

Before the Selwyn District Council

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*under:* the Resource Management Act 1991

*in the matter of:* Proposed Private Plan Change 80 to the Operative District Plan

*and:* **Two Chain Road Limited**  
*Applicant*

Summary of evidence of Nick O'Styke (real estate)

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Dated: 20 October 2022

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## **SUMMARY OF EVIDENCE OF NICK O'STYKE**

- 1 My full name is Nicholas Francis Graham O'Styke, and I am the director of industrial sales for Bayleys Canterbury.
- 2 Freehold industrial land in Canterbury, and in particular Selwyn, is in high demand. While there may be land that is 'zoned' industrial, practically speaking, that does not mean there is sufficient freehold industrial land supply to meet current demand.
- 3 Rezoning land industrial gives certainty to developers in the medium and long-term. There will be a point in time, between now and when more industrial land is freed up via rezonings and plan changes, where there is next to nothing available. It is vital that the District ensure sufficient capacity to cater for industrial land demand in the future.
- 4 The majority of the current market for industrial land is seeking an owner-occupier arrangement which there is currently a real shortage of. This demand is reflected in the significant increase in industrial list values over the last few years, and the fact that industrial land at a number of business parks is now completely sold out.
- 5 In my 11 years in the industrial land industry, I have only seen demand grow. This growth has been exponential and I do not see it slowing down any time soon. I am of the view that Canterbury, and particularly Rolleston (being an extremely attractive location for industrial land investors), is very close to an acute shortage in industrial unencumbered, freehold land.
- 6 I consider this looming shortage is also demonstrated by the increase in industrial land prices. Significant increases in land pricing are a good indicator as to the current supply and demand situation around particular land markets. Land in Rolleston is now nearly four times the list value in 2019 and industrial land, which was once \$100-140 per sqm and is now in the range of \$300-400 per sqm.
- 7 Rolleston is an extremely attractive location for industrial land investors, mainly due to factors including:
  - 7.1 Its proximity to two inland ports (Midland Port and MetroPort) and associated rail transport;
  - 7.2 Better ground conditions in Selwyn and comparable sites than in Christchurch, especially east of Christchurch; and
  - 7.3 Newer amenities in Selwyn than in Christchurch including wider roads, better infrastructure, and close proximity to SH1 and West Coast Road.

- 8 The Two Chain Road Site provides a unique and rare opportunity for any industrial developer, and I consider there would be substantial interest in today's current (and future) market for a piece of the site should it be rezoned industrial.

Dated: 20 October 2022

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Nick O'Styke