

EXECUTIVE SUMMARY

Property : South Bay Domain

Client : **Community Facilities Charitable Trust**

Report Presentation Date : 7 October 2010

Effective Date of Report : 7 October 2010

Land :

- : Description - Part section 9 Block X Mount Fyffe Survey District
- : Zone - Reserve for Recreation Purposes SO Plan 2375
- : Area - 1.1230 hectares

Development Proposal : At concept design stage is the development of the South Bay Domain to accommodate a Community and Tourist Aquatic Centre providing Indoor 20 x 25 lane pool, Toddlers pool, and Youth splash pool, heated outdoor hot pools, Gymnasium, Hydroslides, Private hot pools and Treatment rooms. Developed as part of the project is the carparking and landscaping immediately adjoining the refuse collection area.

Development Statement : We have been requested to provide development feasibility studies based on the Proposed Facilities Scoping Report supplied by the Kaikoura Community Facilities Charitable Trust to determine the The Hypothetical Development Statements including:

Feasibility Studies

- Estimated Building Costs for each proposed Pool and Attractions to establish budgets
- Cost Engineering Model
- Bulk area specification
- Finishes specification.
- Estimated Consultant Costs to establish budgets
- Commercial Income assessments
- Yield assessment
- Review and propose a suitable commercial business model.

Initial Master Plan

- Integrated Master planning providing starting point for the more detailed pool and architectural designs
- Buffer issues and solutions to adjacent landfill including visibility, noise and odour
- Site access, parking and circulation within the site

Architectural Design

- Bulk and Location
- Preliminary Concept
- Feasibility Drawings for visual support of Cost Engineering feasibility reports

**Hypothetical Development Summation
Investment Approach/Capitalisation of Income**

The Yield assessment approach has provided the following:

(Land value and or ground rental is not included in any of the assessments stated in this report)

Estimated Net Realisation – Online Investment

Public Pool and Hot Pool Complex Income	\$ 2,009,455
Public Pool and Hot Pool complex Net Realisation	\$ 22,327,273
Public Gym Income	\$ 54,623
Public Gym Net Realisation	\$ 606,925
Hydroslide Income	\$ 228,088
Hydroslide Net Realisation	\$ 2,534,313
Private Spas and Treatment Rooms Income	\$ 223,835
Private Spas and Treatment Rooms Net Realisation	\$ 3,525,943
Development Cost	\$ 14,413,164
Development Margin (if required) 20 % (or Profit and Risk)	\$ 2,882,633
Development Interest	\$ 1,395,162

Project Estimated Value:

**Twenty Eight Million Nine Hundred And Ninety Four Thousand Dollars
(\$28,994,000)**