

September 2023 REINZ Market Report

The REINZ September 2023 figures show more activity in the spring property market with prices stabilising, sales counts rising and properties selling in fewer days. REINZ Chief Executive Jen Baird says.

September traditionally provides positivity and more activity as the warmer months arrive.

"This month shows the 'green shoots' from previous months are continuing to grow, confidence is emerging in the property market, and we are seeing signs of an upward trend."

Auckland sales count was up year-on-year by 4.1% and nationally there was a 2.3% increase in the median sale price rising to \$785,000 from \$767,500 month-on-month but decreasing year-on-year by 3.1%.

Median sale prices have increased in all but three regions (West Coast (+16.4%), Marlborough (+13.8%) and Otago (+9.3%) month-on-month.

At the end of September, the total number of properties for sale across New Zealand was 23,564, down 9.0% (2,339 properties) from 25,903 year on year, however, that number rose by 3.6% month-on-month as we would expect heading into the busier months of the annual property market cycle.

The national median days to sell reduced by 7 days year-on-year from 47 to 40 days, and 3 days month-on-month from 43 to 40 days.

"The numbers we are seeing this month show the expected upturn in the market post winter but after many months of a much weaker market, there seem to be stronger signals in growing activity from both buyers and sellers," says Baird

Listings and the median days to sell are key areas to watch as they can indicate a shift in the property market cycle.

Local agents continue to report an increase in activity, enquiry, and bigger numbers at open homes generally."

"We can also see auctions coming back with some positive numbers this month.

Nationally auctions comprised 15.3% of the total sales for September 2023, compared to 14.0% in August 2023 and 11.4% compared to September 2022," comments Baird.

"The public want to know what's happening now. Should they sell? Should they buy? Or what are prices doing?

And now that the election is over and the political future is now more apparent and we're also past the traditionally quiet winter months, the market does appear to be turning.

Certainty is returning for some who are seeing the low point of the market cycle behind them and are deciding to act."

"Now the election is past us, there will be an adjustment and with another OCR announcement coming at the end of November, there will be some who do still hold off, but we are seeing more people, both buyers and sellers, decide now is the time for them to be in the market.

Agents are also reporting that their pipelines for new listings are looking healthy," suggests Baird.

The HPI (House Price Index) for New Zealand was 3,614 in September 2023, a 0.7% increase compared to the previous month.

However, when compared to the same period last year, the HPI reflects a 3.3% decline. The average annual growth in the New Zealand HPI over the past five years has been 5.7% per annum and it currently sits 15.5% below the peak.

Current Listings

PBN



10 BEXLEY PLACE, PAHUREHURE
PRICE BY NEGOTIATION
Brick & Tile beauty on 708m2
3 x beds, 1 x baths, dble garage with pool

AUCTION



6 MARNE ROAD PAPANUI
AUCTION 1st Nov 23 (12.00 - in rooms)
Perfectly located central to everything
3 x beds, 2 x baths, brick & tile on 534m2

PBN



12a CLIFF ROAD PAPANUI
PRICE BY NEGOTIATION
Secure your family's future on 1174m2
3 x beds, 1 x baths, kiwi classic home

PBN



3/2 ALBERT STREET PAPANUI
PRICE BY NEGOTIATION
2 x beds, 1 x baths, kiwi classic brick & tile home.
CV - \$730,000

Recently Sold

SOLD



2/25 ASHDOWN PL, PAHUREHURE
2 brm 1 bth - SOLD - \$701,500

SOLD



7 KAVANAGH PLACE, OPAHEKE
5 brm 3 bth, 1022m2 - SOLD - \$1,150,000



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LOCAL REAL ESTATE SUBURB TRENDS

Month	Median	Average	Sold	Days	Highest\$	Lowest\$
KARAKA Incl Lakes & Harbourside						
Sep 22	\$1,582,500	\$1,658,125	8	44	\$2,480,000	\$1,115,000
Sep 23	\$1,015,000	\$1,186,944	18	52	\$1,840,000	\$761,000
PAHUREHURE						
Sep 22	\$1,087,500	\$1,169,167	3	42	\$1,450,000	\$970,000
Sep 23	\$899,000	\$893,188	8	41	\$1,115,000	\$690,000
PAPAKURA SUBURB						
Sep 22	\$870,000	\$1,012,442	43	49	\$6,930,000	\$599,000
Sep 23	\$770,000	\$804,753	43	46	\$1,600,000	\$455,000
OPAHEKE						
Sep 22	\$900,000	\$877,000	5	32	\$950,000	\$730,000
Sep 23	\$905,000	\$904,857	7	64	\$1,160,000	\$651,000
ROSEHILL Incl Parkhaven Estate						
Sep 22	\$927,500	\$927,500	2	84	\$1,200,000	\$655,000
Sep 23	\$872,000	\$939,600	5	41	\$1,305,000	\$770,000
TAKANINI Incl Longford Park & Conifer Grove						
Sep 22	\$950,000	\$979,364	22	41	\$1,500,000	\$590,000
Sep 23	\$910,000	\$932,096	23	35	\$1,240,000	\$592,000
PAPAKURA WIDER DISTRICT						
Sep 22	\$905,000	\$1,061,605	88	45	\$6,930,000	\$599,000
Sep 23	\$845,000	\$916,759	111	46	\$1,885,000	\$455,000

Costs To Consider When Buying a Home

When buying a home, it's crucial to budget for various costs to ensure you're financially prepared for the process.

Here are the top 6 key costs to consider when buying a home:

Deposit: A deposit is usually required when buying a home in New Zealand. The typical deposit is around 20% of the property's purchase price, although some lenders may accept a lower percentage.

Legal Fees: You'll need to hire a lawyer or conveyancer to handle the legal aspects of your property purchase. Legal fees can vary but are a necessary expense in the home-buying process.

Lender's Mortgage Insurance (LMI): If your deposit is less than 20% of the property's purchase price, your lender may require you to pay LMI. This insurance protects the lender if you default on your loan. LMI costs can add to your upfront expenses, but they allow you to secure a mortgage with a smaller deposit.

Property Valuation: Many lenders will require a professional property valuation to determine the property's market value. This cost varies depending on the property's location and size but is typically paid by the buyer and be between \$700-\$1000

Building Inspection Costs: You should budget for a building inspection on your planned purchase to ensure there are no unforeseen building issues. Budget for between \$500-\$1000.

Council LIM & Property File: It can be important to view and understand the records held by the Council on the property including zonings, services and potential flood issues. If your agent doesn't supply a recent one, be prepared to spend \$300-\$450 on obtaining both a LIM & Property File.

It's important to note that additional costs can include home insurance, moving expenses, and ongoing maintenance.

It's advisable to create a comprehensive budget that takes into account all potential expenses to ensure a smooth and financially sound home-buying process.

Consulting with a financial advisor or mortgage broker can also help you better understand and plan for these costs.



CURRENT BANK LENDING RATES

Bank	Floating	1 year	2 year	5 year
ANZ	8.64%	7.25%	6.99%	7.09%
ASB	8.64%	7.45%	7.05%	6.69%
BNZ	8.69%	7.19%	6.99%	6.69%
Kiwibank	8.50%	7.15%	6.99%	6.49%
TSB	8.64%	7.19%	6.99%	6.69%
Westpac	8.64%	7.25%	6.99%	6.39%
Best Rate	7.49% Bank of China	6.69% Heartland	6.59% Heartland	6.29% Bank of China

Info from mortgage.com.au as at 15 October 2023. Red equals increased rate, Black equals the same rate, Green equals reduced rate (compared to last month) In no way is this display to be taken as an endorsement of any of these Banks

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