

Boy that month went by quickly. No doubt because we have had a very, very busy month.

We have been surprised by the level of interest from potential new owners and tenants as well. We must have done 20 rental appraisals for existing clients and new clients – several of out of town taking advantage of Christchurch's 'relatively' cheap housing stock. And they are looking at quality stock – new home builds particularly in Rolleston and Kaiapoi, new apartments within the city or recent builds.

Not something they may be looking at for long as recent figures released by RV show that house prices in Christchurch are increasing at a steady rate, as they play catchup with other major areas of the country.

Rent levels are at least stable, for the right property increasing, but still a long way off Wellingtons average rent which now exceeds \$625 per week.

Demands by tenants have broadened with us now getting enquiries about room x room rentals (something that had fallen away over recent months) and inner-city apartments seem to be coming back into favour. Slow but steady. There is again an interest in top-market properties in excess of \$1,000 per week.

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So, phase 2 of recent changes to the Residential Tenancies Amendments Act are now in force. Both sides of the argument have been taking media time to tell their stories and in our opinion both sides are guilty of extreme exaggeration when it comes to explaining the benefits and disadvantages of the changes.

Tenants continue to describe 'horrible' landlords and landlords continue to describe 'horrible' tenants. An independent listener to these arguments would reasonably believe that the majority of tenants and landlords are bad.

We all know this is not correct. The vast majority of landlords and tenants are excellent and cause little if any concerns to the other. We know there are a very small number of bad tenants and bad landlords whose actions are repeatedly promoted – we all know negative hype sells.

But it doesn't help to educate, inform or create an environment for change. Tenants dragging up stories of leaking, cold, rotting, homes for which landlords are demanding massive increases in rents. Landlords describing tenants as 'twirling bike chains above their heads' as on TV1 Breakfast last week. Really. How often has this happened. Never once to us over 13 years. Had it truly happened? If so what was the background and what was the outcome.

In our opinion both parties and their action groups need to calm down, encourage open discussion and meet with each other. Both sides have in our view legitimate concerns. Both sides need to listen to the other sides concerns and work towards common outcomes.

We don't know a landlord who wouldn't entertain long term tenancies. We know of instances when these have been offered but refused as the tenants wanted to retain their flexibility and ability to leave. We know of many instances when landlords have supported requests from tenants to make subtle changes to the property with in some instances a contribution from the tenant.

But tenants must also appreciate that landlord's circumstances also change over time and maybe they genuinely need to review their investments. Landlords cannot control many aspects of costs – who would have predicted a suggested 17% increase in rates in Wellington – and it is unrealistic for tenants to demand that landlords absorb such cost increases.

It is not an easy situation. There are pressures on all involved. Let's stop the up-man-ship, the rhetoric, the exaggeration, the suspicion. Let's

lower the emotion. Let's get the parties talking. All this negativity is impacting on everyone – not just those immediately involved.

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Associate Housing Minister, Poto Williams, describes the new laws as 'reflecting the realities of modern-day renting'. She says 'tenants can now make their house a home – to put down roots within the community'. 'We know that insecurity over tenure significantly impacts on families and older people and is directly linked to negative health, education and employment outcomes'.

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The media has been making a lot out of a reported 'blacklist' between landlords on which problem tenants are identified and the problems they allegedly caused are outlined.

We are unaware of but would not participate in such a blacklist. We agree that this would breach the privacy act. We will however provide honest information about tenants if verbally asked by a prospective landlord. We seek background information when we interview prospective tenants. We ask for references from past landlords, employers and social contacts. We also seek a credit reference. That is what our owners expect us to do. If want such information off others then we must be prepared to give information when requested.

We are entrusted to manage major investments for other parties and this starts with the selection of a suitable tenant. This doesn't mean a financially secure, professional applicant gets priority. Some of our very best tenants are supported by WINZ and have had social issues in their past but they look after the properties well and respect the fact that others are giving them an opportunity to get back on their feet.

We have to agree. Asking to see bank statements to identify how many times a potential tenant may go to McDonalds does seem unnecessary. It tells you nothing about them as people or about how good a tenant they would be. Likewise, religion, marital status or nationality doesn't say anything about them.

Blacklists, by their very name, focus on the bad points. They are open to exaggeration and bias. They don't serve any good. All information that you need to know about a potential tenant is available elsewhere or by asking.

RBNZ says it is concerned about the risk a sharp correction to the housing market could have on financial stability.

To help to stabilise this the RBNZ will re-introduce loan to value ratios (LVR's) effective from 1.3.21. These have been set at 20% deposit for first home buyers and 30% deposit for investors. In addition, lenders would be limited to no more than 20% of their lending to owner-occupiers with less than 20% deposit. Lending to investors will be limited to 5% with less than 30% deposit, rising to 40% from May 21.

RBNZ say that there was evidence of speculation and growth in heavily indebted people which threatens financial stability in the longer term.

However, several commentators believe that the re-introduction of LVR's will achieve little. They point to the fact that several leading banks and lenders had already, voluntarily, introduced limited some months back and there is little indication that these have had any impact if recent sales numbers and price growth are anything to go by.

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The continuing increase in house pricing has in fact led to a significant increase in the number of properties available on the market. The very thing that commentators have been saying would help to ease the price rises. In January 1,378 new properties came onto the market – the highest growth in 8 years. At the end of 2020 there were only 2,938 properties available so this represented an increase of 47%.

Creating more choice for buyers may reduce competition and impact on price. Time will tell but given that houses are selling in record time and prices continue to rise it seems something else is also going to be needed if the market is to settle.

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Sometimes you simply just make a mistake. Recently we added a new property manager to our team. A lovely person but sadly in the wrong place. It turned out that property management was not the correct role and we agreed to a parting of the ways. Unsettling for everybody – our owners and our team alike – but best to address early. Our apologies.

We are pleased to advise that Matt Pauletich has joined our team. We all wish Matt every success.