

REF: J T/SSFDLot32

3 September, 2009

Glaister Ennor Solicitors Nominee Company Limited
PO Box 63
Shortland Street
AUCKLAND 1140

Dear Sir/Madam

RE: Lot 32 - Silverstream Falls Subdivision, Tairua

Acting on instructions received from Mr P Kendall we inspected the property described below for the purpose of carrying out a valuation and providing a loan recommendation for mortgage purposes.

The effective date of the valuation is 25 May 2009 being the date of inspection.

Client/Owner: Professional Contractors Limited

Address: Lot 32, Silverstream Falls Subdivision, State Highway
25, Tairua

Legal Description: An estate in fee simple more or less being Lot 32
Deposited Plan 401573

Certificate of Title: SA 409431

See attached Title for a list of all memorials

Area: 3.1950 hectares

Valuation:

Land Only - 3.1950 ha	\$470,000
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Four Hundred & Seventy Thousand Dollars
(Inclusive of GST)

Loan Recommendation:

We value the land only at \$470,000 (Four Hundred and Seventy Thousand Dollars) and advise a sum of \$235,000 (Two Hundred and Thirty Five Thousand Dollars) can safely be lent on the property referred to in this report.

We are aware that most lending institutions have their own lending criteria and herewith confirm that the land and buildings represent sound security for the advance of mortgage monies.

Disclaimer:

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

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

Solicitors Nominee:

In accordance with the requirements of the Trustee Act, The Solicitors Nominee Company Rules 1988 and 1988 Securities Act Regulations I confirm the following :

1. The valuation has been prepared for use by intending lenders.
2. I consent to the distribution of the report to intending lenders.
3. The valuation assessment has been completed by an appropriately qualified and experienced independent Registered Valuer.
4. The valuation has been prepared independently of the owner, purchaser, applicant or lender and the Valuer does not have any interest in the property or the mortgage funding.
5. The valuer does not have any other relationship or interest with any Broker, Nominee Company or Mortgagor who is likely to influence our judgement in respect of the valuation for mortgage security purposes.
6. This report was prepared for valuation purposes only and should not be regarded as a site or structural survey.
7. No assessment has been requested, nor is offered, as to the borrowers financial position and/or capacity to service any charges on the loan.

Valuation Comments:

A 3.1950 hectare block within the Silverstream Falls subdivision north of Tairua on the eastern seaboard of the Coromandel Peninsula.

Attractive drive up to the elevated house site.

Kauri reserve on the opposite side of the highway.

Method of Valuation:

All small blocks have been analysed by subtracting the added value of any improvements in order to arrive at a net land value.

We have then identified the actual or preferred house site with allowance made for access, availability of services, view, degree of shelter, allowance for any natural features such as stream etc.

The balance of the land has then been considered on its ability to add to the house site with particular note paid of quality of grazing, contour, its relationship to the house site, quality of any indigenous cover and natural features which may enhance the land.

This approach enables various blocks to be compared with particular note paid to the factors which tend to create value in accordance with the market.

Detailed Valuation

Land Value - 3.1950 ha

\$470,000

Four Hundred & Seventy Thousand Dollars

Sales Evidence:

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

1. 50 Paul Road sold May 2007 for \$477,000. Rating Valuation Capital Value \$416,000 with a Land Value of \$415,000. A 2.5 hectare block (Lot 6). A desirable elevated block with extensive views and good elevated house site with some grassed areas including a pond with an attractive small stream situated to the rear of the house site.
2. 1811 The 309 Road, Whitianga sold February 2008 for \$455,000. Rating Valuation Capital Value \$422,000 with a Land Value of \$355,000. A 10.4280 hectare block. A steeper block on the 309 Road which more or less provides a house site but mainly southerly aspect. Previously valued by Jordan Valuers.
3. 1815 The 309 Road sold March 2008 for \$620,000. A 10.9100 hectare block. Previously valued by Jordan Valuers. Contains a two level dwelling with some outbuildings situated on an elevated building platform. Balance of the land being of limited value and provides space for the house site. Indicates a Land Value in the vicinity of \$425,000.
4. Kopu Hikuai Road sold November 2007 for \$700,000 (two lots) 102 ha. Settled in 2008. Contains some grazing and house site with balance being of steeper contour in bush with limited access. 20 ha at \$17,500/ha, 82 ha at \$4,268/ha. Basically a "10 acre block" plus other land.
5. 1244 Manaia Road, Coromandel sold March 2008 for \$495,000. A 10 hectare block with house site plus bush. Rating Valuation Capital Value \$298,000. Valued by Jordan Valuers.
6. 1587 State Highway 25, Whitianga sold May 2008 for \$950,000. Rating Valuation Capital Value \$742,000 with a Land Value of \$510,000. A 47.36 hectare block with a two level dwelling and some grazing to the front of the property with the balance being steeper. Indicates a Land Value in the vicinity of \$675,000.
7. 2312a State Highway 25, Coroglen sold for \$460,000. A desirable 5.78 hectare lifestyle block situated just north of Coroglen and handy to Hodge Road. Indicates a Land Value in the vicinity of \$80,000/ha and after an allowance for an elevated house site indicates a Land Value in the vicinity of \$33,000/ha.
8. 48 Comers Road, Kaimarama sold July 2009 for \$345,000. A 15.3140 hectare block more or less being a forced sale. Contained a modest cottage and some pasture.

Sales within the Silverstream Falls Subdivision on the northern side of Paul Road, most of which are now dated. However sold more or less at valuation undertaken by the writer.

1.	Lot 2 - 10.7 ha	\$510,000
2.	Lot 4 - 12.5 ha	\$470,000
3.	Lot 5 - 4.9 ha	\$450,000
4.	Lot 9 - 4.5 ha	\$470,000
5.	Lot 10 - 2 ha	\$450,000
6.	Lot 15 - 2.5 ha	\$400,000
7.	Lot 16 - 2.5 ha	\$425,000
8.	Lot 19 - 9.5 ha	\$422,875
9.	Lot 21 - 5 ha	\$385,000
10.	Lot 22 - 9.5 ha	\$420,750
11.	Lot 31 - 9.5 ha	\$450,000
12.	Lot 34 - 10.5 ha	\$460,000
13.	Lot 35 - 15 ha	\$475,000

Comment:

It appears the sections to the rear of Silverstream Falls which are more private and enjoy extensive views attract a premium over and above the lots handy to the main road.

Rating Valuation: As at July 2006

Not separately assessed.

Zoning:

Rural Zone.

Situation:

The subject property is situated within the Silverstream Falls Subdivision which is approximately 10 minutes drive north of Tairua and is within an easy drive to several of the eastern coast beaches.

The overall contour of the subdivision is of relatively easy contour enjoying a warm northerly aspect and is protected by the hills which tend to rise towards the south and west.

The subdivision has been completed to a high standard and considerable thought has been applied to choosing the prime house sites which enjoy not only distant sea and harbour views where possible, but also a good level of privacy from one another.

The chosen house sites also have ample space to provide for relatively easy building platforms together with space for out buildings and gardens.

A desirable subdivision which appeals not only to the local market but also off shore buyers including ex pats.

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

Land:

Lot 32 - 3.190 ha

Access is opposite Lynch's Stream car park with the well formed access road leading up to the elevated house site.

The house site enjoys a warm northerly aspect and glimpses of the Whitianga harbour to the north and pleasant views down the valley. Also sea views to the east.

The entrance to the site winds through an area of attractive established bush.

Shared pedestrian access to the Kauri dam, waterfall, swimming hole and stream.

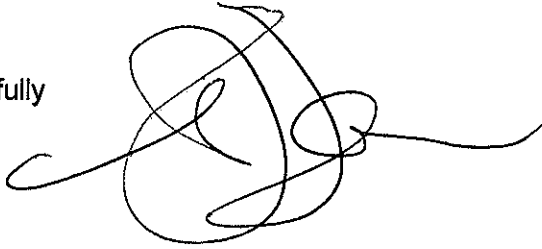
Summary:

A 3.1950 hectare block situated within the Silverstream Falls subdivision at Tairua on the eastern seaboard of the Coromandel Peninsula.

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

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

Yours faithfully

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal tail extending to the right.

M J Jordan (Registered Valuer ANZIV SPINZ MREINZ)



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



R.W. Muir
Registrar-General
of Land

Search Copy

Identifier 409431
Land Registration District South Auckland
Date Issued 11 September 2008

Prior References
182080

Estate Fee Simple
Area 3.1950 hectares more or less
Legal Description Lot 32 Deposited Plan 401573

Proprietors
Professional Contractors Limited

Interests

Appurtenant hereto is a pedestrian right of way created by Transfer 5313381.1 - 13.8.2002 at 1:20 pm
5313381.2 Mortgage to Southern Cross Building Society - 13.8.2002 at 1:20 pm
5587760.1 Variation of Mortgage 5313381.2 - 15.5.2003 at 9:00 am
Appurtenant hereto is a right to convey telecommunications and computer media created by Easement
Instrument 5895742.5 - 11.2.2004 at 9:00 am
The easements created by Easement Instrument 5895742.5 are subject to Section 243 (a) Resource Management
Act 1991
Land Covenant in Transfer 5895742.11 - 11.2.2004 at 9:00 am
7078583.1 Variation of Mortgage 5313381.2 - 20.10.2006 at 9:00 am
7933512.10 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 11.9.2008 at 9:00 am
Subject to a right (in gross) to convey electricity over part marked AZ on DP 401573 in favour of Powerco
Limited created by Easement Instrument 7933512.12 - 11.9.2008 at 9:00 am
The easements created by Easement Instrument 7933512.12 are subject to Section 243 (a) Resource Management
Act 1991
Appurtenant hereto is a right of way (pedestrian only) created by Easement Instrument 7933512.13 - 11.9.2008
at 9:00 am
Subject to a right of way, right to convey electricity, telecommunications and computer media over part marked
T on DP 401573 created by Easement Instrument 7933512.14 - 11.9.2008 at 9:00 am
Appurtenant hereto are rights of way and rights to convey electricity and a right of way (pedestrian only) and
right to convey water created by Easement Instrument 7933512.14 - 11.9.2008 at 9:00 am
The easements created by Easement Instrument 7933512.14 are subject to Section 243 (a) Resource Management
Act 1991
Land Covenant in Easement Instrument 7933512.15 - 11.9.2008 at 9:00 am
7933512.40 Open Space Covenant pursuant to Section 22 Queen Elizabeth The Second National Trust Act 1977 -
11.9.2008 at 9:00 am.