



Property Update

Tawa to Pukerua Bay

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NZ's residential construction costs slowing

New Zealand's residential construction costs are rising at one of the slowest annual rates on record with CoreLogic NZ's latest [Cordell Construction Cost Index \(CCCI\)](#) recording a growth rate of 0.9% over the past year.

CoreLogic NZ Chief Property Economist Kelvin Davidson said it's the second-lowest annual increase since the index began in 2012 and a significant shift after the double-digit growth seen during the COVID-era construction boom.

The CCCI's peak annual growth rate was 10.4% in Q4 2022, and the long-term average is 4.2%.

"After several years of intense upward pressure, construction costs have now settled into a much slower rate of

growth," Mr Davidson said.

"But this is a moderation, not a retreat. Labour doesn't tend to get cheaper, and while materials pricing has flattened out, we're not seeing any decline in the overall cost to build."

Mr Davidson said these changes reflect a sector returning to more normal patterns after several years of disruption.

"We're well past the extremes of 2021 and 2022, where costs surged across the board. These days, we're seeing more nuanced movements, driven by specific supply and demand factors rather than industry-wide pressure," he said.

Looking ahead, Mr Davidson said easing

interest rates and favourable lending conditions for new builds may support a modest lift in construction demand, but any return to the double-digit growth rates for costs experienced in 2022 is unlikely.

"If new-build activity picks up again, and there are signs it might, we could see construction costs start to rise a little more quickly over the next year or two," he said.

"The key trend this year is construction costs are no longer spiralling but they're also not falling. For now, we're in a holding pattern, which will come as a welcome relief for builders, developers and households alike.

For more information visit: <https://www.corelogic.co.nz/news-research/reports/cordell-construction-cost-index>



Company Share Apartments – Essential details

Company share apartments are an ownership arrangement where the land and buildings are owned by a company and each apartment owner receives shares in the company instead of a title. The owners also receive an occupation lease or licence granting them the right to occupy their apartment.

The company directors manage the apartments and are voted in by the shareholders. The company constitution and shareholders agreement will be relevant to this procedure.

Occupation licences/leases

Occupation licences/leases are an agreement between each owner/shareholder and the Company.

These interests are capable of being registered but not all Company Share apartments do so.

A registered occupation licence will show on the title of the underlying land, and create an individual title for the owner, similar to a leasehold title. The benefits of having a registered occupation licence include:

- Attractive to purchasers – registered licences are seen as safer and more robust, as owners receive a title showing the registered licence.
- Providing better security for lenders – banks will often look to take a mortgage against the *registered* licence as security for the lending, rather than just having a security interest over the *shares*.

General tips for buying or selling company share apartments

Ensure you review the company constitution, shareholders agreement, occupation licence and consider any limitations in these documents. There may be restrictions on renting the property or having pets. If purchasing, we recommend including a condition in the Agreement for Sale and Purchase which allows you to review and approve this documentation.

The directors of the company must consent to a purchaser buying into the complex and may interview potential purchasers. There needs to be a condition in the Agreement allowing for this approval process.

Banks are often reluctant to lend against company share apartments as the security is usually over the shares rather than land. Banks may require a higher deposit from borrowers, especially if there is no *registered* occupation licence. Purchasers need to include a finance condition in their Agreement, ensuring they can withdraw if finance is not obtained.

Many KiwiSaver providers will not approve the withdrawal of KiwiSaver funds for the purchase of a company share apartment. Discuss this with your KiwiSaver provider before submitting your offer, or insert a finance condition to enable you to make further enquiries.

There are considerable ongoing costs, where owners will pay operating expenses to the company, which cover general

maintenance, insurance and rates.

Since the Company is the entity responsible for insuring the building, it is important to check adequate insurance is in place.

There is no legislative framework regarding disclosures for company share apartments as the Unit Titles Act doesn't apply to them. It is important to ensure that any potential purchasers complete their own due diligence, and owners should retain copies of minutes, financial statements, insurance and any other relevant information available to provide to purchasers.

It is recommended that you seek legal advice whenever buying or selling a company share apartment.

Therese Greenlees, Registered Legal Executive, Rainey Collins Lawyers, www.raineycollins.co.nz/

RayWhite

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Recent Tawa to Kapiti Residential Property Sales

Courtesy REINZ www.reinz.co.nz

Address	Area	Beds	Floor m²	Land m²	Sold	RV
Sumner Terrace	Aotea	4	227	763	\$1,205,000	\$1,150,000
Kaiaho Close	Aotea	4	260	528	\$1,425,000	\$1,500,000
Queen Charlotte Drive	Aotea	4	196	499	\$1,240,000	\$1,120,000
Opaoa Way	Aotea	4	167	730	\$992,000	\$1,200,000
Doncaster Terrace	Ascot Park	3	112	660	\$810,000	\$840,000
Carbine Place	Ascot Park	3	103	710	\$730,000	\$770,000
Tremaine Place	Camborne	4	210	556	\$893,000	\$940,000
Bedford Street	Cannons Creek	3	190	703	\$570,000	\$790,000
Berkshire Grove	Cannons Creek	3	95	989	\$440,000	\$550,000
Cornwall Crescent	Cannons Creek	4	125	666	\$575,000	\$540,000
Derby Place	Cannons Creek	3	100	591	\$485,000	\$460,000
Karearea Avenue	Kenepuru	3	161	175	\$855,000	\$900,000
Enereta Road	Otaki	3	137	448	\$755,000	\$700,000
Anzac Road	Otaki	4	130	771	\$735,000	\$590,000
Gardner Place	Otaki	4	205	820	\$900,000	\$940,000
Waerenga Road	Otaki	3	100	923	\$650,000	\$570,000
Ropata Te Ao Way	Otaki	3	152	724	\$800,000	\$880,000
Temuera Street	Otaki	3	110	766	\$455,000	\$500,000
Babbacombe Avenue	Otaki	4	117	450	\$680,000	\$580,000
Koromiko Street	Otaki	3	145	576	\$660,000	\$630,000
Mountainview Terrace	Otaki	3	111	661	\$645,000	\$540,000
Moana Street	Otaki	3	160	582	\$750,000	\$730,000
Wellington Road	Paekakariki	3	100	809	\$900,000	\$810,000
Pingau Street	Paekakariki	1	60	1138	\$950,000	\$910,000
Wellington Road	Paekakariki	2	80	587	\$680,000	\$740,000
Wellington Road	Paekakariki	4	200	1064	\$780,000	\$1,130,000
Langwell Place	Papakowhai	3	150	518	\$868,000	\$740,000
Crown Hill	Paraparaumu	2	130	731	\$625,000	\$680,000
Quadrant Heights	Paraparaumu	5	340	1369	\$1,250,000	\$1,120,000
Houhere Street	Paraparaumu	2	82	143	\$650,000	\$760,000
Westridge Court	Paraparaumu	3	97	560	\$625,000	\$590,000
Ruahine Street	Paraparaumu	3	130	809	\$715,000	\$590,000
Sunshine Avenue	Paraparaumu	4	160	847	\$765,000	\$660,000
Langdale Avenue	Paraparaumu	3	195	506	\$461,000	\$720,000
Holcombe Drive	Paraparaumu	3	200	497	\$922,000	\$830,000
Ross Grove	Paraparaumu	3	80	557	\$625,000	\$580,000
Arawhata Road	Paraparaumu	3	100	377	\$750,000	\$620,000
Rosewood Place	Paraparaumu	3	100	576	\$715,000	\$620,000
Kaimanawa Street	Paraparaumu	4	120	536	\$676,000	\$620,000
Realm Drive	Paraparaumu	4	185	805	\$810,000	\$830,000
Riwai Street	Paraparaumu	3	112	809	\$616,000	\$590,000
Villa Grove	Paraparaumu	3	150	443	\$760,000	\$710,000
Tutanekai Street	Paraparaumu	3	110	809	\$710,000	\$620,000
Campbell Avenue	Paraparaumu	3	120	651	\$802,500	\$720,000
Harvest Court	Paraparaumu	4	230	1063	\$1,100,000	\$1,020,000
Eatwell Avenue	Paraparaumu	4	169	839	\$950,000	\$850,000
Hollis Road	Paraparaumu	3	110	502	\$785,000	\$720,000
Regent Drive	Paraparaumu	3	180	654	\$960,000	\$900,000
Murray Court	Paraparaumu	4	207	646	\$1,090,000	\$960,000
Manly Street	Paraparaumu	5	330	745	\$1,010,000	\$1,080,000
Kotuku Drive	Paraparaumu	4	220	723	\$1,067,000	\$1,000,000
Toru Road	Paraparaumu	6	197	809	\$970,000	\$970,000
Wood Leigh	Paraparaumu	4	248	3528	\$1,375,000	\$1,270,000
Manly Street	Paraparaumu	3	120	792	\$805,000	\$820,000
Seaview Road	Paraparaumu	2	90	464	\$620,000	\$710,000
Michael Road	Paraparaumu	3	90	1012	\$665,000	\$580,000
Cedar Drive	Paraparaumu	3	172	706	\$850,000	\$870,000
Paremata Road	Paremata	3	220	760	\$1,745,000	\$1,130,000
Kahu Road	Paremata	4	193	718	\$1,005,000	\$900,000
Pairuku Lane	Peka Peka	4	232	4382	\$1,700,000	\$1,420,000
Gordon Road	Plimmerton	2	86	640	\$645,000	\$690,000
St Andrews Road	Plimmerton	4	290	571	\$1,001,000	\$1,000,000
Gordon Road	Plimmerton	3	100	521	\$730,000	\$710,000
Onepu Road	Pukerua Bay	3	80	723	\$705,000	\$670,000
Arawhata Street	Ranui	4	170	833	\$680,000	\$790,000
Champion Street	Ranui	5	200	1205	\$810,000	\$710,000
Goldsborough Avenue	Raumati	3	110	1692	\$990,000	\$710,000
Hillcrest Road	Raumati	4	250	703	\$1,217,500	\$1,010,000
Rimu Road	Raumati	4	161	800	\$865,000	\$770,000
Newry Road	Raumati	3	190	1553	\$1,550,000	\$1,550,000

Address	Area	Beds	Floor m²	Land m²	Sold	RV
Tui Road	Raumati	4	140	887	\$760,000	\$750,000
Renown Road	Raumati	3	130	820	\$942,000	\$810,000
The Esplanade	Raumati	3	200	350	\$1,065,000	\$1,060,000
Tiromoana Road	Raumati	4	245	615	\$1,373,000	\$1,120,000
Matai Road	Raumati	4	211	809	\$870,000	\$800,000
Charlotte Way	Raumati	4	230	905	\$1,050,000	\$990,000
Tiromoana Road	Raumati	4	161	578	\$835,000	\$820,000
Rangitui Crescent	Takapuwahia	3	112	519	\$720,000	\$750,000
Te Ara Kohuh	Tawa	3	146	183	\$935,000	\$275,000
McKeeffry Grove	Tawa	4	290	505	\$1,033,000	\$1,060,000
Allen Terrace	Tawa	4	153	721	\$850,000	\$850,000
St Johns Terrace	Tawa	3	150	615	\$838,000	\$830,000
Sunrise Boulevard	Tawa	5	270	814	\$970,000	\$980,000
Lane Crescent	Tawa	4	202	680	\$820,000	\$880,000
Collins Avenue	Tawa	4	190	579	\$775,000	\$1,100,000
Wilfred Street	Tawa	2	69	196	\$660,000	\$760,000
Nathan Street	Tawa	3	120	809	\$485,000	\$640,000
Lincoln Avenue	Tawa	2	70	209	\$675,000	\$700,000
St Annes Square	Tawa	4	310	680	\$1,200,000	\$1,300,000
Victory Crescent	Tawa	3	140	901	\$650,000	\$740,000
State Highway 1	Te Horo	4	195	51700	\$1,700,000	\$1,320,000
Derham Road	Te Horo	3	235	15700	\$1,450,000	\$1,460,000
Gawler Street	Te Horo	3	80	868	\$701,500	\$650,000
Dixie Street	Te Horo	5	237	878	\$920,000	\$890,000
Hiwi Crescent	Titahi Bay	3	140	482	\$715,000	\$720,000
Gloaming Hill	Titahi Bay	3	84	420	\$682,500	\$740,000
Dimock Street	Titahi Bay	3	120	1012	\$725,000	\$720,000
Morere Street	Titahi Bay	3	140	986	\$650,000	\$660,000
Te Pene Avenue	Titahi Bay	3	100	810	\$600,000	\$680,000
Owhiti Street	Titahi Bay	3	110	464	\$530,000	\$685,000
Hira Street	Waikanae	3	178	450	\$901,000	\$830,000
Te Moana Road	Waikanae	3	160	400	\$795,000	\$800,000
Mahia Lane	Waikanae	3	158	502	\$975,000	\$870,000
Park Avenue	Waikanae	3	282	938	\$900,000	\$820,000
Rata Street	Waikanae	4	154	943	\$929,000	\$970,000
Kaka Street	Waikanae	2	121	746	\$980,000	\$940,000
Main Road North	Waikanae	1	70	1448	\$515,000	\$520,000
Alexander Street	Waikanae	3	253	915	\$885,000	\$920,000
Elizabeth Street	Waikanae	3	179	530	\$1,060,000	\$1,050,000
Kaiwaru Place	Waikanae	2	139	577	\$855,000	\$800,000
Matata Place	Waikanae	3	320	1317	\$1,050,000	\$1,200,000
Tui Crescent	Waikanae	3	170	457	\$742,000	\$780,000
Hurunui Street	Waikanae	3	260	593	\$885,000	\$850,000
William Street	Waikanae	2	88	827	\$690,000	\$670,000
Queens Road	Waikanae	4	100	870	\$800,000	\$760,000
Marewa Place	Waikanae	3	230	795	\$905,000	\$950,000
Hohiria Street	Waikanae	3	125	1085	\$805,000	\$740,000
Ensign Lane	Whitby	3	230	825	\$800,000	\$930,000
Mercury Way	Whitby	5	300	650	\$981,500	\$980,000
Postgate Drive	Whitby	3	147	1012	\$828,500	\$860,000
Mooring Close	Whitby	3	158	530	\$935,000	\$960,000
Spinnaker Drive	Whitby	4	180	541	\$885,000	\$850,000
Fathom Lane	Whitby	4	220	529	\$712,000	\$860,000
Staithe Drive North	Whitby	3	150	540	\$724,500	\$760,000
Meridian Way	Whitby	3	170	749	\$845,000	\$840,000
Exploration Way	Whitby	5	310	929	\$1,050,000	\$1,040,000
Flotilla Place	Whitby	4	305	1072	\$1,660,000	\$1,600,000
Bosun Terrace	Whitby	3	180	580	\$880,000	\$950,000
Exploration Way	Whitby	5	330	1129	\$1,100,000	\$1,120,000
Skysail Lane	Whitby	3	151	228	\$955,000	\$1,060,000
Ships Cove	Whitby	3	246	800	\$1,275,000	\$1,180,000
Furneaux Grove	Whitby	4	340	12600	\$1,230,000	\$1,330,000
Breakwater Way	Whitby	3	164	172	\$855,000	\$950,000
Flotilla Place	Whitby	3	175	400	\$837,500	\$1,040,000
Topsail Way	Whitby	3	160	510	\$925,000	\$940,000
Endeavour Drive	Whitby	4	185	530	\$1,120,000	\$1,160,000
Musket Lane	Whitby	4	250	622	\$895,000	\$960,000
Omapere Street	Whitby	3	92	629	\$600,000	\$720,000
Endeavour Drive	Whitby	3	226	779	\$1,310,000	\$1,260,000

This sampling of recent sales was extracted from data compiled by The Real Estate Institute of NZ and represents sales from all real estate companies in the area and not just Ray White. For privacy purposes no street numbers are published here.