

TracyRoberts

real estate

Property Management News

September 2010

A good time ahead for investors!



Cashed-up investors should be getting ready to make some new acquisitions if recent research by Residex is anything to go by. House prices are continuing to slow with a 0.1% growth occurring in July 2010. This follows a 1.1% rise in June and a 0.6% rise in May, and a year-to-date rise of 11.6%.

Data released by Australian Property Monitors (APM) shows that although rental prices grew by just 0.7% during the June quarter, the rental market remains strong, with low vacancy rates. However, according to Matthew Bell, an APM economist, rental prices will start to increase towards the end of this year. He believes that as interest rates increase the rental market will become more robust and rental increases will follow.

Landlord coughs up for dirty/damaged property

A recent claim by a tenant has seen a landlord paying out compensation to the sum of \$1290 for failing to provide proper facilities. The tenants claimed that when they moved into the property:

- the house was not clean;
- the pool was covered in algae and filthy;
- lights in the bathroom didn't work;
- one of the toilets was leaking and had come away from the cement; and
- the laundry sink was damaged.

They were told that these repairs would be seen to within a week of them moving in. Despite this promise, and the promise of monthly pool maintenance, the pool was never completely repaired and was maintained only twice during the tenancy. The tenants then had to purchase additional chemicals to prevent the build-up of algae and only got to swim in it a few times.

The lights in the bathroom, the light heater, the toilet and the laundry sink were never



repaired properly and there was a defective shower head. The landlord gave them a new showerhead which they fitted themselves.

Compensation was awarded on the following grounds:

- \$750 for the loss of use of the pool;
- \$250 for the loss of the downstairs toilet;
- \$160 for the broken bathroom light heater; and
- \$130 for the broken laundry sink.

This type of situation is easy to avoid – simply ensure that the house is clean and habitable and any repairs are carried out within the given timeframe and carried out properly. By trying to avoid these repair costs, this particular landlord ended up far more out of pocket.





Tenants who never pay on time

There are tenants who for some reason or other just never manage to pay their rent on time. It is probably one of the most frustrating issues for both the landlord and the property manager. Higher-end property rental tenants tend to pay their rent on time, often by direct debit, but for those with a lower rental price and a higher vacancy rate, it can be a struggle to get the rent paid on time every month.

Obviously it is better to not be in this position and we, as your property managers, will do everything in our power to prevent this by selecting suitable tenants with a good payment history and employment record. It is much easier to get tenants to pay via direct debit than by cheque or BPay as these methods are out of your control.

If your tenant hasn't paid your rent, early action is advisable. We will send a reminder and prepare the necessary documentation in case it goes to the Tribunal or you need it for a claim on your landlord's insurance.

Are you digitally ready?



The switch from analogue to free-to-air television is happening now and through to the year 2013.

Landlords need to make sure their properties are digitally ready and that tenants will be able to receive digital signals when the analogue ones are turned off. To help you with this transition you can download a brochure from www.digitalready.gov.au or call the Digital Ready Information Line on **1800 20 10 13**.

Did you know...

When we visit toilets, bathrooms, hotel rooms, changing rooms, etc., how many of you know for sure that the seemingly ordinary mirror hanging on the wall is a real mirror, or actually a two-way mirror?

Just conduct this simple test: Tap on the surface of the mirror with your knuckle. A normal mirror will produce a dull sound because it is placed in front of a wall. A two-way mirror, however, will produce an open, hollow, and reverberating sound, because there is an open space on the other side.

Chilli Coconut & Chicken Soup

Ingredients

- 2 tbs peanut oil
- 2cm fresh ginger / 1 tsp bottled ginger
- 6 sliced spring onions
- 6 chicken thigh fillets
- 1/3 cup sweet chilli sauce
- 1 1/3 cup water
- 2 cups coconut milk
- 2 tbs freshly squeezed lime juice

Method

- Heat oil in saucepan over high heat and add ginger and spring onions. Cook for one minute.
- Add chicken and cook until golden.
- Add sweet chilli sauce and cook for a minute.
- Add 1 1/3 cup of water and coconut milk and bring to the boil then simmer for 10 minutes.
- Add lime juice and season with salt and a little more sweet chilli sauce if desired.
- Serve with lime wedges and a crisp white wine.



Investing Tip #2

Properly Screening Tenants

Rushing into accepting a tenant without properly screening them could result in a loss of income to the investor in the long run. Some investors may be tempted to place a tenant into their property so they don't have a longer vacancy period.

Ask TracyRoberts how we fully screen tenants not just by checking employment details but all industry databases for bad tenants as well as rental history and character references. Taking the time to find a good tenant will save you time and money in the long run.

Should you have any questions about Property Management, get in touch with Andrew Sparks today, 0432 363 341 or andrew@tracyroberts.com.au

Wanted!

More rental properties urgently needed.

We are facing a lack of properties to meet the current and ensuing demand. We would really appreciate the referral of any people you may know that owns or is thinking of purchasing an investment property.

Please contact our office

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