REINZ | REAL ESTATE INSTITUTE OF NEW ZEALAND

MONTHLY HOUSE PRICE INDEX REPORT.

15 NOVEMBER 2022

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REINZ HOUSE PRICE INDEX (HPI)

As one of the country's foremost authorities on real estate data, we are proud to bring you the REINZ HPI (House Price Index). It provides a level of detail and understanding of the true movements of housing values over time to a higher standard than before. The REINZ HPI was developed in partnership with the Reserve Bank of New Zealand and provides a more complete picture of the New Zealand housing market.

BENEFITS OF THE REINZ HPI

Data on median and average house prices is open to being skewed by market composition changes. This means observed changes in these values could be almost entirely due to the changed nature in the underlying sample (e.g. an unusually large representation of high end housing sales) rather than changes in the true market value. The REINZ HPI takes many aspects of market composition into account resulting in greater accuracy.

ABOUT REINZ HPI

The REINZ HPI is based on the SPAR methodology and has been proven to be the most comprehensive tool to understand the housing market for four main reasons:

- **Timeliness** - This is the number one advantage of REINZ HPI. REINZ data is based on sales as they occur (unconditional) so is the most up to date data source in NZ.
- **Accuracy** - REINZ data is supplied by the actual sales prices supplied by its members so has a high level of accuracy.
- **Stability** - REINZ has the most data available to it so can provide the most stable and complete one month indices.
- **Disaggregation** - Indices can be disaggregated to a lower level than before. Disaggregation means you can focus on a smaller data set, allowing comparison of building typology and suburbs, i.e. Three bedroom houses in Manukau.

The number one advantage between REINZ data and other housing data on the market is that REINZ has access to sales data from the time the price is locked in (unconditional data) as opposed to when the house changes hands (settlement date) which can often be weeks/months later. Therefore, the REINZ HPI is the best and most timely measure of recent housing market activity.

EXPERT INDUSTRY FEEDBACK

"I have had the opportunity to utilise the REINZ HPI website, and have been involved in advising on the HPI's preparation. The new index fills a gap in providing reliable up to date information on house price developments across all of New Zealand's local authorities. It's wonderful to see REINZ providing this level of detailed data for wider public use. I am already planning to use this data in my own research."

Dr Arthur Grimes
Senior Fellow, Motu Research; and Adjunct Professor, Victoria University of Wellington

"Accuracy and timeliness of information on house price movements is vital for home buyers, sellers, agents, and analysts such as myself. The data from REINZ meets both requirements and gives New Zealand a collection of house price series comparable with the best overseas."

Tony Alexander
Independent Economist and Speaker

"The Real Estate Institute of New Zealand's Market Intelligence portal opens up to users the ability to interactively compare price trends amongst a wide range of local council regions. Users can pick and choose regions of interest and use the chart tools to instantly compare price performances. For those wanting to look at house prices in more depth there is the capability to download the data in spreadsheet format all the way back to 1992 when the Institute started recording sales price information."

Nick Tuffley
Chief Economist, ASB

For more information visit:
reinz.co.nz/reinz-hpi

REINZ HOUSE PRICE INDEX
OCTOBER 2022 RESULTS

The REINZ House Price Index was developed in partnership with the Reserve Bank of New Zealand.

Already being used by the Reserve Bank's forecasting and macro financial teams, plus the major banks, the REINZ HPI provides a level of detail and understanding of the true movements of housing values over time. It does this by analysing how prices in a market are influenced by a range of attributes such as land area, floor area, number of bedrooms etc. to create a single, more accurate measure of housing market activity and trends over time. Using the Reserve Bank's preferred Sale Price to Appraisal Ratio (SPAR) methodology, the REINZ HPI uses unconditional sales data (when the price is agreed) rather than at settlement, which can often be weeks later. It is therefore more accurate and timely.

Year-on-year, the HPI indicates that housing market value nationwide has fallen 10.9%, down in Auckland by 14.3% and down outside Auckland by 8.4%.

Looking at the REINZ HPI for October 2022, the 'gold standard' for New Zealand house price analysis, Jen Baird, Chief Executive at REINZ, says:

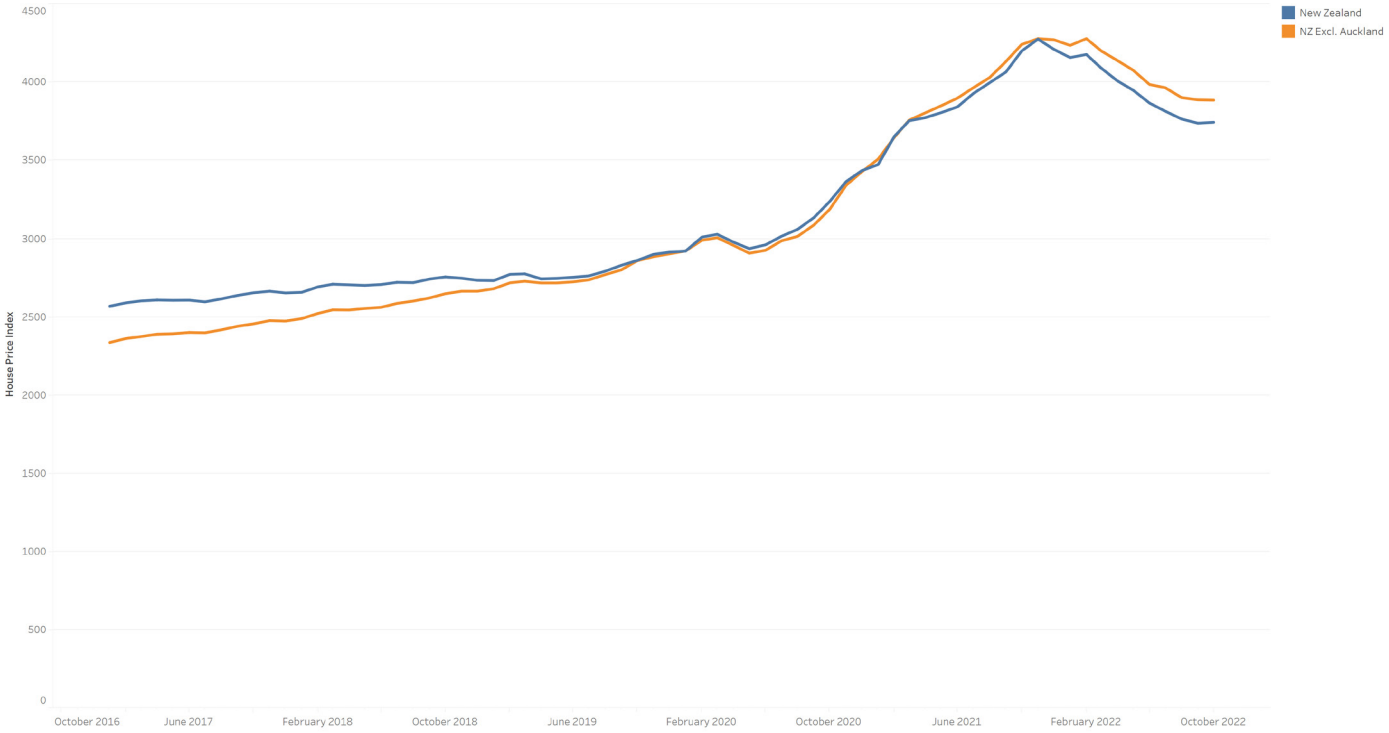
"The REINZ HPI takes many aspects of market composition into account and thus provides more accurate results. When applied to the October data, the HPI indicates that the housing market value nationwide has dropped 10.9% year-on-year. In Auckland, the value decreased by 14.3% and decreased by 8.4% outside of Auckland. Southland takes the top spot in the 12–month ending percentage changes for the first time since April 2020. Northland and Taranaki came second and third, respectively, for annual percentage movement.

"The importance of the HPI is evident in the Southland region this month, where the median sale price tells a different story to the HPI.

"The median sale price in the region decreased 4.4% in the past month and 2.8% since October 2021, the third lowest monthly return and a middling annual return compared to the other regions. This suggests a market where value growth is declining, indicating poor to moderate results compared to other regions.

"However, the Southland region had the strongest monthly performance in HPI, with a 1.0% increase and the strongest annual return with an increase of 3.4%. Sample composition changes — such as the size of properties or the underlying value of properties sold — can change statistics, such as median, that are purely based on price. However, because the underlying value of each property sold is considered by the HPI, such sample changes have little effect on HPI results. In summary, long-term property value growth in Southland is increasing faster than other regions, one of only two regions to see an annual increase in HPI, and the recent performance has been relatively strong as well, a fact that would have remained hidden from those monitoring statistics without access to the HPI."

NEW ZEALAND
HOUSE PRICE INDICIES



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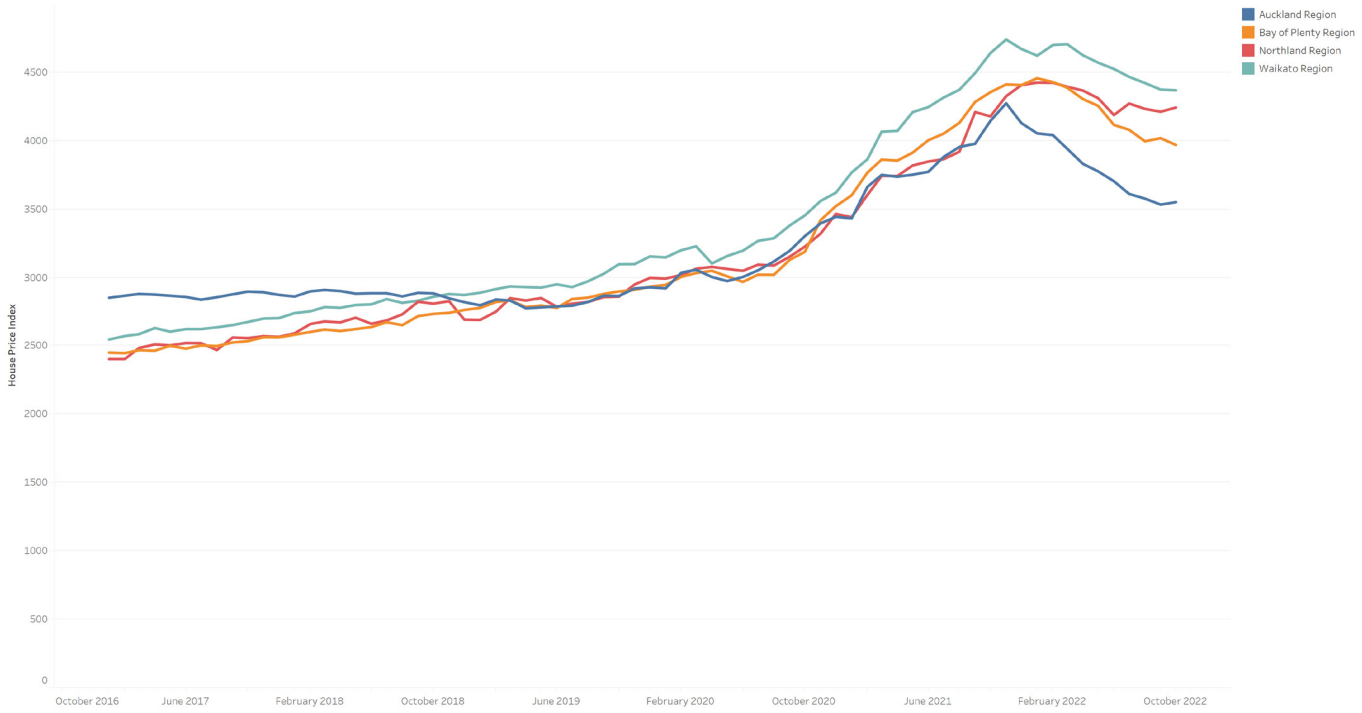
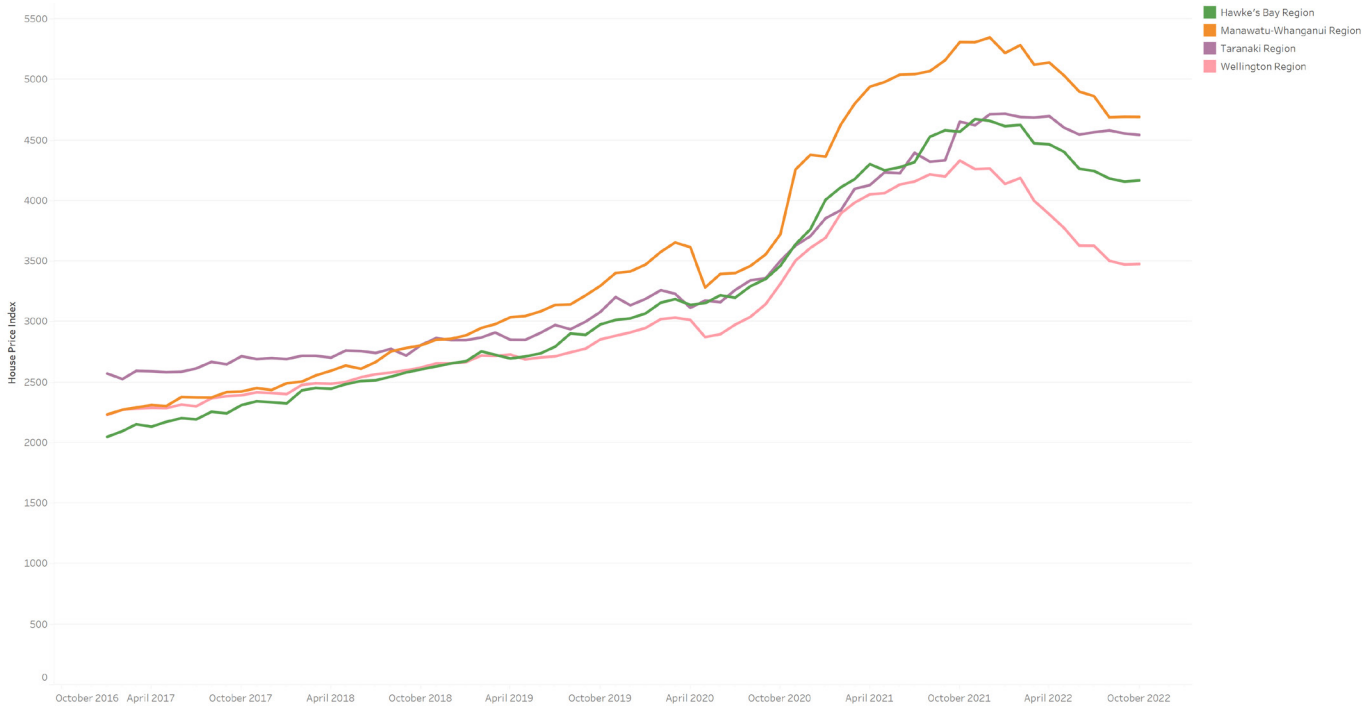
UPPER NORTH ISLAND
REGIONAL HOUSE PRICE INDICIES



LOWER NORTH ISLAND
REGIONAL HOUSE PRICE INDICIES



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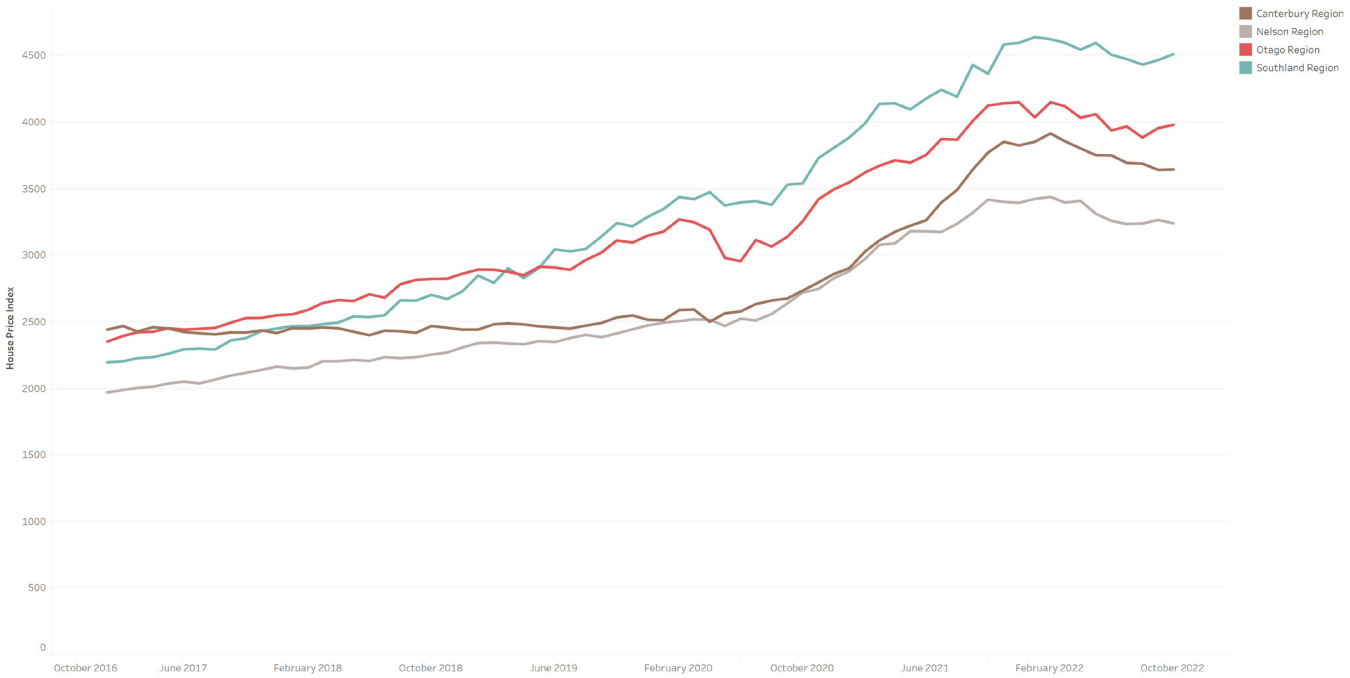
SOUTH ISLAND
REGIONAL HOUSE PRICE INDICIES



SUMMARY OF MOVEMENTS

House Price Index	Index level	One Month	Three Months	One Year	Five Years*
New Zealand	3,744	0.2%	-1.9%	-10.9%	7.1%
NZ excl. Auckland	3,886	-0.1%	-2.0%	-8.4%	9.6%
Auckland	3,550	0.5%	-1.7%	-14.3%	4.2%
Rodney District	3,870	0.7%	-0.1%	-4.3%	6.7%
North Shore City	3,474	-1.3%	-4.9%	-16.1%	2.8%
Waitakere City	3,823	-0.3%	-1.7%	-15.6%	4.7%
Auckland City	3,312	2.2%	-0.6%	-14.2%	3.7%
Manukau City	3,770	-1.1%	-0.9%	-16.6%	4.5%
Papakura District	4,115	3.4%	-2.3%	-16.2%	6.1%
Franklin District	4,263	0.0%	-4.3%	-7.2%	6.4%
Other North Island					
Whangarei District	4,201	1.4%	0.4%	1.8%	10.2%
Hamilton City	4,049	-1.0%	-2.7%	-10.3%	7.8%
Tauranga City	3,757	-1.8%	-3.2%	-10.1%	8.6%
Rotorua District	4,411	-0.9%	-1.5%	-7.5%	10.7%
Hastings District	4,211	0.2%	0.0%	-8.5%	12.3%
Napier City	3,710	0.4%	-3.5%	-11.5%	10.5%
New Plymouth District	4,392	0.0%	-1.4%	-3.2%	9.9%
Palmerston North City	3,904	-1.2%	-3.5%	-13.0%	11.7%

House Price Index	Index level	One Month	Three Months	One Year	Five Years*
Wellington	3,477	0.1%	-4.2%	-19.7%	7.8%
Porirua City	3,599	2.1%	-3.4%	-18.4%	8.5%
Upper Hutt City	4,051	-0.7%	-2.8%	-21.9%	9.8%
Lower Hutt City	3,680	-2.0%	-9.2%	-26.5%	8.1%
Wellington City	3,071	1.8%	-1.5%	-18.5%	6.5%
South Island					
Nelson City	2,930	-3.2%	-0.8%	-9.3%	7.7%
Christchurch City	3,490	0.3%	-1.6%	-5.4%	8.4%
Queenstown-Lakes District	3,651	1.0%	-0.1%	3.5%	8.5%
Dunedin City	4,221	-0.3%	1.4%	-11.1%	9.9%
Invercargill City	4,353	1.4%	0.2%	-2.0%	13.8%

Source: REINZ *=Compound Growth Rate

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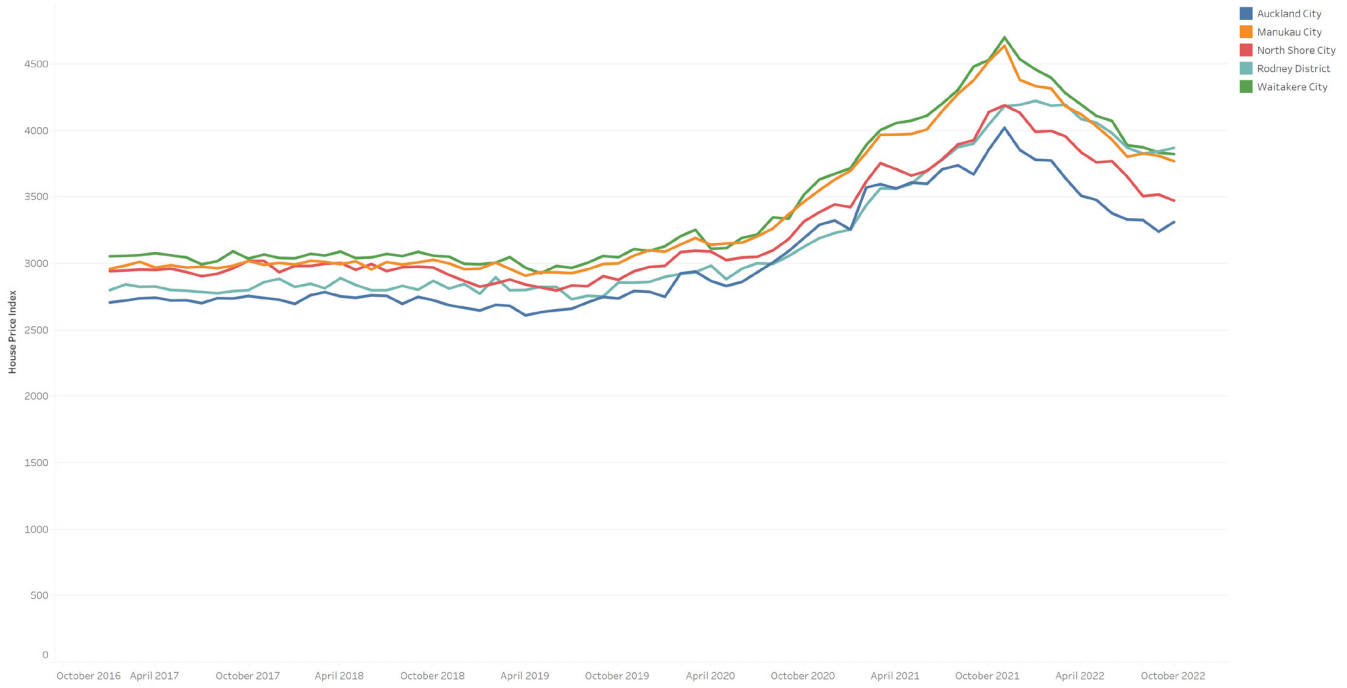
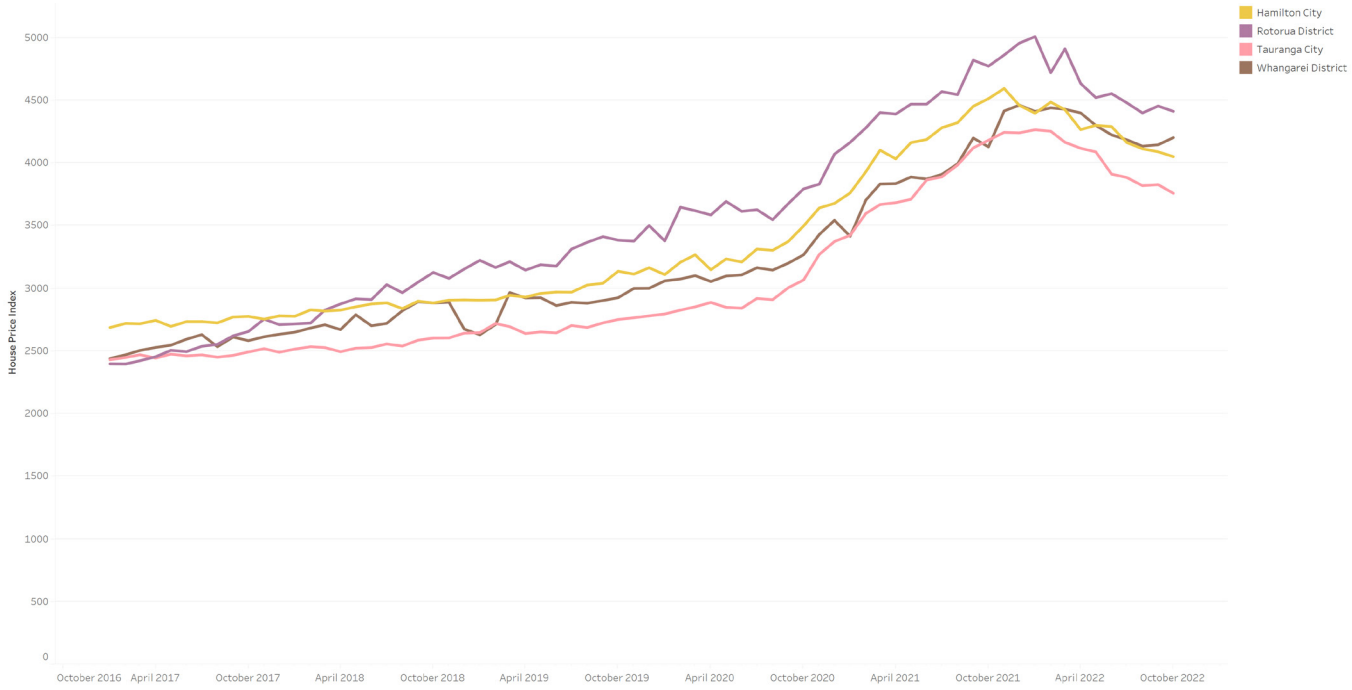
AUCKLAND
COUNCILS HOUSE PRICE INDICIES



UPPER NORTH ISLAND (EX-AUCKLAND)
COUNCIL HOUSE PRICE INDICIES



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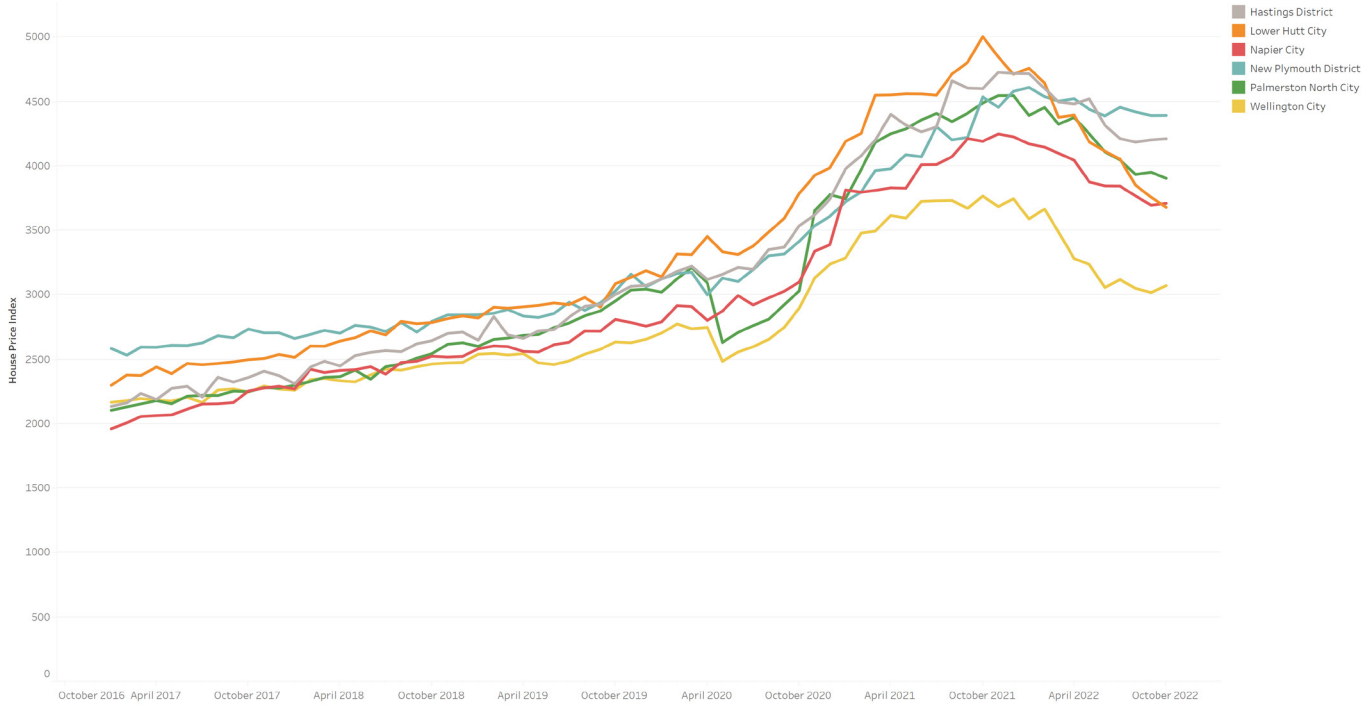
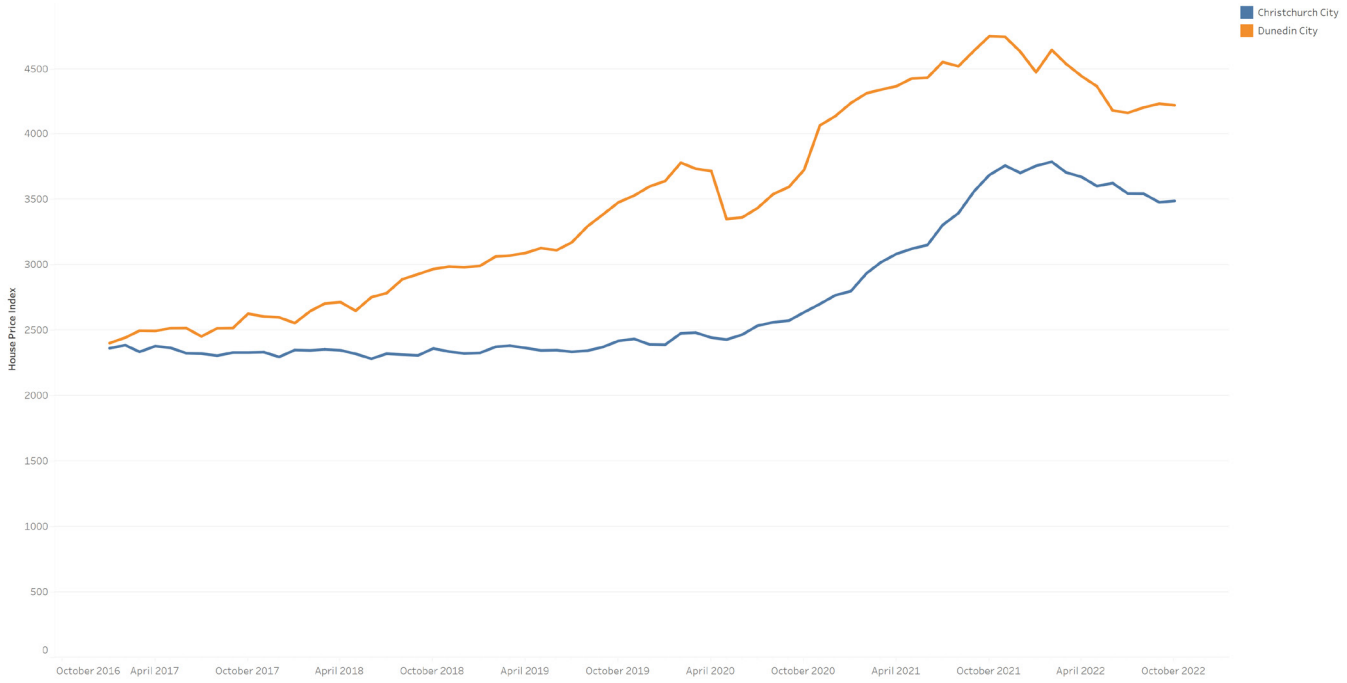
LOWER NORTH ISLAND
COUNCIL HOUSE PRICE INDICIES



SOUTH ISLAND
COUNCIL HOUSE PRICE INDICIES



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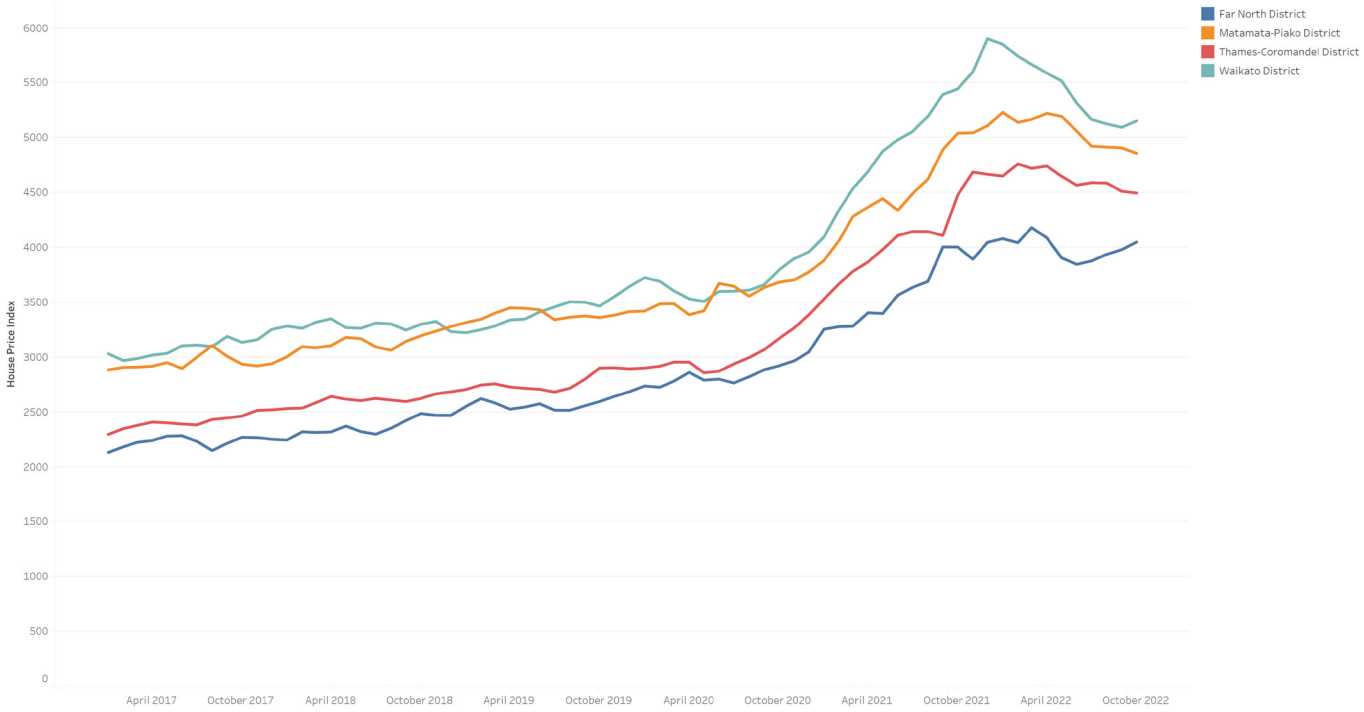
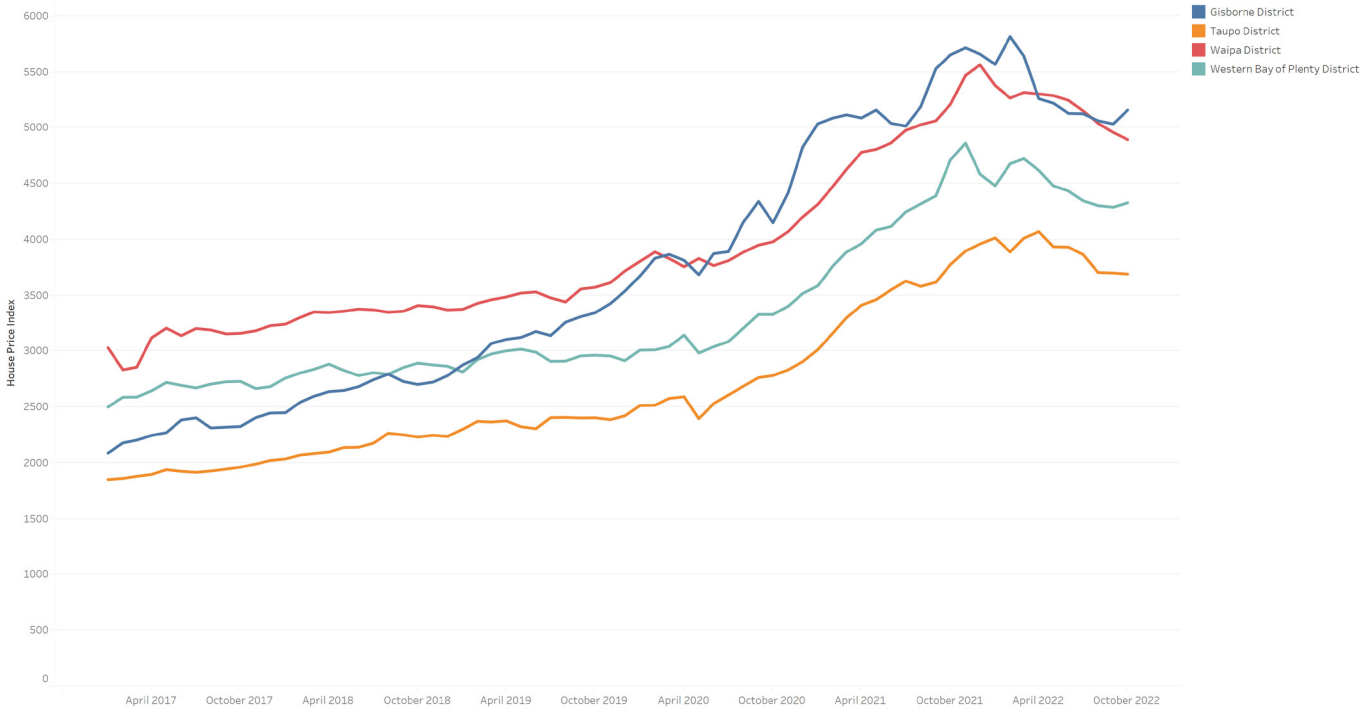
UPPER NORTH ISLAND (EX-AUCKLAND)
COUNCIL HOUSE PRICE INDICIES



MID NORTH ISLAND
COUNCIL HOUSE PRICE INDICIES



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LOWER NORTH ISLAND
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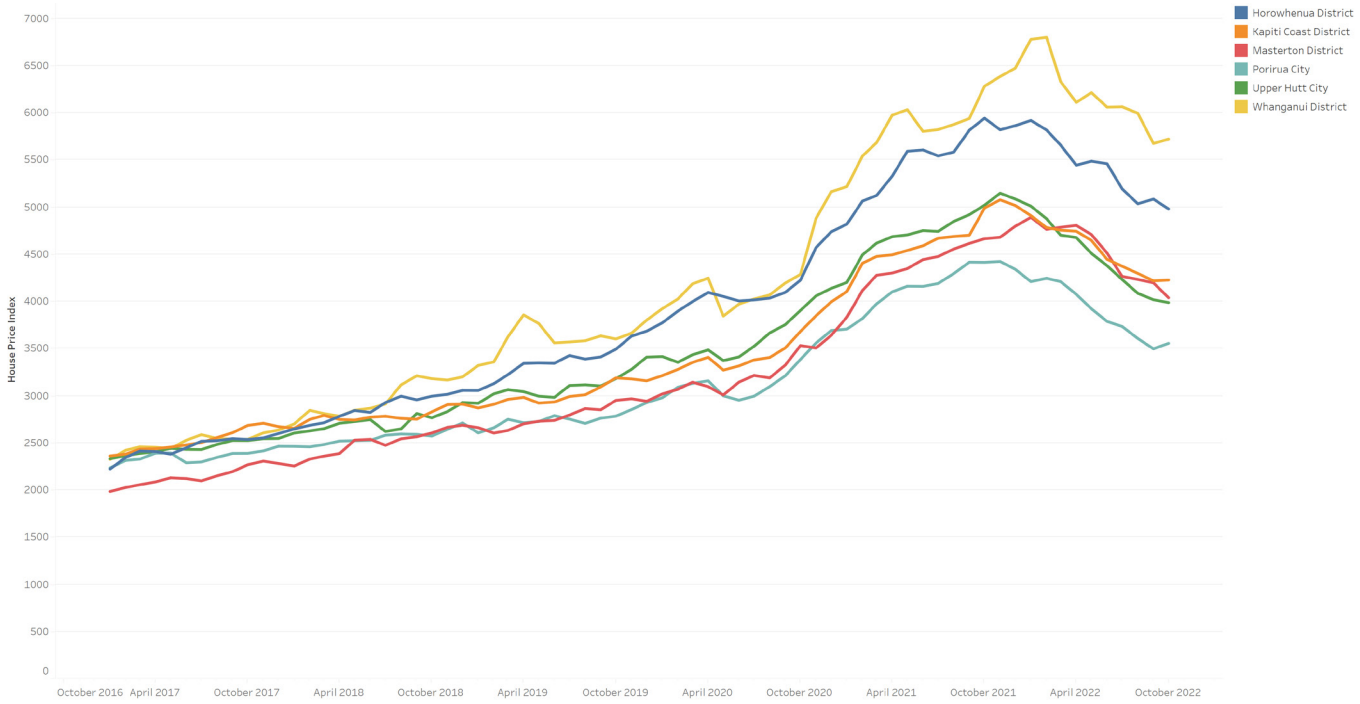

UPPER SOUTH ISLAND
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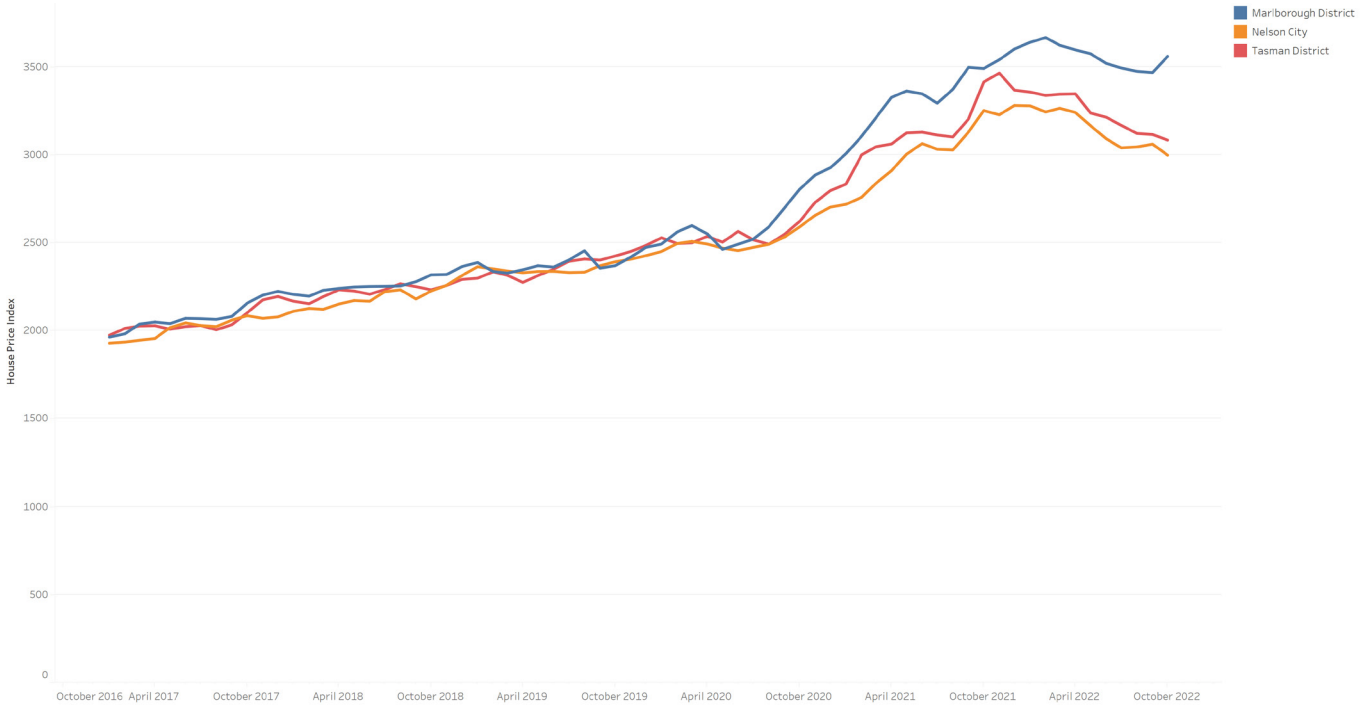

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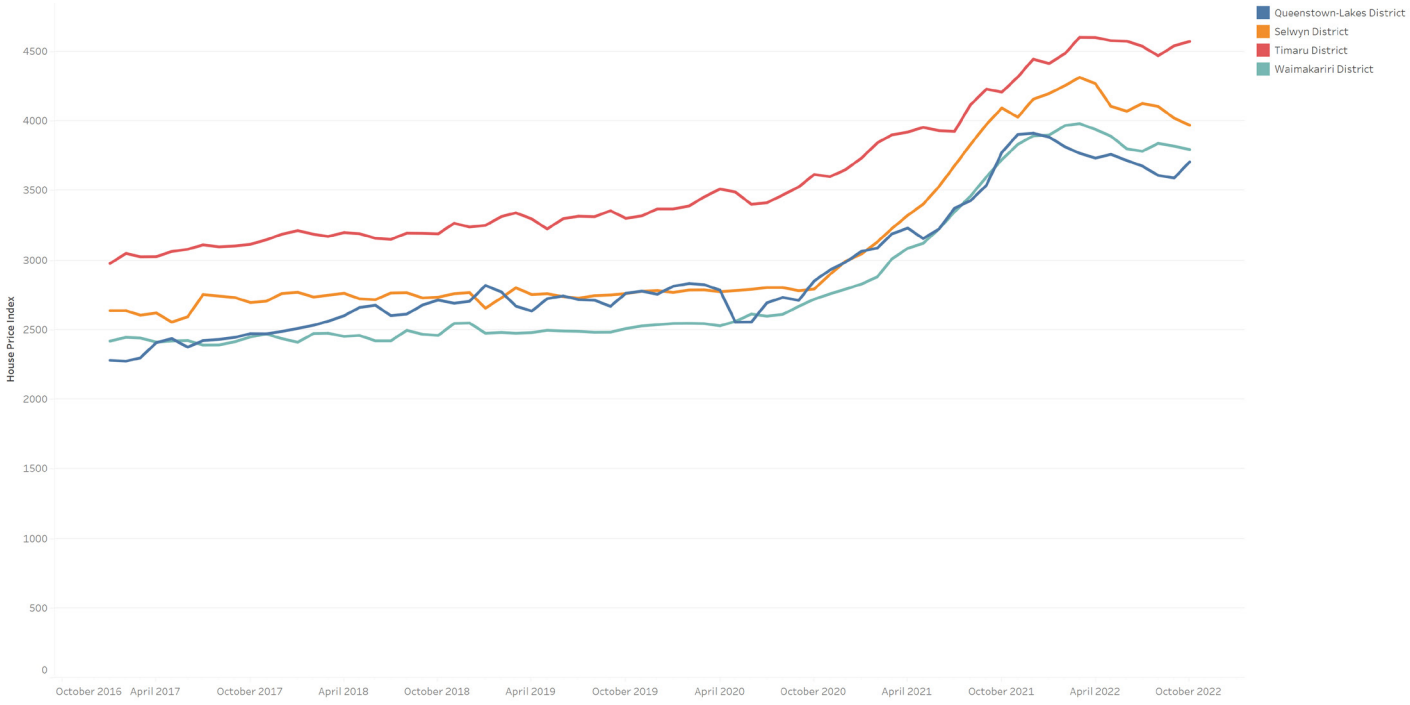

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NORTH ISLAND
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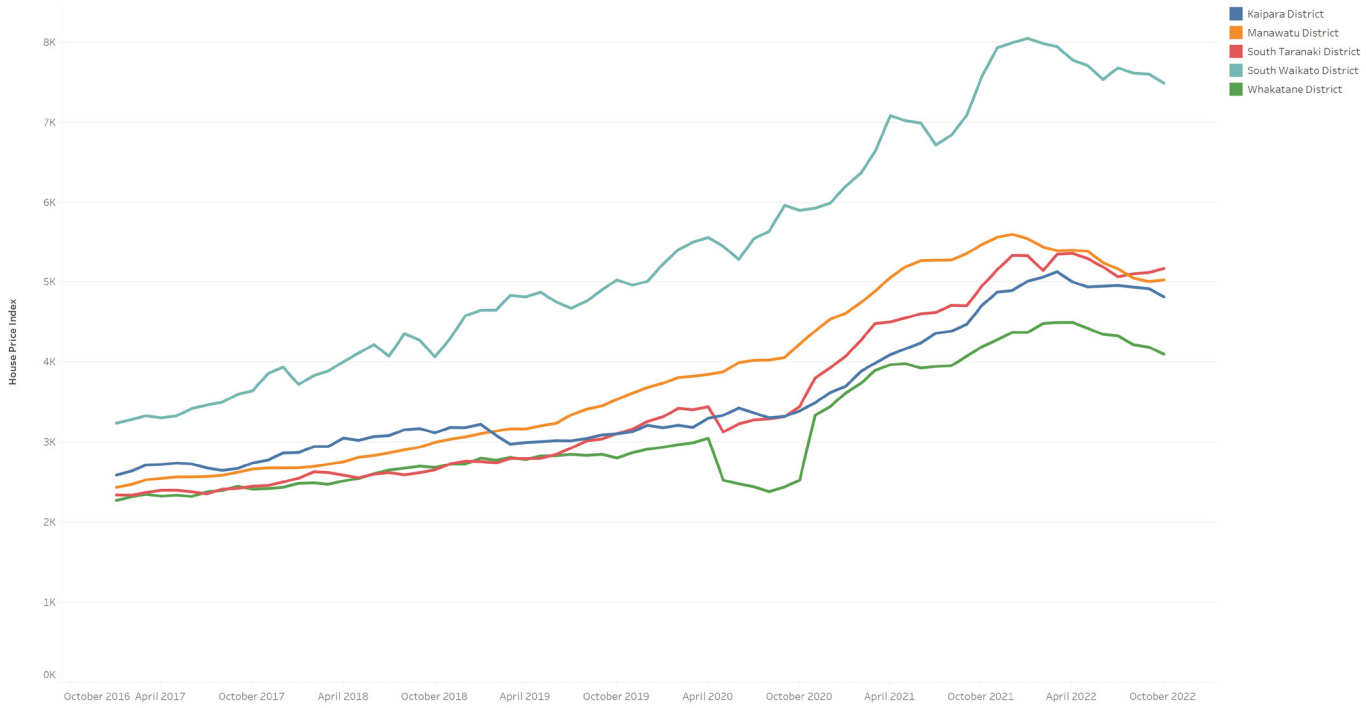

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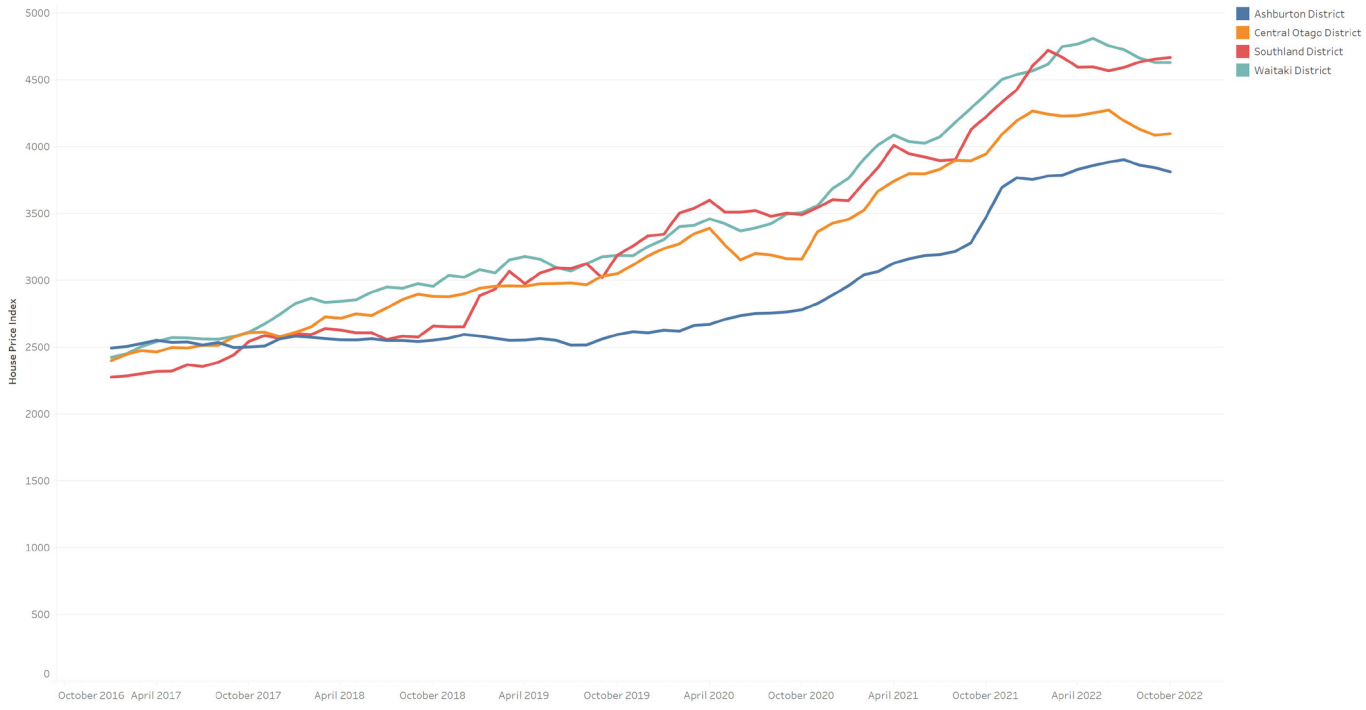

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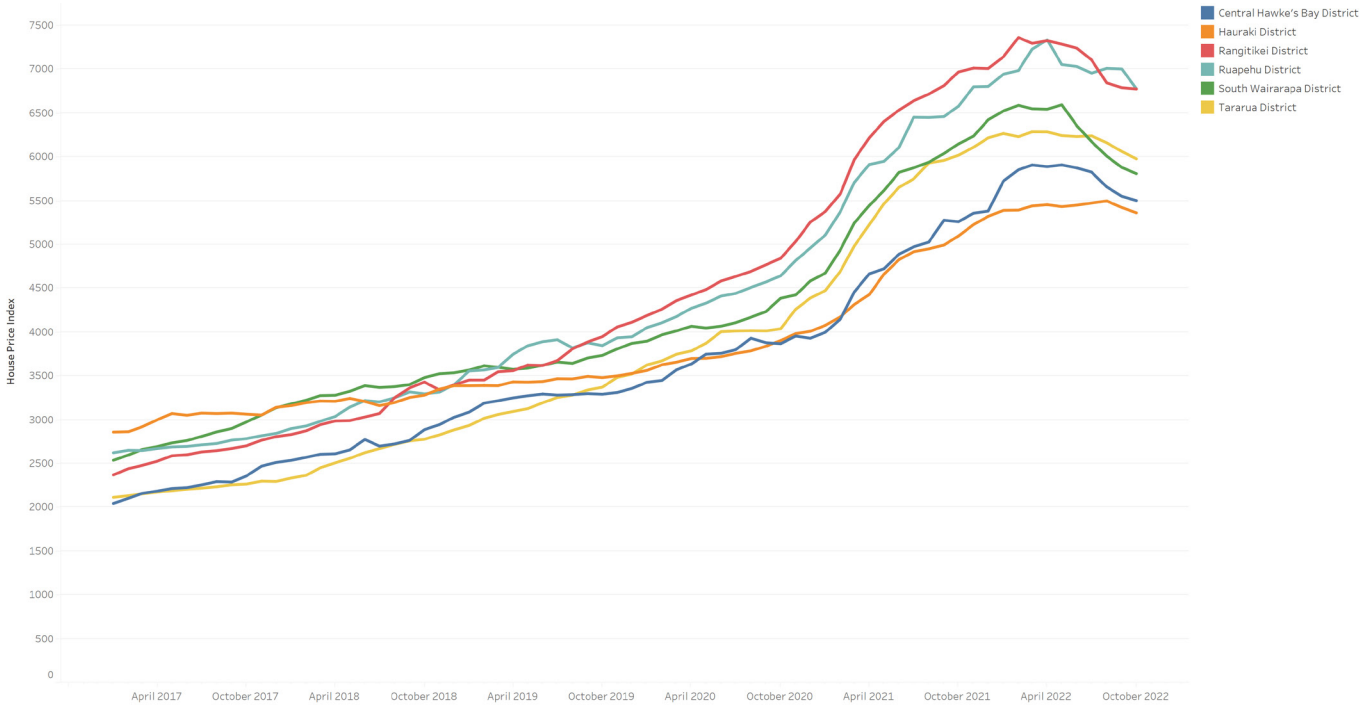

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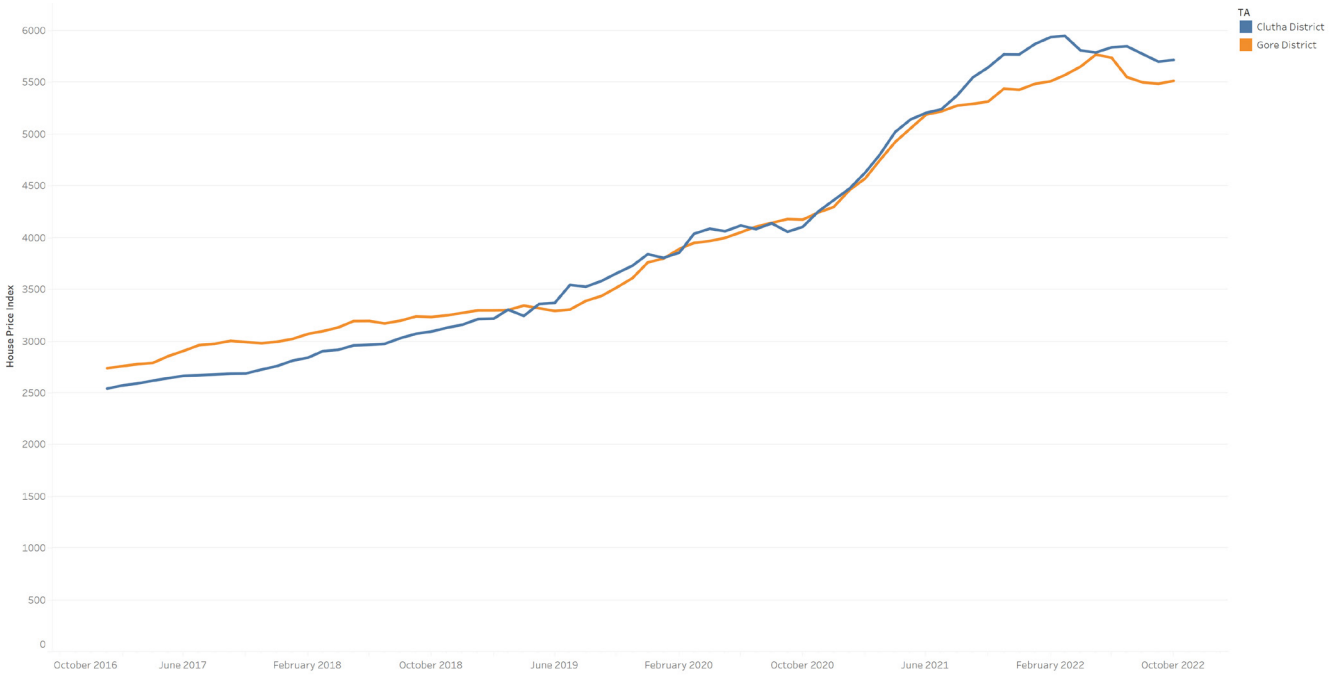

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TERRITORIAL AUTHORITY HPI VALUES

Council	Calculated	HPI
Ashburton District	3 month rolling	3,813
Auckland City	Actual Month	3,312
Buller District	6 month rolling	4,323
Carterton District	6 month rolling	4,893
Central Hawke's Bay District	6 month rolling	5,502
Central Otago District	3 month rolling	4,098
Christchurch City	Actual Month	3,490
Clutha District	6 month rolling	5,719
Dunedin City	Actual Month	4,221
Far North District	2 month rolling	4,049
Franklin District	2 month rolling	4,118
Gisborne District	2 month rolling	5,157
Gore District	6 month rolling	5,517
Grey District	6 month rolling	4,030
Hamilton City	Actual Month	4,049
Hastings District	Actual Month	4,211
Hauraki District	6 month rolling	5,362
Horowhenua District	2 month rolling	4,980
Hurunui District	6 month rolling	4,550
Invercargill City	Actual Month	4,353
Kaikoura District	3 month rolling	3,027
Kaipara District	2 month rolling	4,858
Kapiti Coast District	Actual Month	4,222
Kawerau District	3 month rolling	6,841
Lower Hutt City	Actual Month	3,680
Mackenzie District	6 month rolling	7,444
Manawatu District	3 month rolling	5,031
Manukau City	Actual Month	3,770
Marlborough District	2 month rolling	3,559
Masterton District	2 month rolling	4,039
Matamata-Piako District	2 month rolling	4,857
Napier City	Actual Month	3,710
Nelson City	2 month rolling	2,997
New Plymouth District	Actual Month	4,392
North Shore City	Actual Month	3,474
Opotiki District	6 month rolling	4,937

Council	Calculated	HPI
Otorohanga District	6 month rolling	5,440
Palmerston North City	Actual Month	3,904
Papakura District	2 month rolling	4,032
Porirua City	2 month rolling	3,555
Queenstown-Lakes District	2 month rolling	3,706
Rangitikei District	6 month rolling	6,776
Rodney District	Actual Month	3,870
Rotorua District	Actual Month	4,411
Ruapehu District	6 month rolling	6,779
Selwyn District	2 month rolling	3,970
South Taranaki District	3 month rolling	5,171
South Waikato District	3 month rolling	7,490
South Wairarapa District	6 month rolling	5,809
Southland District	3 month rolling	4,668
Stratford District	6 month rolling	6,307
Tararua District	6 month rolling	5,979
Tasman District	2 month rolling	3,083
Taupo District	2 month rolling	3,689
Tauranga City	Actual Month	3,757
Thames-Coromandel District	2 month rolling	4,496
Timaru District	2 month rolling	4,571
Upper Hutt City	2 month rolling	3,987
Waikato District	2 month rolling	5,153
Waimakariri District	2 month rolling	3,795
Waimate District	6 month rolling	6,198
Waipa District	2 month rolling	4,892
Wairoa District	6 month rolling	4,864
Waitakere City	Actual Month	3,823
Waitaki District	3 month rolling	4,630
Waitomo District	6 month rolling	5,597
Wellington City	Actual Month	3,071
Western Bay of Plenty District	2 month rolling	4,327
Westland District	6 month rolling	4,824
Whakatane District	3 month rolling	4,102
Whanganui District	2 month rolling	5,721
Whangarei District	Actual Month	4,201

DISCLAIMER

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