

**BEFORE THE SELWYN DISTRICT COUNCIL**

<b>UNDER</b>	the Resource Management Act 1991
<b>IN THE MATTER</b>	of Proposed Plan Change 78: East Rolleston
<b>APPLICANT</b>	Urban Estates Limited

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**SUMMARY OF EVIDENCE OF GARY RUSSELL SELLARS ON BEHALF OF  
URBAN ESTATES LIMITED**

**REAL ESTATE**

Dated: 04 NOVEMBER 2021

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**Christchurch**  
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A handwritten signature in dark green ink that reads "Anthony Harper". The signature is written in a cursive, flowing style.

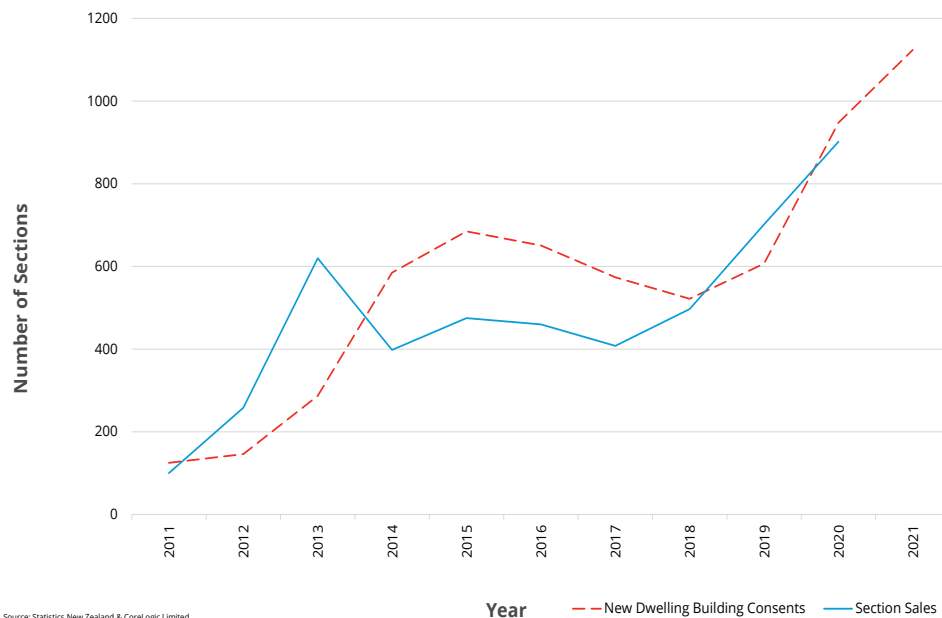
## 1 INTRODUCTION

- 1.1 My full name is Gary Russell Sellars. I am the Director of Valuation and Consultancy at Colliers Valuation. I have been in this position at Colliers for 13 years. Prior to that, I was the Managing Director of Fright Aubrey, where I worked for 23 years.
- 1.2 My experience and qualifications are set out in full in my statement of evidence dated 18 October 2021.

## ROLLESTON DEMAND

- 1.3 The average annual volume of vacant residential sales in Rolleston has fluctuated during the last ten years rising from a low of 100 sales in 2011 immediately following the Canterbury earthquake sequence to 620 in 2013 and then settling to an average of at or around 448 sales per annum for the period from 2014 – 2018. Since 2018 there has been a sharp increase culminating in 902 sales in 2020. New dwelling building consents in Rolleston have generally followed a similar trend line as the number of sales.

Rolleston - Number of Sections Sold & New Dwelling Building Consents



- 1.4 The average residential section sale price in Rolleston 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 Rolleston Residential Section Sales</b>	
<b>Year</b>	<b>Sale Price \$</b>
2011	164,996
2012	171,686
2013	168,635
2014	172,696
2015	169,526
2016	176,402
2017	181,874
2018	178,951
2019	177,069
2020	184,352
2021	435,000*

## 2 ROLLESTON SUPPLY

2.1 The supply of vacant residential land has failed to keep pace with the ongoing level of demand. In the Rolleston market there are virtually no vacant sections available for purchase. Recent small releases of sections has resulted in significant price escalation.

2.2 My evidence categorised the residential market for vacant sections in Rolleston under the following headings:

- (a) Developed
- (b) Under Development
- (c) Plan Change Applications
- (d) Undeveloped – Piecemeal
- (e) Future Urban Development Area (FUDA) – Piecemeal

2.3 In my evidence, I provided an overall summary of

<b>Overall Summary – Short Term</b>		
<b>Category</b>	<b>For Sale</b>	<b>Potential</b>
Developed	1	-
<b>Under Development</b>	10	158
PC 64 Hughes Development		970
<b>Total</b>	<b>11</b>	<b>1,128</b>

<b>Overall Summary – Medium Term</b>		
<b>Category</b>	<b>For Sale</b>	<b>Potential</b>
PC Potential	-	4,745
Zoned – Potential Piecemeal	-	641
<b>Total</b>		<b>5,386</b>

<b>Overall Summary – Long Term</b>		
<b>Category</b>	<b>For Sale</b>	<b>Potential</b>
Unzoned (FUDA) – Potential Piecemeal	-	2,069
<b>Total</b>	-	<b>2,069</b>

- 2.4 The current land market in Rolleston exhibits a dysfunctional market where there is virtually no current supply or choice with uncompetitive market practises being adopted by vendors and extreme price escalation. The only solution to this situation is an immediate increase in supply.
- 2.5 It is difficult to quantify what level of supply is required in order for a normal rational market to exist. However from my experience, it is preferable that there is an oversupply of appropriately zoned land at all times so that the market can determine when and if it is developed into sections dependent upon demand. In addition, in my experience, for a land market to function properly, it is necessary that it is competitive. That is, the greater the number of suppliers in the market, the more likely that purchasers of sections will benefit.

**Gary Sellars**

**04 November 2021**