

Rents go up in wake of flooding

By Catherine Gaffaney

Rising Wanganui rental prices are tipped to continue upwards as flood-affected homeowners and renters look for short-term housing, a rental expert says.

Trade Me's May property index showed the median price of a Wanganui rental property rose from \$185 to \$210 year-on-year.

The median weekly rent of one to two-bedroom properties increased from \$165 to \$170, while for three to four-bedroom properties' rent increased from \$230 to \$240.

The rents of large properties with five or more bedrooms rose from \$325 to \$400.

Ross Watson of Ross Watson Realty Wanganui said strong demand had driven prices up.

"There's not so many properties available," he said.

"We could see that escalate a wee bit with the local floods, as people not able to get into their home or current rental property because it's in the flood zone look to relocate for a short or medium period of time."

Landlords selling off proper-



HARD TIMES: Wanganui's flood has helped inflate house rents.

PHOTO/FILE A_210615WCBRCFLOOD035

Rental costs

Wanganui median weekly rents

Property type	May 2014	May 2015
1-2 bedroom	\$165	\$170
3-4 bedrooms	\$230	\$240
5+ bedrooms	\$325	\$400
All properties	\$185	\$210

— Source: Trade Me

ties had possibly also contributed to a lack of supply, he said.

"A few landlords have been selling properties in the last several years, which may have

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taken rental properties out of market.

"I don't think it's that the population has grown. The volume of properties available and tenants looking is probably at its natural level now, which is a good thing."

Tenants demanded more from rental properties than they used to, he said.

"The only way landlords can probably provide better properties is to put rents up."

Month on month, the national median weekly rent remained unchanged at \$420, a record high first reached in January this

year. That was a 6.3 per cent increase on May 2014.

Head of Trade Me Property Nigel Jeffries said it was the weakest month for median rent prices in 2015 "but that's not to say it's cheap".

Over the past five years the median weekly rent across New Zealand had risen 23 per cent.