

# Property Focus

## Contemplating a renovation this summer

Have you been reading those home renovation magazines over the holidays and feel a bit of DIY coming on? Well get stuck in then - all it takes is some research, planning and creativity but remember there are some rules you still need to adhere to before you get going.

If you're building or renovating, it is likely you will be affected by the Building Act. As the homeowner, it is important you make sure work on your property is done in accordance with the law. It must be done to a good standard for your protection, and to protect people who buy your property in the future.

There is a very informative section on the Department of Building and Housing website which can give you essential information about your rights and responsibilities as you build or renovate. It tells you what you need to do at each step to ensure your building project is legal, which will help avoid potentially costly mistakes or delays later on. It also explains how the law will protect you if things don't go to plan.

There are some changes scheduled that you do need to know about if you are planning renovations for the months to come. From 1 March 2012, if you undertake structural work or work that affects the weathertightness of a building, and the building is residential, then that work may be classified as "Restricted Building Work" (RBW). From that date, RBW can only be done and/or supervised by a Licensed Building Practitioner (LBP).

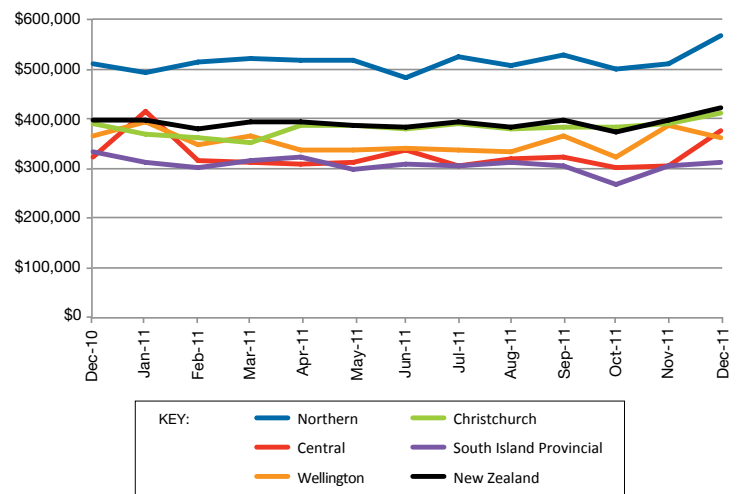
If your building plans need building consent from your Council, it will be Restricted Building Work. If your plans will be lodged AFTER 1 March your designer MUST be an LBP – a registered architect or chartered professional engineer, they are already considered to be an LBP for design services.

If you apply for a building consent after March 1 you must make sure that the practitioners you use are correctly licensed to carry out the work. Licensed building practitioners include designers, carpenters, roofers, external plasterers, brick and block layers and foundations specialists. Professional engineers, architects, plumbers and gasfitters are treated as licensed building practitioners and can carry out some restricted building work.

So with all the above in mind, get to work, get creative, be safe and enjoy.

*Content sourced Department of Building and Housing 2012*

## Harcourts Written Average Sale Price



With the distractions of the elections and Rugby World Cup behind us, New Zealanders have been turning their focus to real estate in a manner not seen in 24 months. Harcourts, New Zealand's largest real estate group, have seen figures reflect both settled and written sales numbers for the group at two year highs. The Northern region, Christchurch and South Island provincial markets all showed significant increases in activity while the Waikato and Wellington regions continue the trend of following Auckland and Christchurch with signs of confidence returning. The Waikato did see some strong rural activity returning with a number of large sales concluded including one for in excess of \$7.7 million. This does reflect the returning confidence in the rural sector and will have strong flow on effects into the rest of the economy.

November in the Northern region saw new properties coming to market continuing to tighten while written sales rose as some were eager for results pre-Christmas. The Central region's activity warmed and the summer months in the rural sector brought confidence.

As insurance continues to be the main issue in Christchurch the average sale price still remains up and although listings are still scarce, property that is available, is selling. The remainder of the South Island continues to show positive times of strong activity in all areas and although the average sale price is down slightly on November 2010 it is the highest it's been since August 2011.

Look out for an update on December 2011 and January 2012 in February's upcoming MarketWatch.

*(Source: Harcourts Group Ltd, 2012)*

# Next steps for Canterbury rebuild

Just before the Christmas break Christchurch residents experienced a large jolt on Friday the 23rd of December registering 5.8 on the richter scale. A series of earthquakes followed with a 6.0 magnitude aftershock at 3.18pm, centred 10km east of Christchurch in South New Brighton. There was also a 5.3 magnitude quake at 2.06pm and a 5.0 at 4.50pm.

People were urged to stay away from hill suburbs because of risk of rockfalls, and the Coastguard had rescued four people who were trapped by rockfall in Boulder Bay. Major holes in the road were reported to have opened up on Broadhaven Avenue, and liquefaction was reported in Avonside. For many eager travellers, Christchurch Airport remained evacuated for hours, with literally hundreds of people standing outside with their luggage.

How much more can they take? Will it ever end? When will Christchurch be returned to its former glory? Will it be rebuilt? These questions and many more wrack the brains of all Cantabrians as aftershocks and minor tremors kept them on their toes over the Christmas break.

One area that has been given the go ahead to submit a business case is Christchurch's District Health Board for the rebuilding of Christchurch's hospitals.

Health Minister Tony Ryall says the 'modified greenfield' option being considered involves rebuilding most of the clinical wards at Christchurch Hospital including a new acute services wing. It also includes a new specialist centre for older peoples' services at Burwood Hospital.

"Canterbury DHB had already identified capacity problems due to its growing and ageing population- and had begun to plan for that - but the Christchurch earthquakes made the situation a lot worse," says Mr Ryall. "The price tag for the redevelopment could be in the vicinity of \$600 million. We need to meet the future needs of the people of Canterbury and make sure it is affordable. The DHB will now prepare a business case to the Government which will incorporate more detailed plans for the design and make-up of the buildings that will future proof Canterbury's health infrastructure.

Mr Ryall said they have also requested that Canterbury DHB and the National Health Board sound out what opportunities exist for a public private partnership (PPP) to build the new facilities which could include design, build and management of buildings, and some non-clinical support services. Mr Ryall says with this model the DHB will still maintain full responsibility for delivering public health services.

"The process will explore whether or not a PPP may suit the Canterbury redevelopment. In the current economic situation, the Government expects DHBs to look outside the square when it comes to achieving value for money in capital projects. There is already a wide range of private involvement in the public health service - and similar public private infrastructure partnerships have worked well overseas," says Mr Ryall.

A decision on any public private partnership would be considered as part of the business case.

## Did you know?

- New dwelling consents increased from 1,238 in October 2011 to 1,348 in November 2011; with 1,275 for non-apartments and 109 for apartments. The number of new dwelling consents dropped by 5.9% compared to November 2010. (Source: Department of Building and Housing January 2012)

- Nationally for the month of December 2011, exclusive listings dropped 3.9% when compared to the month of December 2010
- There have been some 7,700 aftershocks in total in Christchurch.
- Auctions and tenders rose 19.8% and property on hand decreased 1.2% while written sales jumped 13.3%. All these indicators are for the month of December 2011 and in comparison to the same month in 2010. (Source: Harcourts Group Ltd.)

- Global reinsurer Swiss Re says the New Zealand insurance industry will cover about 80 percent of the overall cost of the Feb. 22 quake and 81 percent of the earlier September quake according to its internal database. That's significantly higher than similar coverage for seismic events, and shows New Zealand has one of the highest rates of earthquake insurance penetration. (Source: scoop.co.nz)