



# nz property report

The monthly survey of the residential property market

by Realestate.co.nz Ltd

The NZ Property report aims to provide a new perspective to the information on the residential property market in NZ. Realestate.co.nz is uniquely placed to provide relevant and timely information on the state of the market from the perspective of the lead indicators of price expectation and inventory of listings, as well as new listings coming onto the market. These unique indicators will, it is believed, provide a valuable balance to the established indicators of sales volumes and price as well as property values currently provided by other services. This first report from realestate.co.nz provides an insight into seller activity in the residential market for March 2009.

## Asking price returns to 2007 peak – whilst new listings show modest growth

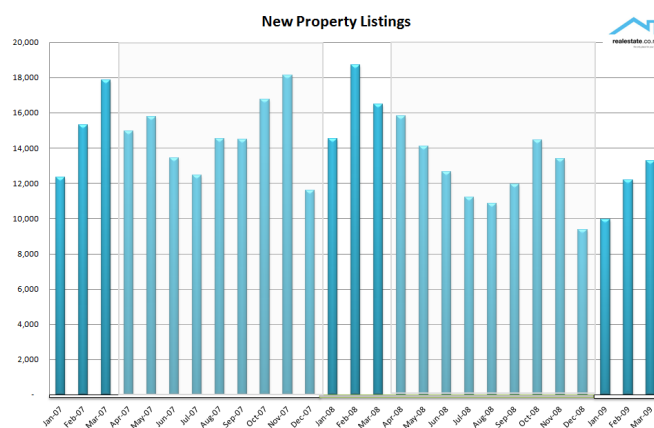
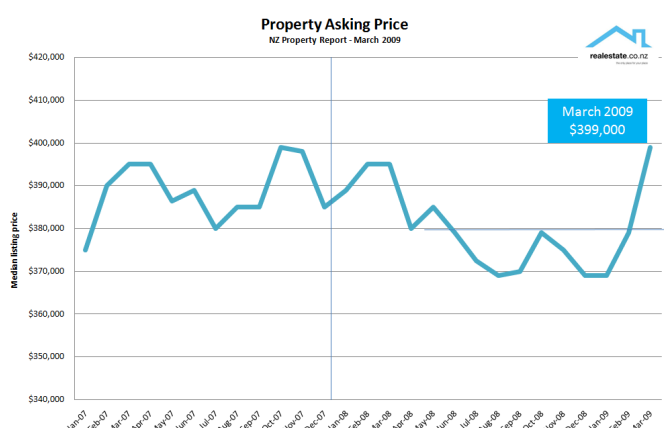
	Jan 2009	Feb 2009	Mar 2009
Property Asking Price (median)	\$369,000	\$379,000	<b>\$399,000</b>
% change from previous month	0%	+ 3%	<b>+ 5 %</b>
% change from same month last year	- 5%	- 2%	<b>+ 1%</b>
Number of New Listings	9,945	12,169	<b>13,284</b>
% change from previous month	+ 6%	+ 22%	<b>+ 9%</b>
% change from same month last year	- 31%	- 35%	<b>- 19%</b>

### Asking Price Highlights

- Median price for new listings \$399,000
- Matching the peak median price of October 2007
- Asking price downward trend of 2008 now firmly reversed

### New Listings Highlights

- 13,284 new residential listings
- Despite 9% increase from February new listings, agents report shortage of listings
- 35,398 new listings in Q1 2009, down 14,000 on same period in 2008



*Realestate.co.nz is the official website of the New Zealand real estate industry, and provides the most comprehensive selection of listings across all categories of real estate. Realestate.co.nz lists over 100,000 properties at any one time, representing over 90% of all listings currently marketed by real estate professionals.*

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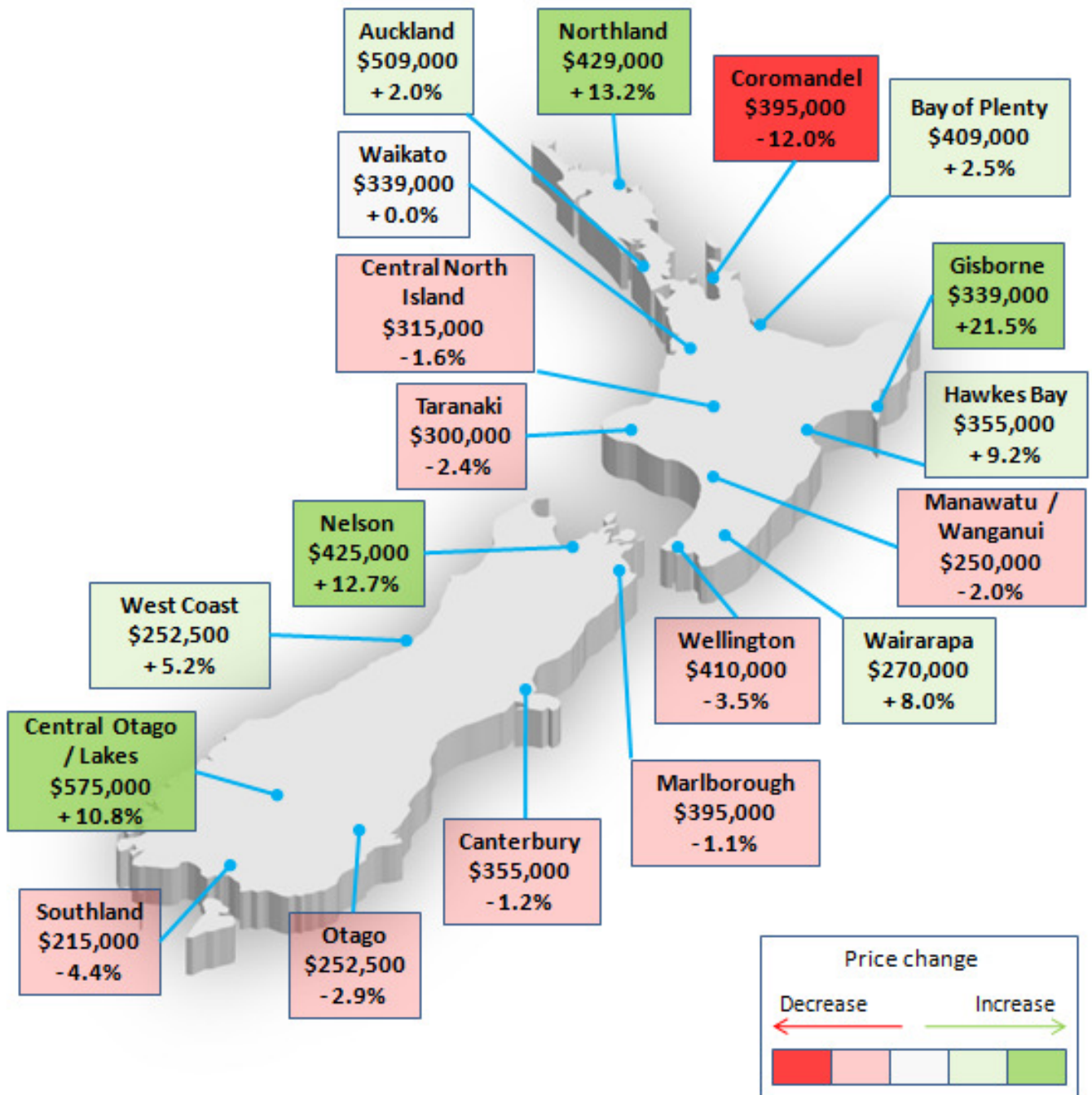
This report can be accessed at [www.realestate.co.nz/blog](http://www.realestate.co.nz/blog)



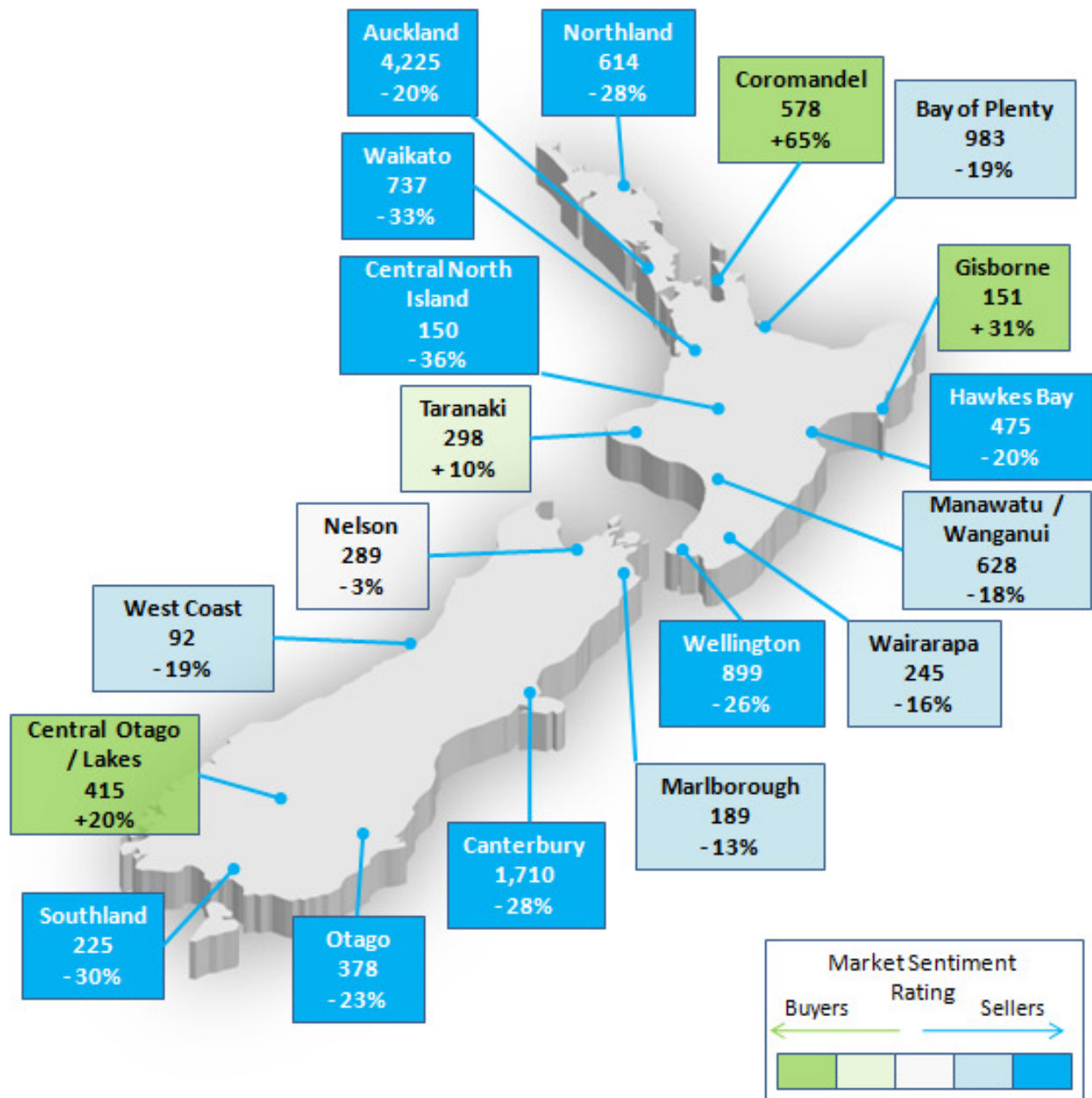
**realestate.co.nz**

the official website of the New Zealand real estate industry

**Property Asking Price for March 2009 : \$399,000**  
**Compared to March 2008 : + 1.0%**



**New Property listings for March 2009 : 13,284**  
**Compared to March 2008 : -19%**



## Commentary

New listings added to realestate.co.nz in March show renewed interest in the property market with 13,284 coming onto the market during the month. Buoyed by low interest rates (which have of course abruptly turned in the last week of the month) new listings picked up with a 9% growth on February, but still some 19% below last March.

For the second consecutive month, the price expectations of vendors rose, reversing the downward trend experienced during the latter half of 2008. At \$399,000, the median asking price was 1.0% up on March 2008 and equal to the peak of October 2007, albeit on a lower volume of listings (October 2007: 16,753 new listings).

An interpretation for this rise in asking price is to understand the motivations of sellers and real estate agents. The sellers see media coverage presenting a degree of market resurgence albeit with falling prices. With limited numbers of new listings, agents are eagerly courting sellers to win listings. With sellers eager not to capitulate on price, they set a higher asking price in the knowledge that they can negotiate down to the buyer's expectations. Agents counter this by informing sellers that property only sells when priced to current market price but fail to convince sellers when threatened with potentially losing the listing. The outcome is a divergence between selling price and asking price. It is hoped that the presentation of these facts, in this report for the first time, will bring attention to sellers' expectations enabling greater visibility and transparency in the market.

## Regional Summary

Across the country the results show a consistent decrease in new listings as against March last year reflecting a more informed seller conscious of the tighter market conditions and reflecting the sentiment expressed in the market by agents who all identify the shortage of listings. The only exceptions are in the regions of Coromandel, Central Otago Lakes, Gisborne and Taranaki which all reported increases in new listings.

In terms of asking price of new listings, the country is fairly evenly split with 9 regions showing reduced asking price and 9 regions showing increasing asking price, which pushed the national median asking price up slightly by 1.0%.

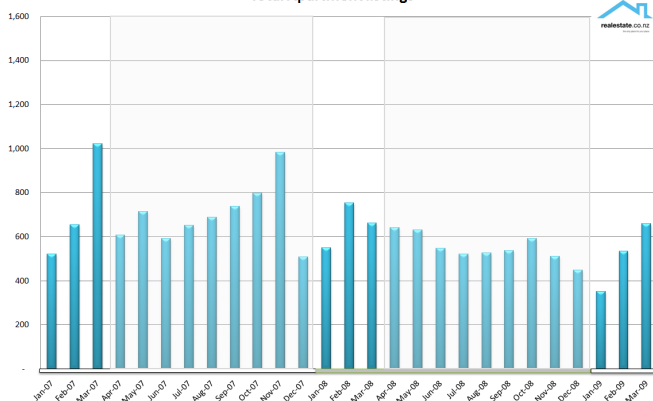
Major asking price movements were seen in Coromandel down 12%, with Wellington and Southland showing asking prices down 3.5% and 4.4% respectively. On the increasing side, it is interesting to see asking prices in the 4 tourist hotspots of Northland, Gisborne, Otago Lakes and Nelson showing increases of over 10%.

## Apartments

The market for apartments shows a greater level of activity with 658 new listings coming onto the market, a sharp rise from the lows in January of just 350. Measured against March of last year, the new listings are exactly matching that period which was the start of a steady decline through 2008.

In terms of asking price, the March figure of \$409,000 is up 6% as compared to March last year, and a massive 22% from February. However it is important to recognise the low volumes and diversity of listings within this sector of the market.

Total Apartment listings

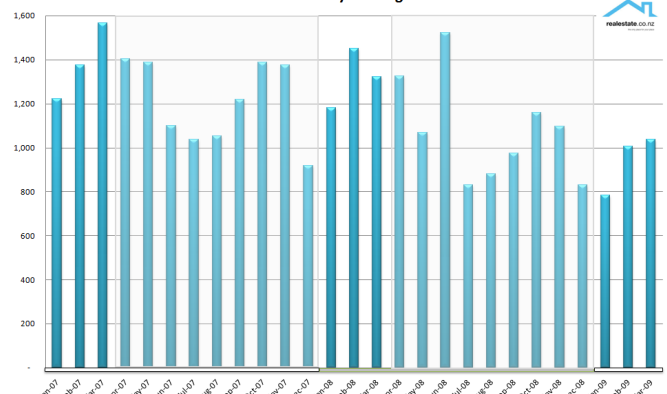


## Lifestyle

The market for lifestyle properties represents just 8% of all listings and, in terms of new listings, this category has shown the most lackluster activity. Slightly more than 1,000 new listings came onto the market in March – down 21% from March 2008, and a mere 3% increase on last month.

In terms of asking price, the March figure of \$570,000 is up 4% as compared to March last year, and 1% down from the February asking price.

Total Lifestyle listings





## Index Comparison

	Jan 2009		Feb 2009		Mar 2009	
	House Price	Annual Change	House Price	Annual Change	House Price	Annual Change
Realestate.co.nz	\$369,000	- 5%	\$379,000	- 4%	\$399,000	+ 1%
REINZ	\$325,000	- 4%	\$330,000	- 2%	N/A	N/A
QV	\$382,762	- 2%	\$383,786	- 2%	N/A	N/A

**Realestate.co.nz:** data compiled from asking prices of new residential listings as they come onto the market via subscribers to the realestate.co.nz website. Realestate.co.nz website currently has over 93% of all licensed real estate offices subscribing and providing all of their listings onto the website.

**REINZ:** data compiled from reported unconditional residential sales from all members of the Real Estate Institute of New Zealand representing all licensed real estate offices.

**QV:** data compiled from residential sales compiled by QV for the previous 3 month period.

### Notes

With the largest database of properties for sale in NZ, realestate.co.nz is uniquely placed to immediately identify any changes in the marketplace. Realestate.co.nz Property Report is compiled from new listings coming onto the market from the more than 1,150 licensed real estate offices across NZ, representing more than 93% of all offices. With a monthly level of over 12,000 new listings, the Realestate.co.nz Property Report provides one of the largest monthly sample reports on the residential property market, as well as a more timely view of the property market than any other property report. The data is collated and analysed at the close of each month, and the Report is compiled for the 1<sup>st</sup> day of the following month. This provides a feedback mechanism as to the immediate state of the market, well in advance of sales statistics which by the very nature of the selling process can reflect activity with a lag of between 2 and 4 months.

In analysing the details of the 13, 284 new listings in the month of March, a total of 447 listings have been excluded due to anomalies.

The categorisation of Lifestyle property is defined by the land area of the property. The criteria is a property having in excess of 0.3 hectares and being situated outside metropolitan areas.

### Background to Realestate.co.nz

Realestate.co.nz is the official website of the real estate industry of New Zealand, it is an industry owned website providing online marketing services to the real estate industry. The website is the most comprehensive website for real estate in NZ, currently hosting over 115,000 listings, covering residential property for sale and rent, commercial property for sale and lease, rural properties and farms, as well as businesses for sale. With a subscriber base of over 1,150 offices, the website features over 90% of all listings from licensed real estate agents in NZ. Realestate.co.nz receives over 350,000 unique browsers from both domestic and international visitors. The website is the most popular website for international visitors enquiring of NZ real estate, with over 100,000 unique browsers per month from more than 200 countries.

