

**NELSON PROPERTY INVESTORS ASSOCIATION**  
**FEBRUARY 2024 NEWSLETTER**  
**PO Box 198 Nelson**  
**[NelsonPIA@xtra.co.nz](mailto:NelsonPIA@xtra.co.nz)**

Our first meeting of the year at the Honest Lawyer Point Road, Monaco is on Tuesday 20<sup>th</sup> February 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.

By special request we are holding a Q & A Session & networking with Property Managers. Top Tips for Managing Residential Rental Property in Nelson.

Everyone is invited to email their questions to [NelsonPIA@xtra.co.nz](mailto:NelsonPIA@xtra.co.nz) before the meeting. Here are some sample questions.

How do you set the rent

How do you pick your tenant

What do you do when the tenant gives notice.

Can I charge the tenant for water if the council invoice has not yet been received.

Does the law permit a limit on the number of people who can live in a rental and does the same apply for the number of dogs?

What should a landlord do if you find more dogs or people are living in a property than you think is reasonable.

Should I allow the tenants to put a caravan or portacom on a property to permit a relative or friend to live there.

Now is your chance to ask. Others will probably want to know the same thing. Send in those emails. [NelsonPIA@xtra.co.nz](mailto:NelsonPIA@xtra.co.nz)

### **RENT INCREASES IN TODAY'S WORLD**

I have recently read several articles in magazines and on the web talking about rising costs like rates, interest, purchase prices, and insurance and how this is a reason and justification for landlords to increase the rent. Well sorry folks but the RTA makes no provision for increasing the rent based on increased costs unless substantial improvements have been carried out. Landlords need to do their homework before increasing the rent. The law specifies what notice in writing needs to be given and how often rent increases can take place. No control is placed on the rent level apart from it needing to be market rent. I read lots of tribunal judgements and occasionally see one where the tenant has objected to the rent increase and even some where the initial rent is objected to. The law states you must keep a copy of the advertisement when letting a property. Landlords should keep some evidence the property they are letting is at the correct market level. Rent demand often goes down in the winter so you need evidence of the rent of similar properties at the time you advertise a property. Many landlords prefer to not put up the rent for sitting tenants. This can have a negative impact for the landlord. If you leave putting up the rent until the chill winds of the economy are hurting this will rub salt in the wounds for the tenant even more. I have seen plenty of tenants leave because the rent has gone up, so you need to get things right. The rent figures put out regularly by Tenancy Services are only a guide and by definition are already at least 6 months out of date at time of publication. It is far kinder to increase rents annually by a modest amount rather than large jumps when your needs are

screaming at you. As mentioned above a large increase is unfair on the tenant and may well result in the tenant giving notice which will wipe out any gains achieved.

Landlords should earn the right to the increase by keeping up regular maintenance like cleaning roof gutters, tree trimming, and attending to tenant's maintenance requests with urgency. So, my point is your increased costs might prompt you to increase the rent, but you cannot use this as a justification. The market rate in your neighbourhood for your sort of property is the justification.

## **HELP THE SHIP IS SINKING**

Over the last few years Nelson PIA committee has lost a number of long serving members. I have needed to pull back a little bit as well due to health issues. We need to replace these vacancies with normal average people who have a financial interest in investing in rental property. It is important that the committee have a range of people that have tenants, mortgages, plumbing, roofs, and family like the rest of us. By having a diverse range of committee members we can make sure that NPIA keeps a wide focus of interest rather than focusing on important but narrow aspects of our industry like for instance, tenant problems, developing, finance, management, estate planning, and maintenance.

Being on the committee is not a time-consuming task and is not an onerous duty. It can be rewarding and might even lead to business opportunities you would never have thought possible and likely. President Stewart and I have exchanged a couple of emails about the qualifications needed. About the only requirement is you need to be a current financial member. Life rewards those who give more than those who want something for nothing.

## **HOW TO GET BUNNINGS PRODUCTS FASTER AND CHEAPER**

Bunnings give our card carrying financial members both a discount off the shelf displayed prices and also every purchase adds to a fund that is given back to our Association. I do not know how this reward system works but I guess our members must buy a lot there because the regular payments to us enable us to keep our membership fees stable and low. I along with others have asked for their handy APP and mobile phone PowerPass card system for account holders to be linked to the Property Investor scheme. Now if you down load the APP you can search for a product. It will tell you which isle the product is on. You can scan in the purchase into your phone right at the shelf and this avoids having to wait at the check out counter. Just show your phone to the security person on the way out.

Bunnings have done their best to make it as easy as possible to link the NZPIF membership system to their PowerPass discount scheme. The idea is you need to open an account at Bunnings and make sure you are linked. No link means we do not get those special kick backs to keep your fees low. I have a couple of emails with attached PDF's explaining how it works. If you struggle to make it work send me a request for the full set of emails.

Go to this URL for a start. <https://forms.office.com/r/qEHWjaGBsH>

Hint. You need to have your membership card in your hand and you need to have paid your annual subscription to be a member of NPIA to get the deal.

Receiving this newsletter does not make you a member of NPIA. You need to pay the subscription of \$185 per year.