



黃思賢

Lawrence 'Kiwi' Wong

KIWI-BAMBOO-LINE REAL ESTATE

SUMMER 2008-9

What comes down must go !

The tide comes in and the tide goes out. This is natural. What happens in nature happens in life. The people who have been gambling or speculating have been caught with their pants down big time. The big difference between playing the share market and in real estate is that the stakes can be much bigger. A relatively cheap house can cost around \$400,000.

We have witnessed one of the biggest drops in the housing and commercial market for some 20 years. The bubble has well and truly burst. Now all indicators are pointing to a levelling out and slight recovery—witness the volumes of houses now being sold, and the levelling out of prices. Chinese, who are

very shrewd in their observations about life, say that “when the tide goes out the rocks show”. Well the tide goes out twice a day and comes in twice a day. Life does not fit such a regular cycle, but a very rough rule of thumb is it happens around every 7 years or so (by my reckoning).

We need to be long-term in our planning, otherwise the rocks can show us up badly!

I live by a rule of not gambling. It is almost like learning to swim with your feet on the ground (a Chinese definition of being safe!). Now we all know that no one can learn to swim like that—at some point in time we need to put our faith in ourselves and lift our feet up and

swim!

For those planning for retirement much care needs to be exercised on your investments. Houses can be seen, touched, and are planted on the ground! For me and many others this is sound investment. Inflation does the rest - it is like a boat sitting on water which keeps on rising ! Do nothing too much except keep afloat, and you will more than match inflation in the long term. If you are planning, do it well.— For yourself and for your children.

Investments need very careful planning. If you need advice, please feel free to give me a ring ! Nothing ventured, nothing gained!

In this Winter issue

| | |
|-----------------------------------|--|
| * | |
| ♦ What comes Down Must go up! | |
| ♦ Bargain Howick -house \$448,000 | |
| ♦ Key determinants of Growth | |

For sound, objective advice - 20 YEARS+ in Real Estate
Lawrence 'Kiwi' Wong Mr. Wong will see you right!

Home/ office 974 9268 Mob: 0275-939 845

Bus 576 3486 E-mail: lawrence@kiwibamboo.co.nz

Web site: www.kiwibamboo.co.nz (back issues, discussions)

Views expressed in this Newsletter are those of the writer(Kiwi) and are not necessarily those of Colin Boyer Realty Ltd. MREINZ

WOOL WANTED

for knitters to make blankets and beanies etc. for needy children.

If you have any spare wool please phone

PAT LAWSON:

537-3026,

or take your wool to

2/15 Essington Pl.
off William Bryan Drive Half Moon Bay. Thankyou!



HOWICK \$448,000 (was \$468,000!) Hot Bargain!

157a Whitford Road

Brilliant for business with

Single garage and new spacious ground floor studio/bedroom and bathroom. Upstairs full 3 bedrooms home bathroom with sep. shower, and extra toilet. Patio with new huge garden shed. Extra Car parking.

- ◆ 4 bedrooms , 3 toilets, 2 bathrooms. Excellent condition, low maintenance , Sunny north-facing and elevated, full security alarm & window security. Suit Business from Home! Advertise yourself ! **Open Homes** Sat & Sun 1-2pm Ph: 0275-939 845 Lawrence *Kiwi* Wong

THE KEY DETERMINANTS OF GROWTH IN THE ECONOMY AND REAL ESTATE HOUSING MARKET

Are you confused about what is going on in our economy? Do you find it hard to understand what everyone is saying? Here are some simple thoughts which will help sort out all the words and media hype we are being bombarded with.

First, We are growing in numbers! A population grows by a balance of Births over deaths plus a balance of migration in and out of New Zealand. On the migration front we are growing, and on the births over deaths we are growing. For Auckland there is still growth from internal migration—people coming from other parts of New Zealand.

Secondly, We are going through the worst economic times for the last 20 years experienced throughout the world and which is affecting New Zealand. We are not expected to pull out of the economic doldrums for another year or so. Unemployment is rising, mortgage sales of houses has remained high as more and more hit the wall! Businesses are in survival mode and looking at innovative ways of staying afloat with existing staff. The good thing is that our income is exceeding our expenses and New Zealand has a sound credit rating.

Thirdly, whilst many are experiencing great difficulties, those who have wisely stored-up cash and managed to hang onto it are sitting pretty, and are able to take advantage of real low prices in the Stock market and in the housing market. Bargains (compared with a couple of years ago) are there for the picking! Buy sound stocks with good asset backing, and buy good and solid houses in excellent locations for good returns in the rental market, and later for capital gain! Location is the first rule. The second rule is the same as the first.

Fourthly, interest rates are down, and prices are down—an excellent mix to roll your sleeve up and get back into the market. Enough people are seeing the opportunities and are now coming out of the woodwork! Look ahead to the future—future proof yourself. Trust in your own judgment and do not put your trust in people managers of money you do not know! Grab hold of your own destiny! Such confidence will cause a turn around in confidence all around!

Fifthly, Greed has run its course. Beware that you curb the greed motives. Make sound investment decisions. Put your mind in gear. You will never go wrong if you think carefully before you jump!