

welcome to



talk of the town

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How safe is your deck?

As the summer months come to a close, and family gatherings are enjoyed more inside the home, it's a good time to take advantage of what little warm, dry weather we still have to check on the safety and condition of decks, balconies and balustrades in preparation for next summer's use.

It is worth taking time to consider that certain types of decks and balconies do have a risk of rotting when water has pooled and leaked into them. This poses a safety risk, especially those supported by untreated kiln dried timber.

All types of decks, balconies and balustrades must be designed and constructed to meet the requirements of the New Zealand Building Code. They must also be maintained throughout their life.

The main concerns about leaking are with certain types of timber construction. There is potential risk of decks leaking when the timber balustrades are enclosed within claddings or the floor is covered with a waterproof surfacing, with or without tiles laid on it.

Unless correctly designed, constructed, and most importantly, properly maintained, water may leak in behind the cladding or through the waterproof surfacing and create conditions that encourage timber to decay and fasteners to corrode.

If your property has a balcony or deck, consider these risk factors:

- Has untreated kiln-dried timber been used for structural support?
- Is the balustrade clad with lightweight materials with a plaster finish?

- Are there any holes or cuts in the waterproof floor surfacing?
- Is there flat access, with no step, where the deck meets the building doorway?
- Does water pool on the surface?
- Do cantilevered joists (or other joists that penetrate the exterior wall) lack flashings?

Look at the barrier or balustrade. These factors all pose further risk:

- Is it clad with lightweight material with a plaster finish?
- Does it lack a waterproof capping?
- Does it have a flat top where water sits?
- Does it have a railing where water is able to leak down screw holes?

WARNING SIGNS:

- Balconies and decks that move when walked on.
- Damp spots or stains where the balcony, balustrade or deck join the main part of the building.
- Cracks – particularly near junctions, joints and corners.
- Balustrades or railings that wobble.
- Balustrades where damp spots or stains can be seen on the cladding.
- Interior water damage or any visible change to interior finishings adjacent to or directly beneath the balcony or deck.

Open timber decks constructed with durable treated timbers are less likely to be of concern. However, these things should be checked:

- Look at where the deck meets the wall of the house. Is there anywhere that water can sit or

track into the house?

- Do the flashings take water away from the house wall and allow it to drain away? If the cladding relied on paint to keep the water out, is that coating continuous or is there any point where water might penetrate?
- Is there any sign of timber beginning to decay? For example, is there any sign of excessive cracking or 'softness'?
- Is there proper waterproofing around the cantilevered joists or around other joists that penetrate the house wall?
- Are the balustrades or posts correctly connected to the deck or balcony structure? They should not wobble.
- Check the tightness of bolted connections, especially on balustrades and handrails, to ensure nuts are secure.
- Check that galvanised steel connectors are not corroding.

It is important that decks and balconies are built according to the Building Code to ensure they are safe for people to use. The Department's view is that a building owner should get a building consent for building work on a deck or balcony to ensure that the work is checked for compliance with the Code.

A building consent will give assurance to the building owner that any safety concerns with the deck are addressed, as a building official will have inspected the work after it has been completed to certify that it meets Code requirements.

Information courtesy of the Department of Building and Housing.



Child Cancer Foundation 2008 Appeal

Continuing on from the successful 2007 Bravery Bead Appeal, this year's Appeal is anticipated to be even bigger than the last.

The Appeal is based around the Beads of Courage programme - a special programme designed to honour each brave step that a child takes on their childhood cancer journey.

Cancer treatment procedures are often incredibly painful and traumatic but even more so for children as they don't always understand why they have to endure painful treatments to help them get better. By acknowledging each procedure with a different bead the child has a way of communicating his or her courage in achieving that particular milestone.

There are beads for everything, from chemotherapy to hair-loss and blood transfusions. Outstanding 'acts of courage' such as surgery or the removal of stitches are recognised with beautifully-crafted glass beads and other 'special accomplishments' receive a bead with an imprinted picture or symbol.

At the completion of treatment, the child leaves hospital with a unique collection of beads representing their journey and the courage they have displayed throughout their experience.

Petra was diagnosed with a stage four Wilms tumour (cancer of the kidney) in March 2007. Two days after

her diagnosis she underwent surgery to remove her right kidney, then for the next eight months endured intensive chemotherapy and radiotherapy. She collected 376 beads in total. At such a young age, Petra showed amazing courage and strength and surprised friends and family with her ability to bounce back quickly after rigorous treatments. Her unrelenting energy and sense of humour has been an inspiration to everyone who knows her.

Petra has a twin sister Libby, two brothers - Rory (age 6) and Ned (born on 30 Jan), step-brother Joshua (age 16) and two extremely loving parents, Toni and Chris Hancock.

By wearing a Supporter's Bead you can help show your support for kids like Petra and their families. These are available from Professionals offices around the country from 10th March 2008 or look out for one of Professionals' street collectors around New Zealand on Friday 14th March 2008.

Professionals Real Estate Group has been a major supporter of the Child Cancer Foundation since 1995 and, to date, has raised and provided over \$2.8 million in funds and resources for children living with cancer.



Raising Awareness on Unit Titles

Apartment or townhouse living brings together people from a variety of backgrounds and circumstances who have little in common, save for their address. The widely differing circumstances of owners within such developments can result in tension when there is a problem with the building they share ownership in.

Ownership in apartment or townhouse developments will usually be governed by the Unit Titles Act 1972 ("the Act"). Each owner owns his or her unit and may also have shared ownership of any areas of common property such as entrance ways, gardens and lifts. Common property is owned and managed by the Body Corporate which is a separate legal entity made up of all of the unit owners.

There are no rules as to how the ownership of a building is allocated. In some developments, the external walls and roof of a building may form part of the common property, whilst the internal walls of the units are owned by the unit owners. In other developments, external walls or roofs or balconies may be part of the individual unit owner's title. In these situations it is usual for the Body Corporate rules to provide that the Body Corporate is responsible for repair and maintenance of the exterior of the building. However, if the rules do not deal with this, real problems can arise.

How the ownership of a building is divided up becomes an extremely important consideration in the context of building issues. If a multi-unit building needs to be repaired, a number of important issues arise. Who is responsible for repairing the building? What is the extent of the repair work required? Who is going to pay for the repair work to be done? Is all the repair work going to be carried out at the same time by the same contractor, or should individual unit owners be left to carry out their own repairs?

The Body Corporate rules will usually provide that any such expenditure can be approved by a (75%) majority vote. The Act gives the Body Corporate power to levy and collect from owners funds to cover the cost of such work. The Act also gives the Body Corporate the power to bring proceedings against any owners who do not pay their levies. Whilst these provisions will not always meet with the approval of those owners forced to comply, it does at least provide a way forward.

More complex problems arise, however, when the property in need of repair is not exclusively owned by the Body Corporate or the rules do not empower the Body Corporate to make decisions. In these situations an owner who refuses to co-operate with a proposed repair programme can potentially put the whole development at risk.

The Act is currently under review. It is intended that the changes to the Act will make managing unit title developments easier and more efficient. The proposed amendments include:

- To clarify rights and responsibilities of unit owners and the Body Corporate by allowing the Body Corporate to act on behalf of all the unit owners for the good of the development as a whole.
- Make joint decision-making by the Body Corporate easier by promoting participation and by removing requirements for unanimous resolution.
- Establish effective ways to sort out problems and move forward by establishing a dispute resolution service.
- Broadening the role of the Body Corporate in relation to maintaining and managing the building as a whole.

It is hoped that the proposed changes will make owning an apartment or townhouse clearer, easier and more stress-free.

Article by Kirsty McDonald, Associate of Harkness Henry & Co, courtesy of www.lawlink.co.nz



January Residential Property Market Favoured Buyers but Still Moving

The New Zealand residential property market experienced unusually low sales and a slight increase in days-to-sell figures during January.

As a result, the national median price endured additional erosion, down from \$345,000 in December to \$340,000 in January, compared to the peak price of \$352,000 in November 2007.

"The market is still moving but buyers are narrowing their selections and choosing their time to purchase property carefully. Simply put, buyer-behaviour is changing," said Philip Kennard, of Professionals' Kennard Real Estate in Christchurch.

Canterbury is projected to flat line and sales numbers to edge back. Families and individual buyers have competed ahead of investors during 2007 but prices

are now firming and with pressure on rental accommodation; low vacancies and rising rents, the numbers should return.

REINZ National President Murray Cleland believes "the abnormally low sales figures are more of a concern than the median prices, in some ways, because they tell us that the market's liquidity has reduced significantly and logically this will impact on prices. But buyers have been quick to sense that the market is weakening and they are ready to take advantage of that situation."

January, as a month, is traditionally weak with holidays interrupting the normal flow of transactions but sales were uncharacteristically low at 5,186. This, plus significant increases in properties available and high interest rates, is creating growing tension on market prices. It is important to take a fuller view of the market than just this unusually low start to 2008.

MEDIAN PRICES

THE FALLS		
	Dec 2007	Jan 2008
Auckland Region	\$460,000	\$432,750
Auckland City	\$510,000	\$433,000
Northland	\$335,000	\$328,000
Waikato/BOP	\$330,000	\$320,000
Manawatu/Wanganui	\$244,000	\$230,000
Wellington	\$370,000	\$366,750
Canterbury/Westland	\$315,000	\$310,000
Otago	\$250,050	\$235,000

THE RISES		
	Dec 2007	Jan 2008
Hawkes Bay	\$273,267	\$280,000
Taranaki	\$260,000	\$263,000
Nelson/Marlborough	\$338,000	\$340,000
Central Otago Lakes	\$419,000	\$476,500
Southland	\$191,000	\$225,000

"We are coming back to a normal market, one that continues to offer opportunity and the reality is that we still have a shortage of housing (Helen Clark identified the shortfall as 18,000 units). Remember that we now also have a political race on regarding housing affordability and tax cuts. So, my personal perspective is that we should be looking forward to a fantastic year of market rationalisation, regulation and increased volumes once owners acknowledge the market and buyers settle further into 2008, having factored the extensive media coverage," commented Geoff Lovegrove of Professionals' Lovegrove Realty in Manurewa.

On the other side of the market the news is all good. The property management sector is experiencing busy times, with Professionals offices reporting minimal vacancies and across-the-board rent increases. Multiple contributing factors

are considered to be: positive net migration, homeowners electing to sell and rent, lower numbers of new buildings, mortgagee sales and investors exiting the residential rental market as a result of recent interest rate increases.

"With the rental market looking favourable, we are fast approaching buying opportunities for astute investors to consider entering the residential market or expanding existing portfolios. Our agents are already reporting strong activity from buyers starting to hunt the bargains," added Warwick James of Professionals' The Rent Shop in Papatoetoe.

Statistics courtesy of: Real Estate Institute of New Zealand.

