



September 2016 – Falling inventory creates struggle for stock

The Real Estate Institute of New Zealand (REINZ) last week reported that in August all around New Zealand there were 7,527 dwellings sold. This was a 3% fall from a year ago, but the data a year ago was boosted by people buying/selling to get in ahead of October 2015's rule changes on investor deposits in Auckland.

The data suggest a mild slowing in activity but nothing too severe – especially considering that banks started applying the Reserve Bank's new 40% minimum deposit requirement for investors nationwide from late-July. The median dwelling sales price adjusted for changes in the mix of dwellings sold eased 1.1% in the month but it pays to look at three monthly movements as monthly numbers in New Zealand can vary from month to month. When doing so we see that in the three months to August the average price measure was ahead 3.9% from the three months to May and ahead 14% from a year ago. Auckland prices have risen 4.2% the past three months after rising 8.2% in the three months to May. So price increases have slowed and the monthly change was a fall of 2.3%.

REINZ Spokesman, Bryan Thomson noted that "the indications are that the struggle for stock is the biggest factor driving market behaviour and price expectations across the country, as we await Spring listings. The continued shortage of listings coupled with the impact of the LVR changes on investors is seeing sales volumes more muted than expected at this time of year." For the full report go to reinz.co.nz

If you are considering selling, see below for details of our November promotion – a terrific advertising deal designed to gain maximum exposure for your property.

Reserve Bank confirms nationwide restrictions on loans to property investors

The Reserve bank confirmed on 5 September that new rules will be introduced to tighten restrictions on bank lending to residential property buyers throughout New Zealand. From 1 October, residential property investors will generally need a 40% deposit for a mortgage loan, and owner-occupiers will generally need a 20% deposit. In both cases, banks are still permitted to make a small number of loans to borrowers with smaller deposits.

The new rules take effect on 1 October, but banks have generally chosen to start following the new limits already, and so far they don't appear to have made much difference to the pace of the market.

Eastern Beaches area figures for August 2016

These figures include all sales by all agencies for the suburbs of Bucklands Beach, Eastern Beach, Half Moon Bay, Howick, Cockle Bay, Shelly Park, Highland Park, Farm Cove, Sunnyhills, Pakuranga, Edgewater, Botany Downs, Northpark, Dannemora, East Tamaki, Flat Bush, Whitford, Beachlands & Maraetai.

	August 2016	July 2016	% change	August 2015	% change
Total number of sales	202	192	↑ 5%	241	↓ 16%
Average Price	1,135,000	1,130,000	0%	999,000	↑ 14%

Total sales for the 12 months to August 2016 for the Eastern Beaches

- 2509 sales, of which 85% were houses. The top sale in the area last month was in Farm Cove, for a sale price of \$4,000,000.

Property Values -

Less than \$400,000	0.4%
\$400,000 - \$600,000	5.1%
\$600,000 - \$800,000	17.3%
\$800,000 - \$1,000,000	28.1%
\$1,000,000 - \$1,500,000	38.1%
More than \$1,500,000	11%



Double your advertising value

Are you considering selling? In addition to our usual **free** marketing programme for anyone who lists their property for sale with us, for a limited time we are offering a **double your ad** promotion. In selected issues of the Property Press, pay for a ¼ page and upgrade to a ½ page, pay for a ½ page and upgrade to a full page, pay for a full page and upgrade to a double page spread. We can also offer you the same deal in selected issues of the New Zealand Herald.

This is in addition to our current 'extras' on offer - **free** signboard, **free** flyers, **free** DLE advertising cards, **free** internet feature listings, and **free** auction venue & services if required.

Our aim is to sell your home for the maximum possible price in the shortest possible time, so call for more details.

No matter what your interest in the property market is, give us a call and we will be able to assist you.

Mountfort Estate Agents Ltd Licensed (REAA 2008) - 6 local offices to serve you.

Howick
538 0688

Bucklands Beach
535 0858

Half Moon Bay
535 8128

Pakuranga
576 4099

Botany Town Centre
273 2228

Flat Bush
272 8023