Dear Property Owner,

**IMPORTANT NOTICE:RISK, LIABILITY, HEALTH AND SAFETY COMPLIANCE REQUIREMENTS**

The residential investment property landscape has changed considerably in the last year and likely will continue to change going forward.

Our job, as your professional Property Managers, now has added complexity due to increases in matters of compliance, risks and liabilities. Whilst rental increases are recommended when appropriate, there are also significant increases in costs in owning and managing an investment property, especially in the current political and economic climate.

The risks, liabilities and obligations include but are not limited to:

* Insurance claims for Methamphetamine contamination have increased with IAG paying out over $14 million in claims in the last 12 months.
* As of July 2016, all rental properties needed to meet the smoke alarm requirements and they have to be checked between each and every tenancy. Failure to comply could result in exemplary damages of up to $4,000 as this is a breach of the Residential Tenancies Act.
* All residential rental properties will need to have the appropriate insulation installed by 1 July 2019 and currently all tenancy agreements must include the type of insulation in the property, where the insulation is. Landlords can face exemplary damages of up to $500 if they fail to state this on their Tenancy Agreement.
* Compliance with the Health and Safety at Work Act as meant that Uno Property Management has had to make considerable investment to ensure that we remain compliant with this new legislation.
* Please [click here](https://drive.google.com/file/d/0B9X9i85rpKt5SVExd05jUm1ScjQ/view?usp=sharing) for more information on the actual legislation and requirements on smoke alarms and insulation, also additional commentary on how to deal with Meth (P) issues surrounding rental properties.

As your preferred Property Management Company, Uno Property Management takes our responsibilities in protecting your assets seriously. It is vital that we continue protecting and educating our owners so that matters are organised and completed in a timely and stress free manner. We will make sure to the best of our ability that you remain compliant.

**In order to sustain the level of service to deal with the increased risks, liabilities and workload, we will be introducing an additional Annual Risk and Compliance fee of $340 + GST per tenancy for all properties under management.   This fee will be charged in June each year or anniversary of the commencement of management, whichever is earlier.**

This fee has had to be introduced to cover the following aspects of our business:

* To cover the cost of increased training, administration, insurance and additional processes Uno Property Management is now required to undertake on your behalf.
* Dealing with companies for the purpose of insuring that your property is compliant with changes around smoke alarms and insulation of your property under the terms set out in the Residential Tenancies Act.
* Negotiate the best deal / group discount (we have done extensive market research on insulation and welcome any questions around insulation prices.) for insulation of your property and manage the entire process from start to finish;
* Where appropriate and as requested, facilitate tests for Methamphetamine in between tenancies and deal with any contamination issues that arise including insurance and Tenancy Tribunal claims.
* With permission of the owner, we can also facilitate random Methamphetamine checks during the tenancy when the tenancy is longer than 12 months;
* Please [click here](https://drive.google.com/a/unoproperty.co.nz/file/d/0B9X9i85rpKt5aWhoNUFSdWxKQUk/view?usp=sharing) for detailed processes that we undertake to manage risks and compliance of your property.

As your professional Property Manager, we are not prepared to compromise our level of service by ignoring these new regulations and requirements. Hence our commitment to you in relation to these essential aspects of Risk and Compliance.

We welcome your feedback and my door is always open. If you would like to discuss this letter, or any other matter relating to our property management, please call me directly on 0275599296.

Yours Faithfully,

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**MONICA CHEN
Managing Director**

M 027 559 9296 | DDI 09 320 5196 | P 093617707
Ground floor, 2/14 Normanby Road, Mt Eden
PO Box 8502, Symonds St, Auckland 1150

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