

New Zealand property
report



September 2018

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

Confidence shows in housing market as New Zealanders get active. A deluge of new listings in Auckland, Southland, Wellington & Northland. This was coupled with a national all-time high average asking price since records began in 2007 and all-time highs in six regions.

New Zealanders are right back into the housing market, with new property listings significantly up on realestate.co.nz, the country's largest site for residential sale listings.

Real-time statistics from realestate.co.nz show the new listing deluge is led by the Auckland region with owners adding 3,896 homes for sale to the site, up by nearly a third (31.9%) compared to September 2017.

Nationally, there were 10,372 new property listings in September which is an increase of 11.7% on the same month last year, which is the highest number we have seen in a month of September since 2009 (excluding 2015).

The total number of homes on the market (22,847) and this is the highest number in a September month since 2015.

"The reality is most Kiwis list their properties because they believe they can sell in the current market. That's about confidence," says realestate.co.nz spokesperson Vanessa Taylor.

"In this market it's also less daunting to think about selling your home because there are more replacement choices.

"Property hunters are also out in force, with 855,326 unique browsers searching listings on our site across the country in the September month, which is right up there with summertime viewing levels," she says.

"Of course, there's always going to be unrealistic sellers and unrealistic buyers but if the house is priced right and you're prepared to meet the market, then sales happen," says Vanessa.

SOUTHLAND, WELLINGTON & NORTHLAND REGIONS CHASE AUCKLAND ON NEW LISTINGS GROWTH

"While Auckland knocked it out of the ball park with 3,896 new listings in September, ending what could generally be described as a flat market period,

three other regions were also in double digit new listing growth territory," says Vanessa.

Southland region

The Southland region recorded a 21.2% increase in new listings (274) compared to September 2017.

"Southland really needed this boost in new listings," says Vanessa.

Southland's total housing stock stood at 445 in September, so more than half that number can be

attributed to the new listings (without taking into account the buying and selling activity).

"Perhaps it's because the average asking price in the Southland region is \$318,177 and people are recognising that's exceptional value," she says.

Wellington region

The Wellington region is also known as a tightly held market, historically registering low levels of homes available for sale.

While there were 688 new listings in the Wellington region in September (a 13.5% increase on September 2017), the total housing stock was 972 (down 1.1% compared to September 2017).

"Listings in the Wellington region are like gold really and it's great to see this healthy injection on new listings," says Vanessa.

Northland region

"A popular summertime destination, Northlanders seem to be getting in early to attract buyers to their region," says Vanessa Taylor.

"New listings are at healthy levels, there's more stock on the market compared to the same time last year and asking prices are down compared to the prior month.

"Now that spring really feels like it's here and with daylight saving, people are starting to talk about summer holiday destinations."

“The reality is most Kiwis list their properties because they believe they can sell in the current market. That’s about confidence.”

Northland registered 406 new listings in September, an increase of 13.7% over the previous year. Total housing stock stood at 1,255 (up 8.6% on the same month last year), while property asking prices are down by 7.4% compared to August 2018. Average asking prices stood at \$588,375.

ALL-TIME HIGH NATIONAL AVERAGE ASKING PRICE, UNDERPINNED BY ALL-TIME HIGHS IN SIX REGIONS

Five of the six regions that registered record asking price highs in August have gone on to smash their own records again in September.

These regions have underpinned the all-time high national asking price for properties in September, says Vanessa Taylor.

The average asking price across New Zealand stands at \$690,733 for September, which is a 4.8% increase on the previous month.

Central Otago/Lakes region

The five regions that had record highs were led by Central Otago/Lakes which showed a hefty 8.5% increase in September compared to the previous month, with the average asking price sitting at \$1,105,462, the highest we have seen of any region since records began in 2007.

“This is the second month in a row that Central Otago/Lakes has significantly smashed its own asking price high,” says Vanessa Taylor.

“In a region that has a relatively small pool of inventory, but is dominated by high end homes, we can expect this kind of result,” she says.

Otago, Wellington, Canterbury & Hawkes Bay regions follow suit

Otago follows Central Otago-Lakes as the next region to register record property asking price highs for the second month in a row. The average asking price was up 3.8% in September to \$416,941. Otago was followed by the Wellington region (up 1.2% to \$646,957); Canterbury (up 0.8% to \$511,829) and Hawkes Bay (up 0.7% to \$524,607).

Southland region the newcomer

The Southland region showed the third largest percentage increase in property asking prices (up 2.6%).

However, of the six regions which had record asking price highs, Southland recorded the lowest actual average asking price by value (\$318,177).

Of all the regions across the country, only the West Coast region has a lower average asking price (\$294,144) than Southland.

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.

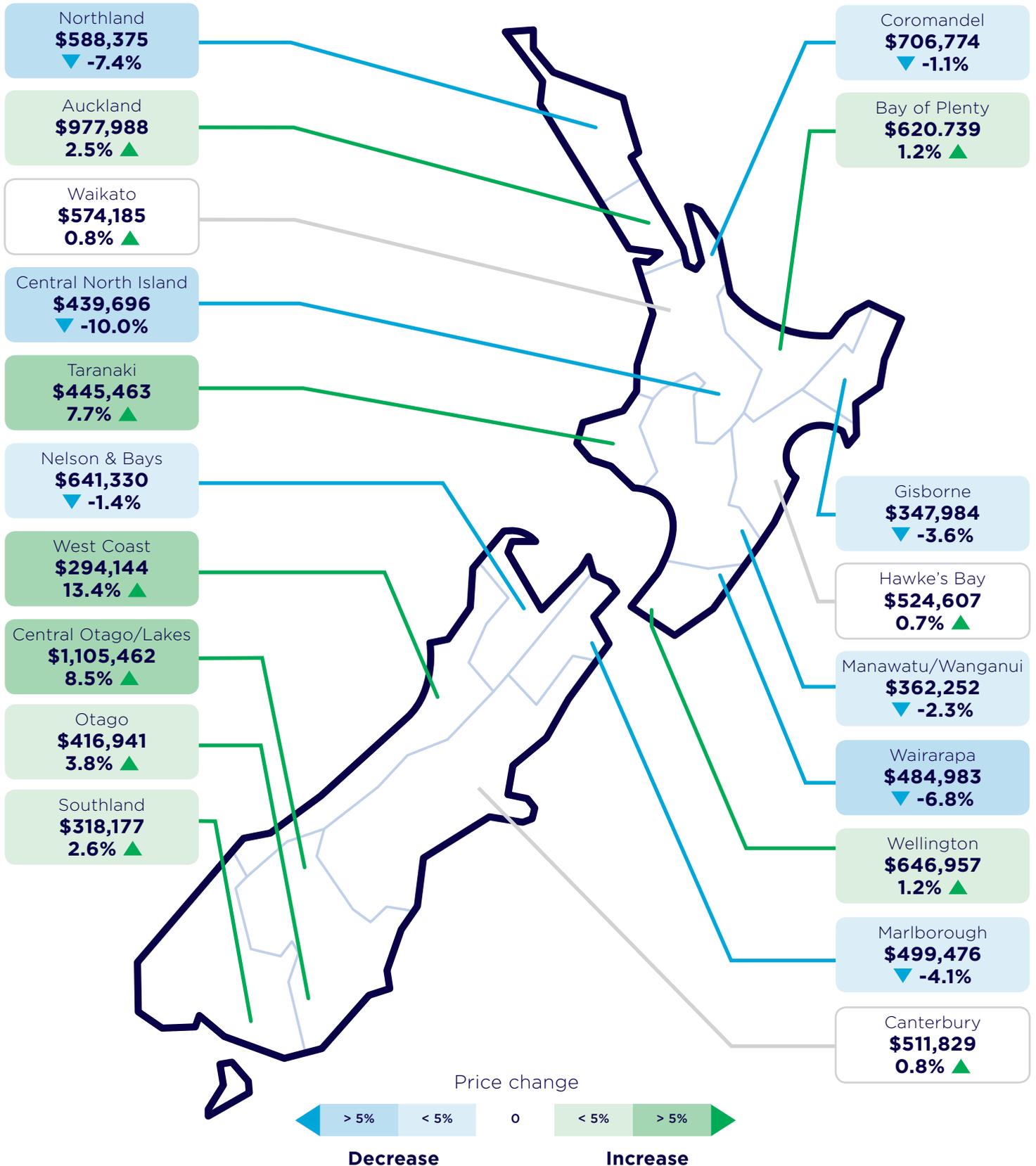
- **Average asking price** gives an indication of current market sentiment. Statistically, asking prices tend to correlate closely with the sales prices recorded in future months when those properties are sold. As it looks at different data, average asking prices may differ from recorded sales data released 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 September 2018 **\$690,733**
Compared to August 2018 **+4.8%**

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



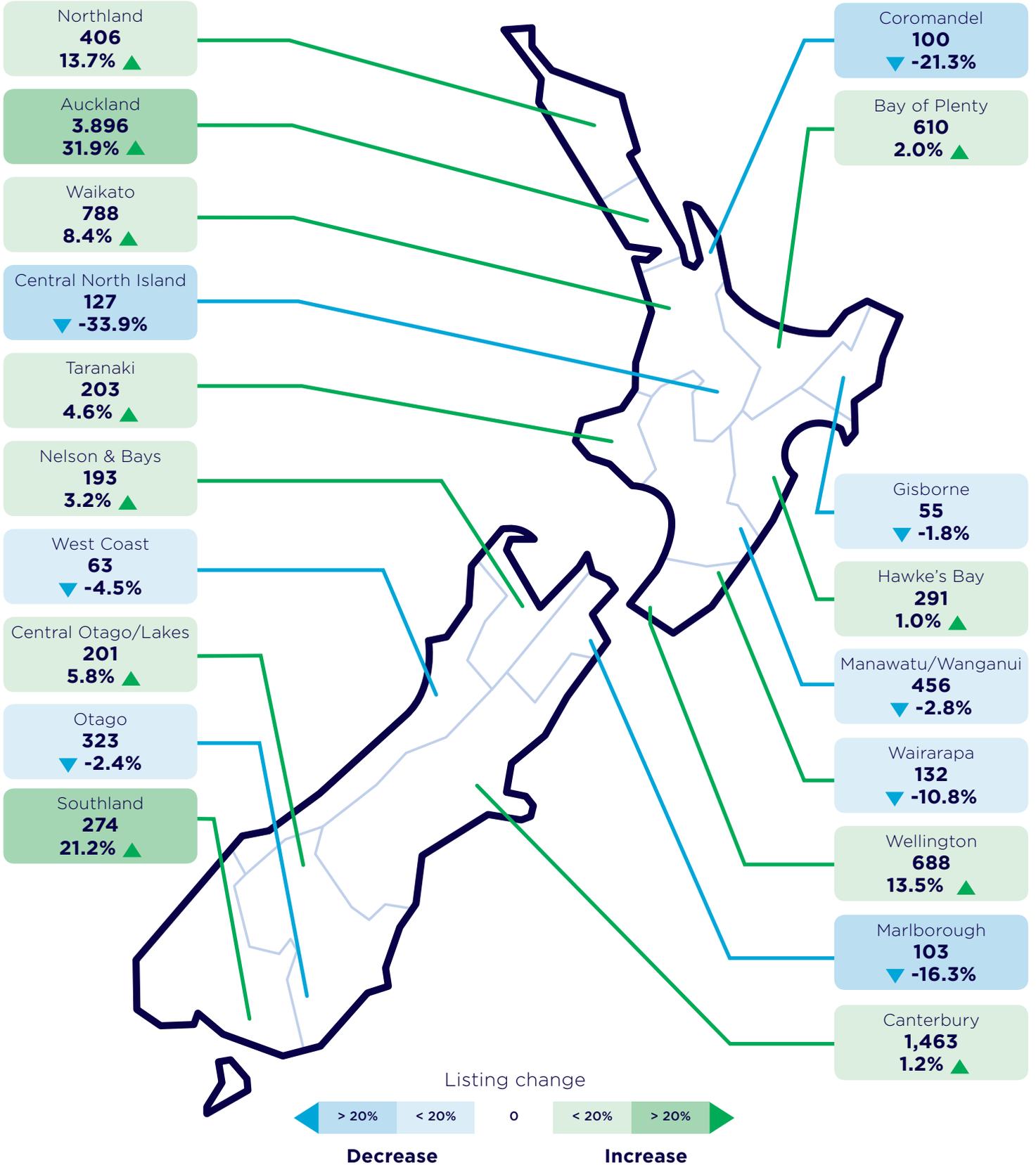
Asking prices for new listing calculated as seasonally adjusted prices using X13 ARIMA methodology.



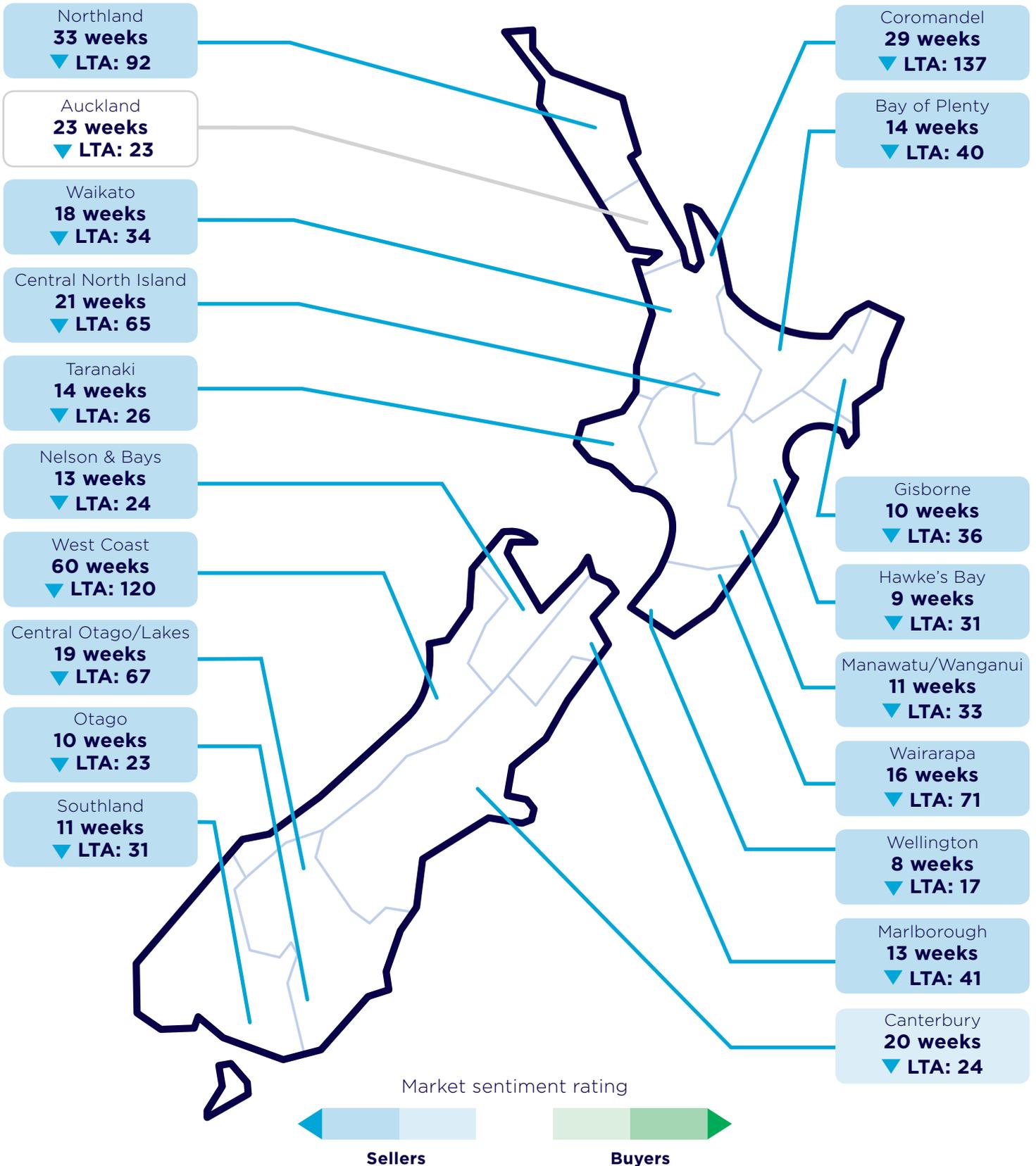
property new listings

New property listings for September 2018 **10,372**
Compared to September 2017 **+11.7%**

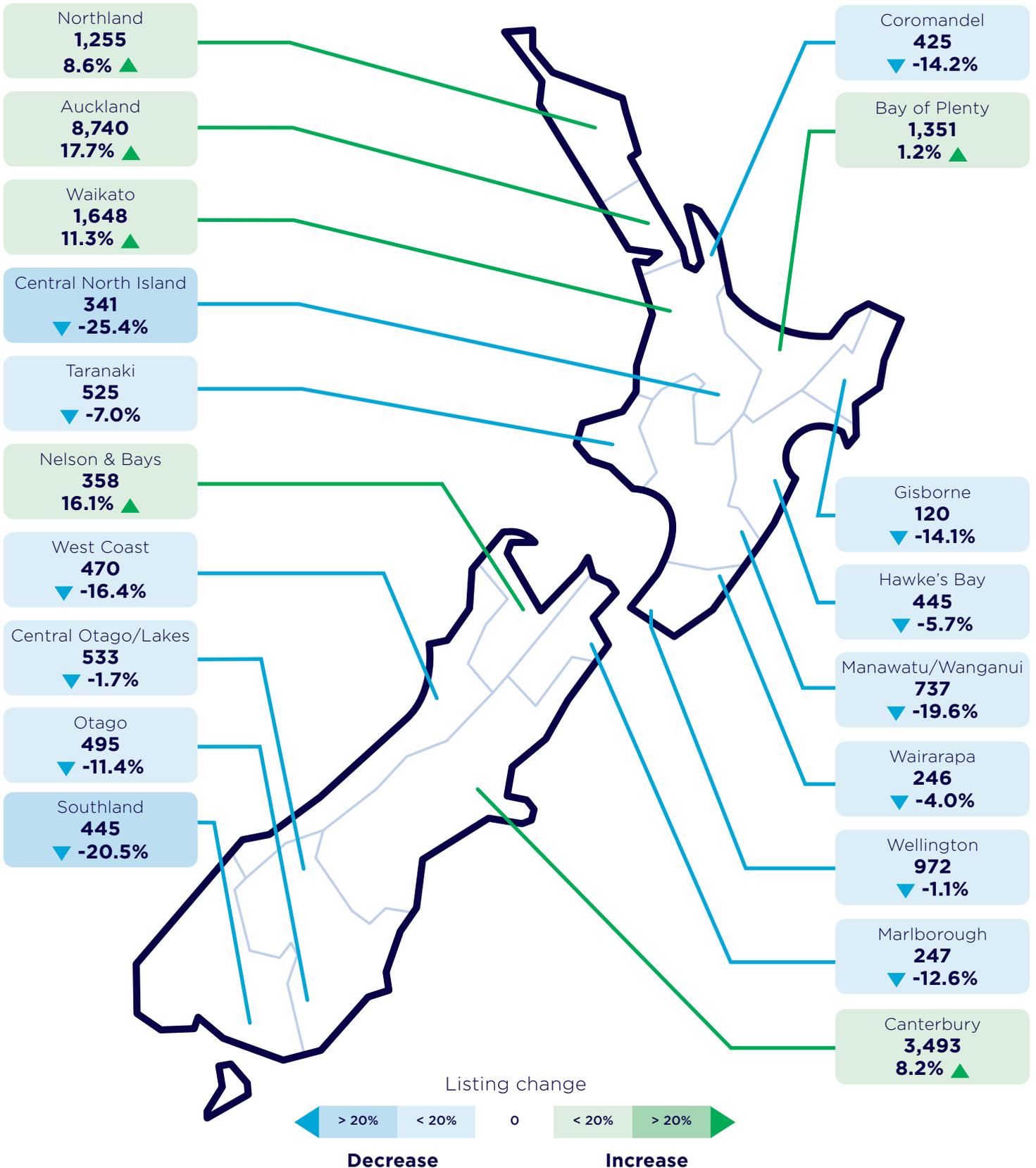
New listings are properties that have been added to realestate.co.nz during the month. This is compared to the number of new listings in the same month in the previous year.



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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