/Monthly Market Report

A MARKET FINDING ITS FEET

If you've been following the property headlines lately, you could be forgiven for thinking the market has packed a small bag and gone into hiding. The reality on the ground is rather more nuanced.

New Zealand's housing market remains firmly in buyers' favour, but there are some encouraging signs beneath the headline numbers. Prices are broadly stable, people are still buying and selling and, as we head into spring, there are early indications that activity may begin to improve.

REINZ recorded 6,090 residential sales nationally in July, down 10% on July last year. However, put into historical context, July's sales volume sits around the midpoint of the past 35 years. The national median price was $760,000, just 0.7% lower than a year ago. In other words, subdued rather than catastrophic.

There is certainly no shortage of choice. At the end of July, around 35,700 properties were listed for sale nationally, 9% more than a year earlier and 41% above the ten-year average. That gives buyers the luxury of taking their time, comparing properties and carrying out considerably more due diligence than we saw during the boom years.

And they are using it.

Conditional contracts, longer due diligence periods, requests for extensions and sales subject to the purchaser selling another property are increasingly common. Deals can take longer to put together and, occasionally, longer to keep together. For vendors, preparation and realistic pricing matter enormously in this environment.

There are some brighter signals. First-home buyers accounted for a record 29% of purchases in July, clearly recognising the opportunity presented by greater choice and negotiating power. Tony Alexander's latest agent survey also found a net 35% of agents were seeing more first-home buyers, while appraisal activity improved noticeably, with a net 10% reporting increased requests compared with just 1% in the previous survey.

Open-home attendance is improving too. While still below normal levels, Alexander's survey showed the strongest reading since February and a considerable improvement from the low point recorded in April.

Looking ahead, most commentators expect the market to remain relatively steady rather than suddenly surge. There is the potential for activity to lift towards the end of the year as pent-up demand from buyers who stepped back earlier in 2026 begins to return.

Locally, that feels about right. Buyers are there, but they are selective, informed and prepared to wait for the right property. Good presentation, strong marketing and pricing that reflects today's market are increasingly separating properties that attract genuine interest from those that simply accumulate days online.

Spring traditionally brings more buyers and more property to market. We don't expect anyone to fire the starting gun on another property boom, and frankly that may be no bad thing. A more balanced market, where buyers have time to make considered decisions and realistic vendors can still achieve a sale, is a much healthier foundation for whatever comes next.