

**From:** [Official Information](#)  
**To:** [REDACTED]  
**Cc:** [Official Information](#)  
**Subject:** Final response - LGOIMA 519000 - [REDACTED] - Southern Wastewater Treatment Plant  
**Date:** Wednesday, 29 October 2025 4:13:43 pm  
**Attachments:** [image001.png](#)  
[image002.png](#)  
[image003.jpg](#)  
[image004.jpg](#)

---

Kia ora,

We refer to your information request below. Hamilton City Council provides the following response.

**Your request:**

- (1) Please provide a copy of the “registered valuer” report/ and or valuation that supports this purchase.*
- (2) if no registered valuer report was obtained, the “report” from the “qualified party” that supported the purchase.*
- (3) the reference to and a copy of the staff report with the recommending of the purchasing and a copy of the council minutes and/ or the link to these documents.*
- (4) a copy of “both” the latest (2024) and previous (2021) GV valuation .*
- (5) the concept plans showing the proposed layout of the proposed plant.*

**Our response:**

All mentioned documents can be found in this link - [LGOIMA 519000](#) – labelled 1 – 7 for order.

1. *Please provide a copy of the “registered valuer” report/ and or valuation that supports this purchase.*

Please see documents:

- 131 Raynes Road (Sharpe), Market Valuation 7 June 2022 prepared by QV Valuations
- 139 Raynes Road (Mirams), Market Valuation 2 Sept 2022 prepared by QV Valuations

2. *if no registered valuer report was obtained, the “report” from the “qualified party” that supported the purchase.*

Please see above.

3. *the reference to and a copy of the staff report with the recommending of the purchasing and a copy of the council minutes and/ or the link to these documents.*

Please see documents:

- Strategic Growth Committee Report Southern Wastewater Treatment Plant

Land Acquisition 26 July 2022 – 131 Raynes Road

- Strategic Growth Committee Public Excluded Unconfirmed Minutes – 26 July 2022 – Available online here
  - <https://hamilton.govt.nz/assets/Uploads/Documents/Content-Documents/Your-Council/Publicly-Excluded-Resolutions/Release-of-Publicly-Excluded-Resolutions-Q3-2022.pdf> - Where PX Resolutions are released quarterly
  - <https://hamilton.govt.nz/assets/Uploads/Documents/Agendas-and-minutes/Minutes/Strategic-Growth-Committee-Confirmed-Open-Minutes-26-July-2022-v2.pdf> - Attached to the end of the Strategic Growth Committee Meeting Minutes
- Strategic Growth Committee Report Southern Wastewater Treatment Plant Land Acquisition 7 September 2022 Confidential -139 Raynes Road
- Strategic Growth Committee meeting 7 September 2022 Public Excluding report and minutes approving property purchase - 139 Raynes Road

4. a copy of “both” the latest (2024) and previous (2021) GV valuation.

Please see documents:

- 131 Raynes Road – Government Valuation Report 1 August 2022
- 139 Raynes Road – Government Valuation Report 1 August 2022

5. the concept plans showing the proposed layout of the proposed plant.

We are in the early stages of this project, and these are details we still need to work through. We expect to start the design process in the coming months and will have a draft concept ready to share with the community by early to mid-2026. The site selection report is available on the SWWTP website, this report contains indicative possible layout information for the site [Hamilton.govt.nz/SWWTP](https://hamilton.govt.nz/SWWTP)

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](https://www.ombudsman.parliament.nz) or freephone 0800 802 602.

**Ngaa mihi**

**Keeley Faulkner**

**Official Information Advisor & Legal Support Officer**

Governance & Assurance Team | Partnerships, communication & Maaori

Email: [officialinformation@hcc.govt.nz](mailto:officialinformation@hcc.govt.nz)



**Hamilton City Council | Private Bag 3010 | Hamilton 3240 | [www.hamilton.govt.nz](https://www.hamilton.govt.nz)**

 [Like us on Facebook](#)  [Follow us on Twitter](#)

*This email and any attachments are strictly confidential and may contain privileged information. If you are not the intended recipient, please delete the message and notify the sender. You should not read, copy, use, change, alter, disclose or deal in any manner whatsoever with this email or its attachments without written authorisation from the originating sender. Hamilton City Council does not accept any liability whatsoever in connection with this email and any attachments including in connection with computer viruses, data corruption, delay, interruption, unauthorised access or unauthorised amendment. Unless expressly stated to the contrary the content of this email, or any attachment, shall not be considered as creating any binding legal obligation upon Hamilton City Council. Any views expressed in this message are those of the individual sender and may not necessarily reflect the views of Hamilton City Council.*

---

**From:** [REDACTED]

**Sent:** Tuesday, 30 September 2025 1:23 pm

**To:** Official Information <[officialinformation@hcc.govt.nz](mailto:officialinformation@hcc.govt.nz)>

**Subject:** Southern Wastewater Treatment Plant -/: Peacocks area/ New sewerage plant/ additional info required

Good afternoon. Thank you for providing the details of the property below. I request additional info.

- (1) Please provide a copy of the “registered valuer” report/ and or valuation that supports this purchase.
- (2) if no registered valuer report was obtained, the “report” from the “qualified party” that supported the purchase.
- (3) the reference to and a copy of the staff report with the recommending of the purchasing and a copy of the council minutes and/ or the link to these documents.
- (4) a copy of “both” the latest (2024) and previous (2021) GV valuation .
- (5) the concept plans showing the proposed layout of the proposed plant.

Many thanks.

Kind Regards

[REDACTED]

The information contained in this electronic mail message is confidential and may be legally privileged. It is intended solely for the addressee. Access to this internet electronic mail message by anyone else is unauthorised. If you are not the intended recipient, any disclosure, copying, distribution or any action taken or omitted to be taken in reliance on it is prohibited and may be unlawful. If you are the intended recipient the

author requires you obtain his permission prior to forwarding it via email or printing and distributing it to any other parties. Commercial & Industrial Consultants Limited accepts no responsibility for any effect this email message or attachments has on the recipient network or computer system.

---

**From:** Official Information <[officialinformation@hcc.govt.nz](mailto:officialinformation@hcc.govt.nz)>

**Sent:** Saturday, 6 September 2025 3:53 pm

**To:** [REDACTED]

**Cc:** Official Information <[officialinformation@hcc.govt.nz](mailto:officialinformation@hcc.govt.nz)>

**Subject:** Final response - LGOIMA - 504849 - Southern Wastewater Treatment Plant - [REDACTED]

- due 09/09RE: Peacocks area/ New sewerage plant/ location

Kia ora,

We refer to your recent request for information. Please find all the relevant details listed below.

**Request:**

Please provide the following:

- (1) The exact location with the Title / titles reference members, lot numbers and DP numbers
- (2) The price paid.
- (3) If sale has not been completed the terms and conditions of sale.

Please do not advise that this information is “commercially sensitive” and the information withheld.

It is important for the future of ratepayers that they are aware of the likely costs with the CCO “estimate” new costing exceeding \$1 billion in addition to the current liability of HCC which is also likely to be around \$1 billion.

**Response:**

1. 131 Raynes Road, Lot 5-6 DPS 91837 – Record of Title SA72C/450
2. **Purchase prices are as follows:**  
131 Raynes Road was purchased for \$ 5,650,000
3. 131 Raynes Rd was purchased on 23 September 2022

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone 0800 802 602.

**Ngaa mihi**

**Official Information Team**



Governance & Assurance Team | Partnerships, communication & Maaori  
Email: [officialinformation@hcc.govt.nz](mailto:officialinformation@hcc.govt.nz)



**Hamilton City Council | Private Bag 3010 | Hamilton 3240 | [www.hamilton.govt.nz](http://www.hamilton.govt.nz)**



[Like us on Facebook](#)



[Follow us on Twitter](#)

*This email and any attachments are strictly confidential and may contain privileged information. If you are not the intended recipient, please delete the message and notify the sender. You should not read, copy, use, change, alter, disclose or deal in any manner whatsoever with this email or its attachments without written authorisation from the originating sender. Hamilton City Council does not accept any liability whatsoever in connection with this email and any attachments including in connection with computer viruses, data corruption, delay, interruption, unauthorised access or unauthorised amendment. Unless expressly stated to the contrary the content of this email, or any attachment, shall not be considered as creating any binding legal obligation upon Hamilton City Council. Any views expressed in this message are those of the individual sender and may not necessarily reflect the views of Hamilton City Council.*

---

**From:** [REDACTED]  
**Sent:** Tuesday, 12 August 2025 10:50 am  
**To:** Official Information <[officialinformation@hcc.govt.nz](mailto:officialinformation@hcc.govt.nz)>  
**Cc:** [REDACTED]  
[REDACTED]  
**Subject:** Peacocks area/ New sewerage plant/ location

Good morning, The Water Done Well report ( Feb 2025) refers to a new “sewerage plant” in the south of Hamilton between Peacocks Rd and the Airport.

Please provide the following:

- (1) The exact location with the Title / titles reference members, lot numbers and DP numbers
- (2) The price paid.
- (3) If sale has not been completed the terms and conditions of sale.

Please do not advise that this information is “commercially sensitive” and the information withheld.

It is important for the future of ratepayers that they are aware of the likely costs with the CCO “estimate” new costing exceeding \$1 billion in addition to the current liability of HCC which is also likely to be around \$1 billion.

Kind Regards



The information contained in this electronic mail message is confidential and may be legally privileged. It is intended solely for the addressee. Access to this internet electronic mail message by anyone else is unauthorised. If you are not the intended recipient, any disclosure, copying, distribution or any action taken or omitted to be taken in reliance on it is prohibited and may be unlawful. If you are the intended recipient the author requires you obtain his permission prior to forwarding it via email or printing and distributing it to any other parties. Commercial & Industrial Consultants Limited accepts no responsibility for any effect this email message or attachments has on the recipient network or computer system.



# Rural Market Valuation Report



131 Raynes Road,  
Rukuhia,  
Waipa District

Client: Hamilton City Council & [REDACTED]

Valuation date: 7 June 2022

Report Version: V1 Issued 27 June 2022

*Think property. Think QV.*

*Quotable Value  
Level 1, 14 Garden Place, Hamilton  
P O Box 4135, Hamilton 3247  
Ph +64 (07) 838 2534*

## Contents

1	Executive Summary	4
1.1	Instructions	4
1.2	Brief Property Description	4
1.3	Assumptions & Exclusions	4
1.4	Valuation Summary	5
2	Introduction	6
2.1	Instructions	6
2.2	Statement of Independence	6
2.3	Compliance statement	6
2.4	Basis of Value	6
2.5	Definition of Market Value	7
2.6	Valuation Standards	7
2.7	Goods and Services Tax	7
2.8	Information Received	7
3	Land Particulars	8
3.1	Location and Services	8
3.2	Legal Description	9
3.3	Rating Valuation	10
4	Resource Management	11
4.1	District Plan	11
4.2	Environmental Considerations	12
5	Physical Description	14
5.1	Land Area	14
5.2	Land Use	14
5.3	Climate	14
5.4	Altitude	14
5.5	Fertility and Pasture	14

5.6	Water Supply	14
5.7	Access	15
5.8	Contour, Soils & Aspect	15
5.9	Photos of Land	17
5.10	Aerial Photo of Subject Property	18
6	Improvements Description	19
6.1	Buildings	19
6.2	Other Improvements	20
7	Market Commentary	22
7.1	Market Overview	22
8	Market Sales Evidence	23
8.1	Sales Evidence	23
8.2	Sales Summary	28
8.3	Swot Analysis	29
9	Valuation	30
9.1	Methodology	30
9.2	Valuation Rationale	30
9.3	Detailed Market Valuation	33
10	Valuation Conclusions	34
11	Concluding Remarks	35
Appendix 1	Valuation Policies	37
Appendix 2	Record of Title	39

# 1 Executive Summary

## 1.1 Instructions

We refer to the joint instructions from Hamilton City Council and [REDACTED] to prepare a Market Valuation for 131 Raynes Road, Rukuhia.

The purpose of the valuation is to establish the value for a potential purchase of the property by Hamilton City Council from [REDACTED]. We inspected the subject property on 7 June 2022 and now report as follows:

## 1.2 Brief Property Description

The property valued is a 34.1970 hectare farm held in one record of title. The land is currently used for dairy heifer grazing and beef fattening, which is considered the highest and best use for the land.

Improvements on the property include a retired cowshed, a six bay implement shed and several older sheds. Water is sourced from a bore and reticulated to troughs in each paddock. Fences are in good condition. Tracks are in average condition. An unformed section of Faiping Road passes through the centre of the property.

The land has a flat to gently undulating contour and comprises predominantly free draining loam over sand soils and good quality pastures. There is 1.2 hectares in waterway and vegetation, being the Nukuhau Stream and its margins situated in the north eastern area of the property. The effective land area is 33.0 hectares.

The property is situated on Raynes Road in the rural area known as Rukuhia, to the south of Hamilton City and in an area characterised by rural residential properties with average to good quality dwellings.

Overall the subject property is an appealing parcel of good quality land in a premium location close to Hamilton City.

## 1.3 Assumptions & Exclusions

- Our valuation excludes the cattle weighing system at the stock yards
- Our valuation excludes the plastic water tank situated at the cowshed.
- We understand the property is subject to a short term or month to month lease. In accordance with instructions our valuation is based on the property being sold with vacant possession, ignoring the impact of any tenancies. We recommend Hamilton City Council investigate the tenancies to ensure they will not impact their plans for the land.
- One bridge is in poor condition and is unsafe. This does not materially impact market value as alternative access is provided to that part of the farm. However should Hamilton City Council purchase the farm we recommend this be either made safe or closed off permanently for health and safety reasons.

## 1.4 Valuation Summary

We assess the market value of the subject property as at 7 June 2022 as follows:

Market Valuation	<b>\$5,650,000 (five million six hundred and fifty thousand dollars) plus GST, if any</b>
------------------	---

Date of Valuation	7 June 2022
-------------------	-------------

A handwritten signature in purple ink, appearing to read 'Chris Coakley', with a large, stylized loop at the end.

**Chris Coakley,**

Registered Valuer, MPINZ, ANZIV

### **Quotable Value**

This executive summary must be read together with the full valuation report attached herein. All comments, exclusions and limitations contained in the full report relate directly to this executive summary. No part of this report should be read in isolation. All data provided in this summary is wholly reliant on and must be read in conjunction with information provided in the attached report. Furthermore, the information outlined above may be subject to specific limitations and assumptions which may affect the value and/or saleability. It is a synopsis only designed to provide a brief overview and must not be acted on in isolation.

This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation.

## 2 Introduction

### 2.1 Instructions

We confirm that we have received joint instructions from Hamilton City Council and [REDACTED] to undertake an independent valuation of the property at 131 Raynes Road, Rukuhia.

Date of Inspection 7 June 2022

Date of valuation 7 June 2022

PINZ Professional Practice guidelines and International Valuation Standards define the "Valuation Date" as the date on which the opinion of value applies. In this case, the "Valuation Date" is the date of inspection.

### 2.2 Statement of Independence

We confirm that we are not aware of any conflicts of interest or pecuniary interests in the property being valued, either on the part of QV or the principal valuer undertaking this report.

### 2.3 Compliance statement

We confirm that:

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

### 2.4 Basis of Value

Our assessment is made utilising Market Value (see section 2.5 for definition) as the basis of value as per IVS 104 (Bases of Value).



## 2.5 Definition of Market Value

Both PINZ and the IVS Council define Market Value as:

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

## 2.6 Valuation Standards

This valuation report has been completed in accordance with:

- International Valuation Standards (IVS) effective 31 January 2022
- Australia & New Zealand Valuation Guidance Papers (ANZVGP),
- Australia & New Zealand Property Guidance Papers (ANZPGP),
- New Zealand Property Guidance Papers (NZPGP) and
- New Zealand Valuation Guidance Papers (NZVGP)

The standards in particular are:

IVS 101	Scope of Work
IVS 102	Investigations and Compliance
IVS 103	Reporting
IVS 104	Bases of Value
IVS 105	Valuation Approaches and Methods
IVS 400	Real Property Interests
ANZVGP 109	Market Value of Rural & Agribusiness
ANZVGP 111	Valuation Procedures – Real Property
ANZPGP 201	Disclaimer Clauses & Qualification Statements
NZPGP 601	Methods of Measurement
NZVGP 501	Goods and Services Tax (GST) in property

## 2.7 Goods and Services Tax

Our valuation has been carried out on a plus GST (if any) basis.

## 2.8 Information Received

We have been provided with the following information, which has been adopted in the valuation process:

- We received historic soil test results from 2013 and verbal advice from [REDACTED] that the lease requires the lessee to maintain soil fertility. Based on this and the good condition of the pastures we have valued the property on the basis it has good soil fertility.

## 3 Land Particulars

### 3.1 Location and Services

**Physical Position:**

The property is situated on the northern side of Raynes Road, 1.3km east of the intersection with Ohaupo Road (State Highway 3).

The property is in the Waipa district and in the rural area known as Rukuhia which lies to the south of Hamilton City. The Hamilton City boundary lies 450m north of the subject property and the CBD is 8km to the north.

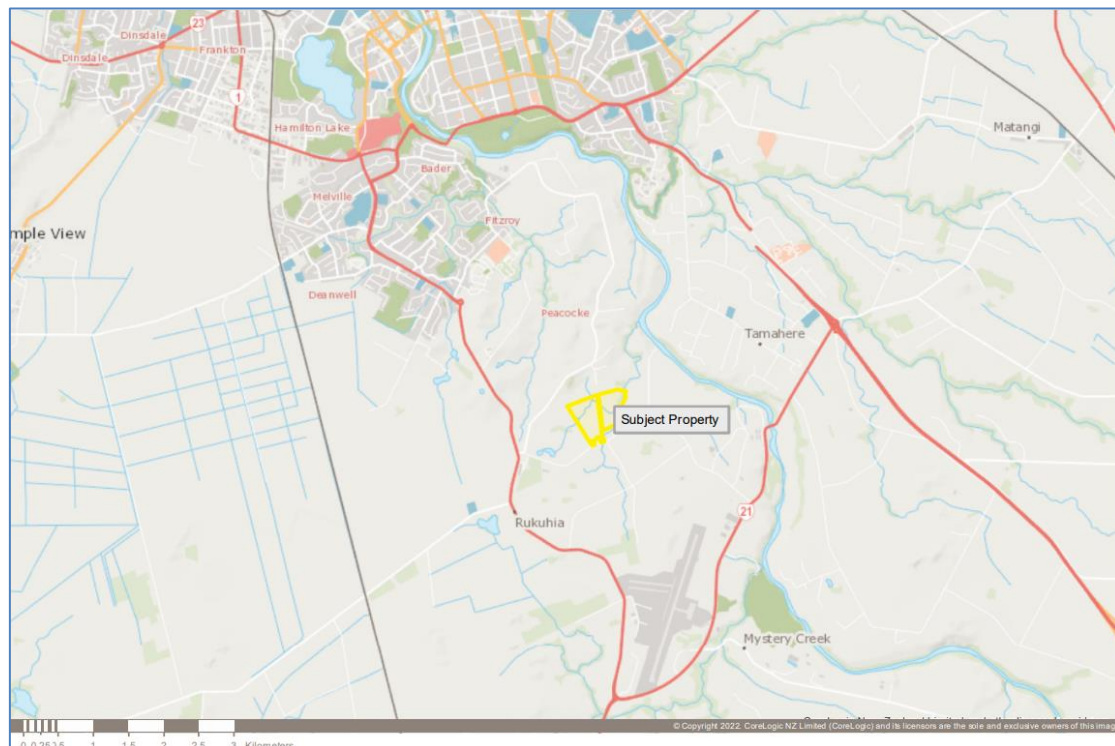
**Services:**

Most services and amenities are available in Hamilton including all levels of schooling. Primary schooling is also provided in Rukuhia, 2km to the south west.

**Surrounding Land Use:**

The surrounding area is characterised by rural residential properties comprising average to good quality dwellings. Other larger rural properties in the location are being put to drystock grazing uses and maize cropping. Hamilton Airport is situated 2km to the south.

The proposed Southern Links roading project is planned to pass through Rukuhia. An interchange is proposed to be located 350m south of the subject and a main arterial road is planned to pass along the western boundary of the subject.



**Figure 1: Location map (source: Property Guru)**

### 3.2 Legal Description

The property is held in the following Record of Title:

 <b>RECORD OF TITLE</b> <b>UNDER LAND TRANSFER ACT 2017</b> <b>FREEHOLD</b> Search Copy		  R.W. Muir Registrar-General of Land
<b>Identifier</b>	<b>SA72C/450</b>	
<b>Land Registration District</b>	<b>South Auckland</b>	
<b>Date Issued</b>	02 July 2002	
<b>Prior References</b>	SA37C/181      SA62C/757	
<b>Estate</b>	Fee Simple	
<b>Area</b>	34.1970 hectares more or less	
<b>Legal Description</b>	Lot 5-6 Deposited Plan South Auckland 91837	
<b>Registered Owners</b>	[REDACTED]	
<b>Interests</b>	Subject to Section 241(2) Resource Management Act 1991 (affects DPS 91837) 5270277.10 Mortgage to (now) Rabobank New Zealand Limited - 2.7.2002 at 11:12 am Appurtenant to Lot 5 DPS 91837 is a right of way created by Easement Instrument 6230450.4 - 26.11.2004 at 9:00 am The easements created by Easement Instrument 6230450.4 are subject to Section 243 (a) Resource Management Act 1991 7871251.1 Variation of Mortgage 5270277.10 - 9.7.2008 at 9:00 am	

Section 241(2) Resource Management Act 1991 (RMA) states that the separate parcels of land included in the record of title... shall not be capable of being disposed of individually, or of again being held under separate records of title, except with the approval of the territorial authority.

Obtaining the approval of the territorial authority for the subdivision of land is a normal expectation in the marketplace. This has no impact on market value.

Our valuation ignores the mortgage registered on the title. We assume this would be discharged prior to any transfer or sale.

The subject property has a right of way over the shared accessway for the rural residential development situated on the northern boundary. This positively impacts market value as it provides additional access to the property. Section 243 RMA prohibits the surrender or variation of this easement.

A full copy of the record of title is attached at Appendix 2 for further information.



### 3.3 Rating Valuation

Roll Number 4581/09700 as at 01/08/2019

Land value	\$2,110,000
Value of Improvements	\$ 120,000
Capital Value	\$2,230,000

This valuation is for rating purposes only and represents the market value of the freehold interest at the date of the valuation. Often these assessments are undertaken on an indexed or kerbside basis and as a consequence may not necessarily fairly represent market value at the time.

## 4 Resource Management

### 4.1 District Plan

Regional Authority	Waikato Regional Council
Local Authority	Waipa District Council
Status of District Plan	Operative
Zoning & Policy Area	<p>Under the operative Waipa District Plan the property is zoned Rural.</p> <p>A small area in the north eastern area of the property is identified as Significant Natural Area WP270 on the policy area maps. WP270 is named Nukuhau Stream margins and is described as A pair of riparian remnants (3.4 - 8.0 ha) on the lower Nukuhau Stream gully system. Part of the lower remnant bounds the true left of the Waikato River and it also links to a local purpose Waipa DC esplanade reserve.</p>
Permitted Activities	<p>The following activities are some of the permitted activities in the Rural zone provided they comply with the performance standards of this zone:</p> <ul style="list-style-type: none"> <li>(a) One principal dwelling per viable certificate of title outside of quarry buffer areas.</li> <li>(b) One secondary dwelling of 70m<sup>2</sup> GFA or less excluding garaging, per holding outside of quarry buffer areas.</li> <li>(c) Residential activities.</li> <li>(d) Farming activities</li> <li>(i) Accessory buildings to any permitted activity.</li> <li>(j) Demolition, removal of buildings and structures</li> <li>(x) Pasture reinstatement.</li> </ul>
Subdivision Waipa Rural Zone	Rule 15.4.2.1 (o) states the minimum net lot area in the Rural zone is 40 hectares.
Land use	The subject is being used to graze dairy heifers and beef cattle. This is a permitted use and is also considered to be the highest and best use.

## 4.2 Environmental Considerations

### 4.2.1 Contamination

At our inspection we saw no activities that would lead us to believe the land is contaminated. There are likely to be areas associated with fuel storage and refuelling and sprays are likely to be stored and sprayed on the land. However good fuel and spray handling should ensure these areas do not contaminate the soil. These areas are no more likely to contaminate the soil than other rural properties and the impact on values, if any, will be included in the sale prices of the sales used to assess the market value of the subject property.

Based on the above we have valued the property on the basis that there is no contaminated soil and if there are areas of contaminated land, it is no more than typical rural properties.

### 4.2.2 Waikato Regional Council Plan Change - Healthy Rivers/Wai Ora

The draft Waikato Regional Council (WRC) Healthy Rivers/Wai Ora plan change 1 was released in October 2016. At a special meeting of council on 18 March 2020, councillors voted in favour of notifying a decisions version of plan change 1 (PC1). The decisions version of Proposed Waikato Regional Plan Change 1 was notified on 22 April 2020.

From our reading of the plan change and WRC summary information it is our understanding that whether a farm can operate as a permitted activity or will require a resource consent largely depends on the nitrogen leaching loss rate (NLLR) calculated for the farm and what Freshwater Management Unit the property is in.

The table below is taken from the decisions version of the Healthy Rivers plan change:

**B. Table 1: Nitrogen Leaching Loss Rate levels:**

Freshwater Management Unit <sup>3</sup>	Low (kgN/ha/year)	Moderate (kgN/ha/year)	High (kgN/ha/year)
Lower Waikato River	≤ 21	>21 and ≤ 29	> 29
Middle Waikato River	≤ 21	>21 and ≤33	> 33
Upper Waikato River	≤ 31	>31 and ≤ 57	> 57
Waipā River	≤ 30	> 30 and ≤43	> 43

Note:  
 ≤ denotes 'less than or equal to'  
 > denotes 'greater than'

From our reading of the plan change, if a property falls into the low NLLR range for the relevant freshwater management unit farming can continue as a permitted activity.

If the farm has a moderate NLLR the farm will need to have a controlled activity resource consent for moderate intensity farming. A controlled activity must be granted a resource consent but can come with conditions.

If the farm falls into the high range NLLR a discretionary activity resource consent will be required for high intensity farming. A discretionary activity resource consent does not have to be granted by the

consenting authority. The property will be required to farm in a manner that achieves nutrient loss reductions.

From our understanding of the plan change it seems that policies are aimed at reducing NLLR rates for those farms that are in the high NLLR range over time. Therefore in our view farmers should be basing offers for farms on a proposed management system that aligns the property with the moderate NLLR range for the freshwater management unit in which the farm sits.

### **Subject Property**

The subject is in the Middle Waikato River freshwater management unit and in the Waikato at Bridge St Bridge catchment. To operate as a permitted activity within the low range for NLLR the farm will need to have a NLLR of 21kgN/ha/annum or less and to be in the moderate range with a controlled activity resource consent the property will need to have a NLLR of 22-33kgN/ha/annum.

Properties in the Waikato at Bridge St Bridge catchment will have five years from the date the plan change becomes operative to register the property with the WRC, have a NLLR calculated and prepare a Farm Environment Plan. The date the plan will become operative is unknown and depends on appeals to the Environment Court.

We do not know the nitrogen leaching loss rate for this property. It appears to be a low intensity dairying heifer and beef grazing operation and will likely fall into the low or moderate nitrogen leaching loss range.

This will likely be in line with other small holdings and the same as the sales used to assess the market value. Therefore the impact of the Healthy Rivers plan change will be included in the sale prices of the sales used to establish market value.

We have assumed the farm will be able to be farmed in a manner that has the NLLR falling into the low to moderate range and will be able to continue to be farmed largely as it currently is, subject to the minimum standards of Schedule C and Schedule D1 of the plan change.

The Healthy Rivers plan change may limit demand from purchasers looking to use the land for market gardening as conversion to this use will be difficult once the plan change becomes operative.



## **5 Physical Description**

### **5.1 Land Area**

The property has a total land area of 34.1970 hectares. There is approximately 1.2 hectares of land in waterways and associated margins. The ineffective land is the Nukuhau Stream on the eastern boundary and the surrounding area which is in trees. The effective land area is 33.0 hectares.

### **5.2 Land Use**

The existing use and highest and best use is dairy grazing.

### **5.3 Climate**

The property is situated in the Waipa District and generally enjoys a relatively evenly distributed rainfall with an average of between 1200-1300 millimetres per year and a relatively moderate climate. The winter will typically include a low number of light frosts.

### **5.4 Altitude**

The property is approximately 55 metres above sea level.

### **5.5 Fertility and Pasture**

The property has ryegrass and white clover pastures in good condition and relatively weed free. Pests do not seem to be an issue on the land.

Soil test results taken at the commencement of a lease in 2013 show that at the time the soil had good levels of fertility. Soil pH at the time was within the optimum range of 5.8-6.2 and Olsen Phosphorus levels were also within the optimum range of 15-25. We understand the lessee has an obligation to maintain the fertility levels.

There are no recent soil tests available however from our visual inspection the land appears well fertilised. The pasture quality and apparent soil fertility levels positively impact the market value.

### **5.6 Water Supply**

Due to the retired cowshed being locked we were unable to inspect the water system. The property sources water from a bore located next to the retired cowshed. A submersible pump pumps water out of the bore and into a pressure tank to be reticulated around the farm.

A plastic manocon tank has recently been installed for water storage but is not yet connected to the water system. The tank is owned by the lessee and is excluded from the assessment of market value. A replacement manocon tank is not expensive, particularly compared to the market value of the farm, and could be easily replaced.



## 5.7 Access

The farm has 60m of frontage to Raynes Road on the southern boundary, from which good formed access is provided. A well-formed driveway leads from the road to the retired cowshed and stock yards.

An unformed section of Faiping Road passes through the centre of the property. Access to the farm can also be gained at the north end of the property via a track that leads off the end of the formed section of Faiping Road. This track leads on to the property and through to the southern boundary. In places this track is on the paper road and in other areas it is on the subject property. This provides good access onto and through the property.

The farm has a third access point. This is also on the northern boundary and is via a right of way easement over the shared access for a rural residential development.



Raynes Rd access



Faiping Road access



ROW access

## 5.8 Contour, Soils & Aspect

The land has a flat to gently undulating contour and an open aspect. The Landcare Research website Smaps shows the following soils and drainage characteristics for the land on the subject:

Soil Siblings		
Sibling	Area	Proportion
Otor_39a.2	13 ha	38.5%
Airf_7a.1	7 ha	20.8%
Puhin_13a.1	6 ha	17.5%
Puhin_14a.1	3 ha	9.5%
Whap_7a.1	2 ha	5.8%
Kiri_1a.1	1 ha	4.3%
Payn_7a.2	1 ha	2.6%
Mai_6a.1	< 1 ha	0.6%
TeRah_1a.1	< 1 ha	0.4%

Soil Drainage		
Class	Description	Area
	Very poorly drained	1ha
	Poorly drained	9ha
	Imperfectly drained	7ha
	Moderately well drained	2ha
	Well drained	15ha
	Unclassified Land	0ha
	Water	< 1ha

The predominant soil siblings are Otorohanga 39a.2, Airfield 7a.1 and Pukehina 13a.1. Smaps describes these soils as having the following characteristics:

Characteristic	Otorohanga 39a.2	Airfield 7a.1	Pukehina 13a.1
	This soil belongs to the Allophanic soil order of the New Zealand soil classification.	This soil belongs to the Brown soil order of the New Zealand soil classification.	This soil belongs to the Gley soil order of the New Zealand soil classification.
Land Area	13ha	7 ha	6 ha
Soil profile material	Tephric soil	Stoneless soil	Tephric soil
Profile texture	Loam over sand	Clay	Silt over clay
Top soil clay range	12-18%	25-40%	30-35%
Soil material	Rhyolitic and andesite rock	Soft mudstone and soft sandstone	Rhyolitic rock
Drainage class	Well drained	Imperfectly drained	Poorly drained
P Retention	High (83%)	Medium (36%)	Medium (38%)
N leaching vulnerability	Low	Medium	Very low

An older soil survey, The General Survey of Soils of North Island New Zealand, describes the soils as a Horotiu-Te Kowhai complex. This is a well-drained sandy loam soil.

Overall the soils are of good quality, predominantly well drained and suited to a variety of uses. Natural waterways pass through the property with drains also aiding drainage of the land. Waterways are all fenced to exclude stock. On inspection we saw few areas where drainage is considered an issue.



## 5.9 Photos of Land



Typical land



Typical land



Gully area and Nukuhau Stream



Drain and natural waterway

## 5.10 Aerial Photo of Subject Property



**Figure 2: Aerial photo of subject property. (Source: Property Guru)**



## 6 Improvements Description

### 6.1 Buildings

#### Retired cowshed

At the front of the property is a retired cowshed. The cowshed adds little value to the farm however it does provide a lockable storage area and a concrete yard associated with the stock yards.



#### Implement shed

256m<sup>2</sup>. Situated at the northern end of the property is a six bay implement shed built in 2005. Construction comprises timber poles and frame, earth floor and iron cladding and roof. Good condition.



#### Sundry buildings

There are four old buildings that are in fair to poor condition and add little value to the property.



## 6.2 Other Improvements

**Tracks, bridges and culverts** From the main access on Raynes Road a drive leads to the cowshed where there is a turning circle. This provides good access onto the farm and to the stock yards for trucks.

The farm has a basic track in average condition providing access to most paddocks making for easy stock management. A main track leads from north to south on or near the unformed section of Faiping Road. Two other tracks lead off this central track.

There are culverts and bridges that provide access over the drains and waterways. These are generally in average condition however at least one is in poor condition and is unsafe.

This poor condition bridge does not materially impact market value as alternative access is provided to that part of the farm. However should Hamilton City Council purchase the farm we recommend this be either made safe or closed off permanently for health and safety reasons.



Track & unformed section of Faiping Road



Secondary track



Waterway crossings



Poor condition crossing



## Fences

The property is fenced to an average to good standard with a mixture of older original post and batten fences and more recently constructed post and wire electric fences. The farm is fenced into approximately 25 paddocks plus some rough grazing in the gully areas.

Waterways are all fenced off with average to good condition post and wire fences or post and batten fences. The Nukuhau Stream is fenced with warratah and two electric wires.



Waterway fences



Nukuhau Stream fence

## Stock yards

The farm has a set of cattle yards in good condition that are easily accessible. Truck access is available off Raynes Road and a suitable turning circle is provided at the cowshed. The yards include pens, a drenching race and loading ramp. Weigh scales excluded.



Loading ramp



Yards



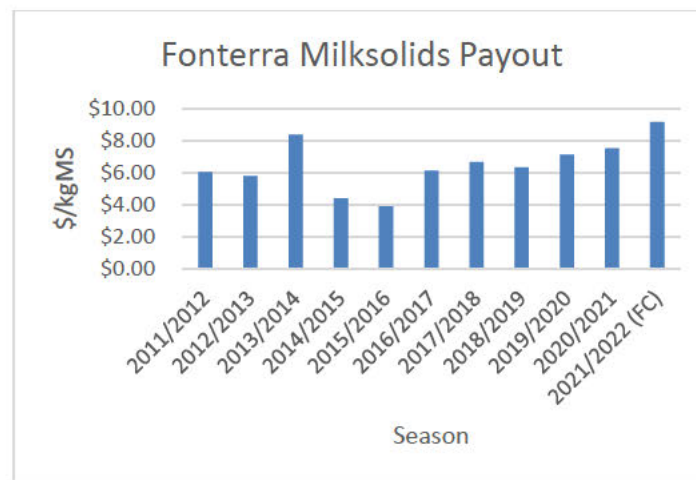
Weigh scales (exlcuded)

## 7 Market Commentary

### 7.1 Market Overview

The highest and best use is considered to be a dairy grazing use. The market for these properties typically follows the trends for land suitable for dairying. However the subject is in a location that has good demand from other land uses such as horticulture, market gardening, equine and cropping.

The Fonterra milksolids payout since 2015 has been at a moderate to good level and has been improving.



Despite the moderate and reasonably consistent payouts since 2016/2017 the market for dairy and dairy support land was in a state of low confidence over 2017 through to mid-2020. Sales volumes were low and values trended downwards in most locations, although farms close to main centres such as Hamilton, Cambridge and Te Awamutu saw flat values due to demand for land from other uses.

With a lower market value level established and a consistent milksolids payout, sales volumes increased over the 2020/2021 season. Sales volumes were higher as vendors and purchasers are satisfied they are buying and selling at an appropriate level.

With interest rates at historic lows over 2020/2021 there was a lot of capital looking for better returns. With lower land values and a higher consistent payout, the returns from dairying and farming in general were looking more attractive when compared to some other opportunities. However, so far in 2022 interest rates have been increasing and on farm costs have continued to increase. While farm values in the Waikato have been increasing, such issues are still causing a level of uncertainty in the market and could have an impact on values in the near future. The good milksolids payout is lessening the impact of higher interest rates, at this stage.



Except for the very worst periods of the property cycle, demand for land close to the city is always good due to the limited number of properties of this size and type. Properties adjacent to the city boundary attract the most demand and highest values due to the opportunities and future potential that location brings. The subject is not in this position as it is set back from the city boundary and separated by a rural residential area however it is still very well located and if placed on the market we expect there would be good demand for the property.




## 8 Market Sales Evidence

### 8.1 Sales Evidence


In assessing the value of the subject property we have considered a cross section of transactions in the districts surrounding Hamilton City. We have analysed the sales on a per hectare basis.



785 State Highway 26, Newstead			
Sale date	Jan 2022	<p>An 18.7 hectare parcel of bare land held in one title situated 7km east of Hamilton.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>• Contour barn</li><li>• Two old sheds</li><li>• Average tracks &amp; fencing</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>• Flat contour</li><li>• Good quality free draining soils</li><li>• Suitable for a variety of uses including grazing and horticulture</li></ul>	
Sale price	\$2,500,000 plus GST		
Land area	18.7078 ha		
Sale price / ha	\$134,000		
Value of improvements	\$50,000		
Analysed land sale price	\$2,450,000		
Analysed land sale price / ha	\$131,000		
196 Collie Road, Te Kowhai			
Sale date	Jan 2022	<p>A 9.2 hectare parcel of bare land held in one title situated 3km west of Te Kowhai.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>• Bore water supply</li><li>• Average fencing and water</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>• Undulating contour with 2.2 ha of bush and wetlands.</li><li>• An appealing property with a large number of mature trees creating aesthetic value and a private setting.</li></ul>	
Sale price	\$1,310,000 plus GST		
Land area	9.2060 ha		
Sale price / eff. ha	\$187,000		
Value of improvements	\$40,000		
Analysed land sale price	\$1,270,000		
Analysed land sale price / eff. ha	\$181,000		

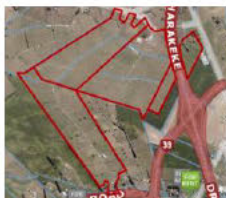

4294 Ohaupo Road, Ohaupo

Sale date	Dec 2021	<div> <div>A 21.5 hectare property held in two titles situated on the southern perimeter of Ohaupo.</div> <div>Improvements include:</div> <ul style="list-style-type: none"> <li>A poor condition dwelling that has incomplete renovations and little added value</li> <li>Two average condition sheds,</li> <li>Stock yards, average fencing and water</li> </ul> <div>Land</div> <ul style="list-style-type: none"> <li>20.5 hectares undulating contour with a couple of areas of easy hill and 1.0 hectares of ineffective land.</li> <li>Some good quality free draining soils and some soils with poorer drainage</li> <li>Situated adjacent to a rural residential development on the southern side of Ohaupo.</li> </ul> </div>	
Sale price	\$2,800,000 plus GST		
Land area	21.4952 ha		
Sale price /eff. ha	\$137,000		
Value of improvements	\$100,000		
Analysed land sale price	\$2,700,000		
Analysed land sale price /eff. ha	\$132,000		



854B Tauwhare Road, Tauwhare Pa

Sale date	Oct 2021	<div> <div>A 13ha small holding situated 10 km east of Hamilton.</div> <div>Improvements include:</div> <ul style="list-style-type: none"> <li>Modern dwelling of good quality providing four bedrooms, two bathrooms</li> <li>Modern 54m<sup>2</sup> shed, haybarn, three bay implement shed</li> </ul> <div>Land</div> <ul style="list-style-type: none"> <li>Flat contour</li> <li>Good quality free draining soils.</li> <li>Irregular shape</li> </ul> </div>	
Sale price	\$2,650,000 plus GST		
Land area	13.0723 ha		
Sale price/ha	\$203,000		
Value of improvements	\$775,000		
Land Sale Price	\$1,850,000		
Land Sale Price/ha	\$142,000		

256 Maungatautari Road, Cambridge			
Sale date	Sept 2021	<p>A 60.5 hectare property held in three titles situated in a prime location 2.5km east of Cambridge. Zoned Rural. The land was put to tender as separate properties or together. There were multiple offers for one two or all three titles. The eventual purchaser bought all three.</p> <p>Improvements</p> <ul style="list-style-type: none"><li>The title with frontage to Maungatautari Road is developed for an equine use and includes a mid-20<sup>th</sup> century 133m<sup>2</sup> dwelling.</li><li>The other two titles comprise fencing and water reticulation only.</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>The land is all flat and has good quality free draining soils.</li></ul>	
Sale price	\$9,050,000 plus GST		
Land area	60.5005 ha		
Sale Price/ha	\$150,000		
Esti. Val of Imps	\$860,000		
Residual LV/ha	\$135,000		
2 Boyd Road, Gordonton			
Sale date	May 2021	<p>A 41 hectare property held in eight titles situated, 3.5km north of Hamilton City.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>A two storey, five bedroom main dwelling and a second cottage</li><li>Old cowshed, average support buildings</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>Undulating contour</li><li>Average quality soils</li><li>Held in eight titles</li></ul>	
Sale price	\$5,200,000 plus GST		
Land area	40.72 ha		
Sale Price/ eff ha	\$128,000		
Esti. Val of Imps	\$630,000		
Residual LV/eff ha	\$112,000		

70 Mathers Road & 270 Te Kowhai Road, Hamilton			
Sale date	Mar 2021	<p>A 137 hectare property held in three titles and situated on the northern perimeter of Hamilton and adjacent to both State Highway 1 and State Highway 39.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>• Two dwellings</li><li>• 36 aside cowshed with in shed feed system</li><li>• Good effluent system</li><li>• Average shedding</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>• Adjoins the Hamilton City boundary</li><li>• Flat to gently undulating contour</li><li>• Zoned rural</li></ul>	
Sale price	\$18,000,000 plus GST		
Land area	137.2514 ha		
Sale Price/ eff ha	\$131,000		
Esti. Val of Imps	\$1,010,000		
Residual LV/eff ha	\$123,000		
584 Whatawhata Road (State Highway 23), Hamilton			
Sale date	Mar 2021	<p>An 81 hectare property held in four titles and situated on the western perimeter of Hamilton.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>• Two dwellings</li><li>• Average shedding</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>• Adjoins the Hamilton City boundary</li><li>• Flat to undulating contour</li><li>• Some peat soils</li><li>• Zoned rural</li></ul>	
Sale price	\$14,800,000 plus GST		
Land area	80.9260 ha		
Effective area	79.0 ha		
Sale Price/ eff ha	\$187,000		
Esti. Val of Imps	\$935,000		
Residual LV/eff ha	\$175,000		



383 Horsham Downs Road, Horsham Downs			
Sale date	Mar 2021	<div>14 ha situated across the road from the Hamilton City boundary and from a recent residential development.</div> <div>Purchased by an entity ultimately owned by the Kimpton Group. The purchasers are well-known developers and land bankers of land to the north of Hamilton City.</div> <div>Improvements include:</div> <ul style="list-style-type: none"><li>• A dwelling of average quality built in 2008, in good condition</li><li>• A 1920's dwelling in average condition</li><li>• Garaging &amp; implement shed</li></ul> <div>Land</div> <ul style="list-style-type: none"><li>• Zoned Rural</li><li>• Across the road from Hamilton City boundary</li><li>• Undulating contour</li><li>• Average quality soils</li><li>• Very well located</li></ul>	
Sale price	\$3,920,000 plus GST		
Land area	14.0536 ha		
Sale Price/ eff ha	\$279,000		
Esti. Val of Imps	\$550,000		
Residual LV/eff ha	\$238,000		
199 Puketaha Road, Puketaha			
Sale date	Mar 2021	<div>40.7 ha of bare land situated 1.8km east of the Hamilton City boundary and 770 metres east of the WEX.</div> <div>Improvements include:</div> <ul style="list-style-type: none"><li>• A haybarn</li><li>• Fencing, tracks and water</li></ul> <div>Land</div> <ul style="list-style-type: none"><li>• Flat to undulating contour</li><li>• Average quality soils</li><li>• Well located</li><li>• Zone rural</li></ul>	
Sale price	\$4,450,000 Incl. GST		
Land area	40.7805 ha		
Sale Price/ eff ha	\$109,000		
Esti. Val of Imps	\$70,000		
Residual LV/eff ha	\$107,000		



## 8.2 Sales Summary

Address	Sale Date	Land Area (ha)	Sale Price	Sale Price / eff. ha	Land Sale Price / eff. ha
<b>Sales</b>					
785 State Highway 26	Jan 2022	18.71 ha	\$2,500,000	\$134,000	\$131,000
196 Collie Road	Jan 2022	9.21 ha	\$1,310,000	\$187,000	\$181,000
4294 Ohaupo Road	Dec 2021	21.50 ha	\$2,800,000	\$130,000	\$132,000
854B Tauwhare Road	Oct 2021	13.07 ha	\$2,650,000	\$203,000	\$142,000
256 Maungatautari Road	Sept 2021	60.50 ha	\$9,050,000	\$150,000	\$135,000
2 Boyd Road	May 2021	40.72 ha	\$5,200,000	\$128,000	\$112,000
70 Mathers Road	Mar 2021	137.25 ha	\$18,000,000	\$131,000	\$123,000
584 Whatawhata Road	Mar 2021	80.93 ha	\$14,800,000	\$187,000	\$175,000
383 Horsham Downs Rd	Mar 2021	14.05 ha	\$3,920,000	\$279,000	\$238,000
199 Puketaha Road	Mar 2021	40.78 ha	\$4,450,000	\$109,000	\$107,000
<b>Subject Valuation</b>	<b>Val'n date</b>	<b>Land Area</b>	<b>Market Value</b>	<b>Market Value/ effective ha</b>	<b>Land Value/ effective ha</b>
131 Raynes Road	June 2022	34.20 ha	\$5,650,000	\$171,200	\$166,700

### **8.3 Swot Analysis**

We have carried out a SWOT (Risk) analysis which outlines the positive and negative features associated with the property.

#### ***Strengths***

- Favourable contour, flat to undulating land in good quality pasture
- Situated in good location to the south of Hamilton City
- Appealing property that is well suited to various uses
- Average fences, races and water reticulation.

#### ***Weaknesses***

- Few weaknesses, some shedding is old and in poor condition but the property has a good condition six bay implement shed;

#### ***Opportunities***

- The land is well suited for a variety of uses including cropping, equine, dairy support and beef fattening.
- No subdivision development opportunities immediately available, however due to its location 400-500m south of the Hamilton City boundary and adjacent to an area developed for rural residential uses in the Waipa District there may be future development opportunities.

#### ***Threats***

- The Southern Links roading project is planned for the area with an interchange proposed to be located to the south of the property and an arterial route to pass up the western side of the property.
- The ongoing and increasing regulatory compliance making farming not only more difficult and costly, but potentially less profitable and creating uncertainty.
- Usual farming risks such as climate & product pricing.

## 9 Valuation

### 9.1 Methodology

We consider that the most relevant method of valuation is the Market Approach (comparable transaction method). This approach involves the analysis of sales and making comparisons with the subject property after allowance for differences such as location, soils, production levels, standard of improvements, land size, contour and special features.

The subject property is then ranked with the sales to ensure the value fits within the appropriate range.

### 9.2 Valuation Rationale

The subject property comprises 34.1970 hectares of flat to easy undulating land with predominantly good quality soils. The effective land area is 33.0 hectares. The land has no dwelling, one good shed and typical fences, tracks and water reticulation.

It is situated 400-500m to the south of the Hamilton City boundary and adjacent to a rural residential, or large lot residential, development.

The sales show a land sale price range of \$107,000 - \$238,000 per effective hectare. In our view, the subject value will sit within this range.

The lower end of the range is for 199 Puketaha Road, a bare block which sold on an inclusive of GST basis for \$109,000/ha and an analysed land sale price \$107,000/ha.

This property is in a similar location, close to Hamilton City, but at 1.8km it is slightly further from the city boundary. The city boundary is planned to be extended east in this location so that the Waikato Expressway forms the eastern boundary of the city. Once this occurs this sale will be 850m east of the city boundary.

This is an older sale comprising inferior quality land with soils that are less than free draining and although close to the city is considered to be in an inferior location, with lower future development potential. The subject will have a value above the \$107,000/ha shown by this sale.

With a sale price of \$279,000/ha and an analysed land sale price of \$238,000/ha, 383 Horsham Downs Road sits at the upper end of the range. It was purchased by an entity ultimately owned by the Kimpton Group. The purchasers are well-known developers and land bankers of land to the north of Hamilton City.

This is a parcel of average quality land that is situated at the north end of Hamilton and across the road from the city boundary. The land across the road and within the city boundary has been recently developed into residential lots. There is little land remaining to be developed at the north end of Hamilton. There are no plans that we are aware of to include this land in Hamilton City however being adjacent to the boundary provides good opportunities and possible future development potential.

The subject is close but not adjacent to the city boundary and an area of large lot residential properties lies between the subject property and the city boundary. There is also a large area of land, known as Peacocke that is yet to be developed at the southern end of Hamilton City. The Peacocke area comprises over 600 hectares. Existing residential development is situated some 2.0km to the north west.

Development of the northern part of the Peacocke area is imminent with Hamilton City Council currently constructing roads, a bridge over the Waikato River and other infrastructure to allow for urban development of Peacocke. The time frame for the 600 hectare Peacocke area to be developed will long term.

The subject does adjoin the large lot residential zone on its northern boundary. Waipa District Council has no existing plans to extend this area however it is an extension of this area that we consider will provide some future development potential rather than the subject land becoming part of Hamilton City.

Being in a superior location, adjacent to the city boundary and the higher potential for future development we consider the Horsham Downs Road sale to be superior and assess the subjects land value below the analysed land sale price of \$238,000/ha shown by this sale.

196 Collie Road also lies toward the upper end of the range. It is a 9.21 hectare bare parcel with an effective land area of 7.0 hectares. It sold in January 2022 for \$187,000 per effective hectare and with an analysed land sale price of \$181,000 per effective hectare.

This is an appealing property with average to good quality land and in a private, quiet area. The property is in an inferior location, 3km west of Te Kowhai. However with an effective land area of just 7.0 hectares the property has a higher degree of lifestyle influence which increases the land value per hectare. At a total sale price of \$1.3m it also lies in a lower price bracket with more market participants which also increases the land value per hectare as higher demand increases value.

To account for the lifestyle influence we can analyse the sale using a lifestyle site and residual land method. This is based on the principle that the first 0.25-0.5 hectares of a property has the highest value as this allows for a dwelling to be constructed and the land to be lived on. The additional land is typically at rates more in line with rural land sales.

By analysing sales using a site and residual land method we can more easily compare sales of lifestyle properties and small holdings with different land areas.

If we analyse this sale on this basis by applying \$650,000 to the 0.5 hectare lifestyle site, the residual effective land shows a value of \$95,000 per hectare. We have the subject's lifestyle site and residual land well above these rates reflecting its superior location.

785 State Highway 26 is a bare parcel that sold recently for \$134,000/ha and an analysed land sale price of \$131,000/ha. 854B Tauwhare Road and 256 Maungatautari Road are also parcels of good quality land that sold with an analysed land sale prices of \$142,000 and \$135,000 per hectare respectively.

These properties comprise comparable quality land with free draining soils and flat contours. However they are all further from main centres and will have a rural zoning and rural land use for the foreseeable future with little to no development potential.

These three sales are highly comparable in many aspects except the location. Due to the subject's location close to Hamilton City and adjacent to a large lot residential area we assess the subject's market value above \$134,000-\$142,000 per hectare shown by theses sales.

4294 Ohaupo Road is situated to the south of the large lot residential area in Ohaupo. It sold for \$137,000 per effective hectare and with an analysed land sale price of \$132,000 per effective hectare.

This sale is in a similar position to the subject in terms of being located adjacent to a rural residential area, with the opportunities and future development potential that brings. However this is inferior quality land with a steeper contour and some low lying wetter land. It is also further from Hamilton and located on the State Highway. Overall in our view the subject will have a value above this level.

70 Mathers Road is a 137 hectare dairy farm that sold for \$131,000 per hectare and an analysed land sale price of \$123,000 per hectare.

The southern end of this property is across the road from the Hamilton City boundary but like the Peacocke area to the north of the subject, this part of Hamilton City is largely undeveloped and still being put to rural and lifestyle uses. The northern area of the sale is 600-700m from the city boundary and to the west of State Highway 1.

It has some land adjacent to the city boundary that will include a premium for the opportunities and future development potential that comes with that location however the sale comprises inferior quality land and in our view is not as well located as the subject.

Due to its location and land area of 137 hectares it is also in a very high price bracket having sold for a total sale price of \$18.0m. This price bracket has few market participants which will reduce the land value rate per hectare. Overall we consider this sale to be inferior to the subjects and assess the land value above the \$123,000 per hectare shown by this sale.

584 Whatawhata Road (State Highway 23) is an 80.93 hectare property that sold for \$187,000 per hectare and an analysed land sale price of \$175,000 per hectare.

This is a very well located property adjoining the western boundary of Hamilton City and adjacent to existing urban development. This sale has 2.1km of common boundary with Hamilton City. It is one of the longest common boundaries around the city. There are no current plans for this land to become part of the city. The analysed land sale price of \$175,000 reflects the value of very well located land adjoining the city, with the opportunities and future development potential that brings.

This property has some inferior quality land and is a larger property in a high price bracket with fewer market participants, which typically reduces the rates per hectare. However conversely this property is adjacent the city boundary with a long common boundary. This is a dated sale in a market that has seen upward pressure on values. However value increases for rural land have not been at the level seen by residential and lifestyle properties.

Given the location adjoining the city and the 2.1km long common boundary we see this location as superior however due to the land quality, larger land area and market movement since March 2021 we assess the subject value only slightly below the land sale price of \$175,000 per hectare shown by this sale.

After consideration of the sales we value the subject property at \$5,650,000 plus GST, if any which is \$171,200 per effective hectare and assess the land value at \$5,500,000 which is \$166,700 per effective hectare.

We further breakdown the land value on a lifestyle site and residual land method. Using a 0.5 hectare site value of \$850,000, the residual land has a value of \$138,000 per hectare.



### 9.3 Detailed Market Valuation

This is the detailed market valuation of the property:

<b>Detailed Valuation</b>	131 Raynes Road					
<b>Area (ha)</b>	34.1970	ha				
<b>Effective Area (ha)</b>	33.0000	ha				
<b>Value of Improvements (VI's)</b>						
Six bay implement shed						\$55,000
Sundry buildings						\$5,000
Disused cowshed/yards, loading ramp						\$15,000
Tracks, fencing & water	34.1970	ha	@	\$2,193	/ha	\$75,000
						<u>\$150,000</u>
<b>Total VI's, adopt</b>						<u>\$150,000</u>
<b>Land Value</b>						
Flat to undulating	33.0000	ha	@	\$165,000	/ha	\$5,445,000
Ineffective land	1.1970	ha	@	\$50,000	/ha	\$59,850
						<u>\$5,504,850</u>
<b>Total Land Value, Adopt</b>	<b>34.1970</b>	<b>ha</b>	<b>@</b>	<b>\$160,833</b>	<b>/ha</b>	<b><u>\$5,500,000</u></b>
<b>Market Value</b>	<b>34.1970</b>	<b>ha</b>	<b>@</b>	<b>\$165,219</b>	<b>/ha</b>	<b><u>\$5,650,000</u></b>
Land Value / ha						\$160,833
Land Value / eff. ha						\$166,667
Market Value / ha						\$165,219
Market Value / eff. ha						\$171,212

## 10 Valuation Conclusions

QV confirm that we undertook a valuation of the property at 131 Raynes Road on 7 June 2022 in order to assess the market value. Subject to the critical assumptions and comments noted within this report, we assess the market value of the abovementioned property to be:

**\$5,650,000 (five million six hundred and fifty thousand dollars) plus GST (if any)**

## 11 Concluding Remarks

This report is to be read in conjunction with the attached appendix documentation and the scope of works.

Please do not hesitate to contact us should you require any further assistance or clarification.

Yours faithfully

A handwritten signature in purple ink, appearing to be 'Chris Coakley', written in a cursive style.

Chris Coakley  
B Com Ag, ANZIV, MPINZ  
Registered Valuer  
Quotable Value

Appended:

1. Valuation policies
2. Record of title



## Appendices

## Appendix 1 Valuation Policies

### ***Publication***

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

### ***Information***

Information has generally been obtained from a search of records and examination of documents or by enquiry to Government Departments or Statutory Authorities. Where it is stated in the valuation report that information has been supplied to us by another party, this information is believed to be reliable but we can accept no responsibility if this should prove to be not so.

### ***Confidentiality***

Our responsibility in connection with this valuation report is limited to the client to whom it is addressed; we disclaim all responsibility and accept no liability to any other party.

### ***Purpose of valuation***

This valuation report has been prepared for the specific purpose stated. Any party that relies upon it for an alternative purpose without reference to QV does so at its own risk.

### ***Structural survey***

This report has been undertaken for valuation purposes only and is not a structural survey. The valuer is not a building construction and/or structural expert and is therefore unable to comment as to the structural soundness of the improvements. We have undertaken a visual inspection of the building/s but have not commissioned a structural survey or tested any of the services and are therefore unable to confirm that these are free from defect. We have not inspected the unexposed or inaccessible parts of the building/s and are unable to certify that these are free from defect. Any elements of deterioration apparent to the general state of repair of the building/s have been noted and reflected in our valuation. No undertaking is given about the structural soundness, weathertightness, or durability of any building or building element associated with the structure. No undertaking is given about the absence of rot, insect or pest infestation, nor the use in construction of materials such as asbestos or other materials now considered hazardous.

### ***Title boundaries***

We have made no survey of the property and assume no responsibility in connection with such matters. Unless otherwise stated it is assumed that all improvements lie within the title boundaries. We reserve the right to amend our valuation should this not be the case.

### ***Plant and machinery***

The valuation is conditional upon any hot and cold water systems, drainage systems, electrical systems, air conditioning or ventilating systems and other installations being in proper working order and functioning for the purpose for which they were designed.



***Site or environmental contamination***

Our valuation and report is conditional upon the land being free of any contamination or industrial waste problems unless otherwise noted.

***Measurements***

All property measurement is carried out in accordance with ANZRPNG 4 – Methods of Measurement unless we specifically state that we have relied upon another source of information or method.

***Compliance***

Unless otherwise stated in our report our valuation is on the basis that the property complies with the Building Act 2004, Health and Safety at Work Act 2015, Evacuation of Buildings Regulations 1992 and Disabled Persons Community Welfare Act 1975 or that the legislation has no significant impact on the value of the property.

***Registrations***

Our investigation has included searching of the Computer Interest Register and, if appropriate and where available, the ground and/or building lease(s) and other relevant tenancy schedules and documents. Unless stated otherwise our report is subject to there being no detrimental or beneficial registrations affecting the value of the property other than those appearing on the title(s) so valued in this report. Such registrations may include Wahi Tapu registrations and Heritage New Zealand registrations.

***Forecasts***

Every effort has been made to ensure the soundness and accuracy of the opinions, information and forecasts expressed in this report. Information, opinions and forecasts contained in this report should be regarded solely as a general guide. While we believe statements in the report are correct, no liability is accepted for any incorrect statement, information or forecast. QV disclaims any liability which may arise from any person acting on the material within. Readers should take advice from a professional staff member of QV prior to acting on any matter contained in this report.

***Market movement***

This valuation is current as at the date of valuation only. The value assessed herein may change significantly unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three months from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.



## **Appendix 2    Record of Title**



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



  
R.W. Muir  
Registrar-General  
of Land

**Identifier** SA72C/450  
**Land Registration District** South Auckland  
**Date Issued** 02 July 2002

**Prior References**  
SA37C/181 SA62C/757

---

**Estate** Fee Simple  
**Area** 34.1970 hectares more or less  
**Legal Description** Lot 5-6 Deposited Plan South Auckland  
91837

**Registered Owners**



**Interests**

Subject to Section 241(2) Resource Management Act 1991 (affects DPS 91837)  
5270277.10 Mortgage to (now) Rabobank New Zealand Limited - 2.7.2002 at 11:12 am  
Appurtenant to Lot 5 DPS 91837 is a right of way created by Easement Instrument 6230450.4 - 26.11.2004 at 9:00 am  
The easements created by Easement Instrument 6230450.4 are subject to Section 243 (a) Resource Management Act 1991  
7871251.1 Variation of Mortgage 5270277.10 - 9.7.2008 at 9:00 am





# Market Valuation Report



139 Raynes Road,  
Rukuhia,  
Waipa District

Client: Hamilton City Council [REDACTED]

Valuation date: 2 September 2022

Report Version: V1 Issued 5 September 2022

*Think property. Think QV.*

*Quotable Value  
Level 1, 14 Garden Place, Hamilton  
P O Box 4135, Hamilton 3247  
Ph +64 (07) 838 2534*



## Contents

1	Executive Summary	4
1.1	Instructions	4
1.2	Brief Property Description	4
1.3	Assumptions	4
1.4	Valuation Summary	5
2	Introduction	6
2.1	Instructions	6
2.2	Statement of Independence	6
2.3	Compliance statement	6
2.4	Basis of Value	6
2.5	Definition of Market Value	7
2.6	Valuation Standards	7
2.7	Goods and Services Tax	7
2.8	Information Received	7
3	Land Particulars	8
3.1	Location and Services	8
3.2	Legal Description	9
3.3	Rating Valuation	9
4	Resource Management	10
4.1	District Plan	10
4.2	Environmental Considerations	10
5	Physical Description	11
5.1	Land Area	11
5.2	Contour, Shape and Aspect	11
5.3	Land Use	11
5.4	Services	11
5.5	Altitude	12

5.6	Access	12
5.7	Photos of Land	12
5.8	Aerial Photo of Subject Property	13
6	Improvements Description	14
6.1	Dwelling	14
6.2	Other Buildings	16
6.3	Other Improvements	17
7	Market Commentary	18
7.1	Market Overview	18
8	Market Sales Evidence	19
8.4	Sales Summary	26
9	Valuation	27
9.1	Methodology	27
9.2	Valuation Rationale	27
10	Valuation Conclusion	30
11	Detailed Market Valuation	31
12	Concluding Remarks	32
Appendix 1	Valuation Policies	34
Appendix 2	Record of Title	36
Appendix 3	Consent Notice	40

# 1 Executive Summary

## 1.1 Instructions

We refer to the joint instructions from Hamilton City Council and [REDACTED] to prepare a Market Valuation for 139 Raynes Road, Rukuhia.

The purpose of the valuation is to establish the value for a potential purchase of the property by Hamilton City Council from [REDACTED]. We inspected the subject property on 2 September 2022 and now report as follows:

## 1.2 Brief Property Description

The property valued is a 1.4217 hectare lifestyle property held in one record of title. The current lifestyle use is considered to be the highest and best use of the land.

Improvements on the property include an average condition, 141m<sup>2</sup>, four bedroom dwelling built in the early 20<sup>th</sup> century, a freestanding garage and room, a carport and good site development.

The land has a flat to undulating contour and comprises predominantly free draining loam over sand soils and average quality pastures. The land falls away to the Nukuhau Stream which forms the southern boundary. The stream is fenced and is an appealing feature of the property.

The property is situated on Raynes Road in the rural area known as Rukuhia, to the south of Hamilton City and in an area characterised by rural residential properties with average to good quality dwellings.

Overall the subject property is an average quality lifestyle property in a premium location close to Hamilton City.

## 1.3 Assumptions

- The dwelling has several areas where the timber weatherboards are rotting. This is likely to allow water into the wall cavity. Given this issue and the age of the dwelling we recommend a building report be obtained from a suitably qualified person to comment on its condition. We have valued the property based on the dwelling having these areas of rotting weatherboards but our valuation assumes there is no damage to the internal framing or structure of the dwelling.
- The property currently sources water from the adjoining farm. There is no legal easement for the provision of water from this source. However the property has a rainwater collection system collecting water off the dwelling roof where it can be stored in manocan tanks and reticulated to the dwelling. Our valuation assumes this water source is operational and can provide a suitable quantity of potable water for the property.

## 1.4 Valuation Summary

We assess the market value of the subject property as at 2 September 2022 as follows:

Market Valuation	<b>\$1,350,000 (one million three hundred and fifty thousand dollars) including GST</b>
------------------	---

Date of Valuation	2 September 2022
-------------------	------------------

A handwritten signature in purple ink, appearing to be 'Chris Coakley', written in a cursive style.

**Chris Coakley,**

Registered Valuer, MPINZ, ANZIV

### **Quotable Value**

This executive summary must be read together with the full valuation report attached herein. All comments, exclusions and limitations contained in the full report relate directly to this executive summary. No part of this report should be read in isolation. All data provided in this summary is wholly reliant on and must be read in conjunction with information provided in the attached report. Furthermore, the information outlined above may be subject to specific limitations and assumptions which may affect the value and/or saleability. It is a synopsis only designed to provide a brief overview and must not be acted on in isolation.

This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation.

## 2 Introduction

### 2.1 Instructions

We confirm that we have received joint instructions from Hamilton City Council and [REDACTED] to undertake an independent valuation of the property at 139 Raynes Road, Rukuhia.

Date of Inspection 2 September 2022

Date of valuation 2 September 2022

PINZ Professional Practice guidelines and International Valuation Standards define the "Valuation Date" as the date on which the opinion of value applies. In this case, the "Valuation Date" is the date of inspection.

### 2.2 Statement of Independence

We confirm that we are not aware of any conflicts of interest or pecuniary interests in the property being valued, either on the part of QV or the principal valuer undertaking this report.

### 2.3 Compliance statement

We confirm that:

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

### 2.4 Basis of Value

Our assessment is made utilising Market Value (see section 2.5 for definition) as the basis of value as per IVS 104 (Bases of Value).



## 2.5 Definition of Market Value

Both PINZ and the IVS Council define Market Value as:

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

## 2.6 Valuation Standards

This valuation report has been completed in accordance with:

- International Valuation Standards (IVS) effective 31 January 2022
- Australia & New Zealand Valuation Guidance Papers (ANZVGP),
- Australia & New Zealand Property Guidance Papers (ANZPGP),
- New Zealand Property Guidance Papers (NZPGP) and
- New Zealand Valuation Guidance Papers (NZVGP)

The standards in particular are:

IVS 101	Scope of Work
IVS 102	Investigations and Compliance
IVS 103	Reporting
IVS 104	Bases of Value
IVS 105	Valuation Approaches and Methods
IVS 400	Real Property Interests
ANZVGP 111	Valuation Procedures – Real Property
ANZPGP 201	Disclaimer Clauses & Qualification Statements
NZPGP 601	Methods of Measurement
NZVGP 501	Goods and Services Tax (GST) in property

## 2.7 Goods and Services Tax

Our valuation has been carried out on an inclusive of GST basis as this is how lifestyle properties of this size and nature typically transact in the market place.

## 2.8 Information Received

We have been provided with the following information, which has been considered in the valuation process:

- Hamilton City Council provided us with a Land Information Memorandum (LIM) prepared by Waipa District Council and dated 18 August 2022.
- [REDACTED] provided us with a description of the water source and system.

## 3 Land Particulars

### 3.1 Location and Services

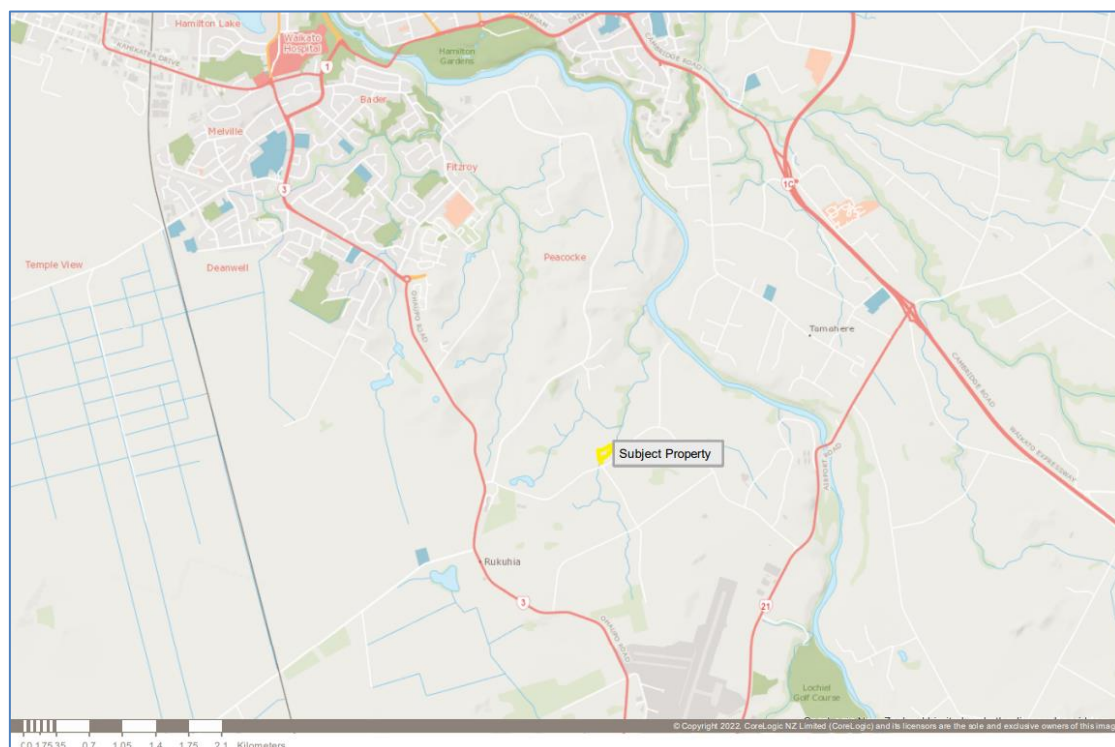
**Physical Position:** The property is situated on the northern side of Raynes Road, 1.4km east of the intersection with Ohaupo Road (State Highway 3).

The property is in the Waipa district and in the rural area known as Rukuhia which lies to the south of Hamilton City. The Hamilton City boundary lies 1.3km west of the subject property and the CBD is 8km to the north. Existing urban development within Hamilton City is 4km to the north.

**Services:** Most services and amenities are available in Hamilton including all levels of schooling. Primary schooling is also provided in Rukuhia, 2km to the south west.

**Surrounding Land Use:** The surrounding area is characterised by rural residential properties comprising average to good quality dwellings. Other larger rural properties in the location are being put to drystock grazing uses and maize cropping. Hamilton Airport is situated 2km to the south.




The proposed Southern Links roading project is planned to pass through Rukuhia. An interchange is proposed to be located 350m south of the subject and a main arterial road is planned to pass 250m to the west of the subject.



**Figure 1: Location map (source: Property Guru)**

### 3.2 Legal Description

The property is held in the following Record of Title:

	<b>RECORD OF TITLE</b> <b>UNDER LAND TRANSFER ACT 2017</b> <b>FREEHOLD</b> <b>Search Copy</b>	  R. W. Muir Registrar-General of Land
<b>Identifier</b>	<b>498811</b>	
<b>Land Registration District</b>	<b>South Auckland</b>	
<b>Date Issued</b>	20 July 2010	
<b>Prior References</b>	SA37C/180	
<b>Estate</b>	Fee Simple	
<b>Area</b>	1.4217 hectares more or less	
<b>Legal Description</b>	Lot 2 Deposited Plan 425050	
<b>Registered Owners</b>		
<b>Interests</b>	8541056.1 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 20.7.2010 at 10:11 am 9590156.2 Mortgage to Bank of New Zealand - 24.2.2014 at 3:56 pm	

The consent notice has no conditions that impact the market value of the subject property.

Our valuation ignores the mortgage registered on the title. We assume this would be discharged prior to any transfer or sale.

A full copy of the record of title is attached at Appendix 2 and the consent notice is attached at Appendix 3 for further information.

### 3.3 Rating Valuation

Roll Number 4581/09902 as at 01/08/2019

Land value	\$650,000
Value of Improvements	\$205,000
Capital Value	\$855,000

This valuation is for rating purposes only and represents the market value of the freehold interest at the date of the valuation. Often these assessments are undertaken on an indexed or kerbside basis and as a consequence may not necessarily fairly represent market value at the time.

## 4 Resource Management

### 4.1 District Plan

Regional Authority	Waikato Regional Council
Local Authority	Waipa District Council
Status of District Plan	Operative
Zoning & Policy Area	Under the operative Waipa District Plan the property is zoned Rural.
Permitted Activities	<p>The following activities are some of the permitted activities in the Rural zone provided they comply with the performance standards of this zone:</p> <ul style="list-style-type: none"> <li>(a) One principal dwelling per viable certificate of title outside of quarry buffer areas.</li> <li>(b) One secondary dwelling of 70m<sup>2</sup> GFA or less excluding garaging, per holding</li> <li>(c) Residential activities.</li> <li>(d) Farming activities</li> <li>(i) Accessory buildings to any permitted activity.</li> <li>(j) Demolition, removal of buildings and structures</li> <li>(x) Pasture reinstatement.</li> </ul>
Subdivision Waipa Rural Zone	Rule 15.4.2.1 (o) states the minimum net lot area in the Rural zone is 40 hectares.
Land use	The subject is being put to a lifestyle use. This is a permitted use and is also considered to be the highest and best use based on the rules of the Waipa District Plan.

### 4.2 Environmental Considerations

#### 4.2.1 Contamination

Our valuation assumes the property has no contaminated soil or building products that may cause health and safety concerns

## 5 Physical Description

### 5.1 Land Area

The property has a total land area of 1.4217 hectares.

### 5.2 Contour, Shape and Aspect

The property has a flat to undulating contour and an open aspect. Cover comprises average quality pasture and a 0.1500 ha stand of Eucalyptus trees. The land falls way to the Nukuhau Stream which forms the southern boundary. The stream is fenced to exclude stock and is an appealing feature of the property. Due to the stream forming the southern boundary the parcel has an irregular shape but no so irregular as to impact market value.

### 5.3 Land Use

The existing use and highest and best use is as a lifestyle property.

### 5.4 Services

The property a power and telecommunications connection. Wastewater is dealt with via an on-site wastewater system. We understand water is currently sourced from the adjoining farm. However there is no legal easement for the provision of water from this source. There is also what appears to be an old bore situated next to the garage. This does not appear operational.

On site water comprises collection of rainwater from the dwelling roof. It is stored in manocon tanks and then pressurised and can be reticulated to the dwelling. We expect the system will require servicing and cleaning prior to be used as the primary source of water for the dwelling. Our valuation assumes this water system is operational and can provide a suitable quantity of potable water.



Water storage and pump



Old bore and pressure tank (not operational)



## 5.5 Altitude

The property is approximately 55 metres above sea level.

## 5.6 Access

The property is set back from Raynes Road and has no frontage to Raynes Road. However on its western boundary the parcel has frontage to an unformed section of Faiping Road which leads onto Raynes Road.

A 120m, average condition driveway has been formed on the unformed road. There is also a bridge that has been constructed providing access over Nukuhau Stream. In summary, the property has formed legal access from Raynes Road over the unformed road and the Nukuhau Stream and onto the subject parcel.



Accessway



Driveway & bridge



Bridge

## 5.7 Photos of Land



Typical land



Typical land





Low lying area



Eucalyptus trees



Nukuhau Stream

## 5.8 Aerial Photo of Subject Property



**Figure 2: Aerial photo of subject property. (Source: Property Guru)**

## 6 Improvements Description

### 6.1 Dwelling

- Type Bungalow
- Total Floor area 141m<sup>2</sup>
- Year built (approx.) Circa 1910



#### **Construction**

- Foundations Timber piles
- Floor Timber floor
- External walls Timber weatherboard
- Roof Corrugated iron
- Joinery Timber
- Internal linings Plasterboard, hardboard

#### **Internal layout**

Kitchen, dining, lounge, four bedrooms, one bathroom, separate toilet and a laundry.

#### **Fixtures and fittings**

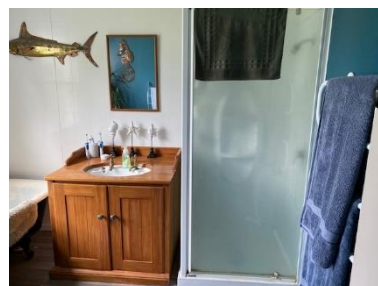
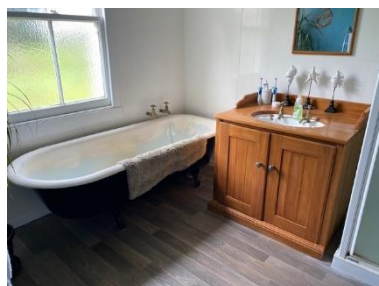
- Kitchen Average quality fitted kitchen in good condition with a formica benchtop and stainless sink insert, electric oven with an induction ceramic hobb, rangehood, dishwasher. Timber floors.



- Dining Separate with carpet floor coverings, built in shelving, French doors to covered deck, linen cupboard and a heatpump.
- Lounge Free standing fireplace with brick surround, door to exterior. Carpet floor coverings.



- Bedrooms
  - Bedroom 1: Two single wardrobes with over cupboards. Carpet floor covering.
  - Bedroom 2: Double wardrobe. Carpet floor covering.
  - Bedroom 3: Carpet floor covering
  - Bedroom 4: Currently utilised as the dining room but has a single wardrobe and could be a fourth bedroom. Carpet floor covering.
- Bathroom Good condition bathroom with a freestanding claw foot bath, shower, timber vanity, heated towel rail, three in one ceiling fan. Wood grain vinyl plank flooring.



- Toilet Separate toilet. Wood grain vinyl plank flooring.
- Laundry Good condition laundry with a stainless laundry tub, formica benchtop. Wood grain vinyl plank flooring.
- Chattels These are in average condition and comprise the following:
  - Window furnishings,
  - Floor coverings,
  - Light fittings,
- Deck There is a 56m<sup>2</sup> timber deck off the north side of the dwelling. This is covered with corrugated poly carbonate roofing and is partially enclosed with windows.





Covered deck

## 6.2 Other Buildings

**Garage & room** 74m<sup>2</sup>. This building provides a single garage of approximately 34m<sup>2</sup> and a lined room of 40m<sup>2</sup>. Power attached. The room has a partition wall dividing the space into a room with an office at the rear. The garage has single tilt door providing vehicle access and a workbench. There is a covered concrete area at the front of the building.

Construction comprises iron cladding and roof and a concrete floor. The garage walls are lined with particle board and the room is lined with plasterboard.



**Carport** 47m<sup>2</sup>. The carport provides covered parking for three cars and comprises timber poles, corrugated iron roof and an earth/gravel floor. Aged, average condition.





#### Sundry buildings

The property has a 13m<sup>2</sup> garden shed, an 8m<sup>2</sup> lawnmower shed, a dog kennel and run and a small glasshouse.



### 6.3 Other Improvements

#### Site development

The dwelling section is developed to a good standard and includes:

- Gravel parking and turning area
- Paved and concrete paths
- Concrete patio off the lounge
- 56m<sup>2</sup> covered deck (as described above)
- Fully fenced yard
- Bark gardens with appealing well laid out established plantings
- Hedges



#### Fences

The property is fenced into two paddocks and the dwelling section by good condition post and wire electric fences and some deer fencing.

## **7 Market Commentary**

### **7.1 Market Overview**

Prior to the Covid-19 pandemic emerging in early 2020 the market for lifestyle properties in locations close to Hamilton was moderate to good and was experiencing slight upward pressure on values.

The emergence of Covid-19 in early 2020 saw New Zealand enter a nationwide lockdown with most businesses and schools closed. It was expected this would cause a recession and potentially a decline in property values.

To combat this and to stimulate the economy the Reserve Bank of New Zealand decreased the official cash rate by 0.75% to sit at 0.25% for at least a twelve month period. This saw mortgage interest rates decrease to historic low levels.

This created strong demand for many property types including lifestyle properties around Hamilton and close to towns. Values saw moderate to strong value growth over late 2020 and strong growth over most of 2021.





In late 2020 the Reserve Bank of New Zealand started to increase the official cash rate to reduce inflation and it has since increased it seven times increasing the rate from 0.25% up to the current rate of 3.0%

This has had a softening effect on demand and values. This is more evident in the residential market however there has been a slight softening of demand for lifestyle properties in light of rapidly increasing interest rates, however due to a lower level of supply of lifestyle properties close to the city, such as the subject, it seems the values have not yet been impacted to any large extent.

Values are likely to be flat and may decline over the coming year as the impact of the higher interest rates take effect, particularly if the official cash rate continues to rise.

## 8 Market Sales Evidence

### 8.1 Vacant Sales Evidence





372 Racecourse Road, Hautapu			
Sale date	July 2022	A 1.0 hectare vacant lifestyle site situated 10km south of Hamilton and 4km west of Cambridge. <ul style="list-style-type: none"><li>• Flat contour</li><li>• Regular shape</li><li>• Easy access to both Cambridge &amp; Hamilton</li></ul>	
Sale price	\$900,000 incl. GST		
Land area	1.0089 ha		
25/1 Lowe Road, Rukuhia			
Sale date	Feb 2022	A 0.55 hectare vacant lifestyle site situated 5km south of Hamilton. <ul style="list-style-type: none"><li>• Flat contour</li><li>• 45m<sup>2</sup> shed</li><li>• Good quality lifestyle properties surround</li><li>• Close to Hamilton, quiet no exit road</li></ul>	
Sale price	\$850,000 incl. GST		
Land area	0.5466 ha		
Value of improvements	\$10,000		
7/2 Faiping Road, Rukuhia			
Sale date	Dec 2021	A 0.53 hectare vacant lifestyle site situated 4km south of Hamilton. <ul style="list-style-type: none"><li>• Flat contour</li><li>• South facing aspect</li><li>• Irregular shape</li><li>• Close to Hamilton, quiet no exit road</li></ul>	
Sale price	\$730,000 incl. GST		
Land area	0.5293 ha		
Value of improvements	\$0		
68 Tarr Road, Kaipaki			
Sale date	Sept 2021	A 3.1 hectare vacant lifestyle property situated in Kaipaki, 14km south of Hamilton. <ul style="list-style-type: none"><li>• Flat contour</li><li>• Two sheds</li><li>• Free draining sandy loam soils</li><li>• Quiet no exit road</li></ul>	
Sale price	\$1,150,000 plus GST		
Land area	3.1114 ha		
Value of improvements	\$50,000		
Analysed land value	\$1,100,000		





## 8.2 Vacant Land Sales Evidence Summary

Address	Land Area	Sale date	Sale Price
372 Racecourse Road	1.0089 ha	July 2022	\$900,000
25/1 Lowe Road	0.5466 ha	Feb 2022	\$850,000
7/2 Faiping Road	0.5293 ha	Dec 2021	\$730,000
68 Tarr Road	3.1114 ha	Sept 2021	\$1,150,000







### 8.3 Improved Sales Evidence





157 Raynes Road, Rukuhia			
Sale date	June 2022	<p>A 0.38 hectare improved rural residential property situated in Rukuhia, 5km south of Hamilton and adjoining the subject on its southern boundary.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>• A 108m<sup>2</sup> dwelling built in the 1980's providing three bedrooms, one bathroom, one living area</li><li>• Heatpump, home ventilation system, security alarm</li><li>• Two good condition double garages</li><li>• Average site development with a concrete driveway</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>• Flat contour at front falls away to the stream at the rear</li><li>• Good location, close to Hamilton.</li></ul>	 
Sale price	\$950,000 incl. GST		
Land area	0.3818 ha		
Analysed land sale price	\$725,000		
Value of improvements	\$225,000		
Other buildings	\$50,000		
Other improvements	\$10,000		
Dwg value Dwelling net rate	\$155,000 \$1,435/m <sup>2</sup>		
85 Tarr Road, Kaipaki			
Sale date	June 2022	<p>A 0.49 hectare improved lifestyle property situated in Kaipaki, 13km south of Hamilton.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>• A 195m<sup>2</sup> 1970's dwelling with a 90m<sup>2</sup> basement garage providing four bedrooms, two bathrooms and a double garage. Average to good condition</li><li>• Heatpump</li><li>• Good site development</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>• Flat contour</li><li>• Fenced into three paddocks by post and rail fences.</li></ul>	 
Sale price	\$1,135,000 incl. GST		
Land area	0.4866 ha		
Analysed land sale price	\$700,000		
Value of improvements	\$435,000		
Other buildings	\$35,000		
Other improvements	\$35,000		
Dwg value Dwelling net rate	\$350,000 \$1,800/m <sup>2</sup>		



84 Woodside Road, Matangi		
Sale date	June 2022	<p>A 1.2 hectare improved lifestyle property situated in Matangi, 5km east of Hamilton.</p> <p>Improvements include:</p> <ul style="list-style-type: none"> <li>A 214m<sup>2</sup> brick clad dwelling built in the 1970's providing four bedrooms and two bathrooms</li> <li>The dwelling has been refurbished &amp; modernised to a good standard with a new kitchen, bathrooms, double glazing and redecoration. The interior presents as near new.</li> <li>Fire place &amp; two heatpumps</li> <li>Double garage</li> <li>Stable/implement shed</li> <li>Good site development</li> </ul> <p>Land</p> <ul style="list-style-type: none"> <li>Flat contour</li> <li>Mature trees</li> <li>Good location, close to Hamilton.</li> </ul>
Sale price	\$1,620,000	
Land area	1.2087 ha	
Analysed land sale price	\$975,000	
Value of improvements	\$645,000	
Other buildings	\$50,000	
Other improvements	\$50,000	
Dwg value	\$525,000	
Dwelling net rate	\$2,450/m <sup>2</sup>	
 		
653 Te Kowhai Road, Te Kowhai		
Sale date	May 2022	<p>A 1.9 hectare improved lifestyle property situated in Te Kowhai, 6km west of Hamilton.</p> <p>Improvements include:</p> <ul style="list-style-type: none"> <li>A 160m<sup>2</sup>, 1960's dwelling in average condition providing four bedrooms and two bathrooms</li> <li>Fire place &amp; heatpump</li> <li>Two double freestanding garages</li> <li>Two bay shed &amp; three bay shed</li> <li>Good site development</li> </ul> <p>Land</p> <ul style="list-style-type: none"> <li>Flat contour</li> <li>Four to five paddocks.</li> </ul>
Sale price	\$1,325,000	
Land area	1.9200 ha	
Analysed land sale price	\$950,000	
Value of improvements	\$375,000	
Other buildings	\$45,000	
Other improvements	\$40,000	
Dwg value	\$275,000	
Dwelling net rate	\$1,720/m <sup>2</sup>	
 		



175 Tarr Road, Kaipaki			
Sale date	May 2022	<p>A 0.99 hectare improved lifestyle property situated in Kaipaki, 135km south of Hamilton.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>A 110m<sup>2</sup> average quality dwelling built in the 1980's providing three bedrooms and one bathroom.</li><li>Large fully enclosed five bay shed</li><li>Double garage converted to a rumpus room and a bedroom</li><li>Good site development</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>Flat contour</li><li>Fenced into three or four paddocks</li></ul>	 
Sale price	\$1,250,000 incl. GST		
Land area	0.9914 ha		
Analysed land sale price	\$850,000		
Value of improvements	\$400,000		
Other buildings	\$140,000		
Other improvements	\$40,000		
Dwg value	\$200,000		
Dwelling net rate	\$1,820/m <sup>2</sup>		

36 Lowe Road, Rukuhia			
Sale date	Mar 2022	<p>A 0.3 hectare improved rural residential property situated in Rukuhia, 6km south of Hamilton.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>A 242m<sup>2</sup> average quality dwelling built in 2004 providing three bedrooms, two bathrooms, two living areas and a double internal access garage.</li><li>Good site development.</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>Flat contour</li><li>Quiet no exit road</li></ul>	 
Sale price	\$1,350,000 incl. GST		
Land area	0.3074 ha		
Analysed land sale price	\$750,000		
Value of improvements	\$600,000		
Other buildings	\$0		
Other improvements	\$30,000		
Dwg value	\$550,000		
Dwelling net rate	\$2,270/m <sup>2</sup>		

233 Raynes Road, Rukuhia			
Sale date	April 2022	<p>A 0.48 hectare improved lifestyle property situated in Rukuhia, 5km south of Hamilton.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>A 315m<sup>2</sup> good quality dwelling built in 2009 providing four bedrooms, three bathrooms, three living areas, an office and a double internal access garage.</li><li>Good site development</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>Flat contour</li><li>Elevated position with north facing aspect and views</li><li>Quiet, private rear lot.</li></ul>	 
Sale price	\$1,860,000 incl. GST		
Land area	0.4777 ha		
Analysed land sale price	\$875,000		
Value of improvements	\$985,000		
Other buildings	\$0		
Other improvements	\$50,000		
Dwg value Dwelling net rate	\$910,000 \$2,890/m <sup>2</sup>		
270 Mystery Creek Road, Kaipaki			
Sale date	Mar 2022	<p>A 2.7 hectare improved lifestyle property situated in Kaipaki, 11km south of Hamilton.</p> <p>Improvements include:</p> <ul style="list-style-type: none"><li>A 140m<sup>2</sup> dwelling built in the mid-20<sup>th</sup> century dwelling providing three bedrooms and one bathroom</li><li>Attached carport</li><li>Two sheds</li><li>Average site development</li><li>10-11 paddocks</li></ul> <p>Land</p> <ul style="list-style-type: none"><li>Flat contour</li><li>Good quality free draining soils</li></ul>	 
Sale price	\$1,600,000 incl. GST		
Land area	2.6970 ha		
Analysed land sale price	\$1,200,000		
Value of improvements	\$390,000		
Other buildings	\$45,000		
Other improvements	\$65,000		
Dwg value Dwelling net rate	\$260,000 \$1,875/m <sup>2</sup>		

287 Raynes Road, Rukuhia			
Sale date	Feb 2022	<p>A 1.4 hectare improved lifestyle property situated in Rukuhia, 5km south of Hamilton.</p> <p>Improvements include:</p> <ul style="list-style-type: none"> <li>• A 211m<sup>2</sup> good quality dwelling built in 2015 providing four bedrooms, two bathrooms, two living areas and a double internal access garage. Double glazed.</li> <li>• 85m<sup>2</sup> four bay shed, two bays enclosed two bays open on one side</li> <li>• Average site development</li> <li>• Automatic entrance gates</li> </ul>	
Sale price	\$1,685,000 incl. GST		
Land area	1.3926 ha		
Analysed land sale price	\$975,000		
Value of improvements	\$710,000		
Other buildings	\$50,000		
Other improvements	\$40,000		
Dwg value incl. chattels	\$590,000	<p>Land</p> <ul style="list-style-type: none"> <li>• Flat contour</li> <li>• Sandy loam soils</li> <li>• Mature trees</li> <li>• 3-4 paddocks</li> </ul>	
Dwelling net rate	\$2,810/m <sup>2</sup>		

## 8.4 Sales Summary

Address	Sale Date	Land Area (ha)	Sale Price	Analysed land sale price	Analysed Dwelling Net Rate
<b>Sales</b>					
157 Raynes Road	June 2022	0.3818 ha	\$950,000	\$725,000	\$1,435/m <sup>2</sup>
85 Tarr Road	June 2022	0.4866 ha	\$1,135,000	\$700,000	\$1,800/m <sup>2</sup>
84 Woodside Road	June 2022	1.2087 ha	\$1,620,000	\$975,000	\$2,450/m <sup>2</sup>
653 Te Kowhai Road	May 2022	1.9200 ha	\$1,325,000	\$950,000	\$1,720/m <sup>2</sup>
175 Tarr Road	May 2022	0.9914 ha	\$1,250,000	\$850,000	\$1,820/m <sup>2</sup>
36 Lowe Road	Mar 2022	0.3074 ha	\$1,350,000	\$750,000	\$2,270/m <sup>2</sup>
233 Raynes Road	April 2022	0.4777 ha	\$1,860,000	\$850,000	\$2,890/m <sup>2</sup>
270 Mystery Creek Road	Mar 2022	2.6970 ha	\$1,600,000	\$1,200,000	\$1,875/m <sup>2</sup>
287 Raynes Road	Feb 2022	1.3926 ha	\$1,685,000	\$975,000	\$2,810/m <sup>2</sup>
<b>Subject Valuation</b>	<b>Val'n date</b>	<b>Land Area</b>	<b>Market Value</b>	<b>Land Value</b>	<b>Dwelling net rate</b>
139 Raynes Road	Sept 2022	1.4217 ha	\$1,350,000	\$975,000	\$1,775/m <sup>2</sup>

## 9 Valuation

### 9.1 Methodology

We consider that the most relevant method of valuation is the Market Approach using the comparable transaction and net rate methods.

The comparable transaction method involves the analysis of sales and making comparisons with the subject property after allowance for differences such as location, dwelling quality, condition and size, standard of other improvements, land size, contour and special features.

The net rate method involves analysing sales by deducting from the sale price the value of the land and value of other buildings and improvements to determine the net value of the dwelling which is divided by its floor area to determine a net rate.

The subject property is then ranked with the sales to ensure the value fits within the appropriate range.

### 9.2 Valuation Rationale

#### 9.2.1 Land Value

Our assessment of land value is based on the sales described in Section 8.1 and summarised in Section 8.2.

These sales show vacant parcels with land areas of between 0.5 ha and 3.1 ha have been selling for between \$730,000 and \$1,150,000. The subject with land area of 1.42 hectares will fall within this range.

The lower end of the range is 7/2 Faiping Road which is a 0.5 ha rural residential site that sold for \$730,000. This is a smaller site with a south facing aspect situated in a rural residential subdivision. Considered inferior.

The upper end of the range is 68 Tarr Road, a 3.1 hectare property that sold for \$1,150,000. This property is in a slightly inferior location, further from Hamilton but it is still in a good, sought after location. The property has a larger land area and has superior quality land suitable to a variety of uses, whereas the subject has some lower lying land and is not all flat. Considered superior.

25/1 Lowe Road is a recent sale of a 0.5 ha site for \$850,000. It is in the same location as the subject and provides good sales evidence of the value of land in this area. However it has a smaller land area and is therefore considered inferior.

372 Racecourse Road is a 1.0 ha site that sold recently for \$900,000. This property is in a good location between Cambridge and Hamilton but is further from the city, has a slightly smaller land area and does not have the appealing stream on the boundary, like the subject. We consider the subject will have a land value slightly above the level shown by this sale.

After consideration of the sales we assess the subjects land value at \$975,000.

### **9.2.2 Market Value – Net Rate Approach**

The sales show a dwelling net rate range of \$1,435/m<sup>2</sup> - \$2,790/m<sup>2</sup>. This net rate range represents dwellings that are older and in average condition through to those that are modern and of good quality.

The lower end of the range is for 157 Raynes Road at \$1,435/m<sup>2</sup>. This is a basic quality dwelling in a reasonably good condition. The subject dwelling has more character and is a larger, more substantial home and will have a net rate above this level.

The upper end of the range with net rates of \$2,270-\$2,890/m<sup>2</sup> is represented by 84 Woodside Road, 36 Lowe Road, 233 Raynes Road and 287 Raynes Road.

Except 84 Woodside Road, these are all larger, better quality, modern dwellings in good condition and considered superior to the subjects early 20<sup>th</sup> century timber weatherboard clad dwelling.

84 Woodside Road is a 1960's dwelling that has recently undergone extensive renovations and modernisation to a good standard with a new kitchen, bathrooms, double glazing and redecoration. The interior now presents as near new. The subject has an older dwelling in an inferior condition.

The subject will have a net rate below \$2,000/m<sup>2</sup>.

The remaining sales are 85 Tarr Road, 653 Te Kowhai Road, 175 Tarr Road and 270 Mystery Creek Road. These have sold with analysed dwelling net rates of \$1,720-\$1,875/m<sup>2</sup>. In our view the subject dwelling will have a net rate within this range.

Keeping in mind the condition of the external timber weatherboards we assess the subject's net rate at between \$1,700-\$1,800/m<sup>2</sup>. After allowing \$975,000 for the land value assessed above, \$55,000 for buildings, \$55,000 for site development and other improvements and \$15,000 for dwelling chattels this provides a market value range of \$1,340,000 - \$1,354,000 including GST.



### **9.2.3 Market Value – Comparable Transaction Method**

The sales show average to good quality lifestyle properties with land areas of 0.4ha – 2.7 ha, in good locations around Hamilton City have been selling for \$950,000 - \$1,860,000.

The lower end of the range at \$950,000 is the sale at 157 Raynes Road. This is a 0.38 ha site with a 108m<sup>2</sup> dwelling. This is a tidy well-kept property and the dwelling is in average to good condition but of basic quality. Overall considered inferior due to the smaller land area and dwelling.

85 Tarr Road also lies toward the lower end of the range with a sale price of \$1,135,000. It includes a larger more substantial dwelling but it is set on a site of just 0.49 hectares and is in a slightly inferior location 13km from Hamilton. Considered inferior.

The upper end of the range is 233 Raynes Road which sold for \$1,860,000. This is a well-developed, appealing property with a 315m<sup>2</sup> two storey dwelling built in 2009 and providing four bedrooms, three bathrooms, three living areas and a double internal access garage. Considered superior.

84 Woodside Road, 270 Mystery Creek Road and 287 Raynes Road also lie toward the upper end of the range with sale prices of \$1,600,000 - \$1,685,000.

84 Woodside Road has a larger better quality dwelling in a better condition having been recently refurbished and modernised to a good standard. It has a similar land area and like the subject has a good level covered parking/garaging. The larger better condition, modernised dwelling deem this a superior property.

287 Raynes Road is a 1.4 hectare property in the same location as the subject. It includes a larger, more modern, better quality dwelling and is therefore considered superior.

270 Mystery Creek Road is a 2.7 hectare property in a good location. Like the subject, it includes an older dwelling in average condition. Due to the larger land area and better quality flat land on this sale it is considered superior.

The remaining sales show a sale price range of \$1,250,000 and \$1,350,000. In our view the subject will have a market value within this range.

36 Lowe Road sold for \$1,350,000. It is in the same location as the subject but has rural residential sized lot of just 0.3 hectares. Conversely, it includes a larger dwelling in better condition. It offers no land for grazing but provides an overall average quality property. Overall considered comparable.

175 Tarr Road sold for \$1,250,000. It is an appealing property with a tidy standard of improvements including a five bay shed and a 110m<sup>2</sup> three bedroom dwelling in good condition. At 0.99 ha, it has a smaller land area than the subject and it is in an inferior location, 13km from the city. Slightly inferior.

653 Te Kowhai Road sold for \$1,325,000. This includes larger dwelling providing four bedrooms and two bathrooms and is in condition comparable. The property includes two garages and two sheds and has a larger land area then the subject. It is in a different but comparable location and is a similar distance from Hamilton. Overall considered comparable.

After consideration of the sales, in our view the subject has a market value of between \$1,325,000 and \$1,350,000 including GST.

## 10 Valuation Conclusion

Quotable Value confirm that we undertook a valuation of the property at 139 Raynes Road to establish the value for a potential purchase of the property by Hamilton City Council from [REDACTED]

Using the net rate method and the comparable transaction method, we have assessed the following indicated market value ranges:

Method	Value indicated
Net rate method	\$1,340,000 - \$1,354,000
Comparable transaction method	\$1,325,000 - \$1,350,000

With the net rate method indicating a market value within, and at the upper end of, the comparable transaction method range we have settled on a value toward the upper end of the range.

After consideration of the sales and subject to the critical assumptions and comments noted within this report, we assess the market value of 139 Raynes Road as follows:

**\$1,350,000 (One million three hundred and fifty thousand dollars) including GST**

## 11 Detailed Market Valuation

This is the detailed market valuation of the property:

Detailed Valuation	139 Raynes Road				
Area (ha)	1.4217				
Value of Improvements					
Dwelling	141	m <sup>2</sup>	@	\$1,775 /m <sup>2</sup>	\$250,275
Garage & room	74	m <sup>2</sup>			\$40,000
Carport					\$5,000
Sundry buildings					\$10,000
Site development including deck					\$40,000
Fencing & water					\$15,000
					<hr/>
					\$360,275
Total VI's, adopt					\$360,000
Land Value					
Lifestyle site	1.4217	ha			\$975,000
Total Land Value, Adopt	1.4217	ha			<hr/>
					\$975,000
Market Value excluding chattels					\$1,335,000
Chattels					\$15,000
Market Value including chattels					\$1,350,000

## 12 Concluding Remarks

This report is to be read in conjunction with the attached appendix documentation and the scope of works.

Please do not hesitate to contact us should you require any further assistance or clarification.

Yours faithfully

A handwritten signature in purple ink, appearing to be 'Chris Coakley', written in a cursive style.

Chris Coakley  
B Com Ag, ANZIV, MPINZ  
Registered Valuer  
Quotable Value

Appended:

1. Valuation policies
2. Record of title
3. Consent notice



## Appendices



## Appendix 1 Valuation Policies

### ***Publication***

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

### ***Information***

Information has generally been obtained from a search of records and examination of documents or by enquiry to Government Departments or Statutory Authorities. Where it is stated in the valuation report that information has been supplied to us by another party, this information is believed to be reliable but we can accept no responsibility if this should prove to be not so.

### ***Confidentiality***

Our responsibility in connection with this valuation report is limited to the client to whom it is addressed; we disclaim all responsibility and accept no liability to any other party.

### ***Purpose of valuation***

This valuation report has been prepared for the specific purpose stated. Any party that relies upon it for an alternative purpose without reference to QV does so at its own risk.

### ***Structural survey***

This report has been undertaken for valuation purposes only and is not a structural survey. The valuer is not a building construction and/or structural expert and is therefore unable to comment as to the structural soundness of the improvements. We have undertaken a visual inspection of the building/s but have not commissioned a structural survey or tested any of the services and are therefore unable to confirm that these are free from defect. We have not inspected the unexposed or inaccessible parts of the building/s and are unable to certify that these are free from defect. Any elements of deterioration apparent to the general state of repair of the building/s have been noted and reflected in our valuation. No undertaking is given about the structural soundness, weathertightness, or durability of any building or building element associated with the structure. No undertaking is given about the absence of rot, insect or pest infestation, nor the use in construction of materials such as asbestos or other materials now considered hazardous.

### ***Title boundaries***

We have made no survey of the property and assume no responsibility in connection with such matters. Unless otherwise stated it is assumed that all improvements lie within the title boundaries. We reserve the right to amend our valuation should this not be the case.

### ***Plant and machinery***

The valuation is conditional upon any hot and cold water systems, drainage systems, electrical systems, air conditioning or ventilating systems and other installations being in proper working order and functioning for the purpose for which they were designed.

***Site or environmental contamination***

Our valuation and report is conditional upon the land being free of any contamination or industrial waste problems unless otherwise noted.

***Measurements***

All property measurement is carried out in accordance with ANZRPNG 4 – Methods of Measurement unless we specifically state that we have relied upon another source of information or method.

***Compliance***

Unless otherwise stated in our report our valuation is on the basis that the property complies with the Building Act 2004, Health and Safety at Work Act 2015, Evacuation of Buildings Regulations 1992 and Disabled Persons Community Welfare Act 1975 or that the legislation has no significant impact on the value of the property.

***Registrations***

Our investigation has included searching of the Computer Interest Register and, if appropriate and where available, the ground and/or building lease(s) and other relevant tenancy schedules and documents. Unless stated otherwise our report is subject to there being no detrimental or beneficial registrations affecting the value of the property other than those appearing on the title(s) so valued in this report. Such registrations may include Wahi Tapu registrations and Heritage New Zealand registrations.

***Forecasts***

Every effort has been made to ensure the soundness and accuracy of the opinions, information and forecasts expressed in this report. Information, opinions and forecasts contained in this report should be regarded solely as a general guide. While we believe statements in the report are correct, no liability is accepted for any incorrect statement, information or forecast. QV disclaims any liability which may arise from any person acting on the material within. Readers should take advice from a professional staff member of QV prior to acting on any matter contained in this report.

***Market movement***

This valuation is current as at the date of valuation only. The value assessed herein may change significantly unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three months from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.



## **Appendix 2    Record of Title**



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



  
R. W. Muir  
Registrar-General  
of Land

**Identifier**                      **498811**  
**Land Registration District**   **South Auckland**  
**Date Issued**                      20 July 2010  
  
**Prior References**  
SA37C/180

---

**Estate**                      Fee Simple  
**Area**                      1.4217 hectares more or less  
**Legal Description**      Lot 2 Deposited Plan 425050  
**Registered Owners**




---

**Interests**  
8541056.1 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 20.7.2010 at 10:11 am  
9590156.2 Mortgage to Bank of New Zealand - 24.2.2014 at 3:56 pm









## **Appendix 3    Consent Notice**

## CONSENT NOTICE

IN THE MATTER	of the Land Transfer Act 1952
AND	
IN THE MATTER	of Section 221 of the Resource Management Act 1991
AND	
IN THE MATTER	of the Land in Certificate of Title SA37C/180 (South Auckland Registry) and Plan No. DP 425050

### WHEREAS -

- 1 **WAIPA DISTRICT COUNCIL** has pursuant to Sections 104, 104B, 104D, 108 and 220 of the Resource Management Act 1991 granted a resource consent for the subdivision of Lot 1 DPS 42541.
- 2 The registered proprietors of Lot 1 DPS 42541 are **KEVIN PHILIP WALMSLEY, ELIZABETH ANNE WALMSLEY** and **TERRENCE LE GROVE**.
- 3 The subdivision to which consent has been given is shown on Plan No. DP 425050.
- 4 It was a condition of the said consent that pursuant to Section 108 of the Resource Management Act 1991 that:
  - (a) For the subsequent development of Lot 1 DP 425050 (for which new Certificate of Title 498810 has been allocated) a suitably qualified and experienced Geotechnical Engineer will be required to inspect the site and submit to Council for approval, at the time of building consent, design details on the foundations of the building.  
  
***Reason:** The site is subject to unstable land.*
  - (b) Subdivision consent has been granted for Lots 1 and 2 DP 425050 (for which new Certificates of Title 498810 and 498811 have been allocated) under the provisions of the Operative Waipa District Plan Rule 10.6.1.4(a) 'Dwelling for a Person with a Long Association with a Holding'. The rule states that one lot can be subdivided from the 'holding' when the applicant has resided on the land forming part of the holding continuously for a minimum period of fifteen (15) years. Only one lot per holding must be permitted under this Rule notwithstanding the number of people who may qualify.
  - (c) The registered proprietor of Lot 1 DP 425050 (for which new Certificate of Title 498810 has been allocated) must ensure that:
    - i. all vegetation located within the covenanted area marked "A" on

DP 425050 are trimmed and/or maintained to achieve minimum sight distances of 160 metres to the satisfaction of Council's Development Engineering Manager; and


- ii. the height of structures, other than the existing seven-wire post and batten fence, are limited to 0.5 metres above the existing ground level.

**Reason:** To preserve the sight distance of 160 metres to the north-east of the entrance.

- 5 The said conditions are to be complied with on a continuing basis by the subdividing owners and subsequent owners pursuant to the provisions of Section 221 of the Resource Management Act 1991.

**NOW PURSUANT TO** Section 221 of the Resource Management Act 1991 **WAIPA DISTRICT COUNCIL HEREBY** issues this Consent Notice.

DATED at Te Awamutu this 4<sup>th</sup> day of May 2010

  
.....  
Authorised Officer

IN THE MATTER of the Land Transfer Act 1952

AND

IN THE MATTER of Section 221 of the Resource  
Management Act 1991

AND

IN THE MATTER of the Land in Certificate of  
Title SA37C/180 (South  
Auckland Registry) and Plan  
No. DP 425050

---

**CONSENT NOTICE**

---

---

GALLIE MILES  
SOLICITORS  
TE AWAMUTU

WDC REF: SP/0088/09



# Council Report

**Committee:** Strategic Growth Committee      **Date:** 26 July 2022  
**Author:** Jackie Colliar      **Authoriser:** Blair Bowcott  
**Position:** Strategic Manager - Infrastructure City Development      **Position:** General Manager Growth

**Report Name:** Southern Wastewater Treatment Plant Land Acquisition

<b>Report Status</b>	<i>This report is taken as a publicly excluded item to enable Council to carry out negotiations.</i>
----------------------	--

## Purpose - *Take*

1. To inform the Strategic Growth Committee on Southern Wastewater Treatment Plant site selection and due diligence activities, and to present for discussion a live opportunity for early land purchase.
2. To seek approval from the Strategic Growth Committee to complete property purchase negotiations with the owners and purchase the property.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Strategic Growth Committee:
  - a) receives the report;
  - b) approves the purchase of 131 Raynes Road (SA72C/450) subject to the property purchase agreement (and special conditions) outlined in **Attachment 3** of the staff report;
  - c) approves the bringing forward of \$5,650,000 funding from year 2023/2024 of Council's Long Term Plan to year 2022/2023 for the purchase of the property;
  - d) delegates authority to the Chief Executive to sign all documentation for the purchase of the property for an agreed value of \$5,650,000 (excluding gst), subject to the property agreement conditions terminating the existing lease on or before April 2024, with vacant possession of the property on 31 May 2024;
  - e) notes that a decision will be sought from Council in early 2023 to utilise the land for the Southern Sub-Regional wastewater treatment plant and discharge activities once the due diligence has been completed and it has been confirmed as the appropriate site;
  - f) notes that a decision will be sought from Council on the future use of the property if the due diligence and designation activities determine that the site is unsuitable Southern Sub-Regional wastewater treatment plant and discharge activities; and
  - g) notes that the decision and information in relation to this matter remain publicly excluded for the reasons outlined in the report.

## **Executive Summary - *Whakaraapopototanga matua***

4. The preferred Southern Metro Wastewater servicing solution determined through the Southern Metro Wastewater Detailed Business Case (2022) involves providing a new Southern Sub-Regional Wastewater Treatment Plant (SS WWTP) south of Hamilton to meet the immediate needs of surrounding areas, and medium- to long-term needs of Hamilton.
5. As part of delivering the SS WWTP project, focussed due diligence and site feasibility assessments of up to six short-listed sites is planned but is not yet complete. These assessments will identify preferred sites for the SS WWTP and include recommendations for land purchase and designations. Engagement with mana whenua and iwi on the short-listed sites has also not occurred yet. Staff anticipate the work being completed by early 2023 with mana whenua and iwi involvement.
6. The Sharpe Family are looking to sell a 34ha property located at 131 Raynes Road, Rukuhia. The Sharpe Family originally approached Waipa DC in March 2022 to determine if they had any interest in purchasing their property located on Raynes Road, Rukuhia. Waipa DC subsequently passed the opportunity on to HCC.
7. The property is bisected by a paper road held by Waipa District Council (Faiping Road). The Southern Links (North-South) designation traverses the western boundary of the site. The Nukuhau Stream and a significant natural area (SNA) (identified in the Waipa District Plan) traverses the eastern boundary of the site.
8. Council has an opportunity to acquire the Sharpe property. The property may provide an appropriate site for the SS WWTP and WW discharges, however the due diligence, site feasibility and mana whenua/iwi engagement activities will not be completed in time to inform consideration of the current property purchase opportunity.
9. HCC has completed desk top due diligence on the property, including commissioning a desktop property report, and obtaining the LIM report, legal review of the existing grazing lease on the property and a valuation from an independent valuer jointly selected by HCC and the property owner.
10. Staff recommend purchasing the property at a purchase price of \$5,650,000 (excluding gst) subject to the property agreement conditions terminating the existing lease on or before April 2024, with vacant possession of the property on 31 May 2024. The proposed purchase price was determined by the independent valuer and has been accepted by the property owners.
11. Key reasons for recommending purchase of the property are outlined in Paragraph 43 and include:
  - i. The property is located in the vicinity of the short-listed sites under investigation for siting the SS WWTP.
  - ii. The property is strategically located near the current Hamilton City boundary and is located near key transport infrastructure and corridors including the Southern Links designation and the Hamilton Airport.
  - iii. The 34ha size of the property meets the foreseeable needs for the proposed SS WWTP.
  - iv. The characteristics of the property provide opportunities for broader community outcomes such as improved transport connectivity for the broader area; recreational, amenity and cultural development opportunities and environmental enhancement.
  - v. There is no impediment at law to Council acquiring the piece of land that has come up for sale in fee simple for an unspecified purpose. Council could resolve to utilise the land for the purposes of a new wastewater treatment plant, once its due diligence has been completed and it has been confirmed as the appropriate site.

- vi. Acquiring the land on a willing buyer/willing seller basis means that the property purchase is not pursuant to the Public Works Act, so the provisions of section 40 relating to offer back, as well as the other compensatory provisions would not apply.
  - vii. Early purchase demonstrates commitment to delivering the SS WWTP.
  - viii. The purchase is considered relatively low risk as the value of the land is unlikely to decrease over time. If the property is ultimately deemed unsuitable for the SS WWTP and cannot be used for other Council purposes, it can be sold.
12. There are a number of uncertainties and risks associated with this early purchase. These are described alongside mitigations in Table 2. Some of the key risks include:
- i. The site not being suitable for wastewater management purposes - If following further investigations, the property is deemed unsuitable for a WWTP, Council would need to secure an alternative site.
  - ii. Purchasing the property for potential wastewater management purposes before engaging with mana whenua and iwi could be seen to contravene the spirit of partnership. There may be significant cultural issues associated with the site that are not yet understood.
  - iii. The property is located upstream of the Nukuhau Pa site. This may bring attention to the land holding, including from the protestors currently occupying land in the Peacocke development area.
  - iv. Use of Faiping Road for a walking and cycling route from the airport precinct through to the city is currently under consideration. While this could support broader transport outcomes for the community, discussions negotiations with Waipa DC may be required to ensure that the transport corridor does not reduce the usability of the site for the intended purposes.
  - v. The existing grazing lease on the property currently expires in April 2024 but includes a right of renewal until April 2029. The tenant may seek to renew this lease for further 5 years, meaning Council cannot access land for WWTP before this time. The property owner has committed to varying the lease to remove this clause with the tenant. A special condition is included in the property sale and purchase agreement requiring that the lease is terminated on or before 30 April 2024 with vacant possession 31 May 2024.
13. A determination on the suitability of the site for WW activities will be made through completion of the due diligence investigations and designation processes. If not considered suitable for WW activities, a decision on whether to use the land for an alternative municipal purpose or dispose of the land will be brought back to Council.
14. HCC has \$9.6M (inflated) in years 1 to 3 of the Long Term Plan to fund a portion of the pre-implementation phase of the SS WWTP. If the recommendation to purchase the property is approved, \$5,650,000 would need to be brought forward from 2023/2024 to 2022/2023 financial year. This would fund the purchase of this property. The funding already included in the FY 2022/2023 will fund other pre-implementation activities. Proportional funding contributions from Waipā and Waikato District Councils for the pre-implementation phase still need to be agreed. An update on the discussions with Waipa and Waikato DC on the Multi Party Funding Agreement is included in the open part of this meeting.
15. As funds earmarked for the SS WWTP are proposed to be utilised for the property purchase, if after the due diligence is completed, the site was not appropriate for that purpose, Council would need to either swap the land for an alternative suitable site; sell the land and return the money utilised from the wastewater fund, or alternatively, should Council wish to utilise land

for a different purpose, provide internal funding to reimburse the wastewater fund so that it is not disadvantaged as a result of having made the interim acquisition.

16. Staff consider the matters in this report are of medium significance and that the recommendations comply with the Council's legal requirements.

### **Background - *Koorero whaimaarama***

17. The Southern Metro WW DBC and associated MoU have been approved by HCC, Waipa DC and Waikato DC. Waikato-Tainui are considering these documents in July 2022.
18. The preferred servicing solution in the Southern Metro WW DBC involves a Southern Sub-Regional Wastewater treatment plant (SS WWTP) south of Hamilton to meet the immediate needs of surrounding areas and medium to long-term needs of Hamilton.
19. An update on property acquisition for the SS WWTP was provided to the Committee in the public excluded parts of the 31 March 2022 meeting. The report identified a number of properties that due diligence investigations were being scoped for. These short-listed properties are located in areas identified through the Southern Metro WW DBC – Site selection investigations and are owned by Waka Kotahi or willing-seller third parties (i.e. Tainui Group Holdings).
20. HCC became aware of the opportunity to purchase the Raynes Road property from the Sharpe Family in April 2022. A public excluded verbal briefing was provided following the 19 May 2022 meeting. At the verbal briefing staff advised Council of the potential to purchase the property and the investigations underway or completed at that time, including:
  - i. Desktop property report by The Property Group
  - ii. Site walkover and discussions with the property owner
  - iii. Intention to progress an advance sale and purchase agreement for consideration.
  - iv. Commencement of a formal valuation of the property using an independent valuer agreed by both parties and committing to the price determined by the valuation.

### **Discussion - *Matapaki***

#### **SS WWTP Site Feasibility and Due Diligence Assessment**

21. A Wastewater Treatment Plant site feasibility and due diligence assessment of up to six shortlisted sites is being commissioned in August 2022 and will be completed early 2023 with tangata whenua involvement.
22. The outcome of the assessment will be the identification of a preferred site and an alternative site with a willing seller that will meet the functional operational needs of a new Wastewater Treatment Plant, while also achieving broader Waikato-Hamilton Metro sub-regional cultural, environmental and social outcomes.

#### **Sharpe Property Details, Lease and Valuation**

23. In March 2022, Waipā District Council was contacted by the owner, Diane Sharpe, Johnathan Sharpe & Geoffrey Sharpe (Sharpe) of a 34ha rural property on Raynes Road wanting to sell the family farm. They are aware Council has a municipal need for land in this area and felt the farm would be a good fit for municipal purposes, with additional land for amenity/walking/cycling connections due to proximity to Nukuhau Stream. The property is located in Waipa DC jurisdiction.
24. There is a small window (a matter of months) to negotiate the strategic purchase of this large rural property with a willing seller before the owner offers the property on the open market.

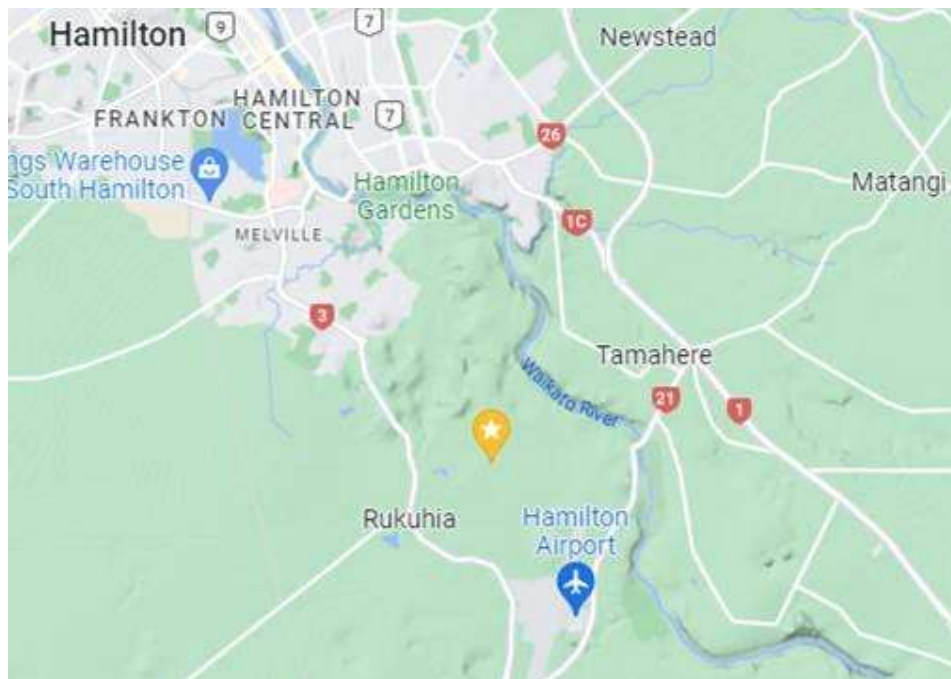
25. If purchasing the property is not approved staff would review the current position to include this as a shortlisted site (which are subject to the site feasibility and due diligence assessment about to be commissioned). One of the criteria for including sites is the basis of a willing buyer/willing seller, and this may need reassessing if the site is on-sold to a third party.

#### Property Details

26. The property is located at 131 Raynes Road, Rukuhia and is shown in Figure 1 and 2 below. A report on the property is included as **Attachment 1**.
27. The property has been in a single family for over 90 years, largely run as a dairy/dry stock farm.
28. The property features two large plateau/paddocked areas and a network of smaller gullies with riparian planting and stock proof fencing. The property is located within the Nukuhau Stream catchment. The Stream traverses the eastern boundary of the property.
29. The Waipa District Plan Maps identify the bush/gully located within the northeastern extent of the site as a Significant Natural Area (SNA).
30. Faiping Road (paper road) bisects the property. The Southern Links designation is to the west of the property boundary (Refer to Figure 3).

#### Figure 1: Property location

Note: 132 Raynes Road location indicated by yellow pointer.





**Figure 2: Subject Property on Raynes Road**

Note Faiping Road bisecting the property, and gully/bush area traversing the eastern boundary.



**Figure 3: Subject property with Southern Links designation on western boundary (orange outline)**



### Grazing Lease

31. The Property has an existing grazing lease which expires in April 2024. The lease has a further 5-year right of renewal by request of the lessee, which if renewed, would expire April 2029. The property owner has advised if Council wishes to purchase the property, they will prepare a variation to the lease agreement and terminate the lease at the end of April 2024.

### Property Valuation

32. Council and the Sharpe Family agreed to jointly commission an independent valuation of the property to determine an appropriate “willing buyer/willing seller” market value. The valuation concludes the subject property is an appealing parcel of good quality land in a premium location close to Hamilton City.
33. The valuation was received on 27 June 2022, and the property has been valued at \$5,650,000 (+GST if any). Refer **Attachment 2** for QV Valuation Executive Summary. The property owner is satisfied with this valuation amount and their solicitor has provided written confirmation that they wish to proceed with the sale to Council.
34. In discussion with Council’s valuers and Property advisors, valuations over the past two years have indicated an upward shift in \$/m<sup>2</sup> for rural dairy farms around Hamilton’s boundaries.
35. In 2021 The Property Group indicated a typical dairy farm valuation sat at \$4-\$8/m<sup>2</sup> with a locational premium range of \$10-15/m<sup>2</sup> (based on proximity to urban amenities or the Waikato River). In March 2022 The Property Group were indicating the value of this property was between \$12-\$15/m<sup>2</sup>. In June 2022 the property was valued by Quotable Value at \$16.50/m<sup>2</sup>. While residential valuations peaked last year and have now dipped to below current rateable valuations, the \$/m<sup>2</sup> for dairy farms has been steadily increasing in the past 12 months.

### Draft Sale and Purchase Agreement

36. Council’s solicitors have prepared a draft advance property purchase agreement on the basis of the above purchase price (refer **Attachment 3**). The draft agreement is subject to a number of conditions including:
  - i. Obtaining approval by way of a full meeting of elected members of Hamilton City Council, or Council committee or person with appropriate delegated authority.
  - ii. The current lease is terminated on or before 30 April 2024 and is not renewed.
  - iii. The tenant vacates the property by 31 May 2024.
  - iv. The Purchaser is purchasing the property on a willing buyer/willing seller basis and this is not an acquisition of land for a public work under the Public Works Act 1981.
  - v. Other time-bound conditions which trigger commitments in relation to accepting the valuation and obtaining Council approval.
  - vi. Confidentiality clauses.
37. The settlement date would be 9 September 2022 (30 working days after the agreement becomes unconditional). Council would acquire the land with the grazing lease terminating on 30 April 2024, with vacant possession by 31 May 2024.

### Waikato Regional Airport Plan Change

38. Waikato Regional Airport Limited (WRAL) has lodged a Private Plan Change to rezone approximately 89 ha of rural land to the north of the existing Airport. This land will be rezoned to Airport Business Zone and create the Northern Precinct. Master planning for the Airport site indicates future public transport and walking/cycling connectivity through the currently unformed Faiping Road which bisects the property to connect into the Peacocke Structure Plan area.

**Figure 4: WRAL Master Plan showing future use of Faiping Paper Road (Sharpe Property highlighted)**



39. The potential impact of opening the paper road on a future use of this property for a Wastewater Treatment Plant has not yet been established and will be considered as part of the site feasibility and due diligence assessment.

#### Adjacent Land Holdings

40. The lessee of the property owns the 139 Raynes Road (a 2-3ha lifestyle block) located immediately adjacent to the property. They have confidentially expressed an interest in selling their property to Waipā District Council and/or WRAL. If purchasing the Sharpe Property is approved there may be benefits in also purchasing this adjacent property. These benefits include securing complete access to the Nukuhau Stream and additional access to Raynes Road and minimizing potential reverse sensitivity issues. Hamilton City Council staff have not approached the property owner regarding this possibility at this stage (due to leaseholder sensitivities and confidentiality undertakings with the Sharpe's).
41. Any recommendations to purchase further properties including this property will be brought back for Council decision.

#### Options

42. The options are to approve the purchase of the property for strategic purposes including the potential use of the property for wastewater activities or to decline the opportunity.
43. Purchasing the property is recommended for the following reasons:
  - i. Willing seller/willing buyer situation outside of the Public Works Act which provides Council with flexibility over the end use of the land if not deemed suitable for a wastewater facility. For clarity this is not an acquisition pursuant to the Public Works Act.
  - ii. Early purchase of land in a strategically desirable location prior to significant value uplift that could occur in the future.

- iii. Demonstrating a commitment to delivering Strategic Wastewater Treatment Facility.
- iv. The characteristics of the property (e.g. size, location, natural features, proximity to other network utilities (e.g. fibre, power, major transport corridor) provide the opportunity for other municipal uses which could also deliver broader community outcomes (e.g. open space recreation, improved connectivity, improved environmental, biodiversity and amenity outcomes). If site is not shortlisted through due diligence assessment, property could be used for other purposes, or sold, i.e.:
  - a. Southern Links Environmental Monitoring and Management Plan habitat offset mitigation (adjacent to Southern Links bat hop-over corridors)
  - b. Future walking/cycleway open space amenity alongside Nukuhau stream, Faiping Paper Road
  - c. Te Ture Whaimana outcomes – access to stream
  - d. Habitat restoration and bio-diversity corridor linkages (enhancing existing wetland and stream riparian margins) – Nukuhau Significant Natural Area
  - e. Broader community outcomes, including potential use by mana whenua.

### Financial Considerations - *Whaiwhakaaro Puutea*

- 44. Implementing the Southern Metro WW DBC recommendations is likely to have significant financial implications for the 2021–31 LTP. HCC has included a funding provision of \$9.6M (inflated) to secure a site and consents for a new WWTP in years 1 – 3 of the 2021 – 31 LTP as shown in Table 1 below.

**Table 1: 2021-2031 LTP Funding for Sub-Regional Wastewater Treatment Plant**

Year	2021/2022	2022/2023	2023/2024
Value	\$200,000	\$762,800	\$8,656,913

- 45. If Council proceeds with the purchase of the property, \$6,000,000 of funding currently sitting in year 2023/24 will need to be brought forward to 2022/2023 to fund the property purchase and continue the due diligence and planning investigations.
- 46. As funds earmarked for the SS WWTP are proposed to be utilised for the property purchase, if after the due diligence is completed, the site was not appropriate for that purpose, Council would need to either, swap the land for alternative suitable site; sell the land and return the money utilised from the wastewater fund.
- 47. Alternatively, should Council wish to utilise land for a different purpose, provide internal funding to reimburse the wastewater fund so that it is not disadvantaged as a result of having made the interim acquisition.

### Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

- 48. Tompkins Wake (Peter Duncan) have advised that there is no impediment at law to Council acquiring the property in fee simple for an unspecified purpose. Council could resolve at some point in the future to utilise the land for the purposes of a new wastewater treatment plant, once its due diligence has been completed and it has been confirmed as the appropriate site.
- 49. Acquiring the land on a willing buyer/willing seller basis means that the property purchase is not pursuant to the Public Works Act, so the provisions of section 40 relating to offer back, as well as the other compensatory provisions would not apply.

50. Staff confirm that the recommendations comply with the Council's legal and policy requirements.

### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

51. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
52. The preferred servicing solution in the Southern Metro WW DBC includes delivery of the SS WWTP to meet the needs of the airport and environs and Hamilton.
53. The Southern Metro Area WW DBC adopts the Treasury Better Business Case Programme Business Case model. The 4 well-beings are core considerations in delivering the business case in addition to Te Ture Whaimana o te Awa Waikato – The Vision and Strategy for the Waikato River and relevant Iwi Management Plans.
54. The DBC has been developed to meet the requirements of the NZ Treasury Better Business Case Model and deliver "Best for River" outcomes.
55. The vision adopted for the DBC is as stated in Te Ture Whaimana

***Tooku awa koiora me oona pikonga he kura tangihia o te maataamuri***

***"The river of life, each curve more beautiful than the last"***

*...a future where a healthy Waikato River sustains abundant life and prosperous communities who, in turn, are all responsible for restoring and protecting the health and wellbeing of the Waikato River, and all it embraces, for generations to come.*

56. The objectives of the Metro WW DBC project are:
- a) before 2050 municipal wastewater discharges are no longer impacting on the ability of people to swim and collect Kai from the river and connected waterways thereby contributing to the restoration and protection of the health and wellbeing of the river.
  - b) the quality and extent of aquatic and terrestrial habitat and biodiversity in and around water bodies is enhanced through the reduction of wastewater treatment and discharge impacts before 2050.
  - c) wastewater treatment solutions contribute to restoring and enhancing cultural connectivity with the river so that before 2050 Marae, Hapu and Iwi access to the river and other sites of significance for cultural and customary practice within the metro spatial area are no longer impeded by wastewater treatment solutions.
  - d) maximise efficient use of resources and resource recovery to contribute to net zero greenhouse gas related emissions from wastewater treatment systems before 2050.
  - e) the wastewater solution provides sufficient capacity to ensure sustainable growth in the metro spatial area in accordance with growth projections assumptions for the next 100 years.
57. The Metro WW DBC project has demonstrated the need for an additional sub-regional WWTP to meet the current and future needs of Hamilton, the broader Metro area and to restore and protect the Waikato River.
58. Provision of sustainable wastewater services is a fundamental requirement to ensure public health, environmental well-being and provide for growth and social and economic prosperity and meeting our obligations to restore and protect the Waikato River.



## Social

- 59. High quality water services, including wastewater treatment are fundamental to supporting vibrant and healthy communities.
- 60. The size and location of the property provides opportunities to enhance social outcomes. These include potential improved cycling and walking opportunities, improved access to and connectivity between the Peacocke Growth cell, the Waikato River and the airport precinct.

## Economic

- 61. The Waikato region has seen tremendous growth and development in commercial, industrial, and residential areas, placing pressure on existing wastewater services and creating further demand for wastewater treatment and management services.
- 62. The SS WWTP will ensure adequate capacity is available to support existing communities and enable growth and further development, including non-residential development that will support employment. **Environmental**
- 63. Provision of high quality wastewater services contributes to positive environmental outcomes.
- 64. The proposed SS WWTP, whilst introducing a new site for wastewater discharge will deliver very high quality treated wastewater. When considered in the context of wastewater activities in the Metro Area, there will be an overall reduction in total contaminant load to the environment.
- 65. The size of the property is adequate to provide for land-based discharge proposed as part of Stage 1 development of the SS WWTP. There are also potential locations to site constructed or restored wetlands that could provide cultural and ecological benefits.
- 66. The property includes parts of an SNA and the Nukuhau Stream traverses the boundary. A number of ephemeral tributaries to the Nukuhau Stream are located on the property. These natural features provide the potential for active watercourse restoration and environmental improvements. Opportunities to enhance existing and proposed ecological corridors between the Peacockes growth cell, Southern Links and the Waikato River also exist and could help HCC meet its Southern Links designation conditions.

## Cultural

- 67. The preferred servicing solution for the Southern Metro area has been identified in partnership with Waikato-Tainui and representatives from Raukawa, Ngati Koroki Kahukura, Ngati Haua, Ngati Mahanga, Ngati Tamainupo, Ngati Wairere. However, no active engagement or discussions on the purchase of this property have occurred.
- 68. Due diligence investigations on the suitability of the site for wastewater management purposes is still to be completed. Partnership with mana whenua and iwi is critical to these investigations and successful delivery of the SS WWTP. Appropriate governance and project delivery arrangements will be established to complete the planning processes for the SS WWTP. The due diligence investigations may determine that the site is not suitable for the SS WWTP.
- 69. Whilst the land has been farmed, there appears to be fairly limited disturbance of the land. Given its proximity to Nukuhau Pa site, purchasing the property provides an opportunity to carefully investigate and document any artefacts located on the property to inform the broader cultural landscape narrative.



## Risks - *Tuuraru*

70. Key risks and mitigations measures associated with the recommendation to purchase the Share Property at this time are described in Table 2.

**Table 2: Key Risks and Mitigation Measures**

Risk	Description	Mitigation
The site not being suitable for wastewater management purposes.	If following further investigations, it is deemed unsuitable for a wastewater treatment plant, Council would need to secure an alternative site, and secure further funding, which may not be in the LTP.	<p>The appropriateness of the site will be determined through the due diligence assessments.</p> <p>If the site is not recommended for the SS WWTP, Council will need to consider future use of this property and determine if it is retained (for different purpose and funded through alternative LTP funds), swapped or sold for highest and best use (and funding used to purchase the preferred site).</p> <p>Conclude the MPFA negotiations with to secure appropriate funding contributions from Waikato and Waipa DC.</p>
Inadequate mana whenua/iwi engagement prior to purchase	Purchasing the site ahead of completing the site feasibility and due diligence assessment and in advance of input from mana whenua/iwi poses a risk that the site holds significant cultural values and is inappropriate for a Wastewater Treatment Plant.	<p>Discussions underway with Tangata Whenua regarding proposed Governance Framework and representation by Iwi/ mana whenua for this project.</p> <p>Once established, mana whenua will be invited to share their thoughts on the shortlisted sites.</p>
Location – Nukuhau Stream Catchment.	<p>The property is located in the Nukuhau Stream Catchment.</p> <p>The Nukuhau Stream flows past the Nukuhau Pa site before joining the Waikato River. Locating wastewater activities upstream of a known pa site may be unacceptable to mana whenua and iwi. This may deem the site unsuitable for the SS WWTP.</p> <p>Location in this catchment provides the potential for active watercourse restoration and for a wastewater discharge location if deemed suitable</p>	<p>Early engagement with mana whenua and iwi is critical to the success of the SS WWTP project.</p> <p>A detailed cultural values assessment will be necessary to develop the site.</p>

Risk	Description	Mitigation
	for a WWTP.	
Future use of Faiping Road (paper road)	Waikato Regional Airport Limited's private plan change shows utilization of future Faiping Road (paper road bisecting the property) for Public Transport and Walking/Cycling connectivity into Peacocke.	Consideration of impact on future Wastewater Treatment Plant site master planning required. Negotiations/discussions with Waipa DC would be appropriate to potentially alter the alignment of the paper road to meet the transport needs and minimize impact of the proposed property.
Fair value	Council paying more than fair market value for the property.	To mitigate this risk an independent valuer was appointed by both parties. The valuation has been completed based on a market valuation, not Public Work. The property owner has accepted the price and wants to continue with purchase. Council advisors consider that the valuation is fair. To secure the property for the current value requires an advance property purchase agreement to conclude the process
Existing Lease	The existing lease currently expires in April 2024 but includes a right of renewal until April 2029. The tenant may seek to renew this lease for further 5 years, meaning Council cannot access land for WWTP before this time.	This risk is considered unacceptable by Council staff and staff have requested a special condition to the property sale and purchase agreement requiring that the lease is terminated on or before 30 April 2024 with vacant possession 31 May 2024 The property owner has committed to varying the lease to remove this clause with the tenant. Proposed settlement is 30 working days following unconditional agreement (early September 2022) and so we will be advised if terminating the right of renewal on the existing lease will be an issue by that time.
Joint Ownership of property with Council Partners	Waipā and Waikato District Councils have advised they need joint (proportional) ownership in the land acquired for the SS WWTP in order to contribute to pre-implementation works.	Shared ownership matters will need to be addressed through negotiation of the MPFA. Negotiating the MPFA will take time and will not be resolved in time to take up this opportunity. HCC has funding available to purchase the land if it decides to. As noted above, there is a risk that the property is not identified as the preferred site through the due diligence investigations.
Location - proximity to protests and land occupations.	The site is located in close proximity to Peacockes development. Council owned property has been subject to occupations by several groups. A focus of	If approved for purchase, consider nominating a party on behalf of HCC to hold the land discretely until a decision on potential use of the property is made.  Early engagement with mana whenua and iwi

Risk	Description	Mitigation
	<p>some of these groups has been around impacts to Nukuhau Pa. This site is located within the Nukuhau Stream catchment upstream of the Pa site and may attract protests and occupation.</p>	<p>is critical to the success of the SS WWTP project.</p> <p>Ensuring that the property is properly tenanted and used at all times will be an important mitigation.</p> <p>Accept the uncertainty but recognize that the property could be used for other purposes or sold.</p>
<p>Additional adjacent property 139 Raynes Road</p>	<p>2 - 3ha property adjacent to Sharpe farm owned by family member/ Sharpe Farm leasee/tenant. The owners have indicated to WRAL they would consider selling this property to WRAL / Waipā District Council in the next 2 years and not renew their lease on the farm.</p> <p>HCC could also be approached for directly to purchase.</p>	<p>Investigate the value of the land and consider purchase of the property.</p> <p>Not immediately necessary but may have other broader benefits, including improved access to the site, minimizing reverse sensitivity impacts. This property completes access to Nukuhau Stream if connectivity to Raynes Rd is desirable.</p>
<p>Location – surrounding land use</p>	<p>Surrounding land use large lot residential Southern Links, Waikato Regional Airport.</p>	<p>These surrounding land-uses are not unique to this property, common across other shortlisted sites.</p>
<p>Unmodified greenfield site</p>	<p>34ha of relative unmodified greenfield land in an area of potential cultural significance.</p>	<p>This provides a potential risk to future uses of the land, but also an opportunity to carefully investigate and document any artefacts located on the site to inform the broader cultural landscape.</p>
<p>Future land maintenance</p>	<p>The proposed purchase agreement is based on vacant possession from April 2024. The property will need to be maintained until SS WWTP construction. There is potentially a cost associated with maintenance.</p>	<p>Seek to enter into grazing lease (appropriate duration of lease to be determined). This could either be at market value. However, if Council is unable to secure a tenant on a commercial lease basis, Council may choose to enter into a peppercorn lease to avoid maintenance costs. If this cannot be achieved Council may need to carry out general mowing and maintenance of the property.</p>

## **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

### **Significance**

71. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a medium level of significance.

### **Engagement**

72. No mana whenua, iwi or community engagement has been undertaken regarding the purchase of this property. However, partnership with mana whenua and iwi is critical to the success of the SS WWTP project and will be embedded into the delivery of the project.
73. Community consultation will be required to support designation and consenting processes if the property is considered suitable for siting the SS WWTP and associated activities.
74. Given the medium level of significance determined, the engagement level is medium. No engagement is required.

## **Attachments - *Ngaa taapirihanga***

Attachment 1 - 131 Raynes Road Property Report dated May 2022

Attachment 2 - 131 Raynes Road QV Property Valuation Executive Summary dated 7 June 202

Attachment 3 - Sale Purchase of Real Estate - Sharpe .

# Council Report

**Committee:** Strategic Growth Committee

**Date:** 07 September 2022

**Author:** Jackie Colliar

**Authoriser:** Blair Bowcott

**Position:** Strategic Manager -  
Infrastructure City  
Development

**Position:** General Manager Growth

**Report Name:** Southern Wastewater Treatment Plant Land Acquisition

## Report Status

*This report is taken as a publicly excluded item to enable Council to carry out negotiations; AND to prevent the disclosure or use of official information for improper gain or improper advantage.*

## Purpose - Take

1. To inform the Strategic Growth Committee of progress on purchasing land at 131 Raynes Road for the Southern Sub-Regional Wastewater Treatment Plant (SS WWTP), and to present for discussion a subsequent live opportunity for strategic purchase of the adjacent 1.4ha property at 139 Raynes Road.
2. To seek approval from the Strategic Growth Committee to complete property purchase negotiations with the owners of 139 Raynes Road.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Strategic Growth Committee:
  - a) receives the report;
  - b) approves the purchase of 139 Raynes Road (CT 498811) subject to the property purchase agreement (and special conditions) outlined in Attachment 2 of the staff report;
  - c) delegates authority to the Chief Executive to negotiate and sign all documentation for the purchase of 139 Raynes Road for an agreed value of no more than \$2,000,000 (excluding GST), with a deferred settlement of 1 August 2023 and vacant possession of the property on 31 May 2024;
  - d) notes that a decision will be sought from Council in early 2023 to utilise the adjacent property (131 Raynes Road) for the Southern Sub-Regional wastewater treatment plant and discharge activities once the due diligence has been completed and it has been confirmed the adjacent site is appropriate;
  - e) notes that a decision will be sought from Council on the future use of the property if the due diligence and designation activities determine that the adjacent property is unsuitable for a Southern Sub-Regional wastewater treatment plant and discharge activities; and
  - f) notes that the decision and information in relation to this matter remain publicly excluded for the reasons outlined in the report.

## Executive Summary - *Whakaraapopototanga matua*

4. The preferred servicing solution in the Southern Metro WW DBC involves a Southern Sub-Regional Wastewater treatment plant (SS WWTP) south of Hamilton to meet the immediate needs of surrounding areas and medium to long-term needs of Hamilton.
5. In the public excluded part of the 26 July 2022 meeting, the Committee approved the purchase of the 34ha property at 131 Raynes Road ("the Farm") (subject to conditions). The property purchase conditions have been fulfilled and the property agreement is now unconditional. The property purchase will settle on **26 September 2022**.
6. Since Council's approval to purchase the Farm, the owners of the adjacent property 139 Raynes Road have approached Council to discuss the prospect of strategically purchasing their property also. The 139 Raynes Road property is approx. 1.4ha, includes a residential dwelling (the original homestead of the Farm) and several utility sheds. The 139 Raynes Road property owners currently lease the Farm.
7. Council staff have undertaken desktop due diligence and a site visit of 139 Raynes Road. Additional due diligence activities are underway, together with the preparation of an independent valuation.
8. Council staff recommend purchasing 139 Raynes Road property. The key reasons for recommending the purchase are:
  - i. The property location being adjacent to the recently acquired Farm at 131 Raynes Road.
  - ii. The property provides continuous access to the Nukuhau Stream between the adjacent property and Raynes Road.
  - iii. Purchasing the property would remove the greatest potential for reverse sensitivity for future land uses on the Farm. Other sensitive receivers at the southern end of 131 Raynes are on the opposite side of the stream and have greater separation from potential reverse sensitivity effects.
  - iv. In conjunction with the Farm, the contiguous land ownership that the purchase would offer provides opportunities for broader community outcomes such as an alternative walking/cycling route around the site and along the stream, cultural, recreational, amenity and environmental enhancement opportunities.
  - v. There is no impediment at law to Council acquiring the piece of land that has come up for sale in fee simple for an unspecified purpose. Council could resolve to utilise the land in conjunction with the 34ha property for the purposes of a new wastewater treatment plant, once its due diligence has been completed and it has been confirmed as the appropriate site.
  - vi. Acquiring the land on a willing buyer/willing seller basis means that the property purchase is not pursuant to the Public Works Act, so the provisions of section 40 relating to offer back, as well as the other compensatory provisions would not apply.
  - vii. Early purchase demonstrates commitment to delivering the SS WWTP.
9. There are several potential future uses for the dwelling including a short/medium term rental property which may make a lease of the Farm more attractive; construction site offices; a building for alternative site uses. However, the dwelling is yet to be assessed for compliance with the Healthy Homes Regulations and may require some investment if it is to be rented.



10. The 26 July 2022 report identified a number of risks and uncertainties associated with the early purchase of the Farm which are applicable to the purchase of 139 Raynes Road. The key risks include:
  - i. The adjacent 34ha site may not being suitable for wastewater management purposes.
  - ii. Purchasing additional land for potential wastewater management purposes before engaging with mana whenua and iwi could be seen to contravene the spirit of partnership. There may be significant cultural issues associated with the adjacent site that are not yet understood.
  - iii. This property is located upstream of the Nukuhau Pa site. This may bring attention to the land holding, including from the protestors currently occupying land in the Peacocke development area.
  - iv. Use of Faiping Road for a walking and cycling route from the airport precinct through to the city is currently under consideration. While this could support broader transport outcomes for the community, discussions with Waipa DC and WRAL (Airport company) are required to ensure that the transport corridor does not reduce the usability of the site for the intended purposes.
11. A determination on the suitability of both 131 and 139 Raynes Road for wastewater activities will be made through completion of the due diligence investigations and designation processes. If not considered suitable for wastewater activities, a decision on whether to use this and the adjacent land for an alternative municipal purpose or dispose of the land will be brought back to Council.
12. HCC has \$9.6M (inflated) in years 1 to 3 of the Long-Term Plan to fund a portion of the pre-implementation phase of the SS WWTP (i.e., land purchase and designation/consenting processes). Sufficient funds are available in FY 2023/2024 to purchase this property with the recommended deferred settlement date of 1 August 2023.
13. Proportional funding contributions from Waipā and Waikato District Councils for the pre-implementation phase still need to be agreed. An update on the discussions with Waipa and Waikato DC on the Multi Party Funding Agreement is included in the open part of this meeting.
14. As funds earmarked for the SS WWTP are proposed to be utilised for the property purchase, if after the due diligence is completed, the adjacent site was not appropriate for that purpose, Council would need to either swap the land for an alternative suitable site; sell the property and return the money utilised from the wastewater fund, or alternatively, should Council wish to utilise this and/or the adjacent land for a different purpose, provide internal funding to reimburse the wastewater fund so that it is not disadvantaged as a result of having made the interim acquisition of the two properties.
15. Staff consider the matters in this report are of medium significance and that the recommendations comply with the Council's legal requirements.
16. This item is in the public excluded part of the meeting because it contains sensitive strategic information and advice regarding potential land acquisition for municipal purposes which is not yet in the public arena and may pose a risk to stakeholder engagement.
17. Staff consider the decisions in this report have low significance and that the recommendations comply with Council's legal requirements.

### **Background - *Koorero whaimaarama***

18. The Southern Metro WW DBC and associated MoU have been approved by HCC, Waipa DC, Waikato DC and Waikato-Tainui.

19. The preferred servicing solution in the Southern Metro WW DBC involves a Southern Sub-Regional Wastewater treatment plant (SS WWTP) south of Hamilton to meet the immediate needs of surrounding areas and medium to long-term needs of Hamilton.
20. This report follows on from reports and verbal updates to the Committee in the public excluded parts of the 31 March 2022, 19 May 2022 and 26 July 2022 meetings.
21. At the 26 July 2022 meeting, the Committee approved the purchase of 131 Raynes Road ("the Farm") (subject to conditions). The approved recommendations from the 26 July 2022 meeting are below:
  3. That the Strategic Growth Committee:
    - a) *receives the report;*
    - b) *approves the purchase of 131 Raynes Road (SA72C/450) subject to the property purchase agreement (and special conditions) outlined in **Attachment 3** of the staff report;*
    - c) *approves the bringing forward of \$5,650,000 funding from year 2023/2024 of Council's Long Term Plan to year 2022/2023 for the purchase of the property;*
    - d) *delegates authority to the Chief Executive to sign all documentation for the purchase of the property for an agreed value of \$5,650,000 (excluding gst), subject to the property agreement conditions terminating the existing lease on or before April 2024, with vacant possession of the property on 31 May 2024;*
    - e) *notes that a decision will be sought from Council in early 2023 to utilise the land for the Southern Sub-Regional wastewater treatment plant and discharge activities once the due diligence has been completed and it has been confirmed as the appropriate site;*
    - f) *notes that a decision will be sought from Council on the future use of the property if the due diligence and designation activities determine that the site is unsuitable Southern Sub-Regional wastewater treatment plant and discharge activities; and*
    - g) *notes that the decision and information in relation to this matter remain publicly excluded for the reasons outlined in the report.*
22. The 26 July 2022 report outlined the opportunity to purchase 139 Raynes Road, some of the potential benefits of purchasing the property and noted that any recommendations to purchase the property would be brought back for Council decision.

## **Discussion – Matapaki**

### **131 Raynes Road, Rukuhia**

23. The conditions of the sale and purchase agreement for 131 Raynes Road have been satisfied and the purchase is now unconditional. The property purchase will settle on **26 September 2022**.

### **139 Raynes Road, Rukuhia Property Details**

24. The property is located at 139 Raynes Road, Rukuhia and is shown in Figure 1 and 2 below. A report on the property is included as **Attachment 1**.
25. The 1.4ha property was subdivided from the original Sharpe Farm approximately 12 years ago and retains the original homestead, curtilage and several utility buildings, together with direct access to the Nukuhau Stream along the south/eastern boundary. The majority of the south/eastern parts of the property are low lying with minimal productive uses or development potential. These areas of the property are currently grazed by sheep and present opportunities for environmental restoration.
26. Faiping Road (paper road) is on the western boundary, and the driveway to the site intersects with Faiping/Raynes Road.

Figure 1: Property location

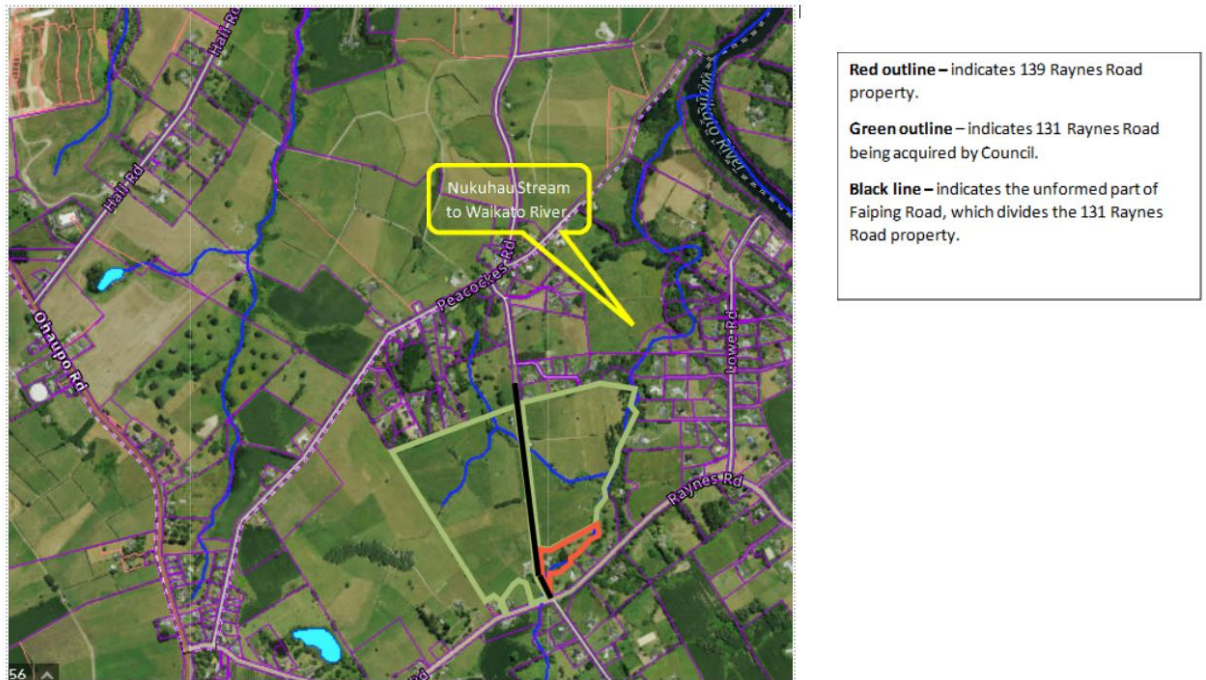


Figure 2: Property location – shown in red



27. While full due diligence investigations have not been completed at the time of writing the report, staff have completed desktop due diligence on the property, including commissioning a desktop property report and undertaking a site visit. A LIM report, HAIL report and a valuation

from an independent valuer jointly selected by Council and the property owners are underway and are proposed as special conditions to be satisfied prior to the approval of the Sale and Purchase Agreement (Attachment 2).

28. The expected valuation for the property is expected to be no more than \$2m (excluding GST) and potentially more likely in the range of \$1.3 - \$1.5m as noted in the property report in Attachment 1.

## Financial Considerations - *Whaiwhakaaro Puutea*

29. Implementing the Southern Metro WW DBC recommendations is likely to have significant financial implications for the 2021–31 LTP. HCC has included a funding provision of \$9.6M (inflated) to secure a site and consents for the SS WWTP in years 1 – 3 of the 2021 – 31 LTP as shown in Table 1 below. Table 1 also shows the funding adjustments made for the purchase of 131 Raynes Road.

**Table 1: 2021-2031 LTP Funding for Sub-Regional Wastewater Treatment Plant**

Year	2021/2022	2022/2023	2023/2024
Original LTP Funding Value	\$200,000	\$762,800	\$8,656,913
Adjusted for 131 Raynes Road Purchase (i.e., moving \$5.65m forward from 2023/24 to 2022/23)	\$200,000	\$6,412,800	\$3,006,913

30. With the funding adjustment, \$3,006,913 remains in year 2023/24 to fund property purchase and continue the due diligence and planning investigations. If Council proceeds with the purchase of 139 Raynes Road property, staff have recommended a deferred settlement date of 1 August 2023.
31. As funds earmarked for the SS WWTP are proposed to be utilised for the property purchase, if after the due diligence is completed, the adjacent site was not appropriate for that purpose, Council would need to either, swap the land for alternative suitable site; sell the land and return the money utilised from the wastewater fund.
32. Alternatively, should Council wish to utilise land for a different purpose, provide internal funding to reimburse the wastewater fund so that it is not disadvantaged as a result of having made the interim acquisition.

## Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

33. Tompkins Wake (Peter Duncan) has previously advised that there is no impediment at law to Council acquiring the adjacent property in fee simple for an unspecified purpose. Council could resolve at some point in the future to utilise this and the adjacent land for the purposes of a new wastewater treatment plant once its due diligence has been completed and it has been confirmed as the appropriate site.
34. Acquiring the land on a willing buyer/willing seller basis means that the property purchase is not pursuant to the Public Works Act, so the provisions of section 40 relating to offer back, as well as the other compensatory provisions would not apply.

35. Staff confirm that the recommendations comply with the Council's legal and policy requirements.
36. Staff have considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matter(s) in this report.

### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

37. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
38. The preferred servicing solution in the Southern Metro WW DBC includes delivery of the SS WWTP to meet the needs of the airport and environs and Hamilton.
39. The Southern Metro Area WW DBC adopts the Treasury Better Business Case Programme Business Case model. The 4 well-beings are core considerations in delivering the business case in addition to Te Ture Whaimana o te Awa Waikato – The Vision and Strategy for the Waikato River and relevant Iwi Management Plans.
40. The DBC has been developed to meet the requirements of the NZ Treasury Better Business Case Model and deliver "Best for River" outcomes.
41. The vision adopted for the DBC is as stated in Te Ture Whaimana

***Tooku awa koiora me oona pikonga he kura tangihia o te maataamuri***

***"The river of life, each curve more beautiful than the last"***

*...a future where a healthy Waikato River sustains abundant life and prosperous communities who, in turn, are all responsible for restoring and protecting the health and wellbeing of the Waikato River, and all it embraces, for generations to come.*

42. The objectives of the Metro WW DBC project are:
  - a) before 2050 municipal wastewater discharges are no longer impacting on the ability of people to swim and collect Kai from the river and connected waterways thereby contributing to the restoration and protection of the health and wellbeing of the river.
  - b) the quality and extent of aquatic and terrestrial habitat and biodiversity in and around water bodies is enhanced through the reduction of wastewater treatment and discharge impacts before 2050.
  - c) wastewater treatment solutions contribute to restoring and enhancing cultural connectivity with the river so that before 2050 Marae, Hapu and Iwi access to the river and other sites of significance for cultural and customary practice within the metro spatial area are no longer impeded by wastewater treatment solutions.
  - d) maximise efficient use of resources and resource recovery to contribute to net zero greenhouse gas related emissions from wastewater treatment systems before 2050.
  - e) the wastewater solution provides sufficient capacity to ensure sustainable growth in the metro spatial area in accordance with growth projections assumptions for the next 100 years.
43. The Metro WW DBC project has demonstrated the need for an additional sub-regional WWTP to meet the current and future needs of Hamilton, the broader Metro area and to restore and protect the Waikato River.
44. Provision of sustainable wastewater services is a fundamental requirement to ensure public health, environmental well-being and provide for growth and social and economic prosperity and meeting our obligations to restore and protect the Waikato River.



## Social

45. High quality water services, including wastewater treatment are fundamental to supporting vibrant and healthy communities.
46. In conjunction with the adjacent property, this property extends the existing opportunities to enhance social outcomes. These include the potential to improve cycling and walking opportunities by relocating facilities along the Nukuhau Stream through to Raynes Road (and away from Faiping Road), and potentially providing improved access to and connectivity between the Peacocke Growth cell, the Waikato River and the Airport precinct.

## Economic

47. The Waikato region has seen tremendous growth and development in commercial, industrial, and residential areas, placing pressure on existing wastewater services and creating further demand for wastewater treatment and management services.
48. The SS WWTP will ensure adequate capacity is available to support existing communities and enable growth and further development, including non-residential development that will support employment. **Environmental**
49. Provision of high-quality wastewater services contributes to positive environmental outcomes.
50. The proposed SS WWTP, whilst introducing a new site for wastewater discharge will deliver very high-quality treated wastewater. When considered in the context of wastewater activities in the Metro Area, there will be an overall reduction in total contaminant load to the environment.
51. In conjunction with the adjacent property, this site has the potential to provide additional wetland and habitat restoration opportunities alongside more of the Nukuhau Stream through to Raynes Road, that could provide cultural and ecological benefits.
52. The adjacent property includes parts of a Significant Natural Area and the Nukuhau Stream traverses the boundary. A number of ephemeral tributaries to the Nukuhau Stream are located on the property. These natural features provide the potential for active watercourse restoration and environmental improvements. Opportunities to enhance existing and proposed ecological corridors between the Peacockes growth cell, Southern Links and the Waikato River also exist and could help HCC meet its Southern Links designation conditions.

## Cultural

53. The preferred servicing solution for the Southern Metro area has been identified in partnership with Waikato-Tainui and representatives from Raukawa, Ngaati Koroki Kahukura, Ngaati Hauaa, Ngaati Maahanga, Ngaati Tamainupo, Ngaati Wairere. However, no active engagement or discussions on the purchase of this property or the adjacent property have occurred.
54. Due diligence investigations on the suitability of the adjacent site for wastewater management purposes is still to be completed. Partnership with mana whenua and iwi is critical to these investigations and successful delivery of the SS WWTP. Appropriate governance and project delivery arrangements will be established to complete the planning processes for the SS WWTP. The due diligence investigations may determine that the adjacent site is not suitable for the SS WWTP.
55. Whilst the land has been historically farmed and is now a rural lifestyle block with a handful of sheep, some wetland features have been fenced off. Given its proximity to Nukuhau Paa site, purchasing the property provides an opportunity to carefully investigate and document any artefacts located on this and the adjacent property to inform the broader cultural landscape narrative.



## Risks - *Tuuraru*

56. Key risks and mitigations measures associated with the recommendation to purchase the 139 Raynes Road at this time are described in the following table:

Risk	Description	Mitigation
The adjacent site not being suitable for wastewater management purposes.	If following further investigations, it is deemed unsuitable for a wastewater treatment plant, Council would need to secure an alternative site, and secure further funding, which may not be in the LTP.	<p>The appropriateness of the adjacent site will be determined through the due diligence assessments.</p> <p>If the adjacent site is not recommended for the SS WWTP, Council will need to consider future use of this property as well, and determine if it is retained (for different purpose and funded through alternative LTP funds), swapped or sold for highest and best use (and funding used to purchase the preferred site).</p> <p>Conclude the MPFA negotiations with to secure appropriate funding contributions from Waikato and Waipa DC.</p>
Inadequate mana whenua/iwi engagement prior to purchase	Purchasing the site ahead of completing the adjacent site feasibility and due diligence assessment and in advance of input from mana whenua/iwi poses a risk that the site holds significant cultural values and is inappropriate for a Wastewater Treatment Plant.	<p>Discussions underway with Tangata Whenua regarding proposed Governance Framework and representation by Iwi/ mana whenua for this project.</p> <p>Once established, mana whenua will be invited to share their thoughts on the shortlisted sites.</p>
Location – Nukuhau Stream Catchment.	<p>The property is located in the Nukuhau Stream Catchment.</p> <p>The Nukuhau Stream flows past the Nukuhau Paa site before joining the Waikato River. Locating wastewater activities upstream of a known Paa site may be unacceptable to mana whenua and iwi. This may deem the site unsuitable for the SS WWTP.</p> <p>Location in this catchment provides the potential for active watercourse restoration and for a wastewater discharge location if deemed suitable for a WWTP.</p>	<p>Early engagement with mana whenua and iwi is critical to the success of the SS WWTP project.</p> <p>A detailed cultural values assessment (CVA) will be necessary to develop this and the adjacent site.</p>
Future use of Faiping Road (paper road)	Waikato Regional Airport Limited's private plan change shows utilization of future Faiping Road (paper road bisecting the property) for Public Transport and Walking/Cycling connectivity into Peacocke.	<p>Consideration of impact on future Wastewater Treatment Plant site master planning required.</p> <p>Negotiations/discussions with Waipa DC would be appropriate to</p>

Risk	Description	Mitigation
		potentially alter the alignment of the paper road to meet the transport needs and minimize impact of the proposed property.
Fair value	Council paying more than fair market value for the property.	<p>To mitigate this risk an independent valuer will be appointed by both parties. The valuation will be completed based on a market valuation, not Public Work.</p> <p>To secure the property for the current value requires an advance property purchase agreement to conclude the process.</p>
Location - proximity to protests and land occupations.	The site is located in close proximity to Peacockes development. Council owned property has been subject to occupations by several groups. A focus of some of these groups has been around impacts to Nukuhau Paa. This site is located within the Nukuhau Stream catchment upstream of the Pa site and may attract protests and occupation.	<p>Early engagement with mana whenua and iwi is critical to the success of the SS WWTP project.</p> <p>Ensuring that the property is properly tenanted and used at all times will be an important mitigation. The presence of a dwelling on this site may make the adjacent site lease more attractive (subject to the dwelling meeting current tenancy standards).</p> <p>Accept the uncertainty but recognize that this and the adjacent property could be used for other purposes or sold.</p>
Location – surrounding land use	Surrounding land use large lot residential Southern Links, Waikato Regional Airport.	This dwelling is the closest to 131 Raynes Road, purchase removes a potential for reverse sensitivity effects and provide additional buffer to dwellings south of Nukuhau Stream.
Unmodified greenfield site	Area beyond the dwelling and curtilage is relatively unmodified greenfield land in an area of potential cultural significance.	This provides a potential risk to future uses of the land, but also an opportunity to carefully investigate and document any artefacts located on this and the adjacent site to inform the broader cultural landscape.
Interim use of property until strategic use determined	The dwelling on the property is c. 1920's and unlikely to meet current Healthy Homes Regulations, which come into effect on 1 July 2024. Settlement date is proposed for 1 August 2023, with vacant possession by 31 May 2024. There are a number of old/derelict farm buildings that are likely to need to be removed.	Property owners liable for maintenance until settlement date. Council seeking legal advice regarding extent of compliance and timing of improvement works (if any) to keep the house habitable and rented until ready for Council purposes.

Risk	Description	Mitigation
	The property could be used as a rental for the grazing lease, or rented separate to the adjacent farm. The building may be used for a construction site office or other purpose depending on the future use of the adjacent property.	Conditions will enable interim access to site for specialist assessments (building condition assessment, healthy homes assessment).

## **Significance & Engagement Policy - *Kaupapa here whakahira/anganui***

### **Significance**

57. Having considered the Significance and Engagement Policy, staff have assessed that the matter(s) in this report have a medium level of significance.

### **Engagement**

58. No mana whenua, iwi or community engagement has been undertaken regarding the purchase of this or the adjacent property. However, partnership with mana whenua and iwi is critical to the success of the SS WWTP project and will be embedded into the delivery of the project.
59. Community consultation will be required to support designation and consenting processes if the property is considered suitable for siting the SS WWTP and associated activities.
60. Given the medium level of significance determined, the engagement level is medium. NO engagement is required.

## **Attachments - *Ngaa taapirihanga***

Attachment 1 - 139 Raynes Road, Rukuhia - Property Report

Attachment 2 - 139 Raynes Rd, Draft Sale and Purchase Agreement .

---

## **Strategic Growth Committee**

### ***Komiti Rautaki Whakatupu***

### **PUBLIC EXCLUDED MINUTES**

---

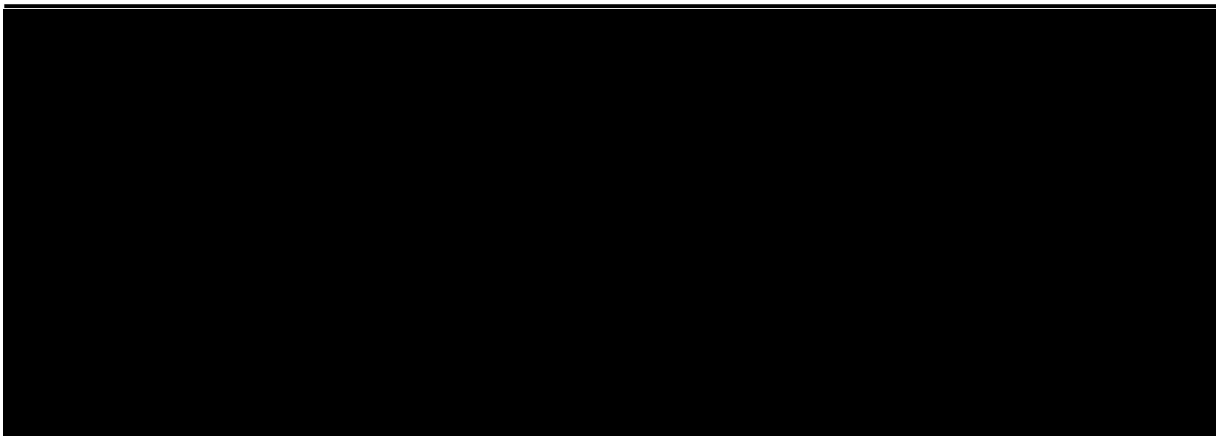
**Minutes of a meeting of the Strategic Growth Committee held in the Council Chamber, Municipal Building, Garden Place, Hamilton and via Audio Visual link on Wednesday 7 September 2022 at 12.46pm.**

**PRESENT**

<b>Chairperson</b>	Cr D Macpherson
<i>Heamana</i>	
<b>Deputy Chairperson</b>	Cr R Hamilton
<i>Heamana Tuarua</i>	
<b>Members</b>	Cr M Gallagher
	Cr K Naidoo-Rauf
	Cr A O'Leary
	Cr R Pascoe
	Cr S Thomson
	Cr M van Oosten
	Cr E Wilson
	Cr M Donovan

<b>In Attendance</b>	Blair Bowcott – General Manager Growth
	Chris Allen – General Manager Development
	Jackie Colliar – Strategic Manager Infrastructure
	Lehi Duncan - Programme Manager – Ruakura
	Trevor Harris - Senior Property Advisor

<b>Governance Team</b>	Amy Viggers – Governance Lead
	Tyler Gaukrodger – Governance Advisor
	Chantal Jansen – Governance Officer



### **C3. Southern Wastewater Treatment Plant Land Acquisition**

The Strategic Manager Infrastructure and the Senior Property Advisor spoke to the report, noting the purchase opportunities and risks, the current land owner and land value. They responded to questions from Members concerning future land purchase opportunities, and the current designation of the paper road.

**Resolved:** (Cr Macpherson/Cr Pascoe)

That the Strategic Growth Committee:

- a) receives the report;
- b) approves the purchase of 139 Raynes Road (CT 498811) subject to the property purchase agreement (and special conditions) outlined in Attachment 2 of the staff report;
- c) delegates authority to the Chief Executive to negotiate and sign all documentation for the purchase of 139 Raynes Road for an agreed value of no more than \$2,000,000 (excluding GST), with a deferred settlement of 1 August 2023 and vacant possession of the property on 31 May 2024;
- d) notes that a decision will be sought from Council in early 2023 to utilise the adjacent property (131 Raynes Road) for the Southern Sub-Regional wastewater treatment plant and discharge activities once the due diligence has been completed and it has been confirmed the adjacent site is appropriate;
- e) notes that a decision will be sought from Council on the future use of the property if the due diligence and designation activities determine that the adjacent property is unsuitable for a Southern Sub-Regional wastewater treatment plant and discharge activities; and
- f) notes that the decision and information in relation to this matter remain publicly excluded

for the reasons outlined in the report.

**The meeting was declared closed at 12.59pm.**





# Rating Information Database

Waipā District Council RID

Wednesday 8 October 2025

This online rating information database contains publicly available rating information for properties in the Waipā District Council district only. Please note that the Waipā District Council rates only those properties that are in our database by 1 July. If the property that you are looking for is relatively new (ie added since 1 July) then you will not find it when searching here, as it is not rated until the rates are determined on the coming 1 July. For specific details, please contact the Rates Department on 0800 924 723.

## Property Information

Situation Address	Property ID	Valuation No	Legal Description	Rateable Area (ha)	Improvements
Raynes Road RD 2 Hamilton 3282	10123	04581/097.00	LOTS 5-6 DPS 91837 BLK VI HAMILTON SD	34.197000	FG OBS OI

## District Plan Zone

RURAL ZONE

## Ward

Pirongia-Kakepuku General Ward

## Valuation Data

Land Value (\$)	Capital Value (\$)	Note
5500000	5640000	Valuation as at 1 August 2022

## Water Meter Information

Meter	Note
No Water Meter on Property	N/A

## Current Year Rating Data

### Annual Rates 2025/2026

\$8435.33

Description	Unit Rate	Value of Factor	Rates Set
General Rate	0.001217	5640000	\$6863.88
Rural District Stormwater	0.000089	5640000	\$501.96
Targeted Rate Pirongia Area (Ward pre 2122)	175.94	1	\$175.94
Uniform Annual General Charge	893.55	1	\$893.55

### Glossary:

**UAGC:** Stands for a Uniform Annual General Charge. This is a fixed charge applied to each separately used or inhabited part of a rating unit; for example a block of flats, an additional dwelling or unit, separate businesses located within one rating unit. A UAGC is applied to ensure every ratepayer pays a minimum contribution for council services.

**Targeted Ward Rate:** Targeted ward rates are charged to property owners on a uniform per-rating unit basis in each ward in the district.

**Capital Value General Rate:** Capital Value rates are based on the capital value of your rating unit (meaning those with higher-value rating units pay more than people with lower-value rating units).

## WRC Rating Information

### Note:

By law, all people who pay rates to their own local council must also pay rates to their regional council. This has been the case since 1989. These rates are invoiced annually around September by Waikato Regional Council. Please use the Find Out Your Rates web page - <http://www.waikatoregion.govt.nz/Council/Rates/Find-out-your-rates/> to find out what the rates will be for the financial year (1 July to 30 June). For further information regarding the Waikato Regional Council rates, please email [rates@waikatoregion.govt.nz](mailto:rates@waikatoregion.govt.nz) or phone 0800 800 401.



# Rating Information Database

Waipā District Council RID

Tuesday 7 October 2025

This online rating information database contains publicly available rating information for properties in the Waipā District Council district only. Please note that the Waipā District Council rates only those properties that are in our database by 1 July. If the property that you are looking for is relatively new (ie added since 1 July) then you will not find it when searching here, as it is not rated until the rates are determined on the coming 1 July. For specific details, please contact the Rates Department on 0800 924 723.

## Property Information

Situation Address	Property ID	Valuation No	Legal Description	Rateable Area (ha)	Improvements
139 Raynes Road RD 2 Hamilton 3282	63389	04581/099.02	LOT 2 DP 425050	1.421700	

## District Plan Zone

RURAL ZONE

## Ward

Pirongia-Kakepuku General Ward

## Valuation Data

Land Value (\$)	Capital Value (\$)	Note
1040000	1040000	Valuation as at 1 August 2022

## Water Meter Information

Meter	Note
No Water Meter on Property	N/A

## Current Year Rating Data

### Annual Rates 2025/2026

\$3083.03

Description	Unit Rate	Value of Factor	Rates Set
General Rate	0.001217	1375000	\$1673.38
Recycling Charge	191.68	1	\$191.68
Rukuhia Hall	26.10	1	\$26.10
Rural District Stormwater	0.000089	1375000	\$122.38
Targeted Rate Pirongia Area (Ward pre 2122)	175.94	1	\$175.94
Uniform Annual General Charge	893.55	1	\$893.55

### Glossary:

**UAGC:** Stands for a Uniform Annual General Charge. This is a fixed charge applied to each separately used or inhabited part of a rating unit; for example a block of flats, an additional dwelling or unit, separate businesses located within one rating unit. A UAGC is applied to ensure every ratepayer pays a minimum contribution for council services.

**Targeted Ward Rate:** Targeted ward rates are charged to property owners on a uniform per-rating unit basis in each ward in the district.

**Capital Value General Rate:** Capital Value rates are based on the capital value of your rating unit (meaning those with higher-value rating units pay more than people with lower-value rating units).

## WRC Rating Information

### Note:

By law, all people who pay rates to their own local council must also pay rates to their regional council. This has been the case since 1989. These rates are invoiced annually around September by Waikato Regional Council. Please use the Find Out Your Rates web page - <http://www.waikatoregion.govt.nz/Council/Rates/Find-out-your-rates/> to find out what the rates will be for the financial year (1 July to 30 June). For further information regarding the Waikato Regional Council rates, please email [rates@waikatoregion.govt.nz](mailto:rates@waikatoregion.govt.nz) or phone 0800 800 401.