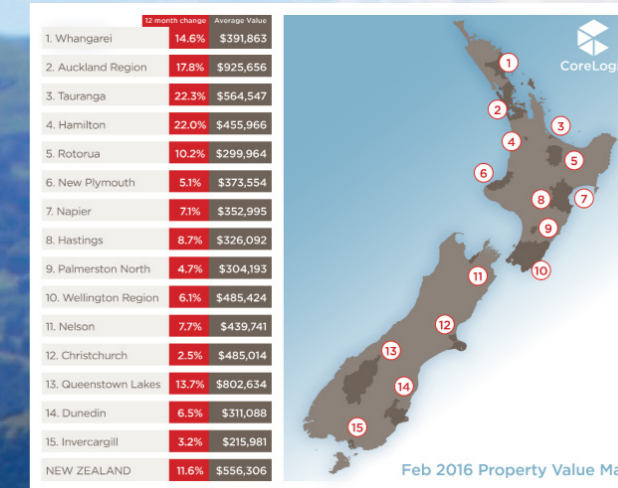


NZ VS OZ

Looking to move Down Under but can't decide between New Zealand or Australia? **Mary O'Brien** looks at the pros and cons...

Below, statistics showing average house prices and increases in value



New Zealand is known for its agreeable climate and beautiful green environment

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 this year ranked Australia fourth and New Zealand ninth in most categories, including housing, income, community, education and civic engagement. The 2015 Gallop World Poll for the Happiest Countries In The World, which looked at factors such as healthy life expectancy, social freedom

and corruption levels, ranked New Zealand ninth and Australia tenth.

Earlier this year Forbes ranked New Zealand first and Australia second in its list of the World's Most Friendliest Countries. 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 February 2016 was 5.3 per cent. In the previous year it was 5.8 per cent and it is forecast by bank economists to fall further. Economists estimate this to be 4.83 per cent in February 2017 and 4.58 per cent in February 2020. Job advert opportunities in Auckland have increased dramatically in the past 12 months.

The Australian unemployment rate is six per cent, as January 2016, compared to 6.2 per cent per cent in January 2015, and economists predict 5.90 per cent in February 2017 and 6.20 per cent in February 2020. A large reason is because the mining and resource industry and China's recession.

In New Zealand 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 in February 2016 is NZ\$556,306 (£260,620) – showing an annual increase of 11.60 per cent. The average Auckland house costs NZ\$965,656 (£542,346) – showing an annual increase of 17.8 per cent. Auckland house prices have dropped

0.8 per cent in two months (as of 29 February 2016).

In Australia, according to RP Data Media, its capital city homes have seen an annual increase (as of February 2016) of 7.4 per cent. The average house price in Sydney (as of February 2016) being A\$923,680 (£486,554), showing an annual growth of 9.51 per cent, and Perth A\$594,870 (£313,351), showing a negative growth of -3.19 per cent due to

“YOU DO NOT HAVE TO PAY STAMP DUTY WHEN YOU PURCHASE A PROPERTY IN NZ”

the mining and resources downturn. As of March 2016 Australia houses have dropped 0.4 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 only around NZ\$1,500 (£703) in legal fees. There is no ongoing land tax to be paid to the Government on investment properties.

There is a 'Brightline' test (Capital Gains Tax) for investment properties sold within two years of purchase (owner occupiers excluded) 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. For instance, in Australia stamp duty is applied on most purchases and land tax is

applied on investment properties over a certain land value (depending on the individual Australian law). Certain criteria applies to stamp duty for first home owners on new land or construction properties depending on the State law.

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 and shortage of rentals/properties. This has resulted in a shortage of housing and increasing house

prices, particularly in Auckland particularly. The deposit for a property in New Zealand and Australia is 20 per cent for owner occupiers and 30 per cent for British property investors (depending on your personal circumstances and immigration criteria).

To Brits, this deposit plus interest rates may be high compared to UK, 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, and you have the money required 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 expensive. New Zealand, being a small country, does not pose that problem.

■ Mary O'Brien is director of New Zealand Mortgage Solutions Sydney. She has helped many people from the UK obtain their loan from a choice of reputable New Zealand banks and have "peace of mind" before they leave UK and when they arrive in NZ. Tel: 0061 2 9620 5559. Web: www.newzealandmortgages.co.uk