

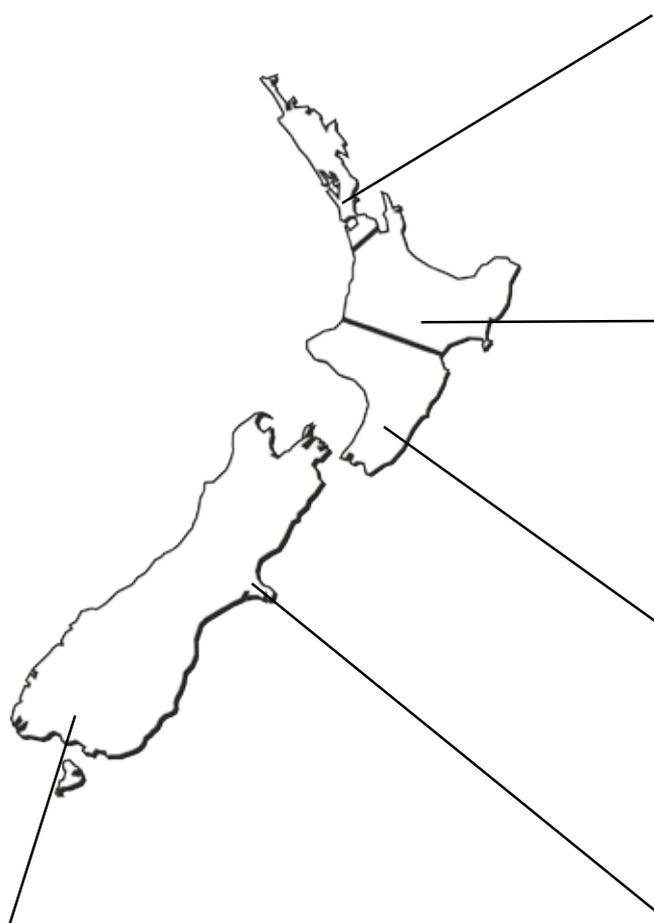
Harcourts MarketWatch

March 2012

On the back of the continued housing shortage across New Zealand the property market is finding strength. The main cities, led by Auckland, see strong activity in an environment that has limited choices for buyers. Auctions continue to grow in popularity as they deliver competition that gives sellers a clear idea of where the value of their property sits, in a market place that can produce

surprises. The results are also being seen across all market segments with first home buyer activity at a two year high and top end property sales also as strong as we have seen for some time.

Hayden Duncan, CEO
Harcourts New Zealand



| NORTHERN | February 2012 | February 2011 | Change |
|-----------------------------|----------------------|----------------------|---------------|
| New Exclusive Listings | 602 | 475.5 | 26.6% |
| New Auction/Tender Listings | 269 | 171 | 57.3% |
| Property on Hand | 3439 | 3322 | 3.5% |
| Written Sales | 492.5 | 414.6 | 18.8% |
| Average Price | \$551,297 | \$510,165 | 8.1% |

New exclusives were up 26.6%, the highest since March 2012 as a result of sellers' confidence being high off the back of some good results as well as Harcourts' increased market share in this region over the last year. This activity has also supported a rise in the average sale price of 8.1%. Auctions are clearly producing outstanding results in Harcourts' auction rooms with a 57.3% increase.

| CENTRAL | February 2012 | February 2011 | Change |
|-----------------------------|----------------------|----------------------|---------------|
| New Exclusive Listings | 403 | 404 | -0.2% |
| New Auction/Tender Listings | 118 | 74 | 59.5% |
| Property on Hand | 3283 | 3346 | -1.9% |
| Written Sales | 367 | 284 | 29.2% |
| Average Price | \$324,234 | \$312,972 | 3.6% |

Off the back of various improvements in the rural sector, the central region has had buyers and sellers receiving results with Harcourts' auction's increasing 59.5% this month. This spike in buyer activity has resulted in an increase in the average sale price of 3.6% and an increase of written sales by 29.2%. We anticipate that the region will only get stronger.

| WELLINGTON | February 2012 | February 2011 | Change |
|-----------------------------|----------------------|----------------------|---------------|
| New Exclusive Listings | 430 | 342 | 25.7% |
| New Auction/Tender Listings | 158 | 152 | 3.9% |
| Property on Hand | 2493 | 2743 | -9.1% |
| Written Sales | 361 | 323 | 11.8% |
| Average Price | \$367,950 | \$343,984 | 7.0% |

There has been a big turnaround for this region this month as most indicators are up significantly from February 2011 and last month. The region has had a high level of stock for some time and with the increase in activity we may see balance return between supply and demand resulting in a market that favours neither buyers nor sellers but does create an environment where people can transact real estate with confidence.

| CHRISTCHURCH | February 2012 | February 2011 | Change |
|-----------------------------|----------------------|----------------------|---------------|
| New Exclusive Listings | 586 | 450 | 30.2% |
| New Auction/Tender Listings | 152 | 87 | 74.7% |
| Property on Hand | 2769 | 3063 | -9.6% |
| Written Sales | 448 | 326 | 37.4% |
| Average Price | \$423,780 | \$360,370 | 17.6% |

Real estate activity has surged in the region as a 74.7% increase in auction and tenders is the highest ever recorded percentage since March 2010. There is a lot of competition over limited stock, producing a rise in the average sale price of 17.6% this month. In a market with rapid price adjustments occurring, sellers should seek good advice to ensure that they get the best outcome, and not just the first and all with certainty that the market value is found.

| SOUTH ISLAND PROVINCIAL | February 2012 | February 2011 | Change |
|--------------------------------|----------------------|----------------------|---------------|
| New Exclusive Listings | 365 | 281 | 29.9% |
| New Auction/Tender Listings | 37 | 58 | -36.2% |
| Property on Hand | 2931 | 2803 | 4.6% |
| Written Sales | 304 | 209 | 45.5% |
| Average Price | \$313,860 | \$298,528 | 5.1% |

With written sales rising an amazing 45.5% this month, the migratory influx from surrounding areas seems to continue influencing the regions activity. New exclusive listings are up 29.9% and the rise of property on hand indicates the region's growth and appeal is still growing in positivity and confidence off the back of an improving rural sector.

Disclaimer: All Harcourts MarketWatch figures are current to the end of the reported month and are compared to the same month ended for the previous year. 'Written Sales' is defined by all sales brought to contract status, where 'Settled Sales' are the results of contracts completed at the close of the reported month. Written Sales are a snapshot of the markets temperature while Settled Sales show what has happened in the previous month.

Harcourts has been in existence since 1888 and is New Zealand's largest real estate group with more than 180 offices nationwide. Harcourts also has over 280 offices in Australia and offices in Indonesia, Fiji, China, South Africa, Zambia and the USA. Visit www.harcourts.co.nz for more information.

