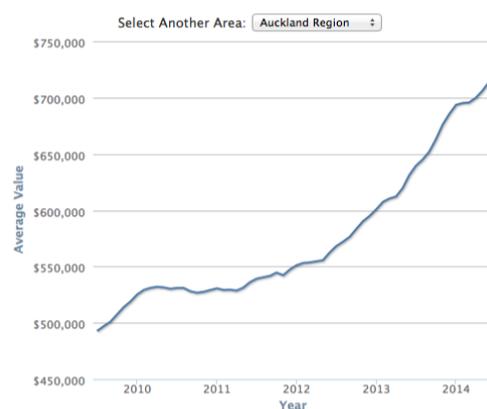




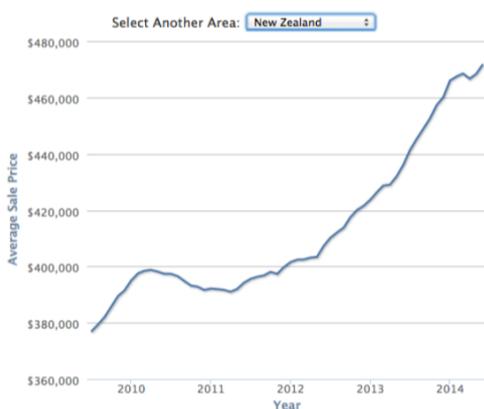
Propertywise Newsletter June 2014 "From the coalface of the Auckland market"

The Auckland Market - Expect a big difference after elections

The Auckland region as a whole has increased 2.6% over the past three months. You will note the upward trend of the market, but in real terms it has been very flat. This flattening is due to a seasonal slow down, rising interest rates and an election looming. All that will be long forgot ten come summer time, so get ready for plenty of price heat later this year.



NZ Market - Volumes are down



Whilst values in all the main centres have increased to varying levels, some areas within the cities are showing decreases and values in many of the smaller regions are flat or decreasing.

Sales volumes around the country are 10 to 15% lower than they were this time last year which could be a normal winter seasonal effect but it could also be a precursor to values dropping.

Record immigration - More pressure for Auckland



The surge in net migration from virtually nothing in early 2013 to over 30,000 in the June quarter featured heavily in the Reserve Bank's forecasts and in the news conference after the release of the MPS, in which the Reserve Bank increased the Official Cash Rate by 25 basis points and stuck to its hawkish forecasts for interest rates.

The bank is forecasting an increase in the working age population over the current migration cycle of 100,000 or 3% due to migration. This compares with a cyclical increase in migration from 2002 to 2004 of 70,000.

Over 2000 likes on PropertyWise



We have steadily been building our website and facebook likes over the years. We recently hit a milestone of 2,344 likes on Facebook. While we continue to offer a good value proposition in the market place, and do what we say we are going to do, we can expect to hit our goal of 2500 in the next few months.

Interest rise

The Reserve Bank has recently delivered on its projected series of increases, raising the OCR from 3.00 to 3.25 percent.

While the Reserve Bank is forecasting still further increases in the OCR, (4.75% by mid 2015) experts still agree fixing long term isn't necessarily the best immediate strategy. We think the best strategy is to have a broad range for protection but the interest rates will not go much higher as the out dollar will be parity with USA, not good news for exporters.



Property Deals



We currently have no property deals to offer at the moment. We have several offers that are looking strong so we will email you as soon as a great property bargain comes to hand. Whatever your property needs are please let us know and we will work with you to get a great property.

All the best

A handwritten signature in black ink, appearing to read 'W. D. Watson'.

Will Watson
Auckland Property Professional of the Year 13/14
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