



News Release

18 May 2017

## ***Another Record Median Price as Volumes Ease***

### ***Summary***

Data released today by the Real Estate Institute of NZ ("REINZ") shows there were 220 fewer lifestyle property sales (-9.3%) for the three months ended April 2017 than for the three months ended April 2016. Overall, there were 2,156 lifestyle property sales in the three months ended April 2017, compared to 2,011 lifestyle property sales for the three months ended March 2017 (+7.2%), and 2,376 lifestyle property sales for the three months ended April 2016.

8,745 lifestyle properties were sold in the year to April 2017, 26 (+0.3%) more than were sold in the year to April 2016. The value of lifestyle properties sold was \$6.84 billion for the year to April 2017.

The median price for all lifestyle properties sold in the three months to April 2017 reached a new record high of \$635,000 and was \$72,500 higher compared to the three months ended April 2016 (+12.9%).

"Sales data for the three month period ending 30 April 2017 confirms that values have reached another peak, but the market has experienced a considerable reduction in volumes during April 2017 of approximately 35 % from the figures recorded during the previous month. All regions apart from Gisborne and the West Coast have experienced such reductions", says REINZ Rural Spokesman Brian Peacocke.

Regional points of interest include:

- **Northland/Auckland** – strong activity; reduced volumes; insufficient supply of properties to meet the demand where quality rather than price is the criteria; solid focus on land with potential for subdivision; banks are tightening lending criteria; some delays in settlements where off-shore funding is required;
- **Waikato/Bay of Plenty** –strong activity; increased values; a reduction in supply in all popular locations;
- **Central and Lower North Island** – an overall increase in buyer enquiry with comments that

prices in some regions are being compared to Auckland values;

- **Upper South Island** – reduced activity in the northern regions of the South Island; a strong market in the central Canterbury areas with price resistance beyond specific levels; strong competition for reduced stock; and
- **Lower South Island** - a similar market to other provinces with the Dunedin district out-performing the Lakes district during the last month; a considerable reduction in sales results in the Southland region.

Seven regions recorded an increase in sales compared to April 2016. Wellington recorded the largest increase in sales (+35) in the three months to April 2017 compared to April 2016, both Otago and Manawatu/Wanganui had an increase of 28 sales, and Taranaki had an increase of 11 sales. Compared to March 2017, 13 regions recorded an increase in sales.

The national median price for lifestyle blocks rose by \$72,500 (+12.9%) for the three months to April 2017 compared to the three months to April 2016 to reach another new record high. New record median prices were also recorded in Bay of Plenty and Otago.

The median price for lifestyle blocks in Auckland rose by \$100,000 (+9.1%) from \$1,100,000 for the three months April 2016 to \$1,200,000 for the three months to April 2017. Over the same period, the median price rose by 44.7% in Waikato to \$680,000, and fell by 1.9% to \$650,000 for Canterbury.

The median number of days to sell for lifestyle properties improved by 15 days in the three months to April 2017 compared to the three months to April 2016 to sit at 52 days. Compared to the three months ended March 2017 the median number of days to sell improved by two days. Bay of Plenty recorded the shortest number of days to sell in April 2017 at 45 days, followed by Auckland at 47 days and Waikato at 48 days. West Coast recorded the longest number of days to sell at 273 days, followed by Otago and Nelson at 77 days.

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#### **Real Estate Institute of New Zealand**

For more real estate information and market trends data, visit [www.reinz.co.nz](http://www.reinz.co.nz). For New Zealand's most comprehensive range of listings for residential, lifestyle, rural, commercial, investment and rental properties, visit [www.realestate.co.nz](http://www.realestate.co.nz) - REINZ's official property directory website.

#### **Editors Note:**

*The information provided by REINZ in relation to the lifestyle real estate market covers the most recently completed three month period; thus references to April refer to the period from 1 February 2017 to 30 April 2017.*