

Before an Independent Hearings Panel
Appointed by Waimakariri District Council

under: the Resource Management Act 1991

in the matter of: Submissions and further submissions on the Proposed
Waimakariri District Plan

and: Hearing Stream 12: Rezoning requests (larger scale)

and: **Carter Group Property Limited**
(Submitter 237)

and: **Rolleston Industrial Developments Limited**
(Submitter 160)

Statement of evidence of Chris Jones (Real Estate) on behalf of
Carter Group Limited and Rolleston Industrial Developments
Limited

Dated: 5 March 2024

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STATEMENT OF EVIDENCE OF CHRIS JONES ON BEHALF OF CARTER GROUP LIMITED AND ROLLESTON INDUSTRIAL DEVELOPMENTS LIMITED

INTRODUCTION

- 1 My full name is Christopher Francis Jones.
- 2 I have 22 years' experience in real estate specifically in the Canterbury Region and 14 years' experience selling down residential subdivisions in Canterbury, specifically in the townships on the fringes of Christchurch city. I have sold over 2,700 sections sold within this time.
- 3 I am familiar with the submitters' request to rezone land bound by Mill Road, Whites Road, Bradleys Road (*the Site*).
- 4 I was involved in private plan change 31 (*PC31*) to rezone this land under the operative District Plan.

CODE OF CONDUCT

- 5 Although this is not an Environment Court hearing, I note that in preparing my evidence I have reviewed the Code of Conduct for Expert Witnesses contained in Part 9 of the Environment Court Practice Note 2023. I have complied with it in preparing my evidence. I confirm that the issues addressed in this statement of evidence are within my area of expertise, except where relying on the opinion or evidence of other witnesses. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed.

SCOPE OF EVIDENCE

- 6 My evidence will address:
 - 6.1 Ōhoka within the current Waimakariri residential property market; and
 - 6.2 The offering of the rezoning request in the context of current demand for residential dwellings in Ōhoka and surrounds.

ŌHOKA WITHIN THE CURRENT WAIMAKARIRI RESIDENTIAL PROPERTY MARKET

- 7 Ōhoka is a rurally located urban area in the Waimakariri District. It is particularly close to the Christchurch CBD when compared to other urban areas and townships in the District.
- 8 There have been very few sections to come available in Ōhoka over the recent years. There is no consistent supply. Therefore, sales statistics for the areas are not particularly helpful or insightful when

considering potential demand. However, this is not in and of itself evidence that there is no demand for residential properties and sections in Ōhoka. In fact, the experience of Bayleys has been quite the opposite:

- 8.1 Of all of the buyers we regularly deal with looking for residential sections or properties in the Waimakariri District, most, if not all of them, would consider or prefer the Ōhoka area.
 - 8.2 Bayleys receive consistent enquiries about whether residential properties are available in Ōhoka.
 - 8.3 Recent information supplied from realestate.co.nz shows that Ōhoka was the number one most searched rural suburb in Canterbury from April 2022 – March 2023, followed by West Melton, Tai Tapu, Fernside, and Prebbleton. Further, Ōhoka was the fourth most searched suburb in the Waimakariri District from April – June 2023, behind only the larger urban areas (Rangiora, Kaiapoi, and Oxford). These findings are consistent with our experience and understanding of demand for Ōhoka.
 - 8.4 For every 10 buyers we deal with looking for a lifestyle aspect in North Canterbury, all 10 would generally consider Ōhoka as a location. The further out you go (north and west moving away from the Christchurch CBD), these buyers lose interest.
 - 8.5 If I had say 10 sections in each of Ōhoka, Kaiapoi, or Rangiora, I am confident that I would sell around 90% of the Ōhoka sections first, before those other locations, that is how popular Ōhoka is.
- 9 People are attracted to Ōhoka for the amenity and the mature trees, as well as the proximity to main centres relative to other towns in the District.
 - 10 In general, smaller lots will appeal to a greater cross-section of prospective buyers, due to lower maintenance, increased affordability and general convenience. Due to these factors, they will generally sell faster.
 - 11 Currently, the buyers Bayleys deals with who are looking for a residential-style section or home in the Ōhoka area are either being forced to buy lifestyle blocks of land (minimum 4 hectare) to do so, or settle for properties further afield, as there are very few residentially sized properties in Ōhoka and the surrounding area. Generally, buyers preferring Ōhoka who are unable to secure property in this location will opt for alternatives in the adjacent areas of Mandeville, Swannanoa, Fernside or Clarkville which provide a similar offering to Ōhoka a, insofar as being close to Christchurch city but with a distinct character compared to the

towns of Rangiora and Kaiapoi. Such buyers would not generally substitute these locations for a property within Rangiora or Kaiapoi, and in my experience, would be more likely to look to other locations such as Tai Tapu, West Melton, Marshlands or Ouruhia.

- 12 For those buyers who do choose to purchase lifestyle blocks in order to live in the area, most will not be using those blocks for rural production, which generally leads to the under-utilisation of productive land in the area. Smaller residential sections are simply not readily available, and I consider this to be an unrealised market.
- 13 In the last 18 months Bayleys has sold a number of properties in the Ōhoka area, including six properties on Whites Road, close to the proposed development. On all of these occasions, we have received strong demand for the properties we have listed. Recent examples include:
- 13.1 A property in Keetly Place, where we had multiple bidders at auction.
- 13.2 A property on Whites Road which sold at auction to an Auckland buyer. This property had over 45 inspections, which is significantly higher numbers when compared to other lifestyle areas within the Waimakariri District.
- 13.3 The recent sale of two established residential properties close to the Ōhoka township, each being approximately 5,050m² – 5,054m². Both properties sold off market for higher-than-expected prices in the \$1.8 - \$1.9million range.
- 14 From Bayleys' experience, I consider there is high demand for housing in the Ōhoka area. Particularly relative to other areas within the District including Kaiapoi and Rangiora.

THE REZONING REQUEST IN THE CONTEXT OF CURRENT DEMAND FOR RESIDENTIAL DWELLINGS IN ŌHOKA AND SURROUNDS

- 15 I have absolutely no doubt that the product being proposed as part of this rezoning request will be in high demand, provided it is priced correctly.
- 16 Two residential zonings are proposed within the Site, one with a minimum lot size of 600m² and the other with a minimum lot size of 2,500m² and an average size of 3,300 m². I consider this will enable a good range of housing options in terms of section sizes and price to meet the needs of a range of buyers.
- 17 The sections being offered within the proposed rezoning request would be larger (at around 600-700m²) than the residential sections being offered in the likes of Kaiapoi, Woodend, and Rangiora. This is a point of difference for buyers looking in the Ōhoka area who

seek the amenity offered by that part of the District but do not wish to look after hectares of land. From my experience, these same buyers would not be interested in the higher density offerings of those larger towns either.

- 18 The amenities being proposed as part of this rezoning request will only increase the desirability of Ōhoka to prospective purchasers. The inclusion of a polo field, pub, café, and shops (which will establish in the proposed commercial area) will provide a further point of difference for Ōhoka. These amenities have been much needed in Ōhoka which currently provides little offerings for the day-to-day needs of residents.
- 19 Despite Ōhoka being the most popular lifestyle and residential location in North Canterbury by far, there has been a real lack of growth, and in particular master plan supply. This proposed rezoning request will provide that supply, through a carefully designed and considered master plan that guarantees desired outcomes for the development in a way that compliments and enhances the existing township.
- 20 I consider this proposed rezoning request can easily be likened to the proposal to develop Matakana in the North Island. Like Matakana, Ōhoka has a great 'brand' name being well known throughout the District as a great place to live. Yet it currently lacks residential supply and the amenities to support the day-to-day needs of residents. The development at Matakana has only enhanced the village by providing much needed and high-quality amenities and the critical mass to ensure the village continues to thrive. I consider the proposed rezoning request will do this for Ōhoka.
- 21 The underlying value of lifestyle blocks in the Ōhoka area is around \$160,000-\$200,000 per hectare, compared to dairying land which is only worth around \$60,000 per hectare. This means that even if the Site was not rezoned as sought by the submitters, it is highly likely that it would be sold for the purpose of lifestyle block development in any case.
- 22 I understand the Site could be subdivided into 36 four-hectare lifestyle blocks relatively easily under the current planning framework. These too would be saleable from a demand perspective. Based on recent comparable sales, I consider a four-hectare section in the Ōhoka area would generally go for between \$650,000 and \$800,000. Comparably, lifestyle/residential established properties of this size in the Ōhoka area readily sell in the \$1.2-\$1.9 million range.
- 23 In saying this, and as I have outlined above, the demand is not for four-hectare lifestyle blocks. To develop the Site into lifestyle blocks would also forgo the advantages of the proposed comprehensive master-planned development including day-to-day amenities, public

transport provision, ecological enhancement, and choice in lot sizes. Providing choice in lot sizes is particularly important in catering to a wider range of prospective buyers as lot size correlates directly to housing affordability. For smaller residential sections (approximately 600m²) in the Ōhoka area I consider these would generally go for around \$550,000.

LIKELY IMPACT OF MEDIUM DENSITY RESIDENTIAL RULES

- 24 I do not consider the introduction of the medium density residential standards into the District Plan will have a material impact on development capacity in Waimakariri.
- 25 This is based on my experience in the Waimakariri District, which clearly shows that those looking to purchase a residential site in Waimakariri do so looking for a stand-alone property with good outdoor living spaces.
- 26 I also consider the vast majority of the Waimakariri housing stock is too new/young to be redeveloped into or infilled with medium density housing anytime soon.
- 27 I further note that Bayleys have recently experienced a market 'ease' in the demand for attached townhouses or properties on smaller sites in the main Waimakariri townships (with these having become more challenging to sell than in recent years). On the other hand, demand for family sized properties (i.e. detached, standalone, with reasonable outdoor living areas) has remained strong. Buyers looking in the Waimakariri District are generally not looking for high density apartments.

CONCLUSION

- 28 I consider there is significant demand for residential housing in the Ōhoka area, relative to other areas and townships in the Waimakariri District.

Dated: 5 March 2024

Chris Jones