

mre property market

report

with Tony Ebert

economic & housing indices

NZ Standing Out

- Not many governments around the world at present are able to improve their fiscal position, return to surplus within five or so years, and deliver across the board tax cuts - including reducing the company tax rate. Well done NZ Government (*ANZ Data 20/5*)
- This budget delivers the biggest tax changes in 25 years, a good budget for business and hard working kiwis – some changes monumentous – company tax down from 30% to 28%. GST up from 12.5% to 15% & depreciation allowance on building and new plant and machinery removed.
(*BNZ 20/5 & Whithers Tsang & Co Chartered Accountants*)
- Personal tax rates down across all thresholds

New Tax Rates

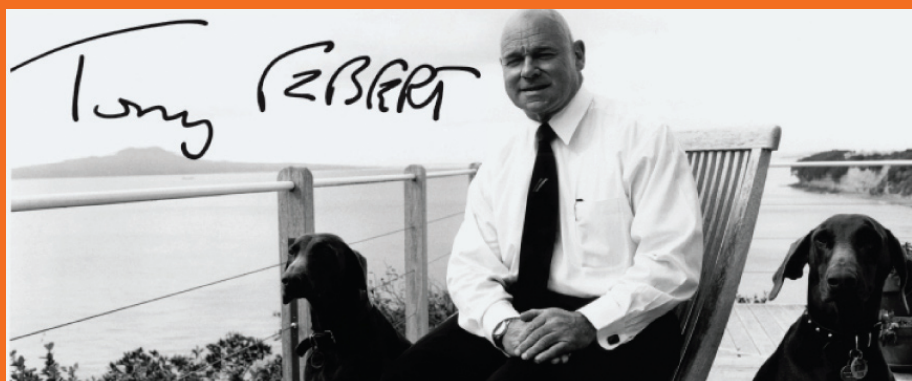
Personal tax rates will change from 1 October 2010

	New Rate	Old Rate
\$0-\$14,000	10.5	12.5
\$14,000 - \$48,000	17.5	21.0
\$48,000 - \$70,000	30.0	33.0
\$70,000 +	33.0	38.0

- Unemployment rate down at 6% - more kiwis working.
- House sales down on last year for New Zealand and the North Shore but value holding.
- We believe values will increase modestly for all of 2010.
- Net migration steady at 20,000 for April 2010 year but tipped to slow.

2010 so far

- Oil spill in Gulf of Mexico scrambling all to contain the environmental impact.
- North Korea sinks a South Korea warship – deteriorating relationships between the two countries. We want world peace.
- Unrest in many parts of the world – Bangkok, Jamaica, Afghanistan.
- Illegal drug trafficking, use and abuse continues to be a world problem, Jamaica, Mexico, Asia – congratulations to N.Z Customs intercepting pure methamphetamine from Taiwan; at least that shipment will not harm our young Kiwi's.



current marketing environment

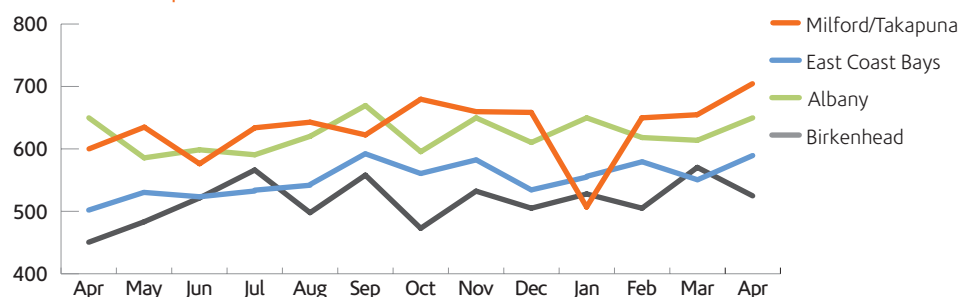
April Sales April '10 April '09 April '08

<u>New Zealand</u>			
Volume	5,207	6,210	4,450
Median sell price	\$356,000	\$340,000	\$345,000

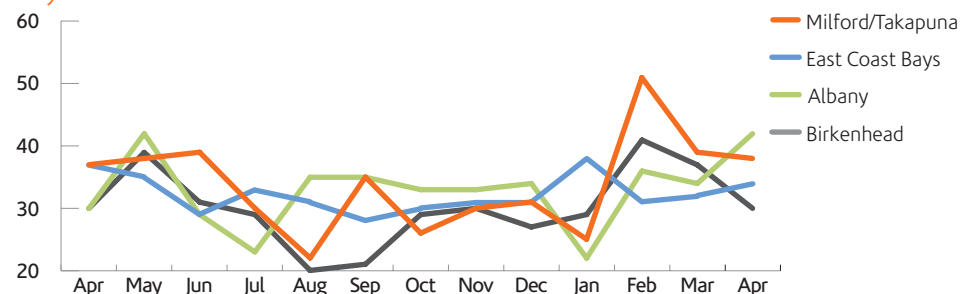
<u>Auckland</u>			
Volume	1,768	2,081	1,350
Median sell price	\$470,000	\$435,000	\$450,000

<u>North Shore</u>			
Volume	325	459	249
Median sell price	\$540,000	\$493,500	\$510,000
Median days to sell	35	35	38

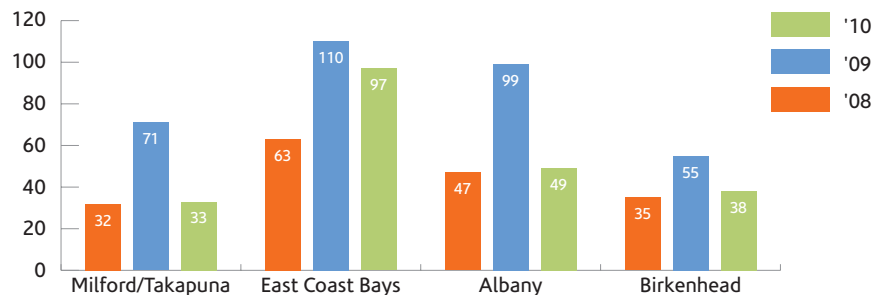
median sale price 2009 - 2010 in thousands



days on market 2009 - 2010



volume of sales 2008 - 2010



north shore rental statistics

April Rentals '10 No. Rented Median Price Price Range

<u>Takapuna/Milford</u>			
Two Bedrooms	19	\$400 pw	\$376 - \$527
Three Bedrooms	11	\$480 pw	\$450 - \$661
Four Bedrooms	-		

<u>East Coast Bays</u>			
Two Bedrooms	26	\$365 pw	\$320 - \$430
Three Bedrooms	27	\$500 pw	\$450 - \$536
Four Bedrooms	6	\$597 pw	\$570 - \$650

North Shore rental prices have had a slight increase; however with unsold property now temporarily on the rental market, it means that there is more competition for your rental property. Ensure your property is presented well to make it attractive to tenants. For all your Property Management needs call Jessica de Leeuw on 021 916 699.

All Statistics proudly supplied by our Real Estate Institute of New Zealand. Thank you