

The top half of the page features a scenic landscape photograph of Lake Taupo at dusk. The lake's surface is calm, reflecting the warm, pinkish-orange light of the setting sun. Several boats are visible on the water, including a large white motorhome and a smaller white boat. In the background, a town with colorful autumn foliage is nestled at the foot of a large, rugged mountain range under a soft, twilight sky.

The NZHL Property Report

by Tony Alexander.

August 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.

Seasonal improvement evident

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.

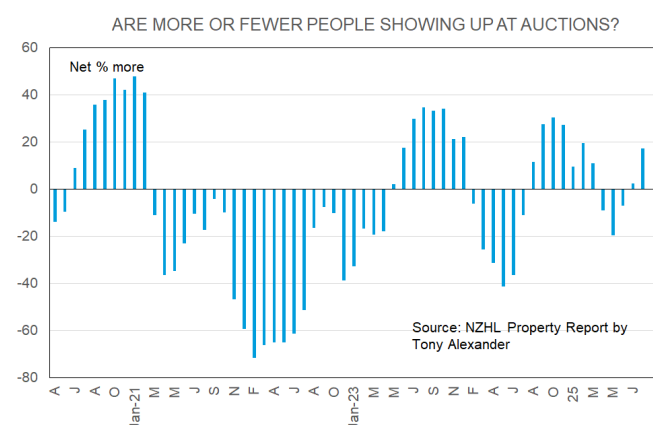
The key results from this month's survey which yielded 274 responses include the following.

- First home buyers continue to have strong dominance in the market. An improvement in investor buying might just be seasonal.
- Overall, agents still feel that average house prices are falling.
- FOMO remains low and a strong proportion of agents have reported that they are receiving more requests for property appraisals from potential vendors.

Are more or fewer people showing up at auctions?

A net 17% of the real estate agents replying in this month's survey have reported seeing more people attending auctions. This is an improvement from just a net 2% last month and the low reached in May when a net 20% said fewer people were appearing.

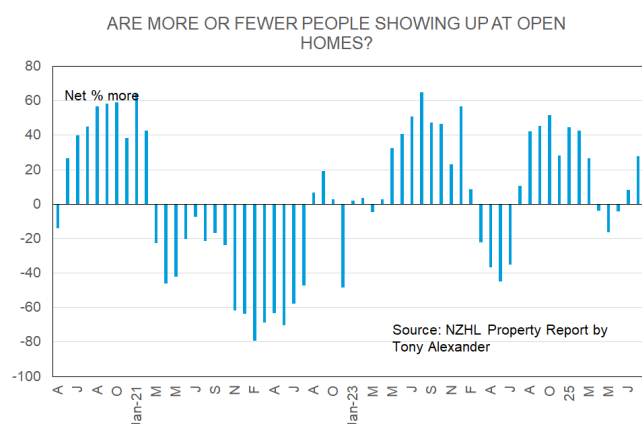
The data tell us that we are past the worst point for this particular period in the residential real estate market. However, some caution is needed in interpreting the improvement from last month because there is a seasonal effect at work. Come Spring, more people tend to list their properties, and more people go searching. Having said that, Spring weather has yet to start and that could mean there is some solidity to the improvement registered.



Are more or fewer people attending open homes?

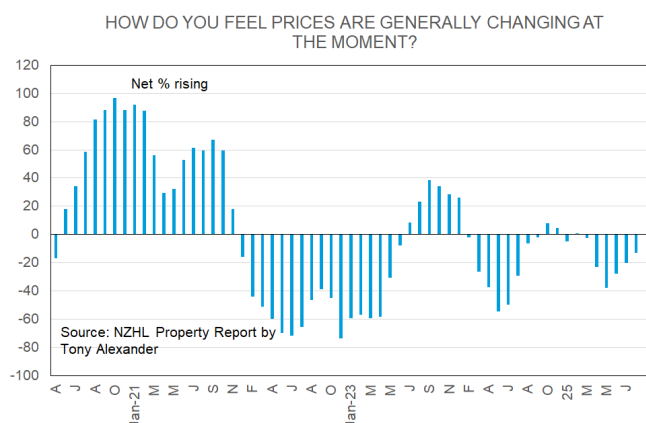
A net 28% of agents have said that more people are showing up at open homes. This is up from a net 8% seeing this last month and the low reached in May when a net 16% said fewer people were visiting houses.

The development helps validate the improvement in auction attendance noted above, but again there will be some element of a Spring seasonal effect in play.



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

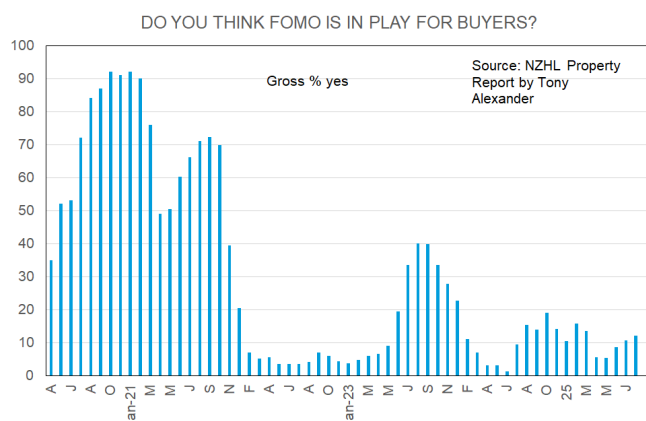
A net 13% of agents have reported that they feel prices are falling in their area of operation. This is an improvement from the net 20% last month and net 38% of May when things were at their worst. However, the result remains negative and there is a reasonable correlation between this measure and the eventual track for house prices captured in the REINZ's nationwide House Price Index which has now decreased five months in a row.



Do you think FOMO is in play for buyers?

FOMO = Fear of missing out

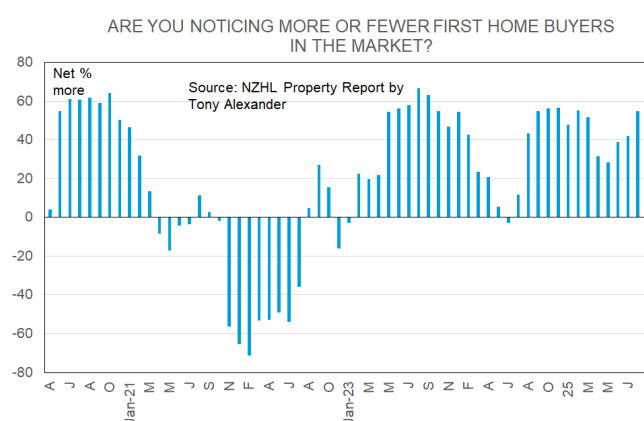
There is still very little feeling among buyers that they need to make a purchase as quickly as possible or risk missing out. Only 12% of agents have reported observing FOMO in buyers, little changed from 11% last month and not much ahead of the 5% low recorded in May. For the moment buyers continue to feel that they can take their time, and agents report buyers are often making low-ball offers then walking away to peruse another of the many properties offered for sale if that offer is rejected.



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

A strong net 55% of agents have reported seeing more first home buyers in the market. This measure has been positive for all month's bar one since February of 2023 and it remains the case that young buyers continue to be the dominant market force.

As the graph here shows, the net 55% reading is not much different from other months of this year. Young buyers have remained active even as the market went through a Winter slump driven by other buyers staying away.

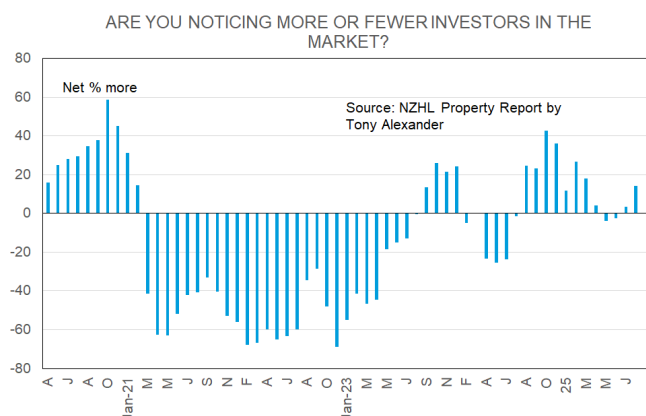


Are you noticing more or fewer investors in the market?

A net 14% of reporting agents this month have said that they are seeing more investors looking to make a purchase. This is up from just 4% last month and the net 4% in May who said they were seeing fewer investors in the market.

The story for the past two and a half years when the market has been driven by first time buyers is that periods of firm investor demand have not been sustained. The rise in their interest this month could just be seasonal and might fade away again.

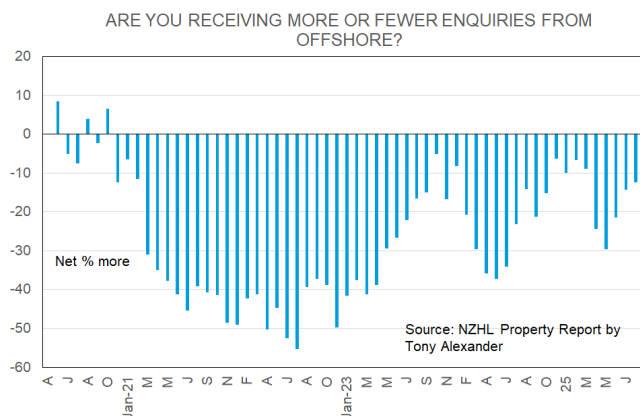
Having said that, a number of agents have reported that lower interest rates are stirring the interest of investors. The media have also reported some bulk purchasing of unsold developers' stock by long-time investors.



Are you receiving more or fewer enquiries from offshore?

A net 12% of agents have reported receiving less enquiry about NZ property from offshore. This is the least negative result since March but nonetheless remains in weak territory. The survey results largely came in before the government's announcement of allowing some business visa migrants to purchase properties.

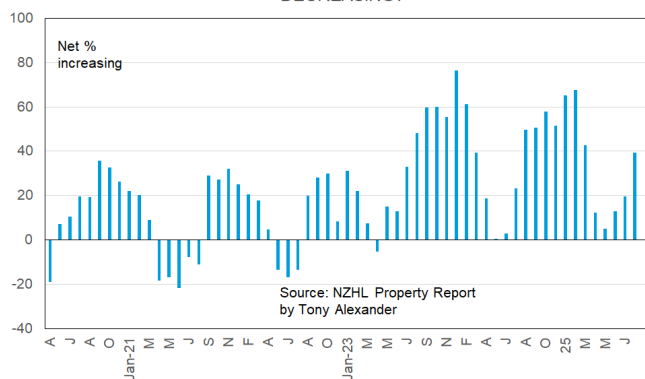
However, because the minimum purchase price has been set at \$5mn it is not likely that the volume of any extra purchasing will be sufficient to move either the housing market overall or sentiment of other buyers – outside maybe of one or two suburbs in Auckland and perhaps the Queenstown Lakes District



Are property appraisal requests increasing or decreasing?

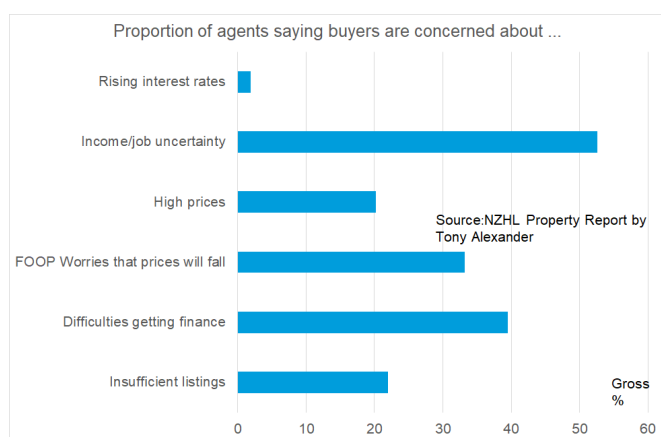
A net 39% of agents this month have reported receiving more requests for property appraisals. This is up from 20% last month and the net 5% of May. A seasonal effect is however highly likely to be in play here as potential vendors contemplate listing for Spring.

ARE PROPERTY APPRAISAL REQUESTS INCREASING OR DECREASING?



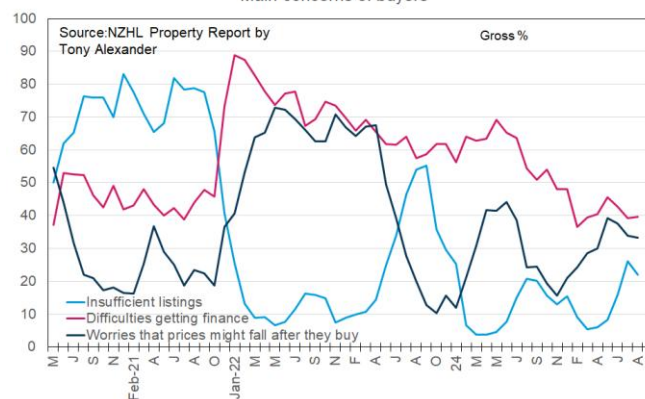
What are the main concerns of buyers?

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 remain employment and getting finance.



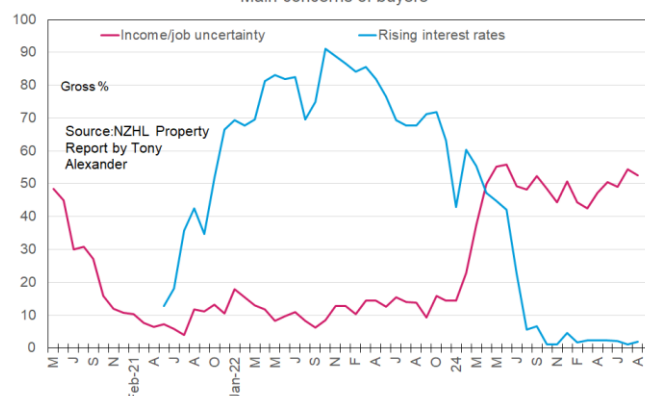
It is interesting that despite a general view that bank finance is reasonably readily available, the red line indicating finance concerns has plateaued since late last year. Some of the concern about listings availability has eased this month and although 33% of agents say that buyers are worried about prices falling after making a purchase, this concern has eased marginally recently. This is despite the evidence of prices falling in most regions over the past five months.

Main concerns of buyers



Concerns about the level of interest rates are almost non-existent but worries about employment remain highly elevated. Job security levels in the country are currently poor and likely to remain that way as people read about more restructuring in the public sector and closures of nationwide retail chains.

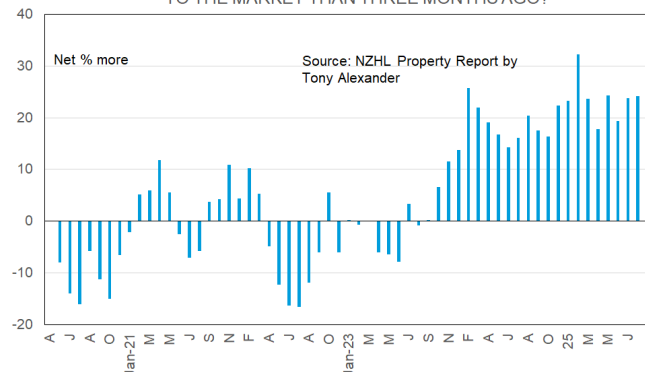
Main concerns of buyers

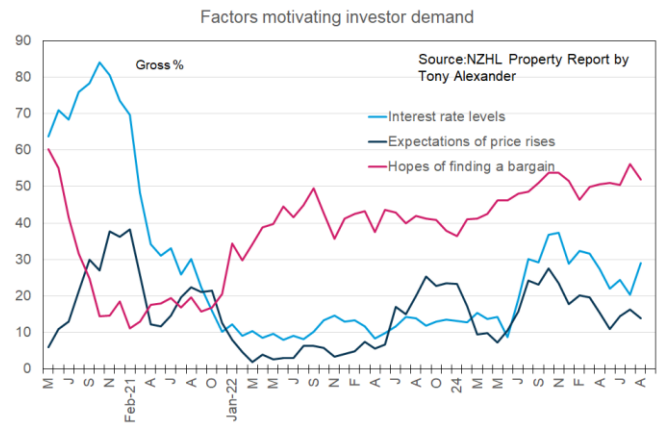


Are investors bringing more or fewer properties to the market to sell than three months ago?

A net 24% of agents report that they are seeing more investors looking to sell. This is unchanged from last month's reading and not out of line with most other outcomes for the past year and a half after the jump up recorded in 2023.

ARE INVESTORS BRINGING MORE OR FEWER PROPERTIES TO THE MARKET THAN THREE MONTHS AGO?

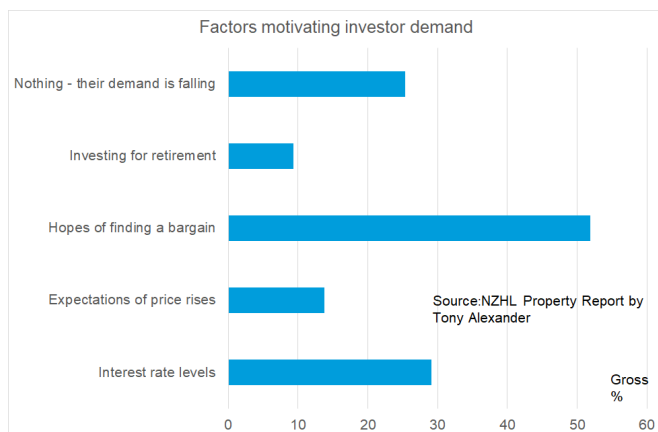




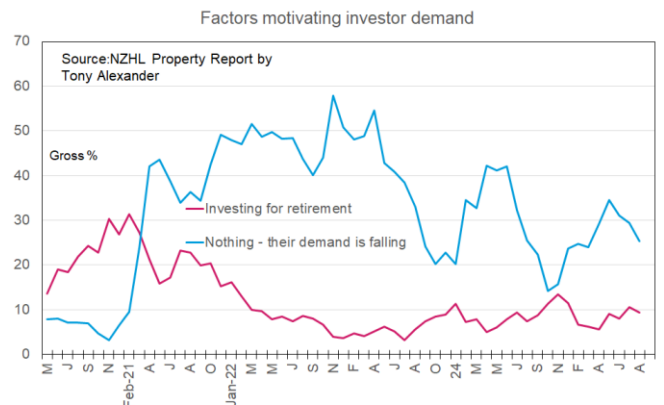
No change in buying for retirement purposes is apparent.

What factors appear to be motivating investor demand?

52% of agents report that for the investors looking to make a purchase it is the hope of finding a bargain that is their main motivation.

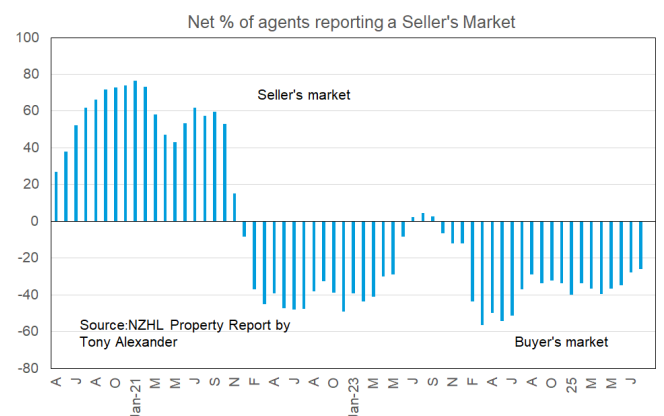


Bargain buying hopes have been mildly trending upward for the past three years. But this past month the main change in motivating factors has been interest rates – assisted perhaps by the Reserve Bank indicating more potential for rate cuts than people had been expecting.



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

The country remains solidly in a buyer's market with a net 26% of agents saying that it is the seller who is most keen to get a deal across the line. There has been a mild easing in this measure for the past four months from 39% in April, but it remains well away from the strong seller's market territory of 2020-21.



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