

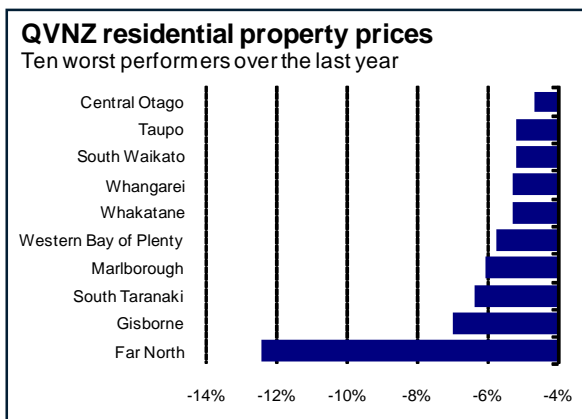
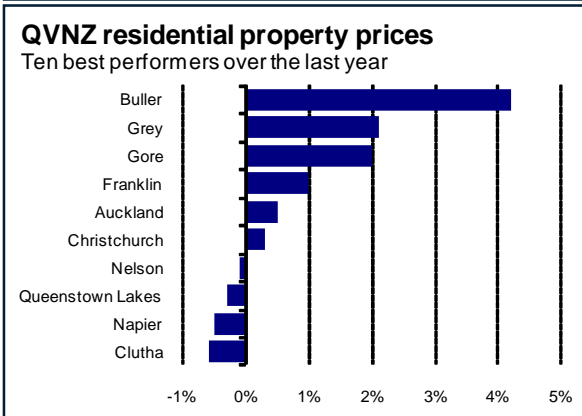
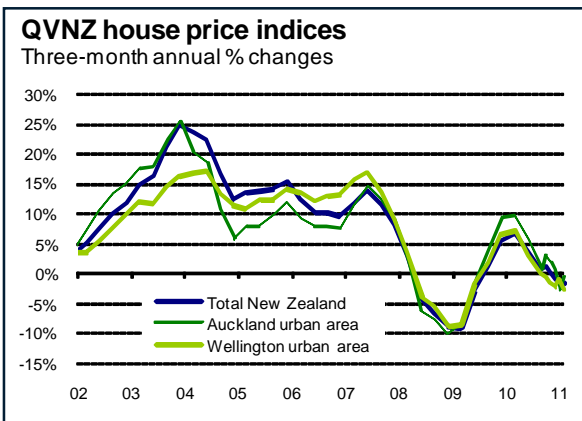


8 March 2011

February 2011 data

House price indices ⁽¹⁾	Feb-11	Jan-11	Dec-10	Sep-10 ⁽²⁾
Total New Zealand	-1.7%	-1.5%	-0.9%	0.5%
Auckland urban area	-0.4%	-2.5%	0.6%	0.8%
Hamilton City	-3.9%	-3.4%	-2.7%	-1.4%
Wellington urban area	-2.7%	-1.1%	-2.2%	-0.2%
Christchurch City	0.3%	0.3%	NA	1.1%
Dunedin City	-2.9%	-3.7%	-3.3%	-1.2%

(1) Three-month annual % changes (2) Latest annual % change from QVNZ's quarterly index
Data source: Quotable Value New Zealand Ltd



House prices on the way back up

Quotable Value's house price index rose 0.2% in February, the first monthly increase since February last year. Prices are still 1.7% lower than they were a year ago, but the latest data confirms that house prices have bottomed out, at least for now.

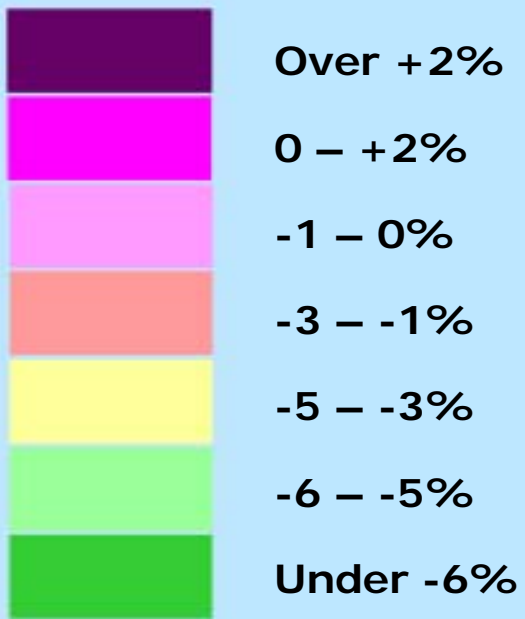
Although annual house price growth in the main urban areas remains negative, it improved from -1.5% to -1.1%pa last month. Auckland City was the main driver of the turnaround for the urban centres, with price growth returning to positive territory just a month after turning negative. Christchurch is the only other urban centre where house price inflation remains positive, while Dunedin and Invercargill also showed sizable improvements in annual price growth.

Over 70% of the country's local authorities experienced a further deterioration in annual house price growth in February. The middle and lower North Island had more than its fair share of the worst performers. In contrast, many of the best performers were located in the bottom half of the South Island – six of the 14 local authorities with better price growth last month located from Timaru southwards.

Quotable Value noted that price trends across the country remain variable, which is likely to be symptomatic of the low levels of sales taking place. Last month's earthquake in Canterbury is likely to have an effect on regional house prices throughout the rest of the year, with the exodus from Christchurch influencing population growth and demand for housing in a number of other centres around the country.

Statistical property data is provided courtesy of [Quotable Value New Zealand Ltd](http://www.quotablevalue.co.nz).

Three-month annual percentage change in house prices, February 2011



NZ average -1.7%

