



CITY OF VINCENT

BUSINESS PLAN MAJOR LAND TRANSACTION

1 The Avenue, Leederville | 62 Frame Court, Leederville

Pursuant to section 3.59 of the Local Government Act 1995



SUBMISSIONS

The City of Vincent invites submissions on this Business Plan.

This Business Plan relates to the City's updated plans for the major land transaction at 1 The Avenue and 62 Frame Court, Leederville.

The City proposes in this Business Plan to undertake a Major Land Transaction to facilitate disposal of three land parcels, owned by the City in freehold. The three land parcels are proposed to be disposed of by way of a sale to Leederville Asset Pty Ltd ACN 669 462 702 (Leederville Asset) or other entities as are described in the part of this business plan titled '**SUMMARY OF MAJOR LAND TRANSACTION AND DISPOSALS OF PROPERTY**'.

The City has an existing agreement in place for the sale of 1 The Avenue and 62 Frame Court, Leederville to Leederville Asset. Leederville Asset has approached the City with a revised plan for the development. Subject to the outcome of this process, the City is supportive of the revised plan. It is the revised plan that has necessitated this Business Plan. If the City decides not to proceed with this Business Plan then the existing agreement with Leederville Asset will continue to apply.



Title information for the land out of which the three land parcels will be created is set out below:

AVENUE CAR PARK LAND			
Lot	Plan	Landgate Area m ²	CT Vol / Fol
33	53031	1,214	1696/605
1	63619	1,135	2724/679
8	880	374	1218/28
9	880	374	1218/28
10	880	301	1053/306
25	24301	1,755	1246/990
217	27936	640	2215/301
301	31811	1,455	2128/547
34	53032	386	1794/602
36	61931	1,606	1833/196
		9,240	

FRAME CAR PARK LAND			
Lot	Plan	Landgate Area m ²	CT Vol / Fol
26	450	2,681	1012/845
27	450	2,453	1079/117
28	450	2,226	1079/117
5	940	835	1382/300
		8,195	

In accordance with section 3.59 of the Local Government Act 1995, the City is required to prepare a Business Plan in relation to the transaction and give state-wide public notice of the updated transaction proposal.

The community are invited to make submissions in relation to the updated transaction to the City's Director Major Projects, John Corbellini.

Submissions can be made via the following methods:

Mail: PO Box 82, Leederville, 6902

Email: mail@vincent.wa.gov.au

In person: 244 Vincent Street
(corner Loftus Street) Leederville

Copies of the Business Plan are available from:

City of Vincent Administration Building: 244 Vincent Street (corner Loftus Street) Leederville

City of Vincent Website: www.vincent.wa.gov.au

Closing date for submissions is

5pm, 22 June 2026.



PURPOSE

The City of Vincent's draft Leederville Precinct Structure Plan (LPSP), as endorsed for advertising by Council, sets the following key vision for Leederville to be:

A thriving, connected and sustainable local village that showcases and preserves its rich cultural and natural elements.

The Leederville Town Centre has a unique mix of retail, civic uses, restaurants, bars and residential dwellings which all function in a cohesive environment and flourish together as one mixed-use hub. It is bounded by the Mitchell Freeway and Loftus Street and extends north to Bourke Street.

As some suburbs in Perth's inner-city have gentrified over time, Leederville has retained a distinctive feel whilst developing a unique, vibrant and youthful atmosphere. The Town Centre has great potential to accommodate higher density development and creating a high-quality public realm, whilst retaining the existing Town Centre character.

Leederville is identified as a Secondary Centre in accordance with the Western Australian Planning Commission's (WAPC) State Planning Policy 4.2 – Activity Centres (SPP 4.2). SPP 4.2 describes the main role and typical attributes of a Secondary Centre:

Secondary centres with a rail station should be a focus for medium and high-density housing, employment growth and diversity of land uses.

The typical urban form within the centre is described by SPP 4.2:

Medium and high-density urban area within the centre core characterised by mid to high-rise buildings that provide contiguous, activated and pedestrian-friendly street frontages and public spaces.

As a Secondary Centre, it is important that Leederville does not develop as a single-purpose centre, but instead continues to expand on its offering of a wide variety of land uses.

Local strategic planning documents recognise the need for Leederville to support growth, with high density residential development being focused on proximity to train stations and along high frequency bus routes.

Given Leederville is identified as a Secondary Centre, a Precinct Structure Plan is required to be prepared to guide future redevelopment.

In accordance with SPP 4.2, the City has prepared the LPSP which will replace the Leederville Masterplan and guide future development within the locality.

Prior to being drafted, the LPSP was subject to significant research and public consultation through the 'Design Leederville' community consultation campaign in late 2019.

At its meeting on 14 September 2021, Council recommended that the WAPC approve the LPSP subject to modifications.

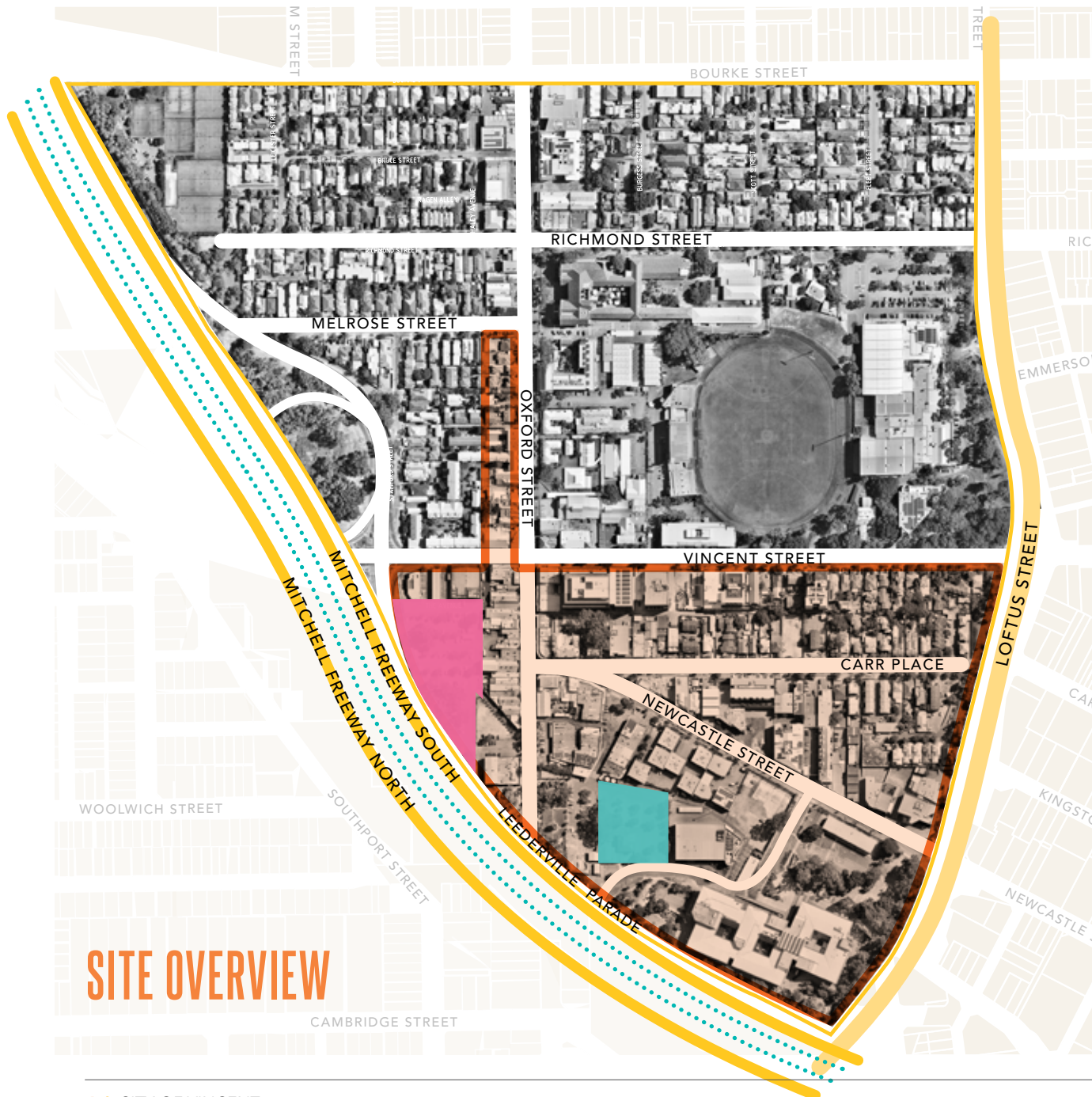
Under the LPSP The Avenue and Frame Court carparks would be zoned Mixed Use R-AC0 and are earmarked as Key Development Sites.

Following endorsement of the LPSP to advertise by Council, the City of Vincent commenced a redevelopment proposals process for the City's two major landholdings in Leederville, the Frame Court and The Avenue carpark land, so that these landholdings align and deliver on the vision of the LPSP.

The draft LPSP was considered by the Statutory Planning Committee of the WAPC at its meeting on **28 May 2024**, which resolved to require the City to undertake a number of modifications before re-advertising.

The City has undertaken the required modifications and is currently awaiting WAPC approval to re-advertise the modified draft LPSP. Advertising is anticipated to take place in mid-late 2026.





The primary documents associated with the Frame Court and The Avenue carpark sites in relation to the local planning framework consist of the following:

- Planning and Development Act 2005
- Planning and Development (Local Planning Schemes) Regulations 2015
- Local Planning Strategy
- Local Planning Scheme No. 2 (LPS2)
- Residential Design Codes
- City's Policy No. 7.7.1 – Built Form
- Leederville Masterplan
- Leederville Precinct Structure Plan

-  The Avenue Carpark
-  Frame Court Carpark
-  Leederville Town Centre Place Plan Boundary
-  Town Planning Scheme No.2 Regional Centre Scheme Zone

SITE OVERVIEW



PLAN 2 - SUB-PRECINCT MAP

Leederville Activity Centre Precinct

--- Structure Plan Boundary

Sub-Precincts (Heights)

- Village (acceptable 2, max. 3)
- Cityscape (acceptable 18, max. 23)
- Urban Frame Type A (acceptable 10, max. 14)
- Urban Frame Type B (acceptable 6, max. 10)
- Urban Frame Type C (acceptable 3, max. 5)
- Suburban Type A (acceptable 4)
- Suburban Type B (acceptable 3)
- Suburban Type C (as per Built Form Policy)
- Education and Civic (acceptable 6, max. 10)

Development Opportunities

- Transitional Height
- ▨ Proposed Social Space
- Existing Landmark Site
- ✱ Key Development Site
- ▭ Formalised Public Thoroughfare
- ↔ Existing Public Transport Routes
- - - Potential Public Transport Routes
- ⋯ Proposed Pedestrian Link
- ⋯ Existing Access Easement

0 50 100 150 200m
SCALE 1:4000 AT A3



CITY OF VINCENT



The Avenue Car Park

Local Planning Scheme: Zoning – Centre

Leederville Precinct Structure Plan: Zoning – Mixed Use R-AC0

The site is situated within the Cityscape precinct, which is described under the LPSP as:

- A place with mixed uses that complement each other.
- The location for long-term development outcomes.
- The place where landmark development shapes the Leederville skyline.
- Designed to encourage public transport usage.
- A showcase for sustainability and reuse.
- A higher density mixed-use and residential area.
- A key contributor to the success of the Village.

This identifies an acceptable height standard of 18 storeys, which could increase to a maximum height of 25 storeys subject to bonus criteria being met through community benefit.

Frame Court Car Park

Local Planning Scheme: Zoning – Centre

Leederville Precinct Structure Plan: Zoning – Mixed Use R-AC0

The site is situated within the Urban Frame Type A precinct, which is described under the LPSP as:

- A mixed-use area.
- Carefully designed to avoid impacts on existing neighbours.
- An attractive and safe entry point to the core of Leederville for pedestrian, cyclists and vehicles.
- Well-landscaped with lots of shade, green spaces and places to relax.

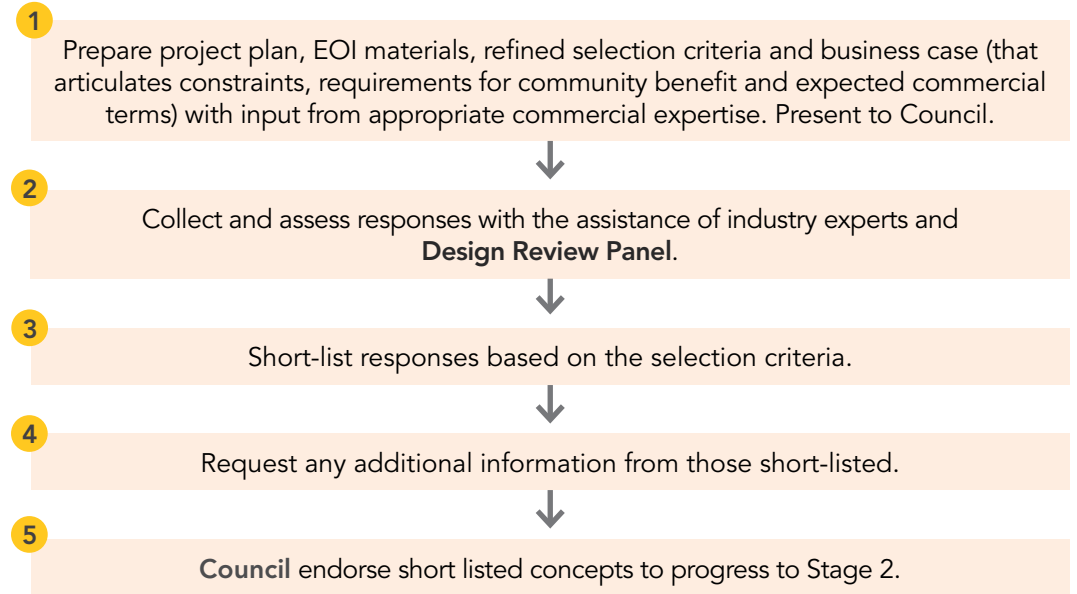
This identifies an acceptable height standard of 12 storeys, which could increase to a maximum height of 16 storeys subject to bonus criteria being met through community benefit.

PROCESS BACKGROUND

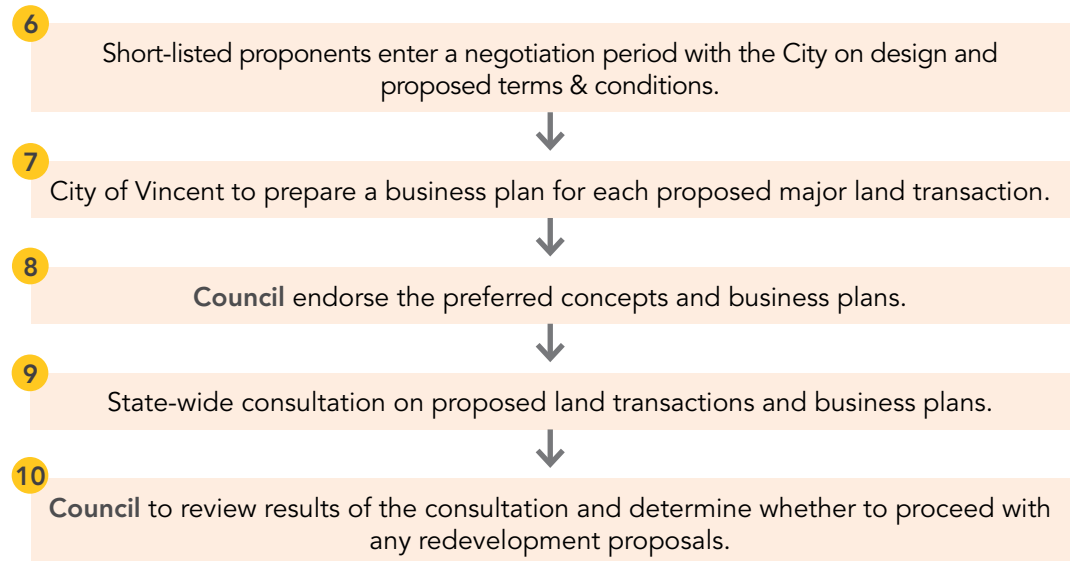
At its meeting on 14 December 2021, Council approved the Chief Executive Officer to commence an expression of interest process for the redevelopment of the City's major landholdings in Leederville, being The Avenue carpark and Frame Court carpark.

At its meeting on 21 June 2022, Council approved the redevelopment proposals process, as outlined here:

STAGE 1



STAGE 2





At its meeting on 21 June 2022, Council also approved the selection criteria to be used for the process, as outlined below:

Non-Weighted Compliance Selection Criteria

The following non-weighted criteria is essential for the full assessment of Proponent's Submissions, a failure to address the key commercial terms would result in disqualification of the Proponent's Request for Proposals.

NON-WEIGHTED COMPLIANCE CRITERIA – COMMERCIAL TERMS		
CRITERIA	COMPLETED Y/N	Proponents to reference the criteria response location in their submission, i.e., pages or section numbers
Provide a minimum of 400 public parking bays across one or both sites with 10% of carparking bays to provide easy access for mobility impaired and provide short term access.	Yes / No	
Public carpark design concept, proposed ownership and tenure structure, lease and or management agreement draft principles, operational management plan and in the event of a lease or management agreement, a parking fee schedule and operating expenditure plan, and 10-year operational cashflow.	Yes / No	
Indicative commercial terms to outline the proposed transaction arrangement (e.g., buy, lease, trade or enter joint venture with CoV).	Yes / No	

PROJECT VISION AND DESIGN PRINCIPLES (50% WEIGHTING)

CRITERIA	COMPLETED Y/N	Proponents to reference the criteria response location in their submission, i.e., pages or section numbers
1. Context and Character - Developer understanding of the distinctive character of the Leederville precinct and how a new development would integrate, celebrate, and speak to the character of Leederville. - Effective interface with adjacent heritage and character buildings including the YMCA HQ adjacent to the Frame Court site.	Yes / No	
2. Landscape Quality - Removal of mature trees and planting within the site must be replaced with mature trees and planting within the development site. - Consideration of Water Corporation drain on both sites as a key access route and potential walking trail. Achieved through built form design and delivery infrastructure considerations, including maintenance access and a celebration of the former seasonal freshwater stream. - Active interface with the area zoned Public Open Space within the Leederville Precinct Structure Plan, adjacent to Site 2.	Yes / No	
3. Built Form & Scale - Quality of the proposed ground floor interface and its contribution to the experience of the precinct. Includes streetscape and landscape design, cultural infrastructure and the delivery of active public spaces, both linear (laneways) and open (plazas). - Architectural aspirations, design approach and strategies to achieve design excellence (including design review by the City's panel). - Conceptual designs illustrating the project and vision inclusive of plan views, sections, elevations, height and massing in perspectives.	Yes / No	
4. Functionality and Build Quality Commitment to innovation, which may include energy and water sourcing, built form and design, community, social and economic outcomes.	Yes / No	
5. Sustainability Approach to sustainable development to outline key environmentally sustainable design initiatives that will be included. Achievement of minimum Green Building Council of Australia 5 Green Star Certificate.	Yes / No	

PROJECT VISION AND DESIGN PRINCIPLES (50% WEIGHTING)

6. Amenity

- Design, accommodate and demonstrate economic activation towards the improvement of the daytime and evening economy of the precinct.
- Demonstrated diversity in product mix and pricing targeted to meet a wide variety of household demographics.

Yes / No

7. Legibility

- Provision of a pedestrian link along 1) the eastern side of the Leederville Parade site, to integrate with existing Oxford Street built form and 2) along the eastern side of the Frame Court site, to integrate with adjacent site.
- Prioritise access and connectivity to public transport (particularly Leederville train station) and active transport modes.
- Understanding of existing and subsequent traffic issues, access and circulation, with a project design that delivers appropriate mitigation strategies.

Yes / No



DEVELOPMENT PROPOSAL (30% WEIGHTING)

CRITERIA	COMPLETED Y/N	Proponents to reference the criteria response location in their submission, i.e., pages or section numbers
1. Approach to land assembly to address amalgamation, subdivision and issue of Title(s) for each site	Yes / No	
2. Statutory planning and development programme and, if applicable, staging concepts and programme, inclusive of a public carparking strategy ensuring reasonable public carparking is retained throughout the planning and development process.	Yes / No	
3. Proposed development mix in schedule form for each site, setting out the various uses by product typology, floor areas and parking ratios.	Yes / No	
4. Anticipated construction and operational employment generation.	Yes / No	

FINANCIAL CAPACITY AND TRACK RECORD (20% WEIGHTING)

CRITERIA	COMPLETED Y/N	Proponents to reference the criteria response location in their submission, i.e., pages or section numbers
1. Proponent contact details – Table 1 provided below	Yes / No	
2. Proponent corporate structure	Yes / No	
3. Proponent business and company profile	Yes / No	
4. Demonstrated: - Financial capacity - Capability and experience in delivering similar scale projects - Capacity to deliver the proposed development, including details of other projects, current and planned for year 2023–2025.	Yes / No	



Eight submissions were received throughout the stage one advertising period from 27 June to 8 August 2022.

An evaluation panel was convened to assess the submissions. The evaluation panel who assessed the submissions consisted of six voting members including:

- One representative from DevelopmentWA who has significant experience in assessing submissions of a similar nature and scale
- Two representatives from the City's Design Review Panel who have extensive design and built form expertise
- Three representatives from Administration who have the appropriate land, legal and planning knowledge and skills.

The evaluation panel was advised by an external independent probity advisor, external commercial advisors and Administration's Coordinator Procurement and Contracts.

The evaluation panel shortlisted three submissions which received the highest score against the selection criteria.

At its meeting on 18 October 2022, Council endorsed the three submissions for progression to stage two of the redevelopment proposals process. At this meeting, Council requested the Chief Executive Officer present a report to Council to determine the additional information required from the shortlisted proposals.

The draft Stage 2 Request for Further Information was workshopped with Council Members at the Council Workshop on 29 November 2022. The Stage 2 Request for Further Information was retitled Stage 2 Request for Detailed Proposals and was updated following the feedback received from Council Members.

At its meeting on 13 December 2022, Council approved the Stage Two Request for Detailed Proposals materials, as outlined below for the second stage of the redevelopment proposals process.

Stage 2 Request for Detailed Proposal

Car Park

- Outline if and when the public car bays would be available to the general public (i.e. Owned or controlled by the City of Vincent and provided 24 hours a day, 7 days per week at casual rates or another option).
- Confirmation of the total number of public car bays to be delivered at both public car parks proposed for The Avenue and Frame Court sites.
- Provision of a market valuation of any public carparking facilities built and returned (specifying in what form e.g. retained, or returned by way of lease or freehold transfer) to the City of Vincent using a discounted cash flow basis, with supporting valuation, inclusive of relevant market evidence, rationale, input assumptions and valuation calculations that include a 10-year discounted cashflow approach with an appropriate terminal value and including all maintenance and operating cash outflows associated with its operation.
- Provide an order of magnitude cost including life of asset maintenance plan for the public car parks prepared by a reputable and experienced quantity surveyor.
- Confirmation of the basis of fee simple title of the public car parks to be returned to the City at both The Avenue and Frame Court sites, for example will the car parks be returned as:
 - Freehold (Green Title) Subdivision;
 - Freehold (Survey Strata) Subdivision; or
 - Freehold (Community Title) Subdivision.
- Confirmation of what lettable, civic (public amenities) or community spaces will be returned to the City in freehold title. Confirmation that these spaces will be collocated with the public car parks and in the same title. If not, a project concept plan illustrating the siting and scale of each facility.
- Confirmation that public car parks will be returned to City fit for operation with specification agreed with the City including but not limited to a fully integrated parking management system, security and CCTV technology, lighting and power, appropriate vertical transportation and ventilation.
- Staging plan that outlines 200 public car bays maintained throughout the development schedule.
- Outline of the form and specification of the public car parks to be returned to the City. To this end, provide conceptual public carpark plans and floor by floor design illustrating the built and operating specifications of the public car parks with confirmation of adaptable design/re-use provisions including design considerations for in ground services and structural and operational compliance to National Construction Codes, with alignment to the City's Asset Management Sustainability Strategy.
- For completeness and for the avoidance of doubt, in relation to the number of public car bays, specify the number of ground floor parking bays within each facility or within the subject land, with a separate breakdown between The Avenue and Frame Court land parcels.

Development Proposal

- Confirmation of the proposed development built form delivery outcomes for both sites including estimated building area for each land use within each site.
- Confirmation of all public spaces, plazas, laneways, accessways and any other areas to be retained/returned (ceded) back to the City as public realm.
- Confirmation of, where public / shared spaces are created in "Common Property", relevant strata/community title management statements will retain obligation and responsibility for perpetual maintenance, repair and upgrade, with alignment to the City's Asset Management Sustainability Strategy.
- Framework outlining responsibility for undertaking of land amalgamation requirements, inclusive of a high level work breakdown structure and where appropriate a quantity surveyor cost plan, together with confirmation of which party is to deliver and to pay for each item, for example but not limited to:
 - Land amalgamation;
 - Land subdivision;
 - Statutory planning including MRS Amendment(s);
 - Servicing authority consultation;
 - Identification and removal of redundant services;
 - Services upgrades and associated headworks charges on subdivision;
 - Water Corporation main drain design and upgrade consultation, management thereof and delivery to satisfaction of the Water Corporation;
 - Consultant costs to support the above process and delivery requirements;
 - Existing lease or other interests in land, identification, management, relocation and renegotiation, and where relevant cost and compensation thereof;
 - Development and management of public spaces, plazas, laneways and accessway; and
 - Requisite road, drainage and accessway upgrades.
- Following from the above, provision of a program and work breakdown structure that details the roles and responsibilities of the City and developer, which also then ties into the Commercial Terms.

Leederville Precinct Structure Plan

Proposals must show complete alignment with the provisions outlined in the Leederville Precinct Structure Plan.

- Summary of dwelling diversity, as per Leederville Precinct Structure Plan.
- Provision of future adaptation allowance, outlined through minimum 3.5m floor to ceiling height, as per Leederville Precinct Structure Plan.
- Provision of landscaping including deep soil areas, as per Leederville Precinct Structure Plan.
- Built form design aligned with building and podium height restrictions, as per the Leederville Precinct Structure Plan.
- Summary of carparking provision within the required provisions for residential (resident and visitor) and all non-residential land uses, as per Leederville Precinct Structure Plan.
- Plan that shows high quality built form that creates an effective relationship with Oxford Street and YMCA building through appropriate setbacks, to ensure transition to the Village sub-precinct along Oxford Street and heritage listed YMCA building.
- Plan that shows active uses with the newly created public open space at the Frame Court site. Through 6.1 Development Incentives for Community Benefit of the Leederville Precinct Structure Plan, Additional Criteria #9 and/or #14 can be achieved through the design and redevelopment of the new public open space in conjunction with Oxford Street Reserve and Leederville Skate Park, as per the City's key objectives and requirements.

Commercial Terms

- Outline all equity and debt partners participating in the bid and their proposed respective share of the equity in the project.
- Outline of how funding of the development will be procured, including at a minimum, funding for:
 - Land amalgamations/servicing costs;
 - Land acquisition funding; and
 - Construction funding for the balance of the project.
- To enable the City to assess the net present value of commercial terms, the City requires:
 - Outline of the deal structure for the acquisition of The Avenue and Frame Court land in schedule and project timeline format (see below).
 - Within the deal structure outline of the consideration to the City by way of:
 - The 'as if complete' market value of the public carparks returned to the City;
 - The construction cost of the public carparks returned to the City with quantity surveyor Cost Plan – Order of Magnitude;
 - Other consideration, deemed or actual, in respect to land assembly; and
 - Other cash payments/consideration for the City's land.
 - Provision of a payment and delivery schedule in line with the anticipated program and work breakdown structure provided under Development Proposal (above).

Shortlisted proponents were invited to submit detailed proposals from 14 December 2022 to 28 February 2023.

The evaluation panel recommended that the preferred proponent's proposal (Hesperia's) be progressed, for the following reasons:

- Compliance with the submission requirements;
- Addressed all essential, non-weighted selection criteria and key commercial terms;
- Addressed all Stage 2 Request for Detailed Proposals items; and
- Ranked highest in the evaluation panel's assessment of the qualitative selection criteria.

At its meeting on 16 May 2023, Council endorsed Hesperia as the preferred proponent and requested the Chief Executive Officer progress the development of a Heads of Agreement with Hesperia in relation to their proposal.

At this same meeting, Council requested the Chief Executive Officer prepare a Business Plan under section 3.59 of the Local Government Act 1995 in relation to the major land transactions relating to Hesperia's proposal.

At its meeting on 25 July 2023, Council approved the original Business Plan for state-wide consultation (Original Business Plan).



State-wide consultation of the Original Business Plan occurred from 26 July to 11 September 2023. A total of 200 submissions were received during this public notice period with at least 173 submissions indicating support for the proposal.

At its meeting on 14 November 2023 Council approved the Original Business Plan.

The final transaction documents were signed by the City of Vincent, Leederville Asset and Hesperia on 24 January 2024.

Leederville Asset and Hesperia were then contracted to deliver the redevelopment in line with their proposal, the Heads of Agreement, and the Original Business Plan.

Leederville Asset and Hesperia began work on the redevelopment.

A subsequent restructure of Hesperia resulted in the incorporation and establishment of H-U Funds Management Pty Ltd (H-U).

H-U (with the support of Leederville Asset and Hesperia) submitted an unsolicited bid to the City on 28 October 2024 for additional land at Frame Court to be incorporated into the Leederville Car Parks Major Land Transaction. The same evaluation panel that assessed the previous proposals relating to the Leederville Car Parks land expression of interest process was convened to assess the unsolicited bid against the same selection criteria used to assess the original proposals. The evaluation panel was advised by the same external independent probity advisor, external commercial advisors and Administration's Coordinator Procurement and Contracts.

The unsolicited bid and the Assessment Panel's evaluation were presented as a Confidential Report to Council for consideration at its 11 March 2025 meeting. The unsolicited bid was rejected, with Council noting the potential long-term advantages to the City of Vincent for transacting the land with H-U and authorising the Chief Executive Officer to enter private treaty discussions with H-U concerning the land.



Following private treaty discussions with the Chief Executive Officer, H-U and Leederville Asset submitted the Leederville Town Centre Redevelopment - Frame Court Revised Proposal to the City on 7 January 2026. The same evaluation panel that assessed the previous proposals relating to the Leederville Car Parks land expression of interest process and the unsolicited bid submitted by H-U on 28 October 2024, was convened to assess the revised proposal against the same selection criteria used to assess the original proposals, with the exception of two of the Administration representatives that had been part of the private treaty discussions with H-U and Leederville Asset.

The evaluation panel who assessed the submissions comprised of four voting members including:

- One representative who has significant experience in assessing submissions of a similar nature and scale (Independent Chair and voting member);
- Two representatives from the City's Design Review Panel who have extensive design and built form expertise (voting members); and
- One representative from Administration who has the appropriate land, legal, planning and development knowledge and skills and had not been involved in the private treaty discussions with H-U and Leederville Asset (voting member).

The evaluation panel was advised by the same external independent probity advisor, external commercial advisors and Administration's Coordinator Procurement and Contracts that had advised on the previous proposals relating to the Leederville Car Parks land expression of interest process and the unsolicited bid submitted by H-U on 28 October 2024.

In February 2026, the City received a request from Leederville Asset, Hesperia and H-U to have H-U formally take over Hesperia's role under the existing agreements. This was approved by the City, Hesperia and H-U in late March and early April 2026. Leederville Asset remains as the buyer and developer of the land.

At its meeting on 21 April 2026, Council approved the revised Major Land Transaction Business Plan 1 The Avenue Leederville and 62 Frame Court Leederville, which reflects the Leederville Town Centre – Frame Court Revised Proposal dated January 2026 submitted by Leederville Asset and H-U, as per this document for state-wide consultation.

If Council decides to proceed with this Business Plan and new transaction documents are entered into, this Business Plan and those new transaction documents will replace the current agreements with Leederville Asset and H-U.

If Council decides to not proceed with this Business Plan or new transaction documents are not entered into then the existing agreement between the City, LA and H-U remains in place.

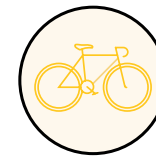
EXPECTED EFFECT ON MATTERS REFERRED TO IN THE LOCAL GOVERNMENT'S CURRENT PLAN

The major land transaction meets the objectives of Leederville, as aligned with the priorities of the City's Strategic Community Plan.



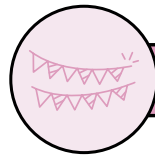
ENHANCED ENVIRONMENT

The natural environment contributes greatly to our inner-city community. We want to protect and enhance it, making best use of our natural resources for the benefit of current and future generations.



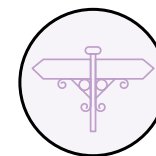
ACCESSIBLE CITY

We want to be a leader in making it safe, easy, environmentally friendly and enjoyable to get around Vincent.



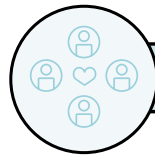
THRIVING PLACES

Thriving Places are integral to our identity, economy and appeal. We want to create, enhance and promote great places and spaces for everyone to enjoy.



SENSITIVE DESIGN

Design that 'fits in' to our neighbourhoods is important to us. We want to see unique, high quality developments that respect our character and identify and respond to specific local circumstances.



CONNECTED & HEALTHY COMMUNITY

We are a diverse, welcoming and engaged community. We want to celebrate what makes us unique and connect with those around us to enhance our quality of life.



INNOVATIVE & ACCOUNTABLE

The City of Vincent has a significant role to play in supporting our community to realise its vision. To achieve this, we will be an innovative, honest, engaged and responsible organisation that manages resources well, communicates effectively and takes our stewardship role seriously.



The City's Corporate Business Plan 2025/26 – 2028/29 (Plan) outlines a list of strategic projects for the duration of this Plan. Pursuant to the Project Management Framework adopted by the City, strategic projects are projects that generally have three or more of the following attributes:

- High priority
- Exceeding 12 months in duration
- Introduces significant risk, change and significant benefit
- High profile or significant community impact or interest (in line with Community Engagement Framework)
- Requires three or more full-time equivalent across divisional team
- More than \$250,000 budget

This project is titled *Leederville Carpark Redevelopment* and is the ninth strategic project listed. Described as Redevelopment of The Avenue and Frame Court carparks; this project sits under all Strategic Community Plan priorities. Implementing this project will work towards the City progressing all priorities within the Strategic Community Plan.

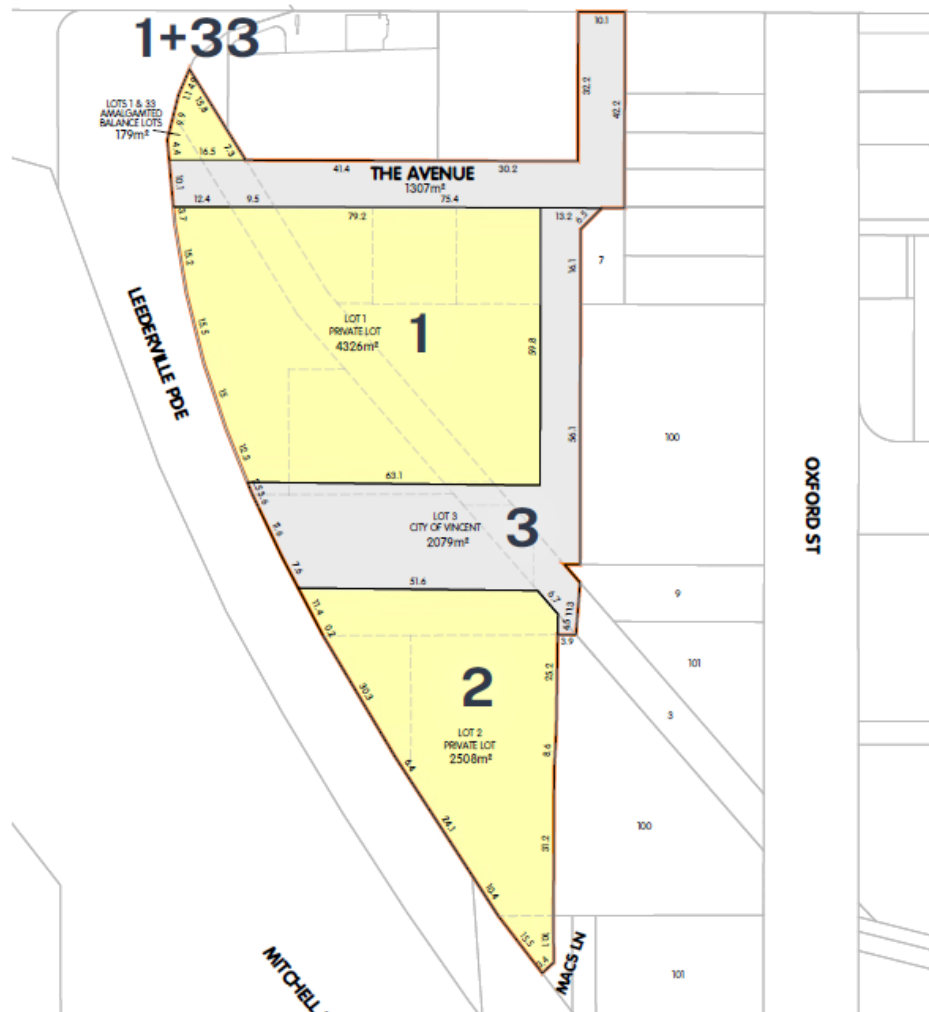


EXPECTED EFFECT ON THE PROVISION OF FACILITIES AND SERVICES BY THE LOCAL GOVERNMENT AND OTHER PERSONS PROVIDING FACILITIES AND SERVICES IN THE DISTRICT

Land Disposal

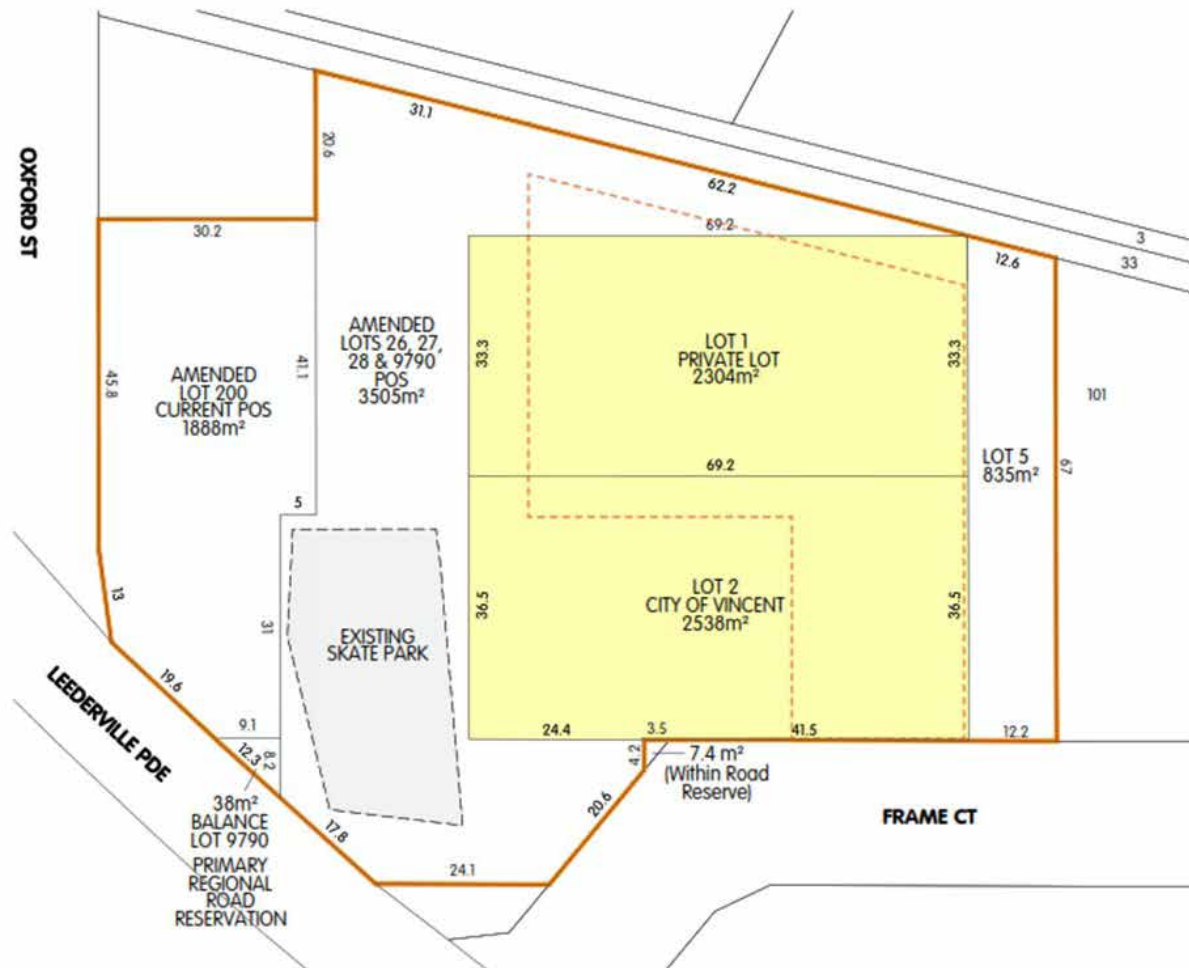
The lots that currently comprise The Avenue and Frame Court car parks are proposed to be subdivided by Leederville Asset at Leederville Asset's cost into the following configuration. The final land areas will be subject to final design and survey.

The Avenue



- Lot #1 is referred to as The Avenue North and is proposed to be sold to Leederville Asset. (4,326 square metres approximately)
- Lot #2 is referred to as The Avenue South and is proposed to be sold to Leederville Asset. (2,508 square metres approximately)
- Lot #3 is to be used as road reserve, to remain in the ownership of the City of Vincent or to be vested as Crown Land. (2,079 square metres approximately)
- The balance of Lot #1 and #33 (at the top of the image above) is proposed to remain in the ownership of the City of Vincent. (179 square metres approximately)

Frame Court



- Lot #1 is referred to as the Frame Development and is proposed to be sold to Leederville Asset. (2,304 square metres approximately)
- Lot #2 is referred to as the Frame Car Park, to remain in the ownership of the City of Vincent. (2,538 square metres approximately)
- Lot #5 is to be used as road reserve, to remain in the ownership of the City of Vincent or vested as Crown Land. (835 square metres approximately)
- The balance of #26, #27, #28, #200 and #9790 is to remain in the ownership of the City of Vincent. (3,505 square metres approximately)

The three parcels of land proposed to be sold to Leederville Asset will be sold as is, where is and with all defects and faults, with no representation or warranty being given. The City would have no liability for any existing contamination, pollution or hazards and Leederville Asset would assume all liability for existing contamination, pollution and hazards.

Leederville Asset would be responsible for all costs of the development including:

- Costs of all applications and approvals;
- Costs of all works (whether before or after settlement);
- Costs of complying with its obligations in the transaction documents;
- Costs of obtaining the City's consent to an assignment, sale or transfer, mortgage or charge.

Buyers

The three buyers of each parcel of land being sold have not changed from the Original Business Plan and are as outlined below:

- The Frame Development land buyer is Leederville Asset Pty Ltd ACN 669 462 702 as trustee for the FC Asset Trust.
- The Avenue North land buyer is Leederville Asset Pty Ltd ACN 669 462 702 as trustee for the AN Asset Trust.
- The Avenue South land buyer is Leederville Asset Pty Ltd ACN 669 462 702 as trustee for the AS Asset Trust.

H-U Funds Management Pty Ltd ACN 675 342 177 as trustee for the Leederville Head Trust (Head Trust) would be appointed as the Master Developer and can be compelled by the City to step in if any buyer does not complete its obligations on the site, pursuant to the transaction documents. H-U Funds Management Pty Ltd would be required to step in to remedy a default of a buyer.

Security

- To secure the performance of each individual buyer, that individual buyer will deliver to the City at signing of each agreement a guarantee and indemnity on standard terms which is to be provided by H-U.
- At settlement of The Avenue North site a restrictive covenant will be created under section 129BA of the Transfer of Land Act and registered at Landgate providing the following:
 - All development must include a carpark containing not less than 217 bays.
 - The carpark may only be used for purposes of a public carpark for 40 years.
 - Prohibiting aggressive behaviours by the carpark operator, such as wheel clamping.
 - Prohibiting the charging of different fees to customers visiting different tenancies.
 - Prescribing the hours during which the carpark must remain open.
- If the Frame Multi-Storey Car Park construction takes more than 18 months, the Frame Development or The Avenue North construction takes more than 30 months or The Avenue South construction takes more than 36 months, at Leederville Asset's fault, the buyer will be required to pay the City a "daily amount" until practical completion is achieved. The "daily amount" is an amount equal to 1/365 of the estimated annual rates and taxes that the City would be entitled to charge as if that part of the overall development was completed minus the rates and taxes that Leederville Asset is paying the City at the time. The compensation amount will be capped.
- To secure the performance by the Buyer of its obligations in relation to the development of the Frame Multi-Storey Car Park, the Buyer will provide the City with the following bank guarantees that will be returned to the Buyer on the milestones appearing below:
 - If the Frame Development land is transferred upfront upon commencement of the Frame Multi-Storey Car Park a bank guarantee in the amount of \$5,000,000 will be paid from the Buyer to the City (comprising two bank guarantees, being one for \$3.5 million and one for \$1.5 million). The City will return the bank guarantee amount of \$3.5 million to the Buyer when the carpark to be constructed on the Frame Car Park site is certified at 50 per cent completion. The remaining bank guarantee amount of \$1.5 million will be returned to the Buyer once the Car Park on the Frame Car Park Lot is certified as practically completed.
 - If no land is transferred to the Buyer upon commencement of the Frame Multi-Storey Car Park, a bank guarantee in the amount of \$1,000,000 will be paid from the Buyer to the City (comprising two bank guarantees, each for \$500,000). The City will return a bank guarantee amount of \$500,000 when the carpark is constructed on the Frame Car Park site is certified at 50 per cent completion. The remaining bank guarantee amount of \$500,000 will be returned to the Buyer once the Multi-Storey Car Park on the Frame Car Park Lot is certified as practically completed.
- H-U will provide a guarantee and indemnity in relation to all of the Buyer's (Leederville Asset's) obligations.





Proposal Overview

The revised proposal by Leederville Asset and H-U for the redevelopment of The Avenue and Frame Court, Leederville is outlined in Appendix 1, which includes a visual representation of the facilities and services provided. The revised proposal is summarised below and is compared to the Original Business Plan proposal:

- 523 public carparking bays, compared to the 484 under the Original Business Plan, available to the public 24 hours a day, 7 days a week, unless approved otherwise by the City.
- An additional estimated 160 public carparking bays, available to the public on weekends and between 5.30pm and midnight on weekdays, up from 148 under the Original Business Plan, unless approved otherwise by the City.
- A minimum of 287 public carparking bays available across the two carparks (with the exception of Lot 26 (as amended)) during construction, up from 262 under the Original Business Plan. These bays will remain available to the public 24 hours a day 7 days per week during the course of development of the land, unless approved otherwise by the City. H-U will also ensure vehicular access is provided to the 35 bays that would remain in Lot 26 until this land is converted to Public Open Space by the City. The Frame Multi-Storey Car Park must be built first, before The Avenue North or The Avenue South sites are developed. The Frame Development may be developed concurrently with the Frame Multi-Storey Car Park, or the Frame Multi-Storey Car Park can be built first. The staging of development is to be determined by H-U provided the minimum 287 public carparking bays are provided during the development and that this minimum level of parking does not occur for more than 500 days, which is a reduced timeframe from the 548 days contemplated under the Original Business Plan.
- Leederville Asset's and H-U's obligations in relation to maintaining parking are more prescriptive than in the Original Business Plan.
- No change to the commitment to 5 Star Green Star achieved plus a targeted net zero carbon approach through 80 per cent diversion from landfill and net zero build.
- Consideration of a design competition process that the City's representatives would be involved in, as previously committed to.
- The \$10 million cash consideration, required under the Original Business Plan to be provided to the City prior to the development of The Avenue South site, is not part of this revised proposal.



No change to The Avenue Site – Overall proposal

- Retail uses on the ground floor fronting the proposed Little Oxford Lane and both northern and southern side of the Community Plaza.
- 16 public bays in the Community Plaza to be available to the public 24 hours a day, 7 days a week, unless approved otherwise by the City.
- The delivery of a laneway along the eastern side of The Avenue site between The Avenue and the Water Corporation easement called Little Oxford Lane (this would contribute towards Development Incentives for Community Benefit under the Leederville Precinct Structure Plan).
- The delivery of an approximately 2,079 square metre Community Plaza between The Avenue North and South sites and Little Oxford Lane along the eastern side of The Avenue North, that sits within road reserve dedicated with and managed by the City (this would contribute towards Development Incentives for Community Benefit under the Leederville Precinct Structure Plan).
- Extension of The Avenue as a 10 metre wide road through to Leederville Parade (this would contribute towards Development Incentives for Community Benefit under the Leederville Precinct Structure Plan).
- Roads, laneways and pedestrian connections to be fully constructed, furnished, landscaped and initially maintained at the cost of Leederville Asset/H-U.

No change to The Avenue North Site proposal

- 217 public carparking bays provided in the multi-use building, inclusive of 37 bays at-grade, to be available to the public 24 hours a day, 7 days a week, for a minimum of 40 years, unless approved otherwise by the City.
- Prior to The Avenue North lot buyer entering into a lease of the carpark to be developed on The Avenue North site with any person, it must provide the City with the first right to enter into the carpark lease. If the City elects to enter into the carpark lease, the City will rent and operate the carpark with the right to input its own operator to operate the carpark at any time. If the City wishes to take a lease and the City and The Avenue North lot buyer are unable to agree the carpark design to the level of detail required in order to submit a development application or for inclusion in the building contract, an expert determination process will apply and both parties will be bound by the outcome of that process.

No change to The Avenue South Site proposal

- Mix of residential uses, unless approved otherwise by the City.

Frame Court Car Park Site – Overall

- Rather than one combined development application, there may be one combined development application for both the carpark and the office or a development application for the carpark may be made first.
- The different components of the development will continue to be integrated.
- Rather than requiring the Frame Development and Frame Car Park sites to be developed together the development of the Frame Car Park may occur before the Frame Development or at the same time.
- Delivery of the Frame Court extension remains required, being a 12.2 metre wide road reserve connecting Frame Court to the Water Corporation land, along the eastern side of the Frame Car Park and Frame Development sites (this would contribute towards Development Incentives for Community Benefit under the Leederville Precinct Structure Plan).
- The Frame Court Extension continues to be required to be fully constructed, furnished, landscaped and initially maintained at the cost of Leederville Asset
- The delivery of Georgiana Walk, a 6 metre wide laneway running along the northern side of the Frame Car Park site, is no longer required, with the pedestrian and vehicle connection to occur through the Water Corporation's land along the northern side of the Frame Development site.
- No change to the requirement for 25 public carparking bays at-grade to be provided by Leederville Asset in the Frame Court Extension road reserve, dedicated with and managed by the City, to be available to the public 24 hours a day, 7 days a week, unless otherwise determined by the City.
- A new requirement for two (2) pedestrian (office staff) connections to be provided between the Frame Multi-Storey Car Park and Frame Development Building, which contain the office parking bays.

Frame Car Park Site

- The Frame Multi-Storey Car Park to be on an approximately 2,538 square metre rather than a 1,615 square metre parcel of green title freehold land, with the carpark and land to still be wholly owned by the City.
- Leederville Asset to construct the Frame Multi-Storey Car Park on the Frame Car Park site for the City, at Leederville Asset's cost. The cost to construct the Frame Multi-Storey Car Park is estimated to be approximately \$29.93 million (excl. GST). The Multi-Storey Car Park to be delivered under the Original Business Plan was estimated to cost approximately 20.4 million (excl. GST) to construct in 2023.
- The Frame Multi-Storey Car Park to contain 425 bay carparking bays including 265, rather than 226, public carparking bays provided within the City's carpark, available to the public 24 hours a day, 7 days a week, unless otherwise determined by the City. The remaining 160 car bays will be available to the public 24 hours a day on weekends and public holidays, and between 5.30pm and 5am on business days. The City will grant the Buyer a licence to use the 160 carparking bays in the Frame Multi-Storey Car Park between the hours of 5am and 5.30pm on business days, for a term of twenty (20) years with two options to renew for ten (10) years each.

- The Frame Multi-Storey Car Park is no longer required to be 3.5 metres floor to ceiling, however is to be split level and is required to include two lifts accessible to all floors and internal pedestrian accessway between carpark area and western side of building on the ground floor.
- Provision for eight EV charging bays on the ground floor and provision for conduit space for cabling to each bay to be funded by Leederville Asset, as previously committed to.
- The City would no longer grant Leederville Asset an easement for vehicle and pedestrian access purposes to enable access via the first floor of the Frame Car Park site to the parking area of the Frame Development site, as the parking for the Frame Development building will be in the City's Frame Multi-Storey Car Park, at the upper floors.
- Rather than floorspace of approximately 395 square metres for community/art incubator and end-of-trip facilities and a 862 square metre rooftop active space, floorspace of approximately 910 square metres, will be provided on the ground floor of the Frame Multi-Storey Car Park, consist of the below and to be provided at the cost of Leederville Asset (or the relevant nominee Buyer or the Head Trust, as applicable):
 - Community/youth hub – approximately 290 square metres with a floor to ceiling height of 4.5m (warm shell);
 - Gig/event space – approximately 350 square metres with a floor to ceiling height of 4.9m and acceptable variance of up to 10 per cent based on accommodating required services and entry ramp (warm shell);
 - Universally Accessible Toilet – approximately 5 square metres (warm shell); and
 - City Rangers office – approximately 270 square metres (cold shell), fit out to be funded by the City.

These would contribute towards Development Incentives for Community Benefit under the Leederville Precinct Structure Plan) and carparking bays with hardstand shade structure that covers all parking bays will be provided on the rooftop of the building.

Frame Development Site

- Mix of uses are maintained and unlike the Original Business Plan, they are required to be provided as follows, unless otherwise approved by the City:
 - 1 office with a guaranteed minimum NLA of 12,000 square metres that is subject to (and not exempt from) local government rates. If more than 16,000 square metres (subject to a 5 per cent reduction buffer due to building and design tolerances) of net lettable area of commercial space is provided on the Frame Development Lot and that floorspace is subject to (and not exempt from) local government rates, then the City will not receive the parking revenue generated from licence of those car bays to the Office owner during the hours of 5am and 5.30pm on business days, for the first five (5) years of any licence; and
 - 2 450 square metres of retail uses (including a café) on the ground floor fronting the Oxford Reserve extension provided that if the office tenant requires the removal of the retail on the ground floor, the City will not unreasonably withhold its consent to the removal of the ground floor retail but in this case the Frame Development land Buyer must use its best endeavours to activate the frontage to the Oxford Reserve extension.

Frame Court Extension

- No change to the commitment for Leederville Asset to deliver 25 bays at-grade, available to the public 24 hours a day, 7 days a week, in the Frame Court Extension, between Frame Court and the Water Corporation land, along the eastern side of the Frame Multi-Storey Car Park and Frame Development sites, unless approved otherwise by the City.

It is possible that changes will be made as the development progresses. Significant changes will require the prior agreement from the City. For example, it may be that at the time a stage of the development is ready to be progressed there is a development outcome, a carparking outcome or a financial outcome that is more beneficial to the City. Provided that the City is satisfied that the City is not disadvantaged by such changes and such changes do not produce a worse financial outcome for the City then the City may decide to agree to changes to the development.





EXPECTED FINANCIAL EFFECT ON THE LOCAL GOVERNMENT

Land Valuation

The City's input into this project is the land, being 1 The Avenue and 62 Frame Court, Leederville (as described in this Business Plan).

The City received a valuation on 9 April 2026 to assess the current market value of The Avenue and Frame Court car parks under the following scenarios:

- Development Site: 'As is' with highest and best use being as mixed-use development sites in accordance with the draft Leederville Precinct Structure Plan (LPSP), disregarding any public carparking provision or requirement
- Car Park Use: 'As is', with highest and best use limited to being operational, open air car parks for the long term, with regard to the existing concessional / discounted parking tariffs currently in place.

The Development Site valuation accounted for the costs a developed would be required to input in order to create development lots, including demolition, earthworks, the construction of road reserves and servicing.

After receipt of that valuation the City considers that value of the two carpark sites is as follows:

The Avenue:

- Development Site: \$20,000,000 exclusive of GST
- Car Park Use: \$10,000,000 exclusive of GST

Frame Court:

- Development Site: \$14,750,000 exclusive of GST
- Car Park Use: \$9,250,000 exclusive of GST

The future state as a development site offers the most value to the City making it the highest and best use. Development of the site would also align with the LPSP vision of this land.

Frame Multi-Storey Car Park Valuation

The consideration to be received by the City for the land is the delivery of the Frame Multi-Storey Car Park to the City, which will be paid for by H-U/Leederville Asset and will be owned by the City and located on the Frame Car Park land of approximately 2,538 square metres and owned in freehold by the City.

The City received a valuation for the proposed Frame Multi-Storey Car Park on 20 February 2026 based on an income capitalisation approach. The valuation considered the two licensing scenarios set out in the Business Plan:

- Fee Free Licence for 160 Office Bays for first 5 years: H-U/Leederville Asset deliver at least 16,000 (subject to a 5 percent reduction buffer due to building and design tolerances) square metres of commercial net lettable area on the Frame Development land and the City does not receive a Licence Fee for the 160 Office Bays in the Frame Multi-Storey Car Park during 5am and 5.30pm on business days for the first 5 years of Licence.
- Full Fees Payable for 160 Office Bays: H-U/Leederville Asset deliver less than 16,000 (minus the 5 percent reduction buffer) square metres of commercial net lettable area on the Frame Development land and the City receives the Licence Fee for the 160 Office Bays in the Frame Multi-Storey Car Park during 5am and 5.30pm on business days.

After receipt of that valuation the City considers that value of the Frame Multi-Storey Car Park located on the freehold land owned by the City to be as follows:

- Fee Free Licence for 160 Office Bays for First 5 years: \$35,565,976 exclusive of GST
- Full Fees Payable for 160 Office Bays: \$38,160,000 exclusive of GST

City Revenue

Net cash flow

The below table sets out the net cashflows, being revenue less operating/capital expenditure, over 20 years under the current state, that set out in the Original Business Plan, and the future state, the proposal set out under this Business Plan:

	Current State as per Original Business Plan	Future State at 12,000m ² of Office	Future State at 16,000m ² of Office
Multi-Storey Car Park Rates	\$110.17	\$123.41	\$125.17
At-Grade Car Park Rates	\$99.41m	\$112.97m	\$114.73

Note that revenue includes estimated rates revenue, carparking income, infringements and for the Current State, nominal growth on the \$10 million cash consideration.

Net present value

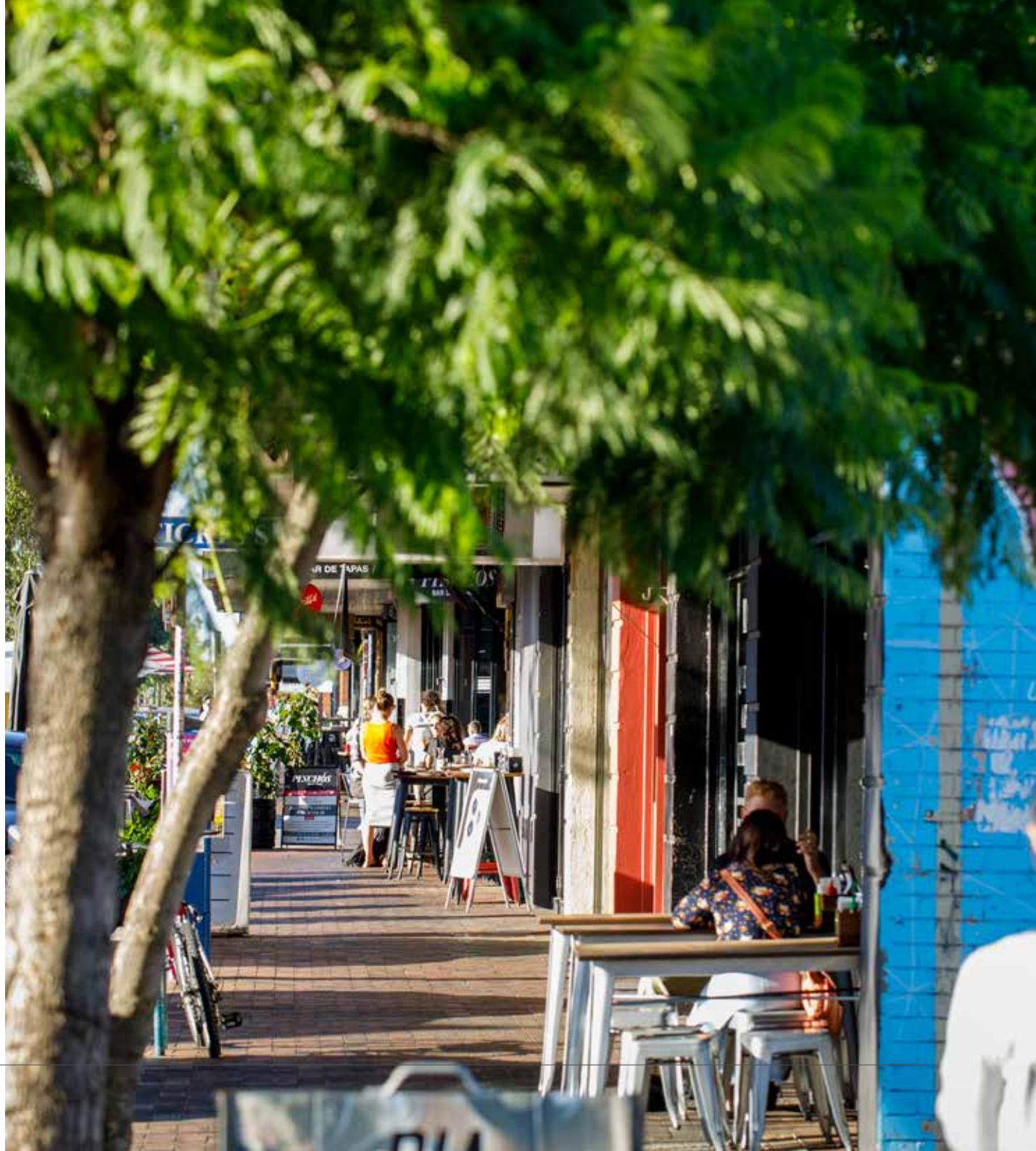
The below table sets out the net present value (NPV) to the City of the Original Business Plan and that proposed under this Business Plan:

	Current State as per Original Business Plan	Future State at 12,000m ² of Office	Future State at 16,000m ² of Office
Net Present Value	\$12.24m	\$12.91m	\$12.80m

Note that the NPV includes estimated rates revenue, the City's land input, public carparking, clawbacks, other benefits returned and the \$10 million cash consideration, which has been included in the Current State NPV but not the Future State NPV as this was part of the Original Business Plan but has not been included in this Business Plan.

Summary including Impacts to Long Term Financial Plan

Noting the project would have positive economic benefit to the Leederville precinct, the proposed development would reduce the City's net surplus over the Long Term Financial Plan. Council may need to consider additional rate rises or a deferral of capital/operating expenditure to achieve a balanced budget over that period.



ABILITY OF THE LOCAL GOVERNMENT TO MANAGE THE UNDERTAKING OR THE PERFORMANCE OF THE TRANSACTION

Leederville Asset and H-U are an organisation with significant experience and a track record of delivering large scale urban renewal projects. The City will engage suitably qualified consultants as required to advise the City.

The directors and shareholders behind LA and H-U have (amongst others) delivered the following large scale urban renewal projects:

- Nedlands Reserve, Nedlands (still under construction)
- Victoria House, Shenton Park (2023)
- Leederville Hotel and Electric Lane (2021)
- ABN Building, Leederville (2021)
- Stirling Cross, Innaloo (2017)
- Knutsford, Fremantle (2016)
- State Buildings, Perth (2016)

Timeline

The development timeline is outlined in **Appendix 1**.

The Frame Multi-Storey Car Park site will be developed first.

The Frame Development site may be developed concurrently with the Frame Multi-Storey Car Park, or the Frame Development site may be developed subsequently.

If the Frame Development site is not developed concurrently with the Frame Multi-Storey Car Park site, then Leederville Asset and H-U will determine the sequence of development after the Frame Multi-Storey Car Park is completed.

A minimum of 287 public carparking bays are required to be provided across the two carparks (with the exception of Lot 26 (as amended)) throughout the development, no matter the sequence, and this minimum level of parking cannot occur for more than 500 days.

Leederville Asset and H-U may provide alternative public parking in the place of these bays, but this parking must be approved by the City and must be operated by the City. Leederville Asset and H-U will also ensure vehicular access is provided to the 35 bays that would remain in Lot 26 until this land is converted to Public Open Space by the City.

The Avenue North and The Avenue South site will not be transferred to Leederville Asset until the construction of the carpark on the Frame Car Park site has been practically completed, unless the City agrees otherwise.

Risks

The City engaged Estill and Associates to run a risk workshop to identify any potential risks associated with the redevelopment proposal details and process. These risks were workshopped to determine ways to minimise and manage any risk. A further workshop will be run on this Business Plan and the major land transaction. Some of the identified risks that will be mitigated are listed below:

- Impacts for nearby land uses including the skate park.
- The Water Corporation and Western Power do not allow the subdivision works to be bonded and therefore carparking is taken offline earlier than anticipated.
- The Leederville Town Centre vacancies and trade levels and or driverless cars mean that parking demand decreases, reducing parking revenue to the City. This is currently a risk to the City and the development is proposed to reduce this risk.
- Leederville Asset or H-U becomes insolvent or claims financial duress during the delivery process.
- Construction commences but is not completed.
- Development approval is not granted for an aspect of the proposal.

Future Process

The process would involve the following steps:

1. Council will request the CEO progresses signing and executing a non-binding Heads of Agreement based on the details in this Business Plan.
2. The City gives public notice of the Business Plan containing the revised proposal following approval of Council. (complete)
3. After receiving submissions, the Council decides whether or not to proceed with the revised proposed transaction outlined within the Business Plan.
4. If not proceeding or proceeding in a manner that is significantly different from the Business Plan, then the City may by notice terminate the Heads of Agreement.
5. If proceeding, the parties commence negotiations regarding the transaction documents and endeavour to agree the terms of the transaction documents.

An exclusivity period of 9 months from the execution of the Heads of Agreement, to enable the contracts to be entered into if the Business Plan is endorsed. During the exclusivity period, the City and H-U and Leederville Asset agree to exclusively negotiate with respect to the proposed transaction.

The exclusivity period would terminate if the Business Plan is not adopted by Council.

The City or H-U and Leederville Asset may terminate the Heads of Agreement if the parties have not entered into the transaction document by the end of the exclusivity period or if the parties agree that the negotiations have irretrievably broken down. On termination, H-U and Leederville Asset cannot claim or seek to recover from the City any outgoings, liabilities, costs or expenses incurred.

Other Matters

If the City and H-U and Leederville Asset are unable to agree the Frame Multi-Storey Car Park design to the level of detail required to submit a development application, then either party may terminate the agreement.

If the City and H-U and Leederville Asset are unable to agree the Frame Multi-Storey Car Park design level of detail required for inclusion in H-U's building contract, then an expert determination process would apply.

SUMMARY OF MAJOR LAND TRANSACTION AND DISPOSALS OF PROPERTY

The land the City is contributing to the project, being 1 The Avenue and 62 Frame Court, Leederville (as described in this Business Plan), is considered by the City to have a value of \$34,750,000.

This value already accounts for the costs to do the works to create the four new lots, being:

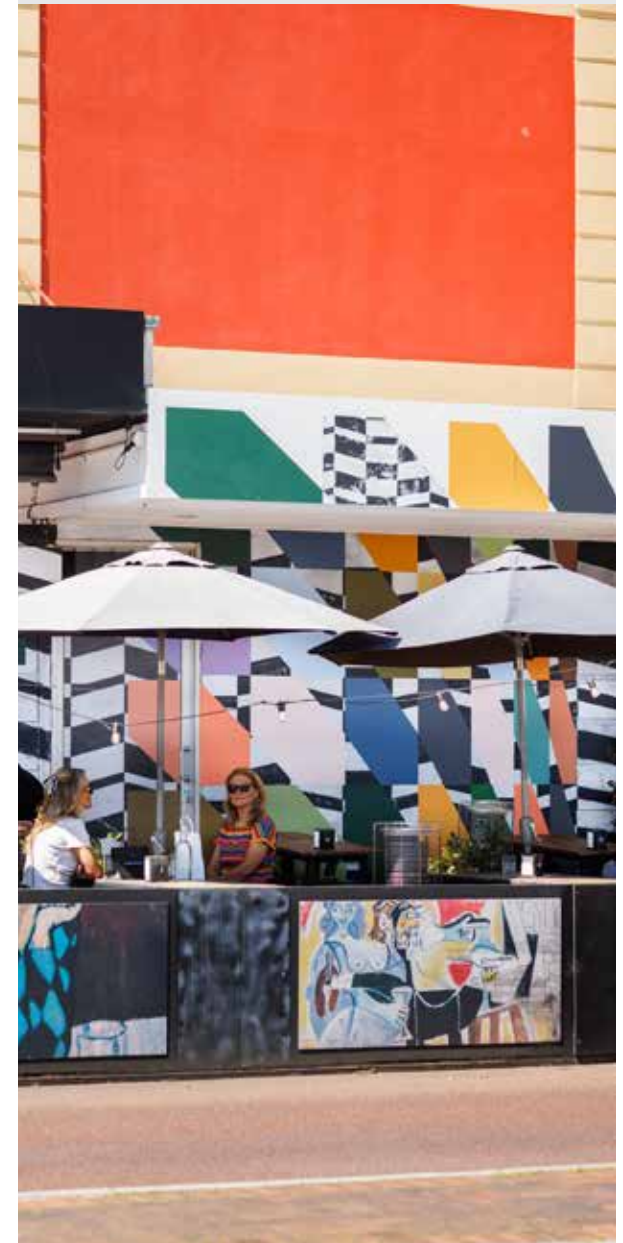
- Lot #1 the Frame Development (future office site);
- Lot #2 the Frame Multi-Storey Car Park (future Frame Multi-Storey Car Park site and being retained by the City);
- Lot #1 The Avenue North (development lot); and
- Lot # 2 The Avenue South (development lot)

and the following road reserves:

- Community Plaza (between Avenue North and The Avenue South development lots);
- Little Oxford Lane (to the east of the The Avenue North development lot);
- Frame Court Extension (to the east of the Frame Development and Frame Multi-Storey Car Park sites).

Which amounts to approximately \$9,103,680 (excluding GST), and will be paid for by H-U/Leederville Asset.

H-U/Leederville Asset will construct the City of Vincent the Frame Multi-Storey Car Park on the freehold parcel of land owned by the City to have a value of between \$35,565,976 and \$38,160,000.



Frame Court – Overall

Sale

- The area of land is described in **Appendix 1**.
- The buyer of the Frame Development site is Leederville Asset Pty Ltd ACN 669 462 702 as trustee for the FC Asset Trust.
- H-U will guarantee the obligations of the buyer.
- In certain circumstances the buyer may be changed to Leederville Asset Pty Ltd ACN 669 462 702 as trustee for the Leederville Asset Trust or H-U Funds Management Pty Ltd.
- If Leederville Asset Pty Ltd is not the buyer, then H-U Funds Management Pty Ltd (ACN 677 947 027) as trustee for the Leederville Head Trust will guarantee to the City the obligations of the buyer.
- The consideration to be received by the City for the sale of
 - Lot #1 the Frame Development,
 - Lot #1 The Avenue North and
 - Lot # 2 The Avenue South
- is the doing of the works required to create the four new lots and the delivery of the Frame Multi-Storey Car Park to the City, which will be paid for by H-U/Leederville Asset and will be owned by the City and located on freehold land owned by the City, considered by the City to have a value of between \$35,565,976 and \$38,160,000.
- The market value of Lot #1, Frame Development land is \$5,985,792, noting this excludes the cost of the other land required to create and service this lot, such as the Frame extension road reserve and Frame Car Park land required for the Frame Multi-Storey Car Park, but includes the doing of the works required to create the four new lots.
- The buyer will construct the development on the Frame Development land.
- If the buyer does not achieve practical completion of the Frame Development land by 30 months after being given possession of the land, then the buyer must compensate the City by way of an amount equal to the rates revenue forgone by the City. The compensation amount will be capped.
- If the buyer does not achieve practical completion of the carpark on the Frame Car Park site within 18 months of being given possession of that land, then the buyer must pay the City a daily amount of compensation. The compensation amount will be capped.

Buyback Right

- The City will have the right to buy back the Frame Development site from the buyer if the buyer does not achieve material commencement of the adjoining carpark development on the Frame Car Park site, within six months of being given possession of the Frame Car Park site.
- Material commencement means construction of the ground floor slab.
- The buyback price will be a nominal amount.

Car Parking License

- The City will grant the buyer a licence to use approximately 160 parking bays within the Multi-Storey Car Park for use by the tenants and other occupiers of the Frame Development office building in the hours between 5am and 5.30pm on business days. The exact number of bays constructed for use by the office building will be determined by Leederville Asset. The exact number of bays to be licenced will be determined by Leederville Asset each year. If the number of bays is reduced, the City can use those surplus bays for public parking.
- The buyer will pay to the City a licence fee of \$325 per bay per month with 3 per cent yearly increases. If the licence has not commenced



by 1 January 2029, the starting licence fee will be increased by the change in CPI between 1 January 2029 and the date the licence commences . Current licence fee market reviews will occur on the 10th anniversary and every 5 years thereafter.

- If a new statutory rate, tax, charge, levy or impost is imposed on the car bays by someone other than the City then Leederville Asset will be liable for a proportion of that rate, tax, charge, levy or impost relating to those car bays subject to the licence. The licence will apply for a term of 20 years, with two 10-year option terms.
- If Leederville Asset delivers more than the 160 car parking bays within the Frame Multi-Storey Car Park to satisfy tenant parking requirements, then Leederville Asset will be entitled to receive a licence to use each additional car parking bay delivered above 160 bays with no fee payable for that licence over those bays for the first 20 years. Leederville Asset will be responsible for contributing to maintenance costs and any new statutory rate, tax, charge, levy or impost (imposed by someone other than the City) during that period. This contribution will be based on the proportion that the revenue earned by Leederville Asset from the bay bears to the total revenue earned by Leederville Asset and the City from the bay.
- Subject to the buyer constructing a minimum of 16,000 square metres (subject to a 5 per cent reduction buffer due to building and design tolerances) of net lettable area of commercial space that is subject to and not exempt from local government rates in the Frame Development:
 1. The City will not receive the parking revenue generated from use of the licensed parking bays during office hours, between 5am and 5:30pm on business days, during the first five (5) years of the License Term.
 2. This excludes any revenue generated from public use of these parking bays outside of 5am – 5.30pm weekdays, which will be retained by the City.

- The Net Present Value of this parking revenue forgone by the City is considered by the City to be \$2,594,024.
- The Net Present Value to the City of the additional future rate income generated from 16,000 square metres of commercial floorspace on the Frame Development site compared to 12,000 square metres is considered by the City to be \$2,676,000.

Short Term Lease

- It is anticipated that the buyer will start development works promptly following settlement. If there are delays the buyer will lease the Frame Development site back to the City at a peppercorn rent so that the City can continue to use the Frame Development site for public parking until the buyer is ready to start development works.



The Avenue North

Sale

- The area of land is described in Appendix 1.
- The buyer is Leederville Asset Pty Ltd ACN 669 462 702 as trustee for the AN Asset Trust.
- H-U will guarantee the obligations of the buyer.
- In certain circumstances the buyer may be changed to Leederville Asset Pty Ltd ACN 669 462 702 as trustee for the Leederville Asset Trust or H-U Funds Management Pty Ltd.
- If Leederville Asset Pty Ltd is not the buyer, then H-U Funds Management Pty Ltd (ACN 677 947 027) as trustee for the Leederville Head Trust will guarantee to the City the obligations of the buyer.
- The consideration to be received by the City for the sale of
 - Lot #1 the Frame Development,
 - Lot #1 The Avenue North and
 - Lot # 2 The Avenue South
- is the doing of the works required to create the four new lots and the delivery of the Frame Multi-Storey Car Park to the City, which will be paid for by H-U/Leederville Asset and will be owned by the City and located on freehold land owned by the City, considered by the City to have a value of between \$35,565,976 and \$38,160,000.
- The market value of Lot #1, The Avenue North is \$9,720,522, noting this excludes the cost of the other land required to create and service this lot, such as The Avenue extension and Little Oxford Lane road reserves, but includes the doing of the works required to create the lots.
- The buyer will construct its development on the Lot #1 The Avenue North.
- If the buyer does not achieve practical completion of development by 30 months after being given possession of the lot, then the buyer must compensate the City by way of an amount equal to the rates revenue forgone by the City. The compensation amount will be capped.



Restrictive Covenant

- At settlement of the transfer of The Avenue North site, the buyer will grant the City a restrictive covenant over The Avenue North site.
- The restrictive covenant will prohibit development of The Avenue North unless that development includes a carpark comprising at least 217 bays.
- The restrictive covenant will require the carparking area of The Avenue North site to be used as a carpark for 40 years.
- No additional consideration is paid by the City to the buyer specifically for the grant of this right.

Right to Lease

- The buyer will grant the City a right to lease the carparking area to be constructed as part of The Avenue North site development.
- The lease will be a net lease at a market rent.
- The City is not required to take the lease.
- The City will have the ability to match an offer to lease that the buyer receives from a carpark operator if the City wishes to do so.

Buyback Right

- The City will have the right to buy back The Avenue North site from the buyer if the buyer does not achieve material commencement of the development within six months of being given possession of The Avenue North site.
- Material commencement means construction of the ground floor slab.
- The buyback price will be a nominal amount.

Short Term Lease

- It is anticipated that the buyer will start development works promptly following settlement. If there are delays the buyer will lease The Avenue North site back to the City at a peppercorn rent so that the City can continue to use The Avenue North site for public parking until the buyer is ready to start development works.

The Avenue South

Sale

- The area of land is described in Appendix 1.
- The Buyer is Leederville Asset Pty Ltd ACN 669 462 702 as trustee for the AS Asset Trust.
- H-U will guarantee the obligations of the buyer.
- In certain circumstances the buyer may be changed to Leederville Asset Pty Ltd ACN 669 462 702 as trustee for the Leederville Asset Trust or H-U Funds Management Pty Ltd.
- If Leederville Asset Pty Ltd is not the buyer, then H-U Funds Management Pty Ltd (ACN 677 947 027) as trustee for the Leederville Head Trust will guarantee to the City the obligations of the buyer.
- The consideration to be received by the City for the sale of
 - Lot #1 the Frame Development,
 - Lot #1 The Avenue North and
 - Lot # 2 The Avenue South
- is the doing of the works required to create the four new lots and the delivery of the Frame Multi-Storey Car Park to the City, which will be paid for by H-U/Leederville Asset and will be owned by the City and located on freehold land owned by the City, considered by the City to have a value of between \$35,565,976 and \$38,160,000.
- The market value of Lot # 2, The Avenue South is \$5,635,476, noting this excludes the cost of the other land required to create and service this lot, such as the Plaza road reserve, but includes the doing of the works required to create the lots.
- If the buyer does not achieve practical completion of development by 36 months after being given possession of the lot, then the buyer must compensate the City by way of an amount equal to the rates revenue forgone by the City. The compensation amount will be capped.

Short Term Lease

- It is anticipated that the buyer will start development works promptly following settlement. If there are delays then the buyer will lease The Avenue South site back to the City at a peppercorn rent so that the City can continue to use The Avenue South site for public parking until the buyer is ready to start development works.







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