

ON APPEAL

FROM THE SUPREME COURT OF NEW SOUTH WALES

COMMON LAW DIVISION COMMERCIAL LIST

BETWEEN:

KOORAGANG INVESTMENTS PTY, LIMITED

Appellant (Plaintiff)

AND:

RICHARDSON & WRENCH LIMITED

Respondent (Defendant)

TRANSCRIPT RECORD OF PROCEEDINGS

Volume III

SOLICITORS FOR THE APPELLANT

Clayton Utz & Company,
Australia Square,
SYDNEY, N.S.W.

By their Agents:

Clifford-Turner,
Blackfriars House,
19 New Bridge Street,
LONDON. EC 4V 6BY U.K.

SOLICITORS FOR THE RESPONDENT

Freehill, Hollingdale & Page,
M.L.C. Centre,
Martin Place,
SYDNEY, N.S.W.

By their Agents:

Linklaters & Paines,
Barrington House,
59-67 Gresham Street,
LONDON. EC 2V 7JA U.K.

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	E2, E3, E4, E5, E7, E8, E9, E10, (fourth page of letter to Group Unity Syndications), E11, (both pages), E12 (both pages), E13 (both pages), E14, E15, E16, E17, (both pages), E22, E24, E43		618

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has been opened with the Bank of New South Wales, 341 George St., Sydney.

Signing authorities are any two of the Directors, viz. Messrs. Satchwell, Cordner or Simpson or any of the Directors with the Secretary, Mr. Cook.

2.

42. MEMORANDUM & ARTICLES OF ASSOCIATION:

It was resolved that the Memorandum & Articles of Association should be updated to show that the main object of the Company is to lend money and to ensure that the Company is protected for tax deductions in the event of losses incurred. 10

The Manager was requested to prepare a revised Memorandum & Articles of Association as soon as possible.

43. BASIS OF PROPERTY VALUATIONS:

It was agreed that the Manager ^{/Mr. Simpson} would provide a statement showing "guidelines" to be followed in the processing of applications for loans on properties. This statement will be finalised after consultation with the Director of Valuations from the Company's valuers, Richardson & Wrench Ltd. 20

44. APPLICATION FOR LOAN - TOLMITMER PTY. LTD.

The application from Tolmitmer Pty. Ltd. for a loan of \$150,000 at 11% p.a. over two years with First Mortgage security over property at 7-9 The Corso, Manly, together with the valuation requested from Richardson & Wrench Ltd. was received and discussed. It was agreed that the Manager would obtain details of the recent sale of the property 1-5 The Corso, Manly, and details of the land value in the total valuation of \$262,000. These details with other information provided by the valuer will be submitted to the Directors prior to the next Board Meeting. 30

45. APPLICATION FOR LOAN - ASSOCIATED MANAGEMENT PTY. LTD.

An application from Associated Management Pty. Ltd. for a loan of \$130,000 at 11% p.a. over two years with first mortgage security over land and property at 66 Alexander Street, Crows Nest, was received and discussed. It was agreed that Richardson & Wrench Ltd. be requested to carry out a preliminary inspection of the premises with a view to recommending on the suitability or otherwise of considering the loan application. 40

46. NEXT MEETING:

The next Meeting of the Board of Directors will be held when information of the two loan applications is available.

K. Satchwell
CHAIRMAN 16/2/1972

R & W
Cable Address: "Richwrench"
Address all mail to: P.O. Box 176
SYDNEY, N.S.W. 2001

RICHARDSON & WRENCH LIMITED
Est. 1858
LICENSED REAL ESTATE AGENTS,
AUCTIONEERS, VALUERS & PROPERTY
MANAGERS
HEAD OFFICE: 109 PITT STREET, SYDNEY
N.S.W. 2000.
TELEPHONE: 25-3051
Associated agents in all capital
cities in Australia

G2
Branches
at:
Burwood
Chatswood
Crows Nest
Double
Bay
Gordon 10
Parramatta
Randwick
and
Campbell-
town

IN REPLY PLEASE
QUOTE:
KWH:SC

9th February, 1972

The Secretary,
Australian Fertilizers Limited,
P.O. Box 528,
NORTH SYDNEY N.S.W. 2060

20

Attention: Mr. A. Simpson

Dear Sir,

We refer to the writers conference at your office today and attach hereto more detailed information on the property at Nos 7 to 9 The Corso and No. 2 Market Street, Manly.

We also enclose a sample of the correspondence forwarded from one of our Insurance Company clients where an application for funds by way of first mortgage is made.

30

WeYou may be able to vary the forms to suit your own purposes bearing in mind that it is our practice to hand the applicant, the completed reports, leaving the responsibility upon him to get them to the Lending Authority.

Should you require further information at any time in respect of properties on which you are lending funds, please do not hesitate to contact the writer or one of the several valuers in the department.

Yours faithfully,
K.W. HODGSON
K.W. HODGSON
Director - Valuations

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Encl.

Over a Century of Service

GUIDELINES FOR PROCESSING APPLICATIONS FOR TWO YEAR LOANS ON
FIRST MORTGAGE SECURITY

SOURCE OF APPLICATIONS:

1. A.F.L. Solicitors - Minter Simpson have clients interested.
2. Land Developers - Approaches have been made to land developers, who are aware of the existence of the Company.
3. Richardson & Wrench - A.F.L. valuers who have indicated proposals are received from interested parties on a continuing basis.
4. Commercial Mortgages - Specialists in arranging this type of finance.
5. D.F.C. Constable, A.C. Goode - All dealers in short term lending.
6. Advertising - A 4" x 3" advertisement in the Financial Review would cost \$36 and would let the business community know of the Company's intentions.
7. Unsolicited - Applications will come from sources unknown.

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FORM OF APPLICATION:

A standard form will be prepared, see Appendix A, and if the applicant provides the basic information in letter form it can be set out on the form. If not the form will be sent to the applicant for completion, so that a regular approach to all applications is followed.

20

CONSIDERATION OF APPLICATION:

1. The completed form of application will be reviewed by the Manager (in the early stages by the Board) to decide whether the valuers will be requested to carry out a preliminary inspection of the property offered as security.
2. This inspection at a fee of approx. \$25.00, will include a physical inspection of the outside of the buildings and the location area generally, and an enquiry into the zoning restrictions currently in force. From their impressions, the valuers will provide a general comment on the suitability of the property as a mortgage prospect. This step is the first check in the proposal and an adverse report will save time as the Manager will probably reject the application at that stage.

30

3. A favourable report from the valuer would lead to a full review of the loan proposal by the Manager and the completion of a standard form, see Appendix B, for submission to the Board for consideration. At this stage a Dun & Bradstreet report on the applicant would be obtained and the applicant informed that bank guarantees will be required in respect of the loan.

.../2

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2.

4. The Board provide the second check in the proposal by being satisfied that the detailed information provided, warrants further consideration after the Company's valuers have submitted a full and complete valuation.
5. If the Board agree to call for the valuation, a standard letter, Appendix C, is written to the applicant requesting that an approach be made to our Valuer, at present Richardson & Wrench Ltd. At the same time the Company writes a standard letter, Appendix D, to the Valuer advising of the action taken. 20
6. The valuation to be provided by the Company valuer will include:
 - (a) Land - Details of location, measurements, title, local government authorities, zoning restrictions, and valuation of the land in \$.
 - (b) Property - Description of the buildings erected on the land and their exact location on the property. Any special items arising from construction, access to all parts and condition at time of valuation. Details of compliance with local government authorities, requirements relative to Shops and Factories Act, Health, Fire precautions building restrictions and any other requirement. Separate valuation of the property in \$. 30
 - (c) Situation - Comment on the suitability of the location of the property with regard to future appreciation or depreciation of values. Also comment on potential hazards to the property and its vulnerability to damage by natural or accidental causes. 40
 - (d) Repair - Report on the present state of repairs of the property, and the need for any immediate or short term repair work to restore the property to a suitable standard.

- (e) Tenancies - To list details of tenancies including name of tenant and rental and to state on what basis tenancies arranged, weekly, monthly or term lease, and to comment on the suitability of the tenancy arrangements.
 - (f) Insurance - To enquire what insurance cover exists over the property, and to provide the name of the insurers.
 - (g) Outgoings on Property - To list details of the expenses of operating the property as a rental proposition, including Council & Water Rates, Land Tax, Cleaning, Insurance, Repairs, Management Fee, Common electricity, rental of unoccupied premises, bad debts and other expenses. 10
 - (h) Total Valuation - To show the total value of the land, buildings, etc. and to indicate the maximum percentage up to which a loan on first mortgage could be made.
7. On receipt of the valuation, the Manager would arrange to confirm the following with respect to the property: 20
- (a) Situation
 - (b) State of Repair
 - (c) Tenancy Details
 - (d) Expenses of operating the property
 - (e) Insurance cover and policy.
8. A Standard loan application, Appendix E, would then be prepared for submission to the Board for consideration of a loan, limited at all times to a first mortgage over the property and to a term and percentage of valuer's valuation as authorised from time to time by the Board of Australian Fertilizers Limited. 30

.../3

3.

REJECTION OF APPLICATION:

If the Board rejected the application, a standard letter, Appendix F, would be forwarded to the applicant. The letter would refer to the previous letter, Appendix C, in which the Company reserved the right to reject the loan, despite payment by the loan applicant of the valuation fee.

ACCEPTANCE OF APPLICATION:

If the Board accepts the application an offer of a loan up to a maximum amount, at a fixed rate of interest and over a fixed period, with the property covered by a first mortgage would be made in a standard letter, Appendix G. Written acceptance of

the offer by the loan applicant would be required before any further action was taken.

LEGAL DOCUMENTS:

The receipt of written acceptance from the applicant would allow a standard letter, Appendix H, to be written to the Company's Solicitors, Minter Simpson & Co., to prepare the necessary documents. The mortgage would include the arrangements for the payment of interest as well as the normal relevant details mentioned above. 10

LOAN ADVANCE:

On completion of the mortgage document and on clearance by the Solicitors, the cheque for the loan would be drawn and passed to the borrower.

FAILURE TO PAY INTEREST OR REPAY LOAN:

If the borrower fails to meet a normal interest payment or fails to repay the loan the lender has certain legal rights. The lender has the power to sell the mortgaged property but this power must be used in good faith and not recklessly in selling the property at a fair and reasonable value. 20

The lender has the right to possession in the event of default, in the absence of any provision to the contrary.

Tenancies arranged by the borrower before the default would normally continue unaffected.

If payment is overdue the lender may sue at law on the covenant to pay which is in the mortgage document. This right is subject to some statutory limitations.

AS:EM
SYDNEY
14/2/72

30

AUSTRALIAN FERTILIZERS LIMITED

G4

AS:EM

14th February, 1972.

MEMO TO: MR. K. SATCHWELL
MR. J.P. CORDNER
MR. F.C. COOK

KOORAGANG INVESTMENTS PTY.LTD. - LOANS

At present we are finalising "guidelines" to cover loan applications and preparing a Board Submission covering the application by Tolmitmer Pty. Ltd., and Richardson & Wrench Ltd. have been requested to carry out a preliminary inspection of the premises at 66 Alexander Street, Crows Nest, known as "the Establishment".

10

A Board Meeting should be held on Wednesday morning, 16th February 1972, to consider these matters prior to the A.F.L. board Meeting on 17th February 1972.

Mr. Hodgson, Director of Valuations, Richardson & Wrench Ltd., has indicated that the present loan requirements of 60% of their valuation at 11% p.a. over two years will severly restrict our ability to lend.

He points out that 65% on 66 2/3% is more in keeping with normal lending at 11/11½%. However, the interest rate currently is falling due to reduced bank rates and surplus of funds, and for our type business may fall to 10/11% at 65% - 66 2/3%.

20

The Finance Companies lending up to 80% of valuation have reduced interest rates from 13½% p.a. to 12½% p.a.

Careful consideration will need to be given to the conditions laid down by the A.F.L. Board on this type of lending in the light of current conditions.

Can I arrange for the Secretary to call a Board Meeting for 10.00 a.m. Wednesday, papers for the items under consideration will be available on Tuesday afternoon, 15th February 1972.

30

A. SIMPSON
A. SIMPSON

Investments Pty. Limited \$150,000 at 10% p.a. over two years to make this loan to Tolmitmer Pty. Ltd.

45. Application for Loan - Associated Managements Pty. Ltd.

The Manager reported that an application had been received from Associated Management Pty. Ltd. for a loan of \$130,000 at 11% p.a. over two years with first mortgage security over a restaurant "The Establishment" at 66 Alexander Street, Crows Nest. The

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S.

2.

loan represents 61% of a valuation of \$210,000 prepared by L.J. Hooker Ltd.

A preliminary inspection of the property had been made by the Company's valuers, Richardson & Wrench Ltd. who advised an estimated value of \$180,000 on the property. They advised that the property was in a specialist restaurant area which could also be converted, at a cost, into a two-storey office building. The site was valuable and there were no zoning restrictions at the present time.

20

The Board, after consideration of the proposal, agreed that lending on this type of specialist business property was not desirable, and the Manager was asked to convey this information to Associated Management Pty. Ltd.

49. LIMITS ON LENDING:

It was agreed that a request be made to the Board of Australian Fertilizers Limited to increase the basis of lending on properties from 60% to 65% of the valuation, obtained from the Company's valuers, Richardson & Wrench Ltd.

50. SHORT TERM LENDING:

30

The Chairman reported that the Board of Australian Fertilizers Limited has appointed Kooragang Investments Pty. Limited to act on behalf of the A.F.L. Group of Companies in lending and borrowing on the inter-company short term money market.

51. NEXT MEETING:

The Secretary was requested to call the next meeting of the Board, when loan applications or normal business matters require consideration.

S. Satchwell
CHAIRMAN 25/2/1972

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KOORAGANG INVESTMENTS PTY. LIMITED
(LETTER OF OFFER OF LOAN TO APPLICANT)

Applicant's Name:

Date:

Dear Sir,

APPLICATION FOR ADVANCE OF FUNDS ON
PROPERTY

We refer to our letter of / / relative to your application for a loan covered by first mortgage over the above property, and advise that we are prepared to offer a loan on the following 10 basis:

Maximum Amount \$.....Interest Rate P.A...%Term of Loan
.....yrs.

Interest will accrue from the day of 197 or from the date on which the advance is made, whichever is the earlier and the mortgage documents will be prepared so as to express the interest to be calculated from such date.

Any legal costs incurred by us after your acceptance of this offer will be payable by you.

Our obligation to proceed with the loan shall be conditional 20 upon a good title to the property being shown to the satisfaction of our Solicitors and the property being insured for its full value. If you are prepared to accept a loan of \$.....at.....% p.a. over.....years upon the above terms would you please sign the attached copy of this letter and return in the envelope provided.

This offer will remain open to you until 1972.

We reserve the right to require seven days' notice of the commencement date of the loan. Will be plenty of notice because of 3 weeks to settle 2 - 4 weeks.

On receipt of your acceptance we will instruct our Solicitors Messrs. Minter Simpson & Co. to draw up the mortgage deed for signature by both parties on a mutually arranged date.

MANAGER.

KOORAGANG INVESTMENTS PTY. LIMITED

(LETTER TO SOLICITORS REQUESTING PREPARATION OF MORTGAGE)

Messrs. Minter Simpson & Co.
24th Floor, A.N.Z. Bank Bldg.,
Cnr. Pitt & Hunter Streets,
SYDNEY. N.S.W. 2000.

Date:
Attention Mr. K.O. Johnson.

Dear Sir,

APPLICATION FOR LOAN

10

We attach copy of a signed acceptance by
Name of Borrower
covering a loan of \$....., at% p.a. over
..... years with a first mortgage over property at
.....

A copy of the loan application form and valuation from
Richardson & Wrench Ltd. are attached.

Solicitors acting for the proposed borrower are Messrs.....
..... and we request you contact them relative
to the supply of title to the property so that the mortgage
deed can be drawn up.

20

You early advice on a date when the deed can be signed would
be appreciated.

MANAGER.

DRAFT:

APPENDIX D

KOORAGANG INVESTMENTS PTY. LIMITED

(LETTER TO VALUER RE VALUATION)

The Manager,
Richardson & Wrench Ltd.,
109 Pitt Street,
SYDNEY. N.S.W. 2000.

Date:

Dear Sir,

10

Application for Advance for.....
on Property.....

The Company has been asked to consider an advance on the above property as detailed in the attached application. No action is required of you unless instructed by the applicant to make a valuation, the cost of which is to be borne by the applicant.

If so instructed will you kindly value "for and on behalf of an intending mortgagee" and also indicate the value of the land as distinct from the value of the improvements. We would request a separate submission to the Company based on the valuation "guide lines" included in our letter of 22nd February, 1972.

20

On receipt of a request from the applicant, we would appreciate your prompt attention to this valuation.

Yours faithfully,

MANAGER.

KOORAGANG INVESTMENTS PTY. LTD.

(LETTER TO LOAN APPLICANT RE VALUATION)

NAME OF APPLICANT.....
MR.....
.....

DATE:

Dear Sir,

Re: ~~Your~~Application for Advance of Funds
for on property.....

10

~~Company-~~ We thank you for
~~The Society has for consideration,~~ your application for an
advance of funds by way of FIRST MORTGAGE ONLY, on the above-
mentioned property. f, m-

provide
If you are now prepared to submit at your own cost, an up
to-date mortgage valuation of the property, prepared by
Messrs. Richardson & Wrench Limited, ~~further-consideration~~ we
~~be-given-to~~ ^{further consider} your application.

20

All arrangements for an inspection of the premises and the
furnishing of any documents necessary to the valuer, become your
responsibility and these arrangements ~~are-to~~ ^{should} be made directly
with him.

Messrs Richardson & Wrench have been informed that the
valuation may be required by you, for mortgage purposes.

We should ~~emphasise~~ ^{point out} that fees for the valuation, ~~must-have~~ ^{should be}
~~been~~ paid prior to the submission of the document to ~~the Company~~ ^{the Company}.
When it is completed and available, we would ~~be-obliged-if~~ you
~~could~~ ^{Please} arrange to have it collected and delivered to us, as
promptly as possible.

30

In requesting this valuation, the ~~Society~~ ^{Company} is ~~in-no-way~~ ^{not} obligated
obligated to grant any loan, ~~but-the-original-and-copy-of-the~~
~~valuation-document-become-the-property-of-the-Society.-~~ ^{Company}

and Upon receipt of the valuation, your application will receive
prompt attention.

40

YF

MANAGER.

21st February, 1972.

Mr. K.W. Hodgson,
 Director - Valuations,
 Richardson & Wrench Limited,
 P.O. Box 176,
 SYDNEY. N.S.W. 2001

Dear Mr. Hodgson,

file

We refer to your letter of the 9th February, 1972, and discussions on the basis of valuations for proposed loans on First Mortgage by our Subsidiary Company, Kooragang Investments Pty. Limited.

10

We thank you for your draft letters, which we have suitably amended for our purposes and for your advice on how loan applications should be handled.

We confirm that in all applications which appear suitable to us, we will ask you to carry out a preliminary inspection of the property submitted for First Mortgage, which will include a physical examination of the outside of the buildings and the location area generally and an enquiry into the zoning restrictions currently in force. From these impressions you expect you could provide a general comment on the suitability of the property as a mortgage prospect. You indicated a fee of about \$25.00 for this service.

20

We will advise you by letter when an applicant may seek a valuation on a property. It is expected that you will provide your normal valuation which will show land and buildings separately.

Further, the Board of Kooragang Investments Pty. Limited, request that you provide them with a separate letter which would include information based on the following guide lines :-

30

- (a) Land - Details of location, measurements, title, local government authorities, zoning restrictions and valuation of the land in \$.

2.

Mr. K.W. Hodgson,
 Director - Valuations,
 Richardson & Wrench Limited.

21st February, 1972.

- (b) Property - Description of the buildings erected on the land and their exact location on the property. Any special items arising from construction, access to all parts and condition at time of valuation. Details of compliance with local government authorities, requirements

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relative to Shops and Factories Act, Health, Fire precautions, building restrictions and any other requirement. Separate valuation of the property in \$.

- (c) Situation - Comment on the suitability of the location of the property with regard to future appreciation or depreciation of values, also comment on potential hazards to the property and its vulnerability to damage by natural or accidental causes. 10
- (d) Repair - Report on the present state of repairs of the property, and the need for any immediate or short term repair work to restore the property to a suitable standard.
- (e) Tenancies - To list details of tenancies including name of tenant and rental and to state on what basis tenancies arranged, weekly, monthly or term leases, and to comment on the suitability of the tenancy arrangements.
- (f) Insurance - To enquire what insurance cover exists over the property, and to provide the name of the insurers.
- (g) Outgoings on Property - To list details of the expenses of operating the property as a rental proposition, including Council & Water Rates, Land Tax, Cleaning, Insurance, Repairs, Management Fee, Common Electricity, rental of unoccupied premises, bad debts and other expenses. 20
- (h) Total Valuation - To show the total value of the land, buildings, etc. and to indicate the maximum percentage up to which a loan on first mortgage could be made.

The official valuation will no doubt include a good number of the items included in the above guide lines and, therefore, we would only expect comment on those not included. There may be cases when all of the information is not obtainable and we would expect you would advise accordingly. 30

Mr. K.W. Hodgson,
Director - Valuations,
Richardson & Wrench Ltd.

3.

21st February, 1972.

Would you please consider our request for this additional information and we would be pleased to discuss this with you at your convenience.

Yours faithfully, 40

A. Simpson,
Secretary.

KOORAGANG INVESTMENTS PTY. LTD.

Minutes of the Meeting of the Board of Directors of
 KOORAGANG INVESTMENTS PTY. LIMITED held at 213 Miller
 Street, North Sydney, on Friday, 25th February, 1972,
 at 10.00 a.m.

<u>PRESENT:</u>	<u>Directors:</u>	Mr. K. Satchwell Mr. J.P. Cordner Mr. A. Simpson	(Chairman)	10
	<u>In Attendance;</u>	Mr. F.C. Cook Mr. I.E. Worrall	(Secretary)	

47. MINUTES:

(a) The Minutes of the Extraordinary General Meeting held on 16th February 1972, having been circulated, were taken as read and the Chairman was authorised to sign them as a correct record of the proceedings.

(b) The Minutes of the previous Meeting held on 16th February 1972, having been circulated, were taken as read and the Chairman was authorised to sign them as a correct record of the proceedings. 20

48. BUSINESS ARISING FROM MINUTES:43. Basis of Property Valuations

The Manager submitted revised Appendices A - H covering the procedures to be followed when processing applications for loans.

It was agreed that these appendices be adopted and together with the Memorandum approved at the previous meeting, be used as "guidelines" for handling all future loan applications.

44. Application for Loan - Tolmitmer Pty. Ltd.

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At the Meeting held on 16th February 1972, it was resolved to seek approval from Australian Fertilizers Limited for a loan of \$150,000 at 10% over two years. This request was made by letter from the Secretary on 16th February 1972 and approval was received from A.F.L. in a letter dated 17th February 1972.

The Company Solicitors, Minter Simpson & Co., were advised by the Manager (letter dated 18th February 1972) that subject to personal guarantees provided by the proprietors of Tolmitmer Pty. Ltd. and Bank references, that a loan of \$150,000 over two years at 11% p.a. would be held open until 29th February 1972. 40

45. Application for Loan - Associated Management Pty. Ltd.

The original application for a loan of \$130,000 over two years at 11% p.a. was rejected by the Board at the previous meeting. A revised application from Associated Management Pty. Ltd. for \$105,000 over two years at 11% p.a. with first mortgage security over property at 66 Alexander Street, Crows Nest, was received and discussed. It was agreed that the Manager should advise Associated Management Pty. Ltd. that if they provided:

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(a) Valuation of the property at 65 Alexander Street, Crows Nest for the Company's Valuers, Messrs. Richardson & Wrench,

(b) Bank references covering Mr. George E. Jorgenson and Mrs. Barbara D. Jorgenson,

(c) Personal guarantees from all members of the Jorgenson family, ~~who are Directors of Associated Management Pty. Ltd.~~, S.

that favourable consideration would be given to their application. It was further agreed that the Chairman would clear this proposed loan with the A.F.L. Chairman to avoid delay if the above conditions were complied with.

20

49. SHORT TERM LOANS:

The Chairman advised that the Board of Australian Fertilizers Limited has authorised the Company to undertake lending operations according to the following A.F.L. Board Minute:

"10,216 KOORAGANG INVESTMENTS PTY. LTD.

(a) The Memorandum on the formation and modus operandi of Kooragang Investments Pty. Ltd. was received and discussed. The change of company name from Central Queensland Acid Pty. Ltd. and the issue of the Money Lenders Licence to a nominee of the Company and the authorised change in the Memorandum and Articles of Association to provide the main objective of the Company as lending money, were noted.

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It was resolved that:

1. Kooragang Investments be authorised to lend funds on the inter-company and commercial bills markets to borrowers, their borrowing limits approved by A.F.L. Board, and that until 30th September, 1972, Kooragang Investments should pay A.F.L. interest on funds borrowed from A.F.L. for this purpose at 0.25% per annum less than the rates applicable to loans made by Kooragang Investments.

40

2. Kooragang Investments be authorised to lend funds on 1st mortgage security on commercial premises up to \$1 million and not exceeding \$300,000 in any one transaction subject to:

- (a) The amount of each loan being not less than \$10,000
- (b) the period of each loan not exceeding 2 years
- (c) the amount of the loan not exceeding 65% of valuation of a sworn valuer approved by A.F.L. without special reference to the Board.
- (d) each transaction being approved by the Board of Kooragang Investments Pty. Ltd.
- (e) approval of the A.F.L. Chairman or an A.F.L. Director nominated by him being obtained before any commitment is entered into by Kooragang Investments Pty. Ltd. 10
- (f) Kooragang Investments paying A.F.L. interest at 10% p.a. on funds obtained for lending on 1st mortgage security
- (g) all transactions to Kooragang Investments Pty. Ltd. being reported to A.F.L. Board each month

3. Kooragang Investments be authorised to transact commercial

S.

3.

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loans for A.F.L. and Greenleaf necessary in their normal course of business.

4. Messrs. Richardson & Wrench be approved as valuers of real estate property for Kooragang Investments Pty. Ltd.

(b) Recommendation from the Board of Kooragang Investments Pty. Ltd. to advance a loan of \$150,000 to Tolmitmer Pty. Ltd. of 37 East Esplanade, Manly, N.S.W. at 11% p.a. over two years on 1st mortgage security over property at 7-9 The Corso, Manly, was received and discussed. 40

It was resolved that Kooragang Investments Pty. Ltd. be authorised to advance this loan and A.F.L. would provide the funds with interest at 10% per annum."

It was agreed that Kooragang Investments Pty. Ltd. would pay interest to A.F.L. at 0.25% lower than the A.F.L. lending rate of any loans placed on the short term market.

50. COMMON SEAL:

The use of the Common Seal on the following document was

confirmed.

17th February 1972 - Appointing Mr. A. Simpson to act on behalf of the Company under the Money Lenders & Infants Loans Act, 1941 (as amended).

51. COMPANY STATIONERY:

It was agreed that the Company should have suitable stationery printed and the Manager was requested to prepare a draft layout of a letterhead showing the name of the Company, address etc.

10

52. ADVERTISING:

It was considered that the Financial Review was the best media for advertising that the Company was accepting applications for secured loans.

It was agreed that a Press Release be inserted announcing the formation and intentions of the Company, to be followed by a paid advertisement inviting applications for secured loans.

53. NEXT MEETING:

The Secretary was authorised to call the next Board Meeting when it was necessary to transact Company business.

20

K. Satchwell
CHAIRMAN.

KOORAGANG INVESTMENTS PTY. LTD.BOARD MEMORANDUMBASIS OF LENDING

At present the A.F.L. Board has authorised lending of funds on first mortgage security over property at a maximum of 65% of a valuation prepared by Richardson & Wrench Ltd. for a period of up to 2 years with interest up to 11% p.a.

Two loans have been made on this basis and an advertisement in the Financial Review produced several enquiries which have lead to nothing in the way of loan applications. 10

However, enquiries have revealed that interest rates have dropped and loan periods extended with a view to making loans in a borrower's market. Loans on the above bases are either financed at 9½/10% p.a. or extended to a period of three years.

Another alternative suggestion covers increasing the percentage of the Richardson & Wrench valuation up to a maximum of 75% of the valuation. Interest rates received should be a minimum 11% and possibly 12%. 20

Loans could also be made on a progressive basis as buildings are being built with loans up to a maximum of 80% of the cost of land and building when the property has been developed, with the progress payments being governed by the stage or percentage of work completed. Again interest rates received would be a minimum 11% and possibly 12%.

As interest rates on short term loans have also dropped, loans under the present scheme of 65% of valuation over 2 years at 9½% p.a. are fairly attractive and are the most secure of the above variations. 30

Kooragang Board should prepare a recommendation to the A.F.L. Board on 27th April, 1972 for a variation in the existing loan arrangement so that additional loans can be made to avoid lending on the inter-company market at very low rates.

A. Simpson
A. SIMPSON
MANAGER.

AS:EM
SYDNEY
26/4/72

The Manager submitted two applications covering loans over three years at about 65% of valuation with interest at 11% p.a., which are currently being given preliminary investigation by Richardson & Wrench and Dun & Bradstreet.

A second application has been received from Parkes Developments in connection with the property at Glebe, the first application was rejected because of the tie-up with the leasing arrangements in that if the principal was unable to repay the sum borrowed at the end of the loan period, the lender could not dispose of the property without the prospective buyer taking over the long term lease arranged by Companies owned by Parkes Developments.

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2.

The Secretary was requested to obtain legal advice on the effect of long term leases on the future disposal of property covered by first mortgage if the borrower cannot repay, with a view to adding a further clause to the lease where the leases are with subsidiary companies or companies associated with the party borrowing the funds.

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Further, that if a loan is granted, the conditions of leases with tenants cannot be amended in any way after the loan has been made without the permission of the lender.

58. LOAN - MR. A.A. McWILLIAM:

An application was received from Mr. A.A. McWilliam for a small loan with first mortgage over property at Surfers Paradise. This application indicated that there could be additional finance required on other projects.

It was agreed that Mr. J.P. Cordner should contact Mr. McWilliam when he is in that area over the next two weeks, and point out to him that the loan request is for a sum which is too small on the present proposal and that he should look to re-financing the whole of the project and applying for an increased loan. The Manager will write to Mr. McWilliam and advise him of Mr. Cordner's visit.

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59. LEASING:

It was agreed that the Financial Analyst be requested to review the current rates and arrangements for providing funds for leasing over non-specialised assets and probably one or two major contractors, e.g. Brambles, Mayne Nickless, and that a short report be prepared on the possibilities of the Company entering the leasing field.

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K. Satchwell
CHAIRMAN 23/5/1972

59. Leasing

Reported that the information on leasing was not completed at this stage and would be submitted to the next meeting.

62. FIRST MORTGAGE SECURITY - LEASES

A Memorandum from the A.F.L. - Manager - Legal on lease queries associated with first mortgage security was received and discussed.

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2.

It was agreed that future mortgages should include special clauses to cover the following:

- (a) Existing leases between the borrower and parties associated with that borrower shall not be modified, or cancelled and renegotiated at lower rentals without the lender's consent.
- (b) Once a mortgage is entered into, the borrower cannot change conditions of leases existing at the time without the permission of the lender.

20

63. LOAN APPLICATION - PARKES DEVELOPMENT PTY. LTD.

An application from Stockbroker A.C. Goode & Co. on behalf of Parkes Development Pty. Ltd. for a first mortgage loan on property at the Corner of Glebe Road and Mary Street, Glebe was received and discussed. The property has been inspected by all Directors and it was resolved to recommend to A.F.L. Chairman of the Board that a loan of \$450,000 at 10½% p.a. over three years with first mortgage security over the property be offered. The offer would be subject to final valuation by Richardson & Wrench Ltd. at a minimum of \$700,000, the provision of personal guarantees by the Directors of Parkes Development Pty. Ltd., and acceptance by the borrowers of the additional clauses on leases in the mortgage document.

30

64. LOAN APPLICATION - LEPAN PTY. LTD.

A loan application from the above Company for 55% of Richardson & Wrench's valuation on a nursing home property at 11 Hardie Street, Neutral Bay was received and discussed. Preliminary estimate by the valuer indicated the property to be worth \$150,000, with the land valued at \$120,000.

It was agreed that enquiries be made of the applicant Company with regard to the latest financial position and after receipt the application will be further considered.

40

K. Satchwell
CHAIRMAN 29.5.72

KOORAGANG INVESTMENTS PTY. LIMITED

MINUTES of the Meeting of the Board of Directors of
 KOORAGANG INVESTMENTS PTY. LIMITED held at
 213 Miller Street, North Sydney, on Wednesday,
 4th April, 1973 at 3.30 p.m.

<u>PRESENT:</u>	<u>Directors:</u>	Mr. K. Satchwell (Chairman) Mr. R.C.J. Little Mr. A. Simpson	10
	<u>Apology:</u>	Mr. T.P. Dempsey (Not available)	

128. MINUTES

The Minutes of the previous Meeting held on Monday 19th March, 1973 having been circulated were taken as read and the Chairman was authorised to sign them as a correct record of the proceedings.

129. BUSINESS ARISING FROM MINUTES.44. Tolmitmer Pty. Ltd.

It was agreed that rather than let Tolmitmer discharge the present mortgage of \$150,000 at 11% per annum (until March 1974) Kooragang should offer a new mortgage of \$175,000 for three years, at 11% per annum for the period to March 1974 then at 9 $\frac{3}{4}$ % per annum for the remaining period. 20

115. N. Andrews - Property at 161/163 Military Road, Neutral Bay.

It was agreed that Mr. Andrews be granted permission to allow a lease of three years on 163 Military Road, Neutral Bay with an option of a further three years to Resolute Enterprises at No. 163 at a rental of \$7,020 per year. 30

130. VALUATIONS.

It was agreed that the Manager should consult with Richardson and Wrench Ltd., on the possibility of acceptance (by them) of valuations prepared by (the) registered valuers. In addition the basis of valuation for lending should be established so that Kooragang's interests are protected.

basis on which valuation prepared

131. Larata Investments Pty. Ltd. at 34 Talara Avenue, Gynea.

It was agreed that subject to the Secretary being satisfied that the block of units will be substantially tenanted then the A.F.L. Chairman should be requested to approve the loan of \$195,000 at 9½% per annum for three years fixed.

K. Satchwell
CHAIRMAN 13/7/1973

131. Larata Investments Pty. Ltd.

It was noted that Larata Investments Pty. Ltd. had accepted the offer of a loan of \$195,000 at 9½% p.a. for 3 years on a block of units at 34 Talara Ave., Gynea, on the condition that 13 of the 18 units should be tenanted before any mortgage money is advanced.

44. Tolmitmer Pty. Ltd.

It was noted that Tolmitmer Pty. Ltd. has agreed to the terms to extend the existing loan to \$175,000 for 3 years at 11% p.a. for the period to March 1974, then at 9 3/4% p.a. for the remaining period of the loan. S.

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2.

125. Woolloomooloo Rentals No. 3 Pty. Ltd.

It was noted that Woolloomooloo Rentals No. 3 Pty. Ltd. had accepted the offer of a loan of \$156,000 for 3 years at 9½% p.a. on property at 200 Crown Street, Woolloomooloo.

133. ANNUAL ACCOUNTS:

Half Yearly Accounts to 31st March 1973 in statutory form with a Directors Report, were submitted to the Meeting. The profit after tax of \$11,553 was adopted and the Secretary was authorised to pass these Accounts to A.F.L. for consolidation. It was resolved that Messrs. Satchwell and Simpson would sign the Directors Report on a date after 11th June 1973.

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134. FUTURE LENDING POLICY:

The Manager reported that loans now committed by the Company had reached \$2 million which was the total authorised by the A.F.L. Board. It was agreed that no further loans would be considered for the time being following recommendations by the A.F.L. Board to I.C.I. Australia Ltd. on the future investment of surplus cash.

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K. Satchwell
CHAIRMAN. 13/7/1973

A. Simpson
G19

KOORAGANG INVESTMENTS PTY. LTD.

INVESTMENT POLICY

During the past two days I have talked at some length about -

1. The present policy of lending up to 65% of valuations by Richardson & Wrench on terms up to 3 years.
2. The conditions under which bridging finance might be provided.

PRESENT LENDING POLICY:

Ken Johnson (Minter Simpson & Co.) feels the 65% of valuation is unrealistic and we could with safety go to 75%. 10

He also feels there is a big opportunity to earn 11½-12% by providing finance for bridging to established developers. Presently we ensure the property being mortgaged earns sufficient to cover the interest on the borrowed funds. In other words we could earn another 2% by lending in the bridging finance field, rather than the 9½% we now earn. Mr. Simpson of Southland Provident Finance Pty. Ltd. feels we could easily go to 75% of valuation. Apparently there is a very large demand in the Sydney and A.C.T. for 9½% - 3 year money. 20

Speed of time

look at the step needed
tying up with a developer

BRIDGING FINANCE:

Ken Johnson feels we need much more flexibility in lending in this market. We are competing against finance houses who lend up to 95% at up to 13% and can arrange inspections and approvals within 24 hours. Developers are paying 11½% to 12% and cannot be bothered with a whole lot of restrictions.

To get into this market, K. Johnson feels we could get alongside an established developer with an ability to meet commitments. The developer requires - 30

- . Money up to 12 months.
- . The right to repay after 6 months without penalty on giving 1 weeks notice.
- . Sums less than \$100,000 - say \$50,000.

RL:HR
2/8/73.

R.C.J. Little,
Commercial Services Manager

213 MILLER STREET, NORTH SYDNEY
P.O. Box 529 NORTH SYDNEY.
TELEPHONE 929 4755
TELEX AA21815

Ref needs Kelly
Kooragang Investments Pty Limited

G 20

AS:EM

13th August 1973.

MEMO TO:

S.
MR. K. SATCHWELL
MR. R.C.J. LITTLE
MR. T.P. DEMPSEY
MR. F.C. COOK

VALUATIONS

In discussing Kooragang Investments loans with Newman & McKay on Friday, the point was raised that we should consider lending 65% of the approval valuation or the purchase price, whichever is the lower. This is the practice adopted by many institutional lenders and is one which we may care to follow.

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Even if we did decide not to worry about this basis, it may be prudent in future to establish the purchase price of the property, bearing in mind the date of the purchase, as a check on the overall valuations submitted.

A. SIMPSON
A. SIMPSON.

What is money reqd. for?

Kooragang Investments is a member of
the Australian Fertilizers Limited Group.

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DONALD G. CAMERON & ASSOCIATES
FINANCIERS
I.A.C. BUILDING, 54 CARRINGTON STREET, SYDNEY. 2000
CABLES "CAMFIANCE" SYDNEY TELEPHONE 29-6851

EL.sk

June 28, 1973

The Manager
Kooragang Investments Pty. Limited,
P.O. Box 528,
NORTH SYDNEY, N.S.W. 2060

233) Recorded
235) Recorded
237 to be
the whole of 3 properties
will be developed as one
application now approved

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Attention: Mr. D. Minks

Dear Sir,

We enclose herewith an application from Giles Bourke Holdings Pty. Limited who wish to borrow the sum of \$104,000 at 9.5% to 10% fixed for a three year term by way of first mortgage on the security of offices situated at 233, 235 and 237 Glebe Point Road, Glebe Point.

20

65%

Richardson & Wrench have valued the property at \$160,000 and a copy of the report is enclosed.

The loan is required to discharge existing mortgages, the balance to be applied to further real estate investment.

* Giles Bourke Holdings Pty. Limited is a company duly incorporated and having its registered office at 235 Glebe Point Road, Glebe. Their governing director is John Giles Bourke of 40 Cove Street, Birchgrove, whose personal guarantee and that of one of his associated Companies, Group Unity Securities Pty. Limited, will be available.

30

Financial details of Mr. Bourke and the companies appear on the enclosed statements of assets and liabilities which have been prepared by Bentley, Wheeler, Cartledge & Company, Accountants. The statements reveal a surplus of \$1,084,694 and a statement of net worth of the company, Group Unity Securities Pty. Limited, shows a net worth of \$137,000. It is emphasised that the values of the properties and companies shown are based on valuations and not on a cost basis.

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Their bankers are the Bank of New South Wales, Surry Hills branch, and Solicitor for the applicant Company is Mr. Ronald E. Gridiger of Messrs. Roland E. Gridiger &

Company of 112 Castlereagh Street, Sydney, whose telephone number is 26-2221.

We would appreciate your advice as to whether this application is of interest.

Yours faithfully,
DONALD G. CAMERON & ASSOCIATES

E. Leipzig
Mortgage Manager

10

encls.

JOHN GILES BOURKE

STATEMENT OF ASSETS AND LIABILITIES

27th November, 1972.

BENEFICIAL OWNERSHIP OF SHARES IN PROPRIETARY COMPANIES
(Value of Shares Based on Capital Assets).

	<u>VALUES</u>	<u>TOTAL</u>
1. Giles Bourke Holdings Pty. Ltd.	\$443,138.68	
2. Peter Craig Real Estate Pty. Ltd., (including Peter Craig Property Maintenance)	70,000.00	10
3. Spore Pty. Ltd.	79,019.00	
4. Prism Pty. Ltd.	5,800.00	
5. Puetron Properties Pty. Ltd.	45,000.00	
6. Fuetron Plastics Pty. Ltd.	10,000.00	
7. Fuetron Machinery Pty. Ltd.	27,000.00	
8. Fidelity Acceptance Pty. Ltd.	8,000.00	
9. Group Unity Securities Pty. Ltd.	138,000.00	
10. H.D.B. Links Panorama Pty. Ltd.	35,000.00	20
11. Solon Developments Pty. Ltd.	60,000.00	
12. Meljon Holdings Pty. Ltd.	20,000.00	
13. Air Structures Pty. Ltd.	5,000.00	
14. Cube Pty. Ltd.	8,000.00	\$953,957.68

REAL ESTATE

1. 26 Coleborne Avenue, Mortdale (½ interest)	16,000.00	
2. 250/252 Glebe Point Road, Glebe	160,000.00	
3. 144 Bridge Road, Glebe	55,000.00	
Works of Art, Antiques, Personal Effects, Jewellery, etc.	14,000.00	\$245,000.00

SUNDRY DEBTORS

Personal loans - secured & unsecured	12,000.00
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MEMBERS LOAN ACCOUNTS (unsecured)

Group Unity Securities Pty. Ltd.	10,000.00	
Prism Photographics	3,500.00	
Fidelity Acceptance Pty. Ltd.	5,000.00	
Solon Developments Pty. Ltd.	3,000.00	
Fees paid on a/c incorporation		
(a) Group Unity Syndications Pty. Ltd.	300.00	\$ 33,800.00
		<hr/>
		\$1232,757.68

10

LIABILITIES

1. Bank overdraft	23,063.00	
2. Mortgages Item B.1.	10,000.00	
3. Mortgages Item B.2.	100,000.00	
4. Mortgages Item B.3.	15,000.00	\$148,063.00
		<hr/>

EXCESS OF ASSETS OVER LIABILITIES		\$1232,757.68
	LESS	\$148,063.00
		<hr/>
		\$1084,694.68

? GROUP UNITY SECURITIES PTY. LTD.

STATEMENT OF ASSETS AND LIABILITIES

30.10.72 Date?

FIXED ASSETS (At current market values)

	<u>Values</u>	<u>Total</u>
1.) 91 Bridge Road Glebe.	\$ 18,500.00	
2.) 4 Herbert Street, Newtown.	18,000.00	
3.) 6 Herbert Street, Newtown.	18,000.00	10
4.) 8 Herbert Street, Newtown.	18,000.00	
5.) 10 Herbert Street, Newtown.	18,000.00	
6.) 3 Avon Street, Glebe	10,000.00	
7.) 60 Forsyth Street, Glebe	24,000.00	
8.) 62 Forsyth Street, Glebe	26,000.00	
9.) 51 Ferry Road, Glebe	18,500.00	
10.) 23 Avon Street, Glebe	24,000.00	
11.) 40 Forsyth Street, Glebe	19,000.00	
12.) 25/29 Glebe Point Road, Glebe	130,000.00	
13.) 50 Ivy Street, Chippendale	20,000.00	20
14.) 52 Ivy Street, Chippendale	20,000.00	
15.) 54 Ivy Street, Chippendale	20,000.00	\$402,000.00

CURRENT ASSETS (Deposits paid to Solicitors and Agents for purchase of real Estate).

1.) 23 Glebe Point Road, Glebe.	\$ 4,500.00	
2.) 19/21 Glebe Point Road, Glebe	5,200.00	
3.) 49 Gottenham Street, Glebe)		
4.) 51 Gottenham Street, Glebe)		
5.) 55 Gottenham Street, Glebe)	5,700.00	30
6.) 57 Gottenham Street, Glebe)		
7.) 59 Gottenham Street, Glebe)		
8.) 18 Mary Street, Lidcombe	1,125.00	
9.) 22 Mary Street, Lidcombe	2,875.00	
10.) 64 Broomfield Street, Cabramatta	6,900.00	
11.) Sundry Debtors	16,400.00	\$ 42,700.00
		<u>\$444,700.00</u>

LIABILITIES

AMOUNTS DUE ON MORTGAGES

1.) 91 Bridge Road, Glebe	\$ 10,000.00	
2.) 4 Herbert Street, Newtown	10,000.00	
	3,000.00	
3.) 6 Herbert Street, Newtown	10,000.00	
	3,000.00	
4.) 8 Herbert Street, Newtown	10,000.00	10
	3,000.00	
5.) 10 Herbert Street, Newtown	10,000.00	
	3,000.00	
6.) 60 Forsyth Street, Glebe)	30,000.00	
7.) 62 Forsyth Street, Glebe)		
8.) 51 Ferry Road, Glebe	12,000.00	
9.) 23 Avon Street, Glebe	14,000.00	
10.) 40 Forsyth Street, Glebe	10,000.00	
	2,400.00	
11.) 25/29 Glebe Point Road, Glebe	85,000.00	20
12.) 50 Ivy Street, Chippendale)		
13.) 52 Ivy Street, Chippendale)	50,000.00	
14.) 54 Ivy Street, Chippendale)		
Overdraft Bank of New South Wales as at 30 October, 1972	60,383.72	
Sundry Creditors	1,200.00	\$326,983.72

EXCESS OF ASSETS OVER LIABILITIES

	\$444,700.00
LESS	\$326,983.00
	<u>\$117,717.00</u>

GILES BOURKE HOLDINGS PTY. LTD.

STATEMENT OF ASSETS AND LIABILITIES 12th July, 1972.

<u>FIXED ASSETS</u>	<u>VALUES</u>	<u>TOTAL</u>
1. 37 Glebe Point Road Glebe	\$ 67,000.00	
2. 40 Cove Street Birchgrove	75,000.00	
3. 38 Darling Street, Balmain	52,000.00	
4. 49 Darling Street, Balmain	60,000.00	
5. 233/235 Glebe Point Road, Glebe	85,000.00	
6. 27/29 Cameron Street, Balmain	30,000.00	10
7. 2 Macquarie Terrace, Balmain	21,000.00	
8. 31/31A Glebe Point Road, Glebe	62,000.00	
9. 36 Cove Street, Birchgrove	23,000.00	
10. 250/252 Glebe Point Road, Glebe	130,000.00	Registered in the name of John Giles Bourke
11. 144 Bridge Road, Glebe	42,000.00	
12. 18 Blandford Avenue, Waverley	92,000.00	
13. 10 Sutton Street, Balmain (½ interest of \$18,000.00)	9,000.00	20
14. 33 Glebe Point Road, Glebe	65,000.00	
15. 25/29 Glebe Point Road, Glebe	120,000.00	
16. Corner Cameron & Phillips Sts. Balmain	18,200.00	\$951,200.00

CURRENT ASSETS

Deposits Paid on Purchase of Real Estate

1. 237 Glebe Point Road, Glebe	2,350.00	
2. 35 Glebe Point Road, Glebe	2,100.00	
3. 13 Francis Street, Leichhardt	1,350.00	\$ 5,800.00

Sundry Debtors

1. H.D.B. Links Panorama Pty. Ltd.	20,000.00	
2. Peter Craig Real Estate Pty. Ltd.	10,000.00	
3. Function Interiors Pty. Ltd.	11,000.00	\$ 41,000.00

\$998,000.00

LIABILITIES

Amounts Due on Mortgages

1.	37 Glebe Point Road, Glebe	30,000.00	
2.	40 Cove Street, Birchgrove	35,000.00	
3.	38 Darling Street, Balmain	30,000.00	
4.	49 Darling Street, Balmain	31,000.00	
5.	233/235 Glebe Point Road, Glebe	(20,000.00)	
		(20,000.00)	10
6.	27/29 Cameron Street, Balmain	17,000.00	
7.	2 Macquarie Terrace, Balmain	11,000.00	
8.	31/31A Glebe Point Road, Glebe	33,000.00	
9.	36 Cove Street, Birchgrove	15,250.00	
10.	250/252 Glebe Point Road, Glebe	(30,000.00)	
		(18,000.00)	
11.	18 Blandford Avenue, Waverley	(45,000.00)	
		(12,000.00)	
12.	144 Bridge Road, Glebe	(7,000.00)	
		(5,000.00)	20
13.	10 Sutton Street, Balmain	4,500.00	
14.	33 Glebe Point Road, Glebe	52,000.00	
15.	25/29 Glebe Point Road, Glebe	(60,000.00)	
		(25,000.00)	
16.	Corner Phillip & Cameron Sts., Balmain	(12,000.00)	
		(4,000.00)	
		\$516,750.00	
Sundry Creditors			NIL
Amount owing on overdraft		36,909.00	\$ 36,909.00
			<u>\$553,659.00</u>
			30

E7

KOORAGANG INVESTMENTS PTY. LTD.

S.

REPORT OF PROPERTIES

233, 235, 237 GLEBE POINT ROAD - GLEBE

These properties were inspected by me on Monday 23rd July, 1973.

They are excellently situated being only 2,3 & 4 doors removed from the corner of Bridge Road and in between the corner hotel and the T.A.B.

10

No's 233 and 235 have been renovated both inside and outside and are as one building.

No. 237 is presently a butchers shop but a D.A. has been approved to renovate No. 237 and combine it as one building with the other two already renovated.

Renovation has been carried out in an attractive manner and both the front and rear of the buildings have a good appearance.

My inspection supports the report submitted by Richardson and Wrench.

20

R. Little
COMMERCIAL SERVICES MANAGER

Copies - K. Satchwell ✓
A. Simpson
T. Dempsey
F. Cook

145. ANTHONY AND KRITA BAKAS:

The application for a loan \$146,000 on a property at Fyskwick A.C.T. at 9½% for 5 years was noted.

It was resolved that this property be inspected and borrowers interviewed as a preliminary to further consideration.

K. Satchwell
CHAIRMAN.

SOLICITORS

ROLAND E. GRIDIGER & CO

3rd FLOOR, SUITE 2, 112 CASTLEREAGH STREET, SYDNEY, N.S.W. 2000. PHONE 61-3666
1st FLOOR, SUITE 2, 11-13 GLEBE POINT ROAD, GLEBE, N.S.W. 2037. PHONE 660-7468

E9.

REG:JPM

6th August 1973

The Manager
Koorgang Investments Pty Limited
213 Miller Street
NORTH SYDNEY 2060

Attention Mr Little

Dear Sir

Re: Bourke

We refer to our recent telephone conversations and now enclose Statements from Bentley Wheeler Cartledge & Co in respect of Mr J G Bourke and his associated companies:

1. Cube Pty Limited
2. Feutron Properties Pty Limited
3. Solon Developments Pty Limited
4. Group Unity Syndications Pty Limited
5. Fidelity Acceptance Pty Limited
6. Spore Pty Limited
7. Group Unity Securities Pty Limited
8. Giles Bourke Holdings Pty Limited
9. John Giles Bourke.

Yours faithfully

R. Maskell

BENTLEY, WHEELER, CARTLEDGE & CO.

E10

NEY
TNEBS
WHEELER
BENTLEY
A TURNER
LIAMS
HILL
WHEELER
EDELSTEIN

CHARTERED ACCOUNTANTS
OFFICES IN ALL STATES OF AUSTRALIA AND REPRESENTATIVES OVERSEAS

34 HUNTER STREET, SYDNEY, N.S.W., 2001

TELEPHONE: 28 5071

TELEGRAMS AND CABLES "BENTCO" SYDNEY (CORRESPONDENCE TO BOX 3256, G.P.O. SYDNEY, 2001)

OUR REFERENCE:
RBB:GH

31st July, 1973

The Secretary,
Group Unity Syndications Pty. Limited,
233-235 Glebe Point Road,
GLEBE, N.S.W. 2037

Dear Sir,

We advise that we have sighted current valuations of the Company's properties by Richardson and Wrench Limited.

Details are as follows:

<u>Address</u>	<u>Type</u>	<u>1st Mortgage</u>	<u>2nd Mortgage</u>	<u>Equity</u>	<u>Current Valuation</u>
1) Bangalow Road, Byron Bay	House & 29 acres	62,000 @ 12%		\$13,000	\$75,000
2) 24 Ocean Road, Palm Beach	Proposed Shopping Centre	100,000 @ 12%		\$135,000	\$360,000
3) 25 & 26 Ocean Road, Palm Beach		125,000 @ 12%			
4) C.B.C. Bank, Sydney Road, Manly	Offices	65,000 @ 9 1/2%	20,000 @ 12%	8,530	\$105,000

156,530

The Mortgages shown for property (4) above are the approved amounts at this date.

Yours faithfully,
BENTLEY, WHEELER, CARTLEDGE & CO.

P.R. Wheeler

E11

<u>of Company</u>	<u>1st Mortgages</u>	<u>2nd Mortgages</u>	<u>Equity</u>	<u>Valuations</u>
	\$	\$	\$	\$
Cube Pty. Ltd.	115,000	1,000	59,000	175,000
Fenton Properties Pty. Ltd.	65,000		50,000	115,000
Solon Developments Pty. Ltd.	110,000		34,000	144,000
Group Unity Syndication Pty. Ltd.	352,000	20,000	156,530	540,000
Fidelity Acceptance Pty. Ltd.	60,000		25,000	115,000
Spore Pty. Ltd.	48,000		30,795	114,000
Group Unity Securities Pty. Ltd.	1,386,500	281,900	697,132	3,099,000
Giles Bourke Holdings Pty. Ltd.	338,934	48,009	644,757	1,092,700
John Giles Bourke				
	<u>\$2,475,434</u>	<u>\$399,409</u>	<u>\$1,697,214</u>	<u>\$5,394,700</u>

LOAN APPLICATION FORM

375

<u>NAME OF BORROWER</u>	GILES BOURKE HOLDINGS PTY. LTD.						
<u>BUSINESS ADDRESS</u>	235 GLEBE POINT ROAD GLEBE						
<u>TYPE OF BUSINESS</u>	PROPERTY						
<u>DIRECTORS/PARTNERS</u>	DATE OF INCORPORATION						
<u>BANKERS</u>	BANK OF NEW SOUTH WALES SURRY HILLS BRANCH						
<u>SOLICITORS</u>	ROLAND E. GRIDIGER OF FIRM OF ROLAND & GRIDIGER & COMPANY 112 CASTLEREAGH ST. SYDNEY.						
<u>BRIEF FINANCIAL DETAILS</u>	<table border="0"> <tr> <td>COMPANY HAS ASSETS OF</td> <td>\$998.000</td> </tr> <tr> <td>LIABILITIES</td> <td>554.000</td> </tr> <tr> <td>SURPLUS</td> <td>\$444.000</td> </tr> </table>	COMPANY HAS ASSETS OF	\$998.000	LIABILITIES	554.000	SURPLUS	\$444.000
COMPANY HAS ASSETS OF	\$998.000						
LIABILITIES	554.000						
SURPLUS	\$444.000						
<u>DETAILS OF PROPERTY TO BE MORTGAGED</u>							
Address	233, 235 & 237 GLEBE POINT RD. GLEBE						
Dimensions of Land	38' 10' Frontage x 100' approx. depth to r la						
Type of Property	COMMERCIAL BRICK BUILDING.						
Estimated Market Value	\$160,000						
Name of Valuer	RICHARDSON & WRENCH						
Gross Income (Attach supporting details of individual tenancies and rents)							
All Outgoings (Detailed)							
Net Income							
Present Encumbrances on Property	MORTGAGES ON 233/235 \$40.000						
May we apply for Bank References?							
Approximate Loan Required	\$104.000 (65% of Valuation) @ 9½% 3 years						
Any other Relevant Factors	John Giles Bourke Personal Guarantee is available. His statement of Assets & Liabilities shows surplus of \$1084,695						

KOORAGANG INVESTMENTS PTY. LIMITED

MINUTES OF MEETING OF THE BOARD OF DIRECTORS HELD AT
213 MILLER STREET, NORTH SYDNEY ON MONDAY 6th AUGUST
1973 AT 11 a.m.

PRESENT: Directors -Mr. K. Satchwell (Chairman)
Mr. T.P. Dempsey
Mr. R.C.J. Little
Mr. A. Simpson

IN ATTENDANCE: Mr. F.C. Cook (Secretary) 10

MINUTES
146

The Minutes of the previous meeting held on 27th July 1973, having been circulated were taken as read and the Chairman was authorised to sign them as a correct record of the proceedings.

BUSINESS
ARISING
FROM
MINUTES
147

140. Future Lending

A memo from Mr. Little was received and discussed.

It was agreed that the present policy of lending up to 65% of approved valuations appeared conservative and that the percentage could possibly be raised to 75% to attract more business at higher interest rates. 20

It was also agreed that (prior to the Company lending in the Bridging Finance area) further investigations should be made. Mr. K. Johnson, of Minter Simpson, feels that the Company needs to be more flexible in lending in this market. Items such as costs of administration penalty clauses for early repayment of loans and the practical traps of negotiating these types of loans should be investigated in detail. 30

The Board also considered that it may be prudent to defer long term lending until after the Federal Budget is handed down on 21st August 1973.

144. Loan - Giles Bourke Holdings Pty. Ltd.

Confirmation of the Statement of Assets and Liabilities of the borrower was not to hand. However it was agreed that provided the financial position was satisfactory an offer of \$104,000 at 9.75% p.a. for 3 years could be made. 40

S.

-2-

145. Loan Anthony & Krita Bakas

It was noted that a new valuation would be required prior to lending to the abovenamed. As Richardson & Wrench do not have an office in the Canberra area it was agreed that the valuation could be carried out by Richard Stanton if they have a valuer in the A.C.T. Dependent upon a satisfactory valuation a loan of \$150,000 or 65% of the valuation at 9.75% p.a. over 3 years would be offered.

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148. Loan York Meredith

Noted that a loan application had been received for \$170,000 secured by property at 65 Hume Street, Crows Nest.

It was agreed that this site should be inspected and if considered satisfactory a valuation from Richardson & Wrench obtained.

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149. Loan Group Unity Securities Pty. Ltd.

Noted that a loan application had been received for \$160,000 over 3 years at 9½% p.a. secured over 2 blocks of residential flats at 18 and 20 East Crescent Street, McMahons Point.

It was agreed that these properties should be inspected as a valuation of \$250,000 had already been obtained from Richardson & Wrench. It was suggested that, Richardson & Wrench should clarify the zoning position and that the financial position of the borrower be investigated prior to proceeding with this loan.

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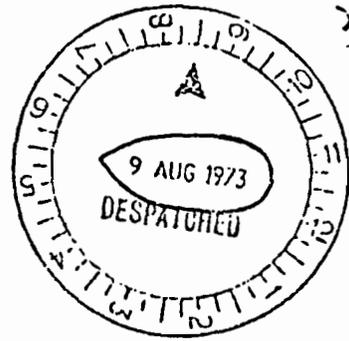
It was also noted that the borrower would require a second mortgage and it was agreed that an alternative proposition could be made to the borrower - \$190,000 @10.5% p.a. for three years with 1st mortgage over the two properties.

K. Satchwell

CHAIRMAN 27/8/1973

RL

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GA
30192
ICIMELB AA30192

2320

FERSYD AA21815

FOR MR. D. PAECH

APPROVAL REQUIRED FROM F. GUTTERIDGE AND YOURSELF IN ABSENCE OF A.W. HAMER FOR KOORAGANG INVESTMENTS TO SUBMIT FOLLOWING OFFERS OF LOANS ON FIRST MORTGAGE SECURITY OF PROPERTIES LISTED. EACH PROPERTY HAS BEEN INSPECTED BY KOORAGANG DIRECTORS AND KOORAGANG BOARD RECOMMENDS ALL LOANS.

YORK MEREDITH

\$170,000 AT 9.75% P.A. 3 YEARS ON NEW OFFICE BUILDING 65 HUME STREET, CROWS NEST SUBJECT TO LOAN NOT EXCEEDING 65% OF RICHARDSON AND WRENCH VALUATION.
NET INCOME \$23,990 INTEREST \$16,575

Approved 9/18

GROUP UNITY SECURITIES PTY. LTD.

\$190,000 AT 10.5% P.A. 3 YEARS ON TWO BLOCKS OF FLATS 18/20 EAST CRESCENT STREET MCMAHONS POINT R. AND W. VALUATION \$250,000 (LOAN 76%).
NET INCOME \$27,424. INTEREST \$19,950

*to be under consideration - may drop back to 6.5% if possible
Will approve further today
Lafk*

NOTE:

BORROWER WOULD ACCEPT LOAN OF 65% OF VALUATION AT 9.75% WITH RIGHT OF SECOND MORTGAGE FOR \$35,000. CONSIDER BETTER PROPOSITION FOR KOORAGANG TO PROVIDE TOTAL BORROWING AND PRECLUDE SECOND MORTGAGE.

MR. AND MRS. A. BLAKAS

\$146,000 AT 9.75% P.A. 3 YEARS ON INDUSTRIAL BUILDING

BLOCK 37 SECTION 25 WOLLONGONG ST. FYSHWICK ACT REPRESENTS
65% OF VALUATION OF \$225,000.
NET INCOME \$20,488 INTEREST \$14,235.

Approved 8/18

GILES BOURKE HOLDINGS PTY. LTD.

\$104,000 AT 9.75% P.A. 3 YEARS ON BUSINESS PREMISES
233/235/237 GLEBE POINT ROAD, GLEBE POINT, R. AND W.
VALUATION \$160,000 (LOAN 65%) INTEREST \$10,140. PREMISES
USED AS HEAD OFFICE OF OWNER. IN EACH CASE MORTGAGE PAYMENT
WILL BE PERSONALLY GUARANTEED BY INDIVIDUAL BORROWERS OR
DIRECTORS OF BORROWING COMPANY. WOULD APPRECIATE REPLY.
BY 12 MID-DAY 9TH AUGUST.

Approved 8/18

SATCHWELL

ICIMELB AA30192

TELEX MESSAGERS

TELEX MESSAGERS

E14

XXXXXXXXXXXXXXXXXXXX

3(A)

235 Glebe Point Road, GLEBE 2037.

GILES BOURKE HOLDINGS PTY LIMITED

TELEPHONE 660-6166

10th August 1973.

Roland E. Gridiger & Co.,
112 Castlereagh Street,
SYDNEY 2000.

Dear Sir,

10

We wish to advise that the following rentals are received from
the property 233-237 Glebe Point Road, Glebe 2037.

Peter Craig Real Estate Pty. Ltd. occupying ground floor, part basement and part first floor	\$300.00 per week
Various Companies occupying first floor	80.00 per week
Basement used as storage space	30.00 per week
Giving a total of	<u>\$410.00 per week</u>

Yours faithfully,

JOHN GILES BOURKE
Managing Director

20

SOLICITORS
 ROLAND E. GRIDIGER & CO
 3rd FLOOR, SUITE 2, 122 CASTLEREAGH STREET,
 SYDNEY, N.S.W. 2000 PHONE 26-2221

REG:JPM
 File No G987

21st August 1973

The Mortgage Manager
 Donald G. Cameron & Associates
 54 Carrington Street
 SYDNEY 2000

10

Dear Sir

Re: GILES BOURKE HOLDINGS PTY. LIMITED
 Refinancing of 233-5/7 Glebe Point Road Glebe

Further to our letter of 27th July last and to subsequent telephone conversation we now enclose the following for your attention:

1. Memorandum and Articles of Association of Giles Bourke Holdings Pty. Limited
2. Photostat copy of Certificate of Incorporation of Giles Bourke Holdings Pty. Limited 20
3. Letter from Giles Bourke Holdings Pty. Limited dated 10th August 1973 setting out income.

We have been advised by Giles Bourke Holdings Pty. Limited that the outgoings are as follows:

- a) Water Rates, total \$309.27 per annum
- b) Council Rates \$588.94 per annum.

We advise that the Directors of Giles Bourke Holdings Pty. Limited re John Giles Bourke of 40 Cove Street Birchgrove Company Director and Kenneth John Jones of 6 Birchgrove Avenue Birchgrove Company Director 30

We would be pleased to receive the outcome of this application at your early convenience.

Yours faithfully,

Roland E. Gridiger & Co.

"D"
213 MILLER STREET, NORTH SYDNEY
P.O. BOX 528, NORTH SYDNEY.
TELEPHONE 929-4755
TELEX AA21815

E16
KOORAGANG INVESTMENTS PTY.LIMITED

RL:BE
27th August, 1973

Donald G. Cameron & Associates,
I.A.C. Building
54 Carrington Street
SYDNEY N.S.W. 2000

Dear Sirs,

10

Re: Giles Bourke Holdings Pty. Ltd. - Application
for Advance on 233,235-237 Glebe Point Road,
Glebe Point

We refer to your letter of June 29, seeking a loan of \$104,000 on the security of the above mentioned properties for 3 years at 9.5% per annum.

We are prepared to lend \$104,000 on First Mortgage at 9.75% per annum for 3 years subject to personal guarantees of Director satisfactory Bank reference and satisfactory Insurance cover.

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Interest will accrue from 15th October 1973 or from the date on which the loan is advanced, whichever is the earlier and the mortgage document will be prepared so as to express the interest to be calculated from such date. This offer will remain open until 7th September, 1973.

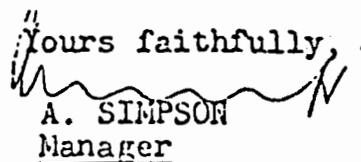
Any legal costs incurred by us after acceptance by Giles Bourke Holdings Pty. Ltd. will be payable by them. Our obligation to proceed shall be conditional upon a good title to the properties being shown to the satisfaction of our Solicitors.

If Giles Bourke Holdings Pty. Ltd. is prepared to accept these conditions, would they please sign and return the attached copy of this letter.

30

On acceptance we will instruct our Solicitors, Mr. K. Johnson, Minter Simpson & Co. to draw up the mortgage deed for signature by both parties on a mutually arranged date.


DIRECTOR

Yours faithfully,

A. SIMPSON
Manager

Acceptance  Date 27th Aug 73
DIRECTOR

Kooragang Investments is a member of the Australian Fertilizers Limited Group.

144. Loan - Giles Bourke Holdings Pty. Ltd.

Statement of assets and liabilities of the above Company was received and considered satisfactory. It was agreed to recommend to the AFL Chairman that a loan of \$104,000 at 9.75% p.a. for 3 years secured at a first mortgage over property at 233, 235 and 237 Glebe Point Road, Glebe, be offered.

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- 2 -

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145. Loan - Anthony & Krita Bakas

It was agreed that subject to a satisfactory valuation being received, a recommendation be made to the AFL Chairman to offer a loan of \$146,000 or 65% of the valuation, whichever is the lower, at 9.75% p.a. for 3 years secured by first mortgage over property at Fyshwick, ACT.

148. Loan - York Meredith

An inspection of the property at 65 Hume Street, Crows Nest, had been made by the Directors and it was considered to be adequate security for a loan. The valuation from Richardson & Wrench totalled \$260,000 which was within the approved guidelines, and it was agreed to recommend to the AFL Chairman that a loan of \$170,000 at 9.75% p.a. for 3 years be offered, secured by first mortgage over the property at Crows Nest.

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149. Loan - Group Unity Securities Pty. Ltd.

Noted that the zoning position and financial state of the borrower had been investigated and found to be satisfactory. After further consideration it was agreed to recommend to the AFL Chairman that a loan of \$160,000 at 9.75% p.a. for 3 years secured by first mortgage over properties at 18 and 20 East Crescent Street, McMahons Point, be offered.

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152. LOAN - ARTEMIS ATHANS

Noted that an application had been received from Mr. Athans for a loan of \$120,000 at 9.75% for 3 years secured by a first mortgage over property at 40 Coogee Bay Road, Coogee. Details of the financial position of the borrower were tabled and discussed. A physical inspection had been made and the property was considered adequate for lending purposes.

Subject to a satisfactory valuation being received from Richardson & Wrench it was agreed to recommend to the AFL Chairman that the above loan be offered.

40

153. LOAN - GERENDASI HOLDINGS PTY. LTD.

An application had been received from the above Company requesting a loan of \$230,000 at 10.75% p.a. for 1 year secured by a first mortgage over property at 51/53 Bay Street, Double Bay. Financial details were discussed and considered satisfactory and a private valuation from Richardson & Wrench showed that the property would value in excess of \$375,000. It was agreed to recommend to the AFL Chairman that a loan of \$230,000 on the above basis be offered.10

154. COMMON SEAL.

The use of the Company's Common Seal on the following documents was confirmed:

- 2/3/1973 Appointment of Mr. A. Simpson to apply for a licence under the Moneylenders and Infants Loans Act 1941.
- 13/7/73 Memorandum varying mortgage loan to Tolmitmer Pty.Ltd.
- 21/8/73 Discharge of mortgage to Associated Management Pty.Ltd.

K. Satchwell
CHAIRMAN 21.9.73

SOLICITORS

E22

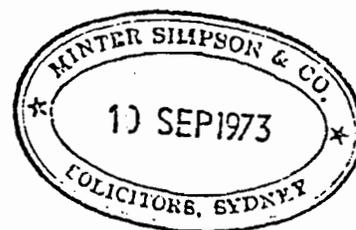
ROLAND E. GRIDIGER & CO

3rd FLOOR, SUITE 2, 112 CASTLEMEAGH STREET, SYDNEY, N.S.W. 2000. PHONE 26-2221

REG:JPM

6th September 1973

Messrs Minter Simpson & Co
Solicitors
Box 521 G P O
SYDNEY 2001



Dear Sirs

Re: GILES BOURKE HOLDINGS PTY LIMITED
Mtg to KOORAGANG INVESTMENTS PTY LIMITED

We refer to previous correspondence herein and advise that there appears to be some complexities in relation to the title in respect of 237 Glebe Point Road Glebe. Our client purchased the property some time ago and the various dealings were not registered at the Registrar General's Department.

We have now placed a Caveat on ~~the title~~ to protect our client's interest although we have been informed by our client's former Solicitors that the documents have now been registered.

Yours faithfully

A handwritten signature in dark ink, appearing to read "Roland E. Gridiger". The signature is written in a cursive style and includes a horizontal line at the end.

213 MILLER STREET, NORTH SYDNEY.
P.O. BOX 528, NORTH SYDNEY.
TELEPHONE 929 4755
TAS AA21815

Kooragang Investments Pty Limited

12th September, 1973.

AS:HR

E24

Minter, Simpson & Co.,
G.P.O. Box 521,
SYDNEY. N.S.W. 2001.

Attention - Mr. K.O. Johnson.

Dear Sirs,

Re: LOAN GILES BOURKE HOLDINGS PTY. LTD. -
MORTGAGE OVER 233, 235, 237 GLEBE POINT
ROAD, GLEBE POINT

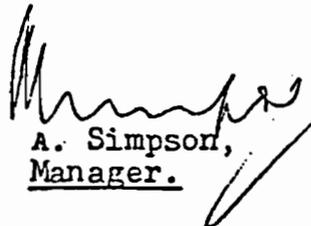
We attach signed acceptance covering loan of
\$104,000 at 9.75% p.a. for 3 years secured by a First Mortgage
over the above properties.

Form "A" is attached together with letter from
Roland E. Gridiger & Co. and attachments.

We request that 24 hours notice be given before
date of settlement.

Would you please draw up the necessary documents.

Yours faithfully,


A. Simpson,
Manager.

Encls.

Kooragang Investments is a member of the Australian Fertilizers Limited Group.

DELIVERY

"F"

3(c)

43

SOLICITORS

ROLAND E. GRIDIGER & CO

3rd FLOOR, SUITE 2, 112 CASTLEREAGH STREET, SYDNEY, N.S.W. 2000. PHONE 26-2221

REG:JPM

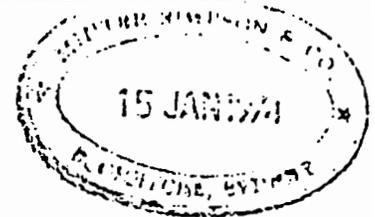
15th January 1974

Messrs Minter Simpson & Co
Solicitors
ANZ Bank Building
Cnr Pitt & Hunter Streets
SYDNEY 2000

Attention Mr Johnson

Dear Sirs

Re: GILES BOURKE HOLDINGS PTY LIMITED &
KOORAGANG INVESTMENTS PTY LIMITED



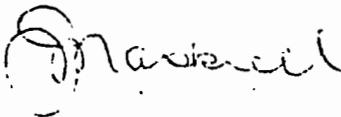
We refer to our recent telephone conversation and advise that the documents have still not been registered. However, we have been assured that registration will be effected without further requisitions.

In regard to the rental received on the properties, we advise that the undermentioned tenants are on oral tenancies:-

Ground Floor - Peter Craig Real Estate	\$300.00 per week	✓
First Floor - various companies	\$80.00 per week	✓
Basement - storage	\$30.00 per week	✓

Our client's bank, the Bank of New South Wales Surry Hills, is anxious to obtain particulars of your client's mortgage and we would be pleased if you could forward to them either an Epitome of Mortgage or alternatively, a photostat copy of the Memorandum of Mortgage. Kindly also confirm that your client is agreeable to the postponement of the Bank's mortgage.

Yours faithfully
ROLAND E GRIDIGER & CO

Per: 

This is the annexure marked "F" referred to in the affidavit of RAYMOND CECIL JAMES LITTLE sworn the _____ day of October, 1974 before me,

A Justice of the Peace.

645. Exhibit "A" - Page E43

SOLICITORS

ROLAND E. GRIDIGER & CO

3rd FLOOR, SUITE 2, 112 CASTLEBRIDGE STREET, SYDNEY, N.S.W. 2000 PHONE 26-2221

170
F2

REG: BKF
File No. G1078

1st August, 1973.

The Managing Director,
Koorgang Investments Pty. Limited,
213 Miller Street,
SYDNEY, N.S.W. 2000

Attention Mr. Little.

Dear Sir,

Re: Group Unity Securities Pty. Ltd.- Application for Mortgage
Advance on 18 and 20 East Crescent Street, McMAHONS POINT.

We refer to our telephone conversation of 27th ultimo and advise that our client requires to raise \$160,000.00 on the security of the abovementioned for three (3) years on $9\frac{1}{2}\%$ per annum with consent from the first mortgagee to a second mortgage which we shall arrange. We anticipate the second mortgage to be approximately \$35,000.00.

We are at present obtaining an up-to-date statement of our client's assets and liabilities and shall forward same to you for your consideration.

We enclose Valuation report from Richardson & Wrench Ltd., dated 14th June, 1973 and valuing the property at \$250,000.00.

We hope that you will be in a position to assist our client herein. If you have any further enquiries kindly telephone the writer.

Yours faithfully,

Enc.

Handwritten signature: Roland E. Gridiger

LOAN APPLICATION FORM

NAME OF BORROWER

GROUP UNITY SECURITIES PTY LTD

BUSINESS ADDRESS

233 Gt. Bunt. Rd
Gilebe

TYPE OF BUSINESS

Property Developers

DATE OF INCORPORATION

DIRECTORS/PARTNERS

BANKERS

Bank NSW

SOLICITORS

ROLAND E. GRINDGER & CO

BRIEF FINANCIAL DETAILS

Financial Statement 3/10/72 shows assets of \$2,000,000 & liabilities of \$225,83 - Aug-Dec 1972

DETAILS OF PROPERTY TO BE MORTGAGED

Address

18 x 20 East Crescent St. McAlhens Cent.

Dimensions of Land

70' x 170'

Type of Property

2 Residential Flat Buildings - 19 Flats in all

Estimated Market Value

\$ 250,000

Name of Valuer

RIHANSON & WRENCH - 14th July 1973

Gross Income (Attach supporting details of individual tenancies and rents)

All Outgoings (Detailed)

Net Income

Present Encumbrances on Property

None

May we apply for Bank References?

Yes

Approximate Loan Required

\$160,000 for 5 1/2% @ 9 1/2%

Any other Relevant Factors

Consent to 2nd Mortgage of 165,000 required by bank. The company is the sole holder of the shares in the bank.

V. Bill
23
65
175
F4
195
130
150
154-150

KOORAGANG INVESTMENTS PTY. LIMITED

REPORT ON PROPERTY INSPECTIONS

1. 65 HUME STREET, CROWS NEST

This building was inspected this afternoon, 6th August, and I consider it to be entirely suitable to make a loan on as security.

It appears to be quite new, built of a sandstock brick, is attractive in appearance and is very favourably located.

Hume Street crosses the Pacific Highway at the Crows Nest Post Office. The building is on the eastern side of the Highway and one street removed. Surrounding buildings are good quality.

10

2. 18/20 EAST CRESCENT STREET, McMAHONS POINT

These buildings were also inspected this afternoon, 6th August.

They are quite old flats but are very well located for high rise development and because of proximity to the city and all conveniences should be good letting propositions.

20

Access from the front is up very steep steps giving them a commanding view.

They appear to be suitable security for a 3 year loan.

R. LITTLE
COMMERCIAL SERVICES MANAGER

RL:EM
SYDNEY
6/8/73

MINUTES OF MEETING OF THE BOARD OF DIRECTORS HELD AT
213 MILLER STREET, NORTH SYDNEY ON MONDAY 6th AUGUST
1973 AT 11 a.m.

PRESENT: Directors - Mr. K. Satchwell (Chairman)
Mr. T.P. Dempsey
Mr. R.C.J. Little
Mr. A. Simpson

IN ATTENDANCE: Mr. F.C. Cook (Secretary)

MINUTES

146

The Minutes of the previous meeting held on 27th July 1973, having been circulated were taken as read and the Chairman was authorised to sign them as a correct record of the proceedings.

BUSINESS
ARISING
FROM
MINUTES
147

140. Future Lending

A memo from Mr. Little was received and discussed.

It was agreed that the present policy of lending up to 65% of approved valuations appeared conservative and that the percentage could possibly be raised to 75% to attract more business at higher interest rates.

It was also agreed that (prior to the Company lending in the Bridging Finance area) further investigations should be made. Mr. K. Johnson, of Minter Simpson, feels that the Company needs to be more flexible in lending in this market. Items such as costs of administration, penalty clauses for early repayment of loans and the practical traps of negotiating these types of loans should be investigated in detail.

The Board also considered that it may be prudent to defer long term lending until after the Federal Budget is handed down on 21st August 1973.

144. Loan - Giles Bourke Holdings Pty. Ltd.

Confirmation of the Statement of Assets and Liabilities of the borrower was not to hand. However it was agreed that provided the financial position was satisfactory an offer of \$104,000 at 9.75% p.a. for 3 years could be made.

145. Loan Anthony & Krita Bakas

It was noted that a new valuation would be required prior to lending to the abovenamed. As Richardson & Wrench do not have an office in the Canberra area it was agreed that the valuation could be carried out by Richard Stanton if they have a valuer in the A.C.T. Dependent upon a satisfactory valuation a loan of \$150,000 or 65% of the valuation at 9.75% p.a. over 3 years would be offered.

148. Loan York Meredith

Noted that a loan application had been received for \$170,000 secured by property at 65 Hume Street, Crows Nest.

It was agreed that this site should be inspected and if considered satisfactory a valuation from Richardson & Wrench obtained.

149. Loan Group Unity Securities Pty. Ltd.

Noted that a loan application had been received for \$160,000 over 3 years at 9½% p.a. secured over 2 blocks of residential flats at 18 and 20 East Crescent Street, McMahons Point.

It was agreed that these properties should be inspected as a valuation of \$250,000 had already been obtained from Richardson & Wrench. It was suggested that Richardson & Wrench should clarify the zoning position and that the financial position of the borrower be investigated prior to proceeding with this loan.

It was also noted that the borrower would require a second mortgage and it was agreed that an alternative proposition could be made to the borrower - \$190,000 @ 10.5% p.a. for three years with 1st mortgage over the two properties.



CHAIRMAN 27/8/1973

↓
haly

KOORAGANG INVESTMENTS PTY. LTD.

F6

MEMORANDUM FOR INFORMATION OF DIRECTORS

- 1. GROUP UNITY SECURITIES PTY. LTD. - LOAN \$190,000 ON 18/20 EAST CRESCENT STREET, MCMAHONS POINT:

The Gross Rentals are \$29,744 and outgoings are \$2,320, which covers Council & Water Rates for a net \$27,424 - Interest at 10.5% on \$190,000 is \$19,950.

The owners collect the rents.

This application was considered by the Board on August 6, and approved subject to income and outgoings being satisfactory.

- 2. LARATA INVESTMENTS PTY. LTD. - LOAN \$195,000 AT 9½% OVER PROPERTY - 34 TALARA AVENUE, GYMEA:

We have been advised by General Credits (Finance) Pty. Ltd. under date 3/8/1973 that Larata Investments Pty. Ltd. have executed a second mortgage over land covering the First Mortgage secured by Kooragang.

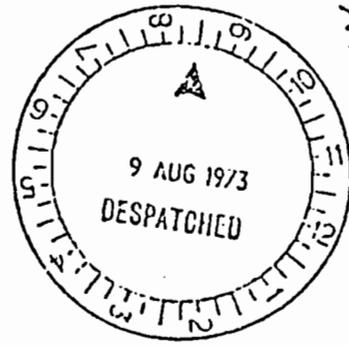
R. Little

R.C.J. LITTLE,
COMMERCIAL SERVICES MANAGER.

F 7

RL

378



W 3 5 A G E T E L E X M E S S A G E T E L E X M E S S A G E

GA
30192
ICIMELB AA30192

2320

FERSYD AA21815

FOR MR. D. PAECH

APPROVAL REQUIRED FROM F. GUTTERIDGE AND YOURSELF IN ABSENCE OF A.W. HAMER FOR KOORAGANG INVESTMENTS TO SUBMIT FOLLOWING OFFERS OF LOANS ON FIRST MORTGAGE SECURITY OF PROPERTIES LISTED. EACH PROPERTY HAS BEEN INSPECTED BY KOORAGANG DIRECTORS AND KOORAGANG BOARD RECOMMENDS ALL LOANS.

YORK MEREDITH

✓ \$170,000 AT 9.75% P.A. 3 YEARS ON NEW OFFICE BUILDING 65 HUME STREET, CROWS NEST SUBJECT TO LOAN NOT EXCEEDING 65% OF RICHARDSON AND WRENCH VALUATION. NET INCOME \$23,990 INTEREST \$16,575

Ciffwood 9/8

GROUP UNITY SECURITIES PTY. LTD.

\$190,000 AT 10.5% P.A. 3 YEARS ON TWO BLOCKS OF FLATS 18/20 EAST CRESCENT STREET MCMAHONS POINT R. AND W. VALUATION \$250,000 (LOAN 76%). NET INCOME \$27,424. INTEREST \$19,950

Under consideration - may drop back to 65% of valuation. Will receive further loan. L.P.K.

NOTE:

BORROWER WOULD ACCEPT LOAN OF 65% OF VALUATION AT 9.75% WITH RIGHT OF SECOND MORTGAGE FOR \$35,000. CONSIDER BETTER PROPOSITION FOR KOORAGANG TO PROVIDE TOTAL BORROWING AND PRECLUDE SECOND MORTGAGE.

MR. AND MRS. A. BLAKAS

\$146,000 AT 9.75% P.A. 3 YEARS ON INDUSTRIAL BUILDING

BLOCK 37 SECTION 25 WOLLONGONG ST. FYSHWICK ACT REPRESENTS
65% OF VALUATION OF \$225,000.
NET INCOME \$20,488 INTEREST \$14,235.

Approved 19/8

GILES BOURKE HOLDINGS PTY. LTD.

\$104,000 AT 9.75% P.A. 3 YEARS ON BUSINESS PREMISES
233/235/237 GLEBE POINT ROAD, GLEBE POINT. R. AND W.
VALUATION \$160,000 (LOAN 65%), INTEREST \$10,140. PREMISES
USED AS HEAD OFFICE OF OWNER. // IN EACH CASE MORTGAGE PAYMENT
WILL BE PERSONALLY GUARANTEED BY INDIVIDUAL BORROWERS OR
DIRECTORS OF BORROWING COMPANY. WOULD APPRECIATE REPLY
BY 12 MID-DAY 9TH AUGUST.

Approved 19/8

SATCHWELL

ICIMELB AA30192

ICIMELB AA30192

ICIMELB AA30192

TELETYPE UNIT

TELETYPE UNIT

F8
174



3539

RL

OF
FERSYD AA21815
ICIMELB AA30192
9/8/73

TO SATCHWELL AFL
FROM GUTTERIDGE CAD

HAVE DISCUSSED VERY BRIEFLY WITH D.G. PAECH. WE AGREE WITH ALL PROPOSALS BUT AS MENTIONED ON PHONE WLD PREFER LOAN TO GROUP UNITY TO BE LIMITED TO 65 PC OF VALUATION AT 9.75 PC RATHER THAN FULL SUM - NO OBJECTION TO 2ND MORTGAGE

2/30
OF
FERSYD AA21815
ICIMELB AA30192

9th August, 1973
RL:HR

Roland E. Gridiger & Co.,
Solicitors,
3rd Floor, Suite 2
112 Castlereagh Street,
SYDNEY. N.S.W. 2000.

Dear Sirs,

Re: GROUP UNITY SECURITIES PTY. LTD. - APPLICATION 10
FOR ADVANCE ON 18 AND 20 EAST CRESCENT STREET,
MCMAHONS POINT

We refer to your letter of August 1, seeking a loan of \$160,000 on the security of the above mentioned property for 3 years at 9½% per annum with consent to a second mortgage to about \$35,000.

We are prepared to lend \$160,000 on First Mortgage at 9.75% p.a. for 3 years subject to personal guarantee of Directors, satisfactory Bank reference and satisfactory insurance cover. 20

Interest will accrue from 1st October, 1973, or from the date on which the loan is advanced, whichever is the earlier and the mortgage documents will be prepared so as to express the interest to be calculated from such date. This offer will remain open until 17th August, 1973.

Any legal costs incurred by us after acceptance by Group Unity Securities Pty. Ltd. will be payable by them. Our obligation to proceed shall be conditional upon a good title to the property being shown to the satisfaction of our Solicitors. 30

If Group Unity Securities Pty. Ltd. is prepared to accept these conditions would they please sign and return the attach copy of this letter.

...2/-

KOORAGANG INVESTMENTS PTY. LIMITED

-2-

On acceptance, we will instruct our Solicitor,
Mr. K. Johnson, Minter Simpson & Co. to draw up the Mortgage
Deed for signature by both parties on a mutually arranged date.

Yours faithfully,

A. Simpson,
Manager.

MILLER STREET, NORTH SYDNEY
BOX 528, NORTH SYDNEY
PHONE 929 4755
X AA21815

F10
KOORAGANG INVESTMENTS PTY.LIMITED

17th August, 1973.

AS:HR

Minter Simpson & Co.,
24th Floor,
A.N.Z. Building
Pitt & Hunter Streets,
SYDNEY, N.S.W. 2000.

10

Attention - Mr. Ken Johnson

Dear Sirs,

Re: LOAN TO GROUP UNITY SECURITIES PTY. LTD.
MORTGAGE OVER 18 AND 20 EAST CRESCENT ST.,
MCMAHONS POINT

We attach signed acceptance covering a loan of
\$160,000 at 9.75% p.a. for 3 years secured by a First Mortgage
over the above two blocks of flats.

Form 'A' is attached with a copy of the valuation.

20

We request that 24 hours notice be given before the
date of settlement.

Roland E. Gridiger, 3rd Floor, Suite 2, 112
Castlereagh Street, Sydney - Telephone 26-2221, is acting for
the borrower.

Would you please proceed to draw up the necessary
documents.

Yours faithfully,

A. Simpson
Manager.

30

Encls.

Kooragang Investments is a member of the
Australian Fertilizers Limited Group.



FORM 57/8.

F15

RENT CONTROL OFFICE
 Anthony Hordern's Building
 674-676 George Street
 (Lottery Office Entrance)
 SYDNEY

ADDRESS ALL MAIL TO
 RENT CONTROLLER
 BOX No. K. 409
 HAYMARKET, N.S.W. 2000

IN REPLY QUOTE 10/9025/60
 No. Mrs. Nuttall
 ENQUIRIES TO 42
 TELEPHONE 26 1501 EXT. AN.SS

Messrs. Roland E. Gridiger & Co.,
 Solicitors,
 112 Castlereagh Street,
SYDNEY. 2000.

24th May, 1973.

Dear Sirs,

LANDLORD & TENANT (AMENDMENT) ACT, 1948.

Notification as to determination (or fixation by agreement) of rent of prescribed premises other than shared accommodation situated at :
 20 East Crescent Street, McMahons Point.

Your Reference: (REG:JPM - Group
 Unity Securities P/L/Harris)

In response to your request made under Section 52 or 57 of the Act, I advise that the records of this office disclose that the fair rent of the abovementioned premises has been fixed by a determination or by agreement under Section 17A (where indicated). The details of the last determination, variation or agreement are set out hereunder : 10

<u>Date of Determination</u>	<u>No. of Flat or Unit.</u>	<u>Amount of Fair Rent.</u>
18th August, 1958	Head Rent	\$16.20 per week

No Section 17A Agreement has been registered in this Office.

A Section 5A lease between M. Parker and Pamela Larsen & Janice Beanland in respect of Flat 4 (furnished) was registered on 12th January, 1970. The term was for 1 month thence weekly, from 29th July, 1969, at a rental of \$40 per fortnight in advance. 20

It is further advised that a Section 5A lease between Murphy and Parker in respect of Flat 9 was registered on approximately 11th December, 1964. The term was for 26 weeks thence weekly, from 18th November, 1964, at a rental of \$10 per week. The particulars quoted concerning this lease were obtained from the Section 5A Register and not from the certified copy, which is at

the Government Records Repository.

Yours faithfully,
A.J. Nuttall

Delegate of the Rent Controller and
Clerk of the Fair Rents Board.

NOTE: This information refers only to the address quoted by you and does not necessarily take into account any change in street name or number which may have occurred since the date of any determination of rent. In such circumstances a further search by you may be advisable. 10

Details of Section 5A leases (if requested) or Section 17A agreements furnished, relate only to the last document registered in respect of a particular premises or unit.



FORM 57/5

SEND ALL MAIL TO
 RENT CONTROLLER
 P.O. BOX NO. K. 409
 HAYMARKET, N.S.W. 2000

IN REPLY QUOTE
 No.
 ENQUIRIES TO
 TELEPHONE 26 1501 EXT.

RDL.219232.
 Mrs. Nuttall
 42
 AN.SS

RENT CONTROL OFFICE
 Anthony Hordern's Building
 674-676 George Street
 (Lottery Office Entrance)
 SYDNEY

Messrs. Roland E. Gridger & Co.,
 Solicitors,
 112 Castlereagh Street,
SYDNEY. 2000.

24th May, 1973.

Dear Sirs,

LANDLORD & TENANT (AMENDMENT) ACT, 1948
 Notification as to determination (or fixation by agreement)
 rent of SHARED ACCOMMODATION premises situated at:

20 East Crescent Street, McMahons Point. (Your ref :
REG:JPM - Group Unity/
Securities Pty.Ltd./
Harris)

In response to your request made under Section 52 or 57
 of the Act I advise that the records of this Office disclose
 that the fair rent of the abovementioned premises has been fixed
 by a determination or by agreement under Section 17A (where
 indicated). The details of the last determination, variation
 or agreement are set out hereunder :

10

<u>Date of Determined or Varied</u>	<u>No. of Unit or Room (as per plan attached)</u>	<u>Furnished or Unfurn.</u>	<u>Determined Fair Rent</u>
18th May, 1967	Rooms 1.1A.1B.	Furnished	\$5.60 per week
	" 2.2A	"	3.25 "
	" 3.3A.3B	"	4.85 "
	" 5	"	6.55 "
30th November, 1962.	" 4.4A	"	6.05 "
	" 6.6A	"	5.35 "
	" 7.7A.7B	"	5.75 "
	" 8.8A.8B	"	4.25 "
	" 9.9A.9B	"	4.05

20

All occupants share bathroom, showers, toilets and laundry.

Yours faithfully,
 A.J. Nuttall
Delegate of the Rent Controller and
Clerk of the Fair Rents Board.

30

Exhibit "A"

NOTE:

This information refers only to the address quoted by you and does not necessarily take into account any change in street name or number which may have occurred since the date of any determination of rent. In such circumstances a further search by you may be advisable.

Details of Section 5A leases or Section 17A agreements furnished relate only to the last document registered in respect of a particular premises or unit.

2. LOAN - ARTEMIS ATHANS

To note application for loan on property 40 Coogee Bay Road, Coogee and confirm action taken in offering 65% of R. & W. valuation for 3 years at 9.75% p.a.

3. LOAN - GERENDASI HOLDINGS PTY. LTD.

To receive loan application on property at 51/53 Bay Street, Double Bay and confirm the action taken in offering a loan of \$230,000 at 10½% p.a. for one year with security over the property.

10

...2/-

2.

4. CONFIRMATION OF USE OF COMMON SEAL:

To confirm the use of the Company's Common Seal on the following :

2nd March, 1973 - Appointment of Mr. A. Simpson to apply for a licence under the Moneylenders and Infants Loans Act 1941.

13th July, 1973 - Memorandum varying mortgage loan to Tolmitmer Pty. Ltd.

20

21st August, 1973 - Discharge of mortgage to Associated Management Pty. Ltd.

L:HR
SYDNEY
4/8/73.

27th August

KOJ SPN

Messrs. Roland E. Gridiger & Co.,
Solicitors,
112 Castlereagh Street,
SYDNEY. 2000

Dear Sirs,

Re: Kooragang Investments Pty. Limited - Loan to Group Unit
Securities Pty. Ltd. - property at 18/20 East Crescent
Street, McMahons Point

10

We refer to our letter of 23rd August.

We have received further instructions from our client in respect to this matter advising us that the loans are to be guaranteed jointly and severally by the directors of Group Unity Securities Pty. Ltd.

Accordingly we would be obliged if you would forward to us the following as soon as possible:-

1. Full names, addresses and occupations of all directors of the company.
2. Copy of the Memorandum and Articles of Association of the Company.

20

Yours faithfully,

F26

Name: Group Unity Securities Pty. Ltd.

Incorporated 16.2.72

Registered Office: 233-235 Gyle Point Road
Gyle

Directors: John Gyles BOURKE, Architect
40 Cove St.,
Birchgrove

Robert John LYNCH, Manager.
63 Cabarita Rd., Avalon.

Charges - NIL

Nominal Capital: \$10,000 div. into 10,000 of \$1 each.

Issued Capital \$2

Shareholders John Gyles BOURKE as above 1 "A" class share
Robert John LYNCH as above 1 "A" class share

~~CHARGES - NIL.~~

F29

SOLICITORS

ROLAND E. GRIDIGER & CO

3rd FLOOR, SUITE 2, 112 CASTLEREAGH STREET, SYDNEY, N.S.W. 2000. PHONE 26-2221

SPN:BKF
File No. G1078

Your Ref: KOJ
13th September, 1973.

Messrs. Minter Simpson & Co.,
Solicitors,
Box 521, G.P.O.,
SYDNEY, N.S.W. 2001



Dear Sir,

Re: Group Unity Securities Pty. Limited to
Kooragang Investments Pty. Limited,
PROPERTY: 18 & 20 East Crescent Street, McMAHONS POINT.

Thank you for your letter of 6th September, 1973.

We now make the following replies to your Requisitions on Title:-

1. Noted.
2. Noted. You already have in your possession a copy of Survey Report together with letter from E. C. Banks & Co., updating the said Survey.
3. Noted. These documents are also already in your possession.
4. Not as far as the Mortgagor is aware.
5. (i)(ii) & (iii) Not as far as the Mortgagor is aware.
6. & 7. Not as far as the Mortgagor is aware.
8. As to the Mortgagor, we are instructed "no". As to the property, not as far as the Mortgagor is aware.
10. Noted.
11. - 15. Noted.
16. Noted. We enclose copy of the 2nd Mortgage for your inspection.

Messrs. Minter Simpson & Co.

13th September, 1973.

We also enclose the following documents:-

1. Duly executed Memorandum of Mortgage.
2. Authority to Receive.
3. Memorandum of Articles of Group Unity Securities Pty. Ltd.

Yours faithfully,

ROLAND E. GRIDIGER & CO.,

Per:

A handwritten signature in black ink, appearing to read 'Nemes', with a horizontal line underneath it.

(S. P. Nemes)

Enc.

F31

SOLICITORS

ROLAND E. GRIDIGER & CO

3rd FLOOR, SUITE 2, 112 CASTLEREAGH STREET, SYDNEY, N.S.W. 2000. PHONE 26-2221

SPN:BKF
File No. G1078

26th September, 1973.

Messrs. Minter Simpson & Co.,
Solicitors,
A.N.Z. Bank Building,
Pitt and Hunter Streets,
SYDNEY, N.S.W. 2000

Attention Mr. Johnson.

Dear Sirs,

Re: Group Unity Securities Pty. Ltd. to
Kooragang Investments Pty. Ltd.,
PROPERTY: 18 & 20 East Crescent Street,
McMAHONS POINT.

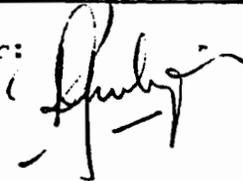
We refer to our recent telephone conversation and now enclose 5A Leases with respect to the above premises.

We confirm that we have been advised that Flat 5 in No. 20 East Crescent Street, is vacant and that Flat 1 of the same address and Flat 3 of No. 18 East Crescent Street, have not had 5A Leases registered.

We confirm that we are instructed by the Vendor's solicitors that the above premises are residential units created after 1st January, 1969. We look forward to hearing from you with a view to settlement.

Yours faithfully,

ROLAND E. GRIDIGER & CO.,

Per: 

Enc.

VALUATION

Under Instructions from:

FIDELITY ACCEPTANCE PTY. LIMITED

233-235 GLEBE POINT ROAD

GLEBE



RICHARDSON & WRENCH LIMITED

Established 1858

670. Exhibit "B" - Valuation,
Glebe Property

Richardson & Wrench Limited

Cable Address:
"Richwrench"
Address all mail to:
Box 176, G.P.O.
Sydney, N.S.W. 2001

VALUATION DIVISION
MANAGING DIRECTOR:
F.P. Cook, F.C.I.V., F.R.E.I.
DIRECTOR VALUATIONS:
K. W. Hodgson, F.C.I.V., A.R.E.I.

VALUERS:
M. J. Davies, A.C.I.V., A.N.Z.I.V.
T. G. Rathborne, F.C.I.V.
G. Scrymgeour, A.C.I.V.
C. R. Weir, F.C.I.V., Q.R.V.

ASSISTANT VALUERS:
A. Blakeley
T. A. Large

ESTABLISHED 1858

VALUERS, LICENSED REAL ESTATE AGENTS, AUCTIONEERS & PROPERTY MANAGERS

HEAD OFFICE: 92 PITT STREET, SYDNEY, N.S.W. 2000

TELEPHONE: 25 3051

Associated agents in all capital cities of Australia

Sales branches at -
BURWOOD
CAMPBELLTOWN
CHATSWOOD
CROWS NEST
DOUBLE BAY
GORDON
GOSFORD
PARRAMATTA
and
RANDWICK

IN REPLY PLEASE QUOTE

26th MARCH 1973

VALUATION of FREEHOLD PROPERTY at

GLEBE

Under instructions from
FIDELITY ACCEPTANCE PTY. LTD.,
233-235 Glebe Point Road,
Glebe.

FOR AND ON BEHALF OF AN INTENDING MORTGAGEE

THE LAND is described as follows:-

No. 233/235 GLEBE POINT ROAD, GLEBE is all that piece of land situated at Glebe having a frontage of 25'8" to GLEBE POINT ROAD by a depth in common of 100' butting to a rear lane, being Lot Part 18/19, Section 1.

No. 237 GLEBE POINT ROAD, GLEBE has a frontage of about 13'2" to GLEBE POINT ROAD, side boundary depths of 98'7" and 99'6" respectively and a rear boundary line of 15'6" to a lane at the rear, being Part Lot 18, Deposited Plan 6, Section 1.

ZONING We are informed that under the provisions of the Leichhardt Municipal Council's proposed Town Planning Scheme the land is zoned Residential - 2D" - Redevelopment.

ON THE LAND is erected NOS 233,235,237 GLEBE POINT ROAD, GLEBE a brick commercial building comprising lower ground, ground and one upper floor with tar sealed carpark at rear to accommodate fourteen cars.

Accommodation on Ground Floor Level comprises: reception area, executive office, three offices, staff common room and bar, timber decked balcony, manager's office and five sales offices.

Over a Century of Service

Exhibit "B" - Valuation,
671. Glebe Property

Accommodation on the Upper Level comprises:

waiting room, two executive offices, board room,
four other offices, studio, tea room, balcony.

Accommodation at Lower Ground Level comprises:

Male and Female toilets, printing room, three
storage rooms and garage.

REPAIR

the building has been recently renovated and
remodelled and is therefore in excellent condition.
The Ground and First Floors have been carpeted and
the studio and staff common room have been quarry
tiled. In addition, the building has been painted
internally and externally and fitted out with built-
in fixtures in all offices.

LOCATION

The property is well located for commercial purposes
in Glebe Point Shopping Centre, next door to the TAB
and close to the Hotel and the main intersection of
BRIDGE ROAD, and GLEBE POINT ROAD.

WE RECOMMEND

the property as an eligible security for the advance-
ment of funds by way of first mortgage only.

WE ESTIMATE

the fair market value of NOS 233,235, and 237 GLEBE
POINT ROAD, GLEBE to be \$160,000 (ONE HUNDRED AND
SIXTY THOUSAND DOLLARS).

Richardson & Wrench Ltd

Richardson & Wrench Limited.

Cable Address:
"Richwrench"
Address all mail to:
Box 176, G.P.O.
Sydney, N.S.W. 2001

VALUATION DIVISION
MANAGING DIRECTOR:
F.P. Cook, F.C.I.V., F.R.E.I.
DIRECTOR VALUATIONS:
K. W. Hodgson, F.C.I.V., A.R.E.I.

VALUERS:
M. J. Davies, A.C.I.V., A.N.Z.I.V.
T. G. Rathborne, F.C.I.V.
G. Scrymgeour, A.C.I.V.
C. R. Weir, F.C.I.V., Q.R.V.

ASSISTANT VALUERS:
A. Blakeley
T. A. Large

ESTABLISHED 1858
VALUERS, LICENSED REAL ESTATE AGENTS, AUCTIONEERS & PROPERTY MANAGERS
HEAD OFFICE: 92 PITT STREET, SYDNEY, N.S.W. 2000
TELEPHONE: 25 3051
Associated agents in all capital cities of Australia

Sales branches at -
BURWOOD
CAMPBELLTOWN
CHATSWOOD
CROWS NEST
DOUBLE BAY
GORDON
GOSFORD
PARRAMATTA
and
RANDWICK

IN REPLY PLEASE QUOTE

26th MARCH 1973

VALUATION of FREEHOLD PROPERTY at

GLEBE

Under instructions from

FIDELITY ACCEPTANCE PTY. LTD.,
233-235 Glebe Point Road,
Glebe

FOR AND ON BEHALF OF AN INTENDING MORTGAGEE

THE LAND

is described as follows:-

No. 233/235 GLEBE POINT ROAD, GLEBE is all that
piece of land situated at Glebe having a frontage
of 25'8" to GLEBE POINT ROAD by a depth in common
of 100' butting to a rear lane, being Lot Part
18/19, Section 1.

10

No. 237 GLEBE POINT ROAD, GLEBE has a frontage of
about 13'2" to GLEBE POINT ROAD, side boundary
depths of 98'7" and 99'6" respectively and a rear
boundary line of 15'6" to a lane at the rear, being
Part Lot 18, Deposited Plan 6, Section 1.

ZONING

We are informed that under the provisions of the
Leichhardt Municipal Council's proposed Town Plann-
ing Scheme the land is zoned "Residential - 2D" -
Redevelopment.

20

ON THE LAND is erected NOS. 233,235,237 GLEBE POINT ROAD, GLEBE
a brick commercial building comprising lower ground,
ground and one upper floor with tar sealed carpark
at rear to accommodate fourteen cars.

Accommodation on Ground Floor Level comprises:

reception area, executive office, three offices,
staff common room and bar, timber decked balcony,
manager's office and five sales offices.

10

Over a Century of Service

2.

RICHARDSON & WRENCH LTD.

NOS. 233,235,237, GLEBE POINT ROAD, GLEBE

PAGE 2.

Accommodation on the Upper Level comprises:

waiting room, two executive offices, board room,
four other offices, studio, tea room, balcony.

Accommodation at Lower Ground Level comprises:

Male and Female toilets, printing room, three
storage rooms and garage.

REPAIR

the building has been recently renovated and
remodelled and is therefore in excellent condition.
The Ground and First Floors have been carpeted
and the studio and staff common room have been
quarry tiled. In addition, the building has been
painted internally and externally and fitted out
with built-in fixtures in all offices.

20

Exhibit "B" - Copy Valuation
Glebe Property

LOCATION The property is well located for commercial purposes in Glebe Point Shopping Centre, next door to the TAB and close to the Hotel and the main intersection of BRIDGE ROAD, and GLEBE POINT ROAD.

WE RECOMEND the property as an eligible security for the advancement of funds by way of first mortgage only.

WE ESTIMATE the fair market value of NOS. 233,235, and 237 GLEBE POINT ROAD, GLEBE to be \$160,000 (ONE HUNDRED AND SIXTY THOUSAND DOLLARS). 10

RICHARDSON & WRENCH LTD.

Exhibit "B" - Copy Valuation
Glebe Property

JOHN GILES BOURKE

STATEMENT OF ASSETS AND LIABILITIES

27th November, 1972.

BENEFICIAL OWNERSHIP OF SHARES IN PROPRIETARY COMPANIES
(Value of Shares Based on Capital Assets).

	VALUES	<u>TOTAL</u>
1. Giles Bourke Holdings Pty. Ltd.	\$443,138.68	
2. Peter Craig Real Estate Pty. Ltd., (including Peter Craig Property Maintenance)	70,000.00	10
3. Spore Pty. Ltd.	79,019.00	
4. Prism Pty. Ltd.	5,800.00	
5. Fuetron Properties Pty. Ltd.	45,000.00	
6. Fuetron Plastics Pty. Ltd.	10,000.00	
7. Fuetron Machinery Pty. Ltd.	27,000.00	
8. Fidelity Acceptance Pty. Ltd.	8,000.00	
9. Group Unity Securities Pty. Ltd.	138,000.00	
10. H.D.B. Links Panorama Pty. Ltd.	35,000.00	20
11. Solon Developments Pty. Ltd.	60,000.00	
12. Meljon Holdings Pty. Ltd.	20,000.00	
13. Air Structures Pty. Ltd.	5,000.00	
14. Cube Pty. Ltd.	8,000.00	\$953,957.68

REAL ESTATE

1. 26 Coleborne Avenue, Mortdale (½ interest)	16,000.00	
2. 250/252 Glebe Point Road, Glebe	160,000.00	
3. 144 Bridge Road, Glebe	55,000.00	
Works of Art, Antiques, Personal Effects, Jewellery, etc.	14,000.00	\$245,000.00

SUNDRY DEBTORS

Personal loans - secured & unsecured	12,000.00
--------------------------------------	-----------

Exhibit "B" - Copy Valuation
Glebe Property

MEMBERS LOAN ACCOUNTS (unsecured)

Group Unity Securities Pty. Ltd.	10,000.00	
Prism Photographics	3,500.00	
Fidelity Acceptance Pty. Ltd.	5,000.00	
Solon Developments Pty. Ltd.	3,000.00	
Fees paid on a/c incorporation		
(a) Group Unity Syndications Pty. Ltd.	300.00	\$ 33,800.00
		<u>\$1232,757.68</u>

10

LIABILITIES

1. Bank overdraft	23,063.00	
2. Mortgages Item B.1.	10,000.00	
3. Mortgages Item B.2.	100,000.00	
4. Mortgages Item B.3.	15,000.00	\$148,063.00
		<u>\$148,063.00</u>

EXCESS OF ASSETS OVER LIABILITIES		\$1232,757.68
	LESS	\$148,063.00
		<u>\$1084,694.68</u>

Exhibit "B" - Copy Valuation
Glebe Property

GROUP UNITY SECURITIES PTY. LTD.

STATEMENT OF ASSETS AND LIABILITIES

30th October, 1972.

FIXED ASSETS (At current market values)

	<u>Values</u>	<u>Total</u>
1.) 91 Bridge Road, Glebe	\$ 18,500.00	
2.) 4 Herbert Street, Newtown.	18,000.00	
3.) 6 Herbert Street, Newtown.	18,000.00	10
4.) 8 Herbert Street, Newtown.	18,000.00	
5.) 10 Herbert Street, Newtown.	18,000.00	
6.) 3 Avon Street, Glebe	10,000.00	
7.) 60 Forsyth Street, Glebe	24,000.00	
8.) 62 Forsyth Street, Glebe	26,000.00	
9.) 51 Ferry Road, Glebe	18,500.00	
10.) 23 Avon Street, Glebe	24,000.00	
11.) 40 Forsyth Street, Glebe	19,000.00	
12.) 25/29 Glebe Point Road, Glebe	130,000.00	
13.) 50 Ivy Street, Chippendale	20,000.00	20
14.) 52 Ivy Street, Chippendale	20,000.00	
15.) 54 Ivy Street, Chippendale	20,000.00	\$402,000.00

CURRENT ASSETS (Deposits paid to Solicitors and Agents for purchase of real Estate).

1.) 23 Glebe Point Road, Glebe.	\$ 4,500.00	
2.) 19/21 Glebe Point Road, Glebe	5,200.00	
3.) 49 Gottenham Street, Glebe)		
4.) 51 Gottenham Street, Glebe)		
5.) 55 Gottenham Street, Glebe)	5,700.00	30
6.) 57 Gottenham Street, Glebe)		
7.) 59 Gottenham Street, Glebe)		
8.) 18 Mary Street, Lidcombe	1,125.00	
9.) 22 Mary Street, Lidcombe	2,875.00	
10.) 64 Broomfield Street, Cabramatta	6,900.00	
11.) Sundry Debtors	16,400.00	\$ 42,700.00
		<u>\$444,700.00</u>

Exhibit "B" - Copy Valuation
Glebe Property

LIABILITIES

AMOUNTS DUE ON MORTGAGES

1.) 91 Bridge Road, Glebe	\$ 10,000.00	
2.) 4 Herbert Street, Newtown	10,000.00	
	3,000.00	
3.) 6 Herbert Street, Newtown	10,000.00	
	3,000.00	
4.) 8 Herbert Street, Newtown	10,000.00	10
	3,000.00	
5.) 10 Herbert Street, Newtown	10,000.00	
	3,000.00	
6.) 60 Forsyth Street, Glebe)	30,000.00	
7.) 62 Forsyth Street, Glebe)		
8.) 51 Ferry Road, Glebe	12,000.00	
9.) 23 Avon Street, Glebe	14,000.00	
10.) 40 Forsyth Street, Glebe	10,000.00	
	2,400.00	
11.) 25/29 Glebe Point Road, Glebe	85,000.00	20
12.) 50 Ivy Street, Chippendale)		
13.) 52 Ivy Street, Chippendale)	50,000.00	
14.) 54 Ivy Street, Chippendale)		
Overdraft Bank of New South Wales as at 30 October, 1972	60,383.72	
Sundry Creditors	1,200.00	\$326,983.72

EXCESS OF ASSETS OVER LIABILITIES

	\$444,700.00
LESS	\$326,983.
	<u>\$117,717</u>

Exhibit "B" - Copy Valuation
Glebe Property

GILES BOURKE HOLDINGS PTY. LTD.

STATEMENT OF ASSETS AND LIABILITIES 12th July, 1972.

<u>FIXED ASSETS</u>	<u>VALUES</u>	<u>TOTAL</u>
1. 37 Glebe Point Road Glebe	\$ 67,000.00	
2. 40 Cove Street Birchgrove	75,000.00	
3. 38 Darling Street, Balmain	52,000.00	
4. 49 Darling Street, Balmain	60,000.00	
5. 233/235 Glebe Point Road, Glebe	85,000.00	10
6. 27/29 Cameron Street, Balmain	30,000.00	
7. 2 Macquarie Terrace, Balmain	21,000.00	
8. 31/31A Glebe Point Road, Glebe	62,000.00	
9. 36 Cove Street, Birchgrove	23,000.00	
10. 250/252 Glebe Point Road, Glebe	130,000.00	Registered in the name of John Giles Bourke
11. 144 Bridge Road, Glebe	42,000.00	
12. 18 Blandford Avenue, Waverley	92,000.00	
13. 10 Sutton Street, Balmain (½ interest of \$18,000.00)	9,000.00	20
14. 33 Glebe Point Road, Glebe	65,000.00	
15. 25/29 Glebe Point Road, Glebe	120,000.00	
16. Corner Cameron & Phillips Sts., Balmain	18,200.00	\$951,200.00

CURRENT ASSETS

Deposits Paid on Purchase of Real Estate

1. 237 Glebe Point Road, Glebe	2,350.00	
2. 35 Glebe Point Road, Glebe	2,100.00	
3. 13 Francis Street, Leichhardt	1,350.00	\$ 5,800.00

Sundry Debtors

1. H.D.B. Links Panorama Pty. Ltd.	20,000.00	
2. Peter Craig Real Estate Pty. Ltd.	10,000.00	
3. Fuetron Interiors Pty. Ltd.	11,000.00	\$ 41,000.00
		\$998,000.00

Exhibit "B" - Copy Valuation
Glebe Property

LIABILITIES

Amounts Due on Mortgages

1.	37 Glebe Point Road, Glebe	30,000.00	
2.	40 Cove Street, Birchgrove	35,000.00	
3.	38 Darling Street, Balmain	30,000.00	
4.	49 Darling Street, Balmain	31,000.00	
5.	233/235 Glebe Point Road, Glebe	(20,000.00)	
		(20,000.00)	10
6.	27/29 Cameron Street, Balmain	17,000.00	
7.	2 Macquarie Terrace, Balmain	11,000.00	
8.	31/31A Glebe Point Road, Glebe	33,000.00	
9.	36 Cove Street, Birchgrove	15,250.00	
10.	250/252 Glebe Point Road, Glebe	(30,000.00)	
		(18,000.00)	
11.	18 Blandford Avenue, Waverley	(45,000.00)	
		(12,000.00)	
12.	144 Bridge Road, Glebe	(7,000.00)	
		(5,000.00)	20
13.	10 Sutton Street, Balmain	4,500.00	
14.	33 Glebe Point Road, Glebe	52,000.00	
15.	25/29 Glebe Point Road, Glebe	(60,000.00)	
		(25,000.00)	
16.	Corner Phillip & Cameron Sts., Balmain	(12,000.00)	
		(4,000.00)	
		\$516,750.00	
Sundry Creditors			NIL
Amount owing on overdraft	36,909.00	36,909.00	
		<u>\$553,659.00</u>	30
EXCESS OF ASSETS OVER LIABILITIES:		\$998,000.00	
	LESS	<u>553,659.00</u>	
		<u>\$444,341.00</u>	

VALUATION

Under Instructions from:

GROUP UNITY SECURITIES PTY.LTD.

233-235 Glebe Point Road,

Glebe.



RICHARDSON & WRENCH LIMITED

Established 1858

Exhibit "C" - Valuation
682. McMahon's Point Property

Richardson & Wrench Limited

Cable Address:
"Richwrench"

Address all mail to:
Box 176, G.P.O.
Sydney, N.S.W. 2001

VALUATION DIVISION
MANAGING DIRECTOR:
F.P. Cook, F.C.I.V., F.R.E.I.

DIRECTOR VALUATIONS:
K. W. Hodgson, F.C.I.V., A.R.E.I.

VALUERS:
M. J. Davies, A.C.I.V., A.N.Z.I.V.
T. G. Rathborne, F.C.I.V.
G. Scrymgeour, A.C.I.V.
C. R. Weir, F.C.I.V., Q.R.V.

ASSISTANT VALUERS:
P. A. Blakeley
T. A. Large

ESTABLISHED 1858

VALUERS, LICENSED REAL ESTATE AGENTS, AUCTIONEERS & PROPERTY MANAGERS

HEAD OFFICE: 92 PITT STREET, SYDNEY, N.S.W. 2000

TELEPHONE: 25 3051

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GOSFORD
PARRAMATTA
and
RANDWICK

IN REPLY PLEASE QUOTE

TGR/SC

14th JUNE 1973

V A L U A T I O N of FREEHOLD PROPERTY at

McMAHONS POINT

Under instructions from
GROUP UNITY SECURITIES PTY.LTD.
233-235 Glebe Point Road,
Glebe.

FOR AND ON BEHALF OF COBDEN PTY.LTD.,

80 PERRY STREET, MATRAVILLE AS MORTGAGEE

THE LAND has a frontage of 70' to East Crescent Street, a depth on one side of 170'11", a depth on the other side of 172' being part Lot 18 and Lots 19 and 20 in Deposited Plan 6002 and being the whole of the land comprised in Certificate of Title Volume 5479 Folio 38.

ZONING We are informed that under the provisions of the North Sydney Municipal Council's Town Planning Scheme the land is within an area zoned "Residential R6" which will permit multi-storey redevelopment with flats and home units.

ON THE LAND is erected Nos 18 and 20 EAST CRESCENT STREET, McMAHONS POINT two free standing residential flat brick buildings, each containing ground and two upper floors. The buildings have

rendered internal wall linings and plaster ceilings, the stairways are of timber construction with carpet overlay.

NO. 18 EAST CRESCENT STREET contains ten self-contained flats.

Accommodation in each flat comprises living room; kitchenette with built-in wall and floor cupboards, stainless steel sink, gas stove and oven; bedroom with built-in wardrobes; bathroom with terrazzo tiled floor, tiled walls, shower recess, porcelain hand basin in laminated vanity unit, low down toilet suite.

NO. 20 EAST CRESCENT STREET contains nine self-contained flats.

Typical accommodation in each flat comprises living room; kitchenette with built-in wall and floor cupboards, stainless steel sink, gas stove and oven; bedroom; bathroom with terrazzo tiles floor, tiled walls, shower recess, porcelain hand basin in laminated vanity unit, low down toilet suite.

REPAIR

The building appears to be structurally sound and in reasonable repair and condition both internally and externally.

SERVICES

Electricity, Water, Sewer and Gas are connected to the property.

EAST CRESCENT STREET AND MIDDLE STREET at the rear, are sealed, kerbed and guttered, with foot paving adjacent to the site.

SITUATION

The properties are situated on an elevated site at McMahon's Point close to McMahon's Point Wharf where a regular ferry service operates to Circular Quay.

The properties are located about half a mile from North Sydney business and commercial centre and railway station. The properties enjoy extensive Harbour and City views.

BASIS OF VALUATION

Our valuation hereunder has been made having regard to the earning capacity of the property in its existing use and its future potential for multi-storey redevelopment.

WE RECOMMEND

the property as an eligible security for the advancement of loan funds by way of first mortgage.

WE ESTIMATE

the fair Market Value of NOS. 18 & 20 EAST CRESCENT STREET, McMAHONS POINT to be \$250,000 (Two Hundred and fifty thousand dollars).

Richardson & Wrench Ltd

VALUATION

Under Instructions from :

GROUP UNITY SECURITIES PTY.LTD.

233-235 Glebe Point Road,

Glebe.



RICHARDSON & WRENCH LIMITED

Established 1858

Exhibit "C" - Copy Valuation
686. McMahons Point Property

Richardson & Wrench Limited

Cable Address:
"Richwrench"
Address all mail to:
Box 176, G.P.O.
Sydney, N.S.W. 2001

VALUATION DIVISION
MANAGING DIRECTOR:
F.P. Cook, F.C.I.V., F.R.E.I.
DIRECTOR VALUATIONS:
K. W. Hodgson, F.C.I.V., A.R.E.I.

VALUERS:
M. J. Davies, A.C.I.V., A.N.Z.I.V.
T. G. Rathborne, F.C.I.V.
G. Scrymgeour, A.C.I.V.
C. R. Weir, F.C.I.V., Q.R.V.

ASSISTANT VALUERS:
P. A. Blakeley
T. A. Large

14th JUNE 1973

ESTABLISHED 1858

VALUERS, LICENSED REAL ESTATE AGENTS, AUCTIONEERS & PROPERTY MANAGERS

HEAD OFFICE: 92 PITT STREET, SYDNEY, N.S.W. 2000

TELEPHONE: 25 3051

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GORDON
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PARRAMATTA
and
RANDWICK

IN REPLY PLEASE QUOTE
TGR/SC

VALUATION of FREEHOLD PROPERTY at

McMAHONS POINT

Under instructions from

GROUP UNITY SECURITIES PTY.LTD.
233-235 Glebe Point Road,
Glebe

FOR AND ON BEHALF OF COBDEN PTY. LTD.,
80 PERRY STREET, MATRAVILLE AS MORTGAGEE

THE LAND has a frontage of 70' to East Crescent Street,
a depth on one side of 170'11", a depth on the 10
other side of 172' being part Lot 18 and Lots 19
and 20 in Deposited Plan 6002 and being the whole
of the land comprised in Certificate of Title
Volume 5479 Folio 38.

ZONING We are informed that under the provisions of
the North Sydney Municipal Council's Town Planning
Scheme the land is within an area zoned "Residential
R6" which will permit multi-storey redevelopment
with flats and home units.

ON THE LAND is erected Nos. 18 and 20 EAST CRESCENT STREET, 20
McMAHONS POINT two free standing residential flat
brick buildings, each containing ground and two

upper floors. The buildings have
Over a Century of Service

RICHARDSON & WRENCH LTD.

18 & 20 EAST CRESCENT STREET, McMAHONS POINT

PAGE 2.

rendered internal wall linings and plaster
ceilings, the stairways are of timber construction
with carpet overlay.

NO. 18 EAST CRESCENT STREET contains ten self-
contained flats.

10

Accommodation in each flat comprises living room;
kitchenette with built-in wall and floor cupboards,
stainless steel sink, gas stove and oven; bedroom
with built-in wardrobes; bathroom with terrazzo
tiled floor, tiled walls, shower recess, porcelain
hand basin in laminated vanity unit, low down toilet
suite.

NO. 20 EAST CRESCENT STREET contains nine self-
contained flats.

20

Typical accommodation in each flat comprises
living room; kitchenette with built-in wall and
floor cupboards, stainless steel sink, gas stove
and oven; bedroom; bathroom with terrazzo tiles
floor, tiled walls, shower recess, porcelain hand
basin in laminated vanity unit, low down toilet
suite.

REPAIR The building appears to be structurally sound and in reasonable repair and condition both internally and externally.

SERVICES Electricity, Water, Sewer and Gas are connected to the property.

RICHARDSON & WRENCH LTD.

18 & 20 EAST CRESCENT STREET, McMAHONS POINT

PAGE 3.

EAST CRESCENT STREET AND MIDDLE STREET at the rear, are sealed, kerbed and guttered, with foot paving adjacent to the site.

10

SITUATION The properties are situated on an elevated site at McMahons Point close to McMahons Point Wharf where a regular ferry service operates to Circular Quay.

The properties are located about half a mile from North Sydney business and commercial centre and railway station. The properties enjoy extensive Harbour and City views.

20

BASIS OF VALUATION Our valuation hereunder has been made having regard to the earning capacity of the property in its existing use and its future potential for multi-storey redevelopment.

WE RECOMMEND the property as an eligible security for the advancement of loan funds by way of first mortgage.

WE ESTIMATE the fair Market Value of NOS. 18 & 20 EAST CRESCENT

Exhibit "C" - Copy Valuation
McMahons Point Property

STREET, McMAHONS POINT to be \$250,000 (Two
Hundred and fifty thousand dollars).

RICHARDSON & WRENCH LTD.

7-9 The Corso
Manly

J6

DFB:SC

2nd February, 1972

Mr. W.T. Merriman,
Tolmitmer Pty. Ltd.,
Suite 12, Capricorn,
37 East Esplanade,
MANLY N.S.W. 2095

Dear Sir,

10

RE: NOS 7 to 9 THE CORSO &
NO 2 MARKET STREET, MANLY

In accordance with your instructions, we have made an inspection of the above property and now have pleasure in enclosing herewith a copy of our valuation, the original of which has been sent to Mr. K.O. Johnson, Minter Simpson & Co.

Our Memo of fees is also enclosed.

Yours faithfully,

Encl.

20

DFB:SC

2nd February, 1972

Mr. K.O. Johnson,
Minter, Simpson & Co.,
Solicitors,
24th Floor,
A.N.Z. Bank building
Cnr. Hunter & Pitt Streets,
Sydney N.S.W. 2000

10

Dear Sir,

RE: NOS 7 to 9 THE CORSO &
NO 2 MARKET STREET, MANLY

As instructed, we have made an inspection of the above-mentioned property and now have pleasure in enclosing herewith our valuation, a copy of which has been sent to Mr. W.T. Merriman at Tolmitmer Pty. Ltd., 37 East Esplanade, Manly.

Yours faithfully,

Encl.

20

KOORAGANG INVESTMENTS PTY. LIMITED

213 Miller Street
North Sydney, N.S.W. 2060.

18th February, 1972.

Messrs. Minter, Simpson & Co.,
Solicitors
Box 521 G.P.O.,
SYDNEY. 2001

Attention Mr. K.O. Johnson.

10

Dear Sirs,

MORTGAGE LOAN TO TOLMITMER PTY. LIMITED

We refer to your letter of the 3rd February, 1972, outlining your request on behalf of Tolmitmer Pty. Limited for a loan covered by First Mortgage Security on the property at 7-9 The Corso, Manly, and advise that we are prepared to offer a loan on the following basis:-

Maximum Amount: \$150,000

Interest Rate per annum: 11%

Term of Loan: Two years

20

The Board have requested that personal guarantees be provided by the Proprietors of the Company and that Bank references be submitted. We would also require full details of insurance cover on this property.

Our obligation to proceed with this loan will be conditional upon a good title to the property being shown to the satisfaction of our Solicitors, Messrs. Minter, Simpson & Co. Any legal costs incurred by us after their acceptance of this offer will be payable by Tolmitmer Pty. Limited.

If Tolmitmer Pty. Limited are prepared to accept a loan of \$150,000 at 11% per annum over two years upon the above terms, would you please have them sign the attached copy of this letter and return in the envelope provided. This offer will remain open to them until 29th February, 1972.

30

Exhibit "D" -
Plaintiff's File No. 71

2.

Messrs. Minter, Simpson & Co.

18th Febr. 1972.

On receipt of their acceptance we would reserve the right to require seven days notice of the commencement of the loan and we will instruct our Solicitors to draw up the Mortgage Deed for signature by both parties on a mutually arranged date.

Yours faithfully,

A. Simpson,
Manager.

10

AUSTRALIAN FERTILIZERS LIMITED

BOARD MEMORANDUM NO. 184/72

KOORAGANG INVESTMENTS PTY. LIMITED

LOAN APPLICATION - TOLMITMER PTY. LTD.

Tolmitmer Pty. Limited, a property owning company of 37 East Esplanade, Manly, N.S.W., have applied for a loan of \$150,000 at 11% p.a. over two years on first mortgage security over property at 7-9 The Corso, Manly.

10

Richardson & Wrench Ltd., A.F.L. Valuers and Real Estate Advisors, have valued the property at \$262,000, land \$210,000 and improvements \$52,000. The loan requested represents 57.3% of the valuation of this property in a prime area of Manly.

The property comprises seven shops at street level, and a recently licenced restaurant on the first floor not yet occupied. The gross annual rentals excluding the restaurant total \$26,200 with estimated annual outgoings before interest of \$6,800, net income \$19,400, or 13% p.a. return on the \$150,000 loaned. The shops are occupied on weekly or monthly tenancies and no leases have been drawn up.

20

The borrowers were introduced by the Company Solicitors, Messrs. Minter Simpson & Co., and a Dun & Bradstreet report indicates that the two Directors, Messrs. W.T. Merriman and F. Tolhurst are successful businessmen. Mr. Tolhurst is the prime mover in the Company and plans to operate the licenced restaurant.

The Board of Kooragang Investments Pty. Limited have carefully considered this application, and following inspection of the premises, approved the Manager's recommendation to advance the loan of \$150,000 on first mortgage over 7-9 The Corso, Manly, at 11% p.a. for a term of two years. The Directors will be requested to provide personal guarantees and Bank references.

30

K. Satchwell,
K. Satchwell,
General Manager.

KS:EM
SYDNEY
17/2/72

40



RICHARDSON & WRENCH LIMITED

Est. 1858

LICENSED REAL ESTATE AGENTS, AUCTIONEERS, VALUERS & PROPERTY MANAGERS
352 NEW SOUTH HEAD ROAD, DOUBLE BAY 2028. TELEPHONE: 36 5825

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RANDWICK
and
CAMPBELLTOWN

Head Office:
17th Floor,
109 Pitt Street,
Sydney. 2000

IN REPLY PLEASE QUOTE
AJS.mh

24th August, 1973

A. Simpson Esq.,
Australian Fertilizers Ltd.,
Box 528, P.O.,
NORTH SYDNEY. 2060

Dear Sir,

RE : 51 - 53 BAY STREET, DOUBLE BAY

We confirm a telephone conversation we had with your Mr. Ray Little on the 16th August last, wherein we indicated that the subject property would be worth in the vicinity of \$350.000.00 to \$375.000.00.

Yours faithfully,
RICHARDSON & WRENCH LIMITED

A.J. STANTON
DIRECTOR

OVER A CENTURY OF SERVICE

KOORAGANG INVESTMENTS PTY. LTD.

Handwritten notes:
1. At 10% p.a. on \$250,000
2. Had to be a 10% p.a. interest
3. Had to be a 10% p.a. interest

APPLICATION FOR LOAN OF \$250,000 FOR 1 YEAR AT 10% P.A.
ON PROPERTY 51-53 BAY STREET, DOUBLE BAY.

I inspected the property this morning, 15th August, and consider it a suitable property on which to lend for the purpose required.

The auction sign is still on the building and a sold sign across it.

This confirms the contract of sale for \$375,000 prepared by the auctioneers, Raine & Horne Pty. Ltd. who conducted the auction on June 28, 1973.

The loan of \$250,000 represents 66.6% of the contract price - 65% equals \$243,750.

Mr. Keith Hodgson - Richardson & Wrench Ltd. referred me to their Double Bay Manager, who said they sold the building in December, 1969 for \$120,000 and were staggered when it brought \$375,000 on 28th June, 1973 (\$72 sq.ft.). However, since then a building close by has sold for \$82 sq. ft. and so if they were asked to value 51-53 Bay Street today they would value according to recent sales and that would be around \$80 sq. ft.

He feels this is not an exciting development potential, as it is only a small block. Because of low income, return on investment at \$375,000 must be considered unsatisfactory and hence it could only have been bought as a development project.

In discussing this application with Newman McKay & Co. I ascertained they do not need \$250,000. They have paid \$37,500 as a deposit, have \$150,000 cash and need \$188,000 to complete purchase.

I would be inclined to limit loan to \$200,000 and 11% p.a.

R. C. J. Little

R.C.J. Little,
Commercial Services Manager.

Handwritten: 250,000 10% p.a.

Handwritten notes:
Ms. 78 - 4.000 us offer of \$250,000 x 10% p.a.
for one year subject to satisfactory answer on encumbrance & why 1972/73 - usual guarantees.
Restrictions must be observed, merchant survey. Loan a condition survey certificate.
Valuation

RL:HR
15/8/73.

KOORAGANG INVESTMENTS PTY.LTD.

RL:EM

16th July 1974.

Mr. G.S. McIlwain,
Donald G. Cameron & Associates,
54 Carrington Street,
SYDNEY. N.S.W. 2000.

Dear Mr. McIlwain,

Re: Mortgage Advance - 21 Guilfoyle Avenue,
Double Bay - Sam and Sonia Sankey

We refer to your letters of 28th June and 8th July seeking a first mortgage loan on behalf of the above clients.

10

We would be prepared to consider lending up to 65% of a Richardson & Wrench Ltd. valuation for 2 years at 15% p.a. subject to:

- (a) A full valuation by Richardson & Wrench Ltd., the cost of which is to be borne by your client and which should be paid before submitting the valuation to us.
- (b) Certified statement of assets and liabilities of the borrowers and personal guarantees.
- (c) Satisfactory Bank references and insurance cover.

20

In requesting the valuation the Company is not committed to granting the loan but will deal with the application promptly upon receipt of the valuation.

If you desire to proceed on this basis we have already advised Richardson & Wrench that they may be approached for a valuation of the property.

Yours faithfully

R.C.J. Little,
Secretary.

AF14/1 (Louis Kennedy
borrower)
File

KOORAGANG INVESTMENTS PTY. LTD.

RL:EM

2nd August, 1974.

Richardson & Wrench Ltd.,
92 Pitt Street,
SYDNEY. N.S.W. 2000.

Attention Mr. K. Hodgson

Dear Sirs,

We have been approached to lend money secured by first mortgage
on property at 1 Thurlow Street, Moore Park, comprising a block
of 21 flats. 10

Donald Cameron & Associates, acting on behalf of the borrower,
will approach you to carry out the valuation which will be to
the borrower's account and which should be paid to you before
the valuation is sent to us.

Yours faithfully,

R.C.J. Little,
Secretary

528

DM:EM

13th July, 1972.

The Manager,
Richardson & Wrench Ltd.,
109 Pitt Street,
SYDNEY. N.S.W. 2000.

Dear Sir,

Application for Advance for Whitehall Convalescent
Home Pty. Ltd. on Properties at 27-29 Tryon Road,
Lindfield

10

The Company has been asked to consider an advance on the above properties as detailed in the attached application. No action is required of you unless instructed by the applicant to make a valuation, the cost of which is to be borne by the applicant.

If so instructed will you kindly value "for and on behalf of an intending mortgagee" and also indicate the value of the land as distinct from the value of the improvements. We would request a separate submission to the Company based on the valuation "guidelines" included in our letter of 22nd February 1972.

20

On receipt of a request for the applicant, we would appreciate your prompt attention to this valuation.

Yours faithfully,

A. Simpson,
Manager.

KOORAGANG INVESTMENTS PTY. LIMITED

AS:EM

6th June, 1972.

Messrs. Richardson & Wrench Ltd.,
109 Pitt Street,
SYDNEY. 2000.

Attention Mr. Hodgson.

Dear Mr. Hodgson,

Enclosed are some details of a prospective mortgage proposal. It is a convalescent home at 27-29 Tryon Road, Lindfield. The client wishes to mortgage both the hospital and the two self contained flats next door at 29 Tryon Road. The hospital has apparently undergone extensive rebuilding and consequently may or may not be occupied.

10

Could you please advise if convalescent homes as such are good mortgage propositions considering the specialised nature of the buildings, etc. We would be particularly interested in the land value attached to this property.

Could you please advise by phone or letter the outcome of your perusal of the property. You have Mr. A. Norton's permission to enter the premises if you wish.

20

Yours faithfully,


A. Simpson,
Manager.

NEWMAN, McKAY & CO.

BARRY NEWMAN, B.COMM.AASA
DON MCKAY

(FINANCE BROKERS)
INCORPORATING LEASE CONSULTANTS

26 O'CONNELL STREET
SYDNEY 2000

PHONE:
28-8181
28-1408
28-1249

DM:RJL

2nd February, 1973.

Kooragang Investments Pty. Ltd.,
213 Miller Street,
North Sydney, 2060. N.S.W.

Dear Sirs,

Re: Application for Loan -
161/163 Military Road, Neutral Bay.

We acknowledge receipt of your letter of 25th January.

Please find enclosed original copy of valuation by
Richardson & Wrench Ltd. of the property which, we note, is
\$140,000.

10

We would be glad if you would advise us whether
or not your company is prepared to loan 65% of such valuation
on the terms outlined in your letter under reply.

Yours faithfully,



D.N. MCKAY.

Enc.

DM:EM

25th January, 1973.

Miss Peacock,
Newman & McKay & Co.,
26 O'Connell Street,
SYDNEY, N.S.W. 2000.

Dear Miss Peacock,

Application for Loan - N. Andrews -
on Property at 161/163 Military Road,
Neutral Bay.

10

We refer to your loan application on behalf of N. Andrews and advise that if your client will now furnish a Richardson & Wrench valuation of the property the application will receive prompt attention. Richardson & Wrench have been advised that a valuation may be requested, all fees etc. must be paid by the borrower prior to submitting the valuation to Kooragang Investments Pty. Ltd.

Kooragang Investments Pty. Ltd. is proceeding on the following basis:

20

- Considering lending up to 65% of the Richardson & Wrench valuation on first mortgage at 9½% p.a. (interest payable monthly) for three years fixed. Total borrowing on this property must not exceed 80% of the above valuation.
- Personal guarantee of Mr. N. Andrews.
- Satisfactory insurance cover will have to be supplied to our Solicitors.
- Satisfactory Bank references will be required.
- All legal expenses etc. will be borne by the borrower.

Yours faithfully,

30

A. Simpson,
Manager.

NEWMAN, McKAY & CO.

BARRY NEWMAN. B.COMM.AASA
DON MCKAY

(FINANCE BROKERS)
INCORPORATING LEASE CONSULTANTS

26 O'CONNELL STREET
SYDNEY 2000

PHONE:
28-8181
28-1408
28-1249
- 32 8181

DNMCK/job

January 8, 1973.

Kooragang Investments Pty. Limited,
213 Miller Street,
NORTH SYDNEY. NSW. 2050.

*A. 2 yr loan may suit
A.F.I. makes a reasonable
proposition my comment?*

Dear Sir,

Attention: Mr. Minks.

We are pleased to submit application for 1st Mortgage finance over property at Neutral Bay;

ADDRESS: 161 & 163 Military Road, Neutral Bay.

VALUATION: \$137,000 - Richard Stanton & Sons Pty Ltd.
60%

LOAN REQUIRED: 1st Mortgage advance of \$82,000 at 9½% fixed for 2 - 3 years. There will be a small 2nd Mortgage.

THE BORROWER: Mr. Nicholas Andrews.

EMPLOYMENT: Mr. Andrews is self employed as a Butcher receiving an income in excess of \$12,000 per annum.

PURPOSE OF LOAN: Mr. Andrews owns 161 Military Road, Neutral Bay, where he conducts his butcher shop on the ground floor. A flat on the upper floor is let on 5A lease for \$45 per week. The borrower is purchasing 163 Military Road, which he will renovate, and anticipated income for the ground floor is \$80 per week, and \$45 per week for the upstairs flat.
125,000

Although the property is partly affected by road widening, we enclose a letter from the Department of Main Roads stating it is unlikely to be required before six years.

Should you require any further information, kindly let us know.

Badi

Yours faithfully,

Don McKay
D. N. McKAY.

CORRESPONDENCE TRANSIT SLIP

FROM *Richardson & Wrench*
 SUBJECT *Valuation - No. 11 Hardie St. Neutral Bay*
 FILE NO. *AF* DATE RECD. *4.7.72* DATE OF LETTER *29.6*

CIRCULATE TO	COMPLETED		DATE OF REPLY	COMMENTS
	INITIALS	DATE		
<i>A. Simpson</i>				
<i>G. Wozball</i>	<i>[initials]</i>	<i>4/7</i>		
<i>R. Platt</i> <i>J. Minks</i>	<i>[initials]</i>	<i>5/7</i>		
<i>F. Cook</i>	<i>[initials]</i>	<i>5/7</i>		

AFL 2227 PLEASE NOTIFY THE FILING CLERK OF ANY ALTERATION IN THE CIRCULATING LIST



RICHARDSON & WRENCH LIMITED

Est. 1858

LICENSED REAL ESTATE AGENTS, AUCTIONEERS, VALUERS & PROPERTY MANAGERS

HEAD OFFICE: 92 PITT STREET, SYDNEY, N.S.W. 2000.

TELEPHONE: 25 3051

Associated agents in all capital cities of Australia

Branches at —
BURWOOD
CHATSWOOD
CROWS NEST
DOUBLE BAY
GORDON
PARRAMATTA
RANDWICK
and
CAMPBELLTOWN

Cable Address:
"Richwrench"

Address all mail to:
P.O. Box 176,
Sydney, N.S.W. 2001

IN REPLY PLEASE QUOTE

MJD:SC

29th June, 1972

Mr. A. Simpson,
Manager,
Kooragang Investments Pty. Ltd.,
P.O. Box 528
NORTH SYDNEY N.S.W. 2060

Dear Sir,

RE: NO 11 HARDIE STREET, NEUTRAL BAY

Please find enclosed, Valuation of the above property a copy of which has been forwarded to Lepad Pty. Ltd.

Our valuation of \$150,000 includes a land content of \$72,200 This land figure would be considerably increased once the North Sydney Council's Outline Scheme is implemented as the subject property is to be designated for maximum density residential development.

Yours faithfully,

Richardson & Wrench Ltd.

N.B. The land is zoned R-4, which allows 1 unit dwelling per 1,800 sq ft - on this land therefore of 12,000 sq ft - 6 units or 6 town houses could be built. This land content therefore more than covers our loan of \$85,000.

Encl.

(Signature)

OVER A CENTURY OF SERVICE

Exhibit "H"
Plaintiff's File 78(a)-(f)

8th August, 1973.
RL:HR

Richardson & Wrench Ltd.,
109 Pitt Street,
SYDNEY. N.S.W. 2000.

Dear Sirs,

APPLICATION FOR ADVANCE FOR MR. & MRS. A. BAKAS
ON PROPERTY - BLOCK 37, SECTION 25, WOLLONGONG
STREET, DIVISION OF FYSHWICK, A.C.T.

10

The Company has been asked to consider an advance on this property. No action is required by you unless instructed by the applicant to make a valuation, the cost of which is to be borne by the applicant.

If so instructed will you kindly value "for and on behalf of an intending mortgagee" and also indicate the value of the land as distinct from the value of the improvements. We would request a separate submission to the Company based on the valuation "guidelines" included in our letter of 22nd February, 1972.

20

On receipt of a request from the applicant, we would appreciate your prompt attention to this valuation.

Yours faithfully,

A. Simpson,
Manager.

TELEX MESSAGE TELEX MESSAGE

RL



GA
30192
ICIMELB AA30192

2320

FERSYD AA21815

FOR MR. D. PAECH

APPROVAL REQUIRED FROM F. GUTTERIDGE AND YOURSELF IN ABSENCE OF A.W. HAMER FOR KOORAGANG INVESTMENTS TO SUBMIT FOLLOWING OFFERS OF LOANS ON FIRST MORTGAGE SECURITY OF PROPERTIES LISTED. EACH PROPERTY HAS BEEN INSPECTED BY KOORAGANG DIRECTORS AND KOORAGANG BOARD RECOMMENDS ALL LOANS.

YORK MEREDITH

✓ \$170,000 AT 9.75% P.A. 3 YEARS ON NEW OFFICE BUILDING 65 HUME STREET, CROWS NEST SUBJECT TO LOAN NOT EXCEEDING 65% OF RICHARDSON AND WRENCH VALUATION.
NET INCOME \$23,990 INTEREST \$16,575

Approved 9/8

GROUP UNITY SECURITIES PTY. LTD.

\$190,000 AT 10.5% P.A. 3 YEARS ON TWO BLOCKS OF FLATS 18/20 EAST CRESCENT STREET MCMAHONS POINT R. AND W. VALUATION \$250,000 (LOAN 76%).
NET INCOME \$27,424. INTEREST \$19,950

to be under consideration - may drop back to 6.65% of valuation. Will receive further today. Lark

NOTE:

BORROWER WOULD ACCEPT LOAN OF 65% OF VALUATION AT 9.75% WITH RIGHT OF SECOND MORTGAGE FOR \$35,000. CONSIDER BETTER PROPOSITION FOR KOORAGANG TO PROVIDE TOTAL BORROWING AND PRECLUDE SECOND MORTGAGE.

Exhibit "H"
Plaintiff's File 78(a)-(f)

8th August, 1973.
RL:HR

Richardson & Wrench Ltd.,
109 Pitt Street,
SYDNEY. N.S.W. 2000.

Dear Sirs,

APPLICATION FOR ADVANCE FOR MR. YORK MEREDITH
ON PROPERTY - 65 HUME STREET, CROWS NEST. 2065

10

The Company has been asked to consider an advance on this property. No action is required by you unless instructed by the applicant to make a valuation, the cost of which is to be borne by the applicant.

If so instructed will you kindly value "for and on behalf of an intending mortgagee" and also indicate the value of the land as distinct from the value of the improvements. We would request a separate submission to the Company based on the valuation "guidelines" included in our letter of 22nd February, 1972.

20

On receipt of a request from the applicant, we would appreciate your prompt attention to this valuation.

Yours faithfully,

A. Simpson,
Manager.

SOUTHLAND PROVIDENT FINANCE PTY LIMITED

PROPERTY DEVELOPMENT AND CORPORATE FINANCE

27th level AUSTRALIA SQUARE TOWER,
SYDNEY NSW AUSTRALIA 2000
PHONE 274941 • CABLES 'GILVEST' SYDNEY

2nd August, 1973.

Mr. Little,
Kooragang Investments Pty. Ltd.,
3rd Floor,
213 Miller Street,
NORTH SYDNEY. N. S. W.

Dear Mr. Little,

RE: YORK MEREDITH

Further to our telephone conversation this morning, I am attaching an application for first mortgage loan for the above in respect to commercial property located at 65 Hume Street, Crows Nest.

The amount of the loan sought is \$170,000 for a period of three years at an interest rate of 9½%.

The property has not yet been valued and this will be done subject to your instructions after you have decided an approval in principle.

At this time you will undoubtedly indicate the name of the valuer you wish to be used, presumably Richardson & Wrench Pty. Ltd., as in accordance with your previous instructions.

We would be extremely pleased to hear from you at your earliest convenience in regard to this matter.

Yours faithfully,
SOUTHLAND PROVIDENT FINANCE PTY. LIMITED


Neil Simpson,
Manager.

CORRESPONDENCE TRANSIT SLIP

FROM *Minter Simpson*
 SUBJECT *Loan to Karata - end epitome survey report & policy*
 FILE NO. *AF* DATE *12.6.73* DATE OF LETTER *7.6*
 RECD.

CIRCULATE TO	COMPLETED		DATE OF REPLY	COMMENTS
	INITIALS	DATE		
<i>A. Simpson</i>	<i>AS</i>			
<i>D. Minter</i>				
<i>W. G. ...</i>				<i>Filing safe. #1111</i>
				<i>A 437</i>

AFL 2227 PLEASE NOTIFY THE FILING CLERK OF ANY ALTERATION IN THE CIRCULATING LIST

MINTER, SIMPSON & CO.

SOLICITORS & NOTARIES

PARTNERS

JOHN ALEXANDER MINTER
ROBERT HUGH MINTER
EDWARD PHILIP TELFORD SIMPSON
KENNETH OSBORNE JOHNSON
DAVID ARNOLD KEITH FERGUSON
JOHN ROSSLYN FRIDAY
JAMES ROGER GIBB
PAUL KEITH MAZOUZIER
DAVID JOHN HILL

CANBERRA PARTNER

JOHN JOSEPH DAINER

ASSOCIATE

PETER HERMAN NOBLE

SYDNEY

TEL 28 8641

CANBERRA

TEL 48 7533

CABLES SANGUACCIO

Reply

Our Ref

KOJ

Office

Your Ref

A N Z BANK BUILDING
PITT AND HUNTER STREETS
BOX 521, G. P. O. SYDNEY, N. S. W. 2001

CITY MUTUAL LIFE BUILDING
HOBART PLACE
CANBERRA CITY A C T 2601

7th June

1973.

The Manager,
Kooragang Estates Pty. Ltd.,
213 Miller Street,
NORTH SYDNEY 2060

Attention Mr. Simpson

Dear Sir,

RE: Loan to Larata Investments Pty. Limited

This matter was completed on the 6th June 1973 on which date the principal sum of \$195,000-00 was advanced to Larata Investments Pty. Limited.

We are now enclosing the following -

10

1. Epitome of mortgage
2. Survey report of Bennett & O'Donnell dated 27th March 1973.
3. Policy No. 12/102361 with the Century Insurance Co. Ltd.

From the enclosed epitome you will note that interest is to be calculated from the 31st May 1973 and that the first payment of interest is due on the 6th July next.

We are enclosing a schedule of the tenancies existing as at the date of the loan.

We are attending to the registration of the mortgage at the Land Titles Office and in due course will forward to you the registered mortgage together with the relevant Certificate of Title.

20

You will note from the enclosed epitome of mortgage that the mortgage has been guaranteed by the directors and shareholders J.M. McGowan and P.M. McGowan.

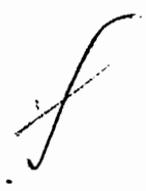
Yours faithfully,

Encl.

W F S A G E T E X M E S S A G E T

AF

File



1780

1780

VGA
30192
ICIMELB AA30192

FERSYD AA21815

ATTENTION MR A.W. HAMER =

KOORAGANG INVESTMENTS

BOARD OF KOORAGANG REQUESTS AUTHORITY TO OFFER THE FOLLOWING LOAN TO LARATA INVESTMENTS PTY LTD ON A NEW INVESTMENT BLOCK OF 18 UNITS AT 34 TALARA ROAD, GYMEA, SYDNEY. RICHARDSON AND WRENCH VALUED THE PROPERTY AT \$300,000. APPLICATION IS FOR 65% OF VALUATION I.E. \$195,000 AT 9 AND HALF % PER ANNUM FOR THREE YEARS. AS THE UNITS ARE BRAND NEW A SPECIAL CONDITION OF THE OFFER IS THAT 13 OF THE 18 UNITS ARE TENANTED BEFORE ANY MORTGAGE MONIES ARE ADVANCED. TWO OF THE KOORAGANG DIRECTORS INSPECTED THE PREMISES AND ARE SATISFIED THAT THE PROPOSITION IS SOUND. WOULD APPRECIATE YOUR APPROVAL BY RETURN.

K. SATCHWELL.

ICIMELB AA30192

W F S A G E T E X M E S S A G E T

LOAN PROPOSAL

Name of Applicant Larata Investments Pty Ltd

Business Address 23 Bunarba Road, Gympie.

Referred by Barclays.

Type of Business Property Investor Date of In-
corporation 1971

Directors Mr & Mrs J.P. McGowan. Mr. A. McGowan and
Miss L. McGowan.

Bankers _____

Solicitors _____

Issued Capital N/A

Details of latest P & L A/c
and Balance Sheet _____

Details and dimensions of
property to be mortgaged Approx 1/2 acre. 12 - 2 bedroom flats and
6 - 1 bedroom flats.

Name of Valuer Richardson & Wrench \$300,000

Amount of Loan Required \$195,000

% of Valuation 65% Rate of Interest 9 1/2% Term of Loan 3 years.

Gross Income of Property
- Details \$32,000

Outgoing Expenses - Details \$ 7,000

Net Income \$25,000 Net Income
as % of loan 12.8%

Present Encumbrances on
property First Mortgage \$211,000

Application for Bankers
Reference Approved Yes YES No
~~Bank~~ Reason _____

Recommendations

Net income	\$25,000
Interest at 9 1/2%	18,500 on 195,000
Interest at 12%	1,900 16,000
Margin	5,600

Request for 2nd
mortgage of \$16,000

Manager

Action by Board _____

Exhibit "H"

5

Memo to: Kooragang Investments Pty Ltd
Subject: 34 Talara Avenue, Lynsea

On Friday 30th March, I inspected this property.

It appears to be well located with a large ~~to~~ block of units next door and several other blocks in the same street.

The building was locked up and hence I could not see inside the units. However the outside appearance is good and the building seems well constructed.

The units are not quite finished and therefore are not occupied.

It would be necessary to obtain information from the managing agents on what units have been pre-let.

R. Little

CSM.

2.4.1973



BARCLAYS
Australia

Barclays Australia Limited

Incorporated in N.S.W.

21st Floor, Pearl Assurance House
Corner Castlereagh & Hunter Streets
Sydney, Australia 2000
Telephone: 25 6621

March 28, 1973

Mr. Duke Minks,
Australian Fertilizers Limited,
P.O. Box 528,
NORTH SYDNEY. N.S.W. 2060

Dear Mr. Minks,

RE: Proposition No. A622
Larata Investments Pty. Limited

Please find enclosed copy of Richardson & Wrench Valuation
dated March 27, 1973 for \$300,000.

10

Yours faithfully,

L. STILL,
PROPERTY FINANCE DIVISION.

VALUATION

Under Instructions from:

MR. J. MERTON,
C.A. SANDERS & CO.,
11A JANNALLI AVENUE,
JANNALLI.



RICHARDSON & WRENCH LIMITED

Established 1858

720. Exhibit "H"
Plaintiff's File 78(a)-(f)

Richardson & Wrench Limited

Cable Address:
"Richwrench"
Address all mail to:
Box 176, G.P.O.
Sydney, N.S.W. 2001

ESTABLISHED 1858
VALUERS, LICENSED REAL ESTATE AGENTS, AUCTIONEERS & PROPERTY MANAGERS
HEAD OFFICE: 92 PITT STREET, SYDNEY, N.S.W. 2000
TELEPHONE: 25 3651

Associated agents in all capital cities of Australia

Sales branches at -
BURWOOD
CAMPBELLTOWN
CHATSWOOD
CROWS NEST
DOUBLE BAY
GORDON
GOSFORD
PARRAMATTA
and
RANDWICK

VALUATION DIVISION
MANAGING DIRECTOR:
F.P. Cook, F.C.I.V., F.R.E.I.
DIRECTOR VALUATIONS:
K. W. Hodgson, F.C.I.V., A.R.E.I.

VALUERS:
M. J. Davies, A.C.I.V., A.N.Z.I.V.
T. G. Rathborne, F.C.I.V.
G. Scrymgeour, A.C.I.V.
C. R. Weir, F.C.I.V., Q.R.V.

ASSISTANT VALUERS:
P. A. Blakeley
T. A. Large

IN REPLY PLEASE QUOTE
GES:kk

27th March, 1973.

VALUATION of FREEHOLD PROPERTY at

GYMEA

Under instructions from:

Mr. J. Merton,
C.A. Sanders & Co.,
11A Jannalli Avenue.,
JANNALLI.

FOR AND ON BEHALF ON AN INTENDING MORTGAGEE

THE LAND

has a 65' frontage to Talara Road and a regular depth of 313'6" having an area of 1 rood 34 $\frac{3}{4}$ perches being known as Lot part 40(B) in Deposited Plan 1660.

10

ZONING

We are informed that under the Cumberland County Councils prescribed Town Planning Scheme that the land is zoned "Living Area" - adopted flat area and that under the Sutherland Shire Draft Town Planning Scheme the proposed zoning is "Residential 2(d)2".

Over a Century of Service

RICHARDSON & WRENCH LTD.

NO. 34 TALARA ROAD, GYMEA

Page 2.

20

ON THE LAND

is erected No. 34 Talara Road, Gynea, two 3 storey

buildings each containing six 2 bedroom flats and three 1 bedroom flats. Construction is of brick with a tiled roof and concrete floors. Each of the flats has a lock up garage at ground level. Both buildings are identical in design with all the two bedroom flats being the same size and having identical accommodation. The six 1 bedroom flats are also identical in size and accommodation.

10

Each two bedroom flat has a balcony off the living room separated by a 9' aluminium sliding door; Bathroom having a bath, vanity unit and shower recess with tiled walls and floor and separate toilet; Kitchen tiled surrounds, stainless steel sink, three plate electric stove and vinyl flooring; Laundry with tiled floor, washing machine and clothes dryer. Light fittings, blinds and carpets are fixed throughout each flat.

20

Each one bedroom flat has a combined Kitchen/Living Room with a balcony off, separated by an aluminium sliding door; combined Bathroom and Laundry having tiled walls and floor, shower in the bath and a toilet suite, washing machine and clothes dryer. The bedroom and living room are carpeted with light fittings and blinds

RICHARDSON & WRENCH LTD.

NO. 34 TALARA ROAD, GYMEA

Page 3.

throughout.

A concrete drive has been constructed giving car access to all the lock-up garages.

SERVICES

The property is serviced by electricity, water and sewer. Talara Road is sealed, kerbed and guttered.

SITUATION

Talara Road crosses the Kingsway and runs parallel to Gynea Bay Road and is approximately 1 mile from Miranda Shopping Centre. 10

AGE & REPAIR

The buildings are new and appear to be of sound constructions.

WE RECOMMEND

the property as an eligible security for the advancement of funds by way of first mortgage only.

WE ESTIMATE

the Fair Market Value of No. 34 Talara Road Gynea, with vacant possession to be \$300,000 (Three hundred Thousand Dollars).

Richardson & Wrench Ltd.

20



**BARCLAYS
Australia**

O.M. *A. Johnson*

Barclays Australia Limited

Incorporated in N.S.W.

21st Floor, Pearl Assurance House
Corner Castlereagh & Hunter Streets
Sydney, Australia 2000
Telephone: 25 6621

Prepare from A

Accumulate
mult. note

Seems a reasonable proposition

Maximum borrowing 75%

Interest Rate 9 1/2%

2nd Valuation Mortgage 60%
(maybe 65% if needed)

Net Income . say . 25,000.

Interest 1st Mortgage 200,000 @ 9 1/2% = 19,000.

Interest 2nd Mortgage \$20,000 required initially = 20,000 @ 13% = 2,600.

Cost \$ 3,400.

February 9, 1973.

Mr. Duke Minks,
Australian Fertilizers Limited,
P.O. Box 528,
NORTH SYDNEY 2060

Dear Mr. Minks,

Re: Mortgage Proposition No. A622.
Larata Investments Pty. Limited

Further to our recent telephone conversation we forward herewith details of the above proposition.

10

Larata Investments Pty. Limited are seeking a first mortgage of \$200,000 at an interest rate of 9% not exceeding 9 1/2% fixed for a period of 3 to 5 years or longer.

The writer will be happy to supply any further information you may require.

Yours faithfully,

L. Still,
Property Finance Division.

Revised 9/2/73.

*300,000
65% = 195,000
at 9 1/2% for 2 yrs.*

MORTGAGE PROPOSITION NO. A622

APPLICATION FOR FIRST MORTGAGE LOAN
ON BEHALF OF LARATA INVESTMENTS PTY. LIMITED
PROPERTY: 34 TALARA AVENUE, GYMEA

Application is hereby made for first mortgage fixed loan of \$200,000.00 on the security of the land and building of 18 home unit type rental apartments, at an interest rate of 9% not exceeding 9½% fixed per centum per annum, or less.

The finance should be of the fixed mortgage type and be over a period of 3 to 5 years or longer.

10

The completion of the buildings construction is expected to be by early in February.

OWNERSHIP

The property is presently owned by Larata Investments Pty. Limited whose registered office is at 23 Bunarba Road, Gymea. The property is at present under mortgage to General Credits Pty. Limited for construction finance.

This has been page (1) of the Talara Avenue, Gymea, first mortgage laon application.

30

DEMAND FOR RENTAL
ACCOMMODATION

It is proposed that C.A. Sanders & Co. manage the property and that experience gained from this Company's activities in the Real Estate field in the Sutherland Shire, has shown that there is a healthy demand for rental accommodation in Gymea.

Gymea is an area that has been passed by in recent times for unit or flat development, due to the sewer being unavailable to many of the development sites. This site is both sewerred and centrally located, as shown edged in red on the attached plan.

A recent similar development opposite in the same street, leased 2 bedroom apartments early in 1971 for \$28.00 per week, and was fully let within 3 weeks. Present rentals in the area are comparable to the rentals being sought for this project.

10

RENTALS AND LEASES

It is proposed to lease the property at the rentals shown in the investment report that is attached.

All lessees will be required to pay a security deposit of \$120.00 and to indemnify the lessors against undue wear and damage to the premises, including non payment of essential services or rent.

Letting will commence as soon as building is completed.

20

2ND MORTGAGE FINANCE

It is proposed to bridge the gap between the 60% first mortgage and the total cost less the equity of the Company by a registered second mortgage not exceeding 75% of valuation.

30

This has been page (2) of the Talara Avenue, Gymea, first mortgage loan application.

PRESENT VALUE OF PROPERTY

As Strata Title home unit.

12 - 2 bedrm. units @ \$21,000.00	=	\$	252,000.00
6 - 1 " " @ \$17,000.00	=		<u>102,000.00</u>
		\$	<u>354,000.00</u>
Present value of property at cost		\$	333,000.00
60 per cent of this value			<u>199,800.00</u>
		\$	132,200.00
Less Owner equity		\$	<u>122,000.00</u>
	Deficit ..	\$	<u>10,200.00</u>

Amount of 2nd Mortgage

Say \$20,000.00

Less deficit and sundry
expenses

15,200.00

Owners surplus

\$ 4,800.00

2nd mortgage to be over 15 years, and the present mortgagee has indicated they would convert the 1st mortgage to a 2nd mortgage.

ENCLOSURES

1. Rental report
2. Re-sale report
3. Locality sketch
4. Floor plan layout

LARATA INVESTMENTS PTY LIMITED

23 BUNARBA ROAD, GYMEA

STATEMENT

ASSETS

34 Talara Road, Gynea

\$333,000.00

LIABILITIES

General Credits Finance

Limited \$211,000.00

EQUITY

\$122,000.00

MR. J. & MRS. P. MCGOWAN

Lot 120 Cullen Lane

Fishermans Bay

ASSETS		LIABILITIES	
Larata Investments Loan Account	\$122,000.00	Newtown Enmore Starr Bowkett	
Fishermans Bay Lot 120 Cullen Lane	22,000.00	Joint names Fishermans Bay	\$11,000.00 10
Furniture	3,000.00		
Boat	1,000.00		
Motor Car	1,000.00		
Insurances	Nil		
<u>Other Assets</u>			
Loans to private per- sons	2,000.00		
Jewellery	1,000.00		
<u>Cash at Bank</u>			20
C.T.B.A.	1,500.00		
C.S.B.	3,413.00		
C.T.B.A. I.D.B.	1,600.00		
N.S.W. Savings	1,382.00		
A.N.Z.	200.00		
Starr Bowkett shares fully paid	1,560.00		
	<u>\$161,655.00</u>		<u>\$11,000.00</u>

MR. A. McGOWAN

Exhibit "H"
Plaintiff's File 78(a)-(f)

23 BUNARBA RD., GYMEA

STATEMENT

<u>ASSETS</u>		<u>LIABILITIES</u>	
House	\$ 25,000.00	Mortgage Commonwealth Bank and Personal Loan	\$ 8,750.00
Furniture	2,000.00		
Cars	2,500.00		
Cash - Commonwealth Bank	3,000.00		10
Building Society	1,700.00		
Superannuation A M P Qantas Death Cover	50,000.00		
Retirement	\$75,000.00		
	<u>\$ 84,200.00</u>		<u>\$ 8,750.00</u>

MISS. L. McGOWAN

C/- Lot 120 Cullen
Lane Fishermans Bay.

20

1/3 Partner of inland motel Ayres Rock

Ayres Rock Motel

Unencumbered equity in excess of \$60,000.00

INVESTMENT REPORT

LARATA INVESTMENTS PTY. LIMITED

PROPERTY: 34 TALARA ROAD, GYMEA

<u>ANNUAL INCOME</u>			
Rent for 4-2bedrm. units @ \$36.00 p.w.		144	00
Rent for 8-2bedrm. units @ \$35.00 p.w.		280	00
Rent for 2-1bedrm. units @ \$31.00 p.w.		62	00
Rent for 4-1bedrm. units @ \$30.00 p.w.		120	00
Other income			
Total income for year		626	00 p.w. 10
		32,552	00
<u>EXPENDITURE</u>			
Council rates estimated	1,075	00	
U.C.V. Rate			
Water rates	1,840	00	
A.A.V. Rate			
Insurance Comprehensive	450	00	
Public Liability	50	00	
House Lights	24	00	
Garbage			20
Repairs & Maintenance	350	00	
Caretaker & Repairs			
Depreciation & Replacement Items	700	00	
Management Fees	1,953	00	
Supervision Fee			
Vacancy - 2 weeks and -	1250		
Land Tax	-		
		6,442	12
<u>TOTAL ANNUAL EXPENSES</u>			
		26,109	88
Estimated annual net income		1250	
Less annual interest on loan		2550	30
<u>ESTIMATED ANNUAL NET PROFIT</u>			
		2550	

June 69.



Exhibit 'H' -
733. Plaintiff's File 78(a) - (f)

Exhibit "H"
Plaintiff's File 78(a)-(f)

AS : MB

26th April, 1973.

Messrs. Minter Simpson & Co.
G.P.O. Box 521,
SYDNEY, 2001.

Attention : Mr. K.O. Johnson.

Dear Sir,

Re: Loan to Larata Investments Pty. Ltd.
on Property at 34 Talara Road, Gynea.

10

We enclose a copy of a signed acceptance of a loan offer made to Larata Investments.

A condition of the offer is that thirteen of the units in the block are tenanted and they must furnish satisfactory evidence of signed lease documents before a loan is advanced.

Yours faithfully,

A. Simpson,
Manager.

CORRESPONDENCE TRANSIT SLIP

FROM *Elliott Tuthill & Co.*
 SUBJECT *Larata Investments*
 FILE NO. *AF 14* DATE RECD. *26.4.73* DATE OF LETTER *18-4*

CIRCULATE TO	COMPLETED		DATE OF REPLY	COMMENTS
	INITIALS	DATE		
<i>A. Simpson</i>	<i>W</i>			
<i>D. Mink</i>				<i>please fax al</i>

AFL 2227

PLEASE NOTIFY THE FILING CLERK OF ANY ALTERATION IN THE CIRCULATING LIST

ELLIOT, TUTHILL & CO.

SOLICITORS

JOHN L. JORDAN
BRUCE O. WILLIAMS
ASSOCIATE:
ANTHONY C. SIMPSON
CONSULTANT:
D. C. H. ELLIOT, LL.B.

119 CRONULLA STREET
CRONULLA 2230
(P.O. BOX 41, CRONULLA)

C.D.E. 260

PHONES: 523-6188 (6 Lines)

Your Ref.:

Our Ref.: FDB.EE.16956

18th April, 1973

The Manager,
Kooragang Investments Pty. Limited,
P.O.Box 528,
NORTH SYDNEY.

Dear Sir,

Re Larata Investments Pty. Limited -
application for loan on property
at 34 Talara Road, Gynea

10

We act for Larata Investments Pty. Limited in regard to the proposed loan.

We forward copy of your offer of loan letter accepted by the Company, and request that you instruct your Solicitors to advise us of their requirements and seek details regarding the proposed mortgage.

Yours faithfully,
ELLIOT, TUTHILL & CO.



Kooragang Investments Pty Limited

AS : MB

10th April, 1973.

Miss L. Still,
Barclays Australia Limited,
21st Floor,
Pearl Assurance House,
Cnr. Castlereagh & Hunter Sts.,
SYDNEY, 2000.

Dear Miss Still,

Re : Application for Loan - Larata Investments Pty.
Limited on Property at 34 Talara Road, Gympie.

10

We have received a valuation of the abovenamed property and wish to make an offer on the following basis :-

1st Mortgage of \$195,000

Period of loan - 3 years fixed.

Interest - $9\frac{1}{2}\%$ per annum (payable monthly)

Personal guarantees of all Directors of Larata Investments required :-

Mr. J. & Mrs. P. McGowan

Mr. A. McGowan.

Miss L. McGowan.

20

A condition of the offer is that the units are substantially tenanted before any monies are advanced by way of mortgage. Thirteen of the units must be tenanted, evidence of this number, i.e., signed lease documents, should be furnished to the satisfaction of our Solicitors.

Satisfactory bank references to be furnished before any loan is advanced, and satisfactory insurance on the property to be submitted, say minimum \$200,000 cover.

A 2nd Mortgage will be allowed, but total borrowing should not exceed \$211,000.

30

../2

Barclays Australia Limited.

10th April, 1973.

Interest will accrue from 31st May, 1973 or from the date on which the loan is advanced, whichever is the earlier, and the mortgage documents will be prepared so as to express the interest to be calculated from such date. If Larata Investments Pty. Ltd., is prepared to accept this offer and conditions, would they please sign the attached copy of this letter and return to this office. The offer will remain open to Larata to 27/4/73.

On acceptance we will instruct our Solicitors, Minter Simpson & Co., to draw up the Mortgage Deed. Any legal costs incurred by us after acceptance will be payable by Larata Investments Pty.Ltd.

10

Our obligation to proceed with the loan shall be conditional upon a good title to the property being shown to the satisfaction of our Solicitors.

Yours sincerely,


A. Simpson.
MANAGER.

DIRECTOR.
SECRETARY.

20



Signed

Date17-4-1973

7th December, 1973.

Capital Management (N.S.W.) Pty. Ltd.,
Box 2225 G.P.O.,
SYDNEY. N.S.W. 2001

Attention Mr. Bartrop.

Dear Sir,

Re: 43-49 Norman St., Peakhurst -
Application for loan on behalf of
Mrs. H.C., Mr. R.C. and Mr. R.J. Vaughan
5464061

We refer to your letter of 14th November, 1973, seeking a loan
of \$140,000 on the security of the above property for 2 years
at 12% p.a. 10

We are prepared to lend \$140,000 on First Mortgage for 2 years
subject to personal guarantees and bank reference and insurance
cover.

Interest will accrue from 14th January, 1974, or from the date
on which the loan is advanced, whichever is the earlier, and the
mortgage document will be prepared to express the interest to be
calculated from such date. This offer will remain open until
14th December, 1973. 20

Any legal costs incurred by us after acceptance by the borrowers
will be payable by them. Our obligation to proceed shall be
conditional upon a good title to the properties being shown to
the satisfaction of our Solicitors.

We would normally require an independent valuation by Richardson
& Wrench Ltd., but in view of the recent valuation by L.J. Hooker
Ltd., we have agreed to accept the valuation which has already
been carried out.

If the borrowers are prepared to accept these conditions, would
they please sign and return the attached copy of this letter. 30

Kooragang Investments Pty. Ltd. shall not be bound to make the
loan if prior to settlement there should be imposed any duty
which would be payable by the lender but not recoverable from
the borrower. In this event, however, we shall be prepared
to negotiate terms of a loan once these duties have been
established.

.... /2

Capital Management (N.S.W.) Pty. Ltd., 7/12/73 (Cont'd) Page 2

On acceptance we will instruct our Solicitors, Minter Simpson & Co. (Mr. Johnson) to draw up the Mortgage Deed for signature by all parties.

Yours faithfully,

A. Simpson,
Manager.

Accepted:

10

Mrs. H.C. Vaughan

Mr. R.C. Vaughan

Mr. R.J. Vaughan

Date

LOAN APPLICATION FORM

<u>NAME OF BORROWER</u>	Mrs. H.C. Vaughan, Mr. R.C. Vaughan Mr. R.J. Vaughan	
<u>BUSINESS ADDRESS</u>	43-49 Norman Street, Peakhurst.	
<u>TYPE OF BUSINESS</u>	Property Investor	DATE OF INCORPORATION N/A
<u>DIRECTORS/PARTNERS</u>	Mrs. H.C. Vaughan, Mr. R.C. Vaughan Mr. R.J. Vaughan	
<u>BANKERS</u>	Commercial Bank of Australia Limited, Hurstville	10
<u>SOLICITORS</u>	Messrs. Kitching & Iacono, 482 King Georges Road, Beverley Hills, 579-6644	
<u>BRIEF FINANCIAL DETAILS</u>	See attached schedule	
<u>DETAILS OF PROPERTY TO BE MORTGAGED</u>		
Address	43-49 Norman Street, Peakhurst	
Dimensions of Land	122'8 1/2" x 355'	
Type of Property	Industrial	20
Estimated Market Value	225,000	
Name of Valuer	L.J. Hooker Limited	
Gross Income (Attach supporting details of individual tenancies and rents)	See attached schedule	
All Outgoings (Detailed)	See attached schedule	
Net Income	See attached schedule	
Present Encumbrances on Property	\$28,000 first mortgage	30
May we apply for Bank References?	Yes	
Approximate Loan Required	\$140,000	
Any other Relevant Factors	No second mortgage required.	

CAPITAL MANAGEMENT (N.S.W.) PTY. LIMITED

(Incorporated in N.S.W.)

BOX 2225 G.P.O. SYDNEY 2001
CABLES "LATIPAC"

44 HUNTER STREET, SYDNEY 2000
TELEPHONE: 25 5792

SJB:EAD 74/121

14th November, 1973.

The Manager,
Kooragang Investments Pty. Limited,
c/- Australian Fertilizers Limited,
213 Miller Street,
NORTH SYDNEY N.S.W. 2066.

Attention: Mr. Lyttle

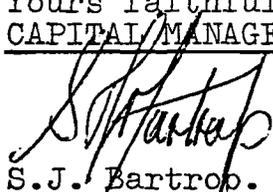
Dear Sir,

43-49 NORMAN STREET, PEAKHURST

Further to our recent telephone conversation please find enclosed an application for an advance of \$140,000 fixed for two years at an interest rate of 12% per annum to be secured by way of a first mortgage over the above property.

If you feel that your company is interested in the above proposal please advise the undersigned as soon as possible.

Yours faithfully,
CAPITAL MANAGEMENT (N.S.W.) PTY. LIMITED


S.J. Bartrop.

*Requested check
valuation by Rob
28/11/73. Cap. Managers
lodged cheq. \$50 for
check valuation 29/11/73*

- 1. J. Dempsey inspector & considers it a good property*
- 2. R. Lyttle inspector 27/11 and agrees it is well maintained & seems well situated*

0
GA
30192
ICIMELB AA30192
FERSYD AA21815



RF14/1

3114

6.12.73

12.45PM

FOR MR. F. GUTTERIDGE.

APPROVAL REQUESTED FOR KOORAGANG INVESTMENTS TO SUBMIT OFFER OF
LOAN ON FIRST MORTGAGE SECURITY OF \$140,000 FOR 2 YEARS AT 12%
P.A. ON FACTORY BUILDING 43 NORMAN STREET, PEAKHURST. L.J. HOOKER
HAVE PROVIDED A VALUATION OF \$225,000 AND RICHARDSON AND WRENCH
HAVE CONFIRMED THIS VALUE VAUGHAN FAMILY OWN THE PROPERTY AND HAVE
OTHER ASSETS OF \$140,000. PRESENT NET INCOME \$18,707 AND AFTER
MAY, 1974 \$24,194. TENANT HYGIENIC LILY LTD. FOR 3 YEARS.
AUTHORITY TO PROCEED IS REQUESTED.

SATCHWELL

⊕
ICIMELB AA30192

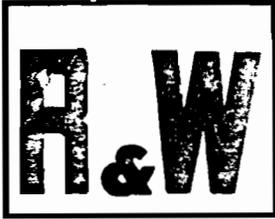
TELEX

CORRESPONDENCE TRANSIT SLIP

FROM *Richardson & Wrench*
 SUBJECT *43/49 Norman St. Peabody*
 FILE NO. *AF 14/1* DATE RECD. *7.12.73* DATE OF LETTER *6.12*

CIRCULATE TO	COMPLETED		DATE OF REPLY	COMMENTS
	INITIALS	DATE		
<i>R. Little</i>	<i>RL</i>	<i>7/12</i>		

AFL 2227 PLEASE NOTIFY THE FILING CLERK OF ANY ALTERATION IN THE CIRCULATING LIST



RICHARDSON & WRENCH LIMITED

Est. 1858

LICENSED REAL ESTATE AGENTS, AUCTIONEERS, VALUERS & PROPERTY MANAGERS
HEAD OFFICE: 92 PITT STREET, SYDNEY, N.S.W. 2000.
TELEPHONE: 25 3051

Associated agents in all capital cities of Australia

Branches at—
BURWOOD
CAMPBELLTOWN
CHATSWOOD
CROWS NEST
DOUBLE BAY
GORDON
GOSFORD
PARRAMATTA
RANDWICK

IN REPLY PLEASE QUOTE

CRM:YF

6th December, 1973

Kooragang Investments Pty. Ltd.,
P.O. Box 528,
NORTH SYDNEY. N.S.W. 2060

ATTENTION: Mr. Ray Little

Dear Sir,

RE: NO. 43/49 NORMAN STREET, PEAKHURST

In accordance with your instructions an inspection of the above property has been carried out and it is considered that the property is an eligible security for the advancement of funds by way of first mortgage, to amount of \$140,000.

10

It is further considered that the valuation of the property mentioned by you, in the amount of \$225,000 approximates its present market value.

Yours faithfully,

Richardson & Wrench Ltd

OVER A CENTURY OF SERVICE

Exhibit "J" -
745. Plaintiff's File 79(a)-(c)

Exhibit "J"
Plaintiff's File 79(a)-(c)

RL:EM

16th July, 1974.

Richardson & Wrench Ltd.,
92 Pitt Street,
SYDNEY. N.S.W. 2000.

Attention Mr. K. Hodgson

Dear Sirs,

We have been approached to lend money secured by first mortgage
as follows:

10

1. 43 Rawson Street, Auburn, on account of Felrose Investments
Pty. Ltd. - Flats.
2. 21 Guilfoyle Street, Double Bay, on account of Sam & Sonia
Sankey - Flats.
3. 399-403 Victoria Avenue, Chatswood, on account of Gortlyne
Holdings Pty. Ltd. - Arcade of Shops.

Donald Cameron & Associates, acting on behalf of the borrowers
will approach you to carry out the valuations which will be to
the borrowers' accounts and which should be paid to you before
the valuations are sent to us.

20

Yours faithfully,

R.C.J. Little
Secretary.

RL:EM

16th July, 1974.

Mr. G.S. McIlwain,
Donald G. Cameron & Associates,
54 Carrington Street,
SYDNEY. N.S.W. 2000.

Dear Mr. McIlwain,

Re: Mortgage Advance - 399-403 Victoria Ave.,
Chatswood - Gortlyne Holdings Pty.Ltd.

10

We refer to your letter of 27th June seeking a first mortgage loan on behalf of the above client.

We would be prepared to consider lending a maximum of \$150,000 for two (2) years at 15% p.a. subject to:

- (a) An independent valuation by Richardson & Wrench Ltd., the cost of which is to be borne by your client and which should be paid before submitting the valuation to us.
- (b) That \$150,000 does not represent more than 65% of this valuation.
- (c) Personal guarantees of the Directors.
- (d) Satisfactory Bank references and insurance cover.

20

In requesting the valuation, the Company is not committed to granting the loan, but will deal with the application promptly upon receipt of the valuation.

If you desire to proceed on this basis we have already advised Richardson & Wrench that they may be approached for a valuation of the property.

Yours faithfully,

R.C.J. Little,
Secretary.

30

17th January, 1974.

Donald G. Cameron & Associates,
I.A.C. Building,
54 Carrington Street,
SYDNEY. N.S.W. 2000.

Attention Mr. G.S. McIlwain

Dear Sirs,

Re: 269 Harbord Road, Dee Why
Application for loan on behalf of
Michael Reginald Pevsner

10

We refer to your letters of 6th December, 1973, and 6th January, 1974, seeking a loan of 65% of the valuation by Richardson & Wrench Ltd. on this property.

As the valuation by Richardson & Wrench Ltd. dated 15th January, 1974, discloses a valuation of \$200,000, we are prepared to lend \$130,000 on First Mortgage for 2 years at 11.5% p.a. subject to:

- (a) Interest fluctuation upwards if the Bank overdraft rate of 9.75% p.a. increases by more than 0.5% p.a. during the period of the loan. Should the rate increase by more than 0.5% p.a. the full increase would apply for the balance of the loan period from the date of the increase. 20
- (b) The loan being guaranteed personally by Mr. Pevsner.
- (c) Good title to the property being shown to the satisfaction of our Solicitors.
- (d) Satisfactory insurance cover.

1/3/74(e) A holding charge at the rate of 11.5% p.a. will accrue from 18th February, 1974, or from the date on which the loan is advanced whichever is the earlier and the mortgage document will be prepared to give expression to this. 30

1/4/74(f) If for any reason the loan is not settled by 18th March, 1974, the offer will be withdrawn.

8/2/74(g) Acceptance of this offer by 25th January, 1974.

Any legal costs incurred by us after acceptance by the borrowers will be payable by them.

.../2

2.

Kooragang Investments Pty. Ltd. shall not be bound to make the loan if prior to settlement there shall be imposed any duty which would be payable by the lender but not recoverable from the borrower. In this event however, we would be prepared to negotiate terms of a loan once these duties have been established.

On acceptance we will instruct our Solicitors, Minter Simpson & Co. (Mr. K.O. Johnson) to draw up the Mortgage Deed for signature by all parties.

10

Yours faithfully,

A. Simpson,
Manager.

Acceptance:
Michael Reginald Pevsner

/ /1974

Exhibit "K"
Plaintiff's File 80(b)-(f)

RL:EM

13th December, 1973. AF14/1

Richardson & Wrench Ltd.,
109 Pitt Street,
SYDNEY. N.S.W. 2000.

Attention Mr. K. Hodgson

Dear Sirs,

We have been approached to lend 65% of your valuation on a property, Lot No. 4, 269 Harbord Road, Dee Why.

10

Donald Cameron & Associates acting on behalf of the borrower Michael Reginald Pevsner, will approach you to carry out the valuation which will be at the borrower's cost and which should be paid to you before the valuation is sent on to us.

Yours faithfully,

A. Simpson,
Manager.

CORRESPONDENCE TRANSIT SLIP

FROM *Richardson v Wrench*
 SUBJECT *39 Rhodes St. Hillsdale - valuation*
 FILE NO. *AF1411* DATE RECD. *23.1.74* DATE OF LETTER *21.1*

CIRCULATE TO	COMPLETED		DATE OF REPLY	COMMENTS
	INITIALS	DATE		
<i>A. Simpson</i>	<i>[initials]</i>			
<i>R. Hitt</i>	<i>[initials]</i>	<i>21/1</i>		

FL 2227 PLEASE NOTIFY THE FILING CLERK OF ANY ALTERATION IN THE CIRCULATING LIST



RICHARDSON & WRENCH LIMITED

Est. 1858

LICENSED REAL ESTATE AGENTS, AUCTIONEERS, VALUERS & PROPERTY MANAGERS
HEAD OFFICE: 92 PITT STREET, SYDNEY, N.S.W. 2000.
TELEPHONE: 25 3051

Associated agents in all capital cities of Australia

Branches at—
BURWOOD
CHATSWOOD
CROWS NEST
DOUBLE BAY
GORDON
PARRAMATTA
RANDWICK
and
CAMPBELLTOWN

IN REPLY PLEASE QUOTE

CRW:JCH

21st January, 1974.

The Manager,
Kooragang Investments Pty. Ltd.,
P.O. Box 528,
NORTH SYDNEY, N.S.W. 2060

Attention: Mr. R. Little.

Dear Sir,

RE: NO. 39 RHODES STREET, HILLSDALE

In reference to your verbal enquiry with regard to mortgage of the abovementioned property, we confirm our verbal advice that we consider the present estimate of value for and on behalf of an intending mortgagee to be \$920,000 (NINE HUNDRED AND TWENTY THOUSAND DOLLARS)

10

We recommend the property as an eligible security for advancement of funds by way of first mortgage only up to a sum of \$600,000 (SIX HUNDRED THOUSAND DOLLARS).

Our memo for fees for \$25 is enclosed herewith.

*Account not enclosed but \$25 has been paid to R & W.
17.1.74*

Yours faithfully,

[Signature] 20
22.1.74

Richardson & Wrench Ltd.

OVER A CENTURY OF SERVICE

Exhibit "K" -
752. Plaintiff's File 80(b)-(f)

KOORAGANG INVESTMENTS PTY. LIMITED APPENDIX A

LOAN APPLICATION FORM

NAME OF BORROWER Micos Properties Pty. Limited

BUSINESS ADDRESS 39 Rhodes Street, Hillsdale

TYPE OF BUSINESS Real Estate DATE OF IN-
Investment Co. CORPORATION N/A

DIRECTORS/PARTNERS Messrs. M., N., C. & S. Micos

BANKERS Commonwealth Trading Bank of Australia
Cnr. Liverpool & Castlereagh Streets,
Sydney

SOLICITORS Messrs. M.J. Georgeson & Company,
324 Marrickville Road, Marrickville

BRIEF FINANCIAL
DETAILS See attached Financial Statements

DETAILS OF PROPERTY
TO BE MORTGAGED

Address 39 Rhodes Street, Hillsdale

Dimensions of Land irregular - total area 95,000 sq.ft.

Type of Property Industrial - light industry "B"

Estimated Market Value \$950,000

Name of Valuer Slade Cromack & Brown, 141-143 Elizabeth St.
Sydney.

Gross Income (Attach supporting details of individual tenancies and rents) See attached Financial Statements.

All Outgoings (Detailed) See attached Financial Statements

~~Net~~ Income Gross Rents \$84,583 per annum
(outgoings paid by tenants)

Present Encumbrances on Property 1st Mortgage \$400,000

May we apply for Bank References? Yes

Approximate Loan Required \$600,000

Any other Relevant Factors No second mortgage required.

KOORAGANG INVESTMENTS P/L AF14/1

20th December, 1973.

Richardson & Wrench Ltd.,
109 Pitt Street,
SYDNEY. N.S.W. 2000.

Attention Mr. K. Hodgson

Dear Sirs,

We have been approached for loans on the following properties: 10

1. 12-14 Norman Street, Peakhurst

This is subject to a full valuation by you which will be requisitioned by Capital Management Corp. Ltd. and will be at their expense. For your information we attach Registered Surveyor's Report.

2. 1059 Victoria Road, West Ryde

This is subject to a full valuation by you which will be requisitioned by Donald G. Cameron & Associates and will be at their expense.

If so instructed will you kindly value for and on behalf of an intending mortgagee and also indicate the value of the land as distinct from the value of the improvements. The valuation should generally be in accordance with guidelines in our letter of 22nd February, 1972. 20

Yours faithfully,

A. Simpson,
Manager.

Encl.

Exhibit "K"
Plaintiff's File 80(b)-(f)
AF14/1

21st December, 1973.

Donald G. Cameron & Associates,
54 Carrington Street,
SYDNEY. N.S.W. 2000.

Attention Mr. McIlwain

Dear Sirs,

Re: 1059 Victoria Road, West Ryde
Application for loan on behalf
of Marlino Pty. Ltd.

10

We refer to your letter of 12th December, 1973, seeking a loan of \$140,000 or 65% of valuation of the above property.

We are prepared to consider lending \$140,000 or 65% of valuation whichever is the lower, for two years at 11.5% p.a. subject to:

- (a) Full valuation by Richardson & Wrench Ltd. Valuation cost to your client's account which should be paid before the valuation is submitted to us.
- (b) Personal guarantees of Mr. Gasparre and also of Better Tiles. 20
- (c) Interest fluctuation upwards if the Bank overdraft rate (at present 9.75% p.a.) increases by more than 0.5% p.a. during the period of the loan. Should the rate increase by more than 0.5% p.a. the full increase would apply for the balance of the loan period from the time of the increase.

In requesting the valuation, the Company is not committed to granting the loan but will deal with the application promptly on receipt of the valuation.

If you desire to proceed on this basis we have advised Richardson & Wrench Ltd. that they may be approached for a valuation of the property. 30

Yours faithfully,

A. Simpson,
Manager.

DM:EM

5th March, 1973.

Mr. Selby,
Selby Nominees Pty. Limited,
3-11 Wellington Road,
SYDNEY. N.S.W. 2000.

Dear Mr. Selby,

Proposed Mortgage Loan on Property
at 17/25 Wentworth Avenue, Sydney

Further to our letter of 2nd February 1973, we have now received a valuation of the abovenamed property and wish to make an offer on the following basis:

10

- First Mortgage of \$412,750.
- No Second Mortgage will be allowed.
- Period of loan 4 years fixed.
- Interest Rate - first 3 years - $9\frac{1}{2}\%$ p.a. payable monthly.
- fourth year - $9\frac{3}{4}\%$ p.a. payable monthly.
- Personal Guarantees of Directors of Selby Nominees Pty.Ltd.
- Satisfactory Bank references.
- Satisfactory Insurance cover to be submitted.

20

Interest will accrue from 25th April 1973, or from the date on which the loan is advanced, whichever is the earlier, and the mortgage documents will be prepared so as to express the interest to be calculated from such date.

.../2

213 MILLER STREET, NORTH SYDNEY.
P.O. BOX 528, NORTH SYDNEY
TELEPHONE 929 4755
TELEX AA21815

Kooragang Investments Pty Limited

2.

Any legal costs incurred by us after acceptance by Selby Nominees Pty. Ltd. of this offer will be payable by Selby Nominees Pty. Ltd. Our obligation to proceed with the loan shall be conditional upon a good title being shown to the satisfaction of our Solicitors.

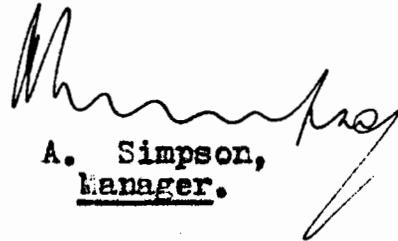
If Selby Nominees is prepared to accept the loan of \$412,750 would they please sign the attached copy of this letter and return in the envelope provided.

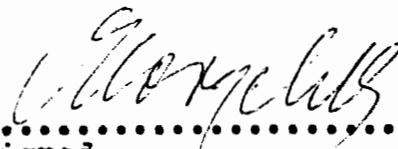
10

This offer will remain open to Selby Nominees Pty.Ltd. until 19th March 1973.

On acceptance we will instruct our Solicitors, Winter Simpson & Co., to draw up the Mortgage Deed for signature by both parties on a mutually arranged date.

Yours faithfully,


A. Simpson,
Manager.


.....
Signed

..... 10.3.73
Date

20

c.c. Mr. W.R.A. Watherston ✓
Pacific Property Finance Pty.Ltd.

Exhibit "K"
Plaintiff's File 80(b)-(f)

DM:EM

25th January, 1973.

Mr. Hodgson,
Richardson & Wrench Ltd.,
Box 176 G.P.O.,
SYDNEY. N.S.W. 2000.

Dear Mr. Hodgson,

Application for Loan - Selby Nominees
Property at 17/25 Wentworth Ave., City.

10

The Company has been asked to consider a loan on the above property as detailed in the attached application. No action is required of you unless instructed by the applicant to make a valuation, the cost of which is to be borne by the applicant.

If so instructed will you kindly value "for and on behalf of an intending mortgagee" and also indicate the value content of the land as distinct from the value of the improvements.

On receipt of a request from the applicant we would appreciate your prompt attention to this valuation.

Yours faithfully,

20

A. Simpson,
Manager.

CORRESPONDENCE TRANSIT SLIP

FROM *Roland Bridger*
 SUBJECT *Artemis Athens*

FILE NO. *AF14/1* DATE RECD. *7-9-73* DATE OF LETTER *6-9*

CIRCULATE TO	COMPLETED		DATE OF REPLY	COMMENTS
	INITIALS	DATE		
<i>R. Simpson</i>	<i>RS</i>			
<i>R. Little</i>	<i>RL</i>	<i>10/9</i>		
<i>F. Cook</i>	<i>FC</i>	<i>10/9</i>		

FL 2227 PLEASE NOTIFY THE FILING CLERK OF ANY ALTERATION IN THE CIRCULATING LIST

SOLICITORS

ROLAND E. GRIDIGER & CO

3rd FLOOR, SUITE 2, 112 CASTLEREAGH STREET, SYDNEY, N.S.W. 2000. PHONE 26-2221

REG:JPM
File No A1136

6th September 1973

The Manager
Kooragang Investments Pty Limited
Box 528 P O
NORTH SYDNEY 2060

Dear Sir

10

Re: Mortgage Advance to Artemis ATHANS
40 Coogee Bay Road Coogee

Further to your letter of 14th August last we advise that we should be in a position to furnish you with a Richardson & Wrench Valuation next week.

In the meantime we advise that the mortgage will be in the name of Tim Unity Holdings Pty Limited and Artemis Athans and Peter Athans will guarantee the terms thereof.

Yours faithfully

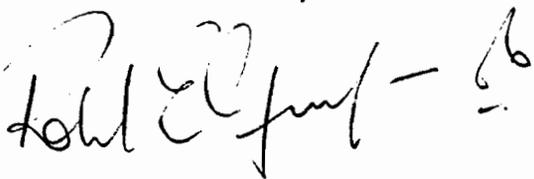


Exhibit "K"
Plaintiff's File 80(b)-(f)

14th August, 1973.
AS:HR

Roland E. Gridiger & Co.,
3rd Floor, Suite 2,
112 Castlereagh Street,
SYDNEY. N.S.W. 2000.

Dear Sir,

Re: MORTGAGE ADVANCE - 40 COOGEE BAY ROAD,
COOGEE - MR. ARTEMIS ATHANS

10

We refer to your letter of August 1 seeking a first mortgage loan on behalf of the above client.

We would be prepared to consider lending 65% of Richardson & Wrench valuation for 3 years at 9.75% per annum subject to certified statement of assets and personal guarantee, satisfactory Bank reference and insurance cover.

This is subject to an independent valuation by Richardson & Wrench Ltd. confirming the valuation.

The valuation cost would be to your client's account and should be paid prior to submitting the valuation to us.

20

In requesting the valuation, the Company is not committed to granting the loan, but will deal with the application promptly upon receipt of the valuation.

If you desire to proceed on this basis, we have already advised Richardson & Wrench that they may be approached for a valuation of the property in question.

Yours faithfully,

A. Simpson,
Manager.

30

Exhibit "K"
Plaintiff's File 80(b)-(f)

14th August, 1973.
AS:HR

Richardson & Wrench Ltd.,
109 Pitt Street,
SYDNEY. N.S.W. 2000.

Dear Sirs,

APPLICATION FOR ADVANCE FOR MR. ARTEMIS ATHANS
ON PROPERTY - 40 COOGEE BAY ROAD, COOGEE.

10

The Company has been asked to consider an advance on this property. No action is required by you unless instructed by the applicant to make a valuation, the cost of which is to be borne by the applicant.

If so instructed will you kindly value "for and on behalf of an intending mortgagee" and also indicate the value of the land as distinct from the value of the improvements. We would request a separate submission to the Company based on the valuation "guidelines" included in our letter of 22nd February, 1972.

20

On receipt of a request from the applicant, we would appreciate your prompt attention to this valuation.

Yours faithfully,

A. Simpson,
Manager.

CORRESPONDENCE TRANSIT SLIP

FROM *Roland E. Gridiger*
 SUBJECT *Cogee Bay Rd. Randywick & Chase*
Rd. Banstead
 FILE NO. *AF14* DATE RECD. *2-8-73* DATE OF LETTER. *1-8*

CIRCULATE TO	COMPLETED		DATE OF REPLY	COMMENTS
	INITIALS	DATE		
<i>R. Little</i>				

AFL 2227 PLEASE NOTIFY THE FILING CLERK OF ANY ALTERATION IN THE CIRCULATING LIST

SOLICITORS

ROLAND E. GRIDIGER & CO

3rd FLOOR, SUITE 2, 112 CASTLEREAGH STREET, SYDNEY, N.S.W. 2000. PHONE 26-2221

REG:BKF

File No. A1136

1st August, 1973.

Managing Director,
Koorgang Investments Pty. Limited,
213 Miller Street,
SYDNEY, N.S.W. 2000

Attention Mr. Little.

10

Dear Sir,

Re: Mortgage Advance - 40 Coogee Bay Road, RANDWICK,
181 Chapel Road, BANKSTOWN.

We act for Artemis Athans, who requires to raise \$150,000.00 on the security of the abovementioned for three (3) years at 9 $\frac{1}{2}$ % per annum.

We enclose herewith:-

1. Valuation from Stanley Thompson Real Estate Pty. Ltd., dated 23rd July, 1973 and valuing the property known as 40 Coogee Bay Road, Randwick at \$180,000.00.
2. Copy of Valuation from Stanley Thompson Real Estate Pty. Ltd., dated 16th July, 1973 valuing the property at 181 Chapel Road, Bankstown at \$120,000.00.

20

Our client's bankers are the National Bank of Australia Limited, Bankstown.

We are instructed that Mr. Athans has the following assets:-

Property - 181 Chapel Road, Bankstown	\$120,000.00
Property - 40 Coogee Bay Road, Randwick	180,000.00
Property - In Greece	20,000.00
Debts from Family	2,000.00
Furniture	5,000.00
Cash	16,000.00

30

Mr. Athans only liability will be the present mortgage advance applied for.

We hope you will be in a position to assist our client herein. If you have any further enquiries kindly telephone the writer.

Enc.

Yours faithfully,



Exhibit "K"

764. Plaintiff's File 80(b)-(f)

AS : MB

2nd August, 1973. AF 14

Mr. K. Hodgson,
Director - Valuations,
Richardson & Wrench,
P.O. Box 176,
SYDNEY, N.S.W. 2000.

Dear Keith,

I am returning a statement directed to Kooragang
Investments Pty. Limited for a valuation of a property
at 200 Crown Street, East Sydney for \$400.00, which
would be to the account of the borrower.

10

The borrower in this case is :-

Woolloomooloo Rentals No. 3 Pty. Ltd.,
c/o Newman & McKay,
26 O'Connell street,
Sydney, 2000.

Would you please take up this matter with your accounts
department, and re-direct the charge which apparently has
not been paid to date.

20

Yours sincerely,

A. Simpson,
MANAGER.

20th March, 1973.

Messrs. Newman & McKay & Co.,
26 O'Connell Street,
SYDNEY. N.S.W. 2000

Dear Miss O'Brien,

Loan Application - Woolloomooloo Rentals
No. 3 Pty. Ltd. on Property at 200 Crown St.

We refer to your loan application on behalf of Woolloomooloo Rentals No.3 Pty. Ltd. and advise that if your client will now furnish a Richardson & Wrench valuation of the property the application will receive prompt attention. 10

Richardson & Wrench have been advised that a valuation may be requested, all fees etc. must be paid by the borrower prior to submitting the valuation to Kooragang Investments Pty. Ltd.

Kooragang Investments Pty. Ltd. is proceeding on the following basis:

- Considering lending up to 65% of the Richardson & Wrench valuation on first mortgage for a period of 3 years fixed. The three years of the mortgage will carry an interest rate of 9½% p.a. (interest payable monthly). 20
- A mortgage will be allowed up to 80%.
- Personal guarantees of all Directors will be required.
- A satisfactory Bank reference and satisfactory insurance cover will be required.
- All legal expenses etc. will be borne by the borrower.

Yours faithfully,

A. Simpson,
Manager.

30

R & W

NEWMAN, McKAY & CO.

BARRY NEWMAN, B.COMM.AASA
DON MCKAY

(FINANCE BROKERS)
INCORPORATING LEASE CONSULTANTS

PHONE:
28-8181
28-1408
28-1249

26 O'CONNELL STREET
SYDNEY 2000

2nd March, 1973.

DM:RJL

Kooragang Investments Pty. Ltd.,
P.O. Box 528,
North Sydney, 2060. N.S.W.

Attention: Mr. Minks.

Dear Sirs,

We submit application for 1st Mortgage finance; 10

ADDRESS: 200 Crown Street, Sydney.

VALUATION: We enclose herewith Richard Stanton & Sons Ltd. valuation dated May, 1971 which we note at \$250,000. A new valuation will be obtained from your nominated valuers, subject to approval of the loan in principle.

LOAN REQUIRED: 65% of Valuation for 3 years at 9½%.
Consent to a 2nd Mortgage is required.

BORROWER: Woolloomooloo Rentals No. 3 Pty. Ltd. 20

GUARANTORS: Ian Bruce Carrick Kiernan and
Gordon Vivian Stewart.

ASSETS AND INCOME: Balance Sheet of the company for the year ended 30th June, 1972 is not yet to hand but is in the course of preparation. Copy of financial statement is enclosed herewith.

Kindly note that the Guarantors are men of considerable substance. Mr. Kiernan owns considerable real estate in the Woolloomooloo/East Sydney area and has substantial personal financial assets. 30

Mr. Stewart is a Solicitor, a Partner in the firm of Gaden, Bowen & Stewart. He owns considerable real estate and has many, varied successful business interests.

.../2

Kooragang Investments Pty. Ltd.

2nd March, 1973.

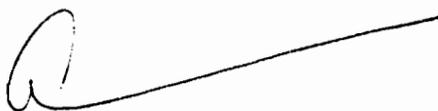
The subject security comprises completely renovated large basement and two upper floors. The basement is let to a 1st class French restaurant - "Le Rive Gauche" - which has operated very successfully for a number of years.

The upper floors are presently leased to Eric Anderson Radio-Television Pty. Ltd.

Should you require any further information, please let us know.

10

Yours faithfully,

A handwritten signature in black ink, consisting of a large, stylized initial 'D' followed by a long, sweeping horizontal line that tapers to a point on the right.

D. N. McKay.

Enc.

Contract For Sale of Land

* Private Treaty

* Public Auction

* Delete words not applicable.

Vendor's Agent.
BLUES POINT REAL ESTATE PTY. LIMITED.
117 Blues Point Road,
McMAHONS POINT, N.S.W. 2060.

Description of Property.
ALL THAT piece or parcel of land situate in the Municipality of North Sydney Parish of Willoughby and County of Cumberland having a frontage of about 9.145 metres to East Crescent Street being Lot 19 and part Lot 18 in Deposited Plan 6002 and being the whole of the land comprised in Certificate of Title Volume 11036 Folio 39 TOGETHER WITH all improvements erected thereon and known as 18 East Crescent Street, McMahon's Point. / ALL THAT piece of parcel of land situate in the Municipality of North Sydney Parish of Willoughby and County of Cumberland having a frontage to East Crescent Street being Lot 20 in Deposited Plan 6002 and being the whole of the land comprised in Certificate of Title Volume 11036 Folio 38 TOGETHER WITH all improvements erected thereon and known as 20 East Crescent Street, McMahon's Point.

~~AUCTION CONDITIONS—Upon a sale by auction—~~
(a) the highest bidder shall be the Purchaser. In case of any dispute the property shall be put up again at any former bidding and no bidding shall be retracted.
(b) the sale is subject to a reserve price and the right to bid is reserved on behalf of the Vendor.
(c) upon the fall of the hammer the Purchaser shall sign the following agreement the conditions of which, with ~~these conditions, are the conditions of the sale by auction.~~

AGREEMENT made the 25th day of May 1973.
BETWEEN FRANCIS TREWAVAS HARRIS of 27 Elamang Avenue, Kirribilli, Refrigeration Engineer and WILLIAM JOSEPH REEVE-PARKER of Manly, Builder

(herein called the Vendor) of the one part
AND ~~RAINBOW RENTALS PTY LTD~~ GROUP UNITY SECURITIES PTY LIMITED of 235 Glebe Point Road Glebe (herein called the Purchaser) of the other part

* Delete words not applicable.

WHEREBY the Vendor agrees to sell and the Purchaser agrees to purchase, if more than one as *JOINT TENANTS/ *TENANTS IN COMMON IN THE FOLLOWING SHARES:
with joint and several liability under this agreement, the property above described (herein referred to as "the property") for the sum of ONE HUNDRED AND EIGHTY-FIVE THOUSAND DOLLARS (\$185,000.00)

* Delete words not applicable.

upon and subject to the following terms and conditions:—
1.—The Purchaser shall upon the signing of this agreement pay as a deposit to the Vendor's Agent herein named as stakeholder the sum of NINE THOUSAND TWO HUNDRED AND FIFTY DOLLARS (\$9,250.00) ~~(\$18,500.00)~~

* Delete words not applicable.

which shall vest in the Vendor upon and by virtue of completion and which shall be accounted for to the Vendor upon receipt of an order from the Purchaser or his Solicitor authorising such payment. The deposit may be paid by cheque but if the cheque is not honoured on presentation the Purchaser shall immediately and without notice be in default under this agreement.
The balance of the purchase price shall be paid as stipulated in the First Schedule hereto. Any moneys payable to the Vendor hereunder by the Purchaser or the Agent shall be paid to the Vendor's Solicitor or as he may direct in writing.

* Delete words not applicable.

2.—The title to the land is under
*THE REAL PROPERTY ACT, 1900, (not being Qualified Title or Strata Title)
~~*STRATA TITLE (Conveyancing (Strata Titles) Act, 1961)~~
~~*OLD SYSTEM~~
~~*QUALIFIED TITLE (Part IVA of the Real Property Act and Old System)~~
~~*CROWN LANDS (CONSOLIDATION) ACT, 1913~~
~~*OTHER ACT RELATING TO CROWN LANDS, namely~~

* Delete words not applicable.

3.—After the date of this agreement and within a reasonable time after written request by the Purchaser or prior thereto if the Vendor so desires the Vendor shall furnish to the Purchaser a written statement of his title which shall comprise:—
(a) FOR LAND UNDER THE REAL PROPERTY ACT (including Strata Title): particulars of title and the form of any restrictive covenant easement or other interest to be created by the transfer sufficient to enable the Purchaser to prepare the transfer. The Purchaser shall not be entitled to an abstract of any document affecting the title. Any instrument in respect of which a caveat is entered on the register shall, if in the possession of the Vendor or of any mortgagee of the property, be produced to the Purchaser free of charge;
(b) FOR LAND UNDER OLD SYSTEM TITLE: a proper abstract of his title together with the form of any restrictive covenant easement or other interest to be created by the conveyance. For the purpose of this clause a proper abstract of the Vendor's title may as to relevant documents to be abstracted comprise or include photographic copies (being themselves legible) of such documents PROVIDED THAT where the abstract includes any photographic copy of a document the Vendor shall furnish as part of his abstract and in addition to the foregoing requirements a chronological index of all the facts events and documents which comprise his title stating as regards the documents to be so indexed brief particulars of:—
(i) the date of the document; (ii) its general nature; (iii) the parties to the document, and (iv) its registration details.

~~The Vendor shall not be called upon to abstract the Crown Grant unless it is the only good root of title or to abstract produce or furnish a covenant to produce any deeds or documents in support of the title or in verification of the abstract which are not in the possession of the Vendor or of any mortgagee of the property. No objection shall be made to the execution of any document under a power of attorney authorising its execution.~~

(c) FOR LAND UNDER QUALIFIED TITLE: paragraph (a) of this clause shall apply to that part of the title evidenced by instruments registered under the Real Property Act and paragraph (b) shall apply to that part of the title not so evidenced.

(d) FOR LAND UNDER ANY ACT RELATING TO CROWN LANDS: particulars of title sufficient to enable the Purchaser to prepare his transfer and an abstract of title as provided in paragraph (b) of this clause in respect of the relevant facts and the documents of title which are not in a form prescribed by or pursuant to the Act under which the land is held and the form of any restrictive covenant easement or other interest to be created by the transfer or conveyance;

(e) FOR LAND UNDER MORE THAN ONE TITLE: a statement of title shall not be complete until furnished in respect of each title to the property.

4.—The Purchaser shall be deemed to have waived any objection or requisition which he has not made and delivered to the Vendor within twenty-one days after the delivery of the Vendor's statement of title. Within twenty-eight days from the delivery of the Vendor's statement of title the Purchaser shall at his own expense tender to the Vendor for execution the appropriate assurance of the property provided however that if the assurance requires the consent of the Minister for Lands or other prescribed authority the time for tender thereof under this clause shall be the twenty-eight day period aforesaid or fourteen days from the notification to the Purchaser of the consent having been granted, whichever is the later.

5.—No error or misdescription of the property shall annul the sale but compensation if demanded in writing before completion but not otherwise shall be made or given as the case may require, the amount to be settled in case of a difference by an arbitrator appointed by the parties by mutual agreement or failing agreement nominated by the President for the time being of The Law Society of New South Wales. Clause 15 hereof shall not apply to any such claim for compensation.

6.—The Vendor shall be entitled to the rents and profits and shall pay or bear all rates taxes and outgoings up to and including the date of ^{completion} from which date the Purchaser

shall be entitled to and shall pay or bear the same respectively and any necessary apportionment thereof shall be made and adjusted on completion. Where the Vendor has paid or is liable to pay land tax on the property for the year current at the date of apportionment whether to the Commissioner of Land Tax or to a predecessor in title the amount to be apportioned as land tax under this clause shall be the sum which would have been payable by the Vendor for land tax on the property as used by him if the property had been owned and was the only land owned by him at midnight on 31st October then last past and the Vendor were natural person.

7.—No objection or requisition or claim for compensation shall be made by the Purchaser in respect of any of the following matters:

- (a) the ownership or location of any dividing fence as defined by the Dividing Fences Act, 1951;
- (b) any water supply or sewerage or drainage service to the property being a joint service with any other property, the water supply sewerage or drainage pipes or connections for the property passing through other land or the water supply sewerage or drainage pipes or connections for any other land (not being mains or pipes of any water sewerage or drainage authority) passing through the property; ^{including}
- (c) any wall being a party wall in any sense of that term;
- (d) any exception reservation or condition contained in any relative Crown Grant;
- (e) the existence of any other exception or reservation the substance of which is disclosed in the Second Schedule hereto;
- (f) the existence of or departure from the terms of any easement or restrictive covenant affecting the property provided that the substance of any such easement or restrictive covenant is disclosed in the Second Schedule hereto

8.—If the property sold is or is intended to be a lot on a Strata Plan within the meaning of the Conveyancing (Strata Titles) Act, 1961, (in this clause called "the Act") then the Purchaser shall take title subject to the provisions of the Act and the Regulations thereunder in general and in particular to the following matters:—

- (a) the by-laws of the Body Corporate created or to be created by virtue of the registration of the Strata Plan as contained in the First and Second Schedules to the Act subject only to such conditions variations or deletions as are in substance disclosed in this agreement;
- (b) clause 7 of this agreement shall be read as applying equally to the property and to the parcel (as defined by the Act).
- (c) For the purposes of this agreement:
 - (i) "outgoings" shall include contributions to the Body Corporate pursuant to Section 15 (2) of the Act;
 - (ii) unless and until separate assessments of rates and taxes are issued in respect of the said lot or lots by the relevant authorities all necessary adjustments between the parties (whether on or after completion) shall be made on the basis that the lot shall be liable to that proportion of any such rates taxes and outgoings (other than land tax) levied or assessed against the parcel (as defined by the Act) as a whole which the unit entitlement of such lot or lots bears to the total entitlement of all lots comprised in the Strata Plan; and
 - (iii) unless and until contributions under Section 15 (2) of the Act are fixed outgoings paid by the Vendor which would properly be the subject of such contributions when fixed shall be adjusted between the parties on the same basis as provided in paragraph (ii) of this sub-clause.
- (d) If the Strata Plan has not been registered the Vendor shall take all necessary steps to have it registered and completion of this agreement is subject to the Plan being registered within a reasonable time after the date hereof or such other time as may be specified expressly or by necessary implication in this agreement.
- (e) The Purchaser shall not make any objection requisition or claim in respect of:
 - (i) any minor variations as regards the subject lot between the Strata Plan produced to the Purchaser and the Strata Plan as registered which may be required by any statutory authority or by the Registrar-General; or
 - (ii) any minor alterations which may be required by any statutory authority or by the Registrar-General in the number size location or unit entitlement of any lot or lots in the Strata Plan (other than the subject lot) or in or to the common property provided that the proportionate unit entitlement of the subject lot shall not thereby be varied;
- (f) notwithstanding any rule of law or equity to the contrary the risk of the property sold shall not pass to the Purchaser until completion;
- (g) the property is sold subject to a warranty that the Vendor is not aware of:
 - (i) any actual or contingent liabilities of the Body Corporate of the said Strata Plan (other than for normal operating expenses); or
 - (ii) any defects (whether patent or latent) in the common property which may involve the said Body Corporate in the expenditure of money for repair or replacement (other than for ordinary wear and tear);
- (h) without prejudice to any rights arising under the last preceding sub-clause if it should be established prior to completion that there is any actual or contingent liability of the Body Corporate of the said Strata Plan (other than for normal operating expenses) then the Purchaser shall be entitled to rescind this agreement.

9.—(a) if the property sold is land under Qualified Title, notwithstanding the provisions of the Real Property (Conversion of Title) Amendment Act, 1967, and save as herein otherwise provided expressly or by necessary implication the provisions of the Conveyancing Act, 1919, which do not apply exclusively to land under the provisions of the Real Property Act, 1900, shall be deemed to apply, mutatis mutandis, to that part of the title of the land subject to this agreement which is not evidenced by instruments registered under the provisions of the Real Property Act, 1900.

(b) if the Purchaser so requires the Vendor shall in addition to any transfer give a conveyance of his title.

10.—If the property sold is land under any Act relating to Crown Lands:

- (a) if the time for issue of a certificate of conformity has passed the Vendor shall at his own expense produce the certificate or an official letter stating that the certificate was issued;
- (b) land held under a purchase tenure is sold*subject to/free from all money payable to the Crown to complete the purchase. When the same is subject to payment by the Purchaser of the money lastmentioned the Vendor shall pay any postponed debt and interest shall be apportioned as an outgoing under Clause 6 hereof; and
- (c) the rent of the land held under a leasehold tenure shall be apportioned as an outgoing under Clause 6 hereof.

11.—The Vendor shall apply for any necessary consent of the Minister for Lands or other prescribed authority to the transfer of the property or any part of it whether still under Crown tenure or not and shall pursue such application and shall pay all costs and fees (other than those of the Purchaser's Solicitor) in respect thereof. The Purchaser shall promptly join in the application as may be necessary. If such consent is refused either party may rescind this agreement. If consent is granted subject to any condition with which either party may be unable or reasonably unwilling to comply that party may give to the other notice in writing that the conditional consent is unacceptable to him and thereupon the consent shall be deemed to have been refused provided that the Vendor on his own election may as an alternative to making application for the consent of the Minister or other authority as aforesaid at his own expense make application to the Minister pursuant to the provisions of the Crown Lands and Other Lands (Amendment) Act, 1970, for a certificate under the hand of the Minister enabling the property to be transferred without such consent.

Insert
"completion"
"this
agreement"
or other
agreed date.

*Delete
words not
applicable.

12.—The Vendor shall not whether before or after completion be bound to contribute to the erection or cost of erection of any dividing fence or wall between the property and any adjoining land owned by the Vendor. If so required the Purchaser shall include in his conveyance or transfer a restrictive covenant on his part in such form as the Vendor shall reasonably require for the benefit of any adjoining land of the Vendor, binding himself and his successors in title, which will exempt the Vendor and his successors in title other than purchasers on sales from liability to make or pay any such contribution.

*Delete words not applicable.
Insert "completion" "this agreement" or other agreed date.

13.—The property is sold ~~with vacant possession~~
subject to existing tenancies, particulars whereof are set out in the Third Schedule hereto, the benefit of which shall be given to the Purchaser at the date of ~~possession~~ completion.

14.—The requirements existing at the date of this agreement of any valid notice issued prior to the date of this agreement by any competent authority or by an owner or occupier of land adjoining the property necessitating the doing of work or expenditure of money on or in relation to the property or any footpath or road adjoining the same must be fully complied with by the Vendor prior to completion and any such requirements not existing at the date of this agreement must subject to completion of this agreement be complied with by the Purchaser who shall indemnify the Vendor in respect thereof. Nothing herein contained shall relieve the Vendor from liability in respect of any work done prior to the date of this agreement upon the property or upon any footpath or road adjoining the same and the Vendor agrees to indemnify the Purchaser against all liability in respect thereof notwithstanding the completion of this agreement. If without default of the Purchaser this agreement is rescinded the Vendor shall repay to the Purchaser any amount expended by the Purchaser in complying with any such requirement which was in the nature of capital expenditure or has resulted in a benefit to the Vendor.

15.—If the Vendor shall be unable or unwilling to comply with or remove any objection or requisition which the Purchaser has made and shall not have waived within 14 days after the Vendor has given him notice of intention to rescind this agreement the Vendor, whether he has or has not attempted to remove or comply with the objection or requisition and notwithstanding any negotiation or litigation in respect thereof and whether the Purchaser has or has not taken possession, shall be entitled by notice in writing to rescind this agreement.

16.—If the Purchaser defaults in the observance or performance of any obligation imposed on him under or by virtue of this agreement the deposit paid by him hereunder, except so much of it as exceeds 10% of the purchase price, shall be forfeited to the Vendor who shall be entitled to terminate this agreement and thereafter either to sue the Purchaser for breach of contract or to resell the property as owner and the deficiency (if any) arising on such resale and all expenses of and incidental to such resale or attempted resale and the Purchaser's default shall be recoverable by the Vendor from the Purchaser as liquidated damages provided that proceedings for the recovery thereof be commenced within 12 months of the termination of this agreement. The Vendor may retain any money paid by the Purchaser on account of the purchase other than the deposit money forfeited under this clause as security for any deficiency arising on a resale or for any damages or compensation (including any allowance by way of occupation fee or for rents or profits from a Purchaser who has been in possession of the property or in receipt of the rents or profits thereof) awarded to him for the Purchaser's default provided that proceedings for the recovery of such damages or compensation be commenced within 12 months of the termination of this agreement.

17.—Should it be established that at the date of this agreement the property was affected by any one or more of the following:

- (a) any provision of any planning scheme, whether prepared or prescribed, or any interim development order made under the provision of the Local Government Act, 1919;
- (b) ~~any Residential District Proclamation under Section 309 of the Local Government Act, 1919;~~
- (c) any proposal for realignment widening siting or alteration of the level of a road or railway by any competent authority;
- (d) ~~any mains or pipes of any water sewerage or drainage authority passing through the property;~~
- (e) ~~any provisions of or under the Mines Subsidence Compensation Act, 1961;~~

Any other matters desired to be disclosed in the Fourth Schedule.

in any manner other than as disclosed in the Fourth Schedule hereto, then the Purchaser shall be entitled to rescind this agreement but shall not be entitled to make any other objection requisition or claim for compensation in respect of any such matter. Any right of the Purchaser to rescind under this clause shall be exercised by notice in writing given to the Vendor prior to completion. In relation to paragraph (c) hereof, the property shall be deemed to be affected by a proposal if the Purchaser produces a written statement of the authority concerned, the substance of which is other than that the property is not affected by any proposal of the authority.

18.—If before transfer of title the Purchaser is given the benefit of possession of the property then until transfer of title

- (a) he shall not let or part with possession of or make any structural alteration or addition to the property;
- (b) he shall
 - (i) keep the property in good repair having regard to its condition at the date of possession and permit the Vendor or his agent at all reasonable times to enter and view the state of repair;
 - (ii) keep all buildings fully insured against fire or as the Vendor may reasonably require and deliver the policy and renewal receipts to the Vendor;
 - (iii) punctually pay all rates and taxes on the property and any necessary apportionment shall be made at the date provided in clause 6 or the date of possession whichever is the earlier; and
 - (iv) comply with the provisions of all statutes and regulations and of any instrument or covenant or order affecting the property.

If the Purchaser shall make default in any of these obligations the Vendor may without notice make good the default and without prejudice to his other rights may recover from the Purchaser as a debt the cost of so doing with interest thereon at 10% per annum until repayment and such amount and interest shall until repayment be a charge on the property.

19.—Where the balance of the purchase price is payable by instalments before transfer of title:

- (a) if default by the Purchaser in payment of any instalment of the purchase price or interest hereunder shall continue for four weeks (in this respect time being of the essence) the balance of the purchase price then owing with accrued interest shall immediately without notice to the Purchaser become due and payable irrespective of the transfer of title;
- (b) the Purchaser shall not be required to tender the assurance as stipulated in clause 4 hereof but shall tender it within 14 days after making the final payment hereunder; and
- (c) the deposit shall be accounted for under clause 1 of this agreement and any necessary authority in that regard shall be given forthwith on the signing of this agreement.

20.—If this agreement is rescinded (as distinct from terminated) pursuant to any express right to rescind (as distinct from a right to terminate) conferred by this agreement the rescission shall be deemed to be a rescission ab initio, and

- (a) the deposit and all other money paid by the Purchaser hereunder shall be refunded to him;
- (b) neither party shall be liable to pay the other any sum for damages costs or expenses; and
- (c) if the Purchaser is or has been in occupation or in receipt of the rents or profits of the property he shall account for or pay to the Vendor the net rents and profits received or a fair occupation rent for the property (whichever is the greater) until the date of rescission but the Vendor shall give the Purchaser credit for any interest paid by the Purchaser and any resulting balance payable by the Purchaser may be deducted by the Vendor from the deposit and other moneys before returning the same to the Purchaser.

21.—Where herein used words importing the singular number or plural number shall include the plural number and singular number respectively and words importing the masculine gender shall include the feminine or neuter gender.

22.—(a) Service of any notice or document under or relating to this agreement:

- (i) may be effected as provided in Section 170 of the Conveyancing Act, 1919; and
 - (ii) shall be sufficient service on a party if effected on his solicitor in any manner provided in that section.
- (b) A notice given or document signed and served on behalf of any party hereto by his solicitor shall be deemed to have been given or served by that party personally.

23.—Schedule III of the Conveyancing Act, 1919, shall not apply to this agreement.

AT. INCLUDED IN THE TITLE AND THE SALE PRICE OF \$ 185,000 - AND ALL THE ARTICLES OF FURNITURE AND FURNISHINGS LISTED IN THE INVENT 24 ATTACHED HERETO MARKED "B"

*Payment of balance of purchase money (Clause 1).
 *If inappropriate delete and substitute agreed terms.

THE FIRST SCHEDULE

*In cash on completion

THE SECOND SCHEDULE

Easements, restrictive covenants, etc. (Clause 7).

1. Reservations and conditions, if any, contained in Crown Grant.
2. Right of footway and carriageway created by Transfer No. L168924 affecting that part of the land within described shown as "right of footway 4 feet wide" on Deposited Plan 534277.
3. Right of footway created by Transfer L168925 appurtenant to the land within described affecting the piece of land shown as "right of footway 3 feet wide and variable width" on D.P. 534277.
4. Easement for Support and overhang created by Transfer L168925 appurtenant to the land within described affecting the piece of land shown as "easement variable width" in D.P. 534277.



THE THIRD SCHEDULE

Part Occupied	Tenant's Name	Nature of Occupancy	Rental
---------------	---------------	---------------------	--------

Termination or Occupancies (Clause 12).

SEE ANNEXURE

THE FOURTH SCHEDULE

Zoning, etc. (Clause 17).

*Delete if not applicable.

*The property is affected as shown in the copy certificate under Section 342AS of the Local Government Act, 1919, annexed hereto.

SIGNED by the Vendor in the presence of

Vendor

SIGNED by the Purchaser in the presence of

Purchaser

Witness

Witness



Purchase Price 185,000.00
 Deposit 18,500.00
 Balance \$166,500.00

Vendor's Solicitor T.G.D. MARSHALL, LANDERS & CO., 251 GEORGE ST., SYDNEY. Tel. No. 27.5555
 Purchaser's Solicitor GADEN, BOWEN & STEWART, 68 PITT ST., SYDNEY. Tel. No. 28.5561

R. T. Kelly Pty. Limited, Printers, 130-2 Castlereagh Street, Sydney
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 11/72

Exhibit "S" - Contract
McMahons Point Property

This is the annexure referred to in Contract for Sale between FRANCIS TREWAVAS HARRIS & WILLIAM JOSEPH REEVE-PARKER as Vendors and RAINBOW RENTALS PTY. LIMITED as Purchaser dated the 25th day of May 1973.

No. 18 East Crescent Street, McMahons Point.

Flat 1	Smith	5A Lease	\$25.00 p.w.	
Flat 2	Barton	5A Lease	\$22.00 p.w.	
Flat 3	Nichols	5A Lease rent controll- ed	\$ 9.00 p.w.	10
Flat 4	Holroyd	Protected tenancy	\$ 4.15 p.w.	
Flat 5	Copland	5A Lease	\$27.00 p.w.	
Flat 6	Cureton	5A Lease	\$25.00 p.w.	
Flat 7	Whitting	Protected tenancy	\$ 4.20 p.w.	
Flat 8	Weatherhead	5A Lease	\$28.00 p.w.	
Flat 9	Toohill	Protected tenancy	\$ 3.15 p.w.	20
Flat 10	Rhys- Davis	5A Lease	\$28.00 p.w.	

No. 20 East Crescent Street, McMahons Point.

Flat 1	M.Binstead	5A Lease	\$24.00 p.w.	
Flat 2	P.Donnelly	5A Lease	\$25.00 p.w.	
Flat 3	M.Drummond	5A Lease	\$24.00 p.w.	
Flat 4	J.M.Parsons	5A Lease	\$24.00 p.w.	
Flat 5	M.Neal	5A Lease	\$24.00 p.w.	
Flat 6	A.Beveridge	5A Lease	\$25.00 p.w.	30
Flat 7	M.McCarthy	5A Lease	\$28.00 p.w.	
Flat 8	M.Cowtan	5A Lease	\$27.00 p.w.	
Flat 9	M.Rodgers	5A Lease	\$27.00 p.w.	

J.B.

"B"

I N V E N T O R Y

FLAT 1/18 EAST CRESCENT STREET, MCMAHOHS POINT - 17/5/73

LOUNGE:

2 divans
1 cupboard
1 chair
1 dressing table 10
carpet

KITCHEN:

1 table
4 chairs
1 Frig (Thorn)
1 gas stove (Roden)
stool curtains
lino

BATHROOM:

1 cabinet 20
1 shower curtain



I N V E N T O R Y

FLAT 2/18 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE:

2 divans
2 mattresses
2 covers
1 wardrobe
2 lounge chairs
1 dressing table
carpet

10

KITCHEN:

1 table
3 chairs
1 Refrigerator
1 Gas stove



I N V E N T O R Y

FLAT 4/18 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE:

1 bed
1 mattress
lino

KITCHEN:

1 Gas Stove
1 Refrigerator

10



I N V E N T O R Y

FLAT 5/18 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE:

1 divan
2 chairs
2 tables
carpet

BEDROOM:

1 double bed
1 cupboard
carpet

10

KITCHEN:

1 table
4 chairs
1 Gas stove
1 Refrigerator
lino

BATHROOM:

1 cabinet
1 shower curtain

20



INVENTORY

FLAT 6/18 EAST CRESCENT STREET, MCMAHONS POINT 17/5/73

LOUNGE:

1 double divan
mattresses
2 lounge chairs
1 table
carpet

10

KITCHEN:

1 table
4 chairs
1 cupboard
1 gas stove
1 refrigerator
lino

BATHROOM:

shower curtain



I N V E N T O R Y

FLAT 8/18 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE:

1 settee
2 chairs
1 coffee table
2 green curtains
1 divan

10

BEDROOM:

1 double mattress
1 chest drawers

BATHROOM:

1 shower curtain
1 cabinet

Handwritten signatures and initials in black ink, including a large signature on the left and smaller initials on the right.

INVENTORY

FLAT 9/18 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE	Cabinet 2 Chairs Small table Carpet Curtains	
BEDROOM	Twin Beds & Mattresses Carpet	10
KITCHEN	Table & four chairs Gas Stove Fridge Lino floor covering	

FLAT 3/18 EAST CRESCENT STREET

Empty.

FLAT 7/18 EAST CRESCENT STREET

Gas Stove
(otherwise empty) 20



I N V E N T O R Y

FLAT 10/18 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE

1 settee
4 chairs
1 coffee table
1 dining table
1 sideboard
phone
carpet

10

BEDROOM:

1 double bed
1 dressing table
1 wardrobe
carpet

KITCHEN?

1 Refrigerator
1 gas stove
lino

20

BATHROOM:

1 cabinet



I N V E N T O R Y

FLAT 1/20 EAST CRESCENT STREET, MCMAHONS POINT - 7/5/73

LOUNGE:

Two single divans & mattresses
One low coffee table
One wicker chair
One small chest four drawers
carpet

10

KITCHEN:

One Refrigerator (G.E.C.)
1 Gas Stove (Roden)
1 table
2 chairs
1 wardrobe
1 broom
curtains
lino

BATHROOM:

20

1 cabinet
1 shower curtain



I N V E N T O R Y

FLAT 2/20 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE:

2 divans & mattresses & covers
1 table
1 two seater settee
1 table
1 cupboard
carpet

10

KITCHEN:

1 table
4 chairs
Refrigerator (G.E.C.)
Gas stove (Roden)
lino

BATHROOM:

Cabinet
shower curtain

20

Handwritten signatures and initials in black ink, including a large stylized signature on the left and a smaller signature or set of initials on the right.

INVENTORY

FLAT 3/20 EAST CRESCENT STREET, MCMAHONS POINT

LOUNGE/BEDROOM TWIN DIVANS & MATTRESSES
 2 EASY CHAIRS
 CARPET AND CURTAINS

KITCHEN GAS STOVE
 FRIDGE
 LINO
 TABLE & 4 CHAIRS

10

FLAT 8/20 EAST CRESCENT STREET

LOUNGE TWO LOUNGE CHAIRS & TABLE
 CARPET
 CURTAINS
 WARDROBE & DRESSING TABLE

KITCHEN Gas Stove & Fridge
 2 Lounge Chairs
 Small Table
 Lino

20

BEDROOM - TWIN DIVANS & MATTRESSES
 CARPET
 WARDROBE



INVENTORY

FLAT 4/20 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE - Settee - 3 seater
Small table
Curtains & Blinds
Carpet

Bedroom - Twin Divans & Mattresses
Lowboy
Curtains & Blind
Carpet

10

Bathroom - Shower Curtains

Kitchen - Table & 4 Chairs
Gas Cooker
Fridge
Lino



I N V E N T O R Y

FLAT 5/20 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE:

1 settee
2 chairs
1 table
carpet

BEDROOM:

1 double bed
mattress
pillow
1 chest 4 drawers
carpet

10

KITCHEN:

1 table
3 chairs
1 cupboard
1 Refrigerator (Ignis)
1 Gas Stove (Roden)
lino

20

BATHROOM:

1 cabinet
1 shower curtain



I N V E N T O R Y

FLAT 6/20 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE:

2 divans & mattresses
2 chairs
cupboard
carpet

KITCHEN:

1 table
3 chairs
1 Refrigerator (G.E.C.)
1 Gas Stove (Roden)

BATHROOM:

1 cabinet

10



I N V E N T O R Y

FLAT 7/20 EAST CRESCENT STREET, MCMAHONS POINT 17/5/73

LOUNGE:

1 divan
4 chairs
1 dining table
4 chairs
1 coffee table
carpet

10

BEDROOM:

2 divans & mattresses
2 pillows
1 wardrobe
Chest of 4 drawers
blind
carpet

KITCHEN:

1 Refrigerator (Ignis)
1 Gas Stove (Roden)
1 blind
lino

20

BATHROOM:

1 cabinet
1 shower curtain



I N V E N T O R Y

FLAT 9/20 EAST CRESCENT STREET, MCMAHONS POINT - 17/5/73

LOUNGE:

Large Table
2 chairs
settee
carpet

BEDROOM:

Double bed & mattress
Chest of drawers & carpet

KITCHEN:

1 Refrigerator
Gas Stove
lino

10



587

Contract For Sale of Land

*Private Treaty by *Public Auction.

*Delete words not applicable

VENDOR'S AGENT. RICHARDSON & WRENCH LTD.,
246 Pacific Highway,
CROWS NEST.

DESCRIPTION OF PROPERTY ALL THAT piece or parcel of land situated in the Municipality of North Sydney, Parish of Willoughby and County of Cumberland being the whole of the lands contained in in Certificates of Title Volume 11036 Folios 38 and 39 and being Lot 19 and part of Lot 18 in Deposited Plan 6002 and Lot 20 in Deposited Plan 6002 respectively together with improvements erected thereon and known as 18-20 East Crescent Street, McMahons Point.

~~AUCTION CONDITIONS - Upon a sale by auction:~~

- (a) the highest bidder shall be the Purchaser. In case of any dispute the property shall be put up again at any former bidding and no bidding shall be retracted.
- (b) the sale is subject to a reserve price and the right to bid is reserved on behalf of the Vendor.
- (c) upon the fall of the hammer the Purchaser shall sign the following agreement the conditions of which, with these conditions, are the conditions of the sale by auction.

Vendor's full name, address and occupation.

AGREEMENT made the 22ND day of February 1979
BETWEEN KOORAGANG INVESTMENTS PTY. LIMITED of 213 Miller Street, North Sydney exercising power of sale pursuant to Memorandum of Mortgage No.

Purchaser's full name, address and occupation.

(herein called the Vendor) of the one part
AND ASWAN PTY. LIMITED a Company duly incorporated and having its registered office at 2 McManus Street, North Sydney.

(herein called the Purchaser) of the other part

*Delete words not applicable

WHEREBY the Vendor agrees to sell and the Purchaser agrees to purchase, if more than one as *JOINT TENANTS/*TENANTS IN COMMON IN THE FOLLOWING SHARES:

with joint and several liability under this agreement, the property above described (herein referred to as "the property") for the sum of

ONE HUNDRED AND SIXTY THOUSAND DOLLARS (\$160,000.00) (S)

upon and subject to the following terms and conditions:-

1.- The Purchaser shall upon the signing of this agreement pay as a deposit to the Vendor's Agent herein named as stakeholder the sum of

SIXTEEN THOUSAND DOLLARS (\$16,000.00) (S)

which shall vest in the Vendor upon and by virtue of completion and which shall be accounted for to the Vendor upon receipt of an order from the Purchaser or his Solicitor authorising such payment. The deposit may be paid by cheque but if the cheque is not honoured on presentation the Purchaser shall immediately and without notice be in default under this agreement.

The balance of the purchase price shall be paid as stipulated in the First Schedule hereto. Any moneys payable to the Vendor hereunder by the Purchaser or the Agent shall be paid to the Vendor's Solicitor or as he may direct in writing.

*Delete words not applicable

2.- The title to the land is under.

*THE REAL PROPERTY ACT, 1900, (not being Qualified Title or Strata Title)

*STRATA TITLE (Conveyancing (Strata Title) Act, 1961).

*OLD SYSTEM

*QUALIFIED TITLE (Part IVA of the Real Property Act and Old System)

*CROWN LANDS (CONSOLIDATION) ACT, 1913.

*OTHER ACT RELATING TO CROWN LANDS, namely.

3.- After the date of this agreement and within a reasonable time after written request by the Purchaser or prior thereto if the Vendor so desires the Vendor shall furnish to the Purchaser a written statement of his title which shall comprise:-

(a) FOR LAND UNDER THE REAL PROPERTY ACT (including Strata Title): particulars of title and the form of any restrictive covenant easement or other interest to be created by the transfer sufficient to enable the Purchaser to prepare the transfer. The Purchaser shall not be entitled to an abstract of any document affecting the title. Any instrument in respect of which a caveat is entered on the register shall, if in the possession of the Vendor or of any mortgagee of the property, be produced to the Purchaser free of charge;

(b) FOR LAND UNDER OLD SYSTEM TITLE: a proper abstract of his title together with the form of any restrictive covenant easement or other interest to be created by the conveyance. For the purpose of this clause a proper abstract of the Vendor's title may as to relevant documents to be abstracted comprise or include photographic copies (being themselves legible) of such documents PROVIDED THAT where the abstract includes any photographic copy of a document the Vendor shall furnish as part of his abstract and in addition to the foregoing requirements a chronological index of all the facts events and documents which comprise his title stating as regards the documents to be so indexed brief particulars of -

(i) the date of the document; (ii) its general nature; (iii) the parties to the document; and (iv) its registration details.

~~The Vendor shall not be called upon to abstract the Crown Grant unless it is the only good root of title or to abstract produce or furnish a covenant to produce any deeds or documents in support of the title or in verification of the abstract which are not in the possession of the Vendor or of any mortgagee of the property. No objection shall be made to the execution of any document under a power of attorney authorising its execution;~~

- (c) FOR LAND UNDER QUALIFIED TITLE: paragraph (a) of this clause shall apply to that part of the title evidenced by instruments registered under the Real Property Act and paragraph (b) shall apply to that part of the title not so evidenced;
- (d) FOR LAND UNDER ANY ACT RELATING TO CROWN LANDS: particulars of title sufficient to enable the Purchaser to prepare his transfer and an abstract of title as provided in paragraph (b) of this clause in respect of the relevant facts and the documents of title which are not in a form prescribed by or pursuant to the Act under which the land is held and the form of any restrictive covenant easement or other interest to be created by the transfer or conveyance;
- (e) ~~FOR LAND UNDER MORE THAN ONE TITLE: a statement of title shall not be complete until furnished in respect of such title to the property.~~

4.- The Purchaser shall be deemed to have waived any objection or requisition which he has not made and delivered to the Vendor within twenty-one days after the delivery of the Vendor's statement of title. Within twenty-eight days from the delivery of the Vendor's statement of title the Purchaser shall at his own expense tender to the Vendor for execution the appropriate assurance of the property provided however that if the assurance requires the consent of the Minister for Lands or other prescribed authority the time for tender thereof under this clause shall be the twenty-eighth day period aforesaid or fourteen days from the notification to the Purchaser of the consent having been granted, whichever is the later.

5.- No error or misdescription of the property shall annul the sale but compensation if demanded in writing before completion but not otherwise shall be made or given as the case may require, the amount to be settled in case of a difference by an arbitrator appointed by the parties by mutual agreement or failing agreement nominated by the President for the time being of The Law Society of New South Wales, Clause 15 hereof shall not apply to any such claim for compensation.

Insert
"completion"
"this
agreement"
or other
agreed date.

6.- The Vendor shall be entitled to the rents and profits and shall pay or bear all rates taxes and outgoings up to and including the date of ^{completion} from which date the purchaser shall be entitled to and shall pay or bear the same respectively and any necessary apportionment thereof shall be made and adjusted on completion. Where the Vendor has paid or is liable to pay land tax on the property for the year current at the date of apportionment whether to the Commissioner of Land Tax or to a predecessor in title the amount to be apportioned as land tax under this clause shall be the sum which would have been payable by the Vendor for land tax on the property as used by him if the property had been owned and was the only land owned by him at midnight on 31st December then last past and the Vendor were a natural person.

7.- No objection or requisition or claim for compensation shall be made by the Purchaser in respect of any of the following matters:

- (a) the ownership or location of any dividing fence as defined by the Dividing Fences Act, 1951;
- (b) any water supply or sewerage or drainage service to the property being a joint service with any other property, the water supply sewerage or drainage pipes or connections for the property passing through other land or the water supply sewerage or drainage pipes or connections for any other land ~~(not being mains or pipes of any water sewerage or drainage authority) passing through the property;~~ including
- (c) any wall being a party wall in any sense of that term;
- (d) any exception reservation or condition contained in any relative Crown Grant;
- (e) the existence of any other exception or reservation ~~the existence of which is disclosed in the Second Schedule hereto;~~
- (f) the existence of or departure from the terms of any easement or restrictive covenant affecting the property provided that the substance of any such easement or restrictive covenant is disclosed in the Second Schedule hereto.

~~8.- If the property sold is or is intended to be a lot on a Strata Plan within the meaning of the Conveyancing (Strata Titles) Act, 1961, (in this clause called "the Act") then the Purchaser shall take title subject to the provisions of the Act and the Regulations thereunder in general and in particular to the following matters:-~~

- (a) the by-laws of the Body Corporate created or to be created by virtue of the registration of the Strata Plan as contained in the First and Second Schedules to the Act subject only to such conditions variations or deletions as are in substance disclosed in this agreement;
- (b) clause 7 of this agreement shall be read as applying equally to the property and to the parcel (as defined by the Act).
- (c) For the purpose of this agreement:
- (i) "outgoings" shall include contributions to the Body Corporate pursuant to Section 15 (2) of the Act;
- (ii) unless and until separate assessments of rates and taxes are issued in respect of the said lot or lots by the relevant authorities all necessary adjustments between the parties (whether on or after completion) shall be made on the basis that the lot shall be liable to that proportion of any such rates taxes and outgoings (other than land tax) levied or assessed against the parcel (as defined by the Act) as a whole which the unit entitlement of such lot or lots bears to the total entitlement of all lots comprised in the Strata Plan; and
- (iii) unless and until contributions under Section 15 (2) of the Act are fixed outgoings paid by the Vendor which would properly be the subject of such contributions when fixed shall be adjusted between the parties on the same basis as provided in paragraph (ii) of this sub-clause.
- (d) If the Strata Plan has not been registered the Vendor shall take all necessary steps to have it registered and completion of this agreement is subject to the Plan being registered within a reasonable time after the date hereof or such other time may be specified expressly or by necessary implication in this agreement.
- (e) The Purchaser shall not make any objection requisition or claim in respect of:
- (i) any minor variations as regards the subject lot between the Strata Plan produced to the Purchaser and the Strata Plan as registered which may be required by any statutory authority or by the Registrar-General; or
- (ii) any minor alterations which may be required by any statutory authority or by the Registrar-General in the number size location or unit entitlement of any lot or lots in the Strata Plan (other than the subject lot) or in or to the common property provided that the proportionate unit entitlement of the subject lot shall not thereby be varied;
- (f) notwithstanding any rule of law or equity to the contrary the risk of the property sold shall not pass to the Purchaser until completion;
- (g) the property is sold subject to a warranty that the Vendor is not aware of:
- (i) any actual or contingent liabilities of the Body Corporate of the said Strata Plan (other than for normal operating expenses); or
- (ii) any defects (whether patent or latent) in the common property which may involve the said Body Corporate in the expenditure of money for repair or replacement (other than for ordinary wear and tear);
- (h) without prejudice to any rights arising under the last preceding sub-clause if it should be established prior to completion that there is any actual or contingent liability of the Body Corporate of the said Strata Plan (other than for normal operating expenses) then the Purchaser shall be entitled to rescind this agreement.

STRATA TITLE - SUBSTITUTED CLAUSE 8 TO BE ANNEXED

~~9.- If the property sold is land under Qualified Title, notwithstanding the provisions of the Real Property (Conversion of Title) Amendment Act, 1967, and save as herein otherwise provided expressly or by necessary implication the provisions of the Conveyancing Act, 1919, which do not apply exclusively to land under the provisions of the Real Property Act, 1900, shall be deemed to apply, mutatis mutandis, to that part of the title of the land subject to this agreement which is not evidenced by instruments registered under the provisions of the Real Property Act, 1900.~~

(b) if the Purchaser so requires the Vendor shall in addition to any transfer give a conveyance of his title.

10.- If the property sold is land under any Act relating to Crown Lands:

- (a) if the time for issue of a certificate of conformity has passed the Vendor shall at his own expense produce the certificate or an official letter stating that the certificate was issued;
- (b) land held under a purchase tenure is sold* subject to/free from all money payable to the Crown to complete the purchase. When the same is subject to payment by the Purchaser of the money last mentioned the Vendor shall pay any postponed debt and interest shall be apportioned as an outgoing under Clause 6 hereof; and
- (c) the rent of the land held under a leasehold tenure shall be apportioned as an outgoing under Clause 6 hereof.

* Delete words not applicable.

11.- The Vendor shall apply for any necessary consent of the Minister for Lands or other prescribed authority to the transfer of the property or any part of it whether still under Crown tenure or not and shall pursue such application and shall pay all costs and fees (other than those of the Purchaser's Solicitor) in respect thereof. The Purchaser shall promptly join in the application as may be necessary. If such consent is refused either party may rescind this agreement. If consent is granted subject to any condition with which either party may be unable or reasonably unwilling to comply that party may give to the other notice in writing that the conditional consent is unacceptable to him and thereupon the consent shall be deemed to have been refused provided that the Vendor on his own election may

MUNICIPALITY OF NORTH SYDNEYCERTIFICATE UNDER SECTION 342AS OF THE LOCAL GOVERNMENT ACT,1919.ORDINANCE 107Description of Land

Municipality of North Sydney	County of Cumberland
Parish of Willoughby	Postal District ROCKHAMPTON 1811
Street East Crescent Street	House No. or Name 1811 20
Lot or Portion	Section
Deposited Plan or Estate	

The above particulars have been accepted from the application form and the information refers to land so identified.

In accordance with the provisions of Clause 9 of Ordinance 107 the following information is furnished in respect to the abovementioned land:—

- The land is within an area zoned/reserved by North Sydney Planning Scheme for the purpose of:—
Residential "A" (Zone No. 2(a)) (See attached Schedule)
- The land is/is not situated within a Foreshore Scenic Protection Area under the North Sydney Planning Scheme.
- In accordance with the provisions of Section 342K, the North Sydney Planning Scheme was prescribed by Ordinance published in Government Gazette No. 35, of 19th April, 1963, and subsequently amended.
- The abovementioned land is/is not within a Residential District proclaimed under Section 309 of the Local Government Act, 1919, the operation of which is suspended where inconsistent with any of the provisions of the North Sydney Planning Scheme Ordinance or with any consent given thereunder.
- This land has/has not been subject to a Development Application approval/refusal within the one year period prior to the date of issue of this certificate. Council's Register of Consents may be searched at the Town Planning Department of the North Sydney Council in respect of any previous approvals or refusals affecting the subject property.
- A Proclamation under Section 314A of the Local Government Act varying some provisions of Schedule 7 of the Act and Ordinance 71 does/does not apply to this property.
- ~~The land is/is not affected by the provisions of the North Sydney Amending Scheme No. _____ exhibited to the general public for comment on the _____
The scheme maps and ordinance may be inspected in the Town Planning Department of the North Sydney Municipal Council during ordinary office hours.~~

NOTE (1):

This land is/is not within an area classified under the Code to control the Siting, Form, Height and Density of all Residential Buildings within the Municipality of North Sydney, as adopted by Council on 8th November, 1972, and as later amended.

Classification—R. 6

An application for any proposed residential development is required to be submitted to and approved by Council, each application being treated on its merits, notwithstanding compliance with the provisions of the above Code. Applications shall also comply with the provisions of any Precinct Plan adopted by Council for the area in which this land is situated.

NOTE (2):

A residential building or a dwelling-house, other than a terrace building, shall not be erected in Zones Nos. 2(a), 2(b) or 2(c) on any land which has an area of less than 5,000 square feet and a frontage of less than 50 feet to a road. Provided that the responsible authority may consent to the erection of a dwelling-house or residential building on any irregular parcel of land within such zones of not less than 5,000 square feet and a frontage of not less than 12 feet to a road.

An hotel shall not be erected on any land which has an area of less than 15,000 square feet.

Nothing in this Ordinance shall operate to prohibit:—

- the erection of a dwelling-house in Zone No. 2(a) or 2(b) on any allotment of land if such allotment was in existence as a separate allotment of land on the appointed day; or
- the erection, with the consent of the responsible authority, of a residential building in Zone No. 2(a) on any allotment of land if such allotment was in existence as a separate allotment of land on the appointed day.

Note: Zone No. 2(a) — (Residential "A"); Zone No. 2(b) — (Residential "B"); Zone No. 2(c) — Residential (Special Redevelopment).

NOTE (3):

Any views now enjoyed by properties within Residential "A" and Residential "C" Zones may well be affected by the erection of future residential flat buildings.

NOTE (4):

See Note (4) re Tree Preservation Order on the back of this sheet.

Issue to: Roland W. Gridiger & Co. D. W. GEDDES,

TOWN CLERK

Per 

Municipality of North Sydney

Date

Exhibit "T" - Contract

792.

Kooragang & Aswan

COLUMN I	COLUMN II	COLUMN III	COLUMN IV	COLUMN V
	Colour or indication on Scheme map	Purposes for which buildings or works may be erected or carried out or used without the consent of the responsible authority.	Purposes for which buildings or works may be erected or carried out or used only with the consent of the responsible authority.	Purposes for which buildings or works may not be erected or carried out or used.
		Dwelling houses other than semi-detached and terrace buildings.	Any purposes other than those permitted by Column III or prohibited by Column V	Bulk stores; car parking stations; car repair stations; commercial premises; generating works; hotels; industries other than home industries; institutions; junk yards; liquid fuel depots; mines; motels; motor showrooms; places of assembly; refreshment rooms; service stations; sawmills; shops; transport terminals; warehouses.
		Dwelling houses other than semi-detached and terrace buildings.	Roads; drainage; open space.	Any purpose other than those permitted by Column III and Column IV.
		Dwelling houses other than semi-detached and terrace buildings.	Dwelling houses; residential buildings; roads, drainage; open space.	Any purpose other than those permitted by Column IV
		Dwelling houses other than semi-detached and terrace buildings.	Dwelling houses; residential buildings; roads, drainage; open space.	Any purpose other than those permitted by Column IV

Zone

RESIDENTIAL: Light scarlet tint
 2(a) Residential "A"

2(b) Residential Light scarlet tint with dark scarlet edgings and lettered 2(b)

2(c) Residential Light scarlet tint with dark edgings and letter 2(c)

METROPOLITAN WATER SEWERAGE AND DRAINAGE BOARD
DIAGRAM OF SANITARY DRAINAGE

MS. 736

Municipality of *NORTH SYDNEY* SEWER AVAILABLE

Diagram No. 470884

- SYMBOLS AND ABBREVIATIONS**
- | | | | |
|-----------------------|--------------------------|-------------------|--------------------------|
| □ Boundary Trap | □ RV. Reflex Valve | I.P. Induct Pipe | Bsn. Basin |
| □ G.I. so Interceptor | □ Cleaning Eye | M.F. Mica Flap | Shr. Shower |
| □ S.P. Trap | ○ VERT. Vertical Pipe | T. Tees | W.I.P. Wrought Iron Pipe |
| □ Reflux Sink | ○ V.P. Vent. Pipe | K.S. Kitchen Sink | C.I.P. Cast Iron Pipe |
| | ○ S.V.P. Soil Vent. Pipe | W.C. Water Closet | F.W. Floor Waste |
| | ○ D.C.C. Down Cast Cowl | B.W. Bath Waste | W.M. Washing Machine |

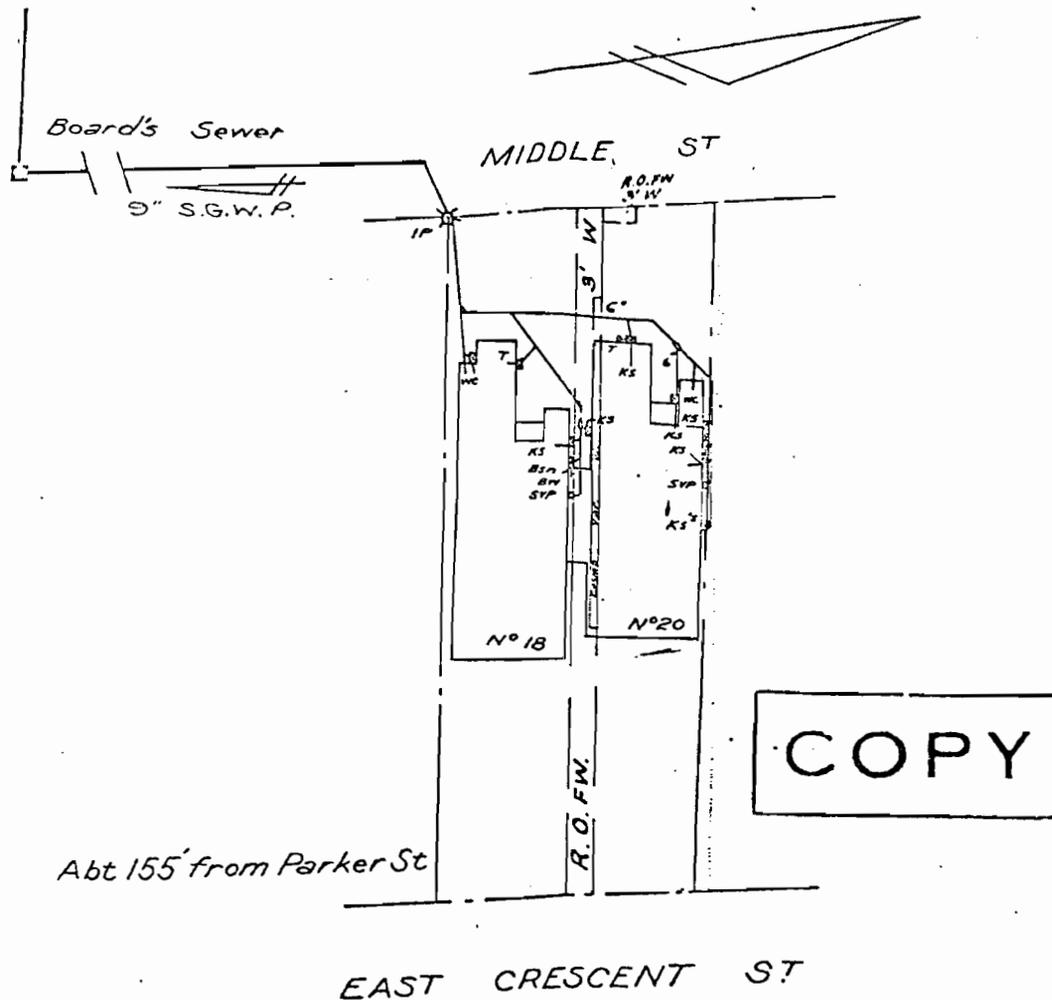
Existing drainage shown by black lines Scale: 40 Feet to an inch
 Proposed new drainage shown by full blue lines.

This diagram is the property of the Owner and is to be returned to him on completion of the work.

Subject to application, certificates for drainage and sanitary plumbing will be issued to the owner when the work is completed and passed by the Board's Inspector.

~~This diagram carries no responsibility for the suitability of the diagram in relation to the eventual position of the Board's sewer. If sewer becomes available it will be necessary to apply for a revised diagram.~~

This work must be carried out in accordance with the Board's By-laws.



COPY

SHEET No. 597

H. Kennedy 19 JUN 1973
 FOR ENGINEER-IN-CHIEF

OFFICE USE ONLY			
DESIGN	DATE	INSPECTOR	FIRST VISIT SUPERV'SN PASSED DATE
..... W.C. Designed by	Inspector
..... Bth	Date	Inspector
..... Shr	Outfall	Checked
..... Bsn	ML
..... K.S.	LL
..... T	Drainer	308 623
..... Ptg	Boundary Trap <input checked="" type="checkbox"/> is	
..... Dge.Int.	required.	
..... Dge.Ext.		

Exhibit "T" - Contract
 794. Kooragang & Aswan

E. C. BANKS & Co

LAND, MINE and
ENGINEERING SURVEYORS

TOWN PLANNERS

25 1030 & 941365

EDMOND CLIFFORD BANKS
NORMAN TEMPLE BANKS
ELAVI CLIVE BANKS

DALTON HOUSE,
115 PITT STREET,
SYDNEY.

Also at 7 MANLY ROAD, SEAFORTH

Surveyors Certificate

Quote C/1488/27-112.

MESSRS. J.E.A. FLORANCE & FLORANCE SOLICITORS MANLY.

RE: REEVE-PARKER & W.J. HARRIS FROM MURPHY - EAST CRESCENT
STREET AND MIDDLE STREET McMAHONS POINT

WE HAVE SURVEYED part of the land comprised in Certificate of Title Volume 5479 Folio 38 being Lot 20 as shown on Deposited Plan Number 6002 situated in the Municipality of North Sydney in the Parish of Willoughby and having frontages of 30'0" to East Crescent Street and Middle Street by depths varying from 170'11½" to 171'4½".

10

WE HEREBY CERTIFY that erected partly on the land is a brick two storey flat building with a fibro third storey on stone foundations with a tile roof which stands in the position shown with relation to the boundaries of the allotment. The property is known as No. 20 East Crescent Street.

The brick building encroaches 1'9½" to 1'11" on Lot 19. The property appears on inspection to have been erected well

Exhibit "T" - Contract
795. Kooragang & Aswan

Exhibit "T" - Contract
Kooragang & Aswan

before the date of the commencement of the Local Government Act 1919 and the provisions thereof do not apply.

Part of Lot 19 is used as an entrance to this property from East Crescent Street and Middle Street.

Stone walls stand within the land as shown.

There are no other encroachments by or upon adjoining properties.

E.C. Banks & Co.

10

Surveyors Certificate

for

Property at EAST CRESCENT STREET
AND MIDDLE STREET
MORNINGTON POINT.

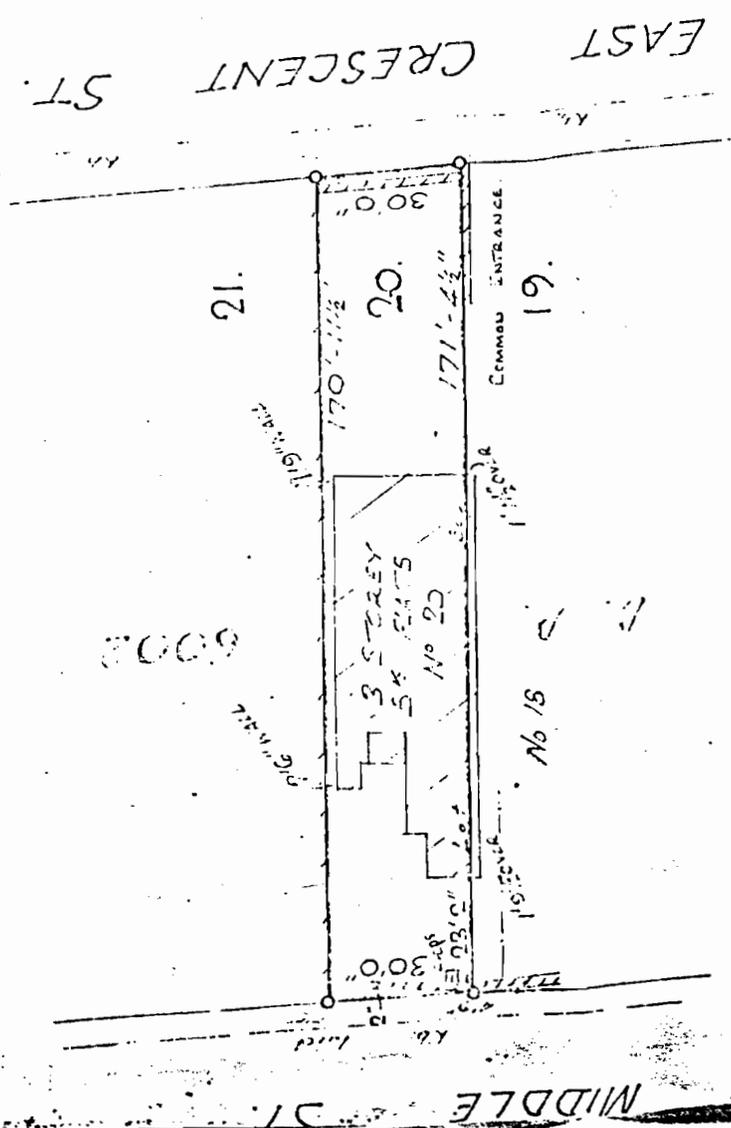
Re FRANKLIN PARKER & W. J. HARRIS

FRANKLIN PARKER.

E.C. BANKS & CO.

Surveyors

Sydney



I, **NORMAN TEMPLE BANKS**
 a Surveyor registered under the Surveyors Act, of
 E.C. BANKS AND COMPANY, SURVEYORS, SYDNEY,
 hereby certify that the survey represented in this
 plan was made by me in accordance with regulation 45
 of the Survey Practice Regulations.

Norman T. Temple
 Surveyor.

Scale 40 feet to 1 inch
 Book 9/1498
 Certificate 27-112
 Dated 22nd Feb., 1938.

E. C. BANKS & CO

EDMOND CLYDE BANKS
MORRIS TRENKLE BANKS
EDMOND CLYDE BANKS

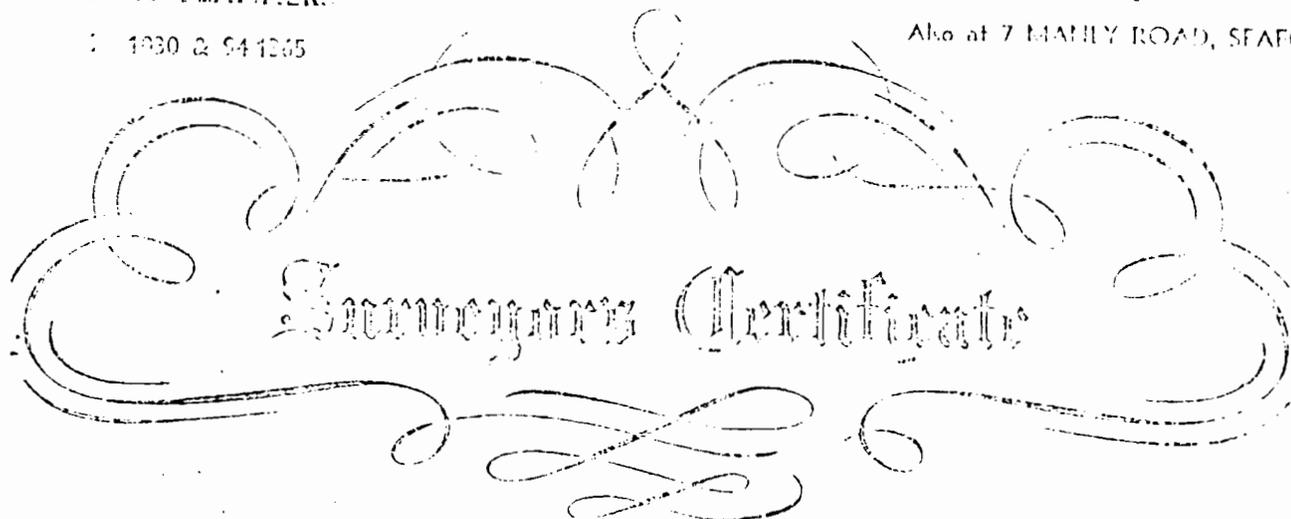
DALTON HOUSE,
115 PITT STREET,
SYDNEY.

Also at 7 MAHLY ROAD, SEAFORTH

LAND, MINE and
ENGINEERING SURVEYORS

TOWN PLANNERS

1930 & 941365



Quote C/1488/27-113.

MESSRS. J.E.A. FLORENCE & FLORENCE SOLICITORS MANLY.

RE: REEVE-PARKER & W.J. HARRIS FROM MURPHY - EAST CRESCENT
STREET AND MIDDLE STREET McMAHONS
POINT

WE HAVE SURVEYED part of the land comprised in Certificate of Title Volume 5479 Folio 38 being Lot 19 and part of Lot 18 as shown on Deposited Plan Number 6002 situated in the Municipality of North Sydney in the Parish of Willoughby and having frontage of 40'0" to East Crescent Street and Middle Street by depths varying from 171'4½" to 172'0".

10

WE HEREBY CERTIFY that erected thereon is a brick two storey flat building with a fibro third storey on stone foundations with a tile room which stands as shown well within the boundaries of the land and is known as No. 18 East Crescent Street. ALSO a brick building used as a flat stands wholly within the land as shown.

Exhibit "T" - Contract
Kooragang & Aswan

The property appears on inspection to have been erected well before the date of the commencement of the local Government Act 1919 and the provisions thereof do not apply.

WE FIND THAT an adjoining brick building encroaches 1'9½" to 1'11½" on subject land. Part of Lot 19 is used as an entrance to the building on Lot 20 from East Crescent Street and Middle Street.

The Southern fence stands 8" outside the boundary. Brick and stone frontage walls stand within the land as indicated.

10

There are no other encroachments by or upon adjoining properties.

E.C. BANKS & CO.

REGISTERED SURVEYORS N.S.W.

DATE OF SURVEY 22nd Feb., 1968.

Surveyors Certificate

for

Property at EAST CRESCENT ST. AND MIDDLE ST. MOUNDHOLES POINT.

Re REVE-PANER & W.E. HAKEL

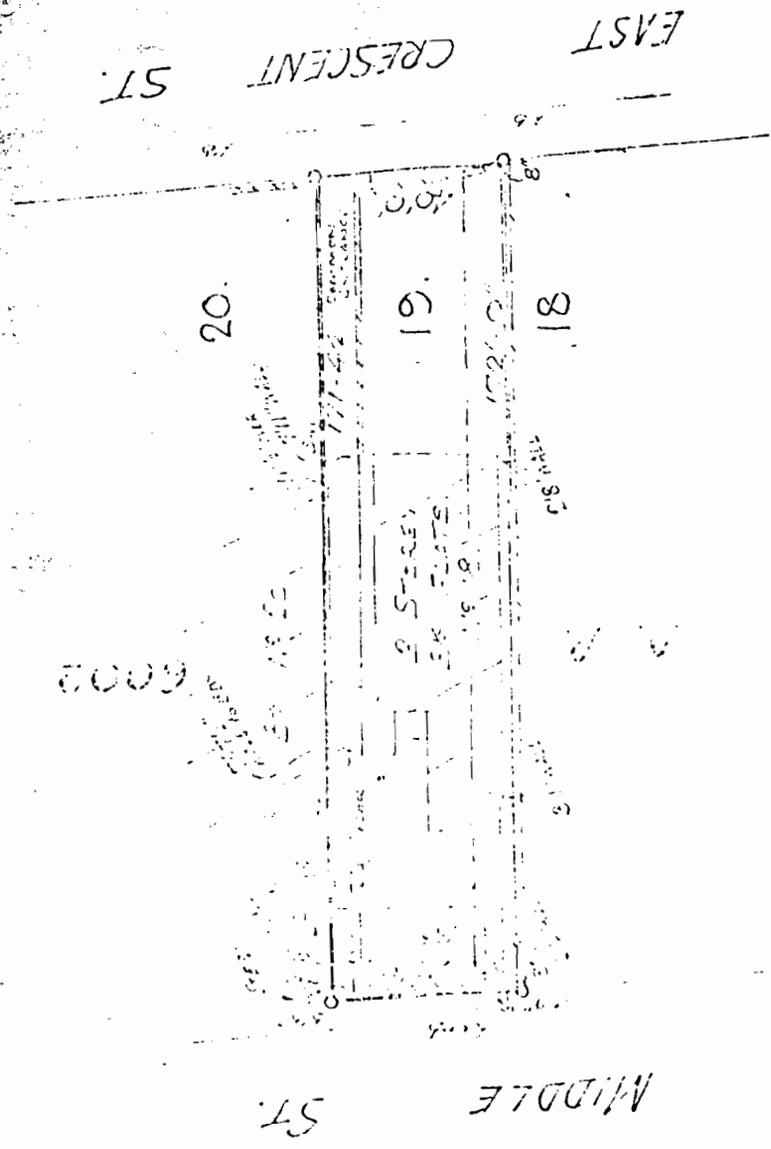
FROM MURPHY.

Exhibit "7" - Contract 800. Koorang & Aswan

E.C. BANKS & CO

Surveyors

Sydney



I, **EDWARD E. BANKS**, a Surveyor registered under the Surveyors Act, 1908, E.C. BANKS AND COMPANY, SURVEYORS, SYDNEY, hereby certify that the survey represented in this plan was made by me in accordance with regulation 45 of the Survey Practice Regulations, 1905.

Edward E. Banks

Scale. 40 feet to 1 inch
 Field Book No. 111
 Certificate No. 111
 Survey No. 111, 1908.



FORM 57/5

ADDRESS ALL MAIL TO
RENT CONTROLLER
BOX NO. 464
HAYMARKET, N.S.W. 2000

IN REPLY QUOTE
No.

REL.219231

ENQUIRIES TO
TELEPHONE 26 1501 EXT.

Mrs.Nuttall

42

AN.SS

RENT CONTROL OFFICE

Anthony Hordern's Building
674-676 George Street
(Lottery Office Entrance)
SYDNEY

Messrs.Roland E.Gridiger & Co.,
Solicitors,
112 Castlereagh Street,
SYDNEY. 2000.

24th May, 1973.

Dear Sirs,

LANDLORD & TENANT (AMENDMENT) ACT, 1948.

Notification as to determination (or fixation by agreement) rent of
SHARED ACCOMMODATION premises situated at :

18 East Crescent Street, McMahons Point. (Your ref: REG:JPM -- Group
Unity Sec.Pty.Ltd,from Harris)

In response to your request made under Section 52 or 57 of the Act I
advise that the records of this Office disclose that the fair rent of the above-
mentioned premises has been fixed by a determination or by agreement under Section
17A (where indicated). The details of the last determination, variation or agree-
ment are set out hereunder :

<u>Date Determined or Varied</u>	<u>No. of Unit or Room (as per plan attached)</u>	<u>Furnished or Unfurn.</u>	<u>Determined Fair Rent</u>
18th May, 1967	Rooms 1.11.21	Unfurnished	\$4.45 per week
"	" 2.12	"	4.15 "
"	" 3.13	"	3.50 "
"	" 7.17.27.31	"	4.20 "
"	" 9.19.29	"	3.15 "
"	" 8.18	"	4.70 "
22nd September, 1962	" 4.14.24.34	"	3.70 "
"	" 5.15.25.37	"	3.80 "
"	" 6.16	"	3.10 "

All occupants share portions 10.20.22.33.35.

There is no record in this Office of a determination in respect of the Head
Rent of the subject premises and no Section 17A agreement has been registered in this
Office.

It is further advised that a Section 5A lease between Murphy and Hurme in
respect of Flat 5 was registered on approximately 11th March, 1964. The term was for
26 weeks thence weekly, from 23rd December, 1963, at a rental of \$10.50 per week. The
particulars quoted concerning this lease were obtained from the Section 5A Register
and not from the certified copy, which is at the Government Records Repository.

Yours faithfully,

Delegate of the Rent Controller and
Clerk of the Fair Rents Board.

NOTE:

This information refers only to the address quoted by you and does not
necessarily take into account any change in street name or number which
may have occurred since the date of any determination of rent. In such
circumstances a further search by you may be advisable.

Details of Section 5A leases or Section 17A agreements furnished relate
only to the last document registered in respect of a particular premises
or unit.

R/i/72

Exhibit "T" - Contract
801. Kooraganq & Aswan

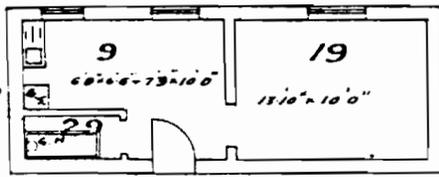
Exhibit "T" - Contract
Kooragang & Aswan

MEMO:

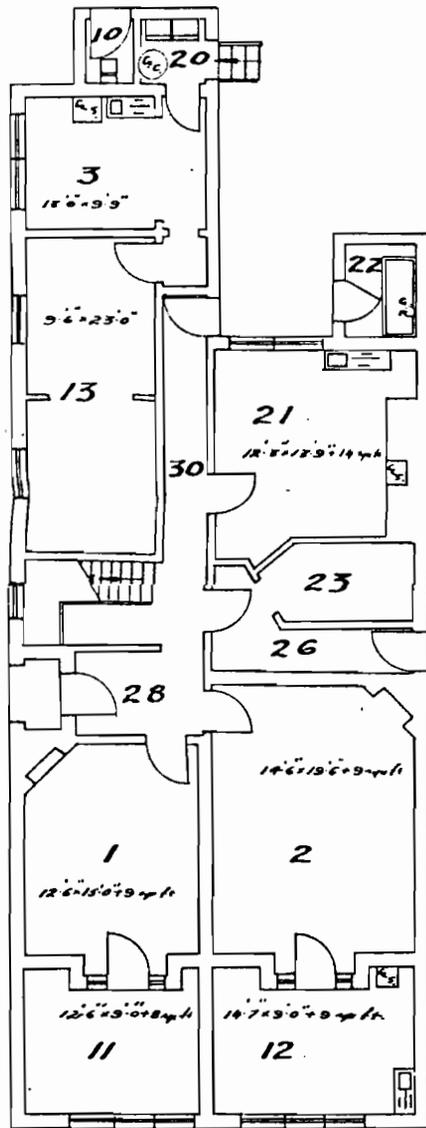
It is noted that you have made a request for Section 57 information in respect of a number of premises in the one letter.

As each premises is separately recorded in this Office, considerable delay can occur when a group of premises are all embodied in one letter.

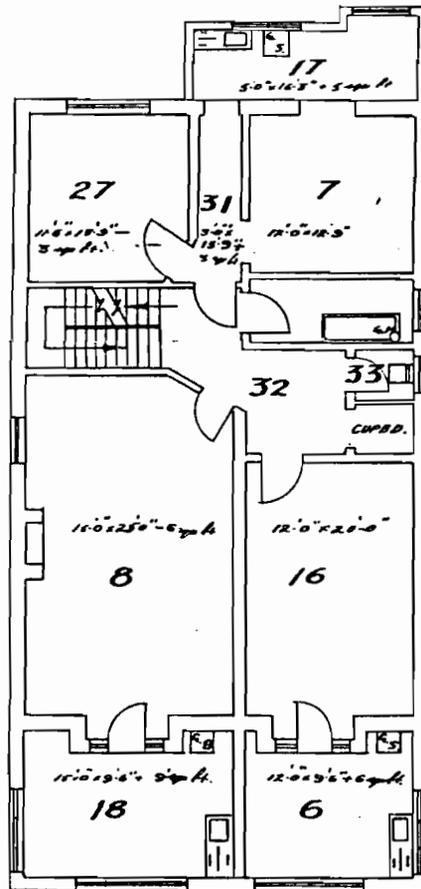
It is therefore requested that where separate premises are involved, individual letters be forwarded.



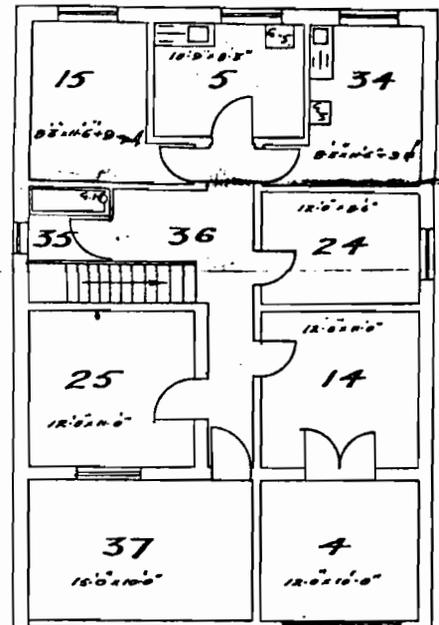
75.3.6



GROUND FLOOR



FIRST FLOOR



SECOND FLOOR

File No.	RENT CONTROL OFFICE	DWG No. 55726
10.	18 EAST CRES. ST.	
Date	McMAHON'S POINT	

as an alternative to making application for the consent of the Minister or other authority as aforesaid at his own expense make application to the Minister pursuant to the provisions of the Crown Lands and Other Lands (Amendment) Act, 1970, for a certificate under the hand of the Minister enabling the property to be transferred without such consent.

12.—The Vendor shall not whether before or after completion be bound to contribute to the erection or cost of erection of any dividing fence or wall between the property and any adjoining land owned by the Vendor. If so required the Purchaser shall include in his conveyance or transfer a restrictive covenant on his part in such form as the Vendor shall reasonably require for the benefit of any adjoining land of the Vendor, binding himself and his successors in title, which will exempt the Vendor and his successors in title other than purchasers on sales from liability to make or pay any such contribution.

*Delete words not applicable

†Insert "completion" "this agreement" or other agreed date.

13.—The property is sold
*with vacant possession
*subject to existing tenancies, particulars whereof are set out in the Third Schedule hereto,
the benefit of which shall be given to the Purchaser at the date of [†] completion

14.—The requirements existing at the date of this agreement of any valid notice issued prior to the date of this agreement by any competent authority or by an owner or occupier of land adjoining the property necessitating the doing of work or expenditure of money on or in relation to the property or any footpath or road adjoining the same must be fully complied with by the Vendor prior to completion and any such requirements not existing at the date of this agreement must subject to completion of this agreement be complied with by the Purchaser who shall indemnify the Vendor in respect thereof. Nothing herein contained shall relieve the Vendor from liability in respect of any work done prior to the date of this agreement upon the property or upon any footpath or road adjoining the same and the Vendor agrees to indemnify the Purchaser against all liability in respect thereof notwithstanding the completion of this agreement. If without default of the Purchaser this agreement is rescinded the Vendor shall repay to the Purchaser any amount expended by the Purchaser in complying with any such requirement which was in the nature of capital expenditure or has resulted in a benefit to the Vendor.

15.—If the Vendor shall be unable or unwilling to comply with or remove any objection or requisition which the Purchaser has made and shall not have waived within 14 days after the Vendor has given him notice of intention to rescind this agreement the Vendor, whether he has or has not attempted to remove or comply with the objection or requisition and notwithstanding any negotiation or litigation in respect thereof and whether the Purchaser has or has not taken possession, shall be entitled by notice in writing to rescind this agreement.

16.—If the Purchaser defaults in the observance or performance of any obligation imposed on him under or by virtue of this agreement the deposit paid by him hereunder, except so much of it as exceeds 10% of the purchase price, shall be forfeited to the Vendor who shall be entitled to terminate this agreement and thereafter either to sue the Purchaser for breach of contract or to resell the property as owner and the deficiency (if any) arising on such resale and all expenses of and incidental to such resale or attempted resale and the Purchaser's default shall be recoverable by the Vendor from the Purchaser as liquidated damages provided that proceedings for the recovery thereof be commenced within 12 months of the termination of this agreement. The Vendor may retain any money paid by the Purchaser on account of the purchase other than the deposit money forfeited under this clause as security for any deficiency arising on a resale or for any damages or compensation (including any allowance by way of occupation fee or for rents or profits from a Purchaser who has been in possession of the property or in receipt of the rents or profits thereof) awarded to him for the Purchaser's default provided that proceedings for the recovery of such damages or compensation be commenced within 12 months of the termination of this agreement.

17.—Should it be established that at the date of this agreement the property was affected by any one or more of the following:

- (a) any provision of any planning scheme, whether prepared or prescribed, or any interim development order made under the provision of the Local Government Act, 1919;
- (b) any Residential District Proclamation under Section 309 of the Local Government Act, 1919;
- (c) any proposal for realignment widening siting or alteration of the level of a road or railway by any competent authority;
- ~~(d) any mains or pipes of any water sewerage or drainage authority passing through the property;~~
- (e) any provisions of or under the Mines Subsidence Compensation Act, 1961;
- (f) [†] _____

†Any other matters, *desired to be disclosed in the Fourth Schedule.

in any manner other than as disclosed in the Fourth Schedule hereto, then the Purchaser shall be entitled to rescind this agreement but shall not be entitled to make any other objection requisition or claim for compensation in respect of any such matter. Any right of the Purchaser to rescind under this clause shall be exercised by notice in writing given to the Vendor prior to completion. In relation to paragraph (c) hereof, the property shall be deemed to be affected by a proposal if the Purchaser produces a written statement of the authority concerned, the substance of which is other than that the property is not affected by any proposal of the authority.

18.—If before transfer of title the Purchaser is given the benefit of possession of the property then until transfer of title

- (a) he shall not let or part with possession of or make any structural alteration or addition to the property;
- (b) he shall
 - (i) keep the property in good repair having regard to its condition at the date of possession and permit the Vendor or his agent at all reasonable times to enter and view the state of repair;
 - (ii) keep all buildings fully insured against fire or as the Vendor may reasonably require and deliver the policy and renewal receipts to the Vendor;
 - (iii) punctually pay all rates and taxes on the property and any necessary apportionment shall be made at the date provided in clause 6 or the date of possession whichever is the earlier; and
 - (iv) comply with the provisions of all statutes and regulations and of any instrument or covenant or order affecting the property.

If the Purchaser shall make default in any of these obligations the Vendor may without notice make good the default and without prejudice to his other rights may recover from the Purchaser as a debt the cost of so doing with interest thereon on 10% per annum until repayment and such amount and interest shall until repayment be a charge on the property.

19.—Where the balance of the purchase price is payable by instalments before transfer of title:

- (a) if default by the Purchaser in payment of any instalment of the purchase price or interest hereunder shall continue for four weeks (in this respect time being of the essence) the balance of the purchase price then owing with accrued interest shall immediately without notice to the Purchaser become due and payable irrespective of the transfer of title;
- (b) the Purchaser shall not be required to tender the assurance as stipulated in clause 4 hereof but shall tender it within 14 days after making the final payment hereunder; and
- (c) the deposit shall be accounted for under clause 1 of this agreement and any necessary authority in that regard shall be given forthwith on the signing of this agreement.

20.—If this agreement is rescinded (as distinct from terminated) pursuant to any express right to rescind (as distinct from a right to terminate) conferred by this agreement the rescission shall be deemed to be a rescission ab initio, and

- (a) the deposit and all other money paid by the Purchaser hereunder shall be refunded to him;
- (b) neither party shall be liable to pay the other any sum for damages costs or expenses; and
- (c) if the Purchaser is or has been in occupation or in receipt of the rents or profits of the property he shall account for or pay to the Vendor the net rents and profits received or a fair occupation rent for the property (whichever is the greater) until the date of rescission but the Vendor shall give the Purchaser credit for any interest paid by the Purchaser and any resulting balance payable by the Purchaser may be deducted by the Vendor from the deposit and other moneys before returning the same to the Purchaser.

21.—Where herein used words importing the singular number or plural number shall include the plural number and singular number respectively and words importing the masculine gender shall include the feminine or neuter gender.

22.—(a) Service of any notice or document under or relating to this agreement:

- (i) may be effected as provided in Section 170 of the Conveyancing Act, 1919; and
 - (ii) shall be sufficient service on a party if effected on his solicitor in any manner provided in that section.
- (b) A notice given or document signed and served on behalf of any party hereto by his solicitor shall be deemed to have been given or served by that party personally.

23.—Schedule III of the Conveyancing Act, 1919, shall not apply to this agreement.

Payment of balance of purchase money (Clause 1).
*If inappropriate delete and substitute agreed terms

THE FIRST SCHEDULE

*In cash on completion

THE SECOND SCHEDULE

Easements, restrictive covenants, etc. (Clause 7).

1. Right of Footway created by Transfer No. L168925.
2. Easement for Support and overhang created by Transfer No. L168925.
3. Right of Footway and Carriageway created by Transfer No. L168925.4

THE THIRD SCHEDULE

Tenancies or Occupancies (Clause 13).

Part Occupied	Tenant's Name	Nature of Occupancy	Rental
<u>NIL</u>			

Zoning etc. (Clause 17).
*Delete if not applicable.

THE FOURTH SCHEDULE

*The property is affected as shown in the copy certificate under Section 342AS of the Local Government Act, 1919 annexed hereto. **and as shown on copy Diagram of Sanitary Drainage annexed hereto.**

SIGNED by the Vendor in the presence of

Vendor

Witness

SIGNED by the Purchaser in the presence of

[Handwritten Signature]
 Director
 ASWAN PTY. LTD.
 Seal
 PURCHASE
 ACTING SECRETARY

Witness

Purchase Price **\$160,000.00**
 Deposit **16,000.00**
 Balance **\$144,000.00**

Vendor's Solicitor **MINTER SIMPSON & CO. of 68 Pitt Street, Sydney Tel. No. 232-8644**

Purchaser's Solicitor **HUNT & HUNT of 54 Carrington Street, Sydney Tel. No. 290-1611**

R.T. Kelly Pty. Ltd., Printers, 470 Elizabeth St., Surry Hills, Sydney.
ONLY AUTHORISED PRINTERS FOR THIS COPYRIGHT FORM.

Exhibit "U" - Letters
R. & W. to Plaintiff

KWH:SC

RICHARDSON & WRENCH LIMITED

18th November, 1974

The Manager,
Kooragang Investments Pty Ltd.,
213 Miller Street,
NORTH SYDNEY N.S.W. 2060

Attention Mr. A. Simpson

Dear Sir,

Re: No 18-20 East Crescent, McMahons
Point and 233-237 Glebe Point Road,
Glebe

10

We attach hereto a report on the McMahons Point property which Mr. Walters and the writer, inspected on 15th November, 1974. Not all occupancies could be inspected but we saw sufficient of the premises to give you a report for your records.

It is not possible to do the same with the Glebe Point property as Peter Craig Real Estate directors and the licensee have declined to let us through for an inspection.

20

All we can say is that from an external view, a present day figure of \$100,000 (One Hundred Thousand Dollars) would not seem to be unreasonable, but this would be subject to amendment, if and when we can see the state of the buildings and the extent.

A memo of fee is attached for the joint inspection arrangements, as requested.

Thank you for your instructions.

Yours faithfully,

RICHARDSON & WRENCH LIMITED

30

Per.....

KWH:SC

18th November, 1974

The Manager,
Kooragang Investments Pty Limited,
213 Miller Street
NORTH SYDNEY N.S.W. 2060

Attention Mr. A. Simpson

Dear Sir,

10

Re: 18-20 East Crescent, Street, McMahons Point

We refer to your request to inspect the abovementioned property and would report thereon as follows:-

The land. Enquiry at the North Sydney Municipal Council discloses that the land is known as Lots 19 and 20 and Part Lot 18 in Deposited Plan 6002 being the lands comprised in Certificate of Title, Volume 5479 Folio 38 having dimensions of 70' x 170'11" containing an area of about 11,970 square feet.
172'

Zoning. The Council also informs us that the land is within a Residential 2A zone where Town Houses and Flats are permitted. The sub classification is Residential 6 which controls height of development, ground cover, set back and the like and from this, we deduce that the highest alternative use would probably be about eight town houses, under present codes. However, because the site is a difficult one, due to vehicle access, the advice of an architect would be required to determine the best future development. 20

We have not sighted a Certificate under the provisions of Section 342AS of the Local Government Act in respect of the land and have relied on verbal enquiry from the Council for the purposes of this report. 30

The present development of two old brick buildings in use as flats is at the end of its economic life and except to maintain the to produce income until the economic climate is better, the property has no value beyond its land content. In our opinion, only essential repairs should be carried out when necessary and the grounds cleared and kept clean to prevent the harbourage of pests and vermin and to minimise fire hazard. 40

Exhibit "U" - Letters
R. & W. to Plaintiff

No. 18-20 East Crescent, McMahons Point

Page 2

We consider that in the present state of the market and having regard to the condition of the premises, that a sale for the purpose used would be extremely difficult, if not impossible.

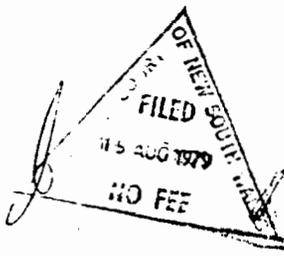
We estimate the Fair Market Value of the property, subject to the existing tenancies and occupancies to be \$100,000 (One Hundred Thousand Dollars) as at the Fifteenth of November, Nineteen Hundred and Seventy Four.

10

Yours faithfully,

RICHARDSON & WRENCH LIMITED

Per.....KWH
K.W. HODGSON F.C.I.V., A.R.E.I.



IN THE SUPREME COURT OF NEW SOUTH WALES

COMMON LAW DIVISION
Kennedy Kogut
COMMERCIAL LIST

3568 of 1976

KOORAGANG
INVESTMENTS
PTY. LIMITED

Plaintiff

RICHARDSON &
WRENCH LIMITED

Defendant

VERIFIED STATEMENT
IN ANSWER TO
INTERROGATORIES

FREEHILL,
HOLLINGDALE & PAGE,
Solicitors,
60 Martin Place,
SYDNEY. 2000

D.X.: 361
Tel.: 233-0599
Ref.: KB/J.O'S
LT443A,1-30

The defendant Richardson & Wrench Limited answers the plaintiff's interrogatories specified in a notice filed on 6 February 1979, as follows:

- 1. A. Throughout the year 1973 did the business of the defendant include the valuing of real estate?
- 1. B. No. The business of the defendant included the estimating of the fair market value of real estate at the date of such valuation when employed to do so.
- 2. A. Throughout the year 1973 did the business of the defendant include the valuing of real estate for the purpose of other persons or companies considering the giving of mortgage advances upon the security of such real estate?
- 2. B. No. The business of the defendant included the estimating of the fair market value of real estate at the date of such valuation when employed to do so and also if so requested, the formal valuation issued by the defendant would include a recommendation to the

10

20

Paul Wrench JP

client employing the defendant to make the valuation that the real estate then provided an eligible security for a first mortgage advance.

3. A. Throughout the year 1973 did the business of the defendant include in its ordinary course the provision to other persons or companies considering the giving of mortgage advances upon the security of real estate information and advice as to whether that real estate constituted an eligible security for the advancement of moneys by way of first mortgage thereover?

10

3. B. See answer to interrogatory 2.

4. A. Throughout the year 1973 did the business of the defendant include in its ordinary course the provision to other persons or companies considering the giving of mortgage advances upon the security of real estate information and advice as to the fair market value for mortgage purposes of such real estate?

4. B. See answer to interrogatory 2.

5. A. Prior to or during the year 1973 did the defendant make known to the public that its business included -

20

- (a) The business referred to in interrogatory 1;
- (b) The business referred to in interrogatory 2;
- (c) The business referred to in interrogatory 3;
- (d) The business referred to in interrogatory 4;
- (e) Any of the aforesaid businesses?

5. B. (a) The defendant made known to the public that its business included that referred to in the answer to interrogatory 1.

Kent
Pankwiler JP

- (b) The defendant made known to the public that its business included that referred to in the answer to interrogatory 2.
- (c) The defendant made known to the public that its business included that referred to in the answer to interrogatory 2.
- (d) The defendant made known to the public that its business included that referred to in the answer to interrogatory 2.
- (e) See answers to interrogatories 5 (a), (b), (c) and (d).

10

6. A. Prior to or during 1973 was the defendant skilled in -

- (a) The valuing of real estate;
- (b) The valuing of real estate for the purpose of other persons or companies considering the giving of mortgage advances upon the security of such real estate;
- (c) The provision to other persons or companies considering the giving of mortgage advances upon the security of real estate information and advice as to whether that real estate constituted an eligible security for the advancement of moneys by way of first mortgage thereover;
- (d) The provision to other persons or companies considering the giving of mortgage advances upon the security of real estate, information and advice as to the fair market value for mortgage purposes of such real estate;
- (e) Any of the foregoing matters?

20

30

Paul W. ...
Kurt
JP

6. B. (a) The defendant employed persons skilled in making estimates of the fair market value of real estate.
- (b) The defendant employed persons skilled in recommendations as set out in the answer to interrogatory 2 above.
- (c) See answers to interrogatories 2, 6.A.(a) and 6.A.(b).
- (d) See answers to interrogatories 2, 6.A.(a) and 6.A.(b). 10
- (e) See previous answers.
7. A. Prior to and during 1973 did the defendant -
- (i) Seek to make known to the public;
- or
- (ii) Make known to the public;
- that it was skilled in any and which of the matters referred to in the preceding interrogatory?
7. B. The defendant made known to the public that it was skilled in the business referred to in the answers to interrogatory 6. 20
8. A. Prior to and during 1973 did the defendant hold itself out to the public as skilled in any and which of the matters referred to in interrogatory 6?
8. B. See the answer to interrogatory 7.

Kest
Paul W. J.P.

18. A. Was it the practice of the defendant to embody in a written and signed valuation any and which of the following -
- (a) A valuation of real estate;
 - (b) A valuation of real estate for the purpose of other persons or companies considering the giving of mortgage advances upon the security of such real estate;
 - (c) Information or advice to other persons or companies considering the giving of mortgage advances upon the security of real estate as to whether that real estate constituted an eligible security for the advancement of moneys by way of first mortgage thereover;
 - (d) Information and advice to other persons or companies considering the giving of mortgage advances upon the security of real estate as to the fair market value for mortgage purposes of such real estate?

10

18. B. (a) No, but an estimation of the fair market value thereof was included.
- (b) No, but an estimation of the fair market value thereof and a recommendation for the client employing the defendant to make such a valuation whether the real estate then provided an eligible security for a first mortgage advance was included.

20

KWD
Paul W. Winters

(c) See (b) above and answer to interrogatory 2.

(d) See (b) above and answer to interrogatory 2.

19. A. Was it common that there should be disseminated to persons or companies other than those pursuant to whose instructions it was brought into existence a written and signed valuation of any and which of the kinds referred to in the sub-paragraphs of the preceding interrogatory?

19. B. The defendant only furnished a valuation made by it to the person by whom it was employed to make the valuation. The defendant was aware that its formal written valuation would be shown to an intending first mortgagee.

10

20. A. Was it common that there should be disseminated to persons other than those pursuant to whose instructions it was brought into existence, being persons who were considering the giving of a mortgage advance upon the security of the real estate the subject of the written and signed valuation, any and which of the signed and written valuations referred to in the sub-paragraphs of interrogatory 18?

20

20. B. See answer to interrogatory 19.

21. A. Prior to and during 1973 was the defendant aware that there were disseminated to persons or companies other than those pursuant to whose instructions they were brought into existence any and which of the kinds of written and signed valuations referred to in the sub-paragraphs of interrogatory 18?

21. B. See answer to interrogatory 19.

Kull.
Paul W. J.P.

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22. A. Prior to and during 1973 was the defendant aware that there were disseminated to persons or companies other than those pursuant to whose instructions they were brought into existence, being persons who were considering the giving of a mortgage advance upon the security of the real estate the subject thereof, written and signed valuations of any and which of the kinds referred to in the sub-paragraphs of interrogatory 18?

10

22. B. See answer to interrogatory 19.

23. A. Was the defendant aware as at -

(a) 26th March, 1973; or

(b) 14th June, 1973;

that the plaintiff was a company which from time to time provided mortgage advances upon the security of real estate?

23. B. Yes, but only to the defendant's knowledge on first mortgage and subject to other conditions.

24. A. Was it the practice throughout 1973 or at any other and if so what time for written and signed valuations by the defendant to be signed in the corporate name of the defendant?

20

24. B. Yes, at all relevant times.

25. A. At any and what time throughout 1973 did valuers employed by the defendant have the right to sign signed and written valuations by the defendant?

25. B. Yes, throughout 1973, provided the valuations were valuations the defendant brought into existence and

KWH
Paul W. J.P.

dealt with in accordance with proper valuation, professional and commercial practice and in accordance with the procedures laid down by the defendant. The defendant's procedures in force at the relevant time are covered in part by the defendant's Company Manual, produced in about 1968, at pages 63, 64, 65,66 and 72. Copies of those pages are annexed and marked "A".

26 A. If the answer to the preceding interrogatory is in the affirmative, did such valuers employed by the defendant include one T.G. Rathborne?

10

26. B. Yes.

KWA
Paul W. SP.

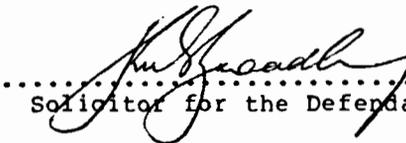
70. A. In 1973 or any and what part of that year were valuers employed by the defendant authorised to accept valuation instructions from clients?

70. B. Yes, throughout 1973, provided the valuers were operating within proper valuation, professional and commercial practice, and in accordance with the procedures laid down by the defendant.

71. A. In 1973 or any and which part thereof did valuers employed by the defendant from time to time accept valuation instructions from clients?

10

71. B. Throughout 1973, see answer to interrogatory 70.


.....
Solicitor for the Defendant

Filed: ~~FIFTEENTH~~ ^{AUGUST} ~~JULY~~, 1979.

K.M.
Carlowick

Index file

5

KWH:AB

29th November, 1972.

Mr. John Bourke,
235 Glebe Point Road,
GLEBE. N.S.W. 2037

Dear Sir,

Yesterday we took instructions to value properties 350 Canterbury Road, Dulwich Hill and 19, 21 and 23 Glebe Point Road, Glebe.

Our Auditors inform us that the following accounts, for which your organization is responsible, remain unpaid and under these circumstances we are unable to proceed with your instructions until these out-standings are met.

10

<u>Date</u>	<u>Invoice</u>	<u>Name</u>	<u>Amount</u>
18.9.72	22023 ✓	Giles Bourke Hlds. P/L.	\$164.50
24.4.72	21305	Giles Bourke Hlds. P/L.	\$134.50
21.6.72	21447 ✓	Fidelity Acceptance	\$184.00
28.8.72	21673 ✓	Fidelity Acceptance	\$350.00
27.10.72	22076 ✓	Fidelity Acceptance	\$303.00
21.9.72	21695 ✓	Group Unity Securities Ltd.	\$268.00

unpaid

You can be assured that on payment of the outstandings the other valuations will be dealt with promptly.

20

Yours faithfully,

21305 To be paid by Hodgson

K.W. Hodgson,
Director - Valuations.

14.3.72	21113	\$171.00
14.10.72	22990	\$202.00

27th July, 1973

The Manager
Fidelity Acceptance Pty. Ltd.
233-235 Glebe Point Road
GLEBE N.S.W. 2037

Dear Sir

Re: 49,51, 55, 57 & 59 GOTTENHAM STREET, GLEBE
19 - 23 GLEBE POINT ROAD, ULTIMO
532 NEW CANTERBURY ROAD, DULWICH HILL

10

The above valuations were forwarded to you, together with our memo of fees, on 12th and 14th December respectively.

The Company's auditors have drawn attention to the long outstanding accounts, viz.

Invoice No. 22606 for \$183.50, and
Invoice No. 22660 for \$395.00.

Will you please let me have payment by return mail or some good reason why the accounts should not have been paid.

Yours faithfully
RICHARDSON & WRENCH LIMITED

20

K.W. HODGSON
Director

KWH:YF

18th December, 1973

Group Unity Securities Pty. Ltd.
 233-235 Glebe Point Road,
GLEBE. N.S.W. 2037

ATTENTION: Mrs. H. Clarke

Dear Madam,

Re: VALUATION 49, 51, 55, 57 & 59 GOTTENHAM
 STREET, GLEBE

10

Thank you for your cheque for \$183.50, being payment for the valuation of the abovementioned property, completed on the 14th December, 1972. Our official receipt is enclosed.

In terms of the Companies Act, the Board is required to make provision for outstanding and doubtful debts and this necessitates discussion of all paid accounts at the Board meeting. It has been brought to my attention, that there are still outstandings carried out for your Group, being:-

DATE	ADDRESS	AMOUNT
12/12/72	23 & 27 Glebe Point Road, Ultimo 532 New Canterbury Road, Dulwich Hill	\$395.00
13/11/73	37 Glebe Point Road, Glebe	\$242.50
19/10/73	138 Bridge Road, Glebe	\$ 85.00
19/10/73	27 Avon Street, Glebe	\$ 61.00

20

Exhibit "X" - Letter
18th December, 1973

Date	Address	Amount
18/10/73	15 Forsythe Street, Glebe	\$61.00 \$\$\$1000
11/9/73	76 Forsythe Street, & Darghan Street, Glebe	\$176.00

As several of these accounts are rapidly approaching the 90 day stage, we would appreciate payment or a letter of explanation, as to why they are not paid. 10

Yours faithfully,

K.W. HODGSON
VALUATION DIRECTOR
RICHARDSON & WRENCH LTD.

6

[Handwritten signature]

SNR:SC

25th October, 1972

The Manager,
Fidelity Acceptance Pty. Ltd.,
235 Glebe Point Road,
GLEBE N.S.W. 2037

Dear Sir,

Our Auditors have brought to our attention that the following valuation fees are outstanding.

Date	Invoice	Name	Amount	
16.5.72	21818 ✓	Fidelity Acceptance	\$67.00	
8.5.72	21314 ✓	ditto	\$220.00	
5.5.72	21342 ✓	ditto	\$75.00	
4.5.72	21338 ✓	ditto	\$136.00	
18.4.72	21337 21231 ✓	ditto	\$43.00	
1.5.72	21309 ✓	ditto	\$96.00	
9.5.72	21342 ✓	ditto	\$75.00	
8.5.72	21339 ✓	ditto	\$114.00	
7.4.72	21216 21215 ✓	ditto	\$59.00	
24.4.72	21305 X	Atlas Book Hqd	\$134.50	X 20

The above accounts are overdue and we would like to have any good reason why payment cannot be paid immediately.

Yours faithfully,

Letter
A1 JK.

26th November, 1973

MEMO TO: Valuation Department Staff

FROM: Director

RE: Bad Debt Incidence

There is obviously a problem arising from the manner in which clients are advised of our valuation services which has led to a heavy percentage of bad debts on total income.

This percentage is now well above acceptable limits and will have to be corrected as quickly as possible.

10

1. Perhaps we are at fault initially, in not acquainting a prospective client with the fact that
 - (a) a fee in accordance with the Scale is chargeable, and
 - (b) payment of the fee is expected before the valuation is forwarded (only, of course, where the client is not known to us).
2. Do we offer people awaiting a valuation the two alternatives
 - (a) of coming in and picking the document up at the time of payment, or
 - (b) sending their cheque for which, when we receive it, we will post the valuation?
3. Do we ask solicitors, accountants, insurance companies, banks etc. "Who will be responsible for the fee?" and do we make sure that that nominated person is aware that a charge will be made?
4. Wherever possible, do obtain the signature of the instructing party. This should be done particularly where any doubt on a person's intentions arises.
5. Are valuers making sure that the new system is being followed for each valuation and that the appropriate procedures are adopted? If complaints arise from clients arising out of this system, the facts should be related to me.
6. Do valuers make certain, not only that the valuation has been typed correctly, but also that the Invoice is correctly addressed and carries all the relevant particulars? This must be done.
7. Have the valuers followed up each month the valuations not collected? Have those clients been informed of the fact that the valuation will be destroyed?
8. Do you check on unpaid valuations each month and follow them up?

20

30

These items are set out to attempt to reduce the bad debt situation. It is in the interests of all of us to get payment for all work because otherwise considerable loss of time is involved in chasing poor payers.

40

On Friday, 7th December, at 4 p.m. there will be a meeting in this office to discuss the above matters and I would be obliged if you could review the bad debt situation as far as your own assignments are concerned.

Handwritten initials

Richardson
823. Exhibit "Y" - Memorandum

RICHARDSON & WRENCH LIMITED

Ring & Advise Monday Afternoon

VALUATION

THIS COLUMN MUST BE COMPLETED BEFORE INSPECTION

Previously Valued: Bk No

Date Received 19. 1. 73. 19

Instructions From Mr J. Minks,

Valuation and Account to

Purpose of Valuation

Access

4% nett. 6 3/4% nett.
50 yrs old. \$30,000 p.a. \$47,000.

\$661,000. (Car park) **PROPERTY PARTICULARS**

ADDRESS: 17-25 WENTWORTH AVE

TITLE PARTICULARS: 128-50 CARWELL ST. CO. LOT 33/37 P.P. 6534

LAND DIMENSIONS: 10,100 sq ft. Via 2205 Folio 50

176' x 161' x 112' x 117'

V. G. ASSESSMENTS: U.C.V.\$ 140,000

I.C.V.\$ 155,000

A.A.V.\$ 18,200 DATE 12.9.68

T.P. ZONING

LEASE & TENANCY DETAILS

I/We, the undersigned, have instructed Richardson & Wrench Ltd. to make a valuation of the abovementioned property and I/We hereby agree to pay the Fee thereon, in accordance with the Scale of Fees for the time being, fixed by the Real Estate Institute of N.S.W.

Signed Dated

AGE

ROAD:

SEALED

KERBED

GUTTERED

FOOTPATH

SERVICES:

WATER

GAS

ELECTRICITY

SEWER

SEPTIC

E.C.

H.W.S.

TRANSPORT:

TRAIN

BUS

NEIGHBOURHOOD

AMENITIES:

SHOPS

SCHOOLS

CHURCHES

TYPE OF PROPERTY IN AREA

Exhibit "BC"

Ec BF

KOORAGANG INVESTMENTS PTY. LIMITED

GILES BOURKE HOLDINGS PTY. LIMITED (GLEBE)

GENERAL ITEMS

Amount of loan	\$104,000.00
Date of default	15 July 1974
Date of contract of sale	12 December 1975
Date of completion	9 March 1976
Contract price	\$ 65,000.00
Proceeds of sale	\$ 62,857.51

LOSS AS AT DATE OF COMPLETION (9.3.76.)

10

Principal	\$104,000.00	
Less proceeds of sale	<u>\$ 62,857.51</u>	\$ 41,142.49
Interest (15.7.74. to 9.3.76)		\$ 17,538.96
Interest on unpaid interest		\$ 1,502.43
Penalties unpaid as at 10.3.76.		\$ 1,733.40
Interest on unpaid penalties as at 10.3.76.		\$ 153.26
Expenditure		<u>\$ 4,969.72</u>
		<u>\$ 25,897.77</u>
Total as at 9.3.76.		<u>\$ 67,040.26</u>

LOSS 10.3.76 to 2.6.80.
(Interest on \$67,040.26)

20

1976	\$67,040.26	x	10.75%	x	$\frac{297}{366}$	\$ 5,848.16
1977	\$67,040.26	x	10.75%			\$ 7,206.83
1978	\$67,040.26	x	10.75%			\$ 7,206.83
1979	\$67,040.26	x	10.75%			\$ 7,206.83
1980	\$67,040.26	x	10.75%	x	$\frac{153}{366}$	<u>\$ 3,012.69</u>
						<u>\$ 30,481.34</u>

SUMMARY OF LOSS

Total loss to date of completion (9.3.76.)	\$67,040.26
Loss from 10.3.76 to 2.6.80	<u>\$30,481.34</u>
	<u>\$97,521.60</u>
LESS Recovery from Company in liquidation	<u>\$ 1,641.09</u>
<u>TOTAL:</u>	<u>\$95,880.51</u>

30

KOORAGANG INVESTMENTS PTY. LIMITEDGROUP UNITY SECURITIES PTY. LIMITED (McMAHONS POINT)GENERAL ITEMS

Amount of loan	\$160,000.00
Date of default	6 May 1974
Date of Contract of Sale	22 February 1979
Date of completion	25 June 1979
Contract price	\$160,000.00
Proceeds of sale	\$155,372.99

LOSS AS AT DATE OF COMPLETION (25.6.79)*

10

Principal	160,000.00	
Less proceeds of sale	<u>155,372.66</u>	4,627.34
Interest due (6.5.74. to 24.4.79.)		98,919.48
Expenditure on property (including \$14,114.10 Land Tax)	<u>16,326.20</u>	
		119,973.02
LESS rentals received	<u>56,541.43</u>	

TOTAL:\$63,431.59LOSS 24.4.79 to 2.6.80.
(Interest on \$63,431.59)

20

1979	\$63,431.59	x	10.75%	x	$\frac{291}{365}$	\$	<u>5,436.43</u>
1980	\$63,431.59	x	10.75%	x	$\frac{153}{366}$	\$	<u>2,850.52</u>
TOTAL:						\$	<u>8,286.95</u>

SUMMARY OF LOSS

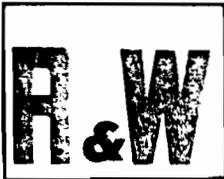
Total loss to 24.4.79	\$63,431.59
Loss from 25.4.79 to 2.6.80	<u>\$ 8,286.95</u>

TOTAL:\$71,718.54

* Although completion took place on 25.6.79. it is agreed that completion should have taken place on 24.4.79. Completion was delayed by 2 months due to factors outside the defendant's control.

30

6822d



RICHARDSON & WRENCH LIMITED

Est. 1858

LICENSED REAL ESTATE AGENTS, AUCTIONEERS, VALUERS & PROPERTY MANAGERS

HEAD OFFICE: 109 PITT STREET, SYDNEY, N.S.W. 2000.

TELEPHONE: 25 3051

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Cable Address:
"Richwrench"

Address all mail to:
P.O. Box 176,
Sydney, N.S.W. 2001

IN REPLY PLEASE QUOTE

DFB:SC

6th March, 1972

Mr. A. Simpson,
Kooragang Investments Pty. Limited,
Box 528 P.O.,
NORTH SYDNEY N.S.W. 2060

Dear Sir,

Re: No 65 Alexander Street, Crows Nest

We refer to instructions received from yourselves and Associated Management Pty. Ltd. and advise that a valuation of the above property (in duplicate) has been forwarded direct to Associated Management.

10

The property, only recently completed, is a substantial one being well fitted and finished in a tradesmanlike and workmanlike manner. It is located in a developing commercial area which has seen a marked increase in values over the last year or so.

The details of the existing tenancy are set out in our valuation and set out below are the main outgoings in respect of the premises.

Municipal Rates	\$515	
Water, Sewerage and Drainage Rates	\$2,140	estimated
Land Tax	\$788	estimated
Insurance	\$368	

20

Cleaning, electricity and repairs remain the responsibility of the tenant and we would expect management of a long term single tenancy such as this, to be carried out by the owner, however a nominal allowance of about 2% of the gross return should be allowed.

We thank you for your instructions and would be pleased to be of further assistance if required.

Yours faithfully,

Richardson & Wrench Ltd.

Valuation in the Sale

OVER A CENTURY OF SERVICE

KOORAGANG INVESTMENTS PTY. LIMITED

AS:EM AF

213 Miller Street
North Sydney, 2060

28th February, 197w.

Mr. K.W. Hodgson,
Director - Valuations,
Richardson & Wrench Limited,
P.O. Box 176,
SYDNEY. N.S.W. 2001.

10

Dear Mr. Hodgson,

Application for Advance from Associated
Management Pty. Ltd. on property at
65 Alexander Street, Crows Nest, N.S.W.

The Company has been asked to consider an advance on the above property. No action is required of you unless instructed by the applicant to make a valuation, the cost of which is to be borne by him.

If so instructed, will you kindly value "for and on behalf of an intending mortgagee" and also include the value of the land as distinct from the value of the improvements.

20

In company with Mr. D. Minks you have already made a preliminary inspection of this property and we ask that you prepare a valuation following the guidelines set down in our letter of 21st February 1972. One copy of the valuation will be sufficient for our purposes and no doubt the intending borrower will also receive a copy.

Yours faithfully,

A. Simpson,
Manager.

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KOORAGANG INVESTMENTS PTY. LIMITED

213 Miller Street,
NORTH SYDNEY, N.S.W.
2060

25th February, 1972.

Mr. G.W. Jorgenson,
Development Manager,
Associated Management Pty. Ltd.,
68 Alexander Street,
CROWS NEST. N.S.W. 2065

10

Dear Mr. Jorgenson,

of
Application for Advanced Funds on
Property - 65 Alexander Street,
Crows Nest.

We thank you for your letter of 21st February, 1972,
covering your amended application for an advance of funds
by way of first mortgage on the abovementioned property.

20

You have agreed in this letter to provide, at your own cost,
a mortgage valuation of the property prepared by Messrs.
Richardson & Wrench Ltd. All arrangements for an inspection
of the premises and furnishing of any documents necessary
to the valuer become your responsibility and these arrange-
ments should be made directly with him.

Messrs. Richardson & Wrench have been notified that the
valuation may be required by you for mortgage purposes. We
would point out that fees for the valuation should be paid
prior to the submission of the document to the Company.
When it is completed and available, would you please
arrange to have it collected and delivered to us as promptly
as possible.

30

To support your application for this loan, you have agreed to
provide bank references from the Commercial Banking Company
of Sydney, 343 George Street, Sydney, covering Mr. George E.
Jorgenson and Mrs. Barbara D. Jorgenson as principals of your
Group of Companies, and we request that personal guarantees be
provided by the members of the Jorgenson family who are
Directors of Associated Management Pty. Ltd.

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2.

Mr. G.W. Jorgenson

25th February, 1972.

Your letter covers an application to borrow \$105,000 for two years with consideration that interest be charged at 10½% per annum. However, we would point out that if the Company decides to offer you a loan of \$105,000 after receipt of the valuation and the bank references and personal guarantees, the interest rate would be 11% per annum.

10

Upon receipt of the valuation and your agreement to the conditions in the preceding paragraph, your application will receive prompt attention.

Yours faithfully,

A. Simpson,
Manager.

28th July, 1972.

Mr. A. Gal,
113 O'Sullivan Road,
BELLEVUE HILL. 2023.

Dear Mr. Gal,

Further to your application on the Maroubra Bay Road Nursing Home, we are prepared to proceed on the following basis.

Supreme Garage Pty. Ltd. to provide at their cost a mortgage valuation of the nursing home prepared by Messrs. Richardson & Wrench. Messrs. Richardson & Wrench have been notified that a valuation may be required and will give it prompt attention.

10

To support the application you have agreed to provide Bank references, personal guarantees of Directors, and a mortgage over your residence. The property would be subject to a first mortgage and the loan for a period of 3 years at 10½% p.a. payable monthly. We are considering the loan at \$150,000 or 55% of Richardson & Wrench valuation, whichever is the lower.

Shareholder funds are to be kept at a minimum figure of \$180,000 and are to be subordinated to the first mortgage. Total borrowing on the property itself is not to exceed \$150,000 during the currency of this first mortgage.

20

Could you please forward the name and address of your Solicitors and Bankers.

Yours faithfully,

A. Simpson,
Manager.

Kooragang Investments Pty Limited

DM:SMcC

28th July, 1972.

**The Manager,
Richardson and Wrench Ltd.,
109 Pitt Street,
SYDNEY, N.S.W. 2000**

Dear Sir,

APPLICATION FOR ADVANCE FOR SUPREME GARAGES
PTY. LTD. ON PROPERTY AT 288 MAROUBRA BAY RD,
MAROUBRA

10

The Company has been asked to consider an advance on the above property as detailed in the attached application. No action is required of you unless instructed by the applicant to make a valuation, the cost of which is to be borne by the applicant.

If so instructed will you kindly value "for and on behalf of an intending mortgagee" and also indicate the value of the land as distinct from the value of the improvements. We would request a separate submission to the Company based on the valuation "guide lines" included in our letter of 22nd February, 1972.

On receipt of a request from the applicant, we would appreciate your prompt attention to this valuation.

20

Yours faithfully,


A. Simpson,
Manager.

Encl.

KOORAGANG INVESTMENTS PTY. LIMITED

213 Miller Street,
NORTH SYDNEY. 2060.
P.O. Box 528,
North Sydney.

29th May, 1972.

The Manager,
Richardson & Wrench Ltd.,
109 Pitt Street,
SYDNEY. N.S.W. 2000.

10

Dear Sir,

APPLICATION FOR ADVANCE FOR PARKES DEVELOPMENTS
PTY. LTD. ON PROPERTY AT GLEBE ROAD AND MARY ST.,
GLEBE

The Company has been asked to consider an advance on the above property as detailed in the attached application. No action is required of you unless instructed by the applicant to make a valuation, the cost of which is to be borne by the applicant.

If so instructed will you kindly value "for and on behalf of an intending mortgagee" and also indicate the value of the land as distinct from the value of the improvements. We would request a separate submission to the Company based on the valuation "guide lines" included in our letter of 22nd February, 1972.

20

On receipt of a request from the applicant, we would appreciate your prompt attention to this valuation.

Yours faithfully,

A. Simpson,
Manager.

30

att/-

KOORAGANG INVESTMENTS PTY. LIMITED

P.O. Box 528,
North Sydney. 2060.

5th May, 1972.

Mr. M. Davies,
Richardson & Wrench Ltd.,
82 Pitt Street,
SYDNEY. N.S.W. 2000.

Dear Mr. Davies,

I enclose the following details of the property at Glebe which we have asked you to view. You will see on the back of the Parkes pamphlet details of the buildings.

Building 1 is let to National Plywood at \$20,000 per year. Lease is for 5 years.

Building 2 is let to S. Walder & Co. at \$13,000 per year. Lease is for 5 years.

Building 3 is let or being let to John Fairfax at \$45,000. Lease is for only one year.

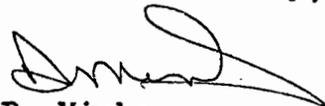
Buildings 4 & 5 are yet to be let.

House 6 may or may not be let at present.

A.F.L. are considering a 3 year mortgage at 65%. Parkes would like as much as \$500,000, however we will be guided by a Richardson & Wrench valuation. I believe Jones Lang Wootton valued this property at about \$680,000 in August 1971.

I hope this is sufficient background information.

Yours faithfully,


D. Minks,
Financial Analyst.

Kooragang Investments Pty Limited

20th March, 1973.

Mr. D.G. Cameron,
I.A.C. Building,
54 Carrington Street,
SYDNEY. N.S.W. 2000.

Dear Mr. Cameron,

Proposed Mortgage Loan - M.R. Pevsner -
on Property at 228 Headland Rd. Brookvale

We advise that we have now received a valuation on the above property and wish to make an offer on the following basis:

10

- First Mortgage of \$140,000.
- A Second Mortgage will be allowed up to maximum 75%.
- Period of loan 3 years fixed.
- Interest Rate - $9\frac{1}{2}\%$ p.a. payable monthly.
- Personal Guarantee of Mr. Pevsner.
- Satisfactory Bank reference.
- Satisfactory insurance cover to be submitted.

Interest will accrue from 7th May 1973, or from the date on which the loan is advanced, whichever is the earlier, and the mortgage documents will be prepared so as to express the interest to be calculated from such date.

20

Settled

.../2

213 MILLER STREET, NORTH SYDNEY.
P.O. BOX 528, NORTH SYDNEY.
TELEPHONE 939 4755
TELEX AA21815

Kooragang Investments Pty Limited

-2-

Any legal costs incurred by us after acceptance by Mr. Pevsner of this offer will be payable by Mr. Pevsner. Our obligation to proceed with the loan shall be conditional upon a good title being shown to the satisfaction of our Solicitors.

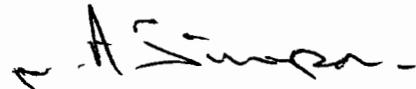
If Mr. Pevsner is prepared to accept the loan of \$140,000 would they please sign the attached copy of this letter and return in the envelope provided.

This offer will remain open to Mr. Pevsner until 3rd April 1973.

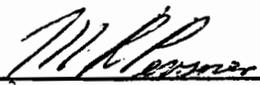
10

On acceptance we will instruct our Solicitors, Messrs. Minter Simpson & Co., to draw up the Mortgage Deed for signature by both parties on a mutually agreed date.

Yours faithfully,



A. Simpson,
Manager.


Signed _____

30. MAR. 1973

Date _____

Kooragang Investments is a member of the Australian Fertilizers Limited Group.

836. Exhibit 4 - Plaintiff's File
Headland Rd. Brookvale

LOAN PROPOSAL

23, Tully St
946926

Name of Applicant M.R. Pevsner

Business Address C/o D.G. Cameron
54 Carrington St., Sydney 2000

Referred by Above

Type of Business Property Owner Date of In- N/A
corporation

Directors Himself

Bankers C.B.C. Dee Why

Solicitors H.J. Rutgers

Issued Capital Sole Trader

Details of latest P & L A/c and Balance Sheet _____

Details and dimensions of property to be mortgaged Lot 9 or 228 Headland Rd. Brookvale
Nearly 1/2 acre. Age of Property 1 Yrs.

Name of Valuer R. & W. \$250,000 May 1972

Amount of Loan Required \$140,000 i.e. 56%

% of Valuation 65% Rate of Interest 9 1/2% Term of Loan 3 years

Gross Income of Property - Details \$22,000

Outgoing Expenses - Details \$4,000

Net Income \$18,000 Net Income as % of loan 12.7%

Present Encumbrances on property 1st mortgage \$130,000
2nd mortgage \$40,000

Application for Bankers Reference Approved Yes No
Bank Yes (as above) Reason _____

Recommendations That we offer the loan on the above
terms. \$140,000 at 9 1/2% for 3 years.

56/oval

Approved Offer \$140,000 @ 9 1/2% - 3 years

Manager

Action by Board _____

File No.	Property	Owner	Mortgagor's Valuer	Date of Valuation	Date of Loan	Contact with R & W
Ex 1 72	65 Alexander St. Crows Nest	Associated Management P/L	L.J. Hooker <i>25 Sept 1971</i>	6. 3.72	24. 3.72	Checked with R & W. valuation obtained from R & W.
Ex D 71	7-9 The Corso	Talmita P/L	Stanley Thompson (Stanley Thompson) <i>2 Dec 1970 - 4 May 1971</i>	2. 2.72	7. 4.72	Checked with R & W on its R & W valuation - Thompson valuation not used
Ex 2 77	288 Maroubra Bay Rd. Maroubra	Supreme Garages P/L	(i) Stanley Thompson (ii) Norton Real Estate <i>2 Dec 1970 - 4 May 1971</i>	8. 8.72	31. 8.72	Valuation obtained from R & W
Ex H 78C	11 Hardie St. Neutral Bay	Tepan P/L	None	16. 6.72	8. 9.72	Valuation obtained from R & W.
Ex 3 73	451/465 Glebe Pt. Rd. Glebe	Parkes Developments Pty Ltd.	Jones Lang Wootton <i>31 Aug 1971</i>	25. 7.72	19. 9.72	Valuation obtained from R & W.
Ex H 78(a)	27/29 Tryon Rd. Lindfield	Whitehall Convalescent Home	None	10. 8.72	1. 11.72	Valuation obtained from R & W.
Ex H 78(b)	161/163 Military Rd. Neutral Bay	N. Andrews	Richard Stanton <i>23 Nov. 72</i>	1. 2.73	26. 2.73	Valuation obtained from R & W.
Ex K 80(e)	17-25 Wentworth Ave Sydney	Selby Nominees	None	1. 3.73	30. 4.73	Valuation obtained from R & W.

File No.	Property	Owner	Mortgagor's Valuer	Date of Valuation	Date of Loan	Contact with R & W
<i>Ex 4</i> 80(a)	228 Headland Rd. Brookvale	Pevsner	R & W <i>9 May 72</i>	9.11.73 <i>20.3.73</i>	11. 5.73	Valuation checked with R & W
<i>Ex H</i> 78(f)	34 Talara Avenue	Lasata Investments P/L	?	27. 3.73	6. 6.73	? Valuation sent to plaintiff by Barclays
<i>Ex L B1</i>	200-202 Crown Street	Woolloomooloo Rentals P/L	?	12. 4.73	6. 7.73	Valuation made by R & W and sent direct to plaintiff
(NOTE - defendant has not yet sighted this file and hence all details not yet available)						
<i>Ex E</i> 74	51-53 Bay Street, Double Bay	Genendasi Holdings Pty Ltd	None		13. 9.73	Apparently only telephone call to R & W - no valuation made
?	18-20 East Crescent McMahon's Point	Group Unity	-		14. 6.73	
<i>Ex K</i> 80(f)	40 Coogee Bay Rd. Coogee	Tim Unity Securities Pty Ltd.	Stanley Thompson <i>23.7.73</i>	11. 9.73	31.10.73	Valuation made by R & W
<i>Ex J 79(a)</i>	43/49 Norman St. Peakhurst	H.C. Vaughan & Anor.	L.J. Hooker <i>13.8.73</i>	6.12.73	31.12.73	R & W asked for check on mortgagor's valuation but no formal valuation made

3.

File No.	Property	Owner	Mortgagor's Valuer	Date of Valuation	Date of Loan	Contact with R & W
78(d)	Block 37 Fyshwick	A. Bakas		24. 8.73	27.12.73	

(File not available as yet)

RICHARDSON & WRENCH LTD.

3

MEMO TO: MESSRS. T.G. RATHBORNE, M.J. DAVIES,
S.N. ROWAN, TA. LARGE & P.A. BLAKELEY.

FROM: K.W. HODGSON

DATE: 20TH NOVEMBER, 1972.

RE: GILES BOURKE HOLDINGS X
FIDELITY ACCEPTANCE CORPORATION X
FEUTRON INTERIORS X
GROUP UNITY SECURITIES X
and ASSOCIATED COMPANIES..

We have been advised by the Accounts Division that substantial sums of money remain unpaid for valuations completed as far back as March, 1972 and accordingly we have no other alternative than to refuse to accept further valuation work from this client until these sums of money have been paid.

[Handwritten signatures and dates]

<i>[Signature]</i>	21/11/72
<i>J.A. Kemp</i>	21/11/72
<i>[Signature]</i>	21/11/72
<i>[Signature]</i>	27.11.72
<i>A. Blakeley</i>	29.11.72

Exhibit 7 - Memorandum from
Mr. Hodgson to Messrs.
841. Rathborne & Ors.

FOREWORD to MANUAL

By

MANAGING DIRECTOR

In presenting the Works Manual or Company Handbook efforts have been made to record established procedures in an endeavour to simplify the day to day operations.

It is well to note that since the company's inception it has operated as brokers, real estate advisers and consultants, and refrained from participating in land development or speculating on its own behalf. This basic policy has undoubtedly contributed substantially to the high reputation the company enjoys for honesty and fair dealing. The income is derived entirely from fees and commissions which are fixed by the Real Estate Institute scale. For this reason the company expects the staff to rigidly uphold this policy at all times.

10

The operations are widely diversified. This has added to the company's strength and rate of profitability and helped to maintain a reasonable level of income flow.

The company performs three distinct functions:

20

- a) Selling
 - By Public Auction
 - By Private Treaty
 - Leasing (which is regarded as a selling function)
- b) Property Management
- c) Valuations

Details of these various functions are explained in the Manual.

Staff Training

The company encourages staff to train in specialised fields relating to the services rendered, and refunds the fees payable to approved training establishments to successful candidates. All male members of the staff engaged in the real estate function are recommended to take the Real Estate Institute course which

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II

enables candidates to obtain the A.R.E.I. and Q.R.V. certificates; and all male staff serving in this capacity must take the first year of the Real Estate Institute course required by the licensing authority before a Real Estate Licence is issued.

For those members of the staff anxious to take up a professional career, they are recommended to undertake the specialised training provided by the Commonwealth Institute of Valuers, in addition to the Real Estate Institute course. Only qualified valuers are permitted to undertake valuation work.

10

From time to time in-company, or short external, training courses will be made available to selected personnel in specialised subjects such as Professional Management, Salesmanship and Marketing.

Staff Development

Management is forever conscious of the benefits to be obtained from the development of its people, and wherever possible promotion is effected from within. Hence, distinct benefits accrue to those officers with outstanding abilities and the ambition to progress and accept responsibility.

20

In conclusion, it cannot be stressed too strongly the importance of service. This is a service industry and it operates in a most competitive field. To be successful, we must at least provide a service equal to our competitors.

III

P U R P O S E o f M A N U A L

The purpose of the Manual is to make known to the staff the company policy and procedures relating to the various operations performed and services rendered. As such the Manual is at all times subject to review.

Application

The application of the principles outlined in the Manual must always be made with discretion, having in mind that whatever we do must be in the best interests of our client and the organisation as a whole. Where the application of procedures conflicts with these objectives it is the responsibility of the Branch and Departmental Managers to make decisions which satisfy these objectives; provided, however, that any decision so made will not be in direct conflict with the policies laid down by the Corporation.

10

Disputes

Where disputes arise over the interpretation of the rules contained in the Manual such matters should be referred to the Secretary for a ruling, and where this does not satisfy the parties the matter must be referred to the Managing Director whose decision will be final.

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PROCEDURES RELATING TO THE VALUATION DEPARTMENT

This section of the Manual sets out for your guidance the functions of the Department. Used as a guide, it can assist you and benefit your client who often does not know exactly what he is seeking.

It is important to distinguish between VALUATIONS and SALES OPINIONS. The former involves a FEE, the latter usually does not. As a general rule, enquiries should be directed to the Valuation Department, but routine enquiries can be easily handled on the spot.

10

Any enquiry involving CITY property or INDUSTRIAL premises should be referred to the Chief Valuer or a Director and this also applies to objections to valuations other than for residential properties.

WHAT YOU SHOULD KNOW TO ANSWER AN ENQUIRY:

The Company accepts Valuation instructions for all types of REAL PROPERTY. These instructions may come by letter, telephone or personal call. Treat any instruction for a Valuation as important. Remember that on the information obtained, rests the whole assignment and that from many of these instructions arise future sales.

20

AREA OF OPERATIONS:

The Company limits its sphere, in general, to the boundaries of the COUNTY OF CUMBERLAND, but assignments are not declined outside these limits, being treated on merits which are the responsibility of the Department. Any work outside the County must be referred to the Department, as fees may have to be quoted not in accordance with the usual scale.

30

FEES:

Those laid down by the Real Estate Institute of New South Wales or The Commonwealth Institute of Valuers are adopted by the Company, but it is an Instruction, that only Valuation Staff are to quote fees.

Under no circumstances is credit to be extended, except by a Director, and in most cases those instructions made by telephone should be accepted subject to confirmation by letter.

COMPLETED VALUATIONS & REPORTS

On completion, the Department informs the person responsible, by telephone or letter, that the Valuation is ready and may be collected at the Accounts Department on payment of the prescribed fee. If pre-payment is made, the Valuation will be posted to a nominated address.

COMPANY POLICY:

Company policy is to treat all Valuation work as CONFIDENTIAL. Contents of Valuations will only be divulged to the person meeting the fee and then ONLY after payment. Copies of Valuations will only be available to that person or to his nominee but further charge may be necessary. 10

SOURCES:

Instructions may arise from various quarters. Typical are:- Solicitors on behalf of clients, Insurance, Finance or Banking Houses, Receivers, intending Mortgagees, Government Departments or Instrumentalities, private individuals, other Agents.

REASONS FOR VALUATIONS:

- Request the reason when taking the instruction. It may be:- 20
1. Fair Market Value with Vacant Possession.
Fair Market Value to the Tenant Occupier.
Fair Market Value subject to Tenancy.
 2. For Sale, Purchase or to fix a reserve for a client.
 3. To settle disputes, distribute Estates.
 4. For Mortgage purposes.
 5. Calculate compensation, assess damage, settle encroachment claims.
 6. Probate, where the Valuer General does not operate or in the case of Home Units, held on Company Title. 30
 7. Appeals against the Valuer General's Assessments (commonly termed objections)
 8. Re-valuation of Company assets, Company floats, Prospectuses, formation or dissolution of partnerships.

APPOINTMENTS TO INSPECT:

Remember that you or your staff are not in a position to know a Valuer's programme. It is enough that you take the instruction

APPOINTMENTS TO INSPECT: (Cont.)

and 'phone it immediately to the Department. The appointment and issue of the report cannot be promised for a specific date by anyone but the Valuer responsible for the assignment.

SCOPE OF WORK:

The Company does not usually value the following:

Personal Effects.

Furniture and furnishings.

Businesses as distinct from Real Estate. 10

Goodwill.

Plant and Equipment.

However the Company can refer this work to other valuing organisations specialising in any of these fields and advice on these enquiries can be attended to by the Department.

WORK UNDERTAKEN:

Work undertaken in general terms, embraces the following:-

LAND as Lots, proposed or completed subdivisions, for redevelopment resumption.

BUILDINGS or other improvements, residential, flats, home units, commercial or industrial premises, specialised improvements such as wharves. 20

COMPENSATION of land, improvements, affected partially or totally by resumptions of easement or fee simple, easement overhead or underground, construction of road, airport, railway, high tension lines, substation, planning schemes.

APPEALS against Valuer General assessments, Probate or Estate Duty.

INDUSTRIAL land and buildings.

COMMERCIAL City or Suburban property for investment mortgage, redevelopment, by unit or floor or as rented space. 30

SPECIALISED IMPROVEMENTS Hotels, Motels, Drive-Ins, Service Stations, Shopping Centres, Theatres, Club premises or lands for application to the Licensing Court.

MORTGAGE recommendations on all Real Estate.

INSURABLE value of all improvements.

RENTAL values for City, Suburban, Commercial, Industrial, Flats, Homes, Land.

MARKET SURVEYS for REAL ESTATE redevelopment programmes or projects.

FEASIBILITY STUDIES - City or Industrial

DATA REQUIRED:

The ideal information for an assignment is set out hereunder, much of it will not be available but the more obtained, the less delay in completing the job.

10

Address of the property to be valued,
Name, address, 'phone number of instructing party,
Name, address, 'phone number of party responsible for fee,
Reason for Valuation,
Dimensions of property, references to title,
Rents if applicable, general details of lease,
Identification of property if street not numbered,
Arrangements for access - loan of key if vacant,
Zoning problems,
Plans and specifications if property under construction, to be constructed, being remodelled, factory, city premises, motel.
Survey plans for subdivisions, resumptions, easements.

20

DO NOT hold the instructions while obtaining all information - some may be 'phoned in later or be obtainable at the time of inspection, if the client is aware of requirements.

Be prompt in forwarding instructions, obtain as much relevant data as possible, be aware of the contents of this section of the Manual and see that your Staff read it. If in doubt on a Valuation instruction 'phone the Department.

30

Forward the Company "Pocket Handbook" brochure with your Mail. It will assist in expanding the Department's activities.

LEDGER COPY
ADVERTISING DISSECTION

SERVICE PERFORMED BY	CONJ. PAYMENT APPROVED BY	PRESS SENT 8/8/73 <i>REMINDED SENT</i>	<i>30/3/73</i>	
<i>TGT-AT</i>		NOTICE BOARDS SENT 2/8/73		<i>L. 24/4/73</i>
CONJUNCTION PAYMENT DUE TO	AMOUNT	MISCELLANEOUS	<i>12/7/73</i>	<i>13.10.73</i>
SPECIAL INSTRUCTIONS RE CREDIT FOLLOW-UP		R & W SERVICE FEE	<i>LOD sent 31/7/73</i>	
<p>Fidelity Acceptance Pty. Ltd., 233 - 235 Glebe Point Road, <u>GLEBE.</u> N.S.W. 2037 <i>MR. J BURKE</i></p> <p>14th December, 1972.</p>		TOTAL		
		LESS CHARGED BELOW		
		OVERSPENT		
		OVERSPENDING APPROVED BY		

Fee: To Valuation of properties situate

NOS. 49, 51, 55, 57 & 59 GOTTENHAM ST., GLEBE.

LOD

\$183.50

No 22606	STATEMENT SENT	No. 2 FORM SENT	DATE	REC. No.	AMOUNT	
	No. 1 FORM SENT		<i>17/12/73</i>	<i>570</i>	<i>183</i>	<i>50</i>

LEDGER COPY
ADVERTISING DISSECTION

SERVICE PERFORMED BY TCR BC	CONJ. PAYMENT APPROVED BY	PRESS	<i>REMINDER SENT 3/3/73</i>	
CONJUNCTION PAYMENT DUE TO	AMOUNT	NOTICE BOARDS	<i>SENT 3/3/73</i>	<i>L. 24/4/73</i>
SPECIAL INSTRUCTIONS RE CREDIT FOLLOW-UP		MISCELLANEOUS	<i>sent 10/7/73</i>	<i>ltr sent 23/11/73</i>
<p>The Manager, Fidelity Acceptance Pty Ltd., 233-235 Glebe Point Road, GLEBE N.S.W. 2037</p> <p>12th December, 1972</p>		R & W SERVICE FEE	<i>LOD sent 3/12/73</i>	
		TOTAL		
		LESS CHARGED BELOW		
		OVERSPENT		
		OVERSPENDING APPROVED BY		

Fee: To Valuation of properties situate
 NO 27 GLEBE POINT ROAD, ULTIMO
 NO 23 GLEBE POINT ROAD, ULTIMO
 NO 532 NEW CANTERBURY ROAD, DULWICH HILL

LOD

send to collector

\$395.00

w/o.

J68

No 22660	STATEMENT SENT	No. 2 FORM SENT	DATE	REC. No.	AMOUNT
	No. 1 FORM SENT				

LEDGER COPY
ADVERTISING DISSECTION

SERVICE PERFORMED BY TGR:AB	CONJ. PAYMENT APPROVED BY	PRESS	
CONJUNCTION PAYMENT DUE TO	AMOUNT	NOTICE BOARDS	
SPECIAL INSTRUCTIONS RE CREDIT FOLLOW-UP		MISCELLANEOUS	
Giles Bourne Holdings Pty. Limited, 235 Glebe Point Road, GLEBE. N.S.W. 2037 24th April, 1972.		R & W SERVICE FEE	
		TOTAL	
		LESS CHARGED BELOW	
		OVERSPENT	
		OVERSPENDING APPROVED BY	

*Post. 72
29.3.72
11.4.72.*

Fee: To Valuation of property situate

NOS. 64/66 WELLINGTON STREET, MASCOT.

In conformity with the Minimum Commissions and Charges adopted by the Commonwealth Institute of Valuers and the Real Estate Institute of N.S.W. as at 23.11.71.

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\$134.50

21305	STATEMENT SENT	No. 2 FORM SENT	DATE	REC. No.	AMOUNT
	No. 1 FORM SENT	<i>Blw 3/11/72 Letter 21/4/72</i>			/

COMMON LAW DIVISION

COMMERCIAL LIST

3568 of 1976

KOORAGANG
INVESTMENTS PTY.
LIMITED

Plaintiff

RICHARDSON & WRENCH
LIMITED

Defendant

VERIFIED STATEMENT
IN ANSWER TO
INTERROGATORIES

Minter Simpson & Co.
Solicitors,
68 Pitt Street,
SYDNEY, 2000
DX 117
232-8644
(7031b:DJH)

The plaintiff answers the defendant's
interrogatories specified in notice filed
on 14 February 1979 as follows:

INTERROGATORIES

In the interrogatories and answers unless
the context of the particular interrogatory
requires otherwise the following words will
have the following meanings attributed to
them:

"AFL" means Australian Fertilizers Limited.
"The Glebe Property" means the property
situated at and known as 233, 235 and 237
Glebe Point Road, Glebe.

"The McMahon's Point Property" means the
property situated at and known as 18 and 20
East Crescent Street, McMahon's Point.

"Bourke" means John Giles Bourke.

"Rathborne" means Thomas George Rathborne.

"The Bourke Group" means some or all of:

1. Air Structures Pty. Limited.
2. Cube Pty. Limited.
3. Beutron Machinery Pty. Limited.
4. Beutron Plastics Pty. Limited.
5. Beutron Properties Pty. Limited.
6. Fidelity Holdings Pty. Limited.
7. Giles Bourke Holdings Pty. Limited.
8. Group Unity Securities Pty. Limited.
9. Group Unity Syndications Pty.
Limited.
10. H.D.B. Links Panorama Pty. Limited.
11. Meljon Holdings Pty. Limited.
12. Peter Craig Real Estate Pty. Limited.
13. Prism Pty. Limited
14. Solon Developments Pty. Limited.
15. Spore Pty. Limited.

Exhibit 15 - Answers to
852. Interrogatories

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"The Glebe Valuation" means the document referred to in paragraph 3 of the Amended Statement of Claim herein.

"The McMahon's Point Valuation" means the document referred to in paragraph 15 of the Amended Statement of Claim herein.

"The Glebe Loan" means the loan referred to in paragraph 7 of the Amended Statement of Claim herein.

"The McMahon's Point Loan" means the loan referred to in paragraph 19 of the Amended Statement of Claim herein.

- 1A(a) Is the plaintiff a wholly owned subsidiary of AFL? 10
- (b) If the answer to 1(a) is "yes", for how long has the plaintiff been a wholly owned subsidiary of AFL?
- (c) If the answer to 1(a) is "no" who have been the shareholders in the plaintiff since February, 1972 and what have been their respective shareholdings at all material times since that date?
- 1B(a) Yes.
- (b) Since 20 January 1972.
- (c) Not applicable.
- 2A(a) At any time since February 1972 has one of the functions of the plaintiff been the lending of money and, if so, over what period has that been a function of the plaintiff? 20
- (b) At any time since February 1972 has the lending of money been one of the principal functions of the plaintiff and if so, over what period has this been so?
- (c) At any time since February 1972 has the plaintiff been a licensed moneylender and if so on whose behalf and over what period has such licence been held from time to time?
- (d) At any time since January 1972 has the plaintiff lent money for or on behalf of AFL? 30
- (e) At any time since February 1972 has the plaintiff lent money?
- (f) If the answer to (e) is in the affirmative, from what source or sources did the plaintiff obtain moneys to lend?
- (g) Did not the plaintiff obtain moneys from AFL, surplus to the needs of AFL, from time to time, for the purpose of making loans?

- (h) If the plaintiff has lent money from time to time since February 1972:-
- (i) specify each amount of money which the plaintiff has lent.
 - (ii) on what date was each such amount of money lent?
 - (iii) on what terms was each such amount of money lent including particulars as to the security taken, the interest payable and the method and rates of repayment?

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- 2B(a) Yes, since February 1972 to the present time.
- (b) Yes, since February 1972 to the present time.
 - (c) Yes. A money lender's licence has been held on behalf of the plaintiff by Mr. A. Simpson since 3 February 1972 to the present time.
 - (d) Yes.
 - (e) Yes.
 - (f) Monies were obtained from funds surplus to the needs of the AFL Group.
 - (g) Yes.
 - (h) A list of secured loans made since February 1972 is shown on attachment A.

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- 7A(a) What position or positions has Mr. A. Simpson held with AFL since February 1972?
- (b) What position or positions has Mr. A. Simpson held with the plaintiff since February 1972?
- 7B(a) Mr. A. Simpson has been Financial Manager and Secretary of AFL since February 1972 to the present time.
- (b) Mr. A. Simpson has been a Director and Manager of the plaintiff since February 1972 to the present time.

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11A Apart from the lending of money in what other business activity or activities has the plaintiff engaged since February 1972?

11B None.

12A From what sources has the plaintiff derived its gross profit and net profit since 1972?

12B From interest received from loans.

13A What proportion of gross profit and net profit has the plaintiff derived from lending money since February 1972?

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13B 100%.

14A What amounts of money has the plaintiff lent in each of the calendar years 1972 to 1978 inclusive:-

- (a) secured by first mortgage over real estate and what has been the valuation obtained by the plaintiff of each piece of real estate?
- (b) secured by second or subsequent mortgage over real estate and what has been the valuation obtained by the plaintiff of each such piece of real estate and the amount owing under any prior mortgages?
- (c) secured over other assets and what has been the valuation obtained by the plaintiff of such other assets?
- (d) unsecured?

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14B (a) Total loans made during the calendar years 1972 to 1978 secured by first mortgage over real estate were as follows:

31 December 1972	\$1,090,000
1973	\$1,774,750
1974	\$1,732,000
1975	Nil
1976	Nil
1977	Nil
1978	Nil

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For details of each loan see attachment A.

(b) None.

(c) None.

(d) Total loans made during the calendar years 1972 to 1978 on an unsecured basis were as follows:

31 December 1972	\$15,777,836
1973	\$9,410,000
1974	\$38,808,000
1975	\$950,000
1976	\$8,432,832
1977	\$18,200,000
1978	\$21,200,000

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16A What is the detailed procedure adopted by the plaintiff in:-

(a) considering;

(b) approving; and

(c) entering into loans secured by first mortgage over real estate?

- 16B The plaintiff does not now enter into loans secured by first mortgage and has not since October 1974. Prior to that date the procedure followed by the plaintiff with regard to these matters varied from time to time and to meet the circumstances of each particular application. The general procedure followed included:
- (i) A review of the application for loan by a director.
 - (ii) Sighting a valuation by an approved valuer.
 - (iii) Consideration of the application by the Board of Directors of the plaintiff. 10
 - (iv) Inspection of the proposed security.
 - (v) If an application is approved, the borrower is notified and instruction to prepare security documents, make appropriate searches and enquiries etc. given to the company's solicitors.
 - (vi) On completion of documents and searches a cheque is drawn and forwarded to the solicitors for settlement.
 - (vii) Approval of the AFL Board of Directors. 20
- 17A What document or documents does the plaintiff require to be submitted to it, whether by the prospective mortgagor or any other person (and if so, what other person) for the purpose of:-
- (a) considering;
 - (b) approving; and
 - (c) entering into each loan secured by first mortgage over real estate?
- 17B The plaintiff does not now enter into loans secured by first mortgage and has not since October 1974. Prior to that date the documents required were generally as follows: 30
- (a) Letter or information from applicant or representative providing sufficient detail for completion of application form and valuation from valuers advising of the current market value of the property. Statement of assets and liabilities of borrower and signed guarantees where applicable.
 - (b) Signed duplicate copy of letter from plaintiff offering loan in which the borrower acknowledges conditions of loan. 40

- (c) First mortgage prepared by solicitors Minter Simpson & Co., together with advice that the property to be secured has a clear title.
- 18A What document or documents does the plaintiff bring into existence within its own organisation in considering, approving and entering into loans secured by first mortgage over real estate?
- 18B The plaintiff does not now enter into loans secured by first mortgage and has not since October 1974. Prior to that date the documents varied from time to time but they usually included one or more of the forms which are Annexures "F", "G", "J" and "M" to these interrogatories. 10
- 19A Since February 1972 prior to the lending of money secured by first mortgage over real estate, has such real estate been inspected by:-
- (a) Mr. A. Simpson; and/or
 - (b) Mr. R.C.J. Little; and/or
 - (c) Mr. B.D. Paech; and/or
 - (d) Any other person employed by the plaintiff or AFL and if so, what other person? 20
- 19B A schedule showing persons who have inspected real estate is annexed and marked "Attachment A".
- 20A If the answer to the last preceding interrogatory is in the affirmative, for what purpose has such inspection been carried out?
- 20B Inspections were usually carried out on real estate by one or more directors to physically sight the property, its situation and general state of repair.
- 21A (a) When did Mr. R.C.J. Little commence to work for the plaintiff? 30
- (b) In what capacity did Mr. R.C.J. Little commence to work for the plaintiff?
- (c) What precisely was and has been Mr. R.C.J. Little's position with the plaintiff from time to time since the time of commencement of his employment with the plaintiff to the present time?

- (d) When and in what circumstances did Mr. R.C.J. Little leave the employment of the plaintiff?

21B (a)-(d)

Mr. Little did not work for and was not employed by the plaintiff but AFL as Commercial Services Manager.

Mr. Little was a director of the plaintiff from 29 September 1972 to 1 July 1976. He was a secretary of the plaintiff from 19 February 1974 until 1 July 1976. Mr. Little retired as director and secretary on 1 July 1976.

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- 22A (a) Did Mr. R.C.J. Little have any authority and/or responsibilities in relation to the Glebe loan?
(b) If the answer to (a) is in the affirmative, what authority and/or what responsibilities did he have?
(c) Did Mr. R.C.J. Little have any authority and/or responsibilities in relation to the McMahon's Point loan?
(d) If the answer to (c) is in the affirmative, what authority and/or responsibilities did Mr. R.C.J. Little have in relation to the McMahon's Point loan?

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- 22B (a) Yes.
(b) The responsibility and authority deriving from his position as a director of the plaintiff.
(c) Yes.
(d) The responsibilities and the authority deriving from his position as a director of the plaintiff.

- 23A (a) Prior to the making of the Glebe loan, was the Glebe property inspected by Mr. A. Simpson and/or Mr. R.C.J. Little and/or any other person employed by the plaintiff or AFL and if so, whom?
(b) If the answer to the last preceding question is in the affirmative, by whom was such inspection carried out and for what purpose was such inspection carried out?

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Exhibit 15
Plaintiff's Answers
21B, 22, 23A

- 23B (a) Yes.
- (b) R.C.J. Little, A. Simpson, T.P. Dempsey, K. Satchwell. The purpose of the inspection was to physically sight the property, its situation and general state of repair.
- 24A (a) Prior to the making of the McMahon's Point loan, was the McMahon's Point property inspected by Mr. A. Simpson and/or Mr. R.C.J. Little and/or any other person employed by the plaintiff or AFL and if so, whom? 10
- (b) If the answer to the last preceding question is in the affirmative, by whom was such inspection carried out and for what purpose was such inspection carried out?
- 24B (a) Yes.
- (b) R.C.J. Little, A. Simpson, K. Satchwell, T.P. Dempsey. The purpose of the inspection was to physically sight the property, its situation and general state of repair. 20

- 30A (a) When did the plaintiff receive the copy valuation of the Glebe property discovered by the plaintiff and annexed hereto marked with the letter "C"?
- (b) From whom did the plaintiff receive the copy valuation of the Glebe property?
- (c) What steps did the plaintiff take to verify that the copy valuation of the Glebe property was a copy of a valuation prepared by a person acting in the course of his employment with the defendant? 10
- (d) What steps did the plaintiff take to verify that the copy valuation of the Glebe property was a genuine valuation emanating from the defendant?
- (e) Did the plaintiff employ the defendant to prepare any valuation of the Glebe property?
- 30B (a) Under cover of a letter from Donald G. Cameron & Associates dated 28 June 1973.
- (b) As in (a) above.
- (c) The signed valuation was on the stationery and letterhead of Richardson & Wrench Ltd., which was the same form as sighted by the plaintiff on previous and subsequent Richardson & Wrench valuations. 20
- (d) None, as Donald Cameron & Associates, financiers were fully aware that the plaintiff's valuer was Richardson & Wrench Ltd., and that the plaintiff would call for a Richardson & Wrench Ltd. valuation to be carried out at the borrower's expense if one were not submitted.
- (e) No. 30
- 31A When and how did the plaintiff come to understand that Rathborne was the person who prepared:
- (a) the Glebe valuation;
- (b) the McMahon's Point valuation.

31B (a) and (b)

It was not known at the time of the loan. The plaintiff subsequently obtained the understanding after publicity in the Sydney Morning Herald on 27 June 1975 from information given by officers of the defendant, the Corporate Affairs Commission and the Fraud Squad.

- 32A (a) When did the plaintiff receive the copy valuation of the McMahon's Point property? 10
- (b) From whom did the plaintiff receive the copy valuation of the McMahon's Point property?
- (c) What steps did the plaintiff take to verify that the copy valuation of the McMahon's Point property was a copy of a valuation prepared by a person acting in the course of his employment with the defendant?
- (d) What steps did the plaintiff take to verify that the copy valuation of the McMahon's Point property was a genuine valuation emanating from the defendant? 20
- (e) Did the plaintiff employ the defendant to prepare any valuation of the McMahon's Point property?

- 32B (a) 1 August, 1973.
- (b) Roland E. Gridiger & Co., solicitors for Group Unity Securities Pty. Ltd.
- (c) The Valuation Report was on the stationery and letterhead of the defendant. Letter dated 1 August 1973 from Roland E. Gridiger & Co., stated "We enclose Valuation Report from Richardson & Wrench dated 14 June 1973 and valuing the property at \$250,000". 30
- (d) None other than the steps shown in (c) above.
- (e) No, the solicitors acting on behalf of the borrower, Roland E. Gridiger & Co., were aware that Kooragang Investments Pty. Ltd. required a valuation from the defendant and that the total loan would not exceed 65% of the valuation.

- 33A Did the plaintiff at any time make any enquiries of the defendant or any other person, and if so whom, to ascertain:-
- (a) By whom the valuation of the Glebe property had been prepared?
 - (b) By whom the valuation of the McMahon's Point property had been prepared?
- 33B (a) No. 10
(b) No.
- 35A (a) What period elapsed between the time the plaintiff received the copy valuation of the Glebe property and the date upon which the plaintiff made the loan on the security of the Glebe property?
- (b) What period elapsed between the time the plaintiff received the copy valuation of the McMahon's Point property and the date upon which the plaintiff made the loan on the security of the McMahon's Point property? 20
- (c) Between the date that the plaintiff received the copy valuation of the Glebe property and the date that it made the loan in respect of that property, what steps, if any, did the plaintiff take to ensure that there had been no change: 20
- (i) In the state of repair of the property or the nature of the structure erected on the property?
 - (ii) In the valuation?
- (d) Between the date that the plaintiff received the copy valuation of the McMahon's Point property and the date that it made the loan in respect of that property, what steps, if any, did the plaintiff take to ensure that there had been no change: 30
- (i) In the state of repair of the property or the nature of the structure erected thereon?
 - (ii) In the valuation?

- 35B (a) The Richardson & Wrench Ltd. valuation on the Glebe property was received under cover of a letter from financiers Donald G. Cameron & Associates dated 28 June 1973. Date of the loan was deemed to be 15 October 1973 and interest accrued from that date. A cheque for \$104,000 was drawn by the plaintiff on 18 January 1974.
- (b) The Richardson & Wrench Ltd., valuation on the McMahons Point property was received under cover of a letter from solicitors Roland E. Gridiger dated 1 August, 1973. Date of the loan was deemed to be 1 October 1973 and interest accrued from that date. A cheque for \$160,000 was drawn by the plaintiff on 5 October 1973. 10
- (c) (i) The property was inspected.
(ii) None.
- (d) (i) The property was inspected.
(ii) None.
- 36A At any time after the receipt of the copy valuation of the Glebe property and/or the McMahan's Point property did the plaintiff or any person on behalf of the plaintiff communicate with the defendant in regard to the valuation? 20
- 36B No.
- 38A (a) Did the plaintiff at any time prior to making the loans on the security of the Glebe property and/or the McMahan's Point property ask any person for the original of the copy valuation or valuations?
- (b) if the answer to (a) is in the affirmative, by whom was such request made on behalf of the plaintiff and to whom was such request made and what was the result thereof? 30

- (c) Is it not the opinion of the plaintiff that it is prudent practice for it as a mortgagee to hold the original of a valuation of real estate upon the security of which it lends money on first mortgage?
- (d) Is it the opinion of the plaintiff that it is prudent for the plaintiff to lend money on the security of real estate:-
- (i) when it is only in possession of a copy of a valuation; and
 - (ii) when such valuation has been received from persons acting on behalf of the proposed mortgagor; and
 - (iii) when such copy valuation purports to have been prepared on behalf of the proposed mortgagor; and
 - (iv) when the plaintiff has failed to engage a valuer to carry out a valuation of such real estate on behalf of the plaintiff; and
 - (v) when the plaintiff has failed to take steps to verify the authenticity of the copy valuation received by it from persons acting on behalf of the proposed mortgagor?

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45A Did the plaintiff ever ask the defendant to carry out an inspection as contemplated in paragraph 3 of the letter of 21st February 1972 annexed hereto marked "O" in connection with the Glebe property or the McMahon's Point property and if so, which one?

45B No.

46A Did the plaintiff ever advise the defendant of the need for the valuation as contemplated by paragraph 4 of the said letter of 21st February 1972 in regard to either or both the Glebe property or the McMahon's Point property? If so, which?

10

46B No.

47A (a) Did the plaintiff ever request the separate letter referred to in the last paragraph of the first page of the said letter of the 21st February 1972 in regard to either the Glebe property or the McMahon's Point property?

(b) If so, was such letter or letters ever furnished to the plaintiff?

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47B (a) No.

(b) Not applicable.

51A Did the plaintiff ever receive the information referred to in the last paragraph of page 1 and on the second page of the said letter of 21 January 1972? (In regard to either the Glebe property or the McMahon's Point property and if so, which one or ones and what information)?

51B No.

52A Was the defendant ever informed by the plaintiff or any person on its behalf that the plaintiff proposed to make loans based on the copy valuation of the Glebe property or the copy valuation of the McMahon's Point property and if so, who was so informed, when and by whom?

10

52B No.

94A So far as the Glebe valuation document is concerned:
(a) did the plaintiff obtain the only copy of the valuation it ever obtained before January 1974 under cover of a letter of June 28, 1973 from Donald G. Cameron & Associates discovered by the plaintiff and annexed hereto marked "R"?
(b) If the answer to (a) above is "no", when and in what circumstances did the plaintiff obtain any other copy or original of the said valuation before January of 1974?

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94B (a) Yes.
(b) Not applicable.

95A Look at the last paragraph of the Glebe valuation which reads: "WE RECOMMEND the property as an eligible security for the advancement of funds by way of first mortgage only":

- (a) did the plaintiff consent to the mortgagor giving a second mortgage to the Bank of New South Wales, Surry Hills?
- (b) if not, did the plaintiff permit in any way the granting of a second mortgage? 10
- (c) when and in what circumstances was that consent or permission given?
- (d) what were the terms of the second mortgage to the Bank of New South Wales, Surry Hills?
- (e) Did the plaintiff consider that the giving of consent to or permitting the granting of the second mortgage was contrary to the terms of the said valuation and if not, why not?

- 95B
- (a) Yes.
 - (b) Not applicable. 20
 - (c) The Bank of New South Wales held a first mortgage over 233-235 Glebe Point Road, Glebe prior to the loan being made by the plaintiff. The bank of New South Wales agreed to cancel the first mortgage and replace it with a second mortgage on the property.
 - (d) Not known.
 - (e) No, because the plaintiff advanced funds by way of first mortgage only.

97A The Glebe valuation is said to be "under instructions from Fidelity Acceptance Pty. Limited, 233-235 Glebe Point Road, Glebe.

97B No question.

- 98A Did the plaintiff make any enquiries about this organisation.
- 98B No. The valuation had been prepared by Richardson & Wrench Limited.
- 103A Who does the plaintiff say retained the defendant to do the Glebe valuation?
- 103B The plaintiff does not know.

- 38 -

- 104A Does the plaintiff agree that the Glebe valuation has no author's reference in the place provided or any indication as to which particular valuer prepared the valuation? 10
- 104B Yes but this is of little consequence as valuations are signed by Richardson & Wrench Limited and not by individual valuers employed by that company.
- 105A Did the plaintiff make any enquiries as to the identity of the valuer preparing the said valuation?
- 105B No.
- 121A (a) Was not the purchase price of the property 237 Glebe Point Road, Glebe by the mortgagor \$22,500? 20
 (b) Was Giles Bourke Holdings Pty. Limited the owner of 237 Glebe Point Road at the time the plaintiff made the Glebe loan?
- Exhibit 15
 Plaintiff's Answers
 869. 98,103,104,105,121A

- 121B (a) The plaintiff does not know.
(b) Yes.
- 124A Did the plaintiff attach any significance to the purchase price of \$22,500 for the property 237 Glebe Point Road, Glebe and, if so, what significance did the plaintiff attach to that purchase price?
- 124B The plaintiff was unaware of that price.
- 125A Did not the fact that the purchase price of the property 237 Glebe Point Road on 15 December 1972 was \$22,500 indicate to the plaintiff that the Glebe valuation of 26 March 1973:
(a) required further investigation? 10
- 43 -
- (b) could well not be correct?
(c) was incorrect?
- 125B (a), (b) and (c)
The purchase price was not known.
- 127A Before making the Glebe loan did the plaintiff give any consideration to the fact that the purchase price of 237 Glebe Point Road on 15 December 1972 was \$22,500 and, if it did, what was the result of that consideration? 20
- 127B The purchase price was not known.

137A Was the copy valuation forwarded with the letter of 28 June 1973 annexed hereto marked "R" stamped "copy"?

137B No.

138A (a) What steps were taken, if any, by the plaintiff to sight the original?
(b) Who held the original at the date of receipt by the plaintiff of the copy?

138B (a) None.
(b) Not known.

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139A Were there any enquiries made as to who made the valuation?

139B No.

163A Does the plaintiff say that the Glebe property was at any time an eligible security for the advancement of funds by way of first and second mortgage?

163B Yes.

164A If so, when was it so eligible?

164B It was eligible in 1973 for a first mortgage loan up to 65% of its real value.

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173A Does the plaintiff say that Glebe valuation was addressed by the defendant to the plaintiff?

173B No.

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176A What steps, if any, did the plaintiff take to verify that the copy of the written valuation received by it in relation to the Glebe property:

(a) was issued by a servant or agent of the defendant acting within the scope of his authority?

(b) Was accurate?

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176B (a) None.

(b) None.

180A Describe in detail the satisfactory bank reference obtained in regard to Giles Bourke Holdings Pty. Limited.

180B The plaintiff did not obtain a bank reference.

190A Mr. Little's memorandum of 12 August, 1973 headed "Kooragang Investments Pty. Limited - Investment Policy" discovered by the plaintiff and annexed hereto marked with the letter "X" says, inter alia, "presently we ensure that the property being mortgaged earns sufficient to cover the interest on the borrowed funds". Was that statement accurate at the time of its writing?

190B This was a statement from the guidelines used internally to consider applications for loans on first mortgage. 10

191A If the answer to interrogatory numbered 190 is "yes",

(a) What was the interest on each of the McMahon's Point and Glebe properties?

(b) What were the earnings of each property at

(i) 14 August 1973;

(ii) 27 August 1973;

(iii) 5 October 1973;

(iv) 14 January 1974.

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192A Did the plaintiff apply for a Dunn and Bradstreet Report as contemplated by Appendix E annexed hereto marked "J" for either of Glebe Point Road of McMahon's Point properties? 20

192B No Dunn and Bradstreet report was obtained in relation to either loan.

193A Were the leases of either the Glebe property or the McMahon's Point property sighted by AFL or by the plaintiff? If so, what were the terms of the leases?

193B No, not so far as the plaintiff is presently aware. Some enquiries were made at the Rent Control Office by the plaintiff's solicitors. Mr. Little sighted a summary of gross rents receivable from the McMahon's Point property.

212A So far as the McMahon's Point valuation is concerned:

- (a) Did the plaintiff obtain the only copy it ever obtained before 5 October 1973 under cover of a letter of 1 August 1973 from Roland E. Gridiger & Co. discovered by the plaintiff and annexed hereto marked with the letters "DD"?
- (b) If the answer to (a) above is "no", when and in what circumstances did the plaintiff obtain any other copy or original of the said valuation before 5 October 1973?
- (c) Did the plaintiff understand the valuation to refer to the land contained in Certificate of Title Volume 5479 Folio 38 only?
- (d) If the answer to (c) above is "no" what other land did the plaintiff understand the valuation to refer to?

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- (e) Did the plaintiff lend Group Unity Securities Pty. Limited the sum of \$160,000, secured over land contained in Certificates of Title Volume 5479 Folios 38 and 39 on 5 October 1973?
- (f) If the answer to (c) above is "yes", did the plaintiff take steps to obtain a valuation of the land contained in Certificate of Title Volume 5479 Folio 39?
- (g) Was the plaintiff in doubt as to what land the valuation referred to? 10
- (h) If the answer to (g) is "yes", what steps did the plaintiff take to remove this doubt?
- (i) The McMahon's Point valuation is said to be "under instructions from Group Unity Securities Pty. Limited FOR AND ON BEHALF OF COBDEN PTY. LIMITED AS MORTGAGEE"
- (j) Did the plaintiff make any enquiries about either of these organisations?
- (k) If "yes", what enquiries were made and what information did these enquiries yield? 20
- (l) Who does the plaintiff say retained the defendant to prepare the McMahon's Point valuation?
- 212B (a) Yes.
- (b) Not applicable.
- (c) Yes - as described on the Richardson & Wrench Limited valuation dated 14 June 1973.
- (d) Not applicable.
- (e) No. The land title was shown on the Memorandum of Mortgage as Vol. 11030 folios 38 and 39. 30
- (f) Not applicable.
- (g) No.
- (h) Not applicable.
- (i) No answer required.
- (j) No.
- (k) Not applicable.
- (l) Group Unity Securities Pty. Limited as shown on the Richardson & Wrench Limited valuation dated 14 June 1973.

213A Look at the 2nd last paragraph of the McMahon's Point valuation which reads "WE RECOMMEND the property as an eligible security for the advancement of loan funds by way of first mortgage":

- (a) Did the plaintiff consent to the mortgagor giving a second mortgage to W.R. Carpenter Finance Corporation Limited?
- (b) If not, did the plaintiff permit in any way the granting of a second mortgage? 10
- (c) When and in what circumstances was that consent or permission given?
- (d) What were the terms of the second mortgage to W.R. Carpenter Finance Corporation Limited?
- (e) Did the plaintiff consider that the giving of consent to or permitting the granting of the second mortgage was contrary to the terms of the said valuation and if not why not?
- (f) If the answer to (b) is "no", did the plaintiff rely on the recommendation referred to above in any way? 20
- (g) If the answer to (b) is "yes", did the plaintiff rely on the recommendation referred to above in any way? If so, in what way did it rely?

- 213B
- (a) Yes.
 - (b) Does not apply.
 - (c) On 1 August 1973 to Roland E. Gridiger & Co.
 - (d) Loan of \$35,000 but term of loan and rate of interest not known.
 - (e) No, this second mortgage concerned W.R. Carpenter Finance Corporation Pty. Limited. 30
 - (f) Does not apply.
 - (g) Does not apply.

222A Was the purchase of the McMahon's Point land by Group Unity Securities Limited completed by two transfers dated 5 October 1973 annexed hereto and marked with the letters "EE" and "FF" respectively?

222B Yes.

228A Does the plaintiff agree that the purchase price to Group Unity Securities Pty. Limited of the McMahon's Point property on 5 October 1973 was \$185,000?

228B The plaintiff did not know the purchase price.

229A Did the plaintiff attach any significance to the said purchase price of \$185,000 and if so what significance? 10

229B The plaintiff did not know the purchase price.

233A Did the plaintiff place less reliance on the McMahon's Point valuation because it had not seen the original of the valuation before 5 October 1973?

233B No.

234A (a) Was the copy valuation forwarded to the plaintiff stamped "copy"?

(b) Who held the original at the date of receipt by the plaintiff of the copy? 20

234B (a) No.

(b) The plaintiff does not know.

235A What steps were taken if any by the plaintiff to sight the original?

235B None.

Exhibit 15
Plaintiff's Answers

877. 222,228,229,233,234,235

236A Were there any enquiries made as to who made the valuation?

236B No.

245A Does the plaintiff say that the McMahon's Point property was at any time an eligible security for the advancement of funds by way of first and second mortgage?

245B Yes.

246A If so, when was it so eligible?

246B It was eligible in 1973 for a first mortgage loan up to 65% of its real value.

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252A Does the plaintiff say that the McMahon's Point valuation was a representation made by the defendant to the plaintiff?

- 70 -

252B No.

253A If the answer to the preceding interrogatory is "yes", what are the facts, circumstances and inferences which support that answer?

253B Not applicable.

254A Does the plaintiff say that the McMahon's Point valuation was addressed by the defendant to the plaintiff?

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254B No.

Exhibit 15
Plaintiff's Answers
878. 36,245,246,252,253,154

257A What steps if any did the plaintiff take to verify that the copy of the written valuation received by it in relation to the McMahon's Point property:-

(a) Was issued by a servant or agent of the defendant acting within the scope of his authority?

(b) Was accurate?

257B (a) and (b)

Not deemed necessary. See answer to question 253.

LEDGER COPY
ADVERTISING DISSECTION

SERVICE PERFORMED BY	CONJ. PAYMENT APPROVED BY	PRESS			
CONJUNCTION PAYMENT DUE TO	AMOUNT	NOTICE BOARDS			
SPECIAL INSTRUCTIONS RE CREDIT FOLLOW-UP		MISCELLANEOUS			
<p>The Manager, Moorunga Investments Pty Ltd., 219 Wilson Street NORTH SYDNEY N.S.W. 2060</p> <p>10th November, 1974</p>		R & W SERVICE FEE			
		TOTAL			
		LESS CHARGED BELOW			
		OVERSPENT			
		OVERSPENDING APPROVED BY			

Fee: To inspecting and reporting
 Nos 18-20 East Grosvenor Street, McMahons Point
 No 233-235 Glebe Point Road, Glebe

\$50.00

27228	STATEMENT SENT	No. 2 FORM SENT	DATE	REC. No.	AMOUNT	
	No. 1 FORM SENT		22.11.74	524	50	00

IN THE SUPREME COURT)
)
OF NEW SOUTH WALES) No. 3568 of 1976
)
COMMON LAW DIVISION)
)
COMMERCIAL LIST) CORAM: ROGERS, J.

FRIDAY, 4TH JULY, 1980

KOORAGANG INVESTMENTS PTY. LIMITED

V.

RICHARDSON & WRENCH LIMITED

JUDGMENT

HIS HONOUR: Which of two completely innocent parties is to suffer the damage occasioned by the activities of another? 10

In early 1972 Australian Fertilizers Limited ("A.F.L."), a large public company, caused one of its dormant subsidiaries to change its name to Kooragang Investments Pty. Limited and to obtain a licence under the Moneylenders and Infants Loans Act, 1941 (as amended). The funds to be lent by the plaintiff were for the time being surplus to the operations of A.F.L. and ran into millions of dollars. It was determined that the money should be lent either on first mortgage security or in the inter-company money market. The policy to be followed by the plaintiff in the conduct of its affairs was determined by the Board of A.F.L. The officers of the plaintiff were full-time employees of A.F.L. who devoted part of their time

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of his Honour,
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to the business of the plaintiff.

The officers of the plaintiff had no experience in lending money on mortgage security and sought advice from the defendant. Richardson & Wrench Limited is an experienced real estate agent and valuer carrying on business in Sydney.

It had a long-established relationship as a valuer for A.F.L.

Thus, when officers of the plaintiff company approached it, they expected to and received considerable assistance from

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the defendant through Mr. Hodgson, the director in charge of valuations for that company. After some discussions between

Mr. Hodgson and Mr. Simpson of the plaintiff and after consideration of some sample documentation supplied by the

defendant, officers of the plaintiff prepared guidelines for the processing of applications for two-year loans on first

mortgage security. In the course of discussion, Mr. Hodgson suggested, and it was accepted, that 65% of the valuation of

the property proposed as security should be the limit of the advance rather than the 60% contemplated by the plaintiff

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because the rate of interest available was somewhat higher. The proposed documentation was approved by the solicitors of

the plaintiff, Messrs. Minter Simpson & Co. In this setting the plaintiff wrote the letter of the 21st February, 1972 to

Mr. Hodgson. The letter set out the procedures to be followed

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"in all applications which appear suitable to us" (my emphasis).

There was to be a preliminary inspection of the property to enable the defendant to make a general comment on the suitability of the property as a mortgage prospect. A fee of about \$25 was payable by the plaintiff. Thereafter "we will advise you by letter when an applicant may seek a valuation on a property.

It is expected that you will provide your normal valuation 10
which will show land and buildings separately. Further, the Board of Kooragang Investments Pty. Limited, request that you provide them with a separate letter which would include information based on the following guidelines:-". There then followed a detailed list of items of information required.

Some time between the 16th and the 25th February, 1972, there was a meeting of the Board of A.F.L. which resolved, inter alia, that the plaintiff be authorised to lend up to \$1,000,000 on first mortgage security on commercial premises not exceeding \$300,000 in any one transaction subject to, 20
inter alia, the amount of the loan not exceeding 65% of valuation of a sworn valuer approved by A.F.L. Approval of the A.F.L. Chairman or an A.F.L. director nominated by him was required before any commitment was entered into by the plaintiff. Item 4 of the resolution read;-

"Messrs. Richardson & Wrench be approved as valuers of real estate property for Kooragang Investments Pty. Limited."

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Thereafter business was carried on substantially in accordance with the guidelines and the terms of the letter of 21st February, 1972, although there were some departures. The departures were mostly in the extent to which the valuations prepared by the defendant conformed to the requirements of the letter. Essentially, however, the scheme was adhered to. When an application for loan was received, more often than not, a preliminary inspection was commissioned by the plaintiff, carried out by Richardson & Wrench and paid for by the plaintiff at the rate of \$25. If the application were then to proceed, the defendant was informed by the plaintiff that an application for a full valuation would be made by the intending borrower and the intending borrower was instructed to obtain a valuation from Richardson & Wrench Limited. In the fullness of time the valuation was prepared and payment therefore made by the intending borrower. It will be necessary later to describe in a little more detail, the manner in which the valuation division of the defendant operated at the relevant time.

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In 1972-1973 there were active in Sydney in the real estate market, a number of companies which together constituted what was referred to during the hearing as the Giles-Bourke group of companies. They included, amongst others, Giles Bourke

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Holdings Pty. Limited, Group Unity Securities Pty. Limited and Fidelity Acceptance Pty. Limited. Various members of the group had occasion to obtain valuations from the defendant in 1972-1973 in connection with application for loans made to the plaintiff. Apparently there was some difficulty experienced in obtaining payment for valuations from companies within the group and by memorandum dated 20th November, 1972 (Exhibit 7), Mr. Hodgson instructed members of the valuation division not to accept further valuation work for the group until outstanding accounts were paid. 10

By letter of the 28th June, 1973, a firm of mortgage brokers, Donald G. Cameron & Associates, applied to the plaintiff on behalf of Giles Bourke Holdings Pty. Limited for a loan to be secured by way of first mortgage on the security of offices situated at 233, 235 and 237 Glebe Point Road, Glebe Point ("the Glebe property"). The letter stated that "Richardson & Wrench have valued the property at \$160,000 and a copy of the report is enclosed". There was also enclosed with the letter financial details of Mr. Bourke and of the companies within the group revealing an apparent surplus of assets over liabilities exceeding \$1,000,000. The valuation which was actually enclosed with the letter was a photocopy document purporting to have been prepared by the defendant under instructions from Fidelity Acceptance Pty. Limited 20

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"for and on behalf of an intending mortgagee" and bore date 26th March, 1973. Contrary to usual practice, nothing appeared in the box provided for the initials of the defendant's valuer and typist responsible for the preparation of the valuation. The document was a short one and a half pages and after reciting that the building had been recently renovated and remodelled and was in excellent condition and that it was well-located for commercial purposes in Glebe Point shopping centre, next door to a T.A.B. and close to the hotel and the main intersection of Bridge Road and Glebe Point Road, recommended it as an eligible security for the advancement of funds by way of first mortgage and gave an estimate of the fair market value as \$160,000. In handwriting the document bore the corporate name of the defendant.

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The statement of assets and liabilities which accompanied the letter, referred only to 233-235 Glebe Point Road, Glebe and as at 12th July, 1972, ascribed a value of \$85,000 to those premises. The loan application form stated that there was an existing mortgage of \$40,000 on properties 233-235 Glebe Point Road. On receipt of the application, the properties were inspected by Mr. Little, Commercial Services Manager of the plaintiff, who made a written report, concluding "my inspection supports the report submitted by Richardson & Wrench". The application was considered by the Board of the

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plaintiff and the relevant minute stated, inter alia, that the amount sought, the sum of \$104,000, represented 65% of a valuation dated 26th March, 1973 of \$160,000 made by Richardson & Wrench Limited. It was resolved to seek confirmation of the statement of assets and liabilities of the borrower and "to obtain profitability figures to support the interest commitment". In apparent response to a requirement to this effect made by the plaintiff, Roland E. Gridiger & Co., Solicitors for the applicant for loan, forwarded under cover of a letter of the 6th August, 1973, what were described as statements from Messrs. Bentley, Wheeler, Cartledge & Co., Chartered Accountants. Relevantly, by a statement dated 3rd August, 1973, the accountants stated that they had sighted current valuations of properties owned, inter alia, by Giles Bourke Holdings Pty. Limited, made by Richardson & Wrench Limited, in respect of the Glebe property, in an amount of \$160,000 and that the property was burdened with a first mortgage in the sum of \$15,000 and a second mortgage in the sum of \$20,009, leaving an equity of \$124,991 in the company.

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As required by the A.F.L. Minute, a telex was sent by the plaintiff to an A.F.L. director requesting approval for a loan to Giles Bourke Holdings Pty. Limited in the sum

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\$104,000 on the Glebe property, stating that the Richardson & Wrench valuation was \$160,000 and that the mortgage payment would be personally guaranteed by directors. Approval was granted. At about the same time there was provided to the plaintiff a letter from Giles Bourke Holdings Pty. Limited to its solicitor stating that the total rental income from the Glebe property was \$410 per week, paid by Peter Craig Real Estate Pty. Limited occupying the ground floor, part of the basement and part of the first floor, \$300; various companies occupying the first floor, \$80; and \$30 in respect of the basement used as storage space. The outgoings consisted of water rates in the sum of \$309.27 per annum and council rates of \$588.94.

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Having secured the approval of the A.F.L. director and the further information I have mentioned, by letter of 27th August, 1973, the plaintiff offered to grant a loan in the amount sought on first mortgage on the terms and conditions set out in that letter. The letter is endorsed with an acceptance also dated 27th August, 1973 and thereafter the matter was taken over by the solicitors for the plaintiff for the necessary documentation to be prepared. There was a lengthy delay, apparently due to some difficulties as to the title of 237 Glebe Point Road, Glebe. In the course of the

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usual requisitions of title, particulars of tenancies were sought, but the reply to that was that these had been forwarded to the mortgage broker on the 21st August. Settlement of the mortgage transaction did not take place until 18th January, 1974. The existing mortgage to the Bank of N.S.W. was postponed to the mortgage to the plaintiff. In the fullness of time, the mortgage was registered by the Registrar General. The mortgagor defaulted in making the interest payment that was due on the 15th July, 1974 and that default was never remedied. The plaintiff went into possession as mortgagee and management of the property was given to the defendant.

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On 18th November, 1974 the defendant wrote to the plaintiff stating that it was not possible to inspect the Glebe property as Peter Craig Real Estate declined to permit an interior inspection. From "external view" an estimate was made that \$100,000 would not seem to be an unreasonable figure for the property but this would be subject to amendment depending on the state of building. The Glebe property was ultimately sold by the plaintiff exercising its power of sale as mortgagee.

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Under cover of a letter of the 1st August, 1973 making application for a loan on behalf of Group Unity Securities Pty. Limited, Roland E. Gridiger & Co. forwarded to the

plaintiff a photostat copy of a valuation report purporting to be from the defendant and bearing date 14th June, 1973, in respect of premises 18 and 20 East Crescent Street, McMahons Point ("the McMahons Point property"). This document purported to have been prepared under instructions from Group Unity Securities Pty. Limited and to have been "for and on behalf of Cobden Pty. Limited, 80 Perry Street, Matraville as mortgagee". This document did have initials in the appropriate box and was a more substantial document than the other. The property consisted of nineteen self-contained flats and the basis of valuation was stated to be the earning capacity of the property in its existing use and its future potential for multi-storey development. After recommending the property as an eligible security for the advancement of funds by way of first mortgage, the estimated market price was given as \$250,000 and the document was signed in handwriting in the corporate name of the defendant. This property also was inspected by Mr. Little who thought it suitable as security. At the meeting of the Board of the plaintiff of 6th August, 1973, it was agreed that the property should be inspected "as a valuation of \$250,000 had already been obtained from Richardson & Wrench". It was decided by the Board that the defendant should clarify the zoning position and that the financial position of the borrower be investigated prior to proceeding with the loan. Unfortunately the question

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of zoning was not taken up with the defendant. Information was obtained as to the gross rentals and outgoings on the property and after approval from the A.F.L. director an offer was made by letter of 9th August, 1973 of a loan of \$160,000 on first mortgage, subject to personal guarantee of the directors and coupled with a consent to a second mortgage to about \$35,000. The offer was accepted on the 14th August, 1973. This time matters proceeded somewhat more rapidly. In the course of final arrangements it was agreed that Mr. J. G. Bourke should be sole guarantor. The solicitors for the plaintiff required, prior to settlement, a certificate under S.342AS of the Local Government Act and also evidence that the leases to tenants were in accordance with their description in the contract and had been validly registered under S.5A of the Landlord and Tenant (Amendment) Act. The contract, dated 25th May, 1973, referred to, had been forwarded by the solicitors for the borrower to the solicitors for the plaintiff and related to the sale of the McMahons Point property to Group Unity Securities Pty. Limited for the sum of \$185,000. By letter of the 26th September, 1973 the solicitors for the company informed the solicitors for the plaintiff that flats 1 and 2 in 18 East Crescent Street had not had 5A leases registered. Although

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not expressly stated, the inevitable inference was that the premises were the subject of rent control under the provisions of the Landlord and Tenant (Amendment) Act 1948. Whether the plaintiff's solicitors made this fact known to their client or not, does not appear, but it certainly appears not to have impeded settlement.

The Memorandum of Mortgage bears date 5th October, 1973. 10
Default in this instance was somewhat earlier in that no payment of interest was made on the 5th June, July and August, 1974. A valuation in the sum of \$100,000 was obtained from the defendant dated 18th November, 1974 in respect of the McMahons Point property. Eventually this property also was sold by the plaintiff exercising its power of sale as mortgagee.

It is appropriate now to return to the evidence as to the defendant's method of making valuations and to explain how the two photocopy documents came into existence as purporting to be valuations prepared by the defendant. 20

In 1973 there were five valuers on the staff of the defendant who included a Mr. Rowan and a Mr. Rathborne. Instructions were received from prospective clients in a number of ways, by telephone, personal contact at the office, or by letter. The work was allocated by Mr. Hodgson in his capacity as the director in charge of the division, generally

speaking on a geographical basis. Thus, if there were two valuations to be carried out in the Eastern Suburbs of Sydney, they would both be assigned to the same valuer, irrespective of the identity of the client. It did happen sometimes that a business relationship arose between a client and a particular valuer, in cases where clients had a considerable number of valuations to be carried out and in such circumstances, 10 it did happen, albeit contrary to the wishes of the defendant, that the same valuer attended to that client's valuations wherever the property might be situated. Thus it was that initially the valuations for the Giles Bourke Group of companies were for a time carried out by Mr. Rowan and subsequently by Mr. Rathborne. When a particular assignment was completed, the work was entered in a valuation register as an entry and from there files by way of permanent record in a valuation book with perhaps twenty-five to thirty other valuations. Whilst the work was being carried out a file was 20 kept containing all the documentation relating to it commencing with instructions, and including field-notes and other material necessary to produce a valuation. When a valuer was in a position to prepare the final document, it was typed by one of the three secretaries employed in the division. In relation to valuations exceeding \$100,000,

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Mr. Hodgson was to be kept informed of the progress of the work. All valuations were prepared in the form of an original, one carbon on white paper and one on pink. The last mentioned document was the one which was bound in the valuation book. The client was handed the original and the white carbon. When a valuation was completed, then depending on the credit rating of the client, it was either handed over in exchange for a cheque in respect of which an invoice was typed, or sent to the client together with the invoice. The invoices became part of the defendant's accounting business records in a manner which it is unnecessary to describe in detail. There is no record of any kind in the office of the defendant relating to the receipt of instructions to carry out the valuations in 1973 of the Glebe property or the McMahons Point property, no field notes or other material leading to a valuation, no pink copy of the valuation, no invoice and no record of any payment being made to the defendant. In other words, except for the fact that the defendant's stationery was used in respect of the valuations and the defendant's corporate name signed to the valuation, there is nothing to connect the two valuations with any activity carried out by or on behalf of the defendant.

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The evidence has clearly established the way in which the two valuations in question were produced. In 1973, Mrs. Helen Clarke worked at the Glebe property for Fidelity Acceptance Pty. Limited. From time to time Mr. Rathborne dictated to Mrs. Clarke valuations of properties which she then typed on letterhead bearing the defendant's name supplied to her by Mr. Rathborne. Almost all the valuations bore initials in the space provided, either TGR/SC or TGR/AB. Again this was on Mr. Rathborne's instructions. Mrs. Clarke typed only an original which was then photocopied and a backsheet put around the valuation, once again supplied by Mr. Rathborne and bearing the defendant's name. Mr. Rathborne signed the corporate name of the defendant to these valuations. In most cases the originals were taken to the office of Roland E. Gridiger & Co. and the photostats were kept in the office. Mrs. Clarke was able to identify the valuations of the Glebe property and of the McMahons Point property as having been typed by her. At this time, payment of the accounts referred to in Mr. Hodgson's memorandum of 20th November, 1972 had not been made in full.

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It was in this setting that the plaintiff brought the present action against the defendant propounded on two bases.

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Firstly, it was alleged by the plaintiff that the defendant, being a company holding itself out as carrying on business as skilled in valuation of real estate, knowing that reliance would be placed on those valuations by third parties, negligently produced the two valuations in question and the plaintiff, having acted on the faith of those valuations, and having suffered damage as a result thereof, claims to be entitled to be indemnified in respect of such damage. Alternatively, it was alleged that by the two valuations the defendant, knowing the same to be untrue or not caring whether the valuation figures were true or false, fraudulently represented, inter alia, to the plaintiff that the two properties had a market value as stated in the valuations and the plaintiff having acted in reliance on those representations and suffering damage thereby claims to be entitled to be indemnified therefor.

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It will be apparent that it is fundamental to the plaintiff's case that the valuations were the defendant's documents. It is crucial to the plaintiff's success that it be held that Rathborne was acting in the course of his employment in preparing the valuations. Mr. Clarke Q.C. who, with Mr. Burns, appeared for the plaintiff, relied on the fact that Rathborne was employed by the defendant to

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prepare valuations, that he was authorised to accept instructions on behalf of the defendant for the preparation of valuations, that he was authorised on completion of the valuation to sign them with the corporate name of the defendant, and that each of the valuations was so signed. Mr. Morling Q.C., who with Mr. Rolfe, Q.C. and Mr. Austin, appeared for the defendant, contended that the act of Rathborne 10 in preparing the valuations, although purporting to be in the corporate name, was in all respects an independent personal act. He submitted that the preparation of the two valuations was not just a wrongful mode of Rathborne carrying out an authorised task, but was part of a business carried on by Rathborne concurrently with his employment by the defendant but separately and apart from the business of the defendant. Mr. Morling relied on the fact that whilst there was an established procedure for recording instructions received from clients, Rathborne failed to follow it, that 20 he had no authority to take stationery from the office, that the valuations were not typed by employees of the defendant, the valuations did not become part of the business records of the defendant, no fees were charged and indeed, the valuations were prepared at a time when the Giles Bourke Group of companies was on the black list.

Whilst at times there are differences in the language employed by the authorities, there is no doubt as to the applicable principles of law. The difficulty lies in the application of well settled principles to the facts. The test of whether a wrongful act is within the course of an employee's employment is dependant on whether the act is either authorised by the employer or a wrongful and unauthorised mode of doing some act authorised by the employer. Rathborne had no authority to make valuations for persons who were not clients of the defendant or to sign the corporate name in respect of such valuations.

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In Bugg v. Brown, (1919) 26 C.L.R. 110, Isaacs, J. clearly delineated the circumstances in which an activity by a servant ceases to be an unauthorised mode of performing his work and becomes the independant activity of the employee for which his employer is not liable. At page 117, his Honour said:

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"But the law recognises that it is equally unjust to make the master responsible for every act which a servant chooses to do. The limit of the rule - expressed in the widest form by the phrase 'the course of the employment' or 'the sphere of the employment' - is when the servant so acts as to be in effect a stranger in the relation to his employer with respect to the act he has committed, so that the act is in law the unauthorised act of a stranger ...The act of the servant complained of is regarded as outside the relation, and as that of a stranger: (a) if he did

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not assume to act within the scope of his employment;
or (b) if what he did was a thing so remote from his
duty as to be altogether outside, and unconnected with,
his employment."

The point, I think, is nicely illustrated by the
explanation which the Judicial Committee gave of the decision
in Lloyd v. Grace, Smith & Co., 1912 A.C. 716, in their Advice 10
in United Africa Co. Ltd v. Saka Owoade, 1955 A.C. 130, Lord
Oaksey said at page 144:

"In their Lordships' opinion, Lloyd v. Grace, Smith
& Co., 1912 A.C. 716, establishes the principle that
a master is liable for his servants' fraud perpetrated
in the course of the master's business whether the
fraud was committed for the master's benefit or not.
The only question is whether the fraud was committed
within the course of the servant's employment. In that
case it was clearly in the course of the servant's 20
employment, since it was the fraud of the solicitor's
clerk in the solicitor's office on the business of the
solicitor's client."

Here Rathborne's services were engaged by the Giles
Bourke Group, not as a servant of the defendant, but merely
as the man who had the opportunity of getting the defendant's
stationery. Rathborne did not perform his services for
Fidelity Acceptance Pty. Limited and Group United Holdings
Pty. Limited at the office of the defendant, but at the offices
of those who engaged him. The secretarial work involved was 30
carried out by an employee of the Giles Bourke Group. Indeed,
bearing in mind that Rathborne had become a director of Group

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Unity Syndications Pty. Limited in November 1972, it could be said that all the work was done by officers and employees of the Group. Whatever payment or reward was given for the work done by Rathborne, did not come to the hands of the defendant. There was no connection or relationship of any kind between the work which Rathborne did, for whatever reward Rathborne received or anticipated from the Giles Bourke Group in 10 respect of these valuations and the work with which Rathborne, the employee of the defendant, engaged on his employer's work was entrusted. It is true that as a matter of coincidence, and coincidence only, Rathborne performed somewhat the same duties for Richardson & Wrench Limited when carrying out his normal work as he carried out in preparing the two valuations in issue. Nonetheless, his employment with the defendant merely provided the occasion for coming into contact with the Giles Bourke Group of companies and for obtaining the defendant's stationery and no more. The fact that Rathborne 20 was entitled to sign the defendant's corporate name to valuations on which he was engaged on behalf of the defendant does not make valuations so signed by him in the course of his separate private business, valuations of the defendant.

The distinction which I find as a matter of fact existed between the valuations brought into existence by

Rathborne in his day to day work as an employee of the defendant and the valuations he created for the Giles Bourke Group was recognised as a true distinction having legal effect, although rejected on the facts by the Joint Judgment of Justices Rich, Dixon, Evatt and McTiernan in Polkinghorne v. Holland, (1934) 51 C.L.R. 143. That was an action against two solicitors who were at the time of the commission of the acts complained of, in partnership with a third, one Harold Holland. The Chief Justice of South Australia found for the defendants, inter alia, on the ground that the appellant had dealt with Harold Holland to the exclusion of other members of the partnership and as an individual, not as a partner, acting on behalf of the firm. At page 160, the Joint Judgment dealt with this aspect as follows:

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"To sustain this ground, it is not enough that the appellant dealt with Harold Holland as a particular member of the firm by whom she desired her business be transacted, or from whom she sought advice. It must appear that she dealt with him as an individual to the exclusion of the firm, as a distinct and separate agent. (See Per James V.C. in Earl of Dundonald v. Masterman, 1869 L.R. 7 Eq. 504, at 515) ... These considerations do not appear however to be enough to support the extreme inference that she did not consult him as a member of the firm upon whom she relied but to the exclusion of the firm."

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Here I am of the view on the whole of the evidence that the Giles Bourke Group of companies were obtaining the

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valuations in question from Rathborne to the total exclusion of the defendant.

The decision of the English Court of Appeal in Twine v. Bean's Express Limited (1946) 52 T.L.R. 458, is a vivid illustration for the proposition that even an absolute coincidence of time between the act in issue and the performance of duties called for by the contract of employment may not render the performance of the act one performed in the course of employment. The drivers of the defendant's vans were authorised to carry certain classes of persons as passengers but were otherwise forbidden to do so. The plaintiff's husband was not one of the persons whom the drivers were authorised to carry. The Master of the Rolls, Lord Greene, in delivering the Judgment of the Court said at page 459:

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"He was employed to drive the van. That does not mean, as Sir Charles Doughty suggested, that because the deceased man was in the van it was within the scope of the driver's employment to be driving the deceased man. He was in fact doing two things at once. He was driving his van from one place to another via a route which he was properly taking when he ran into the omnibus and in driving the van he was acting within the scope of his employment. The other thing which he was doing simultaneously was something totally outside the scope of his employment - namely, giving a lift to a person who had no right whatsoever to be there."

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I am not concerned with the question whether on the factual material the finding would necessarily be the same today and I am referring to the decision as an extreme illustration of the proposition that a man may well be serving two masters at the same time.

Of course, merely because the employment of Rathborne by the defendant gave the occasion and in a sense the opportunity for carrying on this activity on his own behalf, does not engender liability on the part of the defendant. If authority were needed for this, it is provided by the decision of the English Court of Appeal in Morris v. C.W. Martin & Sons Limited, 1966 1 Q.B. 716. As Lord Justice Diplock said at page 737: 10

"The mere fact that his employment by the defendants gave him the opportunity to steal it would not suffice. The crucial distinction between Lloyd v. Grace, Smith & Co., 1912 A.C. 716, and Ruben v. Great Eingall Consolidated, 1906 A.C. 439, is that in the latter case the dishonest servant was neither actually nor ostensibly employed to warrant the genuineness of certificates for shares in the company which employed him. His fraudulent conduct was facilitated by the access which he had to the company's seal and documents in the course of his employment for another purpose..." 20

Lord Justice Salmon expressed the same view at page 741 when he said: 30

"The mere fact that the master, by employing a rogue, gives him the opportunity to steal or defraud does not make the master liable for his depredations."

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I should add for the sake of completeness that Mr. Clarke conceded that there was no evidence to enable him to argue that Rathborne had ostensible authority to make the valuations in question. As far as the plaintiff was concerned, it knew nothing of Rathborne or his activities or of his authority whether actual or ostensible. It did not know of Rathborne's role in the preparation of the valuations. As far as it was concerned it had photostat copies of valuations which it believed were produced by the defendant but knew nothing more. 10

The conclusion that the defendant was not responsible for the valuations means that there will be a verdict for the defendant. However, I owe it to the parties to recognise a possibility that other minds may take a different view. Against that event, I shall deal in a somewhat summary fashion with the other points made in argument.

The plaintiff's case in negligence was based on the principle recognised by the House of Lords in Hedley Byrne & Co. Limited v. Heller & Partners Limited, 1964 A.C. 465. 20
Mr. Morling conceded that "we have come to the view that we would not be able to persuade your Honour on the authorities that but for the course of dealing between the plaintiff and the defendant and in the case of McMahons Point, but for the circumstances that the valuation was for and on behalf of

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Cobden Pty. Limited there was otherwise no duty of care".

In the light of the concession made and bearing in mind that there are other cases pending in the Commercial List in which the point will be critical to the decision, it is inappropriate that I should say anything more than is absolutely necessary to resolve the somewhat narrow issues tendered for consideration.

The concession recognises that the defendant, carrying on the business of and holding itself as a skilled valuer, owed a duty of care to a specific and limited class of persons of which the plaintiff would have been one but for the factors mentioned by Mr. Morling. 10

The background in which the submission falls to be evaluated includes firstly the rejection of the "neighbour" principle derived from the speech of Lord Atkin in Donoghue v. Stevenson 1932 A.C. 562 as the touchstone of liability in this branch of the law (cf. L. Shaddock & Associates Pty. Limited v. Parramatta City Council 1979 1 N.S.W.L.R. 566). 20

Secondly, there has to be found a "special relationship" between the parties. These special relationships were identified by Lord Reid in Hedley Byrne & Co. Limited v. Heller & Partners Limited (supra @ p.486) in the following way:-

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"He speaks of other special relationships and I can see no logical stopping place short of all those relationships where it is plain that the party seeking information or advice was trusting the other to exercise such a degree of care as the circumstances required, where it was reasonable for him to do that, and where the other gave the information or advice when he knew or ought to have known that the inquirer was relying on him. I say "ought to have known" because in questions of negligence we now apply the objective standard of what the reasonable man would have done."

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Although the Privy Council reversed the decision of the High Court in Mutual Life & Citizens Assurance Co. Limited v. Evatt (1968) 122 C.L.R. 556, I do not believe that their Lordships' Advice impeached what fell from the Chief Justice at p.569:-

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"However, in the case of utterance, though the duty will arise out of circumstances which create the requisite relationship, there is one distinguishing feature to which I ought to advert, a feature which is not present or rather certainly not universally present in the case of relationships which give rise to a duty of care in the case of physical acts or omissions. The information or advice will be sought or accepted by a person on his own behalf or on behalf of another identified or identifiable person or on behalf of an identified or identifiable class of persons. The person giving the information or advice must do so willingly and knowingly in the sense that he is aware of the circumstances which create the relevant relationship. He must give the information or advice to some identified or identifiable person in the given circumstances of the implications of which he is, or ought to be, aware."

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The identity and position of the recipient of the utterance form part of the relevant circumstances. It is this seemingly 'bilateral' aspect of the necessary relationship which, it seems to me, inclines the mind to the use of the expression 'assumption of responsibility' to describe the source of the duty of care and to the employment of concepts of consensus and contract, in the explanation of the emergence of the duty of care in utterance."

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Here the plaintiff and the defendant delimited the boundaries of their "special relationship" by the arrangements made in February 1972. The whole tenor of the letter of 21st February, 1972 is dictated by the underlying assumption that all loan applications will proceed on the basis there set out. Indeed, as I pointed out earlier in my Judgment, the letter specifically refers to "all" applications being dealt with in a certain way. The evidence of both the plaintiff and the defendant's witnesses was to the effect that neither party adverted to the possibility that an intending borrower might, prior to approaching the plaintiff, obtain an up-to-date valuation from the defendant.

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The parties to the discussion on behalf of the plaintiff and the defendant were experienced businessmen, although the plaintiff's officers were not experienced in this particular branch of business activity. I see no justification for thinking that when such men did not give

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consideration to a possibility I should hold that the defendant "ought to have known" that the plaintiff would be relying on its valuation produced otherwise than in accordance with the arrangements made. I do not consider that such departures as there were from the arrangement invalidated the basic structure agreed upon.

In the result, I am of the view that even if the valuations had been ones for which the defendant was legally liable there was no duty of care owed to the plaintiff in the circumstances of this case.

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Most of the evidence was devoted to an attempt by the plaintiff to show that the two valuations were so excessive that they could have only been the consequence of a failure to exercise proper professional care. The defendant, for its part, directed attention to the difficulties and uncertainties involved in the making of valuations and the resultant wide range of valuations that could be arrived at by a competent valuer applying all proper skill.

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With respect to the McMahons Point property, Mr. Leafé a valuer called by the plaintiff, produced a valuation as at the relevant date of \$180,000 in contrast with Rathborne's figure of \$250,000, a difference of almost 40%. There was no

valuation evidence called by the defendant relating to the McMahons Point property, but strenuous efforts were made to point to deficiencies in Mr. Leafe's approach. Mr. Clarke, of course, pointed to the contract of 25th May, 1973, for the purchase of the McMahons Point property by Group Unity Securities Pty. Limited for \$185,000 as supporting Mr. Leafe's valuations, although it is fair to say that Mr. Leafe's valuation was based on a different approach of capitalising earnings. Indeed, Mr. Leafe first saw the contract on the day of the hearing. Notwithstanding that, it is supportive of Mr. Leafe.

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Mr. Morling quite fairly obtained from Mr. Leafe concessions as to a number of areas in which different valuers might take different views and then constructed tables to demonstrate the wide range of valuations which may be thrown up employing the different variables. However, with all the resources of a company claiming to be one of the organisations pre-eminent in Sydney in the field of valuation, no-one ventured into the witness box on the defendant's side to actually propound a valuation of the McMahons Point property in the sum of \$250,000 or indeed any figure.

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In all the circumstances, I conclude that there was no valid basis on which a valuer, exercising with proper care the skills of his calling, could come to the valuation arrived at by Mr. Rathborne.

With regard to the Glebe property, Mr. Rathborne produced a valuation of \$160,000. Mr. Clarke called a valuer, Mr. Gilbert, who stated the fair market value to have been \$70,000. Mr. Morling called Mr. Woodley, who came up with a figure of \$130,000. Even accepting Mr. Woodley, there is a discrepancy of almost 25% between his figure and that produced by Rathborne.

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I do not know on which of the two bases, that is the Gilbert approach of comparable rentals or the Woodley approach of comparable sales, Rathborne utilised, assuming of course that he did indeed do the necessary work to found one or other of the two alternative approaches to the task of valuation.

It was accepted by Mr. Gilbert that the preferred basis for a valuation is that founded on comparable sales. He claimed that it was not possible to follow that method in the instant case because of an absence of comparable sales. He discarded from consideration the purchase of 327 Glebe Point Road by Giles Bourke Holdings Pty. Limited on the basis that it was a sale out of line, being a purchase by an adjoining

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owner for the purpose of consolidation. Mr. Woodley, on the other hand, asserted that the price paid for 327 was in accord with prices paid for other properties in the area when they were adjusted for market variations at the rate of about 7% per month increase. There was a challenge to both the acceptability of the other properties as measuring sticks and the use of 7%. On the whole, I find 10
Mr. Woodley's approach to the question preferable, but I think that some of his adjustments were too generous. I am of the view that bearing in mind the sale price of 327 Glebe Point Road, although coupled with the circumstances of a purchase by the adjoining owner, and the improvements made to the three properties making up the Glebe property including the car parking area, a valuation of \$110,000 would have represented the fair market value of the Glebe Point property for the purpose of first mortgage security. Rathborne's valuation exceeded this figure by 45%. 20
Weighing all the circumstances, I am of the view that in this instance again Rathborne's valuation did not attain the required standard of proper skill and that he was negligent.

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I reject the submission by Mr. Morling that the plaintiff did not rely on the valuations in granting the loans. True it is that other inquiries were made but having regard to the A.F.L. Minute fixing the criteria for granting a loan, the words of the telex making the submission to the A.F.L. Director seeking approval and the circumstances generally, I am quite satisfied that the valuations had a crucial role in the decision to make the loans. 10

I also reject the submission that the plaintiff was guilty of contributory negligence. This allegation was based largely but not entirely on two grounds. Firstly, it was asserted that it was industry practice for lenders to communicate with the valuers whose valuations they were relying upon in deciding to make advances. I do not think that the evidence establishes such an industry practice. It is quite obvious that the course followed by various companies in the field would have evolved from practices established many years ago and modified to suit the requirements of both individual companies and individuals running the companies. 20
The relevance of longstanding practices is that prior to 1964 and the decision in Hedley Byrne, a quite different procedure would have been required for the protection of a lender. No

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change appears to have been made to the practices of old-established lending companies following upon that decision.

The fact that the plaintiff did not communicate with the defendant in the two instances here in question was simply the result of a mutual failure to anticipate the possibility of a Richardson & Wrench valuation being obtained by an intending borrower prior to the approach of the plaintiff. 10

The other ground on which this allegation was structured concerned the format and date of the valuation. As far as a date is concerned, the market appeared to be strong, if not rising and there was no reason to think that the valuation was no longer appropriate. The delay occurred after an offer of the loan had been accepted and it was reasonable to think that the offeror was at least morally bound. Further, the defendant, when advising the plaintiff, never made any suggestion of a need to confirm valuations after the elapse of a period of time. I do not consider that the format of the valuations was such that a failure to make inquiries from the defendant constituted negligence on the part of the plaintiff. 20

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I am not satisfied that the plaintiff has made out a case of fraud. It was submitted by Mr. Clarke that the wide discrepancy between the Rathborne valuations and the true market value show that the statements in the valuations were made with a reckless indifference to the truth.

One must feel highly suspicious of Rathborne's conduct and motives. On the other hand, the plaintiff carries a heavy onus in levelling a charge of fraud and of course, Rathborne has not given evidence. The circumstances are consistent with Rathborne agreeing with the Giles Bourke Group of companies to do valuations more cheaply than the fees charged by the defendant and doing them unskillfully. The reason for using the defendant's stationery was simply to gain credence for the valuations which they would not have had coming simply from Rathborne. Even the fact that Rathborne in November 1972 agreed to become a director of Group Unity Syndications Pty. Limited may be explicable on the basis that he was engaged in a joint enterprise with the Giles Bourke Group of companies. I rather doubt that this is the true explanation but the plaintiff has not discharged the onus clearly resting on it.

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On the question of damage, Mr. Clarke submitted that the true measure of damage is that referred to by the English Court of Appeal in Baxter v. F.W. Gapp & Co. Limited 1939 2 K.B. 271. That decision is accurately summarised in the headnote. The plaintiff, relying on a valuation of freehold property by the defendants, advanced money on mortgage to the owner of the property. The valuation was excessive and it had been negligently prepared. The Court of Appeal held that the plaintiff's damages were not limited to the difference between the amount of the valuation and the true value of the property at the time of the valuation, but that he was entitled to recover the actual loss suffered by him as a result of his lending the money, including the difference between the sum advanced by him and that received by him when having entered into possession of the property he sold it, the amount of interest which the mortgagor had failed to pay, the cost of insuring the property and of maintaining it in repair while it was in the plaintiff's possession, legal charges during that period, the expenses of abortive attempts to sell the property, estate agents' commission on the eventual sale of the property and legal charges in connection with the sale. Mr. Rolfe Q.C., who

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argued this aspect of the matter on behalf of the defendant, submitted that the true measure of damages applicable in this case, was that stated by Mr. Justice Yeldham in Laughton-Boyd v. Moloney (unreported 8th June, 1979). His Honour took the view that the plaintiff was entitled to recover so much of the principal advanced by him in that case as would not have been the subject of the mortgage but for the incorrect valuation. 10 His Honour refused to award damages in respect of the cost of sale of the property on the basis that the plaintiff would have been involved in those expenses whether or not there had been negligence on the part of the defendant. I should add that although the Court of Appeal reversed his Honour's Judgment, it was unnecessary for that Court to deal with the question of damages. Mr. Rolfe's argument is founded on the proposition that the plaintiff would have made a loan in respect of the Glebe property and the McMahons Point property, whether or not there had been an incorrect valuation, albeit 20 in a smaller amount and that consequently it would, of necessity, have incurred most of the loss. I think the evidence clearly establishes the first arm of the argument, that the plaintiff was prepared to lend to the Giles Bourke Group, 65% of whatever was the Richardson & Wrench valuation,

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but as Mr. Clarke rightly pointed out, it is a pure matter of speculation as to whether the Giles Bourke Group would have been prepared to accept a loan in the lesser amount thrown up by a proper valuation. In the absence of some affirmative evidence to this effect, I consider the plaintiff entitled to calculate its damage conformably with the principles enunciated by the English Court of Appeal in Baxter's Case.

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Although Mr. Clarke tendered some calculations as to the damage suffered, calculated consistently with the principle in Baxter's Case, these calculations admittedly required some reconsideration. Having regard to the fact that I consider there must be a verdict for the defendant, it is unnecessary to pursue the questions of calculations further.

Verdict for the defendant. Plaintiff to pay the defendant's costs. Exhibits to be retained for twenty-eight days and if no Notice of Appeal is filed within that time they may be handed out.

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I certify that this and the 37 preceding pages are a true copy of the reasons for judgment herein of the Honourable Mr. Justice Rogers.

S. Kayes,
Associate.

Dated 4/7/80

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of his Honour,
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IN THE SUPREME COURT)
)
OF NEW SOUTH WALES)
)
SYDNEY REGISTRY)
)
COMMON LAW DIVISION)
)
COMMERCIAL LIST)

No. 3568 of 1976

KOORAGANG INVESTMENTS PTY. LIMITED

Plaintiff

RICHARDSON & WRENCH LIMITED

Defendant

MINUTES OF JUDGMENT

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1. Verdict for the Defendant.
2. Plaintiff to pay the Defendant's costs.

SCHEDULE

This judgment takes effect on 4 July, 1980.

By the Court

Deputy Registrar

918. Minute of Judgment.

IN THE SUPREME COURT)
)
OF NEW SOUTH WALES)
)
COMMON LAW) No. 3568 of 1976
)
COMMERCIAL LIST)

KOORAGANG INVESTMENTS PTY. LIMITED

Plaintiff

RICHARDSON & WRENCH LIMITED

Defendant

O R D E R

THE COURT ORDERS that :-

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1. The time within which the Appellant was required to lodge the sum of Fifty dollars (\$50.00) pursuant to condition 1(b) of the Order of the Court made herein on 8th August, 1980 be extended up to and including 16th September, 1980.
2. Final leave to Appeal to Her Majesty in Council from the Judgment and Orders of the Honourable Mr. Justice Rogers delivered and made on Friday 4th July, 1980 herein be granted to the Appellant.
3. Upon payment by the Appellant of the costs of preparation of the Transcript Record and despatch thereof to England the sum of Fifty dollars (\$50.00) deposited in Court by the Appellant as security for and towards the costs thereof be paid out of Court to the Appellant.
4. The costs of the Application for Conditional Leave to Appeal herein and of this Application be costs in the Appeal.

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Order

5. Leave be granted to the Appellant to uplift the Exhibits with the Court for the purposes of reproduction upon the undertaking of the Appellant to return them after reproduction is completed.

ORDERED 14th November, 1980.

AND ENTERED 14th November, 1980.

BY THE COURT (SGD.) G.J. BERECRY L.S.
The Deputy Registrar

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CERTIFICATE OF THE DEPUTY PROTHONOTARY OF THE
COMMON LAW DIVISION OF THE SUPREME COURT OF NEW SOUTH WALES
VERIFYING THE TRANSCRIPT RECORD OF PROCEEDINGS

BETWEEN: KOORAGANG INVESTMENTS PTY. LIMITED

AND: RICHARDSON & WRENCH LIMITED

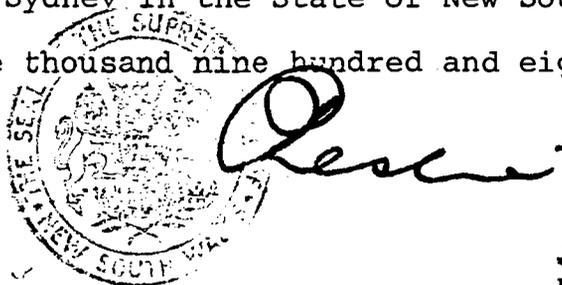
C.A. 223 of 1980 C.L. 3568 of 1978

I, JOHN ANTHONY LESLIE, Deputy Prothonotary of the Supreme Court of New South Wales

That this transcript record contains a true copy of all such Orders, Judgments and documents as have relation to the matter of this Appeal and a copy of the reasons for the respective Judgment announced in the course of the proceedings out of which the Appeal arose. 10

That the Respondent herein has received notice of the Order of the Supreme Court of New South Wales giving the Appellant final leave to appeal to Her Majesty in Council and will also receive notice of the despatch of the transcript record to the Registrar of the Privy Council.

DATED at Sydney in the State of New South Wales this 20 day of March One thousand nine hundred and eighty-one. 20



J.A. LESLIE,
Deputy Prothonotary of the
Supreme Court of New South
Wales