



HOBSONVILLE POINT
Moments away, a world apart.

Media release: August 28, 2014

69% Kiwis happy with smaller nests as lifestyles change

A study into the desirability of smaller homes has found that, as the Kiwi lifestyle spreads its wings, Kiwis increasingly favour smaller homes, especially if they're more affordable.

The findings come from research conducted by Hobsonville Land Company, lead developer of Hobsonville Point, as part of its Axis Series Small Home Test Lab, which completes its work this week.

Two of the three small homes at Hobsonville Point designed and built for the Test Lab have been sold, with the new owners for the homes drawn by ballot after strong demand from Axis Series qualifying buyers. The third home is under offer to an interested buyer.

The Test Lab opened in March, 2014, and since then consumers and members of the building industry have been able to visit the homes, and provide feedback by way of response cards and participation in an online survey.

The research component of the lab, conducted by Nexus Research and Shannon Brown & Associates, has found that the traditional, commonly-held view that the market wants bigger homes may no longer be the case, given the strong overall positive feedback about smaller homes.

The lab comprised three homes:

- a 40 square-metre (111 square-metre section), single-level, one-bedroom home, price \$339,990
- an 87 square-metre (152 square-metre section), two-level, two-bedroom home, price \$449,990
- an 89 square-metre (185 square-metre section), single-level, three-bedroom home, price \$484,990

The homes were designed by Isthmus Group and Architecture Workshop and built by Classic Builders.

Of those buyers surveyed, seven out of 10 were looking for a home for themselves with around one-quarter of respondents intending to buy in the next six months.

Overall, 69% said they could 'very comfortably' or 'reasonably comfortably' see themselves living in one of the three pilot show homes. Sixteen per cent were unsure, 12% said 'probably not' and just three per cent said 'definitely not'.

Respondents were very positive about the quality of the homes and their design, as well as the fact that they were within a community with a mix of types of homes.

The three-bedroom home was the most popular with 71% of respondents saying it would suit their needs. Thirty seven per cent of respondents said the two bedroom home suited their needs, and 10% said the same for the one-bedroom home.

Asked to rate features important when buying a new home, 82% of all respondents, and 91% of respondents looking to buy for under \$485,000, rated the overall concept of a small, self-contained house and section for a lower price.

Among buyers in the market for a house under \$485,000, the interior layout of the house was the most important feature followed by the location. Interestingly the size of the section ranked last out of 14 features that we asked questions about.

Qualitative feedback from respondents cited features like a 'manageable area' particularly for looking after children, as well as the convenience of a smaller home when the owner is likely to be out a lot socialising or away travelling in the case of empty-nesters.

In terms of building trade members surveyed, the two-bedroom home was thought to be the dwelling with the most market potential. Trade participants were asked what they thought the potential market size was for each of the Test Lab small homes. Ninety one per cent of respondents saw a medium or large market potential for the two-bedroom home, 78% of respondents thought that the three-bedroom home had medium or large market potential, with 34% for the one-bedroom home.

Hobsonville Land Company Development Manager Sustainable Development Katja Lietz is to present the research findings at the Build a Better New Zealand Conference in Auckland next week.

She says the Test Lab has yielded many insights into consumer needs in the housing market, as well as views held by the building trade.

Shifting perceptions within the building trade to deliver more affordable, compact homes through the commercial housing market was an objective of the project, she said.

“Kiwis’ lifestyles are changing and also greatly diversifying. Not everyone wants a typical 3-5 bedroom, multi-bathroom large house – a development type we still find predominating, and people are prepared to trade the size of their backyard for a great location with local amenities.”

“Many respondents asked when this type of concept would be tried elsewhere. A number of visitors commented that they couldn’t afford a new home in their neighbourhood or community because all new development was unaffordable,” said Ms Lietz.

The fact that it was possible to build more compactly to create stand-alone homes with indoor-outdoor flow and great design and high quality finishing had been a revelation to many visitors, she said.

“We’re also delighted by the support from, and participation by, the building trades, the response from which suggests they are beginning to see value and opportunity in a more diverse housing mix.”

Ms Lietz said that the growth in average house size in New Zealand in recent decades was a major factor in the housing affordability issue.

“It’s not the sole cause, but we now have the third-biggest homes in the world on average and bigger homes cost more. At the same time we have an aging population, much more variety in terms of family or household make-up, as well as younger buyers looking to get into the market.”

The biggest issue in the Kiwi housing stock was the lack of variety of housing typology with relatively few more affordable options, she said.

“We hope this research will help the industry be more responsive to market need.”

For further information: Katja Lietz
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Media are welcome to visit the Axis Series Small Home Test Lab, either before it closes to the public on Sunday 31 August or by appointment on the 1st or 2nd of September. Please phone Katja to arrange an appointment.

A copy of the full research report Small Homes Feedback Survey is available at www.axisseries.co.nz/lab

About Axis Series homes

The Axis Series Small Home Test Lab was created as part of Hobsonville Land Company's Axis Series homes. These homes will ensure that 20 per cent of the up to 3,000 homes at Hobsonville Point will be delivered for sale at more affordable price points. This currently is \$485,000 or less and will be reviewed from time to time. The price point was determined based upon affordability to the average wage earning Auckland household. Buyers of Axis Series homes must meet defined criteria (see <http://www.axisseries.co.nz> for more information)

About Hobsonville Point

Hobsonville Point is a master-planned community being developed on 167 hectares of upper Waitemata Harbour coastal land formerly home to the Hobsonville air base. Over 3,000 new homes are planned – part of what will be a major focus for housing growth in northwest Auckland. Social amenities include the Hobsonville Point Park and playground, cycleways, walking tracks, the Catalina Café, Hobsonville Point Farmers Market, a new primary school and a new secondary school. Weekday commuter ferry services, from a new wharf with park and ride facilities, operate daily from The Landing to downtown Auckland, a 25 minutes ride away. The community's visionary design and architecture has been recognised by three prestigious awards: A Silver Award in the category of Landscape Planning and Environmental Studies at the NZ Institute of Landscape Architects Awards (NZILA) for developing the Hobsonville Point Design Code and Design Guide; a Gold Award at the BEST Design Awards; and an Urban Land Developments Property Award of Merit at the Rider Levett NZ Property Council Industry Awards 2011 for the superb housing design and attention to detail in the landscaped streets at Hobsonville Point. For more information visit www.hobsonvillepoint.co.nz

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