

# Newsletter

Harcourts Team Group

Team Group Realty Limited Licensed Agent REAA 2008



## Should you sell first or buy first?

When you're looking for a new home, one of the first things you need to consider is the order of events – do you sell your existing property before you buy, or after? Here are some factors to consider before taking the plunge.

### Buyer's market or seller's market?

When buyers are plentiful, but properties aren't, homes generally sell quickly. In a seller's market, there is less risk associated with buying first and then selling your existing home. However, sellers in this kind of market may be less likely to accept an offer that is conditional upon you selling your home, so you could end up owning two properties for a period of time. The average time it takes to sell a property varies from region to region and from month to month, so it's important to talk to your sales consultant to get advice about current market conditions, recent comparable sales in your area and the possible demand for your property before making a decision to buy first. Keep in mind also that in a seller's market there will be more competition, so you can expect to pay top dollar your new home. The good news is that you'll have the peace of mind that comes from finding the right house to buy before selling yours.

### Do you know how much you can spend on your next property?

Until you sell your property, you may not know exactly how much you'll have to spend on your next one. In a buoyant market, you could easily have unrealistic

expectations when it comes to the value of your own property. Your sales consultant can help you get a realistic picture of your property value by preparing a comparative market analysis of what similar properties have sold for in your area in recent times. capacity and lending options.

### Are you a cash buyer?

If you choose to sell first, you will instantly become a cash buyer and be in a much stronger position to buy as soon as you find what you want. Do your homework on the market and area that you are looking to buy in so you're ready to buy when the right property comes up.

### Have you found your dream home?

Buying a new home is an emotional decision. If you want to follow your heart and buy that dream home before selling your current home, make sure you're well informed. A good sales consultant will provide quality advice for your unique situation. If you are looking for a very specific type of property and it becomes available, it could be a good move to snap it up even if you haven't sold your home, but there's no downside in getting expert advice before you do.

### Are property prices going up?

If you're in a rising market, it could make sense to buy your new home first and negotiate a longer settlement. Your current property could potentially rise in value during the settlement period, allowing you to earn more when you sell it.

### Are property prices falling?

Falling property prices can work in your favour as well if you can attract an interested buyer before prices drop further, leaving you free to purchase your new property at the lower end of the market cycle. However, falling property prices are also an indication of a slower market so it could take you longer to sell your existing property.

At the end of the day, your best course of action is to work with a real estate professional who can provide you with the local knowledge and insights you need to make an informed decision for your specific circumstances.

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<https://content.harcourts.co.nz/blog/property-focus-september-2019>

## Interest Rates

Lender	Flt.	1yr	2yr	3yr	5yr
Kiwibank	5.15	4.20	4.30	4.64	4.84
Kiwibank Special	-	3.45	3.55	3.89	4.09
ASB Bank	5.20	3.89	4.05	4.39	4.79
BNZ – Std, FlyBuys	5.30	4.20	4.30	4.55	4.79
BNZ – Spec Classic	-	3.49	3.55	3.69	3.89
ANZ	5.19	3.95	4.15	4.49	4.85

As of 11/03/20

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## Wellington Property Statistics

Source: New Zealand Property Report - February 2020

Property Asking Price  
**\$682,671**  
Down 3.5%

New Listings  
**802**  
Down 9.5%

Housing Stock  
**967**  
Down 19.9%

Inventory of Listings  
**12 weeks**  
LTA: 16

Real-time data from realestate.co.nz shows that New Zealand is still facing a serious stock shortage, with 22.3% less total homes available for sale last month when compared to February 2019. Healthy asking prices and all-time highs in five regions are likely being driven by this stock shortage and Vanessa Taylor, spokesperson for realestate.co.nz, suggests that it might be time that Kiwis looked at alternatives to the quarter-acre dream with our ever changing 'lock up and leave' lifestyles. There is certainly hope for buyers in some parts of New Zealand, however. Vendors were active last month with 12 of 19 regions seeing an increase in new listings coming onto the market compared to the same month in 2019. This is despite new listings being flat nationally.

realestate.co.nz



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