



News Release

19 October 2015

Strong Start to Spring Lifestyle Market

Summary

Data released today by the Real Estate Institute of NZ ("REINZ") shows there were 598 more lifestyle property sales (+40.5%) for the three months ended September 2015 than for the three months ended September 2014. Overall, there were 2,075 lifestyle property sales in the three months ended September 2015, compared to 2,120 lifestyle property sales for the three months ended August 2015 (-2.1%), and 1,477 lifestyle property sales for the three months ended September 2014. 7,634 lifestyle properties were sold in the year to September 2015, 20.5% more than were sold in the year to September 2014. The value of lifestyle properties sold reached a new record of \$5.587 billion for the year to September 2015.

The median price for all lifestyle properties sold in the three months to September 2015 rose by \$30,000 to \$535,000 compared to \$505,000 recorded for three months ended August 2014 (+5.9%). The median price fell 1.8% compared to August.

"The lifestyle market throughout the country has maintained strong momentum over the recent three month period, although sales volumes for September have eased compared to the record high of August 2015", says REINZ Rural Spokesman Brian Peacocke.

Highlights include:

- Solid activity in the upper north;
- Strong activity around Auckland with good volumes of sales, particularly around \$700,000 / \$800,000 price range; solid increase in values on the northern fringe of the city where pockets of lifestyle land are being re-zoned residential and purchasers with long term perspectives are land-banking; pre-auction offers are tempting some vendors where evidence of reduced sales under the hammer is emerging; strong numbers attending Open Days confirms genuine purchasers are well informed; and
- Solid enquiry from genuine purchasers for both bare land and developed properties in the Waikato where the market is improving, albeit listings still in short supply;
- Steady markets in the Bay of Plenty and the lower North Island where conditions are improving and the presence of Auckland buyers is being recorded;

- Quieter market in the upper South Island and solid in Canterbury where the push to the southwest of Christchurch continues; and
- An improving market in Otago, strong in the Lakes district, and steady in Southland.

All but one region recorded an increase in sales compared to September 2014. Auckland recorded the largest increase in sales (+172) in the three months to September 2015 compared to September 2014, Waikato saw an increase of 142 sales and Northland an increase of 133 sales. Compared to August 2015, five regions recorded an increase in sales with nine regions recording a decrease.

The national median price for lifestyle blocks rose by \$30,000 (+5.9%) from \$505,000 for the three months to September 2014 to \$535,000 for the three months to September 2015. The median price for lifestyle blocks in Auckland rose by \$118,500 (+13.9%) from \$855,000 for the three months to September 2014 to \$973,500 for the three months to September 2015. Over the same time period, the median price rose by 2.1% in Waikato to \$480,000, in Taranaki by 16% to \$452,500, and by 7.9% in Canterbury to \$600,000. Compared to August 2015 the national median sales price fell by \$10,000 (-1.8%).

The median number of days to sell for lifestyle properties improved by one day, from 71 days for the three months to the end of August to 70 days for the three months to the end of September. Compared to the three months ended September 2014 the median number of days to sell improved by 17 days. Gisborne recorded the shortest number of days to sell in September 2015 at 31 days, followed by Auckland at 45 days and Taranaki at 49 days. Manawatu/Wanganui recorded the longest number of days to sell at 117 days, followed by Hawkes Bay at 115 days, and Northland at 112 days.

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Real Estate Institute of New Zealand

For more real estate information and market trends data, visit www.reinz.co.nz. For New Zealand's most comprehensive range of listings for residential, lifestyle, rural, commercial, investment and rental properties, visit www.realestate.co.nz - REINZ's official property directory website.

Editors Note:

The information provided by REINZ in relation to the rural real estate market covers the most recently completed three month period; thus references to July refer to the period from 1 July 2015 to 30 September 2015.

The REINZ Farm Price Indices have been developed in conjunction with the Reserve Bank of New Zealand. It adjusts sale prices for property specific factors such as location, size and farm type which can affect the median \$/hectare calculations and provides a more accurate measure of farm price movements. The REINZ Farm Price Indices has been calculated with a base of 1,000 for the three months ended March 1996. The REINZ Farm Price Indices is best utilised in assessing percentage changes over various time periods rather than trying to apply changes in the REINZ Farm Price Index to specific property transactions.