

WINTER TIPS: WISDOM FROM SEASONED INVESTORS

Add value, comfort and longevity to your dwellings this winter, writes **Liesl Johnstone.**



**THE BETTER YOU TREAT
YOUR TENANTS, THE BETTER
THEY'LL TREAT YOU**

ONE OF THE most rudimentary rules in property investment seems almost ridiculous to spell out: Bring investment properties up to high functional and aesthetic standards, and then maintain them at that level.

Otherwise you're not investing a future of great cash flow, or in your tenants' well-being. These go together.

If that's intelligence-insulting, read on, as the details of such maintenance are often not as blatantly obvious.

As property investors, there are typical imperatives; certain annual checks if you want consistently good yields, low tenant turnover, plus a valuable, saleable asset.

Each of the interviewed property investment experts – Tony Brazier, Tania Ellis, Adam Armstrong, Karen Warman and Mark Trafford – mentioned heating, ventilation, damp and mould reduction as the salient cold-month issues.

For instance, at least one heat pump should be installed if none are current. Giving optimal heat output, these dry out the air, and mould is reduced.

Tenants may not necessarily know that their space needs regular air-change and air-flow. It should always be explained that dampness and 'condensated' rooms take far more power to heat than dry spaces. Ask tenants to open windows and doors on clear, dry days to prevent condensation from building. Also, if the house's construction (for instance, unlined concrete



The owner of this Phillipstown rental home recently spent around \$35,000 on renovations including double glazing, greatly increasing the home's quality, warmth, and desirability. Yielding just \$209 per week before; now \$339, with a return of 19.3% on money invested in improvements.



Adam Armstrong, private property investor and also on the team at Braziers in Christchurch - believes in treating his tenants to superior aesthetic renovations. He taught himself how to tile several years back.



Woolston rental
After spending \$45,000 on renovations...of upgrading kitchen and bathroom, painting, and increasing the home's warmth factors - the rental has gone from \$285 per week to \$370

block) has left it prone to moisture, consider installing an air-flow system such as a DVS or HRV.

Sometimes security anxiety is why, when tenants rush to work straight after showering, they don't leave a window open. The answer is to install extractor fans with sensors in each and every bathroom. Tell the electrician that you want to install a fan that runs for at least seven minutes after the light/fan is turned off. Adding quality window stays in bathrooms is another strategy routinely practised by Mark Trafford, owner of Maintain-To-Profit, Auckland.

Installing a Showerdome to an existing shower-box is yet another ingenious solution to prevent steam from travelling through the home.

Tania Ellis, a Christchurch property manager for Whittle, Knight and Boatwood, says that as well as adequate heat-pump installations, insulation and upgrading general presentation are equally important. Overseas buyer perceptions that our housing stock is inadequately heated and insulated are all too often true, she says.

"It's not good enough to know that ceiling insulation was installed a few years

back," Ellis says. "It becomes compacted and ineffective over time and needs topping up."

Tony Brazier, of Brazier Property Investments, Christchurch, believes in regularly measuring insulation thickness. If less than 75 mm in the ceiling, a further insulation layer is ideal. Another tip is to check for, and fill, gaps where a tradesperson may have shifted insulation and created a thermal bridge where heat will routinely escape. He also looks to seal draughts, either with rubber strips or through pumping foam into gaps, and installs screens if outside doors face prevailing winds.

In general, it makes sense to ask yourself what you'd do with a property if you lived there. Tania Ellis and Adam Armstrong are equally adamant about this one.

"Many of us are sometimes owners and sometimes tenants, depending on a lot of factors and timings in our lives," Ellis says. "We shouldn't be treating tenants as second-class citizens. As a nation we're raising our residential standards; of which good heating is number one. As owners we should make improvements such as installing extractor fans in all kitchens and bathrooms, adding to the number of power points an older property will have, and ensuring the curtains are pristine, attractive, and insulating."

Ellis believes property owners need to budget for some such maintenance annually.

Tony Brazier would agree. Some of his suggested winter-proofing, however, can possibly be done by the owner-investor, if time is more ready than money. A few of the annual checks may lie within the owner's skill-set, such as looking (taking great care about safety) for cracks in concrete or clay roof tiles.

With his properties, Tony likes to start at the top, literally. If there are no roofing leaks, he moves onto examining spouting. Ideally, spoutings should be cleaned every

autumn. Down pipes and storm-water pipes can then be checked by running a hose into them and leaving it on for 20 minutes. If blockages need clearing, water will pool and bubble around foundations. If you've found a problem, you can take action and prevent a much larger problem later, such as foundations which crack and appear to be sinking further into increasingly soggy ground.

Another 'renovation' which should be annual is to keep bushes and trees well clear of buildings. Get in between greenery and your property, and trim it well clear of the roof, spoutings and the dwelling's veneer. A working lifetime of property investing has taught Brazier that lack of air-flow down the sides of the house just encourages rot and, in the case of weatherboard homes, borer infestation. Trimming well away from windows is also good to capture adequate sunlight.

Adam is a firm believer in going the extra mile for tenants...such as making sure the property's hot water cylinders are properly insulated, thus saving them cash on power usage. When making a property upgrade, he urges other investors not to skimp.

"The better you treat your tenants, the better they'll treat you. They're your clients. What bothers them should bother you." ■

10 TOP TIPS

- 1 Assess your properties for their winter comfort levels. Are they warm and dry?
- 2 Clear out gutterings annually. While outside, kill any moss and mould with a product such as Resene Moss & Mould Killer, and consider making deck areas safe against slippages with Resene Non-Skid Deck & Path; a textured paint for walking areas. (Karen Warman, of Resene, suggests mould-kill is effective if done twice a year).
- 3 Check, or have the roof examined annually. Have any tiles cracked or moved? Seal any gaps.
- 4 Trim greenery well clear of all built structures, leaving air able to flow in all directions.
- 5 Have the heat pump/s serviced once a year at least, for optimal heating and prevention of dusty inefficiency.
- 6 Do an insulation audit. Does ceiling insulation need a top-up? Would it be possible to add under-floor insulation? If yes, do it. It's a one-off cost for a far more comfortable, dry home.
- 7 Install a showerdome, or at least extractor fans in all bathrooms. A small investment which will pay dividends in dryness throughout.
- 8 Check all windows and doors for looseness and draughts, and tighten them up with extra stays if necessary. Install rubber runner strips at the base of doors and stop all gaps after how-to advice from the local hardware store.
- 9 If exterior painting, consider the value to be found in Resene X-200, which acts as a weather-tight membrane on such well-prepared surfaces as plaster or brick, where any mould has already been killed.
- 10 Outside, if a doorway faces a prevailing wind, consider erecting a screen/trellis and growing plants along or upward for increased shelter.