

NELSON PROPERTY INVESTORS ASSOCIATION
MARCH 2022 NEWSLETTER
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Our first meeting of the year at the Honest Lawyer Monaco is on Tuesday 15th March 7:30 pm. Steve Goodey is speaking. Steve is an inspirational speaker, mentor, property investor, pod caster and businessman. Steve became his investing career as a full-time property investor in 1999, and has completed many renovations. Steve invests in both large and small-scale multi-income properties and small to medium commercial investments as well as being involved in many residential apartment developments.

Steve has expert negotiation skills and has learned the skill of making each negotiation a win-win for all parties involved. Steve loves working with property investors from beginners to experienced "traders and developers imparting his knowledge, expertise and strategies, nurturing clients to grow their confidence, portfolios and their wealth."

This is his website - <https://www.stevegoodey.com/>

Note no bookings are required. No charge for attending applies. Non members are welcome but we do encourage all attendees to subscribe to our free newsletters.

At the time of writing this newsletter (26 February) the covid rules were that vaccine passes will be required and the meeting is limited to 100. On the basis of media speculation it is highly likely these rules will soon change.

CHANGE IS THE ONLY CONSTANT IN LIFE

Back in January I regretfully had to advise our committee that I needed to pull back on some of my Nelson Property Investors association activities. I am able to continue managing the membership and finances but can not longer organise speakers and meetings. This upcoming meeting has been organised by our President Ruth Fegan with assistance from our National organisation NZPIF. Ruth has offered to carry out these functions from now on.

WHAT IS THE MARKET UP TO

I along with plenty of other people have no idea what the future holds for property investing. There has never been a time when bankers, politicians, economists and real estate agents have all sung from the same song sheet but do they know what they are talking about. Clearly finance is harder to obtain now. In the first 6 weeks of this year Nelson residential real estate increased at the fastest rate I have ever seen but it has retreated in the last 2 week period on Homes.co. The number of properties for sale on Trademe has shot up but the number of rentals has not increased. Well not in Nelson that is. The latest Statistics Department data on building consents to the year ending December 2021 indicates that building activity continues at peak rates including Tasman which sits amongst the strongest rate per head of population of any area in New Zealand. My builder tells me there is a 40 week delivery time for some products detailed in my new house that I am getting built. Rent levels continue to climb. Whilst we live in a bubble it is easy to think this is a Nelson or New Zealand thing related to increasing tax rates,

increasing interest, difficult councils and greed. But the same thing is happening in Australia and UK and they do not even have a Jacinda of their own. One hobby of mine when reading yet again a negative report on housing is to check up on the writer's credentials. I pop their name into the companies office web site and see if they are shareholders of private companies. I also enter their name or their companies into Terranet to see how many properties they own. I then make my own judgement on the quality of their research.

PROPERTY INVESTORS CAUSE HOMELESSNES

There is no doubt that a lot of people are living in emergency housing which is being provided almost free by our generous Government. A number of older motels are being used to provide this accommodation. I listed a one bedroom unit with its own section 48 hours ago. It is almost the cheapest property advertised on Trademe. So far there has been 386 views, four enquiries, and not one or the enquirers have responded to an invitation to come and look.

Some blame the National Government for selling Government houses although the net number of Government housing has not changed significantly in the last ten years. Some blame immigration despite the borders being closed.

So where are these people in emergency housing coming from. Government housing accounts for 10% of all rentals and the rest are privately owned. The homeless did not fall out of the sky nor jump off planes arriving at our borders. Something is driving them from private rentals. I sure wish the reporters would go and ask these homeless people what is going on and how come they prefer free government housing.

BEWARE OF GREEKS BEARING GIFTS

One of the four enquiries for that one bedroom flat mentioned above offered to guarantee the rent. Now that sounds wonderful, I thought. But hang on a moment section 18A states that a landlord commits an unlawful act if any form of guarantee is accepted apart from the specified bond (being a maximum of four weeks rent) or a guarantee by way of a guarantor. Now if one reads the District court application form for enforcement (collection) of a debt as awarded by the Tenancy Tribunal, collection can only be received from a real person and not a company or organisation. I doubt the person writing to me on behalf of their client was attempting to defraud me but if I had accepted that offer I could potentially have committed an unlawful act and had that fine taken off the debt being awarded. So sure, you are welcome to help the needy, but make sure you get your paper work correct or else when things turn bad they will be very bad.