



News Release

12 February 2010

RESIDENTIAL SALES FALL ON BACK OF UNCERTAINTY

Total residential dwelling sales plummeted last month to their lowest level in nearly two decades, as seen in figures released today by the Real Estate Institute of New Zealand (REINZ).

Real Estate Institute of New Zealand President Peter McDonald says the total figure of 3,666 dwellings sold in January this year was the lowest monthly total since electronic records began in 1992 and was only the second time the total figure had dipped under 4,000.

“Activity in the residential property market was quiet last month on the back of uncertainty over what actions the Government intended to take on the recently announced tax working group recommendations,” he says.

“Hopefully the market will start to pick up now things are a bit clearer after the Prime Minister gave his opening speech to Parliament on Tuesday. He indicated the Government has ruled out proposals to introduce a land tax, comprehensive capital gains tax or new tax on residential investment properties.”

The total value of residential sales, including sections, in New Zealand in January was \$1.53 billion. January's total of 3,666 was 40 fewer dwellings than were sold in January 2009, the first time total dwelling sales fell below 4,000 and 1291 down on December 2009. The breakdown of the values of the properties was 87 for \$1 million plus, 395 for \$600,000 - \$999,999, 937 for \$400,000 - \$599,999 and 2247 under \$400,000.

The median residential house price rose in 11 out of 12 districts last month (January 2010) compared to the same period the previous year. The national median of \$350,000 was up 7.7 percent on the corresponding figure of \$325,000 for January 2009, but was \$10,000 down on the median price for December 2009.

“House values seem to be holding nicely at the moment though and it's becoming a more settled market as times goes by,” Mr McDonald says.

The largest gains were Otago, up 17.9 percent to \$247,500, followed by Taranaki up 12.5 percent to \$300,000 and Canterbury/Westland, also up 12.1 percent to \$319,500. Central Otago/Lakes was the only region to experience a drop in median prices, down 10.4 percent to \$410,000.

Auckland residential sales, including sections, accounted for \$666 million of total sales in January. Canterbury/Westland and Waikato/Bay of Plenty were the next greatest value at \$191m and \$183m respectively with Wellington not far behind at \$172m.

The national median for days to sell in January was 43, 16 fewer days than the corresponding period a year ago but 10 more days than in December 2009. Sales were quickest in Southland at 33 median days and in Auckland where the median days to sell was 36.

ENDS

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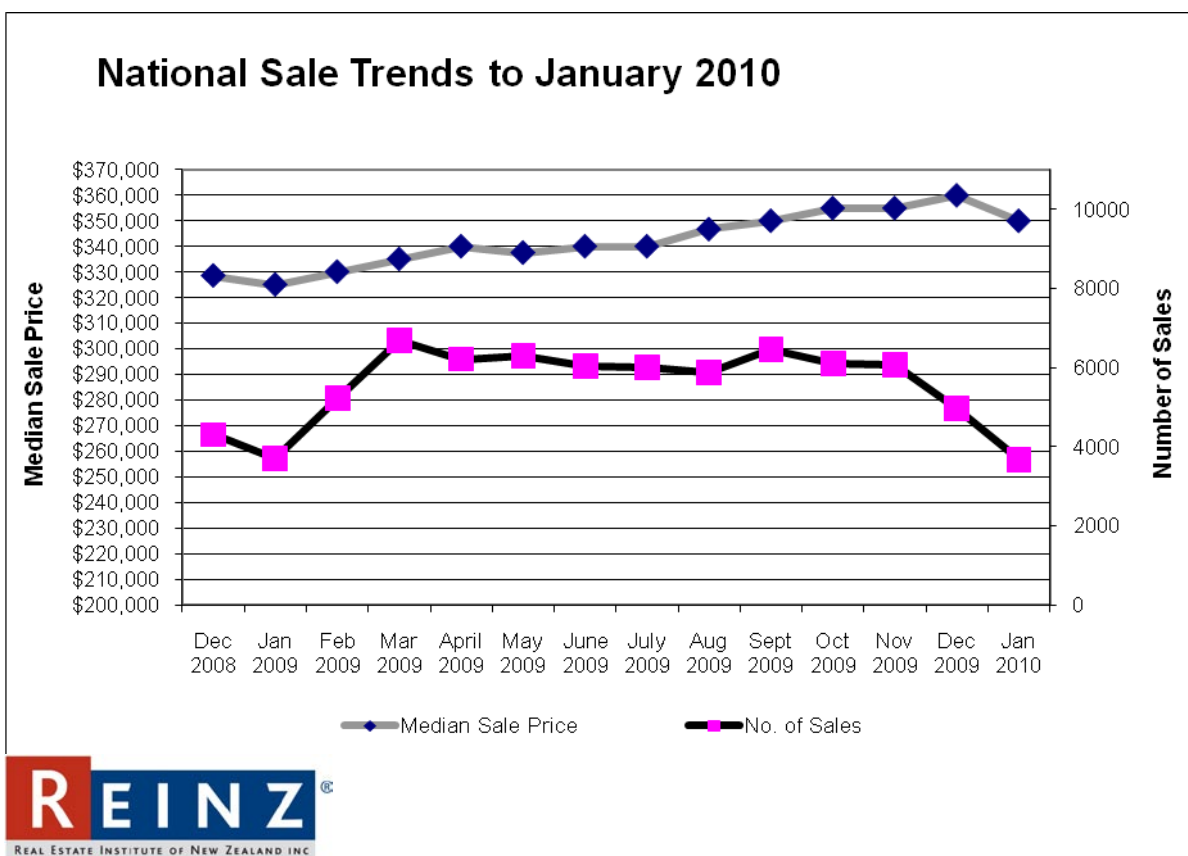
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Explanatory Note:

The monthly REINZ residential sales reports remain the most contemporary and up-to-date statistics on house prices and sales in New Zealand. They are based on actual sales reported by real estate agents. These sales

are taken as of the date that a transaction becomes unconditional and includes sales as of 5:00pm on the last business day of the month.

Other surveys of the residential property market are based on information from Territorial Authorities regarding settlement and the receipt of documents by the Authority from a solicitor. As such, this information involves a lag of four to six weeks before the sale is recorded by the Territorial Authority.



Residential Highlights – January 2010

Northland

In total, 83 houses sold in Northland in January (December 2009: 113; January 2009: 83). The median price increased slightly to \$308,000 from \$306,000 in December (January 2009: \$275,000).

17 houses sold in the Whangarei County area (December 2009: 10; January 2009: 8). The median price decreased to \$410,000 from \$425,000 in December (January 2009: \$380,000).

38 houses sold in Whangarei City in January, down from 51 in December 2009 (January 2009: 42). The median was up at \$292,500 (December 2009: \$280,000; January 2009: \$261,000).

Auckland

The median house price in Auckland decreased to \$450,500 in January (December 2009: \$470,000 January 2009: \$422,000). 1,240 houses sold in January, compared with 1,646 sold in December (January 2009: 1,149).

The median sale price for a North Shore City home increased to \$535,527 in January (December 2009: \$526,500; January 2009: \$507,500). 249 houses sold during the month, down on the 320 sold in December 2009. (January 2009: 246).

Sales volume was up in Waitakere City in December with 177 sold (December 2009: 165; January 2009: 143). The median price increased slightly to \$383,000 (December 2009: \$385,000; January 2009: \$352,500).

The median price for an Auckland City house decreased to \$480,000 in January (December 2009: \$520,500; January 2009 \$458,500). 368 houses sold in January, down on the 622 sold in December 2009 (January 2009: 344).

251 houses sold in Manukau City in January (December 2009: 297; January 2009: 237). The median price increased to \$468,000 from \$457,000 in December (January 2009: \$408,000).

The number of sales in Papakura was down with 30 houses sold in January (December 2009: 43; January 2009: 28). The median price eased up slightly to \$337,500 (December 2009: \$337,000; January 2009: \$303,500).

The median price for a Metropolitan Auckland house decreased to \$460,000 in January, from \$480,000 in December (January 2009: \$425,000). 1,075 houses sold (December 2009: 1,447; January 2009: 998).

79 houses sold in Rodney District, down from the 101 sold in December (January 2009: 65). The median price was up at \$490,000, from \$465,000 in December (January 2009: \$485,000).

The median price for a Franklin District home increased to \$349,000 in January, from \$344,500 in December (January 2009: \$367,000). 43 houses sold, down on the 62 sales in December 2009 (January 2009: 45).

43 houses sold in Thames/Coromandel in January, up from the 36 sales in December (January 2009: 41). The median price increased to \$358,000 from December's \$353,200 (January 2009: \$350,000).

The median price for an Outer Auckland home was up at \$415,000 in January, from \$405,000 in December (January 2009: \$396,000). Sales volume was down with 165 houses sold, compared with the 199 sold in December (January 2009: 151).

Waikato/Bay of Plenty/Gisborne

The median price for a house in the Waikato/Bay of Plenty/Gisborne district was steady at \$320,000 in January (December 2009: \$320,000; January 2009: \$304,250). 499 houses sold, a decrease on the 715 sold in December 2009 (January 2009: 458).

Sales were down in Waikato Country in December with 81 houses sold (December 2009: 120; January 2009: 65). The median price was down slightly at \$280,000 (December 2009: \$283,000; January 2009: \$248,000).

The median price for a Hamilton City house decreased to \$319,538 in January (December 2009: \$350,000; January 2009: \$290,000). Sales volume was down, with 112 dwellings sold in January 2010 (December 2009: 197; January 2009: 119).

Sales volume was down in Western Bay of Plenty Country with 44 houses sold, a decrease on the 53 sold in December. The median price decreased to \$361,000 from \$365,000 in December. In January 2009, 28 houses sold with a median sale price of \$379,000.

The median price for a house in Mt Maunganui/Papamoa decreased to \$395,500 in January, from \$440,000 in December (January 2009: \$375,000). 40 houses sold, down on the 59 sold in December 2009 (January 2009: 40).

79 houses sold in Tauranga in January 2009, down on the 95 sold in December (January 2009: 66). The median price was up at \$349,000 (December 2009: \$337,500; January 2009: \$343,750).

Rotorua's median price increased to \$230,000 in January, from \$215,100 in December (January 2009: \$242,500). 39 houses sold, down from the 63 sold in December (January 2009: 48).

40 houses sold in Taupo in January, up from the 30 sold in December (January 2009: 38). The median price decreased to \$330,000 in January from \$346,500 in December (January 2009: \$382,500).

The median price for a King Country home increased to \$163,000 in January (December 2009: \$109,500; January 2009: \$182,500). 12 houses sold, up from the eight sold in December (January 2009: 10).

The median price for a Gisborne City home decreased to \$225,000 from \$252,500 in December (January 2009: \$255,000). Sales volume was down with 21 houses sold. (December 2009: 48; January 2009: 26).

The median price for a house in Eastern Bay of Plenty Country decreased to \$288,500 in January, down from \$295,000 in December (January 2009: \$210,000). 30 houses sold; down from the 39 sold in December (January 2009: 18).

Hawkes Bay

Sales volume was down in the Hawkes Bay in January with 144 houses sold (December 2009: 182; January 2009: 155). The median price decreased to \$278,000 (December 2009: \$290,000; January 2009: \$259,000).

The median price for a house in Napier City decreased to \$302,750 in January (December 2009: \$313,750; January 2009: \$287,000). 66 houses sold in January (December 2009: 76; January 2009: 79).

52 houses sold in Hastings City in January 2010, down from 65 in December 2009 (January 2009: 46). The median price was up at \$302,500 from \$306,500 in December (January 2009: \$240,000).

Hawkes Bay Country's median price decreased to \$230,000 in January from \$366,000 in December (January 2009: \$134,000). 10 homes sold in January (December 2009: 10; January 2009: six).

Manawatu/Wanganui

The median price for a house in the Manawatu/Wanganui district was steady at \$230,000 in January (December 2009: \$230,000; January 2009: \$220,000). 194 houses sold in January, down on the 204 sold in December (January 2009: 217).

The median sale price for a house in Palmerston North City remained steady at \$264,000 in January (December 2009: \$264,000; January 2009: \$260,000). 69 houses sold (December 2009: 92; January 2009: 99).

Sales volume was up in Manawatu Country with 25 houses sold (December 2009: 21; January 2009: 17). The median price increased to \$195,000 from \$177,000 in December (January 2009: \$190,000).

The median sale price in Manawatu increased to \$244,000 in January (December 2009: \$237,000; January 2009: \$235,000). The number of sales was down with 143 houses sold (December 2009: 150; January 2009: 164).

39 houses sold in Wanganui City in January, up from the 32 sold in December (January 2009: 35). The median price eased up slightly to \$208,000 from \$206,500 in December (January 2009: \$178,000).

The median sale price in Wanganui decreased to \$189,000 in January (December 2009: \$207,000; January 2009: \$160,000). 51 houses sold, down on the 54 sold in December 2009 (January 2009: 53).

Taranaki

The median price for a house in Taranaki increased to \$300,000 in January (December 2009: \$280,000; January 2009: \$266,750). 123 houses sold, down from the 141 sold in December (January 2009: 130).

16 houses sold in the Taranaki Country area in January (December 2009: 25; January 2009: 13). The median price decreased to \$205,000 from \$232,000 in December (January 2009: \$255,000).

The median sale price for a New Plymouth City house increased to \$350,000 (December 2009: \$335,000; January 2009: \$307,500). The number of sales remained unchanged with 69 houses sold in January (December 2009: 69; January 2009: 66).

Wellington

Wellington's median price decreased to \$375,000 in January 2010 from December 2009's \$400,000 (January 2009: \$362,500). The number of sales was down at 420 for January, compared with 548 sold in December 2009. (January 2009: 396).

50 houses sold in the Wairarapa in January 2010 (December 2009: 55; January 2009: 32). The median price was up at \$277,500 from \$260,000 in December (January 2009: \$231,000).

The median price for an Upper Hutt house eased to \$303,250 (December 2009: \$305,000; January 2009: \$300,000). 42 houses sold, down on the 43 sold in December (January 2009: 34).

58 houses sold in the Hutt Valley (December 2009: 87; January 2009: 78). The median price was down at \$357,500 from \$362,000 in December 2009 (January 2009: \$345,000).

The median price for a house in Otaki/Paekakariki increased to \$345,000 in January (December 2009: \$335,000; January 2009: \$315,000). 70 houses sold (December 2009: 81; January 2009: 65).

52 houses sold in Pukerua Bay/Tawa in January, the same as in December (January 2009: 39). The median price was up at \$383,750 (December 2009: \$371,000; January 2009: \$364,000).

Sale numbers in Central Wellington were down to 37 from 52 in December 2009. (January 2009: 45). The median price decreased to \$400,000 from \$484,000 in December (January 2009: \$397,500).

Nelson/Marlborough

The median price for a Nelson/Marlborough home eased slightly to \$341,250 in January (December 2009: \$343,500; January 2009: \$306,000). 148 houses sold (December 2009: 195; January 2009: 173).

61 houses sold in Nelson City in January (December 2009: 81; January 2009: 68). The median price decreased to \$315,000 (December 2009: \$355,000; January 2009: \$320,000).

The median price for a Nelson Council zone house was down at \$342,000 in January (December 2009: \$367,500; January 2009: \$316,500). 111 houses sold (December 2009: 128; January 2009: 114).

37 houses sold in Marlborough in January (December 2009: 67; January 2009: 59). The median price increased to \$340,500 from \$285,000 in December (January 2009: \$287,500).

Canterbury/Westland

Sales volume was down in Canterbury/Westland with 512 houses sold in January (December 2009: 754; January 2009: 562). The median sale price eased slightly to \$319,500. (December 2009: \$320,000; January 2009: \$285,000).

The median price for a house in Christchurch City was down at \$328,200 in January, from \$347,250 in December (January 2009: \$300,000). 339 houses sold (December 2009: 506; January 2009: 379).

The median price for a home in Rangiora increased to \$315,000 in January (December 2009: \$276,000; January 2009: \$323,000). Sale numbers were down with 23 houses sold. (December 2009: 35; January 2009: 20).

The median price for a North Canterbury house increased to \$347,000 in January, from \$272,500 in December (January 2009: \$247,000). 22 houses sold, down on the 23 sold in December (January 2009: 19).

The median price for a Canterbury Country home decreased to \$368,000 in January, from \$380,600 in December (January 2009: \$360,000). 33 houses sold (December 2009: 33; January 2009: 30).

The number of houses sold in Mid Canterbury in January was down with 20 sales recorded (December 2009: 34; January 2009: 45). The median price increased to \$317,000 from \$246,500 in December (January 2009: \$245,000).

Sales volume was down in Timaru in January, with 28 houses sold (December 2009: 42; January 2009: 21). The median price eased up to \$220,000 in January, from \$218,000 in December (January 2009: \$225,000).

The median price for a house on the West Coast was up at \$206,000 in January from \$202,500 in December (January 2009: \$172,500). 12 houses sold, down on the 37 sold in December (January 2009: 18).

173 houses sold in Outer Canterbury in January (December 2009: 248; January 2009: 183). The median price was up at \$282,500 in January (December 2009: \$250,000; January 2009: \$259,000).

Central Otago Lakes

58 houses sold in January, down from the 95 sold in December (January 2009: 78). The median price was down at \$410,000 (December 2009: \$432,500; January 2009: \$457,500).

The median price for a house in Central Otago decreased to \$347,500 in January (December 2009: \$417,000; January 2009: \$382,000). 32 houses sold (December 2009: 53; January 2009: 35).

Sales volume was down in Queenstown with 26 houses sold in January, compared with the 42 sold in December (January 2009: 43). The median price was up at \$531,250 (December 2009: \$481,000; January 2009: \$560,000).

Otago

151 houses sold in Otago in January, down from December's 231 (January 2009: 194). The median price increased to \$247,500 from \$230,000 in December (January 2009: \$210,000).

Sales volume was down in North Otago with 20 houses sold (December 2009: 30; January 2009: 20). The median sale price increased to \$207,500 from \$186,500 in December (January 2009: \$205,000).

The median price in Dunedin City increased to \$257,500 in January from \$243,000 in December (January 2009: \$231,000). 122 houses sold (December 2009: 185; January 2009: 152).

The number of sales was down in South Otago with seven houses sold (December 2009: 15; January 2009: 17). The median price decreased to \$123,500 from \$200,000 in December (January 2009: \$120,000).

Southland

Sales volume was down in Southland with 94 houses sold (December 2009: 133; January 2009: 111). The median price eased slightly to \$182,500 from \$184,000 in December (January 2009: \$175,000).

Sales volume was down in Invercargill at 71 for January (December 2009: 86; January 2009: 67). The median price decreased to \$185,000 (December 2009: \$189,025; January 2009: \$185,000).

The median price for a house in Gore decreased to \$132,000 in January from \$141,000 in December (January 2009: \$166,000). Eight houses sold during the month (December 2009: 29; January 2009: 21).