

# Property Management Focus.

Bringing you the [latest news](#) from the world of New Zealand property management.

## HOW TO KNOW the price is right

Your investment property rent needs to be set at the perfect level so you can cover costs while still attracting quality tenants. **So how do you go about finding the sweet spot?**

Get to know the area and what the current market rent average is so you can decide on an appropriate rate. Tenancy Services ([www.tenancy.govt.nz](http://www.tenancy.govt.nz)) has up-to-date, general information for suburbs throughout New Zealand.

**Compare your property** with other similar homes or businesses on online rental sites to check you are getting the best possible return. Remember to take into account room size, furnishings, outdoor space,

and distance to key facilities such as transport hubs and schools.

**Ask your property manager** for an in-depth rental appraisal which will include the current rent range in the area, examples of other properties similar to yours, and an expert opinion on the right figure for your property.

**Make sure the rent is not overestimated** as tenants can ask the Tenancy Tribunal for a forced reduction if it is significantly above market rates.

**Do your sums** and ensure you are charging enough to cover regular costs on top of the mortgage, including insurance, rates, water and/or power, and any upcoming maintenance, so you aren't caught short.

**Use an online calculator** to work out the estimated returns based on a variety of rent levels when deciding on a final figure so you know the minimum you need for an effective yield.



Sue Ataie

## Leading the way in property management

An ability to be all things to all people is often the role of the property manager, and the very best in the country have been celebrated at the 2017 Harcourts National Awards.

Sue Ataie was named the Top National Property Manager of the Year for the work she does on behalf of Harcourts Cooper & Co Real Estate Limited.

Sue currently manages around 300 properties, mostly across the North Shore of Auckland.

It's a massive portfolio by any standards, and Sue says she is able to cope with the workload by having an outstanding team – which includes a letting agent, inspection agent and business development manager.

"It leaves me to focus on keeping our tenants and landlords happy. I always say if I leave this job, I could work at the United Nations, I'm expert at resolving conflicts and finding solutions to issues."

Sue also attributes her success at managing so many properties, to ensuring she establishes a good relationship with tenants. This involves outlining expectations clearly from the beginning of the tenancy.

"If you start as you mean to go on, I generally find it makes the relationship easier in the long term."

Sue became a property manager in late 2014, so winning the number one spot in the country for property management is a significant achievement.

"It's taken a lot of hard work and the support of a great team, but I'm thrilled to be at the top of my industry."

# Cost effective heating for rental properties

Making sure your rental property is warm and dry will not only protect your investment from damage caused by damp and mould, but will also help ensure your tenants remain in the property year-round.



- **Landlords are responsible** for providing a form of heating in any living room, and need to make sure there are adequate power points for external heating in other rooms. Good heating options will make a property more desirable for tenants, and may mean you can charge a higher rent.
- **Insulation is the best first step** towards heating a property, and a relatively cost-effective long-term investment in ensuring it remains warm and dry. As of 1 July 2019, insulation will be compulsory in all rental homes, and all new tenancy agreements now require an Insulation Statement which must disclose whether there is insulation, where it is, and what type and what condition it is in.
- **Get expert advice** on what type of heating options are best and what tenants might expect for the market rent from your property manager.
- **Install quality window coverings** that will help retain heat throughout the colder months. Thick, thermal-lined curtains or blinds that are floor-length or fit snugly around the window frames will help keep rooms warm, and can reduce heat loss through windows by up to 60 per cent.
- **Stop draughts** that let out heat and let in cold air by ensuring windows and doors fit their frames properly. Draught-stopping tape and other DIY options are available at hardware stores and are easy to fit in most homes.
- **Consider installing fixed, energy-efficient heating** such as a wood burner, heat pump or flued gas heater for a long-term solution that will be more cost-effective for tenants than using multiple electric heaters.

[www.energywise.govt.nz](http://www.energywise.govt.nz)

# Natural disasters and your rental property

Different parts of New Zealand have been hit by natural disasters in recent months, from earthquakes to storm damage and flooding. What are your responsibilities as a landlord if your rental property is damaged?



**\* In the first instance,** ask your property manager to contact your tenants as soon as possible about any damage that has occurred. If repairs are needed, your property manager can determine how quickly they need doing, and whether the tenant can stay in the property while repairs are underway.

**\* If your tenant** can still live on the property while repairs are being undertaken, your property manager will check with the repairer (or, in the case of the earthquake, the Earthquake Commission) to make sure it's possible and safe for your tenants to be onsite while work is completed.

**\* Your property manager** will check on progress of repairs regularly, especially if they're taking longer than initially expected, and will keep the tenant informed on how long the repairs will take. Remember your tenants must be given 24 hours' notice if you or your property manager wish to access the interior to inspect the builder's work.

**\* You will need to** consider offering your tenant a reduction in rent to compensate for any inconvenience. You may come to agreement with the tenant to end the tenancy early to benefit both parties.

**\* If you require a tenant** to vacate while repairs are being completed, you will need to negotiate the terms and conditions with your tenant through your property manager. If you cannot come to an agreement, you can apply to the Tenancy Tribunal to resolve the dispute.

**\* Again, your property manager** will keep your tenant informed on the progress of the repairs, and when it's likely they'll be able to move back in. You don't have to provide alternative accommodation, but your property manager may be able to help them find another property to move into.

**\* Record any** agreements you make in writing.

**\* As the landlord,** you are responsible for making sure all repairs comply with the building code.

[www.tenancy.govt.nz](http://www.tenancy.govt.nz)

Your property manager can work with you to make sure all required repairs are completed in a timely and cost effective manner.

## Earthquake damage

- Following last year's Kaikoura earthquake, the government introduce new laws giving Civil Defence officials the power to demand damage assessments from private property owners, including landlords, following a major earthquake event.

## Go further

- Whilst your repairs are being carried out,** it may also be a good time to ensure your rental property meets the legal requirements for insulation and smoke alarms. Ask your property manager if you are unsure what these requirements are.
- As the landlord,** under new the new health and safety laws which came into being last year, you are also responsible for ensuring the safety of those working on your property to complete repairs.

**Talk to your property manager for more information.**