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For immediate release

November highlights significant lift in activity REINZ figures show

- Largest October/November volume increase in 6 years –

- Record median prices recorded in 7 regions –

The number of properties sold in November across New Zealand increased 17.8% from the previous month – the largest October to November increase seen in 6 years according to the latest data from the Real Estate Institute of New Zealand (REINZ), source of the most complete and accurate real estate data in New Zealand.

The number of properties sold in New Zealand excluding Auckland increased 19.4% month-on-month and in Auckland it increased 13.9% month-on-month.

All regions, except the West Coast, saw sales volume increase in comparison to October.

Bindi Norwell, Chief Executive at REINZ says: “There was a 17.8% increase in the properties sold in New Zealand from October to November – this is the largest October to November increase we’ve seen in six years. After taking into account seasonal adjustment, that increase is 4.5%. While there was a significant increase in properties sold, November traditionally sees a robust increase, although the change in November compared to last month was stronger than we would have expected based on past data.

“After a difficult winter and a slow start to spring, the real estate industry has experienced a lift in optimism and activity, with increases in the properties sold in 15 out of 16 regions across the country when compared to the previous month,” continues Norwell.

Regions with the biggest increase in November compared to the previous month were:

- Nelson – up 34.7% - this represents the highest number of properties sold in a month for 2017, whereas most regions experienced their highest in Q1 2017
- Canterbury – 33.8% - this is the highest number of properties sold for the month of November for the region in 10 years
- Otago – up 32.3%
- Manawatu/Wanganui – up 25.2%
- Tasman – up 23.1%.

Gisborne and Hawke’s Bay (up 15.1% and 17.8% respectively) also saw the highest number of properties sold for the month of November for 10 years.

Record median price for NZ ex Auckland and 7 regions. Prices up in 15/16 regions year-on-year

Median prices across New Zealand rose 1.9% in November to \$540,000 – up from \$530,000 in October 2017 and median prices for New Zealand excluding Auckland rose 2.3% in November to a record \$450,000 (up from \$440,000 in October) – year-on-year saw a price increase of 3.8% and 8.4% respectively.

Auckland’s median price increased 3.8% to \$880,000 – up from \$848,149 in October and 0.6% year-on-year. Auckland’s median price has now increased by \$50,000 over the last 4 months.

Seven regions saw record prices in November:

- Bay of Plenty – up 7.8% month-on-month to \$567,000 (up 11.0% year-on-year)
- Hawke’s Bay – up 6.2% month-on-month to \$420,000 (up 19.3% year-on-year)
- Manawatu/Wanganui – up 4.8% month-on-month to \$300,000 (up 14.9% year-on-year)
- Wellington – up 6.8% month-on-month to \$549,777 (up 8.7% year-on-year)
- Marlborough – up 4.0% month-on-month to \$437,000 (up 9.3% year-on-year)
- Canterbury – up 2.2% month-on-month to \$460,000 (up 3.4% year-on-year)
- Southland – up 11.8% month-on-month to \$265,000 (up 16.2% year-on-year).

“There is no denying that with one of the wettest winters on record and the election, that it has been a difficult few months for the industry. However, last month has provided the industry with a boost in optimism and confidence which has seen the market return to normal November conditions. Renewed confidence in the market has seen prices rising year-on-year in 15 of the 16 regions in New Zealand and record prices in 7 regions,” points out Norwell.

“The Auckland story paints an interesting picture with Rodney District experiencing a 14% year-on-year median price increase to \$985,000. Looking into this data further, the increase was largely driven by a change in the mix of properties sold, with 41% more properties sold for more than \$1million compared to the same time last year. The REINZ HPI further confirmed the impact of the change of mix with an annual increase of 2.2%, indicating a more stable and moderate price growth in the Rodney District,” concludes Norwell.

REINZ House Price Index

The REINZ House Price Index for New Zealand increased 0.3% month-on-month to reach an all-time high of 2,663 during November indicating that the ratio of sales prices when compared to CVs is at its highest point since the Index began. The same is true for New Zealand excluding Auckland, with a record high of 2,476 (up 0.8% on the previous month).

The REINZ HPI also showed that all but three regions (Auckland, Taranaki and Canterbury) reached new highs during November indicating strong value growth across most of the country.

Regions with the highest growth year-on-year were Gisborne/Hawke’s Bay (up 17.4% to 2,335), Southland (up 12.4% to 2421), Wellington (up 9.7% to 2,423) and Northland (up 9.6% to 2570).

Days to sell

The median number of days to sell a property nationally increased by 1 day (from 32 to 33) when compared to November 2016.

Regionally, Marlborough saw the biggest increase in the number of days to sell (up 14 days to 37), followed by Southland (up 5 days to 29), Manawatu/Wanganui (up 4 days to 31) and Waikato and Canterbury (both up 3 days to 37 and 33 respectively).

Regions with the biggest decreases year-on-year included the West Coast (down 60 days to 35 – the lowest figure for the month of November for 9 years), Tasman (down 10 days to 21), Nelson (down 5 days to 24) and Gisborne (down 2 days to 30).

Auctions

The number of properties sold by auction across New Zealand declined (from 1,771 in November 2016 to 1,217 in November 2017) – down 31.3% on the same time last year, but up 38.9% from last month. Auctions now represent 18% of all sales nationally.

In Auckland, which traditionally sees a large portion of sales sold by auction, 638 (33%) of all properties sold in November were via auction – this is a decrease of 34% in comparison to November 2016 but an increase of 35.7% month-on-month indicating a return of positivity to the Auckland market.

The majority of regions saw an increase in the number of properties auctioned month-on-month. The exceptions were Waikato and the West Coast, and Nelson, Taranaki and Tasman saw the number of auctions remain flat.

Inventory

The number of properties available for sale nationally increased by 7.6% (from 25,538 to 27,488) compared to 12 months ago, and for New Zealand excluding Auckland the number of properties available for sale increased by 0.5% (from 17,467 to 17,553).

Regions with the largest increase year-on-year in the number of properties for sale were Auckland (up 23.1%), Waikato (up 15.1%), Canterbury (up 10.3%) and Wellington (up 9.1%).

Regions with the biggest decrease year-on-year in the number of properties available for sale were Taranaki (-18.4%), Gisborne (-16.8%), West Coast (-15.7%) and Southland (-13.3%).

Price Bands

Between November 2016 and November 2017, the number of homes sold fell in every price bracket except for the \$2million to \$2.99million category which increased by 11.8%. During November, 142 properties were sold for between \$2-\$2.99million, up from 127 in November 2016.

The number of dwellings sold for less than \$500,000 fell by 14% from 3,574 to 3,073 representing 44.6% of all homes sold across the country. However, month-on-month the number of sub \$500,000 homes sold increased by 13.8%.

ENDS

Notes 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.

For further information, please contact Dee Crooks, Communications/PR Manager at REINZ, on 09 356 1753 or 021 953 308.

KEY DATA SUMMARY

Median house price year-on-year	National	\$540,000 - up from \$520,000 + 3.8% year-on-year
	National ex Auckland	\$450,000 - up from \$415,000 + 8.4% year-on-year
	Auckland	\$880,000 - up from \$875,000 + 0.6% year-on-year
Seasonally adjusted median house price	National	Up 0.2%, up 4.0% on November 2016
	National ex Auckland	Up 0.8%, up 8.8% on November 2016
	Auckland	Up 1.1%, up 1.2% on November 2016
Median house price month-on-month	National	\$540,000 - up from \$530,000 + 1.9% since last month
	National ex-Auckland	\$450,000 - up from \$440,000 + 2.3% since last month
	Auckland	\$880,000 - up from \$848,149 + 3.8% since last month
Median days to sell	National	33 - 1 day longer than same month last year
	National ex-Auckland	32 - 1 day longer than same month last year
	Auckland	35 - 1 day longer than same month last year
REINZ House Price Index	National	2663 - up from 2574 + 3.5% year-on-year
	National ex-Auckland	2476 - up from 2321 + 6.7% year-on-year
	Auckland	2889 - up from 2881 + 0.3% year-on-year

PRICE DISTRIBUTION BREAKDOWN

	November 2016		November 2017	
\$1 million plus	1,116	14.8%	1,035	15.0%
\$750,000 to \$999,999	1,915	25.3%	1,897	27.5%
\$500,000 to \$749,999	960	12.7%	888	12.9%
Under \$500,000	3,574	47.2%	3,073	44.6%
All Properties Sold	7,565	100.0%	6,893	100.0%

SEASONALLY ADJUSTED SALES VOLUMES

	COMPARED TO OCTOBER		COMPARED TO NOVEMBER 2016	
	Volume Change	Seasonally Adjusted Change	Volume Change	Seasonally Adjusted Change
New Zealand	17.8%	4.5%	-8.9%	-9.2%
NZ ex Akl	19.4%	5.7%	-5.6%	-5.6%
Northland	4.0%	-5.7%	-28.2%	-29.1%
Auckland	13.9%	1.5%	-16.5%	-16.1%
Waikato	12.1%	0.5%	-15.3%	-14.4%
Bay of Plenty	6.2%	-1.5%	-24.3%	-23.0%
Gisborne	15.1%	1.8%	1.7%	1.3%
Hawke's Bay	17.8%	4.4%	-6.2%	-5.8%
Manawatu/Wanganui	25.2%	13.6%	-6.6%	-8.4%
Taranaki	15.9%	4.1%	6.8%	6.4%
Wellington	17.8%	-0.9%	6.2%	5.9%
Nelson/Marlborough/Tasman	20.1%	10.0%	9.6%	11.7%
Canterbury	33.8%	17.4%	8.0%	11.0%
West Coast	-24.2%	-21.5%	-26.5%	-22.3%
Otago	32.3%	15.2%	-8.9%	-9.0%
Southland	15.0%	1.3%	-8.2%	-13.8%

SEASONALLY ADJUSTED MEDIAN PRICE

	COMPARED TO OCTOBER		COMPARED TO NOVEMBER 2016	
	Median Change	Seasonally Adjusted Change	Median Change	Seasonally Adjusted Change
New Zealand	1.9%	0.2%	3.8%	4.0%
NZ ex Akl	2.3%	0.8%	8.4%	8.8%
Northland	2.4%	1.6%	7.1%	4.6%
Auckland	3.8%	1.1%	0.6%	1.2%
Waikato	-2.8%	-2.7%	4.3%	4.4%
Bay of Plenty	7.8%	4.5%	11.0%	10.2%
Gisborne	-4.8%	-4.9%	12.6%	11.6%
Hawke's Bay	6.2%	4.5%	19.3%	20.5%
Manawatu/Wanganui	4.8%	5.6%	14.9%	14.3%
Taranaki	2.9%	-0.5%	0.8%	0.5%
Wellington	6.8%	2.0%	8.7%	9.1%
Nelson/Marlborough/Tasman	10.9%	9.6%	8.7%	9.0%
Canterbury	2.2%	1.2%	3.4%	3.5%
West Coast	-19.1%	-23.5%	-15.3%	-15.0%
Otago	0.0%	-1.3%	17.1%	17.2%
Southland	11.8%	9.2%	16.2%	14.6%

House Price Index	Index Level	1 Month	3 Months	1 Year	5 Year*	From Peak
New Zealand	2663	0.3%	1.9%	3.5%	9.6%	New High
NZ excl. Auckland	2476	0.8%	2.4%	6.7%	7.8%	New High
Northland	2570	0.6%	4.0%	9.6%	9.5%	New High
Auckland	2889	-0.3%	1.3%	0.3%	11.8%	-0.4%
Waikato	2699	0.9%	2.1%	7.7%	10.3%	New High
Bay of Plenty	2558	0.9%	2.6%	5.1%	10.9%	New High
Gisborne/Hawke's Bay	2335	1.0%	3.7%	17.4%	8.6%	New High
Manawatu-Wanganui	2463	0.8%	3.4%	10.0%	6.6%	New High
Taranaki	2681	-1.3%	0.3%	3.7%	5.6%	-1.3%
Wellington	2423	1.1%	2.1%	9.7%	8.5%	New High
Tasman/Nelson/Marlborough/West Coast	2125	0.3%	2.7%	8.9%	6.3%	New High
Canterbury	2436	1.0%	1.6%	-1.4%	4.1%	-1.4%
Otago	2544	0.2%	3.6%	8.7%	9.7%	New High
Southland	2421	1.9%	5.7%	12.4%	5.2%	New High

Source: REINZ

* = Compound Growth Rate