

# The PROPERTY REPORT

## MARKET TURNED IN MARCH

Robert Muldoon remains one of New Zealand's more memorable Prime Ministers. Even today students study this leader who dealt with the challenge of oil shocks, migration, industrial unrest, unemployment and other national and international issues in his own way.

"Think Big" projects, car-less days, rent freezes, a fixed exchange rate - all solutions which the government used to battle tough economic times.

The newspapers then were as gloomy as they often are now, yet my friends and myself, like most young people today, weren't reading the newspapers, except perhaps the "for sale" columns. We were naïve to market trends and as for tough markets, well we knew no better. With innocent energy we bought and sold cars and homes when mortgage interest rates were running at 18%.

Car-less days didn't stop us getting around, rents still went up during the rent freeze, people found jobs and most of us managed to pay our mortgages.

Today, John Key has his own challenges, and many of them aren't too different to 30 years ago. Some things, like Monetary Policy, are different but if anything, most of the differences make it easier for the "Ma's and Pa's" and the "up and comings", not harder.

Mortgage interest rates are less than the return that most investment properties give,

residential rents continue to rise, property prices have shifted back 5 years, there is reasonable choice and finally, March saw an improvement in the market sales volumes.

Whether it is Muldoon or Key, high interest rates or low, 1980 or 2011, cars or no cars, winter or summer - too much analysis will lead to paralysis.

There are those doing something to get a better lifestyle, those with the "can do" attitude of "20 somethings", those not living in the world of the doomsayers, those who like many Cantabrians are not frozen with what has been and the turmoil around them but focused on what they can have and what they can become.

People who think like this are keeping the market ticking over. These people are getting in at the right time, and are the people who will gain the most. Yes - markets do pull back, whether by natural market forces or interference, but like residential rents when the freeze came off, these times will change and when they do it could be fast.

Was the bounce-back we saw in March the beginning of this change?

**John Ross**  
Licensee Agent  
john@redcoats.co.nz



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## Hutt Valley Rental Statistics

### Rental Returns for February 2011

	BEDROOMS	MEDIAN RENT	RENT RANGE LOWEST - HIGHEST	% CHANGE FROM FEB 10	NO. LET
Northern Lower Hutt	1	\$220	\$146 - \$220	n/a	11
	2	\$280	\$262 - \$307	4%	23
	3	\$340	\$306 - \$380	1%	33
	4	\$422	\$360 - \$475	7%	6
Southern Lower Hutt	1	\$215	\$184 - \$234	13%	25
	2	\$310	\$280 - \$350	8%	38
	3	\$397	\$350 - \$450	4%	30
	4	\$450	\$427 - \$497	-5%	13
Wainuiomata	1	n/a	n/a	n/a	0
	2	\$210	\$197 - \$246	n/a	5
	3	\$292	\$280 - \$330	-2%	22
	4	n/a	n/a	n/a	0
Upper Hutt	1	n/a	n/a	n/a	0
	2	\$227	\$200 - \$250	-3%	30
	3	\$355	\$320 - \$375	10%	30
	4	\$420	\$391 - \$472	10%	11

**Median** - the middle value when all of the data is placed in order of value.

**Source - Sales Statistics:** REINZ website and Professionals Hutt City Ltd MREINZ records.

These statistics are for residential dwellings and do not include sections.

**Source - Rental Statistics:** Tenancy Services Bond Centre. These statistics are derived from information gathered from bonds lodged at the Department of Building and Housing.

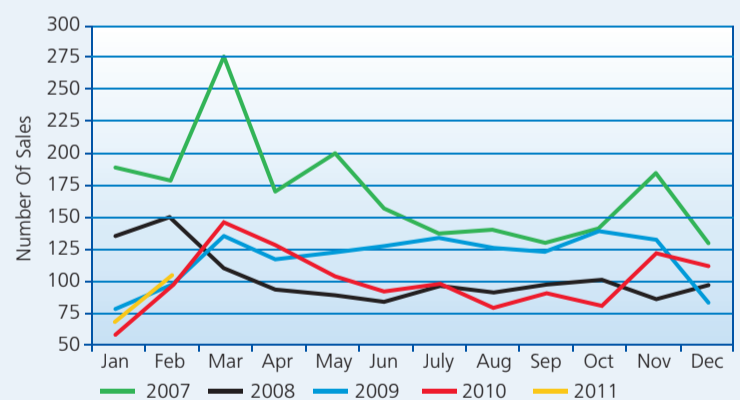
## Lower Hutt Sales Statistics

### December - February 2011

SUBURBS	MEDIAN SALE PRICE	MEDIAN SALE PRICE % CHANGE		NUMBER OF SALES	VS LAST YEAR	MEDIAN DAYS TO SELL	VS LAST YEAR
		1 YEAR	3 YEARS				
Alicetown	\$442,500	-4	3	10	↑	39	↑
Avalon	\$357,000	-5	-10	15	↑	27	↓
Belmont	\$345,000	-13	-5	10	↑	84	↑
Boulcott	\$611,000	2	42	6	↑	20	↓
Central Hutt	\$540,000	29	21	15	↑	58	↓
Eastbourne & Bays	\$720,000	17	1	20	↓	62	↑
Fairfield	\$303,000	-30	-27	6	↑	50	↑
Harbourview	\$445,000	-	-	2	-	-	-
Kelson	\$370,000	4	13	11	↑	40	↓
Korokoro	\$396,500	14	-4	6	↑	36	↓
Manor Park	\$465,000	-	-	3	-	-	-
Maungaraki	\$349,750	-13	-15	8	↓	41	↑
Moera	\$325,000	-	-	3	-	-	-
Naenae	\$247,000	-10	-10	12	↓	63	↑
Normandale	\$410,000	-	-	4	-	-	-
Park Ave	\$408,000	4	32	8	↑	37	↓
Petone	\$462,500	8	9	20	↓	30	↑
Stokes Valley	\$282,750	-3	-4	30	↑	39	↓
Taita	\$242,000	-7	-7	13	↑	54	↑
Tirohanga	\$585,000	-	-	4	-	-	-
Wainuiomata	\$232,000	-1	-6	40	→	30	↑
Waiwhetu	\$372,000	0	-6	9	↓	35	↓
Waterloo	\$428,500	6	-3	12	→	37	↓
Woburn	\$720,000	-23	24	15	↑	41	↑

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

### Lower Hutt Residential Property Sales



## Regional Round Up

### December - February 2011

SUBURBS	MEDIAN SALE PRICE	MEDIAN SALE PRICE % CHANGE		NUMBER OF SALES	VS LAST YEAR	MEDIAN DAYS TO SELL	VS LAST YEAR
		1 YEAR	3 YEARS				
Lower Hutt	\$350,750	1	9	282	↑	39	↑
Upper Hutt	\$310,000	2	-6	175	↑	45	↑
Porirua	\$411,000	1	14	137	↑	57	↑
Wellington	\$485,000	1	4	610	↓	35	↑
<b>MAIN CITIES</b>							
Auckland	\$495,000	-1	8	1308	↑	34	↓
Hamilton	\$322,000	-2	-5	419	↓	48	↑
Christchurch	\$330,000	-1	0	912	↓	38	↑
Dunedin	\$239,000	-2	-4	480	↓	43	↑

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