28 January 2026

ECONOMIC MEMORANDUM

To: Winton Land Limited
c/- Simon Ash
Chief Operating Officer
Winton
Email: [redacted]

RE: MINUTE 22 OF THE EXPERT PANEL

INTRODUCTION / CONTEXT

Minute 22 of the Expert Panel has requested the Applicant to provide further information following a convened hearing of Economic matters relating to the Sunfield substantive application under the Fast Track Approvals Act 2024 (FTAA) (the Substantive Application). This memorandum provides our response to the issues raised.

The questions primarily pertain to the quantification of the costs and benefits discussed in the economic hearings. We have set out to provide as much information on this matter as practical. To provide some high-level context, as outlined in the hearing it is the position of Property Economics that the Sunfield proposal represents a significant benefit to the Auckland regional economy.

The economic benefits of the Sunfield proposal are not easily replicated given the involvement of the Applicant (as the developer), development of the associated site and the high propensity of development potential, set against other less certain development options within the market.

A key factor in regard to the economic benefit of the Sunfield proposal is the level of risk associated with it, as identified the level of risk associated with this development provision is materially less than a substantial proportion of the modelled residential market. In addition to the type and scale of the development contributing to this certainty is the proposed developer themselves. As noted in the Winton Land Limited Statement of Intent, which forms part of the Substantive Application:

> *'Winton is an NZX and ASX listed company which consists of 45 executives based in Auckland, Queenstown and Wanaka and a residential land development portfolio comprising residential dwellings, apartments and retirement village units across 26 large-scale projects. Winton specialises in enhancing existing residential communities by creating additional residential opportunities along with supporting facilities and amenities.'*
>
> and
>
> *'Winton can in no way be considered a 'land banker'. Winton buys land, obtains the required rezoning and/or resource consents, and develops and sells the finished product as quickly as is reasonably possible. Winton has the team, the experience*

and the financial capability to commence the Sunfield Masterplanned Community as soon as consents are granted and to complete the development in a timely fashion.'

In this context, the housing capacity delivered by the Sunfield project can be considered as having a high degree of probability. In contrast, the Auckland Housing and Business Assessment (HBA) relies on a significant proportion of urban redevelopment capacity ('brownfield') being delivered in order to meet projected housing demand. However, this type of development is inherently more difficult and, at a general level, more expensive than larger vacant and 'greenfield' sites. Therefore, while Auckland theoretically has sufficient capacity, there is the risk that urban development falls short of the Council's assumptions, resulting in rising pressures on the housing market.

Furthermore, Council has withdrawn PC78 in favour of PC120. Although no feasibility assessment has been undertaken for PC120, the theoretical capacity assessment suggests a 20% reduction in capacity within the residential zones of the catchment. Although this is offset somewhat by an increase in Business Zones, the net result is likely to result in a reduction in the feasible residential capacity potential.

Even if there is sufficient housing capacity, our analysis shows a significant net contribution (i.e. activity that is not displaced) both to the supply of housing and the economy.

Additionally, the Sunfield proposal is not limited to the development of approximately, 4,000 homes in the south Auckland catchment. The project in effect involves developing a new suburb with a wide range of land uses and ongoing employment opportunities including:

a) significant employment / business precinct
b) healthcare facilities and services
c) retirement villages
d) a 7.5 hectare town centre and further local and neighbourhood centres.
e) education (a school and early learning centres)
f) open spaces, green links, recreation parks and reserves and ecological areas.

Cumulatively, these land uses create employment opportunities within Sunfield that can accommodate approximately 10,000 employees. This ongoing employment is additional to the employment activity generated through the development and construction phases of the project.

Question: The extent to which the proposal will result in an increase in housing supply, noting in particular that the existing assessment does not consider whether the proposal will displace housing supply that might otherwise occur on live zoned "greenfield" land or Future Urban zoned land in the South Auckland area. In providing this assessment the relevant catchment for comparison should be identified and the reasons why that catchment is identified should be given;

The Sunfield site is located on the border of the Manurewa / Papakura catchment but is sited within the Franklin catchment. The Manurewa / Papakura catchment covers the combined Manurewa and

Papakura Local Board Area, while the South / East Auckland Catchment (in close proximity north of the site) encompasses the Howick, Māngere-Ōtāhuhu and Ōtara-Papatoetoe Local Board Areas.

The Franklin Local Board area covers the majority of rural land and rural townships south of the Auckland urban area. The Sunfield site (and the Takaanini area) is located in the Franklin Local Board area, and therefore this area forms part of the Sunfield catchment also. The vast majority of the Franklin Local Board Area market and projected growth is within the central area between Drury and Pukekohe (circa 15-18 minute drive from Sunfield), and the northern component at Beachlands.

Property Economics delineated three catchments (the 'Southern Auckland Catchment') to represent the core market and areas considered to represent where the majority of purchasers are likely to be derived. This is due to there being a large number of suburbs within these areas that have similar homes in terms of price bands, typologies and surrounding environments as what Sunfield are likely to deliver, as well as similar access to the important community services, amenities and facilities.

The Southern Auckland Catchment is also considered to represent where the majority of employees at the future employment area of Sunfield are likely to be drawn from. The 'Southern Auckland Catchment' represents an approximate 30-minute drive time catchment, excluding the far western extent of the Franklin Local Board Area. The average driving time for people to work from outer Auckland suburbs (Zone D e.g. Orewa or Drury) is 28 minutes. By public transport this increases to over an hour.

Additionally, the 'Southern Auckland Catchment' was the economic study area utilised as this area encapsulates (and is based on) the former Manukau City, Papakura District and Franklin District Territorial Authorities (2006). These Local Board Areas were chosen so we could utilise Stats NZ latest population projections at the time of undertaking the analysis, which at the time were at local board level only.

Residential Market Impacts

The proposed consent could have a number of potential impacts on the identified catchments' housing market, with the primary benefits being increased development potential, price impacts and increased choice.

As outlined in the Sunfield hearing, the dynamic nature of the catchments market and its interrelation with the wider Auckland and national market makes it difficult to model the potential impacts of the proposed increase in development capacity[1] over the significant timeframe.

Essentially the impact of an increase of potential housing supply is likely to be distributed between the level of housing provided by the market and an impact on overall housing price.

Two approaches are outlined below and are provided to give context to the potential impacts of Sunfield on the catchments housing market, rather than exact impact levels.

[1] *As defined in the NPS UD as enabled, commercially feasible and infrastructure ready residential capacity.*

Overall market and factors that impact housing delivery

There are a number of factors that will contribute to the efficacy of the proposed consent on the housing market. Including:

(a) Total feasible or Reasonably expected to be Realised (ReR) Capacity
(b) Total demand
(c) Current and potential market equilibrium
(d) Risk profile for feasible and ReR development capacity e.g. Type of development option, brownfield versus greenfield.

The following reflects the variable considerations of the catchments market. These conditions are based on the Auckland Council 2023 HBA that included an assessment of the capacity impacts of PC78, while this Plan Change has subsequently been withdrawn it provides a conservative view when considering additional capacity (PC120 as proposed results in less overall residential capacity in the catchment).

(a) When considering a 20% profit margin for commercial feasibility the catchment is estimated to have approximately 144,000 feasible dwellings. At a 60% ReR (assumption applied as the long-term rate in the Auckland HBA) this equates to approximately 86,000 expected dwellings. In addition, we estimate that the recently rezoned greenfield areas (not otherwise included in the 2023 HBA) and identified Future Urban Zone, that are anticipated to be rezoned within the Long-Term period, would add an additional 20,000 dwelling capacity. Combined, this equates to capacity of 106,000 dwellings.

(b) Total housing demand for this catchment over a 20-year period under the high growth projection (within the timeframe expected by the proposed Sunfield development) is approximately 77,000 dwellings. However, it should be noted that the NPS-UD requires Council's to provide a 15% competitiveness margin meaning the area has a development capacity requirement of nearly 90,000 dwellings.

(c) The market within the catchment has a median property value of $1.06m, having seen a slight price decrease over the past few years due to both housing and exogenous market conditions (e.g. the historic rise in interest rates). These conditions are likely to have reduced the feasible rate of development within the catchment due to increased construction costs and a fall in prices since the HBA assessment.

(d) As identified the standard long-term ReR lies at approximately 106,000 dwellings within the catchment, however the level of expectation within the model relies on significant assumptions on the potential realisation of existing urban redevelopment. This type of development is inherently more difficult due to existing site constraints and characteristics and, at a general level, more expensive than larger vacant and 'greenfield' sites.

As an example, we understand a high number of consents under the MDRS provisions which enable 3 dwellings x 3 storeys on each site have been utilised for expansions and extensions to the original dwellings, decks or garages, rather than adding capacity and maximising development potential. Thus, the propensity for brownfield development is lower and a

heavy reliance on this within the catchment has the potential to reduce the efficient and effective delivery of sufficient housing to the market.

Overall, the provision of 4,000 additional homes at the master-planned Sunfield development provides greater certainty of housing provision to meet demand thereby resulting in a greater proportion of the proposed homes being 'net' to the catchment market as a whole.

Displacement through demand and supply assessment

An alternative view of the economic impacts of the proposed Sunfield development can be assessed through the construction of catchment housing market Supply and Demand curves. An example of this impact approach was undertaken by PWC[2] in their Cost Benefit analysis for the Medium Density Residential Standards in 2022.

It should be noted that this is a generalised approach, intended to provide a scenario of impact with the construction of supply and demand curves dependent on underlying assumptions. Furthermore, analysis of both housing supply and demand elasticities is a subject of significant academic interest, but one that continues to provide variable results depending on the techniques and data sets utilised. Nevertheless, the following analysis is provided including sensitivity testing to provide an indicative quantification of the potential net economic benefits based on the market variables.

Demand

It is noted that our assessment period is the next 20 years which is the anticipated timeframe for the Sunfield development. The projected housing demand within our aforementioned catchment is 54,000 under the Medium Growth projection and 77,000 under the High. Our assessment assumes that the medium growth projection represents the quantity demanded at the current price level, however we have tested the impact utilising the higher growth projection as the starting point. It should be noted that in testing the impact on the market, we have not included the competitiveness margin as this does not apply to demand but is a representative of increased flexibility and margin of error.

Working out the demand curve requires us to estimate the price elasticity of demand (i.e. the slope of the curve or the relationship between housing price and the quantity demanded). The PWC report, has assessed demand elasticity in each of the Tier 1 urban areas. These estimates range from -0.739 (most inelastic) for Wellington to -1.761 (most elastic) for Auckland. Although this assessment applies an Auckland-wide demand elasticity of -1.7, it is possible that South Auckland, as a comparatively more affordable sub-market, exhibits a lower elasticity of demand than Auckland overall. Consequently, we have tested Hamilton's elasticity of 1 as a sensitivity test.

Supply

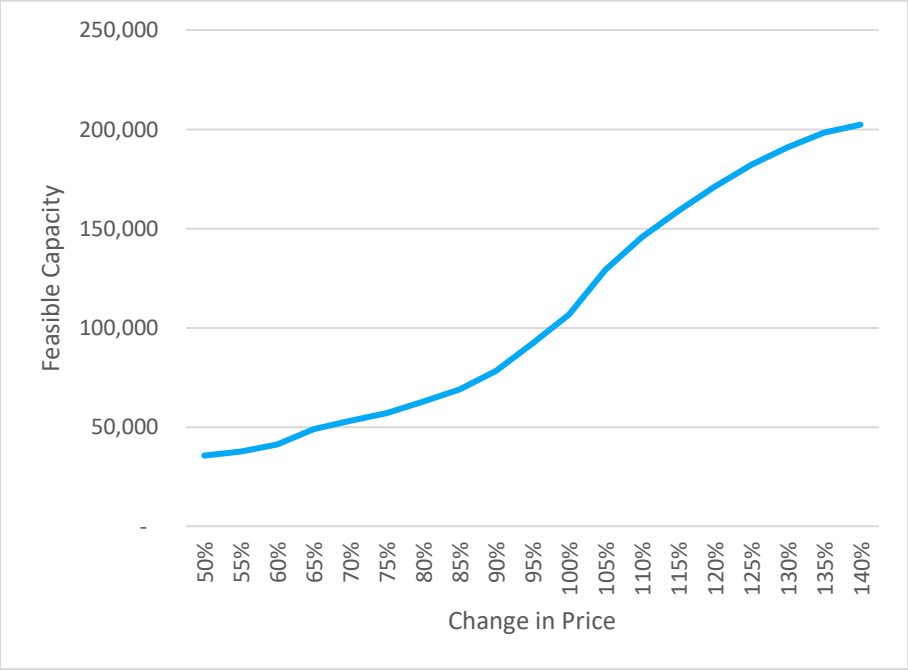
To estimate the housing supply curve within the defined catchment, we have relied on the feasibility modelling undertaken for the Auckland Housing and Business Assessment (HBA). Auckland Council

[2] *Cost-benefit-analysis-of-proposed-MDRS-Jan-22.pdf*

has published site-specific geospatial outputs identifying the most profitable development scenario for sites that achieve at least a 0% profit margin. Using the reported profit margins for these developments, we can assess whether each site would exceed the target profit margin of 20%[3] at a range of price changes.

The results of this analysis are shown on Figure 1 below. Notably, the data shows a S shaped curve. At the lower end, there are disproportionately fewer sites which remain feasible at lower price levels, as the fixed costs of site development begin to exceed the vacant section price. This drop off may, in reality, be slower if the data available to us accounted for larger site size development scenarios. Likewise, the diminishing gains in capacity at the higher end of the price spectrum are also likely to be less accurate, with higher prices making higher-density scenarios not included in the dataset more feasible. For the purposes of this scenario, we therefore estimate the approximate supply curve based on a linearisation of the curve between -30% and +30%.

Figure 1: Quantum of Feasible Capacity based on proportional changes in house prices.



Source: Property Economics

The results of this scenario analysis indicate a price elasticity of housing supply of approximately 3. This suggests that for every 1% increase in the real average sale price of housing, there is a 3% increase in the quantity supplied. This elasticity reflects the long-run response of housing supply over

[3] *Auckland's HBA defined feasibility as profitable. However, the industry requires developments to provide a sufficient return relative to the risks involved with development. This is typically estimated at around 20%. This is what we have relied upon in determining the feasible supply.*

an approximate 20-year horizon, during which developers are able to adjust land use, achieve required planning, overcome infrastructure constraints, and bring additional capacity to the market.

The NPS-UD requires HBA's to consider the capacity that is reasonably expected to be realised as a proportion of the total capacity that is feasible. In Auckland's HBA, they have assumed that 60% of Feasible, Infrastructure Ready Capacity is realisable over the Long Term. Notwithstanding any infrastructure constraints on our capacity, we have applied the same realisable proportion to our capacity assessment above. At the current price level, this means there are 86,515 realisable dwellings within the catchment.

In addition to this, there have been some plan changes since the HBA was assessed. This include a plan change in the Beachlands Golf Course, which is anticipated to provide for 4,000 dwellings over the next 20 years or more, and several plan changes in the Drury area. Additionally, Auckland's latest Future Development Strategy has pushed out the timing of the remaining Future Urban Zoned areas.

Under this new timing, the FDS indicates that Drury East and West will be rezoned sometime after 2035 while different sections of Pukekohe and Paerata will be rezoned either after 2035+ or 2040+. Based on the information available, we have estimated the total capacity this adds within our 20-year time period at 20,000 dwellings.

Market Impacts

Figure 2 below shows the economic impact of a 4,000-capacity shift in supply on the price and quantity demanded based on our estimated supply and demand curves for our housing market catchment over the next 20 years.

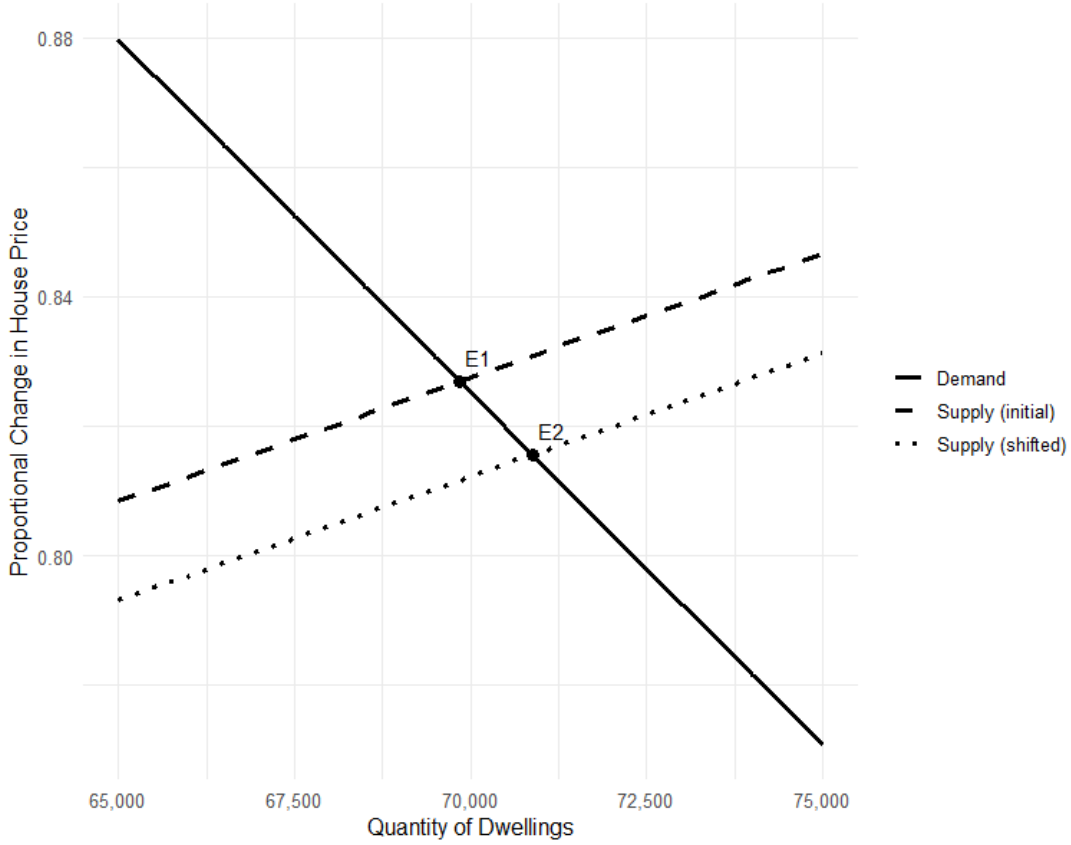
At current prices, the realisable capacity assessed through the applied scenario (based on a 60% realisation) in combination with the 20,000 additional greenfield capacity in recently zoned and Future Urban Zones is 106,500. This is significantly larger than the projected medium growth demand of 54,000 assumed at the current price level.

The result is an equilibrium point over the long term at prices 17% below the current price level and a quantity demanded of 69,875. It should be noted that this result is contingent on the assumption that 60% of feasible capacity is realisable and part of the supply. It may well be that a smaller proportion of the theoretical capacity is actually feasible or realisable within this timeframe. Therefore, the 17% reduction in house prices is not intended to represent a prediction.

Under this scenario a rightward shift of the housing supply curve equivalent to approximately 4,000 dwellings results in a new market equilibrium (E2 in Figure 2), characterised by a reduction in house prices of around 1.368% and an increase in housing supply of approximately 1,040 additional dwellings (+1.486%).

Applied to the prevailing 2023 average house price in South Auckland of $1.12 million[4], this equates to an average price reduction of approximately $12,670 per dwelling (which would remain the same proportional change but at an inflated nominal dollar value depending on the changes in housing prices over time). This reduction represents an affordability gain that is realised across the existing housing stock, not solely the additional dwellings delivered.

FIGURE 2: SOUTH AUCKLAND HOUSING MARKET IMPACT OF 4,000 ADDITIONAL HOMES ON SUPPLY



Source: Property Economics

The effect of this supply shift on the economy is two-fold. First, it results in an estimated transfer of approximately $885 million from landowners and developers to home buyers, reflecting the broad-based reduction in house prices across the market. Secondly, the supply shift generates an additional $6.6 million in net economic benefit, representing an increase in total economic surplus arising from the construction of additional dwellings where willingness to pay exceeds the marginal cost of supply.

[4] *According to QV House Price Index. We have utilised the 2023 price level as this is the timeframe in which the feasibility assessment was undertaken.*

It is important to emphasise that these benefits are in addition to those already discussed in the Property Economics EIA which formed part of the Substantive Application. Moreover, although the $885 million transfer is not an economic benefit, it is a significant social one insofar as it redistributes value from current landowners to buyers through more affordable housing. The results of the scenario assessed are summarised in Table 1 below, which also presents two sensitivities on the demand curve.

Specifically, this includes testing a lower demand elasticity and a scenario with a higher base demand (based on the high growth projection at the current price level). Under the less elastic demand scenario, the price response is larger while the resulting increase in housing supply is smaller, reflecting the stronger adjustment occurring through prices rather than quantities.

Conversely, under a higher demand assumption, the effect of the homes on price is lower at only $11,409, but the impact on quantity is larger at over 1,300 dwellings.

TABLE 1: ECONOMIC IMPACT OF SUNFIELD BASED ON ESTIMATED SUPPLY AND DEMAND CURVES

	Base Scenario	Sensitivity 1	Sensitivity 2
Demand Elasticity	-1.7	-1	-1.7
Demand at 2023 Price Level	Medium Growth	Medium Growth	High Growth
Change in Quantity	1,039	684	1,333
Change in Price	-$12,670	-$14,190	-$11,410
Economic Benefits ($m)	$6.58	$4.85	$7.61
Transfers ($m)	$885	$915	$1,024

Source: Property Economics

These are representative of benefits on the housing market, specifically in addition to the increased activity outlined in the economic report. If the -1.7 elasticity of demand is an appropriate one for the market the resulting increase in demand for an additional 1,000 homes would result in a net addition of over $1b (NPV) in economic activity for the Auckland region in addition to the housing market impacts.

Under this partially hypothetical scenario, the remaining economic activity outlined in the assessment would not be lost but would be expected to occur under a counterfactual. It is important to note that this outcome is not only dependent on the assumptions described above, but also on the assumptions applied in the Auckland HBA. If the ReR of urban redevelopment falls materially short of those assumptions (which has a higher propensity of occurring than typical greenfield), a greater proportion of Sunfield's development would represent a net addition to housing supply.

Furthermore, the results do not account for any additional housing demand that may arise if Sunfield's distinctive characteristics attract incremental demand to the Auckland market beyond that already assumed. To the extent that such demand is realised, it would be expected to shift the market equilibrium toward a higher level of housing delivery (and a greater proportion of net economic benefits), while partially offsetting the price reductions identified in the scenarios above.

Question: The extent to which employment created by the proposal will be displaced from other employment. This will necessarily require an assessment of supply-side labour market constraints in the relevant sectors over the course of the development. The key assumptions and a sensitivity assessment should be included;

Assessing the level of impacts from the proposed development on the labour market requires a range of assumptions that would make the results highly sensitive.

Models such as Computable General Equilibrium (CGE) attempt to simulate movements within the entire economy to understand how changes in demand change alter employment and wages across all the interconnected sectors. This modelling requires significant assumptions around labour market flexibility (across sectors, regions and often countries) and wage determination and elasticity.

There are however general economic indicators that provide insight into how the market may react to such changes and the general extent of net effects (both employment and wage changes).

As with housing an increase in demand results in shifts that are likely to be felt in both quantity of labour and price (essentially wages) the elasticity is a function of supply (expected labour force growth, including labour from outside the region and potentially the country), underutilised resources, labour participation rates, productivity, and barrier to entry (skill constraints).

The employment context of the proposed development indicates:

(a) A total of approximately 24,700 FTE years over a 20-year period.

(b) A total of approximately 18,100 construction FTE years over the 20-year period

(c) A total average of 2,470 FTE's per annum, with 1,800 of these in the construction and construction services sector.

The general state of labour in the general market and construction industry shows:

(a) An underutilisation rate of labour at 12.9%, the highest in 5 years, and an increase from 9% in 2023

(b) Auckland unemployment rate of 6.1%. This disproportionately affects Māori and Pacific population groups, which have significantly higher unemployment rates. In the 2023 Census, the local Māori population had more than double the unemployment rate within the catchment than the population as a whole[5].

(c) Total regional construction employment at 68,900 EC's[6] (2025) a nearly 7,000 EC fall from 2024 (statistics NZ Business Frame Data) – this is consistent with the loss of skilled construction workers overseas due to a lack of existing projects. This is in keeping with Engineering New Zealand Te Ao Rangahau[7], recently citing the loss of hundreds of skilled

[5] *The unemployment rate for the catchment's population in the 2023 Census was 5.6%. For Pacific Peoples, this was 9.3% while it was 12.6% for Māori.*

[6] *EC – Employment Count as defined by Statistics New Zealand*

[7] *'Devastating': Hundreds of engineers leaving NZ due to infrastructure delays, CEO claims, RNZ 16 February 2025*

engineers due to the stalling of development projects (and citing the FTAA as a means to remedy this).

(d) The Auckland Council HBA has shown a long-term growth expectation in the construction sector of approximately 20,000 jobs.

(e) The MBIE Building and Construction Sector Trends: Annual Report 2025 noted that there was an increase, following the post covid boom, of construction firms that were retaining workers without sufficient work in anticipation of infrastructure and construction sector recovery.

When considering the fall in employed construction workers and the potential underutilisation indicated by the MBIE report, an estimate at the extent of unemployed and underutilised construction workers (increasing from 2023) is estimated at over 2,000 FTE which is sufficient to meet the annual average demand for employment generated by Sunfield even if all 1,800 FTE were net additional.

(f) The most significant labour supply-side constraint is in the level and sustainability of skilled construction labour. A key concern raised in the Infrastructure New Zealand Commission report on New Zealand construction sector labour productivity was the effect on retention of skilled labour based on the significant NZ boom-bust cycle. Additionally, the report found that while productivity in the development sector (heavy machinery) is likely to see productivity growth in the future these same cycles increase risk and remain a key contributor to constraints.

Overall, the current employment market is expected to remain subdued (in relation to its 2021 – 2024 peak) for the short to medium term. This would suggest that a higher proportion of employment generated through the additional housing development at Sunfield will positively impact upon the level of employment and utilisation rather than the unit price of labour.

Question: A description of and quantification of (if possible) any other known supply-side constraints.

The position on the labour market and potential impacts of the Sunfield proposal outlined above is not based on a model but empirical current market conditions which inherently represent existing constraints. Future labour market constraints in general, over a 20-year period, are fundamentally uncertain as the sectors of the relevant labour markets can be impacted by specific central government policies (including employment law) both in NZ and in substitutable overseas markets, international trade positions, cost of living etc. The assessment of these macroeconomic variables requires adoption of ranges (or margins of error) that would negate any useful outputs.

Anecdotally, current and future market constraint concerns that have been highlighted within construction industry reports include risks regarding, skilled labour shortfalls, capital risk increases (inability for investment in capital due to the highly volatile construction industry), and an imbalance in employment law.

Question: An assessment of the cost of infrastructure upgrades required as a result of this proposal.

Table 13 of the economic assessment has included the following:

- $340m in Civil Construction and Infrastructure.
- $35m for Awakeri Wetland Stage 2 and 3 and upgrades to the transportation network / intersections.

Question: An assessment (likely a range) of the implications of core three-waters infrastructure not being available in accordance with the staging set out in the application. Put another way, what are the economic implications of such infrastructure not being available in accordance with the staging set out in the application.

While the details of this question are better answered through the infrastructure experts, the essential economic implications of inadequate network infrastructure on the housing market itself are substantial. As identified in the first housing market question proportionately small increases in housing supply can have material impacts on house prices. Similarly, a lack of sufficient capacity or a reduction in the available supply would have material impacts on existing house prices and serviceability impacting on Auckland's cost of living and competitiveness for national and international growth.

If considering the Sunfield project in isolation, this lack of infrastructure provision is likely to proportionately impact upon house prices while also decreasing the potential economic activity generated by their provision. In terms of an example of extent of impact the deferral of the entire project by 1 year would reduce the NPV (8%) by up to $200m, this illustrates the importance of expediated timing for the project.

Question: An updated assessment reflecting an 8% discount rate, including a sensitivity analysis of the discount rate applied.

Treasury recommendations relating to discount rates over time, for commercial projects, includes an updated (following the recommended 6% run in the original report) baseline 8% with a corresponding 2% sensitivity rate. For the proposed Sunfield projects this results in nominal impacts of:

	Discount Rate	2026	2030	2035	2040	2045	Total
Total Auckland Impact NPV ($m)	6%	$5.9	$175.7	$192.2	$148.5	$15.3	$3.2 billion
	8%	$5.7	$154.5	$151.7	$105.2	$9.4	$2.6 billion
	2%	$6.1	$225.7	$304.0	$289.2	$35.1	$4.9 billion

Source: Property Economics

Note the original 6% discount rate is shown for comparative purposes only.

As shown in the table above:

- the initial assessment value for Sunfield calculated at a discount rate of 6% was $3,200,000,000;
- at a discount rate of 8% the assessment value for Sunfield is $2,600,000,000; and
- at a discount rate of 2% the assessment value for Sunfield is $4,900,000,000.

Question: Quantification of costs and other disbenefits, where those are able to be quantified. For completeness, the Panel does not expect environmental impacts such as (and by way of example only) ecological impacts, social impacts, amenity impacts and the like to be quantified.

Two key economic costs have been identified in the Sunfield economic report being:

- the loss of rural land (from a productive viewpoint rather than amenity or rural character), and
- the cost of infrastructure that would likely not be internalised by the developer or through local authority contributions.

As detailed within the Sunfield NPS-HPL Assessment prepared by AgFirst which was submitted as part of the Substantive Application, the annual economic viability across the entire property from land-based primary production is calculated to be a loss of around $1.5 million and as such was considered not to be economically viable, therefore the loss of economic activity is expected to be minimal.

The assessment of cost on infrastructure upgrades are conveyed as:

- No cost to the public as no upgrades have been provisioned for the Sunfield project.
- Internal infrastructure provisioning for the Sunfield development being an extension to the existing infrastructure network has been included in the overall development costs which form the basis of Property Economics calculations on the basis they are to be funded by the developer[8].
- External infrastructure provisioning for the Sunfield development (being the construction of Awakeri Wetland Stage 2 and 3 and upgrades to the transportation network / intersections) has been included in the overall development costs which form the basis of Property Economics calculations on the basis they are to be funded by the developer.[9]

Kind Regards

Phil Osborne / Tim Heath

[8] *Property Economic Economics Assessment Table 13*

[9] *Property Economic Economics Assessment Table 13*