



NEW ZEALAND DEVELOPMENT LAND MARKET UPDATE

New Zealand development land market in 60 seconds

Wider market conditions are neutral



Residential sales activity is generally back at normal levels, but prices have been largely flat. Prices are likely to remain flat over the coming year due to an elevated supply of homes for sale in most regions.

Interest rates are the key watchpoint



While interest rates have reduced substantially from recent peaks, the market saw minor increases in some home loan rates towards the end of 2025. The pathway for interest rates remains uncertain. Inflation and pockets of positive economic data may place upward pressure on rates, but the employment market remains soft.

Shift toward lower-density formats



Product mix is evolving in response to buyer demand. Developers are generally favouring standalone and duplex housing over large-scale terraced and apartment schemes. This reflects the desire to differentiate end products and offer the market better choice.



Development recovery gaining momentum

Developer sentiment has improved compared with a year ago. Early signs of a recovery are being observed, with a rise in building consents over the past 12 months indicating developers are positioning their projects for the next uptick in the market.

Infrastructure lags supply



Infrastructure constraints have been a major challenge for developers in delivering product to the market. As a result, developers have become sensitive to infrastructure servicing when assessing development land. This is also driving some developers to shift focus from their traditional operating locations into areas with better infrastructure capacity.

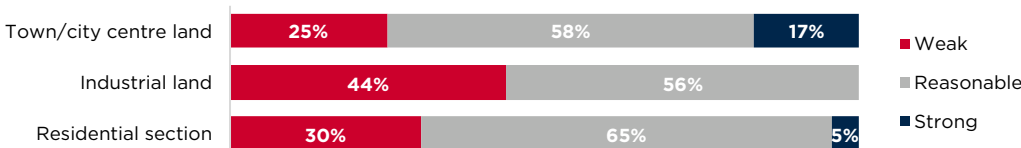
Land prices stable



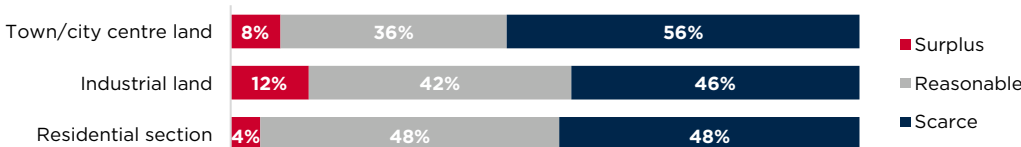
Land values in most locations have recently been steady. Buyers are typically focused on good deals from genuinely motivated vendors and are less likely to engage with properties that they view as over-priced.

Market sentiment across New Zealand

How is buyer demand for these properties?



How is the supply of properties for sale?



Market sentiment based on a survey of Bayleys brokers across New Zealand

Need help?

Use this form to request help from your local Bayleys team



Market indicators

Land price by urban area (\$p.s.m.)

	Town/city centre land	Industrial land	Residential section
Whangarei	\$800 ■ \$1,800	\$300 ■ \$400	\$520 ■ \$1,140
Hibiscus Coast and Warkworth	\$1,000 ■ \$2,000	\$800 ■ \$1,100	\$990 ■ \$1,310
Auckland North Shore	\$2,000 ■ \$5,000	\$800 ■ \$1,200	\$1,650 ■ \$2,540
West Auckland	\$700 ■ \$1,000	\$800 ■ \$1,200	\$1,410 ■ \$2,470
Auckland CBD	\$6,000 ■ \$30,000	Insufficient data available	Insufficient data available
Auckland Metro	\$2,000 ■ \$8,000	\$900 ■ \$1,100	\$1,830 ■ \$4,350
South Auckland	\$700 ■ \$1,200	\$700 ■ \$1,500	\$1,100 ■ \$2,780
Hamilton	\$800 ■ \$1,200	\$350 ■ \$650	\$1,070 ■ \$2,420
Tauranga	\$2,500 ■ \$3,250	\$700 ■ \$1,200	\$1,240 ■ \$3,660
Rotorua	\$1,500 ■ \$2,000	\$300 ■ \$800	\$580 ■ \$1,710
Gisborne	\$500 ■ \$750	\$200 ■ \$500	\$430 ■ \$530
Napier and Hastings	\$1,000 ■ \$2,000	\$250 ■ \$450	\$680 ■ \$900
New Plymouth	\$700 ■ \$1,200	\$150 ■ \$250	\$510 ■ \$840
Whanganui	Insufficient data available	\$245 ■ \$285	\$350 ■ \$520
Palmerston North	\$800 ■ \$1,500	\$375 ■ \$450	\$480 ■ \$730
Hutt Valley and Porirua	\$1,100 ■ \$1,500	\$400 ■ \$700	\$640 ■ \$1,330
Wellington CBD	\$2,000 ■ \$5,500	Insufficient data available	Insufficient data available
Richmond	\$1,000 ■ \$1,200	\$300 ■ \$400	\$650 ■ \$890
Nelson	\$1,200 ■ \$1,800	\$300 ■ \$350	\$670 ■ \$870
Blenheim	Insufficient data available	\$300 ■ \$400	\$550 ■ \$670
Greymouth	Insufficient data available	Insufficient data available	\$140 ■ \$380
Christchurch	\$1,000 ■ \$4,000	\$350 ■ \$500	\$730 ■ \$920
Dunedin	\$1,500 ■ \$2,000	\$400 ■ \$700	\$460 ■ \$660
Queenstown	Insufficient data available	\$1,500 ■ \$2,200	\$930 ■ \$1,380
Invercargill	Insufficient data available	\$215 ■ \$265	\$200 ■ \$400

Data: Bayleys Insights & Data, REINZ

Benchmark properties

We use these benchmark properties for our insights:

Town/city centre development land: Zoned to suit development. Good central location. Land area 3,000sqm. Bare site or demolition completed. Flat contour.

Industrial development land: Zoned for industrial use. Reasonable industrial location. Land area 3,000sqm. Bare section. Flat contour.

Residential section: Upper and lower quartiles of REINZ sales data for bare sections. Land area 150sqm to 750sqm.

We revise our methodology from time to time. Our latest results may not be fully interchangeable with historic results.

The benchmarks do not represent the minimum or maximum rates in the market. Benchmark properties may not be available in all markets. Land prices may vary between locations because the benchmark cannot be accurately applied in some locations.

All findings are indicative only.

Sample of recent transactions



22 Okara Drive, Whangarei, Northland

Land area 2,682sqm
Sale price \$2,100,000
Contact Nigel Ingham, Daniel Sloper



36 Springs Flat Road, Te Kamo, Northland

Land area 3,000sqm
Sale price \$1,100,000
Contact Nigel Ingham, Daniel Sloper



5331 State Highway 14, Dargaville, Kaipara

Land area 46.67ha
Sale price \$1,685,000
Contact Henry Napier, Marty van Barneveld



19 Knights Street, Rothesay Bay, Auckland

Land area 310sqm
Sale price \$2,300,000
Contact Michael Nees



26 Bristol Road, Whenuapai, Auckland

Land area 3.01ha
Sale price \$6,500,000
Contact Wesley Gerber, Beterly Pan



141 Brigham Creek Road, Whenuapai, Auckland

Land area 6.50ha
Sale price \$27,000,000
Contact Wesley Gerber



116 Drury South Crossing, Drury, Auckland

Land area 4,884sqm
Sale price \$4,884,000
Contact Paul Steele, Greg Hall



293 Rotokauri Road, Baverstock, Hamilton

Land area 2.02ha
Sale price \$2,800,000
Contact David Cashmore, Aaron Paterson



Lot 2, 174 Peachgrove Road, Hamilton

Land area 4,421sqm
Sale price \$2,810,000
Contact David Cashmore, Jordan Metcalfe



536, 537, 538 Taurikura Drive, Tauranga

Land area 9,988sqm
Sale price \$8,672,081
Contact Simon Maxwell, Mark Walton



353 Devonport Road, Tauranga

Land area 1,926sqm
Sale price \$2,000,000
Contact Mark Walton, Tyler Barry



21, 23 Thames Street, Pandora, Napier

Land area 2,004sqm
Sale price \$1,250,000
Contact Kerry Geange



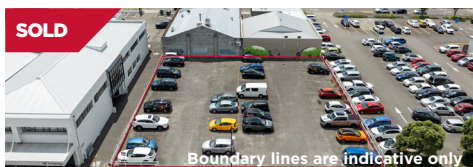
334-336 Devon Street West, New Plymouth

Land area 1,822sqm
Sale price \$1,475,000
Contact Darryl Taylor, Iain Taylor



13-15 Great North Road, Whanganui

Land area 1,948sqm
Sale price \$1,100,000
Contact Amie Rowan, John Bartley, Duncan Ashby



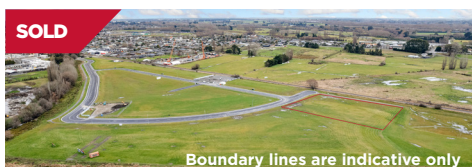
51-61 King Street, Palmerston North

Land area 1,175sqm
Sale price \$825,000
Contact Karl Cameron



Moana-Rotomanu Road, Moana, West Coast

Land area 14.85ha
Sale price \$2,075,000
Contact Jesse Paenga, William Wallace, Matthew Heazlewood



35/79 Factory Road, Belfast, Christchurch

Land area 9,292sqm
Sale price \$2,400,000
Contact Sam Stone

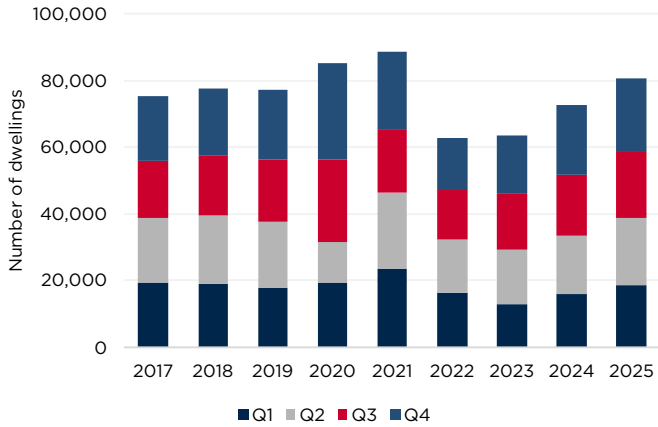


4-6 Hallenstein Street, Queenstown

Land area 963sqm
Sale price \$3,910,000
Contact William Gubb

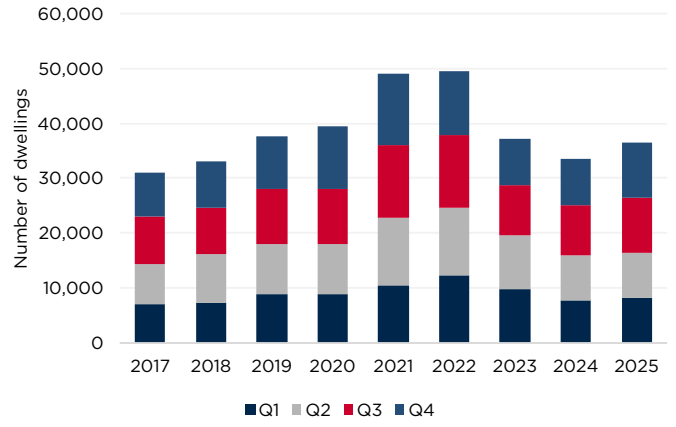
Other indicators

Residential sales over time



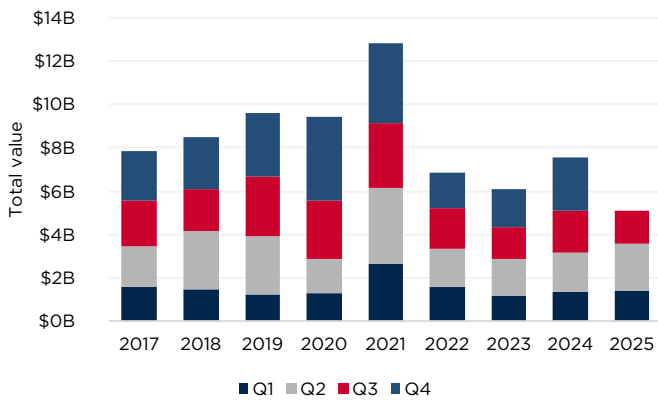
Data: REINZ

Residential building consents over time



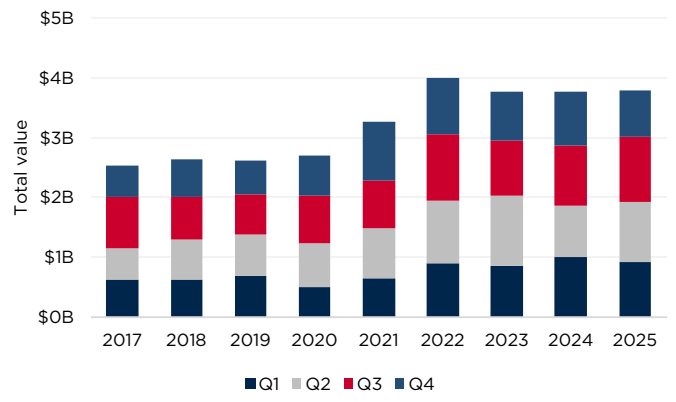
Data: StatsNZ

Commercial and industrial sales over time



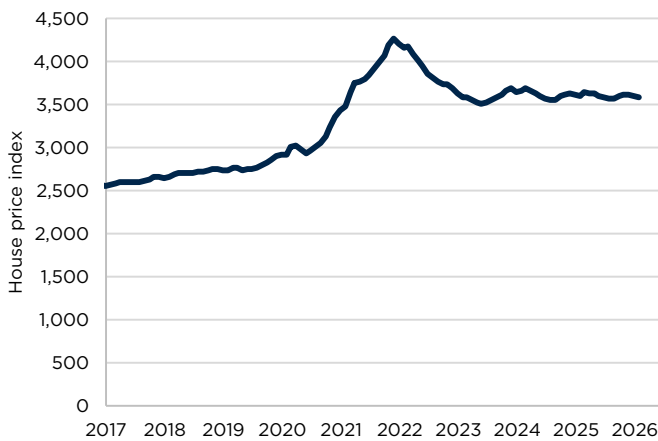
Data: Cotality

Commercial and industrial building consents over time



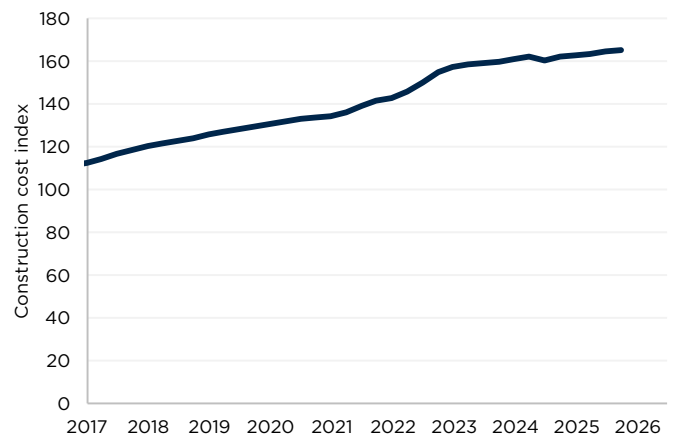
Data: StatsNZ

House price index: New Zealand



Data: REINZ

Cordell Construction Cost Index: New Zealand



Data: Cotality

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