ALL OVER
DEVELOPMENT LAND SALES

Welcome to this first newsletter for 2026 from the development land experts at Bayleys – your update on the trends shaping Auckland's land and development sector and the outlook for the year ahead.

The land development market has entered the new year on a more stable footing than we've seen for years, with 2026 shaping as a year in which clarity eclipses volatility.

It's now a market that's looking forward again, with buyers and developers more confident – albeit cautiously. We don't anticipate a major lift off, but we do expect measured, sustainable strength.

If we were to pinpoint four attributes the market will reward in 2026, they would be well-located land, clear planning status, infrastructure certainty, and disciplined structuring and execution.

Increasing definition of planning parameters is aiding informed decision-making. Residential values and project pricing have stabilised amid a less volatile funding and interest rate environment – reinforced by this month's OCR 'hold' and steady monetary policy statement from the Reserve Bank.

Along with gathering economic momentum, this is creating a more predictable backdrop for land transactions and development decisions. Increasing certainty on several fronts is allowing developers, investors and landowners to plan more confidently over longer time horizons. There's a renewed willingness to engage earlier in the land lifecycle, enabling participants to position land strategically ahead of future development phases – albeit with an associated need for greater due diligence and risk sharing. A recent government policy announcement confirmed a reduction in the total enabled housing capacity in Auckland's planning framework. This is not a U-turn on growth. The potential remains to add plenty of housing. Excess capacity will narrow, but intensification is still supported in the right places. Development will continue to concentrate where the planning situation is clear, transport and service infrastructure is available, and the risk of delivery is manageable. Along with planning settings, infrastructure certainty is now one of the strongest differentiators. A site's marketability increasingly hinges on how quickly the land can be serviced and connected to key utilities.

One thing is clear: the capital is still there, but discipline is king. We're seeing funding consolidating toward opportunities notable by their quality rather than quantity.

In this context, success in the land development market this year will, more than ever, be driven by preparation, well-calculated decisions and effective execution.

We delve deeper into these insights and what they mean for you, in this newsletter. The environment will continue to reshape as economic conditions evolve, and planning frameworks are further pinned down. Whatever your activity or interest, we're here to offer clear market guidance, pricing advice and transaction strategies.

If you'd like to discuss your needs or need guidance on feasibility, positioning or market timing, don't hesitate to drop us a line or call.

Your Future Urban and Development Land sales expert,

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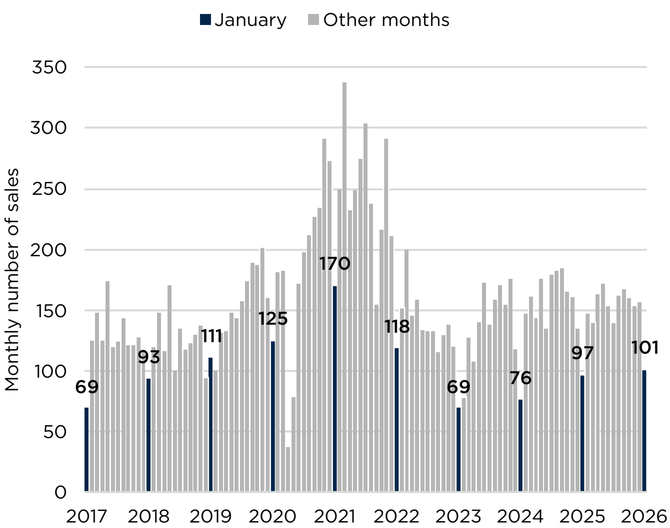
Market insights

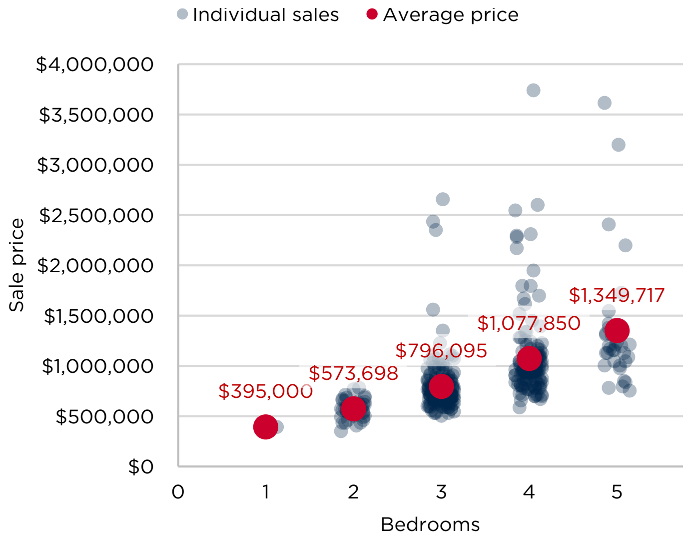
Residential market update: South Auckland

Monthly number of sales

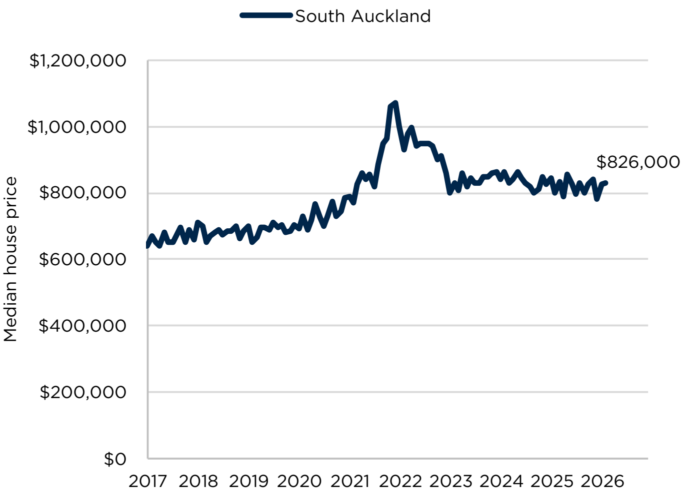


Source: REINZ

Sale price by bedroom count (past 3 months)

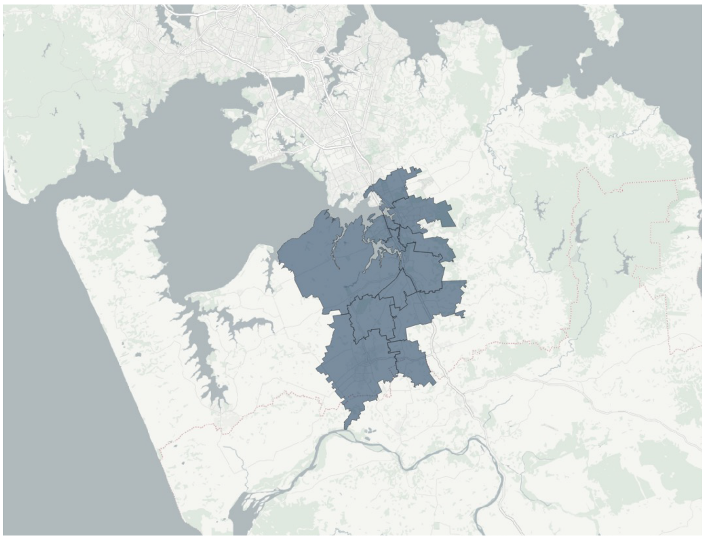


Price trend



Source: REINZ

Catchment map

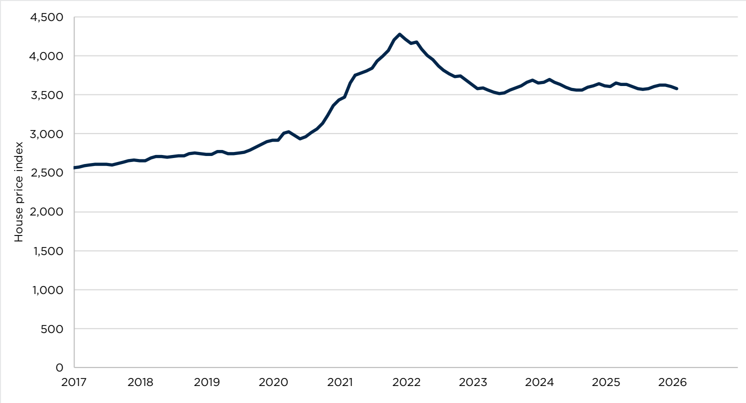


2026 the year of informed decisions

The land development market enters 2026 on a more stable footing than it has experienced for several years. Pricing has largely stabilised, interest-rate expectations have settled, and economic indicators point toward gradual recovery rather than further contraction. This is creating a more predictable environment for land transactions and development decisions.

REINZ January 2026 data shows the national median house price increased 0.4% year-on-year. While transaction volumes remain below long-term averages, price stability suggests the market has moved beyond the correction phase and is now operating within a narrower range.

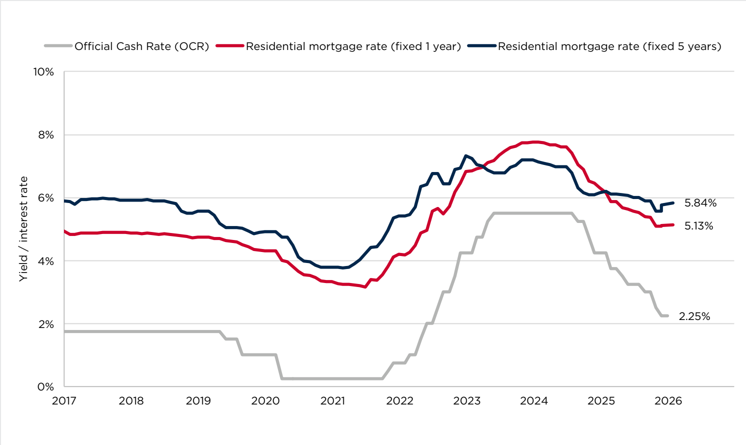
For landowners and developers, this matters. The price developers can pay for land depends heavily on expected end-sale values. A stable pricing environment provides a clearer base for assessing risk, staging and project viability.



Source: REINZ

Broader market and economic signals:

Forecasts for point toward modest, incremental price movement rather than rapid acceleration. Borrowing costs have stabilised, confidence is improving gradually, and lending standards remain disciplined.



Source: RBNZ

The Reserve Bank's February 2026 decision to hold the Official Cash Rate at 2.25% reinforces that inflation is returning toward target and that the economy is in the early stages of recovery. Major banks are forecasting GDP growth in the 2–3% range over the next 12-months. The key theme is improved visibility. Reduced uncertainty allows landowners and developers to plan with greater confidence.

Current land market conditions: The market is selective rather than inactive.
Developers and investors remain engaged, but capital is being deployed carefully. Sites with clear zoning, realistic servicing options and pricing aligned with feasibility continue to transact. Land reliant on uncertain planning changes or unfunded infrastructure is taking longer and attracting more conditional interest.

We are seeing:

- Strong engagement for well-located sites with defined development potential
- Transactions on larger holdings where staging and infrastructure pathways are clear
- Increased use of deferred settlements and staged purchase structures

Transactions are occurring, but they are driven by preparation and realistic expectations rather than urgency.

Planning environment: Planning settings continue to shape land value more than any other single factor.

Recent changes have moved away from blanket intensification toward more targeted frameworks that consider location, infrastructure capacity and environmental constraints. As a result, development potential is becoming more site-specific.

Land with clear zoning, defined overlays, precinct rules and alignment to transport and servicing infrastructure is increasingly favoured over land reliant on broad assumptions about future density.

Recent Policy Adjustment (PC120): A recent adjustment to the planning framework has reduced the overall level of enabled housing capacity compared to earlier modelling.

While this narrows the amount of additional development capacity available, it does not reverse growth policy. Intensification remains supported in appropriate locations.

In practical terms, development is likely to concentrate further in areas with defined planning rules and infrastructure capacity. Sites reliant on broad suburban intensification assumptions may require reassessment. The impact is evolutionary rather than immediate.

What this means for land strategy: As planning and funding conditions become clearer, land strategy is increasingly focused on deliverable outcomes.

Site fundamentals matter more: Land with clear zoning and credible infrastructure access is better positioned than land reliant on future policy shifts.

Planning certainty as a value driver: Clear planning parameters reduce risk for both buyers and funders. Where height limits, density controls and overlays are well defined, engagement tends to be stronger and transaction timelines shorter.

Planning clarity has become a tangible component of land value.

Infrastructure alignment is critical: Infrastructure alignment is central to feasibility. Zoning alone does not determine whether land can be developed. The ability to service a site within realistic timeframes increasingly determines whether it is transactable.

Infrastructure certainty is one of the strongest differentiators in the current market.

Capital remains available but disciplined: Funding is concentrating toward higher-quality opportunities, often structured to share risk appropriately.

Infrastructure, feasibility and delivery timing: Beyond planning controls, infrastructure delivery continues to shape land performance.

Feasibility is influenced by:

- Infrastructure funding mechanisms
- Development contribution settings
- Alignment between zoning and servicing
- Capacity within existing networks

Land that can demonstrate realistic servicing pathways is attracting stronger engagement. Where infrastructure remains uncertain or unfunded, pricing expectations must reflect that risk.

Infrastructure clarity is now a core element of feasibility modelling and transaction structuring.

Vendor alignment: Vendor expectations have adjusted over recent months. More landowners recognise current feasibility constraints, infrastructure costs and funding discipline. Where pricing aligns with market realities, transaction momentum improves and negotiations progress more efficiently.

Outlook: The land development market in 2026 is defined by clarity rather than volatility.

Stabilised pricing, predictable funding conditions and more defined planning settings provide a stronger base for informed decision-making. The year ahead is likely to reward:

- Well-located land
- Clear planning frameworks
- Infrastructure certainty
- Disciplined execution

2026 is shaping as a year where preparation and informed decision-making will define outcomes. If you would like to discuss positioning, feasibility or market timing, we welcome the conversation.

Tuakau, Auckland
52 Dominion Rd

Land area	14.09ha (more or less)
Zoning	Residential
Sale method	Tender

bayleys.co.nz/1906491

Pukekohe, Auckland
1 Morgan Road

Land area	1.6ha (more or less)
Zoning	Rural
Sale method	Deadline Private Treaty

bayleys.co.nz/1905937

Puni, Auckland
189 Settlement Rd

Land area	3.66ha (more or less)
Zoning	Rural Industry
Sale method	Auction

bayleys.co.nz/1906479

Ramarama, Auckland
10 Maxted Road

Land area	9,568sqm (more or less)
Zoning	Rural Industry
Sale method	Auction

bayleys.co.nz/1906475

Pokeno, Auckland
67 Pioneer Road

Land area	15.68ha (more or less)
Zoning	Lifestyle
Sale method	Price by negotiation

bayleys.co.nz/1906367

Drury, Auckland
469 Drury Hills Road

Land area	1.75ha (more or less)
Zoning	Rural Industry
Sale method	Auction

bayleys.co.nz/1906490

Contact Roman on 027 313 8803 or Wesley on 021 647 117 for more details on the current listings above or to discuss your development land requirements.

ALTOGETHER CONNECTED

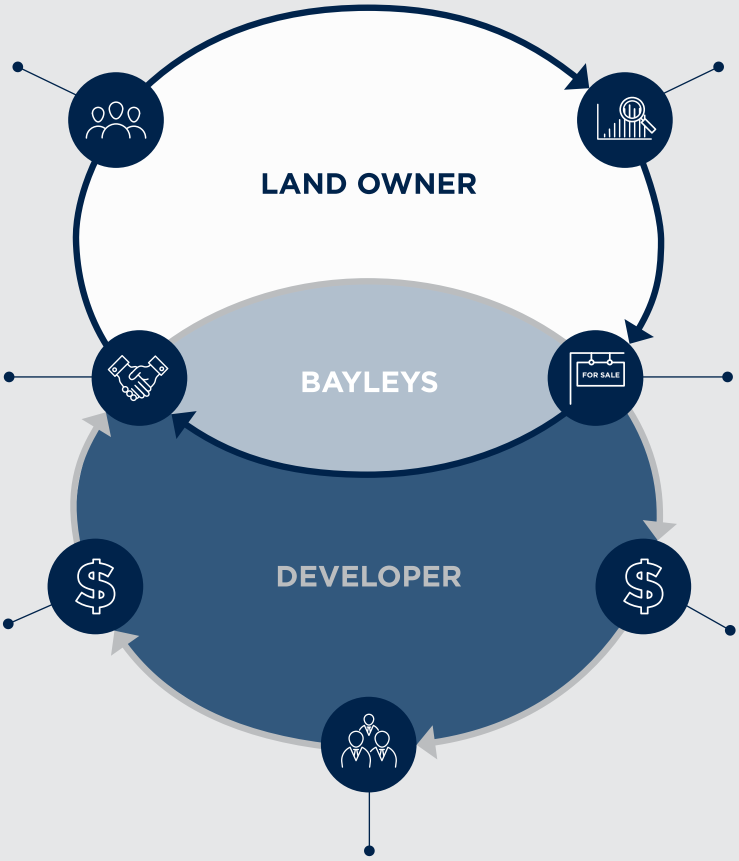
The strength of the Bayleys brand, and our passion for real estate means we're now New Zealand's largest full-service real estate company. We offer in-depth expertise not only in the Commercial sector – but across Residential, Rural and Property Services.

Understanding our clients and their requirements

With a diversified skill set founded upon strong local and national market knowledge and connections, our experienced team of experts specialise in development land sales throughout New Zealand.

Bayleys Insights, Data & Consulting

With significant market share across all the Commercial, Residential and Rural sectors, we have the ability to gather substantial volumes of transactional data and information across the whole market, to provide quality market insights.



Settlement of the land or project

with altogether better results delivered to our clients.

Deliver to market

We have the ability to access and match high-net-worthindividuals, developers and investors with unique properties of scale and impact.

Commercial and Residential Property Finance

Vegalend mortgage brokers have close relationships with all of the New Zealand banks as well as a range of international banks and non-bank lenders capable of assisting clients and end-users with financing at scale and competitive rates.

Development Property Financing

Maxcap Group is Australia and New Zealand's leading commercial real estate investment specialist, and has been actively providing capital to fund projects across New Zealand.

Bayleys Residential Projects

With more than 50 years of experience in product development, project marketing and sales of the end product.

Bayleys Valuation and Advisory Services

Experienced in providing valuation advice and feasibility studies for a range of corporate and private developers across the nation including Fulton Hogan, Winton, Kāinga Ora, Kirkdale Investments, The Property Group and Hamilton City Council.