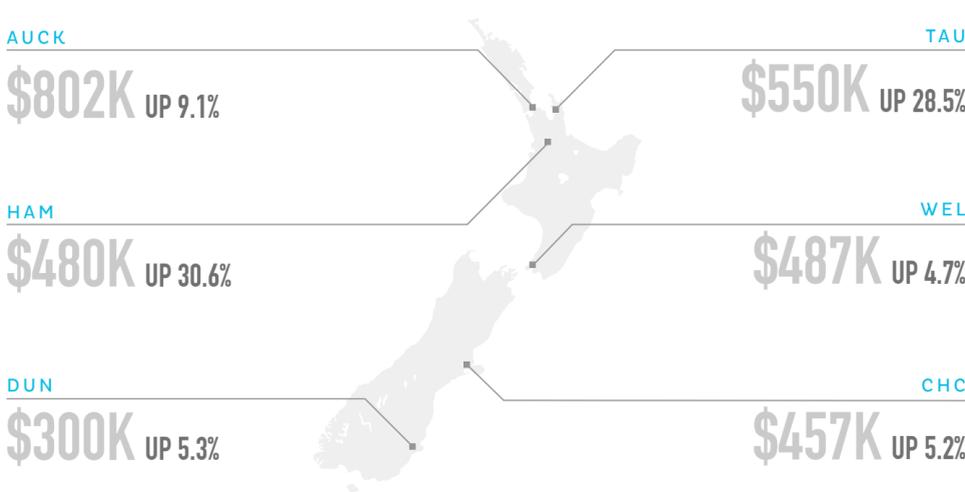


Auckland property - a closer look

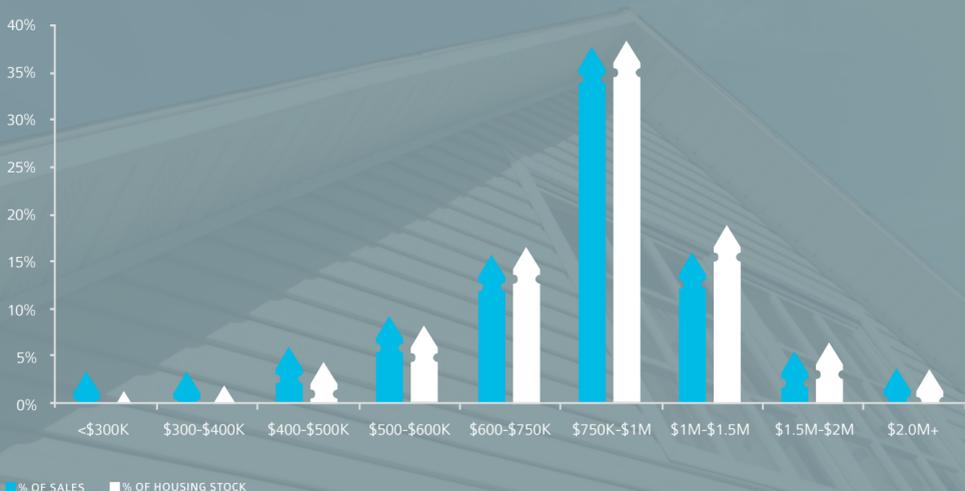
Auckland continues to show steady growth year on year despite the high values, with median sale price now tipping over \$800k for a property. This is now superseded by growth in the regions including Hamilton and Tauranga, which is likely the result of investors and home owners looking for alternative options due to regulatory investor rule changes, and Auckland becoming less affordable. Without any significant supply changes we don't envisage this to change in the foreseeable future.

Median sales price & growth comparison



Auckland unaffordability translates into increasing growth in regions such as Hamilton and Tauranga

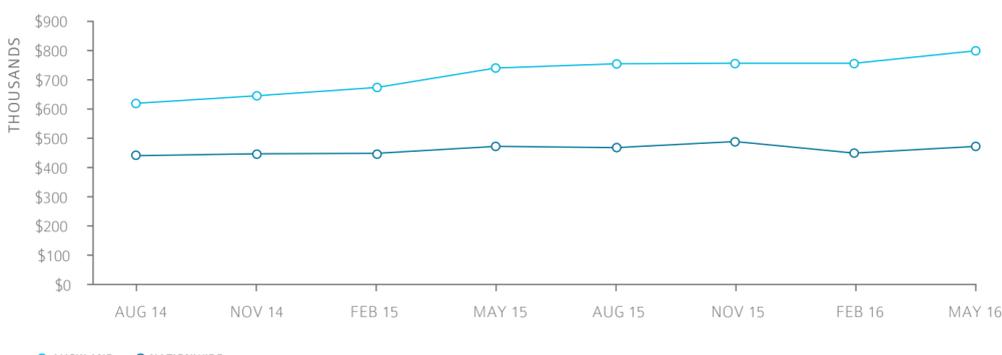
Auckland sales by value band



Less than 10% of homes are selling for under \$500,000 in Auckland and just under 11% of homes are selling over \$1,500,000. Most sales occur between \$500,000 to \$1,500,000 and the gap between prices and income is continuing to increase.

Median sales price over time

Nationally the market has seen limited movement in the last two years with approximately 10% growth during this period, whereas, Auckland has seen over 30% growth in the same period and showed little fluctuation. Strong immigration and a lack of supply continue to be influential factors in the Auckland market. While we are seeing some growth in the number of new builds in Auckland, it is insufficient to cope with the increasing population growth that Auckland is experiencing.



On average, houses in Auckland are selling over CV by

37.4%

NEW BUILDS

+5.6%



RENOVATIONS

-2.7%

Top suburbs for growth

Based on year on year change in median sales price

Most of the "hottest suburbs" in Auckland tend to be suburbs which have a high number of investor owners and property speculators, some of whom will on sell, possibly after some form of renovation.

