

Property Focus

Significant lift in sales continuing

Harcourts latest statistics show the New Zealand property market is continuing to experience significantly higher levels of sales activity than 12 months ago.

Harcourts New Zealand CEO Bryan Thomson says the group wrote an average of 30.8% more sales in June 2009 than in the same month last year, continuing a trend Harcourts has been reporting for some months.

The comparative increase in buyer activity is particularly noticeable in those areas hardest hit by the slowdown that started in late 2007, Mr Thomson says, with the volume of written sales in June 2009 in Harcourts' Northern region for example being 51% up the same month last year.

"In our view attractive lending rates, positive immigration statistics and some positive rumblings internationally have all contributed to the increased activity, plus most sellers and buyers are now fully conversant with the realities of the current market and are entering negotiations with realistic expectations."

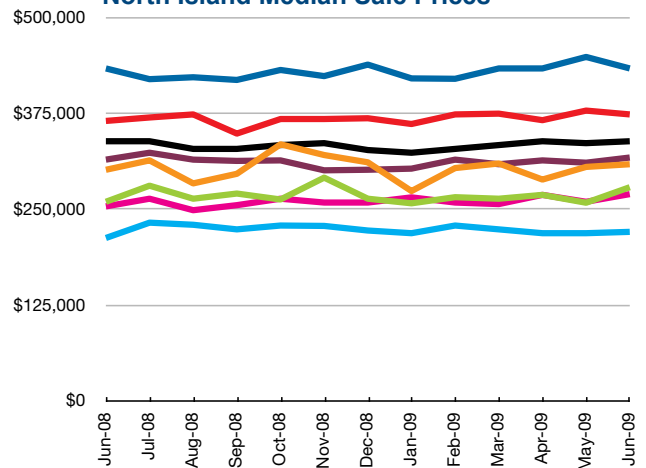
While the traditional winter slowdown in sales has not occurred, limited numbers of properties are being listed for sale, Mr Thomson says. "When coupled with the increase in sales it means buyers are experiencing considerable competition when looking to secure a new property and in an effort to capitalise on this increasing numbers of sellers are choosing auction campaigns, which according to feedback from Harcourts offices around the country is proving to be the most successful method of sale."

Mr Thomson says he can only assume that potential sellers are concerned about the price they may receive for their property and are therefore reluctant to list it. "However with the abundance of buyers in the market and the relative lack of stock there are actually some excellent prices are being achieved around the country."

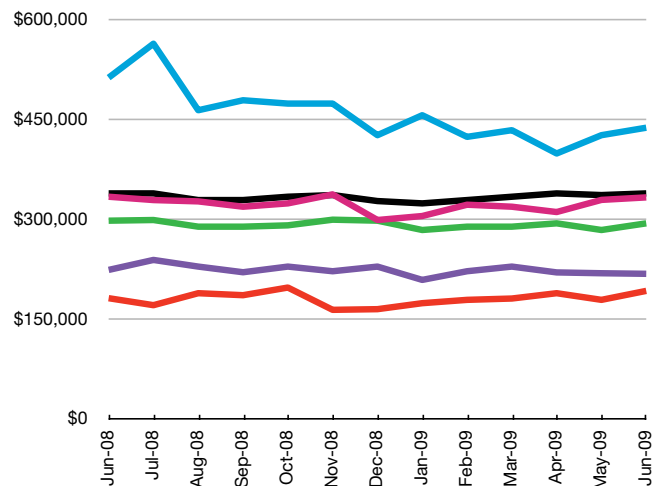
Residential property prices appear to have "stabilised", Mr Thomson says, and given the fundamentals that are in play and driving the market right now, today's "solid" real estate market should continue.

"My advice is - If selling, market well and have realistic price expectations and you will succeed; if buying, do your homework and make sure you are able to make decisions rapidly and intelligently or you will miss the best opportunities."

North Island Median Sale Prices



South Island Median Sale Prices



Source: Real Estate Institute of New Zealand

Worthy causes benefit from The Harcourts Foundation

Seven worthy community causes have benefited from the inaugural round of quarterly grants from The Harcourts Foundation in New Zealand.

The recipients – a scout group, an intermediate school, a fire brigade, a boxing academy, a youth-focused social services provider, a kindergarten and a kohunga reo - were recently awarded grants totalling \$15,000 having made successful applications to The Harcourts Foundation, a registered charity established last year in New Zealand and Australia to provide financial support that helps, grows and enriches local communities.

With these recent grants together with more than A\$70,000 donated to the Red Cross Victorian Bush Fire Appeal earlier this year following a special appeal within Harcourts and A\$27,200 donated to 12 charities in Australia recently, The Harcourts Foundation has donated approximately \$140,000 to 20 charities in its first nine months of operation.

Harcourts New Zealand CEO Bryan Thomson says he is thrilled that through the voluntary donations and fundraising efforts of Harcourts' people The Harcourts Foundation can support the efforts of a variety of groups who do valuable and necessary work in the community.

"Harcourts has a strong tradition of giving and I am delighted to see The Harcourts Foundation growing and becoming a fundamental and significant part of what the name 'Harcourts' stands for in our communities," Mr Thomson says. "It is helping to create a very special legacy."

As Mr Thomson explains, except for a small portion set aside for one-off grants towards relief efforts for major emergencies, the money raised for The Harcourts Foundation in a particular region goes back into that area and 100% of the funds raised is donated, as Harcourts International Ltd is funding all of the Foundation's running costs.

The Harcourts Foundation is focused on providing grants in areas where Harcourts offices operate to reputable community-based organisations that need funding for an events, projects, items or initiatives designed to benefit as many people as possible. Applicants must meet set criteria and complete the official application form. For more information visit www.harcourtsfoundation.org.

Warming up NZ

Under the Government's Warm up New Zealand: Heat Smart programme grants of up to \$1800 are now available for all homeowners with houses built before 2000.

For holders of Community Service Card and landlords of tenants who hold Community Services Cards there is additional Government funding available and this will be supplemented with private sector funding.

Funding can be used to install:

- Ceiling and underfloor insulation, up to a required standard. (Note: you need to get both ceiling and underfloor insulation done, if at all possible, to qualify for funding).
- A clean, efficient heating device in the primary living space, if the primary living space does not already have a heating device that meets current standards and your insulation is up to standard too;
- The following energy efficiency measures where necessary: a hot water cylinder wrap, pipe lagging, draught-stopping and a ground moisture barrier.

For more information visit www.energywise.govt.nz.

Did you Know?

- *The Economist* magazine has reported that New Zealand's house prices increased overall by 97% in the 12 years from 1997.
- To help you work out which power company and pricing plan is best for you visit Consumer's website www.powerswitch.co.nz

- In June the median time taken to sell a home was 41 days according to the Real Estate Institute of New Zealand. The fastest turnaround was in Auckland (33), the slowest was in Northland (72) and the biggest improvement was in Central Otago Lakes where the median dropped from 85 days in May to 52 days in June.
- If you want to make a leaky building claim under the Weathertight Homes Resolution Services Act it

must be lodged within 10 years of the house being built or altered.

- To check if a building inspector is an accredited member of the NZ Institute of Building Surveyors visit www.buildingsurveyors.co.nz
- Mortgage sales reached a new peak of 251 in April, which was 4% of the total volume of sales that month, according to the latest figures released by Terralink.