

21 JUN 2018

AJ Stephen
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Dear Mr Stephen

Thank you for your email of 10 May 2018 requesting the following information from Housing New Zealand under the Official Information Act 1982 (the Act) about the 2016 sale of 17 Gloucester Street, Cannons Creek, Porirua:

- 1) *the number of tender bids that were submitted as presented to you by the sales agent (Harcourts)*
- 2) *the range of tender bids in order from the lowest bid submitted to the highest bid submitted (the names of the bidders can be removed)*
- 3) *the justification for choosing the bid that won the tender*
- 4) *any justification that HNZ may have as to why it elected to sell the land instead of building a new house to replace the demolished property.*

The number and range of submitted tender bids

At the end of the tender period, Housing New Zealand New Zealand had received two bids for 17 Gloucester Street. The lower bid was for \$70,000 including GST. The successful, higher bid was for \$80,005.50 including GST.

Justification for selecting the successful bid

Housing New Zealand chose what it considered to be the best bid for 17 Gloucester Street. In addition to being the highest offer for the property, it was also unconditional.

Justification for selling and not redeveloping the site

At the time of the sale of 17 Gloucester Street in August 2016, Housing New Zealand's development strategy permitted the sale of properties for several reasons, including when the property had been assessed as uneconomic to repair or being in an area of low demand. The proceeds of these sales were then reinvested into building new houses in areas with a high demand for state housing.

Housing New Zealand decided to sell 17 Gloucester Street after concluding that the property was uneconomic to repair. The house that had occupied the site had received extensive fire damage and the site itself, which is on a downwards facing slope, was assessed as being unsuitable for a new Housing New Zealand development.

I trust this information is useful.

Yours sincerely



Rachel Kelly
Manager Government Relations