



Jude Clark

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Licensed under the Real Estate Agents Act 2008

# PROPERTY UPDATE

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CALL TODAY FOR A CURRENT MARKET UPDATE

## New Protection for homeowners

If you're considering residential building work, from 1 January 2015 you'll be better protected. That's when new consumer protection measures took effect.

These changes encourage a professional, no-surprises relationship between you and your contractor. They should also enable you to make informed decisions about building work.

Key changes include:

- You must have a written contract for residential building work costing \$30,000 or more (including GST).
- If the work is \$30,000 (including GST) or more, or if you ask for it, your contractor must give you information about his or her skills, qualifications, licensing status, and the insurance or guarantees they provide in a disclosure statement before you sign a contract.
- Your contractor must also give you information about any ongoing maintenance requirements, insurance policies and guarantees or warranties once the building work has been completed.
- There's an automatic 12-month defect repair period when contractors have to fix any defects you've told them about.
- There are new ways to take action when warranties in the Building Act have not been met.
- Contractors can be fined if they don't comply with the law.

The Department of building and housing have prepared a booklet that summarises the key changes and can be downloaded at:

<http://www.dbh.govt.nz/UserFiles/File/Publications/Building/Building-Act/building-amendment-act-2013-consumers-booklet.pdf>

Low interest rates continue

### Reserve Bank keeps options open

The Reserve Bank of New Zealand has signalled that they are not likely to raise interest rates any time soon.

The Bank's Governor, Graeme Wheeler, said during a statement, released in Wellington on Thursday January 29th, that inflation could turn negative before returning to its target band and the official cash rate may be raised or lowered dependent on economic data flows.

While keeping the OCR (Official Cash Rate) at 3.5 percent, as expected, he said a move back toward the mid-point of the bank's 1 percent-to-3 percent target band for annual inflation may occur "more gradually than previously anticipate. In the current circumstances, we expect to keep the OCR on hold for some time. Future interest rate adjustments, either up or down, will depend on the emerging flow of economic data."

Commenting on the decline in oil prices he said that the 60 percent decline since June last year will have "a significant impact on prices and activity in New Zealand, most directly via the decline in fuel prices, this will increase households' purchasing power and lower the cost of doing business," he said. <http://www.rbnz.govt.nz/>

### Fences and your neighbours

A homeowner in Wellington wanted to replace the fences around her property that were in a poor state.

She had obtained a very reasonable quote, and visited the neighbours on either side of her house to seek their approval. She had hoped the neighbours might be willing to contribute towards the cost of the work, since the fences sat right on their boundaries. One set of neighbours was very happy with the idea, and agreed to contribute, but the other neighbours didn't want to contribute at all.

Neighbours of adjoining properties usually do have to contribute to the cost of a new fence.

You should always try to reach an agreement with your neighbour/s before starting to build a fence around your property. However if a neighbour will not agree, there are requirements under the Fencing Act with which you must comply.

These requirements include giving your neighbour a Fencing Notice which sets out:

- The boundary to be fenced
- The type of fence
- How much it will cost
- When work will start

The Notice gives your neighbour 21 days to object to the work and/or present a counter proposal.

If your neighbour doesn't respond within 21 days of the Notice being given, s/he is deemed to have accepted your proposal, the fencing work can start, and the neighbour is obliged to pay their contribution. However, if s/he is not willing to contribute you can have the matter decided by the Disputes Tribunal or the District Court, depending on the value of the fencing work.

Louisa Gommans Rainey Collins Lawyers [www.raineycollins.co.nz](http://www.raineycollins.co.nz) and follow us on Twitter @RaineyCollins

### Win Deluxe High Tea for 4 at Logan Brown Restaurant

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

To go in the draw:

Email your details to [leaders@homenet.co.nz](mailto:leaders@homenet.co.nz) with Logan Brown as the subject and state the name of the Leaders Agent who provided your entry or Mail your entry to: "Leaders High Tea Competition" P.O. Box 24262, Manners Street, Wellington 6011. The winner of last month's draw Deluxe High tea for 4 was: K. Quartermain of Karori.



Name: .....

Address: .....

Phone: .....

The Leaders Agent who provided my entry: .....

### WELLINGTON REGIONAL COMPARISON

SALES AREA	SALES		MEDIAN DAYS TO SELL		MEDIAN SALE PRICE		SALES AREA	SALES		MEDIAN DAYS TO SELL		MEDIAN SALE PRICE	
	DEC 13	DEC 14	DEC 13	DEC 14	DEC 13	DEC 14		DEC 13	DEC 14	DEC 13	DEC 14	DEC 13	DEC 14
	000s												
Wairarapa	54	61	46	52	\$276	\$246	Pukerua Bay/Tawa	64	70	27	36	\$406	\$412
Wellington Central	45	71	30	42	\$440	\$480	Lower Hutt	107	160	28	34	\$394	\$371
Wellington West	40	53	22	25	\$550	\$590	Upper Hutt	58	67	40	36	\$336	\$360
Wellington East	27	47	21	30	\$535	\$530	Otaki/Paekakariki	93	114	30	41	\$339	\$365
Wellington South	27	48	18	28	\$509	\$510	Levin	21	22	49	47	\$160	\$155
Wellington North	63	75	24	28	\$450	\$512	Compiled from the Real Estate Institute of NZ statistics <a href="https://www.reinz.co.nz">https://www.reinz.co.nz</a>						



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