

# Monthly Property Update

December 2018

The homes.co.nz Monthly Property Update is generated using homes.co.nz's December 2018 HomesEstimates, providing an up-to-date perspective on house values around New Zealand.

	Median HomesEstimate	First Homes Buyers HomesEstimate
<b>Auckland</b>	<b>\$912k</b> ▼ -1.2% p.a.	<b>\$695k</b> ▼ 0.2% p.a.
<b>Tauranga</b>	<b>\$586k</b> ▲ 0.1% p.a.	<b>\$472k</b> ▲ 0.4% p.a.
<b>Hamilton</b>	<b>\$541k</b> ▲ 3.8% p.a.	<b>\$440k</b> ▲ 3.3% p.a.
<b>Wellington</b>	<b>\$732k</b> ▲ 8.5% p.a.	<b>\$580k</b> ▲ 9.3% p.a.
<b>Christchurch</b>	<b>\$435k</b> ▼ -0.5% p.a.	<b>\$348k</b> ▼ -0.6% p.a.
<b>Dunedin</b>	<b>\$395k</b> ▲ 11.8% p.a.	<b>\$317k</b> ▲ 12.4% p.a.

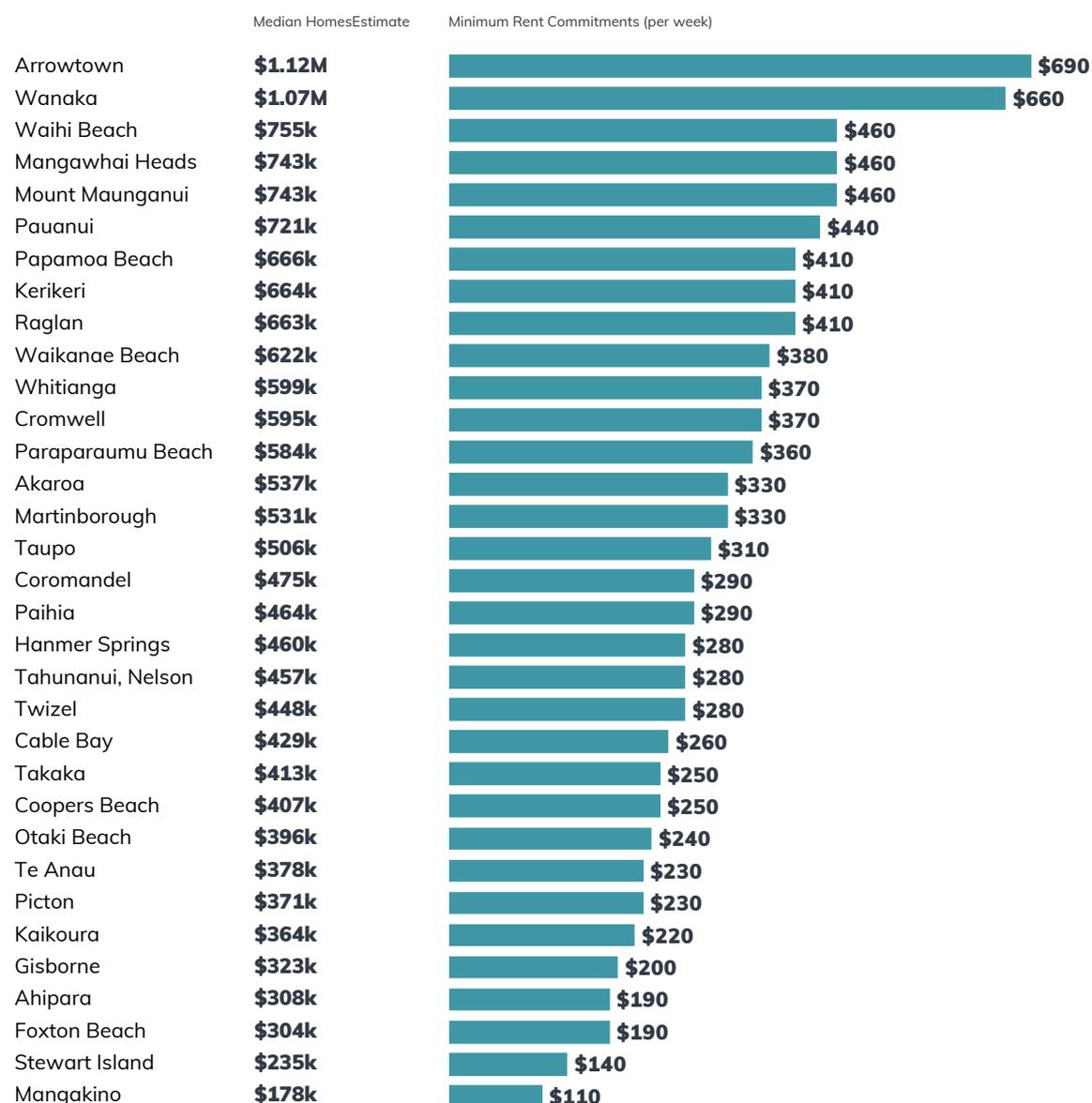
## Did you know?

Dunedin has some of the **oldest property in New Zealand**. There are over 100 properties built before 1880 in Dunedin Central and North Dunedin, more than any other suburbs in the country.

# homes.co.nz's Holiday Hotspots

How much would it cost you to buy a kiwi holiday home this summer? We've taken a look at property values around some of New Zealand's holiday hotspots and estimated the weekly rent required to meet basic mortgage commitments\*.

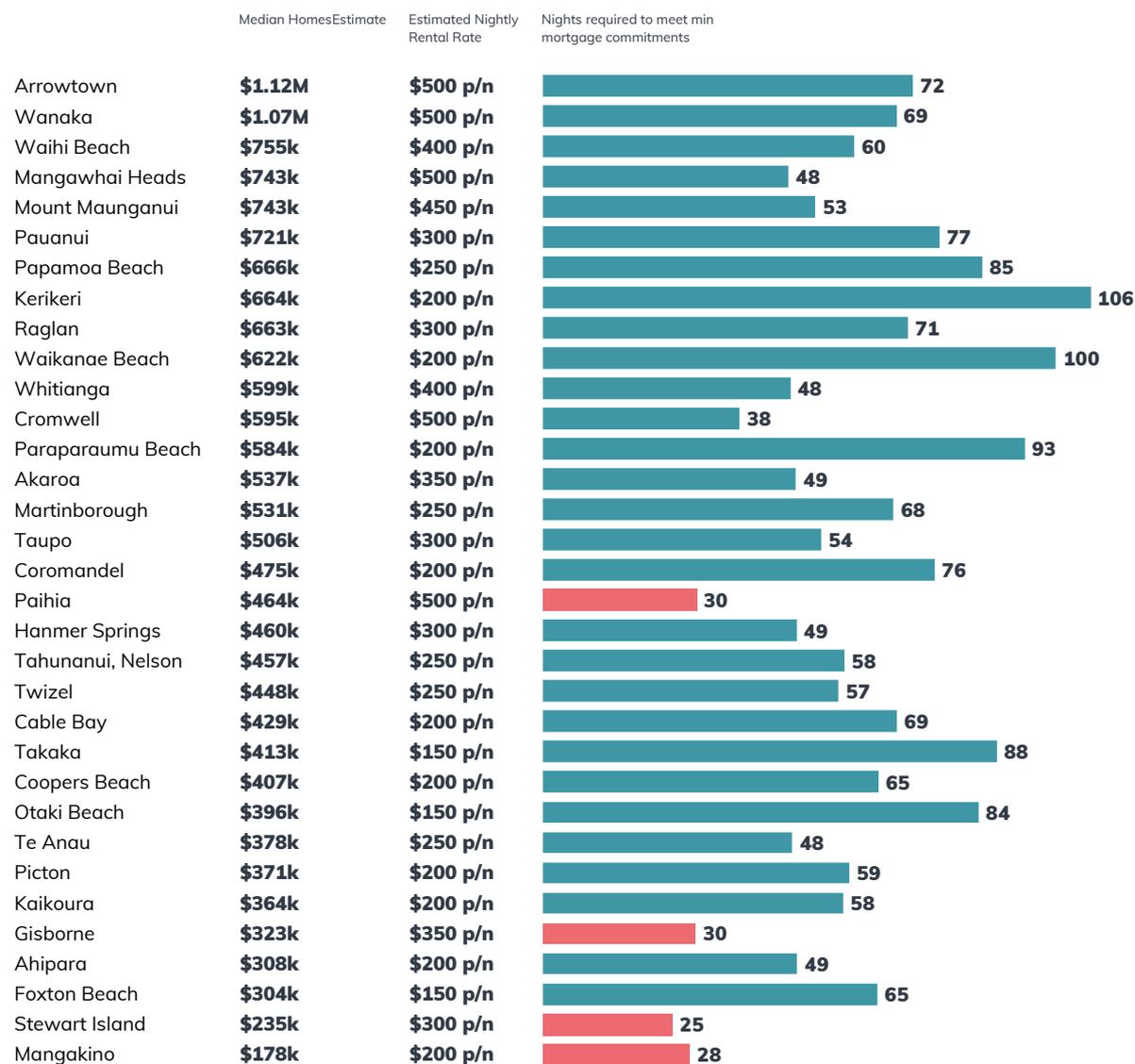
Some holiday locations remain out of reach for many, such as Arrowtown and Wanaka with median HomesEstimates exceeding \$1M, but other less known areas are still affordable. The Far North's Ahipara, Horowhenua's Foxton Beach, Mangakino in the central North Island and Stewart Island could all be owned with mortgage payments less than \$200 per week.



\* Assuming an interest only mortgage with a 20% deposit and interest rates of 4% p.a.

## homes.co.nz's Holiday Hotspots (cont.)

It is often more appealing for homeowners to rent their holiday properties out for a few nights at peak times, rather than finding permanent tenants. Considering the HomesEstimate and indicative nightly rental rates on AirBnB\*; the minimum mortgage commitments for properties in Paihia, Gisborne, Mangakino and Stewart Island could be met by renting out the property for less than 1 month of the year. This gives you plenty of time to enjoy your holiday retreat yourself!

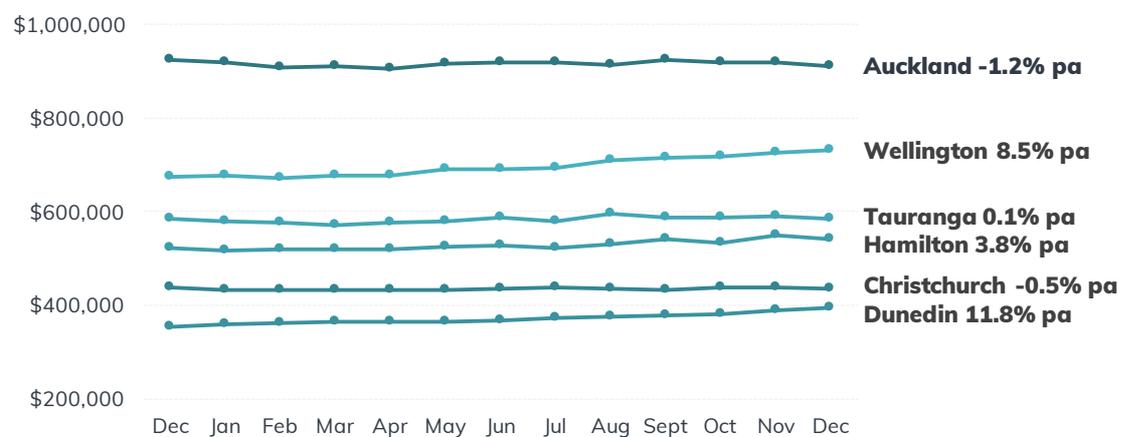


\* Approximated using available properties for 4+ tenants on AirBnB in Jan/Feb

## Trends in our Main Cities

There continues to be two sides to property prices in New Zealand's main cities. Wellington (on the back of Capital Valuations growing by 45%) and Dunedin continue to grow with the median HomesEstimates increasing by 8.5% and 11.8%, respectively, since this time last year.

The median HomesEstimate in Auckland has decreased by 1.2% since December 2017, which has contributed to growth slowing in the nearby Tauranga and Hamilton markets. Although Hamilton has grown by 3.8% since last year, the median HomesEstimate has decreased by 1.3% since November in response to lower than expected Capital Valuations being released.



### How do we calculate these figures?

The homes.co.nz Monthly Property Update is generated using homes.co.nz's monthly HomesEstimates and provides an up-to-date perspective on house values around New Zealand. By valuing the entire housing stock, the homes.co.nz Monthly Property Update can compare median values from month to month in a consistent and reliable way. Our HomesEstimates are calculated for almost every home in New Zealand by an algorithm that identifies the relationships between sales prices and the features of a property.

Established in 2013, homes.co.nz is NZ's first free property information portal eager to share free property information to New Zealanders.

## NZ's First Home Buyer HomesEstimate

The "First Home Buyer HomesEstimate" is homes.co.nz's estimate of what a typical first home may cost. It is calculated to be the lower quartile HomesEstimate in a town.

Good news for first home buyers in Auckland where the First Home Buyer HomesEstimate dipping below \$700k to \$695k. There is more good news with the Reserve Bank loosening loan-to-value restrictions from 1 January 2019. Banks will now be able to offer more low deposit loans helping more first home buyers buy their first home. However, it will be interesting to see if this increases demand (and prices!) in this market segment.

