

RAY WHITE NOW

OCTOBER 2022



Proudly presenting New Zealand property market insights in real-time



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DEAR PROPERTY OWNER,

Welcome to our 56th 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. This has again become part of the media landscape, and given, at times, the potential lag period, this can be out of alignment with the market in real time.

At Ray White, we sell 23.79 per cent of all residential property across New Zealand. In doing so, our listing volumes across September 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 directly from sales we undertake across our 195 offices in New Zealand.

While changes have occurred in the confidence of buyers and sellers to transact real estate across New Zealand, the ability to borrow money has seen a continued lowering of barriers over the past month. Rising interest rates are still on the agenda of the Reserve Bank, as announced in their monetary statement last month.

Looking at where the market has come from, it is not a surprise to many that a slowdown had to occur. Some markets in 2020/21 experienced higher increases, changing the average price considerably.

Since August 2020, the dynamic in housing 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 widely encouraged. This allowed buyers to enter the market and sellers to take a perceived uplift in price. Confidence abounded in the New Zealand market; 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 advised 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 seven further interest-rate rises: November 2021, 25 basis points; February 2022, a further 25 basis points; and April, May, July, August and October 2022 - a lift of 50 basis points at each monetary policy statement. This has lifted the official cash interest rate to 3.5 basis points from 0.50 basis points only 12 months ago. It may not seem like a high-level increase in terms of quantum, but in real terms, the lift has been tenfold, and further lifts are expected.

RBNZ | OCR Announcements

Date	6.10.21	24.11.21	23.2.22	13.4.24	25.5.22	13.7.22	17.8.22	5.10.22
OCR	0.50	0.75	1.00	1.50	2.00	2.50	3.00	3.50

Source: RBNZ.govt.nz

Several large banks have revised their forecast and they now believe there will be further increases of interest rate rises of .5% over the next two monetary statements, which will see the official cash interest rate rise to 4.5%. More recently, there has been an indication from both the ASB and ANZ banks that they believe there could be further interest rate rises in the first quarter of 2023 up to 4.75%.

The following information is taken from the latest Reserve Bank's recent commentary.

In its last monetary policy statement there is still a strong indication that the annual inflation rate of 7.3% needs to come down significantly and one of the key drivers in respect to inflation is the tightening of monetary policy.

The Committee agreed it remains appropriate to continue to tighten monetary conditions at pace to maintain price stability and contribute to maximum sustainable employment. Core consumer price inflation remains too high and labour resources remain scarce.



Source: RBNZ.govt.nz

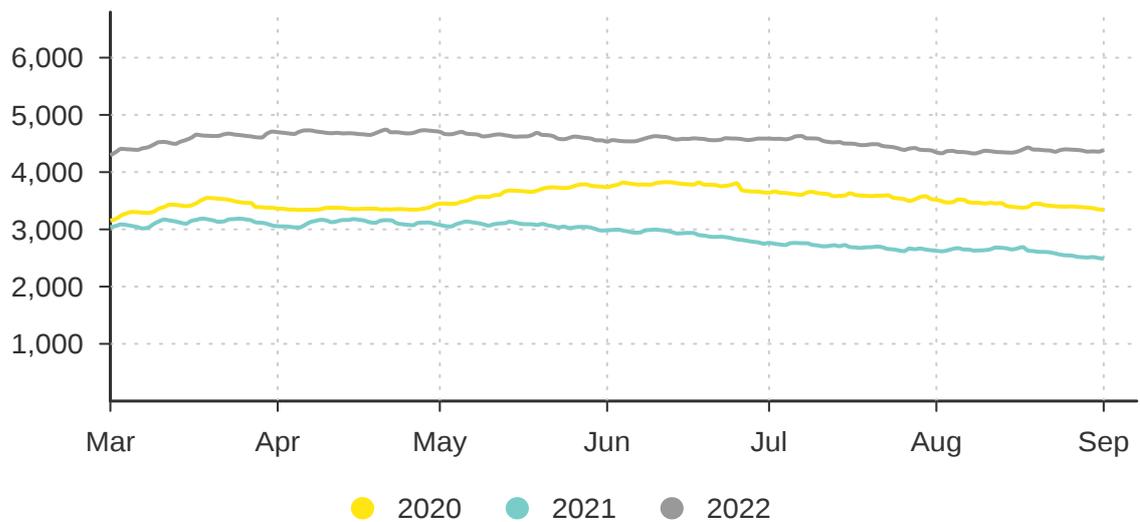
The unemployment rate remains very low at 3.3 per cent. In some respects, this of course is helpful for confidence within the economy, however, from the perspective of labour, this has meant acute shortages across a wide range of industries that continue to point to employment being at its maximum sustainable level.

A very tight labour market is adding to the high consumer price index that is pushing up wages and business needs to continue to attract and compete for staff. However, the growth in wages is still being outpaced by the rising cost of living across New Zealand. Global local supply chain bottlenecks are limiting and slowing down production making goods more expensive and further constraining output. This is all considered by the Reserve Bank in their interest rate announcements.

House prices continue to fall to a more sustainable level and the Reserve Bank believes that there will be further declines in the months to come, however, they have also acknowledged that given the strong employment market that first home buyers are returning to the market to capture more sustainable pricing and are somewhat avoiding the construction of new houses although this still potentially remains at a high level.

The below graph shows the number of properties currently on the market is 4,936, while at the same time last year we had 2,871 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.

Listings OTM



Source: Ray White

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 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 27 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.

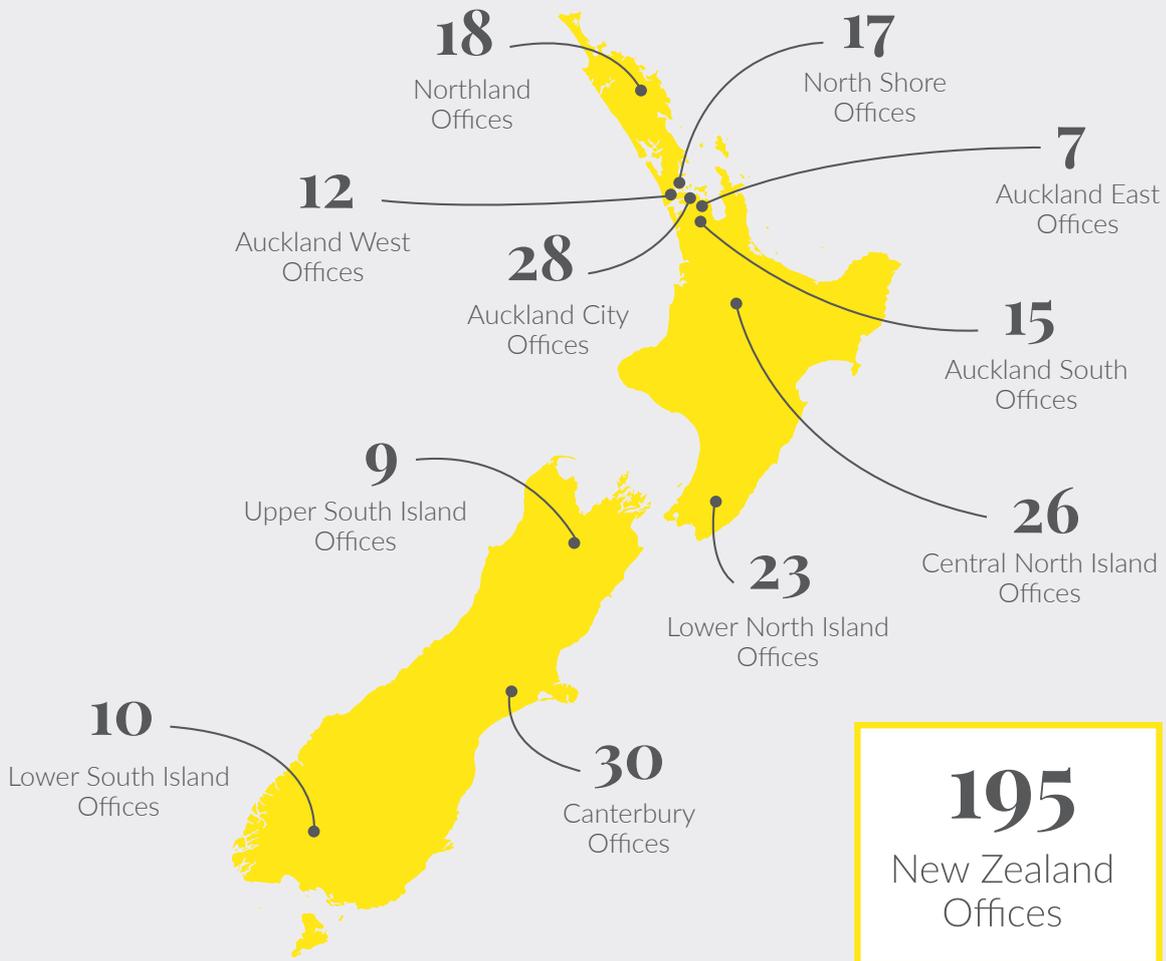
While auctions continue to be the preferred marketing method, it is more difficult to encourage under-the-hammer sales. We believe that auction provides transparency for buyers to transact, whether before the auction, at the auction, or after. While success rates have changed with under-the-hammer results, 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

WE'RE IN YOUR NEIGHBOURHOOD



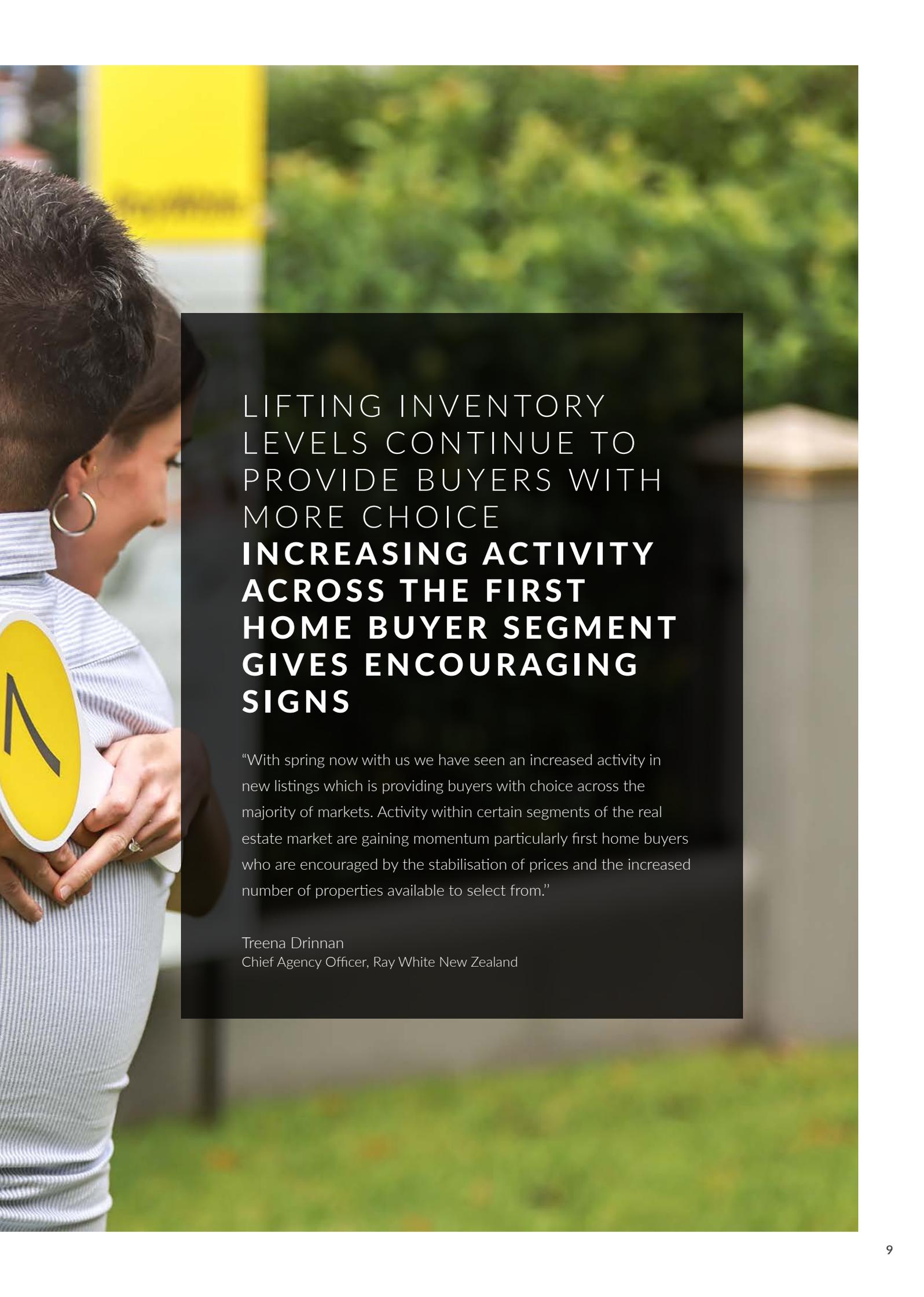
LAST YEAR WE WERE PROUD TO:

- 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 investors manage their property across New Zealand
- list 1 in every 5 auctions across New Zealand

PROUDLY RAY WHITE

Watch this space. New stats coming soon!





LIFTING INVENTORY
LEVELS CONTINUE TO
PROVIDE BUYERS WITH
MORE CHOICE
**INCREASING ACTIVITY
ACROSS THE FIRST
HOME BUYER SEGMENT
GIVES ENCOURAGING
SIGNS**

“With spring now with us we have seen an increased activity in new listings which is providing buyers with choice across the majority of markets. Activity within certain segments of the real estate market are gaining momentum particularly first home buyers who are encouraged by the stabilisation of prices and the increased number of properties available to select from.”

Treena Drinnan
Chief Agency Officer, Ray White New Zealand

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.

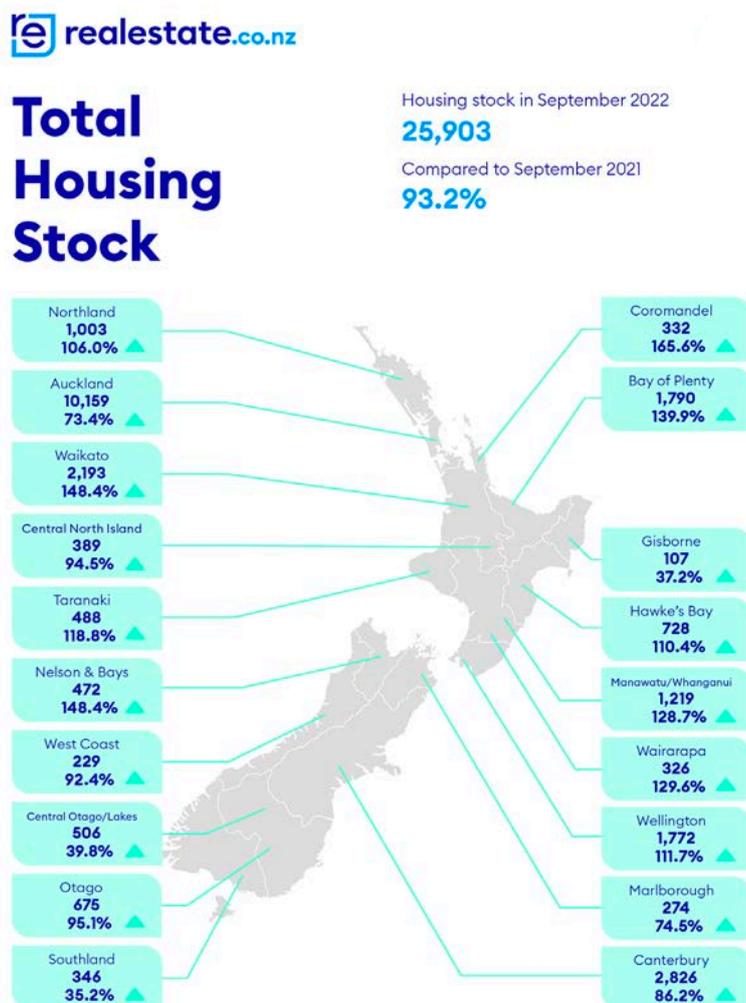
Data provided by realestate.co.nz shows the increase of new property listings has stabilised at approximately 25,903 properties, which is 93.2 per cent ahead of September 2021. In regard to the last three months, there has been a continued lift in new listings, which has seen the total stock available across New Zealand lift by close to 5,000 properties, or just over 25 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.

The Reserve Bank of New Zealand has lifted interest rates in their recent announcement, marking the seventh consecutive rise since October 2021. The next monetary statement and official cash rate review is 23 November 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 7.3 per cent. This is reviewed in the financial stability report published on 2 November 2022.

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.'



Source: realestate.co.nz

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.

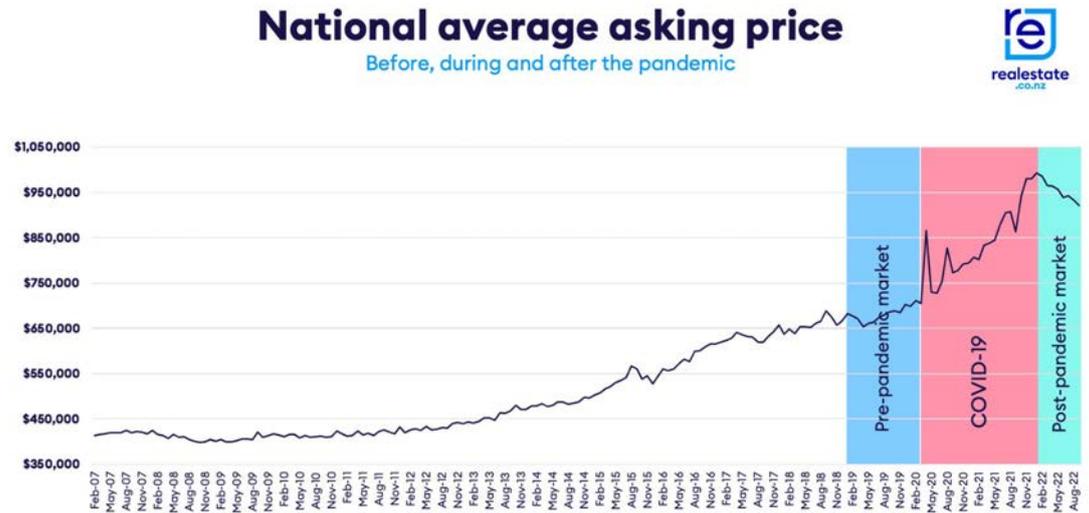
Areas and regions continue to respond differently across New Zealand. While the headline numbers are generally provided on the overall sales, the regions with the highest average increase in asking price were Gisborne, Wanganui and Nelson Bays.

In contrast, the regions with only slight decreases in average asking price were Auckland, Taranaki and the West Coast. 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.

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 are there any key underlying trends

that show any long-term declines linked to mortgage rates or a more relaxed credit environment? What determines rises in house prices, and what determines falls?

Realestate.co.nz provides a real-time graph which from January 2007 has seen prices more than double over that period of time which shows the long-term prospects of holding property continues to be relevant. CoreLogic provided a recent graph which shows a similar cumulative trend of an average increase of 7.5 per cent over an 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: realestate.co.nz

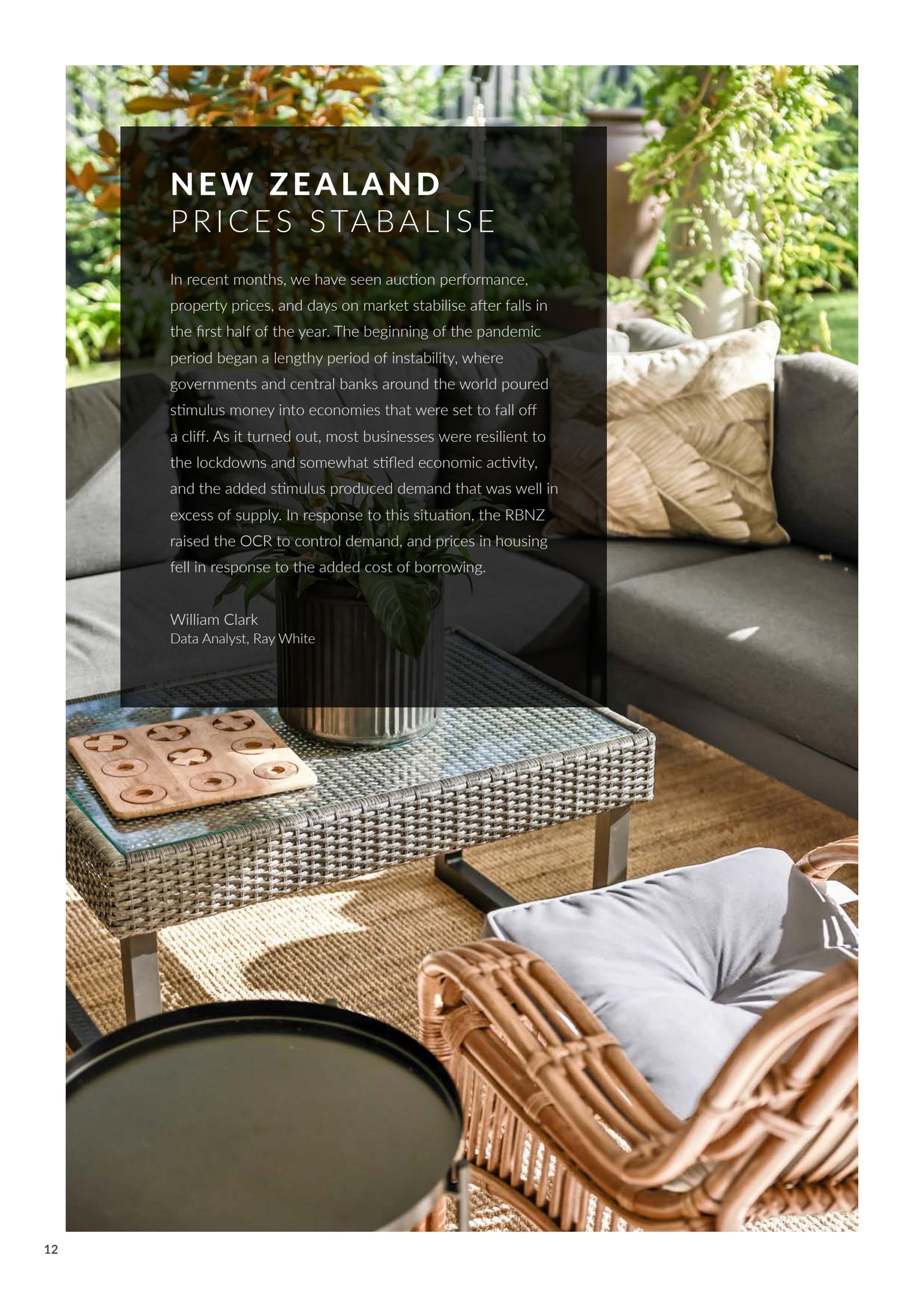
Since 2003, among the main centres, Hamilton has seen the largest increase in average property values, at 330 per cent - followed by Dunedin at 298 per cent, Auckland at 287 per cent, Wellington at 282 per cent, Tauranga at 277 per cent, and Christchurch at 236 per cent. The latter has seen slower growth 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).

The latest QV House Price Index shows that home values have slipped by an average of 2.1% nationwide in the 12 months to the end of September 2022. It's the first annual home value reduction since June 2011, and marks nine straight months of declining home values nationally.

The average home decreased in value by 5.4% nationally over the past three-month period to the end of September, just 0.1% better than the rate of quarterly decline reported at the end of August, with the national average value now sitting at \$956,592. That figure is 9.2% lower than at the start of this calendar year.



Source: qv.co.nz/news

A photograph of an outdoor lounge area. In the foreground, there is a wicker coffee table with a glass top, holding a wooden board game and a vase with green plants. To the right, a grey sofa with a patterned cushion is visible. In the background, there are lush green plants and a wicker chair with a light blue cushion. The scene is brightly lit, suggesting a sunny day.

NEW ZEALAND PRICES STABILISE

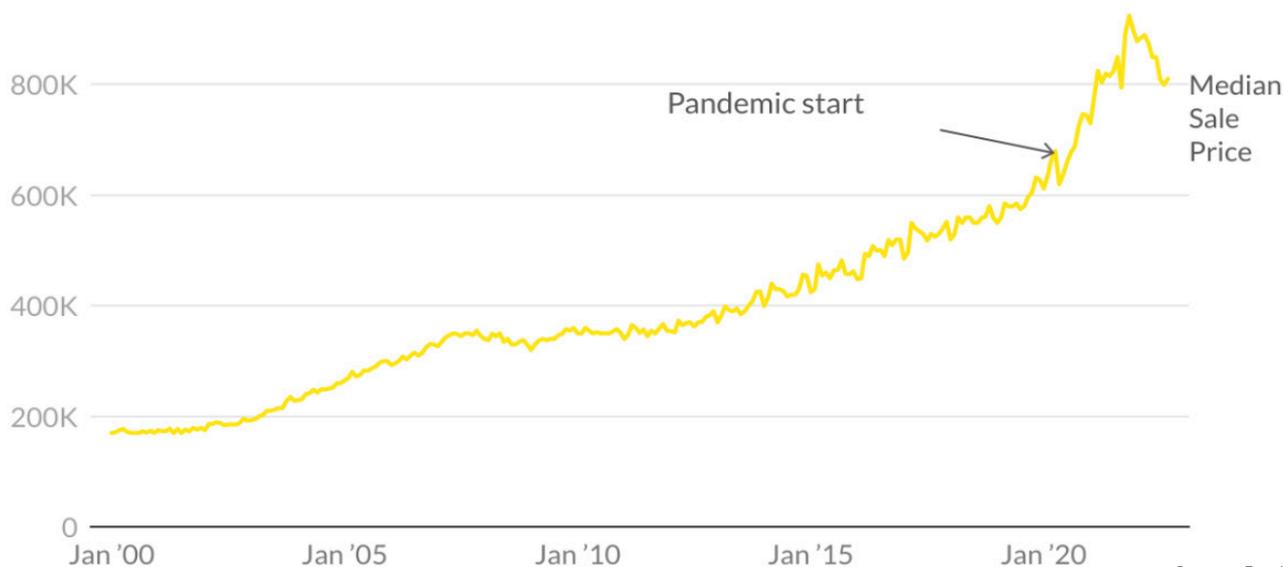
In recent months, we have seen auction performance, property prices, and days on market stabilise after falls in the first half of the year. The beginning of the pandemic period began a lengthy period of instability, where governments and central banks around the world poured stimulus money into economies that were set to fall off a cliff. As it turned out, most businesses were resilient to the lockdowns and somewhat stifled economic activity, and the added stimulus produced demand that was well in excess of supply. In response to this situation, the RBNZ raised the OCR to control demand, and prices in housing fell in response to the added cost of borrowing.

William Clark
Data Analyst, Ray White

At some point, stability will return to housing prices, if it hasn't definitively settled already. The positive news is that prices have refused to crash, even with the unprecedented introduction and removal of stimulus measures.

Price falls have been slower than pandemic price growth

New Zealand median house sale price (\$)



Source: Ray White

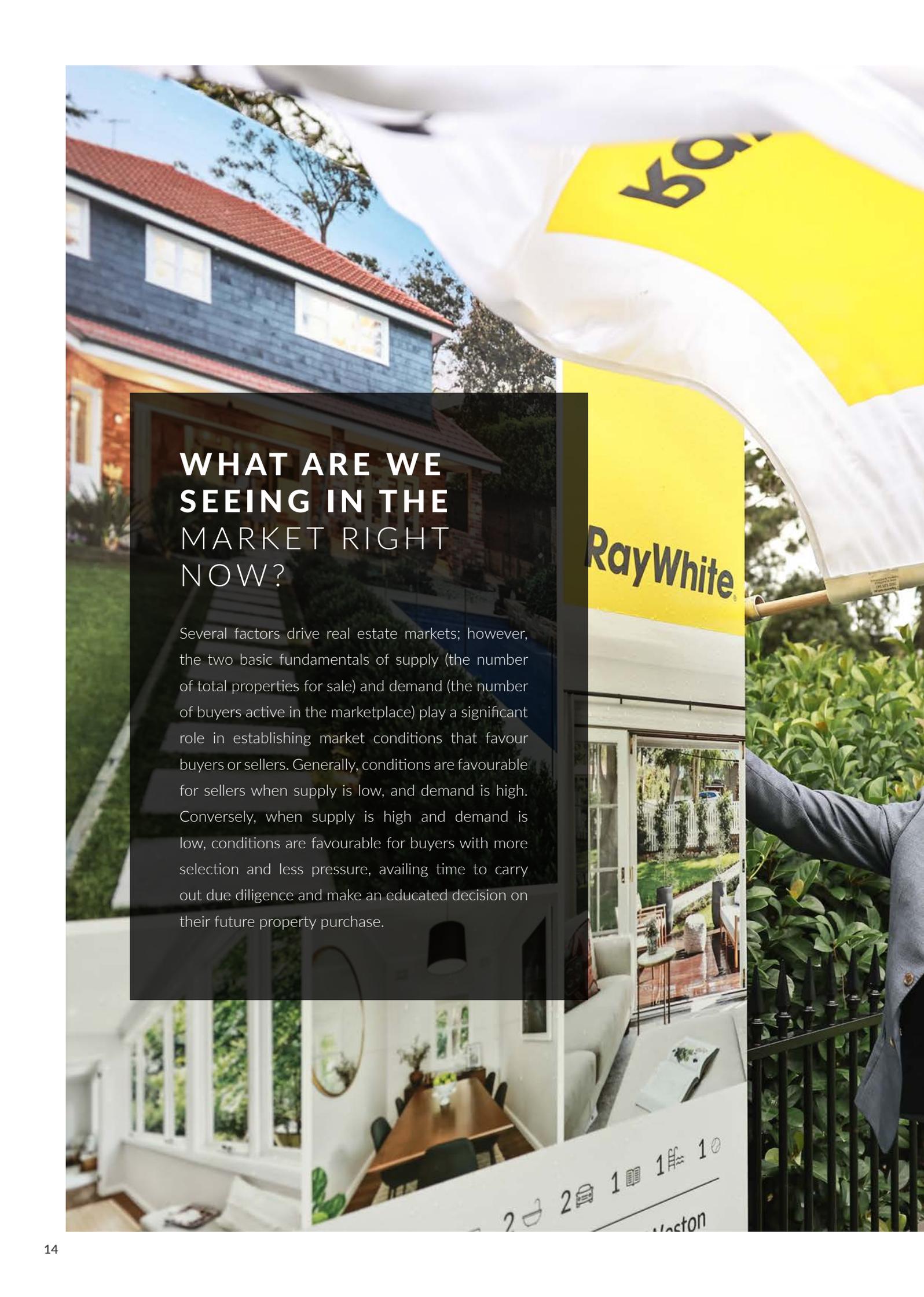
Regionally, we see that the majority of the market has retained positive growth since the start of the pandemic. While Auckland typically makes up more than 40 percent of sales volume, other large markets like Otago and Wellington make up around 15 percent of the market together. All these regions together have ensured the New Zealand median remains well above the pre-pandemic sale price. While most regions prices have fallen from their peak in December 2021, Taranaki and Canterbury appear to be out of step, with positive growth seen in these two regions in the last twelve months. As in Australia, the trend for national sales prices is not reflected in all regions, with opportunities existing in different regions at different stages in the national growth cycle.

Most regions are still above pre-pandemic prices

Median sales prices by region (\$) - Houses - Pre and post-pandemic

Region	Mar-20	Sep-22	Growth
Hawke's Bay Region	\$545,000	\$710,000	30.3%
Otago Region	\$535,000	\$665,000	24.3%
Wellington Region	\$707,000	\$820,000	16.0%
Auckland Region	\$945,000	\$1,045,000	10.6%
Nelson Region	\$600,000	\$699,000	9.7%
Canterbury Region	\$488,000	\$676,000	-2.7%
Taranaki Region	\$425,000	\$630,000	-18.7%

Source: Ray White



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 with more selection and less pressure, availing time to carry out due diligence and make an educated decision on their future property purchase.



SUPPLY

Throughout August, we saw 1,613 'new listings' come onto the market, up year-on-year by 2.4 per cent. This was met by 1,273 sales for September, a decrease of 14.16 per cent. With a total of 4,675 listings on the market in September for buyers to choose from, this is up a significant 67.62 per cent year-on-year.

DEMAND

The initial buyer metric we consider is the number of buyers viewing properties online. Throughout September, we saw 3.994 million views across our Ray White websites, resulting in over 38,810 enquiries which when compared to last month is down 30.47%.

Ray White New Zealand saw 504 properties scheduled to go to auction in September, down 13 per cent when compared to the same period last year. Leading to an all-sold clearance rate of 48.8 per cent with, on average, 2.4 registered bidders and 1.8 active bidders.

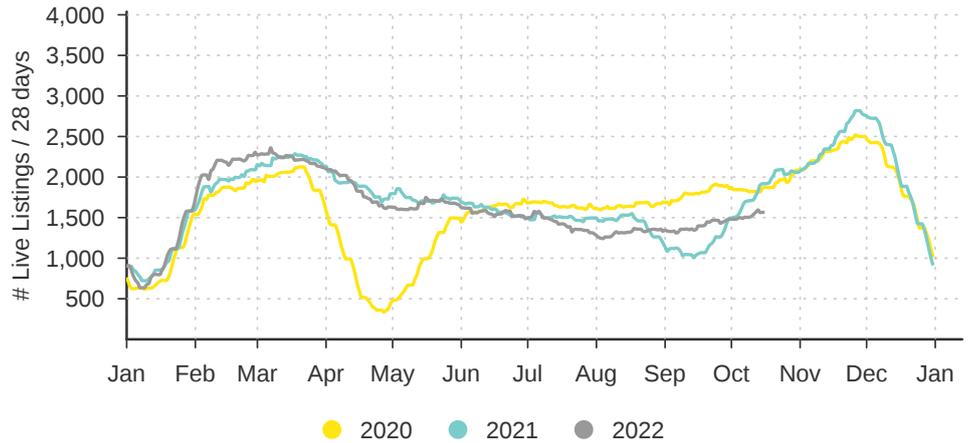
We are seeing quality homes in good locations with multiple bidding registrations and active bidders.

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 good numbers of pre-approvals across the country, with numbers on par with this time last year (refer to page 17).

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

LIVE LISTINGS

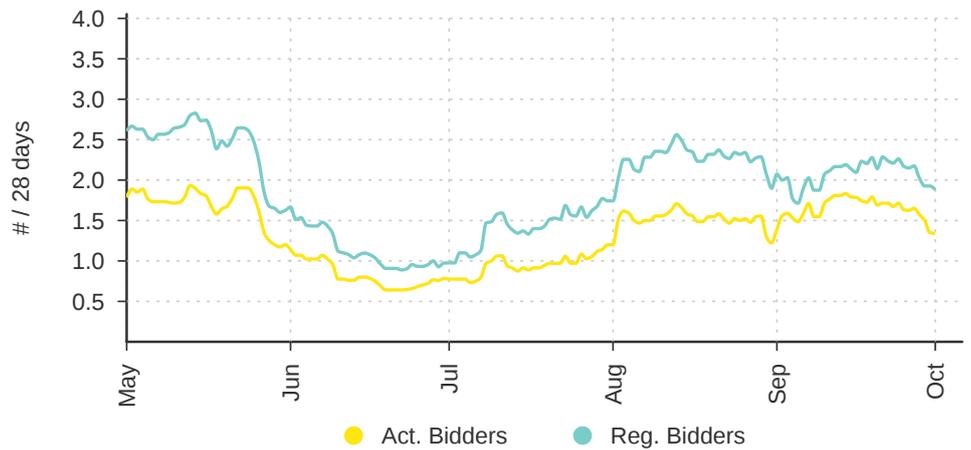
This chart shows the total number of live listings over the 2020, 2021 and 2022 calendar year.



Source: Ray White Online Analytics

BIDDING BY MONTH

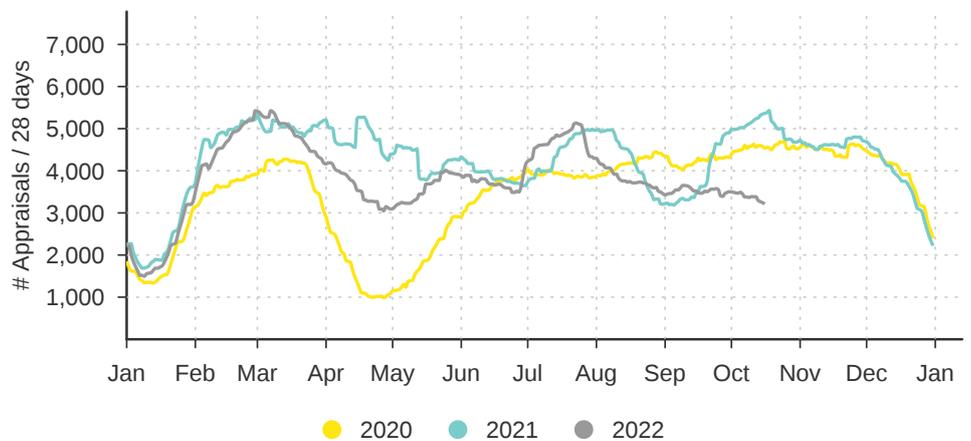
This chart illustrates the average number of registered bidders per auction for the last six months.



Source: Ray White Online Analytics

APPRAISALS

This chart compares the number of appraisals Ray White salespeople have made over the 2020, 2021 and 2022 calendar year.



Source: Ray White Online Analytics

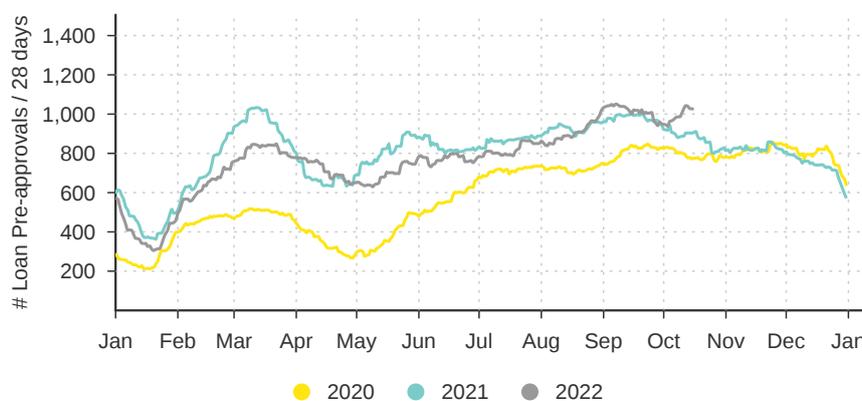
SO WHAT FACTORS CONTRIBUTE TO MARKET SENTIMENT?

Interest rates continue to underpin purchasers' buying power. The OCR currently sits at 3.5 per cent, with the next monetary policy review announcement set for 23 November 2022 with another rise forecast.

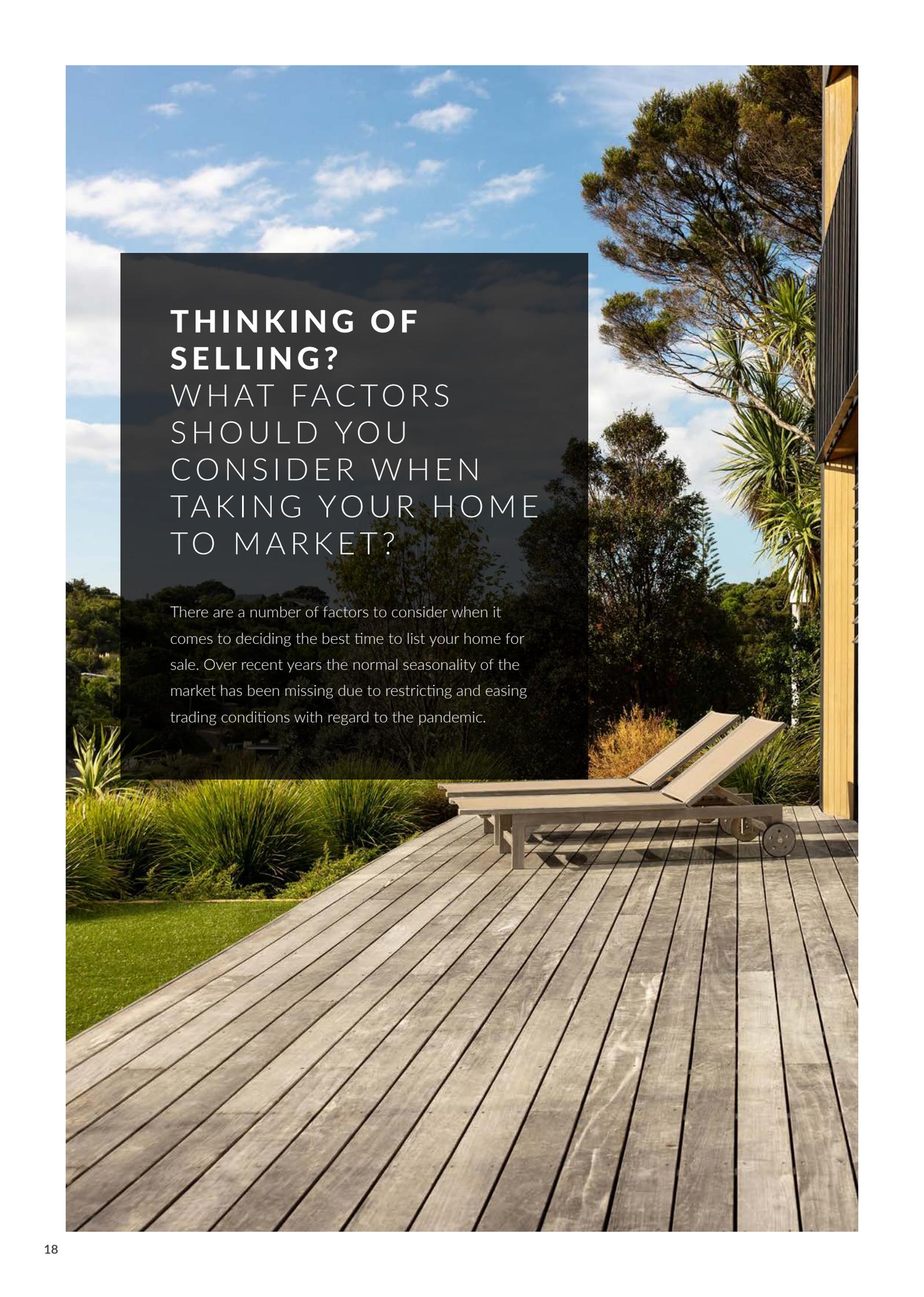
- Interest rates - are a driver of home affordability. Continued rate rises over the next period are expected, with predictions that all mortgage rates could be above 6 per cent over the coming year. This will make rates well over double what they were a year ago.
- Lending environment - a significant 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 - since the national average asking price peaked in January at \$992,659, it has only decreased by 7.2% to \$921,187 in September 2022.
- Housing supply -new listings 'spring' up in September, up nationally 12.0% compared to September 2021 with stock levels more than double in 10 of 19 regions.
- 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.
- Inflation - is currently at a 32 year high of 7.3 per cent. In general, inflation occurs when demand for goods and services in the economy is outpacing supply. This leads to widespread shortages of labour and materials. For example, when lots of people want to build a house, it becomes hard to source materials and construction workers, so building costs increase.

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



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

There are a number of factors to consider when it comes to deciding the best time to list your home for sale. Over recent years the normal seasonality of the market has been missing due to restricting and easing trading conditions with regard to the pandemic.

This has meant that during what would normally be perceived as the quieter months restrictions had eased and high levels of activity occurred. With the pent-up energy on both the supply and demand sides of the transaction there was a willingness and eagerness to bring property to the market as there was equally an appetite to secure it.

More recently conditions have returned to a more typical cycle in which the winter months see less activity in Spring and Summer both see elevated levels of engagement from the market. Now as we progress toward summer there are already reports of elevated inspection numbers at properties, auction participation rates in both registrations and bidding activity increasing as well as a sense of unwillingness to delay purchasing decisions any further.

Coupled with the seasonal peaks and troughs of the market are the overarching influences of: consumer confidence, monetary policy, retail mortgage rates, job security, inflationary pressures, available inventory, rental prices among other factors.

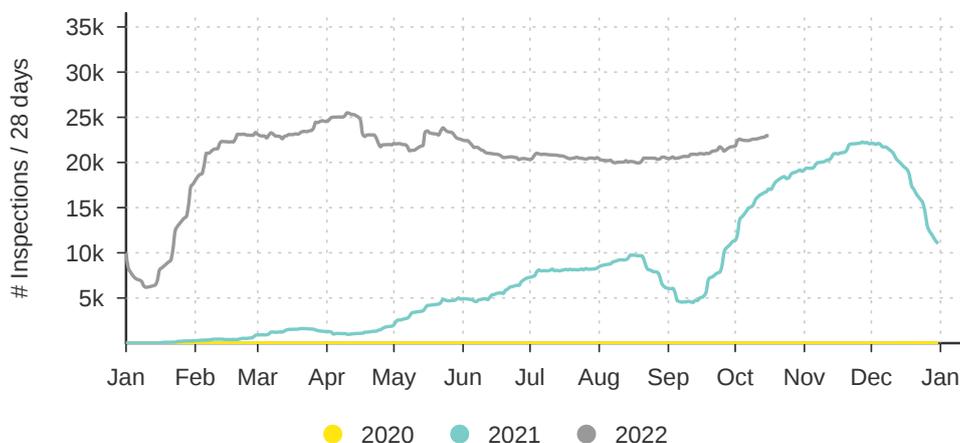
Despite much commentary around both domestic and international pressures on the cost of household goods, in conjunction with a shortage of labour in the workforce and tightening monetary policy this has yet to translate into a significant loss of confidence for consumers. Some observers point to the fact that while we continue to see increases in the official cash rate which has recently seen the OCR rise by another 50 basis points to 3.5% which equals its previous high, these rate rises are yet to reach consumers on a wide scale. It is possible that these pressures will become more restrictive on households over the coming period. Presently the ANZ Bank is forecasting a peak OCR of 4.75% which means that mortgage rates are likely to continue to rise, the next review of the OCR is on 23rd November this year.

Inflation has seen the consumer price index increase 7.3 percent in the June quarter which has been attributed by Statistics New Zealand to housing households due to rising prices of construction and rental housing. It is expected that this too will negatively impact a purchasers ability to borrow

While current conditions may seem less favourable than those that were experienced throughout 2020 and 2021 when it comes to selling your home, some are suggesting that the present market conditions could be more favourable than those in the near future. In a broad sense both buyers and sellers that are currently transacting, are doing so for genuine reasons. This is what is referred to as transactions of necessity. This means as a seller, the purchasers that you encounter, while cognisant of current market conditions are also motivated to transact. What is being reported is that while there may be less overall confidence in positive house price growth over the near-term, purchases are taking a high level of confidence from seeing other buyers wanting to compete to secure the same property.

As the warmer weather is now upon us and daylight hours are longer, property is easier to present and purchasers generally are more willing to spend their weekend looking at property, meaning that open home numbers broadly are starting to rise, albeit gradually. While this doesn't always translate directly to more money for a home, it can provide more clarity or context to the offer that is presented on a property.

It is now more important to engage a marketing strategy that will expose your property to the widest possible audience within a condensed time frame. This allows the concentration of activity, underpinning confidence in the property and creating urgency among interested parties. All of these factors are understood to assist in providing a successful selling outcome, regardless of wider market conditions.



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 September, Ray White New Zealand had 1,613 live listings, up 2.41 per cent on last year, while the number of sales was down 14.02 per cent year on year.

Last month, Ray White New Zealand had 504 properties scheduled to go to auction, leading to an all-sold clearance rate of 48.8 per cent.

AUCTIONS AND EXCLUSIVE LISTINGS

Our approach to the 'method of sale' of your property 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 attracts 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 September, Ray White New Zealand achieved more than \$1,394,579 worth of earned media mentions in print, online, radio and TV, according to iSentia, our media intelligence agency, with a potential reach of 8,556,511 people. That's free publicity for the group and all its members.

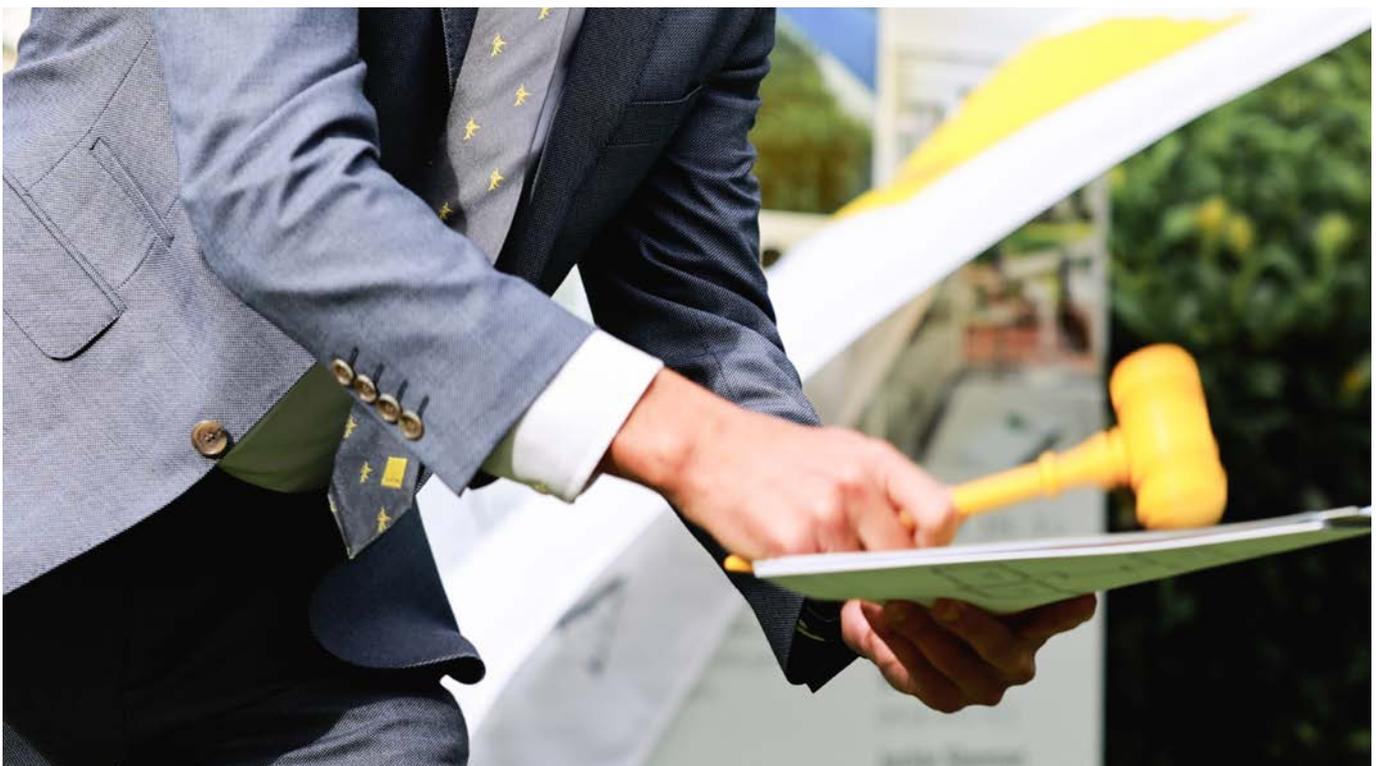
Our experienced in-house journalists can get your property the exposure that money can't buy.

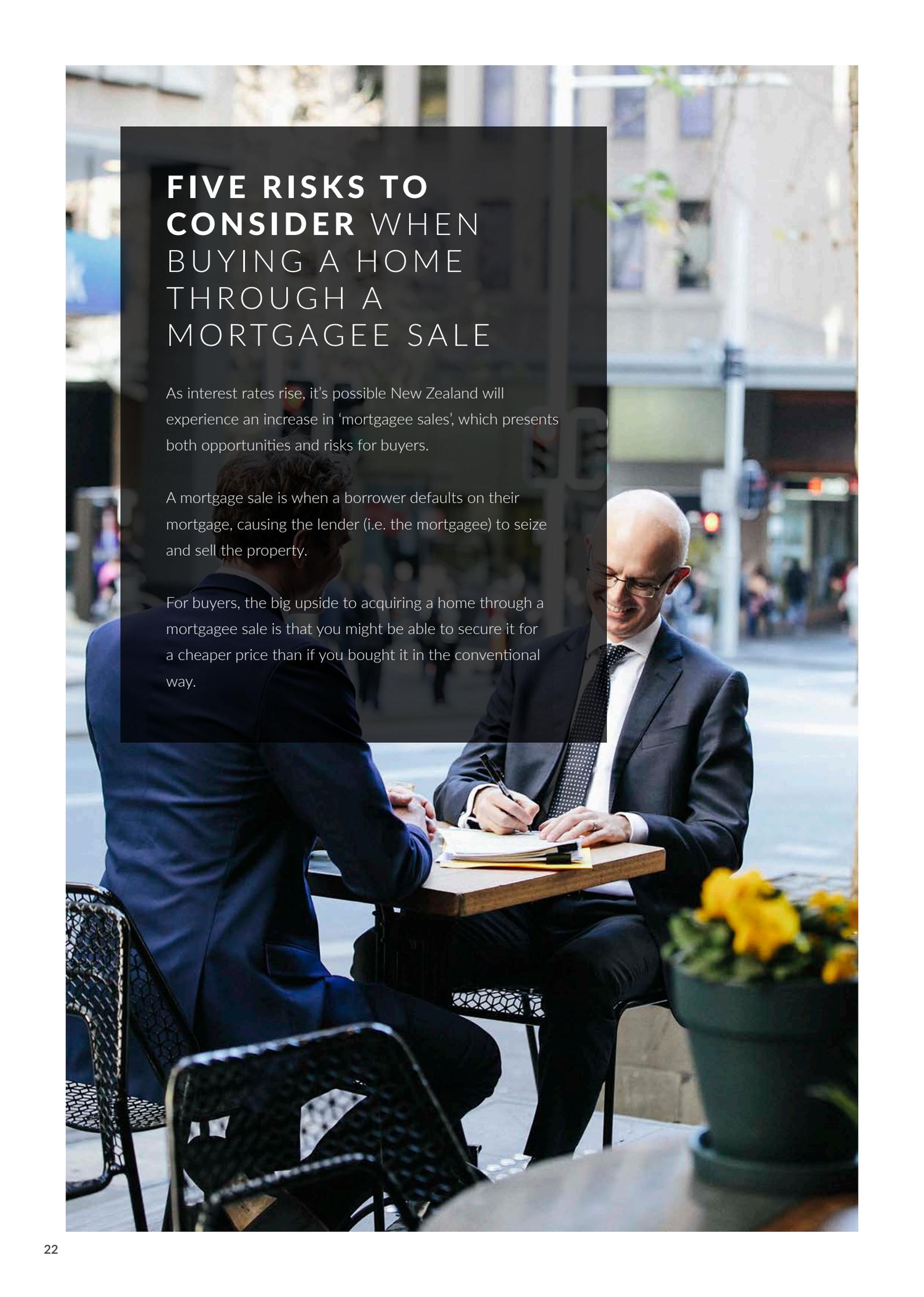
When a home is listed with Ray White, our clients are introduced to the national public relations service; a team that's plugged into the New Zealand media and has the sole focus of achieving more exposure for the properties we sell to the audience that matters most.=

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 two men in dark blue suits sitting at a small wooden table outdoors. The man on the right is bald, wearing glasses, and is smiling while writing in a notebook. The man on the left is seen from the back, looking towards the other man. They are sitting on black metal chairs. In the foreground, there is a potted plant with yellow flowers. The background shows a city street with buildings and a traffic light.

FIVE RISKS TO CONSIDER WHEN BUYING A HOME THROUGH A MORTGAGEE SALE

As interest rates rise, it's possible New Zealand will experience an increase in 'mortgagee sales', which presents both opportunities and risks for buyers.

A mortgage sale is when a borrower defaults on their mortgage, causing the lender (i.e. the mortgagee) to seize and sell the property.

For buyers, the big upside to acquiring a home through a mortgagee sale is that you might be able to secure it for a cheaper price than if you bought it in the conventional way.

But there are also five risks to consider, according to Settled.govt.nz:

1. The home is being sold against the owner's wishes. So the owner might refuse to let you view the property or conduct a building inspection.
2. The owner can repay their mortgage before settlement, and the property can be removed from the market at any time.
3. The lender doesn't have to guarantee the property will be vacant, which means the owner might refuse to leave the home after settlement. If that happens, you will be forced to take steps to evict the owner.
4. The lender doesn't have to guarantee the quality of any chattels (e.g non-permanent items such as fridges, washing machines and ovens) that are part of the sale.
5. The lender doesn't have to provide any warranties or supporting documentation for anything relating to the building, fixtures or fittings.

Buyer beware

Given those risks, Settled.govt.nz advises buyers to proceed with care when it comes to mortgagee sales.

"In a mortgagee sale, sale conditions will be set out in the sale and purchase agreement. The real estate agent should explain how they differ to normal terms and conditions, disclose any known issues with the property to you and recommend that you seek legal advice on the terms of the sale and purchase agreement," according to settled.govt.nz.

"We highly recommend asking your lawyer or conveyancer to review any documents provided to you or that you have obtained (such as a LIM report or record of title) to help you to understand what is in the documents and what it will mean for you. With a mortgagee sale, it is even more important to do your due diligence, seek legal advice and understand the risks associated with the sale."

Whether you want to buy a property through a mortgagee sale or the conventional way, it's important you get a pre-approval before you make an offer. **Contact Loan Market for help.**

Settlements volumes were \$369mill, a 17% drop since the same time last year and the 2nd time in 12 months that settlement volumes have been below \$400mil. This reflects a continued slower market and tight lending restrictions.

The Reserve Bank raised the Official Cash Rate (OCR) from 3.0% to 3.5% as a continued push to curb high inflation, with further increases to come. This has seen overall interest rates slowly edge upward over the past month. However, despite all this, the Banks still remain competitive in negotiating and offering attractive home loan packages, particularly for home buyers with more than 20% deposit.

With the tougher lending landscape, the upside is we are seeing a continued increase in activity with more people seeking personalized advice from a Mortgage Adviser. So that's nearly 6 out of every 10 people preferring to deal with a Mortgage Adviser in arranging their home loan with the bank.

William Laban
Northern Regional Manager
NZSFG





**The best time to start planning
for your tomorrow is *today*.**

We're proud to offer more exposure for less this November with our exclusive marketing offers.

Get in touch with your local Ray White property specialist.

WHY WAIT?

COMPETITION CREATORS

With the summer market nearly upon us, auction results continue their strong surge towards Christmas. September saw an auction success rate of 49 per cent nationally. While down on the dizzying heights of 2021, this is still considerably higher than many offices' private treaty success rates. 353 auctions conducted for the month is 19 per cent higher than last month and a pleasing 26 per cent up on September last year. An average of 2.4 registered bidders per auction sees this number continue to climb each month, showing that despite official cash rate increases and changes to lending, buyers now see the current market as the perfect time to purchase.

Method of sale has become more important than ever, with auctions average days on market sitting at 28, while private treaty was 50.5 days in September. Agents and offices diligently using the auction process are rewarded with fewer days on market and capacity for new business.

SAM STEELE

Ray White New Zealand
Lead Auctioneer

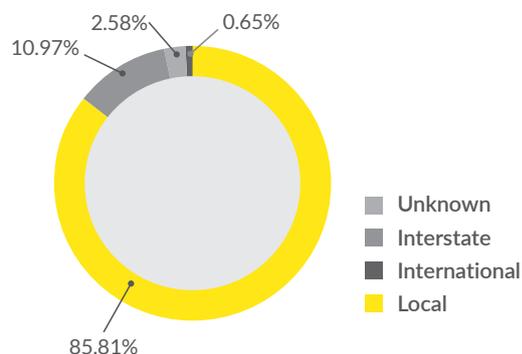


BEN EAST

Ray White New Zealand
Auctioneer



BUYER ORIGIN



RAY WHITE CONDUCTS 1 IN 4 AUCTIONS ACROSS NEW ZEALAND

CLEARANCE VS REGISTERED BIDDERS

		CLEARANCE RATE BY REGISTERED BIDDERS													
	Registered bidders	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	NZ	48.2%	46.2%	57.5%	70.0%	82.4%	83.3%	66.7%	100.0%	87.5%	100.0%	100.0%	75.0%	100.0%	100.0%

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



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.

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



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