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For immediate release

REINZ data: Number of properties sold nationally falls in June, but prices keep rising

The number of residential properties sold across New Zealand in June fell by -3.8% from the same time last year to 5,978 (down from 6,213), according to the latest data from the Real Estate Institute of New Zealand (REINZ), source of the most complete and accurate real estate data in New Zealand.

For New Zealand excluding Auckland, the number of properties sold fell by -4.0% when compared to the same time last year (from 4,334 to 4,159).

In Auckland, the number of properties sold in June fell by -3.2% year-on-year (from 1,879 to 1,819).

Regions outside of Auckland with the greatest decrease in annual sales volumes during June were:

- Hawke's Bay: -26.8% (from 287 to 210 – 77 fewer houses) – the lowest for the month of June since 2015
- Taranaki: -24.9% (from 185 to 139 – 46 fewer houses) – the lowest for the month of June since 2014
- Tasman: -13.9% (from 72 to 62 – 10 fewer houses)
- West Coast: -11.8 (from 34 to 30 – 4 fewer houses) – the lowest for the month of June since 2016.

Regions with the strongest annual increase in sales volumes during June:

- Marlborough: +18.1% (from 72 to 85 – 13 more houses sold) – the highest for the month of June in 3 years
- Nelson: +7.2% (from 69 to 74 – 5 more houses sold) – the highest for the month of June in 3 years.

Bindi Norwell, Chief Executive at REINZ says: “The number of properties sold in New Zealand during June was the lowest for the month of June in 5 years. However, with new listings down -7.3% on the same time last year, and record new listing lows set for Northland, Taranaki, West Coast, Southland and parts of the Waikato, it's not entirely surprising.

“Feedback from parts of the country is that some people are reluctant to list their property for sale without somewhere to move to and with fewer listings coming on to the market, it's slowing down the property cycle and impacting sales volumes. When you combine that with the difficulty some buyers are still reporting over access to finance, it is understandable why sales volumes are falling across most parts of New Zealand,” continues Norwell.

“Parts of the South Island posted positive annual sales results including Marlborough (+18.1%), Nelson (+7.2%), Otago (+2.8%) and Canterbury (+2.1%). North Island regions with positive annual sales volume were Gisborne, with a 1.8% uplift from the same time last year, and the Bay of Plenty which was up 0.9% year-on-year” points out Norwell.

“With the lowest number of new listings for the month of June since listings records began, Auckland saw the lowest number of properties sold for two months continuing the trend we’ve seen for a few months now,” she continues.

Middle of North Island & bottom of South Island strongest price growth in June

Median house prices across New Zealand increased by 4.5% in June to \$585,000, up from \$560,000 in June 2018, an equal record with the price set in March this year. These results are relatively consistent with the REINZ House Price Index (HPI) which saw property values increase 1.7% annually.

Median price increases for New Zealand excluding Auckland were even stronger, increasing by 5.4% to \$485,000, up from \$460,000 in June last year.

Median house prices in Auckland remained flat at \$850,000 exactly the same price as last month and as the same time last year. In contrast, the REINZ HPI showed property values in Auckland falling by -3.5% indicating that parts of Auckland have experienced some moderate cooling.

Record median prices were recorded in:

- Manawatu/Wanganui with a 23.3% increase to \$370,000 up from \$300,000 at the same time last year, and
- Tasman with a 12.4% increase to \$642,000 up from \$571,000 in June 2018.

“The Manawatu/Wanganui region saw the strongest growth in median price in June with a 23.3% increase to a new record median price of \$370,000. This was the result of a 17.8 percentage point decrease in the number of properties sold below the \$250,000 mark and a 17.5 percentage point increase in the number of properties sold in the \$250,000 to \$750,000 mark.

“It was a similar picture for the Tasman region, with the record median price of \$642,000 the result of no properties being sold below the \$250,000 mark in the region, and a 9.4 percentage point increase in the number of properties sold in the \$750,000-\$999,999 price bracket,” continues Norwell.

“Predictably, Auckland’s median price hit the \$850,000 mark – again; with no move in the median price as we’ve seen for some time now. Looking across the region, median prices varied significantly – for example the Waitemata and Gulf Ward saw a median price increase of 16.3% year-on-year, yet the Orakei Ward saw a decrease of -11.9% annually,” says Norwell.

“Median prices have continued to hold up across the country in June with a record equal seen for New Zealand at \$585,000. Looking at the country as a whole, median prices increased annually in 12 out of 16 regions, were flat in 3 regions (Auckland, Waikato and West Coast) and fell in Marlborough,” continues Norwell.

Days to Sell increases marginally

In June the median number of days to sell a property nationally increased by 3 days from 38 to 41 when compared to June last year. For New Zealand excluding Auckland, the median days to sell increased by 2 days from 37 to 39.

Auckland saw the median number of days to sell a property increase by 5 days from 40 to 45 when compared to the same time last year.

Nelson had the lowest days to sell of all the regions at 27 days, down 3 days from June last year. West Coast again has the highest days to sell of any region at 67 days, up 7 days on June last year.

Northland followed in a close second with a median number of days to sell of 64 – up 11 days on the same time last year.

Auctions

Auctions were used in 10.2% of all sales across the country in June, with 612 properties selling under the hammer – this is down from the same time last year, when 11.2% of properties (694) were sold via auction.

Gisborne again had the highest percentage of sales by auction across the country with 26.8% (or 15 properties) in the region sold under the hammer – down from 27.3% (15 properties) in June 2018.

Auckland saw the second largest percentage of sales by auction on 18.0% (328 properties) down from 20.8% in June 2018 (390 properties). Bay of Plenty remained in its usual third place in June with 10.8% (48 properties) sold under the hammer, down from 12.3% (54 properties) in June 2018.

Inventory

The total number of properties available for sale nationally increased by 4.0% from 22,605 to 23,519 – an increase of 914 properties compared to 12 months ago – the fourth annual increase.

June saw 8 regions with an annual increase in inventory levels. Regions with the largest percentage increases were:

- Northland: +16.5% from 1,242 to 1,447 – an additional 205 properties
- Marlborough: +12.3% from 277 to 311 – an additional 34 properties
- Waikato: +10.0% from 1,694 to 1,863 – an additional 169 properties
- Auckland: +8.7% from 8,356 to 9,085 – an additional 729 properties.

Regions with the biggest percentage decrease in inventory were:

- West Coast: -29.3% from 505 to 357 – 148 fewer properties
- Gisborne: -26.9% from 108 to 79 – 29 fewer properties
- Otago: -20.5% from 526 to 418 – 108 fewer properties
- Southland: -18.1% from 453 to 371 – 82 fewer properties.

Gisborne had the lowest number of weeks' inventory with 6 weeks' inventory available to prospective purchasers. This was closely followed by Otago on 7 weeks' inventory available.

Price Bands

The number of homes sold for less than \$500,000 across New Zealand fell from 41.8% of the market (2,595 properties) in June 2018 to 39.1% of the market (2,335 properties) in June 2019.

The number of properties sold in the \$500,000 to \$750,000 bracket increased from 29.2% in June 2018 (1,812 properties) to 30.7% in June 2019 (1,837 properties).

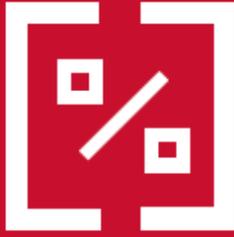
At the top end of the market, the percentage of properties sold for \$1 million or more fell from 14.5% in June 2018 (899 houses) compared to 13.1% in June 2019 (783 houses).

ENDS

For further information, please contact Dee Crooks, Head of Communications at REINZ, on 021 953 308.

Price distribution breakdown

	June 2018		June 2019	
\$1 million plus	899	14.5%	783	13.1%
\$750,000 to \$999,999	907	14.6%	1,023	17.1%
\$500,000 to \$749,999	1,812	29.2%	1,837	30.7%
Under \$500,000	2,595	41.8%	2,335	39.1%
All Properties Sold	6,213	100.0%	5,978	100.0%



KEY DATA SUMMARY

MEDIAN HOUSE PRICE YEAR-ON-YEAR

National	●————○	\$585,000 - up from \$560,000 + 4.5% year-on-year
New Zealand Ex Auckland	●————○	\$485,000 - up from \$460,000 + 5.4% year-on-year
Auckland	●————○	\$850,000 - same as June 2018 + 0.0% year-on-year

MEDIAN HOUSE PRICE MONTH-ON-MONTH

National	●————○	\$585,000 - up from \$580,000 +0.9% since last month
New Zealand Ex Auckland	●————○	\$485,000 - down from \$488,500 -0.7% since last month
Auckland	●————○	\$850,000 - same as May 2019 + 0.0% since last month

VOLUME SOLD YEAR-ON-YEAR

National	●————○	5,978 - down from 6,213 - 3.8% year-on-year
New Zealand Ex Auckland	●————○	4,159 - down from 4,334 - 4.0% year-on-year
Auckland	●————○	1,819 - down from 1,879 - 3.2% year-on-year

VOLUME SOLD MONTH-ON-MONTH

National	●————○	5,978 - down from 7,439 -19.6% since last month
New Zealand Ex Auckland	●————○	4,159 - down from 5,438 -23.5% since last month
Auckland	●————○	1,819 - down from 2,001 -9.1% since last month

REINZ HOUSE PRICE INDEX

National	●————○	2,753 - up from 2,707 + 1.7% year-on-year
New Zealand Ex Auckland	●————○	2,727 - up from 2,561 + 6.5% year-on-year
Auckland	●————○	2,784 - down from 2,884 - 3.5% year-on-year

SEASONALLY ADJUSTED MEDIAN HOUSE PRICE

National	●————○	Up 0.8%, up 4.0% on June 2018
New Zealand Ex Auckland	●————○	Down 0.3%, up 5.4% on June 2018
Auckland	●————○	Up 0.4%, same as June 2018

MEDIAN DAYS TO SELL

National	●————○	41 - 3 days longer than the same month last year
New Zealand Ex Auckland	●————○	39 - 2 days longer than the same month last year
Auckland	●————○	45 - 5 days longer than the same month last year

SEASONALLY ADJUSTED SALES VOLUMES

	COMPARED TO MAY		COMPARED TO JUNE 2018	
	VOLUME CHANGE	SEASONALLY ADJUSTED CHANGE	VOLUME CHANGE	SEASONALLY ADJUSTED CHANGE
New Zealand	-19.6%	-0.7%	-3.8%	-3.2%
NZ ex Akl	-23.5%	-5.1%	-4.0%	-3.5%
Northland	-21.4%	-4.5%	-1.0%	-0.2%
Auckland	-9.1%	7.3%	-3.2%	-3.1%
Waikato	-27.4%	-7.3%	-0.5%	0.3%
Bay of Plenty	-17.2%	-0.6%	0.9%	1.1%
Gisborne	-18.8%	-7.2%	1.8%	2.4%
Hawke's Bay	-28.3%	-13.4%	-26.8%	-27.3%
Manawatu/Wanganui	-13.1%	1.7%	-10.9%	-10.9%
Taranaki	-34.4%	-24.9%	-24.9%	-25.2%
Wellington	-22.6%	-7.0%	-3.3%	-3.2%
Nelson	-24.5%	-7.0%	7.2%	9.3%
Marlborough	-19.0%	0.2%	18.1%	19.3%
Tasman	-21.5%	-9.4%	-13.9%	-14.8%
Canterbury	-21.3%	0.2%	2.1%	2.3%
West Coast	-40.0%	-17.0%	-11.8%	-8.6%
Otago	-29.7%	-3.3%	2.8%	2.8%
Southland	-29.5%	-11.8%	-9.9%	-9.1%

SEASONALLY ADJUSTED MEDIAN PRICE

	COMPARED TO MAY		COMPARED TO JUNE 2018	
	MEDIAN CHANGE	SEASONALLY ADJUSTED CHANGE	MEDIAN CHANGE	SEASONALLY ADJUSTED CHANGE
New Zealand	0.9%	0.8%	4.5%	4.0%
NZ ex Akl	-0.7%	-0.3%	5.4%	5.4%
Northland	2.7%	4.9%	6.1%	6.0%
Auckland	0.0%	0.4%	0.0%	0.0%
Waikato	-3.7%	-2.2%	0.0%	-0.3%
Bay of Plenty	0.2%	1.7%	3.8%	3.6%
Gisborne	-23.7%	-19.5%	1.8%	1.6%
Hawke's Bay	1.1%	2.3%	10.5%	10.2%
Manawatu/Wanganui	6.0%	4.5%	23.3%	23.2%
Taranaki	5.1%	6.0%	10.1%	10.1%
Wellington	-1.4%	-0.8%	1.6%	1.3%
Nelson	-3.1%	-1.6%	8.2%	8.9%
Marlborough	3.6%	2.8%	-1.1%	-1.8%
Tasman	9.7%	4.8%	12.4%	13.3%
Canterbury	0.0%	1.0%	2.9%	3.0%
West Coast	-2.4%	-1.1%	0.0%	-0.1%
Otago	-3.2%	-0.9%	8.2%	8.2%
Southland	1.4%	3.6%	14.5%	14.6%