



News Release

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RESIDENTIAL PATTERN REMAINS CONSTANT

According to the latest statistics released by the Real Estate Institute of New Zealand (REINZ) today the residential real estate market continues the steady pattern seen over the past few months. The figures show little movement in median prices and numbers of properties changing hands in August compared with previous months.

However, there are some significant differences in the total dwelling sales and the time it takes to sell them when comparing August 2009 figures with the corresponding period in 2008.

REINZ President Mike Elford says the noticeable increase in number and speed of turnover compared with a year ago is pleasing, but notes "it is early days yet, and we still need to be cautious in drawing conclusions from these trends".

Nevertheless, he says, the latest statistics are in line with other signs in the economy that financial commentators have suggested point to a recovery from recession.

"Like those commentators, we would be reluctant to say the hard times are over, but if the trees are not yet in full bloom, there are certainly buds in view," Mr Elford says.

During August, the total national value of residential house property changing hands was \$2,504 million. The lion's share of this was in Auckland (\$1,141.5 m) followed by Canterbury / Westland (\$313.5 m) and Wellington (\$275.7 m).

The median house price in August at \$346,750 is slightly up on July's \$340,000 and almost back to the median of August 2007 when it sat at \$350,000. It is well up on August 2008 when the median was \$330,000.

"Looking back, 2008 was a disastrous year. I hope we can put this behind us," Mr Elford says.

Regionally, the position is certainly brighter in most areas. Median prices in August 2009 compared with August 2008 were up in eight out of 12 districts, with a national percentage increase of 5.07. Taranaki was the

best performing of the districts with a percentage increase of 15 (up from \$250,000 to \$287,500). Auckland rose from a median of \$423,500 to \$450,000 (up 6.25 percent); Wellington rose from \$375,000 to \$395,500 (up 5.46 percent) and Northland from \$285,000 to \$295,000 (up 3.5 percent).

The biggest drops in median prices were in Manawatu / Wanganui (down 9.09 percent from \$231,000 in August 2008 to \$210,000 in August 2009) and Central Otago Lakes (down 6.45 percent from \$465,000 to \$435,000)

The volume of homes sold in August 2009 at 5,878 is well up on the 4,220 recorded in 2008 but slightly down on July 2009 when turnover was 6,014.

Mr Elford points out when this is viewed in line with the number of days to sell a house – at a median of 34 days in August 2009 compared with 55 days in August 2008, it is clear the issue is not that houses are hard to sell, but rather, there is a shortage of stock going on the market.

“People are sitting tight in their homes, enjoying the relief of lower interest rates which is resulting in limited stock available. Where properties are coming on the market, we’re seeing multiple offers which is good for sellers,” Mr Elford says.

Auckland and Canterbury / Westland are the fastest districts in which to sell a house, with properties snapped up within a median of 30 days according to the August statistics. It takes 40 days or less everywhere else apart from Northland (62 days), Waikato / Bay of Plenty (44 days), Hawkes Bay (43 days) and Central Otago Lakes (80 days).

There has been some good news for sellers in the higher price band market with sales in the \$1 million + bracket rising from 103 in August 2008 and 125 in July 2009 to 163 in August 2009 although still not up at the 202 recorded in August 2007. There was also a rise in house sales in the \$600,000 to \$999,999 bracket from 616 in July 2009 to 667 in August 2009. This was up from 421 in August 2008, but down on the 736 sold in this range in August 2007.

Houses sold in the under \$400,000 and the \$400,000 to \$599,999 bracket are similar to August 2007 and last July’s figures, at 3595 and 915 respectively, but well up on August 2008’s 2746 and 619 sales respectively.

Mr Elford says the steady performance of the real estate market over the past few months is good to see.

“I hope we will see more improvements as is typical going into the spring months,” he says.

ENDS

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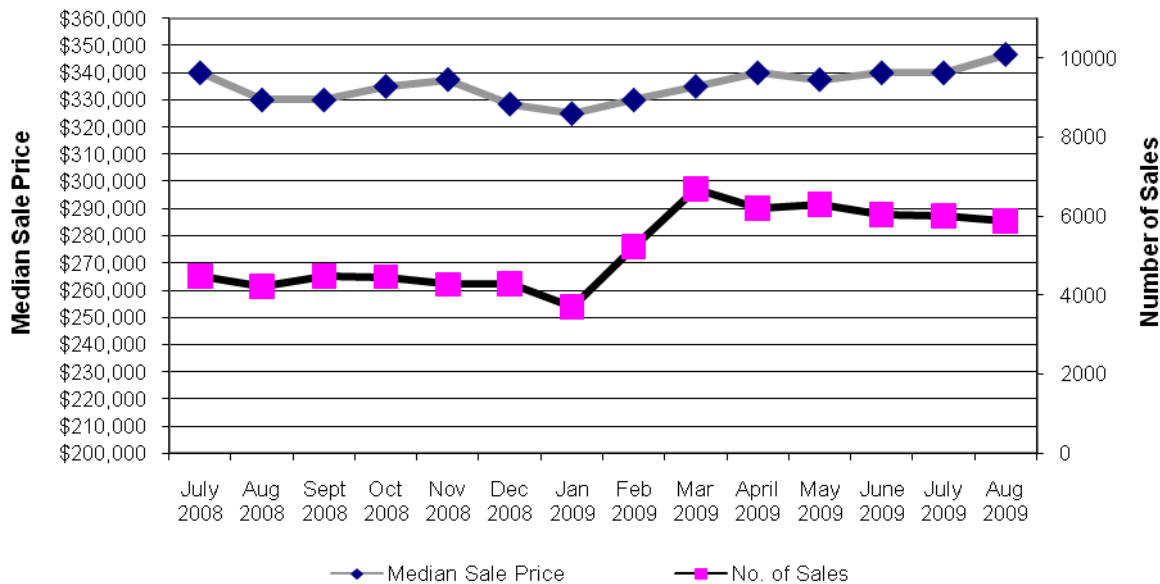
Explanatory Note:

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 (should this read – on the day a transaction is declared unconditional) and includes sales as of 5:00pm on the last business day of the month.

National Sale Trends to August 2009



Residential Highlights – August 2009

Northland

In total, 126 houses sold in Northland in August (July 2009: 149; August 2008: 119). The median price decreased to \$295,000 from \$315,500 in July (August 2008: \$285,000).

14 houses sold in the Whangarei County area (July 2009: 28; August 2008: 12). The median price increased to \$458,000 from \$342,500 in July (August 2008: \$327,500).

69 houses sold in Whangarei City in August, remaining the same as July 2009 (August 2008: 68). The median was down at \$262,000 (July 2009: \$290,000; August 2008: \$285,000).

Auckland

The median house price in Auckland was up at \$450,000 in August (July 2009: \$440,000 August 2008: \$423,500). 2,067 houses sold in August, compared with 2,024 sold in July (August 2008: 1,350).

The median sale price for a North Shore City home increased to \$537,500 in August. (July 2009: \$535,000; August 2008: \$508,000). 426 houses sold during the month, up on the 400 sold in July 2009. (August 2008: 235).

Sales volume was down in Waitakere City in August with 258 sold (July 2009: 260; August 2008: 202). The median price increased to \$374,000 (July 2009: \$360,000; August 2008: \$374,000).

The median price for an Auckland City house increased to \$500,000 in August (July 2009: \$461,250 and August 2008: \$467,500). 662 houses sold in August, up on the 646 sold in July 2009 (August 2008: 445).

406 houses sold in Manukau City in August (July 2009: 411; August 2008: 272). The median price was up at \$439,500 from \$438,000 in July (August 2008: \$399,500).

The number of sales in Papakura was up one with 61 houses sold in August 2009. (July 2009: 60; August 2008: 35). The median price was up at \$360,000 (July 2009: \$338,000; August 2008: \$355,000).

The median price for a Metropolitan Auckland house was up at \$460,000 in August, from \$450,000 in July (August 2008: \$430,000). 1,813 houses sold (July 2009: 1,777; August 2008: 1,189).

132 houses sold in Rodney District, down from the 142 sold in July (August 2008: 70). The median price was down at \$437,500, from \$439,500 in July (August 2008: \$428,500).

The median price for a Franklin District home was up at \$360,000 in August, from \$337,500 in July (August 2008: \$385,000). 57 houses sold, down on the 58 sales in July 2009 (August 2008: 46).

65 houses sold in Thames/Coromandel in August, up from the 47 sales in July (August 2008: 45). The median price remained at \$355,000 (August 2008: \$345,000).

The median price for an Outer Auckland home was down at \$395,000 in August, from \$400,000 in July (August 2008: \$394,000). Sales volume was up with 254 houses sold, compared with the 247 sold in July (August 2008: 161).

Waikato/Bay of Plenty/Gisborne

The median price for a house in the Waikato/Bay of Plenty/Gisborne district decreased to \$317,500 in August (July 2009: \$320,000; August 2008: \$316,000). 796 houses sold, a decrease on the 884 sold in July 2009 (August 2008: 577).

Sales were down in Waikato Country in August with 133 houses sold (July 2009: 161; August 2008: 101). The median price was also down at \$260,000 (July 2009: \$280,000; August 2008: \$235,000).

The median price for a Hamilton City house decreased to \$336,500 in August. (July 2009: \$338,500; August 2008: \$334,000). Sales volume was down, with 223 houses sold in August 2009 (July 2009: 234; August 2008: 146).

Sales volume was up in Western Bay of Plenty Country with 51 houses sold, an increase on the 47 sold in July. The median price decreased to \$345,000 from \$380,000 in July. In August 2008, 23 houses sold with a median sale price of \$385,000.

The median price for a house in Mt Maunganui/Papamoa increased to \$395,000 in August, from \$361,500 in July (August 2008: \$408,000). 75 houses sold, up on the 74 sold in July 2009 (August 2008: 47).

78 houses sold in Tauranga in August, down on the 149 sold in July (August 2008: 93). The median price remained at \$340,000 (August 2008: \$336,915).

Rotorua's median price increased to \$256,000 in August, from \$246,500 in July (August 2008: \$277,000). 76 houses sold, up from the 72 sold in July (August 2008: 65).

52 houses sold in Taupo in August, up one on July (August 2008: 30). The median price increased to \$357,500 in August from \$347,500 in July (August 2008: \$317,500).

The median price for a King Country home decreased to \$78,000 in August (July 2009: \$190,000; August 2008: \$184,250). 15 houses sold, same as in July (August 2008: 14).

The median price for a Gisborne City home increased to \$280,000 from \$250,000 in July (August 2008: \$290,000). Sales volume was down with 32 houses sold, compared with the 41 sold in July (August 2008: 29).

The median price for a house in Eastern Bay of Plenty Country increased to \$257,500 in August, up from \$238,000 in July (August 2008: \$280,000). 60 houses sold, an increase in numbers from the 39 sold in July. 28 sold in August 2008.

Hawkes Bay

Sales volume was down in the Hawkes Bay in August with 213 houses sold (July 2009: 232; August 2008: 177). The median price decreased to \$253,000 (July 2009: \$271,500; August 2008: \$265,000).

The median price for a house in Napier City decreased to \$268,000 in August (July 2009: \$277,000; August 2008: \$283,000). 93 houses sold in August (July 2009: 115; August 2008: 77).

79 houses sold in Hastings City in August 2009, down from 85 in July 2009 (August 2008: 74). The median price was down at \$255,000 from \$287,500 in July (August 2008: \$249,000).

Hawkes Bay Country's median price dropped to \$193,000 in August, from \$330,000 in July (August 2008: \$320,000). 14 homes sold in August (July 2009: 9; August 2008: 9).

Manawatu/Wanganui

The median price for a house in the Manawatu/Wanganui district was down at \$210,000 in August (July 2009: \$224,250; August 2008: \$231,000). 298 houses sold in August, down on the 328 sold in July (August 2008: 208).

The median sale price for a house in Palmerston North City increased to \$250,200 in August. (July 2009: \$277,000; August 2008: \$262,500). 120 houses sold (July 2009: 134; August 2008: 94).

Sales volume was down in Manawatu Country with 25 houses sold (July 2009: 31; August 2008: nine). The median price dropped to \$162,000 from \$220,000 in July (August 2008: \$196,000).

The median sale price in Manawatu was down at \$225,000 in August (July 2009: \$246,500; August 2008: \$245,000). The number of sales was down with 228 houses sold (July 2009: 243; August 2008: 164).

46 houses sold in Wanganui City in August, down from the 60 sold in July (August 2008: 25). The median price was up at \$178,000 from \$164,000 in July (August 2008: \$177,500).

The median sale price in Wanganui dropped to \$160,250 in August. (July 2009: \$175,000; August 2008: \$182,500). 70 houses sold, down on the 85 sold in July 2009 (August 2008: 44).

Taranaki

The median price for a house in Taranaki increased to \$287,500 in August (July 2009: \$280,100; August 2008: \$250,000). 150 houses sold, down from the 168 sold in July (August 2008: 147).

18 houses sold in the Taranaki Country area in August (July 2009: 21; August 2008: 16). The median price decreased to \$216,250 from \$220,000 in July (August 2008: \$189,500).

The median sale price for a New Plymouth City house increased to \$322,500 (July 2009: \$310,000; August 2008: \$300,000). The number of sales dropped with 80 houses sold in August (July 2009: 96; August 2008: 70).

Wellington

Wellington's median price increased to \$395,500 in August from July 2009's \$370,000. (August 2008: \$375,000). The number of sales was up at 622 for July, compared with 618 sold in July 2009. (August 2008: 458).

40 houses sold in the Wairarapa in August (July 2009: 63; August 2008: 28). The median price was down at \$217,500 from \$231,500 in July (August 2008: \$278,750).

The median price for an Upper Hutt house dropped to \$310,000 (July 2009: \$332,000; August 2008: \$286,000). 48 houses sold, up on the 39 sold in July (August 2008: 44).

126 houses sold in the Hutt Valley (July 2009: 134; August 2008: 92). The median price was down at \$317,500 from \$325,500 in July 2009 (August 2008: \$330,000).

The median price for a house in Otaki/Paekakariki fell to \$310,000 in August (July 2009: \$315,000; August 2008: \$287,000). 107 houses sold (July 2009: 91; August 2008: 37).

75 houses sold in Pukerua Bay/Tawa in August, down from 80 sales in July (August 2008: 71). The median price was up at \$450,000 (July 2009: \$367,563; August 2008: \$380,000).

Sale numbers in Central Wellington were up at 55 from 42 in July 2009. (August 2008: 36). The median price dropped to \$560,000 from \$427,500 in July (August 2008: \$351,000).

Nelson/Marlborough

The median price for a Nelson/Marlborough house decreased to \$325,000 in August (July 2009: \$328,000; August 2008: \$328,000). 213 houses sold (July 2009: 228; August 2008: 184).

73 houses sold in Nelson City in August (July 2009: 75; August 2008: 59). The median price dropped to \$305,000 (July 2009: \$350,000; August 2008: \$329,000).

The median price for a Nelson Council zone house was down at \$346,250 in August (July 2009: \$355,000; August 2008: \$336,000). 142 houses sold (July 2009: 135; August 2008: 109).

71 houses sold in Marlborough in August (July 2009: 93; August 2008: 75). The median price eased back to \$300,000 from \$305,000 in July (August 2008: \$318,000).

Canterbury/Westland

Sales volume was down in Canterbury/Westland with 885 houses sold in August (July 2009: 905; August 2008: 618). The median sale price decreased to \$295,000. (July 2009: \$297,000; August 2008: \$290,000).

The median price for a house in Christchurch City was up at \$316,500 in July, from \$310,000 in July (August 2008: \$310,000). 600 houses sold (July 2009: 628; August 2008: 418).

The median price for a home in Rangiora increased to \$283,000 in August (July 2009: \$272,500; August 2008: \$328,000). Sale numbers were up with 37 houses sold. (July 2009: 38; August 2008: 23).

The median price for a North Canterbury house was up to \$336,000 in August, from \$315,000 in July (August 2008: \$232,500). 27 houses sold, down on the 29 sold in July (August 2008: nine).

The median price for a Canterbury Country home decreased to \$360,000 in August, from \$389,000 in July (August 2008: \$344,500). 37 houses sold (July 2009: 41; August 2008: 22).

The number of houses sold in Mid Canterbury in August was up with 39 sales recorded. (July 2009: 32; August 2008: 35). The median price was down at \$232,000 from \$266,000 in June. (August 2008: \$265,000).

Sales volume was up in Timaru in August, with 58 houses sold (July 2009: 48; August 2008: 35). The median price increased to \$232,500 in July, from \$226,410 in July (August 2008: \$243,570).

The median price for a house on the West Coast was down at \$165,000 in August from \$223,000 in July (August 2008: \$220,000). 32 houses sold, up one on the 31 sold in July (August 2008: 23).

285 houses sold in Outer Canterbury in August (July 2009: 277; August 2008: 200). The median price was down at \$260,000 in August (July 2009: \$270,000; August 2008: \$259,500).

Central Otago Lakes

87 houses sold in August, up from the 84 sold in July (August 2008: 60). The median price was up at \$435,000. (July 2009: \$411,000; August 2008: \$465,000).

The median price for a house in Central Otago rose to \$330,000 in August (July 2009: \$327,000; August 2008: \$418,000). 41 houses sold (July 2009: 49; August 2008: 29).

Sales volume increased in Queenstown with 46 houses sold in August, compared with the 35 sold in July (August 2008: 31). The median price was up at \$506,250 (July 2009: \$530,000; August 2008: \$490,000).

Otago

275 houses sold in Otago in August, up on the 229 sold in July (August 2008: 188). The median price increased to \$236,000 from \$223,000 in July (August 2008: \$230,000).

Sales volume dropped in North Otago with 29 houses sold (July 2009: 37; August 2008: 24). The median sale price dropped to \$185,000 from \$207,500 in July (August 2008: \$189,000).

The median price in Dunedin City was up at \$263,500 in August from \$230,000 in July (August 2008: \$249,500). 212 houses sold (July 2009: 179; August 2008: 152).

The number of sales was up in South Otago with 25 houses sold (July 2009: 10; August 2008: 10). The median price fell to \$128,000 from \$142,500 in July (August 2008: \$148,000).

Southland

Sales volume was down in Southland with 146 houses sold (July 2009: 165; August 2008: 134). The median price increased to \$200,000 from \$190,000 in July (August 2008: \$190,000).

Sales volume was down in Invercargill at 98 for August (July 2009: 120; August 2008: 96). The median price increased to \$210,000 (July 2009: \$205,500; August 2008: \$190,000).

The median price for a house in Gore rose to \$143,000 in August from \$138,750 in July (August 2008: \$182,500). 24 houses sold during the month (July 2009: 22; August 2008: 15).