

New Zealand Property Report



May 2016

The Overview

WELLINGTON steals the limelight from **Auckland** property market.

WELLINGTON INVENTORY LEVELS AT RECORD LOW, upward pressure on prices.

AUCKLAND, 4 May 2016 – Statistics released today by Realestate.co.nz for April 2016 show that strong demand means available inventory weeks of property for sale in Wellington is down a record 61% on the same time last year (April 2015).

“That’s an all-time low for any region and also the lowest level ever recorded for Wellington,” says Brendon Skipper, CEO of Realestate.co.nz.

“It means that theoretically if no new listings were to come onto the market, all available property for sale in Wellington would sell out in only 5.6 weeks,” he says.

Inventory measures the amount of property on the market at any one time. In the first quarter of 2016 it has dropped significantly in Wellington.

“With the lower level of stock on the market and buyers still out there, it’s certainly a sellers’ market,” says Brendon.

“In terms of price, the April average asking price in Wellington has risen by two per cent from the previous month to \$506,532, which is an all-time high for Wellington.”

Across New Zealand, Realestate.co.nz statistics show it’s a strong sellers’ market, with the Inventory of Listings for

April showing of the 19 regions measured, all favour sellers by market sentiment (refer graph: NZ Inventory of Listings for April 2016, compared with Long Term Average).

“While historic sales data is important, for buyers and sellers it’s equally important to know what’s happening right now in their own market, so they can make informed decisions,” says Brendon.

“As always, it’s the properties that are priced appropriately within the context of the market that will sell quickly,” he says.

In Auckland, weeks to sell fell by 2.78% in April 2016, compared with the same time last year.

Nationally, the Inventory of Listings is at the lowest level ever recorded by Realestate.co.nz since January 2007 when statistics were collected via the site (refer graph - NZ Property Market Inventory).

The Inventory of Listings for all regions in April 2016 was 14 weeks compared to the Long Term Average of 34 weeks.

NEW PROPERTY LISTINGS VARY AMONG MAJOR CENTRES

Refer infographic – New property listings for April 2016, compared to April 2015 for all regions

While Auckland and Wellington recorded a decrease in the number of new listings during the month of April (compared to April 2015), sellers in Waikato, Canterbury and Otago are more active and the number of new listings in those regions are up by a double-digit percentage increase compared with the same time last year.

The Overview

REGIONS ON THE UP

Refer infographics –

- New Property Listings for April 2016, compared to April 2015 (all regions)
- Property Asking Price for April 2016, compared to prior month (all regions)
- NZ Inventory of Listings for April 2016 / Long Term Average (all regions)

The majority of the regions are also in a sellers' market phase. Star performers include Northland, Coromandel, Bay of Plenty and Southland.

Northland, Bay of Plenty and Southland recorded significant increases in new listings (compared with April 2015).

Northland, Coromandel and Southland recorded a healthy increase in average asking prices (more than a five per cent increase compared to the prior month of March 2016).

Nearly all the regional centres saw a downward trend in the Inventory of Listings for April 2016 compared to the Long Term Average.



Brendon Skipper
CEO, Realestate.co.nz

About Realestate.co.nz

Realestate.co.nz offers buyers the shortest path to the perfect property. As the official website of the New Zealand real estate industry, Realestate.co.nz is dedicated to property and has the country's most comprehensive selection of real estate listings online. The site presents more than 97% of all residential, commercial and rural properties currently marketed by real estate professionals. Focussed exclusively on people in need of property, Realestate.co.nz offers superior functionality, including accurate search, school zone data and a mobile app.

Glossary of terms

Realestate.co.nz provides valuable property market data not available from other sources.

- **Average asking price** gives an indication of current market sentiment. Statistically, asking prices tend to correlate closely with the sales prices recorded in future months when those properties are sold. As it looks at different data, average asking prices may differ from recorded sales data released at the same time.

- **Inventory** is a measure of how long it would take, theoretically, to sell the current stock at current average rates of sale if no new properties were to be listed for sale. It provides a measure of the rate of turnover in the market.
- **New listings** is a record of all the new listings on Realestate.co.nz for the relevant calendar month. As we represent 97% of all properties listed through registered estate agents in New Zealand, this gives a representative view of the market.
- **Seasonal adjustment** is a method we use to better represent the core underlying trend of the property market in New Zealand. This is done using methodology from the New Zealand Institute of Economic Research.
- **Truncated mean** is the method we use to provide statistically relevant asking prices. The top and bottom 10% of listings in each area are removed before the average is calculated, to prevent exceptional listings from providing false impressions.

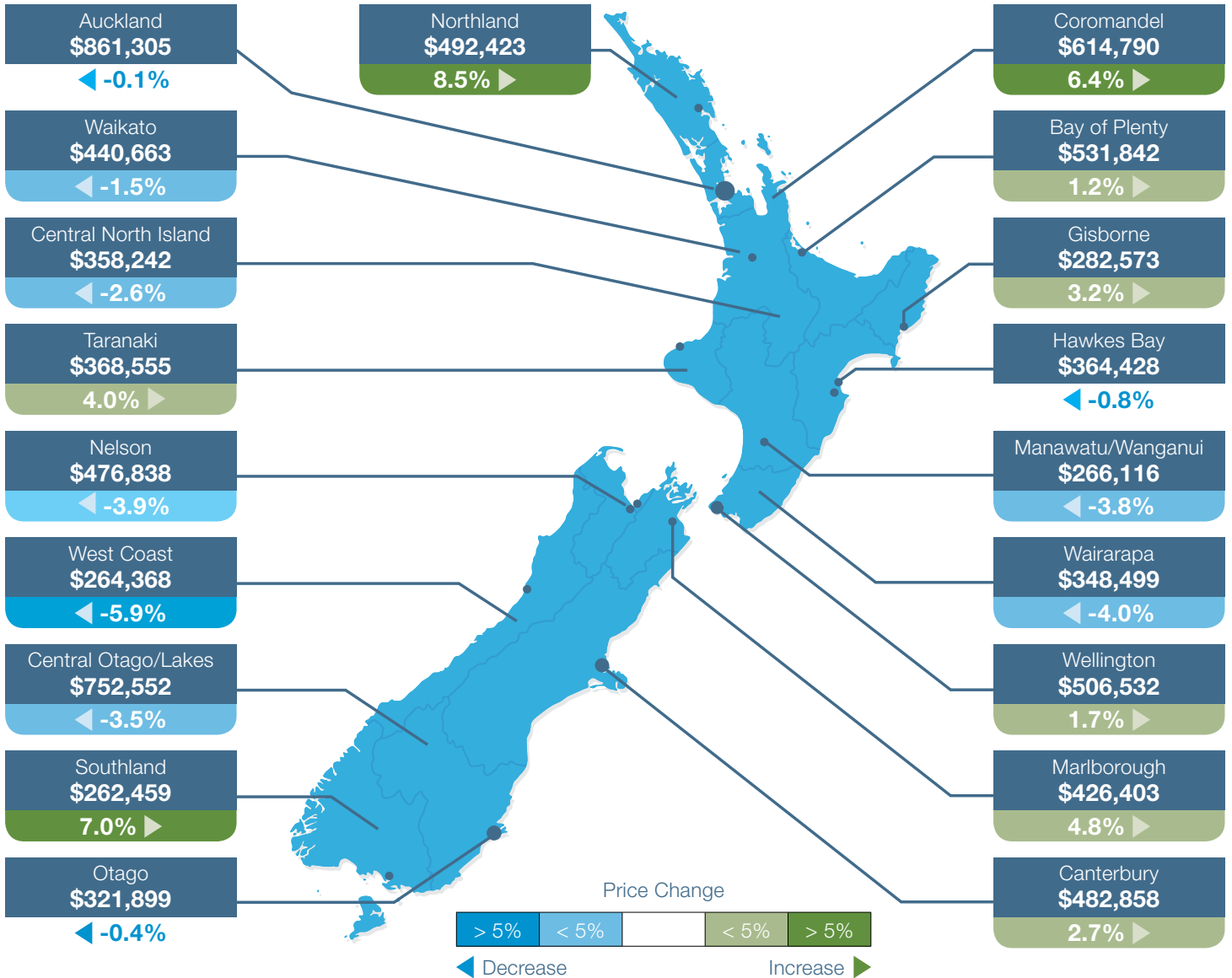
[> Read more here](#)



Property Asking Price

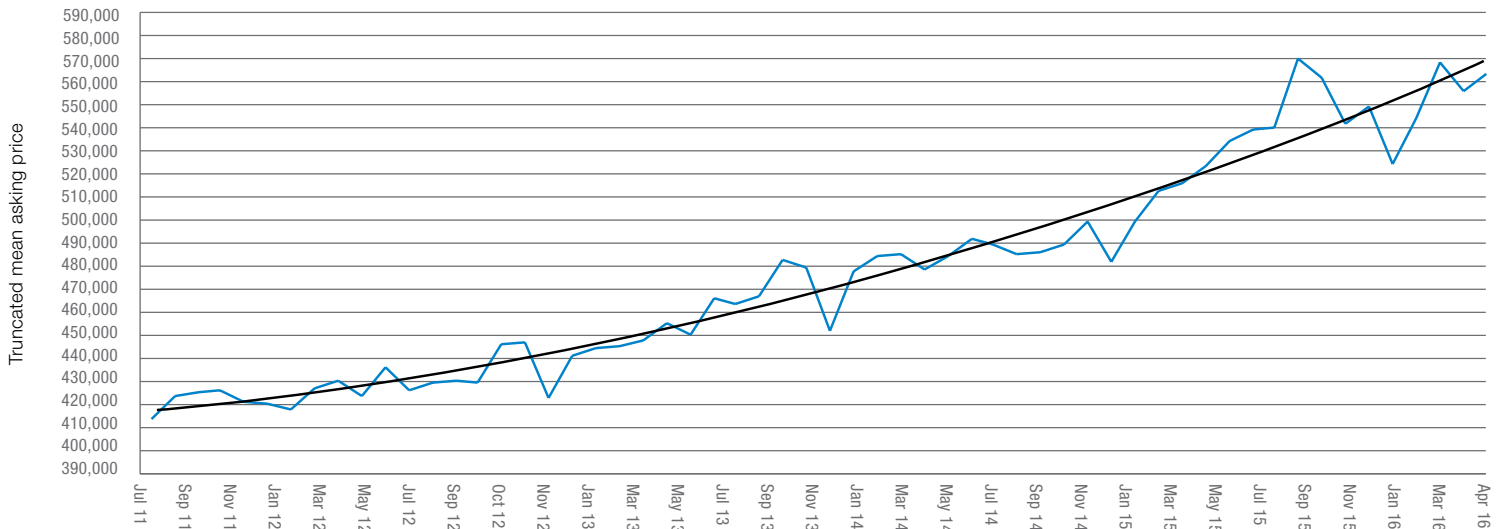
Property Asking Price for April 2016 **\$561,283**

Compared to prior month **1.3%**



Asking prices for new listing calculated as seasonally adjusted prices using X12 ARIMA methodology

Property Asking Price for April 2016 **\$561,283**

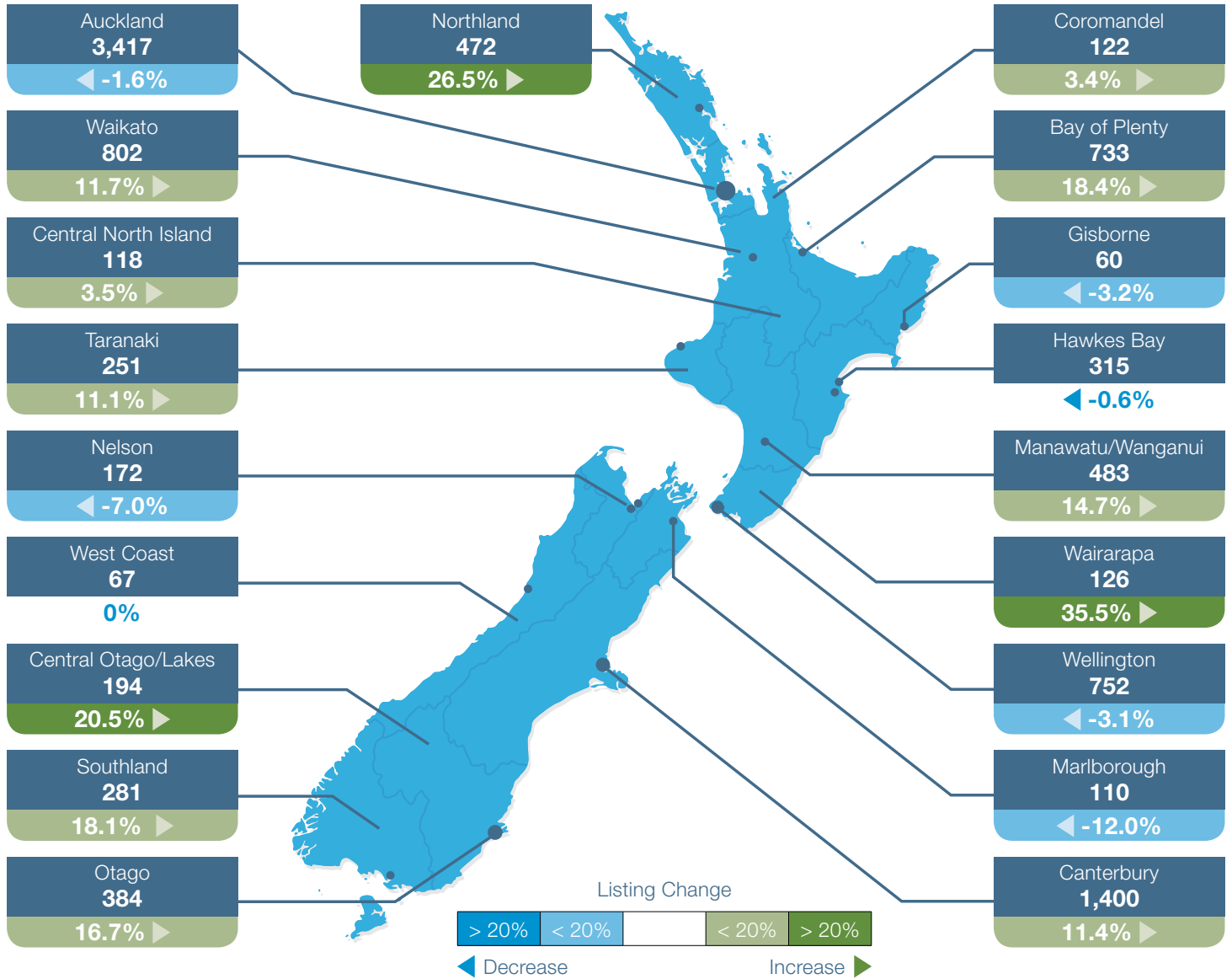




New Property Listings

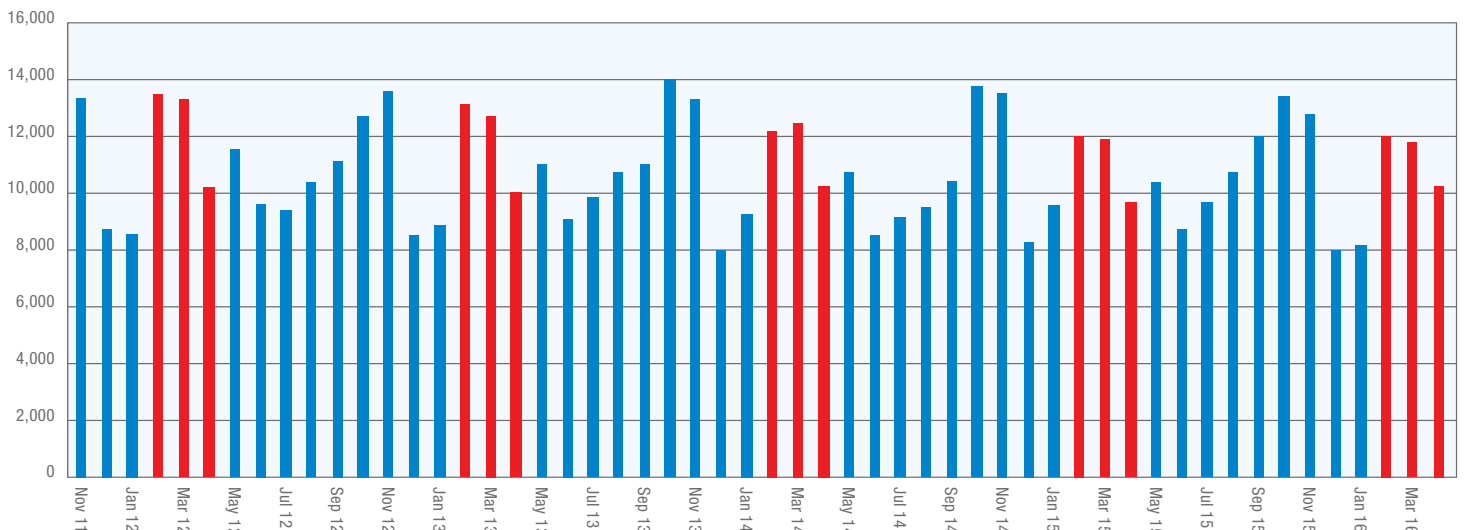
New Property Listings for April 2016 **10,259**

Compared to April 2015 **6.1%**



Actual data of new listings

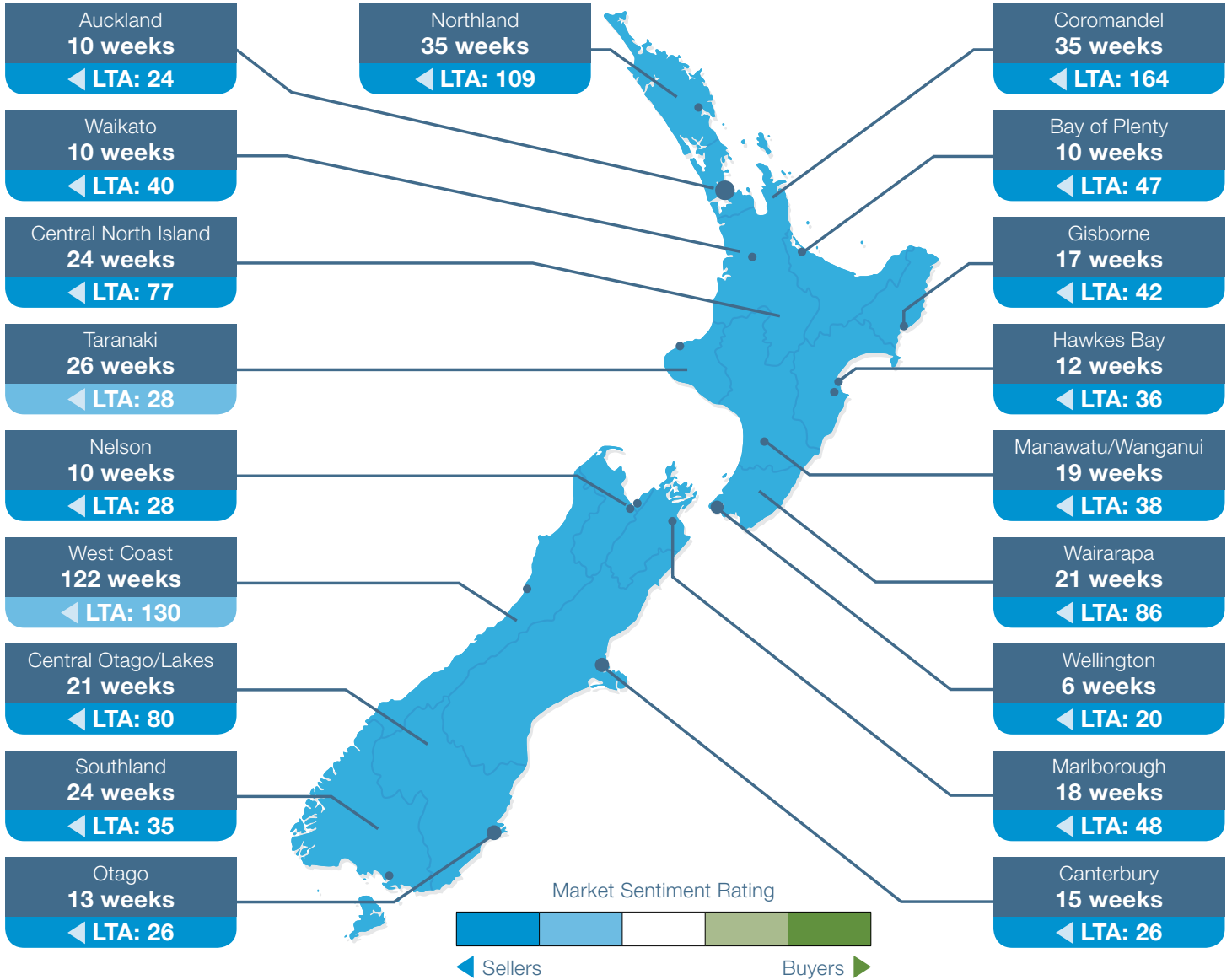
New Property Listings for April 2016 **10,259**





Inventory of listings

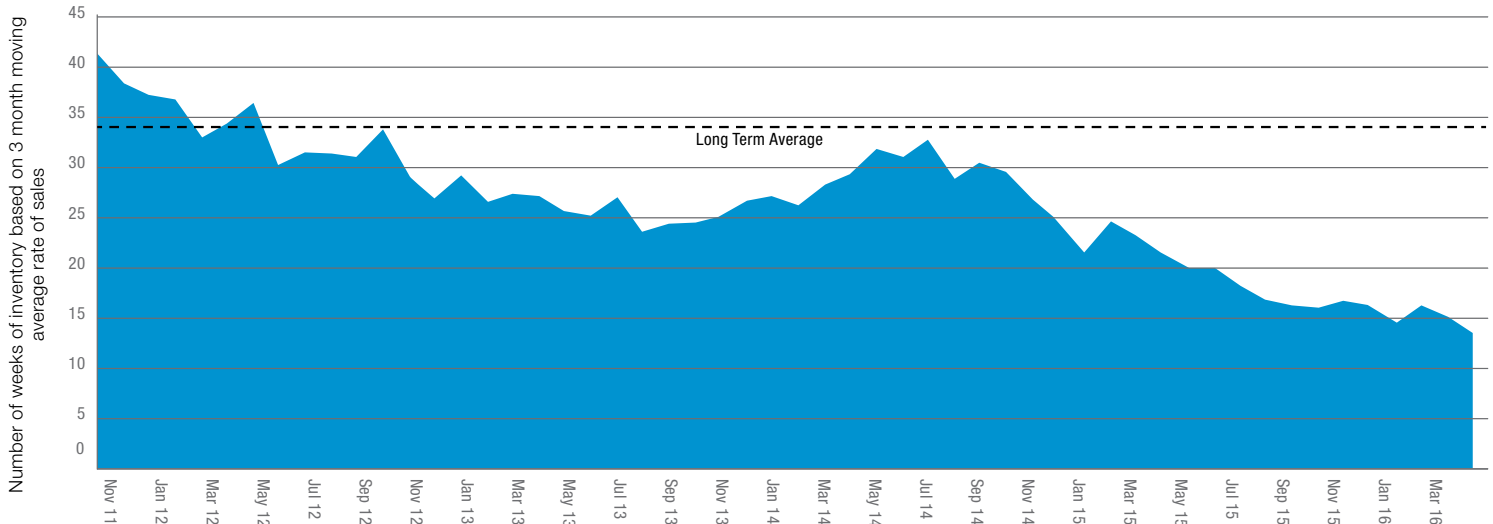
NZ Inventory of Listings for April 2016 **14 weeks** Compared to Long Term Average (LTA) **34 weeks**



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 8 years of seasonally adjusted data.

NZ Inventory of Listings for April 2016 **14 weeks**

NZ Property Market - Inventory - Number of weeks of inventory based on rate of seasonally adjusted sales





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For more information

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