

The PROPERTY REPORT

When the Rules Change Mid-Game

Own more than one home? Looking at investing in property? Or perhaps you're a tenant renting your home. If any of these descriptions sound like you, read on because changes are in the pipeline that could affect you or your investment

The Residential Tenancies Act regulates the relationship between property investors and tenants. While changes to the Act have been long overdue, it wasn't until this last May that Parliament addressed the need to review.

Most of the alterations that have come out of the Bill are positive and will benefit both tenants and property investors. However, some have criticised a few of the changes as not treating investors fairly.

Statistics show the majority of property investors are mum's and dad's trying to better their future as well as that of their children by owning another home. I've had conversations with landlords who are really struggling financially themselves. I think there's a tendency by those who are not investors to assume that because someone owns more than one home, they must be rich.

One of the major proposed changes that has caused a bit of head shaking amongst landlords is the limit of tenant liability for damages to the rental property to just four weeks rent. It's easy for tenants to be seen as having the greater need for protection, but decisions made by the Tenancy Tribunal indicate landlords more often have problems with tenants than vice versa. Therefore, limiting the liability for damages is viewed by some as limiting the responsibility of the tenant in regards to care of a property.

I hope any new legislation will be mindful that these are hard times for everyone and most people don't have bucket loads of spare cash rolling around. The changes need to be fair to both sides, taking into consideration the needs of the tenants as well as the goals of the property investor. If you would like to know more about the proposed changes and how they might affect you, give Vesna Wells, Manager of our property management division a call on 566-2233.



John Ross
Owner, Professionals Hutt City



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

Focus on ... Naenae

July 2007 - June 2008

	MEDIAN SALE PRICE	NUMBER OF SALES	MEDIAN DAYS TO SELL
July 2007	\$282,000	15	23
August 2007	\$278,125	10	41
September 2007	\$285,000	9	20
October 2007	\$270,500	12	33
November 2007	\$304,000	10	23
December 2007	\$264,500	10	25
January 2008	\$270,000	9	30
February 2008	\$282,500	14	54
March 2008	\$273,000	15	26
April 2008	\$247,000	15	41
May 2008	\$270,000	5	34
June 2008	\$244,000	11	51



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.

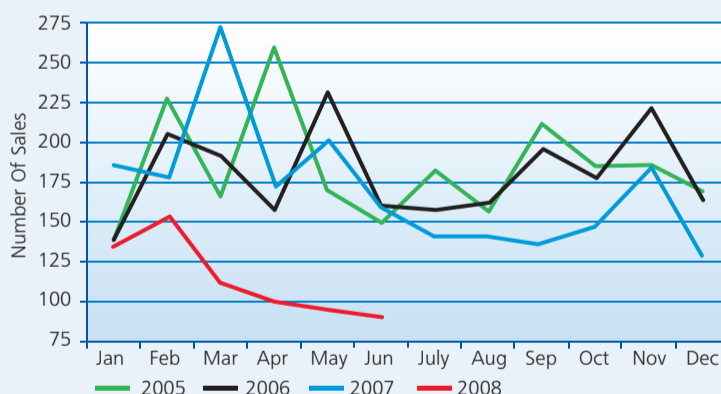
Lower Hutt Statistics

April 2008 - June 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	\$405,000	5	↓	41	↑	-2%	17%
Avalon	\$342,250	16	↓	42	↑	1%	12%
Belmont	\$442,500	14	↓	66	↑	10%	9%
Boulcott*	-	-	-	-	-	-	-
Central Hutt	\$467,500	20	↓	52	↑	3%	28%
Eastbourne & Bays	\$690,000	6	↓	80	↑	-7%	42%
Fairfield	\$417,000	7	↓	94	↑	4%	41%
Harbourview*	-	-	-	-	-	-	-
Kelson	\$327,000	7	↓	27	↑	-10%	26%
Korokoro	\$443,000	6	↑	45	↑	18%	26%
Manor Park*	-	-	-	-	-	-	-
Maungaraki	\$405,000	15	↓	52	↑	0%	37%
Moera	\$291,100	6	↑	38	↑	*	24%
Naenae	\$247,000	31	↓	49	↑	-15%	25%
Normandale	\$412,500	5	↓	93	↑	8%	20%
Park Ave	\$291,000	5	↓	55	↑	-33%	-3%
Petone	\$425,000	19	↓	42	↑	-6%	39%
Stokes Valley	\$286,500	28	↓	43	↑	-10%	49%
Taita	\$205,000	10	↓	55	↑	-25%	16%
Tirohanga*	-	-	-	-	-	-	-
Wainuiomata	\$237,000	47	↓	47	↑	-11%	48%
Waiwhetu	\$330,000	11	↓	65	↑	-10%	18%
Waterloo	\$387,500	12	↓	65	↑	-5%	45%
Woburn	\$612,500	12	↓	57	↑	-14%	30%

*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

April 2008 - June 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	\$328,000	285	↓	50	↑	-4%	31%
Upper Hutt	\$339,500	186	↓	59	↑	6%	41%
Porirua	\$360,000	120	↓	58	↑	-4%	35%
Wellington	\$445,000	634	↓	40	↑	-4%	20%

MAIN CITIES	MEDIAN SALE PRICE	NUMBER OF SALES	VS LAST YEAR	MEDIAN DAYS TO SELL	VS LAST YEAR	MEDIAN SALE % CHANGE 1 YEAR	3 YEARS
Auckland	\$483,000	1,555	↓	43	↑	-3%	15%
Hamilton	\$330,000	461	↓	50	↑	-3%	27%
Christchurch	\$315,000	1,267	↓	45	↑	-5%	20%
Dunedin	\$245,000	444	↓	50	↑	-3%	17%

