

# /Monthly Market Report

APRIL 2024



## Luck has nothing to do with it!

Since our March Update, we've seen a modest yet notable uptick in New Zealand's average property value, which has edged up by 0.4% to reach \$977,000 for the three months leading up to the end of April.

The data from the OneRoof-Valocity House Value Index\* sheds light on how the market is responding to a few key factors, namely, a surge in listings and persistent high interest rates. This influx of properties for sale across New Zealand has notably shifted the balance of power towards buyers.

Despite a healthy increase in sales volumes compared to the same period last year (+19%), they haven't quite matched the rapid rise in new listings hitting the market (+30% over the same timeframe).

Insights gathered from our agents and our NZ Realtors Network partners suggest that sellers are gradually revising their price expectations and showing a heightened willingness to engage with market dynamics. However, it's worth noting that property values in some neighbourhoods have seen substantial boosts, with values soaring by over \$100,000 over the past three months.

This indicates that luck (aka right property, right suburb, right marketing, right buyer) is still favouring some vendors, even amidst evolving market conditions. And, when interest rates start to drop (expectations are for cuts in the OCR at the end of this year) power in the market will undoubtedly shift back to vendors.

## In our neck of the woods

The feedback we've had from our offices paints a picture of buyers feeling rather relaxed and unhurried. With the abundance of options on the table, they're taking their sweet time, preferring to hold out for the perfect property rather than settling for something that doesn't quite tick all their boxes.

While there's been a slight increase in activity, overall enquiry levels remain subdued, particularly on the east coast during the recent school holidays. Open homes across Hauraki and Coromandel are slow, but private viewings and multi offers are back in fashion.

Many property owners, particularly those with sections, are opting to hold off on listing their properties for sale. Unless they are well motivated and prepared to meet the market. Commercial property is bucking this trend with some interesting real estate coming up for lease and sale in Hauraki.

Despite these factors, our managers are maintaining a cautious optimism. They believe that potential shifts in lending criteria, along with fluctuations in interest rates and inflation, as well as adjustments to the Brightline policy, could potentially breathe new life into our market, encouraging more folks to jump in before the end of the winter season.

*\* OneRoof/Valocity House Price Report - May 2024*



**\$977,000**

Average property value to April\*



**30+%**

Surge in new listings nationwide since April 2023



**19%**

Increase in sales volume compared to April 2023