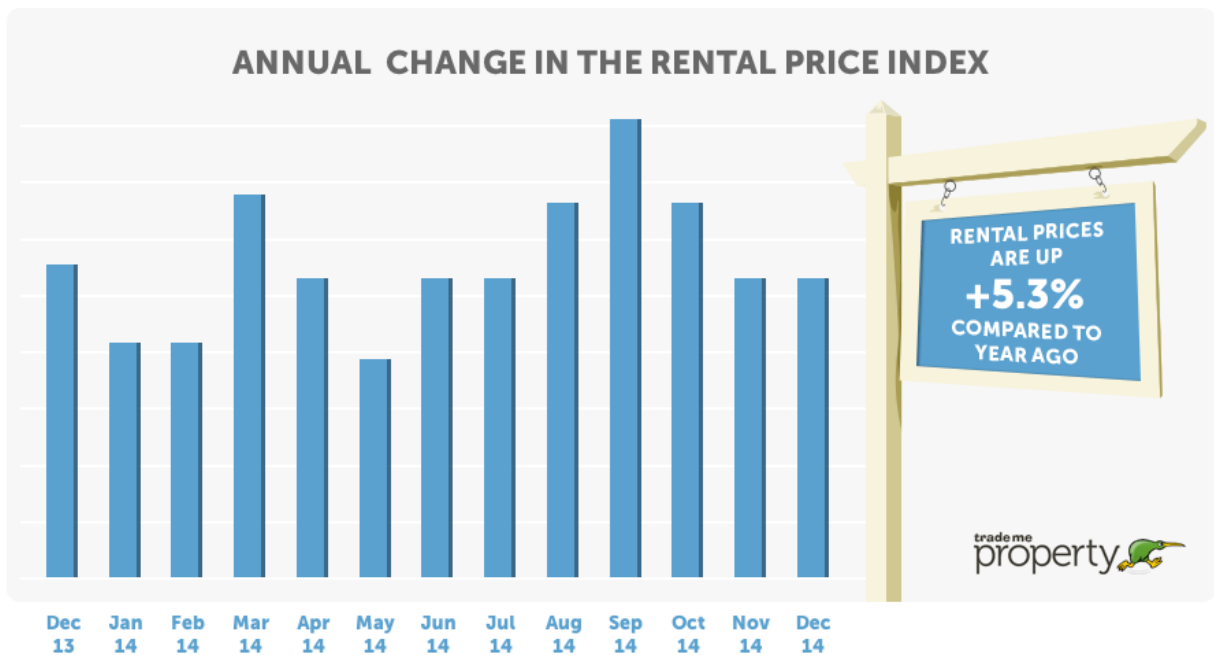


Rents continue to resist inflationary pressure

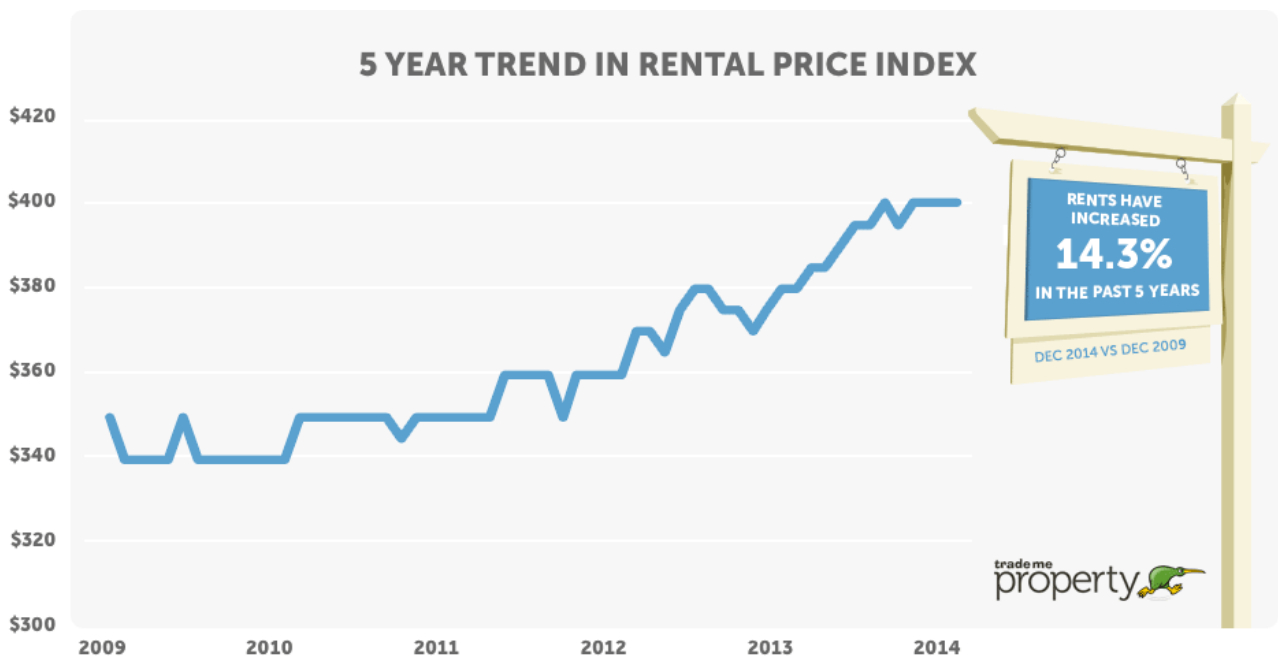
For the fifth consecutive month, the national median rent remained unchanged at \$400 per week and up just over 5 per cent on a year ago, according to the Trade Me Property Rental Price Index out today.

Head of Trade Me Property Nigel Jeffries said that over the course of 2014, the rental market proved to be very stable. “We saw the national median weekly rental land at \$385 in January, then it gradually eased up to \$400 in the middle of the year. It stayed there for the rest of 2014.”

He said the situation for rentals was “chalk and cheese” when compared to the property for sale market. “Around residential property for sale we’ve seen continuous price pressure and an inflation rate of over 12 per cent throughout 2014. Clearly many landlords are more focused on capital appreciation rather than yield.”



Looking at the long-term situation, the focus on capital growth is even more evident with the 5-year trend in rents showing a rise of just \$50 a week, from a median weekly rent of \$350 in December 2009 to \$400 per week in December 2014 (up 14.3 per cent).



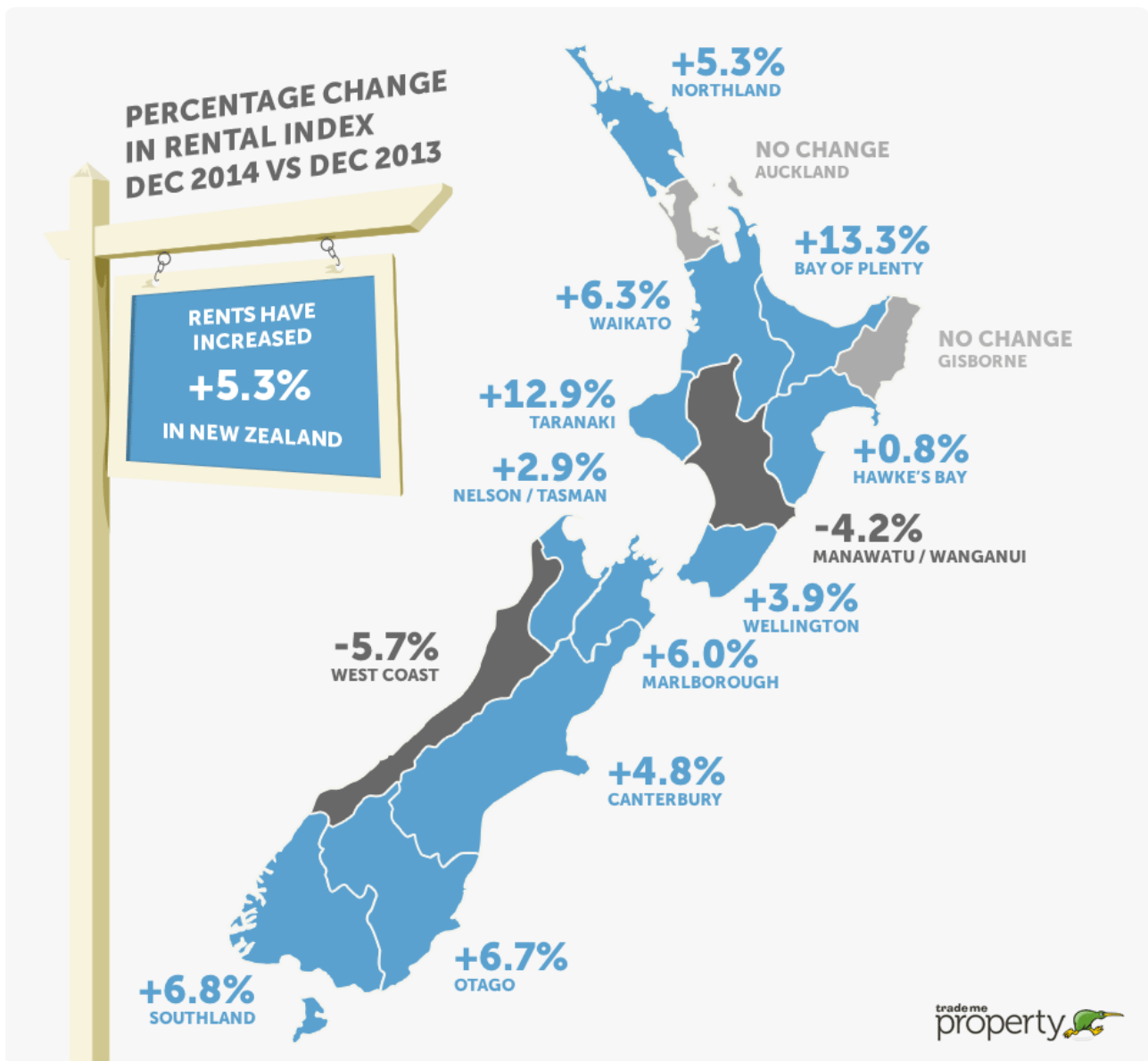
Ups and downs in the regions

Echoing the static national rent inflation across 2014, the trends in rents across many regions are equally moderate. Only two of the fifteen regions showed double-digit growth for the year with the Bay of Plenty median asking rents up 13 per cent to \$340 per week, and Taranaki up just under 13 per cent to \$350 per week.

In contrast, only two regions showed falls in rents with Manawatu/Wanganui median asking rents down 4 per cent to \$230 per week and the West Coast down nearly 6 per cent to \$250 per week.

Of the major metro areas, only Wellington and Christchurch saw increases through 2014, with median weekly rents up 3.9 per cent and 4.8 per cent respectively. Auckland has ended the year at the same weekly level as a year ago, with a median asking rent of \$450 per week.

A couple of regional records were set in December 2014: in Northland rents were up 5 per cent across the year to \$300 per week, and in the Bay of Plenty a year-on-year increase of 13 per cent saw median weekly rents land at \$340 per week.



Rental demand focused on medium-sized properties

Mr Jeffries said “the heart of the rental market” was medium-sized homes of three or four bedrooms. “These are the most sought after by tenants and continue to be the driver of rental prices across the country’s three major metro markets.”

In Auckland weekly rents for medium sized homes ended the year back at the peak of \$520 per week first reached in April 2014.

Wellington began the year at \$480 per week for a medium-sized home in January, then slipped down throughout the year to end at \$450 per week. Christchurch began 2014 at \$480 per week, maintaining that level to end up slightly at \$485, having reached a high tide mark of \$500 a week for five months of the year.

Table 1: Median weekly rent by property size & region

	New Zealand	Auckland	Wellington	Christchurch
Large houses 5+ bedrooms	\$650 + 6.1%	\$700 + 3.3%	\$718 + 8.7%	\$680 + 4.6%
Medium houses 3-4 bedrooms	\$450 + 7.1%	\$520 + 5.1%	\$450 + 2.3%	\$485 + 2.1%
Small houses 1-2 bedrooms	\$320 + 8.5%	\$380 + 1.3%	\$320 + 6.7%	\$350 No change
All property types	\$400 + 5.3%	\$450 No change	\$395 + 3.9%	\$450 + 5.9%

Unit rents showing the fastest growth

Mr Jeffries said demand for units as an affordable renting option was driving rents in the metro markets of Auckland and Christchurch. “With annual growth of 7 per cent, weekly rents for units in Auckland were \$375 per week in December, up from levels of \$350 at the end of 2013. In Christchurch units ended the year at \$340 per week, up 6 per cent from a year ago.”

Table 2: Median weekly rent by property type & region

	New Zealand	Auckland	Wellington	Christchurch
Apartments	\$395 + 5.3%	\$420 + 5.0%	\$420 + 5.0%	\$380 + 15.2%
Townhouses	\$450 + 7.1%	\$505 + 1.0%	\$398 + 1.9%	\$470 + 4.4%
Units	\$320 + 6.7%	\$375 + 7.1%	\$290 No change	\$340 + 6.3%
All property types	\$400 + 5.3%	\$450 No change	\$395 + 3.9%	\$450 + 5.9%

-ends-

MORE INFORMATION

- **About the Trade Me Property Rental Price Index**

The Trade Me Property Rental Price Index is the first report to provide a timely and comprehensive monthly insight into the rental market covering price trends by type and size of property across New Zealand.

The index is produced from Trade Me Property data of properties that have been rented in the month by property managers and private landlords. On average over 14,000 properties are rented each month and the report therefore provides the most comprehensive insight into this critical part of the property market for tenants, landlords and investors. The rental price index is calculated using the median rent in the month, this being an accurate statistical assessment of the current rent being charged by landlords and property managers

- **Regional data:** If you are after information for a particular region, please email Jeff Hunkin via mediaenquiries@trademe.co.nz and we will see what we can unearth for you. We can also provide the graphs and tables.
- **Contact:** Nigel Jeffries is available for interviews. To tee up a time that suits, please email Jeff Hunkin via mediaenquiries@trademe.co.nz or phone (04) 803 2702.