

Before the Independent Hearing Panel
Appointed by the Christchurch District Council

Under the Resource Management Act 1991

In the matter of Plan Change 14 (Housing and Business Choice) to the
Christchurch District Plan

Miles Premises Limited

Submitter 883

Statement of Evidence of Jonathan Paul Manns

26 September 2023

Submitter's solicitors:

Sarah Eveleigh
Anderson Lloyd
Level 3, 70 Gloucester Street, Christchurch 8013
PO Box 13831, Armagh, Christchurch 8141
DX Box WX10009
p + 64 3 379 0037 | f + 64 3 379 0039
sarah.eveleigh@al.nz

**anderson
lloyd.**

Introduction

- 1 My name is Jonathan Paul Manns.
- 2 I hold a Master of Philosophy (MPhil) degree in Planning, Growth and Regeneration from the University of Cambridge which was awarded in 2008. I became a Chartered Member of the Royal Institution of Chartered Surveyors (MRICS) in 2010 and a Chartered Fellow (FRICS) in 2021. I became a Chartered Member of the Royal Town Planning Institute (MRTPI) in 2012 and a Chartered Fellow (FRTPI) in 2018. I was appointed a Member of the Most Excellent Order of the British Empire (MBE) “for services to Planning, Real Estate and Built Environments” by HM Queen Elisabeth II in 2022.
- 3 I am currently employed as a Senior Director and Head of Strategic Advisory at global real estate services firm Jones Lang LaSalle (JLL). I have held that position since 2021. In this capacity I have overseen advice on schemes for more than 35,000 new homes and 1.4 million sqm of commercial space in the New Zealand market. I also hold a range of voluntary positions, including as Co-Chair of the Policy Advisory Group for RICS New Zealand and a Visiting Associate Professor at UCL’s Bartlett School of Planning.
- 4 My previous work experience includes roles as Executive Director of a mixed-use development business (Rockwell) and as Director, Head of London Planning and Head of Regeneration at a global real estate services firm (Colliers). In these roles and others, I have been involved with the commissioning and preparation of research and advice since 2008. I have also overseen the preparation of advice to parliamentarians in the United Kingdom. I was co-author of a report on housing and planning to the All-Party Parliamentary Group (APPG) for London’s Planning and Built Environment in 2016, Chair of the Advisory Board to the “Suburban Taskforce” from 2020-2022 and gave evidence to the House of Lords Built Environment Committee’s “Inquiry into Meeting the UK’s Housing Demand” in 2021.
- 5 JLL has provided Miles Premises Limited (MPL) with a high-level Market Analysis Assessment addressing matters relevant to its submission on Plan

Change 14 (Housing and Business Choice, PC14) to the Christchurch District Plan (CDP).

Code of Conduct for Expert Witnesses

- 6 I have read the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2023. I have complied with it in preparing this evidence and I agree to comply with it in presenting evidence at this hearing. The evidence that I give is within my area of expertise except where I state that my evidence is given in reliance on another person's evidence. I have considered all material facts that are known to me that might alter or detract from the opinions that I express in this evidence.

Scope of Evidence

- 7 JLL have prepared a report entitled Market Analysis Assessment, (**Report**) **attached** as Appendix 1. This evidence summarises the key findings of that Report.
- 8 The Report has been prepared in a limited timeframe and is based on databases as detailed at Appendix B of the Report. In the time available, I have not sought to compare the findings of the Report with the assessments of housing and business capacity prepared by or for Christchurch City Council or the Greater Christchurch Partnership.

Summary of Market Analysis

- 9 MPL owns approximately 17.68ha of land zoned Industrial Park, at 475 Memorial Avenue, 400 Russley Road, and 500 and 520 Avonhead Road (**Site**).
- 10 The Report assesses the residential and industrial land market for suburbs which fall within and overlap a 5km radius of the Site (**Study Area**). The Study Area has experienced growth in population in the last 10 years, with little notable decline except during the Covid-19 pandemic. There are good local amenities and proximity to the airport makes the suburbs well positioned to support local employment growth.

Population

- 11 The Report assesses resident profile and population of the Study Area.
- 12 Resident profile based on 2018 census shows that the Study Area has a comparatively high proportion of high-earning households. One-family households are the most common (65% of all households), resulting in an average household size of 2.9 people (above the Christchurch average of 2.7).
- 13 As of 2022, the population of the Study Area is estimated at 90,440 people.
- 14 Using the Statistics New Zealand medium growth scenario, population is estimated to increase by 9%, or 7,770 people, by 2048. By age, the proportion of people in 'under 30' age groups are predicted to decrease and the proportion of people in 'over 30' age groups is predicted to increase.

Existing housing stock

- 15 Available data shows 33,686 homes in the Study Area. They are typically larger family homes with 80% of existing properties comprising 3 or more bedrooms and 76% of the housing stock offering accommodation between 176 sqm and 200 sqm.

Vacant residential land

- 16 According to CoreLogic "Land Use" data, there is approximately 53 hectares of vacant residential land in the Study Area. The majority (70%) is in parcels of less than 1 hectare.
- 17 A total of 63 projects are in the pipeline within the identified suburbs with the capacity to deliver approximately 1,202 homes. The majority of these are expected to be standalone or terraced houses. Additionally, the majority of projects in the pipeline are on brownfield sites (51/63).
- 18 Assuming consistent household size (2.9 people, as per 2018 Census), high-level demand forecasting shows a need for approximately ~2,700 homes by 2048 to match anticipated population growth. When compared with the current development pipeline of 1,202 homes there is, in terms of what we have visibility over at this point, a projected undersupply of new properties.

- 19 The Study Area is therefore expected to see population growth which the current development pipeline is unlikely to meet alone. It nonetheless contains the type of social infrastructure which would help meet additional growth, if it was enabled, such as schools and shops. Proximity to the airport, which could act as an enabler for employment growth, also positions the area favourably.

Vacant industrial land

- 20 According to CoreLogic "Land Use" data, there is a total of approximately 70 hectares of vacant industrial land in the Study Area. This assessment does not include industrial land within the Christchurch International Airport Ltd land holding. Excluded, for example, is Dakota Park, Christchurch Airport's 80-hectare freight and logistics precinct, which is desirably located and is understood to have capacity to expand.
- 21 Further afield, the Christchurch industrial footprint continues to expand into Rolleston (which sits outside the Study Area). Alongside the already established IPORT and IZONE business parks, an additional approximately 98 hectares of land was recently rezoned for industrial use by Carters Group in March 2023.
- 22 It is our view therefore that there is a considerable amount of industrial land available, which would be desirable to the market, and that the loss of some land to alternative uses in appropriate locations would be acceptable.

Jonathan Paul Manns

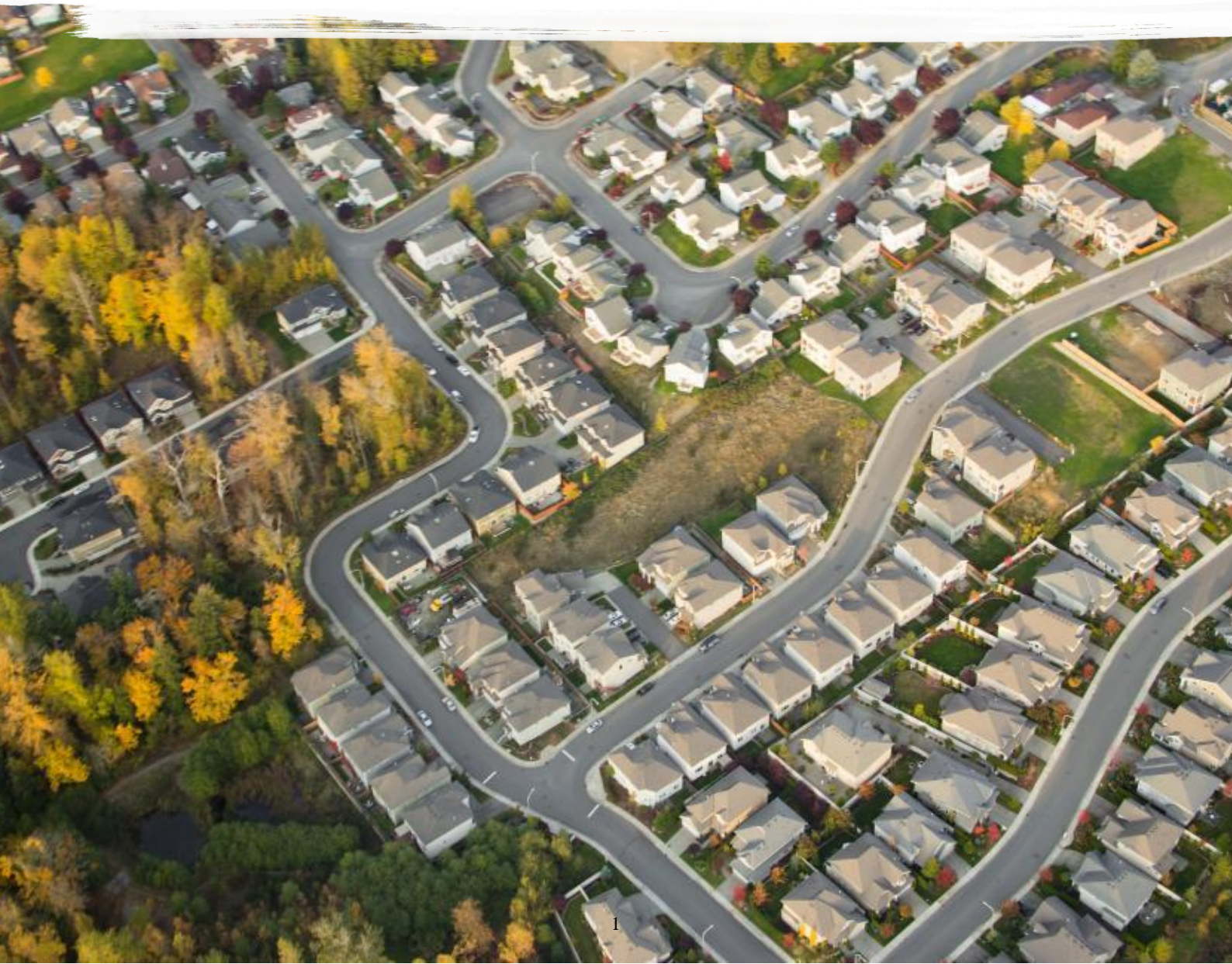
26 September 2023

26 September 2023

Miles Premises Limited

Market Analysis Assessment

Land at Memorial Avenue, Christchurch



Date of Report

Draft Publication Date	21 September 2023
Final Report Publication Date	26 September 2023

Personnel

The following JLL personnel have been involved in the preparation of this report:

Operative Name	Title	Business Line
Jonathan Manns	Senior Director/ Head of	Strategic Advisory
Lisa Chen	Associate Director	Strategic Advisory
Samantha Lee	Research Assistant	Research

Disclosure Statement

We confirm that the Consultants and/or JLL:

- Are independent with respect to Miles Premises Limited and the engagement was performed independently, objectively and without bias towards the client or others; and
- Have no material connection or involvement with the land parcels, or the party commissioning the study.

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1 Introduction

1.1 Overview and Scope

Jones Lang LaSalle (JLL) has been appointed by Miles Premises Limited to prepare a Market Analysis Assessment to provide an indication as to the potential demand for housing in the area surrounding land at Memorial Avenue.

1.2 Key Summary

Result Summary	Comments
Study Area*	This report has regard to a 5km radius from the property at Memorial Avenue. This comprises 18 suburbs of Christchurch.
Household Income (2018)	Study Area: \$75,931 Christchurch City: \$73,900
Current population (2022)	Study Area: 90,440 Christchurch City: 389,300
Population Growth (2022/2048)	Study Area: +7,770 Christchurch City: +58,500
Housing Stock	There are 33,686 residential houses in the study area. These are typically homes of three or more bedrooms with an average size of 160sqm. A substantial portion, approximately 43%, were constructed prior to 1970.
Vacant Land	There is 454 hectares of vacant land. Only 12% of this vacant land, equivalent to 53 hectares, is currently designated for residential use. The majority of these sites are not strategic in their scale and comprise less than 1 hectare.
Housing Performance	The majority of suburbs within the study area (11/18) have higher median house prices when compared to the Christchurch City average.
Housing Development Pipeline	Within the identified suburbs, there are a total of 63 housing development projects with status ranging from under construction to early planning stages. If all these projects are completed, they have a capacity to deliver approximately 1,202 homes.
Demand Forecasting	Demand forecasting shows a need for approximately ~2,700 homes by 2048 to match anticipated population growth. As matters stand, there is therefore an undersupply.
Available Industrial Land	There is approximately 70 hectares of vacant industrial land in the study area, excluding that which forms part of Christchurch Airport.

*Detail of the study area can be found in **Appendix A**.

1.3 Databases

This report has drawn information from databases including Statistics New Zealand (Stats NZ), Corelogic, REINZ (Real Estate Institute of New Zealand), Pacifecon and REIS (Real Estate Intelligence Services) by JLL.

Database information can be found in **Appendix B**.

2 Location Analysis

This section sets out an overview of the study area including local amenities, resident demographics and anticipated population growth.

2.1 Subject Site

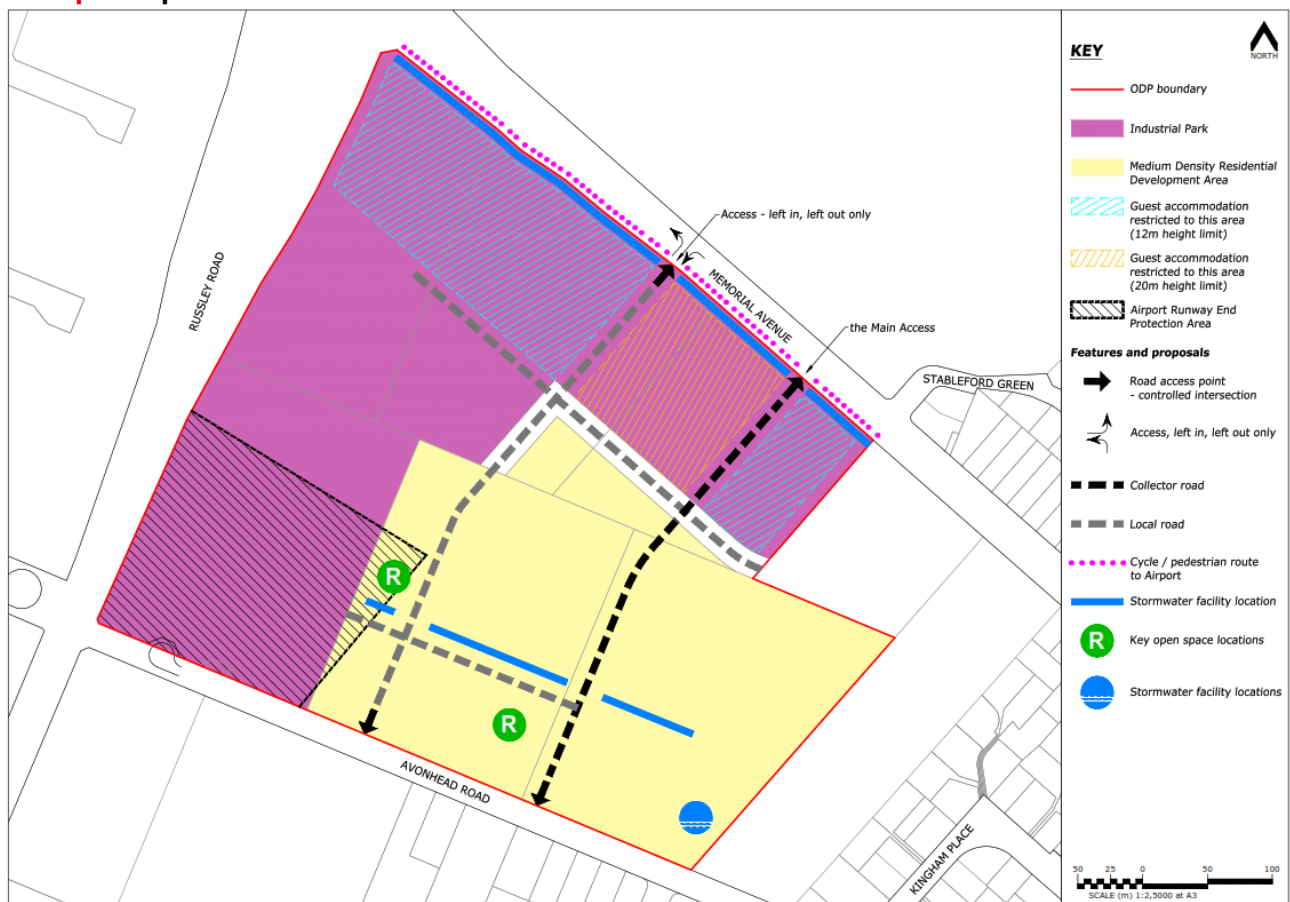
Miles Premises Limited owns approximately 17.68 hectares of industrial zoned land on the corner of Russley Road and Memorial Avenue, approximately 8.5km northwest of Christchurch CBD. Miles Premises Limited seeks to rezone circa 8.42 hectares of this landholding to residential.

Table 1 Landholdings

Address	Description	Land (Hectares)	Current Zoning
520 Avonhead Road	Lot 5 Dp 28780	4.05	Industrial
500 Avonhead Road	Lot 1 Dp 553686	4.37	Industrial
475 Memorial Avenue	Lot 2 Dp 553686	6.29	Industrial
400 Russley Road	Sec 8 So 544350	2.97	Industrial

Source: CoreLogic

Map 1 Proposed Plan

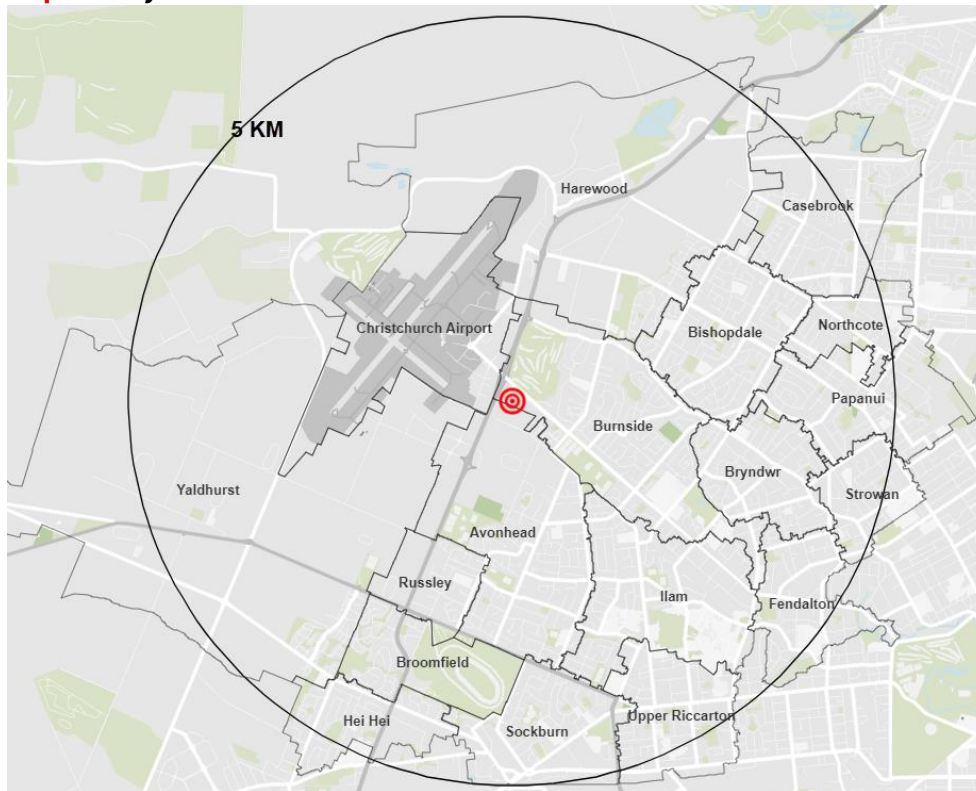


Source: Eliot Sinclair

2.2 Study Area

This market assessment has regard to the market area within a 5km radius of the subject site. This radius takes in 18 suburbs, being: Avonhead, Bishopdale, Bryndwr, Broomfield, Burnside, Casebrook, Christchurch Airport, Fendalton, Harewood, Ilam, Northcote, Papanui, Russley, Sockburn, Strowan, Upper Riccarton, Yaldhurst and Hei Hei.

Map 2 Study area



Source: JLL

Due to irregularity of suburb boundaries, suburbs may extend beyond the 5 KM radius but still be considered within the study area.

2.3 Location Description

The study area provides a good range of amenities for those who wish to live, work and play nearby.

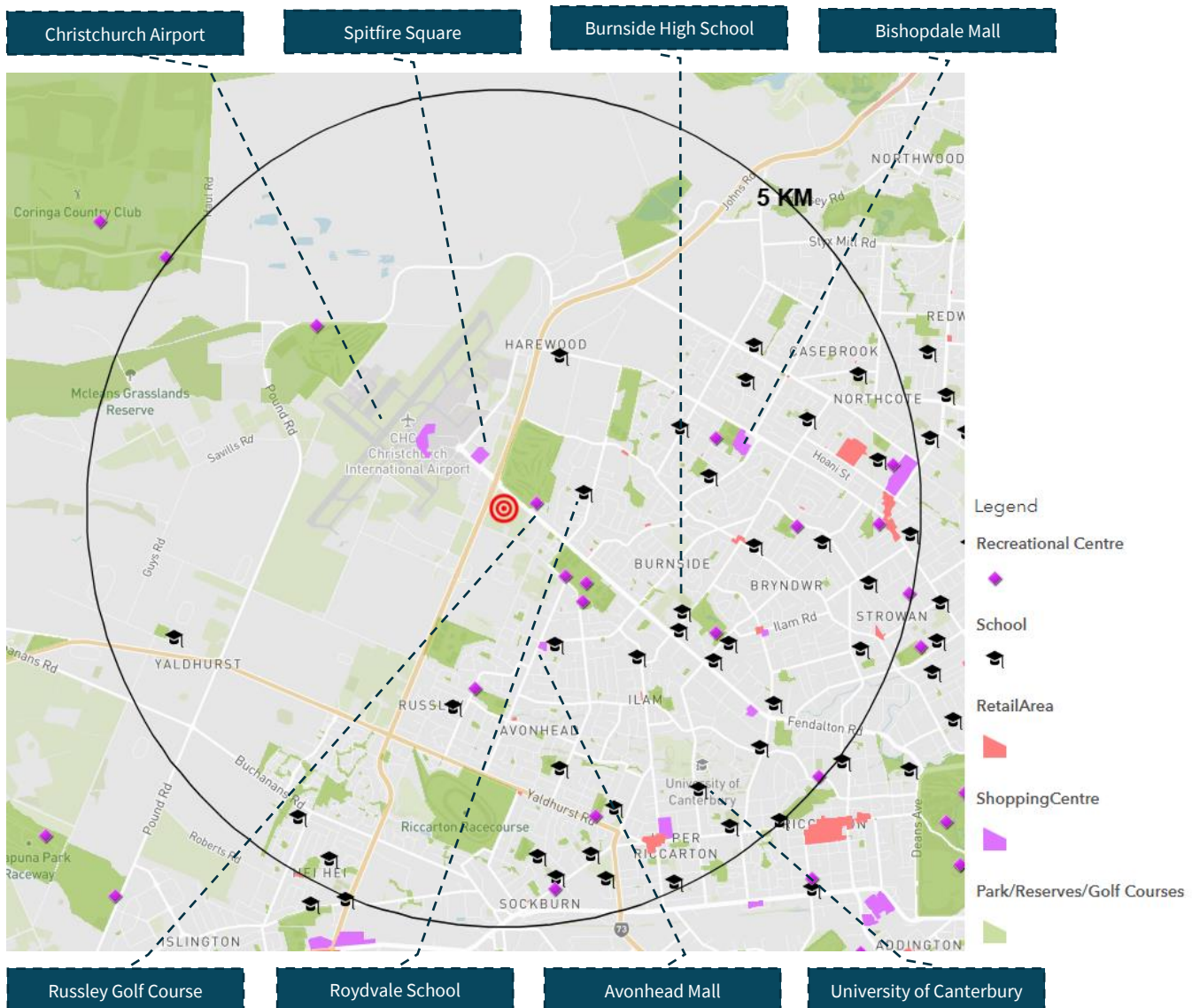
There are a variety of nearby shopping centres like Spitfire Square, Avonhead Mall and Bishopdale Mall. These malls feature a variety of retail stores, supermarkets, cafes, and restaurants.

Proximity to Christchurch Airport supports local employment and makes it particularly attractive to industries aligned with aviation or related sectors. Dakota Park, for example, is only 3.6 km (or 6 minutes' drive) from the site and serves as Christchurch Airport's 80-hectare freight and logistics precinct.

There are a range of schooling options in the area. Burnside High School situated in the heart of Burnside and highly-regarded. Burnside High School is one of the largest in New Zealand and has over 2,500 students. Additionally, the University of Canterbury, also situated within the study area, has an enrollment of over 22,700 students in 2022. The significant number of students enrolled at the university plays a key role in driving the demand for rental accommodation in the area.

A range of parks, green spaces and recreational facilities are also located in the area. These provide opportunities for outdoor activities, sport and relaxation.

Map 3 Location Overview



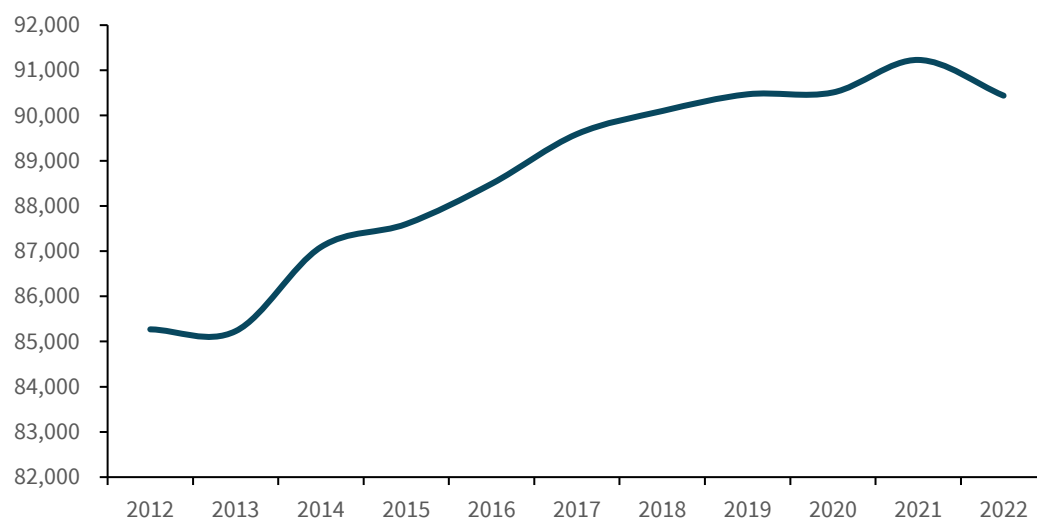
Source: JLL

2.4 Current Population and Resident Profile

The study area has experienced growth in population in the last 10 years. There is a comparatively high proportion of high-earning households, with one-family households being the most common.

As of 2022, the population within the study area is estimated to have been approximately 90,440 people. This follows from a decade's population growth and is illustrated in **Figure 1**. Between 2012-2022 the population increased by some 6% from 85,270 to 90,440 (equivalent to 5,170 people).

Figure 1 Population 2012-2022



Source: JLL; Statistics New Zealand

When looking at the resident profile, set out in **Table 2**, in contrast with the Christchurch Average, the study area shows slightly larger household sizes (2.9 people per household), slightly older medium age profiles (39 years old) and slightly higher household ownership (65%). There are also higher median household incomes (3% higher) and weekly rents (7% higher). This is indicative of the study area being within a more affluent quadrant of the city.

Table 2 Study area resident profile (2018 Census)

	Population & Households 2018			Age	Median Income	Dwellings	
	Population	Households	Averages H/H Size	Medium Yrs	Household	H/H Ownership %	Weekly Rent
Study Area	86,619	30,231	2.9	39	\$75,931	65%	\$375
Christchurch City TA	369,006	138,381	2.7	37	\$73,900	64%	\$350
Canterbury Region	599,694	225,408	2.7	39	\$75,100	68%	\$330
New Zealand	4,699,755	1,653,792	2.8	37	\$75,700	65%	\$340

Source: JLL; Statistics New Zealand TA= Territorial authorities

The employment status of residents and household income distribution of the study area is shown in **Figure 2** and **Figure 3** respectively. These illustrate the number of higher earners living in the area as well as the high employment levels.

Figure 2 Employment status

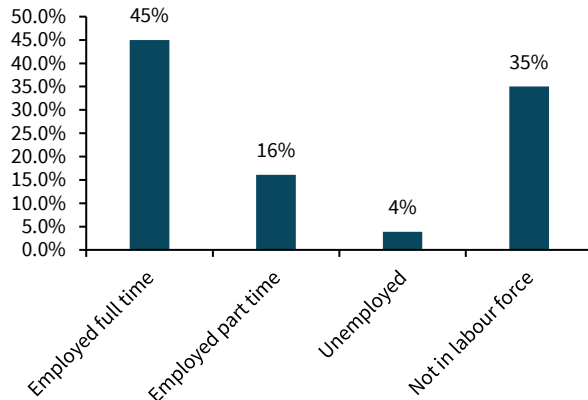
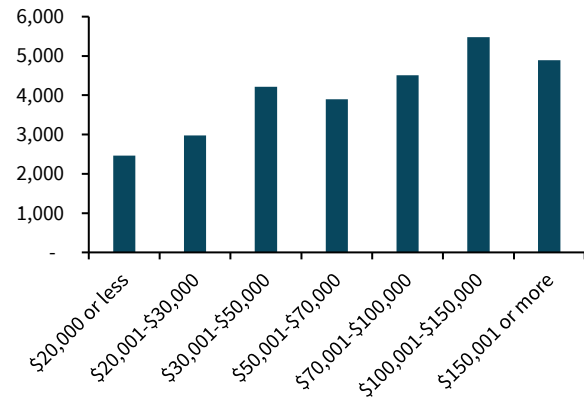


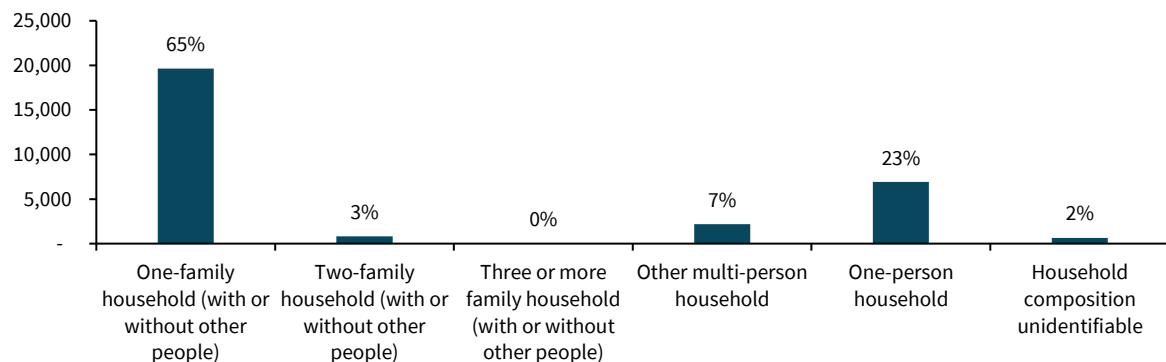
Figure 3 Household income distribution



Source: JLL; Statistics New Zealand

When looking at the household composition in **Figure 4**, one-family households are the most common and account for 65% of the total, followed by one-person households which account for 23%.

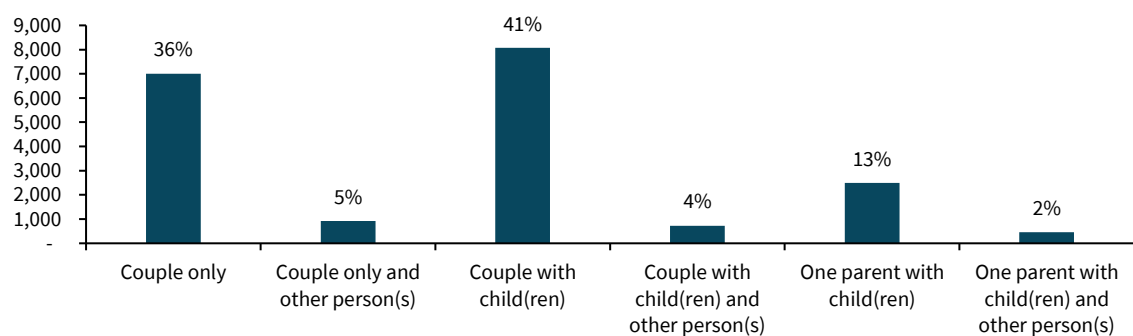
Figure 4 Household Composition



Source: JLL; Statistics New Zealand

When looking at one-family households, couples with child(ren) represent 41% while couple-only households account for 36%. This is illustrated in **Figure 5**.

Figure 5 One-family household breakdown



Source: JLL; Statistics New Zealand

2.5 Population 2022 and Forecasts 2022/2048

Projecting forward, the study area anticipates further population growth. Statistics New Zealand projects, based on medium growth scenario conditions, that the study area will experience a 9% population increase by 2048. This represents an additional 7,770 people in the period 2022-2048 as show in **Table 3**. In reality, this could be greater in the event that the area becomes more desirable as a residential location and new housing supply is maintained to meet any additional demand.

Table 3 Population forecast

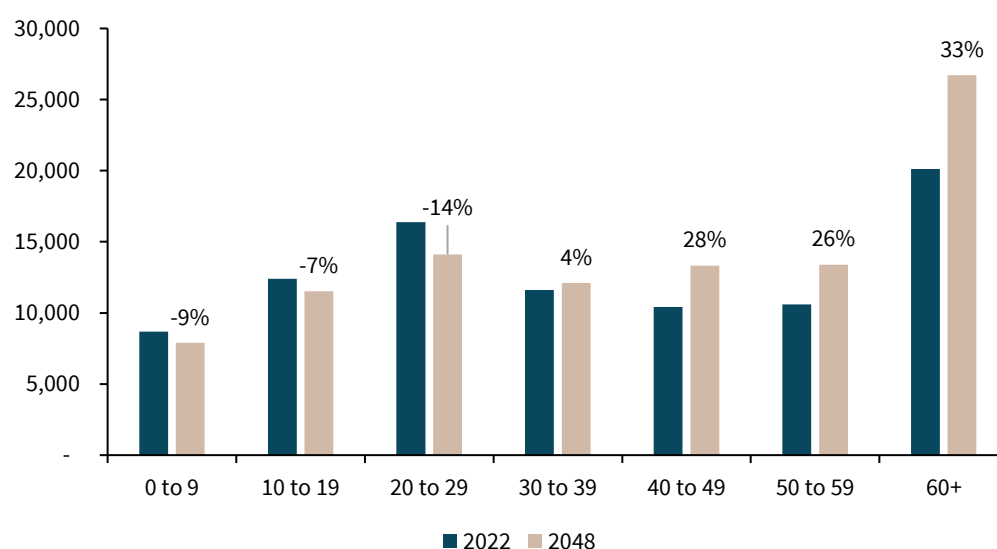
	Total Population									
	Est June								2022/2048 Change	
	2022	2023	2028	2033	2038	2043	2048	Count	%	
Study Area	90,440	90,290	93,200	94,770	96,110	97,260	98,210	7,770	9%	
Christchurch City TA	389,300	390,200	400,800	414,200	426,400	437,600	447,800	58,500	15%	
Canterbury Region	655,000	661,000	688,500	715,500	739,800	762,200	782,700	127,700	19%	
New Zealand	5,124,100	5,149,500	5,354,100	5,564,400	5,752,800	5,924,000	6,077,100	953,000	19%	

Source: JLL; Statistics New Zealand

TA= Territorial authorities

In terms of age group breakdown, **Figure 6** indicates the scale of growth which is expected. The most substantial growth is anticipated in age groups of 30+. The 60+ age group, in particular, is expected to experience the highest growth. This growth is in line with the ageing population in New Zealand overall. By 2048 it is anticipated that 40% of the study area's population would be 50 years or older.

Figure 6 Population forecast by age group



Source: JLL; Statistics New Zealand

3 Existing Housing Stock

This section provides an overview of the existing housing stock within the study area.

3.1 Bedroom breakdown

Table 4 shows that 3-bed typologies are the most common house types in the study area, accounting for 50% of the existing residential stock. Overall, 80% of housing offers three or more bedrooms, illustrating the predominance of family homes.

Table 4 Residential stock bedroom number distribution

No. bedrooms	Count	%
1	224	1%
2	6,274	19%
3	16,742	50%
4	8,232	24%
5+	1,933	6%
N/A*	281	1%
	33,686	100%

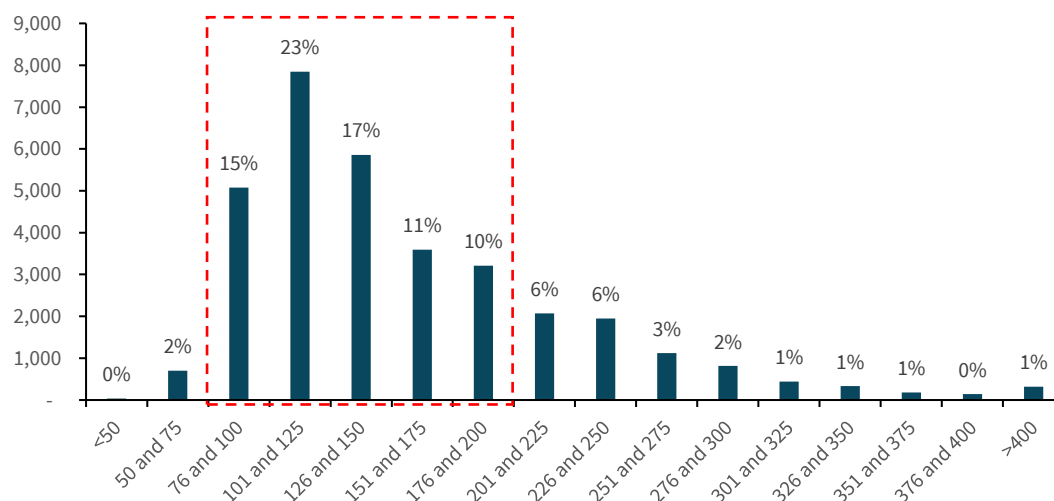
Source: JLL; CoreLogic *Information not available

There is also estimated 288 lifestyle properties in the study area but have been excluded for this study.

3.2 Size breakdown

The existing housing stock provides a relatively diverse range of sizes, as evidenced by **Figure 7**. On average, homes in the study area measure around 160 sqm, with approximately 76% of the stock offering accommodation between 76 sqm and 200 sqm.

Figure 7 Residential stock size (sqm) distribution

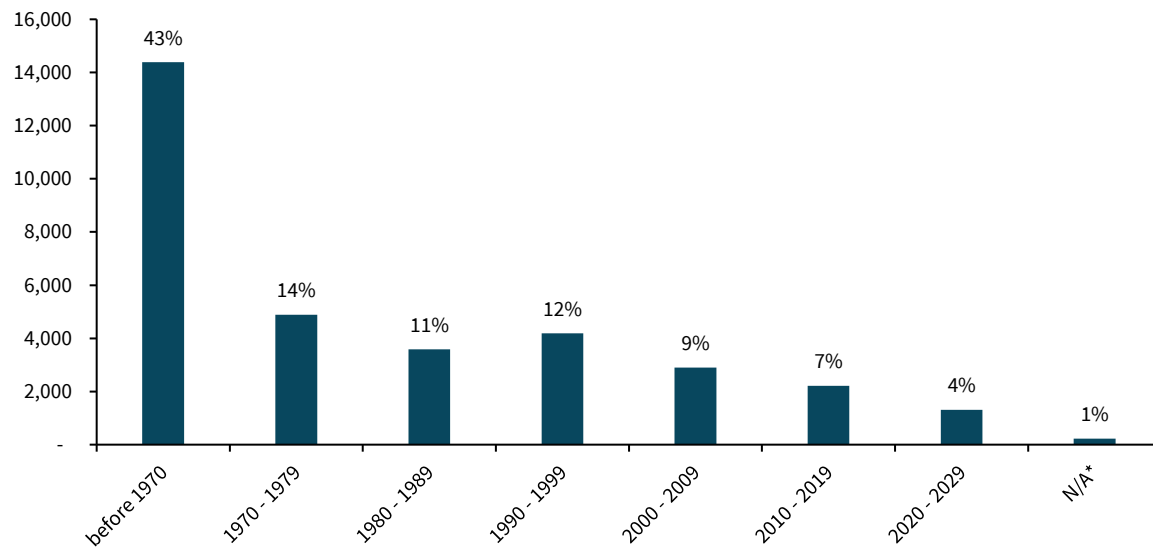


Source: JLL; CoreLogic

3.3 Age Analysis

Figure 8 shows that a significant portion of homes in the area, around 43%, were built prior to 1970. This indicates limited change over the past 50 years. Only 19% were built since 2000.

Figure 8 Building age of residential stock



Source: JLL; CoreLogic

Table 5 Building age of residential stock

Building age	Count	%
before 1970	14,389	43%
1970 - 1979	4,881	14%
1980 - 1989	3,590	11%
1990 - 1999	4,190	12%
2000 - 2009	2,894	9%
2010 - 2019	2,210	7%
2020 - 2029	1,309	4%
N/A*	223	1%
	33,686	100%

Source: JLL; CoreLogic *Information not available

4 Vacant Land

This section provides an assessment of the amount of available vacant land within the study area.

4.1 Availability of vacant land and zoning

The growth of Christchurch is informed by the geography of the city. It has swamp lands towards coastline, the airport to the west, the Waimakariri river to the north and hills to the south. As a result, much residential growth and intensification must take the form of infill and fringe development. The availability of land is further restricted by urban rural fringe zonings, which impose a minimum land size limit of 4 hectares.

According to CoreLogic “Land Use” data, there are in total 454 hectares of vacant land in the study area. However, a significant portion of this land, equivalent to 46% or 211 hectares, falls within a rural zoning. In contrast, only 12% or 53 hectares is designated for residential use. **Table 6** illustrates the breakdown of zoning for vacant land in the study area.

Table 6 Zoning breakdown

Zoning	Hectares	%
Rural	210.7	46%
Industrial	70.5	16%
Land in more than one zone or designation	64.5	14%
Residential	52.7	12%
Other specific zone - defined by territorial	37.3	8%
Commercial	10.9	2%
Recreational	5.7	1%
Community uses	1.3	0%
	453.5	100%

Source: JLL; CoreLogic

Based purely on information available on Corelogic, further research should be conducted to explore the zoning regulations outlined in the Christchurch District Plan.

When considering the size of available residential vacant land, it is important to note that the majority (70%) of the land parcels are less than 1 hectare in size. This indicates that there is a limited amount of residential vacant land that can accommodate the kind of master planning which enables genuine place-making.

Table 7 Residential Vacant Land

Size	Hectares	%
Less than 1 hectare	36.6	70%
More or equal to 1 hectare	16.1	30%
	52.7	100%

Source: JLL; CoreLogic

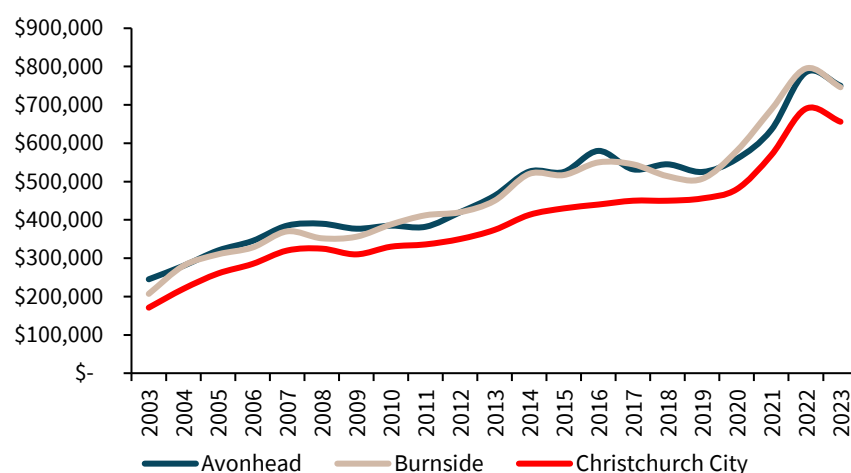
5 Housing Performance

This section provides an overview of housing performance within the study area.

5.1 Median Sale Price 2003- 2023

According to REINZ data published in August 2023, median house value in Avonhead and Burnside was \$750,000 and \$746,000 respectively, compared to \$656,000 for Christchurch City District. **Figure 9** below illustrates median house price trends for Avonhead, Burnside and Christchurch City District between 2003-2023.

Figure 9 Annual Median Sale Prices 2003 - 2023



Source: REINZ

5.2 Suburb breakdown

11 suburbs (out of total of 17 suburbs) showed higher median price when compared to the Christchurch City average. Avonhead and Burnside respective are in the top 5 and 7 respectively.

Table 8 Suburb breakdown – Annual August 2023

Suburb	Median Sale Price	Median Days to Sell
Fendalton	\$1,620,000	37
Strowan	\$1,290,000	32
Ilam	\$845,000	35
Harewood	\$795,000	29
Avonhead	\$750,000	35
Yaldhurst	\$750,000	25
Burnside	\$746,000	34
Broomfield	\$710,000	37
Bryndwr	\$710,000	34
Casebrook	\$698,000	34
Papanui	\$680,000	37
Russley	\$652,000	28
Bishopdale	\$650,000	29
Upper Riccarton	\$630,000	40
Northcote	\$580,000	29
Sockburn	\$560,000	33
Hei Hei	\$555,000	23
Christchurch City District	\$656,000	34

Source: REINZ There are no sales in Christchurch Airport suburb

6 Housing Development Pipeline & Demand Forecasting

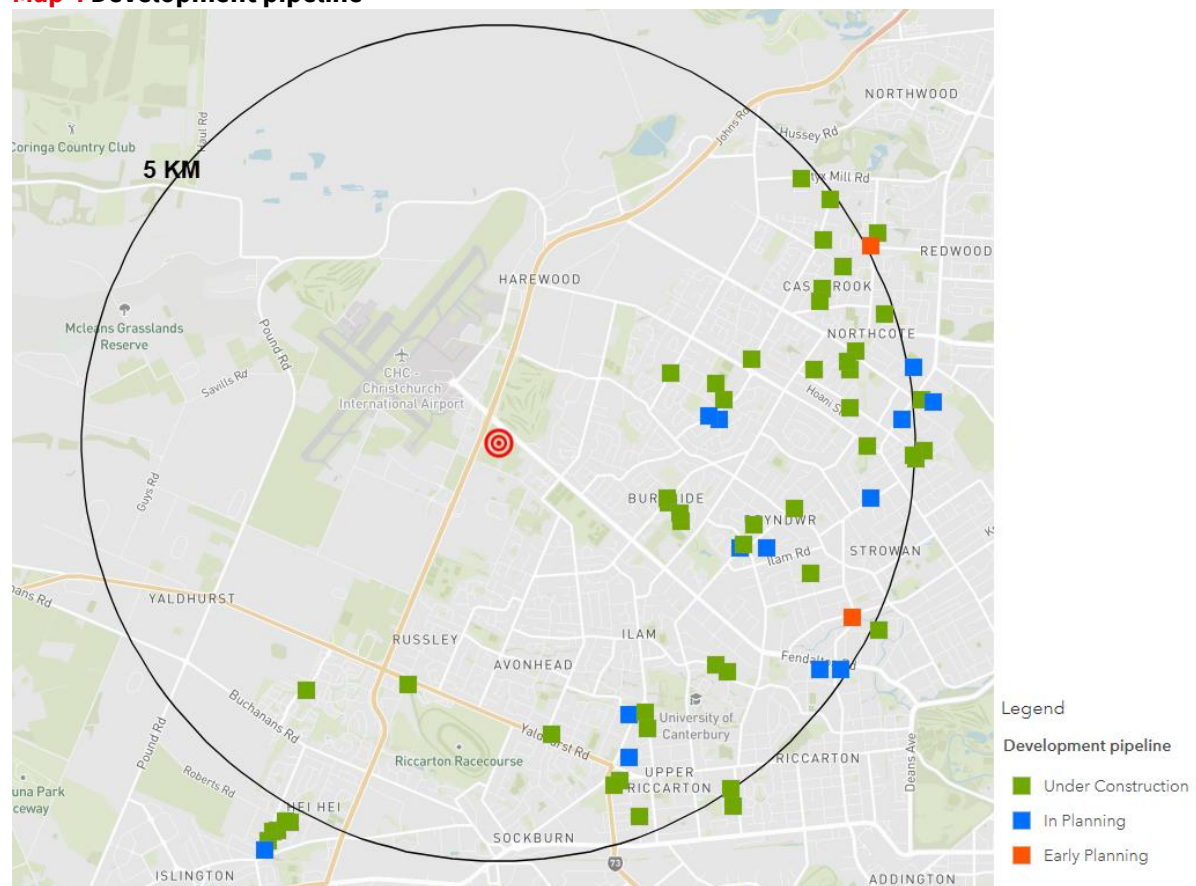
This section aims to provide an overview of housing supply in the pipeline, as well as a high-level demand forecast.

6.1 Development Pipeline

A total of 63 projects are in the pipeline within the identified suburbs with the capacity to deliver approximately 1,202 homes. The majority of these are expected to be standalone or terraced houses. The majority of projects in the pipeline are on brownfield sites (51/63).

Map 4 illustrates anticipated developments by status, ranging from “Early Planning” to “Under Construction”.

Map 4 Development pipeline



Source: JLL; Pacifecon

Detailed development information can be found in **Appendix C**.

Table 9 sets out the breakdown of sites in the development pipeline by suburb.

Table 9 Development Pipeline Breakdown

Suburb	Under Construction	In Planning	Early Planning	Total Homes	Total Houses	Total Apartments	Total Homes
Casebrook	190	83	-	273	273	-	273
Sockburn	107	-	110	217	217	-	217
Broomfield	217	-	-	217	59	158	217
Upper	165	3	-	168	110	58	168
Papanui	54	17	-	71	71	-	71
Northcote	40	6	-	46	46	-	46
Bryndwr	27	15	-	42	42	-	42
Bishopdale	27	9	-	36	36	-	36
Burnside	31	-	-	31	31	-	31
Fendalton	4	20	7	31	15	16	31
Hei Hei	25	6	-	31	31	-	31
Ilam	25	-	-	25	25	-	25
Yaldhurst	5	-	-	5	5	-	5
Strowan	-	5	-	5	5	-	5
Avonhead	4	-	-	4	4	-	4
	921	164	117	1,202	970	232	1,202

Source: JLL; Pacifecon

Suburbs Christchurch Airport, Harewood and Russley did not record any residential development

Detailed development information can be found in **Appendix C**.

6.2 Demand Forecasting

Based on estimated population growth (see **Table 3**) and assuming household sizes remain similar (see **Table 2**) it is possible to derive an indicative and high-level demand/supply analysis as follows:

Table 10 Demand forecasting

	2022/2048 Population growth	Household size	Housing required
Study Area	7,770	2.9	2,712
Christchurch City District	58,500	2.7	21,938

Source: JLL; Statistics New Zealand

Housing required is calculated as population growth divided by household size.

Whilst the above forecast is not the result of detailed modelling to reflect specifics of the adopted or emerging Plan, it does indicate in broad terms the scale of potential need and demand for new homes.

Most notably, given the shortfall between the illustrative target and current pipeline of ~1,200 homes we might assume there to be an undersupply against forecasted population growth.

7 Industrial Land

This section looks to provide high level commentary on industrial land in Christchurch.

7.1 Availability of industrial land in the area.

According to Corelogic “Land Use” data, there are in total ~70 hectares of vacant industrial land in the study area (including the subject site).

Table 11 Breakdown of vacant industrial land

Suburb	Hectares	%
Avonhead	12.3	17%
Burnside	24.8	35%
Harewood	30.3	43%
Northcote	0.1	0%
Sockburn	2.1	3%
Hei Hei	1.0	1%
	70.5	100%

Source: JLL; CoreLogic

Based purely on information available on Corelogic, further research should be conducted to explore the zoning regulations outlined in the Christchurch District Plan.

When considering any development, it is crucial to assess the suitability of the land. Several factors come into play, such as zoning requirements (e.g., light industrial or heavy industrial), accessibility, size, and land configuration are important for industrial developments. Taking these factors into consideration, it is reasonable to assume that not all these ~70 hectares land would be both available and suitable for industrial development. Additionally, such land parcels are typically tightly controlled by landowners.

In addition to the assessment above it is noted that Christchurch International Airport Limited holds a substantial amount of land that is not captured as “vacant industrial land”. Dakota Park is an 80-hectare freight and logistics precinct that still have capacity to deliver some industrial in the study area. However, it is crucial to note that the developments within Dakota Park are on leasehold land and the Airport maintains strong control over the type of users within this area. In some respects, therefore, this sits outside of the open market.

Map 5 Dakota Park



Source: [Christchurch Airport](#)

In terms of future prospects, the Christchurch industrial footprint continues to expand into Rolleston. Alongside the already established IPORT and IZONE business parks, an additional ~98 hectares of land was recently rezoned for industrial use by Carters Group in March 2023. Currently, there are only a limited number of speculative industrial builders in the market, with Ngai Tahu and Calder Stewart holding considerable control over the available land. The majority of the market is therefore design-build and directly responsive to immediate demand.

Map 6 Rolleston industrial



Source: JLL

*indicative only

7.2 General commentary on industrial demand/supply in Christchurch

The demand for industrial space in Christchurch remains strong, but there are limited leasing options available, especially for high-quality properties. As at 2Q23, JLL REIS report revealed a 1.9% vacancy rate within the Christchurch industrial market. The low vacancy rate and high demand have led to rental increases, with prime rentals currently sitting at \$149 per sqm (with an annual increase of 11.7%) and secondary rentals at \$115 per sqm (with an annual increase of 13.9%).

Supply remains active, albeit having slowed from the peak levels witnessed between 2013 and 2016 due to slowing of post-earthquake rebuilding and strengthening activities. JLL's development pipeline currently tracks 180,000 sqm of industrial space to be delivered for Christchurch by 2025 with further 66,000 sqm in Early Planning or Planning stages. Many projects in the pipeline are purpose-built projects for specific tenants, as developers continue to be selective about which tenants can pre-commit to space.

The value of industrial land in Christchurch has also appreciated over the years, reflecting ongoing demand but also tightening of land supply. Our in-house valuers estimate the value of industrial land in Christchurch to range from \$250 sqm to \$450 sqm.

8 Conclusions

This Market Analysis Assessment has appraised the area within 5km of land at Memorial Avenue. It suggests an established and mature market, dominated by homes which are relatively large and old. The population is affluent and growing. There are good local amenities and proximity to the airport makes the suburbs well positioned to support local employment growth. The land could therefore be well-placed to deliver a dense, residential scheme, benefitting from a strategic approach to placemaking. When coupled with the undersupply of new homes in the area there is a clear case, in local market terms, for the zoning and release of land in this location.

9 Appendices

Appendix A - Study Area

Appendix B - Database information

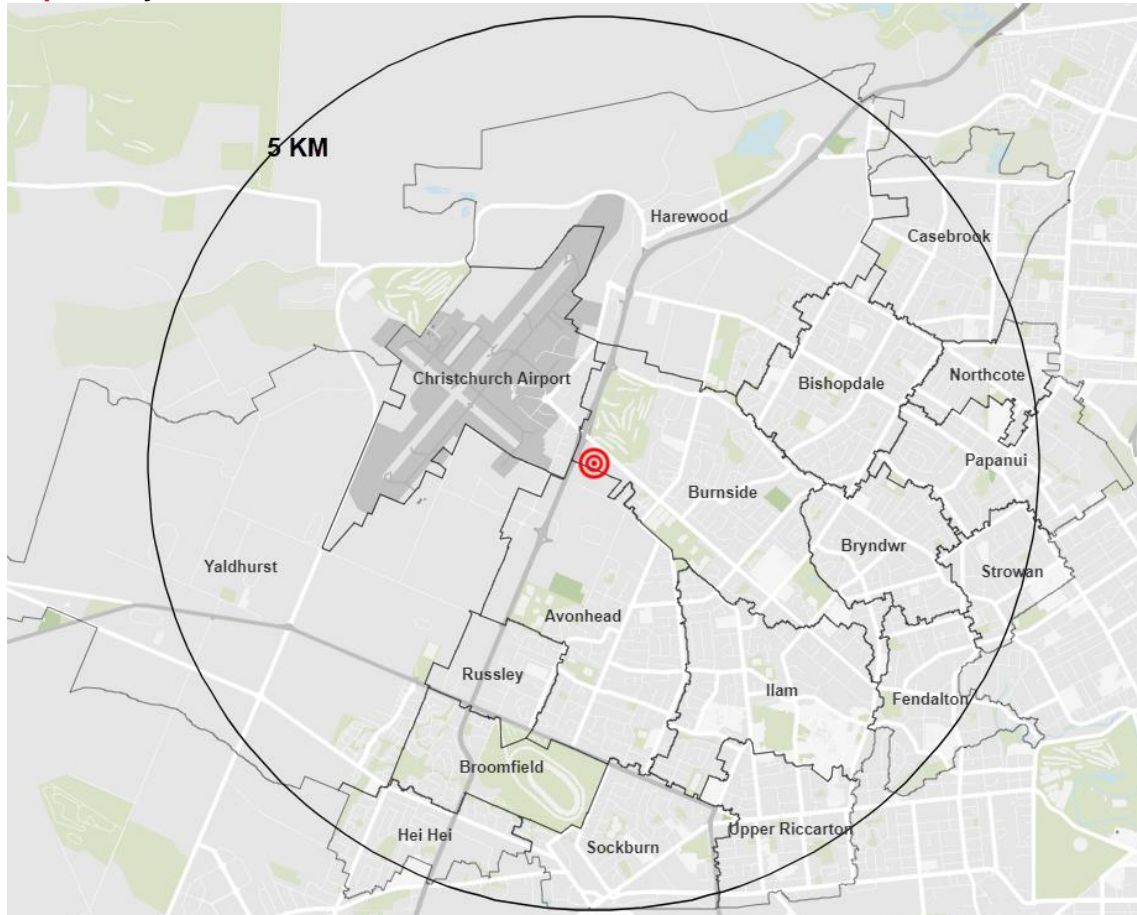
Appendix C - Detail Development Pipeline

Appendix A - Study Area

Study Area

This market assessment has regard to the market area within a 5km radius of the subject site. This radius takes in 18 suburbs, being: Avonhead, Bishopdale, Bryndwr, Broomfield, Burnside, Casebrook, Christchurch Airport, Fendalton, Harewood, Ilam, Northcote, Papanui, Russley, Sockburn, Strowan, Upper Riccarton, Yaldhurst and Hei Hei.

Map 1 Study area – suburbs

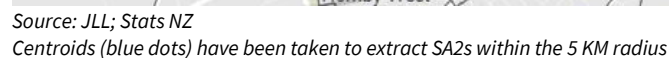


Source: JLL

Due to irregularity of suburb boundaries, suburbs may extend beyond the 5 KM radius but still be considered within the study area.

Corelogic, REINZ and Pacifecon information were drawn for the above suburbs.

Map 2 Study area -Stats NZ statistical area 2 (SA2)



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Appendix B- Database information

Databases

This report has drawn information from the following databases.

Statistics New Zealand (Stats NZ) is New Zealand's official data agency. It collects information from people and organisations through censuses and surveys. Data retrieved from Stats NZ for this report are:

- **Population estimates:** The estimated resident populations for subnational areas at 30 June are produced annually. The subnational population estimates at 30 June 2021 and 2022 are both provisional. Final 2021 and revised 2022 (provisional) estimates will be published with the 30 June 2022 (provisional) estimates in October 2023.
- **2018 Census dataset:** The New Zealand Census of Population and Dwellings is the official count of the people and dwellings in New Zealand. Held every five years, census data helps us understand how, as a country, we are changing over time. New Zealand's 2018 Census of Population and Dwellings was held on 6 March 2018. The 2023 census closed on 30 June 2023 with the first official release of census data expected for May 2024.
- **Population forecast:** Demographic projections provide an indication of future trends in the size and composition of the population, labour force, families and households. The latest subnational project data was released on December 2022 which cover the period 2018(base) – 2048 at five year intervals. The projections are typically updated every two to three years. The projections are designed to meet both short-term and long-term planning needs, but are not designed to be exact forecasts or to project specific annual variation. These projections are based on assumptions made about future fertility, mortality, and migration patterns of the population. While the assumptions are formulated from an assessment of short-term and long-term demographic trends, there is no certainty that any of the assumptions will be realised.

Corelogic is an independent organisation that provides property data and analytics in New Zealand and Australia. The Property Guru platform provides coverage for over 2.2 million properties, with over 300,000 listings and 96,000 sales transactions annually. Additionally, the platform adds over 1 million new data points each month. The housing stock and vacant land data used for this report were sourced from CoreLogic's Property Guru platform as of 17 September 2023.

REINZ (Real Estate Institute of New Zealand) is a membership organisation representing more than 15,000 real estate professionals nationwide. By combining sales statistics from its members and other sources, REINZ provide timely property data via their data products. The housing performance data used for this report was generated from REINZ's Market Insight Report via the REINZ Statistics Portal as of 19 September 2023.

Pacifecon is a New Zealand business that offers information on planned building and construction project information across New Zealand and the Pacific islands. For over 30 years Pacifecon has provided researched information on upcoming residential, commercial, industrial and infrastructure projects. Pacifecon have over 30 researchers spread throughout New Zealand. Using their local knowledge in each of the regions and sectors we deliver thorough, timely and accurate information on construction projects from the earliest planning stages to start of work across all construction sectors across all sectors. The development pipeline data used for this report were sourced from Pacifecon as of 18 September 2023. Project status definition as follows:

- **Early Planning** – this stage is prior to resource consent being granted. The project may be pre-consultant or still with the consultant and there may be an opportunity to have input into the specifications. This stage will also list projects that are long term, i.e. more than a year away, such as Transit and Council jobs.

- In Planning – where Resource Consent had been granted, Design, planning and marketing are underway. May also be early notification of a tender, coming up in a month or two. Projects will still be listed as In Planning for Building projects where a builder has been appointed but the construction start date is still over six weeks away
- Under Construction/Commencing – this indicates the Main Contract has been awarded and details of the successful contractor will be given. Generally once listed as Commencing, work will start within 1-6 weeks however civil projects and housing projects sometimes take longer for work to get underway.

REIS (Real Estate Intelligence Services) is JLL's subscription-based research offering designed to provide actionable insights and analysis across Asia Pacific. For New Zealand, the coverage include office, industrial and retail sectors for Auckland, Wellington and Christchurch. Updated quarterly with latest release being June 2023 (2Q23).

Appendix C- Detail Development Pipeline

Housing Development Pipeline

Project Name	Status	Cost m	Address	Suburb	Descrption summarised	Total units	Total houses	Total apartments	Developer
6A Avonhead Road Houses	Under Construction	\$0.8	6A Avonhead Road	Avonhead	Spec: Brownfield. 386 SM. 4 new attached houses each with attached garage	4	4		RAZL Projects Ltd
Kainga Ora - Breens Road Houses	Under Construction	\$4.9	Breens Road	Bishopdale	Spec: Brownfield. Demolition of existing houses. 12 new houses across 3 sites. Completion anticipated 2nd half 2023.	12	12		Not disclosed
17 Highsted Road Townhouses	Under Construction	\$1.4	17 Highsted Road	Bishopdale	Spec: Brownfield 509 SM. New build. 7 townhouses	7	7		Figure & Ground Ltd (was Connell Architecture Ltd)
61 Farrington Avenue Townhouses	In Planning	\$1.0	61 Farrington Avenue	Bishopdale	Spec: Brownfield. 480 SM. New build. Townhouses 5 x 2 storey units	5	5		Newtech Homes Ltd
44 Newmark Street Townhouses	Under Construction	\$0.8	44 Newmark Street	Bishopdale	Spec: Brownfield. 371 SM. New build. 4 x 2 storey townhouses	4	4		Design Workshop Architecture (DWA) (Design Workshop Ltd)
30 Raleigh Street Housing Units	Under Construction	\$1.2	30 Raleigh Street	Bishopdale	Spec: 364 SM. New build. Four attached units in two blocks.	4	4		AC Jewell Design Ltd
3 Maple Street Townhouses	In Planning	\$0.8	3 Maple Street	Bishopdale	Spec: Brownfield. 356 SM. New build. Four attached 2 storey 2 bedroom plus study townhouses with attached garages.	4	4		Design Workshop Architecture (DWA) (Design Workshop Ltd)
Ryman Kevin Hickman Retirement Village - Overall	Under Construction	\$162.0	25 Steadman Road	Broomfield	Spec: Greenfield. New build. Includes 120 care beds 66 assisted living suites 5 apartment buildings containing a total of 158 apartments & 59 townhouses. In final stages. Target village completion: 2025	217	59	158	Warren & Mahoney Ltd [CHC]
Kainga Ora - 71-77 Aorangi Road Houses	Under Construction	\$3.7	71,73,75 & 77 Aorangi Road	Bryndwr	Spec: Brownfield. New build. 9 new standalone houses. 3 x 2 bedroom 3 x 3 bedroom houses & 3 x 4 bedroom houses. Completion anticipated late 2023.	9	9		Peddlethorp (Peddle Thorp Aitken Ltd) [CHC]
Kainga Ora - 1/321 Clyde Street Houses	In Planning	\$3.3	1/321 Clyde Road	Bryndwr	Spec: Brownfield. New build. Demolition of existing house. 8 new houses	8	8		Context Architects Ltd [CHC]
Kainga Ora - 321-323 Clyde Road, 166 Aorangi Road & 9 Nyton Place Houses	Under Construction	\$3.3	321-323 Clyde Road, 166 Aorangi Road & 9 Nyton Place	Bryndwr	Spec: Brownfield. Demolition of existing houses. 3019 SM Site. 8 standalone & duplex houses. Work completion mid 2024.	8	8		Not disclosed
Kainga Ora - Hollyford Avenue Houses	Under Construction	\$5.7	Hollyford Avenue	Bryndwr	Spec: Brownfield. New build. 7 new stand alone houses. Completion estimated 1st half 2024.	7	7		Not disclosed
Kainga Ora - Bateman Avenue Houses	In Planning	\$2.9	Bateman Avenue	Bryndwr	Spec: Brownfield. Demolition of existing houses. 7 new duplex & terraced houses. Completion anticipated 1st half 2024.	7	7		N/A
58 Garreg Road Housing Units	Under Construction	\$0.8	58 Garreg Road	Bryndwr	Spec: Brownfield. New build. 3 social housing units	3	3		Miles Construction Ltd [CHC]
Kainga Ora - 148-156 Grahams Road Houses	Under Construction	\$6.2	148-156 Grahams Road	Burnside	Spec: Brownfield. New build. Demolition of existing houses required before construction of 15 new houses as part of a community housing development.	15	15		Consortium Construction Ltd
Kainga Ora - Flay Crescent Houses	Under Construction	\$2.6	Flay Crescent	Burnside	Spec: Brownfield. New build. 6 new duplex terraced & stand alone houses. Completion estimated 1st half 2024.	6	6		Not disclosed
Kainga Ora - 183-185 Grahams Road Houses	Under Construction	\$3.1	183-185 Grahams Road	Burnside	Spec: Brownfield. New build. 5 new duplex & stand alone houses. Completion anticipated 3rd qtr 2024.	5	5		Not disclosed
Kainga Ora - 22 & 24 Guildford Street Houses	Under Construction	\$2.1	22 & 24 Guildford Street	Burnside	Spec: Brownfield. New build. 5 new duplex & stand alone houses.	5	5		Gravitas Consulting Ltd

Housing Development Pipeline

Project Name	Status	Cost m	Address	Suburb	Descrption summarised	Total units	Total houses	Total apartments	Developer
Claridges Estate Subdivision - Overall	In Planning	\$37.4	232 Highsted Road	Casebrook	Spec: Greenfield. 83 lots & new houses. New build. Existing buildings on site will be removed.	83	83		Catholic Diocese of Christchurch
Styx Mill Park Subdivision - Houses	Under Construction	\$23.7	251 Styx Mill Road	Casebrook	New build. 79 new houses. Titles issued	79	79		Mike Greer Homes Ltd [CHC] (Head Office)
Millstead Oaks Subdivision - Houses	Under Construction	\$16.2	302 & 306 Highsted Road	Casebrook	Spec: New build. 54 new houses	54	54		Golden Homes [Canterbury] (NDM Construction Ltd)
Summerset on Cavendish - Overall	Under Construction	\$82.4	129-137 Cavendish Road	Casebrook	Spec: New build. The village will consist of approx 184 residential units (81 new townhouses & 103 villas - single and 2 storey) a 3 storey main building and a care facility with 102 care rooms care apartments and amenities. 42 remain in construction.	42	42		Summerset Architecture
28 Larch Place Houses	Under Construction	\$1.6	28 Larch Place	Casebrook	Spec: Brownfield. 888 SM. Eight new elderly person housing units each with attached garage. Five attached & three detached houses	8	8		Organised by Owner
1/8 Larch Place Houses	Under Construction	\$0.9	1/8 Larch Place	Casebrook	Spec: Brownfield. 345 SM. 4 new elderly person units	4	4		LMS Drafting & Design
Kainga Ora - 25 Claridges Road Houses	Under Construction	\$1.6	25 Claridges Road	Casebrook	Spec: Brownfield. Green Construction - targeting a Homestar rating. New build. 2 x 1 bedroom stand alone houses & 1 x 2 bedroom stand alone house. Completion estimated for 1st half 2023.	3	3		Consortium Construction Ltd
Holly Lea Retirement Village - Overall	In Planning	\$21.0	123 Fendalton Road	Fendalton	Spec: New build. All other blocks delivered. Block of 8 apartments (Building D). Further block of 8 apartments.	16		16	Focus Project Services Ltd
104 Glandovey Road Houses - Greystones	Early Planning	\$7.0	104 Glandovey Road	Fendalton	Spec: Brownfield. New build. 7 standalone Georgian style houses	7	7		Ben Pentreath Ltd
20 & 22 Wroxton Terrace Townhouses	Under Construction	\$4.0	20A, 20B, 22A, 22B Wroxton Terrace	Fendalton	Spec: Brownfield. 1380 SM. New build. 4 townhouses with attached garages	4	4		SWB Design Ltd
144 Straven Road Townhouses	In Planning	\$1.4	144 Straven Road	Fendalton	Building Consent lodged Apr 2023 & currently on hold. Spec: Brownfield. New build. 4 townhouses	4	4		Mike Greer Homes Ltd [CHC] (Head Office)
Kainga Ora - 24 Gilberthorpes Road Houses	Under Construction	\$3.1	24 Gilberthorpes Road	Hei Hei	Spec: Brownfield. Green Construction - targeting a Homestar rating. New build. 6 x 2 storey new duplex & stand-alone houses	6	6		Hierarchy Group Ltd
Kainga Ora - 10 Gilberthorpes Road Houses	In Planning	\$2.5	10 Gilberthorpes Road	Hei Hei	Spec: Brownfield. New build. construction of 6 houses	6	6		Foley Group Architecture Ltd
17 Amuri Street Townhouses	Under Construction	\$1.4	17 Amuri Street	Hei Hei	Spec: Brownfield. 609 SM. New build. 5 attached 2 storey townhouses. Demolition/removal of house on site	5	5		Faye Homes NZ Ltd
Kainga Ora - 36 Gilberthorpes Road Houses	Under Construction	\$2.6	36 Gilberthorpes Road	Hei Hei	Spec: Brownfield. Green Construction - targeting a Homestar rating. New build. 5 new stand-alone houses.	5	5		Planz Consultants Ltd [CHC]
32 Amuri Street Houses	Under Construction	\$1.5	32 Amuri Street	Hei Hei	Spec: Brownfield. New build. 5 attached houses	5	5		Viso NZ Ltd
38 Amuri Street Housing Units	Under Construction	\$1.4	38 Amuri Street	Hei Hei	Spec: 521 SM. New build. 4 attached units	4	4		Gravity Architecture Ltd (was Gravity Design Ltd)

Housing Development Pipeline

Project Name	Status	Cost m	Address	Suburb	Descrption summarised	Total units	Total houses	Total apartments	Developer
62 Creyke Road Townhouses	Under Construction	\$3.6	62 Creyke Road	Ilam	Spec: Brownfield. 1715 SM. New build. 10 standalone units & 4 attached units.	14	14		Williams Corporation Ltd (was Williams Specialised Property/Williams Homes Ltd)
44 Creyke Road Townhouses	Under Construction	\$3.0	44 Creyke Road	Ilam	Spec: Brownfield. 991 SM. New build. 11 x 2 storey townhouses in one block of 8 units & one block of 3 units. Mix	11	11		The Buchan Group [CHC]
120 Sawyers Arms Road Social Housing Units	Under Construction	\$4.0	120 Sawyers Arms Road	Northcote	Spec: Brownfield. New build. 17 new social housing units.	17	17		1point618 Ltd
Kainga Ora - Uxbridge Street Houses	Under Construction	\$3.6	25-27 Uxbridge Street	Northcote	Spec: Brownfield. Green Construction - targeting a Homestar rating. New build. 7 new 2 storey houses	7	7		Organised by Developer
Kainga Ora - Primrose Street Houses	Under Construction	\$1.6	8 Primrose Street	Northcote	Spec: Green Construction - targeting a Homestar rating. New build. 3 x 2 bedroom duplex & stand-alone houses.	6	6		Home [CHC] (Home Construction Ltd)
Kainga Ora - Virgil Place Houses	Under Construction	\$3.1	4 Virgil Place	Northcote	Spec: Green Construction - building has achieved a 6 Homestar Built rating. Brownfield. New build. 6 houses	6	6		Planz Consultants Ltd [CHC]
34 Vagues Road Townhouses	In Planning	\$1.6	34 Vagues Road	Northcote	Spec: Brownfield. 333 SM. Six townhouses	6	6		Josephdavid Architecture Ltd (JDA)
Kainga Ora - 15 Boyne Avenue Houses	Under Construction	\$1.9	15 Boyne Avenue	Northcote	Spec: Brownfield. New build. 4 single storey 1 bedroom houses. Demolition of existing house	4	4		Mike Greer Commercial Ltd (was Mike Greer Lifestyle Living Ltd)
27-33 Harewood Road Houses	Under Construction	\$10.0	27-33 Harewood Road	Papanui	Spec: Brownfield. New build. 31 townhouses in a mix of 2 & 3 storey townhouses	31	31		Foley Group Architecture Ltd
68 Main North Road Townhouses	In Planning	\$2.4	68 Main North Road	Papanui	Spec: Brownfield. New build. 12 townhouses. Demolition/removal of houses on site	12	12		L & C Architecture Ltd
56 Frank Street Houses	Under Construction	\$1.4	56 Frank Street	Papanui	Spec: Brownfield. 416 SM. 6 new houses	6	6		Newtech Homes Ltd
1/42 Sails Street Townhouses	Under Construction	\$1.4	42 Sails Street	Papanui	Spec: 592 SM. New build. 5 attached units	5	5		A2 Design & Build Ltd
23 Shearer Avenue Townhouses	In Planning	\$1.0	23 Shearer Avenue	Papanui	Spec: Brownfield. New build. 5 x 2 storey townhouses. Demolition/removal of house on site	5	5		Faye Homes NZ Ltd
8A Gambia Street Townhouses	Under Construction	\$1.5	8 Gambia Street	Papanui	Spec: Brownfield. 457 SM. New build. 4 attached townhouses	4	4		Gravity Architecture Ltd (was Gravity Design Ltd)
21 Proctor Street Townhouses	Under Construction	\$1.3	21 Proctor Street	Papanui	Spec: Brownfield. 368 SM. New build. 4 townhouses in 2 blocks	4	4		AE Architects Ltd (Intrados Architecture)
8 Shearer Avenue Townhouses	Under Construction	\$1.2	8 Shearer Avenue	Papanui	Spec: Brownfield. New build. Construction of 4 new townhouses	4	4		Design Workshop Architecture (DWA) (Design Workshop Ltd)
Kainga Ora - Main South Road Houses	Early Planning	\$57.2	15-17 & 21 Main South Road	Sockburn	Spec: Brownfield. New build. Demolition of existing houses required (former Workotel site). 23 x 1 bedroom houses 12 x 1 bedroom with extra room for a carer 60 x 2 bedroom houses 12 x 3 bedroom houses & 3 x 4 bedroom houses. Mix of 3 4 & 5 storey apartments townhouses terraced houses duplex & standalone combinations. Demolition to commence early 2023	110	110		N/A

Housing Development Pipeline

Project Name	Status	Cost m	Address	Suburb	Descrption summarised	Total units	Total houses	Total apartments	Developer
Karamu Riccarton Park Subdivision Stage 2 Houses	Under Construction	\$29.7	Racecourse Road	Sockburn	Spec: New build. Approx 99 new houses/lots	99	99		Organised by Owner
29 Main South Road Townhouses	Under Construction	\$3.0	29 Main South Road	Sockburn	Spec: Brownfield. 2336 SM. New build. 8 new townhouses.	8	8		GZ Development Ltd
133 Blighs Road Townhouses	In Planning	\$2.0	133 Blighs Road	Strowan	Spec: Brownfield. New build. 5 x 2 storey townhouses with garages	5	5		Peter Dunbar Architectural Design
66B Wharenui Road Townhouses	Under Construction	\$15.0	66B Wharenui Road	Upper Riccarton	Spec: Brownfield. 4461 SM. New build. 82 new townhouses over 2 & 3 storeys. A mix of 1 2 & 3 bedrooms across 25 blocks.	82	82		Williams Corporation Ltd (was Williams Specialised Property/Williams Homes Ltd)
Bupa Parkstone Retirement Village Apartment Blocks A&D	Under Construction	\$56.0	2 Athol Terrace	Upper Riccarton	Spec: Brownfield. Green Construction - building has achieved a 6 Green Star Built rating. New build. 49 apartments across Block A&D with Block D being a hybrid building containing a 3 storey carpark for 79 vehicles at the rear and 9 apartments.	58		58	IKON Architects Ltd (was Ian Krause Architects Ltd)
Kainga Ora - 18-24 Roche Avenue Houses	Under Construction	\$3.0	18-24 Roche Avenue	Upper Riccarton	Spec: Brownfield. New build. 10 new social housing units	10	10		Constructa Ltd [CHC] (was Bradford & Shearer Construction Ltd)
24A Wharenui Road Townhouses	Under Construction	\$3.2	24A Wharenui Road	Upper Riccarton	Spec: Brownfield. 736 SM. New build. 8 standalone townhouses.	8	8		Construct Drafting Services
63 Waimairi Road Townhouses	Under Construction	\$1.3	63 Waimairi Road	Upper Riccarton	Spec: 213 SM. New build. 4 new townhouses.	4	4		Archipiece Design Ltd
31 Athol Terrace Houses	Under Construction	\$0.9	31 Athol Terrace	Upper Riccarton	Spec: Brownfield. 287 SM. 2 new attached houses & 1 new detached house. 3 new houses in total.	3	3		Gravity Architecture Ltd (was Gravity Design Ltd)
20A Angela Street Housing Units	In Planning	\$1.0	20 Angela Street	Upper Riccarton	Spec: Brownfield. 595 SM. New build. 3 new housing units attached. Demolition/removal of existing house""	3	3		AP Design Ltd [CHC] (was Allan Pritchard Design Ltd)
10 Rannoch Drive Houses	Under Construction	\$1.1	10 Rannoch Drive	Yaldhurst	Spec: Greenfield. 608 SM. Five new houses	5	5		Organised by Developer