



# Select Property Management News

It's spring! We are so pleased to see the back of Winter, which has been one of the wettest. Actually, the whole year has been wet. Let's hope we may now see more sun and the ground has an opportunity to start drying out. So many sections are water logged and muddy. It is great to see the trees are blossoming, spring flowers making an appearance and daylight saving and summer approaching. Daylight savings starts Sunday 24<sup>th</sup> September and clocks go forward.

**Christine, Jenna and Misty-Lee**

## Market Comment...

There has been a lot of tenant movement recently and this is Auckland wide. Since covid tenants have been happy to stay in their homes for a longer period of time. With the uncertainty of covid mostly behind us and as spring approached there was a flurry of tenants giving notice. Most are moving within the same broad local area, a few are moving out of town to be closer to family and some have bought their first home which is always exciting for them. Misty and Christine have been very busy conducting viewings and processing applications from prospective tenants. On the whole most properties are letting quickly to good calibre tenants. There are a few that are very slow with minimal numbers to viewings and applicants not who we are looking for. This often is related to pricing or presentation. It is interesting that as periodic tenancies become the industry norm again, a number of new and renewed tenancies are requesting a fixed term to give them some security of tenure.

## The Residential Property Managers Bill...

This successfully passed its first reading in parliament meaning we are a step closer to the regulation of property managers. Whilst professional property managers are already on the path to meeting these regulations and adhere to high standards and ethics in our daily practices it may have unforeseen ramifications to tenants and landlords. Does the industry possess the necessary infrastructure and resources to manage this? There will be additional costs that will be passed on to landlords and tenants. Possibly some landlords who are already dealing with increasing insurance and interest rates will revert to self management. Potentially this is detrimental to tenants as many private landlords are unaware of the legislation requirements and constant changes and are slow to maintain their rental homes and respond to maintenance requests. On the other hand though there are many private landlords who operate to a very professional and high standard. Also there is the potential that if more private landlords choose to self manage the overall quality of rental properties could decline. As the regulations only apply to property managers, there is no entity ensuring landlords adhere to property maintenance, healthy homes requirements or even basic smoke alarm requirements. Properties under management receive careful attention to these aspects and property managers play a role in maintaining quality that surpasses government regulations. Perhaps the new legislation should include all landlords and be called the Residential Rental Homes Bill.

## Unenforceable Clauses...

In a tenancy agreement that allows pets, whilst we are permitted to have a clause stating that the carpets are to be professionally cleaned and deodorised at the end of the tenancy this is not necessarily enforceable. Tenants may be accepting of this condition at the start of the agreement. But according to Tenancy Services it is tenants responsibility to leave a property reasonably clean and tidy only. If when a tenant vacates, they feel they are leaving the property reasonably clean and tidy they may choose not to have the carpets professionally cleaned. If we can't prove that it is less than reasonably clean and tidy we can't enforce this clause. This caused a lot of discussion amongst the Independent Property Managers group and to look at other clauses that may be unenforceable. Under the current government there is still the possibility that tenants can have pets in their homes even if an owner doesn't want to allow this. Having pets is not unlawful under the act. Along with smoking, this also is not unlawful for tenants to smoke inside a dwelling. There is always the possibility that tenants could disregard tenancy agreement clauses and if taken to the tribunal it could be found in the tenants' favour to exercise their personal rights, depending on the adjudicator on the day.

## Insurance...

Misty and Christine recently attended a seminar by REAL Landlord Insurance. While this is only available to landlords who use property managers, it is timely to remind you to have a look at your rental insurance cover and assess if you are getting all the coverage you require, especially as insurance premiums rise. You want protection against the actions of tenants. Overall the risk of owning a tenanted property is low but this can change very quickly as a tenant's circumstances change. We have seen it happen where a tenant who has previously been perfectly fine can suddenly become a nightmare tenant, if say a new partner comes on the scene, there is an out of control teenager in the family with less than desirable friends or there may be tensions in the family for all sorts of reasons. Then next inspection we may find damages, grounds not maintained and the house unclean and not being cared for to the usual standard. Things can go down hill very quickly and you do need to have good cover if this does happen to you.

Have a look at [www.reallandord.co.nz](http://www.reallandord.co.nz)

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**Christine McKee – Select Property Management Ltd**

## This Month with Bayleys Real Estate...



### 63 MATAIRANGI AVE, TOTARA HEIGHTS

Beautifully presented 165sqm brick and weatherboard townhouse. Featuring a lovely open plan kitchen with combined dining and a separate lounge complete with heat pump. Upstairs is three bedrooms, the master with walk through wardrobe and tiled ensuite and a tiled family bathroom. A second living/ study area is perfect for those working from home or simply needing more space for the children.

The property is positioned within a short drive to Westfield Manukau, Manurewa Town Centre and public transport, Super Clinic, local shops and schools.  
Asking price \$970,000

Contact Bayleys Real Estate on 09 298 2525 for further information and all your property needs.

## A Word from Bayleys...

Across the region, we have seen more buyers emerge from the woodwork since June, encouraged by attractive pricing and improved market sentiment.

Monthly comparisons show increased transaction activity, led by greater competition in our auction rooms and the broad consensus that the only way from here for residential values is up.

Despite this, sellers are a little slower to react, but those in the market benefit from increased buyer competition, given a shortage of inventory property platform realestate.co.nz says is down circa 20 percent year-on-year.

Our salespeople are noting buyers increasingly gravitating toward architecturally designed or freshly renovated homes, with a growing preference for properties that are ready and waiting for them to walk right in. Perhaps owing to higher construction costs, timeframe delays, and concerns about renovation finance this trend bodes well for sellers who have recently added value and new-build sector.

The days to sell for the South Eastern corridor have decreased from 47 days in June 2023 to 44 days in July 2023 while the median sale price during the same period increasing from \$910,000 to \$954,000

**Lyn Penney**  
Branch Manager  
Bayleys Counties

## This Month with Bayleys Real Estate...



### 2/30 STURDEE ROAD, MANUREWA

Set back from the road, the 110 sqm (more or less) home features three bedrooms, generous sized sunny lounge with combined dining area and ranchslider access to a fully fenced and paved courtyard, spacious kitchen with great storage and breakfast bar. The family bathroom has semi ensuite access from the master bedroom and a separate toilet. A single car internal access garage has combined laundry space.

The home is positioned close to local shops, schools, and public transport and a short drive away to the Super Clinic, Westfield Manukau, and all other amenities  
Asking price \$689,000

Contact Bayleys Real Estate on 09 298 2525 for further information on this property and all your property needs



## Counties Home Loans

Kia ora koutou,

I'm sure, like me, you're happy to have seen a glimpse of sunshine in the early days of Spring!

It's becoming increasingly difficult to anticipate how banks are choosing to price their home loan interest rates. Many economists were expecting fixed interest rates to have stabilized by now, however we're still seeing quite significant increases come through from most lenders. What we **can** be sure of at the moment, though, is that banks are incentivizing loans used to increase energy efficiency/sustainable energy. The recently miserable, cold and wet winter may have highlighted some areas for improvement to your own home or rental property. The big 4 banks all offer an energy efficiency home loan of up to \$50,000 - \$80,000, fixed for either 1% or 0% fixed for 3 or 5 years to use to improve the energy efficiency of a home and/or vehicle, for example, window glazing, home ventilation, heat pumps, insulation, solar, electric vehicles etc. IF you think you'd benefit from the above, be sure to touch base with your adviser, or don't hesitate to give me a call for more information.

Talk soon,

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