

# We're Your Locals

January 2014

## Electrical Certification vital, homeowners warned

Homeowners could face problems insuring or selling properties if they do not obtain certification for electrical installation work, the Electrical Contractors Association of New Zealand (ECANZ) has warned.

Under new legislation that came into force on 1 July, all electricians carrying out prescribed electrical work on an electrical installation must provide a Certificate of Compliance or an Electrical Safety Certificate to the customer. Neville Simpson, Chief Executive of ECANZ, said insurers and prospective home buyers were increasingly insisting on seeing certification for recently completed electrical work.

"These changes have not been widely publicised by the Government but it is very important that consumers are aware of this," said Mr Simpson.

"Previously an electrical contractor was only required to issue a certificate of compliance for new installations that are deemed to be either general risk or high risk prescribed electrical work. Under the new regulations, that also applies to any low risk work, usually maintenance or replacement work on existing

properties, and an electrical safety certificate will be required.

"Your electrical contractor is legally required to provide you with a certificate of compliance or an electrical safety certificate depending on the risk level of the work, and if they don't offer you should be asking for one."

Mr Simpson said that anyone planning electrical work should ensure the electrician they plan to engage is licensed, before work begins, and keep a copy of the certification once it is completed.

"It is illegal to work for hire or reward as an electrician if you are not licensed and if you use someone who is not licensed you will have little recourse if there are problems with the work."

ECANZ members issue the organisation's branded Certificate of Compliance which also carries a \$10,000 workmanship guarantee. If a customer is not satisfied with a members' work they can ask ECANZ for support in resolving the situation. (REINZ)

## First impressions last, so make them good!

First impressions last, so make them good! If you are considering selling then it's a good time for a spring clean – inside and out. When it comes to presenting a home for sale, the old saying 'first impressions last' is very true, so be careful not to scare off potential buyers with poor street appeal.

No matter what sort of house or what area it is in, the front garden and outside area represent what potential buyers may find waiting inside. A few weeds here, an overhanging branch there, and perhaps a few un-pruned plants – it's easy enough to let things go when you're busy. Then throw in a rotting fence and a tatty letterbox (perhaps overflowing with junk mail) and you could be knocking thousands off your sale price. I know it sounds crazy but first impressions are so important!

Keep your garden simple and nice but most importantly, tidy. People may only have a few minutes to take in the outside of your property and you don't want them to be distracted by something weird or messy. When deciding what to replace or plant, definitely choose practicality over decorative so then any new owner can change or finish it off specific to their style, if they choose to.

Don't forget that natural light and sun orientation is generally a priority on buyers' lists so make sure you

show off the sunny areas of your house so cut back hedges or trees shading windows to let that light in and the buyers will follow.

Also, you mustn't forget to tidy up rubbish and recycling bins before open homes and make it part of the cleaning task for the entire outside of your home. A chemical wash can be the best investment you make if your house needs a good wash but a D.I.Y. clean is better than nothing. Inside, it's time for a spring clean, literally. Throw out any junk – you don't want to be lugging this to your new place in any case – then clean, clean, clean. So when all the repairs and cleaning are complete think final touches – make your home nice and welcoming. Remember first impressions last so make them good ones!



Keen to know what your home is worth in today's market or whether those renovations you are planning will add significantly to the value of your home?

We will provide you with sales statistics and our thoughts anytime, just call, text or email to arrange

## Building Inspections

Buying is often as much an emotional decision as it is a financial one, but you mustn't turn a blind eye to potential problems.

Having a pre-purchase building inspection is worthwhile in more ways than one – not only are potential problems identified but it can help with points of negotiation. Of course, we usually aren't keen to part with our hard earned money when we don't have to, but not getting a building inspection can actually cost you more in the long run.

The emphasis on a professional building inspection has increased with recent changes in real estate rules. Buyers may have to front up with the report if a vendor requests, meaning the 'once over' by a builder mate or family member may no longer cut it. Inspections must now be done by a suitably qualified person. Sure, suitably qualified is pretty wide open but it's a good idea to use someone with at least a building qualification.

The main purpose of a building inspection is to identify potential problems so the purchaser can make an informed decision. A good inspection should be a ground up visual assessment including inside, outside, under the house, in the ceiling and around the site.

The inspector should be looking for anything that could go wrong and cost the potential purchaser money. If problems are identified, some buyers may demand the problem be fixed while others will want the price brought down.

Ask your property inspector about the type of home they usually inspect. There are different problems between different types of homes, such as rotting weatherboards in older homes, asbestos from the 1970's, weatherside in 1980's homes and leaky buildings. A good building inspector should pick up these types of problems.

An inspection should include checking timber piles, ground conditions, insulation, ceiling cavity for any damage from birds or pest, roof underlay, weatherboards and structural issues along with ceiling staining, any leaks, and mould and drainage issues. Roof cladding, rust and flashings should also be checked. Along with the driveway, garage and decks and large trees that could pose future problems. Inside checks should include checking the kitchen, plumbing/drainage and cabinets, looking for staining, mould, leaks and other problems. Eaves and gutters should be able to be seen from the outside of the house where there is a normal sloping roof. Flashings on top of windows should also be checked.

If you are planning to purchase a property and would like some recommendations of building inspectors just let us know.

## The Value of Registered Valuations

Property valuations are about more than just numbers. Of course, the numbers are very important, but it's the information behind them that can add real value.

Things like developments in the area, roading or transport initiatives, school zones and items on the title can impact on the value of a property. A good valuation report from a registered valuer should include all of this along with market and rental values.

As a buyer it is worthwhile investing the money in a valuation. Negotiating power comes with the valuation if it is done before the sale and purchase agreement is signed. If you are in the apartment market then use valuers who specialise in apartments as other factors like body corporate and leaky building issues can come into play.

Check that your valuer is an expert in the area you are buying in, as some cover many areas. Also check that your valuer has professional indemnity insurance, so there is a comeback if something goes wrong.

Banks often need a registered valuation to be done so always ensure your bank will accept your valuer. There is nothing worse than spending money on a valuation only to find your bank won't take it. Also, you don't want to base your buying on rogue information only to be stung at a later stage.

Don't be afraid to talk to your valuer about a reduced price if you are putting a bit of business through them (especially if you are going through a number of auctions). Some property investors also have arrangements in place with valuers, where they may start with a quick phone call to confirm a value then follow up with a set price for a written report.

Valuations aren't always just about buying either. Often valuations will help a property owner with leveraging or obtaining equity for making the next purchase. Talk to others you know who have had registered valuations done or ask us for our recommendations.

### Latest Harcourts Sales Statistics (November and December 2013 Sales)

83% of properties sold for more than RV  
The average sale price was 13% over RV  
Highest sale price over RV was 97.8%



John Callam 803 1733 027 223 3126 john.callam@harcourts.co.nz  
Philippa Seidelin 803 1740 021 148 2430 philippa.seidelin@xtra.co.nz  
allwellingtonproperty.co.nz

