

NELSON PROPERTY INVESTORS ASSOCIATION
MAY 2025 NEWSLETTER
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Our third meeting of the year at the Honest Lawyer Point Road, Monaco is on Tuesday 13 May 7:30 pm preceded with the optional meal at 6 pm.

Speaker Lance Double – ESolar

Lance Double, the Managing Director of ESolar, will showcase the latest solar energy products and energy management systems, installing EV charging and discuss the consenting process for solar and the potential return on investment for solar energy in both residential and commercial settings.

Solar Electric Technology Ltd, also known as ESolar, is a multi-award-winning provider of solar energy solutions based in Tasman, covering the Upper South Island, West Coast, and Marlborough. With over 35 years of combined experience and more than 4,000 installations, ESolar specializes in designing, installing, and servicing photovoltaic (PV) solar energy systems for residential, commercial, and community projects.

ESolar is dedicated to promoting sustainable and eco-friendly energy solutions. Their services include on-grid and off-grid solar power systems, energy storage, smart management systems, and electric vehicle charging solutions. Known for their commitment to quality, innovation, and customer satisfaction, ESolar offers industry-leading warranties and exceptional after-sales support.

MATTERS OF LAW AND WHAT DOES THE NEW AMENDMENT OF THE RTA MEAN FOR TENANTS AND LANDLORDS

I recently read in the NZ Property Investor magazine that the recent RTA act amendment has created uncertainty when seeking a tenancy termination when the rent arrears are greater than 21 days in arrears as specified in section 55 of the RTA. The report was the “Shall” had been changed to a “May”. The term “May” is used in section 56. Because I had not noticed that change, I checked and sure enough the “Shall” is still there? Last week I met up with the writer of that comment and the Shall / May topic was brought up!

This led me to have a second look.

What has happened is the conditional termination clauses that used to be in section 56 have been moved over to section 55. Now Tenancy Adjudicators have occasionally handed down conditional judgements often after the landlord has suggested it even though the RTA provided for termination if at the time of the hearing if the arrears had become greater than 21 days.

So, in my opinion, the adjudicators now have more discretion to issue a conditional termination order.

Section 56 is all about issuing a 14 day notice to remedy to the tenant, and being granted a conditional termination order. Condition being the rent plus some catchup payment to clear the debt must be paid or else the tenancy will terminate. But section 56 had in clause (4) that if at the time of making the judgement the arrears were 21 days then section 55 with its “shall” would apply. The new amendment has that transitional clause as 55 (2).

So is this all bad news?

No not at all. Conditional orders which are often reached / agreed to at mediation are much more useful for landlords than instant terminations.

Tenants are much more likely to agree to a conditional agreement at mediation rather than having their tenancy terminated immediately. Even in the tribunal this tendency to accept without an appeal any delay to their eviction. Often when they breach the conditional order the time limit for a rehearing might have expired. If an instant termination occurs the bond is released to the landlord thus reducing the money order. It is far better to enforce the money order later on and collect the bond after the tenancy ends to cover the cost of clean up and repairs without the need to go back to the tribunal for a further order.

Now convincing a tenant to leave due to a breach in a conditional order is much more difficult than a simple clear tribunal order to vacate the property. I have found that recovery of the property and the debt is best using the services of a court bailiff. Filling out the online forms for this service is never easy but the instructions are clear and should be followed exactly. The cost for this additional service can be added to the original tribunal order. Note attachment money orders only work well if the payments are to come from MSD. They rarely last if coming from an employer.

METH CONTAMINATION IN RENTALS

One of our members asked me recently about Meth testing between tenancies. I am a trained tester of meth so I wondered if something had changed. The promised regulations specified in an earlier RTA amendment have never been issued. There has to be good reason why the instructions from the law makers have not been followed. So I searched various recent meth related tribunal cases and found in a tribunal judgement the article below clearly specifying the standards that the courts are now following.

11. In May 2018, the Chief Science Advisor, Professor Sir Peter Gluckman determined that there was little evidence supporting health risks from exposure to residue from methamphetamine consumption (Report entitled 'Methamphetamine contamination in residential properties: Exposures, risk levels, and interpretation of standards', 29 May 2018). The report concluded that any levels below 15 µg/100 cm² were unlikely to present adverse effects: Taken together, these factors indicate that methamphetamine levels that exceed the NZS 8510:2017 clean-up standard of 1.5 µg/100 cm² should not be regarded as signalling a health risk. Indeed, exposure to methamphetamine levels below 15 µg/100 cm² would be unlikely to give rise to any adverse effects. This level still incorporates a 30-fold safety buffer on a conservative estimate of risk. 12. Several decisions from the District Court have confirmed that the level to be applied in the Tenancy Tribunal when considering claims for compensation for methamphetamine decontamination is the level expressed by the Chief Science Advisor, which is that there is no risk when levels of contamination are below 15 µg/100 cm².¹

So do not take my word for what to do. The courts have decided, and the tribunal will follow what higher courts have figured out after having robust evidence presented in front of the judge.

Membership renewal time is now. I will be sending out the annual invoices any day soon. Remember we have now changed our bank. We now bank with ASB. Our bank number is 12-3165-0378929-00. Our bank official name is Nelson Property Investors Assn. The annual subscription remains the same as it has been for the last 15 or so years at \$185. No extra charge if you are a couple.

We are able to keep our fees unchanged due to lots of unpaid volunteer work, commissions from suppliers, and interest from our term deposits.

If you are receiving this newsletter and would like to join to support the work, then please go on line to the NZPIF web site. <https://nelson.nzpif.co.nz/>