

National price growth strong

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Auckland prices might hog the headlines, but new data shows price growth is strong around the country.

Trade Me Property's latest asking price data shows that, excluding Auckland, the national average asking price increased by 22.6%, from \$350,000 to \$429,100, over the last five years.

This rate of growth is the highest level seen over the past seven years.

Head of Trade Me Property Nigel Jeffries said it is a long way from just two years ago – in November 2013 the five-year growth rate was a barely noticeable 2.1%.

“Sometimes it's important to remove the impossible Auckland yardstick and look objectively at what's been going on around the country.

“The rate of growth we're seeing for typical properties around the country is excellent.”

While the national average asking price rose by 1.2% in November, it was down on the 3.8% rise in October.

However, the growth trend around the country is a positive one.

Thirteen regions had an increase in year-on-year average asking prices during November.

In the North Island, Northland (10.4%), Hawke's Bay (13%) and Bay of Plenty (12.6%) and Auckland (16.9%) led the way with their double-digit growth.

The Bay of Plenty is now the country's second most expensive region, with the average asking price sitting at \$492,100.

The South Island saw growth across the board, led by a strong 14.4% increase on the West Coast.

Jefferies said this was really impressive growth across the country compared to November last year.

“It's pretty unusual for us to see growth almost everywhere.”

Gisborne and Taranaki were the only exceptions to the trend. Their average asking prices were down by 9.8% and 7.7% respectively.

Meanwhile, the data indicates that Auckland's spectacular rate of growth is easing – although the average asking price still went up in November.

Jeffries said that, for the first time, the city's average asking price has broken through the \$800,000 mark to hit \$803,900.

However, the increases in Auckland's average asking price are slowing down.

November's average asking price was up almost 17% on the year before, he said.

"While that's still a huge increase, it's behind the 20% rise we saw in the year to June."

Further, the average asking price went up by just 1.4% in November. This followed October's rise of just over 2%.

Jeffries said the market's major growth spurt looked to be slowing down and he expected that to continue for the next few months.