

New Zealand property report



July 2018
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 [realestate.co.nz](https://www.realestate.co.nz)

Interest in homes for sale warms in July. Search for properties back to summertime levels.

“Searches for properties in July on realestate.co.nz returned to 2018 summertime levels”, says spokesperson Vanessa Taylor from realestate.co.nz, NZ’s largest property website with the most homes for sale.

Real-time statistics from the site show there were 866,194* unique browsers to the site in July, a 9% increase on June 2018.

“Typically, interest in property peaks in the first quarter of the year and then gently declines as we head into winter, before lifting again as we head back into spring.

“June is usually more active than July, as measured by unique users. To see this jump in July is unusual, particularly when it registers numbers equivalent to summer time browsing.

“While it’s yet to be seen whether this translates into an increase in sales, it indicates that Kiwis are still engaged in the housing market,” says Vanessa.

“They may not necessarily be looking to buy or sell their homes right now but are checking out the possible opportunities. These could vary across all forms of housing, depending on where people are at on the property ladder,” she says.

“The significant number of new builds underway, particularly in Auckland, are also a potential factor with a possible flow-on effect to all parts of the market,” she says.

“People looking to buy a brand new home will often be selling their existing house,” says Vanessa.

TOTAL STOCK DOWN, ASKING PRICES UP

“While interest in the property market is lively, there were fewer homes to consider,” says Vanessa.

The total number of properties available for sale nationally fell 3.8% (21,288) compared to the same month in 2017. Asking prices increased marginally across the country (0.9% compared to June 2018).

“While this is what could be considered a classic supply and demand situation, there are significant variations across the country so there is no one-size-fits all,” says Vanessa.

“For serious buyers, it could be likened to cherry-picking in a very large orchard,” she says.

In Auckland, the average asking price lifted for the first time in four months. Now sitting at \$959,067, it’s comparable to the February 2018 asking price of \$961,940.

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Record asking prices were registered in six regions in July compared to the previous month. The biggest rise of all-time high regions was registered in Northland, with a 6.3% increase to \$623,799. Following close

behind Northland was Manawatu/Wanganui (3.3% increase to \$357,206) and Waikato (up 2.2% to \$575,102. Wellington, Wairarapa and Nelson & Bays were all up 1.5% (\$628,899, \$487,941, \$622,994 respectively).

NEW LISTINGS DOWN NATIONALLY AND AN ALL-TIME LOW IN SEVEN REGIONS

Nationally, new property listings were down 5.4% compared to July 2017, with 7,508 new listings coming onto the market this past month.

Auckland and Wellington recorded significant falls in new listings (7.0% and 16.7% respectively) compared to July last year.

But it was in seven of the 19 regions that the lowest number of new listings in any July month was recorded since realestate.co.nz started collecting data more than 11 years ago.

Coromandel, Wairarapa, Nelson/Bays, Northland, Central Otago/Lakes, Marlborough and Otago all registered record lows.

Of this group, Coromandel registered the biggest fall in new listings compared to the same month the previous year, falling 24.3% (81 listings).

“More significantly, this number has almost halved since January 2018, when we saw 163 new listings, which could represent the difference between a summer and winter market in holiday destinations,” says Vanessa

The Wairarapa region followed Coromandel, with a 23% fall in new listings (77). Nelson/Bays registered a 14.9% fall (126 listings) while Northland dropped by 11.8% with 307 new listings.

Central Otago/Lakes fell 10.7% (134 listings) compared to the previous year, followed by Marlborough (falling 3.8% with 76 new listings), Otago (falling 3.4% with 229 new listings).

FIVE REGIONS BUCK THE NUMBERS, WITH INCREASED NEW LISTINGS LED BY TARANAKI

Five of the 19 regions recorded an increase in the number of new listings in July compared to the same period last year – namely Taranaki which registered a 20.2% increase in new listings (196 homes).

“We need to take into account that Taranaki took a one-off hit in the number of new listings in July 2017, but the region has continued to be a relatively lively market in 2018,” says Vanessa Taylor.

Other regions with a lift in new listings compared to the same month the previous year were: Gisborne (13.2% increase, 60 listings); Waikato (up seven%, 655 listings); West Coast (up 1.6%, 65 listings); and Canterbury (relatively stable at one percent, 1,067).

*New Zealanders have an average of 3.2 devices per person. If all persons used their 3.2 devices at different times to search the site, the actual number of New Zealanders on realestate.co.nz would be in the order of 270,685 in July.



Vanessa Taylor
Head of Marketing
realestate.co.nz

About realestate.co.nz

Dedicated only to property, realestate.co.nz is the official website of the New Zealand real estate industry. As a property listing site, the information it draws on for its property report is in real time.

With the country’s most comprehensive selection of real estate listings, realestate.co.nz represents more than 97% of all residential, commercial and rural properties currently marketed by real estate professionals.

Glossary of terms

Being the only provider of real estate data in real time, realestate.co.nz offers valuable property market information not available from other sources.

- **Average asking price** gives an indication of current market sentiment. Statistically, asking prices tend to correlate closely with the sales prices recorded in future months when those properties are sold. As it looks at different data, average asking prices may differ from recorded sales data released at the same time.

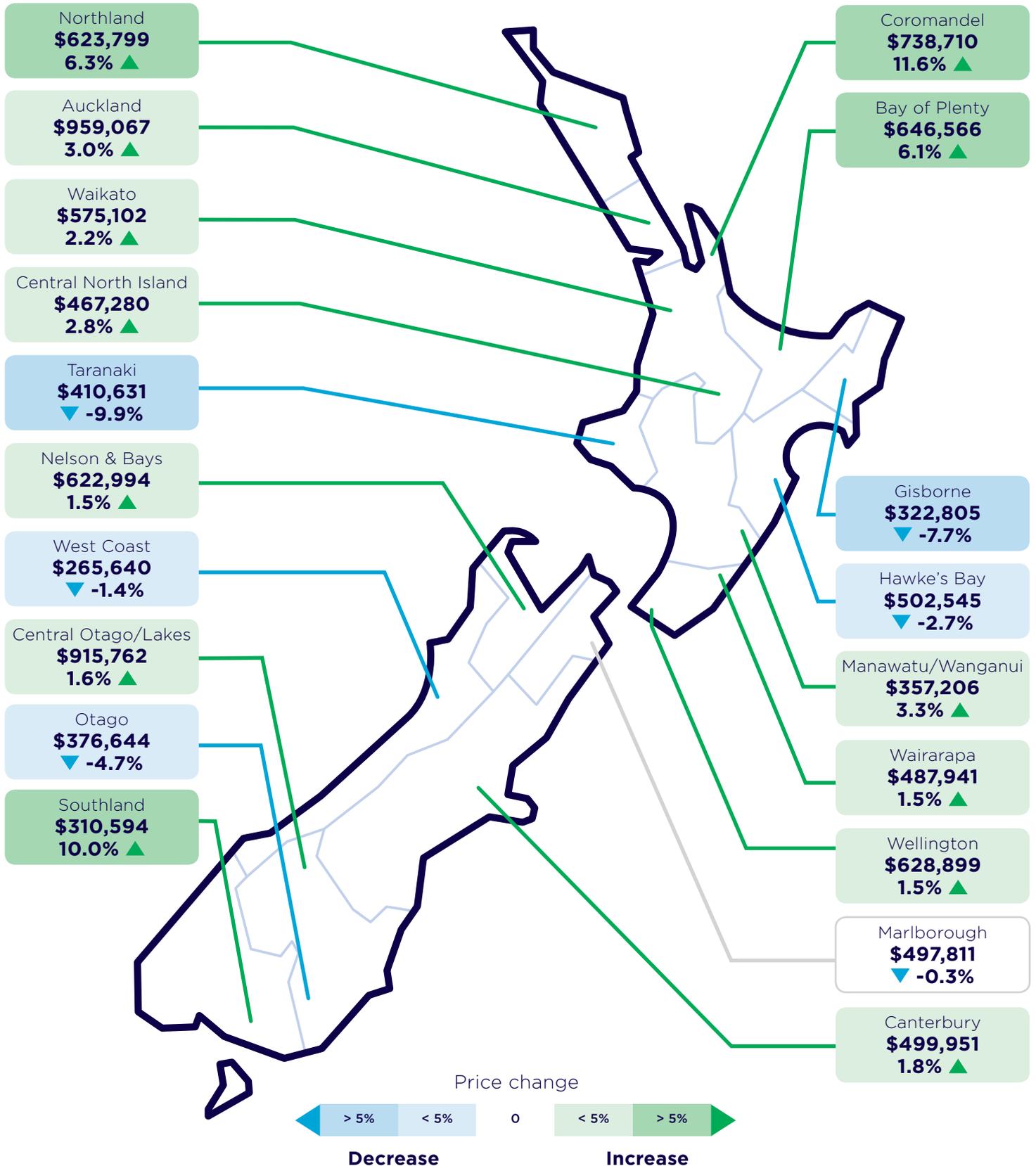
- **Inventory** is a measure of how long it would take, theoretically, to sell the current stock at current average rates of sale if no new properties were to be listed for sale. It provides a measure of the rate of turnover in the market.
- **New listings** are a record of all the new listings on realestate.co.nz for the relevant calendar month. As realestate.co.nz reflects 97% of all properties listed through registered estate agents in New Zealand, this gives a representative view of the New Zealand property market.
- **Seasonal adjustment** is a method realestate.co.nz uses to better represent the core underlying trend of the property market in New Zealand. This is done using methodology from the New Zealand Institute of Economic Research.
- **Truncated mean** is the method realestate.co.nz uses to provide statistically relevant asking prices. The top and bottom 10% of listings in each area are removed before the average is calculated, to prevent exceptional listings from providing false impressions.



property asking price

Property asking price for July 2018 **\$652,289**
Compared to June 2018 **+0.9%**

The average asking price is calculated by taking every residential listing's indicated asking price and dividing it by the total number of properties.



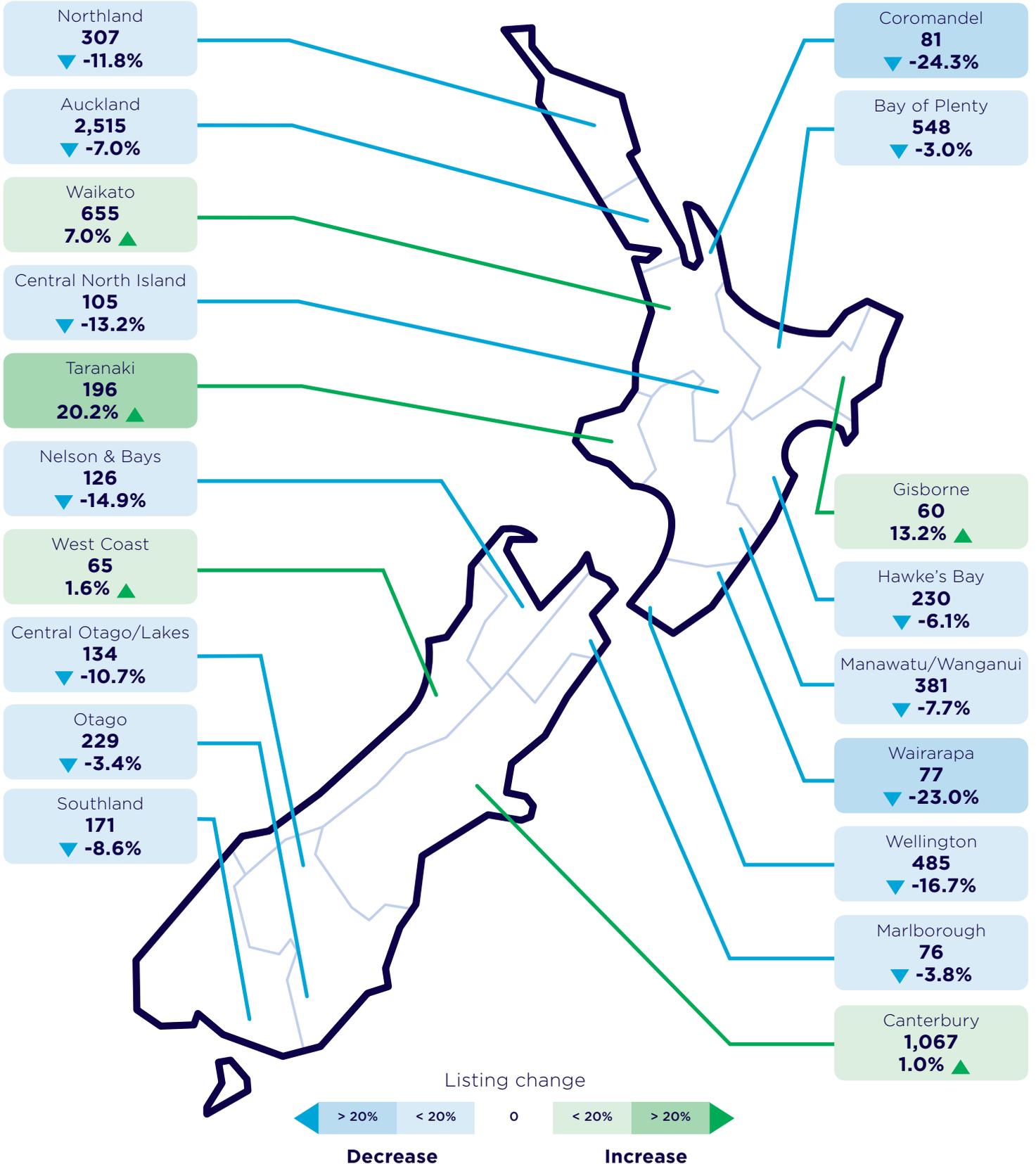
Asking prices for new listing calculated as seasonally adjusted prices using X12 ARIMA methodology.



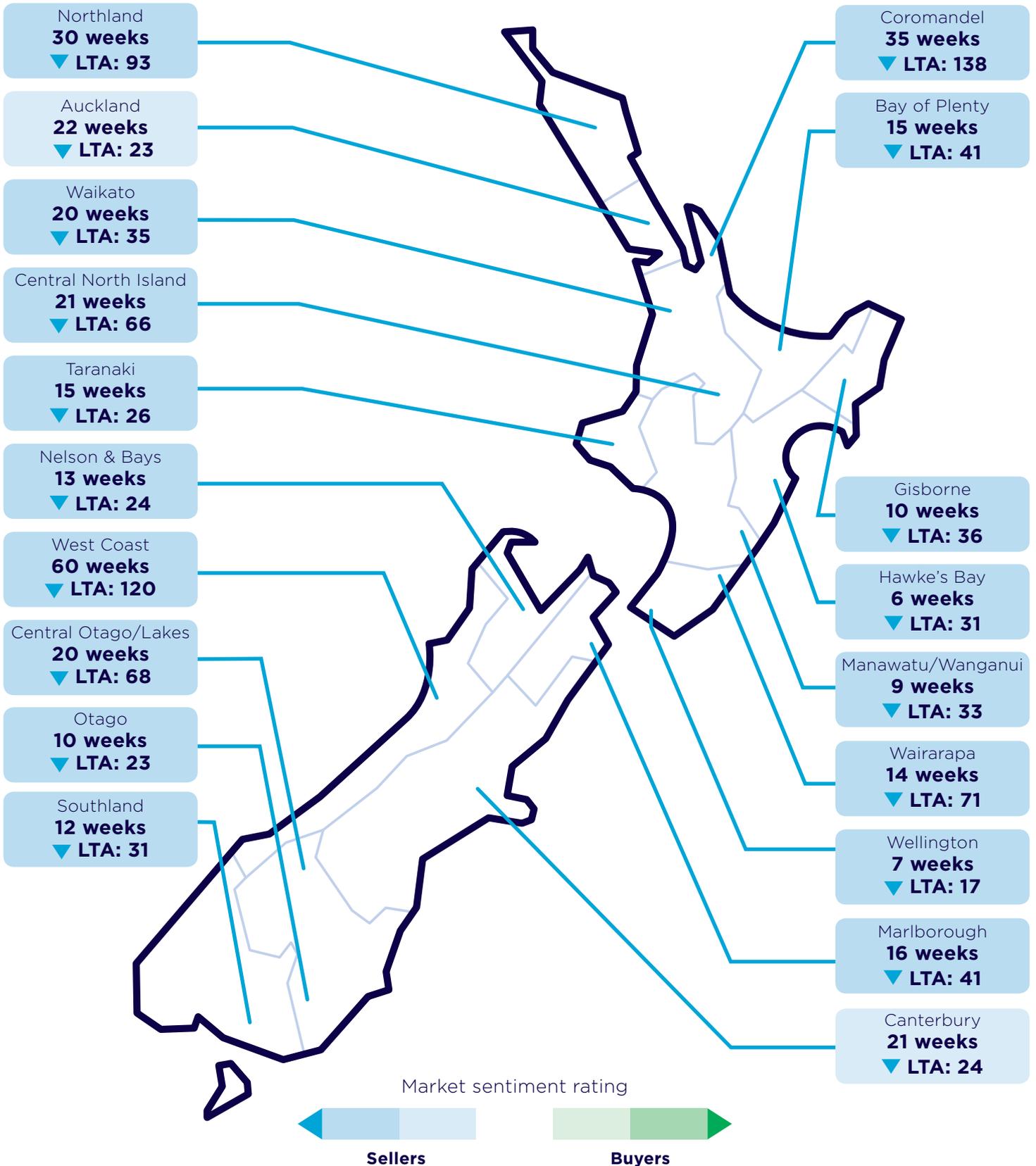
property new listings

New property listings for July 2018 **7,508**
Compared to July 2017 **-5.4%**

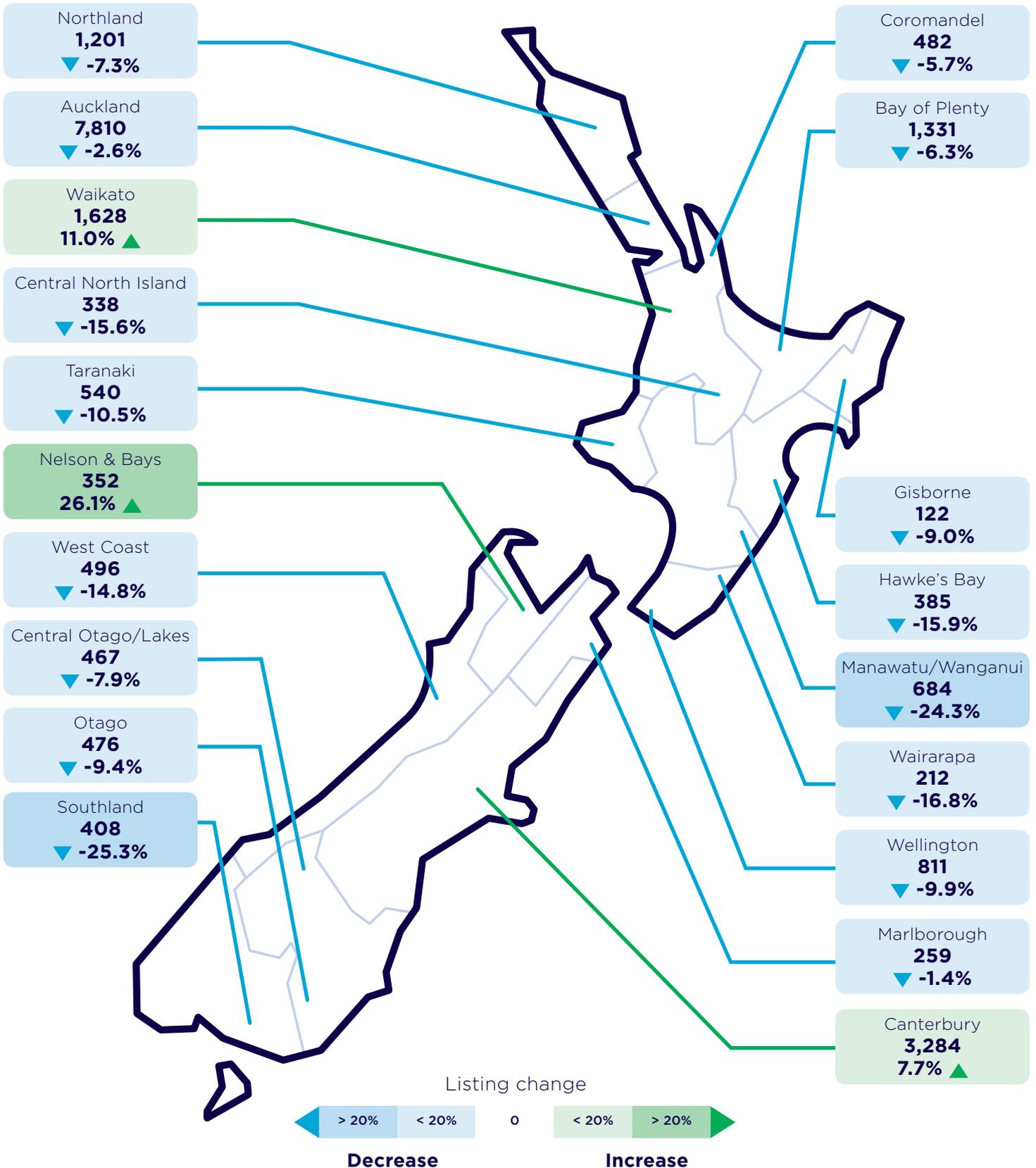
New listings are properties that have been added to realestate.co.nz during the month. This is compared to the number of new listings in the same month in the previous year.



Inventory means if no new listings were to come onto the market, all the existing properties in each region would be sold within the number of weeks stated, based on historical trends.



The stock map shows the total number of residential dwellings that are for sale on the penultimate day of the month.



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