



**TEAM
SIEVWRIGHT
& MARSH**

**PROPERTY
UPDATE**

**ISSUE 97
SPRING
2026**

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The latest REINZ figures indicate New Zealand's residential property market remains subdued, with activity continuing to soften compared with the same time last year.

The national median sale price eased 1.3% to \$750,000, while the House Price Index (HPI) declined 0.9%, reflecting modest downward pressure on property values across the country.

Sales activity also slowed, with 5,430 properties sold nationally, representing a 13% decrease compared with August 2025. At the same time, housing inventory increased by 9.7% to 32,908 properties, giving buyers more choice and contributing to a less competitive market. New listings were also down 5.1%, with 8,326 properties coming onto the market during the month.

Properties are taking longer to sell, with the median days to sell increasing to 51 days, three days longer than the same period last year. This reflects a market where buyers remain cautious and vendors need to ensure their pricing expectations align with current market conditions.

Overall, the August results highlight a market that continues to favour well-priced properties, while regions offering strong affordability and local economic resilience are proving to be the standout performers. The Dunedin property market remained steady during August, with the median sale price easing 1.6% year-on-year to \$598,000. While values have softened slightly, buyer activity continues to support the market, particularly at the more affordable end.

First-home buyers remained the most active group throughout the month, taking advantage of increased choice and favourable lending conditions.

Vendor expectations are generally aligning with current market conditions, although some sellers continue to hold out for higher prices. Well-presented and realistically priced properties are attracting the strongest interest, with open homes typically seeing good attendance during the first week of a marketing campaign before activity tapers off.

Looking ahead, there are encouraging signs that confidence is beginning to improve as we move into the spring selling season. More homeowners are actively inspecting properties before listing their own, suggesting that market activity is likely to increase over the coming months.



North Dunedin Update

There are few places in New Zealand where getting eight people to agree on a house is considered a normal part of the property market.

Welcome to North Dunedin!

The annual flatting season has once again been in full swing, bringing with it the usual combination of strong demand, early decisions, late decisions and indecision. There will be a group chat. There will be screenshots. There will be polls. There will be someone who can't make the viewing because they have a lecture. Someone else will be working. Another will announce that their parents think the rent is too high.

Eventually, after several inspections and a considerable amount of discussion, everyone will agree that they have found "the one". Then someone will change their mind. For landlords, it is all part of the fun. The student flatting process has its own rhythm, its own language and, occasionally, its own interpretation of the word "yes".

There were a number of properties being released and secured through March, April and May. Rather than waiting for the traditional rush, plenty of students were prepared to get organised early and lock in their accommodation for next year.

The properties attracting the most attention have not necessarily been the smallest or cheapest. Quite the opposite. The big flats have been particularly popular. Eight- and nine-bedroom flats have been especially sought after, with five- and six-bedroom properties also performing strongly. There is a fairly obvious reason: there simply aren't that many large flats.

Finding eight people who all want to live together is one challenge. Finding an eight-bedroom flat in a decent location that is available, well maintained and sensibly priced is another. When one does appear, demand can be immediate. This has allowed landlords to increase rents, but the interesting part is how modest those increases have been. Many owners who have performed well have lifted rents by around \$5 to \$10 per bedroom. That might not sound particularly dramatic, and that is precisely the point. Across a larger flat, it adds up. More importantly, it has generally kept the property

competitive and allowed landlords to secure tenants without taking unnecessary risks.

There is always a temptation, when demand is strong, to push a little harder. Then a little harder again. Before long, the property that was attracting plenty of enquiries is sitting empty while the landlord discovers that students have a surprisingly firm opinion about the difference between \$195 and \$225 a week.

The owners who have got this balance right have generally been rewarded with an occupied property rather than an impressive-looking rental appraisal sitting beside an empty house. In the student market, an empty bedroom is an extremely poor tenant.

The Value of a Decision

The other major lesson from this year's letting season has been the value of getting a decision made.

Once upon a time, a student saying they wanted a flat generally meant that a tenancy agreement was not too far away. These days, it can mean almost anything. "We love it" might mean "we love it but want to see three more."

"We're keen" can mean "we're keen unless our friend finds something better."

"Can you hold it for us?" can occasionally translate as "we haven't actually agreed who is in the flat yet."

There has been more student hesitation this year around completing the process after accepting a property. Groups have accepted flats and then taken time to sign, or gone back on their decision because the group wasn't properly assembled.

From a student's perspective, it is understandable. Finding multiple compatible flatmates is no small undertaking and sometimes, despite everyone having apparently agreed, nobody can explain why the tenancy agreement hasn't been signed.

From a landlord's perspective, it creates a problem. Once a property has been offered, other groups may be turned away. If the first group then spends several days deciding whether they actually want it, the landlord is effectively carrying the vacancy risk while the students continue shopping.

The owners and property managers who have done particularly well have been clear and decisive. They have given students a reasonable timeframe to accept the property and sign the tenancy, rather than allowing an offer to sit in limbo. It is about recognising that there are two sides to a rental transaction. Students need certainty about where they are living, but landlords need certainty that the property is actually rented.

Perhaps a Change in Tradition

While there has been plenty of focus on new lettings, one of the more encouraging stories has been happening quietly in the background. Students are staying. There appears to have been a significant number of renewals across the North Dunedin market this year, with existing tenants choosing to remain in their properties for another year. For a suburb built around an annual turnover of students, that is worth paying attention to. It goes against the traditional North Dunedin pattern. For years, moving flats has been almost a compulsory part of the university experience. New year. New flat. New flatmates. Repeat.

But perhaps the tide is turning. If a group has found a property that works, a landlord they are happy with and a location they like, there is a certain appeal in simply staying put. No moving trucks. No cleaning the old flat. No hunting for a new place.

For landlords, the benefits are even clearer. A good group staying for another year means no advertising, fewer inspections, no gap between tenancies and considerably less uncertainty. Sometimes the best tenant is the one you already have. The fact that more students appear to be recognising this is a very positive development for the market.

Not Everyone Wants Eight Flatmates

The North Dunedin market is often spoken about as though every student is looking for the same thing. They aren't. The large group flat remains an important part of the market, but there is another group arriving later in the cycle - international students.

International students are increasingly coming to the accommodation market later in the year, and that is good news for owners of smaller properties. One- and two-bedroom properties, along with studio accommodation, can be difficult to compare directly with the traditional student flat. They serve a different tenant, and that tenant often arrives at a different time. This is important for landlords because a property that hasn't been rented during the first or second rush isn't necessarily a property that has missed the market.

The student looking for a nine-bedroom house in April isn't necessarily the same person looking for a studio in September. North Dunedin has several rental markets operating simultaneously. They just don't all arrive at the front door at the same time.

Residential Collages remains an important part of the North Dunedin picture, particularly because demand continues to outstrip supply in parts of the market. University of Otago residential college applications for the first round close on 30 September 2026, while Otago Polytechnic's Te Pā Tauria has just 231 beds. When those places fill, students still need somewhere to live, and that demand eventually finds its way into the private rental market. For landlords, it is another reason the underlying demand for good student accommodation remains strong.

And What Does This Mean for the Sales Market?

The rental market gives us a fairly good indication of what buyers are looking for on the other side of the equation. The strongest demand this year has been for larger flats, particularly five- and six-bedroom properties, with eight- and nine-bedroom homes attracting even more attention because there are simply fewer of them. That scarcity matters.

A North Dunedin investor isn't buying a house simply because it has bedrooms. They are buying into a very specific accommodation market, and the number of bedrooms can have a significant impact on the income the property can produce. This is where the rental and sales markets start to connect. When a five-, six-, eight- or nine-bedroom property can demonstrate strong rental demand, a good rental history and a sensible level of occupancy, buyers can see the investment case much more clearly. They aren't having to guess what the property might do. The evidence is already sitting in front of them. That is increasingly important in a more cautious sales environment. There is still money looking for North Dunedin property, but buyers are becoming more selective about where they put it. The days of buying almost any student flat and assuming the rental market will take care of the rest are long gone. Buyers are looking carefully at the fundamentals. How many bedrooms are there? What are they actually renting for? How quickly do they rent? Are the tenants renewing? What are the running costs? How much maintenance is likely to be required? And, perhaps most importantly, does the property stack up at the advertised price?

A property with a strong rental history, good tenant retention and the right bedroom configuration can offer buyers something increasingly valuable: confidence. That doesn't mean every large flat is automatically a good investment. North Dunedin has plenty of

properties that look attractive on a spreadsheet until you start asking a few more questions. A large number of bedrooms is only useful if the property is in a location students want to live in, the rooms are functional, the house is in reasonable condition, and the rental income isn't being achieved at the expense of constant maintenance and management headaches.

The best investments tend to be the properties where those pieces fit together. There is also continued interest from Mum and Dad investors buying with their children in mind. This is a slightly different buyer from the traditional investor because the decision isn't always based purely on yield. For them, the property needs to work as a home for their son or daughter first, while still making sense as an investment. That can make certain properties particularly appealing. A well-located six-bedroom flat, for example, can provide accommodation for a student while the remaining rooms help offset the cost of ownership. Once the student graduates, the property can continue operating as a rental. It is a strategy that has been part of North Dunedin for years, but it remains relevant because the underlying demand hasn't disappeared.

What has changed is the confidence with which people are making those decisions. The looming election has caused some investors to pause. There are buyers who like North Dunedin property but are waiting to see what the next government may mean for property investment, taxation and tenancy regulation before committing. That caution shouldn't be confused with a lack of demand.

There have been five sales in both July and August in North Dunedin. In a market where buyers are taking longer to make decisions and scrutinising properties more carefully, that is a useful indication that transactions are still happening when the right property comes to market.

And that is probably the most important point: the market isn't necessarily rewarding everything equally. It is rewarding the properties that make sense. A good student property with strong rental demand, sensible operating costs, a proven letting history and the right number of bedrooms gives a buyer something they can understand.

That is where the sales and rental markets ultimately meet. The rental market tells us what students want. The sales market tells us which investors are prepared to pay for it.

At the moment, both are pointing towards quality, proven student accommodation rather than property simply being bought because it happens to be in North Dunedin.

For sellers, that means presentation, documentation and realistic pricing matter. For buyers, it means doing the work and understanding exactly what they are purchasing. The market may be more selective than it was, but selective doesn't mean inactive. It means buyers are looking harder, and when they find the right property, they are still prepared to act.

What Happens Next?

The North Dunedin market has once again rewarded landlords who acted early. Larger five- and six-bedroom flats have leased well, while the limited supply of eight- and nine-bedroom properties has made these homes especially sought after.

Landlords who kept rental increases realistic generally secured quality tenants early, avoiding the need to discount later. Many have also found that renewing existing tenancies has proven more valuable than searching for new groups.

One of the unique characteristics of North Dunedin is that understanding the student market is just as important as understanding the property itself. Students don't behave like traditional tenants—they rent in groups, make decisions collectively, and often take longer to commit. Yet they also provide one of the country's most reliable sources of rental demand. The key for landlords is knowing when to hold firm and when to secure a good outcome. Often, accepting a modest rental increase with a quality group is a better long-term result than holding out for every last dollar. Likewise, setting clear deadlines for signing agreements helps avoid unnecessary delays.

It's also important to remember that North Dunedin doesn't have just one letting season. As the year progresses, new waves of demand emerge from Semester Two enrolments, international students, college placements, and existing groups deciding whether to stay together for another year. Smaller properties often lease later in the cycle as these tenant groups enter the market.

Overall, the outlook remains positive. For landlords who understand the timing and dynamics of North Dunedin's unique rental market, there continue to be excellent opportunities to maximise occupancy and achieve strong long-term returns.

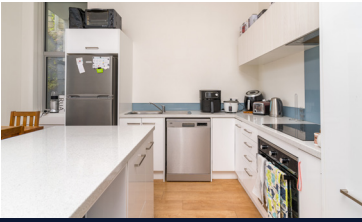
Explore the North Dunedin rental market.

INVESTMENT LISTINGS

129A Forth Street, North Dunedin
16 BED | 10 BATH | 4 OSP



Rental Price: \$4,864.50pw (2027)



Sale Price: P.O.A.

1 Queens Gardens, Dunedin Central
6 BED | 6 BATH | OSP



Sale Price: By Negotiation



66 Royal Terrace, Dunedin Central
10 BED | 4 BATH | OSP



Rental Price: \$2,300pw (2027)

Sale Price: \$1,550,000 - 7.7%

50 Butts Road, North Dunedin
14 BED | 4 BATH | OSP



Rental Price: \$2,545pw (2027)

Sale Price: \$1,495,000 - 8.9%

263 High Street, Dunedin Central
9 BED | 2 BATH | OSP



Rental Price: \$1,700pw (2027)

Sale Price: \$1,175,000 - 7.5%

41-43 Bradshaw Street, South Dunedin
4 BED | 4 BATH | OSP (2x 2-bed flats)



Rental Price: \$720pw each (advertised)

Sale Price: \$995,000

63 Malvern Street, Woodhaugh
7 BED | 2 BATH



Rental Price: \$1,330pw

Sale Price: Enq. over \$899,000

4 Duke Street, North Dunedin
7 BED | 2 BATH



Rental Price: \$1,330pw (2027)

Sale Price: \$899,000 - 7.7%

33 Duke Street, North Dunedin
6 BED | 1 BATH



Outline indicative only

Rental Price: \$1,140pw (2027)

Sale Price: \$699,000 - 8.5%

35 Duke Street, North Dunedin
6 BED | 1 BATH



Outline indicative only

Rental Price: \$1,140pw (2027)

Sale Price: \$699,000 - 8.5%

10/543 George Street, North Dunedin
6 BED | 2 BATH | OSP



Outline indicative only

Rental Price: \$1,200pw (2027)

Sale Price: \$695,000 - 9%

828 Cumberland Street, North Dunedin
5 BED | 1 BATH | OSP



Rental Price: \$1,050pw (2027)

Sale Price: \$689,000 - 7.9%

3 Quentin Avenue, North Dunedin
4 BED | 1 BATH



Rental Price: \$780pw (2027)

Sale Price: \$599,000 - 6.8%

760F George Street, North Dunedin
3 BED | 1 BATH | OSP



Rental Price: \$705pw + \$40pw (2027)

Sale Price: \$589,000

100 Dundas Street, North Dunedin
4 BED | 1 BATH



Outline indicative only

Rental Price: \$770pw (2027)

Sale Price: \$579,000 - 6.9%

740A George Street, North Dunedin
2 BED | 1 BATH | OSP



Outline indicative only

Rental Price: \$600pw

Sale Price: Enq. over \$520,000

39 Prince Albert Road, St Kilda
3 BED | 1 BATH | OSP



Rental Price: \$600pw

Sale Price: Enq. over \$500,000

59 Malvern Street, Woodhaugh
4 BED | 1 BATH | 1 GARAGE



Rental Price: \$600pw

Sale Price: \$475,000 - 6.6%

34 MacLaggan Street, Dunedin Central



Sale Price: Deadline Sale

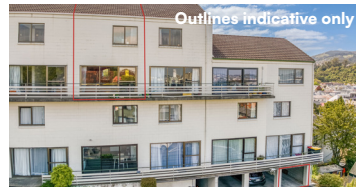
37 Prince Albert Road, St Kilda
2 BED | 1 BATH | 1 CARPORT



Rental Price: \$520pw

Sale Price: Enq. over \$400,000

10/97 Queen Street, North Dunedin
2 BED | 1 BATH | OSP

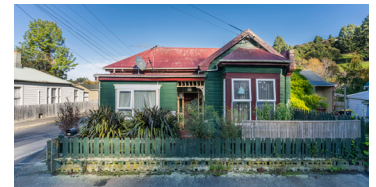


Outlines indicative only

Rental Price: \$550pw

Sale Price: \$399,000 - 7.2%

51 Selwyn Street, North East Valley
4 BED | 1 BATH



Rental Price: \$500pw (periodic)

Sale Price: \$380,000

RESIDENTIAL LISTINGS

2 Leyden Terrace, Andersons Bay
4 BED | 2 BATH | 4 CAR GARAGING



Sold Price: Deadline Sale

1/4 Reid Avenue, Mosgiel
2 BED | 1 BATH | OSP



UNDER OFFER

Outline indicative only

Sale Price: Enq. over \$450,000

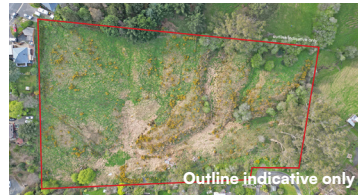
134 Brockville Road, Brockville
2 BED | 1 BATH | CARPORT



UNDER OFFER

Sold Price: \$399,000

18A, 18B, 18C Barr Street, Kenmore
1.9531 HECTARES (+/-)



Outline indicative only

Sale Price: \$995,000

254C Middleton Road, Corstorphine
1.0689 HECTARES (+/-)



Outline indicative only

Sale Price: Enq. over \$650,000

26 Smith Street, Dunedin Central
1,121m² (+/-)



Outline indicative only

Sale Price: \$575,000 + GST (if any)

20 Maitland Street, Dunedin Central
506m² (+/-)



Outline indicative only

Sale Price: Enq. over \$299,000

56A Puketai Street, Andersons Bay
501m² (+/-)



Outline indicative only

Sale Price: Enquiries over \$219,000

RECENTLY SOLD

7A Havelock Street, Mornington
6 BED | 4 BATH



Sold Price: \$950,000

42 Gladstone Road, North East Valley
5 BED | 2 BATH | 1 CARPORT + OSP



Sold Price: \$755,000 - 6.7%

134 Forth Street, North Dunedin
5 BED | 2 BATH | 1 GARAGE



Outline indicative only

Sold Price: \$750,000 - 6.9%

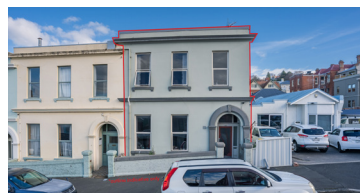
10 Duke Street, North Dunedin
4 BED | 1 BATH



Outline indicative only

Sold Price: \$650,500 - 6.4%

23 Hope Street, Dunedin Central
5 BED | 3 BATH



Sold Price: \$600,000 - 6.1%

32 Kirkland Street, Green Island
4 BED | 2 BATH | 1 GARAGE



Sold Price: \$545,000

17 Lees Street, Dunedin Central
3 BED | 1 BATH | OSP



Sold Price: \$520,000 - 6.4%

18 Currie Street, Port Chalmers
3 BED | 1 BATH | 1 GARAGE



Sold Price: \$495,000

45 Selwyn Street, North East Valley
4 BED | 2 BATH



Sold Price: \$410,000 - 7%

5/97 Queen Street, North Dunedin
2 BED | 1 BATH | OSP



Outline indicative only

Sold Price: \$369,000 - 5.5%

30 Muri Street, Aramoana
2 BED | 1 BATH



Sold Price: \$312,000

27 Sidey Street, Calton Hill
3 BED | 1 BATH



Sold Price: \$295,000 - 8.5%

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