



The NZHL Property Report

by Tony Alexander.

September 2026

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' market remains in place

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 179 responses include the following.

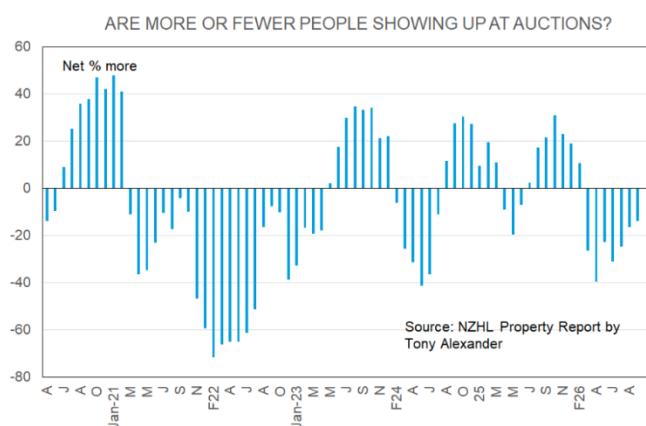
- The country remains firmly in a buyer's market, and it is vendors who predominantly need to adjust their expectations rather than buyers.
- On average agents continue to report that prices are easing in their area of operations.
- Buyers have concerns that interest rates will continue to rise and prices might fall after they make a purchase.

Are more or fewer people showing up at auctions?

A net 14% of agents responding in this month's survey have said that they are seeing fewer people showing up at auctions. This is virtually the same as last month's similarly weak 17% result and the seventh month in a row that this measure has been negative.

Before the start of the latest Middle East war at the end of February a net 11% of agents reported seeing more people at auctions. But this was down from the strong 31% in October as a firm bout of optimism gripped the country generally just ahead of a realisation that mortgage rates were once again rising again.

Feedback from agents indicates that in the current challenged market auctions are not considered as popular a means of extracting a sale and value for a vendor as in other times.

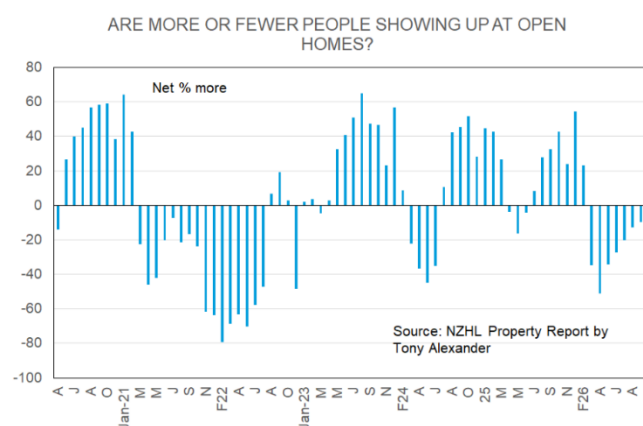


Are more or fewer people attending open homes?

After a sharp deterioration in this measure of buyer interest in the housing market following commencement of the war and soaring fuel prices a peak net 51% of agents in our late-April survey

reported fewer people attending open homes. Since then this measure has improved every month.

The latest reading however is still in negative territory with a net 9% of agents reporting fewer people showing up at open homes. As for the measure above focussed on auctions this one also tells us that buyers remain cautious in their market searching and feel in little hurry to advance their home purchase plans.

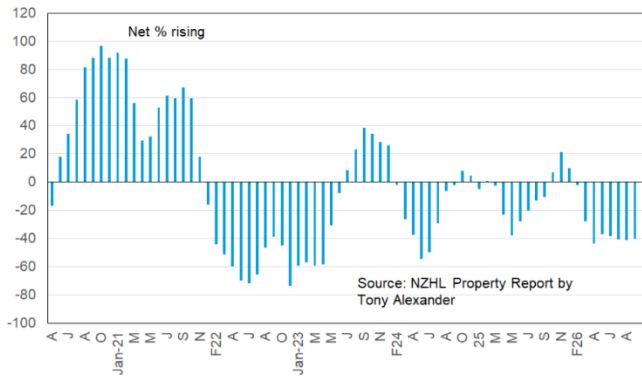


How do you feel prices are generally changing at the moment?

For the sixth month in a row close to a net 40% of agents have reported that house prices are falling in their area of operations. This measure briefly recorded net positive price rise readings late last year before mortgage rate rises became more obvious and the Iran war started.

Around the country on average prices are running about 1% down from a year ago. But the upturn in rural incomes is pushing prices up in some locations with high dependence upon their rural hinterland such as Southland and Canterbury. This upturn however has yet to feed through to pricing pressures in Auckland and Wellington.

HOW DO YOU FEEL PRICES ARE GENERALLY CHANGING AT THE MOMENT?



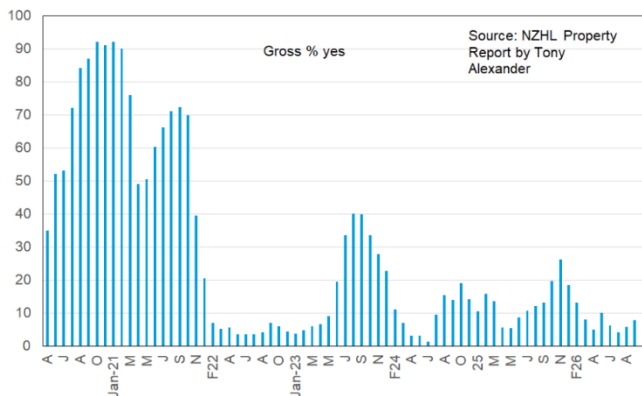
Do you think FOMO is in play for buyers?

FOMO = Fear of missing out

It is not accurate to say that there is no FOMO in New Zealand's housing market. However with just 8% of agents saying buyers are displaying worries about missing out - from 6% last month – this measure is as good as flat-lining.

Buyers are highly aware of the plethora of listings in most (not all) locations, rising construction with an overhand of townhouses in some places, and the absence of prices rising in large centres around the country.

DO YOU THINK FOMO IS IN PLAY FOR BUYERS?



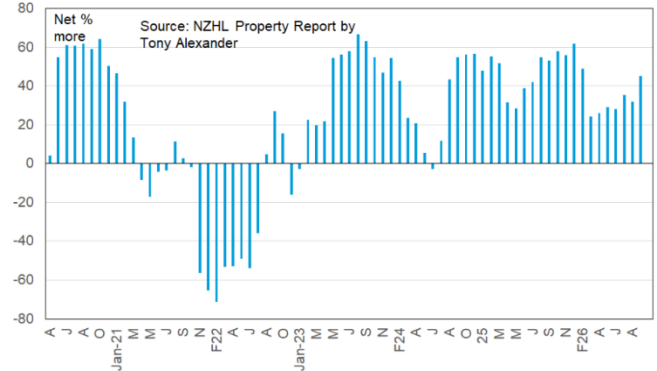
Are you noticing more or fewer first home buyers in the market?

As has been the case for almost all months since early in 2023 our survey has again recorded a strong proportion of agents saying that they are seeing more first home buyers. The latest reading is a net positive 45% which is up from 32% last month and the best reading since the pre-war 49% at the end of February.

Young buyers are enjoying a good supply of property to choose from and generally high willingness by banks to advance funds. It will be

interesting to see how their level of demand changes as mortgage rates track higher in the coming year.

ARE YOU NOTICING MORE OR FEWER FIRST HOME BUYERS IN THE MARKET?

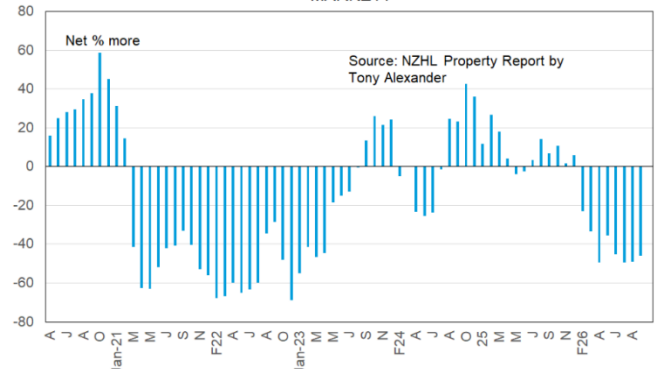


Are you noticing more or fewer investors in the market?

In contrast with the ongoing strong buying interest from first-timers the level of property demand from investors has been weak for most months since early-2021 with some notable exceptions of short-lived bouts of buying in 2023 and mid-2024/25.

A net 46% of agents this month have reported that they are seeing fewer investors in the market looking to make a purchase. This reading is similar to others since April and notably has not improved as the reading for first home buyers has.

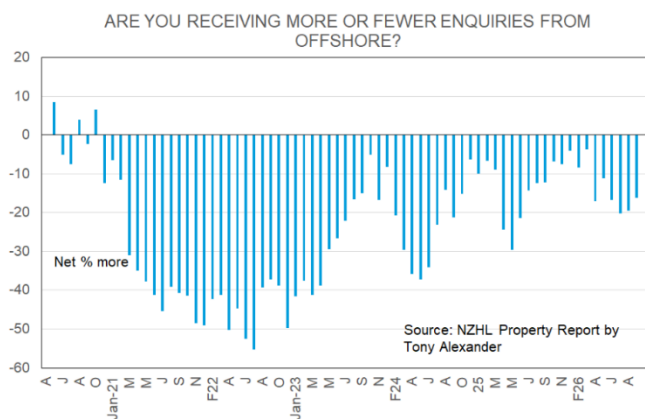
ARE YOU NOTICING MORE OR FEWER INVESTORS IN THE MARKET?



Are you receiving more or fewer enquiries from offshore?

Comments from agents suggests that there is some increase in buying interest from offshore in the upper part of the country. However, a net 16% of agents overall continue to report that they are receiving fewer enquiries from overseas.

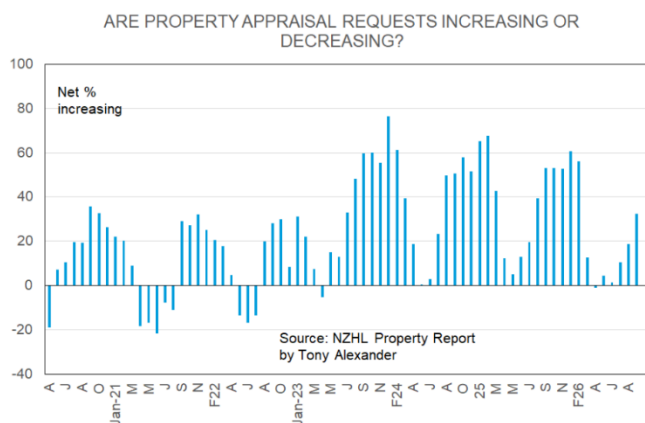
There is no evidence of this measure improving since the Australian Federal government announced changes in tax rules affecting investors.



Are property appraisal requests increasing or decreasing?

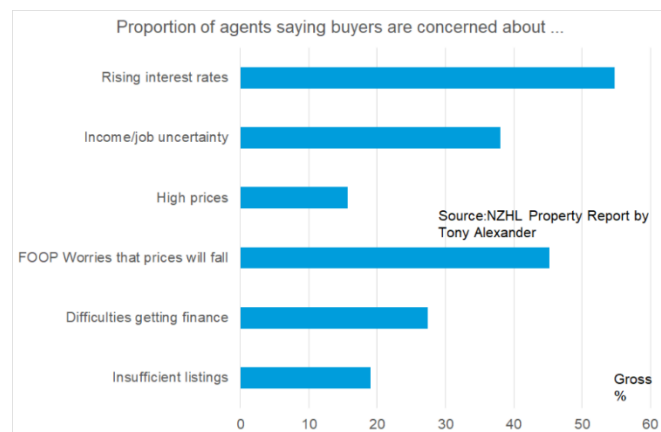
Perhaps because of the onset of spring when buying interest can often rise, there has been a lift this month in the net proportion of agents saying that they are receiving more requests for property appraisals.

The latest reading is of a net 32% seeing more such requests from 19% last month and a low of a net 1% if April receiving fewer requests. The measure tells us that more property supply may be about to hit the market.

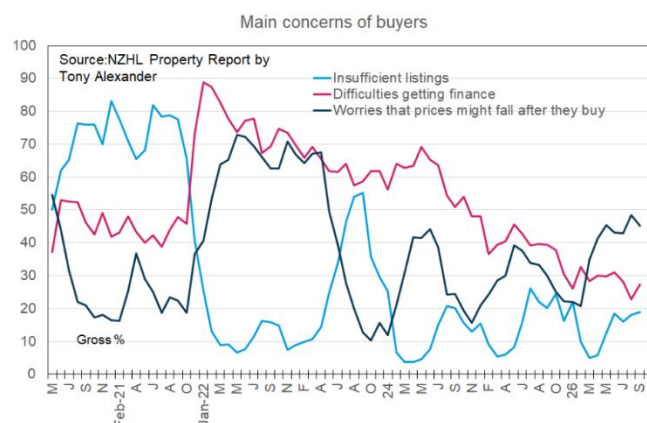


What are the main concerns of buyers?

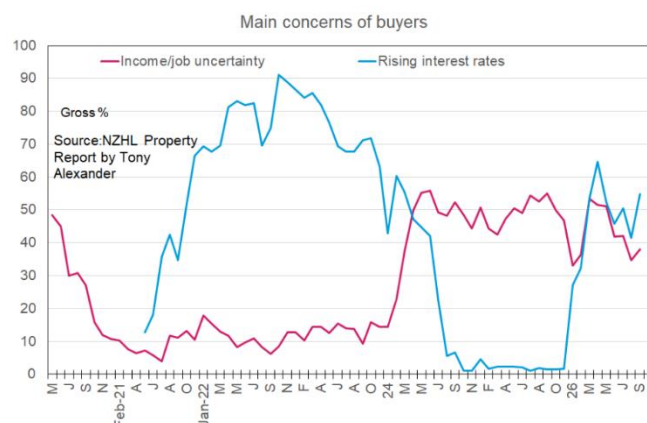
Each month in this section we start with an all-encompassing graph showing the things which are of concern to buyers. Buyers are mainly worried about rising interest rates and the risk that prices will fall after they make a purchase.



There is a downward trend in concerns about access to finance but an upward trend in worries about price falls. Listing availability is not seen as much of an issue though the rise in the proportion of agents noting this concern since May is something to watch. It could be that the plethora of townhouse listings is of concern to some buyers.



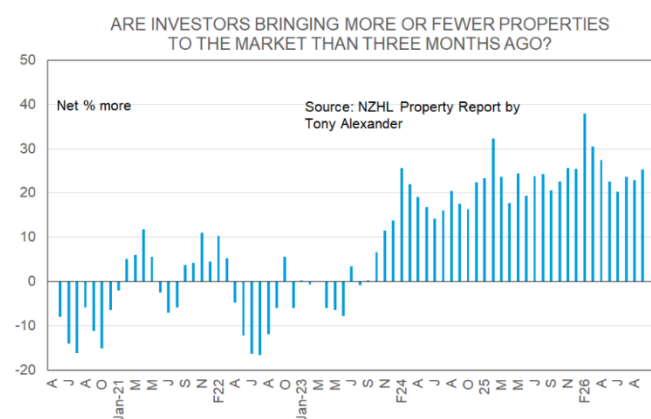
Worries about household income have eased slightly in recent months which is an interesting development because if job security feelings improve it seems reasonable to expect that demand for housing will increase. But the upward track for interest rate concerns will bear watching.



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

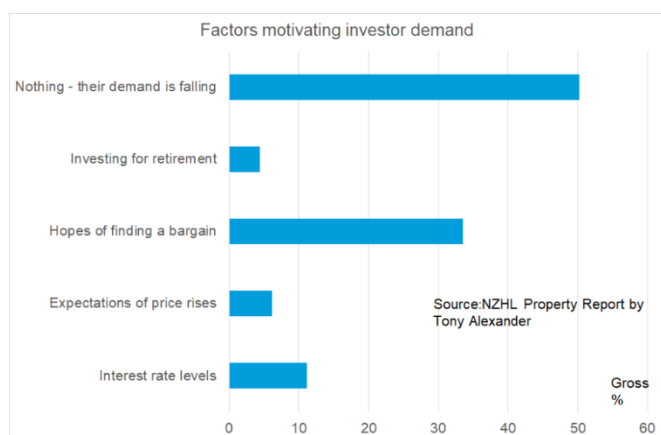
Looking at the graph for this measure it is possible to discern that a small upward trend in investor selling desires is continuing. The big move up in this measure occurred in 2023 as investors looked to sell into the rise of first home buyers.

An aging population with many older investors looking to realise the value of their asset in order to fund retirement will be one factor in play. Scaling back of long-term capital gain expectations may be another firm factor affecting willingness to continue holding one's housing asset. Capital gains tax proposals may also be in play.



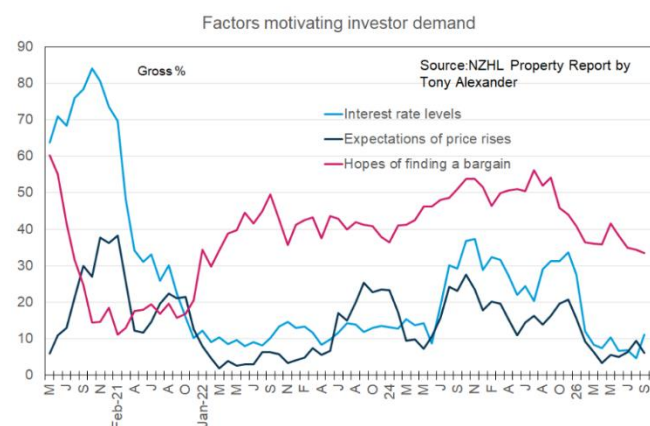
What factors appear to be motivating investor demand?

In essence there is very little motivating investor demand beyond hopes of finding a bargain – which may not be an unrealistic expectation in the current market.

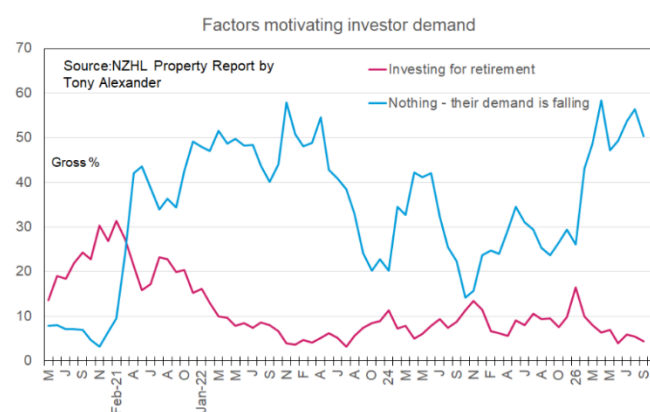


However, those bargain-finding hopes have been trending downward for a year now. There is virtually no motivation to purchase coming from price rise

expectations.

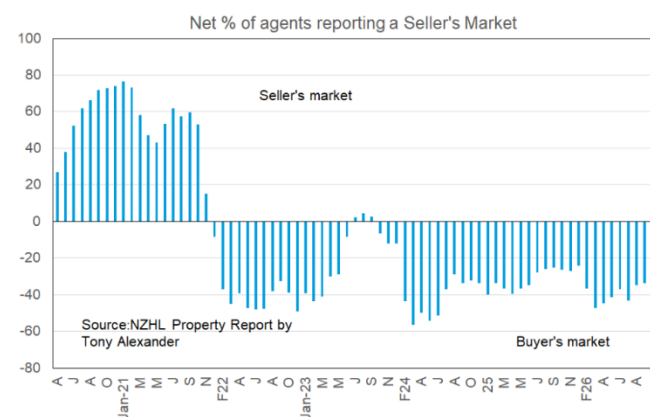


There was a firm decline in investor demand for property at the start of this year and no sustained improvement since that stepping back from the market.



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

A net 34% of agents feel that the country is in a buyer's market. This is a market where the buyers have the upper hand and it is the vendors who need to be most accommodating in order to get a transaction over the line.



This publication is written by Tony Alexander, independent economist. You can contact me at tony@tonyalexander.nz

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