

FROM OUR PROPERTY MANAGEMENT TEAM



From Everyone at
Real Estate Works

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New Years

Inspirational Tip:

"We will open the book. Its pages are blank. We are going to put words on them ourselves. The book is called Opportunity and its first chapter is New Year's Day."

Edith Lovejoy Pierce

What should you look for in an investment property?

Many prospective investors often overlook one of the key aspects of research when purchasing a property, which is to ask their property manager what they should consider when looking to purchase a good investment property.

When purchasing an investment property you need to ask yourself "If I was a tenant what would influence my decision to rent a property and call it home?"

The three elements that are essential in attracting and retaining good, long-term tenants are **Comfort, Privacy and Security**.

If the property you are considering purchasing has just one of these elements missing, then start looking at ways you may improve it. If you can't do much with the property, then move on to a property that can offer all three.

Let's look at these elements individually:

COMFORT – everyone wants it. Cool in summer and warm in winter. What used to be considered a luxury is now becoming a necessity.

With the intense summer heat, you will limit the number of tenants prepared to rent your property if there is no air-conditioning. If you have a vacancy in the winter months and there is not adequate heating, the risk of vacancy is also much higher. Set out to make your property as comfortable as possible. Imagining you are going to live in it yourself can help.

PRIVACY – we all crave it. Check out how the property measures up. No one really wants to be looking straight into their neighbour's kitchen or bedroom? Ask yourself questions like: Can outdoor screens be fitted? Is there a place for tenants to have a small outdoor setting and pot plants (many tenants have them)? If tenants smoke, is there an outdoor space for them to do this? Smoking is not illegal. We do ask tenants not to smoke inside the property, but if there are no small outdoor enclosures, courtyards or privacy screens – expecting them to stand out in the rain, or in the neighbour's carport to have a cigarette probably won't work. They will probably end up smoking in your property or moving out.

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SECURITY – We should all be entitled to it and we should all feel safe in our homes. Good investment properties should provide good lighting (particularly in common areas such as carports and walkways) and good locking devices on all windows. Having a security door is a big plus on a property.

When investing in property it is important to be conscious and aware of the tenants' needs. If you want a good, happy, long-term tenant and stability of income, then provide them with a good property. It doesn't have to be flash, expensive or in the best area, but it works better and returns better if it does contain these **three essential elements**.

If you are considering purchasing another investment property, please feel welcome to discuss this with our property management team. We occasionally have investment properties from our property management become available when an investor's situation changes allowing others to take advantage of the opportunity. ■



Maximising your rental income

Just as there are optimum times in the market to buy and sell property, there are also optimum times in the market to rent properties. Both markets are driven by supply and demand. However, the rental market can also fluctuate based on the number of people searching for accommodation at certain times of the year. This may be different from area to area. For example:

an area with a university close by may have an influx of students at the beginning of the semester and then again halfway through the year. Even if you do not have a property that would suit university students, the influx of demand into the market results in less property being available. Any demand in one section of the market usually has an overflow effect. Similarly, the beginning of the year also signifies a time where people like to move and get settled (children in schools, etc.) prior to the official beginning of the school year. As an investor it is important to keep track of these busy times in order to maximise the rent you can achieve. When renewing tenancies and selecting tenancy terms it is important to take into consideration the high demand property peaks in order for you to maximise your income and minimise vacancy periods. ■



How does your garden grow?

As we enter into the warmer months of the year we find that the lawns and gardens of our rental properties will start to grow much faster than the winter months.

If you have your lawns and/or gardens maintained on a regular basis (as an inclusion of your tenancy agreement) then you/we may need to consider advising the lawn maintenance person to attend the property at more regular intervals (i.e. once a month to once every 2 to 3 weeks).

If the lawns and/or garden maintenance are the tenant's responsibility then you will need to consider a general spring clean up of the outside areas. This could

include cutting back large trees that could be overhanging gutters. Shrubs and foliage that may have experienced growth spurts may need to be trimmed or pruned and gutters may need to be cleared to avoid other problems with heavy rain and storms through the wet season.

You can be assured that when we conduct routine inspections we are not only accessing the inside of the property, but the outside too.

And finally, if we have experienced a period of lots of rain, it is worth being a little lenient on tenants who would normally be diligent in caring for the lawns and/or gardens. ■

Setting your New Year's Resolutions

Leading up to the New Year is the best time to plan. Making a list of resolutions and/or goals you would like to achieve in the coming year is a great way to start.

Making things happen isn't easy. To assist you in achieving your goals we would like to share a few tips to remember:

1. Choose realistic goals
2. Tell as many people as you can about them
3. Write them down
4. Read them every day
5. Visualise your goals

**MAKING
REAL ESTATE
WORK FOR
YOU**

