

OUR VIEWS

Hello from the newly expanded team here at Appraisal. Despite all the economic talk of doom and gloom we at Appraisal Property Consultancy Limited have increased the number of valuers on our team. To show our commitment to the local area and our confidence in the Wellington property market, we are embarking on a new marketing programme in the belief that out of adversity comes opportunity. As part of this we are instigating a newsletter for our clients to give you pertinent, timely, focused comment on the local property market.

We have a wealth of property experience, not just valuations, amongst our team and you will see from our list of services that you can look to us for more than just a residential valuation.

Brian, as Director of Appraisal for the past four years, has been specialising in valuation, but prior to acquiring the business he spent most of his working life in the property sector with companies such as Challenge, Fletcher Challenge as well as being Property Manager for the Wellington City Council. He has a wealth of knowledge and experience in all facets of property administration, and development. With a considerable background in the private sector as the front person for many developments and contentious projects, Brian has also worked in the public, political environment, with its emphasis on transparency and accountability. Having managed portfolios in excess of \$600 million, Brian is well equipped to take on specialist property tasks or large portfolio assignments.

Andrew has been with Appraisal for ten years and in addition to residential, commercial and industrial valuations in general he specialises in motel valuations and commercial and industrial rental reporting. Prior to working with Appraisal, Andrew has worked around Wellington and Nelson regions acquiring and disposing of Government property as well as working for Valuation New Zealand around the Wellington Region.

Max rejoins Appraisal after a stint at Quotable Value as the Wellington Manager. Max has covered a wide range of property issues in his career to date, including valuing, purchasing and managing property, consulting on property issues, research of property markets and management of valuation and property offices. This work has been for a variety of clients and employers including local councils, government and small business and ranges from the small to very large properties and property portfolios.

Appraisal Property Consultancy Limited

Registered Valuers
Property Consultants

6 Burgess Road
Johnsonville
P.O. Box 13 608
Wellington 6440

Phone: 04 939 6346

Fax: 04 939 6349

E-mail:

contactus@appraisal.co.nz

WE'RE ALSO ON THE WEB
WWW.APPRAISAL.CO.NZ
(BOOK YOUR VALUATION ONLINE)

OUR SERVICES

- Current market valuations & Mortgage valuations
 - New & existing residential
 - Apartments
 - Commercial
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 - Motel, hotel & motor camp
 - Subdivisional land
 - Rural lifestyle blocks
- Reinstatement Insurance
- Project management
- Strategic property advice
- Property portfolio management
- Acquisition & disposal expertise
- Specialist tenancy and property negotiations



Brian Mudge

Director

Registered Valuer

DDI: 04 939 6348

MOB: 021 226 3630

brian@appraisal.co.nz



Andrew Hyder

Registered Valuer

DDI: 04 939 634

MOB: 021 470 442

andrew@appraisal.co.nz



Max Meyers

Registered Valuer

DDI: 04 939 6352

MOB: 027 283 3830

max@appraisal.co.nz



Hilary Johnson

Administration Manager

PH: 04 939 6346

hilary@appraisal.co.nz



Diane Horton

General Manager

PH: 04 939 6346

MOB: 021 317 788

diane@appraisal.co.nz



Appraisal is proud to be a member of Valgroup.

Valgroup is a New Zealand wide network of independent valuation and property consultancy practices.

Uniting over 60 property professionals in 23 offices across NZ, no matter where your property project is based Valgroup can assist with valuations and consultancy.

Valgroup can also work across national property portfolios to ensure that you are getting local knowledge and experience of the market.

Through this affiliation, Appraisal has access to current market information no matter what the level of enquiry - be it an oyster farm or a Mega market.

MARKET COMMENTARY

Picking when the property market has reached the top or finally hit the bottom is an inexact science. The property market is complicated by incomplete information, anecdotal evidence and public comment that is not always well researched or understood.

We can all agree the Wellington property market has been in decline for some 18 months. This is supported by the REINZ figures in the charts opposite. Quotable Values statistics also show a 9.3% decline in residential values for the year to February 09.

Property markets are cyclical and the 2008 decline was related to overselling and affordability issues. Late in 2008 there were signs that price reductions and lower interest rates were having a positive effect but economic conditions now appear to be holding the market back.

The current figures for February 2009 show declining values, longer selling times, and a low level of sales compared to the long term average. This does not compare well with last year as February is normally an active time for the real estate market. However there are some interesting observations that suggest the market is changing.

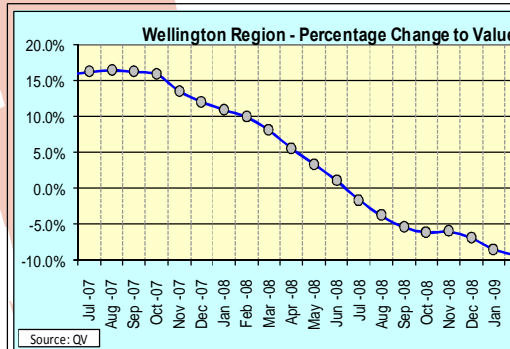
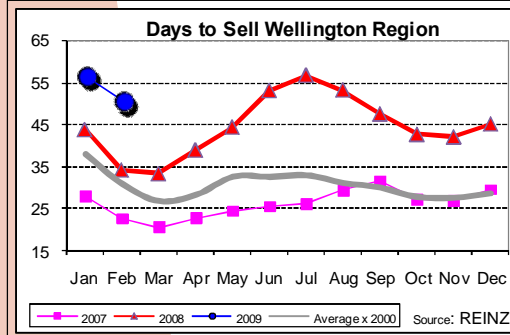
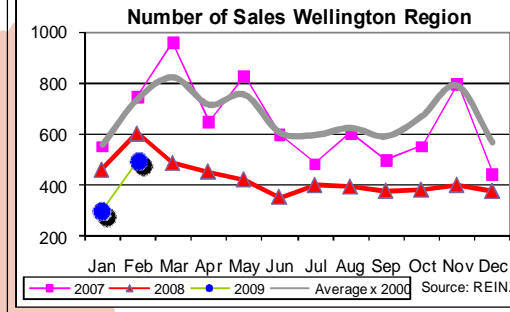
The figures are moving in a positive direction and are following the seasonal trend. This did not happen last year. Some parts of the region are moving ahead of others. For example the western side of Wellington has seen a dramatic fall in the time to sell and the number of sales is average for this time of year. This change is also noticeable in some of the other Wellington City areas.

REINSTATEMENT INSURANCE

For those of you who don't recognize the picture, this is the old Parliament Buildings which burned down in 1907. Perhaps they didn't have reinstatement insurance as we ended up with the Beehive rather than rebuilding this wonderful icon.

Reinstatement insurance is a basic and essential risk management tool. Renewed annually the value included in the policy should be updated, and Insurance companies are now looking more closely at this. Under insuring can be disastrous as it can leave a business unable to re-establish after a significant loss.

In our Insurance Certificates we also provide Indemnity Values that are required for Earthquake Levies and for Fire Service Levies.



The dual constraints of the economy and employment uncertainty may not stop the market stabilising in the next few months. Improving conditions will be more evident in some areas than others and may indicate the market change before it shows up in the statistics for the region or the country as a whole.



A MISSING WELLINGTON ICON