

Before the Selwyn District Council

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*under:* the Resource Management Act 1991

*in the matter of:* Proposed Private Plan Change 69 to the Operative  
District Plan: Lincoln South

*and:* **Rolleston Industrial Developments Limited**  
*Applicant*

Summary of Evidence of Gary Sellars (Registered valuer)

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Dated: 22 November 2021

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## SUMMARY OF EVIDENCE OF GARY SELLARS

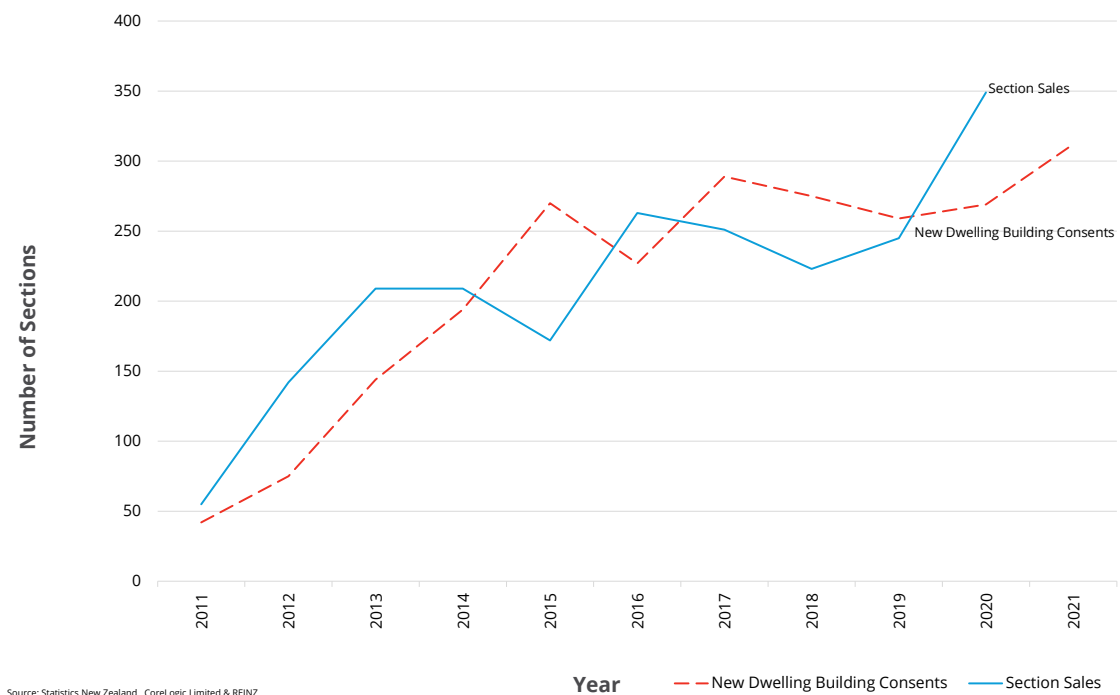
### INTRODUCTION

- 1 My name is Gary Sellars and I am the Director of Valuation and Consultancy at Colliers Valuation. I am a Registered Valuer and specialise in commercial, industrial and land development valuation and consultancy within the CBD and suburban locations of Christchurch and major metropolitan areas in the South Island.
- 2 My experience and qualifications are set out in full in my statement of evidence dated 4 November 2021.

### LINCOLN DEMAND

- 3 The average volume of vacant residential section sales in Lincoln has fluctuated during the last 10 years rising from a low of 55 sales in 2011, immediately following the Canterbury earthquake sequence, to 209 in 2013 and then settling at an average of at or around 227 sales per annum for the period from 2014 - 2019. In 2020 there was a sharp increase in volume rising from 245 sales in 2019 to 349 sales. New dwelling building consents in Lincoln have generally followed a similar trend line as the number of sales. There has been a sharp increase in building consents in 2021 which is in line with the expected lag behind the peak in volume of sales in 2020.

Lincoln - Number of Sections Sold & New Dwelling Building Consents

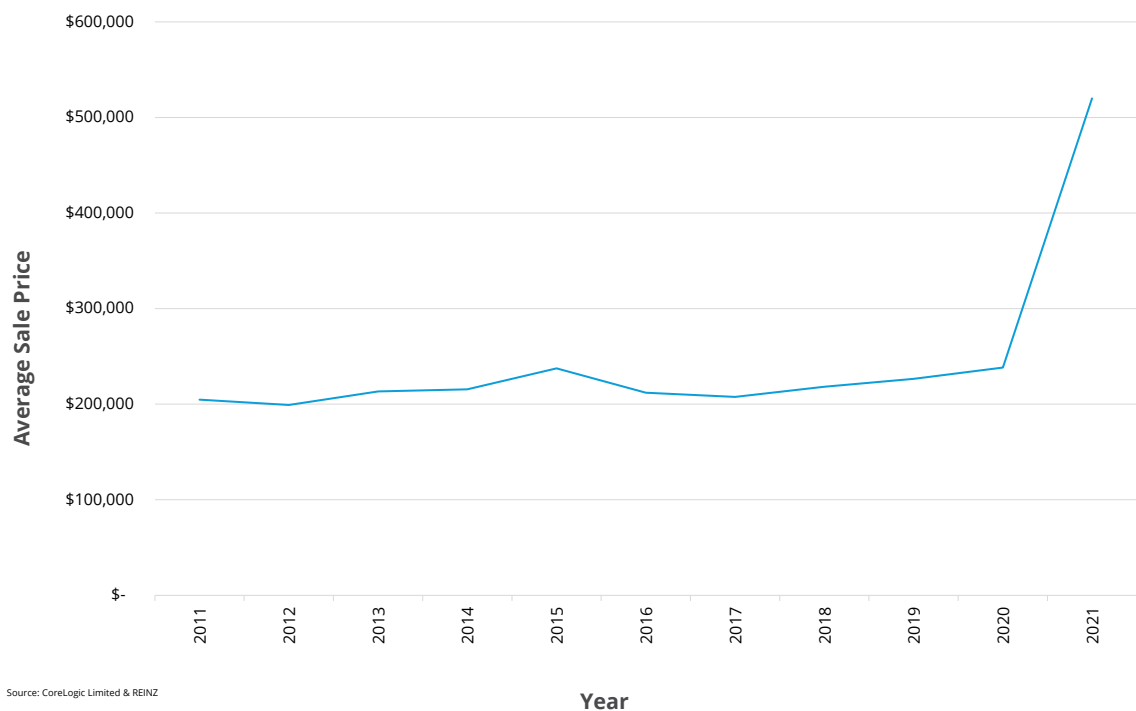


- 4 The average residential section sale price in Lincoln has followed a relatively regular upward trend from 2011 until 2020 and then there has been exponential growth well in excess of 100% during the last 12 months.

<b>Vacant Lincoln Residential Section Sales</b>	
<b>Year</b>	<b>Sale Price \$</b>
2011	204,664
2012	199,091
2013	213,325
2014	215,458
2015	237,486
2016	211,964
2017	207,545
2018	218,224
2019	226,479
2020	238,334
<b>2021</b>	<b>520,000*</b>

\*Current Sale Price

**Lincoln - Vacant Residential Section - Average Sale Price**



## **LINCOLN SUPPLY**

- 5 The supply of vacant residential land has failed to keep pace with the ongoing level of demand. In the Lincoln market there are virtually no vacant sections available for purchase. Recent small releases of sections have resulted in significant price escalation.
- 6 My evidence categorised the residential market for vacant sections in Lincoln under the following headings:
  - a) Developed
  - b) Under Development
  - c) Plan Change Applications
  - d) Undeveloped – Piecemeal

- 7 In my evidence I provide in an overall summary:

<b>Overall Summary – Short Term</b>		
<b>Category</b>	<b>For Sale</b>	<b>Potential</b>
Developed	4	-
Under Development	-	379
<b>Total</b>	<b>4</b>	<b>379</b>

<b>Overall Summary – Medium Term</b>		
<b>Category</b>	<b>For Sale</b>	<b>Potential</b>
PC 69 Potential	-	2,000
Zoned – Potential Piecemeal	-	462
		<b>2,462</b>

- 8 The current land market in Lincoln exhibits a dysfunctional market where there is virtually no current supply or choice, with uncompetitive market practices being adopted by vendors and extreme price escalation. The only solution to this situation is an immediate increase in supply.
- 9 It is difficult to quantify what level of supply is required for a normal rational market to exist. However, from my experience, it is preferable there is always an oversupply of appropriately zoned land so that the market can determine when and if it is developed into sections dependent upon demand.
- 10 I am happy to answer any questions concerning my evidence.

Dated: 22 November 2021

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Gary Sellars