

Insights of Wellington Property Rental Market

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INTRODUCTION

- ❑ The property rental market in New Zealand is investigated.
- ❑ Data and indices of Wellington area are compared to other cities and regions.
- ❑ The characteristics of Wellington property rental market are investigated.

DATA, PLOTS & DISCUSSION

Average Rental Costs of NZ Cities (with at least one university)

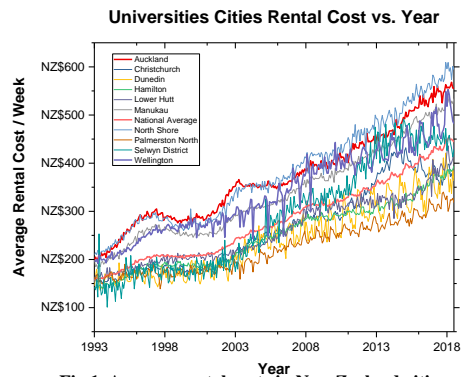


Fig.1. Average rental costs in New Zealand cities and areas with universities (1993-2018)

Month of the Year vs. WLG Average Rental Cost

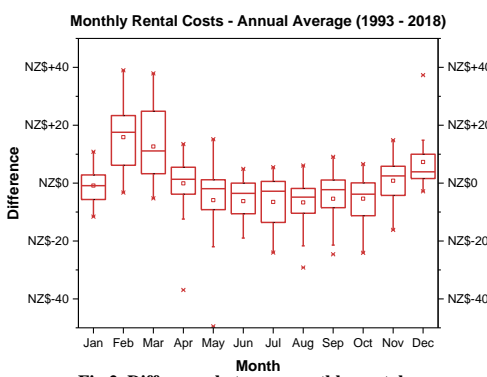


Fig.2. Difference between monthly rental costs and the annual average by month

- ✓ Rents in AKL area is the highest in NZ (NZ\$550/w in average).
- ✓ Rents in WLG city is slightly lower (NZ\$500/w in average)
- ✓ National rent average is NZ\$450/w

Wellington Student Number in Universities vs. Wellington Average Rental Cost

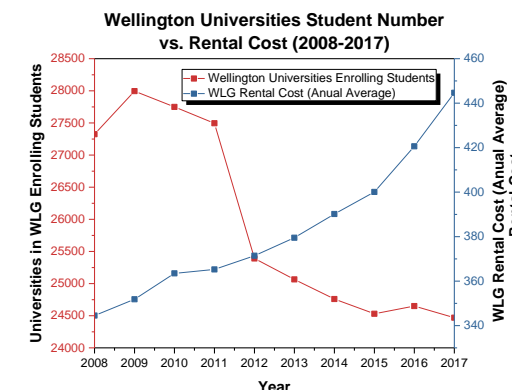


Fig.3. Wellington Student number in universities & Wellington Average Rental Cost

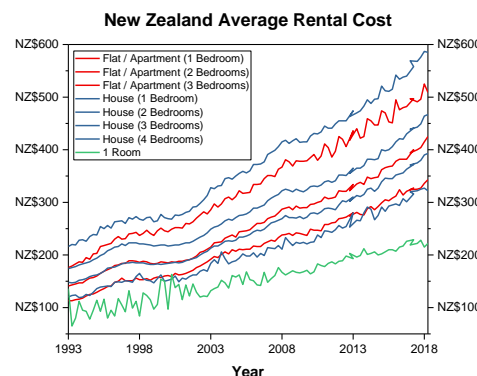


Fig.4. New Zealand average rental costs by property type and bedrooms number (1993-2018)

Comparison of Average Rental Costs among New Zealand, Singapore and Hong Kong

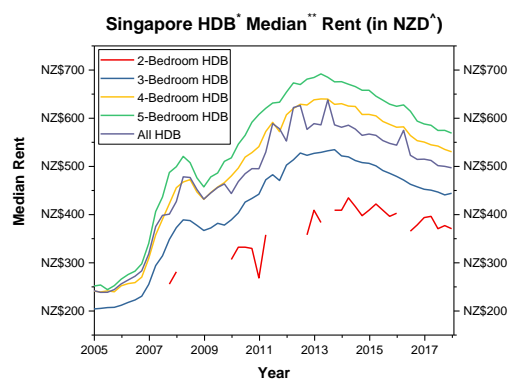
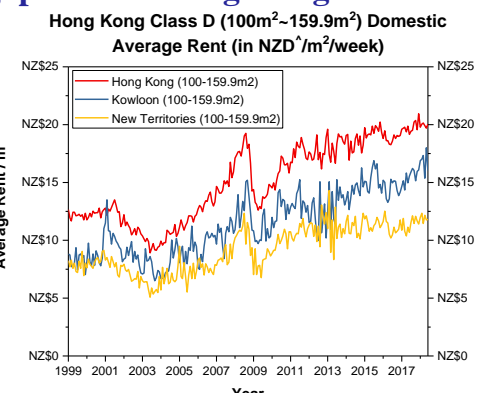


Fig.5. Singapore median (2005-2018) and Hong Kong average (1999-2018) rental costs by property size and area



Comparison of Average Rental Costs between Auckland and Wellington

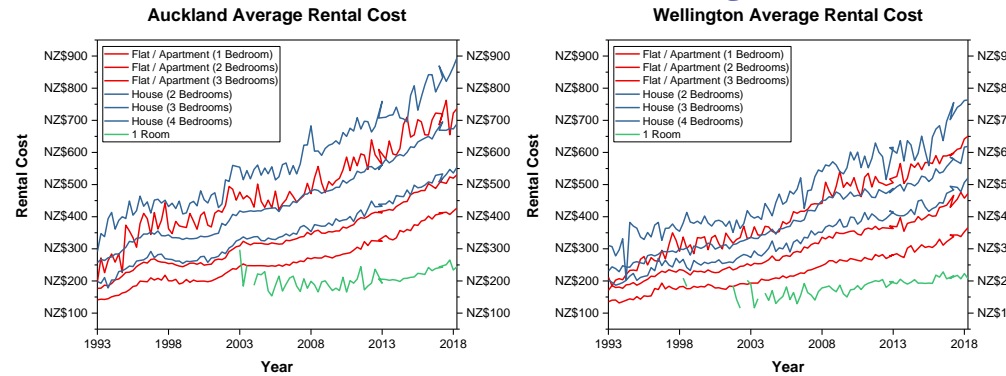


Fig.6. Auckland and Wellington average rental cost comparison

Estimated Average Rental Cost	Auckland	Wellington	AKL - WLG Difference
1-bedroom Apartment	430 NZD/week	360 NZD/week	+70 NZD/week
2-bedroom Apartment	530 NZD/week	460 NZD/week	+70 NZD/week
3-bedroom Apartment	740 NZD/week	650 NZD/week	+90 NZD/week
2-bedroom House	550 NZD/week	520 NZD/week	+30 NZD/week
3-bedroom House	690 NZD/week	620 NZD/week	+70 NZD/week
4-bedroom House	880 NZD/week	760 NZD/week	+120 NZD/week
1 Room	250 NZD/week	220 NZD/week	+30 NZD/week

Comparison of Average Rental Costs among Major Regions of Auckland and Wellington

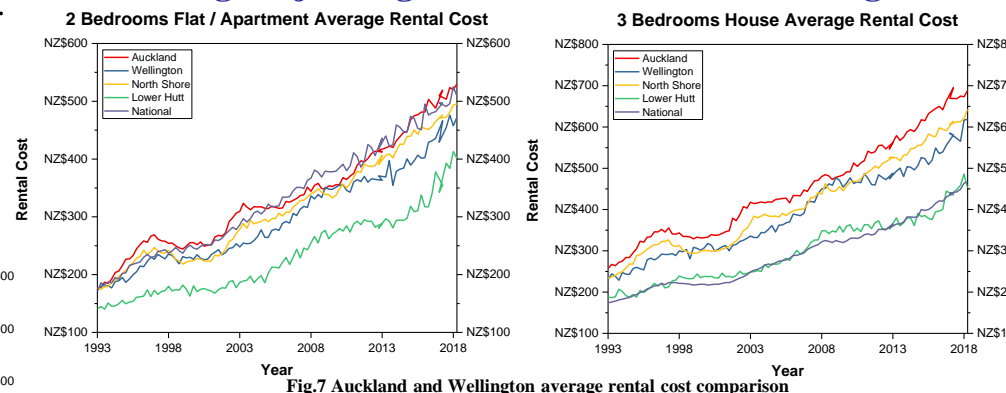


Fig.7. Auckland and Wellington average rental cost comparison

- ✓ For larger property, the average rental cost in AKL and WLG are higher than the national average; for smaller ones, the average rental cost are lower than national average, respectively.

Comparison of Average Rental Costs among Major Regions of Auckland and Wellington

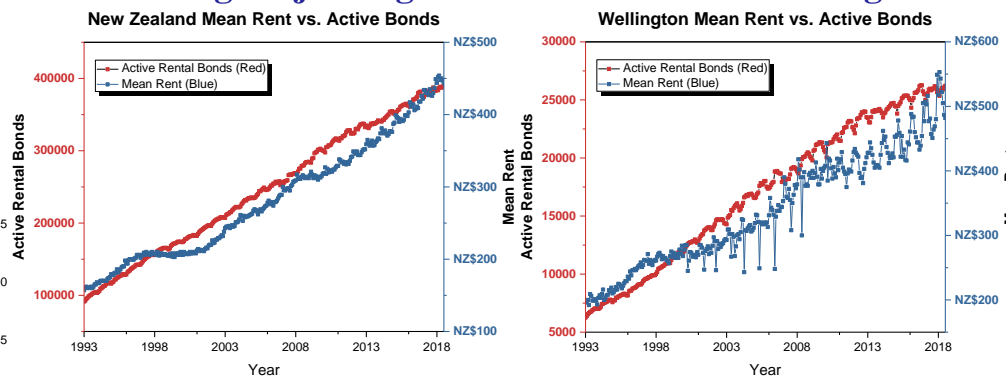


Fig.8. New Zealand & Wellington rental markets prices vs volumes (1993-2018)

- ✓ For the past 25 years, Demand is always higher than supply in New Zealand rental market, even if the rental price keeps rising.

Hypothesis of Average Rental Costs for Each Suburb in Wellington City

Ave Rent (Jun 2018) = NZ\$ 32.9 +

NZ\$208.9 (if Property_Type is **House**) +
 NZ\$154.3 (if Property_Type is **Flat/Apartment**) +
 NZ\$ 0.0 (if Property_Type is **Single_Room**) +
 NZ\$121.9 * **Bedrooms** + **Rent Plus* by Suburb**

* **Rent Plus:** Roseneath 166.7, Oriental_Bay 160.3, Willis_Street-Cambridge_Terrace 136.8, Mt_Victoria_West 130.3, Kelburn 125.9, Thorndon-Tinakori_Road 100.9, Lambton 100.9, Seatoun 68.2, Rangoon_Heights 68.2, Miramar_South 68.2, Mt_Cook-Wallace_Street 59.6, Hataitai 59.0, Wadestown 59.0, Adelaide 57.6, Taitville 57.6, Te_Kainga 55.2, Melrose 53.1, Aro_Street-Nairn_Street 52.5, Vogeltown 46.9, Kilbirnie_West 44.6, Newtown_West 34.3, Brooklyn 34.3, Kilbirnie_East 28.5, Newtown_East 28.5, Island_Bay_East 20.7, Kingston 20.7, Northland 17.8, Lyall_Bay 17.8, Miramar_North 12.9, Brooklyn_South 11.4, Island_Bay_West 9.0, Wilton-Otari -9.6, Wright_Hill -10.4, Churton -19.0, Ngaio -33.0, Karori_Park -36.8, Karori_East -37.7, Newlands_North -37.7, Johnsonville_East -40.6, Strathmore_Park -40.6, Johnsonville_South -45.4, Raroa -48.1, Awarua -57.6, Tawa_South -58.6, Newlands_South -63.5, Johnsonville_North -74.1, Khandallah_Park -74.1, Central_Tawa -76.9, Linden -90.6