



JULY | 2013 | PALMERSTON NORTH

Real Estate with Francie

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Even though the cold has started to set in and we know winter is here, it hasn't stopped people buying houses. There are still a lot of first home buyers taking the opportunity of purchasing at a very realistic level – mostly under \$300,000. The majority are using their Kiwi Saver funds which they qualify to use after three years of saving. All the news of house prices skyrocketing does not apply to Palmerston, but I do think it helps motivate those looking to make a decision and get into the market. In May taking into account the average wage, median house selling price and interest rates, it is estimated it would take 38.2 % of an average income to purchase an average-priced house. That is an improvement from 68.4% when the market was at its height in 2007.

NEW TO TOWN: An American biofirm will be building a multimillion dollar factory near Feilding. Iowa-based Proliant will be building a \$24million factory and it is expected to pump \$90million into the national economy in the next decade. The firm takes by-product from cattle blood and uses it to produce about half of the world's bovine serum albumin (BSA) which is used in pharmaceuticals, vaccines and medical research. Some of Proliant's sister companies could make the move to Feilding in the future. About 30 people would be employed at the factory and the Directors have expressed a desire to hire Massey University graduates.

CONSERVATION: The Department of Conservation restructure will see the number of staff based in Palmerston rise to 34. At present there are 16 staff. Under the restructure DOC's 11 conservancy regions would be streamlined to six. And one of the six director positions nationwide would be based in Palmerston.

STATE HOUSES: There may be a move by Government to transfer housing stock from Housing Corporation to other social housing providers. Local organisations' such as Presbyterian Support, Ngai Tahu and the Salvation Army may be the recipients of a transfer of State homes as a result of the poor performance of the Housing Corporation.

RAILWAY ROAD: Palmerston North's industrial zone is likely to roll further out along Railway Road near the airport. Owners and developers are keen on the extension but city planners want to make sure any industrial developments look good and do not create traffic problems at a major gateway to the city. A 7ha area known as the Railway Road Enclave, which has Setters line and the railway line as its boundaries, is a late inclusion in the council's review of the industrial zone section of the District Plan. The proposed plan change would include rezoning the land from rural to Industrial.

RESIDENTIAL DIRECTION: The council decided last month to go ahead with plans to rezone 55 ha bounded by James Line, Napier Rd, Stoney Creek Rd and the cemetery from rural to residential. Whararonga was chosen ahead of City West at the Awapuni end of the city after liquefaction analysis showed it was the safer choice.

MILSON SHOPPING: The request by Fair Investments to rezone a 3400 m2 block of land on Milson Line from residential to local business zone was upheld at a city council hearing.

The commissioners who approved the rezoning said it was likely to offer a range of services that complemented the existing Milson shopping centre. Potential tenants could include a cafe, florist, beauty therapist and small businesses.

INVESTMENT FOR THE FUTURE: Robertson Holden has purchased the land at 464 Rangitikei St where Smith City trades from at present. The land title also encompasses 470 Rangitikei St and some property backing onto it and the owner Bruce Robertson said the purchase was about having the option to move to the site in the future. The sale would not affect Smith City in the short-term, as they have a current lease on the property.

TATARUA EXPANSION: Fonterra has applied to the District Council and Horizons Regional Council for a 35 year resource consent to build a \$200million plant expansion to its Pahiatua site. The site was chosen for its proximity to good infrastructure such as railways and ports and would benefit the entire district. It should create 45 fulltime jobs as well as some part time positions during the construction stage. The application is being heard by independent commissioners.

THEIR LOSS – OUR GAIN: It is bad news for some other centres but Palmerston will get about 180 new jobs as a result of NZ Post restructuring its mail processing centres. Processing activities will be transferred from Wellington to Palmerston next year. NZ Post has to increase the efficiency of its operation to remain viable as a response to the continuing decline in mail volumes. The number of pieces of mail being processed has fallen by nearly 200million in the past decade.

I hope you all keep warm and have a good month. Please remember me if you have any Real Estate needs, I'm always here to help. Make use of the fridge magnet pad and cross your fingers because the \$1000 lucky ticket will be drawn soon.

Take care

NUMBER OF HOUSES SOLD

STATISTICS FOR JUNE 2013 PALMERSTON NORTH (RESIDENTIAL)

Number of Sales	129
Median Sale Price	\$250,000
Median Government Valuation	\$245,000
Median Number of Days to Sell	38

AVERAGE INTEREST RATES FOR JULY 2013

1 year	4.94%
2 years	5.45%
3 years	5.80%
4 years	6.10%
5 years	6.30%
Floating	5.70%

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24 Farnham Avenue



WEB ID BU29849

Buy one or buy both
Each tenanted at \$275 per week
3 bedrooms
RV \$155,000 each

69a Ferguson Street



WEB ID BU30993

Sunny 3 bedroom townhouse
Middle one of three
Double garage, internal access
Enquires over \$275,000

24 Park Road



WEB ID BU31381

2 bedrooms plus study
Brick 1960's, well built
Rented at \$275 per week
Enquires over \$229,000

217 College Street



WEB ID BU29758

Really tidy character home
3 bedrooms plus study, double garage
Wonderful location
Enquires over \$255,000

2 Nairn Crescent



WEB ID BU31466

Do it up and reap the rewards
Sound, sunny 2 bedroom home
Close to Riverdale shops
Enquires over \$195,000

34a Union Street



WEB ID BU30777

Delightful sunny townhouse
3 bedroom, 3 loo's, double garage
No lawns, just enjoy
Enquires over \$495,000

37a Jickell Street



WEB ID BU13673

Brand new, new building codes
3 bedrooms plus study, double garage
Walk to Lagoon and Esplanade
Enquires over \$630,000

21 Epsom Road



WEB ID BU31284

4 bedroom, 1960's home
Zoned for PNBH and PNGH
Double garage, 695m2 section
RV \$340,000

74 Rangiora Avenue



WEB ID BU31106

2 bedroom ex state house, sunny
Tenanted at \$190,00 per week
489m2 section
Enquires over \$155,000