

Bringing you news from the world of New Zealand real estate.

The Housing Market in New Zealand: A Time of Change

- Bryan Thomson, Managing Director, Harcourts New Zealand

While 2023 has been a year of change and realignment for the New Zealand housing market, driven mainly by the increasing interest rate environment imposed through reserve bank actions to fight the demon of inflation, it is great to see the first buds of spring appearing.

Across most markets in New Zealand our team are reporting increased buyer activity at open homes and in our auction rooms. This activity is growing out of confidence that interest rates are unlikely to increase much further and are now being spoken of as likely to decrease over coming months. When coupled with pent up buying needs from people who have put their lives on hold over the last twelve months of market challenges, there is every reason to look forward with optimism.

As often happens during winter months, new to market listings have been at a premium. This lack of new stock alongside increased buyer activity has moved the demand supply equation in the seller's favour. As we expect a flush of spring lists to come forward, as happens annually, canny sellers will be bringing their listing plans forward to beat this competition to the buyer pool!



Regarding price fluctuations and despite market challenges, the REINZ house price index rose 0.4% month-on-month in June, and the median house sale price in New Zealand remains unchanged at \$780,000 for three consecutive months. This confirms our thoughts that the market may have bottomed out already and is starting to recover.

Recent data from Harcourts supports the view that house prices in New Zealand are likely to continue to rise driven by several factors.

As Tony Alexander recently noted, there is a growing sense of FOMO among buyers in the housing market who can see that momentum has changed and they are looking to buy now before “missing out” on what has been a more reserved “buyer market” price wise.

We believe that the springtime housing market will see an uplift in volume of sales, with more listings coming onto the market and buyers more confident about making a purchase.

As the weather starts to warm up, just like every year; more homeowners will be motivated to sell their homes. This will lead to an increase in the number of listings on the market, giving buyers more options to choose from. Additionally, the springtime is a popular time for families to buy homes, as they are looking to move before the start of the school year. These factors will combine to create a strong springtime housing market for buyers and sellers. If you are

thinking about buying or selling a home, we repeat our view that you should act sooner rather than later, as the market is likely to become more competitive as the spring progresses.

The Reserve Bank has kept the official cash rate at 5.5% for the time being and have stated it is unlikely to lift if further in the future. This gives the market confidence.

Overall, we believe that the housing market in New Zealand has reached

a turning point and will continue to evolve positively in the coming months.

If you are thinking about buying or selling a property in New Zealand, it is important to get expert advice. A great real estate sales consultant will be able to help you navigate the current market conditions, find the right property for your needs, and the best buyer for your property. Visit harcourts.net/nz today.

Tips for preparing to sell and buy a new home

If you're considering moving home, either to upsize or downsize, or you're considering buying a second home, the current New Zealand housing market may present some opportunities. Here are our tips to help you prepare to sell your existing home, and buy a new home or investment property:

Evaluate your finances

Working within your budget, conduct a thorough assessment of your financial situation and the potential cost of moving. Factor in things like removal costs, legal fees, mortgage break fees (if applicable), and any other costs that may be incurred when selling and buying.

Engage a real estate sales consultant

Hiring a real estate sales consultant who understands the local market can be invaluable. A real estate sales consultant can help you navigate the selling process – including pricing your property competitively, marketing it to maximise exposure, and staging it to showcase it at its best.

Get your home market ready

To maximise its appeal for potential buyers, address any necessary repairs or maintenance tasks, and consider having your home staged to sell. A well-presented home often demands a higher sale price and can attract more buyers.

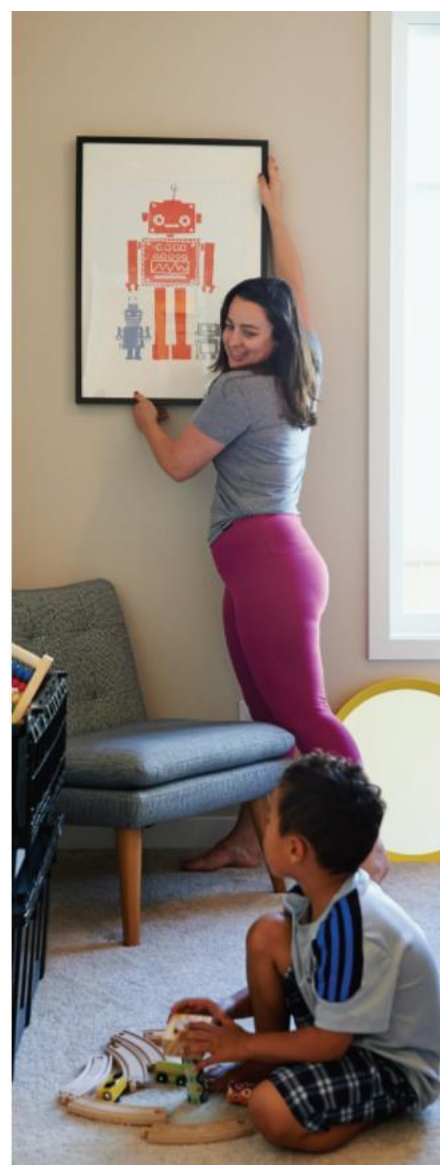
Get pre-approved for a new mortgage

Before you start looking for a new home, get mortgage pre-approval. That way you'll know how much you can spend, and having pre-approved finance can give you a competitive edge when it comes to making an offer.

Be flexible and patient

Buying and selling a home can be a complex and unpredictable process. Be prepared to be patient and flexible during negotiations and keep your priorities top of mind when making important decisions.

If now is the right time to sell your home, be sure to contact your local Harcourts office and talk to one of our expert sales consultants today. Visit harcourts.net/nz to get started.



Gumboot Friday is back, to give kids free counselling when it's needed

The Harcourts Foundation is excited to announce its continued support for Gumboot Friday in 2023. This year's event will take place on 3rd November. To kickstart efforts, the Harcourts Foundation has already donated \$24,000.

The aim of the Harcourts network is to significantly increase this amount with the help of our dedicated team across New Zealand. Together, we can make a difference in mental health awareness and support.

Gumboot Friday is a nationwide initiative dedicated to providing much-needed free kids counselling.

Since its inception in 2018, Gumboot Friday has successfully raised in excess of an impressive \$6m. This significant effort has allowed them to finance over 42,000 counselling sessions for nearly 20,000 children, at an average session cost of \$150.

Looking ahead, Gumboot Friday aims to extend their reach by funding over 40,000 additional free counselling sessions in the next 12 months. By participating in this meaningful cause, together we can make a lasting difference in children's lives.



To donate please visit harcourtsfoundation.org/GumbootFriday and follow Harcourts Foundation on Instagram [@harcourtsfoundationnz](https://www.instagram.com/harcourtsfoundationnz) and Facebook [@theharcourtsfoundation](https://www.facebook.com/theharcourtsfoundation) to see the fun being had to raise funds for our Kiwi kids.

GUMBOOT FRIDAY IS BACK!
3rd Nov, 2023
#HarcourtsGumbootUp Harcourtsfoundation.org/GumbootFriday
DONATE HERE
PROUDLY SUPPORTED BY Harcourts Foundation

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