

# ALL OVER DEVELOPMENT LAND SALES



Welcome to this third edition of our development land newsletter for 2025, your update on Auckland's land and development sales sector from the experts at Bayleys Real Estate.

As we approach the end of winter, we're starting to see the green tendrils of an upturn in the sector that point to brighter days ahead. Key infrastructure projects and policy shifts are laying more fertile ground for renewed development.

Auckland's Northwest Rapid Transit busway, a scheme years in the making, is gathering momentum. Having cleared key hurdles, this game-changing initiative is moving closer to reality, with the promise of quicker public transport connections that can help unlock the potential of some of the region's fastest growing areas.

Meanwhile, the coalition government has turned its hand to overhauling development contributions. New proposals will see these replaced by a more flexible system of levies with a view to minimising red tape while ensuring developers continue to fund their fair share of new infrastructure.

Land sales activity generally remains muted, but new opportunities are beginning to appear. Higher costs and weak end-product demand - especially for housing - add to the challenges of standing up new projects. This has put a damper on sales of development land across both the residential and commercial sectors.

After climbing for years, land values have pulled back from their peak, but sites in strategic locations are maintaining their value, and buyers with an eye for the opportunities of the next upswing are re-entering the market.

Contributing to their optimism, demand for housing now appears to be at a turning point after a protracted downturn. There are signs the market has bottomed and is in the early stages of recovery. Cautious buyers are

regathering their confidence in step with easing mortgage interest rates and the expectation these will stabilise at lower levels - though the road to recovery is expected to be gradual.

At the same time, industrial activity is picking up steam, while the commercial sector stabilises. Industrial land has long been a top performer. We're seeing strong demand for industrial-zoned sites and major landholdings under contract as developers position for the next upswing. Sentiment around commercial property, on the other hand, is still finding its feet and could best be described as "cautious but improving". This cautious optimism will likely pick up steam as easing interest rates underpin renewed investor interest in strategically positioned assets.

At Bayleys, we pride ourselves on working with participants across the development land ecosystem - owners, vendors, investors and developers - to understand your needs and help you optimise your outcomes. Part of that is keeping customers and clients up to date with market trends and insights.

If you'd like to know more about the information in this newsletter, or to discuss your specific needs, don't hesitate to pick up the phone or drop me a line.

*Your Future Urban and Development Land sales expert,*

**Shane Snijder**

021 730 488

shane.snijder@bayleys.co.nz

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**Wesley Gerber**

021 647 117

wesley.gerber@bayleys.co.nz

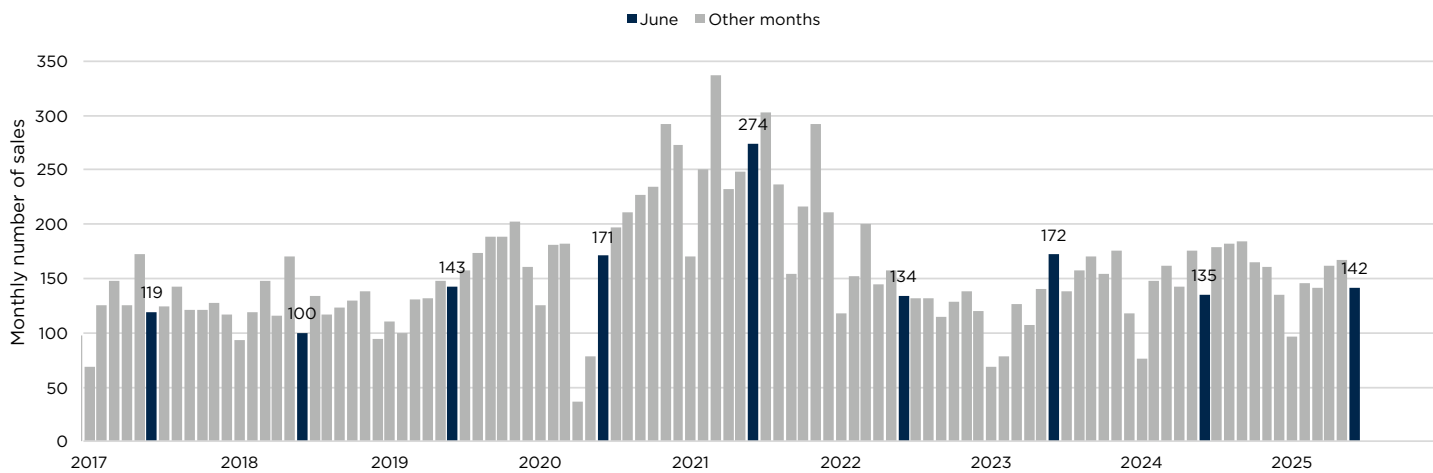
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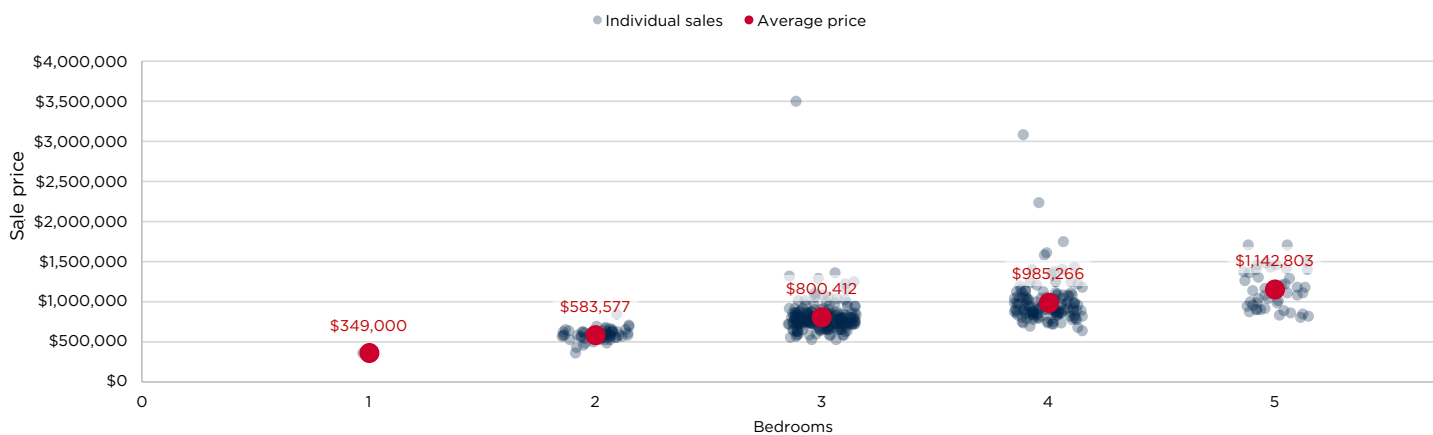
# Market insights

## Residential market update: South Auckland

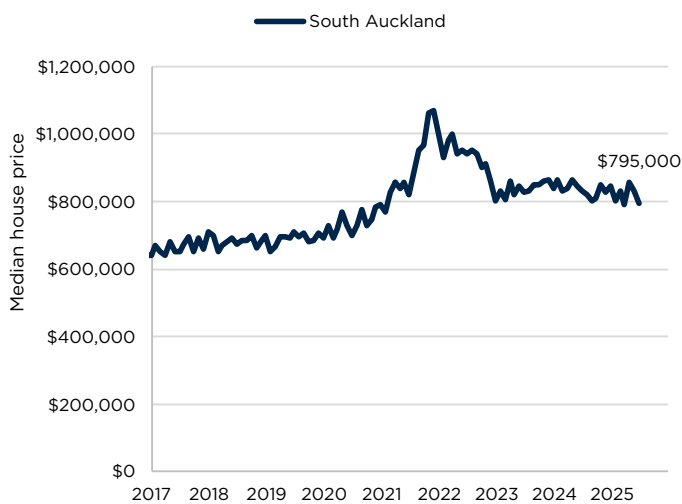
Monthly number of sales



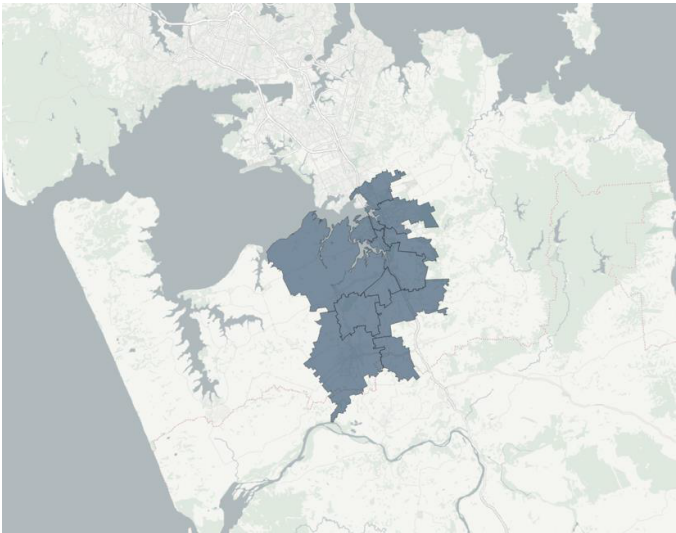
Sale price by bedroom count (past 3 months)



Price trend



Catchment map



# Rails and roads pave the way for Pukekohe's next growth wave

Major transport investments in South Auckland - such as the Papakura to Drury motorway widening (map pictured) - are being rolled out to support an expected 40,000 new homes in the Pukekohe/Drury area over the next 30 years.



## New rail links unlock connectivity

In a milestone for South Auckland, the long-awaited Papakura-to-Pukekohe rail electrification has been completed as of early 2025. Commuters in Pukekohe now have access to Auckland's electric train network without needing to transfer from diesel shuttles, enabling direct, faster, and low-emission rail trips into the city. The upgraded Pukekohe Station reopened in February 2025 with modern facilities and longer platforms to accommodate the electric trains. This \$500+ million rail extension project, first announced in 2017 and begun in 2022, also future-proofed the line with additional tracks and a new train stabling yard. Crucially, it sets the stage for three new railway stations to be added between Papakura and Pukekohe - at Drury Central, Paerātā (near Paerata Rise), and Ngākōroa (Drury West) - to serve burgeoning communities. Construction of the Drury and Paerata stations is expected to finish by late 2025, with Ngākōroa following in 2026. For local residents and landowners, these rail investments significantly enhance connectivity and amenity, effectively bringing Pukekohe and the surrounding growth areas "closer" to central Auckland. A more convenient commute makes the area more attractive for people to live and work. Developers are taking note, with improved public transport can support higher-density housing and transit-

oriented development near the new station sites. Indeed, government officials highlight that enabling growth via public transport investment will make this part of Auckland "better connected, more attractive to move into, and offers more choice" for travellers. In plain terms, reliable rail service opens up new opportunities for housing and commercial projects in Pukekohe, Paerata and Drury - areas poised to absorb a large share of Auckland's expansion.

## Highway upgrades to support growth

Complementing the rail improvements, a suite of major roading projects is underway or planned in South Auckland. The State Highway 1 Papakura to Drury upgrade is a centrepiece, where construction on the next stage (Stage 1B) began in December 2024 to widen the Southern Motorway to three lanes in each direction between Papakura and Drury, with new interchange bridges already in place to accommodate the electrified rail line beneath. Once completed, this motorway upgrade will ease a notorious bottleneck, reducing congestion and travel times for both commuters and freight on Auckland's Southern Corridor. It's an essential investment, given that the wider Pukekohe-Drury-Takanini area is projected to add up to 40,000 new homes in the next 30 years, along with many thousands of jobs. Transport officials note that without increased road capacity, the rapid growth could strain the network; hence the government's commitment to deliver infrastructure that "supports this growth". For local landowners, the motorway improvements mean better accessibility to new subdivisions and business sites - a key factor in land development potential. In addition to SH1, other road upgrades are in motion through the Supporting Growth Programme. In late 2024, Auckland Transport and Waka Kotahi secured route protection (Notices of Requirement) for eight new or upgraded arterials around Pukekohe, Paerata and Drury West. These include projects like the Pukekohe South-West Upgrade, which will improve key intersections and add walking/cycling facilities on roads linking new housing areas into Pukekohe town. Another significant planned project is the Mill Road extension toward Pukekohe (sometimes called the Pukekohe-East Road upgrade), intended to create an alternate north-south route connecting to Drury and south Auckland - a joint designation lodged with both Auckland and Waikato councils to future-proof that corridor. Although these local road projects are at the route safeguarding and design stage, they signal to developers that infrastructure capacity is being actively planned alongside new housing. As each piece of the network is improved - whether a widened highway onramp or a safer rural intersection - the effective developable land area expands, since more homes or businesses can be supported without overwhelming transport links.



## Planning and zoning updates shape opportunities

Alongside bricks-and-mortar infrastructure, there have been important policy and planning moves affecting South Auckland's land development potential. Auckland Council's Pukekohe-Paerata Structure Plan, adopted in 2019, outlines how rural land on the fringes of Pukekohe will transition into urban neighbourhoods over the next 30 years. Much of this land had been zoned "Future Urban" under the Unitary Plan, and now we are seeing it progressively rezoned for residential and business use through plan changes. For example, large private plan changes in Drury have recently rezoned hundreds of hectares for new town centres, industrial estates, and thousands of homes - contingent on developers helping fund infrastructure. In Pukekohe itself, the Franklin Local Board's vision (as reflected in the Pukekohe Area Plan) is to grow Pukekohe as a "priority satellite town" with an additional 50,000 people and 9,000 jobs by 2040. That growth is now enabled by investments like the station upgrade and improved transport links. At the same time, new national policies mean that growth must be managed thoughtfully, the National Policy Statement on Urban Development (NPS-UD) has required Auckland Council to allow more intensive housing (up to six storeys) around train stations and the town centre, which will encourage medium-density apartments and townhouses in Pukekohe's core. Conversely, the National Policy Statement - Highly Productive Land (effective 2023) aims to protect the prime horticultural soils around Pukekohe from unchecked urban sprawl, meaning development is steered into the areas already zoned for growth. The net effect of these policies is a clearer path forward for investors and landholders alike, if your property is within a planned growth area or near new infrastructure, the opportunities to subdivide or partner with developers are increasing. Indeed, officials

estimate that over 100,000 people could be living south of Papakura two decades from now, with around 40,000 new homes built primarily in Drury, Paerata, and Pukekohe to accommodate them. This unprecedented expansion, supported by an expected 50,000 additional jobs locally, will transform the sub-region from quiet semi-rural communities into a thriving urban hub. For developers and investors, South Auckland's landscape in 2025 is one of rapidly improving infrastructure and proactive planning - fertile ground for new projects. Transport upgrades are arriving ahead of or in parallel with subdivisions, which reduces risk and carrying costs (for instance, new homeowners in Paerata will soon have a rail station and a better highway, not just promises on paper). This helps maintain strong demand for sections and commercial sites. Moreover, government support - exemplified by the Transport Minister's remark that critical infrastructure is being delivered "sooner to support growth" - indicates a favourable policy environment for urban development in these areas. Landowners in designated growth zones can anticipate council-led infrastructure (like wastewater and road connections) coming their way, increasing the development readiness of their land. Some may also face land acquisition for new roads or rail corridors but are compensated and ultimately benefit from improved access. In summary, the South Auckland/Pukekohe region is entering a new phase of expansion. Backed by significant public investment in rail and road networks and guided by strategic planning and zoning, the region is set to deliver new housing, commercial centres, and industry at an unprecedented scale. For our newsletter readers - whether large-scale developers or local landholders - the message is clear, now is the time to position for growth, ensure alignment with the new infrastructure, and take advantage of the burgeoning opportunities in Auckland's southern growth corridor. With rails and roads paving the way, Pukekohe's future looks bright and busier than ever.

## Drury-Pukekohe Link



## Mill and Pukekohe East Roads' Upgrade



For further information and or questions, please don't hesitate to get in touch.

Source: NZ Transport Agency





## Pukekohe, Auckland

### 60-64 Puni Road

<b>Property details</b>	bayleys.co.nz/1905966
<b>Land area</b>	1.98ha (more or less)
<b>Sale method</b>	Price by negotiation
<b>Zoning</b>	Residential single house zone



## Bombay, Auckland

### 91 Portsmouth Road

<b>Property details</b>	bayleys.co.nz/1906029
<b>Land area</b>	2.83ha (more or less)
<b>Sale method</b>	Price by negotiation
<b>Zoning</b>	Rural



## Pukekohe, Auckland

### 47 Golding Road and 50 Pukekohe East Road

<b>Property details</b>	bayleys.co.nz/1852922
<b>Land area</b>	27.23ha (more or less)
<b>Sale method</b>	Price by negotiation
<b>Zoning</b>	Residential mixed housing urban



## Pukekohe, Auckland

### 97 Runciman Road

<b>Property details</b>	bayleys.co.nz/1906024
<b>Land area</b>	5.52ha (more or less)
<b>Sale method</b>	Price by negotiation
<b>Zoning</b>	Rural



## Pukekohe, Auckland

### 87 Mill Road

<b>Property details</b>	bayleys.co.nz/1905949
<b>Land area</b>	10.3198ha (more or less)
<b>Sale price</b>	\$3,500,000
<b>Sale date</b>	24 June 2025
<b>Zoning</b>	Rural

Contact Shane on 021 730 488 or Wesley on 021 647 117 for more details on the current listings above or to discuss your development land requirements.

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