

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 12D: Ōhoka rezoning request

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

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

Supplementary statement of evidence of Chris Jones (real estate)

Dated: 13 June 2024

Reference: J M Appleyard (jo.appleyard@chapmantripp.com)
LMN Forrester (lucy.forrester@chapmantripp.com)

chapmantripp.com
T +64 3 353 4130
F +64 4 472 7111

PO Box 2510
Christchurch 8140
New Zealand

Auckland
Wellington
Christchurch



SUPPLEMENTARY STATEMENT OF EVIDENCE OF CHRIS JONES

INTRODUCTION

- 1 My area of expertise, experience, and qualifications are set out in my statement of evidence dated 5 March 2024 for this hearing stream.
- 2 The purpose of this supplementary evidence is to respond to matters raised in the Officer's Report dated 31 May 2024 relevant to my evidence.

CODE OF CONDUCT

- 3 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.

RESPONSE TO OFFICER'S REPORT

- 4 I have read the parts of the Officer's Report and the evidence of Mr Yeoman which relate to my evidence.
- 5 Mr Yeoman (paragraphs 3.35 and 3.39) considers that my estimate of \$550,000 for a smaller sized residential section (approximately 600m²) in the Ōhoka area is relatively unaffordable and as such would not improve affordability within the wider market because a dwelling, this is likely to attract a sale price of over \$1 million. In response:
 - 5.1 I note that my primary statement of evidence was prepared in late February/early March 2024. The housing market changes all the time. Based on the current market (as at June 2024) I estimate the price of such a section in the Ōhoka area would now be around \$450,000.
 - 5.2 I fundamentally disagree with Mr Yeoman's view that \$550,000 for a section (and ~\$1 million for the same section with a dwelling) is unaffordable. In my experience, people purchasing homes in similar areas in Greater Christchurch (i.e. in the outlying townships) are generally spending \$800,000-\$1.2 million on properties with a section of this size and a modern-build home. We consider this value range quite normal for locations of this nature.

- 5.3 Further, in my experience, the price of housing is significantly influenced by the amount of supply available. Where supply cannot keep up with demand, prices increase as people compete for land and are willing to pay higher prices. The more supply there is, the more stable housing prices become. Given the outlying townships of Greater Christchurch (including Ōhoka) tend to have limited supply, this may well be having an influence on the prices we are seeing in these areas. I consider the proposed rezoning, and the releasing of the significant capacity it would provide, may assist in lowering these prices we are seeing in the area, or at the very least assist in keeping them stable.
- 6 Mr Yeoman (paragraph 3.33) disagrees with my evidence that there is a high demand for housing in the Ōhoka area, and notes that I have not provided data to support my views in this respect. In response:
- 6.1 The reason I have not provided any data on residential demand for the type of sections/housing that would be provided by the proposed rezoning is because there is no data available. There have not been a significant number of comparable sections for sale in the area recently because there is simply no supply – all that is currently available in the area are lifestyle properties (>4ha).
- 6.2 Again, reiterating what I said in my primary evidence, this does not mean the demand doesn't exist and, in my opinion (based on Bayleys' everyday experience selling residential properties in the Waimakariri District), the demand is high:
- (a) In North Canterbury, Bayleys receive far more enquiries from buyers looking to purchase in the Ōhoka area, than any of the main centres (Kaiapoi, Rangiora, Woodend/Pegasus). I have recently reconfirmed this with Bayleys' senior marketing consultants in Rangiora who confirmed that:
- (i) Demand for Ōhoka outstrips other suburbs in the Waimakariri District primarily due to Ōhoka being closer to Christchurch City and Christchurch International Airport than other areas in the Waimakariri District.
- (ii) Proximity to Christchurch City is a key driver for demand for real estate in the Waimakariri District. In our experience, suburbs that are further outlying from Christchurch City diminish in appeal depending on how many minutes/kilometres they are from Christchurch City.

- (b) Ōhoka is one of the highest search areas on realestate.co.nz within the Waimakariri District.
- 6.3 I am also of the view that even if there was little demand, this is primarily a concern for the submitters who would either simply not develop the land, or would face a capital loss.
- 6.4 Comparisons can be made with areas like Prebbleton and Tai Tapu in the Selwyn District. These all started off as lifestyle areas some 20+ years ago offering minimum 4ha lots. There would have been no data on demand for more urban residential living in those areas at that time either (because urban-sized residential sections just didn't exist in the area). These townships have now become flourishing villages with a wide range of living options/densities, once this type of development was allowed to occur in those areas. If Mr Yeoman's reasoning was correct, these villages would not have become the prosperous and sought after locations they are today.
- 7 Mr Yeoman (paragraphs 3.34 and 3.39) considers the proposed rezoning would result in a transfer of demand, drawing growth away from Kaiapoi, Rangiora and Woodend. I strongly disagree with this statement. Not only is the demand for the Ōhoka area high relative to Kaiapoi, Rangiora, Woodend/Pegasus, but the demand is very different altogether:
- 7.1 Buyers looking in the Ōhoka area who are unable to secure a property will not substitute their preferences for a property in Kaiapoi, Rangiora, Woodend/Pegasus. Ōhoka appeals to prospective purchasers because of its charm and amenity, including its significant mature oak tree plantings, and surrounding rural landscape (this is a distinct offering from the offering and amenity provided in Kaiapoi, Rangiora, Woodend/Pegasus). In my experience such buyers will either:
- (a) Opt for alternatives in the adjacent areas of Mandeville, Swannanoa, Fernside, or Clarkville which provide a similar offering to Ōhoka; or
- (b) Opt for alternatives even further afield, including in different districts, such as Tai Tapu, West Melton, Marshland, or Oruruhia (again which provide a similar offering to Ōhoka); or
- (c) Settle for a lifestyle block in the Ōhoka area, despite having no need for the 4ha+ of land these offer. With respect to this last trend we are seeing, this generally leads to under-utilised and inefficient use of land which could be avoided through the provision of more supply

that provides a range of housing options in areas of high demand.

- 8 I note Mr Yeoman is quick to dismiss my evidence on the basis that it is qualitative rather than quantitative. I would like to reiterate that my evidence is based on mine (and the Bayleys' teams') lived daily experience in the Canterbury residential market, of which we are very familiar.

Dated: 13 June 2024

Chris Jones