

What's In Store For 2019?

An interesting start to the year, with many distractions influencing the market – the heat waves of January, certainly a distraction and diverting people's attention away to the beach rather than looking at property and investing, as is the usual post-Christmas occurrence. This was followed by the Cullen report regarding potential capital gains tax. While no decisions have been made, the whole fabric of society has been affected by potential effects on the real estate market. This has flowed through into the rental market (investors), residential and lifestyle markets.

In terms of the lifestyle market that is our field of expertise, the Real Estate Institute of New Zealand indicates that "the flow of purchasers coming south from Auckland has eased dramatically, and that due to the increased cost of building, construction of larger new houses in the quality lifestyle areas has backed off". A further factor has been that up to 10% has come off the value of Auckland property.

REINZ also reports that reduction in volumes of properties becoming available for sale indicate that the market is in a transition stage, with the vendors having price expectations 5% to 10% ahead of where purchasers are prepared to go. All of this must be balanced against the fact that 2015/16 were phenomenal years in sale numbers and prices achieved. The good news is that values are still holding firm, and we are now in a "normal" market, where there is some balance between purchasers and sellers. The latest information tells us that properties are currently taking an average of 64 days to sell. Population growth, low interest rates, and the LVR's are expected to continue to fuel demand in the marketplace. These factors are supporting prices and limit the extent to which we will see much change.

If you are looking to sell and then go on and purchase, it should not matter where the market is – up or down – as long you are buying and selling on the same market. I recommend you take out the equation of your net worth, and make good decisions for your family and your future, whether that be to sell or not to sell, or to purchase or not to purchase.

If you need a steady hand on the wheel, myself and Ali are here to offer our combined 36 years of real estate experience to help you achieve your desired result. We represent Lugton's Real Estate, a company that makes your property stand out from the rest, in the many varied media means available today. We're always here to help – give us a call, whatever your needs are.



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A sample of our recent sales

