TelferYoung
Property Valuers & Advisors

ADVISORY REPORT

5 Sandford Road
Ruakaka
Whangarei District

Client Southland Regional Development Agency Ltd
Date of advice 6 December 2020

7 December 2020

Southland Regional Development Agency Ltd
PO Box 1306
Invercargill

Attention: Chantelle Subritsky

ADVISORY REPORT
5 SANDFORD ROAD, RUAKAKA, WHANGAREI DISTRICT

In accordance with your specific instructions, we completed a roadside inspection of the above property on 6 December 2020 to provide advice as to the impact of the proposed development as at that date.

We have been instructed to provide an abridged report format. Due to the basis on which we have been instructed, this report **does not constitute a valuation** and does not comply with the requirements of International Valuation Standards 2020 and Australia and New Zealand Valuation Guidance Notes and Technical Information Papers.

1 SCOPE OF WORK

1.1 THE VALUER

This advice has been provided by Nigel Kenny who provides this objective and unbiased advice. The valuer has no material connection with the instructing party or interest in the property and has the appropriate qualifications and experience to undertake the value estimate.

1.2 OUR CLIENT

Southland Regional Development Agency Ltd.

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

1.3 PURPOSE OF ADVICE

We have been requested to advise as to the likely impact of a proposed satellite ground station which is to be developed on 5 Sandford Road upon surrounding properties. A scheme plans of the proposal is attached as **Appendix A**.

This report is indicative in nature and should not be relied upon as a basis for any contract that relies upon this indication as a statement of value for the purpose of sale or purchase of a property or as an asset value to be relied upon by any other third party.

1.4 PROPERTY ADDRESS

5 Sandford Road, Ruakaka, Whangarei District.

1.5 BASIS OF ADVICE

The advice provided in this report is our preliminary opinion, undertaken on a market basis. Market Value is defined in International Valuation Standards 2020 as:

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

The value estimate may change in the future because of market conditions and changes to the state of the property.

1.6 DATE OF VALUE ESTIMATE

Inspection date	6 December 2020
Estimate date	6 December 2020

1.7 EXTENT OF INVESTIGATIONS

Due to the basis of which we have been instructed, the level of investigation we carry out may be less extensive than we would normally undertake in preparing a report of this type.

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

1.8 NATURE AND SOURCE OF INFORMATION RELIED UPON

Information used to prepare the valuation has been obtained from our property inspection and public records.

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

1.9 ASSUMPTIONS AND SPECIAL ASSUMPTIONS

Standard valuation assumptions made in completing the report are stated in 'Extent of Investigations' and 'Statement of Limiting Conditions and Valuation Policy'.

No Significant Assumptions or Special Assumptions have been made in completing this valuation.

1.10 REPORTING FORMAT

We have been instructed to report in an abbreviated format. It does not comply with the requirements of International Valuation Standards 2020 and Australia and New Zealand Valuation Guidance Notes and Technical Information Papers.

This report must be read in conjunction with TelferYoung (Northland) Limited's Statement of Limiting Conditions and Advisory Policy.

2 LEGAL DESCRIPTION

Identifier	834209 & 834210
Land Registration District	North Auckland
Legal Description	Lots 2 & 3 DP 523767
Estate	Fee Simple
Area	Total 8.7386 Ha.
Interests	Assumed no onerous covenants

3 BRIEF PROPERTY DESCRIPTION

The property currently comprises a large grazing paddock fronting State Highway 1 and running south from Sandford Road. Development plans provided indicate the property has been sub-divided into three allotments each with accessible frontage to Sandford Road. The inner lots 2 & 3 form the subject of this advice. At present there are limited minor buildings on the property with older established races and mixed fencing.

4 PROPOSED DEVELOPEMENT

It is proposed to develop the property with a number of small antennae/satellite dish receivers. Plans indicate some thirteen 3-6m antennas, one 9m antenna and one 12m antenna. The structures are to be spaced out over the allotments with all bar one shown to be enclosed within a geodesic Radome fabric cover. A number of small support buildings are also proposed as well as additional metalled roading and security fencing.

5 BASIS OF ADVICE

In considering the impact of the scheme we have briefly inspected the site in conjunction with the artists superimposed images of views from various positions. The photographs , copies of which are attached as **Appendix B,** confirm a limited impact on surrounding properties once planned planting has matured.

In assessing this impact we have considered a number of criteria:

Electromagnetic Radiation

This matter is outside the scope of our expertise however WHO research appears to confirm that there are no material concerns in this respect.

Traffic & Noise

We understand that post construction the facility will be substantially remotely operated generating very limited traffic with the equipment being virtually silent.

Views

Whilst there is no automatic right to a view the top of the domes will be visible in places above projected planting. However in context views from the State Highway show the land to the west rising and as below the horizon there will be very limited impact. Although the scheme may be more noticeable from elevated sites to the west of the property the detriment is also likely to be limited. At present the land is zoned Rural Production which provides for large buildings up to 10 metres high. This would allow for a substantial herd house or poultry unit virtually as of right and

with very limited remedy for noise smell and a high number of vehicle movements. Power lines already cross the subject property with a high voltage transmission line clearly visible east of State Highway 1. Furthermore we understand that central government has recently ratified the expansion of State Highway 1 to a four lane highway. Although the gestation of such schemes can be lengthy the planning and acquisition of the necessary land is understood to be already underway so some impediment is rapidly becoming a reality.

6 CONCLUSION

Having considered the above factors we confirm our opinion that in general the impact of the scheme on most surrounding properties will be no more than minor.

7 STATEMENT OF LIMITING CONDITIONS AND ADVISORY POLICY

Purpose

This report has been completed for the specific advisory purpose stated. No responsibility is accepted in the event that this report is used for any other purpose. We do not accept liability for losses arising from reliance on our value estimate.

This report is indicative in nature and should not be relied upon as a basis for any contract that relies upon this indication as a statement of value for the purpose of sale or purchase of a property or as an asset value to be relied upon by any other third party.

Responsibility to third party

Our responsibility is limited to the client to whom the report is addressed and to that client only. We disclaim all responsibility and will accept no liability to any other party without first obtaining the written consent of TelferYoung (Northland) Limited and the author of the report. TelferYoung (Northland) Limited reserves the right to alter, amend, explain or limit any further information given to any other party.

Reproduction of report

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

Date of advice

Unless otherwise stated, the effective date of the advice is the date of the report. The advice provided is current as at the effective date only. The market may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property).

Legislation

We have not obtained a Land Information Memorandum (LIM) or Property Information Memorandum (PIM) for this property which unless otherwise stated is assumed to conform to all requirements of the Resource Management Act 1991, the New Zealand Building Code contained in the First Schedule to the Building Regulations 1992, the Building Act 1991, the Building Act 2004 and any Historic Places Trust registration. Our reports are prepared on the basis that properties comply with all relevant legislation and regulations and that there is no adverse or beneficial information recorded on the Territorial Local Authority (TLA) property file, unless otherwise stated. Legislation that may be of importance in this regard includes Health & Safety in Employment Act 1992, the Fire Safety and Evacuation of Buildings Regulation 1992, and the Disabled Persons Community Welfare Act 1975.

Registrations

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

Reliability of data

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

Inspections

Advisory work may be undertaken without a full inspection of the property being made, where specifically instructed by a client. In such circumstances our advice has been prepared on the basis of property information provided by a client or otherwise available to us, including information we hold from a previous inspection or gained from a roadside inspection. The limited extent of our inspection may have a material impact on our value estimate and we do not accept responsibility for any assumptions made that are incorrect on account of our limited inspection.

Assumptions
This report contains assumptions believed to be fair and reasonable at the date of reporting. In the event that assumptions made based on information relied upon is later proven incorrect, or known by the recipient to be incorrect at the date of reporting, TelferYoung (Northland) Limited reserves the right to reconsider the report and advice provided.

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

Land survey
We have made no survey of the property and assume no responsibility in connection with these matters. Unless otherwise stated, it is assumed all improvements lie within the title boundaries.

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

Contamination
Unless otherwise stated our report assumes that the land and buildings are unaffected by harmful contaminants or noxious materials which may impact on value. Verification that the property is free from contamination and has not been affected by noxious materials should be obtained from a suitably qualified environmental expert.

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

Market value estimates
This report is not a valuation and the market value estimate has not been carried out in accordance with the Valuation Standards and Guidance Notes recommended by the New Zealand Institute of Valuers and the Property Institute of New Zealand. The definition of Market Value is "the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion".

Our value estimates are subject to a full inspection of the property before a valuation assessment can be undertaken. This may result in a material adjustment to the value estimate herein provided.

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

Mortgage lending
The value estimate provided in this advisory report may not be relied upon for mortgage lending purposes. Full inspections are mandatory where values are assessed for mortgage lending purposes.

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

Our value estimate has been assessed conditional upon all buildings and structures being constructed strictly in terms of recommended practices and free from defect unless otherwise stated. We are not qualified to undertake nor have we undertaken a structural survey of the buildings or structures. We accept no liability for any defects that may arise as a result of poor building design, construction methods or building materials. If you have any concerns, you should engage a suitably qualified person to report on this matter. Defects revealed by a report by a suitably qualified expert may affect the value of the property.

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

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

Professional indemnity cover

We have in force at the time of supplying the above value estimate, current professional negligence insurance appropriate to the nature and level of our business activities.

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

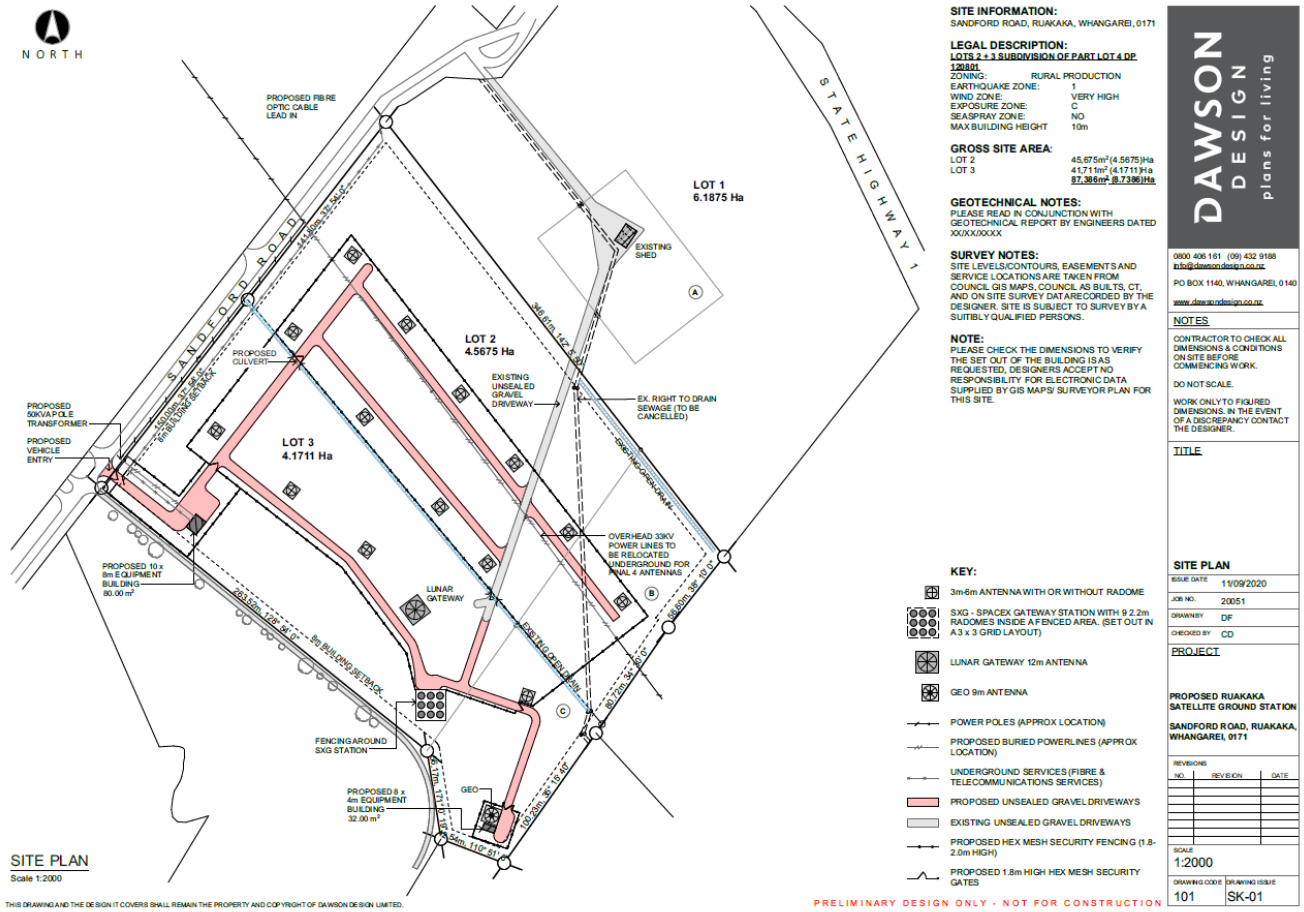
Yours faithfully

TelferYoung (Northland) Limited

Nigel Kenny
Dip Surv (CEM) FNZIV FPINZ ANZIOB FRICS
Chartered Surveyor and Registered Valuer
E nigel.kenny@telferyoung.com

APPENDIX A

PROPOSED DEVELOPMENT



Proposed layout of the development

APPENDIX B

ARTIST IMPRESSION OF PROPOSED DEVELOPMENT

Proposed development from Ruakaka School

Proposed development from Sandford Road

Proposed development from State Highway 1

NATIONWIDE

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