

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

## Sun-soaked property market offers opportunities aplenty

**Stock levels hit an 8-year high as new listing levels bounce back to welcome buyers. Prices remained stable while Kiwis awaited the latest OCR announcement.**

The end of summer has seen the New Zealand property market return to full health as Kiwis started back at school and work. The latest data from realestate.co.nz for February saw high stock levels nationally, thanks to more new listings refilling housing supply levels.

Nationally, prices rose gently in February, suggesting that while the market is starting to warm up, a more sustainable market is in play.

Kiwis have been waiting in the wings for news on the Official Cash Rate (OCR) in February, uncertain about whether the rate would come down, hold or increase. Wednesday's announcement from the Reserve Bank holding the rate at 5.5% has provided some certainty for vendors and buyers.

Vanessa Williams, spokesperson for realestate.co.nz, remarks that as the country navigates ongoing economic challenges, it is refreshing to see the property market looking more stable:

“With no change to the OCR and gentle easing of interest rates by some of the larger retail banks, it will be interesting to see how these factors play out for the property market in the coming months.”

### **New listings bounce back to health**

In February, 11,788 new listings came onto the market, marking a 44.8% increase nationally compared to last year. This influx is a return to health after new listings in February 2023 hit an all-time low for any February since realestate.co.nz records began in 2007.

New listings were up across all 19 regions, with the most significant increases observed in Northland (up 94.6%), Coromandel (up 85.3%), Wellington (up 76.6%), Hawke's Bay (up 75.4%) and Auckland (up 64.0%).

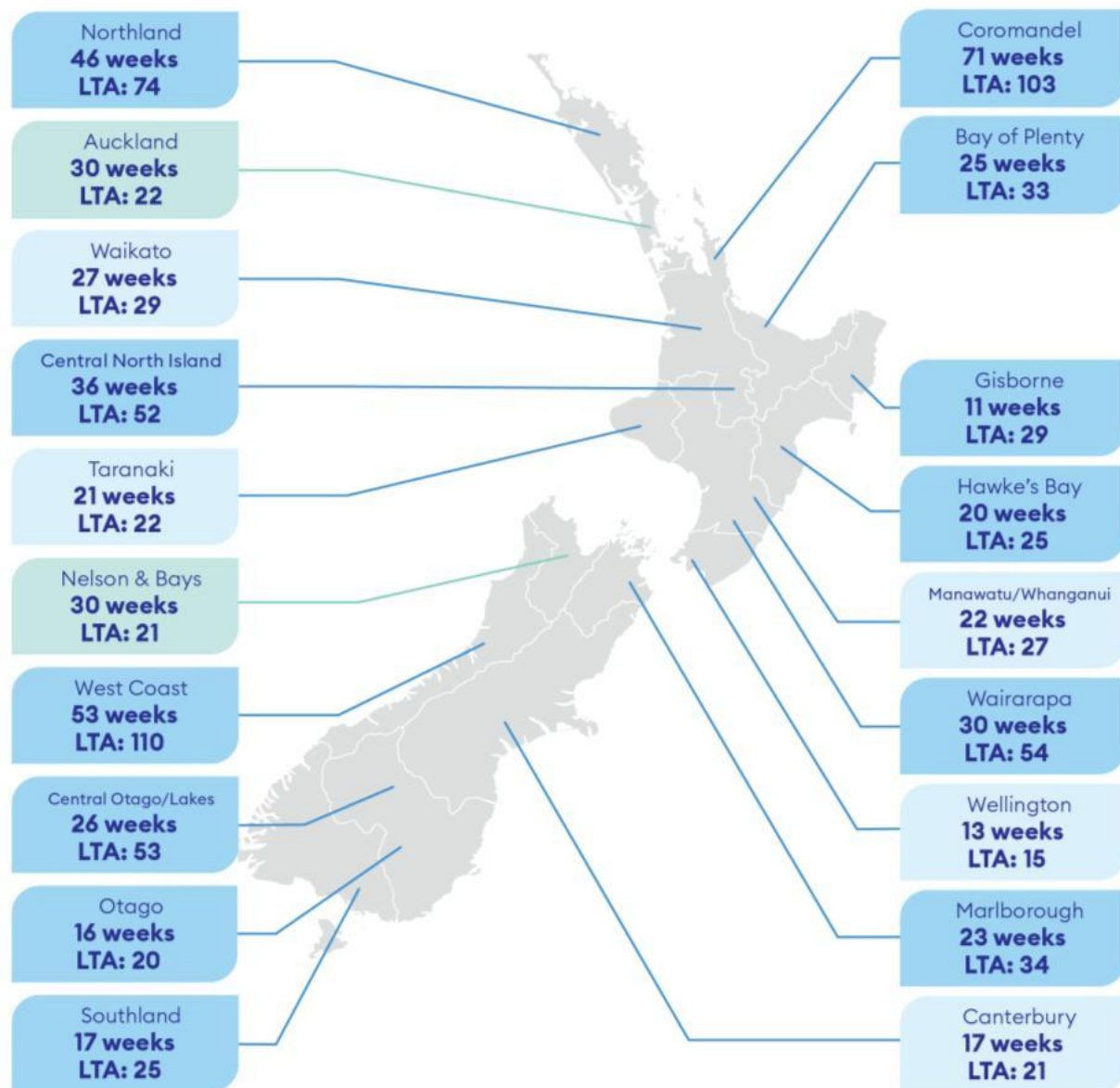
Vanessa says that the bounce back in listings reveals a confident market, a much different market to the same time last year:

“Last February saw us dealing with a very different summer as Kiwis grappled with the effects of back-to-back weather events.

“In a typical February month, we would see around 11,000 new listings come onto the market. Seeing numbers back in the ‘normal’ range tells us that Kiwis are becoming more positive about listing their properties for sale. This is great news for buyers, offering them a wider array of options.”

# Market sentiment

NZ Inventory of listings for February 2024  
**24 weeks**  
 Compared to Long Term Average (LTA)  
**26 weeks**



Inventory means if no new listings were to come onto the market, all the existing properties in each region would be sold within the number of weeks stated, based on historical trends.

The inventory levels reflect the projected number of weeks to clear existing inventory of unsold homes on the market matched to the Long Term Average (LTA) for the region based on 17 years of seasonally adjusted data.

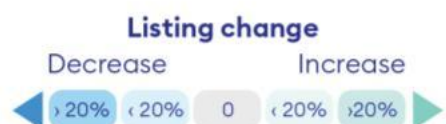
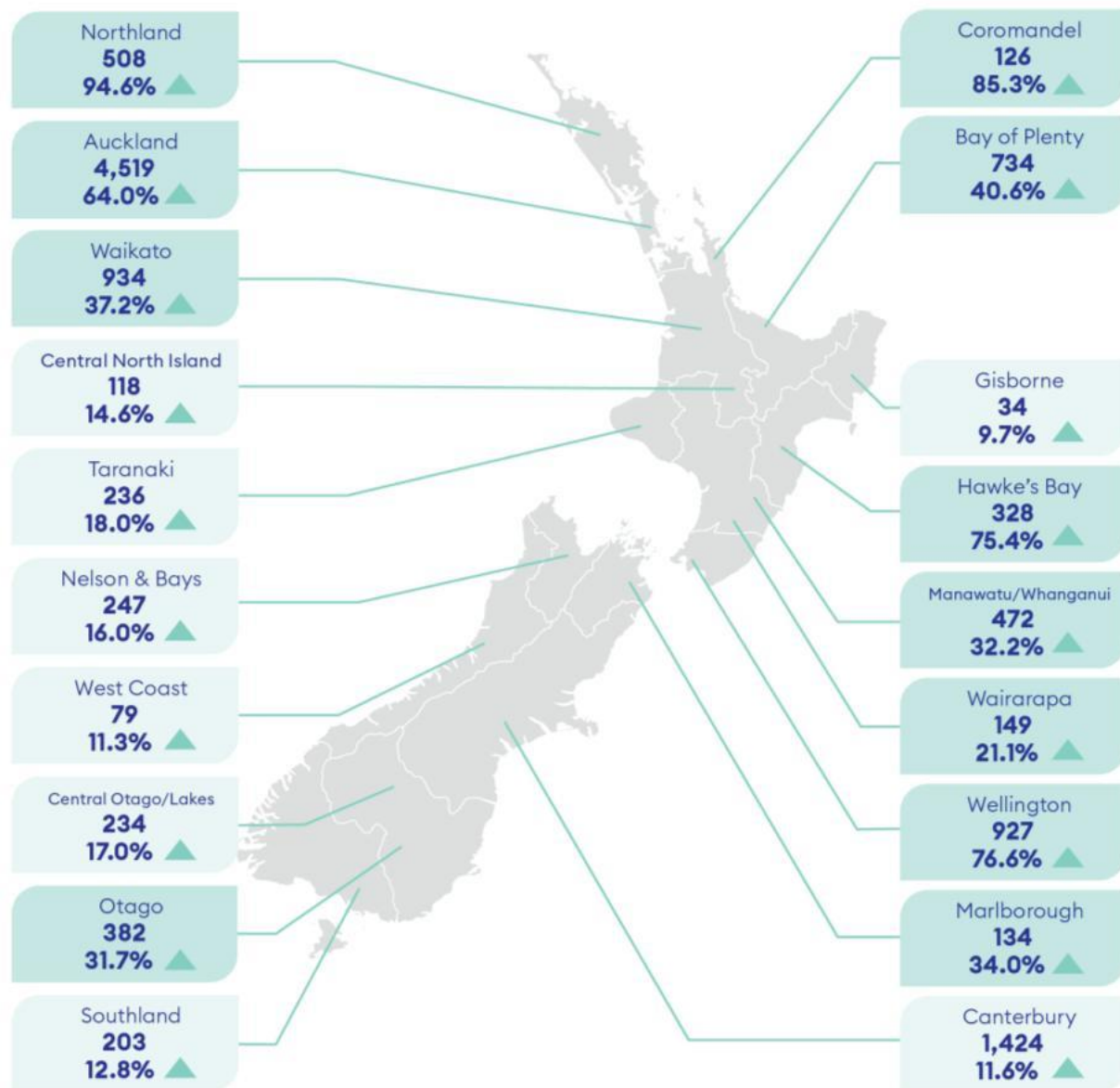
# New listings

New property listings for February 2024

**11,788**

Compared to February 2023

**44.8%**



New listings are properties that have been added to realestate.co.nz during the month. This is compared to the number of new listings in the same month in the previous year.

Actual data of new listings.

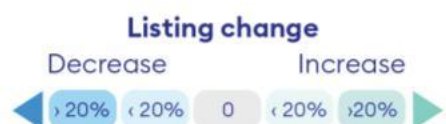
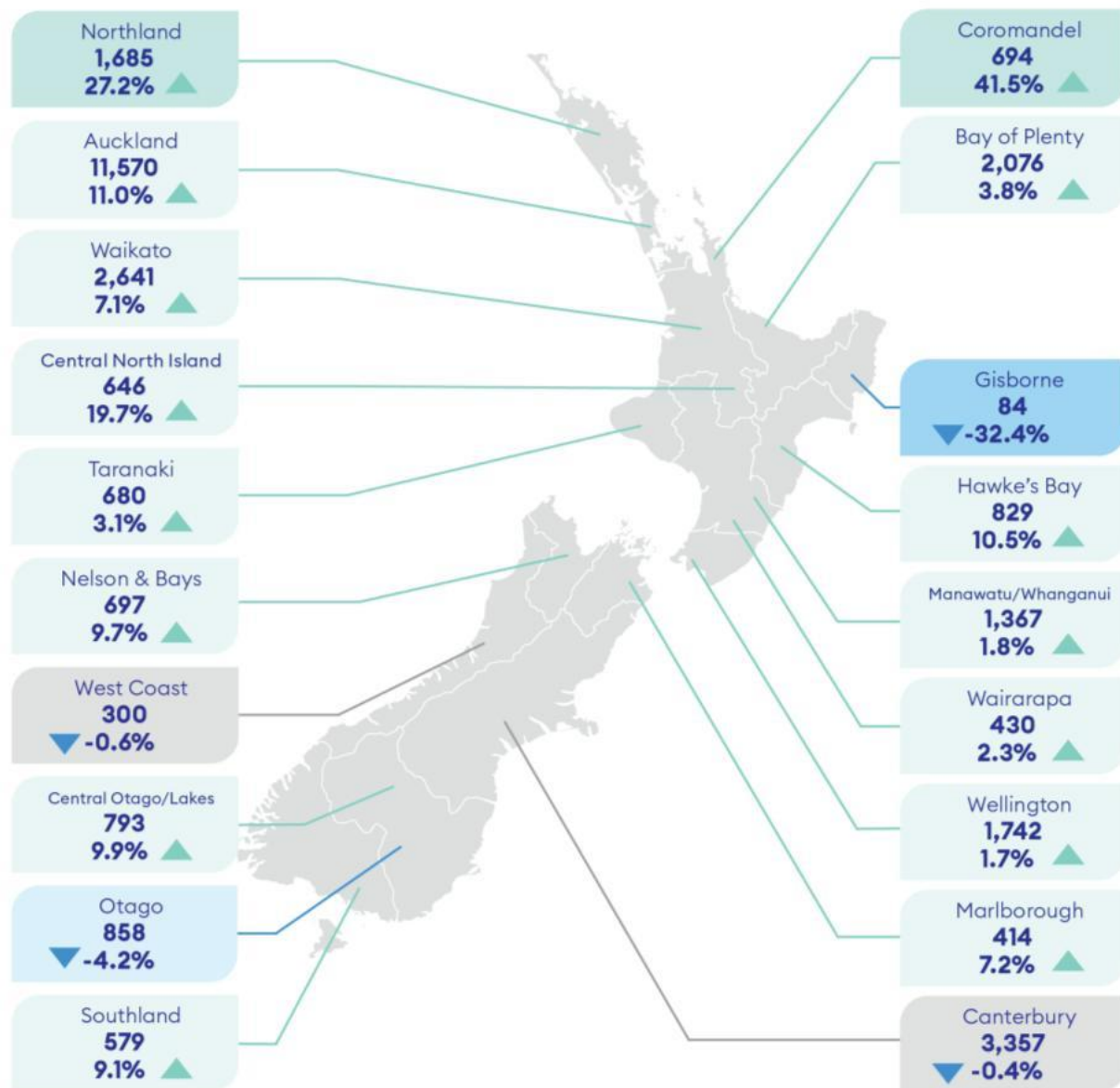
# Total housing stock

Housing stock in February 2024

**31,424**

Compared to February 2023

**8.1%**



The stock map shows the total number of residential dwellings that are for sale on the penultimate day of the month.

Stock data adjusted for multiple listings.

## High stock brings options aplenty for buyers

February saw the highest number of total properties on the market in almost a decade. Housing stock rose to 31,424 in February (an increase of 8.1% year on year); the last time supply reached over 30,000 was in November 2015.

Most regions contributed to the revival, with stock levels rising in all except two regions year-on-year, these were Gisborne (down 32.4%) and Otago (down 4.2%). Gisborne saw record-low stock levels for any February since records began 17 years ago.

Coromandel and Northland saw the largest increases in housing stock, with levels rising 41.5% and 27.2%, respectively.

Vanessa explains that the rise in stock levels not only gives buyers more opportunities but also more time to decide:

“We haven’t seen this level of opportunity for buyers in over eight years. The high number of people searching on our site shows that this increase in options is being met with interest.”

The number of people searching per listing on realestate.co.nz in February was up 10.1% compared to the same time last year. Engagement, which includes property saves and enquiries, was also up 22.6% nationally. Regions that saw the highest increase in engagements were Wellington (up 63.6%) and Wairarapa (up 53.5%).

## Prices rise gently; Central Otago continues to break records

The national average asking price rose to \$899,756, up 3.0% on the same time last year and 1.2% from January.

Another small lift to the average asking prices in February is an indicator of sustainable market health, says Vanessa:

“This slight increase in asking price, alongside an increase in properties coming to market, suggests buyers are being more considered with purchase time.”

Amid the relative stability across the country, several regions saw new records set. Marlborough, Wairarapa, Central Otago/ Lakes District, and the West Coast all experienced record-high average asking prices for any February since records began. After a challenging year, Hawke’s Bay saw asking prices return to above \$800,000 for the first time since before the weather events in 2023.

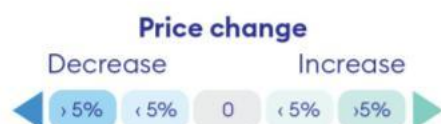
The stand-out performer among our regions, Central Otago/ Lakes District, maintained an average asking price above \$1.6 million in February after reaching an all-time national high in January.

“After the highs and lows of the past few years, we are now seeing signs across the board that the property market is recovering, which is good news for those looking to buy or sell across the motu,” Vanessa adds.



# National average asking price for February 2024: **\$899,756**

Region	Feb-23	Dec-23	Jan-23	Feb-24	YoY	MoM
Auckland	\$1,089,959	\$1,049,546	\$1,058,742	\$1,075,773	-1.3% ▼	1.6% ▲
Bay of Plenty	\$936,452	\$920,827	\$902,691	\$952,451	1.7% ▲	5.5% ▲
Canterbury	\$705,756	\$720,838	\$720,903	\$707,040	0.2% ▲	-1.9% ▼
Central North Island	\$794,633	\$773,131	\$782,081	\$819,586	3.1% ▲	4.8% ▲
Central Otago / Lakes District	\$1,414,498	\$1,575,762	\$1,626,559	\$1,607,185	13.6% ▲	-1.2% ▼
Coromandel	\$1,138,113	\$1,042,649	\$1,240,246	\$1,146,173	0.7% ▲	-7.6% ▼
Gisborne	\$772,586	\$653,511	\$643,735	\$608,112	-21.3% ▼	-5.5% ▼
Hawke's Bay	\$738,098	\$757,024	\$761,767	\$832,087	12.7% ▲	9.2% ▲
Manawatu / Wanganui	\$629,913	\$614,577	\$631,472	\$654,280	3.9% ▲	3.6% ▲
Marlborough	\$774,442	\$798,478	\$841,213	\$807,619	4.3% ▲	-4.0% ▼
Nelson & Bays	\$856,896	\$928,955	\$864,722	\$864,722	0.9% ▲	0.0%
Northland	\$894,353	\$892,210	\$899,571	\$849,836	-5.0% ▼	-5.5% ▼
Otago	\$614,733	\$559,722	\$621,718	\$612,303	-0.4% ▼	-1.5% ▼
Southland	\$537,992	\$482,390	\$553,795	\$530,711	-1.4% ▼	-4.2% ▼
Taranaki	\$726,348	\$708,700	\$692,841	\$689,796	-5.0% ▼	-0.4% ▼
Waikato	\$808,925	\$793,775	\$821,767	\$842,130	4.1% ▲	2.5% ▲
Wairarapa	\$753,228	\$769,209	\$793,961	\$791,985	5.1% ▲	-0.2% ▼
Wellington	\$857,135	\$866,194	\$855,150	\$867,944	1.3% ▲	1.5% ▲
West Coast	\$464,369	\$485,301	\$474,015	\$491,336	5.8% ▲	3.7% ▲
<b>National</b>	<b>\$873,227</b>	<b>\$881,523</b>	<b>\$889,078</b>	<b>\$899,756</b>	<b>3.0% ▲</b>	<b>1.2% ▲</b>

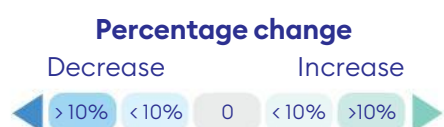


The average asking price is calculated by taking every residential listing's indicated asking price and dividing it by the total number of properties.

Asking prices for new listing calculated as seasonally adjusted prices using X13 ARIMA methodology.

# Property market demand in February 2024

Region	Searches per listing compared to February 2023	Engagements per listing compared to February 2023
Auckland	4.8% ▲	28.6% ▲
Bay of Plenty	15.9% ▲	19.1% ▲
Canterbury	17.6% ▲	33.7% ▲
Central North Island	21.5% ▲	▼ -6.4%
Central Otago / Lakes District	▼ -5.0%	7.4% ▲
Coromandel	18.8% ▲	29.0% ▲
Gisborne	100.8% ▲	48.0% ▲
Hawke's Bay	25.9% ▲	22.2% ▲
Manawatu / Wanganui	12.6% ▲	6.8% ▲
Marlborough	24.9% ▲	35.9% ▲
Nelson & Bays	24.0% ▲	25.5% ▲
Northland	▼ -1.1%	15.6% ▲
Otago	15.4% ▲	23.6% ▲
Southland	▼ -1.9%	▼ -23.0%
Taranaki	8.5% ▲	15.1% ▲
Waikato	13.8% ▲	36.9% ▲
Wairarapa	19.5% ▲	53.5% ▲
Wellington	14.9% ▲	63.6% ▲
West Coast	11.5%	1.9% ▲
<b>National</b>	<b>10.1%</b> ▲	<b>22.6%</b> ▲



**Demand** measures the level of serious buyer interest compared to the available supply. Searches per listing divides the total number of searches on realestate.co.nz by stock compared to the same month in the previous year. Engagements per listing divides the total number of enquiries and property saves by stock compared to the same month in the previous year.

Source: [realestate.co.nz](https://www.realestate.co.nz)

# Unlocking Home Ownership Goals

## Three Essential Budgeting Tips for Kiwis

Buying a home in New Zealand takes careful financial planning, especially when it comes to budgeting. A clear understanding of financial situation is crucial for first home buyers who face challenges such as high prices, tough competition, and strict lending rules. Whether you're already preparing to enter the property market or just starting your journey to home ownership, here are three essential budgeting tips to help transform your financial goals into reality.

### Tip 1: Set SMART Goals

Before diving into the home buying process, it's essential to set financial goals. These goals will serve as a roadmap, guiding your financial decisions while keeping you motivated and on track to home ownership.

#### Using the SMART goal system, set financial goals that are:

- **Specific:** Clearly define your ideal property in terms of location, size or any other deciding factors.
- **Measurable:** Calculate how much it will cost and the necessary deposit.
- **Achievable:** Get help assessing your financing options and determine the feasibility of your goals.
- **Relevant:** Ensure that your aspirations align with your budget and lifestyle.
- **Time-bound:** Set a realistic timeline for buying your first home.

Setting SMART goals provides clarity and direction, and helps you



approach the home buying journey with confidence and purpose.

### Tip 2: Avoid Paying "Lazy Tax"

When it comes to household expenses, complacency can lead to overpaying what's commonly known as "lazy tax". That's the sneaky surcharge consumers get stung with for sticking with the same service provider and not switching to a better deal.

Whether it's utility bills, insurance premiums, or loan repayments, sticking with the same provider because it's too hard to switch could mean missed opportunities for savings. By staying vigilant and regularly reviewing your expenses, negotiating better deals, and exploring alternative providers, it's possible to avoid paying lazy tax.

### Tip 3: Use the 50-25-25 Rule

Navigating the financial landscape as a potential homeowner in New Zealand can be daunting, especially for those who are new to budgeting, where the task of managing finances, organising

income and expenses and deciding how to allocate funds can feel overwhelming.

One approach to simplify the budgeting process is to use a percentage-based budgeting method, such as the 50-25-25 rule which offers a practical framework for allocating income, ensuring that essentials are covered, savings are prioritised, and discretionary spending is limited.

#### Here's how it works:

- **50%:** Allocate half of your income towards essential expenses such as mortgage or rent, utilities, and groceries.
- **25%:** Dedicate a quarter of your income to long-term financial goals, such as saving for a deposit or reducing debt.
- **25%:** Reserve the remaining quarter for discretionary spending on leisure activities, travel, or personal luxuries.

Sticking to the 50-25-25 rule promotes financial discipline while



allowing some flexibility to still enjoy life's pleasures responsibly.

### Equip Yourself for Home Ownership Success

Empowering first home buyers to make informed decisions throughout the home buying process can help them to navigate

the complexities of the housing market more effectively, improving their chances of successfully achieving home ownership.

Partnering with a knowledgeable mortgage adviser is another vital step in your home ownership journey. Mortgage Express branded

mortgage advisers can offer comprehensive insights into the local property market and provide tailored financing solutions to meet [your specific needs](#). [Contact the team at Mortgage Express today](#) for mortgage advice.

Source: [mortgage-express.co.nz](http://mortgage-express.co.nz)

## The increasing demand for property to provide **work-from-home spaces**

The concept of working from home is here to stay, and as we search for our next property, whether that be our first home or dream apartment, our desire to have a work-from-home space, is arguably becoming a dealbreaker. But are we being too unrealistic?

Before the COVID pandemic the concept of 'working from home' was almost non-existent so could this indicate that work-from-home spaces are soon going to become the 'norm'?

The idea of being able to convert an area into a designated work-from-home space has become just as appealing as having a home office in today's world. With the rise of hybrid and remote roles in the job market, for some, this has become a requirement. And with more and more companies implementing 'work-from-home' policies, people are finding themselves working two, three, or even four days outside the confines of the office.

And the property market has started to reflect this change. Not only does a work-from-home space offer flexibility now, but it also offers options in the future.



For homebuyers and renters seeking work-life balance and increased productivity, the home with convertible space is not just a property investment, but an investment in people's mental health and wellbeing. Just as we seek homes closer to work to reduce commute times, these spaces could become just as desirable.

Whether it's a spare room transformed into an office, a corner of a room utilised for a desk or a secret space under the stairs, sellers have an opportunity to level up the

potential of their property. When a property goes to market if it has these spaces available or even the possibility, this can make all the difference in securing a buyer.

The importance of having a home equipped with a convertible, work-from-home space has become increasingly popular and desirable in modern society. Although there are still some jobs that cannot be performed remotely, the increasing availability of technology and its developments are helping to support a hybrid work culture.

When evaluating the value of your property, considering a 'work-from' space, whether convertible

or multifunctional, could enhance the appeal of your home and help you stand out in the market.

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