

LANDLORD GUIDE



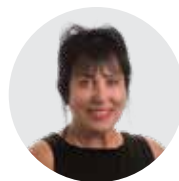


WELCOME

At Bayleys Property Management, we're passionate about helping you achieve the best outcomes for your investment property. As part of the trusted Bayleys brand, which has been serving communities for decades, we bring a legacy of reliability, professionalism and local expertise.

With thousands of properties under our care across Waikato and Taranaki, our dedicated team ensures your property is not just managed but nurtured to its fullest potential.

“ At Bayleys, we believe in delivering an exceptional level of service to our landlords. We genuinely care about people and their properties, treating each home with the same dedication as if it were our own. Our mission is to provide peace of mind while ensuring every landlord feels valued and supported. ”



Joanna Martinez-Hart

Joanna Martinez-Hart
General Manager
Property Management

ABOUT US

Bayleys Property Management stands at the forefront of the property management industry. We don't just manage properties - we lead the way in setting standards and adopting innovations.

Our property management department has grown to oversee thousands of properties, combining the strength of the Bayleys brand with a commitment to excellence in property care.

Staying ahead of the industry

What sets us apart is our proactive approach to industry changes. Whether it's adapting to new regulations, implementing advanced marketing techniques, or upskilling our team, we ensure your property remains compliant, competitive, and optimally managed.

Our focus on continuous improvement means your property is always in expert hands.



BAYLEYS





FULL MANAGEMENT SERVICE OFFERING

We combine market-leading expertise with personalised service to ensure your property is managed to the highest standard. Here's what makes our service offering unique:

Thorough Tenant Screening and Careful Selection.

Finding the right tenants is key to protecting your property. We conduct rigorous background checks, including credit history, references, and employment verification, to minimize risks and ensure reliable tenants.

Legislative Compliance and Tenancy Agreements.

From meeting Healthy Homes Standards to ensuring smoke alarm compliance, we keep your property legally compliant. We also prepare and manage all tenancy agreements to protect your interests.

Our in-depth service allows you to choose the level of involvement you prefer while we handle the details.

Whether it's securing the right tenants, maximising rental income, or ensuring legal compliance, Bayleys Property Management provides unmatched peace of mind and expertise.

Setting the Rent and Strategic Marketing.

We use in-depth market research to set competitive rental pricing and design targeted marketing campaigns that minimise vacancies and attract high-quality tenants.

Bond Management and End-of-Tenancy Processes.

From bond collection and lodging to managing final inspections, we handle all aspects of tenancy transitions seamlessly. Our team ensures your property is ready for the next tenant.

Proactive Maintenance and Routine Inspections.

Our team conducts regular inspections, providing detailed reports with photos, and promptly addresses maintenance issues with trusted tradespeople. This proactive approach ensures your property remains in excellent condition.

Maximising Your Rental Income with Strategic Adjustments.

By regularly reviewing market trends, we help you set the optimal rental price for your property, maximising your returns while staying competitive.

Dispute Resolution and Tribunal Representation.

Should issues arise, we represent landlords professionally at the Tenancy Tribunal, managing disputes efficiently and effectively.

Rent Collection and Financial Transparency.

We manage all aspects of rent collection and disbursement, providing clear financial reports to keep you informed about your property's performance. Reports are sent to you directly but can also be accessed through our user-friendly online portal.

Resolving Tenancy Issues Swiftly and Professionally.

From late rent payments to maintenance disputes, our team handles tenancy issues promptly and professionally, ensuring both landlord and tenant satisfaction.

OUR FEES

Our pricing structure is transparent and competitive, offering exceptional value for the comprehensive services we provide;

Management & Maintenance Fee	8.5% + GST
Letting Fee*	One week rent + GST

Contact us for a detailed breakdown of costs tailored to your property.

*Maximum of two letting fees, per property, per year

OUR SERVICES

Full Management

End-to-end management of your property, including tenant selection, compliance, and maintenance.

Tenant Selection

Find the perfect tenant with our rigorous vetting process.

Switching from another company

Switching to Bayleys is simple. We handle all the details to ensure a smooth transition.



THE LANDLORD JOURNEY

From onboarding to rent collection, we've got you covered. Our process is designed to be thorough, seamless, and transparent, ensuring every step is managed with care and expertise. From the moment you partner with us, we handle everything from preparing your property to selecting the right tenant, and beyond. Here is what to expect;

01**Initial Consultation**

Begin with a friendly meeting where our team learns about your property and your goals. We'll answer all your questions and explain how we can help.

02**Comprehensive Property Appraisal**

Receive a detailed rental appraisal with insights on rental value, suggested pricing, and strategies to maximise your rental income. Our recommendations are based on market knowledge and property-specific factors to help you make informed decisions.

03**Property Preparation and Compliance**

Our team guides you through ensuring your property is ready to rent, including meeting Healthy Homes Standards, conducting necessary maintenance, and advising on presentation improvements.

04**Tenant Selection and Marketing**

Using strategic advertising and thorough tenant screening, we ensure the right tenants for your property. This includes leveraging multiple platforms to minimise vacancy periods and maximise exposure.

08**Annual Market Review**

Each year, we assess market conditions and review your property's rental performance, providing recommendations to help keep your returns competitive and optimised.

07**Regular Updates and Communication**

Stay informed with financial and inspection reports. These are always available on request, with the option to access them via our online portal if preferred.

06**Ongoing Management and Inspections**

We take care of rent collection, handle maintenance requests, and conduct routine inspections. Detailed reports with photos are shared for transparency.

05**Lease and Legal Documentation**

Seamless management of all tenancy agreements, ensuring full compliance with New Zealand laws and a smooth start for your tenants.

RENTAL APPRAISAL



We'll provide a no-obligation rental appraisal of your property to help determine a realistic rental price based on market insights and property-specific factors.

Our property managers will guide you through the appraisal process, explaining how rental expectations are determined and highlighting key influences such as location, property condition, and tenant demand. This ensures you have a clear understanding of your property's rental potential.

If you haven't already done a rental appraisal, speak to an Bayleys Property Manager to get yours today!

TESTIMONIALS

The Full Package

"I wanted to take a moment to express my gratitude. You and the team have been truly outstanding throughout my time here. The level of professionalism, support, and care provided has made my experience exceptionally positive. I am very happy with the services and the overall management provided. Thank you for everything, and I wish you and the team continued success."

Aqib Saghir (Landlord)

Seamless Experience

"We would like to express our gratitude for the care and attention you and your team have provided in managing the property for the last 7 years. It has been a great experience working with you and we will certainly consider investing in Hamilton again once we are settled. We look forward to using your services again in the future."

Stanley (Landlord)

A Professional and Trusted Team

"Glenn and I would like to take this opportunity to thank you, for being excellent property managers. We have loved living here for the past year and a half. We have found it very easy to contact you when needed, and any maintenance requests, and special requests for exceptions, have been reviewed and acted on in good time."

Cathy (tenant)

Attentive and Stress Free

"I would like to thank you for all the hard work you have put in, in the last 4 years.

You made renting mum and dad's house out stress free, and how professional you were when I called you to discuss issues. I would highly recommend you to anyone looking for a property manager."

Cindy

Flexibility and Tailored Service

"Highly recommend Aleah and her team if you are wanting to rent out your investment property! She was very efficient, straight forward and well informed on the rental market. The process was stress free, and she was amazing to work with."

Stevie (Landlord)



LEGAL CONSIDERATIONS

As a landlord, it's important you stay informed about key legal responsibilities to protect your property and ensure compliance. We will keep you up to date on all these considerations but here they are in a snapshot for your reference;

Healthy Homes Standards

All rental properties must meet New Zealand's Healthy Homes Standards, which cover heating, insulation, ventilation, moisture ingress, and draught stopping. Compliance is mandatory and ensures tenant well-being while avoiding penalties.

Smoke Alarm Compliance

To meet safety regulations, properties must have functional smoke alarms installed in specified locations. We work with a trusted provider to ensure compliance, with regular checks and replacements as needed.

Methamphetamine Testing

While not legally required, testing for meth contamination between tenancies can protect your investment and provide peace of mind for both you and your tenants.

Swimming Pools and Safety

Properties with swimming pools or spas must adhere to safety regulations under the Building Act 2004, including compliant fencing and regular maintenance to prevent accidents.

Tenancy Agreements

All tenancy agreements must be in writing and include mandatory clauses under the Residential Tenancies Act. Clear agreements protect both parties and minimize disputes.

Bond Management

Any bond collected must be lodged with Tenancy Services within 23 working days. Proper handling of bonds is crucial to avoiding fines and maintaining trust.

Property Maintenance

Landlords are responsible for maintaining properties to a safe and habitable standard. Promptly address repairs and ensure essential services like water and electricity are functional.

Insurance Obligations

Provide tenants with a copy of your insurance policy upon request to promote transparency and clarify responsibilities. We also notify tenants of any changes to insurance excess to keep them informed.

Access and Privacy

Respect tenant privacy by adhering to notice periods for property access. Unauthorised entry can breach tenant rights and lead to legal disputes.

FAQS FOR LANDLORDS

What responsibilities do I have as a landlord?

As a landlord, your primary responsibilities include maintaining the property in a safe and habitable condition, complying with Healthy Homes Standards, making necessary repairs, providing proper notice before entering the property, and managing the property according to New Zealand Tenancy laws.

How do I determine the right amount of rent to charge?

Setting the right rent amount involves researching current market trends in the local area, while taking into consideration the property's location, size, condition, and amenities. It's important to balance competitive pricing with your investment goals to attract and retain quality tenants. Our experienced property managers can provide a detailed market analysis, with a recommended rental amount.

What is a bond, and how much is this?

A bond is a predetermined sum of money paid by the tenant at the beginning of the tenancy. This amount must be lodged at the Bond Centre within a certain timeframe and is securely held by the Bond Centre at Tenancy Services throughout the duration of the tenancy. The bond acts as security for you, the landlord, against potential damage to the property or unpaid costs including rent.

Typically, the bond amount is the equivalent of four weeks' rent. This must be returned to the tenant at the end of the tenancy, provided there are no damages or outstanding costs or rent.

Who is responsible for utilities and council rates?

Generally, tenants are responsible for paying for utilities like electricity, gas, and internet, unless otherwise agreed upon in their Tenancy Agreement. Water rates will be charged directly to the landlord by the local council. The property manager can then bill the tenant for the required amount to reimburse the landlord.

What happens if the tenant is late paying rent, or misses a payment?

If a tenant is late paying rent, the property manager will work with the tenant to get the rent paid on time and ensure no payments end up being missed. Tenants are encouraged to set up automatic payments through their bank to ensure they pay consistently and on time.

If issues persist, and the tenant continues to be late paying or falls into arrears (owing less than 21 days rent) the property manager can issue them with a 14 day notice to remedy. If the tenant owes 21 days of rent or more, the property manager can apply to the Tenancy Tribunal for termination of the tenancy. Our property management team can handle these situations professionally and in compliance with legal standards.

Can the rent be increased during the tenancy?

Yes, this includes both fixed and periodic tenancies. Your property manager will conduct annual rent reviews to ensure your investment property is still receiving optimal rent in the current market. If a rent increase is required, tenants will be given at least 60 days' written notice, in accordance with New Zealand Tenancy Law. Rent increases can only occur once in a 12 month period.



What are my obligations under the Healthy Homes Standards?

The Healthy Homes Standards require landlords to ensure their rental properties meet specific standards for heating, insulation, ventilation, moisture ingress and drainage, and draught stopping. These standards aim to improve the quality of rental homes and ensure that tenants have healthy and comfortable living conditions.

At Bayleys, we have a Healthy Homes Coordinator who supports our Property Managers to ensure your property is compliant with these standards. There is a fee for Healthy Homes checks, but once completed we can assist you in bringing your property up to standard in the most cost effective way.

How are tenant disputes handled?

Handling tenant disputes involves clear communication, understanding the legal rights and responsibilities of both parties, and often mediation. If disputes escalate, the Bayleys Property Management team will represent you in Tenancy Tribunal hearings. Such occurrences are rare, but our team are experienced and well-versed in tribunal proceedings, and will help mitigate and professionally manage any disputes.

What insurance do I need as a landlord?

Landlords need to have their investment property insured with cover specific to rentals. Some premiums can also cover things like loss of rental income, vacancy periods or tenant damage. Tenants should have their own insurance for things like contents and liability.

What does a property manager take care of?

A property manager handles a wide range of tasks to ensure the smooth operation of your investment. This includes marketing your property, screening potential tenants, tenancy agreements and documents, conducting routine inspections, managing repairs and maintenance, collecting rent, and handling tenant disputes. Property managers also ensure compliance with all relevant laws and regulations.

Why is it better to use a property manager than manage my property myself?

Using a property manager offers several advantages:

- **Professional expertise:** Property managers are well-versed in property legislation, regulations, and market conditions, which helps in making informed decisions.
- **Efficiency:** They have systems and processes in place for tenant screening, rent collection, and maintenance issues, ensuring that all aspects are handled efficiently.
- **Stress reduction:** Managing property can be stressful, especially when dealing with difficult tenants or legal issues. A property manager relieves this burden.
- **Maximised profitability:** Their experience in setting appropriate rental rates and marketing strategies can help you achieve higher occupancy rates and reduce turnover, maximising your rental income.

Are property managers responsible for all repairs and maintenance issues?

Property managers are generally responsible for addressing routine repairs and maintenance issues as part of their management duties. They are the first point of call for tenants, day and night, and coordinate with tradespeople, manage the repair budget, and ensure that repairs are completed in a timely and cost-effective manner.

What happens if the tenant damages the property?

If a tenant damages the property, the process typically involves several steps to resolve the issue and recover costs:

- **Assessment:** The property manager will assess the damage and determine whether it goes beyond normal wear and tear.
- **Notification:** The tenant is notified of the damage and the need for repairs, providing them with an opportunity to either make the repairs themselves or agree to cover the costs.
- **Repair:** If the tenant does not address the damage, the property manager arranges for repairs to be made.
- **Documentation:** All communications and repairs are well-documented in case further action is needed, such as claims against the bond or legal proceedings.
- **Bond Claim:** A claim against the tenant's bond can be filed with the Bond Centre, to deduct the cost of repairs.

How can I end my agreement with a property manager?

Terminating an agreement with your property manager involves reviewing your management contract to understand any terms regarding notice periods and termination procedures. Typically, you must provide written notice within the specified time frame. If you are dissatisfied with the property manager's service, it's also advisable to discuss the issues with them or their management first, as they may be unaware of the issues and willing to make necessary adjustments.

How are property management services charged?

Property management services are typically charged in one of several ways:

- 1. Percentage of Rent:** The most common fee structure is a percentage of the monthly rent, usually ranging from 8% to 12%, depending on the level of service provided. This fee covers the day-to-day management of the property, including tenant screening, rent collection, maintenance coordination, and inspections.
- 2. Setup or Admin Fee:** Some property management companies charge an initial setup or admin fee to cover property inspections, creating a management plan, and setting up tenant agreements.

- 3. Letting Fee:** This fee is charged for each new tenancy and covers the cost of marketing the property, conducting viewings, tenant screening (including credit and reference checks), and preparing lease documents. Letting fee is limited to two letting fees, per property, per year.

- 4. Maintenance Coordination Fees:** Some property management companies apply a fee for coordinating repairs and maintenance on behalf of the landlord. This can either be a fixed fee or a percentage of the service cost. At Bayleys Property Management we charge a 8.5% + GST maintenance fee.

- 5. Tenancy tribunal representation fee:** Some property management companies charge an additional fee to cover legal costs and tribunal proceedings. At Bayleys, tribunal representation services are included in our management fee, with no additional cost to the landlord.

What tax expenses can be claimed back on investment properties?

Landlords can claim a variety of tax-deductible expenses related to the management and maintenance of their investment properties, which can significantly reduce their taxable income. It is important you liaise with your accountant on these claims prior to making property investment decisions. Some common deductible expenses include;

- 1. Depreciation:** You can claim depreciation on the cost of fittings and fixtures like appliances and carpets (you can't claim on land and buildings).
- 2. Repairs and Maintenance:** Costs for repairs and maintenance to keep the property in good condition are typically deductible.
- 3. Property Management Fees:** Fees paid to property management services are fully deductible.
- 4. Insurance:** Premiums paid for building, contents, and landlord insurance are deductible.
- 5. Council Rates and Land Taxes:** Payments made for council rates and land taxes can be claimed.
- 6. Travel Expenses:** Travel costs for property inspections or maintenance can sometimes be claimed.

It's important to keep detailed records of all expenses as proof for tax purposes and consult with your accountant to ensure compliance with NZ tax laws and to maximise your tax benefits.

Measurably Better

bayleys.co.nz/propertymanagement