



MARCH | 2015 | PALMERSTON NORTH

# Real Estate with Francie

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It's a new \$1000 Lucky Ticket draw so I thought I would write a newsletter to go with it. You could pop the ticket on your fridge and hopefully win some money. The last one was won by Warren Brown, a happy man. The market has been very erratic with some houses being zapped up really quickly with multiple offers and others just sitting and no one showing any interest. They all do sell in the end and it is a wonderful time to purchase. Now to some news...

**NEW CYCLE TRACK.** The Palmerston to Longburn cycle track has received a \$600,000 boost from the Government's Urban Cycleways programme and National Land Transport Fund, and is now on track to be built by the end of June. The path will run along the northern side of State Highway 56 from Works Road in Longburn to link with the existing road bridge to complete the connection.

**PROJECTED GROWTH.** Statistics NZ has released its latest population projections using census data from 2013 to estimate the population growth in Territorial Authorities to 2043. Palmerston North could grow by as much as 1% due to the growth of employment opportunities in the city. Our new Mayor has added his voice to the expectation of growth with our defence force, logistics, Provida Foods warehouse and the opening of the new inland port at Longburn. Under the highest estimate for Palmerston North we would have a population of 100,000 between 2028 and 2033 and would have 111,800 residents by 2043.

**NEW DISTRIBUTION CENTRE.** Brian Green Property Group is set to invest more than \$15million into another distribution centre. It will create a warehouse in Railway Road which will serve as a logistics hub and head office for DKSH, an international company that distributes grocery and confectionary items around the country. Its brands include Chuppa Chups, Kinder Surprise and Tic Tac. The 11,200 m2 building is expected to be completed by October this year. The company already has 102 employees in Palmerston North.

**EL PRADO DRIVE.** Provida, another food transport company, has opened its new 3000 m<sup>2</sup> cool store in El Prado Drive. It supplies to food service outlets – restaurants, takeaway bars and caterers- and provides a refrigerated freight service for several major food manufacturers into supermarkets, distributors and food outlets. The PN site has 20 people working here and would grow to 50 in the future.

**FOCUS ON IN-FILL LAND.** In response to the Government's focus on housing affordability and freeing up land for development the City Council is writing to landowners, developers and their agents to find out whether they have land lying idle that could help meet demand for infill housing. The City Council itself, MidCentral Health, Massey University, UCOL and government departments were included on the mailing list. The recent rezoning of land at Whakarongo for the city's next suburb means there is ample land available for greenfields development for the next 15 years. But there is still a demand for infill housing from people who want to live in established urban areas close to the central city.

**DISTRICT PLAN.** Submissions have just closed for the PN City Councils proposed alterations to the District Plan. The plan change affects the planning rules for the rural zone, the boundary change area that transferred into the city from Manawatu District, the airport zone, flood-prone areas, wind farms, the north-east and Longburn industrial areas. One of the most significant changes was the proposal to increase the minimum lot size for productive land from 4ha to 20ha, although 4ha blocks without a house would be allowed in flood-prone areas, to allow intensive horticulture units. Also included is a provision for a new 33ha industrial extension on the city side of Longburn, called the Braeburn Industrial area. It would be ear-marked for dairy-related uses.

**HOMESTART GRANT.** From 1 April this year there will be changes to the existing Kiwisaver subsidy. The new 'Kiwisaver HomeStart grant' will be introduced. This grant will provide eligible first home buyers with a grant of up to \$10,000 for individuals and \$20,000 for couples to help with the costs of building or purchasing a brand new home. It will also provide eligible first home buyers a grant of up to \$5,000 for individuals and up to \$10,000 for couples to put towards a deposit for an existing home.

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**GREAT MORTGAGES.** A number of banks are offering cash incentives and introducing new long-term fixed-rate mortgages. A new 10 year fixed-rate home loan has been announced by TSB. BNZ are offering a 7 year fixed-rate. Definitely making it a very good time to get into the property market in Palmerston North. It is amazing that you can still purchase a three bedroom home with garage on a full section under \$200,000.

Good luck with your ticket and I hope you get a chance to use your Robert Harris coffee card. Thank you for all the referrals you send to me. They are really appreciated and I promise to always do my best to make the sale of a home or investment property a nice experience.

Take care

Francie

## Number of houses sold

### Statistics for January 2015

#### Palmerston North (Residential)

Number of Sales	76
Median Sale Price	\$293,500
Median Government Valuation	\$280,000
Median Number of Days to Sell	42

## Average Interest rates for March 2015

1 year	5.39%
2 years	5.19%
3 years	5.49%
4 years	5.89%
5 years	5.75%
Floating	6.59%

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