The property data cheat sheet

Where to Get Free Data for Property Investors

Use this cheat sheet to know which numbers to trust, which to ignore, and where to find data that's actually fit for purpose.

Start here: the one rule that matters

Almost every "average rental yield" you see online is built by taking the median rent in a suburb and dividing it by the median house price.

The problem: the average property in a suburb is NOT the average rental property. Rentals are typically cheaper, smaller and older. So the rental return (gross yield) you can get is often higher than the average shown on most property websites.*

Here's a guide on what to use and when.

What is a gross yield?

A gross yield is how much rent your property could get per year, compared to the value of the property.

For instance, a 3-bed townhouse rents for $800/week. It's worth $920,000.

($800 × 52) ÷ $920,000 = 4.5% gross yield.

This is one number property investors use when analysing potential investments.

Two jobs, two types of data

Each data source below is good for one of two jobs. Match the source to the job:

JOB 1 – Comparing areas

"Which suburbs or regions tend to have higher yields?"

The average data we just mentioned is fine for this job.

Use Opes Area Analyser for this

JOB 2 – Assessing an individual property

"Is THIS property a good rental?"

This is where you need to know the average yield investors are actually accepting in your area. So you need a different set of data.

Use Opes Yield Analysis for this

* Just be careful, because this is not always the case. If you look at interest.co.nz's Rental Yield Indicator, they don't use the median sale price. They use the lower-quartile sale price. So, they are trying to take this idea of *"average property ≠ average rental property"* into account. No number is good or bad on its own, you need to understand how it's calculated.

The Data Sources

JOB 1: Opes Area Analyser

www.opespartners.co.nz/area-analyser

A free tool covering 16 regions, 67 councils and 1,000+ suburbs, updated monthly. It gives you the average gross yield for any suburb in the country – useful for comparing areas at a glance.

Read this before you use it: The Area Analyser's yield is the median rent divided by the median suburb house price. That means it's based on the average property – NOT the average rental property. Great for comparing one suburb against another. But don't use it to judge if your property is above or below average.

PROS

- Free, and covers the whole country down to suburb level
- The whole Area Analyser is updated monthly. The suburb by suburb comparison updates quarterly
- Good for comparing suburbs – e.g. you can see Mangere Bridge tends to out-yield Herne Bay.

CONS

- Yield uses median rent ÷ median suburb price – the "average property" problem
- The yields shown are often lower than what you could potentially get (investors often get a higher yield)
- Not reliable for assessing a single, specific property.

JOB 2: Yield Analysis of Actual Rental Listings

www.opespartners.co.nz/gross-yield

This data looked at every rental listing on Trade Me, and matched the advertised rent with the estimated value on OneRoof.

This analysed almost 13,000 homes to understand the gross yield that property investors are willing to accept.

PROS

- Shows the gross yields property investors are willing to accept
- Solves the issue of "average house ≠ average rental property"
- Lets you see if your property is above or below average for your area.

CONS

- The rent an investor advertises is not necessarily the rent they actually get.
- It's one point in time. The analysis is updated every few months, but on a more ad hoc basis.
- The estimated value from OneRoof could be incorrect
- There are often issues matching up the address from Trade Me with the address on OneRoof. So not all 13,000 properties make it into the final analysis.