

Is your property underinsured?



Landlords should check the insurance on their rental properties as a new report estimates that most residential properties are likely to be underinsured.

A local insurance expert has warned that rapidly rising building costs and changes to policy wording mean most New Zealand property owners are uninsured.

NZ Brokers CEO Jo Mason said that a recent Treasury report showed that up to 85% of New Zealand residential properties may be underinsured by up to 28%.

A spate of recent natural disasters around the country has highlighted the need for property owners to check policy wording carefully, she said.

“Changes to sum insured insurance policies, which limit the maximum amount an insurer will pay in the event a home is totally destroyed, could leave home owners under-insured.

“In an environment where building costs are rising at around 7 to 17% each year, there is no guarantee that the amount you are insured for will be enough to cover the cost of a total rebuild.”

This means that a house which cost \$500,000 to construct just two years ago could be up to \$185,000 more to rebuild today.

Mason said that effectively the risk of the rebuild cost being greater than the insured value is borne entirely by the policyholder.

“It is crucial that property owners are aware of what it would cost to rebuild their house from scratch and review this regularly.”

Property owners should check their house valuations in their policy against current construction costs in their region.

They should also check they are insured for the full replacement cost of their house, not just for a portion of it.

Mason said the cost of building materials, architectural features, council consents and a variation in the quality of workmanship mean the expense of a rebuild can vary significantly over time and across regions.

“My advice to property owners is don’t take unnecessary risks, consult with an insurance broker in your area who can assess your needs and is able to advise what type of cover is best suited.”



Seven top tips to get a property sale ready

Planning to sell a property? Follow these seven simple tips to ensure your property will provide you with the best possible return on the time and money invested.

Having made the decision to sell a property, an investor should be aiming to maximise their returns.

To this end, they need to make sure their property presents as well as possible to potential buyers. But that does not have to mean spending vast amounts of time and money.

There are some straightforward, cost-effective ways to go about doing this. Here are our top seven tips for getting a property sale ready:

1. First impressions matter

First impressions count for a lot with potential buyers and those impressions are formed quickly. Therefore, vendors need to make sure the exterior of their property presents well.

Lawns should be mowed, hedges should be trimmed, paving or concrete should be cleaned, fences should be well-maintained and paintwork should be clean and fresh. The property needs to be spick and span and any renovations must be complete. This includes minor repairs as well as major ones.

2. Give the house a bath

To get a property sale-ready, one of the simplest things that can be done is a high-pressure water-clean. Blast all the dirt and grime off your external walls, driveway, paths and fences. This can be done professionally or you can hire a machine and do it yourself.

3. Paint rejuvenation

Revitalising a property with a good paintjob is a sure way to boost its attractiveness while modernising it and adding value. Choose light, neutral colours and don't forget to paint ceilings and cupboards, too.

Also, it pays to paint the front doorway and door if required as this will improve a buyer's first impression. Re-staining decks is also a fairly simple move which can make a big difference to the overall appeal of a property.

4. Garden glory

One easy move which ramps up the visual appeal and saleability of a property is tackling the garden. Try to make sure the property appears low maintenance as this appeals to buyers.

But simple moves like mowing the lawns, weeding the garden, clearing up landscaping clutter, pruning trees, sweeping up leaves and clearing pathways make a huge difference.

5. Small changes

It might sound obvious, but make sure to fix anything broken. Doors that don't shut properly, holes in walls, peeling wallpaper and leaking taps are just some of the things that can turn off buyers and are relatively easy to fix.

Consider changing the kitchen and bathroom handles. This is an inexpensive and easy way to modernise these key rooms. Also, fix any leaking taps and oil creaky hinges.

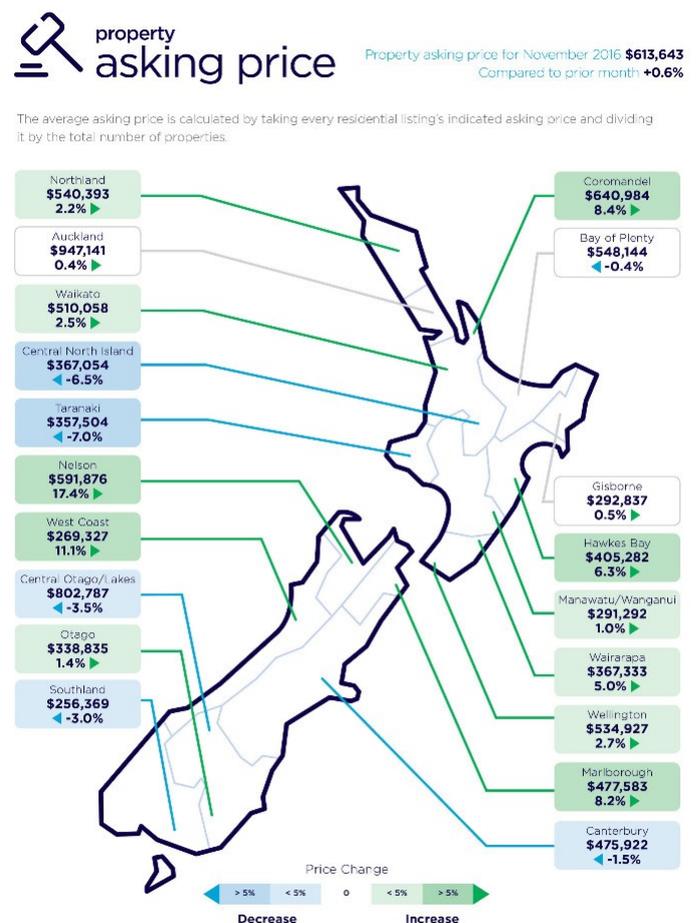
6. Declutter and clean

Clutter and uncleanliness don't present well and also make rooms look smaller. This means it is critical to clean everything. Wash curtains if necessary. Clear any surfaces like the tops of bookcases, the front of your fridge, the kitchen bench, dining tables, and desks.

7. Staging

If a property is empty, it is worth staging it. Buyers like to be able to visualise the property as a living space. Additionally, it is possible to stage a property so that it appeals to a target buyer group. As well as staging the interior, it is also worth staging the exterior. This can be done with outdoor furniture and pot plants.

Source: landlords.co.nz



Asking prices for new listing calculated as seasonally adjusted prices using X10 ARIMA methodology

RECENT SALES STATISTICS

NUMBER	ROAD NAME	SUBURB	VALUATION	SALE PRICE	LAND AREA	FLOOR AREA	BEDROOMS
4	Tui St	Alicetown	600000	630000	506	140	4
54	Norway St	Aro Valley	590000	720000	465	171	4
10	Holyoake Cres	Avalon	550000	592000	541	140	3
19	Park Rd	Belmont	380000	501000	0	100	3
30	Emerson St	Berhampore	455000	680000	255	100	3
84	Black Beech St	Birchville	340000	390000	516	90	3
27	Mills St	Boulcott	610000	800000	0	140	3
58b	Kanpur Rd	Broadmeadows	410000	650000	0	150	3
282	Mitchell St	Brooklyn	520000	600000	0	160	3
34	Clearwater Tce	Brown Owl	420000	490000	572	160	2
46	Wingfield Pl	Churton Park	305000	410000	0	100	2
1081	Fergusson Dr	Clouston Park	385000	405000	506	140	3
9	Jerome Way	Crofton Downs	380000	504500	779	80	3
424	Muritai Rd	Eastbourne	1040000	1200000	755	212	4
18	Redwood St	Elderslea	385000	492000	400	100	3
94	Copeland St	Epuni	320000	300000	0	110	2
222	Mark Ave	Grenada Village	610000	850000	549	208	4
66	Waipapa Rd	Hataitai	640000	885000	789	150	3
117	Houghton Bay Rd	Houghton Bay	550000	680000	509	100	3
121	Clyde St	Island Bay	890000	1325000	610	173	4
100a	Broderick Rd	Johnsonville	250000	354000	0	60	2
62	Nevay Rd	Karaka Bay	1210000	1235000	746	290	4
28	Richmond Ave	Karori	569000	630000	475	120	3
34	Clifton Tce	Kelburn	840000	780000	650	180	4
185	Major Dr	Kelson	500000	615000	544	150	4
43a	Ganges Rd	Khandallah	980000	1259000	376	208	4
13	Crawford Rd	Kilbirnie	670000	976000	486	180	4
20	Ontario St	Kingston	475000	755000	813	300	3
33	London Rd	Korokoro	650000	740000	2351	290	4
19	Colin Gr	Lower Hutt Central	610000	630000	0	100	3
13	Toru St	Lyal Bay	495000	707000	243	80	2
52	Mulberry St	Maungaraki	610000	660000	506	250	4
18B	Rangitane St	Maupuia	470000	612000	0	150	3
41	Aparima Ave	Miramar	550000	986000	506	130	3
4A	Myrtle Cres	Mt Cook	380000	495000	0	91	2
3	Stafford St	Mt Victoria	875000	1250000	216	170	3
125	Rata St	Naenae	285000	340000	626	90	3
15	Ted Gilbert Pl	Newlands	445000	720000	540	140	4
157	Owen St	Newtown	640000	973000	403	140	3
57	Crofton Rd	Ngaio	700000	995000	550	110	3
108	Oriental Pde	Oriental Bay	1540000	1767000	179	170	3
10-12-14 and 16	Rarangi Way	Owhiro Bay	0	800000	0	0	0
61	Hutt Rd	Petone	630000	720000	574	160	4
15	Cosgrove Rise	Riverstone Terraces	590000	690000	700	205	4
5	Lonsdale Cres	Rongotai	460000	575000	655	100	3
9g-19	Maida Vale Rd	Roseneath	0	420000	0	65	2
6	Beere Haven Steps	Seatoun	760000	1168000	489	230	4
76	Field St	Silverstream	430000	475250	500	100	3
19A	Cavendish Sq	Strathmore	720000	830000	301	271	4

Ray White®

Call us for a free appraisal



John Callam

Property Marketing Specialist

M 027 223 3126

Philippa Seidelin

Property Marketing Specialist

P 04 392 2430

M 021 148 2430