

Property BULLETIN

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Prices Rise, Sales Volumes Ease

Median house prices have risen and sales volumes have stayed flat or fallen across New Zealand in December 2016 compared to the same time last year. The underlying trend appears to be that of rising prices with all regions recording year-on-year increases in median price. By contrast sales volumes are flat or falling in many areas of the country.

In Auckland, the long-term median price trend has been consistently rising, despite a slight easing compared to November 2016.

The combination of fundamental factors, such as strong underlying population growth and a lack of supply in the market suggests that we are unlikely to see much change to the upward trend in prices.

Wellington particularly experienced strong house price growth as median prices in the region have risen nearly \$100,000, or 22%, over the past year to hit a new record of \$530,175.



Welcome to our first edition for 2017. Houses have been selling in our office right through Christmas with continuing strong demand and a lack of stock. Despite predictions of a slow down by some, the eastern, southern and inner city suburbs (Postcodes 6011, 6021, 6022 and 6023) are continuing to show strong demand. Capital (house price) growth this year might not be as stellar as 2016 but with interest rates still relatively low, a paucity of other investment options, rising rents and a shortage of rental properties, good capital growth will still occur. All the best for 2017.

Regards Malc and the
Team Leaders MREINZ

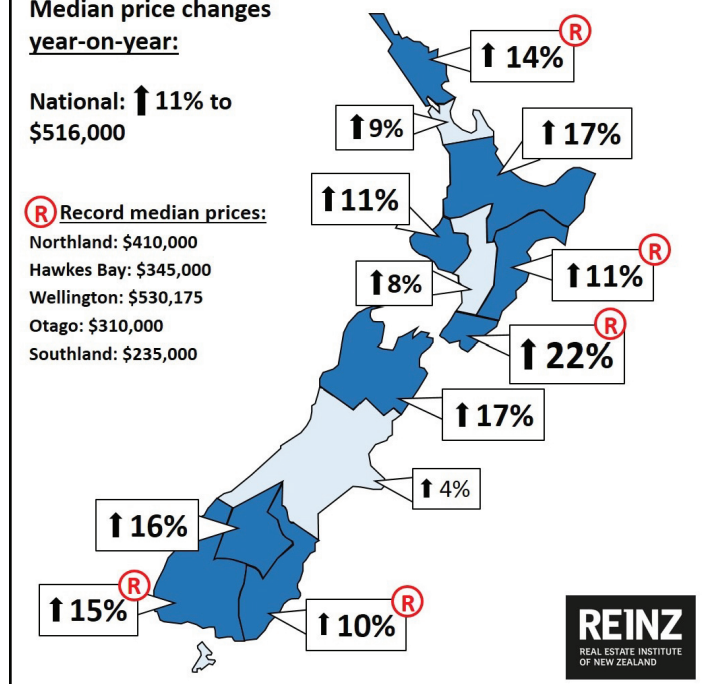


Median price changes year-on-year:

National: ↑ 11% to \$516,000

Record median prices:

Northland: \$410,000
Hawkes Bay: \$345,000
Wellington: \$530,175
Otago: \$310,000
Southland: \$235,000



EQC Deadline for claims is fast approaching!!!!

If your property suffered damage in the Kaikoura earthquakes that struck on Monday 14th of November you need to make a claim with the EQC by the 13th of February 2017. You can go online and make a claim at www.eqc.co.nz or you can call the Government Helpline on 0800 779 997 from 7am – 9pm, seven days a week

Review of the Unit Titles Act 2010

As we know, the days of New Zealanders living in a house on a quarter acre section are long gone. As our population increases, more and more people are living in town houses and apartments. The number of households currently living in unit-titled dwellings is 145,000 and this number is expected to double by 2040. In Auckland construction of multi-units increased from over 15% of new dwellings in 2010 to 40% now.

With growing numbers of people living in unit-titled dwellings and to make living in multi-units more attractive, the Government is proposing changes to the Unit Titles Act 2010 to increase the security and confidence people can have in their rights as unit title holders.

The changes being considered are:

1. Introduce size thresholds and strengthen requirements of bodies corporate to improve performance and mitigate risks to unit owners;
2. Improve government services by employing a more joined-up approach between agencies, or even establish a separate dedicated entity to cover unit title information and disputes;
3. Improve the disclosure regime so that at all stages of the decision making process, consumers have available to them the best information about the unit, the development and the activities of the body corporate;
4. Strengthen body corporate governance to enable communities of owners to make decisions regarding their development, and to empower owners to exercise their property rights;
5. Ensure professionalism in body corporate management by providing a clearly defined governance framework and promoting professionalism in body corporate management;
6. Ensure that bodies corporate put in place

adequate long term maintenance plans and adopt best accounting practices to prepare current and future owners for the costs associated with owning a unit title property. Long term maintenance plans need to be credible, active documents that accurately detail expected repair and maintenance expenses in for the near to medium future;

7. Provide access to a cost-effective, appropriate and timely dispute resolution process for unit title disputes and encourage unit owners to self-resolve disputes by lowering mediation application fees and introducing a reduced fee for mediation.

The discussion document can be found here <https://www.beehive.govt.nz/sites/all/files/Unit%20Titles%20Act%20Review%20Discussion%20Document.pdf>

The deadline for submissions is 3rd March 2017.

Are Tsunami warning sirens needed on the Miramar Peninsula?

Being a resident in the area I was very pleased how people responded to the earthquake and tsunami warning we had in November. Social media swung into action, as did the media overall, apps were going flat out, the police were out knocking on doors in Lyall Bay and everybody seemed to be working together in both assistance and notification. How effective this was I am unsure. No doubt in time there will be an assessment carried out of our preparedness by Civil Defence or the WCC.

The use of sirens to provide early warning of such events would be very effective. They would be easy to install, reliable and provide the best coverage by far. However, there seems to be conjecture over how effective they are as when this issue was previously raised at Council, GNS and other emergency services did not support their installation. The issue of an early warning system will no doubt come up again after things settle but I believe it will have a lot more support this time in light of recent events.

Leaders Becoming Ray White

As previously advised in my November newsletter we are switching over to the Ray White brand from 1 February. We are all eagerly looking forward to the change as it brings with it the latest technology, systems and practices. Since Leaders started in 1987 with the merger of three independent real estate agencies – Leaders in Real Estate the company has been the biggest and most dominant force in residential real estate in the Greater Wellington area. The management that has been in place since Leaders' inception, led by our principal Rob Garlick, remains unchanged, ensuring tremendous benefits for us and ultimately for you our clients and customers.

What's Happening

NEWTOWN FESTIVAL

The Newtown Festival is coming! Put Sunday 5th March in your diary and head to Newtown for a fun-filled day of food, entertainment and stalls. Have a look at my video chat with festival organisers, Martin Hanley and Ann Kemble Welch. <https://www.youtube.com/watch?v=MyJ1Jc7gr9c>

LYALL BAY SURF CLUB

The Lyall Bay Surf Club's new club house is currently under construction. Check out my video chat with Ian McIntosh and find out exactly what's happening in The Bay. <https://www.youtube.com/watch?v=yxifivonRZU>

MORTGAGE MARKET UPDATE

Check out my latest video chat with Brendon Ojala of Velocity Financial on what's currently happening in the world of property lending. <https://www.youtube.com/watch?v=-kXrhyH6qEE>

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Are you interested in receiving our newsletter or house sales information on a monthly basis of your local area? We produce sales stats of Postcode 6011, 6012, 6021, 6022 and 6023 on a monthly basis and is available to clients by email. Email Kirsty@malcolmmorris.co.nz or phone (04)3900132 to receive just good content. Your privacy will be respected and I confirm your email address and details will not be passed to any third party or people trying to sell you things!

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