



The NZHL Property Report

by Tony Alexander.

January 2026

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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.

Two opposing forces switch places

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.

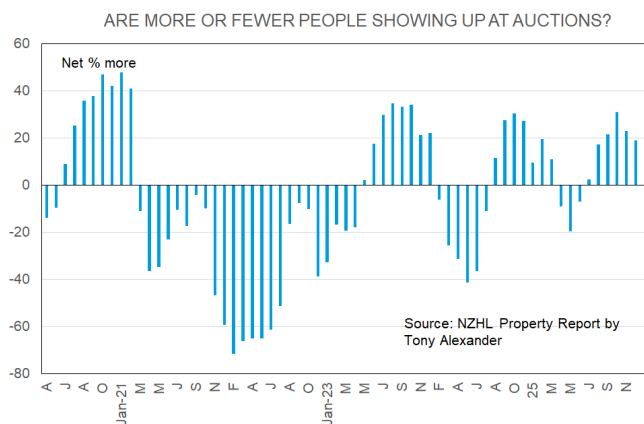
The key results from this month's survey which yielded 218 responses include the following.

- First home buyers continue to have a dominant presence in the housing market while investors are showing no particular new surge in purchasing interest.
- Buyers have become newly concerned about interest rates going back up again but are slowly feeling more confident about their employment situation.

Are more or fewer people showing up at auctions?

In our first survey for 2026 a net 19% of agents have reported that more people are showing up at auctions. This is little changed from the net 23% recorded in our previous survey at the start of December and not much changed from levels seen since August when a sharp improvement was reaching its end after the low point of -20% in May.

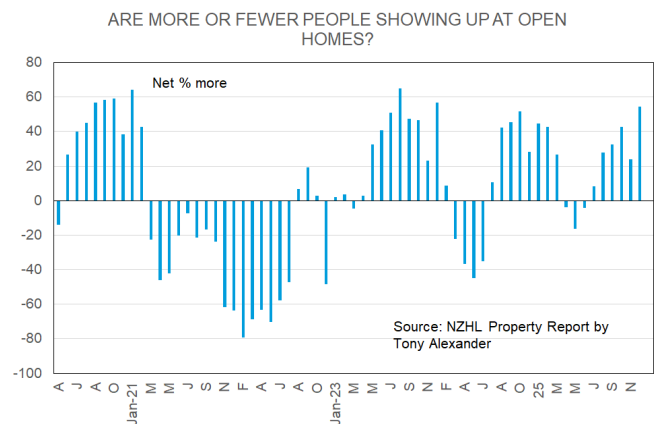
The market is attracting buyer interest but not showing fresh acceleration.



Are more or fewer people attending open homes?

In contrast to the steadiness since August discussed above, when it comes to people attending open homes there has been a sizeable lift to a net 55% of agents seeing more people from 24% two months ago.

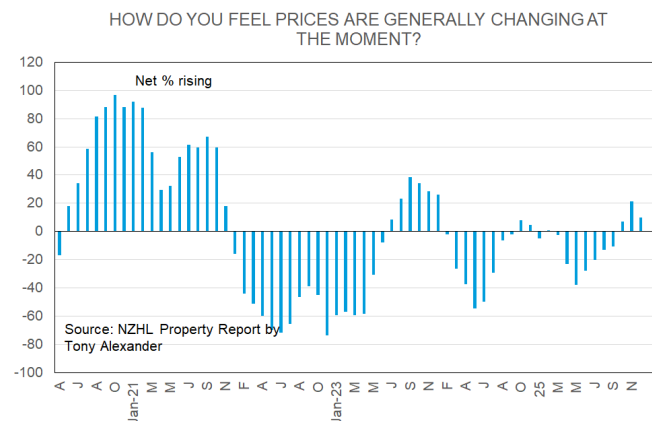
However, for all January surveys bar that of 2022 when the credit crunch struck the open home result has been much stronger than for the end of the previous year. Therefore, this month's net 55% is almost certainly a seasonal lift rather than the commencement of a new buyer surge.



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

Whereas two months ago a net 21% of agents felt that prices were rising in their area of operations, now just a net 10% feel that way.

The recovery in housing market sentiment since winter last year and the improvement in sales more broadly since early-2023 is yet to initiate a convincing cyclical upturn in prices on average.

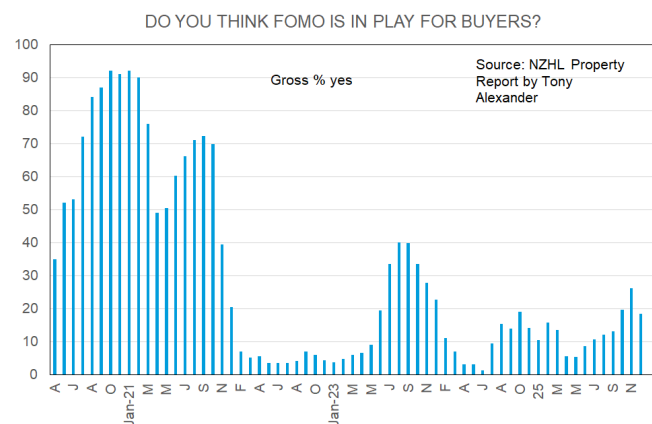


Do you think FOMO is in play for buyers?

FOMO = Fear of missing out

Buyer fears of missing out on a purchase are above the low levels recorded for almost all of the period from early-2022. However, this month the proportion of agents seeing FOMO has retreated to 18% from a spike to 26% two months earlier.

This is probably best interpreted as a reality check as opposed to a new trend downward. But overall, buyers are not on average worried about missing out to any great degree.

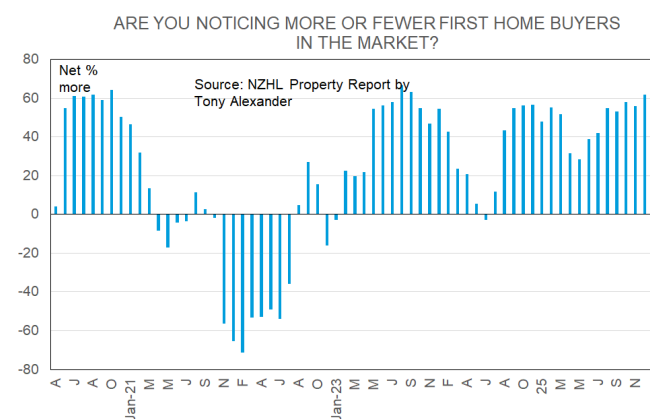


Are you noticing more or fewer first home buyers in the market?

First home buyers have been driving the recovery in real estate turnover from the first half of 2023 and as yet there is no change in this key dynamic.

A strong net 62% of agents have this month reported seeing more first home buyers out looking to make a purchase. This is up from a strong 56% two months ago and 48% a year back.

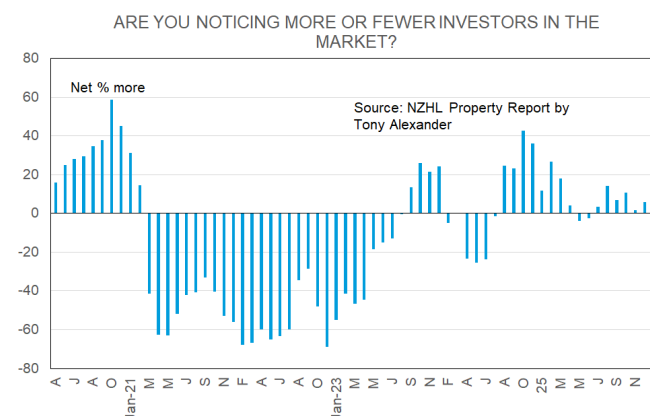
Note that even during the depths of blues for the economy in the June quarter of last year, agents still reported strong numbers of young people in the market.



Are you noticing more or fewer investors in the market?

In this month's survey only a net 6% of agents have reported seeing more investors in the market. This remains well below the unusually high level of a net 43% recorded in October 2024 when unjustified euphoria about the economy over 2025 was in swing following the commencement of monetary policy easing in August of that year.

New Zealand's housing market is not being driven by any strength in investor demand – as opposed to the effect of young buyer demand – and there is no sign yet this cycle of any particular upturn in our measure of investor purchasing desires.

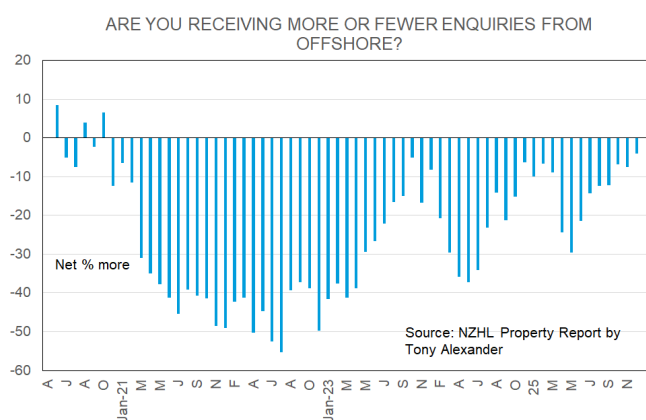


Are you receiving more or fewer enquiries from offshore?

There has been a slow improving trend since June last year in the net proportion of real estate agents feeling that they are receiving more enquiries from people located offshore.

But at -4% the result is nonetheless still negative and not suggestive of a positive contribution to the upturn coming from offshore buyers – largely Kiwis plus a few Australians and Singaporeans.

Note however that there may be a small lift in this measure attributable to the government's policy of allowing purchases of some homes over \$5 mn in price.



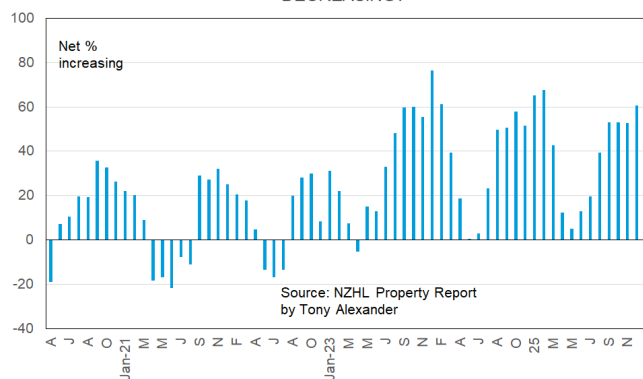
Are property appraisal requests increasing or decreasing?

There are a plentiful number of properties listed for sale around New Zealand and no indication that the volume of properties buyers may choose from is about to decline. In this month's survey a high net 61% of agents have reported receiving more requests for property appraisals.

This measure has been running at a high level since early-2023 and it jumped up along with listings once evidence emerged of a surge of young buyers entering the market back then.

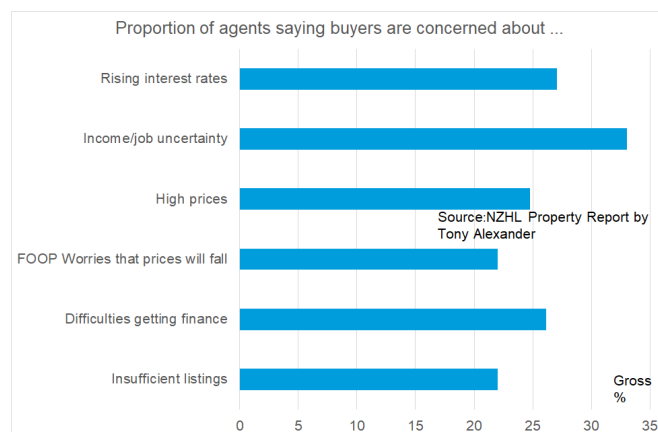
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ARE PROPERTY APPRAISAL REQUESTS INCREASING OR DECREASING?

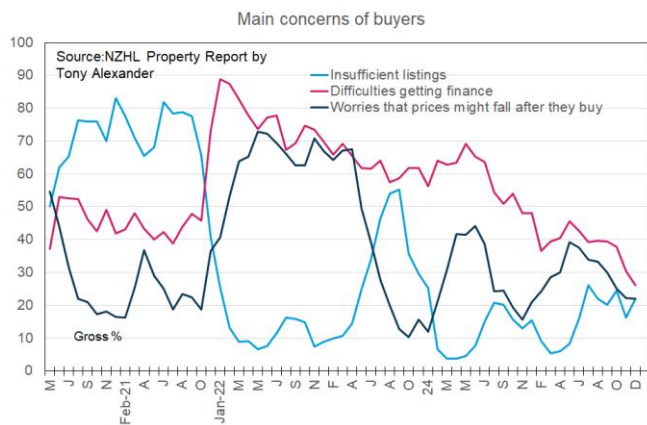


What are the main concerns of buyers?

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 are employment and now for the first time in a while, rising interest rates.

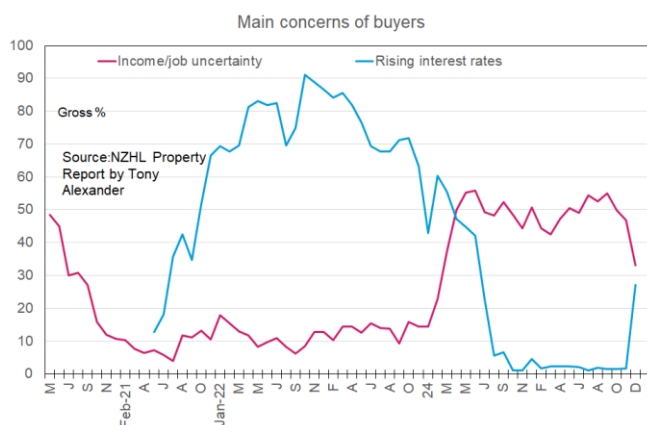


This first graph of concern trends shows a continuing easing of buyer worries about getting housing finance – the dark pink line. Worries about prices falling are easing off after a spike up in the middle of last year as the economy shrank.



Our second graph contains the two big factors of influence on housing demand – interest rates and incomes. The dark pink line shows concerns about employment and these concerns have decisively fallen over summer. Only 33% of agents say this is a cause of buyer worry as compared with 55% in September.

In contrast, the blue line shows a strong rise in agents noting interest rate worries to 27% from just 2% at the start of December.

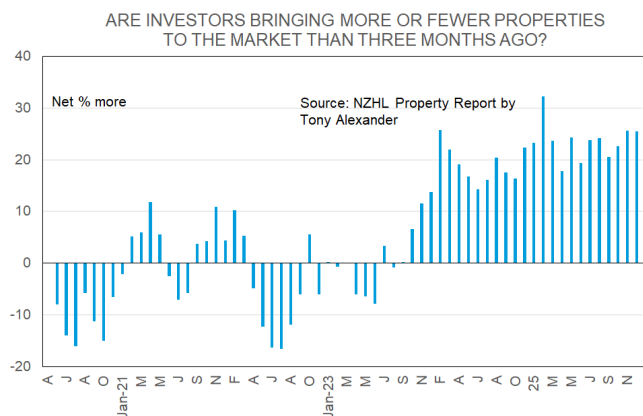


Are investors bringing more or fewer properties to the market to sell than three months ago?

In New Zealand we saw a structural lift in non-traditional investor buying of property from perhaps the mid-1990s in response to accelerating migration-driven population growth, decreasing availability of property, a structural decline in interest rates, and underlying improvement in the economy after the earlier years of reforms.

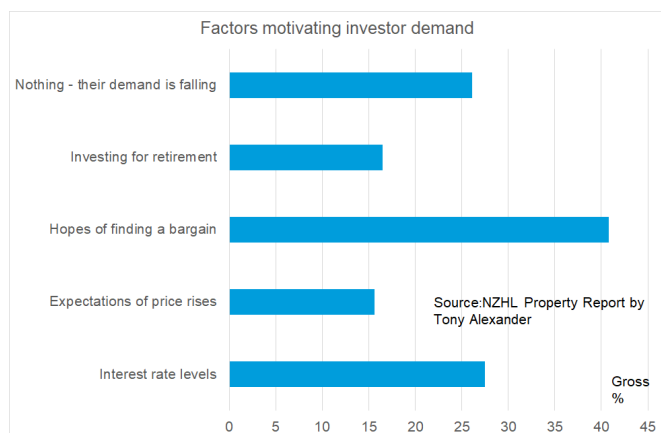
Now, that extra layer of investor demand has gone. Interest rates ended three decades of declines in 2021, growth in property supply has been boosted by numerous and ongoing rule changes, tax rule changes in place and feared have reduced investor returns, costs of running a residential business have increased, expectations of long-term capital gain have declined, many older investors are selling because of higher than expected living costs in retirement, and foreign buying is legislatively restrained.

In this month's first survey for 2026 a net 25% of agents have reported seeing more investors looking to sell their property. This measure has been high and slowly still trending upward since late-2023.

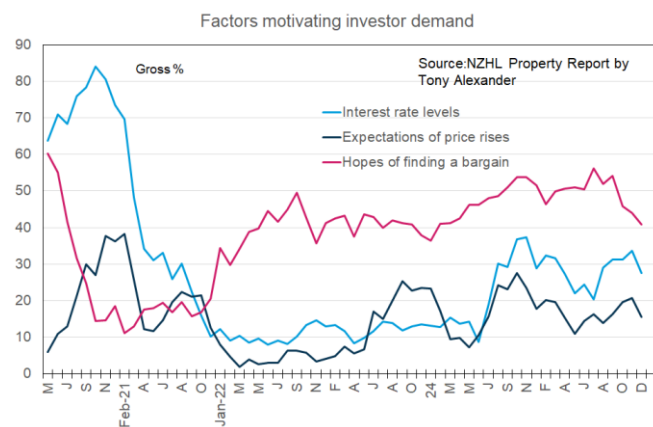


What factors appear to be motivating investor demand?

The main factor which investors cite as motivating a desire to buy is still the hope of finding a bargain.

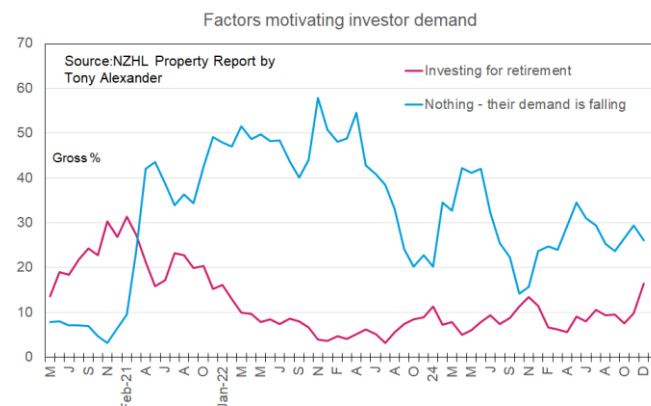


Bargain-finding hopes have been declining in recent months as an investor motivator and our first graph here also shows some easing off the factors interest rate levels and price rise expectations.



The one interesting result in this month's survey which challenges commentary and analysis above is

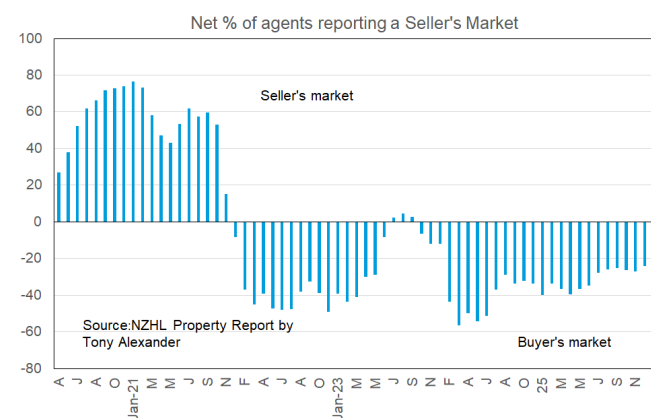
the lift shown here in the proportion of agents saying investors are motivated by a desire to provide for their retirement. It will be interesting to see if this is a blip or a trend.



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

A net 24% of agents say that there is a buyer's market in place. That is, sellers are the people displaying the most willingness to get a deal across the line.

Comments from agents submitted in our survey indicate that while plenty of vendors are still holding out in the hope of achieving the price they paid in 2021, there are some signs of capitulation to reality starting to spread.



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

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