

Sean Butler

From: Sean Butler <sbutler@iinet.net.au>
Sent: Tuesday, 29 June 2010 11:44 AM
To: 'robert.byatt@bankwest.com.au'
Cc: 'Brian Benari'; 'Warren Taylor'
Subject: Dispute Lighthouse Resort Valuation
Attachments: AVS L&B Insurance Report Lighthouse .pdf; Lighthouse extra rooms potential15.11.05.pdf

Hi Rob.

The valuation is significantly flawed and I request that the Valuer reassess it and advise us of his reasoning.

The Admiral Motel sold for \$145,814 per room (page 60 of the report) On page 38 of the report it states that the Admiral is an inferior development.

We have 70 rooms plus substantial extra land and buildings.

At that rate alone the rooms are worth \$10.2m Added to this:

excess land (enough to build another 117 rooms see attached) Ballroom (largest in Bunbury) Nightclub Large function facilities

On the summation method adopted the land is assed at \$6.75m The buildings were assessed at \$11m in 2005 FIVE years ago They have been improved since then with us spending a further \$2.3 since then on refurbishments. Quantity Surveyors Ralph Beattie Bosworth Building Cost index was 159 in 2005 and 197 in 2010 being a 23% increase If this is used to bring the building value to todays value the number is OVER \$16m The valuer has on page 63 of the report discounted the value of the buildings to just \$3,420,000

This defies belief and is grossly unacceptable. It's almost to the point of professional negligence

Please send me a copy of the valuation instruction letter.

Rob I am really disappointed the way this has gone. Its just not good enough.

Regards,

Sean

-----Original Message-----

From: robert.byatt@bankwest.com.au [mailto:robert.byatt@bankwest.com.au]
Sent: Tuesday, 29 June 2010 9:21 AM
To: sbutler@iinet.net.au; bbenari@challenger.com.au
Subject: Fw: Lighthouse Resort Valuation

Good Morning Sean and Brian,

Valuation of the Lighthouse attached.

Regards

Rob Byatt