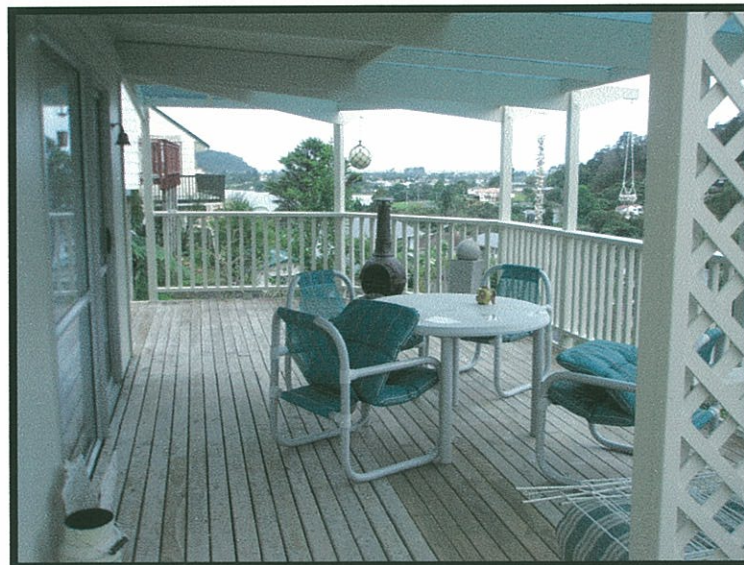


Valuation Report

*35 Windsor Drive,
TAIRUA*



Jordan Valuers
PO Box 500
THAMES

MARCH 2011

REF: J 4962/24916b

4 April, 2011

Mr P Kendall
Professional Contractors Ltd
93a Moore Street
Hillcrest
AUCKLAND 0627

Dear Peter

RE: 35 Windsor Drive, Tairua

Acting on your instructions we inspected the property described below for the purpose of providing our opinion as to the current market value.

The effective date of the valuation is 29 March 2011 being the date of inspection.

Client/Owners: Peter Edward Kendall, Bruce Leonard Clark and John Wilson Hart

Address: 35 Windsor Drive, Tairua

Legal Description: An estate in fee simple more or less being Lot 84 Deposited Plan South Auckland 25955

Certificate of Title: SA 25C/153

Saving and excepting all minerals within the meaning of the Land Act 1924 under the surface of the land and reserving always a right of ingress egress and regress to all persons lawfully engaged in working any such minerals.

Subject to a sewage right (in gross) over part marked AD on DPS 25955 in favour of The Thames Coromandel District Council created by Transfer H260558.2

The easements created by Transfer H260558.2 are subject to Section 37(1)(a) Counties Amendment Act 1961

Land Covenant in Easement Instrument 5598211.1

Appurtenant hereto is a right of way created by Easement Instrument 8265486.1

Area: 608m²

Valuation:

Land and Buildings	\$371,000
Chattels	<u>\$7,000</u>
	\$378,000

Three Hundred & Seventy Eight Thousand Dollars
(Inclusive of GST)

Disclaimer:

This report has been prepared for valuation purposes only and should not in anyway be regarded as a site or structural survey.

We have not inspected woodwork or other parts of the structure which are covered, unexposed or inaccessible and we are therefore unable to report that such parts of the property are free of rot, beetle or other defects.

This report is prepared on the following assumptions:

1. That the building has been competently designed and built, is structurally sound and watertight.
2. The building does not contain any latent or patent defects which could result in;
 - (a) the building ceasing to be watertight
 - (b) the gradual decay of the building including its structure.
3. Where applicable the building complies with the Building Act 1991 and the Building Code contained in the first schedule to the Building Regulations 1992 (or any amendment or substitution of that code).

This report is confidential and limited to the client/s named and for the purposes specified in the report. No liability is accepted to any parties relying upon it for other purposes, or beyond a period of three months from the date of issue, without prior reference to the valuer.

International Valuation Standards – Compliance Statement:

This valuation has been prepared in accordance with International Valuation Standard 3 and we confirm the following:

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

NZIV/PINZ Compliance:

We confirm that the above property valuation has been prepared by a Registered Valuer, holding a current annual practising Certificate, who is a member of the NZ Institute of Valuers and of the Property Institute of New Zealand.

The above valuation complies with the PINZ Code of Ethics and with the PINZ Valuation Standards (5th Edition).

Indemnity Insurance:

We confirm that we hold the level of Indemnity Insurance appropriate for the valuation of this property.

Reliability of Data:

The sales data and statistical information contained herein was gathered for valuation purposes from reliable sources and is believed to be correct. All reasonable attempts have been made to verify the authenticity of this information but we cannot guarantee its accuracy.

Valuation Comments:

The subject property comprises a comfortable two level dwelling with attached carport and pleasant indoor/outdoor living area situated on a good section in Windsor Drive, Tairua on the eastern seaboard of the Coromandel Peninsula.

Method of Valuation:

The dwelling and structural improvements have been valued on a net rate basis.

The net rates are derived from comparable sales less an allowance for the value of other buildings and improvements together with the estimated current market value of the land. This results in a net value for the dwelling on a square metre basis. The rate makes allowance for depreciation and market forces such as obsolescence.

The land value is arrived at by reference to vacant section sales (where possible) and also the analysis of improved sales.

We have also given due regard to the replacement cost of the dwelling and noted the relationship between cost and value.

Other improvements are considered on an added value basis.

We consider our assessment to be a fair and reasonable assessment of the current market.

Detailed Valuation

Living areas (two levels)	126.3m ² @ \$1000/m ² net	\$126,300	
Decking (part covered)	67.5m ² @ \$225/m ² net	\$15,187	
Carport	18m ² @ \$200/m ² net	\$3,600	
		<hr/>	
		\$145,087	
Adopt			\$145,000
Section Development			\$6,000
Land Value			\$220,000
			<hr/>
			\$371,000
Chattels - added value			\$7,000
			<hr/>
			\$378,000

Three Hundred & Seventy Eight Thousand Dollars

Sales Evidence:

The following sales of properties in the surrounding locality were considered in the assessment of the subject property.

1. 45B Windsor Drive sold January 2011 for \$315,000. Rating Valuation Capital Value not separately assessed. A two level, two bedroom rear unit being one of two. Indicates a Land Value in the vicinity of \$190,000 for "half" site.
2. 20 Gallagher Drive sold November 2010 for \$320,000. Rating Valuation Capital Value \$315,000 with a Land Value of \$205,000. A three bedroom dwelling situated on a steep site with good aspect but no sea views. More or less supports land value in the vicinity of \$200,000.
3. 42 Gallagher Drive sold September 2010 for \$270,000. Rating Valuation Capital Value \$350,000 with a Land Value of \$180,000. A 562m² site with good aspect but limited outlook. Indicates a Land Value in the vicinity of \$200,000.
4. 9 Sapphire Crescent sold November 2010 for \$285,000. Rating Valuation Capital Value \$400,000 with a Land Value of \$235,000. A two level, four bedroom dwelling situated on a flat 809m² site. Appears to be a cheap sale.
5. 13 Tairua Heights sold June 2010 for \$355,000. Rating Valuation Capital Value \$400,000 with a Land Value of \$245,000. A two level, three bedroom dwelling situated on an elevated 556m² harbour site. Indicates a Land Value in the vicinity of \$210,000.
6. 144 Main road sold may 2010 for \$450,000. Rating Valuation Capital Value \$465,000 with a Land Value of \$235,000. A three bedroom dwelling situated on a 822m² site. More or less supports land value in the vicinity of \$225,000.

Rating Valuation: As at July 2009

Capital Value	\$370,000
Land Value	\$175,000

Zoning:

Under the Thames Coromandel District Council 1997 District Plan the property has a Housing Zone.

Situation:

The subject property is situated in Windsor Drive approximately 1350 metres by road and "south west" of the Tairua shopping and commercial area.

An established residential location with a mixture of holiday homes and permanent residences.

Tairua is a popular holidaying location on the east coast of the Coromandel Peninsula. It provides a good range of shopping and recreational facilities including primary schooling, medical rooms and rest home. Daily bus service to Thames District High School approximately 50 kilometres.

Land:

A more or less rectangular shaped lot with 18.01 metres frontage to Windsor Drive extending back an average depth of approximately 33.8 metres to meet a rear boundary of 18.32 metres.

The contour rises from road level sharply up approximately 2 metres to the house site which extends back a depth of approximately 8 metres from where it rises up more steeply to the rear boundary.

The section has a mainly south easterly aspect and enjoys distant sea views and pleasant views overlooking Tairua.

Domestic services available to the site include sealed road, power, telephone, sewerage and town water supply.

Dwelling:

Lower level	57.6m ²
Upper level	68.7m ²
Carport	18m ²
Decking	67.5m ²

Age: c1982

Construction:

Constructed on concrete foundations and timber poles to timber frame construction sheathed with flat fibrolite to the lower level and galvaboard to the upper floor to an iron gable roof.

Interior linings comprise concrete floor to the lower level and particle board to the upper level with walls and ceilings of predominantly gibraltar board.

Accommodation:

Accommodation is over two levels with the lower level providing kitchen/dining/lounge, bedroom, bathroom/laundry and utility room. The upper level provides living area, two bedrooms and en suite.

Covered and open decking extends from the lower level with two small decks to the upper level.

Lower Level:

The kitchen has a formica sink bench with stainless steel infill, Shacklock four element electric range, Simpson dishwasher and pantry.

The deck area adjacent the living area provides a pleasant indoor/outdoor area which helps create a more spacious effect to the lower level.

The bathroom has a moulded shower, vanity, wc and stainless steel tub. The hot water system comprises a 135 litre electric hot water cylinder (2005).

Additional storage in the utility room.

Upper level:

The living area is heated by way of a Kent wood fire.

The en suite provides a steel bath with shower over, wc, vanity and extractor fan.

The bedrooms both provide built-in wardrobe space.

A spiral staircase between the two levels.

Construction and Condition:

A standard 1980s dwelling constructed on two levels.

The decking to the lower level provides a pleasant outdoor living area which is private and also takes advantage of the views.

Chattels:

Normal floor coverings, drapes and light fittings complete the interior decor.

Carport: 18m²

Construction comprises a concrete floor and lean-to roof.

Section Development:

Good driveway provides easy access to the carport and the bank areas.

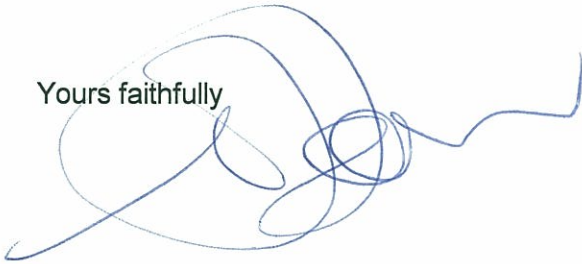
Summary:

A comfortable two level dwelling constructed in the 1980s and situated on a good section in Windsor Drive, Tairua on the eastern seaboard of the Coromandel Peninsula.

Having inspected the subject property and being familiar with the available sales evidence we have provided what we believe to be is a realistic assessment of the property's value.

Should you require any additional information or wish to discuss any aspects of this report please do not hesitate to contact us.

Yours faithfully



M J Jordan (Registered Valuer ANZIV SPINZ AREINZ)



**COMPUTER FREEHOLD REGISTER
UNDER LAND TRANSFER ACT 1952**



Search Copy


R. W. Muir
Registrar-General
of Land

Identifier SA25C/153
Land Registration District South Auckland
Date Issued 06 November 1979

Prior References

SA833/164

Estate	Fee Simple
Area	608 square metres more or less
Legal Description	Lot 84 Deposited Plan South Auckland 25955

Proprietors

Peter Edward Kendall, Bruce Leonard Clark and John Wilson Hart

Interests

Saving and excepting all minerals within the meaning of the Land Act 1924 under the surface of the land and reserving always a right of right of ingress egress and regress to all persons lawfully engaged in working any such minerals

Subject to a sewage right (in gross) over part marked AD on DPS 25955 in favour of The Thames-Coromandel District Council created by Transfer H260558.2 - 6.11.1979

The easements created by Transfer H260558.2 are subject to Section 37 (1) (a) Counties Amendment Act 1961 Land Covenant in Easement Instrument 5598211.2 - 23.5.2003 at 9:00 am

7831125.1 Mortgage to Bank of New Zealand - 3.6.2008 at 9:22 am

Appurtenant hereto is a right of way created by Easement Instrument 8265486.1 - 13.4.2010 at 2:06 pm

