

## Property market reignites

**Property sellers' confidence returned in March and the average asking price for a property in New Zealand increased to a new record of \$573,000, according to the latest Trade Me Property Price Index.**

**Wednesday, April 13th 2016**

The average asking price was up four per cent on February's data.

Head of Trade Me Property Nigel Jeffries said it was a significant reversal of the slow down in the property market last year.

"It looks like the New Zealand property market is charging ahead again after being in the doldrums a little since November. Following this latest increase, we've seen the average asking price grow by almost \$60,000 in the last 12 months."

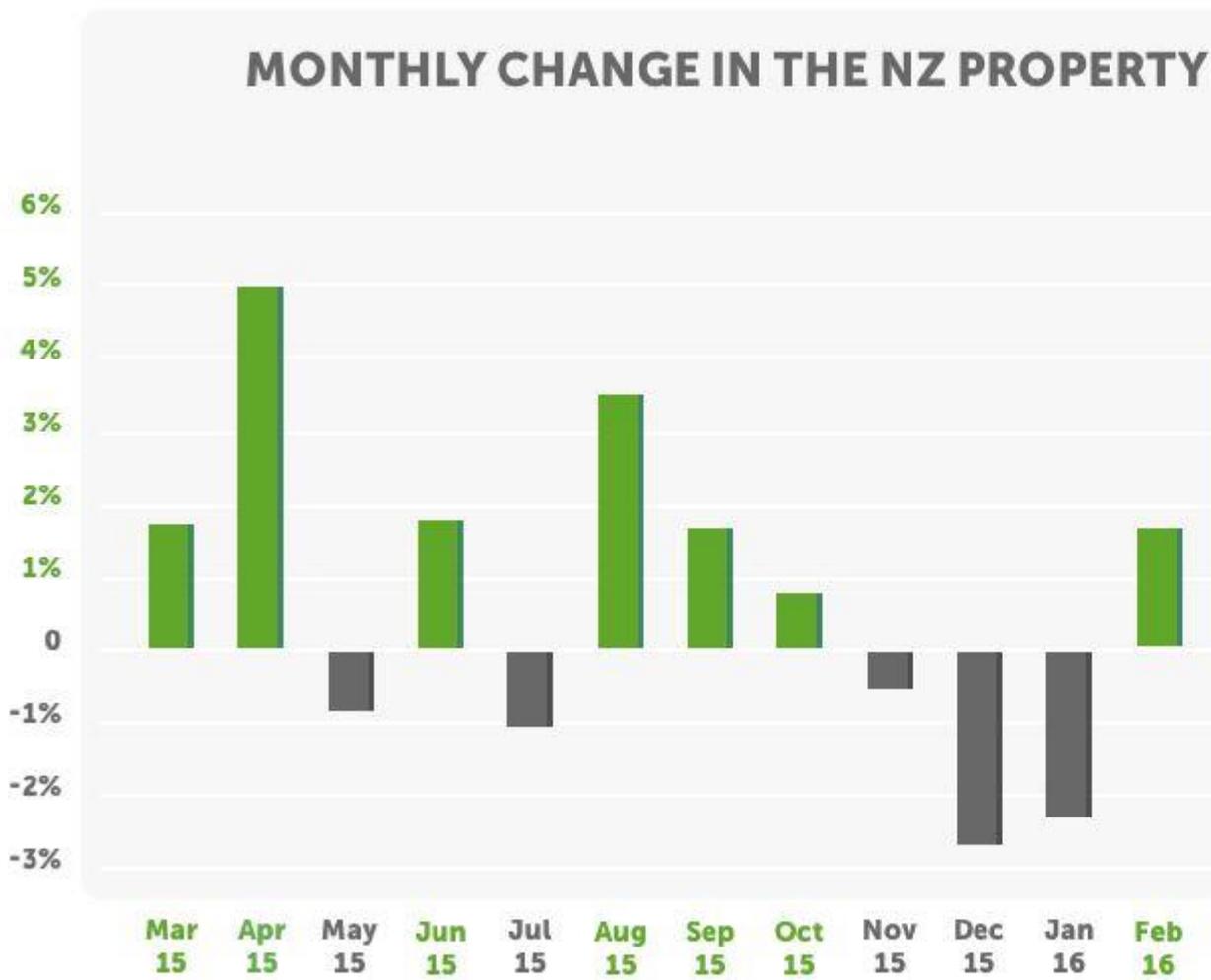
Mr Jeffries said large houses (5+ bedrooms) had reached a significant milestone, with the average asking price now over \$1 million for the first time. "Seeing a housing segment jump past the million dollar mark is an indication of just how strong our property market is at the moment."

Larger houses represent more than 10 per cent of all properties on the market and 2,800 are currently listed on Trade Me Property. Auckland has a higher proportion with over 1,000 larger houses for sale.

"Large houses have been one of the strongest housing segments over recent months with a rise of over 50 per cent in the average asking price over the past five years," Mr Jeffries said. "They've topped a new record too, landing at \$1.03m in March."

Auckland leads the market for these large 5+ bedroom houses with an average asking price of \$1,293,600 – up \$226,850 in the past year or 21.3 per cent.

Monthly Change New Zealand



#### **Auckland charges on**

The Auckland property market has surged ahead again after some quiet months. In March the average asking price for new listings reached a new record high of \$834,500, up 2.1 per cent for the month and up 16.5 per cent year-on-year.

“That 12-month increase represents a massive increase of \$118,500, equating to around \$10,000 per month in potential capital appreciation,” Mr Jeffries said.

Auckland’s resurgence has seen average asking prices in the city increase by a massive \$332,300 since March 2011, equivalent to a 66 per cent lift.



#### Five Year Trend New Zealand

The rest of NZ picks up the pace behind the City of Sails

Outside Auckland, the average asking price of a typical property rose by 2 per cent in the three months to March, setting another new record high of \$439,650. There had been a healthy \$25,000 increase in the average asking price over the past 12 months, or 6.4 per cent.

Since March 2011, the average asking price for a property outside Auckland has risen by \$95,700 or 27.8 per cent.

## MONTHLY CHANGE IN THE NZ PROPERTY PRICES excluding AUCKLAND



### Stronger property market across most regions

Average asking prices increased in most regions over the past year, with Auckland, Bay of Plenty, Waikato and Hawke's Bay all seeing impressive double-digit jumps. "The new powerhouse regions of recent times are the Bay of Plenty and the Waikato which are undoubtedly benefiting from the Auckland halo effect," Mr Jeffries said.

"The Bay of Plenty saw a rise in average asking prices of 14.4 per cent in March and landed at \$517,300 – another record high and confirming its place as the second most expensive behind only Auckland."

Mr Jeffries said the Waikato was also "powering along" with 14.3 per cent year-on-year growth adding over \$50,000 to the average asking price in the past year, to a record value of \$436,650. "The region's five-year growth is lower than the Bay of Plenty at 25 per cent, but the last six months has seen stellar growth of 12%.

The only declines were in Gisborne and Taranaki.

### Large and small gains by house size

While large homes broke the \$1m mark for the first time, small houses (1 & 2 bedrooms) also broke a new record high and went through the \$300,000 barrier outside Auckland for the first time.

Small houses represent one in six properties for sale outside of Auckland, with more than 3,000 on the market. The average asking price represents a 9.8 per cent increase over the past year, adding more than \$27,000 to the price expectation.

### **Apartments bounce back**

March saw the Auckland apartment market bounce back after steady reductions from the \$600,000+ record average asking price in November last year. Average asking prices for apartments in the city increased by 7 per cent in March, adding over \$36,000 to the average asking price to take it up to \$550,050. This resurgence was not replicated across the other metro areas, with both Wellington and Christchurch seeing average asking prices decline year-on-year.

Units have seen some significant rises in average asking prices over recent months, but have shown signs of easing this month. Aucklanders remain keen average asking prices hitting another new high of \$571,400, up 22 per cent in the past year.