



Waterfront prestige endures

Scarcity, global capital and long-term buyer confidence continue to underpin the strength of New Zealand's luxury waterfront market.

New Zealand's luxury property market remains one of the country's most sought-after real estate segments. Buyers at this level prioritise privacy, outlook and long-term security, and are increasingly seeking homes with a genuine connection to water across coastal, lakeside and river-edge locations.

Central to this market is the Bayleys Luxury Property Network, supported by international partnerships with Knight Frank Private Office and McGrath, and leveraging long-held relationships with New Zealand clients. Together, they create a powerful platform connecting the country's finest homes with qualified buyers worldwide. The network's specialist agents and tailored marketing ensure luxury listings receive precise, targeted exposure, whether launched publicly or handled discreetly off-market.

Waterfront homes are aspirational, tightly held, and often retained across generations. This scarcity underpins their enduring value and supports premium pricing across coastal, lakefront and riverfront locations nationwide.

Confidence at the top end has remained steady even as the broader housing market only now begins to show early signs of recovery. In the luxury space, sales activity is improving, stock levels remain elevated, and forecasters expect gradual price strengthening over the next two years.

In the super-prime segment, momentum never disappeared, it simply became more selective. Bayleys national director residential Johnny Sinclair says buyers in this space operate on a different economic rhythm and continue to transact when the right opportunity arises.

"These buyers make decisions based on lifestyle," he says, prioritising legacy, family foundations and long-term value.

"Whether it's securing a legacy home, establishing a family base or purchasing a retreat, they're driven by opportunity rather than necessity."

AIP DEAL MAKING

Sinclair says Bayleys' strength in the luxury market lies in the combination of local expertise and global reach.

"Our luxury network gives clients access to some of the most discerning buyers in the world," he says. "When you combine that with deep local knowledge, you create an avenue for vendors to achieve exceptional results, especially for waterfront assets that are genuinely irreplaceable."

The partnership with Knight Frank and McGrath has created meaningful pathways for offshore purchasers seeking high-quality New Zealand property. These relationships are particularly relevant as the Active Investor Plus visa begins to play a more visible role in the super-prime segment.

"The AIP visa has attracted a fresh group of buyers who prioritise quality, privacy and enduring value," Sinclair says. "Some arrive with a defined plan, while others want to anchor themselves here first and explore every option."

"Waterfront homes tend to rise to the top for these buyers because they offer an extraordinary way of living, a real connection to the New Zealand landscape and a tangible expression of what hard work has made possible."

One of the key considerations for AIP buyers is sensitive land. Waterfront and lifestyle properties can sit close to coastal or marine areas or exceed land size thresholds, which may restrict purchases under the Overseas Investment Act.

"However, sensitive land doesn't need to be a roadblock. The key is getting the right advice early, and when buyers and vendors understand the rules from the outset, transactions can move forward smoothly, if the thresholds are met," he says.

REGIONAL STRENGTH

Bayleys national director luxury, Joe Telford says while the AIP visa hasn't created



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a flood of demand, it has opened New Zealand to another pool of qualified buyers who will continue to emerge as the policy matures. He has worked directly with AIP purchasers and helped broker one of the first deals under the scheme.

In line with Bayleys' "altogether better" philosophy, Auckland-based Telford recently partnered with a Hawke's Bay colleague to introduce American buyers to a premium lifestyle property in Havelock North.

"These buyers knew exactly the type of property they were looking for, but they were flexible on location," he says.

"They wanted an equestrian-style home with space, privacy and a natural outlook, and the property they chose in the Tuki Tuki Valley delivered all of that."

The home sat on 4.95ha near the river, with a strip of land between the boundary and the water, and that separation meant it wasn't classed as sensitive land.

"It gave them the connection to water they loved without triggering restrictions that can complicate an AIP purchase," says Telford.

He says the value was exceptional, as a comparable holding in Queenstown could command almost twice the price.

"That's why regions like Hawke's Bay and the Bay of Plenty are attracting attention as they offer incredible lifestyle value, and while high-net-worth domestic buyers have inside knowledge, many offshore purchasers are only just discovering them."

Reliable transport links are giving upper-end buyers confidence to live outside the main centres, with private jet capability in select regional cities allowing high-net-worth purchasers to base themselves regionally without sacrificing convenience.

Telford has worked with one long-standing private client for seven years, illustrating the patience and discernment typical of buyers operating at the top end of the market.

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LEGACY ASSETS

Telford also works extensively in affluent Herne Bay, one of New Zealand's most prestigious waterfront urban neighbourhoods and a market defined by scarcity.

"True waterfront in Herne Bay is the strongest illustration of tightly held property, and many of the most significant homes never reach the open market, with owners at this level valuing privacy and absolute discretion," he says.

Herne Bay's northern slopes offer some of the country's most aspirational coastal holdings, where a handful of properties have boatsheds, and even fewer have helipads.

"Boatsheds and helipads are exceptionally sought-after," Telford says. "They're almost impossible to recreate today, with new consents notoriously hard to secure, hence properties that already have them attract such significant premiums."

Luxury waterfront homes become legacy assets, with owners tending to hold them long-term, and when high-net-worth buyers ask agents to make direct approaches, the response is generally the same.

"Even when the offer is extraordinary, owners ask where they would go next," Telford says. "Timing is everything, and buyers might wait years to be in the right place at the right moment."