

FROM OUR PROPERTY MANAGEMENT TEAM

Only 11 weeks until the festive season...



START PLANNING NOW!

Can you believe it! It seems like only a couple of months ago that we took time off work and enjoyed catching up with our family and friends for Christmas. If you are anything like the average Australian family you will not have thought about buying presents, as many leave it until the Christmas rush in the last week. However, with the current economic climate and financial pressures placed on families, it may be a good idea to start planning your present list now. Put a little extra away each week or even consider the old-fashioned lay-by system. When you are out shopping, start looking for special offers to reduce that large shopping account in December.

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How do you know if it is a tenant or landlord market?

There are a number of factors that market researchers rely on to determine whether it is a tenant or landlord market. However, the most commonly referred to statistical data is the 'vacancy rate'.

In a recent article published by domain.com.au an expert in research, Louis Christopher, Managing Director from SQM Research, commented that "*In almost all locations around the country, renters are facing an uphill battle in finding affordable accommodation*".

So...how do you know if it is a tenant or landlord market?

Overall, a market that favours landlords is said to exist when vacancy rates are below 3%. Above this level, it starts to turn into a tenants' market.

SQM Research recorded the national vacancy rate at 1.9%, which represents a very difficult market for renters.

The data collected to determine the national vacancies rates was based on online rental listings that had been advertised for three weeks or more, compared with the total number of established rental properties.

The toughest market is Canberra at just 0.7%, while the one that best favours tenants is Melbourne, which has a vacancy rate of 2.8%. Sydney is recording 1.4%, with the outer ring showing rates below 1%. In some locations in Sydney's west, vacancies are almost non-existent.

It was also noted that many affluent suburbs or higher-priced rental properties were experiencing higher vacancy rates, such as 4.8%, leading to landlords having to offer discounts to attract quality tenants. This further demonstrates the demand for affordable housing.

A similar trend was witnessed in the second half of 2008 when vacancy rates in some more expensive suburbs reached 10%.

If you are interested in further data feel free to check www.sqmresearch.com.au.

According to the Office of Economic and Statistical Research, OESR, Queensland's current vacancy rate is 3.8%. www.oesr.qld.gov.au

As we move into the next quarter and summer we are already seeing a change for the positive. P.T.O.

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- *Remember: Commonwealth Games*
- A review of your home insurance
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Taking the current market into consideration and being prepared to negotiate a little to gain or keep a good tenant is probably your best choice.

Remember:

November 11th and the Commonwealth Games decision is getting closer....



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A review of your home insurance



Home insurance is the most important protection that you can have for your investment property. If damage occurs from an unexpected fire, storm, flooding or burglary, you want to have peace of mind that you are financially covered.

In reviewing your home insurance we have taken the time to list some thought provoking questions:

Is your property adequately insured? If your property was destroyed could you rebuild the property to the same standard?

Is your property over-insured? Remember, you do not need to insure the land value. If you purchase a property for \$500,000 it is going to include a portion of land value.

Do you know what is considered building and what are contents within the property? Insurance companies may classify these differently, which can affect the insurable value for the building or contents. You need to find out what an air-conditioner, carpets, blinds, light fittings, security systems, etc. fall under.

Some insurance companies have a limit on how long they will cover a home while it remains vacant. Is your property covered if it is vacant?

We strongly recommend that you discuss these questions and ask further questions of your insurance company or broker to ensure that you are adequately covered. ■

Credit-card holders beware!

If you have purchased anything on your credit card recently for less than \$35 you will have noticed that you no longer have to enter a pin or sign for the transaction... and the banks are promoting this as a secure transaction.

Banks are prompting cardholders to take care and if the card is lost to notify them immediately so that you will not be responsible for any unauthorised transactions.

So from now on you will need to take care.

If you have not been checking your credit-card statement each month now is the time to start doing so.

There have been many reported cases of one-off transactions being taken from cards, even when they don't have your credit card, but have sourced your card number. ■



Inspirational Tip

The only way of finding the limits of the possible is by going beyond them into the impossible.

Arthur C. Clarke
