



## Welcome



Regards,  
Colin Lock  
Managing Director

We have received an outstanding response to the Integrity Suite simplified fee structure and marketing package. For a simple fee of 2.99% plus GST our Vendors are receiving a Comprehensive Marketing Package which includes an Independent Registered Valuation.

The valuation has given our Vendors reassurance that their property is correctly priced in the current market as well as assisting all parties in the negotiation process to understand the current value of the property.

In the current market it is important new listings are presented at a realistic price. This ensures a relatively quick sale and removes a lot of uncertainty as to the correct price.

Prestons Park, our new subdivision on Prestons Road is continuing to exceed expectations. A wide cross section of buyers from across the city have decided to make Prestons Park their home. Many of them report that the certainty of building on TC1 land and the close proximity to a variety of leisure activities have been a major driver of their decision to build their new home in Prestons Park.

Stage O will be released shortly with a good variety of section sizes from 450 – 820 square metres. We are taking registrations of interest for this new stage. It is as simple as emailing [sections@prof.co.nz](mailto:sections@prof.co.nz) with your name, contact number and email address.

## A Matter Of Policy

### Methamphetamine, insurance and you

Forget late payments, broken windows, faulty appliances or leaky taps: the biggest headache landlords have ever faced is the rise of methamphetamine or 'P' manufacture and use. In the light of this, all those other little niggles pale into insignificance.

Between 2000 and 2012, more than 1,800 clandestine methamphetamine labs were uncovered – many of these located in rental properties. And, although the Police and Drug enforcement agencies claim they're winning the battle, indications are that only around 10% of all labs are actually found, so serious contamination can go unnoticed, wreaking havoc on the health of subsequent tenants and owners years down the line. To put this all in context, it was reported on [stuff.co.nz](http://stuff.co.nz) in March this year that nearly a quarter of homes built for a brand new state housing development in Christchurch were already contaminated with 'P' less than a year later.

### No Boundaries

The use and manufacture of 'P' crosses all socio-economic groups and knows no boundaries. Contrary to popular belief, meth 'cooks' and users are not all youngsters, although the drug's easy, albeit risky, manufacture from fairly accessible household items appeals to those of modest means. Don't think that if your tenants are in their so-called 'Golden Years', you'll be safe, because 'P' is everywhere.

So what can you do to protect your properties – and yourselves – from this very real threat?

### Knowledge is Power – Check Insurance Policy Small-Print

The most important first step is familiarity with your insurance policy, so you know exactly where you stand, should your property be involved in the manufacture, storage and distribution of any controlled drug as defined in the Misuse of Drugs Act 1975.

Don't wait for a problem to happen – read the small print and stay abreast of

your cover on a regular basis, especially when renewing annually. Each insurance policy will have slightly different wording, depending on what was negotiated at the time, but for a claim to stand any chance of being successful, the owner or property manager must have complied with reasonable obligations which will be outlined. Clearly, carefully checking references from previous landlords and employers is crucial, as are internal and external inspections (minimum three-monthly) and at every tenancy change. Failure to do this can result in the insurer not covering the cost of compulsory clean-ups to the tune of maybe tens of thousands of dollars, and you may also risk being sued by future tenants with health issues, being unable to continue to rent for some time, or your property having to be demolished altogether.

### Insurance Changes

Laws can and do change, and many landlords may be unaware that, since mid-2013 – in the wake of the Christchurch earthquakes – insurers have made significant alterations to their policies,

Residential Real Estate | Property Management | Section Sales

changing from full replacement value to 'Sum Insured' cover, and most have taken the opportunity to change their provisions relating to drug contamination at the same time.

For every kilo of 'P' manufactured, there are on average seven kilos of toxic waste, the fumes from which can attack skin, eyes, and the mucous membranes of the respiratory tract. It goes without saying that, once a house has been the site of manufacture or use of 'P', fumes can become embedded in the gib, penetrate into the stud timber, not to mention carpets, curtains and soft furnishings. Even if the clean-up is successful and the health risks are reduced, the stigma of having 'Ex-P-Lab' listed on the LIM can never be removed.

'P' is a headache that isn't going away anytime soon, and one option currently being considered is obligatory testing between tenancies, which will be a costly exercise, but may be the only logical solution in the war against methamphetamine.

### Come And Talk To Us

At Professionals Christchurch, we're experts in rental property management, and would be delighted to discuss any of your concerns related to the above. We could talk to you about handling all tenancy reference checks on your behalf, as well as carrying out routine inspections and arrange house testing. We could also take on all the record-keeping for you, saving you significant time and stress. Come and talk to us in confidence.

## Professionals Sales Conference 2016

We recently attended the annual Professionals Sales Conference in Auckland. Conference is a great forum to keep up to date with the latest trends and innovations within our industry and also provides a great opportunity to rub shoulders with and to learn from the best of our peers.

An exciting part of Conference is the Annual Awards evening where Professionals Christchurch was recognised as one of the top performing companies in the Professionals Group

taking out the Top Office and Top Property Management Team for the South Island in addition to numerous national awards. A number of our Salespeople were also recognised for achieving Top 2%, 10% and 20% status.

As a company we strive to deliver a 'Values Based' service to our customers and it is very gratifying to be recognised by our peers on a national level. We look forward to continuing to improve our level of service delivery to our valued clients.



Christchurch House Sales						
Suburb	Median Price January - March			Median Days on Market Jan - Mar		
	2015	2016	Variance	2015	2016	Variance
Belfast	\$405,000	\$407,500	1%	55	48	-12%
Bishopdale	\$400,000	\$420,000	5%	49	34	-31%
Casebrook	\$422,500	\$426,500	1%	36	43	20%
Edgware	\$294,500	\$354,000	20%	37	41	11%
Mairehau	\$434,000	\$387,500	-11%	43	42	-2%
Northcote	\$333,500	\$346,500	4%	46	73	59%
Papanui	\$485,000	\$445,000	-8%	38	37	-3%
Redwood	\$437,600	\$433,000	-1%	40	49	23%
Richmond	\$353,750	\$362,500	2%	53	40	-25%
Shirley	\$398,250	\$379,000	-5%	42	51	21%
St Albans	\$428,000	\$490,000	14%	37	39	5%

### Contact us today

**Hoon Hay Office:**

33 Halswell Road,  
Christchurch

**Papanui Office:**

520 Cranford Street,  
Christchurch

(03) 338 5924  
service@prof.co.nz

[www.prof.co.nz](http://www.prof.co.nz)