

Memo

To: Simon Thurston and Damon Mathfield (Rotorua Lakes Council)

CC: Rachel Morgan and Cam Wallace (Barkers & Associates)

From: Natalie Hampson (Director), Susan Fairgray (Associate Director),

Date: 20 June 2022

Re: **Growth in Demand for Rural Village and Lakeside Settlement Properties**

Introduction

The purpose of this memo is to provide analysis to inform Rotorua Lakes Council (and the wider Future Development Strategy (FDS) project team) of the demand for housing in the operative Rural Village and Lakeside Settlement zones. This is directly relevant for the FDS, as any shortfall of capacity¹ to provide for projected dwelling growth could be considered as part of the district wide growth planning.

This memo should be read in conjunction with the memo from M.E (dated 19th May) on projected demand for rural lifestyle properties. These latest projections, while focussed on Rural Village and Lakeside Settlement demand, have potential implications for rural lifestyle demand projections previously documented. This is discussed below where relevant.

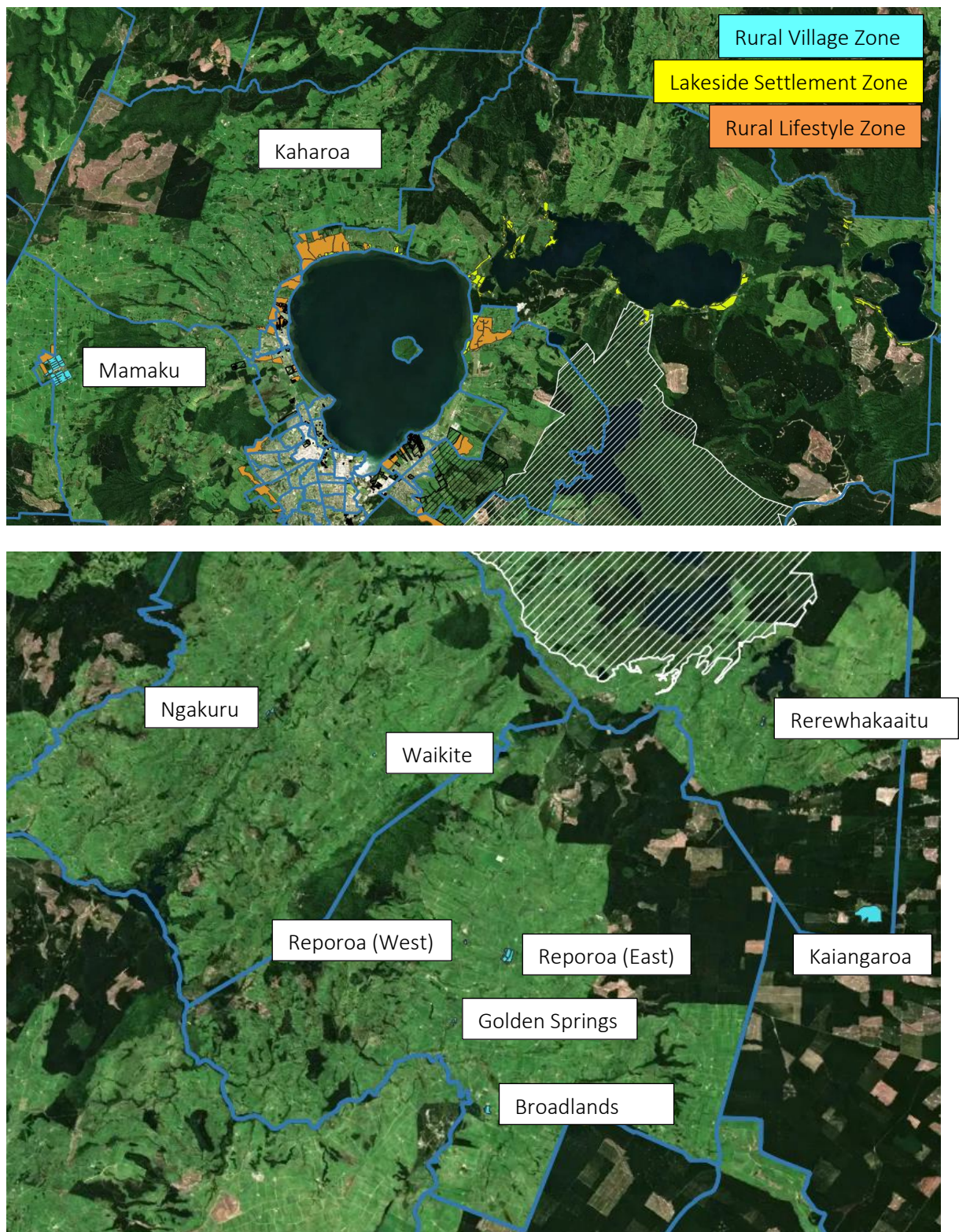
Relevant Zones and Locations

Figure 1 (with a northern and southern district image) shows both Rural Village Zone locations (labelled) and the Lakeside Settlement Zone, with the Rural 2 Zone (Lifestyle) shown for context. The Lakes A Zone is also included (although no detail is provided within this area). The Lakeside Settlement zone is located in isolated pockets on the northern and eastern shore of Lake Rotorua, the western and south-eastern shore of Lake Rotoiti, the eastern shore of Lake Rotoehu and the south-western shore of Lake Rotomā.

There are ten rural villages, although Reporoa is comprised of two distinct zone locations, referred to as Reporoa West and Reporoa East (the main settlement) for the purpose of this memo. Some of the zones contain only a handful of dwellings. Rural schools are also often included in the zone area.

¹ Capacity assessment in these zones is outside the scope of this memo, although some high level observations are noted.

Figure 1: Operative Rural Village Zones (Labelled) and Lakeside Settlement Zones





Current (2020) Dwelling Counts²

Approach:

The current count of Rural Village and Lakeside Settlement dwellings has been estimated for the Rotorua District as at 2020. Rural Village and Lakeside Settlement properties are a sub-set of the non-urban, rural environment demand component estimated in the HBA. Other components of the rural environment demand include lifestyle properties and rural dwellings on larger rural properties.

The Spatial Framework component of the base HBA Dwelling Demand Model disaggregates the rural environment housing across the above dwelling categories. The existing structure of rural environment dwellings has been estimated within the model through spatially integrating the parcel level dwellings estimate and descriptors within the Ratings Database with the District Plan zone layers.

While the 2020 counts by dwelling category in the rural environment are tied to the zones in which they occur, they are not necessarily the sum total of dwellings within those zones. This is because there are lifestyle properties occurring in Rural Village and Lakeside Settlement zones and spread throughout the Working Rural zone. The results discussed below for the Rural Village and Lakeside Settlement Zone therefore reflect the non-lifestyle properties in those zones (that is, properties more akin to densities enabled and anticipated in each zone) and exclude any lifestyle properties (as classified by the Ratings database). This memo refers to properties in the combined Lakeside Settlement, Lakes A and Rural Village zones as ‘minor settlement’ dwellings.

Results:

The total rural environment demand by dwelling type is shown in Table A (with figures rounded to the nearest 10. It shows that in 2020, lifestyle properties accounted for around 8% of the district’s total dwelling demand. This equates to around 2,410 dwellings and amounts to nearly half (46%) of the rural environment dwellings. The remainder of rural environment dwellings were in the minor settlements (2,480 dwellings) and on rural properties (360 dwellings). It estimated that Rural Village zones contain 360 dwellings in total (excluding lifestyle properties also located within the zone extents). These make up 7% of total rural environment dwellings and 1% of district dwellings. Across the various locations of Lakeside Settlement Zone (and including for the purpose of this analysis the dwellings within the Lakes A Zone) there are an estimated 2,120 dwellings (40% of all rural dwellings and 7% of the district dwellings).

² Parts of the text in this section duplicate/are consistent with text in the Rural 2 Zone memo. Some additional detail is provided for this memo.

Table A: Estimated Rural Environment Dwellings 2020 by Type

Property Type	2020 Estimated Total Dwellings **	2020 Share of Rural Environment Dwellings	2020 Share of Total District Dwellings
Sub-Total Lakeside *	2,120	40%	7%
Sub-Total Village *	360	7%	1%
Total Minor Settlements	2,480	47%	8%
Total Lifestyle	2,410	46%	8%
Total Rural	360	7%	1%
Total Rural Environment	5,250	100%	18%

Source: M.E HBA Rotorua Dwelling Demand Model, 2021. Values rounded to nearest 10.

* Includes Lakes A - Assigned to Lakeside

** Excludes Lifestyle properties with these zones.

M.E's previous analysis using the Rating Database described above did not include a breakdown of dwelling counts in each of the Rural Village zone locations. However, we understand that Council is looking to better understand projected demand in specific rural villages. As such, M.E has carried out a high-level allocation of 2018 dwellings in each SA1 of the rural environment (from the Census). This allocation considered the mix and relative area³ of each zone type within the SA1s and so did not distinguish whether some of the dwellings in the Rural Village zones were lifestyle properties or not. This approach is not as accurate as the dwelling counts established as part of the HBA spatial framework modelling and is also not directly comparable. It has tended to over-estimate the number of dwellings in Rural Villages overall. That said, it provides a high-level percentage distribution which can be applied to the 2020 total dwelling estimate within Rural Villages.

The indicative results suggest that Mamaku Village Zone has the largest number of dwellings (just under 40% of the total (and excluding lifestyle properties)), followed by Kaingaroa (around 20% of the total) and then Reporoa (the main eastern zone area, with around 15% of the total). A further 6% (roughly) of the total dwellings in the Rural Village Zone (excluding lifestyle properties) are located in the western Reporoa zone area. The remaining villages (Broadlands, Golden Springs, Kaharoa, Ngakuru, Waikite and Rerewhakaaitu) are smaller again (with between 1-6% of the total. Please note, we have deliberately refrained from showing a count of estimated dwellings in each village in this memo as the allocation approach is not considered robust enough to provide exact figures.

Recent Growth Trends

Prior to estimating future dwelling growth in each of the Rural Village zones and the total Lakeside Settlement Zone (inclusive of Lakes A Zone), M.E has analysed indicative patterns of recent growth in total dwellings (from the 2006, 2013 and 2018 Census). Again, this approach relies on apportioning SA1 level dwelling data to the respective zones present in each SA1 and summing the results. As

³ This high level approach does not 'count' the dwellings per se.



discussed above, this approach also did not separate out lifestyle properties located in the zone so looks at total dwellings (of all types) in each zone area.

The data shows:

- Over the total Lakeside Settlement Zone (including Lakes A Zone), total dwellings decreased⁴ by an estimated annual average of 2 dwellings/year between 2006 and 2013. The zone is spread across 4 SA2s, not all of which showed a decrease. The main growth location in the 2006-13 period was Hamurana, and to a lesser extent the Kaingaroa-Whakarewarewa SA2. The Rotoitu-Rotoehu SA2 showed a decline of just over 30 dwellings (unexplained).
- Overall, the Lakeside Settlement zone showed positive estimated annual growth averaging 11 dwellings/year in the more recent period 2013-2018. The patterns of growth changed with nearly 85% of dwelling growth in Lakeside Settlements in the Rotoiti-Rotoehu SA2. This could have included replacement of the dwellings removed in the previous period (the net increase in dwellings between 2006 and 2018 was smaller at approximately 15. Growth in the Hamurana SA2 slowed down compared to the earlier inter-census period, but was still positive. Net growth 2006-2018 is estimated at just over 20 dwellings. While the Waiohewa SA2s showed very minor growth in dwellings 2013-2018, there was a reciprocal minor decrease in dwelling count in 2006-2013 – so is likely to represent replacement of dwellings before and after 2013. There was no net growth in this zone/SA2 location since 2006.
- Over the total Rural Village Zone, total dwellings increased by an estimated annual average of 6 dwellings/year between 2006 and 2013, and showed no growth in the period 2013-2018. However, this no net growth is influenced by a loss of around 30 dwellings in the data from the Kaingaroa Village in this period (cause not verified by M.E). This loss masks (cancels out) growth that occurred across some other villages during this period. Excluding the effect of the loss of dwellings in Kaingaroa Village, the average annual growth rate estimated for the period is again 6 dwellings/year.
- Not all Rural Villages have experienced growth in dwellings in recent years according to desktop data and M.E estimates. Broadlands, Kaingaroa⁵, Kaharoa, Reporoa (East/main village) and Rerewhakaaitu are indicated as having no material dwelling growth between 2013 and 2018.

⁴ While increases in dwellings arise from new dwelling construction (and can be monitored via building consents), decreases in dwellings in the Census data is less easily explained. A decrease could (if reliably recorded) relate to dwellings that were destroyed (such as by fire) or removed and not rebuilt (if at all) till after the Census. A decrease could also arise if a dwelling was re-purposed as a business premises.

⁵ Excluding effect of reduced dwellings.

- Reporoa West was indicating a decrease of total dwellings during that period of around 1 dwelling/annum. As previously footnoted, decreases should be treated with care and may be a result of the approach used or minor variations in the Census data.
- Golden Springs Village was indicatively showing average growth of 1 dwelling/year between 2013 and 2018.
- Mamaku Village showed the strongest growth in the data according to the approach used. This was an average annual increase of 5 dwellings/year between 2013 and 2018.

Council may be best placed to gauge the accuracy (or otherwise) of these estimated recent dwelling trends using building consent data⁶. We note that we were unable to use Google Street View to assess any evidence of new dwellings being built in most rural villages as there is no coverage of Street View in some rural locations. We did do some high level cross checks on employment in and around each village and also looked at school role data in Reporoa and Mamaku but this was not conclusive (as the household structure within occupied dwellings affects the school age population for example).

In summary though, it appears that the Lakeside Settlements have been growing faster than the Rural Villages (combined) in recent years (since 2013) and this growth is focussed on zone areas within the Hamurana and Rotoiti-Rotoehu SA2s. The Rural Villages have not experienced any material demand growth in recent years with the exception of Mamaku – which is the largest and fastest growing village – followed by very minor incremental growth at Golden Springs (although this remains a very small settlement by 2018).

Estimated Future Growth Trends

Projecting future growth is always challenging, and particularly so when dealing with relatively small numbers and somewhat inconsistent spatial trends in recent years. Total rural environment dwelling growth has already been estimated as part of the HBA demand model and this analysis is guided by those overall growth figures in the short, medium and long-term (to 2050).

To project demand for additional dwellings in each Rural Village zone and across the Lakeside Settlement zone (in aggregate), M.E has adopted two different approach, but both using the 2020 base structure set out in Table A above.

The first approach is consistent with the method used in the Rural 2 Zone Memo (demand section). We replicate that text for completeness (emphasis added):

⁶ M.E recommends some cross checking by Council, particularly if these indicative desk-top results from M.E do not match Council's local understanding.

The **base structure of rural environment dwelling types has been projected forward** within the model and equates to a medium growth outlook as preferred by Council in the HBA⁷. This has occurred as a function of the spatial distribution of base dwellings across the district ~~and the localised growth projections within each SA2 area⁸~~. Within this process, these estimates have been factored to allow for an increased propensity for growth to occur within the urban environment⁹, correspondingly reducing (slightly) the propensity for rural environment demand.

The final output from the rural environment demand modelling provides a projection of district demand for dwellings in minor settlements, rural lifestyle and rural dwellings.

The total district demand by dwelling type is shown in Table 3 (with figures rounded to the nearest 100) Table 3 shows that demand for lifestyle dwellings is projected to increase by an additional 100 dwellings in the short-term (to 2023), by 300 dwellings in the medium-term (to 2030), and by 600 dwellings in the long-term (to 2050, medium growth outlook). This equates to a total long-term lifestyle dwelling demand for around 3,000 dwellings in the long-term.

Lifestyle dwellings are projected to account for around 4% of the district's total short-term dwelling demand growth, and nearly half (45%) of the rural environment dwelling demand growth. This is projected to increase slightly to 5% of the projected medium and long-term total district demand growth and 46% of the long-term rural environment demand growth¹⁰.

Table 3: Projected Total District Dwelling Demand by Type: Short, Medium and Long-Term

Demand Type	Total Dwelling Demand				Net Change in Dwelling Demand		
	2020	2023	2030	2050	2020-2023	2020-2030	2020-2050
Urban Environment ¹	24,700	28,300	30,900	34,400	3,600	6,200	9,700
Rural Environment							
Minor Settlement	2,500	2,600	2,800	3,100	100	400	600
Lifestyle	2,400	2,500	2,800	3,000	100	300	600
Rural	400	400	400	400	20	50	90
Total Rural Environment	5,200	5,500	6,000	6,600	300	800	1,300
Total District	29,900	33,800	36,900	41,000	3,900	7,000	11,100

Source: M.E HBA Rotorua Dwelling Demand Model, 2021.

¹ Urban Environment demand includes latent demand and competitiveness margins.

⁷ I.e., adopts the Infometrics medium projections for resident households at the district level, plus M.E estimates of non-resident dwellings.

⁸ This statement is an error in the Rural 2 Zone memo and should be ignored.

⁹ This approach allows the modelling to reflect generally faster rates of urbanisation within a district. It ensures that the sufficiency assessment within the HBA remains conservative through assuming a higher share of urban demand.

¹⁰ Note that the shares of growth include latent demand and the competitiveness margin within the urban environment component. If these were excluded, then the lifestyle dwelling share would increase slightly to 6% of the total district in the medium and long-term. The net growth would remain the same as that stated in Table 3.



Table 3 above (from the Rural 2 Zone memo) also shows total Minor Settlement demand growth of 100 dwellings in the short term, 400 in the medium term and 600 in the long term (rounded to the nearest 100). When rounded to the nearest 10, these figures are 140, 360 and 630 respectively. While not shown in Table 3, the growth split between Lakeside Settlement Zone and Rural Village Zone is as follows:

- Lakeside Settlements (total): 120 short-term, 310 medium-term, 540 long-term.
- Rural Villages (total): 20 short-term, 50 medium-term, 90 long-term.

As discussed, this projection approach assumes that Lakeside Settlements will continue to account for 40% of total rural environment housing over the long-term, and Rural Villages will continue to account for 7% of total rural environment housing over the long-term. It assumes that all parts (and markets) of the rural environment grow evenly (i.e. by 25% over the long-term).

A limitation of this approach is that it does not reflect that recent growth has not been evenly distributed across zones and property types, and is unlikely to be going forward. In short, not all areas in the rural environment will experience growth. The projected annual average growth rate for the Lakeside Settlements is also high under this approach relative to annual average growth rates in the recent past, especially in the short-medium term.

However, the projected annual average growth rate for combined Rural Villages under this approach is more consistent with recent trends, especially in the short-medium term (on account of this zone showing more steady growth rates over time (Kaingaroa reduction in dwellings notwithstanding).

Under this approach, Golden Springs Village, Repora Village (East) and Reporoa Village (West) are projected to have very minor long-term dwelling growth (around 10 additional dwellings each by 2050). Kaingaroa Village would grow by around 20 dwellings by 2050 (despite no growth evident in recent years – so care is needed with this result). Mamaku Village – where continued growth is more likely based on past trends – would increase by 30 dwellings by 2050. This growth may in fact be slightly conservative relative to recent growth rates. The results for this growth projection approach – referred to as the High Growth Scenario – are summarised in Table B below.

M.E has tested an alternative growth projection approach for minor settlements. This approach takes the variable growth of projected total dwellings across rural SA2s (derived by SA2 level StatisticsNZ projections), and apportions that growth to rural zones within those SA2s based on the weighted average share of growth estimated between 2013 and 2018¹¹. In other words, this approach carries recent trends in the share of rural growth forward over the long-term.

¹¹ The base data is SA1 level dwelling trends 2013-2018 apportioned to rural zones within each SA1 and aggregated up to SA2s (weighted average).



This scenario – referred to as the Low Growth Scenario for this memo – is also summarised in Table B below. Unlike the High Growth scenario, this approach assumes a changing structure of rural dwellings by type over time. This is driven by growth being concentrated in particular SA2s according to Statistics NZ projection data, which is applied to the zones specific to those growth areas. While the total rural environment is already projected to have 25% growth in dwellings over the long term, this approach sees growth in Lakeside Settlements increase by 11% over that period (off a high base) and Rural Villages (in total) increase by 47% (off a low base).

The quantum of projected growth between Lakeside Settlement Zone and Rural Village Zone is as follows:

- Lakeside Settlements (total): 70 short-term, 150 medium-term, 240 long-term.
- Rural Villages (total): 20 short-term, 60 medium-term, 170 long-term.

This approach still generates an annual average growth rate for the Lakeside Settlement zone that is faster than indicated in the recent past (since 2013) but is a closer rate than under the High Growth Scenario. The annual average growth rate for the Rural Village Zone is a very close match to the historical growth rate (since 2006).

Under this scenario, only Golden Springs Village, Ngakuru Village and Mamaku Village are projected to experience material growth in dwellings, with all other villages assumed to remain at (or very close) to 2020 dwelling counts. Mamaku Village – where continued growth is more likely based on past trends – would increase by 140 dwellings by 2050. Golden Springs and Ngakuru villages are projected to increase by just 10 dwellings each over the long term.

An implication of using this projection approach is that it also implies higher growth for rural lifestyle properties than previously estimated in the Rural 2 Zone memo (which was based on the constant structure approach (or High Growth Scenario in this memo)). The Rural 2 Zone Memo indicated total long-term demand for 600 rural lifestyle properties (610 less rounded) – excluding any margin on rural demand. Under the variable growth rate approach, rural lifestyle properties would grow at a faster rate (32% compared to a rural average growth rate of 25%) and increase by 780 dwellings by 2050. This is an increase in long-term growth of 170 more rural lifestyle properties than previously reported. However, this is within the estimated surplus of capacity over the long term and so this alternative projection does not alter the sufficiency results, or the conclusions of that memo (which prompted consideration of providing some additional Rural 2 Zone in the rural environment to reduce the risk of long term demand being constrained if not all estimated capacity is realised).

Capacity to Accommodate Dwelling Growth in Minor Settlements

Quantifying capacity of the Rural Village Zone or Lakeside Settlement Zone is outside the scope of this memo (but could be scoped as an additional piece of work if needed). However, given the generally very low rates of growth projected in the Rural Village Zone, and the presence of some rural lifestyle properties within the zone extents that offer further subdivision potential, and indications of some



vacant lots, M.E anticipate that providing additional zoned land (or density) is unlikely to be required in most cases.

The potential exception, that warrants further investigation, is Mamaku. Mamuku Village is projected to have long term growth of between 30 and 140 dwellings. This range is driven by which approach is applied (pro-rata share of total rural environment growth based on current share of dwellings versus continuation of recent growth rates respectively). Mamaku Village currently comprises a large number of lifestyle properties, so M.E estimates that even this upper growth requirement could be met largely through existing subdivision potential (infill). We note also that the adjoining Rural 2 Zone will enable more intensification of lifestyle properties once the waste-water reticulation is in place. This could help cater for some village demand (if redirected from the Village zone), or could help stimulate growth in the Village zone proper. If these desktop results for Mamuku align with Council's own understanding of demand and supply in that locality, then Mamuku Village could warrant some consideration in the FDS.

The total long-term demand for the Lakeside Settlement zone (including Lakes A Zone) ranges from 240 to 540 additional dwellings by 2050. As at 2020, there was an estimated 100 rural lifestyle properties in the zone that would in theory provide some further subdivision potential. This may help cater for some future demand. M.E advise that Council/the FDS team give further consideration as to whether providing additional land (or density) for the Lakeside Settlement Zone is appropriate in light of these high-level demand projections (and in relation to other constraints). This consideration could include a closer look at vacant/infill capacity.

If you have any further questions on this analysis and findings, please do not hesitate to contact us.

Kind regards

Natalie and Susan

Table B: Indicative Total Rural Environment Dwelling Projections by Property Type/Zone Location 2020-2050 – High and Low Growth Scenarios

Property Type	2020 Estimated Total Dwellings **	M.E Dwelling Growth Projections (n, rounded)			M.E Annual Average Dwelling Growth Projections (n)			M.E Annual Average Dwelling Growth Projections (n, rounded)			M.E Dwelling Growth Projections (%)		
		2020-2023 Short Term (n)	2020-2030 Medium Term (n)	2020-2050 Long Term (n)	Short Term (annual avg)	Medium Term (annual avg)	Long Term (annual avg)	Short Term (annual avg)	Medium Term (annual avg)	Long Term (annual avg)	Short Term (%)	Medium Term (%)	Long Term (%)
HIGH MINOR SETTLEMENT GROWTH SCENARIO - Pro-Rata Growth - 2020 Structure Held Constant													
Sub-Total Lakeside *	2,120	120	310	540	41	31	18	40	30	20	6%	14%	25%
Village - Broadlands	10	-	-	-	0.2	0.2	0.1	-	-	-	6%	14%	25%
Village - Ngakuru	10	-	-	-	0.3	0.2	0.1	-	-	-	6%	14%	25%
Village - Waikite	-	-	-	-	0.0	0.0	0.0	-	-	-	6%	14%	25%
Village - Golden Springs	20	-	-	10	0.4	0.3	0.2	-	-	-	6%	14%	25%
Village - Kaharoa	10	-	-	-	0.2	0.1	0.1	-	-	-	6%	14%	25%
Village - Kaingaroa	70	-	10	20	1	1	1	-	-	-	6%	14%	25%
Village - Mamaku	130	10	20	30	3	2	1	-	-	-	6%	14%	25%
Village - Reporoa	60	-	10	10	1	1	0.5	-	-	-	6%	14%	25%
Village - Reporoa (West)	20	-	-	10	0.5	0.3	0.2	-	-	-	6%	14%	25%
Village - Rerewhakaaitu	20	-	-	-	0.3	0.2	0.1	-	-	-	6%	14%	25%
Sub-Total Village *	360	20	50	90	7	5	3	10	10	-	6%	14%	25%
Total Minor Settlements	2,480	140	360	630	48	36	21	50	40	20	6%	14%	25%
Total Lifestyle	2,410	140	350	610	46	35	20	50	30	20	6%	14%	25%
Total Rural *	360	20	50	90	7	5	3	10	10	-	6%	14%	25%
Total Rural Environment	5,250	300	760	1,330	101	76	44	100	80	40	6%	14%	25%
LOW MINOR SETTLEMENT GROWTH SCENARIO - Variable Growth (SA2) - Applied to 2020 Base Structure ***													
Sub-Total Lakeside *	2,120	70	150	240	23	15	8	20	10	10	3%	7%	11%
Village - Broadlands	10	-	-	-	0.0	0.0	0.0	-	-	-	0%	2%	7%
Village - Ngakuru	10	-	-	10	0.5	0.4	0.2	-	-	-	10%	25%	41%
Village - Waikite	-	-	-	-	0.0	0.0	0.0	-	-	-	0%	2%	7%
Village - Golden Springs	20	-	10	10	1.5	0.8	0.3	-	-	-	21%	41%	43%
Village - Kaharoa	10	-	-	-	0.3	0.2	0.1	-	-	-	8%	23%	44%
Village - Kaingaroa	70	-	-	-	0.1	0.2	0.2	-	-	-	0%	2%	7%
Village - Mamaku	130	10	50	140	3	5	5	-	-	-	7%	34%	104%
Village - Reporoa	60	-	-	-	0.1	0.1	0.1	-	-	-	0%	2%	7%
Village - Reporoa (West)	20	-	-	-	0.0	0.1	0.1	-	-	-	0%	2%	7%
Village - Rerewhakaaitu	20	-	-	-	0.0	0.0	0.0	-	-	-	0%	2%	7%
Sub-Total Village *	360	20	60	170	6	6	6	10	10	10	5%	18%	47%
Total Minor Settlements	2,480	90	210	410	28	21	14	30	20	10	3%	8%	16%
Total Lifestyle	2,410	190	470	780	64	47	26	60	50	30	8%	20%	32%
Total Rural *	360	30	70	140	9	7	5	10	10	-	7%	21%	40%
Total Rural Environment	5,250	310	750	1,330	101	76	44	100	80	40	6%	14%	25%

Source: Statistics NZ, M.E. Total Rural Environment dwelling growth projections consistent with HBA assumptions (and draw on Informetrics medium growth projections with respect to resident household growth)

* Includes Lakes A - Assigned to Lakeside

** Excludes Lifestyle properties with these zones.

*** The difference between the Minor Settlement Growth in the Low scenario and the High scenario (circa 200 dwellings over the long term) would be expected to transfer to lifestyle property demand. Under this scenario, the demand projections for Lifestyle Properties in the Rural 2 Zone memo (xx May) which assumed a constant structure of Rural Environment dwellings by type over time would be conservative.

**** Includes all dwellings in zone including Lifestyle properties. Lifestyle properties may be contributing to growth rates and is not directly compatible to M.E growth projections which exclude rural lifestyle properties occurring in these zones.