

The Property Report

LESS HOMES FOR SALE ACROSS NEW ZEALAND

LOWER HUTT NO EXCEPTION

There are now fewer residential properties listed for sale nationwide than at any time since 2006, potentially longer, according to new data released by Realestate.co.nz. The data shows that in September there were only 30,988 properties for sale across New Zealand.

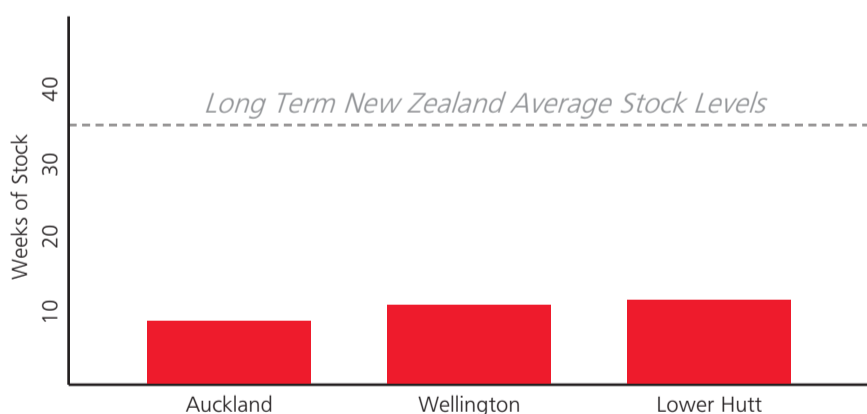
Over the last eight years, the number of homes for sale climbed steadily to a high point of 58,137 in April 2008. It remained consistently near 50,000 for another three years, before starting a slow, steady decline to the present level.

A metric called inventory is a measure of supply and demand that indicates how long it would take, in theory, for all the current properties on the market to be sold at the average rate of sales if no new properties were listed for sale. In September, inventory nationally dropped to its lowest level on recent record.

There is only 16.3 weeks of inventory compared to the long-term average of 35 weeks. In our main centres, the situation is even more extreme. In Auckland, the inventory is only 9.6 weeks and in Wellington 11.1 weeks. Lower Hutt has just under 12 weeks supply.

The current inventory levels across all 19 regions of New Zealand are now below their respective long-term regional averages.

I'm writing this article a week before it is published, but just yesterday, on a single day we had 31 offers on 10 properties. In one day 21 buyers missed out, 21 buyers who are still in the market. The greatest interest is in property under \$1M but we have sold three properties this month so far over \$1M including one for \$2.6M.



More new listings, but properties not staying on the market for long

The fact that inventory is so low may seem surprising, given that we have seen an increase in listings in most regions compared to September last year, especially in Auckland, Waikato and Bay of Plenty. Significantly, these are the three regions with the lowest level of inventory in the country, along with Wellington. The simple truth is that these properties are now spending less time in the market, suggesting that market pressures will remain high while the current rate of turnover continues.

Low inventory such as this is usually associated with a sellers' market and higher asking prices, as we have seen in recent months. Some of the best results have been in the auction room, with the average sale price having increased more than 10% in the last six months.

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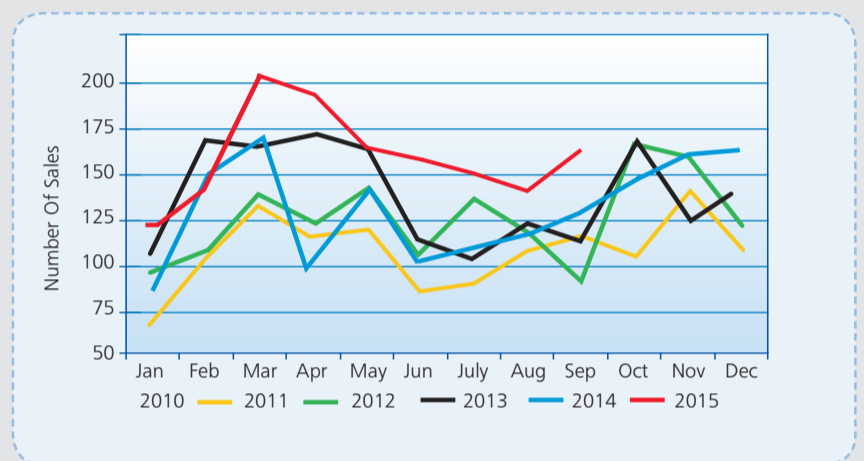


Regional Round Up

July 2015 – Sept 2015

SUBURBS	MEDIAN SALE PRICE (\$)	MEDIAN SALE PRICE % CHANGE		NUMBER OF SALES	VS LAST YEAR	MEDIAN DAYS TO SELL	VS LAST YEAR
		1 YEAR	3 YEARS				
Lower Hutt	385,000	-8	0	413	↑	36	↓
Upper Hutt	360,000	11	9	228	↑	43	N/C
Porirua	435,500	4	13	178	↑	45	↓
Wellington	509,000	11	8	741	↑	29	↓
MAIN CITIES							
Auckland	770,000	8	32	2901	↑	29	↓
Hamilton	432,000	23	31	1108	↑	26	↓
Christchurch	435,000	4	21	1636	↑	29	↓
Dunedin	291,000	-12	16	575	↓	28	↓

Lower Hutt Residential Property Sales



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Hutt Valley Rental Statistics

Rental Returns for Sept 2015

	BEDROOMS	MEDIAN RENT	RENT RANGE LOWEST - HIGHEST	% CHANGE FROM SEPT 14	NO. LET
	TWO	\$ 295	\$ 270 - \$ 340	- 5	20
	THREE	\$ 350	\$ 330 - \$ 372	3	20
	FOUR	\$ 400	\$ 388 - \$ 520	N/A	5
Southern Lower Hutt	ONE	\$ 245	\$ 208 - \$ 274	2	22
	TWO	\$ 330	\$ 307 - \$ 361	2	29
	THREE	\$ 450	\$ 367 - \$ 491	11	21
	FOUR	\$ 460	\$ 437 - \$ 487	- 6	9
Wainuiomata	ONE	N/A	N/A	N/A	0
	TWO	N/A	N/A	N/A	0
	THREE	\$ 320	\$ 300 - \$ 325	5	10
	FOUR	N/A	N/A	N/A	0
Upper Hutt	ONE	\$ 157	\$ 140 - \$ 200	0	10
	TWO	\$ 250	\$ 240 - \$ 270	N/C	35
	THREE	\$ 370	\$ 358 - \$ 411	3	29
	FOUR	\$ 440	\$ 428 - \$ 475	3	7

Median - the middle value when all of the data is placed in order of value. Source - Sales Statistics: REINZ website and Professionals Redcoats Ltd MREINZ records. These statistics are for residential dwellings and do not include sections. Source - Rental Statistics: Tenancy Services Bond Centre. These statistics are derived from information gathered from bonds lodged at the Department of Building and Housing.



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