

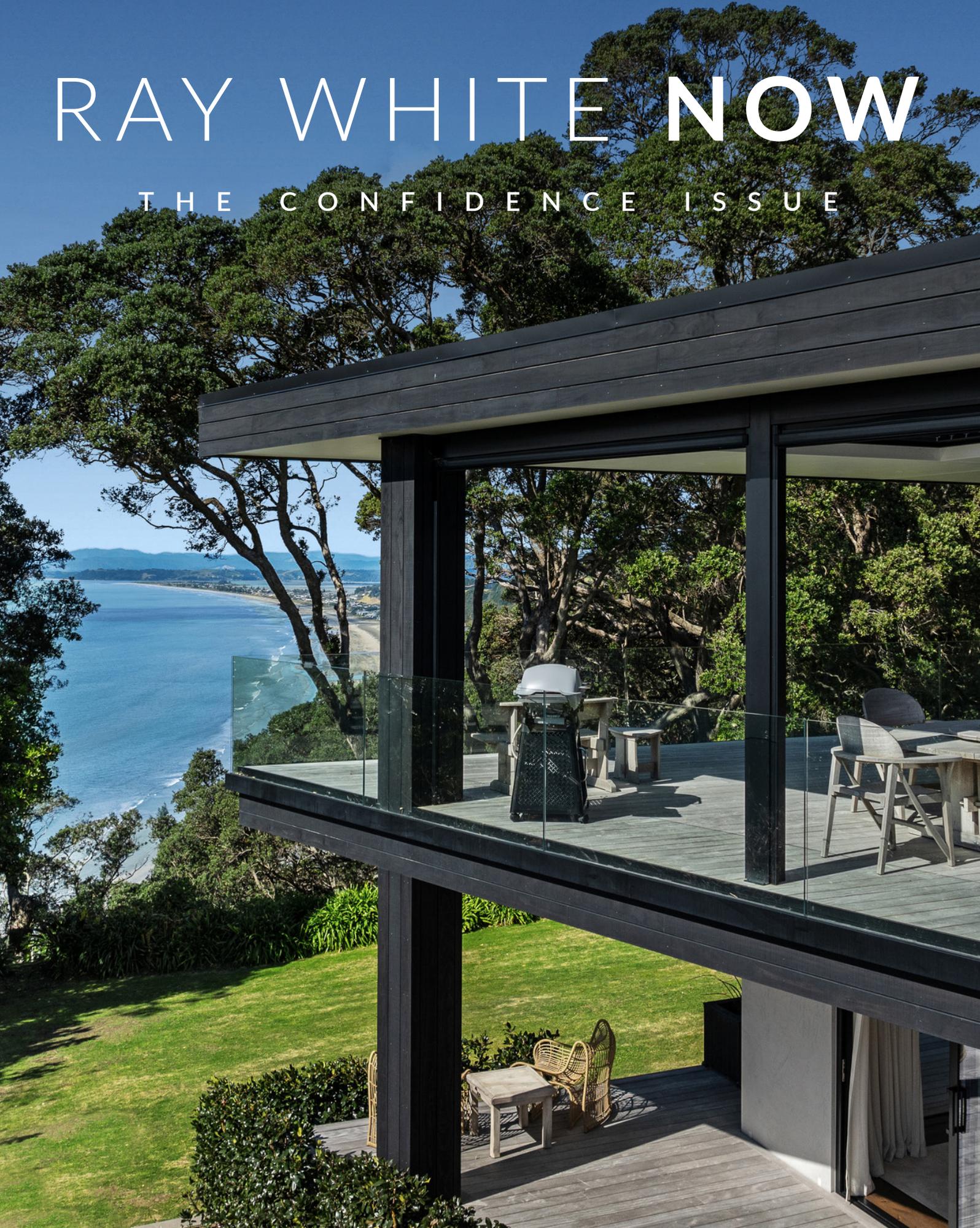
NOVEMBER

2025

PROUDLY PRESENTING NEW ZEALAND PROPERTY MARKET INSIGHTS IN REAL TIME

RAY WHITE NOW

THE CONFIDENCE ISSUE





FEATURED PROPERTY

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A message from our chief executive

Dear Property Owner,

Spring has a way of exposing indecision. Gardens, homes, and other administrative matters all demand attention at once – and inaction quickly stands out.

After two years marred by hesitation, New Zealand's housing market is entering a season not defined by speculation, but decision-making. Buyers are stepping forward, sellers are returning to the table, and policymakers have cleared the air with one decisive move of their own – the Reserve Bank of New Zealand's (RBNZ's) 50 basis point cut to the Official Cash Rate (OCR).

The result isn't likely to be exuberance to year-end, but it is clarity, allowing households to plan with confidence rather than caution.

October's half percentage point reduction to the OCR, followed by expectations of a further quarter percentage point reduction later this month, has commentators closing the book on two years of tightening policy.

Mortgage lending rates have moved quickly to follow, with 18-month terms now the lowest across major lenders. Undoubtedly, borrowing costs are at their most favourable in almost two years, and with the next rate-rise cycle not forecast until 2027, households and investors suddenly have a window of real opportunity.

The immediate effect is subtle but significant. House prices are stabilising after a winter dip. Days to sell have shortened, and auction clearance rates are lifting – signalling a market moving forward.

Latest housing data points to gentle monthly increases in national values – modest gains that mark early stages of recovery.

For buyers, this may well be the sweet spot. Lending is cheaper, choice is available, and competition is measured rather than manic.

For sellers, confidence continues to grow, underpinned by genuine demand and a renewed sense of liquidity.

Across our Ray White network, we're seeing these dynamics translate into busier open homes and stronger enquiries, particularly in the South Island, with Canterbury our reigning 'good news story'.

Meanwhile, the fundamentals of ownership are improving. Inflation in construction and maintenance costs continues to ease as industry capacity rebuilds. Insurance premiums are holding steady nationwide – the first sustained pause since 2023 – and much-publicised council rate increases have moderated from last year.

The cumulative effect is relief for homeowners: lower financing costs, manageable expenses, and clarity for the road ahead.

Does this mark the start of a new growth cycle? The answer is almost. Economists expect national values to rise by one per cent over 2025, accelerating to around five per cent in 2026 as the broader economy gains momentum.

This is the foundation for a prosperous new year.

To help you navigate the next few months with confidence, our Ray White network's strength lies in its depth – more than a century of relationships, data, and local expertise that allow us to read these turning points early and act decisively for our clients.

The months ahead promise a blend of clarity and increasing competition. For those ready to move, the opportunity is already here, and in a market gaining its footing, confidence may well be the most valuable asset of all.

Please enjoy our 86th edition of Ray White Now.

Regards



Daniel Coulson

Chief Executive

Ray White New Zealand



Why sell now?



Daniel Coulson
Chief Executive
Ray White New Zealand

Emotion isn't driving our housing market – arithmetic is, says Daniel Coulson, Ray White New Zealand's Chief Executive.

"The cost of borrowing has dropped, prices have steadied, and the distance between buyer aspiration and seller expectation has narrowed to its smallest gap in years.

"This isn't speculation, it is logic reasserting itself. For homeowners weighing the option to sell, clarity – not competition – is the new advantage."

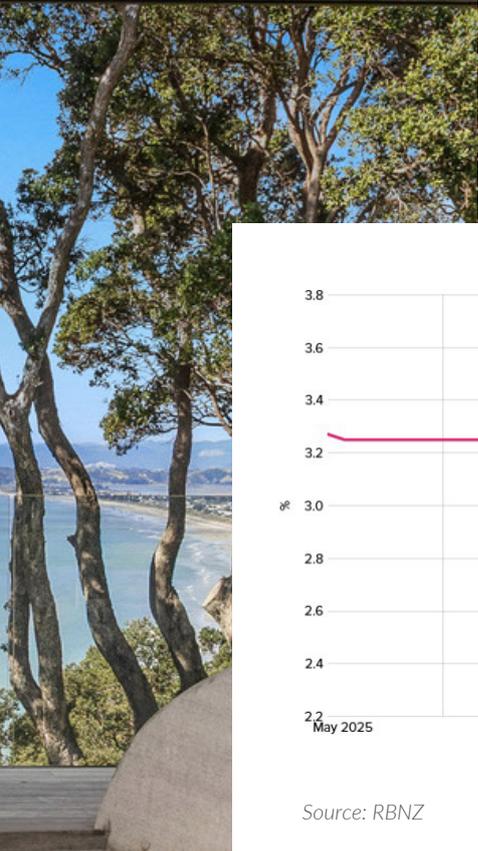


STATE OF PLAY

After two years of contraction, the housing market has found equilibrium. Values have steadied, buyers are back in play, and monetary policy is finally working in households' favour.

“The cost of borrowing has dropped, prices have steadied, and the distance between buyer aspiration and seller expectation has narrowed to its smallest gap in years.”

Daniel Coulson, Chief Executive, Ray White New Zealand



The Reserve Bank of New Zealand's (RBNZ's) 50 basis point cut to the Official Cash Rate (OCR) in October, with a further 25-point trim expected at the last call for the year on 26 November, has reduced borrowing costs to their most favourable level in nearly two years.



Source: RBNZ

Mortgage rates have responded swiftly: the 18-month fixed term now sits below (most) and two-year benchmarks, flagging the potential bottom of the lending cycle.

“For sellers, this shift alters the psychology of decision-making, and buyers who spent the last year waiting for certainty now have it – and they’re responding.”

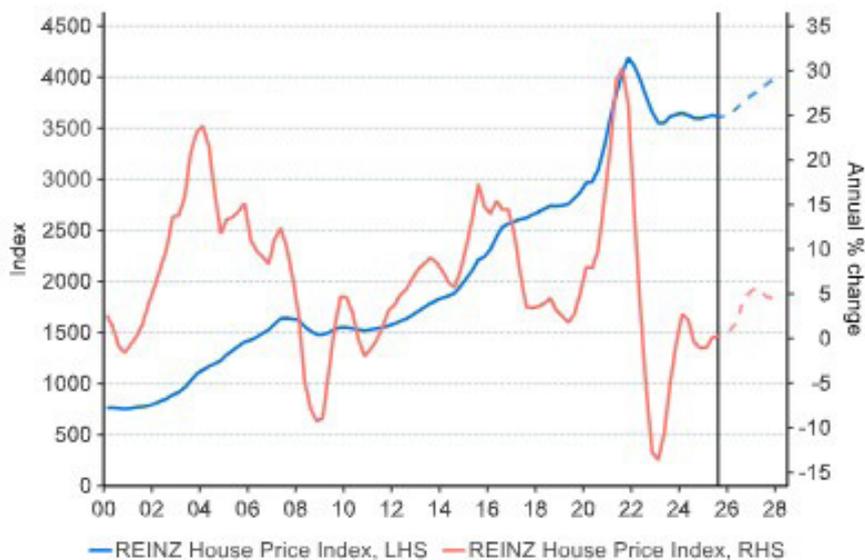
A MARKET BALANCING

The latest data shows national property values have risen for two consecutive months – a 0.2 per cent lift in October, following a similar gain in September. Coulson says it’s a subtle but meaningful change.

“House prices look to end the year slightly higher than where they started, which is positive following winter weakness. At the same time, auction clearance rates across our Ray White network are climbing, days to sell continue to shorten, and sales volumes are tracking close to long-term averages.

“The tone of the market has turned from tentative to orderly – firm enough to restore confidence but measured to avoid overheating.”

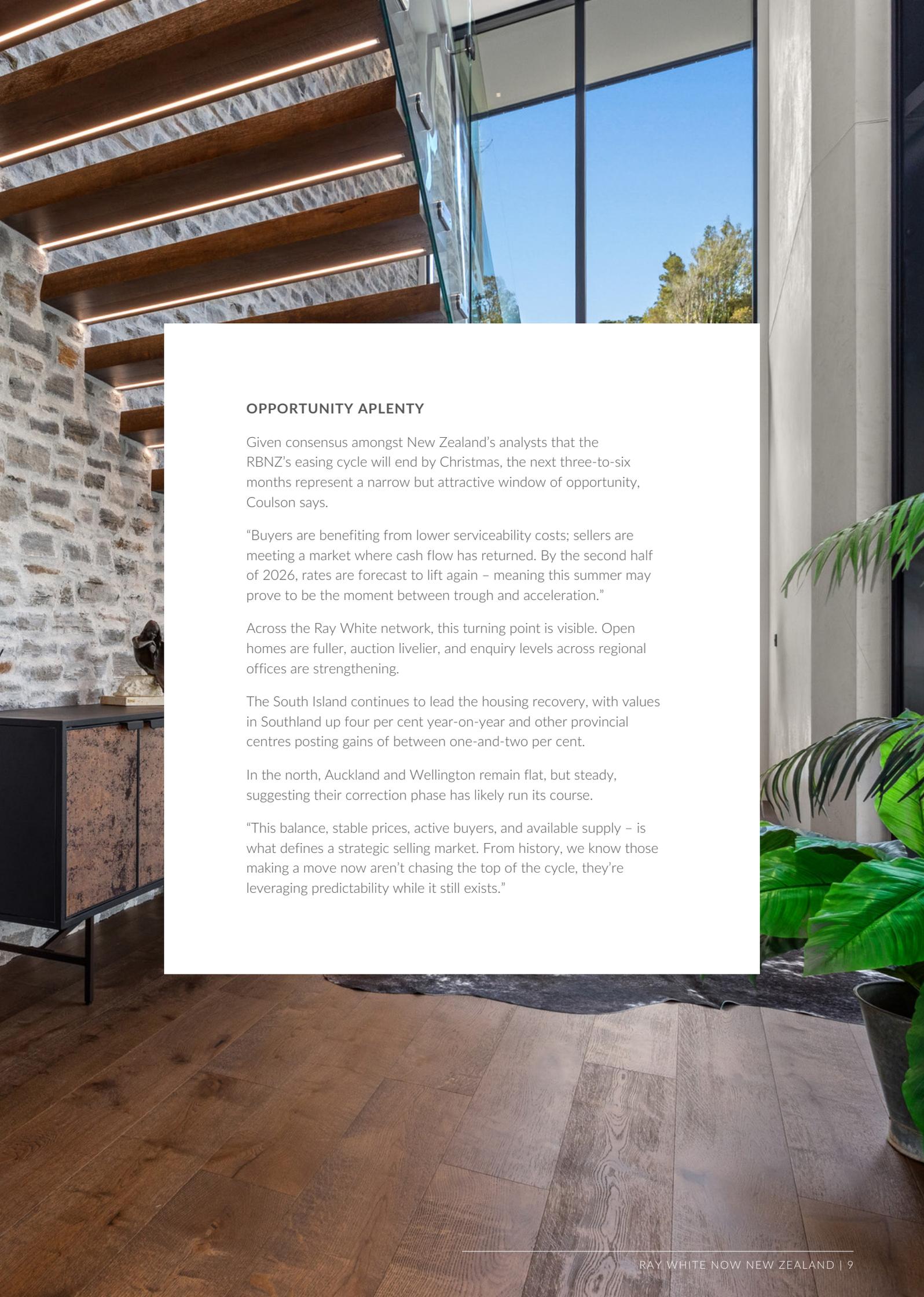
Economists suggest these modest monthly increases may mark the early stages of an upswing, supported by falling mortgage lending rates and a tightening supply of listings.



Source: RBNZ, MACROBOND, ANZ RESEARCH

“Values remain around 17 per cent below their 2022 peak – creating headroom for buyers and the sense of opportunity that always precedes momentum. In short, the market is stable and confidence is rising, which is the kind of alignment that rarely lasts long,” he says.





OPPORTUNITY APLENTY

Given consensus amongst New Zealand's analysts that the RBNZ's easing cycle will end by Christmas, the next three-to-six months represent a narrow but attractive window of opportunity, Coulson says.

"Buyers are benefiting from lower serviceability costs; sellers are meeting a market where cash flow has returned. By the second half of 2026, rates are forecast to lift again – meaning this summer may prove to be the moment between trough and acceleration."

Across the Ray White network, this turning point is visible. Open homes are fuller, auction livelier, and enquiry levels across regional offices are strengthening.

The South Island continues to lead the housing recovery, with values in Southland up four per cent year-on-year and other provincial centres posting gains of between one-and-two per cent.

In the north, Auckland and Wellington remain flat, but steady, suggesting their correction phase has likely run its course.

"This balance, stable prices, active buyers, and available supply – is what defines a strategic selling market. From history, we know those making a move now aren't chasing the top of the cycle, they're leveraging predictability while it still exists."

COSTS ARE EASING

Coulson says another factor underpinning housing market momentum is that the cost of owning, maintaining, and transacting property is easing across almost every metric.

“Construction and maintenance inflation has slowed as the building sector regains capacity. Insurance premiums are flat nationwide, and council rate increases have moderated from an average of 12.20 per cent in 2024 to 8.80 per cent in 2025.

“Together, these trends are improving sentiment across the housing market. For sellers, that means potential buyers have more capacity, financial and psychological, to act.

“Another factor underpinning housing market momentum is that the cost of owning, maintaining, and transacting property is easing across almost every metric.”

Daniel Coulson, Chief Executive,
Ray White New Zealand

“Our network has reported more first home buyers entering the market, and investors re-engaging as loan-to-value ratio (LVR) restrictions ease from 1 December.”

The change in rules means that banks will soon be able to lend up to 25 per cent of new owner-occupier loans above 80 per cent LVR, and 10 per cent of investor loans above 70 per cent LVR.

Coulson says the shift will widen the buyer pool and support price stability through early 2026.

“At the same time, choice is available to buyers and sellers in a more transparent market. For sellers, this

means competition, but also efficiency. Properties priced and presented correctly are transacting swiftly, because when buyers have options, clarity becomes currency.”

STRATEGY OVER SPECULATION

Coulson says the strongest outcomes in this phase of the cycle are coming from strategic sellers – those who recognise that timing isn’t about guessing the peak but reading the inflexion point.

“With greater growth projected in 2026, sellers have the renewed opportunity to transact in an improving market. We have seen historically that acting early avoids the rush that often follows confirmation of a recovery.

“As more households move off the sidelines, competition between sellers rises, with the potential to compress margins and elongate sales campaigns. Some of the best sales results we’ve seen are possible from listing into optimism, not exuberance.”

Of the next few months, Coulson says Ray White’s role is to support clients and customers to recognise these changes early.

“With more than 190 offices nationwide, our network has the depth and agility to capture the nuances of local demand while leveraging national reach.

“Across every region, we’re seeing the same pattern: confidence quietly compounding. Sellers who bring their properties to market are increasingly keyed into the ability to seize a strategic window defined by balance, visibility and preparedness.”

In every economic cycle, timing separates the reactive from the ready.

The coming months – with warmer weather, stable mortgage lending rates, easing servicing costs, and improving sentiment – represent a market primed to reward readiness.

For those considering their options, the right time might not be next year – it’s right now.



Spring activity lifts prices, sales and listings



Atom Go Tian
Senior Data Analyst
Ray White Group

New Zealand's housing market continues to gain momentum, with September 2025 data showing activity driven primarily by familiar seasonal patterns, rather than structural shifts.

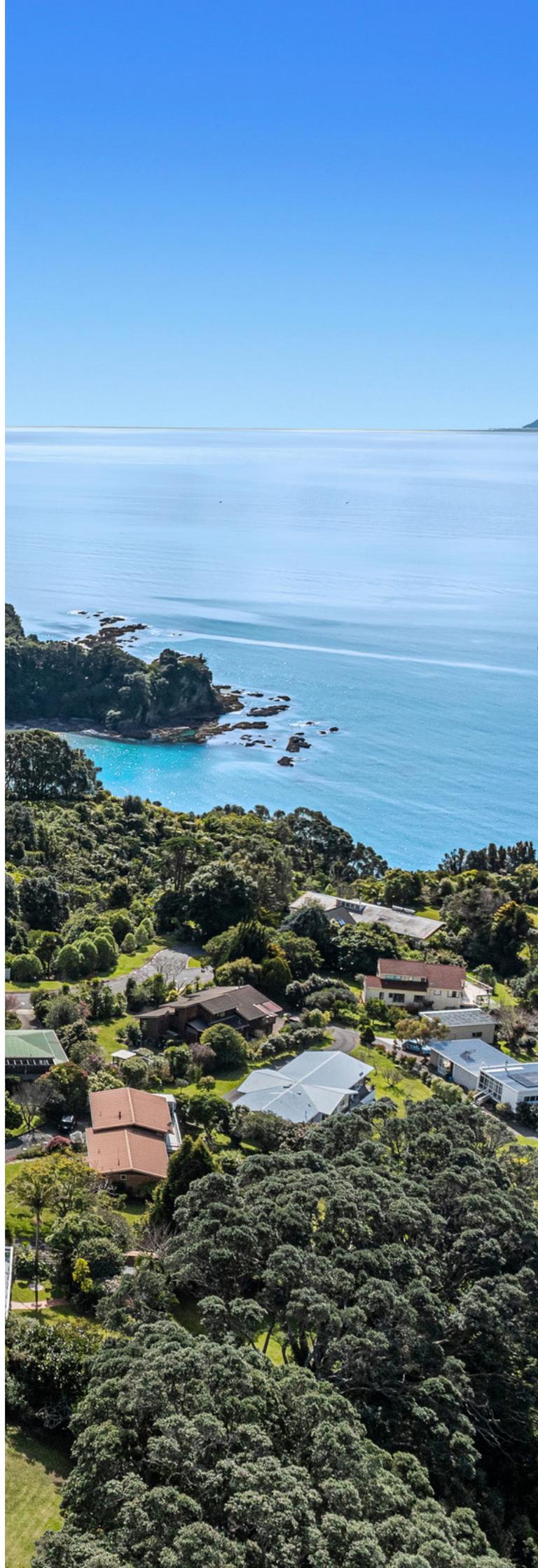
The September median house price of \$770,000 represents a 1.30 per cent increase from August - a month-on-month lift expected to continue through October and November.

Long-run house trends show that values typically peak during two key times of the year: firstly in March when the year really resumes, and during the '-ber' months in anticipation of the holiday shutdown period.

In 2023, prices jumped 3.70 per cent from the winter low of \$770,000 to the spring peak of \$799,000.

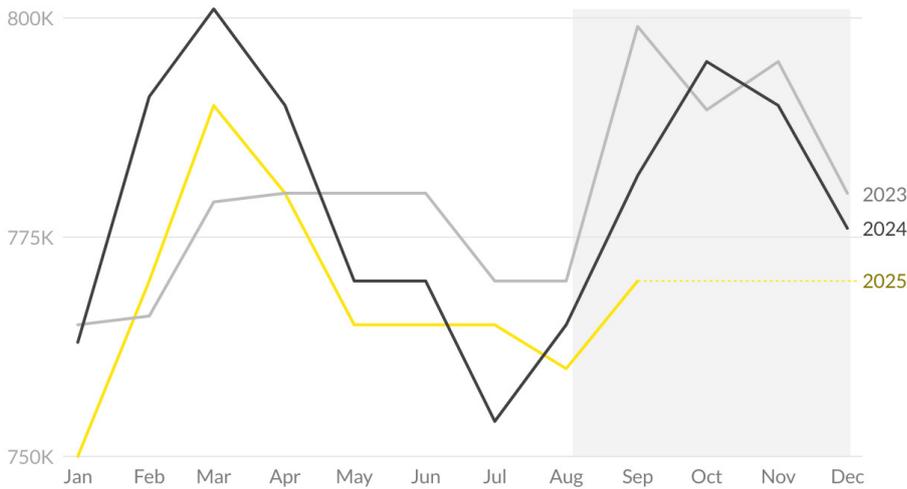
The 2024 movement was more pronounced, with prices climbing from \$754,000 to \$795,000.

This year's growth appears more conservative, on track to remain within the \$750,000 to \$800,000 range that has characterised the market's post-pandemic stable recovery.



3 year house price trend

Median house price by month from 2023-2025

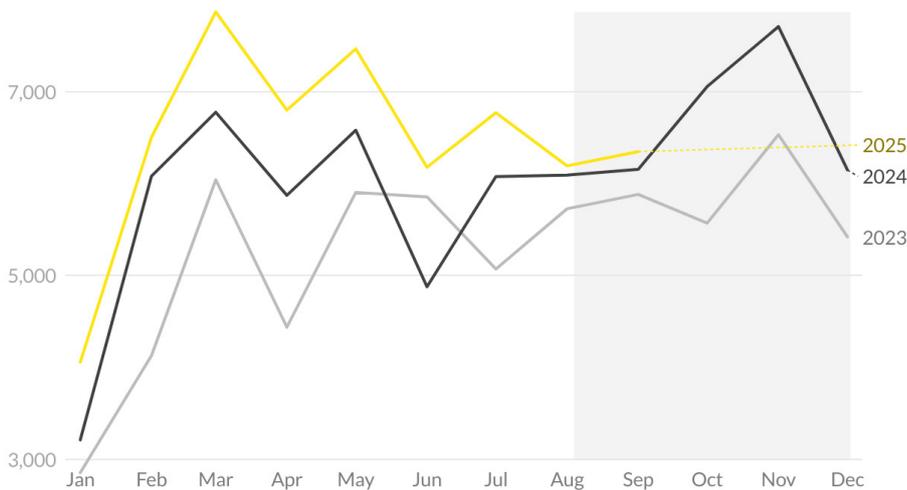


Source: REINZ, Ray White Economics



3 year sales trend

12 month rolling count of sales month from 2023-2025



Source: REINZ, Ray White Economics



The same seasonal ‘-ber’ month growth extends to listings and sales.

The 12-month rolling count of listings increased 15.90 per cent from 8,181 in August to 9,482 in September. While substantial in isolation, this mirrors 2024’s seasonal trends.

Listings will likely continue rising through October before slowing in November.

Sales showed more conservative growth. The 12-month rolling count increased 2.50 per cent from 6,191 in August to 6,346 in September. What stands out is how 2025 sales have consistently outperformed both 2024 and 2023 levels throughout the year.

The sales-to-listings ratio provides further evidence of market maturation.

Rising from a low of 60 per cent to 71 per cent, this suggests the market has moved beyond the post-correction phase where excess inventory sat unsold. Properties are now clearing at a healthier rate, pointing to better price discovery and more realistic vendor expectations meeting genuine buyer demand.

Among major cities, the ‘-ber’ month effect is equally evident.

All cities except Tauranga recorded positive median house price growth between August and September. However, only Christchurch shows positive long-term price growth, confirming that current changes are seasonal rather than structural.

Price growth by major city

Median house price as of September 2025 vs August 2025 and September 2022

Major City	Price	1M Growth	3Y Growth
Wellington City	\$868,000	4.4%	-7.9%
Auckland City	\$1,110,000	3.7%	-2.6%
Christchurch City	\$700,000	2.0%	2.8%
Hamilton City	\$750,000	1.3%	-4.1%
Tauranga City	\$860,000	-3.2%	-9.9%
New Zealand	\$770,000	1.3%	-4.9%

Source: REINZ, Ray White Economics



Among regions, 8 of 16 recorded positive monthly growth, again reflecting typical spring activity rather than fundamental market shifts.

The strongest performers remain at the lower end of the price spectrum. Southland (\$525,000) and West Coast (\$447,000) lead with long-term appreciation of 16.70 per cent and 24.20 per cent, respectively.

Gisborne, despite a 4.60 per cent monthly decline, shows underlying strength with 15.20 per cent three-year growth.

By contrast, premium regions continue to struggle. Auckland (\$978,000) remains 5.60 per cent below its three-year peak. Wellington (\$760,000) and Bay of Plenty (\$780,000) show similar patterns with modest seasonal gains masking longer-term weakness.

Price growth by region

Median house price as of September 2025 vs August 2025 and September 2022

Region	Price	1M Growth	3Y Growth
Southland Region	\$525,000	11.7%	16.7%
West Coast Region	\$447,000	11.7%	24.2%
Northland Region	\$670,000	10.1%	-7.6%
Marlborough Region	\$650,000	4.0%	10.2%
Auckland Region	\$978,000	2.9%	-5.6%
Wellington Region	\$760,000	2.7%	-7.3%
Canterbury Region	\$705,000	2.3%	4.4%
Otago Region	\$700,000	1.4%	5.3%
Nelson Region	\$720,000	0.0%	3.0%
Tasman Region	\$780,000	-0.7%	-9.3%
Manawatu-Wanganui Region	\$540,000	-0.9%	-5.3%
Hawke's Bay Region	\$652,500	-1.1%	-8.1%
Waikato Region	\$730,000	-1.2%	-5.8%
Bay of Plenty Region	\$780,000	-2.8%	-7.7%
Gisborne Region	\$658,000	-4.6%	15.2%
Taranaki Region	\$556,500	-8.7%	-11.7%
New Zealand	\$770,000	1.3%	-4.9%

Source: REINZ, Ray White Economics

RWN

These prices don't yet reflect the Reserve Bank of New Zealand's (RBNZ's) most recent rate cut, which brings the Official Cash Rate (OCR) to 2.50 per cent.

How this rate reduction pairs with seasonal '-ber' month activity will be worth watching, though the market's established equilibrium suggests any impact will be measured rather than dramatic.

Confidence builds as momentum carries forward



Treena Drinnan
Chief Agency Officer
Ray White New Zealand

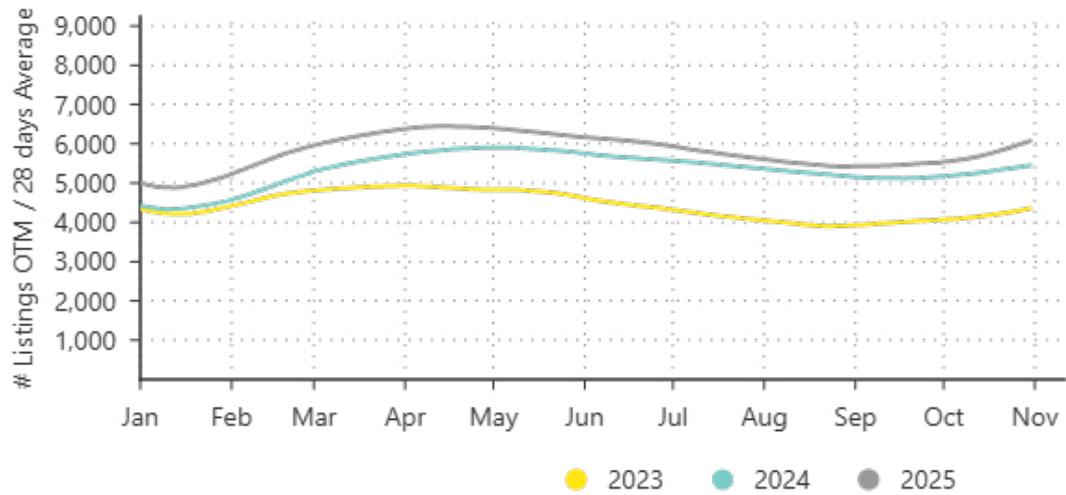
The effects of the Reserve Bank of New Zealand's (RBNZ's) bold half-percentage-point cut to the Official Cash Rate (OCR) in October, to 2.50 per cent, are now clearly visible across the market. That move, the sixth in the current easing cycle, has helped re-energise buyer confidence, lifted affordability, and restored much-needed stability after a year of steady adjustment.

November has continued that momentum. Activity is building across every measure: more listings, higher enquiry levels, and stronger participation from motivated buyers.

For the first time in several years, sellers are responding to genuine competition in the market, and buyers are increasingly ready to transact rather than wait.



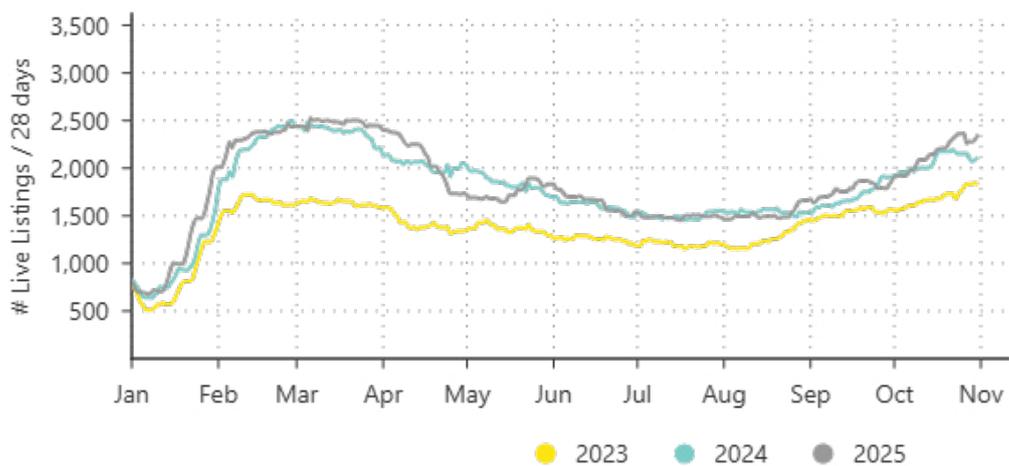
LISTINGS ON THE MARKET



Source: Ray White New Zealand

In October, Ray White properties listed for sale rose 11.24 per cent year-on-year.

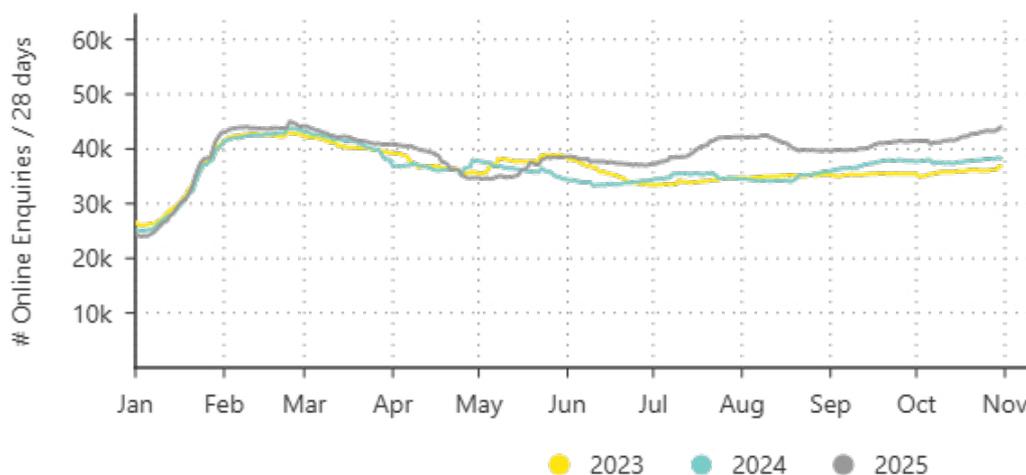
LIVE LISTINGS



Source: Ray White New Zealand

Our live listing count closed at 2,707, up 7.38 per cent year-on-year, reflecting strong vendor confidence heading into summer.

ONLINE ENQUIRIES



Source: Ray White New Zealand

Digital activity followed suit. Online engagement climbed to 6.334 million users (+18.16 per cent year-on-year) and 49,211 online enquiries (+14.23 per cent), showing buyers are not just browsing, they're preparing to transact.

Median sale prices remained steady nationally, with regional variations continuing to define opportunity.

In the Central Otago/Lakes District, the median price now sits above \$1.6 million (+18.9 per cent year-on-year), while Gisborne continues its rebound (+28.7 per cent year-on-year).

At the same time, buyer activity in Auckland and Canterbury has strengthened, supported by increased affordability and rising stock levels.

Ray White's partners at Loan Market report that pre-approval activity remains robust, with turnaround times improving as lenders respond to increased demand. Additionally, many borrowers are now rolling off higher fixed-rate terms into lower repayments for the first time in two years, a key driver of renewed mobility and buyer intent.



WHAT THIS MEANS FOR BUYERS AND SELLERS

For Sellers: Momentum is building, and confidence is spreading. Buyers are active and decisive, but they're also discerning. Pricing accurately and presenting well remains the key to achieving premium results in a competitive environment.

For Buyers: More choice, lower rates, and faster lending decisions are aligning to make this an ideal time to act. With competition increasing, being pre-approved is an advantage; it brings confidence to negotiate and secure quality property before the new year.

LOOKING AHEAD

The RBNZ's next review on 26 November will shape expectations heading into the new year. However, the tone remains consistent with policy to support continued economic and housing market recovery.

As Ray White's 'Month of More' campaign rolls out, we expect another lift in listings and buyer activity through December and into early January.

November confirms the strength of stability. Lower borrowing costs, higher engagement, and sustained listing activity are re-energising New Zealand real estate. For both buyers and sellers, conditions remain constructive, and confidence continues to build.

Connect with your local Ray White team to make your next move with confidence.

Activity builds confidence



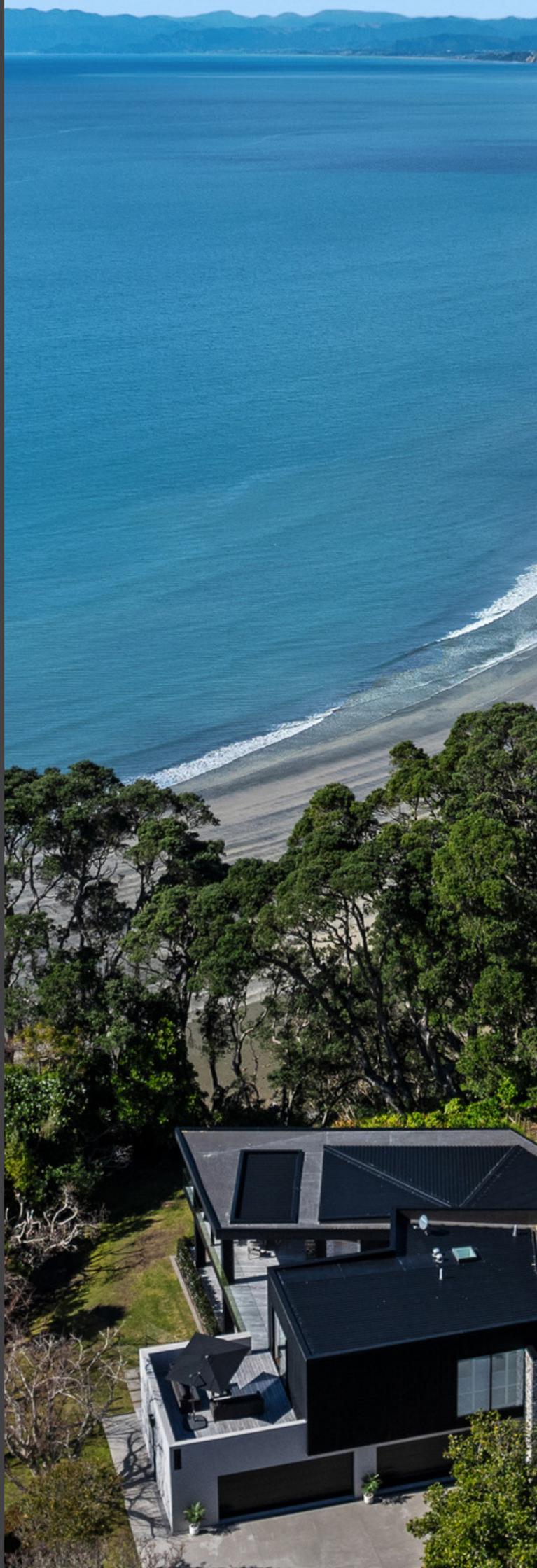
Sam Steele
Head Auctioneer
Ray White New Zealand

The Reserve Bank of New Zealand's (RBNZ's) recent adjustment to monetary policy has provided a meaningful boost to market confidence and auction activity, says Sam Steele, Ray White New Zealand Head Auctioneer.

"With mortgage lending rates now being offered below four per cent, improved affordability and easing debt-servicing pressures are reigniting buyer confidence and participation across the country."

Ray White New Zealand's auction results through spring have reflected these strengthening dynamics. Buyer engagement remains robust, with competitive bidding and growing momentum across the network's national auction events.

In October, Ray White conducted 644 auctions nationwide, achieving a clearance rate of 56.70 per cent. Increased listing volumes have expanded buyer choice, while average bidder registrations lifted to 2.40 per auction.



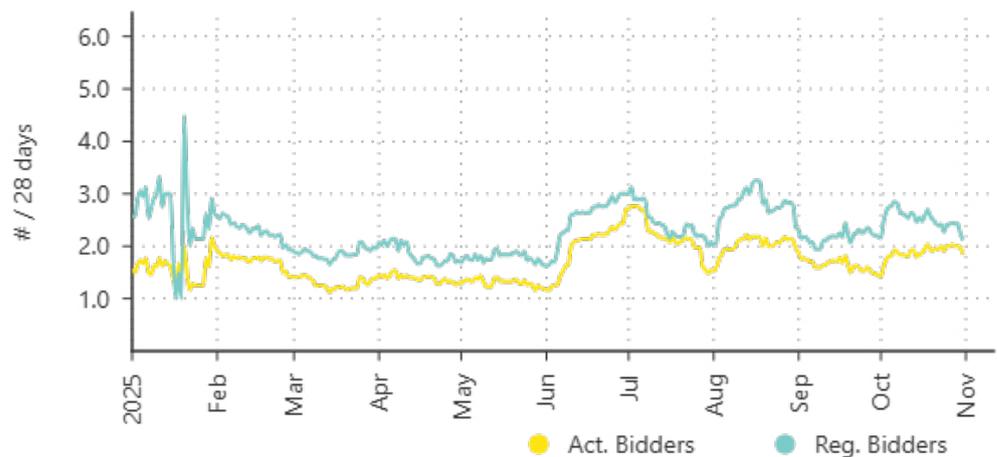


Steele says that auctions accounted for 38.40 per cent of all new property listings, reaffirming their position as the preferred method of sale for sellers seeking confidence, competition, and clarity in the marketplace.

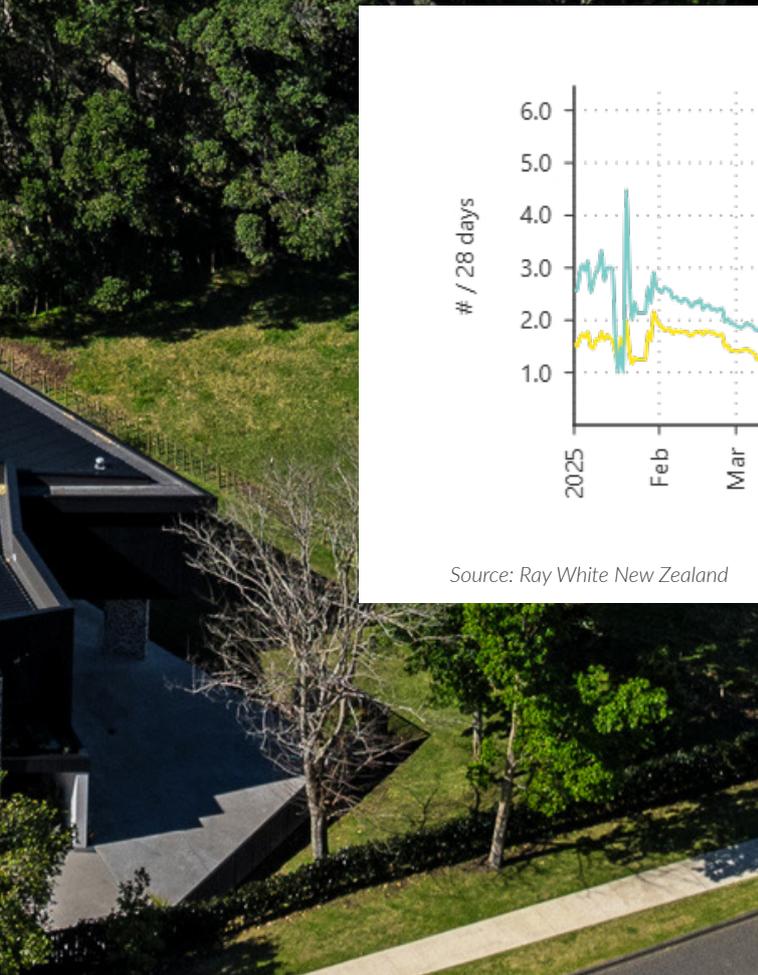
“Properties sold under the hammer recorded an average of 30 days on market, compared with 49 days for other sale methods. This demonstrates the speed and transparency of the auction process.”

Steele says that as Kiwis head into the final weeks of the year, auction activity continues to build, fuelled by the countdown to Christmas and the onset of the vibrant summer market.

“Ray White remains committed to delivering excellence in every auction, helping more buyers and sellers move forward with confidence in this energised and opportunity-filled environment.”



Source: Ray White New Zealand



The great repricing

As mortgage lending rates slide, households are recalculating their appetite for debt. At the same time, bankers are revising lending thresholds, and the psychology of money itself is experiencing a shift.

The real story in property right now isn't about prices – it's about repricing.

The past six months have seen a decisive turn in mortgage activity. New lending has grown during 24 of the past 26 months, a run not seen since before the pandemic.

Mortgage lending data from the Reserve Bank of New Zealand (RBNZ) shows the total value of outstanding home loans has climbed to \$385 billion, up 5.60 per cent year-on-year – the fastest pace since mid-2022.

For all the talk of moderation, these metrics suggest that borrowers are back in action.

THE QUIET ENGINE

Behind that resurgence lies a simple reality: the cost of borrowing is cheaper today than it has been.

The RBNZ's 50 basis point reduction to the Official Cash Rate (OCR) in October, and another 25 basis point cut expected before Christmas, has driven mortgage pricing to its lowest point in almost two years.

The fact that many lenders' 18-month fixed rate offerings now undercut both one- and two-year terms suggests lenders believe interest rates have little further to fall – a clear signal that the

market is approaching the bottom of the rate easing cycle.

For borrowers, this translates to much-welcome breathing room.

A household rolling off a high 2023 fixed rate could see repayments fall by hundreds of dollars a month, and for sellers, it means more qualified purchasers active in the market, generating greater competition for available properties.

Crucially, this renewed confidence isn't speculative. It's deliberate. Borrowers aren't stretching the limits of affordability they were at the previous market peak – they're calibrating for flexibility.

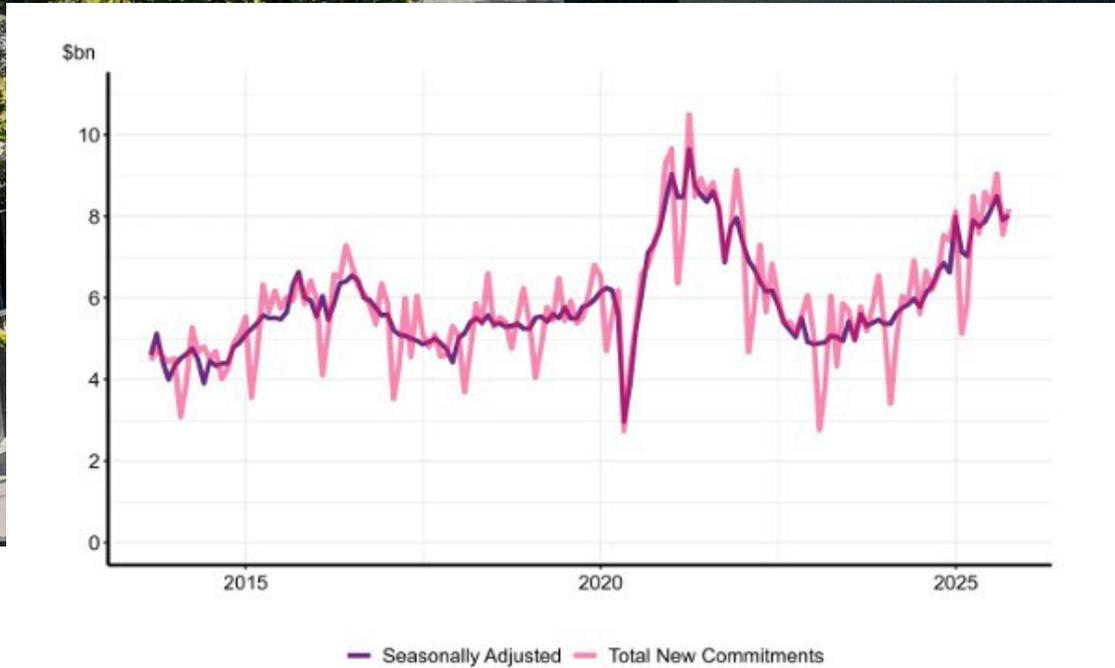
Nearly 30 per cent of new lending this year has been on floating rates, while roughly half have been fixed for six-to-12 months – indicating a deliberate shift toward flexibility.

Rather than locking in for security, borrowers are keeping their options open, indicating a belief that interest rates have further to fall and a desire to reprice quickly when they do.

Refinancing is undoubtedly a 2025 story. With short-term mortgage lending rates in favour and competitive cashback offers available from many lenders, borrowers are switching banking providers at near-record levels.







Source: RBNZ

This wave of refinancing doesn't simply shuffle debt; it lubricates the housing market. Each refinancing event creates an opportunity for a household to reassess its position: upgrade, downsize, invest, or re-enter the market entirely.

Data from the RBNZ shows around 12 per cent of all home loans are now on floating rates, and another one-third will reprice by March 2026. As those fixed terms expire, the flow-through of lower repayments will release disposable income back into the economy – a slow-burning stimulus that supports spending, business confidence, and mobility.

FIRST HOME BUYERS STEP FORWARD

While investors dominated the early 2020s, 2025 has also quietly become the year of the first home buyer.

More than half of this cohort – a record 51 per cent – have purchased homes with deposits of less than 20 per cent, reflecting lenders' active efforts to support the market segment.

Collectively, first home buyers now account for around three-quarters of all low-deposit owner-occupier lending, further demonstrating how first home buyer activity is

driving the market's momentum at the lower end of the price bracket.

That momentum has the potential to strengthen from 1 December, when the RBNZ relaxes loan-to-value ratio (LVR) speed limits, allowing lenders to allocate up to 25 per cent of their owner-occupier book above the 80 per cent deposit threshold, and up to 10 per cent of investor loans above 70 per cent.

The practical outcome is expected to be that more mortgage applications are approved faster, and there is an injection of energy into entry-level and investment segments.

It's easy to forget how quickly such changes can shift the landscape. The last time LVRs were loosened, transaction volumes jumped almost immediately, and regional markets responded first.

The same pattern may emerge again, particularly across the South Island, where affordability and income growth remain out in front.

Investors, for now, are testing the waters rather than diving in.



Mortgage lending data from the RBNZ shows just 0.50 per cent of investor loans were written with deposits of less than 30 per cent in September – well below the theoretical five per cent cap (currently).

Despite the return of interest deductibility and improving residential returns, commentators say many investors may be waiting to see how discussion around a possible capital gains tax evolves, ahead of next year's general election.

Even so, data suggests a returning appetite. A growing share of investor loans now carries debt-to-income (DTI) ratios above seven, suggesting that borrowers are more confident in future rental returns and capital appreciation.

Should policy clarity improve, and lending rates continue to edge lower, the investor segment could emerge as a surprise driver of next year's housing market momentum.

STRESS LEVELS EASE

For all the volatility of recent years, the system appears healthy.

Non-performing loans (those more than 90 days overdue) have declined, prompting banks to scale back their 'bad debt' provisions.

In practice, that means fewer borrowers are falling behind on repayments, and lenders are confident that the risk of widespread mortgage defaults has eased.

This is no small point: mortgage stress is the true barometer of market risk. Its decline tells us that the adjustment of the past two years has done its job. Prices have reset, serviceability has improved, and households are absorbing costs without widespread strain.

Together, these trends paint a quietly optimistic picture for the months ahead.

Total mortgage lending, often referred to as 'system growth', is projected to accelerate into 2026 as refinancing, new purchases, and renewed borrower confidence explain the overall pool of housing finance.

As policy and pricing settle into a sustainable rhythm, lending will once again become the engine of mobility – the force that turns household intent into market reality.

For now, the numbers tell a story of composure: rates low, risk contained, participation rising. And in real estate, composure, together with confidence, is the most valuable condition of all.



Loan
Market™

Building consent changes save time and money

Most New Zealand homeowners can now install rooftop solar panels without needing a building consent, following a recent change to the Building Act.

Earlier this year, the Government announced the change to clarify that a building consent was not required to install rooftop solar panels on existing homes and commercial buildings. The exemption now applies, significantly simplifying the process for households that want to generate their own renewable energy.

For larger rooftop installations – those exceeding 40 square metres in total area per roof – or in areas with very high winds, a chartered professional engineer must still provide or review the design of the structural fixings for the exemption to apply.

However, most residential solar arrays are between 25 and 30 square metres, meaning the majority of homeowners will not need to involve an engineer.

Building and Construction Minister Chris Penk said decision-making on solar panel consents had varied between councils, creating uncertainty for homeowners. “Making the process simpler by removing burdensome red tape is expected to save Kiwis around \$1,200 per consent and help avoid unnecessary delays,” he said.

FAST-TRACK CONSENTS FOR SUSTAINABLE BUILDINGS

The Government has also announced an incentive to encourage more New Zealanders to switch to solar by fast-tracking building consents for new residential buildings with solar power systems.

The processing time has been halved from 20 working days to just 10. Now, the Government has confirmed it will expand this fast-track consent pathway to cover sustainable buildings – a new category to be defined in the Building Act.

To qualify, buildings will need to meet performance criteria demonstrating at least one of the following: high energy efficiency, water efficiency, low embodied carbon or climate resiliency.

“Legislation to create a fast-track building consent process for sustainable buildings, including those with solar panels, will be included in a Bill I intend to introduce to Parliament early next year,” Mr Penk said.

Do you know any homeowners or buyers who are considering installing solar panels or building a sustainable home and who would like to understand their financing options? If so, I'd be grateful if you could make an introduction.

For homeowners, these changes make solar not just an environmental decision, but a financial one. With installation costs falling, some lenders offering incentives for sustainable initiatives and regulatory barriers easing, the path to lower energy bills is clear.

Whether renovating, building new or futureproofing a home, the latest reforms make it easier and faster to invest in sustainable solutions that pay dividends over time. Talk to your team at Loan Market if you'd like to learn more about incentives for solar technology.



Why 2026 starts now



Zac Snelling

Head of Property Management
Ray White Group

If 2025 has taught us anything, it's that the only constant in property management is change, says Zac Snelling, Ray White Group Head of Property Management.

"Stability has returned, and with a new suite of reform arriving in quick succession – from pet legislation to fresh methamphetamine standards and an increasingly vocal debate around a capital gains tax – the groundwork for 2026 is already being laid."

Each change comes with its own set of challenges and opportunities, but collectively, they suggest a market in the process of standardising and stabilising.

PETS FOR CHRISTMAS

From 1 December, tenants across New Zealand will gain the right to request a pet in their rental property. This long-anticipated reform recognises the growing role of companion animals in Kiwi households.

Landlords have 21 days to respond to any written request, either approving it with reasonable conditions or declining it on valid grounds.

"Sixty per cent of New Zealanders are estimated now to own a pet, meaning that this legislation simply catches the law up with reality," Snelling says. "Handled well, it can strengthen the landlord-tenant relationship and differentiate favourable rental properties."

The key, he says, lies in preparation. "Landlords need to review their tenancy agreements, talk to their property managers, and understand the process before the first request arrives in their inbox, before Christmas.

A proactive conversation today will always beat a reactive dispute tomorrow."

Some of the headline changes include:

- A pet bond capped at two weeks' rent, separate from the standard four-week tenancy bond.
- Landlords must respond within 21 days of receiving a request.
- Refusal must be based on valid grounds such as property suitability, body corporate rules, or proven behavioural issues.
- Tenants remain liable for any pet-related damage beyond fair wear and tear.

For landlords, Snelling says the most pressing issue is that requests received by 4 December 2025 will require a response before Christmas. "New legislation undoubtedly incurs more administration for landlords, so if you need help, our professional property management team has all the guidance, including advisory services and a new 'Pet Guide' to help navigate this change with clarity."

METHAMPHETAMINE: STANDARDISED AT LAST

If pets are the story for Christmas, methamphetamine testing is the headline of the new year.

The Government has confirmed that a new national standard will be introduced in early 2026, following years of confusion over acceptable contamination levels.

At present, the Gluckman Report and Tenancy Tribunal rulings consider any reading below 15 micrograms per 100cm² of surface area to be safe for habitation, while the existing New Zealand Standard (NZS) guideline suggests a stricter threshold.

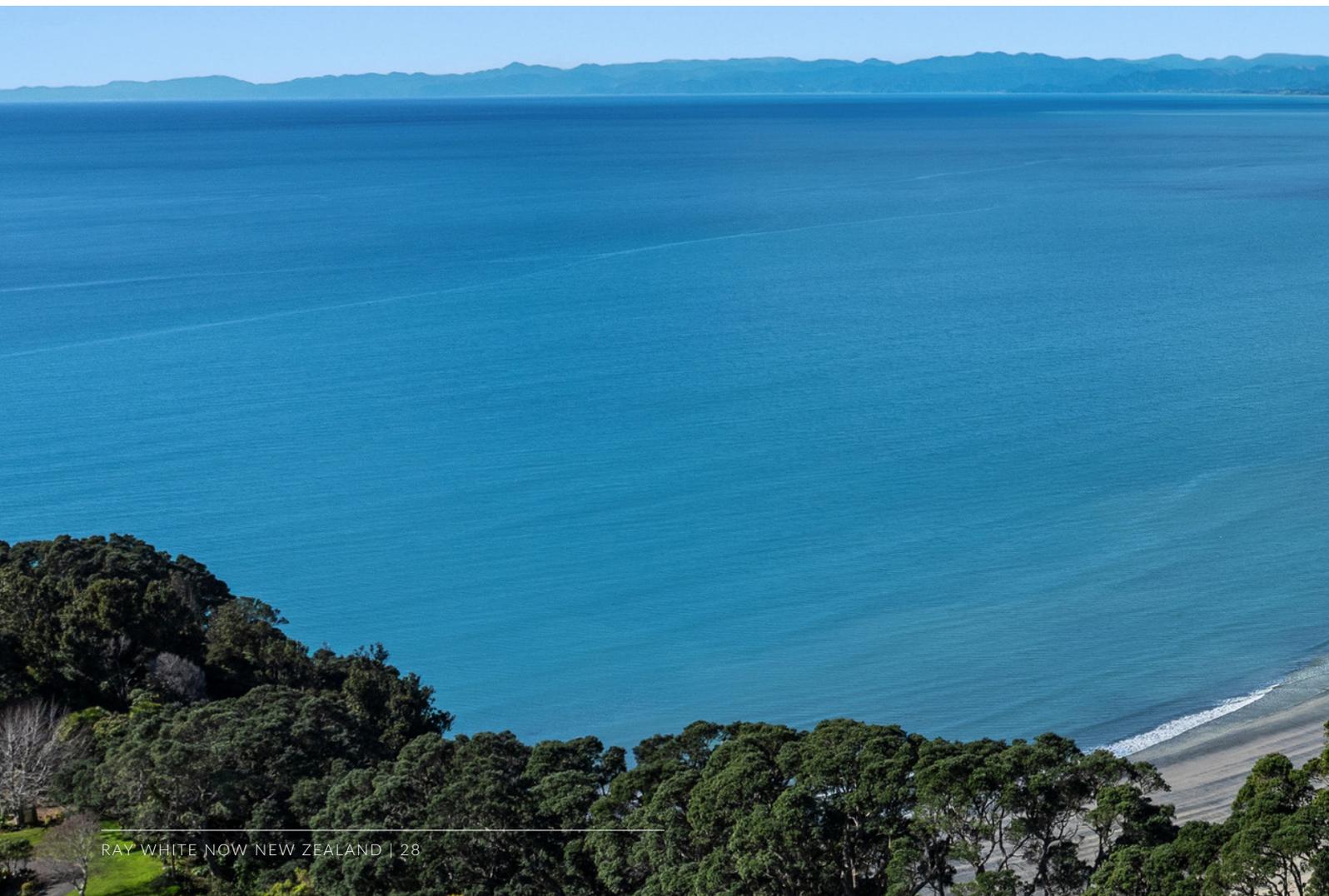
"The proposed new standard will likely settle near 30 micrograms per 100cm², aligning New Zealand with best international practice and striking a sensible balance between safety, science, and public health," Snelling says.

"The inconsistency of the last few years has been incredibly difficult for landlords and tenants. We've seen insurance claims denied, tenancies terminated, and homes unnecessarily vacant owing to conflicting advice.

"This new framework should finally bring certainty to a space very much in need."

Ray White continues to update its Methamphetamine Guides for landlords and tenants to help stakeholders understand the new direction of travel.

"Professional property managers are ready for these changes. Our teams have the testing partners, protocols, and educational resources to support landlords in staying compliant and confident in the health and safety of their assets."



THE CAPITAL GAINS QUESTION

Backdropped by forthcoming legislation, the capital gains tax debate (CGT) is back on the political radar, with the Labour Party recently signalling that it will campaign on a proposal to tax gains on residential and commercial property, excluding the family home, from 1 July 2027.

While details are uncertain, history suggests that the mere discussion of CGT tends to temper speculative investor activity – but not stop it altogether. Snelling says it's more likely to reshape than restrict the market.

“CGT whispers create a lot of noise, but seasoned investors see opportunities in cycles like this. If anything, the conversation may prompt some to acquire assets before potential tax changes take effect, particularly while interest rates are low and yields improve.”

He notes that in October, Ray White New Zealand signed more than 1,400 new tenancies, off the back of 15,000 viewing requests and over 5,000 applications processed across the network.

“The numbers are compelling – they're proof that there's an enduring need for quality rental properties, and those that are priced right and well-managed continue to attract tenant demand.”

At the same time, Snelling says the macro picture is finally giving landlords breathing space.

The Reserve Bank of New Zealand's (RBNZ's) 50-basis point cut to the Official Cash Rate (OCR) in October, and an anticipated follow-up reduction on 26 November, have pulled mortgage lending rates to their lowest levels in two years.

Some lenders, such as SBS Bank, are now even offering rates at 3.99 per cent.

“For investors, that's a meaningful shift. Lower financing costs are stabilising yields, while a flattening in operational expenditure – think maintenance and insurance – is making rental returns more predictable.

“Stability is the word of the season. After years of disruption, we're entering a phase where both tenants and landlords can plan ahead with more certainty.

“Rental prices have levelled, costs are softening, and the broader market is sitting at what I'd consider to be the bottom of the trough – the point before things turn for the better.”

Zac Snelling, Head of Property Management, Ray White Group



Indeed, the latest ANZ Research figures show national house prices up 0.30 per cent year-on-year, with five per cent growth forecast in 2026. At the same time, rent inflation has slowed to 2.60 per cent, easing pressure on households.

“That’s good news on both sides of the ledger,” Snelling says. “Tenants get relief, landlords get stability, and property managers can deliver consistent, high-quality service without the constant urgency that has defined recent times.

Still, with so much regulatory change converging at once, Snelling stresses the importance of professional guidance.

For landlords who prefer to stay hands-on but still want expert oversight, Ray White Choice continues to bridge the gap between self-management and full-service.

The platform provides access to compliance support, routine inspections, rent collection and documentation tools, ensuring self-managing landlords stay compliant with new legislation – without giving up control.

“Choice gives landlords flexibility without exposure,” Snelling says. “With new pet rules and methamphetamine regulations coming in, compliance isn’t optional; it’s essential.

“Whether you’re a landlord, tenant, or property manager, this period is about recalibration, readiness and balance – a positive note as we approach the end of the year,” he says.

For more information about Ray White’s Property Management offering, visit pm.raywhite.com.



About Ray White

Ray White is a fourth-generation family-owned and led business.

Established in 1902 in the small country town of Crows Nest, Queensland, we are proud to have grown into Australasia's most successful real estate business, with over 1,000 franchised offices across New Zealand, Australia, Indonesia, and Hong Kong.

Ray White today spans residential, commercial, and rural property, marine and other specialist businesses.

Now more than ever, the depth of experience and the breadth of Australasia's largest real estate group bring unrivalled value to our customers. A group that has thrived through many periods of volatility and one that will provide the strongest level of support to enable its customers to make the best real estate decisions.





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