

Getting the right advice

Beware of property investment seminars claiming to bear gifts, **Claire Low** writes

Property investors who attend seminars should be aware of the dangers of receiving advice in an unregulated industry, commentators say.

The Property Investment Professionals of Australia, a not-for-profit organisation, is striving to provide standards and accreditation within the industry and has developed a course for advisers. It is also trying to protect consumers by liaising with the Federal Government to try to bring about some form of regulation.

The group's chairwoman Margaret Lomas says there are a number of cautionary tales about investors who were given misleading advice and ripped off.

Lomas would like to see a government body armed with the power to fine and jail, and for those who dole out advice to be licensed so they can be punished under law for unethical or misleading behaviour.

Lomas met with Labor Minister for Superannuation and Corporate Governance Senator Nick Sherry last week to discuss property investment regulation. She says a joint parliamentary inquiry about 18 months ago found that the industry needed to be regulated, but nothing had been done so far.

"I think the Government is frightened," she says. "They think it's going to be impossible.

"It isn't property that needs regulating, it is advice.

"Where people step over the line every day is when the property investment adviser, which they often call themselves, says things like "This will be a good investment for your retirement, this will give you a retirement income, this will grow by 10 per cent per annum."

"They are all things that people

should not be allowed to say unless they are duly educated and qualified, with a licence."

She encourages investors to independently verify all the information that's provided to them by anyone trying to sell them a property or provide them advice when they're going to buy one as an investment.

Property commentator Neil Jenman says that in his 35 years in the industry he has never seen anybody who has got rich through attending a property seminar and criticised advisers who claimed to have made thousands of people rich.

"Show me one person you have made financially successful," he says. "Just one."

Property commentator Michael Yardney offers investment seminars. "I offer the culmination of over 35 years experience in property, having invested in more than four property cycles," he says. "When I started I made lots of mistakes and so I pass this information across."

Yardney says the seminars are all different. His vary from three hours to a full day, and he agrees that investors should be wary of certain seminars, which can range from free to \$15,000.

"Be careful who you are listening to and what their message is, and who pays them.

"What you want to see is what is their purpose – are they selling a product, service or property? You will find the free ones are free because they are hoping to sell you a property.

"Some have given in the past blatantly incorrect messages."

Yardney says the benefits of seminars include learning from an experienced speaker, networking opportunities and the chance to have specific questions answered.

