

Gillman Wheelans Limited | Summer Newsletter 2010

Happy New Year 2010.

We hope everyone had a safe and enjoyable Christmas and holiday break and you are looking forward to 2010. We have achieved a lot of progress over the second half of 2009 on all of our projects, details to follow. Apologies for the lack of our newsletter in Spring, our focus was clearly on achieving as much progress as possible before the end of the year, and I think we got there.

MARKET COMMENT

The worm has turned?

We all know that during 2008 property prices dropped from their peak in 2007 however since the start of 2009, prices have started their ascent again, by all accounts an increase in the order of 5-7% for the year. In certain sectors of the property market, prices have reached their 2007 peak and look like continuing. The cause of this lift has many parts. Interest rates remain historically low,

positive migration has lifted and is sitting at above average rates, positive sentiment is increasing, unemployment hasn't grown as expected and affordability of housing has improved.

With migration and interest rates expected to remain at or close to current levels until mid 2010 sentiment surrounding residential property should remain positive. In addition to the above is that the supply of residential land is currently constrained and will continue to be in the foreseeable future.

There are issues around provision of sewer and stormwater infrastructure in the growth areas of Christchurch (Halswell and Belfast) and traffic related issues north of Christchurch. Selwyn Council possibly has least constraints however these still exist through planning processes and time to complete these. Lastly on market commentary, a significant issue that will influence residential sections in coming years will be the reduction in section sizes. Council are now seeking higher densities within new residential developments which will reduce the number of 600-700m² lots that can be created. If you reduce supply, price will head one way.

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DELAMAIN, YALDHURST

Thankyou to all those who regularly compliment us on Delamain and how the development has been designed and completed. Many hands were involved in the design and it is pleasing for us to achieve what we set out to achieve.

SALES

A total of 69 sections have been sold in Delamain in 2009. This is a reasonable increase on the 8 sold in 2008 but fall short of the 124 sold in the prior years! To put this into context, over the past 10 years we have been successful in selling on average between 70 and 100 sections, depending on availability so 2009 was a good year. Prices were reduced at the start of the year to meet the market and to kick-start sales however by August, these were reviewed up again in the order of 5%.

We expect 2010 to continue in a positive frame with a further review of pricing of available lots in February. If you would like to beat this price rise, we still have a good range of sections or house and land packages. Details on availability, pricing, covenants etc., can be obtained by viewing www.delamain.co.nz or contact Hamish Wheelans on 377-6303 or 021-433-467.



HOUSING STYLES AT DELAMAIN

We have continued to 'develop' different styles of higher density housing at Delamain in conjunction with MAP Architects and Mike Greer Homes, such as those seen left. They are designed as either two bedroom two storey town-houses around \$340,000 or three bedroom single storey homes around \$420,000.

Further information can be obtained by contacting Mike Greer Homes on 03-3450166 or viewing www.mikegreerhomes.co.nz or www.yourhouse.co.nz



TOP: Artist's impression, terraced units as viewed from the street. BOTTOM: As viewed from the park.

RESERVES

The majority of the public reserves have now been transferred to Christchurch City Council, including the maintenance of these areas.

Typically there are some minor issues over maintenance (or lack thereof) by council however these shortcomings do come right as they work their way through the various Council departments. We will continue to ensure all reserves are maintained to a good standard.

TELECOMMUNICATIONS

The telephone and internet services in Delamain have been an ongoing frustration for us and residents. Prior to commencing development of Delamain we sought proposals from both Telecom and Telstra to provide phone and data-cabling in Delamain and the neighbouring developments. Telecom NZ convinced us they would have superior technology with high data speed and greater efficiency.

Following this appointment, Telecom has been through changes, some forced on them by central government requiring separation of lines and retail.

From the time the fibre supply was activated, there have been on-going issues over reliability and service. This has been going on for over 18 months now and by all accounts, the issues still have not been resolved.

There have also been issues over getting connected. On making a request for a connection through Telecom's 123 number, operators are informing callers that they do not provide service connections in Delamain, they do. You must be persistent! Following this connection, Worldxchange get involved by livening the line (at your request) and provide a modem type piece of equipment. A connection fee of \$199 is payable.

Hopefully the connection is then of a quality that enables use, not always achieved!



THE VODAFONE ALTERNATIVE!

Because of the problems mentioned above, we have investigated and achieved a viable and reliable alternative. Vodafone provide a modem (similar to that provided by Worldxchange) that connects to their network through cellular means rather than cables or fibre. Local calling is free (as it is with Telecom/Worldxchange) and data is available. Burglar alarms can also be monitored through this network. The cost is not greatly more than a standard residential connection and they can provide data/broadband through their 3G network.

We understand Delamain Preschool and a small number of residents have already transferred to the alternative network and are satisfied with the change.

For further information on the alternative, please contact Alistair Niven of DigitalMobile on 0800 625 095 or email to alistair@digitalmobile.co.nz

We regret the problems surrounding phone and internet however unfortunately there is little we can do other than to continue pressure on Telecom.

RIVERSIDE, TAI TAPU

We recently had a call from a resident concerned that the private tennis court we created at Riverside (for resident only use) is so popular with non-residents that signage was required to reduce the frequency non-residents were using it.

Double edged sword here. We want to create something aesthetically pleasing and functional but not too eye-catching that it attracts others!! Signage was installed.

We are in the process of transferring the stormwater discharge consent to the residents' names, either in their personal capacity or with a single entity acting as the administrator. When this is progressed sufficiently, we will write to residents.

PRESTON DOWNS

Significant progress has been made on the planning front for Preston Downs.

During 2009 we achieved consent to treat and dispose of stormwater from the land and housing, consent to take water from two wells drilled by us (100m in depth) for community drinking supply and Selwyn District Council passed a resolution to accept the proposed Plan Change, ready for notification.

Formal notification is expected in January 2010 seeking public submissions. Following this there will be a hearing and all going well, a positive decision follows from that allowing residential subdivision as a permitted activity.

Furthermore Selwyn Council recently resolved to purchase the private sewer line between West Melton and Rolleston to enable this development to occur without the need for further infrastructure.

The consented water take will be a community supply that will make the existing public supply redundant and improve both quality and pressure for the existing community.

All going well, we should be in a position to commence the development of Preston Downs in mid 2010. If this occurs, pre-sales to those who have registered their interest may commence in the second quarter of 2010.

Our plans for the development of Preston Downs are not too different from those that we consulted the community on, other than a reduction in lot numbers proposed. We propose a range of residential lot sizes in the order of 600m² to 5,000m²

Through our discussions with Vodafone for Delamain (refer above), we have made positive progress towards Vodafone installing a cell-site within West Melton, thereby fixing the poor reception in this area and enabling further telecommunication competition to the township.

If you are interested in receiving further information and haven't already expressed your interest, please email us at prestondowns@gwlimited.co.nz or call on 03-3776303.





UPCOMING DEVELOPMENTS

We recently commenced design work on a residential development in Halswell, Kennedy's Bush Road opposite Halswell School to be precise. Whilst this development is very much in a conceptual phase, we are quietly enthused about the possible outcomes.

Our aim is to create a development with significant upside to the purchaser. This is achieved by creating a low density subdivision with the appropriate infrastructure and planning in place to enable further subdivision of the land holdings with relative ease, say 10 years down the track. The first stage of development will be to create a range in lot sizes of approximately 1,500 to 3,000m².

A development plan will be provided showing how the 'second stage subdivision' can occur, benefiting the landowner at the time. Pricing of the first stage lots will reflect the size of the land area and the possible future upside.

If you are interested in receiving further information, please email us at kbush@gwlimited.co.nz or call 03-3776303.



WEBSITES

As always, we are continuing to upgrade our website technology and information provided to assist purchasers, designers and builders alike. If you require any past or present information such as Protective Covenants or Building Information Booklets, please initially peruse the website and if you are still unable to locate it, send us an email and we will either provide a link to the relevant information or send a copy to you.

Please remember to keep us updated on any email address changes as well as postal changes to ensure you receive regular updates.

The following websites are available for your information:

www.yoursection.co.nz – general development information on our past developments and our newsletters;

www.yourhouse.co.nz – information relating to house and land packages available, currently in Delamain;

www.delamain.co.nz – Delamain in Yaldhurst;

www.prestondowns.co.nz – Preston Downs at West Melton.



All the best from

Hamish Wheelans, Brian Gillman, Dean Gregory and Tania Muir of
Gillman Wheelans Limited