

# PROPERTY INVESTMENT NEWS

## Earthquake Strengthening and Re-purposing Wellington's Buildings

Presented at our March Members Meeting by Maurice Clark - Wellington developer, engineer, Principal McKee Fehl.

THE MEETING PRESENTATION by Maurice Clark surpassed all expectations. Maurice provided an interesting journey through difficult heritage, restorative and strengthening projects that he had undertaken successfully. Buildings that Wellingtonians are very familiar with. Examples of work that he provided included the 1939 former Defence House building on Stout Street, The 1908 Public Trust building, The 1876 Old Government Buildings, Hunter Building (Victoria University), Wellington Museum (formerly the Museum City & Sea Museum), and Press Hall (formerly Wellington Newspapers at 80 Willis Street).

The 1939 former Defence House project was a New Zealand first for in-situ structural testing which led to innovative construction procedures with adaptive reuse of existing materials.

The Public Trust building had developed some big cracks in the floors during the Seddon earthquakes and has a façade of massive stone blocks and reinforced brick masonry. This presented a challenge. Other developers would have just wanted to demolish the building but Maurice used clever engineering solutions, and the building now has new concrete floors tying the façade walls together, with two massive shear walls.

Maurice has received many awards for his work, including a Queen's Birthday honour for services to heritage preservation and the construction industry. He has been made an Officer of the New Zealand Order of Merit. Maurice takes buildings that have been abandoned and cleverly refurbishes them. Wellingtonians owe a lot to Maurice for preserving our heritage buildings. Without his engineering skills and tenacity these grand historic buildings would have been lost through the 'wrecking ball'. Maurice is currently working on an engineering solution for the challenging restoration of the Band Rotunda (a Category II HPT registered building) in Oriental Parade.



1939 former Defence House



1908 Public Trust Building



1876 Old Government Buildings

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From the President



WELCOME TO THE FIRST EDITION of our new quarterly newsletter. I hope you find the content useful, from meeting dates and times, our sponsor and partnership listings, to story contributions from members. Please pass this newsletter on to anyone you know who is interested in property investment and feel free to bring them along with you as your guest to a members meeting.

They say that you can judge the state of the economy of a city by the number of cranes on the skyline, well following our March members meeting speaker, Maurice Clarke of McKee Fehl, the amount of renovation, restoration and regeneration around our city is pretty high, so I think the economy must be in a good state.

Most of that building activity would seem to be commercial in nature, so what about residential? On the down side we have all the new compliance requirements of insulation, healthy homes guarantee act, workplace health and safety and the continuing tightness in lending due to fearful banks, brought on by the anti-money laundering legislation and the continuing uncertainty in offshore money markets . but on the bright side, for clued up, experienced property investors we might be heading into one of the best times we've seen in several decades.

The changing property investment landscape could cause inexperienced or badly placed investors to sell off their property. This means that investors who are well placed, with accessible capital, good lending facilities and effective teams are in the box seat, ready to move to their next level, but how would someone become a clued up investor?

Playing any game requires you to understand the rules. Once you understand them, you play the game and learn the subtleties that lead to successful strategies. Anyone who has joined a bridge club, a tennis club or some other group of players, knows that they are the shortcut to learning the subtleties of the game. Your fellow club members are more than happy to share their failures and successes allowing you to avoid the former and emulate the latter. Tips and tricks of the trade are willingly and eagerly dispensed by members keen to pass on their knowledge to other members equally eager to learn and grow. Talking about their passion to other passionate players and building networks of contacts that reach far beyond the club rooms.

Property investment can be thought of as a game, a game that brings benefits to both the player and society. The player, or investor, obviously has the opportunity to increase their wealth and build an asset base. Society benefits from good investors providing quality housing to those who are not yet ready, willing or able to buy their own property.

The Wellington Property Investors' Association has been the club for players of the Property Investment game for over 40 years and continues to provide access to some of Wellington's most successful investors through having them along as speakers at our meetings, or just through them being fellow members attending members meetings. As part of learning the rules, we have had David Chick, Chief City Planner of Wellington City Council, speaking in April and Tenancy Services speaking in May. Passing on their wisdom and stories of their journey to success, we have several experienced investors lined up for later in the year, see the meeting list and email newsletter for details. Just like your local bridge or tennis club, new members with no property or experience are very welcome and are encouraged to learn and take their first steps into the property investment game. Experienced investors are also welcome to join or return and to find a place to share their wisdom. Between the mix of new and experienced members we all benefit and so too does our city, so I look forward to seeing you at the next meeting and sharing or hearing a golden nugget or two.

**Richard Bacon**  
President

*The Wellington Property Investors' Association*

Dates For Your Diary

Monday 27th May

**Members' Meeting**

Speaker – Claire Leadbetter  
Ministry of Housing and Urban Development  
*Topic - Healthy Homes Standards Policy*

Wellesley Boutique Hotel  
2 Maginnity St  
Wellington CBD

6.45pm for 7.15pm start

Monday 24th June

**Members' Meeting and Annual General Meeting**

Speaker – Chris Dugdale  
*Topic – "A Passion for Property, Projects and People"*

Level 2, Meridian Energy Building  
33 Customhouse Quay  
Wellington waterfront

6.45pm for 7.15pm start

Wednesday 3rd July

**Fireside Meeting**

Informal get together with members to discuss property investment

*Cover charge: \$5 per person*

Level 1, Renouf Tennis Centre  
60 Brooklyn Road  
Brooklyn, Wellington

7pm start

Monday 29th July

**Members' Meeting**

Speaker – Craig Roberts  
Designgroup Stapleton Elliott Architects  
*Topic – 'Medium density housing', 'Social' and 'Affordable' housing*

Venue to be confirmed

6.45pm for 7.15pm start

**Bookings:** Now required for all of our events. To book, email: [contactwnpia@gmail.com](mailto:contactwnpia@gmail.com)  
**Non-members:** A door charge of \$30 applies to non-members for the Members Meeting's  
**Dress Standard:** Semi-formal or formal

– A big thank-you to Meridian Energy for the use of their building for our AGM. –

## Opportunity for you to promote your business to our members!

Support your Association by becoming a sponsor today for a member's rate of \$450 + GST. A Supporter sponsorship package includes all of the following benefits:

- 1 **Website recognition via an 'A-Z' Online Directory listing** One-page entry (max. 250 words with graphics and link to Sponsors website) placed on the WnPIA website.  
A new 'WnPIA business Directory' section has been created on the WnPIA website: [www.wnpia.co.nz](http://www.wnpia.co.nz)  
The Sponsor is to provide content in the appropriate word and graphic format.
- 2 **Sponsors Table** Display of one promotional brochure on a dedicated Sponsors Table.  
The Sponsors Table will be on display at the Members Meetings held each month.
- 3 **Sponsors Business Card Stand** Display business cards in a dedicated Sponsor Business Card Stand on the Sponsors Table.  
The Sponsor Business Card Stand will be on display at the Members Meetings held each month.
- 4 **Members Meetings** Complimentary Pass to one Members Meeting.
- 5 **Fireside Meeting** Complimentary Pass to one Fireside Meeting. Informal question and answer session led by a successful property investor.
- 6 **Email Sponsor Welcome** Sponsor welcome emailed to the members
- 7 **Facebook Posting Recognition** Paragraph mention about the Sponsor to be placed on the WnPIA Facebook page.
- 8 **New Zealand Property Investor Magazine** Complimentary copy (one month) of the New Zealand Property Investor Magazine.

**BONUS:** At every Members Meeting a different sponsor will be showcased. Have your chance to display your promotional material on a special table and to say a few words at the meeting.

We also have Bronze, Silver, Gold and Platinum sponsorship levels available. To find out more, please phone our Partnership Manager Martin on 027-6047329.

## Wellington risk and insurance

THERE HAS BEEN A LOT IN THE NEWS RECENTLY about the insurance market in Wellington with some headlines suggesting the world is nigh.....at least in terms of insurance cover that is.

It is true some insurers are taking a more conservative approach to risk in Wellington and also increasing their pricing but at this stage no insurer had pulled out entirely from writing business in Wellington (or other earthquake affected regions of NZ).

Insurers still see the Wellington region as a very important market and will continue providing home and contents insurance there. However, each insurer will have different appetites for risk, how they want to price it, and how much share of the market they want. So, when you contact them, expect a different response from each. Some insurers are willing to transfer cover from the old owner to the new owner, but some aren't. Arranging insurance isn't like going to McDonalds!

In saying all this be aware that obtaining insurance is becoming more of an issue in earthquake affected regions of NZ. Don't expect to ring an insurer and get cover sorted the day you take possession of your new home! It's also not uncommon to include an insurance clause in a sale and purchase agreement to ensure that purchasers have their insurance ahead of

going unconditional to avoid problems with finance further down the track."

We encourage people to make sure they can obtain insurance cover before you enter into an agreement to buy a property. Make sure you are prudent by undertaking your due diligence when buying any house to make sure you're fully informed of its history. In particular if the property has previously suffered some form of earthquake damage (irrespective of whether you think it might only be cosmetic) insurers will ask for a lot of information i.e. claim reports, scope of repairs, evidence the repairs have been completed etc – before they will confirm insurance cover. All of this takes time, so don't leave it to the last minute.

If you have an insurance requirement, please contact this office and again as mentioned, help us to help you by giving us plenty of time.

### For further information:

email [info@thorner.co.nz](mailto:info@thorner.co.nz) or call 04 5288 088  
Maree Hammersley-Myers | ANZIIF (Snr Assoc)

22-26 Main Street | PO Box 40-190 | Upper Hutt 5140  
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*If you are interested in writing a topical article for this newsletter, would like to suggest a subject, or you would like to place an advertisement - we would like to hear from you. Phone our Partnership Manager Martin on 027-6047329*

## SPONSOR'S STORY - Showerdome®

The Showerdome® shower top was invented by Ken Evans, an engineer living in Tauranga, New Zealand. He was at home watching rugby one night and at half-time put the kettle on to make a cup of tea. He had a glass kettle and noticed the steam only formed a cloud when it met the colder air in his kitchen. The steam inside the kettle remained absolutely clear.

Ken had been battling condensation in his bathroom for years. He immediately put a piece of plywood over the top of his shower and left it running during the second half of the game. When he returned, his bathroom was completely moisture free and his shower was crystal clear.

After years of careful research, testing and development, Showerdome® was patented and is now sold around the world. We are proud members of the New Zealand Green Building Council.



This article was provided courtesy of our sponsor [Bathroom Solutions Group](#) – distributor of the Showerdome® in the lower North Island.

For product enquiries contact Jason. Ph: (04) 939-2929

## SPONSOR'S PROFILE – Workshop Quantity Surveyors



### On time and on budget

If you're doing building of any kind, whether it be your dream home or an extension to your existing home, a new office building or a purpose-built workshop, you should employ the services of a quantity surveyor.

John Barton has worked on numerous projects both residential and commercial, and his independent, qualified advice will help ensure your next construction project is completed to the highest standard, on time and on budget.

From cost estimates to contract administration and everything in between, Workshop Quantity Surveyors is there to make sure you get the best deal available for your project.

New building projects can be a daunting task, and John can act as an independent intermediary between you and all the teams required to complete the job: design consultants, architects, engineers, builders, plumbers, electricians, painters, local councils... the list goes on.

Maintaining a constant level of commu-

nication between all parties involved is imperative to your project's success. John offers you a complete project management package so you don't have to worry.

With 43 years of experience in the industry, you can rest assured that your next project is in reliable hands.

It doesn't matter how far you are into your project, John can help. If your plan is still just an idea or you are coming up to the home stretch, let John help you get all your ducks in a row. Whatever you need, John is there to make it happen.

- Specialists in providing Preliminary/Budget Estimates of Costs at Concept Design Stage for New Houses and for Home Additions and Alterations.
- Specialists in Home Insurance Replacement Cost Estimates.
- Avoid the confusion between Valuation and Construction Rebuilding Cost.

John Barton MNZIQS Reg. QS  
**Workshop Quantity Surveyors Ltd**  
 PO Box 28029, Wellington 6023  
 P: (04) 475 3980  
 M: 027 431 1145 E: wqsltd@xtra.co.nz  
 W: www.quantity-surveying.co.nz

## Selecting a Property Manager

WHEN YOU BECOME A LANDLORD, you're the one responsible for the property. Everything from fixing broken taps, paying rates and ensuring it's compliant with the changing laws become your responsibility. The complexities and intricacies of being a landlord can become more overwhelming as you expand your portfolio. This is when many consider hiring a professional property manager to take care of their precious real estate. However, before you pick a manager what should you expect from a true professional. What things should your management expert know? Here are some tips for finding a professional to look after your investment

### Knows the market

A good property manager should know their local area intimately. Their knowledge of median rents, rental yields and even where the nearest school is located is something truly valuable. Does your prospective manager know what tenant pool you will be working with: families, retirees, students, young couples? Your property manager is also the person who helps you set your weekly rent. If they know the area well, they'll advise you on an appropriate amount to charge.

### Knows the Law

Your ideal property manager will know everything about relevant legislation, and how it applies to your property. Government regulation and compliance requirements are changing more than ever. Therefore, it is important that you partner with someone who is trained in the current legal requirements and best practice. Are they aware of the Healthy Homes legislation changes? What about the proposed changes to the Residential Tenancies Act? Do they have the management plans to keep you compliant?

### Find an expert in your type of property

Your manager should have experience for your type of property, especially apartments and units which are often part of a unit title or cross-lease. To maintain a strong rental yield, they should be able to make practical and effective suggestions, such as repairs & maintenance or small improvements that add desirability. Partnering with a knowledgeable manager is key.

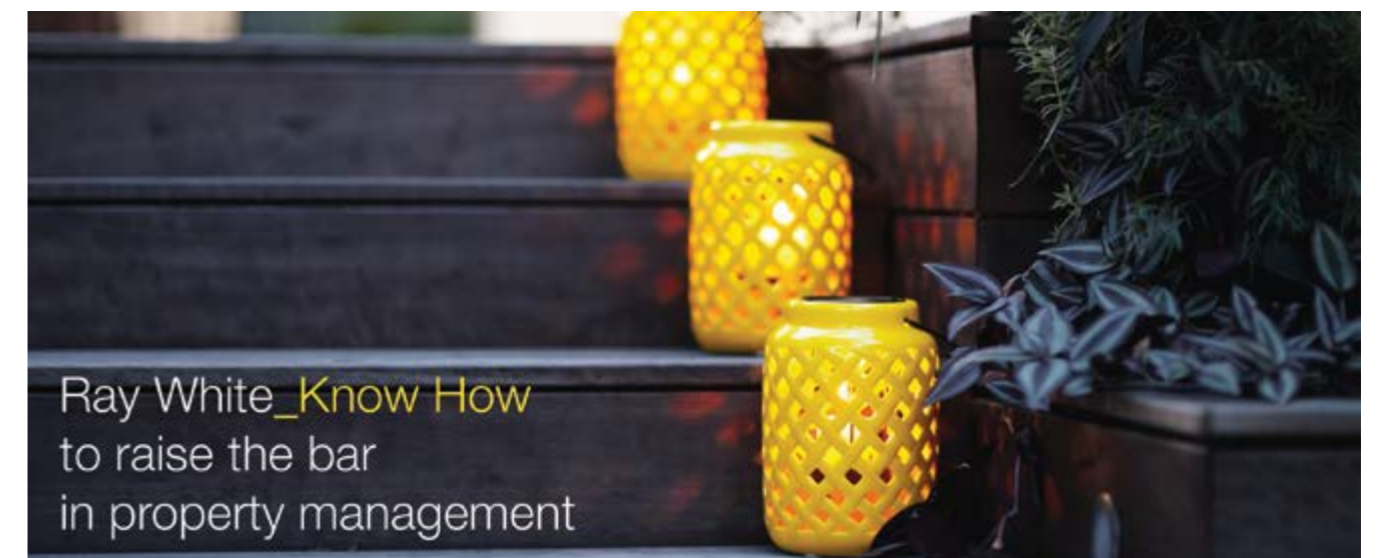
### Know Relationship Management

Being a property manager can be complex. After all, they help wrangle troubling tenants, smooth out issues with tenants, organise repairs, and deal with late tradies. Although an aptitude to manage all of these issues is great, you'll want someone who still has impeccable people skills and the ability to manage relationships well. Ultimately, property management requires the right knowledge, people skills and professionalism. It pays to ensure you make the right choice the first time, so don't skimp on the costs if you want to ensure smooth sailing for your investment property. If you want the best, you'll want the right Know How.

### Protecting Your Investment.

Ray White Kemeys Brothers Property Management provide solutions across all areas of property management. With experience and understanding Cindy & the team will help you protect and manage your rental property. Call Cindy on 027 213-9758 to find out more about the Kemeys Brothers difference.

Make the switch to Ray White Kemeys Brothers. The change is easy.





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For more details visit: [www.propertyconference.org.nz](http://www.propertyconference.org.nz)



## MEMBER'S PROFILE – Gen Hewett



**G**EN HEWETT is an Upper Hutt based investor and has been a member of the Wellington Property Investors Association for a year. She has recently purchased her fifth investment property.

Conveniently located next to another of her properties, it was a strategic purchase. When she was visiting her property next door she would often look over the fence and say "That poor house, I'm going to buy it

one day. It needs some love". The house has been vacant for a number of years and hadn't been maintained. The previous owners had lived there for nearly 50 years and smoked inside. She described it to the estate agent as "solid but stinky".

Close to public transport and zoned for medium density development the 740m<sup>2</sup> property had lots of potential. After two cancelled auctions, one 5 minutes before it was

about to start, the vendors considered offers on the property. Gen knew if she didn't buy it, someone else would and maximise its potential, possibly at the detriment of her property next door. With the prolonged sale process and an extension to the settlement date due to Christmas, Gen planned what work was needed and lined up her usual team of tradies.

"The house was extremely dirty and hadn't been cleaned for many years and with all the smoking it became a total renno." Most of the wiring needed replacing. The spouting was completely rusted. The two old gas heaters, fireplace and cracked chimney were removed. The fireplace was gibbed over and a heat pump installed. The 1962 hot water cylinder was removed, stripped and the copper sold for scrap and a gas infinity system fitted outside. It has been insulated, a new bathroom and ventilation system installed, new carpet, vinyl and new curtains. It certainly has had the love put back into it now. During the renovations, the Tax Working Group released its report recommending a capital gains tax on rental properties and the Government released the Healthy Homes Minimum Standards. This hasn't put Gen off, it was a strategic decision to purchase the property and most of the Healthy Homes Minimum Standards have been met.



before



after

## FREE DIGITAL SUBSCRIPTION TO TRENDS BOOKS

As a valued member of the Wellington Property Investors Association Inc, you can now receive free copies of Trends books as soon as they are available. Packed full of great ideas, products and services you can register by simply emailing



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[www.wnpia.co.nz](http://www.wnpia.co.nz)

# PROPERTY INVESTMENT NEWS

## Welcome to our new members:

Dennis Ingram  
Robyn Ramsay  
Dora Tsao  
Vince Eggels  
Lisa Eggels

Diane Hannay  
Kerry Boyle  
Belinda Milnes  
Steve Coyle  
Andrew Isbister

Christine Hudson  
Aaron Yee  
John Redgrave  
Kylie Redgrave

## KEY CONTACTS

The Wellington Property Investors Association Inc.  
PO Box 1831  
Wellington 6140

**Website:** [www.wnpia.co.nz](http://www.wnpia.co.nz)

**Facebook:** @WellingtonpropertyInvestorsAssociation

## Administration

Administrator: Dayna (04) 472-9877  
Hours: 10am – 2pm, Monday – Friday  
Email: [contactwnpia@gmail.com](mailto:contactwnpia@gmail.com)

Sponsorship & Newsletter  
Partnership Manager: Martin (027) 604-7329  
Email: [ahdl1@outlook.com](mailto:ahdl1@outlook.com)

## ***New Members welcome!***

Annual subscription: Member - only \$230

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Please detach this form and post with your fee to:

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*The Wellington Property Investor's Association Inc.*

Alternatively, email your form to [contactwnpia@gmail.com](mailto:contactwnpia@gmail.com) and pay your fees by internet banking.  
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