

The Rent Shop Ltd

Newsletter

September 2011

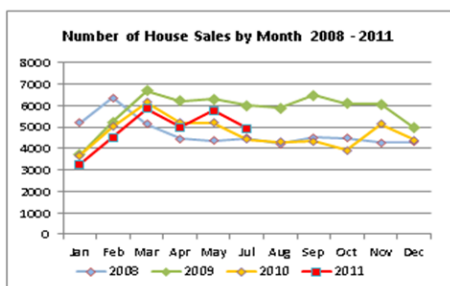
Market Poised to Pause!

Well that's how it looks to us as we are set to start the long awaited 2011 Rugby World Cup. Rugby interest and tension is building as New Zealanders swallow 2 recent All Black losses but faithfully back our boys to do the business. We believe there will not be so much local real estate action as the market is likely to pause during the tournament to the end of October.

Market comment remains pretty much the same as last month. Overall we are in the early stages of a cyclical recovery. Listings are becoming increasingly hard to find which ultimately suggests that demand will move prices up. Progress however is being tempered by current high levels of household debt and affordability. The overall current position is that prices in NZ on average nationwide are reported as essentially not moving although we expect this to change.

In July, 4928 dwellings sold New Zealand wide, a 3% fall from June but 12% up for the 3 month period to July from the same period a year ago. Overall turnover is improving. The New Zealand average number of days to sell in July was 42 improved from 44 in June with Auckland recording the shortest number at 34 days. Over the past 5 years the median days to sell averaged 41 across New Zealand.

These two graphs will be of interest. The number of sales graph confirms gradual market improvement but remains lower than 2009, the other graph shows an interesting spread of values.



Across New Zealand the total value of residential sales, including sections was \$2.08 billion in July 2011 compared to \$2.62 billion in June 2011.

The breakdown of the value of properties sold in July is:

| | | |
|----------------------------|--------------|----------------|
| \$1 million plus | 161 | 3.27% |
| \$600,000 to \$999,999 | 587 | 11.91% |
| \$400,000 to \$599,999 | 1,178 | 23.90% |
| Under \$400,000 | 3,002 | 60.92% |
| All Properties Sold | 4,928 | 100.00% |

Apart from wanting the All Blacks to win the 2011 Rugby World Cup we are sure you will also join us in wishing all the visiting Cup teams and supporters all the best in the tournament and more particularly in having a great Kiwi experience in New Zealand. Let's all make an effort to ensure they have a good time.

Cheers!

Warwick J James AREINZ

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Current Investment Opportunities



- **Papatoetoe**
- Three-bedroom family home
- Weatherboard with tile roof
- Double garage + extra parking
- Rented now to great tenants
- Very popular location
- **For sale at \$368,888**



- **Manurewa**
- Two bedroom home unit
- Brick & tile with single garage
- Very good condition
- Expected rent \$320 p.w.
- Ideal location close to shops
- **For sale at \$249,000**



- **Otara**
- Three-bedroom family home
- Plus extra living space
- Excellent tenants
- Close to school, MIT & shops
- Rented now at \$390 p.w.
- **For sale at \$275,000**



- **Papatoetoe**
- Tenanted home unit for sale
- In block of two units
- Two bedrooms
- Single carport
- Rented now at \$250 per week.
- **For sale at \$215,000**

Contact our Investment Specialist:

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