

# Take care with advice

**P**ROPERTY 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 said there was a number of cautionary tales about investors who were given misleading advice and ripped off and would like to see a government body armed with the power to fine and jail. And those who dole out advice should be licensed so they could be punished under law for any unethical or misleading behaviour.

Ms Lomas recently met with the Federal Minister for Superannuation and Corporate Governance, Senator Nick Sherry, to discuss property investment regulation. She said 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 and it's going to be impossible," she said.

"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"

Ms Lomas 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 said that in his 35 years in the industry, he had never seen anybody who had got rich through attending a property seminar and he criticised advisers who claimed to have made thousands of people rich.

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

Property commentator Michael Yardney, who offers investment seminars said: "I offer the culmination of over 35 years experience in property, having invested in more than four property cycles.

"When I started I made lots of mistakes and so I pass this information across."

Mr Yardney said the seminars were all different and his varied from three hours to a full day, and he agreed that investors should be wary of certain seminars, which could 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."

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