

Welcome to a new year everyone. The teams at Quinovic Merivale and Quinovic Rolleston trust that you all had a wonderful Christmas and New Year period and managed to get in some well-deserved relaxation.

Paige and I managed to get away twice. Firstly, we went up to the Coromandel. What a beautiful part of New Zealand this is. We did as many of the touristy things that we could over the 6 days. We will need to go again. Then we went up to Wellington. My sister owns a diving business in Petone and last year Paige earned her scuba diving qualification. This was a great opportunity for her to add some more hours. Wellington, like Christchurch has had an abysmal summer to date. Diving conditions were not brilliant but she had a ball.

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Traditionally we don't issue a newsletter in January (the Editor needs some time off) but there are a few things happening that we want to draw to your attention.

- Changes to the Residential Tenancies Act are starting to be implemented. For most of you this is information that we at Quinovic have to keep on top of but it is important that you also aware. Please look at the attached link which highlights those changes and the dates on which they become effective.

[Residential Tenancies Amendment Act 2024: Summary of changes](#)

- Over recent months we have highlighted that rents in several parts of New Zealand have fallen and that it is taking longer to find suitable tenants for many rental properties. Up until now this has not been the case in Christchurch area but since Christmas there has been a significant change within Rolleston.

Why Rolleston. We feel that there are a few reasons. The most significant is that a large number of new houses have been built in Rolleston over the past 2-5 years. Many were purchased by investors – particularly from outside Christchurch. We have now reached the point when supply outpaces demand. These are all great 3-4 bedroom family homes but it has become a renters market. Oversupply creates a market of negotiation and some landlords have reduced the rent simply to get tenants.

Rolleston has become a satellite suburb of Christchurch with many residents travelling into the city for employment. We have had some feedback that due to the economic downturn throughout the country people are watching those additional costs such as transport, fuel, parking etc. and are trying to find suitable homes closer to the centre. This will not always be possible but at least in the short term it is having an impact on demand within Rolleston.

- It is not only Rolleston. Christchurch has been inundated with new 2-3 bedroom townhouses many of which have been sold off plan and with the expectation of strong rentals. This has not turned out to be true.

Builders, and our council, have been trying to move people away from cars so in many cases these townhouses do not offer any form of car parking, let alone garaging. Potential tenants are clearly demonstrating that this is not what they want. Yes, they enjoy walking to work or to entertainment and meals but they still own a car, Resultant from this mismatch a good number of townhouses remain unsold. If they have carparking or garaging sales are strong but without this sales - and getting tenants - is proving difficult. Indicated rental levels are not materialising and some buyers are finding themselves in a difficult financial position. It has been reported that some properties are back on the market at prices up to \$200,000 lower than those first paid.

- **So, it is timely to reiterate what we have said many times over the years. If you are considering expanding your property portfolio please come and talk with us first. We have access to current actual rent levels, we know what the market is looking for, we know the profile of potential tenants and we know where people wish to live.**
- A slowing residential sales market is creating major problems for retirement villages across the country. There is NO shortage of people wishing to move into a village. The problem arises from the fact that they can not sell their existing home or that they cannot get the price they anticipated for that home.

- The slowing market is also impacting on lending institutions such as banks. Two major banks have further lowered interest rates in an endeavour to attract customers to their mortgage packages. Its all about market share so now is a good time to negotiate.
- Slowing sales have driven 8.5% of licenced agents out of the market since 2022.
- Slowing sales and a slow economy has led to increased speculation the laws around Foreign Ownership are being reviewed. Along with boutique immigration policies directed at wealthy individuals this is seen as a sure was to boost the economy.

So short and sweet this month. We do look forward to working with you during 2025 and we thank you for entrusting us with your property.

Kind regards  
Sharon.