



# **Rural Subdivision and Housing Analysis**

## **Waimakariri District**

**Prepared For:  
Waimakariri District Council  
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# 1 Introduction

In accordance with our recent instruction and scope of works from the Waimakariri District Council, we provide our analysis of the demand and supply for lifestyle and rural residential property in the Waimakariri District and provide analysis on the implications of potential minimum allotment size changes.

The purpose of this report is to assist with decision making around the District Plan Review, specifically in relation to the supply and demand for property in the rural areas of the Waimakariri District, focusing on three distinct roll approximated areas described as follows;

- **NEW** - North Eastern Waimakariri. The area encompasses land north of the Ashley River and east of the Okuku River.
- **UDS** – A roll approximated area comprising of properties east of Two Chain Road, South of the Ashley River and North of the Waimakariri River.
- **REST** - The rest of the district not in the NEW or UDS area.

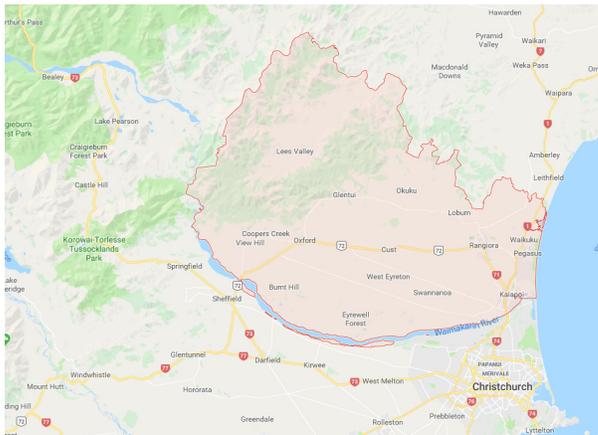


Figure 1 - General District Boundary

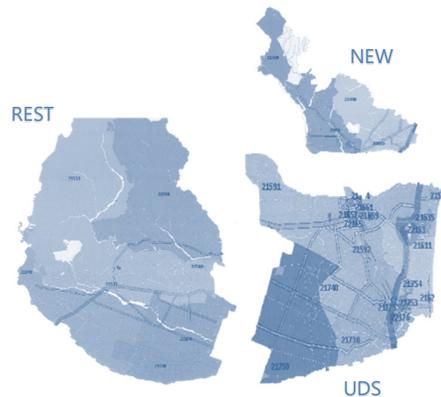


Figure 2 - Study Areas



## 2 Glossary of key terms

### **District Valuation Roll**

Roll of all properties in a District.

### **Improved properties**

Properties identified in this study as having a habitable dwelling.

### **Lifestyle properties**

Lifestyle properties identified as being a lifestyle category in the District Valuation Roll.

### **Rural residential properties**

Rural residential properties were identified in this study as properties 0.25 – 2ha in size and zoned 9D and 9E as per the Digital Valuation Roll or Residential zone 4A and 4B in the Waimakariri District Plan.

### **Small Holdings**

The term 'Small holdings' for the purposes of this study have been identified by selecting properties from the District Valuation Roll that have the 'Lifestyle' category.

### **Subdivision**

The process of dividing land into smaller parcels.

### **Vacant Properties**

Properties identified in this study that do not have a habitable dwelling. These properties may still have other improvements such as sheds, outbuildings etc.

### 3 Market Overview

The Waimakariri Market has performed strongly over the last 5 years, with a significant uplift in value after the Canterbury Earthquakes. This increased demand resulted in a large increase in new development in both the residential and lifestyle markets.

Located to the north of Christchurch City, properties in the district provide an affordable alternative to the higher valued properties in Christchurch, but still within a short commute of the City. The major townships of Rangiora and Kaiapoi continue to expand with development around the periphery, as well as major investment in the rebuild of the commercial areas.

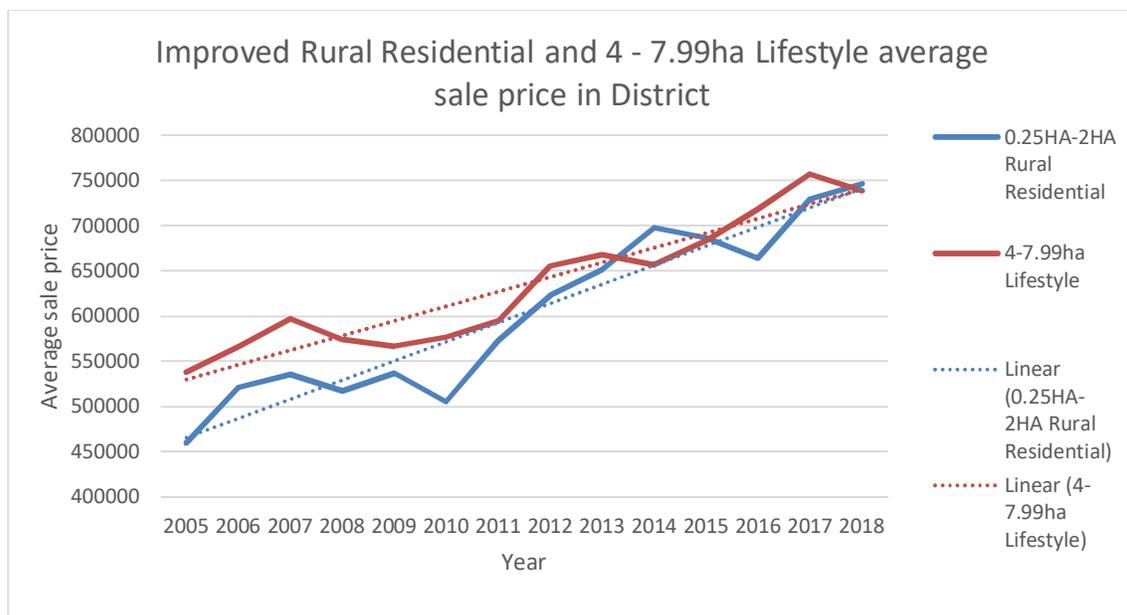
#### 3.1 Lifestyle Property Market

Latest Real Estate Institute statistics indicate that the lifestyle market nationally has seen a 3.8% lift in sales in the three months to October 2018 with 1665 sales recorded. In the year to October 2018 there have been 7190 lifestyle properties sold nationwide, which is 8% less than the year to October 2017.

In the Canterbury region, demand for lifestyle property in close proximity to Christchurch remains relatively strong with the region experiencing the most substantial increase in sales (+47) in the three months to October 2018 of all regions across the country. The median lifestyle block in the Canterbury region was 13% less in the three months to October 2018 than in the three months to October 2017.

In the Waimakariri district there were 397 lifestyle properties sold in the year to October 2018, 1.25% less than in the year to October 2017 when there were 402 sales. The median value of lifestyle properties sold in the district for the year to October 2018 was \$650,000. This represents an increase of 3.6% or \$22,500 on the 2017 median that was \$627,500.

Our research focuses on the property market for small holdings, in particular the market for 4-7.99ha properties and smaller Rural Residential properties up to 2ha. The following graph illustrates the change in average sale value of lifestyle properties over the research period.



Graph 1 - Average Sale Price



The Average sale price for both property types is approximately \$740,000, which is showing a 20-40% increase in value since 2006, the strongest growth being recorded in the Rural Residential market, which is more closely aligned to the residential market.

### 3.2 Sales Volumes

As an overview we have extracted sales data for the district of lifestyle sales in the target range of 4-7.99ha.

There have been over 2700 sales of vacant and improved lifestyle properties 4 – 7.99ha in size in the District since 2005. Since this time there has been an overall reduction in the total number of 4-7.99ha lifestyle properties sold on an annual basis. The largest decrease is noticed in the UDS area, whilst the NEW area has been the steadiest with the smallest reduction of the three areas.

Sales volumes of rural residential property for the district was also analysed over this period. Rural residential properties were identified to be 0.25 – 2ha in size and zoned 9D and 9E as per the digital valuation roll. The majority of the rural residential properties are in the UDS area.

There are on average around 200 lifestyle sales annually in the district between 4 and 7.99ha. These are summarised in the table below into the three target groupings as well as the total for the overall district.

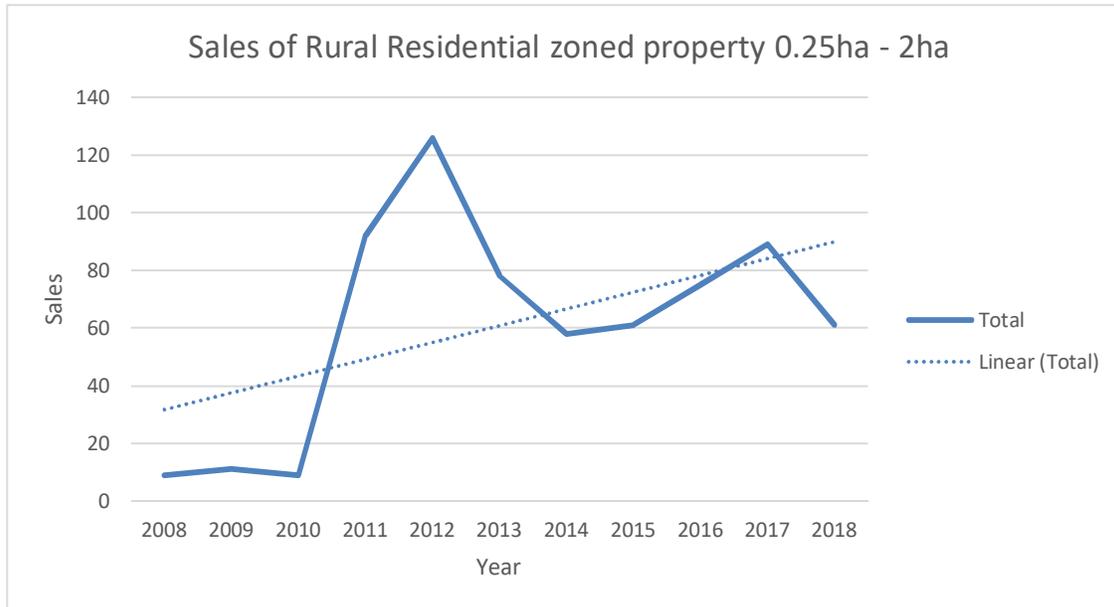
**SALES OF 4-7.99HA LIFESTYLE PROPERTY (BOTH VACANT AND IMPROVED)**

	<b>NEW</b>	<b>REST</b>	<b>UDS</b>	<b>District</b>
<b>2006</b>	49	92	130	271
<b>2007</b>	58	101	130	289
<b>2008</b>	32	69	77	178
<b>2009</b>	49	72	133	254
<b>2010</b>	35	56	57	148
<b>2011</b>	46	92	90	228
<b>2012</b>	58	110	92	260
<b>2013</b>	41	111	84	236
<b>2014</b>	38	56	59	153
<b>2015</b>	51	69	71	191
<b>2016</b>	48	68	77	193
<b>2017</b>	41	62	67	170
<b>2018</b>	35	49	48	132
<b>TOTAL</b>	<b>581</b>	<b>1007</b>	<b>1115</b>	<b>2703</b>

**Table 1a - Sales Volumes within Waimakariri District**

The overall demand for lifestyle property is less than 300 sections in any calendar year with an even spread between the target areas.

In comparison, there are less than 80 sales on average of Rural Residential Zoned properties. Sales volumes of rural residential properties have increased over the period with peak sales recorded in 2012 when there were 126 rural residential sales.

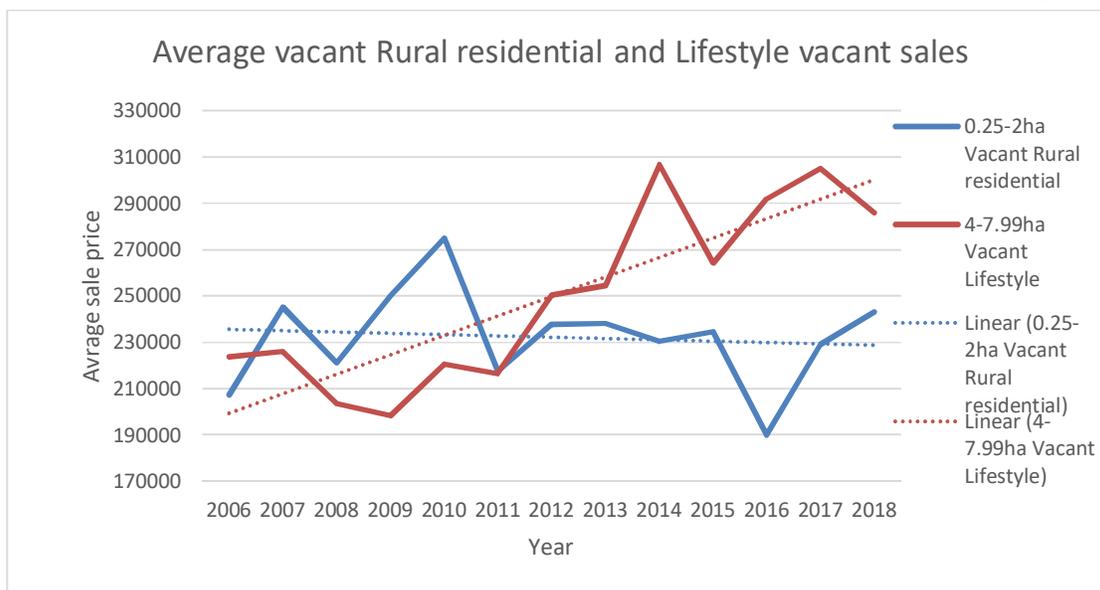


**Graph 2 - Rural Residential Sales Volumes**

### ***3.2.1 Vacant Lifestyle Property***

Values of vacant lifestyle follow a similar trend to the improved, with the value of an average lifestyle section being less than \$300,000. There are a number of factors that influence value, including the locality and availability of services.

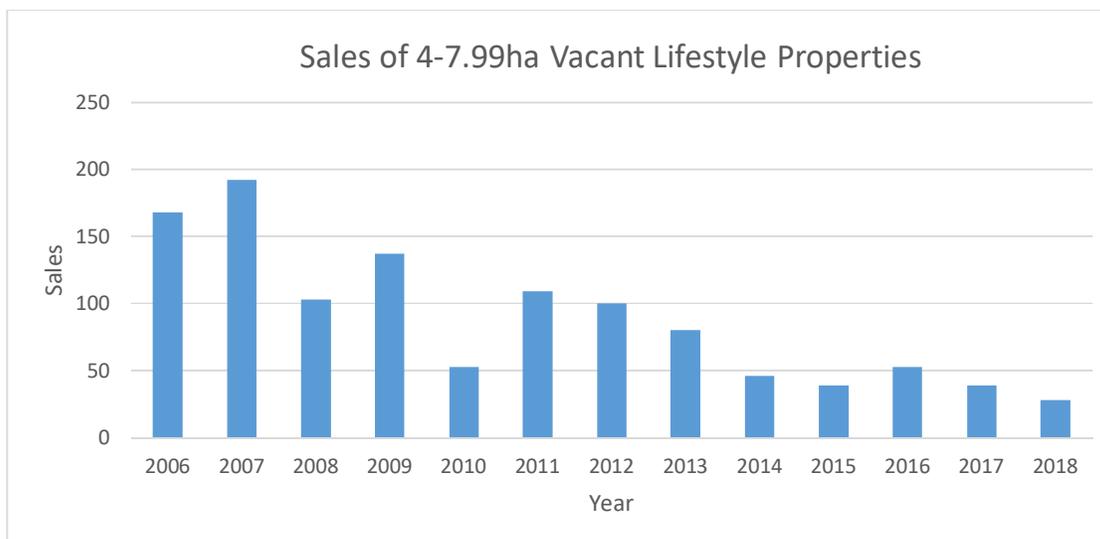
The following graph shows the average sale price of 0.25-2ha rural residential and 4-7.99ha lifestyle properties across the District.



**Graph 3 - Vacant Sale Prices**

The graph shows a 20-30% increase in value over the research period, the majority of this value increase has occurred after 2011.

The sales of vacant lifestyle blocks continue to decline through to 2018 as the market softens, as well as the demand for larger land parcels decreases due to changes in people’s lifestyles. The graph below illustrates the drop in sales over the research period.



**Graph 4 - Sales Volumes Per Annum of vacant lifestyle property**

There are currently less than 50 sales of 4-7.99 ha blocks per year, with sales volumes being relatively steady for the last four years. There were between 100-110 sales recorded in 2012-2013, which is the most recent peak in the market post the Canterbury Earthquakes, when demand in the District was high. Market dynamics have changed since 2007, and the people’s needs for large sections have reduced, and the number of sales reflecting this.

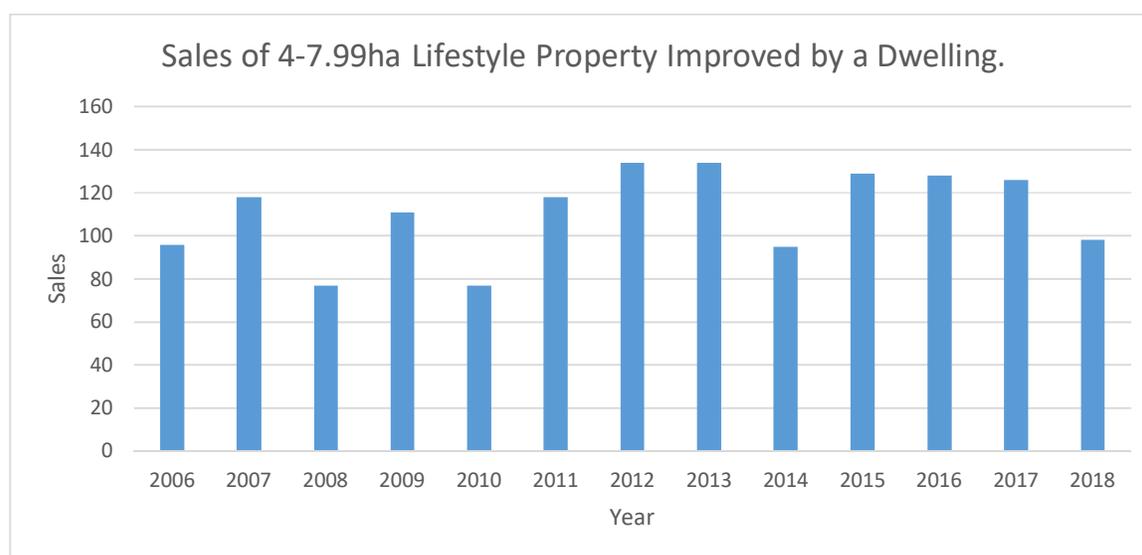
### 3.2.2 Improved Lifestyle Property

There have been over 1450 sales of lifestyle properties that have sold improved with a dwelling and are 4 – 7.99ha in size across the District since 2005. Over this period, the sales volumes have remained relatively steady with annual sales volumes ranging from 77 to 134 with the average number of improved sales across the district being approximately 120 a year.

**SALES OF 4-7.99HA LIFESTYLE PROPERTY IMPROVED BY A DWELLING**

	NEW	REST	UDS	District
2006	18	27	51	96
2007	27	44	47	118
2008	14	34	29	77
2009	26	31	54	111
2010	17	28	32	77
2011	15	49	54	118
2012	33	42	59	134
2013	26	52	56	134
2014	22	37	36	95
2015	31	43	55	129
2016	25	49	54	128
2017	25	44	57	126
2018	18	39	41	98
<b>TOTAL</b>	<b>299</b>	<b>525</b>	<b>634</b>	<b>1458</b>

**Table 2 - Sales Volumes of improved properties within Waimakariri District**

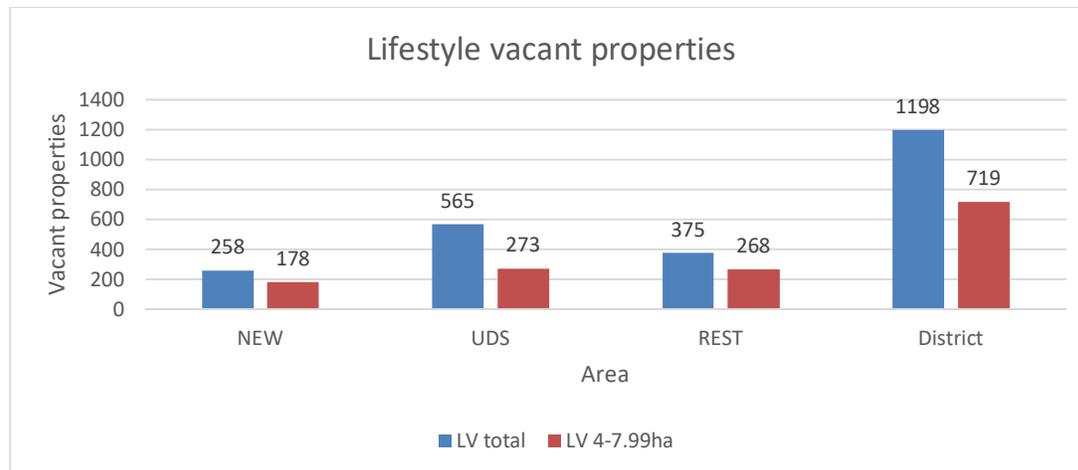


**Graph 5 - Sales Volumes Per Annum of vacant lifestyle property**

## 4 Current Availability of Lifestyle Land

To determine the current supply of lifestyle land we have looked at the number of properties that are categorised as vacant in the District rating roll. Overall there are 1198 vacant lifestyle currently properties in the District, of which 719 are 4 – 7.99ha in size. The UDS area has the most vacant lifestyle properties with 565 properties of which 273 are 4-7.99ha in size.

The following graph provides an account of the total vacant lifestyle properties and 4 – 7.99ha in the District.



**Graph 6 - Total vacant vs 4-7.99ha land**

There are currently 719 4-7.99ha vacant lifestyle blocks based on category. We note that a number of these properties are utilised as alternative to housing, such as sheds or grazing.

Section sales volume is approximately 50 section sales per year in the district, thus giving 14 years of current supply, without new subdivision.

### 4.1 Subdivision

The minimum subdivision standard for rural property under the current district plan is 4ha. Those parcels that range between 4-7.99ha are not considered subdividable 'as of right' and are considered to be single occupancy parcels.

For the sample period we have reviewed the number of new lots that have been created between 4-7.99ha. It is assumed that these represent the development of lifestyle land in the locality, with any sections that are less than 4ha in size having been created under resource consent, or within a higher density zoning.

To obtain the number of 4 – 7.99ha parcels that have been created annually since the last plan change in 2005, historical subdivision records were used with only properties categorised as lifestyle considered.

We have summarised this data into the number of parcels created by subdivision annually for each of the target areas. Since 2005 there have been 554 lifestyle category properties, 4-7.99ha in size, within the district. This comprises of 154 in the NEW area, 169 in the UDS area and 231 in the REST area.

Annual numbers of 4 – 7.99ha parcels created by subdivision are displayed on the table and graphs below;

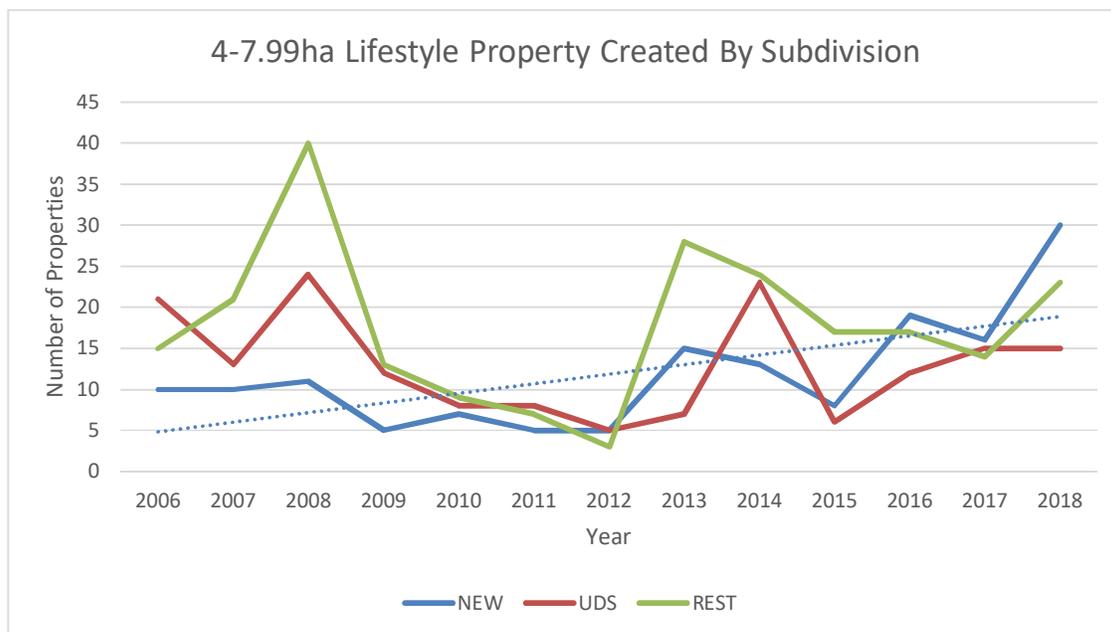
**NUMBER OF 4 – 7.99HA PARCELS CREATED**

YEAR	NEW	UDS	REST	District
2006	10	21	15	46
2007	10	13	21	44
2008	11	24	40	75
2009	5	12	13	30
2010	7	8	9	24
2011	5	8	7	20
2012	5	5	3	13
2013	15	7	28	50
2014	13	23	24	60
2015	8	6	17	31
2016	19	12	17	48
2017	16	15	14	45
2018	30	15	23	68
<b>TOTAL</b>	<b>154</b>	<b>169</b>	<b>231</b>	<b>554</b>

**Table 3- 4-7.99ha parcels created**

Overall, the number of sections created in the district averages between 40-45 new parcels per year. The highest percentage of these are located within the REST sample area, which represents around 40% of the total.

The 40-50 new lifestyle lots created per year is maintaining the current demand for land in the District.



**Graph 7 - Number of New Lifestyle Blocks Created**

The above graph illustrates that there has been a continuing increase in the number new properties created annually by subdivision from 2012 to 2018. There is a notable reduction in the number of parcels created annually from 2008 – 2012. This is consistent with property market trends nationally at this time due to the effects of the Global Financial Crisis and the Canterbury Earthquakes respectively.



Leading up to the GFC (2008) there was a strong influx in new development, which likely remained undeveloped and supported the demand for the following years, which showed little activity. The demand for land in the District has increased following the Canterbury Earthquakes, in 2010-2011 with new development coming on-stream in 2012 to accommodate for the initial demand. These numbers have decreased since this time as the demand has reduced.

There has been a notable increase in the number of parcels created annually in the NEW area. This is especially evident from 2012 to 2018. There has been a slight decrease in numbers of 4 – 7.99ha parcels created annually in the UDS area since 2005.

## 5 Construction and New Development

### 5.1 Improved lifestyle properties

To indicate the overall demand for land and new building, we reviewed the number of properties that have had new construction during the period. This indicates the demand for vacant land to build on.

As an overview, we have considered Lifestyle improved category properties that have had new construction since 2005 have been tabulated below relative to land size. They have also been split into three size relative groups; 4- 7.99ha, 8- 19.99ha and 20ha+.

The data has been determined by identifying the category change from Lifestyle Vacant (LV) – Lifestyle Improved (LI). This is reliant on the construction of the new home having been completed, and added to the district valuation roll.

There have been 1678 lifestyle category properties 4 – 7.99ha improved with a dwelling across the district since 2005. There has also been 79, 8-19.99ha and 14, 20ha+ lifestyle properties improved.

Overall there has been a clear decrease in the number lifestyle category properties improved with a dwelling since 2005 across all size brackets. This is evident across all of the areas.

The below tables gives an account of this as do the following graphs;

**4-7.99HA VACANT LIFESTYLE PROPERTIES IMPROVED WITH DWELLING**

YEAR	NEW	UDS	REST	District
2006	45	80	63	188
2007	41	56	76	173
2008	31	85	57	173
2009	35	82	68	185
2010	15	65	47	127
2011	38	49	55	142
2012	27	43	36	106
2013	18	38	55	111
2014	28	29	54	111
2015	16	35	50	101
2016	23	46	50	119
2017	12	29	35	76
2018	23	20	23	66
<b>TOTAL</b>	<b>352</b>	<b>657</b>	<b>669</b>	<b>1678</b>

**Table 4 - 4-7.9ha Vacant Lifestyle Properties with Dwelling**

**8 – 19.99ha Vacant Lifestyle Properties Improved With Dwelling**

YEAR	NEW	UDS	REST	District
2006	8	2	2	12
2007	1	0	2	3
2008	1	2	8	11
2009	0	1	4	5
2010	2	1	3	6
2011	0	0	2	2
2012	1	1	1	3
2013	1	2	2	5
2014	2	0	5	7
2015	5	4	0	9
2016	2	2	1	5
2017	2	0	2	4
2018	3	1	3	7
<b>TOTAL</b>	<b>28</b>	<b>16</b>	<b>35</b>	<b>79</b>

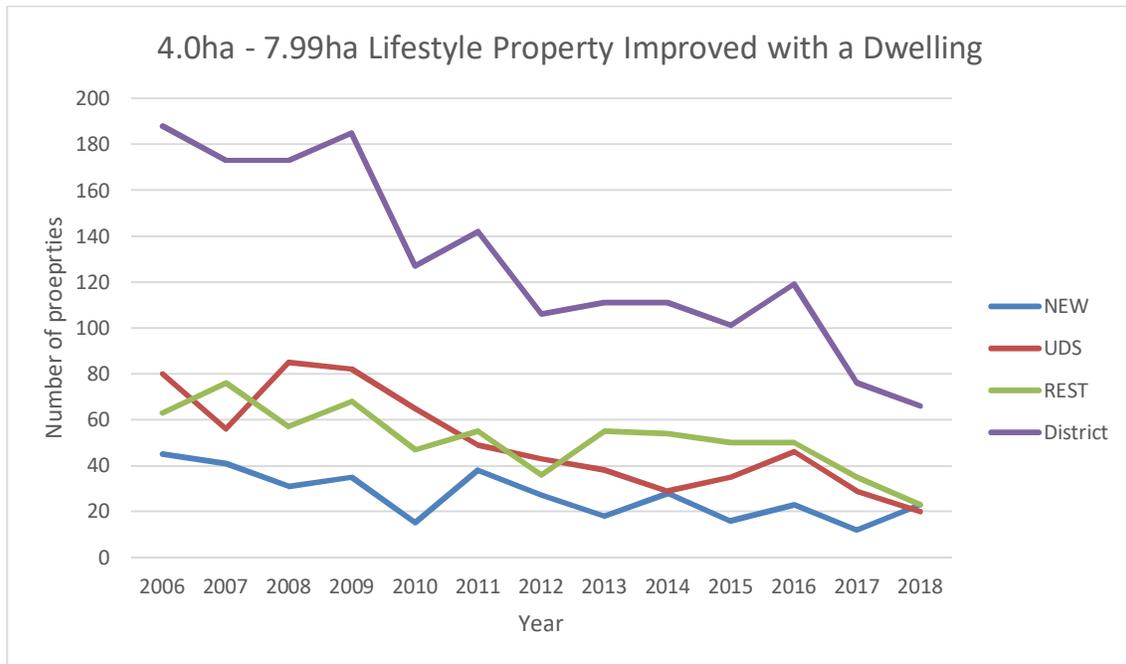
**Table 5 - 8-19.99ha Vacant Lifestyle Properties with Dwelling**

**20HA+ VACANT LIFESTYLE PROPERTIES IMPROVED WITH DWELLING**

AREA	NEW	UDS	REST	District
2006	0	1	0	1
2007	0	0	1	1
2008	0	0	1	1
2009	0	0	0	0
2010	0	0	2	2
2011	0	0	1	1
2012	0	1	0	1
2013	0	0	0	0
2014	0	0	1	1
2015	1	0	1	2
2016	0	0	2	2
2017	0	0	0	0
2018	1	0	1	2
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>10</b>	<b>14</b>

**Table 6 - 20+ha Vacant Lifestyle Properties with Dwelling**

The graph below provides a graphical representation of construction on lifestyle properties 4.0-7.99ha between 2005 and 2018.



**Graph 8 - 4-7.99ha Lifestyle Properties Improved**

The number of new building has steadily decreased since 2006. The reduction in the number of buildings, affirms the reduction in demand, which is evident in sales of lifestyle properties.

## 6 Subdivision Potential within UDS

The UDS area comprises properties east of Two Chain Road, South of the Ashley River and North of the Waimakariri River. This is a concentrated around Ranigora and Kaiapoi where there is currently a large number of lifestyle properties, and typically of the highest value in the District.

To account for the potential number of 4-7.99ha properties, we have taken data of all categories of properties, excluding 'other' categories properties, which includes schools, reserves etc. The likelihood of future development of Other "O" category properties is limited.

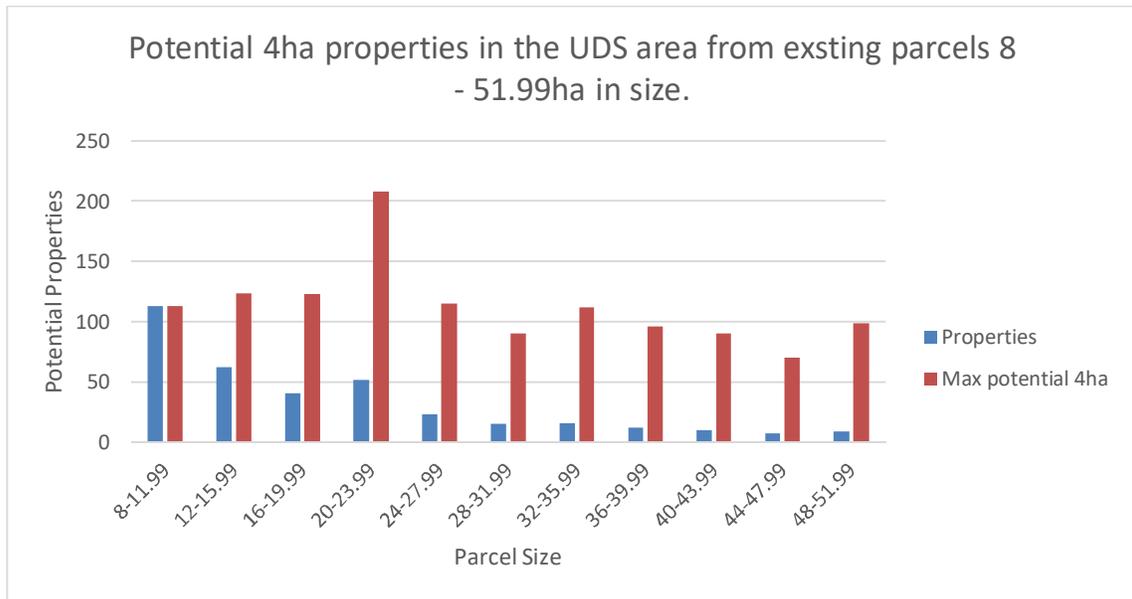
The following table assumes that there are no development restraints in place or any restrictions on subdivisions. This does not however take into account individual property characteristics and assumes that the subdivision maximises district plan rules.

Development of 8 - 52 hectare land within the UDS area could equate to 1240, 4ha parcels if all were developed. If parcels 52ha and greater where considered a potential 4276, 4 hectare parcels are achievable. Those properties over 52 hectares are less likely to be redeveloped completely as they are likely to be currently economic farming units.

<i>RANGE (HA)</i>	<i>NUMBER OF PROPERTIES</i>	<i>MAX POTENTIAL 4HA</i>
<b>8-11.99</b>	113	113
<b>12-15.99</b>	62	124
<b>16-19.99</b>	41	123
<b>20-23.99</b>	52	208
<b>24-27.99</b>	23	115
<b>28-31.99</b>	15	90
<b>32-35.99</b>	16	112
<b>36-39.99</b>	12	96
<b>40-43.99</b>	10	90
<b>44-47.99</b>	7	70
<b>48-51.99</b>	9	99
<b>52-596</b>	92	3036
<b>TOTAL</b>	<b>452</b>	<b>4276</b>

**Table 7 - Subdivision Potential**

The following graph represents the above tabled data.



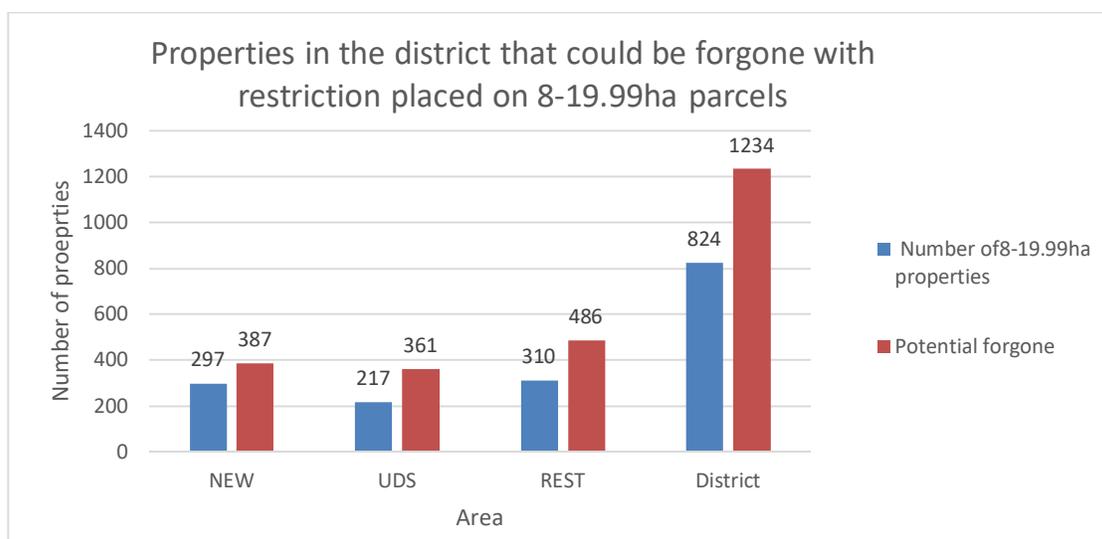
**Graph 9 - Potential 4ha properties**

## 7 Reduction in Development Potential

Under the current provisions of the district plan, all rural zoned properties are subdividable down to 4 hectares. By increasing the minimum subdivision standard, a number of properties in the District will have their development potential exhausted

Should the development standard be increased from 4 hectares to 20 hectares, those properties between 8-19.99 hectares will forgo development potential. It is assumed that properties with land areas less than 7.99 hectares are not subdividable as of right. Our targeted area for this analysis are those sections between 8-19.9 hectares.

The below table shows the number of properties that subdivisions could be forgone relative to area, if restrictions were placed on the subdivision of 8 – 19.99ha parcels. It is assumed that the maximum utilisation of available land was to take place and does not include 'other' category properties.



**Graph 10 - Potential properties forgone**

There are 824 properties 8 – 19.99ha that could have future development restricted if such restrictions were placed on subdivision. This could lead to some 1234 4ha properties that could forgo subdivision. Which at the current level of demand would equate to approximately 12 years of supply.

## 8 Turnover and Ownership

### 8.1 Length of Ownership

Analysis was carried out on properties that have sold twice since 2005. This analysis was carried out on rural residential properties and 4-7.99ha lifestyle properties across the district. Only properties that have sold more than once have been included in this analysis.

There were 1238 small holdings, 4-7.99ha in size across the district that sold twice during the aforementioned period. The average length of ownership was 45.5 months or 3.8years. The average period of ownership for properties that sold twice within the period was 40 months in the NEW area, 44.7 months in the Rest area and 51.7 UDS area.

AREA	NUMBER OF 4-7.99HA SOLD TWICE 2005-2018	AVERAGE LENGTH OF OWNERSHIP (MONTHS)
NEW	296	40.06
REST	485	44.68
UDS	457	51.72
DISTRICT	1238	45.49

**Table 8 - 4-7.99ha Average Length of Ownership**

There were 225 rural residential properties, 0.25-2ha in size that sold twice in the district over the period. The average ownership of properties that sold twice was 52.5 months or 4.4years. The majority of the rural residential properties in the district are located in the UDS area where the average length of ownership was lower at 47.8 months compared to 57.4 and 52.3 months in the NEW and REST areas respectively.

AREA	NUMBER OF 0.25 – 2HA RURAL RESIDENTIAL SOLD TWICE BETWEEN 2005 - 2018	AVERAGE LENGTH OF OWNERSHIP (MONTHS)
NEW	22	57.37
REST	37	52.33
UDS	166	47.81
DISTRICT	225	52.50

**Table 9 - Rural residential average length of ownership**



## 8.2 Property Turnover

The turnover takes into account the number of properties developed/created during the period as well as the level of sales activity. As the below table illustrates, over all the areas there has been a decrease in turnover of 4-7.99ha properties over the research period from approximately 8% down to below 4% across the district.

**PERCENTAGE TURNOVER OF LIFESTYLE PROPERTIES 4 – 7.99HAS**

	<b>NEW</b>	<b>UDS</b>	<b>REST</b>	<b>District</b>
<b>2006</b>	7.2%	8.9%	8.0%	8.2%
<b>2007</b>	8.4%	8.8%	8.7%	8.7%
<b>2008</b>	4.6%	5.1%	5.7%	5.2%
<b>2009</b>	6.9%	8.8%	5.9%	7.4%
<b>2010</b>	4.9%	3.7%	4.6%	4.3%
<b>2011</b>	6.4%	5.9%	7.5%	6.6%
<b>2012</b>	8.0%	6.0%	8.9%	7.4%
<b>2013</b>	5.6%	5.5%	8.8%	6.7%
<b>2014</b>	5.1%	3.8%	4.3%	4.2%
<b>2015</b>	6.7%	4.5%	5.3%	5.3%
<b>2016</b>	6.2%	4.9%	5.1%	5.2%
<b>2017</b>	5.2%	4.2%	4.6%	4.6%
<b>2018</b>	4.2%	3.0%	3.6%	3.5%

**Table 10 - 4-7.99ha percentage turnover**

For comparison, we also include the turnover of sales for the rural residential properties 0.25-2ha as follows:

**PERCENTAGE TURNOVER OF RURAL RESIDENTIAL PARCELS 0.25-2HA IN THE DISTRICT**

	<b>District</b>
<b>2006</b>	3.6%
<b>2007</b>	1.0%
<b>2008</b>	1.8%
<b>2009</b>	0.9%
<b>2010</b>	0.6%
<b>2011</b>	1.1%
<b>2012</b>	0.6%
<b>2013</b>	4.9%
<b>2014</b>	11.9%
<b>2015</b>	5.3%
<b>2016</b>	2.6%
<b>2017</b>	2.6%
<b>2018</b>	4.0%

**Table 21 - Rural residential percentage turnover**

Of note the high turnover in 2014 where a number of subdivisions were coming on stream.

## 9 Value Implications

To determine the impact of imposing a subdivision restriction upon these parcels the potential realisation of these properties has been considered. To obtain this, similar sized parcels of land that have been subdivided previously were analysed. This was completed to determine the relationship between the roll land values of the property's gross realisation post subdivision, i.e. the value of the new lots created. The targeted range for this analysis is properties between 20-20.99ha

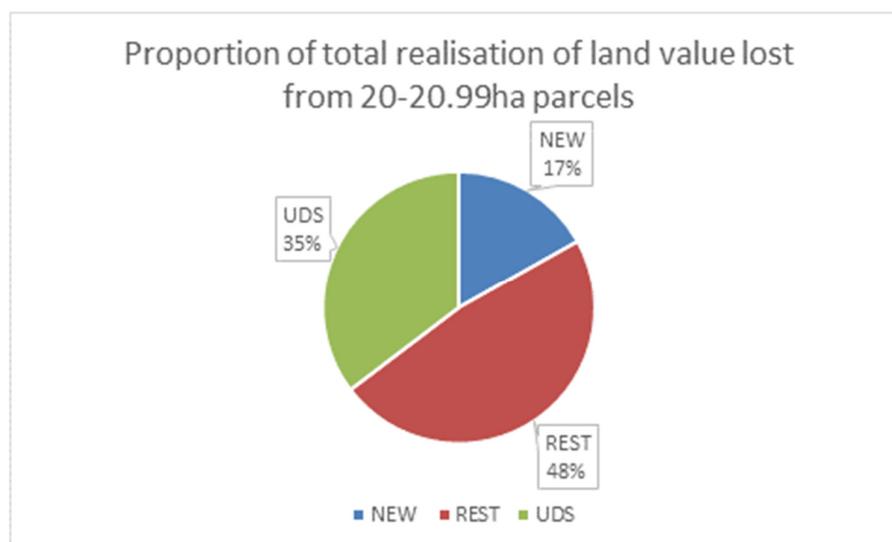
There are a total of 84 properties in the District that are 20-20.99ha in size across all categories. These properties are from a variety of category groups including lifestyle, arable, pastoral and specialist. The average land value of a 20-20.99ha parcel in the district is \$630,000 which equates to \$34,300 per hectare.

	NUMBER OF 20-20.99HA PROPERTIES	CV	LV	POTENTIAL GROSS REALISATION
<b>NEW</b>	15	12127000	8927000	22317500
<b>REST</b>	46	39460000	25327000	63317500
<b>UDS</b>	23	29815000	18710000	46775000
<b>TOTAL</b>	<b>84</b>	<b>\$81,402,000</b>	<b>\$52,964,000</b>	<b>\$132,410,000</b>

**Table 3 - Potential Gross Realisation**

In total all properties within the sample have a combined capital value of \$81,402,000 of which \$52,964,000 comprises the land value.

If the 84, 20-21 ha parcels were to be restricted from further development the total realisation that would be lost is \$79,446,000 in land value across the district. This assumes that the pre subdivision land value would not change with a restriction on subdivision in place.



**Graph 51 - Area Proportion of Total Realisation**

## 10 Comparative Analysis – Selwyn District Council

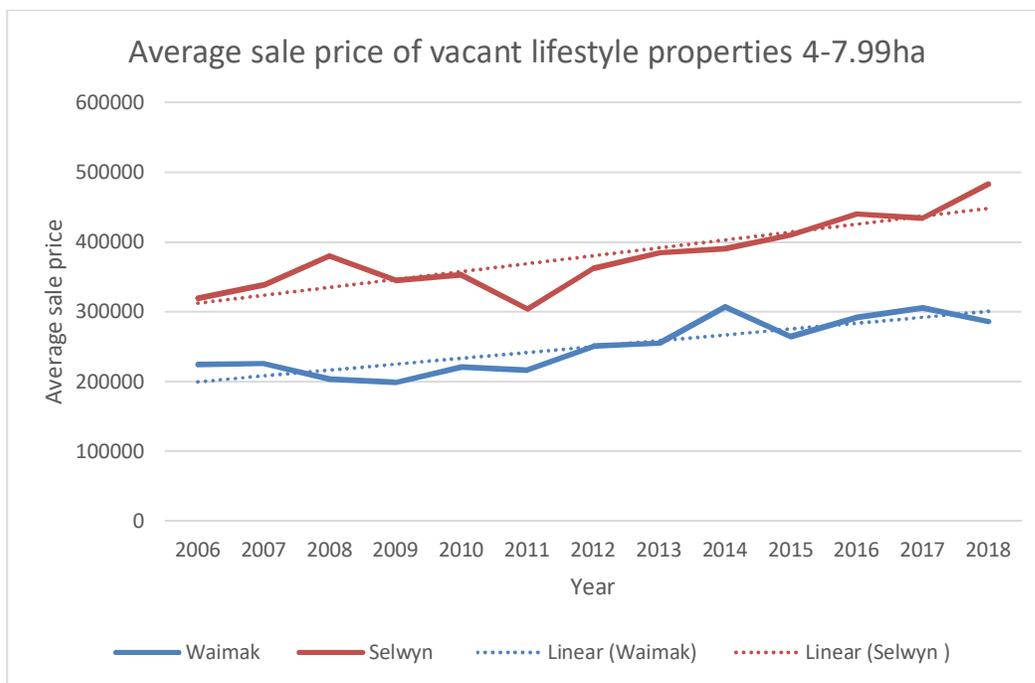
	Selwyn	Waimakariri
<b>Total Assessments</b>	26802	26579
<b>Total Lifestyle category Properties</b>	6032	6858
<b>Lifestyle properties 4-7.99ha</b>	2652	3767
<b>Lifestyle properties 8-19.99ha</b>	949	671
<b>Vacant lifestyle properties 4-7.99ha</b>	435	719
<b>Vacant lifestyle properties 8-19.99ha</b>	227	126
<b>Subdividable Parcels 20-20.99ha</b>	15	84
<b>Value of Average Subdividable Parcel 20-20.99ha</b>	\$1,094,000 (2018)	\$630,523 (2016)

**Table 4 - Comparative Analysis**

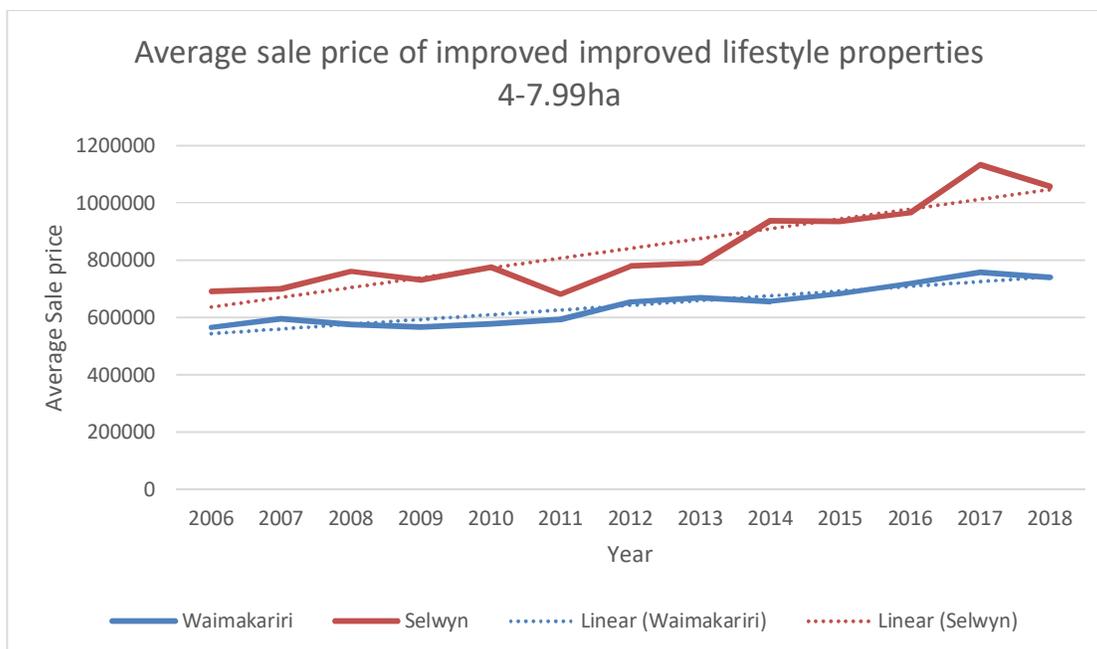
In comparison to the Selwyn District, there are a larger number of 4-7.99ha properties in the Waimakariri District. This is also indicative in the vacant lifestyle blocks of 4-7.99ha bracket.

Selwyn has 152 20-20.99ha parcels, of which 118 are zoned outer plains where subdivision into 4ha is not a permitted activity. There are only 15 properties zoned inner plains where subdivision is permitted down to 4ha parcels. The remaining 19 parcels are predominantly of mixed zone or residential.

The average Selwyn 2015 land value for these 15 20-20.99ha parcels zoned inner plains was \$894,933 at approximately \$44,200 per hectare with the average 2018 Land value \$1,094,600 at approximately \$54,000 per hectare. The 2015 land value average for the 118 20-20.99ha parcels in the outer plains where subdivision is restricted was \$560,847 at approximately \$27,700 per hectare and the average 2018 land value \$627,034 at approximately \$31,000 per hectare.



**Graph 62 - 4-7.99ha Average sale price vacant lifestyle**



**Graph 73 - 4-7.99ha average sale price of improved lifestyle properties**

The above graphs illustrate the difference in lifestyle vacant sales have stayed relatively similar during the research period but the gap between improved properties has widened.

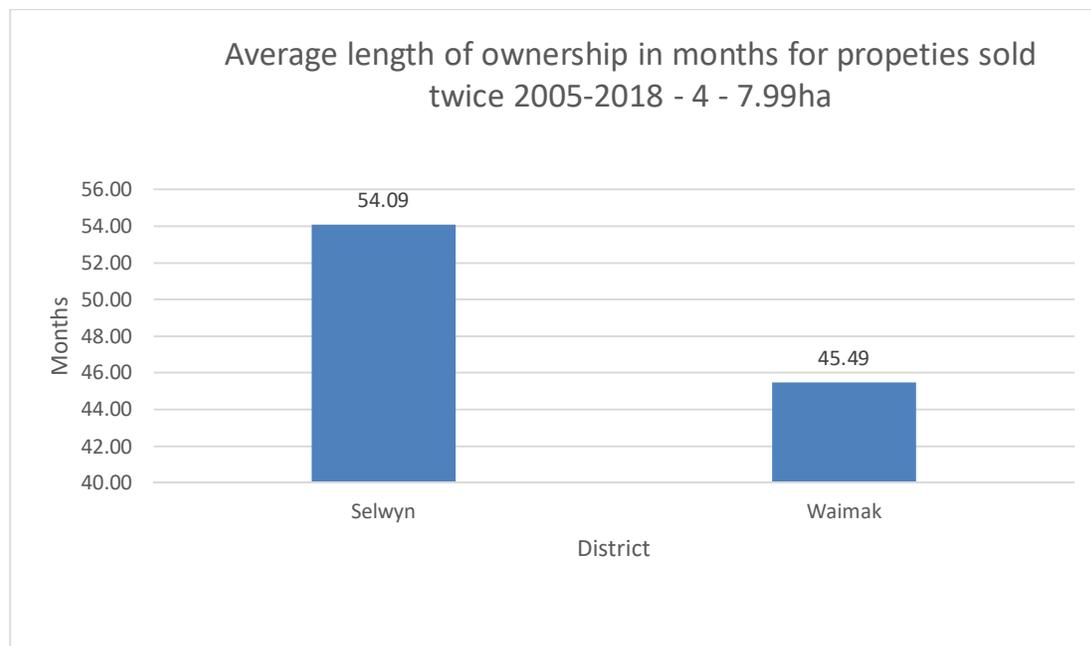


We have also compared the length of ownership between the two districts.

DISTRICT	NUMBER OF 4-7.99HA SOLD TWICE	AVERAGE LENGTH OF OWNERSHIP (MONTHS)
SELWYN	544	54.09
WAIMAKARIRI	1238	45.49

**Table 5- Length of Ownership comparison**

The most notable being the number of properties that have sold twice over the period. Waimakariri has twice that of the Selwyn District. This is also illustrated in the average length of ownership.



**Graph 84 - 4-7.99ha properties average length of ownership comparison**

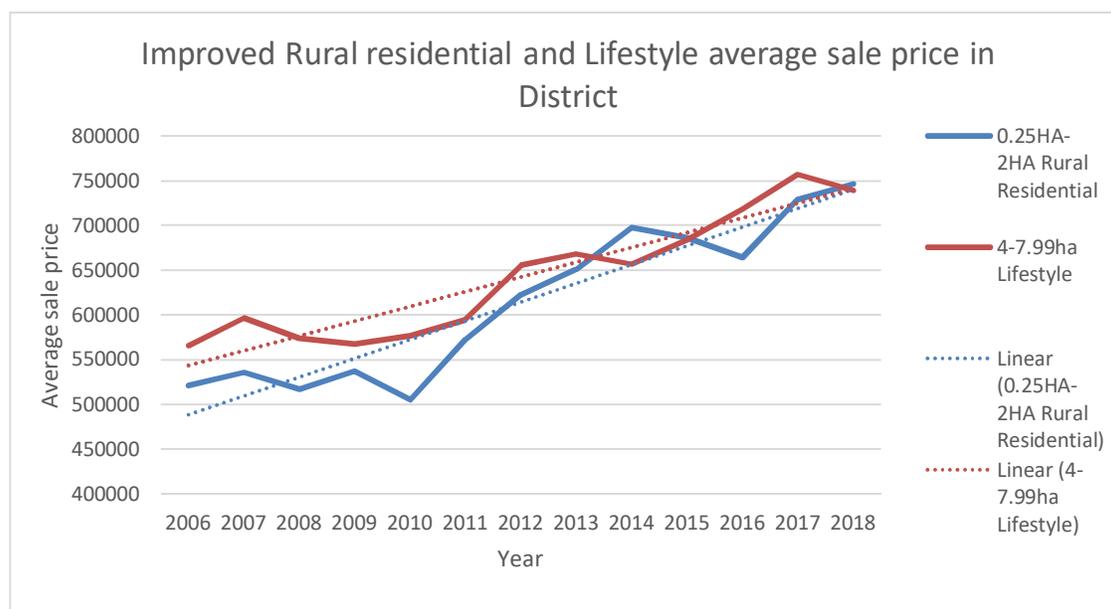
## 11 Summary of key findings

The purpose of this report is to assist with decision making around the District Plan Review, specifically in relation to the supply and demand for property in the rural areas of the Waimakariri District. To achieve this, data has been analysed that pertains to the lifestyle and rural residential property market within the District.

Below is a summary of the findings from this research that are considered most poignant to assist with decision making around the District Plan Review, specifically in relation to the supply and demand for property in the rural areas of the Waimakariri District.

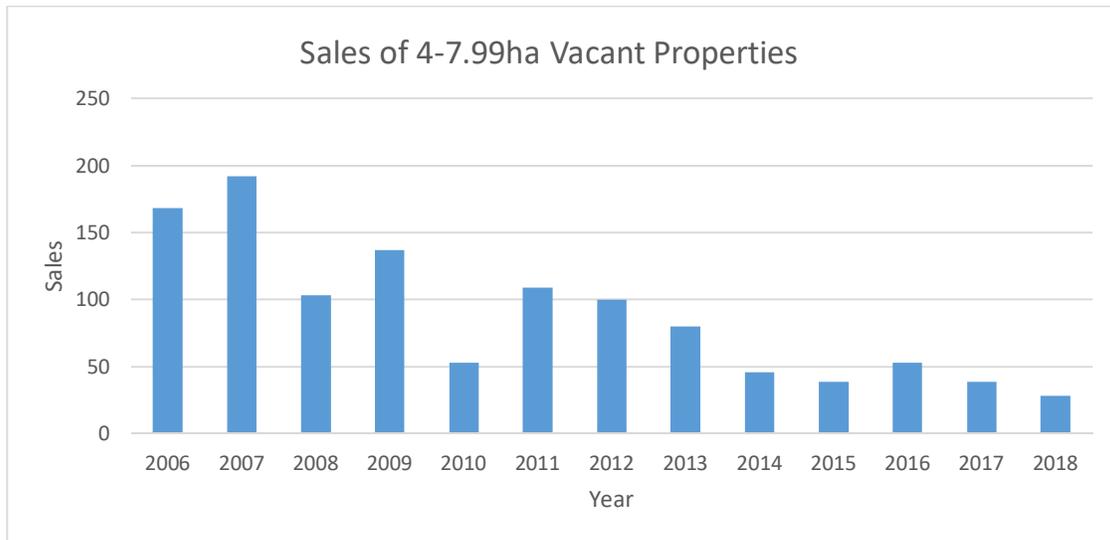
### Property market for Small Holdings

- Over the research period small holdings 4-7.99ha have increased in value at a relative steady rate with rural residential property increasing at a slightly higher rate.

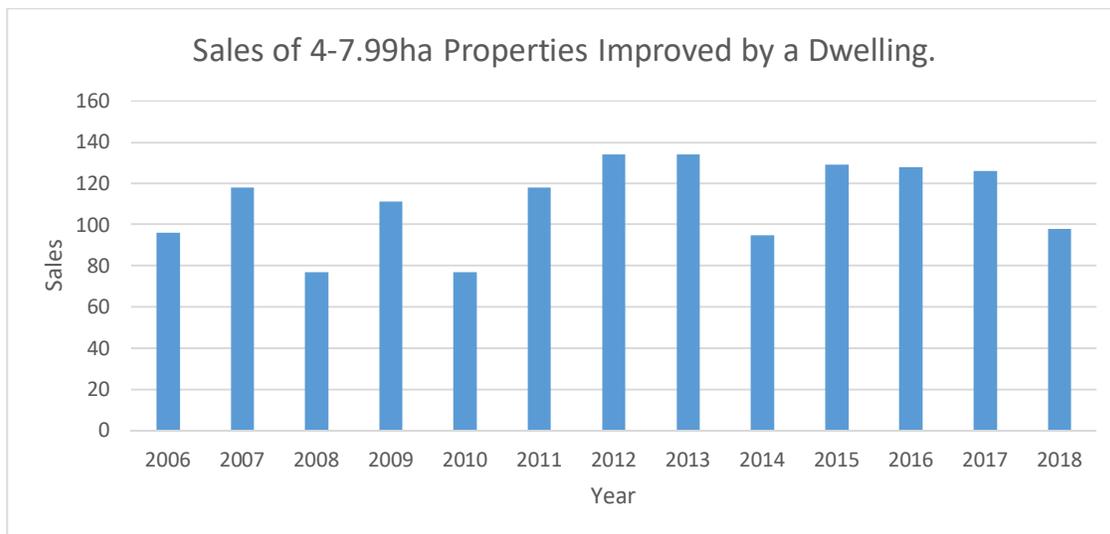


### Sales Volumes

- Over the research period that has been an overall reduction in the total number of 4-7.99ha properties sold on an annual basis. The largest annual decrease has been noticed in the UDS area.
- There are on average around 200 lifestyle property sales annually in the district between 4 and 7.99ha in size.
- Sales volumes of 4 – 7.99ha vacant small holdings have decreased significantly over the research period.



- Sales volumes of 4-7.99ha improved properties have remained relatively steady over the research period



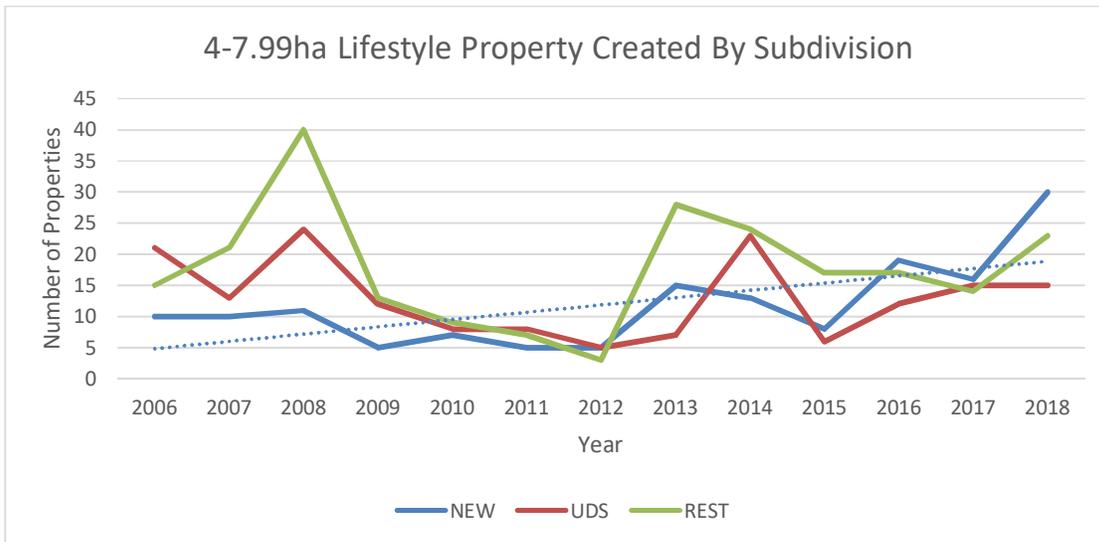
- On average, there are less than 80 sales annually of Rural Residential Zoned properties. Sales volumes have increased over the research period, peaking in 2012 where there were 126 sales recorded.

#### **Current Availability of Lifestyle Land**

- Overall there are 1198 vacant lifestyle currently properties in the District, of which 719 are 4 – 7.99ha in size.
- Section sales volume is approximately 50 section sales per year in the district, this giving 14 years of current supply, without new subdivision.

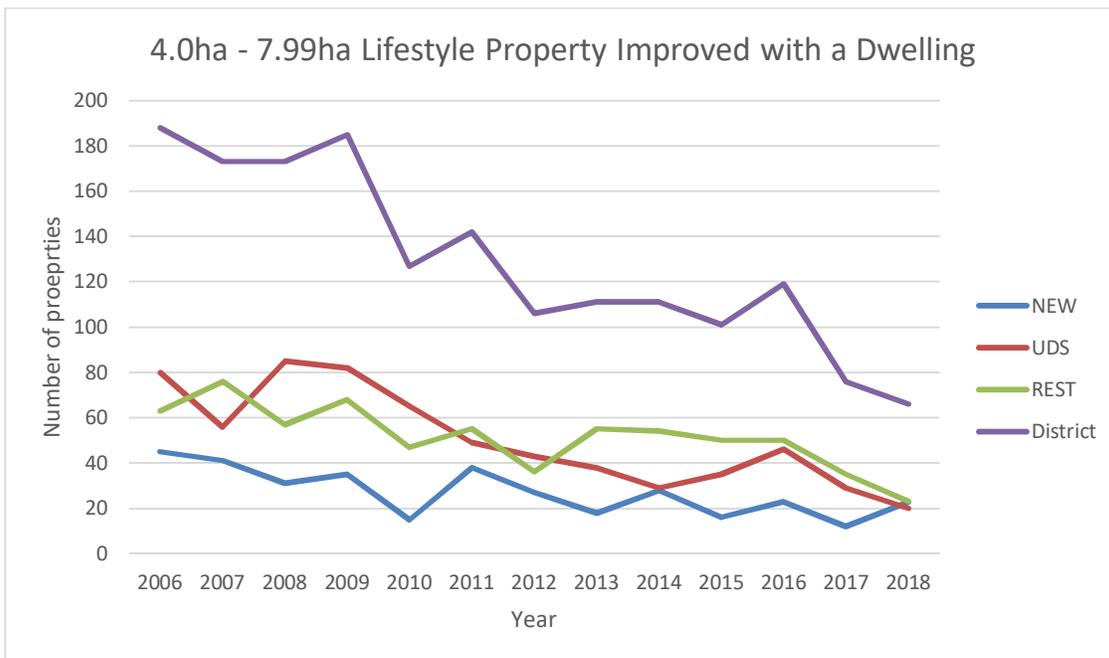
### Subdivision

- Since 2012 there has been a steady increase in the number of 4-7.99ha properties created by subdivision.
- The creation of new sections appears to be keeping pace with the sales of similar sized land parcels.



### Construction and New Development

- The number of properties being improved with a dwelling has steadily decreased since 2006. The reduction in the number of buildings, affirms the reduction in demand, which is evident in sales of lifestyle properties.





### Subdivision Potential within UDS

- Development of 8 - 52 hectare land within the UDS area could equate to 1240, 4ha parcels if all were developed.
- If parcels 52ha and greater were considered a potential 4276, 4 hectare parcels are achievable.

### Reduction in Development Potential

- There are 824 properties 8 – 19.99ha in the district that could have future development restricted if restrictions were placed on subdivision. This could lead to some 1234 4ha properties that could forgo subdivision. At the current level of demand would equate to approximately 12 years of supply.

### Length of Ownership

- The average length of ownership of properties that sold twice during the research period for small holdings 4 – 7.99ha in size was 45.5months or 3.8 years.
- There were 225 rural residential properties, 0.25-2ha in size that sold twice in the district over the period. The average ownership was 52.5 months or 4.4years.

### Property Turnover

- There has been a decrease in turnover of 4-7.99ha properties over the research period from approximately 8% down to below 4% across the district.

### Value Implications if subdivision restriction implements

- If the 84, 20-21 ha parcels across the district were to be restricted from further development the total realisation that would be lost is \$79,446,000 in land value.

### Comparative Analysis – Selwyn District Council

	Selwyn	Waimakariri
Total Assessments	26802	26579
Total Small Holdings	6032	6858
Small Holdings 4-7.99ha	2652	3767
Small Holdings 8-19.99ha	949	671
Vacant Small holdings 4-7.99ha	435	719
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Subdividable Parcels 20-20.99ha	15	84
Value of Average Subdividable Parcel 20-20.99ha	\$1,094,000 (2018)	\$630,523 (2016)

- The gap between the average sale price of vacant 4 – 7.99ha small holdings has stayed relatively the same over the research period whilst the gap between the improved 4 – 7.99ha small holdings has widened.
- The average length of ownership of 4 – 7.99ha small holdings that have sold twice over the research period was 54 months in the Selwyn district compared to 45.5 months in the Waimakariri District.



## 12 Report Conditions

### **Data**

Data utilised for this report has been taken from Quotable Values own database. Where third party information has been used this is stated accordingly.

### **Purpose**

This report has been completed for the specific purpose stated and is not to be used for any other purpose. No responsibility is accepted in the event that this report is used for any other purpose.

### **Third Parties**

Our responsibility in connection to this valuation is limited solely to the client to whom the valuation is addressed. No other party may rely on this valuation.

### **Publication**

Neither the whole nor any part of this valuation or any reference thereto may be included in any document, circular or statement without our approval of the form and context in which it will appear.

Thank you for the opportunity to provide valuation services. Please do not hesitate to contact me should you require any further assistance or clarification.

Yours faithfully  
Quotable Value

A handwritten signature in black ink, appearing to read 'Kris Rodgers', with a long, sweeping underline.

Kris Rodgers  
Senior Consultant

### **Reviewed By:**

A handwritten signature in blue ink, appearing to read 'Daryl Taggart', with a long, sweeping underline.

Daryl Taggart  
Registered Valuer, MPINZ, ANZIV