



Final Report: 19 January 2026

Economic Assessment of Proposed SL1 Houchens Development for Fast-track Referral

Prepared for:
Chinamans Hill Limited & Ohaupo Land Limited Partnership

Authorship

This document was written by Fraser Colegrave, Danielle Chaumeil, and Nic Keith.

Contact Details

For further information about this document, please contact us at the details below:

Phone: s 9(2)(a)

Email: s 9(2)(a)

Disclaimer

Although every effort has been made to ensure the accuracy and integrity of the information and analysis presented in this document, Insight Economics Limited and this document's authors accept no liability for any actions, or inactions, arising from its contents and conclusions.

Cover Photo Credit

<https://woodforesteearthworks.com/>

Copyright

© Insight Economics Ltd, 2026. All rights reserved.

Contents

1.	Executive Summary.....	1
2.	Introduction	3
2.1.	Context	3
2.2.	Criteria for Assessing Referral Applications	3
2.3.	Structure of this Document.....	4
3.	About the Proposal	5
3.1.	SL1 Location and Description	5
3.2.	Houchens Development Location and Description.....	6
3.3.	About the Development.....	6
3.4.	Anticipated Development Yields	8
4.	One-Time Impacts of Development	10
4.1.	Introduction	10
4.2.	Methodology.....	10
4.3.	Limitations.....	11
4.4.	Development Assumptions	11
4.5.	Summary of Development Costs.....	13
4.6.	Estimated Impacts on GDP, Jobs, and Wages	13
4.7.	Top 10 Industries by FTEs Employed.....	14
5.	Ongoing Impacts of Future Uses.....	16
5.1.	Introduction	16
5.2.	Methodology.....	16
5.3.	Limitations.....	16
5.4.	Inputs & Assumptions	16
5.5.	Annual GDP, Jobs, and Wages.....	17
5.6.	Wider Ongoing Employment Impacts	17
6.	Housing Market Impacts.....	19
6.1.	Significant Boost in Housing Supply	19
6.2.	Competitive Land Markets	20
6.3.	Providing for a Range of Dwelling Types.....	20
6.4.	Releasing Existing Housing to the Market.....	21
7.	Wider Economic Impacts	22
7.1.	Significant Boost in Industrial Supply	22
7.2.	Providing for a Range of Industrial Uses	22
7.3.	Critical Mass and Support for Nearby Centres	22
7.4.	Project Acceleration	22
7.5.	Alignment with Strategic Direction	23
7.6.	Land Use Efficiency	23
7.7.	Support for Strategic Infrastructure Delivery.....	23
7.8.	Highest and Best Use of Land.....	24
7.9.	Investment Signal Effects	24
8.	Conclusion and FTAA Criteria Checklist	25
8.1.	Conclusion	25
8.2.	FTAA Criteria Checklist	25
	APPENDIX A: HCA Sufficiency Tables	26

1. Executive Summary

Context

The **SL1 Houchens Development** is a combined residential and industrial development within the wider SL1 area. The development comprises circa 145 hectares, which will be split into approximately 55 hectares of residential development, 25 hectares of industrial development, two supporting neighbourhood centres, blue-green networks, and wetlands (the **proposal**). To expedite development, the applicants are seeking consent under the Fast-track Approvals Act 2024 (**FTAA**). To assist, this report provides a high-level assessment of the likely economic effects of the proposal—particularly its impacts on the housing and industrial markets, GDP, employment, and household incomes. It also considers a range of wider economic effects arising from the development.

Key Findings

The proposal will create significant one-time boosts in GDP, jobs, and incomes, particularly during construction. Over a 15-year period, including flow-on effects, we estimate that the development could have the following regional impacts:

- A one-time boost in national GDP of around \$741 million;
- Employment for 5,100 FTE-years (or 340 people employed full-time for 15 years); and
- Additional household incomes of \$437 million.

At full build-out, the proposal's non-residential areas could sustain the following activity:

- Full-time employment for 953 people;
- Annual GDP of \$128 million; and
- \$75 million paid annually in wages/salaries.

In addition, the proposed development will generate the following housing market impacts:

- **Significant Boost in Housing Supply:** The proposal enables approximately 1,300 new dwellings and 400 retirement village units, which will help the market be more responsive to growth in demand, thereby reducing the rate at which local house prices grow over time (relative to the status quo).
- **Land Market Competition:** The proposal will help to foster competition in the local land market, which is a cornerstone of economic efficiency.
- **Providing a Variety of Dwellings:** The proposal caters to a variety of needs and preferences by providing for a range of dwelling typologies.

Finally, the proposal will generate a range of wider economic and social benefits, including:

- **Significant Boost in Industrial Supply:** The proposal enables approximately 101,950 m² of new industrial floorspace, which will help meet expected future demand in the local area, ease land supply constraints, and support a more responsive industrial market.
- **Support for Strategic Infrastructure Delivery:** The proposal anchors future demand for the Southern Links corridor, including the planned Houchens interchange, and provides a defined catchment for the Southern Wastewater Treatment Plant and new strategic water reservoir. Recent Government confirmation of \$1.2 billion towards Roads of National Significance reinforces the strategic alignment of the SL1 Growth Cell.
- **Ongoing Local Economic Support:** As new residents move to the area, they will help create critical mass to support the ongoing health and vitality of nearby centres, including the CBD.
- **Highest and Best Use of Land:** The proposal enables the subject land to be put to its highest and best use, which is a precondition for economic efficiency to hold in the underlying land market.
- **Investment Signal Effects:** The development will provide a strong signal of confidence in the local economy, which may help spur on, accelerate, or bring forward other developments.

Conclusion

Overall, the proposal delivers both significant short-term economic gains and sustained long-term benefits for the region. It enables new residential, commercial, and industrial capacity in a strategically recognised growth area and aligns with key transport and spatial planning priorities. Specifically, the proposal:

- Supports the delivery of regionally significant infrastructure (Criterion 22(2)(a)(ii));
- Increases housing supply and contributes to a well-functioning urban environment (Criterion 22(2)(a)(iii));
- Delivers significant economic benefits through construction activity and ongoing employment (Criterion 22(2)(a)(iv); and
- Aligns with the Future Proof Strategy and wider regional planning documents (Criterion 22(2)(a)(x)).

The Fast-track process ensures these benefits are realised sooner than traditional development pathways would otherwise normally allow. Accordingly, we support the proposal on economic grounds.

2. Introduction

2.1. Context

Southern Links 1 (**SL1**) is an emerging growth cell spanning an area of more than 440 hectares on the southern edge of Hamilton City. A large share of the SL1 land is strategically owned by several motivated landowners with similar goals and ambitions for the site. Once developed, SL1 will provide more than 9,000 new homes, 110 hectares of additional industrial land, neighbourhood centres, and a network of open spaces.

SL1 Houchens Development is a combined residential and industrial development within the wider SL1 area. The applicants are part of a well-established group of developers involved in a consortium that has been established for some time and represent the bulk of the SL1 growth cell, which is recognised in the Future Proof Strategy and by the wider development community as a key area for coordinated growth in the Waikato. The proposal offers strong synergies with the adjoining Southern Links 1 Stage 1 Industrial and Stage 1 Residential Fast-track projects.

The SL1 Houchens Development comprises circa 145 hectares, which will be split into approximately 55 hectares of residential development, 25 hectares of industrial development, two supporting mixed-use neighbourhood centres, blue-green networks, and wetlands (the **proposal**).

To expedite development of the proposal, the applicants are seeking consent under the Fast-track Approvals Act 2024 (**FTAA**). To assist, this report provides a high-level assessment of the likely economic effects of the proposal, particularly its impacts on the housing and industrial markets, GDP, employment, and household incomes. It also considers a range of wider economic effects arising from the development.

2.2. Criteria for Assessing Referral Applications

The FTAA is a new, permanent fast-track approvals regime for projects of national and regional significance. It aims to remove barriers that have historically made it difficult to deliver the infrastructure and development New Zealand needs. Under section 22 of the Act, proposals may be referred to an expert panel for fast-track consenting where the Minister is satisfied that the project meets the purpose of the Act and has the potential to deliver significant regional or national benefits.

In considering whether to refer a project, the Minister may consider a range of factors set out in Section 22(2)(a). To assist decision makers, this report provides an assessment of the proposal against two of those criteria from an economic perspective. Specifically, it considers whether the project:

- ii. Delivers new or supports existing regionally/nationally significant infrastructure.
- iii. Will increase the supply of housing, address housing needs, or contribute to a well-functioning urban environment (within the meaning of policy 1 of the National Policy Statement on Urban Development 2020).
- iv. Will deliver significant economic benefits.
- x. Is consistent with local/regional planning documents and spatial strategies.

2.3. Structure of this Document

The remainder of this document is structured as follows:

- **Section 3** identifies the subject site and provides indicative development yields.
- **Section 4** estimates the one-time impacts of the proposal's future development.
- **Section 5** estimates the annual impacts of non-residential activities sustained on-site.
- **Section 6** assesses the likely impacts of the proposal on the local housing market.
- **Section 7** considers a range of wider economic impacts of the proposal.
- **Section 8** provides a checklist against the FTAA referral criteria.

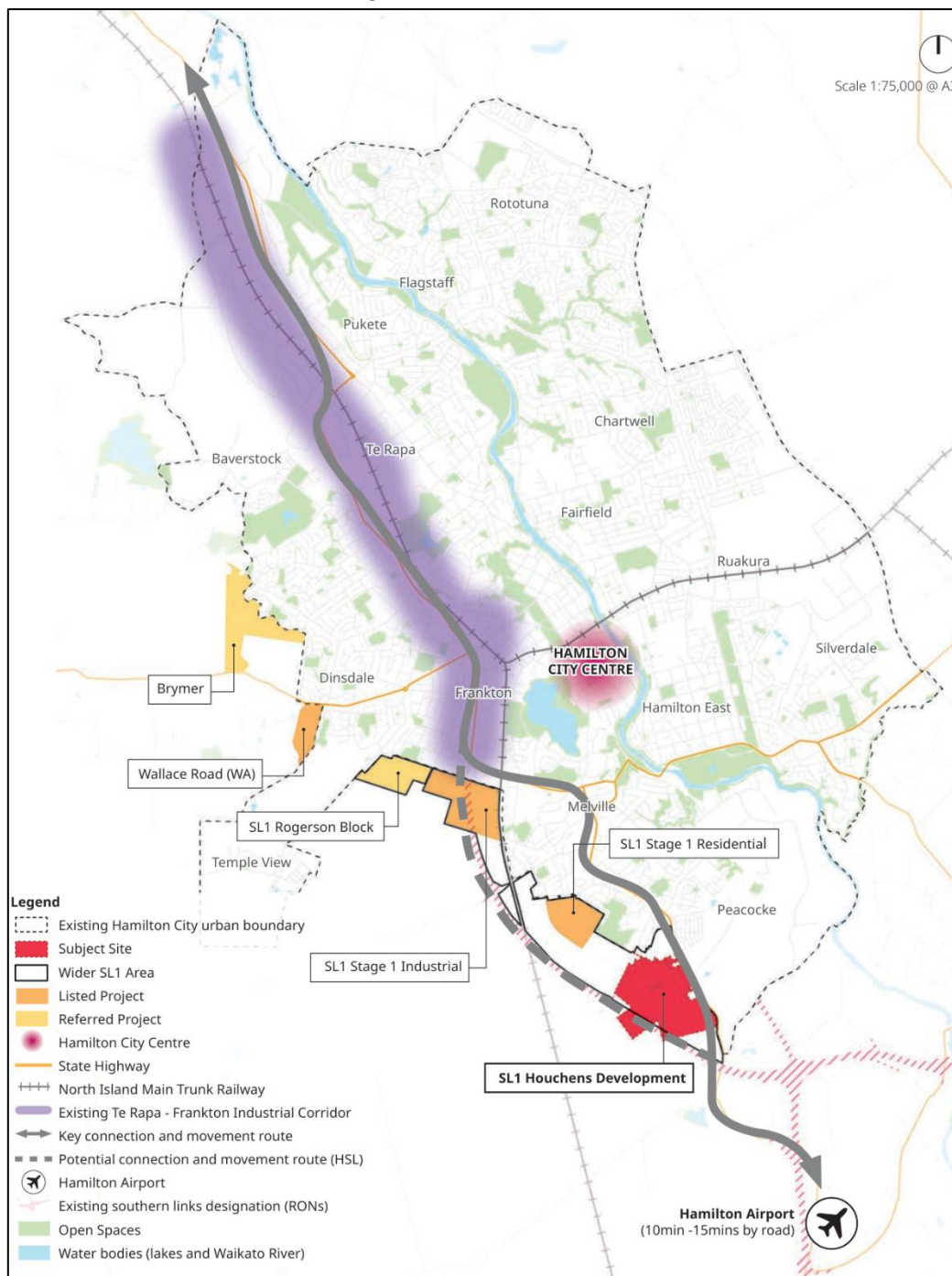
3. About the Proposal

This section briefly describes the proposed development.

3.1. SL1 Location and Description

SL1 is an emerging growth cell located on the southern edge of Hamilton City, in Waipa District. It spans more than 440 hectares and is zoned rural under the Waipa District Plan. The location of the SL1 land is shown in red in Figure 1 below.

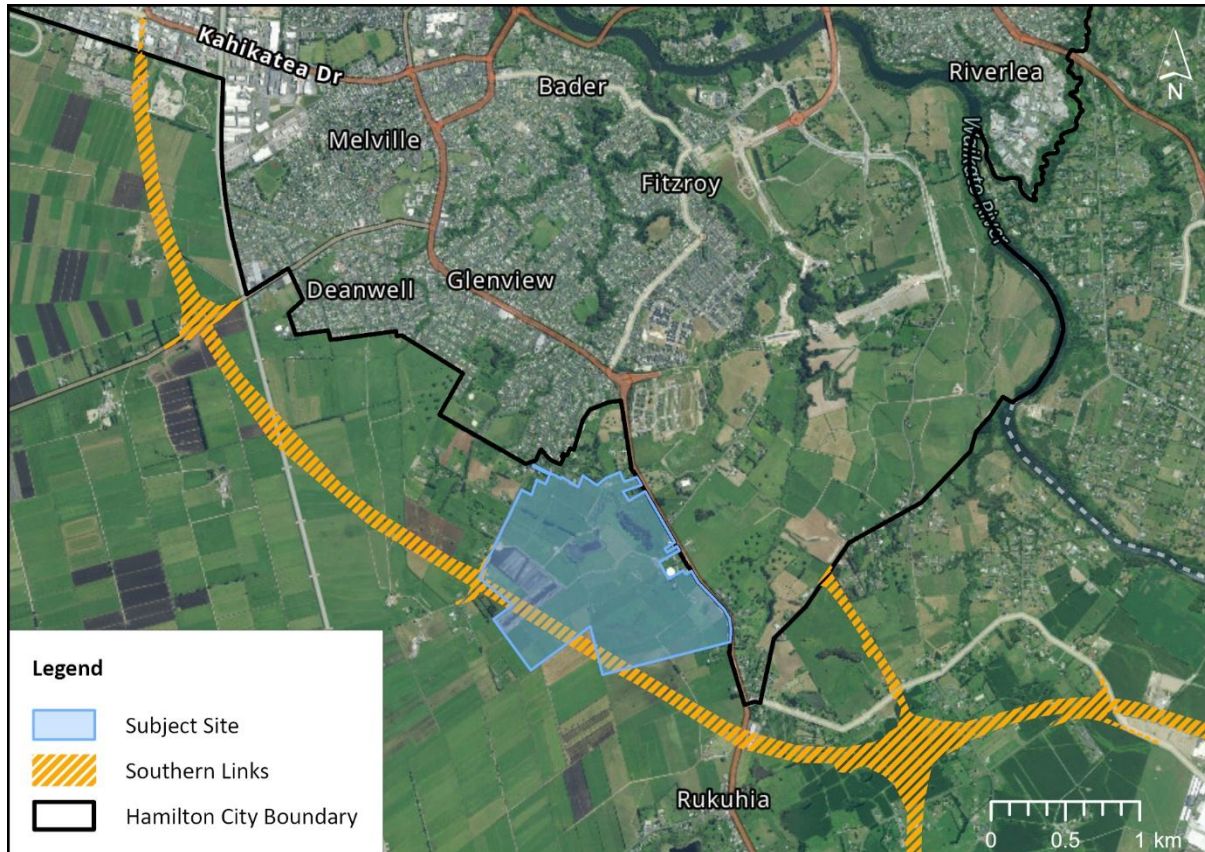
Figure 1: Location of SL1 Land



3.2. Houchens Development Location and Description

The SL1 Houchens Development is located at the southern extent of the SL1 growth area. It is bound by the Hamilton City urban boundary to the east, the southernmost extent of the Glenview suburb to the north, and rural land to the south and east. Figure 2 below shows the site in its immediate receiving environment, with the existing Southern Links Designation hatched in orange.

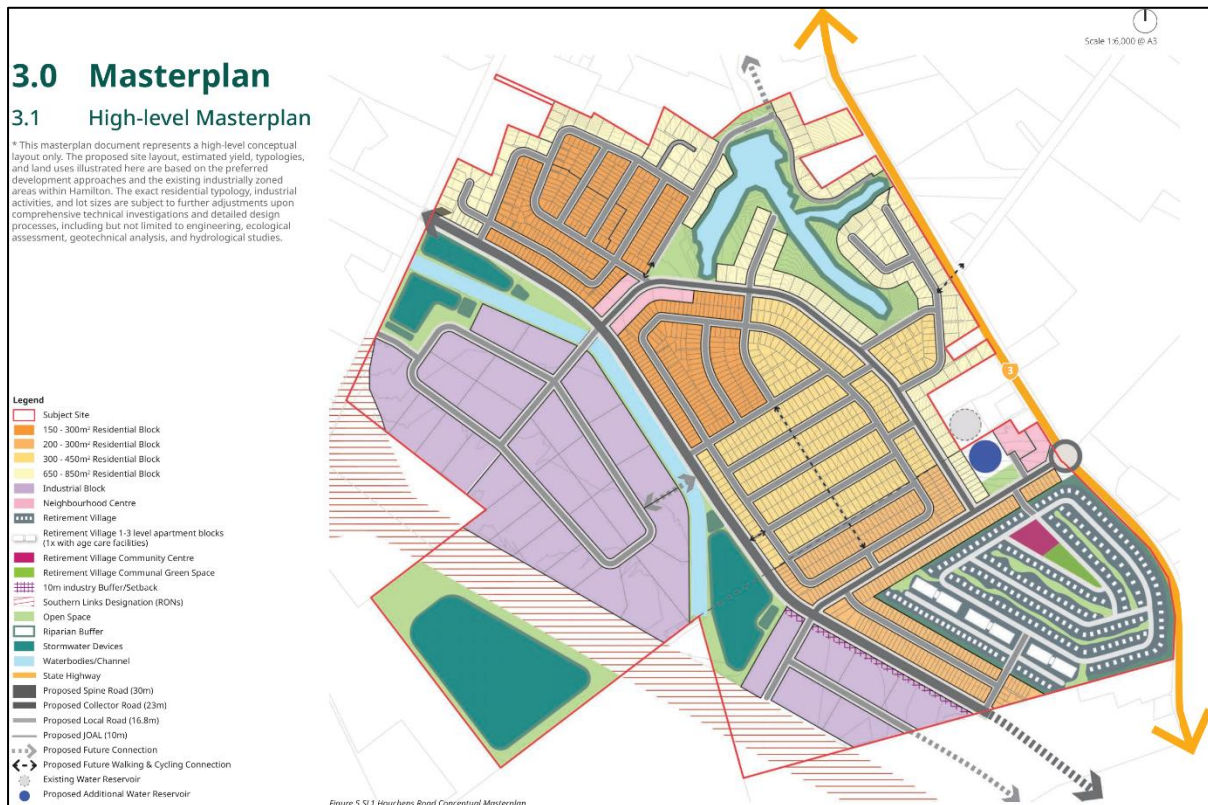
Figure 2: SL1 Houchens Development Receiving Environment



3.3. About the Development

The SL1 Houchens Development is a combined residential and industrial development that comprises circa 145 hectares, which will be split into a mix of residential densities and industrial development. The residential component comprises circa 55 hectares of net residential, including 1,300 residential units of varying typologies (including single detached, duplex, terraced apartment), a 400-unit retirement village, along with two supporting mixed-use neighbourhood centres, open spaces, waterbodies, and infrastructure devices including wetlands. The SL1 Houchens Development includes a net 25 hectares of industrial, generating between 24-47 industrial sized lots for industrial activities. An indicative masterplan is shown in Figure 3 below.

Figure 3: Indicative Masterplan



The residential development is underpinned by a series of design principles, which focus on creating a well-connected, legible, and diverse community on Hamilton City's urban fringe. The proposed transport network, with a 30-metre-wide spine road running north-to-south, is supported by existing and proposed local roads, cycle connections, and pedestrian pathways to create an accessible and legible development. As aforementioned, a range of housing typologies and densities are proposed to meet the growing and changing needs of the housing market to ensure there are options for future residents. Each typology has been thoughtfully located, based on opportunities and constraints, with density ranging from terraced, duplex, and detached dwellings to ensure integration with the adjoining urban footprint.

Located on the eastern and central portions of the Houchens Development are neighbourhood centres that will provide a range of amenities and services to support the residential and industrial developments. This neighbourhood centre will likely include commercial properties, childcares, cafés, and a local superette.

Sitting at the lower, southern point of the site is a retirement village that comprises approximately 15 hectares and provides 400 units of varying typologies, including traditional villa and apartment typologies. This will be serviced by its own private transport network, infrastructure, and high amenity open spaces.

On the south-western edge is strategic industrial land that provides key connectivity to the potential Southern Links Houchens interchange, a Road of National Significance (**RONS**).

The wider SL1 Houchens Development integrates throughout a number of open spaces, waterbodies and wetlands that are well distributed to create a high amenity community that will be a pleasant and enjoyable place to live for future residents. These open spaces, waterbodies and wetlands support ecological restoration through the retention of a number of natural species and riparian revegetation and support broader cultural biodiversity outcomes within SL1 Houchens Development.

The SL1 Houchens Development includes a proposed Water Reservoir, to provide the ability for a long-term strategic water asset for Hamilton City Council to be designated.

The development will be appropriately serviced via a robust infrastructure strategy, which includes the addition of a water reservoir to accompany the one already existing, utilisation of existing services and stormwater artificial wetlands.

3.4. Anticipated Development Yields

The residential component includes a mix of lot sizes, with nearly 90 percent of lots under 450 m². This supports a compact urban form and provides for a range of housing preferences.

Table 1: Residential Lot Size Distribution

Residential Lot Size	Count	Share
150 - 300 m ²	510	39%
200 - 300 m ²	292	22%
300 - 450 m ²	350	27%
650 - 850 m ²	148	11%
Total	1,300	100%

The proposed retirement village is expected to deliver 400 independent living units across a range of typologies. We assume an even split between 200 villas and 200 apartments, with the latter distributed across three 1-3 storey apartment buildings. In addition, one apartment block will include a dedicated 60-bed aged-care facility. This mix supports ageing-in-place and provides a variety of housing options to meet differing lifestyle and care needs among older adults.

Table 2: Retirement Village Typologies and Yields

RV Unit Type	Description	Count	Share
Villa	2 Bed	85	21%
	2 Bed + Study	75	19%
	3 Bed	25	6%
Apartment	1 Bed	15	4%
	2 Bed	110	28%
	2 Bed + Study	80	20%
	3 Bed	10	3%
Total		400	100%

The industrial component of the proposal provides a net developable area of approximately 25.5 hectares once internal roading and infrastructure are accounted for. Based on current development patterns within Hamilton City's industrial zones, we adopt an indicative floor area ratio (**FAR**) of 0.4.¹

This translates to approximately 101,950 m² of new gross floor area (**GFA**). We assume 99.5 percent of this GFA will be used for industrial purposes, with the remaining 0.5 percent supporting ancillary commercial uses such as food and beverage services for workers. These assumptions are summarised in Table 3 below.

Table 3: Indicative Industrial Floorspace Enabled by the Proposal

Measure	Value
Net developable industrial land area	25.5 ha
Indicative floor area ratio (FAR)	0.4
Estimated gross floor area (GFA)	101,950 m ²
Industrial GFA (99.5%)	101,440 m ²
Ancillary commercial GFA (0.5%)	510 m ²

Finally, two neighbourhood centres are proposed in separate locations within the development, with a combined net developable area of approximately 1.4 hectares. Applying an indicative FAR of 0.46, consistent with development patterns across Hamilton City's Neighbourhood Centre Zone, this equates to around 6,500 m² of GFA. The centres are intended to accommodate a mix of local-serving activities, likely including small-scale retail, commercial premises, childcare facilities, cafés, and a local superette. Together, these uses will help meet the day-to-day needs of residents and improve walkable access to local amenities for both future residents and neighbouring communities.

¹ The floor area ratio (FAR) is calculated by dividing GFA by land area. The FAR for each property was computed, and the median of these values was taken as the representative FAR.

4. One-Time Impacts of Development

This section estimates the one-time impacts of the SL1 Houchens Development.

4.1. Introduction

In the previous section we showed that the proposed development could deliver approximately 1,300 new homes, 400 retirement village units, plus 108,450 m² of non-residential floorspace.² Constructing these new buildings, and preparing the land for development (not to mention installing all necessary infrastructure and obtaining all necessary consents), will have significant one-time economic impacts on GDP, jobs, and wages.

4.2. Methodology

We quantified these one-time economic impacts using a technique called multiplier analysis, which traces the impacts of additional economic activity in one sector – such as construction – through its supply chain to estimate the overall impacts, including flow-on effects. These comprise two parts:³

- **Direct impacts** – which capture all on-site and off-site activities directly related to the proposal's development, e.g., home builders and their various subcontractors and suppliers, some of which will be on-site, and some of which will be off-site.
- **Indirect effects** – which capture additional (supply-chain) impacts arising when businesses working directly on the project source goods and services from their suppliers, who in turn may need to source goods and services from their own suppliers, and so on.

These economic impacts are measured in various ways, including:

- **Contributions to GDP (or value-added)** – GDP measures the difference between a business' inputs (excluding wages and salaries) and the value of its outputs. It captures the value that a business adds to its inputs to create its own outputs, hence the term "value-added."
- **Total FTEs** – which equals the total number of full-time equivalent workers employed.
- **Total Jobs** – which is the total number of people employed, i.e., including both part-time and full-time workers.
- **Total wages and salaries** – which equals the total amount paid in wages and salaries.

² Comprised of 101,950 m² of industrial floorspace and 6,500 m² of neighbourhood centre floorspace.

³ In some applications of multiplier analysis, induced impacts are also reported. These represent the additional economic activity generated when workers employed directly or indirectly by a proposal spend their wages and salaries in the wider economy. While such spending does create some additional demand, much of it would have occurred anyway, since many workers (particularly those with specialist skills) would likely be employed elsewhere in New Zealand absent the proposal. For this reason, induced effects tend to overstate the economic benefits. Including them can also lead to implausible results, such as suggesting that every dollar of expenditure generates more than one dollar of GDP. In practice, the economy cannot expand indefinitely, as firms face limits on available labour and resources. These constraints, along with rising prices, prevent such outcomes. Accordingly, this assessment reports only direct and indirect effects.

For example, when a construction firm wins a new project, they will subcontract various parts of the build to other companies, such as glaziers, tilers, plumbers, electricians, etc. Those subcontractors, in turn, will then usually need to source additional materials and services from their suppliers, who may then need to source materials and services from their suppliers, and so on. Multiplier analysis enables the impacts of these supply chain interactions to be captured to estimate the overall impact of the new building project, including its direct and flow-on (supply chain) effects.

4.3. Limitations

While multiplier analysis is a widely used tool for estimating the wider economic effects of industry activity, it has several limitations that should be borne in mind when interpreting results:

- **Fixed relationships:** Models assume fixed input-output ratios between industries and do not capture technological change, substitution, or efficiency improvements over time.
- **No price or capacity constraints:** The framework assumes that supply can expand to meet increased demand without affecting prices, wages, or resource availability. In reality, constraints (e.g., limited skilled labour) may dampen the scale of impacts.
- **Average industry structure:** Input-output coefficients are based on national industry averages. Where a project's cost structure differs materially relative to industry norms, results may diverge from actual outcomes.
- **No feedback effects:** Broader economy-wide feedback loops (such as inflationary pressures or exchange rate effects) are not captured.

These limitations mean that multiplier analysis should be viewed as providing indicative estimates of the scale and distribution of economic impacts, rather than precise forecasts.

4.4. Development Assumptions

Based on the location and nature of the proposal, we assume that 85% of the direct and indirect national one-time impacts accrue to the Waikato region.⁴

Our analysis incorporates various assumptions about the likely scale and cost of future development. Because reliable information was available on likely residential and non-residential yields, we started with those. Specifically, we first estimated the costs of all residential and non-residential construction. Then, we estimated planning/consenting and earthworks/infrastructure costs as percentages of those. Specifically, we estimated planning and consenting costs equal to 2% of total construction costs, and earthworks/infrastructure equal to 20% of construction costs (based on our experience with similar developments elsewhere in New Zealand).

⁴ In some countries, regional I-O tables are commonly used to estimate subnational economic impacts. However, in New Zealand, the regions are generally too small and economically interlinked to produce reliable standalone I-O tables. Regional data is often sparse, outdated, or lacks the industry granularity required for robust modelling. Accordingly, we have used national multipliers and attributed a share of national impacts to the Waikato region.

In addition, although the subject land lies within Waipa District, its location on the Hamilton City urban fringe means it effectively functions as part of the Hamilton housing and industrial market. Accordingly, Hamilton City datasets, such as building consent records and property data, are used as the relevant benchmarks throughout this assessment.

Table 4 displays our notional residential development assumptions, which include average dwelling sizes⁵ by section size and associated build costs⁶, for the 1,300 new dwellings enabled. Overall, residential construction costs are estimated at \$557 million in today's dollars.

Table 4: Residential Development Assumptions

Section Size	# of New Dwellings	Average Size GFA m ²	Build Cost \$/m ² GFA	Total Build Cost \$m
150 - 300 m ²	510	105	\$2,900	\$155
200 - 300 m ²	292	115	\$3,200	\$107
300 - 450 m ²	350	155	\$3,200	\$174
650 - 850 m ²	148	255	\$3,200	\$121
Total / Average	1,300	138	n/a	\$557

Next, Table 5 summarises the key assumptions for the 400 retirement village units proposed.⁷ Dwelling sizes are assumed to range from 55 m² for a one-bedroom apartment to 140 m² for a three-bedroom villa, yielding a weighted average floor area of 103 m² per unit. Overall, the total cost of retirement village unit construction is estimated at \$119 million in today's dollars.

Table 5: Retirement Village Unit Development Assumptions

Unit Typology	Description	# of New Dwellings	Average Size GFA m ²	Build Cost \$/m ² GFA	Total Build Cost \$m
Villa	2 Bed	85	110	\$2,800	\$26
	2 Bed + Study	75	125	\$2,800	\$26
	3 Bed	25	140	\$2,800	\$10
Apartment	1 Bed	15	55	\$3,000	\$2
	2 Bed	110	80	\$3,000	\$26
	2 Bed + Study	80	100	\$3,000	\$24
	3 Bed	10	115	\$3,000	\$3
Total / Average		400	103	n/a	\$119

Next, Table 6 combines our notional estimates of non-residential floorspace with associated build costs to yield estimated total construction costs of \$278 million in today's dollars.

⁵ Dwelling sizes were based on Hamilton City residential average GFA by section size for properties built and sold since 2020.

⁶ Build costs were based on average values over the year to August 2025 in Hamilton City and the Waikato Region, as reported in building consent data.

⁷ Assumptions are based on building consent data for the year ending August for Hamilton City and the Waikato Region, together with a review of recent comparable retirement village developments.

Table 6: Indicative Non-Residential Development Assumptions⁸

Activity	Total GFA m ²	Build Cost \$/m ² GFA	Total Build Cost \$m
Industrial	101,440	\$2,500	\$254
Neighbourhood Centres	6,500	\$3,500	\$23
Ancillary Commercial	510	\$3,050	\$2
Total	108,450	n/a	\$278

Based on the tables above, total construction costs equal \$954 million, from which we then derived:

- \$19 million for planning, designing, and consenting costs (i.e., 2% of build costs); and
- \$191 million for infrastructure and civil works costs (i.e., 20% of build costs).

4.5. Summary of Development Costs

Table 7 summarises the estimated total cost of the proposal across the four key activities based on the assumptions set out above, which equal \$1.2 billion in today's dollars.

Table 7: Summary of Estimated Development Costs (\$ millions)

Development Activity	\$ millions
Planning/design/consent	\$19
Civil works & infrastructure provision	\$191
Residential construction	\$676
Non-Residential construction	\$278
Total Development Cost	\$1,163

Finally, these costs were mapped to sectors of the national economy then overlaid with the latest economic multipliers⁹ to derive the one-off impacts of development, as set out below.

4.6. Estimated Impacts on GDP, Jobs, and Wages

Table 8 presents the one-time impacts of the SL1 Houchens Development based on the methodology, inputs, and assumptions described above. All activities are assumed to occur over a 15-year period.

⁸ Excludes construction costs associated with retirement village amenities (e.g., community centre, recreational facilities, and supporting infrastructure). As such, total non-residential build costs are likely to be conservative.

⁹ Multipliers were derived by Insight Economics using Stats NZ source data, including the Annual Enterprise Survey, Linked Employer-Employee Data, Quarterly Employment Survey, and Monthly Employment Indicators.

Table 8: One-Time Economic Impacts of Development by Activity (spread over 15 years)

	Planning & Design	Infrastructure & Civil Works	Residential Construction	Non-Resi Construction	Development Totals
Annual Jobs					
Direct impacts	4	26	55	22	107
Indirect impacts	3	33	156	62	254
Total	7	59	211	84	361
Annual FTEs					
Direct impacts	4	24	52	21	101
Indirect impacts	2	31	146	58	237
Total	6	55	198	79	338
Total Wages \$m					
Direct impacts	\$6	\$36	\$60	\$30	\$132
Indirect impacts	\$3	\$41	\$186	\$75	\$305
Total	\$9	\$77	\$246	\$105	\$437
Total GDP \$m					
Direct impacts	\$10	\$52	\$94	\$49	\$205
Indirect impacts	\$6	\$74	\$322	\$134	\$536
Total	\$16	\$126	\$416	\$183	\$741

In summary, we estimate that:

- Future planning/design/consenting will create full-time employment for six people over the 15-year development period, generating total wages/salaries of \$9 million;
- Land development (including infrastructure provision and all other civil works) will create full-time work for 55 people, with \$77 million paid in wages/salaries;
- Residential construction will provide full-time work for nearly 200 people, with \$246 million paid in wages and salaries; and
- Non-residential construction will provide full-time work for nearly 80 people, with \$105 million paid in wages and salaries.

Overall, the proposal's development is estimated to provide full-time work for nearly 340 people for 15 years, generating \$437 million in wages/salaries, and boosting GDP by \$741 million.

4.7. Top 10 Industries by FTEs Employed

To better understand the likely impacts of the SL1 Houchens Development, Table 9 reveals the 10 industries likely to experience the greatest employment boosts. Those top ten industries account for three-quarters of all full-time employment generated by the proposal's development, with the balance spread across numerous other sectors.

Table 9: Top 10 Industries by Annual FTEs Generated during Development

Industries	Annual FTEs	Shares
Construction services	80	24%
Residential building construction	61	18%
Heavy and civil engineering construction	30	9%
Non-residential building construction	17	5%
Scientific, architectural, and engineering services	15	5%
Fabricated metal product manufacturing	12	4%
Public order, safety, and regulatory services	11	3%
Wood product manufacturing	10	3%
Employment and other administrative services	7	2%
Legal and accounting services	7	2%
Top 10 Subtotal	253	75%
All Other Industries	85	25%
Total FTE-years (all industries)	338	100%

5. Ongoing Impacts of Future Uses

This section estimates the annual impacts of the proposal's future non-residential uses once built out.

5.1. Introduction

In addition to the one-off economic impacts of the proposal's development just estimated, the proposed industrial and commercial areas will also sustain significant ongoing economic activity over time. Accordingly, this section briefly estimates those impacts in terms of annual contributions to GDP, jobs, and wages.

5.2. Methodology

We estimated the potential annual economic impacts of future activity sustained at the SL1 Houchens Development by:

1. Applying the previously estimated industrial and commercial floorspace and overlaying "GFA per worker" ratios from the latest Business Capacity Assessment (BCA)¹⁰ to derive total workers per area at full build-out.
2. Applying the same economic multipliers from the previous section to translate future ongoing employment into corresponding measures of annual GDP and wages/salaries.

5.3. Limitations

All figures represent the total scale of economic activity that could occur onsite once fully established. It is important to note that the results presented here are **gross impacts**, some of which may have occurred elsewhere in the absence of the proposal. We have not attempted to quantifying the extent of this displacement.

5.4. Inputs & Assumptions

Table 10 shows the floor areas and GFA per worker ratios used in our analysis. Together, they indicate that the development's industrial and commercial areas could sustain employment for approximately 990 workers at full build-out.

Table 10: Non-residential Floor Areas and Workers at Full Build Out

Activity	Total GFA (ha)	GFA (m ²) / Worker	Future Workers
Industrial	10.20	120	850
Neighbourhood Centres	0.65	50	130
Ancillary Commercial	0.05	50	10
Totals	10.90	n/a	990

In addition, we estimate the retirement village will generate approximately 65 permanent roles based on a national ratio of 1.09 employees per aged care bed.¹¹ These roles will likely span a wide range of

¹⁰ Available here: www.futureproof.org.nz/assets/Future-Proof/Resources/BusinessDevelopmentCapacityReportApril24.pdf

¹¹ Estimated using 2024 data from Stats NZ Business Demography (ANZSIC Q860100) and JLL's Aged Care Database (NZACD). This ratio reflects total staff headcount (not FTEs) and assumes one bed per aged care unit.

services commonly required in retirement and senior living communities, including carers and medical staff, village management, maintenance and repairs, cleaning, food services, laundry, administrative support, and recreational activities.

5.5. Annual GDP, Jobs, and Wages

Next, Table 11 summarises the annual economic impacts of future activity sustained at the SL1 Houchens Development in terms of FTEs employed, GDP contributed, and wages generated.

Table 11: Estimated Annual Economic Impacts of Non-residential Areas (at full build-out)

Activity	Jobs	FTEs	GDP \$m	Wages \$m
Industrial	850	790	\$111	\$64
Neighbourhood Centres	130	103	\$10	\$6
Ancillary Commercial	10	7	\$1	\$1
Retirement Village Support Roles	65	53	\$6	\$4
Totals	1,055	953	\$128	\$75

In summary, the development's non-residential areas could sustain the following activity at full build-out:

- Full-time employment for 953 people;
- Annual GDP of \$128 million; and
- \$75 million paid annually in salaries / wages.

5.6. Wider Ongoing Employment Impacts

Importantly, the jobs enabled by the proposal's industrial, commercial, and retirement village components will together sustain a diverse and stable local workforce. Beyond direct employment, these activities will help build skills, strengthen supply chains, and support ongoing regional productivity. Key benefits include:

- **Career development:** Industrial and care-sector roles provide clear training and progression pathways through trade qualifications, apprenticeships, and professional development programmes.
- **Agglomeration benefits:** Clustering of industrial firms encourages knowledge exchange, shared services, and labour mobility, improving efficiency and innovation.
- **Stable, year-round employment:** The care facilities, and many industrial operations, will provide ongoing, non-seasonal employment. While not all industrial activities will operate continuously, both sectors together contribute to a stable local workforce and support household income security.
- **Supply-chain linkages:** Local sourcing of materials, maintenance, and services creates secondary demand across the wider regional economy.

- **Local workforce opportunities:** The diverse scope of roles enabled — from entry-level to technical and managerial — supports inclusive participation in the local labour market.

Collectively, these effects enhance the region's employment diversity and resilience, generating tangible and long-lasting social and economic benefits within the southern Hamilton growth corridor.

6. Housing Market Impacts

This section assesses the likely impacts of the proposal on the local housing market.

6.1. Significant Boost in Housing Supply

Hamilton City's population is the fourth largest of New Zealand's 67 territorial authorities, but it has the smallest land area, so its population density is the highest by far. Accordingly, there are limits on the extent to which the city's future growth can readily be contained within its borders. At the same time, sub-regional¹² residential land and house prices have risen significantly over recent years, which has led to significant affordability issues, particularly in Hamilton.

In addition, the latest Housing Capacity Assessment (**HCA**) prepared for the Tier 1 Future Proof partners¹³ under the National Policy Statement on Urban Development (**NPS-UD**) identifies significant shortfalls in dwelling capacity to meet expected demand across most locations in the short term.

For Hamilton City, depending on the growth scenario applied, a shortfall of between 2,000 and 3,000 dwellings is projected in the short term. When assessed by typology, around half of the 2,000-dwelling deficit under the HCC growth model scenario is projected to be for detached housing.

In Waikato District, the HCA identifies shortfalls across all assessed scenarios and dwelling typologies, with deficits observed in all locations. The Waipa District similarly records shortfalls across all scenarios and all typologies except for apartments.

In the medium term, the HCA indicates a deficit of up to 4,500 dwellings in Hamilton City. While Waipa and Waikato districts appears to have sufficient capacity overall, shortfalls are identified in most locations assessed. Not only that, but medium-term capacity in Hamilton, Waipa, and Waikato is concentrated within a limited set of price bands, with shortfalls recorded across most other value ranges. **Appendix A** provides further detail.

The proposal acknowledges and directly responds to this need for more residential land to meet growth in demand over time, by enabling the development of approximately 1,300 new homes and 400 retirement village units on the city's outskirts. All other things being equal, this supply boost will help the market to be more responsive to growth in demand, thereby reducing the rate at which city house prices grow over time (relative to the status quo).

To assess the significance of this supply boost, we used data from a Tier 1 city Council in the North Island, which details the nature and scale of all residential subdivision consents granted there over the past six or seven years. The data covered 1,666 consents and enabled the creation of nearly 13,000 new residential lots.

¹² i.e., the Future Proof sub-region, comprising Hamilton City, Waipa District and Waikato District.

¹³ Hamilton City, Waikato District and Waipa District.

Of those 1,666 consents:

- The median number of new lots created was only four;
- Only the top 10% provided 10 lots or more;
- Only the top 3% provided 30 lots or more; and
- Only the top 1% provided 75 lots or more.

Based on these data, and drawing on our vast experience with more than 80 residential subdivisions across New Zealand over the past 20 years, we have derived the following rules of thumb for assessing the significance of development proposals:

- 15 to 30 lots represent a significant increase in capacity;
- 30 to 100 lots represent a highly significant increase; and
- More than 100 lots represent an extremely significant increase.

Applying these rules of thumb to the proposal, it follows that the 1,700 additional residential dwellings enabled by the proposal represent an extremely significant increase in development capacity.

6.2. Competitive Land Markets

In addition to directly boosting dwelling capacity, the proposal will also help to foster competition in the local land market. This is important because, as recognised through Objective 2 of the NPS-UD, competition is the cornerstone of economic efficiency. When the land market becomes more competitive, land developers have a greater incentive to bring their product to the market in a more timely and cost-effective manner, thus further helping to keep city housing as affordable as possible.

Absent competition, landowners experience “market power,” which enables them to charge more for land and be slower in releasing it to the market. Both outcomes conspire against affordability and reduce the overall efficiency of the housing market.

6.3. Providing for a Range of Dwelling Types

The proposal also enables a wide range of dwelling types and sizes to be constructed on the land over time, such as terraced, duplex, and detached dwellings. This diversity of end use helps the proposal give effect to Policy 1(a)(i) of the NPS-UD, which requires planning decisions to contribute to well-functioning urban environments that provide a variety of homes to meet the needs of a diverse population.

Importantly, the proposal includes sections that are considerably smaller than Hamilton City’s existing housing stock, with an average section size of 305 m² compared to a citywide average of approximately 800 m². Developments like this are critical to providing a range of smaller and more affordable dwellings to meet the rapidly evolving needs of the wider Hamilton area.

6.4. Releasing Existing Housing to the Market

Finally, the proposed retirement village provides housing options that cater specifically to a target demographic, which frees up existing housing for more intensive uses, whether for larger families or higher-density redevelopment. For example, older, larger dwellings can be made available for younger families or first homebuyers, for which they are likely to be better suited.

7. Wider Economic Impacts

This section considers a range of wider economic impacts of the proposal.

7.1. Significant Boost in Industrial Supply

According to the latest Business Development Capacity Assessment prepared for the Future Proof Partners, Hamilton City has insufficient industrial land available to meet expected demand across most of its existing industrial areas. This includes the Frankton industrial node, immediately northeast of the subject site, where land supply is deemed insufficient over the short-, medium-, and long-terms.¹⁴

The proposal responds to the need for more industrial land in this location by providing 24 - 47 new industrial lots of various sizes. This enables the development of approximately 101,950 m² of new industrial floorspace, which will help keep pace with demand over time. This, in turn, will help ease land supply constraints, support a more responsive industrial market, and improve access for businesses seeking to invest or expand.

7.2. Providing for a Range of Industrial Uses

The proposal provides a range of industrial lot sizes, thereby enabling a variety of activities to establish on the site. Smaller lots are likely to be suitable for small-scale manufacturing, repair workshops and wholesale businesses, while larger lots may suit light industrial workshops, warehouses and commercial showrooms.¹⁵ This, in turn, helps give effect to Policy 1(b) of the NPS-UD, which requires planning decisions to contribute to well-functioning urban environments that enable a variety of sites that are suitable for different business sectors.

7.3. Critical Mass and Support for Nearby Centres

The proposed development is located approximately five kilometres southwest of the Hamilton CBD, which is the commercial heart of the Waikato region. As future development enabled by the proposal occurs and new residents move to the area, they will help create critical mass to support the ongoing health and vitality of nearby centres, including the CBD.

7.4. Project Acceleration

Not only will the proposal provide meaningful employment for a wide range of local workers, as illustrated earlier, but it will likely progress considerably faster via the FTAA process than would otherwise be the case. Absent fast-track approval, the proposal is likely to be subjected to a protracted resource consent process that would invariably take significantly longer. Accordingly, the proposal enables the project to commence sooner, thereby allowing the associated economic benefits to be realised sooner too.

¹⁴ M.E Consulting. (2024). *Business Development Capacity Assessment 2023* (p. 94). Future Proof Partners: Hamilton City, Waikato District, Waipa District and Waikato Regional Council.

¹⁵ No heavy or noxious industrial activity is proposed.

7.5. Alignment with Strategic Direction

The proposal aligns with the Future Proof Strategy, which explicitly recognises the SL1 growth cell as a strategically significant area for urban expansion.¹⁶ Table 9 of the strategy identifies SL1 as part of Hamilton’s urban enablement area under the NPS-UD, with planned intensification supported by future public transport. Its inclusion in the Future Proof Strategy, and the support it has from the development community, signals a high level of certainty around planning and infrastructure timing. This reduces delivery risk, increases investor confidence, and helps attract earlier and more sustained private sector investment. In this way, the proposal’s alignment with planning strategies is also likely to contribute to more efficient and timely economic outcomes.

7.6. Land Use Efficiency

In addition, the medium-density nature of the proposed residential development represents an efficient use of the site’s land. This helps give effect to Principle 2.5 of the Future Proof Strategy, which is to “promote increased densities in new residential development and more intensive redevelopment of existing urban areas.”

7.7. Support for Strategic Infrastructure Delivery

The proposal directly supports the delivery and sequencing of regionally significant infrastructure, particularly the Southern Links transport corridor, which has been identified in the Government Policy Statement on land transport 2024-34¹⁷ as a RoNS.

In October 2025 the Government confirmed \$1.2 billion to progress the RoNS programme, with Southern Links one of the named projects.¹⁸ The Minister of Transport stated that the programme is intended to address New Zealand’s infrastructure deficit and support jobs and growth, with the Southern Links corridor identified as essential to unlocking access to housing and employment in the Waikato.

The SL1 Growth Cell, within which the SL1 Houchens Development is located, spatially integrates with this planned corridor. A future Houchens interchange would provide direct access to the strategic transport network. This enables efficient heavy vehicle access to the proposed industrial land and shortens freight routes to Frankton and other major industrial areas. It also improves commuter and service access for the residential and retirement components of the proposal, supporting more direct trips to employment and major centres across the city.

In addition to transport integration, the proposal also helps anchor demand for two further strategic utility investments:

- **Southern Wastewater Treatment Plant (SWTP):** The SWTP is a critical long-term investment for Hamilton and Waipa, required to service southern growth and relieve constraints on the existing Pukete plant. By bringing forward a substantial share of the future household and employment base for the southern Hamilton area, the proposal materially strengthens the

¹⁶ *Future Proof Strategy: Future Development Strategy Update 2024 – 2054*. Available here: www.futureproof.org.nz/our-strategic-direction/

¹⁷ Available here: <https://nzta.govt.nz/projects/southern-links/>

¹⁸ www.stuff.co.nz/politics/360860034/government-confirms-12b-towards-roads-national-significance

case for timely investment, allows early consideration of network phasing, and provides a defined catchment at scale for infrastructure planning.

- **Water Reservoir:** The proposal includes land set aside for a strategic reservoir to support long-term potable water supply. Securing this location in advance enables network staging to be coordinated with growth and helps reduce future delivery risk and land acquisition costs.

Collectively, the proposal helps anchor future demand for these assets and improves their business cases by providing certainty of timing, scale, and end-users. In turn, the confirmation and staging of Southern Links, the SWTP, and the water reservoir improve the efficiency and resilience of servicing the SL1 Growth Cell. The relationship is mutually reinforcing: the proposal benefits from access to high-capacity strategic infrastructure, while its scale and timing improve the viability of that infrastructure being delivered when needed.

7.8. Highest and Best Use of Land

The proposal will enable the land to be put to its highest and best use, which is a precondition for economic efficiency to hold in the underlying land market.

7.9. Investment Signal Effects

Finally, we note that the development will provide a strong signal of confidence in the district economy, which may help spur on, accelerate, or bring forward other developments, including those within the wider SL1 growth area.

8. Conclusion and FTAA Criteria Checklist

8.1. Conclusion

The proposal enables a mix of residential, retirement, commercial, and industrial development within the SL1 growth cell, supporting both housing and employment objectives in a strategically planned area. Specifically, the proposal:

- Supports the delivery of regionally significant infrastructure (e.g., the Southern Links corridor);
- Makes a meaningful contribution to housing supply and urban form;
- Generates significant regional economic benefits; and
- Aligns with adopted spatial and planning strategies.

By progressing through the Fast-track process, these benefits can be realised sooner and more efficiently than under traditional consenting pathways. On that basis, we consider the proposal meets criteria 22(2)(a)(ii), (iii), (iv), and (x) of the FTAA, and we support it on economic grounds.

8.2. FTAA Criteria Checklist

The following table provides a signpost to where each of the relevant criteria listed in Section 22(2)(a) of the FTAA are addressed in this report.

Table 12: Assessment Against Section 22(2)(a) Criteria of FTAA

Ref	Criterion	Signpost
(i)	Identified as a priority project in government plans or strategies	n/a
(ii)	Delivers new or supports existing regionally/nationally significant infrastructure	Section 7
(iii)	Increases housing supply, addresses housing needs, or contributes to a well-functioning urban environment	Section 6 & 7
(iv)	Delivers significant economic benefits	Sections 4, 5, 6 & 7
(v)	Supports primary industries, including aquaculture	n/a
(vi)	Supports development of natural resources, including minerals and petroleum	n/a
(vii)	Supports climate change mitigation (e.g. reducing greenhouse gas emissions)	n/a
(viii)	Supports climate change adaptation, reduces risk from natural hazards	n/a
(ix)	Addresses significant environmental issues	n/a
(x)	Consistent with local/regional planning documents and spatial strategies	Section 7

APPENDIX A: HCA Sufficiency Tables

The National Policy Statement on Urban Development (NPS-UD) came into effect in August 2020. It requires Councils in high growth areas to provide “at least” sufficient development capacity “at all times” to meet expected future demand for additional dwellings well into the long term.

The NPS-UD also imposes strict monitoring and reporting requirements, which vary depending on the extent of growth pressures experienced. The strictest requirements are imposed on Councils in Tier 1 urban environments, where capacity shortfalls have historically been the most acute. The Greater Hamilton Tier 1 urban environment must complete a detailed Housing Capacity Assessment (HCA) every three years. This brings together a raft of information about dwelling supply and demand to ensure that enough capacity is provided.

The latest HCA was prepared by Market Economics in December 2023 for the Tier 1 Future Proof partners. It identifies significant shortfalls in dwelling capacity to meet expected demand across most locations in the short term. In the medium term, Hamilton City is deemed to have insufficient capacity at the aggregate level. While Waipa and Waikato Districts appear to have sufficient capacity overall, shortfalls are identified in most locations assessed. This is illustrated in the table below.

Table 13: Future Proof Area Summary of Demand, Capacity and Sufficiency Assessment: Medium-Term

MEDIUM-TERM (2022-2032)					Current Prices Scenario			
AREA	Additional Demand + Margin ¹	Plan Enabled Capacity ²	Infrastructure Served Capacity ³	Commercially Feasible Capacity ⁴	Reasonably Realised Capacity ⁵		Net Sufficiency ⁶	
					Conservative Allocation/Baseline	HCC Growth Model	Conservative Allocation/Base	HCC Growth Model
WAIKATO DISTRICT								
Pokeno/Tuakau	1,700	23,600	21,100	5,500	3,900		2,200	
Te Kauwhata	600	8,300	7,500	1,100	900		300	
Huntly/Ohinewai	1,100	9,700	8,700	200	20		-1,100	
Taupiri/Hopuhopu/Ngaruawahia/Horotiu	800	12,700	11,600	800	200		-600	
Raglan	800	5,400	3,700	1,200	500		-260	
Total ⁷	5,100	59,700	52,700	8,700	5,600		500	
HAMILTON CITY								
Greenfield	15,200	46,700	24,600	9,000	6,000	5,500	-2,800	-4,500
Infill/Intensification		195,700	65,200	29,700	6,400	5,200		
Total ⁷	15,200	242,500	89,800	38,700	12,400	10,700	-2,800	-4,500
WAIPA DISTRICT								
Cambridge	2,300	21,700	21,700	4,800	2,100		-170	
Te Awamutu	1,300	20,300	20,300	2,200	2,100		800	
Total ⁷	3,500	42,000	42,000	7,000	4,100		600	
TOTAL FUTURE PROOF ⁷	23,700	344,200	184,500	54,500	22,100		-1,700	-3,300

Source: M.E NPS-UD Housing Demand and Capacity Assessment: Future Proof Area, 2023.

While the headline capacity figures may suggest medium-term sufficiency in some locations, the HCA provides a more detailed analysis revealing that capacity is heavily skewed toward a limited range of dwelling price bands. This price-based mismatch is important because enabling capacity in the wrong part of the market fails to respond to actual demand, undermining affordability and housing choice.

This pattern is most evident in Hamilton City, where the majority of feasible capacity sits within the \$700k to \$900k price range. All other value bands show shortfalls, including both lower-priced and higher-priced dwellings. This concentration of supply makes it harder for lower-income households and first-home buyers to enter the market.

Table 14: Sufficiency by Dwelling Value Band: Hamilton City Medium-Term (Current Prices)

Dwelling Value Band	2032 Demand (Current Prices)	CAPACITY					Total Current + Potential	Net Sufficiency
		Existing Dwelling Stock	RER Capacity		Apartme nts	Total RER		
Under \$100k	300	200	-	-	-	-	200	-60
\$100k to \$200k	300	200	-	-	-	-	200	-60
\$200k to \$300k	600	500	-	-	-	-	500	-100
\$300k to \$400k	2,600	2,100	-	-	-	-	2,100	-500
\$400k to \$500k	6,400	5,100	-	-	-	-	5,100	-1,200
\$500k to \$600k	14,700	11,800	-	-	-	-	11,800	-2,900
\$600k to \$700k	16,600	13,300	-	400	200	600	13,900	-2,600
\$700k to \$800k	11,000	8,800	400	2,100	500	3,000	11,800	900
\$800k to \$900k	10,200	8,200	3,000	800	3,700	7,500	15,700	5,500
\$900k to \$1m	7,200	5,800	100	100	700	900	6,700	-500
\$1m to \$1.25m	5,800	4,700	50	40	300	400	5,000	-800
\$1.25m to \$1.5m	1,400	1,100	-	-	10	10	1,100	-300
\$1.5m to \$1.75m	400	400	-	-	-	-	400	-90
\$1.75m to \$2m	200	200	-	-	-	-	200	-50
\$2m to \$2.25m	70	60	-	-	-	-	60	-10
\$2.25m to \$2.5m	40	30	-	-	-	-	30	-10
\$2.5m +	90	70	-	-	-	-	70	-20
TOTAL	77,900	62,700	3,600	3,500	5,300	12,400	75,100	-2,800

Source: M.E 2023 FPP HBA.

A similar issue is observed in Waipa District, where Te Awamutu and Kihikihi face shortfalls in every assessed value band except \$500k to \$600k. In contrast, Cambridge shows sufficiency across a broader price range, though only between \$500k and \$900k. Table 15 and Table 16 provide further detail.

Table 15: Sufficiency by Dwelling Value Band: Te Awamutu/Kihikihi Medium-Term (Current Prices)

Dwelling Value Band	2032 Demand (Current Prices)	CAPACITY					Total Current + Potential Future	Net Sufficiency
		Existing Dwelling Stock	RER Capacity		Apartments	Total RER		
Under \$100k	30	20	-	-	-	-	20	0
\$100k to \$200k	100	80	-	-	-	-	80	-20
\$200k to \$300k	200	200	-	-	-	-	200	-30
\$300k to \$400k	400	300	-	-	-	-	300	-60
\$400k to \$500k	1,300	1,100	70	-	-	70	1,200	-200
\$500k to \$600k	1,900	1,600	2,000	-	-	2,000	3,600	1,700
\$600k to \$700k	1,500	1,200	10	-	-	10	1,200	-200
\$700k to \$800k	800	600	-	-	-	-	600	-100
\$800k to \$900k	500	400	-	-	-	-	400	-80
\$900k to \$1m	200	200	-	-	-	-	200	-40
\$1m to \$1.25m	300	300	-	-	-	-	300	-50
\$1.25m to \$1.5m	100	100	-	-	-	-	100	-20
\$1.5m to \$1.75m	50	40	-	-	-	-	40	-10
\$1.75m to \$2m	30	30	-	-	-	-	30	-10
\$2m to \$2.25m	20	10	-	-	-	-	10	0
\$2.25m to \$2.5m	10	10	-	-	-	-	10	0
\$2.5m +	50	50	-	-	-	-	50	-10
TOTAL	7,500	6,200	2,100	-	-	2,100	8,300	800

Source: M.E 2023 FPP HBA.

Table 16: Sufficiency by Dwelling Value Band: Cambridge Medium-Term (Current Prices)

Dwelling Value Band	2032 Demand (Current Prices)	CAPACITY					Total Current + Potential Future	Net Sufficiency
		Existing Dwelling Stock	RER Capacity		Apartments	Total RER		
Under \$100k	100	90	-	-	-	-	90	-30
\$100k to \$200k	50	40	-	-	-	-	40	-10
\$200k to \$300k	200	100	-	-	-	-	100	-30
\$300k to \$400k	400	300	-	-	-	-	300	-90
\$400k to \$500k	700	600	-	-	-	-	600	-200
\$500k to \$600k	900	700	200	-	-	200	900	20
\$600k to \$700k	1,500	1,200	800	-	-	800	2,000	400
\$700k to \$800k	1,100	800	-	400	300	700	1,500	400
\$800k to \$900k	1,200	900	-	-	300	300	1,200	50
\$900k to \$1m	1,200	900	-	-	-	-	900	-300
\$1m to \$1.25m	1,500	1,100	20	20	-	30	1,200	-300
\$1.25m to \$1.5m	600	500	-	-	-	-	500	-100
\$1.5m to \$1.75m	300	200	-	-	-	-	200	-60
\$1.75m to \$2m	90	70	-	-	-	-	70	-20
\$2m to \$2.25m	60	50	-	-	-	-	50	-10
\$2.25m to \$2.5m	40	30	-	-	-	-	30	-10
\$2.5m +	100	100	-	-	-	-	100	-30
TOTAL	10,000	7,700	1,000	400	600	2,000	9,800	-200

Source: M.E 2023 FPP HBA.

In Waikato District, the situation varies by area. Pokeno/Tuakau and Te Kauwhata are the only locations with a net medium-term surplus, though in both cases the capacity is concentrated within a narrow value range. In Pokeno/Tuakau, sufficiency is limited to the \$500k to \$900k bands. Te

Kauwhata shows sufficiency between \$500k and \$600k, and between \$700k and \$800k, with shortfalls above, below, and in between that range. Table 17 and Table 18 below provide the detail.

Table 17: Sufficiency by Dwelling Value Band: Pokeno/Tuakau Medium-Term (Current Prices)

Dwelling Value Band	2032 Demand (Current Prices)	CAPACITY						Net Sufficiency
		Existing Dwelling Stock	RER Capacity			Total Current + Potential Future		
		Detached	Attached	Apartments	Total RER			
Under \$100k	-	-	-	-	-	-	0	
\$100k to \$200k	20	10	-	-	-	10	-10	
\$200k to \$300k	10	10	-	-	-	10	-10	
\$300k to \$400k	100	60	-	-	-	60	-40	
\$400k to \$500k	200	100	-	-	-	100	-60	
\$500k to \$600k	400	200	600	-	-	600	500	
\$600k to \$700k	800	500	10	300	-	400	70	
\$700k to \$800k	800	500	300	600	-	900	600	
\$800k to \$900k	800	500	1,900	10	-	1,900	1,600	
\$900k to \$1m	1,400	900	70	-	-	70	-400	
\$1m to \$1.25m	200	100	30	-	-	30	-50	
\$1.25m to \$1.5m	20	10	-	-	-	10	-10	
\$1.5m to \$1.75m	10	10	-	-	-	10	0	
\$1.75m to \$2m	-	-	-	-	-	-	0	
\$2m to \$2.25m	-	-	-	-	-	-	0	
\$2.25m to \$2.5m	-	-	-	-	-	-	0	
\$2.5m +	-	-	-	-	-	-	0	
TOTAL	4,700	3,000	3,000	1,000	-	3,900	6,900	2,200

Source: M.E 2023 FPP HBA.

Table 18: Sufficiency by Dwelling Value Band: Te Kauwhata Medium-Term (Current Prices)

Dwelling Value Band	2032	CAPACITY						Net Sufficiency
	Demand (Current Prices)	Existing Dwelling Stock	RER Capacity			Total Current + Potential Future		
		Detached	Attached	Apartments	Total RER			
Under \$100k	-	-	-	-	-	-	0	
\$100k to \$200k	-	-	-	-	-	-	0	
\$200k to \$300k	10	10	-	-	-	10	0	
\$300k to \$400k	50	30	-	-	-	30	-20	
\$400k to \$500k	60	40	-	-	-	40	-30	
\$500k to \$600k	300	100	200	-	-	200	40	
\$600k to \$700k	400	200	20	-	-	20	-100	
\$700k to \$800k	300	200	700	10	-	700	600	
\$800k to \$900k	200	100	30	-	-	30	-50	
\$900k to \$1m	100	70	-	-	-	70	-50	
\$1m to \$1.25m	20	10	-	-	-	10	-10	
\$1.25m to \$1.5m	-	-	-	-	-	-	0	
\$1.5m to \$1.75m	-	-	-	-	-	-	0	
\$1.75m to \$2m	-	-	-	-	-	-	0	
\$2m to \$2.25m	-	-	-	-	-	-	0	
\$2.25m to \$2.5m	-	-	-	-	-	-	0	
\$2.5m +	-	-	-	-	-	-	0	
TOTAL	1,400	800	900	10	-	900	300	

Source: M.E 2023 FPP HBA.

Other areas in Waikato, including Huntly/Ohinewai, Taupiri/Hopuhopu/Ngaruawahia/Horotiu, and Raglan, show shortfalls across nearly all price bands. The three tables below provide further detail.

Table 19: Sufficiency by Dwelling Value Band: Huntly/Ohinewai Medium-Term (Current Prices)

Dwelling Value Band	2032 Demand (Current Prices)	CAPACITY					Total Current + Potential Future	Net Sufficiency
		Existing Dwelling Stock	RER Capacity			Total RER		
			Detached	Attached	Apartments			
Under \$100k	20	20	-	-	-	-	20	-10
\$100k to \$200k	70	50	-	-	-	-	50	-20
\$200k to \$300k	200	100	-	-	-	-	100	-40
\$300k to \$400k	1,100	800	-	-	-	-	800	-300
\$400k to \$500k	1,300	1,000	-	-	-	-	1,000	-400
\$500k to \$600k	800	600	-	-	-	-	600	-200
\$600k to \$700k	500	300	20	-	-	20	400	-100
\$700k to \$800k	100	100	-	-	-	-	100	-40
\$800k to \$900k	40	30	-	-	-	-	30	-10
\$900k to \$1m	20	10	-	-	-	-	10	0
\$1m to \$1.25m	-	-	-	-	-	-	-	0
\$1.25m to \$1.5m	-	-	-	-	-	-	-	0
\$1.5m to \$1.75m	-	-	-	-	-	-	-	0
\$1.75m to \$2m	-	-	-	-	-	-	-	0
\$2m to \$2.25m	-	-	-	-	-	-	-	0
\$2.25m to \$2.5m	-	-	-	-	-	-	-	0
\$2.5m +	-	-	-	-	-	-	-	0
TOTAL	4,200	3,000	20	-	-	20	3,100	-1,100

Source: M.E 2023 FPP HBA.

Table 20: Sufficiency by Dwelling Value Band: Taupiri/Hopuhopu/Ngaruawahia/Horotiu Medium-Term (Current Prices)

Dwelling Value Band	2032 Demand (Current Prices)	CAPACITY					Total Current + Potential Future	Net Sufficiency
		Existing Dwelling Stock	RER Capacity			Total RER		
			Detached	Attached	Apartments			
Under \$100k	-	-	-	-	-	-	-	0
\$100k to \$200k	20	20	-	-	-	-	20	-10
\$200k to \$300k	80	60	-	-	-	-	60	-20
\$300k to \$400k	200	200	-	-	-	-	200	-50
\$400k to \$500k	500	400	-	-	-	-	400	-100
\$500k to \$600k	1,200	900	100	-	-	100	1,000	-200
\$600k to \$700k	600	500	10	-	-	10	500	-100
\$700k to \$800k	400	300	20	-	-	20	300	-70
\$800k to \$900k	100	100	60	-	-	60	200	20
\$900k to \$1m	200	200	10	-	-	10	200	-40
\$1m to \$1.25m	80	60	-	-	-	-	60	-20
\$1.25m to \$1.5m	10	10	-	-	-	-	10	0
\$1.5m to \$1.75m	10	-	-	-	-	-	-	0
\$1.75m to \$2m	10	10	-	-	-	-	10	0
\$2m to \$2.25m	-	-	-	-	-	-	-	0
\$2.25m to \$2.5m	-	-	-	-	-	-	-	0
\$2.5m +	10	10	-	-	-	-	10	0
TOTAL	3,400	2,600	200	-	-	200	2,800	-600

Source: M.E 2023 FPP HBA.

Table 21: Sufficiency by Dwelling Value Band: Raglan Medium-Term (Current Prices)

Dwelling Value Band	2032 Demand (Current Prices)	CAPACITY					Total Current + Potential Future	Net Sufficiency
		Existing Dwelling Stock	RER Capacity			Total RER		
			Detached	Attached	Apartments			
Under \$100k	10	-	-	-	-	-	-	0
\$100k to \$200k	20	10	-	-	-	-	10	-10
\$200k to \$300k	-	-	-	-	-	-	-	0
\$300k to \$400k	20	10	-	-	-	-	10	-10
\$400k to \$500k	60	40	-	-	-	-	40	-20
\$500k to \$600k	70	50	-	-	-	-	50	-20
\$600k to \$700k	200	100	40	-	-	40	200	-10
\$700k to \$800k	400	300	-	50	-	50	300	-50
\$800k to \$900k	400	300	-	-	-	-	300	-100
\$900k to \$1m	400	300	300	-	-	300	600	200
\$1m to \$1.25m	700	500	70	-	-	70	600	-100
\$1.25m to \$1.5m	300	200	10	-	-	10	200	-60
\$1.5m to \$1.75m	100	90	-	-	-	-	90	-30
\$1.75m to \$2m	50	40	-	-	-	-	40	-10
\$2m to \$2.25m	30	20	-	-	-	-	20	-10
\$2.25m to \$2.5m	-	-	-	-	-	-	-	0
\$2.5m +	10	10	-	-	-	-	10	0
TOTAL	2,800	2,000	400	50	-	500	2,500	-300

Source: M.E 2023 FPP HBA.

These results highlight a structural imbalance between where and at what price points capacity is available, versus where and at what price points demand is expected to occur. Simply providing aggregate zoned capacity is not likely to be enough. Sufficient feasible capacity, across a range of price points, is needed to meet NPS-UD requirements.