

# THE GAME CHANGERS!

Residential Real Estate | Residential Property Management | Section Sales



## GOOD NEWS FOR FIRST-TIME BUYERS

Realtors aren't the only ones whose minds revolve around property issues at the moment. Not a day goes by without the newspapers and radio having a field-day about the social and economic effects of our inflated housing market. Figures just released show that migration to New Zealand is at an all-time high with 56,800 new arrivals drawn to these shores this past year by the strong Kiwi dollar, job opportunities and the Kiwi lifestyle. Obviously, the bright lights of Auckland entice the greatest number of these arrivals, so with demand for homes outstripping supply, it comes as little surprise that the influx has put pressure on the market up there.

Effects of this are being felt in the other main centres too, and Christchurch has also had to contend with the squeeze put on its own housing market due to Red Zone demolition in the aftermath of the quakes.

But while market analysers furrow their brows and rub their chins trying to predict what might happen next, the introduction of the Government's KiwiSaver HomeStart Grant on April 1 is a welcome good-news story, something to be celebrated in these capricious times.

Christchurch House Sales February - April								
Suburb	Median House Price				Median Days on the Market			Variance
	2014	2015	Difference	Variance	2014	2015	Variance	
Addington	\$ 361,875	\$ 395,250	\$ 33,375	9%	37	64	75%	
Avonhead	\$ 598,000	\$ 510,000	-\$ 88,000	-15%	37	44	21%	
Beckenham	\$ 565,500	\$ 472,000	-\$ 93,500	-17%	36	38	6%	
Cashmere	\$ 745,000	\$ 633,000	-\$ 112,000	-15%	41	44	7%	
Central City	\$ 415,000	\$ 430,000	\$ 15,000	0%	36	63	75%	
Cracroft	\$ 539,000	\$ 475,000	-\$ 64,000	-12%	45	60	33%	
Halswell	\$ 545,000	\$ 574,125	\$ 29,125	5%	38	42	11%	
Hillmorton	\$ 496,000	\$ 449,000	-\$ 47,000	-9%	40	42	5%	
Hoon Hay	\$ 409,995	\$ 425,000	\$ 15,005	4%	40	40	0%	
Hornby	\$ 380,000	\$ 406,500	\$ 26,500	7%	36	42	17%	
Ilam	\$ 615,000	\$ 629,000	\$ 14,000	2%	36	33	-8%	
Lincoln	\$ 568,750	\$ 617,000	\$ 48,250	8%	38	54	41%	
Prebbleton	\$ 726,360	\$ 676,750	-\$ 49,610	-7%	42	43	2%	
Riccarton	\$ 452,500	\$ 590,000	\$ 137,500	30%	36	34	-6%	
Rolleston	\$ 527,000	\$ 537,500	\$ 10,500	2%	63	56	-11%	
Russley	\$ 460,000	\$ 440,000	-\$ 20,000	-4%	40	44	10%	
Sockburn	\$ 470,000	\$ 437,090	-\$ 32,910	-7%	32	28	-14%	
Spreydon	\$ 380,000	\$ 390,000	\$ 10,000	3%	37	39	5%	
Sydenham	\$ 388,750	\$ 370,000	-\$ 18,750	-5%	54	35	-35%	
Westmorland	\$ 595,000	\$ 653,000	\$ 58,000	10%	43	41	-6%	
Wigram	\$ 600,000	\$ 560,000	-\$ 40,000	-7%	49	40	-18%	

Information from [www.REINZ.co.nz](http://www.REINZ.co.nz)

## INCENTIVE

Superceding the KiwiSaver First Home Deposit Subsidy, this grant not only gives first-time buyers a much-needed leg-up onto the first rung of the property ladder, but also offers relief to those retirees faced with grown-up offspring that can't afford to leave home! Like the subsidy, the KiwiSaver HomeStart Grant will provide eligible first-home buyers with up to \$5,000 for individuals and up to \$10,000 for couples to put towards a deposit for an existing home. But now there's an additional incentive to build or purchase a brand new home with the Government doubling the grant to a maximum of \$10,000 for individuals and up to \$20,000 for couples. In order to qualify, you will have been a regular contributor to KiwiSaver over the three years prior to your application. This is the minimum period and will potentially entitle you to \$3,000, with each added year accruing an extra \$1,000 up to the maximum of \$5,000 for an existing property

(the range is \$6,000 to \$10,000 for a new-build). And that's not all. Before 1 April, the KiwiSaver First-Home Withdrawal scheme allowed first-time buyers to withdraw all the funds from their KiwiSaver account except the member tax credit (the Government's 50 cent contribution to each KiwiSaver for every dollar they save), but now that restriction has been waived, and member tax credits can also be withdrawn (although the \$1,000 'Kick Start', axed in the 2015 Budget will not be accessible).

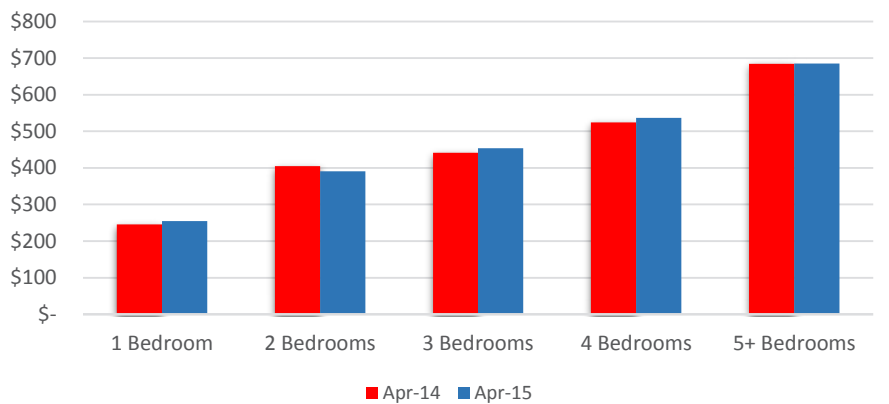
## REALISING THE DREAM

With the above in place, many more people can realise the dream of buying their own home, especially with the availability of Housing New Zealand's Welcome Home Loan mortgage insurance scheme, which requires a ten percent deposit from the borrower and is subsidised by the Government.

Eligibility for all schemes are subject to the



## Average Market Rent Southwest Suburbs



Information from Department of Building & Housing

unchanged income caps of \$80,000 for a single buyer and \$120,000 for a couple buying together. However, house price caps have been reviewed to take into account the current market, increasing to \$550,000 in Auckland and \$350,000 -

\$450,000 in other parts of the country.

### RENTALS STRONG

Meanwhile, as New Zealand's property market growth shows no sign of abatement, over in the

rental market the situation is similarly buoyant. There will always be a place for rental properties to meet short to medium-term housing needs. This is particularly true in Christchurch now, where overseas tradespeople here for the rebuild compete with displaced locals for a finite number of dwellings. Certainly, for the foreseeable future, Christchurch promises to be an excellent choice for those looking to invest in property, offering good returns on everything from apartments through to full-sized family homes.

If you need any further advice on buying, selling or rentals, don't forget, we're always happy to help.

Regards,  
Colin Lock  
Managing Director

## DECLUTTERING TIPS TO ENLARGE YOUR SMALL BEDROOM VISUALLY

One essential area buyers focus on when shopping for homes is space. Most buyers want to move to upsize their home and will not pay attention to small homes. The good news is even the smallest of homes can be enlarged visually. A few simple adjustments can transform tiny homes, especially small rooms like bedrooms.

**KEEP THE ROOM CLEAN & TIDY** Cleaning and de-cluttering go hand in hand. The first thing you should do is remove all unnecessary furniture from the room. As inviting as your bedroom may be, its numerous belongings may be off-putting to buyers. Make sure that nothing is on the floor or on furniture surfaces. Remove family photos, stuffed animals, the TV and, other personal items.

**CONSIDER A SMALLER BED** Replace your large bed with a queen bed or a full size bed to make the room seem bigger. If you are staging a kid's room, use a twin bed. Position the bed in the middle of the wall opposite the bedroom door. It should be the first thing buyers see when they walk into the room. Beautify with fresh linen, a comforter, and colourful throw pillows.

**REMOVE EXCESS FURNITURE** Large furniture such as vanities and large dressers could be inessential and should be moved into another room of your home or put in storage. If your bedroom is really small, don't add anything other than night tables and a small chair. Ensure there is enough space for people to walk around and don't block the flow of traffic with furniture.

**BRING IN NATURAL AND ARTIFICIAL LIGHTING** The power of good lighting cannot be overestimated. Light can trick the eye and make a room look bigger than it actually is. Use plenty of light throughout the day when showing your bedroom. Open windows at daytime and ensure the bedroom lighting in the evening is varied. Place lamps on your bedside tables to soften the space. To give your bedroom plenty of style, use window treatments properly. Choose those that soften harsh sunlight but still let light in. Window sheers behind window treatments help your bedroom have diffused light on extra bright and sunny days.

**DECORATE WITH MIRRORS WHERE POSSIBLE** Mirrors enlarge spaces by reflecting light from windows and lighting. They do not consume visual space but double it. They are an inexpensive way of filling the blank spaces on your walls. Place mirrors across windows to augment the light in your bedroom.

<http://homestaging.about.com/od/hst/ss/Home-Staging-Tricks-Make-your-Small-Bedroom-Look-Bigger.htm#step-heading>

