

New Zealand Property report



November 2016

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 realestate.co.nz

The heat is off Auckland as Kiwis take a breath and park the city house hunt

The New Zealand housing market has settled into a typical pre-Christmas pattern, as Kiwis turn their focus to the upcoming holiday period.

Real-time market statistics from realestate.co.nz for the past three months (ending 30 November) show a comparative cooling in demand across the main centres - most noticeably Auckland.

Demand is measured by the average number of views per listing for September, October and November 2016 which are then compared to the same period in 2015.

“Auckland was the only region across the country where demand is down on the same period last year,” says realestate.co.nz CEO Brendon Skipper.

Demand in the region dropped 8.1 per cent, compared to the same time last year.

The average asking price in Auckland went up just 0.4 per cent in November, compared to the previous month. Despite this slower rate of growth, asking prices in the region hit another record high of \$947,141.

“A slowing rate of growth and a decrease in demand means properties in Auckland are sitting on the market for longer. In turn, this means more options for buyers.”

HOLIDAY HOT SPOTS BECKON

While demand is up in all other regions, there appears to be a current focus on those renowned for lifestyle options. The Wairarapa, Marlborough and the Coromandel regions feature strongly. In the smaller regions, Gisborne and the West Coast are also attracting interest.

“As we prepare to head into the holiday period, it appears an increasing number of Kiwis are considering investing in a bach or holiday home,” says Brendon.

“But Kiwis who were looking to buy a holiday pad in the Coromandel in November may have struggled to find one, as the region recorded a drop in new listings in this region,” says Brendon.

Coromandel registered a significant drop in new listings in November, down 39 per cent compared to the same time last year.

Coromandel, Marlborough and Nelson all recorded sizeable spikes in the average asking price in

November, when compared to the previous month (up 8.4 per cent, 8.2 per cent and 17.4 per cent respectively).

SUPPLY AND DEMAND HOT IN THE REGIONS

The Manawatu/Wanganui region continues to be in hot demand. In November, the region recorded New Zealand’s highest percentage increase of new property listings compared to the same month last year.

The 17.1 per cent jump in new listings was not at the expense of price. The region saw the average asking price hit \$291,292.

“Remarkably, properties are turning over more quickly in this region compared to Auckland,” says Brendon.

If there were no new properties listed in the Manawatu/Wanganui region, theoretically there would be no properties left for sale within 13 weeks. In Auckland, it would take 14 weeks to clear all current property listings.

“The average asking price in Auckland is growing at a more modest pace, while properties are taking longer to turn over. If this trend continues, there will be more choices available for Auckland buyers in the foreseeable future.”

“As we prepare to head into the holiday period, it appears an increasing number of Kiwis are considering investing in a bach or holiday home.”

Brendon Skipper
CEO, realestate.co.nz



About realestate.co.nz

Dedicated only to property, realestate.co.nz 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.

With the country's most comprehensive selection of real estate listings, realestate.co.nz represents more than 97 per cent of all residential, commercial and rural properties currently marketed by real estate professionals.

Glossary of terms

Being the only provider of real estate data in real time, realestate.co.nz offers valuable property market information not available from other sources.

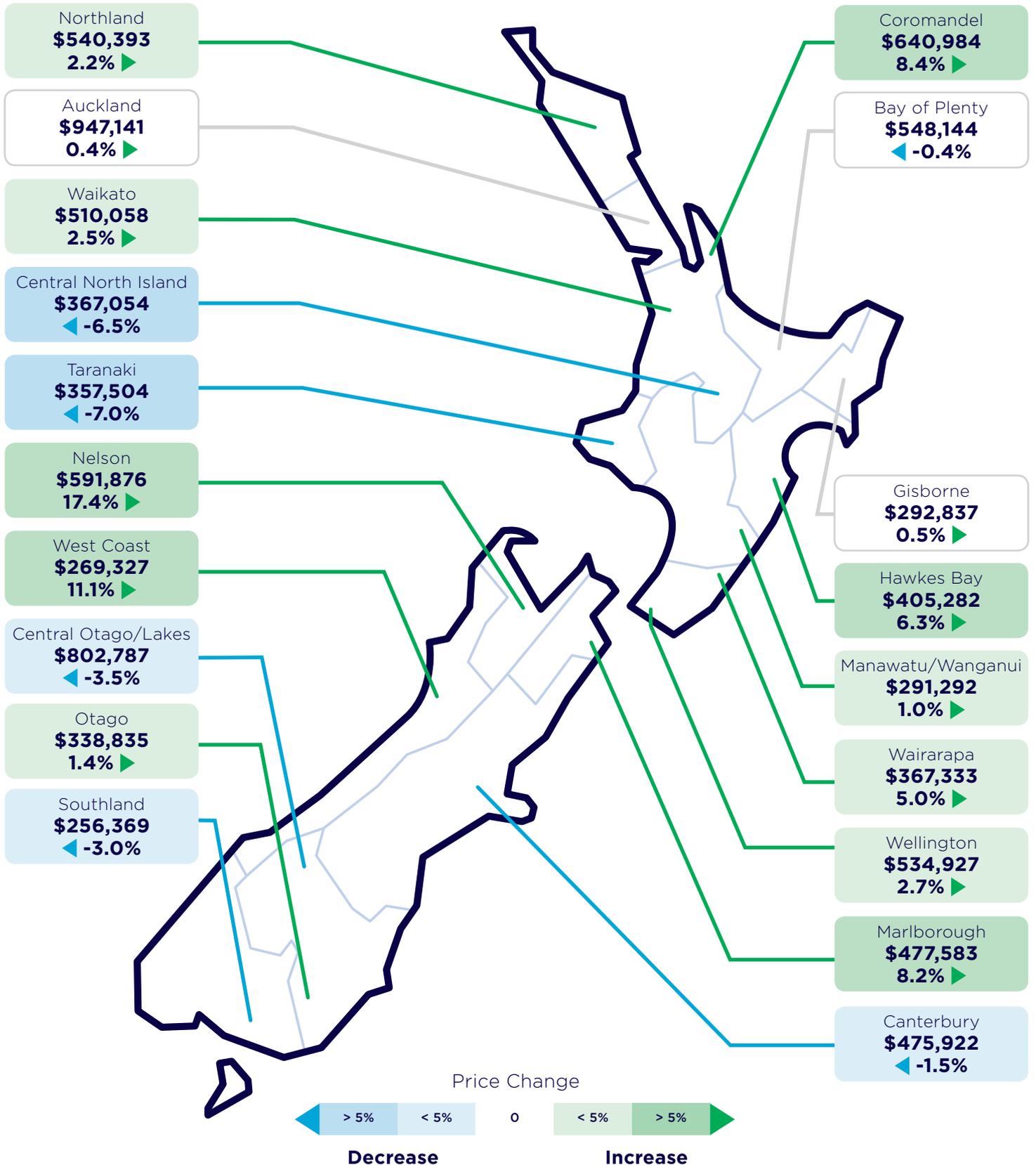
- **Average asking price** gives an indication of current market sentiment. Statistically, asking prices tend to correlate closely with the sales prices recorded in future months when those properties are sold. As it looks at different data, average asking prices may differ from recorded sales data released 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 realestate.co.nz reflects 97 per cent of all properties listed through registered estate agents in New Zealand, this gives a representative view of the New Zealand property market.
- **Seasonal adjustment** is a method realestate.co.nz uses 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 realestate.co.nz uses 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.
- **Demand** measures the average number of listing views for September, October and November 2016 when compared to the same period in 2015.



property asking price

Property asking price for November 2016 **\$613,643**
Compared to prior month **+0.6%**

The average asking price is calculated by taking every residential listing's indicated asking price and dividing it by the total number of properties.



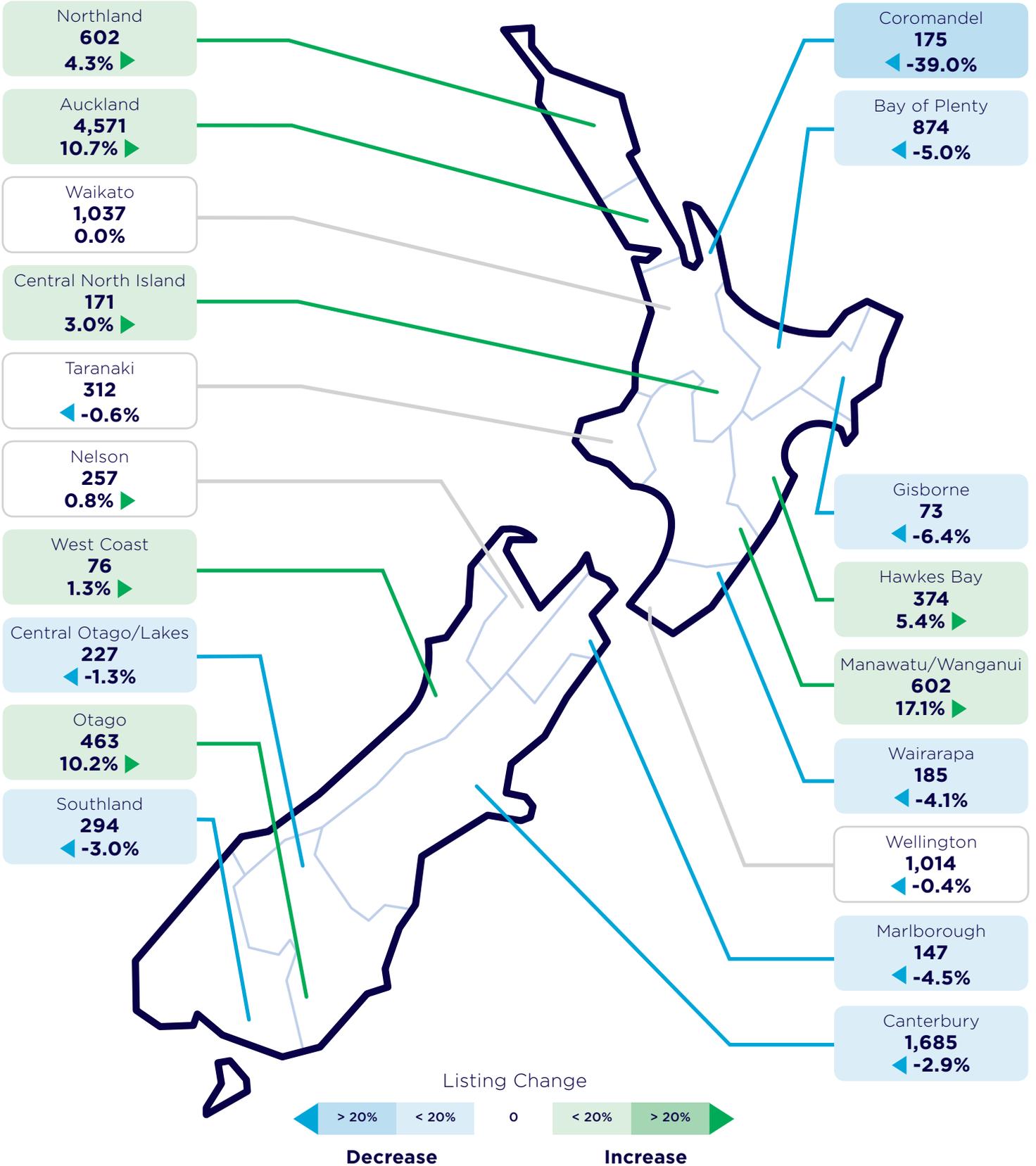
Asking prices for new listing calculated as seasonally adjusted prices using X12 ARIMA methodology.



property new listings

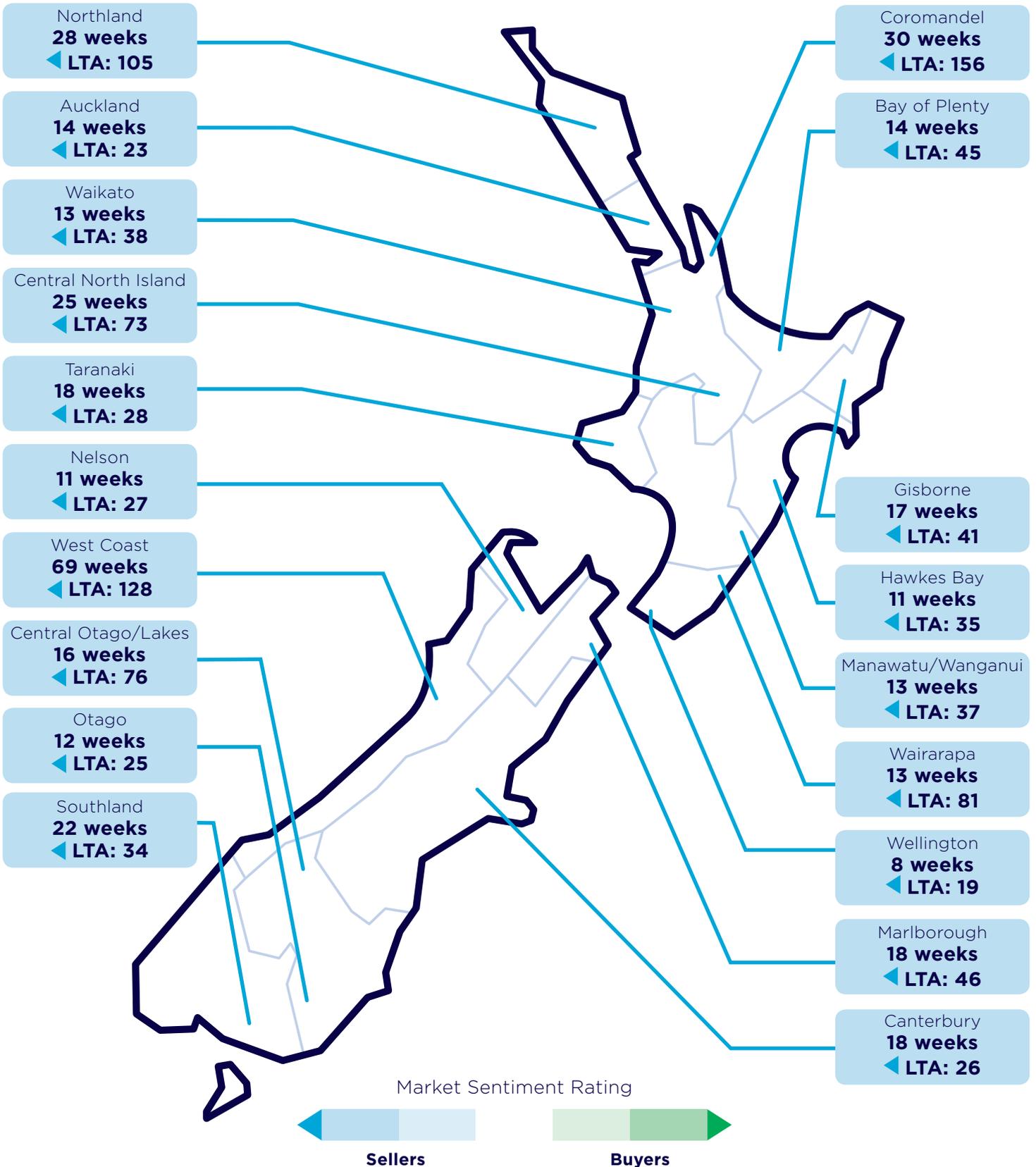
New property listings for November 2016 **13,139**
Compared to November 2015 **+3.0%**

New listings are properties that have been added to realestate.co.nz during the month. This is compared to the number of new listings in the same month in the previous year.



Actual data of new listings.

Inventory means if no new listings were to come onto the market, all the existing properties in each region would be sold within the number of weeks stated, based on historical trends.



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