





## Twin Peaks Forest

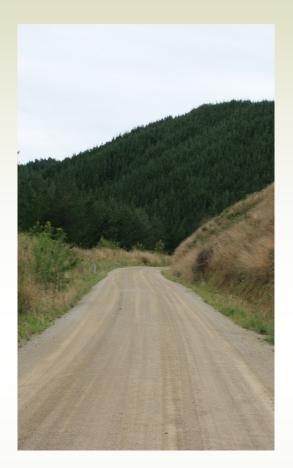
- > Twin Peaks Forest with views to Mt Ruapehu and Mt Taranaki has a land area of 1578 hectares of freehold land. The forest estate area is approximately 1402 hectares. Twin Peaks offers investors an opportunity to invest in a well developed forest. The estate is a second rotation forest, and has a valuable existing infrastructure which cost in excess of \$3 million to establish.
- > Forest investors will also appreciate a mixed age forest. The forest can be planned as a shorter rotation structural timber regime, to give flexibility and a much earlier cash flow. Within the Twin Peaks Forest there are five distinct forest areas. Trees range in age from 1-26 years.
- > The first harvest is expected to be in thirteen years where 240 hectares of trees can begin being harvested.
- > Forest costs during the life of the rotation are expected to be minimised and offset against forest income which is one of the great benefits of a mixed age forest.

The forest is being sold as a whole.

While the vendor makes no representations regarding the returns the forest should, based on the last three year average log prices, achieve a 7% IRR.

Additional forest values include exclusive hunting of the wild deer, pig and pheasant populations resident on Twin Peaks.

Jet boating, kayaking and fishing on the adjacent Whanganui River, and Manuka Honey development.





# Twin Peaks Forest

### > Costings incurred in the forest recently

The following table demonstrates current costings, which prospective purchasers can verify for themselves.

They are provided to enable high level analysis of prospective returns.

#### **Current costs**

Establishment	\$1,150	(\$/ha)
First Thin	\$660	(\$/ha)
Second Thin	\$330	(\$/ha)
Management	\$25	(\$/ha/yr)

#### **Harvest Costs**

Harvesting	\$ 35.00	\$/tonne
Transport	\$ 29.80	\$/tonne
Roading	\$ 2.80	\$/tonne
Management	\$ 3.50	\$/tonne
Incidentals	\$ 1.80	\$/tonne
Total	\$ 72.90	\$/tonne





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### > Age classes and areas established

The following table records the forest area by name and date of establishment.

Brunswick Forest has been finally thinned with 25% having been pruned to six metres.

Establishment				
Brunswick	2002	10		
Brunswick	2003	105		
Brunswick	2004	81		
Brunswick	2005	54		
Tefco	2005	61		
Tefco	2006	40		
Tefco	2007	114		
Tefco	2008	114		
Tefco	2009	102		
Tefco	2010	103		
Tefco	2011	103		
Tefco	2012	58		
Tuamata	2012	85		
Tuamata	2013	85		
Koatanui	2013	54		
Pineco	2013	23		
Tuamata	2015	70		
Pineco	2015	75		
Total Area		1406		

