

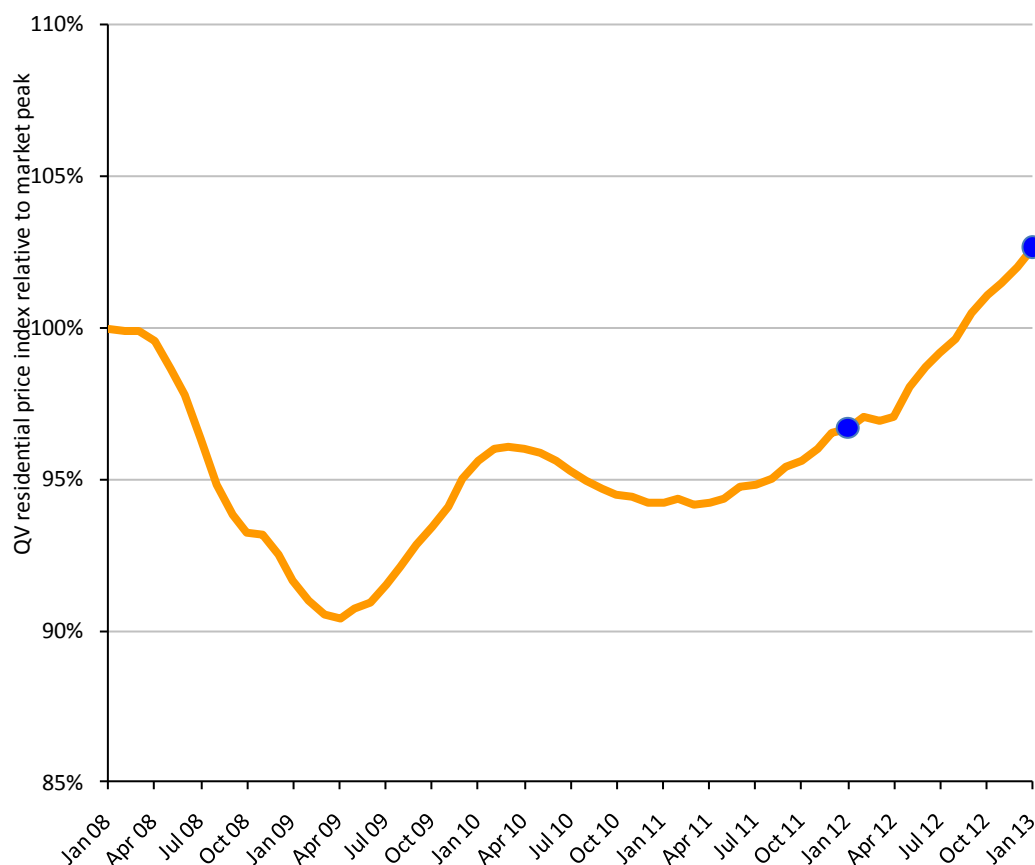
Media release

11th February

Values increasing throughout most of the country

The latest monthly property value index shows that nationwide residential values increased further in January. Values are up 1.5% over the past three months, 6.2% up over the past year, and 2.6% above the previous market peak of late 2007.

NZ price index relative to peak



Jonno Ingerson, QV.co.nz Research Director said “it has been a relatively strong start to the year for the property market, carrying on from the increased activity we saw in late 2012. There has been plenty of buyer enquiry and sales activity throughout January at a time when people are usually still in holiday mode”.

“The increase in nationwide values is no longer solely being driven by Auckland and Canterbury. Over the last month or two values have also begun rising again in most of the other main cities and provincial centres. While the rate of value increase is not as fast as Auckland and Canterbury it does signal an increase in confidence across most of the country” said Jonno Ingerson.

“The lack of properties for sale will continue to constrain sales volumes. The number of new listings coming onto the market has been fairly stable since 2009 and well below the levels seen at the peak of the market. Now that sales volumes have picked up the number of properties currently for sale has also dropped to very low levels. This leads to reduced buyer choice, and means that well

presented properties tend to sell quickly. The overall result is upward pressure on prices” said Jonno Ingerson.

Auckland

Values in the wider Auckland area have continued to increase, now up 10.2% over the past year and are up 3.0% over the past three months.

Old Auckland City and North Shore continue to have the steepest increases over the past 12 months, up 11.1% and 10.2% respectively, with Manukau and Waitakere close behind, up 9.7% and 9.2% respectively.

Values in the wider Auckland area are now 12.4% above the previous market peak in 2007, led by old Auckland City which is 15.9% above that mark.

QV Operations Manager Kerry Stewart said “There is still good activity in the Auckland market with the West especially very active over the last 6 weeks. Areas like New Lynn, Titirangi and Te Atatu are in good demand, with subdivisions in Henderson, Swanson and Massey also surging ahead. Generally we are seeing a lot of first home buyers active with investors also starting to look.”

“In Central Auckland we have seen houses priced over \$2 million start to stabilise, with many selling after auction. This is in contrast to properties under \$1 million which are still sought after, often selling prior to auction or having their auction dates moved forward due to keen buyer interest” said Kerry Stewart.

“Lifestyle properties throughout the region are moving slowly however, although prices are still relatively steady. Although there is a lot of stock available, aspects like travel times and traffic to these areas could be playing a big role as to why the demand has slowed” said Kerry Stewart.

Hamilton and Tauranga

Values in Hamilton have increased a little recently, up 3.7% above last year and 1.0% over the past three months.

QV Valuer Richard Allen said “Values in Hamilton continue to climb, albeit slowly. Buyers are now finding it difficult to get an entry level home under \$300,000, with \$330,000-340,000 a more likely price range. Section prices seem to be increasing due to new developments on the market and construction not seen for 10 years or so in the CBD could be a sign of growing confidence.”

Property values in Tauranga increased throughout the middle of 2012 before dropping back towards the end of the year. The last couple of months have been static leaving values 1.0% down on last year.

QV Valuer Paul Thomas said “The market remains flat as house prices either remain the same or decrease slightly. Although there are some subdivisions currently being undertaken, as well as a dramatic increase in retirement living, there doesn’t seem to be any new jobs or people moving to Tauranga. Several empty shops in the CBD are also a sign of tougher times”.

Wellington

Values in the Wellington area are still stable, up 0.6% over the past three months and up 1.8% up over the past year.

QV Valuer Pieter Geill said “over the past few weeks there have been a good number of properties come onto the market. Houses that haven’t sold over winter are also now starting to sell. We have had increased instances of people needing insurance valuations at the request of their provider due to policy changes, as well as people looking for advice on sales prices.”

Christchurch

Christchurch values continue to rise still, with the past 12 months seeing a 7.1% increase. The past three months has seen a 2.4% increase as well to leave Christchurch now 6.3% above the 2007 market peak.

QV Valuer Daryl Taggart said “The market seems to be picking up again after a quiet period over Christmas. Although there continues to be strong demand from first home buyers and investors at the lower end of the market, we are seeing good sales and activity towards the top end now as well.”

“A lot of building activity throughout the city is underway, repairing earthquake damaged properties, with some new houses now ready to move into. The least unaffected areas as well as outlying areas continue to have strong appeal, with Cashmere and Westmoreland particularly showing strong sales volumes lately” said Daryl Taggart.

Dunedin

Values in Dunedin seem to be relatively stable, only fluctuating within a small range. Values are up 1.1% over the past three months and still 2.7% up over the past year.

QV Valuer Tim Gibson said “Dunedin has seen a very busy start to the year with the Christmas period also unusually busy. The bottom end of the market is seeing most of the activity with properties receiving multiple offers and selling within weeks or even days in some instances.”

Provincial centres

Most of the main provincial centres have remained stable with slight increases in value over the past three months. Most are only seeing increases of around 1-1.5% within the past three months, with the exceptions being Rotorua, down 1.7% and Queenstown Lakes, down 0.6%. Areas like Nelson and Central Hawke’s Bay are increasing more so, up 2.0% and 2.9% respectively over the past three months.

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PropertyIQ Value Index - Residential Property					
Time period: as at January 2013					
	Territorial authority	Average current value	12 month change%	3 month change %	Since 2007 market peak change %
	Far North	312,522	-0.1%	-1.7%	-23.3%
	Whangarei	326,495	-0.1%	1.1%	-17.5%
	Kaipara	302,640	-7.8%	-1.5%	-24.5%
	Auckland - Rodney	585,081	6.4%	1.9%	-1.2%
	Hibiscus Coast	585,924	7.3%	1.8%	-0.2%
	Rodney (North)	583,960	5.4%	1.9%	-2.8%
#A	Auckland - North Shore	713,400	10.2%	3.6%	11.2%
	Coastal North Shore	818,086	8.8%	3.0%	8.6%
	North Shore Onewa	571,115	12.8%	4.7%	15.1%
	North Harbour	685,542	10.1%	3.4%	12.8%
#A	Auckland - Waitakere	456,605	9.2%	2.9%	7.2%
#A	Auckland - City	723,159	11.1%	3.0%	15.9%
	Auckland City (Central)	651,038	10.7%	2.2%	14.3%
	Auckland City (East)	896,926	9.1%	2.9%	12.5%
	Auckland City (South)	640,384	13.6%	3.7%	19.0%
	Islands	665,935	6.7%	3.8%	4.2%
#A	Auckland - Manukau	499,474	9.7%	2.4%	8.7%
	Manukau East	671,086	10.3%	2.7%	12.6%
	Manukau Central	381,061	8.8%	2.4%	1.4%
	Manukau North West	403,190	10.0%	2.4%	9.1%
#A	Auckland - Papakura	362,289	7.0%	1.3%	0.7%
	Auckland - Franklin	399,819	5.4%	0.8%	-1.4%
	Thames Coromandel	494,061	0.7%	-0.4%	-15.6%
	Hauraki	242,899	0.3%	2.8%	-14.9%
	Waikato	266,092	2.4%	1.4%	-17.9%
	Matamata Piako	263,846	1.7%	2.1%	-11.9%
#	Hamilton	341,664	3.7%	1.0%	-7.7%
	Hamilton North East	422,703	3.7%	0.6%	-6.0%
	Central City/North West	322,924	3.5%	1.6%	-9.8%
	Hamilton South East	317,674	3.5%	1.1%	-9.1%
	Hamilton South West	306,860	2.9%	1.2%	-10.3%
	Waipa	318,122	4.5%	0.9%	-6.0%
	Otorohanga	N/A	N/A	N/A	N/A
	South Waikato	133,427	1.7%	-0.5%	-18.3%
	Waitomo	146,184	-3.2%	1.4%	-34.0%
	Taupo	349,358	0.8%	0.8%	-13.9%
	Western BOP	398,497	-0.3%	-0.4%	-12.4%
#	Tauranga	423,858	-1.0%	-2.0%	-11.8%
	Rotorua	267,154	1.7%	-1.7%	-14.0%
	Whakatane	293,101	-2.4%	-1.5%	-15.6%

	Kawerau	N/A	N/A	N/A	N/A
	Opotiki	N/A	N/A	N/A	N/A
	Gisborne	224,190	-4.5%	-2.6%	-25.8%
	Wairoa	153,935	-0.7%	-2.4%	-40.6%
	Hastings	293,487	1.4%	0.5%	-6.6%
#	Napier	318,630	0.5%	0.6%	-6.7%
	Central Hawkes Bay	219,739	5.8%	2.9%	-18.0%
	New Plymouth	325,361	3.2%	0.5%	-2.7%
	Stratford	190,152	-1.4%	-5.0%	-12.6%
	South Taranaki	186,998	2.3%	3.4%	-5.8%
	Ruapehu	143,301	0.4%	-0.6%	-21.0%
	Wanganui	190,033	1.5%	0.4%	-13.3%
	Rangitikei	148,244	-1.8%	1.0%	-17.5%
	Manawatu	232,553	1.9%	1.4%	-8.4%
#	Palmerston North	284,012	3.8%	1.1%	-5.5%
	Tararua	152,189	-1.0%	1.5%	-12.7%
	Horowhenua	198,426	-3.1%	1.3%	-17.0%
	Kapiti Coast	360,438	2.2%	0.8%	-6.1%
#W	Porirua	368,096	0.9%	-0.8%	-3.9%
#W	Upper Hutt	327,613	1.0%	0.0%	-7.8%
#W	Hutt	363,284	1.9%	0.8%	-8.5%
#W	Wellington	520,903	2.1%	1.1%	-3.1%
	Wellington City & Southern Suburbs	525,963	0.6%	0.0%	-6.1%
	Eastern Suburbs	570,821	2.6%	2.7%	-1.0%
	North Wellington	457,319	2.7%	1.2%	-1.9%
	Western Suburbs	594,031	1.9%	1.0%	-2.2%
	Masterton	233,857	-2.6%	-2.5%	-19.2%
	Carterton	247,968	1.0%	2.2%	-10.2%
	South Wairarapa	288,347	4.8%	2.2%	-15.8%
	Tasman	397,650	2.8%	1.0%	-0.2%
#	Nelson	391,051	2.7%	2.0%	2.4%
	Marlborough	339,361	1.6%	1.2%	-13.1%
	Kaikoura	356,050	1.4%	4.6%	-18.7%
	Buller	228,491	10.4%	-1.2%	10.0%
	Grey	220,295	3.3%	-1.9%	-8.6%
	Westland	220,087	-3.7%	-3.7%	-11.3%
	Hurunui	325,821	8.8%	2.9%	2.9%
	Waimakariri	365,981	9.1%	1.7%	14.8%
#	Christchurch	407,343	7.1%	2.4%	6.3%
	East	313,881	4.4%	2.2%	1.4%
	Hills	575,956	9.0%	2.7%	4.1%
	Central City and North	470,991	7.9%	3.4%	6.4%
	Southwest	375,264	8.7%	2.0%	10.5%
	Banks Peninsula	463,235	2.9%	0.2%	-3.6%
	Selwyn	448,906	13.0%	4.4%	19.0%
	Ashburton	293,184	12.0%	1.8%	4.6%

	Timaru	261,828	4.8%	1.0%	3.6%
	MacKenzie	275,557	5.1%	5.1%	-6.8%
	Waimate	177,613	3.8%	-0.3%	-7.3%
	Waitaki	212,740	-1.0%	-1.7%	-6.9%
	Central Otago	294,050	1.2%	0.7%	-7.4%
	Queenstown Lakes	619,023	4.4%	-0.6%	-13.4%
#	Dunedin	282,110	2.7%	1.1%	-1.6%
	Central/Northern City	291,945	1.6%	1.9%	-3.2%
	Peninsula/Coastal Dunedin	262,284	3.1%	2.2%	-3.1%
	Southern City	271,157	3.3%	0.5%	-5.0%
	Taieri	288,730	3.4%	-0.3%	-1.8%
	Clutha	159,630	-2.9%	-1.7%	-12.0%
	Southland	204,325	-4.3%	-1.0%	-12.2%
	Gore	183,075	3.4%	0.7%	3.5%
#	Invercargill	206,147	2.3%	1.1%	-8.1%
	Auckland Area	615,086	10.2%	3.0%	12.4%
	Wellington Area	439,235	1.8%	0.6%	-4.5%
#	Main Urban Areas	487,000	7.5%	2.0%	6.2%
	Total NZ	426,452	6.2%	1.5%	2.6%

Notes on the above data:

1. The information included in the above table is based on the monthly property value index. This index is calculated based on the sales data entered into PropertyIQ'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

