



BAYLEYS LIFESTYLE MARKET UPDATE

Biggest trends

Prices drop after a massive boost
 Prices have calmed after big gains during the pandemic, but still remain elevated relative to the pre-pandemic levels. Sale processes are generally taking longer with more conditional buyers present.

Rising interest rates cause headwinds
 Overall affordability is being influenced by higher interest rates. The growing sentiment that long-term interest rates have peaked is providing more confidence to buyers around the future for interest rates.

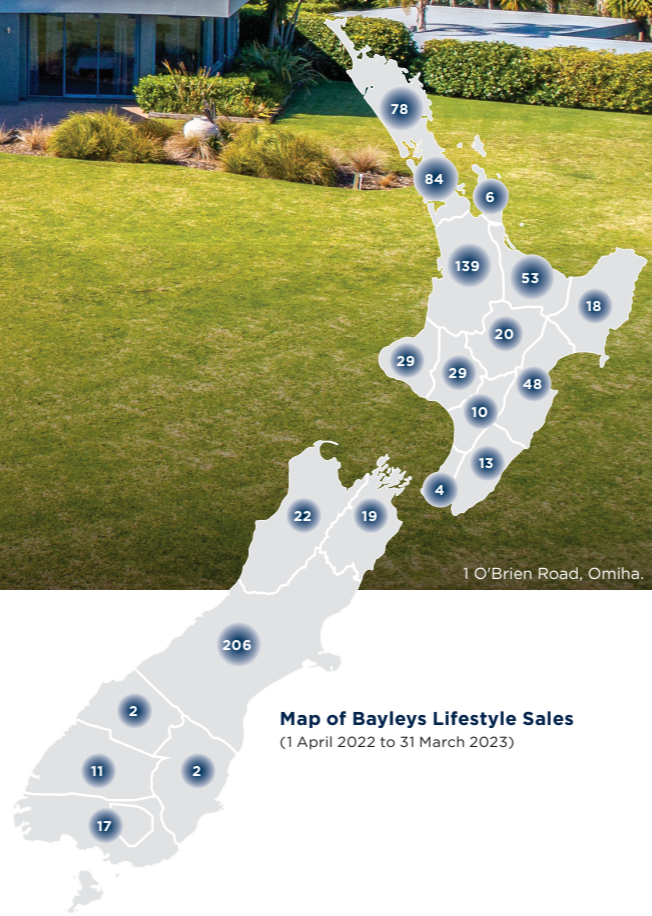
Increase in cross-regional activity
 Buyers continue to look outside their local areas, often driven by a desire to capitalise on a remote working lifestyle. Trend is most apparent amongst buyers based in metropolitan Auckland who can also benefit from more affordable prices in other regions.

Outlook for the next 12 months

Higher value properties remain attractive
 Lifestyle properties with unique and high-spec homes continue to be in demand. Coastal locations and architecturally designed homes, alongside amenities like pools, ponds, ancillary buildings (sheds) and equestrian facilities are expected to remain standout drivers.

Remote working and connectivity extends buyer reach
 A combination of improved connectivity coupled with working-from-home trends will continue to enable lifestyle ownership for a more diverse buyer pool. The search areas for some buyers will expand as they become less sensitive to driving distances.

Impact of government regulations not yet known
 The impact of the National Policy Statement for Highly Productive Land remains unclear. Aimed at protecting land used for food production, it may reduce subdivision potential for larger rural properties on the urban fringe. This will likely reduce rezoning opportunities but also constrain the future supply of new lifestyle properties.



BAYLEYS LIFESTYLE SALES

\$1,168,608,425
 Land value sold

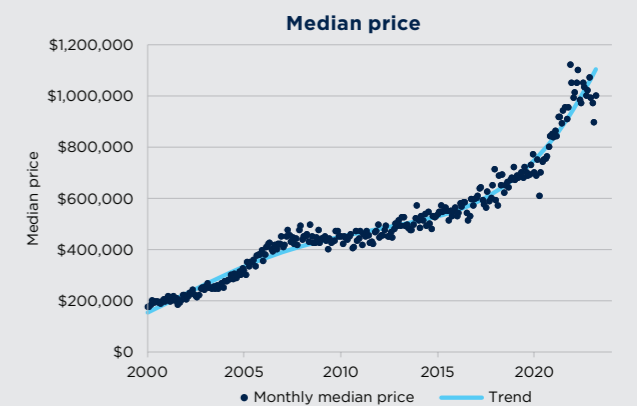
964
 Lifestyle properties sold

Bayleys Lifestyle Unconditional sales (1 April 2022 to 31 March 2023)

NEW ZEALAND LIFESTYLE MARKET TRENDS

Data: Bayleys Insights & Data, REINZ 1 April 2022 to 31 March 2023

\$6.38b Land value sold (down 33% from \$9.58b) | **5,380** Properties sold (down 31% from 7,844)



Average price by region (2023)

Northland	\$945,157
Auckland	\$2,048,406
Waikato	\$1,295,144
Bay of Plenty	\$1,379,473
Gisborne	\$1,040,091
Hawkes Bay	\$1,129,880
Taranaki	\$876,468
Manawatu-Wanganui	\$756,401
Wairarapa Wellington	\$1,162,135
Tasman Nelson Marlborough	\$1,230,051
West Coast	\$458,607
Canterbury	\$1,053,806
Otago	\$1,408,303
Southland	\$684,152
New Zealand	\$1,206,452

Number of sales by region (2023)

