

Rural Valuation Report

Greenheart Estate

Ormond forest, Gisborne District
Aotearoa/New Zealand

Valuation Date:

31 August 2025

Prepared For:

Greenheart MFV Limited

Prepared By:

Carolyn Blair, Registered Valuer

Arotahi
AGRIBUSINESS



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Executive Summary

Introduction

Subject Property

Ormond forest, previously recorded as First Forest, more specifically described as GS6C/1169.

Client

Greenheart MFV Limited.

Intended Users and Uses

Greenheart MFV Limited and associated entity Greenheart Papakorakora Forest NZ Limited (the owner), as well as the auditor for financial reporting purposes.

Inspection Date

30 September 2025.

Valuation Date

31 August 2025.

Basis of Valuation

Fair value of the land only with vacant possession of the freehold properties. This excludes plantation tree crops and NZ Carbon units (NZUs).

As per NZ IFRS 13:

“Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.”

Fair Value is considered synonymous with Market Value as per IVS 102 Bases of Value:

“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 arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

Subject Property

Summary

A Post-89 first rotation pruned *Pinus radiata* forest within the Gisborne district. The property is situated on the East Coast of the North Island, approximately 22 km from Gisborne Port, with sealed access for approximately 21 km.

The property has a legal area of 80.97 hectares, and a net stocked area of 73.4 hectares, established 1999. We have been provided with mapping and commentary indicating that there are 0.8 hectares planted over the legal boundary, however there appears to be sufficient unplanted give and take area along the north-eastern legal boundary. Consequently we have not deducted this productive area from our assessment.

The land is low altitude with a predominant north-west facing aspect, and approximately 62% ground-based contour, with the remainder steeper country regarded as hauler country. The block has predominant moderate to high erosion susceptibility under National Environmental standards. It contains a relatively clear understorey, with tracking that would require upgrade before harvest.



The valuation is of the land only. The forestry valuer will account for tracking and NZ carbon units (NZU's).

Overall, the property appears to be well managed, with good productivity fundamentals.

Highest and Best Use

The current use of the subject property for production forestry is considered to be the highest and best use.

SWOT Analysis

Strengths

- Port is within a favourable distance.
- Affordable scale that could appeal to a broad market.
- Predominant ground-based harvest contour.
- Favourable productivity indicators.

Weaknesses

- Limited domestic processing options.
- Erosion risk, as is common to most East Coast hill country.
- There is significant market uncertainty for the broader East Coast market in the wake of Cyclone Gabrielle and proposed land use regulation change.

Opportunities

- To manage the harvesting program to optimise both carbon and timber revenues.

Threats

- Risk of more limitations being imposed by local and central government in an effort to reduce the environmental impact of forestry.
- Possible loss of productive area when Overlay 3B is legislated.
- That log prices will remain subdued and costs will remain high, reducing the profitability of forestry.
- Climate change is likely to result in less predictable weather patterns and more extremes.
- Volatility with regards to both export and domestic demand and prices.
- Possible changes to Overseas Investment Office (OIO) rules and outlook.
- Global disruption can affect distribution channels negatively.
- Heavy reliance of the New Zealand forestry sector on one market.
- Disease and fire risk common to all forests

Significant Valuation Uncertainty

In February 2023, Tairāwhiti was hit by Cyclone Gabrielle. This was a severe weather event that had a significant impact on the region, causing widespread flooding and erosion. The impact of forestry slash being washed down waterways was particularly evident, exacerbating the existing public opposition to forestry following previous similar weather events.

As noted in the report, there has been a Ministerial Inquiry into land use in the area, with the Panel making recommendations to Government, some of which would have a significant impact



on forestry operations if adopted. There is now an advisory group working to refine the recommendations and work out what can be implemented and how.

As at the effective date of this valuation, parties are still waiting to find out what the regulatory changes will be. Therefore, the forestry real estate market is effectively paused while the recovery takes place and property owners and potential purchasers wait for more certainty. In the valuation we have attempted to take account of the condition of the subject properties as at the valuation date, but there has been little market activity in the region since the cyclone.

Additionally, this has occurred at a time when several other factors are contributing to significant market uncertainty and a slowdown in the property market, such as low log prices due to decreased demand from China, high costs due to inflation, high interest rates, etc.

This valuation is therefore reported on the basis of 'significant valuation uncertainty'. As a result, less certainty exists than normal and a higher degree of caution should be attached to our valuation than normally would be the case. Given the unknown future impact that responses to the severe weather events might have on markets, we recommend that the users of this report review this valuation periodically, particularly after any regulatory changes.

This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly in a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation). We do not accept responsibility or liability for any losses arising from such subsequent changes in value.

Valuation

Adopted Value

\$545,000

(Five hundred and forty-five thousand dollars)

The valuation is in New Zealand Dollars and on a plus GST basis (if any).

The valuation is subject to all assumptions, conditions and disclaimers stated throughout the report. Notably, it excludes the tree crops and any allowance for NZUs.

Key Valuation Parameters

- Legal title area: 80.965 ha
- Productive area (PPA): 73.4 ha
- Ground-based harvest contour: 62%
- <600 masl Ground-based: \$8,000/ha
- <600 masl Hauler: \$6,400/ha
- Non-productive: \$500/ha

Prepared By



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30 September 2025

Note: This executive summary must be read in conjunction with the following report.



1. Introduction

1.1 Instructions

Instructing Party and Date

Chris Chen of Greenheart Group on 2 September 2025.

Subject Property

Ormond forest, more specifically described as legal title GS6C/1169.

Client

Greenheart MFV Limited

Intended Users and Uses

Greenheart MFV Limited and associated entity Greenheart Papakorakora Forest NZ Limited (the owner), as well as the auditor for financial reporting purposes.

Currency

New Zealand Dollars (NZD)

Valuation Date

31 August 2025

Basis of Valuation

Fair value of the land only with vacant possession of the freehold property. This excludes plantation tree crops and NZ Carbon units (NZUs).

Reliance

This valuation has been completed solely for the Intended User(s) and Use(s) stated in the report. Nobody else may rely upon this report for any purpose without first obtaining written authorisation from Arotahi Agribusiness. Without written permission, we shall not be held liable for any loss that may occur to any person, other than the Intended Users, by reason of their reliance on this report. Also, we do not accept liability in any case where the valuation is relied upon beyond 90 days from the date the report is signed, or earlier if any factors that may affect the valuation become known of.

Confidentiality

All intellectual property rights in this Valuation Report are owned by Arotahi Agribusiness. Neither the whole nor any part of the content of this valuation may be published in any document, statement, circular or otherwise by any party other than Arotahi Agribusiness, nor in any communication with any third party, without the prior written approval of Arotahi Agribusiness, and subject to any conditions determined by Arotahi Agribusiness, including the form and context in which it is to appear.



1.2 Valuer & Investigations

Valuer

Carolyn Blair, Registered Valuer with Arotahi Agribusiness Limited.

Certification

We certify that the Valuer is suitably qualified and authorised to practice as a valuer and does not have any connection with the Subject Properties or Intended Users which could conflict with the proper valuation of the properties.

Inspection Date

The property was inspected 30 September 2025. This is different to the Valuation Date, so it is assumed that there are no material changes to the property between the dates unless specifically noted.

Information Sources

We have relied upon the following information:

- A forest map provided by Neil Geerkens of Northland Forest Managers.
- Confirmation of productive area from Neil Geerkens of Northland Forest Managers.

Reasonable endeavours were made to verify all critical information through independent sources whenever practicable, but if any of the information relied upon is subsequently proven to be incorrect or to have changed materially, we reserve the right to reconsider our valuation.

1.3 Standards & Definitions

New Zealand Institute of Valuers (NZIV)

Subject to the assumptions and qualifications detailed within the report, our valuation is completed in accordance with the NZIV's Guidance Papers for Valuers and Property Professionals (Best Practice), particularly:

- ANZVGP109 Market Value of Rural and Agribusiness Properties
- ANZVGP110 Considerations when Forming an Opinion of Value when there is a Shortage of Market Transactions
- ANZVGP111 Valuation Procedures - Real Property
- NZVGP501 Goods and Services Tax (GST) in Property
- NZVGP502 Valuations of Real Property, Plant and Equipment for use in New Zealand Financial Reports
- ANZVP 01/2020 Significant Valuation Uncertainty

International Valuation Standards (IVS)

Subject to the assumptions and qualifications detailed within the report, our valuation is completed in accordance with IVS, effective 31 January 2025, namely:

- IVS 100 Valuation Framework
- IVS 101 Scope of Work
- IVS 102 Bases of Value
- IVS 103 Valuation Approaches
- IVS 104 Data and Inputs
- IVS 105 Valuation Models
- IVS 106 Documentation and Reporting



- IVS 400 Real Property Interests

Market Value Definition

As per IVS 102 Bases of Value:

“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 arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

Financial Reporting Standards

Subject to the assumptions and qualifications detailed within the report, our valuation is completed in accordance with the New Zealand Equivalent to the International Financial Reporting Standard 13 Fair Value Measurement (NZ IFRS 13) and the New Zealand Equivalent to International Accounting Standard 40 Investment Property (NZ IAS 40).

Fair Value Definition

As per NZ IFRS 13:

“Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.”

NZ IAS 40 also requires an assessment of Fair Value, consistent with NZ IFRS 13. In this case, Fair Value is considered synonymous with Market Value as per IVS.

1.4 Significant & Special Assumptions

Overview

A valuation is based on a series of inputs and assumptions. Assumptions are typically necessary when completing valuations as some matters are not capable of accurate calculation or fall outside the scope of our expertise or instructions. Our assumptions are intended to be consistent with what could be reasonably expected of a professional and experienced valuer. The Intended Users accept that the valuation contains certain assumptions and accept that if any of those assumptions adopted require amendment, then this may affect the valuation.

This valuation is subject to any assumptions detailed within the body of the report and the Disclaimers section.

Significant and special assumptions that are particularly critical are detailed below:

Side Agreements

We have proceeded on the basis that there are no side agreements that we have not been made aware of that would have an adverse effect on the market value of the property.

Exclusions

The valuation is of the land only, excluding plantation forestry crop, any fallen timber and NZUs. The forestry valuer is to allow for these items as well as roading and track infrastructure.

Resource Management

We assume compliance with all Resource management and national regulations. Our valuation proceeds on the basis that all required consents for land use activities have been obtained and that the conditions are complied with.



Productive Areas

We have been provided with updated productive area from Northland Forest Managers. We have been informed that there is 0.8 hectares planted over the surveyed legal boundary. There is sufficient unplanted area along the north-eastern boundary to more than offset this. Consequently we have assumed a give and take arrangement and have not deducted the 0.8 hectares from the productive area.

Emissions Trading Scheme (ETS)

We have been informed that areas are registered in the ETS as post-1989 forest land under stock change accounting. We have verified this utilising Ministry for the Environment records and assume this to be accurate.

Inspection Date

The date of our property inspection is different to the Valuation Date. Therefore, our valuation is on the basis that there are no material changes to the property between the two dates unless specifically noted in the report. We reserve the right to reconsider our valuation if it is subsequently found that the properties do change materially within this timeframe.

Forest Details

We have relied upon details such as productive areas, harvesting methods, roading completed, etc. provided by the Client or forest manager.

If any of the inputs or assumptions within the report were to change, the valuation would require review.

1.5 Environmental, Social and Governance (ESG)

Overview

There is a specific requirement under IVS 2025 to consider ESG (Environmental, Social and Governance) factors and how they may impact the valuation. In a rural valuation context, environmental factors would be considered the most relevant, although social factors have become more relevant to forestry in recent times.

ESG factors are inherently considered within our typical reporting framework. We particularly refer you to the resource management, location and land description sections, as well as the SWOT analysis in the executive summary.



2. Legal & Statutory

2.1 Title Records

Titles and Interests

The subject property is held in a single Record of Title with Greenheart Papakorakora Forest NZ Limited recorded as the Registered Owner, summarised as follows:

Ormond Forest:

Identifier	Legal Description	Hectares
GS6C/1169	Lot 2 Deposited Plan 9629	80.9650

Interests registered on the title and considered in the valuation are summarised as follows:

- Appurtenant hereto is a right of way created by Transfer 96699
- Appurtenant hereto is a right of way created by Transfer 227563.2
- The easement created by Transfer 227563.2 is subject to Section 243 (a) Resource Management Act 1991

Comments

The forest has no road frontage and consequently needed a right of way to provide legal access, before subdivision. There is a right of way providing legal access over prior title G86C/1168 which is now cancelled and replaced with 100162. This provides a benefit to the subject property, and is deemed to provide adequate access.

The right of way is illustrated on the title plan, which is included within the Appendices.

Easements are not able to be modified without the written consent of the Territorial Authority.

Disclaimer

We are not qualified in legal matters and do not purport to give legal advice. Except as expressly noted in the report, it is assumed that:

- The property is free and clear of all liens or encumbrances, with the exception of normal financing; and,
- There are no unidentified encroachments, easements, restrictions, leases or covenants that would in any way affect the valuation.

2.2 Ownership History

Previous Transactions

According to public records, the property previously exchanged to the current owner on May 27 2019, for consideration of \$500,000.



2.3 Statutory Rating

Rating Valuation & Rates

The property rates are shown below. We note that the rating valuations are undertaken on a mass appraisal basis for rating purposes only and do not necessarily represent the current market value.

Valuation No.	Rating Valuation as at 1 September 2023				2025/26 Rates
	Hectares	Capital	Land	Improv.	(inc. GST)
08250-01403	80.9650	\$545,000	\$5,000	\$540,000	\$ 5,965.86

2.4 Emissions Trading Scheme (ETS)

Overview

The ETS is administered by the Ministry for Primary Industries/Manatū Ahu Matua and is designed to assist New Zealand in meeting its international climate change obligations by putting a price on greenhouse gases, which creates incentives to reduce emissions and sequester carbon by planting trees. The New Zealand Unit (NZU) is the tradeable unit used to account for emissions and sequestration and is equal to one tonne of carbon dioxide or the equivalent of any other greenhouse gas.

The ETS classifies forest land differently depending on when the forest was established, as follows.

Pre-1990 Forest Land

This is land that was in exotic forest species on 31 December 1989 and remained so on 31 December 2007. Up to November 2011, owners were able to apply for a one-off allocation of NZUs, but they do not receive any more NZUs.

Forests on this land may be harvested and replanted without any liability, but if the land is deforested then the landowner must offset this by planting other land or pay the calculated amount of NZUs at the current price.

Post-1989 Forest Land

This is land that wasn't forested on 31 December 1989, or was deforested between 1 January 1990 and 31 December 2007, or was pre-1990 forest land that has been deforested since 1 January 2008 and any ETS liability has been paid.

Landowners may register this land in the ETS and claim NZUs for the increases in carbon stored as the forest grows, under three scenarios:

- Until the end of 2022, landowners were able to register as a production forest using the 'stock change' method of accounting. This allows for NZUs to be claimed as the forest grows and then for NZUs to be surrendered at harvest, continuing over multiple rotations. This results in a level of 'safe carbon' for which NZUs don't need to be surrendered.
- As a production forest using the 'averaging' method of accounting. This allows for NZUs to be claimed in the first rotation up to the estimated amount of carbon that would be stored over multiple rotations of growth and harvest, and no surrender of units is required at harvest. For radiata pine, NZUs can be claimed for around the first 16 years of growth in the first rotation.



- As a permanent forest, where NZUs are earned for all carbon stored in the forest and a covenant (initially for 50 years) is placed on the title stating that the forest will not be felled. If the terms of the covenant are broken, then NZUs must be surrendered.

Eligibility Changes

On 4 December 2024, the Government announced policy changes intended to limit how much farmland is converted to exotic forest and registered in the ETS. The regulations are intended to come into effect in October 2025.

The intention is to restrict exotic afforestation of better quality land to preserve it for agricultural uses. The land use capability (LUC) classes will be used to assess the quality of the land. The pertinent information is summarised as follows:

- LUC 7 and 8 land, indigenous forest, Māori land and Crown land (excluding Pāmu farmland) are to be exempt from the limits.
- Up to 25% of LUC 1 to 6 land on a farm is to be exempt from the proposed limits, i.e., it can be planted with exotics and registered in the ETS.
- In addition to this, LUC 6 land is able to apply for eligibility for registration which will be allocated by ballot. There will be a national limit of 15,000 hectares per year of LUC 6 land planted in exotic forest that can be registered in the ETS.
- Properties can be remapped to determine the LUC classes.
- Parties who can prove they had an intention to afforest land prior to the announcement are exempt from the restrictions.

Subject Properties

Our records indicate the land is Post-89. We are advised by the forest manager that the property is registered under stock change accounting. The tree crop valuer is including value attributed to any NZUs already earned.

Disclaimer

Unless otherwise stated in the report, we have not obtained or been provided with any documents in relation to any ETS Carbon Accounting Areas located on the property. We have proceeded on the basis that there are no outstanding carbon liabilities associated with the subject properties. If it should be discovered that these assumptions are incorrect, then we reserve the right to revisit our valuation.



3. Resource Management

3.1 Gisborne District Council (a Unitary Authority)

Authority

Gisborne District Council/Te Kaunihera o Te Tairāwhiti.

Planning Document

The Tairāwhiti Resource Management Plan, a combined unitary plan under section 80 of the Resource Management Act (RMA), with approved sections operative 30 August 2023.

The approval excludes the following sections, which remain under consideration:

- C3 Coastal Management (with the exception of C3.14 Coastal Environment Overlay); coastal hazard provisions in C8.5. to C8.5.4 and C8.5.6; DC1 Significant Values Management Area; DC2 General Coastal Management Area; DP1 Port Management Area; E5 Definitions; Schedules 11 to 14; and the regional coastal plan provisions in D1, E1 and E2 (provisions sourced from the previous Regional Coastal Environment Plan).
- C11.2.15 and DP2 Port Management Zones (port provisions).

A review of the Plan began in 2021 however the Government's plan stop legislation came into effect on 21 August 2025. Until 31 December 2027, councils can't notify new plan changes or reviews unless they have an exemption. Exemptions have been applied for the draft Urban Plan Change 6, and work on transitioning land use.

Zoning

The land is zoned Rural General.

Land Management

The Rural General zone is suitable for a broad range of activities, with low population densities and little pressure for development. Agricultural, farming and forestry are the predominant land uses within this area, and it is generally noted to be a working zone. It is proposed to be as flexible as possible within this zone, provided the effects of activities can be avoided, remedied or mitigated.

Objectives prioritise minimising negative effects of land use and management practises on the land. Erosion and soil degradation have been identified as major issues in the area, so the Plan aims to create policies that will minimise negative land use impacts and rehabilitate areas that have been subject to erosion in the past.

Policies and controls take account of natural landform characteristics, land stability and erosion, significant indigenous vegetation and significant habitats of indigenous fauna and biodiversity, water quality, the scale and nature of the proposed activity and its effect on other land or adjoining properties.

Overlays 1-3A trigger differing levels of development control. The land overlays are developed from amalgamated units from the New Zealand Resource Inventory (NZLRI) Gisborne East Coast Region, Second Edition, June 1999. The land overlays comprise the following LUC units:

1. LUC Overlay 1 – Classes I-IV and Vie 1, 2, 3, 5 and 8
2. LUC Overlay 2 – Balance of Class VI
3. LUC Overlay 3 – Classes VII and VIII

Mapping for the subject property is included below. Land Overlay One (yellow) is the least restrictive overlay, due to its easy contour and land type. This land is usually flat to rolling.



Land Overlay two (blue) places moderate restrictions on development, due to slope and contour.

The area under Land Overlay 3 (red) is considered more susceptible to erosion, sediment generation, and soil loss. Options for sustainable land use in this overlay are more limited. The clearance of plantation forest in this area is a Controlled Activity provided that the slope is less than 35 degrees, and it has at least 75 mm of topsoil. If the slope is greater than 35 degrees or there is less than 75 mm of topsoil present over at least 25% of the area, then clearance is a Restricted Discretionary Activity.

The area under Land Overlay 3A (orange) is considered some of the worst eroding land in the district. For these areas property owners are required to implement a Works Plan which ensures that there is an effective tree cover by 2021. There is no Overlay 3A on this property.



Source: Tairāwhiti Maps

An extension of the current Land Overlay Framework is currently under development, in association with the Ministerial Enquiry. This layer identifies the land at highest risk of erosion across the region. Areas within this layer are intended to be transitioned to permanent vegetation cover. This layer combines the:

- Landslide susceptibility layer
- Morphometric connectivity model
- Gully erosion layer

The current overlay is a guide only and is not yet regulated. In this instance highlighted areas follow the main waterways. When the map below is compared with the forest map provided, there is some risk of additional loss of productive area. While much of the proposed area is non-productive, there is some intersection with NSA.



Source: Guide to Transitioning Land to Permanent Vegetation Cover

Permitted Activities

Rural General zone activities include: -

- Dwelling units
- Planting of vegetation
- The processing of grapes grown in the district for the production of wine or juice
- Visitor accommodation, wine and produce tasting and sales, cafes and restaurants which are ancillary to and associated with rural production from the site (including other sites which are part of that farm business operation).

All rural zone activities include: -

- Farming,
- Soil conservation and water management works,
- Accessory buildings to any permitted activity,
- Home occupations and the sale of products from any home occupations,
- Sale of farm produce,
- Installation or alteration of antennas and supporting structures,
- Operation of audible devices for the purpose of bird scaring between sunrise and sunset,
- Meteorological activities,
- Alterations and additions to existing dwelling units,
- Temporary activities,
- Farmstays.

Freshwater

The Plan puts policies and rules in place regarding water quantity and allocation, water quality and discharges to land and water, activities in the beds of rivers and lakes, riparian margins and wetlands, and watercourses. Obviously, the aim is to maintain or improve water quality throughout the region.

The property is within the lower Waipaoa river catchment.

There are no mapped protected watercourses upon the property.

Natural Hazards

Tairāwhiti is subject to frequent seismic activity. A prior earthquake is mapped as being centred within the forest. There is a geological fold mapped as running through the southeastern corner. We would not expect this to affect market value.

The property does not have any other natural hazards mapped.

Natural Resources

There are no mapped Protected Management Areas.

Heritage

The property is not mapped within the Heritage Alert Overlay area. It is consequently unlikely that there has been pre-1900's human occupation, based on the predictive model of early human settlement. Care must still be taken when engaging in activities that include soil disturbance, in case archaeological items are discovered.

There are no mapped Wāhi tapu sites on the property.

Subdivision Controls

Subdivision that complies with all the relevant standards is a controlled activity.

Minimum subdivision is 1000 sqm in the Rural General zone (subject to site specific Council requirements), but with no shape factor or road frontage requirements.

Resource Consents

Tairāwhiti maps provides a record of two consents that have expired, one related to the subdivision and one to form an access track over a length of 400 m.

Contamination

As a rural property, the land and buildings can have a use that may result in contamination created by old sawmills, sheep and cattle dips, effluent disposals, farm chemicals, fuel storage tanks, waste dumps and DDT residue in the ground, restricting potential use.

However, this is not expected to have significant impact on forestry land use. Ongoing potential contamination would be petrochemicals at skid sites, common to all forests.

There are no identified contaminated sites showing within the relevant Tairāwhiti maps layer.

We are not qualified to assess the presence of hazardous materials or contamination, and we make no representations regarding this at the subject properties. Our valuation proceeds on the basis that no remedial action is required for the continued use of the land for forestry purposes; however, we reserve the right to reconsider our valuation if any hazardous materials or contamination are found to affect the properties.

LIM Report

We have not been provided with a Land Information Memorandum (LIM report) for the subject property. Our report is subject to there being no outstanding requisitions and no adverse information affecting the property.

Subject Property

The present use of the subject property appears to conform with the Plan. Future planning rules are expected to be more restrictive in relation to land use on steep slopes and forestry practises, which could affect the subject.



3.2 National Environmental Standards for Commercial Forestry (NES-CF)

Authority

Ministry for Primary Industries (MPI)/Manatū Ahu Matua and Te Uru Rākau/New Zealand Forest Service.

Overview

The NES for Production Forestry (NES-PF) came into effect on 1 May 2018 and were designed to provide a standard set of regulations for production forestry operations across the country rather than the operations being governed at a council level. They basically permitted core forestry activities provided there were no significant adverse environmental effects. If the risk to the environment was deemed to be too high, or if an operator couldn't meet the permitted activity requirements, then they would need to apply for resource consent.

As of 2 November 2023, the NES-PF becomes the NES-CF. Most of the regulations remain the same, with the main changes summarised as:

- Councils are able to consider more factors when making rules about forestry in their plans, including location.
- Carbon foresters are required to plan how they will meet environmental requirements for activities on their sites (this requirement already existed for production foresters).
- Rules are provided for the potential harvesting of carbon forests.
- There is a new permitted activity standard for managing forestry slash on cutover and there are some minor amendments to manage the effects of slash at harvest.

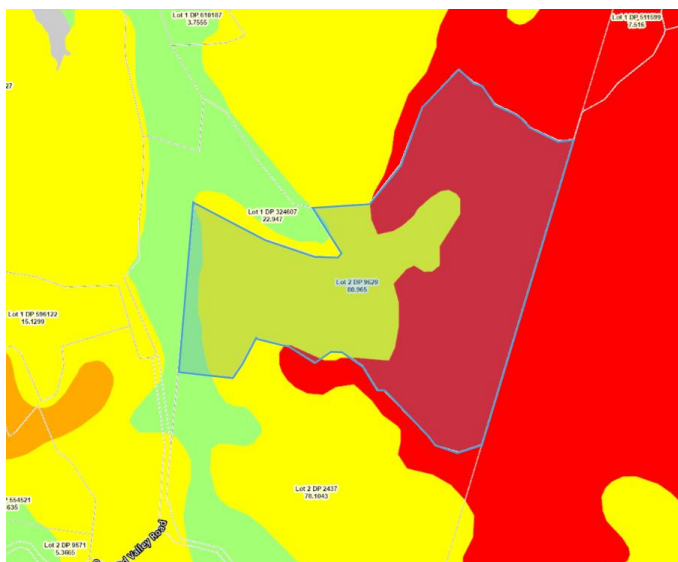
As before, in areas with unique or sensitive environments, councils may impose stricter rules which require operators to apply for resource consent. The NES-CF also recognises that other national planning tools, such as the New Zealand Coastal Policy Statement, may have to be given effect to.

Three indicators have been developed to help determine whether consents are required for forestry operations, which are discussed below in relation to the subject property.

Erosion Susceptibility Classification

This divides land throughout the country into four levels of erosion risk. Areas categorised as green (low) and yellow (moderate) have lower erosion risk and forestry activities are permitted. Orange (high) and red (very high) have higher erosion risk and some forestry activities require resource consent. The classifications relevant to the subject property, follow similar delineations as the land overlays, as illustrated below:





Source: Tairāwhiti Maps

Wilding Tree Risk Calculator

Regulations have been put in place to measure and control the risk of the spread of wilding trees. The risk must be calculated before new plantations are established or when a plantation is being replanted with a species with a higher risk score than the previous species. If the risk of wilding spread is high, then resource consent is required.

Some wilding risk is common to all production forests and may require control. We are not aware of any additional risk to the subject.

Fish Spawning Indicator

Rivers and streams have been identified as to whether they are significant freshwater fish spawning habitats. Forestry activities around these waterways are restricted during spawning periods. There are no specific spawning habitats identified within the subject forest.

MFE Stock Exclusion layer

A small portion of the property is within the MFE stock exclusion layer.

This is not expected to have a material impact on the subject property as a plantation forest. Forestry is also considered highest and best use.

4. Locality

4.1 Location

Overview

The subject property is located on the eastern side of Ormond Valley Road, within the Ormond locality of the Tairāwhiti/Gisborne region, on the Eastern side of the North Island.

Te Uru Rakau reports 19.12% of the Tairāwhiti region is established in exotic forestry. Radiata pine comprises 97.8% of the exotic forest. 23% of the total planted area of exotic forest in Tairāwhiti is of potentially harvestable age (26–30 years). This compares to 21% of the national total planted area in the same age range. The average age of the exotic forest in the region is 18.6 years, the same as the national average.

Tairāwhiti/Gisborne Region



More specifically, the property is approximately 22 km from Gisborne Port, with sealed access for approximately 21 km. Surrounding land use includes pastoral hill country, cropped flats, forestry estate of varying scale and also smaller lifestyle holdings.



Ormond is generally a popular lifestyle location, being within a reasonable commute of Gisborne city. The Ormond township has a primary school, a café, take away outlet and a tennis club.

Makaraka township is approximately 14 km away and also contains a primary school, tea rooms, a vegetable shop and rural service industries.

A broader range of good, service, educational and entertainment facilities are available in Gisborne city.

This is considered a favourable location, only a short distance from Gisborne Port and also close enough to Gisborne and of small enough scale that recreational use of the forest is possible and expected to add value.

Log Destinations

There are fewer domestic processing options within this region than in other parts of New Zealand. We have included the main options as pins on the image above. Te Uru Rakau report that in 2024 97% of logs harvested in the Gisborne region were exported from Eastland Port and only 3% were processed domestically.

Eastland Port in Gisborne is at the base of Titirangi hill, very close to the city centre. The Port provides on-site debarking facilities. Eastland Port exported the third largest volume of logs (11.8% of New Zealand log exports) after Tauranga and Napier ports.

Roading

State Highway 2 is the main highway connecting this region with other parts of the North Island. State Highway 2 is the only connection to the South, but State Highways 2 and 35 provide access to the Bay of Plenty region, via the Waioheka Gorge and East Cape, respectively.

Access is sometimes lost following major weather events, leaving the region isolated.

4.2 Climate

Climatic Conditions

NIWA describes the Gisborne climate as follows:

“In comparison with regions exposed to the west, Gisborne experiences a greater number of weather and climatic extremes. Its position as the easternmost region of New Zealand often results in differing weather conditions from those elsewhere, in that synoptic features over the ocean to the east of New Zealand sometimes affect Gisborne alone among New Zealand regions. The climate is generally congenial with a large number of sunshine hours per year and a low mean wind speed. However, rainfall is unevenly distributed throughout the year with a prominent winter maximum. The shortage of spring rainfall often affects growth and limits some types of agricultural activity. The climate has been found to be generally suitable for sheep, beef cattle, viticulture, and forestry, and there are smaller areas of high productivity of fruit, vegetables, and dairy produce.”

Forest	Median Annual Total Rainfall (mm)	Median Annual Average Temperature (°C)	Median Annual Average Wind Speed (m/s)
Ormond	1,250	13-14	2-4

With specific relevance to forestry, Radiata pine in this region has among the highest growth rates and carbon sequestration in New Zealand. Productive relativity between regions is illustrated below:



Region	300 Index (m ³ /ha/year)	Site Index (m at age 20)
Gisborne	32.2	33.2
Hawke's Bay	31.3	30.9
Taranaki	31.2	32.5
Waikato	27.5	32.6
Bay of Plenty	27.2	31.9
Manawatu/Wanganui	28.3	30.3
Northland	26.8	31.7
Nelson	26.3	29.6
Marlborough	26.8	28.6
Canterbury	22.2	24.1
Otago	23.6	24.7
Southland	25.6	25.5
West Coast	23.3	28.2
NZ Average	27.4	30.4

We note that the region is also subject to a higher degree of climatic risk than other regions, as noted in the NIWA description above. We have also noted current uncertainty within the region.

Summary

Ormond forest is well suited to forestry production and tree growth, but has limited domestic processing options. It is well located to Eastland Port.

There have been changing climatic conditions in the last few years around New Zealand, and with continued climate change, meteorological predictions are that there is a risk that the changes experienced in New Zealand in recent times will be ongoing. We have seen examples of this recently, with Cyclone Gabrielle and other severe weather events illustrating the increased volatility of the climate.

We expect local planning rules to become more restrictive in consideration of this aspect, as discussed in Section 3.



5. Land & Improvements

5.1 Physical Characteristics

Overview

The block is of irregular shape, with access via a legal right of way from Ormond Valley Road. The contour is generally easier on the western side of the block than on the eastern side which is steeper. The western side of the forest also has easier access.

Altitude is approximately 260 m above sea level at the highest point. This is considered low altitude. Radiata pine usually has reduced height, growth rate, form and risk as altitude increases.

There are tracks throughout the forest, but currently these are suitable for access via foot or ATV motorbike.

Topography

The subject property is predominantly Land Use Capability (LUC) 6 and 7 with a small amount of LUC class 3, as defined by the second edition of the New Zealand Land Resource Inventory (NZLRI). Erosion risk is highlighted against the hill country land classes (e) and the flatter contour is noted to be wet (w).

Altitude is estimated to be approximately 260 masl at the highest point. This is considered low altitude.

We have adopted the following ground-based (GB) and hauler harvest breakdown by forest:

Forest	GB %	Hauler %
Ormond	62%	38%

Drainage and Flooding

The block is drained via natural waterways and does not appear to suffer from significant flooding. There is the possibility of flooding to riparian margins.

Soils

Gisborne hill country is dominated by erodible tertiary mudstones and shattered argillites. Specifically on this site, soils are predominantly mapped as having recent volcanic origin with possibly some gley soils towards the airstrip end. East Coast volcanic soils are generally well regarded for forestry purposes.

Erosion

As noted previously, according to the NES-CF and LUC classes, the property exhibits erosion risk. Our site inspection largely confirms these classifications, with minor butt sweep noted to isolated stems suggesting some land movement.

Site Index & 300 Index

The Site Index is used as an indication of the productivity of a site for forestry purposes. It is defined as the mean top height in metres of the 100 tallest trees per hectare at a given age, being 20 years for radiata pine and 40 years for Douglas fir. The 300 Index has been developed more recently as an indication of the productivity of a site for forestry purposes. It is the mean annual volume increment in cubic metres per hectare of a 300 stem per hectare radiata pine stand at 30 years of age.

We have estimated the Site Index and 300 Index for the PPA for the forest as follows:



Forest	Site Index	300 Index
Ormond	32.4	30.22

When compared with the regional averages provided in Section 4.2, the forest exhibits productivity fundamentals within the upper quartile, greater than national averages.

Density

Land has also been classified to indicate expected wood density. Density is an indicator of wood stiffness, which is important for use as a structural lumber. Improved grade outturn is also usually achieved with improved density material. Land on the East Coast of the North Island is generally classified as producing medium density wood quality.

The lower North Island and Central North Island generally produces lower wood density and Northland is generally recognised as producing higher density. There is a correlation between density and the mean annual temperature of a specific site.

Due to the low altitude and favourable aspect and site characteristics, we would expect the property to produce wood density above average for plantation forestry on the East Coast.

5.2 Property Use

Description

The property is utilised for production forestry. The land was initially established in Radiata pine in 1999, initially at 1000 stems per hectare and has now been thinned to 360-373 stems per hectare. The trees have been high pruned to 6-6.5 m.

There are non-productive areas of indigenous forest, riparian margins and steep slopes, etc.

There are no buildings. Improvements are limited to tracks, perimeter and internal fencing and water points. Tracks are sufficient for this stage of the rotation but will need significant upgrade before harvest.

We have been instructed to exclude improvements from our assessment.

Productive area

We include the latest map for the forest within the Appendix.

Weeds, Pests and Diseases

The understorey is generally clean, as expected, considering that it has been established on a prior pastoral site. Natives are colonising waterways and providing a riparian zone, with light vegetation spreading through some areas.

Animal pests are expected to be present but trees are beyond a high-risk stage.

The tree crops appeared to be healthy and largely disease-free at inspection. We expect that they are sprayed for Dothistroma needle blight as required.



6. Market

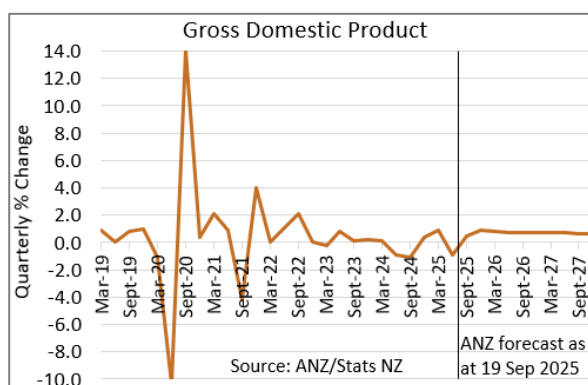
6.1 Overview

Economic Climate

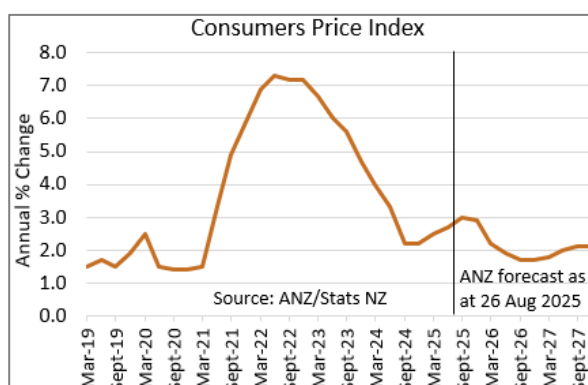
Like economies around the world, New Zealand's economy was significantly impacted by the Covid pandemic and then the government and central bank responses to it. Economies have also been impacted by a myriad of other factors, such as wars, geopolitical instability, natural disasters and severe weather events. The imposition or threat of tariffs by the US has added to the turbulence and markets have generally trended downwards in response. These influences are generally difficult to predict and have created challenges and added uncertainty to economic situations and outlooks.

The following market indicators illustrate some of those impacts in recent years, and the graphs include forecasts from ANZ until the end of 2027.

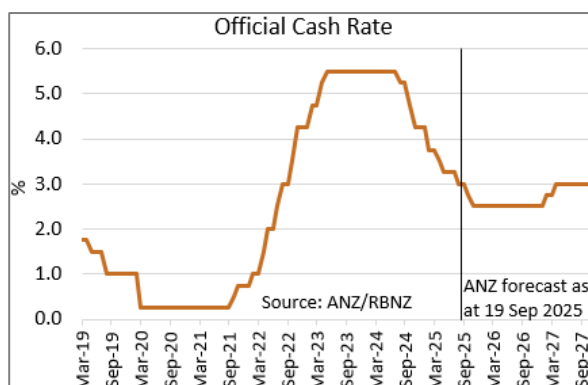
Since the bounce-back spike after the onset of Covid, GDP has erratically fallen to low levels but is now levelling out, although there was a surprisingly large fall in the most recent stats. The economy contracted by 0.9% over the three months ending June 2025 (Q1) after 0.9% growth in the previous quarter. In the year to June 2025, GDP fell around 0.6%. ANZ analysts project slow growth to continue over the next two years.



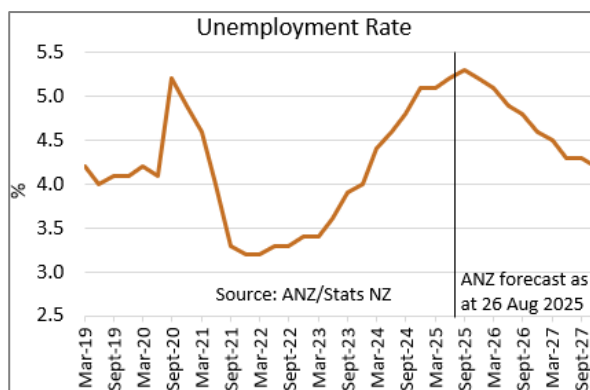
CPI peaked after the Covid pandemic due to stimulatory policies to help combat the effects of lockdowns. They proved to be inflationary, with inflation peaking well above the desired range of 1-3%. Policy settings have now brought inflation down, with annual CPI inflation as at Q2 2025 of 2.7%. ANZ is predicting that there will be some fluctuation in the near-term, but it will remain within the desired range.



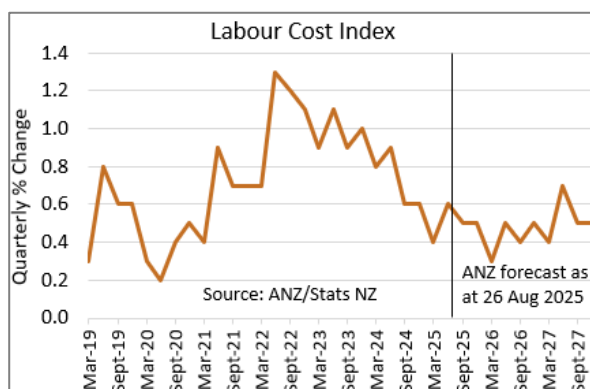
Decreasing the OCR to stimulate the economy early in the Covid pandemic led to low interest rates, high spending and high inflation. From late 2021, the RBNZ quickly increased the OCR to slow inflation. It was held at 5.5% until August 2024 and has since been lowered to 3.0% (as at 20 August 2025) as inflation has eased and the CPI rate has fallen to desired levels. ANZ is predicting there will be further decreases in the OCR until it reaches 2.5% in Q4 2025.



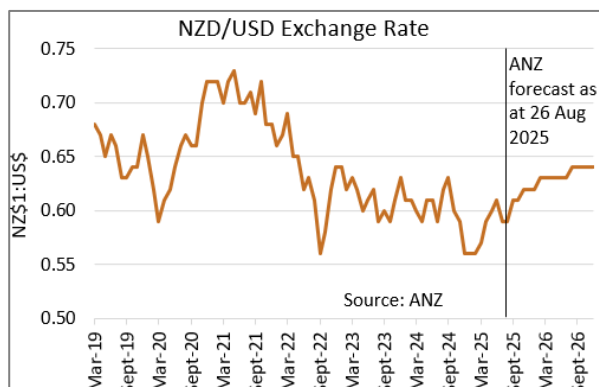
The unemployment rate was at an extremely low level from mid-2021 to mid-2023 as a result of a lack of visitors and migrants, along with a reasonably buoyant economy. The labour shortage affected most sectors of the economy and contributed to some reductions in productivity. Immigration then recovered to record levels during 2023, which helped to ease the labour shortage. More recently, increased numbers have left NZ, partly due to high unemployment on the back of a sluggish economy.



The shortage of labour meant that the cost of that labour increased, contributing to inflation as a whole. The LCI has been gradually decreasing since mid-2022, and ANZ is predicting that it will be relatively stable in 2025-2027. Changes in the LCI are expected to generally be the inverse of the unemployment rate.



The relationship between the NZD and USD has been erratic as the authorities in each country have altered policies to navigate the Covid pandemic and recovery. The NZD remained weaker through 2024 than many analysts were predicting, and it then weakened significantly with the election of Trump. ANZ is predicting that it will gradually recover as the effects of the change in power become embedded. Overall, a weaker NZD is supportive of higher returns to exporters, but it does contribute to higher input costs.



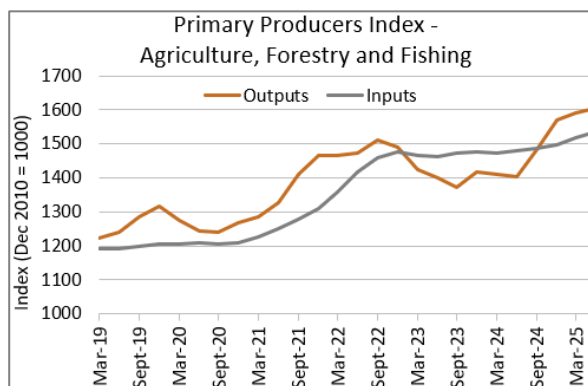
The trends seen in these economic indicators are similar to those seen in many developed nations as the world has grappled with the same impacts. The effects have been wide-ranging and difficult to foresee, leading to policy changes which have caused over-corrections and required further policy changes. In general, we saw the cost of living increase rapidly from 2021 to 2024 as prices of goods and services and interest rates increased, and these increases are now halting or reversing. House prices increased rapidly during the low interest rate environment, before decreasing rapidly in the high interest rate environment, and this has now stabilised. The forecasts show that the economy is expected to return to a more stable state by late 2025, although the implementation or threat of tariffs by the US is contributing to significant uncertainty.



Agribusiness

Primary production industries generally performed well through the Covid pandemic and recovery, with most commodities showing relatively strong returns during that time. Export volumes were generally strong, and when combined with record or near-record prices, this resulted in producers receiving very good returns. However, the deterioration in the global economic outlook and the lack of recovery in China resulted in rapid price decreases across many commodities in late 2022, which continued through much of 2023 and 2024. We are now seeing supply and demand conditions improve for several commodities, with prices and forecasts trending upwards.

The graph illustrates indices as published by Stats NZ, which also includes horticulture. This shows how input costs increased significantly from early 2021 and have now remained stable since late 2022. Despite the rising costs, profitability had been good as the returns received for outputs were strong, although at the end of 2022 many commodity prices eased and the outputs index dropped below the inputs index, indicating that many producers were struggling with profitability. There has been a significant uptick in the outputs index in the second half of 2024, primarily due to the improved dairy returns, but also supported by good red meat and kiwifruit returns.



6.2 Forestry Commodity Markets

Logs

New Zealand log supply is expected to be relatively high for several years to come as there was a lot of land planted in pines in the mid-1990s, and the trees are typically harvested between 25 and 30 years of age. However, this volume is being reduced somewhat as some forests are being entered into the permanent forest category of the ETS as an alternative to being harvested.

Raw logs make up at least 52% of the value of all timber and timber product exports from New Zealand. The following table sourced from Ministry for Primary Industries' SOPI report shows export revenue for the years ending 30 June:



Product	Actual				Forecast		
	2021	2022	2023	2024	2025	2026	2027
Logs	3,830	3,627	3,388	3,225	3,310	3,380	3,450
Sawn timber and sleepers	900	973	937	885	1,130	1,180	1,210
Pulp	669	816	846	629	720	810	820
Paper and paperboard	438	463	433	361	420	260	260
Panels	385	411	463	374	380	420	420
Woodchips	61	62	78	73	90	90	90
Other forestry products*	216	225	208	200	220	220	210
Total export revenue	6,499	6,578	6,353	5,748	6,250	6,350	6,450
Year-on-year % change	19%	1%	-3%	-10%	9%	2%	2%

Log prices are driven largely by the Chinese market, with around 89% of our log exports going to China in the year to 31 March 2025, followed by South Korea at 5%. The China property market is still subdued and has not yet recovered despite various attempts from the government to stabilise it. This decrease in log demand has been partly offset by the increased demand from furniture manufacturers. However, much of that furniture was being exported to the US and this is expected to decrease with the imposition of high tariffs.

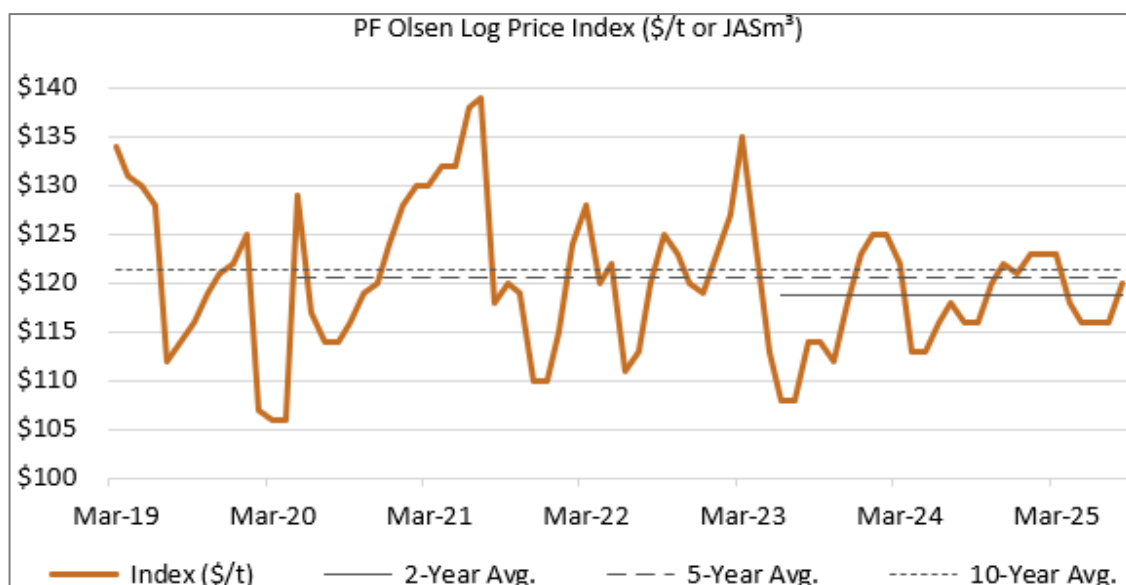
The Indian market has become more accessible to New Zealand log exporters due to changes in fumigation regulations and there are now regular shipments of logs. There is hope the free trade agreement currently being negotiated will be reached, providing an import duty exemption on NZ logs, which would place NZ exporters on a level playing field with Australian participants.

The domestic market has been relatively soft for some time now due to weakness in the construction industry. Many of the domestic mills have decreased production due to continued weak demand. Additionally, some sawmills have closed down, with the CHH mill at Eve's Valley being the most recent. A significant volume of sawn timber is exported to the US, and there is currently an exemption on tariffs, but this is under review, with a decision expected in October 2025. If a tariff is imposed, this could have a significant negative impact on these exports.

Log prices were generally increasing steadily until early 2019 on the back of strong demand for construction in China. A sudden drop in price followed as China's log stockpiles grew and cheaper beetle-damaged logs from Europe became available. Then Covid emerged, resulting in a highly volatile market in China as the economy has been affected by lockdowns and recoveries, along with uncertainty in the property development sector.

The graph below is produced from data published by PF Olsen, who keep track of a log price index. Their index is based upon an expected mix of log grades from a typical pruned forest, with approximately 40% of logs going to domestic markets and 60% being exported. As shown, the index hit a record peak of \$139 in July 2021 before dropping sharply and then bouncing around since then. The August 2025 index of \$120 is \$1 above the two-year average and \$1 below the five-year average.



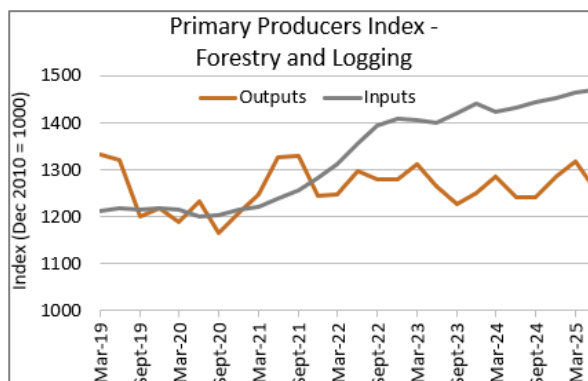


As expected, this highly erratic market and currently low log prices is causing a lot of uncertainty in the forestry industry. Foresters have been cutting back on harvesting where possible, especially for forests with high harvest and transport costs, although there is optimism that prices have recovered from the lows of mid-2023.

Costs of Production

Costs associated with harvesting trees and getting logs to market have been high of late. Cost inflation and tight labour markets have caused basically all cost categories to increase. The cost of shipping logs overseas skyrocketed during the Covid pandemic but has dropped since then. The Baltic Dry Index (BDI) is used to indicate average daily hire rates in USD across various ship sizes on 20 shipping routes. In December 2020, the index was around 1,120, before climbing steadily to a peak of 5,650 in October 2021. Since then, it has bounced around and is now on at upward trajectory at around 2,250 in late September 2025.

Statistics NZ publishes a PPI for forestry and logging, with the outputs representing income for the industry and the inputs representing the costs of production. As shown in the graph, there was a healthy margin in early 2019, but this was quickly eroded as demand from China decreased, and now the inputs level is well above the outputs, due to a weak market and cost inflation.

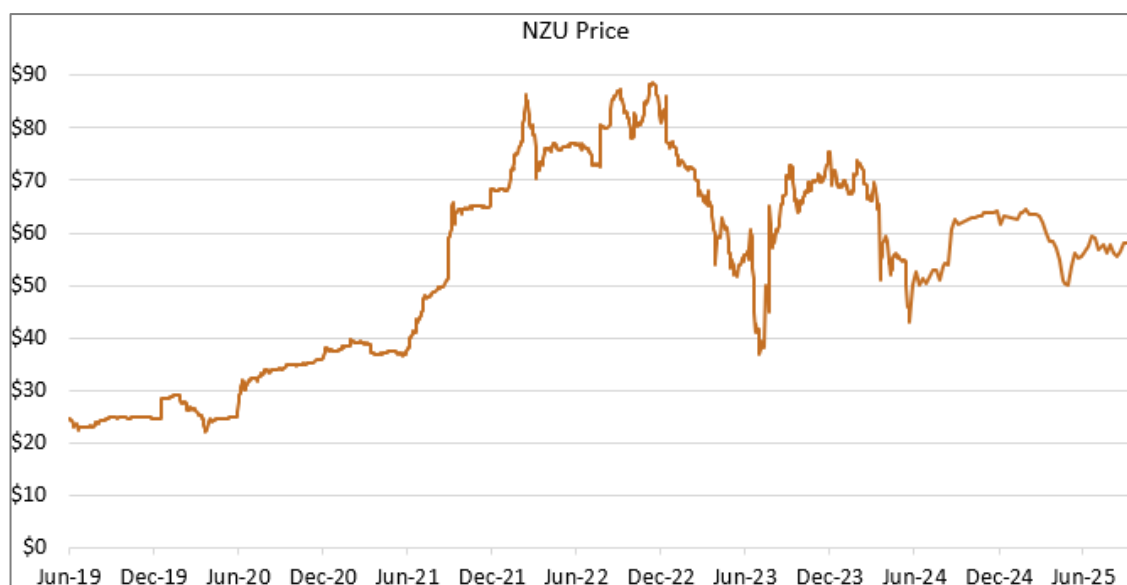


Carbon

The carbon market has gained a lot of attention in recent years as combating climate change has become topical. With the introduction of the ETS, using trees to sequester carbon to offset emissions has added a new income stream to forests and this has become increasingly profitable, in line with carbon prices.

The price of NZUs has varied a lot since inception of the ETS, as rules have developed. The following graph is produced using data from Jarden Commtrade and shows the NZU spot price trend, with the price being steady at around \$58 in September 2025.





The increase in the NZU price until late 2022 drove a lot of interest from investors, most of whom were expecting the price to continue to rise. In late 2022, the Climate Change Commission made recommendations to Government on changes to the ETS settings that they thought were required to make the ETS more effective and NZUs more expensive. Surprisingly, Government didn't accept the recommendations because they were worried it would be inflationary, which caused investors to worry about the future of the ETS and the NZU price plummeted.

More recently, the current government made announcements and changes to policy settings that restored some confidence in the ETS and we saw the NZU price rise accordingly. However, there has been continued volatility in the market as the future direction of regulations are difficult to predict, and we have seen the NZU price soften from late 2024, with slight recovery more recently.

6.3 Forestry Property Market

Overview

Overall, the market for forestry properties was relatively buoyant from 2018 to 2022, with land values generally increasing. With the combination of returns from commodities being relatively resilient in the face of the Covid-19 pandemic, the increases in the carbon price, the low interest rates and the relatively low returns from some other investments, this resulted in a strong market. Then, with higher interest rates, inflation and uncertainty around the outlook for log and carbon prices, the property market cooled, although many still see forestry as a good long-term investment.

Large overseas forestry companies and timberland investors have been competing strongly for any large-scale forestry holdings that have come to the market, and it appears that many are still looking for more opportunities to place their funds. We have seen several instances in the last few years of recently established forests being acquired by overseas investors (particularly European), who are prepared to pay a premium for land that is planted and ETS-registered as it derisks their investment.

Until 2022, there was also strong interest from New Zealand purchasers for small to medium-scale forests. Forests that have been well tended and are well located have attracted demand from traditional foresters, while forests that are further from log markets and/or haven't been well tended have been in demand for their carbon sequestration potential if on post-1989 land.



More recently, demand has waned somewhat with the uncertainties in the market, although there are still some prospective purchasers.

There was also very strong demand for farmland to convert to forestry, either solely for carbon or for a combination of carbon and timber. This caused hill country land values to shoot up, with farmers unable to compete with the prices that foresters could afford to pay when taking carbon into consideration. This market has been somewhat erratic of late due to regulatory changes. Under current Overseas Investment Act rules, foreign entities are effectively unable to purchase land for solely carbon forestry, but they can acquire land for conversion to dual purpose forestry.

The ETS classification of land and its potential carbon sequestration profile has a large impact on land value. The value of pre-1990 forest land is determined solely by the income that can be made from timber production. In contrast, at the current time the value of post-1989 forest land is determined largely by its NZU-earning potential, with traditional timber value being secondary. Depending on a property's ETS registration status, post-1989 land that has been in forest for some time may have no more NZU-earning potential and so has a similar land value as pre-1990 land, while land that is just being converted to forestry has a much higher value due to the potential to earn NZUs in the first rotation.

Subject Property

The subject property is of affordable scale, with close proximity to Port and good productivity indicators. Uncertainty with regards to local resource management and government policy is causing uncertainty within the region and this is reducing the number of market participants within the forestry sector. Consequently we regard the Gisborne forestry market as subdued.

A limited number of participants in the current market may also increase the sale period.



7. Valuation Considerations

7.1 Highest and Best Use

Background

The premise upon which the subject properties are valued is the Highest and Best Use. As per IVS 102 Bases of Value:

“Highest and best use is the use, from a *participant* perspective, that would produce the highest *value* for an *asset*. The highest and best use *must* be physically possible (where applicable), financially feasible, legally allowed and result in the highest *value*.”

It is generally in the economic interest of a landowner to maximise value by employing land to its highest and best use. If the current use of land is not the highest and best use, then the valuation needs to consider the value of the property under its highest and best use, with the cost to change the land use taken into account.

Subject Property

The current use of the subject property for production forestry is considered to be highest and best use.

7.2 The Valuation Process

Overview

The valuation process is the formal framework by which a property value is estimated by utilising one or more independent *approaches*. The three principal valuation approaches detailed in IVS 103 Valuation Approaches and Methods are:

- Market approach
- Income approach
- Cost approach

Within each *approach* there are various *methods* that may be employed.

Approaches and Methods Used

We have utilised the Direct Comparison / Comparable Transaction method, which is methodology that falls within the Market approach. Sales are analysed individually with superior and inferior aspects considered, before adoption of values for the subject property.

Properties within the dataset will normally vary in terms of scale, land characteristics, improvements, productive capacity and management history.

Some sales may include tree crop and the allocation of land and trees increases subjectivity.

If few recent transactions are available, active listings may be considered as secondary indicators. While historical in nature, this method generally provides a reliable indicator of value in an active real estate market.

Sales are broken down into components including improvements and land classes. Once values are adopted for the subject property, a process of summation is adopted in order to derive total value.



7.3 Comparable Sales – Forestry

Overview

Following our search of property sales around the country that have occurred within recent years, we identified the properties that we deem to be the most comparable to the subject and included these sales.

We have proceeded on the basis that all reported sale prices are GST exclusive, which is the norm for this property class. If this proves to be incorrect for any of the sales, we reserve the right to adjust our analysis and valuation.

Sale Identifiers

The comparable sales will be referred to by number, starting with the most recent sale, as follows:

Sale	Address
1	594 Taumatamairi Road, Awakino, Waitomo District
2	594 Takiri Road, Āria, Waitomo District
3	Waingaro Road, Waingaro, Waikato District
4	594 State Highway 2, Kotemaori, Wairoa District
5	Shenandoah Highway, Maruia, Tasman District
6	Twidles Road, Havelock, Marlborough District
7	594 Matakitaki Road, Six Mile, Tasman District
8	Cullensville Road, Linkwater, Marlborough District
9	594 Birch Road North, Weber, Tararua District
10	Ngahape Road, Ngāhape, Masterton District
11	594 Awaroa Road, Broadwood, Far North District
12	Dixon Road, Te Akau, Waikato District
13	Kenningtons Road, Okaramio, Marlborough District



Sale Analyses

Sale 1:

Taumatamaire Road, Awakino, Waitomo District, Waikato Region						
Sale Date:		29/08/2025				
Vendor / Purchaser:		From Piripiri Farming Company Limited				
The sale of a smaller-scale forest situated 98 km northeast of New Plymouth in the Awakino locality to a private investor who intends to replant. There is approximately 185 ha of established forest land was sold in a cutover state with harvest having just been completed. Land ranges in altitude from 60 to 360 m asl, with an average estimated at 240 m asl. Contour comprises steep leading ridges, which has allowed for the positioning of good skid sites. The property has a predominant moderate erosion susceptibility classification. The cutover land was never registered in the ETS despite being post-1989 forest land, and therefore, has no carbon-earning potential unless it is registered as permanent forest. In contrast, there is a small area of greenfields-eligible pastoral land contained within the forest that would be eligible if afforested. The balance of the property consists of native forest. All harvest road and skid site infrastructure are in place for the cutover land. The forest is situated 103 km for export at Port Taranaki and 90 km from domestic processing at Taranaki Pine.						
Sale Details:		Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price		209.66	3,816	265.27	3,016	800,000
Less Inclusions:						
Net Sale Price		209.66	3,816	265.27	3,016	800,000
Productive Metrics		% of Prod. Area				
Ground-based Contour		11.53%				
Post-1989 Breakdown		100.00%				
Analysis - Land and Improvements:						
Land			Area (Ha)	Value/Ha	Total Value	
Effective Land			209.66	3,348	702,016	
Greenfields Post-1989 - Ground <600m			24.18	7,500	181,374	
Post-1989 - Hauler <600m			185.48	2,807	520,642	
Ineffective Land			55.61	100	5,561	
Unproductive			55.61	100	5,561	
Total Land			265.27	2,667	707,577	
Structures			Unit	Value/Unit	Total Value	
Harvest Roads and Skid Sites			185	500	92,500	
Total Structures					92,500	

Sale 2:

594 Takiri Road, Aria, Waitomo District, Waikato Region					Mapiu Forest	
Sale Date:		16/06/2025				
Vendor / Purchaser:		From WA & LM Mayall Ltd to Ponga Silva				
A small forest situated 44km south of Te Kuiti in the Aria locality that was sold off-market along with another forest situated in the Waingaro locality. The forest is second rotation and has a NSA of 130.4 ha, established in 2021 and 2022 in Pinus radiata, with 129 ha being mapped as being eligible for registration as post-1989 forest land within the ETS. Contour comprises a predominant hauler harvesting contour (70%), with a predominant (49%) low erosion susceptibility classification. The forest has a near equal split between LUC 6 and 7 land, with erosion being the dominant limitation. Elevation ranges from 340 to 520 masl, with an average estimated at 450 masl. Export is situated some 186 km distant at Port Taranaki, and the closest domestic processing is situated some 46 km distant at Waitete Sawmills, Te Kuiti. Site and 300 Indices have both been estimated at 35.						
Sale Details:		Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price		136.92	6,228	148.82	5,730	852,752
Less Inclusions:						
Tree Crop		2021 Plantings		80	2,281	182,480
Tree Crop		2022 Plantings		50	2,193	109,650
Net Sale Price		136.92	4,095	148.82	3,767	560,622
Productive Metrics		% of Prod. Area				
Ground-based Contour		30.00%				
Post-1989 Breakdown		100.00%				
Analysis - Land and Improvements:						
Land				Area (Ha)	Value/Ha	Total Value
Effective Land				136.92	3,586	490,932
Post-1989 - Ground <600m				41.08	4,193	172,264
Post-1989 - Hauler <600m				95.84	3,325	318,668
Ineffective Land				11.90	100	1,190
Unproductive				11.90	100	1,190
Total Land				148.82	3,307	492,122
Structures				Unit	Value/Unit	Total Value
Harvest Roads and Skid Sites				137	500	68,500
Total Structures						68,500



Sale 3:

Waingaro Road, Waingaro, Waikato District, Waikato Region					Waingaro Forest
Sale Date:	16/06/2025				
Vendor / Purchaser:	From WA & LM Mayall Ltd to Ponga Silva				
A small forest situated 27 km northwest of Hamilton in the Waingaro locality that was sold off-market along with another forest situated in the Aria locality. The forest is second rotation and has a NSA of 280.8 ha, established in 2022 to 2024 in Pinus radiata, with 202 ha being mapped as being eligible for registration as post-1989 forest land within the ETS. Contour comprises a predominant hauler harvesting contour (85%), with a predominant (75%) low erosion susceptibility classification. The forest has a predominant LUC 6 classification, with erosion being the dominant limitation. Elevation ranges from 40 to 200 masl, with an average estimated at 140 masl. Export is situated some 150 km distant at Port of Tauranga, and the closest domestic processing is situated some 37 km distant at Lumbercorp NZ. Site and 300 Indices have been estimated at 36 and 35, respectively.					
Sale Details:	Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price	294.43	6,793	316.16	6,326	2,000,000
Less Inclusions:					
Tree Crop	2022 Plantings		46	2,193	100,878
Tree Crop	2023 Plantings		33	2,109	69,597
Tree Crop	2024 Plantings		101	2,028	204,828
Net Sale Price	294.43	5,518	316.16	5,139	1,624,697
Productive Metrics	% of Prod. Area				
Ground-based Contour	15.00%				
Post-1989 Breakdown	100.00%				
Analysis - Land and Improvements:					
Land	Area (Ha)	Value/Ha	Total Value		
Effective Land	294.43	5,011	1,475,525		
Post-1989 - Ground <600m	44.17	6,068	268,020		
Post-1989 - Hauler <600m	250.26	4,825	1,207,505		
Ineffective Land	21.73	100	2,173		
Unproductive	21.73	100	2,173		
Total Land	316.16	4,674	1,477,698		
Structures	Unit	Value/Unit	Total Value		
Harvest Roads and Skid Sites	294	500	147,000		
Total Structures			147,000		

Sale 4:

State Highway 2, Kotemaori, Wairoa District, Hawke's Bay Region					Mohaka Forest
Sale Date:	27/05/2025				
Vendor / Purchaser:	From Church Property Trustees to S. G. Brown Properties Limited				
The sale of a smaller-scale forest situated 40 km west of Wairoa in the Kotemaori locality. There forest has a net stocked area of 135 ha, with 112 ha of that planted in 2020 and the remaining 23 ha in 2023. We have assessed a potentially productive area of 152 ha. Land ranges in altitude from 60 to 240 m asl, with an average estimated at 220 m asl. Contour predominantly comprises moderately rolling topography, with some steep slopes adjacent to the Mohaka River. The property has a predominant low to moderate erosion susceptibility classification, with some areas of high. Only 23.1 ha of the land was registered in the ETS despite the entire property appearing to be post-1989 forest land. Therefore, there is limited carbon-earning potential for the majority of the forest unless it is registered as permanent forest. The balance of the property consists of native forest. All harvest road and skid site infrastructure are in place. The forest is situated 79 km for export at Napier Port and 60 km from domestic processing at Pan Pac Forest Products Limited.					
Sale Details:	Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price	152.21	8,015	188.65	6,467	1,220,000
Less Inclusions:					
Tree Crop	2020 Plantings		126	2,500	315,000
Tree Crop	2023 Plantings		26	2,200	57,200
Net Sale Price	152.21	5,570	188.65	4,494	847,800
Productive Metrics	% of Prod. Area				
Ground-based Contour	97.61%				
Post-1989 Breakdown	100.00%				
Analysis - Land and Improvements:					
Land		Area (Ha)	Value/Ha	Total Value	
Effective Land		152.22	5,046	768,156	
Post-1989 - Ground <600m	23.1 ha ETS Registered	148.58	5,077	754,337	
Post-1989 - Hauler <600m	ETS Unregistered	3.64	3,800	13,819	
Ineffective Land		36.44	100	3,644	
Unproductive		36.44	100	3,644	
Total Land		188.66	4,091	771,800	
Structures		Unit	Value/Unit	Total Value	
Harvest Roads and Skid Sites		152	500	76,000	
Total Structures				76,000	



Sale 5:

Shenandoah Highway, Maruia, Tasman District, Tasman Region					Waingaro Forest	
Sale Date:		22/04/2025				
Vendor / Purchaser:		Goodliffe to Brightwater Farms Limited				
A small scale forestry block located 55 km south of Murchison In Maruia, Tasman. The land mostly comprises of north westerly facing moderately steep hill under exotic forestry with approx. 4.61 hectares of easy undulating pasture.						
Sale Details:		Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price		32.87	9,887	39.86	8,154	325,000
Less Inclusions:						
Net Sale Price		32.87	9,887	39.86	8,154	325,000
Productive Metrics		% of Prod. Area				
Ground-based Contour		85.98%				
Post-1989 Breakdown		62.67%				
Analysis - Land and Improvements:						
Land			Area (Ha)	Value/Ha	Total Value	
Effective Land			32.87	9,477	311,509	
Flat to Gently Undulating (0-3°) Pasture			4.61	12,000	55,320	
Post-1989 - Ground <600m			20.60	10,949	225,549	
Pre-1990 - Ground <600m			7.66	4,000	30,640	
Ineffective Land			6.99	500	3,495	
Bush			6.99	500	3,495	
Total Land			39.86	7,903	315,004	
Structures			Unit	Value/Unit	Total Value	
Other Buildings			1	10,000	10,000	
Total Structures					10,000	

Sale 6:

Twidles Road, Havelock, Marlborough District, Marlborough Region					
Sale Date:	22/02/2025				
Vendor / Purchaser:	From Latter et al. to Marlborough Gold Honey				
A smaller scale forestry block around 9 km south of Havelock and 39 km NW of Blenheim. The property is around 3 km from SH6, with access across the neighbouring property. This property was purchased in a public process by the owner of the neighbouring property. It is around 22 km to the Nelson Forests sawmill at Kaituna and 41 km to Port Marlborough at Picton. The block is on both sides of a reasonably steep gully. A small part of the northern slope has been harvested and there is around 20 ha of mature pines left. The southern slope has been harvested by a combination of hauler and two-staging with a tethered machine. There is around 32 ha replanted and 45 ha of cutover. The Site Index is about 31 and the 300 Index is about 29.5. The forest was deregistered from the ETS, so could be re-registered under permanent.					
Sale Details:	Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price	96.90	6,708	146.90	4,425	650,000
Less Inclusions:					
Tree Crop	20 ha mature, 32 ha replanted		1	300,000	300,000
Net Sale Price	96.90	3,612	146.90	2,383	350,000
Productive Metrics	% of Prod. Area				
Ground-based Contour	100.00%				
Post-1989 Breakdown	100.00%				
Analysis - Land and Improvements:					
Land			Area (Ha)	Value/Ha	Total Value
Effective Land			96.90	3,302	320,000
Post-1989 - Hauler <600m	incl. tethered machine		96.90	3,302	320,000
Ineffective Land			50.00	100	5,000
Unproductive			50.00	100	5,000
Total Land			146.90	2,212	325,000
Structures			Unit	Value/Unit	Total Value
Harvest Roads and Skid Sites			50	500	25,000
Total Structures					25,000



Sale 7:

594 Matakitaki Road, Six Mile, Tasman District, Tasman Region					Mohaka Forest	
Sale Date:		05/11/2024				
Vendor / Purchaser:		To Buller Valley Forests Limited				
Comprising a 92.6 hectare forestry block located in Six Mile approximately 5.0 km south of Murchison. The land is a mostly moderately steep to steep contour with a west facing aspect. Historic aerial imagery suggests the forestry land is all post-89 second rotation with young pines replanted circa 2023/24.						
Sale Details:		Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price		74.10	10,122	92.61	8,098	750,000
Less Inclusions:						
Radiata planted circa 2023				75	1,500	112,500
Net Sale Price		74.10	8,604	92.61	6,884	637,500
Productive Metrics		% of Prod. Area				
Ground-based Contour		45.49%				
Post-1989 Breakdown		100.00%				
Analysis - Land and Improvements:						
Land		Area (Ha)	Value/Ha	Total Value		
Effective Land		74.10	7,972	590,743		
Post-1989 - Ground <600m		33.71	9,000	303,390		
Post-1989 - Hauler <600m		40.39	7,114	287,353		
Ineffective Land		18.51	500	9,257		
Bush		18.51	500	9,257		
Total Land		92.61	6,479	600,000		
Structures		Unit	Value/Unit	Total Value		
Other Improvements		Roading & skids	75	500	37,500	
Total Structures					37,500	

Sale 8:

Cullensville Road, Linkwater, Marlborough District, Marlborough Region				Jones and Jenkins Forests		
Sale Date:		03/10/2024				
Vendor / Purchaser:		From Permanent Forests to Ponga Silva				
Two smaller scale forests around 4 km apart, near the locality of Linkwater, some 24 km west of Picton. They are well located, being around 24 km from Port Marlborough and 40 km from the Kaituna sawmill. Jones Forest has a title area of 168 ha and Jenkins Forest is around 244 ha. The tree crops are second rotation pines, established in the 2000s. The land is moderate to steep hill country, suited to a mixture of harvest methods. The Site Index is about 26-27 and the 300 Index is about 31.						
Sale Details:		Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price		274.00	19,343	411.77	12,871	5,300,000
Less Inclusions:						
Tree Crop		2000-2010 Plantings		1	4,000,000	4,000,000
Net Sale Price		274.00	4,744	411.77	3,157	1,300,000
Productive Metrics		% of Prod. Area				
Ground-based Contour		62.50%				
Post-1989 Breakdown		0.00%				
Analysis - Land and Improvements:						
Land			Area (Ha)	Value/Ha	Total Value	
Effective Land			274.00	4,394	1,204,023	
Pre-1990 - Ground <600m			171.25	4,751	813,573	
Pre-1990 - Hauler <600m			102.75	3,800	390,450	
Ineffective Land			137.77	100	13,777	
Unproductive			137.77	100	13,777	
Total Land			411.77	2,957	1,217,800	
Structures			Unit	Value/Unit	Total Value	
Harvest Roads and Skid Sites			274	300	82,200	
Total Structures					82,200	



Sale 9:

594 Birch Road North, Weber, Tararua District, Manawatu-Whanganui Region				Birch North Forest	
Sale Date:	19/07/2024				
Vendor / Purchaser:	From Tararua DC to Ingka Investments				
A medium-scale, mid-rotation, pre-1990 forest, situated 51 km SE of Dannevirke in the Weber locality. It is some 47 km to the Kiwi Lumber sawmill at Dannevirke and 170 km to Napier Port. Land comprises a mix of ground-based and hauler contour, with roading and skid sites in place from the first rotation. The Site Index and 300 Index are both around 30. The tree crop is Pinus radiata, mostly second rotation established from 2004 to 2016, plus around 50 ha of old first rotation crop. Reportedly, the tending of the crop has been neglected in recent years.					
Sale Details:	Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price	334.00	12,143	553.31	7,330	4,055,642
Less Inclusions:					
Tree Crop			1	2,750,000	2,750,000
Net Sale Price	334.00	3,909	553.31	2,360	1,305,642
Productive Metrics	% of Prod. Area				
Ground-based Contour	40.00%				
Post-1989 Breakdown	0.00%				
Analysis - Land and Improvements:					
Land	Area (Ha)	Value/Ha	Total Value		
Effective Land	334.00	3,543	1,183,511		
Pre-1990 - Ground <600m	133.60	4,021	537,221		
Pre-1990 - Hauler <600m	200.40	3,225	646,290		
Ineffective Land	219.31	100	21,931		
Unproductive	219.31	100	21,931		
Total Land	553.31	2,179	1,205,442		
Structures	Unit	Value/Unit	Total Value		
Harvest Roads and Skid Sites	334	300	100,200		
Total Structures			100,200		

Sale 10:

Ngahape Road, Ngahape, Masterton District, Wellington Region					Ngahape Forest	
Sale Date:		13/02/2024				
Vendor / Purchaser:		From Levack to Ingka Investments				
A medium-scale mid-rotation pre-1990 forest, situated 37 km SE of Masterton in the Ngahape locality. Land comprises predominantly hauler contour, with roading and skid sites in place from the first rotation. There is also an on-site quarry. The tree crop is predominantly pinus radiata established in 2007 and 2008, with some smaller plantings in 2015 as well as Eucalyptus in 1975. Tree crop is a mix of pruned and framing regime. Distance to Centreport at Wellington is 138 km and it is 47 km to the sawmills at Masterton. The Site index is estimated at 30 and the 300 Index at 32.						
Sale Details:		Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price		195.51	18,469	212.31	17,008	3,611,000
Less Inclusions:						
Tree Crop				1	2,700,000	2,700,000
Net Sale Price		195.51	4,659	212.31	4,291	911,000
Productive Metrics		% of Prod. Area				
Ground-based Contour		3.63%				
Post-1989 Breakdown		0.00%				
Analysis - Land and Improvements:						
Land			Area (Ha)	Value/Ha	Total Value	
Effective Land			195.51	4,150	811,320	
Pre-1990 - Ground <600m			7.10	5,205	36,955	
Pre-1990 - Hauler <600m			188.41	4,110	774,365	
Ineffective Land			16.80	100	1,680	
Unproductive			16.80	100	1,680	
Total Land			212.31	3,829	813,000	
Structures			Unit	Value/Unit	Total Value	
Harvest Roads and Skid Sites			196	500	98,000	
Total Structures					98,000	



Sale 11:

Awaroa Road, Broadwood, Far North District, Northland Region					Broadpine Forest	
Sale Date:		15/12/2023				
Vendor / Purchaser:		From Jespersen et al. to Summit Forests				
A small-scale pre-1990 forest, situated in the Broadwood locality, 34 km south of Kaitaia. The land is in a cutover state. Contour is a mix of ground based and hauler, with roading and skid sites already in place. There are some unproductive areas comprising native bush. Lead distances are 184 km to Northport and 40 km to the Juken sawmill at Kaitaia. The Site Index averages 31.1 and the 300 Index averages 28.7.						
Sale Details:		Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price		102.19	3,229	120.19	2,746	330,000
Less Inclusions:						
Net Sale Price		102.19	3,229	120.19	2,746	330,000
Productive Metrics		% of Prod. Area				
Ground-based Contour		20.54%				
Post-1989 Breakdown		0.00%				
Analysis - Land and Improvements:						
Land			Area (Ha)	Value/Ha	Total Value	
Effective Land			102.19	2,722	278,200	
Pre-1990 - Ground <600m			20.99	3,196	67,080	
Pre-1990 - Hauler <600m			81.20	2,600	211,120	
Ineffective Land			18.00	100	1,800	
Unproductive			18.00	100	1,800	
Total Land			120.19	2,330	280,000	
Structures			Unit	Value/Unit	Total Value	
Harvest Roads and Skid Sites			100	500	50,000	
Total Structures					50,000	

Sale 12:

Dixon Road, Te Akau, Waikato District, Waikato Region				Waimai Forest		
Sale Date:		28/09/2023				
Vendor / Purchaser:		From Taumata Plantations to Ponga Silva				
A medium-scale forest in the northwest Waikato, around 33 km west of Huntly. It is some 46 km to Lumbercorp and Max Birt sawmills, 156 km to the Oji pulp mill at Kinleith and 163 km to Port of Tauranga. The forest is second rotation established from 2018 to 2023, and there is a 5.7 ha stand of inaccessible first rotation crop. The land is eligible to be registered in the ETS as post-1989 forest land. Rainfall is around 1,500-1,600 mm/year. The Site Index averages approx. 30.2 and the 300 Index around 32.4.						
Sale Details:		Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price		180.33	9,288	196.63	8,518	1,675,000
Less Inclusions:						
Tree Crop		177.8 ha of 2018-2023 plantings		1	575,000	575,000
Net Sale Price		180.33	6,100	196.63	5,594	1,100,000
Productive Metrics		% of Prod. Area				
Ground-based Contour		0.00%				
Post-1989 Breakdown		0.00%				
Analysis - Land and Improvements:						
Land			Area (Ha)	Value/Ha	Total Value	
Effective Land			180.33	5,592	1,008,370	
Post-1989 - Ground <600m			72.13	6,330	456,550	
Post-1989 - Hauler <600m			108.20	5,100	551,820	
Ineffective Land			16.30	100	1,630	
Unproductive			16.30	100	1,630	
Total Land			196.63	5,137	1,010,000	
Structures			Unit	Value/Unit	Total Value	
Harvest Roads and Skid Sites			180	500	90,000	
Total Structures					90,000	



Sale 13:**Kenningtons Road, Okaramio, Marlborough District, Marlborough Region****Sale Date:** 19/09/2023**Vendor / Purchaser:** From Fenwick to Parklyn Holdings

A medium-scale cutover block that transacted privately. It is situated just east of Okaramio, around 4 km from SH6 and 31 km NW of Blenheim. It is around 14 km to the Nelson Forests sawmill at Kaituna, and 51 km to Port Marlborough at Picton. The land is one moderately steep north-facing slope, rising from 100 to 600 masl. Most of the first rotation was able to be harvested by ground-based methods. The Site Index is about 27-32 and the 300 Index is about 26-29. The forest was deregistered from the ETS prior to harvest, so could be re-registered under permanent.

Sale Details:	Productive Area (Ha)	Value/Prod. Ha	Area (Ha)	Value/Ha	Total Value
Gross Sale Price	198.51	4,559	255.01	3,549	905,000
Less Inclusions:					
Net Sale Price	198.51	4,559	255.01	3,549	905,000

Productive Metrics	% of Prod. Area
Ground-based Contour	84.89%
Post-1989 Breakdown	100.00%

Analysis - Land and Improvements:

Land	Area (Ha)	Value/Ha	Total Value
Effective Land	198.51	4,032	800,350
Post-1989 - Ground <600m Steep	168.51	4,158	700,600
Post-1989 - Hauler <600m	30.00	3,325	99,750
Ineffective Land	56.50	100	5,650
Unproductive	56.50	100	5,650
Total Land	255.01	3,161	806,000
Structures	Unit	Value/Unit	Total Value
Harvest Roads and Skid Sites	198	500	99,000
Total Structures			99,000



Sale Summaries

The following reiterates the comparable sales:

Sale	Address
1	594 Taumatamair Road, Awakino, Waitomo District
2	594 Takiri Road, Āria, Waitomo District
3	Waingaro Road, Waingaro, Waikato District
4	594 State Highway 2, Kotemaori, Wairoa District
5	Shenandoah Highway, Maruia, Tasman District
6	Twidles Road, Havelock, Marlborough District
7	594 Matakitaki Road, Six Mile, Tasman District
8	Cullensville Road, Linkwater, Marlborough District
9	594 Birch Road North, Weber, Tararua District
10	Ngahape Road, Ngāhape, Masterton District
11	594 Awaroa Road, Broadwood, Far North District
12	Dixon Road, Te Akau, Waikato District
13	Kenningtons Road, Okaramio, Marlborough District

The following table summarises some of the overall details and estimated values of the comparable sales:

Sale	Sale Date	Net Sale Price	Total Ha	Net Sale Price			Prod. Land	Prod. Land/Prod.	
				/Ha	Productive Ha	NSP /Prod. Ha		Ha	
1	29/08/2025	\$ 800,000	265	\$ 3,016	209.66	\$ 3,790	\$ 702,016	\$	3,348
2	16/06/2025	\$ 560,622	149	\$ 3,767	136.92	\$ 4,086	\$ 490,932	\$	3,586
3	16/06/2025	\$ 1,624,697	316	\$ 5,139	294.43	\$ 5,511	\$ 1,475,525	\$	5,012
4	27/05/2025	\$ 847,800	189	\$ 4,494	152.21	\$ 5,546	\$ 768,156	\$	5,047
5	22/04/2025	\$ 325,000	40	\$ 8,154	32.87	\$ 9,781	\$ 311,509	\$	9,477
6	22/02/2025	\$ 350,000	147	\$ 2,383	96.90	\$ 3,560	\$ 320,000	\$	3,302
7	05/11/2024	\$ 637,500	93	\$ 6,884	74.10	\$ 8,479	\$ 590,743	\$	7,973
8	03/10/2024	\$ 1,300,000	412	\$ 3,157	274.00	\$ 4,694	\$ 1,204,023	\$	4,394
9	19/07/2024	\$ 1,305,642	553	\$ 2,360	334.00	\$ 3,843	\$ 1,183,511	\$	3,543
10	13/02/2024	\$ 911,000	212	\$ 4,291	195.51	\$ 4,651	\$ 811,320	\$	4,150
11	15/12/2023	\$ 330,000	120	\$ 2,746	102.19	\$ 3,212	\$ 278,200	\$	2,722
12	28/09/2023	\$ 1,100,000	197	\$ 5,594	180.33	\$ 6,091	\$ 1,008,370	\$	5,592
13	19/09/2023	\$ 905,000	255	\$ 3,549	198.51	\$ 4,531	\$ 800,350	\$	4,032

The following table summarises the estimated values on a \$/hectare basis of each category of land attributed to the comparable sales:

Sale	Flat to Gently Undulating (0-3°)		Post-1989 - Ground <600m	Post-1989 - Hauler <600m	Pre-1990 - Ground <600m	Pre-1990 - Hauler <600m	Unproductive
1		\$	7,500	\$ 2,807			\$ 100
2		\$	4,193	\$ 3,325			\$ 100
3		\$	6,068	\$ 4,825			\$ 100
4		\$	5,077	\$ 3,800			\$ 100
5	\$ 12,000	\$	10,949		\$ 4,000		\$ 500
6				\$ 3,302			\$ 100
7		\$	9,000	\$ 7,114			\$ 500
8					\$ 4,751	\$ 3,800	\$ 100
9					\$ 4,021	\$ 3,225	\$ 100
10					\$ 5,205	\$ 4,110	\$ 100
11					\$ 3,196	\$ 2,600	\$ 100
12		\$	6,330	\$ 5,100			\$ 100
13		\$	4,158	\$ 3,325			\$ 100



Sales Discussion

There is a shortage of sales of similar scale within a very short cart to Port and within a location which could attract a lifestyle premium. We have prioritised smaller scale sales that might appeal as a small hunting block and could have some lifestyle premium built in.

Sale 7 is the most similar in scale. This is a property in an inferior location, with a larger amount of hauler contour.

Sale 5 is another relatively small-scale sale, but is also considered to be in an inferior location, with regards to distance to port.

Post-89 sales provide a range of \$4,158 ha to \$10,949 per ha. Sales 1, 2, 3, 4, 6, 12 and 13 are sales that were Post-89 but our records indicate had area that was not registered under the ETS. The Pre-1990 sales do not have potential to earn a carbon income stream.

The subject is considered superior to most sales with regards to cartage to Port and productivity fundamentals and is located in the popular lifestyle location. However to counter this, the Gisborne forestry market is currently relatively stagnant, due to uncertainty with regards to resource management policy within this region and perceived associated risk.

There has been a distinct lack of market activity in the Gisborne region within this sector since Cyclone Gabrielle that would meet our definition of a bona fide sale.

We note that for many of the sales, our analyses are based upon the publicly reported total sale price, and we have estimated the value apportionments between tree crop and land because we are not privy to the splits that were agreed between the vendor and purchaser.

Other Evidence

We have also considered and retained on file information on numerous other sales, as well as feedback on properties that have been marketed in recent times without selling or that have sold but haven't settled yet.



8. Valuation Conclusions

8.1 Adopted Rates

Overview

The analysed sales are deemed to provide reasonable support to the valuation of the subject properties, however we note the possibility of volatility of price due to significant uncertainty within this region. Given the shortage of recent sales evidence on the East Coast, we have relied on sales from around the country, and we have also relied upon information we have gleaned from real estate agents and other market sources. Various other sales and active listings have been considered and retained on file as secondary support.

Land

The adopted per hectare rates for different harvesting methods and other land types are shown in the following table:

Ground based	\$ 8,000
Hauler	\$ 6,400
Non productive	\$ 500

Improvements

We have been instructed to exclude tracks and the valuation excludes standing or fallen timber. As well as NZUs.



8.2 Valuation

Overview

The estimated value of the subject property, excluding tree crops, tracking and carbon, is calculated as follows:

Components	Hectares		\$/ha	Value
Post-1989 Forest Land <600 masl - Ground-Based	45.51	\$	8,000	\$ 364,064
Post-1989 Forest Land <600 masl - Hauler	27.89	\$	6,400	\$ 178,509
Unproductive	7.57	\$	500	\$ 3,783
Total	80.97	\$	6,748	\$ 546,355
Rounded	80.97	\$	6,731	\$ 545,000

Conclusion

Based upon the information within this report, we have adopted a market value for the subject property, excluding tree crops, tracking and NZU's, as at 31 August 2025 of:

\$545,000

(Five Hundred and Forty-Five Thousand Dollars)

The valuation is in New Zealand Dollars and on a plus GST basis (if any).

The valuation is based on a reasonable exposure time of up to 90 days, typical for a property of this type in the local market. The exposure time is estimated through analysis of market data and assumes that the property is listed for sale at a reasonable asking price.



9. Disclaimers

Changing Conditions

This valuation is current as at the Valuation Date only and no warranty is given as to the maintenance of this value into the future. Since the property and market conditions can change rapidly and without warning (due to factors such as a force majeure event, or economic, social and political changes), the market value expressed as of the Valuation Date of this report cannot be relied upon as of any other date except with further advice from the valuer. We do not accept liability for losses arising from such subsequent changes in value.

Accuracy of Information

Any objective information, data or calculations set out in the valuation will be accurate so far as is reasonably expected from a qualified and experienced valuer, reflecting due skill, care and diligence.

The information and opinions expressed in the report are based on sources believed by us to be reliable and correct. Reasonable endeavours were made to verify all critical information through independent sources whenever practicable, but if any of the information relied upon is subsequently proven to be incorrect then this may have an effect on the valuation. We do not accept liability for any losses arising from incorrect information being relied upon.

Resource Management

We have relied upon publicly available planning documents and have not obtained a Land Information Memorandum (LIM). Except as may be noted in the report, it is assumed that the existing use(s) of the property is a legally conforming use which may be continued by any purchaser from the existing owner(s). We reserve the right to revisit the valuation if it is subsequently found that any of this information is incomplete or incorrect.

Site Survey

Unless otherwise stated in the report, we have not obtained or been provided with a site survey. We have assumed that there are no encroachments by the subject or adjoining properties. If it should be discovered that there are encroachments, then we reserve the right to revisit our valuation.

Environmental

Except as may be noted in this report, no hazardous substances or other adverse environmental conditions were observed, suspected or called to our attention. However, nothing in this report should be construed as an environmental audit or a detailed property condition report as such reporting is beyond our qualifications. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them.

Engineering

We are not qualified to give engineering advice and this report is not a structural survey, property inspection or weathertightness report. It is assumed that there are no hidden or unapparent defects in the subject improvements, soil or sub-soil conditions, or other technical matters which might render this property more or less valuable than as stated herein. No soil tests for either load-bearing or contamination have been done, nor have tests of installed heating, plumbing, electrical or other systems been performed by us or on our behalf.

Carbon

Unless otherwise stated in the report, we have not obtained or been provided with a Land Status Report, Participant Unit Balance Statement or similar documents in relation to any Emissions Trading Scheme Carbon Accounting Areas located on the subject property. We have assumed



that there are no outstanding carbon liabilities associated with the subject properties. If it should be discovered that these assumptions are incorrect, then we reserve the right to revisit our valuation.

Taxation and GST

This valuation is assessed on a GST exclusive basis. We are not taxation experts and have not received any advice regarding this. We recommend the Intended Users obtain their own tax advice if required.

Currency

Unless otherwise stated, all amounts within this report are expressed in New Zealand Dollars.

Confidentiality

The contents of this valuation report are considered confidential and will not be disclosed by the author or any other person from Arotahi Agribusiness Limited without the prior approval of our clients, except as may be required by law.

Copyright

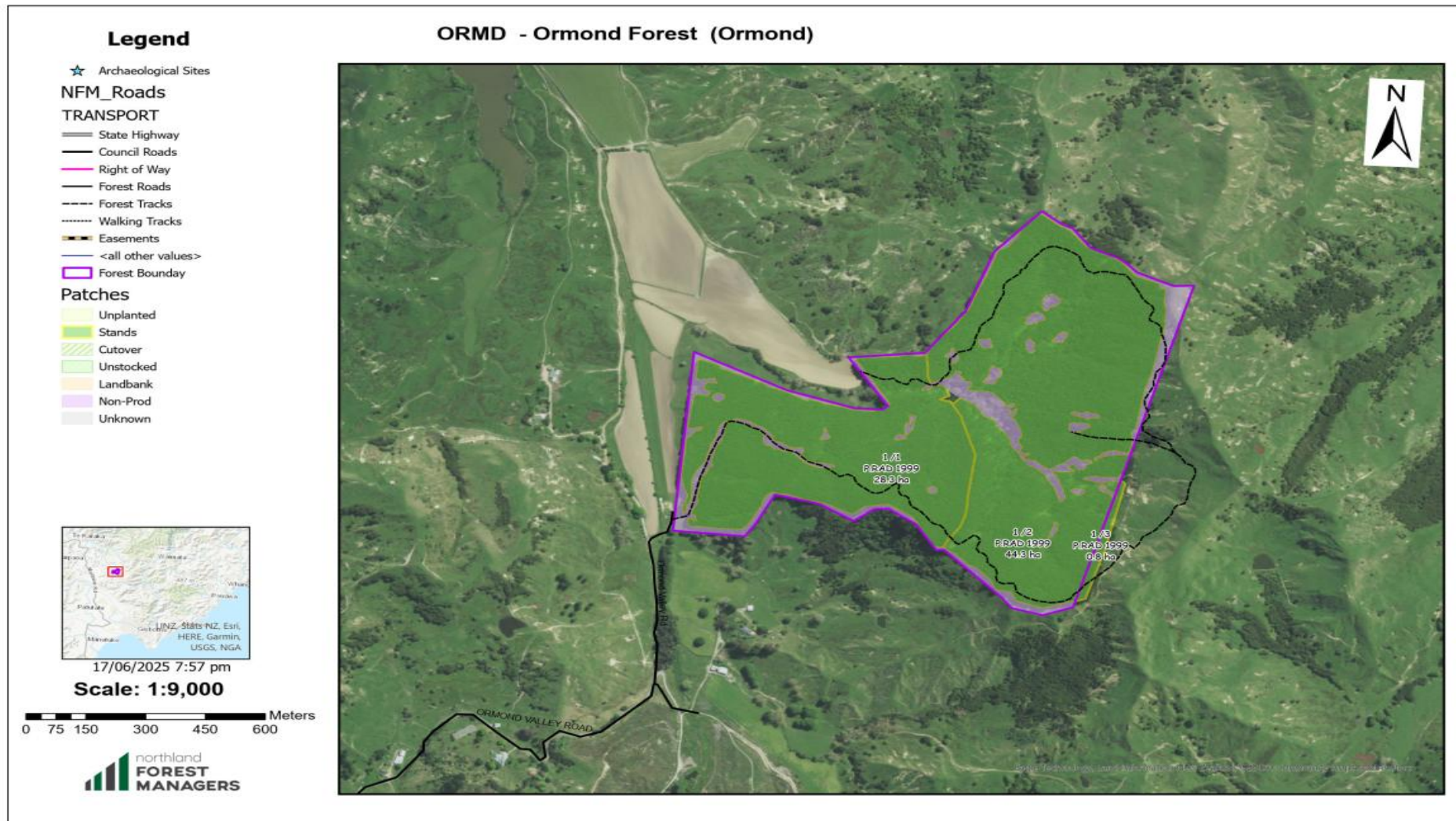
Neither the whole nor any part of this valuation or any reference thereto may be included in any document, circular or statement without our approval of the form and context in which it will appear.



10. Appendices



10.1 Forest map



Land valuation for Ormond Forest.
As at 31 August 2025.



10.2 Record of Title





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

**Guaranteed Search Copy issued under Section 60 of the Land
Transfer Act 2017**




R.W. Muir
Registrar-General
of Land

Identifier **GS6C/1169**
Land Registration District **Gisborne**
Date Issued 08 December 1999

Prior References
GS6C/1014

Estate Fee Simple
Area 80.9650 hectares more or less
Legal Description Lot 2 Deposited Plan 9629
Registered Owners
Greenheart Papakorakora Forest NZ Limited

Interests

Appurtenant hereto is a right of way created by Transfer 96699 - 8.12.1999 at 2.25 pm
Appurtenant hereto is a right of way created by Transfer 227563.2 - 8.12.1999 at 2.25 pm
The easement created by Transfer 227563.2 is subject to Section 243 (a) Resource Management Act 1991
12690655.2 Mortgage to Bank of New Zealand - 5.4.2023 at 4:51 pm

