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**From:** Victoria Lightfoot <vlightfoot@pageseager.com.au>  
**Sent:** Friday, 12 April 2024 3:34 PM  
**To:** TPC Enquiry  
**Cc:** andrew.walker@tasbar.com.au; danielle@grayplanning.com.au;  
evan@e3planning.com.au; Anthony Spence  
**Subject:** RE: Cambridge Airport (PDPSAMEND-2021-022808) [PS:ACS:232146]  
**Attachments:** Statement of Leslie Simpson 12.04.24 .pdf

Good afternoon

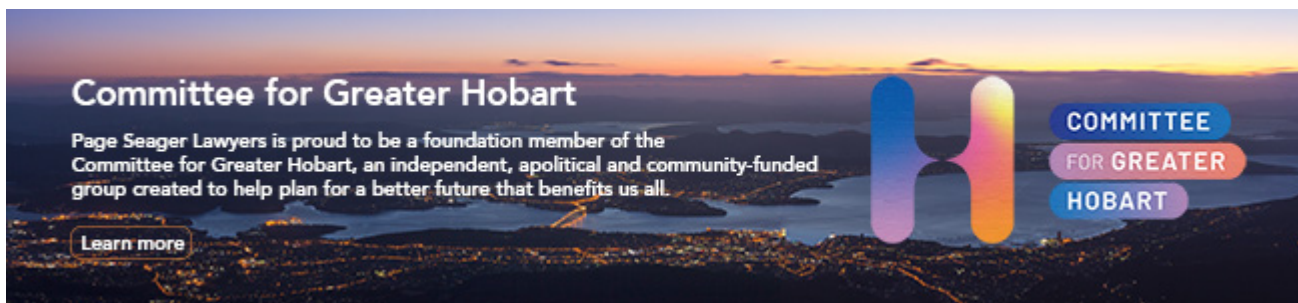
**Draft amendment PDPSAMEND-2021-022808**

Further to my below email, I **attach** an additional statement from Mr Leslie Simpson of Raine & Horne.

Kind regards

**Victoria Lightfoot** | Associate  
**Page Seager Lawyers**  
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**From:** Victoria Lightfoot  
**Sent:** Thursday, April 11, 2024 4:13 PM  
**To:** TPC Enquiry <tpc@planning.tas.gov.au>  
**Cc:** 'andrew.walker@tasbar.com.au' <andrew.walker@tasbar.com.au>; 'danielle@grayplanning.com.au' <danielle@grayplanning.com.au>; 'evan@e3planning.com.au' <evan@e3planning.com.au>; Anthony Spence <ASpence@pageseager.com.au>  
**Subject:** Cambridge Airport (PDPSAMEND-2021-022808) [PS:ACS:232146]

Good afternoon

**Draft amendment PDPSAMEND-2021-022808**

We act for Airport industrial Pty Ltd and RA Brooks Property Investments Pty Ltd.

Please find **attached** response submission prepared by Mr Frazer Read. We apologise for filing this material a day later than directed.

We also attach form No. 2 in relation to our hearing attendance.

Kind regards

**Victoria Lightfoot** | Associate

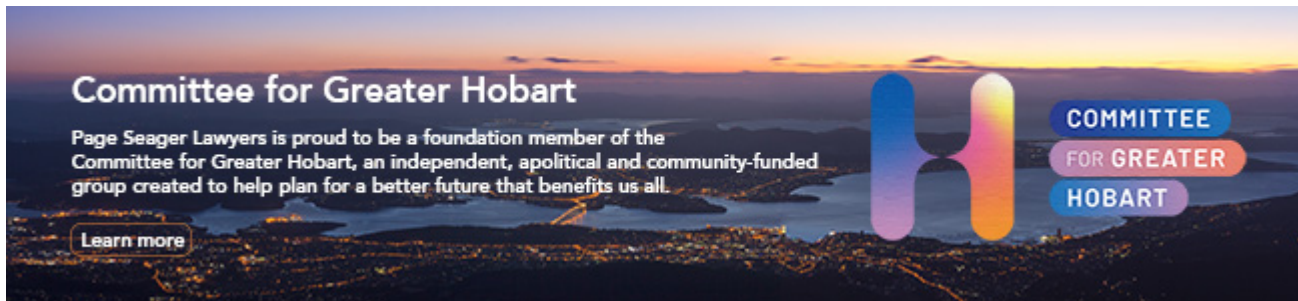
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12<sup>th</sup> April 2024

Page Seager Lawyers  
Level 2, 179 Murray Street  
HOBART TAS 7000

Attention: Anthony Spence

Dear Anthony,

**RE: 7, 8 & 9 CHEROKEE DRIVE, CAMBRIDGE, TASMANIA  
- ESTIMATE OF CURRENT MARKET VALUES & HEIGHT LIMITATION IMPACT**

We refer to your request for our opinion on the above.

### **Property Descriptions**

The properties comprise vacant light industrial allotments at the entrance to the 62 lot Airport Industrial Estate in Cambridge, Tasmania.

7 & 9 Cherokee Drive comprise a large corner allotment on two titles (7 Cherokee Dr - 4,097m<sup>2</sup> & 9 Cherokee Dr – 3,398m<sup>2</sup>), providing a total land area of some 7,495m<sup>2</sup>. Total street frontage of the combined lots to Cherokee Drive and Cessna Way is 200.32 metres. The land slopes very gently in a northerly direction towards Cessna Way.

8 Cherokee Drive is a small allotment of some 1,750m<sup>2</sup>, with a street frontage of 47.75 metres to Cherokee Drive. The land slopes down very gently in a northerly direction.

All the properties are zoned “Light Industrial” under the Tasmanian Planning Scheme – Clarence.

### **Location**

The properties are approx. 15 kilometres east of the Hobart CBD within the thriving Cambridge industrial-commercial precinct, adjacent to Cambridge Aerodrome and nearby Hobart International Airport.

The sites enjoy a “gateway” position at the entrance to the booming 62 lot Airport Industrial Estate, with huge exposure to parties entering or exiting the estate.

Featuring convenient access to all major roadways in the area, principally the Tasman Highway, Kennedy Drive and Richmond Link Road, the properties are approx. 15 minute drive to the Hobart CBD and 5 minutes to Hobart International Airport.

Cambridge is undoubtedly the highest growth industrial-commercial precinct in southern Tasmania. Emerging around 2006, the “new Cambridge” environs east of the Richmond Link Road roundabout continued to blossom until the pandemic years where values and levels of development subsequently skyrocketed.

Free of the traffic congestion and growth limitations associated with the traditional Hobart northern suburbs industrial sectors, close to Hobart and Cambridge airports, and offering relatively flat land, Cambridge is now clearly the new light industrial – commercial focus of greater Hobart.

Notable nearby occupiers to the subject allotments include Hydro Tasmania, Par Avion, Helicopter Resources, Veolia, Reece Civil, Bidfood, Tasnetworks, Juicy Isle, and The Cambridge Centre incorporating Harvey Norman, together with numerous other leading national and local businesses.

In summary, Cambridge offers investors, developers and occupiers a dynamic location for investment, as the multiplier effect of recent development continues to evolve. The only foreseeable impediment to sustaining this growth is the rapidly diminishing supply of industrial land.

## Market Overview

The Tasmanian property market thrived through the pandemic years with many economic indicators leading the nation.

The industrial sector boomed nationally during this period with the surging growth of e-commerce (and associated logistics) combined with businesses seeking to circumvent supply chain disruptions by increasing their warehouse capacity.

Accordingly we had an industrial sector featuring historic low vacancy rates, historic high demand, and limited industrial land supply nationally and in Greater Hobart.

RBA Interest rate increases initiated in May 2022, with more following, combined with concerns of rising inflation took some of the “heat” out of the local residential market, and now seems to be having some impact on the commercial-industrial sector.

However, given the still prevailing limited industrial land supply, there remains good demand for industrial property from investors, developers and particularly owner-occupiers.

## Estimate of Value

Our estimate of the market value of the subject properties is based on analysing comparable sales transactions, together with our knowledge and experience of the Cambridge industrial-commercial market. Our estimates are based on no height restrictions other than those imposed by the “acceptable solutions” under the existing Planning Scheme (10 metres above ground level).

Some of the vacant land transactions analysed include the following:

- **49 Cherokee Drive, Cambridge:**  
SOLD February 2024 – \$980,000. Land 2125m<sup>2</sup>. Sold vacant possession. Equates to land area rate of **\$461/m<sup>2</sup> exclusive GST**

- **57 Cherokee Drive, Cambridge:**  
SOLD July 2023 - \$850,000. Land 1847m<sup>2</sup>. Sold vacant possession. Equates to land area rate of **\$460/m<sup>2</sup> exclusive GST**
- **1083 Cambridge Road, Cambridge**  
SOLD July 2023 - \$3,915,000. Land 8647m<sup>2</sup>. Sold vacant possession. Equates to land area rate of **\$453/m<sup>2</sup> exclusive GST**
- **4 Railway Court, Cambridge:**  
SOLD June 2023 - \$1,400,000. Land 3155m<sup>2</sup>. Sold vacant possession. Equates to land area rate of **\$444/m<sup>2</sup> exclusive GST**
- **21 Cherokee Drive, Cambridge**  
SOLD May 2023 - \$1,715,000. Land 3934m<sup>2</sup>. Sold vacant possession. Equates to land area rate of **\$436/m<sup>2</sup> exclusive GST**
- **20-24 Cherokee Drive, Cambridge**  
SOLD March 2023 - \$3,320,000. Land 7632m<sup>2</sup>. Sold vacant possession. Equates to land area rate of **\$435/m<sup>2</sup> exclusive GST**

In addition to the above sales, we are currently finalising the sale of two light industrial allotments (total 6498m<sup>2</sup>) with exposure to Kennedy Drive in Cambridge at \$500/m<sup>2</sup> exclusive GST.

In summary, given the prized high profile positions of the properties and diminishing land supply, we estimate the current market values of the subject properties (subject to the above described 10 metre height acceptable solutions) to be as follows.

**7 Cherokee Drive, Cambridge (4097m<sup>2</sup>) - \$1,850,000 - \$1,885,000 exclusive GST**

**8 Cherokee Drive, Cambridge (1750m<sup>2</sup>) - \$800,000 - \$820,000 exclusive GST**

**9 Cherokee Drive, Cambridge (3398m<sup>2</sup>) - \$1,530,000 - \$1,565,000 exclusive GST**

## **IMPACT OF REVISED OBSTACLE LIMITATION OVERLAY ON VALUE**

We have been provided with a copy of the impact summary of the revised obstacle limitation overlay undertaken by Frazer Read of All Urban Planning dated 11<sup>th</sup> April 2024.

Estimating exact price impacts of the revised overlay on the various lots is virtually impossible. However, we offer the following comments.

Given the sustained and significant price increases for industrial land, the major trend with industrial buildings locally and nationally is to build up rather than out, to maximise storage capacity (racking) rather than increasing the building footprint and requiring additional land. Accordingly, limitations on warehouse height would have a major impact on the value of such land.

Further, given the diminishing land supply in Cambridge, with no new industrial subdivisions likely completed in the next 2 years, it is imperative to fully maximise the utility of available land given current and likely future demand.

**7 Cherokee Drive, Cambridge (4097m<sup>2</sup>)** – significant impact on value with height limited to 4.2 metres in the south eastern corner.

**8 Cherokee Drive, Cambridge (1750m<sup>2</sup>)** – catastrophic impact on value with much of the site limited to between 4.3 metres – 6.7 metres height. Given stand-alone office buildings are prohibited under the Planning Scheme, this almost reduces the use of this property to a yard or external storage.

**9 Cherokee Drive, Cambridge (3398m<sup>2</sup>)** – limited impact on value.

## AUTHOR BACKGROUND

Leslie Simpson has worked in the greater Hobart commercial-industrial market as a sales and leasing real estate agent for nearly 37 years.

Since 2006 Leslie has been closely involved in the growth of the Cambridge industrial-commercial market, transacting numerous sales of land and warehouses together with leasing transactions.

Leslie has an intimate knowledge of the Cambridge industrial-commercial precinct.

We trust the above meets your requirements at this stage. Please do not hesitate to contact the undersigned should you have any queries.

Yours sincerely,



LESLIE SIMPSON  
COMMERCIAL SALES AND LEASING CONSULTANT

**Please Note: The above is an opinion of market worth only and is not a formal valuation and cannot be relied upon as such.**