Research

Pain and Gain Report

NEW ZEALAND | November 2025

Data for the September 2025 quarter

Contents

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Summary

The Pain and Gain Report is an analysis of homes which were resold over the previous quarter (excluding leasehold). It compares the most recent sale price to the home's previous sale price, determining whether the property resold at a gross profit ('gain') or gross loss ('pain'). It provides a proxy for the performance of the housing market and highlights the magnitude of profit or loss the typical seller of a home makes in each area.

Key findings from this report (for resales between 1 July 2025 and 30 September 2025) include:

The proportion of properties being resold for more than the original purchase price (i.e. a gross profit, or 'gain') in Q3 2025 was 87.8%, down from 89.4% in Q2, and the lowest figure since mid-2013, more than 12 years ago.

That's consistent with property values still being down significantly from their peak in many areas, as well as buyers holding most of the pricing power. Rather than a slump, this has been a gradual drift downwards for resale performance since early 2022, and of course nearly nine in every 10 sellers still make a profit.

Similarly, the size of the resale profits remains significant and the losses relatively small, albeit lower than they've been for around five years. The national median gross profit for resales in Q3 was $270,000, down from the late 2021 peak of $440,000, but still above anything seen prior to Q4 2020.

The resale performance of property has softened in recent years, but it's not weak in an absolute sense. A lot of this reflects hold periods. Indeed, the median hold period for resale gains in Q3 was 9.5 years, whereas for losses it was 3.7 years. Clearly, a longer hold period gives greater likelihood of a capital gain.

That's particular true at the current point in time. If you trace back 3.7 years from now, it takes you to basically the peak for property values and a time when interest rates had already started to rise. In hindsight, it was a tricky time to have been a buyer and any unforeseen change in circumstances over the following period (e.g. job loss) may have meant needing to sell at a price lower than anticipated.

Looking at the breakdowns of the figures, the resale performance by owner-occupiers was similar to investors in Q3, with the regional split showing relative underperformance in Auckland, but generally widespread softness in many other regions too. Apartments continue to underperform houses, but this is normal.

It's important to note that even though the median profits remain significant (especially for long hold periods), most owner-occupiers won't be seeing a cash windfall. Instead, that new equity will generally just have to be recycled into the next purchase, apart from downsizing or a shift to a cheaper location.

Looking ahead, there are signs that rising sales volumes are starting to reduce the stock of listings on the market, with house price growth looking set to resume in 2026 on the back of lower mortgage rates and a slowly growing economy. Property resellers may fare better in that environment, but it's unlikely to be a boom.

National overview

Across New Zealand as a whole, the proportion of residential properties being resold for more than the original purchase price – i.e. a gross profit, or "gain" – in Q3 2025 was 87.8%, down from 89.4% in the second quarter of the year.

This continued the general downwards trend from the peak in Q4 2021 of 99.3% and the latest figure was actually the lowest since Q2 2013 (also 87.8%). In other words, resale profits in Q3 were less common than they've been for more than 12 years. Put another way, at 12.2%, resale losses for property owners happened more frequently in Q3 2025 than they've done for more than 12 years.

To be fair, the pain & gain results aren't weakening dramatically; it's more of a slow drift downwards for the frequency of gross profits and a gradual lift for losses. Indeed, it's taken nearly four years for the gain percentage to drop from around 99% to 88% or so now. By contrast, at the time of the GFC, it dropped more sharply from about 98% in mid-2007 to 81% just two years later in early 2009.

Nevertheless, even though the deterioration in the resale performance of property (from an owner's perspective) has been slower in this latest cycle, it's still been significant and reflects the subdued nature of the wider market – e.g. national median values are still down by 17% from the early 2022 peak and have largely tracked sideways for the past two years.

RATE OF PROFIT AND LOSS

PROFIT-MAKING RESALES RATE	LOSS-MAKING RESALES RATE
87.8%	12.2%

MEDIAN RETURNS

MEDIAN GAIN	MEDIAN LOSS
$270,000	-$50,000

TOTAL VALUE

TOTAL GAIN	TOTAL LOSS
$3.5bn	-$129m

National overview

Buyers that have secured their finance remain in a strong position when it comes to price negotiations, and even though the stock of listings available on the market has declined this year, it remains at a high level by past standards – meaning more vendors are having to accept a lower price to get a sale achieved than they might ordinarily have liked.

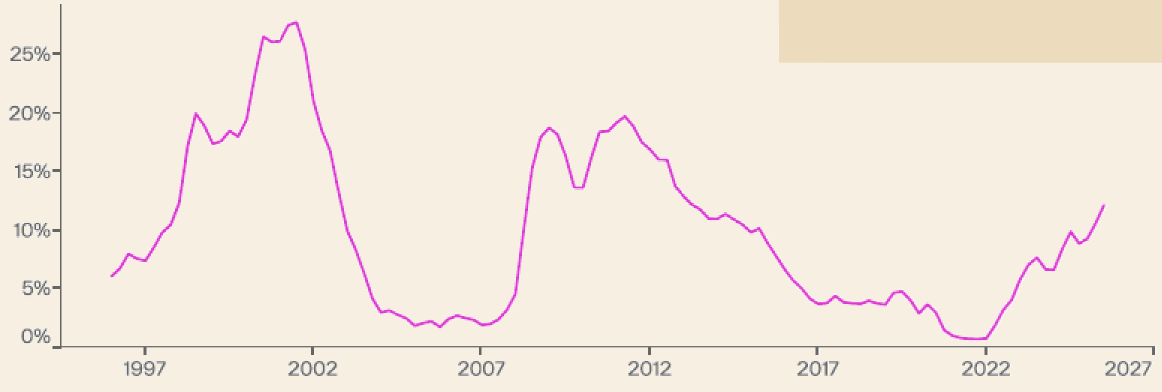
It's also worth highlighting the role of hold periods in these figures. After all, even at 87.8% in Q3, that's still a high proportion of property resales that get a price higher than the owner originally paid – which reflects a median hold period of 9.5 years. By contrast, for the 12.2% of resales made for a loss, their median hold period was just 3.7 years, i.e. originally purchased sometime since property values peaked in early 2022. In other words, in a soft market, a short hold period significantly raises the scope for a loss.

Another point to keep in mind is that the median resale profit itself remains high. The figure for Q3 2025 was $270,000, down significantly from the Q4 2021 peak of $440,000, but still higher than anything seen prior to Q4 2020 (Q3 2020's figure was $237,000). The median resale loss in Q3 2025 was $50,000, actually a bit smaller than Q2's $53,000.

Of course, although the median resale profits remain significant (especially for long hold periods), most owner-occupiers still won't be generating a cash windfall. Instead, that new equity will generally just have to be recycled into the next property purchase, unless of course they're downsizing or moving to a cheaper location.

Proportion of total resales at a loss - national

Q3 2025	Q2 2025
12.2%	10.6%



Median Hold Period

Across New Zealand as a whole, properties that were resold for a gross profit in the third quarter of 2025 had been owned for a median of 9.5 years, not too far outside the typical ranges we've seen historically and certainly also in the most recent 18-24 months.

That said, 9.5 years for a gross profit was still the longest recorded in this series going back to the mid-1990s (just surpassing Q2 2025's previous mark of 9.4 years), highlighting the weakness of property values since late 2021/early 2022 – which may be prompting some owners to hold longer in order for 'target' capital gains to accumulate, or in other cases it may just reflect the fact that in a quiet market a lot of sellers simply have to wait longer for a deal to be achieved.

Indeed, some property owners may also just be choosing to hold for a bit longer if they're uncertain about their job prospects or don't want to pay transactions costs such as an estate agent's commission or conveyancing fees as regularly. In addition, lending restraints such as the loan to value ratio rules may have kept more people where they are for longer.

Similarly, the ownership periods related to resale losses have also lengthened too, with a median of 3.7 years for the transactions made in Q3 2025. That was up from 3.5 years in Q2, and a figure not seen since a brief period in late 2020 and then prior to that going back to late 2017. That said, the latest figure is still well below some of the past peaks in terms of hold period related to losses, e.g. 5.8 years in early 2004 and around eight years in 2016.

Of course, the hold period for losses remains significantly lower than gains. In other words, shorter hold periods tend to be associated with a greater chance of making a resale loss (and vice versa), which isn't surprising. After all, in some cases (perhaps even most), the buyer would not have entered the purchase with the intention of selling again so soon afterwards, but circumstances might have worked against them, such as a family change, job change, or even financial strain bought on by previously sharp mortgage rates rises.

Indeed, if you go back 3.7 years from now, the latest median hold period for resale losses takes you to around the final few months of 2021 or early 2022, which in hindsight was an unfavourable time to be a buyer, with house prices very high (and set to fall) and mortgage rates already on an upwards trend.

Median Hold Period – Sept. quarter 2025

Region	Pain	Gain
New Zealand	3.7	9.5
Auckland	4.1	10.9
Hamilton	3.8	9.0
Tauranga	3.8	9.2
Wellington	4.1	11.0
Rest of NI	3.4	9.1
Christchurch	3.3	9.7
Dunedin	3.7	9.8
Rest of SI	3.2	7.9

Property Types

As always tends to be the case, standalone houses have a lower frequency of resale losses than other property types, although houses have also softened lately too. In Q3 2025, 11.4% of house resales got a price lower than the owner originally paid, up from 9.8% in Q2, and the highest figure since mid-2013. For ease of comparison, recall that the Q3 2025 figure across all properties was 12.2%.

In other words, the third quarter of the year still saw nearly nine in every 10 standalone houses being sold for a gross profit (88.6%) – lower than it's been for multiple years, but still a high figure. Note in previous cycles that the house 'gain' percentage troughed at around 72% in mid-2001 and 81% in mid-2011.

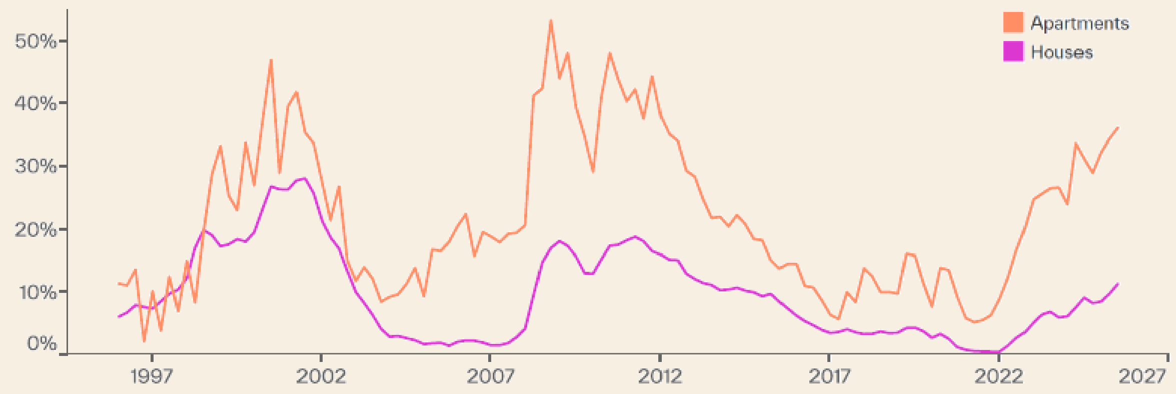
Switching to apartments, the share of resales made for a gross loss always tends to be higher than for houses, and this remained the case in Q3 2025, at 36.2% – up from 34.5% in Q2 and the highest level since Q1 2012 (38.1%). In other words, only around 64% of apartments resold for a gross profit in Q3 2025.

To be clear, even though losses are more common on apartments, there's no real evidence in recent months that they're being abandoned by their owners at fire-sale prices. Indeed, the hold periods for these recent loss-making resales aren't materially different (if anything, actually a bit longer) than other property types, such as standalone dwellings.

It's also worth noting that the scale of apartment losses isn't too much different either. In fact, the median resale loss in Q3 for an apartment was $60,000 – not great for those sellers, but not massively different from the house figure of $49,000. That said, because they tend to start at a lower value, the median resale gains for apartments are also smaller – $104,000 in Q3, vs $270,000 for houses.

In other words, the broad message here is that the weak housing market conditions over the past 3-4 years are impacting the resale performance of all property types, especially if they've only been held for a short period of time.

Proportion of loss-making resales by property type



Main Centres

As we saw at the national level, the pain & gain figures across the main centres also generally shifted against resellers in the third quarter of 2025, with the share of resales made for a gross loss rising in most key areas, apart from Tauranga.

Indeed, that market saw the share of resales made for a gross loss fall from 13.1% in Q2 2025 to 10.8%. Of course, that's still fairly high, certainly compared to Christchurch at 5.5% in the three months to September, and even a bit above Dunedin too (10.0%). That said, both Christchurch and Dunedin had increases in loss-making resales from Q2 – or in other words, a decrease in the share of resales made for a gross profit.

Meanwhile, Hamilton saw its share of resales made for a gross loss rise from 10.5% in Q2 to 15.5% in Q3, with Wellington increasing from 12.4% to 15.8%. Auckland remained the softest of the main centres, with 19.3% of resales made for a loss, up from 15.9% in Q2.

To some extent, this reflects the greater concentration of apartments in Auckland than the other main centres, although as noted earlier in the report, that property type isn't necessarily collapsing either.

Turning to the actual size of gains and losses, the median resale profit across the country as a whole in Q2 2025 was $270,000, with a median loss of $50,000. That gain figure was exceeded in Tauranga ($352,000), Auckland ($338,000), Wellington ($330,000), with Hamilton and Christchurch slightly below (around $265,000 apiece). Dunedin was a little further back at $235,500.

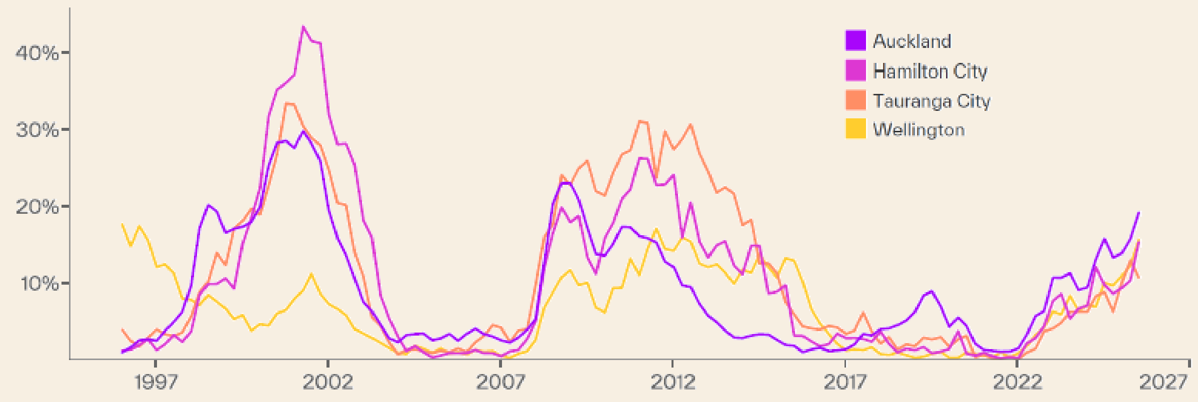
On the flipside, though, median resale losses in Wellington, Auckland, and Tauranga were also above the national figure, while Hamilton, Christchurch, and Dunedin were below. Of the main centres, Christchurch's median loss ($23,050) was the lowest.

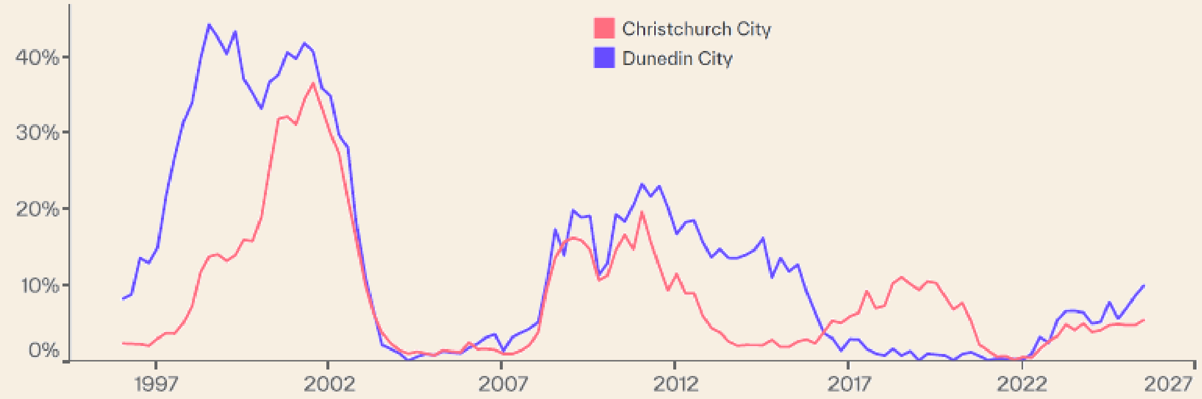
Summary of total profit and loss making re-sales Q3 2025

	Pain			Gain		
Region	**% of all sales**	**Median loss**	**Total value of loss**	**% of all sales**	**Median profit**	**Total profit**
Auckland	19.3%	-$75,000	-$63,898,970	80.7%	$338,000	$1,044,411,819
Hamilton	15.5%	-$38,525	-$3,794,700	84.5%	$266,000	$104,781,770
Tauranga	10.8%	-$65,000	-$5,216,665	89.2%	$352,000	$167,593,909
Wellington	15.8%	-$95,268	-$18,490,734	84.2%	$330,000	$248,071,454
Christchurch	5.5%	-$23,050	-$5,283,580	94.5%	$265,000	$406,552,715
Dunedin	10.0%	-$28,000	-$1,553,969	90.0%	$235,500	$92,043,010

Main Centres

Proportion of loss-making resales by main centre





Type of Owner

The resale performance of property by both owner-occupiers and investors was broadly similar in Q3 2025, sitting at around 12% to 13% of sales at a gross loss.

Starting with owner-occupiers, the share of property resales in Q3 made for a price less than the owner originally paid was 11.8%, up from 10.3% in Q2 2025, and the highest since mid-2013. In other words, the share of resales by owner-occupiers made for a profit was the lowest for around 12 years.

Clearly, in a market where property values are still down significantly from the peak in many parts of the country, and the pricing power still lies with buyers, it's no surprise that resellers aren't faring as well. But even so, this has been a gradual drift downwards rather than the sharp dip post-GFC.

For investors, the share of resales made for a gross loss was 13.4% in Q3, up from 11.1% in Q2, and again the highest since 2013. As with owner-occupiers, the resale performance of property by investors has weakened lately, but the majority of sellers (about 87%) still make a gross profit, especially if they've held for a long period of time.

Generally speaking, investors always tend to sell for a loss a little more frequently than owner-occupiers, perhaps reflecting their tendency to be more numerically-driven rather than emotional. In this sense, the latest figures aren't anything out of the ordinary.

The small gap between the resale performance by owner-occupiers and investors also suggests that landlords aren't selling en masse or exiting the market at discounted prices – that's consistent with the easing in the tax rules over the past year or so and also of course the falls in mortgage rates (which shrink the required 'top ups' out of other income). That said, whether you look at owner-occupiers or investors, the bottom line remains that property resale performance is still weakening.

Turning to the scale of profits and losses, at the national level, the median resale gain for investors in Q3 2025 was $273,500, above the figure for owner-occupiers at $266,000. And for losses, the median for investors was $60,000, versus $47,076 for owner-occupiers.

It's important to note that for most owner-occupiers (unless they're downsizing or moving to a cheaper location), any resale gains aren't really cash windfalls, given that the equity will generally just need to be recycled back into the next purchase.

Proportion of total resales by gain or loss – ownership type Q3 2025

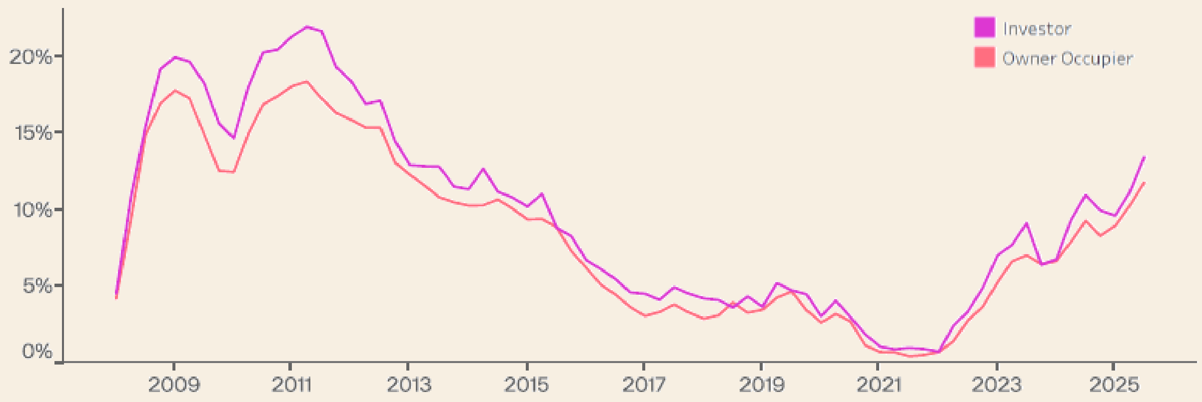
	Pain			Gain		
Region	**% of all sales**	**Median loss**	**Total value of loss**	**% of all sales**	**Median profit**	**Total profit**
Investors	13.4%	-$60,000	-$40,154,734.00	86.6%	$273,500	$828,346,070.23
Owner Occupiers	11.8%	-$47,076	-$46,713,635.54	88.2%	$266,000	$1,494,966,571.01

Type of Owner

Proportion of profit and loss making resales Q3 2025

	Owner Occupier		Investor	
Region	Pain	Gain	Pain	Gain
Auckland	18.2%	81.8%	22.8%	77.2%
Hamilton	13.6%	86.4%	16.8%	83.2%
Tauranga	12.1%	87.9%	8.0%	92.0%
Wellington	13.4%	86.6%	20.9%	79.1%
Rest of NI	11.9%	88.1%	11.4%	88.6%
Christchurch	6.4%	93.6%	6.0%	94.0%
Dunedin	11.6%	88.4%	10.0%	90.0%
Rest of SI	5.7%	94.3%	6.3%	93.7%

Proportion of national loss-making resales – ownership type



Upper North Island

With the wider property market downturn now appearing to be over but the next upturn not yet clear or universal, there are signs in some regional areas that vendors are still struggling a bit to get the prices they'd like.

In particular, Gisborne's share of property resales in Q3 made for a gross loss rose from 8.2% in Q2 to 9.2%, and Whangarei saw an even bigger rise from 8.8% to 12.4%. That said, Rotorua dropped from 7.4% to 6.3%, so it's not outright weakness everywhere.

Moreover, given that hold periods play such a key role in whether a property makes a profit or loss at resale, the dollar figures themselves were still quite solid. Gisborne had a median resale profit in Q3 2025 of $315,000, with Whangarei at $255,00, and Rotorua $239,000.

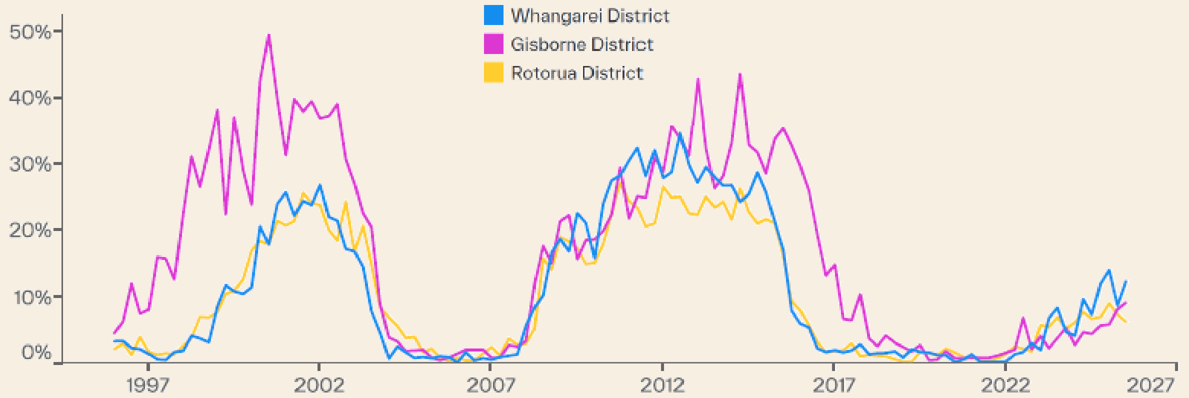
Portion of loss-making sales

	Q3 2025	Q2 2025
Whangarei	12.4%	8.8%
Gisborne	9.2%	8.2%
Rotorua	6.3%	7.4%

Profit and loss-making sale – Upper North Island Q3 2025

	Pain		Gain	
Region	**Median loss**	**Total value of loss**	**Median profit**	**Total profit**
Whangarei	-$57,000	-$1,359,000	$255,000	$42,053,858
Gisborne	-$6,500	-$433,500	$315,000	$22,427,775
Rotorua	-$42,500	-$275,000	$239,000	$22,664,915

Portion of loss-making resales – Upper North Island



Lower North Island

The central and lower North Island showed a mixed bag for property resale performance in Q3, with Napier weakening significantly, as the share of properties sold for a loss increased from 10.5% in Q2 to 16.3%. Palmerston North also edged up from 13.5% to 14.5%.

Yet New Plymouth was broadly flat at 6.1%, Whanganui dropped from 6.3% at a loss to 4.9%, and Hastings saw a big turnaround, from 11.6% in Q3 to 7.2% in Q2.

Even so, when a profit was made, the dollar figures across each of these areas remained significant in Q2. Both Hastings and Napier remained above $300,000, with New Plymouth just short of $280,000, and Palmerston North at $265,000. Whanganui's figure was $252,500 in the third quarter.

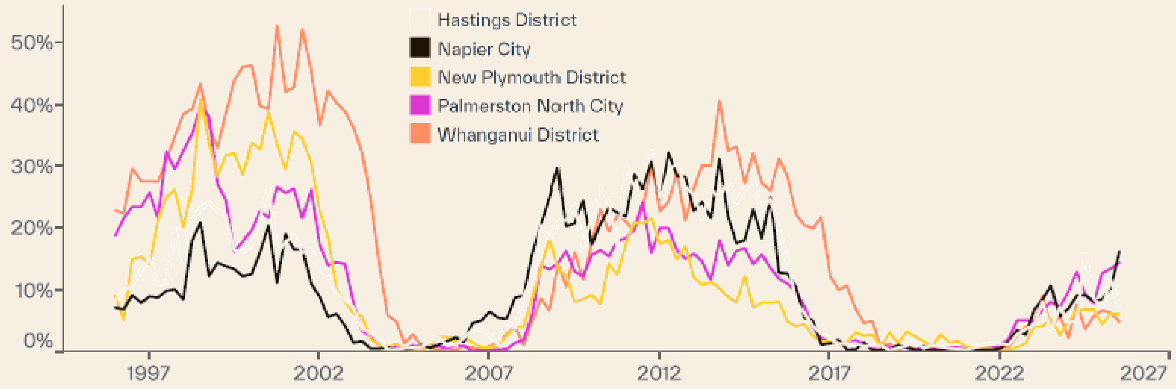
Portion of loss-making sales

	Q3 2025	Q2 2025
Hastings	7.2%	11.6%
Napier	16.3%	10.5%
New Plymouth	6.1%	6.2%
Palmerston North	14.5%	13.5%
Whanganui	4.9%	6.3%

Profit and loss-making sale – Lower North Island Q3 2025

	Pain		Gain	
Region	**Median loss**	**Total value of loss**	**Median profit**	**Total profit**
Hastings	-$52,000	-$1,410,184	$333,000	$70,088,340
Napier	-$40,000	-$1,629,039	$302,000	$52,690,571
New Plymouth	-$35,750	-$942,900	$278,550	$67,267,892
Palmerston North	-$37,525	-$1,773,370	$265,000	$54,932,254
Whanganui	-$35,000	-$374,916	$252,500	$35,746,188

Portion of loss-making resales – Lower North Island



South Island

Across the key South Island centres, property resellers generally remained in a relatively solid position in the third quarter of the year, although Nelson has weakened – the share of resales made for a gross loss rose from 8.5% in Q2 to 14.1% in Q3. By contrast, Invercargill dropped from 3.9% to 2.6%, and Queenstown also fared better from 3.2% to 2.4%.

In terms of the profits and losses themselves, Queenstown's property value resilience still stands out, with a median gain of $486,000 in Q3. Nelson's figure was $234,500, with Invercargill at $209,250.

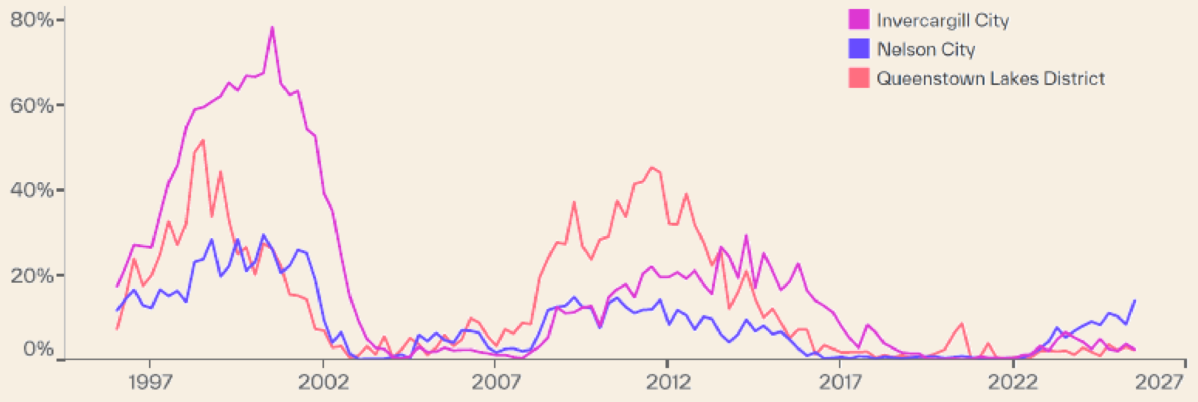
Portion of loss-making sales

	Q3 2025	Q2 2025
Invercargill	2.6%	3.9%
Nelson	14.1%	8.5%
Queenstown Lakes	2.4%	3.2%

Profit and loss-making sale – South Island Q3 2025

	Pain		Gain	
Region	**Median loss**	**Total value of loss**	**Median profit**	**Total profit**
Invercargill	-$20,000	-$139,000	$209,250	$51,420,621
Nelson	-$50,000	-$1,641,200	$234,500	$31,611,882
Queenstown Lakes	-$55,000	-$162,000	$486,000	$80,806,884

Portion of loss-making resales – South Island



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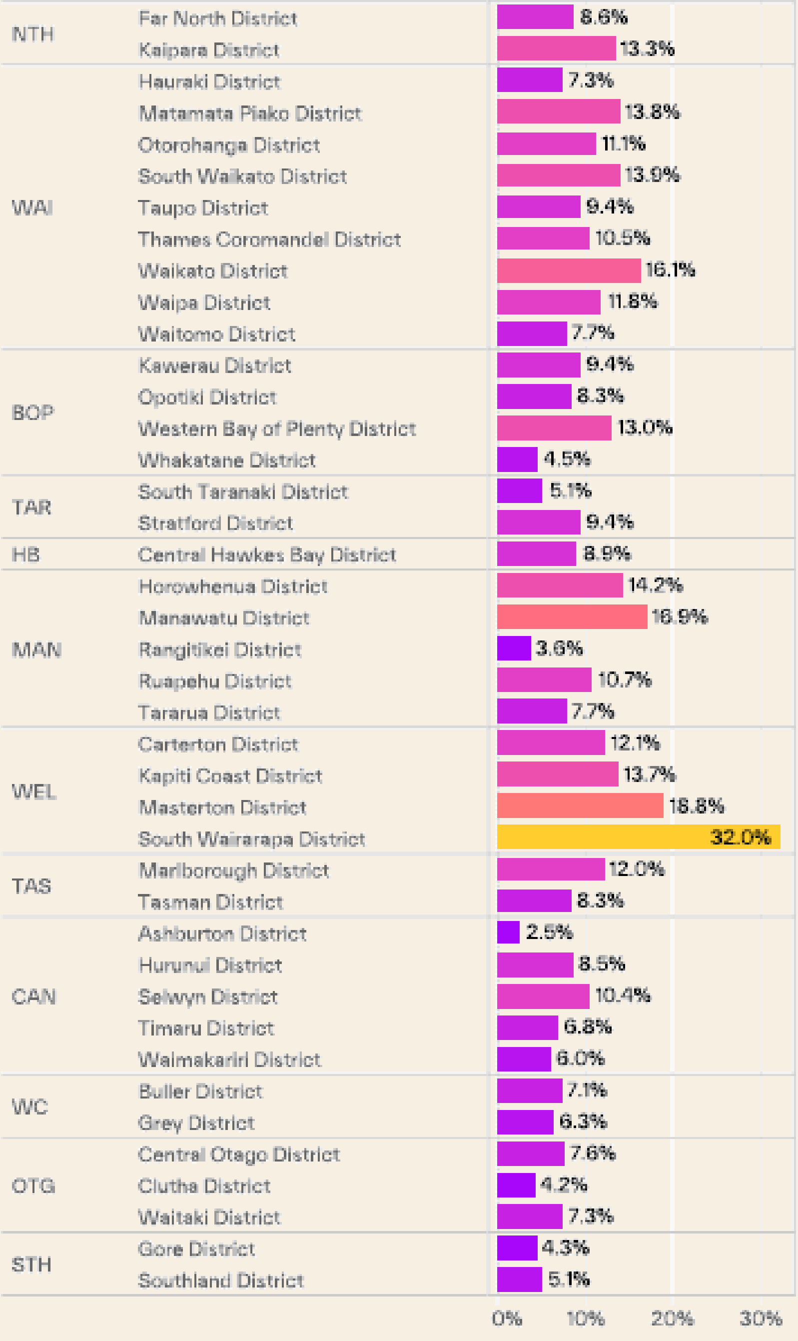
Outside the Main Urban Areas

Most markets around regional NZ have been part of the property downturn too (albeit with some exceptions), and that's also showing through in the pain & gain data.

Notable areas for having more resale weakness in Q3 2025 (both as percentages and the total count of sales) included Matamata-Piako, South Waikato, Waikato District, Waipa, Western Bay of Plenty, Horowhenua, Manawatu, Kapiti Coast, Masterton, and Marlborough.

But generally speaking, most parts of Canterbury, West Coast, Otago, and Southland fared better in terms of property resale performance in the third quarter.

Proportion of loss-making resales – September quarter 2025



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