



REPORT

Population Aging and the Private Rental Sector (PRS): How Prepared are New Zealand Landlords?

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Prepared for



**TE ARA
AHUNGA ORA**
Retirement Commission

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BACKGROUND INFORMATION

The changing housing context for older New Zealanders was a key theme that arose from the TAAORC's most recent Review of Retirement Income Policies (RRIP). Over the coming years, an aging population, along with shifts in the balance of homeownership relative to renting, means that more older New Zealanders will be housed in the private rental sector (PRS).

Older renters have specific characteristics, needs, and preferences, which include but are not limited to: rental affordability, stock quality and maintenance, accessible housing, security of tenure and differing tenancy management needs. All these factors have an impact on the health and well-being of older tenants. As the RFP has outlined, there is research that exists on older tenant housing needs and preferences (and on the state of rental housing in New Zealand) but there are gaps in understanding the extent to which PRS landlords are aware of, considering, and/or planning for an aging 'tenant' population.

The RFP has identified the following key gaps in knowledge and understanding:

- PRS knowledge levels, attitudes, and actions on accessibility modifications. This includes the extent to which this is considered important, the extent to which the PRS adopts a reactive versus proactive approach, and how cost influences decision making.
- The extent to which PRS landlords understand the financial context of older renters and the extent to which age and financial situation is considered.
- The views of PRS landlords on the security of tenure for older tenants and the extent to which they would support or oppose proposals to enhance the security of tenure for older renters.
- The extent to which PRS landlords would be supportive of changes to the Tenancy Tribunal system to provide greater support for older tenants in maintaining their tenancy.
- Addressing knowledge gaps across these key areas will assist TAAORC in understanding the current state of the PRS's preparation for an ageing population of renters and identifying the type of activities that may be needed to ensure the PRS can adapt to and be ready for the needs of older renters (65+).

The overall objective of this project is to identify the extent to which PRS landlords (and property management companies) are preparing for population aging across the housing categories of accessibility, maintenance, affordability, tenancy management and problem-solving in the event of an issue arising.





EXECUTIVE SUMMARY

PERCEPTIONS OF KEY CHARACTERISTICS OF OLDER RENTERS AND ISSUES OLDER RENTERS MAY FACE IN SUCCESSFULLY MAINTAINING A TENANCY.

Most of those who participated in this research have little or no experience with older renters (65+ years old); only 1 in 10 landlords claim to have 'a lot of experience' with this cohort of tenants. Property management companies reinforce this view, with most providing a 'gut feel' estimate that 10% of their tenants would be 65+ years. Interestingly, we learned that both property management and build-to-rent (BTR) companies are not legally permitted to ask for the age of a tenant or a prospective tenant (other than to confirm they are 18 years or above).

Despite a lack of experience with older renters, participants from this sector generally holds positive perceptions of older tenants, describing them as quieter, more stable, less likely to damage property and more likely to pay rent on time. That said, 60% of landlords agree that older tenants may have accessibility needs, which may require modifications to be made to a property. Property management and BTR companies share this perception. In addition to this, property management companies also cited the risk of cognitive decline, which could impact an older renter's ability to maintain a property.

UNDERSTANDING OF THE FINANCIAL CHARACTERISTICS OF OLDER RENTERS AND INFLUENCE ON RENT SETTING.

There appears to be limited consideration of the financial characteristics of older tenants across the private rental sector. Therefore, it is unsurprising to learn that rent setting is primarily influenced by financial considerations, where landlords prioritise property profitability, with little evidence of landlords adjusting rents based on age or financial status. That said, property management companies did share anecdotal examples of some landlords who will not increase rent for existing long-term tenants. There was also a view among this group that the government subsidises older tenants who cannot afford their rent.

LEVEL OF KNOWLEDGE REGARDING OLDER RENTERS ACCESSIBILITY NEEDS AND MODIFICATIONS REQUIRED.

The PRS appears to have a limited understanding of the specific accessibility needs of older renters. This is likely linked to the sector's lack of experience with this specific group of tenants. However, there is a general perception that accessibility needs of older tenants' do not significantly differ from those of other age groups. This view was particularly strong among BTR companies, where their consideration of accessibility tends to align with broader standards rather than tailored to older tenants' needs.



IMPORTANCE OF ACCESSIBILITY FEATURES.

The sector places the greatest importance on a property's physical characteristics and its financials rather than the needs of tenants. Specifically, landlords ranked the following property attributes as the least important when evaluating future investment/rental properties for purchase:

- Has accessibility modifications for older tenants/tenants with disabilities.
- Property designed/built specifically for older tenants/tenants with disabilities.

The low levels of importance placed on the needs of older or disabled tenants and even relatively low importance placed on the type of tenant attracted indicate that few landlords at this time are actively weighing the needs of older tenants when selecting properties.

BTR acknowledge the importance of accessibility and advocate Universal Design Standards (UDS) as part of their developments. UDS is not necessarily focused on older tenants but rather ensures that buildings are accessible for people who may require accessibility modifications of all ages (and meet all regulations and requirements in this respect).

PERCEPTION TOWARDS THE BENEFITS OF MODIFICATIONS, PARTICULARLY PROPERTY VALUE AND PROPERTY APPEAL.

Landlords are significantly in favour of tenant-oriented benefits, such as allowing tenants to reside in the property for longer durations, which appeals to all tenants, including those aged 65+. This consensus isn't surprising as the sector generally holds positive perceptions towards older tenants.

However, only 1 in 10 landlords agree strongly that modifications would be a good investment for a future sale of the property.

Insights from property management companies further indicate that the sector primarily has appetite for minor modifications, which are unlikely to significantly impact property value, rather than structural changes, which are perceived as renovations rather than mere modifications. Related to this point, property management companies are also of the view that the Residential Tenancies Act (RTA) is not clear with regards to tenants' rights and what constitutes a minor modification in the context of accessibility.

In terms of advertising modifications, landlords appear evenly divided on whether they would advertise these or not, while property management companies would expect that any relevant modifications would be advertised.

HOW DOES THE SECTOR NAVIGATE REQUESTS FROM OLDER RENTERS FOR PROPERTIES TO BE MODIFIED FOR ACCESSIBILITY?

With many landlords having only limited experience with older tenants and their needs, only a small number of landlords (15%) have made or considered making modifications to their properties to address the needs of older tenants. Notably, landlords with a higher number of properties (3+) are more likely to have made modifications.

Requests for modifications are initiated by existing tenants or property managers, rather than landlords themselves or potential tenants. Interestingly, insights from property management companies contradicted this view, whereby most were unable to provide any examples of where a property manager might have proactively suggested an accessibility modification—most thought this would not occur.

In terms of how the landlords would navigate requests. Encouragingly, 39% of landlords would consider making modifications, with only 4% being opposed to making any modifications. Forty-one per cent of landlords are also open to tenants making modifications themselves albeit with permission. For 58% of landlords, making modifications would depend on the cost (37%) or type of modification (21%), indicating it is very much a case-by-case approach in the sector.



FUNDING MODIFICATIONS AND AWARENESS OF AVAILABLE FUNDING.

Most modifications are funded by the landlord themselves (57%). Unfortunately, awareness of potential government funding amongst landlords is relatively low (24%), with only 5% of landlords having accessed it.

This lack of awareness was mirrored by property management companies.

Despite the boost in consideration achieved by improving awareness of funding options a significant proportion of landlords (38%) remain unmoved or unsure as to whether funding would increase their willingness to consider making modifications.

This may reflect the overall perception that modifications are good for tenants but offer less value or benefit to landlords and their properties or support the view of property management companies that there is a lack of clarity over definitions of minor modifications in the RTA and the obligations of landlords in this respect.

THE SECTORS APPETITE FOR REGULATION CHANGE AND EXPECTATIONS ON WHO WILL FUND SUBSEQUENT MODIFICATIONS.

Currently there are few regulations that ensure properties are configured or modified to better suit the needs of older tenants. While an encouraging 74% of landlords believe it is important for aging tenants to remain in a property as they age even if modifications are necessary, there is mixed reaction regarding greater regulation, with similar proportions for and against. Notably, 1 in 5 disagree strongly with the idea of changing regulations, with push back especially strong from landlords with 3 or more properties.

If the government introduces new regulations, then most landlords (62%) expect government agencies to fund future modifications, followed by 30% who expect the cost to be picked up by tenants and/or their families.

Across property management companies there was a view that the PRS sector is already heavily regulated and that there would likely be little appetite among landlords for further regulations either related to accessibility modifications or older tenants specifically. Property management companies reinforced the view that most landlords would expect government funding to be made available to support any regulation changes. Attitudes towards additional regulation was similar across the BTR industry.

THE BUILD-TO-RENT (BTR) INDUSTRY IS IN ITS INFANCY.

There are only a handful of build-to-rent companies currently operating in New Zealand and, overall, the industry is in its very early stages (compared to Australia, the UK and other parts of Europe). While this audience's feedback mirrored that of property management companies, it is worth noting that some were 'unofficial' BTRs—renting apartments until the market shifts and they can sell them. The findings were consistent across both 'official' and 'unofficial' BTRs.





To achieve the project objectives a blended approach was used, which comprised of a quantitative online survey targeting landlords (n=707) and qualitative in-depth interviews with property management (n=8) and build-to-rent companies (n=9). Additional interviews (n=2) with other organisations closely connected to the private rental sector were also undertaken (an accessibility consultancy organisation and an association representing property investors). Therefore, the results presented in this report reflect the experiences of the participants rather than those of the entire private rental sector.

Landlords

Perceptive collaborated with TAAORC to develop a quantitative online survey. The survey had an average completion time of 12 minutes and targeted two audiences of interest:

- New Zealanders that own 1-2 residential investment/rental properties.
- New Zealanders that own 3 or more residential investment/rental properties.

The sample was originally to be obtained through dedicated research panels, split as follows:

- N=150 with 3 or more investment/rental properties.
- N=350 with 1-2 investment/rental properties.

This was based on natural fallout and no quotas.

Top-up required

The incidence rate for owners with 3 or more investment/rental properties proved to lower than forecasted. Additional sample was therefore obtained via a property investors association and their regional partner network.

A TOTAL SAMPLE OF 709 WAS COLLECTED:

- N=265 WITH 3 OR MORE INVESTMENT/RENTAL PROPERTIES.
- N=444 WITH 1-2 INVESTMENT/RENTAL PROPERTIES.



Property management companies

PERCEPTIVE RECRUITED AND INTERVIEWED 8 REPRESENTATIVES FROM PROPERTY MANAGEMENT COMPANIES.

All participants were at CE or senior management level and were all from large organisations managing thousands of residential properties across New Zealand (the range was 3,000+ to over 21,000 properties, with most managing between 3,500 to 7,500). Some organisations operated New Zealand wide, while others managed properties mainly in one urban area, or only in provincial areas across both the North and South Islands.

Perceptive collaborated with TAAORC to develop the interview discussion guide.

Interviews were between 45-60 minutes in duration, and each participant was offered a koha of a voucher to the value of \$150 or an equivalent donation to a charity of their choice.

Build-to-rent companies

PERCEPTIVE RECRUITED AND INTERVIEWED 9 REPRESENTATIVES FROM BUILD-TO-RENT COMPANIES.

All participants were at CE or senior management level properties mainly in one urban area or only in provincial areas across both the North and South Islands.

Perceptive collaborated with TAAORC to develop the interview discussion guide.

Interviews were between 45-60 minutes in duration and each participant was offered a koha of a voucher to the value of \$150 or an equivalent donation to a charity of their choice.

Additional interviews

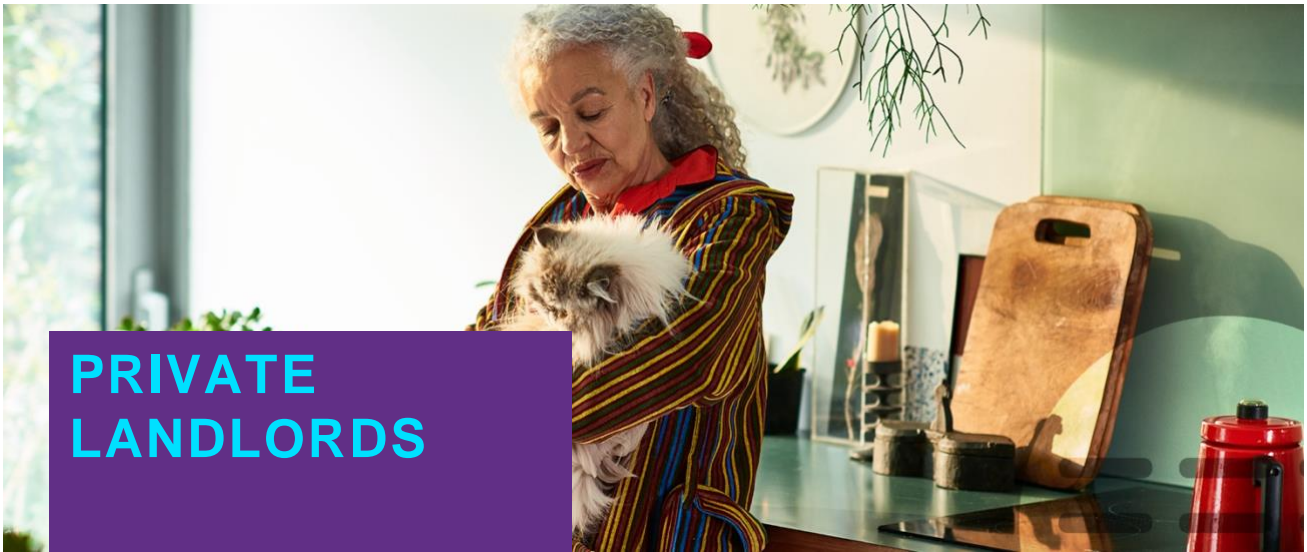
In addition to the 17 interviews with property management and build-to-rent companies, Perceptive undertook 2 additional interviews (approved by TAAORC).

Participants were from organisations closely connected to the private rental sector, an accessibility consultancy organisation and an association representing property investors.

The interview guides developed for property management and build-to-rent companies were utilised for these interviews.

Interviews were between 45-60 minutes in duration and each participant was offered a koha of a voucher to the value of \$150 or an equivalent donation to a charity of their choice.





PRIVATE LANDLORDS

Key findings

- The majority of private landlords own 1-2 properties (62%), with an even split between those managing them directly or using a third party. Landlords skew strongly NZ European (77%) and older; 72% are 50+ years and almost a third are 65 or older.
- When evaluating a property, landlords place the greatest importance on the property and its financials rather than the needs of tenants. This financial focus shapes their willingness and ability to invest in modifications and interest and ability to meet the needs of tenants.
- The majority of landlords have little or no experience with tenants 65+ years. Only 1 in 10 claim they have 'a lot of experience' with tenants like these. Despite a lack of experience, they have generally positive perceptions of older tenants, describing them as quieter, more stable, less likely to damage property and more likely to pay rent on time. However, 60% agree that 'older tenants may have accessibility needs which require modifications' to a property.
- Only a small number of landlords have made or considered making modifications to a property to address the needs of older tenants. Those most likely to have made modifications like this own 3 or more properties (29% made modifications or bought a modified property).
- Most modifications are initiated by existing tenants or their families, with little evidence of landlords proactively modifying properties to meet the needs of older tenants. Most of the modifications made for older tenants were funded by the landlord (57%), with tenants or their family as secondary contributors. Only 5% had accessed a government grant. Awareness of potential government funding is relatively low (24%).
- Only a few landlords indicated barriers were preventing them making modifications. However, those that did emphasised the expense or negative impacts on the property. Both these relate directly to landlords' greatest priorities—their property and its financials—and would be expected to play a key role in any future uptake of modifications for older tenants.
- This challenge is further evidenced by the benefits landlords perceive of making modifications. Many agree that they are good for older tenant stability, appealing for older tenants or others with similar needs. However, these are tenant benefits, rather than wins for the landlord or the property's financials; only 1 in 10 landlords agree strongly that modifications would be a good investment for a future sale of the property.



- There is mixed reaction among landlords to the subject of greater regulation to ensure properties meet the needs of older tenants with similar proportions for and against. However, there is a strong contingent (1 in 5) who disagree strongly with the idea of changing regulations, with push back especially strong from landlords with 3 or more properties. If the government introduces new regulations, then most landlords expect government agencies to fund future modifications.
- Encouragingly, 74% of landlords agree that it is important for aging tenants to remain in a property as they age even if modifications are necessary. However, this positive reaction should be weighed against the financial realities of the sector. With most landlords indicating the financials as their primary consideration when evaluating a property for modification, any decision to modify their property for a tenant will weigh both the immediate cost of the modification and any future perceived negative impact on the value of the property.

Setting the scene

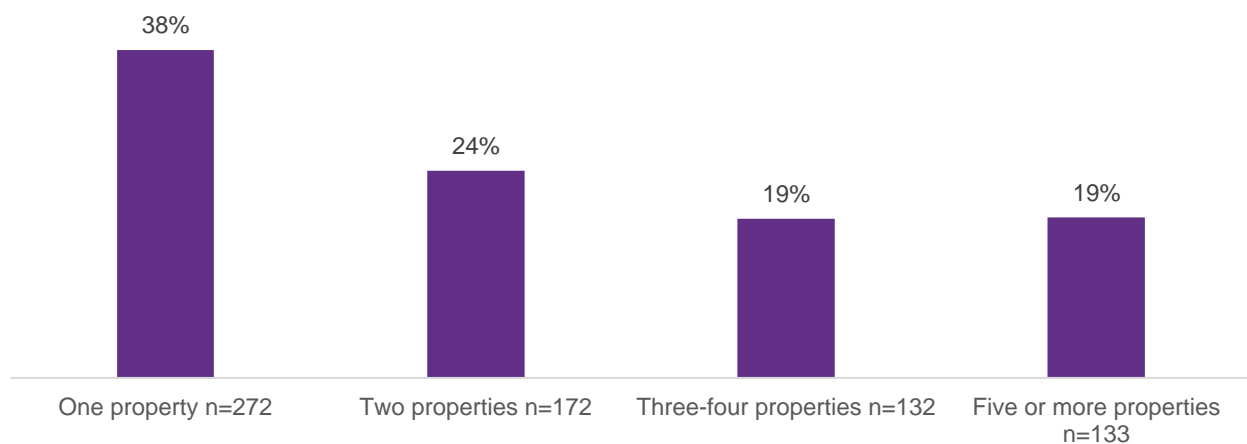
We spoke to a total of n=709 private landlords contacted both through research panels and the Auckland Property Investors Association (and regional partner) databases. **The majority of participants own 1-2 properties (62%) with the remainder (38%) owning 3 or more properties.**

Please note that we aimed to ensure sufficient representation of multi-property landlords in our sample. Therefore, our sampling is not representative of the true distribution of property ownership in New Zealand:

- 1 property = 78%
- 2-3 properties = 16%
- 4+ properties = ~6%

CHART 1

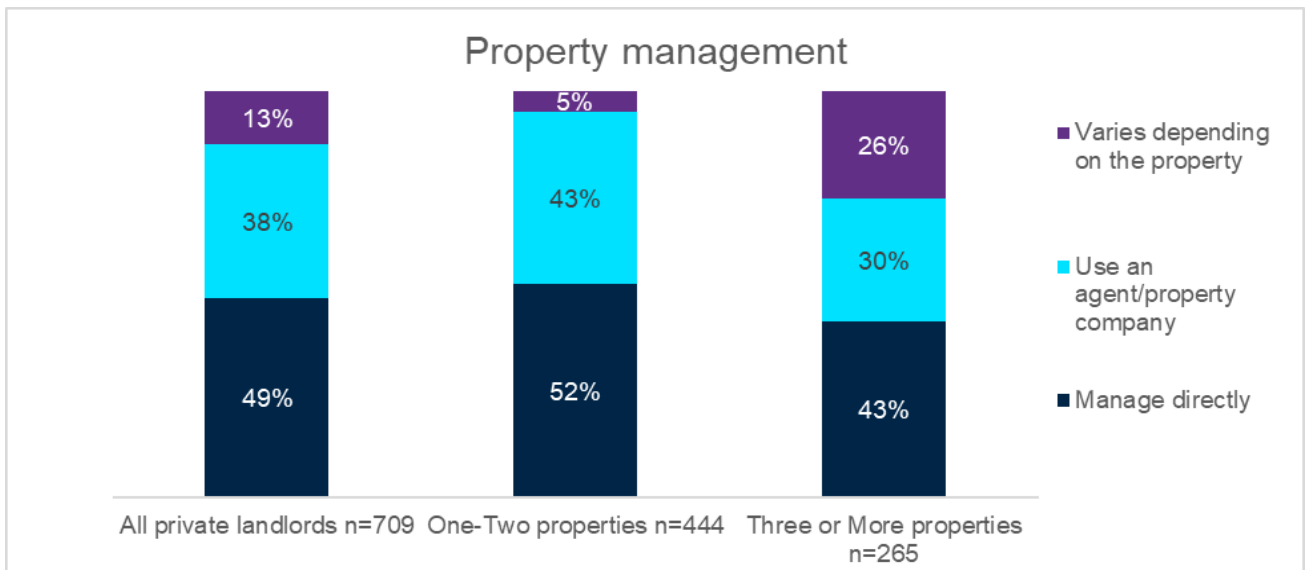
Number of residential-investment properties owned



Participants are relatively evenly split between those who manage their properties themselves and those who use agents or property management services. Those with three or more properties are more likely to use a third-party management solution. Most private landlords own property in the same region they live in e.g. 90% of Auckland landlords own rental properties in Auckland. The likelihood of owning properties outside their home region increases with the number of properties owned.

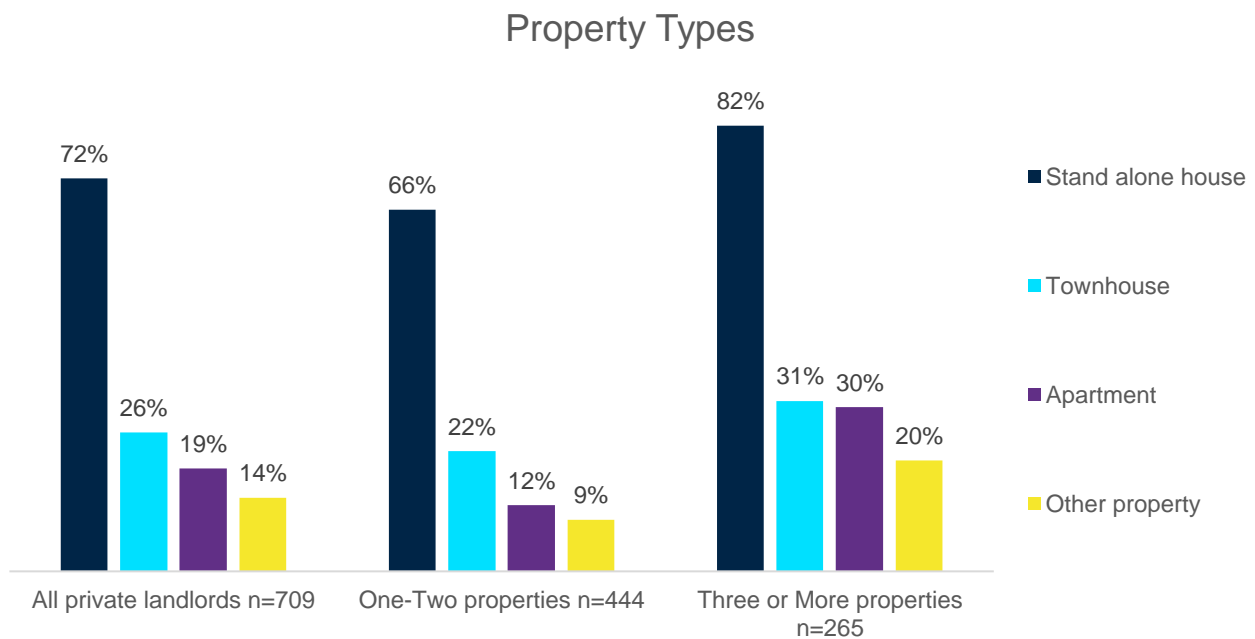


CHART 2



Stand-alone houses are the most common form of property owned by Private Landlords (72%) regardless of the number of total properties they own, as with the other variables those landlords owning three or more properties are more likely to own multiple property types across their portfolio.

CHART 3

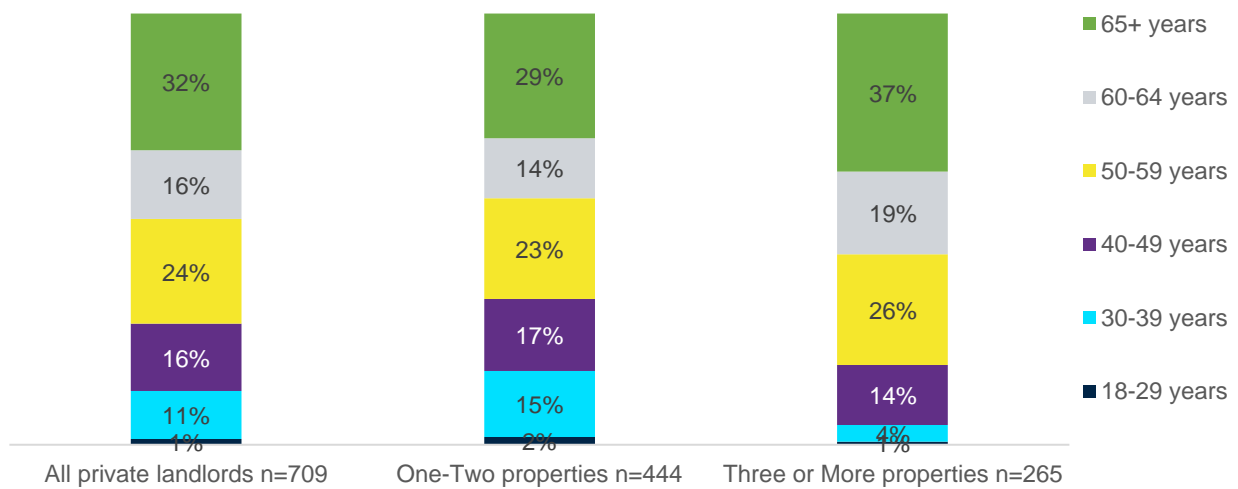


Profiling New Zealand's private landlords

Interestingly, the most differentiating demographic for private landlords is age. Almost three quarters of private landlords surveyed are aged 50 plus, with the largest single group 65+ years representing a third of private landlords. Directionally, the number of properties owned by a landlord increases with the age of the landlord, amplifying the importance of this older landlord cohort, e.g. 64% of those landlords 65+ years own two or more properties.

CHART 4

Profiling private landlords - age



The private landlords in our sample are split relatively evenly across the genders (female 54%, male 44%) with no significant differences in gender between the number of properties owned.

Beyond age the other defining demographic is ethnicity, with private landlords skewing heavily European (77%), with the only other significant groups Asian (10%) and Māori or Pasifika (5%). Given the survey was conducted in English it is worth noting non-English speakers may be under-represented.

OLDER LANDLORDS ARE A KEY AUDIENCE

Landlords 60 years or older account for 48% of the private landlords surveyed and two thirds of them own two or more properties. This 60+ group skews even more heavily European (84%), with Asian (6%) the only other significant ethnicity. While they are split evenly across male (50%) and female (48%) genders, this makes them more likely to be male than the total audience of private landlords (44%).

This 60 plus cohort is directionally more likely to manage their properties themselves (50%) and less likely to rely on property managers/agents (34%). Those in main centres (Auckland, Wellington, Christchurch) are more likely to own properties in their own regions, while conversely those in other regions are more likely to own property elsewhere.



REGIONAL DISTRIBUTION

The map and corresponding table below show the regional distribution of:

- Landlords surveyed, and
- Properties owned by landlords surveyed.

CHART 5

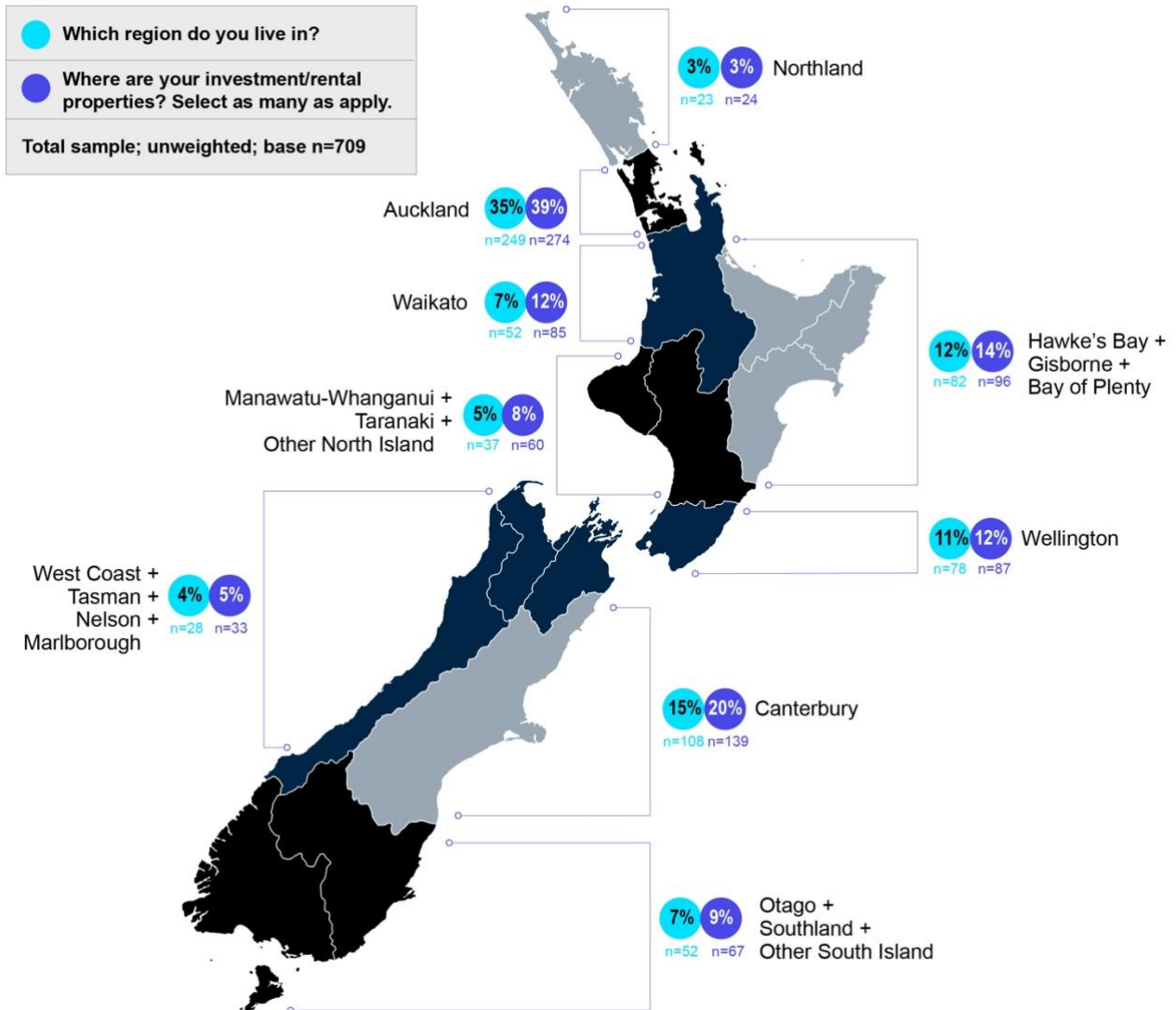


TABLE 1

	Location of landlords	Location of properties
Northland	3%	3%
Auckland	35%	39%
Waikato	7%	12%
Bay of Plenty, Hawkes Bay & Gisborne	12%	14%
Manawatu-Wanganui & Taranaki	5%	8%
Wellington	11%	12%
Tasman, Nelson, Marlborough & West Coast	4%	5%
Canterbury	15%	20%
Otago & Southland	7%	9%

Analysis of landlord distribution and property distribution indicates that most landlord's own properties in the same island/region as they reside; this is most evident amongst those owning 1-2 properties with this group less likely to own properties outside their domestic region, while for landlords with 3+ properties it's common to own properties in their domestic region plus properties in other regions.

TABLE 2

Column %	Total landlords			Landlords with 1-2 properties			Landlords with 3+ properties		
	Upper North Island	Lower North Island	South Island	Upper North Island	Lower North Island	South Island	Upper North Island	Lower North Island	South Island
Upper North Island	91%	22%	5%	89%	19%	4%	96%	28%	6%
Lower North Island	15%	87%	3%	10%	80%	1%	23%	100%	5%
South Island	8%	8%	98%	6%	5%	97%	10%	13%	99%

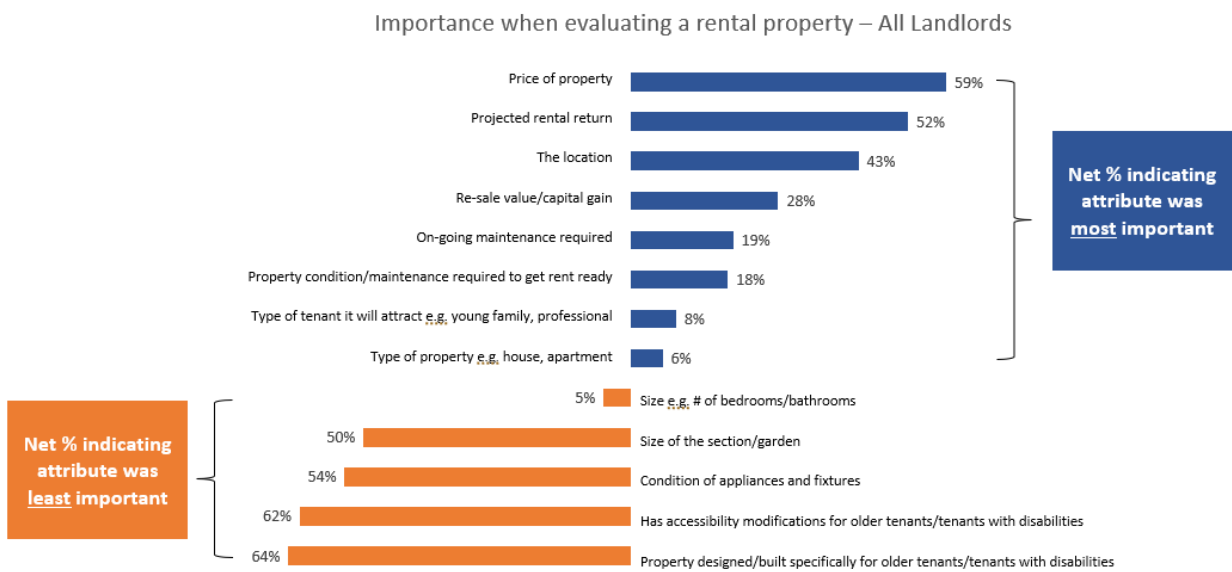


Priorities when purchasing a property

A MaxDiff approach was used in the survey to identify what attributes were most important to private landlords when purchasing a rental property. Thirteen attributes (shown in the outputs below) were identified, using an experimental design these were presented in varying combinations of 5 attributes, with the landlord's asked to indicate which was most and least important to them.

MaxDiff analysis required the landlords to trade-off between different attributes, providing greater discrimination between attributes which otherwise they might have described as similarly important on a traditional importance scale.

CHART 6



Total sample: All landlords

Overall, landlords place the greatest importance on attributes relating to the property and its financials; specifically, its purchase price, projected return and location. These elements are the most important regardless of the number of properties a landlord holds. Interestingly, the tenants & their needs play a very secondary role. Of least importance to both landlord audiences (1-2 properties & 3+ properties) are attributes such as accessibility modifications or properties designed for older or disabled tenants, and the condition of appliances-fixtures.

IMPLICATION

The low levels of importance placed on the needs of older or disabled tenants and even relatively low importance placed on the type of tenant attracted indicate that few landlords at this time are actively weighing the needs of older tenants when selecting properties.



How prospective tenants are vetted

Landlords were asked to indicate what information they currently require from prospective tenants during the tenancy application process. Beyond the number intending to live at the property, the most common tenancy considerations relate to determining whether the applicant is a good tenant through available references, their current landlord and validating they are who they say they are.

Date of birth is requested by 38% of landlords overall, driven up by those landlords with three or more properties (45%). Similarly, this group of landlords is more likely to require online applications (19%) which may disadvantage older renters.

A full breakdown of requirements is provided in **Appendix one: Current tenant considerations**.

Experiences with older tenants

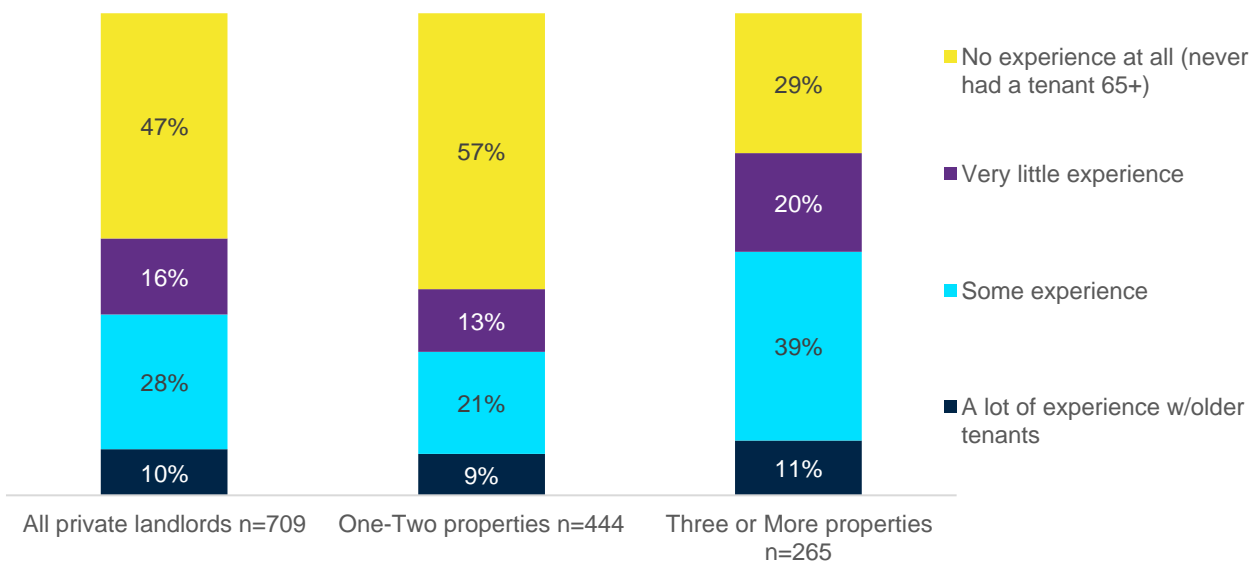
The landlords surveyed have little experience with older tenants, almost half have never had a tenant over 65 years of age. This is especially common amongst those with 1-2 properties (57%), whilst those with larger portfolios (3+) are significantly more likely to have had some experience with older tenants (70% some experience).

Directionally experience with older tenants is slightly stronger for those with rental properties in Auckland (57% some experience) and lowest for those with rental properties in the South Island (52%). Interestingly, older landlords (60+ years) claim to have had a little more experience with older tenants (59% some experience); however, those indicating they have had 'a lot of experience' remains less than 10%.

Regardless of these variations less than 1 in 10 landlords indicate they have 'a lot of experience' with older tenants.

CHART 7

Experience of tenants 65+ years



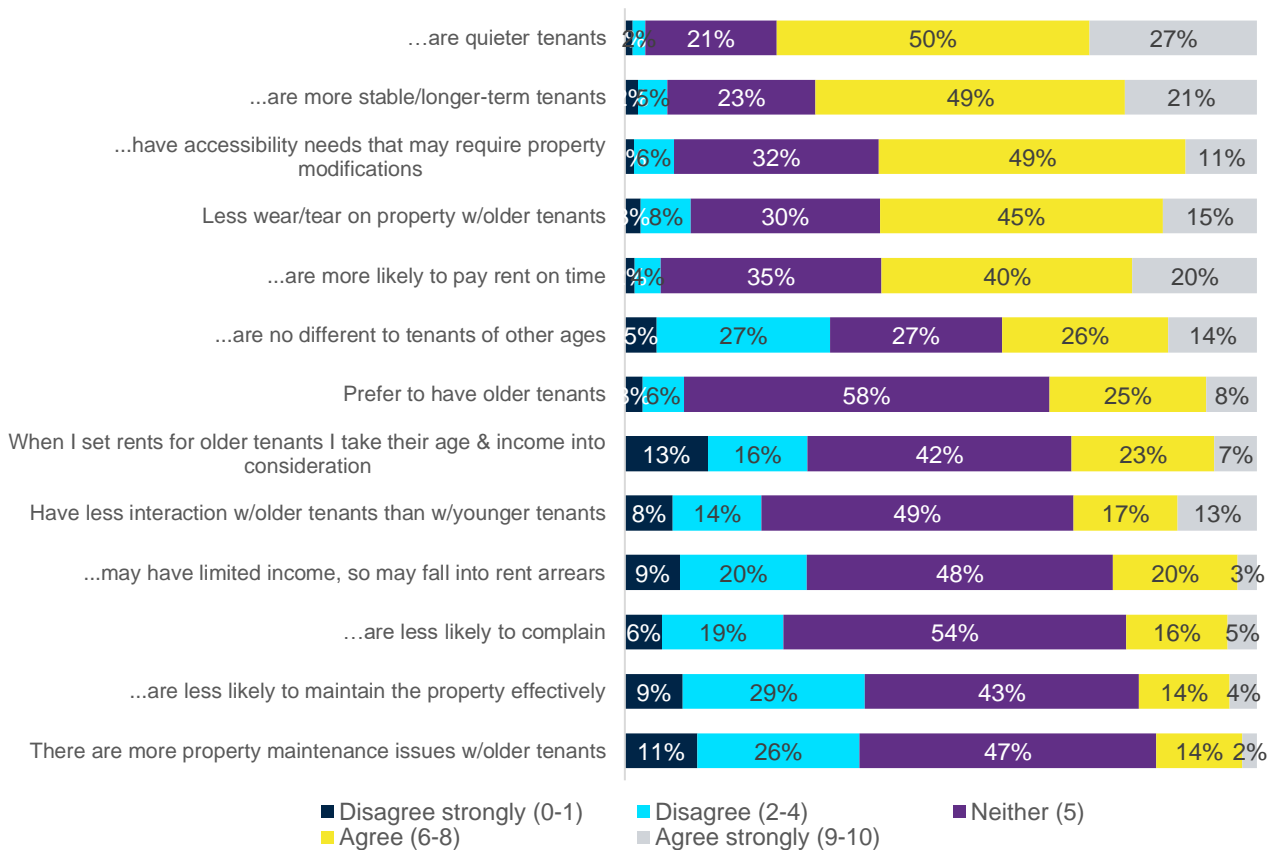
Perceptions of older tenants

Perceptions of older tenants is generally positive, landlords generally agree that older tenants are quieter and more stable tenants, create less wear and tear on the property and are more likely to pay on time. However, there is strong agreement (60% agree) that older tenants have specific accessibility needs that sometimes require property modifications.

Interestingly, a significant proportion of landlords neither agree nor disagree with the opinions expressed, this likely reflects the limited experience most landlords have with tenants over 65 years of age.

CHART 8

Perceptions of older tenants (65+ years) - all landlords



Breakdowns by audience: 1-2 properties & 3+ properties are in **Appendix two: Perceptions of older tenants (65+ years)**.

There are only small differences in agreement between landlords with different numbers of properties; those with 3+ properties, an audience more likely to have experience with tenants 65+ are more likely to see older tenants in a positive light.

- More likely to agree that ‘older tenants are more stable/longer term tenants’ – 74% agree.
- More likely to agree that ‘older tenants are more likely to pay rent on time’ – 63% agree.
- More likely to agree that they ‘have less interaction with older tenants’ – 32% agree.
- Less likely to agree that ‘older tenants have limited income and so may fall into rent arrears’ – 19% agree.

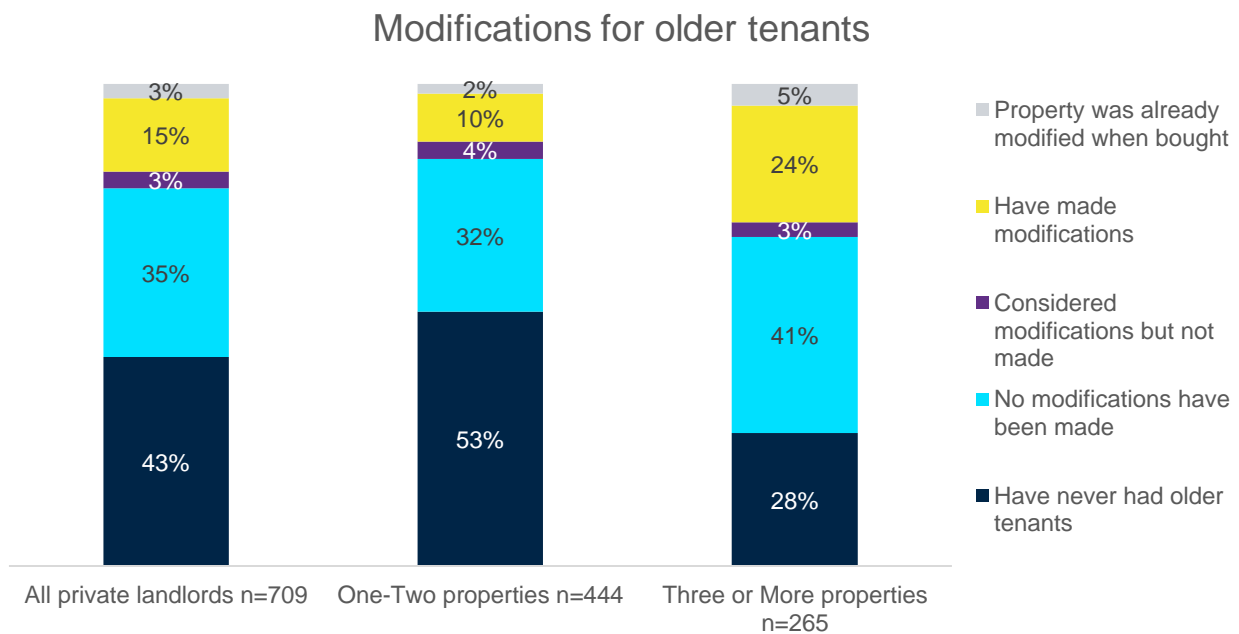
Directionally those landlords with more experience of older tenants (some or lots of experience) are generally more positive about older tenants, with higher levels of agreement around quietness, stability, less wear & tear and being more likely to pay on time. This audience is also more likely to agree that they 'prefer to have older tenants' (50% agree vs 33% total sample) and are more likely to take older tenants' fixed incomes into account when setting rents.

Property modifications for older tenants

With many landlords having only limited experience of older tenants and their needs, only a small number of landlords (15%) have made or considered making modifications to their properties to address the needs of older tenants.

Once again it is landlords with a higher number of properties (3+) who are more likely to have made modifications or bought a property with modifications already in place.

CHART 9

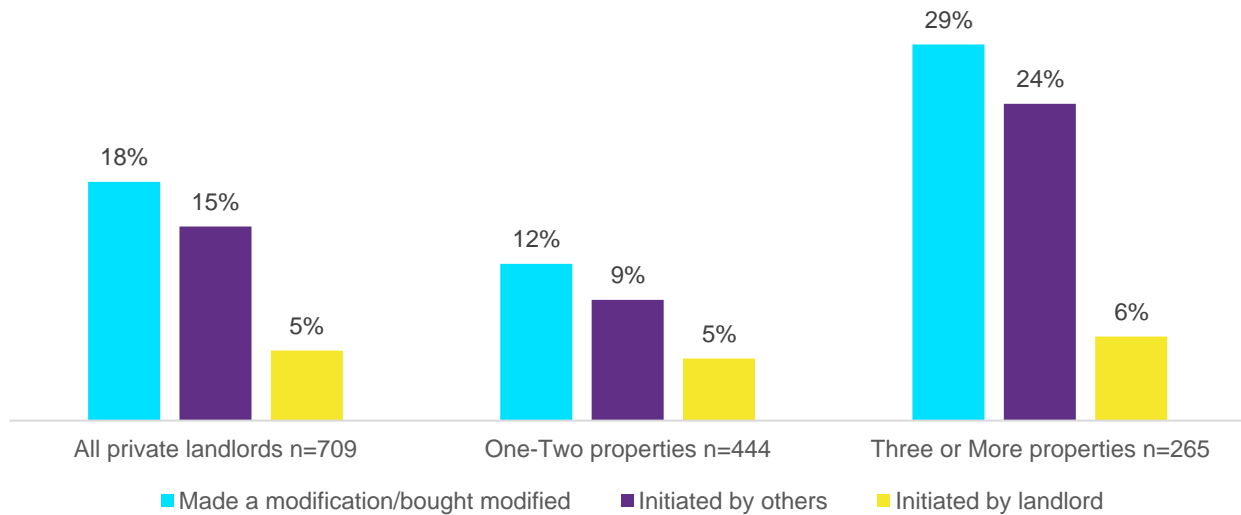


The majority of property modifications are initiated by tenants or property managers rather than landlords themselves, with the majority of requests coming from existing tenants or their family members rather than potential tenants.

A full breakdown of those initiating is included in **Appendix three: Modifications**.



Experience of property modification for older tenants

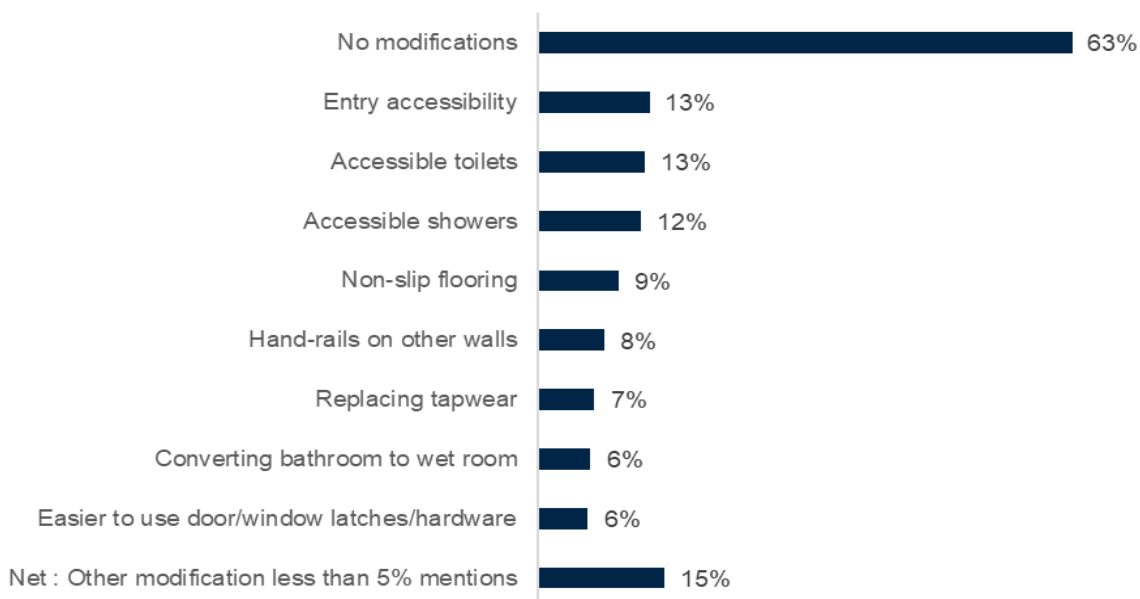


Base: total sample / all landlords

Modifications made and funding

Almost a third of landlords surveyed with 3 or more properties reported that they made some modification or bought a property with a modification already in place. The most common modifications relate to accessibility, e.g. entry accessibility (13%), accessible toilets (13%) and accessible showers (12%). Further common modifications relate to safety, e.g. nonslip flooring (9%), handrails (8%); and ease of use, e.g. bathroom to wet room (6%) and easier to use latches/hardware (6%).

Modifications made to property

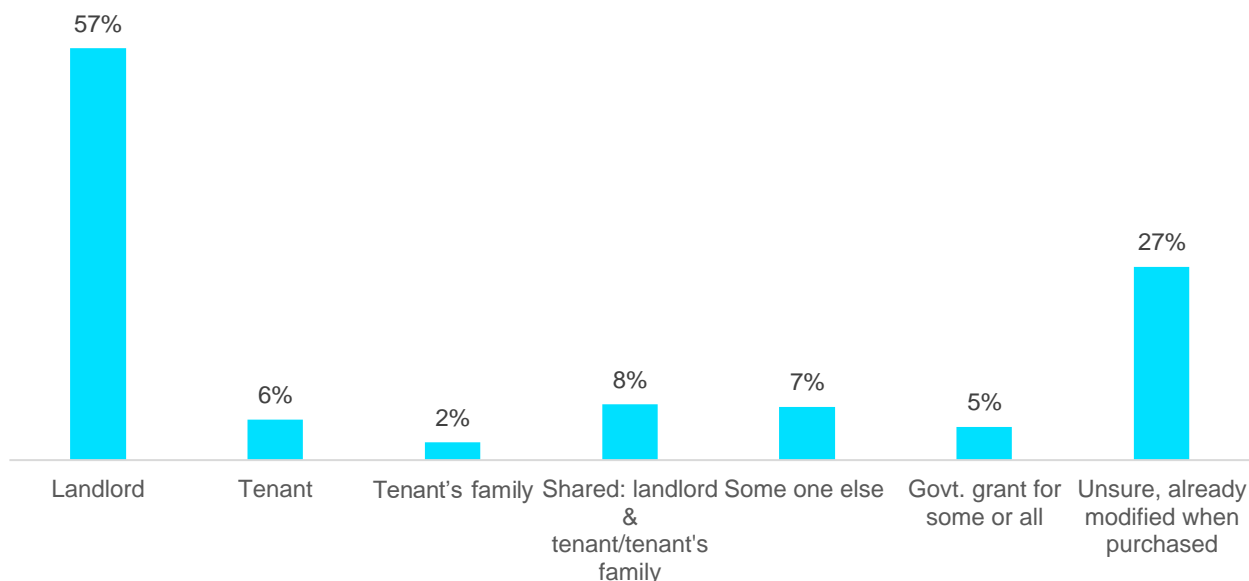


Modifications are most common amongst those landlords with 3+ properties. A full breakdown of modifications by properties owned is included in Appendix three: Modifications.

Most modifications are funded by the landlord themselves (57%), or jointly funded by a combination of the tenant, their family, and the landlord (8%); with these two solutions especially prevalent amongst landlords with 3+ properties. Conversely, very few landlords (5%) have had modifications funded by government grants or subsidies.

CHART 12

Funding of installed modifications



Base: all landlords with properties that have been modified for older tenants n=287

Breakdown of modifications funding is included in **Appendix Three: Modifications**

Barriers to modifications – landlords

Only a very few (3%) landlords indicated that they have considered modifications but were yet to make them. While responses were limited (n=23) the two primary barriers were expense and negative impacts on the property. Expense related both to the initial cost of modification, but also costs associated with changing it back in the future, while negative property impacts related to the modification making the property less attractive overall or specifically less attractive to younger tenants in the future.

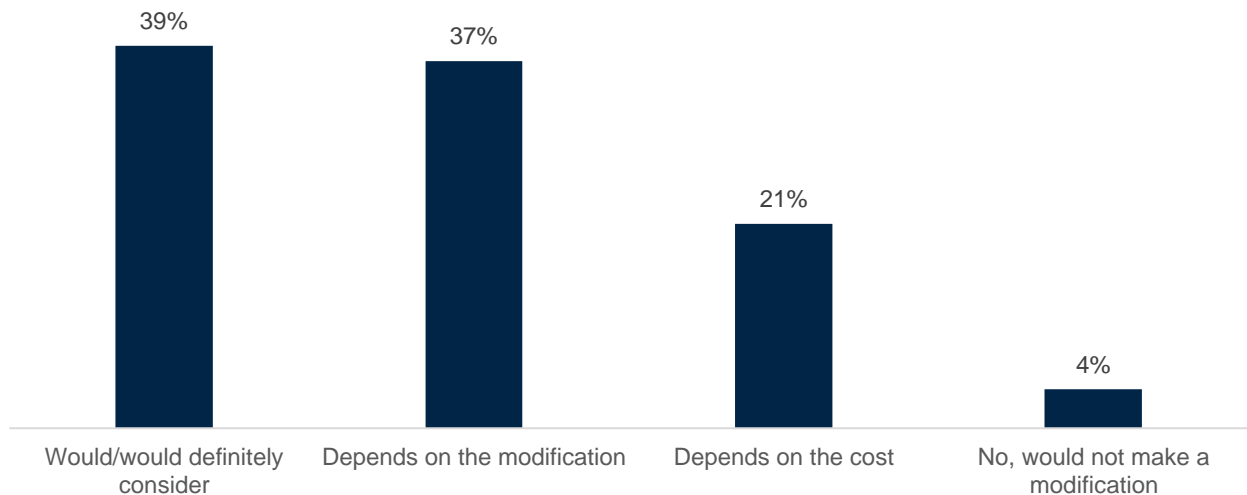
Very few landlords indicated that changes had not been made as the tenant had moved out prior (n=3), but rather more indicated a tenant had opted not to move in as a result of modifications not being made (n=6) or opted to stay in the property regardless (n=6).

Overall, 39% of landlords who have yet to make a modification indicate they would make it or definitely consider making it if asked by an older tenant, while a further 58% are open to modifications, but it would depend on the nature and costs associated.



CHART 13

Reaction if asked to make a modification for an older tenant in future



Base: all private landlords who have yet to make a modification n=587 (excluding only those who have).

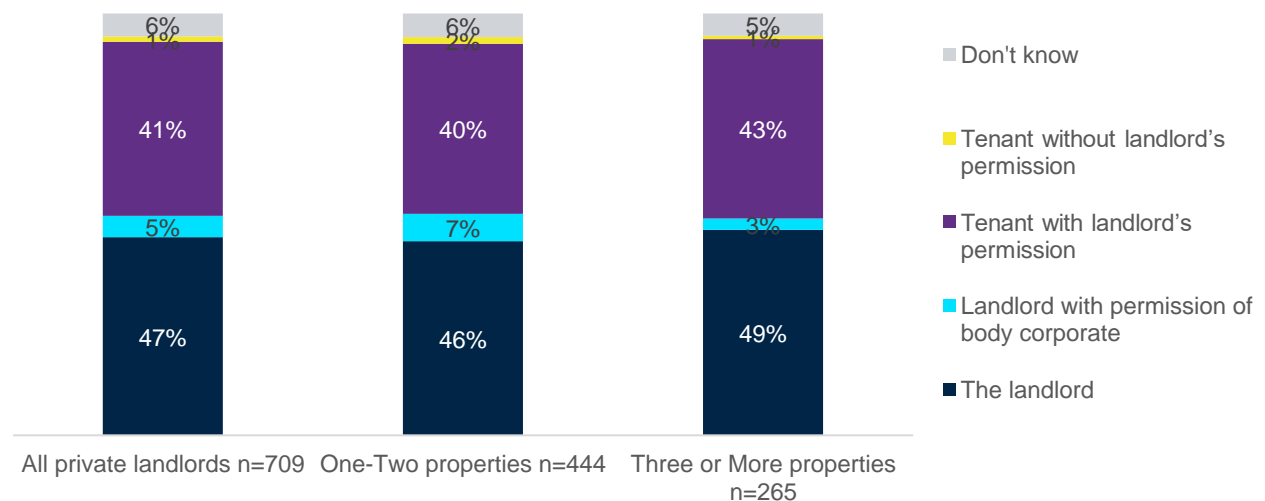
There are no significant differences in this willingness between landlords with different numbers of properties, although directionally cost is slightly more important for those with 1-2 properties and landlords 60+.

Barriers for modifications – permissions

Control primarily rests with the landlords themselves (47%), although in a few circumstances (5%) presence of a body corporate may require the landlord to seek permission. Encouragingly, many landlords are open to tenants making modifications themselves albeit with permission (41%), presumably as it passes the cost of the modification to the tenant rather than require it be organized and funded by the landlord.

CHART 14

Who is permitted to make modifications - all landlords



Modifications – impact on property marketing

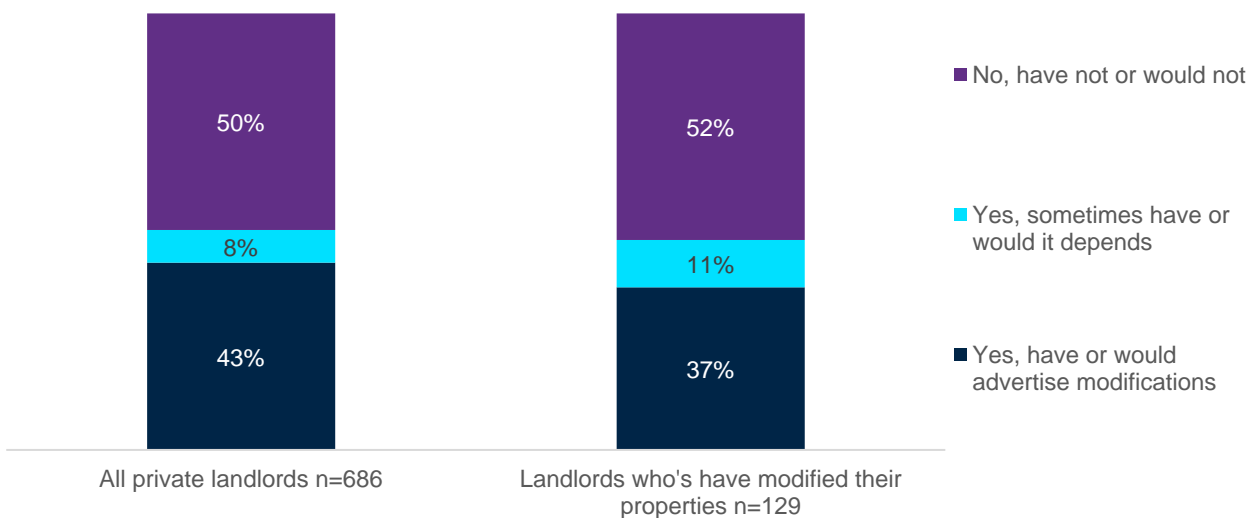
Landlords are evenly divided on whether they advertise modifications when marketing the property or not, even those who have modified a property for an older tenant are similarly split on whether or not to mention modifications.

Directionally, those with 3 or more properties are more likely to mention modifications (54%), albeit the differences between those with 1-2 properties (48%) is not significant. Conversely, older landlords (60+ years) are directionally less likely to mention modifications when advertising their property whether they have previously made them or not.

A breakdown between landlords of different properties numbers is included in **Appendix Three: Modifications**.

CHART 15

Willingness to advertise property modifications - all landlords



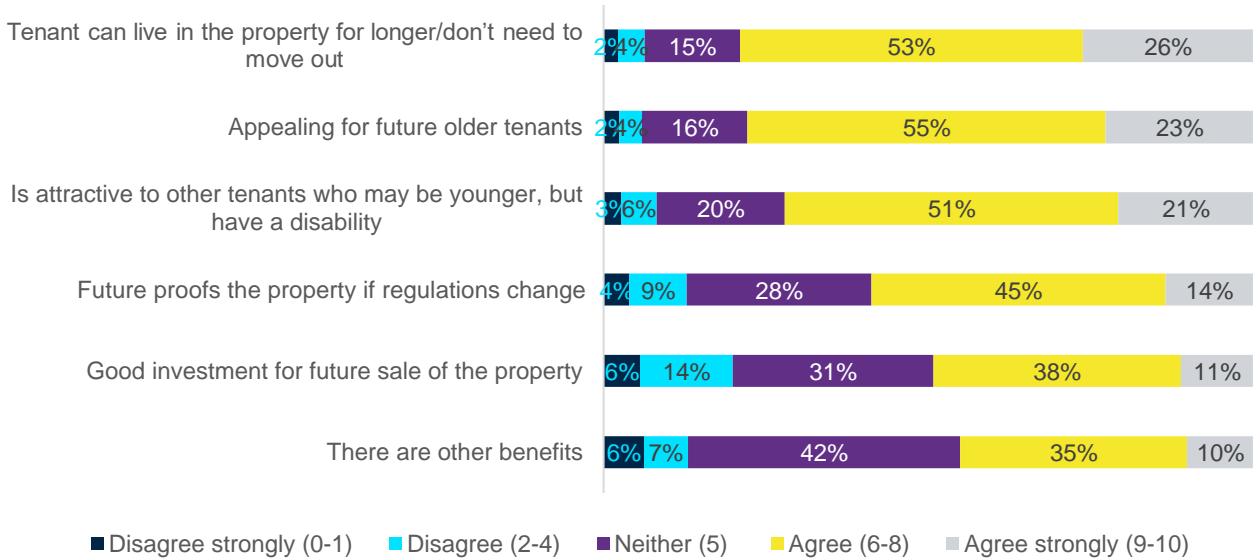
Perceived benefits of modifications for older tenants

Exploring landlord's perceptions towards the benefits of modifications for older tenants, highlights some division; landlords demonstrate high levels of agreement towards tenant-oriented benefits i.e. can live in the property longer, appealing to older tenants and attractive other tenants. However, they are less inclined to agree with statements relating to the property itself, i.e. modifications future proof against regulation and modifications are a good investment for future sale.

This disconnect is especially interesting given that landlord decision making around property focuses primarily on the potential return and financials of a property rather than the needs of the tenant.



Perceived benefits of modifications - all landlords



Breakdowns by audience: 1-2 properties & 3+ properties are in **Appendix three: Modifications**.

Interest in purchasing a modified property

Landlord's express moderate future interest in purchasing a property already modified to meet the needs of older or disabled tenants, although the majority (53%) remain ambivalent or uninterested, suggesting that they do not recognise the potential of these tenants.

Future interest in purchasing a modified property



Those landlords interested in purchasing a modified property in the future are more likely to own two properties (27% vs 24% overall), more likely to manage their properties directly (51% vs 47% overall). This group is more likely to have already had some experience with older tenants (45% vs 38% overall) and have already made modifications to existing properties for older tenants (17% vs 15% overall).

Landlords and government

Awareness of funding

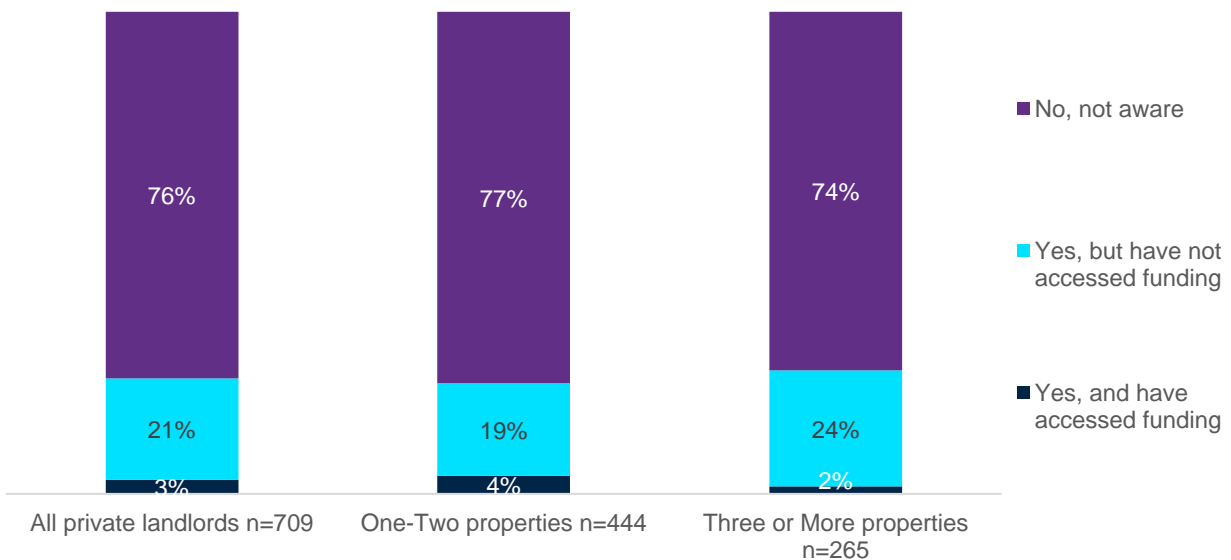
Most landlords surveyed are unaware that government funding is available for property modifications for older/disabled tenants, with just under a quarter aware (24%) and only 3% overall having accessed funding.

When made aware of funding, there is strong interest, 61% of those landlords who have not made any modifications or were not aware of funding indicated it would make them more likely to consider modifications.

Despite the boost in consideration achieved by improving awareness of funding options a significant proportion of landlords (38%) remain unmoved or unsure as to whether funding would increase their willingness to consider making modifications. This may reflect the overall perception that modifications are good for tenants but offer less value or benefit to landlords and their properties.

CHART 18

Awareness of funding for modifications - all landlords



Reactions to possible regulation

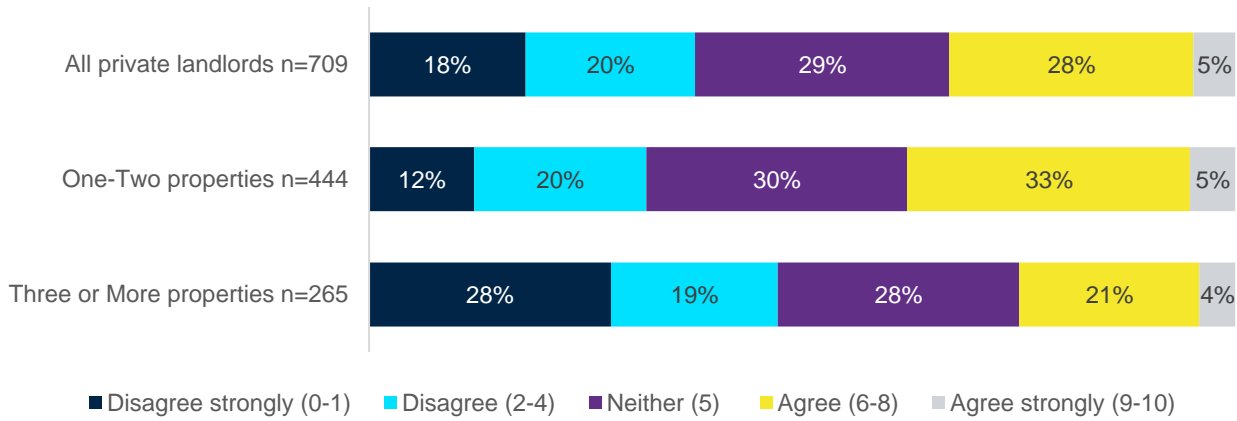
Landlords demonstrate varied reactions to the idea of changes or increases in regulation to ensure properties better meet the needs of older tenants, with similar proportions for and against.

However, it is the strength of disagreement that is most telling, a significant 1 in 5 landlords' (18%) disagree strongly with the idea of additional regulation, with this increasing to more than a quarter (28%) of landlords with 3 or more properties.

In contrast, while almost a third agree that regulation should change, only 5% of them strongly agree, with agreement weaker amongst landlords with 3 or more properties (25% overall). Perhaps unsurprising as their larger portfolio's increase the impact of any regulatory change.



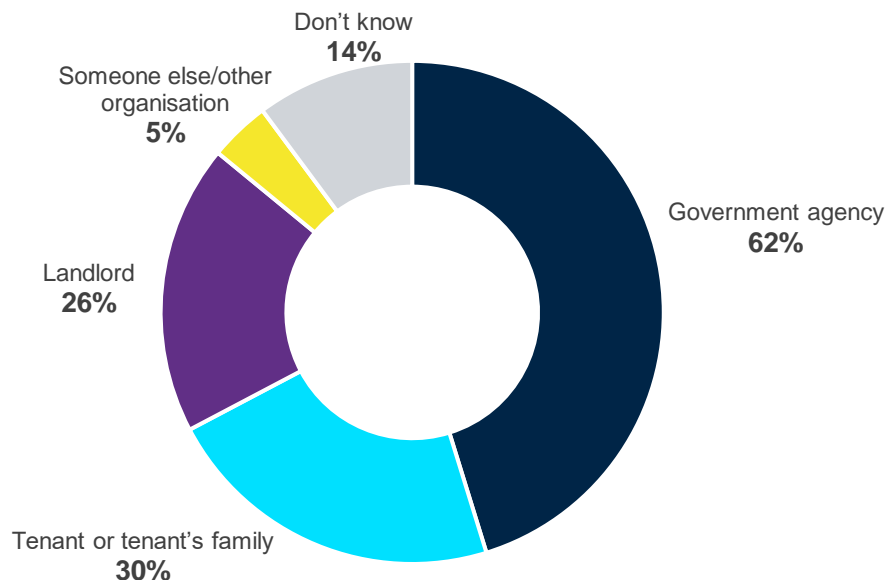
Should regulations change to meet the needs of older tenants?



When asked who should fund future modifications is required three quarters of landlord’s emphasise these should be paid for by others, with most indicating the government should step in and fund if introducing new regulation, followed by the tenants themselves or their family (30%).

Despite general push back a quarter of landlord’s believe they should be responsible for paying for modifications in the future, with significant differences between landlords based on property numbers; 30% of landlords with 1-2 properties agree they should pay versus just 18% of those with 3 or more properties.

All private landlords n=709



Breakdowns by audience: 1-2 properties & 3+ properties are in **Appendix three: Modifications**.

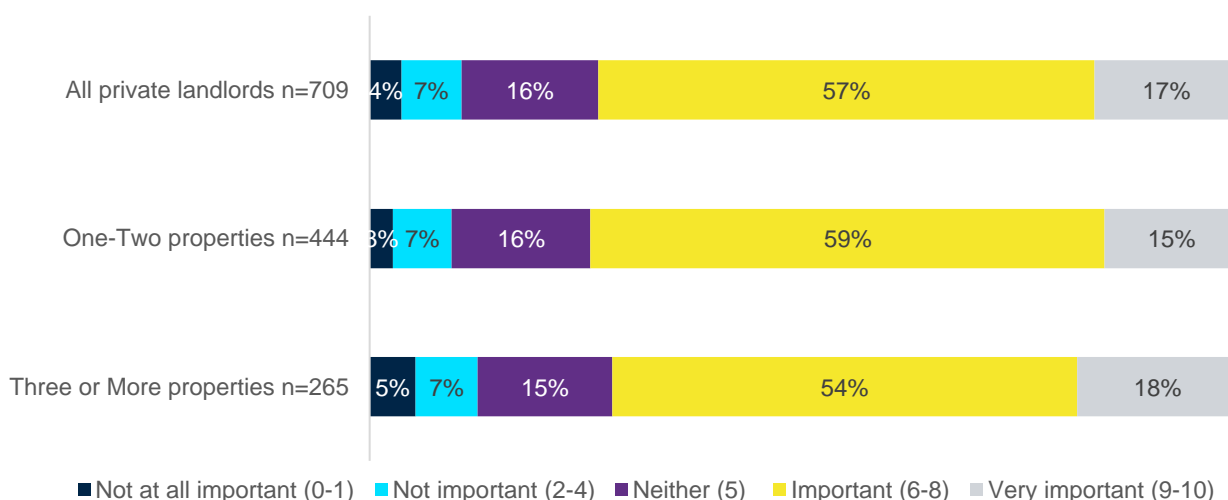


Meeting the needs of older tenants in the future

Encouragingly most landlords surveyed (74%) claim that it is important that older tenants can remain at the property as they age, even if that means making modifications to the property, this attitude is similar regardless of their number of properties, and directionally higher (78%) amongst those with existing experience of older tenants.

CHART 21

Importance of aging tenants being able to remain at a property as they age



For those indicating it is important that a tenant is able to stay in place the primary drivers are stability, both for themselves as landlords and the tenant.

“It provides rent stability, helps maintain positive relationship with the tenant, the tenant has a stable home, and less issues in terms of tenant changes.”

“Because they deserve stability and security especially if they experience health issues that could cause a great deal of stress.”

“Life stability for them; ongoing rent for me.”

“Because a stable tenant provides security of rent and provides a much-needed home.”

However, it’s not without its drawbacks, even those landlords seeing it as important for older tenants to remain in place have concerns:

“I like stable long-term tenants. However- how long are they going to stay after modification? Who is going to pay for it? Do I have time and energy to oversee the project and do the paperwork?”

“Security of tenure is important for tenants and landlords but in my experience, older tenants, like other tenants, want the flexibility to move out (for example moving closer to family members for long term care arrangements).”

“It would depend on the cost and down time while alterations were done. There are mortgages rates and insurances to pay- tenants or no tenants.”



These negatives are exacerbated amongst those landlords which place low importance on older tenants remaining in place. Many landlords are primarily concerned with their asset rather than the tenants using it, where modifications or tenants might have a negative impact on the value or return from that asset, they are unlikely to wish to invest to retain.

“I don’t intend to rent long term in any event so the pressure from tenants wanting to stay is a reason why we sometimes do not rent the property at all.”

“It’s an accommodation – if one set of tenants moves out, another moves in - the property has to be universally rentable and appealing.”

“If they are unable to remain in the property due to disabilities, that is not on me to modify the dwelling.”

“Property is a business. Numbers need to work.”

“Making modifications for older people may make the property less appealing to younger tenants and families.”

“Because some of the modifications might put off younger tenants as the house would look like a rehab centre – and may also reduce the value to future purchasers as it looks like an 'old people's home' not a family home.”

“My rental is sought after. If tenant not happy with current building, then best they find another rental.”





Key findings

- Property management companies were unable to accurately state how many of the tenants in the properties they currently manage are aged 65+. The main reason given was they are not legally permitted to ask for the age of a tenant or a prospective tenant (other than to confirm they are 18 or above). Most estimated that 10% of their tenants would be aged 65+.
- When prompted about key trends impacting the private rental sector now and into the future, none mentioned an aging tenant population. When prompted, it was acknowledged that, despite being an important consideration, the issue of an aging tenant population had not been on their radar. In addition, none had any internal guidelines or documentation for managing older tenants. The main reason given for this is that older tenants are not treated any differently to tenants of other ages.
- Key trends that were mentioned included a lack of housing stock and the affordability of rental accommodation. Upon further discussion, some felt that the lack of housing stock or a lack of the right type of housing stock may negatively impact older tenants.
- Rental properties are not marketed differently to different segments (including using different channels). It was pointed out that they are not legally permitted to advertise that a property might suit a particular type of tenant. Most appear to market properties via third-party agencies, who also handle the application process. All marketing and applications are digital, although some mentioned that prospective tenants who were not comfortable with digital channels had the opportunity to apply in person at the property management company's office and/or ask a family member or other person for assistance. Most felt that older tenants were comfortable with digital channels.
- There appears to be no consideration given to any affordability issues impacting older tenants. There was a general view that older tenants who cannot afford a particular property will not complete an application form. There was no evidence to suggest that landlords are flexible with rent for older applicants, although there were anecdotal examples of some landlords who will not increase rent for existing long-term tenants. There was a view that the government subsidises older tenants who cannot afford their rent.
- There was a general view that the needs of older tenants are no different to the needs of tenants of other ages, other than with respect to the size (smaller) and type (maybe single level) of property. There were very few mentions of the property modifications that older tenants may require to ensure they are able to age in place.



- There were more mentions of the impact of mental health/cognitive changes on older tenants than physical changes.
- Property management companies were of the view that older tenants are desirable tenants because, for example, they are quieter, don't have parties, look after the property and are more likely to want a longer-term, stable tenancy. Some also felt that older tenants were less likely to complain (because they are more tolerant and have more life experience). Limited thought overall appears to have been given to the financial profile of older tenants.
- The only downsides of older tenants mentioned were the risk of them passing away in the property (which happens a few times each year) and the impacts of cognitive decline on their health and well-being, which in turn, could affect their ability to look after themselves and the property.
- All property management companies understand that accessibility modifications are important, but most noted that these were important for tenants of other ages who may require them, not just older tenants. The general view was that landlords are open to minor accessibility modifications but would be unlikely to pay for these. Accessibility modifications that require structural change are more complex decisions. None were able to accurately say how many of their properties had accessibility modifications. Overall, there appear to have been few requests for modifications.
- There are some advantages to making accessibility modifications, the most important being that it can open the property up to a potential wider group of tenants. There is some evidence to suggest that modifications already in place are advertised. The main barriers to modifications are cost-related and the extent of the modification (if more than minor). There was little awareness of current funding setting – but all understand the permission requirements around minor modifications. There was however a lack of clarity about what constitutes a minor modification (at least in the context of accessibility modifications).
- Most did not feel that Tenancy Tribunal processes were unfair for older tenants, but most felt that older tenants are less likely to 'end up there'.
- All agreed that older tenants should have the right to age in place but felt that there were limitations in terms of what the private rental sector can do here. There was a concern that should the onus of this be placed on the private rental sector (financially or otherwise) that it may impact negatively on older tenants (i.e. that it may result in a reluctance to take on older tenants). There was limited appetite for additional regulations in this respect. Property management companies were of the view that the PRS is already heavily regulated.



Setting the scene

The property management companies taking part in this research were all large organisations managing thousands of residential properties across New Zealand (the range was 3,000+ to over 21,000 properties, with most managing between 3,500-7,500). Some operated New Zealand wide, while others managed properties mainly in one urban area, or only in provincial areas across both the North and the South Islands.

Most managed a range of residential property types including studio rooms, apartments, townhouses, units, and stand-alone houses, although some skewed more towards a particular type of property depending on where they mainly operated e.g. apartments in urban centres. All were well established having been in business for many years and employing (depending on the number of properties managed) between 65+ to more than 300 staff.

None were able to accurately identify how many of their tenants were aged 65 years or above. Under New Zealand's privacy laws, they are not permitted to ask a prospective tenant how old they are as part of the application process, other than to confirm that they are aged 18 years or above. They are however permitted to ask for proof of identity, most forms of which will identify the tenant's age.

On their tenant information databases, they do not record any age-related information. Most undertake tenant surveys (including satisfaction surveys) and some will ask for age-related information (in bands) – although these surveys are anonymous and any age-related information is not linked back to individual tenants.

All participants emphasised that age is not a barrier to renting a property.

“No, we don't record date of birth and part of that is that it's not legally necessary to have the date of birth if the person is aged over 18; because below 18 and the RTA doesn't apply, so the Privacy Commissioner says there's no reason for us to retain the age of anybody, because it makes no difference how old you are.”

“The Privacy Commissioner unfortunately gives us a bit of grief over age.”

“The only age question we ask is if you're over the age of 18 ... my staff are very well trained by us [to not ask the wrong questions] and age is not a barrier.”

“The tenant's demographic profile is not relevant compared to 'can they pay their rent?'”

“We don't talk about age, even if they're retired and don't have an income. We don't discuss that. We just look for the right person for the property.”

“I have absolutely no idea how old the tenants are ... I could really generalise and say things like most of the tenants in the city are students, but that's about it.”

Most estimated that currently, the number of tenants in their managed properties aged 65 years or above would be between 8-10%.

One company provided recent survey statistics which showed that of their current tenants (who had completed a survey), 17% were aged 41-50 years, 10% were aged 51-60 years, 5% were aged 61-70 years and 3% were aged over 70 years. Most participants (all of whom were at CE or senior management level) reported that their individual property managers would have a better idea about the age range across the tenancies they manage given their level of contact with individual tenants.

The type of properties managed tends to exhibit a natural skew towards specific tenant demographics. For instance, a larger number of three-bedroom homes tends to skew towards families with children (and some flat shares), while more walk-up apartments skew towards younger or student renters.



Key trends in the private rental sector (PRS)

Participants were asked what the key trends or impacts have been on the private rental sector in recent years, and what their expectations were in terms of future trends. **None mentioned an aging population unprompted.**

To date, none reported having had any internal discussions around a future aging tenant population, and none had any internal guidelines or documentation regarding the management of older tenants.

Consideration of 'older tenants' as a segment appears to be minimal due to low current numbers of tenants aged 65 and above. This may be further compounded by the fact that there are "fewer" reported problems associated with older tenants, such as noise-related complaints or property damage. This perception is discussed in more detail below, but there is a general notion that older tenants are desirable for these reasons.

While all agreed (when prompted) that an aging tenant population is (and will continue to be) an important issue, for now it is currently not on their radar.

"Not on the radar, we don't let based on age."

"No, we have a lot of policies and processes but not for age. We certainly bring in cultural appropriateness when we do our training. We probably should [consider age] but I suppose historically such a small percentage of our tenants are in that age category."

"The issue of older tenants is not on the radar; we are not conscious of dealing with older tenants. Property investors have been feeling sensitive to government changes like tax and financing ... now they might be in a better space to consider other issues."

"I feel like an aging tenant population is not an issue of today."

"It's certainly not something that's pricked my ears up or that I've thought we have to have a deeper conversation about."

THE KEY RECENT AND FUTURE TRENDS THAT WERE MENTIONED WERE AROUND:

- A lack of housing stock – now and into the future
- Increasing rents and the affordability of rental accommodation (across a range of ages)
- Security of tenure (impacts all age groups)
- Impacts on landlords, including interest rates and compliance costs, and
- For one participant organisation, changes in the length of tenancies (they report that tenants are staying longer in properties than previously).

About a lack of housing stock, it was noted that a lack of the right type of housing stock is likely to have a negative impact on older tenants in the future, i.e. that there will be an increased need for single-level, smaller sized properties, of which few are being constructed.



Some also noted the sale of Council-owned pensioner housing/flats to the private sector which is having (and will continue to have) an impact on affordability for those tenants.

“Pensioner flats in [] for example were sold into the private rental market and the motivation of the new owner is to get a return on investment ... now you get an aging population and things like this are going to become a real issue, they’re on a fixed income, all of a sudden they’ve got to find an extra 25% for rent. I’ll be the first to admit it’s not fair, but I also see the landlord’s point of view, who says ‘I bought this as an investment, I’m not a community housing provider’.”

“There will be properties out there specifically for the older population ... two-bedroom, single level ... we are going to need more of this stuff and the only people building them are the retirement villages.”

“You look at the size of your average house that is under construction. You look at your multi-level that’s under construction. And you know, how many brand-new blocks of own your own granny flat kind of things do you see popping up? Just not there.”

“Because the state can’t house everybody and the issue in New Zealand is that there’s not enough social housing.”

The marketing of rental properties

None of the property management companies taking part actively marketed their properties to different tenant segments, including older tenants.

They report that they are not permitted to advertise that a property might suit a particular type of tenant, but all emphasised that property descriptions in advertisements tend to be self-selecting anyway. For example, a four-bedroom home would not naturally attract a single older person or older couple, nor ‘might’ an 11th level apartment in a CBD location, nor ‘might’ a level 3 walk-up apartment and so forth. Property rental prices advertised are also generally likely to mean some prospective tenants will not apply.

Across the property management companies taking part in this research, advertising of all tenancies is digital. None said they use different channels to advertise properties to people who may be less comfortable with or have limited access to digital channels. **The general view was that older tenants access rental property information in the same way that tenants of other ages do.**

Some suggested that if an older person was not comfortable or had no access to digital channels, then a family member would help. One organisation pointed out that they have computers in their offices that prospective tenants can use (and receive help with) if they had no digital access. **Views on whether family members assist older tenants were mixed – most were unsure.**

“We don’t specifically go anywhere to advertise [to older tenants], we only go to the places we go to, which is TradeMe and the online digital portals. We don’t put them in newspapers any longer.”

“We just use traditional channels, obviously the websites ... I don’t get too much negative feedback as to whether we should advertise on a different platform. I think most people nowadays at least know someone, if they’re not computer literate, they know someone that is. But we have computers and TVs in our office, so that if people don’t have that accessibility to computers, we can sit down and [help them], search their criteria ... computers are not a barrier.”

“Paper readership is dwindling; we don’t use that anymore.”

“Even signing tenancy agreements is electronic now so we do offer for them to come into the office and sign on paper.”



The application processes

Most property management companies outsource their application processes to third party organisations such as Renti, residoc.co.nz, or tenancy.co.nz. They previously managed their own application portals but now find it easier and more efficient to use third party providers instead.

“All of our applications flow through Renti because of the Privacy Commission changes. We used to use our own portal but it's easier to have a third party.”

Most were unsure exactly what gets asked as part of the application process but assume it would include key information around proof of affordability, and then credit and reference checks.

There appears to be no consideration given to any affordability issues impacting older tenants. There is an assumption that:

- a) only people who can afford a particular property will apply, and/or
- b) that older tenants seeking a rental who may have affordability issues will be supported/topped up by the government.

None expressly said that they consider long-term affordability (i.e. in the event of rent increases over time) if the person is on a fixed income (such as a pension), but most made it clear the ability of a tenant to pay their rent over time was key.

The needs of older tenants

There was a general view that simply because a tenant may be older, it doesn't mean that they have needs that are any different to tenants of other ages. The main differences in needs that were identified were mainly to do with the type and size of the property, i.e. that older tenants usually want smaller ('downsized') and lower maintenance properties.

There were very few unprompted mentions of the accessibility modification needs that older tenants may require other than (for some) easier access to the property (ramps) and handrails (up to the property and in the bathroom).

Several participants noted that not all older tenants would require property modifications *anyway* (and provided anecdotal examples of fit, healthy, and mobile older people). A number noted that property modifications because of disabilities can also affect tenants of any age (and again provided several anecdotal examples of younger tenants who had, for example, developed Parkinson's Disease, were in a wheelchair, were neuro-diverse and so forth).

Most discussion around accessibility modifications appeared to be more to do with people (of any age) with a disability rather than accessibility modifications specifically for aging tenants.

“Often we get people who'll ask us [about disability modifications], 'have you got anything on your books?', so we'll have a look and in some situations if we think the landlord may be able to do it and they [the tenant] has the funds to do it, then we may be able to open that up a little bit so there's more choice of people who can go into the property.”

“We did a show recently and it was a TV production, but it was for people with disabilities and how they firstly find it difficult to find someone who will accept them, but also making sure the property has everything they need.”



Some acknowledged the potential for the needs of older tenants to change over time, particularly in terms of their physical (but also mental) capabilities, but overall limited thought had been given to this.

“Yeah I would slot them into, potentially obviously a lot depends on the person, their age, their capability ... you may end up in the Disability Commissioner’s kind of space, where if someone is in a wheelchair I actually see them as an incredibly good tenant because they are going to receive funding to set the house up in a way that can be used by a disabled person [in the future] and will be covered by the Disability Commission or some other government agency. They get that funding once every three years I think so therefore we know they’re a stable tenant ... we also know that as a minor change they would need to put it back when they left.”

One organisation surveyed current tenants to ask about their future needs but did not focus specifically on age-related needs.

“We are now very much aware that tenants are also our customers ... we did a survey to ask what would you like to see in the future, so we are very much about what tenants need ... but it didn’t come out ... in fact I can’t recall anything about the ageing population as having different needs to anyone else. The biggest issue that came up was storage. We didn’t really pick up on anything that needs to be [thought about for older tenants], but it makes sense to me. I wonder if we weren’t specific enough [about age related issues], because it wasn’t on our radar.”

Attitudes towards older tenants

The advantages of older tenants

Property management companies were of the view that older tenants are desirable tenants for landlords because they are:

- Quiet and less likely to have parties, make noise or disturb other neighbours.
- More likely to be house proud and take care of the house and the garden.
- More likely to be a stable, consistent tenant.
- For a minority, more likely to be proactive about property issues as they arise (knowing what to look out for).
- Less likely to complain or have unrealistic expectations, for example, less likely to take ‘frivolous’ complaints to the Tenancy Tribunal.



There was no indication that 'age' ever comes up as part of their discussions with owners (in terms of who a landlord might 'prefer' or who a property might best be suited to) although some noted that *some* landlords may covertly attempt to discourage other tenant groups e.g. by insisting on no cooking smells.

"Well, you get some landlords out there and they just want to house families, so yeah if you were the New Zealand Herald I'd be saying there's no discrimination, however there's this internal discrimination thing, we still have robust conversations with owners who don't want cooking smells and we can't discriminate against cooking smells. That's them saying no Asians thanks."

"I would see a higher level of desirability."

"Yeah, they don't party."

"You visualise the older person and they're going to be more house proud."

"If it happened to be an older couple applying and they've said 'we've just sold our house, here's proof of capability of paying the rent, I have \$1 million in my bank account and we both have the pension' ... they're a great tenant, their children are not going to damage the house, they're going to be very careful, they're going to live clean and tidy."

"Overall, I'd have thought they'd be a very desirable tenant."

"From the perspective of a property manager, we know that that person has lived a longer life, they understand property more than an 18-year-old going into a property ... so they know things to look out for and when to report them, but that's just about being wiser about property."

"Anecdotally, there'd be nothing about an older tenant that would persuade a property manager not to accept them, provided they met the requirements, the referee checks and could afford the rent."

Some pointed out that desirability is an 'individual' issue – and tenants of any age can be more/less desirable.

"I don't think they're any less or more desirable. I think that there's no rule as such and we certainly wouldn't be discriminating against it, but it's not something that's often thought about [desirability and age]"



The disadvantages of older tenants

There were two potential downsides or 'risks' associated with older tenants:

- The risk of older tenants passing away in the property. Most said this happens at least a couple of times (or more) each year and brings with it several challenges such as having to deal with other family members to remove the body, negotiations around payment of rent and bond and preparing the property for the next tenant - *"It's a very real thing."*
- The changing mental (as opposed to the changing physical) capacity of older tenants which can mean they are no longer safe living alone and/or some of their behaviours are concerning (such as hoarding, lack of property maintenance, lack of self-care etc.)

Despite these mentions however, there was no evidence to suggest that older tenants are discriminated against on this basis. One participant reported that they are very aware of the need to monitor potentially discriminating behaviour on the part of their landlords:

"We did a database dump looking for any discriminatory words [across the information landlords provide about their ideal tenant) ... we didn't look at age, but some people will be less likely to want younger students because they would seem them to be potentially more of a risk, where others would want them because they can rent them a room for \$250 and they've got 6 rooms so they get double the rent they would have got."

DEALING WITH ISSUES THAT ARISE WITH OLDER TENANTS

There were very few examples of issues that may arise with older tenants (other than the examples provided above and one example of an older refugee tenant unable to pay their rent, and who was given notice).

The general view is that there are fewer problems with older tenants.

In the case of a loss of mental capacity, all the property management companies taking part made it very clear that they would work with family and/or other agencies to resolve the situation.

"I'd rather help them through that process, rather than serve them with a breach letter ... call a family member, call a social service agency. I think we've all got a moral responsibility to do the right thing."

"We do get concerns about how someone is living in a property, you know, where dementia is kicking in, but we are not social workers. You can see how they're living though ... we will call the emergency contact on the application form or sometimes we need to call in social agencies. If we see people struggling, we will find a solution."

"To be completely honest, if it got to the stage where they weren't coping [mentally or physically] we would heavily rely on family and we would always make those calls to those people and then they would come in and take over that aspect, and if they felt the property wasn't right, they would move them on."

None were able to provide any other examples of older tenants having been evicted for other reasons.



Perceptions of the financial traits of older tenants

It would appear that limited thought has been given to the financial characteristics of older tenants.

A key reason for this is around the variation in understanding, and definitions of the diverse range of elderly tenants, especially those actively seeking privately owned rental accommodations.

There was a general view amongst property management companies that older tenants they may encounter via the rental properties they manage will not necessarily have financial constraints i.e. they may have sold a property, they may be renting temporarily, they may be assisted by family, they may have savings or sources of income other than a pension.

They also shared a view that older tenants (long-term renters) with no savings, who have never owned their own home and who live on a pension only, are taken care of by the state and live in state owned housing (Kainga Ora), or places like Haumarū Housing (which is a joint venture between Auckland Council and the Selwyn Foundation) or in rental-based retirement villages.

Rent flexibility for older tenants

There is limited evidence to suggest that there is rent flexibility for older tenants who may have affordability issues. Some did mention that there are some landlords who will be flexible about rent increases for long-term tenants and that there are some landlords who have more socially driven motivations for investing in rental property.

“Some landlords are in it to assist with social type housing and not trying to make a business out of it.”

“So, then you’ve got your true investor and those other investor groups. Some investors are out for best return on investment. Other investors want a fair rent, you know. Let’s discount the market rent. But find me someone who’s going to respect what I’m doing for them and really, really look after them. And they will care for the property.”

“If I’ve got one tenant who can pay X dollars and one who can pay Y dollars, I’m going to choose the one who can give me the better return ... to think otherwise is ideological.”

Older tenants of the future

As already discussed, to date there has been no consideration given to an ageing tenant market and what this might mean for the private rental sector. When prompted on the impacts of an aging tenant market most participants agreed that while the private rental market would be impacted in terms of increased demand, there is likely to be a need for government intervention (support and subsidisation) to ensure that:

- a) there are appropriate properties available, and
- b) that older tenants can meet their financial rental obligations.

“The issue is who’s going to pay the rent. If we’ve got a lot of older people going into retirement and the PRS is going to take a chunk, then it’s going to fall onto the state to try and supplement the income to be able to pay the rent.”

“The state will be forced to subsidise these people.”

“Who’s responsible for supplying housing, well that’s the million-dollar question, we can only do what we can do and house those we can house.”



Accessibility modifications

The importance of accessibility features

All participants agree on the importance of accessibility modifications for those in need, not just older tenants, in helping them remain or age in place. However, the affordability of the modification will be a key deciding factor.

All agree that landlords are unlikely to fund accessibility modifications but would likely accept minor modifications if funded by the tenant or a third-party agency. There's a general belief that landlords would be amenable to this, especially with an agreement for reinstatement.

More significant accessibility modifications (those that require structural changes such as the widening of doorways) are more complex and are seen as renovations, not modifications. Changes like these also require building consents.

“Yes, it's a hard one, because you'd like to think that, yes, of course they would if they could [that landlords agree to modifications]. But actually, there's a market of retirement villages and complexes, etc., that kind of cover that market. And it's not something that landlords have even got their head around, and to suggest something like that to them now, after they've just gone through all of this other stuff, would not go down very well, but this is where I think build to rent should be pushed, so that when you're considering future needs, and that's the purpose of build to rent is that people are living longer in rental properties.”

“Not all landlords are amenable, but the government could put something in place where they fund that ... but it is a hard one, we're not social housing providers, but we do need to be able to say, 'are you open to this idea?'. All we can do is facilitate the conversation.”

“Certainly, with some of our tenancies we have had a lot of accessibility requests and yes we have completed a lot of accessible ramps, even wheelchair access bathrooms. We've actually had two or three properties where the owners have actually converted the bathrooms to a wheelchair access bathroom ... in this case it was a tenant who had been in place a long time and had succumbed to an illness and was wheelchair bound and the owner was brilliant about it ... the landlord didn't pay for it, another organisation did, but the landlord allowed the modifications.”

“It's not uncommon and I think the biggest misconception is that landlords won't do anything to help those in need. I think it's our job as property managers to educate our owners and to make a very good case as to why it's a good thing to do.”



Requests for modifications

Most of the examples of accessibility modifications that had been requested (of which there were few overall) were minor. For example: ramps up to the house (seen as easy to remove), handrails, walk in showers and other bathroom modifications.

There was only one example provided of a structural modification (doorway widening) and that was for a group of people with disabilities sharing a house.

Across the property management companies taking part, the number of modifications requests varied, from very few through to “a lot”. However, after further discussion, “a lot” was revealed to be not a particularly large number and most were requests for handrails.

Most pointed out that requests for accessibility modifications were not only made by older tenants and that more in fact were made by tenants across a range of age groups with disabilities.

None were able to say with any accuracy how many properties across their portfolios had accessibility modifications or what those accessibility modifications might be. **The general view was that there were few overall across the thousands of rental properties they manage.**

Most (other than one) were unable to provide any examples of where a property manager might have proactively suggested an accessibility modification. Most thought this would not occur. That said, most reported that property managers are very proactive in ensuring tenants are safe, and are able to look after themselves, and that any self-care concerns would be followed up on.

“Often what happens is a tenant will put in a request, asking if they can do it themselves [minor modification]. This is more common than asking the landlord if they will pay ... for example, we had someone who asked can I change my oven to a lower oven so I can reach it? They would ask the property manager, can I do this ... we would have to ask the landlord because they have every right to say no, but the tenant would pay for it ... they did in this case.”

“You do get requests now for some minor modifications which tenants are allowed to do, which I agree with ... it’s their home.”

“Modifications are not just about age”.

I’ve had the odd one where someone will pay for a walk-in shower for an older tenant and some landlords would be fine with that, because they’re not having to pay for it.”

“Modifications? I wouldn’t know.”

“We have had requests for modifications ... but it doesn’t tend to be for elderly people, but it will be less mobile people and it will be ramps of widening of doorways and room spaces, but it depends on the situation and whether the landlord can physically do that.”

“We did agree to take an elderly refugee lady through The Red Cross and we knew there may be potential modifications required, small steps, a small ramp ... but unfortunately that didn’t progress because MBIE or WINZ paid the first rent and bond, but the tenant thought the government paid everything and they couldn’t understand why we gave them notice to leave after 6 weeks when they hadn’t paid the rent.”



“The whole modification thing is quite new. If somebody asked in the past, ‘can we please put in a small handrail?’, it’s highly likely the owner’s going to say yes. Now the law requires us to approve minor modifications. Unfortunately, the law doesn’t specify exactly what that may be ... what we don’t know is would a handrail on two steps that doesn’t legally require it be deemed a minor modification that we can’t decline?”

“I think it depends on your landlord, you know there are some who are in this as a as a business of these landlords who are in this as a retirement fund, and they don't live if you don't pay the rent. So, if you're going to ask me to go and find a \$50,000 loan for the bathroom, I may need to treat that as a commercial kind of thing and need a return on my investment. it might well be that yeah, look, if we can take an extra \$100 a week, ok.”

“Well for a lot of them [landlords] they’re going to be looking at it from a financial perspective. If there’s a cost, they won’t do it. If there’s an incentive or any financial support, then I suspect they would do it.”

Advantages of modifications

Most agreed that accessibility modifications are a positive addition because it allows a property to appeal to a wider group of tenants. Some mentioned that certain landlords might find certain modifications unattractive, but from a property management or rental standpoint, they are generally considered positive.

Property management companies were unsure whether an existing accessibility modification would encourage a landlord to purchase a property, or whether some landlords actively seek out investment properties that are already modified.

“Say, if I've modified for wheelchair access for easy access for a person. And they're leaving, and the ramp that we put in is actually really good for anybody, a smart person would leave it there, because the next person might also find that useful as well.”

“If an elderly person said, look I need this bathroom modification, and then there's \$5,000 funding towards it based on a grant they get every three years, then there's no burden on the landlord. You get a better bathroom. More rentable.”

“The more you open the property to modifications the better chance you have of renting it ... But some landlords operate on a shoe-string budget, some don’t think about long-term investment.”

“It’s personal opinion because some would say it looks undesirable, but as an investment opportunity, there’s nothing wrong in that at all. It just opens up the pool of people who might be interested to rent the property.”

“Very much so, we get a lot of requests from tenants looking for wheelchair friendly access and as we all know, there’s not many of them, so when one does become available it gets snapped up ... by anybody, any age.”



Barriers to accessibility modifications

The main perceived barriers to a landlord agreeing to an accessibility modification were:

- The landlord having to pay for it, in which case it would be unlikely to happen (unless, and only in some cases, the modification was very minor such as a handrail)
- The modification requested was structural, in which case the cost would likely be too great and/or it wouldn't be feasible for the property.

“Never seen it [moving light switches], but if the tenant requested it the landlord would probably say ok, but you pay.”

“The modifications I've seen are typically funded by a third party [government or other agency].”

“You can't go above and beyond and change the whole structure and make it feasibly financially worth it, because it's their business as well at the end of the day.”

“Widening hallways ... I mean that's a big job, that's a major renovation.”

“I think it comes down to individual landlords, whatever sort of predicament they're in, or whatever part of the landlord journey they are at for their investment ... you'll find most of the landlords I talk to about the accessibility dilemma are pretty engaging. They will talk, they will discuss, you hardly ever get a flat no.”

One issue raised with respect to tenants' rights and minor modifications was to do with a perceived lack of clarity as to what constitutes a minor modification in the context of an accessibility modification. Property management companies are of the view that the RTA is not clear in this respect.

“The RTA says 'reasonable', but what is reasonable?”

Advertising of existing modifications

Few property management companies could recall any specific advertising where a modification was mentioned. Noting that at this level they don't review individual advertisements for individual properties.

The general view, however, was that they would expect that any relevant modifications would be advertised.

“Yes, we should be ... what we want to do is sell the benefits of the house, but you've got to be careful how you word things because you can't discriminate against human rights and say, 'this is for pensioners only' ... it's a minefield.”

“Actually yes, there will be some homes that an elderly person has moved out of, so the family is now renting it out, so it already has those accessibility modifications in place, so yes a savvy person would be putting that in their marketing.”

“If it was something internal, yes, we would. Generally, we find that accessibility ramps are temporary so they are removed, but certainly if it's a permanent change like a bathroom, then yes we would advertise, but however they are few and far between unfortunately.”



Tenancy Tribunal

Property management companies do not believe that current Tenancy Tribunal processes were disadvantageous to older tenants. However, there was a view that older tenants are less likely to 'end up' at the Tenancy Tribunal because they are:

- a) Less likely to breach their tenancy and/or
- b) Less likely to complain and/or
- c) Sensible enough to work things through with their landlord.

"I would see an older tenant as less likely to breach themselves and end up there, you might get a senile situation, but your older people are more of your gentlemen, your Nana, they're not out for trouble. They they're good, honest, straight up people. They expect things to be done right. They're not going to try it on. Whereas some younger people, and we've a few at the moment where they have no understanding of the RTA, and they decide to talk to Google, and see if they can go to the Tribunal and screw a few thousand out of us."

"I think the Tenancy Tribunal is a pretty scary prospect for a lot of people, not only elderly people."

"I think you'll find that most elderly tenants, given their stage of life, they probably put up with things a bit more ... but I don't think age comes into that, I think it's just a case-by-case situation what people will put up with, like a tap that drips once a week, some people won't care, and others will complain straight away."

The two possible issues regarding older tenants and the Tenancy Tribunal that were mentioned:

- Older tenants may not want to (or may not have the energy) to go through a Tenancy Tribunal process, and
- That the process of making a Tenancy Tribunal application may be complicated because it relies on the applicant being comfortable using online channels - *"it's complicated, getting a RealMe login and applying, that will be a restriction [for older tenants]."*

It was noted however that where tenant advocates are available to offer older tenants (or any tenant) assistance should they require it – *"they will hold the hand of older tenants."*

Awareness of current funding settings and permission requirements

There was limited overall awareness of current funding settings. There was a reasonable level of understanding of permission requirements but (as mentioned earlier) a lack of clarity over definitions of minor modifications and the obligations of landlords in this respect.



Ageing in place, security of tenure and the role of government

Property management companies understand that older tenants need security of tenure and 'should have' the right to age in place.

However, their key concern in this respect was that the onus (financial or otherwise) to ensure a tenant was able to age in place would fall onto landlords. In other words, taking steps to ensure security of tenure may mean landlords will be reluctant to take on older tenants, because of the potential longer-term risks not being considered, such as the changing circumstances of landlords and/or that the cost of having an older tenant. There was a view that the PRS sector is already heavily regulated and that there would likely be little appetite among landlords for further regulations either related to accessibility modifications or older tenants specifically. There is some evidence to suggest however, that landlords may be open to discussion around issues related to accessibility if external funding was available.

"My immediate thought actually was that would be a nice thing to do. But then the counter side of that will be that landlords will automatically go for the easier option, and they will start not allowing people in over a certain age because they know that they're opening themselves up to expense etc. I think that they [the government] should be preparing new builds for older people. And the developers they've got a place to play in this as well ... they're building homes, high rises, etc., for build to rent but it could be that this [older tenants] is a market in itself."

"I don't disagree with the need for my Nana to live until her death in the place that she's now made her home. However, my life continues, I've split from the wife now I need to sell it to pay each other out, or someone takes ownership, or it has to be sold for some reason. If that tenant now has a tenancy for life ... and if you do that to me, I am not going to want to put that person in there."

"I think you have to be careful how you go with legislation, because what's happened over the last six years is that there's been a lot of changes and legislation in the landlord sector ... that scares a lot of landlords and it scares people to the extent that they will sell their property and the last thing we want is for people to sell rental properties and remove properties from the rental pool."

"The more we poke the bear ..."





Key findings

- There are few BTR companies in New Zealand, and some are temporary or ‘unofficial’ BTRs – renting apartments until they can sell them.
- There was similar feedback between the property management companies and BTR in terms of: not asking for, or recording any age-related data, the aging tenant market not being on their radar, a focus on accessibility modifications for people with disabilities and not necessarily older tenants, and a view that older tenants are desirable tenants.
- The needs of older tenants have not been a specific focus of most BTR companies. Some have considered an older tenant market, but this tends to skew towards older tenants who may have cash reserves/some savings/have sold a property and may be interested in a high quality, ‘managed’ rental situation with security of tenure. Their target market (at present at least) is not older tenants who may have been long-term renters with a pension as their only source of income.
- They all acknowledge the importance of accessibility and most said that their properties follow Universal Design Standards (although there are several three level walk-ups with no elevator access as part of property portfolios). One has specifically included six accessible adaptable apartments in a 295-unit building.
- Only one BTR had been asked to make a minor accessibility modification (post-construction), which they did. The others had not had any requests.
- There was some negativity expressed regarding the role of government in BTR, and a general view that the sector lacks support.



Setting the scene

There are only a handful of build-to-rent (BTR) companies currently operating in New Zealand and, overall, the industry is in its very early stages (compared to Australia, the UK, and other parts of Europe).

At least one company interviewed is part of the BTR industry by default in that they are developing traditional build-to-sell properties, but because they are unable to sell apartments in some buildings they are offering 'rentals' as a stopgap measure. When the market for residential apartments improves, their current rental units will be sold.

One BTR developer noted that some investors are taking a short-term view of BTR, investing now with the intention to sell the building in the future/when they are outside of Brightline restrictions. Their view was that the BTR model is not necessarily a sustainable long-term model (for the private sector).

Some of the BTR companies taking part had one or a few completed apartment buildings, while others were mid-way through construction. Only one BTR had a significant number of buildings. Most were in Auckland but at least one company had BTR developments in other parts of the North Island and one in the South Island.

"BTR is in its infancy and has been slow to take hold."

"Our current stock is low."

Most (but not all) of the BTR companies taking part in this study use external property management companies to advertise for, and screen prospective tenants (just as any other residential landlord might do). One BTR company said that they used to have their own in-house rental team but opted to sell that part of the business to a rental agency. These rental agencies go through the same application channels and/or channels as those used by property management companies.

"We are BTR developers."

"Yeah, we do ask for the standard things."

Only one BTR company had a dedicated in-house rental team. This is because they want to create a community of residents and therefore ensure each applicant is carefully considered to ensure they will be the right fit, as well as obtain a good mix of residents in terms of age, household structure and so forth.

Conversely, another BTR company pointed out that the mix of apartment types and sizes, naturally encourages a mix of tenant types.

"We have studios, lots of one to two bedrooms, three bedrooms, with ensuites. They are quite spacious, and all have balconies. It creates a community without us manufacturing it."

Some BTR companies are partnering with investors and other agencies to fund lower cost (lower rent) developments. There are also cost-saving initiatives underway to offer bundled utility bills, solar electricity generation, centralised hot water, and more energy-efficient homes.

"In [this fund], that's 5.8 billion dollars in size and a portion of it is going to build this big portfolio of secure, tenure, high quality, dry, warm, more affordable homes. And so that's you know, we're actually going to make a difference at scale with our efforts."



Consistencies with property management company feedback

There was very similar feedback between the property management companies who took part in this study and the BTR companies in that:

- They do not record any age-related information about their tenants and could only guess at tenant numbers in the 65+ age bracket - *“age data is not retained but approximately 25-30% of our tenants would be over 40, probably 10% over 60”, “I’m guessing it’s 5% or something.”*
- An aging tenant market has not specifically been on their radar (to date).
- Discussions that have been had around accessibility modifications have been largely focused on people with disabilities (across any age group).
- Being over 65 is not a barrier to becoming a BTR tenant – provided the tenant can meet rental payments.
- There is a view that older tenants are desirable tenants, for the same reasons provided by property management companies – that they are easier to deal with, less likely to have parties and so forth - *“Older tenants are more grateful, easy going, they’ve been around the block.”*



The needs of older tenants, and marketing approaches

The needs of older tenants have not been a specific focus of BTR companies to date.

It was reported that this is becoming more of a focus internationally and that it is likely to become more of a focus in New Zealand in the future.

A key issue raised was with respect to affordability and the ability to attract investors who are looking for a certain level of return. All agreed that an aging tenant market will require consideration and action in the future.

“In time we believe that models will emerge that cater to older citizens.”

“Older people would need ground floor apartments in a three-level walk up, that can mean we need too much land. The challenge is how to do accessibility housing feasibly.”

“Overseas some BTR developers have rented their entire floors to retirement villages.”

There was an acknowledgement by some of the BTR companies that their apartments may not be universally affordable to older tenants, such as an older tenant with no savings and only a pension as their source of income.

The lowest priced rental was quoted at \$450 per week for a one bedroom (plus the cost of a carpark), but most were above that e.g. one BTR developer will have 2-bedroom apartments listed at \$620 per week, while another will have comparable apartments listed at \$720 per week). So, while there are no barriers to older tenants who can afford them moving into BTR properties, at present, the current cost structure may limit this to older tenants who have the on-going ability to afford them.

There was some acknowledgement that the option of a 10-year lease may be attractive to older tenants, but that this was also attractive to tenants of all ages seeking greater security of tenure.

“The law won’t let you look at proof of income, but we do look at proof of rent. We need to make a decision about whether they can afford the property and realistically, if they’re a retiree, it’s low. If they’re only a pension it just won’t be enough to cover the rent. We do rent to older people who can cover the rent. Banks have responsible lending criteria but there are no rules around responsible renting. We don’t want to turf people out on the street because they can’t pay their rent.”

“The type of older tenants we are targeting are not low income, pension only, most of our properties would be unaffordable.”

“Our target market is these three groups (1) Flexi-professionals (working but can’t afford to buy), (2) Asian avant-garde (from overseas, enjoy apartment living), (3) Rocking retirees (maybe sold their house, might have a beach house, not ready for a retirement village).”

“It’s quite an expensive experiment for us, no one is doing it on this scale.”

“We don’t specifically target older people.”



“There are other companies building at the lower end, but ours is more of a premium offer, we have a superior digital offer. BTR is a different way of renting, we are the owner and the manager, none of our apartments are for sale, they are all for rent. We offered increased service levels including on-site management, a gym, a rooftop BBQ, shared community spaces, coffee, work from home spaces, a media room that can be booked etc. You can have pets, we are very digitally focused, you can paint your walls, you can have a 10-year lease. You get the flexibility of renting, but more security and stability. There are fixed annual rent increases, which helps with budgeting. We provide all whiteware, we can provide furniture.”

Most of the BTR companies taking part emphasised that BTR is a very different way of ‘renting’ in that their focus is on building communities of diverse, but compatible tenants. At least two mentioned that they have Community Managers rather than Property Managers in place which reflects the environment they are trying to create.

“What we do is we try to piece together what we think will be the strongest, most vibrant kind of community assembly, and that that typically means, if we try to describe what that is, it’s a range of age groups. It’s putting pet lovers, you know, in the same stair grouping, having young couples or solo parents with young children, with older people to have your natural babysitter. It’s putting the older people on the ground floor because they generally have more time, and they love to get their get their green fingers going. So, the kids go level one or level 2. But we target the older people for the ground floor units with a bit of extra garden space. So, we put quite a lot of thought into putting together this community.”

One BTR company said that they are working with investors in other parts of New Zealand to be able to offer lower cost accommodation.

“Some investor groups are willing to subsidise some types of tenants [iwi investor groups], to provide a subsidy for whanau.”

“[Older tenants on a pension] will need an extra government grant or something.”



Accessibility modifications

Similar to property management companies, BTR companies also acknowledge the importance of accessibility.

Most (but not all) of the BTR companies taking part said that **their properties follow Universal Design Standards** and/or they have “looked at” Lifemark who base their advice on the principles of Universal Design Standards.

Examples given here included:

- Wider doorways
- Spacious corridors
- Non-slip vinyl flooring
- Light switch heights
- All communal areas accessible.

It was noted by some that the focus on Universal Design Standards has not necessarily been about older tenants, but rather ensuring that their buildings (and apartments) are accessible for people who may require accessibility modifications of all ages (and meet all regulations and requirements in this respect).

That said, several BTR properties currently being built are three level walk-ups, which have no requirement to have an elevator and may limit the types of tenants who may be interested (other than for ground floor apartments). One BTR developer said that their plan is to have 85% of a planned 1099 apartments with elevator access.

One BTR developer specifically mentioned accessibility and older tenants, although the focus here is on older tenants who may have additional savings/assets to sell (rather than older tenants who may have been long-term renters and surviving on a pension only).

“We've adopted the Universal Design and Lifemark design principles. All of our doors are extra wide, with the kitchen designs having an open layout so that they are wheelchair compatible. And the bedrooms we're making slightly larger than we would normally for an apartment to sell. We want to make sure our product is suitable for the widest possible range of potential customers. But the big one is, we think that older people have a pretty raw deal and by that, I mean that you might be asset rich cash poor, and there are really only two main channels that you can go down. One is to get a reverse mortgage from the likes of Heartland, and those kinds of people who, charge 3 or 4 or 5% more than they should, or you go into a retirement village, and you get robbed that way, and then you're paying a fortune for the other wrap around services. That that offends our sense of fairness and fair play, and they've all done very well, but what's been missing is a solution where over 65s can choose to sell their home and go to a rental home with secure tenure. And what we're offering is for 10 years, but we're saying to people, look if you want to stay here for life that is just fine”.

“The building code means that for anything over three levels, there's a whole new set of criteria.”



One BTR company who currently has a 295-apartment complex under construction has included six adaptable accessible apartments as part of that complex. They worked with Be Lab who provided advice and technical feedback. Be Lab are a New Zealand company that supports “businesses and organisations on their journey to become 100% accessible”. Be Lab’s focus is on “anyone with a physical impairment, vision or hearing loss, a learning impairment, a short-term injury or an age-related impairment”.

“We have six adaptable accessible apartments [in a 295-unit apartment, currently under construction]. They have slightly wider doors, we can easily do future alterations, e.g. shower access, they are accessible but not fully accessible e.g. the kitchen benches are not at a lower height, but they can be modified in the future. We are still working out how to advertise these six apartments separately.”

“Accessibility is not just about wheelchairs, it is also for push chairs or people with anxiety, for blind and deaf people. We don’t specifically design these spaces for older people.”

Only one BTR developer mentioned making accessibility modifications because of a request (requests have not appeared to have been made to other companies).

“In rare cases we have been asked to make accessibility modifications and we have made these, like handrails in showers, our philosophy is that we are willing to make reasonable modifications and that these are written in the tenancy agreement.”

“It would depend on the cost if and it was still suitable for wider tenants. A kitchen modification [for accessibility] would be around \$8,000-10,000. How is that going to work? Because we’ve got 2 cohorts that we have to consider? One is the residents that we have in in our communities, and the other is the investors that are in our fund. So, we can’t be reckless with our you know the way we handle the money.”



Ageing in place and the role of government

There was some negativity expressed regarding the role of government in BTR developments and a general view that the sector currently lacks support.

“There are many barriers to BTR, for example we are required to offer a 10-year lease.”

“We are building homes for Kiwis, offering secure tenure and more affordable solutions. So really, in the regulatory environment, you know what we would like to see is just for us as a responsible provider, that maybe they have a lighter touch of regulation.”





Appendix one: Current tenant considerations

Landlords were asked to indicate what information they currently require from prospective tenants during the tenancy application process.

Beyond the number intending to live at the property, the most common tenancy considerations relate to determining whether they are a good tenant or not through their current landlord and validating they are who they say they are.

Date of birth is requested by 38% of landlords overall, driven up by those landlords with three or more properties (45%). Similarly, this group of landlords is more likely to require online applications (19%) which may disadvantage older renters.

TABLE 3

	All private landlords n=410	One to two properties n=228	Three or more properties n=182
No. intending to live at property	86%	82%	92%
References (additional to current landlord)	83%	81%	85%
Proof of identification	82%	81%	84%
Current landlord's contact details	76%	71%	82%
Current address - where live now	69%	61%	78%
Permission for background checks	68%	63%	75%
Permission for credit checks	64%	58%	71%
Whether tenant is a smoker	63%	63%	64%
Employment status	55%	54%	57%
Type of employment/job	41%	37%	45%
Proof of regular income	39%	46%	30%
Date of birth	38%	32%	45%
Ever been through tenancy tribunal process	36%	37%	35%



	All private landlords n=410	One to two properties n=228	Three or more properties n=182
References for any pets	30%	29%	30%
Ever not had a bond returned	27%	30%	22%
Whether tenant is on a benefit	19%	18%	19%
Online applications (vs paper based)	16%	14%	19%
Something else	10%	8%	13%
Pay slips for benefit payments	10%	12%	7%
Bank statements	6%	7%	4%

Appendix two: Perceptions of older tenants (65+ years)

TABLE 4

Landlords with 1-2 properties	Disagree strongly (0-1)	Disagree (2-4)	Neither (5)	Agree (6-8)	Agree strongly (9-10)
...are quieter tenants	1%	2%	20%	51%	25%
...are more stable/longer-term tenants	2%	5%	25%	48%	19%
...have accessibility needs that may require property modifications	2%	7%	31%	48%	12%
Less wear/tear on property w/older tenants	3%	7%	30%	45%	15%
...are more likely to pay rent on time	2%	5%	36%	38%	19%
...are no different to tenants of other ages	6%	25%	29%	27%	13%
Prefer to have older tenants	3%	7%	57%	24%	9%
When I set rents for older tenants, I take their age and income into consideration	11%	17%	44%	22%	7%
...have less interaction w/older tenants than w/younger tenants	8%	13%	52%	17%	11%
...may have limited income, so may fall into rent arrears	8%	19%	48%	21%	4%
...are less likely to complain	6%	18%	53%	17%	5%
...are less likely to maintain the property effectively	9%	30%	42%	16%	5%
There are more property maintenance issues w/older tenants	12%	26%	46%	14%	2%



TABLE 5

Landlords with 3 or more properties	Disagree strongly (0-1)	Disagree (2-4)	Neither (5)	Agree (6-8)	Agree strongly (9-10)
...are quieter tenants	2%	1%	22%	47%	29%
...are more stable/longer-term tenants	2%	4%	20%	51%	23%
...are more likely to pay rent on time	1%	3%	33%	42%	21%
Less wear/tear on property w/older tenants	2%	9%	30%	45%	15%
...have accessibility needs that may require property modifications	0%	6%	34%	49%	11%
...are no different to tenants of other ages	4%	31%	25%	25%	15%
Prefer to have older tenants	2%	6%	60%	26%	6%
Have less interaction w/older tenants than w/younger tenants	7%	15%	46%	16%	16%
When I set rents for older tenants, I take their age & income into consideration	17%	14%	38%	24%	7%
...are less likely to complain	5%	20%	55%	15%	4%
...may have limited income, so may fall into rent arrears	9%	22%	50%	17%	2%
...are less likely to maintain the property effectively	10%	28%	46%	12%	4%
There are more property maintenance issues w/older tenants	10%	25%	49%	13%	3%



Appendix three: Modifications

TABLE 6

All landlords who had made a modification. (% shown amongst this audience only)	All private landlords n=110	One to two properties n=46	Three or more properties n=64
Initiated by landlord	35%	46%	27%
Existing tenant	57%	43%	67%
Potential tenant	9%	11%	8%
Family member of tenant	11%	13%	9%
Property manager	5%	2%	6%
Someone else	6%	4%	8%
Net: All tenant requests	68%	61%	73%

TABLE 7

Modifications made to your rental property. (including those already in place when purchased)	All private landlords n=687	One to two properties n=428	Three or more properties n=259
No modifications	63%	67%	56%
Entry accessibility	13%	9%	20%
Accessible showers	12%	9%	17%
Accessible toilets	13%	11%	15%
Entry accessibility	13%	9%	20%
Non-slip flooring	9%	9%	11%
Handrails on other walls	8%	5%	12%
Replacing tapware	7%	7%	7%
Converting bathroom to a wet room	6%	5%	8%
Easier to use door/window latches/hardware	6%	5%	7%
Changes to door and corridor widths	4%	4%	4%
Installing a lift or chairlift	2%	2%	2%
Reachable light switches	3%	4%	3%
Reachable power	3%	3%	3%
Lowering kitchen benchtops/surfaces	2%	2%	2%
Replacing kitchen cupboards with drawers for access	3%	3%	3%
Other modifications	6%	4%	7%



TABLE 8

Who paid for the modifications?	All private landlords n=285	One to two properties n=169	Three or more properties n=116
Landlord	57%	54%	61%
Tenant	6%	5%	6%
Tenant's family	2%	2%	3%
Shared: landlord & tenant/tenant's family	8%	6%	10%
Someone else	7%	7%	8%
Govt. grant for some or all	5%	5%	3%
Unsure, already modified when purchased	27%	27%	27%

TABLE 9

When advertising your property for rent do you (or would you) advertise any modifications/accessibility features?	All private landlords n=686	One to two properties n=427	Three or more properties n=259
Yes, have or would advertise modifications	43%	42%	44%
Yes, sometimes have or it would depend	8%	6%	10%
No, have not or would not	50%	52%	46%

TABLE 10

To what extent do you disagree or agree that the following are benefits to making modifications for older tenants?	Disagree strongly (0-1)	Disagree (2-4)	Neither (5)	Agree (6-8)	Agree strongly (9-10)
Landlords with 1-2 properties n=444					
Tenant can live in the property for longer/don't need to move out	2%	4%	14%	54%	26%
Appealing for future older tenants	3%	4%	15%	57%	22%
Good investment for future sale of the property	5%	12%	29%	41%	13%
Future proofs the property if regulations change	3%	8%	26%	48%	15%
Is attractive to other tenants who may be younger, but have a disability	3%	5%	18%	53%	20%
There are other benefits	6%	8%	39%	36%	11%



TABLE 11

To what extent do you disagree or agree that the following are benefits to making modifications for older tenants?	Disagree strongly (0-1)	Disagree (2-4)	Neither (5)	Agree (6-8)	Agree strongly (9-10)
Landlords with 3 or more properties n=265					
Tenant can live in the property for longer/don't need to move out	2%	5%	16%	51%	27%
Appealing for future older tenants	1%	3%	18%	52%	25%
Good investment for future sale of the property	6%	17%	35%	34%	8%
Future proofs the property if regulations change	5%	10%	33%	41%	11%
Is attractive to other tenants who may be younger, but have a disability	2%	6%	22%	48%	21%
There are other benefits	7%	5%	46%	32%	9%

TABLE 12

If future regulations made making modifications for older tenants a requirement, who do you believe should pay for this?	All private landlords n=709	One to two properties n=444	Three or more properties n=265
Government agency	62%	61%	65%
Tenant or tenant's family	30%	29%	33%
Landlord	26%	30%	18%
Someone else/other organisation	5%	5%	6%
Don't know	14%	14%	14%

