

24 September 2018
For immediate release

A Steady Late-Winter Market

Data released today by the Real Estate Institute of New Zealand (REINZ) shows there were 183 less lifestyle property sales (-9.7%) for the three months ended August 2018 than for the three months ended July 2018. Overall, there were 1,700 lifestyle property sales in the three months ended August 2018, compared to 1,808 lifestyle property sales for the three months ended August 2017 (-6.0%), and 1,883 lifestyle property sales for the three months ended July 2018.

7,190 lifestyle properties were sold in the year to August 2018, 925 (-11.4%) fewer than were sold in the year to August 2017. The value of lifestyle properties sold was \$5.80 billion for the year to August 2018.

The median price for all lifestyle properties sold in the three months to August 2018 was \$645,000 and was \$55,000 higher compared to the three months ended August 2017 (+9.3%).

Brian Peacocke, Rural Spokesman, at REINZ says: "Sales data released for the 3-month period ending August 2018 is notable for the consistency in total sales across the country but equally notable for the inconsistency in numbers within the respective regions on month by month basis.

"Whilst the overall picture would appear healthy, it is worth noting the following: -

- (i) Sales volumes for the most recent period are down 28% on the equivalent period in 2016
- (ii) At \$645,000, the current median price is \$100,000 ahead of the same period in 2016, and \$55,000 ahead of the median price in 2017
- (iii) Given the above, it would appear there is a shortage of quality stock, with that shortage applying upward pressure on price," he concludes.

Points of Interest around New Zealand include:

- Decreases in sales volumes in the Northland, Auckland, Waikato and Bay of Plenty regions, as was the case in Nelson/Marlborough and the West Coast
- Increases in sales volumes in the mid to lower North Island, and the mid to lower South Island, particularly so for the Wellington and Canterbury regions where monthly volumes more than doubled in Wellington and increased by approximately 30% in Canterbury.

Five regions recorded an increase in sales compared to August 2017. Canterbury recorded the most substantial increase in sales (+26 sales) in the three months to August 2018 compared to August 2017. Compared to July 2018, two regions recorded an increase in sales.

All but two of the regions saw the median price of lifestyle blocks increase between the three months ending August 2017 and the three months ending August 2018. The most notable examples were in West Coast (+39%), Gisborne (+30%) and Wellington (+26%). The exceptions were Canterbury (-5%) and Hawke's Bay (-2%).

The median number of days to sell for lifestyle properties was five days longer in the three months to August 2018 as in the three months to August 2017, sitting at 68 days. Compared to the three months ended July 2018 the median number of days to sell was five days longer. Manawatu/Wanganui recorded the shortest number of days to sell in August 2018 at 55 days, followed by Bay of Plenty, Gisborne and Waikato (56 days). West Coast recorded the longest number of days to sell at 135 days, followed by Southland at 89 days and Auckland at 78 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 August refer to the period from 1 June 2018 to 31 August 2018.