



News Release

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## RESIDENTIAL MARKET HOLDS FIRM

The residential real estate market has held firm in the past month with July prices and turnover tracking June figures almost exactly in the latest statistics released by the Real Estate Institute of New Zealand (REINZ) today.

For the first time, the Institute's data this month is accompanied by the REINZ Monthly Housing Price Index, a new stratified housing price measure which gives an average of sale prices for common groups.

The Index was developed with the Reserve Bank of New Zealand and Institute president Mike Elford says the addition of these statistics will give an even more accurate analysis of house price movements at different price brackets and therefore a more complete overall picture.

"The better data we have, the more credible the information."

July's median house price of \$340,000 is the same as June 2009 and also identical to July 2008. It is just marginally down on the \$345,000 in July 2007 and well up on the median prices for the years 2000 through to 2006 which ranged between medians of \$170,000 to \$312,500.

Volumes have been similar too with 6,014 properties sold in nationally in July 2009 compared with 6,040 in June. This figure is well up on the 4,489 sold in July 2008.

"The market has certainly recovered well from the lows of mid-2008," Mr Elford says. "You wouldn't call it brilliant, but there are positive signs such as more listing stock."

There were no significant shifts in the numbers of homes sold regionally although the Wellington market was a little sluggish with 618 sales in July 2009 compared with 674 in June 2009. Manawatu / Wanganui by comparison increased sales from 300 to 328 in the same period.

Another positive sign of recovery is the length of time to sell a property.

In July 2009, the median number of days to sell a house nationally was 37. This compares with 58 days in the corresponding period in 2008. The figure for June 2008 was 41. The number of days dropped sharply in Southland from 49 days in June to 35 days in July. Northland dropped from 72 to 51, Waikato / Bay of Plenty from 56 to 47 and Otago from 55 to 40.

Individual markets have their own stories to tell.

Mr Elford says the 4.51 percent increase in median house prices for July 2008 to July 2009 in Auckland (from \$421,000 to \$440,000) is a sign of an improving market.

There was significant growth in Southland with a 10.46 percent jump from a median house price of \$172,000 July in 2008 to \$190,000 in July 2009. A good increase was also seen in Taranaki which rose 5.69 percent from July 2008 to July 2009 with median house prices going from \$265,000 to \$280,100 – a sign of regional business confidence, Mr Elford says.

Bucking the positive trend was the Central Otago Lakes district which fell from a median of \$565,000 in July 2008 to \$411,000 on July 2009 – a drop of 27.25 percent.

“This is probably a flow on from the international economic markets. Foreign investors tend to liquidate property investments in Queenstown as a result of the global recession,” Mr Elford says.

From a price band point of view, there has also been little movement from June to July. Around the same numbers of homes sold in the under \$400,000, \$400,000 to \$599,000, and \$600,000 to \$999,999 brackets but there was a small slump in the \$1 million + segment from 161 homes sold in June to 125 in July. This is still a better performance than July 2008 when just 109 properties over \$1 million were sold.

Mr Elford believes the consolidation seen in the market over the past few months will continue with more stock being listed.

“I think we’ll see some improvements with the seasonal adjustment going into the spring months,” he says.

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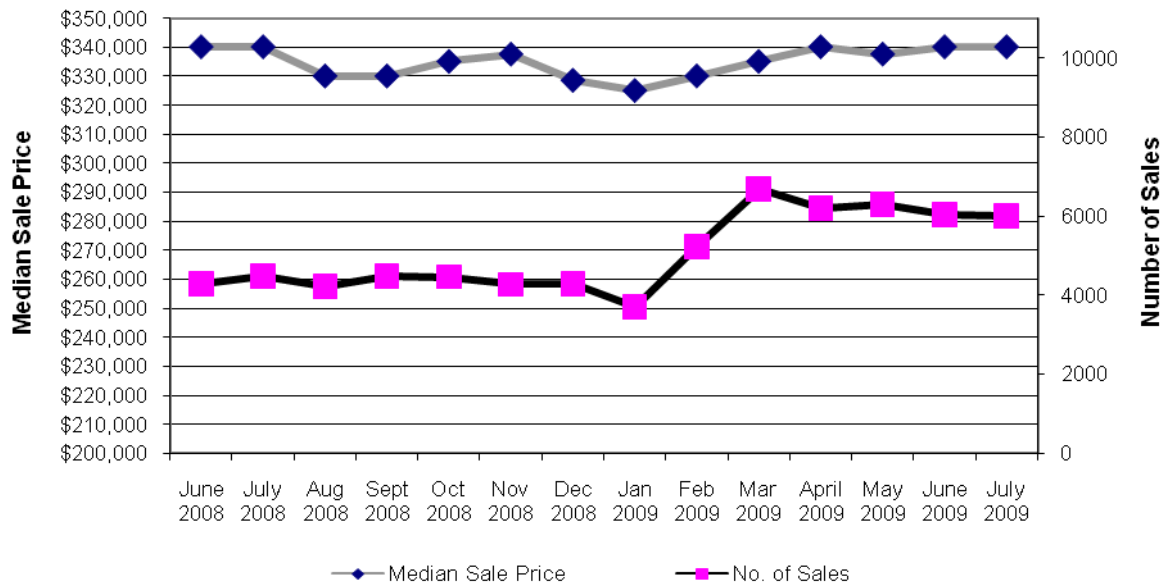
***Explanatory Note:***

*The monthly REINZ residential sales reports remain the most contemporary and up-to-date statistics on house prices and sales in New Zealand. They are based on actual sales reported by real estate agents. These sales are taken as of the date that a transaction becomes unconditional.*

*Other surveys of the residential property market are based on information from Territorial Authorities regarding settlement and the receipt of documents by the Authority from a solicitor. As such, this information involves a lag of four to six weeks before the sale is recorded by the Territorial Authority.*

*REINZ sales figures are recorded on the day a transaction is concluded and includes sales as of 5:00pm on the last business day of the month.*

## National Sale Trends to July 2009



### Residential Highlights – July 2009

#### Northland

In total, 149 houses sold in Northland in July (June 2009: 167; July 2008: 119). The median price increased to \$315,500 from \$310,000 in June (July 2008: \$315,000).

28 houses sold in the Whangarei County area (June 2009: 27; July 2008: 14). The median price fell to \$342,500 from \$420,000 in June (July 2008: \$454,000).

69 houses sold in Whangarei City in July, down on the 80 sold in June (July 2008: 61). The median was down at \$290,000 (June 2009: \$293,500; July 2008: \$304,000).

#### Auckland

The median house price in Auckland was up at \$440,000 in July (June 2009: \$435,000 July 2008: \$421,000). 2,024 houses sold in July, compared with 2,032 sold in June (July 2008: 1,411).

The median sale price for a North Shore City home increased to \$535,000 in July. (June 2009: \$523,250; July 2008: \$483,500). 400 houses sold during the month, up on the 396 sold in June 2009. (July 2008: 230).

Sales volume was down in Waitakere City in July with 260 sold (June 2009: 279; July 2008: 188). The median price increased to \$360,000 (June 2009: \$355,000; July 2008: \$355,000).

The median price for an Auckland City house fell to \$461,250 in July (June 2009: \$477,500 and July 2008: \$443,000). 646 houses sold in July, down on the 655 sold in June 2009 (July 2008: 532).

411 houses sold in Manukau City in July (June 2009: 415; July 2008: 276). The median price was down at \$438,000 from \$441,000 in June (July 2008: \$426,250).

The number of sales in Papakura was down one with 60 houses sold in July 2009. (June 2009: 61; July 2008: 38). The median price was up at \$338,000 (June 2009: \$329,000; July 2008: \$302,500).

The median price for a Metropolitan Auckland house was up at \$450,000 in July, from \$440,750 in June (July 2008: \$425,000). 1,777 houses sold (June 2009: 1,806; July 2008: 1,264).

142 houses sold in Rodney District, up from the 116 sold in June (July 2008: 68). The median price was up at \$439,500, from \$423,000 in June (July 2008: \$455,000).

The median price for a Franklin District home was down at \$337,500 in July, from \$357,500 in June (July 2008: \$379,000). 58 houses sold, down on the 68 sales in June 2009 (July 2008: 50).

47 houses sold in Thames/Coromandel in July, up from the 42 sales in June (July 2008: 29). The median price was also up at \$355,000 from \$342,500 in June (July 2008: \$352,500).

The median price for an Outer Auckland home was up at \$400,000 in July, from \$378,750 in June (July 2008: \$410,000). Sales volume was up with 247 houses sold, compared with the 226 sold in June (July 2008: 147).

### **Waikato/Bay of Plenty/Gisborne**

The median price for a house in the Waikato/Bay of Plenty/Gisborne district increased to \$320,000 in July (June 2009: \$318,750; July 2008: \$325,000). 884 houses sold, a decrease on the 892 sold in June 2009 (July 2008: 637).

Sales were up in Waikato Country in July with 161 houses sold (June 2009: 132; July 2008: 115). The median price was also up at \$280,000 (June 2009: \$267,750; July 2008: \$275,000).

The median price for a Hamilton City house increased to \$338,500 in July. (June 2009: \$330,000; July 2008: \$335,000). Sales volume was down, with 234 houses sold in July 2009 (June 2009: 241; July 2008: 146).

Sales volume was down in Western Bay of Plenty Country with 47 houses sold, a decrease on the 65 sold in June. The median price increased to \$380,000 from \$365,000 in June. In July 2008, 47 houses sold with a median sale price of \$400,000.

The median price for a house in Mt Maunganui/Papamoa dropped to \$361,500 in July, from \$390,000 in June (July 2008: \$412,500). 74 houses sold, up on the 71 sold in June 2009 (July 2008: 51).

149 houses sold in Tauranga in July, down on the 153 sold in June (July 2008: 97). The median price decreased to \$340,000, from \$367,000 in June (July 2008: \$350,000).

Rotorua's median price eased up slightly to \$246,500 in July, from \$245,000 in June (July 2008: \$271,250). 72 houses sold, down from the 77 sold in June (July 2008: 71).

51 houses sold in Taupo in July, up on the 45 sold in June (July 2008: 24). The median price increased to \$347,500 in July from \$330,000 in June (July 2008: \$361,250).

The median price for a King Country home rose to \$190,000 in July (June 2009: \$156,250; July 2008: \$162,500). 15 houses sold, up on the 12 sold in June (July 2008: 14).

The median price for a Gisborne City home increased to \$250,000 from \$212,500 in June (July 2008: \$212,000). Sales volume was down with 41 houses sold, compared with the 50 sold in June (July 2008: 31).

The median price for a house in Eastern Bay of Plenty Country dropped to \$238,000 in July, down from \$267,500 in June (July 2008: \$257,500). 39 houses sold, a drop in numbers from the 46 sold in June. 40 sold in July 2008.

### **Hawkes Bay**

Sales volume was up in the Hawkes Bay in July with 232 houses sold (June 2009: 223; July 2008: 167). The median price decreased to \$271,500 (June 2009: \$280,000; July 2008: \$282,000).

The median price for a house in Napier City decreased to \$277,000 in July (June 2009: \$312,000; July 2008: \$312,000). 115 houses sold in July (June 2009: 119; July 2008: 83).

85 houses sold in Hastings City in July 2009, up from 75 in June 2009 (July 2008: 56). The median price was up at \$287,500 from \$245,000 in June (July 2008: \$270,000).

Hawkes Bay Country's median price rose to \$330,000 in July, from \$231,500 in June (July 2008: \$430,000). Nine homes sold in July (June 2009: 12; July 2008: 10).

### **Manawatu/Wanganui**

The median price for a house in the Manawatu/Wanganui district was up at \$224,250 in July (June 2009: \$221,750; July 2008: \$233,750). 328 houses sold in July, up on the 300 sold in June (July 2008: 230).

The median sale price for a house in Palmerston North City increased to \$277,000 in July. (June 2009: \$270,000; July 2008: \$272,500). 134 houses sold (June 2009: 126; July 2008: 112).

Sales volume was up in Manawatu Country with 31 houses sold (June 2009: 20; July 2008: 25). The median price rose to \$220,000 from \$209,000 in June (July 2008: \$235,000).

The median sale price in Manawatu was up at \$246,500 in July (June 2009: \$240,000; July 2008: \$260,000). The number of sales was up with 243 houses sold (June 2009: 220; July 2008: 165).

60 houses sold in Wanganui City in July, up from the 58 sold in June (July 2008: 44). The median price was down at \$164,000 from \$172,500 in June (July 2008: \$187,500).

The median sale price in Wanganui increased to \$175,000 in July. (June 2009: \$172,500; July 2008: \$185,000). 85 houses sold, up on the 80 sold in June 2009 (July 2008: 65).

### **Taranaki**

The median price for a house in Taranaki increased to \$280,100 in July (June 2009: \$271,000; July 2008: \$265,000). 168 houses sold, down from the 184 sold in June (July 2008: 155).

21 houses sold in the Taranaki Country area in July (June 2009: 28; July 2008: 28). The median price decreased to \$220,000 from \$222,500 in June (July 2008: \$190,000).

The median sale price for a New Plymouth City house eased to \$310,000 (June 2009: \$312,750; July 2008: \$285,000). The number of sales increased with 96 houses sold in July (June 2009: 84; July 2008: 76).

### **Wellington**

Wellington's median price decreased to \$370,000 in July from June 2009's \$375,000. (July 2008: \$371,000). The number of sales was down at 618 for July, compared with 674 sold in June 2009. (July 2008: 503).

63 houses sold in the Wairarapa in July (June 2009: 73; July 2008: 39). The median price was up at \$231,500 from \$227,000 in June (July 2008: \$252,500).

The median price for an Upper Hutt house rose to \$332,000 (June 2009: \$265,000; July 2008: \$315,000). 39 houses sold, down on the 41 sold in June (July 2008: 57).

134 houses sold in the Hutt Valley (June 2009: 126; July 2008: 98). The median price was up at \$325,500 from \$318,500 in June 2009 (July 2008: \$337,250).

The median price for a house in Otaki/Paekakariki fell to \$315,000 in July (June 2009: \$345,000; July 2008: \$303,000). 91 houses sold (June 2009: 83; July 2008: 65).

80 houses sold in Pukerua Bay/Tawa in July, up two on the 78 sales in June (July 2008: 46). The median price was down at \$367,563 (June 2009: \$370,350; July 2008: \$337,800).

Sale numbers in Central Wellington were down at 42 from 75 in June 2009. (July 2008: 47). The median price dropped to \$427,500 from \$586,500 in June (July 2008: \$420,000).

### **Nelson/Marlborough**

The median price for a Nelson/Marlborough house decreased to \$328,000 in July (June 2009: \$334,000; July 2008: \$330,000). 228 houses sold (June 2009: 197; July 2008: 177).

75 houses sold in Nelson City in July (June 2009: 77; July 2008: 61). The median price eased back to \$350,000 (June 2009: \$352,000; July 2008: \$310,000).

The median price for a Nelson Council zone house was down at \$355,000 in July (June 2009: \$357,500; July 2008: \$330,000). 135 houses sold (June 2009: 130; July 2008: 107).

93 houses sold in Marlborough in July (June 2009: 67; July 2008: 70). The median price rose to \$305,000 from \$270,000 in June (July 2008: \$324,000).

### **Canterbury/Westland**

Sales volume was up in Canterbury/Westland with 905 houses sold in July (June 2009: 889; July 2008: 675). The median sale price increased to \$297,000. (June 2009: \$295,000; July 2008: \$300,000).

The median price for a house in Christchurch City was down at \$310,000 in July, from \$312,500 in June (July 2008: \$316,500). 628 houses sold (June 2009: 601; July 2008: 481).

The median price for a home in Rangiora remained steady at \$272,500 in July (June 2009: \$272,500; July 2008: \$290,000). Sale numbers were up with 38 houses sold. (June 2009: 32; July 2008: 20).

The median price for a North Canterbury house was up to \$315,000 in July, from \$300,000 in June (July 2008: \$247,500). 29 houses sold, up on the 24 sold in June (July 2008: 14).

The median price for a Canterbury Country home rose to \$389,000 in July, from \$373,000 in June (July 2008: \$335,000). 41 houses sold (June 2009: 47; July 2008: 47).

The number of houses sold in Mid Canterbury in July was down with 32 sales recorded. (June 2009: 42; July 2008: 29). The median price was up at \$266,000 from \$246,000 in June. (July 2008: \$257,000).

Sales volume was down in Timaru in July, with 48 houses sold (June 2009: 59; July 2008: 29). The median price decreased to \$226,410 in July, from \$237,500 in June (July 2008: \$230,000).

The median price for a house on the West Coast was up at \$223,000 in July from \$205,000 in June (July 2008: \$191,500). 31 houses sold, up one on the 30 sold in June (July 2008: 30).

277 houses sold in Outer Canterbury in July (June 2009: 288; July 2008: 194). The median price was up at \$270,000 in July (June 2009: \$255,250; July 2008: \$263,000).

### **Central Otago Lakes**

84 houses sold in July, up from the 80 sold in June (July 2008: 69). The median price was down at \$411,000. (June 2009: \$438,750; July 2008: \$565,000).

The median price for a house in Central Otago dipped to \$327,000 in July (June 2009: \$400,000; July 2008: \$497,500). 49 houses sold (June 2009: 39; July 2008: 26).

Sales volume was down in Queenstown with 35 houses sold in July, compared with the 41 sold in June (July 2008: 43). The median price was up at \$530,000 (June 2009: \$460,000; July 2008: \$586,667).

### **Otago**

229 houses sold in Otago in July, down on the 232 sold in June (July 2008: 217). The median price increased to \$223,000 from \$219,150 in June (July 2008: \$240,000).

Sales volume was up in North Otago with 37 houses sold (June 2009: 35; July 2008: 23). The median sale price was up at \$207,500 from \$200,000 in June (July 2008: \$205,000).

The median price in Dunedin City was up at \$230,000 in July from \$225,000 in June (July 2008: \$249,500). 179 houses sold (June 2009: 171; July 2008: 180).

The number of sales was down in South Otago with 10 houses sold (June 2009: 19; July 2008: 11). The median price fell to \$142,500 from \$160,000 in June (July 2008: \$130,000).

### **Southland**

Sales volume was down in Southland with 165 houses sold (June 2009: 170; July 2008: 129). The median price decreased to \$190,000 from \$193,500 in June (July 2008: \$172,000).

Sales volume was down in Invercargill at 120 for July (June 2009: 123; July 2008: 87). The median price increased to \$205,500 (June 2009: \$190,000; July 2008: \$183,000).

The median price for a house in Gore eased back to \$138,750 in July from \$140,000 in June (July 2008: \$147,500). 22 houses sold during the month (June 2009: 17; July 2008: 20).