

NATIONAL LANDLORDS SURVEY

Preliminary Analysis of the Data

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April 2004

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ISBN 0-9582092-9-4

Acknowledgements

This research was undertaken as part of the *Sustainable Housing in Disadvantaged Communities* programme led by the Centre for Research, Evaluation and Social Assessment (CRESA), and funded by the Foundation for Research, Science and Technology. Thanks are also due to the Ministry of Housing for their comments and support with data access and questionnaire development.

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INTRODUCTION

This paper provides an initial analysis of data gathered through the 2003 National Survey of Landlords. The survey focuses on the investment motivations, property and tenant management practices, and experiences of New Zealand's private landlords. The data from the National Survey of Landlords is intended to be one contribution to the development of a sound evidential platform which can address whether the current investment and management practices of landlords provide a platform for a sustainable private rental sector that can adequately meet the housing needs of tenants. The paper provides a brief contextualisation of the National Landlord Survey, describes the survey method, and presents key data derived from the survey.

The data from the National Landlord Survey suggest a private rental market in which there is:

- Considerable fluidity in rental market with indications that:
 - individuals who acquire rental property also tend to exit within relatively short periods of time, and
 - the rental market is still attracting investors who have expectation of making significant capital gain.
- Little use of business structures to own and manage assets.
- Low levels of systematic property and tenant management.
- Pronounced preferences for tenants with certain social characteristics and against tenants with other social characteristics.

CONTEXT OF THE NATIONAL LANDLORD SURVEY

The National Landlord Survey was undertaken by the Centre for Research, Evaluation and Social Assessment Ltd (CRESA) as part of the *Sustainable Housing in Disadvantaged Communities* research programme. A six-year programme funded by the Foundation of Research, Science and Technology, the programme is aimed at reducing serious housing need in rural and urban communities by contributing to community, government, and private sector knowledge and capacity to find sustainable housing solutions. The particular focus on the rental market has developed since 2002 as a response to potentially significant changes in tenure patterns in New Zealand as well as continuing anxieties about the extent to which tenants and landlords respectively require regulatory protection or support.

For the latter half of the 20th century, New Zealanders in the private rental market have largely been groups in transition – young people, students, and young families saving to access home ownership. New Zealanders in the public rental stock have, despite the introduction of market-rents and subsequent reforms in the 1990s, largely been those on very low and uncertain incomes or those with particular needs which make them particularly vulnerable to not having their housing needs met, either through home ownership or the private rental market. The majority of New Zealand households met their housing requirements through entering and maintaining ownership. The likelihood of that pattern persisting into the 21st century appears to be remote.

The declining rate of homeownership in New Zealand suggests that new tastes may be emerging in relation to tenure.¹ New forms of credit appear to be generating different consumption patterns from the post-war generation. Changed levels of debt loading may be inhibiting the ability of some households to enter home ownership, particularly where house prices have shown significant increases relative to incomes. Government assistance into home ownership has been significantly curtailed compared to the 1970s and 1980s. If the rate of homeownership continues to decline, the rental market, both social and for-profit, will see a greater demand for rental housing from a greater diversity of individuals, families and households and a demand for rental housing for longer periods.

Both social housing providers and the private rental market are likely to feel those impacts. After a decade of public divestment in social housing by local and central government and the very low engagement of the not-for-profit sector in the provision of rental housing, meeting the demand for rental housing is likely to fall, as it always has done, primarily on the private rental market. There are questions as to the extent to which the private rental market can respond to those demands. Tenant advocates have tended to portray the private rental market as inchoate and providing poor quality stock. A number of landlords have through the media represented tenants as over-protected and themselves, as landlords, vulnerable to abuses ranging from rent arrears to the trashing of rental properties by tenants. While the purchase of rental properties for investment purposes is promoted by many, there are warnings against poor returns in the rental market for landlords.

Whether any, or all, of these claims about the dynamics, practices and capabilities of the private rental market are accurate, can not be determined. There has been a profound deficit of research into and information about the private rental market. The National Landlord Survey 2003 is an attempt to fill some of that knowledge deficit and could not have been undertaken without the assistance and co-operation of the Ministry of Housing.

METHOD

Data was collected from private landlords through a national telephone survey using a structured questionnaire of predominantly close-ended questions. The questionnaire was developed in consultation with the Ministry of Housing. National Research Bureau (NBR) Ltd was commissioned to undertake the telephone interviewing and supply the raw data to CRESA for analysis.

Target Population

The target population for the survey was New Zealand landlords in the private residential market. For the purpose of this survey, a distinction was drawn between landlords and property managers. Landlords were defined as those individuals who owned or had property rights over one or more rental dwellings through their position in a company or trust. Property managers who had management responsibilities for properties but no ownership or decision-making regarding investment in rental properties such as real estate agents and commercial property managers were excluded from the target population.

¹ The 2001 Census shows home ownership has declined from 73.8 percent in 1991 and 70.7 percent in 1996 to 67.8 percent in 2001.

Getting a Sample Frame

The most comprehensive listing of landlords is the administrative database used by the Ministry of Housing to manage tenancy bonds. The Ministry of Housing agreed to extract a set of landlord contact information from that database which would allow a sample to be drawn for the survey. That extraction process required the identification and exclusion of public landlords and rationalisation to prevent multiple contacts of landlords with more than one property.

A formal agreement was entered into between CRESA and the Ministry of Housing regarding the protection of landlords' contact information and the use of data from the tenancy bond database. A protocol for an extract of landlord information was completed.

The contact data was extracted from bonds lodged in the following two periods, 1–30 November 2003 and 1–31 May 2003. Taking an extract from two separate monthly periods ensured that the sample avoided any bias in the event of an 'unusual' month for bond lodgements and also provided a guarantee that a large enough sample would remain after cleaning the contact information. Because the target population was private landlords, any bonds relating to properties owned by HNZA or territorial authorities were excluded from the original extract leaving a total of 29,607 bonds.

The data extract included landlord name, address, phone number, Statistics New Zealand Area Unit code, landlord type and date of bond lodgement. Because the data was based on bonds not individual landlords, a two step data cleaning process was undertaken prior to initial sampling for the sample frame. The first step was to remove the following entries in the database:

- bond entries with missing telephone numbers
- entries with partial telephone numbers or international telephone numbers
- entries filed by known property management firms and real estate agents, and
- duplicates where a clear match was recorded i.e. those where all fields in a bond entry exactly corresponded to those for another bond entry.

Around 14,000 bond lodgements remained in the extract following the first step of data cleaning. A random sample of 4,000 lodgements was taken from that 14,000 to provide the basis of the sample frame for the survey.

The second step in data cleaning focused on the 4,000 lodgements in the sample frame and consisted of a number of sorting processes to identify any matches in the lodgement fields that might represent duplicate landlords. Any identified duplicates were removed. The second step of data cleaning also involved further data matching to identify and exclude property managers, letting agencies and real estate agents. This left 3,750 potentially contactable landlords.

Prior to delivery of this extracted data, the Ministry of Housing wrote to all 3,750 landlords informing them of the research and the potential for them to be contacted by CRESA on a random basis. Landlords in the extract were given the opportunity to instruct the Ministry of Housing not to include their contact in the data extract. The Ministry of Housing also made clear to landlords that their actual participation in the survey was entirely voluntary. Landlords who allowed their contacts to be forwarded to CRESA were not, *de facto*, consenting to survey participation.

In addition to removing those landlords who instructed the Ministry of Housing not to release their contact details, another set of landlords were removed from the extract data. Those were all landlords for whom the Ministry of Housing's letter regarding the research was returned as undeliverable. The final sample frame used for telephoning landlords to ask for their participation in the survey included 3,592 landlords.

Sampling and Response Rate

The target for the national landlord survey was 800 interviews distributed regionally to broadly match the distribution of landlords in the sample frame. From the extracted list of landlord contacts interviewees were selected randomly. Landlords who were unable to be contacted or declined to be interviewed were replaced by another randomly selected landlord. Fifteen percent of contacted landlords declined the invitation to take part in the survey, with 85 percent of contacted landlords agreeing to participate. A total of 818 interviews were completed.

Questionnaire, Survey Implementation and Data Analysis

An initial draft of the questionnaire was developed by CRESA and piloted with several residential landlords. The Ministry of Housing also provided comments on the draft questionnaire including refining response categories for some questions and suggestions for additional questions based on their current areas of interest. The final questionnaire consisted of 89 primarily closed-ended questions with some opportunities for more extensive commentary, 48 of those questions collected specific information about up to 3 houses owned by the landlords. Landlords owning fewer than three properties answered only those questions relevant to them. The questionnaire is presented in Annex A. The closed-ended questions were pre-coded and analysed in SPSS using both univariate analysis of frequencies and cross-tabulations.

Data Limitations

To date there is no research that systematically profiles the characteristics and behaviours of landlords in the private residential market. This lack of comparable data makes it difficult to assess how representative the data from the current survey is and, therefore, the extent to which it can be generalised.

It is not compulsory for landlords to lodge a bond with the Ministry of Housing. It is unclear whether the profile of landlords who do not lodge bonds varies substantially from those landlords who do lodge bonds. It could be argued that those landlords who manage their rental portfolio using a business approach would be more likely to use tenancy services. If that is the case, the current sample of landlords could be expected to show a bias away from those individuals who have a single dwelling to rent and have little history of engagement in the private rental market as a service industry. One must be cautious in making such an assumption, however. It could equally be argued that landlords who are confident in and have rigorous property and tenant management systems might not feel the need of the protections offered by lodging a bond.

There are also a set of complications around the extent to which those who lodge bonds are the owners of properties to rent. Bonds can be lodged by a variety of

different people. This may be undertaken by the owner of the property or the agents of the owner, who may include property managers, letting agents or real estate agents. The contact information on the bond database relates to the individual who lodges the bond not to the property owner. The survey was designed to collect information from the owner of the rental property and in constructing the contact data extract used for sampling this problem was addressed. Again, because of the deficit of baseline information around landlords, it is difficult to assess what effect this has on the sample. It can be assumed that owners of rental property who use property managers may be under-represented in the sample. However, we can not speculate on the extent to which the characteristics, motivations and other behaviours of that set of owners of rental property varies from the landlords who participated in the survey.

THE NATIONAL LANDLORD SURVEY PARTICIPANT PROFILE

Table 1 profiles the landlords participating in the National Landlord Survey in 2003.

Table 1: Profile of the National Survey of Landlords 2003 Participants

Profile Characteristic	Survey Participants	
	Landlords	% of Landlords
Age:		
▪ 20-29 years	37	4.5
▪ 30-39 years	174	21.3
▪ 40-49 years	216	26.4
▪ 50-64 years	311	38.0
▪ 65+ years	79	9.7
▪ Not specified	1	0.1
Sex:		
▪ Male	423	51.7
▪ Female	395	48.3
Ethnicity:		
▪ NZ European/European	746	91.2
▪ Asian	41	5.0
▪ NZ Maori	18	2.2
▪ Pacific Island	5	0.6
▪ Other	5	0.6
▪ Not specified	3	0.4
Region landlord lives in: ¹		
▪ Auckland	257	31.4
▪ Wellington	124	15.2
▪ Canterbury	104	12.7
▪ Waikato	75	9.2
▪ Bay of Plenty	46	5.6
▪ Wanganui/Manawatu	46	5.6
▪ Otago	45	5.5
▪ Northland	24	2.9
▪ Hawkes Bay	23	2.8
▪ Southland	19	2.3
▪ Taranaki	18	2.2
▪ Nelson	14	1.7
▪ Marlborough	9	1.1
▪ Gisborne	8	1.0
▪ Tasman	5	0.6
▪ West Coast	1	0.1
Tenure of landlord's own home:		
▪ Owned	729	89.1
▪ Rented	89	10.9

¹ Total not 100 percent due to rounding.

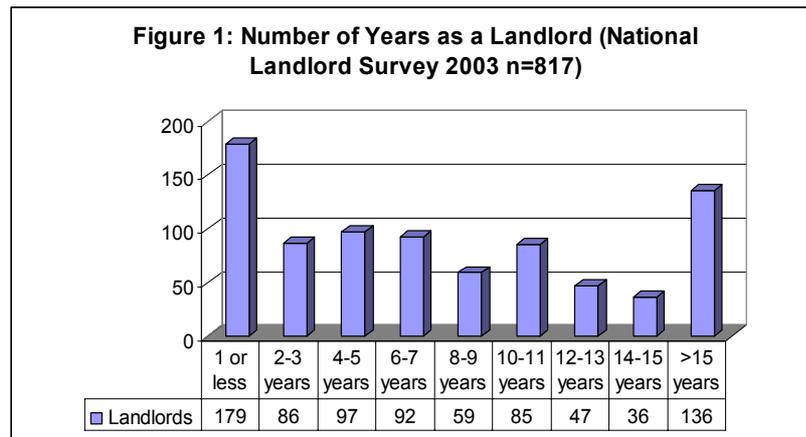
Compared to New Zealand’s population profile there is a clear under-representation of both Maori and Pacific peoples. The representation of Asian ethnicities is slightly lower than their representation in the population as a whole.² While recognising the potential for sample bias noted previously, this profile does appear consistent with the general perceptions of the way in which these ethnic groups participate in business. It is also consistent with the tendency for Maori and for Pacific peoples to have lower home ownership rates and particular difficulties in accessing business and home finance.

The importance of home ownership as a pathway into owning properties to rent should not be ignored. It is notable that the proportion of these landlords who own their own homes exceeds current national levels of home ownership in the population as a whole.

The high rate of women in the sample suggests that their representation in this industry is substantial relative to their ownership and managerial participation in other industry sectors. Women’s high participation rates may reflect the ease with which they can enter rental provision and feel that they can use skills generated by their own home ownership experience.

LANDLORDS’ STAKE IN THE PRIVATE RENTAL MARKET

The population of landlords tends to be dominated by those with shorter rather than longer careers in the sector. Over a fifth of landlords (21.9 percent) reported being a landlord for a year or less (Figure 1). Over half (55.6 percent) of the respondents to the National Landlord Survey have been landlords for less than eight

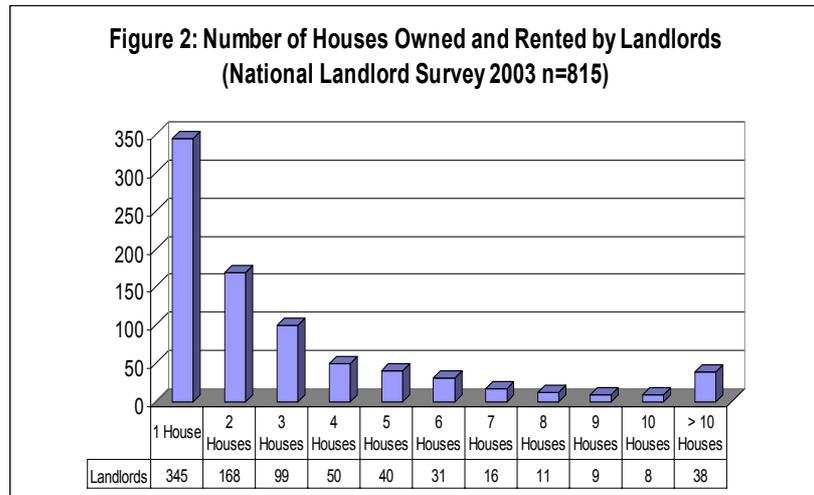


years. The pattern apparent in Figure 1 suggests that there is relatively easy entrance and exit to the sector. Incoming owners of rental property appear to have a pattern of considerable exit after the first few years, although it is possible that this pattern represents an extraordinary influx of investors in rental property in the year prior to surveying. Either way, this pattern leaves a population of landlords who tend to be inexperienced with a small cohort of very experienced landlords who have been in the sector for more than fifteen years. The relative exposure of tenants to ‘experienced’ and ‘inexperienced landlords’ respectively will be the subject of further analysis.

² New Zealand European and other European ethnicities made up 80 percent of the national population in 2001. Maori were 14.7 percent of the population in 2001. Pacific peoples made up 6.5 percent of the population, while Asian ethnicities made up 6.6 percent of the national population in 2001.

The 818 landlords who participated in the survey reported renting out a total of 2,592 houses. The ownership pattern is strongly skewed. The largest single group of landlords are those providing a single dwelling for rent (Figure 2).

Around a fifth of landlords (20.6 percent) have two dwellings for rent. Three quarters of landlords have 3 or fewer rental dwellings. The small numbers of dwellings in the property of portfolio of landlords is reflected in the total value of their rental property assets. Half the landlords reported that the total value of their rental properties did not exceed \$390,000.



Existing landlords show interest in the acquisition of more properties as well as disposing of either their whole or some of their property portfolio. A third (271) of the landlords suggested that they were likely to acquire new rental stock over the next year. Fifteen percent of landlords (47 of the 345 landlords with one dwelling and 77 of the 470 landlords with more than one dwelling) reported that they were planning to sell a rental property over the next year.

Most landlords (74.8 percent) own their rental properties in whole or in part as a personal asset of themselves and/or as shares in common with a family member. Only 12.5 percent of landlords reported that ownership of their property portfolio involved either in part or as a whole ownership through a company structure. Compared with company structures, family trusts were involved in a higher proportion of rental property portfolios with 18.2 percent of landlords reporting that their properties were in whole or in part owned through family trusts (Table 2).

Table 2: Types of Rental Property Ownership (National Landlord Survey 2003)

Type of Ownership	No. of Landlords	% Landlords
Personal ownership only	573	70.0
Family Trust ownership only	118	14.4
Company ownership only	84	10.3
Mix Family Trust and personal	21	2.6
Mix personal and company	8	1.0
Mix Family Trust, personal and company	5	0.6
Mix Family Trust and company	5	0.6
Other	4	0.5
Total	818	100.0

The tendency to own rental property as individuals rather than vesting ownership in the structures typically used for business and commercial assets indicates the limited tax-related incentives for those owning rental properties to use such vehicles. It also indicates the low proportion of people renting dwellings who see themselves with a long term involvement in the provision of rental housing. There appear to be a significant portion of the people who are landlords or, at least own property to rent, that treat rental properties as one among many investment options for their personal investment rather than an investment in the infrastructure of service industry. This pattern suggests that the survey participants do not typically regard being a landlord as a career, a professional arena of activity, or an industry within the service sector.

THE DWELLINGS

The National Landlord Survey asked landlords to describe in some detail up to three of the most recently acquired houses in their rental portfolio. The landlords provided information on the type of dwelling for 1,577 rental dwellings. Figure 3 shows that of those, 65.6 percent were stand alone single dwelling houses of the type that New Zealanders typically live in as owner occupiers. Popular among landlords are units within a block of flats.

Among the properties reported on in the survey, 141 were multiple units in a single building such as a block of flats or an apartment building.

Despite a popular belief in the real estate market of a trend to apartment living, only a few of the rental properties reported on were a single apartment in an apartment block.

This may indicate that single apartments are difficult to rent, possibly because of the additional requirements for landlords around body corporate structures or difficulties in raising mortgage finance at levels acceptable to investors in rental properties. There were a very small number of houses divided into flats.

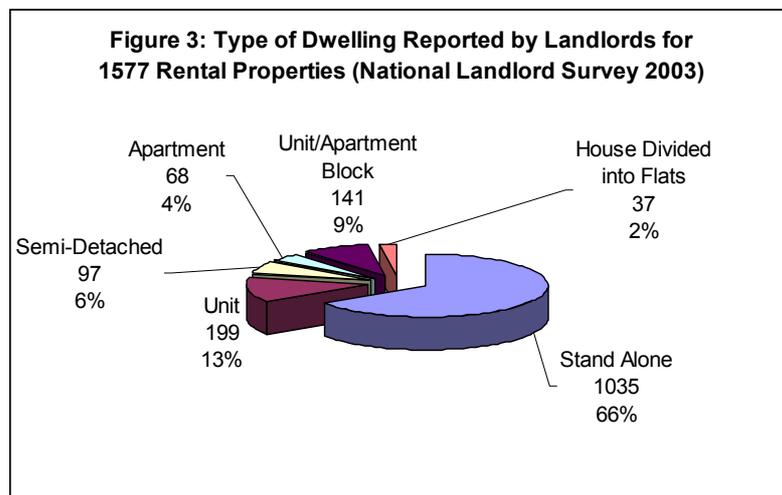


Table 3 sets out the age profile of the stock reported on by landlords. That stock ranges in age from less than ten years old to more than sixty years of age. The reported stock, despite being the stock most recently acquired by landlords, tends to consist of older dwellings with 58.3 percent of landlords' most recently acquired properties being thirty years or older.

**Table 3: Age of Rental Properties Reported by Landlords
(National Landlord Survey 2003)**

Property Age	No. of Properties	% Properties	Cumulative % Properties
< 10 years	194	12.6	12.6
10-19 years	179	11.6	24.1
20-29 years	271	17.5	41.7
30-39 years	291	18.8	60.5
40-49 years	216	14.0	74.5
50-59 years	139	9.0	83.5
60 years or more	255	16.5	100.0
Total¹	1,545	100.0	

¹ Age of 32 properties not provided

INVESTMENT DECISIONS, MOTIVATIONS & MANAGEMENT

The investment motivations of people owning properties for rent were explored by asking landlords with a stated intention of purchasing additional properties over the next year to reflect on their investment objectives.

Of the 818 survey participants 271 stated that they intended to purchase a property for rent within 12 months. As Table 4 shows, those landlords were primarily interested in capital gain with almost two thirds of those landlords intending to purchase, reporting that they were looking for capital gains. Over half of those landlords intending to purchase a property reported that they were looking for either a current income stream or a retirement income stream.

**Table 4: Investment Objectives for Landlords Seeking
Additional Rental Properties in the Next 12 Months
(National Landlord Survey 2003)**

Investment Objective	Responses	% Landlords Intending to Buy (n=271)
Capital investment	173	63.8
Income for retirement	151	55.7
Regular income stream	144	53.1
Taxation benefits	74	27.3
Low risk investment	65	24.0
Provide housing	26	10.0

Multiple Response

Around two thirds of the landlords reporting an intention to acquire a further property in the next 12 months reported that they sought a specific rate of return on investment. That rate of return was positioned in the region of 7-10 percent return.

Around 2.5 percent of the landlords in this category would not disclose the rate of return they were seeking. However, 5 percent of landlords seeking a specific rate of return reported that they sought a rate of return of 6 percent or less. That is a rate of return around that prevailing for term deposits in the traditional banking sector. Some 72.8 percent of landlords seeking a specific rate of return were looking for 7-10 percent return while 19.9 percent of the landlords seeking a specific rate of return on any new property they might acquire reported wanting 11 percent or more as a rate of return.

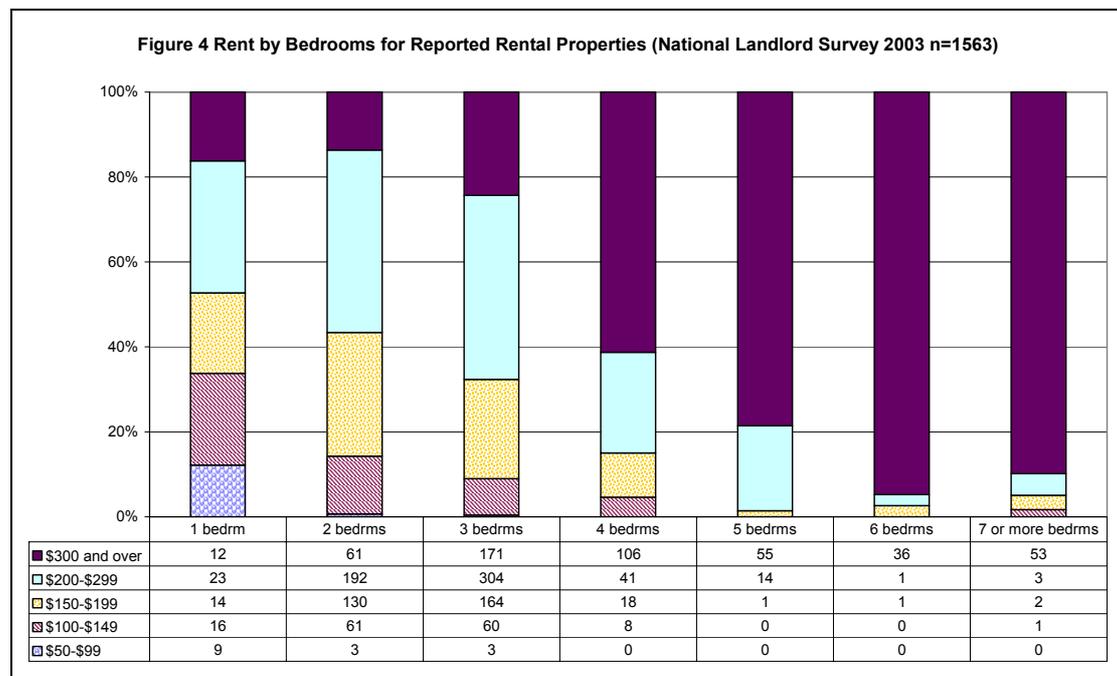
In setting rent levels in their properties, however, achieving a desired rate of return was not a prominent driver of landlord decision-making. Only 4.5 percent of the 818 landlords participating in the survey identified the rate of return as a dominant driver of rents. Around 31 percent of landlords set rents to cover their costs, but the primary benchmark for rent-setting was what survey participants referred to as ‘market rates’.

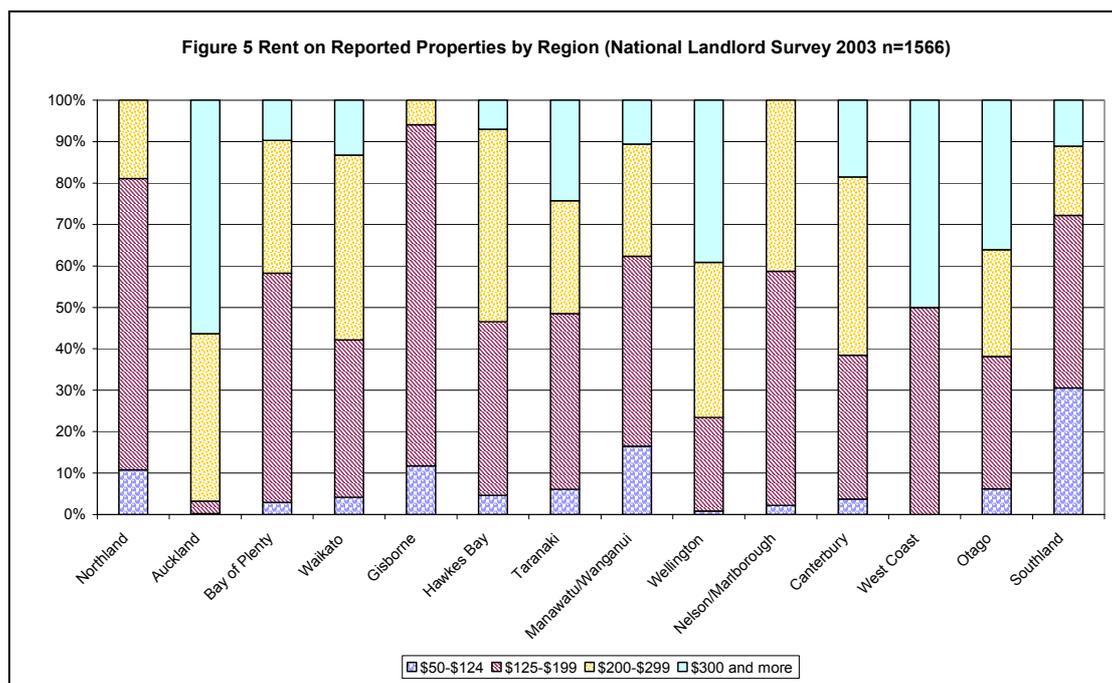
PROPERTY MANAGEMENT

In managing their property portfolio – albeit a portfolio of one rented dwelling for many landlords – landlords must consider three critical elements. Firstly, landlords need to consider how to set an appropriate rent for the dwelling. Secondly, landlords need to consider the range of amenities they will rent with the dwelling and, finally, landlords need to consider and arrange the on-going maintenance of the property. Issues of tenant recruitment, selection and retention are considered in the section related to tenant management.

Rent-Setting

The patterns of weekly rents across the houses reported on in the survey are set out in Figure 4 and Figure 5 show, as one would expect with market rents distinct regional differences as well as differences related to the number of bedrooms.





It has already been noted that a very small minority of landlords report setting their rents to achieve a specified rate of return. Most landlords (718 percent) report that they set market rents for their rental properties. Table 5 sets out the sources from which landlords draw information to assist them in rent setting.

Table 5: Information Sources for Setting Market Rents Reported by Landlords (National Landlord Survey 2003)

Information Source	Responses	% Landlords (n=588)
Advice Real Estate agent/rental agency	273	46.4
Newspapers	204	36.7
Based on similar properties in the area	160	27.2
Word of mouth	83	14.1
Property magazines/reports	35	6.0
Professional advice/appraisals	32	5.4
Previous experience	28	4.8
Internet	26	4.4
Previous rent	12	2.0
Rental provision costs	11	1.9

Multiple Response

Landlords use multiple sources of information but only relatively small proportions of landlords report using what might be described as industry sources. The information reportedly used by the largest single proportion of landlords in setting market rents is from real estate agencies and rental agencies. Only a tiny proportion of landlords report using professional advice, appraisals or assessments. A similarly small proportion report referring to property investment reports, handbooks or industry magazines. Almost 25 percent of landlords use newspapers to establish prevailing rents.

Range of Amenities and Facilities

Landlords were asked to report on the extent to which the dwellings they rent are furnished and the extent to which they manage the utilities associated with a dwelling. Table 6 sets out the pattern of furnishing provision for the 1,577 houses on which information about amenities was reported on by the landlords.

Only tiny minorities of landlords report including utility costs in their rents. If a utility was incorporated into the rent at all, it was most likely to be water rates followed by lawn/gardening services, power and telephones. It must be reiterated that the number of landlords including utilities in the rent is small. Landlords reported only 213 dwellings in which the water rates were included in the rental package.³ Only 51 dwellings had lawn and gardening services as part of the rent package while 28 dwellings were reported as having power included in the rental package.

Table 6: Amenities Furnished in Most Recently Acquired Properties (National Landlord Survey 2003)

Furnished Amenities	Rental Dwellings	% Dwellings (n=1577)
Stove	1,261	80.0
Washing Machine	229	14.5
Fridge	213	13.5
Dishwasher	207	13.1
Dryer	101	6.4
Fully furnished	77	4.9
Couch/Lounge suite	50	3.2
Other	39	2.5
Beds	37	2.3
Table/chairs	28	1.8
Microwave	23	1.5
Cabinet/dresser	15	1.0
Wardrobes	12	0.8
Heater	13	0.8
Waste disposal unit	11	0.7
Dehumidifier	10	0.6
Bookcases	8	0.5
Freezer	5	0.3

Multiple Response

Property Maintenance

As Table 7 shows just over a third of the surveyed landlords reported that they set aside monies regularly to cover the cost of their property maintenance. Almost 70 percent of landlords had no 'known' budget for maintenance expenditure. It can not be assumed that landlords without a maintenance budget do not expend on the maintenance of their properties. Expenditure on maintenance simply tends to be unplanned and is assumed to be manageable within the income flows from the property itself. There is a tendency for landlords to report that they substitute maintenance expenditure with their own labour time. Among the minority of landlords that do set aside or forecast a maintenance budget, the budgeted amounts are small.

³ It should be remembered that only very few territorial authorities have a separate, household based user charge for water use.

Table 7: Annual Budget Set Aside by Landlords for Property Maintenance (National Landlord Survey 2003)

Annual Budget for Maintenance	Landlords	% of Landlords
No Known Budget	565	69.1
\$1 to \$1,000	95	11.6
\$1,001 to \$2,500	77	9.4
\$2,501 to \$5,000	40	4.9
\$5,001 to \$7,500	15	1.8
\$7,501 to \$10,000	7	0.9
\$10,001 or more	19	2.3
Total	818	100.0

A small set of six landlords reported using a property manager to manage maintenance and repairs. The remaining landlords report managing, and/or undertaking, their own maintenance. There is no single approach to the timing of maintenance. Table 8 shows that about a fifth of landlords report undertaking maintenance on a quarterly basis, while a similar proportion report annual maintenance. The largest single category of landlords (24.6 percent) report undertaking their property maintenance on a six-monthly cycle. Others report being in a weekly cycle or monthly cycle of repairs and maintenance, while still others report hardly ever doing maintenance or repairs.

Table 8: Maintenance Patterns of Landlords Managing their Own Maintenance (National Landlord Survey 2003)

Timing of Maintenance	Landlords	% Landlords Managing Own Maintenance
Never or little	34	4.2
As required	105	12.9
Weekly	25	3.1
Monthly	70	8.6
Quarterly	167	20.6
6-monthly	200	24.6
Annually	172	21.2
Every 2 years	39	4.8
Total	812	100

A relatively significant group of landlords, although a minority, report undertaking maintenance ‘as required’. The notion of ‘as required’ encompasses a wide variety of subjective assessments. For some landlords, ‘as required’ refers to when tenants contact them to undertake repair. For other landlords, ‘as required’ refers to the necessity of ‘tidying up’ a dwelling after previous tenants leave or reflects an irregular, though by no means, less expensive approach to maintenance.

TENANT SELECTION & MANAGEMENT

Landlords must not only manage the infrastructure of their business – the rental property – but also their clients or customers – the tenants. Managing tenants has a number of dimensions. Including:

- selection of tenants, and
- regulation of the tenancy which involves ensuring the payment of rent and protection of the dwelling amenity.

Tenant Selection and Preferences

Landlords report that tenants stay on average between six months and two years. The result is that the majority of landlords have had to look for new tenants at least once in the past year and frequently more often. Indeed, only 18.7 percent of the landlords had not had to seek new tenants in the twelve months prior to interviewing and 58 percent of landlords had sought tenants once or twice over that period. A small proportion of landlords (9.2 percent) use a property manager to seek tenants. The remainder seek tenants through newspaper advertisements. Almost a third of landlords use word-of-mouth and just under a third report using letting agencies (Table 9).

**Table 9: Methods Landlords Use to Identify New Tenants
(National Landlord Survey 2003)**

Methods	Landlords	% of Landlords
Advertising	565	69.1
Word of mouth	266	32.5
Letting Agencies	257	31.4
Property Manager	75	9.2
Websites	24	2.9
Tenant 'Wanted to Rent' Advertisements	20	2.4
Community organisations	3	0.4
Other	27	3.3

Multiple Response

While over 40 percent of landlords use property managers or real estate agents to identify a pool of prospective tenants, there is a strong desire among landlords to undertake the actual selection of tenants. Only 22.9 percent of landlords report that they do not select a tenant and that they delegate that responsibility to a property manager or letting agency.

The actual mechanism or process used for selecting a tenant varies and multiple techniques are often applied. There is a heavy reliance on conversation with the prospective tenants. Around 46 percent of landlords report that they interview prospective tenants. Just over half (50.7 percent) of landlords report selecting tenants on the basis of a casual chat.

Apart from the proportion of landlords using property managers, there is little evidence that information sought by way of reference or background checks is a significant determinant of selection. Thus, while 71.9 percent of landlords report that they ask for references and 22.2 percent run credit checks, only thirty landlords (3.7 percent) reported that they systematically used that information in making selection decisions. That compares to 56 landlords (6.8 percent) who reported that in selection they used their intuition and 'gut instinct'.

Most landlords have a distinct set of tenant preferences as well as groups that they explicitly do not prefer. Table 10 shows the groups of tenants who are preferred explicitly by more than a quarter of the landlords and similarly the groups explicitly stated as not preferred by a quarter or more of landlords.

Table 10: Tenants Explicitly Identified as Preferred and Not Preferred by Landlords (National Landlord Survey 2003 n=818)

	Tenant Group	% Landlords
Tenants Explicitly Identified as Preferred	Professional Couple	70.3
	Retired Couple	51.1
	Professional Single	45.2
	Retired Single	39.7
	Young Single Female	30.3
Tenants Explicitly Identified as Not Preferred	Large Families	67.4
	Students	62.8
	Sole Parent Family	32.4
	Refugee/Migrant Family	30.0

Multiple Response

The groups repeatedly mentioned as tenants that would be avoided included households with children where the landlord deemed the dwelling to be unsuitable because of size or because of perceived wear and tear on the dwelling. Young people were also unpopular with landlords. They were portrayed as essentially unreliable, likely to be throwing parties and likely to be 'hooligans'. Singles, especially sole mothers, but also single, young men were a population group identified as undesirable by landlords. Both Maori and 'Asians' were mentioned, the latter primarily in relation to perceived language difficulties. Extended families were seen as undesirable, so too were people with tattoos, beneficiaries, and speakers of English as a second language.

Tenancies

Most properties were rented out by way of a periodic tenancy (Table 11). Most of the dwellings reported on in the survey had a written tenancy agreement.

Table 11: Type of Tenancy Arrangement for Reported Dwellings (National Landlord Survey 2003)

Tenancy Type	Dwellings	% of Dwellings
Periodic	1,219	77.4
Fixed Term	308	19.6
Mixed & Periodic	13	0.8
Other	34	2.2
Total¹	1574	100

¹ Three dwellings not reported

Landlords tend to place a variety of conditions on tenants (Table 12). These are most often designed to ensure rent payment and to prevent activities or use that landlords see as detrimental to the property. The most common condition is the requirement that rent payments are by way of automatic payment. Conditions designed to protect the property are also applied. Over half of landlords report requiring their tenants to

maintain gardens and lawns. A slightly smaller proportion of landlords require tenants not to smoke in the dwelling and almost half will not accept pets.

**Table 12: Conditions Placed on Tenancies
(National Landlord Survey 2003)**

Condition	Landlord	% of Landlords (n=798)
Rent payments must be by AP	598	74.9
Maintain gardens and lawns	464	58.1
No smoking	435	54.5
No pets	404	50.6
No parties	212	26.6
No dogs	172	21.6

Multiple Response

The payment of a bond by tenants was common (Table 13) with over two thirds of the dwellings on which landlords reported having a two-week bond attached to the tenancy. Only 5 percent of dwellings were rented without a bond.

**Table 13: Bond Payment for Reported Dwellings
(National Landlord Survey 2003)**

Bonding Arrangement	Dwellings	% of Dwellings
No bond	86	5.5
1-week bond	21	1.4
2-week bond	1,068	67.7
3-week bond	305	19.3
4-week bond or more	97	6.2
Total	1,577	100

Over a third of landlords make no routine property inspection. Those landlords who do undertake inspections, do so far from frequently. About 17 percent of landlords inspect their property twice a year and less than a quarter of landlords report that they inspect their rental properties quarterly. The remainder report a variety of inspection patterns, many of which are informal and irregular (Table 14).

**Table 14: Frequency of Property Inspections
(National Landlord Survey 2003)**

Frequency of inspection	Landlords	% of Landlords
No Regular Property Inspection	298	36.4
Weekly	15	1.8
Fortnightly	10	1.2
Monthly	59	7.2
Two monthly	15	1.8
Quarterly	184	22.5
Six monthly	139	17.0
Yearly	51	6.2
Other	43	5.3
Unsure	4	0.5
Total	818	99.9¹

¹ Due to rounding

Almost two thirds of landlords have had some sort of tenant problem at some time in the past. The non-payment of rent is the problem most commonly reported (Table 15).

**Table 15: Problems with Tenants Reported by Landlords
(National Landlord Survey 2003)**

Problem	Landlords	% of Landlords (n = 538)
Non-payment of rent	466	86.6
Damage to property	304	56.5
Neighbourhood disturbance	201	37.4
Abandonment/vacating	204	37.9
Unsanitary habits	179	33.3
Crime	108	20.1
Disagreement over water rates	13	2.4
Overcrowding/extra people	11	2.0
Non maintenance of grounds/rubbish/ old cars on property	10	1.9
Subletting	7	1.3
Issues with dogs/pets	6	1.1
Communication problems	3	0.6

Multiple Response

Landlords appear to deal with tenant issues themselves. Less than half (41.6 percent) of landlords reported having been to the mediation or the tenancy tribunal because of a dispute with a tenant.

A FUTURE IN THE INDUSTRY

There are significant proportions of landlords who report having entered rental housing only in the year before interviewing. There is also a strong skew in the profile of landlords that suggest that many who enter the rental market as landlords leave it after a relatively short duration, although this may possibly be an artefact of extraordinarily high entry in the year prior to surveying. This in part reflects the motivations of the people who buy houses for rent including the desire for capital gain, and the tendency for windfall or almost accidental entry.

Ownership of rental property is articulated by many landlords in relation to property maintenance and tenant management rather in the same way that individual home owners manage their own dwelling maintenance. The types of people landlords want in their properties are often those who they would feel comfortable with in a social situation. For many landlords who see rental property as simply one of a variety of investment mechanisms they could use to generate essentially passive earnings, both property management and tenant management can present problems.

The disadvantages of being a landlord are highlighted in Table 16. Many of those disadvantages are cited by landlords as likely to drive them out of the rental market. But there are also perceived financial advantages and other benefits of owning rental property. Those benefits are set out in Table 17.

**Table 16: Disadvantages of Rental Property Ownership
(National Landlord Survey 2003)**

Disadvantages of Rental Property Ownership	Landlords	% of Landlords
Problems with tenants/bad tenants	267	32.6
Maintenance/upkeep (on going)	218	26.7
Non payment of rent/risk of non payment	154	18.8
Damage of property/risk of damage	90	11.0
Stress/worry	86	10.5
Costs involved/cash flow problems	83	10.1
Tenants leaving/finding new tenants	60	7.3
Selecting good tenants	59	7.2
Tenancy law favours tenants/need more support for landlord	52	6.4
Periods of vacancy/sometimes hard to get tenants	48	5.9
Maintenance/cleaning up after tenants leave	38	4.6
Financial risks/uncertainty of interest rates/property market	38	4.6
Poor returns	22	2.7
Paperwork/extra admin/time involved	20	2.4
Short term tenants/frequent tenant turnover	18	2.2

Multiple Response

Table 17: Benefits of Rental Property Ownership (National Landlord Survey 2003)

Benefits of Owning Rental Property	Landlords	% of Landlords
Capital gain	312	38.1
Regular income/cash flow/long-term income	261	31.9
Retirement investment/income	208	25.4
Investment/long term investment	132	16.1
Tax benefits/relief	72	8.8
Rent pays the mortgage/expenses	68	8.3
Safe/low risk investment	62	7.6
Better/best return on investment	59	7.2
Provision/accommodation for family/own use if necessary	49	6.0
Enjoy property management/interesting work	40	4.9
Meet people/like dealing with people/helping people	38	4.6
Building up assets/equity/an asset base	35	4.3
Savings plan/compulsory savings	25	3.1
Minimum outlay/low overheads	19	2.3
Borrowing power/easier to borrow for further investment	14	1.7
Easy to manage/minimum input and expertise	9	1.1
Self employment	9	1.1

Multiple Response

Those perceived benefits are likely to draw investors into the rental market to replace, to a greater or lesser extent, exiting landlords. There are also those who are well aware of both the advantages and disadvantages of landlording. They treat it not only as a property investment on which capital gain can be made, but as a service industry. They have experiences with poor tenants but they recognise that those risks can be managed. Their exit from rental property is more likely to reflect their life stage – some exit because they are retiring from business – rather than particular problems with tenants or exhaustion with property maintenance.

Of the 339 landlords with only one property, only 47 (13.9 percent) reported that they were likely to sell their current rental property in the next twelve months. Eight of those 47 landlords indicated that they would acquire a replacement rental property. A slightly higher proportion (16.1 percent) of landlords with more than one property report that they are likely to sell a rental property in the next six months. Of those, 77 landlords, however, 37 report that they will replace their sold property with another. Some 39.5 percent of landlords with more than one rental property were planning to acquire more rental properties in the next year, while a quarter of landlords with a single property report that they are likely to acquire another property in the next twelve months.

SOME CONCLUDING COMMENTS

The preliminary analysis of the data from the 2003 National Landlord Survey generates considerable doubts about whether the majority of people with one or more dwellings on the rental market can properly be referred to as landlords. Certainly they offer dwellings for rent, but for many, rental dwellings are more a form of passive investment akin to the investments New Zealanders make in term deposits, small shareholdings or managed funds. Landlords' focus on capital gain is indicative of this. The majority of landlords do not see themselves as running a rental business in a service industry. There is low investment in management and the acquisition of the skills necessary to manage tenants and property.

Landlords allocate low levels of resource to maintain rental properties. Perhaps more importantly, there is a low recognition that property management and tenant management are the core activities of landlording. The consequence of this is that many landlords feel themselves over-burdened by the demands of property and tenants.

Some landlords are, no doubt, very vulnerable to poor tenants. Together those perceptions and experiences generate an apparent tendency for substantial proportions of landlords to exit the market after relatively short durations. Two other tendencies can also emerge under those conditions. Firstly, there is the risk that landlords will attempt to mitigate their own limited experience in tenant management by seeking more stringent government regulation of tenants. Secondly, in attempts to protect themselves from poor tenant behaviours some landlords are likely to adopt exclusionary behaviours based on the socio-demographic characteristics of tenants. The tenant populations most vulnerable to this are the very populations who are most likely to be seeking housing on the rental market – large families, students, sole parent families, refugee families and migrant families.

If supply in the private rental market is to be sustainable, it is imperative that the private rental market is not seen as simply a vehicle for passive investment and capital gain. It must be seen as a service industry. For that to occur, those who manage their rental properties themselves need to acquire skills in, and apply the processes of, risk management and financial management. There needs to be substantial investment in infrastructure and property management combined with improved tenant management and tenant selection.

**ANNEX A
LANDLORD QUESTIONNAIRE**

SECTION 1: BACKGROUND

1. How long have you been a landlord? _____ years or _____ date year/decade
2. Which of the following best describes how you became a landlord? *(tick one box only)*
 - ₁ I decided to buy rental houses as an investment – capital gains
 - ₂ I decided to buy rental houses as an investment – regular income
 - ₃ I was left house/s in a Will
 - ₄ I wanted to provide accommodation for family members
 - ₅ I moved to another city/country for work or other reasons and kept the house I was living in as a rental property
 - ₆ other (please specify) _____
3. How many houses do you currently own for rental purposes?
_____ houses
4. What would you estimate is the total combined asset value of your rental houses i.e. what are the houses worth?
\$ _____ ₁ Don't know/Unsure
5. Are these rental houses owned? *(tick one box only)*
 - ₁ Personally by myself/partner/family
 - ₂ Through a company
 - ₃ Through a Family Trust
 - ₄ Other (please specify) _____

SECTION 2: YOUR RENTAL PROPERTY(IES)

This section asks you some background information about the properties you currently own including details about the age, location and tenancy of your four each house/flat. If they have over 3 properties than just ask about the 3 most recently acquired properties

Complete one of the attached pages for each house up to a maximum of three houses.

SECTION 3: PROPERTY MANAGEMENT

6. On average how long do your tenants stay? *(tick one box only)*
 - ₁ less than one month
 - ₂ 2 to 6 months
 - ₃ 6 to 12 months
 - ₄ 1 – 2 years
 - ₅ 2 or more years

7. How many times in the last year have you sought new tenants for any of your rental properties?

_____ times _1 Don't know/Unsure

8. Do you have any plans to sell any of your rental properties in the next year? (*tick one box only*)

_1 Yes → go to Question 9

_2 No → go to Question 10

9. If yes, how many and why are you planning to sell?

10. Do you currently have any plans to acquire more rental properties in the next year? (*tick one box only*)

_1 Yes → go to Question 11

_2 No → go to Question 13

11. What are your investment objectives when buying a rental property? (*multiple responses allowed*)

_1 Long-term capital gains

_2 Regular income

_3 To provide someone with a home

_4 Low risk investment

_5 Taxation benefits

_6 Income for retirement

_7 Other (*please specify*) _____

12. Do you look for a specific rate of return before you invest in a rental property? If yes, what rate do you look for?

13. How do you set the rent levels on your rental properties? (*tick one box only*)

_1 To achieve my desired rate of return → go to Question 15

_2 To cover costs → go to Question 15

_3 Income Related Rents → go to Question 15

_4 Market Rate → go to Question 14

_5 Other (*please specify*) _____ → go to Question 15

14. How do you calculate the market rate?

15. How often do your properties require maintenance? *(tick one box only)*

- ₁ Don't know – all maintenance undertaken by a property manager
- ₂ Monthly
- ₃ Six-monthly
- ₄ Yearly
- ₅ Biannual
- ₆ Never
- ₇ Other *(please specify)* _____

16. Do you set regularly aside money for maintenance of your rental properties? *(tick one box only)*

- ₁ Yes →
- ₂ No

If yes, please estimate how much you set aside yearly
(please tick one box only)

- | | |
|---|--|
| <input type="checkbox"/> _A \$1-1,000 | <input type="checkbox"/> _D \$5,001-\$7,500 |
| <input type="checkbox"/> _B \$1,001-\$2,500 | <input type="checkbox"/> _E \$7,501-\$10,000 |
| <input type="checkbox"/> _C \$2,501-\$5,000 | <input type="checkbox"/> _F \$10,001 or more |

17. How do you find new tenants? *(multiple responses allowed)*

- ₁ Property manager finds tenants for me
- ₂ Advertising
- ₃ Word of mouth
- ₄ Letting Agencies (eg Homeadz, Homefind, Real Estate Agents etc)
- ₅ Websites
- ₆ Community Organisations (e.g Women's Refuge, Budget Advice etc)
- ₇ Other *(please specify)* _____

18. When selecting tenants, do you do any of the following things? *(please tick yes or no for each category)*

	Yes	No
Ask for references	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂
Run a credit check	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂
Ask for alternative contact details e.g. family member, work address etc	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂

- ₃ Don't know - Property manger handles all details related to selecting tenants

19. How do you select tenants? *(multiple responses allowed)*

- ₁ Don't know - Property manger/Real estate agent etc selects tenants
- ₂ Questionnaire
- ₃ Interview
- ₄ Casual chat
- ₅ Other *(please specify)* _____

20. What conditions do you put on your tenants (e.g. no pets)? (*multiple responses allowed*)

- ₁ Don't know – property manager handles these matters
- ₂ No smoking
- ₃ No pets
- ₄ No parties
- ₅ Rent payments must be by automatic payment
- ₆ Gardens must be maintained (e.g. lawn mowed etc)
- ₇ None
- ₈ Other (*please specify*) _____

21. Do you (or your property manager) complete regular property inspections for your rental properties? (*tick one box only*)

- ₁ Yes → once a year / twice a year / more than twice a year / monthly / weekly / other _____
- ₂ No

22. Have you had any problems with tenants in the past? (*tick one box only*)

- ₁ Yes → go to Question 23
- ₂ No → go to Question 24

23. What types of problems have you had? (*Multiple responses allowed*)

- ₁ Non-payment of rent
 - ₂ Damage to property
 - ₃ Neighbourhood disturbance
 - ₄ Crime
 - ₄ Abandonment/vacating
 - ₅ Unsanitary Habits
 - ₆ Disagreement over Water Rates
 - ₇ Other (*please specify*) _____
-

24. Have you ever been to mediation or to the tenancy tribunal with a tenant because of a dispute? (*tick one box only*)

- ₁ Yes → go to Question 25
- ₂ No → go to Question 26

25. What was the outcome?

26. Do you specify a type of tenant when seeking new tenants e.g. professional couple? (*tick one box only*)

- ₁ Yes → go to Question 27
- ₂ No → go to Question 28

27. What type of tenants do you specify? (*multiple responses allowed*)

- ₁ Professional couple
- ₂ Students
- ₃ Retired single/couple
- ₄ Sole parent family
- ₄ Couple with children
- ₅ Professional singles flatting together
- ₆ Other (please specify) _____

28. For the following list of tenant categories please say whether the tenant type is preferred, not preferred or you have no preference either way.

	Preferred	Not preferred	No preference either way
Professional couple	1	2	3
Solo parent family	1	2	3
Students	1	2	3
Refugee/Migrant family	1	2	3
Large families	1	2	3
Couple with children	1	2	3
Young single female	1	2	3
Same sex couples	1	2	3
Retired couple	1	2	3
Professional singles flatting together	1	2	3
Ethnic minorities	1	2	3
Retired single	1	2	3
Middle aged single male	1	2	3

29. What are the advantages/disadvantages of owning rental houses?

<p>Advantages:</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>Disadvantages:</p> <p>_____</p> <p>_____</p> <p>_____</p>
---	--

SECTION 4: DEMOGRAPHICS

30. Which age group are you in? (*tick one box only*)

- ₁ 20 – 29 years
- ₂ 30 – 39 years
- ₃ 40 – 49 years
- ₄ 50 – 64 years
- ₅ 65 years or more

31. Are you:

- ₁ Male
- ₂ Female

32. Ethnicity: *(multiple responses allowed)*

- ₁ New Zealand European/Pakeha
- ₂ Maori
- ₃ Pacific Island
- ₄ Asian
- ₅ Other *(please specify)* _____

33. Which town/city do you live in: City/Town: _____

34. Do you rent or own your own home?

- ₁ Rent
- ₂ Own

Thank you for participating in this survey

House One – Most recently acquired house

H1.1 What type of dwelling is this property? *(tick one box only)*

- | | | | |
|---------------------------------------|---------------|---------------------------------------|----------------|
| <input type="checkbox"/> ₁ | Stand alone | <input type="checkbox"/> ₄ | Apartment |
| <input type="checkbox"/> ₂ | Unit | <input type="checkbox"/> ₅ | Block of Flats |
| <input type="checkbox"/> ₃ | Semi-detached | | |

H1.2. Where is it located?

City/Town: _____ Suburb: _____

H1.3. How old is this dwelling? *(tick one box only)*

- | | | | |
|---|-------------------|--|-------------------|
| <input type="checkbox"/> ₁ | less than 5 years | <input type="checkbox"/> ₆ | 40-50 years |
| <input type="checkbox"/> ₂ | 5-10 years | <input type="checkbox"/> ₇ | 50-60 years |
| <input type="checkbox"/> ₃ | 10-20 years | <input type="checkbox"/> ₈ | 60-80 years |
| <input type="checkbox"/> ₄ | 20-30 years | <input type="checkbox"/> ₉ | 80-100 years |
| <input type="checkbox"/> ₅ | 30-40 years | <input type="checkbox"/> ₁₀ | 100 years or more |
| <input type="checkbox"/> ₁₁ Don't know | | | |

H1.4. How many bedrooms does the dwelling have?

_____ bedrooms

H1.5. Do you provide any furniture or whiteware? *(tick one box only)*

- ₁ Yes → go to Question H1.6.
₂ No → go to Question H1.7.

H1.6. What furniture or whiteware do you provide? *(multiple responses allowed)*

- | | | | |
|---------------------------------------|-----------------|---------------------------------------|-------------------|
| <input type="checkbox"/> ₁ | washing machine | <input type="checkbox"/> ₆ | couch |
| <input type="checkbox"/> ₂ | dryer | <input type="checkbox"/> ₇ | beds |
| <input type="checkbox"/> ₃ | dishwasher | <input type="checkbox"/> ₈ | fully – furnished |
| <input type="checkbox"/> ₄ | fridge | <input type="checkbox"/> ₉ | Other |
| <input type="checkbox"/> ₅ | stove | | |

(Please specify 'other') _____

H1.7. Is this tenancy a: *(tick one box only)*

- ₁ periodic tenancy (e.g on-going either party gives the required notice)
₂ fixed term tenancy
₃ Other (please specify) _____

H1.8. Do you have a written tenancy agreement for this property? *(tick one box only)*

- ₁ Yes ₂ No ₃ Don't know

H1.9. Do your tenants pay a bond? *(tick one box only)*

- ₁ Yes → go to Question H1.10.
₂ No → go to Question H1.11.

H1.10. How many weeks rent is the bond based on? (*tick one box only*)

- | | |
|---|--|
| <input type="checkbox"/> ₁ one week | <input type="checkbox"/> ₄ four weeks |
| <input type="checkbox"/> ₂ two weeks | <input type="checkbox"/> ₅ five weeks |
| <input type="checkbox"/> ₃ three weeks | <input type="checkbox"/> ₆ Other (please specify) _____ |

H1.11. What is the current weekly rental for the dwelling?

\$ _____

H1.12. Does this include power or any other utilities such as phone etc? (*if yes specify inclusions*)

- ₁ Yes → phone / power / gas / water rates / other _____
- ₂ No

H1.13. How many people currently live in the dwelling?

_____ people

₁ Don't know

H1.14. How long have the current tenants been living in the dwelling? (*tick one box only*)

- ₁ Less than one month
- ₂ 2 to 3 months
- ₃ 4 to 6 months
- ₄ 7 to 9 months
- ₅ 10 to 12 months
- ₆ 1 to 2 years
- ₇ More than 2 years (please specify) _____
- ₈ Don't know
- ₉ House currently empty – no tenants

If the person owns one rental property only go on to section 3

House Two – Second most recently acquired house

H2.1 What type of dwelling is this property? *(tick one box only)*

- | | | | |
|---------------------------------------|---------------|---------------------------------------|----------------|
| <input type="checkbox"/> ₁ | Stand alone | <input type="checkbox"/> ₄ | Apartment |
| <input type="checkbox"/> ₂ | Unit | <input type="checkbox"/> ₅ | Block of Flats |
| <input type="checkbox"/> ₃ | Semi-detached | | |

H2.2. Where is it located?

City/Town: _____ Suburb: _____

H2.3. How old is this dwelling? *(tick one box only)*

- | | | | |
|--|-------------------|--|-------------------|
| <input type="checkbox"/> ₁ | less than 5 years | <input type="checkbox"/> ₆ | 40-50 years |
| <input type="checkbox"/> ₂ | 5-10 years | <input type="checkbox"/> ₇ | 50-60 years |
| <input type="checkbox"/> ₃ | 10-20 years | <input type="checkbox"/> ₈ | 60-80 years |
| <input type="checkbox"/> ₄ | 20-30 years | <input type="checkbox"/> ₉ | 80-100 years |
| <input type="checkbox"/> ₅ | 30-40 years | <input type="checkbox"/> ₁₀ | 100 years or more |
| <input type="checkbox"/> ₁₁ | Don't know | | |

H2.4. How many bedrooms does the dwelling have?

_____ bedrooms

H2.5. Do you provide any furniture or whiteware? *(tick one box only)*

- ₁ Yes → go to Question H2.6.
₂ No → go to Question H2.7.

H2.6. What furniture or whiteware do you provide? *(multiple responses allowed)*

- | | | | |
|---------------------------------------|-----------------|---------------------------------------|-------------------|
| <input type="checkbox"/> ₁ | washing machine | <input type="checkbox"/> ₆ | couch |
| <input type="checkbox"/> ₂ | dryer | <input type="checkbox"/> ₇ | beds |
| <input type="checkbox"/> ₃ | dishwasher | <input type="checkbox"/> ₈ | fully – furnished |
| <input type="checkbox"/> ₄ | fridge | <input type="checkbox"/> ₉ | Other |
| <input type="checkbox"/> ₅ | stove | | |

(Please specify 'other') _____

H2.7. Is this tenancy a: *(tick one box only)*

- ₁ periodic tenancy (e.g on-going either party gives the required notice)
₂ fixed term tenancy
₃ Other (please specify) _____

H2.8. Do you have a written tenancy agreement for this property? *(tick one box only)*

- ₁ Yes ₂ No ₃ Don't know

H2.9. Do your tenants pay a bond? *(tick one box only)*

- ₁ Yes → go to Question H2.10.
₂ No → go to Question H2.11.

H2.10. How many weeks rent is the bond based on? (*tick one box only*)

- | | | | |
|---------------------------------------|-------------|---------------------------------------|------------------------------|
| <input type="checkbox"/> ₁ | one week | <input type="checkbox"/> ₄ | four weeks |
| <input type="checkbox"/> ₂ | two weeks | <input type="checkbox"/> ₅ | five weeks |
| <input type="checkbox"/> ₃ | three weeks | <input type="checkbox"/> ₆ | Other (please specify) _____ |

H2.11. What is the current weekly rental for the dwelling?

\$ _____

H2.12. Does this include power or any other utilities such as phone etc? (*if yes, specify inclusions*)

- ₁ Yes → phone / power / gas / water rates / other _____
- ₂ No

H2.13. How many people currently live in the dwelling?

_____ people

₁ Don't know

H2.14. How long have the current tenants been living in the dwelling? (*tick one box only*)

- ₁ Less than one month
- ₂ 2 to 3 months
- ₃ 4 to 6 months
- ₄ 7 to 9 months
- ₅ 10 to 12 months
- ₆ 1 to 2 years
- ₇ More than 2 years (please specify) _____
- ₈ Don't know
- ₉ House currently empty – no tenants

If the person owns two rental properties only go on to section 3

House Three – Third most recently acquired house

H3.1 What type of dwelling is this property? *(tick one box only)*

- | | | | |
|---------------------------------------|---------------|---------------------------------------|----------------|
| <input type="checkbox"/> ₁ | Stand alone | <input type="checkbox"/> ₄ | Apartment |
| <input type="checkbox"/> ₂ | Unit | <input type="checkbox"/> ₅ | Block of Flats |
| <input type="checkbox"/> ₃ | Semi-detached | | |

H3.2. Where is it located?

City/Town: _____ Suburb: _____

H3.3. How old is this dwelling? *(tick one box only)*

- | | | | |
|--|-------------------|--|-------------------|
| <input type="checkbox"/> ₁ | less than 5 years | <input type="checkbox"/> ₆ | 40-50 years |
| <input type="checkbox"/> ₂ | 5-10 years | <input type="checkbox"/> ₇ | 50-60 years |
| <input type="checkbox"/> ₃ | 10-20 years | <input type="checkbox"/> ₈ | 60-80 years |
| <input type="checkbox"/> ₄ | 20-30 years | <input type="checkbox"/> ₉ | 80-100 years |
| <input type="checkbox"/> ₅ | 30-40 years | <input type="checkbox"/> ₁₀ | 100 years or more |
| <input type="checkbox"/> ₁₁ | Don't know | | |

H3.4. How many bedrooms does the dwelling have?

_____ bedrooms

H3.5. Do you provide any furniture or whiteware? *(tick one box only)*

- ₁ Yes → go to Question H3.6.
₂ No → go to Question H3.7.

H3.6. What furniture or whiteware do you provide? *(multiple responses allowed)*

- | | | | |
|---------------------------------------|-----------------|---------------------------------------|-------------------|
| <input type="checkbox"/> ₁ | washing machine | <input type="checkbox"/> ₆ | couch |
| <input type="checkbox"/> ₂ | dryer | <input type="checkbox"/> ₇ | beds |
| <input type="checkbox"/> ₃ | dishwasher | <input type="checkbox"/> ₈ | fully – furnished |
| <input type="checkbox"/> ₄ | fridge | <input type="checkbox"/> ₉ | Other |
| <input type="checkbox"/> ₅ | stove | | |

(Please specify 'other') _____

H3.7. Is this tenancy a: *(tick one box only)*

- ₁ periodic tenancy (e.g on-going either party gives the required notice)
₂ fixed term tenancy
₃ Other (please specify) _____

H3.8. Do you have a written tenancy agreement for this property? *(tick one box only)*

- ₁ Yes ₂ No ₃ Don't know

H3.9. Do your tenants pay a bond? *(tick one box only)*

- ₁ Yes → go to Question H3.10.
₂ No → go to Question H3.11.

H3.10. How many weeks rent is the bond based on? (*tick one box only*)

- | | |
|---|--|
| <input type="checkbox"/> ₁ one week | <input type="checkbox"/> ₄ four weeks |
| <input type="checkbox"/> ₂ two weeks | <input type="checkbox"/> ₅ five weeks |
| <input type="checkbox"/> ₃ three weeks | <input type="checkbox"/> ₆ Other (please specify) _____ |

H3.11. What is the current weekly rental for the dwelling?

\$ _____

H3.12. Does this include power or any other utilities such as phone etc? (*if yes, specify inclusions*)

- ₁ Yes → phone / power / gas / water rates / other _____
- ₂ No

H3.13. How many people currently live in the dwelling?

_____ people

- ₁ Don't know

H3.14. How long have the current tenants been living in the dwelling? (*tick one box only*)

- ₁ Less than one month
- ₂ 2 to 3 months
- ₃ 4 to 6 months
- ₄ 7 to 9 months
- ₅ 10 to 12 months
- ₆ 1 to 2 years
- ₇ More than 2 years (please specify) _____
- ₈ Don't know
- ₉ House currently empty – no tenants

Go on to Section 3