

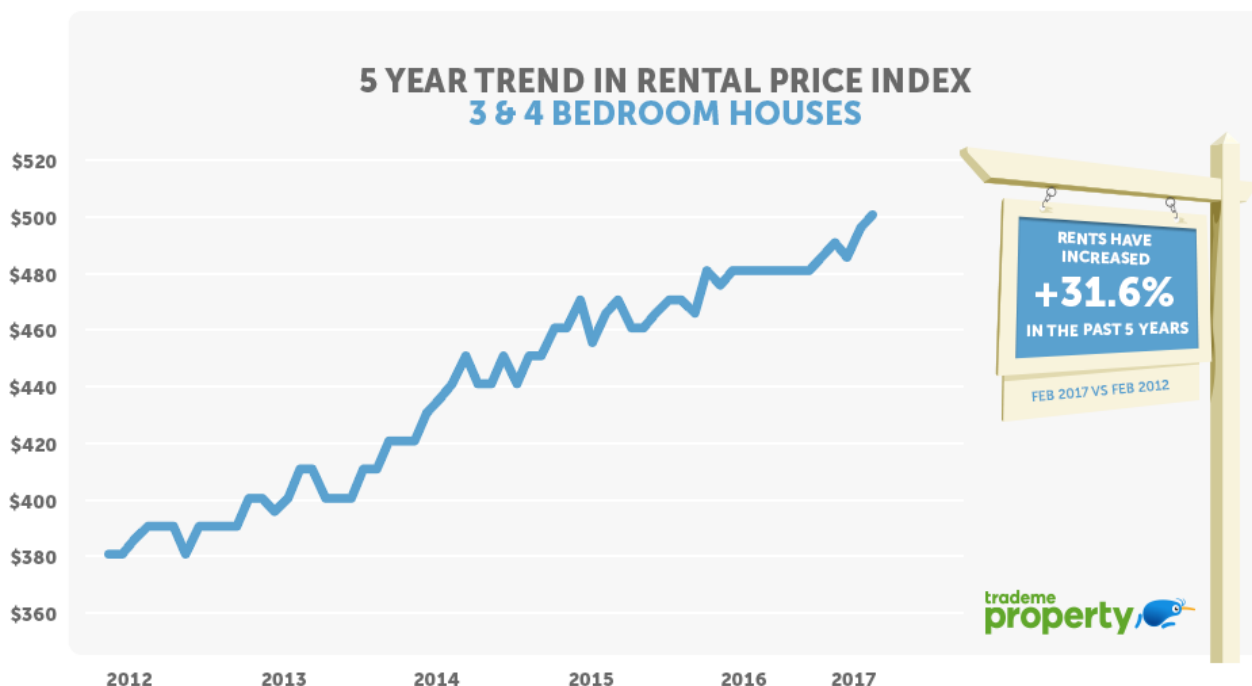
## Renting a typical Kiwi house now costs \$500 a week

The median weekly rent for a typical New Zealand house hit \$500 for the first time ever in February, meaning the annual cost for tenants is now \$26,000 a year, according to the latest Trade Me Property Rental Price Index.

A typical rental property has 3-4 bedrooms, with these properties comprising nearly half of all those listed for rent on Trade Me Property.

Head of Trade Me Property Nigel Jeffries said these rents have lifted by over 30 per cent in the past five years. “Back in 2012, tenants were forking out \$380 a week or just under \$20,000 per annum for a place with three or four bedrooms. Fast-forward to today’s rental market and tenants are staring down the barrel at an additional \$6,000 on their yearly bill,” he said.

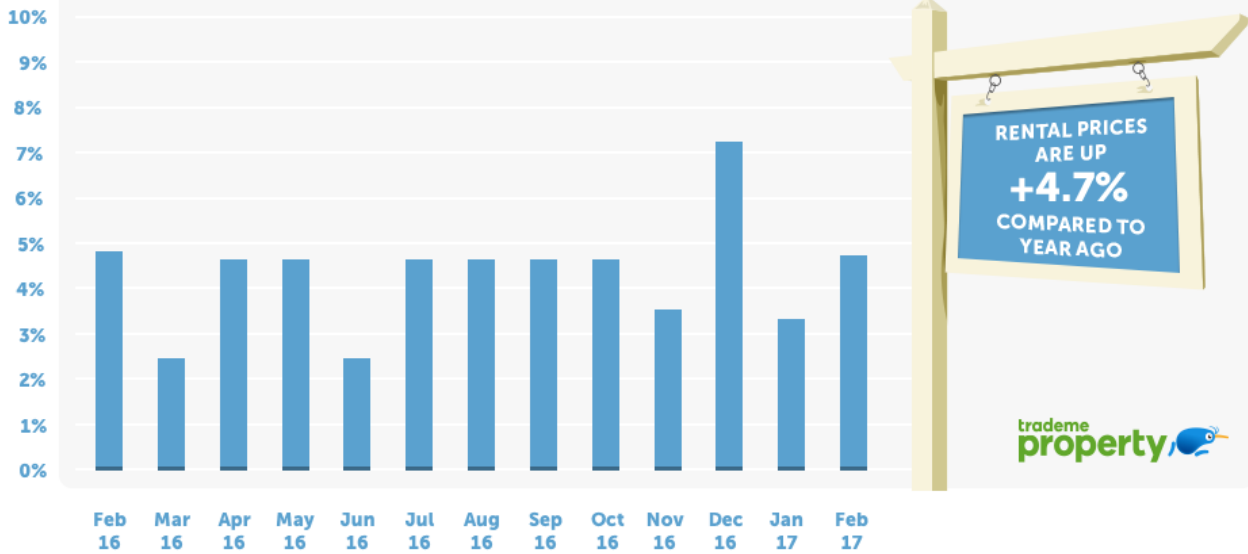
The largest five-year increase in median weekly rent for 3-4 bedroom properties was in the Bay of Plenty, where it rose from \$340 to \$465 – adding \$6,500 to the annual cost of renting. Auckland was not far behind, with a rise of \$5,460 over five years.



The annual change for median weekly rent across all property types stayed largely unchanged in February.

“Tenants are paying \$450 a week across the country for a rental property, and that figure has remained steady for the past three months. Even so, it’s a five per cent rise on a year ago, and they can expect to be paying an extra \$20 a week,” Mr Jeffries said.

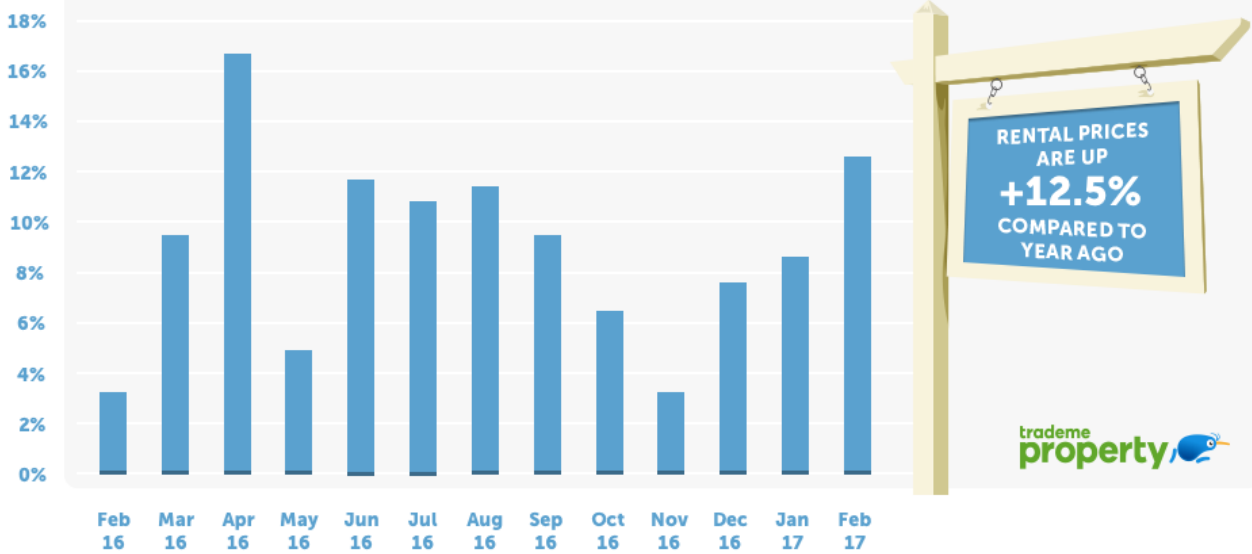
## ANNUAL CHANGE IN THE RENTAL PRICE INDEX NEW ZEALAND



### No stopping Northland as rents keep edging up

The median rent in Northland hit a new record high in February of \$360 a week, as Auckland's halo effect continues to push surrounding regions higher in property and rental prices. This represents a lift of 12.5 per cent in the past 12 months, adding over \$2,000 to the annual cost of renting a property in the region.

## ANNUAL CHANGE IN THE RENTAL PRICE INDEX NORTHLAND

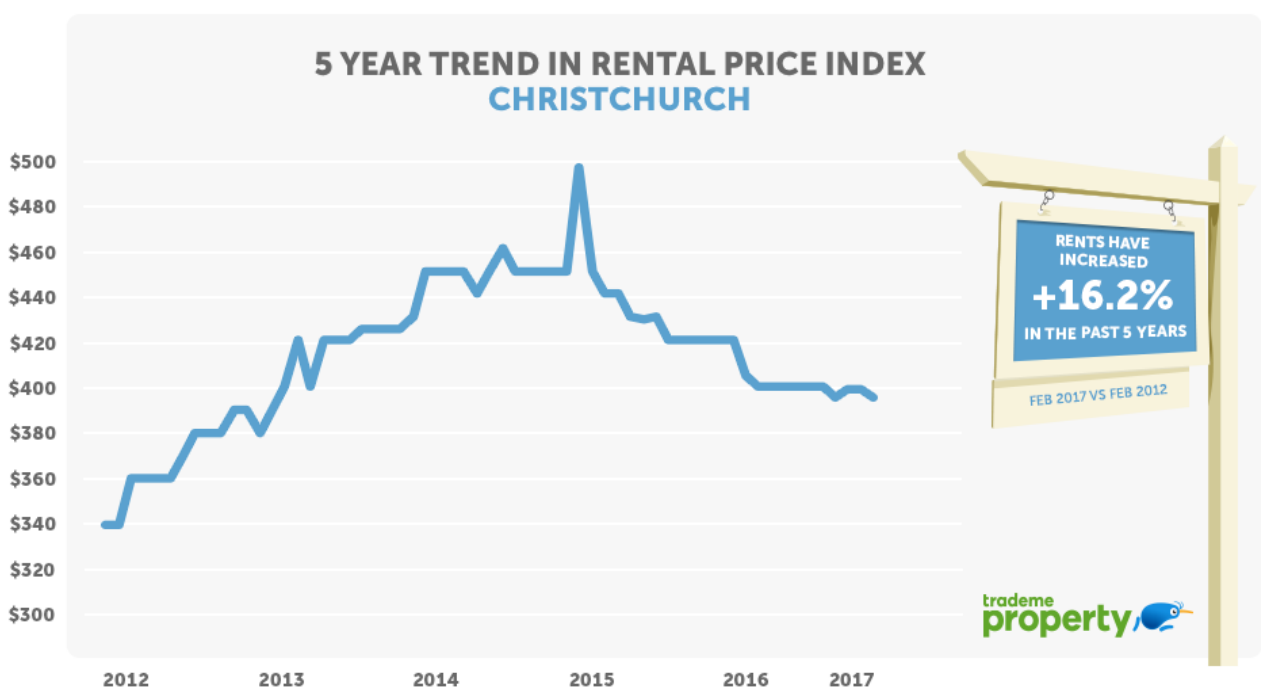


## Christchurch still trailing behind

The rental market in Christchurch is “struggling for traction” when compared to the rest of the country, Mr Jeffries said.

“The situation in the Garden City could not be more different to the rest of New Zealand. For the past 12 months the rental market has been static, holding steady at \$400 a week before slipping again last month to \$395.”

Median weekly rent in Christchurch fell by \$100 a week (20 per cent) between February 2015 and February 2017. “The recent trough came after a rise of \$95 per week between February 2013 and February 2015. It’s been a rollercoaster ride for the city, as the rebuild activities continue to send ripples through the market,” Mr Jeffries said.



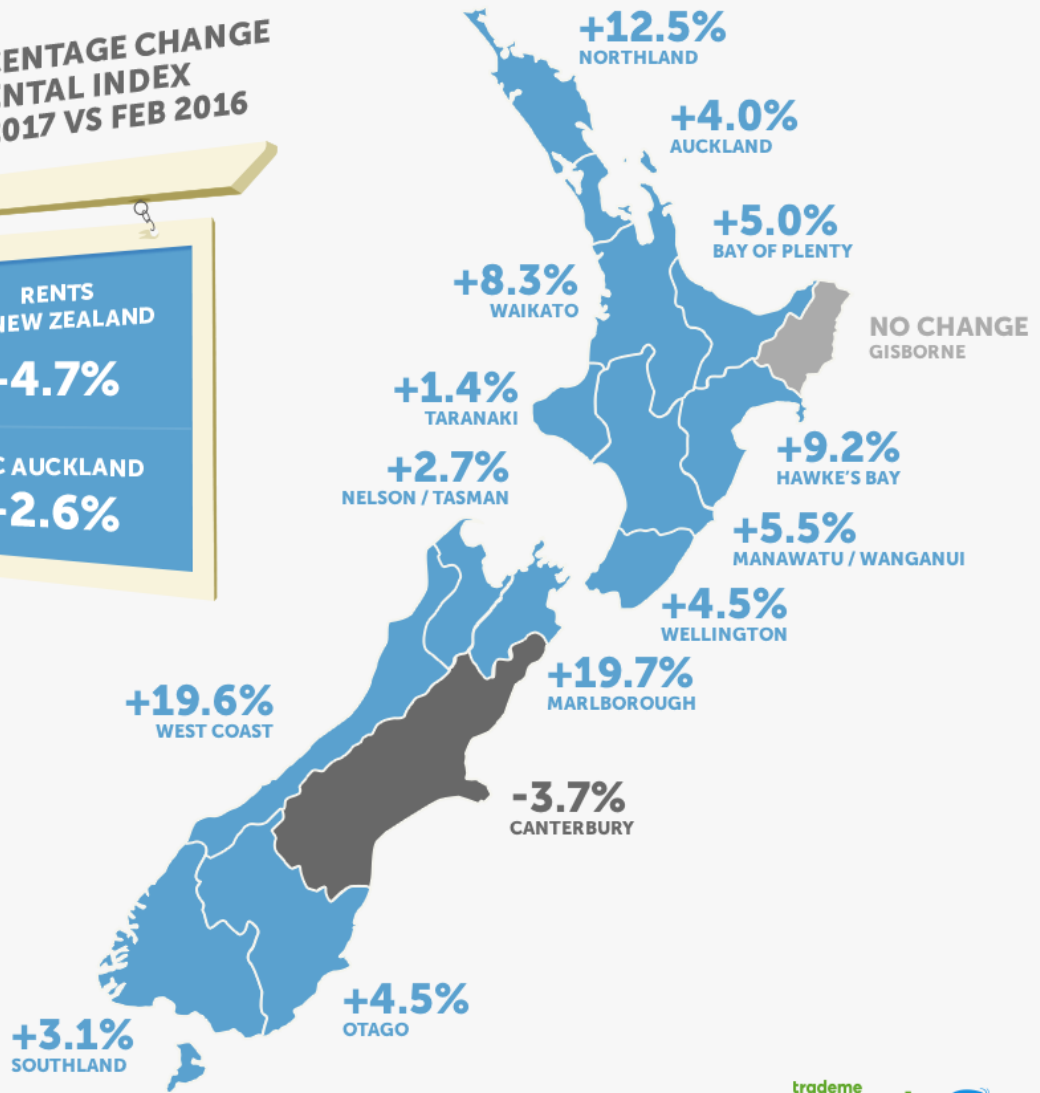
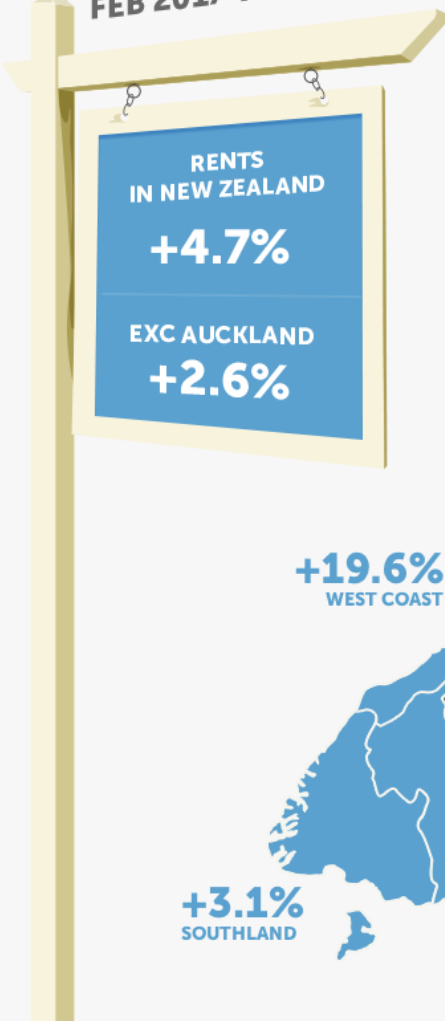
## Around the regions

Median weekly rents are rising steadily across the country with the exception of the Canterbury region. The most notable rises this month are in the South Island, with big lifts for the West Coast and Marlborough.

Marlborough showed strength in February with median weekly rents lifting 19.7 per cent annually to \$395. “This boost is in large part due to the post-earthquake demand for contract workers in the region, and it looks like it will continue to be tough for tenants because of Marlborough’s relatively small volume of rental stock,” Mr Jeffries said.

The West Coast is a small market with low turnover, contributing to the volatility in median weekly rents that were up 19.6 per cent year-on-year to \$275.

**PERCENTAGE CHANGE  
IN RENTAL INDEX  
FEB 2017 VS FEB 2016**



## Large cost for large houses in the Capital

Renting in the capital remains a struggle with a “significant imbalance” between low supply and heavy demand. “Wellington tenants continue to face some tough challenges, and this isn’t limited to smaller homes or student-focused accommodation either,” Mr Jeffries said.

Large houses (5+ bedrooms) have the highest median weekly rents for this type of property across the whole country. “In February these houses had a median weekly rent of \$975 a week – a staggering annual cost of over \$50,000. In the past year that cost has risen by 15 per cent, adding \$6,500 for tenants looking to upsize,” he said.

Table 1: Median weekly rent by property size & region: February 2017 vs February 2016

	All properties	Large houses 5+ bedrooms	Medium houses 3-4 bedroom	Small houses 1-2 bedroom
<b>New Zealand</b>	<b>\$450</b> + 4.7%	<b>\$750</b> + 4.2%	<b>\$500</b> + 5.3%	<b>\$360</b> + 2.9%
<b>New Zealand excluding Auckland</b>	<b>\$390</b> + 2.6%	<b>\$620</b> No Change	<b>\$430</b> + 4.9%	<b>\$320</b> + 6.7%
<b>Auckland</b>	\$520 + 4.0%	\$800 + 1.3%	\$575 + 2.7%	\$440 + 4.8%
<b>Wellington</b>	\$460 + 4.5%	\$975 + 14.7%	\$545 + 10.1%	\$365 + 4.3%
<b>Christchurch</b>	\$395 - 6.0%	\$605 - 6.9%	\$440 - 2.2%	\$340 - 5.6%

## Units still fizzling

Mr Jeffries said enthusiasm for renting units was cooling. “This time last year units saw some solid growth in median asking rents, which were up 12 per cent to \$360 per week in February 2016. Now, twelve months down the track, the median weekly rent is stuck in the mud at \$358.”

A year ago, the median weekly rent for units in Auckland was up 7 per cent at \$408, and 12 months later it is \$440, up 5.5 per cent year-on-year.

Table 2: Median weekly rent by property type & region: February 2017 vs February 2016

	All urban properties	Apartments	Townhouse	Units
New Zealand	\$410 + 2.5%	\$450 + 4.7%	\$460 + 1.1%	\$358 - 0.7%
New Zealand excluding Auckland	\$350 No Change	\$390 + 2.6%	\$400 - 4.8%	\$295 - 0.7%
Auckland	\$465 + 4.5%	\$480 + 4.3%	\$572 No Change	\$430 + 5.5%
Wellington	\$430 + 7.5%	\$460 + 3.4%	\$490 + 6.5%	\$340 + 6.3%
Christchurch	\$350 - 6.7%	\$349 - 0.3%	\$400 - 9.1%	\$300 - 11.8%

-ends-

## NOTES

- About the Trade Me Property Rental Price Index:** This report provides a 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 11,000 properties are rented each month and the report provides a comprehensive insight into this part of the property market for tenants, landlords and investors. The 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.
- More info:** For information about the differences between the Trade Me Property data and bond data collected by Tenancy Services, please read this post by Dr Lucy Telfar-Barnard from the University of Otago: <http://onetwothreehome.org.nz/2015/05/11/how-high-is-the-rent/>
- Regional data:** If you are after information for a particular region, please email Jeff Hunkin via [mediaenquiries@trademe.co.nz](mailto: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](mailto:mediaenquiries@trademe.co.nz) or phone (04) 803-2702.