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For immediate release

Volumes Ease

Data released today by the Real Estate Institute of New Zealand (REINZ) shows there were 138 less lifestyle property sales (-8.0%) for the three months ended January 2019 than for the three months ended December 2018. Overall, there were 1,584 lifestyle property sales in the three months ended January 2019, compared to 1,722 lifestyle property sales for the three months ended January 2018 (-10.8%), and 1,775 lifestyle property sales for the three months ended December 2018.

7,050 lifestyle properties were sold in the year to January 2019, 533 (-7.0%) fewer than were sold in the year to January 2018. The value of lifestyle properties sold was \$5.73 billion for the year to January 2019.

The median price for all lifestyle properties sold in the three months to January 2019 was \$690,000 and was \$32,750 higher compared to the three months ended January 2018 (+5.0%).

Brian Peacocke, Rural Spokesman, at REINZ says: "Sales data for the 3-month period indicate an easing from the period ending December 2018, as would be expected as a result of the holiday period, but a significant reduction on the very strong volumes recorded for the same period two years ago.

"All regions were impacted by the reduction in volumes, with Auckland, Waikato, Manawatu/Wanganui and Wellington being those most affected.

"Reports coming forward from the regions experiencing reductions indicate the market is in a transition stage, with a number of vendors having price expectations 5% to 10% ahead of where purchasers are prepared to go.

"The counter to the easing in volumes is that some areas have high stocks of listings, which whilst frustrating in the short term, will provide opportunities as and when the market adjusts.

"Of interest in the Waikato region particularly, is the flow of purchasers coming south from Auckland has eased dramatically, and that due to the increased cost of building, construction of larger new houses in the quality lifestyle areas has backed off to the extent that some builders are now focussing on smaller dwellings in the residential areas.

"The major reassuring factor is that the median price which covers the total country is holding at the record levels of recent months, this being an indication of reasonable health in the wider market," he concludes.

Six regions recorded an increase in sales compared to January 2018. Canterbury recorded the most substantial increase in sales (+18 sales) in the three months to January 2019 compared to January 2018. Compared to December 2018, two regions recorded an increase in sales.

Nine regions saw the median price of lifestyle blocks increase between the three months ending January 2018 and the three months ending January 2019. The most notable examples were in West Coast (+35%), Hawkes Bay (+31%) and Nelson (+29%) and the most notable exceptions were Gisborne (-18%) and Auckland (-10%).

The median number of days to sell for lifestyle properties was one day longer in the three months to January 2019 as in the three months to January 2018, sitting at 56 days. Compared to the three months ended December 2018 the median number of days to sell was two days longer. West Coast recorded the shortest number of days to sell in January 2019 at 37 days, followed by Southland (46 days) and Gisborne (50 days). Wellington recorded the longest number of days to sell at 79 days, followed by Otago at 72 days and Canterbury at 63 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 January refer to the period from 1 November 2018 to 31 January 2019.