BEFORE THE EXPERT PANEL

UNDER	the Fast-track Approvals Act 2024 ("**FTAA**")
AND	
IN THE MATTER	of an application for approvals by Westhaven Residential Limited Partnership ("**Applicant**") in relation to the proposed urban development at 188 Beaumont Street, Auckland ("**Application**")

MEMORANDUM OF COUNSEL ON BEHALF OF WESTHAVEN RESIDENTIAL LIMITED PARTNERSHIP

24 AUGUST 2026

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MAY IT PLEASE THE PANEL:

Summary

1. This memorandum of counsel is filed in response to the Panel's requests for the following further information set out in Minute 7 (dated 17 August 2026):

   (a) the content of the Residential Development Agreement entered into between Auckland Council and the (now) Applicant dated 30 June 2021, as varied ("**Agreement**"); and

   (b) details regarding the construction programme used in the Economic Impact Assessment and the Draft Construction Management Plan, submitted as Appendices 16 and 26 to the Application.

2. A response to the Panel's questions is provided at **Attachment A** and **Attachment B** of this memorandum, respectively.

Commercially sensitive information in the Agreement

3. As set out in Minute 7, the Panel directed that, if necessary, the Applicant could file a request for appropriate directions on the withholding of, or non-publication of, information on the Agreement.[1]

4. The Applicant's response in **Attachment A** contains a summary of relevant aspects of the Agreement in response to the Panel's request, including some confidential and commercially sensitive information that the Applicant considers should be excluded from publication. Accordingly, that information has been redacted from the summary included in **Attachment A**.

5. The Applicant has separately filed a non-publication order request with the Panel in respect of that redacted information. For the reasons set out in that memorandum, the Applicant considers that publication of these details would result in unreasonable prejudice to its commercial position that outweighs any public interest in publication.

[1] Panel Minute 7 dated 17 August 2026 at [14].

Conclusion

6. The Applicant appreciates the opportunity to respond to the matters raised and will await the Panel's decision on the non-publication order request.

DATED 24 August 2026

Lauren Rapley | Alice Gilbert

Counsel for Westhaven Residential Limited Partnership

Attachment A — Response to Panel Minute 7 — Paragraph 12 Questions

Introduction

The Applicant provides the following response to the matters raised in paragraph [12] of Panel Minute 7, dated 17 August 2026, regarding the Residential Development Agreement between Auckland Council (**Lessor**) and (now) the Applicant dated 30 June 2021, as varied (the **Agreement**).

(a) Is the nature, size, bulk or form of the residential development specified as a requirement or obligation in the Agreement? Does the Agreement require a building of a specific height or with a specific number/type of apartments?

Yes. The Agreement specifies the nature, form, bulk and general height parameters of the required residential development. The key obligations includes the following.

The Agreement requires the Applicant to undertake a "premium waterfront apartment development" comprising a "residential apartment building" on Site 18B (being 188 Beaumont Street) in Wynyard Quarter (**Land**). The design and form of the development are developed from an agreed concept design and regulated by "essential outcomes" which set out the broad vision/expectations for the development and key design outcomes (such as having an articulated large-scale building form, opening windows to upper levels, and having inviting ground-floor activities engaging with public spaces).

The concept design describes a development comprising approximately 200 homes within three primary building elements and a shared carparking podium as follows:

- **Beaumont Building** — approximately 72 homes.
- **Marina Building** — approximately 18 homes.
- **Tower** — approximately 110 homes.

The Agreement contains provisions on modifications to the concept design throughout the formal design approval phases under the Agreement, with the Lessor's (being Auckland Council's) written approval required to certain modifications including as to height, bulk or location and external appearance.

The parties are currently working through the formal design phases under the Agreement.

(b) What is the "required timeframe" within which the residential development must be delivered? Are there provisions requiring commencement or completion within a certain timeframe or by a specific date?

Yes. The Agreement contains a structured series of timing obligations governing both commencement and completion of the residential development:

Project Commencement Requirements Sunset Date: The Applicant may not commence the works until all Project Commencement Requirements have been satisfied. [redacted] The Project Commencement Requirements Sunset Date is [redacted].

Works Commencement Sunset Date: Once the Project Commencement Requirements have been satisfied, the Applicant must make a material start on site within [redacted] of that satisfaction. If the Applicant fails to do so, the Lessor may serve a First Notice of intention to terminate, giving the Applicant a further [redacted] to make a material start on the works.

Practical Completion Sunset Date: The Applicant must achieve Practical Completion within [redacted] after the date on which the Project Commencement Requirements have been satisfied or waived.

(c) If the obligations as to timeframe are not complied with, are the consequences automatic or subject to further negotiation and/or a dispute resolution process?

The consequences are not automatic in all cases, but they are contractually significant and enforceable. The position differs depending on which timeframe obligation is in question:

Failure to satisfy Project Commencement Requirements by the Sunset Date: If the Project Commencement Requirements have not been achieved by [redacted] either party may terminate the Agreement upon written notice to the other.

Failure to commence works: If the Applicant has not made a material start on site by the Works Commencement Sunset Date, the Lessor may serve a First Notice of intention to terminate (within a specific timeframe after the Works Commencement Sunset Date). The Agreement then terminates on the later of either:

(i) a specific timeframe following the First Notice if the Applicant has not materially commenced works; or

(ii) if the dispute procedure has been initiated by the Applicant, the date the dispute is resolved in favour of the Lessor.

Failure to achieve Practical Completion: If Practical Completion is not achieved by the Practical Completion Sunset Date, the Lessor may terminate the Agreement upon written notice. Following termination, the Lessor may require demolition and removal of any works, or alternatively ownership of remaining buildings and improvements vests in the Lessor without compensation.

Extension provisions: The Works Commencement Sunset Date and the Practical Completion Sunset Date may be extended in accordance with the Agreement where certain specified delays occur. The Project Commencement Requirements Sunset Date does not have provision for an extension in the Agreement.

Impact to the Lease: If the Agreement is terminated in any of the above scenarios, then the underlying registered lease of the Land (**Lease**) is also terminated, the Applicant loses its interest in the Land and as a result forfeits its investment to date in the Land. Moreover, it forfeits its anticipated future revenues (and thus anticipated profit) from the sale of the homes built on the Land. We expand on this in our response to (d) below.

(d) Is Orams able to comment directly on the extent of the risk to its future commercial viability?

The Applicant confirms that the delivery obligations in the Agreement create a material risk to its future commercial viability and broader commercial operations if the residential development cannot be delivered within the relevant timeframes. The Agreement requires the Applicant to satisfy the Project Commencement Requirements by [redacted] and thereafter to commence and complete the residential development within the prescribed periods. If those obligations cannot be met (most notably if the Project Commencement Requirements Sunset Date cannot be met) then:

- **Termination of the lease**: The Lessor may terminate the Agreement, resulting in the Applicant losing its development rights over (and entire legal interest in) the Land and the contemporaneous termination of the ground Lease.
- **Loss of substantial investment**: As advised by Orams Marine, both the Applicant and Orams Marine would lose the substantial investment it has made to date in design, consenting, site preparation (eg remediation works due to site contamination), and the marine infrastructure works (eg seawalls) that have been undertaken on the basis that the residential development would proceed. These costs are circa [redacted] which includes purchase of the leasehold

interest in the Land. The Orams side of this investment has been funded in part via a loan from Orams' marine entities (such operations being undertaken on Site 18A). As expanded below, if the residential project does not proceed then that loan (being a substantial investment of the marine operator) is unlikely to be able to be repaid and therefore the neighboring marine precinct is placed at material risk.

- **Impact to viability and quality of marine services**: The marine infrastructure investment by Orams Marine at Site 18A (being 142 Beaumont Street) was undertaken based on a commercial premise that it would be supported by the proceeds and ongoing viability generated by the residential development at Site 18B (ie the Land). If the residential component does not proceed the:
    - financial basis for the marine investment is significantly undermined. Put differently, there was a 'marriage value' between the marine and residential components such that a higher price was originally able to be paid for Site 18A (so as to keep it as an industrial marine yard without undertaking a profit maximizing 'highest and best use' development) on the basis that the residential site would achieve a 'highest and best use' redevelopment and generate a reasonable development profit. If the residential development does not proceed then the price paid for the portion of the land known as Site 18A does not make economic sense and would leave the marine operations in a precarious position as they would forego the future profits that were intended to be generated from the residential development; and
    - Orams Marine is unable to offer a "full-service" refit environment with accommodation adjacent to the marine yard. Competing facilities — particularly on the Gold Coast in Queensland — already provide this integrated offering.[1] This places Orams Marine, and Auckland as a superyacht destination, at a competitive disadvantage relative to Australian and other global options.
- **Regional and national economic benefits at risk**: The Market Economic assessment illustrates that failure to deliver the residential development places substantial regional and national economic benefits at risk, including an estimated $1.2 to $1.5 billion in Auckland regional GDP contribution (NPV at 8% over 25 years), $663 to $835 million in household incomes, and approximately 27,000 to 35,500 employment years in Auckland.[2]

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1 188 Beaumont St Redevelopment: Fast-track Referral Application Wider Regional and National Economic Benefits Assessment prepared by Market Economics Consulting, dated 26 March 2026, p 1.

2 188 Beaumont St Redevelopment: Fast-track Referral Application Wider Regional and National Economic Benefits Assessment prepared by Market Economics Consulting, dated 26 March 2026, p 14.

21 August 2026 DIGITALLY DELIVERED

ECONOMIC MEMORANDUM

To: Westhaven Residential Limited Partnership
c/- Magdalena Regnault
Barker & Associates
Email: magdalenar@barker.co.nz

RE: RESPONSE TO PANEL QUERY IN RELATION TO THE 188 BEAUMONT STREET DEVELOPMENT APPLICATION UNDER THE FAST-TRACK APPROVALS ACT 2024

ECONOMIC RESPONSE

This memorandum responds to a request for further information in Minute 7 issued by the Expert Panel on 17 August 2026 regarding the construction programme and Economic Impact Assessment (**EIA**) for the 188 Beaumont Street Fast-track Application, prepared by Phil Osborne and Tim Heath of Property Economics (March 2026) (lodged as Appendix 16 of the substantive application).

In particular, Paragraph [16] of Minute 7 requests confirmation of the development period assessed in the EIA, an explanation of the apparent discrepancy in the construction timeframe and, if necessary, an update to the EIA to reflect the relevant period over which development-related economic benefits have been assessed.

PE Response:

We refer the Panel to page 6, Footnote 3, of the EIA. The five-year assessment period does not represent five full years of active construction activity. Rather, the earlier part of this period primarily provides for pre-construction activities, including planning, design, procurement and contracting. This is reflected in the relatively minor level of economic activity attributed to 2026 in Table 1 of the EIA at page 17.

The substantive construction phase assessed in the EIA was on the assumption it would extend for approximately 34 months, from September 2027 to June 2030. This is broadly consistent with the Draft Construction Management Plan (lodged as Appendix 26 to the substantive application), which indicates construction commencing in Q3 2027 and continuing for approximately 33-36 months, through to Q3 2030.

Accordingly, there is no inconsistency between the construction period assessed in the EIA and that identified in the Draft Construction Management Plan. The EIA appropriately reflects the anticipated timing and distribution of all development-related economic expenditure across the assessment period, not just the construction period. We therefore do not consider that an update to the EIA is necessary, and the economic conclusions of the EIA remain an appropriate estimation of the Project's significant economic activity generated for the Auckland region.

Kind Regards

Phil Osborne / Tim Heath

Directors