

This newsletter has been designed to keep you updated on what is happening within the industry and our Real Estate Office

### From the desk of the Asset Manager



**We have found someone to pay the rent if your tenants won't!**

*Providing you with peace of mind...*

It is our duty of care as your managing agent to inform you of Landlord Protection Insurance.

Landlord Protection Insurance can cover you for the unexpected, such as loss of rent, malicious damage, accidental damage, public liability and contents, etc.

For such a minimal tax-deductible fee you cannot afford to be without it.

To find out more, contact our office today!

\* Terms & Conditions apply and policy coverage may vary.

# Property Condition Reports

When a tenant moves into a property, both the tenant and the managing agent/landlord are required to complete a condition report.

This report is an extremely important document as it is a record of the condition of the premises at the start of the tenancy.

When completing a condition report it is not a quick process of ticking and flicking that everything is clean, working and undamaged. Extreme caution and time needs to be taken to describe all of the fixtures and fittings.

This includes:

The colour of the carpets and walls, a full description of the window coverings and light fittings, detailed information on appliances, including the make and model, a list of any inclusions, etc.

If you fail to adequately describe the inclusions, fixtures and fittings it can cause unnecessary disputes at the end of the tenancy or lead to a possible financial loss for the property owner.

For example:

If you just tick window coverings as being good and undamaged and fail to describe them, the tenant can leave any form of window coverings when they vacate. Or if the tenant decides to paint a bedroom hot pink and the condition report just has walls ticked as good, you will be unable to enforce that the walls be returned to the original neutral colour (if the tenant decides to be difficult and disputes it).



The more detailed the condition report, the easier it will be to overcome pending disputes at the end of the tenancy.

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**IMPORTANT:** This is not advice. Clients should not act solely on the basis of the material contained in this newsletter. Items herein are general comments only and do not constitute or convey advice per se. The newsletter is issued as a helpful guide to clients and is for their private information. Every effort is made to ensure the contents are accurate at the time of publication. We take no responsibility for any subsequent action that may arise from the use of this newsletter. Published by THE PPM GROUP - [www.ppmssystem.com](http://www.ppmssystem.com)

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You can be confident that our property management team are very thorough when completing condition reports to protect your investment.

As well as describing the fixtures and fittings, it is equally important that the property is presented in a clean and safe condition from the outset.

Upon vacating, the tenant is required to leave the premises in the same condition (allowing for fair wear and tear) as it was at the commencement of the tenancy.

If the property was not clean, the lawns were not mowed, there were weeds in the garden and marks on the walls, then the tenant can leave the property in the same condition – or often they leave it worse with no recourse for a claim.

Once again, you can be confident that our office is constantly working towards protecting your investment, which includes our team taking a little extra time and effort to be thorough with our documentation when a tenant moves into the property. ■

## Top 10 Home Loan Protection Tips



Please read the following tips to ensure you don't fall into the trap that many investors do each year when looking for that perfect home loan.

1. Never sign a contract without knowing and understanding all terms of the loan. If you are

unsure of anything, you should seek independent legal advice.

2. Never allow yourself to be pressured into a home loan. Reputable mortgage brokers strive to make consumers aware of and be comfortable with their home loan options.

3. Beware of door-to-door and telephone solicitations.

4. Never sign a blank form for any home loan package, and be sure to get copies of all documents bearing your signature. You should always receive a copy of your mortgage documents for yourself.

5. Request an accounting of all fees associated with the transaction. Question any fees you do not understand. All fees and home loan details should be noted in a special document summarising the finance charges. Your mortgage broker should also supply you with a copy of the contract.

6. When choosing to go through a broker, enquire about their experience and qualifications.

7. Make sure that you can afford the proposed monthly payments. Do not agree to payments that you cannot comfortably make. Remember, everyone that experiences financial hardship was approved for the home loan at some stage!

8. Educate yourself. Know the important questions to ask and your rights as a consumer.

9. Your mortgage broker is *NOT* qualified to give you legal, taxation or financial advice (unless they have additional qualifications). If your circumstances require specialised advice, seek it from a professional.

10. Exercise your rights!!! If you feel you have not been treated fairly, do something about it.

For further information on registering a complaint visit: [www.mortgagebroker.com.au/Consumer-Guides/How-do-I-make-a-complaint.html](http://www.mortgagebroker.com.au/Consumer-Guides/How-do-I-make-a-complaint.html) ■

Source: Mortgage Broker.com.au

## Tenants opting for shorter leases

With the current economic climate most tenants are choosing to sign leases for shorter periods. With so many major job losses the future still feels a little uncertain.

The number of tenants actually choosing to move is, in fact, less than normal.

One of the advantages of the shorter lease period is that rental prices can be increased more gradually without putting the tenant under undue financial stress as sometimes happens at the end of longer leases.

Another advantage is that you, the owner, has the opportunity of earlier increases.

It is also good to note that the rental market itself is not as volatile as it was a couple of years ago but it is still ticking over with little to no vacancies.

**REAL ESTATE  
WORKS**

\* \* \*

**SALES &  
PROPERTY  
MANAGEMENT**