

MARLBOROUGH

April Overview

Activity in residential sales for Marlborough/Kaikoura decreased to 85 sales in April compared to 102 in March. Section sales also decreased to 4 sales compared to 8 sales in March. The median sale price for April dropped to \$305,500 compared to March's \$315,000. The median number of days to sell is on the increase in April to 49 days compared to March's 34 days.

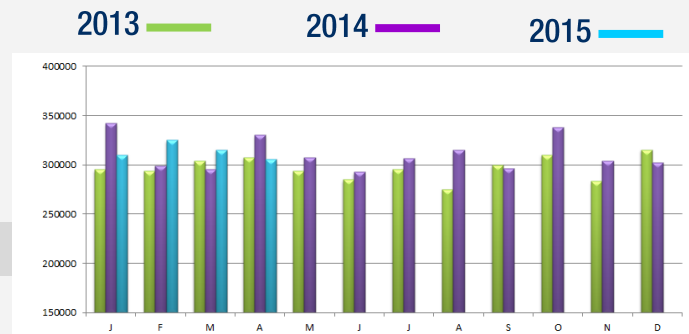
Rateable Value vs Sale Price

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 April on average, residential properties were selling at 3.77% above their rateable value and in the extreme 48.9% above rateable value and 56.1% below rateable value.

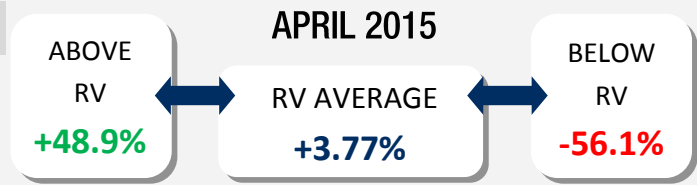
Mortgage Express Update - Peter Lewis

Unexpectedly, the budget held a few surprises. First was the removal of the Kiwisaver \$1,000 kick start. This was unexpected and effective immediately. Secondly, further moves have been made to target the Auckland property market. The Reserve Bank will require a minimum 30% deposit for Auckland investment properties, effective 1 October 2015. Furthermore, there are changes proposed around capital gains. The good news for areas outside of Auckland the Reserve Bank has signalled an easing on the percentage of low deposit deals the banks can do each month. This should make borrowing a little easier for first home buyers with less than 20% deposits in provincial areas. There has been talk of interest rates reducing over the next 12 months. The market experts believe The Reserve Bank will reduce the OCR. As always, I believe a good well-structured loan structure should be considered, rather than speculating what might happen with interest rates. The positive news however is that rates look like they are moving downwards. Finally, there are many first home buyers approved and ready to purchase, however are finding it hard to find the right property. There does appear to be a shortage of good property in the \$200-300,000 price range. If you require any advice of simply a chat about new home loan, or a new home loan, please feel free to contact me anytime.

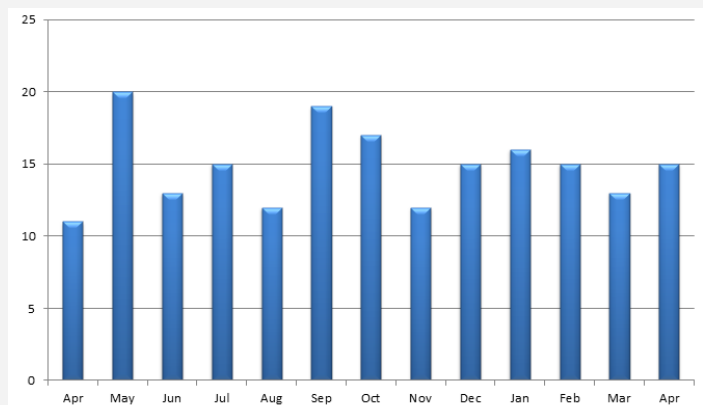
MEDIAN SALE PRICE



SALE PRICE TO RATEABLE VALUE RATIO



NEW BUILDING CONSENTS ISSUED 2014/2015



Commercial Roundup

Industrial sales have been very good in numbers over the last two months, with a nice range of properties sold. We still have lots of empty buildings which is causing some real concern, but this is a reflection amongst most provinces are experiencing the same problem. Some landlords who have empty buildings are choosing to lease them at well below market rents just to fill them. Seismic reports have bought with them a can of worms with landlords having to meet huge costs to achieve the necessary ratings that Banks place on investors. As an owner you are better to find out sooner rather than later though and get these completed if you are thinking of selling or getting an updated valuation, as it certainly speeds up the process.

Residential Sales (Marlborough)

Under \$300,000	31
Under \$400,000	22
Under \$500,000	8
Under \$600,000	2
Over \$600,000	3

Rural Sales (Marl, Kaik, Pict)

Lifestyle Block	7
Horticulture	1
Grazing	1
Forestry	1

Sales Overview (Marl, Kaik, Pict)

1 Bedroom	0
2 Bedroom	15
3 Bedroom	51
4 Bedroom	14
5 Bedroom + 5	