

Join us in celebrating our 60th year



You could win one of two **GRAND PRIZES** of a spectacular **DIAMOND RING** worth \$30,000 (or \$25,000 cash) simply by selling or buying with Lugton's

Newsletter Autumn 2015 - 1010 Victoria Street - Ph: 838 3800 - Fax: 838 2765 - Email: admin@lugtons.co.nz

Hamilton's Residential Market

The Hamilton Residential market has continued to gain pace and heat after a fast start to the year. March showed an eight year high in terms of sales numbers with 329 for the month. April was solid at 296, despite the traditional hand brake of school holidays, and May has started frenetically. The major constraint on sales volumes moving forward will be the lack of available homes for sale. The numbers of dwellings available (shown by realestate.co.nz) is down to an extremely low level around the 700 mark. This is just over two months supply on current sales volumes which definitely signals a strong sellers market. Dominant sellers markets are characterised by intense buyer competition for many properties and reduced days on market. Lugton's salespeople have definitely observed these realities out in the market. Listings coming on to the market have noticeably slowed as we move into Autumn so that imbalance between supply and demand doesn't look like abating anytime soon.

The median sale price for Hamilton City is finally starting to move up with a 7% jump to \$375,000 from March to April. The increased competition for homes that, is becoming more prevalent, will place even greater upward pressure on prices so expect to see the median sale price crack the \$400,000 mark for the first time in Hamilton's history, sometime in 2015.

Now is a great time to buy and get on the property ladder as the capital gain prospects for the next 12 months look very promising. Conditions are also helped by low mortgage interest rates available and the imminent easing of the LVR restrictions outside of Auckland.

Auctions continue to be a popular method of selling and Lugton's auction rooms have seen some frenzied bidding and some surprising results achieved over the past quarter.

Reserve Bank LVR Changes Announced 13th May

The very recent announcement could have a marked effect on the Hamilton market in late 2015 and into 2016. In response to the growing housing market risk in Auckland the policy changes to take effect from 1 October are:

- Residential property investors buying in the Auckland Council area can only borrow 70% of the price (down from 80% currently)
- Outside of Auckland the 10% threshold of Low Equity loan availability will increase to 15%

Numerous property commentators have expressed that the new Reserve Bank measures will do little to curb rampant price rises in Auckland, with a commonly held belief they are too little too late. However some provincial markets, most noticeably Hamilton with its handy proximity, will undoubtedly experience far higher scrutiny from some Auckland investors. This will be in addition to the current high levels of Aucklanders already purchasing Waikato real estate, so further fuelling demand. This will place even greater upward pressure on Hamilton prices and potentially hamper local first home buyers who may have to compete with a wave of out of town investors.

Central Office

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Licensed Real Estate Agents

Lugton's Diamond Celebration In 2015

To celebrate our 60th birthday Lugton's are having 10 monthly prize draws throughout 2015 with TWO Grand Prizes of a Diamond Ring worth \$30,000 (or 2 x \$25,000 cash).

We have already drawn and announced three lucky monthly winners (one buyer and two sellers who sold using Lugton's) who now have a one in five chance to win the first major prize. They will be joined by our May and June winners to go in our Grand Prize Draw in July.

You could join them in this draw by simply listing exclusively and selling with Lugton's or purchasing a property through us. Talk to one of our Sales Consultants to see how easy it is to win or check out lugtons.co.nz for more information and the conditions of entry.



A 60th birthday photo of the Lugton's team at Lake Rotoroa

Lugton's Wins At Australasian Real Estate Awards

The Lugton's Team were finalists in four categories at the 2015 ARERA's held in Melbourne in February and WON THEM ALL!!! The awards were presented by renowned real estate coach, Michael Sheargold in front of leading real estate professionals.

Lugton's won the top NZ Agency Award for the fourth consecutive year - an achievement we are incredibly proud of.

 [New Listings](#)  [Open Homes](#)  [Rental Properties](#)  [Daily Updates](#)

CELEBRATING **60 YEARS** www.lugtons.co.nz