



March | 2014 | PALMERSTON NORTH

Real Estate with Francie

Francie Schwass AREINZ
Office 06 354 2751
Mobile 027 493 3559

It's an unusual market at the moment with a lot of uncertainty from buyers. A house can be on the market for several weeks and all of a sudden it is recognised as good buying and there will be multiple offers on it. It's as if buyers need someone else to like the house first before they have the confidence to submit an offer. There are some excellent homes for sale at present particularly investment properties. So it is a good time to buy.

GROWING POPULATION: All is not as wonderful as before in Australia and it's showing in the figures. Just 1396 people left our region in December, the lowest since 2011. Another 1517 arrived here with the intent to stay long-term, continuing the 3 month run of positive net migration for the region. Projects like Fonterra's expansion in Pahiatua are encouraging people to stay. Total net international migration from October to the end of 2013 has increased Palmerston North's population by 495 people.

LAND SALE: On March 14 a company owned by the Higgins Group takes over the property at 834 Napier Road between Te Matai Rd and Raukawa Rd. Other companies in the Higgins Group own the adjoining land to the east and the land bordering the farm on Te Matai Rd. A piece of the Raukawa Rd to Te Matai Rd section will be earmarked for the shared cycle and pedestrian pathway.

MORE PARKS: The size of Palmerston North's Waitoetoe Park has just doubled, with the Council confirming the purchase of a 10.6 hectare block. The area is popular with walkers and cyclists and the purchase will ensure the area remains open to the public and improve access to the Manawatu River.

MAIL CENTRE: Palmerston North could get two Manawatu Mail Centres as NZ Post looks to expand operations in the city to accommodate 180 extra staff. The current site at 9 Mathews Ave is on the market, with NZ Post to start a 6 year lease once it is sold ensuring they will stay at the site in some capacity.

PROLIANT FACTORY: Construction of the \$24 million Proliant factory on Feilding's Kawakawa Road could begin as soon as April. The building process for the United States owned pharmaceutical factory is expected to take a year. Humphries Construction have been awarded the contract to build the factory. The plant will create between 25 and 30 new jobs and will inject a forecast \$90m into the NZ economy over the next decade. The factory will use cattle blood plasma to produce bovine serum albumin (BSA) which is used in pharmaceuticals, blood testing, vaccines and in medical research.

LANDLORDS TO BE BUSINESS OWNERS: Landlords with mortgages on five or more houses will soon officially be classed as 'small business owners'. The new rules introduced by the Reserve Bank come into effect on June 30 this year. Commercial borrowing is usually more expensive than retail, as banks have to hold significantly more capital against the loans. However submissions to the Reserve Bank suggest investors will split their holdings between different banks to avoid being classified as commercial borrowers. It is possible that the new rules will end up having little or no effect.

AOKAUTERE LAND: The development of a 64-lot residential area off Aokautere Drive has been delayed until next summer as the owner and the city council discuss conditions imposed on the subdivision consent. The council added 50 conditions to the consent and the owner is objecting to 30 of them. The land has been zoned residential for 18 years.

URBAN GROWTH: The council has supported a request to seek more information about the costs of development to the west of the city. This was the preferred direction for urban growth prior to the Christchurch earthquakes. Council then changed their minds due to liquefaction worries preferring growth to happen at Whakaranga.

RENTAL DISPUTES: Rental disputes before the Tenancy Tribunal will be rushed through under a new 'Fast-track' process. 'Fast-track' would cut the time taken to process most disputes from 12 days to 2 by removing the need for mediation when landlords and former tenants could reach agreement. The new process starts next month.

We are well into the year now and summer is still here which is great. So if you need any help at all with your real estate needs I'm definitely here. Love hearing from you so keep the ticket on the fridge and good luck. And enjoy a coffee.

Take care

Francie



Email: francie@propertybrokers.co.nz

Property Brokers Limited MREINZ 236 Broadway Avenue Palmerston North

Property Brokers Limited
Licensed under the Real Estate Agents Act 2008

Number of houses sold

Statistics For Feb 2014 Palmerston North (Residential)

Number of Sales	83
Median Sale Price	\$285,000
Median Government Valuation	\$270,000
Median Number of Days to Sell	34

Average Interest rates For March 2014

1 year	5.39%
2 years	5.85%
3 years	6.25%
4 years	6.85%
5 years	7.10%
Floating	5.64%