

# Christchurch goes up and out

The earthquakes left a lasting impact on the Christchurch housing market. An early shortage of houses and rising rents has levelled out, and the city is experiencing population growth and stable housing prices.

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**THE CHRISTCHURCH** housing market was shaken significantly by the 2010/11 earthquakes. The damage was widespread, with earthquake-damage claims lodged with EQC for 167,000 properties in Greater Christchurch, an area with 184,000 dwellings as of the 2013 Census.

Among those, StatsNZ stated that 9,000 houses were rendered uninhabitable and 16,000 severely damaged. A total of 7,100 sections were red zoned and purchased by the government, due to severe ground damage or life safety risk.

### **Pressures peaked in 2014**

The pressures of the rebuild reached a crescendo in 2014. Westpac stated that the construction workforce was estimated to have expanded by 22,000 workers by 2014, half of whom had migrated into the region from elsewhere in New Zealand or overseas.

These workers competed for rental accommodation with residents who ➤



Selwyn District became the fastest-growing district in the country, led by greenfield developments around Rolleston.

PHOTO - SNPA/PAM CARMICHAEL

were displaced from their homes for earthquake repairs. At this point, house prices were up by 28% and mean rents by 44% compared to 2010. The rental market in particular was described by the Salvation Army as in crisis.

**New homes on fringes and further afield**

However, slowly but surely, progress was made on repairs and new houses were built at an unprecedented rate. Greater Christchurch was well-placed to respond to housing demand, with ample flat land in the surrounding areas. The government rezoned rural land in 2013 to provide for an additional 28,500 sections.

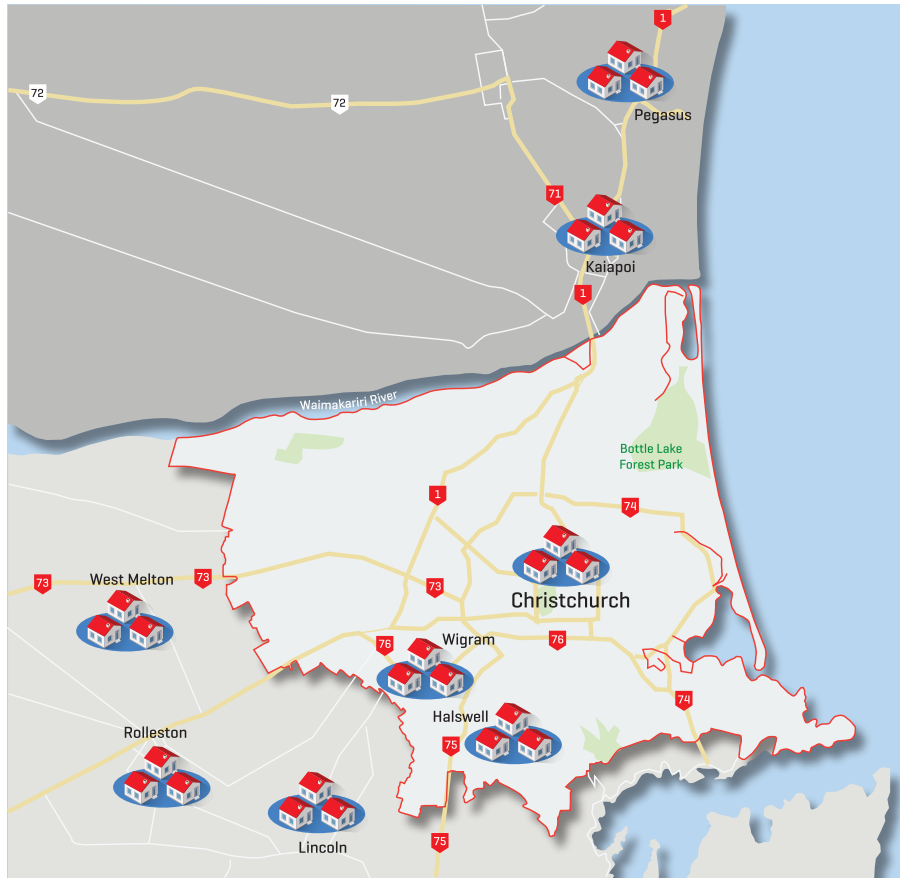
This expanded suburbs on the fringe of Christchurch City, with the CoreLogic estimates of the number of houses increasing by 1,239 in Halswell West and 1,875 in Wigram between 2010 and 2018.

The most significant changes occurred outside the city as the population shifted towards the relatively stable land of neighbouring districts. In Waimakariri District, developments in Pegasus added 841 houses and 963 in Kaiapoi North East. To the south of the city, Selwyn District soon became the fastest-growing district in the country, with 3,392 houses added in Rolleston, 1,227 in Lincoln and 991 in West Melton.

**Housing intensification in the city**

While strong supply of greenfield land on the outskirts supported development of stand-alone houses, the demolition of older, damaged dwellings within existing urban centres provided an opportunity for housing intensification.

Christchurch City Council estimates that 5,400 additional dwellings were added into existing neighbourhoods between 2010



Map of Greater Christchurch with districts shown.

and 2018, primarily around the central city. Intensification was responsible for 41% of the growth in dwellings in the city over this period, and in 2018, more dwellings were added through intensification than greenfield development.

**Sped-up urbanisation of neighbouring areas**

Since the earthquakes, short-term housing pressures have come and gone as significant numbers of houses were repaired, rebuilt or developed across the Greater Christchurch area.

The most significant and long-lasting impact of the earthquakes on housing has

been the accelerated urbanisation of neighbouring areas - growing the total housing stock in Greater Christchurch and expanding a number of satellite communities.

As of 2018, the population of Greater Christchurch was 10% larger than in 2010, led by Selwyn and Waimakariri, up by 52% and 28% respectively.

Even as the Greater Christchurch population continues to grow faster than the national average, a strong supply of housing and continued construction activity has held house prices and rents across the area steady since 2016. ◀