

NELSON PROPERTY INVESTORS ASSOCIATION
JUNE 2020 NEWSLETTER
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Our third meeting of the year is on Tuesday 30 June at the Honest Lawyer at 7:30 pm preceded by the good old dinner at 6 pm. Yes we are back after covid 19 lock down. Life is returning at last. Sure you will be required to enter your name on the attendance register but that is all. You cannot catch the bug because there are no bugs in Nelson and by the time of the meeting probably no bugs in New Zealand. Dr Nick Smith our long time local MP is speaking. He has plenty to tell us and if you are like me I am sure you will have plenty to learn and ask questions. I would like to know why central and local government seem to think landlords are a handy cash cow and whipping boy. Why are private landlords accused of making their tenants sick when central and local government rentals are permitted to be colder and of a lower standard?

AGM meeting announcement.

Yes it is time to have another AGM. All of the committee have been in their position for many years. The ship is stable but we need a few new people to come together a few times a year to put your own ideas out there. Not a very demanding exercise and all of us are keen to work together. We need committee members with only one or two rentals to make sure mum and pop landlord's interests are attended to. Our membership is up yet again and our size compares very favourably with other investor associations around the country. Some people think the PIA's place is to promote property investment. There are several businesses that provide that service and training. We exist to support existing investors and promote our interests both locally and nationally. So if you are a member and would like to join us old hands on the committee we will welcome your input. Send me an email if you think you might like to give it a go.

LANDLORD TRAINING COURSE

You are now able to do a course on self-managing your residential rental property. This is free for financial members of Nelson PIA and \$300 for non members. There is a limit on the number of people able to do this at any one time so generally there is a bit of a wait till you can get on the course. It started with Auckland PIA and is proving very popular. There are various calls for all landlords to be trained and approved. The way the laws of the country move perhaps we will all be forced to become qualified. This course is modelled on similar courses overseas where those countries force landlords to be qualified. Go to NZPIF.org.nz. You will need to enter as a member. Use your email and your membership card number as your password.

MEMBERSHIP BENEFITS

I keep forgetting how much I get out of being a member. Recently a long established Nelson landlord joined. I asked him why now. He replied the savings he made on his insurance alone more than paid his annual membership fee. Are you missing something and do not even notice it? Buy a mirror and find out what the problem is. Our membership fees are close to the cheapest in the country and our meeting attendances are great.

THE MARKET

Being an almost fully retired property manager but still an active property investor / landlord gives me plenty of time to live the life and get a reasonable idea of what is going on. Lock down has hurt me financially due to granting rent holidays for two months to most of my commercial tenants. All of my residential tenants have continued to faithfully pay 100% rent with many of them expressing good will and thanks for us being there for them. I really did not expect to be lavishly praised for fixing one ladies' toilet seat! Despite advising all the tenants that their rent increases were cancelled two still increased their rent voluntarily. We have let three flats in the last few weeks. All had good quality demand with rents generally being \$50 or more than the outgoing tenants were paying. Perhaps I am imagining it but there seems to be a far greater number of enquiries from people responding to Trademe advertisements, often with a little plea for help but then they do not turn up for appointments or fail to lodge an application. Perhaps they get brownie points at WINZ if they can show they are enquiring about private rentals as opposed to applying for them. The government passed emergency rental laws as part of Covid 19 response. The ban on tenancy terminations ends in a few days and the rent freeze ends on 25 September. MBIE advise that the notices can be given now to comply with the 60 day notice period provision as per the RTA. So those rent increase notices need to be sent out not later than mid July. I find it interesting that a government department is telling landlords to get moving and issue rent increases. Nick Smith might be able to add some light on the thinking behind that advice.

Looking at tenancy tribunal judgements over the last few months that the Department of Courts publish make for interesting reading. Put Nelson into the city and specify the date period and you will see what has been happening in paradise over lock down.

Remember despite the government re arranging the deck chairs about healthy home documentation that needs to go on all new tenancy agreements, the dead line for meeting the range of new things remains unchanged. Everyone needs to be working towards installing heat pumps, extractor fans in bathrooms and kitchens, and a few other minor things like leaking gutters. Work out your action plan and during a change of tenancy bring the whole place up to standard. I am yet to find a prospective tenant show interest in such matters but if you get a non paying bad tenant they might just make a cross application against you to wipe out their debt. The way to avoid the distress of the injustice of such a thing happening is to cover yourself and do the work before someone makes you do it.

RENEW YOUR ANNUAL MEMBERSHIP BY PAYING THE INVOICE ATTACHED.

Membership goes from 1 April till 31 March. Those folks who have joined since January do not need to pay again! If you are one of those good new folks just ignore this request. For everyone else plus those who would like to live the good life of having all the benefits of membership and join please pay on line. No cheques in the mail please. They are too much work for me and most banks do not want them now. My cut off date for the NZ Property Magazine is July. Yes I know you do not have as much time to pay as in the past. Blame the lock down for this.