Property Management Update

March 2016

Well, we're already coming up to the end of the first quarter of 2016 – hopefully you all had a good Christmas and New Year break, and the year has started off well for you.

In the final update for 2015 I noted that the rental market was relatively soft, with something of an oversupply of rentals available.

Since January we've seen the supply of rentals slowly dropping back, and the market is now in good shape. As of today, there are 34 rentals available on TradeMe, compared with almost double this figure in December 2015.

This is great news for investors, as lower supply and/or higher demand should contribute to higher rents – these are currently remaining steady with no decrease in market rents but no increases either.

As for our office, we have dropped down from having 7 or 8 available rentals earlier in 2016 to zero rentals available as at the time of writing – we've rented a couple of properties lately before even advertising which is a good sign of a strong market.

Thanks for reading, and feel free to contact me at any time with any queries regarding the local market, or residential property investment generally.

Kind Regards,

David

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Interest Rates

It appears that interest rates are continuing their downward trend, with the Reserve Bank cutting the Official Cash Rate back to 2.25% earlier this month. Further cuts are expected to follow.
As mortgage interest rates are based on the Official Cash Rate, this is good news for investors. As rates continue to fall we recommend that you ensure that you are minimising your interest rates on your investment. We can put you in touch with a mortgage advisor that would be able to assist with this.
With interest rates being so low, it may also be a good time to look at expanding your investment portfolio – you may have equity in your property or properties that you could use to purchase another investment. This is a proven method to increasing your future wealth – and that's what we aim to help you with.
Feel free to call or email David to discuss how we can assist.

Landlord Information Guide

Did you know that Ray White have a comprehensive investor guide available free of charge – so if you know an investor that may be interested, or if you are looking for some educational reading material yourself – feel free to request one at the website below:
http://raywhite.co.nz/10462/Landlord-Information-Guide
There is plenty of information here for any investor, but the guide is particularly good for first-time or novice investors.

Ray White.

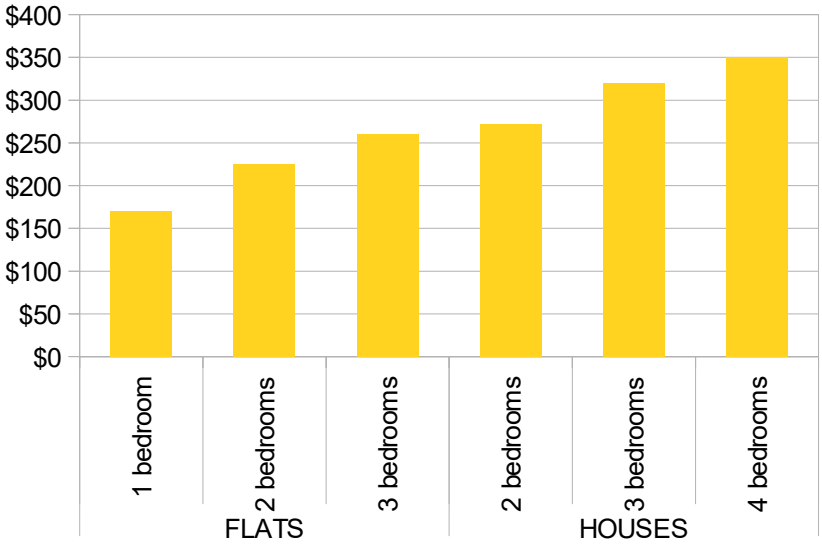
Latest Rental Statistics

Market Rent in Timaru Township:
01 Aug 2015 – 31 Jan 2016

Number of bonds received: 295

LOWER QUARTILE	$236
MEDIAN	$295
UPPER QUARTILE	$330

Median Rental Price per Property Type



Investments For Sale

54 Church Street
Timaru
Offers Over $240,000

3 | 1 | 1

9 Russell Square
Timaru
Offers Over $205,000

2 | 1 | 2

7 Ewen Street
Temuka
Offers Over $169,000

3 | 1 | 1

Ray White Timaru
Property Management

Considering a new investment purchase?

Contact us to check your potential return

Recently Rented

2/58 Beverley Rd
$245 per week

2 | 1 | 1

217 Otipua Rd
$340 per week

3 | 1 | 2

Disclaimer: This document is for the perusal of Ray White Timaru preferred clients only & is prepared from the latest available tenancy statistics. No responsibility is taken for errors contained within this report, it is provided for guidance only & we recommend a property specific Appraisal be undertaken before making any real estate decisions.

Ray White