



JANUARY | 2014 | PALMERSTON NORTH

Real Estate with Francie

Francie Schwass AREINZ

Office 06 354 2751

Mobile 027 493 3559

Gosh! Here we go again - already 2014! It does make you wonder where the holidays went. I hope you have had a good Christmas and have settled back into work. The Real Estate market has been relatively quiet with a fair amount of inquiry but not a great deal of action. The number of listings for sale is lower than usual for this time of year. I'm not sure why but perhaps we all spent too much over Christmas.

Nonetheless there is a lot happening in Palmerston North.

RSA BUILDING: The RSA building at 200 Broadway was purchased at Auction by local company Vining Group for \$1million. The RSA had gone into liquidation owing creditors \$2.5million. The development company have bought the 2100m2 building to turn it into a 'multiple retail outlet' including a warehouse. There are no specific deadlines for development.

BROADWAY AVENUE: An Investment Group has purchased the remaining assets of Valour Ideal, now in liquidation. The new owners have a five-year plan to bring shops and eateries back into the area. Plans include:

- Rebuilding earthquake prone buildings
- The King Street retail area from Westpac to the Regent to become a Car Park zone
- Condensing shop frontages on Broadway and King Street to a maximum total of 50 meters
- Conversion and construction of offices and quasi-residential accommodation to attract foot traffic back to the area
- More walk-throughs between Broadway and King Street and use the pull of the Regent Theatre to create a more night time atmosphere.

The PNCC are making changes to the district plan aimed at strengthening the role of the central city and improving standards of amenity with stricter design rules. The side of the Square from the Plaza to Broadway is due for a \$2m makeover in 2016.

HIGHFLYERS: The building on the corner of the Square and Main Street that used to house Highflyers is having earthquake strengthening work undertaken so it can reopen as the fine dining restaurant Dejeuner along with five other food outlets including Jesters Pies and Columbia Coffee. The City Council had planned to have a Main Street terminal in the parking area adjoining the old Highflyers building with facilities extending into the building, but development plans for Highflyers have not progressed sufficiently and council staff are exploring options including alternative sites.

TRIBAL LANDLORD LOOKING FOR PARTNERS; Ngati Apa recently bought the retail shopping complex in Rangitikei Street which is tenanted by Dick Smith Electronics, Harvey Normans and Uncle Bills. They are now looking for investment from other tribes to share in the benefits and risks of the investment.

NEW RETIREMENT VILLAGE PLANNED: The bare land at 243-253 Napier Road has been purchased by Bupa Care Services who intend to build a retirement village capable of servicing the wider Manawatu region. Resource consent has been applied for to build the village on land which was rezoned from Rural to Industrial in 2007.

HOKOWHITU CAMPUS: Massey University's Hokowhitu Campus is likely to be up for sale this year, with expressions of interest to being sought. Massey is looking for money to invest in the \$57m redevelopment of its Turitea campus. The college of teaching moved to Turitea from Hokowhitu in February 2013. Existing leases to Te Wananga, Tu Toa, NZ Defence and Massey could not be guaranteed to remain after the expiration of the five years remaining of the six year leases.

CENSUS: Palmerston has shown a 3% increase in population since 2006. We now have 80,079 people. Kelvin Grove was the largest increase with 1900, with Milson, Aokautere and Turitea all showing increases in the high 200's.

A BETTER YEAR AHEAD: The Manawatu building industry is feeling more confident about the number of new homes to be built this year. They stated that people are no longer scared of losing jobs, the biggest threat to those looking to invest in property. Last year builders had a month's work ahead of them. This year they have five months work.

And yes, I do need more listings. I would love to hear from you or anyone you know who would like to sell their home. I love to be busy and keep everyone happy in the process. All the best for the coming year. I'm sure it will be a good one.

Take care

Francie

Email: francie@propertybrokers.co.nz

Property Brokers Limited MREINZ 236 Broadway Avenue Palmerston North

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Number of houses sold

Statistics For Dec 2013 Palmerston North (Residential)

Number of Sales	75
Median Sale Price	\$283,000
Median Government Valuation	\$250,000
Median Number of Days to Sell	35

Average Interest rates For Feb 2014

1 year	5.29%
2 years	5.85%
3 years	6.25%
4 years	6.80%
5 years	7.70%
Floating	5.64%

