APPENDIX 4 – PROPERTY VALUATION

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4 July 2008 Ref:TDW2138

GHD
P O Box 1746
WELLINGTON

Attention – Geoff Morgan

Dear Sir

Re: Property Valuation – Waingawa Industrial Reserve Land, Carterton

In accordance with your e-mailed instructions we inspected the property on the 7th July 2008 this being the effective date of valuation. We report in summary as follows:

PURPOSE OF REPORT:

1) Provide Indicative "fair market value" for proposed Reserve Strip along Norman Avenue of 2.96 hectares or thereabouts (being approximately 4.44 hectares less area contained in legal road).

2) Provide Indicative "fair market value" for Reserve Strip along Waingawa stream of approximately 5.64 hectares.

1. Norman Avenue Reserve

AREA & DESCRIPTION:

The reserve land valued is identified as two 20 metre strips extending either side of the Legal road. The road itself is excluded from value.

The Avenue is a fully formed six metre wide carriageway, double laned with mature oak trees lining both sides of approximately 740 metres distance. Midway point the Wairarapa railway line dissects the road. The west side of Norman Avenue changes from grass verge to sealed verged utilised for parking together with access points for sections.

The reserve strip is consistent with surrounding land type being free draining stable stony loam soils of flat contour.

METHODOLOGY:

In assessing land value we have given consideration to surrounding land values of both commercial and lifestyle use together with larger parcel sizes used for intensive farming.

Values range considerably on "dollars per metre square" depending on land use and area at the upper end Commercial sites tend to command upwards of $50m^2 down to $3.40 for flatland farm values. Site values of say 1-hectare rural/residential tend to command $15 to $18 per metre square.

We have excluded "value" attributed to "site" due to irregular shape of the subject parcel and have not applied value to road or trees already Crown owned.

We adopt $5 per metre square as value, aligning to premium farmland and lifestyle values ranging between $3.40 to $16m^2.

VALUATION AS AT JULY 2008:

Value - 29,600 square metres at $5 square metre.

Value is exclusive of GST.

Land Value	$	148,000
PROPOSED MARKET VALUE	**$**	**148,000**

ONE HUNDRED & FORTY EIGHT THOUSAND DOLLARS

2 *Waingawa Stream Reserve*

AREA & DESCRIPTION:

The parcel extends through two ownership holdings being intensive dairy grazing land held under the ownership of A & P van Varneveld and secondly a smaller 1.3 hectare allotment in the ownership of M T & K A Oakly and PR & S K Barker.

Land proposed for Reserve is a "buffer zone" of approximately 60 metres wide extending along watercourse of some 1.150 kilometres starting from western end Waingawa wetlands area, culvert piped under Wairarapa railway line through to State Highway 2 on the eastern boundary.

The stream is free flowing and gravel bottomed raceway utilised for stock water.

Stream is not fenced and accessible to stock. There are several culvert points for crossing.

Main points of note along the stream edge include an area of some 324m^2 in regeneration bush boundary to the Wairarapa railway line and several farm buildings that are contained within the 60-metre strip - including a four bay hay barn and store sheds.

Into the Oakly/Barker section the stream extends reasonably close to the main dwelling but not within 60 metres (but does include a sleep out within the proposed reserve area).

VALUATION METHODOLOGY;

We assess underlying value at intensive farmland rates of $34,000 per hectare ($3.40 per square metre) adjusted for the small area that is not in pasture.

There has been no value adjustment for the buildings contained within the buffer zone as we assume they will remain undisturbed and be utilised in the same manner.

VALUATION AS AT JULY 2008:

Value is exclusive of GST:

Reserve Land Value	$ 190,000
TOTAL CURRENT MARKET VALUE	**$ 190,000**
ONE HUNDRED & NINETY THOUSAND DOLLARS	

Where land or land rights are taken, valuation process contained within the "Public Works Act 1981" are typically followed with "before" and "after" valuations on the property. For this exercise we have not provided injurious affect value as we are assuming that the reserve is voluntary and owner initiated

CERTIFICATION AND LIMITATIONS:

We hereby certify that: -

The inspection and this valuation report have been carried out in compliance with the requirements with the New Zealand Institute of Valuers Code of Ethics and with relevant Practice Valuation Standards.

We have in force at the time of supplying this valuation report current professional negligence insurance appropriate to the nature and level of our business activities. The writer is a registered Valuer, holds a practising certificate and is qualified as is indicated.

While we have taken all due care and responsibility in the compilation of this report the following should be noted: -

- This report is for valuation purposes only and does not purport to represent a structural or engineering survey on either the condition of building and/or land.
- We have assumed that the electrical, heating and plumbing systems pertaining to houses or other structures mentioned herein are in working order and that the building/appliance/land complies with Local Body regulations.
- We have neither financial interest in this property nor any relationship with the vendor, purchaser or agents. This report as used is limited to the client to whom it is addressed and for the purposes for which it is prepared by us as Independent Registered Valuers.

Should you require any further information please do not hesitate to contact the writer.

Yours faithfully
WAIRARAPA PROPERTY CONSULTANTS LTD

T D White, BCOM (VPM), ANZPI, MPINZ
Registered Valuer