

The White Report

June 2018

National Picture

Pip Payne is convinced New Zealand needs more prefab homes. Like Housing Minister Phil Twyford, he can't see a credible solution to the housing crisis that doesn't involve factory-built homes turned out at a rate that traditional building techniques can't match.

The old "stick-built" method of building is just far too slow, and costly, and too often poor quality, Payne believes.

But unlike Twyford, who is spending taxpayer money on KiwiBuild, Payne is putting his own money into raising a prefab home on a "sand dune" on Wellington's Kapiti Coast. Twyford says prefab homes are essential to making KiwiBuild work, though few now expect the minister to deliver homes as fast as he hopes.

The idea of a ramp up in prefab activity, and the expansion of New Zealand-based prefab factories, has brought mixed reactions.

Some recall past generations of cold, draughty, damp prefab homes, and fear a new wave of them rapidly becoming high-maintenance, poor-quality dwellings like those that went up in the 1970s and 1980s.

Supporters of modern prefabs say quality has been a dreadful problem in traditionally "stick built" properties, citing defective apartments and leaky homes that have cost owners billions to fix.

Prefab technology has moved a long way since the 1980s, they say, and there's many in the industry who want to draw a line under the past by ditching the term prefab entirely, and instead using words like "modular" housing, or "off-site construction".

Payne chose to have his home pre-fabricated in the Masterton factory of EasyBuild, a New Zealand company currently turning out a house a day.

It wasn't his original plan. Like many, he longed for his own architecturally-designed dream home. "Everybody starts off wanting their dream home, even if they don't have the money to pay for it. That's human nature".

Rob Stock - Waikato Times

Regions Continue to see Higher Value Growth than Main Centres

The latest monthly QV House Price Index shows nationwide residential property values for April increased 7.6% over the past year, while values rose 1.1% over the past three months. The nationwide average value is now \$678,856. When adjusted for inflation the nationwide annual increase drops slightly to 6.4%.

Meanwhile, residential property value growth across the Auckland Region increased slightly by 0.8% year on year although values dropped by 0.3% over the past quarter. The average value for the Auckland Region is now \$1,051,687. When adjusted for inflation values dropped 0.3% over the past year.

Hamilton

Hamilton City home values rose 1.7% over the past three months and values increased 2.9% in the year to April. The average value in Hamilton is now \$554,452.

QV Hamilton Property Consultant Andrew Jaques said, "Overall, it's a steady market. Sales numbers are particularly high in the northern suburbs in areas such as Flagstaff and Rototuna."

"The eastern and western parts of the Hamilton market also remain busy with plenty of activity and demand."

"However, it continues to be a seller's market, with buyer competition intense. The preferred method of sale is still through a negotiated price although properties with strong character and in sought after locations are being called to auction."

"Investor activity appears to be dropping, due to a lack of desire to expand portfolios and some are selling up which is creating opportunities for first home buyers."

Tauranga

Tauranga home values rose 3.8% year on year and 0.8% over the past three months. The average value in the city is \$704,183. The Western Bay of Plenty market rose 6.8% year on year and 2.2% over the past three months. The average value in the district is now \$630,703.

QV Tauranga Property Consultant, Steven Dunn said, "Tauranga continues to see good interest especially for those looking to purchase in the higher price bracket as well as from first home buyers."

qv.co.nz

Top Performers at the May Company Awards:



James Hanright
Top Portfolio Growth



Sharon Du Plessis
Lowest Arrears



Stephanie Kenton
Top Maintenance

Residential Landlords and Asbestos

Purpose

The primary legislation governing work health and safety in New Zealand is the *Health and Safety at Work Act 2015* (HSWA). This policy clarification sets out when residential landlords have a duty to identify asbestos and prepare an asbestos management plan.

You should read this policy clarification if you are:

- a residential landlord
- a residential property manager
- an advisor to residential landlords or property managers

What does the law say?

Under HSWA landlords must ensure that, when work is carried out at their property, it is done safely and without endangering workers or others, including tenants.

Landlords must identify asbestos in the workplace and document plans for managing its risks in an asbestos management plan, if there is risk of exposure to respirable asbestos fibres.

Key Points

- As a residential landlord, you are the person conducting a business or undertaking (PCBU) for your rental property. You may also need to rely on other PCBUs - such as property managers and building contractors - to coordinate, collaborate and cooperate when they share overlapping duties with you.
- Under HSWA you have a duty to identify asbestos and prepare an asbestos management plan for work involving a risk of exposure to respirable asbestos fibres. For example, exposure is likely to occur from dust created when drilling or cutting into asbestos-containing materials.
- The risk of exposure depends on the kind of work you're planning to do. Types of work that create risk may include renovations, refurbishments or demolition work.
- If the work creates a risk of exposure in an area of the property you must ensure asbestos is identified and an asbestos management plan is prepared.

If you know you have asbestos in your property, or intend to do renovations or works, please advise your property manager. We have negotiated special group rates for professional asbestos reports which are mandatory before works take place.

You can find more information at:

www.worksafe.govt.nz/topic-and-industry/asbestos/information-for-homeowners

Insulation - is your property compliant?

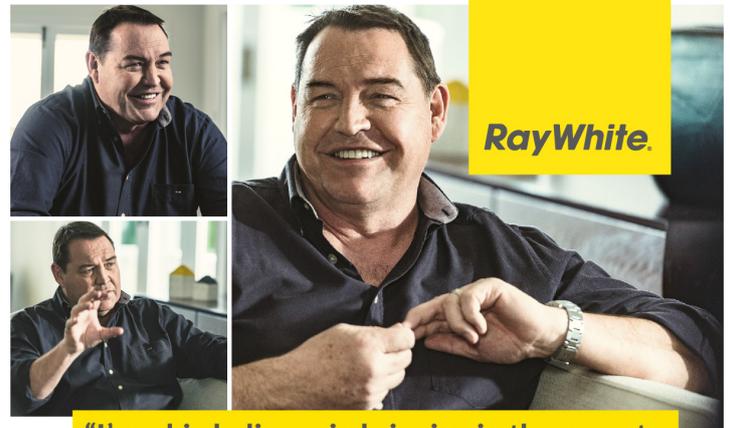
The deadline for all rental properties to meet insulation regulations is now just over a year away. If you are yet to insulate your property we strongly encourage you to speak to your property manager ASAP to avoid the inevitable industry price rise as the deadline become closer.

Yes, by July 1st 2019 all rental properties must have a level of ceiling and underfloor insulation, where it is reasonably practicable to install.

And since July, 2016 all tenancy agreements should have contained an insulation statement.

Watch the Insulation Requirements video to understand your responsibilities under the 2016 Insulation Regulations.

<https://vimeo.com/268516470/7c79b49d89>



"I'm a big believer in bringing in the experts.

It's expertise that gets results."

Steve Hansen

What do you value?

Ray White Hamilton are your local Real Estate experts.

Phone us today on 07 839 7066 to take advantage of our local knowledge and expertise.

Our Hamilton Property Management Team



Fraser Coombes
021 990 117
Partner/Manager

Broni Webby
027 808 5772
Business Development Manager

Carmel Costello
027 223 9820

James Hanright
027 437 6807

Colin Dixon
027 419 0027

Linda Gillies
027 274 7557

Sharon Du Plessis
027 565 5883

Karla Chandler
027 808 2405

Brenda Abercrombie
027 497 5771

Nicky Kay
027 808 3314

Rachiel Ross
027 808 5573

Sue Denison
027 477 3118

Stephanie Kenton
027 452 2968

Ray White Hamilton 07 839 7066
91 Victoria Street (Opposite Museum)



rwhamilton.co.nz
Online Rentals Ltd MREINZ