

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 are on the lookout for new managements

Do you have another investment property? Or do you know of an investor that requires a professional property management service?

If so, please do not overlook the services of our Property Management Department.

We pride ourselves on the skilled and professional service we bring to you.

Our focus is to maximise your income and optimise capital growth.

Inspirational Tip

"We are what we repeatedly do. Excellence, therefore, is not an act, but a habit."

Aristotle

Sell or Refinance?

Do you need a cash injection of funds? Are you thinking about selling or refinancing your investment property?

Often investors can make rash decisions when under pressure.

Following is an overview outlining some of the pros and cons of selling Vs refinancing your property.

Selling

The Pros

1. Benefit with cash from the sale of the property.
2. Use the cash from the sale to reinvest in property or other investment strategies.
3. Reduce personal debt.

The Cons

1. You will most likely pay capital gains tax on the capital growth you have achieved.
2. You will pay fees associated with the sale, i.e. real estate agent fees, solicitor fees, etc.
3. You will no longer be able to make further investment purchases with the equity from the investment property.

Refinancing

The Pros

1. Use the capital gain amount as equity to refinance the purchase of further investments or simply redraw the cash equity.
2. As the rent continues to increase, your serviceability for the loan will also improve allowing for further investment purchases.
3. Achieve a better interest rate or loan package.

The Cons

1. Increased exposure to interest rates with higher debt levels.
2. Associated costs with refinancing.

It is important to focus on what your goal is. Do you want to make a quick profit from your investment property? If so, then selling may be the best option.

However, if your goal is to build a wealth portfolio then you may wish to refinance. ■

P.T.O...

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

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Now is the time to buy!

I hesitate to make a list
Of all the countless opportunities
I've missed
Bonanzas that were in my grip
I watched them through my fingers slip

The windfalls that I should have brought
Were lost because I over thought
I thought of this, I thought of that
I could have sworn I smelled a rat
And while I thought things over twice

Another grabbed them at the price

It seems I always hesitate
And make my mind up much too late
A very cautious person I am
And that is why I never buy

When others culled those sprawling farms
And welcomed contracts with open arms
I chose to think and while I thought
They bought the deals I could have got!

The golden chances I had then
Are lost and will not come again
Today I cannot be enticed
For everything's so overpriced

At times a teardrop drowns my eye
For opportunities I had but did not buy
And now life's saddest words I pen...

"If only I'd invested then!" ■

Tenants are our valuable assets

Tenants + Property = Income

Without tenants we have no income.

Our company philosophy is that tenants should be treated with respect... We believe that our positive attitude towards tenants assists us in securing quality tenants who often choose to stay longer in a property.

As property owners you need to be aware that there is more competition to attract quality tenants. Tenants are more sophisticated and have grown accustomed to better things, to a better standard of housing and living conditions. They have more money to spend.

For this reason it is more important than ever to value, respect and care for our tenants' needs. ■

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Smoke Alarms

Just a reminder that Smoke Alarms are required to be maintained by the owner

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at the start of a tenancy and when the lease is renewed. It is the responsibility of the tenant during the tenancy.

As per office policy, the smoke alarms are checked at formal inspections at no charge to the owner and should the batteries need replacing, this is done at the tenant's cost.

Notice to Vacate "2 day turnover"



When a tenant gives notice to vacate the property, it is our number one priority to quickly re-list and advertise the property for rent, to reduce the possibility of the property becoming vacant for an extended period of time.

However, please note that our office likes to adopt the "two-day turnover" policy. This simply means that we prefer to allow a minimum of two days between the tenant vacating and the new tenant moving in, if it is possible, so that we have adequate time to attend to unexpected work that may need attention from the previous tenant, as well as accommodating minor hiccups that may occur with the vacating transition. Otherwise, if the tenant moves into the property when it is not 100% ready, it can lead to unhappy tenants and issues at the end of the tenancy. ■

**REAL ESTATE
WORKS**

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**SALES &
PROPERTY
MANAGEMENT**