

INSURANCE COST ESTIMATE



30 Heather Street Parnell, Auckland

Prepared For	First Street Body Corporate Management Limited
Valuation Date	28 August 2025
Our Reference	20818912
Client Reference	BC349938

Opteon New Zealand Limited
NZBN 50-199-231
PO Box 33-136, Auckland 0740

P 09 929 2888 **E** valuers.nz@opteonsolutions.com
F 09 486 5160 **W** www.opteonsolutions.com

SOLUTIONS WITH EXCELLENCE

Insurance Cost Estimate

Ref SB2905

Name of Client:	Body Corporate # 349938
Address of Assets:	30 Heather Street, Parnell
Asset Description:	The subject development comprises 21 apartments situated within a refurbished 6-level building. Originally a four level commercial office building converted to residential use with the addition of the top two levels. One 3-bedroom apartment, nineteen 2-bedroom apartments and a spacious penthouse apartment. Basement carparking to first and second levels. Schindler 630kg 9-person lift service levels 2-6. Other site improvements include retaining walls, fencing, paving, and underground services.
Construction:	<p><i>Levels 1-4</i> - Concrete foundations and floors with concrete columns. Exterior walls are painted, ribbed and plastered.</p> <p><i>Levels 5-6</i> - Timber framed floors, steel and timber framed walls with metal cladding. Inter-tenancy walls are plasterboard lined. Joinery is aluminium. Roofing is low pitch coloursteel. Deck to penthouse apartment is lined with rubber tiles.</p>
Construction Date:	Original construction estimated 1960s. Converted to residential apartments and comprehensively refurbished 2004 with two levels added.
Use/Occupation:	Residential.
Land Contour:	Moderate crossfall to rear.
Subsoil Type:	Unknown.
Other Details:	<p>Enclosed floor area approximately 2,675 m². Total floor area including decks 3,015 m².</p> <p>Inflation and construction costs are likely to change over the insurance period. Please refer to Section 1.0 for further details.</p>

Summary:

Reinstatement Estimate	Reinstatement Estimate Inflation	Depreciated Replacement Cost	Depreciated Replacement Cost Inflation	Demolition Estimate
\$21,650,000	\$2,650,000	\$9,950,000	\$200,000	\$1,850,000

Reinstatement Estimate plus Inflation & Demolition:	\$26,150,000
Depreciated Replacement Cost Estimate, including Inflation – <i>Fire service levy calculation only:</i>	\$10,150,000

Valuers Signature

Name: Jason Wong, Registered Valuer for Opteon NZ Limited

Inspection Date: 28 August 2025

Policy Renewal Date: 1 December 2025

Invoice # 20818912

- All figures quoted are exclusive of G.S.T, Finance costs, Relocation expenses and other indirect costs.
- All figures are exclusive of any allowance for land value.
- This form must be read in conjunction with the Explanations, Assumptions and Disclaimers of terms etc on the following pages.
- The information in this report has been prepared to establish insurance values and may not be used for other purposes without the written consent of the Valuer.
- All figures assume compliance with building regulations and bylaws.

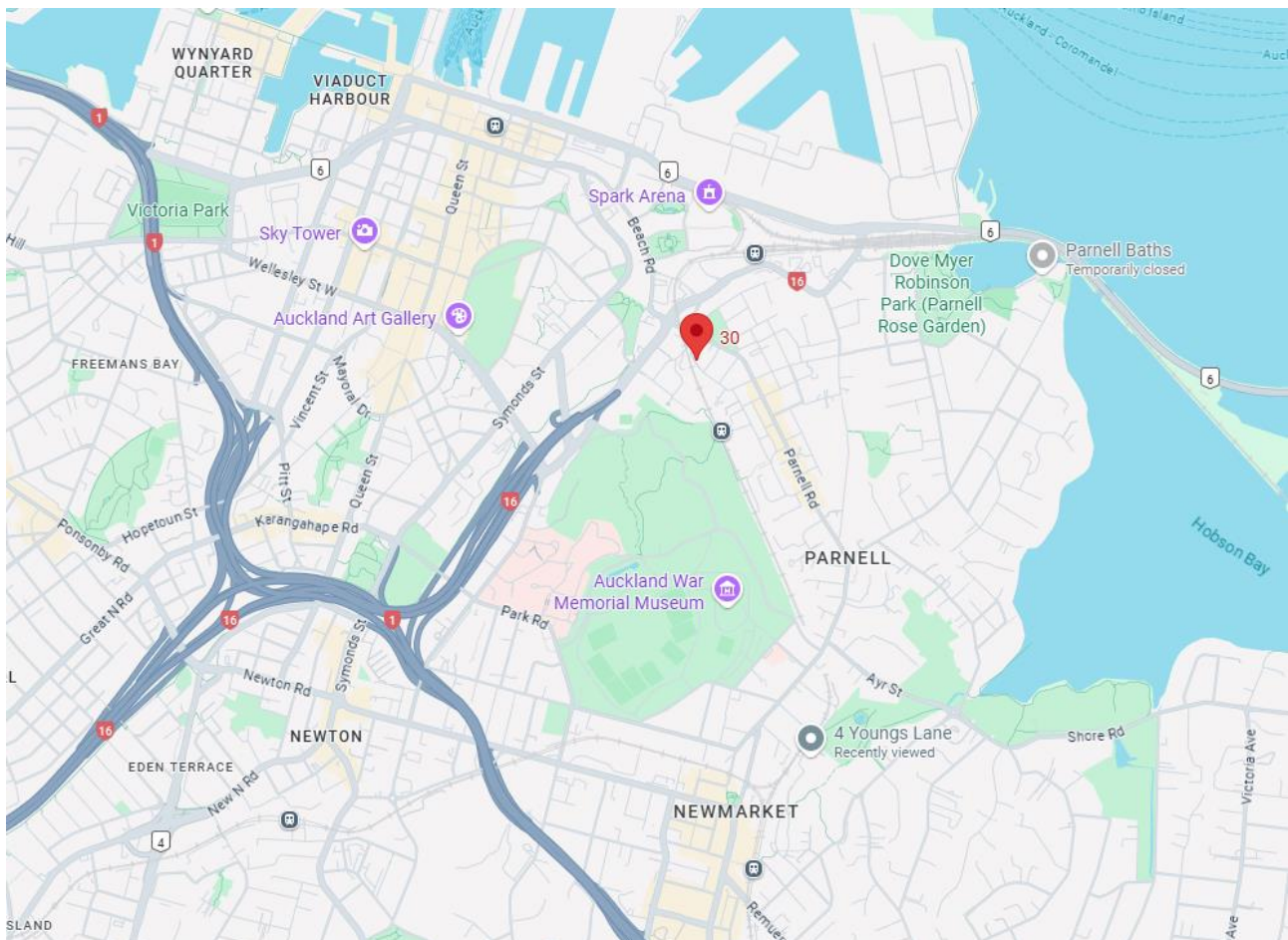
1.0 Changes to Construction Costs and Inflation

Our assessment has been completed based on prevailing construction costs and expected inflation as at the date of inspection.

COVID-19 has had an impact on construction costs and the general economy with significant changes to supply and demand for both materials and labour. The current situation which exhibits historically high inflation levels and a contrasting, uncertain economic outlook make the quantum of change unknown and difficult to forecast.

Construction costs may change significantly and unexpectedly over the insurance period. Accordingly, we recommend the level of cover be regularly reviewed and a suitable allowance made for contingencies.

2.0 Location Map



3.0 Aerial Photo



4.0 Photography



5.0 Explanations, Assumptions and Disclaimers

The following information forms an integral part of the valuation on the preceding page.

1. The insurance values contained within the certificate do not take into account additional costs which could occur in the event of a significant disaster created by factors such as time delays in processing consents, restrictions on site access, infrastructure failures, shortages of materials and tradesmen etc. As some insurance policies have limited or no cover for these increased costs we recommend you contact your insurance provider to discuss the contents of this certificate and whether the insurance policy covers such potential increased costs.
2. The valuation report has been prepared on the basis that full disclosure of all information and facts which may affect the valuation have been made to Opteon New Zealand. We cannot accept liability for the valuation unless full disclosure has been made.
3. Our responsibility in connection with this valuation report is limited to the client to whom it is addressed and to the client only. We disclaim all responsibility and will accept no liability to any other party.
4. In the event that the District Plan does not allow for the construction of a similar building on the subject site, we have assumed that reinstatement will be on another site in a comparable locality. However no allowance has been made for the extra costs which may be involved in acquiring that alternative site.
5. The valuation makes no allowance for any possible costs associated with remediation of site contamination.
6. The valuation excludes any allowance for land value, specialised plant and machinery, loose fitout and any improvements, fixtures or fittings made by the lessee.
7. No detailed physical engineering, service installation or mechanical survey has been undertaken by our company. No undertaking, representation or warranty is given that the items valued are free of defects or/are in good working order. This valuation assumes that the building complies with the Building Act 2004 and if required has an up to date annual Building Warrant of Fitness.
8. In the event the property is subject to 'leaky building syndrome' our assessment is under the assumption that all remedial works have been undertaken.
9. Changes in building use should be advised to your insurer as this may affect the building's risk profile.
10. Unless otherwise stated, the figures contained in the insurance cost estimate assume that the insured property can be reinstated on the land, and that this reinstatement can be achieved without incurring foundation costs greater than those for a similar building, or modern equivalent, erected on firm natural ground. The insurance parameters are further described as follows:

Name of Client

Normally the insured

Address

Physical location, including street address at which the assets are situated.

Asset Description

General description giving sufficient detail to identify the range of assets encompassed in the valuation. The valuation excludes the occupant's plant, stock, chattels and excludes any tenant improvements.

Construction

Includes details of the principal & ancillary structures and describes the main construction materials.

Age

Estimated year of construction and dates of, or reference to any major additions and upgrades.

Use/Occupation

Nature of main activity carried out at location. A separate schedule may be provided for multiple tenancy buildings.

Contour

Valuer's classification of the land contour containing building and immediate yard areas:

- 1) Level; 2) Gentle; 3) Easy; 4) Medium; 5) Steep; 6) Other - as specified

Subsoil Type

General classification of land supporting building and immediate yard areas:

- 1) Bed rock; 2) Firm natural ground; 3) Filled ground; 4) Other - as specified; 5) Unknown

As a geotechnical survey has not been undertaken the description is without prejudice and is based upon a visual inspection only.

Other Known Characteristics

Additional information that assists in quantifying the parameters of the risk to be insured.

1.0 Reinstatement

A. Reinstatement Estimate

Is an estimate of the cost at date of valuation (including relevant fees) of replacing the asset with a new modern equivalent asset, including, where appropriate, the use of current equivalent technology, material and services. This is intended as a guide for the purpose of setting insurance premiums and, unless specified elsewhere, is not based on a detailed elemental and schedule of quantities approach as would be undertaken by a quantity surveyor or costing engineer. In construction, unanticipated problems often arise and actual rebuilding, repair or replacement costs may vary from the estimate. Geotech requirements for a replacement building may differ from those relating to the existing structure.

In the case of partial destruction no specific allowance has been made for any additional requirements that any Council, Government or other Authority may require as additional expenditure to upgrade, alter or amend the undamaged portion of the asset.

Reinstatement does not allow for cost escalation due to a catastrophic event causing a general or localised surge in demand for new assets or rebuilding/repairs. Where an asset has elements of an historic or heritage nature, unless otherwise specified, reinstatement does not include for reproduction of the existing asset with the original heritage features, but allows for a modern asset of similar size.

B. Inflationary Provision

This amount has been estimated on the basis of a loss occurring on the last day of a 12 month insurance period, if appropriate.

The inflation provision incorporates an allowance for the additional time required for damage inspections, demolition, preparation of new preliminary proposals and their approval by the Territorial Authority, preparation of working drawings and specifications, schedules of quantities, in addition to an estimated period of construction contract. No allowance is made for any delay due to the need to comply with the provisions of the Resource Management Act.

Inflationary provisions are future projections, based on recent trends and are given without prejudice. Inflation and in particular foreign exchange rate fluctuations affecting imported assets, are notoriously difficult to predict and the valuer cannot be responsible for any inaccuracy. The assessed inflationary provisions allow for reasonable processing times related to resource management, building consents, etc. but not for any unforeseen or extended delays.

2.0 Indemnity

A. Market Related Value

This is an estimate of the loss that would be suffered by the insured in the event the asset was destroyed. This may be assessed using the sales comparison approach, income approach or the depreciated replacement cost approach as appropriate. In accordance with instructions we have not undertaken an assessment on this basis however we are able to do so if so requested for an additional fee.

B. Depreciated Replacement Cost - For Fire Service levy calculation purposes only

This cost has been calculated utilising the estimated reinstatement cost allowing for normal physical depreciation. If relevant it also takes due note of any significant upgrades or accelerated deterioration. This cost has been prepared solely for the purpose of calculating Fire Service Levies and excludes Fees, and other exempt items as listed in the FENZ guide for levy payers. Accordingly, the value bears little relationship to the market value of the building or the true insurable "indemnity value" as defined by case law. It is not an estimate of the loss that would be suffered by the insured in the event that the asset was destroyed.

C. Inflation Provision

The inflation provision is the estimated amount by which cost inflation exceeds depreciation over a 12 month period.

3.0 Demolition Estimate

For the purpose of valuation, it is assumed that 100% of the assets have been damaged beyond repair and have no salvage value.

Unless otherwise noted the Demolition Estimate covers the cost of demolition and removal of debris of the assets described only and excludes the cost of removal and disposal of any noxious materials or removal of debris from adjoining premises, unless otherwise specified.

The Demolition Estimate does not include shoring up any structures, either on the insured property, or neighbouring properties; or the removal of building contents.