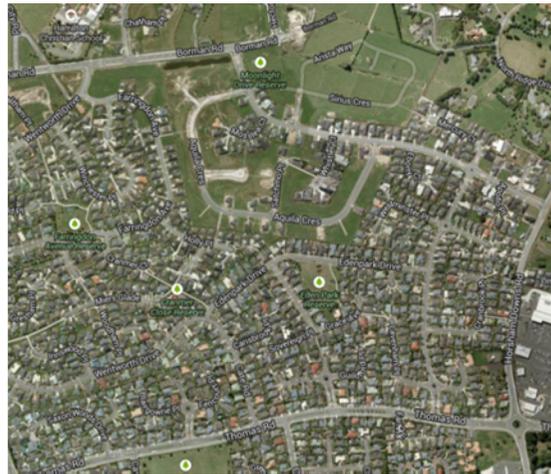


**Elected Member Briefing – 12 June 2018**  
*Commencing at 9.30am in Committee Room One*

<b>Topic</b>	<b>HCC Contact / Presenter(s)</b>	<b>Open / Closed</b>	<b>Time Req'd (mins)</b>
NPS-NDC Monitoring Assessment to March 2018	Keith Hornby/Paul Bowman	Open	30
<b>MEETING ENDS</b>			

# NPS- Urban Development Capacity

➤ Quarterly market indicator monitoring  
update to March 2018



# Market Indicator Monitoring

- NPS UDC requirement to monitor a range of indicators on a quarterly basis to:
  - ‘ensure that local authorities are well informed about demand for housing and business development capacity, urban development activity and outcomes...(and) to understand how well the market is functioning and how council policy may affect this’*
- Undertake comparative monitoring of trends

# Indicators

↘ Residential

↘ Business

# Background drivers

- Population growth (incl. net migration)
- Interest rates
- RBNZ Policy (OCR, Macroprudential tools)
- Labour market
- Household spending
- Building costs

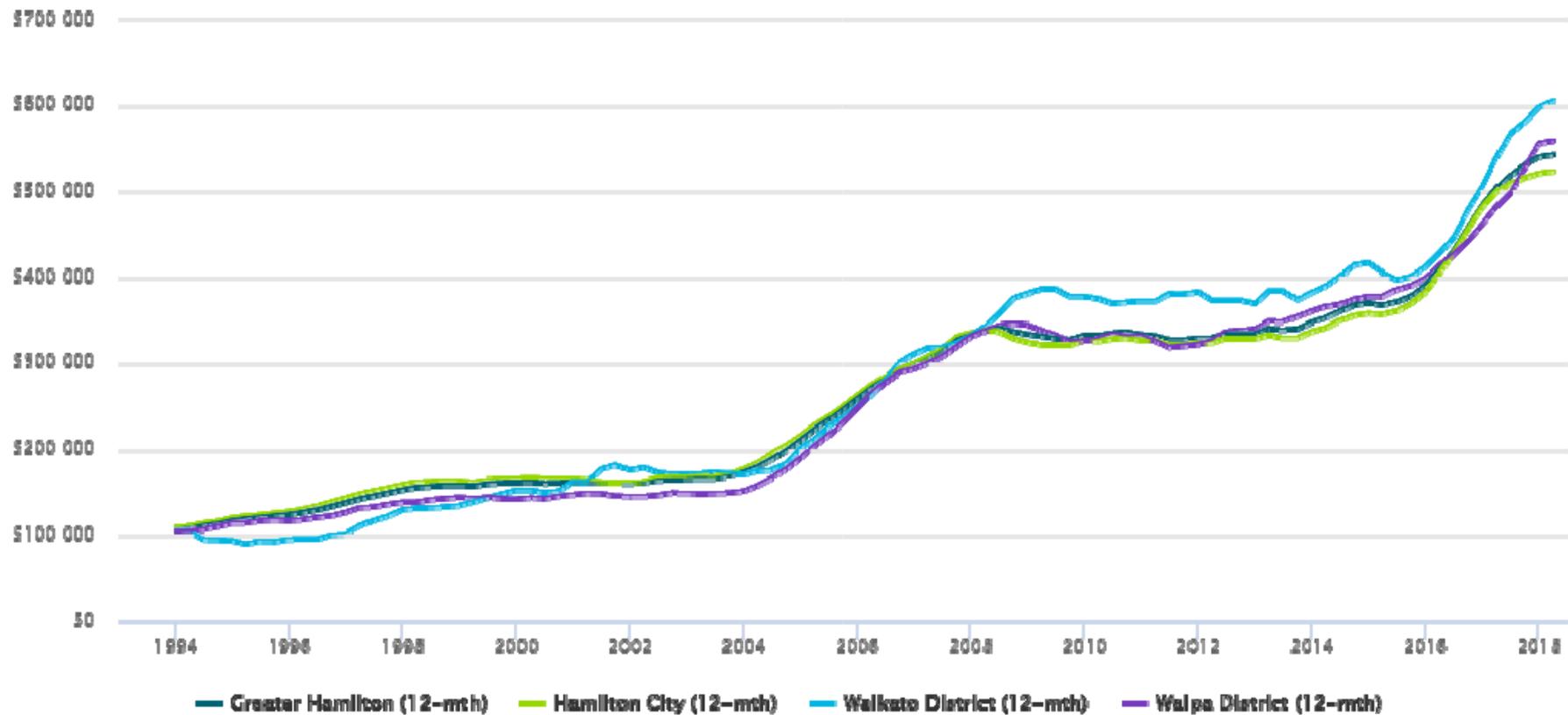
# Residential Indicators

↘ dwelling sales price and rent trends, buyer classification, building consents and population trends, price cost ratio, housing and rental affordability

Source: MBIE dashboard, QV, Infometrics  
Timing: generally quarterly, 2 month delay

# Dwelling sales price trends

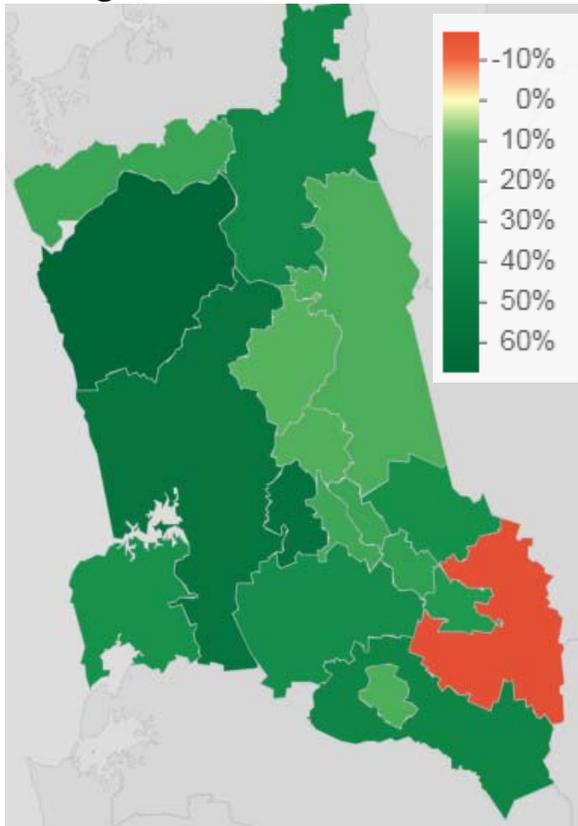
12-month rolling Dwelling sales prices (actual)



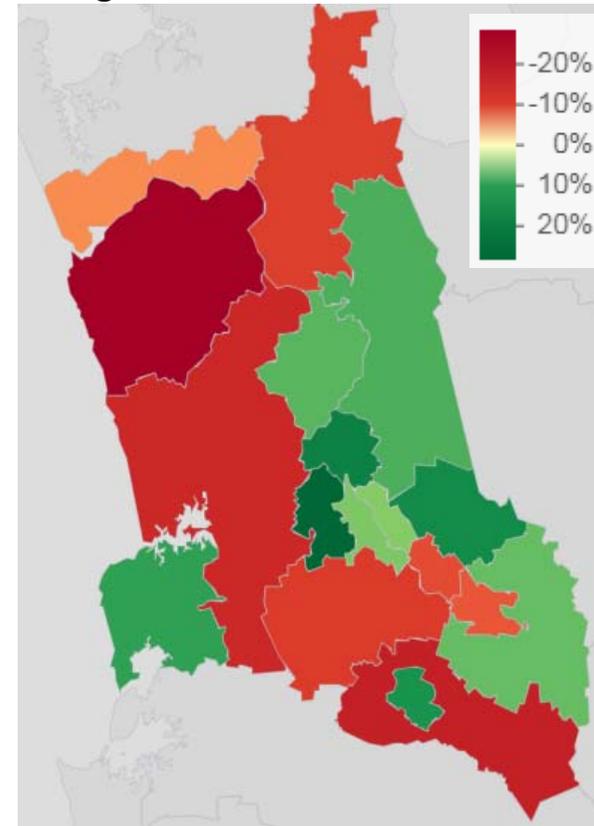
# Dwelling sales price trends

- Percentage change Ward level

Change March 2016 to March 2017

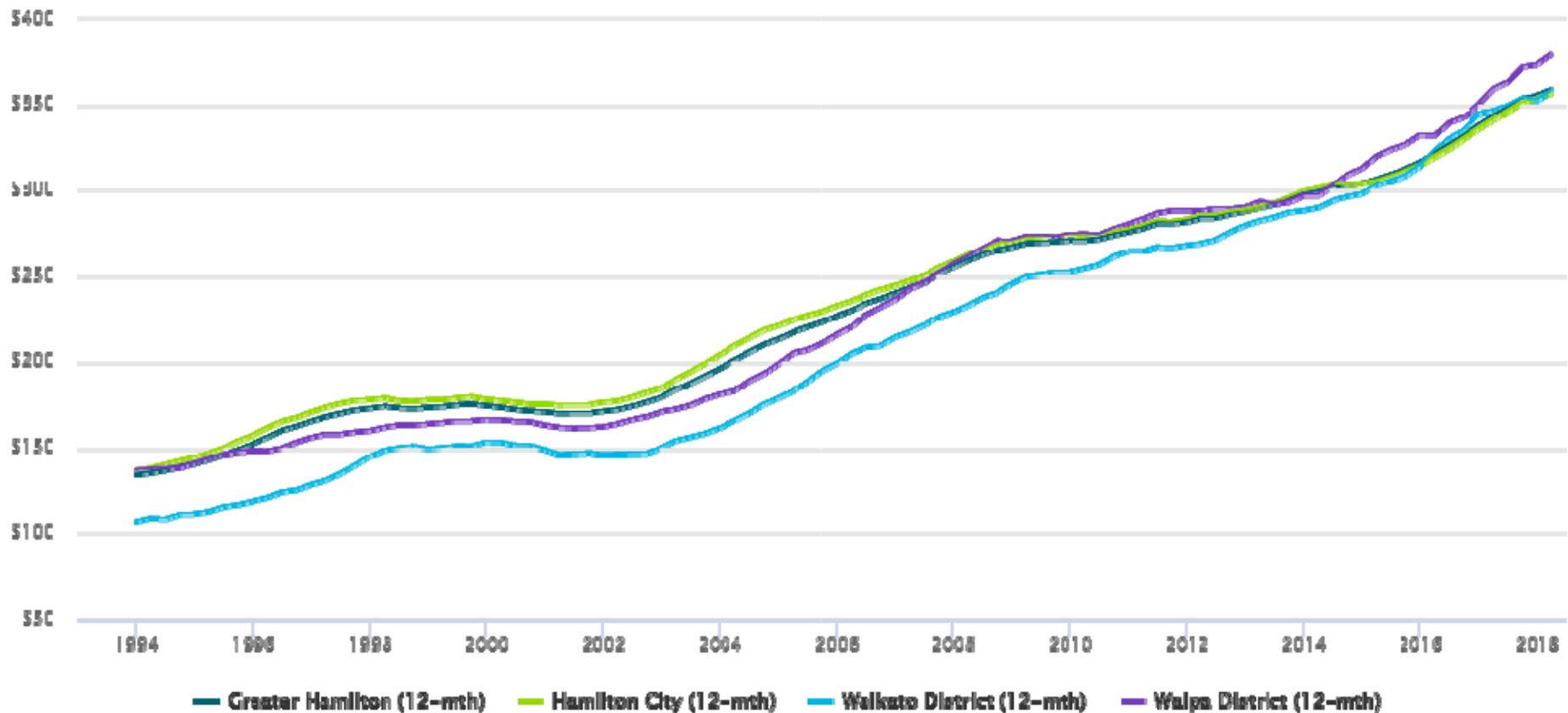


Change March 2017 to March 2018

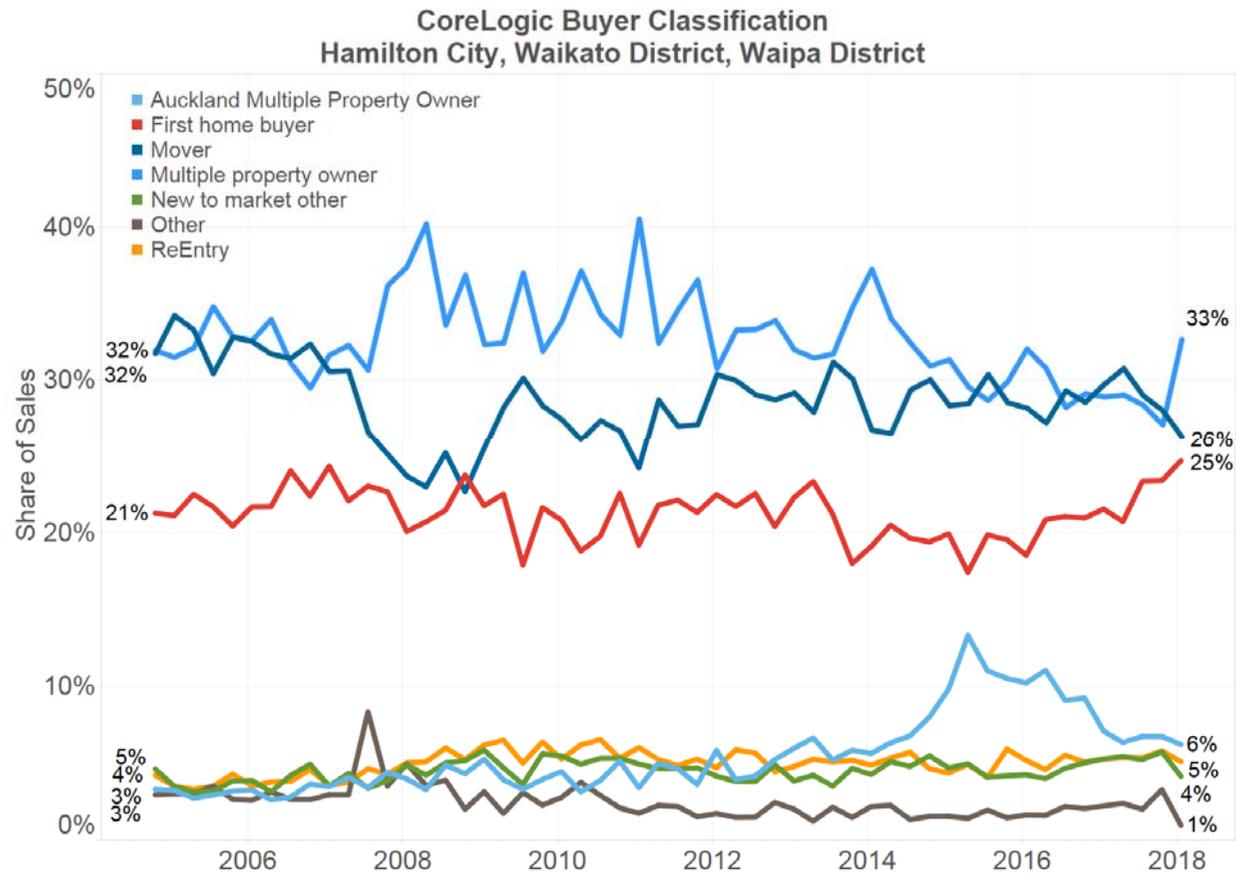


# Dwelling rent trends

12-month rolling Dwelling rents (actual)

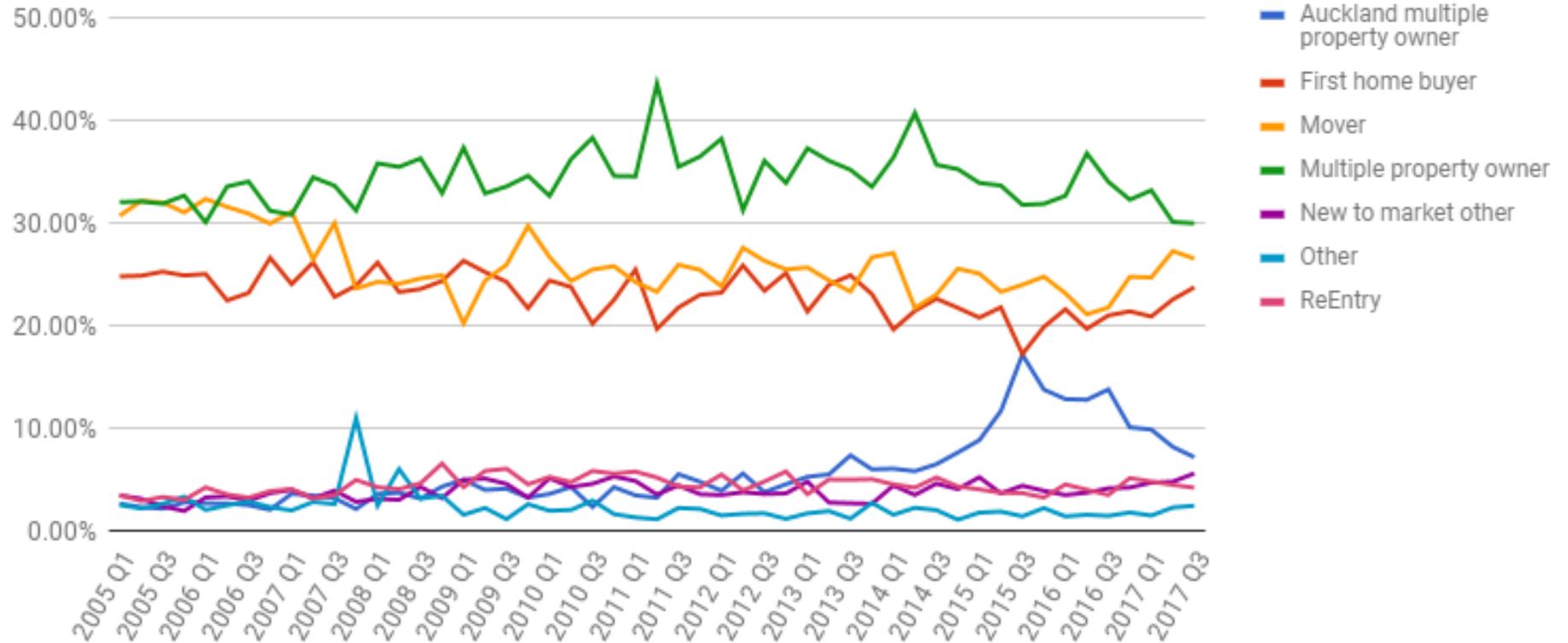


# Buyer classification



# Buyer classification - Hamilton

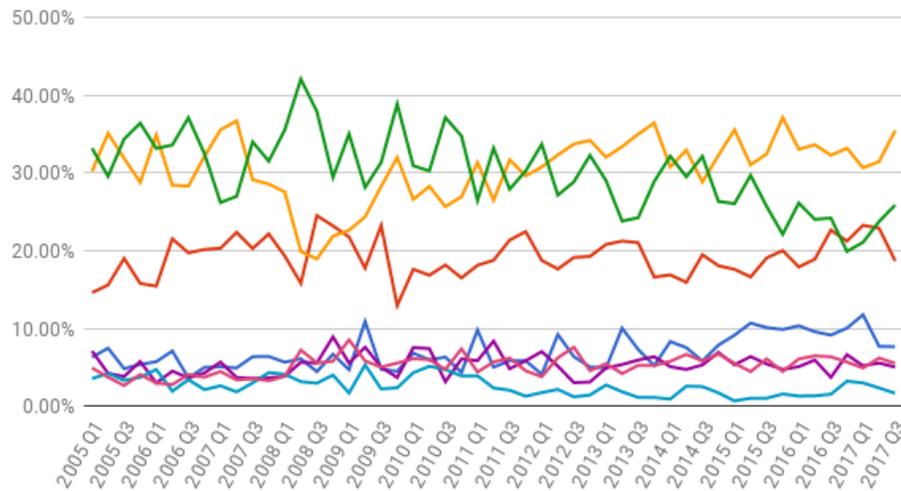
CoreLogic Buyer Classification - Hamilton City



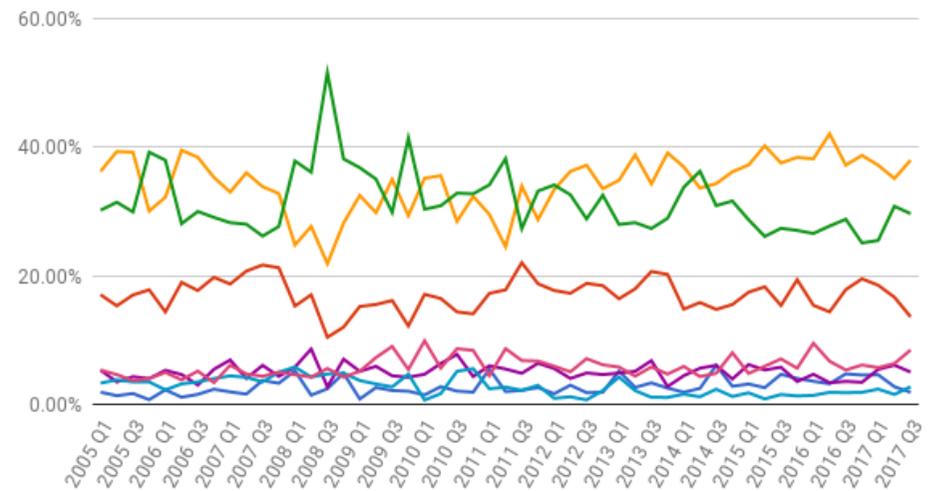
# Buyer classification – Waikato & Waipa

- Auckland multiple property owner
- First home buyer
- Mover
- Multiple property owner
- New to market other
- Other
- ReEntry

CoreLogic Buyer Classification - Waikato District

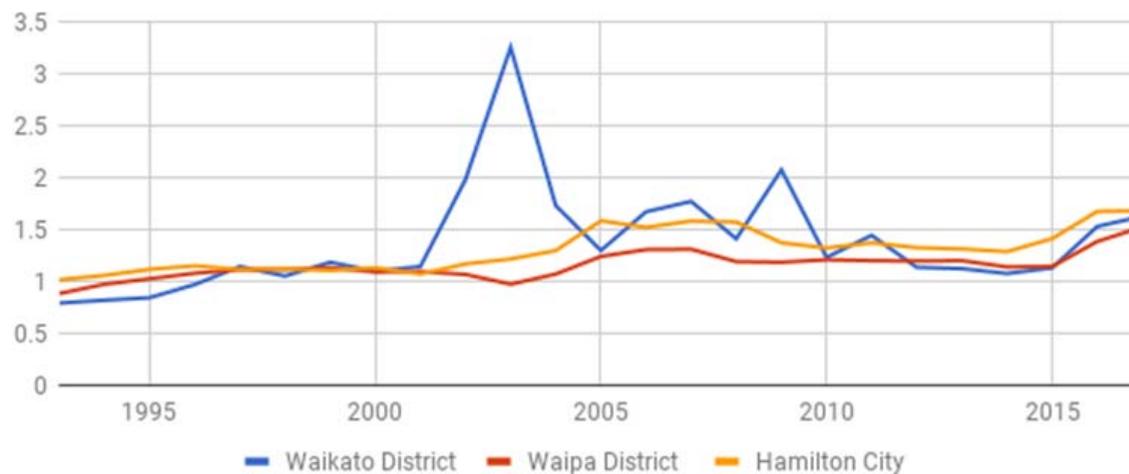


CoreLogic Buyer Classification - Waipa District



# Price Cost ratio

Price Cost Ratio

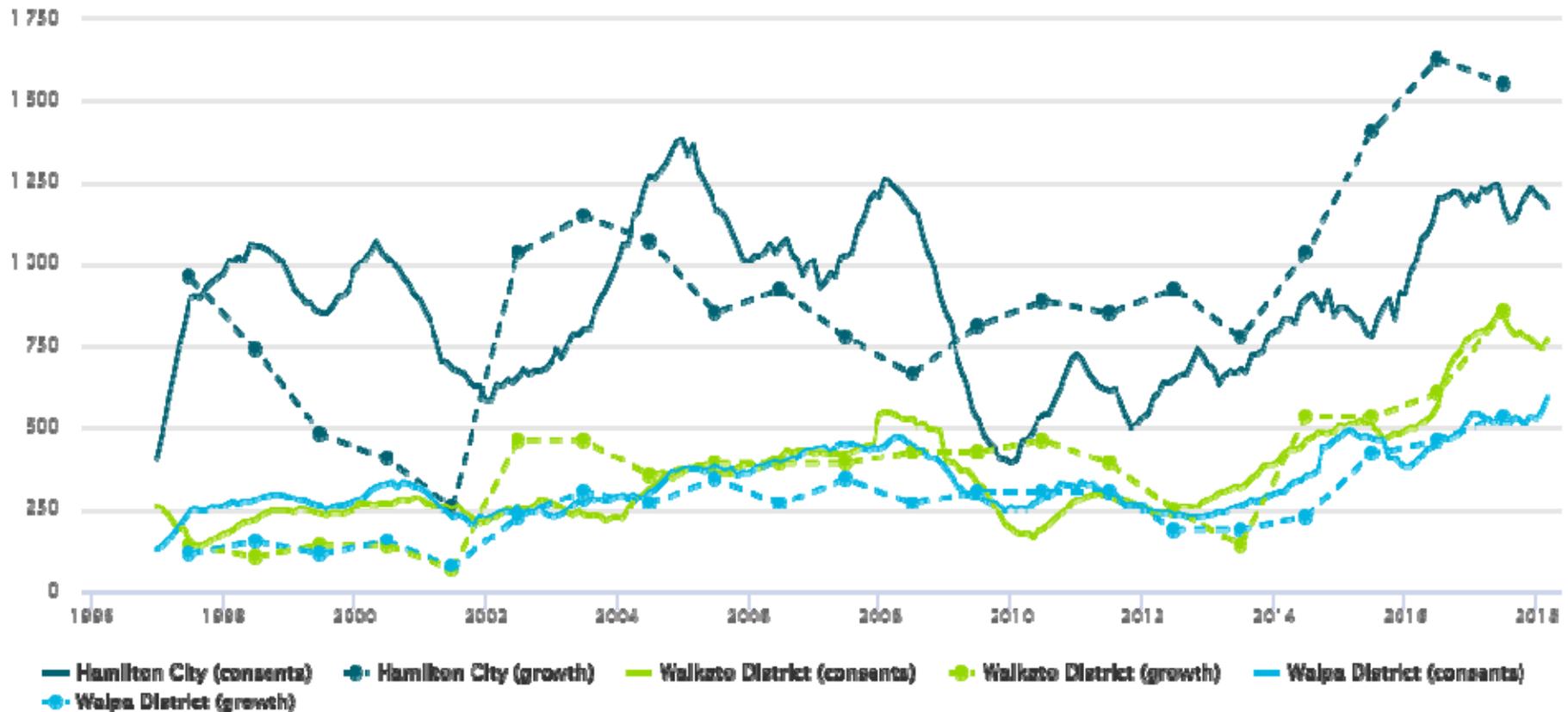


Estimation of how house prices are driven by the cost of land



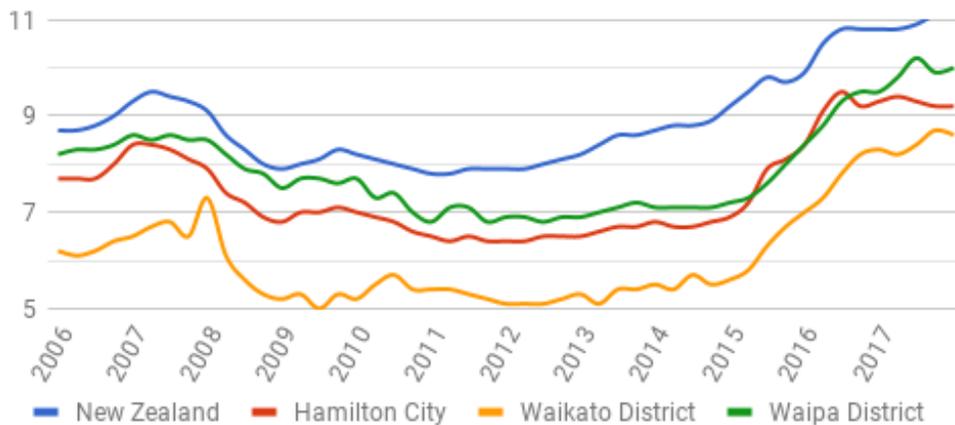
# New dwelling consents vs household growth

New dwelling consents compared to household growth

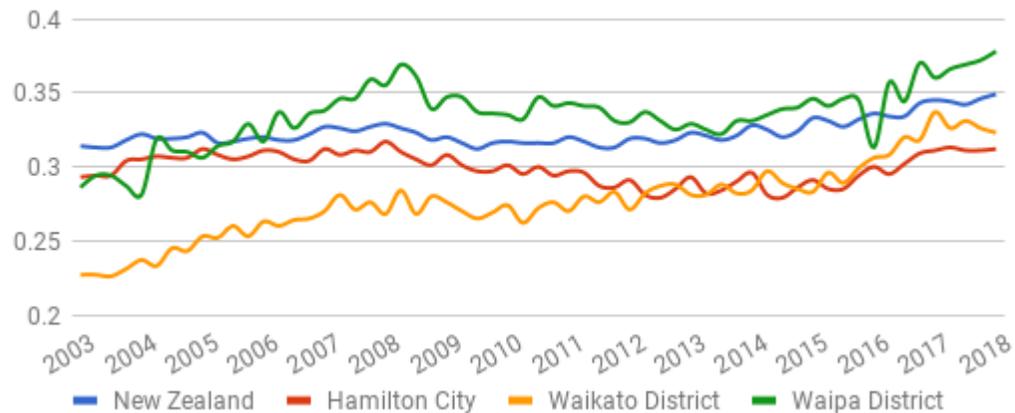


# Affordability

Housing Affordability: Quarterly to March 2018 (Infometrics)



Rental Affordability: Quarterly to March 2018 (Infometrics)



# Business Indicators

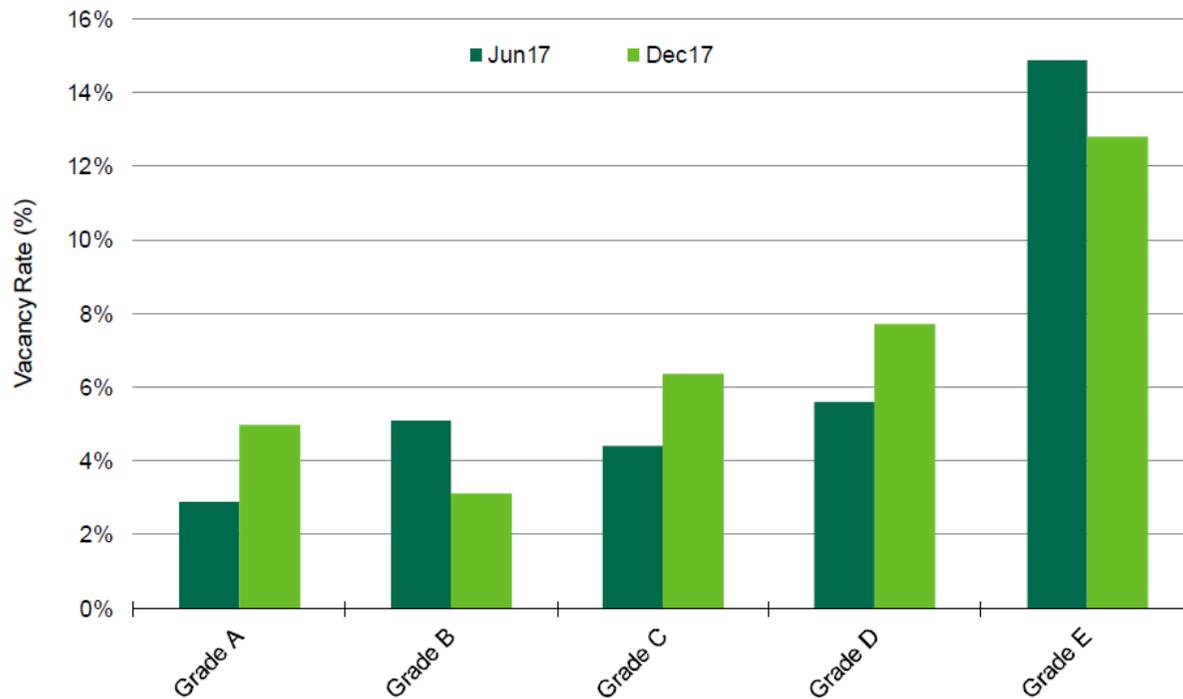
↘ vacancy rates

**Source: CBRE/NIA Harcourts, Bayleys Research,  
Colliers International**

**Timing: Bi-annual or Annual, 1Q delay**

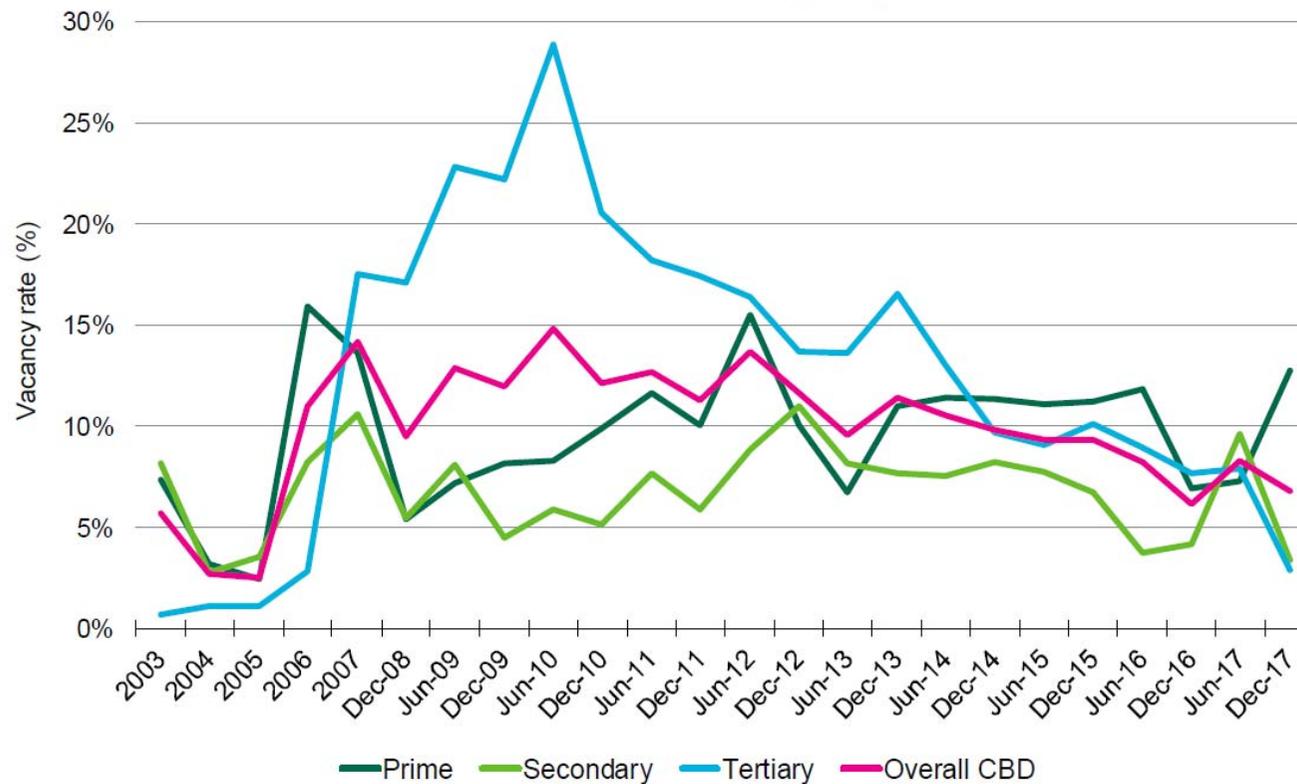
# Office Vacancy

## CBD Office Vacancy by Grade



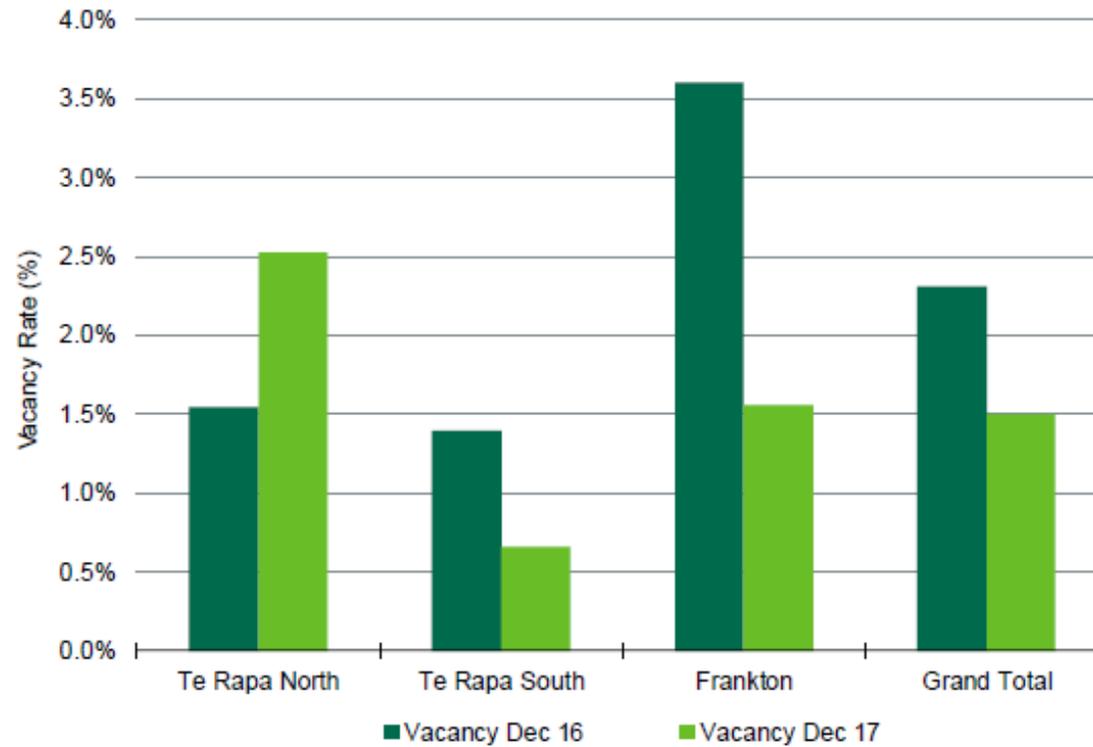
# Retail Vacancy

## Historical CBD Vacancy by Grade



# Industrial Vacancy

## Industrial Vacancy by Precinct



# Questions?

- Questions?
- Usefulness?
- Level of detail, format?