

# White Light

## Rodney North Market Report

Apart from the performance of the real estate market, particularly in Auckland, the trendiest subject over the last month has been about Mortgagee Sales, the impact they have on peoples lives, and that "banks are facing a customer revolt as disputes over mortgagee sales reach record levels." (NZ Herald, April 4)

"Quick-fire sales" by the banks are leaving homeowners in debt and both the courts and banking ombudsman are hearing of the frustration from customers.

Fortunately, we are involved in a market that has seen only a small number of mortgagee sales over the last few years. Our experience however, has been that banks and lending institutions seem to go to a mortgagee sale as a last resort, and that most tried to work with customers to avoid the situation. We doubt that they enjoy the publicity they receive from such sales and therefore avoid, if they can.

In a recent Herald article one couple were reported as losing their home and three investment apartments. Originally from South Africa the couple said that the experience had soured the family's decision to move to New Zealand—"It makes me totally sick about your country," the husband was reported as saying.

We doubt that banks policies regarding mortgagee sales would be any different back in South Africa, and we suggest it is unreasonable to judge 'our country' on the basis the couple have.

What we have found, in our experience with such sales, is that there has to be a willingness to communicate by both sides if the situation is to be avoided. Most homeowners struggle to deal with being unable to pay their mortgage and often understand they have caused the problem by not having done so, however the mental anguish that is felt, is considerable.

Once again this month, there has been much made of the rebounding of the residential market. With some companies reporting it had been the best March in five years and, even our own Group (Ray White) reporting sales

volumes up 50% on March 2011 and, as a standalone month is our best company result for just over three years.

The REINZ statistics for March show that North Rodney did not enjoy the same enthusiasm in the market place and neighbouring South Kaipara remained fairly steady.

Residential sales were down in North Rodney from 35 in March 2011, to 30 last month—a decrease of 14%. South Kaipara, which includes Mangawhai, Kaiwaka, Maungaturoto—Ruawai, also experienced a decrease in residential sales from 17 in March 2011 to 16 for this March.

This highlights the erratic market place we seem to be experiencing compared to others. February, for example showed a significant increase in numbers for these areas, compared to February of 2011, yet March goes backwards again. We did notice, coming off a good February, that enquiry and activity levels for the first half of March fell off sharply and it wasn't until the second half of the month that some movement in the market returned. The REINZ statistics now support what was obviously experienced by all agencies.

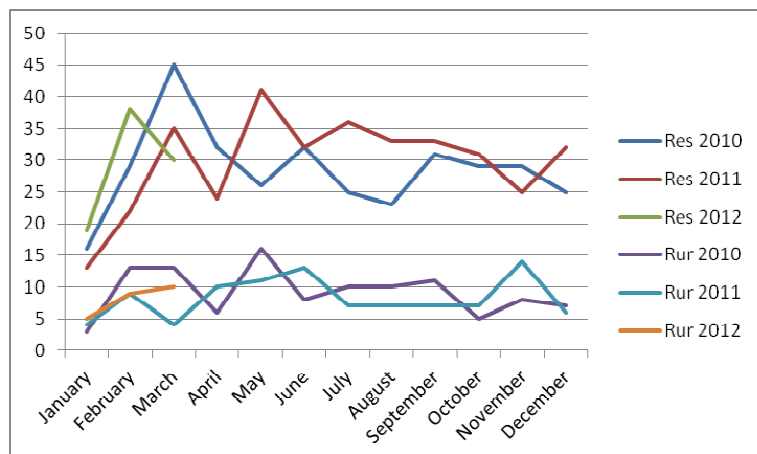
While we have always cautioned the use of Capital Values for anything other than fixing rates, it is of interest to note that over the last four months there has been a significant change in the relationship of sale price compared with the current CV. Over the

December/January period only 38% of properties sold in North Rodney for a price equal to, or better than the 2011 CV. Over the February/March period this percentage had increased to 57%. Also of interest is that over that four month period sales prices have ranged from 28% below the current CV, (for a property in Omaha), to 48.95% above the CV, for a property on Takatu Road. This variance of nearly 77 percent makes it very difficult to suggest that there is any accurate correlation between sales prices being achieved and the Current Valuations.

While a similar situation has occurred in the rural market, it does not seem to be so pronounced. With the majority of sales recorded last month, for this sector, being newly created titles there is no history that we can refer to.

The rural sales in North Rodney numbered ten for March which was significantly up on the four recorded for the same month last year. Three of last months sales were for blocks in the 10-16 hectare size, which have been scarce for some time.

In South Kaipara there was a Mortgagee Auction of a lifestyle subdivision in Kaiwaka where fifteen of the sixteen sites were sold for prices between \$40,000 and \$75,000. Other than this, there were some strong farm sales in the Paparoa area. All up, there were thirty two rural sales in the South Kaipara area. More than double the fourteen residential sales recorded.



**Disclaimer**

N.B. Market statistics based on unconditional sales recorded with REINZ during the prescribed period. In preparing this document we have used our best endeavors to ensure the accuracy of all the information provided. We accept no liability or responsibility for any errors or inaccuracies and recommend that all recipients make their own enquiries to verify any information given.

**Ray White**

**Residential sales for North Rodney— March 2012**

RS = Residential Section X/L = Cross Lease

Property Address	Sale Price	Days on Market	Bedrooms	Land Area M <sup>2</sup>	2011 CV	Sale Price Latest CV %	Last Sale Price	Year	
<b>Algies Bay</b> Mera Rd	417,500	22	3	786	385,000	+8.44	361,000	09	
	Willjames Ave	670,000	51	4	1,208	500,000			+3.4
<b>Kaipara</b> Okahukura Rd	185,000	37	2	1,265	185,000	=			
<b>Matakana</b> Whitmore Rd	740,000	48	3	806	790,000	-6.33	N/A		
<b>Omaha</b>	Broadlands Dr	750,000	491	3	556	1,040,000	-27.88	N/A	
	Day Dawn Cres	620,000	108	2	564	610,000	+1.64	N/A	
	Day Dawn Cres	710,000	79	3	558	640,000	+10.94	650,000	06
	Meiklejohn Way	830,000	6	3	556	790,000	+5.06	235,000	03
	Omaha Dr	716,000	109	3	567	730,000	-1.92	650,000	09
	Patiki Pl	310,000	29	RS	598	340,000	-8.82	375,000	07
	Taumata Rd	3,900,000	63	5	1,218	2,900,000	+34.48	850,000	00
	Taumata Rd	550,000	80	RS	800	500,000	+10.0	560,000	08
<b>Port Albert</b> Wharf Rd	307,000	1		1,836					
<b>Sandspit</b> Brick Bay Dr	2,250,000	271	8	3,495	2,100,000	+1.07	N/A		
<b>Snells Beach</b>	Apollo Pl	385,000	73	3	651	400,000	-3.75		
	Brampton Rd	336,000	118	RS	1,251	315,000	+6.67	350,000	08
	Hibiscus Ave	530,000	37	3	550	485,000	+9.28	262,000	99
	Mahurangi East Rd	295,000	92	2	607	315,000	-6.34	N/A	
	Mahurangi East Rd	450,000	45	3	817	400,000	+12.5	415,000	06
	Mahurangi East Rd	475,000	17	4	855	435,000	+9.19	325,000	03
	Mayne Pl	325,000	21	2		350,000	-7.14	379,000	07
<b>Warkworth</b>	Albert Rd	190,000	38	RS	600	175,000	+8.57	N/A	
	Alnwick St	451,000	38	3	1,057	470,000	-4.04	N/A	
	Bennett St	408,000	91	3	600	450,000	-9.33	490,000	09
	Hauti Dr	301,000	95	2	0	320,000	-5.93	192,500	00
	McKinney Rd	163,000	572	4	647				
	Shipwright Pl	540,000	537	3		N/A			N/A
<b>Wellsford</b>	Port Albert Rd	225,000	569	3	1,298	215,000	+4.65	270,000	07
	Port Albert Rd	326,000	115	3	620	340,000	-4.12	318,750	11
	Rodney St	280,000	97	5	764	275,000	+1.82	277,000	05

**Rural sales for North Rodney— March 2012**

LO—Land only

Property Address	Sale Price	Days on Market	Area (Hectares)	Description	2011 CV	Sale Price Latest CV %	Last Sale Price	Year	
<b>Mahurangi West</b> Mahurangi West Rd	592,000	171	12.1500						
<b>Matakana</b>	Govan Wilson Rd	740,000	163	1.196		690,000	+7.25		
	Matakana Valley Rd	280,000	145	0.5820	Bare Land				
<b>Warkworth</b>	Goatley Rd	310,000	861	1.0000	Bare Land—Lifestyle Close to Town	N/A			
	Kaipara Flats Rd	570,000	22	10.8540	Bare Grazing Block	N/A			
	Kaipara Flats Rd	590,000	27	16.3030	Bare Grazing Block	N/A			
	Matakana Rd	640,000	38	0.5593		580,000	+10.34	625,000	05
	McKinney Rd	600,000	134	1.7					
<b>Wellsford</b>	Armitage Rd	380,000	122	1.0190	Lifestyle, 1980's Dwelling	410,000		450,000	06
	Prictor Rd	259,000	132	1.0000	Small Developed Lifestyle	330,000		266,177	06