

25 August 2015

Our Ref: WN98763

Gina Mason  
c/o 5c Tui Street  
Taihapecc Gina Mason  
email: Gina\_ken\_mason@xtra.co.nz**Property Address: 5c Tui Street, Taihape**

In accordance with instructions from Gina Mason, we inspected the subject property on 25 August 2015 for valuation purposes only, and our report is prepared in compliance with the Australia and New Zealand Valuations and Property Standards 2009, the International Valuation Standards 2011 and the current Code of Ethics as administered by the New Zealand Institute of Valuers and the Property Institute of New Zealand, and should be read in conjunction with the limitations noted below (see Purpose, Mortgage recommendation, Caveats) and the Property Report.

**PROPERTY DESCRIPTION**

A single story, two-shop retail commercial building located within the central business district of Taihape at 5 Tui Street, Taihape built 1900s era now providing ground floor retail space of 104m<sup>2</sup>. It is adjacent to your Trusts two-level approx. 370m<sup>2</sup> historic cinema/theatre "The Majestic". The shops are of timber frame construction, timber weatherboard and corrugated iron cladding, metal roof, metal spouting, and on brick foundation (unable to verify). Interior linings are mix of plasterboards, hardboard and soft board, and timber window joinery. Currently on an 941m<sup>2</sup> irregular shaped site with driveway entrance on Tui Street and vehicle access from service lane to the rear. The exterior presentation of the shops is overall shabby with the interior condition of the occupied premises being fair and the vacant shop dated. The legal description is of the total Freehold land of 941m<sup>2</sup> being Lot 7, PT SEC 8 BLK III TAIHAPE TSHIP and all Certificate of Title WN240/211, Wellington District.

**VALUATION OF SHOPS AND LAND:**

As at 30 August 2015, we assess a fair market value for the property on the basis of the land being subdivided into two lots, in accordance with instructions by Trust representatives. In this regard we have consulted preliminary advice from Registered Surveyor (Mike O'Sullivan) and council Rangitikei Council. Our valuation of shops and land of approx. 410m<sup>2</sup> is:

Land (as an occupied site)	<u>\$49,000</u>
Improvements	\$26,000

**CURRENT MARKET VALUE (subject to survey):****\$75,000 \*Refer to Caveats**

All calculations used by us in the making this valuation is exclusive of GST. The valuation excluded any chattels, plant or fittings within the premises. The valuation assumes normal sale condition apply, including the existence if a willing buyer willing seller relationship and a reasonable period of marketing. It makes no allowance for possible forced sale conditions applying. It further assumes the property being compliant with relevant by-laws and regulations

**(SEVENTY FIVE THOUSAND DOLLARS)**

## **PURPOSE**

To assess a current market value of the property for Taihape Heritage Trusts internal purposes, to assist them in negotiating a sale at a fair market price to an interested party. This report is confidential to the client for the specific valuation purpose to which it refers and is not for distribution. No responsibility is accepted on behalf of any third party for the whole or any part of its contents. Our firm carries professional indemnity insurance cover that exceeds the property's assessed market value. *The Registered Valuer holds a current practising certificate no. 708, has satisfied current professional education requirements, is experienced in the locality and category of the property, has no financial, or other interest in the property, and is independent of the vendor, purchaser, or agent.*

## **CAVEATS**

1. This report is prepared for VALUATION PURPOSES ONLY. It is not to be construed as a comprehensive and detailed schedule of the buildings and other improvements or purport to be a structural, site or engineering survey. We are not qualified or commissioned to compile such surveys and if this is the type of report required we recommend you contact our office immediately and we will redirect you to the appropriate expertise. The physical condition of the improvements will be based on visual inspection and therefore no liability is assumed for the soundness of the structures.
2. Your attention is also brought to the requirements of the Building Act 2004 and the Building Code contained in the first schedule to the Building Regulations 1992 (or any amendment or substitution of that code). It is strongly recommended that you research and meet such requirements for your intended utilisation of the property and in particular a Code Compliance Certificate/ Land Information Memorandum is issued. Such documentation should be to your full satisfaction before any contractual agreements are entered into.
3. Unless otherwise stated it is assumed that all improvements lie within the title boundaries.

## PROPERTY REPORT

Details of your total property holder are:

**Tenure**

Freehold

**Current Registered Proprietor:**

The Taihape Heritage Trust incorporated

**Zoning/Local Body:**

Under the Rangitikei District Council's Operative District Plan administered under the Resource Management Act 1991, the land is zoned Commercial.

The existing use is a Permitted Activity within this zone.

**Rating Information:**

Assessment Number	13530/61300
Legal Description	PT SEC 8 BLK III TAIHAPE TSHIP
Area	0.0941 Ha
Certificate(s) of Title	WN240/211
Land Valuation	\$97,000.00
Capital Valuation	\$127,000.00
Rangitikei District Council:	\$627.90
Horizons Regional Council:	\$166.71

**Utilisation:**

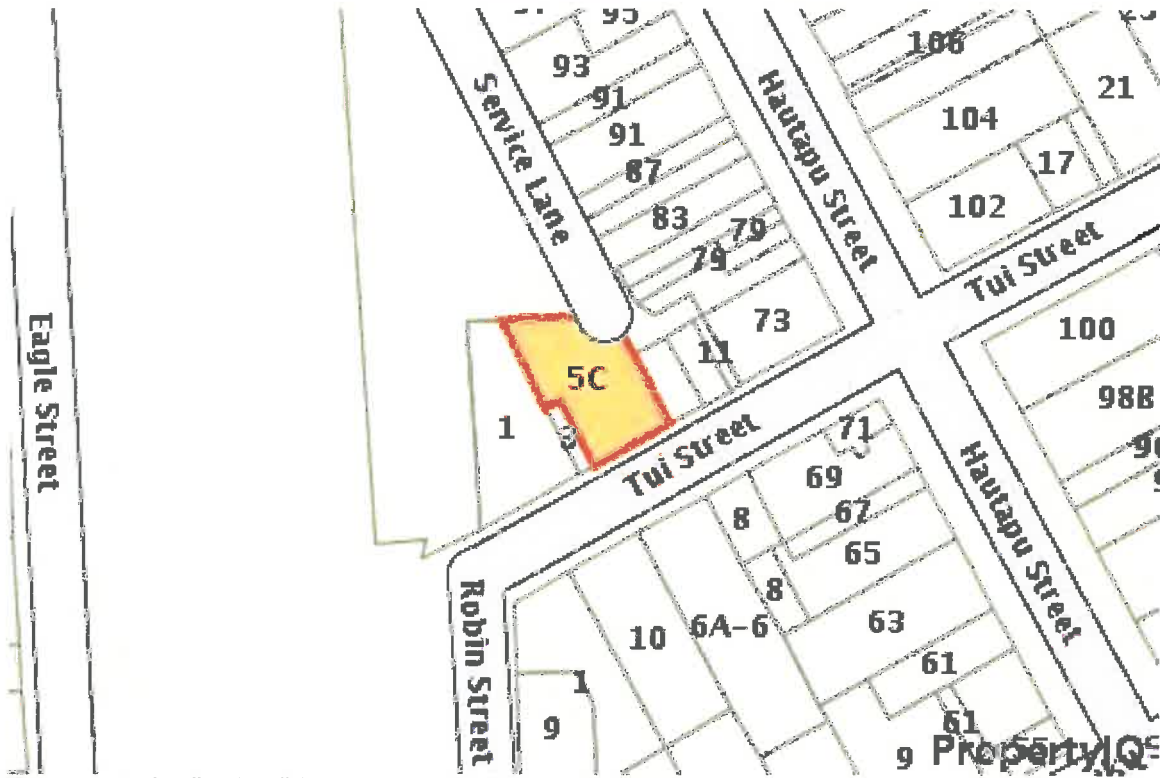
A commercial cinema/hall with two-shop retail commercial building on one title and rear land available for parking.

**Location:**

The property is located within the upper Tui Street, commercial/central business district of Taihape at 5c Tui Street surrounded by an extensive range of commercial and other businesses including Islamic prayer room, police station, accountants offices, retail shops, and some residential uses. There is a service lane to the rear of the property, railway station, and public toilets at the end of Tui Street. Available to the property are services normally associated with a developed town.

NB: This report relates to a proposed sub-division of the total property as shown on the sketch plan attached.

LOCALITY MAP



The property (outlined red) is located on Tui Street in Taihape township.

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**IMPROVEMENTS OVERVIEW TWO SHOP RETAIL COMMERCIAL BUILDING**



**View from Tui Street**



**Side and rear**



**Shop 2**



**Shop 1**

**DETAILS OF LEASES**

**LESSOR:** The leases are in the name of Taihape Heritage Trust as lessor and can be summarized as follows:

**Shop 1**

**Lessee:** Top2Toe Beauty Therapy  
**Business Use:** Beauty Salon  
**Description:** A floor area of 59m<sup>2</sup> with a frontage/width of 4m<sup>2</sup>.

**Shop 2**

**Lessee:** Vacant  
**Business Use:** Retail  
**Description:** A floor area of 45m<sup>2</sup> and a frontage of 3.5m<sup>2</sup>

**Lease terms:**

We have not sighted a copy of the Beauty Therapy lease but understand it equates to \$150 per week (\$7800 per annum) and the lessee is not liable for the outgoings of insurance and Rates which are the liability of lessor. We also understand that the vacant shop was until some 12 months ago let for the same rental and on similar terms to the beauty salon although the premises are inferior

**COPY**

<b>87 Hautapu Street</b>	\$106,000	7/14	273m2	100m2	Similar sized premises occupied by one shop (Magazine) on a much smaller site but again in a prime retail position.
<b>3 Tui Street</b>	\$55,000	7/14	66m2	45m2	Adjacent property. Owner Occupier/ Purchased by Ad-Deen Mosque Taihape Islamic Centre but a slightly older sale of somewhat more modern building that is smaller and on a smaller land area.

## CONCLUSION

In summary the property consists of partly tenanted retail space at what seems to be at fair market rental and there is potential to increase the income if the vacant shop was offered at a lesser rental than the Beauty Salon.

The land been made available has good rear service lane access as well as a 3.5 metre access strip to Tui Street. The access strip has the potential to be built over. On balance relying particularly on recent retail sales we are satisfied that our assessment of market worth is fair.

This valuation has been prepared for the party to whom it is addressed for the purposes referred to in this valuation and no other person should rely upon this report for any reason without reference to us and should they do so without reference to us they do so at their own risk.

Yours faithfully  
**TE AWA CONSULTANTS LTD**

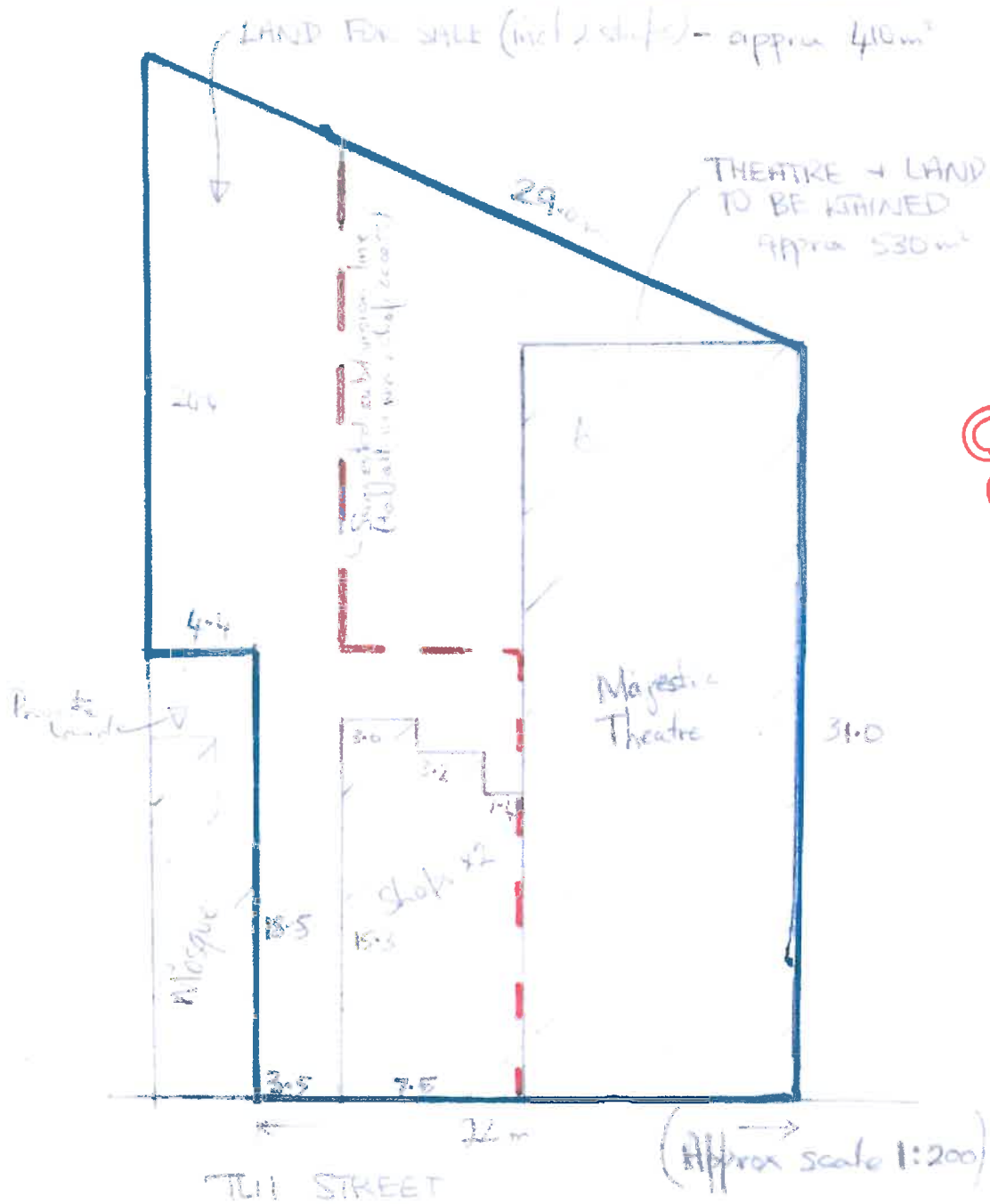
**TERRY COXON (ANZIV, SPINZ, FREINZ)**  
**Registered Valuer**  
Practising Certificate No. (708)

Yours faithfully  
**WANGANUI VALUER LTD**

**DIANA DAVEY**  
Dip Bus Studs (Valuation and Property Management)  
**Valuer**  
Member of Property Institute of New Zealand (MPINZ)



SKETCH PLAN OF TIHARE HERITAGE TRUST'S LAND



COPY