

NZ rental listings up but enquiries tick down

The number of properties available for rent across the country increased by 5 per cent compared with a year ago, and demand from prospective tenants declined by 2 per cent according to Trade Me Property's analysis of the first quarter of 2013. Nationally, average asking rents rose by 3 per cent.

Supply lifting from Hamilton north

Head of Trade Me Property, Brendon Skipper, said the continued strong supply numbers were driven by Auckland. "The number of available listings saw solid year-on-year growth right across the Super City, with the stand-outs being Manukau's increase of 22 per cent, and North Shore's 16 per cent lift."

He said interest from prospective tenants was struggling to keep pace with supply in Auckland City (down 12%), North Shore (down 7%), and Waitakere (down 11%), but demand had "bounced back" in Manukau, where it is up 2 per cent after a decline of 6 per cent in the December quarter.

"Large suburbs like Mt Eden, Remuera, and Mt Wellington provide a microcosm of the wider picture in Auckland. The number of listings has continued to track up, as buoyant values and low interest rates lure investors back to the market.

"On the flipside, demand from tenants has been diluted as they have more rental stock to choose from. This means landlords will be working harder to secure great tenants, especially if they have a property that doesn't tick all the boxes."

Wellington weak, but not Lower Hutt

Mr Skipper said the picture in the capital had "changed significantly" since the December quarter when available listings increased by 13 per cent, and demand had fallen by 7 per cent. "The Wellington market has tightened, with available listings down by 3 per cent and enquiry numbers up by an average of 2 per cent."

In the Hutt Valley, demand from tenants was "running hot", Mr Skipper said. "There's good news for landlords in Lower Hutt as it was second only to Christchurch in terms of the level of interest from tenants with a 19 per cent surge this quarter. Strong demand has flowed into asking rents too, as they've ticked up 6 per cent."

The Christchurch and West Coast situations

Mr Skipper said the Christchurch market continued to have its own "tough" microclimate for renters. "There's ongoing pressure on rental stock, with 19 per cent fewer listings available than a year ago. Demand is still off the chain with 30 per cent more enquiries from tenants, including a lift of more than 50 per cent in Linwood, St Albans and the CBD.

“It’s no surprise to anyone that the constraint in supply and huge interest from renters have conspired to see average rents up by 24 per cent on a year ago, compared with single-digit increases elsewhere, and way ahead of the national average of 3 per cent.”

The opposite situation was at play on the West Coast where supply had exploded by 42 per cent, but demand had fallen by 32 per cent. “The West Coast economy has had a rough time, and we suspect the landlords on the Coast have a hard winter ahead as they seek to fill their rentals in a market where tenants have a heck of a lot of choice.”

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More info: Stats follow

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Tables: Rentals on Trade Me Property

Notes

- Data is for houses and apartments
- “Supply” is based on total listings onsite, not new listings
- “Demand” is based on the average number of enquiry emails received per listing

1. Quarterly comparison for Q1: By city

City	Jan-Mar 2013 vs Jan-Mar 2012		
	Supply (%)	Ave rent (%)	Demand (%)
Auckland	+14	-1	-12
Manukau	+22	+6	+2
North Shore	+16	+4	-7
Waitakere	+12	+3	-11
Christchurch	-19	+24	+30
Palmerston North	-5	-2	-5
Dunedin	-2	+1	-4
Hamilton	+13	+4	-6
Wellington	-3	no change	+2
Lower Hutt	+8	+6	+19
National total	+5	+3	-2
National total (excluding Canterbury)	+7	+2	-4

2. Quarterly comparison for Q1: Top 5 suburbs by listing numbers

City	Suburb	Jan-Mar 2013 vs Jan-Mar 2012		
		Supply (%)	Ave rent (%)	Demand (%)
Auckland	Central	+16	-3	-20
	Mt Eden	+10	+3	-15
	Remuera	+7	-3	-9
	Mt Wellington	+35	-3	-8
	Epsom	no change	-4	-7
Christchurch	Central	-34	+27	+53
	St Albans	-27	+20	+52
	Riccarton	-19	+17	+10
	Linwood	-42	+12	+100
	Merivale	-8	+27	+2
Wellington	Central	-13	+1	+17
	Newtown	+8	no change	+12
	Mt Cook	+21	-7	+3
	Te Aro	-14	-1	-7
	Mt Victoria	+7	+5	+7