

AFFORDABLE HOUSING PROJECT HAWEA SCENARIOS

Queenstown Lakes District Council

Client
Date

Queenstown Lakes District Council
February 2021

25 May 2021

Queenstown Lakes District Council
10 Gorge Road
Queenstown 9300

Attention: Ian Bayliss / Katie Russell

AFFORDABLE HOUSING PROJECT – HAWEA SCENARIOS QUEENSTOWN LAKES DISTRICT COUNCIL

In accordance with your specific instructions and scope of work received 22 January 2021, we have completed our analysis and reporting into the impact of providing affordable housing when developing greenfield developments within the Hawea locality in the broader Queenstown Lakes District.

1 SCOPE OF WORK

1.1 THE VALUER

The valuation advice has been undertaken by Martin Winder (registered valuer and director of TelferYoung (Canterbury) Ltd) who provides this objective and unbiased advice. The valuer has no material connection with the instructing party and has the appropriate qualifications and experience to undertake the valuation advice.

1.2 OUR CLIENT

Queenstown Lakes District Council.

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

To assist Queenstown Lakes District Council with developing a policy for the provision of affordable housing in their region.

1.4 BACKGROUND

Queenstown Lakes District Council (QLDC) is considering provisions for the district plan that would require developments that meet set criteria to provide a contribution to affordable housing in the district. This is known as Inclusionary Zoning, is used throughout the world, particularly in high-value real estate markets. Questions of the impact of any requirement on the feasibility of development is an important aspect of setting in place an affordable housing policy.

TelferYoung has previously provided a report to Council (dated 1 July 2020) which provided scenario analysis based on both greenfield developments and brownfield developments in the Queenstown region. The greenfield development was based on a nominal site in Hanley's Farm that provided 177 sections. The development would provide vacant sections would be sold to the market rather than land and build packages.

The brownfield scenarios were based on the development of units on two sites that were already improved with existing residences in established residential localities. The model envisages purchasing the properties, demolishing existing buildings and constructing a complex of 12 units. Sites were identified in Fryer Street and Frankton Road. The Frankton Road site benefitted from superior lake views whereas the Fryer Road site had no real lake views but was within walking distance to central Queenstown.

The research demonstrated the impact on the developer of discounting a proportion of the units, gifting units and paving a levy to Council.

1.5 INSTRUCTIONS

We have been instructed to provide additional research into the greenfield model.

Of interest to Council, is the broadening of localities within the Queenstown Lakes District Council region and the scale of the development and the associated impact of potential affordable home policies.

We have been provided with information relating to a proposed development in Hawea another in Wanaka near Albert Town and a third in Wanaka close to Bremner Bay.

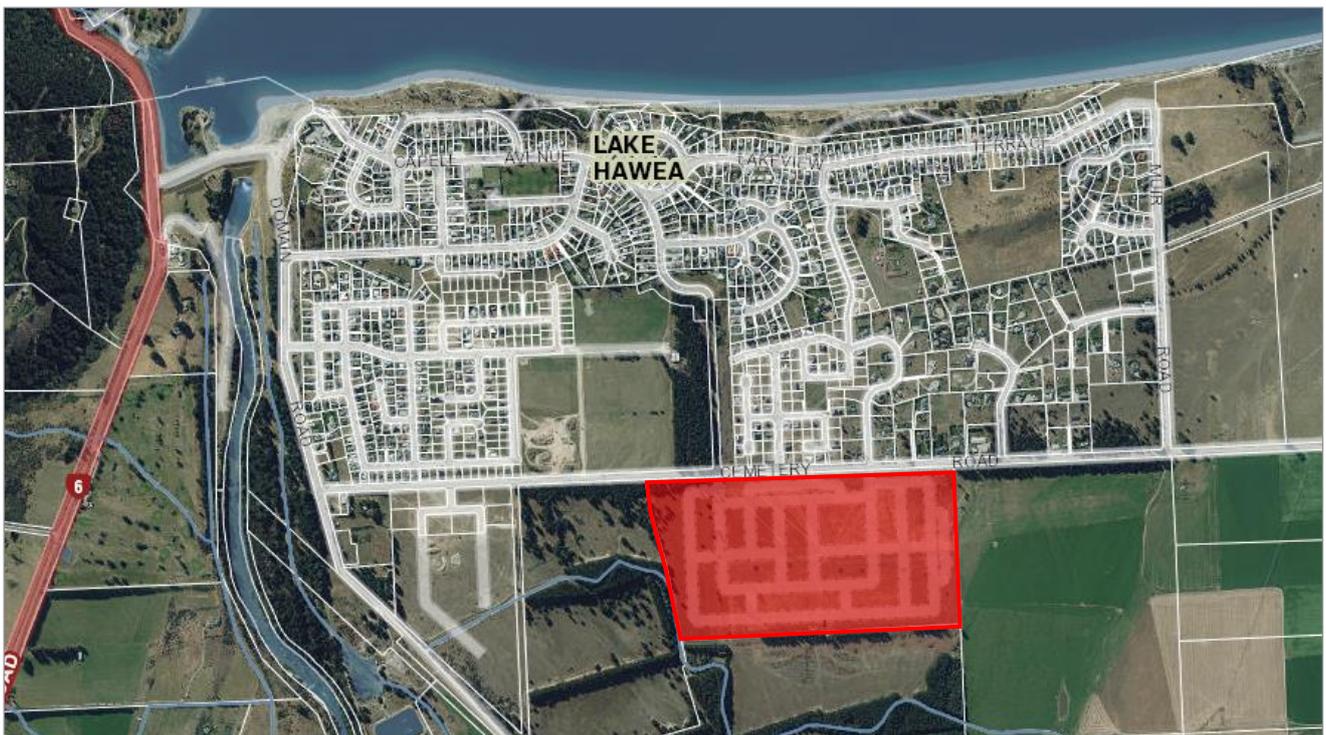
Council is interested in how the potential policies may impact on developments of 10 sites, 50 sites and 200 sites.

For consistency purposes, we have adopted identical affordable homes policies as applied to the Hanleys Farm greenfield scenario.

1.6 OVERVIEW

A greenfield development is one whereby land has been developed from a typical rural productive or lifestyle block use into a more intensive land use. Residential subdivisions are generally greenfield developments that occur on the current urban/rural interface.

We have been provided with details of a proposed 467 lot subdivision in Hawea. We have identified the proposal in Red on the plan below. The property is set back from the lake edge and does not benefit from lake views.



The contour of the land is level and would likely be relatively straightforward to develop. The scheme plan below identifies the 467 proposed lots.



The development provides an average site area of **438m²**. The density mix of the development is as follows:

Section Sizes	No. Sites	% of Development
250m ² - 255m ²	10	2.14%
300m ² - 302m ²	53	11.35%
399m ² - 414m ²	214	45.82%
421m ² - 496m ²	7	1.50%
500m ² - 511m ²	126	26.98%
518m ² - 566m ²	15	3.21%
600m ² - 601m ²	36	7.71%
610m ² - 676m ²	6	1.28%
Total	467	100.00%

This density mix is of a higher density than that which exists in Hawea at present. Subject to consent, this density mix is likely to become more common in the region as central and local authorities encourage higher density living, which is in general terms, better utilisation of land and has advantages when providing community infrastructure and public transport.

It is our view that Hawea is an ideal locality to run the affordable homes models due to the more modest value levels relative to Wanaka and Queenstown whilst retaining strong levels of demand in recent times. The area is likely to see substantial growth in the short to medium term.

Our scenarios incorporate:

- 10 section development
- 50 section development
- 200 section development

We have adopted the density analysed from the Hawea development and adopted a ‘nominal’ site nearby with the same attributes in terms of contour and outlook as the Hawea development.

The date of this assessment is February 2021.

We have opted for 3 types of affordable housing provision as follows:

- Gifting Council a percentage of the developed sections
- Discounting a portion of the developed sections
- Paying a levy to Council based on a percentage of the gross realisation (section sales)

1.7 HYPOTHETICAL SUBDIVISION METHOD

The hypothetical subdivision approach is a traditional method for the valuing of block subdivisional land. The methodology requires the assessment of the gross realisation from section sales from which costs of sales (real estate commissions and legal expenses) are deducted followed by a deduction of profit and risk to arrive at an outlay. From the outlay development costs (including development and reserve contributions, advertising costs, and interest are deducted) to derive a residual block value for the land, which is the sum a developer could afford to pay for the land for subdivision.

1.8 HAWEA NOMINAL SITE

We have adopted the average site area of **438m²** per site and the portion of sections and roads of the total land holding (excluding reserves) of the nearby Hawea proposed development. The Hawea development has 26.14% of the land in roading and right of ways and the balance 73.86% in sections. We have adopted this mix accordingly.

Scenario	Average site (m ²)	Total Section Area (m ²)	Road Area (m ²)	Total Land Area (m ²)
10 Section Model	438	4,380	1,550	5,930
50 Section Model	438	21,900	7,751	29,651
200 Section Model	438	87,600	31,003	118,603

1.9 INPUTS

1.9.1 Section Values

We have considered sections sales occurring within the Wanaka and Hawea localities in recent years. We detail REINZ statistics as they relate to vacant section sales in the localities as follows:

Year	Combined Wanaka & Hawea Regions	Hawea Region
2010	137	10
2011	117	9
2012	201	14
2013	297	13
2014	339	30
2015	644	44
2016	771	211
2017	568	87
2018	475	143
2019	225	23
2020	339	34
Total	4,113	618

It is clear that the Hawea market had modest levels of sales in the early 2010's and has more recently seen large volumes of section sales. The most recent years have been characterised by the supply of developments to the market and/or lack of developments to the market. As titles are issued, large numbers of sections are recorded and many of these are pre-sold prior to title issue.

The Wanaka region is more popular and desirable than the Hawea locality though both areas are popular and are experiencing high levels of growth relative to their size. Value levels tend to be higher in Wanaka than Hawea, though lake views in both centres command a premium. The Wanaka commercial precinct has a greater number of community amenities and retail offerings than Hawea.

We detail vacant section sales evidence from Hawea as follows (ordered smallest to largest):

Address	Date	Price	Area (m ²)
35 Timsfield Dr	4/12/2020	\$315,000	800
5 Teal Pl	23/11/2020	\$335,000	800
6 Teal Pl	14/12/2020	\$335,000	800
33 Dingle St	6/08/2020	\$292,000	801
8 Isthmus Pl	30/08/2020	\$310,000	802
12 Brewster Crs	5/08/2020	\$326,250	802
3 Teal Pl	10/11/2020	\$320,000	803
21 Teal Pl	4/12/2020	\$345,000	804
9 Edna Ln	5/11/2020	\$350,000	804
3 Grandview Rd	12/08/2020	\$312,000	812
14 Sarges Way	13/07/2020	\$315,000	841
14 Sentinel Dr	10/08/2020	\$315,000	843
5 Muscovy Ln	8/11/2020	\$300,000	898
22 Rosella Ln	28/02/2020	\$339,000	910
12 Woodpecker St	21/02/2020	\$329,000	931

The prices include GST.

The sections range in scale from 800m² upwards which is a factor of zoning and consent provisions in the area. As previously mentioned, the proposed Hawea development has a considerably higher density than the existing subdivisions.

We now detail vacant section sales from the Wanaka region which also includes areas close to Albert Town. These sections are also ordered by area (smallest to largest) and we have chosen sizes closer to those envisaged by our model (averaging 438m²).

Address	Date	Price	Area (m ²)
8 McNeil Crs	20/06/2020	\$372,500	400
10 Dow Cl	26/10/2020	\$380,000	400
15 Scurr Tce	16/09/2020	\$395,000	400
Farrant Dr	25/01/2021	\$390,000	412
8 Scurr Tce	17/02/2020	\$389,000	430
10 Scurr Tce	11/09/2020	\$390,000	430
27 The Heights Ave	11/06/2020	\$433,000	430
233 Aubrey Rd	6/11/2020	\$352,500	444

Address	Date	Price	Area (m ²)
229 Aubrey Rd	8/12/2020	\$365,000	444
5 Landsborough Ln	21/12/2020	\$405,000	447
15 Tuke Ln	11/09/2020	\$340,000	449
17 Tuke Ln	7/09/2020	\$340,000	449
7 Marjon Dr	8/06/2020	\$310,000	450
13 Marjon Dr	8/06/2020	\$310,000	450
15 Marjon Dr	13/08/2020	\$365,000	450
17 Marjon Dr	31/08/2020	\$370,000	450
5 Doug Ledgerwood Dr	9/09/2020	\$402,000	450
9 Doug Ledgerwood Dr	23/10/2020	\$415,000	450
36 Farrant Dr	20/10/2020	\$435,000	453
5 Marjon Dr	8/06/2020	\$310,000	455

Having considered all factors, we establish an appropriate value to apply to the 438m² average section at **\$300,000**.

1.9.2 Realisation Period

To obtain the broadest possible (long term) view of the market, we have analysed the volume of residential section sales in the 'Wanaka and Hawea localities since 2010 (previously detailed) by adopting REINZ data. A total of 4,113 sections have sold at an average of 374 per year or 31 per month. We anticipate the nominal subject development will be able to achieve 8% of the market share and record approximately 30 sales per annum. We estimate the scenarios will take the following timeframes to plan, develop and sell down:

Scenario	Stage 1	Stage 2	Stage 3	Total Time Frame
10 Section Model	1 yr	N/A	N/A	1 yr
50 Section Model	2 yrs	N/A	N/A	2 yrs
200 Section Model	2.5 yrs	2.5 yrs	3 yrs	7 yrs

The 200 Section Model comprises 3 stages. The stages overlap by 6 months each to allow for construction of the following stage whilst still selling sections from the stage before. This ensures a steady flow of sections to the market.

1.9.3 Cost of Sales

- Commission 3.00% on the GST inclusive sale price
- Legal Fees \$1,000 per site plus GST
- Marketing/Promotion \$2,000 per site plus GST

These allowances are market derived and consistent with the Wanaka/Hawea market at this time.

1.9.4 Profit and Risk

Within our hypothetical subdivision method we adopt a profit and risk rate. The rate is derived from sales of developable block land and reflects the profit the developer anticipated for undertaking the development. The scale of the project, market conditions, funding constraints, section values and development costs all impact on the profit and risk rate. Larger developments incur higher profit and risk rates due to the larger capital involved, the greater expertise required to undertake the development and the likelihood of crossing over a number of property cycles. Smaller scale developments conversely reveal lower profit and risk rates due to the greater number of market participants who can afford to participate in the market and the higher degree of certainty being able to develop and sell in the same market cycle.

Having considered sales of block land we establish our profit and risk rates as follows:

Scenario	Profit and Risk Rate
10 Section Model	15%
50 Section Model	20%
200 Section Model	25%

1.9.5 Direct Development Costs

Given the scale, section density and contour of the proposed nominal development, we have established our estimate of direct development costs (including consents, professional fees and contingency) as follows:

Scenario	Cost/site	Trunk Services Connection Costs	Total Cost /ha
10 Section Model	\$80,000	\$80,000	\$1,483,980
50 Section Model	\$70,000	\$300,000	\$1,281,576
200 Section Model	\$65,000	\$1,000,000	\$1,180,409

We have estimated the cost per section and then estimated an additional one off trunk services connection cost which would be incurred at the beginning of the development only (stage 1 for the 200 section model).

1.9.6 Interest

We have adopted an interest rate of **5.00%**. We have calculated the interest on the outlay over half the realisation period. The interest rate adopted reflects an opportunity cost of capital, not an actual debt funding rate.

1.9.7 Development Contributions

We have estimated the amount of development contributions payable per additional lot created by applying the figures sourced from the Council's Development Contributions and Financial Contributions Policy adopted 1 December 2018 and the spreadsheet calculator. We have adopted a development contribution per additional lot created of **\$24,069** plus GST. This amount applies to the 10, 50 and 200 section scenarios.

2 10 SECTION MODEL

2.1 GREENFIELD HAWEA – 10 SECTION MODEL GIFTING COUNCIL SECTIONS

2.1.1 Overview – Hypothetical Subdivision Method

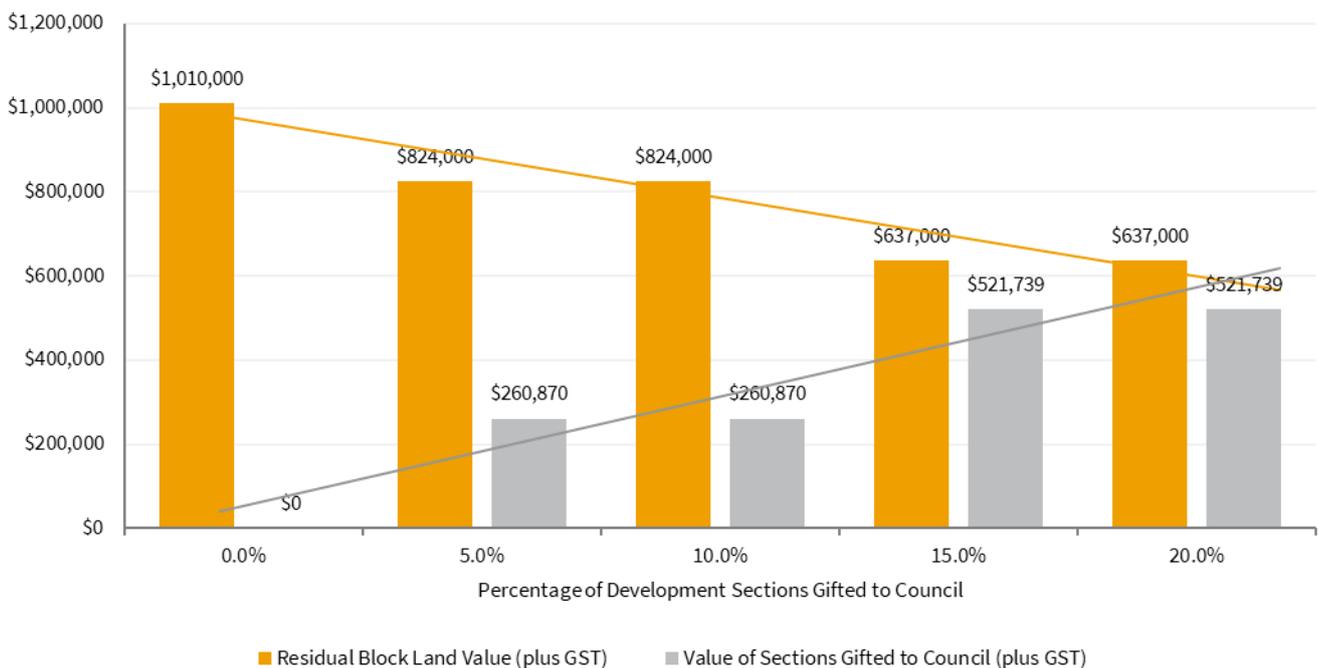
In these scenarios, we have based our analysis on the Council being gifted completed sections at no cost. Our model includes 5 scenarios ranging from 0% gifted to provide a base benchmark to 20% of the sections gifted. Our method involves gifting a percentage of the completed sites. Costs of sale expenses and development contributions have been excluded from the gifted sections. We have rounded up the number of sections gifted because it is not possible to gift part sections. Given the low number of sections created, the number of sections gifted (when rounded up) results in the same number gifted under the 5% and 10% scenarios and the 15% and 20% scenarios. This situation does not occur with the 50 and 200 Section scenarios.

Our full worksheets are provided in Appendix A

2.1.2 Summary

Description	% of Development Sections Gifted to Council	Residual Block Value	Rate/ha	Difference in Residual Value	% Change	Sections Created	Value of Sections Provided to Council (plus GST basis)	Sections Provided to Council	Total Costs	Total Profit
Scenario A	0.0%	\$1,010,000	\$1,703,204	\$0	0.00%	10	\$0	-	\$1,271,158	\$327,221
Scenario B	5.0%	\$824,000	\$1,389,545	\$186,000	-18.42%	10	\$260,870	1	\$1,229,635	\$294,499
Scenario C	10.0%	\$824,000	\$1,389,545	\$186,000	-18.42%	10	\$260,870	1	\$1,229,635	\$294,499
Scenario D	15.0%	\$637,000	\$1,074,199	\$373,000	-36.93%	10	\$521,739	2	\$1,188,112	\$261,777
Scenario E	20.0%	\$637,000	\$1,074,199	\$373,000	-36.93%	10	\$521,739	2	\$1,188,112	\$261,777

2.1.3 Summary Graph



2.2 GREENFIELD HAWEA – 10 SECTION MODEL DISCOUNTING A PORTION OF SECTIONS

2.2.1 Overview – Hypothetical Subdivision Method

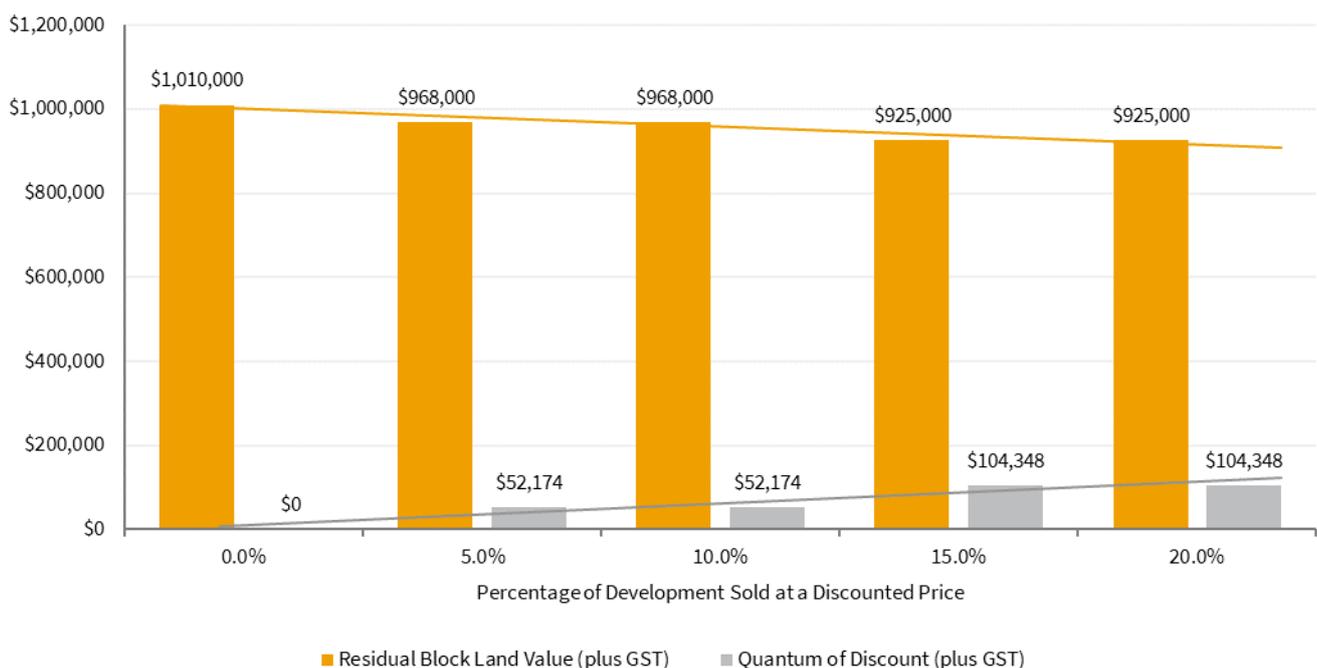
In these scenarios, we have based our analysis on the developer discounting a portion of the completed sections and selling to eligible purchasers. Our model includes 5 scenarios ranging from 0% discounted to provide a base benchmark to 20% of the sections discounted. Costs of sale expenses and development contributions for the discounted sections are included as usual. Our full worksheets are provided in Appendix A. We have discounted the sections as follows:

Description	Area (m ²)	Usual Value	Discounted Value
Average Section Area	438	\$300,000	\$240,000

2.2.2 Summary

Description	Percentage of Development Sections Discounted	Residual Block Value	Rate/ha	Difference in Residual Value	% Change	Sections Created	Value of Discounting (plus GST basis)	Discounted Sections	Total Costs	Total Profit
Scenario F	0.0%	\$1,010,000	\$1,703,204	\$0	0.00%	10	\$0	-	\$1,271,158	\$327,221
Scenario G	5.0%	\$968,000	\$1,632,378	\$42,000	-4.16%	10	\$52,174	1	\$1,268,263	\$320,651
Scenario H	10.0%	\$968,000	\$1,632,378	\$42,000	-4.16%	10	\$52,174	1	\$1,268,263	\$320,651
Scenario I	15.0%	\$925,000	\$1,559,865	\$85,000	-8.42%	10	\$104,348	2	\$1,265,368	\$314,080
Scenario J	20.0%	\$925,000	\$1,559,865	\$85,000	-8.42%	10	\$104,348	2	\$1,265,368	\$314,080

2.2.3 Summary Graph



2.3 GREENFIELD HAWEA – 10 SECTION MODEL PAYING A LEVY TO COUNCIL

2.3.1 Overview – Hypothetical Subdivision Method

In these scenarios, we have based our analysis on the developer paying a levy directly to Council as titles are issued. The levy would be based on a percentage of the gross realisation value of completed sections. The Council can provide affordable housing with the proceeds of the levy as they please. Our model includes 5 scenarios ranging from 0% levy to provide a base benchmark to 10% levy of the gross realisation.

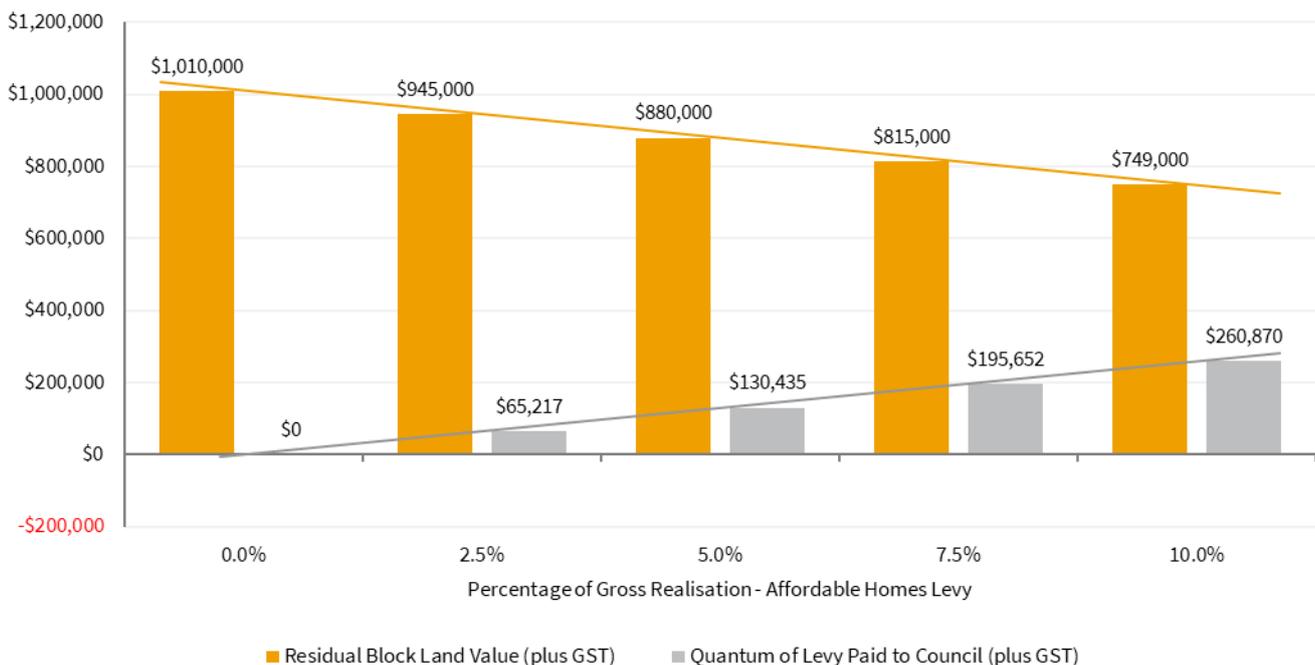
Our full worksheets are provided in Appendix A.

2.3.2 Summary

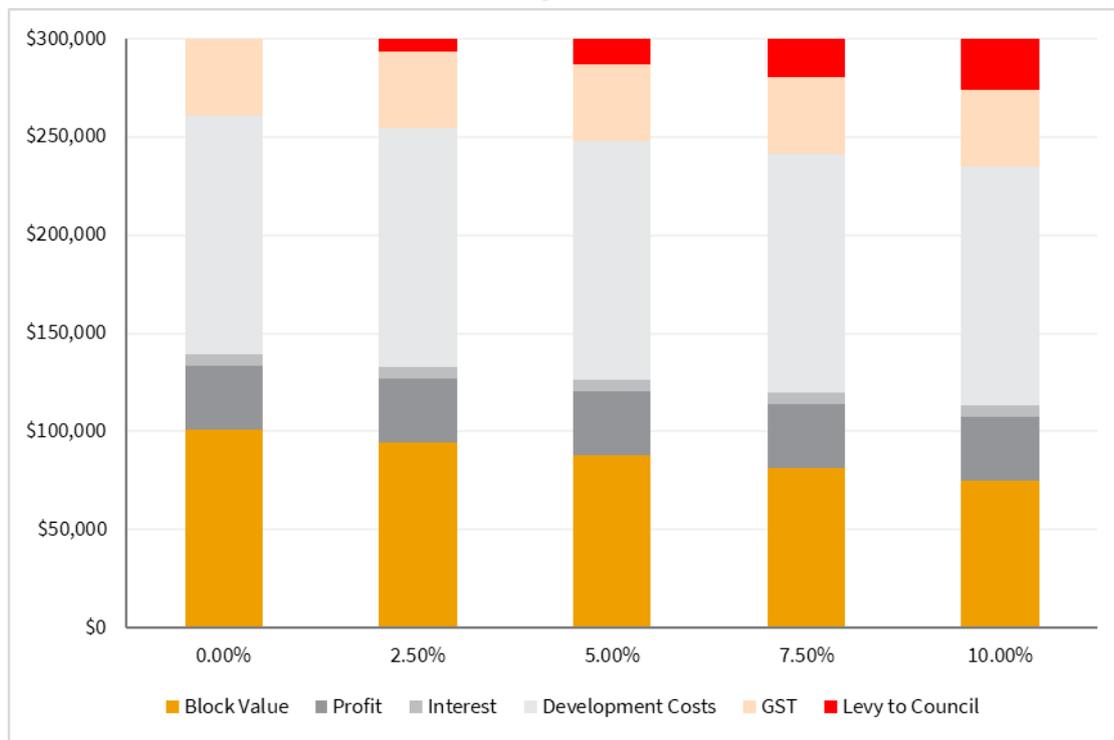
Description	Percentage of Gross Realisation - Affordable Homes Levy	Residual Block Value	Rate/ha	Difference in Residual Value	% Change	Sections Created	Total Levy (plus GST basis)	Total Costs	Total Profit
Scenario K	0.0%	\$1,010,000	\$1,703,204	\$0	0.00%	10	\$0	\$1,271,158	\$327,221
Scenario L	2.5%	\$945,000	\$1,593,592	\$65,000	-6.44%	10	\$65,217	\$1,336,375	\$327,221
Scenario M	5.0%	\$880,000	\$1,483,980	\$130,000	-12.87%	10	\$130,435	\$1,401,593	\$327,221
Scenario N	7.5%	\$815,000	\$1,374,368	\$195,000	-19.31%	10	\$195,652	\$1,466,810	\$327,221
Scenario O	10.0%	\$749,000	\$1,263,069	\$261,000	-25.84%	10	\$260,870	\$1,532,027	\$327,221

Please note the total profit remains fixed at \$327,221 even as the levy increases. This is due to the gross realisation (total section sales) also remains fixed at \$3,000,000 regardless of the quantum of levy and the developers desire to make 15% profit. The levy impacts directly on the residual block value which is the amount a developer could afford to pay for the raw block prior to developing.

2.3.3 Summary Graph



2.3.4 Section Value Breakdown Graph



This graph indicates a standard \$300,000 section. The sales price is apportioned between the various components that make up the value of the section. The levy to council is displayed in Red and can be seen getting larger as the levy is increased. This graph enables the reader to visually see the impact on the block value as the levy increases.

We detail the section apportionment figures below:

Description	0.00%	2.50%	5.00%	7.50%	10.00%
Levy to Council	\$0	\$6,522	\$13,043	\$19,565	\$26,087
GST	\$39,130	\$39,130	\$39,130	\$39,130	\$39,130
Development Costs	\$121,662	\$121,662	\$121,662	\$121,662	\$121,662
Interest	\$5,454	\$5,454	\$5,454	\$5,454	\$5,454
Profit	\$32,722	\$32,722	\$32,722	\$32,722	\$32,722
Block Value	\$101,032	\$94,510	\$87,988	\$81,466	\$74,945
Total	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

3 50 SECTION MODEL

3.1 GREENFIELD HAWEA – 50 SECTION MODEL GIFTING COUNCIL SECTIONS

3.1.1 Overview – Hypothetical Subdivision Method

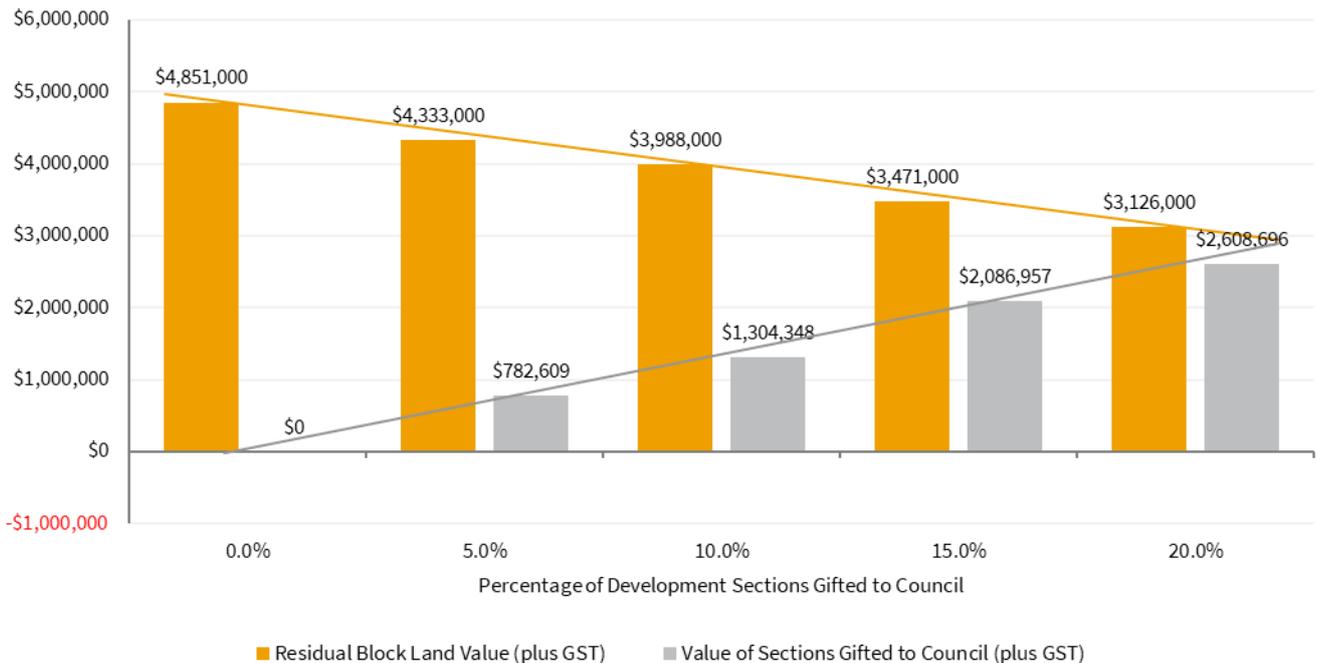
In these scenarios, we have based our analysis on the Council being gifted completed sections at no cost. Our model includes 5 scenarios ranging from 0% gifted to provide a base benchmark to 20% of the sections gifted. Our method involves gifting a percentage of the completed sites. Costs of sale expenses and development contributions have been excluded from the gifted sections. We have rounded up the number of sections gifted because it is not possible to gift part sections.

Our full worksheets are provided in Appendix B

3.1.2 Summary

Description	% of Development Sections Gifted to Council	Residual Block Value	Rate/ha	Difference in Residual Value	% Change	Sections Created	Value of Sections Provided to Council (plus GST basis)	Sections Provided to Council	Total Costs	Total Profit
Scenario A	0.0%	\$4,851,000	\$1,636,033	\$0	0.00%	50	\$0	-	\$6,102,026	\$2,090,580
Scenario B	5.0%	\$4,333,000	\$1,461,334	\$518,000	-10.68%	50	\$782,609	3	\$5,962,460	\$1,965,145
Scenario C	10.0%	\$3,988,000	\$1,344,980	\$863,000	-17.79%	50	\$1,304,348	5	\$5,869,416	\$1,881,522
Scenario D	15.0%	\$3,471,000	\$1,170,618	\$1,380,000	-28.45%	50	\$2,086,957	8	\$5,729,851	\$1,756,087
Scenario E	20.0%	\$3,126,000	\$1,054,265	\$1,725,000	-35.56%	50	\$2,608,696	10	\$5,636,807	\$1,672,464

3.1.3 Summary Graph



3.2 GREENFIELD HAWEA – 50 SECTION MODEL DISCOUNTING A PORTION OF SECTIONS

3.2.1 Overview – Hypothetical Subdivision Method

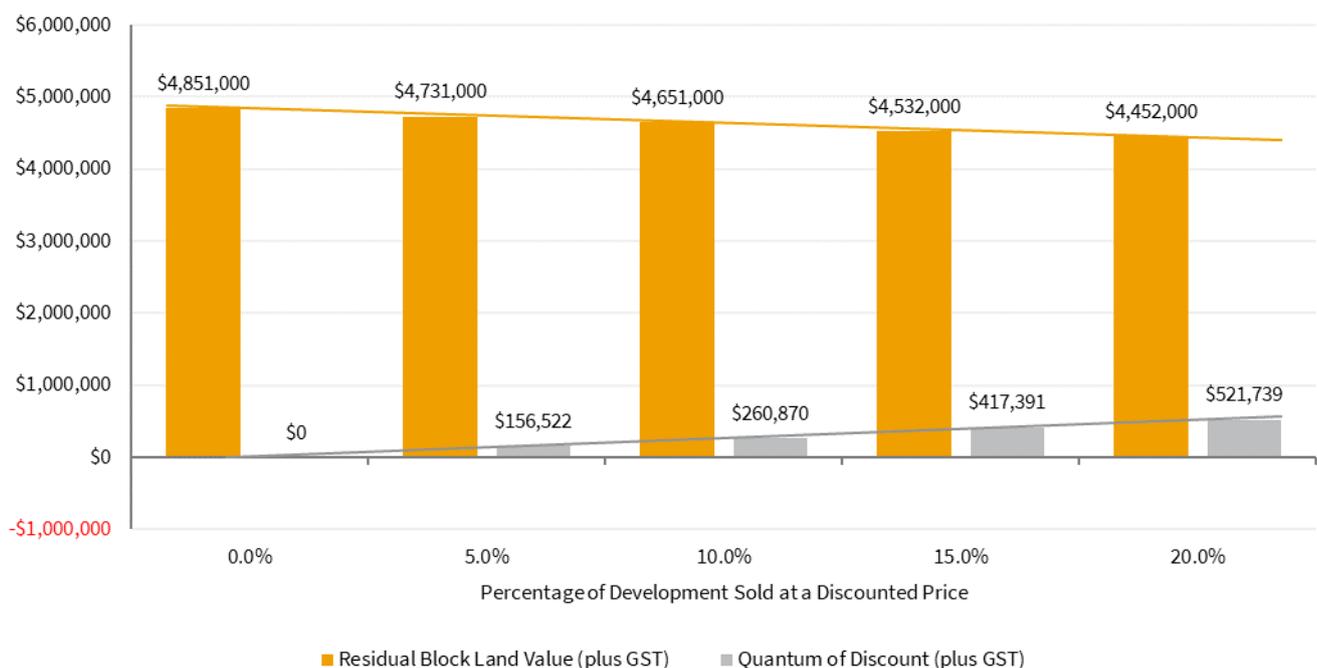
In these scenarios, we have based our analysis on the developer discounting a portion of the completed sections and selling to eligible purchasers. Our model includes 5 scenarios ranging from 0% discounted to provide a base benchmark to 20% of the sections discounted. Costs of sale expenses and development contributions for the discounted sections are included as usual. Our full worksheets are provided in Appendix B. We have discounted the sections as follows:

Description	Area (m ²)	Usual Value	Discounted Value
Average Section Area	438	\$300,000	\$240,000

3.2.2 Summary

Description	Percentage of Development Sections Discounted	Residual Block Value	Rate/ha	Difference in Residual Value	% Change	Sections Created	Value of Discounting (plus GST basis)	Discounted Sections	Total Costs	Total Profit
Scenario F	0.0%	\$4,851,000	\$1,636,033	\$0	0.00%	50	\$0	-	\$6,102,026	\$2,090,580
Scenario G	5.0%	\$4,731,000	\$1,595,562	\$120,000	-2.47%	50	\$156,522	3	\$6,090,329	\$2,065,393
Scenario H	10.0%	\$4,651,000	\$1,568,581	\$200,000	-4.12%	50	\$260,870	5	\$6,082,531	\$2,048,601
Scenario I	15.0%	\$4,532,000	\$1,528,448	\$319,000	-6.58%	50	\$417,391	8	\$6,070,835	\$2,023,414
Scenario J	20.0%	\$4,452,000	\$1,501,467	\$399,000	-8.23%	50	\$521,739	10	\$6,063,037	\$2,006,623

3.2.3 Summary Graph



3.3 GREENFIELD HAWEA – 50 SECTION MODEL PAYING A LEVY TO COUNCIL

3.3.1 Overview – Hypothetical Subdivision Method

In these scenarios, we have based our analysis on the developer paying a levy directly to Council as titles are issued. The levy would be based on a percentage of the gross realisation value of completed sections. The Council can provide affordable housing with the proceeds of the levy as they please. Our model includes 5 scenarios ranging from 0% levy to provide a base benchmark to 10% levy of the gross realisation.

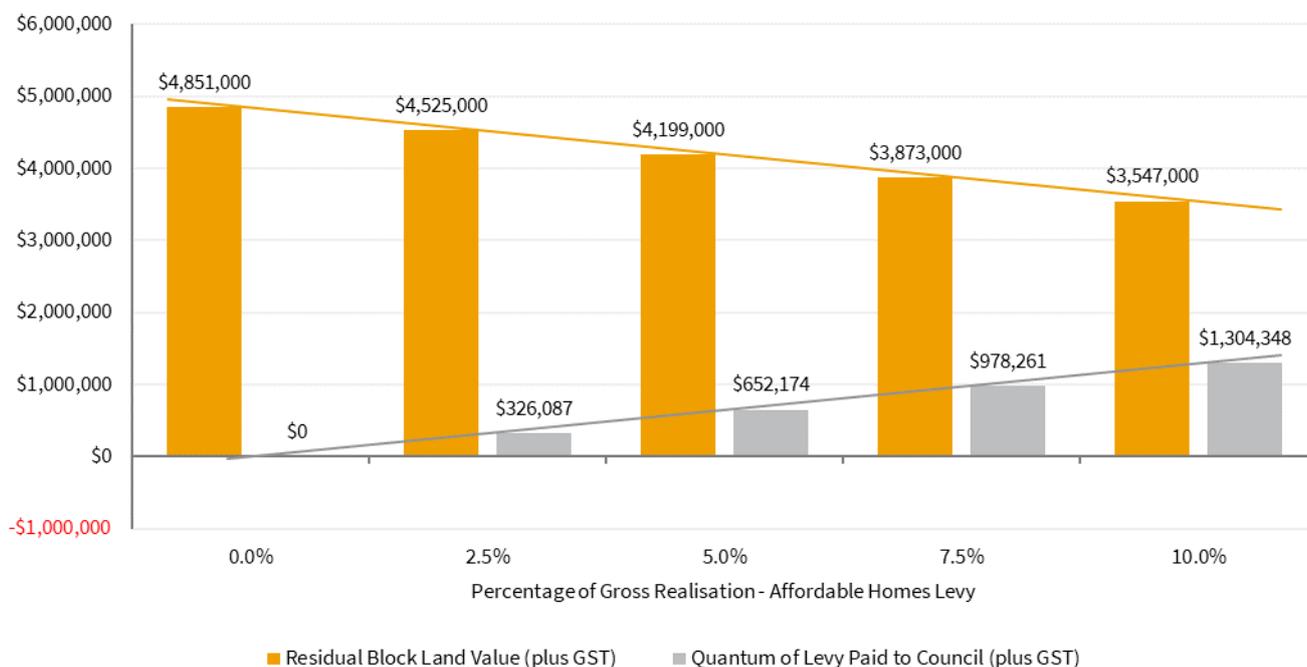
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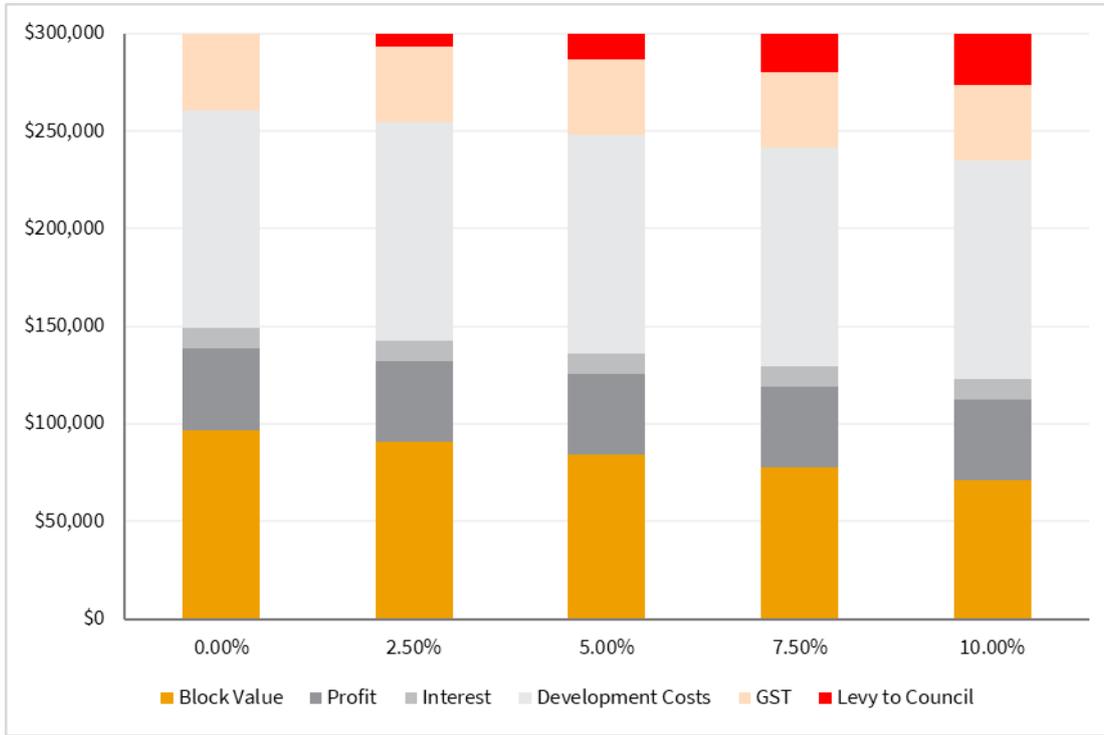
Description	Percentage of Gross Realisation - Affordable Homes Levy	Residual Block Value	Rate/ha	Difference in Residual Value	% Change	Sections Created	Total Levy (plus GST basis)	Total Costs	Total Profit
Scenario K	0.0%	\$4,851,000	\$1,636,033	\$0	0.00%	50	\$0	\$6,102,026	\$2,090,580
Scenario L	2.5%	\$4,525,000	\$1,526,087	\$326,000	-6.72%	50	\$326,087	\$6,428,113	\$2,090,580
Scenario M	5.0%	\$4,199,000	\$1,416,141	\$652,000	-13.44%	50	\$652,174	\$6,754,200	\$2,090,580
Scenario N	7.5%	\$3,873,000	\$1,306,195	\$978,000	-20.16%	50	\$978,261	\$7,080,287	\$2,090,580
Scenario O	10.0%	\$3,547,000	\$1,196,250	\$1,304,000	-26.88%	50	\$1,304,348	\$7,406,374	\$2,090,580

Please note the total profit remains fixed at \$2,090,580 even as the levy increases. This is due to the gross realisation (total section sales) also remains fixed at \$15,000,000 regardless of the quantum of levy and the developers desire to make 20% profit. The levy impacts directly on the residual block value which is the amount a developer could afford to pay for the raw block prior to developing.

3.3.3 Summary Graph



3.3.4 Section Value Breakdown Graph



This graph indicates a standard \$300,000 section. The sales price is apportioned between the various components that make up the value of the section. The levy to council is displayed in Red and can be seen getting larger as the levy is increased. This graph enables the reader to visually see the impact on the block value as the levy increases.

We detail the section apportionment figures below:

Description	0.00%	2.50%	5.00%	7.50%	10.00%
Levy to Council	\$0	\$6,522	\$13,043	\$19,565	\$26,087
GST	\$39,130	\$39,130	\$39,130	\$39,130	\$39,130
Development Costs	\$111,588	\$111,588	\$111,588	\$111,588	\$111,588
Interest	\$10,453	\$10,453	\$10,453	\$10,453	\$10,453
Profit	\$41,812	\$41,812	\$41,812	\$41,812	\$41,812
Block Value	\$97,017	\$90,496	\$83,974	\$77,452	\$70,930
Total	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

4 200 SECTION MODEL

4.1 GREENFIELD HAWEA – 200 SECTION MODEL GIFTING COUNCIL SECTIONS

4.1.1 Overview – Hypothetical Subdivision Method

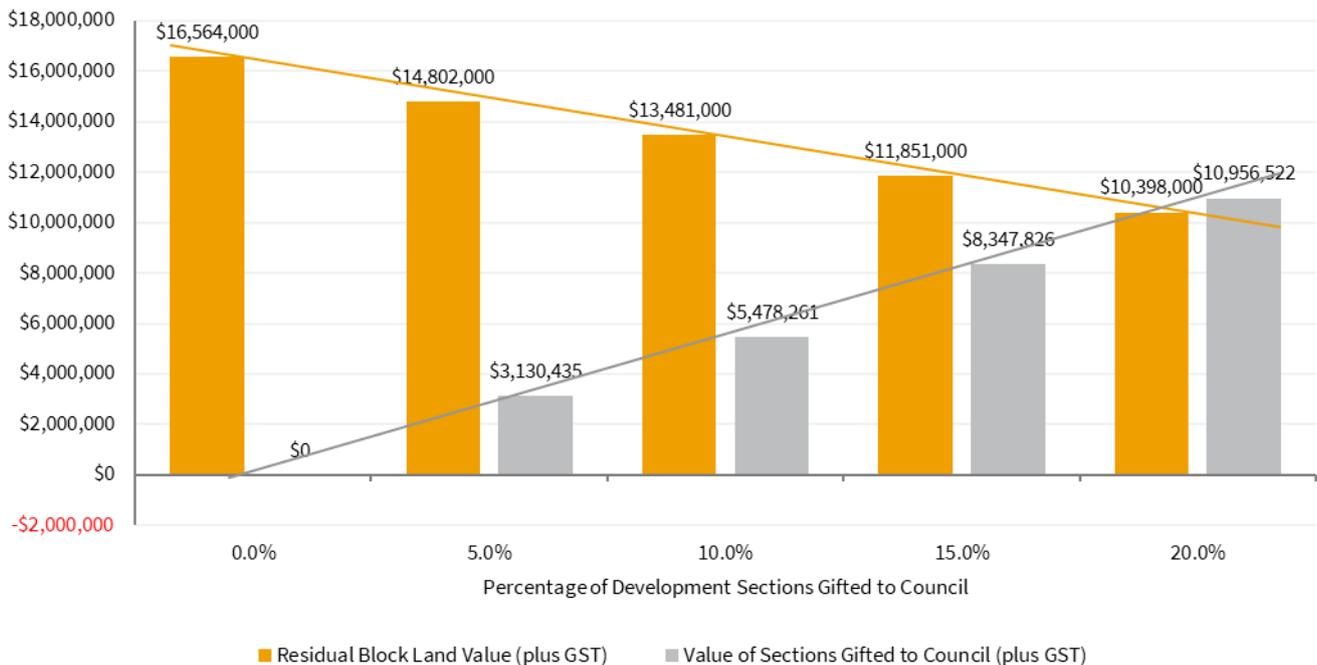
In these scenarios, we have based our analysis on the Council being gifted completed sections at no cost. Our model includes 5 scenarios ranging from 0% gifted to provide a base benchmark to 20% of the sections gifted. Our method involves gifting a percentage of the completed sites. Costs of sale expenses and development contributions have been excluded from the gifted sections. We have rounded up the number of sections gifted because it is not possible to gift part sections.

Our full worksheets are provided in Appendix C

4.1.2 Summary

Description	% of Development Sections Gifted to Council	Residual Block Value	Rate/ha	Difference in Residual Value	% Change	Sections Created	Value of Sections Provided to Council (plus GST basis)	Sections Provided to Council	Total Costs	Total Profit
Scenario A	0.0%	\$16,564,000	\$1,396,592	\$0	0.00%	200	\$0	-	\$23,864,001	\$10,034,783
Scenario B	5.0%	\$14,802,000	\$1,248,029	\$1,762,000	-10.64%	200	\$3,130,435	12	\$23,270,616	\$9,432,696
Scenario C	10.0%	\$13,481,000	\$1,136,649	\$3,083,000	-18.61%	200	\$5,478,261	21	\$22,825,578	\$8,981,130
Scenario D	15.0%	\$11,851,000	\$999,216	\$4,713,000	-28.45%	200	\$8,347,826	32	\$22,283,314	\$8,429,217
Scenario E	20.0%	\$10,398,000	\$876,706	\$6,166,000	-37.23%	200	\$10,956,522	42	\$21,787,155	\$7,927,478

4.1.3 Summary Graph



4.2 GREENFIELD HAWEA – 200 SECTION MODEL DISCOUNTING A PORTION OF SECTIONS

4.2.1 Overview – Hypothetical Subdivision Method

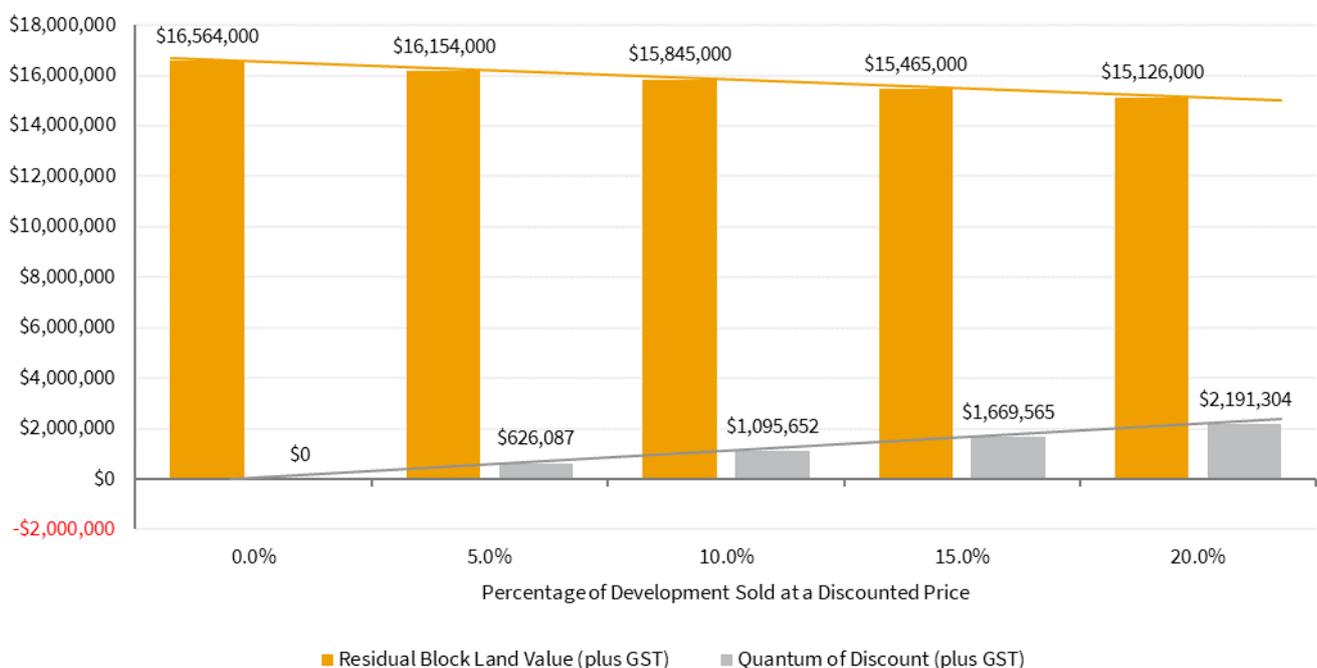
In these scenarios, we have based our analysis on the developer discounting a portion of the completed sections and selling to eligible purchasers. Our model includes 5 scenarios ranging from 0% discounted to provide a base benchmark to 20% of the sections discounted. Costs of sale expenses and development contributions for the discounted sections are included as usual. Our full worksheets are provided in Appendix C. We have discounted the sections as follows:

Description	Area (m ²)	Usual Value	Discounted Value
Average Section Area	438	\$300,000	\$240,000

4.2.2 Summary

Description	Percentage of Development Sections Discounted	Residual Block Value	Rate/ha	Difference in Residual Value	% Change	Sections Created	Value of Discounting (plus GST basis)	Discounted Sections	Total Costs	Total Profit
Scenario F	0.0%	\$16,564,000	\$1,396,592	\$0	0.00%	200	\$0	-	\$23,864,001	\$10,034,783
Scenario G	5.0%	\$16,154,000	\$1,362,023	\$410,000	-2.48%	200	\$626,087	12	\$23,810,161	\$9,913,885
Scenario H	10.0%	\$15,845,000	\$1,335,970	\$719,000	-4.34%	200	\$1,095,652	21	\$23,769,782	\$9,823,212
Scenario I	15.0%	\$15,465,000	\$1,303,930	\$1,099,000	-6.63%	200	\$1,669,565	32	\$23,720,765	\$9,712,390
Scenario J	20.0%	\$15,126,000	\$1,275,347	\$1,438,000	-8.68%	200	\$2,191,304	42	\$23,675,563	\$9,611,642

4.2.3 Summary Graph



4.3 GREENFIELD HAWEA – 200 SECTION MODEL PAYING A LEVY TO COUNCIL

4.3.1 Overview – Hypothetical Subdivision Method

In these scenarios, we have based our analysis on the developer paying a levy directly to Council as titles are issued. The levy would be based on a percentage of the gross realisation value of completed sections. The Council can provide affordable housing with the proceeds of the levy as they please. Our model includes 5 scenarios ranging from 0% levy to provide a base benchmark to 10% levy of the gross realisation.

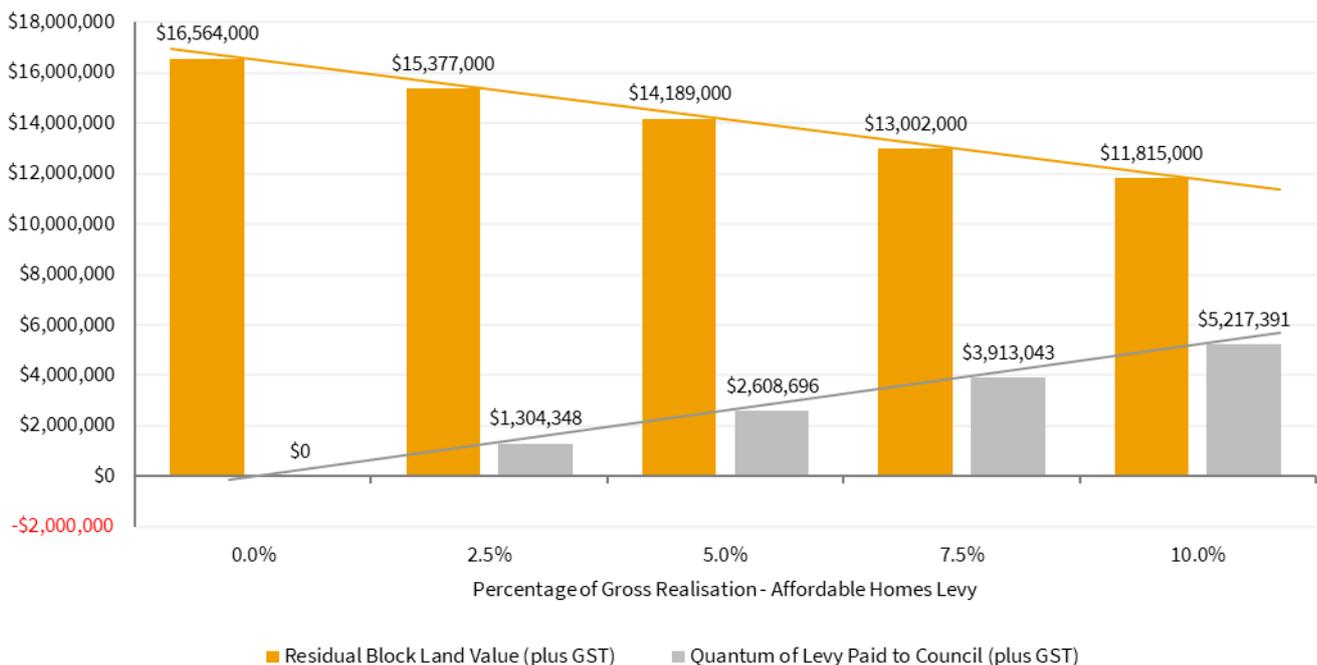
Our full worksheets are provided in Appendix C.

4.3.2 Summary

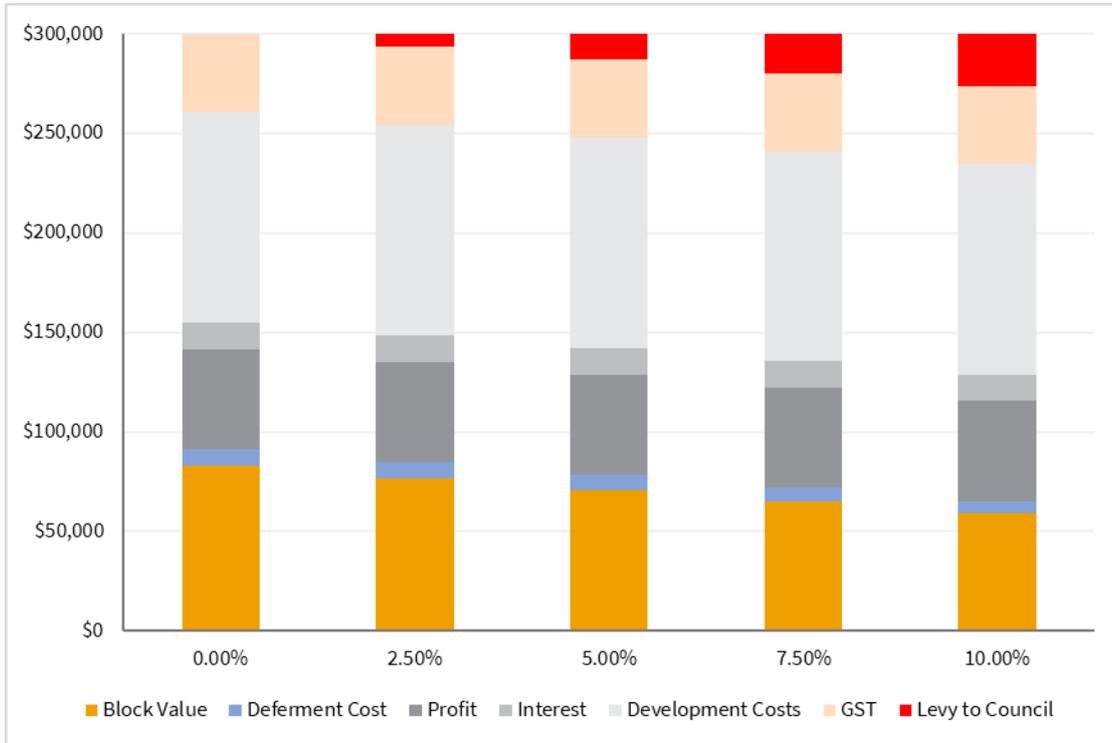
Description	Percentage of Gross Realisation - Affordable Homes Levy	Residual Block Value	Rate/ha	Difference in Residual Value	% Change	Sections Created	Total Levy (plus GST basis)	Total Costs	Total Profit
Scenario K	0.0%	\$16,564,000	\$1,396,592	\$0	0.00%	200	\$0	\$23,864,001	\$10,034,783
Scenario L	2.5%	\$15,377,000	\$1,296,510	\$1,187,000	-7.17%	200	\$1,304,348	\$25,168,348	\$10,034,783
Scenario M	5.0%	\$14,189,000	\$1,196,344	\$2,375,000	-14.34%	200	\$2,608,696	\$26,472,696	\$10,034,783
Scenario N	7.5%	\$13,002,000	\$1,096,262	\$3,562,000	-21.50%	200	\$3,913,043	\$27,777,044	\$10,034,783
Scenario O	10.0%	\$11,815,000	\$996,181	\$4,749,000	-28.67%	200	\$5,217,391	\$29,081,392	\$10,034,783

Please note the total profit remains fixed at \$10,034,783 even as the levy increases. This is due to the gross realisation (total section sales) also remains fixed at \$60,000,000 regardless of the quantum of levy and the developers desire to make 25% profit. The levy impacts directly on the residual block value which is the amount a developer could afford to pay for the raw block prior to developing.

4.3.3 Summary Graph



4.3.4 Section Value Breakdown Graph



This graph indicates a standard \$300,000 section. The sales price is apportioned between the various components that make up the value of the section. The levy to council is displayed in Red and can be seen getting larger as the levy is increased. This graph enables the reader to visually see the impact on the block value as the levy increases.

We detail the section apportionment figures below:

Description	0.00%	2.50%	5.00%	7.50%	10.00%
Levy to Council	\$0	\$6,522	\$13,043	\$19,565	\$26,087
GST	\$39,130	\$39,130	\$39,130	\$39,130	\$39,130
Development Costs	\$105,949	\$105,949	\$105,949	\$105,949	\$105,949
Interest	\$13,371	\$13,371	\$13,371	\$13,371	\$13,371
Profit	\$50,174	\$50,174	\$50,174	\$50,174	\$50,174
Deferment Cost	\$8,557	\$7,972	\$7,388	\$6,803	\$6,218
Block Value	\$82,819	\$76,882	\$70,945	\$65,007	\$59,070
Total	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

5 CONCLUDING COMMENTS

5.1 GREENFIELD

Our research has revealed the impact of providing affordable housing by way of gifting sections, selling discounted sections and paying a levy to Council. The extent to which these occur impacts directly on the underlying value of the block land.

We have previously completed our approach on a nominal block of 11.5955ha at Hanley's Park (177 sections). We have now extended our approach to incorporate a nominal block at Hawea. The Hawea scenarios include a 10 section model, a 50 section model and a 200 section model. These 'nominal' blocks would have a total land area of 0.5930ha (10 section model), 2.9651ha (50 Section model) and 11.8603 (200 section model).

Our analysis of the Hawea scenarios mirrors that undertaken at Hanley's Farm to provide a degree of consistency. This allows the data to be interpreted consistently across two regions with different section value levels and varying degrees of scale and allows decision-makers to better understand the impact of a proposed policy on developers.

The Queenstown region has typically experienced the boom and bust property cycles to a greater degree than other regions. The region appears to be stabilising to some degree as more orthodox development is provided and the population has grown. The region has typically been regarded as a wonderful holiday destination but now many more people can live in and work in the region due to technology advances and remote working opportunities. The Covid situation has severely impacted the international tourism market and tourist numbers to the region have been impacted. The property market in the region appears to have continued in a buoyant phase despite the economic challenges facing many in the region.

Developing new subdivisions is one of the highest-risk activities in the property market. To undertake a large-scale development requires specialised knowledge and expert support, substantial financial resources or access to financial resources. A development is also exposed to market fluctuations, changing markets and changing levels of demand throughout the property cycle. Developers typically require a pre-determined rate of return as an incentive to undertake the project and be exposed to the associated risk.

All three potential affordable homes mechanisms impact on the value of the block land (primarily) and prior to the development commencing. The measures typically have less impact on profitability because as previously discussed, most developers enter the project with a pre-determined rate that they expect to make from the exercise and therefore would pay less to acquire the block land at commencement in order to achieve the same rate of return from what is a high-risk exercise.

6 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 (Canterbury) Limited and the author of the report. TelferYoung (Canterbury) 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).

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.

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 (Canterbury) 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.

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.

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

Yours faithfully

TelferYoung (Canterbury) Limited



Martin Winder

B Com (VPM), ANZIV, MPINZ

Registered Valuer

Director

E martin.winder@telferyoung.com

APPENDIX A

HAWEA 10 SECTION MODEL - HYPOTHETICAL SUBDIVISION METHOD WORKSHEETS

Greenfield - Hawea

Scenario A	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	0.0%
Number of gifted sections	0
Total Sections (excluding gifted sections)	10
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	15.00%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage			Calculations
Section Sales	10	\$300,000	\$3,000,000
Total Section Sales			\$3,000,000
■ Less GST			\$391,304
Net Realisation			\$2,608,696
Less Costs of Sales			
■ Legal	10	\$10,000	
■ Commissions	10	\$90,000	\$100,000
Net Realisation			\$2,508,696
Less Profit & Risk on Outlay		15.00%	\$327,221
Outlay			\$2,181,474
Less Development Costs			
■ Direct development	10	\$800,000	
■ Trunk connection costs		\$80,000	
■ Interest		\$54,537	
■ Promotion		\$20,000	
■ Development contributions		\$216,621	\$1,171,158
Residual Land Value			\$1,010,317
Adopt - Exclusive of GST			\$1,010,000

Stage	Total
1 Stage	\$1,010,000
Total	\$1,010,000

Greenfield - Hawea

Scenario B	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	5.0%
Number of gifted sections	1
Total Sections (excluding gifted sections)	9
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	15.00%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations
Section Sales	9 \$300,000 \$2,700,000
Total Section Sales	\$2,700,000
■ Less GST	\$352,174
Net Realisation	\$2,347,826
Less Costs of Sales	
■ Legal	9 \$9,000
■ Commissions	9 \$81,000 \$90,000
Net Realisation	\$2,257,826
Less Profit & Risk on Outlay	15.00% \$294,499
Outlay	\$1,963,327
Less Development Costs	
■ Direct development	10 \$800,000
■ Trunk connection costs	\$80,000
■ Interest	\$49,083
■ Promotion	\$18,000
■ Development contributions	\$192,552 \$1,139,635
Residual Land Value	\$823,692
Adopt - Exclusive of GST	\$824,000

Stage	Total
1 Stage	\$824,000
Total	\$824,000

Greenfield - Hawea

Scenario C	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	10.0%
Number of gifted sections	1
Total Sections (excluding gifted sections)	9
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	15.00%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage			Calculations
Section Sales	9	\$300,000	\$2,700,000
Total Section Sales			\$2,700,000
■ Less GST			\$352,174
Net Realisation			\$2,347,826
Less Costs of Sales			
■ Legal	9	\$9,000	
■ Commissions	9	\$81,000	\$90,000
Net Realisation			\$2,257,826
Less Profit & Risk on Outlay		15.00%	\$294,499
Outlay			\$1,963,327
Less Development Costs			
■ Direct development	10	\$800,000	
■ Trunk connection costs		\$80,000	
■ Interest		\$49,083	
■ Promotion		\$18,000	
■ Development contributions		\$192,552	\$1,139,635
Residual Land Value			\$823,692
Adopt - Exclusive of GST			\$824,000

Stage	Total
1 Stage	\$824,000
Total	\$824,000

Greenfield - Hawea

Scenario D	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	15.0%
Number of gifted sections	2
Total Sections (excluding gifted sections)	8
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	15.00%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage			Calculations
Section Sales	8	\$300,000	\$2,400,000
Total Section Sales			\$2,400,000
■ Less GST			\$313,043
Net Realisation			\$2,086,957
Less Costs of Sales			
■ Legal	8	\$8,000	
■ Commissions	8	\$72,000	\$80,000
Net Realisation			\$2,006,957
Less Profit & Risk on Outlay		15.00%	\$261,777
Outlay			\$1,745,180
Less Development Costs			
■ Direct development	10	\$800,000	
■ Trunk connection costs		\$80,000	
■ Interest		\$43,629	
■ Promotion		\$16,000	
■ Development contributions		\$168,483	\$1,108,112
Residual Land Value			\$637,067
Adopt - Exclusive of GST			\$637,000

Stage	Total
1 Stage	\$637,000
Total	\$637,000

Greenfield - Hawea

Scenario E	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	20.0%
Number of gifted sections	2
Total Sections (excluding gifted sections)	8
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	15.00%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage			Calculations
Section Sales	8	\$300,000	\$2,400,000
Total Section Sales			\$2,400,000
■ Less GST			\$313,043
Net Realisation			\$2,086,957
Less Costs of Sales			
■ Legal	8	\$8,000	
■ Commissions	8	\$72,000	\$80,000
Net Realisation			\$2,006,957
Less Profit & Risk on Outlay		15.00%	\$261,777
Outlay			\$1,745,180
Less Development Costs			
■ Direct development	10	\$800,000	
■ Trunk connection costs		\$80,000	
■ Interest		\$43,629	
■ Promotion		\$16,000	
■ Development contributions		\$168,483	\$1,108,112
Residual Land Value			\$637,067
Adopt - Exclusive of GST			\$637,000

Stage	Total
1 Stage	\$637,000
Total	\$637,000

Greenfield - Hawea

Scenario F	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	0.0%
Number of discounted sections	0
Total (non-discounted sections)	10
Discounted section value	\$240,000
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	15.00%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	10	\$300,000	\$3,000,000
Discounted Section Sales	0	\$240,000	\$0
Total Section Sales	10		\$3,000,000
■ Less GST			\$391,304
Net Realisation			\$2,608,696
Less Costs of Sales			
■ Legal	10	\$10,000	
■ Commissions	10	\$90,000	\$100,000
Net Realisation			\$2,508,696
Less Profit & Risk on Outlay		15.00%	\$327,221
Outlay			\$2,181,474
Less Development Costs			
■ Direct development	10	\$800,000	
■ Trunk connection costs		\$80,000	
■ Interest		\$54,537	
■ Promotion		\$20,000	
■ Development contributions		\$216,621	\$1,171,158
Residual Land Value			\$1,010,317
Adopt – Exclusive of GST			\$1,010,000

Stage	Total
1 Stage	\$1,010,000
Total	\$1,010,000

Greenfield - Hawea

Scenario G	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	5.0%
Number of discounted sections	1
Total (non-discounted sections)	9
Discounted section value	\$240,000
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	15.00%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	9	\$300,000	\$2,700,000
Discounted Section Sales	1	\$240,000	\$240,000
Total Section Sales	10		\$2,940,000
■ Less GST			\$383,478
Net Realisation			\$2,556,522
Less Costs of Sales			
■ Legal	10	\$10,000	
■ Commissions	10	\$88,200	\$98,200
Net Realisation			\$2,458,322
Less Profit & Risk on Outlay		15.00%	\$320,651
Outlay			\$2,137,671
Less Development Costs			
■ Direct development	10	\$800,000	
■ Trunk connection costs		\$80,000	
■ Interest		\$53,442	
■ Promotion		\$20,000	
■ Development contributions		\$216,621	\$1,170,063
Residual Land Value			\$967,608
Adopt – Exclusive of GST			\$968,000

Stage	Total
Stage 1	\$968,000
Total	\$968,000

Greenfield - Hawea

Scenario H	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	10.0%
Number of discounted sections	1
Total (non-discounted sections)	9
Discounted section value	\$240,000
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	15.00%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations
Section Sales	9 \$300,000 \$2,700,000
Discounted Section Sales	1 \$240,000 \$240,000
Total Section Sales	10 \$2,940,000
■ Less GST	\$383,478
Net Realisation	\$2,556,522
Less Costs of Sales	
■ Legal	10 \$10,000
■ Commissions	10 \$88,200 \$98,200
Net Realisation	\$2,458,322
Less Profit & Risk on Outlay	15.00% \$320,651
Outlay	\$2,137,671
Less Development Costs	
■ Direct development	10 \$800,000
■ Trunk connection costs	\$80,000
■ Interest	\$53,442
■ Promotion	\$20,000
■ Development contributions	\$216,621 \$1,170,063
Residual Land Value	\$967,608
Adopt – Exclusive of GST	\$968,000

Stage	Total
Stage 1	\$968,000
Total	\$968,000

Greenfield - Hawea

Scenario I	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	15.0%
Number of discounted sections	2
Total (non-discounted sections)	8
Discounted section value	\$240,000
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	15.00%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations
Section Sales	8 \$300,000 \$2,400,000
Discounted Section Sales	2 \$240,000 \$480,000
Total Section Sales	10 \$2,880,000
■ Less GST	\$375,652
Net Realisation	\$2,504,348
Less Costs of Sales	
■ Legal	10 \$10,000
■ Commissions	10 \$86,400 \$96,400
Net Realisation	\$2,407,948
Less Profit & Risk on Outlay	15.00% \$314,080
Outlay	\$2,093,868
Less Development Costs	
■ Direct development	10 \$800,000
■ Trunk connection costs	\$80,000
■ Interest	\$52,347
■ Promotion	\$20,000
■ Development contributions	\$216,621 \$1,168,968
Residual Land Value	\$924,900
Adopt – Exclusive of GST	\$925,000

Stage	Total
Stage 1	\$925,000
Total	\$925,000

Greenfield - Hawea

Scenario J	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	20.0%
Number of discounted sections	2
Total (non-discounted sections)	8
Discounted section value	\$240,000
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	15.00%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations
Section Sales	8 \$300,000 \$2,400,000
Discounted Section Sales	2 \$240,000 \$480,000
Total Section Sales	10 \$2,880,000
■ Less GST	\$375,652
Net Realisation	\$2,504,348
Less Costs of Sales	
■ Legal	10 \$10,000
■ Commissions	10 \$86,400 \$96,400
Net Realisation	\$2,407,948
Less Profit & Risk on Outlay	15.00% \$314,080
Outlay	\$2,093,868
Less Development Costs	
■ Direct development	10 \$800,000
■ Trunk connection costs	\$80,000
■ Interest	\$52,347
■ Promotion	\$20,000
■ Development contributions	\$216,621 \$1,168,968
Residual Land Value	\$924,900
Adopt – Exclusive of GST	\$925,000

Stage	Total
Stage 1	\$925,000
Total	\$925,000

Greenfield - Hawea

Scenario K	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	0.0%
Legal per lot	\$1,000
Sales commissions	3.0%
Profit and risk	15.0%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	10	\$300,000	\$3,000,000
Total Section Sales	10		\$3,000,000
■ Less GST			\$391,304
Net Realisation			\$2,608,696
Less Costs of Sales			
■ Legal	10	\$10,000	
■ Commissions	10	\$90,000	\$100,000
Net Realisation			\$2,508,696
Less Profit & Risk on Outlay		15.00%	\$327,221
Outlay			\$2,181,474
Less Development Costs			
■ Direct development	10	\$800,000	
■ Trunk connection costs		\$80,000	
■ Affordable homes levy		\$0	
■ Interest		\$54,537	
■ Promotion		\$20,000	
■ Development contributions		\$216,621	\$1,171,158
Residual Land Value			\$1,010,317
Adopt – Exclusive of GST			\$1,010,000

Stage	Total
1 Stage	\$1,010,000
Total	\$1,010,000

Greenfield - Hawea

Scenario L	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	2.5%
Legal per lot	\$1,000
Sales commissions	3.0%
Profit and risk	15.0%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	10	\$300,000	\$3,000,000
Total Section Sales	10		\$3,000,000
■ Less GST			\$391,304
Net Realisation			\$2,608,696
Less Costs of Sales			
■ Legal	10	\$10,000	
■ Commissions	10	\$90,000	\$100,000
Net Realisation			\$2,508,696
Less Profit & Risk on Outlay		15.00%	\$327,221
Outlay			\$2,181,474
Less Development Costs			
■ Direct development	10	\$800,000	
■ Trunk connection costs		\$80,000	
■ Affordable homes levy		\$65,217	
■ Interest		\$54,537	
■ Promotion		\$20,000	
■ Development contributions		\$216,621	\$1,236,375
Residual Land Value			\$945,099
Adopt – Exclusive of GST			\$945,000

Stage	Total
1 Stage	\$945,000
Total	\$945,000

Greenfield - Hawea

Scenario M	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	5.0%
Legal per lot	\$1,000
Sales commissions	3.0%
Profit and risk	15.0%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations
Section Sales	10 \$300,000 \$3,000,000
Total Section Sales	10 \$3,000,000
■ Less GST	\$391,304
Net Realisation	\$2,608,696
Less Costs of Sales	
■ Legal	10 \$10,000
■ Commissions	10 \$90,000 \$100,000
Net Realisation	\$2,508,696
Less Profit & Risk on Outlay	15.00% \$327,221
Outlay	\$2,181,474
Less Development Costs	
■ Direct development	10 \$800,000
■ Trunk connection costs	\$80,000
■ Affordable homes levy	\$130,435
■ Interest	\$54,537
■ Promotion	\$20,000
■ Development contributions	\$216,621 \$1,301,593
Residual Land Value	\$879,882
Adopt – Exclusive of GST	\$880,000

Stage	Total
1 Stage	\$880,000
Total	\$880,000

Greenfield - Hawea

Scenario N	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	7.5%
Legal per lot	\$1,000
Sales commissions	3.0%
Profit and risk	15.0%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	10	\$300,000	\$3,000,000
Total Section Sales	10		\$3,000,000
■ Less GST			\$391,304
Net Realisation			\$2,608,696
Less Costs of Sales			
■ Legal	10	\$10,000	
■ Commissions	10	\$90,000	\$100,000
Net Realisation			\$2,508,696
Less Profit & Risk on Outlay		15.00%	\$327,221
Outlay			\$2,181,474
Less Development Costs			
■ Direct development	10	\$800,000	
■ Trunk connection costs		\$80,000	
■ Affordable homes levy		\$195,652	
■ Interest		\$54,537	
■ Promotion		\$20,000	
■ Development contributions		\$216,621	\$1,366,810
Residual Land Value			\$814,664
Adopt – Exclusive of GST			\$815,000

Stage	Total
1 Stage	\$815,000
Total	\$815,000

Greenfield - Hawea

Scenario O	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	10
Council Affordable Housing Levy	10.0%
Legal per lot	\$1,000
Sales commissions	3.0%
Profit and risk	15.0%
Direct development costs per lot (inc contingency)	\$80,000
Trunk connection costs	\$80,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	1.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	10	\$300,000	\$3,000,000
Total Section Sales	10		\$3,000,000
■ Less GST			\$391,304
Net Realisation			\$2,608,696
Less Costs of Sales			
■ Legal	10	\$10,000	
■ Commissions	10	\$90,000	\$100,000
Net Realisation			\$2,508,696
Less Profit & Risk on Outlay		15.00%	\$327,221
Outlay			\$2,181,474
Less Development Costs			
■ Direct development	10	\$800,000	
■ Trunk connection costs		\$80,000	
■ Affordable homes levy		\$260,870	
■ Interest		\$54,537	
■ Promotion		\$20,000	
■ Development contributions		\$216,621	\$1,432,027
Residual Land Value			\$749,447
Adopt – Exclusive of GST			\$749,000

Stage	Total
1 Stage	\$749,000
Total	\$749,000

APPENDIX B

HAWEA 50 SECTION MODEL - HYPOTHETICAL SUBDIVISION METHOD WORKSHEETS

Greenfield - Hawea 50 Section Model

Scenario A	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	0.0%
Number of gifted sections	0
Total Sections (excluding gifted sections)	50
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	20.00%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage			Calculations
Section Sales	50	\$300,000	\$15,000,000
Total Section Sales			\$15,000,000
■ Less GST			\$1,956,522
Net Realisation			\$13,043,478
Less Costs of Sales			
■ Legal	50	\$50,000	
■ Commissions	50	\$450,000	\$500,000
Net Realisation			\$12,543,478
Less Profit & Risk on Outlay		20.00%	\$2,090,580
Outlay			\$10,452,899
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Interest		\$522,645	
■ Promotion		\$100,000	
■ Development contributions		\$1,179,381	\$5,602,026
Residual Land Value			\$4,850,873
Adopt - Exclusive of GST			\$4,851,000

Stage	Total
1 Stage	\$4,851,000
Total	\$4,851,000

Greenfield - Hawea 50 Section Model

Scenario B	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	5.0%
Number of gifted sections	3
Total Sections (excluding gifted sections)	47
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	20.00%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	47	\$300,000	\$14,100,000
Total Section Sales			\$14,100,000
■ Less GST			\$1,839,130
Net Realisation			\$12,260,870
Less Costs of Sales			
■ Legal	47	\$47,000	
■ Commissions	47	\$423,000	\$470,000
Net Realisation			\$11,790,870
Less Profit & Risk on Outlay		20.00%	\$1,965,145
Outlay			\$9,825,725
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Interest		\$491,286	
■ Promotion		\$94,000	
■ Development contributions		\$1,107,174	\$5,492,460
Residual Land Value			\$4,333,264
Adopt - Exclusive of GST			\$4,333,000

Stage	Total
1 Stage	\$4,333,000
Total	\$4,333,000

Greenfield - Hawea 50 Section Model

Scenario C	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	10.0%
Number of gifted sections	5
Total Sections (excluding gifted sections)	45
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	20.00%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	45	\$300,000	\$13,500,000
Total Section Sales			\$13,500,000
■ Less GST			\$1,760,870
Net Realisation			\$11,739,130
Less Costs of Sales			
■ Legal	45	\$45,000	
■ Commissions	45	\$405,000	\$450,000
Net Realisation			\$11,289,130
Less Profit & Risk on Outlay		20.00%	\$1,881,522
Outlay			\$9,407,609
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Interest		\$470,380	
■ Promotion		\$90,000	
■ Development contributions		\$1,059,036	\$5,419,416
Residual Land Value			\$3,988,192
Adopt - Exclusive of GST			\$3,988,000

Stage	Total
1 Stage	\$3,988,000
Total	\$3,988,000

Greenfield - Hawea 50 Section Model

Scenario D	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	15.0%
Number of gifted sections	8
Total Sections (excluding gifted sections)	42
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	20.00%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	42	\$300,000	\$12,600,000
Total Section Sales			\$12,600,000
■ Less GST			\$1,643,478
Net Realisation			\$10,956,522
Less Costs of Sales			
■ Legal	42	\$42,000	
■ Commissions	42	\$378,000	\$420,000
Net Realisation			\$10,536,522
Less Profit & Risk on Outlay		20.00%	\$1,756,087
Outlay			\$8,780,435
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Interest		\$439,022	
■ Promotion		\$84,000	
■ Development contributions		\$986,829	\$5,309,851
Residual Land Value			\$3,470,584
Adopt - Exclusive of GST			\$3,471,000

Stage	Total
1 Stage	\$3,471,000
Total	\$3,471,000

Greenfield - Hawea 50 Section Model

Scenario E	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	20.0%
Number of gifted sections	10
Total Sections (excluding gifted sections)	40
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	20.00%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	40	\$300,000	\$12,000,000
Total Section Sales			\$12,000,000
■ Less GST			\$1,565,217
Net Realisation			\$10,434,783
Less Costs of Sales			
■ Legal	40	\$40,000	
■ Commissions	40	\$360,000	\$400,000
Net Realisation			\$10,034,783
Less Profit & Risk on Outlay		20.00%	\$1,672,464
Outlay			\$8,362,319
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Interest		\$418,116	
■ Promotion		\$80,000	
■ Development contributions		\$938,691	\$5,236,807
Residual Land Value			\$3,125,512
Adopt - Exclusive of GST			\$3,126,000

Stage	Total
1 Stage	\$3,126,000
Total	\$3,126,000

Greenfield - Hawea 50 Section Model

Scenario F	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	0.0%
Number of discounted sections	0
Total (non-discounted sections)	50
Discounted section value	\$240,000
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	20.00%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations
Section Sales	50 \$300,000 \$15,000,000
Discounted Section Sales	0 \$240,000 \$0
Total Section Sales	50 \$15,000,000
■ Less GST	\$1,956,522
Net Realisation	\$13,043,478
Less Costs of Sales	
■ Legal	50 \$50,000
■ Commissions	50 \$450,000 \$500,000
Net Realisation	\$12,543,478
Less Profit & Risk on Outlay	20.00% \$2,090,580
Outlay	\$10,452,899
Less Development Costs	
■ Direct development	50 \$3,500,000
■ Trunk connection costs	\$300,000
■ Interest	\$522,645
■ Promotion	\$100,000
■ Development contributions	\$1,179,381 \$5,602,026
Residual Land Value	\$4,850,873
Adopt – Exclusive of GST	\$4,851,000

Stage	Total
1 Stage	\$4,851,000
Total	\$4,851,000

Greenfield - Hawea 50 Section Model

Scenario G	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	5.0%
Number of discounted sections	3
Total (non-discounted sections)	47
Discounted section value	\$240,000
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	20.00%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations
Section Sales	47 \$300,000 \$14,100,000
Discounted Section Sales	3 \$240,000 \$720,000
Total Section Sales	50 \$14,820,000
■ Less GST	\$1,933,043
Net Realisation	\$12,886,957
Less Costs of Sales	
■ Legal	50 \$50,000
■ Commissions	50 \$444,600 \$494,600
Net Realisation	\$12,392,357
Less Profit & Risk on Outlay	20.00% \$2,065,393
Outlay	\$10,326,964
Less Development Costs	
■ Direct development	50 \$3,500,000
■ Trunk connection costs	\$300,000
■ Interest	\$516,348
■ Promotion	\$100,000
■ Development contributions	\$1,179,381 \$5,595,729
Residual Land Value	\$4,731,235
Adopt – Exclusive of GST	\$4,731,000

Stage	Total
Stage 1	\$4,731,000
Total	\$4,731,000

Greenfield - Hawea 50 Section Model

Scenario H	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	10.0%
Number of discounted sections	5
Total (non-discounted sections)	45
Discounted section value	\$240,000
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	20.00%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	45	\$300,000	\$13,500,000
Discounted Section Sales	5	\$240,000	\$1,200,000
Total Section Sales	50		\$14,700,000
■ Less GST			\$1,917,391
Net Realisation			\$12,782,609
Less Costs of Sales			
■ Legal	50	\$50,000	
■ Commissions	50	\$441,000	\$491,000
Net Realisation			\$12,291,609
Less Profit & Risk on Outlay		20.00%	\$2,048,601
Outlay			\$10,243,007
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Interest		\$512,150	
■ Promotion		\$100,000	
■ Development contributions		\$1,179,381	\$5,591,531
Residual Land Value			\$4,651,476
Adopt – Exclusive of GST			\$4,651,000

Stage	Total
Stage 1	\$4,651,000
Total	\$4,651,000

Greenfield - Hawea 50 Section Model

Scenario I	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	15.0%
Number of discounted sections	8
Total (non-discounted sections)	42
Discounted section value	\$240,000
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	20.00%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	42	\$300,000	\$12,600,000
Discounted Section Sales	8	\$240,000	\$1,920,000
Total Section Sales	50		\$14,520,000
■ Less GST			\$1,893,913
Net Realisation			\$12,626,087
Less Costs of Sales			
■ Legal	50	\$50,000	
■ Commissions	50	\$435,600	\$485,600
Net Realisation			\$12,140,487
Less Profit & Risk on Outlay		20.00%	\$2,023,414
Outlay			\$10,117,072
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Interest		\$505,854	
■ Promotion		\$100,000	
■ Development contributions		\$1,179,381	\$5,585,235
Residual Land Value			\$4,531,838
Adopt – Exclusive of GST			\$4,532,000

Stage	Total
Stage 1	\$4,532,000
Total	\$4,532,000

Greenfield - Hawea 50 Section Model

Scenario J	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	20.0%
Number of discounted sections	10
Total (non-discounted sections)	40
Discounted section value	\$240,000
Legal per lot	\$1,000
Sales commissions	3.00%
Profit and risk	20.00%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations
Section Sales	40 \$300,000 \$12,000,000
Discounted Section Sales	10 \$240,000 \$2,400,000
Total Section Sales	50 \$14,400,000
■ Less GST	\$1,878,261
Net Realisation	\$12,521,739
Less Costs of Sales	
■ Legal	50 \$50,000
■ Commissions	50 \$432,000 \$482,000
Net Realisation	\$12,039,739
Less Profit & Risk on Outlay	20.00% \$2,006,623
Outlay	\$10,033,116
Less Development Costs	
■ Direct development	50 \$3,500,000
■ Trunk connection costs	\$300,000
■ Interest	\$501,656
■ Promotion	\$100,000
■ Development contributions	\$1,179,381 \$5,581,037
Residual Land Value	\$4,452,079
Adopt – Exclusive of GST	\$4,452,000

Stage	Total
Stage 1	\$4,452,000
Total	\$4,452,000

Greenfield - Hawea 50 Section Model

Scenario K	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	0.0%
Legal per lot	\$1,000
Sales commissions	3.0%
Profit and risk	20.0%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	50	\$300,000	\$15,000,000
Total Section Sales	50		\$15,000,000
■ Less GST			\$1,956,522
Net Realisation			\$13,043,478
Less Costs of Sales			
■ Legal	50	\$50,000	
■ Commissions	50	\$450,000	\$500,000
Net Realisation			\$12,543,478
Less Profit & Risk on Outlay		20.00%	\$2,090,580
Outlay			\$10,452,899
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Affordable homes levy		\$0	
■ Interest		\$522,645	
■ Promotion		\$100,000	
■ Development contributions		\$1,179,381	\$5,602,026
Residual Land Value			\$4,850,873
Adopt – Exclusive of GST			\$4,851,000

Stage	Total
1 Stage	\$4,851,000
Total	\$4,851,000

Greenfield - Hawea 50 Section Model

Scenario L	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	2.5%
Legal per lot	\$1,000
Sales commissions	3.0%
Profit and risk	20.0%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	50	\$300,000	\$15,000,000
Total Section Sales	50		\$15,000,000
■ Less GST			\$1,956,522
Net Realisation			\$13,043,478
Less Costs of Sales			
■ Legal	50	\$50,000	
■ Commissions	50	\$450,000	\$500,000
Net Realisation			\$12,543,478
Less Profit & Risk on Outlay		20.00%	\$2,090,580
Outlay			\$10,452,899
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Affordable homes levy		\$326,087	
■ Interest		\$522,645	
■ Promotion		\$100,000	
■ Development contributions		\$1,179,381	\$5,928,113
Residual Land Value			\$4,524,786
Adopt – Exclusive of GST			\$4,525,000

Stage	Total
1 Stage	\$4,525,000
Total	\$4,525,000

Greenfield - Hawea 50 Section Model

Scenario M	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	5.0%
Legal per lot	\$1,000
Sales commissions	3.0%
Profit and risk	20.0%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	50	\$300,000	\$15,000,000
Total Section Sales	50		\$15,000,000
■ Less GST			\$1,956,522
Net Realisation			\$13,043,478
Less Costs of Sales			
■ Legal	50	\$50,000	
■ Commissions	50	\$450,000	\$500,000
Net Realisation			\$12,543,478
Less Profit & Risk on Outlay		20.00%	\$2,090,580
Outlay			\$10,452,899
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Affordable homes levy		\$652,174	
■ Interest		\$522,645	
■ Promotion		\$100,000	
■ Development contributions		\$1,179,381	\$6,254,200
Residual Land Value			\$4,198,699
Adopt – Exclusive of GST			\$4,199,000

Stage	Total
1 Stage	\$4,199,000
Total	\$4,199,000

Greenfield - Hawea 50 Section Model

Scenario N	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	7.5%
Legal per lot	\$1,000
Sales commissions	3.0%
Profit and risk	20.0%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	50	\$300,000	\$15,000,000
Total Section Sales	50		\$15,000,000
■ Less GST			\$1,956,522
Net Realisation			\$13,043,478
Less Costs of Sales			
■ Legal	50	\$50,000	
■ Commissions	50	\$450,000	\$500,000
Net Realisation			\$12,543,478
Less Profit & Risk on Outlay		20.00%	\$2,090,580
Outlay			\$10,452,899
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Affordable homes levy		\$978,261	
■ Interest		\$522,645	
■ Promotion		\$100,000	
■ Development contributions		\$1,179,381	\$6,580,287
Residual Land Value			\$3,872,612
Adopt – Exclusive of GST			\$3,873,000

Stage	Total
1 Stage	\$3,873,000
Total	\$3,873,000

Greenfield - Hawea 50 Section Model

Scenario O	Inputs
Average section area (m ²)	438
Average section value (incl GST)	\$300,000
Number sections	50
Council Affordable Housing Levy	10.0%
Legal per lot	\$1,000
Sales commissions	3.0%
Profit and risk	20.0%
Direct development costs per lot (inc contingency)	\$70,000
Trunk connection costs	\$300,000
Promotion per lot	\$2,000
Development contribution per additional lot	\$24,069
Development and realisation period (yrs)	2.00
Interest Rate	5.00%

Description - 1 Stage	Calculations		
Section Sales	50	\$300,000	\$15,000,000
Total Section Sales	50		\$15,000,000
■ Less GST			\$1,956,522
Net Realisation			\$13,043,478
Less Costs of Sales			
■ Legal	50	\$50,000	
■ Commissions	50	\$450,000	\$500,000
Net Realisation			\$12,543,478
Less Profit & Risk on Outlay		20.00%	\$2,090,580
Outlay			\$10,452,899
Less Development Costs			
■ Direct development	50	\$3,500,000	
■ Trunk connection costs		\$300,000	
■ Affordable homes levy		\$1,304,348	
■ Interest		\$522,645	
■ Promotion		\$100,000	
■ Development contributions		\$1,179,381	\$6,906,374
Residual Land Value			\$3,546,525
Adopt – Exclusive of GST			\$3,547,000

Stage	Total
1 Stage	\$3,547,000
Total	\$3,547,000

APPENDIX C

HAWEA 200 SECTION MODEL - HYPOTHETICAL SUBDIVISION METHOD WORKSHEETS

Greenfield - Hawea 200 Section Model

Scenario A				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging (pre Council sections)	Stage 1	Stage 2	Stage 3	Total
Total (not considering Council gifted sections)	67	67	66	200
Council Affordable Housing Levy				0.0%
Staging (Council's gift sections)	Stage 1	Stage 2	Stage 3	
Total	0	0	0	0
Staging	Stage 1	Stage 2	Stage 3	Total
Total (considering Council gifted sections)	67	67	66	200
Legal per lot				\$1,000
Sales commissions				3.00%
Profit and risk				25.00%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales			\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$7,917,967
Residual Land Value			\$5,528,642
Adopt – Exclusive of GST			\$5,529,000

Description - Stage 2			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales			\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$6,942,036
Residual Land Value			\$6,504,573
Deferred	2.00 yrs	@	5.00%
			\$5,899,839
Adopt – Exclusive of GST			\$5,900,000

Description - Stage 3			Calculations
Section Sales	66	\$300,000	\$19,800,000
Total Section Sales			\$19,800,000
■ Less GST			\$2,582,609
Net Realisation			\$17,217,391
Less Costs of Sales			
■ Legal	66	\$66,000	
■ Commissions	66	\$594,000	\$660,000
Net Realisation			\$16,557,391
Less Profit & Risk on Outlay		25.00%	\$3,311,478
Outlay			\$13,245,913
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Interest		\$993,443	
■ Promotion		\$132,000	
■ Development contributions		\$1,588,554	\$7,003,997
Residual Land Value			\$6,241,916
Deferred	4.00 yrs	@	5.00%
			\$5,135,239
Adopt – Exclusive of GST			\$5,135,000

Stage	Total
Stage 1	\$5,529,000
Stage 2	\$5,900,000
Stage 3	\$5,135,000
Total	\$16,564,000

Greenfield - Hawea 200 Section Model

Scenario B				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging (pre Council sections)	Stage 1	Stage 2	Stage 3	Total
Total (not considering Council gifted sections)	67	67	66	200
Council Affordable Housing Levy				5.0%
Staging (Council's gift sections)	Stage 1	Stage 2	Stage 3	
Total	4	4	4	12
Staging	Stage 1	Stage 2	Stage 3	Total
Total (considering Council gifted sections)	63	63	62	188
Legal per lot				\$1,000
Sales commissions				3.00%
Profit and risk				25.00%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	63	\$300,000	\$18,900,000
Total Section Sales			\$18,900,000
■ Less GST			\$2,465,217
Net Realisation			\$16,434,783
Less Costs of Sales			
■ Legal	63	\$63,000	
■ Commissions	63	\$567,000	\$630,000
Net Realisation			\$15,804,783
Less Profit & Risk on Outlay		25.00%	\$3,160,957
Outlay			\$12,643,826
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Interest		\$790,239	
■ Promotion		\$126,000	
■ Development contributions		\$1,492,278	\$7,763,517
Residual Land Value			\$4,880,309
Adopt – Exclusive of GST			\$4,880,000

Description - Stage 2			Calculations
Section Sales	63	\$300,000	\$18,900,000
Total Section Sales			\$18,900,000
■ Less GST			\$2,465,217
Net Realisation			\$16,434,783
Less Costs of Sales			
■ Legal	63	\$63,000	
■ Commissions	63	\$567,000	\$630,000
Net Realisation			\$15,804,783
Less Profit & Risk on Outlay		25.00%	\$3,160,957
Outlay			\$12,643,826
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Interest		\$790,239	
■ Promotion		\$126,000	
■ Development contributions		\$1,516,347	\$6,787,586
Residual Land Value			\$5,856,240
Deferred	2.00 yrs	@	5.00%
			\$5,311,782
Adopt – Exclusive of GST			\$5,312,000

Description - Stage 3			Calculations
Section Sales	62	\$300,000	\$18,600,000
Total Section Sales			\$18,600,000
■ Less GST			\$2,426,087
Net Realisation			\$16,173,913
Less Costs of Sales			
■ Legal	62	\$62,000	
■ Commissions	62	\$558,000	\$620,000
Net Realisation			\$15,553,913
Less Profit & Risk on Outlay		25.00%	\$3,110,783
Outlay			\$12,443,130
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Interest		\$933,235	
■ Promotion		\$124,000	
■ Development contributions		\$1,492,278	\$6,839,513
Residual Land Value			\$5,603,618
Deferred	4.00 yrs	@	5.00%
			\$4,610,110
Adopt – Exclusive of GST			\$4,610,000

Stage	Total
Stage 1	\$4,880,000
Stage 2	\$5,312,000
Stage 3	\$4,610,000
Total	\$14,802,000

Greenfield - Hawea 200 Section Model

Scenario C				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging (pre Council sections)	Stage 1	Stage 2	Stage 3	Total
Total (not considering Council gifted sections)	67	67	66	200
Council Affordable Housing Levy				10.0%
Staging (Council's gift sections)	Stage 1	Stage 2	Stage 3	
Total	7	7	7	21
Staging	Stage 1	Stage 2	Stage 3	Total
Total (considering Council gifted sections)	60	60	59	179
Legal per lot				\$1,000
Sales commissions				3.00%
Profit and risk				25.00%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	60	\$300,000	\$18,000,000
Total Section Sales			\$18,000,000
■ Less GST			\$2,347,826
Net Realisation			\$15,652,174
Less Costs of Sales			
■ Legal	60	\$60,000	
■ Commissions	60	\$540,000	\$600,000
Net Realisation			\$15,052,174
Less Profit & Risk on Outlay		25.00%	\$3,010,435
Outlay			\$12,041,739
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Interest		\$752,609	
■ Promotion		\$120,000	
■ Development contributions		\$1,420,071	\$7,647,680
Residual Land Value			\$4,394,059
Adopt – Exclusive of GST			\$4,394,000

Description - Stage 2			Calculations
Section Sales	60	\$300,000	\$18,000,000
Total Section Sales			\$18,000,000
■ Less GST			\$2,347,826
Net Realisation			\$15,652,174
Less Costs of Sales			
■ Legal	60	\$60,000	
■ Commissions	60	\$540,000	\$600,000
Net Realisation			\$15,052,174
Less Profit & Risk on Outlay		25.00%	\$3,010,435
Outlay			\$12,041,739
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Interest		\$752,609	
■ Promotion		\$120,000	
■ Development contributions		\$1,444,140	\$6,671,749
Residual Land Value			\$5,369,990
Deferred	2.00 yrs	@	5.00%
			\$4,870,740
Adopt – Exclusive of GST			\$4,871,000

Description - Stage 3			Calculations
Section Sales	59	\$300,000	\$17,700,000
Total Section Sales			\$17,700,000
■ Less GST			\$2,308,696
Net Realisation			\$15,391,304
Less Costs of Sales			
■ Legal	59	\$59,000	
■ Commissions	59	\$531,000	\$590,000
Net Realisation			\$14,801,304
Less Profit & Risk on Outlay		25.00%	\$2,960,261
Outlay			\$11,841,043
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Interest		\$888,078	
■ Promotion		\$118,000	
■ Development contributions		\$1,420,071	\$6,716,149
Residual Land Value			\$5,124,894
Deferred	4.00 yrs	@	5.00%
			\$4,216,263
Adopt – Exclusive of GST			\$4,216,000

Stage	Total
Stage 1	\$4,394,000
Stage 2	\$4,871,000
Stage 3	\$4,216,000
Total	\$13,481,000

Greenfield - Hawea 200 Section Model

Scenario D				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging (pre Council sections)	Stage 1	Stage 2	Stage 3	Total
Total (not considering Council gifted sections)	67	67	66	200
Council Affordable Housing Levy				15.0%
Staging (Council's gift sections)	Stage 1	Stage 2	Stage 3	
Total	11	11	10	32
Staging	Stage 1	Stage 2	Stage 3	Total
Total (considering Council gifted sections)	56	56	56	168
Legal per lot				\$1,000
Sales commissions				3.00%
Profit and risk				25.00%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	56	\$300,000	\$16,800,000
Total Section Sales			\$16,800,000
■ Less GST			\$2,191,304
Net Realisation			\$14,608,696
Less Costs of Sales			
■ Legal	56	\$56,000	
■ Commissions	56	\$504,000	\$560,000
Net Realisation			\$14,048,696
Less Profit & Risk on Outlay		25.00%	\$2,809,739
Outlay			\$11,238,957
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Interest		\$702,435	
■ Promotion		\$112,000	
■ Development contributions		\$1,323,795	\$7,493,230
Residual Land Value			\$3,745,727
Adopt – Exclusive of GST			\$3,746,000

Description - Stage 2			Calculations
Section Sales	56	\$300,000	\$16,800,000
Total Section Sales			\$16,800,000
■ Less GST			\$2,191,304
Net Realisation			\$14,608,696
Less Costs of Sales			
■ Legal	56	\$56,000	
■ Commissions	56	\$504,000	\$560,000
Net Realisation			\$14,048,696
Less Profit & Risk on Outlay		25.00%	\$2,809,739
Outlay			\$11,238,957
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Interest		\$702,435	
■ Promotion		\$112,000	
■ Development contributions		\$1,347,864	\$6,517,299
Residual Land Value			\$4,721,658
Deferred	2.00 yrs	@	5.00%
			\$4,282,683
Adopt – Exclusive of GST			\$4,283,000

Description - Stage 3			Calculations
Section Sales	56	\$300,000	\$16,800,000
Total Section Sales			\$16,800,000
■ Less GST			\$2,191,304
Net Realisation			\$14,608,696
Less Costs of Sales			
■ Legal	56	\$56,000	
■ Commissions	56	\$504,000	\$560,000
Net Realisation			\$14,048,696
Less Profit & Risk on Outlay		25.00%	\$2,809,739
Outlay			\$11,238,957
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Interest		\$842,922	
■ Promotion		\$112,000	
■ Development contributions		\$1,347,864	\$6,592,786
Residual Land Value			\$4,646,171
Deferred	4.00 yrs	@	5.00%
			\$3,822,416
Adopt – Exclusive of GST			\$3,822,000

Stage	Total
Stage 1	\$3,746,000
Stage 2	\$4,283,000
Stage 3	\$3,822,000
Total	\$11,851,000

Greenfield - Hawea 200 Section Model

Scenario E				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging (pre Council sections)	Stage 1	Stage 2	Stage 3	Total
Total (not considering Council gifted sections)	67	67	66	200
Council Affordable Housing Levy				20.0%
Staging (Council's gift sections)	Stage 1	Stage 2	Stage 3	
Total	14	14	14	42
Staging	Stage 1	Stage 2	Stage 3	Total
Total (considering Council gifted sections)	53	53	52	158
Legal per lot				\$1,000
Sales commissions				3.00%
Profit and risk				25.00%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	53	\$300,000	\$15,900,000
Total Section Sales			\$15,900,000
■ Less GST			\$2,073,913
Net Realisation			\$13,826,087
Less Costs of Sales			
■ Legal	53	\$53,000	
■ Commissions	53	\$477,000	\$530,000
Net Realisation			\$13,296,087
Less Profit & Risk on Outlay		25.00%	\$2,659,217
Outlay			\$10,636,870
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Interest		\$664,804	
■ Promotion		\$106,000	
■ Development contributions		\$1,251,588	\$7,377,392
Residual Land Value			\$3,259,477
Adopt – Exclusive of GST			\$3,259,000

Description - Stage 2			Calculations
Section Sales	53	\$300,000	\$15,900,000
Total Section Sales			\$15,900,000
■ Less GST			\$2,073,913
Net Realisation			\$13,826,087
Less Costs of Sales			
■ Legal	53	\$53,000	
■ Commissions	53	\$477,000	\$530,000
Net Realisation			\$13,296,087
Less Profit & Risk on Outlay		25.00%	\$2,659,217
Outlay			\$10,636,870
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Interest		\$664,804	
■ Promotion		\$106,000	
■ Development contributions		\$1,275,657	\$6,401,461
Residual Land Value			\$4,235,408
Deferred	2.00 yrs	@	5.00%
			\$3,841,640
Adopt – Exclusive of GST			\$3,842,000

Description - Stage 3			Calculations
Section Sales	52	\$300,000	\$15,600,000
Total Section Sales			\$15,600,000
■ Less GST			\$2,034,783
Net Realisation			\$13,565,217
Less Costs of Sales			
■ Legal	52	\$52,000	
■ Commissions	52	\$468,000	\$520,000
Net Realisation			\$13,045,217
Less Profit & Risk on Outlay		25.00%	\$2,609,043
Outlay			\$10,436,174
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Interest		\$782,713	
■ Promotion		\$104,000	
■ Development contributions		\$1,251,588	\$6,428,301
Residual Land Value			\$4,007,873
Deferred	4.00 yrs	@	5.00%
			\$3,297,287
Adopt – Exclusive of GST			\$3,297,000

Stage	Total
Stage 1	\$3,259,000
Stage 2	\$3,842,000
Stage 3	\$3,297,000
Total	\$10,398,000

Greenfield - Hawea 200 Section Model

Scenario F				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging	Stage 1	Stage 2	Stage 3	Total
Total (not considering discounted sections)	67	67	66	200
Council Affordable Housing Levy				0.0%
Staging (discounted sections)	Stage 1	Stage 2	Stage 3	
Total	0	0	0	0
Staging	Stage 1	Stage 2	Stage 3	Total
Total (non-discounted sections)	67	67	66	200
Discounted section value				\$240,000
Legal per lot				\$1,000
Sales commissions				3.00%
Profit and risk				25.00%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	67	\$300,000	\$20,100,000
Discounted Section Sales	0	\$240,000	\$0
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$7,917,967
Residual Land Value			\$5,528,642
Adopt – Exclusive of GST			\$5,529,000

Description - Stage 2			Calculations
Section Sales	67	\$300,000	\$20,100,000
Discounted Section Sales	0	\$240,000	\$0
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$6,942,036
Residual Land Value			\$6,504,573
Deferred	2.00 yrs	@	5.00%
			\$5,899,839
Adopt – Exclusive of GST			\$5,900,000

Description - Stage 3				Calculations
Section Sales		66	\$300,000	\$19,800,000
Discounted Section Sales		0	\$240,000	\$0
Total Section Sales		66		\$19,800,000
■ Less GST				\$2,582,609
Net Realisation				\$17,217,391
Less Costs of Sales				
■ Legal		66	\$66,000	
■ Commissions		66	\$594,000	\$660,000
Net Realisation				\$16,557,391
Less Profit & Risk on Outlay			25.00%	\$3,311,478
Outlay				\$13,245,913
Less Development Costs				
■ Direct development		66	\$4,290,000	
■ Trunk connection costs				\$0
■ Interest				\$993,443
■ Promotion				\$132,000
■ Development contributions				\$1,588,554
Residual Land Value				\$6,241,916
Deferred	4.00 yrs	@	5.00%	\$5,135,239
Adopt – Exclusive of GST				\$5,135,000

Stage	Total
Stage 1	\$5,529,000
Stage 2	\$5,900,000
Stage 3	\$5,135,000
Total	\$16,564,000

Greenfield - Hawea 200 Section Model

Scenario G				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging	Stage 1	Stage 2	Stage 3	Total
Total (not considering discounted sections)	67	67	66	200
Council Affordable Housing Levy				5.0%
Staging (discounted sections)	Stage 1	Stage 2	Stage 3	
Total	4	4	4	12
Staging	Stage 1	Stage 2	Stage 3	Total
Total (non-discounted sections)	63	63	62	188
Discounted section value				\$240,000
Legal per lot				\$1,000
Sales commissions				3.00%
Profit and risk				25.00%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	63	\$300,000	\$18,900,000
Discounted Section Sales	4	\$240,000	\$960,000
Total Section Sales	67		\$19,860,000
■ Less GST			\$2,590,435
Net Realisation			\$17,269,565
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$595,800	\$662,800
Net Realisation			\$16,606,765
Less Profit & Risk on Outlay		25.00%	\$3,321,353
Outlay			\$13,285,412
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Interest		\$830,338	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$7,907,892
Residual Land Value			\$5,377,520
Adopt – Exclusive of GST			\$5,378,000

Description - Stage 2			Calculations
Section Sales	63	\$300,000	\$18,900,000
Discounted Section Sales	4	\$240,000	\$960,000
Total Section Sales	67		\$19,860,000
■ Less GST			\$2,590,435
Net Realisation			\$17,269,565
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$595,800	\$662,800
Net Realisation			\$16,606,765
Less Profit & Risk on Outlay		25.00%	\$3,321,353
Outlay			\$13,285,412
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Interest		\$830,338	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$6,931,961
Residual Land Value			\$6,353,451
Deferred	2.00 yrs	@	5.00%
			\$5,762,767
Adopt – Exclusive of GST			\$5,763,000

Description - Stage 3			Calculations
Section Sales	62	\$300,000	\$18,600,000
Discounted Section Sales	4	\$240,000	\$960,000
Total Section Sales	66		\$19,560,000
■ Less GST			\$2,551,304
Net Realisation			\$17,008,696
Less Costs of Sales			
■ Legal	66	\$66,000	
■ Commissions	66	\$586,800	\$652,800
Net Realisation			\$16,355,896
Less Profit & Risk on Outlay		25.00%	\$3,271,179
Outlay			\$13,084,717
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Interest		\$981,354	
■ Promotion		\$132,000	
■ Development contributions		\$1,588,554	\$6,991,908
Residual Land Value			\$6,092,809
Deferred	4.00 yrs	@	5.00%
			\$5,012,569
Adopt – Exclusive of GST			\$5,013,000

Stage	Total
Stage 1	\$5,378,000
Stage 2	\$5,763,000
Stage 3	\$5,013,000
Total	\$16,154,000

Greenfield - Hawea 200 Section Model

Scenario H				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging	Stage 1	Stage 2	Stage 3	Total
Total (not considering discounted sections)	67	67	66	200
Council Affordable Housing Levy				10.0%
Staging (discounted sections)	Stage 1	Stage 2	Stage 3	
Total	7	7	7	21
Staging	Stage 1	Stage 2	Stage 3	Total
Total (non-discounted sections)	60	60	59	179
Discounted section value				\$240,000
Legal per lot				\$1,000
Sales commissions				3.00%
Profit and risk				25.00%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	60	\$300,000	\$18,000,000
Discounted Section Sales	7	\$240,000	\$1,680,000
Total Section Sales	67		\$19,680,000
■ Less GST			\$2,566,957
Net Realisation			\$17,113,043
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$590,400	\$657,400
Net Realisation			\$16,455,643
Less Profit & Risk on Outlay		25.00%	\$3,291,129
Outlay			\$13,164,515
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Interest		\$822,782	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$7,900,336
Residual Land Value			\$5,264,179
Adopt – Exclusive of GST			\$5,264,000

Description - Stage 2			Calculations
Section Sales	60	\$300,000	\$18,000,000
Discounted Section Sales	7	\$240,000	\$1,680,000
Total Section Sales	67		\$19,680,000
■ Less GST			\$2,566,957
Net Realisation			\$17,113,043
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$590,400	\$657,400
Net Realisation			\$16,455,643
Less Profit & Risk on Outlay		25.00%	\$3,291,129
Outlay			\$13,164,515
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Interest		\$822,782	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$6,924,405
Residual Land Value			\$6,240,110
Deferred	2.00 yrs	@	5.00%
			\$5,659,963
Adopt – Exclusive of GST			\$5,660,000

Description - Stage 3			Calculations
Section Sales	59	\$300,000	\$17,700,000
Discounted Section Sales	7	\$240,000	\$1,680,000
Total Section Sales	66		\$19,380,000
■ Less GST			\$2,527,826
Net Realisation			\$16,852,174
Less Costs of Sales			
■ Legal	66	\$66,000	
■ Commissions	66	\$581,400	\$647,400
Net Realisation			\$16,204,774
Less Profit & Risk on Outlay		25.00%	\$3,240,955
Outlay			\$12,963,819
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Interest		\$972,286	
■ Promotion		\$132,000	
■ Development contributions		\$1,588,554	\$6,982,840
Residual Land Value			\$5,980,979
Deferred	4.00 yrs	@	5.00%
			\$4,920,566
Adopt – Exclusive of GST			\$4,921,000

Stage	Total
Stage 1	\$5,264,000
Stage 2	\$5,660,000
Stage 3	\$4,921,000
Total	\$15,845,000

Greenfield - Hawea 200 Section Model

Scenario I				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging	Stage 1	Stage 2	Stage 3	Total
Total (not considering discounted sections)	67	67	66	200
Council Affordable Housing Levy				15.0%
Staging (discounted sections)	Stage 1	Stage 2	Stage 3	
Total	11	11	10	32
Staging	Stage 1	Stage 2	Stage 3	Total
Total (non-discounted sections)	56	56	56	168
Discounted section value				\$240,000
Legal per lot				\$1,000
Sales commissions				3.00%
Profit and risk				25.00%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	56	\$300,000	\$16,800,000
Discounted Section Sales	11	\$240,000	\$2,640,000
Total Section Sales	67		\$19,440,000
■ Less GST			\$2,535,652
Net Realisation			\$16,904,348
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$583,200	\$650,200
Net Realisation			\$16,254,148
Less Profit & Risk on Outlay		25.00%	\$3,250,830
Outlay			\$13,003,318
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Interest		\$812,707	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$7,890,261
Residual Land Value			\$5,113,057
Adopt – Exclusive of GST			\$5,113,000

Description - Stage 2			Calculations
Section Sales	56	\$300,000	\$16,800,000
Discounted Section Sales	11	\$240,000	\$2,640,000
Total Section Sales	67		\$19,440,000
■ Less GST			\$2,535,652
Net Realisation			\$16,904,348
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$583,200	\$650,200
Net Realisation			\$16,254,148
Less Profit & Risk on Outlay		25.00%	\$3,250,830
Outlay			\$13,003,318
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Interest		\$812,707	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$6,914,330
Residual Land Value			\$6,088,988
Deferred	2.00 yrs	@	5.00%
			\$5,522,891
Adopt – Exclusive of GST			\$5,523,000

Description - Stage 3			Calculations
Section Sales	56	\$300,000	\$16,800,000
Discounted Section Sales	10	\$240,000	\$2,400,000
Total Section Sales	66		\$19,200,000
■ Less GST			\$2,504,348
Net Realisation			\$16,695,652
Less Costs of Sales			
■ Legal	66	\$66,000	
■ Commissions	66	\$576,000	\$642,000
Net Realisation			\$16,053,652
Less Profit & Risk on Outlay		25.00%	\$3,210,730
Outlay			\$12,842,922
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Interest		\$963,219	
■ Promotion		\$132,000	
■ Development contributions		\$1,588,554	\$6,973,773
Residual Land Value			\$5,869,149
Deferred	4.00 yrs	@	5.00%
			\$4,828,563
Adopt – Exclusive of GST			\$4,829,000

Stage	Total
Stage 1	\$5,113,000
Stage 2	\$5,523,000
Stage 3	\$4,829,000
Total	\$15,465,000

Greenfield - Hawea 200 Section Model

Scenario J				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging	Stage 1	Stage 2	Stage 3	Total
Total (not considering discounted sections)	67	67	66	200
Council Affordable Housing Levy				20.0%
Staging (discounted sections)	Stage 1	Stage 2	Stage 3	
Total	14	14	14	42
Staging	Stage 1	Stage 2	Stage 3	Total
Total (non-discounted sections)	53	53	52	158
Discounted section value				\$240,000
Legal per lot				\$1,000
Sales commissions				3.00%
Profit and risk				25.00%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	53	\$300,000	\$15,900,000
Discounted Section Sales	14	\$240,000	\$3,360,000
Total Section Sales	67		\$19,260,000
■ Less GST			\$2,512,174
Net Realisation			\$16,747,826
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$577,800	\$644,800
Net Realisation			\$16,103,026
Less Profit & Risk on Outlay		25.00%	\$3,220,605
Outlay			\$12,882,421
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Interest		\$805,151	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$7,882,705
Residual Land Value			\$4,999,716
Adopt – Exclusive of GST			\$5,000,000

Description - Stage 2			Calculations
Section Sales	53	\$300,000	\$15,900,000
Discounted Section Sales	14	\$240,000	\$3,360,000
Total Section Sales	67		\$19,260,000
■ Less GST			\$2,512,174
Net Realisation			\$16,747,826
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$577,800	\$644,800
Net Realisation			\$16,103,026
Less Profit & Risk on Outlay		25.00%	\$3,220,605
Outlay			\$12,882,421
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Interest		\$805,151	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$6,906,774
Residual Land Value			\$5,975,647
Deferred	2.00 yrs	@	5.00%
			\$5,420,088
Adopt – Exclusive of GST			\$5,420,000

Description - Stage 3			Calculations
Section Sales	52	\$300,000	\$15,600,000
Discounted Section Sales	14	\$240,000	\$3,360,000
Total Section Sales	66		\$18,960,000
■ Less GST			\$2,473,043
Net Realisation			\$16,486,957
Less Costs of Sales			
■ Legal	66	\$66,000	
■ Commissions	66	\$568,800	\$634,800
Net Realisation			\$15,852,157
Less Profit & Risk on Outlay		25.00%	\$3,170,431
Outlay			\$12,681,725
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Interest		\$951,129	
■ Promotion		\$132,000	
■ Development contributions		\$1,588,554	\$6,961,683
Residual Land Value			\$5,720,042
Deferred	4.00 yrs	@	5.00%
			\$4,705,893
Adopt – Exclusive of GST			\$4,706,000

Stage	Total
Stage 1	\$5,000,000
Stage 2	\$5,420,000
Stage 3	\$4,706,000
Total	\$15,126,000

Greenfield - Hawea 200 Section Model

Scenario K				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging	Stage 1	Stage 2	Stage 3	Total
Total	67	67	66	200
Council Affordable Housing Levy				0.0%
Legal per lot				\$1,000
Sales commissions				3.0%
Profit and risk				25.0%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Affordable homes levy		\$0	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$7,917,967
Residual Land Value			\$5,528,642
Adopt – Exclusive of GST			\$5,529,000

Description - Stage 2			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Affordable homes levy		\$0	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$6,942,036
Residual Land Value			\$6,504,573
Deferred	2.00 yrs	@	5.00%
			\$5,899,839
Adopt – Exclusive of GST			\$5,900,000

Description - Stage 3			Calculations
Section Sales	66	\$300,000	\$19,800,000
Total Section Sales	66		\$19,800,000
■ Less GST			\$2,582,609
Net Realisation			\$17,217,391
Less Costs of Sales			
■ Legal	66	\$66,000	
■ Commissions	66	\$594,000	\$660,000
Net Realisation			\$16,557,391
Less Profit & Risk on Outlay		25.00%	\$3,311,478
Outlay			\$13,245,913
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Affordable homes levy		\$0	
■ Interest		\$993,443	
■ Promotion		\$132,000	
■ Development contributions		\$1,588,554	\$7,003,997
Residual Land Value			\$6,241,916
Deferred	4.00 yrs	@	5.00%
			\$5,135,239
Adopt – Exclusive of GST			\$5,135,000

Stage	Total
Stage 1	\$5,529,000
Stage 2	\$5,900,000
Stage 3	\$5,135,000
Total	\$16,564,000

Greenfield - Hawea 200 Section Model

Scenario L				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging	Stage 1	Stage 2	Stage 3	Total
Total	67	67	66	200
Council Affordable Housing Levy				2.5%
Legal per lot				\$1,000
Sales commissions				3.0%
Profit and risk				25.0%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Affordable homes levy		\$436,957	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$8,354,924
Residual Land Value			\$5,091,685
Adopt – Exclusive of GST			\$5,092,000

Description - Stage 2			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Affordable homes levy		\$436,957	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$7,378,993
Residual Land Value			\$6,067,616
Deferred	2.00 yrs	@	5.00%
			\$5,503,507
Adopt – Exclusive of GST			\$5,504,000

Description - Stage 3				Calculations
Section Sales		66	\$300,000	\$19,800,000
Total Section Sales		66		\$19,800,000
■ Less GST				\$2,582,609
Net Realisation				\$17,217,391
Less Costs of Sales				
■ Legal		66	\$66,000	
■ Commissions		66	\$594,000	\$660,000
Net Realisation				\$16,557,391
Less Profit & Risk on Outlay			25.00%	\$3,311,478
Outlay				\$13,245,913
Less Development Costs				
■ Direct development		66	\$4,290,000	
■ Trunk connection costs			\$0	
■ Affordable homes levy			\$430,435	
■ Interest			\$993,443	
■ Promotion			\$132,000	
■ Development contributions			\$1,588,554	\$7,434,432
Residual Land Value				\$5,811,481
Deferred	4.00 yrs	@	5.00%	\$4,781,120
Adopt – Exclusive of GST				\$4,781,000

Stage	Total
Stage 1	\$5,092,000
Stage 2	\$5,504,000
Stage 3	\$4,781,000
Total	\$15,377,000

Greenfield - Hawea 200 Section Model

Scenario M				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging	Stage 1	Stage 2	Stage 3	Total
Total	67	67	66	200
Council Affordable Housing Levy				5.0%
Legal per lot				\$1,000
Sales commissions				3.0%
Profit and risk				25.0%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Affordable homes levy		\$873,913	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$8,791,880
Residual Land Value			\$4,654,729
Adopt – Exclusive of GST			\$4,655,000

Description - Stage 2			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Affordable homes levy		\$873,913	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$7,815,949
Residual Land Value			\$5,630,660
Deferred	2.00 yrs	@	5.00%
			\$5,107,174
Adopt – Exclusive of GST			\$5,107,000

Description - Stage 3			Calculations
Section Sales	66	\$300,000	\$19,800,000
Total Section Sales	66		\$19,800,000
■ Less GST			\$2,582,609
Net Realisation			\$17,217,391
Less Costs of Sales			
■ Legal	66	\$66,000	
■ Commissions	66	\$594,000	\$660,000
Net Realisation			\$16,557,391
Less Profit & Risk on Outlay		25.00%	\$3,311,478
Outlay			\$13,245,913
Less Development Costs			
■ Direct development	66	\$4,290,000	
■ Trunk connection costs		\$0	
■ Affordable homes levy		\$860,870	
■ Interest		\$993,443	
■ Promotion		\$132,000	
■ Development contributions		\$1,588,554	\$7,864,867
Residual Land Value			\$5,381,046
Deferred	4.00 yrs	@	5.00%
			\$4,427,000
Adopt – Exclusive of GST			\$4,427,000

Stage	Total
Stage 1	\$4,655,000
Stage 2	\$5,107,000
Stage 3	\$4,427,000
Total	\$14,189,000

Greenfield - Hawea 200 Section Model

Scenario N				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging	Stage 1	Stage 2	Stage 3	Total
Total	67	67	66	200
Council Affordable Housing Levy				7.5%
Legal per lot				\$1,000
Sales commissions				3.0%
Profit and risk				25.0%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Affordable homes levy		\$1,310,870	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$9,228,837
Residual Land Value			\$4,217,772
Adopt – Exclusive of GST			\$4,218,000

Description - Stage 2			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Affordable homes levy		\$1,310,870	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$8,252,906
Residual Land Value			\$5,193,703
Deferred	2.00 yrs	@	5.00%
			\$4,710,842
Adopt – Exclusive of GST			\$4,711,000

Description - Stage 3				Calculations
Section Sales	66	\$300,000		\$19,800,000
Total Section Sales	66			\$19,800,000
■ Less GST				\$2,582,609
Net Realisation				\$17,217,391
Less Costs of Sales				
■ Legal	66	\$66,000		
■ Commissions	66	\$594,000		\$660,000
Net Realisation				\$16,557,391
Less Profit & Risk on Outlay			25.00%	\$3,311,478
Outlay				\$13,245,913
Less Development Costs				
■ Direct development	66	\$4,290,000		
■ Trunk connection costs				\$0
■ Affordable homes levy				\$1,291,304
■ Interest				\$993,443
■ Promotion				\$132,000
■ Development contributions				\$1,588,554
Residual Land Value				\$4,950,611
Deferred	4.00 yrs	@	5.00%	\$4,072,880
Adopt – Exclusive of GST				\$4,073,000

Stage	Total
Stage 1	\$4,218,000
Stage 2	\$4,711,000
Stage 3	\$4,073,000
Total	\$13,002,000

Greenfield - Hawea 200 Section Model

Scenario O				Inputs
Average section area (m ²)				438
Average section value (incl GST)				\$300,000
Number sections				200
Staging	Stage 1	Stage 2	Stage 3	Total
Total	67	67	66	200
Council Affordable Housing Levy				10.0%
Legal per lot				\$1,000
Sales commissions				3.0%
Profit and risk				25.0%
Direct development costs per lot (inc contingency)				\$65,000
Trunk connection costs				\$1,000,000
Promotion per lot				\$2,000
Development contribution per additional lot				\$24,069
Staging	Stage 1	Stage 2	Stage 3	Total
Development and realisation period (yrs)	2.50	2.50	3.00	7.00
Deferment (yrs)	0.00	2.00	4.00	
Interest Rate				5.00%

Description - Stage 1			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$1,000,000	
■ Affordable homes levy		\$1,747,826	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,588,554	\$9,665,793
Residual Land Value			\$3,780,816
Adopt – Exclusive of GST			\$3,781,000

Description - Stage 2			Calculations
Section Sales	67	\$300,000	\$20,100,000
Total Section Sales	67		\$20,100,000
■ Less GST			\$2,621,739
Net Realisation			\$17,478,261
Less Costs of Sales			
■ Legal	67	\$67,000	
■ Commissions	67	\$603,000	\$670,000
Net Realisation			\$16,808,261
Less Profit & Risk on Outlay		25.00%	\$3,361,652
Outlay			\$13,446,609
Less Development Costs			
■ Direct development	67	\$4,355,000	
■ Trunk connection costs		\$0	
■ Affordable homes levy		\$1,747,826	
■ Interest		\$840,413	
■ Promotion		\$134,000	
■ Development contributions		\$1,612,623	\$8,689,862
Residual Land Value			\$4,756,747
Deferred	2.00 yrs	@	5.00%
			\$4,314,509
Adopt – Exclusive of GST			\$4,315,000

Description - Stage 3				Calculations
Section Sales	66	\$300,000		\$19,800,000
Total Section Sales	66			\$19,800,000
■ Less GST				\$2,582,609
Net Realisation				\$17,217,391
Less Costs of Sales				
■ Legal	66	\$66,000		
■ Commissions	66	\$594,000		\$660,000
Net Realisation				\$16,557,391
Less Profit & Risk on Outlay			25.00%	\$3,311,478
Outlay				\$13,245,913
Less Development Costs				
■ Direct development	66	\$4,290,000		
■ Trunk connection costs				\$0
■ Affordable homes levy				\$1,721,739
■ Interest				\$993,443
■ Promotion				\$132,000
■ Development contributions				\$1,588,554
Residual Land Value				\$4,520,176
Deferred	4.00 yrs	@	5.00%	\$3,718,760
Adopt – Exclusive of GST				\$3,719,000

Stage	Total
Stage 1	\$3,781,000
Stage 2	\$4,315,000
Stage 3	\$3,719,000
Total	\$11,815,000

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