



Christchurch Property Management

Raising Standards - Raising Returns

July 2013

Monthly Newsletter, Issue 1

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Want to know more about insurance changes?

Have a look at these online articles:

<http://icnz.org.nz/changes-to-home-insurance/>

<https://comms.anz.co.nz/insurance/detail/article/15030/0/0/house-insurance-sum-insured-calculators.html>

For the latest market rental statistics:

<http://www.dbh.govt.nz/market-rent>

Welcome to our first newsletter

Welcome to the first of our monthly newsletters for all our clients. We see this as a good way of keeping in touch with you, informing you about any topical issues and keeping you up-to-date with changes in the rental property market. We would love any feedback from you so please let us know if there are any particular topics you would like us to cover.

Insurance Changes - things you need to know



The nature of house insurance is changing radically, putting the responsibility on property owners to work out what the replacement value of their investments actually is. Due to the Christchurch earthquakes, insurers are no longer willing to offer open-ended replacement insurance.

Up until this year, most insurance policies covered landlords for the replacement of their properties, regardless of the cost. Provided they had full replacement insurance, the insurer would either

rebuild or give the landlord a sum equivalent to that needed to rebuild. Upon policy renewal, property owners will now only be covered for replacement of their homes up to the sum insured that they choose, not for an open-ended figure.

There are a few different ways to work out your sum insured amount. One way is to use an online valuation tool. This option is free and many home owners are using it. Another way is to get an insurance valuation from a valuer or a quantity surveyor. Here are 6 things we recommend you check:

- Make sure the sum insured will cover the cost of rebuilding the house. This should include covering items like decks, fencing, carports and garaging.
- Check any default amount your insurer gives you at renewal time is sufficient to pay for a rebuild.
- Ensure you have Post Event Inflation Protection.
- Ensure there is an allowance for compliance costs and professional fees such as ones levied by councils and architects.
- Check on the GST status of any payout.
- If you make any alterations to your property, make sure the sum insured amount is adjusted accordingly.

We suggest you contact your insurance company for further information.

Want to learn more about property investment?

The Canterbury Property Investors' Association provides information, advice and networking opportunities through regular events, seminars, industry news, updates and publications.

To find out more and how to join, go to:

<http://canterbury.nzpif.org.nz>

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Winter Property Maintenance



Winter can bring with it issues and problems that many landlords don't face in the summer. We hope to shed some light on areas that property owners should be aware of as we go through winter. If you can prepare for these before they arise, you will be a step ahead of the game. We've listed some key areas to keep an eye on:

Trees and Gardens

- All trees and hedges should be trimmed back as much as possible, improving sunlight on the property and through windows (less dampness), and stopping leaves from gathering.
- If tenants park on the grass over winter, it can turn into a mud bath. Consider laying gravel if this is a permanent carpark or restricting access to grass parking over the winter months.
- Gutters need to be cleaned at the end of autumn as they can get blocked by leaves and can cause water to leak behind the guttering and into the house.
- Weed matting and laying bark on gardens not only ensures that gardens look tidy, but combined with the above maintenance, the entire property will appear to be low maintenance, which is what many tenants look for.

Cleaning your heat source

- Heat pump cleaning: filters need to be cleaned out at least once a year. You can vacuum these yourself or get someone in to do a full service, which also includes checking gas levels and making sure that everything is fully operational.
- Fire cleaning: those chimneys still left in Canterbury do need to be cleaned as this is a common cause of house fires. This is a job that is worth getting a professional in to do.
- Portable gas heaters: be aware that these can cause excess condensation and extra ventilation is required.

If you would like us to make specific recommendations for your property, please email us and we will arrange a free quote detailing the services we believe your property would benefit from.

Referrals

We are gaining a lot of our new business from referrals. Thank you to those clients that have recently either referred us new business from friends and family or have given us additional properties for us to manage. If you are pleased with the job we are doing as your property managers, we would appreciate any referrals you can give us.

Disclaimer: Every effort has been made to ensure that the information contained in this newsletter is correct. Christchurch Property Management Ltd does not accept any responsibility for information which is incorrect and where action has been taken as a result of the information in this newsletter.