

TaylorTalk

PROPERTY MANAGEMENT SOLUTIONS



Spring is here...!

TOP 10 SPRING CLEANING TIPS FOR LANDLORDS



Spring is a great time to get your property tidied up after a long wet winter. Listed below are some key areas that a landlord should tend to as soon as the sun starts to shine.

1. House washing
2. Chem washing paths/decks
3. Gutter clean
4. Tree trimming
5. Garden tidy – it is important to make sure all trees/shrubs etc are cut back from the property.
6. Curtain cleaning to remove mould or mildew.
7. Ceiling clean – often we battle with mould during the winter months so having the ceilings/walls cleaned professionally will help to preserve the paintwork.
8. Refresh any paint that has become a little worn on window sills, ceilings etc – this is easier to do in warmer weather as it dries faster.
9. Spray for bugs/spiders
10. Path and deck moss and mould treatment.

WE'RE LOOKING FOR NEW PROPERTIES

as the Auckland sales market has been booming we have now freed up some space in some portfolios for new properties.... your property!!!

Contact us for your FREE appraisal today!

mary.taylor@raywhite.com

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Commonly Asked Questions...

How do I change property management company?

The process really depends on your situation but either way, it's easier than you think. The first thing to do is get in touch and we can provide the assistance that you require. If you're currently with another agency we simply need you to give them their required notice which is often detailed on your management agreement. Once you have done this you should also inform them that we'll be in touch to arrange collection of the relevant documentation. Let us take care of the rest.

How often can I increase the rent?

According to the Residential Tenancies Act, the rent cannot be increased more than once every 180 days during a tenancy with a 60 day notice period.

What if my tenant damages my property?

There will always be a certain amount of wear and tear on a property but deliberate damage or anything beyond fair wear and tear should be made good by the tenant or claimed from their bond when they are vacating. This is why routine inspections are so important during tenancies. They allows the property manager to assess the condition of the property

and report any irregularities. This also enables the property manager to have evidence should they require it for a tribunal application if unresolved with the tenant.

I currently manage my property myself and my tenant has stopped paying their rent. How can you help?

Firstly we would take over management of the property immediately. We would need evidence of their rent payments. (This can be as simple as your bank statements). Depending how much they were in arrears, we would either send them a 14 day breach notice or make an application to the Tenancy Tribunal to have the tenancy terminated and get a money order for debt collection.

How often should I inspect my property?

We recommend 3 monthly inspections, however we're also happy to work on a 6 monthly basis. We find that a lot can change within 6 months so three is usually best. We'll photograph any maintenance issues that we feel require some attention or perhaps needs to be monitored for future maintenance. Records of these are kept on file for our reference and when necessary, emailed to you along with a detailed inspection report.

From Craig
our mortgage man...

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Two important pieces of legislation, that will directly affect property investors, became law on 01 October.

Foreign Buyer Regime

From 1 October any foreign buyer of property, must have a New Zealand IRD number and a current bank account with a local institution. In order to obtain a NZ IRD number, details will have to be provided on the applicant's tax position in their local jurisdiction. Obtaining a NZ bank account is not straight forward - two pieces of ID are required, as well as proof of a residential address. This will stop some investors from buying property here. We believe this new law can still be circumvented by using nominee and shell companies, trusts and buyers of convenience. It will be interesting to see how far the enforcement agencies

will go, to ensure these new laws are not circumvented.

Brightline Test

This is a capital gains tax. If you sell a property, which is not your residence, within a two year period (as defined by the Act) you will be taxed. The tax amount is the lower of 10% of the sale price, or 33% of the gain. When a property is sold, the seller will have to complete a tax return. For most, if it is the family home, it will be a nil return. For certain property investors, tax will have to be paid at the time of sale. This will involve more work for solicitors and clients will, no doubt, be charged accordingly.

These two changes coupled with the 70% Lending Value Ratio (LVR) rule for investors due for implementation 01 November have resulted in a lot of disinformation and misinformation in the financial and property markets.

Now is a very good time to get an expert on your side to guide you through these changes.

The mortgage broker we recommend, Craig Pettit, has an in-depth knowledge of these changes and also finance solutions which may surprise you.

We encourage you to contact him to discuss your situation. His services are free to his clients.



From the Desk of

Mary T

Little mistakes often make great lessons

The good news is that the bad news is no worse than usual

It may look like I'm doing nothing but I'm actively waiting for my problems to go away

Generally a person that rows the boat doesn't have time to rock it

A little extra makes ordinary into extraordinary

If the grass is greener over the fence - let the neighbour worry about cutting it

Middle age starts when you think about how long a car will last not how fast it will go

A smile is one of the most important things you can wear

You can never take in knowledge through an open mouth

Don't find fault, find remedy

Here take my advice I will not be using it

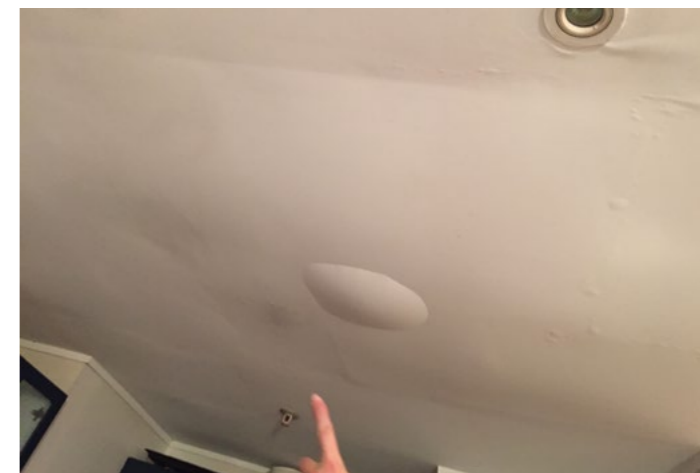
If at first you do succeed... don't look too astonished

Frustration is when you can't find anyone else to blame



Will the Bubble Burst?

There is no end to the variety of tasks which face a property manager. Just as Kegan was sitting down to his evening meal he received a distressed call from an apartment dweller in one of his managed properties. The tenant had noticed a damp patch on the ceiling. This patch escalated to a pimple, then a puss hole and then an enormous furuncle which was situated very close to the light fitting. Attempts were made to contact the owner above first by



knocking on the door and finally by contacting the Body Corporate. The owner of the apartment was out of the country so the Body Corporate had to engage a locksmith and enter the property

discovering the problem related to a leaking washing machine hose. Now the process of an insurance claim will commence. Dinner was rather late that night at Kegan's house.

21st Century Rental Challenges...

We have recently encountered a new and difficult situation whereby an existing tenant in one of our newer apartments was found to be attempting to sublet. We were contacted by the building manager and informed that the tenant had advertised their apartment on AIR B&B. This is a website for people to list, find, and rent lodgings. This poses a great risk for owners as the potential 'lodger' has access to their property without the proper vetting by an agency for example.

In this particular instance our tenant was advertising his apartment which is in quite an up market apartment complex in Freemans Bay. This poses a great security risk not only for us as the Management Company but also the other tenants in the building. Fortunately the advertisement was discovered in time and has since been removed from the Air B&B website. The tenant has been issued with a breach notice and strongly advised of their obligations detailed in the Tenancy Agreement that they have signed with our company. Is this something you have considered

as a landlord? For us this is a new challenge, as the landlord's agent this exposes us to a new level of risk which we would not have experienced a decade ago. Although it is covered in our Tenancy Agreement it is obviously something that can still happen.



Moving with the times

We have recently implemented a new policy of providing all new tenants of our managed properties with a USB stick containing all information relevant to their tenancy.

On this the tenants are provided with the following information:

- Signed Tenancy Agreement
- Body Corp Rules (if applicable)
- Bond Form
- Initial Inspection
- Useful Tenancy Information Links
- Useful tips when renting an apartment
- Chattels List
- Blank Inspection Form
- Tenant Handbook
- Carpet Surgeon Brochure
- Mould and Dampness
- Fire Safe Brochure
- Zero tolerance to arrears policy

This ensures that the tenant always has access to their information making it easier to reference during their tenancy. Including extra information enables tenants to be better informed on tenancy issues e.g. how to ventilate, remove stains on carpet etc. This wealth of information is also available to our casual landlords for their new tenants - don't forget to ask about this service when you bring us your property to rent next time.

Recent Rentals

Properties have proven very difficult to rent this month, tenants have had choice and been reluctant to commit. In many cases the properties have been shown on multiple occasions.

Three Kings \$580pw

Three bedroom 1 bathroom semi detached brick and tile property. Situated down a long driveway for extra security and privacy. The property has a double internal access garage, plenty of storage to offer and a beautiful easily maintained garden.

Grafton \$450pw

Tidy 1 bedroom unfurnished apartment comes with whiteware and two secure carparks. Close to the hospital, motorway etc.

Epsom \$1100pw

Large executive 6 bedroom californian bungalow, with 3 bathrooms and plenty of off street parking. Equipped with a beautifully presented kitchen and modern bathrooms.

Royal Oak \$560pw

Three bedroom stand alone villa newly painted throughout with an older style kitchen and bathroom

Sandringham \$650pw

Three bedroom, two bathroom stand alone brick and tile beauty. With a double internal access garage, gas heating, a private courtyard and garden area.

City \$490pw

Spacious two bedroom apartment. Equipped with all whiteware and 1 secure carpark..

Orakei \$1500pw

This beautiful executive furnished family home has 4 bedrooms, two and a half bathrooms with all modern fixtures and fittings throughout. The property is equipped with more than adequate heating in the form of gas fires, a heat pump, wall panel heater sand under floor heating. Among the many chattels is a spa pool, karaoke system, central vacuum system etc

Compiled by REINZ	1 Bedroom			2 bedroom			3 Bedroom			4 Bedroom		
	Median Price	Price Range	No. Let	Median Price	Price Range	No. Let	Median Price	Price Range	No. Let	Median Price	Price Range	No. Let
City Centre	\$390	\$350 - \$460	250	\$510	\$440 - \$600	164	\$695	\$605 - \$795	27	\$707	\$450 - \$1000	6
Ponsonby	\$360	\$342 - \$398	15	\$560	\$500 - \$656	29	\$790	\$687 - \$1015	15	-	-	-
Grey Lynn and Westmere	\$420	\$355 - \$447	7	\$590	\$543 - \$645	17	\$825	\$685 - \$950	14	\$830	\$790 - \$1112	9
Mt. Albert & Pt. Chevalier	\$310	\$251 - \$345	9	\$480	\$427 - \$547	19	\$595	\$527 - \$671	21	-	-	-
Sandringham	\$305	\$300 - \$350	10	\$450	\$395 - \$490	38	\$560	\$513 - \$647	31	\$630	\$595 - \$785	11
Mt. Roskill	\$305	\$282 - \$327	7	\$422	\$370 - \$500	14	\$520	\$490 - \$585	22	\$595	\$565 - \$665	11
Mt. Eden	\$355	\$320 - \$400	50	\$462	\$420 - \$490	46	\$675	\$643 - \$700	25	\$812	\$750 - \$850	6
Epsom	\$380	\$280 - \$501	5	\$490	\$450 - \$550	27	\$650	\$585 - \$740	13	\$850	\$750 - \$908	9
One Tree Hill & Ellerslie	\$375	\$285 - \$450	10	\$430	\$410 - \$460	26	\$580	\$550 - \$655	22	-	-	-
City Bays	\$380	\$362 - \$500	9	\$500	\$450 - \$572	23	\$650	\$565 - \$725	16	\$910	\$750 - \$1050	10
Remuera	\$320	\$285 - \$350	8	\$585	\$480 - \$650	14	\$700	\$653 - \$907	7	\$1050	\$765 - \$1323	5
Meadowbank	\$300	\$247 - \$345	5	\$450	\$420 - \$480	22	\$665	\$600 - \$720	20	\$700	\$622 - \$1025	9

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