

# Renters Pulse Survey Topline report

January 2024



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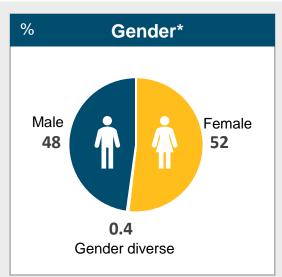


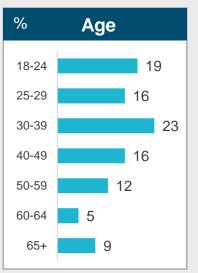
#### Research objectives and method

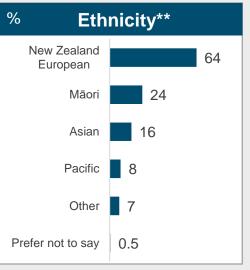
The Ministry of Housing and Urban Development has commissioned Verian (formerly Kantar Public/Colmar Brunton) to undertake pulse surveys of renters and landlords twice a year to help inform its understanding of the impacts of legislative changes on the residential rental market. This report provides the results for the sixth wave (conducted January 2024), with comparisons made with the previous five waves where appropriate (April 2021, October 2021, May 2022, November 2022 and May 2023).

- A nationwide online survey of 1,501 renters.
- Maximum margin of error on the total sample (at the 95% confidence level) is +/-2.5%.
- Fieldwork was conducted from 15<sup>th</sup> January to 2<sup>nd</sup> February 2024.
- Statistically significant changes over time are denoted on the charts by triangles. Statistical significance has been calculated (at the 95% confidence level, unless otherwise stated) using a two column independent proportional t-test.
- Quotas were used to ensure a representative sample by age, gender, region and ethnicity (with minimum quotas to ensure a representative sample for Māori and Pasifika). Data were also weighted by age within gender and region to match Census population characteristics of renters.

#### Sample profile of renters (January 2024 only)

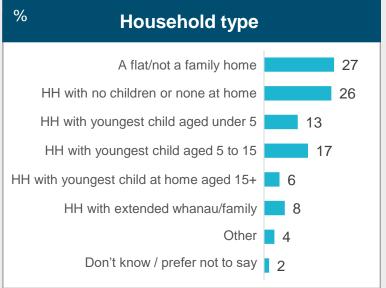


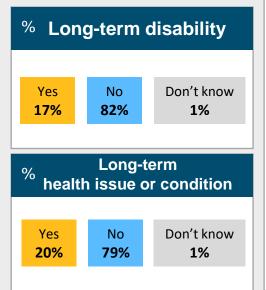


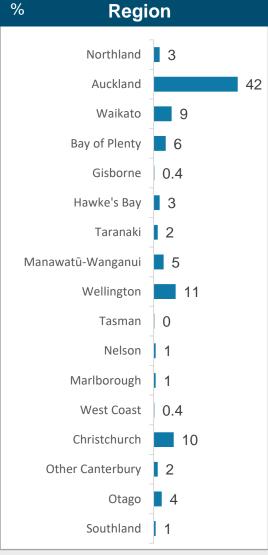












Base: All renters (Jan '24 only, n=1501)

Source: S3, S4, S5, S6, Q2, Q3, Q4, Q37, Q38.

Note: Totals may not always add to 100% due to rounding. \*\*Multiple answers can be selected, so totals may not add to 100%



## **Tenancy characteristics**

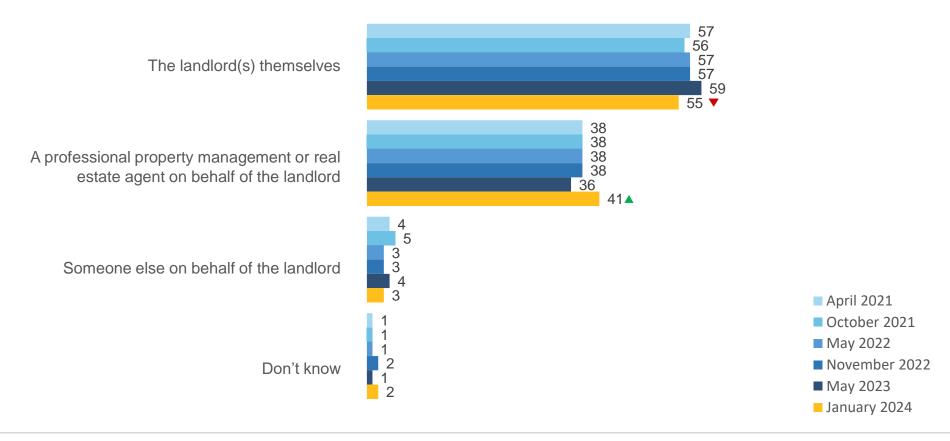


#### Management of the rental property

Compared with mid-2023, tenants specified that there was a decrease in landlords managing their properties themselves (down four points to 55%) and, as a result, an increase in management by property managers (up five points to 41%).

#### Who manages the rental property

%

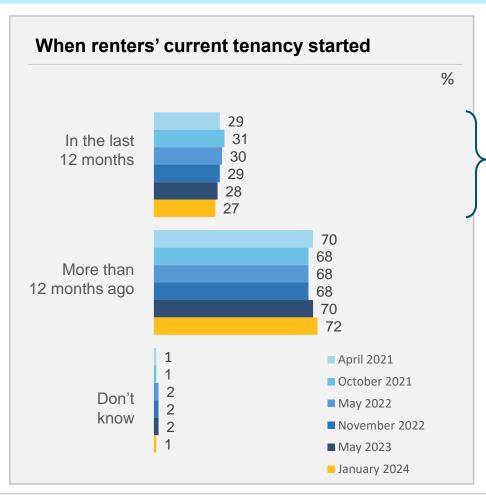


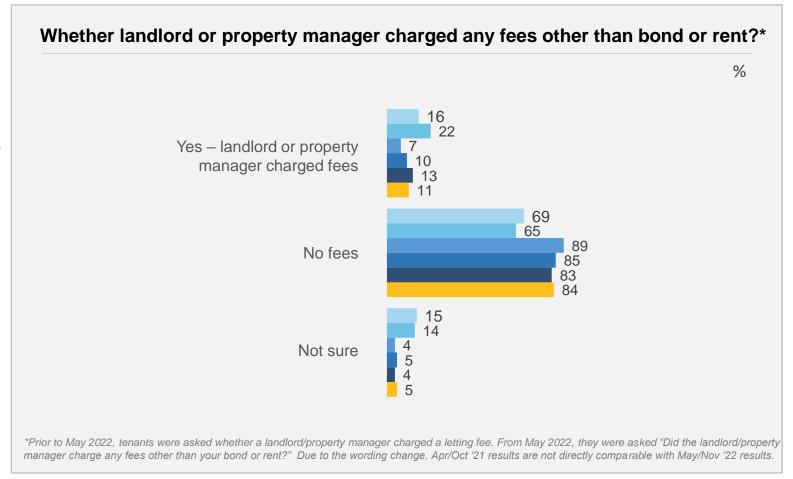
Base: All renters (Apr '21 n=1,500, Oct '21 n=1,500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501).

**Source:** Q7. "Who mainly manages the rental property where you live?" **Note:** Totals may not always add to 100% due to rounding.

#### **Start of the tenancy**

Almost three guarters of renters (72%) began their tenancy more than 12 months ago, similar to previous waves. Of those with a tenancy that began in the last year, one in ten (11%) were charged a fee other than bond or rent when their tenancy began.





All renters (Apr '21 n=1,500, Oct '21 n=1,500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501). Source: Q9. "When did the tenancy start for the rental property you live in?"

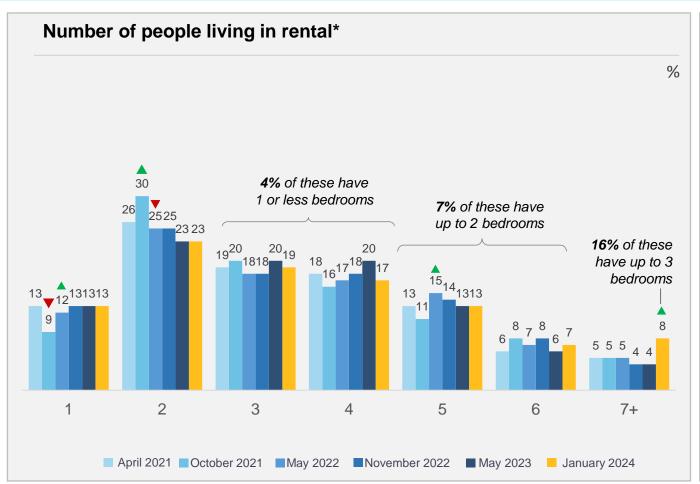
Totals may not always add to 100% due to rounding.

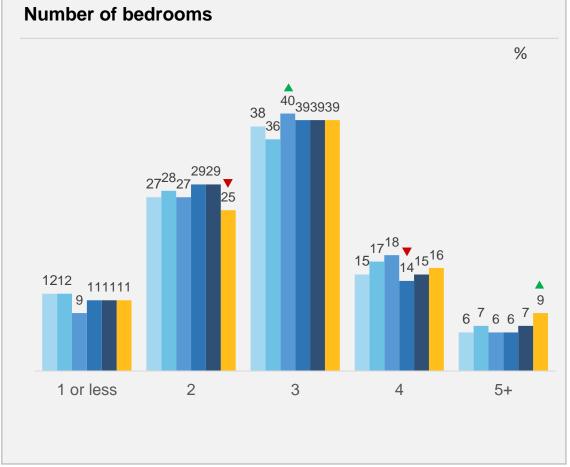
Renters whose tenancy started in the last 12 months (Apr '21 n=432, Oct '21 n=460, May '22 n=452, Nov '22 n=445. May '23 n=423. Jan'24 n=411).

Any fee charged by the property manager or landlord for giving you the tenancy (not including rent or bond)."

#### **Tenancy characteristics**

Compared with May 2023, there has been an increase in renters living in households with 7 or more people (up four points to 8%), of which 16% are in households with 3 or fewer bedrooms.





All renters (Apr '21 n=1,500, Oct '21 n=1,500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501).

Source: Q5. "How many people do you currently live with?"

\*For reporting, '1' has been added to answers to give a total number of people living in the property.

All renters (Apr '21 n=1,500, Oct '21 n=1,500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501). Source: Q6. "How many bedrooms are there where you currently live?"

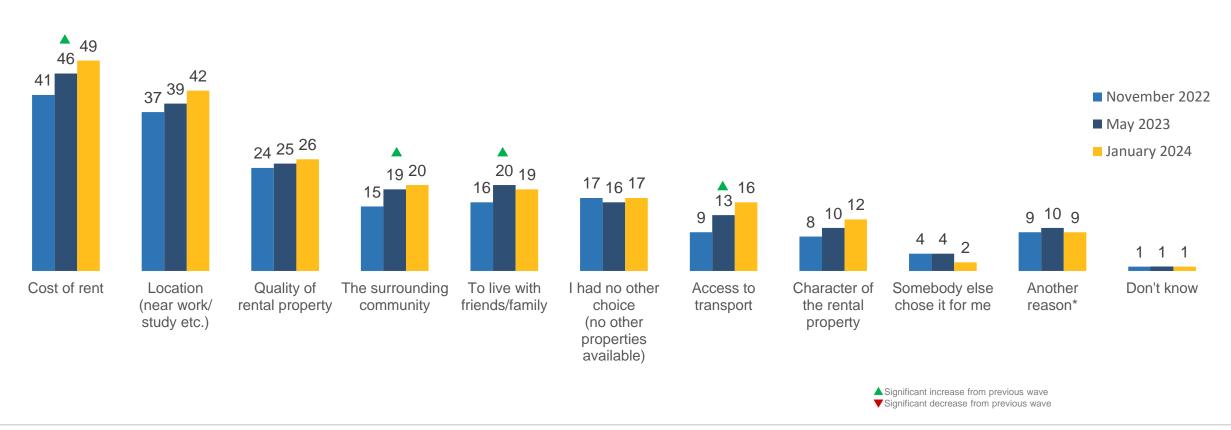
▲ Significant increase from previous wave ▼Significant decrease from previous wave

#### Reason for choosing rental property

Cost of living pressures remain evident, with the cost of rent being the most common motivator when choosing a rental (49%). Renters are also commonly motivated by location (42%) and quality of the property (26%).

#### Why tenants chose their rental

%



ase: All renters (Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501).

**Source:** Q6a. "Why did you choose to rent your current rental property?"

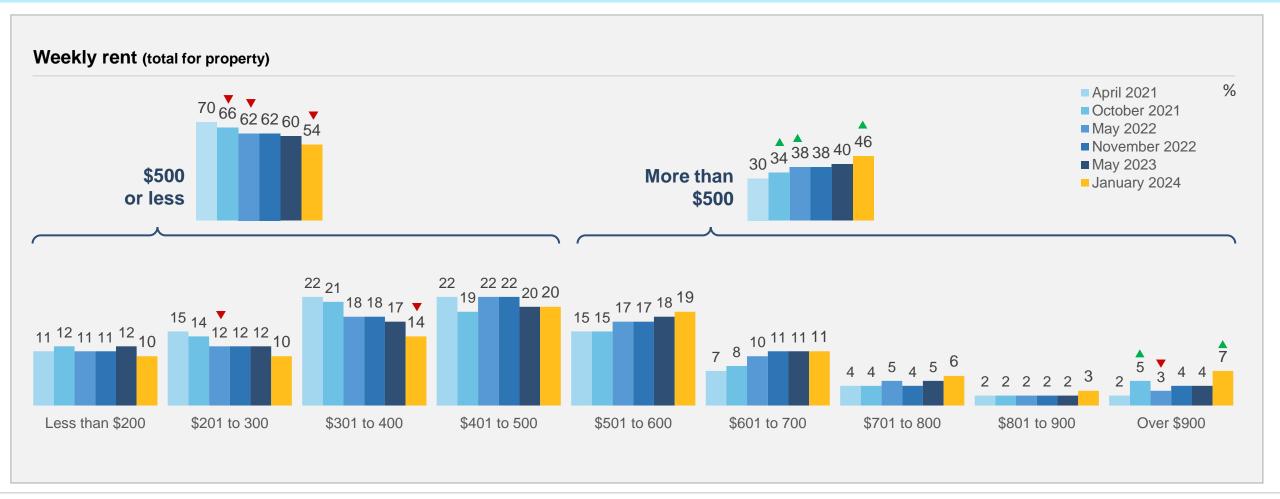


Rental payments and government financial support



#### Rental affordability (1)

Following a plateau in rent prices over the last 18 months, there has been an increase in those paying more than \$500 a week (up six points to 46%). This is most evident at the upper end of the rental market, with those charged over \$900 increasing by three points (up to 7%)



#### Rental affordability (2)

Just over two in five renters (44%) feel their rent is affordable which has stabilised after a drop in 2022.

#### **Affordability**



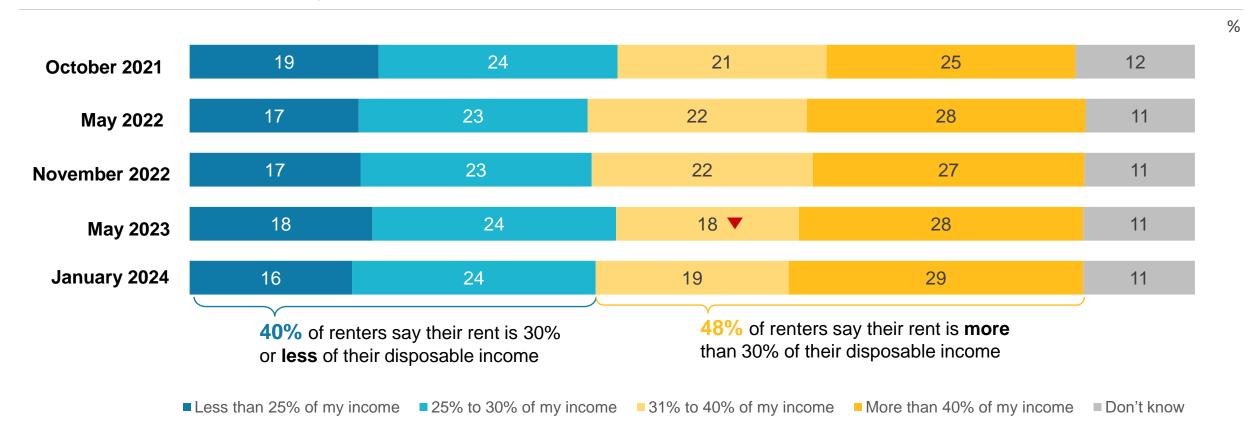
All renters (Apr '21 n=1,500, Oct '21 n=1,500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501). Source: Q12. "How affordable is your current rent?"

Due to rounding, totals may not add to 100%.

#### Rental affordability (3)

Four in ten renters (40%) spend up to 30% of their disposable income on rent and almost half (48%) spend more than 30% on rent.

#### How much is rent as a percentage of renters' disposable incomes

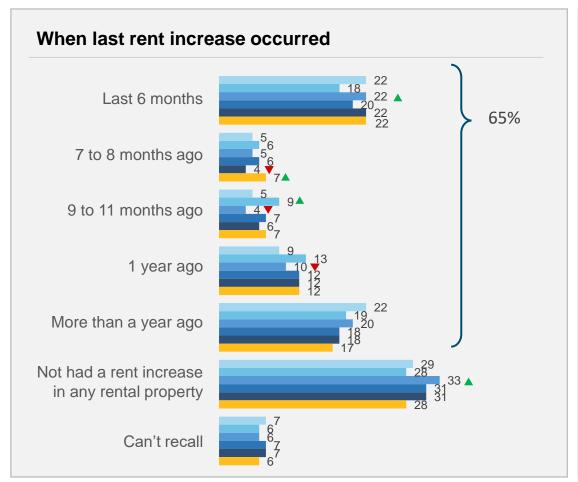


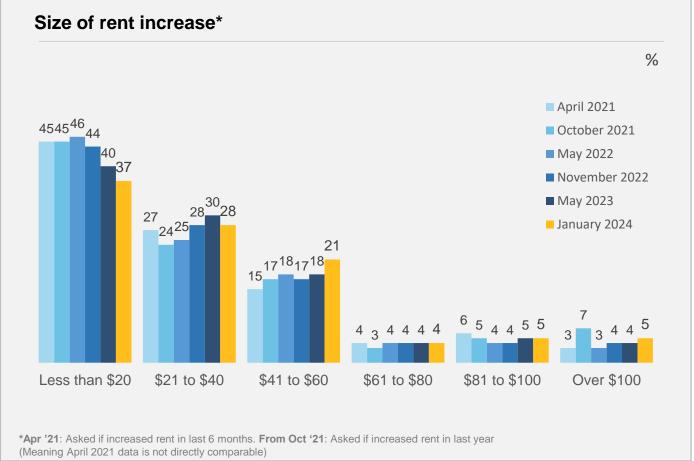
Base: All renters (Oct '21 n=1500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501). Source: Q12b. "How much approximately is your rent as a percentage of your disposable income (income after tax)? My rent is..." Due to rounding, totals may not add to 100%.

▲ Significant increase from previous wave ▼Significant decrease from previous wave

#### Rent increases (1)

About one in five renters experienced a rent increase in the last six months (22%). Of those who experienced an increase, most faced an increase of \$40 or less (65%). The data suggests there may be a gradual increase in the size of rent increases over time, with a slow decline over time in those facing increases of \$20 or less.





ase: All renters (Apr '21 n=1,500, Oct '21 n=1,500, May 2022 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501). Source: Q13. "When was your last rent increase?

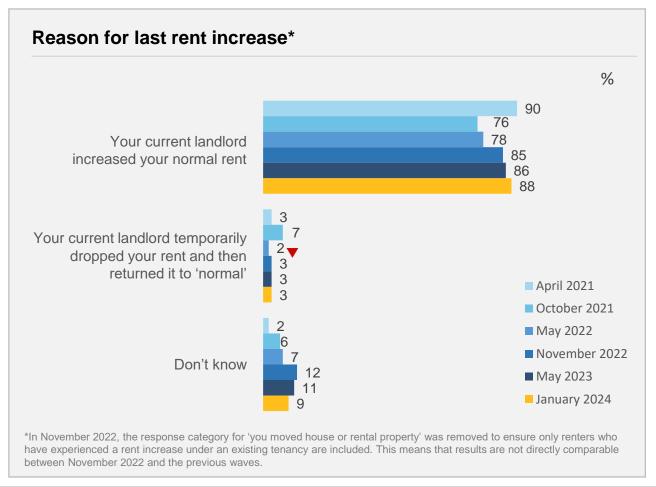
Due to rounding, totals may not add to 100%.

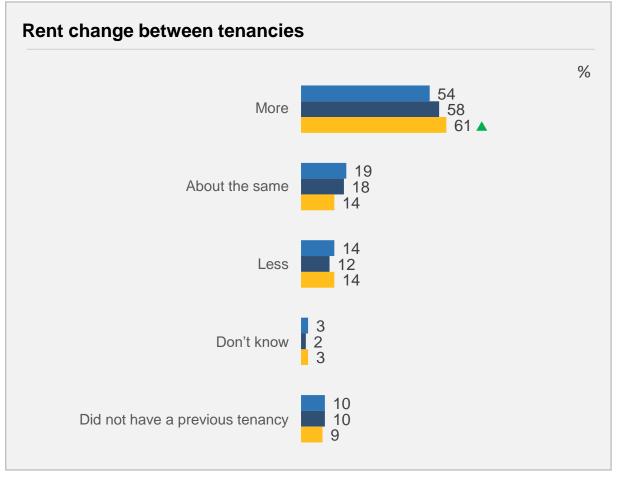
se: Renters whose rent has increased (Apr '21 n=328, Oct '21 n=982, May '22 n=916, Nov '22 n=929, May '23 n=936, Jan'24 n=980).

Source: Q14. "Still thinking about the last increase, how many dollars did your rent increase by per week?"

#### Rent increases (2)

Almost nine in ten (88%) who experienced a rent increase in the last year say it was an increase to their normal rent. In the last six months, there has been an increase in the proportion of renters paying more when they change tenancies (up three points to 61%).

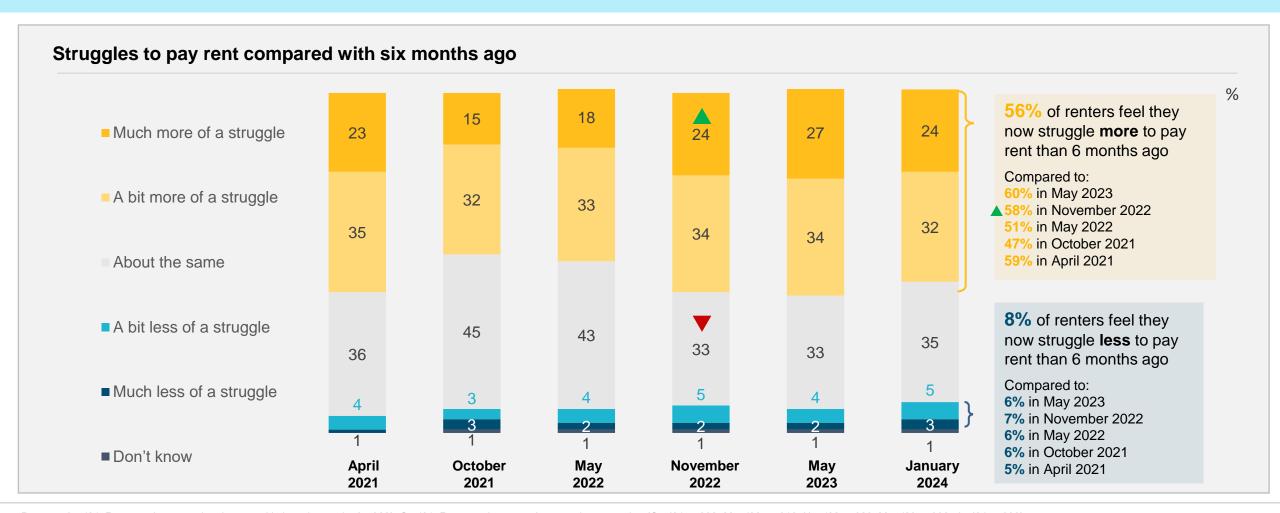




Base: Apr '21: Renters whose rent has increased within the last six months (n=328), from Oct '21 on: Renters whose rent increased at any point (Oct '21 n=982, May '22 =916, Nov '22 n=929, May '23 n=936, Jan'24 n=980). Source: Q15. "Was your last rent increase because..."

#### Rent increases (3)

Financial strain continues to affect renters, with over half (56%) struggling more to pay rent than they did six months ago including 24% finding rental payments **much more** of a struggle.



Base: Apr '21: Renters whose rent has increased in last six months (n=328), Oct '21: Renters whose rent increased at any point (Oct '21 n=982, May '22 n=916, Nov '22 n=929, May '23 n=936, Jan'24 n=980). Source: Q16. "Is paying your rent now more or less of a struggle than it was 6 months ago? It is now..."

▲ Significant increase from previous wave ▼ Significant decrease from previous wave

#### **Rent arrears**

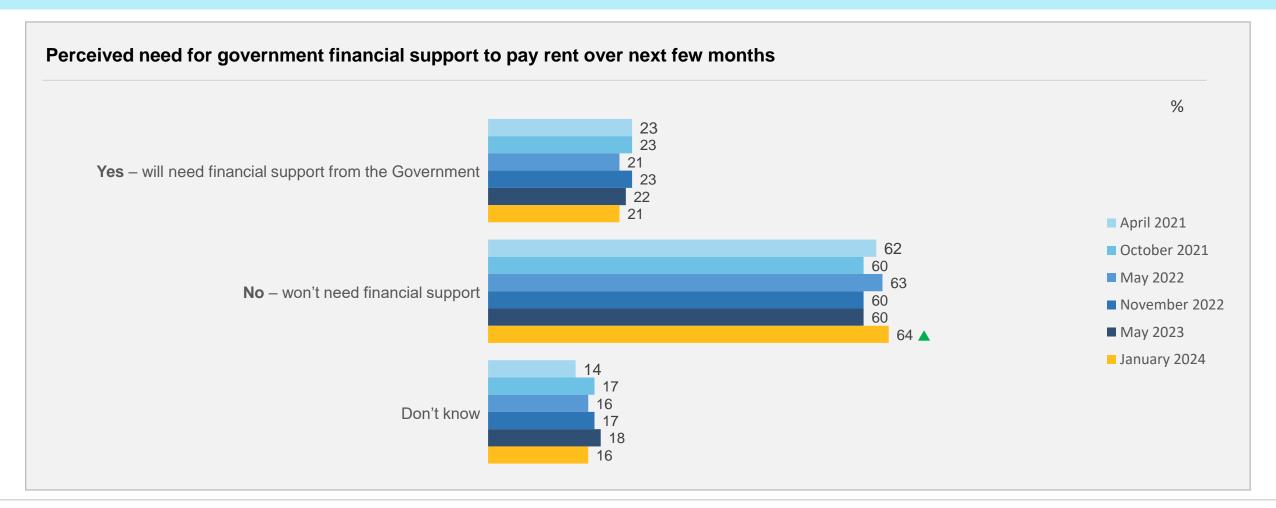
The proportion of renters in rent arrears remains unchanged from May 2023 (5% are currently behind on their rent).

#### **Currently behind in rental payments**



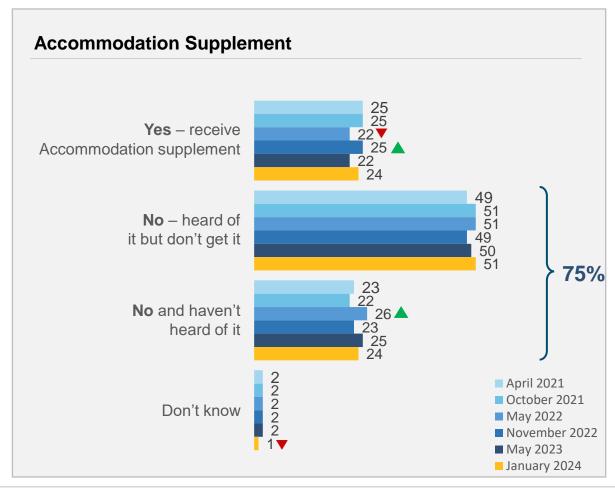
#### **Financial support**

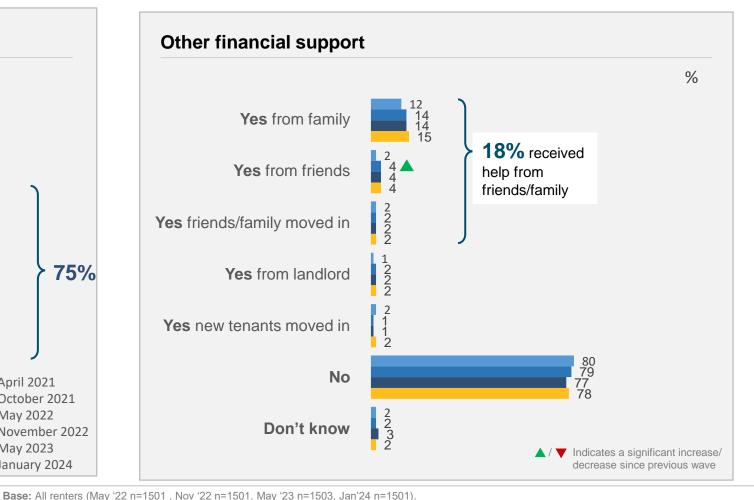
Renters' perceived need for government financial support to pay their rent has been stable over time and is currently sitting at 21%.



#### **Financial support**

About a quarter of renters (24%) currently receive the Accommodation Supplement. A quarter receive other financial support including almost one in five (18%) receiving financial assistance from friends or family.





All renters (Apr '21 n=1,500, Oct '21 n=1,500 May '22 n=1501,

Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501).

Source: Q19a. "Do you receive the Accommodation Supplement?"

Source: Q19b "Have you received any other financial support/help with your rent payments in the last 6 months?" **Note:** Multiple answers can be selected so totals do not add to 100%

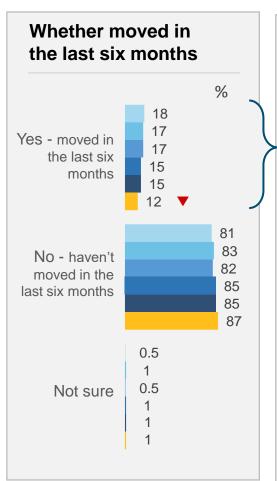


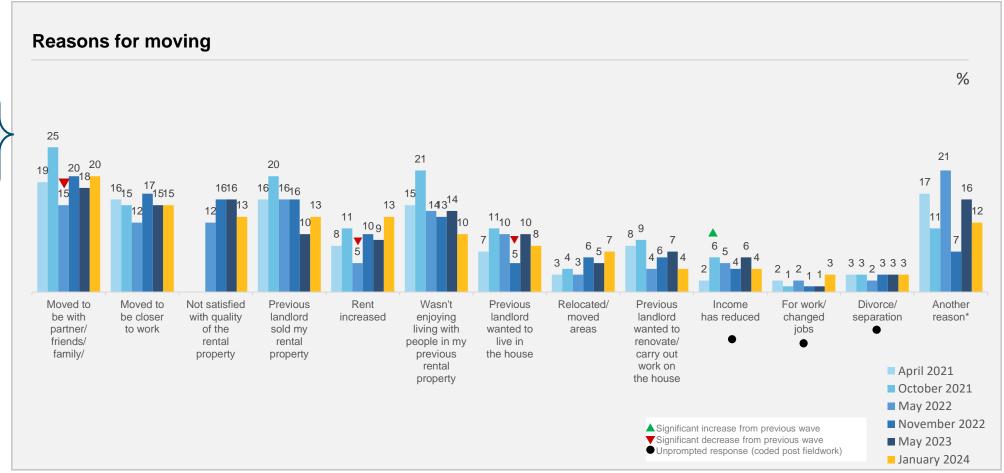
## Moving



#### **Recent moves**

Fewer renters have moved in the last 6 months (down three points to 12%). Those who have moved are most often motivated by lifestyle, for example wanting to be closer to friends/family (20%), or moving away from the people they were living with (10%), or moving closer to work (15%). Other common motives stem from the property itself or costs, include dissatisfaction with the property (13%) or rent increases (13%).





Base: All renters (Apr '21 n=1,500, Oct '21 n=1,500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501).
 Source: Q20. "In the last 6 months, have you moved to a new place to live?"

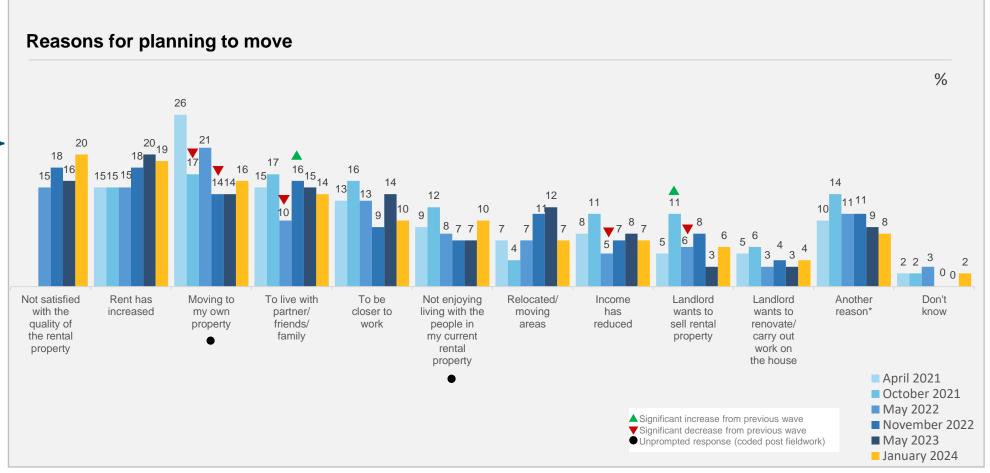
Base: Renters who have moved in the last six months (Apr '21 n=273, Oct '21 n=252, May '22 n=260, Nov '22 n=221, May '23 n=222, Jan'24 n=180). Source: Q21. "Why did you move?"

Note: Only showing reasons more than 2%. \*Other reasons include: being asked to leave, down/upsizing, lease ending, flood damage etc.

#### Plans to move

One in five renters are thinking about moving in the next six months (18%) and are most often motivated to move because they are not satisfied with the quality of the property (20%) or because their rent has increased (19%).





Base: All renters (Apr '21 n=1,500, Oct '21 n=1,500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501). Source: Q22. "Are you planning on moving over the next 6 months to a new place to live?"

situation etc. Only showing responses with a response of more than 3%.



### Home buying



#### Home buying intentions

One in ten renters are actively looking to buy a home in the next year, which has stabilised following annual drops over the last two years.





Base: All renters (Apr '21 n=1,500, Oct '21 n=1,500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501). Source: Q24. "Are you seriously considering buying your own home in the next 12 months?"

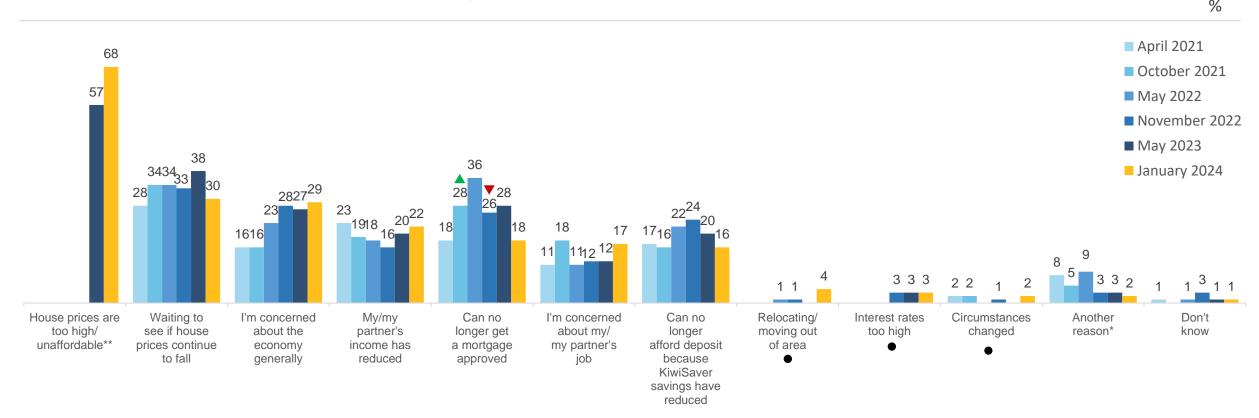
Base: All renters (Apr '21 n=1,500, Oct '21 n=1,500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501).

Source: Q25. "Were you actively looking to buy your own home a year ago?"

#### **Barriers to looking**

Affordability is the main barrier stopping renters from actively looking to buy a home, with about seven in ten saying houses are unaffordable (68%), three in ten waiting for prices to fall (30%), about three in ten concerned about the economy in general (29%) and about two in ten who have experienced a reduction in income (22%).

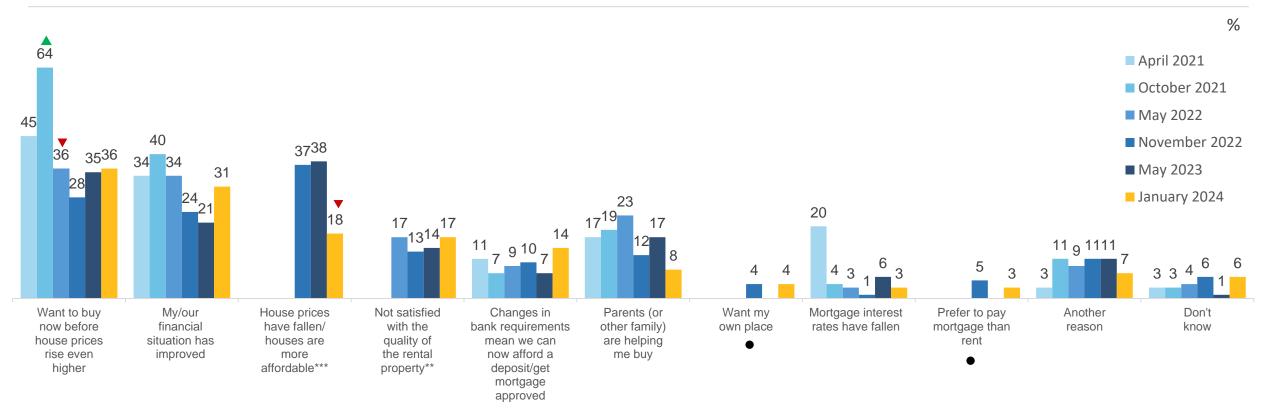
#### Reasons why renters have stopped actively looking to buy



#### **Reasons for looking**

Among renters who are actively looking to buy a home, about a third are motivated to do so before prices rise (36%). Compared with six months ago, there has been a drop in renters who feel that prices have fallen or are more affordable (down 20 points to 18%).

#### Reasons why renters are now actively looking to buy



**Base:** Renters who were not actively looking to buy 12 months ago, but are now actively looking to buy (Apr '21 n=117, Oct '21 n=96, May '22 n=76, Nov '22 n=100, May '23 n=71, Jan'24 n=83). **Source:** Q27. "Why are you now actively looking to buy your own home?".

▲ Significant increase from previous wave
▼ Significant decrease from previous wave
■ Unprompted response (coded post fieldwork)

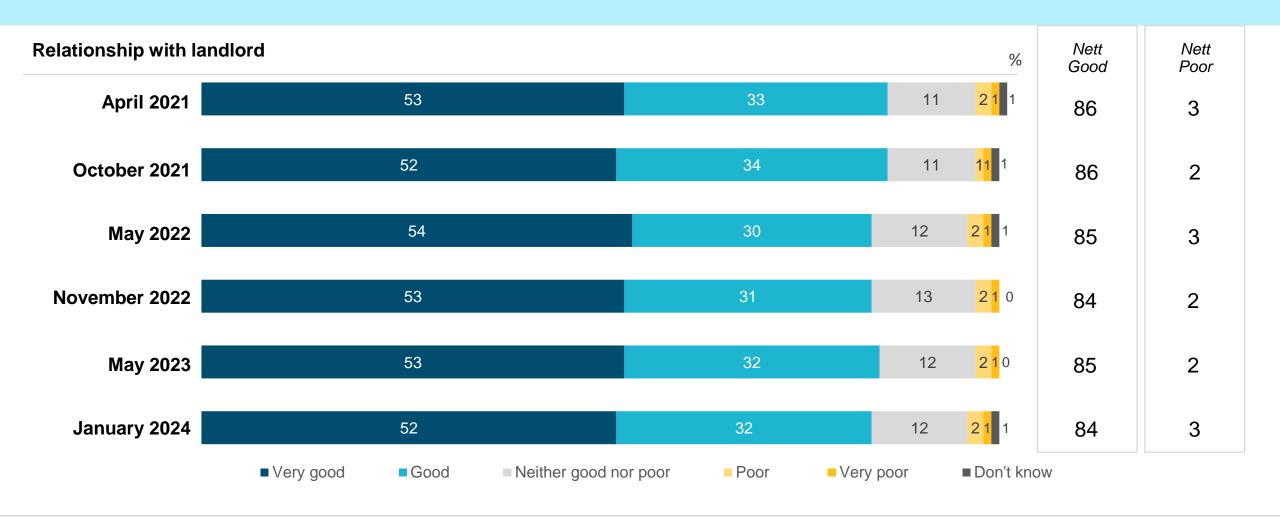


Renters' relationships with landlords



#### Relationship with landlord

Most renters (84%) feel they have a good or very good relationship with their landlord or property manager, which has remained consistent since 2021.



▲ Significant increase from previous wave

▼ Significant decrease from previous wave

#### Why your relationship with the landlord is good

Renters who feel their relationship with their landlord is good were asked to explain why they feel this way. Note, this data has not been coded into like categories (i.e. quantified). However, the verbatim responses suggest tenants feel that good relationships stem from a positive give-and-take relationship, prompt resolution and communication when issues arise.

"Because she's kind, nonjudgemental, good at communicating, let me have \$100 off rent at Christmas."

"Easy to communicate [with] and any issues [are] dealt with quickly and professionally."

"She does her inspections and otherwise leaves us to ourselves."

"There is mutual respect. They have always taken the problems with the house seriously and got in someone to fix things."

"We have a really good landlord who is very responsive, fixes all the big things, respects our privacy and realises that while it's their house, it's also our home."

"We ... have a good quality home we are living in – so that helps that there is nothing to complain about."

"We are respectful of each other and communicate well. Rent is always paid on time. Anything that is needed for the property by either party is always communicated by proper channels and within proper time frames."

"We take care of the house and they are hands off."

#### Why your relationship with the landlord is bad

Renters who feel their relationship with their landlord is bad were asked to explain why they feel this way. Poor relationships with landlords and property managers tend to come from a lack of respect, maintenance or communication. Other concerns relate to non-compliance with Healthy Homes Standards.

"He keeps turning up unannounced... is inconsistent, has unrealistic expectations (announced one day that he was going to move onto the property in his van...), does not maintain the house."

"Complete lack of interest in doing anything to contribute to the upkeep of the property, difficult to contact when problems arise, often a terrible attitude when communication is established, and constantly tries to either push the cost of repairs and upkeep of the property on us as tenants or refuses the necessity of maintaining the property."

"Hard to contact, slow to arrange repairs when needed, always brushes our questions off when she is here to do an inspection."

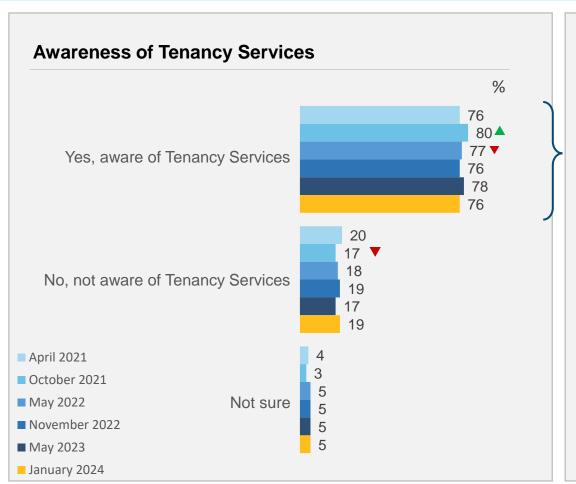
"I feel like she doesn't support me when things need doing in the house. She should ensure things are fixed." "...property wasn't Healthy Homes compliant on several features, I have had to file [an] official complaint and serve [a] 14 day maintenance breach notice to get things up to standard. No heating for winter included, disrespect of quiet enjoyment and failure to give appropriate notice"

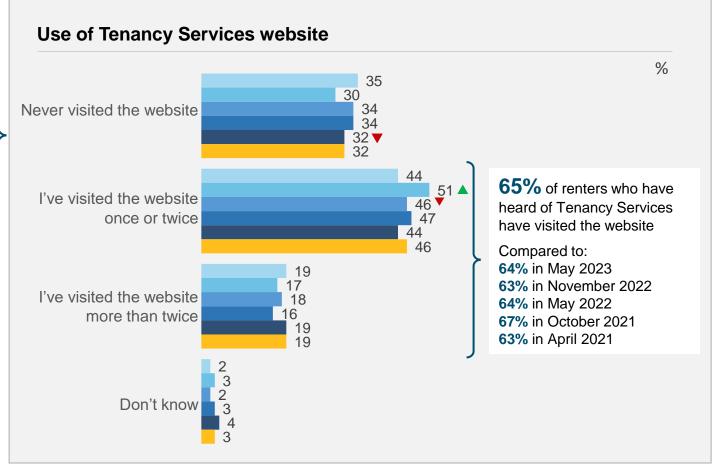
"They have ended the tenancy after I requested they repair the leaking roof."

"The landlord lied about living there. I am not allowed to use the laundry, it's only for him and his son... No shower [so I] have to shower at the gym. [I] want to live on my own but demand is too high and [I] can't find anything..."

#### **Awareness of Tenancy Services and website use**

About three quarters (76%) of renters are aware of Tenancy Services and around two thirds (64%) of those who are aware have visited the website.





Base: All renters (Apr '21 n=1,500, Oct '21 n=1,500, May '22 n=1501, Nov '22 n=1501, May '23 n=1503, Jan'24 n=1501).

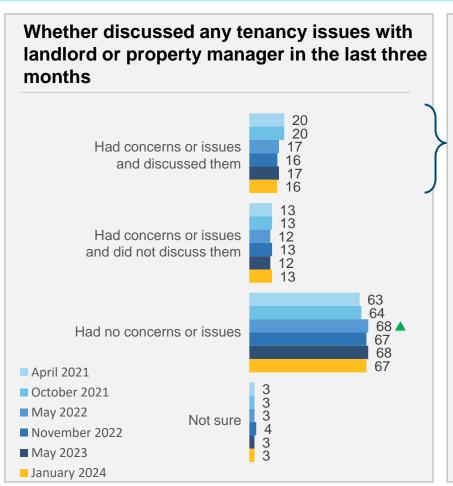
Source: Q28. "Tenancy Services provides information on tenancy law on its website <a href="https://www.tenancy.govt.nz">www.tenancy.govt.nz</a>.

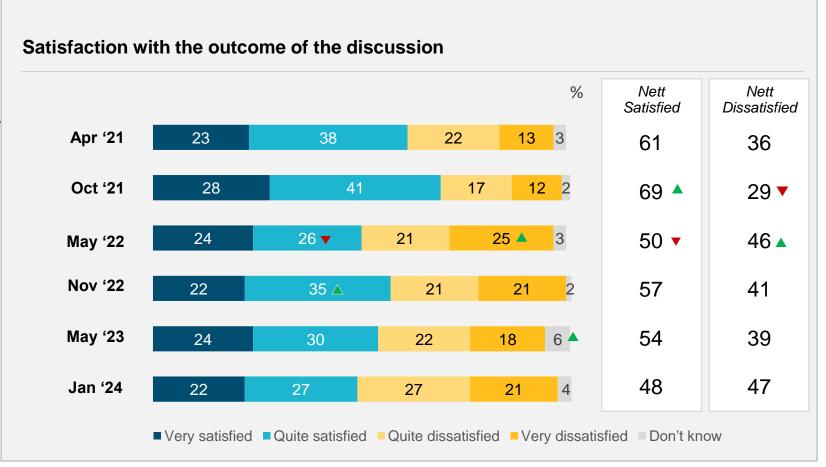
Before today, were you aware of Tenancy Services?"

se: Renters who are aware of Tenancy Services (Apr '21 n=1,142, Oct '21 n=1,199, May '22 n=1154, Nov '22 n=1140. May '23 n=1173. Jan'24 n=1140).

#### **Prevalence of tenancy issues**

Around three in ten renters have had concerns or issues with their tenancy (29%) in the last three months, and 16% discussed this with their landlord or property manager. Of those who discussed issues, about half (48%) were satisfied and half were dissatisfied (47%) with the outcome.

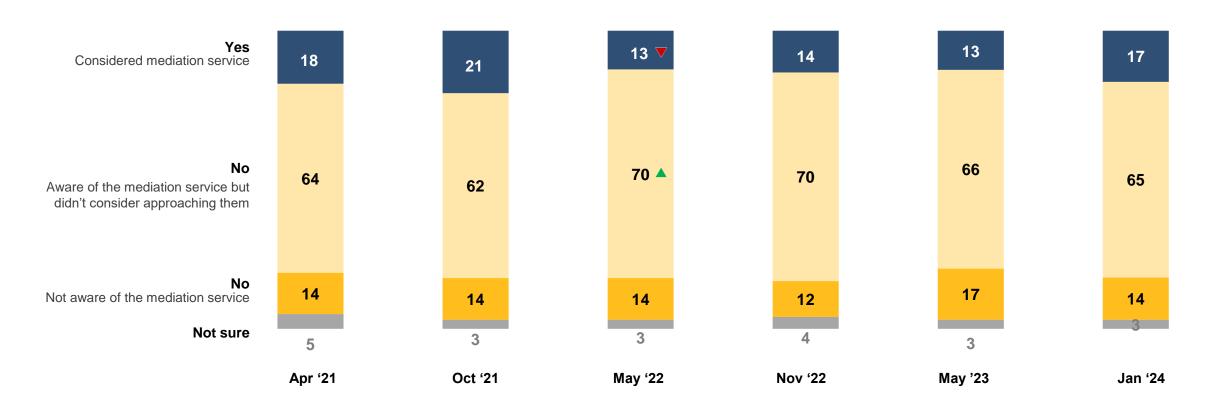




#### **Resolving tenancy issues**

Four in five tenants who have experienced issues are aware of mediation provided by Tenancy Services (82%), which has remained fairly consistent over time. Seventeen percent have considered using the service, meaning 65% are aware but have not considered using it.

#### Whether those who had concerns or issues seriously considered Tenancy Services' mediation service

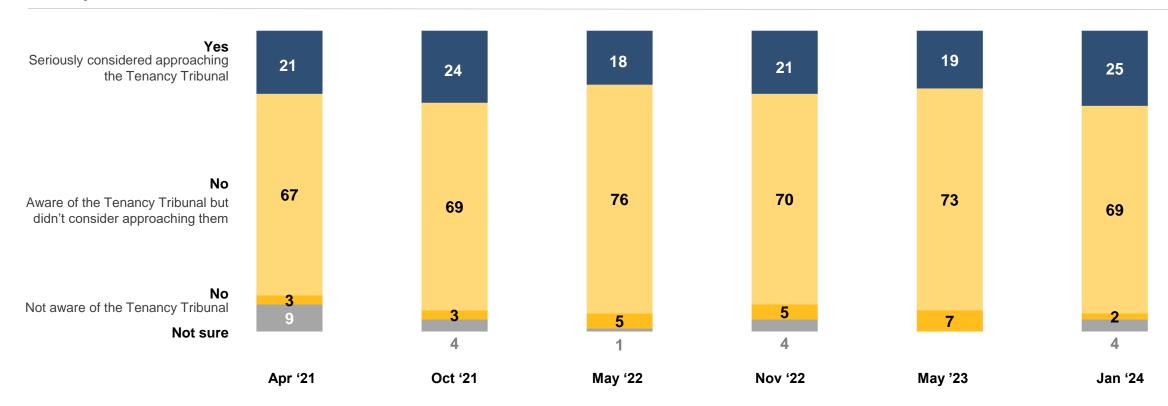


Base: Renters who are aware of Tenancy Services and had a concern or issue with their tenancy in the last three months (Apr '21 n=399, Oct '21 n=407, May '22 n=357, Nov '22 n=331, May '23 n=344, Jan'24 n=357). Source: Q32. "Had you seriously considered the mediation service that Tenancy Services provides, to assist with resolving the issues with your landlord?"

#### **Tenancy Tribunal**

A quarter of renters who were dissatisfied with discussions with their landlord or property manager are aware of the Tenancy Tribunal and have considered using this service. Another seven in ten (69%) are aware of the Tribunal but have not considered using it.

#### Whether those who were dissatisfied with discussions with their landlord/property manager seriously considered approaching the Tenancy Tribunal



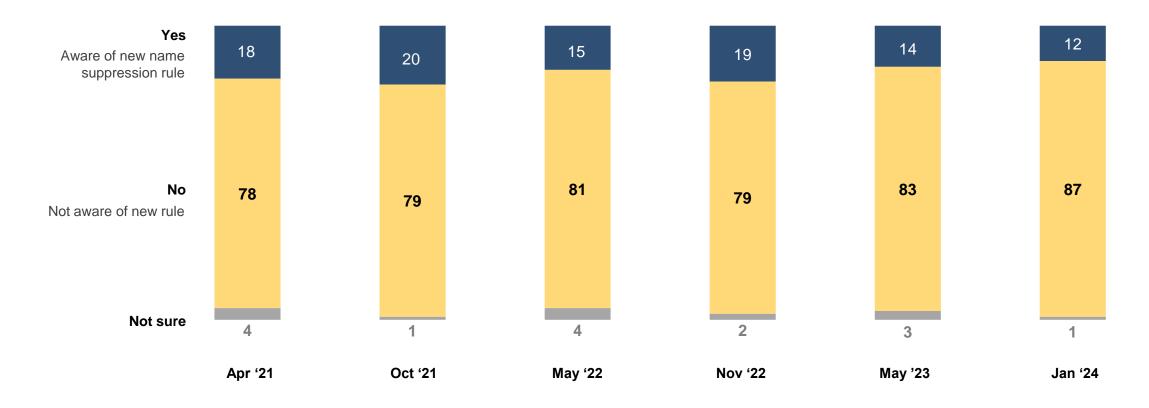
Base: Renters who are aware of Tenancy Services and were dissatisfied with the outcome of their discussion with their landlord or property manager (Apr '21 n=92, Oct '21 n=72, May '22 n=101, Nov '22 n=83, May '23 n=83, Jan'24 n=96).

▲ Significant increase from previous wave ▼ Significant decrease from previous wave

#### Name suppression rule

Almost nine in ten renters (87%) who are aware of the Tenancy Tribunal are **not** aware of the option for name suppression.

#### **Awareness of the Tenancy Tribunal's name suppression rule**



## Introducing Verian

Verian is the new name for Kantar Public (formerly Colmar Brunton).

Following our divestment from our former parent company, we are now an independent research and evaluation agency, providing evidence and advisory services to government and the public realm, across Aotearoa New Zealand and around the world.

Please get in touch if you have questions or would like to know more.

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