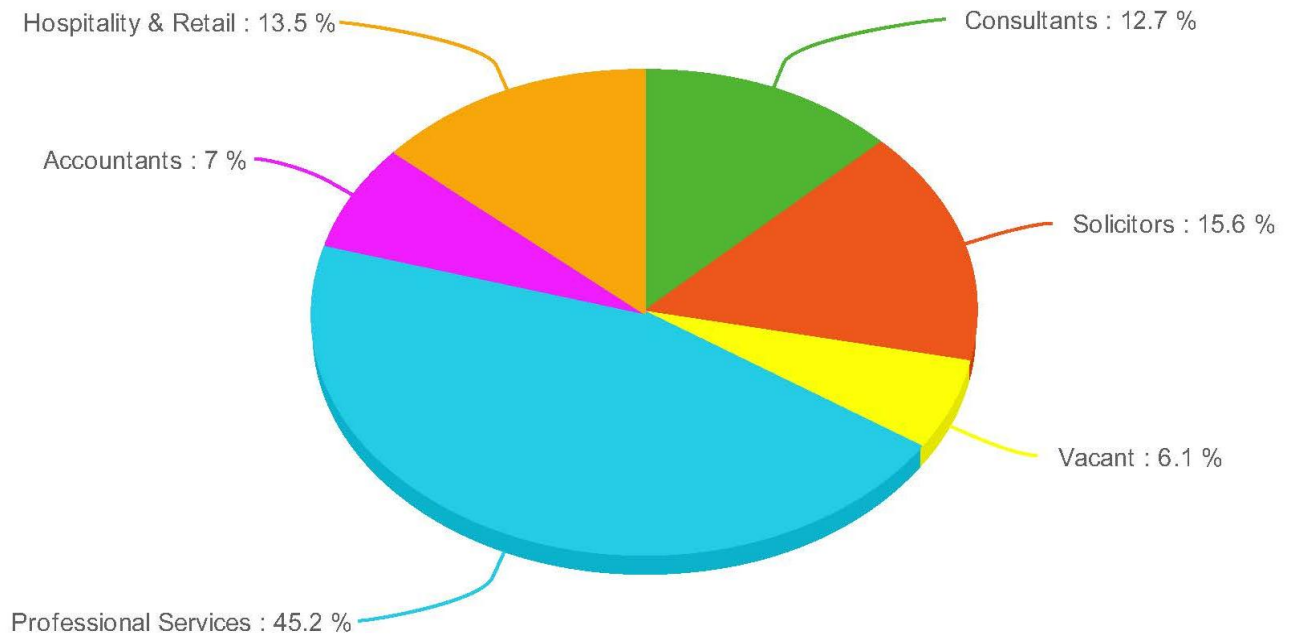
Gross Rental	\$740,658
Plus Recoverable Outgoings	\$ 12,499
Total	\$753,157
Less Outgoings	\$376,098
Net Passing Income	\$377,059*

Estimated Fully Leased Net Income

Gross Rental	\$789,008
Plus Recoverable Outgoings	\$ 12,979
Total	\$801,987
Less Outgoings	\$376,098
Net Passing Income	\$425,889*

Existing tenant profile

Existing Tenant Profile By GLA



- Consultants
- Solicitors
- Vacant
- Professional Services
- Accountants
- Hospitality & Retail

Sales process

This document has been prepared by Ray White Transact and Ray White Commercial Cairns on behalf of the vendor. Its purpose is to provide information in relation to 9 Abbott Street and 12-14 Lake Street, Cairns and the opportunity that is available. It is produced solely as a general guide for interested parties

Offers to purchase process

Offers to purchase are sought from parties interested in acquiring 9 Abbott Street and 12-14 Lake Street, Cairns by 4pm AEST Wednesday 14 October, 2015.

Contract for sale

The contract for sale document will be available upon request.

Due diligence

The due diligence process will provide access to additional information concerning the property. A due diligence package has been prepared and access will be made available on request to all qualified parties.

Agent contact details

All enquiries in relation to this opportunity are to be directed to the exclusive agents:

Rick Bird

Ray White Transact

T 07 3231 2236

F 07 3231 2271

M 0417 750 950

E rbird@raywhite.com

Scott Green

Ray White Commercial Cairns

T 07 4044 1111

F 07 4044 1122

M 0412 283 282

E scott.green@raywhite.com

Disclaimer

Subject to the provisions of the Competition and Consumer Act 2010 and subject to any other non-excludable statutory provisions, "the Agent" gives notice that:

- all information given in relation to this property whether contained in this document or given orally, is given without responsibility;
- intending purchasers should satisfy themselves as to the truth or accuracy of all information given by their own inspections, searches, inquiries, advices or as is otherwise necessary;
- no person in the employment of Ray White and its associated businesses has any authority to make or give any representation or warranty whatever in relation to property advertised.
- This material has been sourced from third parties and passed on by the Agent, for general information purposes but no warranty of accuracy is made.

Assume visual images enclosed (e.g. plans, photography, specifications, artist impressions, brochures) are strictly indicative-conceptual only (any statements to the contrary endorsed on such material are attributable to the author, not us).

Appearance or layout of anything depicted may alter at any time without reference to us. All visual material and designs are subject to change at any time. Any measurement noted is taken to be indicative and not to scale. All outlines on photographs are indicative only. Price lists are not offers to sell / lease / hold properties, or fix an asking price - they are last known asking prices only and are subject to change without notice. Any price mentioned in the advertisements does not take into account any applicable Goods and Services Tax ("GST").

Prospective purchasers are strongly advised to make their own enquiries as to whether any listing price is inclusive or exclusive of GST. We are not valuers and make no comment as to value. "Sold / leased" designations show only that stock is "currently not available" - not that the property is contracted / settled. Any information supplied may have changed since we received it and we take no responsibility for that. No reliance should be placed on any answer or volunteered information in a call with our staff.

Statements of any kind will not be deemed authorised unless in writing signed by one of our directors. This document (including attachments) is only intended for its addressee/s and may contain privileged or confidential information. Unauthorised use, copying or distribution of this document or any part of its contents, is prohibited. The Agent recommends each party undertake their own searches and investigations to determine the accuracy of the above information.

The information contained in this Information Memorandum and any other verbal or written information given in respect of the property ("Information") is provided to you (the "Recipient") on the following conditions:

1. No assurance, representation, warranty or guarantee (express or implied) is given by Ray White or any of their respective officers, employees or consultants (collectively referred to as the "Parties") or any other person or entity, that the Information, whether or not in writing, is complete, accurate or balanced, or has or will be audited or independently verified, or that reasonable care has been or will be taken in compiling, preparing and furnishing the Information.
2. The Information does not constitute, and should not be considered as, a recommendation in relation to the purchase of

the property or a solicitation or offer to sell the property or a **contract of sale for the property.**

3. The Information should not be relied upon in any way by the Recipient or its related entities, their respective officers, employees, agents, advisors, shareholders and associates (collectively the "Recipient Parties"). Each Recipient should satisfy themselves as to the accuracy and completeness of the Information through inspections, surveys, enquiries, and searches by their own independent consultants, and should seek **independent legal and financial advice.**

4. The Information does not and will not form part of any contract of sale for the property. If an interested party makes an offer or signs a contract for the property, the only information, representations and warranties upon which the Recipient Parties will be entitled to rely will be as expressly set out in such a contract.

5. Interested parties will be responsible for meeting their own costs of participating in the sale process for the property. The Parties shall not be liable to compensate any intending purchasers for any costs or expenses incurred in reviewing, investigating or analysing any Information.

6. None of the Parties are liable to compensate or reimburse the Recipient Parties for any liabilities, costs or expenses incurred in connection with the sale of the property. Furthermore, the Agent, shall not incur any personal liability to any of the Recipient Parties or purchaser on any basis.

7. Except as may be expressly provided in any agreement in writing between the Parties and the Recipient, the Recipient acknowledges and agrees (for itself and the other Recipient Parties) that to the maximum extent permitted by law, each of the Parties disclaim all liability for any loss or damage (whether foreseeable or not) suffered by any person acting on any of the Information whether the loss or damage arises in connection with any negligence, default or lack of care on the part of the Parties, any misrepresentation or any other cause by reason of or in connection with the provision of the information or by the purported reliance thereon by any of the Recipient Parties.

8. No person is authorised to give information other than the Information in this Information Memorandum or in another brochure or document authorised by the Agent. Any statement or representation by an officer, agent, supplier, customer, relative or employee of the vendor will not be binding on the vendor or on the Agent.

To the extent that any of the above paragraphs may be construed as being a contravention of any law of the State or the Commonwealth, such paragraphs should be read down, severed or both as the case may require and the remaining paragraphs shall continue to have full force and effect.

The Information contained in this Information Memorandum is provided to the Recipient on a strictly confidential basis. In particular, the Recipient may not discuss the Information or the proposed sale of the property with the vendors or with any agent, friend, associate or relative of the vendor or any other person connected with the vendor without the prior written consent of the Agent.

The Information must not be reproduced, transmitted or otherwise made available to any other person without the prior written consent of the Agent.

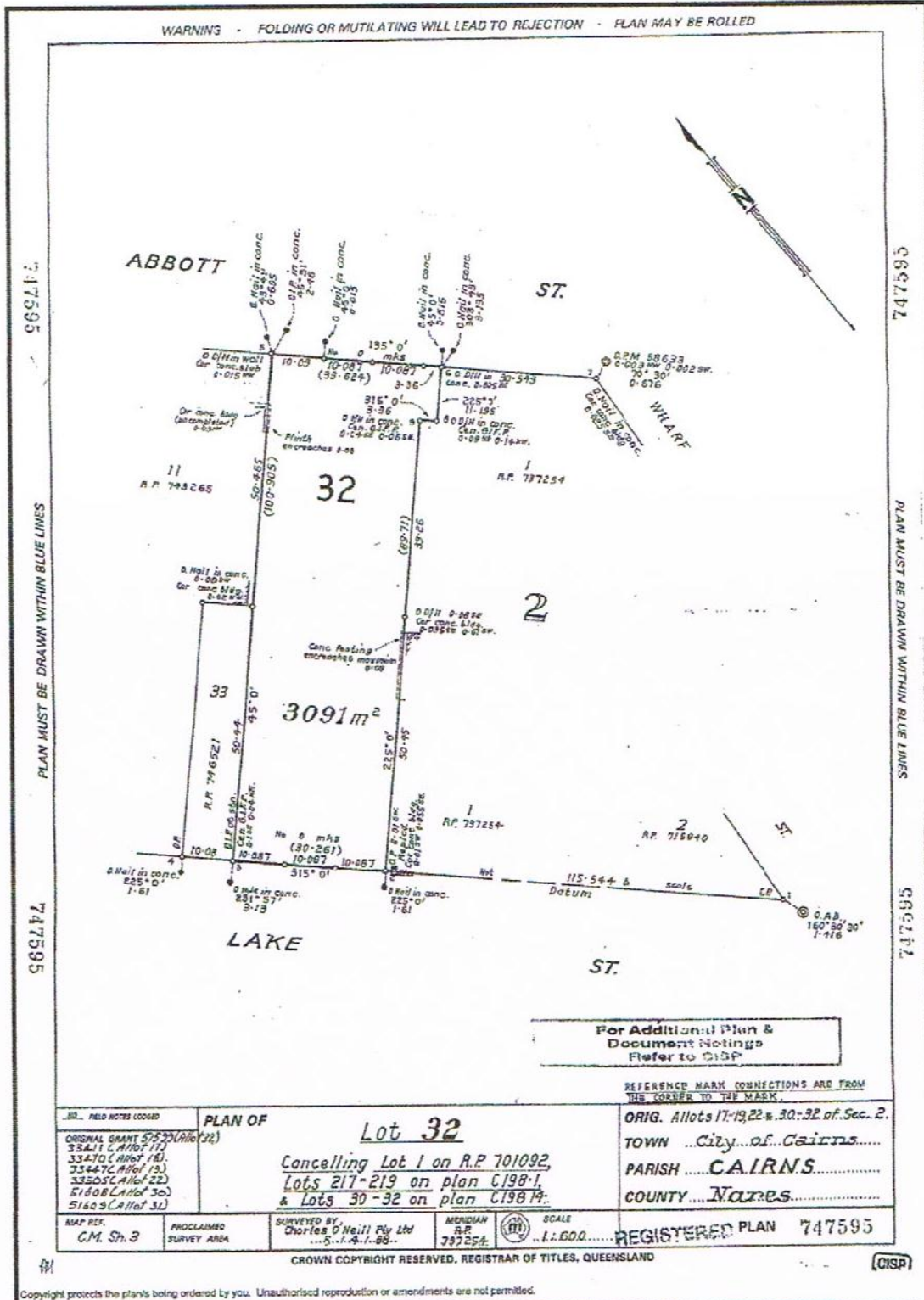
Annexure A

Existing floor plans



Annexure C

Survey plan



Annexure D

Car parking credits

When the original development approval was obtained in 1987 there was a car parking contribution paid by the then owner which will apply to any future development application. A contribution for 67 spaces was paid on 03 September 1987, for \$569,500 (\$8,500 per space) for "Cairns Tourist Shopping Centre"

Please note reference below;

28. Cairns Tourist Shopping Village - Sarich Corporation Pty. Ltd. - Abbott & Lake Streets, Cairns City. (with attachment) 90/102

ALDERMAN DAVIS MOVED:

- PLNG "A. That Council grant a concession in carparking of 0.8 of the required spaces in accordance with Council Policy 4(a)(i)(B).
- B. That Council is prepared to accept contribution in lieu of providing the required 67 spaces on site, such contribution will be assessed in accordance with the rate assessed at the time of payment. Under the present method of calculations, carparking contribution is \$8,500 per space."

SECONDED BY ALDERMAN VAN DORSSSEN AND CARRIED.

Annexure E

Town planning report



Our Ref: J000172:ABB:KLG:SR
Date: 15 September 2015

Mr Andrew Deane;
Mr Craig Lagerroth
GPO Box 675
BRISBANE QLD 4001

Dear Sirs,

RE: The Conservatory Complex located at 9 – 15 Abbott Street, Cairns CBD more particularly described as Lot 32 on RP747595

Site Description

The property is located at 9-15 Abbott Street, with frontage through to Lake Street. With an area of 3,091sq m, the site is described as Lot 32 on RP747595. The site is improved by four interconnected buildings, within which a range of businesses are undertaken (commercial / offices).

CairnsPlan

Within CairnsPlan, the site is designated as follows:

- City Centre Planning Area
- Bound by 'view lines' on the Connectivity Overlay (Lake Street and Abbott Street frontages)
- Below 20m AHD on the Acid Sulfate Soil Overlay
- Precinct 1 on the Height and Impact of Buildings Overlay
- Affected by the Flood Inundation Overlay
- Affected by airport overlays (height and impact of buildings; light)

Development on the site for a range of commercial and/or residential purposes is generally "code" assessable.

A detailed review of all relevant Code provisions affecting the site has not been undertaken. However, a short summary of provisions likely to affect design elements is provided for initial consideration:

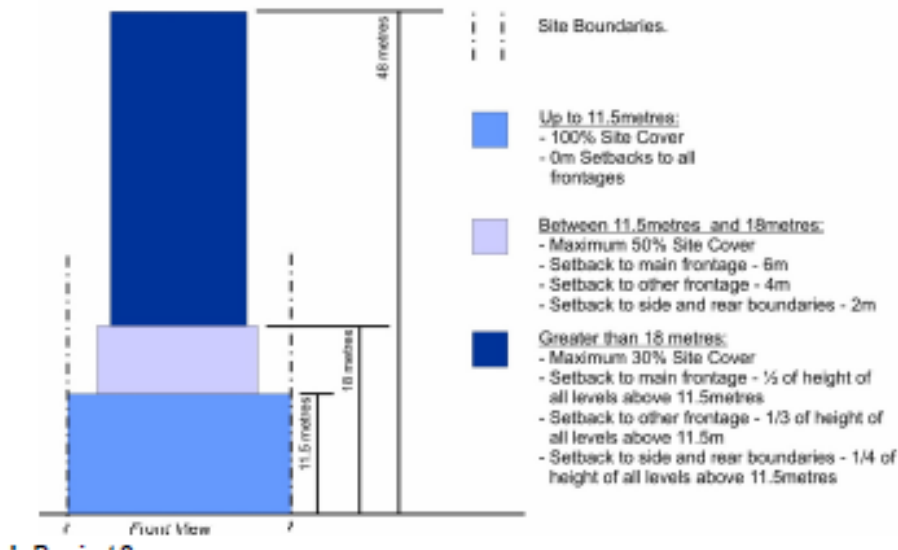
City Centre Planning Area Code

- No maximum site population density
- Residential units have balconies / living area windows that overlook public areas (roads etc)
- Development should complement surrounding development in terms of design / architectural finish
- Car parking is provided on site, on upper levels if possible. Car parking at ground / basement level is concealed
- Pedestrian access between Lake and Abbott Streets should be maintained, if at all physically possible, in any redevelopment

Height and Impact of Buildings Overlay Code

- Development on the site should not exceed 48m in height – please note greater height may be achieved with negotiation with Council, depending upon impact of the airport overlay on this site – note it is within the 60 – 70m AHD contour on overlay mapping
- Shadow diagrams required
- 0m setback to street frontage permitted
- Podium construction preferred, with podium no greater than 3storeys (subject to negotiation)
- Awning / verandah or appropriate feature required to provide shelter for pedestrians
- Tropical design finish preferred (verandahs, etc)
- On the site, site cover / setbacks:
 - Up to 11.5m, 100% site cover, 0m setbacks to all boundaries;
 - 11.5m to 18m, 50% site cover, 4 - 6m setback from road frontage, 2m setback from side and rear boundaries;
 - greater than 18m, 30% site cover, setbacks linked to height of levels above 11.5m (summary diagram from code below)

In Precinct 1:



- Plot ratio bonuses are possible, depending upon design of proposed building. See summary below, noting site is within Precinct 1:

Precinct	Base Plot Ratio	Maximum Plot Ratio
1	4:1	5:1
2	2:1*	4:1
3	NAMS	1.75:1
3a	2:1	3:1
4	NAMS	1.5:1
Shields Street	2:1	4:1

The base plot ratio is applicable to all developments.

The maximum plot ratio will only be granted where it can be demonstrated that the development provides wider community benefit through design aspects or incorporating features required within the City. Such aspects and features shall be determined at the discretion of the Council and may include but not be limited to:

- the retention of a local heritage site, or building within a character precinct; or
- the provision of pedestrian links via parks or walkways or landscaped public courtyards; or
- the inclusion of vehicle parking floors for use by the public; or
- the provision of community facilities or social infrastructure in association with a development; or
- other items as determined by Council.

* A plot ratio bonus of 1:1 applies where a building has a maximum height of 18 metres and complies with all other built form provisions. Resulting in a plot ratio of 3:1.

Site History

It is understood that the initial development of “The Conservatory” was undertaken under provisions within the 1971 Planning Scheme for the area, which enabled development to occur without planning approval provided it was under 10m in height.

In regards car parking for the site, it is noted that a cash contribution was lodged with Council in 1987, for 67 car parking spaces. Confirmation received in this regard from Cairns Regional Council is **attached** for reference.

Approvals for Redevelopment in the CBD – Height and Uses

A review of public information regarding approvals recently granted for redevelopment of sites in the CBD reveals:

- There do not appear to be recent approvals granted for tall buildings adjoining or nearby to the subject site – impacts on neighbouring properties as a result of ‘tall building’ development must be considered;
- Gilligans Redevelopment – recent application seeks confirmation of approval for heights up to 45m AHD (multiple dwellings proposed; holiday accommodation already in place);
- Central Park Development – on Spence and Hartley Street, across from Cairns Central, a mixed use and staged tower development is proposed. Multiple dwellings, holiday accommodation, tavern, shops proposed. Height up to 63m. No decision as yet;
- Sheridan / Kenny Street development (expired but relevant) – Adjoining sites have approvals up to 52m in height. Subject application obtained approval for 57m AHD ‘with concerns’ from Council Officers. Mixed use development proposed.

New Cairns Region Planning Scheme (under development)

Council is currently preparing a new Scheme for the Cairns Region. The scheme was placed on formal public notification in late 2014. Council received 6700 submissions and in response to this feedback, Council proposed a number of ‘significant’ changes to the draft changes which were subsequently advertised in July - August 2015.

From here, Council will continue to consider the submissions made during this time and then submit the amended scheme to the Minister for approval/gazetta. This is likely to occur early 2016.

The current ‘draft version of the scheme includes the site within the “Principal Centre” Zone. Development for commercial and residential or accommodation purposes in this zone is likely to be ‘code assessable’. A number of significant changes have been made to provide additional development opportunities in this area, including increased height, removal of plot ratio requirements etc. These are summarized in the **attached** table.

Kind regards,

Gilvear Planning Pty Ltd

Element	Current Scheme	New Scheme (Draft)
Site Cover:	100% (up to 11.5m/3 – 4 storeys) 50% (18m/6 storeys) 30% above 18m	40% for Short Term Accommodation/Multiple Dwellings None prescribed for offices/retail uses etc.
Height:	48m (~16 storey)	60m – 70m (20 – 24 storeys)
Setbacks:	<u>Up to 11.5m</u> All: 0m <u>11.5m – 18m</u> Front: 6m (Abbott)/4m (Lake) Side: 2m <u>18m and above</u> Front: ½ height (Abbott) and 1/3 (Lake) of all levels above 11.5m Side and Rear: ¼ height of all levels above 11.5m	<u>Up to 9m/2 storey</u> All: 0m <u>Above 9m/2storey</u> Front/Rear: 10m Side: 4m side or 1/8 of the height Between Towers: 20m Max Tower width: 40m
Density:	Depends on use 400 persons per hectare for holiday accommodation etc.	None prescribed
Plot Ratio:	4:1 – 5:1 max	None prescribed
Car Parking:	1 per 50m ² of NLA for office/shops/restaurants	1 per 25m ² GFA for Office/Shops/Restaurant

	<p><u>Holiday Accommodation</u></p> <p>Self Contained Unit: 0.75 spaces/unit AND 0.25 spaces for visitors</p> <p>Non-self contained unit: 0.25 space per unit and 1/10 units for visitors</p> <p><u>Multiple Dwellings (Permanent Accommodation)</u></p> <p>1.5 spaces/1 & 2 bed units OR 2/3 bedroom unit AND 0.25/unit for visitor</p> <p><u>Short Term Accommodation (Backpackers)</u></p> <p>1 space/15 beds and one bus bay</p>	<p><u>Short Term /Holiday Accommodation</u></p> <p>Self Contained Unit: 1 space/1 & 2 bed units OR 1.75/3 bed unit AND 0.25 spaces for visitors</p> <p>Non-self contained unit: 0.25 space per unit and 1/10 units for visitors</p> <p><u>Multiple Dwellings (Permanent Accommodation)</u></p> <p>1 space/1 & 2 bed units OR 1.5 spaces/3 bed unit AND 1/10 units for visitors</p>
Mix of uses:	<p>Educational Establishment is Impact Assessable</p> <p>Office/Shops/Restaurant/Multiple Dwellings and Short Term Accommodation is Code Assessable</p> <p>(Code Assessable is encouraged by Council, depending on compliance with design outcomes)</p>	<p>Educational Establishment is Code Assessable</p> <p>Office/Shops/Restaurant/Multiple Dwellings and Short Term Accommodation is Code Assessable</p> <p>Office/Shops/Restaurant etc MAY be self assessable (i.e. no approvals) where within an existing building.</p>

Key Design Elements - Other

- Pedestrian connection (min width 6m) between Abbott Street and Lake Street to be maintained and incorporated into any redesign, if possible.
- No maximum site population density. Plot Ratio does not include car parking areas.

- Residential units have balconies / living area windows that overlook public areas (roads etc).
- Development should complement surrounding development in terms of design / architectural finish.
- Car parking is provided on site, on upper levels if possible. Car parking at ground / basement level is concealed.
- Tropical design elements to be included – i.e. verandahs.
- Max height will be dictated by the Obstacle Limitation Surface for the Airport.
- Awning across frontages are required – max height of 3m above footpath;
- Mix of uses with retail and restaurant uses on ground floor, offices within the podium levels and accommodation above.

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