

LOGAN STONE

STRATEGIC PROPERTY SOLUTIONS

File Ref: 20465

15 January 2009

Hastings District Council
Strategic Planning Division
Private Bag 9002
HASTINGS 4156

Attention: Tracey Kendall

PROPOSED INDUSTRIAL RE-ZONING

Further to your enquiry of 14 January 2009, we confirm that the conclusion of our draft Industrial Land Demand Study of June 2008 is some 77 hectares. This amount is less than the 105 hectares, derived by way of simple deduction on page four of the report, due to the expectation of more efficient and effective use of future land than that that has occurred in the past.

The adjustment from the 105 Ha is necessary due to the methodology engaged in the demand study.

Accordingly, 77 hectares should be used for planning purposes.

You will be aware of our preliminary considerations of the impact of the global recession on the June demand, prepared in October 2008. That superficial review of our June projections was completed to take account of the rapid decline in the global financial sector that was beginning to be apparent in October.

Since October, the fears of a recession have been realised and the current economic crisis is significant and appears likely to continue for some time. It is our view that that will impact upon the industrial demand for Hawke's Bay and so on the land demand projections.

We also bring to your attention again, the issue of matching type of demand with space available. Of concern is the proposed staging of the industrial re-zoning to affect Irongate and Stage One Omaha within the coming 18 months. While that land will provide adequately for the expected demand, it is not necessarily of the category and location to suit demand. Wet industry and industry associated with the processing and production of our primary produce is more likely to wish to locate in the Tomoana Whakatu corridor than Stage One Omaha or Irongate.

This consideration needs to be given due weight in the strategic planning process.

We trust that these comments assist in your preparation of the Long Term Council Community Plan.

Yours faithfully

LOGAN STONE LTD



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