



News Release

10 December 2015

## ***Regional Markets Move Ahead as Auckland Region Marks Time***

### ***Summary***

- *8,048 dwellings sold in New Zealand in November 2015, up 8.5% on November 2014 and up 2.7% on the previous month, October*
- *National median price of \$459,500, up \$3,750 (+0.8%) on November 2014 but down 0.1% on October*
- *A new record national median price excluding Auckland of \$375,000, (+4.2%) compared to November 2014 and up 1.4% on October*
- *New record median prices also for Waikato/Bay of Plenty and Wellington*
- *A rise of \$95,000 (+14.2%) in Auckland's median price, from November 2014 to November 2015 – from \$670,000 to \$765,000; and a rise of \$16,750 (+2.2%) compared to October*
- *A 21% rise nationwide in the number of sales over \$1 million between November 2014 and November 2015 – from 688 to 833*
- *20,126 dwellings sold by auction in the 12 months to November 2015, representing 22.3% of all sales, an increase of 49% in the number sold by auction in the 12 months to November 2014.*

REINZ, the most up to date source of real estate data in New Zealand, announced today that there were 8,048 dwelling sales in November 2015, up 8.5% on November 2014 and up 2.7% compared to October. Excluding Auckland, the number of sales compared to November 2014 increased by 23.8%, and rose 4.6% compared to October.

The national median price was \$459,500 for November, an increase of \$3,750 or 0.8% on November 2014, but down 0.1% compared to October. Excluding the impact of the Auckland region, the national median price rose \$15,000 to \$375,000 compared to November 2014 to reach a new record high, and rose 1.4% compared to October. New record median prices were also reached in Waikato/Bay of Plenty and Wellington.

Real Estate Institute of New Zealand (REINZ) Chief Executive Colleen Milne says, "The Auckland market continues to be challenged by the lack of supply which is evident in the low number of sales for November and an increase, once again, in the median price. Other influences on the market are the new IRD requirements, bank account changes and revised LVR restrictions. Understandably this has slowed down some purchase decisions while the implications of the new rules are absorbed, with a fall

off in auction clearances the most prominent outworking of this. The situation should revert as the market adjusts to the new operating environment and restrictions.”

“Some, but not all regions across the rest of country are experiencing strong growth in sales volumes and prices, with Northland, Waikato/Bay of Plenty, Wellington, Otago and Central Otago Lakes all experiencing either or both effects. Demand is being driven by low interest rates and the relaxation of the LVR rules for these regions. Increase in listings are also improving choice for buyers.”

### **Sales Volumes**

There were 8,048 unconditional residential sales in November, a 8.5% increase on November 2014 and an increase of 2.7% on October. On a seasonally adjusted basis, the number of sales fell 2.6% from October to November, indicating November sales were generally weaker than would normally be expected at this time of year.

**Seasonally Adjusted Sales Volumes**

Compared to October		Compared to Nov 2014	
Volume Change	Seasonally Adjusted Change	Volume Change	Seasonally Adjusted Change
2.7%	-2.6%	8.5%	4.1%
-1.3%	-11.5%	-14.7%	-18.7%
14.8%	1.7%	17.6%	12.9%
2.6%	1.8%	9.7%	6.5%
1.9%	-2.8%	37.9%	32.4%
4.6%	0.8%	23.8%	18.6%

Sales volumes excluding Auckland were up 4.6% from October and up 23.8% on November 2014. On a seasonally adjusted basis, Auckland’s sales volumes were down 11.5% compared to October, making volumes noticeably weaker in Auckland with the lowest sales volumes seen since 2011. Five regions recorded annual sales growth in excess of 35%, with Northland and Central Otago Lakes seeing the most robust sales growth.

Eight regions recorded increased sales volumes compared to October, with Wellington volumes growing 15%, followed by Southland with 14%, and Taranaki with 12%. Compared to November 2014, all regions apart from Auckland recorded increases in sales volumes. Northland recorded the largest increase of 68%, followed by Central Otago Lakes with 42% and Southland with 40%.

### **Prices**

The national median house price fell \$500 (-0.1%) to \$459,500 from October to November, although compared to November 2014 the national median house price increased by \$3,750 (+0.8%), with eight regions recording increases. Excluding the Auckland region, the national median price rose \$15,000 (+4.2%) compared to November 2014 to reach a new record high. On a

seasonally adjusted basis, the national median house price fell 2.5% when prices would normally increase in November compared to October.

**Seasonally Adjusted Median Prices**

	Compared to October		Compared to Nov 2014	
	Median Change	Seasonally Adjusted Change	Median Change	Seasonally Adjusted Change
New Zealand	-0.1%	-2.5%	0.8%	1.3%
Auckland	2.2%	0.2%	14.2%	14.7%
Wellington	1.8%	0.9%	2.4%	3.8%
Canterbury	0.2%	-0.7%	1.0%	1.3%
Waikato/BOP	3.3%	0.9%	9.0%	8.2%

Waikato/Bay of Plenty and Wellington reached new record median prices in November. Auckland recorded the largest percentage year-on-year increase in median price compared to November 2014, at 14%, followed by Otago at 10% and Waikato/Bay of Plenty at 9%. Central Otago Lakes recorded the largest percentage increase in median price compared to the previous month, October, with a 4% increase, followed by Waikato/Bay of Plenty and Otago with 3% increases.

### **Auctions**

There were 1,790 dwellings sold by auction nationally in November, representing 22.2% of all sales, an increase of 126 (+8%) on the number for November 2014. The 20,126 sales by auction in the 12 months to November 2015 represented 22.3% of all dwelling sales, compared to 18.5% (13,547 sales) for the year ending November 2014.

**Summary Auction Statistics for November 2015**

	Nov-15	Oct-15	Nov-14
Total Auctions for Month	1,790	1,912	1,664
Auctions as % of Total Sales	22.2%	24.4%	22.4%
Total Auctions for Year Ended...	20,126	20,000	13,547
Auctions as % of Total Sales	22.3%	22.3%	18.5%
Annual Growth in Auctions %	48.6%	44.8%	-17.5%
<b>Breakdown by Regions...</b>			
Auckland Region	56.2%	59.3%	72.8%
Waikato/BOP Region	21.6%	20.9%	7.8%
Wellington Region	4.1%	3.5%	2.2%
Canterbury/Westland Region	11.4%	10.1%	11.4%
Rest of NZ	6.8%	6.3%	5.8%
<i>Source: REINZ</i>			

Transactions in Auckland again dominated the auction market in November, representing 56% of the national total of auction sales, although over the past few months Auckland has become less dominant as auction sales in other regions have grown. Sales by auction in Waikato/Bay Of Plenty accounted for 22% of the national total, Canterbury/Westland accounted for 11% and all other regions combined accounted for the remaining 12%.

### **Further Data**

Across New Zealand the total value of residential sales, including sections, was \$4.737 billion in November, compared to \$4.677 billion in October and \$4.254 billion in November 2014. For the 12 months ended November 2015 the total value of residential sales was \$53.390 billion. The breakdown of the value of properties sold in November 2015 compared to November 2014 is:

	<b>November 2015</b>		<b>November 2014</b>	
\$1 million plus	833	10.4%	688	9.3%
\$600,000 to \$999,999	1,802	22.4%	1,677	22.6%
\$400,000 to \$599,999	2,130	26.5%	2,017	27.2%
Under \$400,000	3,283	40.8%	3,034	40.9%
<b>All Properties Sold</b>	<b>8,048</b>	<b>100.0%</b>	<b>7,416</b>	<b>100.0%</b>

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For more real estate information and market trends data, visit [www.reinz.co.nz](http://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](http://www.realestate.co.nz) - REINZ's official property directory website.

### **Editor's Note:**

*The monthly REINZ residential sales reports remain the most contemporary and up-to-date statistics on house prices and sales in New Zealand. They are based on actual sales reported by real estate agents. These sales are taken as of the date that a transaction becomes unconditional, up to 5:00pm on the last business day of the month. Other surveys of the residential property market are based on information from Territorial Authorities regarding settlement and the receipt of documents by the relevant Territorial Authority from a solicitor. As such, this information involves a lag of four to six weeks before the sale is recorded.*