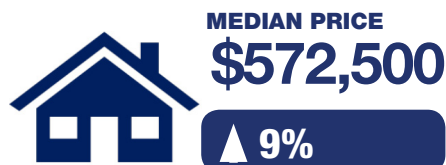


### Kapiti Coast Residential – Autumn 2019



All figures compare March 2019 quarter with March 2018 quarter

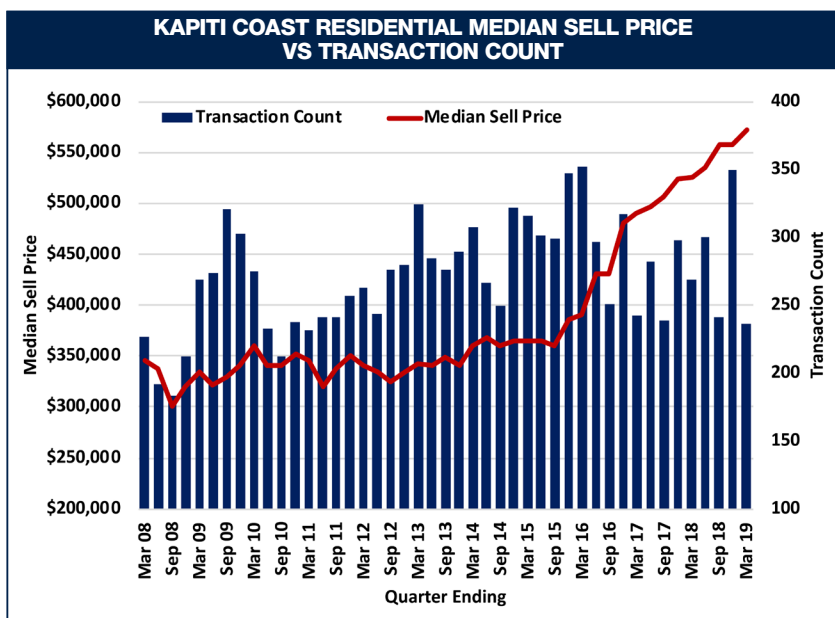
The Kapiti Coast residential market continues to witness strong momentum in residential value growth. The March 2019 quarter recorded a historically high median sale price of \$572,500, showing no signs of a slowing market.

Kapiti Coast residential property values have surged since late 2015. In 3Q 2015, the median value stood at \$360,000, this compares to the figure for 1Q 2019, of \$572,500, up 59%, or \$212,500.

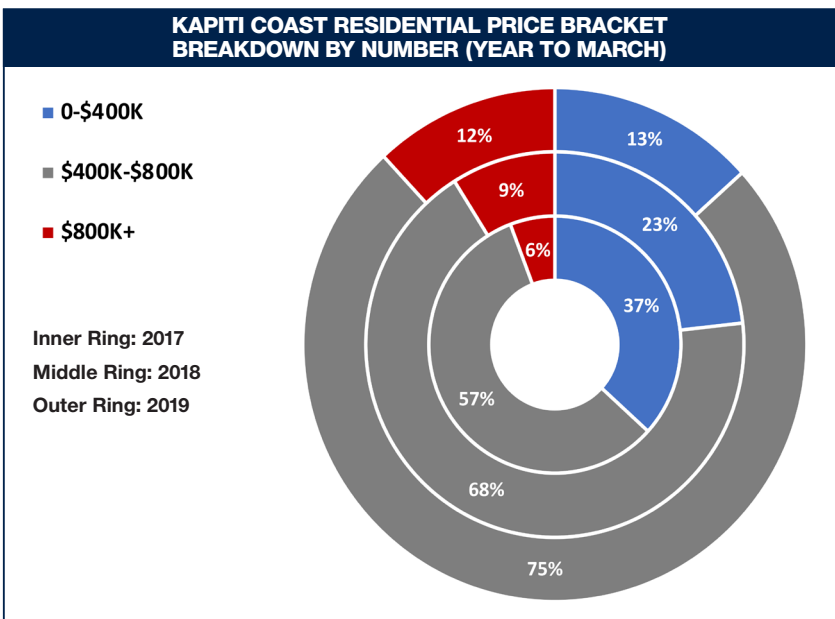
Key market fundamentals in the Wellington region continue to underpin value growth including above average net migration, limited new supply and low levels of available inventory.

The new Mackays to Peka Peka, 18km four-lane expressway, offers safer and shorter trips to and through the Kapiti Coast, allowing residents increased accessibility to Wellington Central while enjoying a more relaxed and easy living lifestyle that the Kapiti Coast provides.

When breaking residential sales transactions down into differing value bands in the Kapiti Coast market, an ongoing trend towards increased activity in the upper value band (sales > \$800K) is evident. Over the year to March 2019, the total number of transactions to occur for more than \$800K, totalled 12%, well above the 6% share two years earlier. The



Source: REINZ



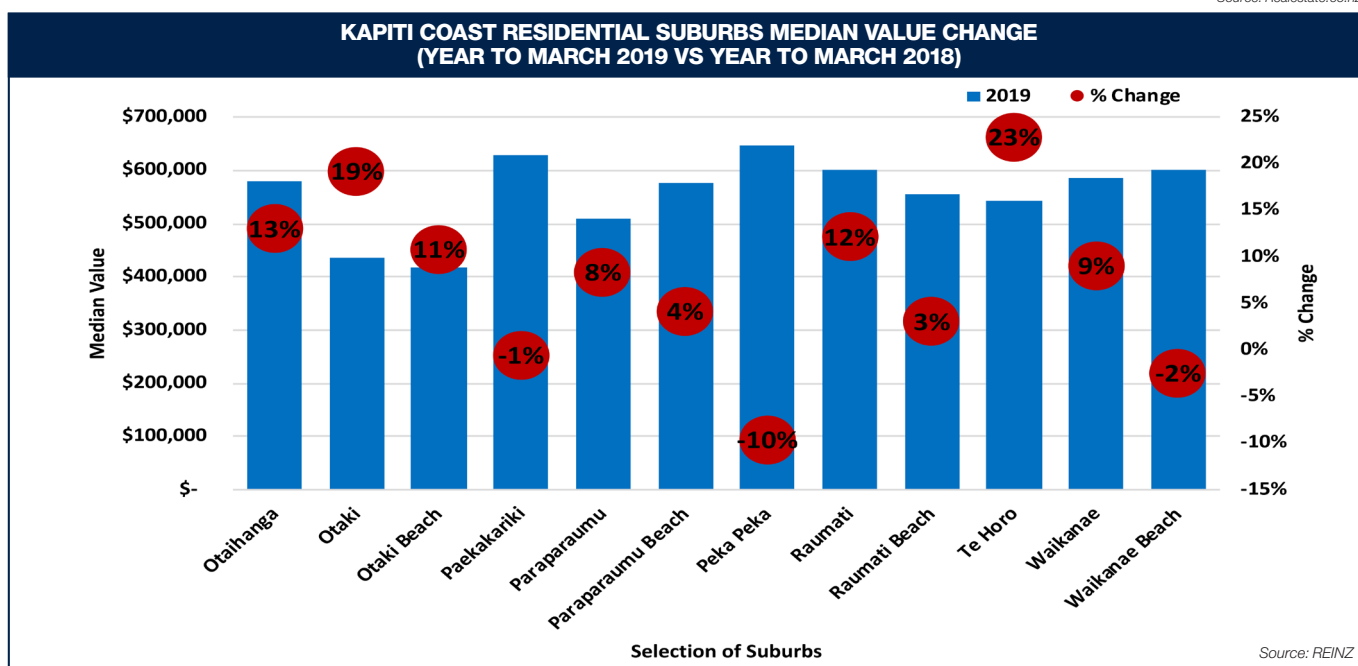
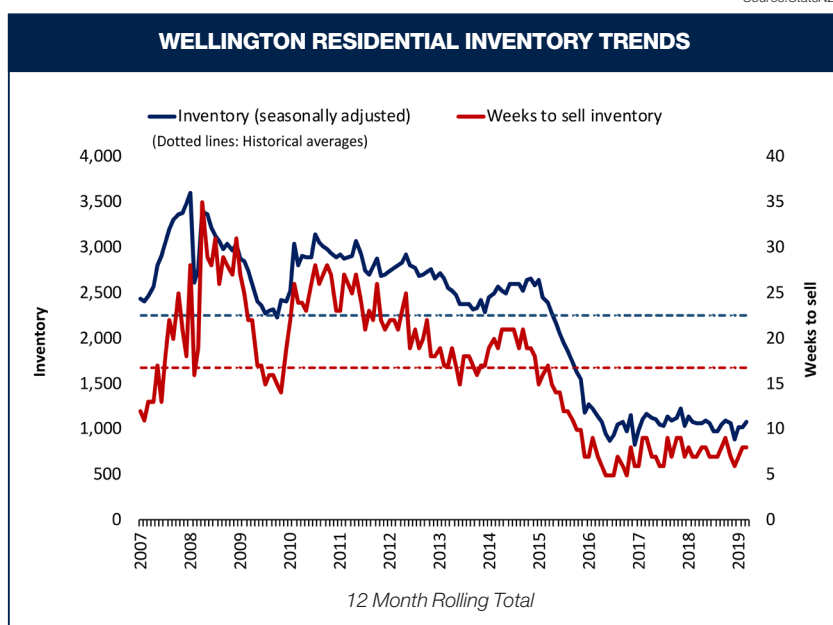
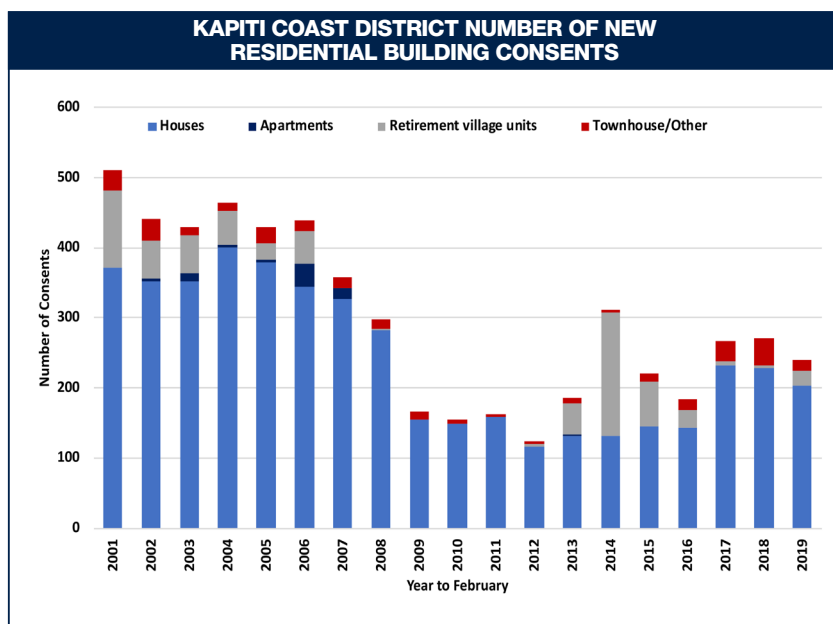
Source: REINZ

majority of transactions on the Kapiti Coast however, take place within the \$400K to \$800K value band, which has also witnessed year on year increases in the total share of transactions.

According to the latest Statistics NZ data, the total number of residential consents issued in the Kapiti Coast District over the year to February 2019 was 11% less than the same period a year prior. Construction activity has come off the peak levels witnessed from the early 2000's to 2008, however with tight levels of inventory and residential values continuing to surge, scope for further construction remains.

The Kapiti Coast is yet to follow the trend of the Wellington Central market which is seeing an increased number of residential consents for high density housing, representing 70% of all consents over the year to February 2019. Over the same period, consents for higher density housing on the Kapiti Coast District, made up just 6% of all consents issued.

The total amount of inventory available to sell in the Wellington region remains at historically low levels. The total amount of stock available to the market in the 12 months to February 2019 was just 1,026, 55% lower than the long term average of 2,257. Over the same



period the total number of weeks it would take to sell down this inventory was 8 weeks, less than half the long term average of 17 weeks. This shows how tight property conditions are across the Wellington region. The low levels of inventory illustrate the fact that properties available to the market are scarce, and those that are brought to the market, are quickly snapped up by buyers, underpinning current residential values.

When breaking the Kapiti Coast down by suburb and comparing the year to March 2019 with the same period a year prior, almost all suburbs have seen growth in residential values. The highest growth suburb over the year to March 2019 was Te Horo, up 23%. Peka Peka gained title as the most expensive suburb in the Kapiti Coast, holding a median value of \$646,250, despite a 10% decrease in value since the prior year.

<b>KAPITI COAST RESIDENTIAL SUBURBS (YEAR TO MARCH 2019 V YEAR TO MARCH 2018)</b>						
	<b>Median Sell Price</b>	<b>% Change</b>	<b>Transaction Count</b>	<b>% Change</b>	<b>Average Days On Market</b>	<b>% Change</b>
<b>Otaihanga</b>	\$578,500	13%	12	50%	66	78%
<b>Otaki</b>	\$435,000	19%	97	4%	36	5%
<b>Otaki Beach</b>	\$416,000	11%	51	-9%	40	30%
<b>Paekakariki</b>	\$630,000	-1%	15	-32%	70	52%
<b>Paraparaumu</b>	\$510,000	8%	215	-7%	48	35%
<b>Paraparaumu Beach</b>	\$578,000	4%	226	2%	47	8%
<b>Peka Peka</b>	\$646,250	-10%	10	150%	43	-55%
<b>Raumati</b>	\$600,100	12%	69	3%	49	3%
<b>Raumati Beach</b>	\$556,250	3%	104	-9%	52	17%
<b>Te Horo</b>	\$542,000	23%	19	90%	42	-4%
<b>Waikanae</b>	\$585,500	9%	216	11%	44	6%
<b>Waikanae Beach</b>	\$600,000	-2%	91	32%	51	29%

Source: REINZ

Analysing suburbs within the Kapiti Coast by median price, transaction count and average number of days a property sits on the market gives a good indication of the most active and sought after localities within the Kapiti Coast District. Peka Peka holds the highest median sell price of \$646,250, followed by Paekakariki which witnessed a median value of \$630,000. Otaki Beach had the lowest median value over the year to March 2019 of \$416,000, although properties here are quickly absorbed by the market, with an average number of days on the market figure of just 40.

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