

Harcourts MarketWatch

August 2009

In July 2009 Harcourts New Zealand's sales statistics continued to be very much in line with the previous few months, however our listing statistics have moved to a new level.

Last month in Harcourts' five regions there was an average of 35.2% more written sales than in July 2008, ranging from a 68% lift in our Central region to an 8% increase in our South Island Provincial Region. The latest national average is consistent with what Harcourts has been reporting since March.

The new listing statistics though are quite different from what we have seen recently, with more sellers looking to take advantage of the current strong buyer demand rather than waiting for spring when history suggests they are likely to face more competition.

Last month saw a pleasing increase in the amount of exclusive Harcourts listings when compared with the previous month and with July 2008 too, but perhaps the most graphic display of sellers' reaction to the current market is the significant lift in auction and tender campaigns secured in July 2009 compared

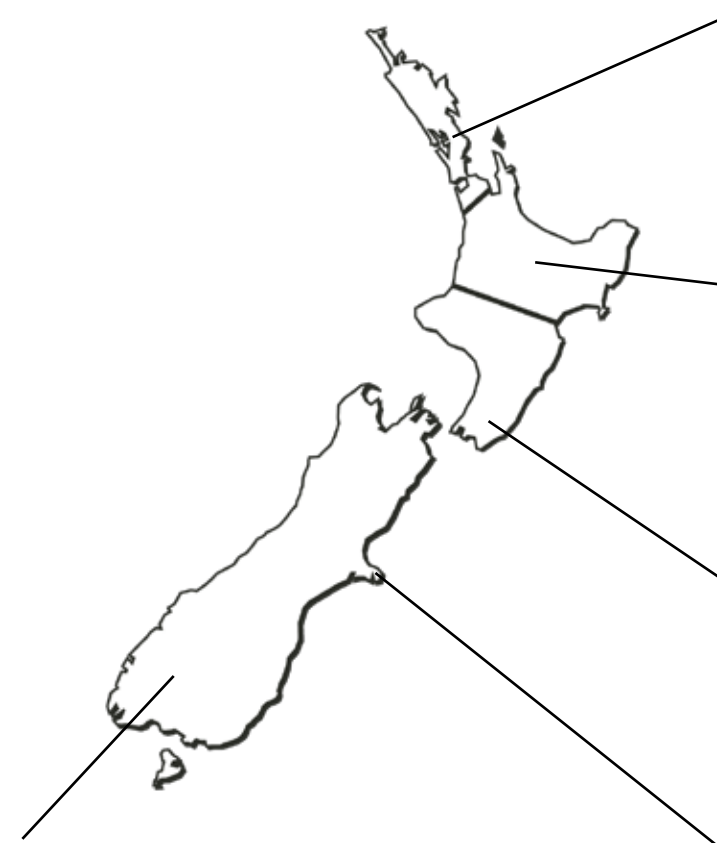
to July 2008 and the solid growth in these listings on last month too.

This clearly shows that more sellers are looking to maximise their price through competition while avoiding driving buyers away through an over-optimistic fixed priced strategy. With such a high volume of properties being auctioned it means buyers need to make sure they understand the process and are in a position to bid and buy otherwise they risk missing out on some stunning property.

While hindsight is the only 100% accurate judge we believe that with our relatively stable marketplace, interest rates remaining attractive and a limited amount of housing stock for sale today's solid real estate market should continue into Spring.

As always quality property in more sought after locations will continue to generate the most competition, while both sellers and buyers who have overly optimistic price expectations will remain frustrated.

Bryan Thomson, CEO, Harcourts New Zealand



NORTHERN	July 2009	July 2008	% Change
Exclusive Listings	412	369	+12%
Auction/Tender	141	71	+99%
Property on Hand	3,725	3,386	+10%
Written Sales	375	273	+37%
Average Price	\$525,000	\$467,000	+12%

A month showing a lift in new listings, including a large boost in the number of sellers selecting auction as their method of sale. Sales remain well ahead of 2008 levels.

CENTRAL	July 2009	July 2008	% Change
Exclusive Listings	421	321	+31%
Auction/Tender	90	45	+100%
Property on Hand	2,975	2,686	+11%
Written Sales	374	222	+68%
Average Price	\$345,000	\$472,000	-27%

A very strong listing month in this region coupled with a high level of sales too when compared to both July 2008 and last month. The slow rural market has contributed to the lower average sale price.

WELLINGTON	July 2009	July 2008	% Change
Exclusive Listings	346	325	+6%
Auction/Tender	111	84	+32%
Property on Hand	2,168	2,662	-19%
Written Sales	348	276	+26%
Average Price	\$307,000	\$330,000	-7%

New listings remain tight in the lower North Island region. Sales continue to be consistently at a level well above 2008.

SOUTH ISLAND PROVINCIAL	2009	2008	% Change
Exclusive Listings	232	262	-11%
Auction/Tender	53	36	+47%
Property on Hand	2,319	2,481	-7%
Written Sales	218	201	+8%
Average Price	\$284,000	\$416,000	-32%

The South Island provincial markets show less volatility in terms of property on hand and written sales when compared to Harcourts' other regions. The average price differential is significantly impacted by the stalled rural marketplace.

CHRISTCHURCH	July 2009	July 2008	% Change
Exclusive Listings	636	619	+3%
Auction/Tender	153	102	+50%
Property on Hand	3,612	3,788	-5%
Written Sales	554	403	+37%
Average Price	\$366,000	\$371,000	-1%

New auction listings were significantly ahead of July 2008 while the volume of sales was well ahead of both last month and July last year, which given the winter weather indicates this is a market showing ongoing strength.

Harcourts has been in existence since 1888 and is New Zealand's leading real estate group with around 180 offices nationwide. Harcourts also has over 250 offices in Australia and offices in Indonesia, Fiji, Singapore, China, South Africa, Botswana and Zambia. Visit www.harcourts.co.nz for more information.

