



## \$27K PRICE INCREASE SEES NZ HIT NEW RECORD MEDIAN PRICE IN MAY

A year-on-year price increase of \$27,000 has seen New Zealand achieve a new record median house price of \$562,000 – a 5.0% increase according to the latest figures released from Real Estate Institute of New Zealand.

Median prices for New Zealand excluding Auckland increased by 5.8% annually to \$455,000, up from \$430,000.

Three regions achieved record prices in May:

- Northland – up 6.7% year-on-year resulting in a median of \$475,000 (up from \$445,000)
- Tasman – up 16.2% year-on-year resulting in a median of \$612,000. This is the first time the median price for Tasman has gone over \$600,000
- Manawatu/Wanganui had a record equal median price of \$305,500 - the same as the median price in April 2018.

The record price for New Zealand of \$562,000 continues to highlight the buoyancy of the housing market across the country. Of the 16 regions in New Zealand 13 saw an annual price increase – 5 of which were double digit increases showing that the demand for good property continues unabated. Only three regions saw a year-on-year price decrease – Auckland, Gisborne and Southland.

The record median price achieved in Tasman has seen the region skip both Wellington and the Bay of Plenty to become the second most expensive region in New Zealand in just a single month highlighting just how popular the region continues to be – even as we head into winter.

### Price Bands

The number of homes sold for less than \$500,000 across New Zealand fell from 45.6% of the market (3,409 properties) in May 2017 to 42.4% of the market (3,210 properties) in May 2018 which is reflected by the overall increasing median price.

#### May Breakdown - Number of properties sold:

• \$1million plus	• 1,079	• 14.2%
• \$750,000 to \$999,999	• 1,134	• 15.0%
• \$500,000 to \$749,999	• 2,155	• 28.4%
• Under \$500,000	• 3,210	• 42.2%
• All Properties Sold	• 7,578	• 100%

The number of properties sold in the \$500,000 to \$750,000 bracket increased from 26.8% in May 2017 (2,003 properties) to 28.4% in May 2018 (2,155 properties). At the top end of the market, properties sold for more than \$1 million increased marginally from 14.1% of the market in May 2017 (1,053 houses) to 14.2% of the market this year (1,079 houses).

### Volumes Up

The number of houses sold in May 2018 across NZ increased by 1.3% (to 7,578 up from 7,482) when compared to the same time last year.

Regions with the largest increases in sales year-on-year were:

- Nelson – up 25.3% from 83 sales to 104
- West Coast – up 20.9% from 43 to 52
- Gisborne – up 15.8% from 57 to 66
- Hawke's Bay – up 12.5% from 248 to 279

Regions with the biggest decreases year-on-year were Tasman (-16.9% - the lowest number of properties sold for the month of May for 9 years), Marlborough (-10.4%), Otago (-7.4%) and Northland (-6.6%).

The West Coast has seen the highest number of properties sold in 6 years. The Bay of Plenty, Hawke's Bay and Manawatu/Wanganui all had the highest sales count since March 2017 and Canterbury and Otago had the highest sales count in 6 months.

### Inventory

The number of properties available for sale nationally increased by 1.0% from 24,229 to 24,477. For the third month in a row the New Zealand figure has been buoyed by inventory increases in Nelson (+29.3%), Hawke's Bay (+8.9%) and Waikato (+8.8%)

Regions with the biggest falls in inventory were:

- Southland – down 20.1%
- Gisborne – down 19.2%
- West Coast – down 16.8%
- Manawatu/Wanganui – down 13.7%.

Again, the Wellington region has had the lowest number of weeks' inventory across the whole country with only 8 weeks' inventory available to those looking to purchase in the area. The Hawke's Bay & Otago has seen a slight increase from 8 to 10 weeks' inventory year-on-year.

### Days To Sell

The median number of days to sell a property nationally increased by 1 day from 37 days in May 2017 to 38 days in May 2018. This is 2 days more to sell a property than it took in April this year.

Auckland saw the median number of days to sell a property remain flat at 40 days, but it increased by 3 days on April 2018. Regions with the biggest decrease in the median number of days to sell were West Coast (-50 from 148 to 98), Taranaki (-5 days from 42 to 37) and Nelson (-3 from 35 to 32).

Regions with the biggest increase in the median number of days to sell were Gisborne (from 32 to 44), Tasman (from 29 to 37), Bay of Plenty (from 38 to 45) and Northland (+6 from 41 to 47).

# Managing Asbestos

Asbestos has been in the news recently, so it is timely that you have some information in the event you are thinking of purchasing, renovating, demolishing or repairing your home.

Asbestos containing materials were a common building product from the 1940's through until the 1990's. Because it is fire, heat, chemical and noise resistant as well as providing added strength to otherwise brittle materials (such as cement) it was widely used. In some instances, it was used earlier than 1940, such as in lathe and plaster. From 1 October 2016 imports of products containing asbestos are banned. A large proportion of buildings built or renovated during the 1940s to 1990s will contain some asbestos materials, however some houses built after this era may also.

Asbestos come in all shapes, sizes and colours. There are mostly three types of raw asbestos used in NZ — blue, brown and white, and all were used in many building products. Asbestos was often mixed with other materials, so it is virtually impossible to identify by eye whether or not it is present in suspect materials. The only way to be certain if your home contains asbestos is to have materials tested in an accredited laboratory. Do not attempt to obtain a sample without talking to the laboratory first.

Asbestos is a health hazard if you inhale the very fine fibres that can be created when you damage or disturb materials that contain asbestos. If you, or any contractors you use, don't plan work carefully and take appropriate precautions, you may spread contamination. This can settle on carpets, drapes and soft furnishings and become airborne at a later date.

## Asbestos can be found in

- asbestos cement products (pipes, flues, roofs etc)
- wall cladding (fibrolite)
- lagging (on pipes and boilers etc)
- water tanks
- asbestos insulating board
- sprayed coatings on ceilings, walls and beams / columns
- textured decorative coatings, flat and stippled plaster
- vinyl flooring and backing
- textiles and composites
- gaskets and ropes (such as on wood burners)
- lathe and plaster
- mastics and sealants
- damp proof courses (malthoid)

## If testing has confirmed the presence of asbestos in your home and you are starting renovation, demolition or repair work

- Leave it undisturbed if it is in a good stable condition and won't be impacted by the renovation work or
- Engage an asbestos license holder to put in place other options for dealing with asbestos such as sealing, encasing or complete removal.

Asbestos left undisturbed, in good condition or sealed is relatively safe – but if it is easily crumbled, broken down, or damaged or if you intend to drill it, sand it or break it up, it can be harmful and needs specialist attention.

Asbestos Aware strongly advises you to use professional asbestos removal companies to undertake the removal, transportation and disposal. They are fully trained and equipped to complete this work and to manage the clean-up. Residue from asbestos left in your home can cause health issues in the future – that's why it's so important to be asbestos aware. After safe removal and disposal, you can expect your contractor to complete the following as a final clean up in your home:

- Vacuum residue and dust from all surfaces (including unsealed drawers and cupboards) using a vacuum cleaner fitted with a HEPA filter
- Wet wiping after vacuuming
- Remember, asbestos is safe if it is left intact and undisturbed.



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