

**MARKET CONSULTANCY
VACANT LAND**

**153 BONAIR CRESCENT
MILLWATER
AUCKLAND**

MARCH 2020



1.0 Brief Summary

Instructing Party	Mr Anthony Law Partnering Manager Kāinga Ora – Homes and Communities P O Box 74598 Greenlane Auckland 1546
Property Address	153 Bonair Crescent Millwater Auckland
Purpose	Market value for potential purchase
Date of Inspection	12 March 2020
Date of Valuation	12 March 2020
Legal Description	Lot 1 Deposited Plan 525711, Identifier 846464
Land Area	4,787 square metres more or less
Zoning	Residential – Single House, Millwater South Precinct Auckland Unitary Plan – Operative in Part
Brief Property Description	<p>A vacant 4,787 square metre site situated on the northern side of Bonair Crescent between Percival Lane and Fleur Lane being located within the modern, masterplanned subdivision of Millwater in Silverdale, North Auckland.</p> <p>Millwater is a masterplanned development of approximately 260 hectares with the first section selling around 2008. There are reportedly some 500 sections remaining and it is anticipated that Millwater will house over 10,000 residents by its completion in 2022. Millwater is located on the north facing slopes of Silverdale on Auckland's North Shore some 35 kilometres north of Auckland Central and approximately 30 minutes travelling time under normal traffic conditions. Millwater is bound to the south and west by Wainui Road, to the north by the Orewa Estuary and to the east by the Orewa Estuary and Millwater Parkway.</p> <p>The area is a highly integrated residential location with established schooling, recreation facilities, retail and business park development. Silverdale has park and ride facilities for commuter access to the northern rapid bus public transport network. The rapid bus network links Millwater commuters to Albany then through the North Shore and further onto the Auckland CBD.</p>

Site Description

The land is zoned Residential – Single House under the Auckland Unitary Plan – Operative in Part but forms part of the Millwater South precinct which is located north west of the original Silverdale Town Centre characterised by a steep north east facing horse shoe shaped valley with views of Orewa and the coast from the more elevated areas.

Precinct Plan 1 for Millwater South Precinct shows that sites fronting Bonair Crescent have a high density zoning with site densities ranging from 150 square metres to 400 square metres.

The site has Resource and Building Consents for a 38-unit apartment building comprising 19 predominantly two bedroom apartments per level.

An elongated regular shaped site with extensive frontage of approximately 160 metres to Bonair Crescent on the southern boundary, western side boundary along Percival Lane of approximately 30 metres, eastern side boundary of some 30 metres to Fleur Lane and a rear northern boundary of 147.6 metres.

The land has been engineered as part of the overall re-contouring of Stage 4A of Precinct 2, Millwater. Stage 4A comprises high density residential lots extending east from Percival Lane through to Grut Greens. Civil works commenced November 2016 and were completed May 2017 comprising minor cut to fill earthworks across parts of the site, construction of timber pole retaining walls and installation of roading and services.

The land now has an easy contour with an easy crossfall from west to east (Percival Lane to Fleur Lane) following the road gradient of Bonair Crescent and a slight rise from south to north with the northern boundary defined by a substantial timber pole retaining wall ranging between 2 to 3 metres in height.

The site is provided as a levelled building platform with two concrete accessways off Bonair Crescent (both 7 metres wide) leading to the rear concrete driveway which extends 140 metres along the rear northern boundary defined by the 2 to 3 metre high retaining wall with additional vehicle access via Fleur Lane to the east.

The front southern boundary overlooks the extensive passive reserve area known as Croix Reserve. The reserve and play park was officially opened 3 May 2019. It extends through the centre Bonair Crescent affording an attractive outlook and featuring a communal playground and exercise area with cycle and walking paths.



Source: Core Logic



Source: Record of Title



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Description of Proposed Improvements

Resource Consent is for 38 apartments contained within three blocks namely, Block A, Block B and Block C with each block fronting Bonair Crescent. Each block has rear access via Fleur Lane together with two concrete driveways off Bonair Crescent leading to Chemin Way. Chemin Way provides a parking area adjacent to the northern rear boundary.

Block A is positioned at the western end of the site adjacent to Percival Lane with Block B centrally located and Block C at the eastern end adjacent to Fleur Lane.

Block A comprises 10 apartments (five apartments on each level) whilst Block B has 16 apartments (eight on each level) and Block C 12 apartments (six per level) totalling 38 apartments. Two apartments, namely A1F and C6F provide three bedroom accommodation with the remaining 36 units all providing two bedroom accommodation.

Market Considerations

Demand for development land had moderated over the past 18 to 24 months with tighter lending conditions, high construction costs and legislative changes around foreign ownership. Very recently there are signs of an upward movement in residential property prices that may well flow through to the development land market in the near future.

There are number of positive factors that may influence development and land values over the medium term:

- Low interest rate environment likely to remain for the foreseeable future.
- Government policy focussing on enabling development to provide for families and first home buyers.
- Infrastructure growth for roading and motorway networks.
- Record low Official Cash Rate (OCR) at 0.25% announced 16 March.

Land Sales

We refer to the attached schedule of sales for land parcels with a High Density zoning within the wider Auckland Area. Overleaf, we note recent transactions of Superlots in Millwater, Long Bay, Orewa, Kumeu and Hobsonville. The schedule indicates a range of \$900 to \$1,300 per square metre for fully serviced and engineered Superlot sites.

In addition, we include a schedule of land sales in the wider Auckland region for sites with Mixed Housing Urban and Suburban zonings together with higher density THAB zoned sites.

153 Bonair Crescent, Millwater, Auckland

Address	Locality	Sale Date	Sale Price	Land Area	Rate psm	Proposed Development
Superlots						
Stage 1A, Pacific Heights (Lot 269)	Orewa	Oct-19	\$1,230,000	1,742	\$706	7 lots together in new 550 lot subdivision. Plans for 10 units (4x3 brm, 2x2 brm & 4x2 brm).
2 Squadron Drive	Hobsonville	Apr-19	\$8,130,150	12,717	\$639	Coastal lot sold to Retirement Village developer.
68-82 Arran Point Parade	Millwater	May-19	\$1,488,000	1,407	\$1,058	Superlot within Millwater - terraced housing
36-50 Arran Point Parade	Millwater	Oct-18	\$1,550,000	1,398	\$1,109	Superlot within Millwater - terraced housing
5 Lumbarda Drive	Kumeu	Oct-18	\$1,500,000	1,608	\$933	Superlot with roading to three sides.
19 Karengo Street	Long Bay	Aug-18	\$7,335,000	5,491	\$1,336	Bounded by 4 roads - Glenvar Ridge, Karengo, Pennant & Time. Purchased by Universal Homes.
Bonair Crescent (Lot 1005)	Millwater	Sep-18	\$1,939,380	1,945	\$997	Superlot within Millwater - terraced housing
Bonair Crescent (Lot 1006)	Millwater	Jul-18	\$1,159,966	1,323	\$877	Superlot within Millwater - terraced housing
Bonair Crescent (Lot 1004)	Millwater	Jul-18	\$1,260,000	1,334	\$945	Superlot within Millwater - terraced housing

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Address	Locality	Sale Date	Sale Price	Land Area	Rate psm	Unitary Zone	Permitted Height	Proposed Development
Block Land Sales								
76-78 Fred Taylor Drive	Westgate	Oct-19	\$21,000,000	36,548	\$575	THAB	16m	Mostly flat land close to North West Mall and SHa8.
15 Highbury Street	Avondale	Sep-19	\$4,330,000	6,703	\$646	OS		Ex Avondale Bowling Club sale of part. Open Space zone.
2169 Great North Road	Avondale	Sep-19	\$2,053,000	2,065	\$994	THAB	16m	Sealed car yard with some buildings and storage.
7 McAnnalley Street	Manurewa East	Jul-19	\$4,500,000	5,107	\$881	THAB	16m	Fully serviced level site. Ex tavern to be demolished.
14 Hillsborough Road	Hillsborough	Jun-19	\$1,043,478	814	\$1,282	MHS	11m	Purchased for access to ex Hillsboro Bowling Club land
16 Hillsborough Road	Hillsborough	Contract *	\$4,500,000	7,975	\$564	MHS	11m	at similar time. Low lying land requires rezoning.
			\$5,543,478	8,789	\$631			Overall Land Rate
9 Atkinson Avenue	Otahuhu	Aug-19	\$856,522	1,206	\$710	THAB	16m	1950's dwg advertised as redevelopment site.
7 Kealy & 273 Panama Roads	Mt Wellington	Aug-19	\$1,460,000	1,909	\$765	MHS	11m	Twp sites purchased for redevelopment.
30 Hospital Road	Otahuhu	May-19	\$35,000,000	67,685	\$517	THAB	16m	Purchased by Crown for housing, medical, education.
43A Luke Street	Otahuhu	Apr-19	\$910,435	1,510	\$603	MHU	11m	ROW site being cleared for redevelopment.
1855 Great North Road	Avondale	Apr-19	\$2,200,000	1,113	\$1,977	TCZ	32.5m	Ex funeral home purchased for redevelopment.
10-12 Kereru Street	Henderson	Apr-19	\$1,897,996	1,650	\$1,150	THAB	16m	Two adjoining sites.
49-53 Te Kanawa Crescent	Henderson	Mar-19	\$3,186,957	2,755	\$1,157	THAB	16m	Three adjoining sites in cul-de-sac.
456 Ellerslie-Panmure Highway	Mt Wellington	Mar-19	\$1,120,870	1,012	\$1,108	MHU	11m	Holding income pending redevelopment.
85A Luke Street	Otahuhu	Feb-19	\$656,522	1,130	\$581	MHU	11m	ROW site with small 1950's bungalow close to motorway.
12 Atkinson Avenue	Otahuhu	Feb-19	\$2,500,000	1,387	\$1,802	MU	16m	Fringe of Otahuhu centre, dwg demo and site cleared.
55 Mangere Road	Otahuhu	Dec-18	\$804,348	1,012	\$795	THAB	16m	1920's bungalow with Sturges Park at the rear.
20 & 20A Mountain Road	Mt Wellington	Aug-18	\$2,713,043	1,717	\$1,580	MHS	11m	Two adjoining properties acquired for redevelopment.
105 Waimumu Road	Massey	Aug-18	\$2,750,000	3,541	\$777	MHS	11m	North Facing elevated site. Intensive development.
64 Hillside Road	Mt Wellington	Aug-18	\$2,440,000	2,296	\$1,063	SH	11m	Sold with consent for 12 terraced houses, elevated site.
20 Donnelly Street	St Johns	Jul-18	\$23,000,000	27,662	\$831	MHS	11m	Narrow long site adj to Remuera Golf Course.
340-344 Onehunga Mall	Onehunga	May-18	\$5,900,000	3,137	\$1,881	THAB	16m	42 Apartment Building proposed -Inc some KiwiBuild.
7 Piki Thompson Way	Otahuhu	May-18	\$1,700,000	2,064	\$824	THAB	16m	Fringe town centre, commercial bldg with park at rear.
19 Dunn Road	Panmure	Apr-18	\$1,520,000	1,038	\$1,464	THAB	16m	Corner site 46 apartments proposed.
52 Delta Avenue	New Lynn	Apr-18	\$2,335,000	1,763	\$1,324	THAB	16m	Purchased by childcare operator to build new.
34 Allenby Road	Panmure	Mar-18	\$1,195,000	855	\$1,398	MHU	11m	Consented for 6 apartments & 1 terrace house.
211 Richardson Road	Mt Roskill	Feb-18	\$8,200,000	8,187	\$1,002	TCZ	18m	Ex Tavern adj to motorway. Redevelopment site.
4017 Great North Road	Glen Eden	Feb-18	\$885,000	1,012	\$875	THAB	16m	1940's bungalow in THAB zone.
24 Domain Road	Panmure	Jan-18	\$1,252,174	1,184	\$1,058	THAB	16m	Two adjoining ROW sites purchased for redevelopment
26 Domain Road	Panmure	Jan-18	\$930,435	1,110	\$838	THAB	16m	in close proximity to Panmure Town Centre.
			\$2,182,609	2,294	\$951			Overall Land Rate plus GST
136-140 Lincoln Road	Henderson	Nov-17	\$4,063,500	2,708	\$1,501	MU	21m	Purchased by BP for new service station.
1909-1949 Great North Road	Avondale	Nov-17	\$9,750,000	7,447	\$1,309	TCZ	32.5m	Purchased by Panuku for redevelopment.
572 Te Atatu Road	Te Atatu	Nov-17	\$1,505,000	1,012	\$1,487	TCZ	18m	Adjacent to Te Atatu shops.
1370-1376 Dominion Road Ext	Mt Roskill	Sep-17	\$3,950,000	2,797	\$1,412	MHU	11m	Elevated level parcel overlooking Akarana Golf Club.
42 Rosebank Road	Avondale	Aug-17	\$1,295,000	824	\$1,572	MU	21m	Vacant level site with Mixed Use zoning.
1837-1843 Great North Road	Avondale	Aug-17	\$5,775,000	2,309	\$2,501	TCZ	32.5m	Ted Manson Foundation - 140 apartments planned.
56-58 Newington Road	Henderson	Aug-17	\$3,023,043	2,024	\$1,494	THAB	16m	Two adjoining sites.
4019-4021 Great North Road	Glen Eden	Jun-17	\$2,160,000	2,024	\$1,067	THAB	16m	Located close to Kelston School.
197 Botany Road	Botany	Apr-17	\$21,000,000	23,822	\$882	MHS	11m	Purchased by Metlifecare adj to Pakuranga Golf Course.
286 Cascades Road	Botany	Apr-17	\$6,100,000	7,493	\$814	MHS	11m	Irregular shape opposite Pakuranga Golf Course.
18 Elm Street	Avondale	Mar-17	\$13,450,000	9,647	\$1,394	MU	21m	Purchased by Auckland Council - AIC complex.

OS - Open Space
 THAB - Terrace Housing & Apartment Buildings
 LCZ - Local Centre Zone
 MHU - Mixed Housing Urban
 MCZ - Metropolitan Centre Zone
 MU - Mixed Use
 NCZ - Neighbourhood Centre Zone
 TCZ - Town Centre Zone

* Under Contract - price approximation only

Valuation

Our assessment of market value for the land at 153 Bonair Crescent, Millwater lies within the range of \$950 to \$1,050 per square metre plus GST (if any) indicating a value range of \$4,550,000 to \$5,025,000.

In adopting our assessment of market value, we have had regard to the following site characteristics:

- Freehold land title of 4,787 square metres.
- Extensive frontage of approximately 160 metres to Bonair Crescent.
- Secondary frontage to Percival Lane and Fleur Lane.
- A fully engineered and levelled rectangular shaped site with rear retaining wall and concrete driveways.
- Located within a modern developing subdivision.
- Unobstructed outlook to the south over Croix Reserve.
- Located within walking distance to cafes, retail, restaurants and a range of schooling.
- Resource Consent and Building Consent for 38 apartments design as three separate apartment buildings.

We consider the market value is in the vicinity of **\$4,800,000 (Four Million Eight Hundred Thousand Dollars)** plus GST (if any).

Our assessment equates to approximately \$1,000 per square metre for the 4,787 square metre site.

As requested, we have provided a brief reporting format and on that basis, this report does not meet the reporting standards of the Property Institute of New Zealand and should be read in conjunction with Extensor's standard valuation policies attached at **Appendix 1**.

We thank you for your instruction and we trust this brief report is sufficient for your initial purposes. A full detailed valuation report can be provided upon further instructions.

Valuer

s 9(2)(a), SPINZ
Registered Valuer

Appendices

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Appendix 1

Valuation Policies

Publication

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

Information

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

Confidentially

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

Purpose of Valuation

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

Mortgage Recommendation

The value provided in this valuation is our opinion of the current market value on a willing buyer/willing seller basis. That value may change in the future due to market conditions and changes to the state of property the subject of this report. Any decision to lend should take these factors into account and allow a reasonable and prudent margin between the amount advanced and the current market value given in this. Additionally the margin should also recognise the consequences and costs of a forced sale.

Structural Survey

While in the course of inspection due care is taken to note building defects, no structural survey has been made and no undertaking is given about the absence of rot, termite or pest infestation, deleterious substances such as asbestos or calcium chloride or other hidden defects. We can give no guarantee as to outstanding requisitions in respect to the subject building.

Title Boundaries

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

Plant and Machinery

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

Site or Environmental Contamination

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

Measurements

All property measurement is carried out in accordance with the Guide for the Measurement of Rentable Areas issued by Property Institute of New Zealand (PINZ) unless we specifically state that we have relied upon another source of information or method.

Building Act 2004, Health and Safety at Work Act 2015, Fire and Emergency New Zealand (Fire Safety, Evacuation Procedures, and Evacuation Schemes) Regulations 2018, Disabled Persons Community Welfare Act 1975

Unless otherwise stated in our report our valuation is on the basis that the property complies with the Building Act 2004, Health and Safety at Work Act 2015, Fire and Emergency New Zealand (Fire Safety, Evacuation Procedures, and Evacuation Schemes) Regulations 2018, and Disabled Persons Community Welfare Act 1975 or that the legislation has no significant impact on the value of the property.

Registrations

Unless stated otherwise our report is subject to there being no detrimental or beneficial registrations affecting the value of the property other than those appearing on the title(s) so valued in this report. Such registrations may include Wahi Tapu registrations and Historic Places Trust registrations.

Forecasts

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