

21,513
Total number
of houses in
Hibiscus Coast
(Census 2013)

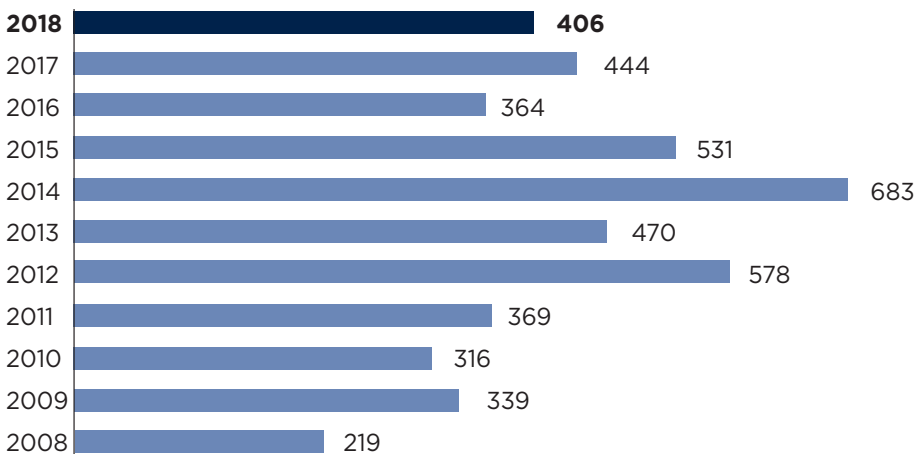
The Hibiscus Coast market is very much aligned with the greater Auckland market, which has seen a flat line effect on prices throughout 2018. Although the North Shore has shown a 10% decline in prices, the HBC area has only shown a 3% adjustment for 2018. Our local market is helped by the continued growth in the area and the strong desirability of Aucklanders for our beach lifestyle and affordability, yet we're close enough to commute to the city when needed.

Interestingly, the sales volumes have not declined by as much as expected compared to the same period in 2017 (an 8% decrease overall). A closer look reveals that the dwelling sales have remained very stable, yet it is the section sales that have decreased by 37% in the last quarter, with a decrease in median sale price of 24%. This is not surprising when we consider that sections are usually the first to be affected in a changing market, where the appetite to build, from both developers and family purchasers, decreases as prices stabilise. We are finding that although the buyers are price sensitive, we are achieving steady section sales when the value proposition is compelling for the buyer.

In January 2019 the Reserve Bank of New Zealand eased their Loan to Value (LVR) restrictions with banks now able to provide 20% of new owner occupier loans to owner occupier borrowers with deposits of less than 20% and 5% of new investor loans to investor borrowers with less than 30% deposits. This easing in requirements should act as a positive stimulus for increasing transactional activity in the market, especially with HBC being a strong attraction to first home buyers and young families, with great schooling and day care facilities abundant.

We believe the low interest rates, elevated migration and the ongoing housing shortage will ensure the fundamental supply and demand imbalance will persist and underpin the Hibiscus Coast market in the longer term and we are expecting business as usual in the market for 2019.

Sales Volumes by year for October/November/December



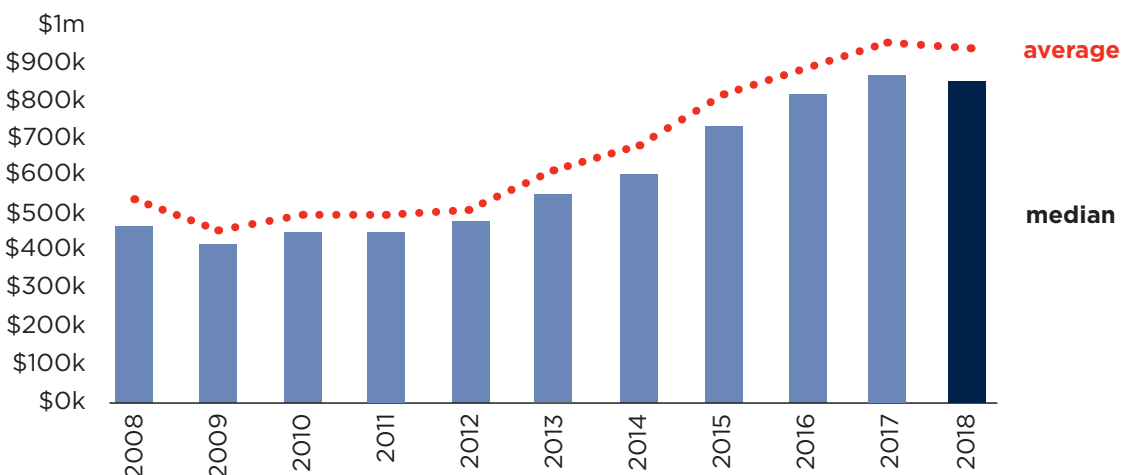
406

residential
properties sold in
December Quarter

1,103

properties for
sale today

Sales values (median and average) by year



SUMMARY STATISTICS

Top streets by house sales activity (1/1/18 to 31/12/18):

Area	No. of sales	Median sale	Average sale
Colonial Drive, Millwater	26	\$1,180,000	\$1,180,639
Ormonde Drive, Millwater	19	\$1,165,000	\$1,238,684
Riverside Road, Orewa	19	\$925,000	\$906,575
Vipond Road, Stanmore Bay	19	\$735,000	\$854,842
Whangaparaoa Road, Manly	18	\$790,000	\$805,825
Hibiscus Coast Highway, Orewa	17	\$1,100,000	\$1,326,000
Waterside Crescent, Gulf Harbour	16	\$809,500	\$839,156
Harris Drive, Millwater	15	\$1,188,000	\$1,216,053
Centreway Road, Orewa	15	\$799,000	\$819,067

House market (December Quarter 2018)

347 houses sold

350 houses sold same quarter last year

-1% down on last year

\$336,097,269 value for quarter

\$341,739,819 value same quarter last year

-2% down on last year

\$870,000 median sale price

\$885,000 median sale price same quarter last year

-2% down on last year

\$4,550,000 highest sale price

\$200,000 lowest sale price

Section market (December Quarter 2018)

59 sections sold

94 sections sold same quarter last year

-37% down on last year

\$28,169,269 value for quarter

\$65,300,428 value same quarter last year

-57% down on last year

\$430,000 median sale price

\$567,935 median sale price same quarter last year

-24% down on last year

\$1,188,000 highest sale price

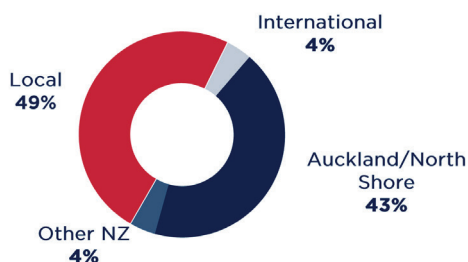
\$255,652 lowest sale price

Bayleys Statistics (last 12 months)

Average Sale Price	\$1,106,905
Bayleys Sales Exceeded Market Average by	\$189,918 (+20.7%)

Hibiscus Coast Buyer Location/Source - April 2008 to December 2018 (Bayleys data)

Buyer Location



Buyer Source



Bayleys Orewa

14 Florence Avenue
09 426 5911
orewa@bayleys.co.nz

Bayleys Millwater

177 Millwater Parkway
09 426 5911
millwater@bayleys.co.nz

Bayleys Whangaparaoa

661 Whangaparaoa Rd, Stanmore Bay
09 428 0600
whangaparaoa@bayleys.co.nz