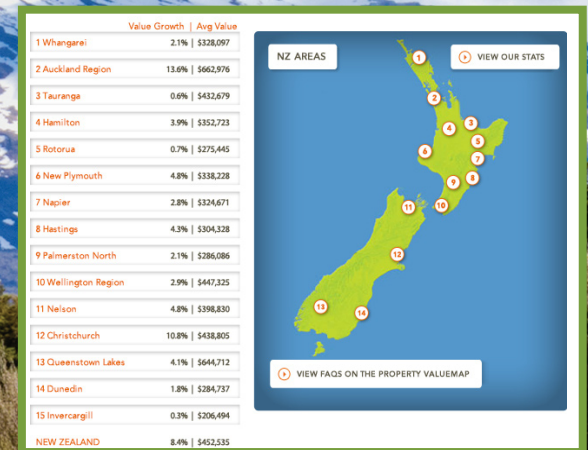


NZ vs Oz

LOOKING TO MOVE DOWN UNDER
BUT CAN'T DECIDE BETWEEN
NEW ZEALAND OR AUSTRALIA?
MARY O'BRIEN LOOKS AT
THE PROS AND CONS...



Above, statistics showing average house prices and increases in value in NZ

From RP Data, dated 29 October 2013

There are plenty of things to consider when deciding whether you want to live in Australia or New Zealand.

You need to consider the cost of living, the price of property, the job opportunities, the education, the climate and whether the lifestyle is what you and your family are looking for.

Here are some of the key factors to consider before contemplating moving from the UK...

IT'S A LIFESTYLE THING

Both New Zealand and Australia have beautiful environments and a laid-back feel, with a focus on outdoor home entertainment.

Many people have barbeques and/or swimming pools in their backyard, and proximity to parks. Both the Aussies and the Kiwis generally like to spend their free time outdoors because of the climate and lifestyle. An OECD study which looked at the quality of life in 36 countries ranked Australia better in most

categories, including housing, income, community, education and civic engagement. New Zealand scored better than Australia in work-life balance, safety and life satisfaction, and equalled Australia in environment and health.

On the other hand, the World Economic Forum put together a report on the world's most friendliest countries and New Zealand came second (behind Iceland).

Both New Zealand and Australia also happen to have one of the best family-orientated environments in the world.

With its agreeable climate, and beautiful green environment, New Zealand is much more agreeable to the Brits than Australia. The hot sun of Australia can be a bit of a shock for some. On the other hand, the Australian beaches are among the best in the world.

New Zealand, in many ways, offers a safer environment for Brits compared to Australia as you won't find poisonous snakes, spiders, fauna and insects there. You can maybe relax better in the garden

in New Zealand... Properties in Australia must have pest and building inspection because of the white ants and termites that can eat away at a property.

Australia or New Zealand are both beautiful countries and whether you go for Australia or New Zealand you can be sure of a great lifestyle!

JOB OPPORTUNITIES

In New Zealand the unemployment rate in the September quarter this year was 6.4 per cent – in the previous year it was 7.3 per cent and is forecast by bank economists to fall further. Job advert opportunities in Auckland have increased nationally by 13.5 per cent and Christchurch 10.4 per cent.

The Australian unemployment rate is 5.8 per cent, as of the September quarter, compared to five per cent in April 2012, and economists predict that this will rise further because the mining and resource investment boom is slowing down.

In New Zealand, particularly in Christchurch, there is a short supply of

construction industry trades, engineers, teachers and nurses. In Australia, job opportunities and pay are good in the main cities, but you need to take into account the longer commuting times.

COST OF HOUSING:

According to Quotable Value NZ statistics, the average New Zealand house cost NZ\$452,000 (£233,825) – showing an annual increase of 8.4 per cent. The average Auckland house is NZ\$662,976 (£322,326) – showing an annual increase of 13.6 per cent.

In Australia, according to RP Data Media, its capital city homes have gone up by 3.8 per cent over the past 12 months, with the average house price in Sydney being A\$718,290 (£421,406), showing an annual growth of 11.78 per cent, and Perth A\$583,580 (£342,374), showing an annual growth of 6.91 per cent.

New Zealand has many housing benefits. You do not have to pay stamp duty to the Government when you purchase a property and you need to pay

around NZ\$1,500 (£776) in legal fees. There is no ongoing land tax to be paid to the Government on investment properties and there is no Capital Gains Tax needing to be paid to the Government, when you sell your investment property. There are not many countries in the developed world that can give you these amazing property ownership qualities!

With tax costs to take into consideration, the overall cost of purchasing a property in Australia is astronomical compared to New Zealand, excluding brand new low-cost owner-occupied houses.

If you go by currency exchange, New Zealand is also more favourable to move to than Australia. Meanwhile, variable interest rates, are at a record low in New Zealand and Australia.

New Zealand's property market has been booming, partly as a result of migration. This has resulted in a shortage of housing and increasing house prices, particularly in Auckland and Christchurch where the main employment is available.

On 1 October, the New Zealand Reserve Bank restricted lending from New Zealand banks to 80 per cent, requiring purchasers to put down a 20 per cent deposit.

To Brits, these rates may be high, therefore if you have a UK property then consider topping up the UK mortgage to enable you to have available money to draw on if you wish to purchase a property Down Under. If the UK rent will pay the UK mortgage, plus give you available money for a deposit Down Under then it may be worth keeping your UK property in the meantime.

New Zealand is a small country compared to Australia. If you move between cities in Australia it could be very expensive. New Zealand, being a small country, does not pose that problem. 🇳🇿

■ Mary O'Brien is director of New Zealand Mortgage Solutions.
Tel: 0061 2 9620 5559;
Email: mary@nzms.co.uk. Web: www.newzealandmortgages.co.uk