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Property update

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When body corporate rules are unenforceable

A unit owner in a body corporate complex was told they could not lease their unit unless the body corporate first approved the tenant. The unit owner checked the operational rules and found wording that appeared to support those restrictions, but the real issue was whether the body corporate had power to make those rules in the first place.

PROPER SCOPE OF RULES

Operational rules are important because they help a body corporate manage the use and enjoyment of units and common property. They can deal with practical matters such as noise, rubbish, parking, use of shared facilities and conduct that affects other owners or occupiers. However, operational rules cannot be used as a shortcut to give the body corporate wider powers than the law allows. Rule changes must relate to the management, use, or enjoyment of the property, or to the regulation of the body corporate. They must not be inconsistent with the Unit Titles Act ("the Act"), regulations, or the general law.

WHAT IS AN UNENFORCEABLE OR 'ULTRA VIRES' RULE?

This is where the legal concept of "ultra vires" becomes important. Ultra vires is a Latin phrase meaning "beyond the powers". In a body corporate context, it refers to a rule or decision that goes beyond what the body corporate is legally allowed to do under the Act.

WHAT MAKES A RULE UNENFORCEABLE?

A rule may be unenforceable if, for example, it interferes with an owner's voting rights, purports to levy or allocate costs for repair and maintenance in a way that is inconsistent with the Act, restricts an owner's ability to sell, lease, mortgage, or otherwise deal with their unit, gives a developer or manager special control rights not authorised by the Act, or prevents a use of the unit that is otherwise legal (e.g. Airbnb or BookaBach), when the body corporate has no power to impose that requirement. The rule in the above example about approving tenants is therefore likely to be unenforceable. Even if a rule has been included in the body corporate rules for years and has been followed, that does not necessarily make it valid.

SIGNIFICANT CONSEQUENCES

Often, once individual unit owners take legal advice and realise an ultra vires rule is being enforced against them, they will bring action against the body corporate for acting outside its power and may claim against the body corporate for losses they have suffered. Body corporates should review their operational rules regularly, especially before attempting enforcement or before carrying over older rules into updated rules.

Rainey Collins Lawyers <https://www.raineycollins.co.nz/>

Positive changes to granny flat rules

From 8 October 2026, changes to the granny flats building consent exemption will allow more building products to be used and make it easier to use existing water supply, wastewater and stormwater services.

WHAT'S CHANGING?

Certified composite structural building products can be used. Granny flats can be built using certified composite structural building products. This includes some Structural Insulated Panel (SIP) systems and solid timber building systems.

THE BUILDING PRODUCT MUST BE USED:

- Within the scope and limitations of its registered product certificate (CodeMark).
- In accordance with the manufacturer's instructions, to ensure it complies with the Building Code.
- This change supports modern construction methods, including prefabricated and off-site manufactured homes, and gives people more options when designing and building a granny flat.

USING EXISTING WATER AND DRAINAGE SERVICES

You may be able to use existing water supply, wastewater and stormwater services for a granny flat, rather than installing new systems.

USING EXISTING COUNCIL OR UTILITY CONNECTIONS

If your property is already connected to a council or other utility provider, you may be able to use or modify those connections for a granny flat. The utility provider must agree that the existing connection is suitable. You do not need a building consent to make these changes, but you must get any approvals required by the utility provider.

USING EXISTING ON-SITE WATER AND DRAINAGE SYSTEMS

If your property uses on-site systems, such as rainwater, wastewater treatment or stormwater disposal systems, you may be able to continue using them or upgrade them for your granny flat. The systems must have enough capacity and comply with the New Zealand Building Code.

INSTALLING A NEW ON-SITE SYSTEM

If council or other utility services are not available, or cannot support an additional connection, you may be able to install a new on-site system for the granny flat.

UPDATED GUIDANCE AND RESOURCES

From 8 October 2026, updated granny flats guidance, quick guides and other supporting resources will be available on the Building Performance website.

NEW FOUNDATIONS GUIDANCE AVAILABLE

Guidance is now available to help homeowners and building professionals understand foundation options for granny flats built under the building consent exemption.

<https://www.qv.co.nz/news/qv-house-price-index-june-2026-patchwork-property-market-grows-more-pronounced/>

Recent Whanganui Residential Property Sales

Street	Area	Beds	Floor m²	Sold	RV
Field Street	Aramoho	3	90	\$ 390,000	\$ 355,000
Caffray Avenue	Aramoho	3	95	\$ 340,000	\$ 400,000
Cumbrae Place	Aramoho	3	117	\$ 555,000	\$ 415,000
Roberts Avenue	Aramoho	2	64	\$ 325,000	\$ 360,000
Somme Parade	Aramoho	6	251	\$ 595,000	\$ 1,100,000
Ward Street	Aramoho	3	116	\$ 580,000	\$ 485,000
Bombay Street	Aramoho	3	95	\$ 450,000	\$ 530,000
Ash Place	Aramoho	3	194	\$ 545,000	\$ 490,000
Gibson Street	Aramoho	3	132	\$ 495,000	\$ 640,000
Photinia Place	Aramoho	3	110	\$ 636,565	\$ 590,000
Victory Place	Aramoho	4	140	\$ 555,000	\$ 580,000
Caffray Avenue	Aramoho	3	110	\$ 392,000	\$ 490,000
Kells Avenue	Aramoho	4	122	\$ 615,000	\$ 700,000
Shakespeare Road	Bastia Hill	4	270	\$ 735,000	\$ 800,000
Aotea Street	Castlecliff	3	115	\$ 365,000	\$ 320,000
Omori Place	Castlecliff	3	88	\$ 415,000	\$ 365,000
Gibbons Crescent	Castlecliff	3	107	\$ 470,000	\$ 340,000
Mosston Road	Castlecliff	3	150	\$ 220,000	\$ 500,000
Matai Street	Castlecliff	4	114	\$ 405,000	\$ 365,000
Hinaiu Street	Castlecliff	3	90	\$ 455,000	\$ 330,000
Titoki Street	Castlecliff	3	104	\$ 355,000	\$ 315,000
Puriri Street	Castlecliff	3	100	\$ 478,500	\$ 360,000
Matai Street	Castlecliff	3	90	\$ 420,000	\$ 380,000
Heads Road	Castlecliff	3	120	\$ 580,000	\$ 450,000
Bamber Street	Castlecliff	3	110	\$ 415,000	\$ 385,000
Cornfoot Street	Castlecliff	3	98	\$ 390,000	\$ 365,000
Egmont Street	Castlecliff	5	257	\$ 586,000	\$ 510,000
Manuka Street	Castlecliff	3	90	\$ 383,000	\$ 375,000
Omori Place	Castlecliff	3	94	\$ 302,500	\$ 375,000
Awatea Street	Castlecliff	3	94	\$ 360,000	\$ 405,000
Mosston Road	Castlecliff	2	70	\$ 270,000	\$ 320,000
Hadfield Crescent	College Estate	3	94	\$ 464,000	\$ 450,000
Gilligan Close	College Estate	3	215	\$ 884,000	\$ 830,000
Purua Street	Durie Hill	3	94	\$ 456,000	\$ 430,000
Maxwell Avenue	Durie Hill	3	113	\$ 375,000	\$ 495,000
Hipango Terrace	Durie Hill	4	200	\$ 350,000	\$ 780,000
Hipango Terrace	Durie Hill	4	287	\$ 720,000	\$ 800,000
Owen Street	Gonville	3	120	\$ 380,000	\$ 400,000
Carlton Avenue	Gonville	3	115	\$ 530,000	\$ 550,000
Liffiton Street	Gonville	2	130	\$ 370,000	\$ 480,000
Sarjeant Street	Gonville	3	150	\$ 300,000	\$ 415,000
Swiss Avenue	Gonville	4	150	\$ 482,500	\$ 430,000
Bedford Avenue	Gonville	2	90	\$ 515,000	\$ 455,000
Alma Road	Gonville	2	74	\$ 291,000	\$ 335,000
Gilmour Street	Gonville	3	77	\$ 280,000	\$ 290,000
Gonville Avenue	Gonville	2	85	\$ 365,000	\$ 375,000
Abbot Street	Gonville	3	110	\$ 395,000	\$ 400,000
Gonville Avenue	Gonville	3	110	\$ 650,000	\$ 530,000
Sarjeant Street	Gonville	3	164	\$ 225,000	\$ 430,000
Bignell Street	Gonville	2	92	\$ 425,000	\$ 410,000
Carlton Avenue	Gonville	3	105	\$ 470,000	\$ 490,000
Puriri Street	Gonville	4	134	\$ 640,000	\$ 650,000
Koromiko Road	Gonville	3	100	\$ 425,000	\$ 345,000
Harper Street	Gonville	3	95	\$ 315,000	\$ 390,000
Kings Avenue	Gonville	4	200	\$ 425,000	\$ 570,000
Tawhero Street	Gonville	2	151	\$ 675,000	\$ 665,000
Mowhanau Drive	Kai Iwi	2	60	\$ 334,000	\$ 500,000
State Highway 4	Okoia	4	165	\$ 565,000	\$ 440,000
Lithgow Drive	Otamatea	2	185	\$ 750,000	\$ 810,000
Tirimoana Place	Otamatea	4	225	\$ 949,000	\$ 900,000
Great North Road	Otamatea	3	170	\$ 580,000	\$ 550,000
Great North Road	Otamatea	4	298	\$ 900,000	\$ 1,060,000
St Johns Heights	Otamatea	3	180	\$ 840,000	\$ 800,000
Suffolk Drive	Otamatea	2	218	\$ 980,000	\$ 940,000
Putiki Drive	Pūtiki	3	250	\$ 705,000	\$ 680,000

Street	Area	Beds	Floor m²	Sold	RV
Ngatarua Road	Pūtiki	3	230	\$ 665,000	\$ 700,000
Parsons Street	Springvale	3	190	\$ 570,000	\$ 510,000
Treadwell Street	Springvale	3	110	\$ 572,500	\$ 570,000
Nathan Street	Springvale	3	170	\$ 710,000	\$ 710,000
Somerset Road	Springvale	3	130	\$ 540,000	\$ 600,000
Parsons Street	Springvale	3	103	\$ 498,000	\$ 480,000
Stafford Street	Springvale	3	140	\$ 590,000	\$ 560,000
Lincoln Road	Springvale	3	113	\$ 500,000	\$ 540,000
Fitzherbert Avenue	Springvale	2	75	\$ 400,000	\$ 380,000
Warwick Place	Springvale	2	90	\$ 515,000	\$ 530,000
Fitzherbert Avenue	Springvale	3	120	\$ 500,000	\$ 480,000
Devon Road	Springvale	3	93	\$ 525,000	\$ 445,000
Surrey Road	Springvale	4	147	\$ 620,000	\$ 700,000
Lindsey Crescent	Springvale	3	102	\$ 600,000	\$ 540,000
Somerset Road	Springvale	3	160	\$ 555,000	\$ 600,000
Stafford Street	Springvale	3	160	\$ 575,000	\$ 600,000
Devon Road	Springvale	2	90	\$ 376,000	\$ 430,000
Carlton Avenue	Springvale	3	140	\$ 630,000	\$ 570,000
Lincoln Road	Springvale	3	111	\$ 538,125	\$ 475,000
Fox Road	Springvale	3	121	\$ 404,000	\$ 440,000
Somerset Road	Springvale	4	134	\$ 720,000	\$ 710,000
Peakes Road	Springvale	4	192	\$ 720,000	\$ 670,000
Devon Road	Springvale	3	100	\$ 580,000	\$ 560,000
Great North Road	St Johns Hill	3	130	\$ 652,500	\$ 680,000
Great North Road	St Johns Hill	2	137	\$ 460,000	\$ 580,000
Great North Road	St Johns Hill	2	97	\$ 565,000	\$ 580,000
Kent Road	St Johns Hill	4	183	\$ 880,000	\$ 760,000
Hillside Terrace	St Johns Hill	3	180	\$ 500,000	\$ 630,000
Virginia Road	St Johns Hill	4	220	\$ 749,000	\$ 740,000
Taranaki Street	St Johns Hill	3	154	\$ 670,000	\$ 660,000
Great North Road	St Johns Hill	4	220	\$ 550,000	\$ 630,000
Waharua Place	Tawhero	2	110	\$ 545,000	\$ 530,000
Smithfield Road	Tawhero	3	140	\$ 532,750	\$ 570,000
Nikau Street	Tawhero	3	104	\$ 450,000	\$ 440,000
Pitt Street	Whanganui	4	129	\$ 493,000	\$ 380,000
Campbell Street	Whanganui	2	65	\$ 305,000	\$ 310,000
Liverpool Street	Whanganui	2	110	\$ 410,000	\$ 405,000
Glasgow Street	Whanganui	3	192	\$ 600,000	\$ 410,000
Harrison Street	Whanganui	3	110	\$ 380,000	\$ 355,000
Liverpool Street	Whanganui	3	113	\$ 320,000	\$ 400,000
Alexander Street	Whanganui	3	110	\$ 387,500	\$ 285,000
Harrison Street	Whanganui	3	125	\$ 474,000	\$ 490,000
Barrack Street	Whanganui	2	100	\$ 381,000	\$ 360,000
Dublin Street	Whanganui	3	116	\$ 300,000	\$ 395,000
Niblett Street	Whanganui	2	90	\$ 315,000	\$ 295,000
Onetere Drive	Whanganui Airport	3	182	\$ 972,000	\$ 910,000
Hinemoa Street	Whanganui East	2	82	\$ 330,000	\$ 320,000
Tinirau Street	Whanganui East	3	120	\$ 467,500	\$ 460,000
Duncan Street	Whanganui East	3	123	\$ 575,000	\$ 620,000
Marshall Avenue	Whanganui East	2	87	\$ 390,000	\$ 370,000
Duncan Street	Whanganui East	2	370	\$ 525,000	\$ 500,000
Anzac Parade	Whanganui East	2	95	\$ 418,000	\$ 415,000
Raine Street	Whanganui East	2	110	\$ 456,000	\$ 415,000
Nile Street	Whanganui East	4	320	\$ 730,000	\$ 820,000
Hakeke Street	Whanganui East	4	120	\$ 447,500	\$ 420,000
Willis Street	Whanganui East	3	152	\$ 430,000	\$ 570,000
Nixon Street	Whanganui East	3	143	\$ 550,000	\$ 490,000
Te Mawae Street	Whanganui East	3	74	\$ 330,000	\$ 380,000
Anzac Parade	Whanganui East	3	117	\$ 530,000	\$ 495,000
Wembley Place	Whanganui East	3	76	\$ 315,000	\$ 300,000
Anzac Parade	Whanganui East	3	110	\$ 390,000	\$ 330,000
Kawakawa Street	Whanganui East	3	110	\$ 388,000	\$ 465,000
Talbot Street	Whanganui East	3	100	\$ 373,500	\$ 360,000
Hackett Street	Whanganui East	2	80	\$ 325,000	\$ 345,000

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.