

# RAY WHITE NOW

J U N E 2 0 2 2



Proudly presenting New Zealand property market insights in real-time



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## DEAR PROPERTY OWNER,

Welcome to our 52nd edition of Ray White Now.

We publish Ray White Now every month and have done so since April 2020, when continued messages were being communicated to the market based on broad observations and opinions.

At Ray White, we sell 23.47 per cent of all residential property across New Zealand. In doing so, our listing volumes across May and June saw Ray White as the year-to-date number one listing agency across New Zealand. This allows us the scope to bring you data in real-time, data directly from sales we undertake across our 192 offices in New Zealand.

While changes have quickly occurred in the confidence of buyers and sellers to transact real estate across New Zealand, the ability to borrow money has had increased barriers over the past quarter. When this is linked to rising interest rates, affordability has resurfaced as a key issue in buyer and sales rates.

Looking at where the market has come from, it is not a surprise to many that a slowdown had to occur. Some markets have experienced higher increases which changed the average price considerably. Since COVID-19 and post our first lockdown in April 2020, prices have surged an average of 41 per cent during the past two years across New Zealand.

This dynamic in house price increases has never occurred in previous real estate markets in such a short amount of time. Interest rates dropped to record low levels, and borrowing was encouraged. This allowed buyers to enter the market and sellers to take a perceived uplift in price. Confidence abounded in the market in New Zealand; property became very much the talking point, and the success of marketing property increased, which delivered higher sale prices and lower days on market.

Fast forward to October 2021, and the Reserve Bank advises the first upward lift in interest rates since 2014. After 25 progressive statements of either stable or lowering interest rates, this was the first time the market had experienced an upward lift. Although this was only 25 basis points, it was enough to indicate that more interest rate rises were expected.

Since then, we have experienced four further interest-rate rises in November 2021, 25 basis points; in February 2022, a further 25 basis points; and in April 2022, a lift of 50 basis points, and another 50 basis points in May 2022. This lifted the official cash interest rate to 2.0 basis points from 0.25 basis points only nine months ago. It may not seem like a high-level increase in terms of quantum, but in real terms, the lift has been fivefold and is expected to continue increasing.

### RBNZ | OCR Announcements

Date	OCR
May 25, 2022	2.00%
April 13, 2022	1.50%
February 23, 2022	1.00%
November 24, 2021	0.75%
October 6, 2021	0.50%
August 18, 2021	0.25%

Source: RBNZ.govt.nz

## How house prices affect inflation and maximum sustainable employment

Wealth is one driver of household spending, and equity in housing (the difference between what you owe on your mortgage and what the house is worth) represents 55 per cent of household net wealth. A rise in house prices leads to higher household spending, which in turn influences economic activity, employment and consumer price inflation. Rising house prices also influence a number of components of the Consumer Price Index more directly, such as the cost of construction and rents. As a result, rising or falling house prices have an impact on general price stability and maximum sustainable employment.

## How house prices affect financial stability

When house prices move well above their sustainable levels, they can pose a threat to financial stability, leaving the banking system at risk if there is a sudden shock. If house prices rise too far, too fast, that can lead to a sudden correction in prices, which would harm the financial system and slow the broader economy.

In addition, a rise in house prices often comes with increased mortgage lending. Mortgage lending represents 62 per cent of total bank loans. If new lending is high risk, where the house deposit is small or where the amount borrowed is large relative to the person's income, this increases the vulnerability of households and the financial system to future events.

## New direction requires us to consider house prices

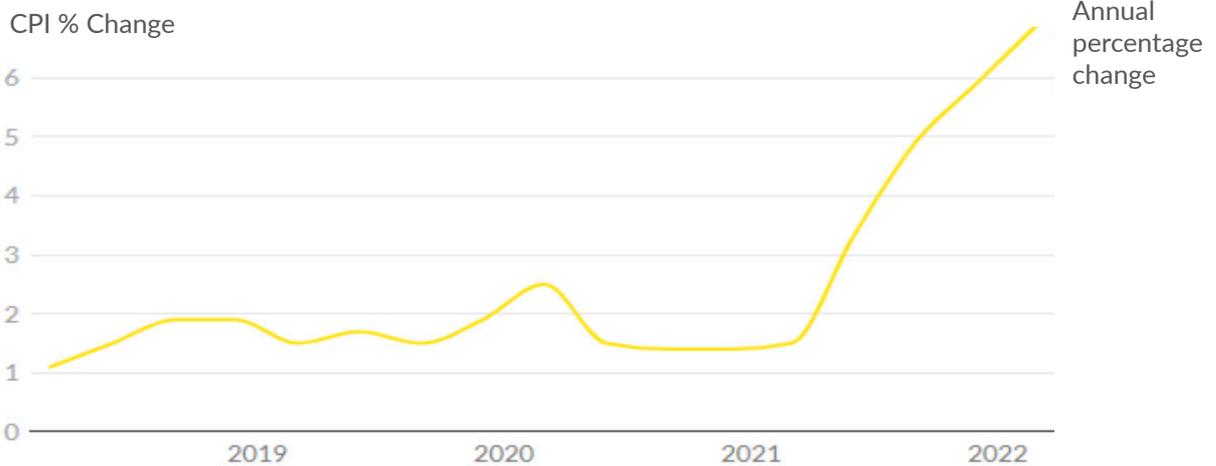
In March 2021, two things happened that made house prices an increased focus for us:

1. The government issued a direction to the Reserve Bank under Section 68B of the Reserve Bank Act in respect of its housing policy objectives. The direction requires us to consider the government's objective of supporting more sustainable house prices when setting financial stability policy, including bank lending rules. The direction also includes how our actions will dampen investor demand for existing housing stock, which would improve affordability for first-home buyers.
2. The Monetary Policy Committee's Remit (or key responsibilities) was amended to require the committee to assess how its decisions on interest rates and other monetary policy instruments affect the government's objective of house price sustainability. This includes how its decisions might affect investor demand for existing housing stock and affordability for first-home buyers.

Although house prices are considered to be a factor, the rapidly increasing inflation rates due to supply-demand and constraints on goods suddenly saw inflation lift to record levels since inflation rates have been recorded in New Zealand. The new record level of 6.9 per cent is unsustainable, according to the Reserve Bank. These are the highest levels experienced in the last 20 years. Given inflation is an average of prices throughout the economy; it means money is losing value. The Reserve Bank has described the underlying cause as the availability of too much money to purchase goods and demand continuing to outpace supply.

Combine this with price rises in commodities such as oil, inflation is the number one target of the government to reduce back down to its targeted level of between 1 per cent and 3 per cent.

## Quarterly Inflation (%)

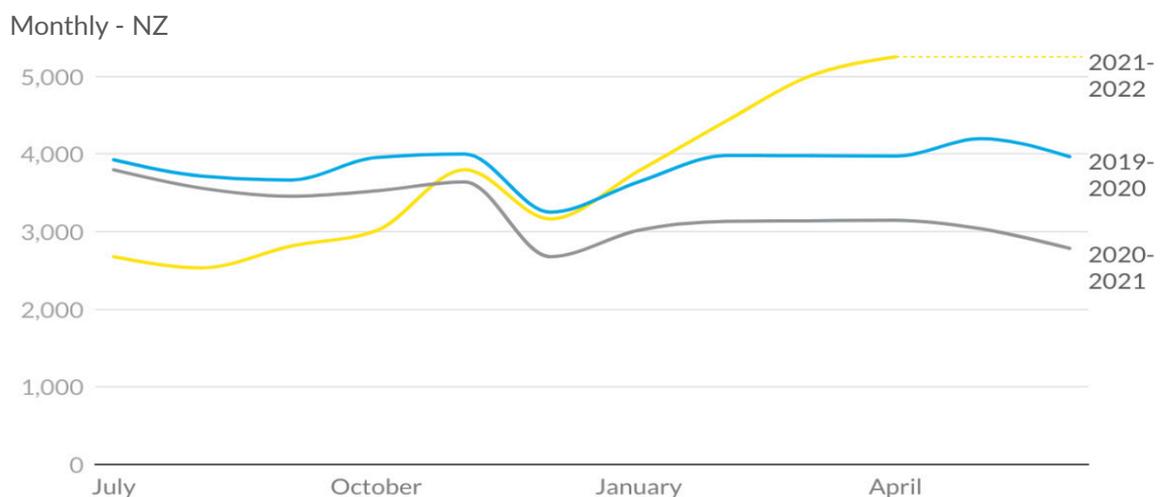


Source: Stats.govt.nz

This has had an immediate effect on the real estate market. When past markets may have seen a slowing of various indicators, since February 2022, there has been a quick and considerable decline in the number of sales that have taken place. While there is increasing evidence of falling prices, the combination of increasing interest rates, an expectation of high inflation, and concerns around the economy have had a compounding effect on the real estate market.

Changing outlooks for sellers have resulted in adjustments of price expectations to meet the buyer's expectation of price. The supply of property has lifted more than 45 per cent in the last 12 months; emphasised in the last quarter with an increase of 36 per cent more properties available for purchasers to view. When you add on top of this that there are fewer sales in the market, this has meant a record number of properties on the market, being 70.1 per cent higher than the same time last year. Supply has increased, and demand has dropped, resulting in fewer sales and sellers realigning their sale price expectations.

## Listings on the market



Source: Ray White

The graph on the previous page shows the number of properties currently on the market is 5,198, while at the same time last year, we had 2,977 properties available. This allows purchasers not only to take their time but also to realise there are value comparisons in the market where 12 months ago there were not.

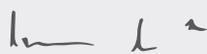
The market certainly has been different in the last two years. Today we sit in a more normalised market rather than the comparisons of 12 months ago. While it is easy to suggest prices are falling and market supply has increased, pricing prior to the pandemic and stock levels were much more normalised. While prices still have a much higher value than two years ago, the normalisation of stock levels is closer. This is likely to continue across New Zealand; there will be approximately 25,000 properties available for sale with a long-term average inventory of approximately 12 weeks. This would indicate a much more balanced market favouring those seeking value by comparison. Those positively marketing their property can expect reasonable buyer depth to respond to properties considered reasonable value.

How is Ray White New Zealand responding to the market changes? It is more important for us to convey information on the active market and the properties that are in competition to listings coming onto the market. Today, while the buyer is important, most competition comes from similar properties. While factors including location and build quality are high on the preferred wants of buyers, comparison properties and value sit considerably higher given the amount of property on the market.

While auctions continue to be the preferred marketing method, it is more difficult to encourage under-the-hammer sales. We believe that auction provides transparency for buyers to transact, whether that be before the auction, at the auction, or after. While success rates have changed with under hammer results, the auction marketing method is still the most successful. In market conditions that are potentially declining, it remains relevant for sellers to consider.

So, in a rapidly evolving market, conditions are variable. Your local Ray White office has the information that will give you insights into not only the value of your property but the depth of potential buyer interest linked to the successful marketing of your property.

Regards,



Carey Smith  
Ray White New Zealand  
Chief Executive





PROPERTIES ON THE  
MARKET CONTINUE TO  
RISE TO THEIR HIGHEST  
LEVELS SINCE 2017  
**BUYERS ARE IN A  
STRONG POSITION TO  
DETERMINE VALUE BY  
COMPARISON.**

“It is a changing market and while no two properties are alike there is a level of choice for buyers that is allowing value to be one of the key outcomes of purchase. This month we have seen confidence from sellers to list their property and more alignment to the comparative market and offering properties by auction with alignment to buyer feedback”

Rohan Thompson  
Co-Owner, Ray White Royal Oak and Ray White One Tree Hill in Auckland

We continue a noticeable increase in new listing activity, allowing purchasers to enter the market with confidence of choice. This has added to the overall portfolio of properties available on the market.

Data provided by realestate.co.nz shows the increase of new property listings has stabilised to 26,301 properties, which is 76.7 per cent ahead of May 2021. In regard to the last three months, there has been a continued lift in new listings, which has seen the total stock available across New Zealand lift by close to 10,000 properties, or just over 40 per cent, in three months.

Rising property listings can act as a slight headwind for property value growth.

This creates a more balanced market where buyers have more choice and the opportunity to make decisions compared to other properties available on the market.



Source: [www.realestate.co.nz/blog/news](http://www.realestate.co.nz/blog/news)

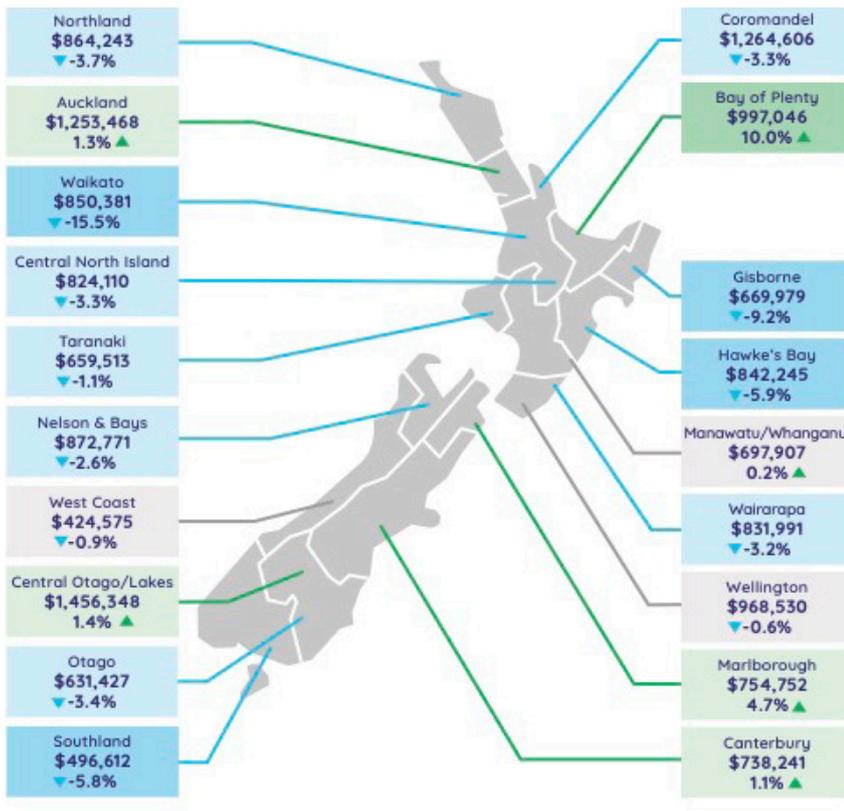
The Reserve Bank of New Zealand lifted interest rates in their 25 May announcement, marking the fifth consecutive rise since October 2021. The next monetary statement and official cash rate review is 13 July 2022. While lending barriers have slowed the buyer depth within the property market, the current inflationary effects are having the most impact on the economy and affordability, with the annual inflation rate being 6.9 per cent.

They commented ‘However, headwinds are strong. Heightened global economic uncertainty and higher inflation are dampening global and domestic consumer confidence. Asset prices, in particular, house prices, have also declined, reflecting in part, higher mortgage interest rates and increased supply of housing.’

To put this into perspective, during the past 10 years, the inflation rate has averaged 2.15 per cent, which is in line with the inflation target of 1 – 3 per cent on average over the medium term. It is clear that the rise in inflation impacts everyday life, and the Reserve Bank will take this into account in its monetary statement.

Areas and regions continue to respond differently across New Zealand. While the headline numbers are generally provided on the overall sales, the regions with the highest average increase in asking price were the Bay of Plenty, Marlborough and Canterbury.

In contrast, the regions with only slight decreases in average asking price were the West Coast and Wellington. These graphs, however, can be a blessing for both buyers and sellers. An increasing market can indicate a strengthening of prices because of the value in the average sale price. At the same time, potential decreases can result from a market that might have been overinflated, and the buyers have taken pricing levels back to be more realistic.



# Average asking price

Property asking price for May 2022  
**\$963,914**  
 Compared to April 2022  
**-0.3%**

## Price change



The average asking price is calculated by taking every residential listing's indicated asking price and dividing it by the total number of properties.

Asking prices for new listing calculated as seasonally adjusted prices using X13 ARIMA methodology.

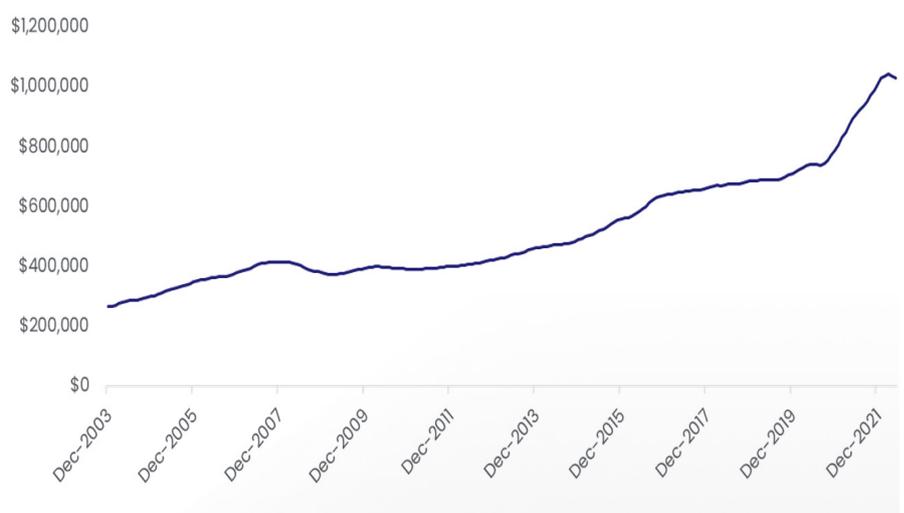
Source: [www.realestate.co.nz](http://www.realestate.co.nz)

Many ask the question about when should I buy real estate? What would a property I purchase today look like in five, 10 or 20 years? How many upturns and downturns are there during various cycles, and is there a key underlying trend that shows any long-term declines linked to mortgage rates or a more relaxed credit environment? What determines rises in house prices, and what determines falls?

CoreLogic released their house price index covering all residential properties and the average property value across the last 20 years.

Since December 2003, the average national property value has risen from \$263,562 to \$1,027,121, which is an average increase of \$763,559 or a cumulative 290 per cent over that period of time. For those who have consistently invested in property, this represents

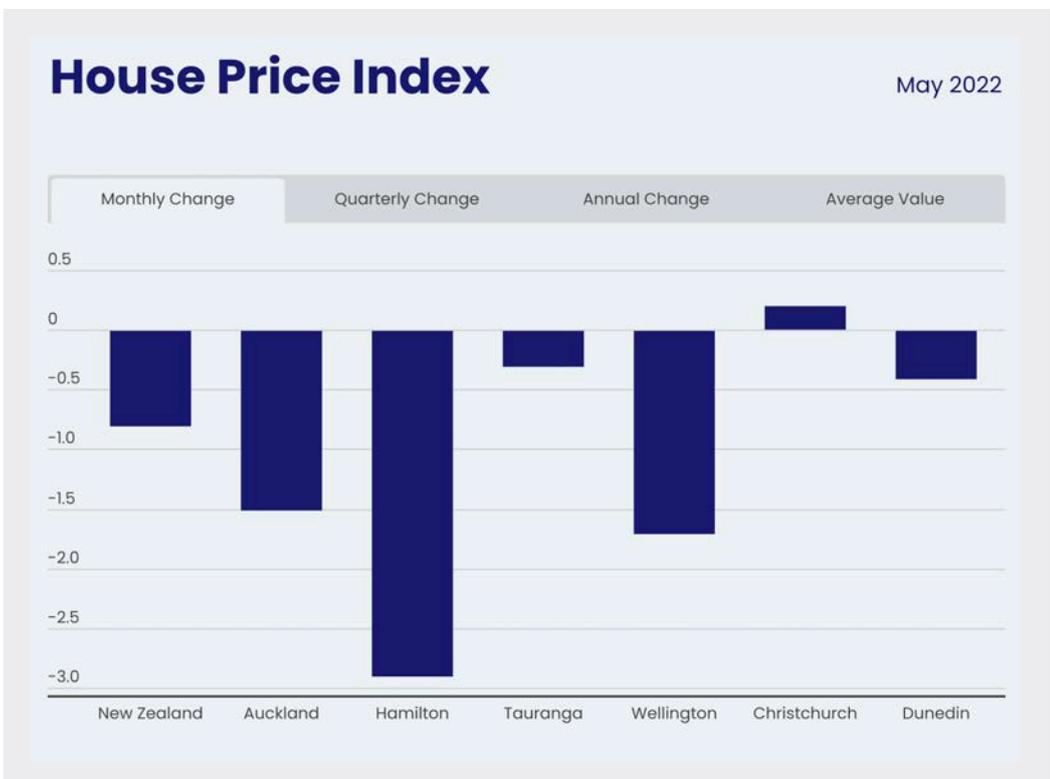
an average annual increase of 7.5 per cent over the extended 20-year period. If it is the case that someone is to ask the question when should I purchase property and in what location; while there is some differentiation in the main centres and there are periods where events have occurred which change housing supply across the 20 years, much of the property markets have remained consistent regardless of external factors.



Source: [www.corelogic.co.nz/news/](http://www.corelogic.co.nz/news/)

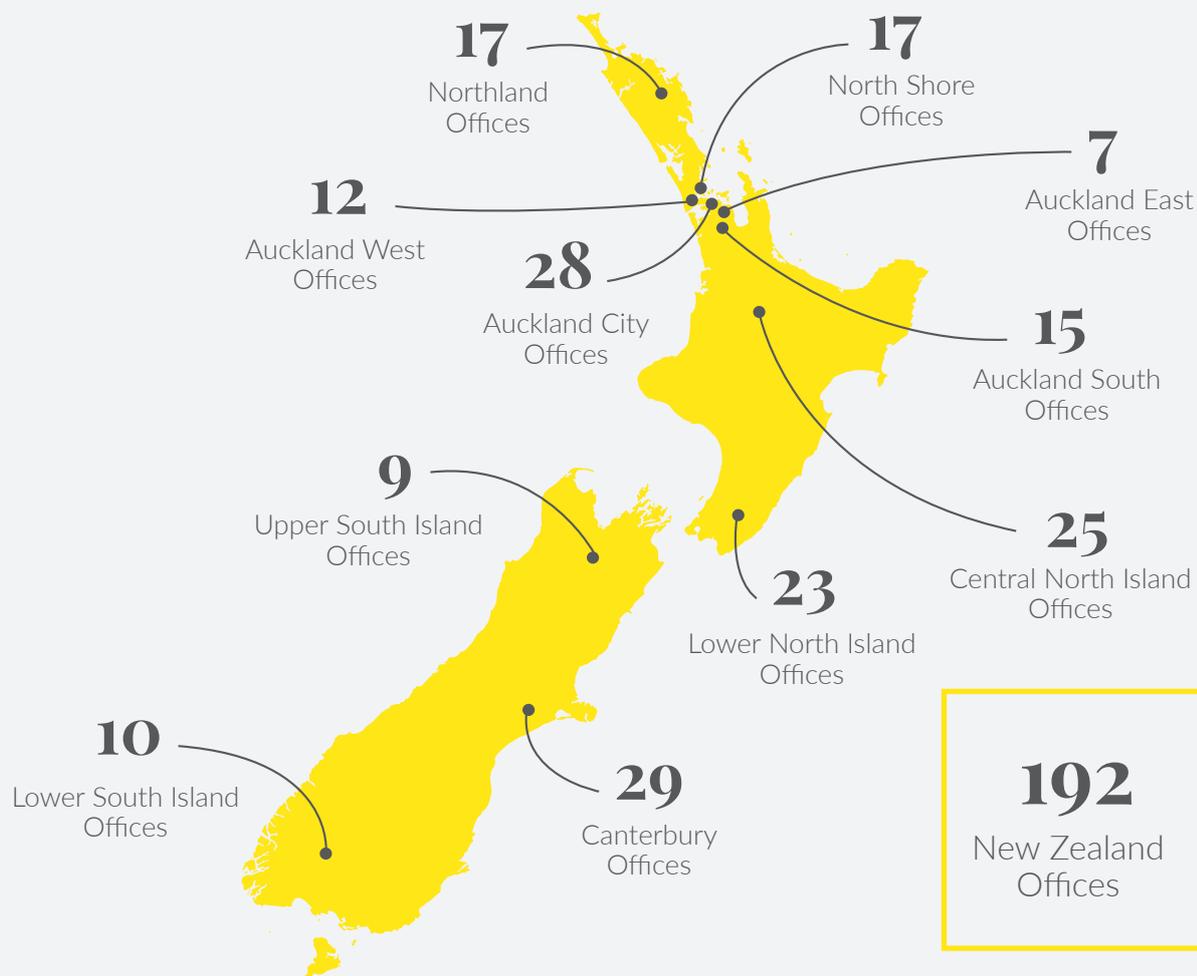
Since 2003, among the main centres, Hamilton has seen the largest increase in average property values, at 330 per cent - followed by Dunedin at 298 per cent, Auckland at 287 per cent, Wellington at 282 per cent, Tauranga at 277 per cent, and Christchurch at 236 per cent. The latter has seen slower growth due to the post-earthquakes surge in new housing supply, but with signs that this supply reaction is slowing down, Christchurch could see outperformance over the coming years (even if that only means smaller falls in the near term).

Another price index guide from CoreLogic shows the annual change in each of the key markets across New Zealand, which at its height is showing Christchurch above 24 per cent and Dunedin now around 7.5 per cent. The monthly change is a reduction of 1 per cent across most of the markets, with Hamilton showing the greatest fall in May at around 2.75 per cent. These indicators clearly show a change in the fiscal and monetary policy measures, which is a key factor in the market going forward. Timing for selling and purchasing in the same market will be consistent. We can give buyers and sellers confidence in supply and the ability to create demand when value is established.



Source: [www.corelogic.co.nz/news/](http://www.corelogic.co.nz/news/)

## WE'RE IN YOUR NEIGHBOURHOOD



## LAST YEAR WE WERE PROUD TO:

- help 22,528 New Zealand families sell their home
- help 1 in 5 New Zealand buyers find their dream home
- have 11,758 local customers rate our service 10/10
- help 61 New Zealanders sell their home every day
- help over 19,600 inventors manage their property across New Zealand
- list 1 in every 5 auctions across New Zealand

PROUDLY **RAYWHITE**

A photograph of a man in a dark suit and tie standing on a wooden porch, smiling and talking to another man who is seen from the back, wearing a blue and grey jacket and jeans. The porch is part of a house with white horizontal siding and a white corrugated metal roof. There are potted plants on the porch.

## WHAT ARE WE SEEING IN THE MARKET RIGHT NOW?

Several factors drive real estate markets; however, the two basic fundamentals of supply (the number of total properties for sale) and demand (the number of buyers active in the marketplace) play a significant role in establishing market conditions that favour buyers or sellers. Generally, conditions are favourable for sellers when supply is low, and demand is high. Conversely, when supply is high and demand is low, conditions are favourable for buyers by offering more selection and breathing room. Allowing buyers more time to do their due diligence and make an educated decision on their future property.



## **SUPPLY**

Throughout May, we saw 2,139 'new listings' come onto the market, up year on year by 16.63 per cent. This was met by 1,436 sales for May, a decrease of 28.91 per cent. With a total of 4,831 listings on the market in May for buyers to choose from, this is up a significant 60.45 per cent year on year.

## **DEMAND**

The initial buyer metric we consider is the number of buyers viewing properties online. Throughout May, we saw 4.376 million views across our Ray White websites, resulting in over 44,499 enquiries.

Ray White New Zealand saw 683 properties scheduled to go to auction in May, down 19.26 per cent when compared to the same period last year. Leading to an all-sold clearance rate of 45 per cent with, on average, two registered bidders and 1.5 active bidders.

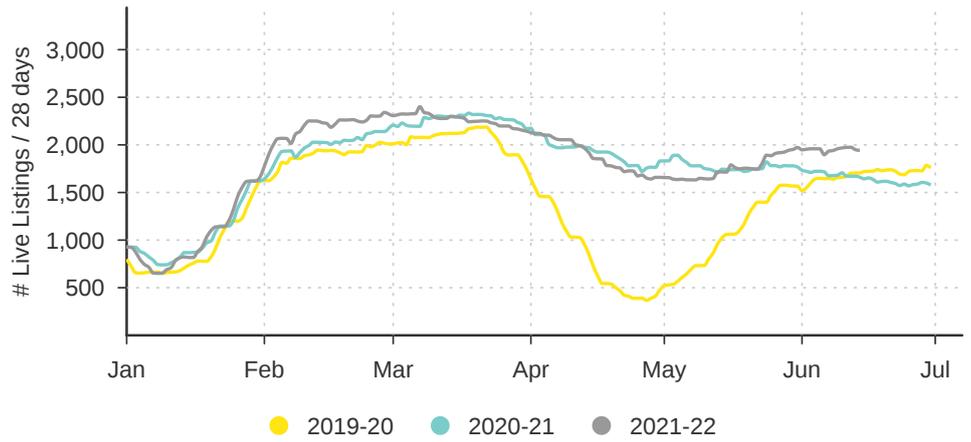
We are seeing quality homes in good locations with multiple bidding registrations and active bidders.

The final consideration we look at when measuring the volume of demand in the market, and arguably the most significant, is the number of people obtaining pre-approval for finance. Pre-approvals are a key indicator of buyer confidence, knowing they have the financial capacity to buy the property. Our partners at Loan Market are still seeing increased numbers of pre-approvals across the country, with 10.0 per cent more than this time last year (refer to page 17). This is despite the major changes to the Credit Contracts and Consumer Finance Act (CCCFA) which came into force on 1 December 2021, and rising interest rates.

We continue to analyse our numbers across the key buyer metrics, which clearly indicate the market's direction.

## LIVE LISTINGS

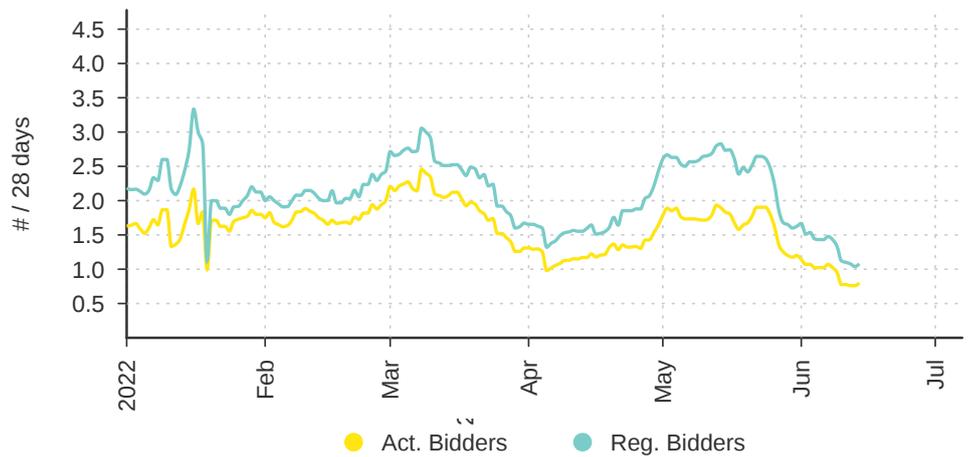
This chart shows the total number of live listings over the 2019, 2020 and 2021 calendar year.



Source: Ray White Online Analytics

## BIDDING BY MONTH

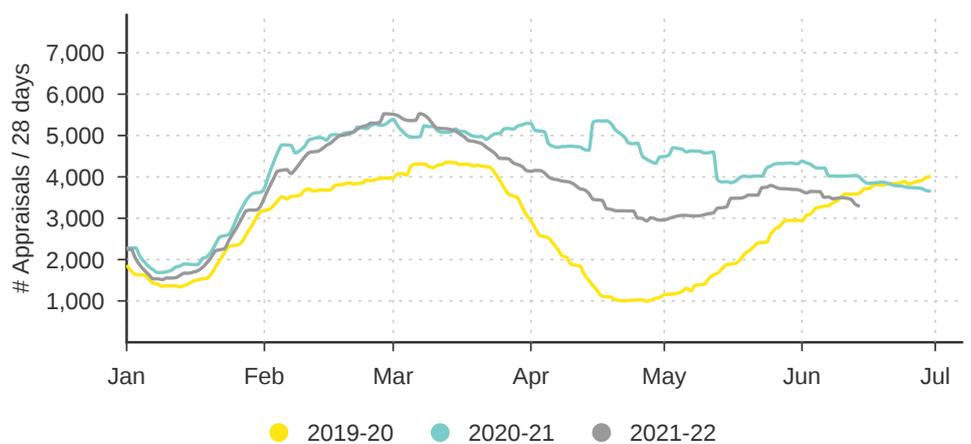
This chart illustrates the average number of registered bidders per auction for the last six months.



Source: Ray White Online Analytics

## APPRAISALS

This chart compares the number of appraisals Ray White salespeople have made over the 2019, 2020 and 2021 calendar year.



Source: Ray White Online Analytics

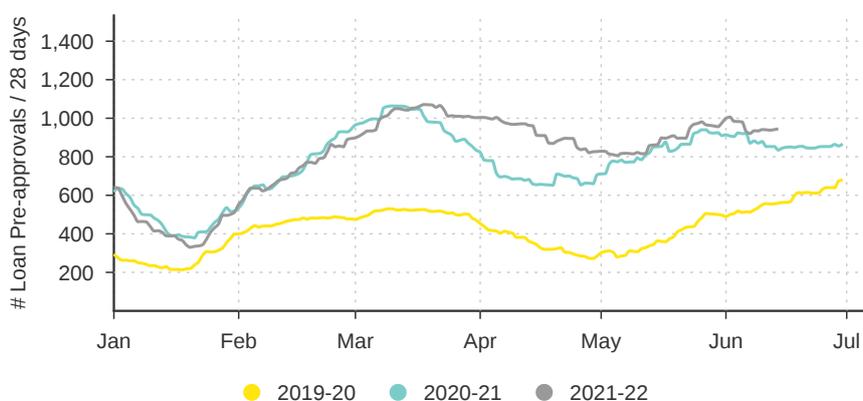
# SO WHAT FACTORS CONTRIBUTE TO MARKET SENTIMENT?

Interest rates continue to underpin purchasers' buying power. The OCR currently sits at 2.00 per cent, with the next monetary policy review announcement set for 13 July 2022.

- Interest rates - are a driver of home affordability. Continued rate rises over the next 12 months are expected, with predictions that all mortgage rates will be above 6 per cent over the coming year. This will make rates well over double what they were a year ago.
- Lending environment - a significant market headwind is the changing lending environment. Not only are rates rising, but credit availability has also gotten tougher. Loan-to-value ratios have returned, new Credit Contracts and Consumer Finance Act rules (which make accessing lending harder) are in place, and the Reserve Bank is consulting on debt-to-income ratios.
- Affordability - Compared to 2021, average asking prices were up nationally and in all realestate.co.nz's 19 regions last month.
- Housing supply - Year-on-year, total stock levels were up 77.6 per cent nationally in all regions providing more choice for buyers.
- Net migration - the reopening of borders for New Zealand is likely to allow a resumption in higher levels of migrant arrivals. At the same time, a build-up of New Zealand talent could be looking to move offshore to pursue employment opportunities during 2022 and 2023, having waited patiently for two years for the opportunity.

## LOAN PRE-APPROVALS

This chart compares the number of loan pre-approvals submitted via Loan Market brokers over the past three years.



Source: Ray White Online Analytics

A photograph of two men in dark suits sitting at a small wooden table outdoors. The man on the right is bald, wearing glasses, and smiling while looking at a notebook. The man on the left is seen from the back, also looking at the notebook. They are sitting on metal mesh chairs. In the background, there is a city street with buildings, a traffic light, and a blue sign with the word 'bank' partially visible. A potted plant with yellow flowers is in the foreground on the right.

## LACK OF STAMP DUTY HAS MADE HOUSE FLIPPING A PROFITABLE BUSINESS IN NEW ZEALAND

William Clark  
Ray White Group Analyst

At the peak of the market, Dairy Flat, just within the Auckland region, added \$1.5m to its median valuation a year ago. Prices had grown over 100 per cent in the space of a year, and if anyone had bought at the start of that feverish period of growth, even if they had planned an extended holding period, it is likely they would have considered selling towards the end of it. Like it or not, had you followed through with those thoughts and sold, you would be called, at least in our books, a house-flipper! But while it may not always be fashionable, or indeed so impossibly profitable, according to our data, it is a decent and reliable way to earn a profit on a house or unit.

For houses bought and sold this way in the last two years, profits skyrocketed. It is not often that any single investment will make someone over \$100,000 a year for a single asset, but in this period it was so. More typically, house flips will earn around \$40,000, which is still much stronger than across the Tasman, where flipping appears to be much more risky. We can see in New Zealand that flipping profits track housing growth quite closely, indicating that there is not much that separates a flipped house from any other.

With units, profitability is harder to predict and is often decoupled from unit price growth in the broader market. In New Zealand, however, this phenomenon is inverted, with unit flips being significantly less popular than house flipping, and consistently profitable. In New Zealand, there are far lower transaction costs, with no sales duty or mandatory lender's mortgage insurance for low-deposit loans. This may help make house flipping such a popular and profitable practice.

It is worth noting that while house-flipping realises gains in housing and units quickly and reliably, a dwelling will naturally grow in value with time, at least in general. Sales prices for dwellings in New Zealand grew by over 15 per cent in the last 12 months, which outpaces the flip profit margin for both houses and units. So the ability to sit on a naturally profitable and safe asset and possibly outperform a flipper who will consistently realise gains in the market leaves an obvious choice between capital gain and cashflow. We can't always find a Dairy Flat market before the fact, but profits needn't be restricted to the smaller, superlunary suburbs.

Sale Year	Median Profit (\$)	Profit margin (%)
2022	\$114,000	13.8%
2021	\$139,000	18.5%
2020	\$67,000	11.1%
2019	\$47,000	9.1%
2018	\$41,250	8.1%
2017	\$46,000	9.5%
2016	\$74,000	14.8%
2015	\$68,000	13.6%
2014	\$44,000	9.7%
2013	\$40,000	9.6%
2012	\$27,000	7.1%
2011	\$13,000	3.7%

### Units have earned more in the last two years

Profits for sales made on units sold within a year of purchase

Sale Year	Median Profit (\$)	Profit margin (%)
2022	\$65,000	10.3%
2021	\$62,500	11.9%
2020	\$25,500	5.3%
2019	\$24,625	5.7%
2018	\$17,250	4.1%
2017	\$30,000	6.9%
2016	\$40,000	13.5%
2015	\$29,000	10.1%
2014	\$24,000	7.2%
2013	\$26,000	8.4%
2012	\$15,000	5.8%
2011	\$9,800	3.4%

Source: Ray White Online Analytics



## **THINKING OF SELLING?** WHAT FACTORS SHOULD YOU CONSIDER WHEN TAKING YOUR HOME TO MARKET?

In Picking exactly where the market will land in, say, 6 or 12 months remains difficult. Many commentators are taking the position that there may be downward pressure on values owing to the simple dynamics of supply and demand. The more property there is for sale, the less competition there may be from multiple purchasers competing to secure a home.

For the better part of the past couple of years, the winds have heavily favoured those selling homes over those purchasing them. For the most part, the lending environment has been accessible, the cost of borrowing has been historically low, and available stock has been limited - all factors, among others, which have contributed to the double-digit price growth experienced across New Zealand.

More recently, those price gains have moderated and even retracted in some areas, leading many to speculate whether the market will likely see a decline in median prices over the coming year. This speculation has caused a fight, flight or freeze response among prospective sellers.

What does this mean? Taking the 'fight' position, some owners, regardless of commentary, have stayed firm in their positions, with reluctance to align their expectations to the market conditions. As a result, this is where we see 'days to sell' start to extend out further.

A portion of sellers have put their property on the market and sold for today's market value with the knowledge that while it is difficult to predict what the market is going to do, the price they are selling for in the context of the present market is fair.

The third seller category is those conflicted by speculation and whether the market will get better or worse and have simply ruled out selling for the short-term.

The burden of compromise has, for the most part, fallen on the buyer since the beginning of the pandemic. There has been more demand than supply which has meant those looking to purchase weren't necessarily able to tick every box when it came to their wishlist. Now, as we face a more balanced market and buyers have more choice of property, the burden of compromise shifts toward the seller and for property owners, changing the number of bedrooms, position of a home or construction of property remains unchangeable. What buyers are looking for owners to compromise on, however, is price.

Choosing the most appropriate method of sale for your market conditions and personal needs remains important. We know the most active purchasers in the market typically inquire early on property and are attracted to 'fresh' homes coming onto the market. This means that most properties generate higher levels of interest in the early days of being on the market, and over time, the level of interest starts to wane. This means that the method of sale chosen should be one that condenses the process into a finite period of time and potentially minimises the need for the compromises discussed above.

There is commentary almost daily around skill and labour shortages which could hinder the wider economic recovery for New Zealand and is likely to become more pronounced in the year ahead. This, in addition to high levels of inflation, continued supply chain uncertainty, and wider pressures from international economies and share markets, is why many are suggesting that conditions could see further headwinds before a form of economic recovery occurs.

# HOW DO WE CREATE THE MOST COMPETITION FOR YOUR PROPERTY?

## 1. MARKETING EXPOSURE

*Most innovative marketing real estate business in New Zealand.*

Our enviable position comes from an unwavering commitment to marketing and auctions - whether that be safely on-site or in-room.

In May, Ray White New Zealand had 2,139 live listings, up 16.63 per cent on last year, while the number of sales was down 28.91 per cent year on year.

Last month, Ray White New Zealand had 683 properties scheduled to go to auction, leading to an all sold clearance rate of 45 per cent.

## TENDER AND EXCLUSIVE LISTING

Our approach to tender and exclusive is aligned with our marketing methods of creating competitive situations between buyers to create the best outcomes for our vendor clients.

We have never lost faith in the value we can bring our vendors in a challenging market through effective marketing. If you choose to sell, we will be suggesting an investment in marketing as we believe it enables us to maximise competition and clearly illustrates your intent to sell and therefore attract genuine buyers. We appreciate that some people would prefer to sell quietly or off-market. While this is not a normal recommendation, we welcome discussion on all opportunities to take your property to the market.

## 2. GENERATING BUYER ENQUIRY

Being one of the largest real estate groups in the country has direct advantages for our sellers. Our ability to target the largest pool of buyers within a campaign is a strength that you can be confident will assist us in delivering the best possible result for you. In the current market conditions, it's critical to target the broadest possible audience and to be as efficient as possible in tailoring appropriate messaging to your potential buyers. After all, our focus is to seek out the buyer for your property that will pay more than everyone else.

We do this by having the greatest number of relationships with buyers in the market today. Combine our relationships with our use of technology; we can engage with buyers on a level that will ensure we can find the premium buyer for your property.

In addition to our ability to target broad audiences, Ray White Concierge, our communication specialists, unique to Ray White, can target one of the most influential audiences, our local communities. Our 120 years of real estate

experience enables us to understand that a catalyst for creating competition is leveraging the local community. Our data shows that up to 60 per cent of property purchasers come from neighbours and their friends in some cases.

Ray White Concierge can communicate to property owners in surrounding streets, positioning your property to ensure it is at the centre of our communities' attention. Our dedicated team of 100+ Ray White Concierge specialists, in coordination with our appointed agent, can deliver a layered community communication program including telephone calls, SMS and email, ensuring that the most influential people are alerted early to the sale of your property.

### **3. UNRIVALLED BRAND PRESENCE AND MEDIA PROFILE**

As Australasia's largest real estate group, we are supported by a dedicated and highly experienced team of newshounds in our PR team who work seven days a week. The team excels at winning "earned media", the exposure that money cannot buy; it must be earned.

Our media exposure dominates all other brands in terms of publicity - which is the sweet spot. Our profile in newspaper advertising and editorials, along with a large number of listings on oneroof.co.nz, realestate.co.nz and trademe.co.nz/property - is also huge.

To put a price on the power of our media coverage, in May, Ray White New Zealand achieved more than \$1,810,389 worth of earned media mentions in print, online, radio and TV, according to iSentia, our media intelligence agency, with a potential reach of 8,113,172 people, approximately twice the population of New Zealand. That's free publicity for the group and all its members.

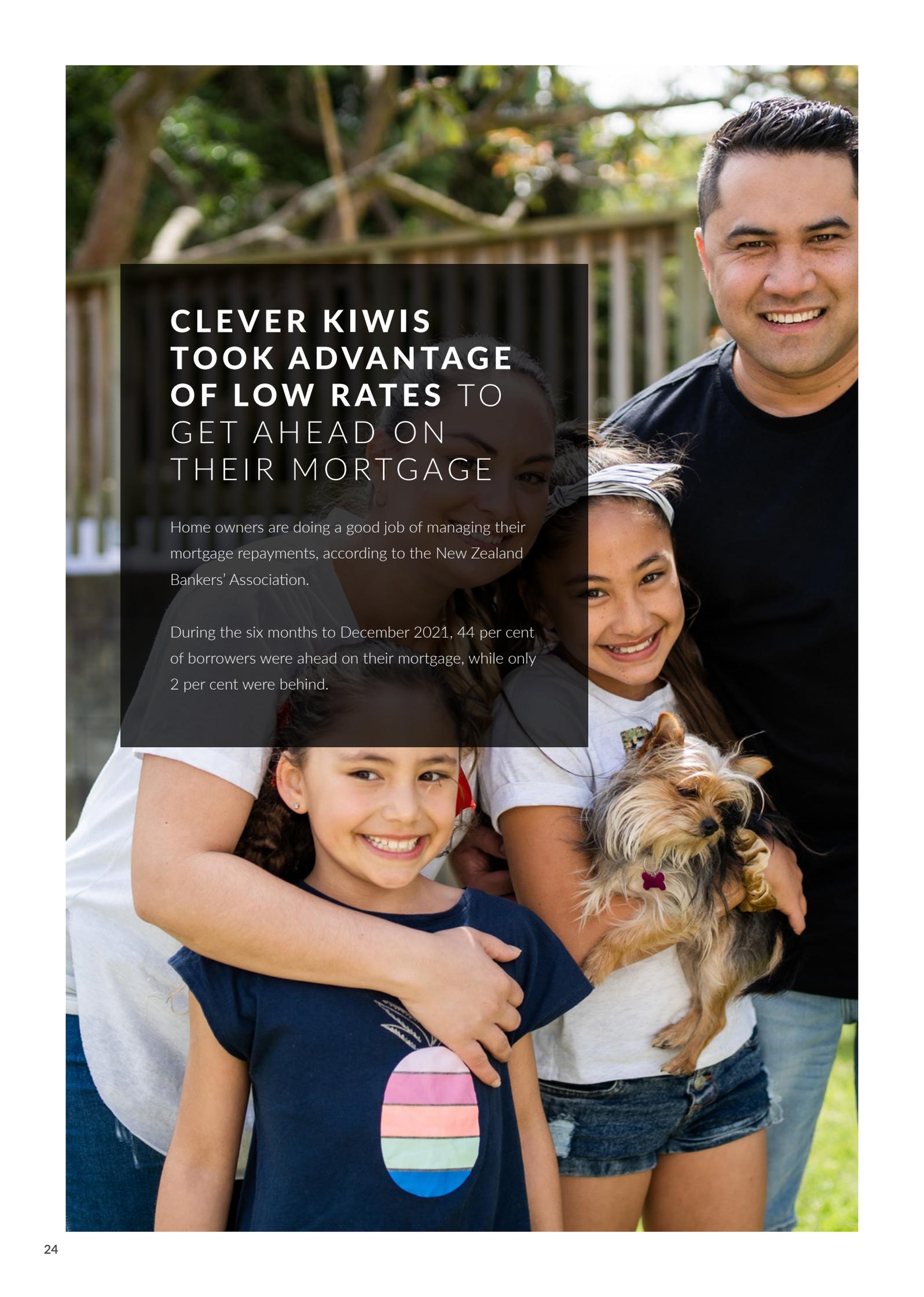
Our experienced in-house journalists can get your property the exposure that money can't buy.

When a home is listed with Ray White, our clients are introduced to the national public relations service; a team that's plugged into the New Zealand media and has the sole focus of achieving more exposure for the properties we sell to the audience that matters most.

### **4. DEEP DATA SET**

In times of uncertainty, property sellers need facts, not media speculation, to create informed decisions. Whether that be a decision to list your property on the market or be in touch with real-time market conditions. The reliance on data and proof points has never been more important for good decision making.

As the most successful real estate group in Australasia, we have access to the largest pool of up to date information available and have the experience to help you analyse relevant data to help you make the right decision.

A photograph of a family of four and a dog. A man in a black t-shirt is smiling on the right. A woman in a white t-shirt is smiling in the center. Two young girls are smiling; one in the foreground wears a dark blue t-shirt with a colorful Easter egg graphic. A small, scruffy dog is being held by the woman in the center. The background shows a wooden fence and greenery.

## CLEVER KIWIS TOOK ADVANTAGE OF LOW RATES TO GET AHEAD ON THEIR MORTGAGE

Home owners are doing a good job of managing their mortgage repayments, according to the New Zealand Bankers' Association.

During the six months to December 2021, 44 per cent of borrowers were ahead on their mortgage, while only 2 per cent were behind.

NZBA chief executive Roger Beaumont said the reason so many borrowers are in such a strong position is because, as interest rates fell over the past few years, they may have retained their repayments at the same level.

“Depending on their loan, others may have increased their repayments further to get ahead and repay their loan more quickly,” he said.

“This shows good financial capability among people with home loans. It also means they’re quite well placed in an environment of rising interest rates.”

Meanwhile, the size of the average new home loan taken out during the six months to December 2021 was \$407,000.

First home buyers took out about a quarter of all new home loans.

Looking at the entire loan book (i.e. both new and old loans), 61 per cent of borrowers had a fixed-rate loan, 20 per cent had a variable loan and 19 per cent had a split loan (i.e. part fixed and part variable).

These findings were based on data provided by the NZBA’s 10 main retail member banks.

**IF YOU NEED ADVICE ABOUT MANAGING YOUR HOME LOAN, PLEASE CALL A  
LOAN MARKET ADVISOR TODAY.**



# ABOUT LOAN MARKET

Naturally, we all want the best when it comes to our home, and the same should apply to our home loan.

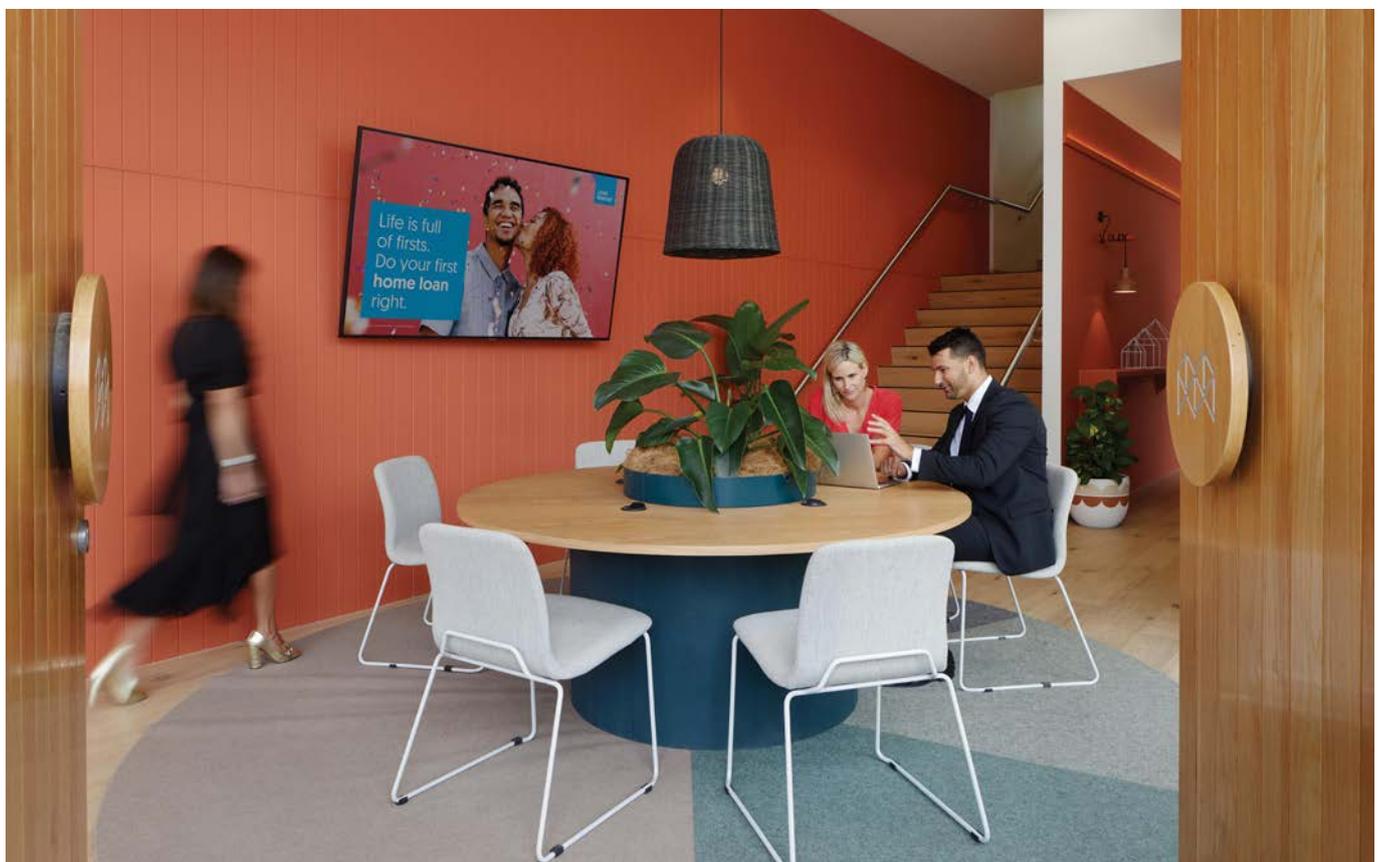
That's where our partners at Loan Market can help. Whether speaking to first home buyers, investors or owner-occupiers, Loan Market advisers can compare rates and features from over 20 banks and lenders to help potential buyers get the right finance in place to secure the property they want.

During the sales process, your Ray White salesperson will introduce potential buyers to their recommended local Loan Market adviser, who will respond quickly to provide them with the information they need to find a home that suits their needs.

Exposing your property to a pool of educated and, where possible, pre-approved purchasers who are ready to make an offer or bid at auction increases the likelihood of getting your home sold and settled on time and at the right price.

Your local Loan Market adviser can even assist you with your own home finance options. As one of Australasia's largest financial adviser networks, Loan Market enjoys industry links and contacts that mean they are better placed to negotiate on your behalf with major banks and secure lenders. They may even be able to find you a better deal with your own bank.

[loanmarket.co.nz](http://loanmarket.co.nz)



# ABOUT RAY WHITE

Ray White is a fourth generation family owned and led business. It was established in 1902 in the small Queensland country town of Crows Nest, and has grown into Australasia's most successful real estate business, with more than 1,000 franchised offices across Australia, New Zealand, Indonesia and Hong Kong.

Ray White today spans residential, commercial and rural property as well as marine and other specialist businesses. Now more than ever, the depth of experience and the breadth of Australasia's largest real estate group brings unrivalled value to our customers. A group that has thrived through many periods of volatility, and one that will provide the strongest level of support to enable its customers make the best real estate decisions.

[raywhite.co.nz](http://raywhite.co.nz)



Ray White's first auction house, 'The Shed' Crows Nest, Queensland.



[raywhite.co.nz](https://raywhite.co.nz)



[loanmarket.co.nz](https://loanmarket.co.nz)