



Total
Talk



September/October 2015

New Rules for Landlords - Are You Up to Date?

The Residential Tenancies Act is to be strengthened with new requirements for insulation, smoke alarms, better enforcement and faster resolution of abandoned tenancies. We have put together a summary of some of the main changes that are taking place. These are designed to improve the current conditions for tenants and landlords. Please ensure you are fully informed of these changes as several are due to kick-in next year.

Housing Minister Nick Smith announced the plans, which include the following:

- All rental properties must be insulated by July 2019. Exemptions apply to properties where it is physically impractical to retrofit insulation.
- Smoke alarms must be installed in all rental properties from July 2016. Tenants will be responsible for replacing batteries and notifying landlords of defects.
- New powers to prosecute landlords for breaking tenancy regulations, particularly where there is risk to the health and safety of tenants.
- Tenants will be able to take concerns to the Tenancy Tribunal without fear of retaliatory evictions.

"There will also be a new requirement from 1 July 2016 for all landlords to state in tenancy agreements the level of ceiling, underfloor and wall insulation to help better inform tenants"

"These new insulation requirements in our tenancy laws are the logical next step following our programme to retrofit insulation in 53,000 state houses and the 280,000 grants from the Warm Up New Zealand scheme."

"There will be a new 10-day process introduced to enable re-tenanting of properties where a tenant abandons a property with no intention of returning. The current process can take up to six weeks leaving a house empty and the landlord out of pocket."

Home Loan Affordability Down

The Home Loan Affordability Index measures the cost of borrowing money to buy a median priced home relative to a the median household income, assuming a 20% deposit. For example, for September 2015, it took 41.1% of the median take-home pay to service a median priced home. This is up from 39.9% for the month of August. The main driver for this decrease in affordability is the continued house price inflation. The median house price in New Zealand for September was \$484,650 compared to \$465,000 in August.

Regionally there is a large variation in home loan affordability due to the difference in regional house prices and median incomes. For example the 4 main cities have the following affordability levels:

Auckland	69.9%
Wellington	40.3%
Christchurch	41.2%
Dunedin	28.0%

Showing that the further south you live the more affordable it is to own a home. One reason for this effect is that the majority of immigrants settle in the Auckland region, and bid up house prices there.



1% Myths Exposed

Definition of 'Myth': "an invented story, idea, or concept"

Myth 5: "You won't save that much money...you have to pay marketing as well..."

THE TRUTH: Yes, Total Realty charges a small amount of marketing but so do 3.95% companies. Total Realty only uses your marketing money in the most effective and proven areas, and doesn't promote marketing avenues that benefit the agents profile over the home. On average home owners save at least ten thousand dollars when they choose to sell through Total Realty.

Brain Workout - Sudoku

Can you crack this "Sudoku"?

2	1	5		3	4
	8		1		
	5	3	2	6	
	3			4	1
1		5			3
			3	4	7
				8	5
	7	9		5	2
					4

Laughter is the best medicine

Job Interview

Reaching the end of a job interview, the Human Resources Officer asks a young student fresh out of University, "And what starting salary are you looking for?" The student replies, "In the region of \$125,000 a year, depending on the benefits package." The interviewer inquires, "Well, what would you say to a package of five weeks vacation, 14 paid holidays, full medical and dental, company matching retirement fund to 50% of salary, and a company car leased every two years, say, a red Corvette?" The student sits up straight and says, "Wow! Are you kidding?" The interviewer replies, "Yeah, but you started it."

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"You did a great job describing my house in the Real Estate Ads. It sounds so appealing, I've decided to keep it!"



"Thinking of selling? Call us today!"

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Stats

- FROM THE -

Street

Median Sale Prices

Sept 2015 (vs Sept 2014)

National (+15.4%)	\$484,650
Christchurch (+4.4%)	\$444,000
Rangiora (+0.5%)	\$467,500
Timaru (+10.5%)	\$309,500
Nelson (+7.5%)	\$380,000
Richmond (-4.6%)	\$461,000
Dunedin (+10.3%)	\$292,300

What people are saying about us

"Thanks so much for the fastest sale ever... we got a price that far exceeded our expectations and we couldn't be happier.

Our agent is the most professional agent we have ever dealt with, and his warmth and integrity made the whole process a pleasure rather than a stress. We wouldn't use anyone else!!"

E & J Godfrey