

Market Valuation

Queenstown Lakes District Council

Mooney Road (413 Speargrass Flat Road), Speargrass Flat,
Queenstown

Prepared by
Bayleys Valuations Limited
12 January 2024



Valuation Summary

Property Address	Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown.
Client	Queenstown Lakes District Council.
Instructing Party	APL Property Limited.
Purpose of Valuation	To assess the Market Value for road stopping purposes.
Basis of Valuation	Market Value.
Valuation Approach	Comparable Transaction Method under the Market Approach.
Legal Description	Lot 1, 101 Deposited Plan 475822, Identifier 665219, Otago Land Registry.
Interest Valued	Freehold.
Date of Valuation	12 January 2024.

Property Summary

The property subject to valuation comprises part of Mooney Road, an unformed paper road that extends between Hunter Road and Speargrass Flat Queenstown.

It is proposed to stop the portion of Mooney Road located on 413 Speargrass Flat Road containing 3,703m².

413 Speargrass Flat Road comprises a substantial lifestyle property of 28.2535 hectares. The land to be stopped is located outside the consented building platform and has been valued at the prevailing rural land value rate, which in this locality ranges from \$17.34/m² to \$38.52/m² inclusive of GST.

Market Value

We are of the opinion that the Market Value of the subject property, subject to the qualifications and assumptions contained in the body of this report, is:

One Hundred Thousand Dollars
(NZ\$100,000)
inclusive GST (if any)

Valuer Involvement

Valuer	Position	Inspection	Calculations	Reporting
Lance Collings BBS, SPINZ, ANZIV	Registered Valuer	Yes	Yes	Yes
Kayla Donaldson BLPM	Valuer	No	Yes	Yes

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

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1. Introduction

1.1 Instructions

In accordance with instructions received from APL Property Limited on behalf of Queenstown Lakes District Council, we have assessed the Market Value of the property at **Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown** for road stopping purposes.

PINZ Professional Practice guidelines and International Valuation Standards require the property be valued as at date of inspection, which we confirm as 12 January 2024.

1.2 Basis of Valuation

This valuation has been completed under the International Valuation Standards - IVS (effective 31 January 2022), and the relevant Australia and New Zealand Valuation and Property Standards as approved by the New Zealand Institute of Valuers (NZIV), in particular:

- IVS Framework
- IVS 101 Scope of Work
- IVS 102 Investigations and Compliance
- IVS 103 Reporting
- IVS 104 Basis of Value
- IVS 105 Valuation Approaches and Methods
- IVS 400 Real Property Interests
- ANZVGP111 Valuation Procedures – Real Property
- ANZPGP201 Disclaimer Clauses and Qualification Statements
- NZVGP501 Goods and Services Tax (GST) in Property
- NZVGP503 Valuation Reports Prepared by Unregistered Valuers

The market value of the property is defined by the International Valuation Standards Committee as follows:

“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 had each acted knowledgeably, prudently and without compulsion.”

In adopting this definition of value, we are of the opinion that it is consistent with the international definition of market value as advocated by the New Zealand Institute of Valuers and Property Institute of New Zealand

The property’s value has been assessed in accordance with Australia and New Zealand Valuation and Property Standards, and with Bayleys Valuations Limited General Valuation Principles.

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

1.3 Liability and Confidentiality

The valuation has been prepared for your private and confidential use and for the specific purpose detailed in the valuation. It should not be reproduced in whole or in part, or relied on by any other party for any use whatsoever without first obtaining our prior written consent. We do not assume any responsibility to any other person other than you for any reason whatsoever, including breach of contract, negligence (including negligent misstatement) or wilful act or default by ourselves or by others by reason of or arising out of the provision of the valuation. Any person, other than you, who uses or relies on the valuation does so at their own risk.

This report can be relied upon by the following party for road stopping purposes:

- Queenstown Lakes District Council

We reserve the right to review the valuation and revise our opinion after the release of this valuation, if any previously withheld information becomes known to us or erroneous information has been provided and relied upon.

1.4 Information Sources

We have been provided with or obtained information from the following sources:

Information	Source
Computer Register	Land Information New Zealand
District Planning Controls	Local Territorial Authority
Property Information	APL Property

1.5 Compliance Statement

This valuation has been performed in accordance with International Valuation Standards, effective 31 January 2022 and the relevant Australia and New Zealand Valuation Property Standards as approved by the New Zealand Institute of Valuers (NZIV) Council, and we confirm that:

- The statements of fact presented in the report are correct to the best of the Valuer's knowledge;
- The analyses and conclusions are limited only by the reported assumptions and conditions;
- The valuer has no interest in the subject property;
- The valuer's fee is not contingent upon any aspect of the report;
- The valuation was performed in accordance with an ethical code and performance standards;
- The valuer has satisfied professional education requirements;
- The valuer has experience in the location and category of the property being valued;
- The valuer has made a personal inspection of the property; and
- No one, except those specified in the report, has provided professional assistance in preparing the report.

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

1.6 Valuation Assumptions

In completing our valuation the following property specific assumptions have been made:

- The valuation assumes the land subject to valuation will be zoned Wakatipu Basin Rural Amenity Zone upon stopping.
- We do not believe any injurious affection or betterment will arise over and above the physical increase in land area given the land is vacant and currently used for rural purposes.
- The land has been valued at the residual rural rate given it lies outside the approved building platform.

1.7 Previous Sale

We are not aware of any sale of this property in the last three years.

1.8 Previous Valuation

We have not had any previous dealings with this property.

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

2. Property Details

2.1 Legal Description

There is no legal title for the area subject to valuation.

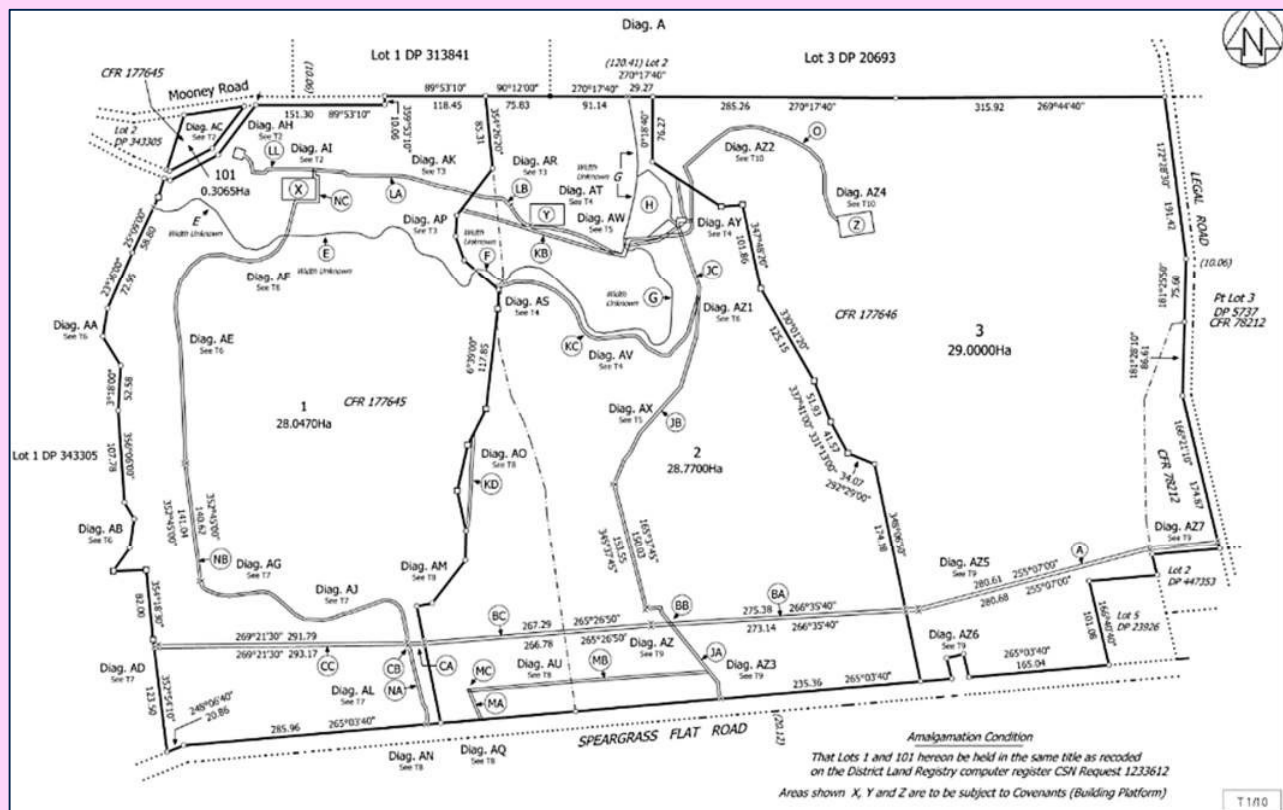
We detail below a summary of the Record of Title for 413 Speargrass Flat Road which the subject is to be amalgamated with as below:

Identifier	665219, Otago Land Registry.
Estate	Fee Simple.
Legal Description	Lot 1, 101 Deposited Plan 475822.
Land Area	28.3535 hectares.
Registered Owners	XRAY Trust Limited.
Interests	• Subject to a right (in gross) to convey water over Lot 1 DP 475822 marked E on DP 475822 in favour of Arrow Irrigation Company Limited created by Transfer 839039. • Land Covenant in Easement Instrument 8631576.1 - 16.11.2010. • 9805352.1 Consent Notice pursuant to Section 221 Resource Management Act 1991. • Subject to Section 241(2) Resource Management Act 1991 (affects DP 475822). • Appurtenant to Lot 1 DP 475822 is a right to convey water and electricity created by Easement Instrument 9805352.5. • The easements created by Easement Instrument 9805352.5 are subject to Section 243 (a) Resource Management Act 1991. • Subject to a right to convey water over Lot 1 DP 475822 marked LA and LL on DP 475822 created by Easement Instrument 9805352.5. • Subject to a right (in gross) to convey telecommunications and computer media over Lot 1 DP 475822 marked NA, CB, NB, NC and LA on DP 475822 in favour of Chorus New Zealand Limited created by Easement Instrument 9805352.7. • The easements created by Easement Instrument 9805352.7 are subject to Section 243 (a) Resource Management Act 1991. • Land Covenant in Easement Instrument 9805352.8. • 10608206.1 Variation of Consent Notice 9805352.1 pursuant to Section 221(5) Resource Management Act 1991. • Land Covenant in Easement Instrument 11064084.17. • Land Covenant in Easement Instrument 11064084.18.

We refer you to the Record of Title in the appendices of this report.

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

The Title Plan is shown below:



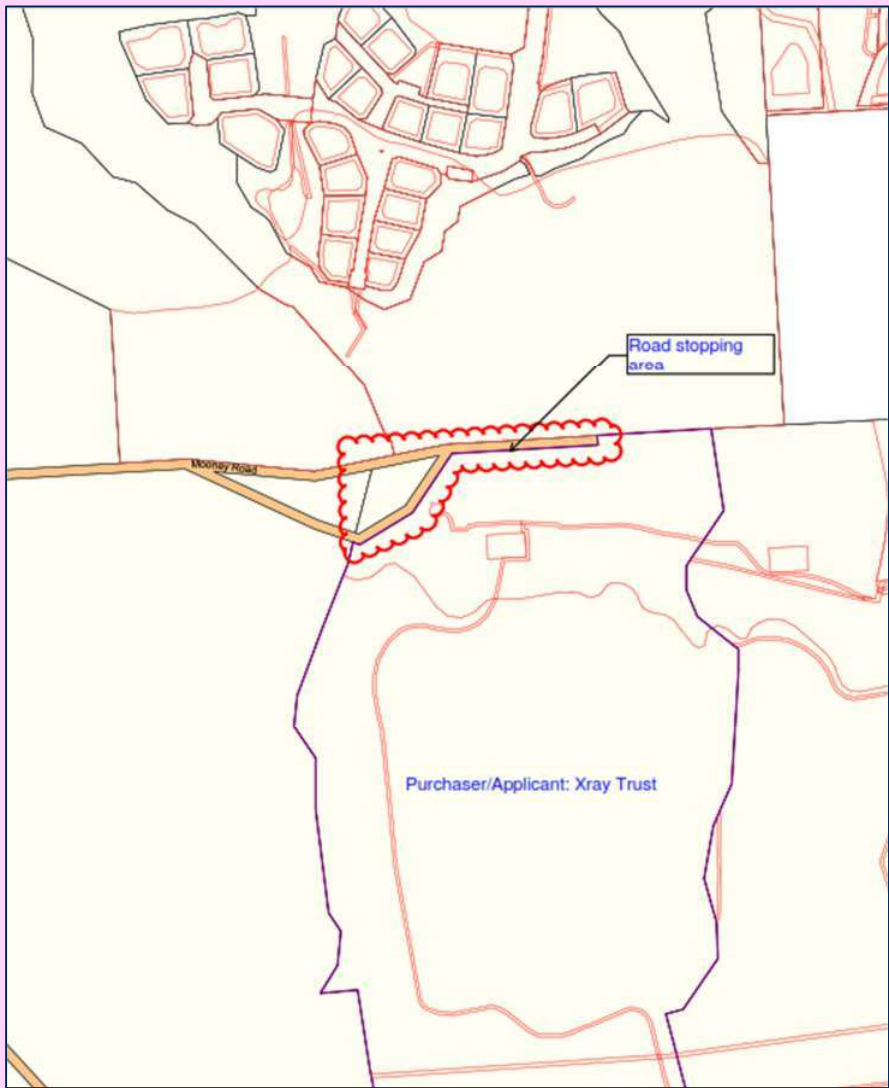
Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

2.2 Site Description

We summarise the site details as below:

Shape	Irregular.
Area	3,703m ² .
Topography	Level to moderately undulating.
Services	No services are available to the site.
Access	Physical access is available from Hunter Road.

The site is indicated below:



Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

2.3 Pictures

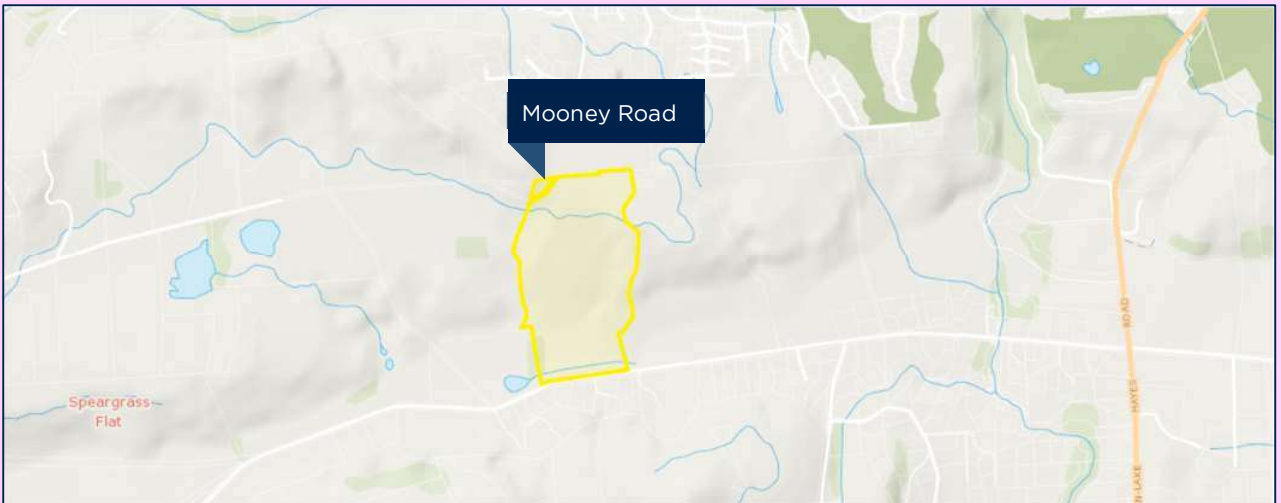


2.4 Locality

We summarise the locality details as below:

Location	The road to be stopped forms part of Mooney Road which extends off Hunter Road in the Speargrass Flat locality.
Situation	More particularly the land is located to the northern side of Speargrass Flat Road.
Surrounds	Speargrass Flat is a popular lifestyle locality given its proximity to Frankton which lies some 8 kilometres to the south and Arrowtown which is located 7 kilometres to the east. Surrounding property generally comprises rural land with a number of lifestyle properties in the immediate vicinity. The property adjoins Millbrook to the northern boundary.

The locality is indicated below:



Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

2.5 Zoning

Our valuation has proceeded on the basis that the subject property conforms to all requirements of the District Plan in addition to the Resource Management Act 1991 and subsequent amendments.

The Queenstown Lakes District Plan is under review.

District Plan	Operative and Proposed Queenstown Lakes District Plan.
Zoning	Rural General Zone.
Zone Description	The purpose of the Rural General Zone is to manage activities so they can be carried out in a way that it protects and enhances nature conservation and landscape values, sustains the life supporting capacity of the soil and vegetation, maintains acceptable living and working conditions and amenity for residents of and visitors to the Zone, ensures a wide range of outdoor recreational opportunities remain viable within the Zone, protects the on-going operations of Wanaka Airport and protects the ongoing operation of Queenstown Airport. The zone is characterised by farming activities and a diversification to activities such as horticulture and viticulture. The zone includes the majority of rural lands including alpine areas and national parks.
Overlays and Notations	• Lake Hayes Catchment.
Proposed Zoning	Wakatipu Basin Rural Amenity Zone - The proposed Wakatipu Basin Rural Amenity Zone and Lifestyle Precinct will replace the existing Rural Zone, Rural Residential and Rural Lifestyle Zones in the Wakatipu Basin.

Our valuation proceeds on the basis and is subject to the current use being a complying activity and/or having all necessary consents and permits in place.

The above zoning pertains to the land at 413 Speargrass Flat Road, Speargrass Flat, Queenstown. The valuation assumes the land subject to valuation will be zoned Wakatipu Basin Rural Amenity Zone upon stopping.

The foregoing zone summary has been provided for valuation purposes only and should not be relied upon for the purpose of determining whether a particular activity or development is permitted within the zone. Should you require information in this regard we recommend you consult with a Planning Consultant or your Local Authority.

2.6 Highest and Best Use

The highest and best use lies in amalgamation of the land.

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3. Environmental and Statutory

3.1 Contamination

As defined by the Australian and New Zealand Environment and Conservation Council (ANZECC) and the National Health and Medical Research Council (NHMRC) a contaminated site comprises “a site at which hazardous substances occur at concentrations above background levels, and where assessment indicates it poses or is likely to pose an immediate or long term hazard to human health or the environment”.

Registered Valuers are not adequately qualified to detect substances of this type. Our role is limited to the detection and preliminary identification of contamination through making reasonable site inspections and making enquiries to appropriate authorities.

During inspections Bayleys Valuations Limited attempts to identify, from on-site observations, any potential or actual contamination issues thereafter recommending further expert advice where appropriate.

We have not completed an environmental audit of the property, although any contaminants on the property that may be obvious on inspection may be noted in the valuation. No warranty is given, or is to be implied, in the valuation that the property is free from contaminants. Substances such as asbestos, other chemicals, toxic wastes, or other potentially hazardous materials could adversely affect the value of the property. The valuation is prepared on the basis that there is no material on the property that would affect its value. If you have any concerns, verification that the property is free from contaminants should be obtained from a suitably qualified environmental expert.

The Otago Listed Land Use Register provides no information about hazardous activities and industries on this land parcel.

3.2 Asbestos

During the course of our inspection, no asbestos was evident on site (but we are not experts in this area). If asbestos materials are found to be present, this valuation should be referred back to the valuer for further consideration and possible reassessment.

3.3 Statutory Valuation

The land as an unformed road does not have a statutory valuation.

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4. Market Overview

4.1 Economic Outlook

There are a number of factors affecting risk which will have implications for New Zealand's economic future and property markets.

These include but are not limited to:

- Rapidly changing world events such as the war in Ukraine and the Middle East, the economic downturn in China, the legacy of Covid, tensions between global superpowers, volatility in equity and currency markets;
- International and domestic inflation affecting prices including building costs, interest costs and wage growth;
- Changes to immigration settings;
- Availability of credit;
- Climate change awareness and public and private sector responses;
- Artificial intelligence development and uptake.

We do not attempt to predict the future, but for now New Zealand seems well placed in relative terms with no indication of lack of confidence in the robustness of the property market. Some sectors and locations will have different supply and demand characteristics that may affect values.

The below table includes a few performance indicators of the New Zealand economy over the previous six months:

Economic Indicator	Period	Rate	Forecasted Trends
GDP	Q2 2022 – Q2 2023	3.2%	↓
CPI	Q3 2022 – Q3 2023	5.6%	↓
OCR	4 October 2023	5.5%	→
Unemployment Rate	Q2 2022 – Q2 2023	3.6%	↑
10 Year Bond Rate	16 October 2023	circa 5.39%	→
Net Migration	August 2022 to August 2023	110,200 (provisional)	↑

Source: Bayleys Valuations, Statistics NZ, Interest, ASB, ANZ, NZIER, RBNZ, Westpac (October 2023)

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4.2 Queenstown Market Commentary

Queenstown, located in the South Island of New Zealand is known for its natural beauty and has become a popular destination for tourists and investors alike. Queenstown has experienced strong demand in its property market over the years. The combination of its picturesque surroundings, outdoor recreational activities, and a thriving tourism industry has attracted both domestic and international buyers.

One of the key factors influencing the Queenstown property market is the limited supply of land available for development. The town is situated in a valley, surrounded by mountains and lakes, which restricts the amount of available space for new construction projects. This limited supply contributes to the overall high property prices in the area.

Property prices in Queenstown have seen significant appreciation over the years, driven by high demand and limited supply. The scenic beauty, lifestyle offerings, and investment potential have made it an attractive market for property buyers. However, it is important to note that the rate of price growth is slowing with sales volumes down, impacted by interest rate changes and movements from the Reserve Bank.

The Queenstown property market has historically been slower to react to downturns compared with other main centres in New Zealand, and the market also comes from a position of high value levels. Among the trends expected to underpin the Queenstown property market are the tourism restart and increased numbers of people opting to move to Queenstown and work remotely. To date, Queenstown appears to be resisting the national trend of downward pressure on house prices.

The Queenstown residential market is currently characterised by reduced numbers of listings as homeowners wait out the current period of uncertainty, resulting in decreasing sales volumes.

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

5. Sales Evidence

5.1 Sales Evidence

We have considered a range of comparable sales that have occurred nearby and within wider Queenstown. The road to be stopped will form part of a rural block located in Speargrass Flat where we believe the highest and best use is lifestyle blocks. Accordingly, we have considered sales of lifestyle blocks as the basis of our assessment. A summary of these transactions is detailed below:

Address	Locality	Date	Price GST inc	Area (sqm)	Rate (\$/sqm)	Value Building site	Residual Rural Value (\$/m ²)
66 Arrow Junction Road	Arrow Junction	Aug-23	\$2,350,000	13456	\$144.92	\$1,750,000	\$21.15
264 Littles Road	Dalefield	Jun-23	\$2,750,000	42103	\$65.32	\$2,000,000	\$19.68
100 Whitechapel Road	Arrow Junction	Jun-23	\$2,400,000	59666	\$36.87	\$1,250,000	\$17.07
Hogans Gully Road	Lake Hayes	Jun-22	\$3,450,000	15683	\$220	\$3,000,000	\$38.52
37 Station Rise	Dalefield	Apr-23	\$2,200,000	10720	\$205	\$2,000,000	\$29.76
Lower Shotover Road	Speargrass Flat	Sep-22	\$2,200,000	44286	\$50	\$1,500,000	\$17.38
Hanson Road	Frankton	Jun-22	\$1,987,610	21833	\$91	\$1,500,000	\$27.34

We have analysed the sale prices by deducting the value of the building site, with the balance divided by the remaining area to determine the rural land value rate.

An older sale in this locality is a 4.4286 hectare lifestyle block located in Lower Shotover Road which sold for \$2,200,000 in September 2022. The analysed rural land value rate is \$17.38/m², however there has been movement in the market since the date of this sale.

66 Arrow Junction Road sold in August 2023 for \$2,350,000 and contained a basic modern one bedroom dwelling plus a consented building platform. The analysed rural land value is \$21.15/m². We believe the location is inferior.

There has been a recent lifestyle block sale in Dalefield at 264 Littles Road which sold in June 2023 for an analysed rural land value of \$26.24/m².

5 Nathanael Place in Drift Bay is a superior lifestyle block with lake frontage that sold in June 2023 for \$4,300,000 at an analysed rural rate of \$21.23/m².

100 Whitechapel Road recently sold for \$2,400,000 and contains a tidy three bedroom cottage of 100m². The value of the rural land outside the building site is apportioned at \$17.07/m². Arrow Junction is more outlying than the subject and establishes the lower limit.

Hogans Gully Road is one of the prime lifestyle areas in Queenstown. A 1.5683 hectare block recently transacted for \$3,450,000 with an analysed rural land value rate of \$38.52/m².

37 Station Rise Dalefield, comprising a 1.0720 hectare site sold in April 2023 for \$2,200,000. The rural land sold for an analysed rate of \$29.76/m².

Finally, we note a lifestyle block in Hanson Lane Frankton sold for an analysed rural land value rate of \$27.34/m².

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

6. SWOT Analysis

We have considered and summarised the key positive and negative features associated with the subject property. This process assists in determining the appropriate yield and adopted rates for valuation.

Strengths	Opportunities
• Strong demand for land in Queenstown area.	• Stopping the road and amalgamating with 413 Speargrass Flat Road. • Future development of the land.
Weaknesses	Threats
• Irregular in shape. • Limited use for the land. • Limited purchasers. • Lack of services.	• The surrounding land owner will not purchase the land, or only at a discount to market. • Offshore and local factors having a negative impact on the domestic economy and property values. • Rising interest rates and tightening lending criteria.

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

7. Valuation Approach

In arriving at market value, we have considered relevant economic and other factors and have in particular investigated sales of comparable properties.

The key approach to valuation of rural land is the Market Approach, adopting the Comparable Transactions Method

7.1 Comparable Transaction Method

This is also referred to as the “Direct Sales” Method. This method analyses comparable sales of rural land on a dollar rate per square metre. Further adjustments are made for factors such as location, size, date of sale etc.

The land to be stopped was intended for roading purposes and is long and narrow in shape and has limited value in its own right.

The land to be stopped will only have value to the owner of the surrounding land and in determining the value we have assessed this at 100% of the prevailing rural land value rate in this locality.

Based on analysis of the preceding sales we believe this ranges from \$20.00/m² to \$30.00/m² with our assessment based on the midpoint of \$25.00/m² as follows:

Comparable Transactions Method		
Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown		
Road to be stopped	3,703 sqm	
	<i>Residual rural rate</i>	
	\$20.00 psm	\$74,060
	\$25.00 psm	\$92,575
	\$30.00 psm	\$111,090
Indicated Market Value '	Say	\$100,000 inc. GST
<i>Resultant Rate PSM Land Area</i>		<i>\$27 psm</i>

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

8. Valuation Conclusion

Bayleys Valuations Limited confirms that we undertook an inspection of the property at **Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown**, on 12 January 2024, in order to assess the Market Value of road stopping purposes.

Subject to the critical assumptions and comments noted within this report, we hereby assess the Market Value of the abovementioned property to be:

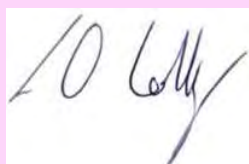
**One Hundred Thousand Dollars
(NZ\$100,000)
inclusive GST (if any)**

8.1 Signatory

We thank you for your instructions in this matter. If you require any further assistance, please contact the undersigned.

Prepared By

Bayleys Valuations Limited



Lance Collings

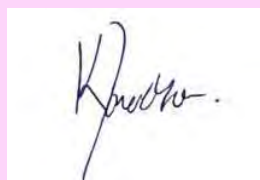
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Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

9. General Principles

PINZ: Valuation Standards & Guidance Notes	This valuation has been performed in accordance with International Valuation Standards - IVS (effective 31 January 2022), and the relevant Australia and New Zealand and Property Standards as approved by the New Zealand Institute of Valuers (NZIV) Council. The definition of Market Value as defined by the International Valuation Standards - IVS (effective 31 January 2022) is "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 had each acted knowledgeably, prudently and without compulsion".
Valuation Basis	No allowances are made in our valuations for any expenses of realisation or to reflect the balance of any outstanding mortgages either in respect of capital or interest accrued thereon.
Information Supplied	The valuation assumes as being complete and correct information provided to us by the sources detailed in our report on any relevant matters including, without limitation, items such as rents, operating expenses, tenure, tenancies and tenants' improvements. We accept no responsibility, however, for the completeness and accuracy of information provided to us.
Documentation	Our inspection has included searching of the Certificate(s) of Title and if appropriate and where available, the ground and/or building lease(s) and other relevant tenancy schedules and documents. We recommend that reliance should not be placed on our interpretation thereof without prior verification by your lawyers.
Title	Unless specifically stated in the report, we assume that each property has a good and marketable title and is free from any pending litigation. We further assume that all documentation is satisfactorily drawn and that there were no unusual or onerous restrictions, easements, covenants or other outgoing which would adversely affect the value or negotiability of the relevant interest(s).
Title Boundaries	We have not carried out a detailed site survey and we have of necessity assumed for the purposes of the valuation that all structural improvements have been erected within the Title Boundaries. We do not undertake a measurement of the site or survey but calculate the site areas by reference to identified boundaries of the property and the appropriate Computer Register.
Resource Management Act 1991	Our valuation is on the basis of uses indicated on our copies of the Transitional District Plan, Proposed District Plan and District Plan (as the case may be) and our enquiries of the Territorial Authority as to any Resource Consents for the land.
LIM & PIM	Unless otherwise stated, we have not obtained a Land Information Memorandum (LIM) or Project Information Memoranda (PIM) from the Territorial Authority. It is considered an obligation of the recipient of the report to request a Land Information Memorandum from the appropriate local authority and search legal registrations on the relevant Computer Register, in order to satisfy themselves as to the suitability of the property for their specific purpose.
Valuation	The valuation provided is our opinion of the market value. This value may change in the future due to market conditions and changes to the state of the property. For the purposes of our valuation we have assumed there will be no adverse market changes in the short to medium term.
Validity	Should a period of greater than three months elapse from the date of preparation of the report, it is recommended that the person to whom it is addressed seek confirmation from the Valuer concerned that the valuation can still be relied upon in context of relevant current market situation. Failing to do so will nullify the validity of the report as well strict reliance upon a copy of the same unless previously agreed to in writing between us and the recipient and/or end user. If a copy of the report is relied upon, we cannot guarantee the accuracy of the same which could be at variance with the original document. Furthermore, the reference to the 3 month time period does not imply that the value will remain static during this time. From the perspective of Bayleys Valuations Ltd, this valuation is valid by valuer signature only.

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

Practising Certificate	This valuation has been carried out by a Registered Valuer carrying a current practising certificate.
Insurance	BVL hold Professional Indemnity cover that is at a level accepted by our large corporate clients and banks and it is at/or above industry standards. A copy of our certificate is available upon request.
Acceptance of Reports	The use of this report by the client/instructing party for market value/mortgage purposes in its current format is deemed an acceptance by the same of all value, terms, conditions and specification contained herein unless advised to the contrary immediately.
Inspections	We undertake such inspections and conduct investigations as are, in our opinion, correct in our personal judgement, appropriate and possible in the particular circumstance.
Legislation	Building Act 2004, Health and Safety at Work Act 2015, Fire Safety and Evacuation of Buildings Regulations 2006, Disabled Persons Community Welfare Act 1975. Unless otherwise stated in our report, our valuation is on the basis that the property complies with this legislation or it has no significant impact on the value of the property.
Structural Surveys	The valuation report does not purport to be a structural survey and we accept no responsibility for the omission of building or other defects which may not be apparent without such a survey.
Deleterious Materials	Unless stated in our report, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless notified, our valuations assume that no such materials or methods have been used (e.g. asbestos, PCBs).
Site Conditions	We do not carry out investigations on site in order to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. Unless notified to the contrary, our valuations are on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances. In the case of properties which may have redevelopment potential, we assume that the site has load bearing capacity suitable for the anticipate form of redevelopment without the need for additional and expensive foundations or drainage systems.
Environmental Contamination	Our valuations assume that no contaminative or potentially contaminative use is, or ever has been, carried out at the property. Unless specifically instructed, we do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists.
Plant & Machinery	Our valuations include items usually regarded as forming part of the building and comprising fixtures, such as lifts, boilers, heating, ventilation, air conditioning, water, drainage, electrical, lighting, fire detection and sprinkler systems. We have assumed the fixtures are in proper working order and functioning for the purpose for which they were designed.
Taxation, GST	In preparing our valuations, no allowances are made for any liability which may arise for payment of income tax or any other property related tax, whether existing or which may arise on development or disposal, deemed or otherwise. In respect to Goods and Services Tax we specifically draw your attention to the fact that our valuation is on the following basis: • Non Residential - Market and rental valuations are (unless otherwise stated) carried out on the basis that valuation is plus GST (if any). • Residential - Market and rental valuations are (unless otherwise stated) carried out on the basis that the valuation includes GST (if any).
Publication	Neither the whole nor any part of our reports, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way without any written approval of the form and context of such publication or disclosure. Such approval is required whether or not Bayleys Valuations Ltd referred to by name and whether or not the reports are combined with others.

Mooney Road (413 Speargrass Flat Road), Speargrass Flat, Queenstown – 12 January 2024

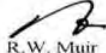
Appendix

1. Record of Title



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




R. W. Muir
Registrar-General
of Land

Identifier 665219
Land Registration District Otago
Date Issued 26 August 2014

Prior References
177645

Estate Fee Simple
Area 28.3535 hectares more or less
Legal Description Lot 1, 101 Deposited Plan 475822
Registered Owners
XRAY TRUST LIMITED

Interests

Subject to a right (in gross) to convey water over Lot 1 DP 475822 marked E on DP 475822 in favour of Arrow Irrigation Company Limited created by Transfer 839039 - 22.9.1993 at 10:09 am

Land Covenant in Easement Instrument 8631576.1 - 16.11.2010 at 4:13 pm

9805352.1 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 26.8.2014 at 4:09 pm

Subject to Section 241(2) Resource Management Act 1991 (affects DP 475822)

Subject to a right to convey water over Lot 1 DP 475822 marked LA and LL on DP 475822 created by Easement Instrument 9805352.5 - 26.8.2014 at 4:09 pm

Appurtenant to Lot 1 DP 475822 is a right to convey water and electricity created by Easement Instrument 9805352.5 - 26.8.2014 at 4:09 pm

The easements created by Easement Instrument 9805352.5 are subject to Section 243 (a) Resource Management Act 1991

Subject to a right (in gross) to convey telecommunications and computer media over Lot 1 DP 475822 marked NA, CB, NB, NC and LA on DP 475822 in favour of Chorus New Zealand Limited created by Easement Instrument 9805352.7 - 26.8.2014 at 4:09 pm

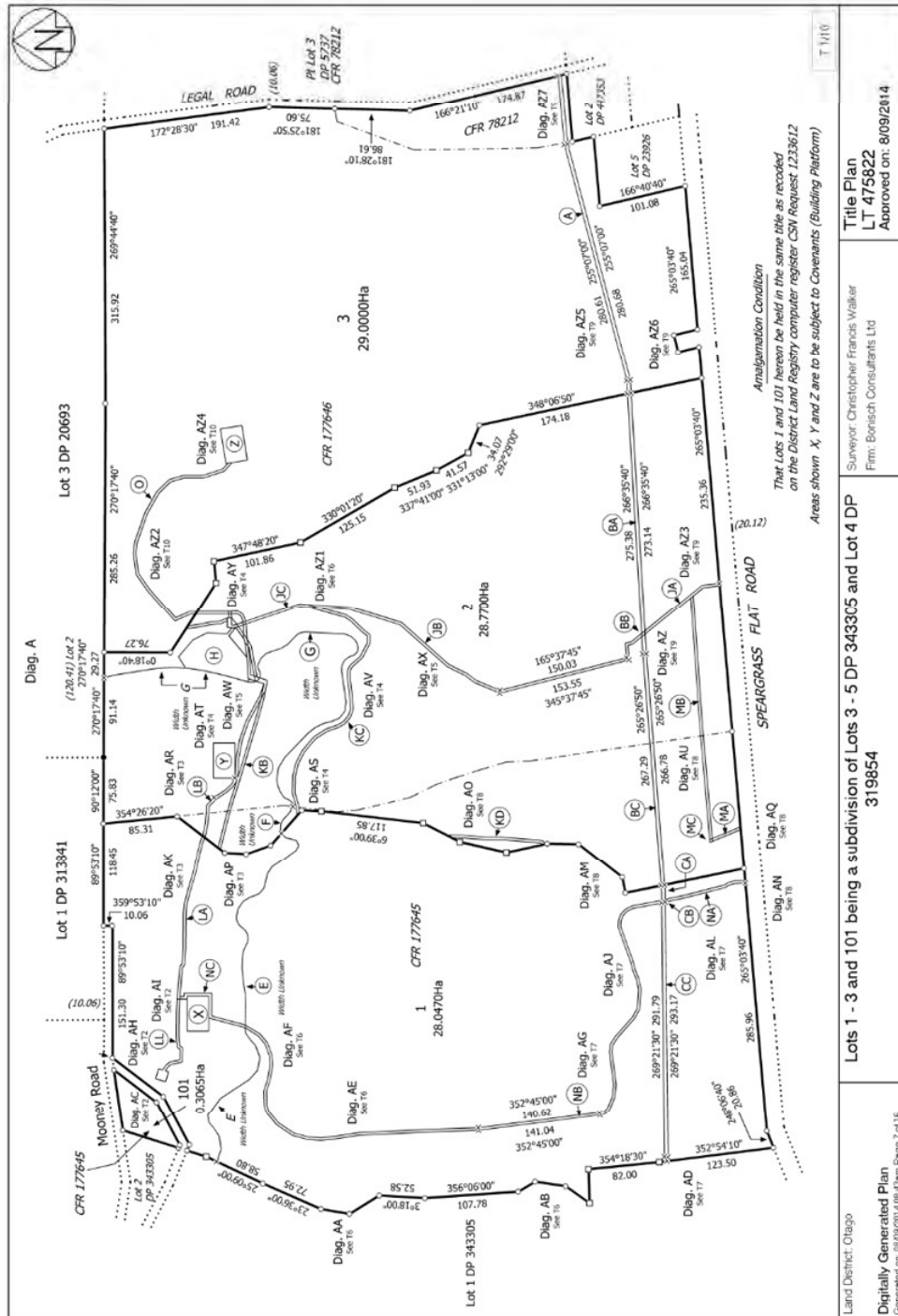
The easements created by Easement Instrument 9805352.7 are subject to Section 243 (a) Resource Management Act 1991

Land Covenant in Easement Instrument 9805352.8 - 26.8.2014 at 4:09 pm

10608206.1 Variation of Consent Notice 9805352.1 pursuant to Section 221(5) Resource Management Act 1991 - 28.10.2016 at 3:14 pm

Land Covenant in Easement Instrument 11064084.17 - 6.12.2018 at 1:54 pm

Land Covenant in Easement Instrument 11064084.18 - 6.12.2018 at 1:54 pm



That Lots 1 and 101 herein be held in the same title as recorded
on the District Land Registry computer register 1233612
Areas shown X, Y and Z are to be subject to Covenants (Building Platform)

T 1/10

Title Plan
LT 475822
Approved on: 8/09/2014

Surveyor: Christopher Francis Walker
Firm: Borisch Consultants Ltd

Lots 1 - 3 and 101 being a subdivision of Lots 3 - 5 DP 343305 and Lot 4 DP
319854



Title Plan - SO 599466

Survey Number	SO 599466
Surveyor Reference	6029 XRay
Surveyor	Daniel James Batchelor
Survey Firm	Aurum Survey Consultants Ltd (Queenstown)
Surveyor Declaration	

Survey Details

Dataset Description	Section 1		
Status	Initiated		
Land District	Otago	Survey Class	Class B
Submitted Date		Survey Approval Date	
		Deposit Date	

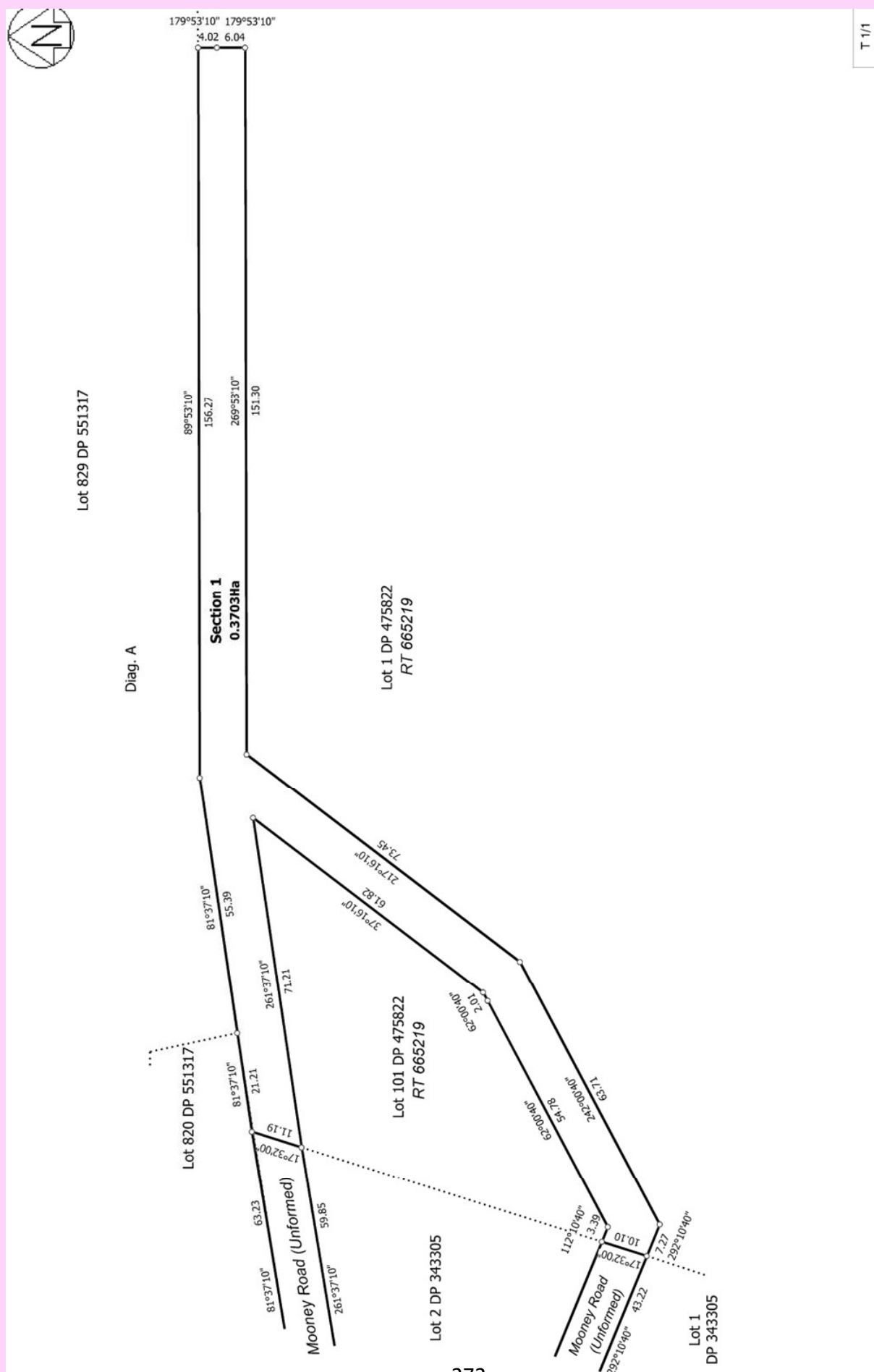
Territorial Authorities

Queenstown-Lakes District

Created Parcels

Parcels	Parcel Intent	Area	RT Reference
Section 1 Survey Office Plan 599466	Legalisation	0.3703 Ha	
CSC Parcel Number: 4	Road		
Total Area		0.3703 Ha	

Schedule of Areas			
Road to be stopped			
<i>Shown</i>	<i>Description</i>	<i>Estate Record</i>	<i>Area</i>
Section 1	Lot 101 DP 475822	665219	0.3703Ha



Appendix

2. Letter of Engagement

Name APL Property
Address Level 1/50 Stanley Street, Queenstown 9348
Via email dan.cruickshank@aplproperty.co.nz
Date 18 December 2023

Dear Dan,

LETTER OF ENGAGEMENT - Mooney Road, Queenstown (stopping for sale purposes)

We are pleased to confirm we will be undertaking the valuation service for the above property, for the purpose detailed in the Scope of Works and Valuation Service attached.

Our Terms of Engagement are advised by way of this letter, and prior to carrying out the valuation service, we ask that you please read, sign and return the attached to our office. In the absence of a signature by you, any instruction by you or on your behalf to proceed with the valuation service will be deemed acceptance of these Terms.

If you have been given a fee estimate for carrying out the above valuation service, this is our best estimate only and is subject to final confirmation once the valuer has visited and assessed your property. Reasonable additional costs and disbursements may be charged if they are incurred in the course of completing the valuation service as instructed by you. Please be aware that your valuation service may not be relied upon until full payment is received.

The assessment will be undertaken (or peer reviewed if applicable) by the undersigned. Thank you for using Bayleys Valuations Limited's services.

Yours sincerely

Lance Collings

BBS ANZIV, SPINZ

Director – Registered Valuer

+64 21 666 887

lance.collings@bayleys.co.nz

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Christchurch

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Addington
Christchurch 8011
New Zealand
+64 3 375 4700

CLIENT ACCEPTANCE

Signed by Client

Date

Print Name/Position

IN ASSOCIATION WITH

 **Knight
Frank**

Page 1

Scope of Works and Valuation Service



ADDITIONAL INFORMATION REQUIRED FROM CLIENT

- | | |
|--|--|
| ☐ Lease Document | ☐ LIM |
| ☐ PIM | ☐ Body Corporate Minutes |
| ☐ Body Corporate Budget | ☐ Proposed/Existing Floor Plans |
| ☐ Construction Cost Breakdown | ☐ Proposed Subdivision/Lot Plan |
| ☐ Operating Expense Budget | |
| ☐ Other | <input type="text"/> |

EXTENT OF INVESTIGATION AND INSPECTION

Research and analysis of market transactions of comparable properties, Title search and investigation of Registrations, review of applicable Town Planning, review of any Resource Consents or other reports supplied.

Full inspection of the property and any improvements to the extent necessary to complete the valuation task.

NATURE AND SOURCE OF INFORMATION TO BE RELIED UPON

Title documents, Town Planning obtained from relevant Local Authority Plans, market evidence obtained from suitably credible sources, various documentation provided by the client.

SPECIAL ASSUMPTIONS

REFERENCE MATERIAL Office Use Only

- | | |
|--|----------------------|
| ☐ Previously Valued | <input type="text"/> |
| ☐ Recall Required | <input type="text"/> |
| ☐ Title Search | <input type="text"/> |
| ☐ Database | <input type="text"/> |
| ☐ Reminder Date | <input type="text"/> |

OTHER INFORMATION

Any work undertaken subsequent to report delivery (in relation to this instruction) will be charged on a time in attendance basis of \$400 per hour plus GST.

Terms of Engagement

SCOPE OF BAYLEYS VALUATIONS LIMITED'S SERVICES

1. The scope of the valuation service Bayleys Valuations Limited (BVL) will perform is set out in the Letter of Engagement and Scope of Works and Valuation Service documents attached. The client ("you") is the party entered as the client in the Scope of Work and Valuation Service.

BAYLEYS VALUATIONS LIMITED'S COMMITMENTS TO YOU

2. BVL undertakes that:
 - (i) the valuation report you have requested will be prepared by a BVL valuer;
 - (ii) BVL will select a valuer who is suited to your needs, and will inform you promptly of any necessary change;
 - (iii) the valuation report will be of high quality, objective and unbiased;
 - (iv) BVL has no interest in the subject property;
 - (v) the valuation report will be prepared in accordance with the International Valuation Standards of the International Valuation Council and the New Zealand Institute of Valuers Code of Ethics;
 - (vi) any information that is relied upon in the valuation process that is not to be verified by BVL will be set out in the valuation report; and
 - (vii) assumptions that are made by BVL in the conduct and reporting of the valuation will be set out in the valuation report as noted in the Scope of Works and Valuation Service.

RELIANCE OF BAYLEYS VALUATIONS LIMITED'S VALUATION REPORT

3. The valuation report will state BVL's assessment as at the valuation date stated in the valuation report only and not at any other date, and may be relied upon only by you and/or other parties named in the valuation report. BVL has no duty of care, liabilities or responsibilities to any other party.
4. The valuation report will be written only for the purpose stated in the Scope of Work and Valuation Service.
5. You must fully disclose to BVL all information of which you are aware which may be relevant to the valuation. BVL will not be liable for any inaccuracy in the valuation report resulting from failure by you to disclose such information. BVL will be entitled, upon becoming aware of any non-disclosure, to give written notice to any party that the valuation report is null and void and should not be relied on. Such action by BVL will not alter BVL's entitlement to be paid by you for the valuation service performed.

ACCESS TO THE PROPERTY AND INFORMATION

6. You will provide timely access to the property and any other information in your control requested by BVL in order to carry out the valuation. BVL will not accept responsibility for delays or non-completion of the valuation report where you do not do so.

VARIATION TO THE SCOPE OF WORK AND VALUATION SERVICE

7. Any variation to the Scope of Work and Valuation Service must be by written agreement between you and BVL. Any additional reasonable fees or disbursements as a result of the variation may be charged to you.

SUSPENSION AND TERMINATION OF BAYLEYS VALUATIONS LIMITED'S ENGAGEMENT

8. If a payment is not made on its due date, BVL may suspend its services.
9. BVL may terminate its appointment to provide the services, for any reason, on 7 days' written notice to the client. Termination will be without prejudice to either party's accrued rights and obligations incurred prior to the date that termination becomes effective.
10. Without prejudice to any other rights BVL may have, BVL may terminate its engagement where a payment is 10 days overdue. BVL may terminate its engagement immediately if you become bankrupt, in liquidation or receivership, you enter into a creditors' arrangement, you cease to carry on business or BVL has reasonable cause to believe that you are insolvent. Following such termination, BVL will be entitled to payment for valuation services performed to the date of termination. If termination occurs after a valuer has visited the property but prior to commencing preparing the valuation report, 50% of the GST inclusive total fee will be payable by you. If the valuer has commenced drafting the valuation report the full fee will be payable.

BAYLEYS VALUATIONS LIMITED'S FEES AND DISBURSEMENTS

11. BVL's fee set out in the Scope of Work and Valuation Service is an estimate only unless stated otherwise and is based on information provided by you at the time of BVL's engagement. The fee estimate is subject to a valuer visiting the property. In the event that the actual cost of the Valuation Service will vary from the fee estimate because of the nature of the property or information not given to BVL at the time of engagement, BVL may invoice you an additional reasonable fee.
12. BVL may invoice you at any time for disbursement expenses reasonably incurred in carrying out the valuation. Such expenses generally include travel costs, search fees for public information, communication services and administrative expenses related to this engagement. Where the disbursements are fees charged by other parties, BVL will on-charge to you only the amount charged to it. Further information about disbursements will be provided by BVL if you request it.
13. BVL reserves the right to submit interim invoices for valuation services where it is reasonable to do so.
14. Invoices from BVL must be paid as indicated on the Scope of Work and Valuation Service:
 - (i) for existing clients to be invoiced on account, payment is required on or before the 20th or such other date specified of the following month;
 - (ii) for payment required prior to release of report, credit card details are required to be held as security prior to the valuation work commencing; and
 - (iii) for payment required now, payment is required to be made in advance by direct credit or deduction from a credit card.
15. At any time during the preparation of the report, BVL reserves the right to hold the report until payment of the fee is made in full.

Terms of Engagement

BAYLEYS VALUATIONS LIMITED'S FEES AND DISBURSEMENTS (CONT'D)

16. Where accounts remain unpaid or are overdue:
 - (i) interest at 2.5% per month (or part month) may be charged on any overdue balance and will be payable on demand;
 - (ii) all debt collection fees, commissions, administration charges and legal costs incurred by BVL in pursuing payment will be charged to you;
 - (iii) you agree that payment in full of any overdue amount may be deducted from any credit card if you have given BVL the card details; and
 - (iv) all payments by you must be without deduction or set off.

BAYLEYS VALUATIONS LIMITED'S LIABILITY

17. BVL's terms about who may rely upon its valuation report are set out at paragraph 3.
18. BVL's services are provided strictly on the basis that its liability (whether in contract, tort (including negligence) or otherwise) is limited to:
 - (i) for the total of all claims to an amount equal to five (5) times BVL's fee (excluding GST) to a maximum of \$100,000 (except where contrary to any law);
 - (ii) claims brought within three (3) years from the date of BVL's final invoice; and
 - (iii) compensatory damages for reasonably foreseeable direct loss, which does not include loss of income or profit by you or any other consequential loss.
19. BVL will not be liable for any cost, claim or loss arising directly or indirectly out of:
 - (i) any variation or amendment to BVL's valuation report made without BVL's written approval;
 - (ii) unpredictable and unforeseeable future circumstances or market affecting BVL's valuation;
 - (iii) reliance on a valuation report after three (3) calendar months from the date of the valuation;
 - (iv) reliance on a valuation report within three (3) calendar months of the date of the valuation but where the party relying on it is, or should reasonably have been, aware of information that would or may have a material effect on the reliability of the valuation.
20. These limitations of liability also apply for the benefit of BVL's directors, employees, contractors and agents, and may be enforced by those parties.

PRIVACY

21. You authorise BVL to gather and hold any personal information necessary for the performance of the valuation services or for BVL's credit control processes. BVL will keep all personal information confidential, and will release it to third parties only as is necessary for performance of the valuation services, for credit control actions or where BVL is obliged by law to release it. Under the Privacy Act 1993, you have the right of access to, and correction of, your personal information held by BVL.

INSTRUCTING PARTY'S GUARANTEE

22. In consideration of BVL providing valuation services to a client, which is a company, trust or other Body Corporate, the instructing party listed on the Scope of Works and Valuation Service personally guarantees payment to BVL of fees and disbursements due to it under this engagement.

GENERAL

23. Neither the whole nor any part of our reports, nor any reference thereto, may be included in any published document, nor published in any way without written approval of the form and context of such publication or disclosure. Such approval is required whether or not BVL is referred to by name or whether or not the reports are combined with others.
24. BVL's valuation report must not be duplicated or disseminated by you to any party to whom it is not addressed (except your professional advisors) without BVL's written approval.
25. All copyright or other intellectual property appearing in the valuation report remains BVL's property. BVL may use any content in the valuation report to form the basis of other work provided it does not breach any duty of confidentiality to you.
26. A valuation report may be reissued or readdressed at BVL's discretion.
27. Under Section 69 of the Reserve Bank of New Zealand Act, the Reserve Bank must keep a public register of registered banks. If the Reliant Party is an entity not listed on this Register, BVL may require a Letter of Engagement to be signed by the entity in question.
28. In the absence of written signature by you, any instruction by you or on your behalf to BVL to proceed with work will be deemed acceptance by you of these terms.
29. Where you are acquiring BVL's services for the purposes of business (as provided for in sections 2 and 43 of the Consumer Guarantees Act 1993), that Act will not apply.
30. These Terms of Engagement, together with the Letter of Engagement and the Scope of Works and Valuation Service attached, constitute the entire agreement between you and BVL and supersede any previous terms. BVL is not liable for any statements or representations that are not set out in these Terms of Engagement. BVL may amend these Terms of Engagement from time to time, which a copy will be sent to you immediately.
31. These Terms of Engagement may only be amended, modified or supplemented as between you and BVL in writing.
32. If any term of these Terms of Engagement is held to be illegal, unenforceable, invalid or void, this will not prejudice or affect the legality, enforceability or validity of the remaining provisions which will continue in full force and effect.
33. The engagement between you and BVL is governed by the laws of New Zealand, and you agree to submit to the exclusive jurisdiction of the New Zealand Courts.

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