



RayWhite

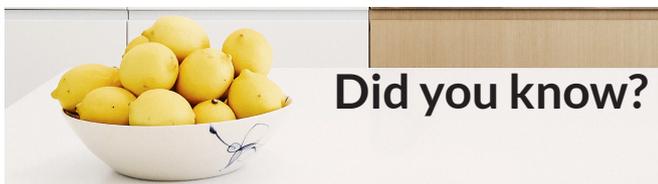
What has Ray White Hamilton Property Management been up to in November?

So far this month we have:

- Tenanted 60 properties
- Listed 21 new managements
- Conducted 429 inspections
- Arranged 800 maintenance jobs for our investors
- Arranged 67 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?

The new letting fee ban comes into effect on the 12th of December. Ray White Hamilton Property Management have three pricing options available for property owners to select from as we can't absorb the loss in revenue that letting fees provide. Please respond via email to your property manager with your selected preference in response to the letter sent out on Thursday 29th November 2018.



What we can do for you:

Ray White Hamilton Property Management now has a strong presence in Te Awamutu, Cambridge and the surrounding districts. If you have properties in these areas, we would be happy to manage them for you.

LVR restrictions eased for investors

The Reserve Bank has today loosened the LVR restrictions for both investors and owners-occupiers, with changes coming into effect in January.

Banks will be able to provide 20% of their owner-occupier loans to borrowers with a deposit of less than 20% while lenders will be able to allocate 5% of new investor loans to borrowers with less than a 30% deposit.

The changes, which were unveiled in the central bank's Financial Stability Report, mark a gradual relaxation of LVR restrictions designed to cool the housing market.

Current LVR rules stipulate that banks can lend only 15% of their book to owner-occupiers with a deposit of less than 20%, and 5% of their investor loans to those with a deposit of less than 35%.

Reserve Bank Governor Adrian Orr says that risks to New Zealand's financial system have eased over the past six months although vulnerabilities persist.

In particular, households remain exposed to financial

shocks due to their large mortgage debt burden, he says. But slower household lending growth, reduced high LVR lending, and slowing interest-only lending rates had reduced risk in New Zealand's financial system.

In the Financial Stability Report, the Reserve Bank predicts slow growth for the long term due to government measures and supply initiatives including KiwiBuild.

Orr says house price growth has also slowed, particularly in Auckland, and they think it will remain low for some time, particularly as some Government initiatives are likely to weaken demand and support supply.

"The longer that house prices grow slowly, the less likely it is that they will fall sharply in the future."

He adds that the Reserve Bank will further relax LVR rules in the coming years, as long as risks "continue to diminish".

- Dan Dunkley for landlords.co.nz

Letting fees banned

It is no longer legal to charge tenants letting fees after Parliament today voted to pass legislation banning them from 12 December.

Housing Minister Phil Twyford says letting fees are unfair and banning them is a good first step in improving the life of tenants while the broader review of the Residential Tenancies Act continues.

"Our tenancy laws are antiquated and don't reflect the fact that renting is now a long term reality for many of our families.

"Around half of New Zealanders now live in rented homes. This change could put up to \$47 million into the pockets of Kiwi families each year."

He says the law has been changed in time to give tenants a break before the summer rental season when so many tenancies turn over.

"With homeownership rates at a 60 year low, this change recognises that we need to take action now to make rent more affordable so people can save to buy their own home."

While the change has been pitched at preventing landlords from charging letting fees, in reality landlords have never been able to charge them.

It has been letting agents or property managers, who rent out a property on behalf of a landlord, who can charge letting fees.

Not surprisingly, the property industry has not welcomed the ban – although it is commonly expected that costs to landlords will be increased to cover the shortfall from tenant letting fees.

REINZ chief executive Bindi Norwell says that banning letting fees might help tenants in the short term, but in the long run it's likely the costs will be passed on to tenants via an increase in weekly rent.

"Our concern is that the ban may make tenants with shorter term tenancy requirements, such as students or seasonal workers, less attractive to landlords making it harder for them to obtain rental accommodation."

Given the current raft of legislation being directed at landlords, this may contribute to more landlords' deciding to exit the rental market, she says.

"This would further reduce the available pool of rental properties and drive up prices... We continue to call for a balanced approach to avoid harming the rental market in the long term."

The NZ Property Investors Federation has previously opposed the ban: it prefers an option whereby a fee should remain and whoever gets the benefit from it should pay for it.

- Miriam Bell for landlords.co.nz

Hot Investment Properties

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



Hamilton East 29a & 29c Opoia Road

Two townhouses being offered for sale. The larger of the two townhouses 29a Opoia Road has the potential to return a 9% yield and 29c to return an 8% yield (based on full occupancy rate) The rental appraisal is \$160-170 per week per room. Each townhouse is professionally property managed. Townhouse A has six double bedrooms while Townhouse C has five bedrooms. Each townhouse has two bathrooms, a living room, kitchen, separate laundry and two to three off street carparks. There is also parking on the street available for additional vehicles. Opoia Road is only 5 minutes' walk to the Hamilton CBD. Hamilton East is a short distance away. Parks and river bank walkways located nearby. Each townhouse was built in 2004 of low maintenance materials.

29a: 6 🏠 2 🚗 1 🚲 29c: 5 🏠 2 🚗 1 🚲

Auction

12.30pm Thursday 20th December
91 Victoria Street, Hamilton
(unless sold prior)

View By Appointment



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rwhamilton.co.nz/HAM32693 & HAM32696

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Melville Deadline Sale 11/12/18

Do-up Dream!! This 3 bedroom home is tucked down a right of way. The bones are solid so bring your paint brushes and dreams and paint them into reality. Located close to shops, public transport, Waikato Hospital, Hamilton Lake and River walks.

69b Kahikatea Drive, View By Appointment

rwhamilton.co.nz/HAM32688
Renee Boleyn 027 729 9448



Forest Lake \$620,000

Stylish Easycare Living Low maintenance lovely Freehold 3 bedroom home (no body corp) full of warmth and light and close to the CBD.

1/56 Storey Avenue, View By Appointment

rwhamilton.co.nz/HAM32650
Dave Reay 027 284 9968



Hamilton East \$1,750,000

Investment Flats Block of 10 flats in Hamilton East. Configured into 6x1 + 4x2 bedrooms, returning from \$210 to \$310 per week. Nine of the flats are currently tenanted and showing a gross income of \$110,000 p/a.

71 Firth Street, View By Appointment

rwhamilton.co.nz/HAM32682
Don Sargent 027 766 0080



Flagstaff \$725,000

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

rwhamilton.co.nz/HAM32126
Gavin Hocking 027 755 5148



Huntington By Negotiation

Happy in Huntington..... This tidy 3 bedroom, 2 bathroom brick home is new to the market. Looking for an investment...we have the perfect tenant in place already until July 2019. The main living areas are all north facing and the concrete patio gives nice indoor/outdoor flow.

28 Te Manatu Drive, View By Appointment

rwhamilton.co.nz/HAM32569
Renee Boleyn 027 729 9448

This December you can make a difference to less fortunate families in our community by delivering a Christmas gift to our giving tree.

Proudly run by Ray White and The Child Cancer Foundation, all you need to do is purchase and wrap a gift for a child, then pop the gift under the tree at Ray White Hamilton office. 91 Victoria Street, Hamilton

Tell the Ray White team if the gift is for a boy or girl and their age and your gift will be delivered by The Child Cancer Foundation to a local family who will appreciate the lift to their festive season.

Start giving from 26 November

For more information please contact:
Ray White Hamilton Office. 91 Victoria Street Hamilton



A little
**Ray of
giving**