

Due Diligence Report

31 Churinga Drive Churchill VIC 3842

PREPARED FOR
Gagan Gupta
30 July 2026



Client Buying Brief

WHAT WE ARE LOOKING FOR

The client is seeking a long-term SMSF investment of up to \$600,000 and is area agnostic. The preference is for a freestanding three- or four-bedroom house with good land content, broad tenant appeal and strong resale fundamentals. The property should be in good condition, require minimal immediate repairs or ongoing maintenance, and be located in an area supported by reliable rental demand, population growth and diverse employment. A gross rental yield of approximately 4% or above is preferred to help limit negative cash flow while supporting long-term capital growth.

Why We Like It

- Strong buying-brief fit — a freestanding three-bedroom house priced at \$460,000, comfortably within the client's \$600,000 SMSF budget. While four bedrooms would be ideal, the lower entry price and stronger cash flow make this three-bedroom option worth consideration.
- Above-target rental return — based on the \$450 per week appraisal, the property would generate an estimated 5.1% gross rental yield, exceeding the client's preferred 4% benchmark and helping limit negative cash flow.
- Good land component — the 611m² allotment provides stronger underlying land exposure than a townhouse or unit and supports broad family and owner-occupier appeal.
- Practical tenant features — a secure garage, fully fenced backyard, outdoor entertaining area, ducted heating and reverse-cycle air conditioning support comfortable, low-maintenance living.
- Convenient location — nearby parks, walking trails, public transport, shops and essential services should assist ongoing tenant demand and future resale appeal.

Property Overview

AGENT EXPECTED PRICE		\$460,000	
RENT	\$450-\$470	YIELD	5.44%-5.68%
BED / BATH / CAR	3/1/1	DWELLING TYPE	House
BLOCK SIZE	611	HOUSE SIZE	115
BUILT	2014	FLOOD ZONE	No
BUSHFIRE ZONE	No	PLANNING ZONE	Low Density Residential

Upfront Costs

INITIAL OFFER
\$430,000

STATE
VIC

Deposit 20%	\$86,000
Loan amount	\$344,000
Estimated stamp duty	\$20,870
Estimated LMI	\$0
Mortgage / transfer fees	\$1,410
Estimated legals	\$2,000
Pest & building report	\$700
Buyer agency fee	\$8,000
Total funds required	\$118,980

Ongoing Cashflow Summary

WEEKLY CASHFLOW **-\$198 to -\$216**

GROSS YIELD
RANGE

5.44% - 5.68%

	Weekly		Monthly	Annual
	Low rent	High rent		
Revenue	\$450	\$470	\$1,993	\$23,920
Holding costs				
Council/water	(\$46)	(\$46)	(\$200)	(\$2,400)
Strata / body corp	\$0	\$0	\$0	\$0
Building insurance	(\$31)	(\$31)	(\$133)	(\$1,600)
Landlord insurance	(\$8)	(\$8)	(\$33)	(\$400)
Land tax	(\$19)	(\$19)	(\$81)	(\$975)
Property management fee (7.70%)	(\$35)	(\$36)	(\$153)	(\$1,842)
Loan repayments	(\$528)	(\$528)	(\$2,289)	(\$27,464)
Pre-tax cashflow	(\$216)	(\$198)	(\$897)	(\$10,761)

Monthly and annual cashflow calculated using the median rent.

Loan Assumptions

Repayment Type
Principal & Interest

Interest Rate
7.00%

Loan Term
30 Years

Comparable Sales



33 CHURINGA DRIVE CHURCHILL VIC 3842

3/2/2 625m2 126m2 0.02km 25-Feb-26

\$525,000



5 CURRINGA COURT CHURCHILL VIC 3842

3/2/2 703m2 156m2 0.48km 02-Mar-26

\$550,000



11 CANTERBURY WAY CHURCHILL VIC 3842

3/2/4 585m2 130m2 0.98km 20-Apr-26

\$495,000

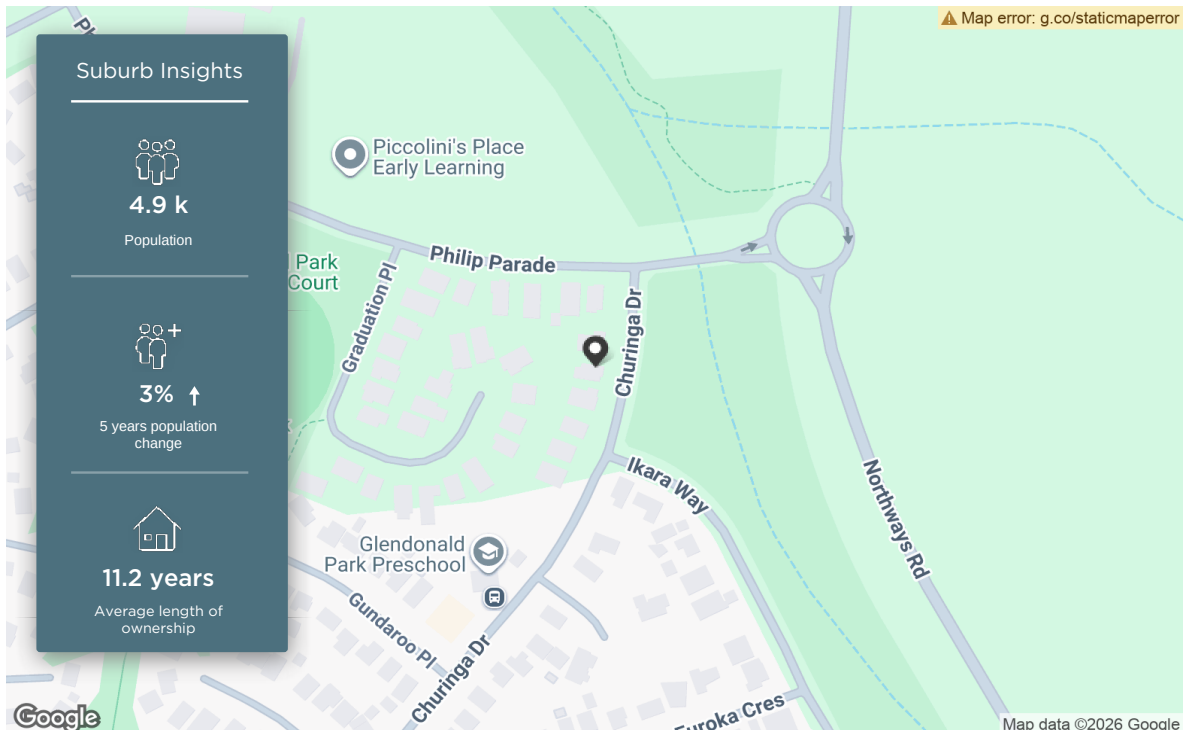


47 AUCHTERLONIE CRESCENT CHURCHILL VIC 3842

3/1/2 582m2 122m2 1.12km 08-May-26

\$499,000

Demographic Insights



The size of Churchill is approximately 21.2 square kilometres. There are 15 parks, covering nearly 6.1% of the total area. The population of Churchill in 2016 was 4783 people. By 2021 the population was 4924 showing a population growth of 3.0% in the area during that time. The predominant age group in Churchill is 20-29 years. Households in Churchill are primarily childless couples and are likely to be repaying \$1000 - \$1399 per month on mortgage repayments. In general, people in Churchill work in a community and personal service occupation. In 2021, 68.20% of the homes in Churchill were owner-occupied compared with 65.60% in 2016.

Comparable Rental Evidence

Recently leased properties in the immediate area, used to sanity-check the rental range applied in the cash flow analysis.

	27 CHURINGA DRIVE CHURCHILL VIC 3842 3/2/1 674m2 117m2 0.04km Leased 23-Dec-25	\$480/WEEKLY
	76 PHILIP PARADE CHURCHILL VIC 3842 3/2/1 793m2 127m2 0.09km Leased 16-Mar-26	\$420/WEEKLY
	7 GRADUATION PLACE CHURCHILL VIC 3842 3/1/1 545m2 112m2 0.15km Leased 29-Jan-26	\$450/WEEKLY
	13 GUNDAROO PLACE CHURCHILL VIC 3842 3/1/1 688m2 98m2 0.19km Leased 05-Feb-26	\$420/WEEKLY

Site Analysis

At a Glance



DATE OF REPORT

30th of July, 2026

ADDRESS

31 CHURINGA DRIVE

LOT/PLAN

28\PS646228

COUNCIL

Latrobe (Vic.)

ZONING

General Residential Zone - Schedule 1

SCHOOL CATCHMENTS

Churchill Primary School Kurnai College

CLOSEST CITY

Traralgon - 17km

Due Diligence Considerations



Easements

No Considerations Identified



Flood Risk

No Considerations Identified



Character

No Considerations Identified



Vegetation

No Considerations Identified



Bushfire Risk

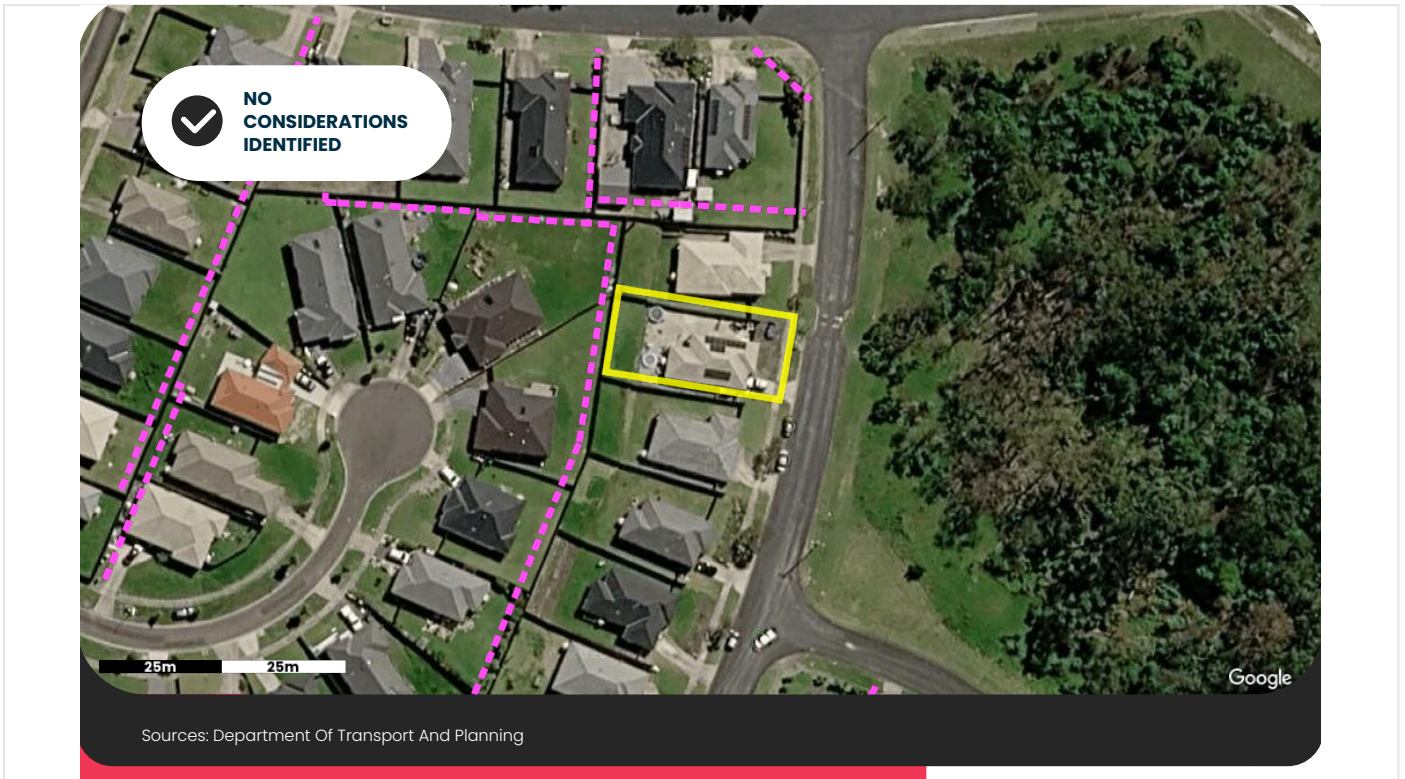
No Considerations Identified



Noise

No Considerations Identified

What access rights exist over the property?



An easement is a legal right for a person or authority to use part of the land for a specific purpose — commonly to maintain utilities such as water and sewer pipes, stormwater drains or power lines, or to provide shared vehicle access.

Easements are recorded on the title at subdivision and remain even after the land changes hands. An owner generally cannot build permanent structures within, or obstruct access to, an easement area.

Before building over or near an easement, obtain approval from the easement holder and confirm any restrictions with a building certifier. Ordering a title and survey plan confirms the exact position of any registered easement.

LEGEND

 Selected Property

Is the property in a potential flood area?



If a property sits in a potential flood area it is important to understand the likely risks, impacts and causes. Flooding typically occurs when prolonged or heavy rainfall causes waterways to rise and overflow into surrounding land.

Flood likelihood is often expressed as an Annual Exceedance Probability (AEP) — the chance of a flood in any given year. A 1% AEP flood, for example, has a 1-in-100 chance of occurring annually.

Building or renovating in flood-prone areas may require council assessment. Floor levels might need to sit above modelled flood heights, or structures be designed to let water pass beneath. Confirm the specific requirements with the local authority.

LEGEND

-  Selected Property
-  High likelihood (5.0% annual chance)
-  Medium likelihood (1.0% annual chance)
-  Low likelihood (0.2% annual chance)
-  Very low likelihood (0.05% annual chance)

Is the property in a potential bushfire area?



A property being in a bushfire area does not guarantee a fire will occur — it signals that conditions such as a dry climate, dense surrounding vegetation or steep terrain could support one.

LEGEND

 Selected Property

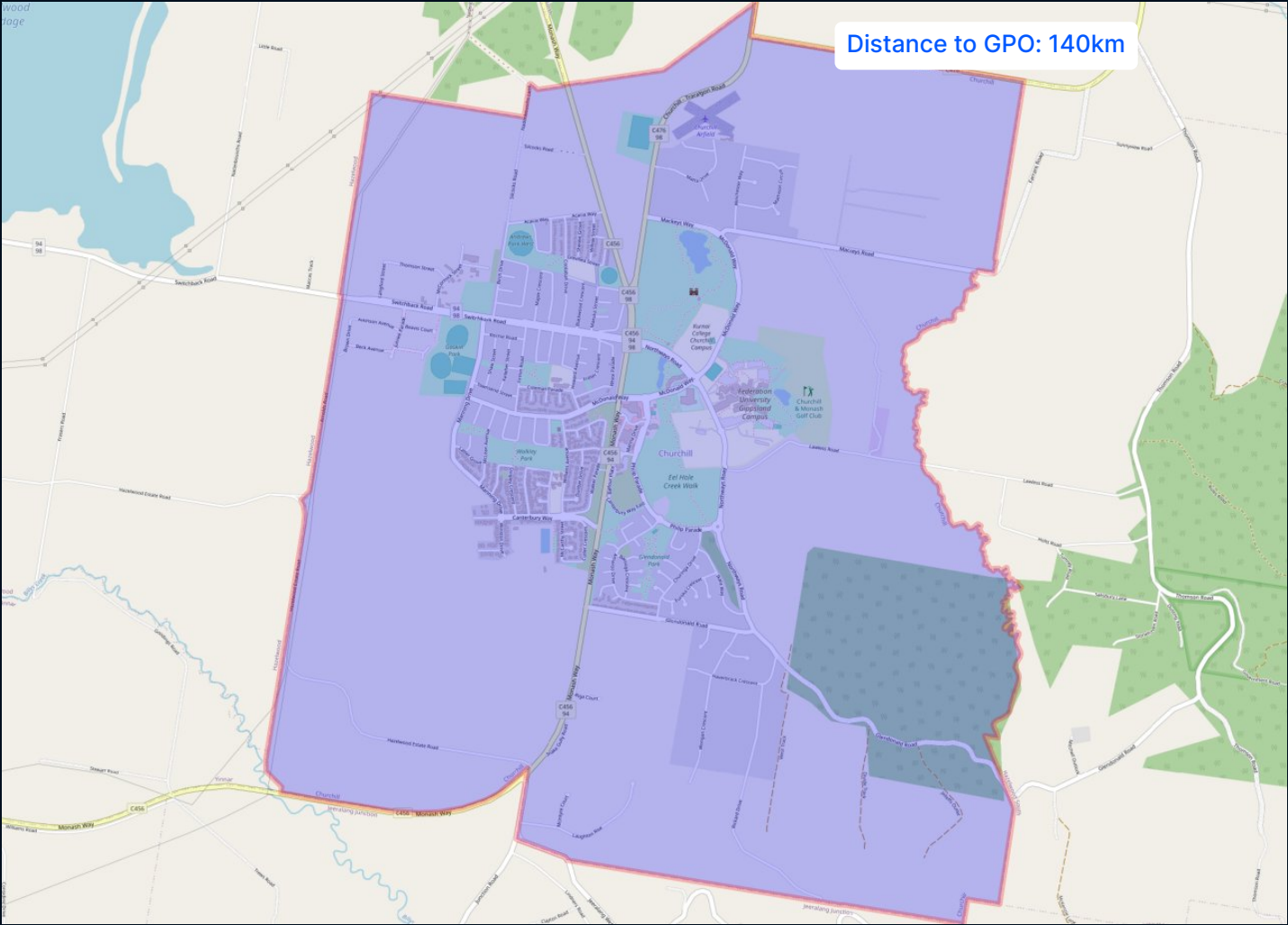
Building or developing in a bushfire area may require compliance with specific construction standards: appropriate siting, defensible space and buffer zones, and fire-resistant materials and design.

Newly subdivided lots may already have bushfire risk addressed at subdivision. Speak with the council or a building certifier to confirm the safety requirements that apply to the site.



Area Statistics Report

Churchill VIC 3842



Report includes:

- Relative Composite Score
- Essential Metrics
- Fundamental Metrics
- Supply Metrics
- Demand Metrics

Churchill, VIC 3842, is a small town in the Latrobe Valley region of Victoria, about 160 km southeast of Melbourne. It is named after former British Prime Minister Winston Churchill. Known for its close-knit community, the town is home to Federation University Australia's Gippsland campus, which adds a vibrant student population. Its surrounding landscapes feature picturesque views of rolling hills and natural reserves. Facilities include local shops, sporting clubs, and several schools. Proximity to larger towns like Morwell and Traralgon ensures residents have access to broader amenities.



Area Summary

Explore key metrics that shape the socio-economic landscape of your community. Dive deep into the data that drives decisions and paints a clearer picture of the area. This extends beyond the specifics of houses and units, which are detailed in the following pages.

Population & Dwellings

Adult Population

Adult population in the area recorded during the most recent census.

4,924

Estimated Dwellings

Number of residential dwellings in the area estimated based on the address database.

2,617

Education

School Rank

The Average School rank is a significant metric that reflects the quality of education in the area. This composite metric is derived from a combination of NAPLAN and ACARA datasets, and is measured on a scale of 1 to 100, where 100 represents the highest rank possible.

48

out of 100

Infrastructure

Non-residential Building Approvals (Per Capita)

Measures the total value of non-residential buildings (such as educational, healthcare, aged care, transport and other buildings) divided by the local population. This metric serves as a proxy indicator of infrastructure investment in any given area.

\$47



Houses

Houses are free standing houses (excluding townhouses & villas).

Buy

\$557K

ⓘ Typical price for houses in the area. It provides a more accurate portrayal of average home values, serving as a nuanced alternative to median prices.

Rent

\$455 PW

ⓘ Median weekly rent for houses is derived from an analysis of rental data collected over the previous 12 months, utilising a rolling month reporting method.

Yield

4.24%

ⓘ Indicative Gross Yield for houses in this area. Calculated by multiplying the Median Rent by 52 and dividing the resulting value by Typical Price.



RCS™ (Houses)

The RCS (Relative Composite Score)™ is a comprehensive ranking system designed to evaluate real estate markets based on three key parameters: Lower Risk, Capital Growth & Cashflow. It uses over 80 metrics as inputs to generate rank scores for all suburbs. The scores are updated monthly, and the overall RCS™ is an average of the three individual scores, providing a quick and easy way to assess market performance. It is independently calculated for houses and units.

65

out of 100



Lower Risk

55

Lower Risk RCS™ is calculated based on more than 80 metrics where higher weighting is assigned to environmental, market and data risk indicators. Higher values indicate lower risk. It is designed to help investors understand the potential risks associated with an investment location, taking into account factors such as environmental hazards, market risks, and data quality.



Capital Growth

61

Capital Growth RCS™ is calculated based on more than 80 metrics where higher weighting is assigned to indicators that suggest a strong future growth potential. These include long-term price projections, market fundamentals and supply/demand trends. It is specifically designed to identify locations with strong long-term capital growth potential, typically spanning 5 years or more.



Cashflow

79

Cashflow RCS™ is calculated based on more than 80 metrics where higher weighting is assigned to indicators that suggest a strong rental yield, lower vacancy rates and potential for rent increases. It is tailored to identify locations where investment properties are likely to provide a steady income stream to the investor and generate increasingly positive cash flow for the duration of the investment term.



Annual Sales Volume

Annual Sales Volume represents the cumulative number of property transactions within the area over the preceding 12-month period. This metric provides insight into the level of activity and liquidity in the property market, which is valuable information for investors.

254



Confidence

Confidence is a metric that indicates the reliability of data. It is calculated based on the average quarterly sales and rentals per area. High confidence suggests that the data is based on a sufficient number of transactions, making it more dependable for assessing market conditions and forecasting.

High



Projected Annual ROI

Understand the efficiency of your area investment with Projected Annual ROI. This performance measure combines Indicative Rental Yield and Annualised Capital Growth projections. The range indicates best and worst-case scenarios, with the best case more likely when RCS approaches 100.

-2% to 24%



Volatility Index

Deviation of short-term price growth from the long-term trend. Higher values indicate higher market volatility. A score of 1 may suggest a stable market or limited data influencing trend modeling. Conversely, a high score like 10 doesn't just signal risks but also signifies the potential for significant growth with adept timing of investments.

8

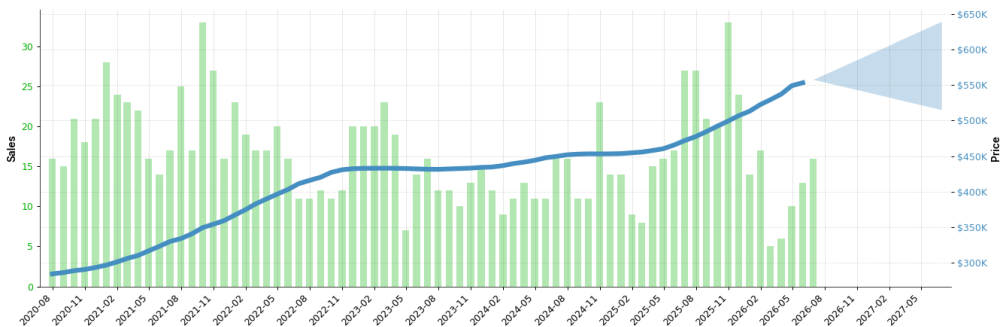
out of 10



Essentials (Houses)

Typical Price: \$557K

2BR - | 3BR \$466K | 4BR \$648K | 5BR -



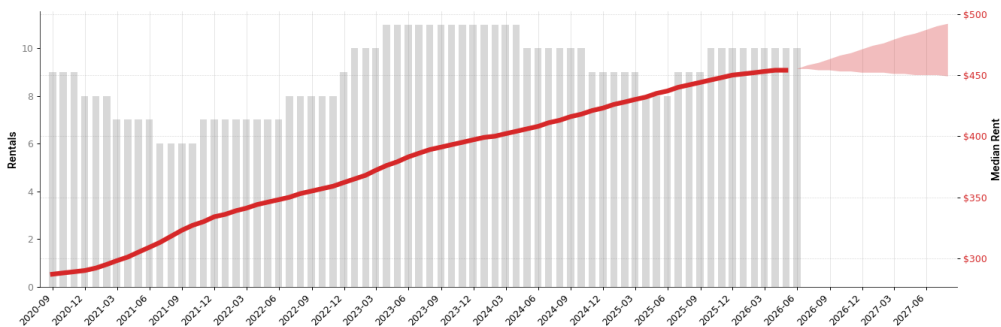
Typical Price Change

1M 0.75% 3Y 29.18%
1Q 3.74% 5Y 69.01%
1Y 18.12% 10Y 152.67%

This statistical summary presents typical price changes across six distinct periods: 1 Month (1M), 1 Quarter (1Q), 1 Year (1Y), 3 Years (3Y), 5 Years (5Y), and 10 Years (10Y).

Median Rent: \$455

2BR - | 3BR \$410 | 4BR \$500 | 5BR -



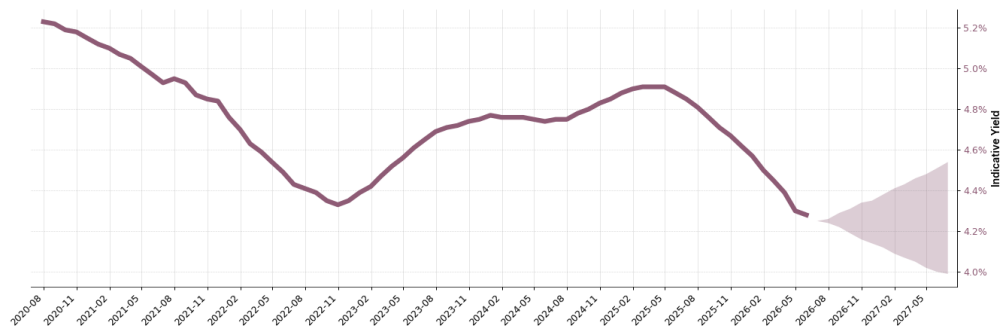
Median Rent Change

1M 0.22% 3Y 18.13%
1Q 0.44% 5Y 45.69%
1Y 3.64% 10Y 100.88%

This statistical summary presents median rent changes across six distinct periods: 1 Month (1M), 1 Quarter (1Q), 1 Year (1Y), 3 Years (3Y), 5 Years (5Y), and 10 Years (10Y).

Gross Yield: 4.24%

2BR - | 3BR 4.57% | 4BR 4.01% | 5BR -

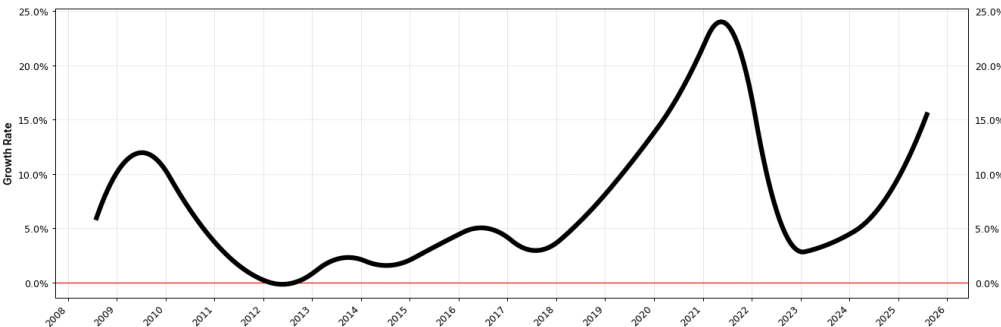


Gross Yield Change

1M -0.52% 3Y -8.55%
1Q -3.18% 5Y -13.80%
1Y -12.26% 10Y -20.50%

This statistical summary presents indicative gross yield changes across six distinct periods: 1 Month (1M), 1 Quarter (1Q), 1 Year (1Y), 3 Years (3Y), 5 Years (5Y), and 10 Years (10Y).

Yearly Growth Rate: (+)Peak



Growth Pattern Deviation

3Y 14.36% 5Y 33.56% 10Y 42.59%

Growth pattern deviation measures the departure of recent market trends from the long-term growth patterns within the area. Negative values indicate that the recent growth is below the long-term trend, conversely, positive values signal that recent growth exceeds the historical average.

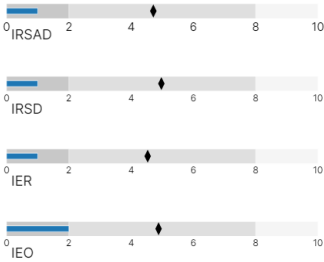
Growth Spillover Potential

3Y 4.53% 5Y 9.29% 10Y 21.26%

Growth spillover potential evaluates how a suburb's price growth over 3, 5 or 10 year period measures up against the growth observed in its Local Government Area. It indicates whether the suburb or locality has the potential to outperform (-) or fall behind (+) the surrounding areas in the given timeframe.



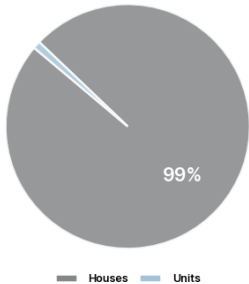
Fundamentals (Houses)



IRSAD

1

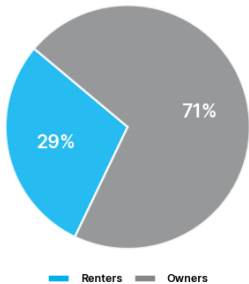
The Index of Relative Socio-economic Advantage and Disadvantage defines people's access to material and social resources, and their ability to participate in society. It is scored on a scale from 1 to 10, where higher deciles indicate a higher socio-economic status. The black diamond marker indicates the city or state's average value for comparison.



Units to Houses

1%

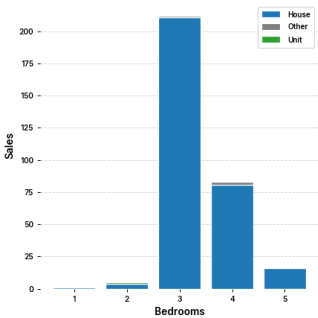
Unit to House (UH) Ratio is the proportion of total unit dwellings to that of houses in the area. Calculated by apportioning the number of units sold in the last 2 years to that of houses. The higher the number, the more units there are relative to houses. A lower UH Ratio can create a more balanced community which can lead to higher property values as the area may be perceived as more upmarket.



Renters to Owners

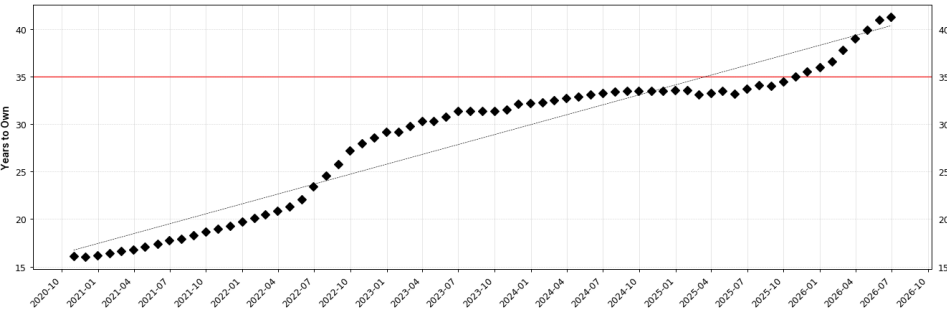
29%

Renter to Owner (RO) Ratio is the proportion of Renter households to the Owner Occupier or Mortgagee Households. The higher the number, the more renters there are relative to owner occupiers. A lower RO Ratio generally suggests a suburb with higher capital growth potential and lower investment risk.



Demand Profile

This graph displays the dwelling demand profile for the area, reflecting the local demographic's preferences for property type and bedroom count. Focus on the dwelling types and bedroom numbers that have recorded the highest sales to target market preferences effectively.



Good to know about Fundamentals

Fundamental metrics are instrumental in assessing the socio-economic landscape of a specific suburb or LGA. Moreover, metrics play a critical role in accurately determining potential for sustained long-term price growth.

IRSAD

Unfavourable	1-2
Neutral	3-8
Opportune	9-10

Units to Houses

Unfavourable	>50%
Neutral	15-50%
Opportune	<15%

Renters to Owners

Unfavourable	>45%
Neutral	10-45%
Opportune	<10%

Years to Own

Low Affordability	>35 years
Adequate Affordability	25-35 years
High Affordability	<25 years

Insights drawn from these indicators are crucial for benchmarking suburbs for investment opportunities and serve as a foundational analysis before considering supply and demand metrics. Each metric provides unique insights into market dynamics, such as community stability, rental competition, and socio-economic status, which are pivotal in assessing the potential for capital growth and investment risks.

IRSD: Index of Relative Socio-economic Disadvantage - unlike IRSAD, this index includes only measures of relative disadvantage.

IER: Index of Economic Resources focuses on the financial aspects by summarising variables related to income and wealth.

IEO: Index of Education and Occupation is designed to reflect the educational and occupational level of communities.

Years to Own (Affordability Index)

41

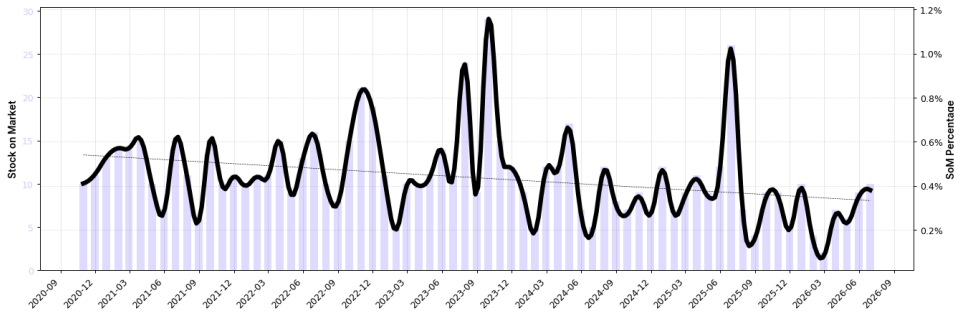
The "Years to Own" metric estimates the time needed to completely pay off a property, taking into account factors such as interest rates, median family income, and typical property prices in the area. A value over 30 years may suggest reduced affordability within the area, assuming that 50% of household income is dedicated to mortgage repayments.



Supply (Houses)

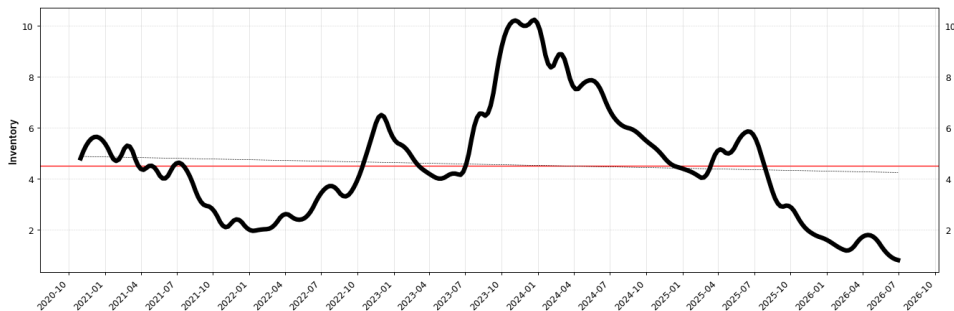
Stock on Market *

0.32% 8unsold listings



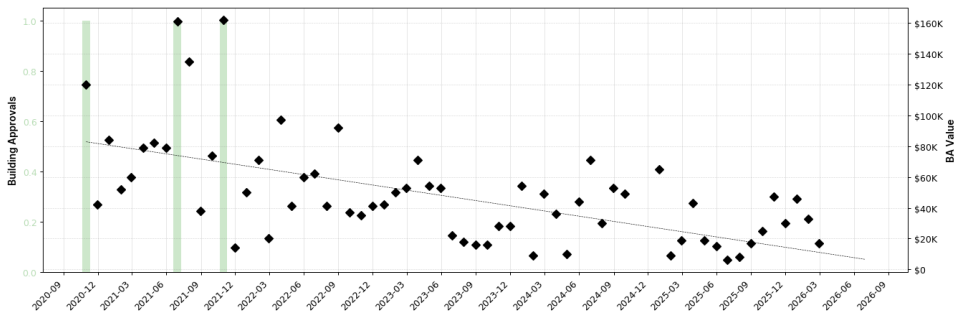
Inventory levels

1.17 months



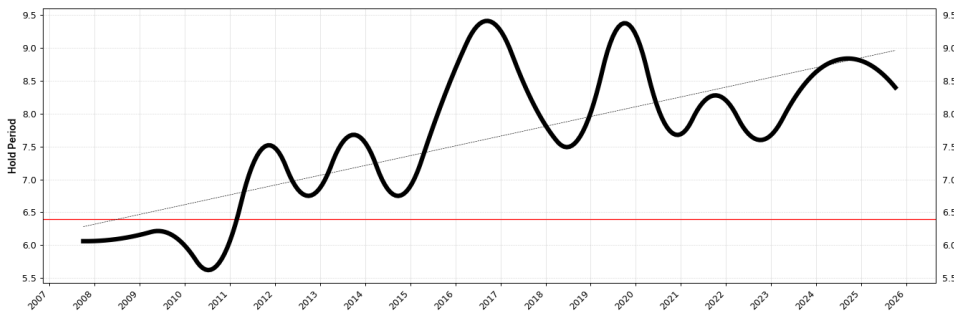
Building Approvals

0.00% 0approvals



Hold Period

8.40 years



Good to know about Supply

Supply metrics are crucial in gauging both the existing inventory of real estate listed for sale and the properties anticipated to enter the market soon. A diminished supply could signal opportunities for price appreciation, particularly when there's corresponding buyer demand to buoy the market.

Stock on Market Percentage

High Supply >1.3%
Balanced Supply 0.4-1.3%
Low Supply <0.4%

Stock On Market Percentage is the ratio of Stock on Market to the total number of dwellings in the area. Number of dwellings is calculated based on Australian address database.

Inventory levels

High Supply >4.5 months
Balanced Supply 2.1-4.5 months
Low Supply <2.1 months

Inventory (also known as Months of Supply) is SoM divided by the average number of sales per month over a year. Used to define how absorbent the property market is of the new listings and measured in months.

Building Approvals Ratio

High Supply >2%
Balanced Supply 0% or 0.3-2%
Low Supply <0.3%

BA Ratio is the proportion of newly approved residential buildings over the past 12 months relative to total dwellings in the area.

Hold Periods

High Supply <6.4 years
Balanced Supply 6.4-10.4 years
Low Supply >10.4 years

The "Hold Period" metric is derived by averaging the duration between the most recent and previous sale dates across all properties. Markets described as "tightly held" exhibit longer Hold Periods, indicating fewer turnovers and measured in years. Unlike building approvals, which forecast the future supply of new dwellings, Hold Periods act as an indirect indicator of the availability of established homes.

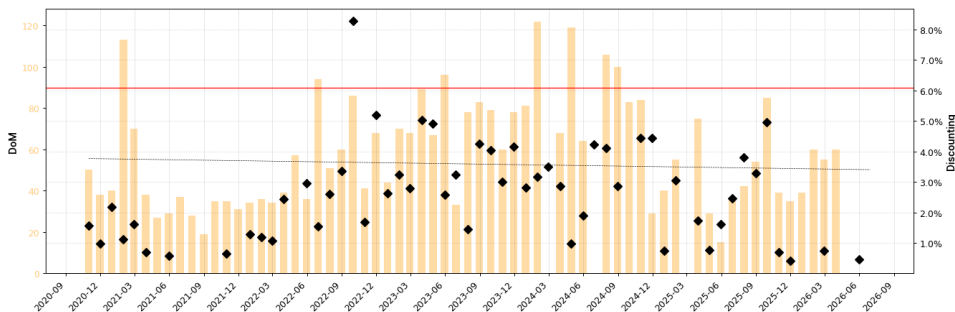
*We emphasise the importance of Unsold Listings Data to capture an accurate snapshot of property stock. This method to calculate Stock on Market concentrates exclusively on active listings, effectively filtering out properties that have already been purchased. Many data providers include both sold and unsold properties within a given period and report it as SoM. It can give a misleading impression of market supply, particularly in dynamic markets where properties are bought and sold rapidly.



Demand (Houses)

Days on Market *

0 Days



Good to know about Demand

Demand metrics underscore the level of interest that property buyers and tenants have in a specific suburb or locality. When demand outstrips the available supply there's a potential for prices and rents to climb, underscoring the pivotal relationship between demand dynamics and property value trends.

Days on Market

Low Demand >90 days
Balanced Demand 35-90 days
High Demand <35 days

Days on Market is the median number of days 'for sale' listings remain active on the web. It's a metric that indicates how long properties typically stay on the market in a specific area. A shorter DoM suggests high demand and possibly a seller's market, while a longer DoM may indicate a buyer's market with less demand.

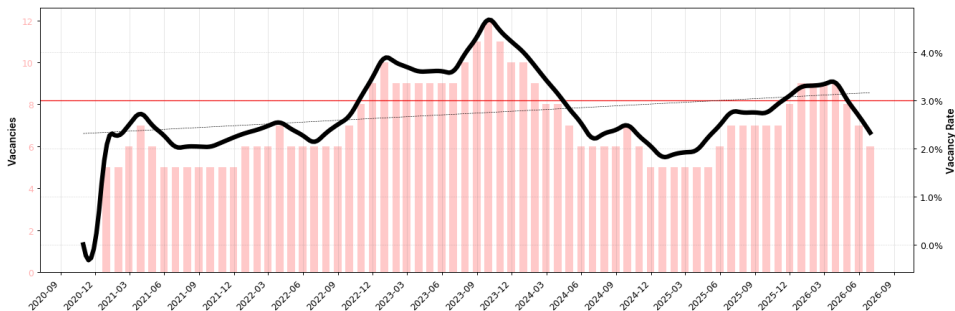
Vacancy Rate

Low Demand >3.5%
Balanced Demand 1-3.5%
High Demand <1%

Vacancy rate is a key indicator of the real estate rental market, reflecting how easy it is to find tenants in an area. Low vacancy rates suggest high demand and limited supply, which can lead to renters paying higher rents. In addition low vacancy rates can serve as a lead indicator for price growth in the real estate market.

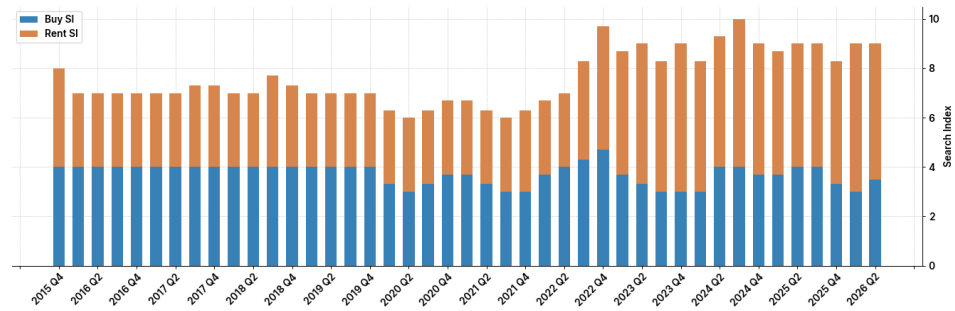
Vacancy Rate

2.33%



Search Index

Rent 6 | 4 Buy



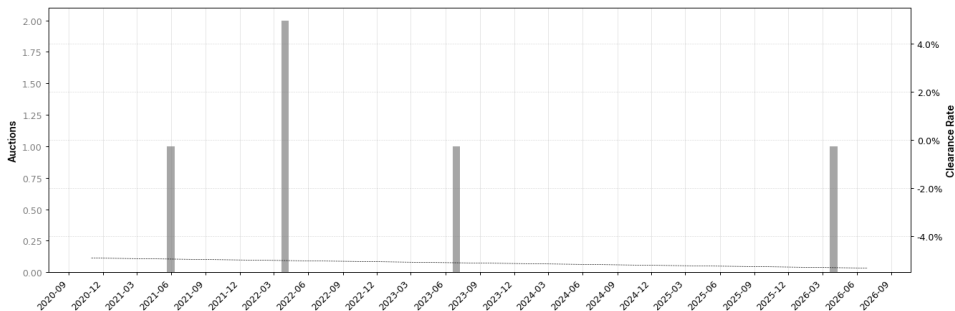
Search Index

Low Demand 1-2
Balanced Demand 3-5
High Demand 6-10

Buy & Rent Search Index is the ratio of online Buy / Rent searches in an area to the state or city average. Value of 5 signifies that searches are at state/city average.

Auction Clearance Rate

N/A



Auction Clearance Rate

Low Demand <50%
Balanced Demand N/A or 50-70%
High Demand >70%

Auction Clearance Rates measure the percentage of auctions that successfully result in a sale. This metric is particularly reliable for benchmarking capital city markets (with the exception of Perth). In regional markets, the mere occurrence of auctions, regardless of the clearance rates, serves as a strong indicator of demand.

*Days on Market (DoM) is determined by calculating the median DoM for sales using a 3 month rolling period, providing a more current snapshot compared to the 12-month aggregates used by some other data providers. All types of sales are included, such as those without a listed price and auction sales, ensuring comprehensive coverage and accuracy by considering the first list date to the sold date marked by real estate agents. This method, enhanced with outlier detection to exclude anomalies, allows to provide the most current monthly values for this important demand indicator.

Disclaimer

The information presented in this document is provided to assist you in making an investment decision. This report is not a sworn valuation, building inspection, or legal opinion. While we have taken reasonable steps to verify the accuracy of the information, data may be subject to errors or omissions for a variety of reasons. No single piece of information should be relied upon in isolation. Market conditions may change over time, and Search Party Property accepts no responsibility for the future price or performance of any property purchased. The purchaser is solely responsible for making the final investment decision and assumes all associated risks.