



17 July 2017
For immediate Release

Lifestyle Market Softens as Winter Bites

Summary

Data released today by the Real Estate Institute of NZ (REINZ) shows there were 392 fewer lifestyle property sales (-15.8%) for the three months ended June 2017 than for the three months ended June 2016. Overall, there were 2,088 lifestyle property sales in the three months ended June 2017, compared to 2,304 lifestyle property sales for the three months ended May 2017 (-9.4%), and 2,480 lifestyle property sales for the three months ended June 2016.

8,520 lifestyle properties were sold in the year to June 2017, 447 (-5.0%) fewer than were sold in the year to June 2016. The value of lifestyle properties sold was \$6.63 billion for the year to June 2017.

The median price for all lifestyle properties sold in the three months to June 2017 was \$601,250 and was \$21,250 higher compared to the three months ended June 2016 (+3.7%).

Brian Peacocke, Rural Spokesman, at REINZ says: "Whilst sales volumes for the three months ending June 2017 were solid, the data released confirms a distinct easing for the month of June compared to the previous month and a continuation of the trend from the peak in sales volumes 12 months ago. Apart from a sound 9% increase in Northland and a solid performance on the West Coast, all other regions experienced a decrease in sales numbers during the month of June.

"The onset of winter may explain the reduction to a degree, but reports from around the country indicate a shortage of listings with the resulting tendency of some vendors to remain fixed on price unless a reasonable opportunity to progress to another property is available. Given the affordability presented by the current level of interest rates, the trends that emerge within the market over the next few months will be interesting," he concludes.

Four regions recorded an increase in sales compared to June 2016. Wellington recorded the largest increase in sales (+24 sales) in the three months to June 2017 compared to June 2016, West Coast had an increase of 20 sales, and Manawatu/Wanganui saw an increase of 12 sales. Compared to May 2017, two regions recorded an increase in sales.

The national median price for lifestyle blocks rose by \$21,250 (+3.7%) for the three months to June 2017 compared to the three months to June 2016. New record median prices were recorded in Nelson at \$692,500 and Waikato at \$687,500.

The median price for lifestyle blocks in Auckland fell by \$130,500 (-10.1%) from \$1,286,500 for the three months June 2016 to \$1,156,000 for the three months to June 2017. Over the same period, the median price rose by 32.6% in Waikato to \$687,500, and fell by 3.1% to \$630,000 for Canterbury.

The median number of days to sell for lifestyle properties improved by three days in the three months to June 2017 compared to the three months to June 2016 to sit at 54 days. Compared to the three months ended May 2017 the median number of days to sell eased by five days. Gisborne recorded the shortest number of days to sell in June 2017 at 18 days, followed by Waikato at 46 days and Auckland at 47 days. West Coast recorded the longest number of days to sell at 152 days, followed by Nelson at 77 days and Otago at 75 days.

ENDS

Real Estate Institute of New Zealand

For more real estate information and market trends data, visit 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 - 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 June refer to the period from 1 April 2017 to 30 June 2017.