

MARLBOROUGH

August Overview

Activity in residential sales for Marlborough/Kaikoura dropped to 79 sales in August compared to 100 in July. There were 5 section sales for August compared to 9 in July. The median sale price for August dropped to \$320,000 compared to July's \$325,000. The median number of days to sell is slowing down with 50 days compared to July's 33 days. We are now starting to see a few more properties come to the market as spring begins but stock levels are still low given the demand for property. Multiple offers are now familiar territory, making this a sellers market. Our best advice is, if you looking to purchase a property, to ensure you have regular contact with your sales consultant for new listings coming to the market.

Rateable Value vs Sale Price

We monitor the sale price of properties and make comparisons with their RV's. Many buyers take into account the rateable value when considering what price to offer for a property. For the month of August on average, residential properties were selling at +8.32% above their rateable value and in the extreme 46.24% above rateable value and 10.7% below rateable value.

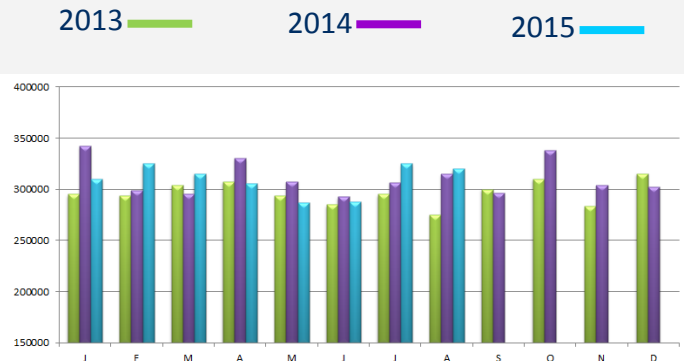
Commercial Update

Cameron Bagrie; Economist from ANZ advised on Tuesday morning that Marlborough's economy is looking rosy for at least the next twelve months. But take a walk down the main street, again retail seems to be struggling. Good news is that there are still some national chains looking to come to Blenheim. One such chain has just signed an agreement to lease for the old Michael Hill Store but note, subject to seismic strengthening. The industrial market is quiet with few enquires for space to occupy, although there has been a number of older larger spaces coming on the market for lease. The CBD has recently seen some successful leasing however please note that I had been working with these new tenants for over 6 to 9 months in some instances. Motel enquiry and sales has picked up, although still a hard market for those currently trying to sell their motel leasehold. There is an increase in enquiries from Aucklanders wishing to relocate. They are mainly seeking either accommodation style business initially or a good EBIT business.

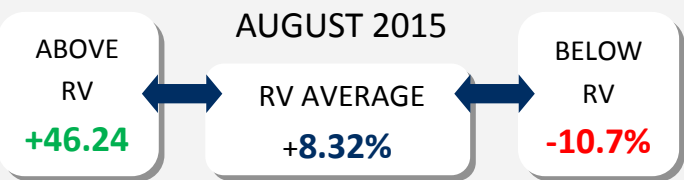
Mortgage Express Roundup

This year is flying by, made all the quicker with a very active market. Houses are selling fast and interest rates continue to move downwards. Banks continue to be particularly competitive around interest rates with a 20% deposit, however they are always willing to negotiate on interest and cash contributions. Opinions around whether interest rates will drop further are divided. No one has a crystal ball, so a considered approach to your loan structure is still very relevant. It pays to get good advice and direction when seeking out your home loan. A copy of my disclosure document is available free on request.

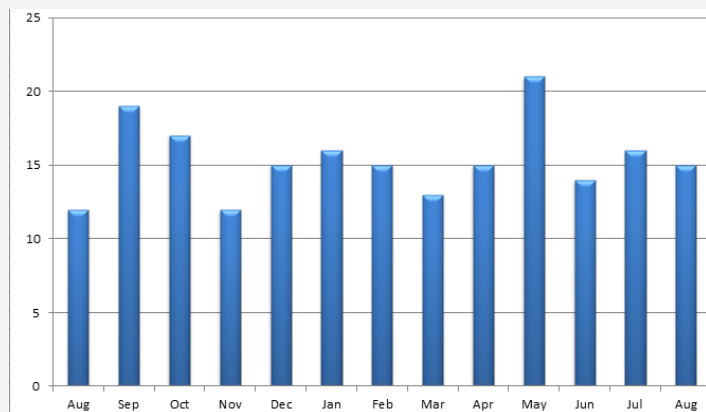
MEDIAN SALE PRICE



SALE PRICE TO RATEABLE VALUE RATIO



NEW BUILDING CONSENTS ISSUED



Residential Sales (Marlborough)

Under \$300,000	22
Under \$400,000	17
Under \$500,000	7
Under \$600,000	4
Over \$600,000	7

Rural Sales (Marl, Kaik, Pict)

Lifestyle Block	15
Horticulture	6
Grazing	1
Finishing	1
Arable	1

Sales Overview (Marl, Kaik, Pict)

1 Bedroom	0
2 Bedroom	17
3 Bedroom	44
4 Bedroom	16
5 Bedroom + 2	