

NPIA



Northland Property Investors Association Newsletter

May 2015

This Month's Meeting: **Wednesday 27th May 2015**

Committee Meeting: (Time and venue TBA)

Event Starts:

7.00pm Mix' n Mingle

7:20pm Sponsor's Promotions

7.30pm Guest Speaker Presentation

Where:

Northland Cricket Training Room, Okara Drive,
Whangarei, North End of Spire Pavilion Car Park.

***NOTE:** Monthly meetings are open to NPIA Members AND invited guests (2 free visits per guest sponsored by any NPIA member).*

We ask that members please advise of any invited guests wishing to attend, in the event you aren't able to make the meeting yourself.

Email:

npiacontact@gmail.com



In This Issue

- This Month's Event
- Upcoming events
- Tenancy Watch
- NZPIF Media Releases
- APIA TV Channel Sub
- REINZ Reports x 2
- ANZ Property Focus & **Other Useful Links**
- Member Benefits
- Committee Contacts
- NPIA Partnerships - **Exclusive NPIA Offers!**

This Month's Speaker

Dan Keller

Northern Area Representative, Regional Officer for the Northern Region of the New Zealand Property Investors Federation.

Dan Keller understands what it is like to own an investment property. He has owned property in Tauranga since 1994, owns several rental properties and has run a successful property management company in Tauranga for several years. Dan has served on the committee of the Tauranga Property Investors Association since 2001 and has been the President from 2003 until 2012.

Dan will discuss the successes and failures of his recently introduced Rent Guarantee scheme that he has introduced to his clients.



TENANT WATCH

Watch out for these tenants do not rent to them.

Members please log in at

<http://northland.nzpif.org.nz/>

to access this list from the 'members only' library.

If you have someone to add to this list, please email us at

npiacontact@gmail.com

with 'Tenant Watch' in the subject line.

Thanks to all of the contributors for helping to protect members from bad tenants.

Upcoming Events

Next month our Guest Speaker is:

Carie Townley *from Loan Market*

Carie has been involved in mortgage broking for Northlanders for over 14 years after a career working for banks and large companies. She offers a wide range of services dealing with all the major banks and other lenders. Specialising in low LVR lending, refinancing, negotiation with existing lenders along with getting challenging application approval. Carie also is a regular article contributor to the Property Plus magazine.

Help us help you — tips for members!

If you or change your residential and/or email address, please advise us at the time so we can send our newsletter and NZ Property Investors Magazines to the correct address. We also need to know when you change your email address to ensure you can continue to login and access Members Only areas and resources on NZIPF and NPIA webpages, i.e. your current email address needs to match the NZPIF database one. Contact: npiacontact@gmail.com

IRD TO HAVE MORE FUNDS TO TARGET RESIDENTIAL PROPERTY SPECULATORS

The Government has proposed giving the taxman more resources to crack down on residential property speculators - a move which has been welcomed by a lobby group for housing investors. NZ Property Investors' Federation executive officer Andrew King said he supported giving the IRD more resources to target speculators because the existing compliance regime had been highly successful. He said it was important to note that the IRD was targeting speculators and traders, not investors who supplied long-term rental properties. Mr King said the public would have more confidence in a well-funded tax scheme which targeted traders instead of a broader capital gains tax, which would lead to increased costs for businesses and higher rents.

http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11440040 – 29 April

Also <http://www.interest.co.nz/news/75193/english-says-election-result-last-year-ended-debate-capital-gains-tax-ird-may-get-more> - 29 April

Andrew King had the opportunity to explain the views of property investors this morning on Morning Report.

Here is the link to the interview - <http://www.radionz.co.nz/audio/player/201753827>

FIRST HOME BUYERS SNAP UP NEW HOUSING SUBSIDIES

More than 2000 first-home buyers have snapped up new housing subsidies worth up to \$20,000 in less than a month, forcing Housing New Zealand to take on more staff just to distribute the grants. But new data shows surging house prices at the lower end of the market have eclipsed the subsidies over the same period. Housing and Building Minister Nick Smith said the fast uptake of the larger HomeStart subsidies was a "stunning result", tripling the number of applicants this time last year under the old scheme. http://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=11440717 – 30 April

EX RENTALS SHOULD BE TESTED FOR P MANUFACTURE BEFORE PURCHASE

A property law specialist believes anyone buying an ex-rental home should get it tested for methamphetamine contamination. Napier solicitor Robyn Matthews believes testing homes for contamination is important, and buyers of ex-rentals need to get houses tested if they suspect a possible lab.

"It is something we are recommending to all clients that are purchasing a property that has been a rental." <http://www.newstalkzb.co.nz/news/crime/100-housing-nz-properties-used-to-cook-p/> - 30 April

ANDREW KING INTERVIEWED ON Q&A

<http://tvnz.co.nz/q-and-a-news/investors-making-harder-first-home-buyers-video-6306139> - 3 May

Also <http://www.nbr.co.nz/article/house-prices-going-double-edged-sword-property-investors-federation-172194> - 3 May

And <http://www.scoop.co.nz/stories/PO1505/S00023/house-prices-going-up-is-a-double-edged-sword.htm> - 3 May 2010. <http://www.interest.co.nz/property/75253/reserve-bank-figures-show-investors-still-very-active-house-market-while-business-and-> 1 May

Audio - Andrew King interviewed by Paul Henry regarding IRD having funds to catch property speculators and traders not paying tax on profits

<http://www.radiolive.co.nz/AUDIO-Bill-English-looking-at-ways-to-cool-the-Auckland-housing-market/tabid/506/articleID/80112/Default.aspx> - 29 April

Audio – Andrew King interviewed by Larry Williams about an education programme about property taxation.

<http://content.radionetwork.co.nz/weekondemand/auckland/21815.mp3> - 5 May

PROPERTY IS A HOT TOPIC – Andrew King explains the issues

Andrew King, of the NZ Property Investors Federation, outlines the main concerns around housing in Auckland - and clears up some of the facts. Property is a hot topic right now, with many people believing it to be a problem and expressing opinions on how to solve the problem. Without balanced and researched information, people will remain uninformed and confused about important topics. So what are the main concerns that people have about housing and what are the facts? Some of them may surprise you. http://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=11444119 – 6 May

SWEEPING CHANGES TO THE BUILDING ACT ANNOUNCED

Building and Housing Minister Nick Smith has announced sweeping changes to the Building Act, along with a prediction that, of all future earthquake deaths in New Zealand, 80 per cent were expected to be in Wellington, where a fatal quake was expected every 120 years. While some less quake-prone areas of New Zealand were granted more leniency in making upgrades, high-risk areas – including the entire Wellington region – still require assessment within five years and upgrades within 15 years.

<http://www.stuff.co.nz/national/68422486/quake-overhaul-targets-schools-and-hospitals> - 10 May

MAJOR CHANGES TO RULES AROUND ASSESSING BUILDINGS FOR EARTHQUAKE RISK

Major changes to the rules around assessing buildings means the number of structures needing inspection has dropped from 500,000 to 30,000. The Government was revising its policy on managing earthquake risk by better targeting regulations on buildings which posed the greatest risk to life, Building and Housing Minister Nick Smith announced on Sunday.

<http://www.stuff.co.nz/national/68421102/major-changes-to-earthquake-strengthening-rules> - 10 May

Also http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11446301 – 10 May

INVESTORS MOST ACTIVE AT LOW END OF MARKET IN AUCKLAND AND INVESTORS IN REST OF COUNTRY WILL FOLLOW SUIT

Investors are by far the most active in the low end in Auckland. They account for 42 per cent of all sales, much higher than the 26 per cent by first-home buyers and 17 per cent of people moving house. Furthermore, this investor activity in Auckland has grown strongly since 2010. In contrast, first-home buyer activity is considerably lower than in 2010, most likely as a result of strongly rising values making it tougher for them to enter the market. Across the rest of the country investors also account for most of the sales in the low end of the market, picking up 36 per cent of sales compared with 24 per cent for first-home buyers. However, both investor and first-home buyer activity are at similar levels to 2010. http://www.nzherald.co.nz/property/news/article.cfm?c_id=8&objectid=11445517 – 9 May

APIA TV

The Auckland Property Investors' Association (APIA) is now offering Northland Property Investors Assn members the opportunity to participate in the A.P.I.A. TV Affiliation Programme.

APIA TV is a dedicated property video channel powered by APIA. Originally designed as an alternative portal of information for our members, APIA TV has since grown into a dynamic dedicated video channel bringing investors all over the world timely and worthwhile information pertaining to their portfolios.

The channel adopts a broad-scope approach to property education and has since launched a number of specific series that has been well received by its viewers.

The APIA TV Affiliation Programme is a response to the growing number of enquiries we have received from members as well as committee members of our sister associations. We have identified that there is a demand in the property investor community for this product.

The scheme operates as below:

Subscription to APIA TV will be available to members of any NZPIF affiliated PIAs and will receive access by entering a unique association discount code. APIA have heavily discounted the subscription for our members and the information is found in the 'members only' area USER LOGIN <http://northland.nzpif.org.nz/>. The registration link is then found under the About Us Tab and Sponsors Tab. Please contact/email us for our branch pass code to access.

News Release
13 May 2015



REINZ Acknowledges Reserve Bank Action On Auckland

REINZ is pleased by today's announcement by the Reserve Bank of New Zealand to differentiate between the Auckland real estate market and the rest of the country, with the decision to relax LVR restrictions on first home buyers outside of the Auckland region. In 2013 REINZ advised the Reserve Bank to consider a regional approach to the introduction of LVR restrictions before the policy was formally introduced on 1 October 2013.

However, REINZ notes that the restriction of high LVR lending in the Auckland region has not had a measurable impact on the increase in house prices since the policy was introduced, given that demand is clearly outstripping supply.

Real Estate Institute of New Zealand (REINZ) Chief Executive Colleen Milne says, "the rapid increase in dwelling prices in Auckland has been concerning policymakers for some time, thus this move by the Reserve Bank is an acknowledgement that demand is clearly outstripping supply in the Auckland region. The relaxation of high LVR lending in the regions is welcome as it has been the regions, far more than Auckland, that have felt the impact of the LVR restrictions on home lending."

"However, it is clear that supply is the key issue for Auckland with the number of listings failing to keep pace with the number of sales across the region. Although new dwellings are being built across the city the rate of development is currently fast enough to meet demand; hence prices are continuing to rise. Sales in the Auckland region increased almost a quarter between April last year and April this year, however, the number of new listings combined with the number of dwelling consents issued lags well behind."

"While we consider that these moves by the Reserve Bank to limit lending to investors will have some effect on house prices in

Auckland, the basic problem of not enough supply remains unresolved."

REINZ Northland Region Analysis for April 2015

Commentary

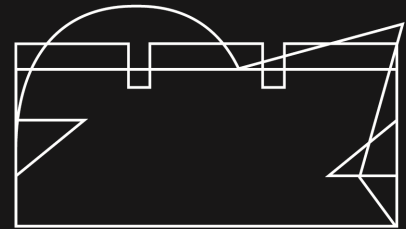
Sales volume in Northland rose by 68% compared to April 2014, with volumes rising by 100% in Whangarei County and 81% in Whangarei City. Compared to March, sales volumes rose 15% across the region, with sales rising 17% in Kerikeri and 13% in Whangarei City.

The median price across the region rose by \$26,250 (+8.2%) compared to March, with prices falling in the main centres, but rising elsewhere across the region. Compared to April 2014, the median price rose \$1,750 (+0.5%) with prices down slightly in Whangarei City and Whangarei County, but rising across the rest of the region.

The number of days to sell improved by eight days, from 68 days in March to 60 days in April. The number of days to sell improved by five days compared to April 2014. Over the past 10 years the average number of days to sell during April for Northland has been 57 days.

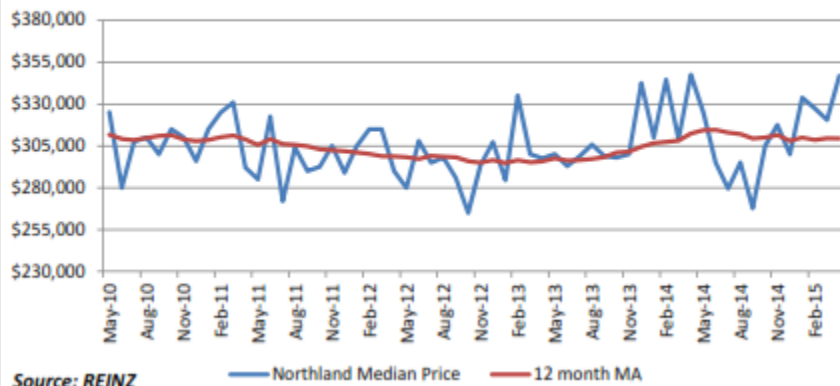
REINZ Chief Executive, Colleen Milne noted that, "momentum in the Northland region is rising with strong increases in both the median price and sales volumes over the past few months. Demand is rising in Whangarei and the Bay of Islands in particular, with noticeable numbers of buyers in the market."

The trend in medium price is now easing, although the trend in sales volume is now rising. The days to sell trend continues to fall, although the overall trend for the region is now steady.

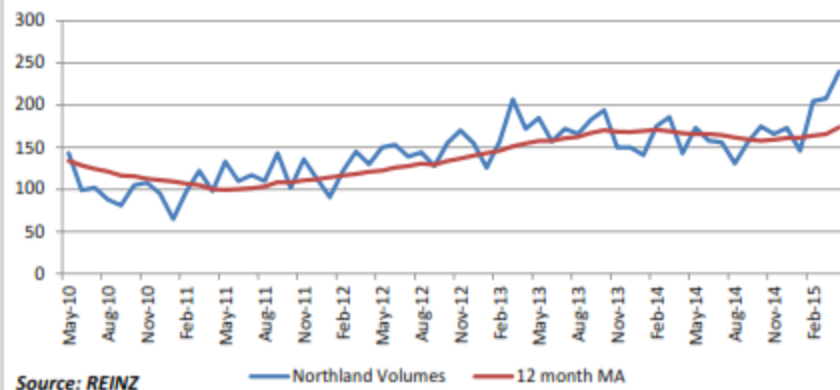


REINZ REAL ESTATE INSTITUTE OF NEW ZEALAND

Northland Region Median Price Past 5 Years



Northland Region Sales Volumes Past 5 Years



Northland Region Trends	Median Price		Price		Volumes		Days to Sell		Overall	
	Apr-15	Mar-15	Apr-14	Apr-14	Apr-15	Mar-15	Apr-14	Apr-14	Apr-14	Apr-14
Whangarei City	\$282,500	\$295,000	\$290,000	85	53					
Whangarei County	\$434,750	\$456,500	\$435,000	38	19					
Otaramatea County	\$420,000	\$470,000	\$455,000	21	13					
Kerikeri	\$409,500	\$475,000	\$477,500	27	20					
Northland	\$346,750	\$320,500	\$345,000	240	143					
		Vs...	Apr-14	Mar-15	Apr-14	Mar-15	Apr-14	Apr-14	Apr-14	Apr-14
Whangarei City		-4.2%	-2.6%	12.9%	81.1%					
Whangarei County		-4.8%	-0.1%	11.8%	100.0%					
Otaramatea County		-10.6%	-7.7%	-8.7%	61.5%					
Kerikeri		-13.8%	-14.2%	17.4%	35.0%					
Northland		8.2%	0.5%	15.4%	67.8%					



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ANZ Property Focus

“THROWING DOWN THE GAUNTLET”

SUMMARY

Our monthly *Property Focus* publication provides an independent appraisal of recent developments in the property market.

THE MONTH IN REVIEW

The RBNZ has thrown down the gauntlet and called for broader policy action, including a capital gains tax, to address what it perceives as growing financial stability risks from an overheating Auckland property market. REINZ data shows Auckland annual house price inflation hitting an 11 year high. The pace of dwelling supply growth is slowing. Strong net immigration inflows and low fixed mortgage interest rates are providing impetus to the market. Household credit growth has started to pick up. Low inflation tilts the balance of risks towards an OCR cut, although the RBNZ is likely to hold the OCR for the time being.

For the full report: <http://www.anz.co.nz/commercial-institutional/economic-markets-research/property-focus/>
If you are taking out a new loan with ANZ, don't forget to mention that you are taking up the NPIA - ANZ Partner Program Offer! NUMBER 200508

This month's *Useful Links*

<http://propertyplusnorthland.co.nz/> article library, latest issue and podcasts.

www.energise.co.nz Web design, Mobile Web Sites, SEO and Online Shops.

<http://www.smconveyancing.co.nz/fees.htm> Fixed Legal fees

<http://www.propertytalk.com/forum/forum.php> Excellent resource for Investors

<https://www.facebook.com/photo.php?v=10152526137047088>

Why Are Auckland house prices so high? Check APIA TV public postings on Facebook

<https://mail.google.com/mail/ca/u/1/#inbox/148523b541e59da7> NZPIF latest media releases

<http://www.anz.co.nz/commercial-institutional/economic-markets-research/property-focus/> for the latest ANZ Property Focus Report

<http://www.nzpif.org.nz/contents/tags/406/political+reports> Latest THOMAS CHIN REPORTS: <http://www.nzpif.org.nz/news/view/56798>



Residential Property Management Consultant

Scotney Craig Williams L.L.B.
7 Jackson Crescent, Martins Bay
RD 2, Warkworth 0982
09 4255969, 021831535
scotney@tenancypractice.co.nz

Tenancy Practice Service offers members a **free short phone call** for advice should you need it: **0800 483 626**

scotney@tenancypractice.co.nz

If you need advice the short consult is provided by the association as a member benefit.

TPS also have very effective debt collection which also free provided you have the right clause in your agreements whereby the tenant agrees to all pays debt collection costs relative to the tenancy.

Every week of 2014, you can watch a short free training video relating to the Residential Tenancies Act 1986 and/or Amendment Act, by Scotney Williams: <http://www.tenancypractice.co.nz/snippet>

MEMBER Benefits

ANZ Home Loan Discounts and Seminars

- Free Monthly Meetings and Network
- Free Monthly newsletter 10 issues
- Free Veda Advantage Membership
- Free NZ Property Investor Magazine 12 issues
- Central Government Lobbying
- Discounts on Seminar Registrations Free TINZ Membership
- Tax Deduction on membership fee Free listing in NPPIA business directory
- Free Tenant Watch List
- Free Tenancy Practice Service Short Consult
- Auckland Property Investors Assn TV video channel discounted subscription.
- Annual conference - Guest Speakers, Sponsor discount packs, Bus Tours & Networking.

Rebates and discounts from Sponsors: Barrells 100% Electrical commercial rates and promotions, Energise Web Design, Caltex Star card, Placemakers, Parmco Appliances, Crombie Lockwood Insurance, Dulux Trade, Harvey Norman Commercial, LG Heat Pumps, Toshiba Heat Pumps and Bunnings and others.

Your Membership to the Northland Property Investors Association is an investment in your Property Business. Ask at the next meeting. Members receive full access to great discounts on joining and renewing subscriptions.

Want to Join the Northland Property Investors Association ? You can link on this web site and use your credit card – <http://northland.nzpif.org.nz/registrations/join>

Please email: npiacontact@gmail.com

Annual Subscriptions: <http://northland.nzpif.org.nz/registrations/renew>

Contact Us

NPIA Committee

Michael Tasker	021 388 885	President
Gordon Lambeth	021 0337 607	Speakers
Dianne Simpson	021 173 6862	Subs/Newsletter
Dan Simperingham	027 696 3001	Committee Member
Julie Gordon	021 122 0033	Secretary/Treasurer
Craig Gordon		Committee Member
Hedley Evans	0274 738 216	Sponsors Manager



Northland Property Investors Association
P O Box 1640
Whangarei 0140
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NPIA Business Partnerships

SILVER Level Sponsors

Contact:

Ian Reeves

LLB

Director

www.smconveyancing.co.nz



Henderson Reeves
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- Family
- Employment
- Litigation/Disputes
- Environment
- Estate Planning, Trusts & Wills

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NEW NZPIF SPONSORS!

infracomfort[®]
infrared heating



univent[®]
simply effective.

Know of any other businesses keen to join NPIA? Have them contact us to find out about our...

NEW Corporate Membership Structure!

Contact Hedley Evans, Sponsors Manager, Mob: 0274 738 216, to discuss which option will best suit your business.

NPIA Business Partnerships

GOLD Level Sponsors

 **commercial**

Northland Property Investors Association / Noel Leeming

Northland Property Investors Association and Noel Leeming Whangarei, Warkworth and Kerikeri have partnered to offer current financial members preferential pricing storewide.

 **noel leeming**

 **NORTHLAND PROPERTY INVESTORS ASSOCIATION**

Some of our nationally advertised specials may already be at lower prices than the Northland Property Investors preferential pricing offer. However, you will receive the best deal on the day for the product that you choose.

Pricing will be on a cost plus model
All pricing inquiries to be sent to Jas Scrooby – jas.scrooby@nlg.co.nz

 **commercial**

26 The Warehouse Way, Northcote 0627 | PO Box 91146, Victoria Street West, Auckland 1142, New Zealand
0800 737 5223 www.noelleeminggroup.comnz/commercial

The Dulux Offer

 **NORTHLAND PROPERTY INVESTORS ASSOCIATION**

 **Dulux**
Worth doing, worth Dulux.

- Northland Property Investors Dulux Trade Cash Account
- Free Tinting
- Free Colour Consultation @ your local GB'S or Dulux Trade outlets
- 2 x Free test pots for every **complete** Interior or Exterior re-paint
- Trade Representative: local on site assessment & paint specification for every **complete** Interior or Exterior repaint
- Effective cost saving & beneficial paint product recommendations by your local Dulux Key Account Manager
- Recommended Dulux Paint Applicator Clientele, to quote your larger re-decorating projects, ensuring warranted quality finishes & value for money. *(optional if required)*
- 30% discount to all Northland Property Investors Association members
- Present NPIA Membership Card and Quote Cash Account # 128643

CONTACT: Mana Mackie, Trade Sales Representative Mob: 021 926 060 Email: mana.Mackie@dulux.co.nz



Dulux Pencarrow
Stoc. ruggd. marie styl

At Metro Direct
we deal in all kinds
of glass and glazing.

 **Northern Property Investors Association Member Benefits**



Simply show your current NPIA Membership card at reception and automatically receive discount on your purchase.

Minimum 15% off the glass price!

On the labour content of any work we do you will automatically be charged the Trade Rate.

Simply show your NPIA Membership card and enjoy the savings.

We look forward to working with you on your next:

- Glass repair
- Glass balustrade
- Marine glazing
- Tinted & Low E glass
- Glass shower
- Retrofit double glazing
- Mirrors
- Plastics & acrylic fabrication
- Glass splashback
- Auto glass repairs
- Toughened & Safety glass
- Digitally printed glass

Metro Direct, 28 Porowini Ave, Whangarei
Open 8am to 5pm weekdays
P: 09 438 9399 E: wha@metrodirect.co.nz

 **METRO Direct**
Inspirations in Glass

Hubands Offer...

 **Hubands**

We have pleasure in submitting three separate offers for NPIA Members:

Heat pump servicing

To service 1 x heat pump (one indoor and one outdoor unit)
Valued at \$82.00 + GST

Special offer: \$68.00 + GST

Ventilation system

Smartvent ventilation system
Pricing includes the supply and installation and every property needs to be measured individually to ensure the correct system is installed

Special offer: Commercial pricing (up to 20% off residential pricing)

Heat pumps

Daikin, Panasonic, Mitsubishi or Fujitsu heat pumps
Pricing includes the supply and installation and every property needs to be measured individually to ensure the correct system is installed

Special offer: Commercial pricing (up to 20% off residential pricing)

Offers are to all NPIA members and valid for 60 days from 26th November 2014, or while stocks last.
Members taking up any or all of the offers must present their current NPIA Membership Card at Reception.
If you require any further information please do not hesitate to contact me directly on 021 942 951 or the office on 430 0019.

Warren Huband



Join Hubands Heat Pumps on Facebook

 **NORTHLAND PROPERTY INVESTORS**

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E Dan.Simperingham@metroglass.co.nz

<http://www.metroglass.co.nz/>

PLEASE CHECK WITH Natasha Witten at HUBANDS AS TO THE ABOVE OFFER'S STOCK AVAILABILITY.