



News Release

9 April 2009

## RESIDENTIAL REAL ESTATE MARKET SPIKES

March sales figures released today by the Real Estate Institute of New Zealand (REINZ) reveal a spike in terms of sales volume.

However, Institute president Mike Elford said while the figures in terms of sales volumes, prices and days to sell are cause for “cautious optimism” it is too early to predict recovery.

“We need to read the figures in the context of December, January and February figures being light months in terms of volume. And while there is certainly a significant return to healthier numbers, we also need to be mindful we are now coming into a period of seasonal drop off in sales.”

Nevertheless, Mr Elford said, the total number of homes sold nationwide in March – 6,694, up from 5,228 in February and from 5,129 in March 2008 – is consistent with the information he’s been receiving from the industry around the country.

“I’m hearing that March was the best month for some time with properties available for sale and genuine buyers and sellers ready to meet market prices.”

The median price for homes across New Zealand at \$335,000 for March 2009 is slightly up on February’s \$330,000 and on a par with the March figure from 2007 of \$343,500 but down on the comparable period in March 2008, \$349,000, equivalent to 4.01 per cent

With the exception of Taranaki and Nelson/Marlborough, which rose by 1.77 per cent and 1.58 per cent respectively, and Manawatu/Wanganui which remained the same, prices dropped in all districts from between 0.57 per cent in Auckland through to 9.37 per cent in the Central Otago Lakes District in March 2009 compared with March 2008.

The news in turnover is brighter with total March sales of 6,694 properties compared with 5,129 properties in March 2008. However, these figures are well down on the five-figure turnovers of the same period in 2003 through to 2007.

March property sales in Auckland were well up on February figures (2,190 up from 1,590), and in Canterbury/Westland (from 815 to 1090). The only district to see a drop in number of sales from February to March was Manawatu/Wanganui from 308 to 283.

“The indications are that there is renewed interest in the real estate market stimulated by the drop in interest rates and the affordability of properties,” Mr Elford said. “We’re seeing investors back too, moving away from equities and returning to controlled investments such as real estate.”

Of interest in this month’s figures is the weighting of property sales in the under \$400,000 price band – 4,260 of the total sales of 6,694, followed by 1,623 sales in the \$400,000 to \$599,000. There were 163 sales of properties \$1 million and over – nearly half the number that sold in the same period in 2007 (368) although this was from a total of 10,989 sales.

“It’s not too surprising the top end of the market is a little slow, but as a proportion of total sales, we’re still seeing good movement and we’d expect this to continue as the market settles,” Mr Elford said.

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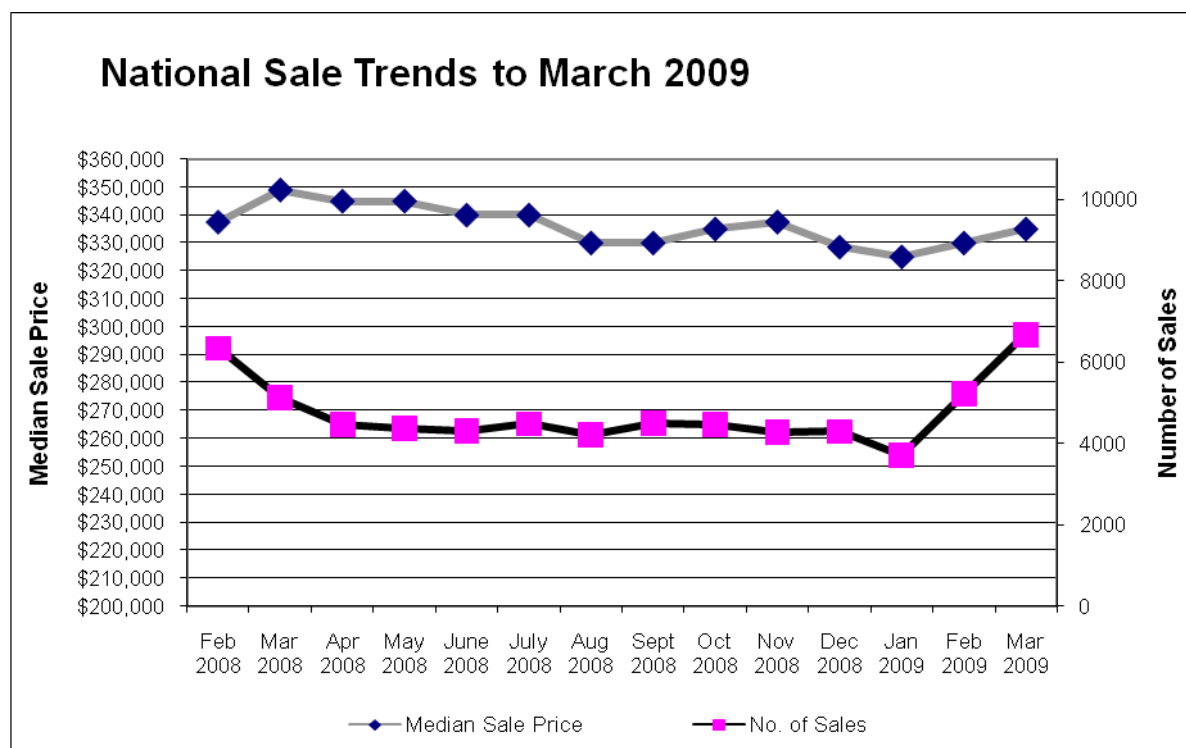
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**Explanatory Note:**

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 estimates only of property value, 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.



## **Residential Highlights – March 2009**

### **Northland**

In total, 170 houses sold in Northland in March (February 2009: 139; March 2008: 153). The median price increased to \$311,000 from \$305,000 in February (March 2008: \$325,000).

25 houses sold in the Whangarei County area (February 2009: 24; March 2008: 22). The median price rose to \$417,000 from \$390,000 in February (March 2008: \$421,250).

94 houses sold in Whangarei City in March, up on the 51 sold in February (March 2008: 66). The median was also up at \$295,000 (February 2009: \$282,000; March 2008: \$310,500).

### **Auckland**

The median house price in Auckland rose to \$435,000 in March, from \$421,500 in February (March 2008: \$437,500). 2,190 houses sold in March, compared with 1,590 sold in February (March 2008: 1,621).

The median sale price for a North Shore City home eased to \$485,000 in March. (February 2009: \$500,000; March 2008: \$510,000). 433 houses sold during the month, up on the 300 sold in February 2009. (March 2008: 269).

Sales volume was up in Waitakere City in March with 276 sold (February 2009: 188; March 2008: 210). The median price was also up at \$367,500 (February 2009: \$362,250; March 2008: \$373,634).

The median price for an Auckland City house increased to \$476,500 in March (February 2009: \$465,000 and March 2008: \$510,000). 768 houses sold in March, up on the 505 sold in February 2009 (March 2008: 551).

428 houses sold in Manukau City in March (February 2009: 363; March 2008: 352). The median price was up at \$440,750 from \$413,000 in February (March 2008: \$390,000).

The number of sales in Papakura was up one with 48 houses sold in March 2009. (February 2009: 47; March 2008: 46). The median price also up at \$338,000 (February 2009: \$310,000; March 2008: \$329,500).

The median price for a Metropolitan Auckland house was up at \$441,000 in March, from \$435,000 in February (March 2008: \$440,400). 1,953 houses sold (February 2009: 1,403; March 2008: 1,428).

120 houses sold in Rodney District, up from the 80 sold in February (March 2008: 102). The median price was also up at \$450,000, from \$410,000 in February (March 2008: \$482,500).

The median price for a Franklin District home was up at \$365,000 in March, from \$355,000 in February (March 2008: \$365,000). 72 houses sold, up on the 49 sales in February 2009 (March 2008: 43).

45 houses sold in Thames/Coromandel in March, down on the 58 sold in February (March 2008: 48). The median price was down at \$330,000 from \$335,000 in February (March 2008: \$365,000).

The median price for an Outer Auckland home increased to \$405,000 in March, from \$375,000 in February (March 2008: \$420,000). Sales volume was up with 237 houses sold, compared with the 187 sold in February (March 2008: 193).

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

The median price for a house in the Waikato/Bay of Plenty/Gisborne region fell to \$310,000 in March (February 2009: \$316,000; March 2008: \$320,000). 944 houses sold, an increase on the 712 sold in February 2009 (March 2008: 677).

Sales were up in Waikato Country in March with 132 houses sold (February 2009: 116; March 2008: 150). The median price down at \$243,500 (February 2009: \$277,500; March 2008: \$253,750).

The median price for a Hamilton City house remained steady at \$320,000 in March. (February 2009: \$320,000; March 2008: \$332,000). Sales volume was up, with 247 houses sold in March 2009 (February 2009: 197; March 2008: 149).

Sales volume was also up in Western Bay of Plenty Country with 71 houses sold, an increase on the 58 sold in February. The median price dipped to \$329,000 from \$351,000 in February. In March 2008, 38 houses sold with a median sale price of \$440,000.

The median price for a house in Mt Maunganui/Papamoa increased to \$415,000 in March, from \$400,000 in February (March 2008: \$450,000). 97 houses sold, up on the 71 sold in February 2009 (March 2008: 57).

146 houses sold in Tauranga in March, up on the 100 sold in February (March 2008: 79). The median price increased slightly to \$341,500, from \$340,000 in February (March 2008: \$350,000).

Rotorua's median price decreased to \$250,000 in March, from \$256,000 in February (March 2008: \$254,000). 80 houses sold, up from the 63 sold in February (March 2008: 78).

60 houses sold in Taupo in March, up on the 36 sold in February (March 2008: 39). The median price also increased to \$351,250 in March from \$332,500 in February (March 2008: \$335,000).

The median price for a King Country home fell to \$125,000 in March (February 2009: \$166,000; March 2008: \$152,000). 13 houses sold, up on the nine sold in February (March 2008: 15).

The median price for a Gisborne City home dropped to \$220,000 from \$249,750 in February (March 2008: \$237,500). Sales volume was up with 55 houses sold, compared with the 30 sold in February (March 2008: 34).

The median price for a house in Eastern Bay of Plenty Country decreased to \$250,000 in March, down from \$260,000 in February (March 2008: \$271,250). 40 houses sold, a rise in numbers from the 30 sold in February. 38 sold in March 2008.

### **Hawkes Bay**

Sales volume was up in the Hawkes Bay in March with 244 houses sold (February 2009: 182; March 2008: 180). The median price eased slightly to \$265,000 (February 2009: \$267,000; March 2008: \$267,000).

The median price for a house in Napier City decreased to \$295,000 in March (February 2009: \$310,500; March 2008: \$279,000). 101 houses sold in March (February 2009: 84; March 2008: 78).

102 houses sold in Hastings City in March 2009, up from 69 in February 2009 (March 2008: 63). The median price was up at \$268,750 from \$253,000 in February (March 2008: \$284,000).

Hawkes Bay Country's median price increased to \$301,500 in March, from \$230,000 in February (March 2008: \$298,000). 13 homes sold in March (February 2009: 12; March 2008: 13).

### **Manawatu/Wanganui**

The median price for a house in the Manawatu/Wanganui district was down at \$225,000 in March (February 2009: \$230,000; March 2008: \$225,000). 283 houses sold in March, down on the 308 sold in February (March 2008: 224).

The median sale price for a house in Palmerston North City increased to \$267,500 in March. (February 2009: \$252,750; March 2008: \$294,500). 138 houses sold (February 2009: 144; March 2008: 82).

Sales volume was up in Manawatu Country with 26 houses sold (February 2009: 21; March 2008: 16). The median price rose to \$165,000 from \$225,000 in February (March 2008: \$211,000).

The median sale price in the Manawatu was down at \$233,750 in March (February 2009: \$245,000; March 2008: \$255,000). The number of sales were also down with 224 houses sold (February 2009: 233; March 2008: 160).

43 houses sold in Wanganui City in March, down from the 53 sold in February (March 2008: 41). The median price was also down at \$160,000 from \$193,500 in February (March 2008: \$180,000).

The median sale price in Wanganui fell to \$162,600 in March, from \$180,000 in February (March 2008: \$174,500). 59 houses sold, down on the 75 sold in February 2009 (March 2008: 64).

### **Taranaki**

The median price for a house in Taranaki eased to \$258,000 in March (February 2009: \$260,000; March 2008: \$253,500). 166 houses sold, up from the 147 sold in February (March 2008: 155).

28 houses sold in the Taranaki Country area in March (February 2009: 22; March 2008: 28). The median price fell to \$231,000 from \$250,000 in February (March 2008: \$212,500).

The median sale price for a New Plymouth City house rose to \$305,750 (February 2009: \$271,000; March 2008: \$340,000). The number of sales increased with 78 houses sold in March (February 2009: 75; March 2008: 62).

### **Wellington**

Wellington's median price increased slightly to \$376,000 in March from February 2009's \$375,000. (March 2008: \$410,000). The number of sales was up at 755 for March, compared with 639 sold in February 2009. (March 2008: 603).

65 houses sold in the Wairarapa in March (February 2009: 53; March 2008: 51). The median price was down at \$225,000 from \$241,500 in February (March 2008: \$243,000).

The median price for an Upper Hutt house fell to \$300,000 (February 2009: \$321,250; March 2008: \$350,000). 76 houses sold, up on the 54 sold in February (March 2008: 61).

135 houses sold in the Hutt Valley (February 2009: 99; March 2008: 111). The median price dropped to \$333,000 from \$350,000 in February 2009 (March 2008: \$315,000).

The median price for a house in Otaki/Paekakariki dropped to \$317,400 in March (February 2009: \$352,500; March 2008: \$358,000). 104 houses sold (February 2009: 92; March 2008: 65).

72 houses sold in Pukerua Bay/Tawa in March, an increase on the 61 sales in February (March 2008: 71). The median price increased slightly to \$355,000 from \$354,000 in February (March 2008: \$385,000).

Sales numbers in Central Wellington increased to 62 from 49 in February 2009. (March 2008: 45). The median price increased to \$398,300 from \$395,000 in February (March 2008: \$540,000).

## **Nelson/Marlborough**

The median price for a Nelson/Marlborough house decreased to \$320,000 in March (February 2009: \$323,000; March 2008: \$315,000). 286 houses sold (February 2009: 222; March 2008: 203).

109 houses sold in Nelson City in March (February 2009: 86; March 2008: 70). The median price fell slightly to \$317,000 (February 2009: \$320,000; March 2008: \$307,500)

The median price for a Nelson Council zone house decreased to \$320,000 in March (February 2009: \$330,000; March 2008: \$338,000). 184 houses sold (February 2009: 160; March 2008: 119).

102 houses sold in Marlborough in March (February 2009: 62; March 2008: 84). The median price rose to \$312,750 from \$306,000 in February (March 2008: \$311,250).

## **Canterbury/Westland**

Sales volume was up in Canterbury/Westland with 1,090 houses sold in March (February 2009: 815; March 2008: 821). The median sale price remained steady at \$290,000. (February 2009: \$290,000; March 2008: \$311,000).

The median price for a house in Christchurch City decreased to \$302,750 in March, from \$305,000 in February (March 2008: \$335,000). 758 houses sold (February 2009: 549; March 2008: 540).

The median price for a home in Rangiora rose to \$307,500 in March (February 2009: \$264,000; March 2008: \$300,000). Sale numbers increased with 34 houses sold. (February 2009: 27; March 2008: 29).

The median price for a North Canterbury house was up to \$265,000 in March, from \$260,000 in February (March 2008: \$347,000). 21 houses sold, down on the 27 sold in February (March 2008: 27).

The median price for a Canterbury Country home jumped to \$370,000 in March, from \$317,500 in February (March 2008: \$385,000). 43 houses sold (February 2009: 28; March 2008: 30).

The number of houses sold in Mid Canterbury in March was up with 59 sales recorded. (February 2009: 53; March 2008: 50). The median price was up at \$260,000 from \$240,000 in February. (March 2008: \$267,500).

Sales volume rose in Timaru in March, with 72 houses sold (February 2009: 46; March 2008: 53). The median price increased to \$220,000 in March, from \$202,500 in February (March 2008: \$230,000).

The median price for a house on the West Coast dropped to \$173,938 in March from \$225,000 in February (March 2008: \$180,000). 38 houses sold, up on the 31 sold in February (March 2008: 35).

332 houses sold in Outer Canterbury in March (February 2009: 266; March 2008: 281). The median price rose to \$252,000 in March from \$244,000 in February (March 2008: \$268,000).

### **Central Otago Lakes**

101 houses sold in March, up from the 76 sold in February (March 2008: 85). The median price was also up at \$435,000. (February 2009: \$425,000; March 2008: \$480,000).

The median price for a house in Central Otago rose to \$380,000 in March (February 2009: \$332,000; March 2008: \$450,000). 57 houses sold (February 2009: 36; March 2008: 53).

Sales volume was up in Queenstown with 44 houses sold in March, compared with the 40 sold in February (March 2008: 32). The median price was also up at \$535,000 (February 2009: \$508,000; March 2008: \$502,500).

### **Otago**

287 houses sold in Otago in March, up on the 265 sold in February (March 2008: 242). The median price was also up at \$230,000 from \$223,000 in February (March 2008: \$241,000).

Sales volume was up in North Otago with 40 houses sold (February 2009: 30; March 2008: 50). The median sale price was also up at \$200,500 from \$189,500 in February (March 2008: \$227,000).

The median price in Dunedin City increased to \$240,500 in March from \$235,000 in February (March 2008: \$265,500). 224 houses sold (February 2009: 212; March 2008: 162).

The number of sales was up in South Otago with 18 houses sold (February 2009: 15; March 2008: 26). The median price rose to \$172,500 from \$135,000 in February (March 2008: \$139,500).

Five houses sold in East Otago in March, with a median price of \$273,000 compared with eight sales in February with a median of \$180,000. (March 2008: four sales with a median of \$161,250).

### **Southland**

Sales volume was up in Southland with 178 houses sold (February 2009: 133; March 2008: 165). The median price increased to \$182,000 from \$180,000 in February (March 2008: \$190,500).

Sales volume was up in Invercargill at 122 for March (February 2009: 92; March 2008: 101). The median price eased slightly to \$183,750 (February 2009: \$185,000; March 2008: \$213,000).

The median price for a house in Gore rose to \$153,000 in March from \$129,100 in February (March 2008: \$145,000). 35 houses sold during the month, compared with the 19 sold in February 2009 (March 2008: 37).