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**24 November 2022**

**For immediate release**

**Lifestyle market continues to ease**

Data released today by the Real Estate Institute of New Zealand (REINZ) shows 89 fewer lifestyle property sales (-6.7%) for the three months ended October 2022 than for the three months ended September 2022. Overall, there were 1,242 lifestyle property sales in the three months ended October 2022, compared to 1,720 lifestyle property sales for the three months ended October 2021 (-27.8%), and 1,331 lifestyle property sales for the three months ended September 2022.

7,247 lifestyle properties were sold in the year to October 2022, 3,016 (-29.4%) fewer than were sold in the year to October 2021. The value of lifestyle properties sold was $9 billion for the year to October 2022.

The median price for all lifestyle properties sold in the three months to October 2022 was $1,015,000 and was $72,750 higher compared to the three months ended October 2021 (+7.7%). The median price for Bare land Lifestyle properties sold in the three months to October 2022 was $470,000 and was $1,000 higher compared to the three months ended October 2021 (+0.2%). The median price for Farmlet Lifestyle properties sold in the three months to October 2022 was $1,190,000 and was $12,469 lower compared to the three months ended October 2021 (-1.0%).

Brian Peacocke, Rural Spokesman at REINZ, says: “Sales data for the three-month period ending 31 October 2022 reflects an inexorable easing in the volume of sales of lifestyle properties, down 28% from the equivalent period 12 months ago, and down 54% on the volume of sales achieved during the same period two years ago.

“This significant reduction in sales strongly mirrors the situation being experienced in the residential market.

“So, what is driving the reduction?

“Clearly, amongst the raft of influencing issues, one of the major factors is inflation and the resulting increase in the Official Cash Rate, which is driving up interest rates.

“Issues relating to the levels of equity, cash flow and serviceability for potential borrowers are being heavily impacted by the increasing interest rates, which in turn are heavily impacting sales volumes across the country.

“Seven of the 13 regions across the country are showing a drop in sales volumes from last month, 12 of the 13 regions are showing a drop from 12 months ago, Taranaki being the only exception. Finally, 13 out of the 13 regions are showing dramatic reductions in sales volumes from the levels of two years ago,” he concludes.

The tables below will give a clear portrayal of the movement in sales count and median price across the country.

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| --- | --- | --- | --- |
| **Region** | **This Month Sales** | **Last Month Sales** | **% change Sales** |
| Auckland Region | 57 | 41 | 39.0% |
| Bay of Plenty Region | 35 | 29 | 20.7% |
| Canterbury Region | 41 | 46 | -10.9% |
| Gisborne/Hawkes Bay Region | 23 | 15 | 53.3% |
| Manawatu-Whanganui Region | 34 | 40 | -15.0% |
| Nelson/Marlborough/Tasman | 14 | 15 | -6.7% |
| Northland Region | 45 | 51 | -11.8% |
| Otago Region | 32 | 19 | 68.4% |
| Southland Region | 10 | 14 | -28.6% |
| Taranaki Region | 18 | 17 | 5.9% |
| Waikato Region | 61 | 46 | 32.6% |
| Wellington Region | 20 | 33 | -39.4% |
| West Coast Region | 6 | 14 | -57.1% |

|  |  |  |  |
| --- | --- | --- | --- |
| **Region** | **This Month Median Price** | **Last Month Median Price** | **% change Price** |
| Auckland Region | 1,500,000 | 1,800,000 | -16.7% |
| Bay of Plenty Region | 1,300,000 | 1,360,000 | -4.4% |
| Canterbury Region | 965,000 | 912,500 | 5.8% |
| Gisborne/Hawkes Bay Region | 960,000 | 845,000 | 13.6% |
| Manawatu-Whanganui Region | 620,000 | 900,000 | -31.1% |
| Nelson/Marlborough/Tasman | 1,115,500 | 1,210,000 | -7.8% |
| Northland Region | 850,000 | 820,000 | 3.7% |
| Otago Region | 1,370,000 | 920,000 | 48.9% |
| Southland Region | 642,500 | 583,750 | 10.1% |
| Taranaki Region | 852,500 | 960,000 | -11.2% |
| Waikato Region | 1,120,000 | 1,255,000 | -10.8% |
| Wellington Region | 975,000 | 915,000 | 6.6% |
| West Coast Region | 737,500 | 330,000 | 123.5% |

Two regions recorded an increase in sales compared to October 2021, with Taranaki (+7 sales) and Southland (+3 sales) observing the biggest increases. Canterbury (-147 sales) and Waikato (-103 sales) recorded the biggest decreases in sales in the three months to October 2022 compared to the three months to October 2021. Compared to the three months to September 2022, three regions recorded an increase in sales.

Twelve regions saw the median price of lifestyle blocks increase between the three months ending October 2021 and the three months ending October 2022. The most notable examples were in West Coast (+79.6%) and Canterbury (+30.1%), with the biggest decrease being in Auckland (-5%).

The median number of days to sell for lifestyle properties was six days more in the three months to October 2022 than in the three months to October 2021, sitting at 56 days. Southland (37 days) recorded the shortest number of days to sell in October 2022. Bay of Plenty (70 days) recorded the longest number of days to sell.

**ENDS**

**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 lifestyle real estate market covers the most recently completed three-month period; thus, references to October 2022 refer to the period from 1 August 2022 to 31 October 2022.*

*From April 2021 there has been a change in the methodology for calculating rural statistics. To date, the rural statistics have referred to a Return Period which is the month in which a sale record was submitted to REINZ. Going forward, the rural statistics will refer to an Unconditional Month i.e., the month in which the sale went unconditional. This change in methodology ensures that sales that took place in April, for instance, are recorded against April even if they were submitted to REINZ late. The change also brings Rural statistics calculation into line with the Residential statistics calculation, where the Unconditional Month approach has been used successfully to calculate Residential Statistics for several years now. The Unconditional Month methodology also ensures that the most up-to-date state of the REINZ database is reported at the time the data is released with revision of prior months statistics often occurring to reflect the submission of late data or sale amendments that took place after the prior statistics release.*

*In addition to the calculation period change there are two additional changes to the data worth noting:*

*1. 12 Districts have been replaced by 13 Regions. These are consistent with the parts of the residential press release and it has been done to be consistent with regional definitions outside REINZ e.g., Statistics NZ*

*2. Dairy Support is a new farm category and we now have the ability to separate Lifestyle Blocks into Bareland and Farmlets.*

*If you have any questions regarding this change in methodology, please email statistics@reinz.co.nz.*