



Total Talk



January / February 2017

Ever wondered why we move house so much?

Not too long ago it was the norm to only move once or twice in your entire lifetime, finding a home and staying put until you needed more or less space. These days, however, the average person moves around every six years. Moving can be long and stressful and take up a lot of time and energy, so why do we do it? According to research, the main reason for moving house is down to lifestyle.

A thousand people were surveyed and more than half of them said that lifestyle was the main reason that they had made the decision to up and move. The term "lifestyle" covered retirement, changes in income and choosing to move to a more rural area. Another very popular reason to move, cited by 35% of people, was to be closer to shops and amenities. Moving to be closer to friends and family was not far behind though at 32%, and reducing costs was next at 31%.

Traditionally, homebuyers would downsize to a smaller property to reduce space and costs, but now they tend to be moving to a larger or similar sized property but in a cheaper location.

One of the big reasons behind this is that children are not moving out until their late twenties and thirties. Property prices have meant it's very difficult to get onto the property ladder and renting is just throwing money away if you can still live at home.

Of those surveyed, over 80% said that their perfect property would be a detached house with four bedrooms. Only 8% of people said they would choose to own a flat or apartment. A whopping 95% of people said that they would want outdoor space and the three top things to have close by were public transport, shops and culture.

Another reason that the number of people moving more often in their life is on the up, is down to technology. Before estate agents had websites it was much harder and more time consuming to go and meet with them about suitable properties, but now all potential buyers need to do is look on the Internet. Being able to browse different properties at our leisure online means that people can see the different properties and areas they could live in if they were to move.

More Houses Needed

Recent estimates by the ANZ bank put the national shortfall of houses at 60,000 with Auckland needing at least 35,000 of these.

The figures are part of housing supply and demand forecasts produced by the Treasury in September last year.

Most of the demand is from a net migration of over 70,000 people as well as a net positive birth rate of 30,000 people per annum.

Figures from statistics NZ show a national average of just over 2,000 residential building housing consents issued per month. And with an average occupancy of 3 people per house, the net difference between supply and demand implies an additional shortage of 9,000 houses per year, or 25 per day.

This difference in supply and demand has been the driving force behind the double digit house price growth in Auckland where median house prices have recently hit a record high of \$868,000.

Nationally the annual price increase has been 8.1% over the last four years to reach the current median house price of \$520,000.

Until the supply and demand difference is alleviated either through a reduction in immigration or a boost in housing supply, it is inevitable for prices to keep rising in the near future.



1% Myths Exposed

Definition of 'Myth': "an invented story, idea, or concept"

Myth 3: "If Total Realty only charge 1% commission while others charge 3.95% then they must be cutting corners..."

THE TRUTH:

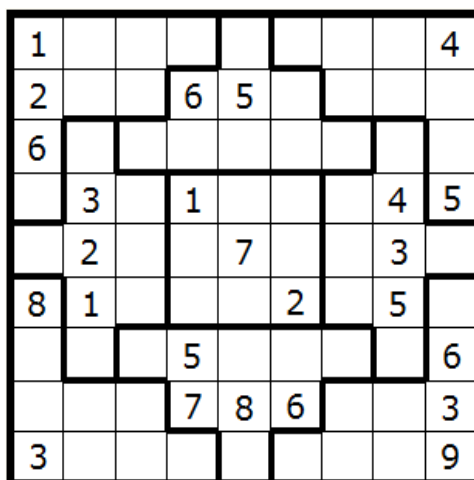
Total Realty does not cut corners. We can offer a low commission rate because we have created a modern, efficient, technology centric and streamlined business. Other companies charge a high commission rate to cover overheads such as franchise fees, CEOs, offshore spending, multi-tiered management structures, lavish offices, and outdated office systems, none of which contribute directly towards selling your home. Where do our huge savings go? Straight to you.

Brain Workout - Sudoku

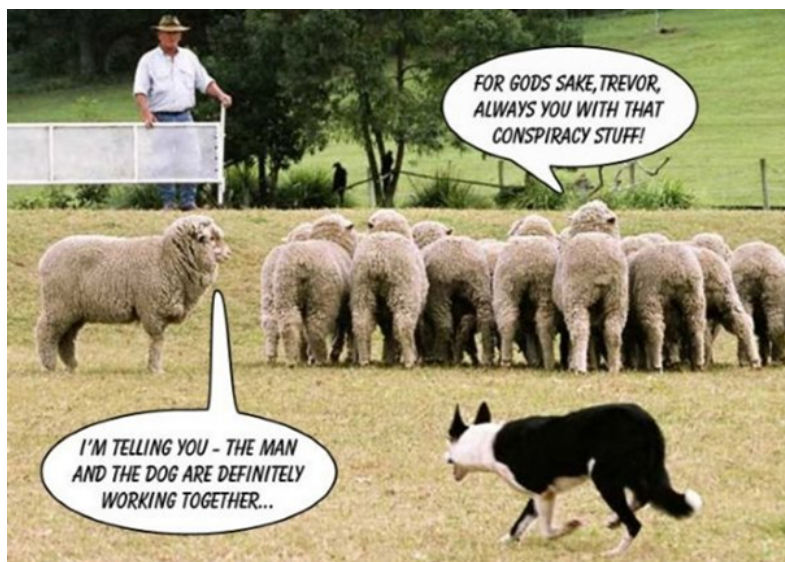
Can you work out this "Jigsaw Sudoku"?

Fill in the numbers from 1 to 9 without repeating any in a row or column, or outlined jigsaw piece!

Good Luck.



Laughter is the best medicine



"Thinking of selling? Call us today!"

Rachael Cone, AREINZ
Manager
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Stats - FROM THE - Street

Median Sale Prices

December 2016 (vs Dec 2015)

| | |
|-----------------------------|------------------|
| National (+11.0%) | \$516,000 |
| Christchurch (+3.6%) | \$455,710 |
| Rangiora (+1.1%) | \$498,250 |
| Timaru (-4.5%) | \$310,500 |
| Nelson (+20.5%) | \$464,000 |
| Richmond (+16.1%) | \$535,000 |
| Dunedin (+6.5%) | \$330,000 |

What people are saying about us

"Fantastic to deal with, nothing was a problem and they were very approachable at any time. I have little recent experience in the whole real estate process and was thankful for their understanding of this which made the whole process less daunting. They were able to produce an offer very quickly and I cannot recommend them more highly. I would have no hesitation in using their services if need be in the future."

G & J Peck

"Selling a house is a financial transaction, and Total Realty clearly provides the most favourable outcome financially. Total Realty provides exactly what other companies do in terms of advertising and market access, and their sales representatives do exactly what those from other companies do, so it's a 'no-brainer' as far as commission and costs go. The next company was almost twice the costs as Total Realty and the third was nearly 3 times the costs. Receiving two offers after the first open home was an excellent outcome, and we are most grateful."

R Chapman & B Hamilton