

From Me To You

What an interesting year in the marketplace, running hot and cold with no apparent relationship to any outside factors – and speaking of outside factors, it couldn't be better for the marketplace: incoming migration at record figures, stable government and economy, interest rates at record low, and yet we have a market that has been fits and starts. Properties up to say \$650,000 have been well sought-after with prospective purchasers prepared to overlook maintenance problems or any minor drawbacks in their deliberations. Moving through to the top bracket of \$900,000 and above, if a property shows any signs of needing maintenance or updating, or if there is a hint of weather tightness issues – be it true or not – there is a reluctance to proceed. At that high level, there have been a reasonable supply of stock, presenting a choice to prospective purchasers. This has resulted in top quality homes with no updating required selling well. On the other side of the equation, there have been one or two cases of properties at that level selling for between \$100,000 and \$200,000 less than the initial input – that is price + improvements. Just an illustration of cost not necessarily reflecting value in the eyes of purchasers.

The Waikato real estate sales statistics for the last twelve months, over \$900,000, show 14 sales, with all but two in Tamahere. Four of the properties sold by auction, one by tender, the remaining by standard sale and purchase. This illustrates the need for careful pricing if the property is offered for sale by standard sale and purchase for a reasonably quick sale to take place, otherwise the property is passed by. The market is unforgiving of overpriced properties – the old maxim still prevails that price and time are intrinsically linked together. There is so much information available on the internet for prospective purchasers to make comparisons, property to property, that it is important to ensure that the pricing structure is right and that when photographs are taken, the property is presented at its best. The second line of marketing is still the most important in the whole equation of selling, and that is advertising in the Waikato Times, as it is quick to sort out prospective properties when the paper comes out and make up a viewing list for the day, i.e. it is a timely reminder for purchasers to act.

Looking forward to next year, there is no reason to believe that there is any prospect of a fall in values, rather the expectation of a gradual increase in value, depending on supply and demand, with the continuing input of migration and drift from Auckland to the Waikato supporting this expected upward trend.

After 20 years in real estate, I still enthusiastically look forward to helping my loyal clients and discovering and assisting new entrants to the market. All it takes is just a phone call.



**LUGTON'S
LEGEND**



Murray Green

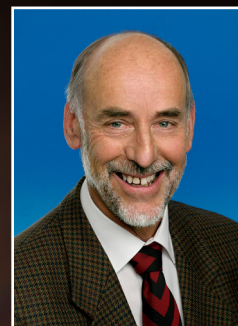
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