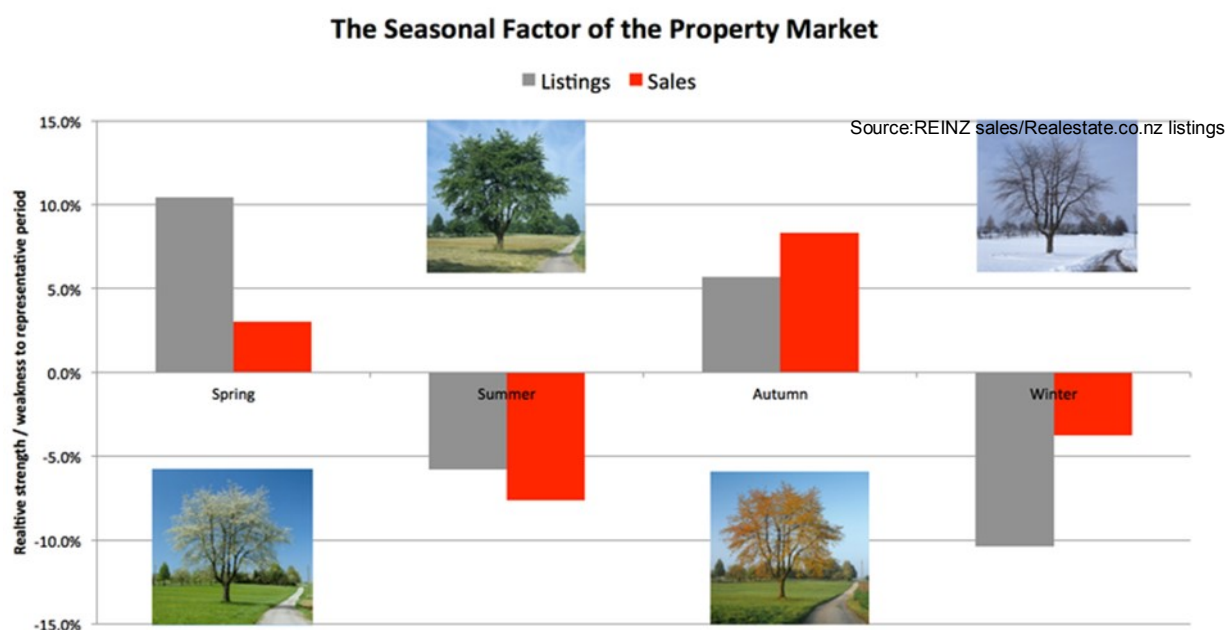


## When is it best to buy or sell?



From a buyer perspective the best time of the year is Spring as the proportional level of new listings is much higher than the proportional increase in sales as there is generally a better selection of properties on the market and less competitive pressure.

For sellers the best season is the Winter when new listings are over 10% lower than normal but sales only decline by around 4%. Equally the Autumn period is relatively good as the rate of sales increase compared to normal is higher than the rate of listings increase. It is the most active time of the year for the industry.

The Summer period is challenging for both buyers and sellers, relative sales levels are well below what would be for a normal 3 month period but listings are quite closely aligned with a similar level of drop off.

It certainly pays to think before making the decision of when to sell and when to buy. Naturally the decision of when you want to move house is more often influenced by external factors which means you don't have a choice but if you do, then choose wisely.

(taken from Properazzi)

## Two truths of Real Estate

1. There are 3 key aspects that influence property saleability. They are; the seller's asking price or expectation, the amount and quality of marketing used and the seller's motivation to sell.
2. Most people buy on emotion and justify with logic. This is generally true in all buy/sell situations. Many people make real estate decisions based more on wants but explain them in terms of their needs.

### Latest Harcourts Sales Statistics (January 2015 Sales)

61% of properties sold for more than RV  
The average sale price was 13.8% over RV  
Highest sale price over RV was 31%

## LIM reports

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A LIM is a Land Information Memoranda. It is a document that, by law, a Council has to provide for any property within its borough within 10 days of request. Anyone can request a LIM for a property; you do not have to be the owner, or potential purchaser. The council that covers the area that the property is in will have a file containing information relating to that property and the LIM is a summary of the content of this file. From a LIM you can determine whether the property has permits for all its building work, what zoning it has, whether it is free from any restrictions, what proposed local developments may affect the property, and whether the intended use of the land is feasible.

A LIM may contain all sorts of information that can impact significantly on your perception of value of a property. For example, resource consent may have just been issued for a building that will block your view, there may have been a history of flooding or subsidence, the land was previously a landfill site, or alterations to the house may not have a building consent. A LIM is a comprehensive report containing everything the Council knows about a property or section and can include:

- Valuation data
- Yearly rates payable for the property
- If there are any unpaid rates
- Any charges for water
- Information about Building Permits and Consents for the property
- Any information in regards to whether it is a protected or historic building, or site, and if there are any protected trees
- Any Resource Consents issued for the property
- Any relevant planning issues or planning zones that impact the property
- Any Resource Consents issued in the immediate neighbourhood
- Information on subdivisions and developments affecting the property and the immediate area.
- Drainage information relating to both private and public sewer and / or storm water on the property
- Special land features including potential erosion, avulsion, falling debris, slippage and possible hazardous substances.
- Consents, certificates, notices, orders or requisitions affecting the land or buildings.
- District Plan classifications that relate to the land or buildings.

It is a good idea to look over the LIM with your lawyer when you receive it. Your lawyer's experience and expertise regarding LIMs, combined with your knowledge of the property and your thoughts on what you intend to do with the property, will ensure that the LIM is understood and the full implications of any aspects of the LIM are realised. Read through the summary pages - potential issues are likely to be obvious here. Then dive into the main contents of the LIM. Look for outstanding financial obligations, resource consents, building permits, and related plans. Check that all issued consents have been signed off. For building work from 1992 onwards, check that a code of compliance certificate has been issued for works completed. Take your personal knowledge of the property, its buildings, retaining walls, land use and the surrounding properties and the area and consider that against the information contained in the LIM. You should ask questions of the seller and the council if you find differences. Get expert help if you need it! Consider any impact the findings of the LIM will have on your enjoyment of the property and the value of the property. The council won't report on information that is not relevant nor reliable. There may be a lot of information about a property, but the report will only include what is legally required to be in a LIM. Finally, there could be information regarding the property that the council just doesn't know, so keep this all in mind! Councils are not legally obliged to hold information relating to building work prior to the Building Act 1991. In older properties it is possible that Council records prior to 1991 are incomplete, and consequently Councils do not accept responsibility for the accuracy or completeness of those records. Some elements of the property may be excluded from LIMs. For example, installations of septic tanks, gas bottles, etc. If these types of installations are on the property you may need to seek expert advice on these items. Additionally, the council will not carry out a visual inspection of the land or buildings to verify the accuracy of information or determine the current condition of the property. For example, the survey measurements of boundaries may not be accurate on council records. Also, Councils will not show illegal or unauthorised work on the property if it is not known to them.

The cost of a LIM is \$323.50 and it is worth checking with the council if they are working to schedule if obtaining one is a condition of sale.

Taken from Property Tool Box

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