

MONTHLY PROPERTY REPORT

13 APRIL 2017

Housing market volumes and prices jump to reassert March norms

...as the new REINZ HPI indicates high value sales are lifting median prices



**Bindi Norwell,
REINZ CEO**

This month the Real Estate Institute are pleased to launch the REINZ House Price Index (HPI). Developed in partnership with the Reserve Bank of New Zealand, the REINZ HPI provides a level of detail and understanding of housing activity over time to a standard higher than anything else available in New Zealand. REINZ HPI is the most accurate, timely and stable HPI in New Zealand and is at a world class standard.

Following a mixed outlook for the New Zealand housing market in February, March has shown traditional lifts in terms of median price, volume and activity levels, according to the latest figures released today by REINZ, source of the most complete and accurate real estate data in New Zealand.

The market reached its peak level of activity for the year so far as median house prices firmed and sales volumes rose strongly across New Zealand during March, which is traditionally the busiest month for real estate transactions across New Zealand.

The national median price rose \$51,000 to \$546,000 during March, an increase of 10% on February and a new record median, while eight of 12 regions hit new record high median sale prices: Auckland, Northland, Waikato/Bay of Plenty, Hawke's Bay, Manawatu, Taranaki, Canterbury/Westland and Otago. On a seasonally adjusted basis the national median rose 2%.

The number of sales for March 2017 was 8,504, an increase of 36% on February, although down 11% compared to March 2016. On a seasonally adjusted basis sales for March rose 2% compared to February, indicating an expected seasonal effect.

KEY DATA SUMMARY:

National median house price year-on-year	National —————●	\$546,000 - up from \$495,000 +10.3% year-on-year
	National ex Auckland ———●	\$430,000 - up from \$385,000 +11.7% year-on-year
	Auckland —————●	\$890,000 - up from \$820,000 +8.5% year-on-year
Seasonally adjusted median house price	National —————●	Up 1.7% on February
	National ex Auckland ———●	Up 3.2% on February
	Auckland —————●	Up 4.9% on February
Month-on-month median house price	National —————●	\$546,000 – up 10.3% on February: \$495,000
	National ex-Auckland ———●	\$430,000 – up 4.6% on February: \$411,000
	Auckland —————●	\$890,000 – up 11.3% on February: \$800,000
Median days to sell	National —————●	32 – two days longer compared to March 2016
	Auckland —————●	35 – four days longer compared to March 2016
House Price Index	National —————●	2,680 – up 10% on March 2016 0.0% on February
	National ex-Auckland ———●	2,367 – up 13% on March 2016 +0.6% on February
	Auckland —————●	2,896 – up 8.3% on March 2016 -0.3% on February

Other changes of note

The number of properties available for sale continues to decline nationwide with 2,397 fewer houses for sale in March compared to 12 months ago, although the number of properties for sale in the Auckland region as increased by 1,673 (+23%). Compared to March 2016 the number of listings fell 6% in Canterbury, 20% in Wellington and 10% in Waikato/Bay of Plenty. Excluding Auckland, the number of properties for sale has fallen by 4,070 (-12%) over the past 12 months.



Real Estate Institute of New Zealand (REINZ)
Chief Executive Bindi Norwell says:

“March reflects the seasonal peak for the year so far, with the largest number of homes sold and the largest month-on-month increase in the median price, as we normally expect to see this month.”

“Auckland has recorded another record median price and a 66% jump in sales volumes on February, but it should be noted that the ‘March effect’ is more pronounced in Auckland than in other regions. Further, the levels of inventory in Auckland are rising quickly with 47% increase in inventory over the past month, now offering buyers more choice.”



REINZ HOUSE PRICE INDEX (HPI)

REINZ has also released a new House Price Index today, developed in partnership with the Reserve Bank of New Zealand.

Already being used by the Reserve Bank's forecasting and macro financial teams, plus the major banks, the REINZ HPI provides a new level of detail and understanding of the true movements of housing values over time. It does this by analysing how prices in a market are influenced by a range of attributes such as land area, floor area, number of bedrooms etc. to create a single, more accurate measure of housing activity and trends over time. Using the Reserve Bank's preferred Sale Price to Appraisal Ratio (SPAR) methodology, the REINZ HPI uses unconditional sales data (when the price is agreed) rather than at settlement, which can often be weeks later. It is therefore more accurate and timely.

Describing the new REINZ HPI as 'the gold standard' in New Zealand house price analysis tools, REINZ CEO Bindi Norwell says:

"The REINZ HPI takes many aspects of market composition into account, and thus provides more accurate results. When applied to the March data, the HPI indicates that the lift in the median price was largely driven by changes in the underlying mix of dwellings sold in March compared to February. While the median price went up \$51,000 across New Zealand, the HPI was stable month-on-month, at 0.0% change, indicating more sales in higher price brackets than lower ones.

"Furthermore, the HPI numbers are backed by anecdotal evidence from around the country saying that investors and first home buyers are facing more challenges in securing bank lending compared to this time last year, which is lowering the number of dwellings sold in the lower price bracket. As a result, there are comparatively more sales in higher price brackets, which is lifting the median price. Although this gives the overall impression of rising prices, the underlying data shows that the median is moving more due to differences in the mix of dwellings being sold each month."

Year-on-year, the HPI indicates that activity nationwide has lifted 10%, up in Auckland by 8.3% and outside Auckland by 13%.



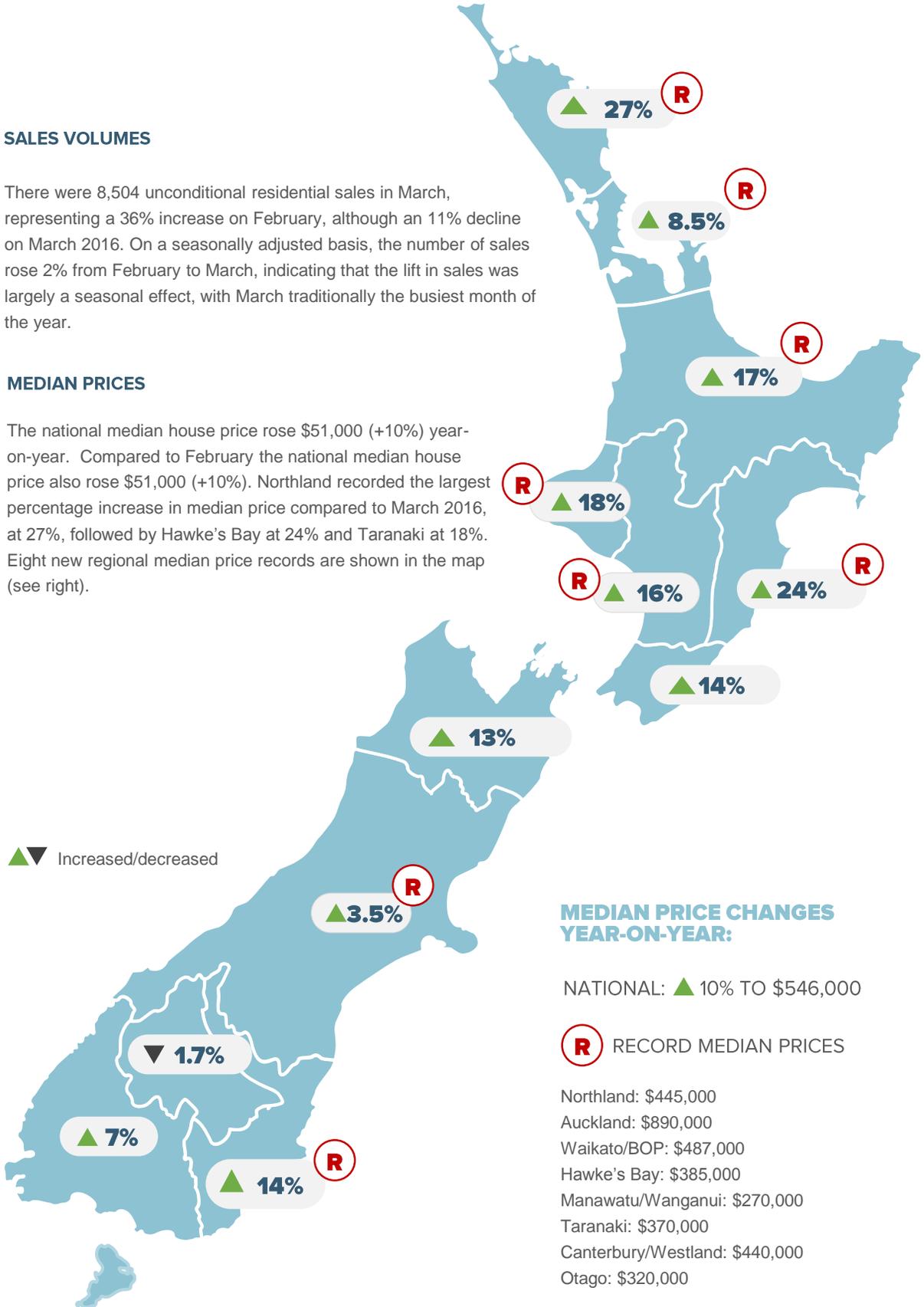
SALES VOLUMES

There were 8,504 unconditional residential sales in March, representing a 36% increase on February, although an 11% decline on March 2016. On a seasonally adjusted basis, the number of sales rose 2% from February to March, indicating that the lift in sales was largely a seasonal effect, with March traditionally the busiest month of the year.

MEDIAN PRICES

The national median house price rose \$51,000 (+10%) year-on-year. Compared to February the national median house price also rose \$51,000 (+10%). Northland recorded the largest percentage increase in median price compared to March 2016, at 27%, followed by Hawke's Bay at 24% and Taranaki at 18%. Eight new regional median price records are shown in the map (see right).

▲ ▼ Increased/decreased



MEDIAN PRICE CHANGES YEAR-ON-YEAR:

NATIONAL: ▲ 10% TO \$546,000

R RECORD MEDIAN PRICES

Northland: \$445,000

Auckland: \$890,000

Waikato/BOP: \$487,000

Hawke's Bay: \$385,000

Manawatu/Wanganui: \$270,000

Taranaki: \$370,000

Canterbury/Westland: \$440,000

Otago: \$320,000

AUCTION SALES

There were 1,637 dwellings sold by auction nationally in March, representing 19% of all sales and a decrease of 717 (-30%) on the number of auctions in March 2016.

Auctions in Auckland represented 59% of national auction sales, with the number of auctions in Waikato/Bay of Plenty representing 16% of national auction sales and the number of auctions in Canterbury/Westland representing 13% of national auction sales. These three regions represented 88% of auction sales in March 2017.

DAYS TO SELL

The number of days to sell decreased by seven days to 32 days from February, but increased two days compared to March 2016. March traditionally sees a large drop in the number of days to sell compared to February. Otago had the fewest number of days to sell at 20 days followed by Wellington at 25 days and Nelson/Marlborough at 28 days. Northland and Central Otago Lakes had the most number of days to sell at 37 days, while in Auckland the number of days to sell fell by eight days to 35 days compared to February (43) although up by four days compared to March 2016.

MILLION DOLLAR HOMES SHOW LARGEST INCREASE IN VOLUMES

Between March 2016 and March 2017, the number of homes sold for more than \$1 million rose by 5% to 1,360 homes to equal 16% of all dwellings sold, a new record for both the number and percentage of homes sold. The number of dwellings sold under \$600,000 has declined by 1,127 between March 2016 and March 2017 compared to a fall of 1,023 for all dwellings.

For regional commentary and tables, please see the accompanying report.

ENDS



NOTE TO EDITORS:

The monthly REINZ residential sales reports remain the most recent, complete and accurate 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.

**Seasonal adjustment is a statistical technique that attempts to measure and remove the influences of predictable seasonal patterns to reveal how the market changes over time.*

FURTHER DATA:

Across New Zealand the total value of residential sales, including sections, was \$6.139 billion in March 2017, compared to \$6.186 billion in March 2016 and \$4.011 billion in February. For the 12 months ended March 2017 the total value of residential sales was \$57.980 billion. The breakdown of the value of properties sold in March 2017 compared to March 2016 is:

	March 2017		March 2016	
\$1 million plus	1,360	16.0%	1,301	13.7%
\$600,000 to \$999,999	2,399	28.2%	2,354	24.7%
\$400,000 to \$599,999	2,088	24.6%	2,348	24.6%
Under \$400,000	2,657	31.2%	3,524	37.0%
All Properties Sold	8,054	100.0%	9,527	100.0%



SEASONALLY ADJUSTED SALES VOLUMES

	COMPARED TO FEBRUARY		COMPARED TO MARCH 2016	
	Volume Change	Seasonally Adjusted Change	Volume Change	Seasonally Adjusted Change
New Zealand	28.8%	2.3%	-15.5%	-12.2%
Auckland	66.2%	3.0%	-14.5%	-16.4%
Wellington	49.3%	5.8%	-4.4%	-13.4%
Canterbury	25.6%	0.9%	-8.3%	-12.7%
Waikato/BOP	26.6%	4.7%	-18.9%	-20.2%
NZ ex Akl	25.1%	1.7%	-8.8%	-10.1%
Northland	1.6%	-7.7%	-14.2%	-15.8%
Hawke's Bay	33.5%	10.0%	14.4%	14.6%
Manawatu/Wanganui	26.7%	13.3%	14.3%	12.6%
Taranaki	-2.9%	-14.3%	12.4%	14.8%
Nelson/Marlborough	18.4%	21.3%	-7.8%	-4.9%
Central Otago	9.4%	8.8%	-1.9%	-2.6%
Otago	29.1%	3.6%	-6.3%	-7.2%
Southland	31.0%	4.9%	-7.7%	-11.8%



SEASONALLY ADJUSTED MEDIAN PRICE

	COMPARED TO FEBRUARY		COMPARED TO MARCH 2016	
	Median Change	Seasonally Adjusted Change	Median Change	Seasonally Adjusted Change
New Zealand	10.3%	1.7%	10.3%	10.4%
Auckland	11.3%	3.2%	8.5%	8.3%
Wellington	0.8%	-0.8%	14.4%	15.1%
Canterbury	3.5%	1.6%	3.5%	3.4%
Waikato/BOP	5.9%	3.0%	17.3%	17.2%
Northland	5.6%	4.3%	27.1%	25.8%
Hawke's Bay	10.0%	10.0%	24.0%	25.0%
Manawatu/Wanganui	3.8%	3.7%	15.9%	17.4%
Taranaki	8.8%	5.1%	17.5%	17.6%
Nelson/Marlborough	3.3%	2.3%	12.7%	12.6%
Central Otago	-4.8%	-9.4%	-9.4%	0.5%
Otago	0.9%	1.1%	14.3%	15.4%
Southland	7.1%	6.1%	7.1%	6.1%

REINZ REGIONAL COMMENTARY

AUCKLAND

Sales volume in the Auckland region rose 66% compared to February with volumes up 101% in Auckland City, 75% in North Shore and 73% in Manukau. Compared to March 2016 sales fell 15% with volume down 8% in Auckland City, 13% in Outer Auckland and 15% in North Shore. On a seasonally adjusted basis the number of sales in the Auckland region rose 3% compared to February, indicating that the lift in sales from February was about in line with what would be expected at this time of the year.

Compared to February the median price rose \$90,000 (+11%) to reach a new record high, with prices rising 20% in Auckland City, 11% in Manukau and 7% in North Shore. Compared to March 2016 the median price rose \$70,000 (+9%), with pricing rising 16% in Manukau, and 11% in Auckland City and Rodney. On a seasonally adjusted basis Auckland's median price rose 3% compared to February.

The number of days to sell improved by eight days compared to February, from 43 days in February to 35 days in March. The number of days to sell eased by four days compared to March 2016. Over the past 10 years the average number of days to sell during March for Auckland has been 33 days. There are now 20 weeks of inventory in the Auckland region, an increase of 6.5 weeks compared to March 2016 (+42%).

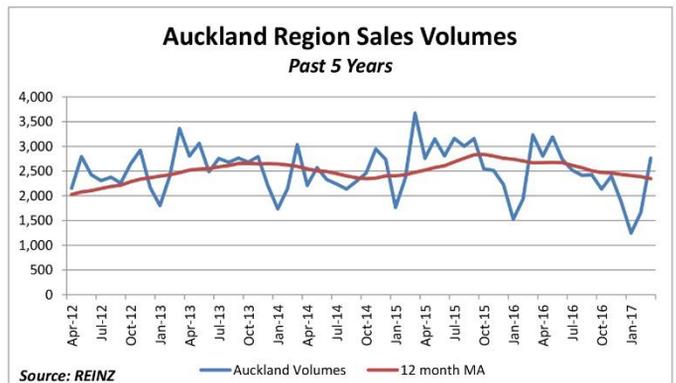
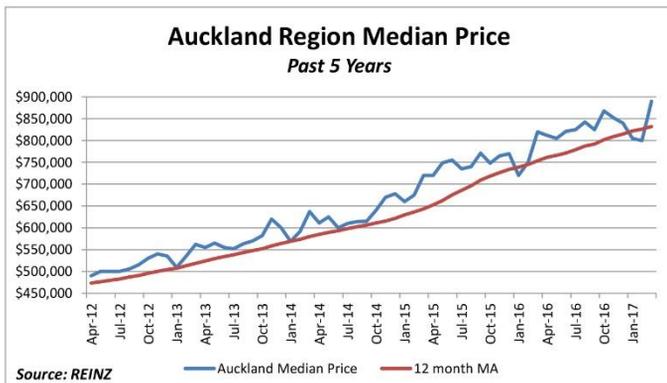
REINZ Chief Executive Officer, Bindi Norwell noted that:

"Sales volumes and prices have risen across Auckland over the month as we would expect in a traditionally busy March, and particularly in Auckland City, North Shore and Manukau. While we haven't reached the heights of last year in terms of volumes as a result of LVR changes, history shows that it can take the market about 6 months to move on. The market appears to be more balanced, offering opportunities for sellers and buyers, as inventory levels have risen to the highest point for five years, which provides more choice for buyers, and days to sell are coming back to more historic norms."

Auckland Region Trends			Price	Volumes	Days to Sell	Overall
	Median Price		↑	↓	↓	↓
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
North Shore City	\$1,085,000	\$1,013,000	\$1,000,000	518	296	608
Waitakere City	\$783,000	\$805,000	\$732,500	344	200	467
Auckland City	\$1,070,000	\$891,000	\$962,500	931	464	1,010
Manukau City	\$890,000	\$800,000	\$770,000	473	273	579
Metro Auckland	\$930,000	\$846,000	\$856,000	2,361	1,320	2,770
Rodney District	\$855,000	\$832,500	\$770,000	201	148	253
Outer Auckland	\$692,500	\$672,000	\$660,000	400	341	460
Auckland Region	\$890,000	\$800,000	\$820,000	2,761	1,661	3,230
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
North Shore City		7.1%	8.5%		75.0%	-14.8%
Waitakere City		-2.7%	6.9%		72.0%	-26.3%
Auckland City		20.1%	11.2%		100.6%	-7.8%
Manukau City		11.3%	15.6%		73.3%	-18.3%
Metro Auckland		9.9%	8.6%		78.9%	-14.8%
Rodney District		2.7%	11.0%		35.8%	-20.6%
Outer Auckland		3.1%	4.9%		17.3%	-13.0%
Auckland Region		11.3%	8.5%		66.2%	-14.5%

GRAPH COMMENTARY

The trend in the median price continues to improve with the volume trend continuing to fall. The days to sell trend continues to ease. The overall trend for the region is now also easing.



REINZ REGIONAL COMMENTARY

NORTHLAND

Sales volume in Northland rose 2% compared to February with sales increasing 81% in Kerikeri and 41% in Otamatea County, but fell across the rest of the region. Northland had a very strong lift in sales in February. Compared to March 2016, sales volumes fell 14% across the region, with an increase of 3% in Whangarei County and steady sales in Otamatea County, but falling across the rest of the region. On a seasonally adjusted basis sales fell 8% compared to February.

The median price across the region rose by \$95,000 (+27%) compared to March 2016 to reach a new record high. Prices rose 66% in Dargaville, 35% in Otamatea County and 23% in Whangarei County. Compared to February, the median price rose \$23,750 (+6%) with prices rising 15% in Dargaville, 10% in Otamatea County and 3% in Whangarei County. On a seasonally adjusted basis the median price rose 4% compared to February.

The number of days to sell improved by 16 days compared to February, from 53 days in February to 37 days in March. The number of days to sell improved by six days compared to March 2016. Over the past 10 years the average number of days to sell during March for Northland has been 68 days. There are now 26 weeks of inventory across the Northland region, a drop of 15 weeks (-37%) over the past 12 months.

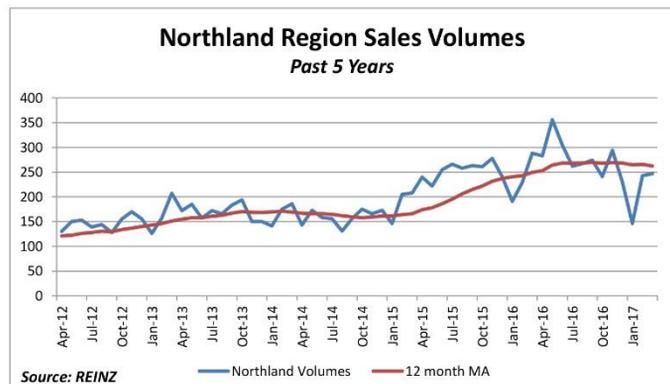
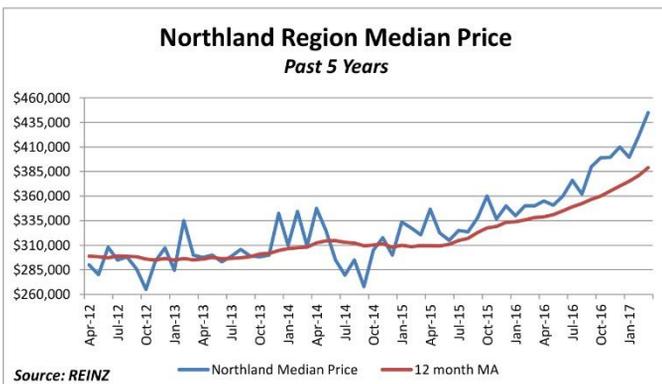
REINZ Chief Executive Officer, Bindi Norwell noted that:

"Whilst Northland had a new record median price year-on-year, volumes remained quiet through March with fewer buyers active in the market. Most activity has been in the lower and higher price ranges, with the middle of the market seeing far less activity than February. The level of inventory across the region remains low, but has picked up from February."

Northland Region Trends			Price ↑	Volumes ↓	Days to Sell ↑	Overall ↗
Median Price			Volume Sold			
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
Whangarei City	\$362,500	\$393,750	\$342,500	86	98	116
Whangarei County	\$610,000	\$590,000	\$495,000	41	44	40
Dargaville	\$317,000	\$275,000	\$191,025	7	7	12
Otamatea County	\$678,750	\$620,000	\$501,125	24	17	24
Kerikeri	\$592,000	\$580,750	\$505,000	29	16	32
Northland	\$445,000	\$421,250	\$350,000	247	243	288
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
Whangarei City		-7.9%	5.8%		-12.2%	-25.9%
Whangarei County		3.4%	23.2%		-6.8%	2.5%
Dargaville		15.3%	65.9%		0.0%	-41.7%
Otamatea County		9.5%	35.4%		41.2%	0.0%
Kerikeri		1.9%	17.2%		81.3%	-9.4%
Northland		5.6%	27.1%		1.6%	-14.2%

GRAPH COMMENTARY

The trend in median price is rising, with the trend in sales volume now easing. The days to sell trend is also rising, with the overall trend for the region improving.



REINZ REGIONAL COMMENTARY

WAIKATO/BAY OF PLENTY

Sales volumes compared to February rose 27%, with sales rising 44% in Mt Maunganui/Papamoa, 42% in Rotorua and 29% in Hamilton. Compared to March 2016 sales across the region fell 19% with sales rising 8% in Gisborne, but falling 10% in Eastern BOP Country and 12% in Mt Maunganui/Papamoa. On a seasonally adjusted basis sales for March rose 5% compared to February.

The median price across the region rose \$72,000 (+17%) compared to March 2016 to reach a new record high. Prices rose 31% in Rotorua, 23% in Waikato Country and 21% in Taupo. Compared to February the median price rose \$27,000 (+6%), with prices rising 22% in Eastern BOP Country, 11% in Rotorua and 11% in Tauranga. On a seasonally adjusted basis prices rose 3% compared to February.

The number of days to sell improved by seven days compared to February, from 43 days in February to 36 days in March. The number of days to sell eased by six days compared to March 2016. Over the past 10 years the average number of days to sell during March for Waikato/Bay of Plenty has been 47 days. The level of inventory across the region has increased by 22% compared to March 2016 to now stand at 16 weeks.

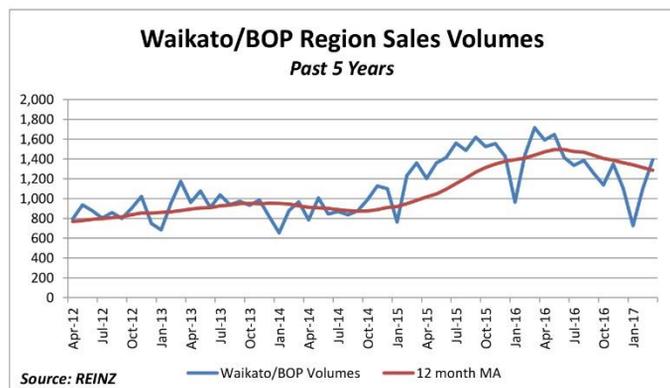
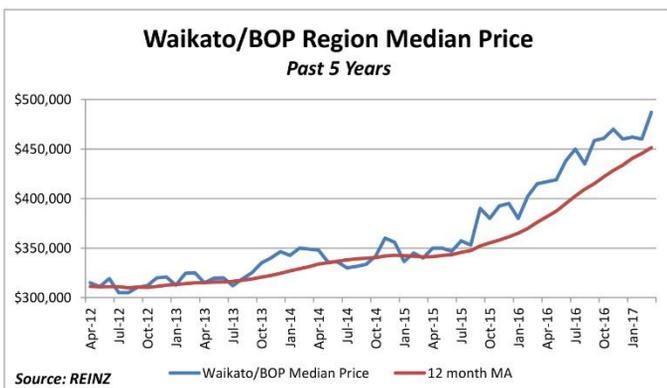
REINZ Regional Director, Philip Searle noted that:

"The Hamilton market is still seeing good levels of activity, although the number of investors has fallen away. Much the same is happening in Tauranga and other Bay of Plenty centres with fewer buyers across all categories. The level of inventory across the region has started to increase with most of the buyer interest at the top end of the market."

Waikato/Bay of Plenty Region Trends			Price	Volumes	Days to Sell	Overall
	Median Price		↑	↓	↓	→
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
Hamilton City	\$540,750	\$500,000	\$472,000	337	262	415
Waikato Country	\$389,500	\$359,500	\$318,000	245	208	305
Tauranga	\$589,650	\$532,500	\$511,500	145	119	226
Maunganui/Papamoa	\$670,000	\$671,500	\$616,500	141	98	160
Rotorua	\$353,000	\$317,500	\$270,000	135	95	175
Taupo	\$428,000	\$466,000	\$352,500	85	69	106
Eastern BOP Country	\$348,100	\$285,000	\$316,000	72	59	80
Gisborne	\$280,000	\$320,000	\$232,500	67	57	62
Waikato/Bay of Plenty	\$487,000	\$460,000	\$415,000	1,391	1,099	1,715
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
Hamilton City		8.1%	14.6%		28.6%	-18.8%
Waikato Country		8.3%	22.5%		17.8%	-19.7%
Tauranga		10.7%	15.3%		21.8%	-35.8%
Maunganui/Papamoa		-0.2%	8.7%		43.9%	-11.9%
Rotorua		11.2%	30.7%		42.1%	-22.9%
Taupo		-8.2%	21.4%		23.2%	-19.8%
Eastern BOP Country		22.1%	10.2%		22.0%	-10.0%
Gisborne		-12.5%	20.4%		17.5%	8.1%
Waikato/Bay of Plenty		5.9%	17.3%		26.6%	-18.9%

GRAPH COMMENTARY

The trend in median price is continuing to rise, with the trend in sales volume now moving back to easing. The days to sell trend is now easing, with the overall trend for the region falling from improving to steady.



REINZ REGIONAL COMMENTARY

HAWKE'S BAY

Sales volumes in Hawke's Bay rose 32% compared to February, with sales rising 54% in Napier, 29% in Hawke's Bay Country and, 20% in Dannevirke. Compared to March 2016 sales volumes rose 14%, with sales rising 83% in Hawke's Bay Country, 60% in Dannevirke and 11% in Napier. On a seasonally adjusted basis sales for February rose 10% compared to February indicating that sales were much stronger than expected for this time of year.

The median price rose \$74,500 (+24%) compared to March 2016 to reach a new record high. Prices rose 39% in Hawke's Bay Country, 25% in Napier and 23% in Hastings. Compared to February the median price rose \$35,000 (+10%), with prices rising 13% in Hastings, 9% in Hawkers Bay Country and 5% in Napier. On a seasonally adjusted basis the median price rose 10% compared to February, indicating that the rise in prices was much stronger than normally expected.

The median number of days to sell improved by seven days compared to February, from 36 days in February to 29 days in March. The number of days to sell improved by two days compared to March 2016. Over the past 10 years the median number of days to sell for the Hawke's Bay region in March has been 45 days. The region has the second lowest level of inventory across New Zealand with 10 weeks of supply, a drop of 16% over the past year.

REINZ Chief Executive Officer, Bindi Norwell noted that:

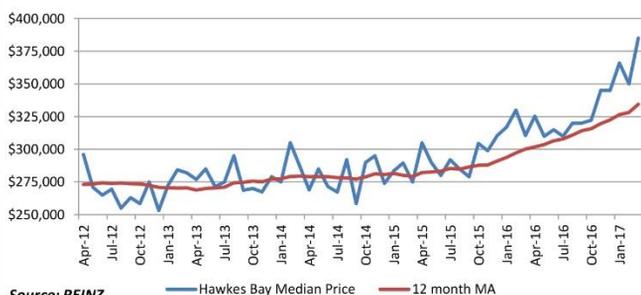
"Whilst volumes and median prices have increased, inventory and new listings remain tight across the region, with Hawke's Bay having the second lowest level of inventory in New Zealand. There are a number of engaged sellers but choice is limited for buying another property and multiple offers are increasingly common making securing a new property challenging. Interest from Auckland based investors is also rising."

Hawke's Bay Region Trends			Price	Volumes	Days to Sell	Overall
Median Price				Volume Sold		
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
Napier City	\$420,000	\$399,500	\$337,000	137	89	123
Hastings City	\$395,375	\$349,500	\$322,500	114	98	104
Dannevirke	\$151,500	\$166,000	\$194,000	24	20	15
Hawke's Bay	\$385,000	\$350,000	\$310,500	317	241	277
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
Napier City		5.1%	24.6%		53.9%	11.4%
Hastings City		13.1%	22.6%		16.3%	9.6%
Hawke's Bay Country		9.0%	38.5%		29.4%	83.3%
Dannevirke		-8.7%	-21.9%		20.0%	60.0%
Hawke's Bay		10.0%	24.0%		31.5%	14.4%

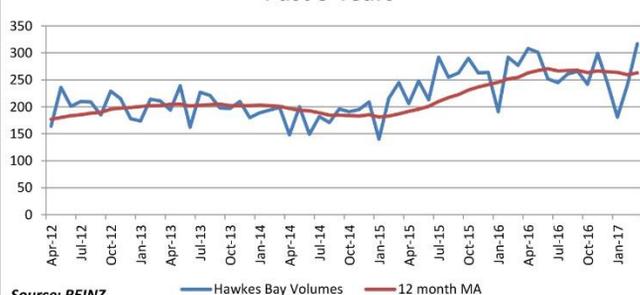
GRAPH COMMENTARY

The median price trend has moved from steady to improving, although the sales volume trend has moved from steady to easing. The days to sell trend is now also rising, with the overall trend for the region continuing to improve.

Hawke's Bay Region Median Price
Past 5 Years



Hawke's Bay Region Sales Volumes
Past 5 Years



REINZ REGIONAL COMMENTARY

MANAWATU/WANGANUI

Sales volumes rose 27% compared to February, with sales rising 39% in Wanganui, 29% in Palmerston North and 23% in Levin. Compared to March 2016 sales volumes rose 14%, with sales rising 52% in Feilding, 27% in Wanganui and 23% in Manawatu Country. On a seasonally adjusted basis sales across the region rose 13%, indicating that the increase in sales was far stronger in March than what would normally be expected.

The median price across the region rose \$37,000 (+16%) compared to March 2016 to reach a new record high. Prices rose 32% in Levin, 22% in Feilding and 13% in Wanganui. Compared to February the median price rose \$10,000 (+4%), with prices rising 15% in Wanganui, 4% in Feilding and 1% in Levin. On a seasonally adjusted basis the median price rose 4% compared to February.

The number of days to sell improved by three days compared to February, from 32 days in February to 29 days in March. The number of days to sell was steady at 29 days compared to March 2016. Over the past 10 years the average number of days to sell during March for the region has been 43 days. The level of inventory available for sale has fallen by 40% compared to March 2016 to stand at 13 weeks.

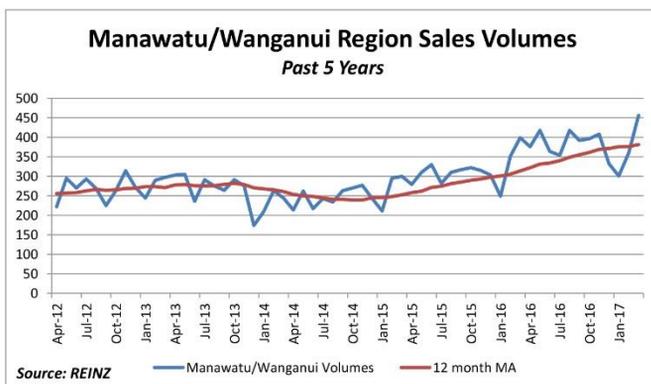
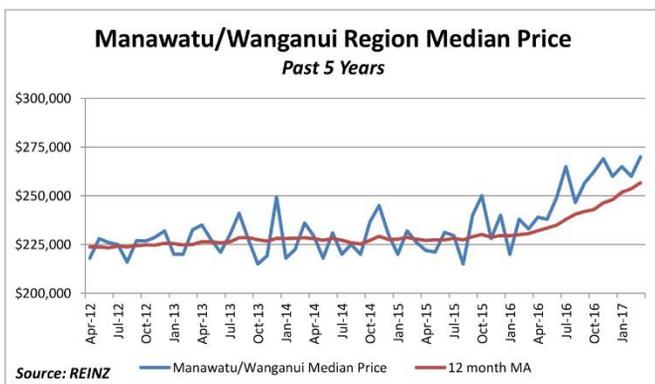
REINZ Chief Executive Officer, Bindi Norwell noted that:

"The market across the region is still buoyant with rising sales volumes and record median prices. There are more buyers active in the market and the level of inventory is now getting very low compared to historical levels. Activity is increasing in Feilding as sellers move from Palmerston North to Feilding where new subdivision growth is quite strong."

Manawatu/Wanganui Region Trends			Price	Volumes	Days to Sell	Overall
			↗	↗	↑	↑
Median Price			Volume Sold			
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
Palmerston North	\$320,000	\$340,000	\$285,000	155	120	145
Feilding	\$324,125	\$312,500	\$265,000	44	41	29
Levin	\$250,000	\$247,500	\$189,000	64	52	61
Manawatu Country	\$220,000	\$300,000	\$214,000	43	41	35
Wanganui	\$194,750	\$169,000	\$172,500	104	75	82
Manawatu/Wanganui	\$270,000	\$260,000	\$233,000	456	360	399
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
Palmerston North		-5.9%	12.3%		29.2%	6.9%
Feilding		3.7%	22.3%		7.3%	51.7%
Levin		1.0%	32.3%		23.1%	4.9%
Manawatu Country		-26.7%	2.8%		4.9%	22.9%
Wanganui		15.2%	12.9%		38.7%	26.8%
Manawatu/Wanganui		3.8%	15.9%		26.7%	14.3%

GRAPH COMMENTARY

The median price trend is now rising, with the volume trend now improving. The days to sell trend is now also rising. The overall trend for the region is now rising, with Manawatu/Wanganui the best performing region across New Zealand.



REINZ REGIONAL COMMENTARY

TARANAKI

Sales volume for the Taranaki region rose 12% compared to March 2016, with sales up 80% in Bell Block, 55% in Taranaki Country and 9% in New Plymouth. Compared to February sales volumes fell 3% with sales rising 50% in Bell Block and 7% in Taranaki Country but falling across the rest of the region. On a seasonally adjusted basis sales fell 14% compared to February, indicating that sales were much weaker than expected for this time of year.

The median price across the region rose \$55,000 (+18%) compared to March 2016 to reach a new record high. Prices rose 141% in Taranaki Country, 56% in Hawera and 27% in Bell Block. Compared to February the median price rose \$30,000 (+9%), with prices rising 36% in Bell Block, 31% in Hawera and 2% in New Plymouth. On a seasonally adjusted basis the median rose 5% compared to February.

The number of days to sell improved by six days compared to February, from 44 days in February to 38 days in March. Compared to March 2016 the number of days to sell eased by five days. Over the past 10 years the median number of days to sell across the region in March has averaged 43 days. There are currently 15 weeks of supply across the Taranaki region compared to 22 weeks in March 2016, a drop of 33%.

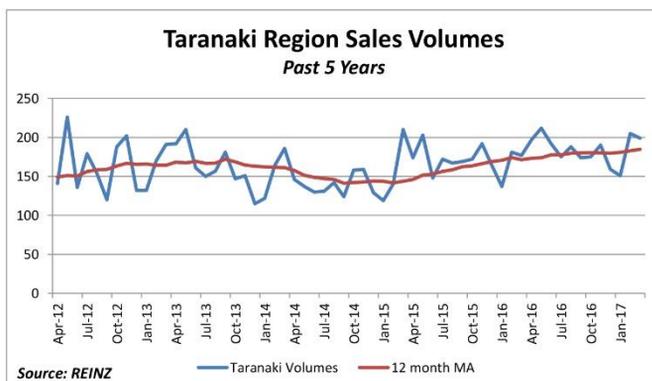
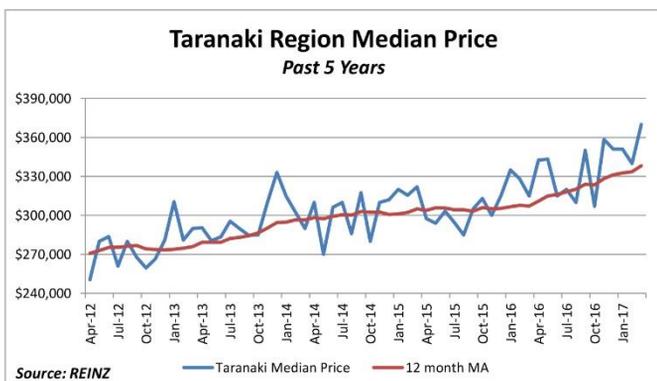
REINZ Chief Executive Officer, Bindi Norwell noted that:

"Whilst median prices and volumes have increased year-on-year, the falling level of inventory and lower level of new listings is impacting on buyer choice with first home buyers finding it harder. Activity in the \$500,000 range is strong with an increase in the number of multiple offers with people selling and buying again also very active across the market. The lower end of the market is quieter."

Taranaki Region Trends	Price		Volumes	Days to Sell	Overall	
	→	→	↘	↗	→	
	Median Price			Volume Sold		
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
New Plymouth	\$430,000	\$420,000	\$357,050	96	103	88
Taranaki Country	\$267,200	\$262,500	\$111,000	31	29	20
Bell Block	\$542,750	\$399,500	\$428,750	18	12	10
Hawera	\$278,000	\$213,000	\$177,750	22	28	24
Taranaki	\$370,000	\$340,000	\$315,000	199	205	177
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
New Plymouth		2.4%	20.4%		-6.8%	9.1%
Taranaki Country		1.8%	140.7%		6.9%	55.0%
Bell Block		35.9%	26.6%		50.0%	80.0%
Hawera		30.5%	56.4%		-21.4%	-8.3%
Taranaki		8.8%	17.5%		-2.9%	12.4%

GRAPH COMMENTARY

The median price trend is now steady, with the sales volume trend now easing. The days to sell trend is now improving, although the overall trend remains steady.



REINZ REGIONAL COMMENTARY

WELLINGTON

The median price for the Wellington region rose \$66,000 (+14%) compared to March 2016, with prices rising 52% in Central Wellington, 19% in Pukerua Bay/Tawa and 16% in Upper Hutt. Compared to February the median price rose \$4,250 (+1%), with prices rising 17% in Central Wellington, 4% in Pukerua Bay/Tawa and 3% in Upper Hutt. On a seasonally adjusted basis the median price fell 1%.

Compared to February sales volumes rose 37% across the region, with sales rising 64% in Central Wellington, 60% in Pukerua Bay/Tawa and 53% in Southern Wellington. Compared to March 2016 sales volumes fell 12%, with sales rising 9% in Hutt Valley, but falling 3% in Upper Hutt and 5% in Southern Wellington. On a seasonally adjusted basis sales rose 6% compared to February.

The number of days to sell improved four days in March, from 29 days in February to 25 days in March. The number of days to sell eased by one day compared to March 2016. Over the past 10 years the average number of days to sell during March for the region has been 33 days. Wellington continues to have the lowest level of inventory across New Zealand with just nine weeks of supply, although this is a week more than March 2016.

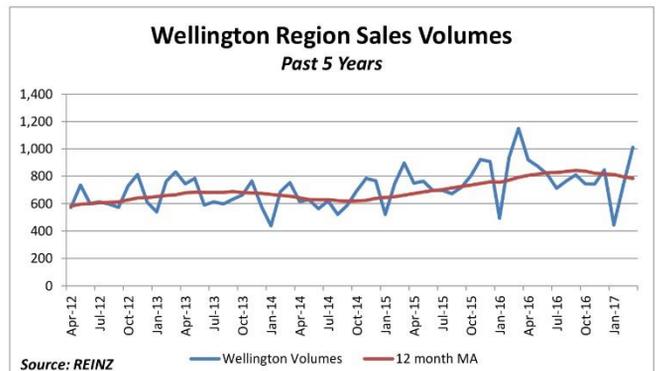
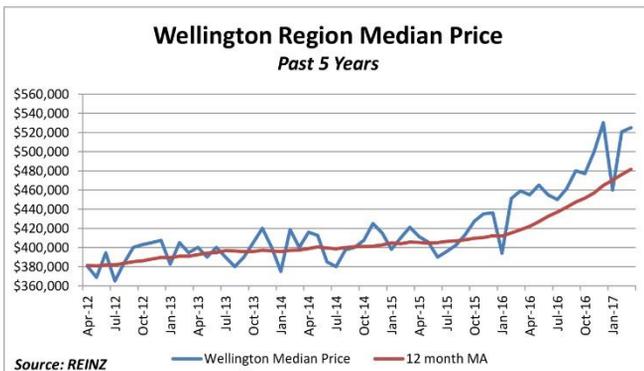
REINZ Regional Director, Mark Coffey noted that:

"After a slow February, the market was far more active in March, although the very low level of inventory is a constant problem across the region. First home buyers and owner/occupiers are dominant with investors remaining on the sidelines due to the LVR changes of last year. The market remains a sellers market."

GRAPH COMMENTARY

The trend in the median price is now rising, although the volume trend is now easing. The days to sell trend continues to rise with the overall trend for the Wellington region still improving.

Wellington Region Trends			Price	Volumes	Days to Sell	Overall
			↑	↓	↑	↔
	Median Price			Volume Sold		
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
Upper Hutt	\$436,250	\$422,000	\$375,000	102	67	105
Hutt Valley	\$460,000	\$497,000	\$437,000	206	163	189
Northern Wellington	\$611,650	\$662,500	\$583,000	110	84	123
Central Wellington	\$559,444	\$479,750	\$368,598	82	50	150
Eastern Wellington	\$747,000	\$745,000	\$733,000	53	40	58
Western Wellington	\$696,000	\$715,000	\$762,895	54	37	74
Southern Wellington	\$675,000	\$712,000	\$613,421	55	36	58
Pukerua Bay / Tawa	\$560,000	\$540,500	\$470,000	112	70	133
Wellington	\$525,000	\$520,750	\$459,000	1,011	736	1,149
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
Upper Hutt		3.4%	16.3%		52.2%	-2.9%
Hutt Valley		-7.4%	5.3%		26.4%	9.0%
Northern Wellington		-7.7%	4.9%		31.0%	-10.6%
Central Wellington		16.6%	51.8%		64.0%	-45.3%
Eastern Wellington		0.3%	1.9%		32.5%	-8.6%
Western Wellington		-2.7%	-8.8%		45.9%	-27.0%
Southern Wellington		-5.2%	10.0%		52.8%	-5.2%
Pukerua Bay / Tawa		3.6%	19.1%		60.0%	-15.8%
Wellington		0.8%	14.4%		37.4%	-12.0%



REINZ REGIONAL COMMENTARY

NELSON/MARLBOROUGH

The median price across the region rose \$52,500 (+13%) compared to March 2016. Prices rose 31% in Richmond, 21% Motueka and 19% in Nelson. Compared to February the median price rose \$15,000 (+3%) with prices rising 8% in Nelson and 5% in Motueka, but falling across the rest of the region. On a seasonally adjusted basis the median price rose 2% compared to February.

Sales volume compared to February rose 18%, with sales rising 67% in Motueka, 34% in Marlborough/Kaikoura and 2% in Nelson. Compared to March 2016 sales volumes fell 8%, with sales rising 11% in Motueka, but falling 1% in Marlborough/Kaikoura and 12% in Nelson. On a seasonally adjusted basis sales in February rose 4% compared to February.

The number of days to sell in February improved by eight days compared to February, from 36 days in February to 28 days in March. Compared to March 2016 the number of days was steady at 28 days. Over the past 10 years the number of days to sell in March across the region has averaged 37 days. There was 13 weeks of supply across the region in March, little changed from March 2016.

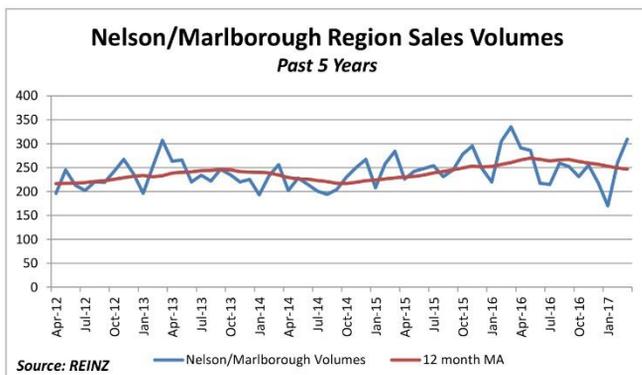
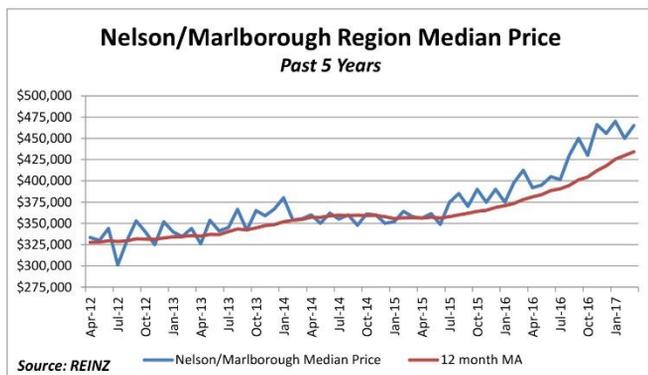
REINZ Chief Executive Officer, Bindi Norwell noted that:

"Buyer activity remains robust in Nelson, but less so in other parts of the region with investors more active than first home buyers. The continued low levels of inventory across the region is driving some changes in buyer behaviour with more buyers spending money on due diligence before making offers so as to present less conditions. A clear indication of a change in buyer behaviour."

Nelson/Marlborough Region Trends	Price			Volumes	Days to Sell	Overall
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
	Median Price			Volume Sold		
Nelson City	\$483,250	\$449,000	\$405,500	98	96	111
Richmond	\$576,500	\$595,750	\$440,000	32	34	42
Motueka	\$520,000	\$497,500	\$429,000	30	18	27
Marlborough/Kaikoura	\$380,000	\$383,000	\$374,500	119	89	120
Nelson/Marlborough	\$465,000	\$450,000	\$412,500	309	261	335
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
Nelson City		7.6%	19.2%		2.1%	-11.7%
Richmond		-3.2%	31.0%		-5.9%	-23.8%
Motueka		4.5%	21.2%		66.7%	11.1%
Marlborough/Kaikoura		-0.8%	1.5%		33.7%	-0.8%
Nelson/Marlborough		3.3%	12.7%		18.4%	-7.8%

GRAPH COMMENTARY

The price trend for the region is now rising, although the sales volume trend continues to ease. The days to sell trend is now rising, with the overall trend for the region now improving.



REINZ REGIONAL COMMENTARY

CANTERBURY/WESTLAND

Sales volume across the region rose 26% compared to February, with sales rising 48% in Timaru, 46% in Mid-Canterbury and 42% in West Coast. Compared to March 2106 sales volumes fell 8%, with sales volumes rising 29% in South Canterbury and 16% in Mid-Canterbury but falling across the rest of the region. On a seasonally adjusted basis volume rose 1% compared to February indicating that the lift in sales was about in line with what would be expected at this time of year.

The median price rose \$15,000 (+4%) compared to February to reach a new record high. Prices rose 12% in West Coast, 6% in Mid-Canterbury and 5% in Rangiora and North Canterbury. Compared to March 2016 the median price also rose \$15,000 (+4%), with prices rising 16% in South Canterbury, 12% in Timaru and 7% in Rangiora. On a seasonally adjusted basis the median price rose 2% compared to February.

The number of days to sell improved by 10 days in March from 43 days in February to 33 days in March. Compared to March 2016 the number of days to sell eased by five days. Over the past 10 years the number of days to sell in March across the region has averaged 33 days. Inventory levels were 21 weeks of supply in March, similar to the level on inventory in March 2016.

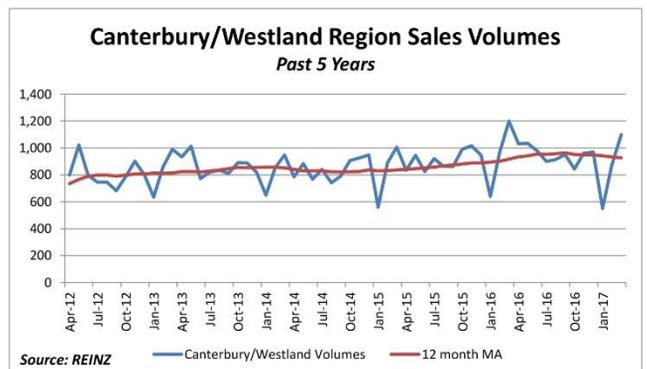
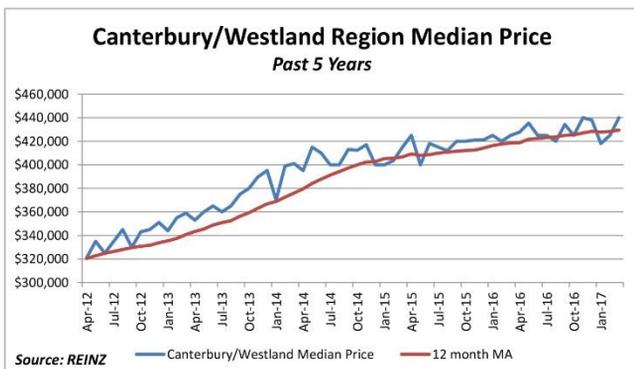
REINZ Regional Director, Jim Davis noted that:

"The market is well balanced, as it has been for the past several months. Inventory levels have changed little over the past year with the market 'solid' and 'steady' with not much direction. The new record median price is likely due to a couple of factors, March marks the end of the tax year for most people which traditionally causes a lift in prices, also the difficulty first home buyers and investors are experiencing obtaining finance resulting in most purchases being made by owner/occupiers in the mid-high end bracket."

Canterbury/Westland Region Trends	Price			Volumes		Days to Sell	Overall
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16	
	Median Price			Volume Sold			
Christchurch	\$470,000	\$459,000	\$445,000	684	530	769	
Rangiora	\$456,000	\$435,000	\$426,000	43	43	48	
North Canterbury	\$419,000	\$400,000	\$457,500	34	33	48	
Mid-Canterbury	\$339,395	\$320,000	\$355,000	67	46	58	
Timaru	\$349,000	\$350,000	\$312,000	71	48	77	
South Canterbury	\$312,500	\$350,000	\$270,500	54	57	42	
West Coast	\$210,000	\$187,500	\$224,000	37	26	38	
Canterbury/Westland	\$440,000	\$425,000	\$425,000	1,099	875	1,199	
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16	
Christchurch		2.4%	5.6%		29.1%	-11.1%	
Rangiora		4.8%	7.0%		0.0%	-10.4%	
North Canterbury		4.8%	-8.4%		3.0%	-29.2%	
Mid-Canterbury		6.1%	-4.4%		45.7%	15.5%	
Timaru		-0.3%	11.9%		47.9%	-7.8%	
South Canterbury		-10.7%	15.5%		-5.3%	28.6%	
West Coast		12.0%	-6.3%		42.3%	-2.6%	
Canterbury/Westland		3.5%	3.5%		25.6%	-8.3%	

GRAPH COMMENTARY

The median price trend continues easing, with the sales volume trend improving to steady. The days to sell trend has moved up to easing. The overall trend for the region continues to ease.



REINZ REGIONAL COMMENTARY

CENTRAL OTAGO LAKES

Sales volume for the Central Otago Lakes Region rose 9% compared to February, with sales up 16% in Queenstown and 5% in Central. Compared to March 2016 sales volume fell 2%, with sales up 21% in Central but down 22% in Queenstown. On a seasonally adjusted basis sales rose 9% compared to February.

The median price across the region fell \$11,750 (-2%) compared to March 2016, with prices rising 9% in Central and 10% in Queenstown. Compared to February, the median price fell \$34,750 (-5%) with prices rising 6% in Queenstown and 5% in Central. On a seasonally adjusted basis the median price fell 9% compared to February indicating that the decline in prices was not expected at this time of year.

The number of days to sell improved 16 days in March, from 53 days in February to 37 days in March. Compared to March 2016 the number of days to sell eased by six days. Over the past 10 years the number of days to sell in March across the region has averaged 56 days. There were 24 weeks of supply across the region in March, in line with the level of inventory in March 2016.

REINZ Regional Director, Gail Hudson noted that:

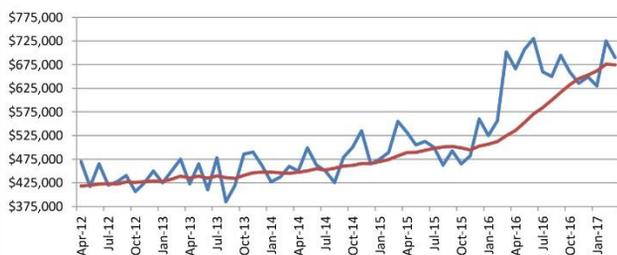
"The number of first home buyers active in the market continues to decline, with prices in Queenstown similar to Auckland prices. Banks continue to make lending challenging for most purchasers. Vendors are also noticing a change in the market with fewer attendees at open homes, however prices have eased only slightly."

Central Otago Lakes Region Trends			Price	Volumes	Days to Sell	Overall
			↑	↓	↑	↑
	Median Price			Volume Sold		
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
Central	\$572,500	\$547,500	\$525,000	88	84	73
Queenstown	\$897,500	\$850,000	\$815,000	64	55	82
Central Otago Lakes	\$690,250	\$725,000	\$702,000	152	139	155
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
Central		4.6%	9.0%		4.8%	20.5%
Queenstown		5.6%	10.1%		16.4%	-22.0%
Central Otago Lakes		-4.8%	-1.7%		9.4%	-1.9%

GRAPH COMMENTARY

The median price trend is now rising with the volume trend now easing. The days to sell trend is now improving and the overall trend for the region is now improving.

Central Otago Lakes Region Median Price
Past 5 Years



Source: REINZ — Central Otago Lakes Median Price — 12 month MA

Central Otago Lakes Region Sales Volumes
Past 5 Years



Source: REINZ — Central Otago Lakes Volumes — 12 month MA

REINZ REGIONAL COMMENTARY

OTAGO

The median price across Otago rose \$40,000 (+14%) compared with March 2016 to reach a new record high. Prices rose 24% in North Otago, 12% in Dunedin, but fell 8% in South Otago. Compared to February the median price rose by \$2,750 (+1%) with prices rising 10% in South Otago, 3% in North Otago, but falling 2% in Dunedin. On a seasonally adjusted basis the median price rose 1% compared to February.

Sales across the region rose 29% compared to February with sales rising 60% in South Otago, 34% in Dunedin and 6% in North Otago. Compared to March 2016 sales fell 6%, with sales steady in South Otago, but falling 3% in North Otago and 7% in Dunedin. On a seasonally adjusted basis sales rose 4% compared to February.

The number of days to sell in Otago improved by seven days in March from 27 days in February to 20 days in March; the shortest number of days to sell in 14 years. Compared to March 2016 the number of days to sell also improved by seven days. Over the past 10 years the average number of days to sell in Otago in March was 32 days. There are currently 11 weeks of inventory across the region, a drop of 25% compared to March 2016.

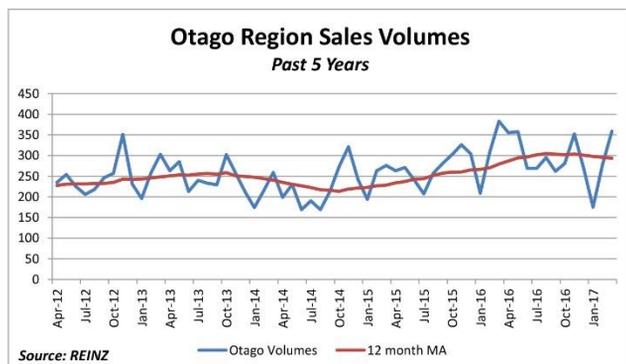
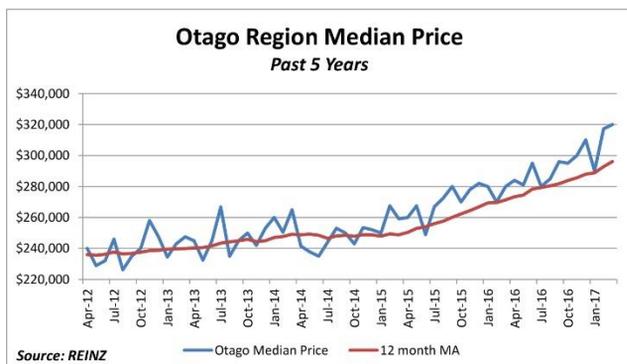
REINZ Regional Commentator, Liz Nidd noted that:

"The Otago market continues to be robust with another record median price recorded this month and continued strong demand from out of town investors, mostly from Auckland. First home buyer activity remains steady, although the level of inventory continues to decline and is now at very low levels for the region."

Otago Region Trends			Price	Volumes	Days to Sell	Overall
			Median Price		Volume Sold	
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
Dunedin	\$342,850	\$350,000	\$305,000	259	194	277
North Otago	\$262,000	\$255,000	\$212,000	57	54	59
South Otago	\$180,000	\$163,750	\$196,250	32	20	32
Otago	\$320,000	\$317,250	\$280,000	359	278	383
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
North Otago		2.7%	23.6%		5.6%	-3.4%
South Otago		9.9%	-8.3%		60.0%	0.0%
Otago		0.9%	14.3%		29.1%	-6.3%

GRAPH COMMENTARY

The trend in the median price is now improving, with the trend in sales volume now moving to easing. The trend in days to sell continues to rise, with the overall trend for the region now moving to steady.



REINZ REGIONAL COMMENTARY

SOUTHLAND

The median price across Southland rose \$15,000 (+7%) compared to February, with prices rising 40% in Gore and 5% in Invercargill. Compared to March 2016 the median price also rose \$15,000 (+7%) with prices rising 31% in Gore and 9% in Invercargill. On a seasonally adjusted basis the median price rose 6% compared to February.

Sales volumes rose 31% compared to February, with a 48% increase in Gore and a 26% increase in Invercargill. Compared to March 2016 sales volumes fell 8% with sales falling 17% in Invercargill but rising 25% in Gore. On a seasonally adjusted basis sales rose 5% compared to February.

The number of days to sell in Southland improved by six days in March from 37 days in February to 31 days in March. Compared to March 2016 the number of days to sell improved by four days. Over the past 10 years the number of days to sell in March for the Southland region has been 37 days. There is currently 20 weeks of inventory in Southland, a fall of six weeks compared to March 2016.

REINZ Chief Executive Officer, Bindi Norwell noted that:

"The impact of the LVR changes appears to have 'washed through' in Southland with an active market and increasing demand from both first home buyers and investors. Sales in the over \$500,000 range have also increased. Multiple offers are becoming increasingly common with now around one third of sales with multiple offers."

Southland Region Trends			Price	Volumes	Days to Sell	Overall
			→	↘	↑	→
		Median Price		Volume Sold		
	Mar-17	Feb-17	Mar-16	Mar-17	Feb-17	Mar-16
Invercargill	\$230,000	\$219,000	\$212,000	122	97	147
Gore	\$220,500	\$157,000	\$168,500	40	27	32
Southland	\$225,000	\$210,000	\$210,000	203	155	220
	Vs...	Feb-17	Mar-16	Vs...	Feb-17	Mar-16
Invercargill		5.0%	8.5%		25.8%	-17.0%
Gore		40.4%	30.9%		48.1%	25.0%
Southland		7.1%	7.1%		31.0%	-7.7%

GRAPH COMMENTARY

The median price trend is now steady, with the sales trend now easing. The days to sell trend continues to rise, with the overall trend for the region now steady.

