

A COMFORTABLE RETIREMENT



Many people in retirement today are not very well off. Some approaching retirement, are financially ill-prepared. Reasons for this are varied, but many potential retirees have, by necessity, needed to live in cities where they work, paying especially high property and mortgage costs. Indeed some couples are still paying off their home when they retire. There are also the unfortunate ones who have been made redundant in their later work years when saving for retirement and, although they may have paid off a valuable property, have not had the opportunity to put much capital aside. Of course, others have also lost in the financial markets through no fault of their own.

Many New Zealanders have been led to believe that their house is an investment when in reality it's really just an asset, and a cash-consuming asset at that. Mortgage interest over 25- 30 years practically doubles the amount you pay for your house. If your mortgage is \$300,000 over 30 years the total you will repay for your home is approx \$600,000. It may be a little less or a little more depending on the term of the mortgage and the interest rate, or a high-priced area where you work, so you don't have many options so, you will have paid a lot of money to the bank.

Retirement costs money, especially if you want a reasonable standard of living. Many people have all their capital tied up in a large home or property. **They are asset rich but cash poor.** They may have paid off a hefty mortgage and have an expensive home but little actual cash for a retirement nest egg. Some will also find that if they try to sell that expensive home to trade down to a smaller and more manageable home in the same area, they cannot realise what they think the property is worth.

Take a look at provincial New Zealand towns, like Kawerau.

Property prices are relatively cheap and provide a smart financial alternative. The weather, lifestyle, people, resources and close proximity to major centres makes Kawerau superior to many other retirement options. With all these benefits, the property prices are the icing on the cake.

A retiree with a lot of money tied up in an expensive home but only a couple of hundred thousand dollars to retire on, needs to consider avoiding being caught in that trap. Buying a home in Kawerau with its low costs can reverse that situation, leaving plenty of capital to make changes to suit your lifestyle, and still leave plenty for travel and any special future health care needs.

Recently, a chap from Tauranga came to Kawerau for a look and decided buy and retire here. He sold his home in Tauranga for approximately \$500,000 and bought a similar home in Kawerau for \$180,000. After spending \$20,000 on it in renovations, he had \$300,000 left over to go to his retirement fund. But the story does not end here. His old neighbour came to visit him and was so impressed by the place and the deal, he also sold up and shifted to Kawerau to retire with similar results.

Money to live on, and not money tied up in a house that you can't use, is what makes for a comfortable stress-free retirement. Do yourself a favour. Come and look at what we have here in Kawerau. Use your imagination if it needs a make-over and you could have the property you desire in the town known as the Gem of the Eastern Bay of Plenty. Although houses in Kawerau are inexpensive and reasonably-priced at the moment, they can't always stay like this. The shift to being a sought-after retirement town is taking place, and attracts people with some means, because of the lifestyle and climate.



Come visit, talk to us and check us out.....

Briefly, on Kawerau

Weather: If Kawerau doesn't top the NZ temperatures daily, it's not far from it – just watch the ticker on TV3's evening weather report. In winter there are a few frosts, generally only -1 or -2 degrees, but good daytime temperatures. Kawerau is a low wind area and, though relatively close to the coast, it is just far enough away to miss the cooling sea breezes. Rain falls evenly through the year, drying off some in summer.

Gardens: Most things grow in Kawerau, from cabbages to chillies and potatoes to passion fruit. The soil can need building up a little but almost anything grows easily in this climate.

Water: Known for the purity and abundance of its water, Kawerau's town supply is drawn from a spring, enabling provision of unmetered water and unrestricted hosing of garden and lawns. It is top quality water and there is also a crystal clear river and stream running through the town. We are not metered and supply is unlimited.

Events: Kawerau has excellent parks and venues for events, hosting many local and national events during the year. It is one of the North Island's best event towns with its great resources, and its central location which means that it's not too far from anywhere

Sports: Bowling club with two artificial greens, a strong rugby club, an excellent golf course, tennis courts, pools, etc. The town has all the regular sporting venues plus trout fishing nearby, and sea fishing 25 minutes away.

Shopping: The retail district is adequate for day to day needs but residents may need to go further afield at times for that special purchase. Rotorua, Te Puke, Mt Maunganui and Whakatane are all within 30 mins to one hour's drive through some of New Zealand's most magnificent scenery.

Energy/Heating: Kawerau has natural gas reticulated throughout the town and geothermally supplied electricity in abundance for industrial and hopefully, in time to come for domestic use.

Communication technology: Broadband operates in Kawerau and the Kawerau-Auckland Exchange link has fibre optic cable which has yet to be run to residential houses. UFB is here but connections are yet to be delivered.

Kawerau District Council: A small efficient council, with only 7 councillors, provides quality and efficient services such as an excellent modern library service, a free heated swimming pool and spa pool, an events centre, and numerous parks and reserves. Permits for construction are usually easily-obtained and the Council is debt free.

Retirees: Retirees are quietly moving into Kawerau as they realise its natural benefits and strengths. They are moving in from as far afield as Auckland and Dunedin and places in between. The word is out there.

Clubs and Churches: Probus, Rotary, SeniorNet, Grey Power, Art Society, Senior Citizens clubs all exist and are well patronised, and there are churches representing approximately 8 denominations.

Medical Services: There is a medical centre staffed with 4 doctors and practice nurses, plus visiting specialists attending on a regular basis. St John has an ambulance and paramedic service. The closest hospital is at Whakatane, 25 minutes away, with public and private hospitals at Tauranga and Rotorua. Medlab blood services operate in Kawerau and X-ray facilities in both Whakatane and Rotorua. The popular Mountain View Rest Home is also located in Kawerau.

Crime: In spite of one recent but isolated serious event, crime is no worse than anywhere else and for a number of years Kawerau had the lowest number of burglaries per capita for towns in the Bay of Plenty.