

**Before the Panel of Hearing Commissioners
For the Queenstown Lakes Proposed District Plan**

**In the Matter of
And**

the Resource Management Act 1991

**In the Matter of
And**

the Queenstown Lakes Proposed
District Plan - Stage 2

In the Matter of

Hearing Stream 15 – Visitor
Accommodation Variation

**Statement of Evidence of
Mark Percy Ashford Harris
for NZSIR Luxury Rental Homes Limited
(Submitter 2598)**

Dated: 6 August 2018

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Table of Contents

INTRODUCTION.....	3
Qualifications and Experience.....	3
NZ SOTHEBY'S.....	3
NZSIR LUXURY RENTAL HOMES SERVICES.....	4
QUEENSTOWN LUXURY TOURISM.....	5
RELIEF SOUGHT.....	5

INTRODUCTION

Qualifications and Experience

1. My name is Mark Percy Ashford Harris.
2. My evidence is on behalf of myself and Julian Robert Brown.
3. We are the directors of NZSIR Luxury Rental Homes Limited (**Sotheby's**).
4. In 2005 we founded Sotheby's in Queenstown. With eighteen offices across New Zealand the company has grown from strength to strength based on the premise of superior marketing, greater purchaser reach and premium results for vendors by utilising all the unique attributes of the world's largest and most prestigious real estate company.
5. Based in Queenstown, we have set several Queenstown residential property records and have a reputation for professional, sincere and a result driven service.
6. In addition we have experience in developments and the business works with qualified developers in the region with regards to high quality residential projects which add to the accommodation supply.
7. I have 15 year's experience as a company owner and property advisor in Queenstown. I holds a bachelor in Arts and Economics from Sydney University and is a REINZ agent
8. Julian Robert Brown has 13 years' experience as a company owner and worked within the Real Estate industry throughout New Zealand for over 20 years.

NZ SOTHEBY'S

9. NZ Sotheby's provides luxury villa rentals and bespoke stays in luxury accommodation, throughout New Zealand.
10. New Zealand Sotheby's International Realty Luxury Rental Homes are providers of short term luxury accommodation in and around the Queenstown area. Our portfolio comprises a select range of properties providing a unique and unforgettable accommodation option for the discerning luxury traveller.

11. We have an exclusive rental management agreement with each of our owners and manage a portfolio of around 40 luxury houses to provide a year round premium service on accommodation requirements to owners and guests. Based in Queenstown, we are a dedicated team delivering a friendly, personalised service to meet all of our guests needs. In addition we support our owners and provide a service that forms part of their property management requirement.
12. We ensure that the owner's holiday home is maintained to a very high standard and is ready for an owner's stay rather than a lock up and leave property.
13. Each of the homes in our portfolio are used by our owners as holiday homes and many homes were purpose built for the purpose of a family holiday home for their private use.
14. If any of these properties were to be made available as a long term rental, the weekly rental amount would not be suitable or affordable for the local market circa \$1,500 - \$3,500 per week so they would not add to the supply of housing – there is no market for them.
15. Our client's main purpose is to have a property in Queenstown that they can use for their family holidays throughout the year. The families often stay over peak holiday periods over both summer and winter depending on when the owner can travel as many owners live overseas or in Auckland or Wellington.
16. Our guests are looking for a unique holiday escape where they can relax and enjoy all of the services and luxury extras of a luxury home. Many of our guests have a similar house back at home and prefer to stay in similar accommodation when they travel with their families.
17. They often travel with other families or multiple couples so large homes are preferable to hotels as they can all be accommodated in the one house. Often the families are looking for privacy and a discreet level of service where they can be self-sufficient as much or as little as possible. Often our guests will engage other local services during their stay such as private executive chefs, yoga instructors, private tours, ski instructors, fly fishing etc.

NZSIR LUXURY RENTAL HOMES SERVICES

18. Guests experience a personalised service when they book with our company. We communicate in detail with them prior to arrival and personally meet and greet each guest at each luxury home on arrival. Our initial meeting ensures that the guests are fully briefed on the property and respect any property house rules around both the use of the property and the neighbourhood.

19. The luxury houses all require the services of a number of contractors to ensure that the properties are maintained to a very high standard for both the guests and home owners. A property manager is engaged in a contract with every home owner to maintain the property and from this they work with a number of subcontractors to cover items such as landscaping, pool and spa maintenance, cleaning, electrical etc.

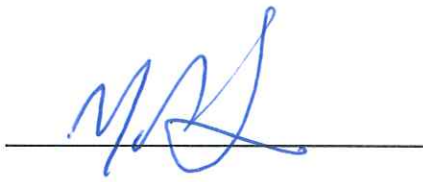
QUEENSTOWN LUXURY TOURISM

20. The luxury tourism market is part of a key strategy with 100% Pure Zealand, TNZ. High net worth families and individuals continue to travel to luxury destinations across the globe and the region of Queenstown continues to grow as a destination with this market in both volume and spend.
21. Clients of NZSIR travel to Queenstown from both domestic and international locations and require accommodation at our luxury rental homes. With the number of guests often returning in the future as return guests we also find a number of our clients often then also purchase property in the region to secure their own holiday home.

RELIEF SOUGHT

22. Sotheby's seeks a controlled activity status to apply to Residential Visitor Accommodation (RVA) beyond 120 nights per year, with appropriate permitted and controlled standards to ensure that residential amenity and character is maintained.
23. We consider that the Council does not provide any justification founded on evidence from changing the current approach to managing RVA. Particularly in respect of higher end homes that are managed by professional third parties such as Sotheby's which do not create any adverse effects on residential amenity or housing affordability. The luxury properties Sotheby's offers to visitors are premium and will not be made available for long term rental purposes should the existing RVA provisions be tightened. They are luxury homes owned by people who wish to use them for their personal use at certain times of the year.
24. The properties are not "peer to peer" rentals. While, it is understandable the Council wants to manage the effects of "peer to peer" RVA in some locations on the basis that RVA can potentially give rise to effects on neighbouring amenity values beyond that anticipated from long term residents, this does not justify the blanket approach proposed by the Council.

25. The Council has not identified the economic benefits of RVA (in particular RVA managed by independent third party providers such as Sotheby's) and risks to property owners (direct income), the VA industry (for example the impact on goods and service providers upon which home-sharing relies), and also the risks to the Queenstown tourism industry (including the flow on economic impacts on cleaners, gardeners, drivers, restaurants and tourism operators) from more regulation and potential reduction on available housing stock.



Mark Percy Ashford Harris

6 August 2018