

3 February 2026

ECONOMIC MEMORANDUM

To: Waterfall Park Developments Limited

c/- Lauren Christie

Winton

Email: [REDACTED]

RE: AYRBURN SCREEN HUB FTAA-2508-1093 - ECONOMIC RESPONSES TO MINUTE 10

Hi Lauren,

As requested, the following information responds to questions 2 and 3 of Minute 10 from the expert panel re the Ayrburn Screen Hub fast track application.

Question 2: "We also asked that as part of that memorandum, counsel advise if Mr Osborne's rough estimate of the effect on his assessed NPV values if screen hub operation were delayed to 2032 proved to be materially inaccurate once he has time to properly calculate the correct figures."

We have generated two tables for the panel. Table 1 identifies estimated regional economic impact of the construction phase for the likely development timeframe (4.8 years), while Table 2 represents the same, but for a resource consent period of 6 years.

Based on an estimated delivery programme of approximately 58 months (4.8 years), under the two Net Present Value (NPV) scenarios of 8% and 2%, the regional economic output is estimated to sit between \$226m-\$256m respectively.

TABLE 1: REGIONAL ECONOMIC IMPACT OF CONSTRUCTION (4.8 YEAR DEVELOPMENT TIMEFRAME)

		2026	2027	2028	2029	2030	Total
Total Regional Output NPV Ext. Period	8%	\$19.3	\$35.4	\$125.6	\$39.8	\$6.2	\$226.3
Total Regional Output NPV Ext. Period	2%	\$19.3	\$37.7	\$142.5	\$48.1	\$8.0	\$255.6

Applying a scenario with an extended construction period of 6 years to 2032, and under the same two NPV scenarios of 8% and 2%, the regional economic output is estimated to sit between \$224m-\$255m respectively.

TABLE 2: REGIONAL ECONOMIC IMPACT OF CONSTRUCTION (6 YEAR DEVELOPMENT TIMEFRAME)

		2026	2027	2028	2029	2030	2031	Total
Total Regional Output NPV Ext. Period	8%	\$19.3	\$32.2	\$121.2	\$37.5	\$7.3	\$6.6	\$224.2
Total Regional Output NPV Ext. Period	2%	\$19.3	\$34.3	\$137.6	\$45.4	\$9.4	\$9.0	\$255.0

It is important to note that changes to NPV and construction timeframes do not materially change the employment generated by either the construction or operational phases.

We also note that early QS estimates now received for the development costs show that direct expenditure will be higher than the \$200 million originally assessed. These estimates, received late December, show a total construction cost in the order of \$297 million (excluding fees)¹. This would correspondingly result in a considerably higher regional economic impact.

In summary, regardless of the discount value applied and delivery timeframe, the order of magnitude of the economic impact of construction is considered regionally significant.

Table 3 below compares the regional operational impacts under different scenarios.

Note that the following assumptions are made for the purpose of the assessment:

- First full year following development 2031 or 2032
- Growth projections still adhere to the 5% rate first 5 years and 1% annually following.
- Adheres to all other alterations in the economic memorandum.
- Table 3 relates to a 10-year operational period starting at the respective dates.

TABLE 3: REGIONAL OPERATIONAL IMPACTS (NPV)

Total Regional Output NPV	2029 Operational Start Total	2031 Operational Start Total	2032 Operational Start Total
High 8%	\$362.7	\$307.0	\$282.4
High 2%	\$514.3	\$493.9	\$484.1
Low 8%	\$178.5	\$151.1	\$139.0
Low 2%	\$253.7	\$243.7	\$238.8

These regional operational impacts are additional benefits to the construction impacts based on various operational start year scenarios.

Question 3: "Commissioner O'Callaghan asked Mr Osborne during the conference how the assessed value-add of the project compared with other Fast Track projects he was aware of Mr Osborne gave us a qualitative answer. We request that he now supply further details of the assessed NPV value-add of Fast Track applications he is working or has worked on and which are in the public domain."

Property Economics considers in comparing economic metrics of fast-track applications directly against each other it is important to consider the economic context in which the projects lie including but not limited to:

¹ WINTON - AYRBURN HUB & HOTEL CONCEPT ESTIMATE 16 December 2025, WT

- Size of regional economy, e.g. \$300m economic injection into the Auckland Region has a different context, scale and impact to a \$300m economic injection into the Otago regional economy. An economic metric alone does not necessarily signify regional significance.
- The resilience of regional economy
- Uniqueness of the activity generated, e.g. how replicable is the proposed project. A screen hub is unique and, often, less replicable than a residential development. The more unique the project the higher propensity for the project to be transformational or have significance.
- Sustainability of the activity generated
- Extent and existence of ongoing operational benefits, e.g. some fast-track applications do not have any additional ongoing operational economic benefits.

The table below outlines some examples of fast-track applications, their respective regional location, gross regional economic injection, estimated employment activity (FTE years) generated and current position in the fast-track process.

It is important to note that few of the projects identified below had any material operational benefits that were seen as additional to the counterfactual position.

TABLE 4: FAST TRACK APPLICATION ECONOMIC SIGNIFICANCE EXAMPLES

Project Name	Region	Total NPV to the Regional Economy	Total Employment (FTE Years)	Status
Rangitooopuni	Auckland	\$708m	7,015	Approved
Drury Metropolitan Centre – Consolidated Stages 1 and 2	Auckland	\$1.45b	7,750	Approved
Maitahi Village	Nelson / Tasman	\$356m	2,737	Approved
Kings Quarry Expansion – Stages 2 and 3	Auckland	\$140m	1,218	Approved
Arataki	Hawke's Bay	\$78m	629	Draft decision approved
Pohutukawa Business Park	Auckland	\$140m	1,065	Referred
Brookvale Green	Hawke's Bay	\$81m	565	Referred
Harlow Lifestyle Village	Waikato	\$120m	848	Referred
Southern Link Inland Port	Otago	\$71.5m	551	Referred
Haldon Solar	Canterbury	\$189.5m	242	Referred
Waitākere District Court – New courthouse project	Auckland	\$218m	930	Panel considering
Ayrburn Screen Hub (construction only)	Otago	\$224m - \$268m (Plus \$139m operational minimum)	2,037	

Note: Property Economics has undertaken the EIAs for those applications shaded light blue. To date three applications for which PE has undertaken the EIAs for have been approved, with one having a draft decision to approve.

There is a broad range of economic metrics in respect of estimated economic activity and total employment generated across the projects. This is driven by project type, activity mix and location, all having a material impact on considerations of 'regional significance'.

Importantly, as identified, a key consideration in the identification of regional economic significance that is generated through this project is its additive nature. This means that the activity (both construction and operational) that results from the project is unlikely to be replicated elsewhere in the current environment, this is in contrast to some of the projects identified above.

It is prudent to note, in addition to the assessed NPV value, although unable to be quantified there are qualitative economic benefits associated with the following which should be taken into consideration:

- Benefits to other industries such as tourism;
- Benefits to supporting a local industry;
- Potential national benefits.

Kind regards

Phil Osborne / Tim Heath
Directors