

Auckland Market Watch.

Bringing you the latest news, facts and figures specific to your local market.

What's been happening in Auckland?

Auckland Overview - July 2017

In July sales were down by 19% across Auckland and there were 43.5% more properties available to buy, compared to the same time last year.

It means there is much more choice in the market for buyers.

Harcourts CEO Chris Kennedy says there are many reasons for the drop in sales. Investment has fallen off due to the Inland Revenue Department's introduction of the bright-line rule, the Reserve Bank's loan to value ratio restrictions, and foreign investors facing a more difficult task in transferring money out of their countries.

It's also election time and there is always a drop in the number of new listings and sales in the weeks leading up to an election.

Kennedy says the election phenomenon will correct, however other factors will remain and it's inarguable that the property market has cooled.

The number of auctions have also dropped by 56.9% compared to last year.

Kennedy says people believe auctions are only the best method of sale in a hot market, however this is not the case.

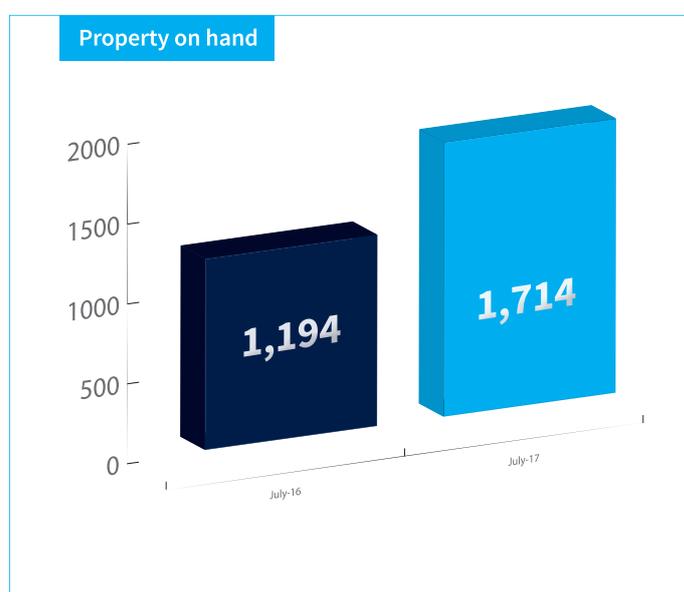
"I believe auctions are just as effective in a changing market because of the transparency for both vendors and buyers, and the mindset it encourages. After observing buyer behaviour for over 25 years in the real estate industry, I can tell you with certainty that 100% of buyers will attend an auction with their maximum price firmly in mind.

"By contrast, set a price on your property and you have set a limit. Buyers enter negotiations with the goal of buying the property for as far below that price as possible."

For further comment contact:

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Property on hand in Auckland year to date



Written sales for Auckland year to date



Compared to last year	July 2017	July 2016	% Change
Total listings	472	631	-25%
New auctions	149.5	347.5	-56.9%
Property on hand	1,714	1,194	43.5%
Written sales	417	515	-19%
Average sale price	\$1,009,090	\$996,504	1.2%

*Based on residential only figures