

BAYLEYS LIFESTYLE

AREA UPDATE - June 2009

Presented by Shona Jurlina

Welcome to my lifestyle newsletter for June. In this edition we have included some positive articles on the real estate market for your perusal. Also, a personal invite to a stunning property I am marketing.

The National Agricultural Fieldays is on again at Hamilton's Mystery Creek where Bayleys will be represented and will have a fantastic selection of over 100 properties showcased in the Special Fieldays Edition of Preview Magazine. If you are at Fieldays come and see us at site D86 for a coffee, a chat and a chance to win a trip on a game fishing launch for you and some friends.

Enjoy this edition.

Regards,



HOUSING MARKET PERKS UP

By Adrian Chang - BusinessDay

A "degree of confidence" is returning to the property market and house sales are rising, according to the Real Estate Institute of New Zealand's latest monthly figures. Nationwide house sales in April were robust, with 6,210 houses sold compared to 4,450 in the same month last year. However, April's sales were down on March - traditionally a stronger month - when 6,694 houses were sold.

Each major city saw increases in sales volumes with turnover particularly strong in Auckland where 2,081 properties changed hands compared to 1,350 in April 2008. Sales in Wellington were also up, with 691 homes sold in April compared to 558 sold in April last year while Christchurch saw 667 sales compared to 416 previously.

The median house price across New Zealand in April was \$340,000, down 1.44 percent from \$345,000 in April last year but up from \$335,000 in March.

Auckland took a bigger than average hit in prices, down 3.34 percent on last year. Meanwhile, Wellington's house prices dropped by 2 percent while Christchurch prices remained relatively steady, down just 0.8 percent.

REINZ president Mike Elfrod said the figures reinforced a certain level of price and sales stability and was pleasing because April is traditionally a slower month for sales.

"The figures are not hugely significant, but enough to generate a degree of optimism about the way forward from here," Elfrod said.

The time it took to sell a house was slightly faster in April with a national median of 42 days compared to 44 days in both March 2009 and April 2008.

Goldman Sachs JBWere strategist Bernard Doyle said the figures showed a 19 percent sales rise month-on-month in April and a 39 percent rise year-on-year.

"Impressive numbers given Easter fell in April this year," Doyle said.

And the recovery in house sales suggested a turnaround in construction activity was just around the corner.

"By way of comparison, when New Zealand was last turning over 6,500 houses per month, new construction was running at 24,000 consents annualised (versus 12,000 currently)," said Doyle.

ASB chief economist Nick Tuffley said the recent sales spike reflected panic among homeowners wanting to lock in low fixed mortgage rates. "Nonetheless, house prices tend to lag house sales by around 3 to 6 months, and if the recent strength in house sales is maintained house prices are likely to be close to the bottom," Tuffley said.

HOUSE MARKET SHOWS SIGNS OF RECOVERY

By Joseph Barrett - NZ Herald

A cautious murmur of optimism can be heard from some economists, property companies and estate agents: they are hoping that a slight upturn in house sales may herald the start of the recovery.

Two new reports, one from the Real Estate Institute and one from Crockers Property Group, offer the first signs that house prices may be rising.

The NZ Property Report, published by the Real Estate Institute and a group of big estate agencies, shows a sharp decrease in the number of properties listed for sale around New Zealand, an indication that the buyers' market of the past year may be turning to favour sellers.

And the Crockers report shows stronger sales in March, especially in Auckland, aided by population growth and expats coming home.

The reports come after Tony Alexander, the BNZ's chief economist, told buyers they shouldn't risk holding off in the expectation of lower prices.

The trends are far from certain, and most experts agree it's too early to confirm an upturn.

A dramatic decrease in the number of properties listed for sale in April suggests New Zealand could be turning to a sellers' market says the monthly NZ Property report released by www.realestate.co.nz. suggest a dynamic shift".

BUYING OR SELLING YOUR HOME? PHONE YOUR BAYLEYS AREA SPECIALIST

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I would like to take this opportunity to personally invite you to view, Sunday 2-3pm, from 14th June until 26th July.

If you have any friends or family who have admired the neighbourhood and may currently be in the market for this outstanding property, please feel free to invite them along.

If there is anything I can do to assist you with real estate requirements in the future, please do not hesitate to contact me.

www.bayleys.co.nz/301060945



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