

Third month of rent increases for Aotearoa

New Zealand rental prices have increased for the third consecutive month in a row according to Trade Me’s latest Rental Price Index.

The latest data reveals that the national median weekly rent in Aotearoa has jumped to \$640 for the month of February up 1.6 per cent compared to January this year.

Trade Me’s Property Sales Director Gavin Lloyd said that the increase from the past three months is a trend we often see in the summer months.

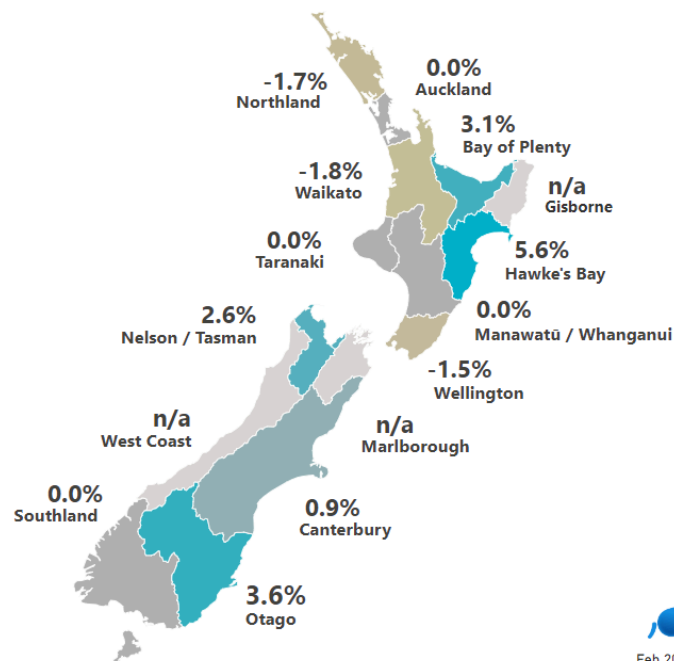
“In New Zealand, when summer rolls around, rental prices tend to go up. More people move around during the warmer months, creating increased demand for places to rent. Since supply hasn’t been keeping up with demand recently, renters are having to pay more to help secure a property in the busy summer season,” he said.

“While we have seen a slight increase in month on month increase we have seen a bigger difference when looking at the year on year figures. Compared to February 2023 there has been a 6.7 per cent increase in the weekly median rent which adds up to over \$2,000 a year, or \$40 per week,” said Lloyd.

Rental Price Index Feb 2024 vs Jan 2024

+1.6% month on month
-0.8% excluding Auckland

Region	Rental Price Index
Auckland	\$680
Bay Of Plenty	\$670
Canterbury	\$565
Gisborne	n/a
Hawke's Bay	\$655
Manawatū / Whanganui	\$550
Marlborough	\$550
Nelson / Tasman	\$590
Northland	\$590
Otago	\$580
Southland	\$450
Taranaki	\$600
Waikato	\$550
Wellington	\$670
West Coast	n/a



Demand drops as summer ends

As the summer months came to an end, the demand for rental properties dropped both year on year and month on month.

The interest in properties decreased by 14 per cent compared to January, when compared to the same time last year, it is down by 13 per cent. Wellington experienced the biggest drop down 36 per cent compared to January.

The number of properties in the rental market has increased slightly, up three per cent compared to the same period last year. This rise has predominantly been in smaller regions like Gisborne (93%), Taranaki (60%) and Northland (33%).

"As demand slows down, this could benefit renters who are planning to move in the next few months. It might also contribute to keeping rental prices stable or even lower, particularly if the supply of available homes continues to grow," said Lloyd.

Hawkes Bay records biggest month on month increase

The Hawkes Bay recorded the biggest increase compared to January, up 5.6 per cent in February, with the median rent for the area now \$655.

This was largely driven by Napier which rose by 11.7 per cent and Hastings grew 3.1 per cent, making both cities' median rent \$670 per week, only \$10 behind Auckland.

Renters in Auckland and Wellington experienced a bit of relief in prices. In Auckland, median rents remained steady at \$680, while in Wellington, there was a slight dip of 1.5 per cent, bringing median rents down to \$670.

"This offers a bit of relief for residents in the larger regions, particularly following the increases seen in January. However, it's important to note that prices are still higher compared to last year, which might be impacting those who typically relocate around summer, for example students who search for accommodation for the upcoming year," said Lloyd.

When looking at the main hubs, students renting in the Wellington region face the highest rental costs, averaging around \$670 per week. In contrast, those studying in Hamilton and Manawatū-Whanganui pay the least, at \$550 per week. Canterbury follows closely behind at \$565, trailed by Otago at \$580, and Auckland City at \$650.

Overall, Southland retains its status as the most affordable place to rent in New Zealand, with a median price of \$450 per week.

Record highs for 1-4 bedroom properties

Across the country, the median rental prices for properties with 1-2 bedrooms and 3-4 bedrooms recorded an all time high across the country's main centres.

The median weekly rent for 1-2 bedroom property in New Zealand peaked at \$550 per week, up 10 per cent year on year. Properties with 3-4 bedrooms rose by 6.7 per cent to \$720 per week.

Across the city centres prices rose for most property sizes but the biggest increase was 3-4 bedroom properties in Christchurch which went up by 12.1 per cent.

"In Wellington, five-bedroom properties were the only size to experience a drop in the median weekly rent. However, despite this decline, Wellington remains the priciest city to

rent such properties, now averaging \$1,205 per week, which is \$55 more than Auckland," added Lloyd.

	ALL PROPERTY	5+ BEDROOMS	3-4 BEDROOMS	1-2 BEDROOMS	* Record High
New Zealand	\$640 * 6.7%	\$1,100 4.8%	\$720 * 6.7%	\$550 * 10.0%	
New Zealand excl. Auckland	\$595 6.3%	\$950 0.0%	\$660 * 4.8%	\$520 * 8.3%	
Auckland	\$680 7.9%	\$1,150 4.5%	\$780 8.3%	\$580 5.5%	
Wellington	\$670 1.5%	\$1,205 -3.6%	\$765 2.0%	\$590 7.3%	
Christchurch	\$560 9.8%	\$900 n/a	\$650 12.1%	\$490 4.3%	



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- Questions or interviews: Please contact Tiana Barns on 027 825 4298 or mediaenquiries@trademe.co.nz
- Regional data: If you are after information for a particular region, please email us via mediaenquiries@trademe.co.nz and we will see what we can unearth for you. We can also provide graphs and tables.
- 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 listed for rent onsite in the month by property managers and private landlords. On average, over 18,000 rental properties are listed onsite each month and this report provides a comprehensive insight into this part of the property market for tenants, landlords and investors. The index is calculated using the rounded median rent in the month, this being an accurate statistical assessment of the current advertised 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/>