



Media release

7 July, 2014

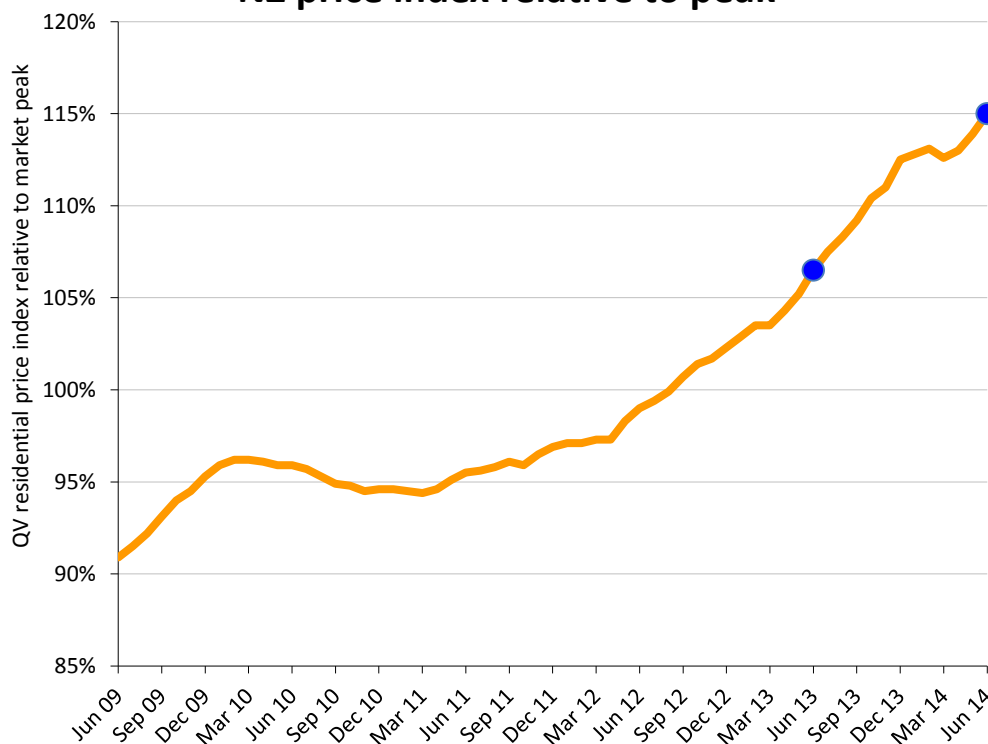
**STRICLY EMBARGOED UNTIL 12 NOON JULY 7, 2014**

**Property values still rising in Auckland while nationwide picture is mixed**

The latest monthly QV Residential Price Movement Index shows that nationwide residential property values for June have increased 8.0% over the past year, and 2.1% over the past three months. This means they are now 15.0% above the previous market peak of late 2007. When adjusted for inflation the nationwide annual increase drops slightly to 6.3% and values remain below the 2007 peak by 1.3%.

The Auckland market has increased 12.3% year on year and values are up 31.4% since 2007. When adjusted for inflation values are up 10.6% over the past year and are 12.8% above the 2007 peak.

**NZ price index relative to peak**



Andrea Rush QV National Spokesperson said, “The nationwide index is still increasing but the picture around the country is mixed.”

“Residential property values in Auckland and Christchurch are still increasing at a similar rate to what they were in June last year.”



“While values in Wellington and Dunedin are showing a downward trend this month, as are a number of other provincial centres around the country.”

“Sales volumes and home loan approvals (new and existing) are also down considerably at between 15-20% less than at this time last year.”

### **Auckland**

The Auckland region as a whole has increased 2.7% over the past three months and 12.3% year on year. Manukau East is up the most with values increasing 4.3% over the past three months. Followed by the North Shore – North Harbour where values have risen 4.2%. While in Waitakere City values rose 2.3% over the same period.

QV Valuer Bruce Wiggins said, “We are seeing a gradual reduction in the rate of growth in property values in some areas and more sellers opting to put on an asking price or sell by negotiation.

“However, sale by auction remains popular in high value areas or where there are special characteristics.”

“The gradual reduction in growth is particularly noticeable in ‘hot spots’ such as Waitakere, which was up more than 17% year on year a few months ago and is now showing a 15.2% increase year on year and Papakura, where values are also flattening off.”

“Land-banking remains popular in North-West Auckland where there are a number of new subdivisions currently being undertaken and more are planned.”

“Within Flat Bush there appears to be a flattening of prices in recent times. This may be due to a number of builders/developers who bought land on terms at around the same time completing construction with the new builds appearing on the market at similar times. This can create an over-supply and may affect values somewhat there.”

### **Hamilton and Tauranga**

Residential property values in Hamilton City has risen 1.1% over the past three months, and 4.9% over the past year.

Values in the North East of the city have increased 1.3% in the past three months and 5.8% year on year. Hamilton Central and North West is also up 1.3% in the past three months and 3.9% year on year.

Values in the Matamata-Piako District have increased 2.1% in the past three months as have values in the Waikato District which are up 4.1% over the same period.

However values in the South Waikato have decreased 4.4% over the past three months and 1.6% since this time last year. Values there are now 23.2% below the previous peak of 2007. Values in the Waitomo District have are also down 4.2% year on year and are now 37.9% below 2007 levels.



QV Valuer Nicky Harris said, "Values in Hamilton have seen a slight increase this month, which has been driven by the top end of the market, particularly in North Hamilton."

"Elsewhere in the city and in the low and middle market we are seeing a gradual reduction in the rate of growth but in general as there are fewer properties on the market, it is still a sellers' market in Hamilton."

"In parts of the wider Waikato region many smaller towns are seeing decreases in value having been hit hard by the LVR speed limits which have slowed activity and is now driving values down."

Tauranga City values have increased 2.0% in the past three months and 5.5% year on year. Values in the Western Bay of Plenty are also rising, up 1.6% in the past three months and 6.2% year on year.

QV Registered Valuer Mairi Macdonald said, "The market is mixed depending on the suburb and as prices are increasing in more sought after areas more buyers are looking in cheaper suburbs."

"Bethlehem is performing well due to a new town centre development."

"In Papamoa, a lack of new housing continues to put pressure on prices as demand remains steady for this beach location with relatively cheap prices compared to other city beach locations."

"Sales volumes over in Tauranga and Mt Maunganui are down which is likely to be due to a typical annual slowdown heading into the winter months."

"The Western Bay of Plenty and Te Puke areas are also seeing a drop in sales volumes which has led to a slight decrease in values and demand heading into winter."

### **Wellington**

Values in the wider Wellington Region have decreased 0.4% over the past three months. However they have increased 1.8% year on year. Wellington City is down 0.6% over the past three months but is up 2.0% since June last year. Wellington West is down 2.5% over the past three months and 0.1% year on year.

Lower Hutt values have decreased 1.3% in the past three months but are up 1.4% year on year. While values in Upper Hutt increased 0.2% over the past three months and are up 0.5% year on year. Values in the Kapiti Coast District have also increased 1.9% over the past three months and 3.3% year on year.

"QV Wellington Registered Valuer Kerry Buckeridge said, "The region has been fairly quiet, but there has been modest growth in some areas while values in the Hutt seem to be tapering off a bit."

"There is a slight drop in the listings in Wellington which is normal for the winter season and is helping real estate agents to sell some houses which have been on the market for a while so that's positive."

"There is no pressure in the market to drive values along. People are being very careful and cautious with their property decisions. It is noted that average days to sell have now reportedly increased to in excess of 40 which is very high for Wellington."



“In the city however, there are not many good properties under \$400,000 which is beyond the means for many first home buyers – especially with the higher deposit requirements imposed by the LVR caps. We are seeing some first home buyers finding ways around the caps, for instance by getting parental guarantees.”

### **Christchurch and Dunedin**

Property values in Christchurch City have increased 2.5% over the past three months, 7.0% year on year and 21.1% since the peak of 2007.

Southwest Christchurch has seen the largest increase in values with values there increasing 3.5% over the past three months and 11.0% since June last year. Values in this part of the city are now 29.7% higher than the peak of 2007. Values in the Selwyn District are also up 2.1% over the past three months, 8.8% year on year and are 35.3% above the previous peak.

QV Valuer Daryl Taggart said, “QV Valuer Daryl Taggart said, “While the Christchurch property market has an appearance of quietening down there is still plenty of sales activity.”

“Buyers are aware interest rates are increasing and this is influencing purchasing decisions, making people more cautious.”

“Properties are still selling at auction but increasingly a higher percentage of properties are being passed in and selling afterwards by negotiation generally on terms more favourable to the buyer.”

“There is a lot of development going on, both in residential areas and in the central city. Rents are still high and investors are purchasing rental properties and making the most of the strong demand for rental property.”

Property values in Dunedin City have decreased by 0.4% over the past three months, but are up 1.1% year on year and values there are 0.8% above the previous peak of 2007.

Values in Dunedin South have increased 1.6% in the past three months and 1.4% year on year but remain 1.7% below value levels seen in the peak of 2007.

QV Southern Manager Tim Gibson said “The market is fairly slow but steady at present with those slight drops in the index being fairly consistent across most suburbs within the city.”

“The levels appear indicative of the general level of market activity and value levels within the residential sector.”

“The market is certainly quieter than earlier in the year which is partly due to the winter season and buyers exercising caution. Generally, there remains stronger interest and activity in the mid-higher end of the market.”



### **Provincial centres**

Values in the provincial centres are variable with some showing slight increases, others flat and some decreasing.

In the North Island, there has been a downward trend in values in a number of the provincial centres over the past three months including Whangarei District down 1.7%; Rotorua District down 3.1%; Palmerston North down 0.5%; Wanganui down 2.0% and Gisborne down 2.6%.

However, values in Taupo have increased 3.3% since April along with values in Thames-Coromandal District up 1.3%, New Plymouth up 0.7% and the Rangitikei District up 4.7%.

In the South Island regions, Queenstown Lakes District is showing a downward trend with values there down 0.5% over the past three months but Invercargill City is up 2.2% and Marlborough District up 1.4% over the same period.

### **For media enquiries and interviews, and for further information contact:**

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### **For further specific comment on local areas:**

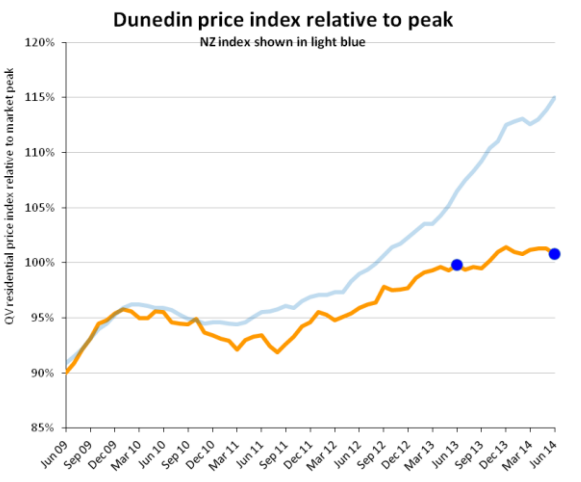
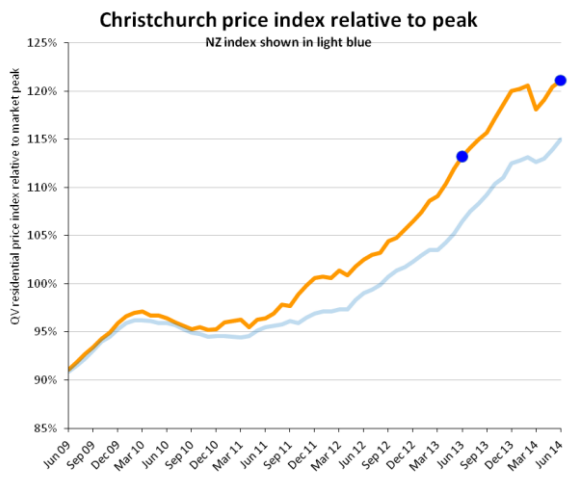
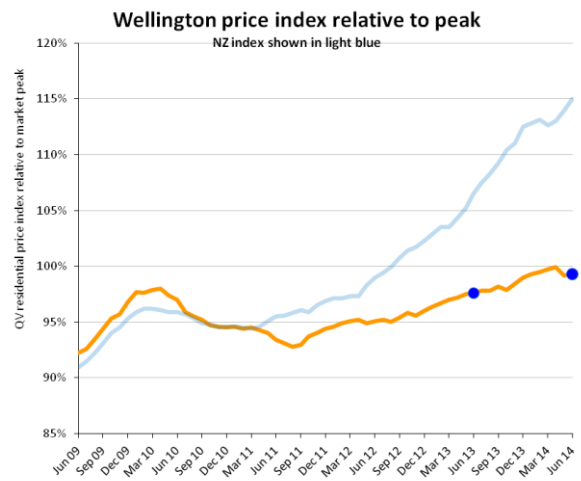
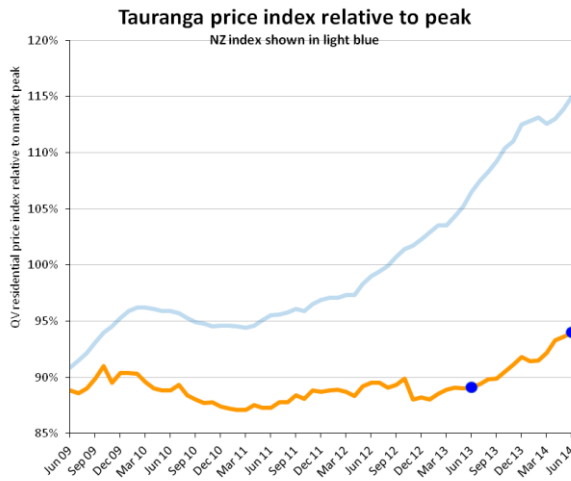
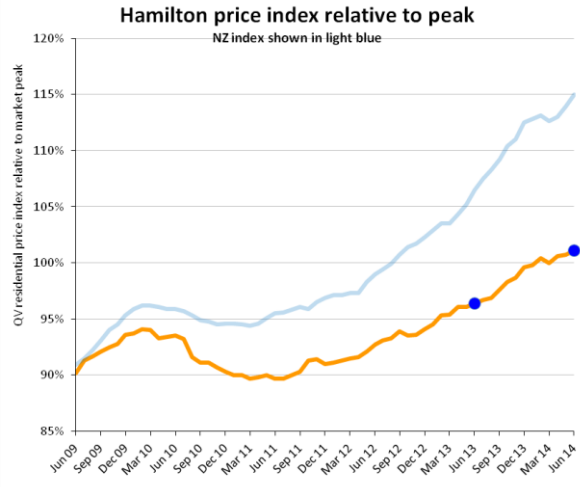
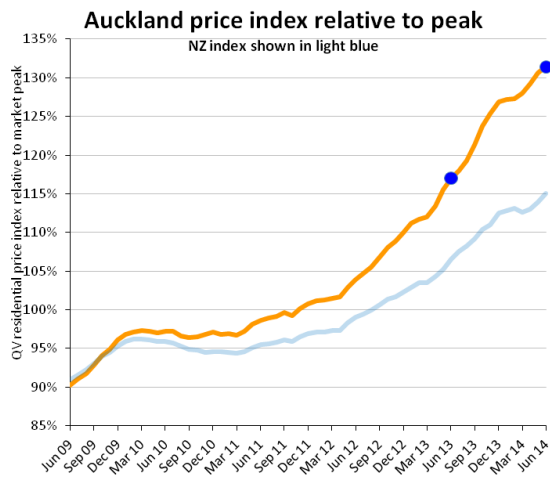
Hamilton. Nicky Harris - 0274 696506

Tauranga. Mairi MacDonald 027 230 7281

Wellington. Kerry Buckeridge 021 476-287

Christchurch. Daryl Taggart 027 304 9815

Dunedin. Tim Gibson 021 151 2887





<b>QV Residential Price Movement Index</b>					
<b>Time period: 30 June 2014</b>					
	<b>Territorial authority</b>	<b>Average current value</b>	<b>12 month change%</b>	<b>3 month change %</b>	<b>Since 2007 market peak change %</b>
	Far North	296,275	-4.6%	-1.9%	-25.6%
	Whangarei	333,294	0.7%	-1.7%	-15.9%
	Kaipara	336,642	7.0%	2.5%	-15.1%
	Auckland - Rodney	674,090	10.1%	3.1%	14.9%
	Rodney - Hibiscus Coast	667,236	8.7%	3.4%	13.6%
	Rodney - North	682,422	12.1%	2.7%	13.6%
#A	Auckland - North Shore	852,928	13.2%	3.3%	32.2%
	North Shore - Coastal	980,553	12.6%	3.5%	30.1%
	North Shore - Onewa	676,100	13.5%	2.3%	36.3%
	North Shore - North Harbour	830,372	14.6%	4.2%	36.7%
#A	Auckland - Waitakere	561,506	15.2%	2.3%	32.4%
#A	Auckland - City	848,024	11.4%	2.6%	36.2%
	Auckland City - Central	747,533	8.7%	0.7%	31.3%
	Auckland City - East	1,068,590	14.1%	3.2%	34.1%
	Auckland City - South	754,469	11.3%	3.1%	40.2%
	Auckland City - Islands	732,527	5.9%	0.5%	14.6%
#A	Auckland - Manukau	597,199	13.8%	2.9%	30.5%
	Manukau - East	800,047	13.6%	4.3%	34.2%
	Manukau - Central	454,283	14.0%	1.5%	20.8%
	Manukau - North West	486,982	14.4%	2.0%	31.8%
#A	Auckland - Papakura	431,142	13.2%	1.1%	19.8%
	Auckland - Franklin	468,940	12.2%	2.5%	18.6%
	Thames Coromandel	507,209	1.4%	1.3%	-12.8%
	Hauraki	237,433	-2.8%	-3.0%	-14.9%
	Waikato	287,276	6.3%	4.1%	-5.1%
	Matamata Piako	275,104	5.0%	2.1%	-5.7%
#	Hamilton	365,549	4.9%	1.1%	1.1%
	Hamilton - North East	460,476	5.8%	1.3%	2.4%
	Hamilton - Central & North West	340,566	3.9%	1.3%	-4.8%
	Hamilton - South East	334,732	4.2%	-0.8%	-4.2%
	Hamilton - South West	323,526	4.1%	1.6%	-5.5%
	Waipa	340,418	5.7%	1.9%	3.4%
	Otorohanga	N/A	N/A	N/A	N/A
	South Waikato	125,365	-1.6%	-4.4%	-23.2%
	Waitomo	N/A	N/A	N/A	N/A
	Taupo	342,553	-1.5%	3.3%	-14.5%



	Western BOP	415,877	6.2%	1.6%	-7.7%
#	Tauranga	452,431	5.5%	2.0%	-6.0%
	Rotorua	268,486	-0.2%	-3.1%	-8.6%
	Whakatane	297,636	0.9%	0.6%	-14.4%
	Kawerau	104,167	-1.2%	-1.3%	-34.6%
	Opotiki	206,133	-0.4%	-0.7%	-27.5%
	Gisborne	228,959	-0.9%	-2.6%	-23.0%
	Wairoa	N/A	N/A	N/A	N/A
	Hastings	300,145	0.3%	0.0%	-3.7%
#	Napier	325,095	0.3%	0.1%	-4.5%
	Central Hawkes Bay	210,326	4.4%	2.4%	-20.6%
	New Plymouth	350,891	4.6%	0.7%	6.1%
	Stratford	200,451	2.7%	2.5%	-8.3%
	South Taranaki	182,969	0.4%	1.2%	-7.5%
	Ruapehu	138,421	2.4%	-0.7%	-23.2%
	Wanganui	180,041	-5.4%	-2.0%	-19.7%
	Rangitikei	147,780	0.0%	4.7%	-18.3%
	Manawatu	239,862	1.2%	-0.4%	-5.7%
#	Palmerston North	285,050	-0.2%	-0.5%	-4.4%
	Tararua	152,643	-3.5%	-0.2%	-13.4%
	Horowhenua	205,764	3.0%	1.5%	-13.5%
	Kapiti Coast	375,081	3.3%	1.9%	-2.1%
#W	Porirua	378,373	0.3%	0.7%	-0.9%
#W	Upper Hutt	336,043	0.5%	0.2%	-4.4%
#W	Hutt	372,998	1.4%	-1.3%	-5.0%
#W	Wellington	535,962	2.0%	-0.6%	0.7%
	Wellington - Central & South	549,287	2.9%	0.4%	-2.0%
	Wellington - East	569,682	0.5%	-1.8%	-1.2%
	Wellington - North	472,441	3.0%	0.1%	1.4%
	Wellington - West	607,584	-0.1%	-2.5%	0.0%
	Masterton	236,152	-0.5%	-1.7%	-17.4%
	Carterton	258,522	2.1%	0.2%	-7.2%
	South Wairarapa	300,003	3.0%	-0.8%	-11.3%
	Tasman	410,318	2.1%	-1.4%	2.2%
#	Nelson	400,554	1.7%	0.2%	4.6%
	Marlborough	348,086	1.4%	1.4%	-10.7%
	Kaikoura	N/A	N/A	N/A	N/A
	Buller	206,718	-6.6%	-1.6%	0.6%
	Grey	216,367	0.8%	-3.9%	-11.5%
	Westland	232,235	1.9%	2.4%	-3.3%
	Hurunui	340,551	4.4%	2.6%	8.9%





	Waimakariri	405,007	7.1%	0.9%	26.5%
#	Christchurch	459,617	7.0%	2.5%	21.1%
	Christchurch - East	344,183	4.4%	2.1%	11.2%
	Christchurch - Hills	637,998	6.1%	5.4%	15.4%
	Christchurch - Central & North	536,600	8.1%	1.8%	21.2%
	Christchurch - Southwest	440,232	11.0%	3.5%	29.7%
	Christchurch - Banks Peninsula	462,532	-9.7%	-1.2%	-3.7%
	Selwyn	504,609	8.8%	2.1%	35.3%
	Ashburton	323,494	7.3%	3.6%	15.6%
	Timaru	280,066	4.7%	1.9%	11.6%
	MacKenzie	285,679	2.5%	-3.8%	-0.3%
	Waimate	192,613	2.0%	-5.5%	2.1%
	Waitaki	220,305	1.0%	0.9%	-3.5%
	Central Otago	313,350	4.2%	-0.7%	-1.1%
	Queenstown Lakes	664,353	4.3%	-0.5%	-3.4%
#	Dunedin	288,609	1.1%	-0.4%	0.8%
	Dunedin - Central & North	297,138	0.9%	-0.4%	-1.5%
	Dunedin - Peninsular & Coastal	260,769	0.1%	-2.0%	-3.7%
	Dunedin - South	280,796	1.4%	1.6%	-1.7%
	Dunedin - Taieri	297,772	1.2%	-1.2%	1.3%
	Clutha	166,917	7.0%	4.3%	-7.9%
	Southland	206,422	-1.2%	1.8%	-10.3%
	Gore	177,748	0.3%	-2.3%	1.1%
#	Invercargill	211,625	3.7%	2.2%	-4.0%
	Auckland Area	718,285	12.3%	2.7%	31.4%
	Wellington Area	452,649	1.8%	-0.4%	-0.7%
#	Main Urban Areas	555,521	9.6%	2.3%	20.9%
	<b>Total NZ</b>	476,346	<b>8.0%</b>	<b>2.1%</b>	<b>15.0%</b>

**Notes on the above data:**

1. The information included in the above table is based on the monthly property value index powered by CoreLogic. This index is calculated based on the sales data entered into CoreLogic's system in the previous 3 month period. For example, information for the period ending June will be calculated based on sales entered between April 1 and June 30.

2. The average current value is the average (mean) value of all developed residential properties in the area based on the latest index. It is not an average or median sales price, as both of those only measure what happens to have sold in the period.

3. The percentage change over three months, twelve months and since the 2007 market peak are based on the change in the property value index between that time and the current.

4. Any of the statistical data shown in italics are calculated based on a sample set of data that is less than the recommended minimum. These results should be used with caution. Those showing N/A had too few sales to generate an index