

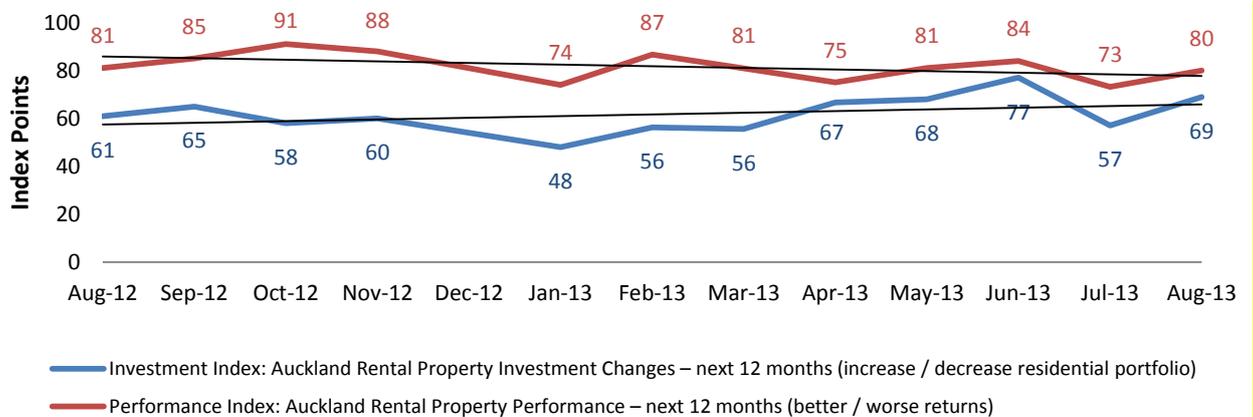


PRESS RELEASE

21 August 2013

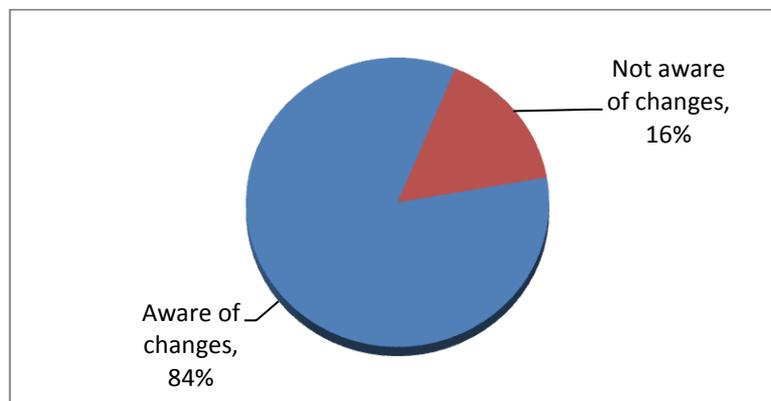
Auckland Property Investors' Expectations Bounced Back

This month the Crockers Property Investment Index has bounced back from the drop of June-July (the first in five months), reflecting the uncertainty of the June period during which the government had a high profile in discussing ways of reducing Auckland house prices. With greater certainty has come greater confidence. The Crockers Property Investment Performance Index also increased from 73 index points to 80 index points. Performance expectations for Auckland residential rental properties are starting to build again, undoubtedly undermining government expectations that its intended actions are going to have any tangible effect on Auckland house prices. Investors' planning to increase the size of their portfolio is also moving into positive territory.



Awareness Of Insurance Changes Is High

Insurance companies are changing the way they insure properties. Soon they will no longer insure properties for set sums and instead they will insure properties for their cost of rebuild as agreed to with the property owner. Of those property investors who responded to our monthly survey, the majority (84%) are aware of the recent changes to the way properties are to be insured. 16% are still unaware of these changes.



Understanding Of Insurance Changes

Just under a third of those surveyed believed that they have a full understanding of the changes, so there is clearly still work for insurance companies and other interested parties to do in improving understanding of the changes.

Understanding of Property Insurance Changes

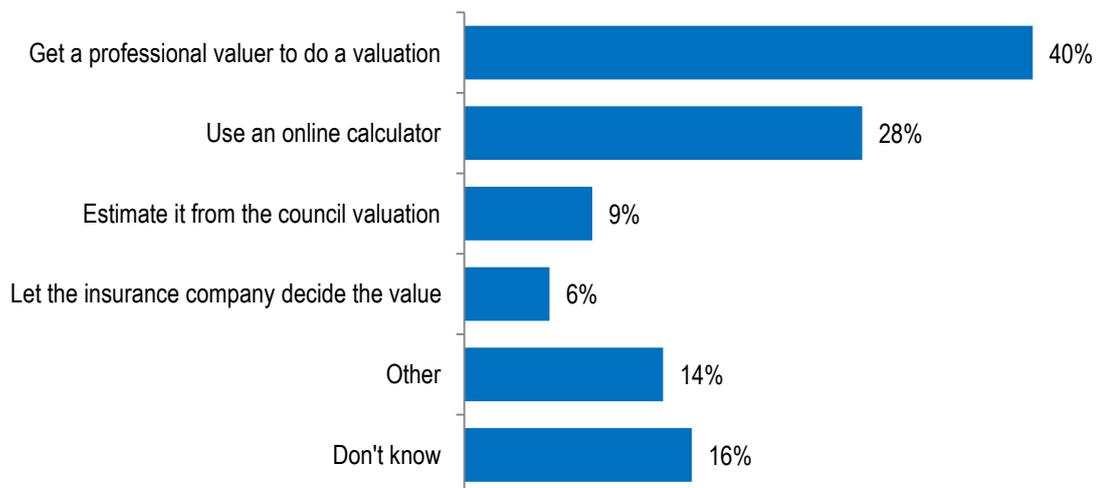
- Knew nothing about this until now
- Only know a little
- Have some understanding but still need more information
- Understand them fully



Insurance Company Assessments Not Favoured For Determining Rebuild Costs

Professional valuations are the preferred option amongst respondents to the Crockers Property Investment Index Survey. Only 6% indicate that they will use the value that their insurance company decides.

Have or plan to use the following



Note: Respondents could reply to more than one answer

Research Details

This research, undertaken by Ipsos on behalf of Crockers, surveyed members of the Crockers Market Research subscriber's database during August 2013. Respondents included property owners, residential and commercial landlords, property managers, estate agents and tenants. This is an ongoing series of monthly surveys, delivering a regular barometer of property investors' confidence in the Auckland market. For more details, please contact:

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