

Before an Independent Hearings Panel  
Appointed by Mackenzie District Council

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*under:* the Resource Management Acct 1991

*In the matter of:* Proposed Plan Change 28 to the Mackenzie District Plan

*and:* **Church Property Trustees**  
(Submitter 43)

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Statement of Evidence of Gavin Holley

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Dated: 16 May 2025

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## STATEMENT OF EVIDENCE OF GAVIN HOLLEY

### INTRODUCTION

- 1 My name is Gavin Holley. I am the General Manager for Church Property Trustees (CPT), a role which I have held for over 13 years. My key responsibilities include oversight of:
  - 1.1 administration of funds held on trust for parishes and the Anglican Diocese of Christchurch (*Diocese*);
  - 1.2 administration of some 240 buildings and structures held on trust for parishes and the Diocese;
  - 1.3 the tail end of works following the Christchurch earthquakes;
  - 1.4 an earthquake prone buildings programme; and
  - 1.5 all matters required to be reported at a governance level to the Board, including risk, compliance, external financial reporting, and health and safety.
- 2 My evidence will provide an overview of how the Diocese operates, the trust obligations of CPT, information on CPT's attempts to reach an agreeable solution with Mackenzie District Council (*MDC*), and CPT's view of the improper extent of the proposed heritage overlay (*Heritage Overlay*) and its impact on CPT, the Mackenzie Cooperating Parish (*Parish*) and the future of the Church of the Good Shepherd (*Church*).

### SUMMARY OF EVIDENCE

- 3 CPT is a separate legal entity established to manage the assets of the Diocese of Christchurch. As a statutory body corporate, CPT is legally responsible for holding and administering Diocesan property, including approximately 105 churches, 100 halls, and 60 residential properties. A significant portion of our portfolio consists of heritage-listed buildings, many of which have been strengthened and improved, especially after the Christchurch earthquakes.
- 4 In principle, CPT is not opposed to the use of a heritage overlay in the Mackenzie District Plan as a means to protect the setting Heritage Overlay around the Church and the Statue of the Sheepdog. However, the evidence of **Mr Pearson** concludes that there is little justification for extending the overlay to the landward side of Pioneer Drive, known as 'Area A'. The inclusion of Area A within the proposed overlay therefore poses significant concerns for CPT.
- 5 CPT's position is that is disproportionate to the heritage values it is seeking to protect and could severely limit development, increase compliance costs, and affect the land's value and development

potential. This, in turn, could jeopardise the Parish's financial sustainability and the Church's future.

- 6 CPT has a statutory duty to protect trust assets to support ecclesiastical objectives, including to take reasonable steps to prevent losses, including material diminution in value. A valuation report prepared by Colliers confirms a potential impact on the market value to be a significant loss \$2.17million loss resulting from the imposition of the proposed Heritage Overlay in Area A.
- 7 The proposed restrictions not only pose additional challenges and compliance costs for the Parish, but they may also inadvertently contradict the Council's goal of ensuring long-term protection for the Church. Retaining the ability to generate funds from Area A is crucial, particularly given the substantial financial commitment required for future earthquake strengthening, repairs and maintenance, and operation. This underscores the need for flexibility in managing our assets to support the Parish's ongoing viability and the Church's preservation.
- 8 In summary, CPT views the proposed Heritage Overlay as imposing unjustifiable conditions on trust assets. It is unnecessary for achieving the Council's stated heritage protection objectives and could inadvertently threaten the Church's long-term protection and financial viability. We maintain that the overlay should be reduced to exclude at least Area A to align with our duty to safeguard the trust's assets.

### **THE DIOCESE, MINISTRY UNITS AND CHURCH PROPERTY TRUSTEES**

- 9 CPT is a separate legal entity that has been created to "hold and administer" the assets of the Diocese.
- 10 The Diocese is a district that is established by, and operates in accordance with, the constitution, canons and statutes of the Anglican Church of Aotearoa, New Zealand and Polynesia. The Diocese is divided into territorial areas as ministry units.
- 11 Ministry units are primarily Anglican parishes, with some other forms of organisations including cooperating parishes [joint ventures where properties remain held in trust by the participating denominations] which includes the Parish.
- 12 The Synod is the governing body of the Diocese. Each ministry unit within the Diocese of Christchurch appoints representatives who together form Synod. The spatial extent of the Diocese, and its ministry units, is shown in **Figure 1** below.



**Figure 1: The Anglican Diocese of Christchurch**

- 13 CPT is a statutory body corporate (formally established by the Ordinance of 1867) governed by the Anglican (Diocese of Christchurch) Church Property Trust Act 2003 (Act). The Act, among other things, provides that the function of CPT is to hold and administer property on behalf of the Diocese. This means that CPT is the legal owner of all Diocesan assets and as the owner of those assets, CPT is obliged to deal with those assets in the manner prescribed by the Act.
- 14 CPT's property portfolio includes approximately 105 churches, 100 halls and ancillary buildings and 60 residential properties. This portfolio includes approximately 70 heritage listed churches and halls - not including cemeteries and minor structures such as lychgates. A full list of the Diocese's heritage listed items is provided in **Appendix 1**. Of these, about 45 are listed with Heritage NZ (18 being Category I) and a further 25 listed only with territorial authorities. There were also 9 heritage buildings lost because of the earthquakes and 7 have since been sold.
- 15 The Diocese and CPT take great pride in its heritage assets and over the past 10 years, particularly following the Christchurch earthquakes (through CPT) strengthened and bettered a significant number of its heritage assets.

#### **CHURCH OF THE GOOD SHEPHERD HERITAGE OVERLAY**

- 16 Council is proposing a Heritage Overlay surrounding the Church (existing heritage listed item H18) and the Statue of the Sheepdog (existing heritage listed item H45). The Church is listed as a Category 1 Historic Place on the New Zealand Heritage List.
- 17 CPT owns land within the proposed Heritage Overlay, including the land occupied by the Church of the Good Shepherd.
- 18 The extent of the proposed (revised) Heritage Overlay and the land owned by CPT is shown in **Figures 2** and **3** below respectively.



**Figure 2:** Figure shows revised proposed Heritage Overlay outlined in purple.



**Figure 3:** Figure shows previous proposed Heritage Overlay outlined in purple, and land owned by CPT shaded in red.

- 19 The land owned by CPT is currently zoned Low Density Residential Zone in the Council Plan (*District Plan*), although the land occupied by the Church on the lakeward side of Pioneer Drive is proposed to be primarily zoned Open Space Zone through Plan Change 29.
- 20 CPT are generally supportive of the proposed provisions in the Historic Heritage chapter in the District Plan and the continued heritage listing of both the Church and the Statue of the Sheepdog.
- 21 CPT is not opposed to the use of heritage overlays in the District Plan as a means to protect the settings in the heritage items, as is commonly done throughout the country.

- 22 In supporting a heritage overlay for the site of the Church, CPT and the Parish will be affected in perpetuity in terms of limitations as to development, and increased costs and time to maintain compliance.
- 23 CPT is of the view that the extent of the proposed heritage overlay is unnecessary and seriously disproportionate to Council's heritage protection objectives. CPT seeks that the extent of the proposed Heritage Overlay surrounding the Church and the Statue of the Sheepdog be reduced to (at least) exclude the area landward of Pioneer Drive (marked as 'Area A' in **Figure 3** above).

#### **CPT HISTORY OF SUPPORT FOR VISUAL PROTECTION**

- 24 In the late 1950s and early 1960s the then Works Department sought to improve the roading around the peninsula through 'reorganisation', including to prevent flooding.
- 25 The Parish of Fairlie (the Anglican entity involved then and also now in the cooperating Parish) and CPT were concerned that the proposed road did not contain adequate safeguards against the Church being built out.
- 26 The Parish and CPT promoted and reached mutual agreement with the Mackenzie County Council and Works Department on an alternative roading plan in 1961 that would provide the safeguards being sought.

#### **TRUST OBLIGATIONS IN CONNECTION WITH THE CHURCH OF THE GOOD SHEPHERD**

- 27 The Anglican (Diocese of Christchurch) Church Property Trust Act 2003 (*Act*) outlines the responsibilities and powers of CPT and outlines the basis in which the assets of the Diocese are held.
- 28 The Act requires CPT hold and administer all trust property in accordance with the Act and to its trustee powers in a manner which is conducive to furthering the objects of that trust.
- 29 Under the Act, CPT is the legal owner of all Diocesan property. It holds the property as trustee, which in this case is a local endowment per the Act that must be administered by CPT for furtherance of ecclesiastical purposes and the benefit of the particular parish concerned (i.e. the Parish of Fairlie and the cooperating Parish).
- 30 The total area of land held by CPT with the proposed Heritage Overlay is approximately 5532m<sup>2</sup> (comprised of four records of title) Under the operative District Plan, the land has rating value of approximately \$2.59 million. Area A comprises 4,216m<sup>2</sup> (76%) of the total area of land held by CPT.
- 31 Applying the Heritage Overlay in Area A would:

- 31.1 create significant restrictions on the activities which can be undertaken on the land owned by CPT;
- 31.2 impose significant additional compliance costs on the Parish and CPT;
- 31.3 seriously affect the value and development potential of the land and be a significant deterrent for future investors/developers; and
- 31.4 as a consequence of the above, impact the future financial sustainability of the Parish and increase the risk to the future of the Church.

32 CPT has a statutory and common law duty to protect assets it holds in trust and to take reasonable steps to prevent losses, including material diminution in value. CPT therefore cannot support the extent of the Heritage Overlay because doing so would be in conflict with its duties to act to protect the value of the land.

33 The above points are supported by the expert report of prepared by Colliers [attached as **Appendix 2**] (*Colliers Report*). The **Colliers Report** concludes that the potential loss in value resulting from the imposition of the Church of Good Shepherd Overlay in Area A is a very significant \$2.17 million.

#### **POTENTIAL TO IMPOSE ADDITIONAL COSTS AND CHALLENGES ON PARISH IN FUTURE**

34 I consider that the loss in value associated with the imposition of the proposed heritage overlay on Area A and the resulting loss of funding available to CPT and the Parish may inadvertently put Council's objective to provide long term protection for the Church at risk.

35 For example, CPT has a duty to ensure that the Church, having been assessed as an Earthquake Prone building (EPB), is either strengthened or demolished within the notice period.

36 CPT and the Parish are currently engaged in a project to strengthen the lowest seismic rated aspect of the Church, the bellcote, at significant cost and effort. This includes the need to obtain a resource consent from Council for the necessary strengthening.

37 The cost of the full strengthening the Church, beyond the bellcote works, is a significant financial undertaking and will seriously impact the Parish financial reserves. This will, in turn, increase the importance of retaining the option to generate funds from Area A in future.

38 Maintaining the value of Area A is also critical to the future ecclesiastical needs of the Parish, trust objects and Trustee duties, including:

- 38.1 Building improvements such as a new vicarage;
- 38.2 Future sale if needed to support the mission and ministry and operating costs of the Parish; and
- 38.3 Responding to the certain future event of an Alpine Fault rupture, especially of magnitude 8 or greater, resulting in uninsured damage (in whole or in part) to Parish buildings and/or significantly escalated insurance premiums following such an event.

**CPT EFFORTS TO REACH A MUTUALLY AGREEABLE SOLUTION WITH COUNCIL**

39 It is understood that, in early conversations with the Parish, Council indicated the Parish and community would benefit from heritage overlay and that there would be no material disadvantages. The Parish proceeded to support a proposed Heritage Overlay on this basis.

40 It transpired that the extent and effect of the actual overlay proved to be more significant than anticipated, especially with regard to Area A across the road from the church. CPT, as legal owner of the properties, became involved and expressed to Council and the Parish its concerns of the material detrimental impact should the overlay be approved.

41 CPT and the Parish expressed their concerns to Council that the extent of the proposed overlay was unnecessary and seriously disproportionate to its stated objectives, and unsuccessfully sought acceptable solutions/compromises with Council:

- 41.1 CPT advised Council that, with the support of the Parish, it would support in principle of the Heritage Overlay over the Church site despite the restrictions this would impose (this position being consistent with the Parish and CPT view since at least 1961) but with removal of the Heritage Overlay over Area A. This offer was declined by Council.
- 41.2 CPT advised Council that, with the support of the Parish, it would support in principle of the Heritage Overlay over the Church site despite the restrictions this would impose (this position being consistent with the Parish and CPT view since at least 1961) but with sale of Area A to Council for fair value. This offer was declined by Council.
- 41.3 CPT advised Council that, with the support of the Parish, it would support in principle of the Heritage Overlay over the

Church site despite the restrictions this would impose (this position being consistent with the Parish and CPT view since at least 1961) but with a suitable land swap (location, zoning and value). This offer was declined by Council.

### **RESPONSE TO SUBMISSIONS – REPORT OF MR RICHARD KNOTT'S DATED 7 APRIL 2025**

42 Mr Richard Knott references engagement with The Church of Good Shepherd Tekapo Committee (*Committee*) members and their submission in the section 32 report of Mr Richard Knott dated 7 October 2024 and Response to Submissions report dated 7 April 2025.

43 I understand that Mr Knott has since updated his recommendation and has recommended that the size of Area A be reduced. This is in response to an on-site meeting with Council representatives, CPT and the Committee where the Committee mentioned the potential for additional facilities to support the operation of the Church.

44 As noted in paragraphs 13 and 29 of this report, the land and buildings that are the subject of this submission are owned by CPT for the benefit of the Anglican Parish of Fairlie and are currently used collaboratively in a joint venture known as the "Mackenzie Cooperating Parish" (*Parish*). The other participating entity in the Parish is the Mackenzie Presbyterian Parish.

45 CPT and the Parish are registered charitable entities. The Parish is established and governed by a Covenant Agreement dated 7 December 1971 and the 'Guide to Procedures in Cooperating Ventures', with its purpose to "develop pastoral strength and relevance for the spiritual needs of the communities in which in which we live" and to "strive to make our church and congregation welcoming and fulfilling and able to add new dimensions to the lives of the people" [per Charities Services website]. The governance body of the Parish is the Parish Council.

46 The Committee is a volunteer group which is responsible, among other things, for facilitating the day-to-day operations of the Church and its upkeep and repair on behalf of the Parish Council. The Committee does not hold the same overriding legal duties in respect of the land and Church held by CPT.

47 At the site meeting referred to in paragraph 43, CPT recommitted various positions regarding the Heritage Overlay. This included:

47.1 Support in principle of the Heritage Overlay over the Church site despite the restrictions this would impose but with removal of the Heritage Overlay over Area A. The General Manager Corporate, Commercial and Planning advised Council would not consider that option.

47.2 Support in principle of the Heritage Overlay over the Church site despite the restrictions this would impose but with sale of Area A to Council for fair value. The General Manager Corporate, Commercial and Planning advised Council would not consider that option.

47.3 Support in principle of the Heritage Overlay over the Church site despite the restrictions this would impose but with a suitable land swap (location, zoning and value). The General Manager Corporate, Commercial and Planning advised Council would not consider that option.

48 It is very uncertain as to whether a reduction to Area A might be beneficial to the needs of the Parish and it is CPT's position that it is certainly not sufficient in terms of its duty to protect the value of the land for the long-term good of the Parish.

49 Therefore, CPT maintains its position that the Heritage Overlay surrounding the Church of the Good Shepherd and the Statue of the Sheepdog are seriously disproportionate to the heritage protection objective and should be reduced to exclude (at least) the area marked 'Area A' landward of Pioneer Drive.

## CONCLUSION

50 CPT is not opposed to the use of a heritage overlay in the Mackenzie District Plan as a means to protect the setting of the Church of the Good Shepherd. However, CPT consider that the extent of the proposed Heritage Overlay is not sufficiently justified. The imposition of the Heritage Overlay over the vacant site (Area A) is likely have the opposite effect that Council is trying to achieve by creating additional costs and challenges for the Parish including reducing the available funds should it need to undertake maintenance strengthening and repair work for the Church in the future.

51 CPT's position is supported by:

51.1 the evidence of **Mr Pearson** which shows that Council does not need to impose the Heritage Overlay over the vacant site (Area A) to achieve its stated objective; and

51.2 the **Colliers Report (Appendix 2)** which shows that imposition of the Heritage overlay over the vacant site (Area A) will cause a loss of asset value estimated at \$2.17 million.

52 Overall, CPT regards the proposed Heritage Overlay, in so far as it applies to Area A, to be an unjustifiable condition on the private property of CPT and trust assets held for the purpose of furthering mission and ministry.

**APPENDIX 1 – CHURCH PROPERTY TRUSTEES HERITAGE ITEMS  
SCHEDULE**

## Church Property Trustees Heritage Items Schedule

	Name	Street Name	Town/Locality	Heritage NZ		Local Authority	
				No.	Cat.	Authority	Plan Listing
1	Christ Church Cathedral	Cathedral Square	CHRISTCHURCH	46	I	Christchurch	98/553
2	St Peter's Church	Rue Balguerie	AKAROA	267	I	Christchurch	747/487
3	St Cuthbert's Church	Governors Bay Road	GOVERNORS BAY	281	I	Christchurch	674/179
4	St Bartholomew's Church	Cass Street	KAIAPOI	285	I	Waimakariri	H032
5	Church of St Michael & All Angels	Oxford Terrace	CHRISTCHURCH	294	I	Christchurch	410/307
6	St Michael & All Angels Belfry	Oxford Terrace	CHRISTCHURCH	295	I	Christchurch	411/307
7	Church of the Good Shepherd	Pioneer Drive	LAKE TEKAPO	311	I	Mackenzie	18
8	St Mary's Church	Church Hill Rd	ESK VALLEY	319	I	Waimate	4 - A
9	St Augustine's Church	John Street	WAIMATE	322	I	Waimate	6 - A
10	St Augustine's - Belltower	John Street	WAIMATE	323	I	Waimate	7 - A
11	St Mary's Church	Church Street	TIMARU	328	I	Timaru	50/B
13	St Barnabas Church	Fendalton Road	CHRISTCHURCH	3681	I	Christchurch	188/212
14	St Paul's Church	Old Tai Tapu Road	TAI TAPU	4395	I	Selwyn	H52
15	St James Church	State Highway 6	FRANZ JOSEF	4994	I	Westland	5
16	All Saints' Church	Bealey Street	HOKITIKA	5012	I	Westland	12
17	St Luke's Church	St Luke's Road	LITTLE AKALOA	7094	I	Christchurch	1311/546
18	St Stephen's Church	Tuahiwi Road	TUAHIWI	7380	I	Waimakariri	H081
19	Church of St Mary the Virgin	Church Square	CHRISTCHURCH	7516	I	Christchurch	1300/241
20	Church of St John the Baptist	High Street	RANGIORA	1823	II	Waimakariri	H052
21	Church of St John the Evangelist	Okains Bay Rd	OKAINS BAY	1715	II	Christchurch	715/144
22	Church of St John the Evangelist	Windermere Road	WINDERMERE	1753	II	Ashburton	29 + Cemetery
23	Church of the Epiphany	Jollies Pass Road	HAMMER SPRINGS	1745	II	Hurunui	H2
24	Church of the Holy Innocents	Church St	AMBERLEY	1772	II	Hurunui	H8
25	Church of the Holy Innocents	Mount Peel Station	MOUNT PEEL	1976	II	Timaru	55/B
26	St Andrew's Church	Upper Church Rd	LITTLE RIVER	5286	II	Christchurch	692/148
27	St Anne's Church	Pleasant Valley Road	GERALDINE	1993	II	Timaru	63/B
28	St Augustine's Church	Cracroft Tce	CHRISTCHURCH	1924	II	Christchurch	156/312
29	St Augustine's Church	Island Road	CLARKVILLE	3740	II	Waimakariri	H002
30	St Augustine's - Lychgate	John Street	WAIMATE	2043	II	Waimate	15 - B
31	St Barnabas Church	Main North Road	WOODEND	3797	II	Waimakariri	H086
32	St David's Church	Main North Rd	BELFAST	3810	II	Christchurch	353
33	St David's Church	Middle Valley Rd	RAINCLIFF	1966	II	Mackenzie	8
34	St James Church & Belfry	Cust Rd	CUST	3077	II	Waimakariri	H005
35	St John's Church	Lime Avenue	BARRHILL	1765	II	Ashburton	5
36	St John's Church/Hall	Scotts Road	HORORATA	1785	II	Selwyn	H125
37	St Mark's Church	Elizabeth Ave	RAKAIA	5453	II	Ashburton	38
38	St Mary's Church	Halswell Road	CHRISTCHURCH	3135	II	Christchurch	232/192
39	St Mary's Church	Talbot Street	GERALDINE	2021	II	Timaru	105/B
40	St Michael's - Old Stone Building	Durham Street South	CHRISTCHURCH	1927	II	Christchurch	412/307
41	St Paul's Anglican Church & Cemetery	Harewood Road	CHRISTCHURCH	7635	II	Christchurch	237/1318/418
42	St Pauls Church	Church Rd	GLENMARK	7111	II	Hurunui	H31
43	St Paul's Church	Purau-Port Levy Rd	PORT LEVY	5370	II	Christchurch	684/542
44	St Peter's Church	Main South Road	CHRISTCHURCH	1792	II	Christchurch	1285/193
45	St Saviour's Church	Winchester Street	LYTTELTON	1929	II	Christchurch	1331/603
46	St Saviour's Church	Kirk Road	TEMPLETON	3075	II	Christchurch	321/182
47	St Stephen's Church	Edward Street	LINCOLN	3066	II	Selwyn	H26
48	St Paul's Church	Brighton Street	LEITHFIELD	3067	II	Hurunui	H32
49	All Saints' Church	Chapman St	METHVEN			Ashburton	79
50	All Saints' Church	Shepherds Bush Road	RUAPUNA			Ashburton	53
51	Arthur's Pass Chapel	West Coast Rd	ARTHURS PASS			Selwyn	H1
52	Holy Trinity Lychgate, Grounds, Setting	Avonside Drive	CHRISTCHURCH			Christchurch	1358/386
53	Hororata War Memorial	Hororata Road	HORORATA			Selwyn	H123
54	St Aidan's Church	Hood Street	MT SOMERS			Ashburton	54
55	St Andrew's Church	Thomson Street	TINWALD			Ashburton	125
56	St Faiths Church	Hawke Street	CHRISTCHURCH			Christchurch	239/468
57	St James Church	High St	SOUTHBRIDGE			Selwyn	H47

58	St James' Church inc. Lychgate & Yard	Harewood Road	CHRISTCHURCH			Christchurch	238/1343/1287/418
59	St John's Anglican Church	High St	LEESTON			Selwyn	H20
60	St John's Anglican Church (Stone)	Scotts Road	HORORATA			Selwyn	H126
61	St Luke's Church	Brookside/Burnham Rd	BROOKSIDE			Selwyn	H411
62	St Mark's Church	Leeston Taumutu Road	SOUTHBRIDGE			Selwyn	H47
63	St Mark's Church	Prestons Road	CHRISTCHURCH			Christchurch	450
64	St Mary's Church	Truscotts Road	CHRISTCHURCH			Christchurch	511/403
65	St Mary's Church	Wilkens Street	ROTHERHAM			Hurunui	H51
66	St Matthew's Church	Mairaki Rd	FERNSIDE			Waimakariri	H126
67	St Paul's Church	Rolleston/Weedons Rd	WEST MELTON			Selwyn	H209
68	St Thomas' Church	South Eyre Road	EYRETON			Waimakariri	H095
69	St Mary's - Square	Church Square	CHRISTCHURCH			Christchurch	120/241
70	St Mary's - Belltower	Church Square	CHRISTCHURCH			Christchurch	1301/241
71	St Mary's - Lychgate	Church Square	CHRISTCHURCH			Christchurch	1302/241
72	St Michael & All Angels - Hall	Durham Street South	CHRISTCHURCH			Christchurch	169/307
73	St Cuthbert's - Former Vicarage	Governors Bay Road	GOVERNORS BAY			Christchurch	1375/640
74	St Mary's - Lychgate	Halswell Road	CHRISTCHURCH			Christchurch	1334/192
75	St Mary's - Graveyard	Halswell Road	CHRISTCHURCH			Christchurch	1335
76	Holy Trinity - Graveyard	Avonside Drive	CHRISTCHURCH			Christchurch	45/386
77	St Peter's - Graveyard	Main South Road	CHRISTCHURCH			Christchurch	355/193
78	St Peter's - Lychgate	Main South Road	CHRISTCHURCH			Christchurch	1314/193
79	St Barnabas - Hall	Tui Street	CHRISTCHURCH			Christchurch	1304/212
80	St Augustine's Church	Waitangi-Big Bush Rd	CHATHAMS			Chathams	H8

	<b>Demolished/Sold</b>						
D	St John the Baptist Church	Hereford Street	CHRISTCHURCH	293	I	Christchurch	
D	Church of the Most Holy Trinity	Winchester Street	CHRISTCHURCH	1814	I	Christchurch	
D	Church of the Good Shepherd	Phillips St	CHRISTCHURCH	1855	I	Christchurch	
D	Fisher's Building	High Street	CHRISTCHURCH	1869	I	Christchurch	
S	St Luke's Vicarage	Kilmore Street West	CHRISTCHURCH	3132	I	Christchurch	
D	Holy Trinity Church	Avonside Drive	CHRISTCHURCH	3113	I	Christchurch	
D	St Luke's Church	Manchester/Kilmore St	CHRISTCHURCH	3353	II	Christchurch	
D	St Mary's Church	Church Lane	CHRISTCHURCH	1926	II	Christchurch	
S	St Mary's Church Vicarage	Talbot Street	GERALDINE	2022	II	Timaru	
D	Colombo Street	Colombo St	CHRISTCHURCH			Christchurch	
D	St James' Church	Riccarton Road	CHRISTCHURCH			Christchurch	465/220
S	All Saints' Church	Parnassus Street	WAIAU	3690	II	Hurunui	
S	St Luke's - Belltower	Manchester Street	CHRISTCHURCH			Christchurch	1290/646
S	St Stephen's Church	Peel Forest Road	PEEL FOREST	1994	II	Timaru	57/B
S	St Matthew's Church	MacLean St	MORVEN	5385	II	Waimate	NF
S	St Alban's Church	Mill Road	OHOKA			Waimakariri	H123

**APPENDIX 2 – COLLIER'S REPORT**

# Valuation Report

**Church of the Good Shepherd Site**  
Pioneer Drive, Lake Tekapo

Intended User

The Church Property Trustees

Attention

Celia Quinnell

Valuation Date: 24 April 2025 | Ref: 21415/JP

**Colliers**

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# Appendices

Appendix A - Title Document

## (i) Executive Summary

### Valuation Details

Instructing Party	Client	The Church Property Trustees
The Church Property Trustees	Intended User	The Church Property Trustees
Attn: Celia Quinnell	Intended Use	Internal Evaluation Only
	Interest Valued	100% Freehold
	Basis of Valuation	Market Value
	Date of Valuation	24 April 2025
	Date of Inspection	24 April 2025
	Report Completed	5 May 2025

### Property Overview

Under consideration is land owned by the Church Property Trustees located either side of Pioneer Drive close to the lake Tekapo foreshore within central Lake Tekapo Village.

The land is currently improved in part with the historic Church of the Good Shepherd and in part vacant land. Presently, the land is zoned a mix of Residential and Open Space and there is a heritage designation on the Church of the good Shepherd itself.

Proposed as part of the Mackenzie District Council District Plan Review is the imposition of a restrictive heritage overlay which would apply to all of the land, including the Church site and the vacant land opposite.

Our valuation has been instructed to determine the potential impact on value from the imposition of the proposed heritage overlay.



### Valuation

Valuation Date 24 April 2025

Adopted Value Without the Proposed Heritage Overlay \$3,000,000 (Three Million Dollars) plus GST (if any)

Adopted Value with the Proposed Heritage Overlay \$830,000 (Eight Hundred and Thirty Thousand Dollars) plus GST (if any)

### Valuers

**JOHN PRYOR** ANZIV, SPINZ

#### Registered Valuer

Senior Director | Valuation & Advisory Services

NOTE: This Executive Summary must be read in conjunction with the attached report and the details contained therein.

## (ii) Property Specific Assumptions

Our valuation conclusion is subject to the following property specific assumptions:

- In the absence of the proposed heritage overlay, we have assumed that the ground level of the subject land can be raised to a level that enables a residential development of the site without creating any negative stormwater impacts on neighbouring property (see below).
- We have estimated the costs of filling the land and connection to mains sewerage. These should be verified with an appropriately qualified civil engineer (see below).

## (iii) Further Information Requirements

The following further information is required to verify our valuation conclusions:

- Professional assessment of the cost to provide sewer connections to the subject property from existing infrastructure on Pioneer Drive.
- Professional engineering confirmation that the level of the site can be increased without creating stormwater issues for surrounding property (principally 23 and 24 Pioneer Drive).
- Professional assessment of the cost to provide engineered fill to the subject land to required minimum levels and without any negative impacts on adjoining property.

## 1. Introduction

### 1.1 Scope of Work

We have received instructions from Celia Quinnell of The Church Property Trustees on behalf of The Church Property Trustees (The Client) to determine the potential impact on the market value of the subject land resulting from the imposition of a proposed heritage designation upon the property.

We note that this valuation is undertaken in accordance with the agreed written Scope of Work between the Client and CVAS (CHC) Limited ("The Company").

### 1.2 Date of Valuation

We inspected the property on 24 April 2025. This is the effective date of the valuation.

### 1.3 Basis of Valuation

We confirm that this valuation has been prepared to establish market value for internal evaluation purposes.

We confirm that the individual valuers who are signatories to this report are experienced in the location and category of the property valued.

### 1.4 Valuation Standards

We confirm that the valuation has been undertaken within all the requirements of the International Valuation Standards (effective 31 January 2025) and the Australian and New Zealand Valuation Standards. We have also had regard to relevant Guidance Papers for Valuers & Property Professionals.

### 1.5 Market Value Definition

We have adopted the International Valuation Standards (IVS) definition of "Market Value" as follows:

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

### 1.6 Information Sources

We have searched Record of Title details independently from public records and rental and sales evidence from our own records.

## 1.7 Intended Use, Intended Use, Reliance, and Extension of Liability

This valuation has been prepared for the following Intended User(s) and the following Intended Use(s):

- The Church Property Trustees for internal evaluation use only.

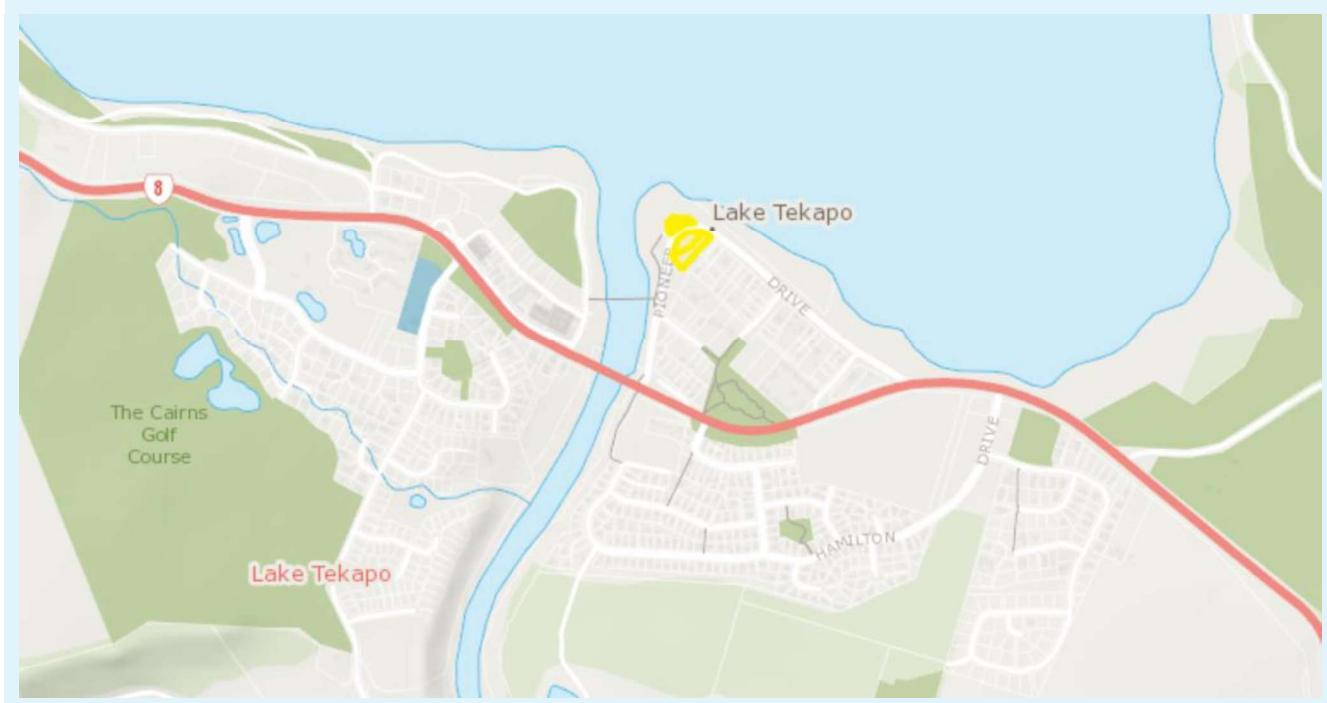
This report is confidential between The Company and the above party to whom The Company agrees in writing may rely upon the valuation report for the Intended Use(s) stated. No responsibility is accepted or assumed to any third parties, nor should there be any reliance upon this report by any third party other than the Client and Intended User and for the Intended Use(s) explicitly noted above without our express written agreement.

Notwithstanding the above restrictions on use, we explicitly prohibit any reliance on this valuation in relation to the sell-down of units in any retail or wholesale syndication. This includes but is not limited to prohibiting appending or publishing this valuation, in part or in whole, in any Public Disclosure Statement (PDS) and/or other sales documentation.

## 2. Location

<b>Location</b>	The subject property comprises land beneath and surrounding the iconic Church of the Good Shepherd Church on the Lake Tekapo lakefront. Lake Tekapo is a high-country township/village located approximately midway between Christchurch and Wanaka and adjacent to a large glacial-fed lake of the same name.
<b>Position</b>	The subject land is located on either side of Pioneer Drive in central Tekapo village. Pioneer Drive is a bidirectional secondary urban road which extends alongside the lakefront reserve. Except for the Church of the Good Shepherd itself, built development along Pioneer Drive is to the southern and eastern side only. Therefore, properties here generally enjoy lake aspect in a northerly or north westerly direction.
<b>Surrounding Development</b>	A mix of baches and more substantial residential development, along with some commercial accommodation venues.
<b>Positive Attributes</b>	Prime location close to the village centre and with lake aspect from most sites fronting the road.
<b>Negative Attributes</b>	High tourist utility of the road, reducing residential amenity.

A location map is provided below with the subject property represented by the blue outline:



Source: CoreLogic New Zealand Limited

### 3. Title Particulars

#### 3.1 Legal Description

The legal titles for the subject property are described as follows:

Title	Legal Description	Registered Proprietor	Area (sqm)
CB4C/1150	Section 14 Town of Tekapo	The Church Property Trustees	4,454
CB9A/1233	Section 15 Block II Tekapo Village		2,395
CB731/89	Sections 1A, 1E & Pt Section 1D Block II		2,742
CB440/39	Tekapo Village Section 1C and Part Section 1D Block II		1,002
<b>Total Area</b>			<b>10,593</b>

Copies of the Freehold Record of Title are appended to this report in **Appendix A**.

#### 3.2 Easements & Encumbrances

We have reviewed the title documentation and outline below the relevant easements and encumbrances:

Registration	Description
Title CB4C/1150	
-	Subject to Section 8 Coal Mines Amendment Act 1950.
903785	Gazette Notice declaring 1 rood and 25.2 perches (approximately 1,902 sqm) as road.
Title CB9A/1233	No Registrations.
Title CB731/89	
573817	Compensation Certificate pursuant to Section 17 Public Works Amendment Act 1948.
636795	Proclamation declaring 37.3 perches (approximately 944 sqm) as part of the Lake Tekapo Power Scheme.
636798	Proclamation declaring 1 rood and 27 perches (approximately 1,694 sqm) as road.
Title CB440/39	
573817	Compensation Certificate pursuant to Section 17 Public Works Act 1948.
636798	Proclamation declaring 20.6 perches (approximately 521 sqm) as road.

We note that three of the titles are 'Part-Cancelled' and the various gazette notices and proclamations reflect the reduction in title areas due to land previously taken for road and hydro purposes. By our analysis, the total reduction in title areas approximates 5,061 sqm. **Therefore, the effective title area is 5,532 sqm.**

## 4. Site Overview

### 4.1 Site Area

The site contains **5,532 sqm** (more or less) in totality, albeit that it is separated into two parts located either side of Pioneer Drive. Notably, although effectively in two parts, these parts are nonetheless interconnected because one of the titles encapsulates land on each side of the road (CB4C/1150). Therefore, if the two distinct halves of the site are to be alienated independently of one another, a subdivision (or more likely a boundary adjustment) process would need to be traversed.

Whilst the two parts of the property are currently united due to the existing title arrangements, there are different valuation implications for each part. As such, we have treated the two parts of the site differently in our valuation. We have then allowed for the cost of the subdivision process where appropriate. We refer to the two parts of the property as the '**Church Site**' and the '**Vacant Site**'. The arrangement of the titles and our area calculations is shown in the following graphics:



Component	Relevant Titles	Area (sqm)
<b>The Vacant Site</b>		
Eastern Part	Whole CB9A/1233	2,395
Western Part	Part CB4C/1150	1,821
<b>Vacant Site Total</b>		<b>4,216</b>
<b>The Church Site</b>		
Balance Vacant Site Area	Part CB4C/1150	731
Southwestern Part	Whole CB731/89	104
Northern Part	Whole CB440/39	481
<b>Church Site Total</b>		<b>1,316</b>
<b>Total Area</b>		<b>5,532</b>

## 4.2 Site Features

Identifying site features and characteristics are noted as follows:

Contour	<p>In terms of contour, the Church Site is generally elevated above the road, rising at its centre, then falling towards the lakefront.</p> <p>The Vacant Site is of undulating contour, with much of it below road level, although rising towards the southern boundary where there is a small knoll.</p>
Access	<p>Access to the two parts of the land holding is generally directly from Pioneer Drive.</p>
Utilities	<p>We have perused the location of mains infrastructure on Canterbury Maps. This indicates that there is potable water reticulation along the eastern boundary of the Vacant Site. There is presently no such connection to the Church Site. The closest sewer reticulation is presently along the boundary between 21 and 23 Pioneer Drive.</p> <p>For any residential development of the property, connection to the mains sewer and potable water supply would be required.</p>

## 4.3 Environmental & Natural Hazards

Flood Risk	<p>Based on a perusal of the Mackenzie District Council's online planning maps, we note that the property is not currently subject to any specific flood risk.</p> <p>However, we note that in the Proposed District Plan, both parts of the site would be subject to a flood hazard planning overlay, along with all land along Pioneer Drive and surrounding roads and large swathes of the flat land surrounding Lake Tekapo.</p> <p>As the flood risk is non-specific to the subject property and given the premium location, we do not consider that the market would make any material pricing adjustment in its evaluation of the property. Accordingly, we proceed on the basis that there is no value detriment from issues of potential inundation. We do however recognise the low-lying nature of the Vacant Site relative to surrounding sites and the road and we have made allowances for this within our valuation.</p>
Geotechnical Risk	<p>We have not undertaken a geotechnical survey of the property and therefore cannot comment as to the subsoil condition of the land. We recommend that if any specific concerns are held by reliant parties before any action is taken involving this site advice regarding soil stability be obtained from persons appropriately qualified to provide such advice.</p> <p>We note however that the Proposed District Plan would see a liquefaction risk overlay applied to the subject site, and other sites on flat land within and surrounding the village.</p>

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Generally, in other parts of Canterbury, this is not a major issue in respect of land value, especially for premium sites such as the subject.

Therefore, we would not expect the market to penalise the subject property for inclusion within this proposed planning overlay.

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#### Environmental Risk

The Canterbury Regional Council confirms that the property is not recorded on its register of contaminated land, and we found no obvious sources of potential contamination during our inspection.

Whilst the above comments suggest environmental matters may not be an issue, the recipient of this report is advised that the Registered Valuer is not qualified to detect such substances (which in many cases are not visible), nor quantify the impact on value without an environmental report. The stated value estimate proceeds on the basis that there is no material on or in the property that would cause a loss in value.

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## 5. Statutory Information

### 5.1 Resource Management

An overview of the main planning-related controls over the subject property is outlined as follows:

<b>Local Authority</b>	Mackenzie District Council.
<b>Planning Scheme</b>	<p>The District Plan is currently under review. The plan review is being undertaken in four stages.</p> <p>Stages 1 and 2, which include residential zoning and subdivision matters, are now fully operative.</p> <p>Stage 3 is operative subject to appeals. Stage 3 relates to: Rural Zones, Natural Features and Landscapes, Natural Character, Sites and Areas of Significance to Māori, Renewable Electricity Generation and Infrastructure, Subdivision, Earthworks, Public Access, and Transport. There appear to be no appeals relating to the subject property.</p> <p>Stage 4 was notified on 5 November 2024 and submissions, and further submissions have now closed. Hearings are due to commence on 26 May 2025. Stage 4 relates to matters including: Historic heritage, Hazards and Risks, Open Space and Recreation Zones, Noise, Signs, Temporary Activities, and Special Purpose Zones. For Stage 4 proposed planning matters, we believe that the Operative District Plan applies.</p>
<b>Zoning</b>	<p><b>The Church Site</b> is currently zoned <b>Open Space</b> under the Operative District Plan. Under the Proposed District Plan, the Church Site would also be zoned <b>Open Space</b>. This zone provides principally for recreation, community, and conservation land uses, generally precluding most conventional commercial or residential activities.</p> <p><b>The Vacant Site</b> is zoned <b>Low Density Residential</b> under the Partially Operative District Plan. This provides for mostly residential activities, along with community activities. Envisaged housing type is detached houses on sections of between 400 and 600 sqm. The minimum lot size in the Low-Density Residential zone in Lake Tekapo is 400 sqm.</p> <p>The District Plan states that where residential units are not connected to a reticulated sewerage system, larger sections are required to allow for on-site wastewater treatment and disposal. We are unclear whether onsite wastewater treatment and disposal would be required in this location given that there is mains sewer reticulation in proximity, just not adjacent to the subject land itself. However, we have proceeded with our valuation on the basis that there is capacity in the network for residential development of the subject property and that connection to the existing mains sewerage in Pioneer Drive would be possible.</p>

Notably, subdivision of a site containing a historic building or feature is a discretionary activity and we have considered the impact of this in our valuation analyses.

#### Overlays

There are various overlays in the Partially Operative and Proposed District plans, although most relate to Tekapo Village as a whole and are therefore not specific to the subject property. We note however the following overlays which affect the subject site and not the whole of Tekapo Village:

- **Flood Hazard Assessment Overlay** – This refers to all land along Pioneer Drive and is intended enable the new subdivision, use and development of land where every new natural hazard sensitive building has an appropriate floor level above the 500-year ARI design flood level. We do not have specific levels for the subject land. However, it is possible that parts of the site are below this.
- **Church of The Good Shepard Heritage Overlay** – This is of significance to the valuation, and we cover its implications in detail below.

#### Heritage

**Currently**, there is no site-wide heritage designation on either part of the property. The church itself is however listed as a 'Category X' heritage structure according to the Mackenzie District Council. This means that only minor alterations would be allowed under the District Plan rules. Demolition or removal of the church building is a non-complying activity, requiring a notified consent application. In practice, we would expect that there would be an exceptionally low probability of being able to achieve approval for the removal or relocation of the church (if such were ever to be proposed), considering the iconic status of the church. The building is also listed as a Category 1 heritage building by the Historic Places Trust.

Currently, the Vacant Site has the potential to be developed freely (subject to subdivision).

Under the **Proposed District Plan** both sites (Church and Vacant) would be subject to a new '**Church of The Good Shepard Heritage Overlay**.' The Vacant Site would be further classified Area A within this heritage overlay. As currently proposed, the heritage overlay encapsulates the entirety of the property. We are however aware that the Council's heritage expert has recommended a minor amendment to the proposed overlay to exclude a small area at the southeast of the Vacant Site. This appears too narrow to permit construction of a residential dwelling (respecting the minimum 15 x 15 metre building site).

Overleaf is a plan showing the extent of the originally proposed overlay and also the revised proposed overlay.



This overlay is intended to manage new buildings, structures and earthworks within the heritage overlay area to ensure that these works do not detract from the historic heritage values of the scheduled heritage items (including the open space surrounding these items which contribute to the visual prominence of the Church) and will contribute to the long-term viability, retention or ongoing use of the heritage item.

Additionally, the overlay appears to be intended to maintain views from properties beyond the overlay area across Lake Tekapo.

This overlay imposes some significant restrictions on the nature of development that can be undertaken 'as of right' on the properties.

The most challenging aspects of the proposed overlay from a land value perspective are the following:

- The limitation of building size on the Vacant Site to no greater than 5 sqm.
- The limitation of building height on the Vacant site to no greater than 1 metre.
- The limitation on construction of any building or structure on the Church Site.
- The prohibition on the alteration of the natural contour of the land.

In simple terms, this means that any development proposal for the Vacant site and any proposed structural addition to the Church Site would be a restricted discretionary activity. Matters of discretion would include:

- The effects on the heritage values of the Church of the Good Shepherd and the Statue of the Sheepdog on the road reserve east of the church.
- The extent to which the visual effects of buildings and structures on the open space surrounding the Church of the Good Shepherd building and views

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beyond across Lake Tekapo are mitigated through measures including (but not limited to):

- i. location;
- ii. building scale and design;
- iii. building materials and colours; and
- iv. landscaping.

Essentially, in the case of the Vacant part of the subject property, in the worst case, the imposition of this overlay would reduce the utility of the land to that of the Open Space zone or similar. With development approval, it may be possible to develop something on the property, although we expect that there would be significant resistance to this.

For the Church property, the imposition of this overlay is more marginal considering there is already the church and Open Space zoning in place.

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## 5.2 Rating Valuation

Date of Assessment	1 July 2023
Land Value	\$2,590,000
Value of Improvements	\$200,000
Capital Value	\$2,790,000

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## 6. Improvements

The Church Site is improved with the Church of the Good Shepherd. This heritage structure is located upon a small knoll and surrounded with fencing and pathways. As these improvements are well known to the Client, we refrain from providing a detailed description here.

The Vacant Site is unimproved.

The following inspection photographs refer:



Church Site



Church Site



Church Site & Vacant Site



Vacant Site

## 7. Occupancy Details

We proceed on the basis that the property is available with Vacant Possession.

## 8. Valuation Considerations

### 8.1 General Valuation Methodology

The standard accepted valuation approaches and methods for the assessment of development land value are the following:

<b>Market Approach – Direct Sales Comparison Method</b>	The market or direct sales comparison method compares sales of land sites. The value of land is primarily dictated by the price a developer or purchaser is willing to pay after consideration of a wide range of market factors. Important considerations for development land include location, area, frontage, development potential and the current land and development market. The comparable sales approach examines sales of other land of similar characteristics making adjustments for quality, location, size, street frontage and development potential. This valuation approach compares properties on an area basis.
<b>Market approach – Development Residual Method</b>	The development residual valuation method is based upon the principle that the value of the land is the residual value derived from development utilising the property to its highest and best economic use. This process examines the property from a development viewpoint and determines whether a particular development is economically feasible. The first step in the process is to assess the market value of the hypothetical completed project and then deduct all costs and expenses together with an allowance for development margin to arrive at what a developer could afford to pay for the property in its current state under these circumstances.

### 8.2 Valuation Approach & Methodology for the Subject Property

#### 8.2.1 Summary of Pertinent Factors

Under the current planning framework, the Proposed District Plan is operative in respect of subdivision and residential zone provisions (along with a range of other matters), but with the proposed heritage overlay, flood hazard and open space zoning matters affecting the property not yet operative.

From a valuation perspective, the following are the main considerations for the **Church Site** 'as is':

- The site is zoned 'Open Space'. This provides negligible commercial utility or value.
- The church itself is a highly protected heritage item.
- The site itself has no specific heritage protection in isolation from the church itself. As such, should the church be destroyed for any reason, the site itself would have no ongoing heritage limitation (albeit the Open Space zoning would remain).
- The site is directly connected with the Vacant Site, due to Title CB4C/1150 forming parts of this and the Vacant Site. Subdivision/boundary adjustment would be required to separate the two sites.

In summary, with the heritage protection on the Church building, the Church Site has (in our opinion) no significant commercial utility. Its utility is essentially an encumbered site providing the church function and the associated tourism amenity. This is not to say that the tourism aspect of the church could not be treated commercially (for instance with ticketed entry to the site), merely that from a development perspective, the site cannot realistically provide a higher and better use than that which it currently has.

For the **Vacant Site** without the heritage overlay in place, the following considerations apply:

- A subdivision would be required to separate it from the Church Site. This is a discretionary activity under the Partially Operative District Plan, with matters of discretion including design, servicing, reverse sensitivity and easement requirements. We can see no reason that this would be refused subject to appropriate management of stormwater and other servicing issues.
- The land is zoned Low Density Residential, with a minimum lot size of 400 sqm. It has the potential for a residential subdivision into multiple lots with subdivision consent.
- Additional development costs would apply, including filling parts of the land and extending mains sewer reticulation approximately 25 metres north westwards from 21 Pioneer Drive.
- It is possible that onsite stormwater management would be required in order to avoid negative impacts on the adjacent land at 23 and 24 Pioneer Drive.

In summary, we consider that 'as is,' a variety of residential development could be accommodated on the subject land.

For the **Church Site**, considering that prior to the imposition of the heritage overlay, the land is already encumbered by the historic church building which sits centrally on the site, (in our opinion) the functionality of the site would remain more or less unchanged and we do not see a material loss of value would be incurred.

For the **Vacant Site** after the imposition of the proposed heritage overlay, the following considerations apply:

- The new heritage overlay effectively prohibits the construction of any new buildings on the land 'as of right' and also earthworks that would alter the level of the land to permit any development.
- Potentially, with consent, there may be an opportunity to construct buildings on the site. However, we expect that at best this would be limited to a single house that was constructed in sympathy with the heritage considerations set out in the Proposed district Plan, and probably in a marginal location. We would not expect a building to be permitted to extend over more than a single level. Depending on council's discretion, there may be no lake views available from the dwelling.
- Although the above development of the land might be possible, there remains a significant risk that obtaining consent for even a basic residential utility of the land would not be achievable.
- Restrictions would remain in place over the wider site, reducing the owner's rights and land utility.

Taking these factors together, we consider that there would be a significant loss of value directly resulting from the imposition of the heritage designation.

### 8.2.2 Applied Valuation Approach and Methodology

In order to quantify the loss of value incurred by the Stage 4 District Plan Review provisions, we have undertaken two valuations of the property. The first valuation assesses the value of the property 'as is' (as at the effective date of valuation). The pertinent considerations for this are set out above.

The second valuation assesses the market value of the property after the imposition of the proposed heritage overlay. The difference between the two assessed values represents the diminution of value caused by the imposition of the heritage overlay.

In both valuations, we have considered the Market Approach and applied both comparable transactions and residual methods in concluding our valuations before and after the imposition of the heritage overlay.

## 9. Market Considerations

### 9.1 Economic Overview

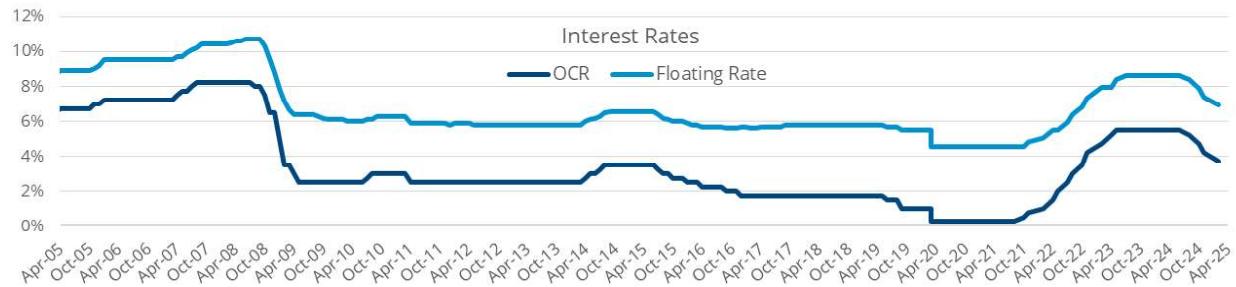
When considering the market value of the subject property, we have had regard to underlying economic conditions and the flow-on implications that these may have on investment and divestment decisions made across the broader property markets.

This commentary reflects the most recent monetary policy and macro-economic data as at the date of this report, most recently sourced from Government and independent sources.

#### Interest Rates

The Reserve Bank has indicated that consumer price inflation is expected to remain within the 1–3% target range, with the latest data showing inflation at 2.2%. This stability is expected to persist. In April 2025, the Official Cash Rate (OCR) was reduced by twenty-five basis points to 3.50%, continuing the downward cycle that began in August 2024.

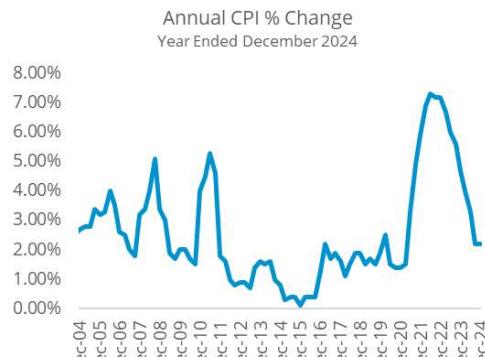
These adjustments align with the Reserve Bank's objectives of maintaining price stability and supporting maximum sustainable employment, while accounting for spare capacity in the labour market, a weaker global outlook, and the aim of minimising broader economic disruption. With the impact of earlier cuts still working through the economy, the Reserve Bank has indicated future policy decisions will depend on the medium-term inflation outlook.



## Inflation / CPI

New Zealand's consumer price index increased 2.2% over the 12 months prior to the December 2024 quarter, marking the second consecutive quarter recorded within the RBNZ's target range of 1% - 3%. This relative stability follows a period of elevated inflation which peaked in the June 2022 quarter at 7.3%.

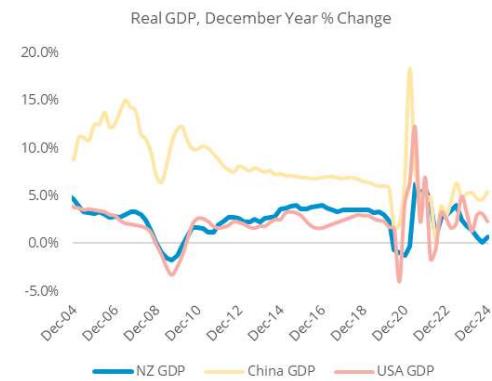
Non-tradeable inflation was higher at 4.5% annually indicating that domestic inflation continues to be more 'sticky' than first anticipated. Annual tradeable inflation was recorded at -1.1% for the year and 0.3% for the quarter. Key factors contributing to this difference include housing related costs, with rent inflation rising 4.2%, and property rates which increased 12.2%.



## GDP

Economic activity, as measured by GDP, increased by 0.7% in the December 2024 quarter, following a 1.0% decline in the September 2024 quarter. This marks a reversal of two consecutive quarters of negative growth, meaning the New Zealand economy is no longer in a technical recession.

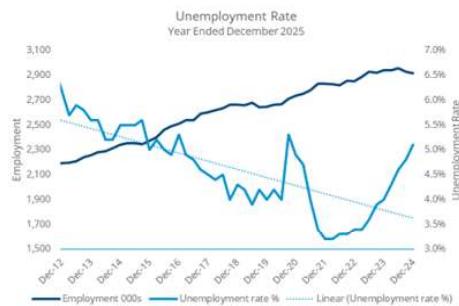
The strongest growth was recorded in the transport, postal and warehousing sector (up 2.4%) and the electricity, gas, water, and waste services sector (up 2.1%). In contrast, the construction sector declined by 3.1%. On a per capita basis, GDP rose by 0.4%, the first increase since the September 2022 quarter.



## Employment

In the December 2024 quarter, the unemployment rate increased by 0.3% to 5.1%. Meanwhile, the underutilisation rate increased from 11.6% to 12.1%.

Labour force participation declined 0.2% from 71.2% to 71.0% over this period, suggesting continued underlying weaknesses in the New Zealand labour market as fewer people remained engaged in work or seeking employment.



## Population / Migration

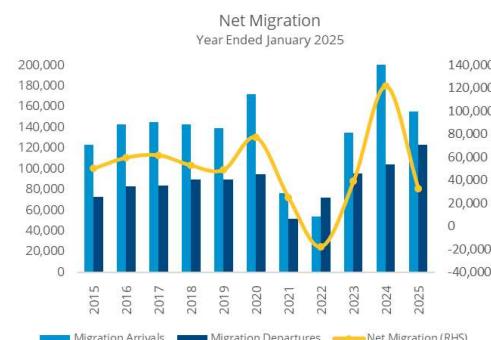
Following the removal of international travel restrictions, net migration rose to record levels, but has eased significantly, with net migration for the year to January 2025 at just 32,471, down from the peak of 122,841 in October 2023.

Strong population growth has been a key driver of economic activity over the past decade, particularly in construction and retail. While high migration levels have supported aggregate demand, recent trends indicate a significant moderation in migrant flow.

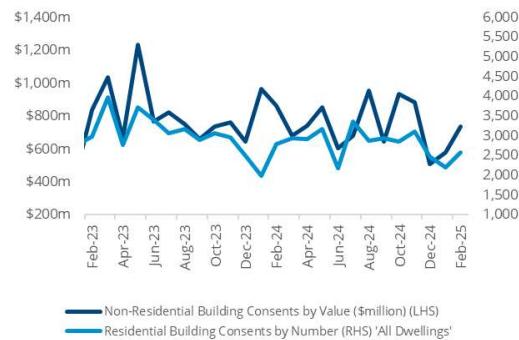
## Construction

In the year ended February 2025, the value of non-residential building consents declined by 11.24% year-on-year, while residential dwelling consents fell by 7.39% over the same period.

Weaker domestic demand has eased cost pressures in the materials sector. Combined with improving supply chain conditions, this contributed to a 0.6% increase in construction costs over the December 2024 quarter, as reported by the Cordell Construction Cost Index. This brought the annual increase to 1.1%, less than half the 2.3% rise recorded in 2023.



## Construction - Residential & Non-Residential



## 9.2 Tekapo Housing Market Overview

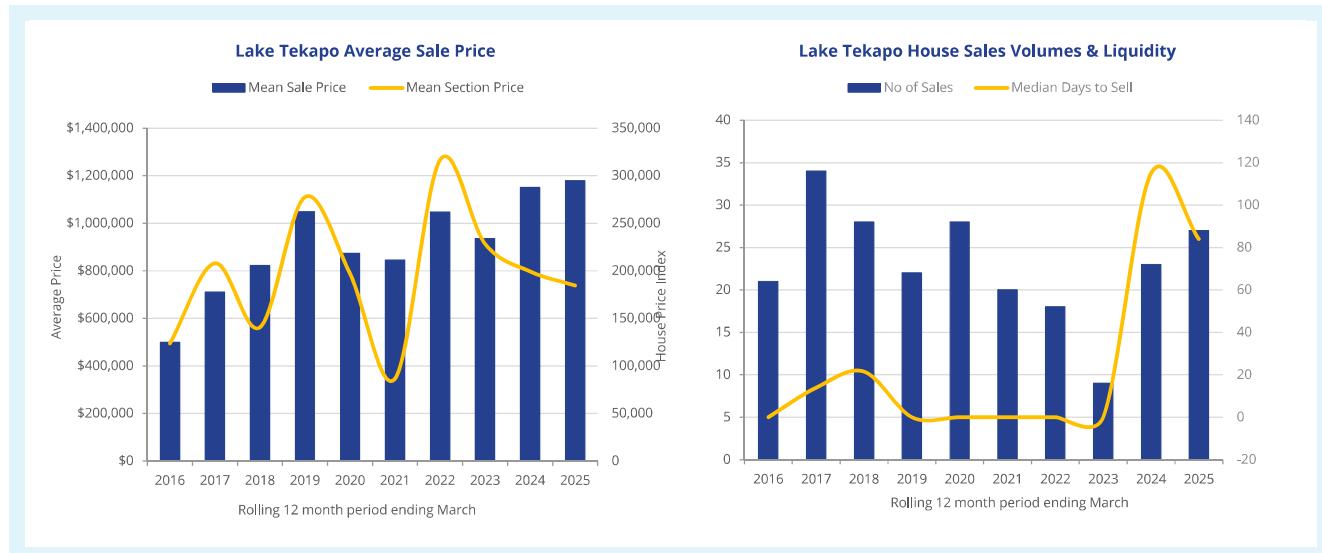
After a sustained, strong cyclical period between 2012 to 2016, the Canterbury market experienced a slowdown in growth in 2017. During early 2020 the market began to see growth again, until the emergence of the COVID-19 pandemic and subsequent lockdown in March 2020.

During the early stages of the pandemic, the residential market was widely expected to experience a sharp correction, in line with forecasts for the wider economy. However, actions taken by the Government and Reserve Bank of New Zealand to support the national economy through the pandemic ultimately contributed to the country's largest residential real estate boom. Primary drivers were historically low-interest rates in combination with significant fiscal stimulus and the removal of loan-to-value ratios (LVRs).

However, changes in bank lending criteria due to the CCCFA at the end of 2021, increasing interest rates, shortages of building materials and a change in market sentiment led to demand for residential property coming off their previous peak levels during 2022. At the same time, the availability of built housing stock increased. As a result, the market saw price declines.

The current position is that enquiry for housing remains below average, and purchasers are generally more circumspect. There is no urgency around making a commitment to go to contract. Key market drivers are increased unemployment levels and job-security concerns, a sound stock of homes and lower net migration, balanced by reducing interest rates and speculation that a market change is likely to occur during 2025.

The graphs below summarise the performance of the Tekapo housing and Section markets in time series:



Source: REINZ

### 9.3 Sales Evidence

A challenge with the subject property is the unique nature of the site and the subsequent lack of directly comparable sales evidence. This goes for the valuation of the land on an unencumbered basis and also subject to the heritage encumbrance.

We have therefore considered sales evidence in three parts. Firstly, in consideration of the open space zoned land, we have considered sales of rural-lifestyle property, where it is possible to analyse a balance rural land value for the land beyond a dwelling and curtilage area. This provides some degree of comparability of base land utility. Of course, such sales require adjustment for factors of locational and size differences, which remain somewhat subjective. We have therefore also considered the statutory valuations attributed to other reserve land along the Lake Tekapo Village foreshore and owned by the Council. These valuations have been assessed for rating purposes; however, are nonetheless intended to represent the capital value (essentially market value) of the land.

Secondly, we have considered sales of vacant sections in Tekapo Village. For the most part these are difficult to compare directly due to almost none of them pertaining to prime lakefront sites; however, these sales nonetheless provide general context for the land values in Lake Tekapo, against which the subject land can be considered. There is one historic (2019) transaction of a vacant front site on Pioneer Drive itself in 2019 which provides a useful historical reference point.

Thirdly, we have considered the 'extracted' land values derived from an analysis of sales of improved properties in the immediate vicinity. This is a less reliable indicator of land value, but in an absence of alternative, directly comparable sales transactions, it does provide a further potential reference point for land values in this unique position.

We have analysed all sales on a GST inclusive basis initially, then deducted GST to give parity with the subject property whose we are assessing on a plus GST basis.

### 9.3.1 Rural Land Sales Analysis

As there are effectively no recent sales of vacant lifestyle blocks in Tekapo Village and its surrounds, we have reviewed vacant lifestyle block and residential section sales from the nearby towns of Fairlie, Burkes Pass and Twizel as a proxy. The purposes of considering both residential section values and lifestyle values is that the residential section value gives a good indication of the core residential component of the lifestyle block. After deducting the core residential site value from the sale price of the lifestyle block, it is possible to determine the value of the balance rural component of the lifestyle block. The following analysis refers:

Address	Sale Date	Sale Price	Area (sqm)	Analysis \$psm	Core Section Value	Core Section Area (sqm)	Surplus Land Area (sqm)	Surplus Land Value	Surplus Land Value Rate (Incl GST)	Surplus Land Value Rate (plus GST)
<b>Twizel</b>										
Vacant Lifestyle Block										
78 Pyramid Terrace	Nov-24	\$750,000	138,150	\$5.43	\$410,000	4,000	134,150	\$340,000	\$2.53	\$2.20
Vacant Residential Sections										
19 Old Glen Lyon Road	Oct-24	\$422,000	4,470	\$94						
27 Old Glen Lyon Road	Jan-24	\$410,000	4,000	\$103						
53 Old Glen Lyon Road	Feb-18	\$410,000	4,005	\$102						
<b>Burkes Pass</b>										
Vacant Lifestyle Block										
2068 Fairlie Tekapo Road	Sep-24	\$310,000	4,151	\$75	\$250,000	1,430	2,721	\$60,000	\$22.05	\$19.17
<b>Fairlie</b>										
Vacant Lifestyle Block										
51 Nixons Road	Feb-24	\$255,000	7,645	\$33	\$200,000	1,525	6,120	\$55,000	\$8.99	\$7.81
141 Nixons Road	Sep-22	\$700,000	126,800	\$6	\$200,000	1,525	125,275	\$500,000	\$3.99	\$3.47
Vacant Residential Sections										
33 Hamilton Street	May-22	\$215,000	1,525	\$141						

The above sales schedule illustrates that balance rural land values reflect a wide variance of between \$2.20 and \$19.17 per sqm (plus GST), although mostly below \$10.00 per sqm. The main variable as to resultant land value rate is surplus land size, with larger blocks generally reflecting lower land value rates and vice versa.

The above provide a useful starting point from which to determine the encumbered land value for the subject block (after adjusting upwards for the relatively superior location of central Lake Tekapo and also giving consideration to the specific limitations of the heritage encumbrance).

As a check on the above, we have also considered the rating valuations for two parcels of land on the Lake Tekapo foreshore, both of which are owned by the Council and (in part) subject to an open space zoning:

Address	Valuation Date	Rating Value (Land Only)	Area sqm	Analysis \$psm
Sec 2, SO 20261 - Domain Road	Jul-23	\$620,000	27,230	\$22.77
Lot 8, DP 486377 - Domain Road	Jul-23	\$415,000	8,486	\$48.90

The larger site is a prime parcel of land located northwest of existing development along Motuariki Lane with superior contour and position compared with the subject land. It is wholly zoned Open Space. The rate per sqm analysed from the current rating valuation is \$22.77 per sqm for a much larger 2.7 hectare site. We would therefore expect the subject land value rate to be higher than this.

The smaller site is partly zoned Town Centre, although mostly Open Space. This site is located to the northwest of the supermarket site and north of the Dark Sky building. At 8,486 sqm, the indicative rating value equates to \$48.90 per sqm, better reflecting the size of the subject site.

These rating values are not out of line with the analysed balance rural land value rates derived from our analysis of lifestyle block sales in surrounding settlements/towns, after adjustment for size and location factors.

The above form a useful starting point in our analysis of encumbered land value for the Church Site and the Vacant Site.

### 9.3.2 Vacant Residential Section Sales

Below, we have set out a range of sales of sections in Lake Tekapo village:

Address	Sale Price Incl GST	Sale Date	Gross Land Area (sqm)	Net Land Area (sqm)	Land Value Rate (\$psm) Incl GST	Land Value Rate (\$psm) Plus GST
<b>Pioneer Drive &amp; Surrounds</b>						
9 Pioneer Drive	\$245,000	Jan-16	1023	930	\$263	\$229
1 Pioneer Drive	\$1,600,000	Jan-19	2203	2203	\$726	\$632
<b>Station Bay</b>						
1 Petes Place	\$510,000	Nov-24	627	627	\$813	\$705
12 Petes Place	\$575,000	Apr-24	476	476	\$1,208	\$1,050
21 Station Bay Rise	\$421,239	Feb-24	628	628	\$671	\$585
<b>Lochinver</b>						
4 Pollock Place	\$953,582	Feb-25	931	931	\$1,024	\$890
13 Pollock Place	\$660,000	Oct-23	912	912	\$724	\$630
2 Rankin Rise	\$880,000	Jul-23	1206	1206	\$730	\$635
<b>The Cairns Riverside</b>						
3 Andrew Don Drive	\$465,000	Mar-24	950	785	\$592	\$515
27 Coulson Lane	\$455,000	Apr-23	973	920	\$495	\$430
4 Edwards Lane	\$365,000	May-23	486	486	\$751	\$655
6 Edwards Lane	\$320,000	Nov-24	494	494	\$648	\$565
18 Edwards Lane	\$480,000	Apr-23	1125	1125	\$427	\$370
16 Edwards Lane	\$582,000	May-24	1099	1099	\$530	\$460
21 Edwards Lane	\$530,000	Mar-24	750	750	\$707	\$615
9 Jimmys Lane	\$435,000	Aug-24	622	622	\$699	\$610
<b>Other</b>						
18A Murray Place	\$390,000	Jun-22	796	680	\$574	\$500
24 Hamilton Drive	\$380,000	Feb-23	616	616	\$617	\$535

We have two sales of sections on Pioneer Drive itself. The first at 9 Pioneer Drive is a small rear site which sold in 2016 for \$245,000. Subsequent to the sale in 2016, two single story townhouses have been constructed on the land. The site has no outlook to the lake and access is via a shared right of way from Pioneer Drive. Given the time elapsed since the date of the sale and the rear position, we do not place significant weight on this transaction.

The more useful sale (albeit still over five years old now) is that of 1 Pioneer Drive. This is at the far eastern end of the road at the intersection with State Highway 8. The site is of less favourable triangular shape, with the state highway on the longest boundary and when it sold, there was an older home that would have required demolition. Although these characteristics suggest that the site would be inferior to the subject (size difference aside for the moment), this site has a superior contour with spectacular views available from the ground floor of a house.

According to an analysis of sales and resales of sections in Tekapo between 2019 and 2025, there has been observable market movement of somewhere around 15% since 2019, possibly slightly more. Therefore, on a time adjusted basis, this site might now reflect a land value of around \$1,850,000, GST inclusive. This would equate to a land value of \$730 per sqm plus GST. Although a superior site due to outlook, further adjustment for the inferior shape, the demolition liability and the main road adjacency is warranted, possibly indicating a potential residential land value for the subject at around \$750 to \$800 per sqm, plus GST.

The section sales in Station Bay reflect values of between \$420,000 and \$575,000. We have some concerns about the recorded price of 21 Station Bay Rise, which may exclude GST. Therefore, we treat this sale with a little caution. 1 Petes Place is a rear site with access from the lower boundary, whereas 12 Petes Place takes access from the upper boundary. There are trees on the foreshore reserve which presently obscure the lake aspect. We are uncertain whether or not these might be removed in the future. If so, these sites would appear to represent good buying. If not, then the prices look fair. Relative to the subject land, these sections are difficult to compare, given their moderate contour and distance from the lake and town centre. However, they provide general background information on the local section market.

More useful are the sales in the Lochinver subdivision, which is located to the east of Pioneer Drive, but on the opposite (southern) side of State Highway 8. The subdivision, and importantly the sections referenced above, all have lake views, albeit part impeded by development between each section and the lake. 4 Pollock Place and 2 Rankin Rise are of more favourable contour and have access from the upper boundary. 13 Pollock Place is slightly steeper and takes access from the lower boundary. The superior, flatter, sites have transacted here for around \$900,000 (+/-), whereas the steeper site at 13 Pollock Place achieved a lower price of around \$660,000.

The Cairns Riverside development provides generally smaller sites, none of which have lake views, but some of which are larger and extend down towards the Tekapo Riverbed. Prices in this subdivision are generally more affordable given the inferior aspect availability, falling in the range of \$320,000 to \$580,000.

Finally, we have two sections in the older Hamilton Drive and Murray Place area, neither of which we believe have appreciable lake views from the sections themselves. Prices are slightly below \$400,000 for these.

### 9.3.3 Extracted Land Values

Finally, we have reviewed sales of improved properties from which we have attempted to isolate the inherent land value component from the improvements. We set this analysis out below:

Address	Sale Price Incl GST	Sale Date	GFA (sqm)	Gross Land Area (sqm)	Net Land Area (sqm)	Estimated Imps Value Incl GST	Estimated Land Value Incl GST	Estimated LV Rate (\$psm) Incl GST	Estimated LV Rate (\$psm) Plus GST
5 Pioneer Drive	\$2,100,000	Nov-16	184	4,047	<b>4,047</b>	\$820,000	\$1,280,000	\$316	<b>\$275</b>
7 Pioneer Drive	\$810,500	Feb-18	73	1,022	<b>930</b>	\$260,500	\$550,000	\$591	<b>\$514</b>
13 Pioneer Drive	\$1,370,000	Aug-24	100	2,293	<b>2,145</b>	\$275,000	\$1,095,000	\$510	<b>\$444</b>
Welkin Focus Limited Acquisition	\$8,100,000	Mar-18	857	11,330	<b>11,330</b>	\$2,585,000	\$5,515,000	\$487	<b>\$423</b>
6 Mackenzie Street	\$540,000	Feb-21	70	809	<b>809</b>	\$200,000	\$340,000	\$420	<b>\$365</b>
5 Mackenzie Street	\$850,000	Aug-21	130	672	<b>672</b>	\$390,000	\$460,000	\$685	<b>\$595</b>
4 Mackenzie Street	\$680,000	Feb-23	177	809	<b>809</b>	\$405,000	\$275,000	\$340	<b>\$296</b>
2 Sealy Street	\$2,200,000	Mar-24	160	1,244	<b>1,244</b>	\$770,000	\$1,430,000	\$1,150	<b>\$1,000</b>
4 Sealy Street	\$1,650,000	Mar-24	219	812	<b>812</b>	\$1,050,000	\$600,000	\$739	<b>\$643</b>
12-16 Sealy Street	\$2,000,000	Mar-24	335	3,519	<b>3,519</b>	\$1,005,000	\$995,000	\$283	<b>\$246</b>

We note from the outset that the extraction method relies upon a reasonable assessment of value for the improvements, and therefore sales analysed this way are a less reliable indicator of land values than conventional vacant land sales. However, the analysis is not without use where there are no, or few, relevant vacant land sales; thus, we have undertaken the exercise with respect to sales transactions on and around Pioneer Drive.

Perhaps the most useful sale is that of the land at 19-24 Pioneer Drive and 3 Sealey Street which sold in 2018 to Welkin Focus Limited. This site comprised a series of titles, some vacant, some improved with housing. In total, the property transacted comprised over a hectare. Importantly, the land adjoins the southeastern boundary of the subject property and therefore has good comparability. The land is of mixed contour, including some lower lying land, albeit still above the level of the lower areas of the subject Vacant Site. Altogether, there are four dwellings on the six titles. After attributing approximately \$2,585,000 to the improvements, we have derived a land value of \$5,515,000. After deducting GST, the land value rate is \$423 per sqm. After time adjustment, we estimate this might now be around, or over, \$500 per sqm. This is a much larger site, albeit with only limited direct frontage to Pioneer Drive.

The other transactions of interest are those of 2 and 4 Sealy Street, both of which sold in March 2024. These are more difficult to analyse because the nature of the improvements appears to be mostly high-quality modern, or character housing, operated for short term stays. Accordingly, we question whether there may also be an element of goodwill associated with these sales – the extracted land value at \$1,000 per sqm plus GST suggests this may be the case, given the land has only impeded lake views and we have placed more limited reliance on this transaction.

The other Pioneer Drive and Mackenzie Street sales are all rear sites with no, or limited lake views and as such command lower values.

## 9.4 Valuation Assessment

In section 8.2.2 we have set out our proposed approach to the valuation of the property both before and after the imposition of the heritage encumbrance. What follows is the application of this proposed approach.

### 9.4.1 Valuation of the Land Without the Heritage Overlay

Because the two halves of the site have a different utility under the Partially Operative District Plan, we have assessed separate headline values to the Church Site and the Vacant Site. We have then allowed for the cost to complete a boundary adjustment so as to separate these sites legally.

For the Vacant Site, we have also allowed for the estimated cost to fill the lower lying parts of the property with engineered and certified fill, so as to enable a highest and best residential redevelopment of this land. We have also assumed that some onsite stormwater retention and treatment may be necessary, considering the land is presently low lying and in particular, we note that any filling of the site would need to prevent any excess runoff onto the neighbouring land. For the Vacant site, we have also made allowance for the likely cost to connect the site to mains sewerage, which presently runs approximately 20 metres to the southeast.

Finally, we have allowed a margin for contingencies for the costs of filling, subdividing and connection to mains sewerage at 20%.

In terms of applied land values, we have adopted a rate of \$150 per sqm for the diminutive, but well-located Church Site. This is having had regard to the rural sales analysis and rating valuations for larger Open Space zoned sites with similar situational characteristics.

For the Vacant Site, we have adopted a land value rate of \$775 per sqm with reference to the sales of residential sections and improved residential properties. We have tested this land value rate with a reverse feasibility (residual) valuation model which broadly supports the adopted rate.

The following calculation refers:

Market Value - No Heritage Overlay			
<b>Church Site</b>	1,316 sqm @	\$150	\$197,400
		<b>Adopt</b>	<b>\$195,000</b>
<b>Vacant Site</b>			
Land Area	4,216 sqm @	\$775	\$3,267,400
Less Fill		Say	-\$325,000
Less Sewer Connection		Say	-\$30,000
Less Subdivision/Boundary Adjustment Costs		Say	-\$30,000
Less Contingency (On Above Costs)		20%	-\$77,000
		Subtotal	<u>\$2,805,400</u>
		<b>Adopt</b>	<b>\$2,805,000</b>
<b>Current Market Land Value</b>		<b>(Plus GST)</b>	<b>\$3,000,000</b>
Combined Land Value	5,532 sqm @		\$542

The reader will note that we have restricted our valuation to the land only. This is because the improvements value of the church remains the same under both scenarios and therefore nets itself out in the 'before' and 'after' valuations.

#### 9.4.2 Valuation of the Land with the Heritage Overlay

There are different potential land use outcomes for the property after the imposition of the heritage overlay. The worst-case scenario is a base open space-equivalent use, where the value of the land would be materially impacted. We expect that a land value rate of around \$60 per sqm might apply to the combined sites in this instance.

For the Vacant Site, at best, we would anticipate it may be possible to obtain consent to construct a single dwelling on it and enjoy a limited residential use of the land, which is still impaired by the heritage limitations on buildings, including, we expect, the likes of fencing and possibly plantings. Should such a use be able to be obtained, we consider it might be able to achieve a market value of around \$1,500,000 to \$1,700,000 inclusive of GST, depending on the likely limitations on dwelling placement, allowable building height, whether the land can be raised as required and other limitations. However, there is clearly risk around this use given there is no guarantee for a purchaser that consent to site residential improvements on the land will be achievable. Accordingly, a valuation of the land after the imposition of the heritage overlay must consider the risk weighting of the potential land use outcomes (and resultant value levels).

Balancing these factors (and having also considered a chance of change analysis), we have adopted an overall land value rate of \$150 per sqm assuming the imposition of the heritage encumbrance. This is implicit of the uncertainty around potential land uses.

We set out this valuation below:

Market Value With Heritage Overlay			
<b>Overall Site</b>	5,532 sqm @	\$140	\$774,480
		\$150	\$829,800
		\$160	\$885,120
<b>Current Market Land Value</b>		<b>(Plus GST)</b>	<b>\$830,000</b>

At this level, the value of the site also reflects in some measure the synergistic value that may exist for adjoining owners who could also potentially acquire the land to amalgamate with their existing titles, particularly if these expanded titles would enable a more intensive subdivision with the additional land than is presently available to them.

On balance, taking all factors into consideration, we remain comfortable with the assessed value at this level.

## 9.5 Loss in Value from the Proposed Heritage Encumbrance

Having established the market value of the property with and without the proposed heritage encumbrance, our assessment of the potential loss in value resulting from the imposition of the Church of the Good Shepherd Heritage Overlay is as follows:

<b>Loss of Value Resulting From Heritage Imposition</b>		
Market Value Without the Heritage Encumbrance	(Plus GST)	\$3,000,000
Market Value With the Heritage Encumbrance	(Plus GST)	\$830,000
<b>Assessed Loss of Value</b>	<b>(Plus GST)</b>	<b>\$2,170,000</b>

## 10. Valuation Conclusion

We assign the following values to the subject property as at 24 April 2025 subject to the comments, terms, conditions and assumptions contained within and annexed to our report, in fee simple and assuming the property is free of further encumbrances, restrictions or other impediments of an onerous nature which would affect value:

### 10.1 Without Heritage Encumbrance

**\$3,000,000 plus GST (if any)**  
**(Three Million Dollars)**

### 10.2 With Heritage Encumbrance

**\$830,000 plus GST (if any)**  
**(Eight Hundred and Thirty Thousand Dollars)**

### 10.3 Loss In Value

**\$2,170,000 plus GST (if any)**  
**(Two Million, One Hundred and Seventy Thousand Dollars)**

## 11. Assumptions & Limitations

Our valuation is subject to The Company's Statement of Valuation Qualifications and Conditions as follows:

### 1. Information

We have assumed that the instructions and subsequent information supplied contain a full and frank disclosure of all information that is relevant.

### 2. Title

We have assumed that there are no easements, rights of way or encroachments except those shown on the Record of Title or noted in the valuation.

A current survey has not been sighted. The valuation is made on the basis that there are no encroachments by or upon the property and this should be confirmed by a current survey or report and/or advice from a Registered Surveyor. If any encroachments are noted by the survey report, we reserve the right to review our valuation.

Other than the Record of Title and its details outlined in section three, we are not aware of any notices currently issued against the property and we have made no enquiries in this regard.

### 3. Future

We assume there will be no major economic downturn, beyond that envisaged at the date of valuation.

We assume there will be no new taxes or rates introduced which have a direct impact on the property over the projected period.

## 13. Compliance Statement

This valuation has been performed in accordance with the International Valuation Standards (IVS), and we confirm that:

- The statements of fact presented in this report are correct to the best of the Valuer(s) knowledge.
- The analysis and conclusions are limited only by the reported assumptions and conditions.
- The Valuer(s) have no interest in the subject property.
- The Valuer's fee is not contingent upon any aspect of this report.
- The valuation has been performed in accordance with the NZIV Code of Ethics and performance standards.
- The Valuer(s) have satisfied professional education requirements.
- The Valuer(s) have experience in the location and category of the property being valued.
- The signatories to this report have both made a personal inspection of the property and
- No one, except those specified in the report has provided professional assistance in preparing the report.
- The principal valuer(s) is a Registered Valuer in accordance with the Valuers Act 1948 and holds an Annual Practising Certificate.
- Further, subject to specific commentary in Section 1 of our report, we confirm that we are not aware of any conflicts of interest or pecuniary interests of the property being valued on the part of either CVAS (CHC) Limited or the valuer(s). If any potential conflicts have arisen during the instruction of this valuation, we have cleared them as per the details provided in Section 18.

## 14. Report Reliance & Company Qualifications

Our valuation is subject to The Company's Statement of Valuation Qualifications and Conditions as follows:

1. In accordance with PINZ Guidance Notes, unless otherwise stated, all non-residential valuations are on the basis of plus GST (if any). Valuations of residential property are stated as including GST (if any).

We have attempted to ascertain whether the sales evidence and/or leasing evidence is inclusive or exclusive of Goods and Services Tax (GST). The national database of sales evidence does not identify whether or not GST is included in a sale price. If we have not been able to verify GST, we have assumed residential property sales are inclusive of GST (if any), and plus GST (if any) for non-residential properties. If this proves to not be the case for any evidence, we reserve the right to reconsider our valuation.

2. Where it is stated in the 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 not to be so. Where information is given without being attributed directly to another party, this information has been obtained by our search of records and examination of documents or by enquiry from Government or other appropriate sources.
3. We have been engaged to provide a valuation only and while due care was taken to note obvious building defects in the course of our inspection, we have not been engaged for any purpose other than the valuation and we are not able to advise on matters such as structural or site surveys or any other defects in the building.
4. In preparing the valuation and/or providing valuation services, it has been assumed that a full and frank disclosure of all relevant information has been made.
5. We do not hold ourselves out to be experts in environmental contamination. Unless otherwise stated our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.
6. In preparing the valuation, we have relied on copies of the Record of Title and the leases provided/and or searched. It has been assumed that these are accurate copies of the original documents and that no dealings or changes have occurred since the date such photocopies were made.
7. This valuation and all valuation services are provided by us solely for the use of our client. We do not assume any responsibility to any person other than the client for any reason whatsoever by reason of or arising out of the provision of this valuation.
8. This report is relevant as at the date of preparation and to circumstances prevailing at the time. However, within a rapidly changing economic environment experiencing fluctuations in interest rates, availability of finance, insurance, rents, building expenditure and returns on investments, values can be susceptible to variation over a relatively short time scale. We therefore strongly recommend that before any action is taken involving acquisition, disposal, mortgage advance, shareholding restructure or other transaction, that you consult further with us.

**9. Confidentiality and Disclaimer of Liability**

Our valuation and report are strictly confidential to the party to whom it is addressed and is prepared solely for the specific purpose to which it refers. No responsibility whatever is accepted for reliance on the valuation report for other purposes. Further, no responsibility whatever is accepted to persons other than the party to whom the valuation and report is addressed for any errors or omissions whether of fact or opinion.

**10.** Neither the whole nor any part of this valuation and/or report or any reference to it may be included in any published document, circular, or statement without our written approval.

**11. PINZ: Valuation Standards & Guidance Notes**

All valuations are carried out in accordance with the Valuation Standards and having regard to Guidance Notes recommended by the Property Institute of New Zealand.

**12.** Please note that personnel in this firm will or may have stocks, shares or other interests in entities that directly or indirectly hold properties which are the subject of this valuation and/or may have direct or indirect personal relationships with third parties with interests in these same entities. The Company's valuers are required to abide by an industry-standard disclosure regime and The Company's internal policies with respect to conflicts of interest and will disclose any material conflict of interest that arises in its capacity as Valuer concerning the property which is the subject of this valuation.

**13. Valuation Basis**

Unless otherwise stated no allowances are made in our valuations for any expenses of realisation, or to reflect the balance of any outstanding mortgages either in respect of capital or interest accrued.

**14. Currency**

Unless otherwise stated all figures including the valuation contained within this report are expressed in New Zealand Dollars (NZD).

## 15. Report Signatory & Contact Details

The valuation herein has been completed **for and on behalf of CVAS (CHC) Limited** trading as COLLIERS.

The adopted valuation process aligns with the quality assurance standards outlined in the International Valuation Standards (IVS).

Our approach ensures objectivity, competence, and ethical conduct throughout the valuation process. We utilise appropriate valuation methods, assess and select relevant inputs, and apply professional judgment in developing our conclusions. The key inputs adopted are reviewed in conjunction with senior valuer colleagues.



**John Pryor** SPINZ ANZIV

Registered Valuer

Senior Director – Valuation & Advisory Services

M: +64 275 540 346

E: John.Pryor@colliers.com

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Inspection of Property

John Pryor

Valuation Calculations

John Pryor

Authoring of Report

John Pryor

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**Contact Details:** CVAS (CHC) Limited (trading as Colliers)

Level 2, Anthony Harper Tower

62 Worcester Boulevard

PO Box 13478

Christchurch 8013

Phone No. (03) 379-6280



Appendix A - Title  
Document

Colliers



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

**Search Copy**



  
R. W. Muir  
Registrar-General  
of Land

**Identifier** **CB4C/1150**

**Part-Cancelled**

**Land Registration District** **Canterbury**

**Date Issued** 15 July 1965

**Prior References**

WA 7 C 23

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**Estate** Fee Simple

**Area** 4454 square metres more or less

**Legal Description** Section 14 Town of TEKAPO

**Registered Owners**

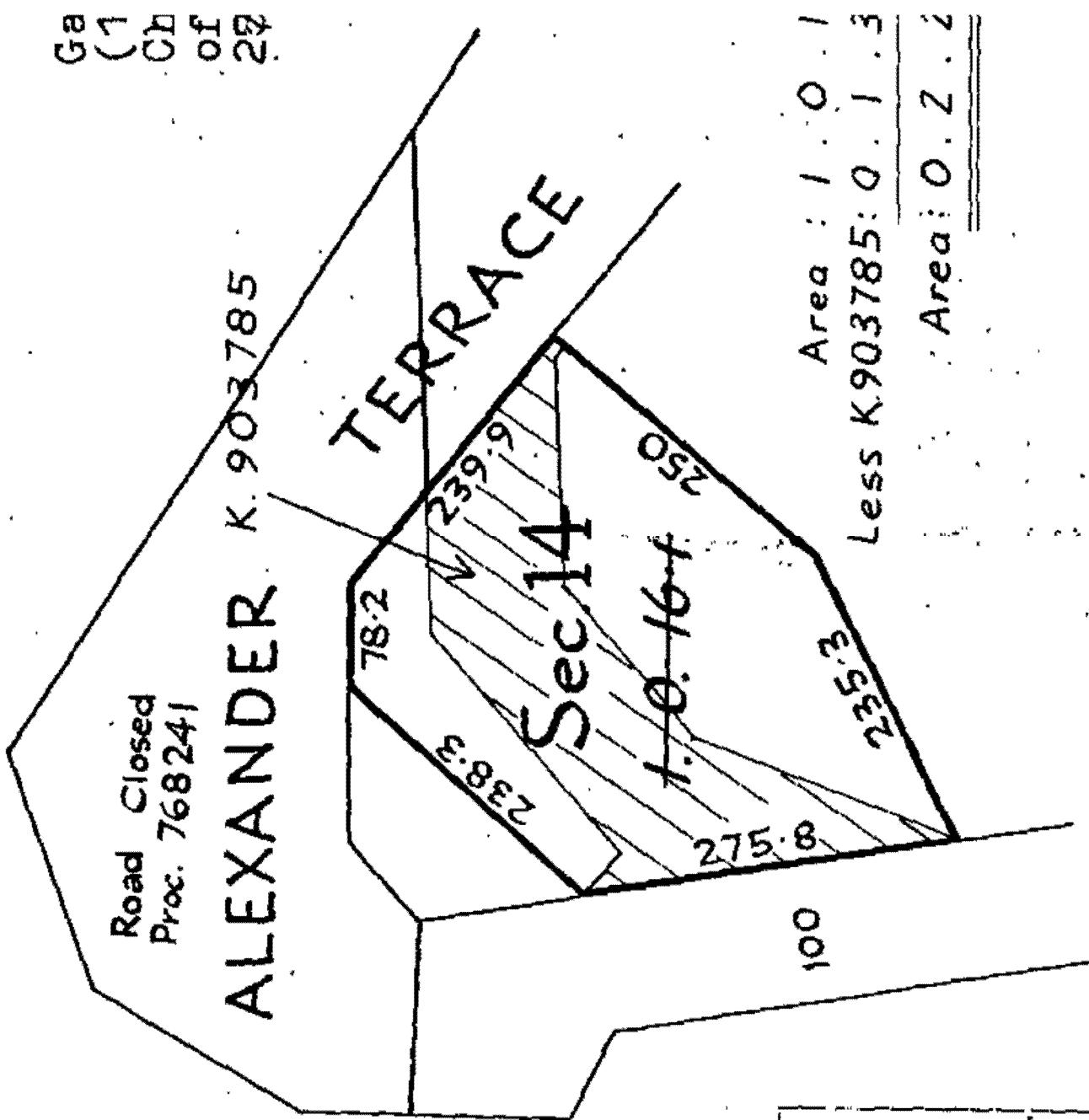
The Church Property Trustees

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**Interests**

Subject to Section 8 Coal Mines Amendment Act 1950

903785 Gazette Notice proclaiming part (1r.35.2p) as road vesting in the MacKenzie County Council - 27.3.1973 at 2.00 pm





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

**Search Copy**



  
R. W. Muir  
Registrar-General  
of Land

**Identifier** **CB9A/1233**

**Land Registration District** **Canterbury**

**Date Issued** 22 August 1969

**Prior References**

PROC 774065

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**Estate** Fee Simple

**Area** 2395 square metres more or less

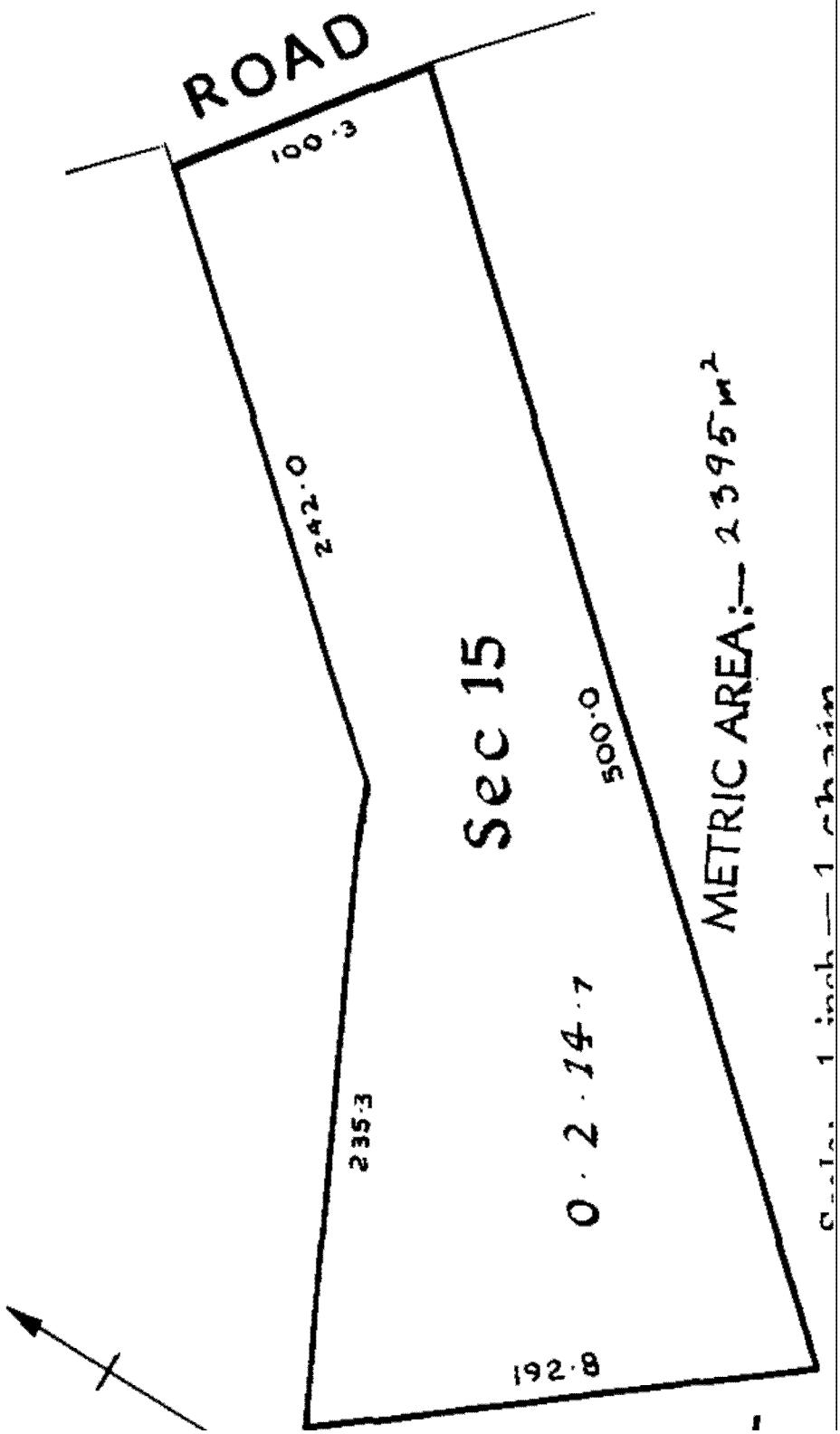
**Legal Description** Section 15 Block II Tekapo Village

**Registered Owners**

The Church Property Trustees

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**Interests**





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

**Search Copy**



  
R. W. Muir  
Registrar-General  
of Land

**Identifier** **CB440/39**

**Part-Cancelled**

**Land Registration District** **Canterbury**

**Date Issued** 29 November 1934

**Prior References**

CB438/291                    CB438/292

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**Estate** Fee Simple

**Area** 1002 square metres more or less

**Legal Description** Section 1C and Part Section 1D Block II  
Tekapo Village

**Registered Owners**

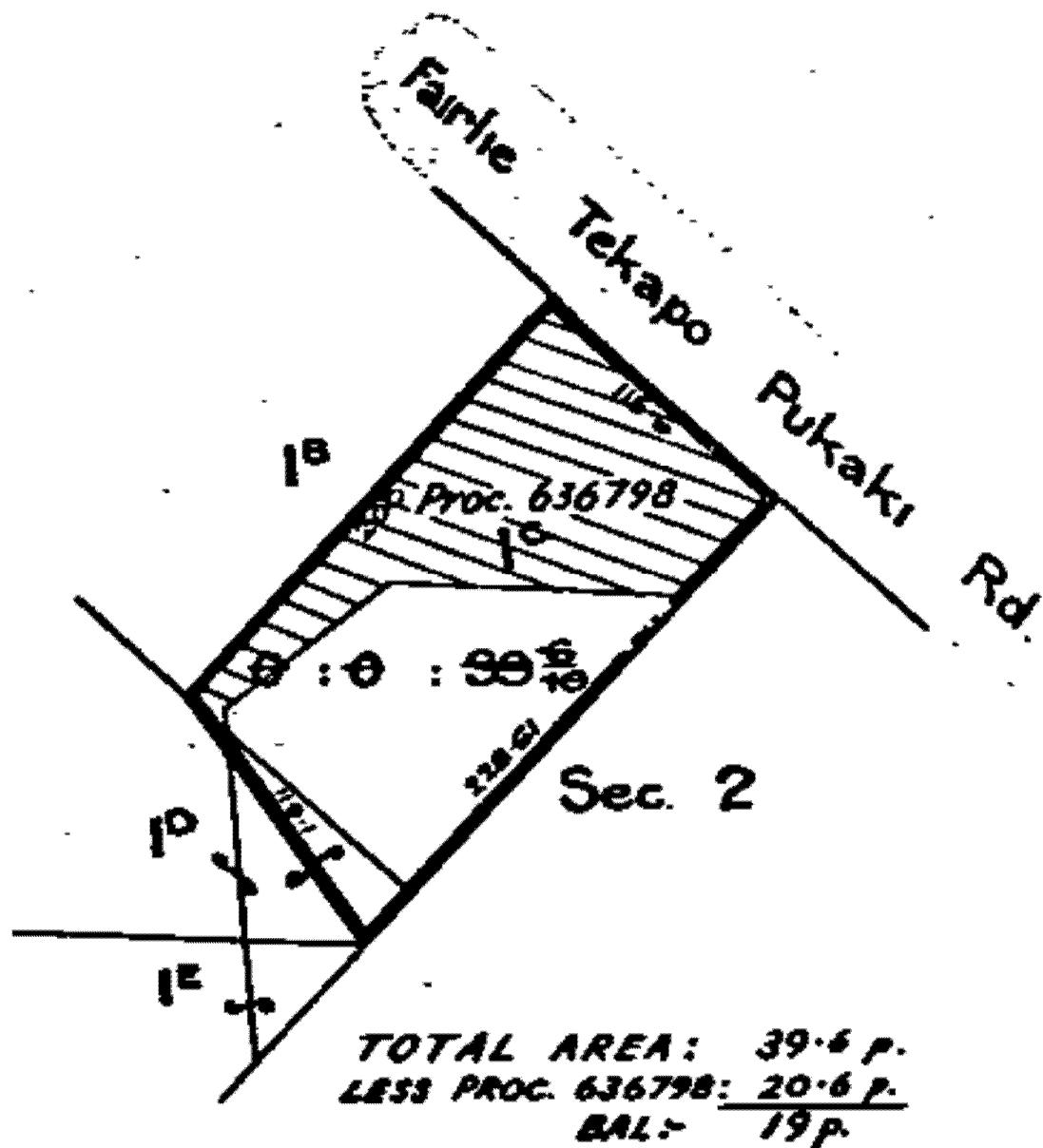
The Church Property Trustees

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**Interests**

573817 Compensation Certificate pursuant to Section 17 Public Works Act 1948 - 28.3.1962 at 1.52 pm

636798 Proclamation declaring part (containing 20.6 perches) to be for road - 12.10.1964 at 9.05 am





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

**Search Copy**



  
R. W. Muir  
Registrar-General  
of Land

**Identifier** **CB731/89**

**Part-Cancelled**

**Land Registration District** **Canterbury**

**Date Issued** 18 October 1957

**Prior References**

CB438/289                    CB438/293                    CB440/131

**Estate** Fee Simple

**Area** 2742 square metres more or less

**Legal Description** Section 1A Block II and Section 1E Block  
II Tekapo Village and Part Section 1D  
Block II Tekapo Village

**Registered Owners**

The Church Property Trustees

**Interests**

573817 Compensation Certificate pursuant to Section 17 Public Works Amendment Act 1948 - 28.3.1962 at 1.52 pm

636795 Proclamation declaring part of the within land (containing together 37.3 perches) taken for the Developement of  
Water Power (Lake Tekapo Power Scheme) - 12.10.1964 at 9.00 am

636798 Proclamation declaring part of the within land (containing 1 rood 27 perches) taken for road - 12.10.1964 at 9.05  
am

