Earthquake Commission
Canterbury Field Office
PO Box 34-027
Fendalton
Christchurch 8540

Property address: 17 Sample Street, Sampleville, Christchurch (the Property)

**VALUATION ASSESSMENT**

The increase in flooding vulnerability impacted the market value of the Property.

The amount of Diminution of Value (DOV) assessed for the Property as a result of Increased Flooding Vulnerability (IFV) land damage is: $3,500

**Valuation Assessment – Increased Flooding Vulnerability impacted the Property’s market value**

EQC asked us to assess the impact of the increased flooding vulnerability on the market value of the Property. We have concluded that the increase in flooding vulnerability impacted the market value of the Property. The amount of the Diminution of Value of the Property is set out above.

In making our assessment, we took into account:

- the vulnerability of the Property to flooding before the Canterbury earthquakes, and
- the extent and location of the increase in the flooding vulnerability on the Property as a result of the physical changes to the land caused by the earthquakes.
We also considered the following information:

- a land damage assessment map provided by EQC, and information and flood maps provided by EQC’s engineers, Tonkin & Taylor. This material indicates specific changes in flooding vulnerability as a result of the Canterbury earthquakes,
- a kerbside inspection of the Property,
- the most relevant comparable market evidence for the area, in order to assess the value of the Property before the earthquakes, and
- database information available to us on the Property.

**We have used accepted valuation standards and practice**

We carried out our valuation in accordance with the *Diminution of Value Methodology for Increased Flooding Vulnerability* which is available at [www.eqc.govt.nz/IFV](http://www.eqc.govt.nz/IFV). This methodology was established in April 2014 and complies with accepted valuation standards and practice. The methodology has been endorsed by an Expert Valuation Peer Review Panel and approved by EQC.

Under this methodology, we assessed the value of the Property as at 3 September 2010, the day before the first earthquake in the Canterbury earthquake sequence. This valuation is made as at 3 September 2010 to ensure that the valuation is a fair market valuation and is not distorted by the effects of the earthquakes on the property market.

We assessed the amount of the reduction in the value (the Diminution of Value) of the Property as a result of the increased flooding vulnerability. To assess this, we considered the long-term reduction in market value from the market price that would have been paid for the Property on 3 September 2010, taking into account the physical change that occurred to the land as a result of the earthquakes, and its impact on the vulnerability of the land to flooding.

**Our valuation is based on some assumptions**

In carrying out the valuation we have assumed that:

- the engineering information provided to us is accurate,
- the physical boundaries to the Property reflect legal boundaries, and
- the Property has a clear title.

**About this report**

This report is prepared for EQC to assist EQC to determine its liabilities under the Earthquake Commission Act 1993. The report is not intended for any other purpose. It is understood that EQC will provide this report to the EQC customer.

Our assessment relied on information provided to us, information obtained from a kerbside inspection, and database information available to us on the Property. Should we subsequently become aware that any of this information was inaccurate, we reserve the right to review our assessment.
This report is a summary. As such, it does not fully meet International Valuation Standards (IVS) reporting standards. Full workings are not included in this summary, but are available to EQC customers upon request by contacting EQC on 0800 326 243 between the hours of 7.00am to 9.00pm Monday to Friday, and 8.00am to 6.00pm on Saturday. The EQC customer should quote their claim number when contacting EQC.

Yours faithfully

ABCD Valuations NZ Limited

Amy Abrahams, B. Prop. ANZIV SPINZ
Registered Valuer