

FROM OUR PROPERTY MANAGEMENT TEAM



Financial Statements

DO YOU CHECK THEM?

It is important to check your monthly financial statements closely to ensure they are correct. Whether it is your rental statement, credit card, bank or otherwise, most statements are computer generated, possibly resulting in unforeseen errors such as additional bank fees or incorrect transactions. Always query any transaction that you are unsure of to give you peace of mind that your finances are in order.

Inspirational Tip

“Be thankful for what you have and you’ll end up having more. If you concentrate on what you don’t have, you will never, ever have enough.” Oprah Winfrey

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. Every effort is made to ensure the contents are accurate at the time of publication. Clients should seek their own independent professional advice before making any decision or taking action. 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

THE NEW TYPE OF TENANT Smart & Educated

Managing an investment property has greatly changed over the years. In the '70s and '80s it was a simple process of collecting the rent and being nice to the tenant. In the '90s changes in legislation and client expectations demanded a more professional service. In the '00s it is serious business!

You have made a great choice in engaging a professional property management company to manage your property. You don't need to worry about the complex issues of managing the tenant and property, and you can be confident that our focus is to work towards maximising your income and optimising capital growth.

As your managing agent it is important to us in the process of representing you that we have a clear understanding of legislation requirements and more importantly, that we apply the law.

At times, we receive instructions from landlords asking that we follow through on certain requests that contract outside of the Act. Requests relating to accessing the property, increasing the rent, terminating agreements, bond increases and increased notice periods, to name a few.

As mentioned, property management has changed over the past 30 years and so have the tenants. Tenants are a lot smarter when it comes to understanding their rights and obligations. They have access to more information as well as consumer advice services. If we don't act in accordance with the law there are serious fines that can be imposed on us as an agent and you as a landlord.



When we are discussing the required action that needs to be taken during the management of a property, please be mindful and understand that our advice is based on the law.

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IN THIS ISSUE

- The New Type of Tenant
- Buying in a Slow Market
- Landlords are at Greater Risk
- It's Storm Season Again...



BUYING IN A SLOW MARKET

Don't be afraid of the gloomy economic forecasts. Right now there are great bargains to be had for the astute property investor. A slowing of the economy and a decrease in demand for housing has created a once in a lifetime opportunity for buying solid investments in areas with strong growth drivers.

There are fewer buyers in the market place and more properties available for sale, which means that properties are taking longer to sell and vendors are dropping their prices in an attempt to sell them.

TOP TIPS

Locate the Demand: Research ABS data to locate suburbs/areas with a minimum of 2% population growth forecast, jobs growth, and infrastructure projects to match. You want to make sure your property is always in demand from renters.

Locate short supply: Check with the local council to find out if there are more housing developments proposed for the area. Is there a restriction on supply coming through? You want short supply.

Rental opportunities: Check with your property manager – what type of property is in the most demand from that suburb? Is it housing or units? Is it 3-4 bed house or 1-2 bedroom unit?

Vacancy periods: Ask agents how many days properties are vacant before tenants are found? Get information in writing to ensure veracity. Lower vacancy indicates short supply and potential for rental growth.

Quality construction: Look for solid, long lasting, low maintenance materials for better capital growth.

Use a cash flow analysis calculator: Make sure you can

afford to hold the property if the rate goes up by 2%-3%.

Pay the right price: Which property (if all other points are equal) gives the highest rent return? ■



LANDLORDS ARE AT GREATER RISK

When the economy tightens it financially impacts everyone; businesses, employees, young singles, families and the elderly. It can also affect property investors.

We have a very thorough tenant selection process that includes reference checking and a financial analysis of their income percentage to rent.

However, what if they lose their employment, have a serious illness in the family or become overcommitted in bills generally. These are circumstances that are out of anyone's control.

So if the tenant's financial circumstances change and they cannot afford to pay rent... who will pay, so you can meet your mortgage commitments?

Landlord protection insurance will.*

For a minimal investment that is tax deductible you cannot afford not to have this insurance.

Feel welcome to contact our office to find out more.

* Terms & Conditions apply

IT'S STORM SEASON AGAIN...

And with it brings minor flooding and water leaks..

This season has been very wet once again and has brought strange winds and continual rain causing unusual leaks and strain on gutters, roofs and waterproofing. Normally dry yards are waterlogged or worse.



The weather has affected a large number of properties on the Gold Coast but luckily we have had no major flooding.

Keeping your property well maintained is the best way to avoid problems. Checking gutters regularly and keeping trees and shrubs trimmed and pruned helps avoid unnecessary damage. Being prepared is your best option.

**MAKING
REAL ESTATE
WORK FOR
YOU**

