



# Talking Real Estate with Steve Slicker

Hi folks,

Lies, lies and damned statistics, I love that phrase, especially as I look forward to the aforementioned statistics coming out every month. So why bring this up after 2 years of foisting my musings on you and utilising the same statistics to show you what the market is really doing?

As I mentioned in my last column about the lack of properties for sale causing the market to halt its price decline I was quite excited to see what June statistics would tell me, prices slightly up? Number of sales up? Obviously I was looking for good news. What I got was a surprise. The number of sales was up compared with June 08, what I wasn't prepared for was the median sales price dropping to \$265,000 compared to \$325,000 for June 08 and \$320,000 to May 09.

So again why lies, lies and damned statistics. Because the figures really didn't make any sense to me at all in light of the last couple of months and the activity that I see on a daily basis. Only after my first coffee did I notice the breakdown in sales and it started to make sense. As I have previously mentioned when a higher percentage of 4-5 bed properties sell compared with a usual month it skews the median price and projects it higher than it should be. The best and most recent example of this would be to look at August, September and October 08, the median price was stable at \$286,000, \$285,000 and then a large leap in a very quiet market to \$330,000, was the market about to turn? No, it was all about the larger houses selling in a considerably higher percentage opposed to the previous 2 months.

And it's the same with June, of 41 sales 15 were 2 bedroom units and townhouses, 17 were 3 bedroom houses with only 9 4-5 bedroom houses selling. So I'm not turning into Chicken Little, the sky isn't falling down, the market hasn't crashed, property prices have not fallen through the floor, it is an anomaly but a simple one to figure out and to monitor in future in case of any spikes either up or down.

On a happier note I would like to congratulate my teammates and colleagues at Tommy's on achieving 30% market share of the Upper Hutt market in June. Good effort guys, roll on 40% for July!

If you are thinking of selling or moving, please contact me on the numbers below or via my website [www.steveslicker.com](http://www.steveslicker.com).

Kind regards,

Steve Slicker

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