



PRESS RELEASE

November 2018

Each month Crocker's Property in partnership with independent market research firm Ipsos, survey Auckland property investors for their comments and thoughts on the Auckland property market. The results of the latest CPII survey (Crocker's Property Investment Index) are as follows:

This month:

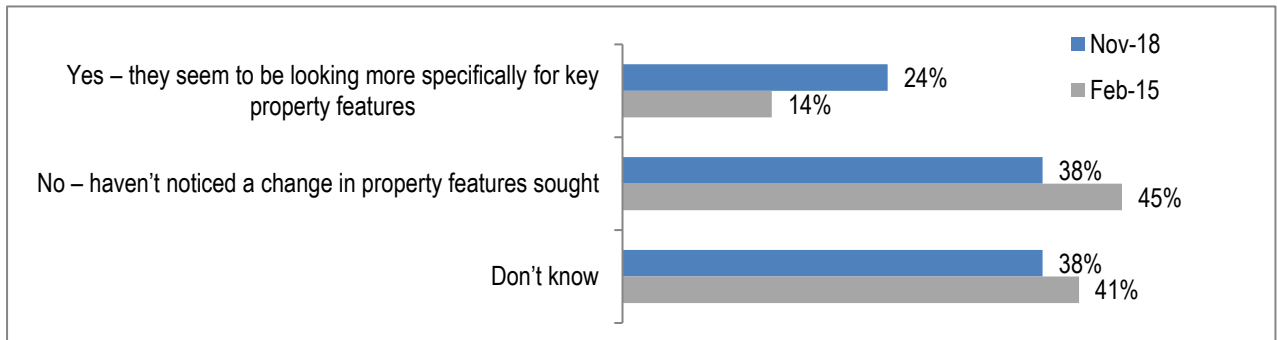
- This month we find that 65% of surveyed property investors disagree with the proposed changes to the Residential Tenancy Act, which would allow tenants to make minor alterations to a property.
- We also report that tenants are increasingly seeking specific property features, particularly insulation and heat pumps.
- The **Auckland Rental Property Performance Index** has declined further this month, due to a decrease in investors who believe the rental property performance over the next 12 months will get better.
- Against these expected small returns, it seems that investors are looking to increase the size of their investment portfolio, possibly as an alternative approach to bringing in a specific income, or with later improvements in mind. As a result, the **Auckland Rental Property Investment Index** has increased this month.

What Tenants Are Looking For

This month we have asked investors about the changing needs of Auckland tenants and, in response to potential changes to the Residential Tenancy Act, how much they agree with tenants' being able to make minor alterations to a property.

Change in property features sought

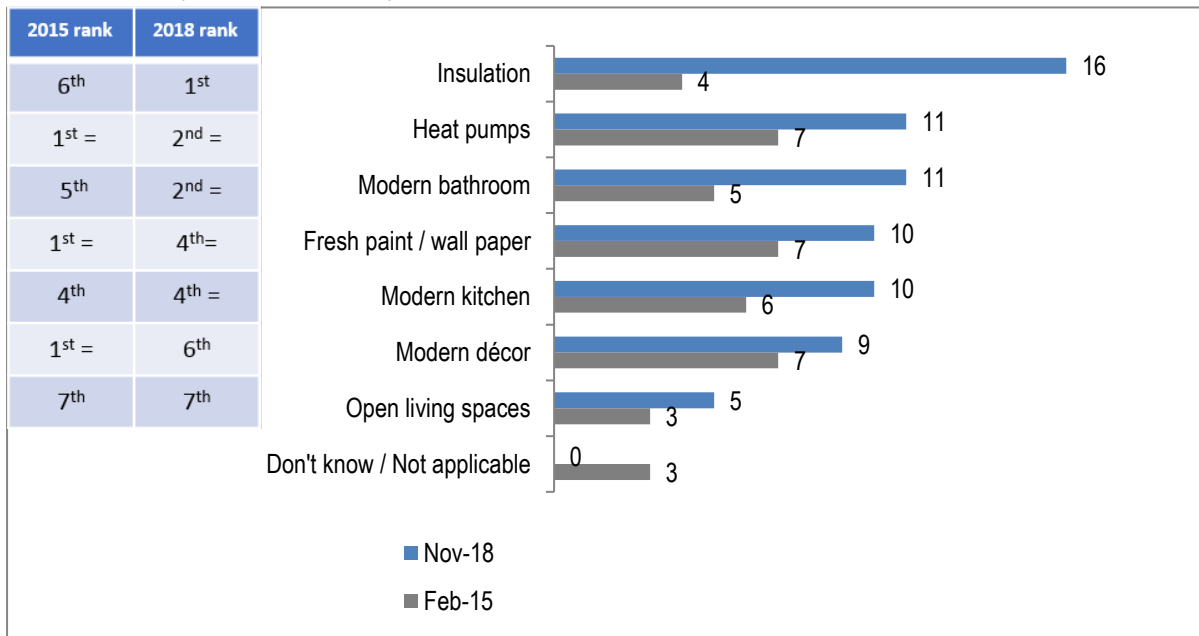
This month we asked respondents if tenants were looking for specific features when seeking a rental property. Some 24% of respondents had noticed tenants looking for specific features in a property, a 10-point increase compared with February 2015.



Key property features for tenants

Those who thought that tenants were looking for more specific property features most commonly mentioned insulation, closely followed by heat pumps and modern bathrooms. When the same question was asked in 2015, insulation was ranked 6th. Although the sample size for this question was small, it nonetheless reflects likely consequence of the introduction of the Healthy Homes Act, which sets minimum standards for insulation and heating in the home.

Caution small base (Note: Raw scores used) – Only respondents who said 'yes' above answered this question.

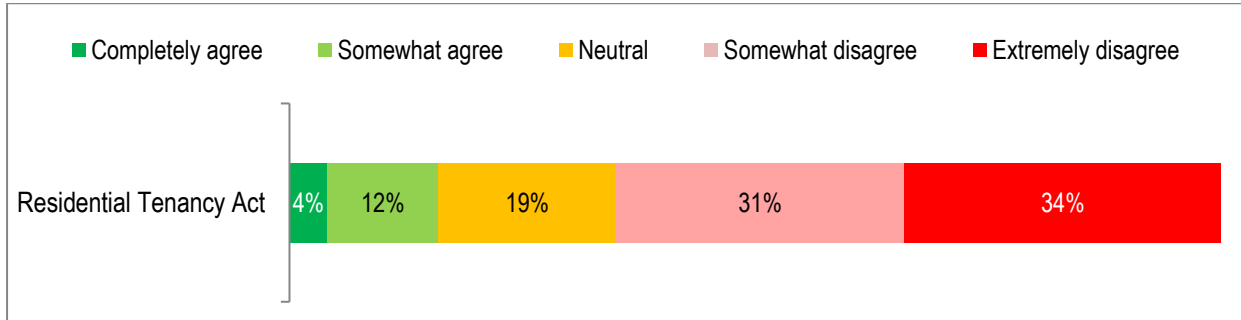


**Note: Interpret with caution due to small base size.*

The Residential Tenancy Act

This month we asked investors about the potential changes to the Residential Tenancy Act and more specifically the potential change that will allow tenants to make minor alterations to a property.

Some 65% of property investors disagree with the proposed changes, indicating that the majority are uncomfortable with tenants making alterations to their property.



Crockers Property Investment Index



Auckland Rental Property Performance Index

The **Auckland Rental Property Investment Index** has experienced a further increase this month, due to more investors planning to increase the size of their Auckland property portfolios.

The **Auckland Rental Property Performance Index** has softened, as a result of a decrease in those who believe the rental property performance over the next 12 months will get better.

