

ALL OVER DEVELOPMENT LAND SALES



Welcome to this autumn edition of Bayleys' development land newsletter, our second update for 2026 on Auckland's land and development sales sector.

After entering the year on a footing notable for its stability, and notwithstanding new uncertainties emanating from the Middle East, we have seen the market edge into a clearer phase – albeit one in which participants are being more selective. Good momentum was building before the war, but the market is now effectively shifting sideways as it digests the implications and likely timeframes before hostilities cease.

Deals are still happening where they make sense. Developers still have an appetite to buy but stress testing is more stringent. Many decisions increasingly hinge on a careful site-specific weighing of the readiness of infrastructure – both transport and utilities – as well as the clarity of planning provisions. From these factors, calculations are being made on whether the risk of delivery is manageable at a given location.

The latest data from REINZ paints a picture of a mixed but stabilising residential backdrop. Auckland's median house price lifted 2.5% year-on-year to \$1,020,000, while sales volumes were down 14.8% year-on-year. Meanwhile, the region's House Price Index, a more sophisticated way of gauging changes in housing values over time, saw a small annual decline. Together, these numbers support the view that pricing has largely stabilised across the market, but buyers remain measured and selective.

The single biggest development affecting the sector over the past quarter, and the major policy theme for this newsletter, is the Auckland Deal. Signed in April, this is as welcome as it is groundbreaking, and arguably overdue – being New Zealand's first City and Regional deal.

With an agreement and schedule of commitments stretching to over 35 pages, it signals a more coordinated

relationship between Auckland Council and Central Government – setting out how they will align planning, infrastructure investment and economic development over a period of decades, with a focus on housing growth, productivity and greater cooperation.

Lack of clarity and certainty over planning settings has long caused both challenges and frustration across the region's development ecosystem, and this has often stemmed from a lack of alignment of vision between local and central government decision makers.. The commitment to greater coordination signalled in the Auckland Deal promises a new level of predictability. This may go a long way towards supporting developers, investors, landowners and vendors to make more informed and confident long-term planning decisions.

We take a deeper dive into what the new document means for participants in the land development market on pages 3 and 4 of this newsletter. On this and other issues shaping prospects across the sector, we're committed to optimising financial outcomes for our clients and customers. If you'd like to know more about how you can capitalise on the evolving scene, or to discuss your needs, please don't hesitate to get in touch with me.

Your Future Urban and Development Land sales expert,

Wesley Gerber 021 647 117
wesley.gerber@bayleys.co.nz

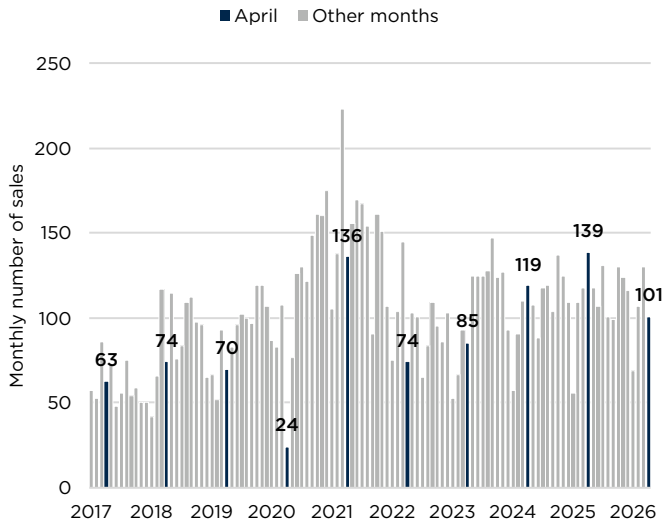
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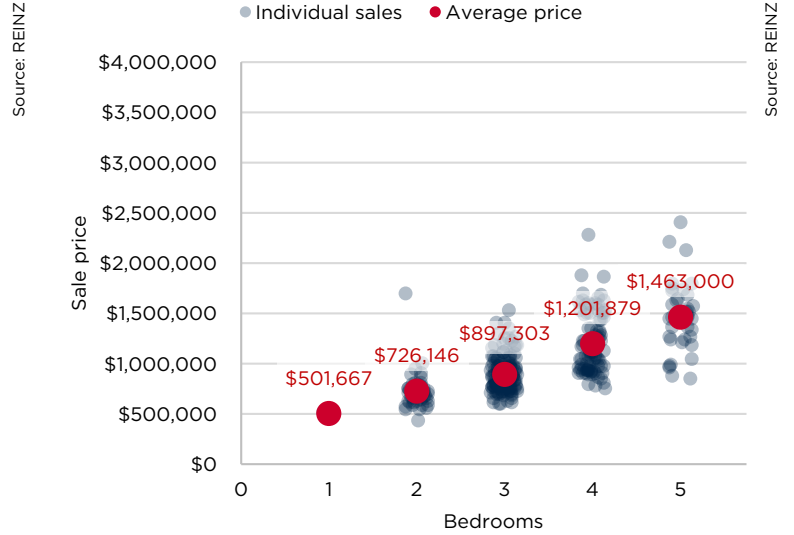
Market insights

Residential market update: Northwest Auckland

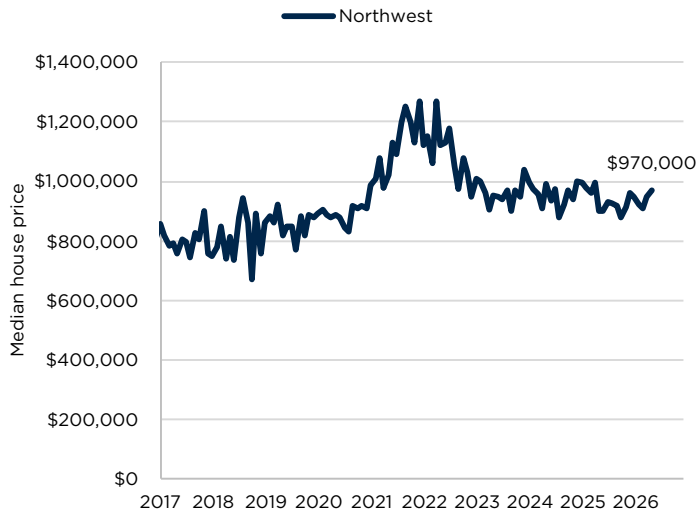
Monthly number of sales



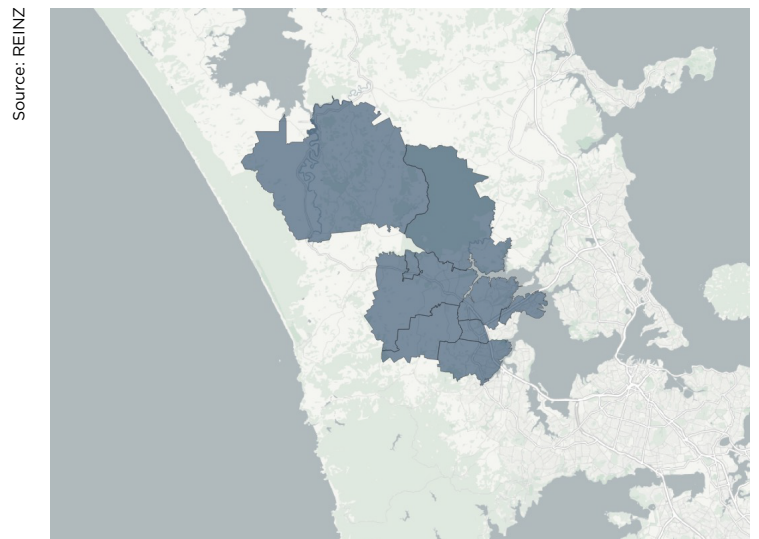
Sale price by bedroom count (past 3 months)



Price trend



Catchment map



The Auckland Deal: Infrastructure, growth and development land

The Auckland Deal: a city-wide framework for development land

Many Auckland landowners will have seen recent references to the Auckland Deal, without necessarily knowing what it is, how it works, or why it matters.

At its simplest, the Auckland Deal is a long-term agreement between Auckland Council and Central Government to better coordinate the way Auckland grows. Its stated purpose is to align priorities, integrate planning and coordinate delivery across the region. In practical terms, it is intended to bring Council and Government closer together on decisions relating to planning, transport, infrastructure funding, urban growth, trade, investment, innovation and major public-sector priorities.

For landowners and developers, the most relevant part of the Deal is its focus on how Auckland accommodates growth, how infrastructure is planned, and how the cost of that growth is funded.

Growth across Auckland

The Deal includes commitments relating to continued work on PC120, a Regional Spatial Plan with regulatory weight, standard zoning provisions, a 30-year transport plan and key transport projects. It also provides for regular engagement between the Prime Minister, the Mayor and senior Ministers, supported by reporting and monitoring on agreed commitments.

This is important because Auckland's growth challenge is no longer simply a question of whether more land or more housing capacity is required. The more important question is whether growth can be delivered in a coordinated, affordable and commercially realistic way.

For the development land market, that distinction matters. A site may have development potential on paper, but if servicing is constrained, infrastructure is unfunded, transport access is unresolved, or the planning pathway is uncertain, purchasers and funders will price that risk accordingly.

The Auckland Deal should not be viewed as an immediate rezoning event or a blanket uplift in land value. It is better understood as a strategic framework that will influence future planning, infrastructure sequencing, funding tools and land release decisions. In that sense, the Deal reinforces a theme already evident in the market: value is being increasingly shaped by deliverability, not just potential.

This is relevant across Auckland, whether land is Future Urban, already zoned for residential intensification, positioned for commercial or industrial use, or held for longer-term development. In each case, the market is

asking more detailed questions. Is the planning position clear? Can the land be serviced? What infrastructure is required? Who pays for it? Can development be staged? Is there sufficient end-market demand to support the project?

What current market conditions are showing

The latest REINZ data supports a measured view of the market. Auckland's April 2026 median house price increased 2.5 percent year-on-year to \$1,020,000, but sales volumes were down 14.8 percent year-on-year, the Auckland HPI was down 2.8 percent annually, and the median number of days to sell sat at 43 days.

That suggests a market that is stabilising but not accelerating indiscriminately. Buyers remain active, but cautious. Developers continue to focus on feasibility, end values, build costs, funding conditions, development contributions, infrastructure timing and settlement structure.

Against that backdrop, the Auckland Deal provides useful direction, but it does not remove the need for site-specific analysis. If anything, it makes that analysis more important. As planning and infrastructure settings become more defined, the market is likely to place a sharper distinction between land that can demonstrate a credible delivery pathway and land that remains reliant on broad assumptions about future change.

For landowners, the key message is clear: future value will be driven less by general confidence in Auckland's growth, and more by evidence. Zoning, overlays, infrastructure capacity, transport alignment, funding exposure, staging and market demand all need to be understood before approaching the market.

From potential to delivery: the new test for Auckland land value

The Auckland Deal brings one message into sharper focus: development potential only becomes valuable when it can be delivered.

For many years, landowners have assessed value through the lens of zoning, density, future urbanisation or long-term growth expectations. Those factors remain important, but they are no longer enough on their own. The market is now applying a more disciplined test.

Can the land be serviced? What upgrades are required? How much will those upgrades cost? When will they be delivered? Who is expected to fund them? Are water, wastewater, stormwater, transport and social infrastructure aligned with the timing of development? Can a project be staged in a way that makes commercial sense? These questions are relevant across all parts of Auckland. They apply to Future Urban land, large residential holdings, business-zoned land, brownfield redevelopment sites and

The Auckland Deal: Infrastructure, growth and development land

mixed-use opportunities. The location may change, but the underwriting discipline is the same.

One of the most important principles in the Auckland Deal is that growth should pay for growth. The Deal states that the growth-related costs of infrastructure needed to enable new development should be met by those who benefit from that development, rather than by existing communities elsewhere in the region or by general ratepayers. Potential funding mechanisms include infrastructure growth charges, development contributions or levies, Infrastructure Funding and Financing levies, targeted rates, upfront developer-led funding, or developers providing the services required to enable development.

That has direct implications for land value. A purchaser will not assess a site only on its size, zoning or theoretical yield. They will also assess the cost and timing of unlocking it. Where infrastructure costs are high, timing is uncertain, or funding obligations are unresolved, those risks are likely to be reflected in price, conditions, settlement terms or buyer appetite.

Implications for Future Urban Land

For Future Urban land, the implications are particularly important. Auckland Council has committed to revisiting the Future Development Strategy as part of the joint Spatial Plan. That strategy manages growth across approximately 15,000 hectares of Future Urban land. The Deal also notes that current greenfield infrastructure plans include around \$13.6 billion of infrastructure, subject to Council budget and planning processes and, in some cases, Crown or NZTA co-investment.

For already-zoned land, the message is slightly different but equally relevant. Zoning may provide a clearer planning base, but it does not automatically confirm feasibility. Development still depends on servicing, infrastructure capacity, market demand, construction costs, design efficiency, funding conditions and the ability to achieve acceptable margins.

The Deal also refers to greater transparency around infrastructure constraints, hazards and evidence-based cost estimates for infrastructure needed to support urban development and subdivision opportunities. If this is delivered effectively, it should assist better decision-making by landowners, developers and funders.

This is where preparation becomes critical. Landowners who understand the planning and infrastructure position of their property will be better placed to make informed decisions. Those who rely only on broad market confidence may find that purchaser due diligence exposes constraints that should have been identified earlier.

Before approaching the market, landowners should consider:

- Is the zoning clear, and does it support the intended use?
- Are there overlays, hazards, access issues or servicing constraints?
- What water, wastewater, stormwater, transport or power upgrades may be required?
- Are development contributions or future levies likely to affect feasibility?
- Can the land be staged, or does development require major upfront infrastructure?
- Is the likely buyer pool residential, commercial, industrial, institutional or land banking?
- Would a purchaser view the site as deliverable, or discount it for timing and risk?

Positioning for the next phase of the market

The Auckland Deal creates a more defined framework for Auckland's future growth, but it does not remove the need for commercial discipline. The strongest outcomes are likely to sit with landowners who can clearly demonstrate how their site fits within the city's planning, infrastructure and funding pathway.

Capital remains available, but it is selective. Developers and investors are still looking for opportunities, particularly where the land is well-located, the planning position is clear, infrastructure risk is understood, and the transaction structure reflects current market conditions.

For landowners, this is a good time to review strategy. Some sites may be ready to take to market. Others may benefit from further planning work, infrastructure investigation, feasibility testing or engagement with potential development partners before a sales process begins.

The opportunity across Auckland remains significant. However, the next phase of the development land market is unlikely to reward potential alone. It will reward preparation, clarity and credible delivery.

Our focus remains on providing clear market guidance, realistic pricing advice and structured transaction strategies that reflect current planning and capital conditions.

If you would like to discuss positioning, feasibility or market timing, I welcome the conversation.



West Harbour, Auckland

5,7,9,11 and 13 Holmes Drive

Property details	bayleys.co.nz/1699619
Land area	4,368sqm (more or less)
Sale method	\$2,475,000 + GST (if any)
Zoning	Residential Mixed Housing Urban



Whenuapai, Auckland

30 Karaka Road

Property details	bayleys.co.nz/1699877
Land area	12,083sqm (more or less)
Sale method	\$2,649,000 (inclusive of GST)
Zoning	Future Urban



Whenuapai, Auckland

61 Trig Road

Property details	bayleys.co.nz/16910528
Land area	42,163sqm (more or less)
Sale method	Price by Negotiation
Zoning	Future Urban



Massey, Auckland

55 Red Hills Road

Property details	A large, risk-averse land bank which was sold through the tender process.
Land area	54,532sqm (more or less)
Sale price	Confidential
Sale date	11 May 2026
Zoning	Residential Mixed Housing Suburban

Contact Wesley today on 021 647 117 or wesley.gerber@bayleys.co.nz for more details on the current listings above or to discuss your development land requirements.

ALTOGETHER CONNECTED

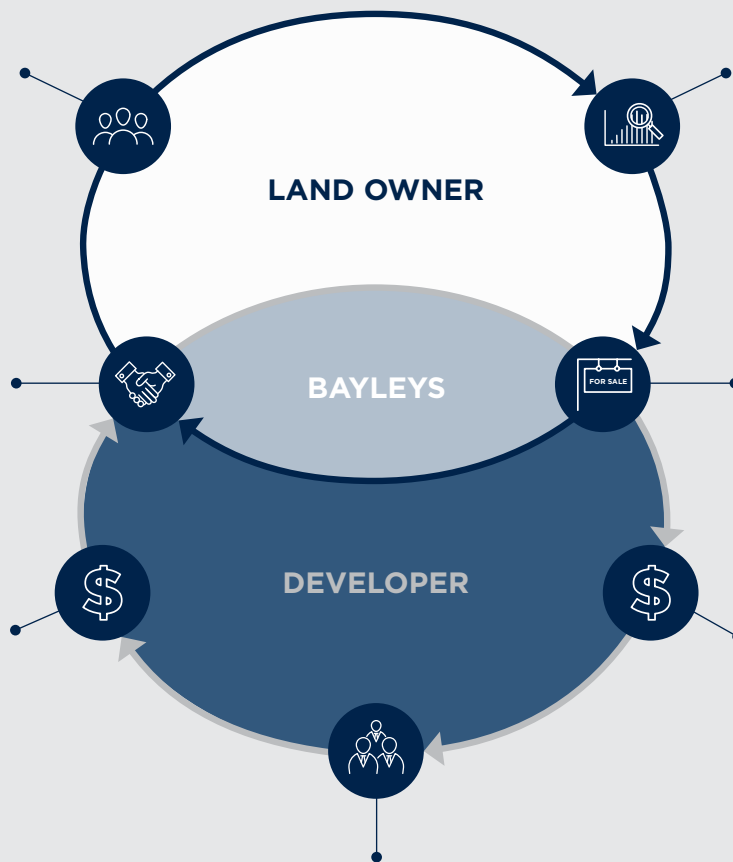
The strength of the Bayleys brand, and our passion for real estate means we're now New Zealand's largest full-service real estate company. We offer in-depth expertise not only in the Commercial sector - but across Residential, Rural and Property Services.

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.

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

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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.

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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.