

24<sup>th</sup> April 2024

David Harford Consulting Ltd  
Resource Management Planning  
2 Queens Drive  
**ASHBURTON**

**Attention:** David Harford

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Dear Sir/Madam,

**RE: FARM ROAD & RACECOURSE ROAD – PRIVATE PLAN CHANGE APPLICATION**  
**REAL ESTATE MARKET REPORT**

We have been requested to undertake market research and provide an insight to the residential market and demand for residential sections in relation to the proposed plan change. The proposed private plan change is located within the Allenton suburb on the west side of Ashburton. The Ashburton township comprises the suburbs of Allenton, Netherby, Hampstead, Tinwald, and the inner location of Ashburton is often referred to as Ashburton, which is defined by the more high-density zoning and street of Oak Grove, Walnut Avenue and Chalmers Avenue.

The Ashburton market tends to be divided into 3 main locations based on the physical characteristic of the town being the Ashburton River and the railway tracks on State Highway One creating for an east-west divide and Tinwald locations rather than direct reference to suburbs. Therefore, the basis of our report is defined within these physical characteristics and locations of the Ashburton township. The west side location is generally a sought-after location reflected with the highest demand. Tinwald and the East side locations provides for similar demand to each other with the demand in these locations tipped backwards and forwards throughout the years however remained relatively constant.

The below map illustrates the separate locations with the West side identified as yellow, East side as blue and Tinwald as orange.



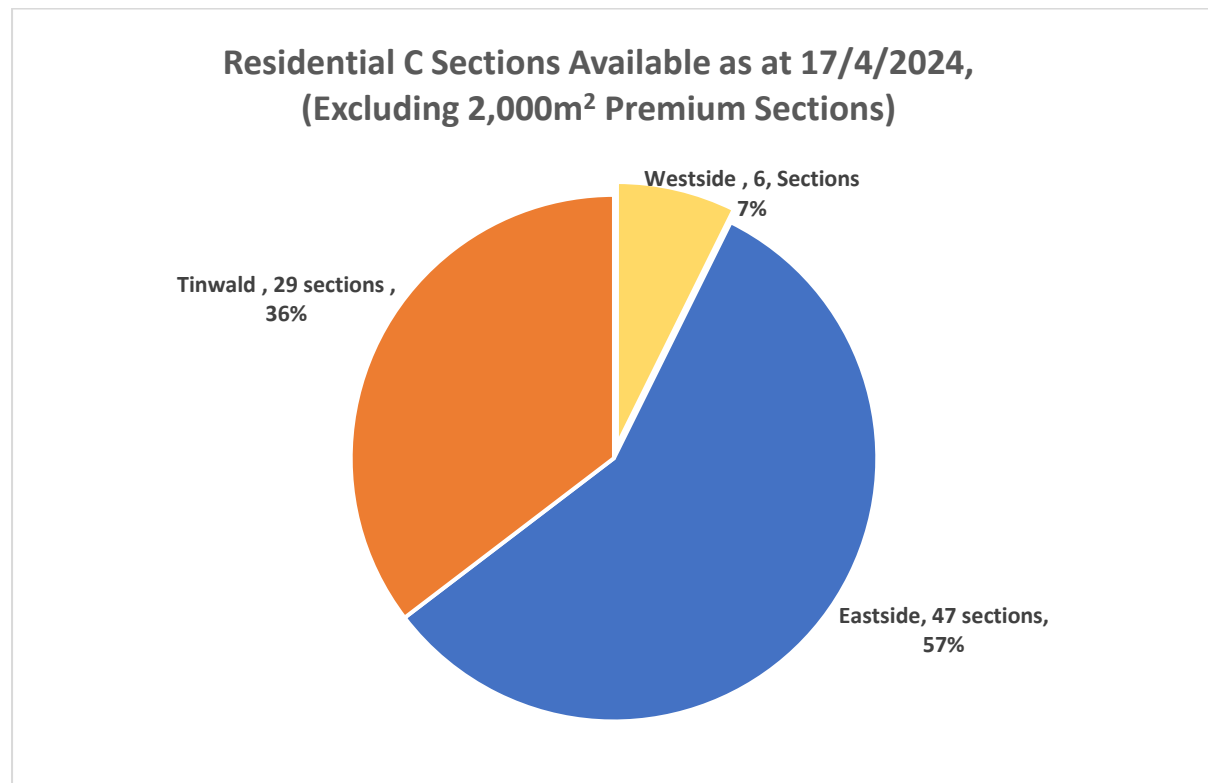
*Figure 1: Image sourced from Ashburton District Council Local Maps*

The east side of Ashburton currently provides for significant supply of residential sections with the current residential development of Strowan Fields in the initial stages providing for significant supply of residential sections within this location. Prior to the development of Strowan Fields was the completion of Geoff Geering Drive and the Braebrook subdivisions.

Tinwald has experienced reasonable supply and growth with the recent completion of the Ashbury Grove subdivision and there is currently the Carlisle Estate subdivision in the process of development. Prior to the Ashbury Grove Development was the Tarbotton residential development around Jagway off Tarbottons Road. The west side of Ashburton has not seen residential development for some time with the last two major subdivisions being Turton Green and Lochlea Development. These developments had titles issued 10-12 years ago, in July 2014 and March 2012 respectively. These sections were sold and developed in a reasonable period of time of being available. There are only about two or three sections undeveloped in these two developments and these sections have been land banked by investors with one or two of these sections resold over the years.

When looking at the sections currently available within the locations of the Ashburton township, there are currently 16 sections on the westside or 22% of the current supply. It must also be considered that

the westside of Ashburton is the larger of the locations. Of the current 16 sections available for sale, 10 of these sections are within the development of Carters Estate which is a premium exclusive development with sections over twice the size of a standard section at about 2000m<sup>2</sup> in size plus the land incorporating private facilities of chip and put golf course, tennis court and club pavilion for which all section holders are required to belong to part of an incorporated society. The below graph illustrates the supply of standard residential sections by location, excluding the premium development of Carters Estate.



*Figure 2: Data sourced from Trade Me as at the 17th March 2024.  
Note, some Trade Me listings outlined more than one section available*

We consider there is a build-up of demand for residential sections of Residential C style on the west side of Ashburton. The growth within this west side location has been impeded by the limited supply and availability of land. We have analysed the section sales that occurred over the years which provides an indication of demand and supply. The bar graph outlines the activity that has occurred which provides for a general increase in sales volume through the peak of the market cycles with the more recent peak being in 2021. During these years of peak demand, the supply of land had increased in all locations, however the west side was significantly lacking supply in comparison to the other locations of Tinwald and the east side of Ashburton.

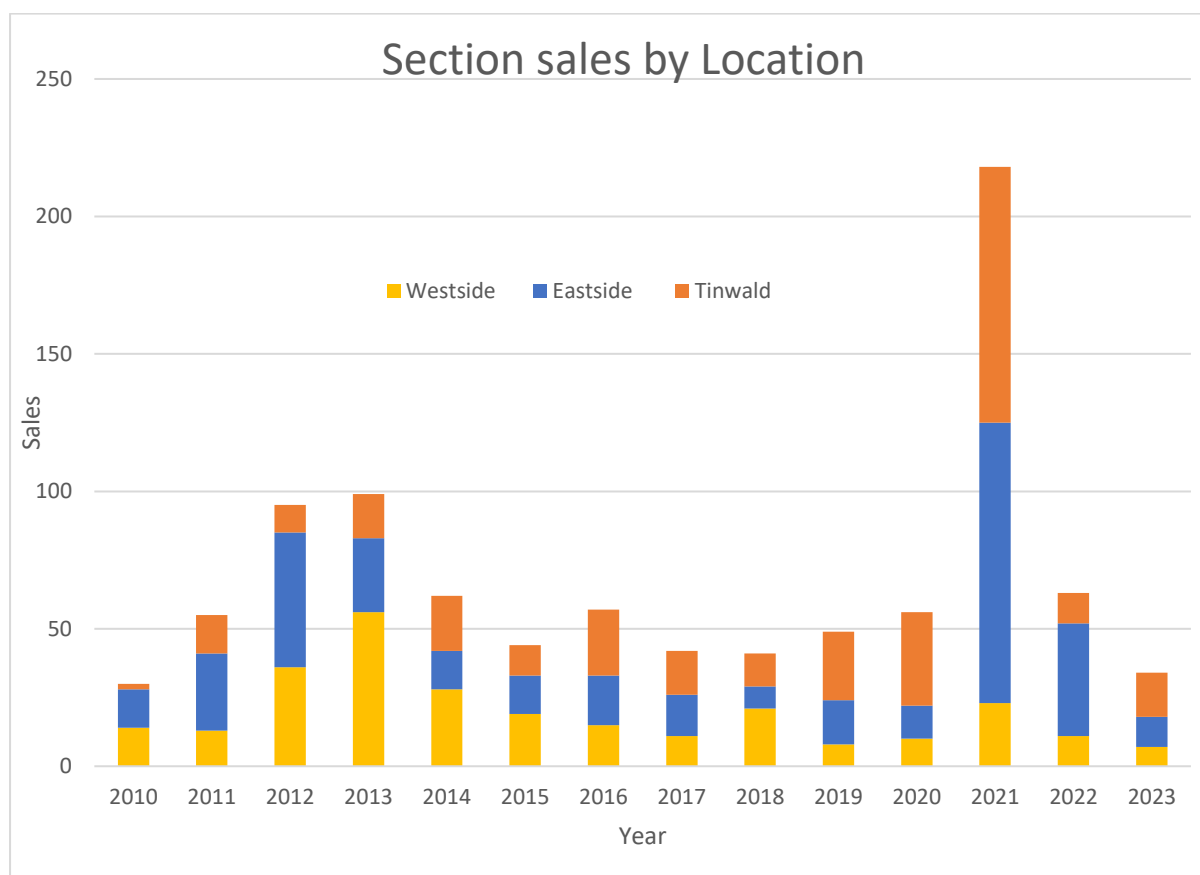


Figure 3: Data sourced from the Real Estate Institute of New Zealand

With the supply of sections on the west side of Ashburton continuing to decline, there will continue to be stronger and stronger demand as the population of the town increases. The population growth of the Ashburton District is currently 1.9% from the prior year.

The following graph illustrates the supply trends of Residential C land within the various locations.

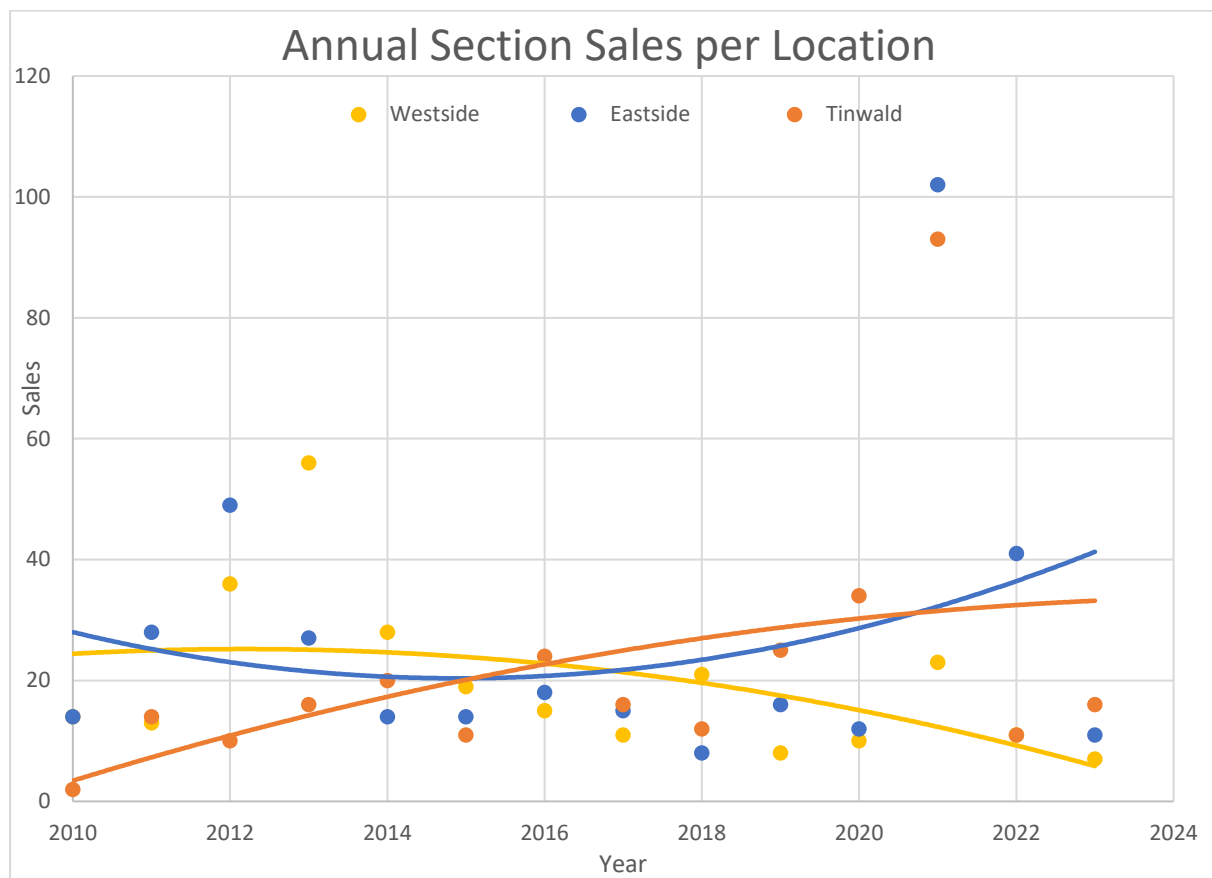


Figure 4: Data sourced from the Real Estate Institute of New Zealand

There is currently a reasonable supply of Residential D sections which provides for the smaller lifestyle property being a minimum allotment size of 4000m<sup>2</sup>. When looking at the current supply of land available on the west side, the majority of land available is Residential D and lifestyle properties being a total of 25 lifestyle sections. In comparison, there are only 6 sections of Residential C land available that are less than 1000m<sup>2</sup> in size.

In summary, we consider there is under supply of typical Residential C type land available on the west side of Ashburton with demand exceeding the supply for a number of years.

Yours faithfully,

J. Clark McLeod

Principal

McLeod Real Estate

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