

HARCOURTS MARKET WATCH.

Bringing you the latest news, fact and figures, specific to your local market.

REGIONAL OVERVIEW

The latest residential housing figures from New Zealand's largest real estate group, Harcourts shows that sales volumes in March were up in all parts of the country except Christchurch where buyers continue to benefit from more choice in the market.

Harcourts Northern Region, which covers Auckland and Northland, experienced its strongest sales month on record in March and at the same time average sale price hit a new high of \$830,186. The supply shortage in Auckland continues to benefit Waikato and Bay of Plenty with the increased level of out-of-town investment helping to lift sales volume in the Central Region 45.1% compared to the same month last year. There is also evidence of out-of-town investment lifting the property markets in parts of the South Island as investors look for better value outside Christchurch.

Harcourts CEO Hayden Duncan says that the supply shortage in Auckland is at breaking point, and home buyers and investors are now looking to neighbouring regions.

"We're now starting to see the evidence of Auckland home buyers and investors looking outside Auckland to places like Bay of Plenty, Waikato and the Hauraki District. While the volume of sales in Auckland remains strong, first home buyers are now largely priced out of the Auckland market and investors are looking elsewhere to enhance their yields," says Duncan.



South Island Provincial	Mar 2015	Mar 2014	Change
Total Listings	368	341	7.9%
New Auctions	35	29	20.7%
Property on Hand	1563	1766	-11.5%
Written Sales	296	245	20.8%
Average Sale Price	\$351,513	\$317,857	11.0%

The South Island had a strong sales month in March with written volume up 20.8% compared to last year. Much of this activity is driven by investors looking for better value outside Christchurch in places like Dunedin and South Canterbury. Queenstown also had a strong month as the market there returns to form. Average sale price was up 11.0% driven by the sale of quality properties from the wide selection available on the market.

Auckland/Northern	Mar 2015	Mar 2014	Change
Total Listings	921	940	-2.0%
New Auctions	370	341	8.7%
Property on Hand	1716	1968	-12.8%
Written Sales	823	614	34.0%
Average Sale Price	\$830,186	\$697,520	19.0%

Average sale price in the Northern Region was up 19% on last year to \$830,000 as the supply and demand imbalance continues to put upward pressure on prices. Despite rising prices, Harcourts Northern Region experienced its strongest sales month on record in March with written sales up 34% to 823. With the current market conditions we are expecting an increased level of buyer activity through autumn this year.

Central	Mar 2015	Mar 2014	Change
Total Listings	492	490	0.4%
New Auctions	86	80	7.5%
Property on Hand	1923	2331	-17.5%
Written Sales	473	326	45.1%
Average Sale Price	\$356,203	\$360,883	-1.0%

The increased level of out-of-town investment in Bay of Plenty/Waikato is evident in the residential property figures for March. Written sales in the region are up 45.1% on last year to 473, which is the strongest sales month for Central since May 2007. The strong demand has resulted in a decline in inventory but there is still plenty of stock on the market. We expect the supply shortage in Auckland to continue to drive strong sales volumes in the Central Region throughout 2015.

Wellington	Mar 2015	Mar 2014	Change
Total Listings	466	466	0.0%
New Auctions	59	40	47.5%
Property on Hand	1513	1745	-13.3%
Written Sales	362	327	10.7%
Average Sale Price	\$372,794	\$395,779	-6.0%

Written sales were up strongly in Wellington with 10.7% more properties sold in March this year compared to last year. The increased sales volume and steady volume of new listings has resulted in a drop in inventory compared to last year, however, there is still plenty of choice in the market in Wellington. Average house price was down 6.0% on the same month last year but overall the average house price was up 2.0% from \$366,281 in the 2014 financial year to \$374,937 this financial year.

Christchurch Metro	Mar 2015	Mar 2014	Change
Total Listings	535	521	2.7%
New Auctions	166	189	-12.2%
Property on Hand	2085	1613	29.3%
Written Sales	466	476	-2.1%
Average Sale Price	\$523,247	\$507,680	3.0%

After a flat few months, the average sale price in Christchurch has rebounded and is up 3.0% on last year to \$523,247. Sales volume in March was down slightly on last year, but up strongly on last month as more buyers look to settle ahead of the cooler weather. There is a good selection of property on the market, however, buyers are prepared to pay a premium for quality properties. There are opportunities in Christchurch for property investors prepared to think medium to long term, particularly around the CBD.