



RayWhite

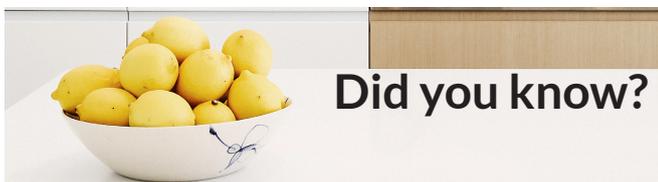
What has Ray White Hamilton Property Management been up to in September?

So far this month we have:

- Tenanted 63 properties
- Listed 23 new managements
- Conducted 880 inspections
- Arranged 994 maintenance jobs for our investors
- Arranged 130 new rent increases

We're working hard for our clients. If you want results, contact our New Business Team on 07 839 7066 or 027 808 5772

brioni.webby@raywhite.com



Did you know?

- We currently have a 99% occupancy rate
- More than 98% of our tenants pay their rent on time or in advance.
- We have a dedicated letting agent whose primary focus is securing good quality, long term tenants for your investment
- We are hosting a landlord evening on Thursday 1st November



What we can do for you:

- Keep you informed about market changes
- Tailor make a maintenance plan for your investment to suit your budget
- Represent you in Tenancy Court
- Provide rent increases regularly to ensure you are receiving market rent

Rental properties must be insulated by 1 July 2019

Insulation

The Tenancy Compliance team has recently been in touch with us putting a strong emphasis on the requirement to provide all tenants with insulation statements. Failure to do so is considered an unlawful act and can result in penalties of up to \$500 per tenancy. Whilst you can rest assured that your Ray White property manager does provide insulation statements, it is a timely reminder that MBIE are taking insulation compliance seriously.

Should you wish to view what is required on an Insulation Statement simply [click here](#). Insulation statements have been compulsory for all new tenancies since 1st July 2016.

A property owner can complete their own insulation statement, we advise they use the **Tenancy Services template** to ensure their statement complies.

Reminder

The maximum penalty for not complying with the insulation regulations by 1st July 2019 is \$4,000 per tenancy. This money is paid directly to the tenant should your property not comply (exempt properties excluded). This penalty is likely to be more costly than insulating most rental properties.

If you are unsure if your property complies, please get in touch with your friendly property manager.



Hot Investment Properties

If you are considering adding to your investment portfolio, speak to us about the market rent achievable on these investment properties:



Flagstaff Auction 12.30pm 04/10/18

Discover Your New Home This 4 bedroom, 2 bath brick family home is located in Flagstaff. Separate lounge and large second open plan family/dining area. The owner is overseas and wants it SOLD.

51 Discovery Drive, View By Appointment
rw@hamilton.co.nz/HAM32126
Gavin Hocking 027 755 5148



Fairfield By Negotiation

A passion to perform! This 3 bed home with single carport on a fenced section close to five cross roads, transport and schools at the corner. With DVS system, insulation and tenant currently paying \$390pw. First time investors or property gurus, let this property perform for you!

4 Kenney Crescent, View By Appointment
rw@hamilton.co.nz/HAM31312
Katherine Dryden 021 0277 1004



Frankton \$339,000

Ideal Investment A great 3 bedroom townhouse on offer! Set back off the road and within close proximity to the Dinsdale shops, Hamilton CBD and public transport. Featuring open plan living/dining and kitchen, outdoor patio area, heatpump, large fenced backyard, one off street park and no body corporate.

2/219 Killarney Road, View By Appointment
rw@hamilton.co.nz/HAM32137
Mark Keesom 027 533 7661



Fitzroy Deadline Sale 02/10/18

Transformed Brick Property This property has been transformed with an amazing renovation. Spacious 4 bedroom home with walk in wardrobe & scullery. Large living area. Family home or easy care investment property, call Gavin 0277555148 today for a viewing before this one is snapped up.

116 Fitzroy Avenue, View By Appointment
rw@hamilton.co.nz/HAM32244
Gavin Hocking 027 755 5148



Hamilton East By Negotiation

Ideal Investment This spacious three bedroom home is situated minutes away from Waikato University. We encourage all investors and first home purchasers (rented at \$460 per week) to make viewing a priority. This low maintenance house is set back from the road and offers a large living area.

9 Locksley Lane, View By Appointment
rw@hamilton.co.nz/HAM32252
Jimmy Tiang 021 076 4282



Melville \$659,000

DOUBLE THE INCOME 4 Thornton - This is a three bedroom weatherboard home, separate dining open plan lounge onto a north facing patio that's fully fenced, great for kids. Currently rented at \$360 pw. 4a Thornton - This is a permitted one bedroom, one bathroom open plan living studio currently rented at \$240 pw.

4 & 4a Thornton Place, View By Appointment
rw@hamilton.co.nz/HAM32023
Leon Mitchell 027 389 4714

Mortgage Rates Will Fall

“Dovish” statements from the Reserve Bank have prompted economists to predict that lower interest rates are set to be round for longer.

In its most recent Monetary Policy Statement, the Reserve Bank issued a cautious note on the economy, forecasting the OCR would not rise until 2020 at the earliest.

The bank has also repeatedly refused to rule out a cut and this has lead economists to change their forecasts. Westpac chief economist Dominick Stephens says he now expects mortgage rates to fall.

Financial markets reacted to the Reserve Bank’s statements by slashing wholesale fixed interest rates, he says. “That could cause a drop in two-year fixed mortgage rates of around a fifth of a percentage point over the coming few months.

“A drop in mortgage rates of that magnitude, if it comes to pass, will have a powerful effect on the housing market.”

But he adds that the Reserve Bank won’t be able to hold

interest rates down forever and that causing rates to drop now makes for a larger increase down the track.

Likewise, Kiwibank economists have revised their interest rate forecasts to a “lower for longer curve” following the Reserve Bank announcement.

“We have discovered inflation to be a difficult beast to resuscitate in the post-crisis, and demographically challenged world.

“The realisation that the Reserve Bank Governor is seemingly more willing to let inflation run, led us last week to lower our OCR trajectory.”

Their one to three-year interest rate forecasts, pegged to expectations for the OCR, were also mechanically lowered. But they too expect a steeper yield curve once rates do eventually rise.

Along with Westpac and Kiwibank. ASB and TSB have also now made cuts to their rates.

- New Zealand Property Investor Magazine

Tribunal Lays Down Heating Law

Two recent Tenancy Tribunal decisions have awarded tenants exemplary damages for their landlords’ failure to provide an approved form of heating.

In both cases, the Tribunal cited the Housing Improvement Regulations 1947 (HIR), saying they mean an approved form of heating must be provided and that failure to comply with this is an unlawful act.

In one case, the Tribunal notes the definition of “approved form of heating” may differ between councils, but “it is more that supplying a plug in the lounge for something to be connected to.”

Auckland Property Investors’ Association president Andrew Bruce says this seems to be a new interpretation of the regulations and he hasn’t heard it before.

While MBIE is set to release a consultation paper on the upcoming minimum standards (including heating sources) shortly, no one knows what will be recommended yet.

“That means we are in no man’s land for now, but how the Tribunal is interpreting these things seems to be in advance of the standards.

“You can’t just penalise someone for not doing something that they don’t know they have to do and which there isn’t clear guidance on.”

The HIR are not unknown to landlords but it seems the Tribunal us applying them in a new way when it comes to heating.

NZ Property Investors’ Federation executive officer Andrew King says they actually say landlords need to ensure a fireplace or chimney or an approved source of heating is fitted into every living room.

“In the past, ensuring there are working power points for tenants to plug their own heaters into has been deemed sufficient. But that has changed recently.”

It seems unreasonable to change what has been practised for many years just as minimum standards - which will lay down specific guidelines about the type of heating sources landlords have to provide - are coming, he says.

“The Tribunal’s decisions leave us very much in limbo on this. It seems that landlords can be fined for not providing a heater yet it is unclear what type of heater landlords are supposed to provide.

“We are concerned that landlords could spend money putting in a heating system to avoid being fined and then find out it is not the right one under minimum standards. That could end up being very costly.

King says he has asked for clarification on this from the Tribunal’s principal adjudicator, Melissa Poole, but hasn’t received any.

In the meantime, landlords should check to see if their local council has a list of approved forms of heating under the HIR.

If the council doesn’t have such a list, King says landlords should supply inexpensive plug-in heaters for their tenants.

- New Zealand Property Investor Magazine