

GNS SCIENCE

2008

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Informative / Entertaining

Targeted & in Context

INFORMED

**ENCOURAGED/
RELIEVED**

**COLLIERS LARGE
BAR BILL**



POINT

Seismic issue – assumes worst

WELLINGTON

**SEISMIC
ZONE**



CHRISTCHURCH



**BUILDINGS
APPROPRIATE
SPEC**



SEDDON



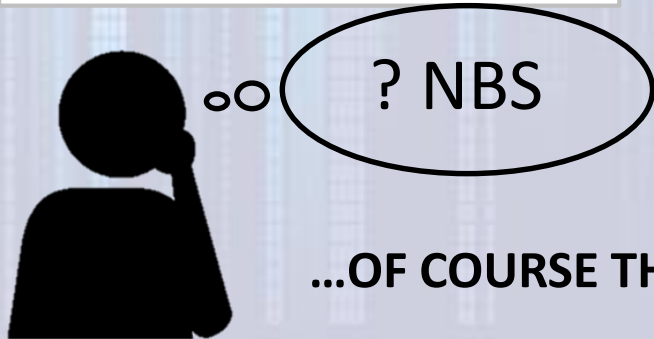
WHAT DOES IT MEAN FOR THE TENANT

- LOCATION
- TIMING
- BUDGET
- QUALITY
- OUTLOOK
- RENEWAL RENT
- RENT REVIEWS

WAS

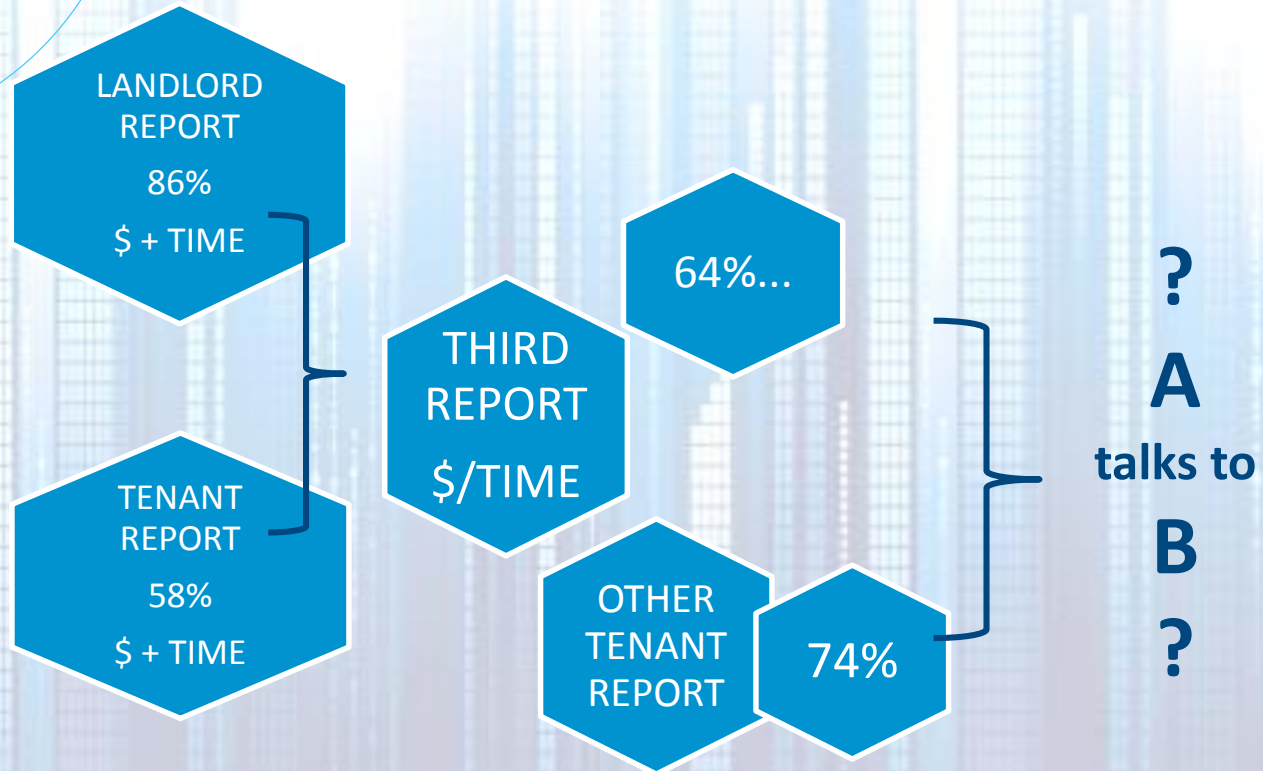
- 100% NBS
- DSA
- DEE
- NZSEE
- MRSA
- 67% NBS
- PUSH-OVER ANALYSIS
- NLTHA
- IEP

NOW



...OF COURSE THEY WANTED THE MAXIMUM 100% INITIALLY

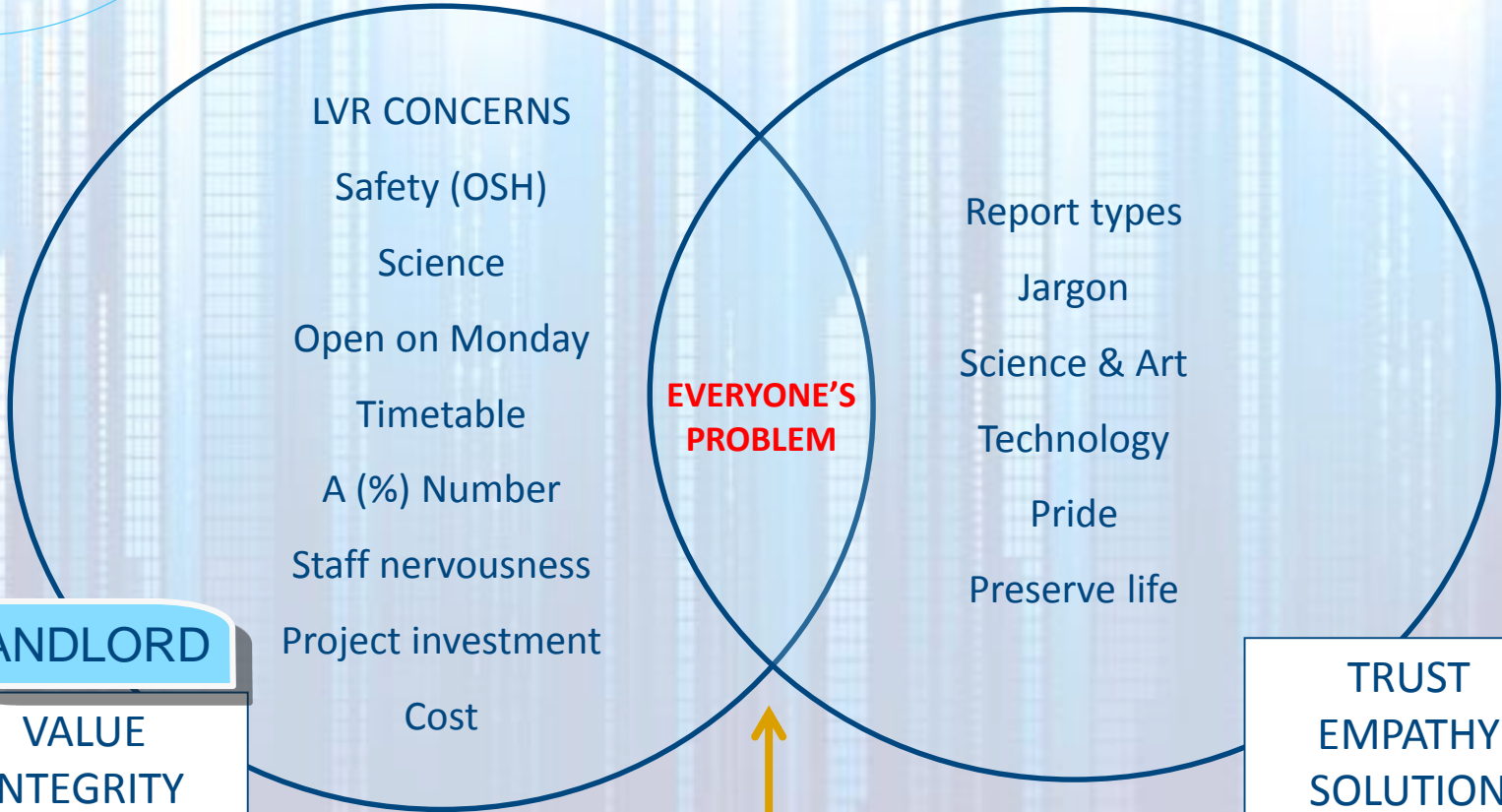
THE PEER REVIEW ISSUE



DILEMA

TENENT

ENGINEERS



LANDLORD

VALUE
INTEGRITY
RELIABILITY
EFFICIENCY

TRUST
EMPATHY
SOLUTION
DRIVEN
ALTERNATIVES

A GOLD STANDARD

SOME QUESTIONS



Is there a market for Earthquake Prone Buildings?

A – prone = <50% (tenants)

B – Yes

- small companies
- Budget conscious
- Fringe locations
- Lower rise



If I improve my building to 80 – 100% NBS, can I get more rent?

A – No... not yet... market evolution / growth

B – Better marketability (rent quicker)

SOME OBSERVATIONS...

- Wellington's CBD office stock generally good
- Problem is building specific, not city wide blight
WOF – mostly OK
- Can Engineering 'fraternity' help with some better
PR/Information?
- Owners & Tenants generally happy to work
together – mutual gain / investment

EVERYONE'S CHALLENGE TO GET ON TOP OF THE ISSUE

SOME OBSERVATIONS...

LANDLORDS

- Be transparent
- Invest in meaningful reports
- Communicate (avoid suspicions)

TENANTS

- More than a %
- Pragmatism
- Patience
- Seek help from Engineers (Majestic)

ENGINEERS

- Find Gold Standard quickly
- Positive PR (if justified)
- Lay-speak reports
- High profile education

PRESS

- Find some positives
- Not sensationalise
- Help educate – well designed city for it's conditions