

NEW ZEALAND RESIDENTIAL MARKET UPDATE

Prices hold steady but sales volumes on the quiet side

New Zealand's property market had a noticeably soft month during October. Whilst prices remained steady, sales counts were substantially lower than a typical October. Causes are hard to pin down, but it appears buyers took a pause in the lead up to the election.

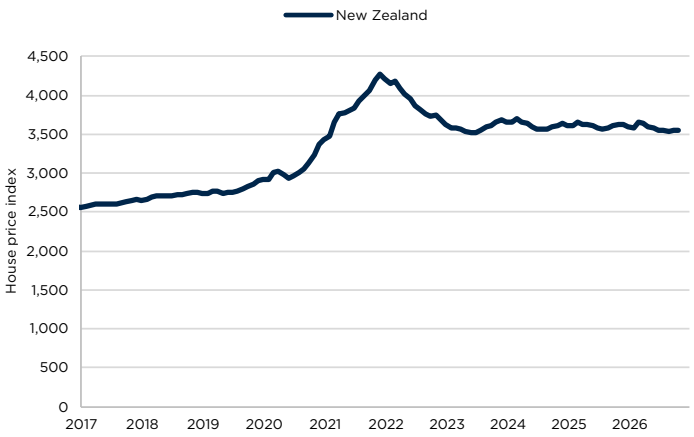
REINZ's market data for sales during October 2026 showed national prices tracking within the sideways ranges seen for most of this year. Sales counts were lower than normal, particularly within the Auckland region. At bigger picture level, the South Island continues to outperform, with Canterbury, Otago and Southland leading on the back of strong rural and tourism sectors and ongoing internal migration.

The supply of homes for sale remains elevated and is the main constraint on price growth. Home loan rates were broadly flat over the month, with banks making only minor adjustments. In positive news, the Reserve Bank kept the Official Cash Rate steady in its October decision, which has temporarily taken the pressure off home loan rate rises.

Whilst early indicators were the property market shrug off the election, it appears to have caused buyers to temporarily pause – particularly during October. While the election has now past, the final outcome remains unconfirmed and it will take some time to get clarity around the outlook for changes to government policies. The preliminary results point towards a right leaning government which tends to mean policies that are supportive for the property market, owners and investors. On the bright side, the reduced media coverage and tentative outcome should help to refocus buyers on their property aspirations.

Our view is the market is likely to remain broadly neutral through the rest of 2026. We expect some seasonal uplift in activity over summer, but not a material change in overall conditions. In these competitive market conditions, it is critical that sales processes are set up for success through realistic price appraisals, effective marketing and dedicated salespeople.

House prices tracking sideways



Data: Powered by REINZ and Realestate.co.nz.

Market conditions right now

Neutral

Median house price: New Zealand

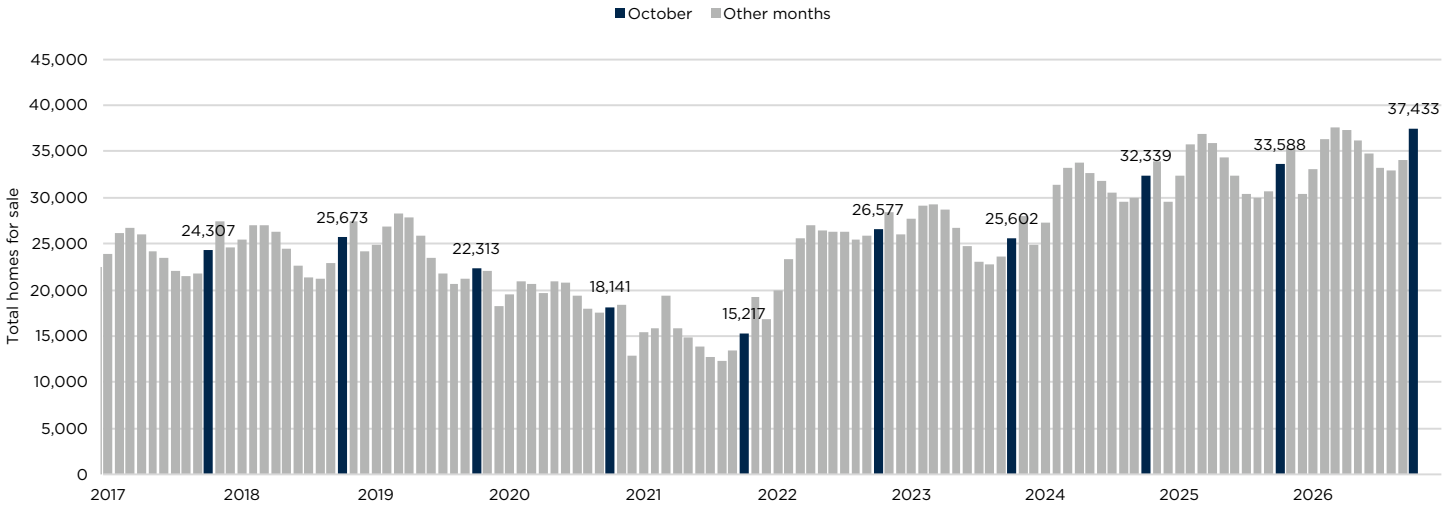
$763,000

Change in house price index over past 12 months

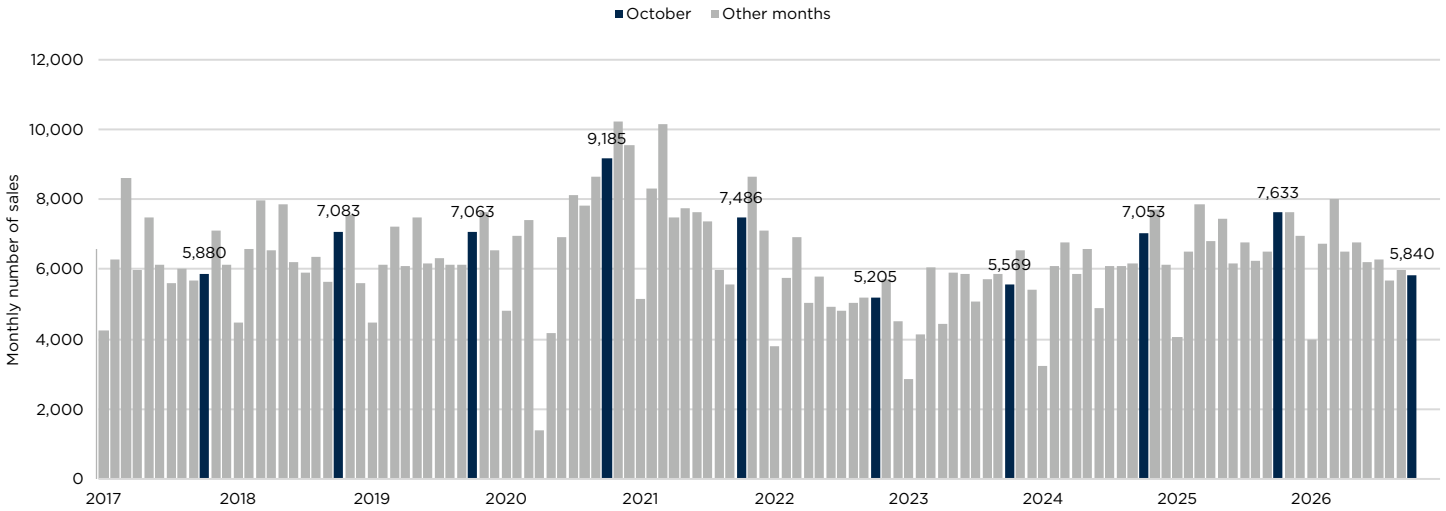
-2.1%

Activity

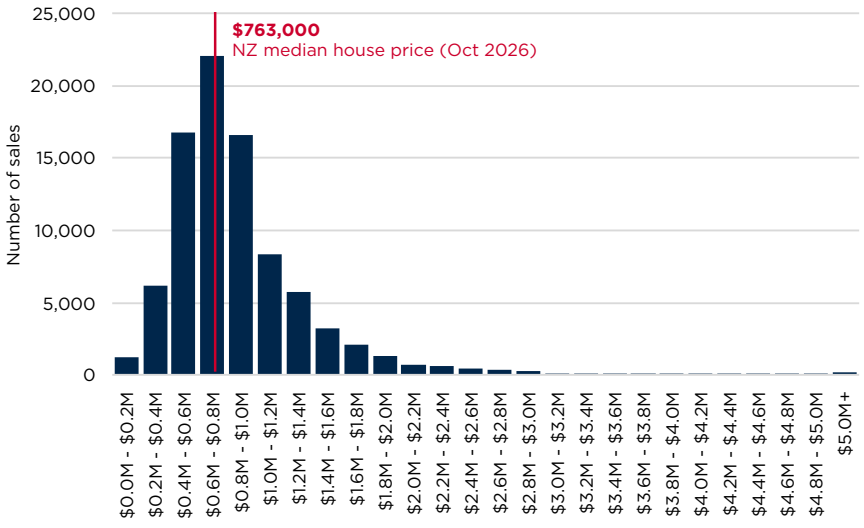
Total homes for sale is high (New Zealand)

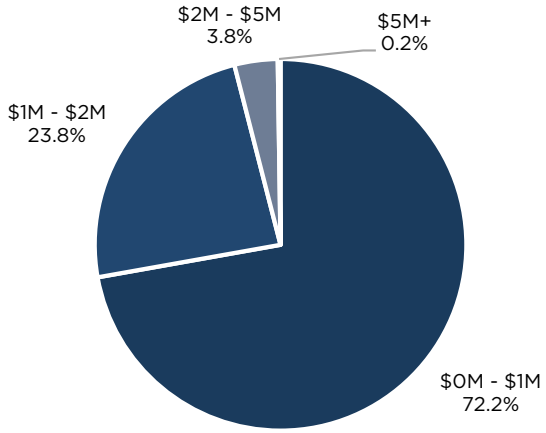


Sale counts a bit soft (New Zealand)



Price distribution for sales over past 12 months (New Zealand)

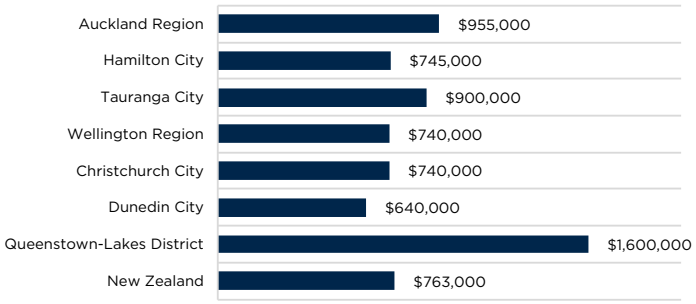




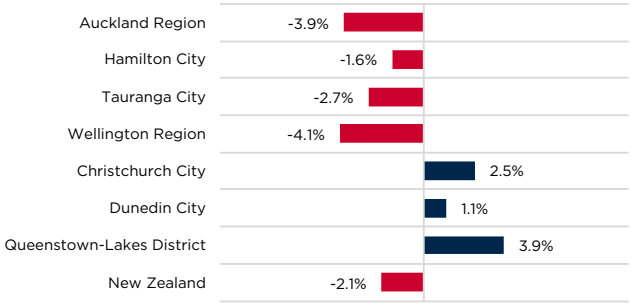
Data: Powered by REINZ and Realestate.co.nz. Graphs highlight comparable months to help navigate the seasonality of the market over the year.

Major markets

Median house price

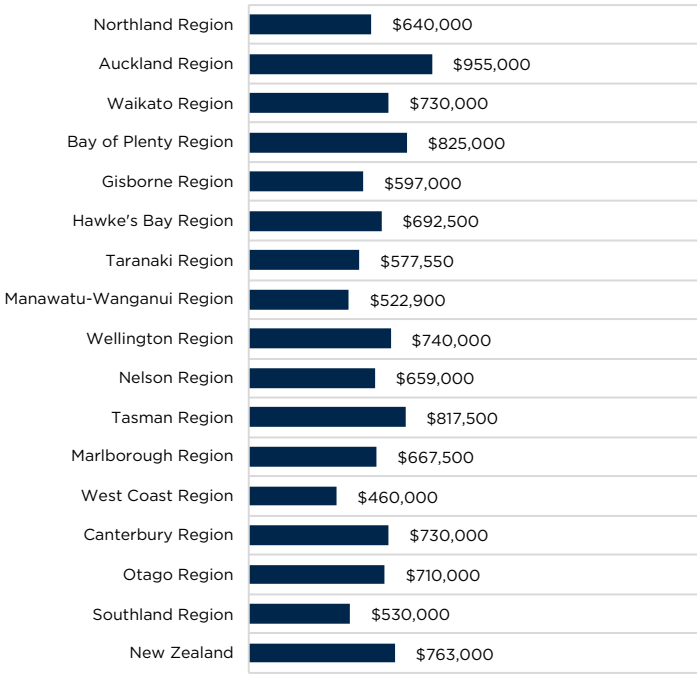


Change in house price index over past 12 months

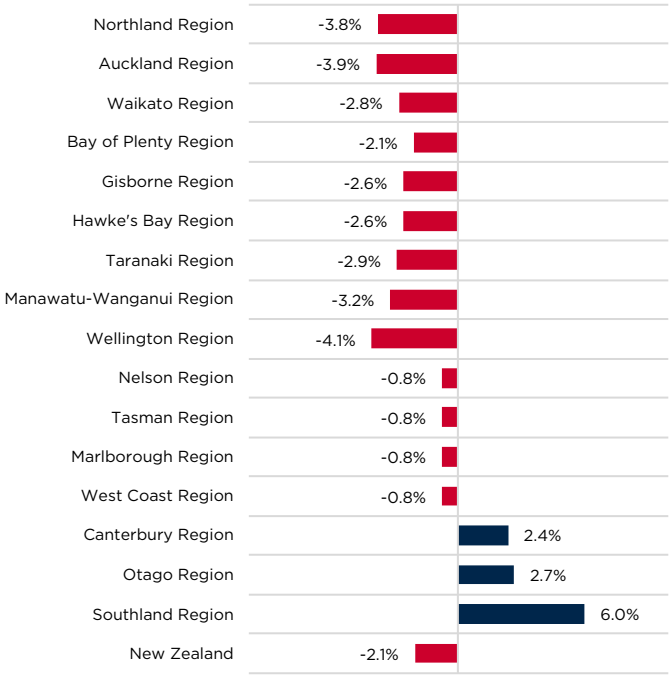


Regional

Median house price



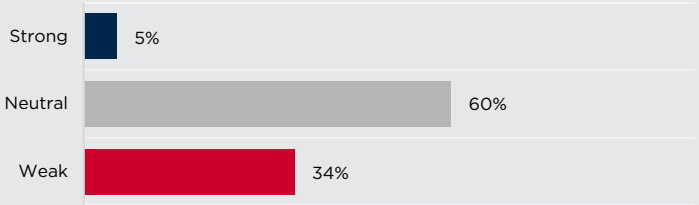
Change in house price index over past 12 months



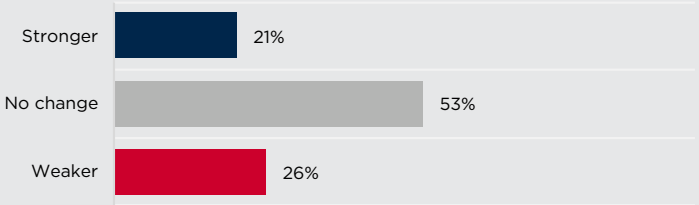
Data: Powered by REINZ.

Market sentiment

How are market conditions in your market right now?



How are market conditions in your market changing?



What's the most common challengeyou're facing with buyers?

#1	Slow decision making
#2	Too much choice reducing urgency
#3	Fear of overpaying

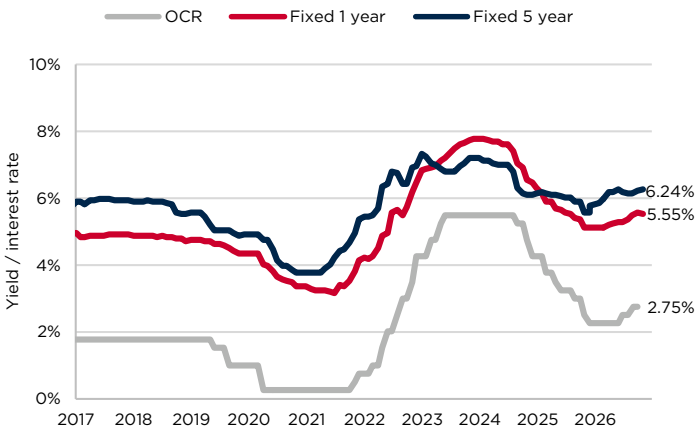
What's the most common challenge you're facing with vendors?

#1	Price expectations higher than market
#2	Waiting for the market to improve
#3	Frustration at slow market

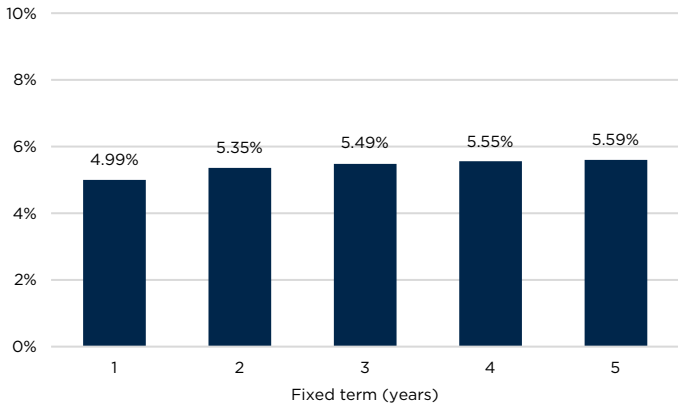
Data: Bayleys quarterly sentiment survey of agents, property managers and mortgage brokers. September 2026 results. n = 296 for residential agents.

Market drivers

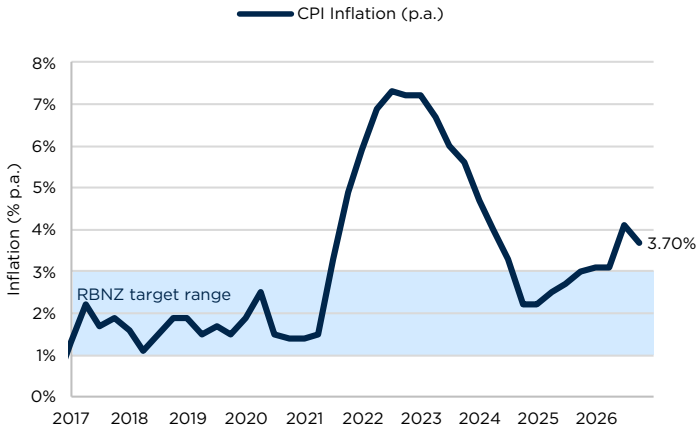
Interest rates down from peak but rising



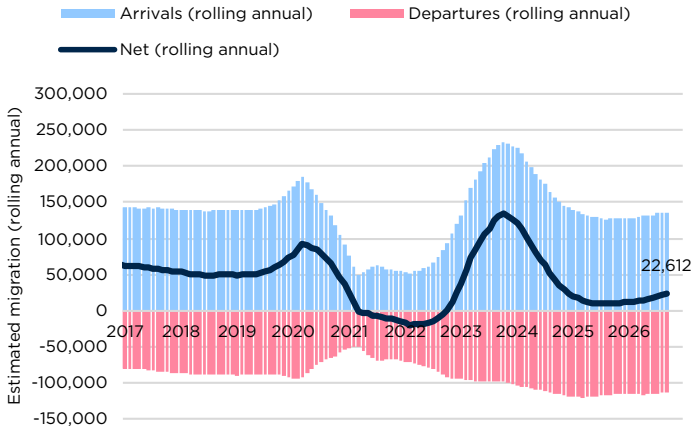
Home loan rates (20%+ deposit) Lowest carded for 5 major banks



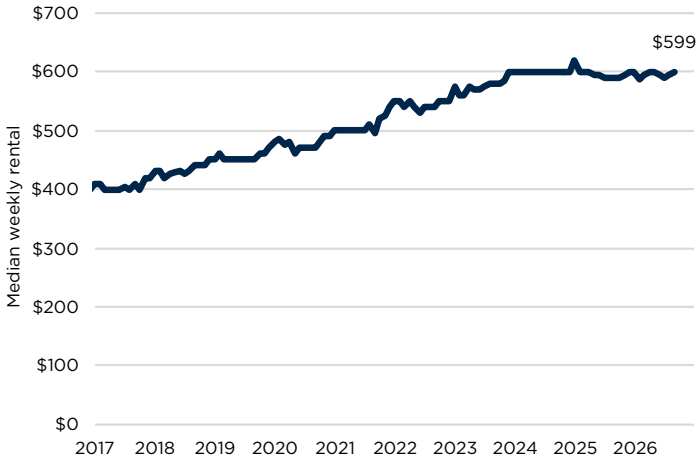
Inflation running a bit hot



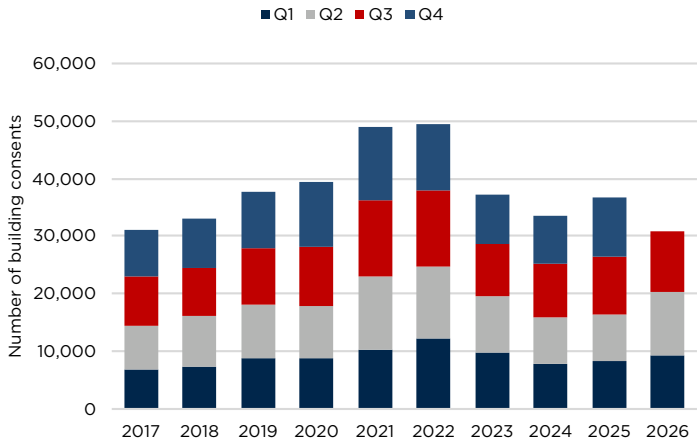
Migration down but starting to recover



Rents steady



Building consents steady



Data: RBNZ, Stats NZ, MBIE.

Bayleys Insights, Data & Consulting

Chris Farhi MRICS
Head of Insights, Data & Consulting
chris.farhi@bayleys.co.nz

Eos Li CFA
Senior Analyst - Insights, Data & Consulting
eos.li@bayleys.co.nz

Samantha Lee
Analyst - Insights, Data & Consulting
samantha.lee@bayleys.co.nz

Bayleys believes this information is reliable but does not invite reliance on it and excludes liability for any opinions, statements, or analyses provided.

All content is copyright Bayleys Real Estate 2026 and may not be reproduced without express permission.
BAYLEYS REAL ESTATE LTD, AUCKLAND CENTRAL, LICENSED UNDER THE REA ACT 2008

0800 BAYLEYS
bayleys.co.nz/insightsanddata

LICENSED UNDER THE REA ACT 2008