

Before the Selwyn District Council

under: the Resource Management Act 1991

in the matter of: Proposed Private Plan Change 73 to the Operative
District Plan: Dunns Crossing Road, Rolleston

and: **Rolleston West Residential Limited**
Applicant

Summary of Evidence of Chris Jones (Real estate)

Dated: 28 September 2021

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SUMMARY OF EVIDENCE OF CHRIS JONES

INTRODUCTION

- 1 My name is Christopher Jones. I have 20 years' experience in real estate specifically in the Selwyn District and 12 years' experience selling down residential subdivisions South and South West of Canterbury. I have sold over 2,500 sections sold within this time.
- 2 I note that the evidence of Mr Gary Sellars' provided in the hearing for PC67 is highly relevant to this plan change in that it considers a number of relevant factors relating to the current residential land market in Rolleston. I acknowledge Mr Sellars' experience and have therefore relied on and adopted some of his opinions in my evidence.

DESCRIPTION OF THE ROLLESTON HOUSING MARKET

- 3 The drivers for people moving to Rolleston are summarised as follows:
 - 3.1 Value, when compared to what the same price could get you in Christchurch. People are willing to drive to Rolleston for this, with the opportunity to choose and own a brand new warm home.
 - 3.2 People need to go to outskirt locations such as Selwyn and Rolleston for stand-alone homes on reasonably sized sections at an affordable price.
 - 3.3 Selwyn has become a major hub for workers and employment. People are now actively moving to Rolleston in order to work in the immediate area.
 - 3.4 The increase of modern amenities in Rolleston mean people can now do all of their shopping and run their errands without travelling to Christchurch City.
 - 3.5 It is easier than ever for people working in Christchurch to commute with the new motorway significantly reducing travel time.

DEMAND FOR RESIDENTIAL LAND IN ROLLESTON

- 4 I consider there is an acute residential land shortage currently in Rolleston. Demand is significantly surpassing supply and this is leading to inflated prices of almost 100% from the year before.
- 5 Section size is a highly relevant factor to demand and we have seen this shift in the last 8-10 years. The feedback myself and my team

are receiving is that when developers are putting sections on the market, the smallest ones always go first. Buyers are looking more and more for residential sites of around 400 to 500m².

- 6 I understand that under the current zoning for the plan change sites, residential development is enabled for much larger lots (mainly of 4,000 to 5,000m²) than proposed under PC73. While larger sites would sell, the demand for this size section is nowhere near what it used to be. There would be a significantly smaller and wealthier pool of buyers that would be able to afford these residential sites. The same site could be better utilised to accommodate 10 modern and affordable homes for 10 families.

CONSIDERATION OF CURRENT RESIDENTIAL SUPPLY IN ROLLESTON

- 7 I consider that the key driver to the huge spike in the value of residential land in Rolleston recently is the lack of availability. While the high demand for residential sections is evident throughout Greater Christchurch, the market in Rolleston is particularly frantic, and has resulted in demand significantly outstripping supply.
- 8 Since the COVID-19 epidemic and associated lockdowns, people have been returning to New Zealand, and Canterbury, from all over the world, and other parts of the country. Greenfield zoned land, which was previously steadily available for residential development, has already been swallowed up post-lockdown. There is now simply not enough residentially zoned land to keep up with current and future demand.
- 9 In my view, if this significant shortage of residentially zoned land is not addressed soon, it is only a matter of time before the average house and land package in Rolleston will be around one million dollars. This is exactly what occurred in Halswell and the effect of a similar increase in Rolleston will be to prevent a range of would-be-home owners from being able to enter the housing market.
- 10 The number of sections that could become available if the various proposed plan change applications in Rolleston are approved do not seem particularly high to me because:
 - 10.1 these will not all be going on the market and developed at the same time;
 - 10.2 it is important to enable a supply of sections capable of being released in the medium and long term;
 - 10.3 much of these sections have already been sold (subject to zoning); and

10.4 it is likely that the earliest there will be a house on the plan change site is still 2 years away as it takes some time to develop greenfield sites.

11 Therefore, if zoning of sites is put off any longer, there will be a window of no residential purchasing in Rolleston which will lead to a further increase in prices.

12 I do not consider there is any risk arising from oversupply in Rolleston given current trends. In fact, this would help appease the spike in housing prices by increasing competition and reducing panic purchases.

CONCLUSION

13 Significant rezoning of residential land is required in Rolleston in order to stabilise the rapid increase in prices and correct the supply issue. I consider this plan change to be a significant opportunity for the Selwyn District to start to address and fix these housing shortage issues for the District.

14 I am happy to answer any questions concerning my evidence.

Dated: 28 September 2021

Chris Jones