

New Zealand Property report



September 2016

Regional property market benefits from classic supply and demand picture.

Coromandel one of six regions nationally to hit an all-time high asking price in August.

Low levels of housing stock in some regions of New Zealand are continuing to benefit sellers, according to figures released today by realestate.co.nz.

Real-time market statistics from the site, which has the largest number of residential for sale property listings in the country, show that with the exception of Auckland, there has been a gradual decline in housing stock over and above the typical midwinter seasonal lull.

“This has resulted in a lift in asking prices, most notably in the Coromandel, where the region had only 141 new listings and yet hit

\$636,297 for the average asking price. This is up 7.2 per cent from the previous month and is an all-time high,” says realestate.co.nz CEO Brendon Skipper.

Coromandel is just one of six regions nationally that have hit an all-time high in August. The other five regions are Canterbury, Nelson & Bays, Bay of Plenty, Waikato and Auckland.

With inventory levels continuing to fall, the property market remains a sellers’ market.

“Nationally, it means that if no new listings were to come to market, all the existing properties in New Zealand would be sold in 14 weeks.

“Auckland is the only region in the whole of New Zealand where housing stock is up compared to the same time last year. However, demand appears to be easing compared to the rest of the country,” says Brendon.

The number of new listings in Auckland dropped by 12.4 per cent compared to the previous year, however the total Auckland housing stock levels are up by four per cent for the same period.

“This tells us that homes are taking slightly longer to sell, which could be as a result of LVR restrictions,” says Brendon.

“This has resulted in a lift in asking prices, most notably in the Coromandel, where the region had only 141 new listings”

Taking a snapshot in a moment of time on one day in late August, there were 21,462 houses for sale across New Zealand, which is down 24.8 per cent from the previous year.

“This number can be misleading as it doesn’t take into account the

number of properties which have come onto the market during that month and subsequent sales, but it does tell us it is still very much a sellers’ market.

“The market data we draw from realestate.co.nz shows that the average Auckland asking price for all residential property types was \$907,986 in August, which is yet another record, but still has some way to go before hitting the \$1 million mark,” comments Brendon.



Brendon Skipper
CEO, Realestate.co.nz

About realestate.co.nz

Realestate.co.nz is dedicated to property and is the official website of the New Zealand real estate industry. As a property listing site, the information it draws on for its property report is in real time.

Realestate.co.nz has the country's most comprehensive selection of real estate listings online. The site presents more than 97 per cent 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

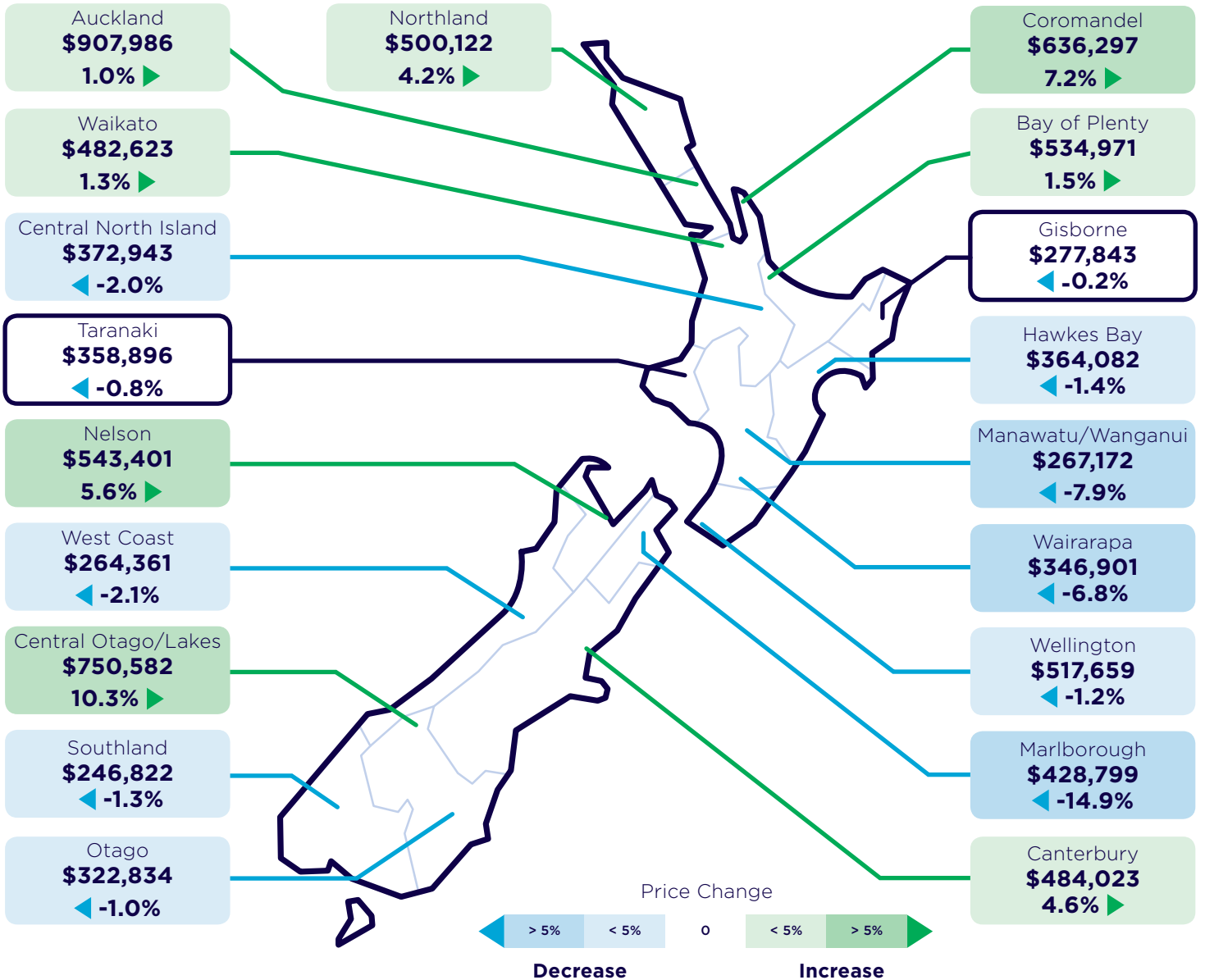
Realestate.co.nz provides valuable property market data not available from other sources.

- **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** are a record of all the new listings on realestate.co.nz for the relevant calendar month. As we reflect 97 per cent 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 per cent of listings in each area are removed before the average is calculated, to prevent exceptional listings from providing false impressions. Read more [here](#).



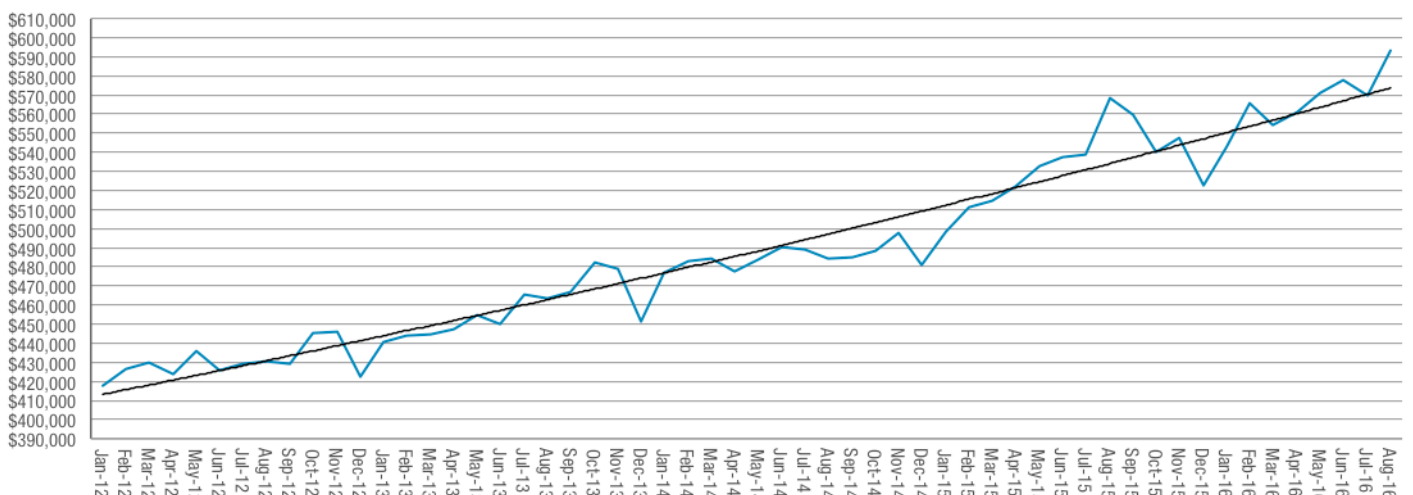
Property asking price

Property Asking Price for August 2016 **\$593,023**
Compared to prior month **+4.0%**



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

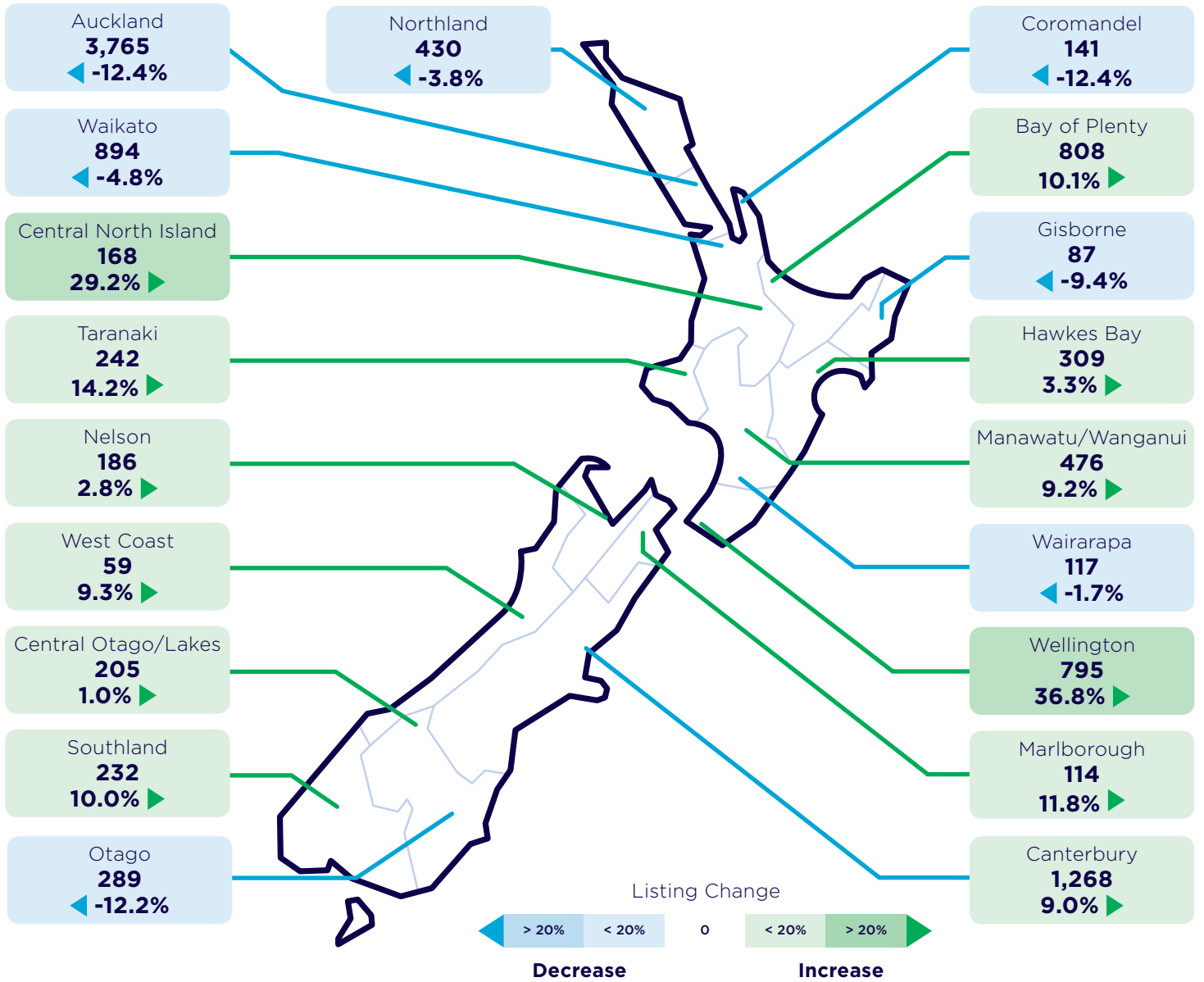
Property Asking Price for August 2016 **\$593,023**





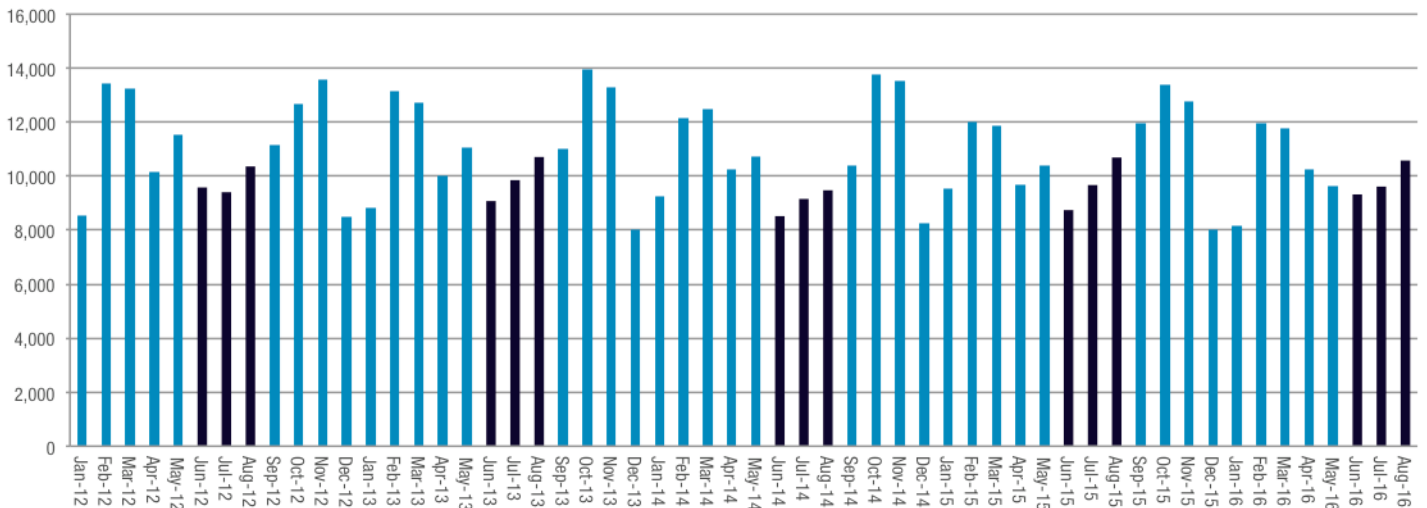
Property new listings

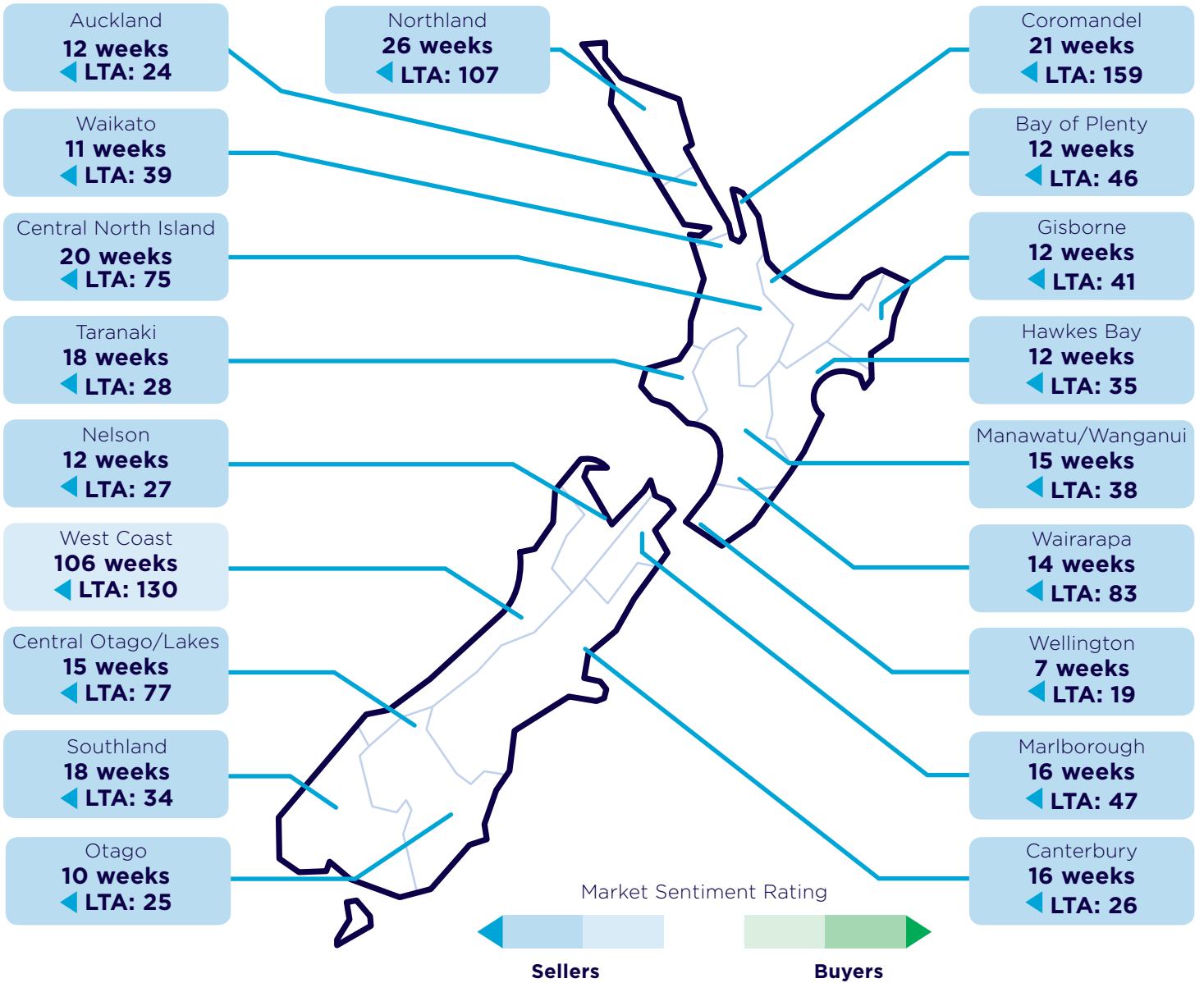
New Property Listings for August 2016 **10,585**
Compared to August 2015 **-1.0%**



Actual data of new listings

New Property Listings for August 2016 **10,585**

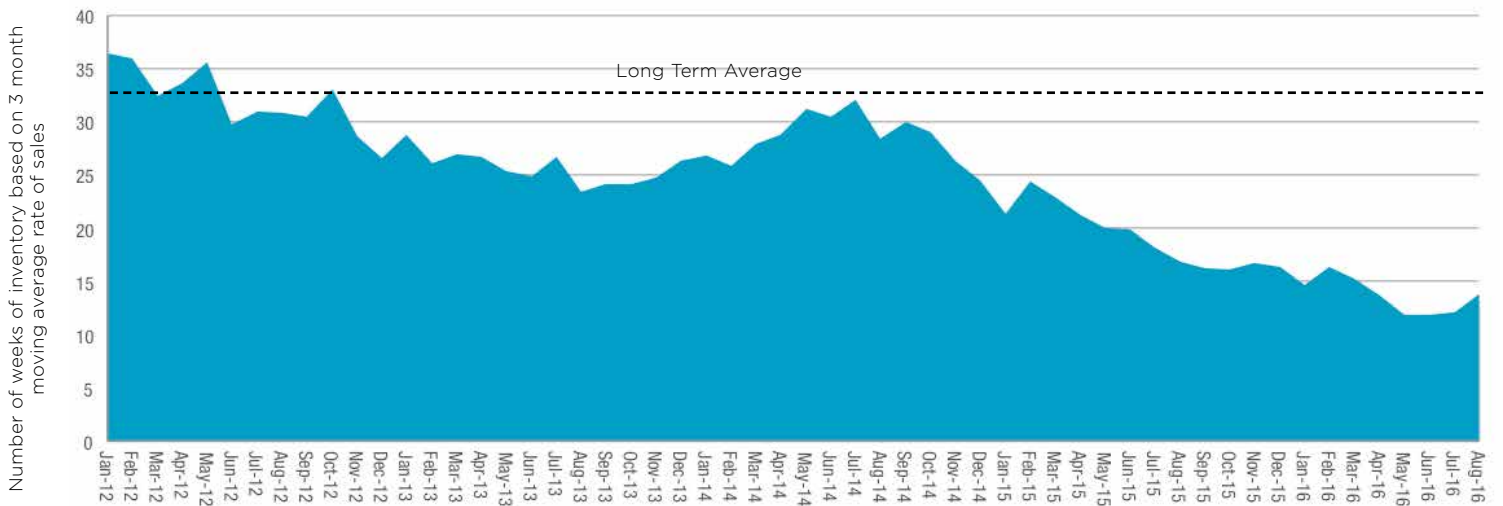




The inventory levels reflect the projected number of weeks to clear existing inventory of unsold homes on the market matched to the Long Term Average (LTA) for the region based on 8 years of seasonally adjusted data.

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

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



For more information
0800 473 469
info@realestate.co.nz

