

Intelligent Investment

Q3 2025 Residential Valuer Insights

REPORT

CBRE RESEARCH
SEPTEMBER 2025



Executive Summary

CBRE's Q3 2025 Residential Valuations Property Market survey received 41 responses from CBRE Valuers around New Zealand. In this report we delve into the latest housing market insights, giving us a detailed understanding of the dynamic residential real estate landscape.

Recent housing market demand

A two step recovery of New Zealand's housing market is now starting to manifest in how our valuers report on their local demand. The number of valuers reporting strong demand in their markets has tripled, however some of the others have seen demand soften over winter.

First home buyers are active

Over 90% of valuers surveyed noted first home buyers as one of the most active buyer profiles in their area. This is a heartening result given New Zealand's internationally recognised housing unaffordability.

Turnkey properties are the most popular

Recently renovated properties, standalone dwellings, and new standalone dwellings have experienced an increase in demand. In Q3 2025, 51% of Valuers reported increased demand for recently renovated properties, and no valuers reported a decrease in demand for this typology.

Declining interest rates are helping demand

Demand expectations are positive with all valuers surveyed reporting that they expect demand to either remain the same or increase in the next 12 months. This is based on the view that declining interest rates are a key driver of housing market recovery.

Moderate housing value lift is expected

Almost half (49%) of valuers surveyed expect house values in their area to increase by up to 5% in the next 12 months. A further 46% expect prices to be stable.

Stability expected for lifestyle properties

Almost three quarters of valuers expect lifestyle property values to remain stable over the next 12 months. For the remainder of valuers, they are expecting a small change in pricing, with uplift of up to 5%.

Vacant land also expected to be stable

Although market conditions have been difficult in the past few years, 69% of valuers expect vacant land values in their area to remain stable over the next 12 months, and few are expecting falls in value. This is symptomatic of a recovering market as the economic cycle is expected to improve.

Valuers are expecting a springtime lift to listing volume

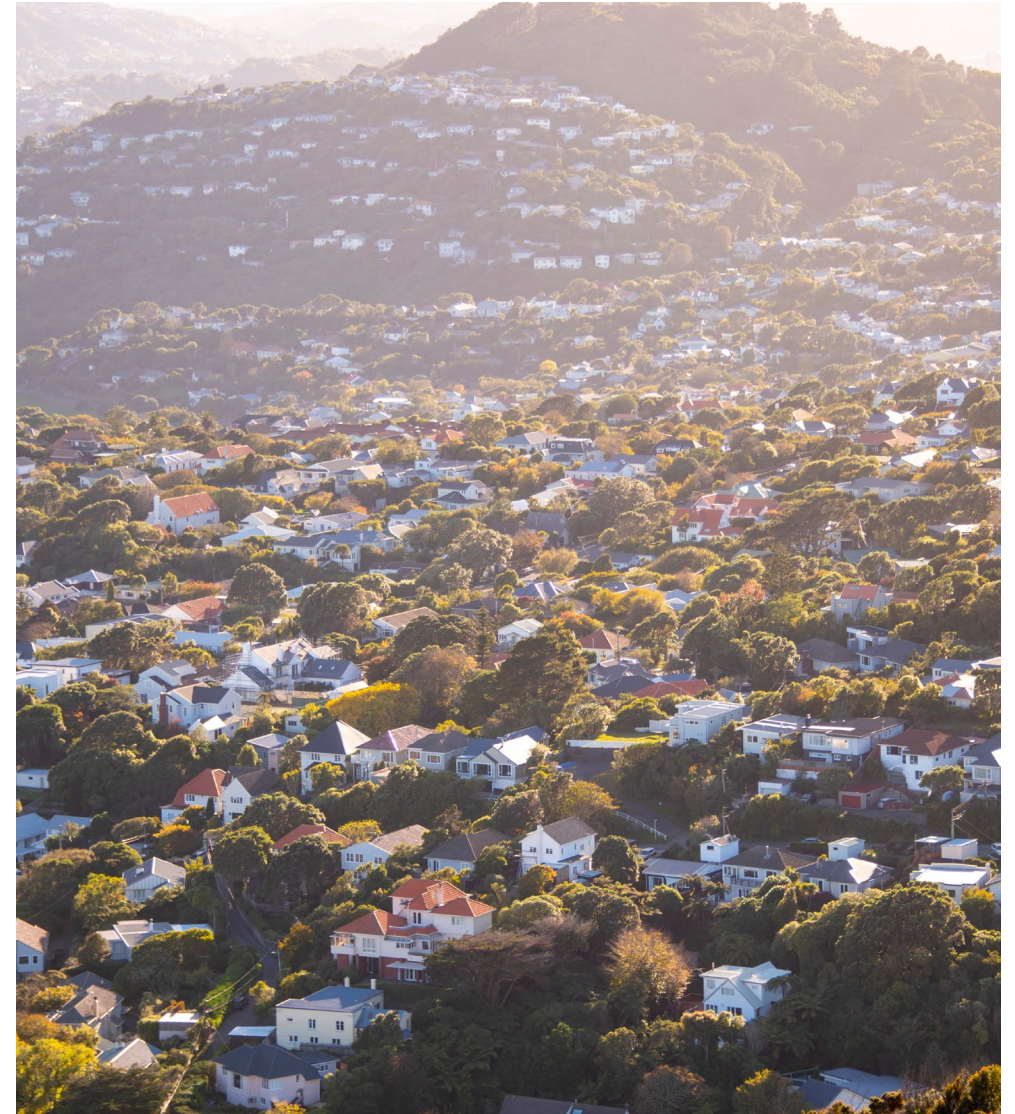
Expectations of future supply to the market for the next 12 months have jumped with the proportion of valuers expecting an increase in new listings having doubled between Q2 and Q3.



Survey Profile

The CBRE Research Q3 2025 Residential Valuations Property Market Survey was conducted in mid-September of 2025. A total of 41 responses were received.

Valuer locations are:



Recent demand

A two step recovery of New Zealand’s housing market is now starting to manifest in how our valuers report on their local demand. Compared to Q1 and Q2, the number of valuers reporting strong demand in their markets has tripled, however some of the others have seen demand soften over winter, with their markets shifting from balanced to be more of a buyers market in Q3.

As with our previous survey, Auckland and Wellington have been reported as mostly soft markets. Canterbury has strengthened and is now reported as having moderate to strong demand.

“A continuation of stable demand from buyers.” – Northland.

“Agents are complaining they need more properties to meet demand.” – Waikato.

“Demand remains strong for well presented properties priced under \$800k.” – Taranaki.

“Single level new or near-new homes remain well sought after, given the limited supply of modern single level housing in the Hutt Valley.” – Wellington.

“Generally low transaction volumes driven by limited supply and subdued demand.” – Queenstown.

FIGURE 1: National housing demand

Percentage of respondents

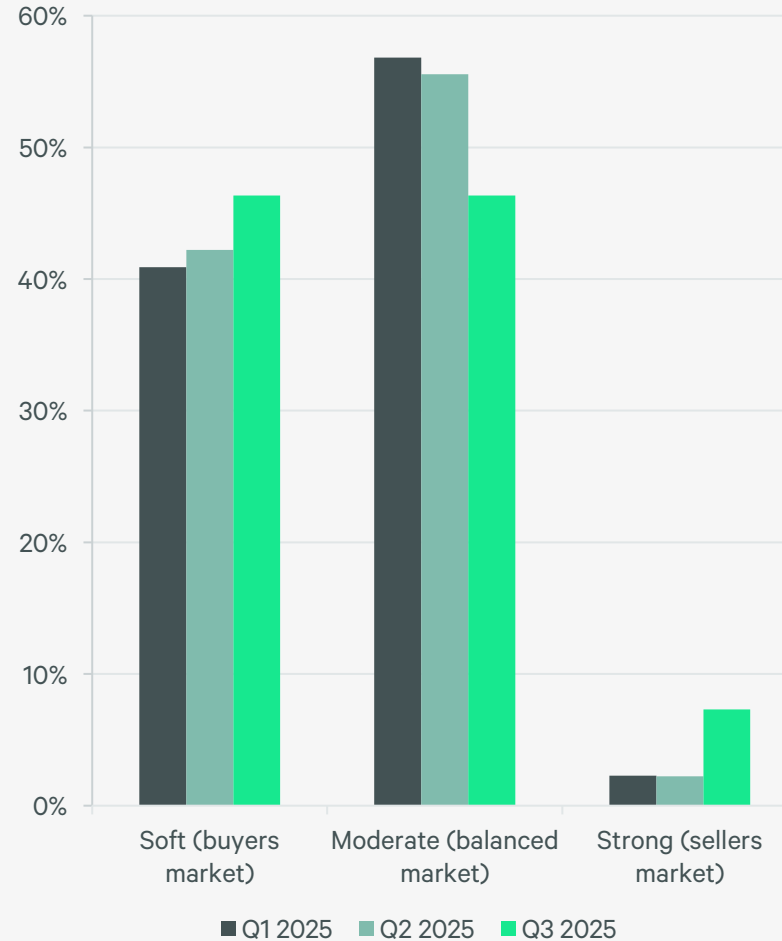
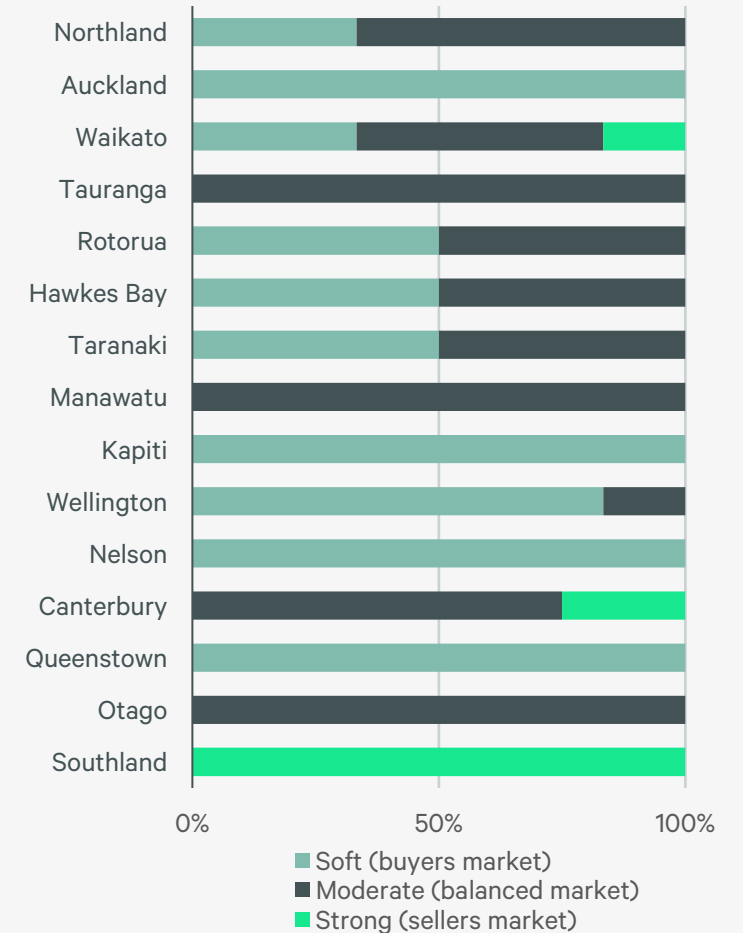


FIGURE 2: Regional housing demand

Percentage of respondents



Active buyers

Like our previous survey, over 90% of valuers noted first home buyers as one of the most active buyer profiles in their area. This is a heartening result given that New Zealand is consistently rated as one of the most unaffordable housing markets in the world, and significant efforts have been undertaken to reverse the long-term trend of declining affordability.

Changing life stage is a secondary theme with upgraders reported by 34% of valuers and downsizers reported by 27%, as well as internal migration with people relocating from elsewhere in NZ. Investors and developers have been reported as more active than they were in Q2, but not as active as they were in Q1.

“First home buyers are still strong so there is still pressure on the lower tiered market.” – Northland.

“Some investor activity after virtually no residential investment property sales.” – Manawatu.

“Plenty of buy/renovate/sell happening, especially in Manurewa and Papakura suburbs, which in turn is helping to service the active first home buyer market in these areas.” – Auckland.

“Investor activity remains subdued, driven by falling achievable rental rates across the wider region over the past 12-18 months and significant increases in ownership costs.” Wellington.

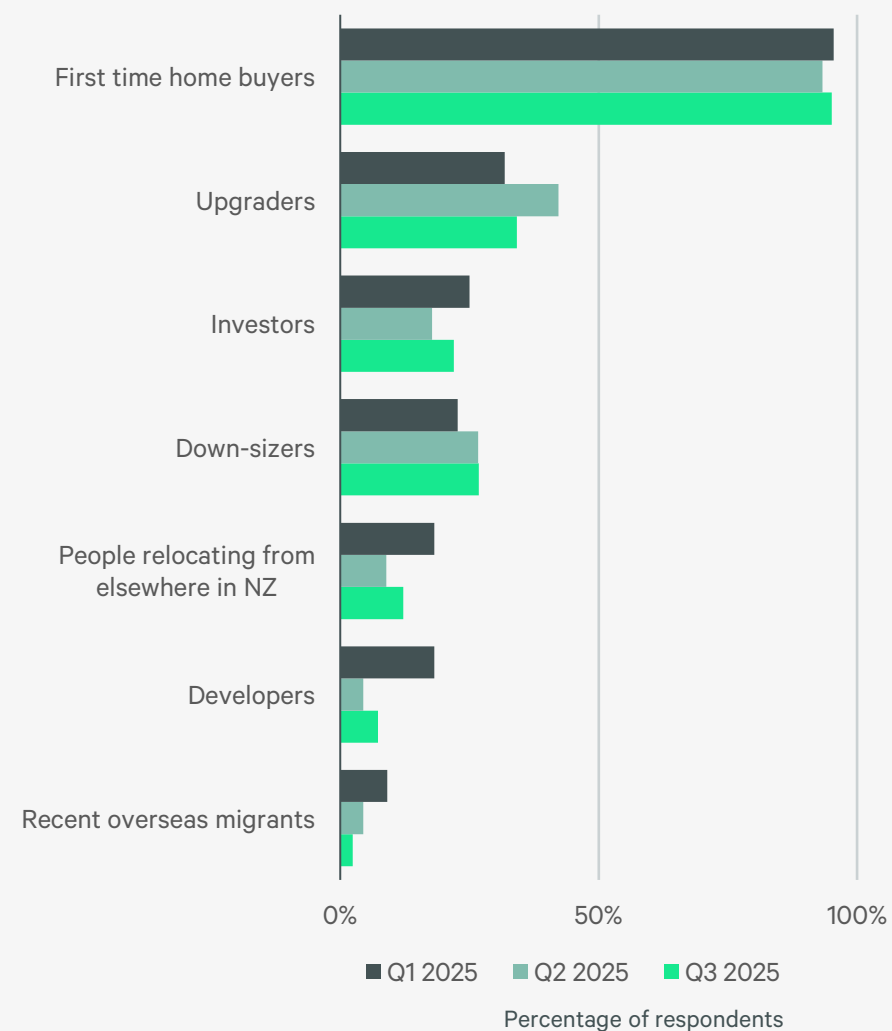
“We are seeing house and land packages starting to move along with first home buyers being more active.” – Waikato.

“First home buyers have been active in the first half of 2025, and this is expected to continue for the remainder of the year.” – Nelson.

“High end properties are taking a long time to sell.” – Tauranga.

“Banks risk aversion is still high with many first home buyers being tripped up at that hurdle” – Otago.

FIGURE 3: Active buyer groups



Note: respondents were able to select multiple options (up to 4)

Demand by typology

Recently renovated properties, standalone houses, and new standalone dwellings have experienced an increase in demand. In both Q2 and Q3 2025, 51% of Valuers reported increased demand for recently renovated properties, and no valuers reported a decrease in demand for this typology.

Like the last survey, standalone homes continued to experience increases in demand but the strength of this is waning with 26% of valuers reporting this for their markets, compared to 33% in Q2 and 57% in Q1 2025.

Unrenovated properties, vacant land, and development sites were similar to previous surveys where each had had noticeable decreases in demand.

“Modern new homes or renovated properties have been selling well to those either upgrading or downsizing.” – Northland.

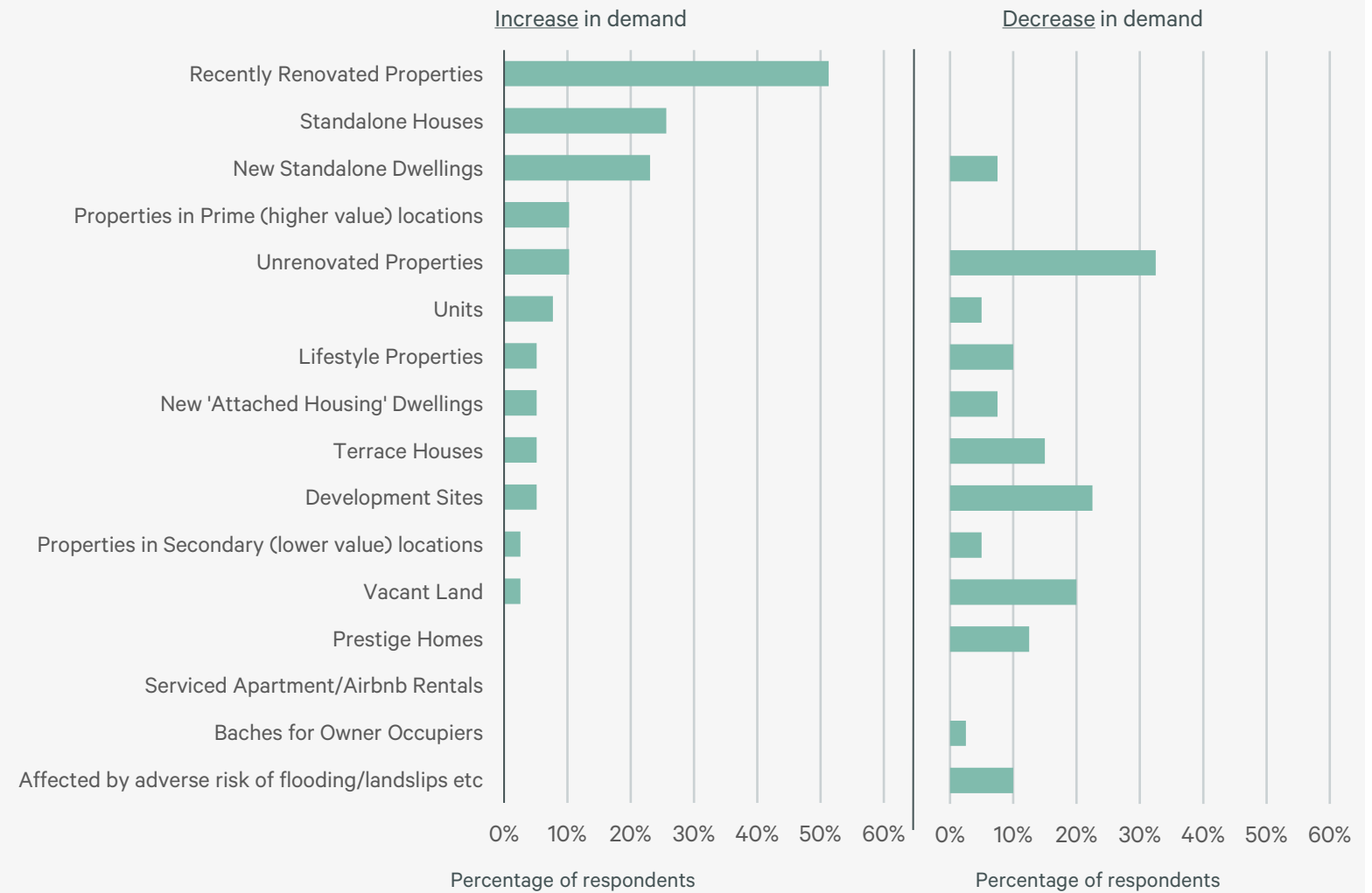
“The only properties selling before auction date or at auction are well presented, possibly with new kitchens or bathrooms.” – Auckland.

“Interest in vacant land continues to be relatively subdued.” – Taranaki.

“The apartment and residential investment markets in Wellington remain sluggish at best.” – Wellington.

“Well presented homes in the first home buyer sector appear to be popular at the moment.” – Canterbury.

FIGURE 4: Demand change by typology



Note: respondents were able to select multiple options (up to 4)

House values

Close to half (49%) of valuers surveyed expect house values in their area to increase by up to 5% in the next 12 months. A further 46% expect prices to be stable.

Unlike the Q1 and Q2 surveys, no valuers surveyed during Q3 are expecting prices to fall in their market over the next 12 months. It should be noted that these survey results for Q3 were obtained just before the worse than expected Q2 GDP figures were released, which have had the immediate effect of strengthening the case for more OCR cuts over the remainder of 2025.

“Seeing a slight increase in the market for house and land packages.” – Auckland.

“There are buyers who want new and are willing to pay at the top end of the market for it.” – Waikato.

“There has been a modest uptick in requests for ‘as if complete’ new build valuations.” – Taranaki.

“Very high costs of home ownership and lack of job security having a big impact on the Wellington market.” – Wellington.

“The market is starting to feel bubbly, almost like it was at the beginning of the last boom.” – Canterbury.

FIGURE 5: National house price expectations

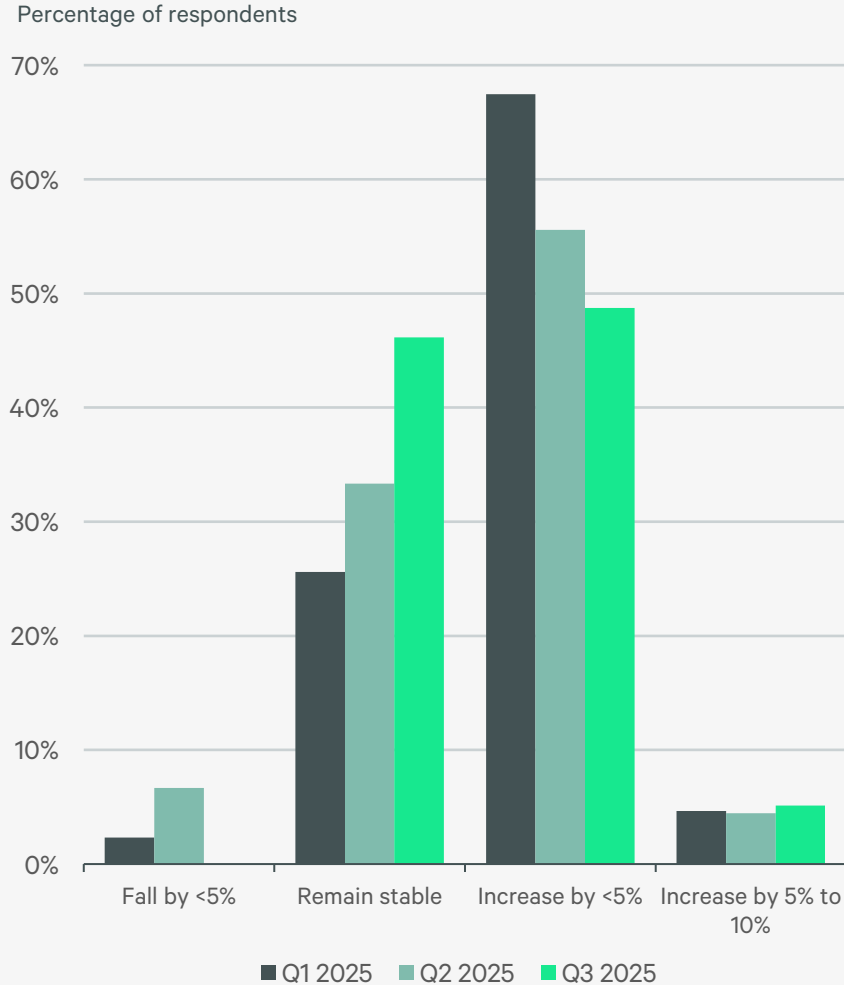
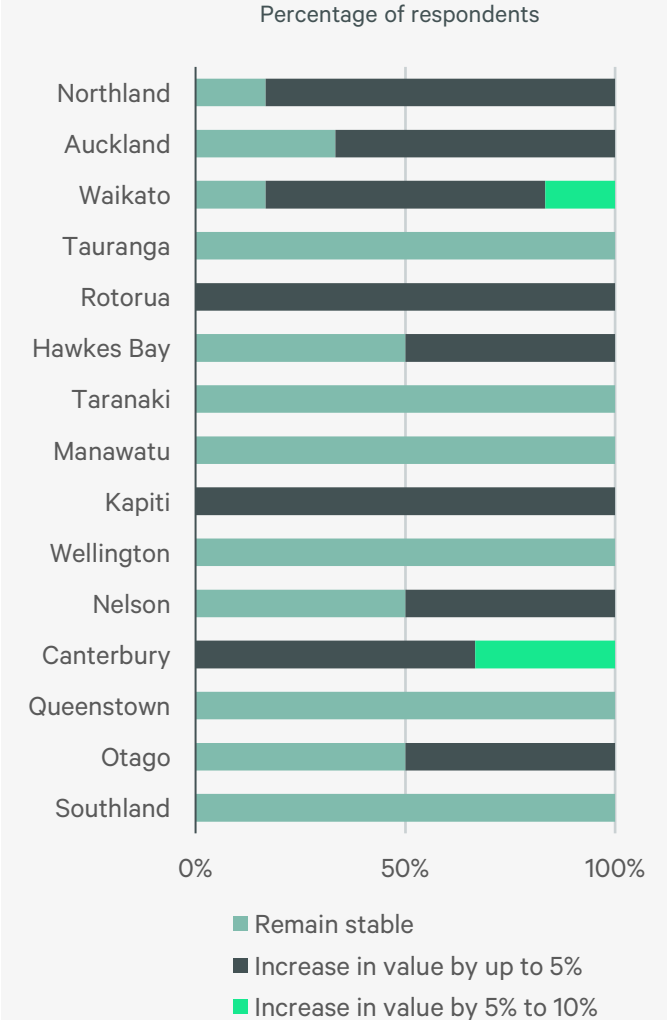


FIGURE 6: Regional house price expectations



Lifestyle values

Almost three quarters of valuers expect lifestyle property values to remain stable over the next 12 months. For valuers expecting a change in pricing, all are expecting a small value uplift of up to 5%. Unlike the Q1 and Q2 surveys, there are no valuers expecting a strong pricing lift of over 5% for lifestyle properties in New Zealand.

“There have been a few sales of vacant lifestyle and large lot properties, some of which had been on the market for well over a year. It is good to see some turnover, and to have current data to lean our assessments on.” – Waikato.

“Still a lot of high end building being undertaken about the city, including lifestyle blocks.” – Manawatu.

“Lifestyle properties, particularly those exceeding \$1m, remain one of the more resilient sectors, continuing to attract strong interest across the region. Well presented, well located homes continue to sell well when priced to meet the market.” – Wellington.

“Our region has experienced some setbacks over the past quarter with storm and flood events.” – Nelson.

“We are keeping an eye on the hospital rebuild and the influx of workers in regard to that project and its possible effects on the housing market.” – Otago.

FIGURE 7: National lifestyle property price expectations

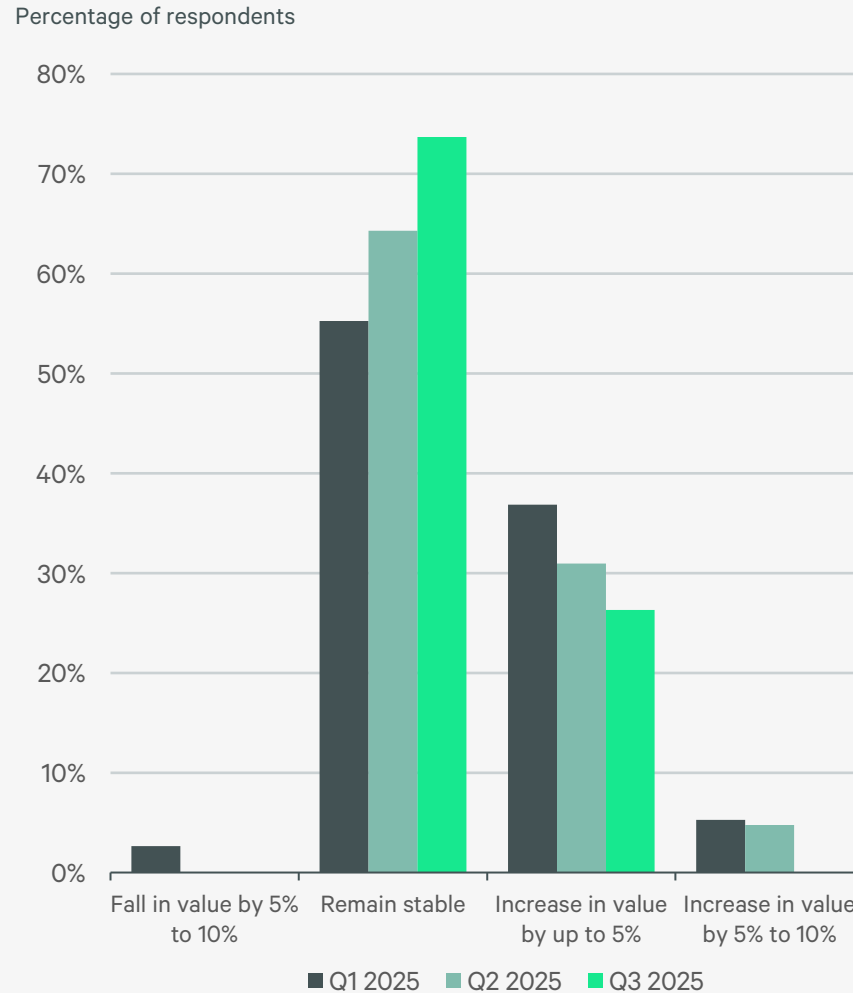
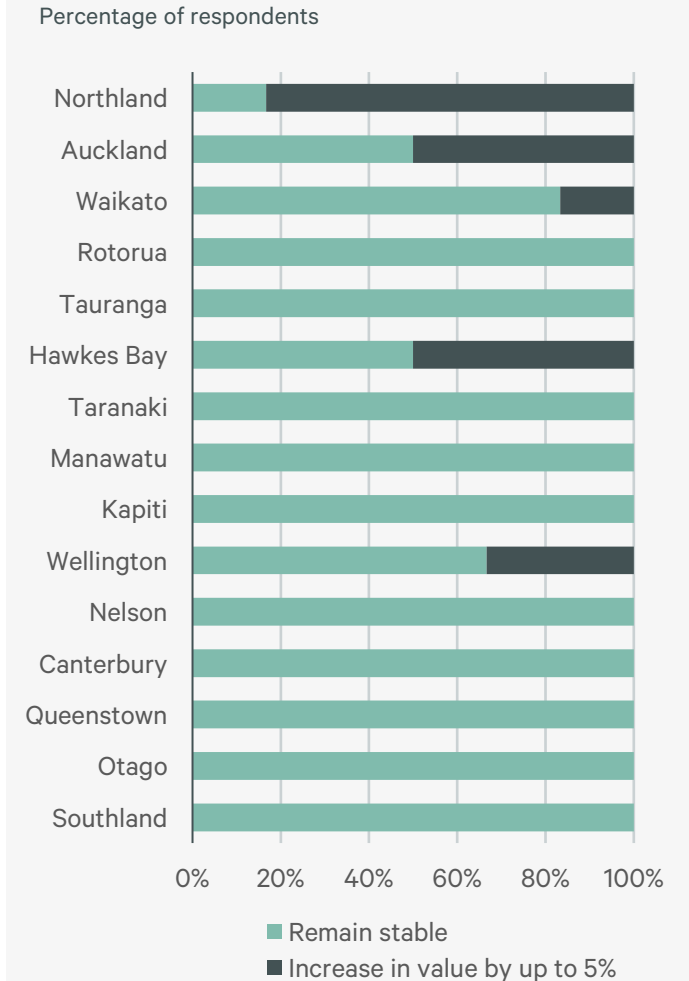


FIGURE 8: Regional lifestyle property price expectations



Vacant land values

Demand for vacant land is closely tied to new development market conditions. If developers find projects to be not feasible in the current market, there is less demand for land which negatively impacts pricing.

Although market conditions have been difficult in the past few years, almost 70% of valuers expect vacant land values in their area to remain stable over the next 12 months, a higher proportion than what was reported for Q1 and Q2 2025.

Outside of the mainstream view, almost all remaining valuers are expecting small price increases of up to 5% with one respondent in Northland expecting a small price decrease of up to 5% for their local market.

“Vacant residential sections that have sat for extended periods are now starting to turnover, with seeming intention to immediately build (off plans valuations are being requested).” – Waikato.

“Townhouse developers are active in the market to provide affordable housing.” – Tauranga.

“Social housing development is active again which will help to increase supply and ease demand and rental pressures.” – Hawkes Bay.

“Gore has a good number of trade related market participants who like to take on new development projects.” – Southland.

FIGURE 9: National vacant land price expectations

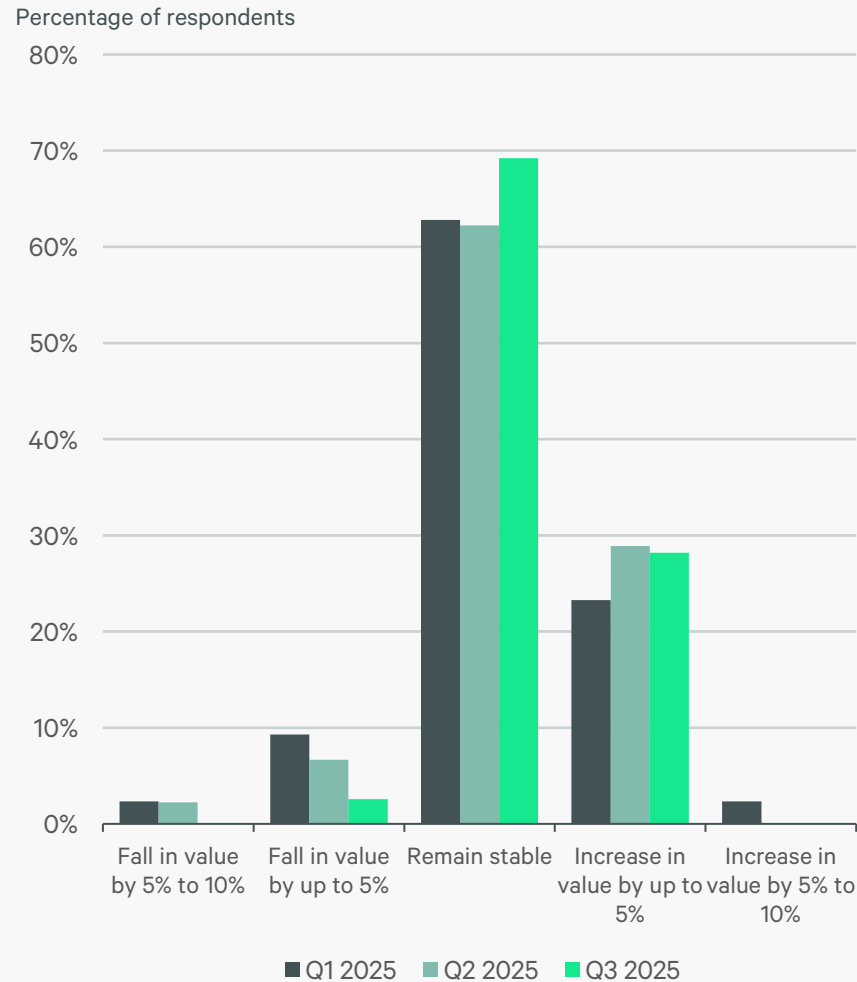
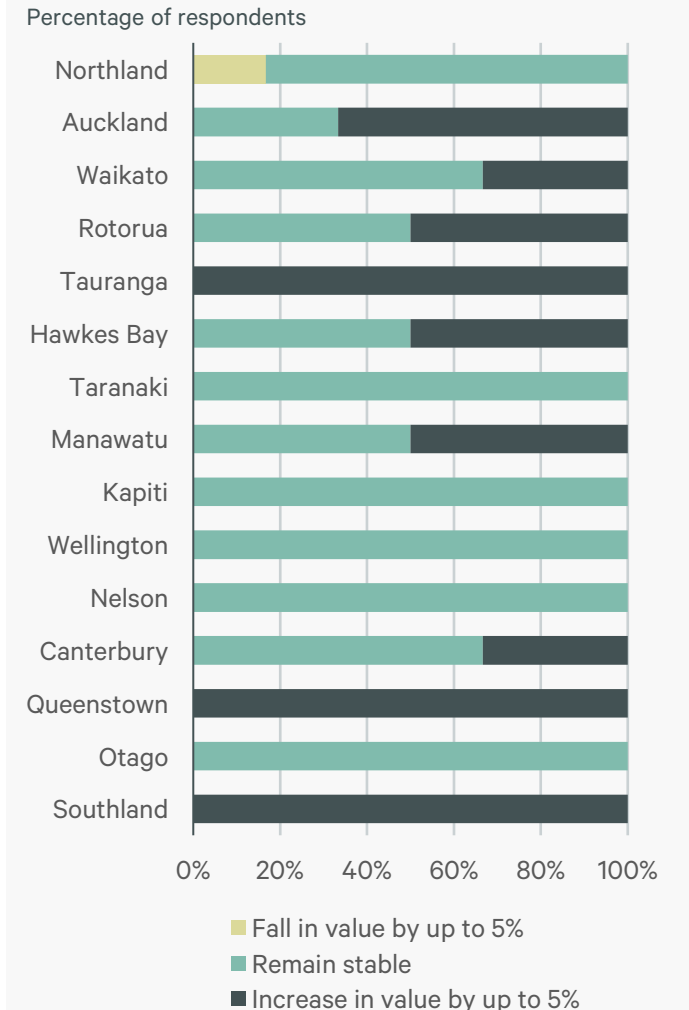


FIGURE 10: Regional vacant land price expectations



Future demand

Demand expectations in the Q1 2025 survey had been overwhelmingly positive with all valuers surveyed reporting that they expected demand to either remain the same or increase in the next 12 months. While that optimism abated somewhat during Q2 2025, growth expectations have improved between our Q2 and Q3 surveys, but remain below the level that they had been in Q1.

Declining interest rates remain a demand driver however it appears that cyclically high unemployment and mortgage stress are headwinds on broader market activity.

“Some developers with terraced homes are now renting them as they cant sell for what they would otherwise expect.” – Auckland.

“A large number of fixed rate rollover mortgages will have refinced at lower rates within the next quarter, freeing up cashflow for a number of homeowners.” – Waikato.

“Housing stock available for sale has decreased, but this is not due to sales.” – Wellington.

“The historically broad demand base remains and is expected to underpin values and limit any material decline.” – Queenstown.

“We have had a number of recently confirmed NZ citizens in the eastern Southland region.” – Southland.

FIGURE 11: National housing demand outlook

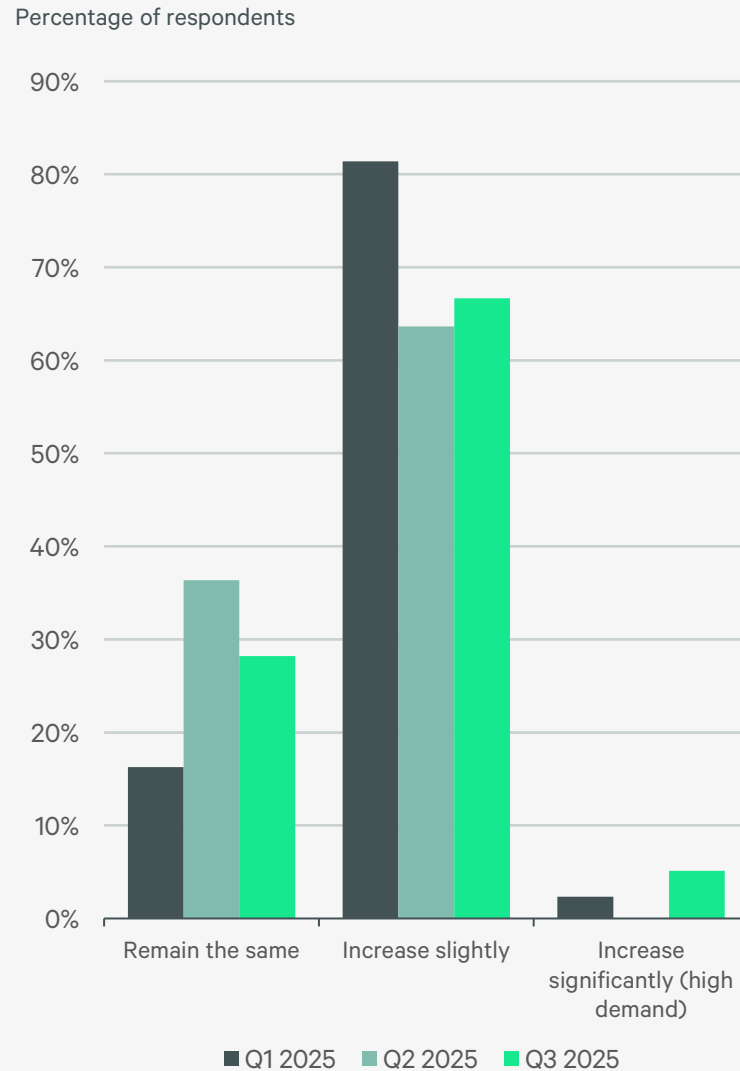
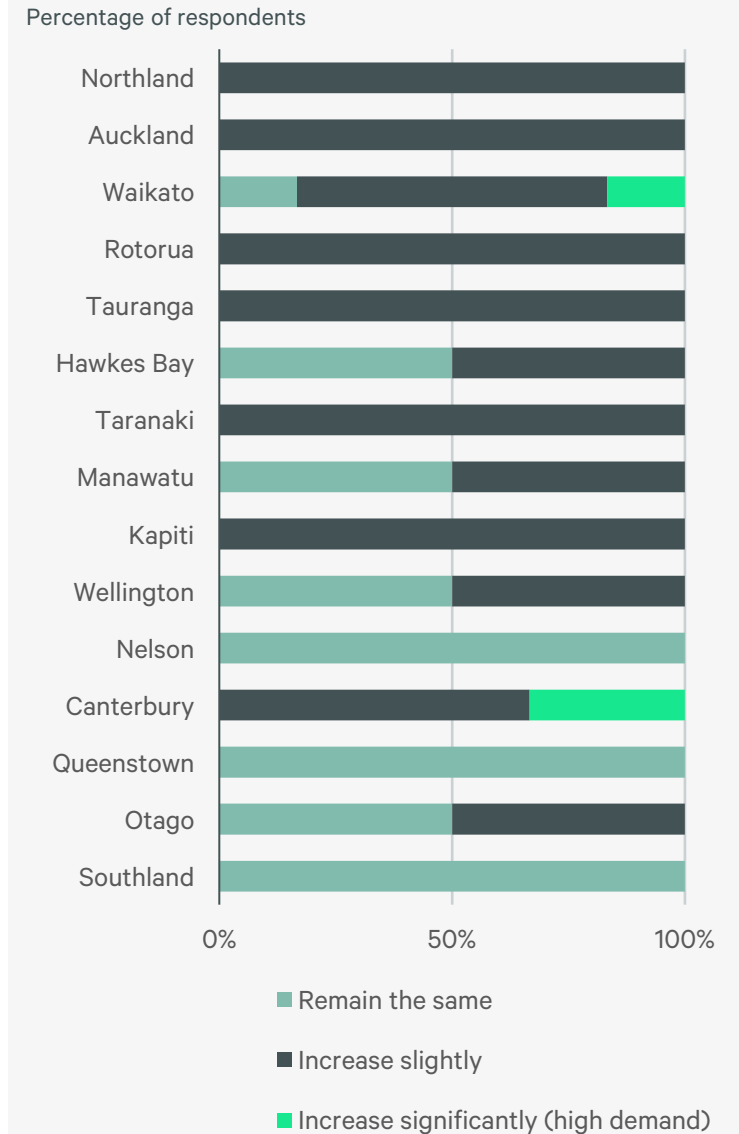


FIGURE 12: Regional housing demand outlook



Future supply (listings)

Expectations of future supply to the market for the next 12 months indicate an increasing stream of new listings. 66% of valuers anticipate supply levels of properties for sale in their local area to increase over the next 12 months, and a further 24% expect this to remain the same level as it is currently.

The increase in listings is partly due to an expected upcoming seasonal springtime lift however declining interest rates as a driver of a broader national housing market recovery is expected to have a bigger impact on the turnover of listings and total transaction volumes.

“Evidence of owners in secondary locations under pressure to sell.” – Auckland.

“Mid markets are starting to show more turnover, but agents continue to indicate that these deals remain hard to get together.” – Waikato.

“Traditionally quieter winter months have seen slower activity with prices generally static.” – Manawatu.

“Limited improvement anticipated over the next 12 months, particularly given ongoing economic uncertainty in the Wellington region.” – Wellington.

“We anticipate a seasonal lift in listings in spring which will be a test of the depth of the market.” – Queenstown.

FIGURE 13: National housing supply of new listings

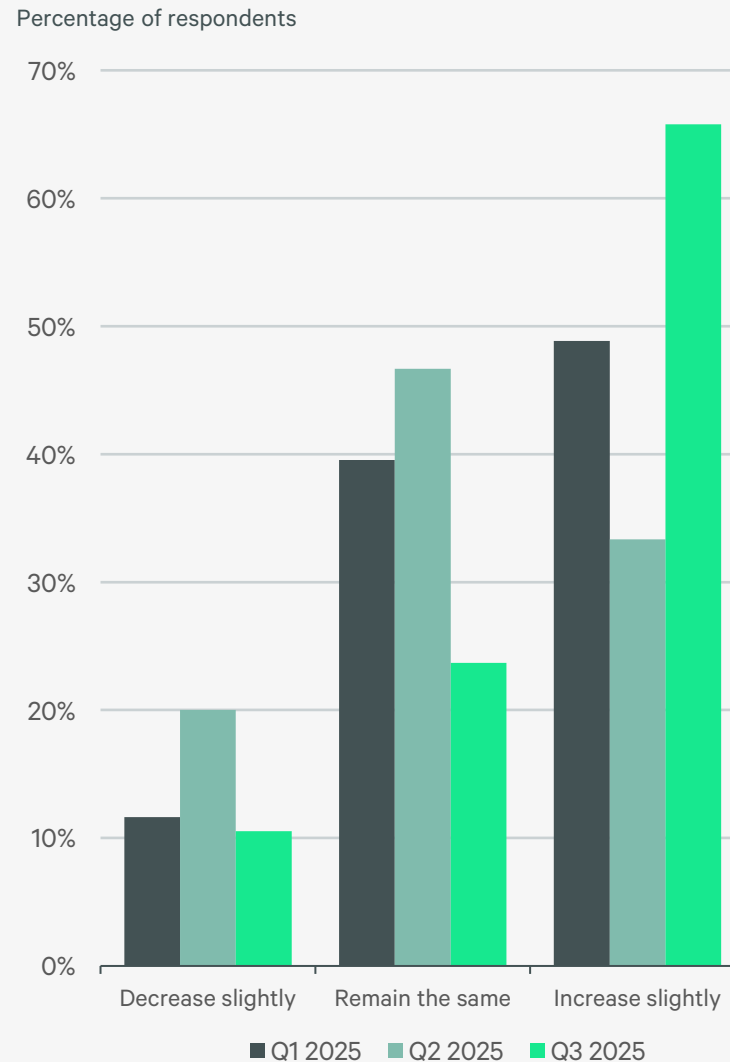
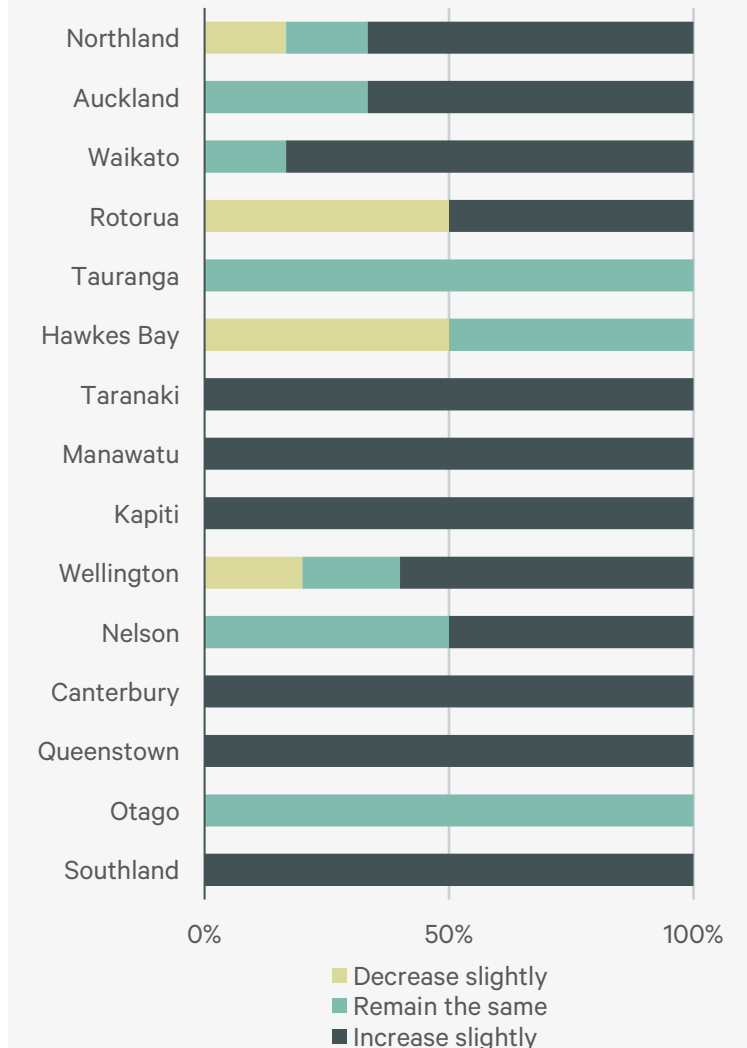


FIGURE 14: Regional housing supply of new listings



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