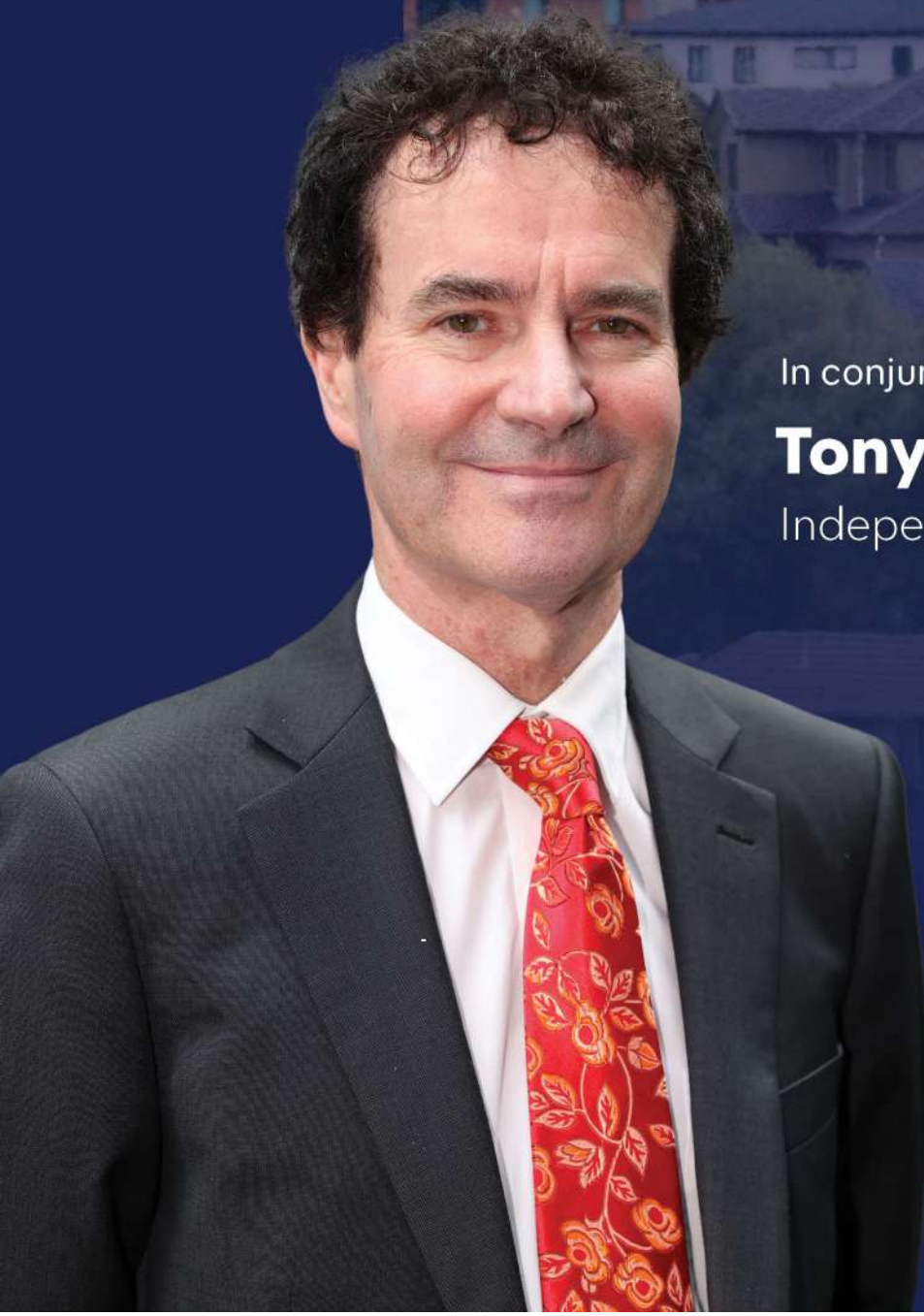


2025
August

Crockers 
PEOPLE & PROPERTY

Investor Insight



In conjunction with

Tony Alexander
Independent Economist

MANAGEMENT
BTR
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Landlords pull back on plans to raise rents

Welcome to the latest monthly Investor Insight survey compiled by Crockers Property Management and Tony Alexander. Each month we survey a selection of the many thousands of residential property investors on our databases with a view to gauging how things are changing over time across a wide range of indicators.

For instance, we will track changes in pressures on rents, points of particular concern, and plans regarding property purchases and intentions to sell.

Key points of interest from this month's survey, which received 277 responses include the following.

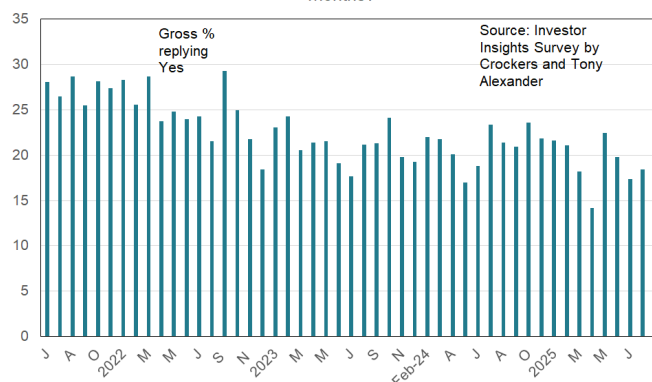
- The net proportion of landlords planning rent rises has decreased to a record low.
- Finding a good tenant is reported to be currently quite difficult.
- Worries remain high about council rates rises but few landlords have concerns about meeting their mortgage repayments.

ARE YOU THINKING ABOUT BUYING ANOTHER PROPERTY WITHIN THE NEXT 12 MONTHS?

In this month's survey 18% of landlords have reported that they are thinking about buying a property in the coming 12 months. This is towards the low end of results over the past year and tells us that for those already owning property there is no upswing in interest in making another purchase – despite what some are reporting.

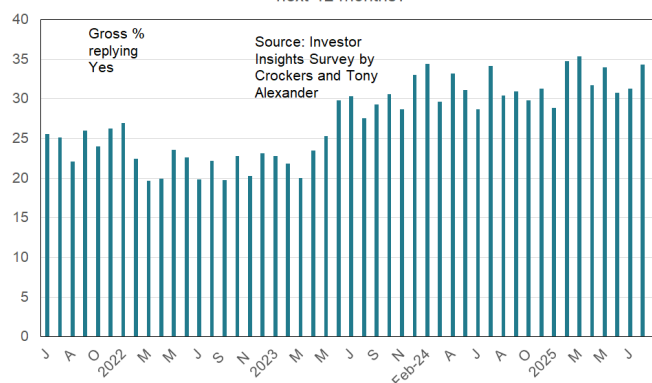
The upswing may be instead from new investors not covered by our survey along with some multiple unit purchases by long-time investors acquiring property which developers with excess stock are willing to offload at a discount.

Are you thinking about buying another property within the next 12 months?



34% of landlords are thinking about selling a property over the coming year. This is a high proportion by the standards of our survey, seen in the following graph.

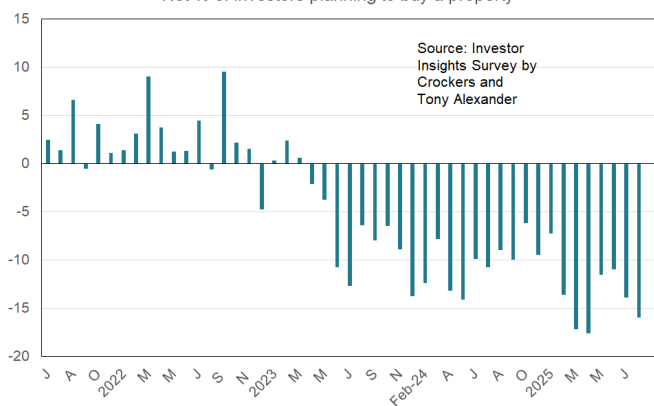
Are you thinking about selling one or all of your properties within the next 12 months?



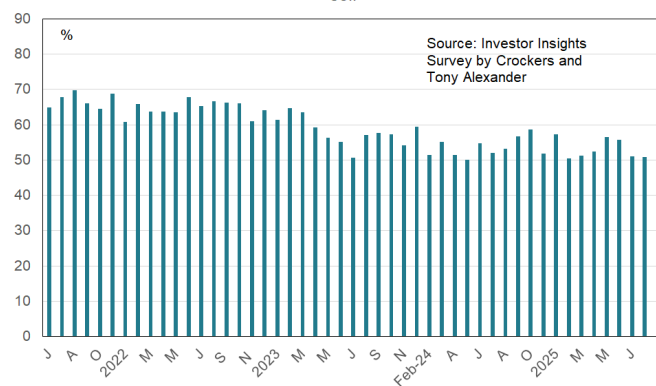
Putting the two sets of results together we get a near record net 16% of existing property investors saying they intend selling over the coming year. This selling is providing good opportunities for the many first home buyers who have been driving the NZ property market for over two and a half years, along with those investors who are new or are large and looking to get larger.



Net % of investors planning to buy a property



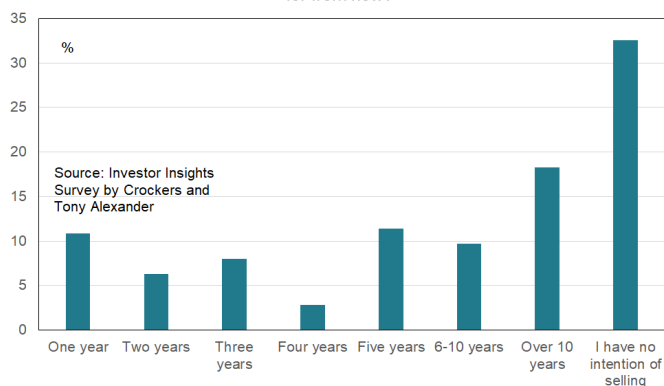
Gross % of investors planning to hold at least ten years or never sell



ROUGHLY HOW LONG DO YOU PLAN KEEPING YOUR INVESTMENT PROPERTY(S) FROM NOW?

For the second month in a row 33% of existing investors have reported that they have no plans for selling, and 18% plan holding for at least ten years.

Roughly how long do you plan keeping your investment property(s) for from now?



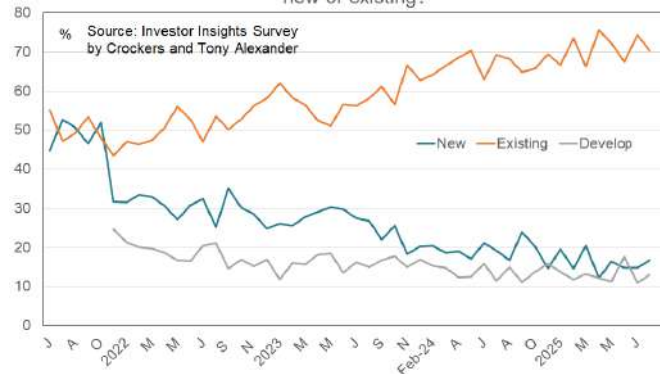
This means no change in the proportion either holding at least ten years or not planning to sell at all from the 51% of last month.

There is a mild downward trend in this measure which likely reflects the slowly aging profile of our survey cohort.

IF YOU ARE THINKING ABOUT BUYING ANOTHER PROPERTY WILL IT BE NEW OR EXISTING?

Although the proportion of investors looking to buy who say they will purchase an existing property has eased slightly this month to a still high 70% from 74%, it looks like an upward trend in this proportion may still be underway.

If you are thinking about buying another property will it be new or existing?

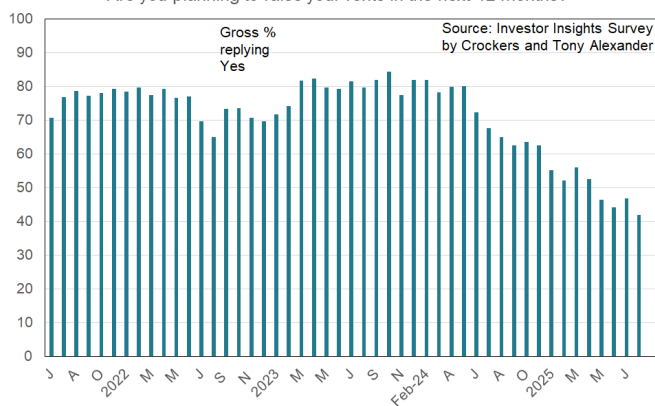


ARE YOU PLANNING TO RAISE YOUR RENTS IN THE NEXT 6 MONTHS?

A net 42% of landlords have this month reported that they plan raising their rents over the coming 12 months. This is down from 47% last month and the lowest result for the duration of our monthly survey.



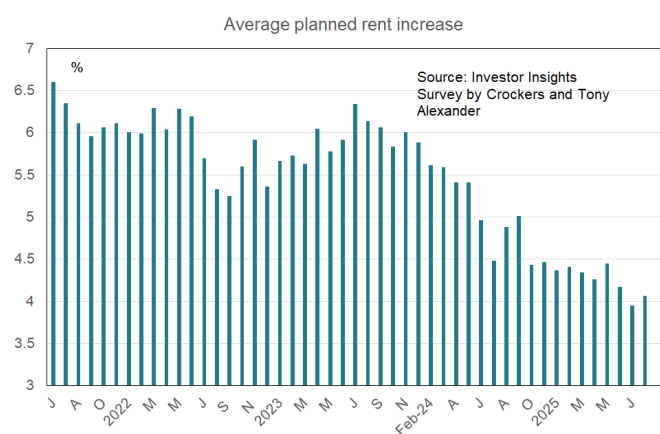
Are you planning to raise your rents in the next 12 months?



IF YOU PLAN RAISING YOUR RENTS, HOW MUCH BY?

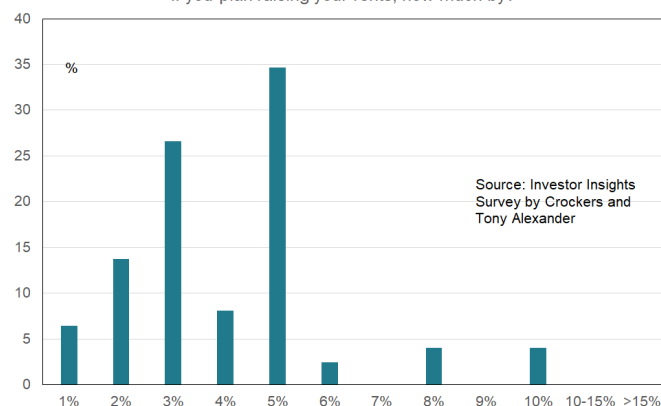
The average rent rise desired by landlords has crept up slightly this month to 4.1% from 3.9% in July. However, it seems safe to say in the context of plentiful properties and not enough tenants that the downward trend in this measure is almost certainly still in place.

A year ago, this measure stood at 4.9% and two years ago 6.1%.



This graph shows the proportion of investors targeting different degrees of rent increases.

If you plan raising your rents, how much by?



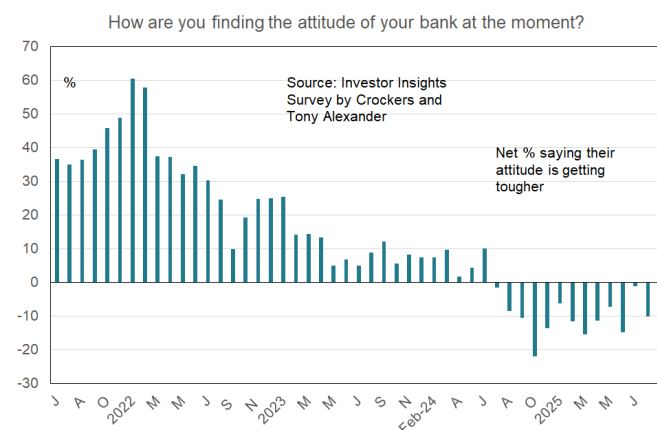
HOW ARE YOU FINDING THE ATTITUDE OF YOUR BANK AT THE MOMENT?

Respondents to this question can choose amongst three options.

- Getting tougher
- Getting more relaxed
- No change, nothing apparent.

We can calculate the net proportion feeling that things are getting tougher and show the result in the following graph.

A net 10% of existing landlords report that they are finding credit from their bank easier to obtain. This is consistent with results broadly since this time a year ago.

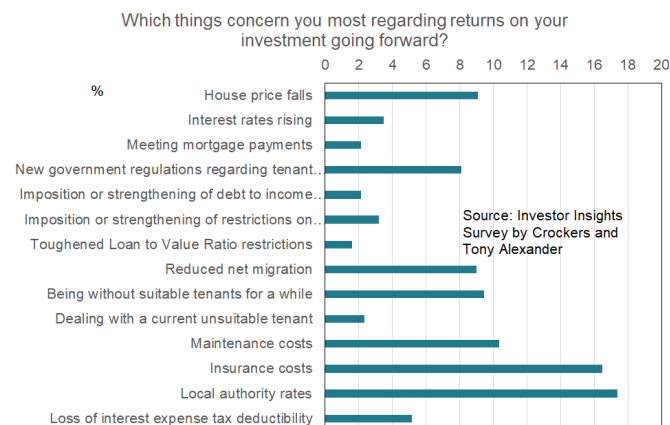




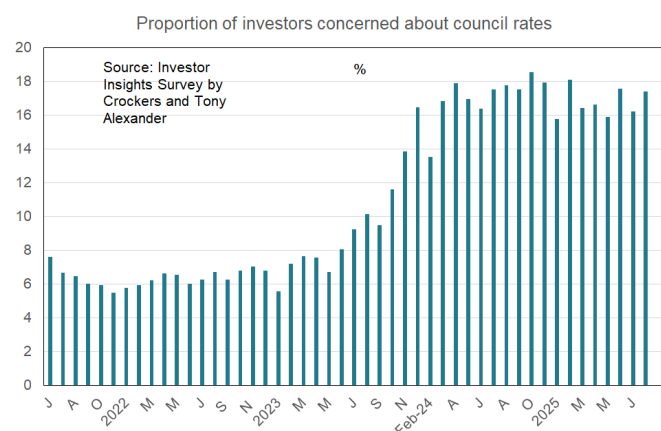
WHICH THINGS CONCERN YOU MOST REGARDING RETURNS ON YOUR INVESTMENT GOING FORWARD?

Respondents are able to choose more than one response to this question and results for all choices are shown in the following graph.

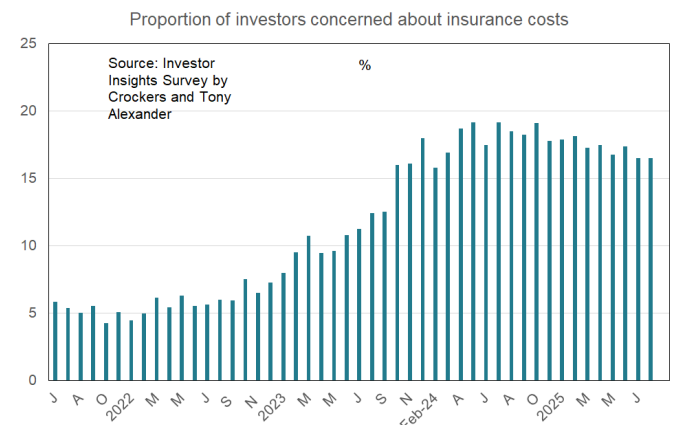
Topping the list of concerns is council rates, closely followed by insurance costs and then maintenance costs. These are three hefty cash flow items which become strong matters of moment at a time when gaining rent rises to offset them is difficult.



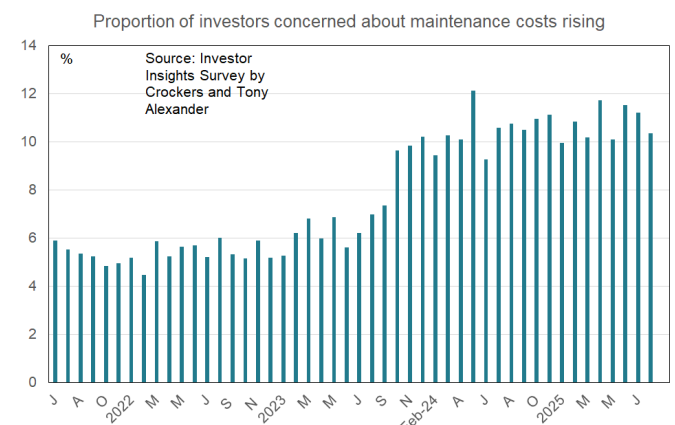
Concerns about rates increases have been strong for almost two years now.



Same goes for insurance costs though it should be noted that there is a mild downward trend in the proportion of landlords worried about insurance premiums.



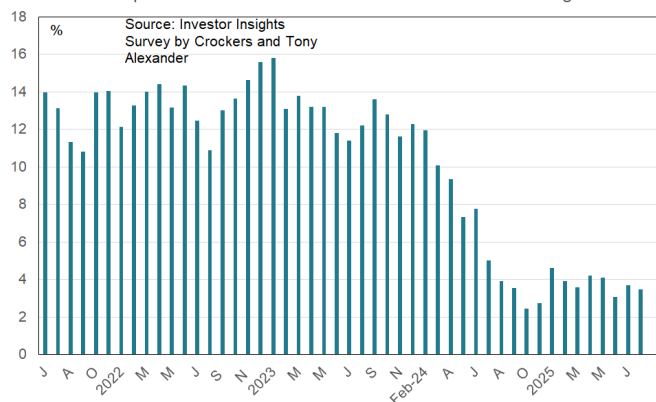
No easing of concerns about maintenance costs is evident.



Interest rates do not rate as much of a concern despite the belief in many quarters that by cutting them the Reserve Bank can restore good, sustainable growth to the New Zealand economy.

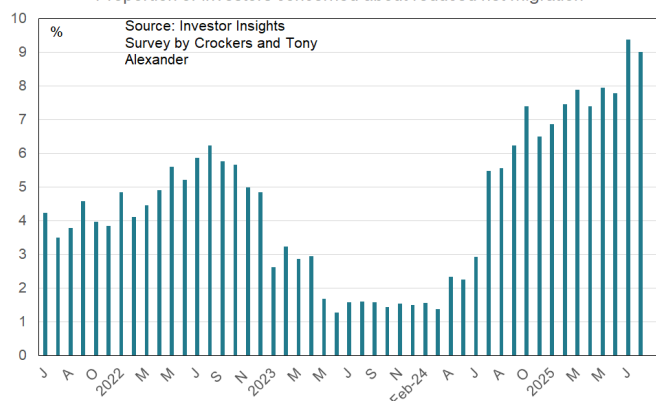


Proportion of investors concerned about interest rates rising



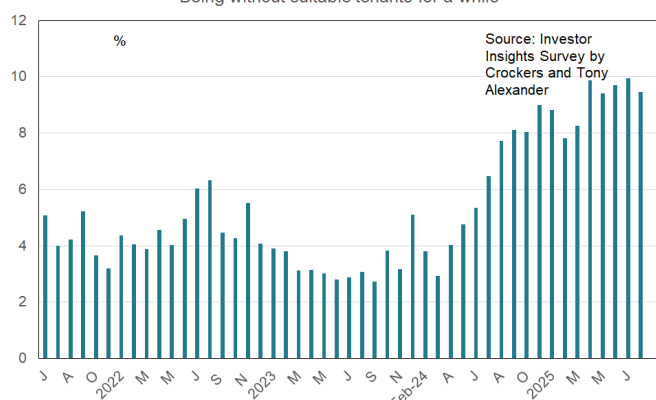
The continuing deterioration in migration flows is of high concern.

Proportion of investors concerned about reduced net migration



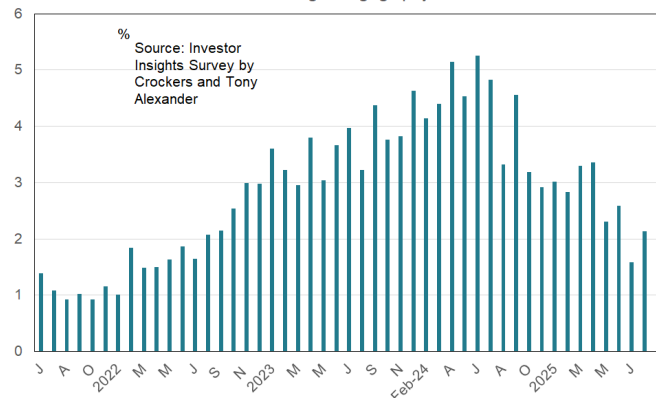
Worries about not having a good tenant rose strongly from the middle of last year.

Being without suitable tenants for a while



Concerns about meeting mortgage payments are at low levels.

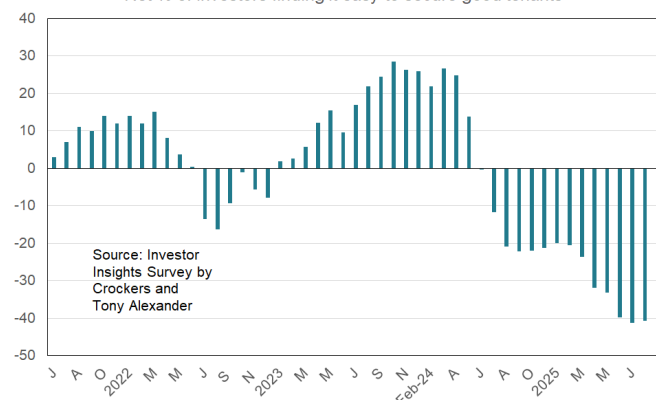
Meeting mortgage payments



HOW EASY IS IT TO FIND GOOD TENANTS AT THE MOMENT?

For the second month in a row a record net 41% of landlords have reported that they are having difficulties finding good tenants. A year ago, this was just a net 21% and two years ago a net 22% said finding good tenants was easy.

Net % of investors finding it easy to secure good tenants





There were 277 responses received in this month's survey, with respondents located as follows.

Region	%
Northland	1.8
Auckland	41.9
Bay of Plenty	5.4
Waikato	6.9
Hawke's Bay/Gisborne	4.0
Taranaki	1.4
Manawatu-Wanganui	2.9
Wellington	14.2
Nelson, Tas., Marl	2.9
Canterbury	13.0
Dunedin City	3.2
Queenstown Lakes	2.5
Southland	0.1

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- Enquire about stress-free property management for your residential or commercial property

BODY CORP: bc@crockers.co.nz

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- We assist BTR developers and owners in the design, development and management of their complexes

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