

The PROPERTY REPORT

OPEN FOR BUSINESS: A QUESTION & ANSWER SESSION

There's probably not too many of us that have ever sat down and read the New Zealand edition of Lonely Planet back to back, but if you ever do, you'll find they describe real estate, not rugby or politics, as Kiwi's favourite pastime. As I'm often stopped on the street and asked questions by investors, buyers, sellers and those just simply interested in the market, I do believe this is true! Many of the questions I'm asked are worth repeating, as I'm sure there are other people out there that have wondered the same thing at some point in time. So, in no particular order, here are a few questions I've been asked in the last month.

1. What is the key thing to keep in mind as an investor?

I know most investors are mums and dads who are trying to ensure their family's future and security. It is so important to factor in those times that the market might have a downturn and invest, invest, invest when that downturn occurs! While I'm not encouraging investors to spread themselves too thin, I do think that getting more for your money is always the best adage to follow, even more than buy low and sell high which is much more difficult to predict.

2. What do you think will happen to interest rates?

Of course, this is a tricky question because it depends on whom you listen to! There are so many influences including the new free trade agreement with the U.S., an election looming both here and abroad and media depictions

of where the current market is. Most financial institutions believe that the market is showing signs of stabilising and already, those who have fixed loans coming due now are feeling a bit of relief. I can't imagine that there will be quick, drastic cuts, but I do think that small reductions aren't out of the question.

3. What do the recent code changes for selling by tender mean for me?

The Real Estate Institute of New Zealand has applied changes to provide clear definitions to the roles of the vendor, agent and buyer during the tender process. Professionals Hutt City has always stuck to the rule that no tenders or offers can be accepted before the set tender date and now the code clearly states that this is the only way a tender process can be conducted. This is to ensure fairness to each party including the vendor and intended tenderers. If you are interested in discussing this method of sale with your agent, he or she will provide you with a copy of the code prior to setting the method in process.

If you have a real estate question that you'd like answered in a future edition of Open for Business, feel free to send it to openforbusiness@redcoats.co.nz.



John Ross
Owner, Professionals Hutt City

Visit www.redcoats.co.nz/market-review.asp to view previous Property Reports

Focus on ... Central Hutt

September 2007 - August 2008

	MEDIAN SALE PRICE	NUMBER OF SALES	MEDIAN DAYS TO SELL
September 2007	\$765,000	6	29
October 2007	\$385,000	8	37
November 2007	\$586,500	7	41
December 2007	\$370,000	5	47
January 2008*	-	-	-
February 2008	\$471,600	9	37
March 2008	\$520,000	5	60
April 2008	\$420,000	10	41
May 2008*	-	-	-
June 2008	\$520,000	7	54
July 2008	\$479,000	10	45
August 2008	\$458,000	9	45



Median - the middle value when all of the data is placed in order of value. The median is a better indicator of value in the middle of the range than the average figure, as the average can be influenced by 1 or 2 extremely high or low values.

Source - REINZ website and Professionals Hutt City Ltd MREINZ records. These statistics are for residential dwellings and do not include sections.

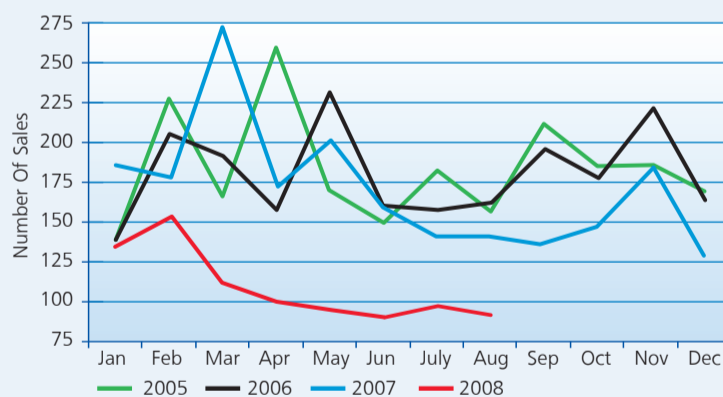
Lower Hutt Statistics

June 2008 - August 2008

SUBURBS	MEDIAN SALE PRICE	NUMBER OF SALES	VS LAST YEAR	MEDIAN DAYS TO SELL	VS LAST YEAR	MEDIAN SALE % CHANGE 1 YEAR	3 YEARS
Alicetown	\$417,250	8	↓	47	↑	-6%	22%
Avalon	\$265,000	13	↓	44	↓	-25%	-9%
Belmont	\$370,000	11	→	70	↑	-18%	10%
Boulcott*	-	-	-	-	-	-	-
Central Hutt	\$479,000	26	→	47	↑	-7%	29%
Eastbourne & Bays	\$647,500	8	↓	64	↑	-12%	41%
Fairfield*	-	-	-	-	-	-	-
Harbourview*	-	-	-	-	-	-	-
Kelson	\$339,888	9	↓	25	↓	-2%	27%
Korokoro	\$390,000	7	↑	39	↑	*	21%
Manor Park*	-	-	↓	-	↑	-	-
Maungaraki	\$339,000	9	↓	44	↑	-11%	3%
Moera	\$272,850	6	↑	80	↑	83%	*
Naenae	\$244,500	26	↓	45	↑	-13%	20%
Normandale	\$355,500	6	↓	70	↑	-12%	5%
Park Ave	\$402,500	8	↓	44	↓	-4%	53%
Petone	\$420,000	21	↓	65	↑	-3%	28%
Stokes Valley	\$265,000	19	↓	64	↑	-15%	23%
Taita	\$200,000	13	↓	20	↓	-29%	19%
Tirohanga*	-	-	↓	-	↓	-	-
Wainuiomata	\$223,000	42	↓	55	↑	-14%	27%
Waiwhetu	\$313,750	12	↓	53	↑	-14%	6%
Waterloo	\$390,000	18	↓	70	↑	-7%	24%
Woburn	\$405,000	8	↓	60	↑	-29%	-12%

*For accuracy purposes, suburbs with less than 5 sales in the period have been excluded from this analysis.

Lower Hutt Residential Property Sales



Regional Round Up

June 2008 - August 2008

OUR REGION	MEDIAN SALE PRICE	NUMBER OF SALES	VS LAST YEAR	MEDIAN DAYS TO SELL	VS LAST YEAR	MEDIAN SALE % CHANGE 1 YEAR	3 YEARS
Lower Hutt	\$325,000	281	↓	51	↑	-3%	25%
Upper Hutt	\$312,500	138	↓	66	↑	-8%	26%
Porirua	\$345,000	129	↓	66	↑	-8%	22%
Wellington	\$435,000	597	↓	50	↑	0%	15%
MAIN CITIES							
Auckland	\$457,500	1,519	↓	47	↑	-7%	12%
Hamilton	\$330,000	444	↓	52	↑	10%	59%
Christchurch	\$315,000	1,362	↓	53	↑	-4%	17%
Dunedin	\$245,500	472	↓	56	↑	11%	14%

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