



Auckland rated the world's hottest city for luxury real estate

2 JUNE 2016 PROPERTY DESK APARTMENTS, COMMENTARY, INVESTMENT, RESIDENTIAL PROPERTY, STATISTICS

Christie's International Real Estate has ranked Auckland as the world's hottest city for luxury real estate in its 'Luxury defined' white paper just released – beating out Sydney (in 9th place) and other cosmopolitan cities such as San Francisco, Stockholm, Costa Smeralda and Valencia.

Globally, well-priced trophy homes continued to command strong prices in the world's top cities and several markets surpassed all-time local record prices in 2015 and to date in 2016.” – Dan Conn, CEO Christie's International Real Estate

SEE CHART BELOW:

2015

- 1
Auckland

- 2
Toronto

- 3
*Victoria,
British Columbia*

- 4
*Valencia,
Spain*

- 5
*San
Francisco*

- 6
*Jackson Hole,
Wyoming*

- 7
*Costa Smeralda,
Sardinia*

- 8
*Portland,
Oregon*

- 9
Sydney

- 10
Stockholm


The rankings are based on Christie's survey of 100 Affiliate property markets and examine factors including the change in average days on market, growth in +\$1m house sales, absorption rate for +\$1m homes and number of days on the market. Auckland posted a whopping 63% growth in million-dollar-plus sales supported on strong international and local demand.

Dan Conn, CEO of Christie's International Real Estate, says prime residential real estate continues to be attractive to the world's wealthiest individuals.

“Despite stock market volatility, geopolitical instability, and new regulations, luxury property markets overall still have a strong future outlook.”

He said several cities that have seen an explosion in affluent migration, new industry wealth creation, and an uptick in their general economy, particularly those that remain “affordable” compared to nearby prime markets, are experiencing incredible growth in both million-dollar-plus home sales and prices generally.

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Last year's top-ranking property market Toronto continues experienced 48% growth in year-on-year luxury home sales – as well as a reduced number of days to sell. Another Canadian property market, the Pacific coast city of Victoria, ranked third with exceptional year-on-year growth in luxury sales.

High-end second-home markets also featured prominently. Wyoming's mountain resort Jackson Hole enjoyed increased interest from affluent US buyers, whereas Spain's beachfront city of Valencia experienced strong growth from a boost in both tourist numbers and overseas buyers.

After a long period years of soft property prices, Italian tourist destination Costa Smeralda is back in favour – ranking seventh overall. Two other Pacific Coast cities, San Francisco and Sydney, ranked fifth and ninth respectively – both experienced strong luxury sales growth and interest from international buyers.



'The International' apartment project in Auckland. CBRE is receiving strong off-the-plan interest.

...up-and-coming buyers include affluent millennial entrepreneurs ('millenipreneurs') and high-income workers from the burgeoning tech sector."

Another two of top 10 ranking markets, Portland and Stockholm, were positively impacted by an influx of affluent tech buyers and high demand – but inventory constraints have hampered further growth.

Dan Conn said "Emerging buyers are increasingly influencing the prime property market and will continue to evolve the marketplace in the future. These up-and-coming buyers include affluent millennial entrepreneurs ('millenipreneurs') and high-income workers from the burgeoning tech sector," he said.



Dan Conn

Exchange rates, coupled with other financial and political concerns, are impacting the traditional patterns of the international luxury market. Despite attempts by some governments to reshape top global markets and deter ultra-prime property buyers in cities such as Hong Kong and Singapore, many of the world's most affluent individuals continue to turn to property as a stable asset class.

"Increased attention on the transparency of prime property markets may dissuade some legitimate buyers, but will not in the long-term deter buyers as they continue to appreciate the lifestyle and financial benefits of luxury home ownership," said Dan Conn.

Material source [Christie's International Real Estate](#)

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