



**GRANT HENDERSON**

REGIONAL GENERAL MANAGER – BAYLEYS  
WELLINGTON RESIDENTIAL

Early indications of increasing positivity across Kapiti's residential sales market are pleasing homeowners, following uncertain footing over the latter half of 2022.

While activity is likely to remain subdued over the next 12 months – particularly compared with the tremendous growth over the last decade – an easing in financial conditions has provided welcome relief for borrowers.

The Reserve Bank of New Zealand (RBNZ) continued its rate-tightening cycle at February's Monetary Policy Statement (MPS) announcement, noting that demand across the economy continues to outstrip supply. This performance was a key catalyst for the further 50 basis point rise to the Official Cash Rate (OCR), which now sits at the largely predicted 4.75 percent.

Observers expect the OCR will reach a peak of 5.5 percent by mid-year.

For Kiwis, we can expect policymakers to continue efforts to curtail demand, with signs of strong growth in the residential market likely to attract further policy action. With its uptick in positivity, the current pace has so far been beneficial for sellers but subdued enough so as not to attract unwanted policy attention.

Affordability remains a key attraction for buyers across the region, and we are looking forward to continued momentum as we head into autumn. For sellers considering their options, Bayleys' residential experts across the region have many innovative tools that can help your property stand out, so please give us a bell if you'd like to hear more.

**\$716,000**

median sale value January 2023

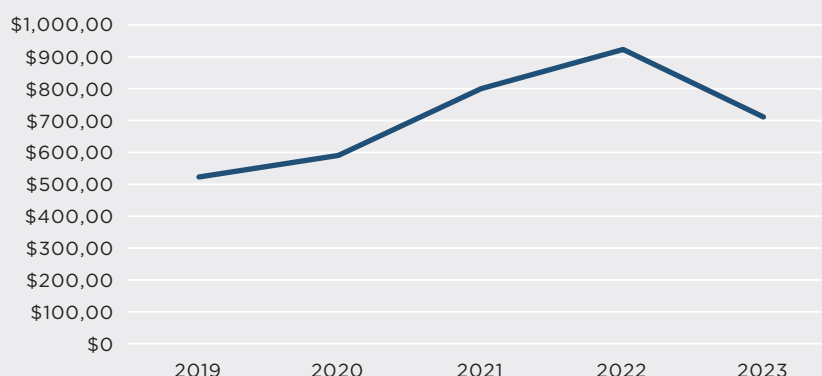
**-22%**

y/y

**-42%**

volume y/y

### MEDIAN SALES VALUES KAPITI COAST RESIDENTIAL FIVE YEARS TO JANUARY 2023



Source: REINZ unconditional sales data