

MARKET VALUATION

**Lot 1, 35 Raroa Terrace
Tawa
Wellington City**

Client
Valuation date

Jubilee Trust
27 March 2023

1.0 EXECUTIVE SUMMARY



Lot 1, 35 Raroa Terrace, Tawa, Wellington City 5028

Once complete, the land will be subdivided into two freehold sections and a new, detached townhouse will be constructed on each site. Each dwelling will be two storey and of an attractive design. They will have functional floor layouts providing three bedroom plus two bathroom accommodation together with open plan living and single integrated garaging. The land is relatively level then gently rising in contour and is a rear site. Subdivision and resource consent have been granted for the properties.

PROPERTY DETAILS

Type of property

2 dwellings to be built



518 m² total



299 m² total



3 each



2 each



1 each



1 each

VALUATION – AS IS TOWNHOUSE 1 SECTION

\$320,000 including GST (if any)

VALUATION – AS IS TOWNHOUSE 2 SECTION

\$350,000 including GST (if any)

VALUATION – AS IF COMPLETE TOWNHOUSE 1

\$950,000 including GST (if any)

VALUATION – AS IF COMPLETE TOWNHOUSE 2

\$980,000 including GST (if any)

Contract for sale

The property is not currently on the market.

Last sale

There are no recorded sales for this property as it is a new subdivision.

INSTRUCTIONS

Instructed by	Mike & Vivienne Hill
Report prepared for	Jubilee Trust
Borrower	Jubilee Trust
Purpose of valuation	Market Value for mortgage lending
Valuation date	27 March 2023
Report issue date	5 April 2023

TelferYoung from CBRE policy requires that reports cannot be reassigned for any purpose beyond 90 days from the date of valuation. This policy has been set to meet professional indemnity insurance requirements. It is a condition of this report that any valuation needing to be reassigned beyond 90 days may require re-inspection by the valuer with an update fee charged.

PREPARED BY

Nina Smith	BSc; FRICS; ANZIV; SPINZ Registered Valuer
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PROPERTY RISK OVERVIEW

The property is considered to have an average risk profile in comparison with other residential properties in the locality. Due to the paucity of comparable sales evidence, the value parameters are wider than typical.

This report must be read in conjunction with CBRE Limited t/a TelferYoung from CBRE Statement of Limiting Conditions and Valuation Policy.

2.0 RISK SUMMARY AND ASSUMPTIONS

RISK ANALYSIS

This Risk Analysis reflects the impact on the property of several specific risk factors. Eight factors are considered, four property aspects and four market aspects. Each Risk Rating is determined by considering the effect on the property's value and marketability.

Lower Risk Ratings indicate the property that should perform well in the marketplace. Higher Risk Ratings indicate that in comparison with similar properties, the property may be inferior in terms of value stability and marketability.

The Risk Analysis for the property is summarised as follows:

Property Risk Rating*

Location/Neighbourhood

2

Land (inc. planning & title)

3

Environmental Issues

2

Improvements

3

Market Risk Rating*

Recent Market Direction

3

Market Volatility

3

Local Economy Impact

3

Market Segment Conditions

3

*Risk Ratings: 1 = Low, 2 = Low to Medium, 3 = Medium, 4 = Medium to High, 5 = High

A Risk Rating of 1–2 is an indication of no aspect warranting comment. Risk Ratings of 3–4 is an indication of an adverse aspect that is detailed below. A Risk Rating of 5 indicates an adverse aspect that could have a major impact on value and/or marketability. Risk Ratings are a subjective indicator only and should not be relied upon alone when purchasing or lending.

Land

Subdivision approved but not yet complete.

Improvements

Construction has not yet commenced.

Recent market direction

New Zealand has generally seen strong residential price growth over recent years, with prices now correcting for certain locations and market segments across New Zealand. This is due to a number of factors including reduced buyer demand, tighter lending criteria, increasing interest rates, general increase in cost of living and inflationary pressures plus wider market uncertainty.

Market volatility

There is a heightened level of market volatility in the residential market.

Local economy impact

Inflation, and particularly building cost inflation together with rising mortgage interest rates are impacting the market.

Market segment conditions

Heated market conditions prevailed throughout 2021 with premium prices being paid. Since the start of 2022 there has been a significant softening in the market values. Properties now need to be realistically priced and of sufficient quality in order to attract buyers.

Property risk overview

The property is considered to have an average risk profile in comparison with other residential properties in the locality. Due to the paucity of comparable sales evidence, the value parameters are wider than typical.

SIGNIFICANT ASSUMPTIONS AND SPECIAL ASSUMPTIONS

Significant Assumptions and Special Assumptions are those assumptions that are material to the valuation and could reasonably be expected to influence the decisions of the user.

Significant Assumptions are those where the assumed facts are consistent with or could be consistent with those existing at the date of valuation. These are often the result of a limitation on the extent of the investigations or enquiries undertaken by the valuer.

Special Assumptions are those where the assumed facts differ from those existing at the date of valuation. These are often used to illustrate the effect of proposed changes on the value of the property.

Significant Assumptions and Special Assumptions made within this valuation are as follows:

- A new freehold title free of any onerous encumbrances will be issued to each property.
- The proposed improvements will be completed in accordance with the plans and specifications provided to a good standard of workmanship.
- A Code Compliance Certificate will be issued by the Territorial Authority.
- Any significant deviation in respect of style, layout, design or construction standards would invalidate the value conclusions within the report. We reserve the right to review and if deemed necessary amend the valuation and any conclusions should changes occur during the project.
- A final inspection by the valuer verifying practical completion of construction and that there has been no material changes from the original valuation basis.
- The values reported herein are based on data collected and reviewed as at the date of this report. The valuer assumes no responsibility for unforeseeable events that alter market conditions prior to the completion of the development.

3.0 SCOPE OF WORK

The valuer

The valuation has been undertaken by Nina Smith who provides this valuation in an objective, unbiased, ethical and competent manner. The valuer has no material connection with the instructing party or interest in the property and has the appropriate qualifications and experience to undertake the valuation.

Our client

Jubilee Trust.

Other than the client or addressee, the report may not be relied upon by any third party. We accept no liability to third parties. Written consent is required for any third party wishing to rely on this report. We reserve the right to withhold that consent, or to review the contents of the report if consent for third party use is sought.

Other intended users

Nil.

Purpose of valuation

Market Value for mortgage lending.

Asset valued

Lot 1, 35 Raroa Terrace, Tawa, Wellington City 5028.

Basis of valuation

Market Value is defined in International Valuation Standards as:

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion.

Valuation currency

All dollars quoted in this report are NZD.

Important dates

Inspection date 27 March 2023

Valuation date 27 March 2023

Extent of investigations

We have carried out an inspection of exposed and readily accessible areas of the improvements. However, the valuer is not a building construction or structural expert and is therefore unable to certify the structural soundness of the improvements. Readers of this report should make their own enquiries.

This report has been prepared for valuation purposes only and is not a geotechnical or environmental survey. If any defect is found, including structural defects, this information could impact on the value of the property.

Nature and source of information relied upon

Information used to prepare the valuation has been obtained from our property inspection and public records. Additional information relied on includes:

Name of Document	Source of Document
Approved subdivision plan	Mike Hill
Proposed dwelling plans	Mike Hill

Reporting format

We have prepared a formal valuation report meeting appropriate professional standards.

This valuation and report meet the Residential Valuation Standing Instructions version 1.3.

This report must be read in conjunction with CBRE Limited t/a TelferYoung from CBRE Statement of Limiting Conditions and Valuation Policy.

Valuation standards

Our valuation has been prepared in accordance with International Valuation Standards (effective 31 January 2022) and Guidance Papers for Valuers and Property Professionals published by the Australian Property Institute (API), Property Institute of New Zealand (PINZ) and New Zealand Institute of Valuers (NZIV).

4.0 RECORD OF TITLE

4.1 TITLE INFORMATION

Identifier	1028195
Land registration	Wellington
Legal description	Lot 1 Deposited Plan 569822 having a 1/6 share in Lot 100 Deposited Plan 569822
Estate	Fee Simple
Area	518 m ² (more or less)
Registered owner(s)	Jubilee Family Trustee Limited
Interests	<ul style="list-style-type: none">■ 12100173.3 Mortgage to Westpac New Zealand Limited - 29.4.2021■ 12305463.1 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 12.4.2022 Affects Lot 1 DP 569822)■ Subject to Section 241(2) Resource Management Act 1991 (affects DP 569822)■ Subject to a right of way, rights to convey water, gas, electricity and telecommunications and a right to drain sewage over Lot 100 DP 569822 part marked A DP 569822, a right to drain water (overland flow path) over Lot 100 DP 569822 parts marked A and B DP 569822 created by Easement Instrument 12305463.3 - 12.4.2022■ Appurtenant to Lot 1 DP 569822 is a right of way, rights to convey water, gas, electricity and telecommunications and a right to drain water (overland flow path) and sewage and appurtenant to Lot 100 DP 569822 is a right to drain water (overland flow path) a right to access and maintain the retaining wall and the associated retaining wall drainage■ infrastructure and a right to access and maintain swale created by Easement Instrument 12305463.3 - 12.4.2022

- Some of the easements created by Easement Instrument 12305463.3 are subject to Section 243 (a) Resource Management Act 1991 (See DP 569822)
- Subject to a right (in gross) to convey water over Lot 100 DP 569822 part marked A DP 569822 in favour of Wellington City Council created by Easement Instrument 12305463.4 - 12.4.2022
- The easements created by Easement Instrument 12305463.4 are subject to Section 243 (a) Resource Management Act 1991
- Subject to a right (in gross) to convey electricity over Lot 100 DP 569822 part marked A DP 569822 in favour of Wellington Electricity Lines Limited created by Easement Instrument 12305463.5 - 12.4.2022
- Subject to a right (in gross) to convey telecommunications over Lot 100 DP 569822 part marked A DP 569822 in favour of Chorus New Zealand Limited created by Easement Instrument 12305463.6 - 12.4.2022
- Subject to a right (in gross) to convey gas over Lot 100 DP 569822 part marked A DP 569822 in favour of Powerco Limited created by Easement Instrument 12305463.8 - 12.4.2022
- Land Covenant in Covenant Instrument 12305463.9 - 12.4.2022 (Affects Lot 1 DP 569822)
- 12305463.10 Encumbrance to Beechwood Residents Society Incorporated - 12.4.2022

Comments

Land Covenant in Covenant Instrument 12305463.9 is prescriptive as to what size and type of dwelling can be constructed and how the land is to be maintained thereafter.

The remaining interests are not considered to have a detrimental impact on our valuation.

In completing our valuation, we have disregarded the existing mortgage interest, with the property valued as if unencumbered by mortgage or other charge.

See **Appendix A** for the Record(s) of Title.

5.0 LOCATION

5.1 LOCATION DETAILS

**Suburb**

Tawa

Location

Tawa is Wellington's north-most suburb occupying the floor and hillslopes of a broad valley approximately 15 kilometres north of Wellington City. It developed quite rapidly during the 1960's decade with new subdivision and development continuing albeit at a slower rate. The suburb can be broadly divided into three areas known as Linden to the north, Central Tawa around the main shopping centre and Redwood which occupies the southern end of Tawa.

Raroa Terrace extends off Woodman Drive and is approximately 700 metres long. Mid-way along is Greenacres School and the road is effectively a cul-de-sac at its northern end where it adjoins State Highway 1.

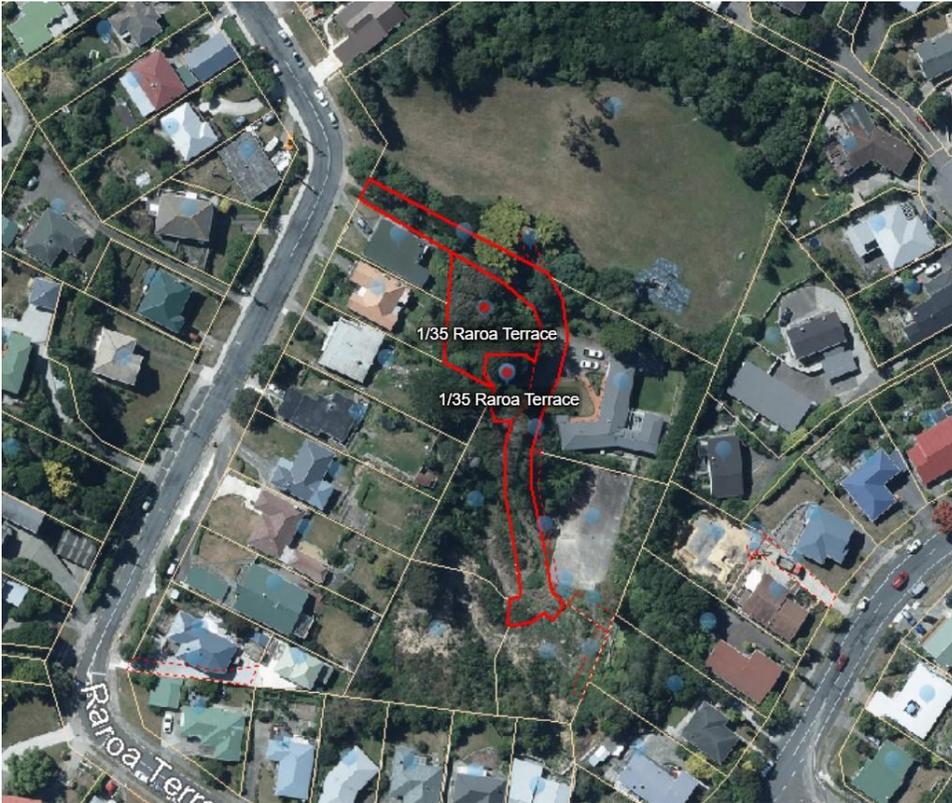
The location of the subject property is marked as 'A' on the adjoining map.

Amenities

Tawa has grown to become a well established largely residential suburb well serviced with amenities including a good shopping centre, primary and secondary schooling and public transport including a rail link providing regular commuter transport to and from Wellington City.

6.0 LAND

6.1 SITE DESCRIPTION



Area	518 m ² (more or less) total site to be subdivided into 138 m ² (more or less) for Lot and Townhouse 1, and 335 m ² (more or less) for Lot and Townhouse 2
Shape	Irregular.
Contour	Level then gently rising.
Services	All city services are available to the site including gas.
Views	A pleasant outlook to the north towards the neighbouring Raroa Park.
Comments	The property has shared, sealed drive on access to off street parking and receives good sun levels.
Contamination	<p>As part of our investigation, we have made enquiry to the Greater Wellington Regional Council and confirmed the property is not on the Contamination Register/Hazardous Activities and Industries List (HAIL).</p> <p>We have not been provided with an environmental audit of the property and we are not aware of any potential environmental concerns with this property. Unless otherwise stated, our valuation and report is conditional upon the land and buildings being unaffected by harmful contaminants or noxious materials which may impact on value. Verification that the property is free from contamination and has not been affected by noxious materials should be obtained from a suitably qualified environmental expert.</p>

7.0 RESOURCE MANAGEMENT

7.1 ZONING INFORMATION

Territorial authority	Wellington City
Plan status	Operative
Zone	Outer Residential

Zone description

The Outer Residential plan determines that a subdivision is a discretionary activity where an undeveloped allotment is to be created. In determining whether to grant consent and what conditions to impose the Council will be guided by whether the proposed allotments are capable of accommodation, limited activities and compliance with the Residential Area rules, the relevant parts of the Subdivision Design Guide and Code of Practice for land development.

Permitted Activities and Development Controls within this Zone include the examples listed below.

Permitted activities

- Residential
- Educational services
- Multi unit developments
- Vehicle parking
- Child care centres

Development controls

- Maximum site coverage is 35% with a maximum building height of 8 metres restricting buildings to two levels with onsite parking to be provided for all units.
- For a 2-4 lot household unit sub-division the access road must be 3.2 metres wide with a 2.7 metre carriageway.
- Maximum of two dwelling units per site, sunlight recession planes rising at 2.5 metres above all boundaries and then inclining inwards at 45°.
- Open space will be a minimum of 50 metres per household unit with a minimum width of 4 metres which is to be directly accessible from the dwelling.
- The height of the second household unit which is outside the footprint of the existing household unit and on a Fee Simple site area of less than 800 m² shall be 4.5 metres.

- Infill housing open space will be a minimum of 50 metres per household unit with a minimum width of 4 metres which is to be directly accessible from the dwelling.

Comments

The current residential use is a permitted activity. The property is surrounded by other properties with a residential similar use. If lawfully established, the property has existing use rights protected under Section 10 of the Resource Management Act 1991.

District Plan changes were announced in August 2022 with regard to enabling more medium density housing. The Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill is designed to improve housing supply by speeding up implementation of the National Policy Statement on Urban Development (NPS-UD).

The new Intensification Streamlined Planning Process (ISPP) will enable tier 1 councils to implement the intensification required by the NPS-UD at least one year earlier than under standard RMA timeframes. Tier 1 councils will be required to adopt Medium Density Residential Standards (MDRS) with some of the proposed standards including, but not limited to;

- Three dwellings maximum
- Building houses up to 11m in height (three storeys)
- 50% site coverage
- Boundary set backs of 2.5m from the front and 1m from the sides and rear.

The MDRS will have legal effect from the time the council notifies the relevant plan changes which has been announced.

Councils will be able to make zoning less permissive than the MDRS in areas including nationally significant structures, natural hazards, open space, heritage, and consistency with iwi participation legislation.

The advice is provided for valuation purposes only, and the reader is advised to seek the advice of a suitably qualified Resource Management professional for further detail in this regard.

7.2 PROPOSED ZONING

Proposed district plan Proposed

Zone Medium Density Residential

Zone description

The Medium Density Residential Zone comprises predominantly residential activities with a moderate concentration and bulk of buildings, such as detached, semi-detached and terraced housing, low-rise apartments and other compatible activities.

The suburbs within the Medium Density Residential Zone have developed at different times and with varying topography and characteristics across its neighbourhoods.

The efficient use of land within the Medium Density Residential Zone is important to meet the strategic objectives of maintaining a compact urban form and providing new housing to help address the City's housing needs.

The Medium Density Residential Zone adopts the medium density residential standards from the RMA which allow for three residential units of up to three storeys on a site. Multi-unit housing of four or more units is also anticipated through a resource consent process subject to standards and design guidance.

It is anticipated that the form, appearance and amenity of neighbourhoods within the Medium Density Residential Zone will change over time.

The Medium Density Residential Zone enable residential activities and other activities that are compatible with the purpose of the Medium Density Residential Zone, while ensuring their scale and intensity is consistent with the amenity values anticipated for the Zone, including:

Home Business;
Boarding Houses;
Visitor Accommodation;
Supported Residential Care;
Childcare Services; and
Community Gardens.

Development controls

- Under the MDRZ, this property has an 11 metre height limit.
- Residential activities are permitted where no more than three residential units occupy the site, except in MRZ-PREC03 where there is no limit.
- There are building height control limits, boundary setbacks, 50% site coverage, required outdoor living spaces per unit of accommodation etc.
-

Comments

The property is subject to Designation ID: WIAL 1, Wellington Airport Obstacle Limitation Surfaces.

7.3 RATING VALUATION

As at 1 September 2021:

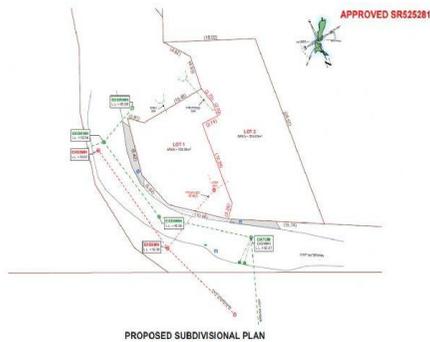
Land Value	Improvements Value	Capital Value
\$500,000	\$0	\$500,000

Rating Valuations are conducted on a mass appraisal basis, generally once every three years, in order to provide a basis to assist territorial authorities to collect revenue through rates. Individual properties are not inspected on a regular basis and changes in the improvements may not be recorded. The rating values are expressed on a Freehold Estate basis, even when the property might be leasehold.

8.0 IMPROVEMENTS

8.1 OVERVIEW

Once complete, the land will be subdivided into two freehold sections and a new, detached townhouse to be constructed on each site. Each dwelling will be two storey and of an attractive design. They will have functional floor layouts providing three bedroom plus two bathroom accommodation together with open plan living and single integrated garaging.



Subdivision plan



Site and view north



Land - north aspect



Section - east aspect

See **Appendix B** for the proposed plans.

Our valuation has been prepared on the basis of the improvements being located within the site boundaries and constructed strictly in accordance with the recommended practices, and free from any defect, unless otherwise stated within this report.

8.2 DWELLING DETAILS

8.2.1 Construction – Same for each Townhouse

Foundation	Ribraft concrete slab.
Flooring	Concrete and timber.
Exterior cladding	Vertical timber weatherboards.
Window joinery	Double glazed aluminium.
Roofing	Corrugated metal.
Internal wall linings	Plasterboard.
Ceiling linings	Plasterboard.

8.2.2 Floor areas

The floor areas, as per plans provided are as follows:

Townhouse 1 Living	119.2 m ²
Townhouse 1 Garaging	21.6 m ²
Townhouse 1 TOTAL	140.8 m ²
Townhouse 1 Deck	5 m ²
Townhouse 2 Living	136.1 m ²
Townhouse 2 Garaging	22.4 m ²
Townhouse 2 TOTAL	158.5 m ²
Townhouse 2 Deck	7.5 m ²

8.2.3 Accommodation

Townhouse 1

Entry from the east frontage directly into an open plan living area with stairs up, sliding doors to outside on the north side, fitted kitchen at the rear and separate toilet facilities. There will be a single integrated garage with laundry facilities and access to outside.

On the upper level will be a central landing area providing access to a master suite with walk in wardrobe, full, ensuite bathroom and access to a deck on the northern side. There will be two additional double bedroom with built in wardrobes and full, family bathroom also on this level.

Townhouse 2

Entry via a covered recess into a central hallway providing stairs up and access to all the rooms on the lower level. These include two double bedrooms with built in wardrobes; full family bathroom; laundry room with access to outside; and single integrated garage.

On the upper level will be an open plan living area with sliding doors to a north facing deck; fitted kitchen at the rear; separate toilet facilities; and a master suite with walk in wardrobe, full, ensuite bathroom.

Additional features

- Some form of heating in each dwelling.
- Continuous gas hot water to both dwellings.

8.2.4 Building summary and condition

At the date of inspection, the land was vacant, and construction has yet to commence.

This valuation is subject to the proposed improvements being completed in accordance with the plans and specifications provided, to a good standard of workmanship and a Code Compliance Certificate being issued by the relevant Territorial Authority.

8.2.5 Chattels

The dwellings are to be fitted with above average quality chattels presented in new condition. These are to include dishwasher, light fittings, and floor coverings in each dwelling.

8.3 OTHER BUILDINGS

There are no additional buildings.

8.4 OTHER IMPROVEMENTS

Site development once complete will include a sealed driveway and tandem off street parking for each dwelling, boundary fencing, retaining wall to townhouse 2 along its western side, a deck to each dwelling and basic landscaping.

8.5 CONSTRUCTION COSTS

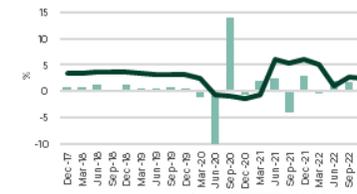
We have been advised that the estimated cost to build each townhouse is \$650,000.

9.0 MARKET COMMENTARY

9.1 ECONOMIC OVERVIEW

- The -0.6% q/q drop in production GDP for Q4 was weaker than most had expected. Looking ahead, the outlook for Q1 remains fragile. With more frequent data pointing to continued weakness into 2023, a technical recession this year is now a reasonable possibility.
- Not all factors however are posing downside risks for the economy. Migration is bouncing back strongly as is tourism, and both will exert positive economic influences during 2023.
- While cost expectations remain elevated, pricing intentions are inching lower indicating that domestically generated inflation pressures are losing some steam. The CPI was stable in the last two quarters of 2022 with non-tradables inflation coming in below the RBNZ's expectations.
- The market continues to expect that CPI will be back within the 3% target ceiling by H2 2024 but a wide range of opinion remains on how quickly inflation will fall in the next few quarters, especially given the rebuild implications of the recent weather events.
- This uncertainty has imbued a cautious attitude from both the RBNZ and the market. Longer term rates have been unusually volatile in Q1 2023 reflecting unexpected events and influences such as stronger than expected US economic data and the emerging crises in the banking sector.
- An elevated level of uncertainty is likely to persist as the diverse mix of significant global and local economic and monetary influences play out in coming months.

GDP



Source: Stats NZ

Q4 GDP surprised on the downside being -0.6% down q o q compared to consensus of -0.2% and RBNZ forecast of +0.7%. There was a broad base to the decline across industry sectors.

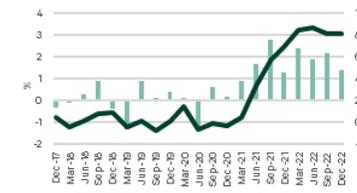
Unemployment rate



Source: Stats NZ

The unemployment rate of 3.4% in December remains at long terms lows although represents a slight increase from early 2022. Employment growth remains positive albeit somewhat past its cyclical peak rates.

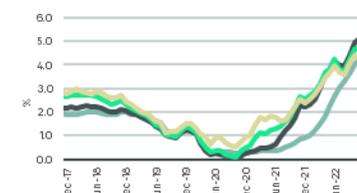
CPI inflation



Source: Stats NZ

Annual CPI remained 7.2% in both Q3 and Q4 2022, slightly below the 7.3% in Q2, the highest inflationary spike since 1990. Domestic inflation measures were also stable, and somewhat below RBNZ expectations.

Interest rates



Source: Reserve Bank of New Zealand

Swap and bond rates have been volatile in Q1 2023 due to uncertainties associated with how quickly inflation will be brought under control both locally and in the US as well as due to fears of contagion from banking sector stress. The OCR still has some way to go after the 50 bps increase to 4.75% in February.

9.2 REGIONAL PROPERTY MARKET

Wellingtonian's confidence in their local economy fell to its lowest level since the early 1990's due to the falling housing market. The Harbour Capital leads the country in terms of house price falls, with prices falling nearly 23% since the peak in late 2021. From here, expect economic confidence to remain under pressure as the ongoing rise in interest rates and the cost of living put the squeeze on household budgets. (Source Westpac).

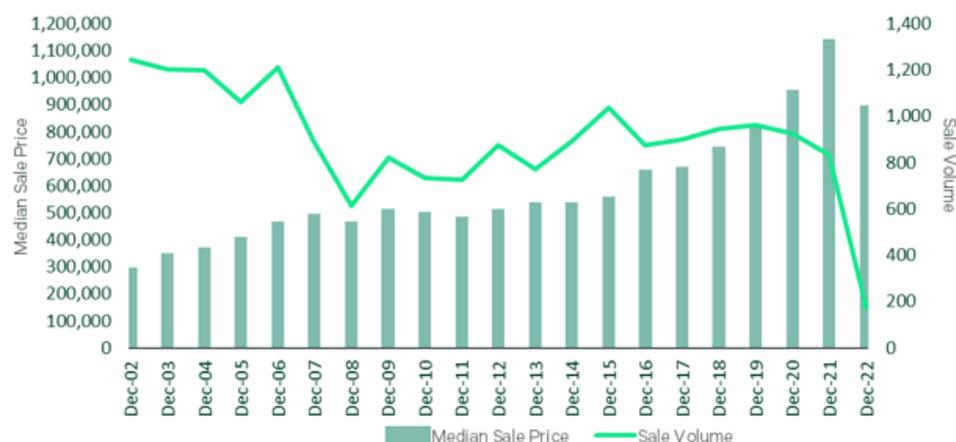
Compared to December 2021 quarter (Source REINZ)

- Median Sale Price down 21.8%
- Sales Volume down 657
- Days to Sell up 9 days

Compared to September 2022 quarter

- Median Sale Price down 3.5% to \$880,000
- Median Listing Price the same to \$895,000
- Sales Volume down 375 to 175
- Days to Sell down 11 to 41 days

Figure 1: Annual residential property sales volumes and median sale prices



9.3 LOCAL PROPERTY MARKET

The rate of declining values in the Wellington region has begun to decrease in recent months. Properties still need to be realistically priced and of sufficient quality to attract buyers. Recent statistics indicate annual values in the Wellington region decreased from -18.1% in January 2023 to -19.7% per annum in February 2023, with the average value decreasing to \$913,578, a decrease of -2.6% in value over the past three months, down from -3.2% the preceding month. Values are falling due to a number of factors including economic uncertainty, rising interest rates and tightening in Banks lending. In Wellington City values were down -19.6% annually, up from the previous months decrease of -17.4% to a new average of \$1,052,252.

Growth in Wellington's Central and Southern suburbs was -19.0%, up from -16.3% the previous month, while value growth over the quarter decreased by -3.4% with a new average of \$993,851.

Value growth in the Western suburbs decreased by -22.7% up from -20.9% the previous month, with values over the past three months decreasing by -6.9% in February to a new average of \$1,153,343.

Quarterly growth in the Eastern suburbs decreased by -3.4% over the past three months, up from -1.6% the previous month, while annual value growth decreased by -18.6% up from -15.2% in January to a new average sale price of \$1,162,463.

Annual value growth in the Northern suburbs has also decreased with -19.7% growth over the past year, up from -17.8% from the previous month, with values decreasing -2.3% over the past three months down from -2.9%. Values therefore decreased to a new average of \$994,200.

The changes to the Resource Management Act had seen an increase in the demand for development land, with what would appear to be a sharp increase in values in 2022, particularly for good quality, centrally located land. Demand has however softened since the start of the year due to rising building costs and interest rates. The impact of the recently agreed Spatial plan changes has yet to be realised, however many under-capitalised properties are being demolished to make way for more intensive infill housing developments.

First home buyers are also continuing to look in greater numbers at the apartment market or the outer suburbs, including the Hutt Valley, Porirua, and Kapiti Coast.

The impact of COVID-19 on the Wellington property market had been propelled by low interest rates, demand/supply imbalance and increasing numbers of expats entering the market. These factors have however reversed in recent months, as we are now seeing a softening in the market.

The medium number of days to sell a property in Wellington City is currently 63 days which compares with 62 days for the Wellington region.

10.0 SALES EVIDENCE

10.1.1 Land Sales

6 Homebush Road, Khandallah



Sale date	21 December 2022	Comprises a vacant, residential section which is steeply sloping in contour. It benefits from wide, water views but will be shaded in the winter. Sale equates to \$938 psm.
Sale price	\$150,000	
Land area	160 m ² (more or less)	Comparison Superior location with water views but inferior contour and sun levels.

45A Holloway Road, Aro Valley



Sale date	20 December 2022	Comprises a vacant residential section which is moderately rising in contour. The property has a local outlook and will be shaded for extended periods. Drive on access to off street parking is easily achievable. Sale equates to \$1,466 psm.
Sale price	\$280,000	
Land area	191 m ² (more or less)	Comparison Superior location but inferior sun levels.

47 Spyglass Lane, Whitby



Sale date 5 September 2022
Sale price \$355,000
Land area 703 m² (more or less)

A vacant site in an area of Whitby developed in the late 1990's and early 2000's with some later development. The site rises in a relatively steep contour though benefits from a favourable north-west aspect and wide outlook. Equates to \$505 psm.

Comparison Larger section but inferior contour.

129B Matatua Road, Raumati Beach



Sale date 3 March 2023
Sale price \$390,000
Land area 368 m² (more or less)

The property comprises a vacant 368m² section being the front lot of two which was recently subdivided. The land is compact in size with an easterly outlook, and may be shaded to the late afternoons. It includes consented plans for a two-level five bedroom home inclusive of double garaging. Not in flood hazard area. The sale equates \$1,033 psm excluding plans.

Comparison Slightly larger, more regular shaped but gently rising in contour.

73A Nicholson Road, Khandallah



Sale date 14 July 2022
Sale price \$400,000
Land area 350 m² (more or less)

This property is a rear allotment of some 350m² in area, is triangular in shape and benefits from drive on access. It is near level in contour and is centrally located to the Khandallah shopping precinct and is within local school zones. The sale price represents a rate of \$1143 psm.

Comparison Superior location but older sale and market has continued to decline.

27 Westhaven Drive, Tawa



Sale date 20 April 2022

Sale price \$470,000

Land area 1462 m² (more or less)

Comprises a regular shaped, Outer Residential zoned, vacant parcel of land. It is currently covered in scrub / bush and is sloping to steep in places but enjoys an outlook over central Tawa and could be subdivided. Sale equates to \$321 psm.

Comparison Much larger section but inferior contour and older sale.

6 Okupe Grove, Aotea



Sale date 20 December 2022

Sale price \$496,000

Land area 726 m² (more or less)

Comprises a vacant residential section which is level in contour. It is located within a cul-de-sac, is northwest facing and benefits from views over Porirua Harbour. Sale equates to \$683 psm.

Comparison Larger site with harbour views in a different but comparable location.

10.1.2 Improved Sales

4 Pihoihoi Place, Kenepuru



Sale date	31 December 2022
Sale price	\$867,000
Building area	128 m ² (recorded)
Land area	249 m ² (more or less)
Bedrooms	3
Bathrooms	2
Garage	1

Comprises a conventional single level, three bedroom plus two bathroom dwelling with open plan living and integral single car garaging which was constructed in 2020. It is situated to the western sector of the subdivision on a compact, level, corner site.

Comparison Similar accommodation but smaller and inferior location within a large subdivision.

2/23 Hindmarsh Street, Johnsonville



Sale date	1 March 2023
Sale price	\$870,000
Building area	132 m ² (recorded)
Land area	108 m ² (more or less)
Bedrooms	3
Bathrooms	2
Garage	1

Comprises a three level, recently constructed, semi-detached, three bedroom plus two bathroom townhouse. It is situated within a new development containing four, freehold dwellings located on a rising, corner site with a separate single garage adjoining unit A.

Comparison Similar size and brand new in a superior location but smaller section, semi-detached and inferior sun and views. Recent sale.

23A Hindmarsh Street, Johnsonville



Sale date	28 March 2023
Sale price	\$880,000
Building area	145 m ² (recorded)
Land area	102 m ² (more or less)
Bedrooms	3
Bathrooms	2
Garage	1

Comprises a three level, recently constructed, semi-detached, three bedroom plus two bathroom townhouse. It is situated within a new development containing four, freehold dwellings located on a rising, corner site and has single integrated garaging.

Comparison Similar size and brand new in a superior location but smaller section, semi-detached and inferior sun and views. Recent sale.

63E Whitford Brown Avenue, Papakowhai



Sale date	31 January 2023
Sale price	\$890,000
Building area	146 m ² (recorded)
Land area	288 m ² (more or less)
Bedrooms	3
Bathrooms	2
Garage	1

A good quality, end of terrace townhouse built in 2020 on a level site and having three bedrooms, two bathrooms and a single integrated garage. Off street car parking is provided to the front while to the rear, outdoor flow is provided over a timber deck to a rear lawn, with outdoor flow from the upper floor living areas to a larger deck with slight water views.

Comparison Similar size and accommodation in a slightly inferior location but has superior views.

62A Clifford Road, Johnsonville



Sale date	19 January 2023
Sale price	\$890,000
Building area	149 m ² (recorded)
Land area	311 m ² (more or less)
Bedrooms	3
Bathrooms	2
Garage	1

Comprises a two storey, detached, approximately 10 year old, three bedroom plus two bathroom townhouse with single integrated garaging. It is situated on a compact, excavated level site with a small rear patio and additional, tandem off street park in front.

Comparison Similar size and accommodation but older, detached townhouse in a superior location.

36B Hindmarsh Street, Johnsonville



Sale date	8 November 2022
Sale price	\$900,000
Building area	142 m ² (recorded)
Land area	159 m ² (more or less)
Bedrooms	3
Bathrooms	2
Garage	1

Comprises a two storey, semi-detached, recently constructed, three bedroom plus two bathroom townhouse with single integrated garaging. It is situated on a gently rising site and has a tandem, off street park.

Comparison Similar size and accommodation in a superior location but terraced and older sale.

8/6 Bushland Grove, Paparangi



Sale date	20 January 2023
Sale price	\$905,000
Building area	145 m ² (recorded)
Land area	160 m ² (more or less)
Bedrooms	3
Bathrooms	2
Garage	1

A new, semi-detached townhouse completed in late 2022, having three double bedrooms, two bathrooms and a single integrated garage. It is situated within an attractive townhouse development and is well appointed with radiator central heating, half-wall tiling of the bathrooms, and stone benchtops in the kitchen. Indoor-outdoor flow is provided to a private yard area.

Comparison New, similar size and quality townhouse in a slightly superior location but semi-detached.

209B McLintock Street North, Johnsonville



Sale date	6 March 2023
Sale price	\$910,000
Building area	112 m ² (recorded)
Land area	132 m ² (more or less)
Bedrooms	3
Bathrooms	2
Garage	1

Comprises a two storey, 2013 constructed, three bedroom plus two bathroom townhouse with single integrated garaging. It is situated on a level, compact site within a no exit street.

Comparison Recent sale of a smaller and older but comparable accommodation, detached dwelling in a superior location.

21/6 Bushland Grove, Paparangi



Sale date	12 November 2022
Sale price	\$960,000
Building area	144 m ² (recorded)
Land area	214 m ² (more or less)
Bedrooms	3
Bathrooms	2
Garage	1

Completed in 2022 this is a two level, semi-detached townhouse with three double bedrooms, a family bathroom and ensuite, and a single integrated garage. The townhouse is situated with a smaller development of good quality townhouses, and features radiator central heating, stone benchtops in the kitchen, and outdoor flow to a north facing deck.

Comparison New, similar size and quality townhouse in a slightly superior location but semi-detached. Slightly older sale.

63 Larsen Crescent, Tawa



Sale date	15 December 2022
Sale price	\$1,025,000
Building area	200 m ² (recorded)
Land area	542 m ² (more or less)
Bedrooms	4
Bathrooms	2
Garage	2

A well presented four bedroom dwelling with two bathrooms and a double integrated garage, built in the 2000's on a rising rear lot with outdoor flow to a covered deck at the rear.

Comparison Older and larger dwelling on a larger section with additional accommodation.

12 Epic Way, Newlands



Sale date	23 March 2023
Sale price	\$1,135,000
Building area	182 m ² (recorded)
Land area	487 m ² (more or less)
Bedrooms	4
Bathrooms	2
Garage	2

Comprises a 2022 completed, two storey, four bedroom plus two bathroom dwelling with double integrated garaging, It is situated within a new and continuing to develop subdivision. It is located within a small cul-de-sac on a gently then more steeply sloping site and benefits from a slight water view but will be exposed to the prevailing winds.

Comparison New, detached dwelling with additional accommodation in a superior location with water views.

10.2 RECONCILIATION OF SALES EVIDENCE

Address	Date	Price	Site area	Comparison
Land Sales				
6 Homebush Road	21 December 2022	\$150,000	160 m ²	
45A Holloway Road	20 December 2022	\$280,000	191 m ²	Comparable
47 Spyglass Lane	5 September 2022	\$355,000	703 m ²	Comparable
129B Matatua Road	3 March 2023	\$390,000	368 m ²	Slightly superior
73A Nicholson Road	14 July 2022	\$400,000	350 m ²	Superior
27 Westhaven Drive	20 April 2022	\$470,000	1462 m ²	Superior
6 Okupe Grove	20 December 2022	\$496,000	726 m ²	Superior

Address	Date	Price	Site area	Floor area	Bedrooms	Comparison	Net rate
Improved Sales							
4 Pihoihoi Place	31 December 2022	\$867,000	249 m ²	128 m ²	3	Inferior	\$4,537/m ²
2/23 Hindmarsh Street	1 March 2023	\$870,000	108 m ²	132 m ²	3	Inferior	\$3,106/m ²
23A Hindmarsh Street	28 March 2023	\$880,000	102 m ²	145 m ²	3	Inferior	\$3,254/m ²
63E Whitford Brown Avenue	31 January 2023	\$890,000	288 m ²	146 m ²	3	Inferior	\$3,770/m ²
62A Clifford Road	19 January 2023	\$890,000	311 m ²	149 m ²	3	Inferior	\$3,154/m ²
36B Hindmarsh Street	8 November 2022	\$900,000	159 m ²	142 m ²	3	Comparable	\$3,607/m ²
8/6 Bushland Grove	20 January 2023	\$905,000	160 m ²	145 m ²	3	Comparable	\$3,480/m ²
209B McLintock Street North	6 March 2023	\$910,000	132 m ²	112 m ²	3	Comparable	\$4,553/m ²
21/6 Bushland Grove	12 November 2022	\$960,000	214 m ²	144 m ²	3	Comparable	\$3,831/m ²
63 Larsen Crescent	15 December 2022	\$1,025,000	542 m ²	200 m ²	4	Superior	\$2,758/m ²
12 Epic Way	23 March 2023	\$1,135,000	487 m ²	182 m ²	4	Superior	\$3,451/m ²

The above comparisons are in terms of value.

11.0 VALUATION

11.1 HIGHEST AND BEST USE

The Market Value of an asset will reflect its 'highest and best use'. The highest and best use is the use of an asset that maximises its potential and that is physically possible, legally permissible and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid.

The highest and best use of the property is for subdivision and development of two townhouses as proposed.

11.2 VALUATION APPROACH

To establish the Market Value of the property, we have adopted the Market Approach in accordance with International Valuation Standard 105. The Market Approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available.

Within the Market Approach we have considered the Comparable Transactions method, encompassing the following units of comparison:

- Direct Comparison
 - Net Rate
-

11.3 DIRECT COMPARISON

This method involves reference to sales of properties which have similar attributes to the subject property. Comparisons are drawn between the subject property and the sales evidence. Subjective adjustments are applied where necessary to account for factors which have a direct impact on the sale price and value. These include the following:

Land Location, area, shape, position, aspect, view, contour and standard of surrounding development.

Dwelling Age, construction, size, number of bedrooms, quality and street presentation.

Site development Landscaping, garaging, any additional features.

11.3.1 Sales discussion

Our evidence above is of vacant, residential sections and similar, modern / new townhouses and dwelling within the same and nearby localities which have sold over the last few months. The market was extremely buoyant during 2020 and 2021 especially but slowed at the start of 2022 and then decreased throughout last year. The current volume of sales is currently at a 40 year low and this together with the decrease in values throughout 2022 means that there is a paucity of directly comparable sales and the most recent evidence is the most pertinent.

In our opinion, the best comparable vacant section sales are 45A Holloway Road, 129B Matatua Road and 73A Nicholson Road. 45A Holloway Road is a comparable size section which has sold within the last few months. It is more contoured with inferior sun levels but is in a superior, inner Wellington location. 129B Matatua Road is in a different locality and is a rising site but is larger and more regular shaped and is a recent sale within the Kapiti Coast area which has experienced less of a decline in property values than that within Wellington. 73A Nicholson Road is also level in contour and is a similar size section, however it is in a superior location and is an older sale.

The best comparable sales evidence to the townhouses once complete are 63E Whitford Brown Avenue, 209B McLintock Street North and 63 Larsen Crescent. 63E Whitford Brown Avenue sold earlier this year and is a similar size with comparable accommodation townhouse. It is end-terraced but benefits from superior views. 209B McLintock Street North is a recent sale of an older and smaller townhouse but is also detached with similar accommodation and in a superior location. 63 Larsen Crescent is in the same suburb as the subject and is an older but larger dwelling with additional accommodation and on a larger section.

We have however, considered all of these sales, and when looking at the 'basket of sales' evidence in its entirety, and after appropriate analysis and adjustment, the sales support the value range as assessed, and we have adopted accordingly.

Based on our analysis of the sales evidence as recorded above, we consider that a fair and reasonable value range under this direct comparison method, having regard to market movement since some of these sales have occurred would be between \$300,000 and \$360,000 for the vacant sections once subdivided, and between \$920,000 and \$1,000,000 for each of the proposed townhouses once complete.

Please note that some of the above photos have been copied from sales marketing information. Also, some of the more recent sales may not have settled yet but provide good evidence as to the current state of the market and in support of the settled sales.

11.3.2 Conclusion

Based on our analysis of the sales, we have concluded an indicated Market Value 'As Is' of **\$320,000** in respect of Lot 1 and **\$350,000** in respect of Lot 2; and an indicated Market Value 'As if complete' of **\$950,000** in respect of Townhouse 1 and **\$980,000** in respect of Townhouse 2 utilising the Direct Comparison method.

11.4 NET RATE

Under this method the sale prices are analysed to derive a residual value for the dwelling, after deducting the value of the land, other improvements, and chattels. That residual dwelling value is analysed to a rate per square metre of floor area of the recorded dwelling floor area, or a 'net' rate.

Having analysed the sales to a net rate, comparison is then made with the subject dwelling to determine an appropriate rate, which is then applied to the dwelling floor area to establish its value. The value of the land, other improvements and chattels are then added to the dwelling value to establish the Market Value of the property using this method.

The analysed evidence provides an approximate net rate range from \$3,100/m² to \$4,600/m² which is a wide range reflecting the varying size, condition and date of the sales. Usually the larger the floor area, the lower the net rate although dependent also on condition and quality etc. Having regard to the size, layout, accommodation, and condition of the dwelling, and the market movement that occurred since some of the properties sold, we have adopted a rate for the smaller, Townhouse 1 at \$4,500/m², and \$4,000/m² for the slightly larger, Townhouse 2.

Our calculations are as follows:

11.4.1 Townhouse 1

Net Rate Method			Value
Land value			\$320,000
Dwelling	119.2 m ² @ \$4,500/m ²	\$536,400	
Garage	21.6 m ² @ \$2,250/m ²	\$48,600	
Outdoor areas		\$5,000	
Other improvements		\$15,000	
Total improvements			\$605,000
Chattels			\$15,000
Indicated market value			\$940,000
Adopt			\$940,000

11.4.2 Townhouse 2

Net Rate Method			Value
Land value			\$350,000
Dwelling	136.1 m ² @ \$4,000/m ²	\$544,400	
Garage	22.4 m ² @ \$2,250/m ²	\$50,400	
Outdoor areas		\$5,000	
Other improvements		\$15,000	
Total improvements			\$614,800
Chattels			\$15,000
Indicated market value			\$979,800
Adopt			\$980,000

11.5 VALUATION SUMMARY

11.5.1 Lot and Townhouse 1

Method	As is	As if complete
Direct Comparison	\$320,000	\$950,000
Net Rate	N/A	\$940,000
Market Value – Adopt	\$320,000	\$980,000

11.5.2 Lot and Townhouse 2

Method	As is	As if complete
Direct Comparison	\$350,000	\$980,000
Net Rate	N/A	\$980,000
Market Value – Adopt	\$350,000	\$980,000

The above valuation methodologies we have adopted require an analysis of market based selling activity and they show a very close correlation. However, the most reliable method for establishing Market Value is by direct comparable transactions as this most closely reflects the actions of a market participant. Accordingly, we have placed most weight upon this method.

Taking into account the recent sales evidence and current market conditions we consider our assessment to be fair and reasonable.

The value can be apportioned as follows:

11.5.3 As is – Lot 1 once subdivision complete

Land	Improvements	Chattels	Market Value
\$320,000	\$0	\$0	\$320,000

11.5.4 As is – Lot 2 once subdivision complete

Land	Improvements	Chattels	Market Value
\$350,000	\$0	\$0	\$350,000

11.5.5 As if complete – Townhouse 1

Land	Improvements	Chattels	Market Value
\$320,000	\$615,000	\$15,000	\$950,000

11.5.6 As if complete – Townhouse 2

Land	Improvements	Chattels	Market Value
\$350,000	\$615,000	\$15,000	\$980,000

11.5.7 Previous sale

There are no recent recorded sales for this property as it is a new subdivision of a larger block.

11.5.8 Reasonable selling period

The valuation is based on a selling period of up to three months for each proposed townhouse.

11.5.9 Current contract

The property is not currently on the market.

11.6 MORTGAGE RECOMMENDATION

Our report is undertaken for mortgage security purposes and may be relied upon by Jubilee Trust for the advance of first mortgage funds only. In undertaking our valuation, we have observed the requirements of IVS 400 Real Property Interests and ANZVGP 112 – Valuations for Mortgage and Loan Security Purposes. We confirm that the property is satisfactory for the advance of first mortgage funds only.

12.0 STATEMENT OF LIMITING CONDITIONS AND VALUATION POLICY

Purpose

This valuation report has been completed for the specific purpose stated. No responsibility is accepted in the event that this report is used for any other purpose.

Responsibility to third party

Our responsibility in connection with this valuation is limited to the client to whom the report is addressed and to that client only. We disclaim all responsibility and will accept no liability to any other party without first obtaining the written consent of CBRE Limited t/a TelferYoung from CBRE and the author of the report. CBRE Limited t/a TelferYoung from CBRE reserves the right to alter, amend, explain or limit any further information given to any other party.

Reproduction of report

Neither the whole nor any part of this valuation and report or any reference to it may be included in any published document, circular or statement without first obtaining our written approval of the form and context in which it may appear. Our report is only valid when bearing the Valuer's signature.

Date of valuation

Unless otherwise stated, the effective date of the valuation is the date of the inspection of the property. This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 3 months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Legislation

We have not obtained a Land Information Memorandum (LIM) or Property Information Memorandum (PIM) for this property which, unless otherwise stated, is assumed to conform to all requirements of the Resource Management Act 1991, the New Zealand Building Code contained in the First Schedule to the Building Regulations 1992, the Building Act 2004 and any Historic Places Trust registration.

Our valuation reports are prepared on the basis that properties comply with all relevant legislation and regulations and that there is no adverse or beneficial information recorded on the Territorial Local Authority (TLA) property file, unless otherwise stated. Legislation that may be of importance in this regard includes the Health & Safety at Work Act 2015, the Fire Safety and Evacuation of Buildings Regulation 1992, and the Disabled Persons Community Welfare Act 1975.

Registrations

Unless otherwise stated, our valuation is subject to there being no detrimental or beneficial registrations affecting the value of the property other than those appearing on the title. Such registrations may include Waahi Tapu and Heritage New Zealand registrations.

Reliability of data

The data and statistical information contained herein was gathered for valuation purposes from reliable, commonly utilised industry sources. Whilst we have endeavoured to ensure that the data and information is correct, in many cases, we cannot specifically verify the information at source and therefore cannot guarantee its accuracy.

Assumptions

This report contains assumptions believed to be fair and reasonable at the date of valuation. In the event that assumptions are made, based on information relied upon which is later proven to be incorrect, or known by the recipient to be incorrect at the date of reporting, CBRE Limited t/a TelferYoung from CBRE reserves the right to reconsider the report, and if necessary, reassess values.

GST

The available sources of sales data upon which our valuation is based generally do not identify whether or not a sale price is inclusive or exclusive of GST. Unless it has been necessary and possible to specifically verify the GST status of a particular sale, it has been assumed that available sale price data has been transacted on a GST inclusive (if any) basis, which is in accordance with standard industry practice for most residential property. Should this interpretation not be correct for any particular sale or rental used as evidence, we reserve the right to reconsider our valuation.

Land survey

We have made no survey of the subject property and assume no responsibility in connection with these matters. Unless otherwise stated, the valuation has been assessed conditional upon all improvements being within the title boundaries.

Unless otherwise stated, we have not undertaken investigations or been supplied with geotechnical reports with respect to the nature of the underlying land. Unless otherwise stated, the valuation has been assessed conditional upon the land being firm and suitable ground for the existing and/or potential development, without the need for additional and expensive foundation and retaining work or drainage systems.

Contamination

We have not undertaken an environmental audit of the property. Unless otherwise stated, our valuation and report are conditional upon the land and buildings being unaffected by harmful contaminants or noxious materials which may impact on value. Verification that the property is free from contamination and has not been affected by noxious materials should be obtained from a suitably qualified environmental expert.

Not a structural survey

Our inspection has been undertaken for valuation purposes only and does not constitute a structural survey. Verification that the building is sound should be obtained from a suitably qualified building engineer. If the building is found to be unsound, this finding/new information is likely to impact on the value of the property.

Earthquake-prone buildings

We are aware that a number of buildings are, or may be potentially, affected by local territorial authority policies for 'earthquake-prone' buildings (Earthquake-Prone Building Policies) required to be in place under the Building Act 2004. The Earthquake-Prone Building Policies may require building owners to undertake engineering investigations and subsequent structural upgrading, demolition or other steps to meet the requirements of the Earthquake-Prone Building Policies. Unless otherwise stated, our valuation makes no allowance for any costs of investigation, upgrading, demolition or other steps which may be incurred by the building owner to meet the requirements of Earthquake Prone Building Policies. We are not qualified to determine the 'earthquake-prone' status of the buildings. Our valuation is therefore subject to a review, investigation and assessment of seismic performance of the building, by a suitably qualified building engineer, to determine the

'earthquake-prone' status of the building and where required, an estimate of any costs for structural upgrading, demolition or other steps required for the building to meet the requirements of Earthquake-Prone Building Policies. If the building is found to be 'earthquake-prone', this finding is likely to impact on the value of the property, and our valuation may materially alter as a result.

Systems

Our valuation has been assessed conditional upon all hot and cold water systems, electric systems, ventilating systems and other devices, fittings, installations or conveniences, including lifts and escalators where appropriate, as are in the building, being in proper working order and functioning for the purposes for which they were designed.

Market valuations

Market valuations are carried out in accordance with the Valuation Standards and Guidance Papers. Market Value is defined "The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

No allowances are made in our valuations for any expenses of realisation, or to reflect the balance of any outstanding mortgages either in respect of capital or interest accrued thereon.

Water leaks and penetration effects

We are aware that a number of buildings have developed problems associated with water leaks, water penetration, weather-proofing, moisture and water exit control systems, mould, fungi, mildew, rot, decay, gradual deterioration, microorganisms, bacteria, protozoa or like forms. Problems can result from defects in design, construction methods and materials used, or any combination of defects.

Our valuation has been assessed conditional upon all buildings and structures being constructed strictly in accordance with recommended practices and free from defect unless otherwise stated. We are not qualified to undertake, nor have we undertaken, a structural survey of the buildings or structures. We accept no liability for any defects that may arise as a result of poor building design, construction methods or building materials. If

you have any concerns, you should engage a suitably qualified person to report on this matter. Defects revealed by a suitably qualified expert may affect the value of the property.

Leases

The interpretation of leases or other contractual agreements referred to in this report is solely the opinion of the author and should not be construed as a legal interpretation. Furthermore, summaries of contractual agreements which may appear in the report or appendices, are presented for the sole purpose of giving the reader an overview of the salient facts thereof.

Tenancies

Unless specifically requested, we do not make detailed enquiries into the covenant strength of occupational tenants but rely on our judgement of the market perception of them. Unless otherwise advised, our valuation has been assessed subject to the tenant being independent of the owner and capable of meeting all financial obligations under the lease, and that there are no arrears of rent or undisclosed breaches of covenant. Further, our valuation is conditional upon all rents referred to in this report representing the rental arrangement stipulated in the contractual agreements pertaining to the tenant's occupancy, to the extent that such rents have not been prepaid, abated or inflated to reflect extraordinary circumstances, unless such conditions have been identified and noted in this report.

Risk analysis

The Risk Analysis is a simplified analysis based on the current experience and knowledge of the Valuer and is not a technical analysis. Those relying on the valuation cannot expect that the Valuer brings to the task any greater level of common knowledge or ability to foresee events than can be expected of persons experienced in the market for that class of property in its market place (which may be local or broader). The risk analysis is the product of the current experience of the Valuer based on information that is common knowledge and/or readily ascertainable in the market for that class of property in its marketplace. The risk analysis does not reflect information that is privileged or to which the market for that class of property in its market place does not have ready access and it does not reflect decisions, announcements, releases, articles and the like that the Valuer has not had reasonable time and opportunity to assess and consider, or would in the ordinary course of acting as a valuer become aware of or have access to. Subject to these limitations, the risk analysis

indicates the level of adverse impact each stated aspect has on the subject property's value and marketability as at the date of valuation.

Professional indemnity cover

We have in force at the time of supplying the above valuation, current professional negligence insurance appropriate to the nature and level of our business activities. The Registered Valuer is covered by the policy.

Valuer's statement

This report has been undertaken by Nina Smith who has inspected the property. The Registered Valuer holds an Annual Practising Certificate.

Please contact the writer should you wish to discuss any matters raised in this report.

Yours faithfully

CBRE Limited t/a TelferYoung from CBRE



Nina Smith - BSc; FRICS; ANZIV; SPINZ
Registered Valuer
Email: nina.smith@telferyoung.com

APPENDIX

APPENDIX A RECORD OF TITLE



**RECORD OF TITLE
UNDER LAND TRANSFER ACT 2017
FREEHOLD
Search Copy**



R. W. Muir
Registrar-General
of Land

Identifier 1028195
Land Registration District Wellington
Date Issued 12 April 2022

Prior References
WN979/25

Estate Fee Simple
Area 518 square metres more or less
Legal Description Lot 1 Deposited Plan 569822
Registered Owners
Jubilee Family Trustee Limited

Estate Fee Simple - 1/6 share
Area 1216 square metres more or less
Legal Description Lot 100 Deposited Plan 569822
Registered Owners
Jubilee Family Trustee Limited

Interests

12100173.3 Mortgage to Westpac New Zealand Limited - 29.4.2021 at 3:48 pm
12305463.1 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 12.4.2022 at 9:58 am (Affects Lot 1 DP 569822)
Subject to Section 241(2) Resource Management Act 1991 (affects DP 569822)
Subject to a right of way, rights to convey water, gas, electricity and telecommunications and a right to drain sewage over Lot 100 DP 569822 part marked A DP 569822, a right to drain water (overland flow path) over Lot 100 DP 569822 parts marked A and B DP 569822 created by Easement Instrument 12305463.3 - 12.4.2022 at 9:58 am
Appurtenant to Lot 1 DP 569822 is a right of way, rights to convey water, gas, electricity and telecommunications and a right to drain water (overland flow path) and sewage and appurtenant to Lot 100 DP 569822 is a right to drain water (overland flow path) a right to access and maintain the retaining wall and the associated retaining wall drainage infrastructure and a right to access and maintain swale created by Easement Instrument 12305463.3 - 12.4.2022 at 9:58 am
Some of the easements created by Easement Instrument 12305463.3 are subject to Section 243 (a) Resource Management Act 1991 (See DP 569822)
Subject to a right (in gross) to convey water over Lot 100 DP 569822 part marked A DP 569822 in favour of Wellington City Council created by Easement Instrument 12305463.4 - 12.4.2022 at 9:58 am
The easements created by Easement Instrument 12305463.4 are subject to Section 243 (a) Resource Management Act 1991
Subject to a right (in gross) to convey electricity over Lot 100 DP 569822 part marked A DP 569822 in favour of Wellington Electricity Lines Limited created by Easement Instrument 12305463.5 - 12.4.2022 at 9:58 am
Subject to a right (in gross) to convey telecommunications over Lot 100 DP 569822 part marked A DP 569822 in favour of Chorus New Zealand Limited created by Easement Instrument 12305463.6 - 12.4.2022 at 9:58 am

Transaction ID 748028
Client Reference rest

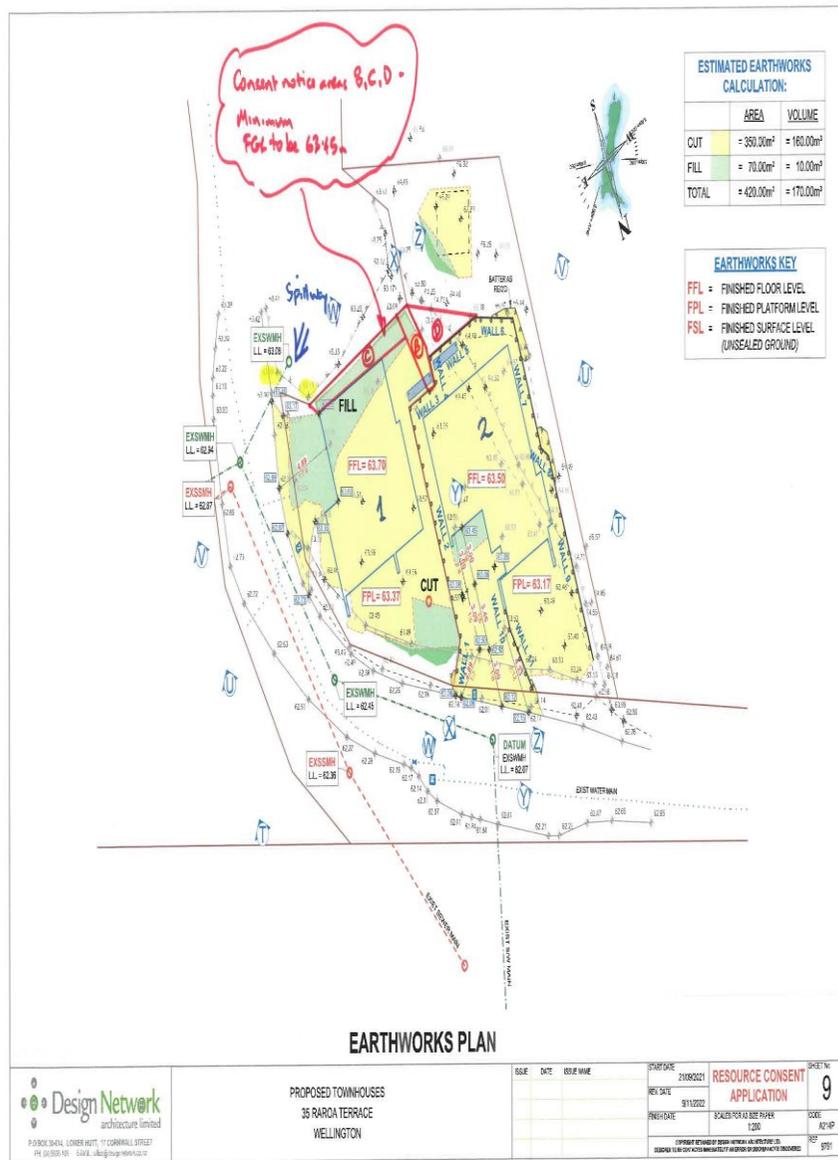
Search Copy Dated 24/03/23 9:43 am, Page 1 of 3
Register Only

Identifier 1028195

Subject to a right (in gross) to convey gas over Lot 100 DP 569822 part marked A DP 569822 in favour of Powerco Limited created by Easement Instrument 12305463.8 - 12.4.2022 at 9:58 am
Land Covenant in Covenant Instrument 12305463.9 - 12.4.2022 at 9:58 am (Affects Lot 1 DP 569822)
12305463.10 Encumbrance to Beechwood Residents Society Incorporated - 12.4.2022 at 9:58 am

Transaction ID 748028
Client Reference rest

Search Copy Dated 24/03/23 9:43 am, Page 2 of 3
Register Only





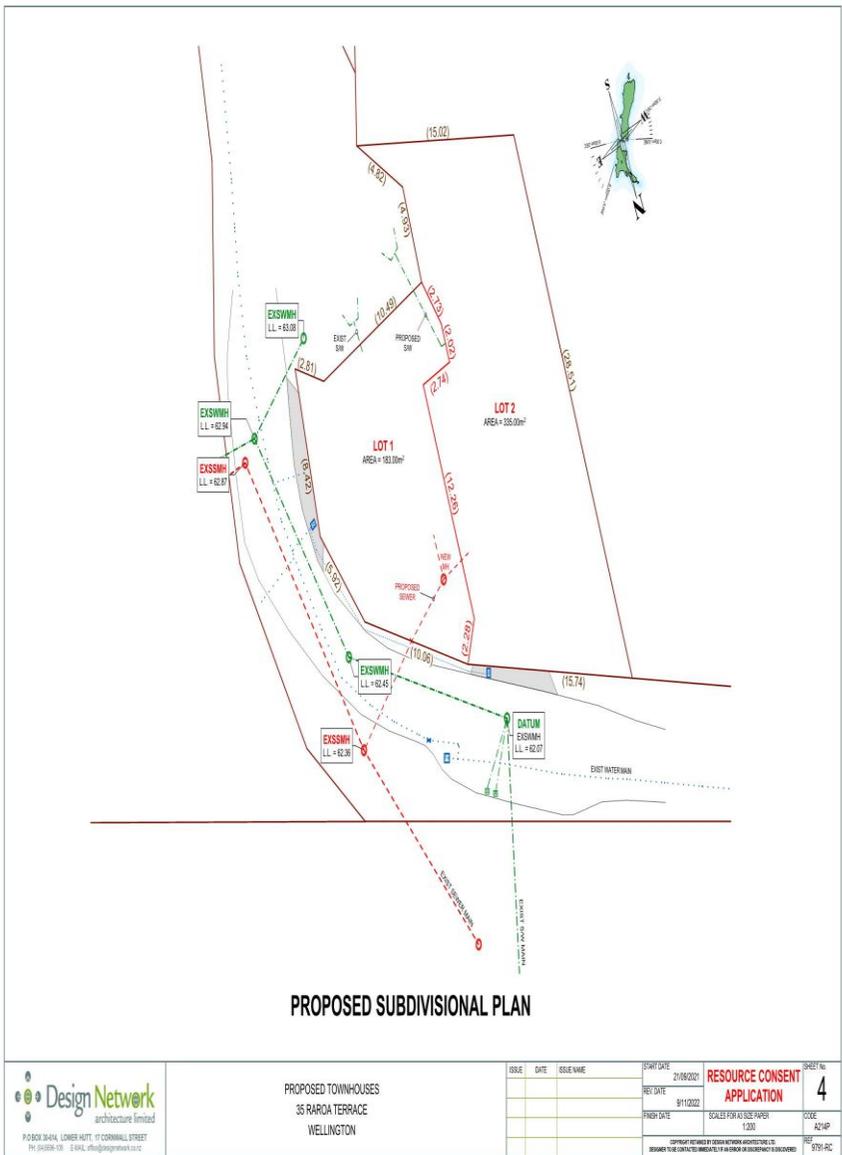
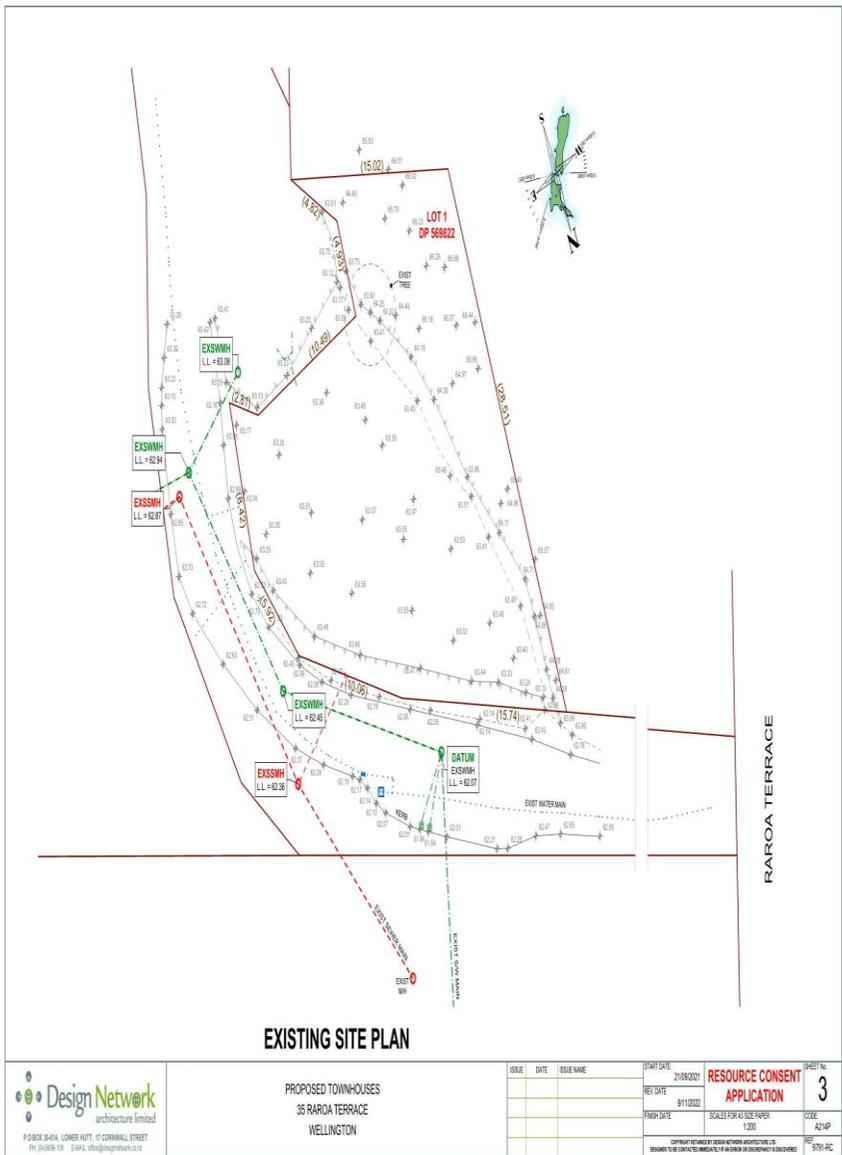
INDICATIVE PERSPECTIVE

<p>P O BOX 30444 LOWER HUTT, 17 CORNHILL STREET PH 0438 84 33 E MAIL dnl@designnetwork.co.nz</p>	PROPOSED TOWNHOUSES		ISSUE	DATE	ISSUE NAME	START DATE	21/09/2021	RESOURCE CONSENT	SHEET No.
	35 RAROQA TERRACE					REV DATE	8/11/2022	APPLICATION	1
	WELLINGTON					FINISH DATE		SCALES FOR A3 SIZE PAPER	CODE
									A214P
<small>COPYRIGHT RESERVED BY DESIGN NETWORK ARCHITECTURE LTD. <small>ISSUES TO BE CONTACTED DIRECTLY BY MAILING OR BUSINESS PRACTICE DEVELOPER</small> </small>									



LOCATION PLAN

<p>P O BOX 30444 LOWER HUTT, 17 CORNHILL STREET PH 0438 84 33 E MAIL dnl@designnetwork.co.nz</p>	PROPOSED TOWNHOUSES		ISSUE	DATE	ISSUE NAME	START DATE	21/09/2021	RESOURCE CONSENT	SHEET No.
	35 RAROQA TERRACE					REV DATE	8/11/2022	APPLICATION	2
	WELLINGTON					FINISH DATE		SCALES FOR A3 SIZE PAPER	CODE
								1:1000	A214P
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NB:
TAKEN AT EDGE OF BOUNDARY.
ROW IS BEYOND

NB:
TAKEN AT EDGE OF BOUNDARY.

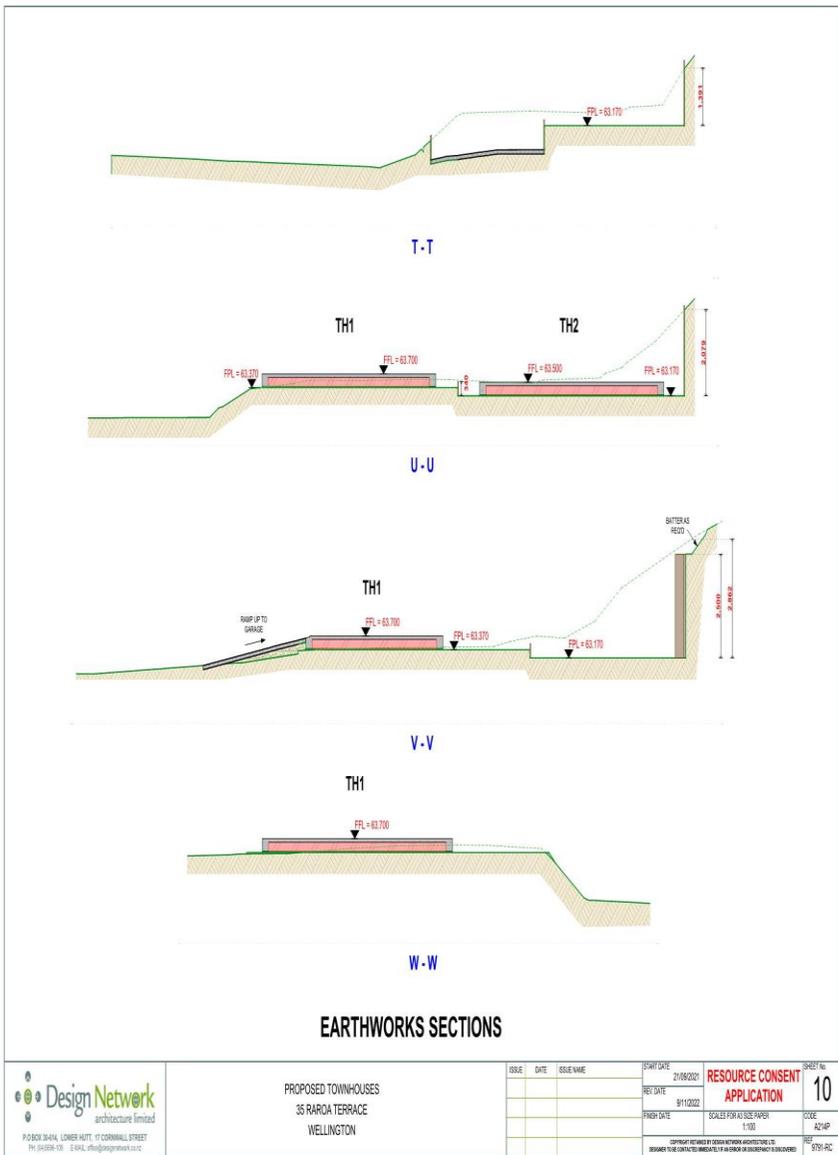
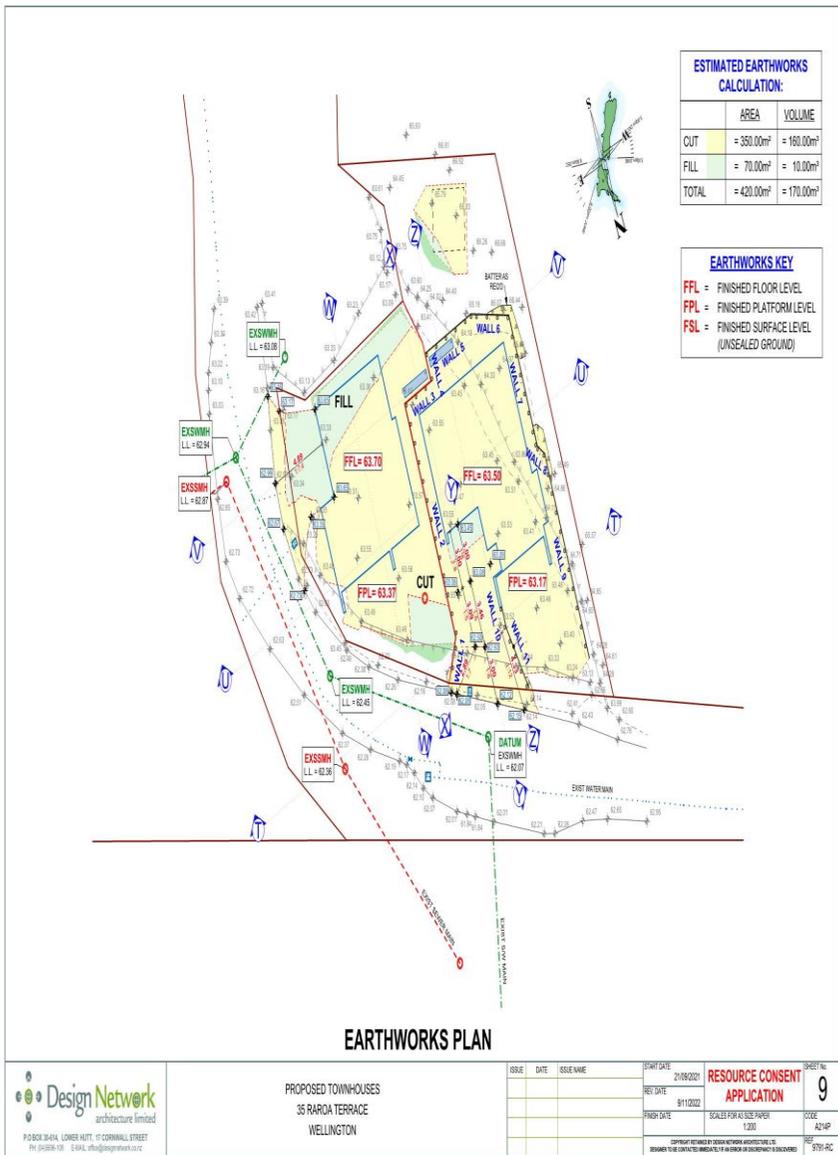
INDICATIVE COMPLIANCE TENT PERSPECTIVE
60' @ 4.00m & 11.00m MAXIMUM HEIGHT

<p>P: 0304 3844 L: 0904 4771 17 CORNWALL STREET PH: 0438 86333 E: info@designnetwork.co.nz</p>	<p>PROPOSED TOWNHOUSES 35 RAROQA TERRACE WELLINGTON</p>	ISSUE	DATE	ISSUE NAME	START DATE	21/09/2021	RESOURCE CONSENT APPLICATION	SHEET NO.	7
		REV	DATE	REV	DATE	9/11/2022			
		FINISH	DATE	FINISH	DATE				
		<p>SCALE FOR A3 SIZE PAPER 1:200, 1:250</p>		<p>CODE A214P</p>					
<p>DESIGN NETWORK ARCHITECTURE LIMITED P: 0304 3844 L: 0904 4771 17 CORNWALL STREET PH: 0438 86333 E: info@designnetwork.co.nz</p>									

SECTION THRU CUT OF FUTURE SHED

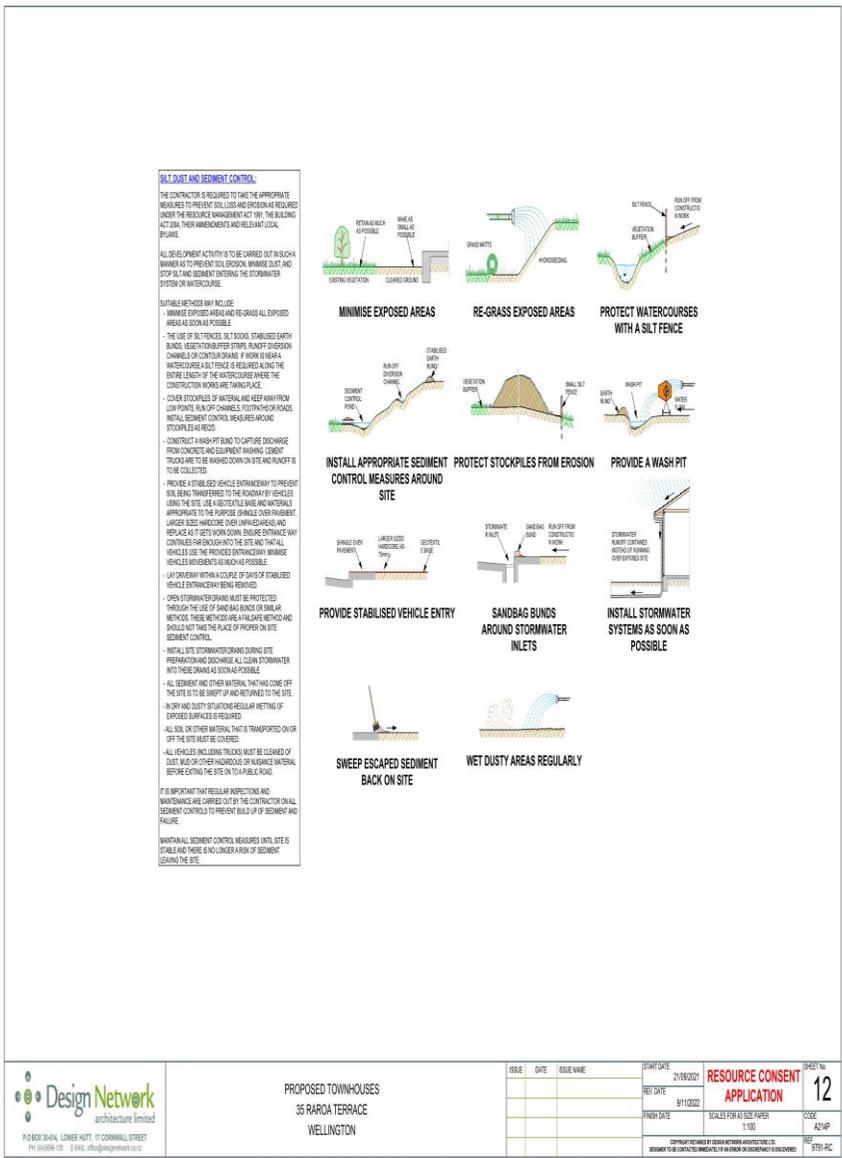
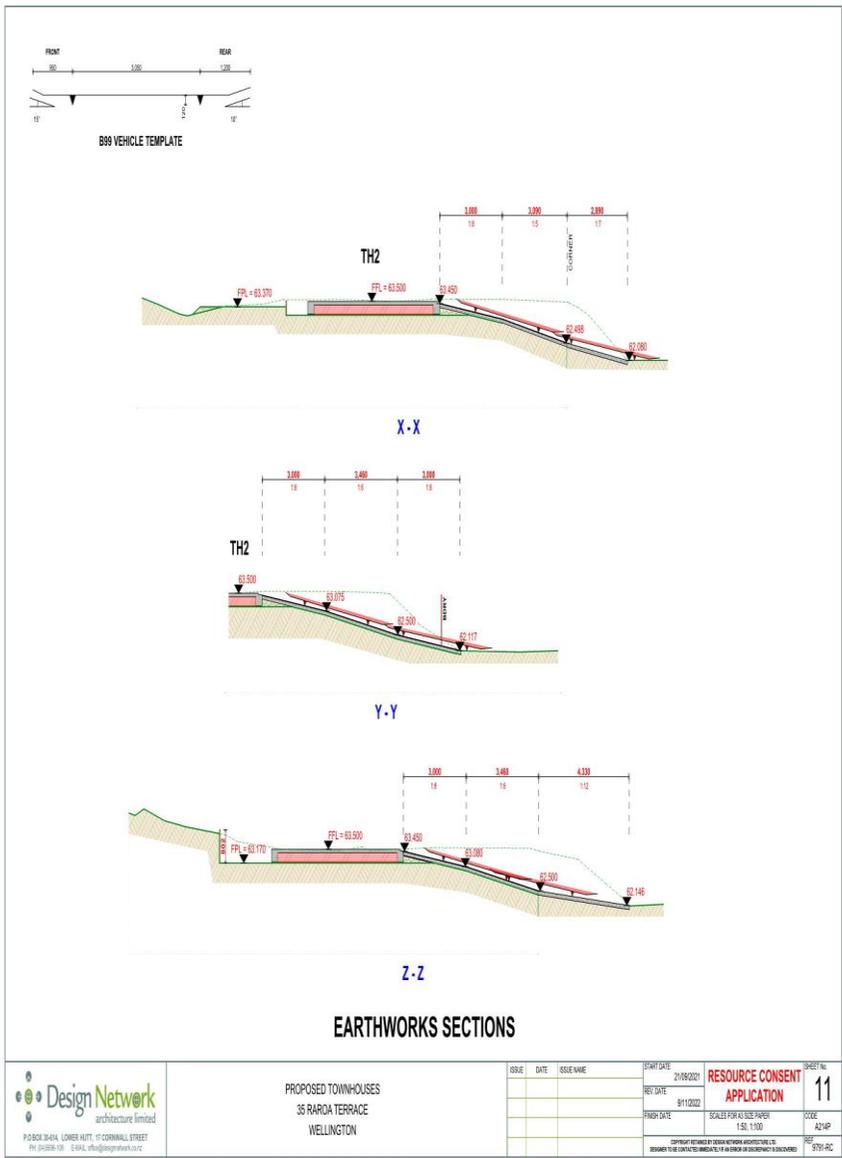
INDICATIVE EARTHWORKS PERSPECTIVE

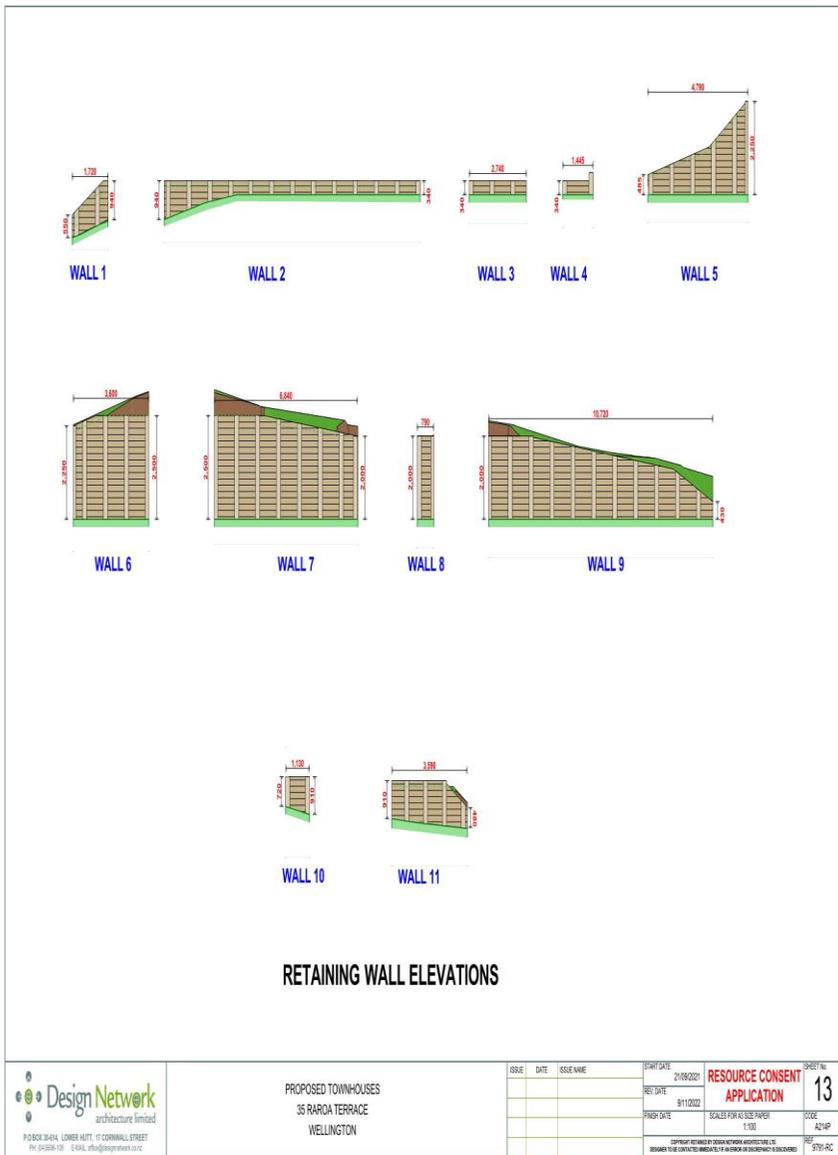
<p>P: 0304 3844 L: 0904 4771 17 CORNWALL STREET PH: 0438 86333 E: info@designnetwork.co.nz</p>	<p>PROPOSED TOWNHOUSES 35 RAROQA TERRACE WELLINGTON</p>	ISSUE	DATE	ISSUE NAME	START DATE	21/09/2021	RESOURCE CONSENT APPLICATION	SHEET NO.	8
		REV	DATE	REV	DATE	9/11/2022			
		FINISH	DATE	FINISH	DATE				
		<p>SCALE FOR A3 SIZE PAPER 1:100</p>		<p>CODE A214P</p>					
<p>DESIGN NETWORK ARCHITECTURE LIMITED P: 0304 3844 L: 0904 4771 17 CORNWALL STREET PH: 0438 86333 E: info@designnetwork.co.nz</p>									



 P O BOX 3444, LOWER HUTT, 17 CORNWALL STREET PH 043886133 E MAIL dnl@designnetwork.co.nz	PROPOSED TOWNHOUSES 35 RAROQA TERRACE WELLINGTON	ISSUE / DATE / ISSUE NAME 1 / 21/09/2021 / RESOURCE CONSENT APPLICATION	SHEET NO. 9	
	START DATE: 21/09/2021 REV DATE: 01/12/2022 FINISH DATE:	SCALES FOR A3 SIZE PAPER: 1:200 CODE: A214P	COPYRIGHT AND MARKED BY DESIGN NETWORK ARCHITECTURE LIMITED DRAWING FOR THE EXCLUSIVE USE OF THE CLIENT AND NOT TO BE REPRODUCED OR DISTRIBUTED WITHOUT THE WRITTEN PERMISSION OF DESIGN NETWORK ARCHITECTURE LIMITED	PS 9759-02
	PROPOSED TOWNHOUSES 35 RAROQA TERRACE WELLINGTON			SHEET NO. 10
	START DATE: 21/09/2021 REV DATE: 01/12/2022 FINISH DATE:	SCALES FOR A3 SIZE PAPER: 1:200 CODE: A214P	COPYRIGHT AND MARKED BY DESIGN NETWORK ARCHITECTURE LIMITED DRAWING FOR THE EXCLUSIVE USE OF THE CLIENT AND NOT TO BE REPRODUCED OR DISTRIBUTED WITHOUT THE WRITTEN PERMISSION OF DESIGN NETWORK ARCHITECTURE LIMITED	PS 9759-02

 P O BOX 3444, LOWER HUTT, 17 CORNWALL STREET PH 043886133 E MAIL dnl@designnetwork.co.nz	PROPOSED TOWNHOUSES 35 RAROQA TERRACE WELLINGTON	ISSUE / DATE / ISSUE NAME 1 / 21/09/2021 / RESOURCE CONSENT APPLICATION	SHEET NO. 10	
	START DATE: 21/09/2021 REV DATE: 01/12/2022 FINISH DATE:	SCALES FOR A3 SIZE PAPER: 1:200 CODE: A214P	COPYRIGHT AND MARKED BY DESIGN NETWORK ARCHITECTURE LIMITED DRAWING FOR THE EXCLUSIVE USE OF THE CLIENT AND NOT TO BE REPRODUCED OR DISTRIBUTED WITHOUT THE WRITTEN PERMISSION OF DESIGN NETWORK ARCHITECTURE LIMITED	
	PROPOSED TOWNHOUSES 35 RAROQA TERRACE WELLINGTON			SHEET NO. 10
	START DATE: 21/09/2021 REV DATE: 01/12/2022 FINISH DATE:	SCALES FOR A3 SIZE PAPER: 1:200 CODE: A214P	COPYRIGHT AND MARKED BY DESIGN NETWORK ARCHITECTURE LIMITED DRAWING FOR THE EXCLUSIVE USE OF THE CLIENT AND NOT TO BE REPRODUCED OR DISTRIBUTED WITHOUT THE WRITTEN PERMISSION OF DESIGN NETWORK ARCHITECTURE LIMITED	PS 9759-02









<p>P: 0800 36444 LOWER HETT, 17 CORNWALL STREET PH: 0438 86133 E: info@designnetwork.co.nz</p>	PROPOSED TOWNHOUSES 35 RAROQA TERRACE WELLINGTON		ISSUE: DATE: ISSUE NAME:	START DATE: 21/09/2021 REV DATE: 01/10/2022 FINISH DATE:	RESOURCE CONSENT APPLICATION	SHEET NO. 17
			SCALES FOR ALL SIZE PAPER: 1:100	CODE: A214P		
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<p>P: 0800 36444 LOWER HETT, 17 CORNWALL STREET PH: 0438 86133 E: info@designnetwork.co.nz</p>	PROPOSED TOWNHOUSES 35 RAROQA TERRACE WELLINGTON		ISSUE: DATE: ISSUE NAME:	START DATE: 21/09/2021 REV DATE: 01/10/2022 FINISH DATE:	RESOURCE CONSENT APPLICATION	SHEET NO. 18
			SCALES FOR ALL SIZE PAPER: 1:100	CODE: A214P		
			<small>COPYRIGHT RESERVED BY DESIGN NETWORK ARCHITECTURE LTD. DRAWINGS ARE THE PROPERTY OF DESIGN NETWORK ARCHITECTURE LTD.</small>		DATE: 01/10/2022	FILE: 5759-RC

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