



Department of Economic Development,
Jobs, Transport & Resources

Ref: DOC/15/175500

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Brad Evans
Planning Manager
Walker Corporation
Level 4, 707 Collins Street
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Dear Mr Evans

KEW RESIDENTIAL SERVICES

As requested, I am writing regarding the State's revenues in relation to the Kew Residential Services project.

The Kew Residential Services project is governed by a Development Agreement between the State, represented by Major Projects Victoria and the Kew Development Corporation Pty Ltd (KDC). The Development Agreement determines the revenues that are to be paid by KDC to the State and requires parties to "cooperate fully with each other; and provide all assistance reasonably required by the others, for the purpose of ensuring the timely performance and progress of the matters contemplated by this Agreement" (s.6.1 of the Kew Residential Services Development Agreement dated 26 October 2006).

Under the terms of the Development Agreement, I confirm that to date the State has received Base Payments from KDC of \$48,056,959 and Bonus Payments of \$6,027,752; Giving a total revenue to the State of \$54,084,711. As 261 lots have so far sold and settled, this equates to \$207,221 per lot.

If the potential Stage 8 development of 26 apartments proceeds, the State expects to receive further revenues as determined under the Development Agreement. The value of these revenues to be received by the State will be dependent on the prices of the apartments and when settlements of the apartments are achieved.

If you have any questions in relation to this matter or require any additional information, please contact me on charles.spanjer@mpv.vic.gov.au or 0424 195 523.

Yours sincerely

Charles Spanjer
Director, Property and Development Group
Major Projects Victoria

14, 7, 2015

