
Rotorua Lakes Council

Housing for the Elderly

“Generic” Bedsit and

One-Bedroom Units at

Five Locations

ROTORUA





Prepared by: Denelle Croucher
Internally reviewed: Yes
File Reference: D/245470

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Assessment of Rental Value

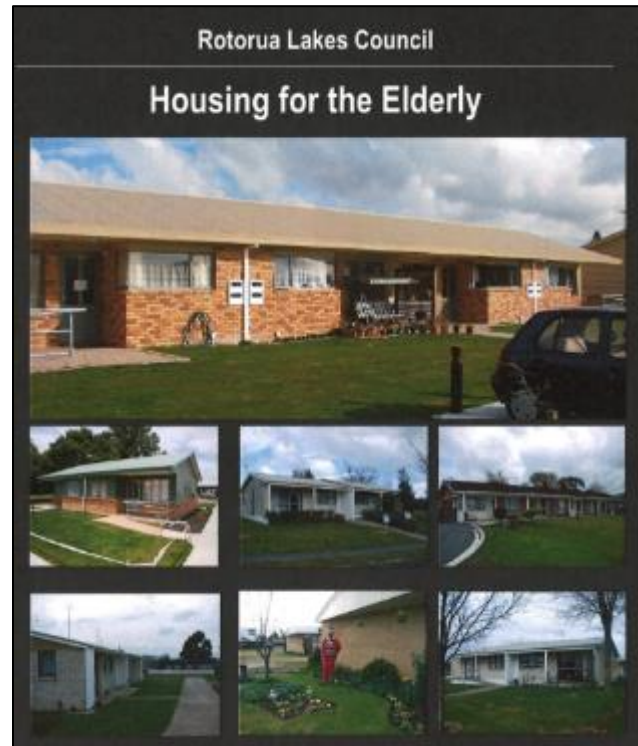


Photo Source: Rotorua Lakes Council brochure

Address: "Generic" Bedsit and One Bedroom Units within 'Housing for the Elderly' residential unit developments at five locations in Rotorua

Date of Inspection: 19 March 2024

Date Effective: 19 March 2024

APL Reference: D/245470

Instructed By: Eric Tonkin

Prepared For: Rotorua Lakes Council

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Rental Valuation Summary

This Rental Valuation Summary must be read in conjunction with the whole report.

Address of Property	“Generic” Bedsit and One Bedroom Units within ‘Housing for the Elderly’ residential unit developments at five locations in Rotorua
APL Reference	D/245470
Instructed By	Eric Tonkin
Prepared for (Client)	Rotorua Lakes Council
Other Intended Users	<i>See Subsection 1.2 Client and intended users</i> Nil
Purpose of Valuation	Market Rental
Brief Description of Property	Under consideration are the residential premises at “Generic” Bedsit and One Bedroom Units within ‘Housing for the Elderly’ residential unit developments at five locations in Rotorua.
Date of Inspection	19 March 2024
Effective date of Rental	19 March 2024
Value Assessment	
Rental Value	Per week including GST (if any) and outgoings

Location	“Generic” Unit Type	No. of Units	Rental Value (per week)
Rotorua			
Lucas Place, Fenton Park		66	
	Bedsit - Block of 4	52	\$335
	Bedsit - Block of 3	11	\$335
	Bedsit - Block of 2	2	\$335
	One Bedroom - end unit in Block of 3	1	\$350

Rawhiti Complex, Glenholme		62	
14 Miller Street	Bedsit - Block of 2	16	\$335
	One Bedroom - Block of 2	4	\$350
2 Miller Street	One Bedroom - Block of 4	12	\$350
Kahikatea Street North	One Bedroom - Block of 6	6	\$390
	One Bedroom - Block of 2	8	\$390
Kahikatea Street South	One Bedroom - Block of 4	16	\$390
Westbook Units		9	
Corner Thebes Street, Osiris Street and Pharoah Place	One Bedroom - Single	7	\$350
	One Bedroom - Single middle unit in block of 3	1	\$350
	One Bedroom - Double	1	\$375
Ngongotahā			
21 Dawson Drive "As Is"		8	
	One Bedroom, in block of 5	5	\$320
	One Bedroom, in block of 3	2	\$335
	One Bedroom, end unit in block of 3	1	\$335
Domain Avenue "As Is"		7	
	One Bedroom in block of 3	3	\$360
	One Bedroom in block of 4	4	\$340

Prepared By

Denelle Croucher

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Annual Practicing Certificate No.31554

Extent of Involvement

Inspected Property (internal and external), Prepared Workbook, Prepared Report.

Detailed Property Report and Valuation

1 Introduction

1.1 Identification and Status of the Valuer

The valuation has been undertaken by Denelle Croucher (Certificate of Registration Number 3126) who is suitably qualified and authorised to practise as a valuer. The valuer is able to provide an objective and unbiased valuation and has no material connection or involvement with the subject property, the client or intended users.

The Registered Valuer, who has signed this report holds a current Annual Practising Certificate.

1.2 Our Client

This valuation has been prepared under instructions received from Eric Tonkin (the instructing party) for the use of Rotorua Lakes Council (our client).

1.3 Other Intended Users

In addition to our client, this report may be relied upon by the following party(ies) for the purpose stated in section 1.4 of this report.

- Nil

Other than our client and other intended users, this report is not to be relied upon by any other person for any other purpose without the prior permission of APL.

1.4 Identification of Asset and Purpose of the Valuation

The valuation in this report is for the purpose of assessing Rental Value for the premises at “Generic” Bedsit and One Bedroom Units within ‘Housing for the Elderly’ residential unit developments at five locations in Rotorua. The Rental Value is assessed pursuant to the provisions of the Residential Tenancies Act 1986, Residential Tenancies Amendment Act 2020 and the “Pensioner Housing – Tenancy Agreement” from Rotorua Lakes Council.

1.5 Valuation Currency

This valuation is expressed in New Zealand Dollars.

1.6 Basis of Rental Value

Market Rent is defined by International Valuation Standards as is the estimated amount for which an interest in real property should be leased on the valuation date between a willing Lessor and a willing Lessee on appropriate lease terms in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Contract Rent is the rent payable under the terms of an actual lease. It may be fixed for a duration of the lease, or variable.

In calculating the Market Rent, the valuer must consider the following:

- In regard to the Market Rent subject to the lease, the terms and conditions of that lease are the appropriate lease terms unless those terms and conditions are illegal or contrary to overarching legislation and
- In regard to the Market Rent that is not subject to a lease the assumed term and conditions are the terms of a notional lease that would typically be agreed in a market for the type of property on the valuation date between market participants.

The Rotorua Lakes Council provides “Housing for the Elderly” units with all applicants having to meet certain eligibility criteria, which includes:

- being a New Zealand citizen or hold New Zealand Permanent Resident
- being 60 years of age or older and reliant on a benefit, or
- be 55 years and over and reliant on a sickness benefit
- Being retired from full time work
- have assets of less than \$30,000 for a single applicant and \$55,000 for a couple – including the value of any major asset sold within 5 years of applying.
- a minimum income of less than \$30,000 pa for a single applicant and \$55,000 for a couple
- be in need of long-term accommodation
- being capable of living independently

The advantages for living in a Rotorua Lakes Council “Housing for the Elderly” unit is stated within the introductory brochure as:

- Affordable rent
- Privacy and Independence
- Security and companionship of close neighbours
- Lawns mowed and gardens maintained by Council
- Council is responsible for all maintenance

The Pensioner Housing – Tenancy Agreement is discussed under heading ‘4.0’ later in this report.

We have not been advised of any concessional rental information from *Rotorua Lakes Council* by which “Affordable Rent” is defined. Our assessment of market rental value is based on the definitions above, with regard to the occupancy conditions and the general location, condition and layout of the premises. We understand there are “tools” available from social housing providers, such as the government subsidised ‘Accommodation Allowance,’ which may be used to render the rentals more “affordable” on a case by case basis.

1.7 Valuation Dates

Date of Inspection: 19 March 2024

Effective date of Rental Value Assessment: 19 March 2024

1.8 Nature and Extent of Investigations

We confirm that we inspected readily accessible parts of the units at various locations (the Property) on 19 March 2024. There were no special limitations or restrictions on the inspection, enquiry and analysis for the purpose of this valuation unless stated below.

We have internally inspected the following units:

- Lucas Place, Fenton Park - Units 8 and 61
- Rawhiti Complex - Unit 37/14 Miller Street, 53/14 Miller Street, Unit 12/2 Miller Street and Unit 23 Kahikatea Street
- Westbook – Unit 2B
- Dawson Drive, Ngongotahā – Unit 6
- Domain Avenue, Ngongotahā – Unit 3

Our valuations are based on “generic” bedsit and one-bedroom units as described under ‘3.0 Property Information’ later in this report.

1.9 Nature and Source of the Information Relied Upon

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

Information	Source
Title Documents:	Land Information New Zealand
Planning Details:	Rotorua District Plan
Sales Information:	Real Estate Institute of New Zealand & Headway Systems Databases.
Tenancy Information:	Real Estate agency information and relevant legislation, Stats NZ, MBIE
Building Plans & specifications:	<i>Lucas Place</i> – A PDF copy of the scanned plans dated August 1969 and 1981 provided by Rotorua Lakes Council.

Rawhiti Complex - A PDF copy of scanned plans dated 1955, 1963 and 2005 provided by Rotorua Lakes Council.

Westbrook – A PDF copy of scanned plans dated August 1969 and 1981 provided by Rotorua Lakes Council.

Dawson Drive, Ngongotahā – A PDF copy of scanned plans dated July 1985 provided by Rotorua Lakes Council.

Domain Avenue, Ngongotahā – A PDF copy of scanned plans dated October 1980 provided by Rotorua Lakes Council.

Other Documentation:

A PDF copy of the *Pensioner Housing – Tenancy Agreement* supplied by Rotorua Lakes Council.

A PDF copy of the *Rotorua Lakes Council – Housing for the Elderly* brochure supplied by Rotorua Lakes Council.

PDF copies of aerial photos showing the location and outline of each of the five unit complexes, supplied by Rotorua Lakes Council.

No other information or documentation of particular significance to the valuation has been relied upon without specific verification by the Valuer.

1.10 Assumptions and Special Assumptions

This report contains some standard assumptions. See section 8 and Appendix A Qualifications and Disclaimers. Any special assumptions are detailed as follows:

Assumptions:

- Our valuations are based on “generic” bedsit and one-bedroom units as described under ‘3.0 Property Information’ later in this report.
- The Residential Tenancies Act provides for minimum insulation and heating standards, which we have assumed are complied with.

Special Assumptions:

- We have assumed the property is not defined as an Earthquake Prone Building under the Building Act 2004.

1.11 Restrictions on Use, Distribution or Publication

The valuation and all valuation services are provided by APL Property Valuation Ltd solely for the use of the addressee and the client. APL Property Valuation Ltd does not and shall not assume any responsibility to any person other than the addressee and the client for any reason whatsoever, including breach of contract, negligence (including negligent mis-statement) or wilful act or default of itself or others by reason of or arising out of the provision of this valuation or valuation services. Any person, other than the addressee and the client, who uses or relies on this valuation, does so at their own risk.

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

Neither the whole nor any part of this valuation report, or any reference to it, may be included in any published document, circular or statement without our written approval as to the form and context in which it may appear.

This valuation report is provided subject to the assumptions, disclaimers, limitations, and qualifications noted in this report and to those included in this section and as set out in **Appendix A**.

1.12 Valuation Standards

This valuation conforms to International Valuation Standards (IVS) effective 31 January 2022, as well as the Australia and New Zealand Valuation Guidance Notes and Technical Information Papers including but not limited to:

- IVS 101 Scope of Works
- IVS 102 Investigations and Compliance
- IVS 103 Reporting
- IVS 104 Bases of Value
- IVS 105 Valuation Approaches and Methods
- NZVGP505 Assessing Rental Value

2 Rotorua District Overview

Rotorua is the main commercial hub of the Rotorua Lakes District and provides a full range of retail and commercial facilities together with Council and community buildings, recreational reserves including the Government Gardens and lakefront development. The city centre provides mainly for retail and office development and associated activities with there being a number of eateries situated throughout the CBD and the more recently developed “Eat Street” situated towards the northern end of the city towards the lakefront. There are a wide range of hotel and motel accommodation options, cafes and restaurants and bathing, spa and wellness therapies.

Medical facilities include the Rotorua Hospital which serves the lakes region and offers 233 beds with a 24 hours / 7 days emergency department.

Rotorua is situated at the southern shore of Lake Rotorua, in the Rotorua Lakes District and offers Māori culture, geothermal parks, lakes and rivers, cycling and mountain biking trails and the Whakarewarewa Forest. The district is a well established, international tourist destination and has attracted visitors to the region since the 1800s. There are a good number of family and adventure tourist parks including the “Skyline” gondola and luge, Agrodome and adventure tourism operators.

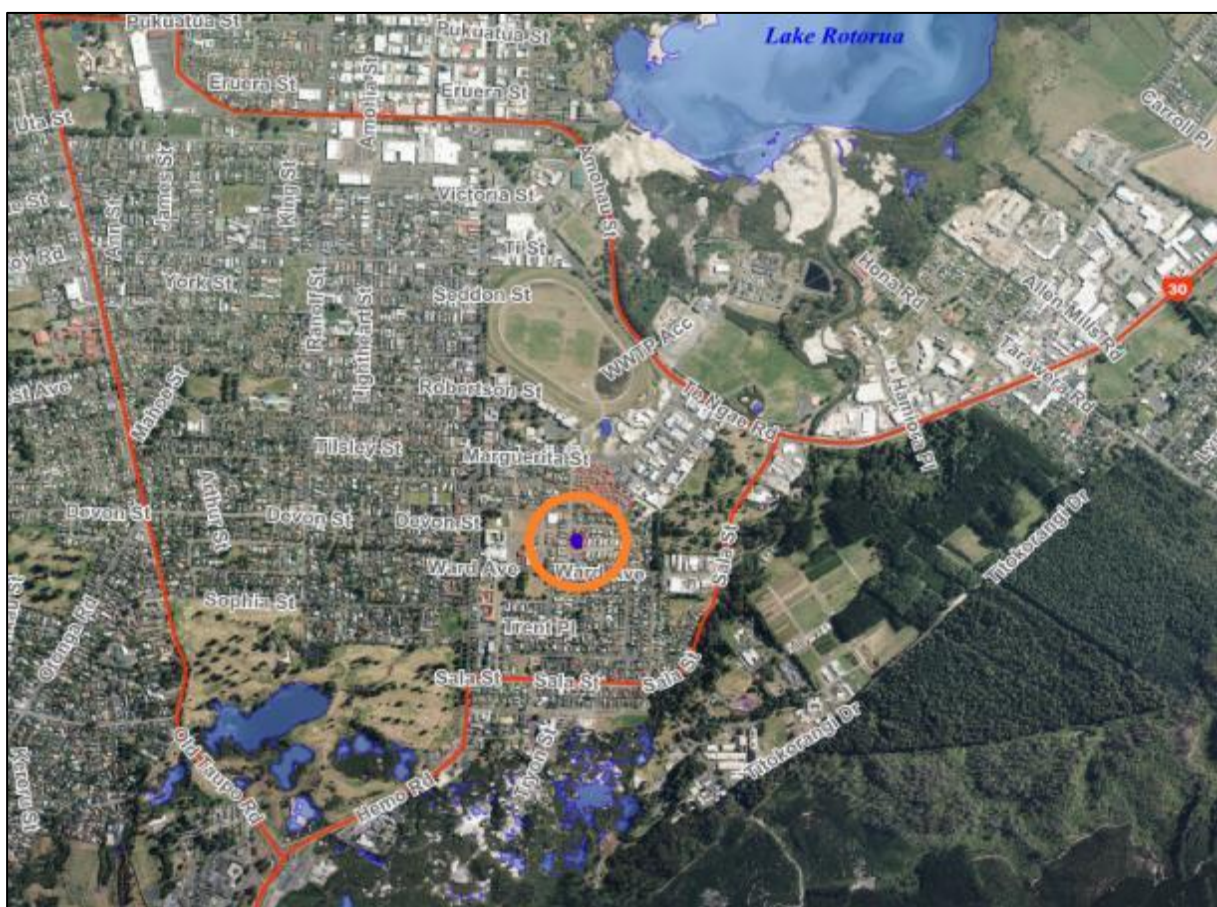
3 Property Information

3.1 Lucas Place, Fenton Park, Rotorua

3.1.1 Overview

This development is formed around a cul-de-sac, being Lucas Place, accessed off Hilda Street, and contains 66 units, comprising 65 bedsit units and 1 one-bedroom unit.

3.1.2 Situation and Locality



Source: Rotorua Lakes Council

NB. Please note that the boundaries noted are indicative only

Lucas Place is a cul-de-sac situated off Hilda Street in the Fenton Park area of Rotorua, south of the Arawa Park Racecourse, some 2 kilometres south of the Rotorua CBD, shown within the area circled orange on the above location map. This is a well-established Residential 1 Zoned area with the surrounding development containing residential dwellings and attached home units of the 1960s and subsequent. The Fenton Park Bible Church is within 50 metres, situated at the corner of Hilda Street and Ward Avenue. There is a bus stop fronting 27 Hilda Street, which is within 100 metres of Lucas Place, for the Route 11 bus service which runs between the Rotorua CBD and *Toi Ohomai Institute of Technology* via Fenton Park and Te Puia.

3.1.3 District Plan Zoning

Territorial Authority	Rotorua Lakes Council
Plan name	Rotorua District Plan
Plan status	Operative 2016 – Reformatted 2021
Zoning	Residential 1 Zone
Purpose	This zone provides for areas used predominantly for residential activities with moderate concentration and bulk of buildings, such as detached, semi-detached and terraced housing, low-rise apartments, rest homes, and other compatible activities. Over time, as an increase in residential density occurs, a medium density residential urban built character is expected, including three storey residential buildings, integrated with on-site landscaped areas.
Permitted Activities	Residential units are a Permitted Activity within this zone.
Zoning effect	Under the Operative District Plan the property is suited to residential use.

The above information is not intended to be professional resource management advice and is provided for valuation purposes only. We recommend a qualified resource management consultant be employed for further detail if required.

3.1.4 Premises Description



Aerial photo of the 66 units at Lucas Place, Rotorua

Source: Rotorua Lakes Council

This development is formed around a cul-de-sac, being Lucas Place, accessed off Hilda Street, and contains 66 units. There are 13 blocks of four adjoining, bedsit units (52 units), 4 blocks of three adjoining, bedsit units, except for Unit No. 64 which is a one-bedroom unit (12 units), and 1 block of two adjoining, bedsit units (2 units).

The units are situated on land legally described as Lots 236 to 251 Deposited Plan 10335 South Auckland Registry, with a total land area of 12,410m² (1.241 ha). Some units are situated over more than one lot.

The land has a more or less flat contour, which lies slightly above road level. Services available to the site include power, district water supply, sewage and stormwater disposal. Fibre, VDSL, ADSL and wireless broadband services are available in this location. Lucas Place is sealed, kerbed and channelled with concrete footpaths, street lighting and underground power reticulation. Individual power supply and a metered water connection are available to each unit.

Construction

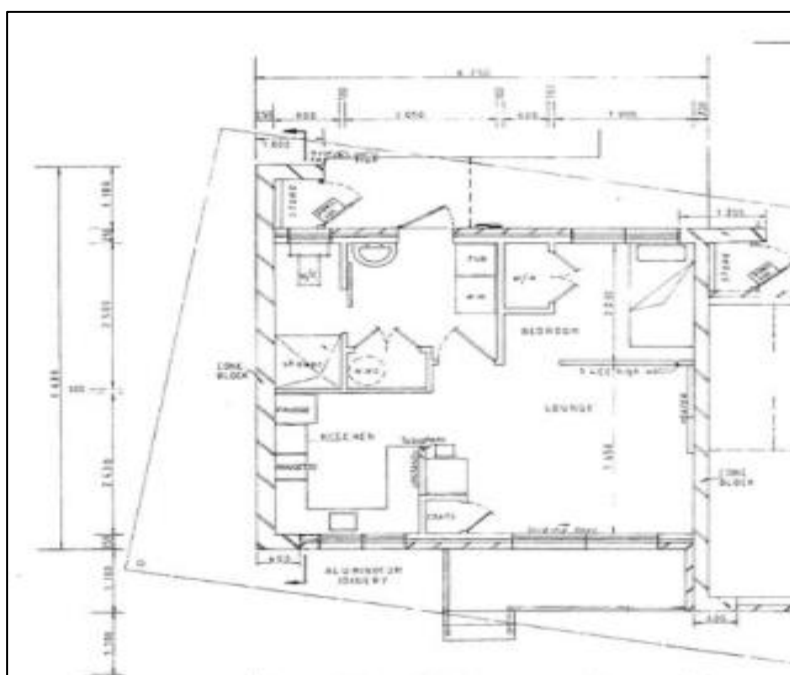
The units were constructed circa early 1970s with either a concrete ring foundation wall and concrete piles with timber floor or concrete foundations and floor, brick veneer cladding over timber framing, galvanised corrugated iron roof and PVC spouting and downpipes. There is fibrolite sheet cladding to the gable ends of each block of units and the soffits. Each unit is staggered within the block, with a concrete block firewall between units. Some units have recently been upgraded with new wall, ceiling and underfloor (for the timber floors) insulation, Gibraltar board wall linings, upgraded bathroom/laundry

fittings, double glazed powder coated aluminium joinery and new carpet and vinyl floor coverings. The rental assessments are based on a generic “upgraded” bedsit and one-bedroom units based on our inspection of Unit 8.

Note: The comments on condition are for descriptive purposes only and this report is not, nor is it intended to be, a structural, geotechnical, environmental or weather tightness survey.

Bedsit Units

Floor Plan



Bedsit Floor Plan (excluding bedroom area partition) (Source: RLC)

Floor Areas

In accordance with a PDF copy of scanned plans dated August 1969 and 1981 provided by *Rotorua Lakes Council* and onsite check measurements taken during inspection, the following areas have been adopted for valuation purposes:

Floor Area*	Living	34.0 m ²
	Front Porch	3.4 m ²
	Store	1.1 m ²
	Total Unit Area	38.5 m²

* The above areas have been calculated in accordance with the Property Council of New Zealand's - The Guide for the Measurement of Rentable Areas (Residential).

In the event of any uncertainty as to the Rentable Area (as defined by the PCNZ) of the subject premises it is recommended that a formal survey plan be sought from a suitably qualified surveyor.

Layout

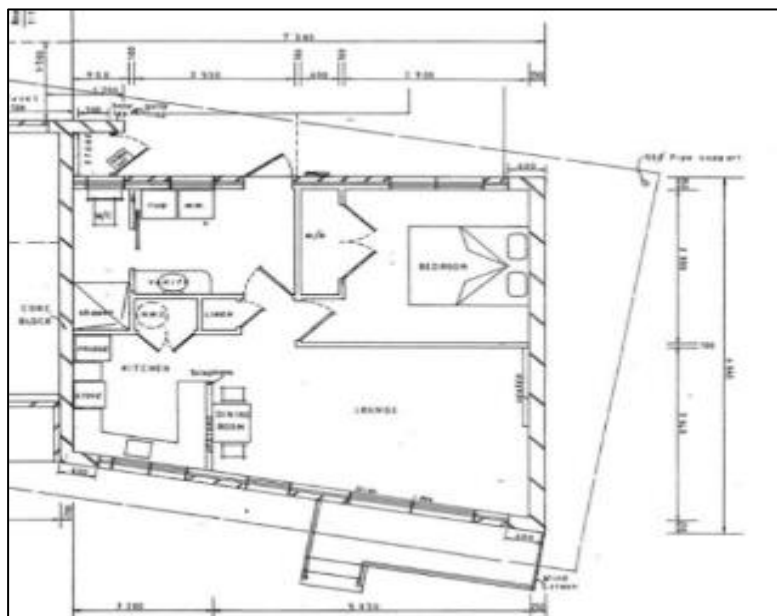
Each unit has a uniform layout which consists of a combined living and sleeping area, separate kitchen accessed off the "living" end of the unit, and a bathroom accessed from the "sleeping" end of the unit.

Fittings and Facilities

Living/Sleeping	Glazed entrance door, storage cupboard, heat pump air-conditioning unit.
Kitchen	Stainless steel sink bench, laminate bench top, timber under bench cupboards, four element electric stove, 135 litre electric hot water cylinder in cupboard.
Bathroom	Corner acrylic shower cabinet with glazed curved doors, extract fan, handbasin, WC, stainless steel laundry tub on cupboard unit.
Other	Smoke alarm, carpet and vinyl floor coverings. Drapes and curtains are not provided.

One-Bedroom Unit

Floor Plan



One-Bedroom Unit Floor Plan (Source: RLC)

Floor Area*	Living	46.4 m ²
	Front Porch	3.4 m ²
	Store	1.1 m ²
	Total Unit Area	50.9 m²

Other Improvements

These include a clothesline, letterbox, sealed off-street carparking areas (no allocated carparks) and basic site development in the way of lawn and concrete paths surrounding the units.

Photos

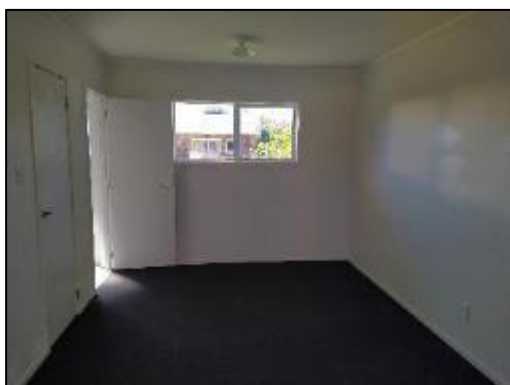
Unit 8 at 8 Lucas Place– Southern end unit in a block of 4 attached units 5-8



Front entrance in block



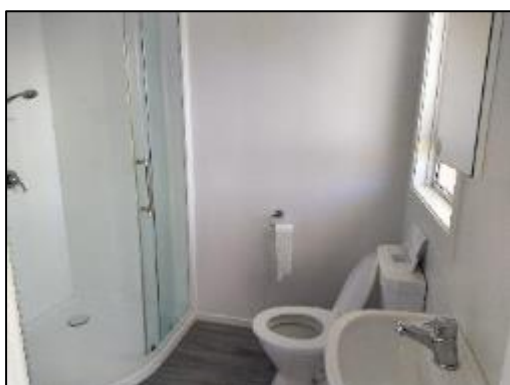
Front entrance, exterior end wall



Living / Sleeping



Kitchen



Bathroom



Front, Units 5-8

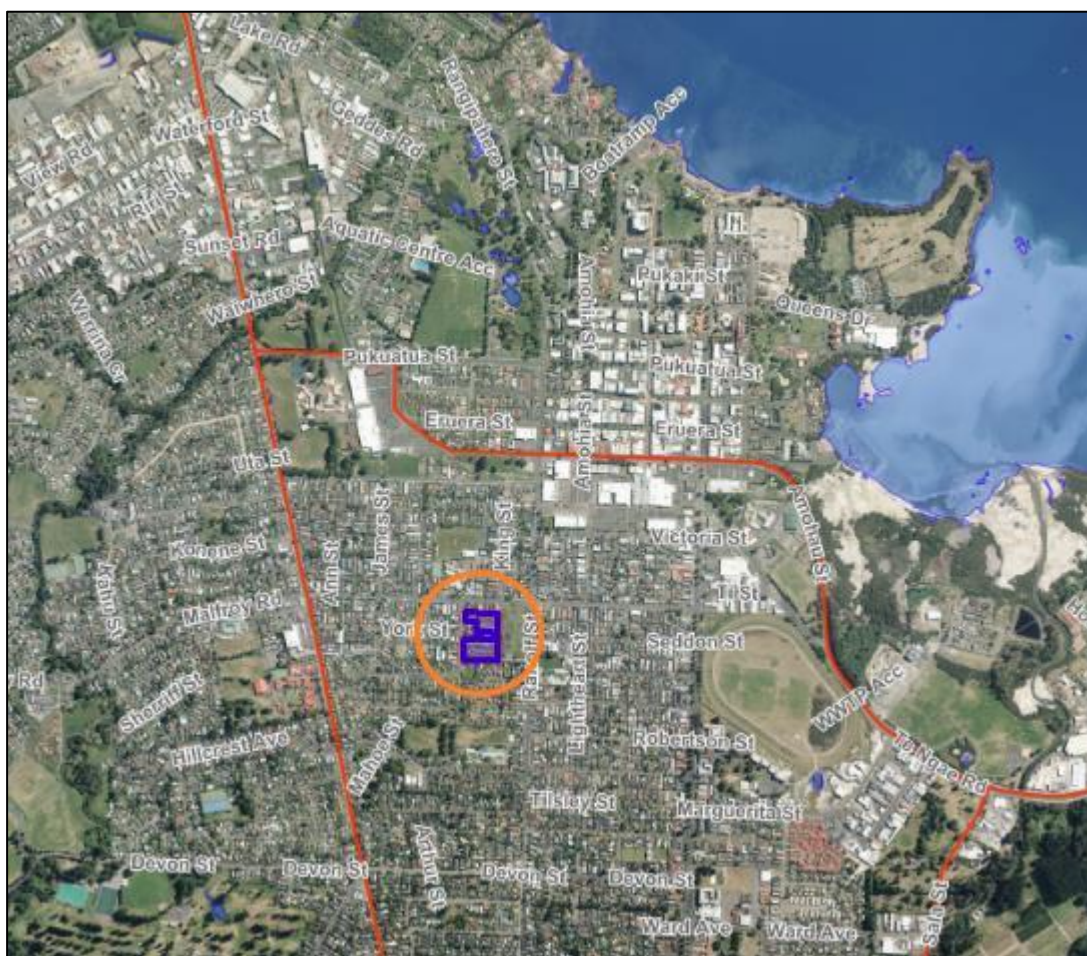
Carparks	There are no allocated carparks. The rental is inclusive of one carpark space, if required by the tenant.
Common Areas	The surrounding site development is common area.
Landlord improvements	Floor coverings, electric stove, kitchen and bathroom fittings, light fittings, heat pump.
Building Services	Power, electric hot water cylinder, heat pump, extract fan, smoke alarm.
Seismic Assessment	We are not aware of any seismic engineering assessment having been completed for the building. As we are not structural experts, we are unable to comment on the likely classification of the building.

3.2 Rawhiti Complex, Glenholme, Rotorua

3.2.1 Overview

This development contains 62 units and is formed around a cul-de-sac, being Kahikatea Street, a cul-de-sac at 14 Miller Street, and a driveway at 2 Miller Street in the Glenholme area of Rotorua. The units were constructed circa 1955, 1963 and 2005.

3.2.2 Situation and Locality



Source: Rotorua Lakes Council

NB. Please note that the boundaries noted are indicative only

Kahikatea Street is a cul-de-sac situated off Miller Street in the Glenholme area of Rotorua, near the junction of Malfroy Road and Ranolf Street, within 1 kilometre south of the Rotorua CBD, shown within the area circled orange on the above location map. This is a well-established Residential 2 Zoned area with the surrounding development containing residential dwellings and attached home units of the 1960s and subsequent. The new *Kainga Ora* housing development lies east of the Property. This is a development on a 2ha block, situated at the corner of Ranolf Street and Malfroy Road, which was purchased by *Kainga Ora* in mid 2021 and will contain 61 new homes. Stage One of this development

is situated on the western side of Ranolf Street. The homes constructed to date are low cost, transportable housing. The development will contain a mixture of one-bedroom, two-bedroom, three-bedroom and four-bedroom dwellings with a community space. Stage One will contain 37 one and two storey homes and Stage Two (yet to be constructed) will contain 24 apartments in 2 three-storey buildings (*Kāinga Ora*).

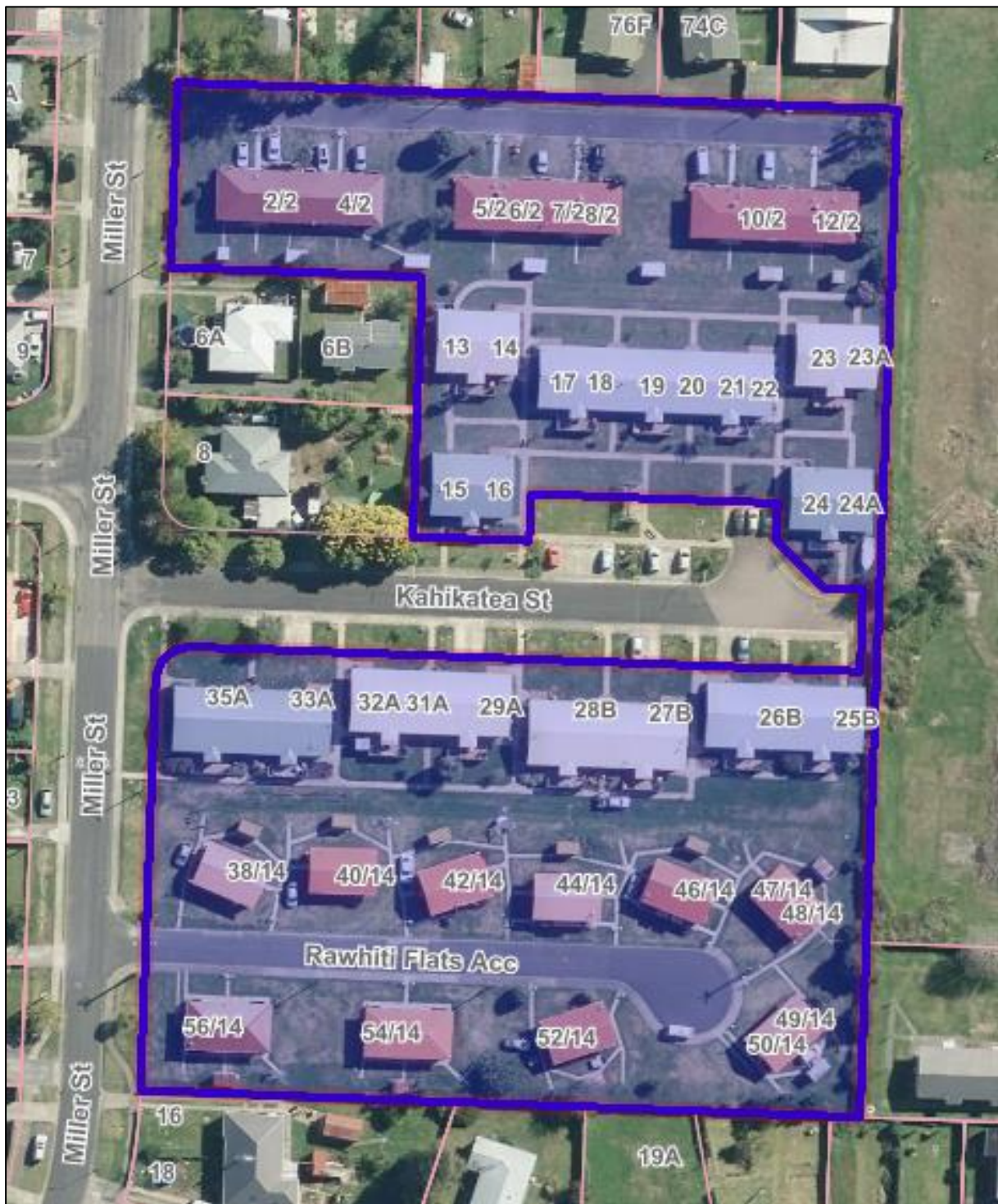
There is a bus service for the Route 11 bus service which runs between the Rotorua CBD and *Toi Ohomai Institute of Technology* via Fenton Park and Te Puia.

3.2.3 District Plan Zoning

Territorial Authority	Rotorua Lakes Council
Plan name	Rotorua District Plan
Plan status	Operative 2016 – Reformatted 2021
Zoning	Residential 2 Zone
Purpose	This zone provides for medium density residential areas located close to the city centre with a mix of single storey and two-storey apartment style living, with limited outdoor space.
Permitted Activities	Residential units are a Permitted Activity within this zone.
Zoning effect	Under the Operative District Plan the property is suited to residential use.

The above information is not intended to be professional resource management advice and is provided for valuation purposes only. We recommend a qualified resource management consultant be employed for further detail if required.

3.2.4 Premises Description



Aerial photo of the 62 units at the Rawhiti unit complex at Kahikatea Street, 2 Miller Street and 14 Miller Street, Glenholme, Rotorua

Source: Rotorua Lakes Council

This complex contains a total of 62 units:

- There are 2 blocks of two adjoining one-bedroom units (4 x 1BR units) and 8 blocks of two adjoining bedsit units (16 x Bedsit units) situated on the southern side of the development with access via a cul-de-sac at 14 Miller Street (Rawhiti Flats Acc).
- 3 blocks of four adjoining, one-bedroom units (12 x 1BR units) are situated accessed off a driveway at 2 Miller Street on the northern side of the development.
- 4 blocks of two adjoining, one-bedroom units (8 x 1BR units) and 1 block of 6 adjoining, one-bedroom units (6 x 1BR units) are situated on the northern side of Kahikatea Street.
- 4 blocks of four adjoining, one-bedroom units (16 x 1BR units) are situated on the southern side of Kahikatea Street.

The *Rawhiti* complex units are situated on land legally described as Lot 1 Deposited Plan 366320 South Auckland Registry, with a total land area of 1.6438 ha.

The land has a more or less flat contour, which lies slightly above road level. Services available to the site include power, district water supply, sewage and stormwater disposal. Fibre, VDSL, ADSL and wireless broadband services are available in this location. Kahikatea Street and the cul-de-sac at 14 Miller Street are sealed, kerbed and channelled with concrete footpaths and street lighting. There is underground power reticulation to Kahikatea Street and overhead powerlines to 14 Miller Street. The driveway at 2 Miller Street is sealed. Individual power supply and a metered water connection are available to each unit.

Construction

The units are constructed with a concrete ring foundation wall and/or concrete piles with timber floor, brick veneer and fibrolite cladding over timber framing, galvanised corrugated iron roof and PVC spouting and downpipes. Some units have recently been upgraded with new wall, ceiling and underfloor (for the timber floors) insulation, new Gibraltar board wall linings, upgraded bathroom/laundry and kitchen fittings, double glazed powder coated aluminium joinery and new carpet and vinyl floor coverings. The rental assessments are based on generic “upgraded” bedsit and one-bedroom units based on our inspection of Unit 37 (Bedsit Unit) at 37/14 Miller Street, Unit 53 (One-Bedroom Unit) at 53/14 Miller Street and Unit 12 (One-Bedroom Unit) at 2 Miller Street. The bedsit units have internal laundry facilities within the kitchen area and the one-bedroom units at 14 Miller Street and 2 Miller Street have a shared laundry with external access between two units.

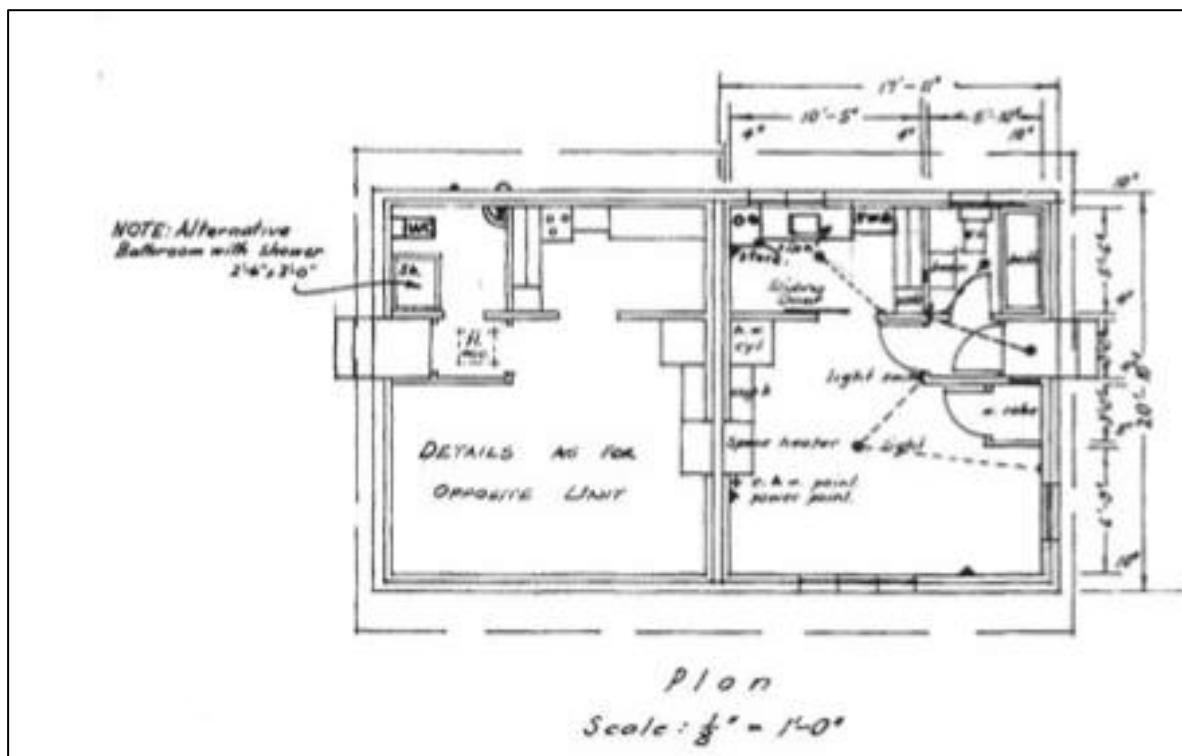
a) 14 Miller Street

The units at 14 Miller Street were constructed circa 1955 and 1963 and contain 2 blocks of two attached one-bedroom units (4 x 1BR units), and 8 blocks of two attached bedsit units (16 x Bedsit units) with a total of 20 units.

Bedsit Units

The upgraded bedsit units have a small front entrance porch, a combined living and sleeping area with wardrobe, hot water cylinder in cupboard, separate kitchen with laminate bench top, stainless steel sink unit, taps and drain for washing machine, under bench cupboards and a freestanding four element electric stove. The bathroom has an acrylic shower cabinet with glazed door, extract fan, handbasin, medicine cabinet and WC.

Floor Plan



Floor Plan – Bedsit Units (Source: RLC)

Floor Area*	Living	34.0 m ²
	Front Porch	0.8 m ²
	Total Unit Area	34.8 m²

* The above areas have been calculated in accordance with the Property Council of New Zealand's - The Guide for the Measurement of Rentable Areas (Residential).

In accordance with a PDF copy of scanned plans dated 1955, 1963 and 2005 provided by *Rotorua Lakes Council* and onsite check measurements taken during inspection, the following areas have been adopted for valuation purposes.

In the event of any uncertainty as to the Rentable Area (as defined by the PCNZ) of the subject premises it is recommended that a formal survey plan be sought from a suitably qualified surveyor.

Eastern Unit 37, at 38/14 Miller Street - Bedsit Unit



Exterior – Units 37 & 38 in block of 2 attached units



Sleeping and Living Area



Kitchen

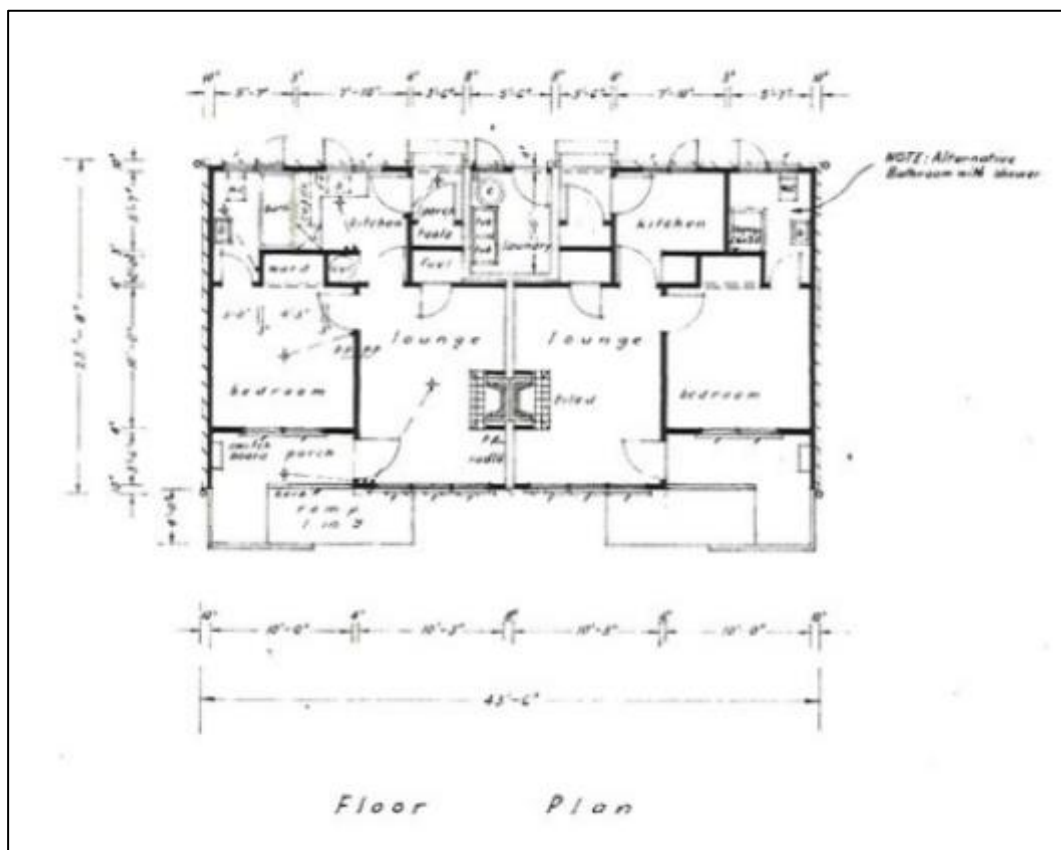


Bathroom

One Bedroom Units

The upgraded one-bedroom units have a separate lounge with a front entrance door off a porch/terrace, one small double bedroom with built in wardrobe, bathroom with corner acrylic shower cabinet with glazed doors, extract fan, vanity unit, medicine cabinet and WC and a separate kitchen with laminate bench top, stainless steel sink unit, Melteca under bench cupboards and a freestanding four element electric stove. The unit has a shared laundry between the two units with external access and a stainless steel laundry tub for each unit.

Floor Plan



Floor Plan – One Bedroom Units (Source: RLC)

Floor Area*	Living	40.9 m ²
	Front Porch/Terrace	3.0 m ²
	Rear Porch	1.7 m ²
	Total Unit Area	45.6 m²
	Shared Laundry	4.4 m ²

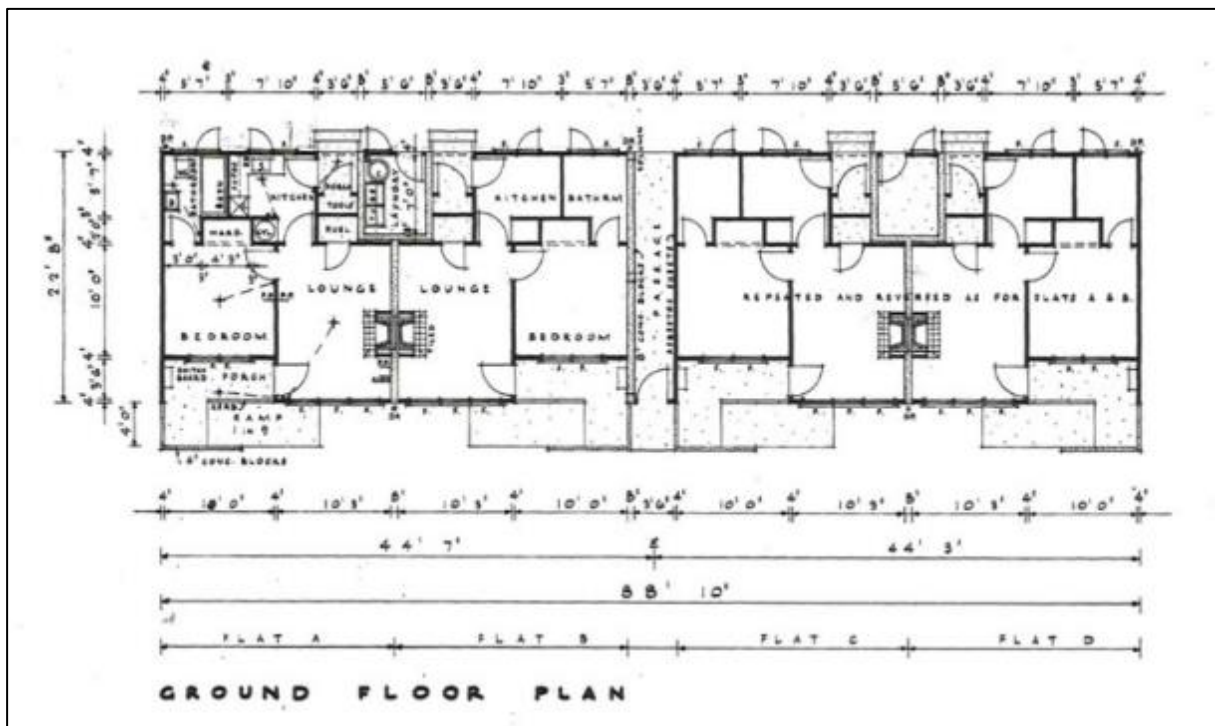
Eastern Unit 53, at 54/14 Miller Street – One Bedroom Unit



Exterior – Units 53 & 54 in block of 2 attached units

b) 2 Miller Street

The units at 2 Miller Street were constructed circa 1955 and 1963 and contain 3 blocks of four one-bedroom units (12 x 1BR units), with a central covered walkway between the two central units of each block.



4 x 1 Bedroom units Floor Layout Plan Units A-D, 2 Miller Road (Source: RLC)

One Bedroom Units

The upgraded one-bedroom units have a separate lounge with a glazed entrance door off a front porch/terrace, one small double bedroom with built in wardrobe, bathroom with corner acrylic shower cabinet with glazed doors, extract fan, vanity unit, medicine cabinet and WC and a separate kitchen with laminate bench top, stainless steel sink unit, Melteca under bench cupboards and a freestanding four element electric stove. The unit has a shared laundry between the two units with external access and a stainless steel laundry tub for each unit.

Floor Area*	Living	38.0 m ²
	Front Porch/Terrace	3.7 m ²
	Rear Porch	1.8 m ²
	Total Unit Area	43.5 m²
	Shared Laundry	3.6 m ²

Unit 12, 2 Miller Street: One-Bedroom Unit in block of 4 attached units



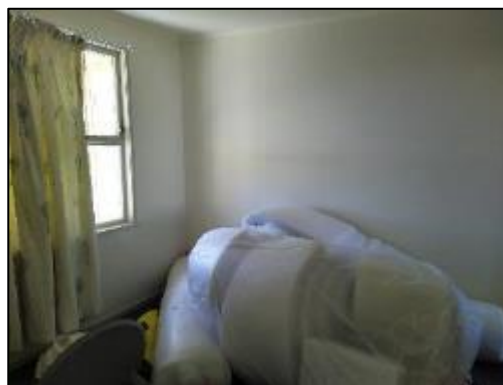
Front of Block



Rear of Block



Living



Bedroom



Bathroom



Shared Laundry

c) Kahikatea Street North

The units on the northern side of Kahikatea Street were constructed circa 2005 and contain 4 blocks of two adjoining, one-bedroom units (8 x 1BR units) and 1 block of 6 one-bedroom units (6 x 1BR units)

Construction

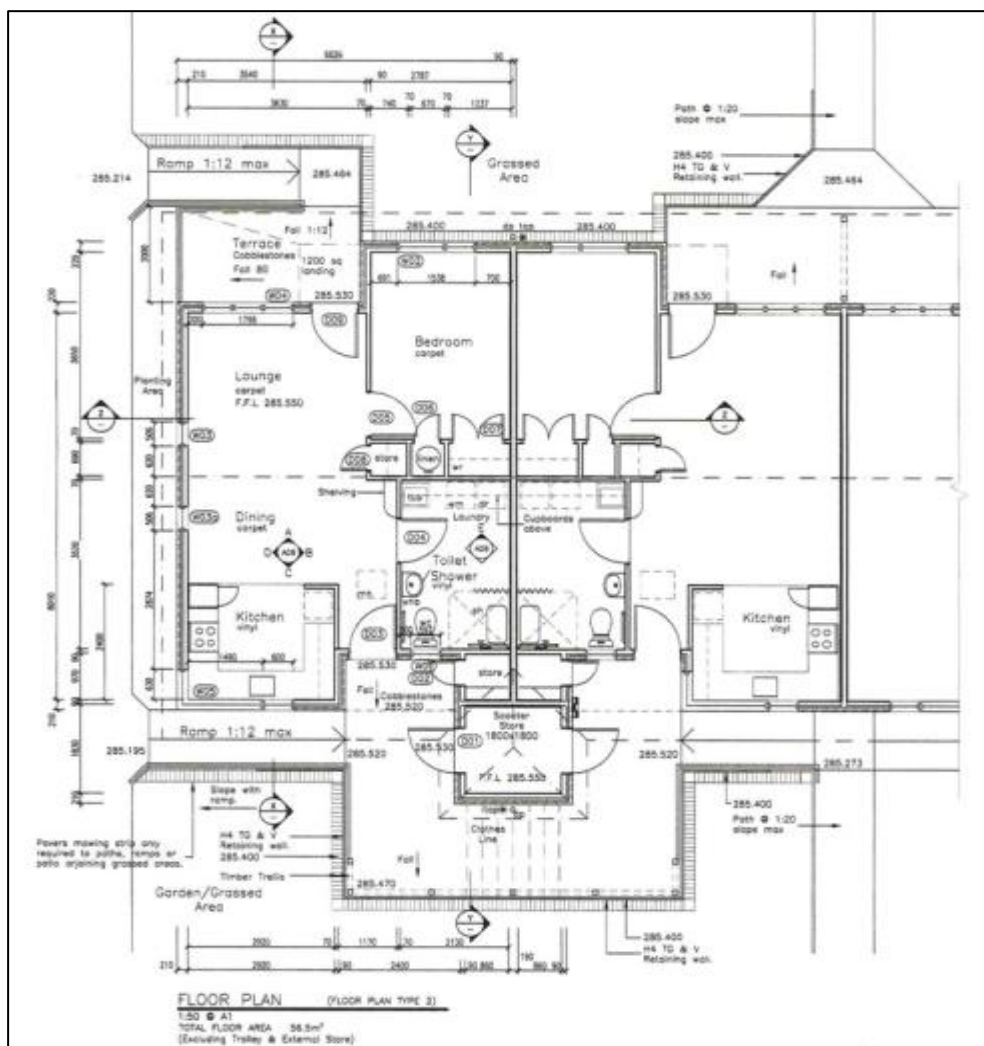
The units are constructed with concrete foundations and floor, timber frame, brick veneer and Coloursteel cladding, Colorsteel roof, double glazed powder coated aluminium joinery and Gibraltar board interior wall and ceiling linings.

Fittings include a laminate bench top, stainless steel sink, Melteca under bench cupboards and stove to the kitchen, handbasin, WC, walk-in shower and stainless steel laundry tub to the bathroom, ranch slider door opening onto a front terrace from the living area and a heat pump. The interior has recently been repainted and the showers have been upgraded with walk-in wet-floor showers. There is an external store cupboard and an external access shared scooter storage room located between every two units. The rental assessments are based on generic "upgraded" bedsit and one-bedroom units based on our inspection of Unit 23 (one-bedroom unit) at Kahikatea Street.

Note: The comments on condition are for descriptive purposes only and this report is not, nor is it intended to be, a structural, geotechnical, environmental or weather tightness survey.

One Bedroom Units

Floor Plan

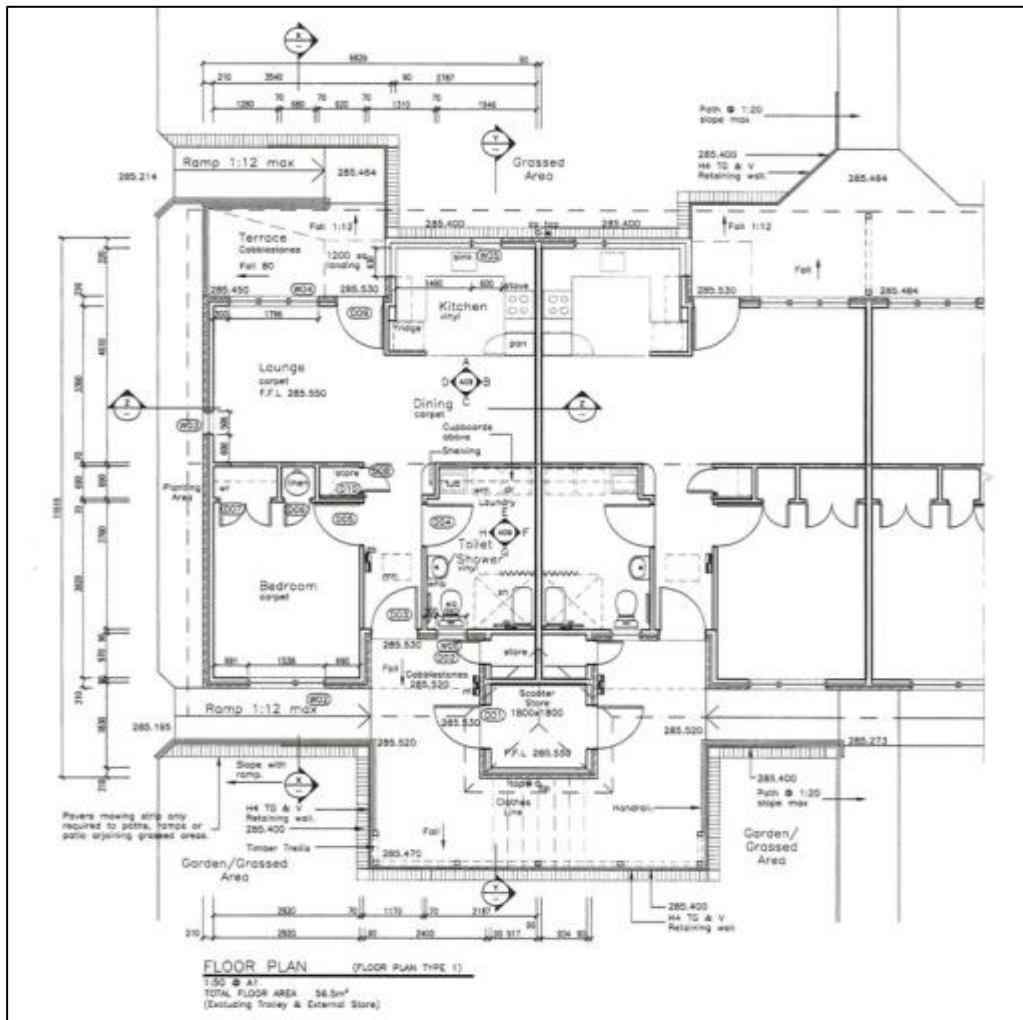


Floor Plan One-Bedroom Type 2 Units (Source: RLC)

Floor Area*	Living	56.5 m ²
	Front Porch/Terrace	7.5 m ²
	Rear Porch	2.7 m ²
	External Store Room	1.0 m ²
	Total Unit Area	67.7 m²
	Shared Scooter Store	4.0 m ²

d) Kahikatea Street South

The units on the southern side of Kahikatea Street were constructed circa 2005 and contain 4 blocks of four adjoining, one-bedroom units (16 x 1BR units).



Floor Plan One-Bedroom Type 1 Units (Source: RLC)

Floor Area*	Living	56.5 m ²
	Front Porch/Terrace	7.5 m ²
	Rear Porch	2.7 m ²
	External Store Room	1.0 m ²
	Total Unit Area	67.7 m²
	Shared Scooter Store	4.0 m ²

Other Improvements

These include a clothesline, letterbox, sealed off-street carparking areas (no allocated carparks) and basic site development in the way of lawn and concrete paths surrounding the units.

Carparks	There are no allocated carparks. The rental is inclusive of one carpark space, if required by the tenant.
Common Areas	The surrounding site development is common area.
Landlord improvements	Floor coverings, electric stove, kitchen and bathroom fittings, light fittings, heat pump.
Building Services	Power, electric hot water cylinder, heat pump, extract fan, smoke alarm.

3.4 Westbrook, Corner Thebes and Osiris Streets and Pharoah Place, Pomare, Rotorua

3.4.1 Overview

This development is situated at the corner of Thebes Street, Osiris Street and Pharoah Place and contains 9 one-bedroom units. The units have a single bedroom and one unit has a double bedroom.

3.4.2 Situation and Locality



Source: Rotorua Lakes Council

NB. Please note that the boundaries noted are indicative only

Thebes Street is situated off Malfroy Road, west of Old Taupō Road (State Highway 5), some 2 kilometres south-west of the Rotorua CBD, shown within the area circled orange on the above location map. This is a well-established Residential 1 Zoned area with the surrounding development containing residential dwellings and attached home units of the 1960s and subsequent.

The Rotorua Netball lies west of the Property, the Westbrook Tavern is within 100 metres and there are local shops, including a Four Square supermarket on Malfroy Road within 150 metres. The Route 08 bus service runs between the Rotorua CBD and Westbrook via Malfroy Road, with a bus stop on Malfroy Road within 150 metres.

3.4.3 District Plan Zoning

Territorial Authority	Rotorua Lakes Council
Plan name	Rotorua District Plan
Plan status	Operative 2016 – Reformatted 2021
Zoning	Residential 1 Zone
Purpose	This zone provides for areas used predominantly for residential activities with moderate concentration and bulk of buildings, such as detached, semi-detached and terraced housing, low-rise apartments, rest homes, and other compatible activities. Over time, as an increase in residential density occurs, a medium density residential urban built character is expected, including three storey residential buildings, integrated with on-site landscaped areas.
Permitted Activities	Residential units are a Permitted Activity within this zone.
Zoning effect	Under the Operative District Plan the property is suited to residential use.

The above information is not intended to be professional resource management advice and is provided for valuation purposes only. We recommend a qualified resource management consultant be employed for further detail if required.

3.4.4 Premises Description



Aerial photo of the 9 Units at the corner of Thebes Street, Osiris Street and Pharoah Place, Rotorua

Source: Rotorua Lakes Council

This development is accessed via a driveway from Thebes Street and a driveway from Pharoah Place, which leads to four carports.

There are three blocks of two adjoining, one-bedroom units, and one block of three adjoining one-bedroom units. The units provide single bedrooms, with Unit 8 being a larger unit with a double sized bedroom.

The units are situated on land legally described as Lots 20, 21 and 22 Deposited Plan 23824 South Auckland Registry, with a total land area of 2260m² (1.241 ha). Some units are situated over more than one lot.

The land has a flat to gentle sloping contour, which lies about 1m above road level. Services available to the site include power, district water supply, sewage and stormwater disposal. Fibre, VDSL, ADSL and wireless broadband services are available in this location. Thebes Street, Osiris Street and Pharoah Place are sealed, kerbed and channelled with concrete footpaths, street lighting and underground power reticulation. Individual power supply and a metered water connection are available to each unit.

Construction

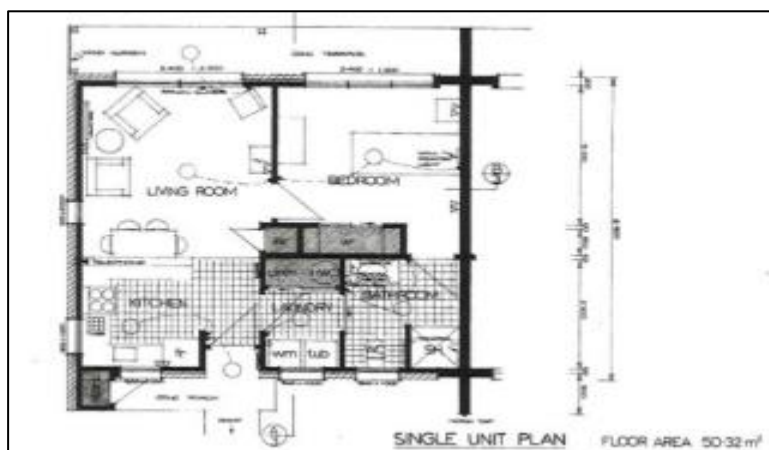
The units were constructed circa 1985 with concrete foundations and floor, brick veneer and fibre cement sheet cladding over timber framing, single glazed aluminium window joinery, Colorsteel roof and PVC spouting and downpipes. There are concrete block walls between the units with Gibraltar board wall and ceiling linings and paint quality doors.

The rental assessments are based on a “generic” one-bedroom units based on our inspection of Unit 2B, which is in largely original condition.

Note: The comments on condition are for descriptive purposes only and this report is not, nor is it intended to be, a structural, geotechnical, environmental or weather tightness survey.

Single One-Bedroom Units

Floor Plan



One-Bedroom (single unit) Floor Plan (Source: RLC)

Floor Areas

In accordance with a PDF copy of scanned plans dated July 1985 provided by *Rotorua Lakes Council* and onsite check measurements taken during inspection, the following areas have been adopted for valuation purposes:

Floor Area*	Living	49.6 m ²
	Front Terrace	8.6 m ²
	Rear Porch	2.6 m ²
	Store Cupboard	0.5 m ²
	Total Unit Area	61.3 m²

Double One-Bedroom Unit

Floor Plan



One-Bedroom (double unit) Floor Plan (Source: RLC)

Floor Area*	Living	54.8 m ²
	Front Terrace	8.6 m ²
	Rear Porch	2.6 m ²
	Store Cupboard	0.5 m ²
	Total Unit Area	66.5 m²

* The above areas have been calculated in accordance with the Property Council of New Zealand's - The Guide for the Measurement of Rentable Areas (Residential).

In the event of any uncertainty as to the Rentable Area (as defined by the PCNZ) of the subject premises it is recommended that a formal survey plan be sought from a suitably qualified surveyor.

Layout

Each unit has a uniform layout which consists of an open plan living room and kitchen, one single bedroom, bathroom and laundry. The unit at 8 Osiris Street has a double sized bedroom.

Fittings and Facilities

Living	Ranch slider door opening onto front concrete terrace.
Kitchen	Stainless steel sink bench, breakfast bar/servery, laminate bench top, timber under bench cupboards, four element electric stove, extract fan, back door to rear porch.

Bedroom	Built in wardrobe, access to bathroom.
Bathroom	Two-way access from bedroom and laundry, shower with stainless steel tray, extract fan, handbasin, WC.
Laundry	Electric hot water cylinder, linen cupboard, stainless steel tub on cupboard unit.
Other	Smoke alarm, carpet and vinyl floor coverings. Drapes and curtains are not provided. Store cupboard accessed from rear porch.

Other Improvements

These include a sealed driveway which leads to a detached carport building (no allocated carport spaces), concrete and cobblestone paths, clotheslines, letterboxes, timber boundary fencing and basic site development in the way of lawn, trees and shrubs surrounding the units.

Photos



Units



Units



Carport

Carparks	There are no allocated carparks. The rental is inclusive of one carpark space, if required by the tenant.
Common Areas	The surrounding site development is common area.
Landlord improvements	Floor coverings, electric stove, kitchen and bathroom fittings, light fittings, heat pump.
Building Services	Power, electric hot water cylinder, heat pump, extract fan, smoke alarm.
Seismic Assessment	We are not aware of any seismic engineering assessment having been completed for the building. As we are not structural experts, we are unable to comment on the likely classification of the building.

3.5 Dawson Drive, Ngongotahā, Rotorua

3.5.1 Overview

This development is situated on a rear site at 21 Dawson Drive, Ngongotahā and contains 8 units in 1 block of three adjoining, one-bedroom units, and 1 block of five adjoining, one-bedroom units.

3.5.2 Situation and Locality



Source: Rotorua Lakes Council

NB. Please note that the boundaries noted are indicative only

The units are located on a rear site on Dawson Drive, which is a short street between Ngongotahā Road and Caldonia Road, approximately 1 kilometre south of the Ngongotahā shopping area and some 7 kilometres north of the Rotorua CBD. This is a well-established Residential 1 Zoned area with the surrounding development containing residential dwellings and attached home units of the 1960s and subsequent.

The Rotorua lakefront lies within 500 metres (by road). The Route 01 bus service runs between the Rotorua CBD and Ngongotahā and the Agrodome Park. There is a bus stop on Ngongotahā Road within 400 metres of the property.

3.5.3 District Plan Zoning

Territorial Authority	Rotorua Lakes Council
Plan name	Rotorua District Plan
Plan status	Operative 2016 – Reformatted 2021
Zoning	Residential 1 Zone
Purpose	This zone provides for areas used predominantly for residential activities with moderate concentration and bulk of buildings, such as detached, semi-detached and terraced housing, low-rise apartments, rest homes, and other compatible activities. Over time, as an increase in residential density occurs, a medium density residential urban built character is expected, including three storey residential buildings, integrated with on-site landscaped areas.
Permitted Activities	Residential units are a Permitted Activity within this zone.
Zoning effect	Under the Operative District Plan the property is suited to residential use.

The above information is not intended to be professional resource management advice and is provided for valuation purposes only. We recommend a qualified resource management consultant be employed for further detail if required.

3.5.4 Premises Description



Aerial photo of the 8 Units at 21 Dawson Drive, Ngongotahā, Rotorua

Source: Rotorua Lakes Council

This development is accessed via a shared, sealed driveway from Dawson Place, which runs the properties at 23A and 23B Dawson Drive, past the block of five units and leads to four carports situated at the rear of the property, near Unit 6 in the rear block of three units.

There is 1 block of five adjoining units and 1 block of three adjoining units. The units face a large, central grassed area, with an easterly aspect to Units 1-5 and a northerly aspect to Units 6-8.

The units are situated on land legally described as Lot 23 Deposited Plan 37345 South Auckland Registry, with a total land area of 3247m² (0.3247ha).

The land has a more or less flat contour, which lies about 0.5m above road level. Services available to the site include power, district water supply, sewage and stormwater disposal. Fibre, VDSL, ADSL and wireless broadband services are available in this location. Dawson Drive is sealed, kerbed and channelled with concrete footpaths, street lighting and overhead powerlines. Individual power supply and a metered water connection are available to each unit.

Construction

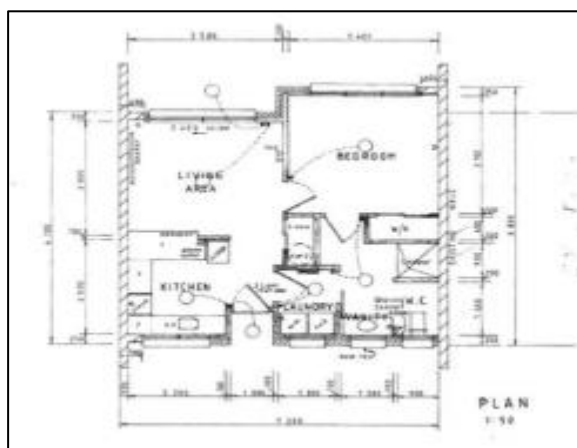
The units were constructed circa 1980 with concrete foundations and floor, brick veneer and fibre cement sheet cladding over timber framing, single glazed aluminium window joinery, Decramastic tile roof and PVC spouting and downpipes. There are concrete block walls between the units with Gibraltar board walls and Pinex softboard ceiling tiles.

The rental assessments are based on a “generic” one-bedroom units based on our inspection of Unit 6, which is in largely original condition.

Note: The comments on condition are for descriptive purposes only and this report is not, nor is it intended to be, a structural, geotechnical, environmental or weather tightness survey.

One-Bedroom Units

Floor Plan



One-Bedroom Floor Plan (Source: RLC)

Floor Areas

In accordance with a PDF copy of scanned plans dated October 1980 provided by *Rotorua Lakes Council*, the following areas have been adopted for valuation purposes:

Floor Area*	Living	46.4 m ²
	Front Terrace	3.5 m ²
	Total Unit Area	49.9 m²

* The above areas have been calculated in accordance with the Property Council of New Zealand’s - The Guide for the Measurement of Rentable Areas (Residential).

In the event of any uncertainty as to the Rentable Area (as defined by the PCNZ) of the subject premises it is recommended that a formal survey plan be sought from a suitably qualified surveyor.

Layout

Each unit has a uniform layout which consists of an open plan living room and kitchen, one bedroom, bathroom and laundry.

Unit 8 has a larger floor area, being built out to the soffit line with a gable end to the roof, to accommodate a slightly larger bedroom with a unit living area of 46.0m² and front porch of 3.5m².

Fittings and Facilities

Living	Ranch slider door opening onto front concrete terrace, electric hot water cylinder and linen cupboard.
Kitchen	Stainless steel sink bench, breakfast bar/servery, laminate bench top, timber under bench cupboards, four element electric stove, extract fan, back door.
Bedroom	Double sized room, built in wardrobe, access to bathroom.
Bathroom	Two-way access from bedroom and laundry, shower with stainless steel tray, extract fan, handbasin, WC.
Laundry	Stainless steel tub on cupboard unit.
Other	Smoke alarm, carpet and vinyl floor coverings. Drapes and curtains are not provided.

Other Improvements

These include a sealed driveway which leads to a detached carport building (no allocated carport spaces), concrete paths, clotheslines, letterboxes, timber boundary fencing and basic site development in the way of lawns, shrubs and some raised vege planter boxes.

Photos



Units 6 - 8 front



Units 6-8 rear



Units 1 - 5 front



Grassed Area



Carport

Carparks	There are no allocated carparks. The rental is inclusive of one carpark space, if required by the tenant.
Common Areas	The surrounding site development is common area.
Landlord improvements	Floor coverings, electric stove, kitchen and bathroom fittings, light fittings, heat pump.
Building Services	Power, electric hot water cylinder, heat pump, extract fan, smoke alarm.
Seismic Assessment	We are not aware of any seismic engineering assessment having been completed for the building. As we are not structural experts, we are unable to comment on the likely classification of the building.

3.6 Domain Avenue, Ngongotahā, Rotorua

3.6.1 Overview

This development is situated at 6 Domain Avenue, Ngongotahā and contains 7 units in 1 block of three adjoining, one-bedroom units, and 1 block of four adjoining, one-bedroom units.

3.6.2 Situation and Locality



Source: Rotorua Lakes Council

NB. Please note that the boundaries noted are indicative only

The units are located on the northern side of Domain Avenue, which is a short street which leads to Ngongotahā Domain off Ngongotahaā Road, approximately 500 metres south of the Ngongotahā shopping area and some 7.5 kilometres north of the Rotorua CBD. This is a well-established Residential 1 Zoned area with the surrounding development containing residential dwellings and attached home units of the 1960s and subsequent.

The property is adjacent to, and has an outlook over, the Ngongotahā Domain and is opposite the Ngongotahā Bowling Club. The Rotorua lakefront lies within 1 kilometre (by road).

The Route 01 bus service runs between the Rotorua CBD and Ngongotahā and the Agrodome Park. There is a bus stop on Ngongotahā Road within 200 metres of the property.

3.6.3 District Plan Zoning

Territorial Authority	Rotorua Lakes Council
Plan name	Rotorua District Plan
Plan status	Operative 2016 – Reformatted 2021
Zoning	Residential 1 Zone
Purpose	This zone provides for areas used predominantly for residential activities with moderate concentration and bulk of buildings, such as detached, semi-detached and terraced housing, low-rise apartments, rest homes, and other compatible activities. Over time, as an increase in residential density occurs, a medium density residential urban built character is expected, including three storey residential buildings, integrated with on-site landscaped areas.
Permitted Activities	Residential units are a Permitted Activity within this zone.
Zoning effect	Under the Operative District Plan the property is suited to residential use.

The above information is not intended to be professional resource management advice and is provided for valuation purposes only. We recommend a qualified resource management consultant be employed for further detail if required.

3.6.4 Premises Description



Aerial photo of the 7 Units at 6 Domain Avenue, Ngongotahā, Rotorua

Source: Rotorua Lakes Council

This development is accessed via a sealed driveway from Domain Avenue which Dawson Place, which runs past the block of three units and leads to four carports situated near the centre of the property near Unit 4, in the rear block of four units.

There is 1 block of three adjoining units and 1 block of four adjoining units. The units have an easterly aspect to the living and bedroom area and have an outlook over the Ngongotahā Domain, which is a grassed reserve.

The units are situated on land legally described as Lot 1 Deposited Plan S480 South Auckland Registry, with a total land area of 1644m² (0.1644ha).

The land has a more or less flat contour, which lies about 0.5m above road level. There is a stream gully north of the property. Services available to the site include power, district water supply, sewage and stormwater disposal. Fibre, VDSL, ADSL and wireless broadband services are available in this location. Domain Avenue is sealed, kerbed and channelled with concrete footpaths, street lighting and overhead powerlines. An underground cable supplies power to the units and individual power supply and a metered water connection are available to each unit.

Construction

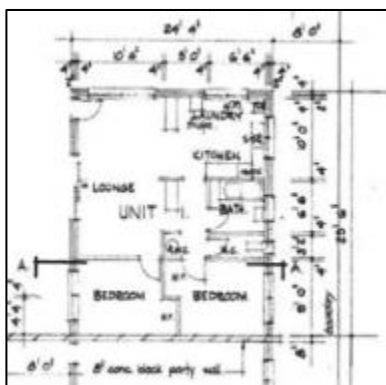
The units were constructed circa 1974 with concrete foundations and floor, brick veneer and fibre cement sheet cladding over timber framing, single glazed aluminium window joinery, Decramastic tile roof and PVC spouting and downpipes. There are concrete block walls between the units with Gibraltar board walls and Pinex softboard ceiling tiles.

The rental assessments are based on a “generic” one-bedroom unit based on our inspection of Unit 2, which is in largely original condition.

Note: The comments on condition are for descriptive purposes only and this report is not, nor is it intended to be, a structural, geotechnical, environmental or weather tightness survey.

One-Bedroom Units

Floor Plan



*One-Bedroom Floor Plan Unit 1
(Source: RLC) (Floor plan has
been changed to 1BR)*



*One-Bedroom Floor Plan
Unit 4 (Source: RLC)*

Floor Areas

In accordance with a PDF copy of scanned plans for the *Proposed Elderly Persons Flats for Domain Road, Ngongotahā* dated October 1974 for the provided by *Rotorua Lakes Council*, the following areas have been adopted for valuation purposes:

Floor Area*	3 Unit Block	4 Unit Block
Living	66.6 m ²	41.9 m ²
Front Terrace	0 m ²	3.0 m ²
Rear Porch	0 m ²	0.9 m ²
Total Unit Area	66.6 m²	45.8 m²

* The above areas have been calculated in accordance with the Property Council of New Zealand's - The Guide for the Measurement of Rentable Areas (Residential).

In the event of any uncertainty as to the Rentable Area (as defined by the PCNZ) of the subject premises it is recommended that a formal survey plan be sought from a suitably qualified surveyor.

Layout

Each unit has a uniform layout which consists of an open plan living room and kitchen, one bedroom, bathroom and laundry.

Fittings and Facilities

Living	Door opening onto front concrete terrace.
Kitchen	Stainless steel sink bench, breakfast bar/servery, laminate bench top, timber under bench cupboards, four element electric stove, extract fan, back door.
Bedroom	Double sized room, built in wardrobe.
Bathroom	Shower with stainless steel tray, extract fan, handbasin, WC.
Laundry	Electric hot water cylinder and linen cupboard, stainless steel tub on cupboard unit, back door.
Other	Smoke alarm, carpet and vinyl floor coverings. Drapes and curtains are not provided.

Other Improvements

These include a sealed driveway which leads to a detached carport building (no allocated carport spaces), concrete paths, clotheslines, letterboxes, timber boundary fencing and basic site development in the way of lawns, shrubs and trees surrounding the units.

Photos



Units 1-3



Units 4-7



Carport

Carparks	There are no allocated carparks. The rental is inclusive of one carpark space, if required by the tenant.
Common Areas	The surrounding site development is common area.
Landlord improvements	Floor coverings, electric stove, kitchen and bathroom fittings, light fittings, heat pump.
Building Services	Power, electric hot water cylinder, heat pump, extract fan, smoke alarm.
Seismic Assessment	We are not aware of any seismic engineering assessment having been completed for the building. As we are not structural experts, we are unable to comment on the likely classification of the building.

4 Pensioner Housing – Tenancy Agreement

We have been supplied, by *Rotorua Lakes Council*, with a PDF copy of the *Pensioner Housing - Tenancy Agreement* template. The terms of the Agreement are summarised as follows.

Date	-
Tenant (Lessee)	-
Landlord (Lessor)	Rotorua Lakes Council (operating name of Rotorua District Council)
Premises	-
Term	Two-weekly periodic tenancy The Agreement is subject to the Residential Tenancies Act 1986 as amended from time to time.
Bond	-
Current Rent	Two-weekly rent payable in advance on the first day of each subsequent two-week period of the tenancy.
Rent Reviews	The rent payable under the Agreement will be reviewed annually. The rent payable by the Tenant after the rent review shall not be less than the rent payable by the Tenant immediately before the rent review. The Landlord will give the Tenant not less than 60 days prior written notice specifying the amount of the rent increase and the date on which the rent increase will take effect.
Tenants Outgoings	<ul style="list-style-type: none"> • All charges for electricity consumed in the Premises, including any deposit required before power is supplied to the Premises. • All other charges that are exclusively attributable to the Tenant's occupation of the Premises – for example but not limited to telephone charges, gas charges and metered water charges (if any). <p>The Landlord shall pay all outgoings that would be incurred by the Landlord whether or not the Premises were occupied – for example but not limited to rates and insurance of the structure of the Premises.</p>
Tenant Obligations include	<p>The Tenant:</p> <ul style="list-style-type: none"> • Shall live in and use the Premises as their home. • Shall not use the Premises or any part thereof as a shop or workshop or for the purpose of any trade or business.

- Shall not (except with the prior written permission of the Landlord) allow any person other than the Tenant to live at the Premises:
 - (i) With the Tenant.
 - (ii) Whilst the Tenant is not at the Premises.
- May have not more than one friend or relative stay at the Premises with the Tenant whilst the Tenant is at the Premises for a period not exceeding one week at any one time. Further, no individual friend or relative can stay at the Premises on a regular basis.
- If the Tenant wishes to be absent from the Premises for a period of more than 31 days the Tenant shall (not less than 14 days before the intended absence) provide the Landlord with a written request to be permitted to be absent.
- May (after first obtaining the Landlord's consent in writing) keep one neutered cat or a single bird at the Premises. The Tenant however is not entitled to keep any other pets at the Premises.
- Shall keep the Premises in a safe and tidy condition.
- Shall keep the Landlord's Chattels and the interior of the Premises in clean and good working order and condition – fair wear and tear excepted.
- Shall not at any time smoke within the Premises – in order to comply with the Landlord's "smoke-free" no smoking policy. The Tenant and their visitors may smoke outside the Premises; however the Landlord reserves the right to require the Tenant and their visitors to only smoke outside of the grounds owned by the Landlord.
- Shall keep the grounds immediately surrounding the Premises reasonably clean, tidy and free from litter.
- Shall not make nor allow to be made any alterations or additions to any part of the Premises or alter the external appearance of the Premises.
- Shall not install or erect any TV aerial or satellite dish on the Premises.
- Shall not (without obtaining the Landlord's prior written consent) erect any structure on the grounds surrounding within the Premises.
- Is entitled to park one vehicle (and one vehicle only) within the designated parking areas near to the Premises. The Tenant shall ensure that that vehicle is fully warranted and registered at all times.
- And their workmen, visitors or agents shall not themselves and/or through the use of their vehicles cause or permit any noise or disturbance to or any interference with the reasonable peace, comfort or privacy of:
 - (i) Any of the Landlord's other tenants; or
 - (ii) Any other person residing in the neighbourhood.
- Shall inform the Landlord if:
 - (i) The Tenant's income or the value of the Tenant's assets exceeds the levels permitted under the Landlord's current housing policy criteria.
 - (ii) The Tenant no longer meets any of the Landlord's other current housing policy criteria.

Landlord Obligations

The Landlord:

- (a) Shall maintain the Premises in a reasonable state of repair having regard to the age and character of the Premises and the period during which the Premises are likely to remain habitable and available for residential purposes.
- (b) Shall comply with all requirements in respect of buildings and health and safety under any enactment so far as they apply to the Premises.
- (c) Shall arrange for the lawns and gardens owned by the Landlord in close proximity to the Premises to be mowed and maintained.
- (d) Shall allow the Tenant quiet enjoyment of the Premises.

Termination

The Tenant may terminate this Agreement by giving the Landlord not less than 21 days' written notice of the date on which the Tenant wishes this Agreement to come to an end ("the Tenant's Termination Notice"). At the same time as the Tenant gives the Landlord the Tenant's Termination Notice the Tenant shall provide the Landlord with the Tenant's new address and their contact phone number.

The Agreement may be terminated by the Landlord using the procedures and on the grounds set out in the Residential Tenancies Act 1986.

The provisions of the Residential Tenancies Act 1986 and the Residential Tenancies Amendment Act 2020 also apply.

Analysis of Rent

We have been advised, by *Rotorua Lakes Council* of the current rental of the premises as follows:

Location	"Generic" Unit Type	No. of Units	Existing Single Rental Rate	Existing Double Rental Rate
Rotorua				
Lucas Place, Fenton Park		66		
	Bedsit - Block of 4	52	\$98.61	\$126.73
	Bedsit - Block of 3	11	\$98.61	\$126.73
	Bedsit - Block of 2	2	\$98.61	\$126.73
	One Bedroom - end unit in Block of 3	1	\$120.79	\$142.66
Rawhiti Complex, Glenholme		62		
14 Miller Street	Bedsit - Block of 2	16	\$86.85	\$115.48
	One Bedroom - Block of 2	4	\$120.79	\$142.66
2 Miller Street	One Bedroom - Block of 4	12	\$120.79	\$142.66
Kahikatea Street North	One Bedroom - Block of 6	6	\$120.79	\$142.66
	One Bedroom - Block of 2	8	\$120.79	\$142.66
Kahikatea Street South	One Bedroom - Block of 4	16	\$120.79	\$142.66
Westbook Units		9		
Corner Thebes Street, Osiris Street and Pharoah Place	One Bedroom - Single	7	\$120.79	\$142.66
	One Bedroom - Single middle unit in block of 3	1	\$120.79	\$142.66
	One Bedroom - Double	1	\$120.79	\$142.66
Ngongotaha				
21 Dawson Drive "As Is"		8		
	One Bedroom, in block of 5	5	\$111.21	\$147.04
	One Bedroom, in block of 3	2	\$111.21	\$147.04
	One Bedroom, end unit in block of 3	1	\$111.21	\$147.04
Domain Avenue "As Is"		7		
	One Bedroom in block of 3	3	\$111.21	\$147.04
	One Bedroom in block of 4	4	\$111.21	\$147.04

There is no GST payable on domestic rentals and the tenant does not normally contribute towards rates and building insurance.

Outgoings

In the course of APL Property Valuation Ltd's instruction an estimate or budget for outgoings has not been provided for the subject premises.

As such, it is necessary to assume that the level of outgoings attributable sits within a reasonable band consistent with the subsequent body of tabled rent evidence for like properties which are similarly void of outgoings information. In keeping with observation of market behaviour, such additional occupancy costs are frequently unknown by letting agents and/or typically a peripheral consideration in the observed functioning of the Rotorua residential market.

Rotorua District Council pays the following outgoings:

- Rates
- Insurance
- Lawn Mowing and Yard Maintenance
- Management Fees

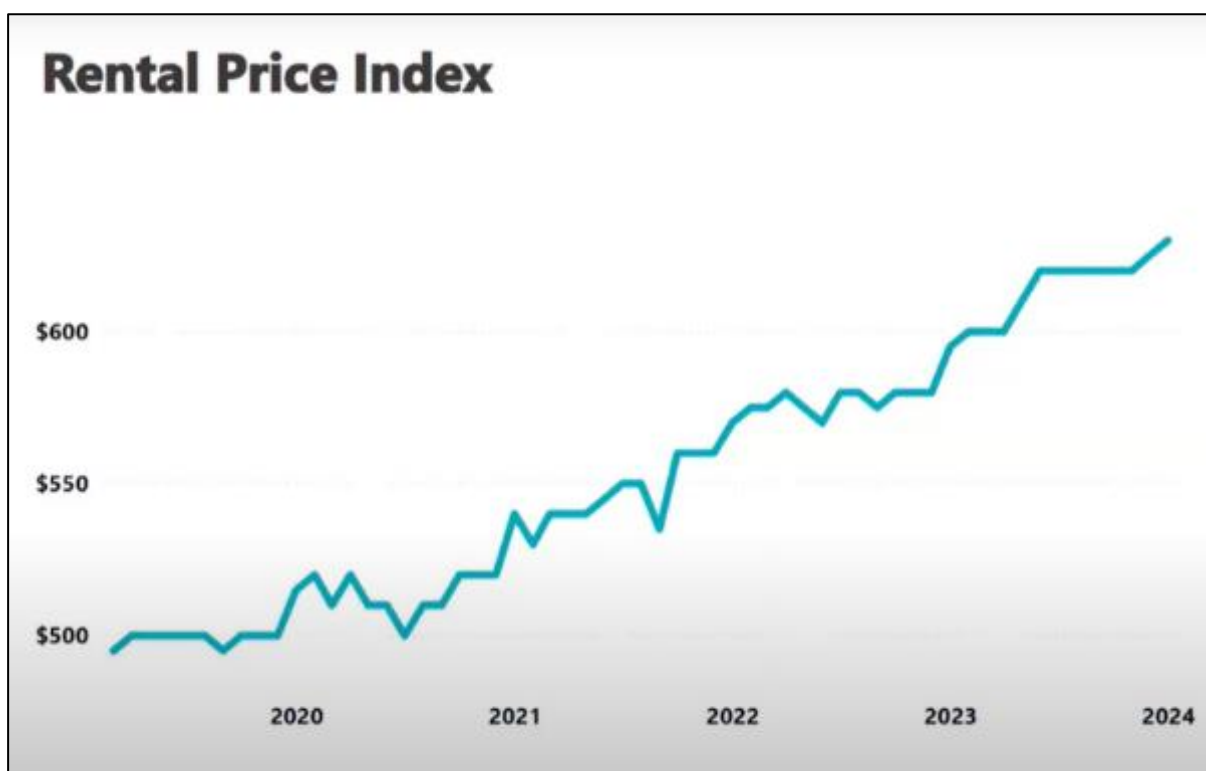
There is currently no GST payable on domestic rentals.

5 Market Commentary

5.1 National Overview of Rental Market

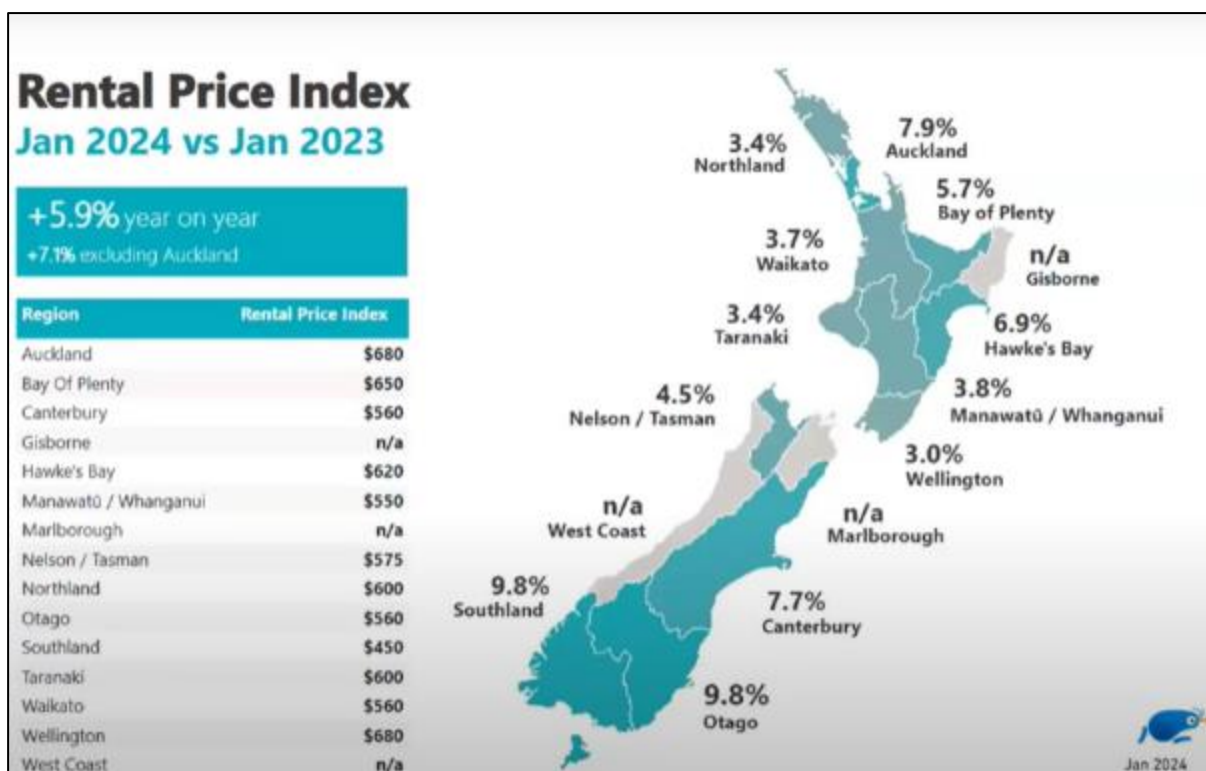
Nationally, the rental market is also strong in the main centres, with demand outstripping supply over most property housing categories, with high net migration numbers over the past couple of years.

The median weekly rent for all types of residential property hit a record high of \$630 in January 2024 with records set for apartments and townhouses (*TradeMe*). The *TradeMe* rental price index showing the rental growth since 2020 for the main centres is shown below.



Source: *TradeMe 2024 Rental Price Index*

The *TradeMe* Rental Price index showing the asking rental growth from advertised listings over the January 2023 to January 2024 period for the regions is shown below.



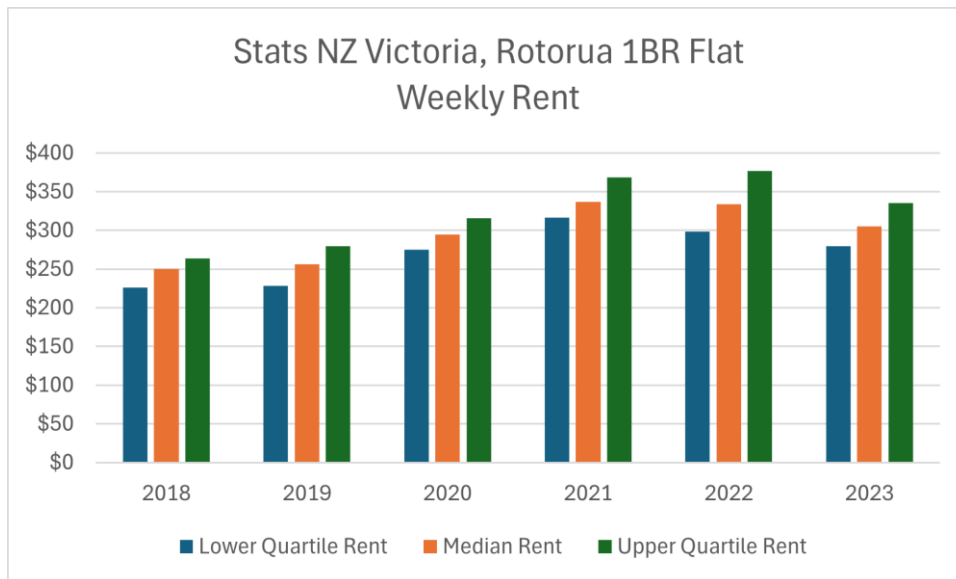
Source: TradeMe 2024 Rental Price Index

5.2 Local Overview of Rental Market

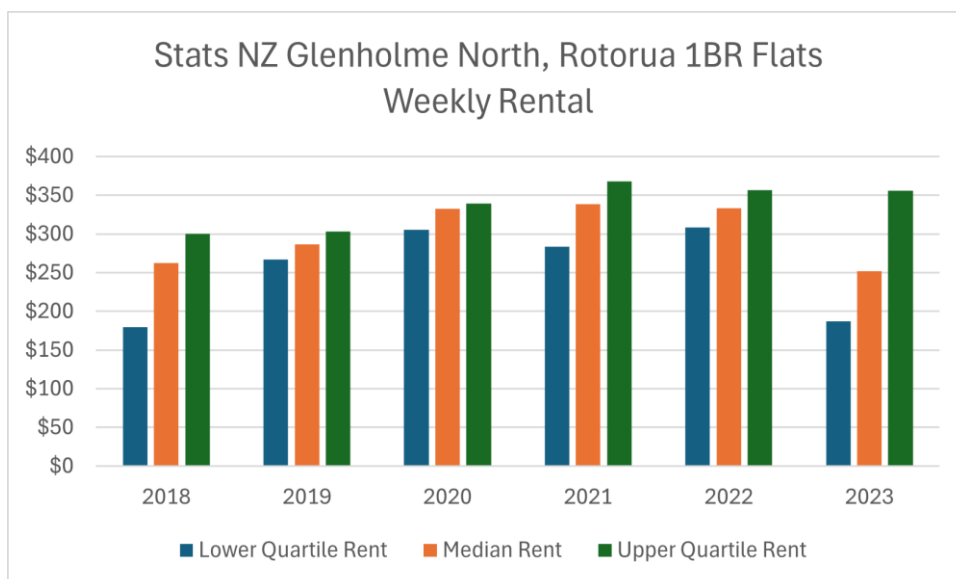
Demand for long-term rental accommodation currently outstrips supply in Rotorua. Bedsit and one-bedroom units are in high demand, with dozens of applicants and enquiry for each advertised new letting.

Through the Covid-19 pandemic and 2020 and 2021 lockdowns, existing motels in Rotorua were utilised for emergency accommodation. This has resulted in many motels currently under contract by Kainga Ora for continued social housing purposes. New housing developments are underway, such as the Kainga Ora complex being constructed at the corner of Malfroy Road and Ranolf Street in Rotorua.

There has been a marked increase in weekly rental price over the past six years. *Stats NZ* records weekly rental data, on a quarterly basis, for the suburbs of Victoria, near the Rotorua city centre, and Glenholme North for one-bedroom flats over the past six years which are illustrated in the graphs below:



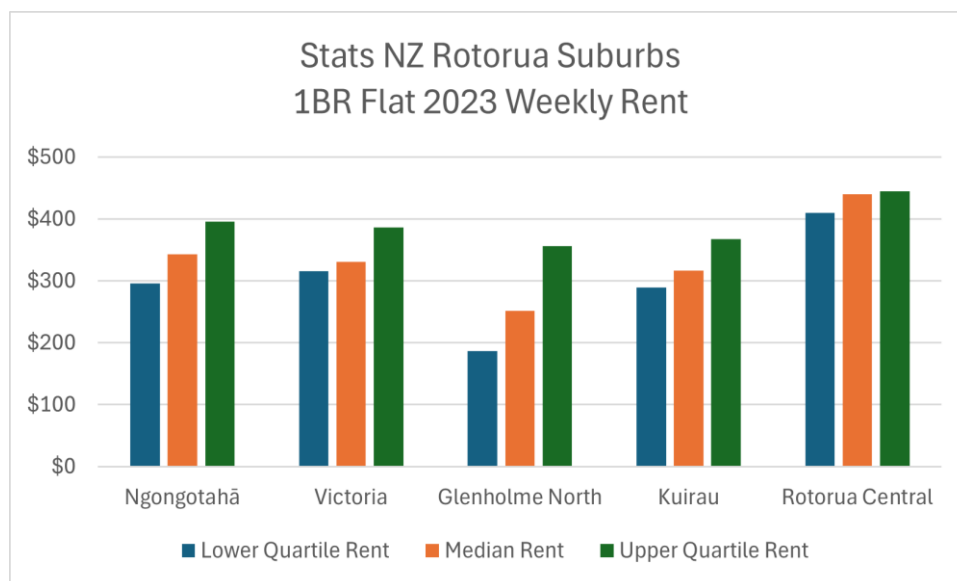
Source: Stats NZ quarterly data



Source: Stats NZ quarterly data

The graph above shows a decrease in the lower quartile and median weekly rental and an increase in the upper quartile weekly rental for the suburb of Glenholme North in 2023.

The weekly rental recorded for one-bedroom flats in 2023 for Rotorua suburbs is shown in the graph below:



Source: Stats NZ quarterly data

5.2.1 Tenancy Services Overview of Rotorua Rental Market

Tenancy Services hold the following information for rentals of One Bedroom flats in Rotorua for the period 1 August 2023 to 31 January 2024:

Suburb	No. of Active Bonds	Lower Quartile	Median	Upper Quartile
Victoria 1BR Flat	156	\$310	\$330	\$360
Glenholme 1BR Flat	63	\$320	\$350	\$390

No separate data for one-bedroom flats is shown by Tenancy Services for the other Rotorua suburbs.

Tenancy Services identified the median rental (all types of residential property) in Rotorua for the period 1 August 2023 to 31 January 2024 as:

Suburb	No. of Active Bonds	Lower Quartile	Median	Upper Quartile
Rotorua - Ngongotahā	363	\$548	\$580	\$631
Rotorua - Glenholme	576	\$459	\$525	\$620
Rotorua - Victoria	756	\$380	\$430	\$523
Rotorua – Fenton Park	273	\$413	\$433	\$480
Rotorua - Pomare	108	\$603	\$670	\$691

The median price for each suburb above would reflect the predominant type of housing provided within the area.

6 SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> Spacious grounds and layout of units, allows for good privacy and space between tenants Good vehicle access and parking Recently upgraded, redecorated and insulated units 	<ul style="list-style-type: none"> Aging developments with many units yet to be upgraded Under-utilisation of land on some developments when compared with the layout and intensity of more recent developments High lawn mowing and yard maintenance costs
Opportunities	Threats
<ul style="list-style-type: none"> Site layout of units allows for further development/intensification at some locations 	<ul style="list-style-type: none"> No rental increases sought since 2018 Use of asbestos products in building construction of older units

7 Valuation Approaches and Methods

In arriving at the market value of property, a number of methods of valuation are available. We have relied on the Market Approach as per IVS 105 and utilise the following valuation method(s):

- Comparable Transaction Method

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.

APL Property Valuation Ltd apply industry standard valuation methodology in estimating the value of property. This involves regard to the definition of market value and market based evidence. The accuracy of our estimate is dependent on market derived evidence from industry sources and market participants that we have not independently verified. Equally there may be market evidence which we are not privy to at the date of valuation. The Client or intended user accept the risk that if any of the unverified information provided by others and referred to in our valuation is incorrect and or if market evidence becomes available which we were previously not privy to, then this may have an effect on the valuation.

7.1 Comparable Transactions Method

This method considers the new leases and rent reviews of similar properties and related market data to establishes a market rental assessment by processes involving comparison. In general, the property being valued is compared with transactions of similar properties that have been transacted in the market. Adjustments are made for factors which affect value such as location, lease terms, footfall, frontage, size, age of improvements, and overall quality.

7.2 Market Rental Evidence

7.2.1 Market Rental Evidence

Recent new lettings of note include the following. The rentals are listed in ascending order of gross weekly rental amount.

Rental 1

Address	7/28 Parawai Road, Ngongotahā
Date	Mar 2024
Weekly Rental	\$290
Underlying Site Area	2887m ²
Floor Area	32m ²
Analysed Net Rental	\$265 (excludes \$25/week power allowance)



Photo source: Rotorua Lakes Council



Description	A circa 1970s one-bedroom unit within a 9 unit complex built as the <i>Parawai Lakeside</i> motel. This is the third unit within a four unit block near the road front. The unit is in largely original condition with single glazed timber windows. Floor coverings are provided. The unit has a shared laundry with power supplied and one carpark space. Suitable for 1 tenant or a couple. No pets. The property is located on the eastern side of the railway line within 100 metres of the lakefront and within 700 metres of a bus stop, and within 1 kilometre of the Ngongotahā shopping area.
Comparability	An older unit in largely original condition.
Overall	Inferior

Rental 2

Address	1/1315 Hinemoa Street, Rotorua
Date	Feb 2024
Weekly Rental	\$295
Underlying Site Area	1012m ²
Floor Area	39m ²
Analysed Net Rental	\$295



Photo source: Google Maps

Description	A circa 1960s concrete block, bedsit studio unit within a 10 unit complex built as the <i>Hinemoa Studios</i> . The unit is in largely original condition with single glazed timber windows and upgraded floor coverings. Shared laundry facilities. Central Rotorua location on a busy main road.
Comparability	An older bedsit unit in largely original condition.
Overall	Inferior

Rental 3

Address	3/12 McKee Avenue, Fenton Park
Date	Mar 2024
Weekly Rental	\$300
Underlying Site Area	709m ²
Floor Area	40m ²
Analysed Net Rental	\$300



Description	A 1970s brick and fibrolite, one-bedroom, middle unit, within a four-unit block. The unit has original kitchen and bathroom fittings, with single glazed aluminium windows. The property is located some 2 kilometres south of the Rotorua CBD.
Comparability	A largely original, one-bedroom unit on a smaller site.
Overall	Inferior

Rental 4

Address	19F Herewini Street, Victoria
Date	Mar 2024
Weekly Rental	\$310
Underlying Site Area	885m ²
Floor Area	35m ²
Analysed Net Rental	\$310



Description	A 1970s one-bedroom unit, within a former 9-unit motel complex, with a shared detached laundry building with a coin-operated washing machine and one carpark space. The complex contains 1x3BR unit, 1x2BR unit, 3x1BR units and 4xbedsit units. The unit has largely original kitchen and bathroom fittings, with single glazed timber windows, and has been repainted with new floor coverings.
Comparability	A largely original, one-bedroom unit in a former motel complex on a smaller site closer to the Rotorua city centre.
Overall	Inferior

Rental 5

Address	2/12 York Street, Glenholme
Date	Mar 2024
Weekly Rental	\$310
Underlying Site Area	1011m ²
Floor Area	Approx 45m ²
Analysed Net Rental	\$310



Description	A 1970s brick, one-bedroom unit, within a 6-unit block. The unit has largely original kitchen and bathroom fittings, with single glazed aluminium windows, and has been repainted with new floor coverings.
Comparability	A largely original, one-bedroom unit on a smaller site closer to the Rotorua city centre.
Overall	Inferior

Rental 6

Address	2/14 Matipo Avenue, Pomare
Date	Mar 2024
Weekly Rental	\$370
Underlying Site Area	1441m ²
Floor Area	Approx 36m ²
Analysed Net Rental	\$330 (excludes \$40/week garage allowance)



*Photo source:
Propertysmarts*

Description	An unfurnished, circa 1970s brick, one-bedroom upstairs flat above the double garage of a Residential Home & Income type property with single glazed timber windows, largely original kitchen fittings and upgraded bathroom fittings with a walk-in wet-floor shower. Includes the use of one garage space, for which we have allowed \$40 per week within the rental analysis. Located on a rear site adjacent to farmland. Excludes power.
Comparability	Upstairs unit
Overall	Comparable

Rental 7

Address	4/16 Pretoria Street, Glenholme
Date	Mar 2024
Weekly Rental	\$395
Underlying Site Area	Crosslease
Floor Area	63m ²
Analysed Net Rental	\$395



Description	A repainted 1970s one-bedroom, end unit with original fittings and upgraded floor coverings. Located within a block of 9 units closer to the Rotorua CBD. Single glazed aluminium windows and original kitchen and bathroom fittings.
Comparability	An older one-bedroom unit with original fittings closer to the Rotorua CBD.
Overall	Comparable

Rental 8

Address	36 Beaumont Road, Ngongotahā
Date	Mar 2023
Weekly Rental	\$400
Underlying Site Area	Crosslease,
Floor Area	60m ²
Analysed Net Rental	\$375 (excludes \$25pw furnishings allowance)



Description	A fully furnished, 1960s fibrolite one-bedroom unit, near the lakefront with a heat pump and woodburner, single glazed timber windows and original kitchen and bathroom fittings. The unit has a single carport.
Comparability	Closer to the lakefront in Ngongotahā, further from the Rotorua CBD. An older rental.
Overall	Comparable

Rental 9

Address	26C Seddon Street, Glenholme
Date	Jan 2024
Weekly Rental	\$400
Underlying Site Area	Crosslease,
Floor Area	50m ²
Analysed Net Rental	\$400



Description	A 1970s concrete block, one-bedroom, rear unit within a three-block unit with single glazed aluminium windows, original kitchen and bathroom fittings and geothermal heating on a rear site.
Comparability	Closer to the Rotorua CBD.
Overall	Comparable

Rental 10

Address	8 Elizabeth Street, Victoria
Date	Feb 2024
Weekly Rental	\$420
Underlying Site Area	Crosslease,
Floor Area	42m ²
Analysed Net Rental	\$420



Description	An unfurnished, circa 1970s one-bedroom unit, in a four-unit block, in largely original condition with single glazed timber and aluminium windows and original kitchen and bathroom fittings, including a shower over the bath. Floor coverings, drapes and curtains are provided. Blocked off fireplace and heatpump in unit. The unit has a shared laundry with three other units, and one carpark space. Suitable for up to 2 tenants. No pets or smokers.
Comparability	Closer to the Rotorua CBD.
Overall	Comparable

7.2.2 Advertised Rental Listings

At the date of valuation, the following properties in Rotorua were advertised for rent:

Location	Type	Advertised Rental	Details
Westlock Road, Koutu	One bedroom cottage	\$290 per week	A circa 1960s fibrolite clad, one-bedroom dwelling with a single carport on a rear site some 3.5 kilometres north of the Rotorua CBD. The unit has largely original décor and fit-out, with single glazed timber and aluminium joinery, new carpet, a heatpump, fridge and a washing machine. Excludes power. Suitable for a single tenant. No pets or smokers.
22D Carnot Street, Glenholme	Bedsit Unit	\$320 per week	Circa 1960s concrete block, 30m ² bedsit unit within a four-unit block, with original fittings and thermal heating.
Lynmore Avenue, Lynmore	Studio Unit with ensuite	\$350 per week	Partly furnished, downstairs studio with ensuite. Shared kitchenette and laundry area. Includes heat pump, ceiling fan, washing machine, fridge, microwave,

			<p>double gas burner, table and bed. Single tenant. No pets or smokers.</p> <p>We have assumed this rental includes power, at an allowance of say \$25 per week plus an allowance of \$15 per week for furnishings.</p> <p>Net rental is analysed \$310 per week.</p>
3/65 James Street, Victoria	2 Bedroom Unit	\$395 per week	<p>A circa 1970s two-bedroom, concrete block unit with a floor area of 65m² located within a block of four attached units, within a complex of two buildings of four units each, on a rear site. Includes a heatpump, one carpark space outside unit and a fenced private back yard. Redecorated interior with upgraded fittings including floor coverings, drapes/curtains, stove and kitchen cupboard units and vanity unit. Single glazed timber and aluminium window joinery. Shower over the bath. No pets or smokers. Suitable for up to 4 tenants. Excludes power.</p>
Western Heights	2 Bedroom Unit	\$400 per week	<p>A circa 1970s two-bedroom, brick unit within a block of four attached units. Single carpark space outside unit. Single glazed timber window joinery. No pets. Suitable for two tenants.</p>
5/17 Ruihi Street, Victoria	1 Bedroom Unit	\$410 per week	<p>A redecorated 1990s one bedroom, one bathroom brick, freestanding, front unit</p>
56 Puriri Crescent, Hillcrest	1 Bedroom Cottage	\$420 per week	<p>A redecorated and upgraded converted shed building with off-street parking.</p>

Furnished and unfurnished rooms within private homes, in both Rotorua and Ngongotahā are advertised for let in the asking price range of \$240 to \$300 per week, which includes power and the shared use of bathroom, laundry and kitchen facilities. This type of accommodation is considered inferior to the accommodation offered in the bedsit and one-bedroom units.

There are two units currently available at 2/17 and 5/17 Ruihi Street, Victoria with asking rental detailed as follows:

Asking Rental

Address	2/17 Ruihi Street, Victoria
Date Listed	Feb 2024
Weekly Rental	\$410 (fully furnished)
Site Area	Crosslease,
Floor Area	42.5m ²
Analysed Net Rental	\$385/m ² (excludes \$25/week furnishings allowance)



Description	A fully furnished one-bedroom unit in close proximity to the Rotorua CBD. This is the second unit in a block of 4 attached, one-bedroom units located on a rear site with three additional units situated at the front of the property. The flats were constructed circa 1970s with concrete floor, brick veneer cladding, concrete block party wall, single glazed aluminium joinery and a concrete tile roof. The unit has been repainted with upgraded kitchen fittings, floor coverings and vanity unit in more recent years. The unit has a shared laundry, and one carpark space. The furnishings include drapes/curtains, couches, TV, bed and fridge. Suitable for up to 2 tenants. No pets or smokers. Within walking distance of the Rotorua CBD. Excludes power.
Comparability	A redecorated, upgraded, furnished, one-bedroom circa 1970s attached unit.
Overall	Comparable

Asking Rental

Address	5/17 Ruihi Street, Victoria
Date	Mar 2024
Weekly Rental	\$410 (fully furnished)
Site Area	Crosslease,
Floor Area	42.5m ²
Analysed Net Rental	\$385/m ² (excludes \$25/week furnishings allowance)



Description	A fully furnished, freestanding one-bedroom unit in close proximity to the Rotorua CBD. This is a road front unit. The flats were constructed circa 1990s with concrete floor, brick veneer cladding, concrete block party wall, single glazed aluminium joinery and a concrete tile roof. The unit has one carpark space. The furnishings include drapes/curtains, couches, TV, bed and fridge. Suitable for up to 2 tenants. No pets or smokers. Within walking distance of the Rotorua CBD. Excludes power.
Comparability	A furnished, one-bedroom circa 1990s freestanding unit.
Overall	Comparable

7.3 Summary of Market Rental Evidence

Older styled, Bedsit units listed above are currently advertised in the range of \$320 to \$350 per week. The two-bedroom units with asking rentals of \$395 and \$400 per week are considered superior to the subject units in that they are larger units offering a greater capacity of accommodation.

Our analysis of recent new rentals listed above indicate that, on an open market basis, a weekly rental price range for the one-bedroom units to be in the range of \$330 to \$420 per week.

The key valuation factors are; the terms of the tenancy, provision of carparking, location including proximity to local shops, amenities and bus service route, outlook and view, number of units in the development (privacy) and the size, aspect, presentation and condition of the unit. The Residential Tenancies Act provides for minimum insulation and heating standards, which we have assumed are complied with.

The furnished one-bedroom unit for let at 2/17 Ruhi Street, Victoria was listed as being available for rent from 17th March. This is an upgraded unit with single glazing and a shared laundry. Excluding the furnishings allowance, we consider this is comparable to the upgraded bedsit and one-bedroom units at Lucas Place, with an indicative rental of \$385 per week. We expect a deduction of \$20 per week would be appropriate to adjust for location, the Lucas Place units being further from the Rotorua town centre.

This equates to a rental of \$365 for the one-bedroom unit in Lucas Place. We have also allowed a \$20 per week deduction for the bedsit unit over a one-bedroom unit, giving an indicative rental for \$345 per week for the bedsit units at Lucas Place on an “open market” basis. We consider there would be a further discount appropriate to reflect the occupancy terms and conditions of the Tenancy Agreement, for which we have allowed a rate of \$10 per week.

We have made similar adjustments for the location, size, condition aspect of the units at the other four complexes.

8 Valuation

8.1 Assessment of Rental Value

Having had regard to the available market evidence and factors outlined in the body of this report, we assess the Rental Value of the “generic” bedsit and one-bedroom units at the five various locations **Per week including GST (if any) and outgoings** as follows:

Location / “Generic” Unit Type	Approx Year Built	No. of Units	Living Area m ²	Porch / Terrace / Store	Total Floor Area m ²	Aspect to Living Area	Rental Value (per week)
Rotorua							
Lucas Place, Fenton Park		66					
Bedsit - Block of 4	1970, 1981	52	34.0	4.5	38.5	west	\$335
Bedsit - Block of 3	1970, 1981	11	34.0	4.5	38.5	west	\$335
Bedsit - Block of 2	1970, 1981	2	34.0	4.5	38.5	west	\$335
One Bedroom - end unit in Block of 3	1981	1	46.4	4.5	50.9	west	\$350
Rawhiti Complex, Glenholme		62					
14 Miller Street							
Bedsit - Block of 2	1955, 1963	16	34.0	0.8	34.8	south	\$335
One Bedroom - Block of 2	1955, 1963	4	40.9	4.7	45.6	north	\$350
2 Miller Street							
One Bedroom - Block of 4	1955, 1963	12	38.0	5.5	43.5	north	\$350
Kahikatea Street North							
One Bedroom - Block of 6	2005	6	56.5	11.2	67.7	north	\$390
One Bedroom - Block of 2	2005	8	56.5	11.2	67.7	north	\$390
Kahikatea Street South							
One Bedroom - Block of 4	2005	16	56.5	11.2	67.7	north	\$390

Westbook Units							
Corner Thebes Street, Osiris Street and Pharoah Place							
One Bedroom - Single	1985	7	49.6	11.7	61.3	north	\$350
One Bedroom - Single middle unit in block of 3	1985	1	49.6	11.7	61.3	north	\$350
One Bedroom - Double	1985	1	54.8	11.7	66.5	north	\$375
Ngongotaha							
21 Dawson Drive "As Is"							
One Bedroom, in block of 5	1980	5	46.4	3.5	49.9	east	\$320
One Bedroom, in block of 3	1980	2	46.4	3.5	49.9	north	\$335
One Bedroom, end unit in block of 3	1980	1	48.5	3.5	52.0	north	\$335
Domain Avenue "As Is"							
One Bedroom in block of 3	1974	3	66.6	0.0	66.6	east	\$360
One Bedroom in block of 4	1974	4	41.9	3.9	45.8	east	\$340

9 Qualifications and Disclaimers

9.1 Extension of Liability

This valuation is subject to all the terms and conditions set out in this report.

This valuation report is provided subject to the assumptions, disclaimers, limitations and qualifications detailed throughout this report and in **Appendix A**. Reliance on this report and extension of our liability are conditional upon the readers' acknowledgment and understanding of these statements.

9.2 Valuation Subject to Change

The values provided in this valuation are our opinion as at the date of valuation only. These values may change significantly and unexpectedly over a relatively short period of time due to market conditions or factors specific to the property. We do not assume any responsibility or accept liability for loss alleged to have been sustained through fluctuation in the market value of the asset or security after the date of valuation. Without limiting the above statement, 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 may have any effect on the valuation.

9.3 Professional Indemnity Insurance

We confirm that we hold professional indemnity insurance and that the Registered Valuer signing the report is covered by this policy.

10 Contact Details

A handwritten signature in blue ink that reads 'D. M. Croucher'.

Denelle Croucher

Registered Valuer, ANZIV/SPINZ

denelle.croucher@aplproperty.co.nz

Annual Practicing Certificate No.31554

APL Property Valuation Ltd

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e: valuation@aplproperty.co.nz

www.aplproperty.co.nz



Appendix A: Disclaimers, Limitations and Qualifications

Compliance Statement

We also confirm that; the statements and facts presented in the report are correct to the best of the Valuer's knowledge; the analysis and conclusions are limited only by the reported assumptions and conditions; the valuation is performed in accordance with the NZIV Code of Ethics and Performance Standards; the Valuer has satisfied professional education requirements; the Valuer has made a personal inspection of the property (unless stated otherwise in the report).

Experience

The principal signatory and or co-signing Valuer have all appropriate qualifications and registrations enabling them to practise as a Valuer.

Boundaries

We have not conducted a survey of the property and its boundaries and assume no responsibility in connection with such matters. Unless otherwise stated it is assumed that all improvements lie within the title boundaries. Any sketch, plan or map in this report is included to assist the reader in visualising the property and should not be relied upon as being definitive.

Consumers Guarantees Act

APL has a policy of not contracting out of the provisions of the consumer Guarantees Act. Accordingly, where there is any conflict between any statement in this report and the consumer Guarantees Act 1993, the latter shall prevail.

Structural and Pest

No inquiries in respect of any property, or of any improvements erected thereon, has been made for any sign of timber infestation, asbestos or other defect, whether latent, patent or structural.

Structural

We have undertaken a visual inspection in respect of any building valued but must advise that we have not commissioned structural surveys or tested any of the services and are therefore unable to confirm that these are free from defect. We further note that we have not inspected unexposed or inaccessible portions of any building and are therefore unable to certify that these are free from defect. Any elements of deterioration apparent during our consideration of the general state of repair of buildings has been noted or reflected in our valuation. We are, however, unable to give any warranty as to structural soundness of any building and have assumed in arriving at our valuation that there are not structural defects or the inclusion of unsatisfactory materials.

Total Compliance

It has been assumed that all improvements to the property comply with the terms and conditions of all relevant legislation and requirements of territorial authorities except as detailed herein.

Records of Title and/or Leases

We have relied on copies of Records of Title and Leases provided and the valuation is issued on the understanding that these are accurate copies and no dealings or changes have occurred to the documents provided.

Information

In preparing our valuation we may have relied on information supplied by the client, the instructing party, the client's advisors and/or third parties; as well as market derived evidence from industry sources and market participants. Unless otherwise stated our valuation is undertaken on the basis that the information supplied is complete and accurate. We have not independently verified third party information. APL accept no liability if any of the unverified information provided by others and referred to in our valuation is incorrect or incomplete and or if market evidence becomes available which we were previously not privy to.

The valuation is prepared on the basis that the client and instructing party have provided us with a full and correct disclosure of all information, circumstances and other material which may affect the preparation of the report and our valuation conclusion. We accept no responsibility or liability whatsoever unless such full disclosure has been made to us.

Council/Agent

Information that has been obtained verbally from the District Council or Agent for this valuation is issued on the understanding that such information is correct. We will not assume any liability for our reliance on the Local Authority's or Agents verbal advises.

General Responsibility

No responsibility is assumed for legal matters, question of survey, opinions of title, hidden or unapparent conditions of the property, soil or sub-soil conditions, engineering or other technical matters, which might render the property more or less valuable than as stated herein. If, as the result of our investigation and analysis, it came to our attention that certain problems may exist, a cautionary note has been entered in the body of the report.

Goods and Service Tax (GST)

In analysing the sales and/or leasing evidence referred to herein, it is noted that we have attempted to ascertain whether or not the sale price/rental is inclusive or exclusive of Goods and Service Tax (GST). In relation to sales evidence, it is emphasised that Land Registry Offices in New Zealand do not currently differentiate between or record whether or not the sale price is inclusive or exclusive of GST. Where we have not been able to verify whether or not GST is included in the sale price or rental, we have assumed that the record of sales price or the rental is exclusive of GST. Should this not be the case we reserve the right to reconsider our valuation.