

Harcourts MarketWatch

September 2009

Harcourts' August figures show spring came early to much of the New Zealand real estate market, especially in our Northern region which includes the country's largest city, Auckland.

According to our final, audited figures for August 2009 Harcourts' sales consultants completed a national average of approximately 47% more written sales last month than in August 2008, with a total of 2030 written sales making it the second highest amount since November 2007.

The largest increase occurred in Harcourts' Northern region where the volume of written sales last month was a significant 78% ahead of August 2008. In addition the average sale price was 11% ahead of the same month last year.

In three of Harcourts' other regions there was also an increase in written sales last month when compared with August 2008, with our South Island Provincial region being the only exception.

Meanwhile, more properties came onto the market last month than in August 2008 but the total volume of property on hand remains limited and in some regions

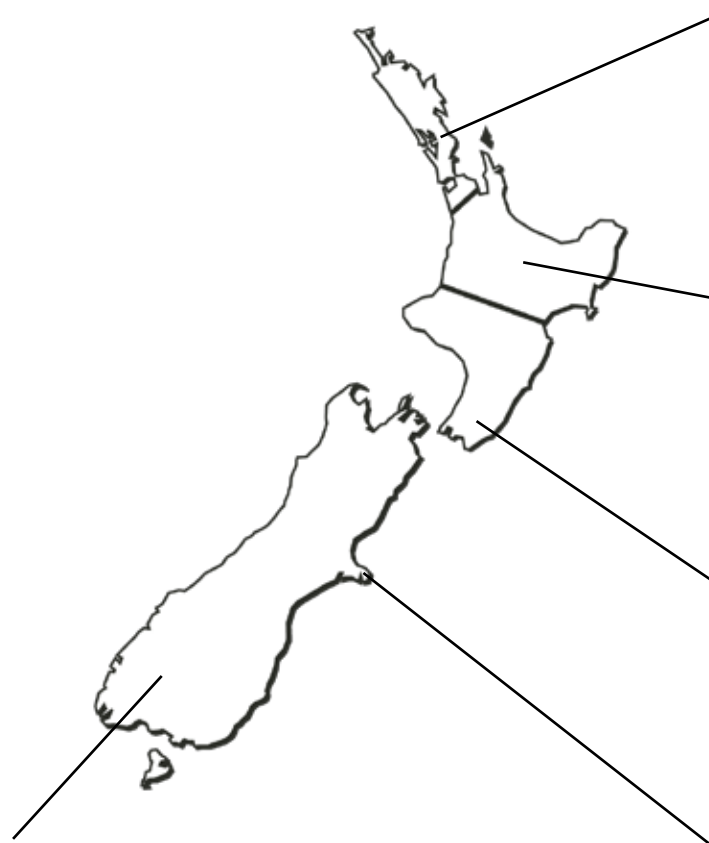
the slow rural market is continuing to impact on average sale prices.

While confidence in the market appears to have returned we have to be mindful of the fact that the numbers we are seeing this year are being compared to the historically low numbers of 2008. If you look further back in time our national sales numbers remain 25% below the peak of August 2005.

So, while the market is more positive and active and the lower number of listings we have seen over winter has created competition and helped to stabilise prices in many locations it's too soon to be talking about another "housing market boom".

Notwithstanding that, serious buyers are taking action now while asking prices and mortgage interest rates are more attractive and smart sellers are seizing the opportunity to list their property before more stock comes onto the market and balances out the current situation.

Bryan Thomson, CEO, Harcourts New Zealand



NORTHERN	August 2009	August 2008	% Change
Exclusive Listings	422	333	+27%
Auction/Tender	161	77	+109%
Property on Hand	3,677	3,454	+6%
Written Sales	446	251	+78%
Average Price	\$514,000	\$461,000	+11%

A great month, with the highest number of written sales reported since June 2007. Good to see a strong lift in the number of new listings, although it must be noted that there was an especially low number in August 2008. Buyers remain active and positive.

CENTRAL	August 2009	August 2008	% Change
Exclusive Listings	421	345	+22%
Auction/Tender	74	61	+21%
Property on Hand	2,975	2,757	+8%
Written Sales	398	240	+66%
Average Price	\$344,000	\$429,000	-20%

The highest number of written sales in this region since May 2007 and at a level relatively consistent with recent months, showing a solid level of demand coupled with motivated sellers. Slow rural market has again impacted on average sale price figure.

WELLINGTON	August 2009	August 2008	% Change
Exclusive Listings	364	317	+15%
Auction/Tender	120	52	+131%
Property on Hand	2,214	2,549	-13%
Written Sales	396	282	+40%
Average Price	\$335,000	\$312,000	+7%

Another solid month in the lower North Island. New listings, while up on the same month last year, remain at a premium. Sales numbers and prices remain positive.

SOUTH ISLAND PROVINCIAL	August 2009	August 2008	% Change
Exclusive Listings	265	301	-12%
Auction/Tender	36	53	-32%
Property on Hand	2,293	2,544	-10%
Written Sales	206	211	-2%
Average Price	\$291,000	\$465,000	-37%

The South Island provincial areas figures continue to reflect the impact of the slower rural market, especially in terms of the average sale price. As spring travels south we expect some improvements in these statistics.

CHRISTCHURCH	August 2009	August 2008	% Change
Exclusive Listings	592	515	+15%
Auction/Tender	154	102	+51%
Property on Hand	3,689	3,742	-1%
Written Sales	584	376	+55%
Average Price	\$355,000	\$352,000	-1%

Sales numbers remain relatively similar to recent months and significantly ahead of 2008. Prices remain solid, reflecting realistic sellers and buyers enjoying success.

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.

