

NELSON PROPERTY INVESTORS ASSOCIATION
JULY 2023 NEWSLETTER
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Our third meeting of the year at the Honest Lawyer Point Road, Monaco is on Tuesday 4th July 7:30 pm. Yes, we still have the before meeting optional meal at 6 pm.

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

This meeting like last time we again have 2 speakers.

Mark Forbes of Manor Property Services Nelson is the key note speaker.

Topics

15 minutes – Rental Property Maintenance Check : What regular maintenance jobs need doing to keep your property in good condition (good winter reminder for our members)

15 minutes – Asbestos : How to identify , healthy & safety , removal process etc

15 minute questions time (approx.)

Then supper / net working. All done by 9pm.

Both Mark and an asbestos specialist from MPS will be attending the dinner at 6pm so if you come to the dinner you might be able to chat with them p2p.

topics of discussion will be :

1. MPS Introduction
2. Bang for buck - why property maintenance is important
3. What are the key things to look out for when maintaining a property.
4. Asbestos - How to recognise it and what to do about it.
5. Q & A

MEMBERSHIP RENEWAL TIME

Thanks for all of you who have paid your annual subscriptions. I am yet to update our records but this will happen soon. Some members have paid via the national web site using your credit cards. You may be assured the money does reach us. That path does save me personally a minute or two entering the payment on the national data base but it does cost the association a little bit more as opposed to paying by bank transfer into our SBS bank account. Our association finances are in good health. This is due to many of you maintaining your membership during the last few difficult years of covid and prudent use of resources.

BODY CORPORATE LAW CHANGES

The Unit Titles Act that deals with Body Corporates have just changed coming into force 5th June. The use of such entities is increasing for multi unit blocks, retirement villages, commercial, retail, and industrial complexes. Body corporates are responsible for insurance and common maintenance issues. Problems like leaky buildings causing terrible issues for individual owners have been aired in the media but other issues like individual owners not paying their share of costs (levies) on time are just as much a problem for the various neighbours. Changing the law will never make people pay their accounts on time or force them to stop parking in the wrong space. The latest law changes have given BC's some sharper teeth to deal with unreasonable idiots.

For the last 30 years I have acted as the BC secretary of a commercial property with three units. It was way cheaper to do this simple job than paying a lawyer or commercial property manager. There was nothing much to do. Just collect up the insurance premium each year and pass this onto to the insurance broker. The premium for the whole building is \$12000. Gradually the other owners took advantage of our unpaid work and the arrangement fell to pieces. The Unit titles amendments specify when selling the vendor must supply a declaration from the BC that there are no leaky building issues nor outstanding levies from any owners. Well surprise guess what happened when the main culprit needed this clearance when he wanted to sell. The Tenancy Tribunal is used to resolve BC disputes. The application fee has been \$850 which means it is rarely used. The fee has now been reduced to permit smaller issues to be dealt with more affordability and readily. I look forward to a happy trouble free future! The proposal is to start collecting a modest amount from the three owners to ensure that there is a contingency fund to not only cover unforeseen maintenance issues, but also to provide a buffer so the BC secretary does not need to be out of pocket paying the slow payers expenses.

90 DAY NO CAUSE TERMINATIONS

Much anguish and hand wringing has occurred when the law was changed. Firstly the law never used the term NO CAUSE TERMINATION. Section 51 (1) set out the various number of days termination by notice could be given. Such as sale, reoccupation, family or staff.

Then finally in section 51(1) (d) it said “in any other case, 90 days.”

When the current amendments were written the law makers must have been lobbied about anti social tenants who made life hell for the neighbours so they inserted a complicated sequence of actions that needed to be completed by the landlord to apply for a termination.

Issues like repeated window smashing, piles of rubbish, car wrecks, non domestic violence, pets, overloading, constant parking in other peoples car parks, non registered vehicles, stealing, drug use and dealing, burning plastic in the fire, child abuse, building alterations like painting, ripping up carpets, flushing wet wipes down the toilet and so on are reasons why I have issued 90 day notices over the years. Many of these things are hard to prove in court. When over the last 30 years I have made applications to the court for help to deal with the problem without actually terminating the tenancy the adjudicator has in more than one occasion has said you can use the 90 day notice provision the RTA to deal with the issue. My applications for other remedies provided for in the RTA where mostly declined.

The impact of this law change is I and most other landlords are avoiding housing anyone they predict might just be a problem. The old “give them a chance by say granting a 90 day fixed term trial tenancy” is no longer an option.

Fixed term tenancies do not end at the end of fixed period either so you are stuck with the problem tenants till they stop paying.

But it is not all bad. Things “seem” to be changing. Non registered non warranted cars being driven recklessly by the tenants has always been a sign of bad things. I recently had a problem with a tenant who paid well but was driving a non road worthy car. I studied a few tribunal judgements and noticed a ruling that specified such cars were deemed by the adjudicator as wrecks and that tenancy was terminated.

So I issued a 14 day section 56 notice on my tenant re her wrecks and once it got to mediation was granted a conditional termination order. I seriously doubt I would have so easily got rid of the tenant in the past. What seemed at the time like an agonisingly long time was less than 90 days.

My guess is other issues like my long list above will have the same positive outcome.