



Talking Real Estate with Steve Slicker

Hi folks,

The first sales figures for 2009 are now available, I don't think there's too much to say that people don't already know. In Upper Hutt there were 34 property sales in January, the lowest sales month since July 1995 and continuing the trend of downward sales. On a slightly happier note the median price increased to \$300,000 but that's due to a higher proportion of 4-5 bed houses selling in the month.

Speaking to some of my industry colleagues in different companies I do know that there would have been considerably more sales as we have all seen a number of "crashed" sales due to a lack of finance. It is imperative that buyers speak to their mortgage broker or bank prior to falling in love with what they think will be their new home as it is possible the finance is not available to them even with a 20% deposit. Simply put what was acceptable to the banks last year is not acceptable this year. I've only been in New Zealand for 7 years but my colleagues have told me that banking criteria is similar to 20 years ago. I guess we are simply seeing why the current world economic crisis is called a credit crunch.

At the time of writing I can see that there are 561 houses and sections available for sale in Upper Hutt, this is the lowest figure since the middle of last year and as there aren't too many properties selling I have to assume that people are making decisions not to sell and are withdrawing from the market. This is not necessarily a bad thing as the reason prices have been dropping is supply and demand, too much supply and not enough demand, when this equation is inverted the prices will plateau, I hope we are close to that now, unfortunately I won't be able to figure that out until we are about 3 months into it and have access to those stats. When that particular corner is turned I will definitely let you know.

If you have any real estate enquiries or would like a free market appraisal, please contact me via email, steve@steveslicker.com or call me on 528 2422. If you would like to re read an old column you can find them on my website, www.steveslicker.com

Kind regards,

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