

Memo

30 April 2019

To: Finance and Performance Committee
cc: Executive Leadership Team, Waitematā Local Board
From: Rod Aitken, Head of Corporate Property

Subject: 35 Graham Street

I refer to my previous memo of 1 February 2019 regarding the Corporate Property Portfolio Strategy, specifically the disposal of 35 Graham Street.

I can now advise that following the marketing of 35 Graham Street, Auckland Council has entered into a conditional agreement of sale with Asset Plus Ltd (Augusta Funds Management Ltd). This transaction is being carried out on behalf of the council by its urban regeneration agency, Panuku Development Auckland.

The agreed price is \$58 million, conditional on the approval of an ordinary resolution of Asset Plus shareholders at a meeting to be held in early June 2019. The sale includes a two-year leaseback period (with no right of renewal) from the date of settlement, unconfirmed but expected to be from 28 June 2019. The building's current use is as council offices and RFA storage. Staff currently based at Graham Street will relocate to Bledisloe House between April and August 2020, and negotiations are underway to identify and develop a new site for the RFA storage. Further details on the new RFA storage site will be forwarded in a separate paper when available.

I will confirm date of settlement once the agreement is unconditional, but please advise if you require any further information at this stage.

Rod Aitken
Head of Corporate Property