

# Property Management Focus.

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



## Insurance matters

As a landlord, it is crucial to familiarise yourself with your insurance policy in case the unexpected happens.

**Make sure you are very clear on what your insurance covers you for and if ALL your chattels are included in your contents policy.**

**It is important to be aware of your responsibilities as a landlord and ensure you meet all the requirements regarding your insurance to best protect your assets should you need to make a future claim.**

**Your property manager will be able to give you more information, however you should ask yourself the following questions.**

**Is your investment property fully consented?**

It is essential to ensure that if you are renting out a property it is fully permitted and able to be used as a rental property. Should you not have the necessary permits then you may

void your insurance policy as well as your ability to charge rent on the property.

**Do you need a separate landlord insurance policy?**

Are you aware that your standard insurance policy may not be enough to protect you if the worst happens and you are out of pocket due to a tenant abandoning the property or failing to pay the rent? Many landlords do not realise their standard home and contents policy may not insure them for everything to do with their tenants. Having a landlord protection policy covers you for tenancy-related incidents. Tip: Be sure to check whether your policy is inclusive of damage caused by methamphetamine contamination, as this is not always the case.

**Are you covered for malicious damage?**

Some landlords assume malicious damage is automatically covered by a standard landlord insurance policy, but each insurance company has different rules. Compare different policies to decide which gives the best coverage.

**Are you keeping sufficient tenancy records?**

Checking your policy's requirements again is crucial when it comes to keeping tenancy records, as many insurers will ask for further documentation or records following a claim. For example, there are many insurers in the market today who require landlords to undertake formal property inspections every 3 months, with a written report evident on file.

# TOP 5 TIPS for young investors

## 1. Start saving!

Travelling overseas or indulging in a hectic social life are common barriers for young investors, but thinking outside the square and focussing on your goals can go a long way. Create a budget and cut down on luxuries for a while.

## 2. Educate yourself

Subscribe to blogs and online publications. Do regular online searches for properties currently on the market. Attend auctions. Seek out information on how much properties are selling for. The more information you have, the better position you will be in to buy a wise investment property.

## 3. Seek advice

Don't be afraid to ask questions. Get in touch with a property manager to give rental appraisals on properties you are seriously interested in. Talk to a mortgage adviser. Speak to your local real estate agent about market trends. You will find the property management and sales team at Harcourts more than happy to help. Our mortgage advisory arm Mortgage Express will also give professional advice about your best borrowing options.

## 4. Manage your expectations

Your first home or investment property may not be the house of your dreams. It is important to manage your expectations as a young investor, as it can be more difficult to distinguish

between a property you could live in and a rental/investment property. Be open to properties that need a bit of extra TLC, or neighbourhoods that are more "up and coming" than others.

## 5. Plan for the unexpected

Make sure your budget incorporates comprehensive insurance to cover the costly incidents that life will often throw your way. Mortgage Express can give sound insurance advice to investors starting out. If you are able to keep the property for the long term and will be able to choose when to sell it for maximum returns, then adding value may not be as important as location and ongoing maintenance costs.

## Did you know?

### The Harcourts Foundation is a proud supporter of Hospice New Zealand.

Every year 18,000 New Zealanders are supported by hospice services across the country.

Hospice care has a unique whole person approach – which means physical, spiritual, emotional and social needs are equally important – a multidisciplinary

team provides care for the person who is dying, their family and whanau.

To assist with this work, the Harcourts Foundation and Hospice NZ have launched the Hospice NZ Grants Programme.

The Harcourts Foundation will fund this unique programme, which gives all hospices around the country the opportunity to apply for grants to purchase much needed items.



**From left:** Mary Potter Hospice CEO Ria Earp, Hospice NZ CEO Mary Schumacher, Harcourts CEO Chris Kennedy, Harcourts Foundation ambassador Emma Revell and Hospice NZ Sponsorship and Communications Manager Rachel Wilson.

## Looking to rent out a property?

Contact your local Harcourts property manager for market rental appraisal.

**Harcourts**