

# The NZHL Property Report

by Tony Alexander.

September 2025

Have a mortgage & a life.

## About NZHL

NZHL is a passionately Kiwi, passionately local home loan and insurance network currently helping more than 50,000 New Zealanders collectively save millions of dollars in interest costs every year.

Part of Kiwi Group Capital Ltd (KGC) which are 100% Government owned, NZHL operates with an Independent Board and 70 local business owners nationwide. NZHL believes in helping Kiwis achieve financial freedom, faster and takes a structured, personalised approach to bring this to life.

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### **My Aim**

To help Kiwis make better decisions for their businesses, investments, home purchases, and people by writing about the economy in an easy-to-understand manner.

## Buyers still hold the upper hand

Welcome to the NZHL Property Report by Tony Alexander. This survey gathers together the views of licensed real estate agents all over New Zealand regarding how they are seeing conditions in the residential property market in their areas. We ask them how activity levels are changing, what the views of first home buyers and investors are, and the factors which are affecting sentiment of those two large groups.

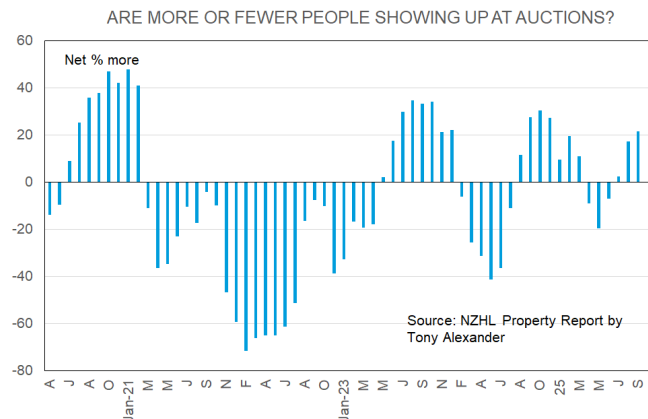
The key results from this month's survey which yielded 253 responses include the following.

- A solid buyer's market remains in place with evidence of more vendors entering the market to sell.
- Young buyers continue to have a strong presence, but investors appear to be net sellers of property with a trigger for some being when a current tenant moves out.
- Prices are generally still seen as falling according to agents, with FOMO remaining at low levels yet many vendors still hoping for 2021 prices.

### Are more or fewer people showing up at auctions?

In this month's survey of residential real estate agents throughout the country a net 21% have reported seeing more people attending auctions. This is up from 17% last month and the strongest reading since late-November last year. The recent low came in May when a net 20% said they were seeing fewer people in attendance.

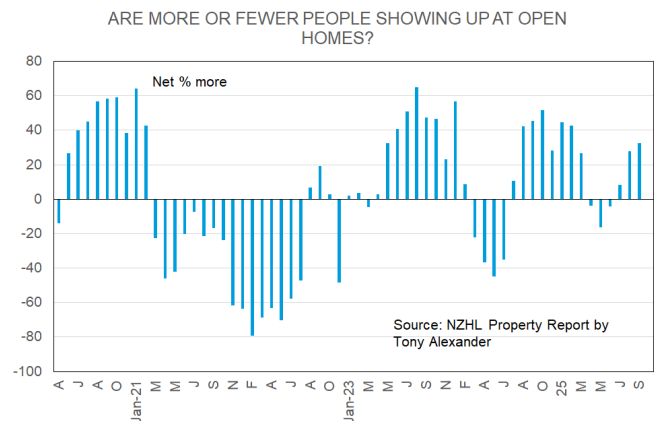
Like many other indicators in this and other surveys we can see that the June quarter was the weakest period for this year. Recovery is underway and the recent cutting of one-year fixed mortgage rates to just below 4.5% will likely spur some additional buyer interest as we head through Spring.



### Are more or fewer people attending open homes?

A net 32% of agents have reported seeing more people attending open homes. This was up from 28% last month and is the strongest result since February's net 43%. As was the case for auction attendance discussed above, May brought the weakest reading for this measure this year with a net 16% of agents saying fewer people were at open homes.

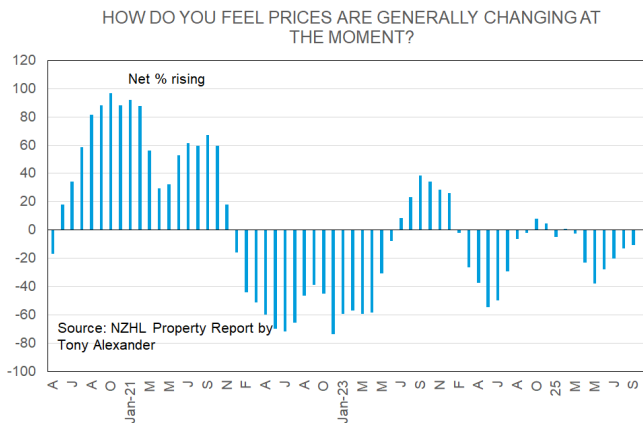
The comments submitted by agents this month indicate that agent experiences of open home attendance are still quite diverse with some noting more people but others still struggling for customers.



## How do you feel prices are generally changing at the moment?

A net 11% of agents have reported that they feel prices are falling in their area of operations. This is slightly better than the net 13% of last month but much better than the net 38% who in May said prices were falling.

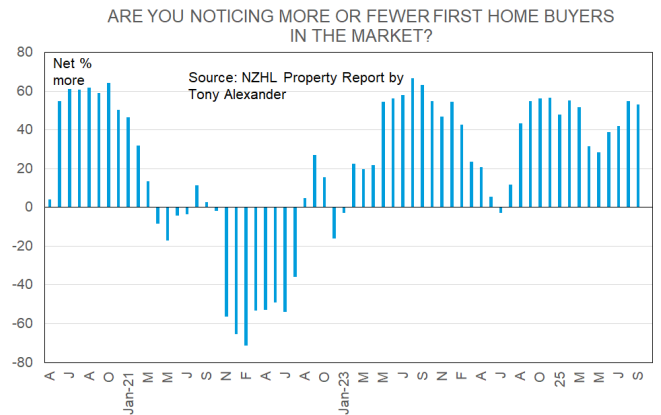
The key takeaway from this gauge is that although more buyers are appearing in the market the pricing dynamic remains subdued. Buyers show strong inclination to walk away when offers are rejected. The trend however is towards the better as seen in the following graph.



## Are you noticing more or fewer first home buyers in the market?

The residential real estate market continues to be driven by first home purchasers. A net 53% of agents this month from 55% last month have said that they are seeing more first-time buyers in the market.

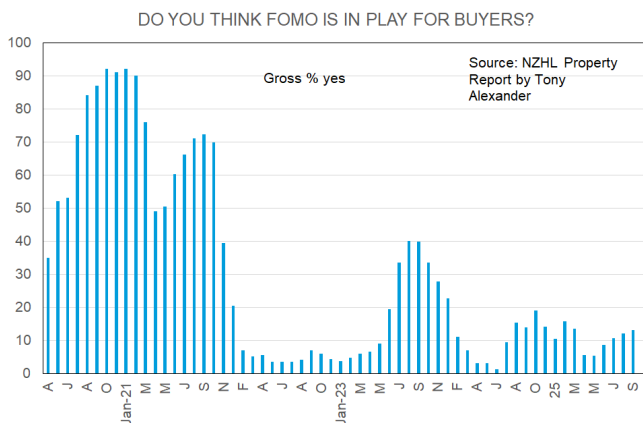
Young people have been taking advantage of high listings, limited competition, lower prices, and greater credit availability since early in 2023 and there is no sign of this key dynamic for the market easing.



## Do you think FOMO is in play for buyers?

FOMO = Fear of missing out

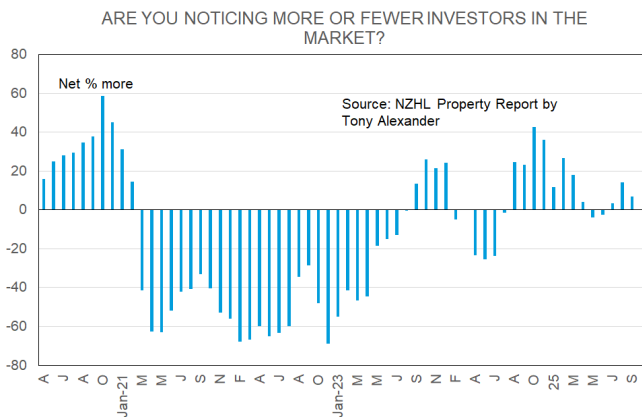
Very few buyers feel that they need to make haste or risk missing out on a good purchase. Only 13% of agents have reported this month that they feel buyers are displaying a fear of missing out. This was little changed from 12% last month and this measure has been at weak levels since February last year.



## Are you noticing more or fewer investors in the market?

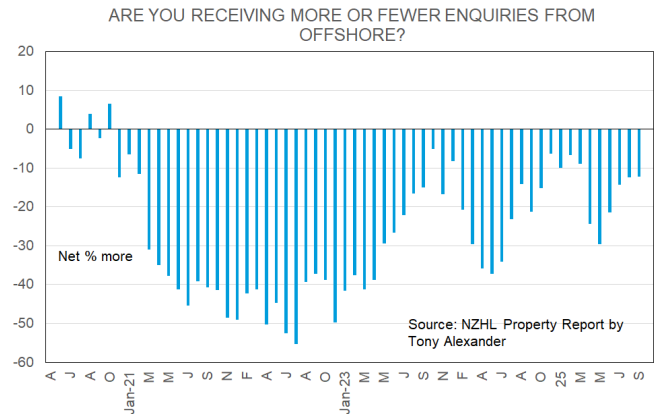
Only a net 7% of agents this month have reported that they are observing more investors in the market looking to make a purchase. This is down from a net 14% last month and little better than the net 4% of agents who in May said they were seeing fewer investors.

There are media reports of investors making purchases. But the bulk of agents have been in their business for some years and are aware that up until the credit crunch of 2021 investors were a greater force affecting the residential real estate market. The dynamic has changed and one aspect of that is more investors looking to sell – which we discuss further on in this report.



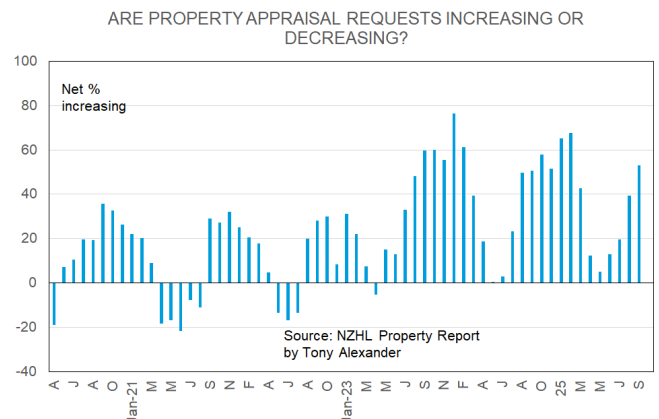
## Are you receiving more or fewer enquiries from offshore?

There is no evidence from this survey that the recent change in foreign home purchasing rules for properties above \$5mn has had a market impact. A net 12% of agents have this month reported receiving fewer offshore enquiries, unchanged from last month and near the same as the 14% of two months ago.



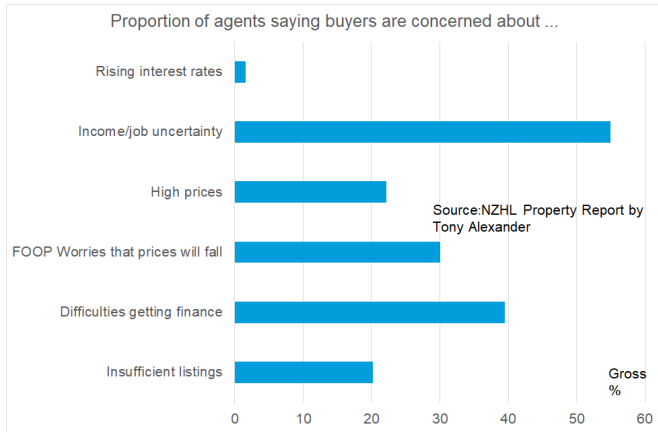
## Are property appraisal requests increasing or decreasing?

A strong net 53% of agents have reported receiving more requests for property appraisals. This is up from 39% last month and the low of a net 5% recorded in May. There is a clear seasonal element to the rise from just 20% two months ago and it is too early to be able to firmly say that potential vendors in extra numbers are feeling the time is right to sell. Absence of clear upward momentum in prices is likely to be a factor in play.

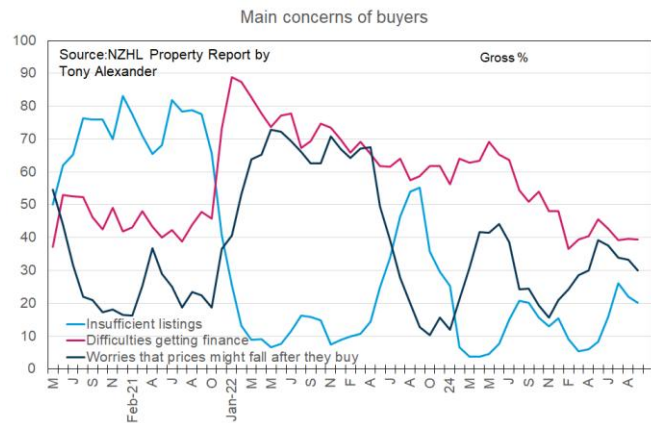


## What are the main concerns of buyers?

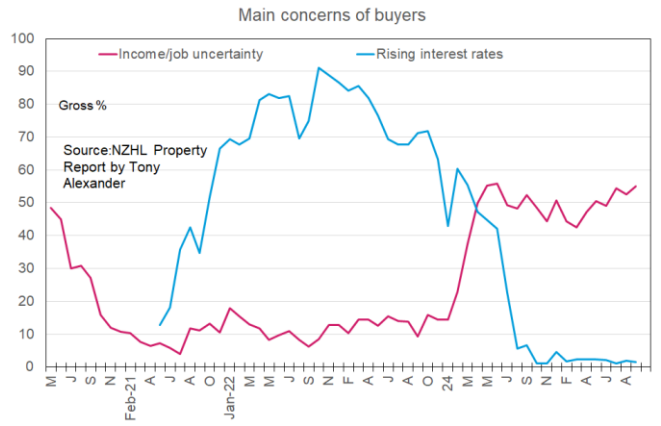
Each month in this section we start with an all-encompassing graph showing the things which are of concern to buyers. The top two concerns of buyers are still employment and getting finance.



Over the past few months we can see from the first graph that there has been a general easing in concerns about access to finance, sufficiency of property listings, and prices falling after making a purchase.



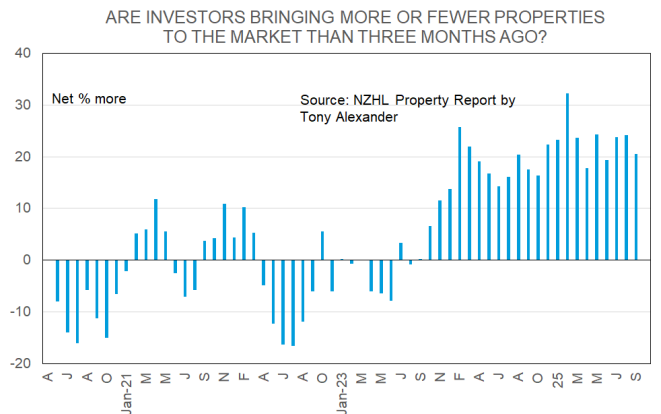
A key reading from this particular question is that for employment. A still high 55% of agents say that potential buyers are worried about their jobs and their incomes. It is probably not going to be safe to talk about a sustained upturn in the housing market until these concerns substantially back off. When they do then the missing part of the market involving existing owners selling then buying or buying then selling will likely begin to move.



## Are investors bringing more or fewer properties to the market to sell than three months ago?

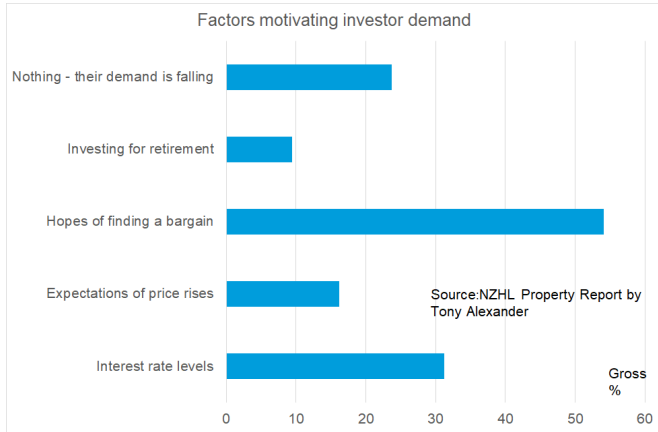
A net 21% of agents from 24% last month have reported that investors are bringing more properties to the market to sell. This measure rose firmly towards the end of 2023 as the market gained strength from first home purchasers. But it is interesting to note that this gauge remained high even during periods since late-2023 when the market turned freshly downward.

This suggests that from two years ago there has been a structural lift in the proportion of existing property investors looking to realise the value of their earlier purchase. Factors motivating their selling are likely to include the need to finance a retirement which is turning out to be considerably more expensive than anticipated, along with extra costs of running a rental property business – notably council rates, insurance, and maintenance.

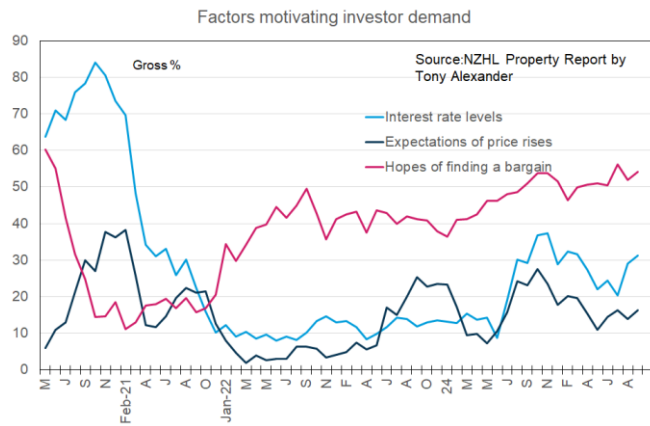


## What factors appear to be motivating investor demand?

When asked what the factors are encouraging investors to look to make a purchase, 54% of agents cite their hopes of finding a bargain. This has been the primary motivation for over three years now.



The easing level of interest rates has elicited some extra investor demand in recent months.

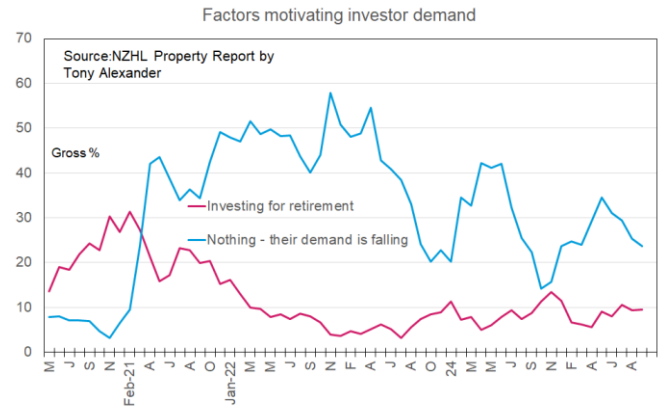


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No change in buying for retirement purposes is apparent.



## Are we in a buyer's or seller's market?

The country remains firmly in a buyer's market with a net 25% of agents reporting that they feel the vendors are the party in the transaction most motivated to get a deal across the line. Apart from a brief period late in 2023 a buyer's market has been present since the end of 2021.

