

## Kiwi for sale market continues to stall

The average asking price for a New Zealand property remained static in July, up a paltry \$250 on the previous month to a new high of \$591,100 according to the latest Trade Me Property Price Index.

Head of Trade Me Property Nigel Jeffries said the for sale market looked to be easing. “In June we saw the market take its foot off the gas, and in July it has coasted along. The average asking price is up 10 per cent on last July, and since March this year it has only risen by \$18,000. It will be interesting to see whether this slow-down is a pattern through to the end of the year.”



The Auckland housing market was cooling, with the average asking price for a typical property up just 0.4 per cent on the previous month, ticking up \$3,750 to a new high of \$851,850.

“A year ago, the average asking price in the City of Sails had lifted over \$130,000 on the previous year. Last month, that figure fell to \$97,000. It’s still significant and up 13 per cent over the year, but a far cry from the 20 per cent-plus surge we saw this time last year,” Mr Jeffries said.



Only five regions saw a month-on-month increase between June and July, with the “scorching” markets of Bay of Plenty and Waikato rising \$2,900 to \$546,700, and \$9,200 to \$444,200 respectively.

Mr Jeffries said while the pressure was easing, it was too early to label it a turning point. “We’ve seen some fairly modest rises and month-on-month falls in average asking price in some regions, but we’re not convinced that we’re heading down the other side of the asking price hill just yet. Sellers’ expectations are pulling back slightly, and we’ll be watching the spring surge in listings with interest.”

The national average asking price has risen 51.1 per cent over the past five years, up from \$391,200 to \$591,000.



Mr Jeffries said the five-year trend in Auckland was just as significant. "The average asking price in Auckland rose from \$493,950 in July 2011 to \$851,850 last month – up \$357,900 or 73 per cent over five years. That's a hefty sum to stomach for anyone leaping into property ownership."



## Around the regions

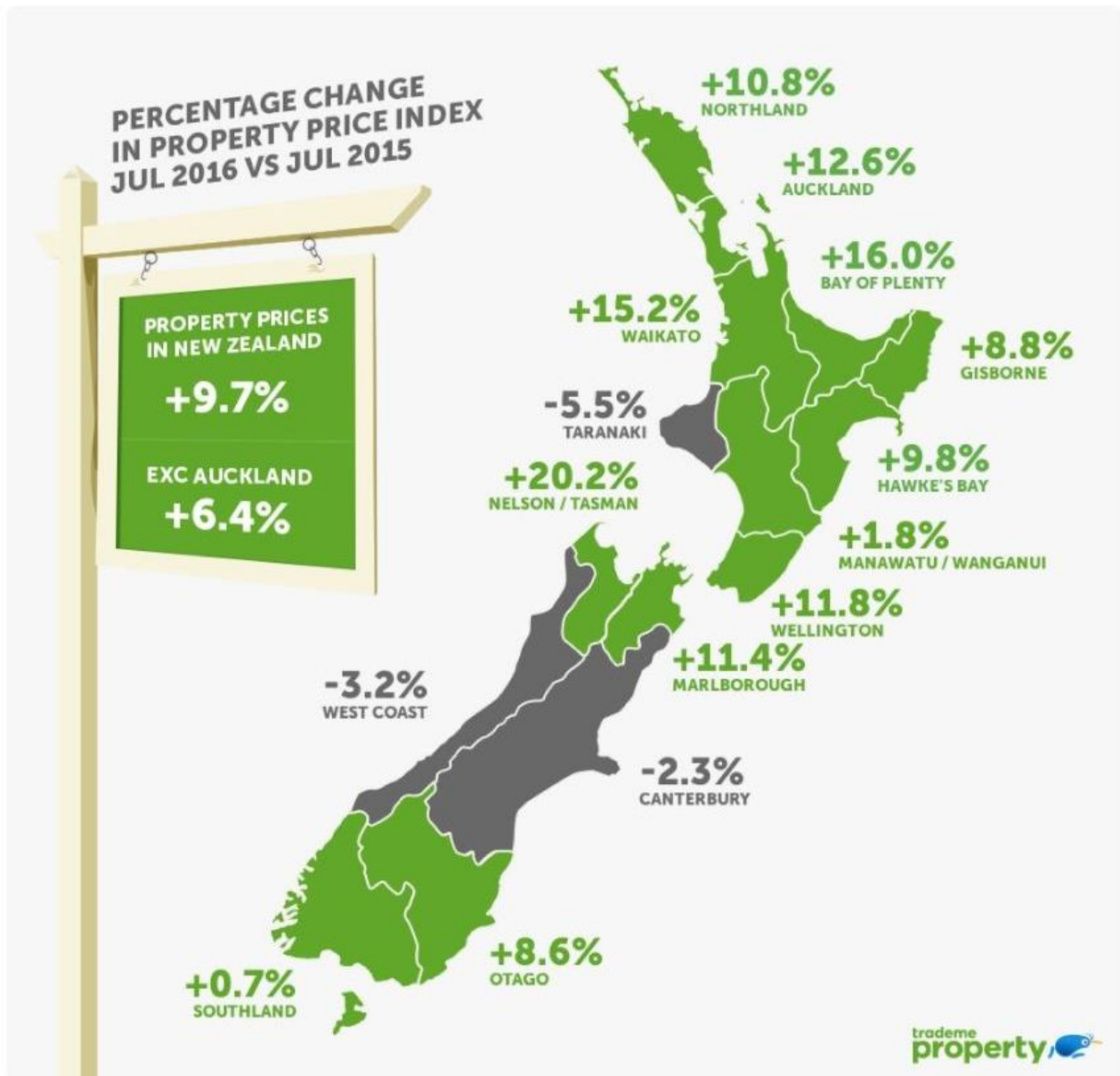
Mr Jeffries said despite slower monthly shifts in average asking price, there was still solid year-on-year growth in the majority of regions.

“In the last few months we’ve seen fairly modest growth. The regions surrounding Auckland have seen some of the strongest growth rates as the ‘halo effect’ of the Super City sees buyers looking to greener and cheaper pastures,” Mr Jeffries said.

Northland (up 10.8 per cent), Bay of Plenty (up 16.0 per cent) and the Waikato (up 15.2 per cent) each showed double-digit annual increases in average asking price.

The middle of the country also saw strong year-on-year growth, with Marlborough up 11.4 per cent, Wellington up 11.8 per cent, and Nelson up 20.2 per cent.

In contrast, Canterbury continued to weaken with the average asking price down 2.3 per cent year-on-year in July.



## Aucklanders favour larger homes

The average asking price of large houses (5+ bedroom) continued to defy the slowdown affecting the property market, Mr Jeffries said.

“Large homes are hot in Auckland, with the average asking price up 14 per cent on this time last year to \$1.3m, up more than half a million dollars since 2011.”

Wellington and Christchurch saw the opposite, with average asking prices for large houses down 3.9 per cent and 0.7 per cent respectively.

Table 1: Average asking price by property size & region, July 2016 vs July 2015

	All Properties	Large houses 5+ bedroom	Medium houses 3-4 bedroom	Small houses 1-2 bedroom
New Zealand	\$591,100 + 9.7%	\$1,063,900 + 12.0%	\$594,850 + 8.9%	\$387,850 + 6.8%
New Zealand excluding Auckland	\$441,250 + 6.4%	\$689,050 + 1.6%	\$458,100 + 5.7%	\$304,250 + 6.6%
Auckland	\$851,850 + 12.6%	\$1,294,850 + 13.9%	\$876,850 + 10.6%	\$641,550 + 9.1%
Wellington	\$471,300 + 11.8%	\$743,750 - 3.9%	\$492,150 + 8.5%	\$358,700 + 18.2%
Christchurch	\$459,300 - 0.6%	\$715,650 - 0.7%	\$492,000 + 0.4%	\$330,800 - 5.2%

## Wellingtonians opt for urban living

“In the capital, the average asking price for apartments, townhouses and units rose 18 per cent on this time last year,” Mr Jeffries said.

The average asking prices for Wellington apartments are up 20.6 per cent year-on-year, or \$70,000. Townhouses also proved an attractive option with the average asking price up 14.5 per cent to a new record high of \$434,600.

Table 2: Average asking price by property type & region, July 2016 vs July 2015

	All Urban Properties	Apartments	Townhouse	Units
<b>New Zealand</b>	<b>\$497,950</b> + 10.1%	<b>\$518,050</b> + 8.1%	<b>\$542,500</b> + 5.0%	<b>\$438,900</b> + 16.5%
<b>New Zealand excluding Auckland</b>	\$379,650 + 5.3%	\$457,300 + 10.7%	\$414,350 + 6.0%	\$309,150 + 14.3%
<b>Auckland</b>	\$605,200 + 11.0%	\$538,150 + 8.1%	\$810,700 + 14.5%	\$591,900 + 14.3%
<b>Wellington</b>	\$392,900 + 17.8%	\$437,100 + 20.6%	\$434,600 + 14.5%	\$289,200 + 10.6%
<b>Christchurch</b>	\$396,850 + 5.3%	\$439,400 + 7.8%	\$438,900 - 1.5%	\$328,800 + 4.0%

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## MORE INFORMATION

- **About the Trade Me Property Price Index:**
  - The Trade Me Property Price Index measures trends in the expectations of selling prices for residential property listings added to Trade Me Property by real estate agents and private sellers over the past three months.
  - It provides buyers, sellers and realtors with insights into 'for sale' price trends by property type and property size.
  - The Index is produced from data on properties listed on Trade Me Property in the three months leading up to the last day of each period. Each period's value is a truncated mean of the complete three months' worth of listings. This is to better reflect trends in property prices rather than month-to-month fluctuations in housing stock.
  - The Index uses an "80% truncated mean" of the expected sale price to calculate the average asking price. This excludes the upper and lower 10% of listings by price, and averages the expected sale prices of the remaining properties.
  - It provides an insight into 'for sale' price trends by type and size of property. Other reports aggregate property price data across these various properties.
  
- **Regional data:** If you are after information for a particular region, please email Jeff Hunkin via [mediaenquiries@trademe.co.nz](mailto:mediaenquiries@trademe.co.nz) and we will see what we can unearth for you. We can also provide the graphs and tables.
  
- **Contact:** Nigel Jeffries is available for interviews. To tee up a time that suits, please email Jeff Hunkin via [mediaenquiries@trademe.co.nz](mailto:mediaenquiries@trademe.co.nz) or phone (027) 477 9486.