

## Three years that have transformed the Auckland property market

After easing over the Christmas period, the average asking price for the typical Auckland property reached a record high in March. Average asking prices in the Super City hit \$918,600, up more than \$12,000 since February, according to the latest Trade Me Property Price Index.

Head of Trade Me Property Nigel Jeffries said Auckland's average asking price jumped a 'staggering' \$287,850 since 2014, a rise of 45.6 per cent. "These last three years have been a watershed for the Auckland property market, the price increases are mind-boggling and it looks like there are more record highs around the corner, despite the recent easing.

"We've dug into the data to find out a bit more about what's been going on in the Super City – across Auckland's largest 160 suburbs there have been some incredible trends. For example, every single suburb now has an average asking price of more than \$500,000. Just three years ago there were 30 suburbs with an average asking price under that threshold.

"At the top end of the market we are seeing more asking prices edge over the two-million dollar mark. The most expensive suburb is Herne Bay with a median asking price of nearly \$2.3 million, up 19 per cent in the past year. The three other suburbs with average asking prices of over \$2 million are Dairy Flat, Omaha and Remuera."

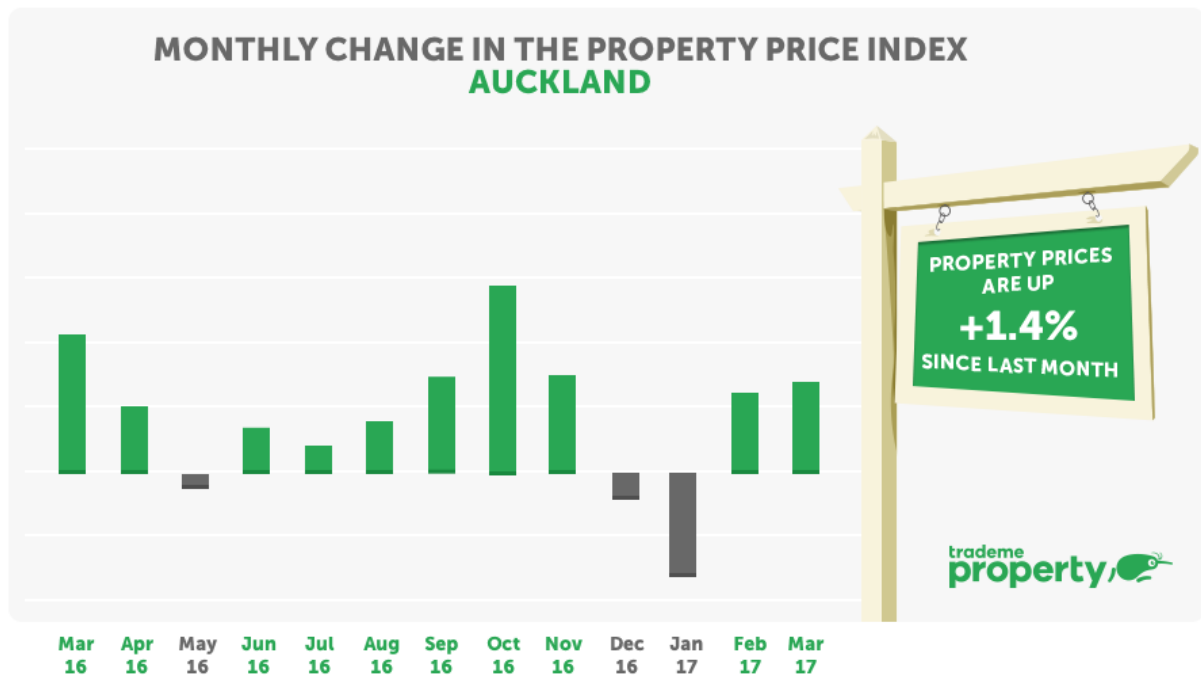
\$2 million suburbs	March 2017 % vs prior year	March 2016 % vs prior year	March 2014 % vs prior year
Herne Bay	\$2,298,000 + 19.4%	\$1,925,000 + 15.6%	\$1,579,050 - 2.2%
Dairy Flat	\$2,170,000 + 5.8%	\$2,050,000 + 38.3%	\$1,582,350 + 28.7%
Omaha	\$2,050,00 + 53.9%	\$1,332,350 - 3.2%	\$1,133,350 - 8.2%
Remuera	\$2,023,800 + 14.3%	\$1,770,850 + 21.3%	\$1,345,000 + 13.9%

The number of \$1 million suburbs in Auckland has exploded in the last three years. In March 2014, just 25 of the 160 largest suburbs had an average asking price over \$1m, and only two were above \$1.5m. But in March 2017 there are now 70 suburbs over \$1m and 17 are over \$1.5 million.

The top 10 fastest rising suburbs since March 2014 include three on Waiheke Island, plus Omaha and Newmarket.

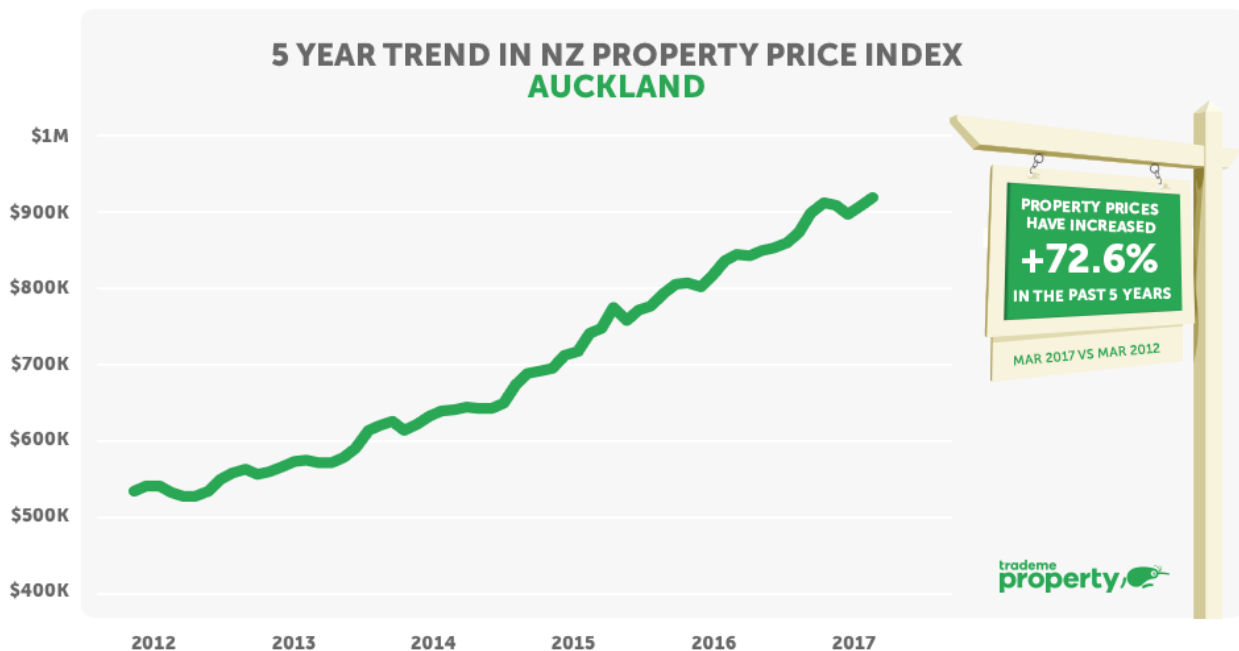
“In the last three years Omaha has seen average asking prices jump \$900,000 while Newmarket has more than doubled from below \$500,000 to more than \$1 million today. Clearly the holiday getaway spot is still popular with Aucklanders, while in Newmarket we’ve seen a significant number of new developments have a big impact on average asking prices.”

Fastest rising suburbs	March 2017	March 2014	Increase in 3 yrs
1. Newmarket	\$1,075,000	\$489,600	\$585,400 +119.6%
2. Oneroa	\$1,488,350	\$780,000	\$708,350 + 90.8%
3. Auckland CBD	\$541,600	\$285,600	\$256,000 + 89.6%
4. Eden Terrace	\$729,050	\$394,000	\$335,050 + 85.0%
5. Omaha	\$2,050,000	\$1,133,350	\$916,650 + 80.9%
6. Surfdale	\$1,011,900	\$566,000	\$445,900 + 78.8%
7. Kelston	\$814,700	\$457,900	\$356,800 + 77.9%
8. Campbell's Bay	\$1,955,750	\$1,104,550	\$851,200 + 77.1%
9. Sandringham	\$1,118,250	\$645,900	\$472,350 + 73.1%
10. Onetangi	\$1,296,450	\$753,150	\$543,300 + 72.1%



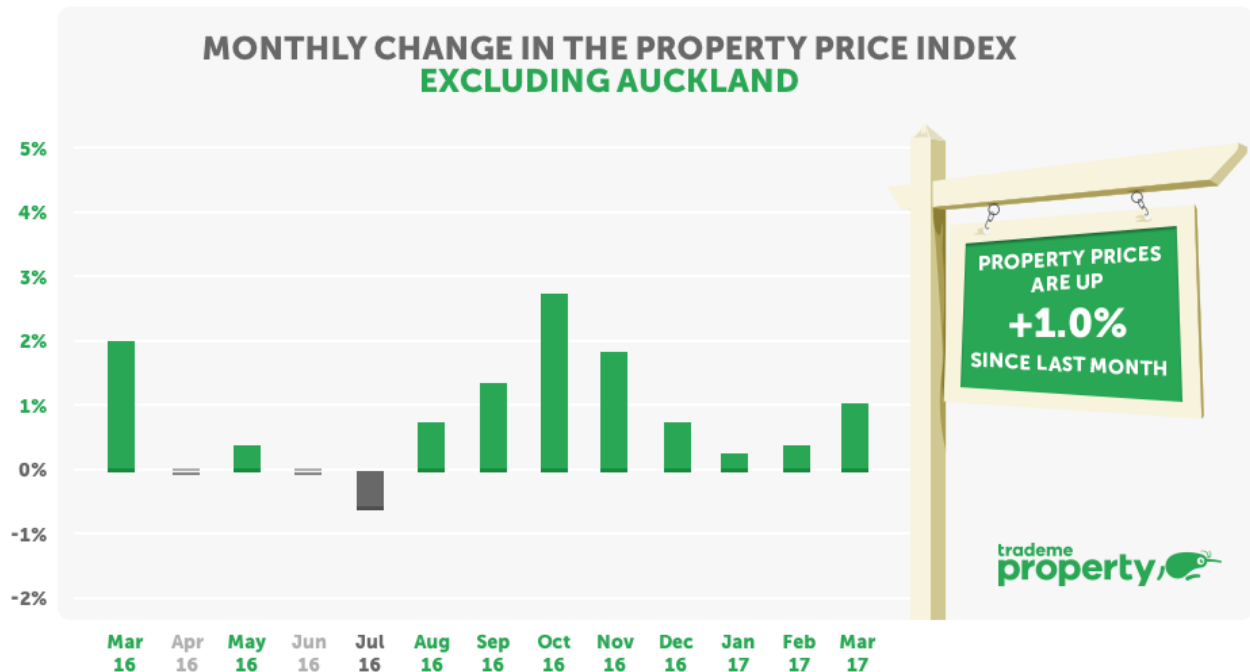
Mr Jeffries said the Auckland market's average asking price is edging closer to the \$1 million mark, and had jumped 72.6 per cent over the past 5 years.

"Based on the current rate of growth we could well see Auckland break through the one million dollar milestone within the next six months – just six years after it broke the \$500,000 mark back in September 2011."



## The rest of NZ

Excluding Auckland, the rest of New Zealand continues to power along too. The average asking price for the typical property outside Auckland rose 1 per cent in March to \$482,000, the eighth consecutive record high.



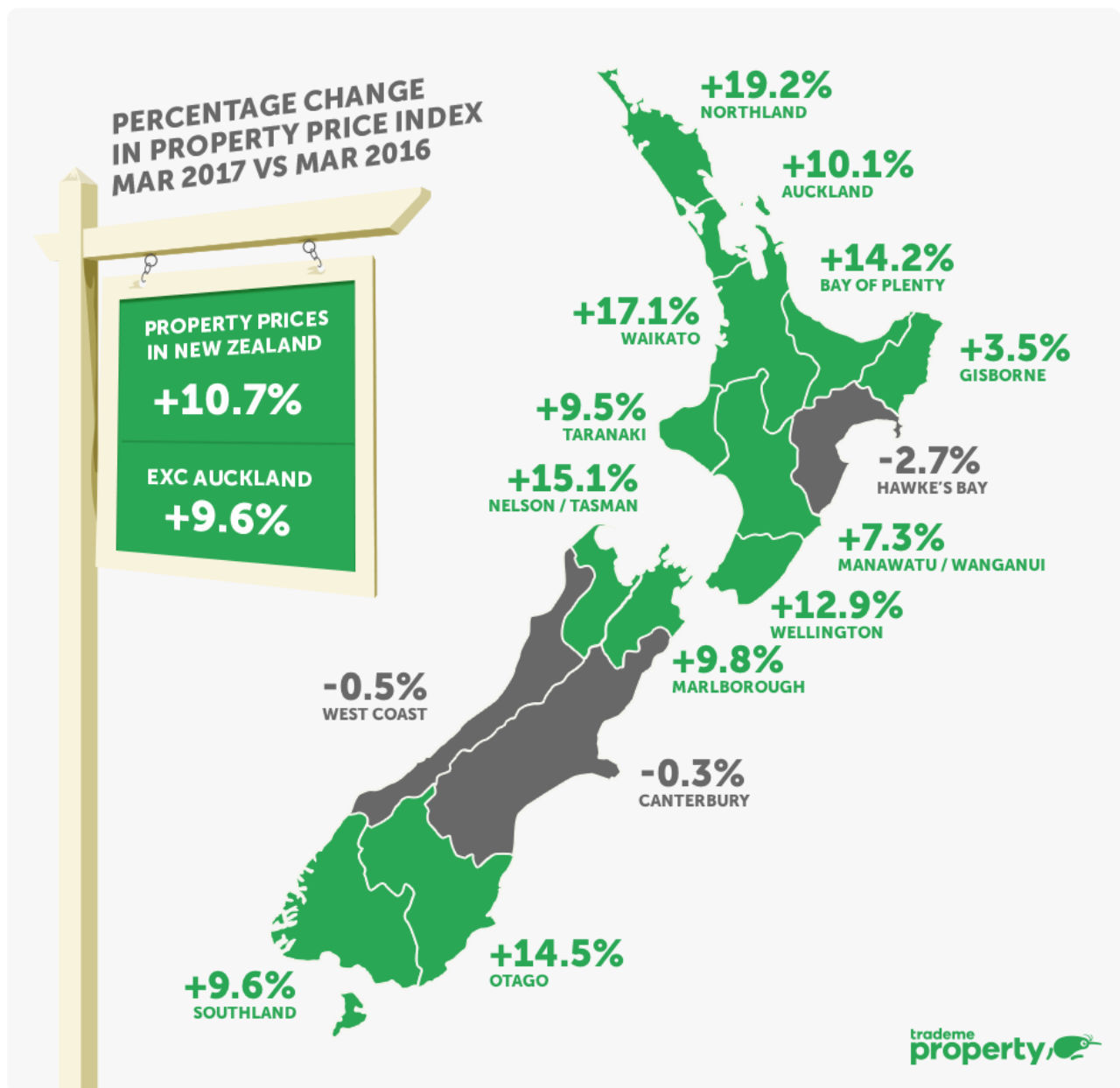
## Around the regions

Of New Zealand's 15 regions, 12 saw average asking prices rise in March. The lower North Island and top of the South Island were particularly strong, with Nelson/Tasman up 15.1 per cent to \$529,700 and Wellington up 12.9 per cent to hit another record high of \$541,400.

Wellington's neighbouring regions of Taranaki, Manawatu and Marlborough are not far behind, with rises of between 7 and 10 per cent on March 2016.

Auckland's three 'halo' regions continued their strong growth, outpacing the City of Sails again. Northland leads the way with a 19.2 per cent increase to \$516,700, Waikato is up 17.1 per cent to \$511,450 and the Bay of Plenty is steaming toward the \$600,000 mark and up 14.2 per cent over the past year.

Three regions had minor dips in average asking prices: Hawke's Bay (down 2.7 per cent), West Coast (down 0.5 per cent) and Canterbury (down 0.3 per cent).



### Christchurch homes slip back

While the market for homes of all sizes in both Wellington and Auckland is very strong and showing double-digit growth year-on-year, Christchurch is struggling to gain traction.

Mr Jeffries said Christchurch's average asking price is just below \$500,000, down 1.3 per cent on last year. "Christchurch property prices are still feeling the impact of the earthquake and rebuild. A key factor influencing the market is the sell-off of 'as is, where-is' property which is pushing down the average asking price.

"Nationwide, the small houses (1&2 bedroom) segment of the housing market is strong, and was up 10.2 per cent in March to a new record high of \$426,300."

Table 1: Average asking price by property size & region, March 2017 vs March 2016

	All properties	Large houses 5+ bedroom	Medium houses 3-4 bedroom	Small houses 1-2 bedroom
<b>New Zealand</b>	<b>\$634,500</b> + 10.7%	<b>\$1,116,000</b> + 8.6%	<b>\$632,600</b> + 10.0%	<b>\$426,300</b> + 10.2%
<b>New Zealand excluding Auckland</b>	\$482,000 + 9.6%	\$735,650 + 4.4%	\$498,900 + 10.0%	\$337,650 + 11.2%
<b>Auckland</b>	\$918,600 + 10.1%	\$1,434,300 + 10.9%	\$923,900 + 9.2%	\$707,450 + 10.3%
<b>Wellington</b>	\$542,400 + 12.9%	\$820,450 - 1.3%	\$564,750 + 15.4%	\$402,950 + 13.5%
<b>Christchurch</b>	\$469,150 - 1.3%	\$708,800 - 11.4%	\$498,450 - 0.4%	\$341,700 + 2.8%

## Auckland apartment market doubles in 5 years

In March 2012, the average asking price for a typical Auckland apartment was \$313,700, and in March 2017 it has more than doubled, hitting \$631,450.

“Auckland apartments have reached another record high of \$631,450, and outperformed both units (up 72 per cent) and small houses (up 82 per cent) over the last five years.

“It seems, in Auckland at least, that Kiwis are getting over their aversion to apartment living. I suspect some of that is because they’ve been forced to reset their expectations, and apartments are seen as the most affordable way onto the property ladder.”

Table 2: Average asking price by property type & region, March 2017 vs March 2016

	All urban properties	Apartments	Townhouse	Units
<b>New Zealand</b>	<b>\$540,400</b> + 9.6%	<b>\$595,050</b> + 14.0%	<b>\$594,050</b> + 8.7%	<b>\$432,450</b> + 5.2%
<b>New Zealand excluding Auckland</b>	\$398,350 + 9.5%	\$500,500 + 14.6%	\$435,950 + 7.4%	\$316,050 + 10.2%
<b>Auckland</b>	\$679,100 + 11.0%	\$631,450 + 14.8%	\$853,050 + 9.9%	\$610,900 + 6.9%

<b>Wellington</b>	\$431,050 + 12.3%	\$460,550 + 9.5%	\$483,750 + 19.2%	\$325,900 + 5.3%
<b>Christchurch</b>	\$387,900 - 1.5%	\$503,150 + 44.5%	\$428,550 - 4.1%	\$321,250 No Change

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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 Logan Mudge 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 Logan Mudge via [mediaenquiries@trademe.co.nz](mailto:mediaenquiries@trademe.co.nz) or phone (027) 477 9486.