



1<sup>st</sup> October 2013

## National average asking price hits new record high of \$466,526

### Asking prices reach new high

- National asking prices remain strong, up 9% compared to a year ago, and up 0.7% for the month to a record \$466,526. Waikato and Coromandel also recorded a new peak average asking prices of \$384,595, and \$505,867 respectively.

### Steady start to spring listings

- The first month of spring had a steady start with 11,000 new listings joining the market. This was a healthy 3% up on August, but a fall of 1% on September 2012.

### Inventory levels recover slightly

- Following the record low inventory levels seen in August, September saw a slight lift in the number of available homes for sale on the market to 24.2 weeks of stock. This is still well down on the long term average of 38 weeks.

### Still a sellers market

- The overall market is firmly pointed in favour of sellers across the majority of New Zealand, with 16 of the 19 regions below the long-term average inventory levels.

	Jul 2013	Aug 2013	Sep 2013
<b>Property Asking Price</b> (seasonally adjusted - truncated mean)	\$465,191	\$463,142	<b>\$466,526</b>
% change from previous month	3.3%	-0.4%	<b>0.7%</b>
% change from same month last year	8%	8%	<b>9%</b>
<b>Number of New Listings</b>			
	9,857	10,715	<b>11,000</b>
% change from previous month	9%	9%	<b>3%</b>
% change from same month last year	5%	3%	<b>-1%</b>
<b>Inventory - Number of weeks of equivalent sales</b> (seasonally adjusted )			
	26.7	23.4	<b>24.2</b>
% change from previous month	7%	-12%	<b>3%</b>
% change from same month last year	-14%	-24%	<b>-21%</b>

*Realestate.co.nz is the official website of the New Zealand real estate industry, and provides the most comprehensive selection of listings from licensed real estate agents across all categories.*

*Realestate.co.nz features over 100,000 listings at any one time, representing over 97% of all listings currently marketed by real estate professionals.*

## Commentary

Seller confidence has pushed up the (seasonally adjusted) truncated mean asking price to a new high of \$466,526. The rise in asking price was noticeable across more than half of New Zealand, with 14 regions reporting a rise in asking price.

Record high asking prices were also seen in Waikato and Coromandel regions; the new high of \$384,595 in Waikato represents a 3.9% increase on August. While Coromandel's new high was 1.4% up to \$505,867 from the prior high of \$498,660 set last month.

The first month of spring saw a steady number of new listings come on the market, with 11,000 new listings in September, this was up 2.7% from August, however was slightly down on September 2012.

### Asking Price

The seasonally adjusted truncated mean asking price for new listings hit a new record high of \$466,526 last month, a rise of 8.7% from September 2012, and up 0.7% from August.

The trend as seen in the chart opposite, continues to show strength in seller price expectation, on the back of low listings, and strong demand in the main centres



### New Listings

The level of new listings coming onto the market in September rose to 11,000 from 10,715 in August. This represents a rise of 2.7%, and is down, 1.4% when compared to September last year

On a 12 month moving average basis a total of 131,189 new listings have come onto the market since October 2012 as compared to 130,915 in the prior 12 month period, a rise of just 0.2%.

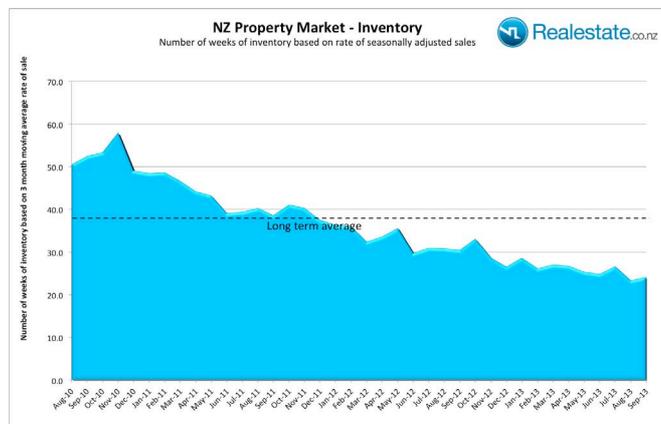


### Inventory

The level of unsold homes on the market at the end of September (36,178) remained well down as compared to September last year (41,726), a drop of 13%.

The inventory as measured in terms of equivalent weeks of sales remained close to the record low seen last month, 24.2 weeks of stock available.

The market remains firmly a seller's market; with 16 of the 19 regions showing inventory levels that are well below long term averages.



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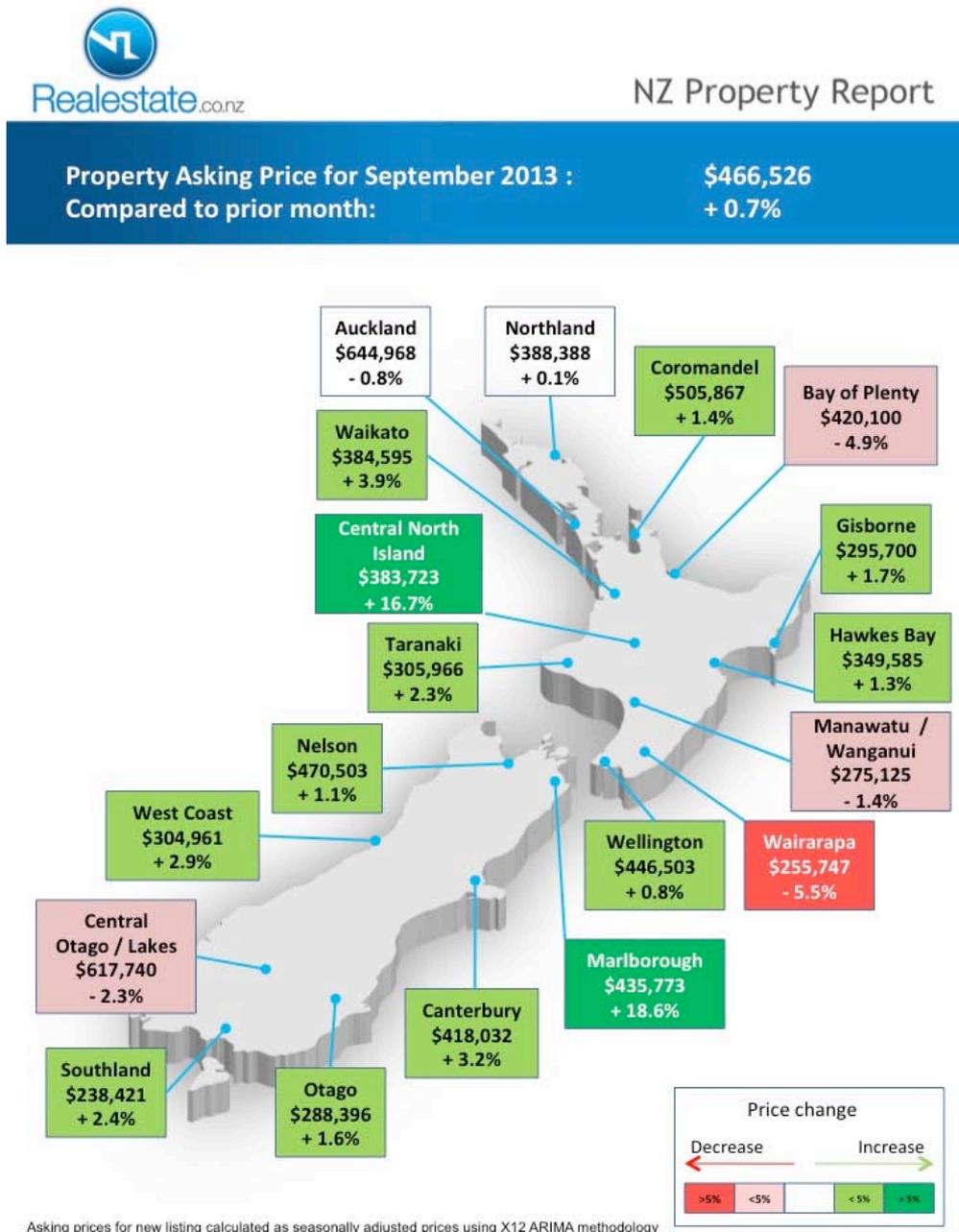
## Regional Summary – Asking price expectations

The national (seasonally adjusted) truncated mean asking price expectation among sellers rose by 0.7% in September to a new record high asking price of \$466,526.

Record high asking prices were also seen in Waikato, where the average asking price reached \$384,595 (up 8.5% on September 2012), and the Coromandel, where the asking price reached \$505,867 (up 15.9% on September 2012).

In the main centres, Auckland fell in September to \$644,968, from the record high reported last month. The asking price in both Wellington and Canterbury rose in September to \$446,503, and \$418,032 respectively.

In total 14 regions reported asking price increases, with Marlborough the largest increase, up 18.6% to \$435,773. Of the 5 regions witnessing asking price falls on a seasonally adjusted basis there was just one that reported a fall greater than 5%, Wairarapa fell by 5.5% to \$255,747.



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### Regional Summary – Listings

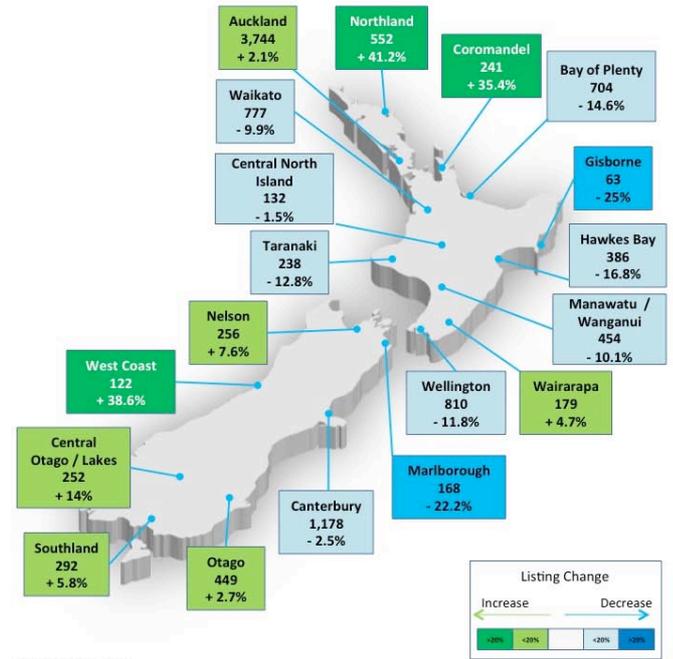
Spring listings began flowing onto the market last month, with 11,000 new homes coming on the market.

There were 9 regions reporting year on year increases with Northland reporting the biggest increase of listings (up 41.2%), followed by West Coast, where a 38.6% increase was recorded.

Of the 10 regions that reported lower new listings than September last year Gisborne was the region to report the highest fall -25% when compared to September 2012, followed by Marlborough, which saw a fall of 22%.

In the main centers, Auckland had a similar number of new listing as September 2012. Both Wellington, and Christchurch saw a fall in listings; with Canterbury reporting a 2.5% year on year fall, and Wellington reporting a 11.8% fall on September 2012.

New Property Listings for September 2013: **11,000**  
 Compared to September 2012 : **- 1.4%**



Actual data of new listings

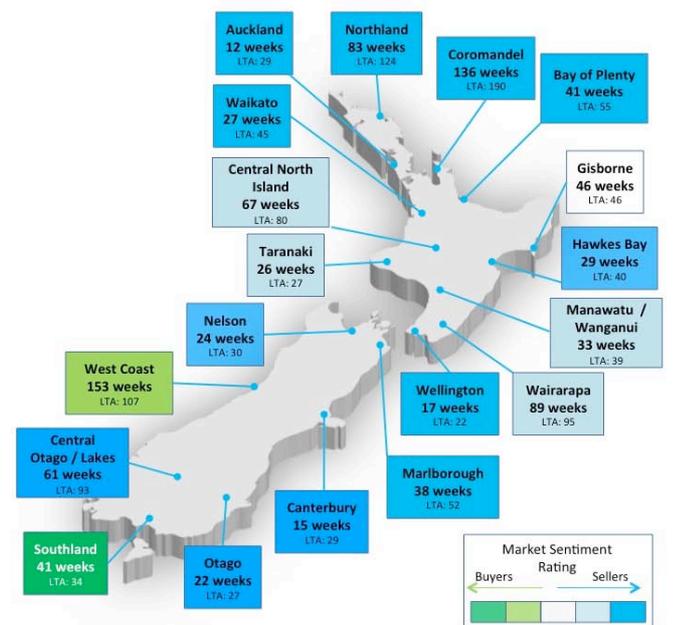
### Regional Summary – Inventory

The inventory of unsold homes on the market remained low in September at 24 weeks of equivalent sales.

Market sentiment remains firmly in favour of sellers in 16 regions, with the greatest strain being felt in the 12 regions that are marked in darker blue. This includes the main metro areas of Auckland, Wellington, and Canterbury, which remain under pressure from low listings as measured against sales activity.

Two regions (Southland, and West Coast) showed an increase in inventory of homes on the market, taking them above their respective long-term average. In addition 1 other region (Gisborne) sits close to its long-term average.

NZ Inventory of listings for July 2013 : **24 weeks**  
 Long term average (LTA) : **38 weeks**



The inventory levels reflect the projected number of weeks to clear existing inventory of unsold homes on the market matched to the long term average (LTA) for the region based on 5 years of seasonally adjusted data

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## Major Centers

### Auckland

	Jul 2013	Aug 2013	Sep 2013
<b>Property Asking Price</b> (seasonally adjusted - truncated mean)	\$639,685	\$650,114	<b>\$644,968</b>
% change from previous month	3%	2%	-1%
% change from same month last year	11%	11%	<b>12%</b>
<b>Number of New Listings</b>			
	3,526	3,702	<b>3,744</b>
% change from previous month	12%	5%	<b>1%</b>
% change from same month last year	6%	0%	<b>2%</b>
<b>Inventory - Number of weeks</b>			
	13.4	11.1	<b>11.6</b>
% change from previous month	9%	-17%	<b>4%</b>
% change from same month last year	-29%	-38%	<b>-33%</b>

### Wellington

	Jul 2013	Aug 2013	Sep 2013
<b>Property Asking Price</b> (seasonally adjusted - truncated mean)	\$445,531	\$442,438	<b>\$446,053</b>
% change from previous month	-1%	-1%	<b>1%</b>
% change from same month last year	1%	2%	<b>0%</b>
<b>Number of New Listings</b>			
	648	760	<b>810</b>
% change from previous month	1%	17%	<b>7%</b>
% change from same month last year	5%	5%	<b>-12%</b>
<b>Inventory - Number of weeks</b>			
	17.8	17.5	<b>17.3</b>
% change from previous month	16%	-2%	<b>-1%</b>
% change from same month last year	-14%	-10%	<b>-15%</b>

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## Canterbury

	Jul 2013	Aug 2013	Sep 2013
<b>Property Asking Price</b> (seasonally adjusted - truncated mean)	\$422,043	\$404,993	<b>\$418,125</b>
% change from previous month	3%	-4%	<b>3%</b>
% change from same month last year	7%	8%	<b>10%</b>
<b>Number of New Listings</b>	1177	1147	<b>1180</b>
% change from previous month	23%	-3%	<b>3%</b>
% change from same month last year	4%	12%	<b>-2%</b>
<b>Inventory - Number of weeks</b>	15.0	15.0	<b>14.9</b>
% change from previous month	8%	0%	<b>0%</b>
% change from same month last year	-18%	-24%	<b>-26%</b>

## Waikato

	Jul 2013	Aug 2013	Sep 2013
<b>Property Asking Price</b> (seasonally adjusted - truncated mean)	\$362,461	\$370,114	<b>\$384,595</b>
% change from previous month	-0.4%	2.1%	<b>3.9%</b>
% change from same month last year	3.8%	4.1%	<b>8.5%</b>
<b>Number of New Listings</b>	672	727	<b>777</b>
% change from previous month	7%	8%	<b>7%</b>
% change from same month last year	13%	6%	<b>-10%</b>
<b>Inventory - Number of weeks</b>	31.8	27.2	<b>27.4</b>
% change from previous month	7%	-15%	<b>1%</b>
% change from same month last year	-9%	-32%	<b>-22%</b>

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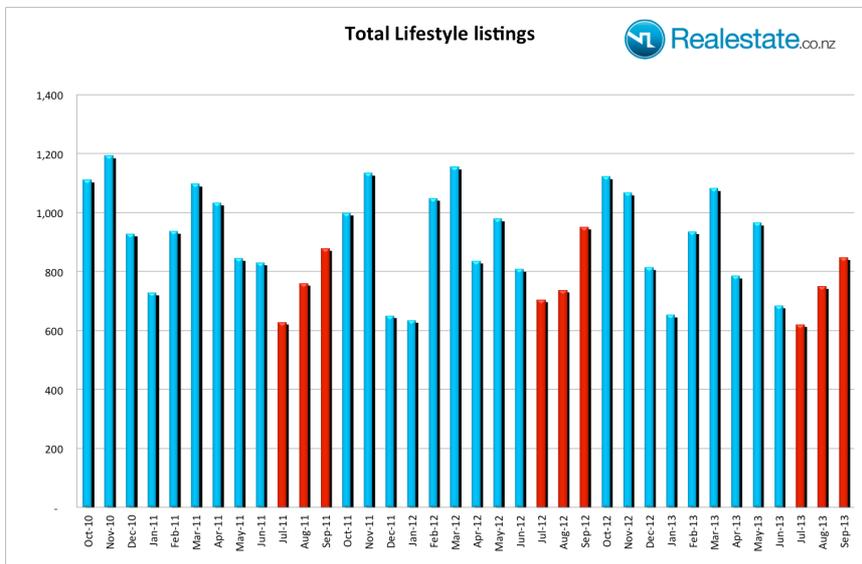
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## Lifestyle

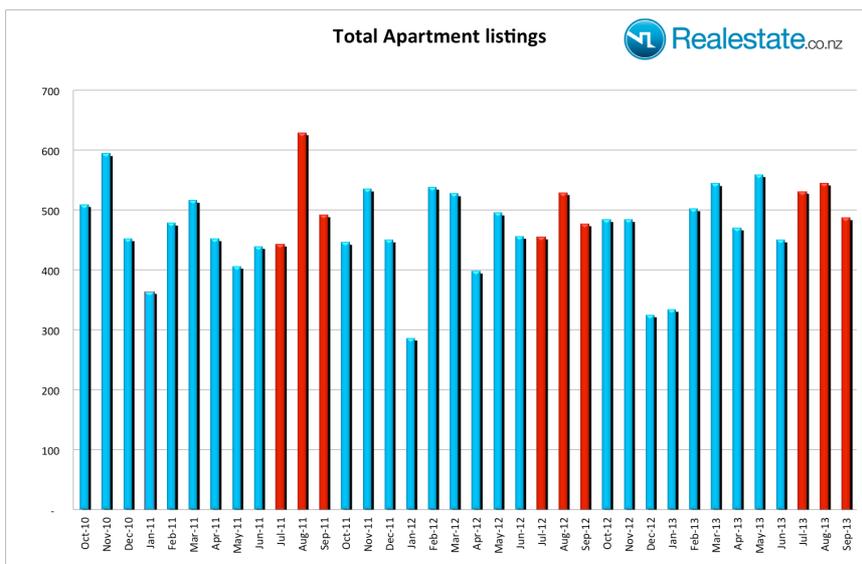
New lifestyle property listings had a boost across the country in September. A total of 847 listings came onto the market, showing a jump of 13% when compared to August, but a fall of 11% when compared to September last year. The national truncated mean asking price for these listings was up 5.7% to a record high of \$706,799 (and up 8.8% when compared to September 2012). Record high asking prices were reported in Auckland, Waikato, and Canterbury.



## Apartments

New listings for apartments in September were up 2.1% on a year on year basis, and down 10.6% from August, with 487 being brought to the market. The truncated mean asking price of new apartment listings rose 1% to \$407,989 in September from \$404,392 in August, and was up 2% on a year on year basis.

The Auckland apartment market had 384 new listings, down 0.3% when compared to August last year. The truncated mean asking price of new listings in Auckland rose 1.6% to \$390,850, from \$384,816 in August. When compared to the recent 3-month average, this represents an increase of 2.1%.



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## Notes

**Realestate.co.nz:** data is compiled from asking prices of new residential listings as they come onto the market via subscribers to the realestate.co.nz website. The Realestate.co.nz website currently has over 97% of all licensed real estate offices subscribing and providing all of their listings onto the website. The asking price is presented as a truncated mean price at a 10% interval.

### Truncated mean

The monthly asking price for new listings presented in this report utilises the measure of 'truncated mean'. This measure is judged to be a more accurate measure of the market price than average price as it statistically removes the extremes that exist within any property market that can so easily introduce a skew to traditional average price figures.

The truncated mean used in this report removes the upper 10% and the lower 10% of listings in each data set. An average or mean of the balance of listings is then calculated.

### Methodology

With the largest database of properties for sale in NZ, Realestate.co.nz is uniquely placed to immediately identify any changes in the marketplace. The realestate.co.nz *NZ Property Report* is compiled from new listings coming onto the market from the total of just less than 1,000 licensed real estate offices across NZ, representing more than 96% of all offices.

With an average monthly level of over 10,000 new listings, the Realestate.co.nz *NZ Property Report* provides the largest monthly sample report on the residential property market, as well as a more timely view of the property market than any other property report. The data is collated and analysed at the close of each month, and the Report is compiled for the 1<sup>st</sup> day of the following month. This provides a feedback mechanism as to the immediate state of the market, well in advance of sales statistics, which by the very nature of the selling process can reflect activity with a lag of between 2 and 4 months.

### Seasonally adjustment

The core data for the NZ Property Report is seasonally adjusted to better represent the core underlying trend of the property market in NZ. In preparing this seasonally adjusted data Realestate.co.nz is grateful for the assistance of the New Zealand Institute of Economic Research (NZIER) who use an X12 ARIMA methodology to calculate seasonally adjusted data.

### Background to Realestate.co.nz

Realestate.co.nz is the official website of the real estate industry of New Zealand, it is an industry owned website providing online marketing services to the real estate industry. The shareholders in the website comprise the REINZ (50%) and five of the largest real estate companies (50%). The website is the most comprehensive website for licensed real estate agent listings in NZ, currently hosting over 100,000 listings, covering residential property for sale and rent, commercial property for sale and lease, rural properties and farms, as well as businesses for sale. With a subscriber base of just under 1,000 offices, the website features over 97% of all listings from licensed real estate agents in NZ. Over 550,000 unique browsers visited Realestate.co.nz in the month of September both domestic and international visitors. The website is the most popular website for international visitors enquiring of NZ real estate, with over 120,000 unique international browsers in the month of September from more than 200 countries.

In addition Realestate.co.nz receives over 30% of all traffic to property listings from mobile devices, including their iPhone and Android applications. To date these applications have been downloaded by over 174,000 users, making the app the most popular property app in NZ.

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