SELF-MANAGED SUPERANNUATION FUND

SMSF Valuation Report

Unit 7, 15 Redgum Drive, Wingfield SA 5013

Redgum Industrial Superannuation Fund

ASSESSED MARKET VALUE

$1,546,000

Range $1,485,000 – $1,610,000 | as at 30 June 2026

Valuation date	30 June 2026
Reference	hovr-smsf-9009
Prepared for	Peter Callaghan
Prepared by	Alexandra Whitfield, Whitfield Property Valuations Pty Ltd

This valuation was prepared by the signed Qualified Valuer with the assistance of AI.

Instruction, Purpose & Basis of Value

Contents

Instruction, purpose and basis of value

Instructing party	Redgum Industrial Superannuation Fund
Purpose	SMSF annual audit — Redgum Industrial Superannuation Fund, balance date 30 June 2026
Interest valued	Strata lot
Basis of value	Market value as defined in s.10(1) of the Superannuation Industry (Supervision) Act 1993
Standard applied	ATO Valuation guidelines for self-managed superannuation funds; SISR 1994 reg 8.02B
Inspection	No internal or external inspection was undertaken. This is a desktop assessment based on documentary and market evidence.

Effective date	30 June 2026
Report date	8 September 2026

GST treatment

Assessed value is	GST-inclusive
Fund registered for GST	*Not assessed*
Going-concern supply	*Not assessed*

The fund's GST registration status and whether a sale would be a supply of a going concern are matters for the trustees and their adviser; hovr does not hold this information and has not assessed it.

Executive Summary

ASSESSED MARKET VALUE

$1,546,000

Range $1,485,000 – $1,610,000 | as at 30 June 2026

Low $1,485,000 **Adopted $1,546,000** High $1,610,000

980 m² NLA	6 CARS	Employment Zone ZONING	31 March 2029 LEASE EXPIRY

High confidence
3 comparable sales, spread 29% after adjustment.

Unit 7, 15 Redgum Drive, Wingfield SA 5013 is a 980 m² GFA warehouse and workshop unit (2011 build) within an established industrial estate approximately 9 km north-west of the Adelaide CBD. The unit comprises 830 m² of clear-span warehouse with 7.5 m clearance, a 150 m² office and amenities component, on-grade loading, 3-phase power, 180 m² of sealed hardstand and six on-title car spaces.

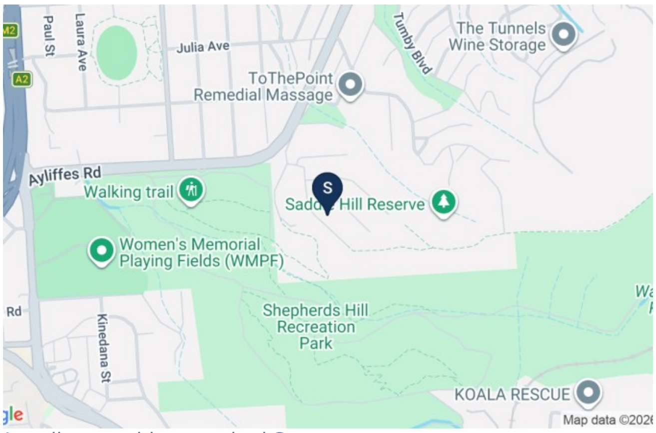
The property is held by Redgum Industrial Superannuation Fund as business real property under section 66(2) of the *Superannuation Industry (Supervision) Act 1993* and is leased to a related party of the trustees. This valuation has been prepared for SMSF annual audit purposes as at the 30 June 2026 balance date and complies with the ATO SMSF Valuation Guidelines and Regulation 8.02B of the *Superannuation Industry (Supervision) Regulations 1994*.

Because the sitting tenant is a related party, market rent has been assessed independently from third-party leasing evidence rather than adopting the passing rent, so that the capitalised value rests on arm's-length inputs.

Property Identification

Address	Unit 7, 15 Redgum Drive, Wingfield SA 5013
Property type	Industrial Warehouse
Legal description	Unit 7 Strata Plan 41982 (fictional)

Title reference	CT 6142/889 (fictional)
Registered owners	P J & S A Callaghan as trustees for Redgum Industrial Superannuation Fund (fictional)
Council / LGA	City of Port Adelaide Enfield
Zoning	Employment Zone (Planning and Design Code)
Land area	1,650 m²
Building area	980 m²
Net lettable area	980 m²
Gross floor area	980 m²
Passing rent (pa)	$98,000
Capitalisation rate	6.10%



Locality — subject marked S

Tenancy & Lease Summary

Tenant	Callaghan Fabrication Pty Ltd (fictional) — related party
Lease type	Net Lease — tenant pays all outgoings
Lease expiry	31 March 2029 (3 years remaining + 1 × 3-year option)
Annual reviews	Fixed 3.00% per annum
Outgoings	Tenant pays council rates, SA Water, land tax, insurance, repairs

Market Conditions

Adelaide's northern industrial precincts have tightened materially through 2025 and into 2026, driven by occupier demand from fabrication, transport and trade-services businesses, together with limited new strata supply of sub-1,200 m² units. Precinct vacancy for modern strata warehouses in the Wingfield/Gepps Cross corridor was recorded below 2.5% at Q1 2026.

Strata industrial capitalisation rates for Adelaide's northern precincts have ranged from 5.90% to 6.50% for well-leased modern units over the 12 months to June 2026 (Source: Knight Frank Adelaide Industrial Market

Review, Q1 2026), with the tighter end reserved for longer-WALE assets with unrelated tenant covenants.

Net face rents for comparable modern strata warehouse units in the precinct have ranged from $100/m²/pa to $106/m²/pa GFA over the comparable data window.

Site & Improvements Description

The property is a strata-titled unit within a purpose-built industrial estate constructed circa 2011. Construction is pre-cast concrete panel to a height of 3.0 m with Colorbond cladding above and a Colorbond roof over a clear-span steel-portal frame providing 7.5 m clearance to the underside of the eaves.

Loading is via a single 4.5 m on-grade motorised roller door served by 180 m² of sealed hardstand and turning apron. The office and amenities component (150 m²) is arranged over two levels and includes a reception, two enclosed offices, a lunchroom and staff amenities. The estate has direct access to Port Wakefield Road and the South Road corridor.

Highest & Best Use

As Improved: Continuation of the existing warehouse and workshop use within the Employment Zone represents the highest and best use of the property as improved. The specification — clearance, loading, 3-phase power and hardstand — matches current occupier demand in the precinct.

As Vacant: The Employment Zone permits a broad range of industrial, warehousing and service-trade uses. The existing modern improvements represent the highest-value use of the allotment; redevelopment is not supported at current land and construction costs relative to improved value.

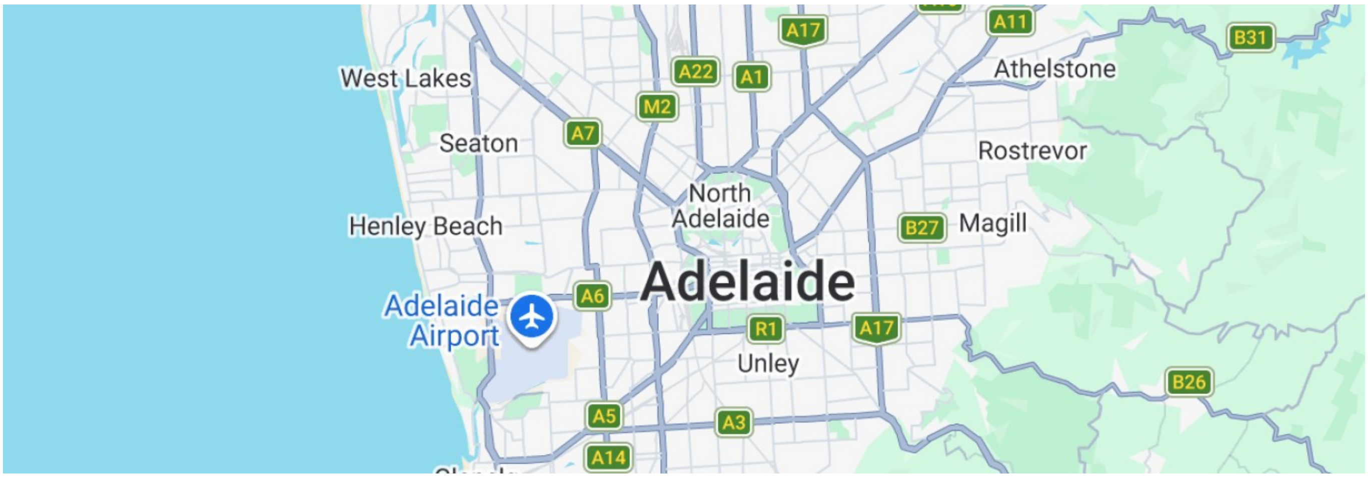
Valuation Methodology

Income Capitalisation: Market rent has been assessed at $102,900 pa ($105/m²/pa net on GFA) from independent third-party leasing evidence, in preference to the related-party passing rent of $98,000 pa. A vacancy and credit-loss allowance of 5% has been applied, reflecting the tight precinct vacancy and 3-year remaining term. Owner-borne outgoings of $4,800 pa (structural insurance and management) are deducted. The net income of $92,955 pa, capitalised at 6.10%, produces a value of $1,524,000.

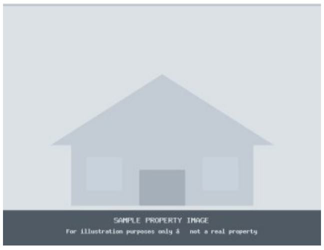
Direct Comparison: Three recent comparable northern-Adelaide industrial sales have been analysed on a $/m² GFA basis, with adjusted rates ranging from $1,593/m² to $1,618/m² GFA. The most directly comparable transaction (Unit 5, 15 Redgum Drive — same estate, near-identical unit) sold at $1,562,000 ($1,618/m²) in April 2026. Adopting $1,610/m² GFA for the subject produces a comparison value of approximately $1,578,000.

The reconciled value of $1,546,000 is weighted 60% to income capitalisation and 40% to direct comparison, reflecting the tenanted, investment-grade nature of the asset held within the fund.

Comparable Sales Evidence



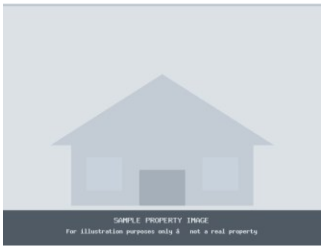
Subject marked S; comparable sales numbered as below.



1. Unit 5, 15 Redgum Drive, Wingfield SA 5013
$1,562,000
Sold 04/2026 | $1,619/m² GFA | 6.05% yield

965 m²
NLA

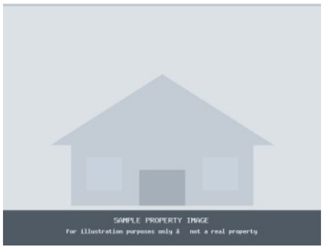
Same estate, near-identical unit — 7.5 m clearance, 1 on-grade roller door, comparable office component. Net lease. Most directly comparable transaction.



2. 22 Ferrous Court, Wingfield SA 5013
$1,880,000
Sold 02/2026 | $1,593/m² GFA | 6.15% yield

1,180 m²
NLA

Larger standalone unit with greater hardstand. Adjusted downward for GFA superiority; the larger footprint attracts a marginally lower rate per m².



3. Unit 2, 9 Grinder Street, Gepps Cross SA 5094
$1,344,000
Sold 11/2025 | $1,600/m² GFA | 6.20% yield

840 m²
NLA

Smaller GFA in an adjoining precinct; comparable specification and age. Indexed forward 7 months at 0.30%/month and adjusted upward for GFA deficit.

Rental Evidence & Income Capitalisation

Rental appraisal

The subject is leased to Callaghan Fabrication Pty Ltd — a related party of the fund's trustees — at a passing rent of $98,000 pa ($100/m²/pa net on GFA) under a net lease expiring 31 March 2029. Assessed current market rent is $102,900 pa ($105/m²/pa net on GFA), derived from four comparable northern-Adelaide warehouse leasing transactions ranging $100–$106/m²/pa net, none of which involve related parties. The passing rent sits approximately 5% below assessed market. Because the sitting lease is between related parties it has not been relied upon as evidence of market rent; the independently assessed market rent of $102,900 pa is adopted as the basis for the income capitalisation approach, consistent with the arm's-length requirements of section 109 of the *Superannuation Industry (Supervision) Act 1993*.

Rental evidence

Address	Rent (pa)	Area	$/m²/pa	Leased	Remarks
Unit 5, 15 Redgum Drive, Wingfield SA 5013	$101,325	965 m²	$105	03/2025	Same estate — net lease, comparable spec.
22 Ferrous Court, Wingfield SA 5013	$125,080	1,180 m²	$106	06/2025	Larger unit; superior hardstand.
Unit 2, 9 Grinder Street, Gepps Cross SA 5094	$84,000	840 m²	$100	09/2025	Adjoining precinct — net lease.
31 Redgum Drive, Wingfield SA 5013	$76,000	760 m²	$100	01/2026	Smaller GFA; older improvements.

Income capitalisation

Passing rent (pa)	$98,000
Market rent (pa)	$102,900
Rent rate	$105/m²/pa
Vacancy allowance	5.0%
Outgoings (pa)	$4,800
Net income (pa)	$92,955
Capitalisation rate	6.10%
Capitalised value	$1,524,000

> Market rent adopted at $105/m²/pa net on GFA (evidence range $100–$106/m²/pa). Vacancy & credit loss of 5% reflects the tight northern-Adelaide industrial vacancy rate and the 3-year remaining term. Cap rate of 6.10% sourced from the Knight Frank Adelaide Industrial Market Review Q1 2026 — northern-precinct strata range 5.90–6.50%. As the tenant is a related party, market rent has been assessed independently from third-party leasing evidence rather than adopting the passing rent.

Additional Commentary

Tenancy summary

The subject is leased to Callaghan Fabrication Pty Ltd — an entity related to the fund's trustees — under a net lease at a passing rent of $98,000 pa ($100/m²/pa net on GFA), with fixed 3.00% annual reviews. The current term expires 31 March 2029 (3 years remaining), with one further option of 3 years. The tenant is responsible for all outgoings including council rates, SA Water, land tax, insurance and repairs.

Valuation Reconciliation

Method	Basis	Calculated	Weight	Weighted
Income Capitalisation	Net Income $92,955 pa ÷ 6.10%	$1,524,000	60.0%	$914,400
Direct Comparison	GFA 980 m² × $1,610/m² GFA	$1,578,000	40.0%	$631,200
Reconciled market value				**$1,546,000**

> Income capitalisation is the primary method (60% weight); market rent has been assessed from independent third-party leasing evidence because the sitting tenant is a related party of the fund. Direct comparison on a $/m² GFA basis is applied as a secondary check (40% weight) from three recent northern-Adelaide industrial sales. Both methods sit within 3.5% of each other ($1,524,000 vs $1,578,000); the reconciled value of $1,546,000 balances the assessed income stream against capital-market evidence and is directly supported by the same-estate sale at Unit 5.

Low $1,485,000 **Adopted $1,546,000** High $1,610,000

SMSF & ATO Compliance

Regulation 8.02B

This report has been prepared in accordance with the ATO’s *Valuing assets for self-managed super funds* guidelines and regulation 8.02B of the *Superannuation Industry (Supervision) Regulations 1994*. The value reflects market value at the balance date and is supported by objective, verifiable evidence suitable for the fund’s audit package.

Business real property (s.66(2) SISA 1993)

Statutory test	Evidence available to the valuer
Real property held by the fund	Redgum Industrial Superannuation Fund
Used wholly and exclusively in one or more businesses	Tenanted to Callaghan Fabrication Pty Ltd (fictional) — related party
No prohibited residential or private use	*Not assessed*

Valuer determination	*Not assessed — see caveat*

Whether the property satisfies the business real property definition in s.66(5) SISA 1993 is a legal question determined on the fund's own facts. The assessment above sets out the evidence available to the valuer against each limb of the test and is not a legal opinion. Trustees should obtain advice from their SMSF adviser or legal practitioner.

Related party and in-house asset (s.71, s.109 SISA 1993)

Tenant	Callaghan Fabrication Pty Ltd (fictional) — related party

Related party	Yes
Lease terms	Net Lease — tenant pays all outgoings
Arm’s-length dealing	*Not assessed*

> The sitting tenant is a related party of the fund. Market rent has been assessed from independent third-party leasing evidence rather than the passing rent, so the capitalised value rests on arm's-length inputs as s.109 SISA 1993 requires.

Whether an asset is an in-house asset under s.71, and whether a related-party lease is on arm’s-length terms under s.109, are determined on the fund’s own facts. The valuer has set out the evidence available and expresses no legal opinion.

Assumptions, Limitations & Reliance

Assumptions

- Title is good and marketable, free of encumbrances other than those disclosed.
- Areas and attributes are as recorded in the sources listed in Appendix B.
- No contamination, structural defect or statutory breach is assumed beyond that disclosed.
- No internal or external inspection was undertaken. This is a desktop assessment based on documentary and market evidence.

Valuation uncertainty

Where comparable evidence is limited, dated or widely spread, or where market conditions are moving quickly, a greater than usual degree of uncertainty attaches to the assessed value. The confidence grade stated in the executive summary reflects the evidence actually available at the effective date. A value is a point within a range, not a certainty, and the assessed range should be read alongside the adopted figure.

Reliance

This report is prepared for Peter Callaghan and the trustees of Redgum Industrial Superannuation Fund, and may be relied upon by the fund’s appointed SMSF auditor for the purpose stated in section 2. It may not be relied upon by any other party, or for any other purpose, without hovr’s written consent. Reliance expires three months from the effective date, after which the assessment should be reviewed against current evidence.

Independence, Adoption & Signature

Independence

The valuer has no present or prospective interest in the subject property and no personal interest in the parties to the valuation. The fee is not contingent on the value reported.

AI assistance

hovr uses AI to gather and analyse market evidence. The analysis is reviewed, adjusted where necessary and adopted by the signing Qualified Valuer, who takes professional responsibility for the assessed value.

Adoption

I have reviewed the evidence and analysis set out in this report and adopt the assessed market value stated.

Alexandra Whitfield Whitfield Property Valuations Pty Ltd Australian Property Institute (API) Registration CPV-10482 Date 8 September 2026	ASSESSED MARKET VALUE **$1,546,000** Range $1,485,000 – $1,610,000 | as at 30 June 2026

Appendix A — How This Valuation Was Calculated

This appendix explains, without valuation jargon, how the figure in this document was reached. The technical methodology for a professional reader is in the Valuation Methodology section.

1

Find comparable sales
We look for properties that recently sold and are as close as possible to yours in location, size, type and condition. Recent sales are the best evidence of what a buyer would pay today.

2

Adjust for the differences
No two properties are identical. If a comparable has an extra bedroom, a larger site or a newer fitout, its price is adjusted up or down so it can be compared fairly with yours. A +5% adjustment means the comparable was inferior and its price was increased to reflect your property.

3

Value the income
A tenanted commercial property is also worth what its rent is worth. We take the annual rent, deduct outgoings and an allowance for vacancy to get net income, then divide by the capitalisation rate — the return an investor expects. A lower capitalisation rate means a higher value for the same rent.

4

Reconcile to one figure
Each method gives a value. We weight them by how much reliance each deserves for this property, and the weighted result is the adopted market value shown on the cover. The range around it reflects the spread in the evidence.

Appendix B — Data Sources & Audit Trail

Data sources and currency

Dataset	Provider	As at
Comparable sales evidence	Domain / realcommercial	30 June 2026
Rental evidence	Domain / realcommercial	30 June 2026
Suburb market statistics	*Not assessed*	*Not assessed*
Title particulars	State land registry	30 June 2026
Imagery	Listing photograph	*Not assessed*

Audit trail

Comparable sales	3 record(s)
Rental evidence	4 record(s)
Prior sales of subject	1 record(s)

Rental history of subject	Tenanted — see Tenancy & Lease Summary
Analysis	hovr analysis, reviewed and adopted by the signing valuer

Prior sales of the subject property

Date	Price	Type	Agency	Days on market
18 March 2016	$845,000	Private Treaty	Northern Industrial Agents (fictional)	74 days

Appendix C — Glossary of Terms

Term	Meaning
Capitalisation rate	The return an investor expects, expressed as a percentage of value. Net income divided by the capitalisation rate gives the capital value.
Desktop valuation	A valuation prepared from documentary and market evidence without an inspection of the property.
Direct comparison	Valuing by reference to recent sales of similar properties, adjusted for the differences between them and the subject.
Fee simple	The fullest form of ownership of land in Australia, held without a time limit.
GFA	Gross floor area — the total built floor area of a building.
Market rent	The rent the property would command if let on the open market at the valuation date.
Market value	The estimated amount for which an asset should exchange between a willing buyer and a willing seller in an arm's-length transaction after proper marketing.
Net lease	A lease under which the tenant pays the outgoings in addition to rent.
NLA	Net lettable area — the floor area a tenant occupies and pays rent on, excluding common areas.
Outgoings	The recurring costs of holding a property: council rates, land tax, insurance, and building maintenance.
Passing rent	The rent actually payable under the current lease, which may differ from market rent.
Regulation 8.02B	The SIS Regulation requiring SMSF assets to be reported at market value in the fund's accounts each year.
Strata lot	A separately titled lot within a strata scheme, owning the lot itself and a share of the common property.
WALE	Weighted average lease expiry — the average time remaining on the leases in a property, weighted by income.