

Auckland steams to new records across the board

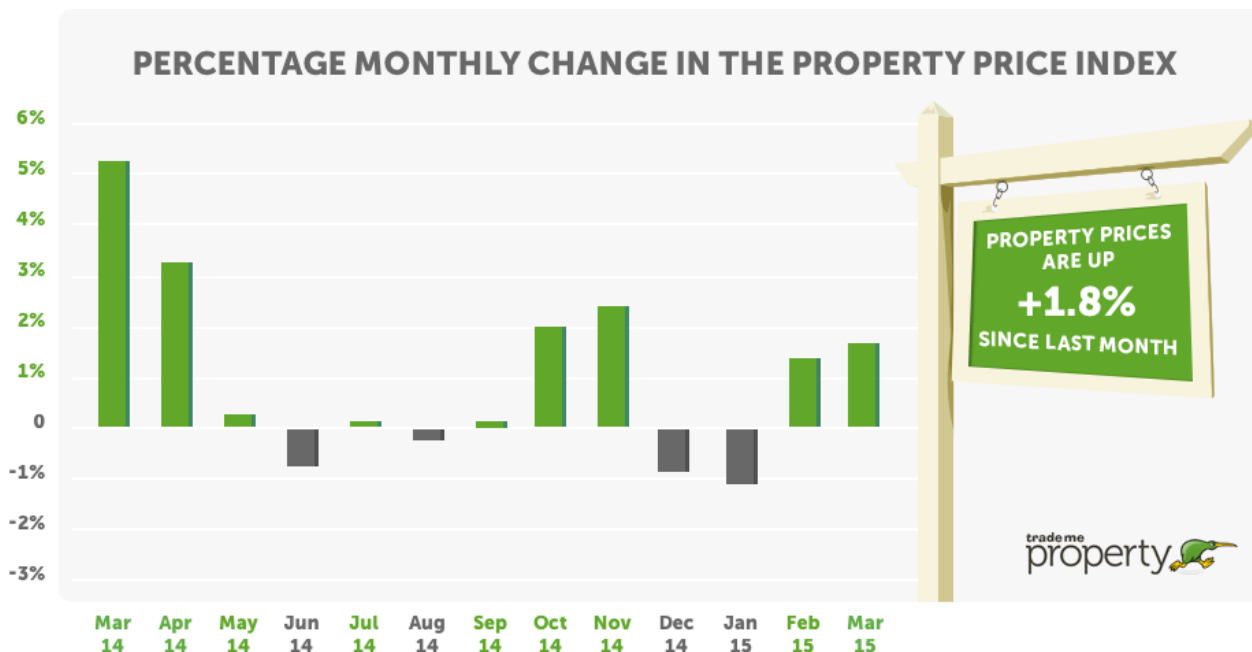
March was all about Auckland with the city's asking prices for residential property setting records across the board, according to Trade Me Property's analysis of new listings in the past three months.

The average asking price for a property in Auckland reached \$716,050, up 13.5 per cent year-on-year – the highest of any region in the country and a new record high. Although the national average asking price grew by just over \$40,000 over the past year, in Auckland asking prices grew at double that pace, up \$85,300 over the past 12 months.

Head of Trade Me Property Nigel Jeffries said there were “no signs of a breather” from Auckland property sellers. “Our data goes back to 2008 and this is as high as it has ever been – and we’ve seen that for 18 of the past 24 months so the brakes are well and truly off. The healthier economy and confidence in medium-term interest rates is matched by strong demand from domestic and international migration, and the upshot is that the Auckland market is driving onwards and upwards.”

The Trade Me Property Price Index measures trends in the expectations of selling prices for residential property listings added to Trade Me Property by real estate agents and private sellers over the past three months.

The national average asking price across all property types grew by 1.8 per cent from February 2015 to March 2015, landing at a new record high of \$514,350. Over the past five years the national average asking price has grown by 27 per cent from \$404,950 in March 2010. Meanwhile, in Auckland, asking prices have risen by 46 per cent from \$492,250 to \$716,050 over the same period.



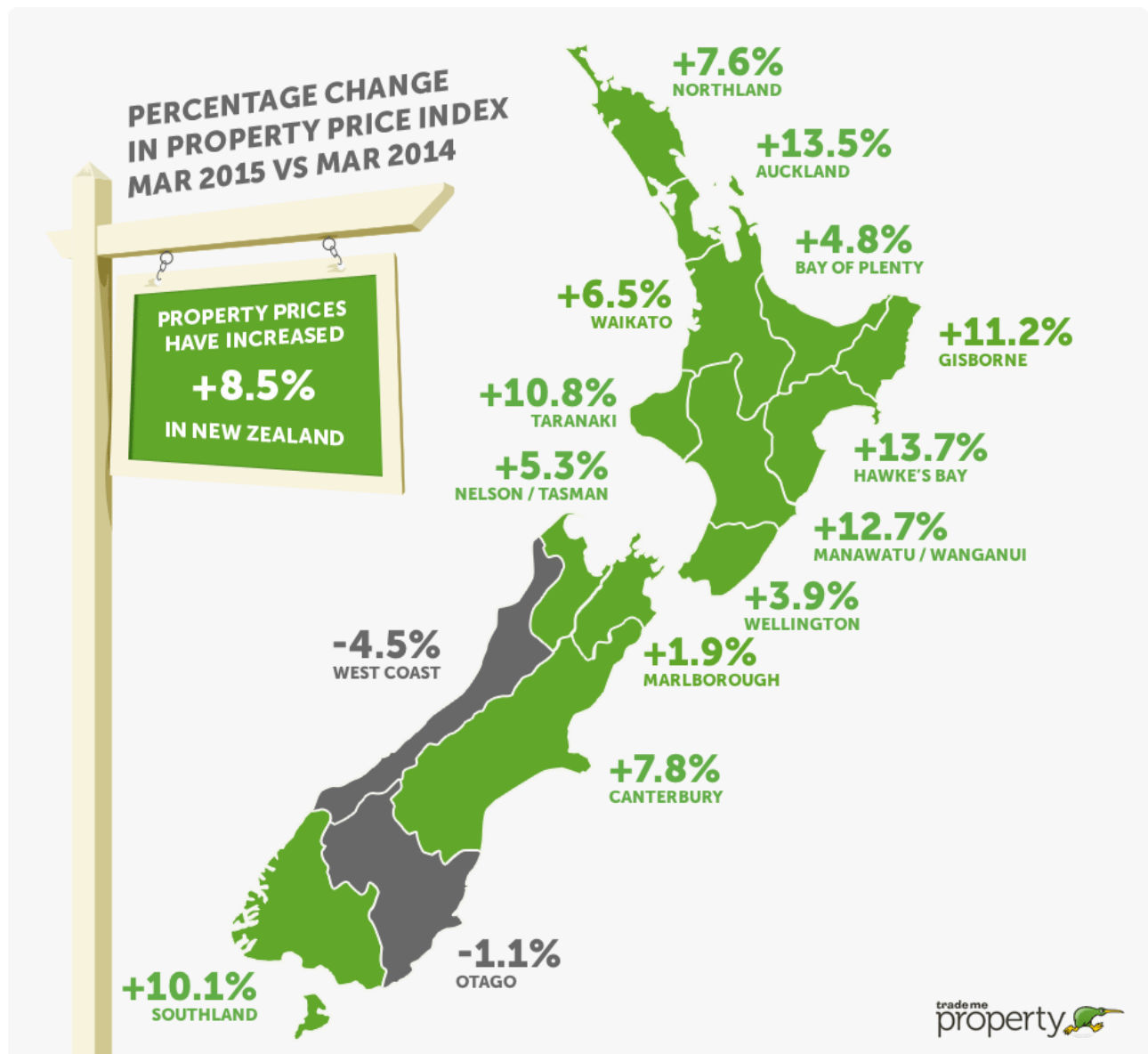
Ups and downs in the regions

Mr Jeffries said that despite the focus on Auckland over the past 12 months, 13 out of 15 regions showed increases in average asking prices over the past year, with six regions in the double-digits: Gisborne, Hawke's Bay, Manawatu/Wanganui, Taranaki, Southland and Auckland.

He said new records were set for average asking prices in Manawatu/Wanganui, Wellington and Auckland in March.

In Canterbury, asking price pressure continues to ease. Mr Jeffries said the annual increase of 7.8 per cent in March 2015 was well down compared to 12.3 per cent growth back in September 2014. The region's peak for asking prices of \$457,100 was set in December 2014, with the March 2015 average landing at \$450,600.

The West Coast and Otago continue to languish, and were the only two regions to show falls in asking prices compared to a year ago. Over the past five years, average asking prices in these two regions have shown a modest rise of just over 9 per cent.



Price expectations of smaller home drive the market

Smaller homes continue to show the largest year-on-year increases: up 8.5 per cent in Wellington, up 7.6 per cent in Christchurch and up a huge 16.8 per cent in Auckland to new record high of \$571,450. In the City of Sails, this represents an increase of \$82,100 over the past 12 months.

Medium-sized houses constitute the majority of homes on the market and these asking prices drive overall market activity. In March the average asking price for 3-4 bedroom homes rose to a new record high of \$523,300, up 8.6 per cent compared to a year ago.

In Auckland, the average asking price rose a massive 13.5 per cent to \$741,250, setting a new record high and reflecting a 12-month increase of \$88,200.

Table 1: Truncated mean expected sales price by property size & region

	New Zealand	Auckland	Wellington	Christchurch
Large houses 5+ bedrooms	\$864,500 + 3.6%	\$1,066,750 + 7.8%	\$709,100 + 3.0%	\$714,650 - 8.5%
Medium houses 3-4 bedrooms	\$523,300 + 8.6%	\$741,250 + 13.5%	\$464,550 + 2.9%	\$481,850 + 4.9%
Small houses 1-2 bedrooms	\$340,450 + 8.5%	\$571,450 + 16.8%	\$340,450 + 8.5%	\$331,950 + 7.6%
All property types	\$514,350 + 8.5%	\$716,050 + 13.5%	\$449,750 + 3.9%	\$446,550 + 4.5%

Auckland apartment market keeps surging

Mr Jeffries said the Auckland apartment market showed “no signs of easing”. In March the average asking price rose to a new record high, the fourth monthly high since September 2014. In the past six months the asking price of apartments in Auckland has risen from \$401,400 to \$441,000, up 10 per cent.

The asking price of units continues to maintain strong growth, with average asking prices up 10.9 per cent across the country. Auckland was on par here, pushing through to a new record high of \$468,450 and up 10.5 per cent over the past 12 months.

Townhouses have been overshadowed by the rise in asking price of apartments and units, but have delivered a modest but sustained rise, especially in Auckland and Wellington – up 15.7 per cent and 8.7 per cent respectively.

Table 2: Truncated mean expected sales price by property type & region

	New Zealand	Auckland	Wellington	Christchurch
Apartments	\$442,900 + 16.8%	\$441,000 + 19.2%	\$453,250 + 19.4%	\$414,000 + 21.4%
Townhouses	\$488,150 + 8.3%	\$686,750 + 15.7%	\$407,900 + 8.7%	\$409,050 + 2.6%
Units	\$358,800 + 10.9%	\$468,450 + 10.5%	\$274,200 + 8.5%	\$304,050 + 13.9%
All property types	\$514,350 + 8.5%	\$716,050 + 13.5%	\$449,750 + 3.9%	\$446,550 + 4.5%

-ends-

MORE INFORMATION

- **About the Trade Me Property Price Index:**
 - The Property Price Index measures trends in the expectations of selling prices for residential property listings added to Trade Me Property by real estate agents and private sellers over the past three months.
 - It provides buyers, sellers and realtors with insights into 'for sale' price trends by property type and property size.
 - The Index is produced from data on properties listed on Trade Me Property in the three months leading up to the last day of each period. Each period's value is a truncated mean of the complete three months' worth of listings. This is to better reflect trends in property prices rather than month-to-month fluctuations in housing stock.
 - The Index uses an "80% truncated mean" of the expected sale price. This excludes the upper and lower 10% of listings by price, and averages the expected sale prices of the remaining properties.
 - It provides an insight into 'for sale' price trends by type and size of property. Other reports aggregate property price data across these various properties.
- **Regional data:** If you are after information for a particular region, please email Jeff Hunkin via mediaenquiries@trademe.co.nz and we will see what we can unearth for you. We can also provide the graphs and tables.
- **Contact:** Nigel Jeffries is available for interviews. To tee up a time that suits, please email Jeff Hunkin via mediaenquiries@trademe.co.nz or phone (04) 803 2702.