



News Release

15 March 2017

## ***New Record Median Price as Volumes Decline***

### ***Summary***

Data released today by the Real Estate Institute of NZ ("REINZ") shows there were 222 fewer lifestyle property sales (-10.9%) for the three months ended February 2017 than for the three months ended February 2016. Overall, there were 1,809 lifestyle property sales in the three months ended February 2017, compared to 1,959 lifestyle property sales for the three months ended January 2017 (-7.7%), and 2,031 lifestyle property sales for the three months ended February 2016.

8,886 lifestyle properties were sold in the year to February 2017, 472 (+5.6%) more than were sold in the year to February 2016. The value of lifestyle properties sold was \$6.90 billion for the year to February 2017.

The median price for all lifestyle properties sold in the three months to February 2017 reached a new record high of \$600,000 and was \$57,000 higher compared to the three months ended February 2016 (+10.5%).

"Fluctuating volumes of sales is the standout factor for the three months ending February 2017, with some regions ahead of the previous month but an overall decline sufficient to record the lowest three month number since April 2015. The offset has been the record peak in prices", says REINZ Rural Spokesman Brian Peacocke.

Regional points of interest include:

- **Northland** – steady volumes of sales with a solid lift from January, but slower overall than the spring of 2016;
- **Auckland** - volumes holding but generally lower than most periods over the last two years; clarification being sought for re-zoning changes north of the city but some record prices being achieved for smaller blocks with quality homes to the south of the city;
- **Waikato** – listings in short supply, but improving with February sales 50% below those achieved in October 2016; quality properties in popular areas are selling quickly within the medium price range and market-educated purchasers are active in all price ranges; a back

log of applications for building consents is frustrating for some as the market experiences increased demand for bare blocks;

- **Bay of Plenty** – solid demand from local purchasers for reduced stocks with Auckland buyers maintaining a presence in the marketplace; prices holding well particularly up to and above \$800,000; very strong activity around Rotorua as well as strong sales albeit short supply around Taupo with prices generally peaking at under \$1 million;
- **Central Regions** – a good lift in volumes from the previous month throughout Hawke’s Bay, Manawatu/Wanganui but modest results in Taranaki;
- **Wellington/Wairarapa** – a buoyant market limited by shortage of supply; particularly strong south of Masterton where Wellington retirees are key components within the marketplace;
- **Nelson/Marlborough** – modest results in the Nelson/Marlborough region with volumes sitting at 50% of sales numbers in November last;
- **Canterbury** – a slight upturn from last month where activity in the lower price range is sustaining a quieter market;
- **Otago** – strong activity throughout Central Otago with the Queenstown Lakes district recording some very strong prices; steadier in other parts of the province; and
- **Southland** – quieter conditions in the deep south with a distinct decrease in volumes.

Five regions recorded an increase in sales compared to February 2016. Otago recorded the largest increase in sales (+25) in the three months to February 2017 compared to February 2016, Canterbury saw an increase of 19 sales and Wellington an increase of 18 sales. Compared to January 2017, five regions recorded an increase in sales.

The national median price for lifestyle blocks rose by \$57,000 (+10.5%) for the three months to February 2017 compared to the three months to February 2016 to reach a new record high. The median price for lifestyle blocks in Auckland rose by \$212,500 (+22.1%) from \$960,000 for the three months February 2016 to \$1,172,500 for the three months to February 2017. Over the same period, the median price rose by 26.9% in Waikato to \$685,000 to reach a new record high, and by 11.8% to \$685,000 for Canterbury to also reach a new record high.

The median number of days to sell for lifestyle properties improved by six days in the three months to February 2017 compared to the three months to February 2016 to sit at 55 days. Compared to the three months ended January 2017 the median number of days to sell eased by six days. Waikato recorded the shortest number of days to sell in February 2017 at 42 days, followed by Auckland at 47 days and Bay of Plenty at 49 days. West Coast recorded the longest number of days to sell at 252 days, followed by Otago at 84 days and Taranaki at 69 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 February refer to the period from 1 December 2016 to 28 February 2017.*