

welcome to



talk of the town

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IN THIS ISSUE

Your Rental Investment -
is it working as it should?

What Happens to
my Recycling?

Presenting your
Home for Sale

Building in Wood
the Way of the Future?

Growing your own Vegies


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Your Rental Investment - is it working as it should?

Worried about offending good tenants who look after your property with a rent increase?

Those who are reluctant to raise rents in an effort to "keep the peace" are throwing money away. Most rentals are bought as investments and landlords need to ensure property managers or themselves are charging market rent in order for the property to maximise investment.

Market rent is often determined by comparable analysis to other properties of a similar type, size and location. The condition of a property is another consideration in setting the appropriate level. A large number of landlords establish the correct amount by calling in a local property manager or a valuer. Property Investors' Association can be another source in discussion of local rents. The majority of property rentals in New Zealand are privately owned so these associations provide the opportunity for you to talk to like-minded individuals.

As the graph of rental statistics indicate, rents have been rising in most areas over the past year. Rental increases around the country can be attributed to the increasing costs of amenities such as interest rates, insurance and council rates, which is then reflected in an increase in rental value. Regular and proactive maintenance will also ensure market value rent.

There is a correct process in advising tenants of a rent increase that needs to be followed. Rules differ depending on the type of tenancy agreed by both the tenant and the landlord, for example if the tenancy is periodic, or 'fixed term' which involves specific dates.

As a landlord or property manager, you must give the tenant sixty days notice before any rental increase is made and the rent cannot be put up more than once in any six-month period. In a fixed-term tenancy, the rent can increase only if it is written into the agreement. Although landlords can increase rent every six months, it is not usual to raise them this often. Often choosing the right time of year and market conditions will be a consideration i.e. when supply exceeds demand.

Discussions with your tenant can be beneficial in terms of timing and stages if the change is substantial. Bear in mind it should not be more

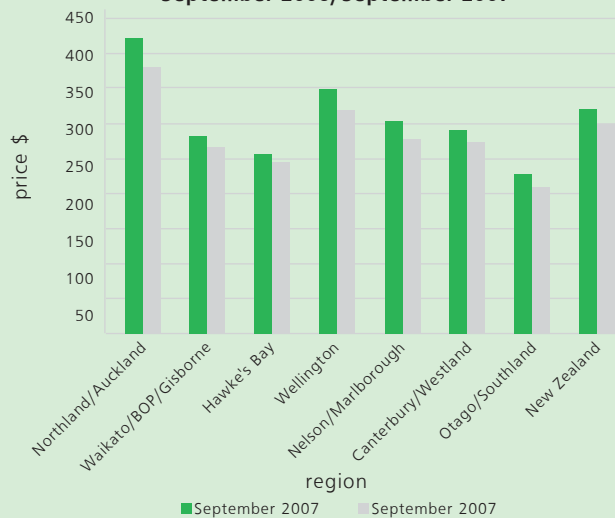
than \$30.00 at any time. Be sure that when considering a rental increase you or your Property Manager are able to re-let your property at the higher rent if your current tenants decide to leave.

Again, rent increases need to be weighed up with the current market, how good the tenant is and the appeal of the property for re-letting. Keep in mind respectable tenants are often worth more than a few dollars a week.

Knowledge and viewing similar properties to gain a true idea of what is being charged in the market can guide decisions on rental increases. Sometimes rents need to be reduced to reflect the market rent.

Managing tenants yourself can be quite time consuming, if you feel reluctant or lack knowledge and the confidence to talk to your tenants in person while knowing you could be getting more for your property, a good property manager can help obtain the right rent for your investment property.

Median Rent Charged for 3 Bedroom Home September 2006/September 2007



Figures courtesy of REINZ

What Happens to my Recycling?

Do you know that sixty-five percent of the average rubbish bag could be recycled or composted. Each month New Zealanders dispose of enough rubbish to fill a rugby field 30 stories high, most of which won't break down for generations.

The paper, plastic, glass and cans you put in the recycling bins is sorted before being sent for recycling or reuse. Paper that is contaminated with food or chemicals cannot be recycled. It is sorted from the recyclable material and thrown away.



Glass

- Empty glass bottles and jars can be recycled to make things like decorative paving and aggregate for asphalt or swimming pool filters, as well as new glass jars and bottles.
- Some glass, such as mirror glass and crystal, cannot be recycled because of high lead content.

Paper

- Corrugated paper and cardboard can be used to make new paperboard and corrugated boxes.
- Newspapers can be recycled into paperboard, new newsprint, insulation and animal bedding products.
- Office paper can be recycled into writing paper, tissue and towel products.
- Telephone books can be recycled into egg cartons and wine boxes.

Food and drink cans

- Empty aluminium drink cans are sent overseas for recycling and can be recycled again and again. Recycled aluminium cans

are sorted, crushed and baled into "bricks" for transporting. These bricks are fed into a hot furnace where the aluminium melts and the melted aluminium is then cast into smaller ingots which are processed into new aluminium cans.

- Steel cans that have contained anything from baked beans to fruit cocktail, pet food or soup can be recycled to make new cars and bridges.

Plastic

- 25 plastic soft drink bottles can be recycled to make an ecofleece top.
- A styrofoam vending cup can be made into a pencil or a pen.
- Plastic bags and containers can be recycled into garden furniture, decking and fencing.
- Milk bottles can be recycled into buckets, composting bins or the recycling bins many councils use for kerbside recycling.

Article kindly supplied by Ministry for the Environment www.mfe.govt.nz



Presenting your Home for Sale

It is no secret that a well presented home sells quickly and often above market value. Buyers immediately associate clean with quality, while a dirty, cluttered home leaves buyers thinking you have something to hide.

Remember, you only get one chance to make a good first impression.

From the moment a buyer pulls up in front of your property, you want them to do a double take and think 'yeah, this could be the one'.

This is why it is so important to keep your garden looking meticulously groomed and tidy until sold. If it lacks a bit of style, hire a landscaper for a day to help you give it a mini makeover. The results can be spectacular.

When it comes to the interior, attention to detail is paramount. If it is looking tired and dated, painting the walls is a very cheap way to make a dramatic improvement. Just remember, use neutral colours that will appeal to a broad cross-section of the market. Even replacing the handles and knobs on drawers and cupboards can make a difference.

When it comes to cleaning, spotless is the word. Get into every nook and cranny. Dust high, dust low. Buyers can and will discover those marks or dust balls that may go unseen by you.

It's also very important to eliminate smells and odours, particularly if you have pets or smoke. This means plenty of ventilation, and thoroughly cleaning carpets and soft furnishings.

Nightly offerings of home renovation and D.I.Y. television programmes have also made home buyers much more aware of possible structural issues. For example, a musty odour in wet areas could alert buyers to potential moisture or ventilation problems, while flaking or chalky patches of interior or exterior walls could mean that there is a problem with rising damp.

If there are any problems that need to be fixed, deal with them before buyers have a chance to discover them. It is amazing how often a sale collapses simply because of an issue that could have been rectified by spending just a few dollars. What makes it worse is that often buyers are not specific with their reasons why.



Building in Wood the Way of the Future?

Weighing up the pros and cons of different building materials - in terms of their initial cost, their ongoing cost, their impact on the environment, together with availability and performance, can be a challenging task alongside all the other demands of building your home.

With the pressing environmental concern over climate change, you may consider building your home in a different material to that of the past. Considering cladding type encompasses many different aspects ranging from materials that use a lot of energy to manufacture but are easily recyclable and very durable, to those that use less energy to make but will not last as long. Not forgetting those that are cheap to purchase but expensive to maintain, and others that may be expensive initially but cost little to keep in good condition.

By choosing your building materials carefully, you can enhance durability, lower maintenance costs and contribute to a more sustainable environment. There is an increasing range of exterior building materials available on the market and some of these include aluminium, plastic weatherboards, brick, concrete, wood and many more. We will touch on just three of these below.

Plastics are a popular building material as they are durable, inexpensive and lightweight. Although they last a long time as a building product, recycling is limited. The energy and environmental impacts, such as toxic waste, to water and air pollution caused during the production process of the various building plastics, could raise concern over the sustainability of the product.

Clay brick has a durability of around 80 years, and is viewed as a low to medium cost building material but can have high installation costs. Brick can be recycled by crushing and reusing in roads and other civil works.

Wood on the other hand as a natural resource, requires very little energy to process compared to steel, concrete and aluminium, all of which produce large amounts of CO₂ during their manufacture. A recent Government study presents findings that could indicate that building with wood could be the way of the future and that wood used for construction is cheaper than steel and concrete alternatives both in construction costs and over a 50-year lifecycle.

NZ Wood suggests wood is the world's most renewable raw material and by far the most environmentally friendly building material as trees can be planted and replanted indefinitely, unlike other non-renewable raw materials.

So how does building your home in wood help the environment?

As NZ Wood highlights, trees absorb CO₂ from the atmosphere and this CO₂ is retained in the wood, long after it has been turned into manufactured products. Carbon accounts for 50% of the mass of a wood product.

By using more wood, we can ensure that new trees will have to be planted to meet the demand. The younger the tree the more CO₂ it absorbs from the atmosphere.

Building for most, is not a short-term consideration. It is not ideal to choose a material just because it is environmentally friendly if it will not meet your performance needs. Prioritising and investigating your building material should however be one of your first decisions when specifying a home. Four key things to consider are; is the material non-toxic, is it durable, sustainable and recyclable?

Be informed about the different types of products and make a choice that fits your situation and lifestyle.

Thank you to NZ Wood www.nzwood.co.nz for supplying information for this article.

Other useful sites include but are not limited to www.branz.co.nz, www.energywise.org.nz and www.smarterhomes.co.nz.



Growing your own Vegies!

Five plus a day can be quite costly, particularly if you have a few mouths to feed. Growing your own vegies will help reduce your shopping bill, and can be rewarding.

The following tips can help you start your own garden, and reap the rewards of growing your own produce. It is also another step on the path to sustainability, and can be a great learning project to involve children in.

Preparing the soil and planning is important in getting results you want. You will need an area with plenty of sunlight, sheltered from strong winds, as well as a good fertilizer and a sufficient amount of water.



Tomatoes

Tomatoes are great for summer salads and grilling on the BBQ. Seedling tomato plants come into plant nurseries in late August and grow best in a temperature range of 21-24 degrees in a sunny area with well-drained soil. Tomatoes such as the "Grosse Lisse" variety need support so place a cane or wire next to the plant.

Carrots

Growing carrots in the ground can be tricky. Growing baby carrots in containers can be easier particularly if you do not have much space. Carrots need full sun and loose sandy soil. There is a variety of carrot types, so ensure you choose one that suits your soil.

Spinach

For a small garden, you only need a few plants and these can be bought from your local garden centre. Alternatively, if you lack space you can grow them from seeds, starting the seeds off in a container of seed raising mix. Thin out the seedlings as they come up and as they mature, take off the leaves, as you need them.

Slugs and caterpillars tend to nibble on young plants, so if you have problems cut a drink bottle in half and use the base to protect your seedlings.

Beans

Beans need warm fertile soil to grow and are available in dwarf or climbing forms. Climbing beans need support so place a cane or wire next to the seed. After you have sown the seeds, cover with netting to avoid attack from birds, bugs and cats.

Lettuce

Grow lettuces from seed. Sow seeds in a large pot or plant in rows in the garden. Keep the soil moist and grow in sunlight. Lettuces can be picked after 45 to 50 days. Pick the outside leaves off the plant and they will continue to grow.

Spring Onions

These can be sown from spring through to summer. Grow close together or in clumps. Plant them in a sheltered position since they are prone to breakages or bending.

Capsicums

Capsicums need a long period of warm weather to produce good quality fruit. Pick capsicums at the green stage of ripening. Capsicums can be left on the plant until they turn red and are sweeter than green ones.

Cucumbers

Cucumber seeds will only germinate well in warm soil with good drainage, so the best way to start is by creating a raised-up mound that's been enriched with well-matured compost. Cucumbers do not take well to cold temperatures, so its best to wait, if you area is still getting a few frosty mornings. Regular picking encourages more fruit to form.

There are many rewards from effort put in to maintaining your own garden. Local garden centres have websites that offer advice. Family and friends are often delighted to discuss their success and offer tips on getting you started.

In Brief

Professionals Group recognised for Social Partnership.

Professionals Group was recently recognised by the Robin Hood Foundation for their long-standing relationship and contribution to the Child Cancer Foundation.

The Robin Hood Foundation's role is to create successful and sustainable partnerships between businesses and non-profit organisations. Professionals Group was acknowledged when awarded the More FM Social Hero Award for Youth Partnership.

This award recognises our extensive association with and commitment to the Child Cancer Foundation since 1995 with a contribution of over \$2.8 million to date.

Throughout our network of offices, support is generated daily through contributions from the sale of every house. We also commit to being out in full force each year during Appeal Week raising money for the Foundation, and contribute through a host of other fundraising activities throughout the year.

