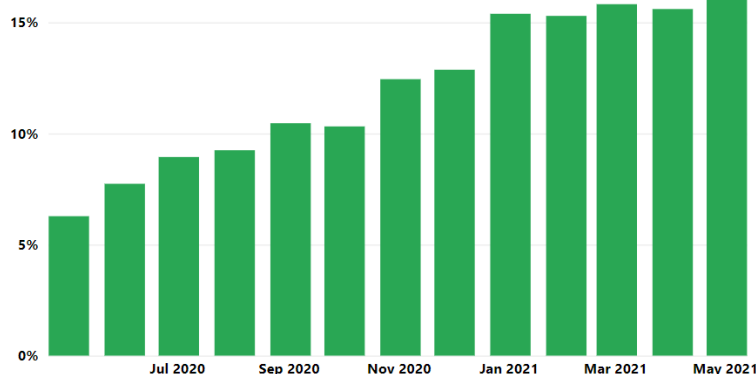


House prices grow by a record-breaking 17 per cent in one year

The national average asking price has reached yet another record after seeing its biggest year-on-year increase of all-time in May, increasing by 17 per cent to \$820,950, according to the latest Trade Me Property Price Index.

Trade Me Property Sales Director Gavin Lloyd said May usually sees the property market begin to cool off ahead of the looming winter months, but that didn't seem to be the case this year. "New Zealand house prices continued their record-breaking streak, hitting an all-time high for the ninth consecutive month in May."

Annual Change in Property Price Index:



Property prices
have increased

16.6%

Compared to last
year



Increased demand paired with less properties on the market were behind the blanket price increases. "Nationwide, views on properties for sale were up by 2 per cent in May when compared with the month prior, while supply was down by 3 per cent.

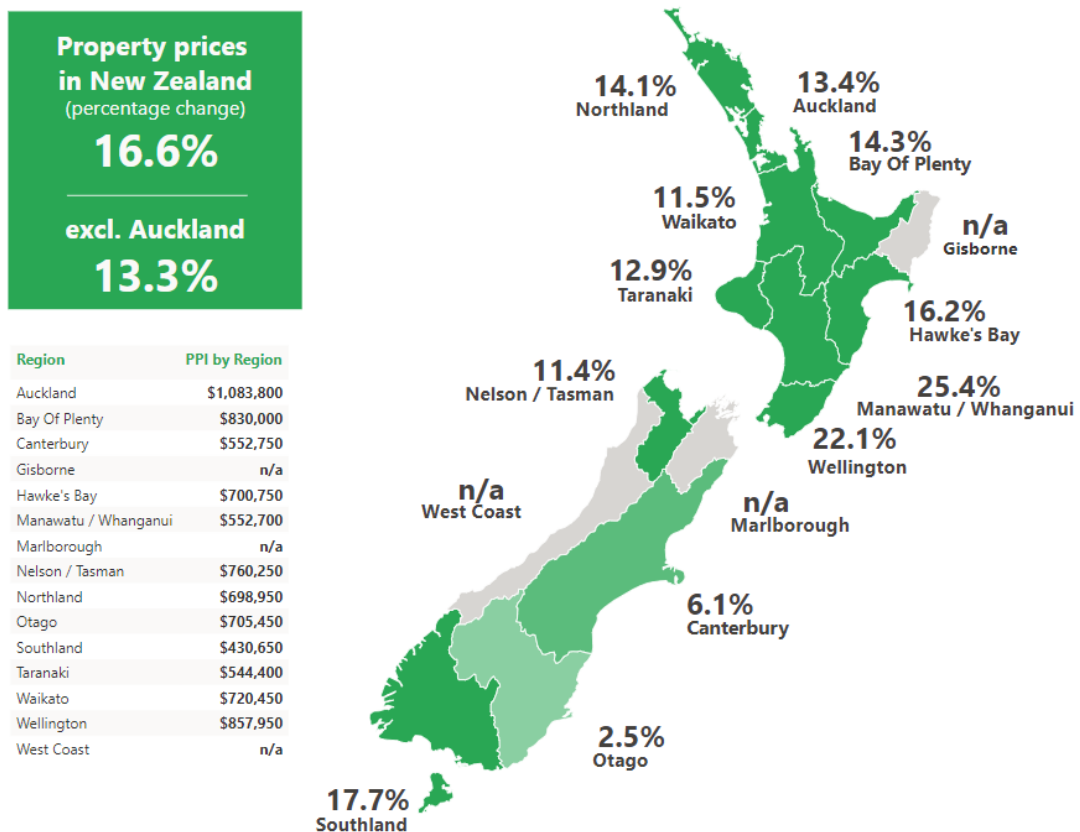
"Our May data tells us that we are still very much in a sellers market and unfortunately for buyers unless we see an increase in stock or demand begin to ease off, the winter months look like they will be red hot for the property market.

"There's been a lot of comment around the new phenomenon of FOOP (fear of overpaying), while that may be real for some, our data is showing buyers are still very keen to get on the ladder and they're willing to pay big bucks.

Nine regions reach new record

Mr Lloyd said every region saw an annual increase in average asking price, with nine regions reaching a new record. “Auckland (\$1,083,800), Bay of Plenty (\$830,000), Canterbury (\$552,750), Hawke's Bay (\$700,750), Manawatū/Whanganui (\$552,700), Nelson/Tasman (\$760,250), Southland (\$430,650), Taranaki (\$544,550), Waikato (\$720,450), and Wellington (\$857,950) all saw record high average asking prices in May.”

Property Price Index with Percentage Change: May 2021 vs May 2020



Mr Lloyd said the biggest year-on-year increases were seen in Manawatū/Whanganui (25%) and Wellington (22%).

“Supply was down in every region except Manawatū/Whanganui (5%), Southland (3%), and Hawke’s Bay (1%) in May when compared with April. The biggest percentage drops were seen in Otago (-5%), Taranaki (-7%), and Northland (-8%).”

Mr Lloyd said looking at demand, however, it was a different story, with views on properties for sale increasing in 12 out of 15 regions in May when compared with the prior month. “Taranaki (0%), Otago (-2%) and Wellington (-3%) were the only regions that did not see demand increase last month.”

The Hawke's Bay region had a standout month in May. "On top of seeing the second largest increase in demand of all regions last month (7%) and the number of listings up 7 per cent month-on-month, the average asking price in the region entered the \$700,000 bracket for the first time at \$700,750."

Wellington prices increase by 22 per cent in 12 months

In the Wellington region the average asking price increased by a "staggering" 22 per cent when compared with May 2020 to reach a record \$857,950 - the biggest year-on-year percentage increase the region has ever seen.

"Looking at Wellington City, the average asking price reached a new record of \$940,200 in May, a 13 per cent jump when compared with the year prior. This marked the sixth consecutive month the district saw a year-on-year increase of more than 10 per cent."

Most expensive districts in the Wellington region - May 2021 (new record)*

	District	Average asking price - May 2021
1	Wellington City	\$940,200*
2	Porirua	\$888,000
3	Upper Hutt	\$830,550*

Mr Lloyd said supply in the region was down by 5 per cent month-on-month, while demand rose 3 per cent.

"The most popular house in the country in May was a three-bedroom house on Frobisher Street in Island Bay. It had an asking price of \$650,000 and received 400 watchlists in its first two days onsite."

Auckland region prices reach an all-time high

House prices in the Auckland region also had a record-breaking month in May, with the average asking price increasing by 13 per cent year-on-year.

In Auckland City, the average asking price hit \$1,209,600, marking a 10 per cent year-on-year increase and making it the fourth most expensive district in the region.

Most expensive districts in the Auckland region - May 2021 (new record)*

	District	Average asking price - May 2021
1	Waiheke	\$1,819,550*

2	North Shore City	\$1,281,850*
3	Rodney	\$1,210,150*

“The number of properties for sale in the Auckland region was down 3 per cent month-on-month, while demand was up 5 per cent.

“The most popular property listing in Auckland last month was a two-bedroom house with an asking price of \$900,000 on Hull Place in Onehunga. It received 281 watchlists in its first 48 hours onsite.”

Small, medium, and large-sized house prices reach new high

Record highs were seen for houses of all sizes last month. “The biggest increase was seen for small houses (1-2 bedrooms) up a “massive” 20 per cent on the year prior, followed by medium-sized houses (3-4 bedrooms) rising 18 per cent, and then large houses (5+ bedrooms) which saw a 16 per cent annual jump.”

	ALL HOUSES PROPERTY	5+ BEDROOMS	3-4 BEDROOMS	1-2 BEDROOMS	* Record High
New Zealand	\$821,050 * 16.6%	\$1,394,050 * 16.2%	\$830,950 * 17.9%	\$620,150 * 19.5%	
New Zealand excl. Auckland	\$670,850 * 13.3%	\$1,069,950 * 15.5%	\$699,350 * 14.5%	\$518,700 * 18.7%	
Auckland	\$1,083,800 * 13.4%	\$1,610,200 * 12.8%	\$1,115,150 * 13.8%	\$876,700 * 19.2%	
Wellington	\$858,000 * 22.2%	\$1,333,250 * 27.0%	\$917,000 * 24.9%	\$702,450 * 23.0%	
Christchurch	\$558,950 * 6.5%	\$959,900 14.3%	\$605,900 * 8.6%	\$444,850 * 20.6%	



May 2021

All urban property prices see year-on-year price increase

Nationwide, apartments, townhouses and units all had a record-breaking May. “Townhouses saw the biggest year-on-year increase, up 17.5 per cent when compared with May 2020.”

	ALL URBAN PROPERTY	APARTMENTS	TOWNHOUSES	UNITS	* Record High
New Zealand	\$682,000 * 12.1%	\$714,100 3.9%	\$776,950 * 17.5%	\$552,100 13.0%	
New Zealand excl. Auckland	\$549,600 * 11.5%	\$637,350 -1.3%	\$603,450 * 13.0%	\$463,700 * 15.7%	
Auckland	\$819,900 * 12.9%	\$750,450 6.9%	\$957,250 * 13.5%	\$727,950 * 14.8%	
Wellington	\$646,350 9.8%	\$628,150 -0.7%	\$751,200 * 15.4%	\$561,250 * 21.4%	
Christchurch	\$478,550 * 8.6%	\$482,900 -4.5%	\$552,000 * 12.5%	\$375,450 * 12.5%	



ENDS

MORE INFORMATION

About the Trade Me Property Price Index:

- The Trade Me Property Price Index measures trends in the expectations of selling prices for residential property listings added to Trade Me Property by real estate agents and private sellers over the past three months.
- It provides buyers, sellers and realtors with insights into 'for sale' price trends by property type and property size.
- The Index is produced from data on properties listed on Trade Me Property in the three months leading up to the last day of each period. Each period's value is a truncated mean of the complete three months' worth of listings. This is to better reflect trends in property prices rather than month-to-month fluctuations in housing stock.
- The Index uses an "80% truncated mean" of the expected sale price to calculate the average asking price. This excludes the upper and lower 10% of listings by price, and averages the expected sale prices of the remaining properties.
- It provides an insight into 'for sale' price trends by type and size of property. Other reports aggregate property price data across these various properties.

Regional data: If you are after information for a particular region, please email Ruby Topzand via mediaenquiries@trademe.co.nz and we will see what we can unearth for you. We can also provide the graphs and tables.

Contact: If you would like to speak to Gavin Lloyd please call Ruby Topzand on 027 298 6889.