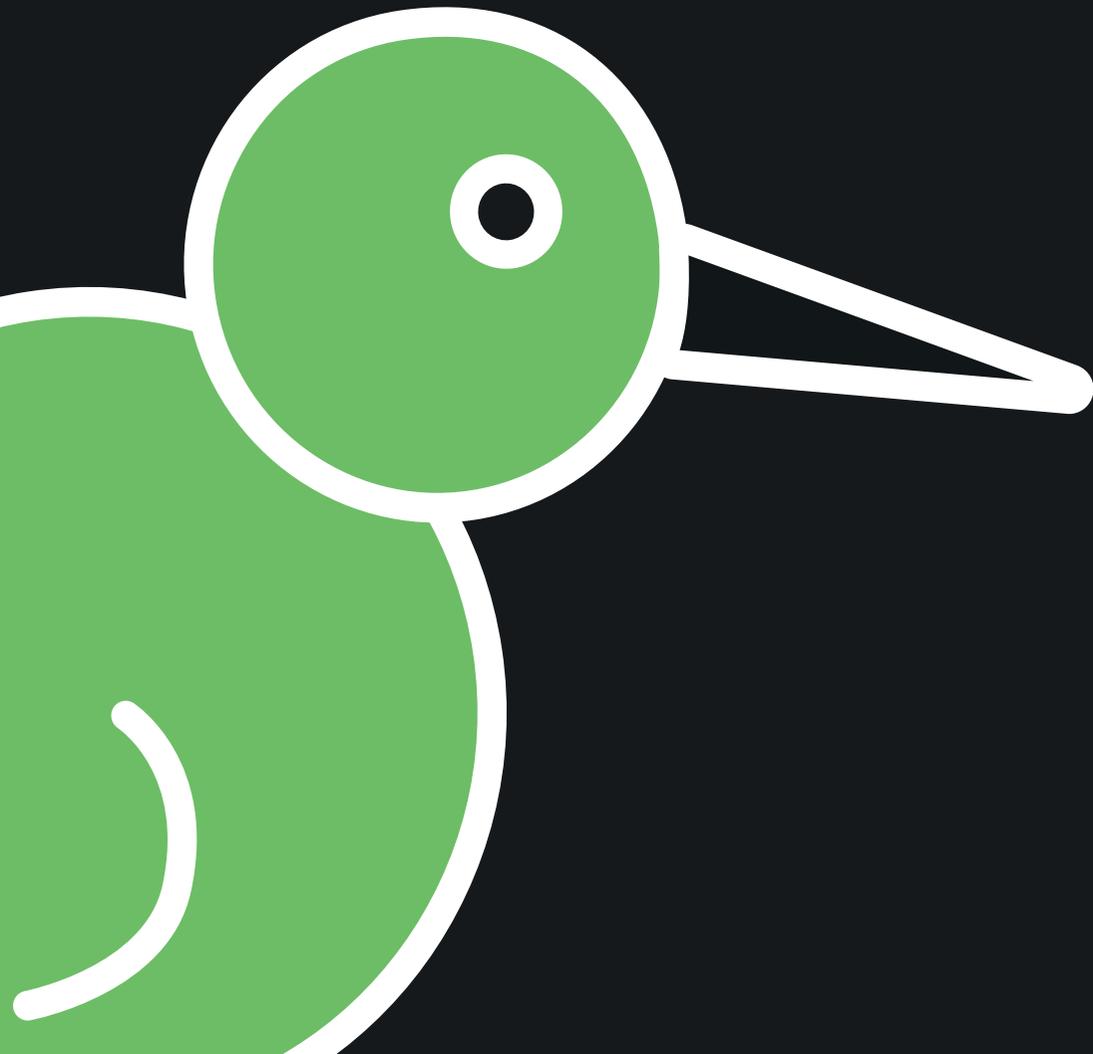


The **OneChoice** **Housing Trends** report

June 2022



OneChoice[®]
INSURANCE FOR KIWIS

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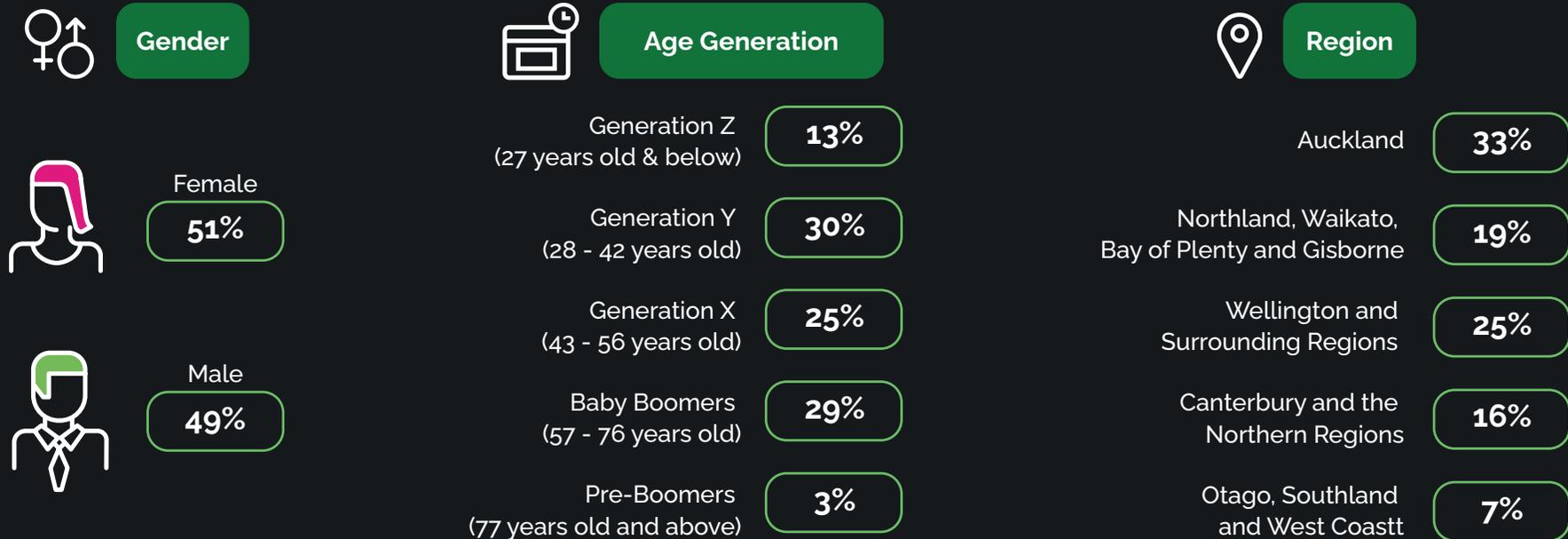
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About the report

The report is compiled of research commissioned by OneChoice and conducted by CoreData between 12 and 18 April 2022. The research was conducted via quantitative online survey, gathering 1,128 responses from New Zealanders aged 18 years and above.

This research explores key housing trends unfolding in New Zealand and will explore the related concerns for Kiwis. This report investigates Kiwis' perceptions of the housing situation in New Zealand in different contexts, buying vs renting, metropolitan living compared to non-metropolitan living and how Kiwis feel about trying to buy their first home.

The relevant demographic breakdowns of the survey are as follows:



Important things to observe about the charts:

Footnotes directly underneath the charts (e.g., respondents who are currently renting) mainly refer to the sampling involved per question. This is to differentiate who was asked that particular question in the survey.

Any chart without a specific note on its sampling was asked to all respondents.

It also differentiates the types of questions asked. For instance, 'Multiple answers allowed' appears when the question called for more than one answer from the respondent.



Key findings

Key findings

The Kiwi dream might be changing

- The 'Kiwi dream' is becoming harder to attain, with 51% of Kiwis reporting that they feel the 'dream' is not attainable.
- Becoming financially independent is more challenging, with 63% of Kiwis claiming the lack of decent job opportunities is making it tough to enter the property market.
- Majority of Kiwis feel that the ideal of the 'Kiwi dream' has changed over time (81%).

Renting is considered overpriced

- Most Kiwis that are currently renting think rent is overpriced (95%), and 3 in 4 renters do not want to rent but feel they have no choice (76%). 9 in 10 renting Kiwis are worried about their ability to afford a home given property prices in New Zealand (89%).
- 2 in 5 renters actively looking to buy a home would even seriously consider 'buying shares' in a home through a cooperative apartment scheme (39%).
- Renters also feel the COVID-19 pandemic has made it harder to find suitable rental properties (72%), and 3 in 4 renters feel it has made rental properties less affordable (75%).

Key findings

Kiwis feel living in New Zealand is unaffordable

- 3 in 4 Kiwis feel it is unaffordable to live in New Zealand these days (77%), with 3 in 5 expecting living affordability to get worse over the next decade (61%).
- Many Kiwis who currently own a home are facing mortgage stress, and the top influences shaping where Kiwis live, whether renting or buying, include the rising cost of living (44%) and increasing housing market costs for renting and buying (33%).

Strategies and attitudes of first home buyers

- The top strategies for first home buyers include cutting back on life expenses (62%) and waiting for property prices to drop further (56%).
- The most common attitudes among first home buyers is that housing affordability is leading people to delay home ownership (92%) and that if a property is purchased, it will likely not be their 'dream' or 'ideal' home.
- Close to 7 in 10 first home buyers feel like they are unable to keep up with rising property prices (68%). Over 1 in 2 feel anxious day-to-day about buying their first home (55%), while close to 1 in 2 feel their chances of securing a first home are hopeless (46%).

Key findings

Kiwis living preferences

- The top considerations for location are safe neighbourhoods (72%) and access to local amenities (58%).
- The top perceived benefits of metropolitan living are access to city/urban amenities (58%) and shopping (55%).
- The top perceived disadvantages are crowds, traffic, and overpopulation (68%) and lack of parking (66%).
- The top perceived benefits of non-metropolitan living are peace and quiet (74%) and being able to enjoy the great outdoors (67%).
- The top perceived disadvantages of non-metropolitan living are poor transport links (57%) and lack of shopping options (46%).

High-rise living might be the only option

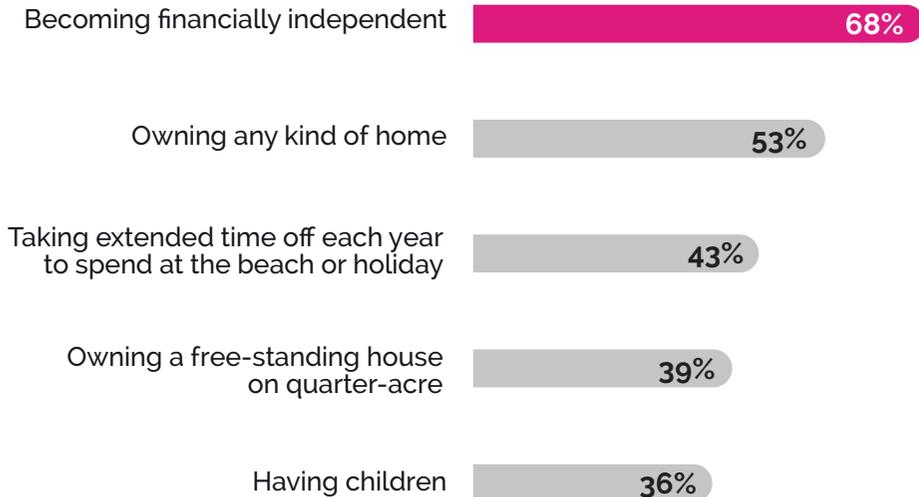
- The top perceived benefit of high-rise living is the proximity to the city (43%) and the inner city lifestyle (40%).
- The top perceived disadvantages of high-rise living are the lack of private gardens (68%) and too many people living close by (68%).
- Additionally, close to 3 in 4 Kiwis think that high-rise living is a growing trend in New Zealand (73%), and of these people, only 1 in 5 see this as a good thing (21%).



The 'new' Kiwi dream

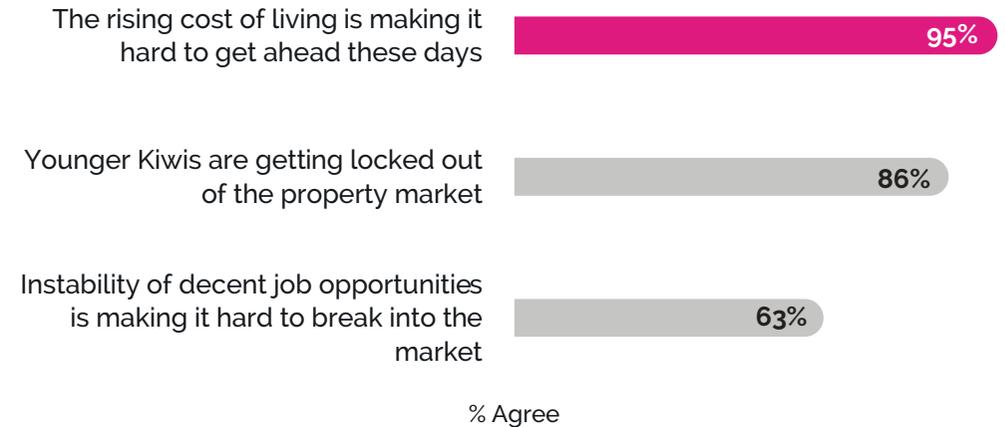
Kiwi dream

How would you personally define your perspective of the 'Kiwi dream'?



* Multiple answers allowed

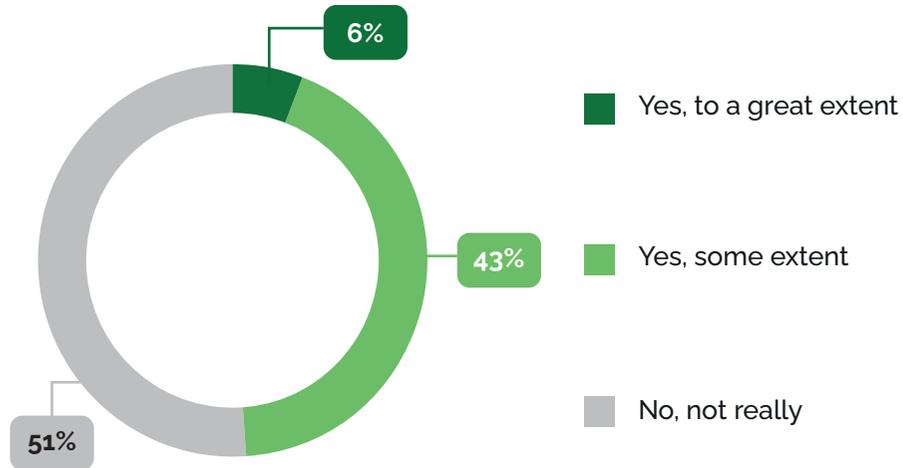
How much do you agree or disagree with the following statements about Kiwis getting on the property ladder?



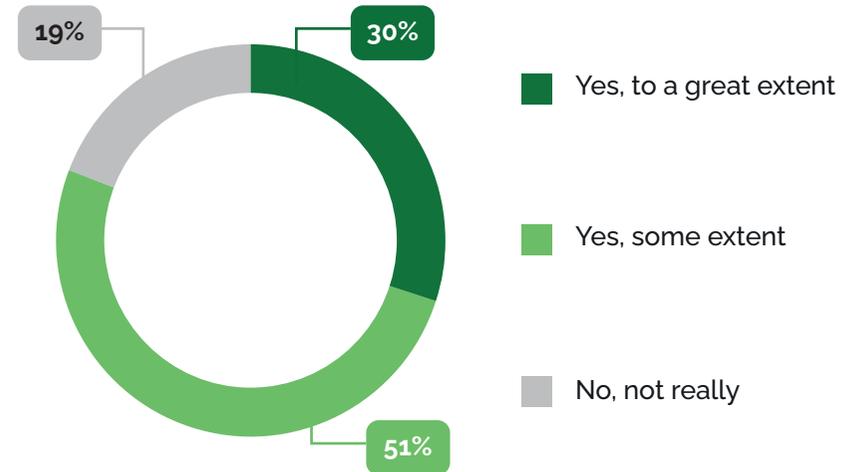
The top two personal definitions of the 'Kiwi dream' are becoming financially independent (68%) and owning any kind of home (53%). The main challenges facing Kiwis getting on the property ladder is the rising cost of living which is making it hard to get ahead these days (95%), and younger Kiwis getting locked out of the property market (86%).

The 'dream' becoming unattainable

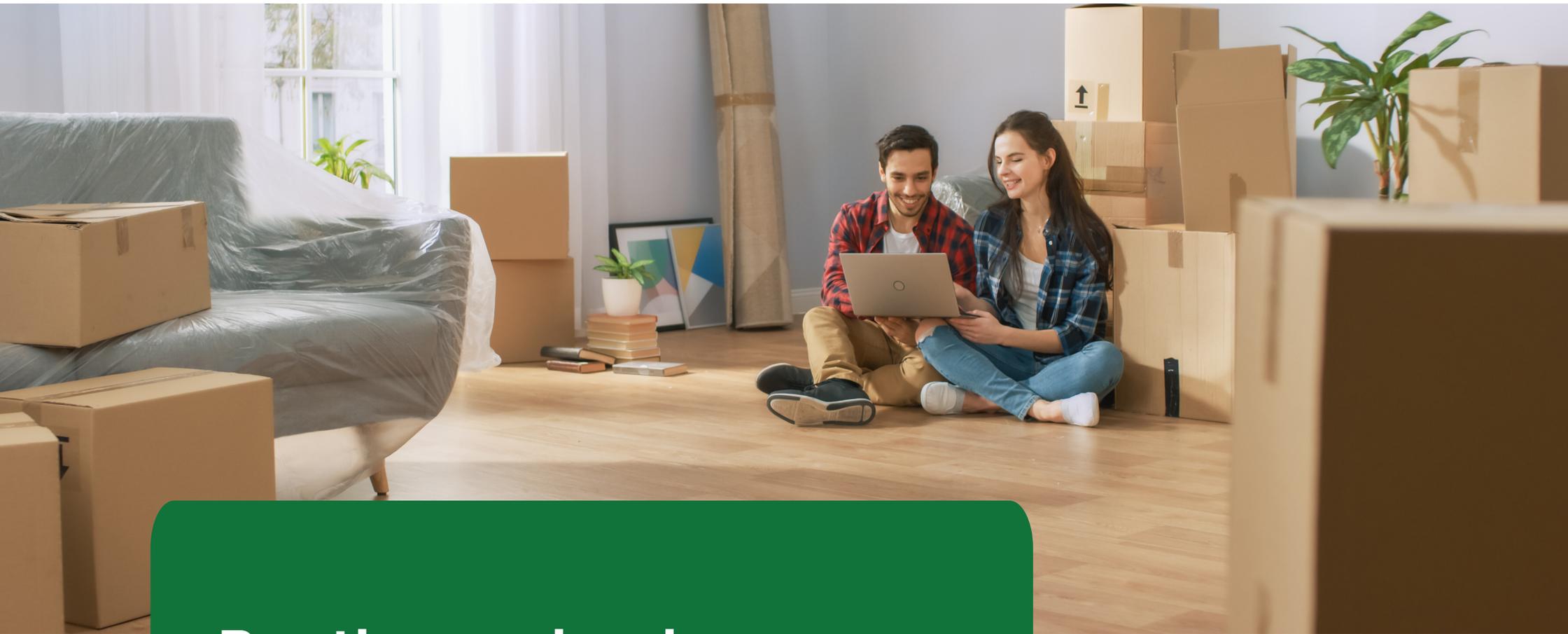
Do you feel the average Kiwi idea of the 'Kiwi dream' is attainable these days?



Do you feel the average Kiwi's idea of the 'Kiwi dream' has changed over time?



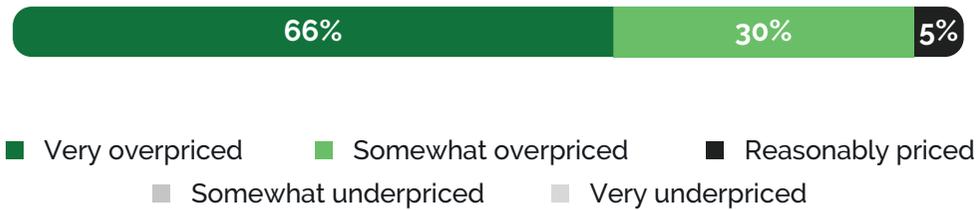
1 in 2 Kiwis feel the average ideal of the 'Kiwi dream' is unattainable these days (51%), while around 43% think it is attainable to some extent. Further, 4 in 5 Kiwis report that the average Kiwi's ideal of the 'Kiwi dream' has changed over time (81%).



Renting vs. buying

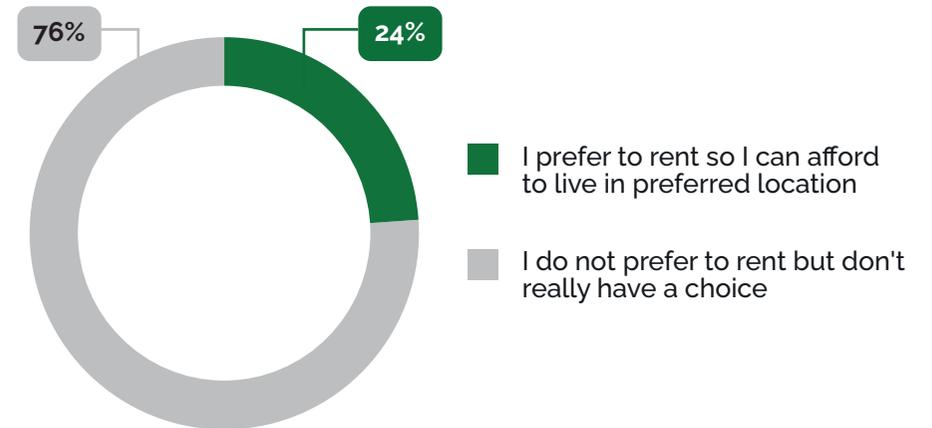
Forced into overpriced rent

How do you feel about the cost of rent these days in New Zealand?



n = 352, respondents who are currently renting

Which best describes your current attitude to renting?

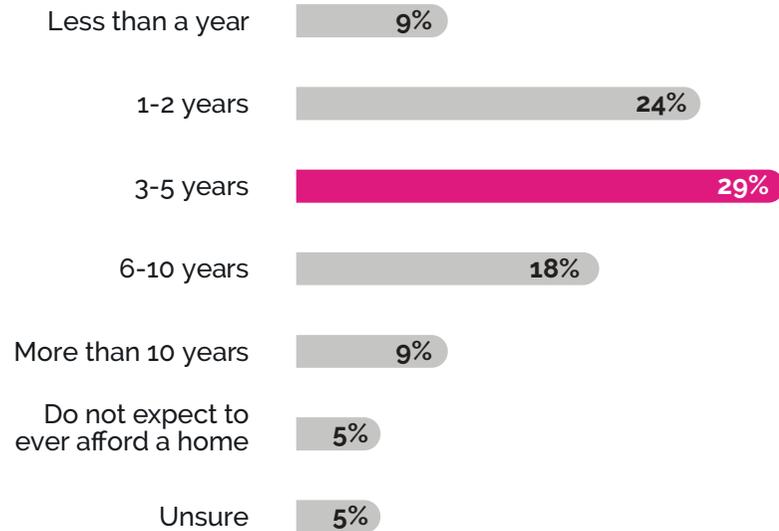


n = 352, respondents who are currently renting

A large portion of renting Kiwis feel that rent in New Zealand is overpriced (95%), while a very small number claim it is reasonably priced (5%). 3 in 4 Kiwis say they do not prefer to rent but don't have a choice (76%), while 1 in 4 prefer to rent so they can afford to live in preferred locations (24%).

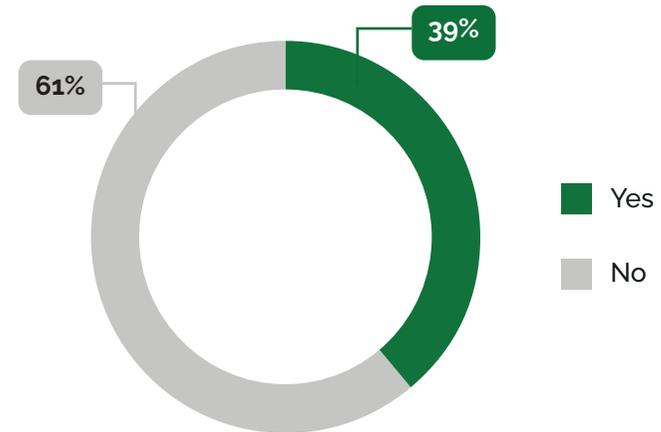
Expectations of home buying

How long do you expect to be renting before you buy a home?



n = 192, respondents who are currently renting and actively looking for a home

Thinking back 10 years ago, did you expect to be renting as long as you have been/likely will before you buy a home?



n = 352, respondents who are currently renting

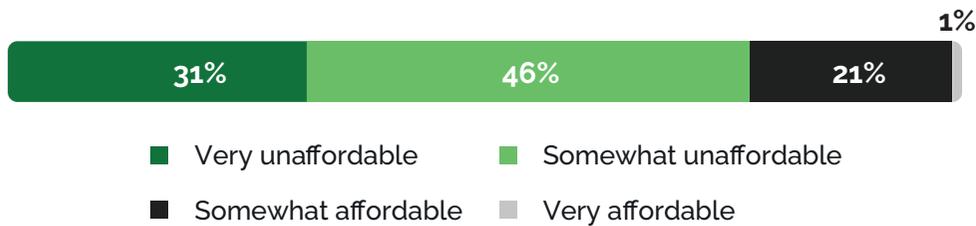
1 in 4 Kiwis expect to be renting for another 1-2 years before buying a home (24%), while 3 in 10 expect to be renting for 3-5 more years (29%). Looking back 10 years ago, 6 in 10 Kiwis did not expect to be renting as long as they have been/likely will before buying a home (61%).



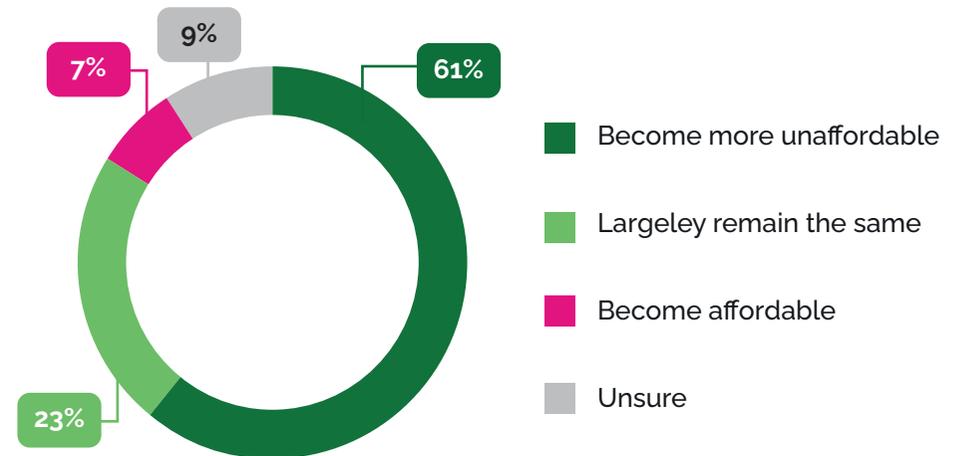
Housing affordability

Affordability is getting worse

How affordable do you feel it is currently living in New Zealand?

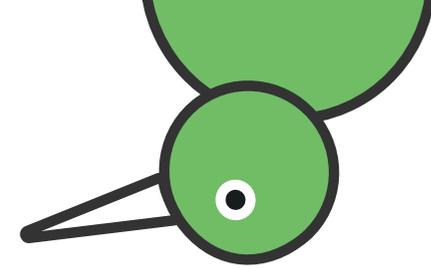


Do you feel this living affordability will change in the next 10 years?

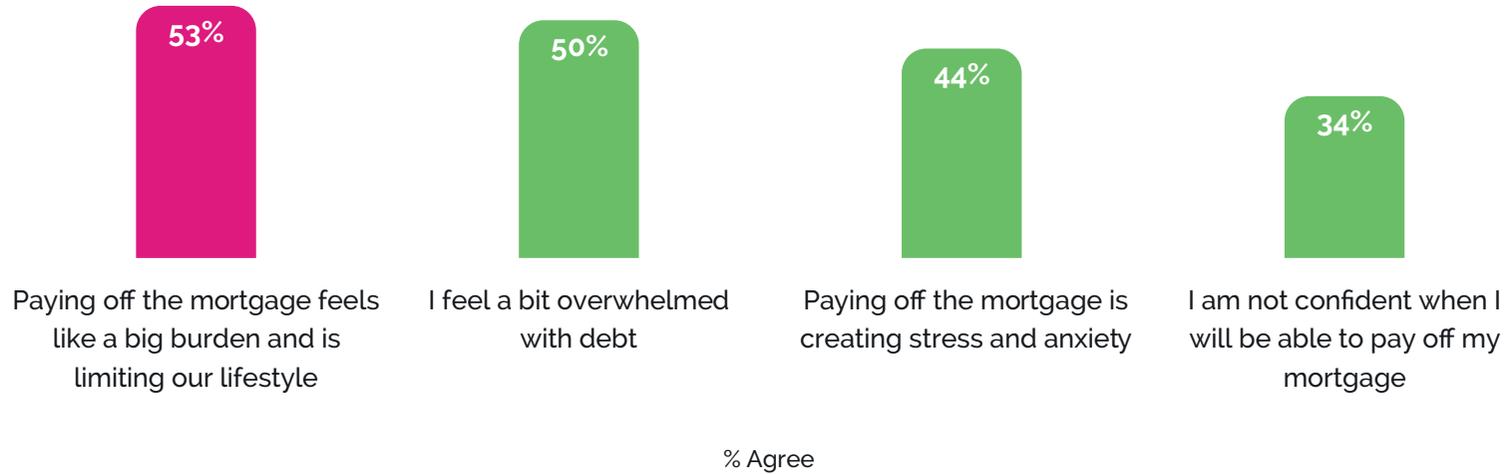


3 in 4 Kiwis feel that it is unaffordable to live in New Zealand these days (77%), while one-fifth (22%) claim living is affordable. Majority of Kiwis expect living affordability to get worse over the next decade (61%), while close to 1 in 4 think it will remain the same (23%).

Mortgage struggle

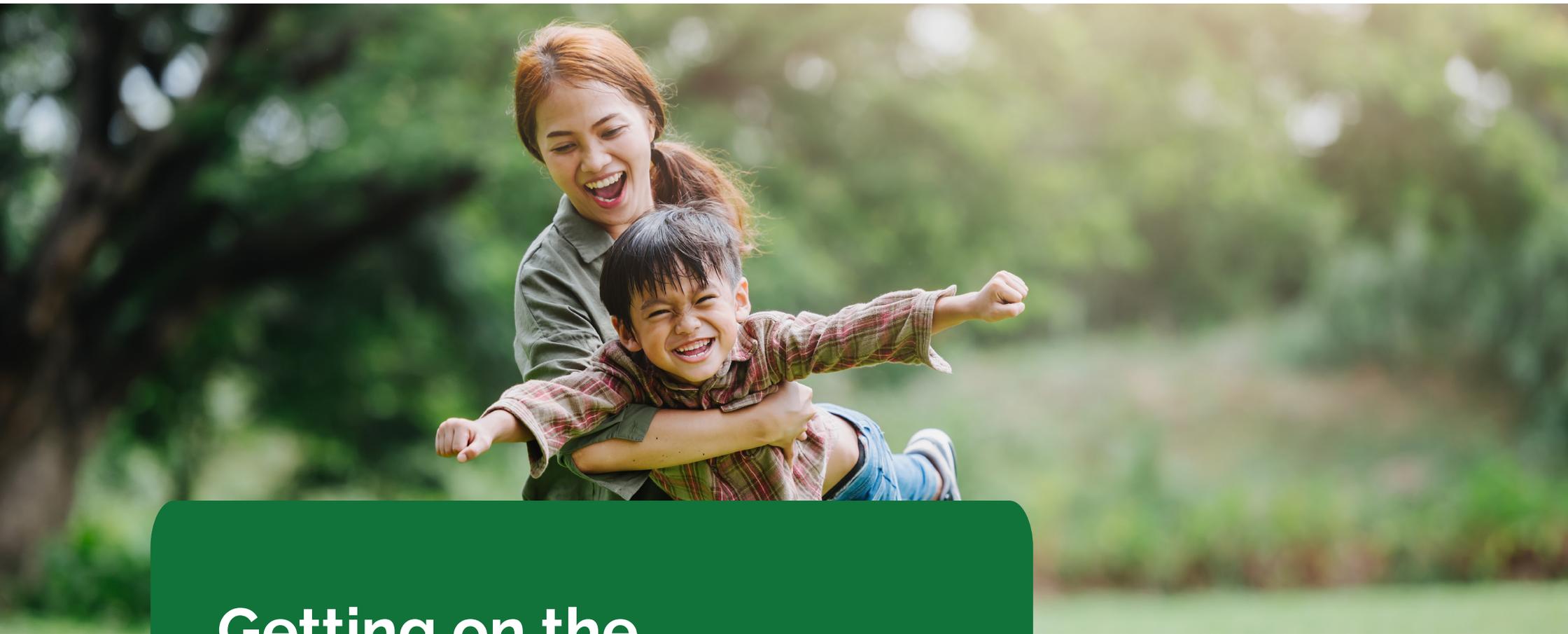


How much do you agree or disagree with the following statements about your mortgage?



n = 398, homeowners who are yet to pay off their mortgage

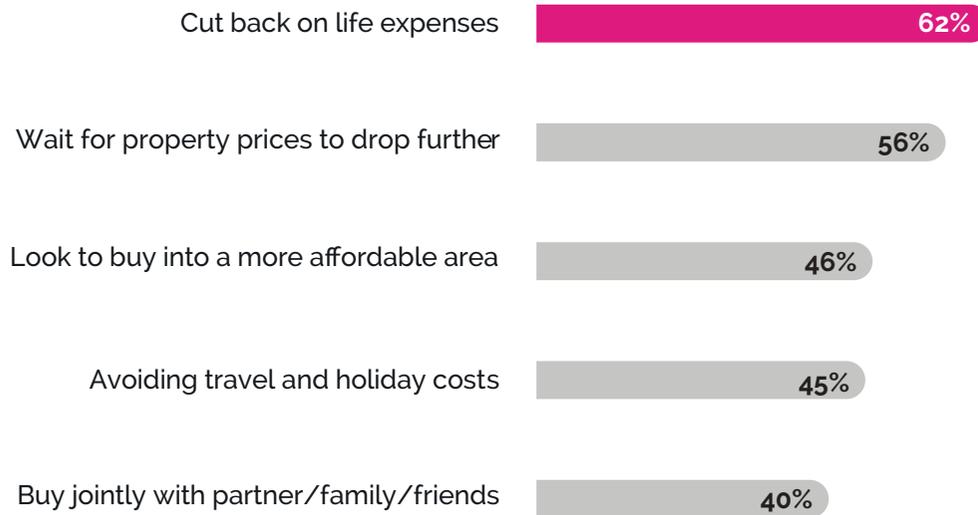
Many Kiwis who currently own a home are facing mortgage stress. The top influences shaping where Kiwis prefer to live these days include the rising cost of living (44%) and increasing housing market costs whether renting or buying (33%).



Getting on the property ladder

First home buyers

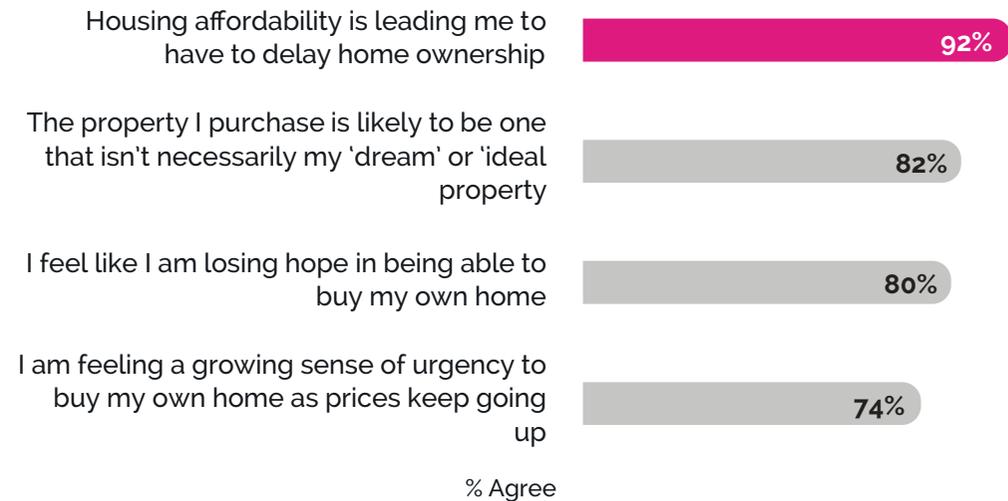
Which of the below strategies have you used, are you using or planning to use in order to buy your own home?



* Multiple answers allowed

n=157, respondents who are first home buyers

How much do you agree or disagree with the following statements about buying your own home?



n=157, respondents who are first home buyers

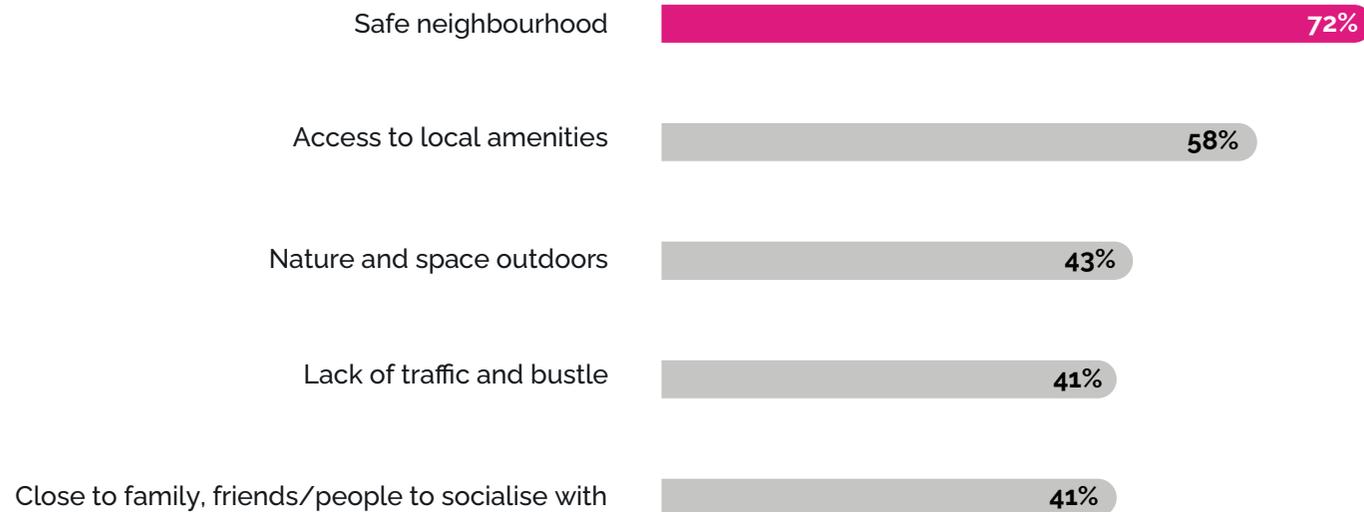
The top strategies for first home buyers are cutting back on life expenses (62%) and waiting for property prices to drop further (56%). The most common attitudes toward buying a home among first home buyers is that housing affordability is leading them to have to delay home ownership (92%) and that if a property is purchased, it is unlikely to be their 'dream' or 'ideal' home. Close to 7 in 10 first home buyers are feeling like they are unable to keep up with rising property prices (68%). Over 1 in 2 feel anxious day-to-day about buying their first home (55%) and close to 1 in 2 feel their chances of buying a home are hopeless (46%).



Living preferences

Metropolitan living – key considerations

What are your key considerations when deciding where to live?

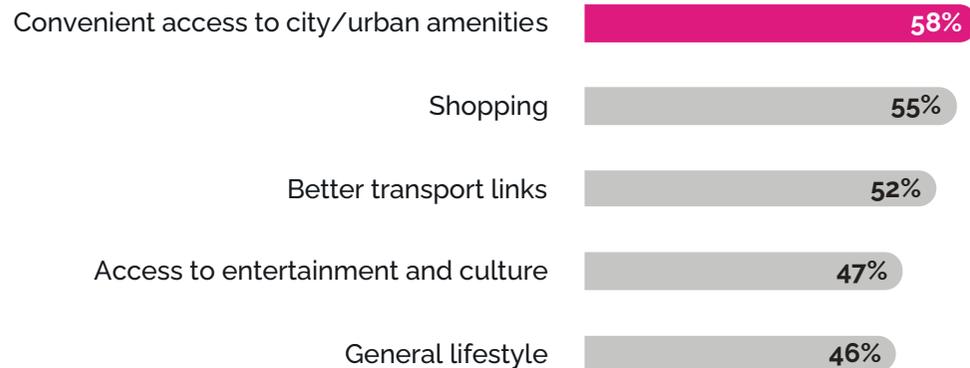


** Multiple answers allowed, top 5 only*

The top considerations for location in New Zealand are safe neighbourhoods (72%) and access to local amenities (58%).

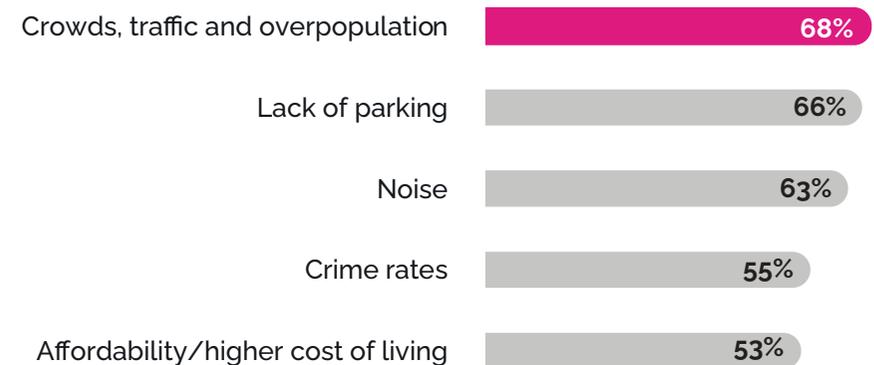
Metropolitan living – benefits and disadvantages

What do you feel are the greatest benefits of inner city and suburban living?



* Multiple answers allowed, top 5 only

What do you feel are the greatest disadvantages of inner city and suburban living?

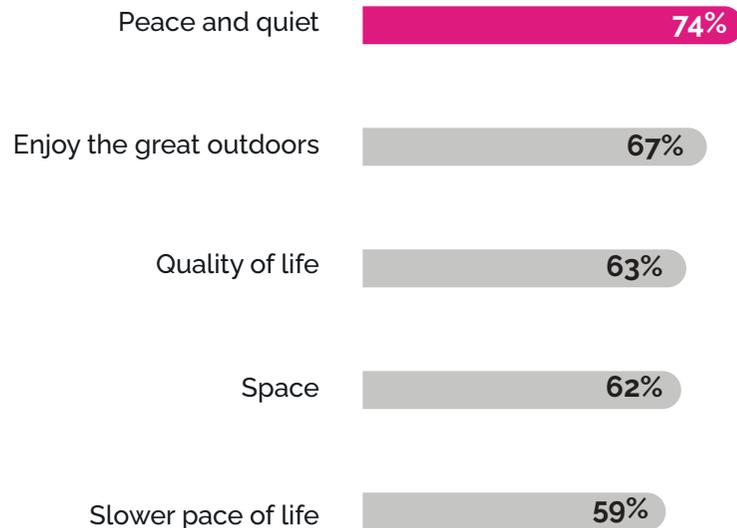


* Multiple answers allowed, top 5 only

The top perceived benefits of metropolitan living are access to city/urban amenities (58%) and shopping (55%). The top perceived disadvantages are crowds, traffic and overpopulation (68%) and lack of parking (66%).

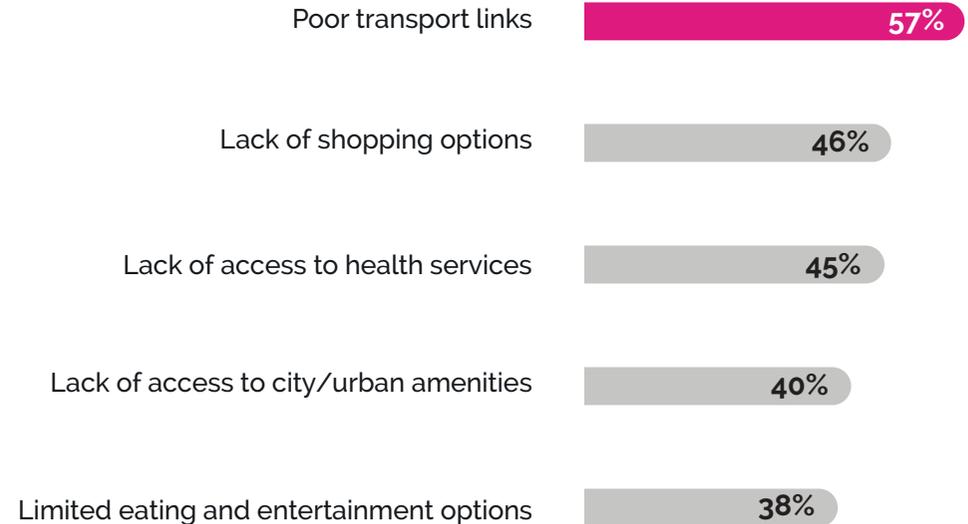
Non-metropolitan living - benefits and disadvantages

What do you feel are the greatest benefits of coastal, regional and rural living?



* Multiple answers allowed, top 5 only

What do you feel are the greatest disadvantages of coastal, regional and rural living?



* Multiple answers allowed, top 5 only

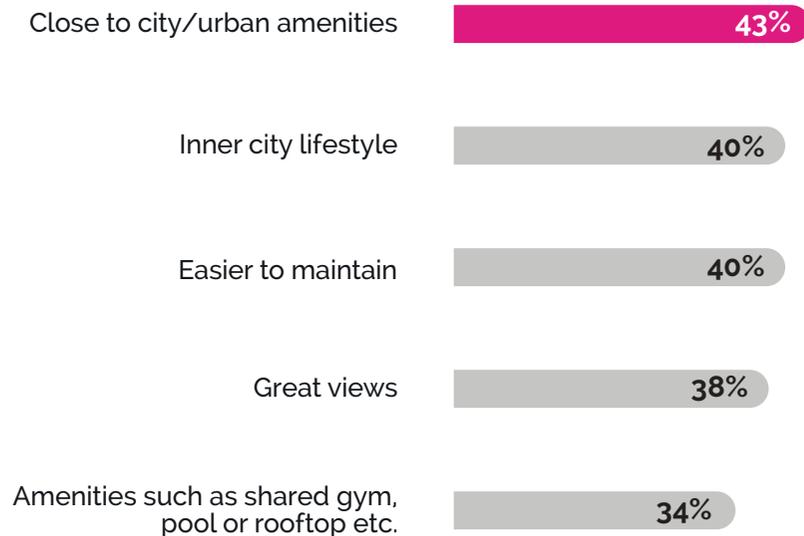
The top perceived benefits of non-metropolitan living are peace and quiet (74%) and being able to enjoy the great outdoors (67%). The top perceived disadvantages of non-metropolitan living are poor transport links (57%) and lack of shopping options (46%).



High-rise living

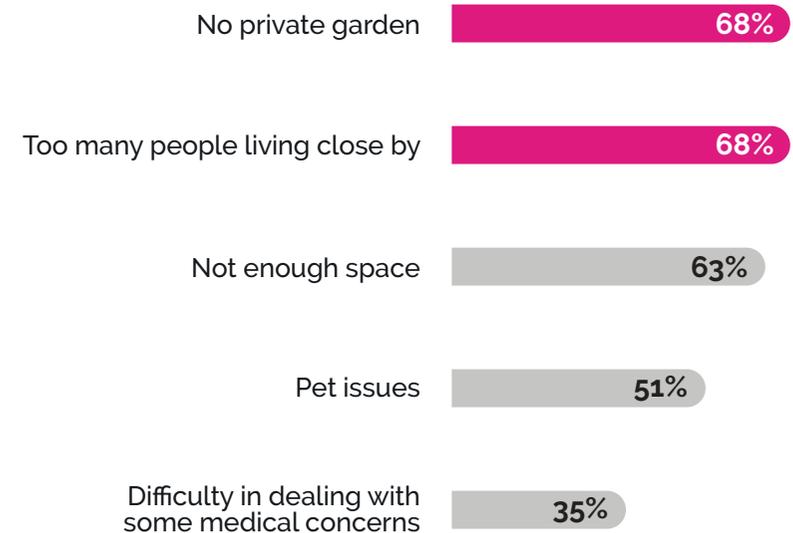
Benefits/disadvantages of high-rise living

What do you see as the greatest benefits of high-rise living?



* Multiple answers allowed, top 5 only

What do you see as the greatest disadvantages of high-rise living?



* Multiple answers allowed, top 5 only

The top perceived benefits of high-rise living are the proximity to the city (43%) and the inner city lifestyle (40%). The top perceived disadvantages of high-rise living are the lack of private gardens (68%) and too many people living close by (68%). Additionally, close to 3 in 4 Kiwis think that high-rise living is a growing trend in New Zealand (73%), and of these people, only 1 in 5 see this as a good thing (21%).

More research from **OneChoice** coming soon...

About OneChoice

We're all about helping Kiwis through trusted insurance products that take the stress and confusion out of the buying process. OneChoice launched in 2020 with the goal of bringing simple life insurance to New Zealand. Now a winner of 2 trusted service awards and also offering funeral insurance, we set out to be different by providing cover that's easy to understand, easy to manage, and even easier to rely on.

