



PROPERTY MANAGEMENT NEWSLETTER

Property Marketing and Management

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Handling a Break-in at Your Investment Property

Scenario: A property break-in results in the tenant's laptop and keys being stolen. It occurred on a Friday night, on Saturday the property manager arranged an emergency locksmith to change the locks on the front and back door. The damaged security door also required repairs, both at the owners expense.

The responsibility and cost of changing locks and repairing the security screen rest with the landlord. It is the landlord's responsibility to maintain locks or other security devices necessary to keep the residential premises reasonably secure. It is also up to the landlord to give the tenant a copy of the key or opening device to open any lock or security device that is added or altered.

The good news is that most building insurance policies will cover the cost of the repairs (minus any excess) because they were caused by a burglary. The additional good news is that, because the invoice was for a repair, the excess should also be tax deductible.

It's worth noting that landlord's insurance doesn't cover the tenant's belongings, whether stolen in a robbery or, in the case of water leaks, caused by storm damage or a burst pipe. The only exception is if the landlord has been negligent, eg. by not fixing a faulty lock or not organising repairs to leaky plumbing, when advised by the tenant of the fault.

Essentially, the tenant is responsible for their belongings. At the time of signing up all new tenants, PMM supply an information pack which includes contact details for Aurora etc.

As a landlord, you should also ensure that you organise your own insurance cover. While not a legal requirement, it certainly helps you when dealing with a tenant who is usually in a distressed state following a break-in. Note that landlord's insurance policies usually don't cover your goods and chattels in the case of theft or damage.

Source - www.yipmag.com.au

Property Maintenance

Good Property Managers and landlords know the importance of keeping their rental properties well maintained, not only are tenants entitled by law to have a safe and habitable living environment, it is also in a landlord's financial interests to ensure the property is kept in good condition. After all, without rent coming in regularly each month, a property is worthless. Prospective tenants viewing a neglected property are also less likely to want to rent it. Meanwhile, tenants residing in a property that is suffering from neglect are more likely to treat the property poorly and not pay their rent on time.

If a property does not receive ongoing general maintenance, and if repairs are not acted upon straight away, in the long run the work is only going to cost more and take longer when maintenance or repairs are finally undertaken. Furthermore, the value of a property in disrepair is significantly lowered, decreasing both its investment and rental income potential. Many landlords insurance providers expect homeowners to maintain their property to the standards of the relevant Tenancies Act, and failure to do so could result in claims being denied.

As a Property Manager, it is crucial that you make your landlords aware that their property should be maintained as required and that certain standards for repair are met. Obviously if your tenants inform you of a problem in need of repair, you/your landlord needs to act immediately but preventative maintenance is equally important.

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During your routine inspections potential problems can be identified and fixed before they worsen. The landlord may like to arrange routine maintenance on an annual basis such as checking drains and gutters, checking for signs of mould or damp, having air-conditioners serviced, mending any broken or leaking fixtures and generally inspecting and repairing any aspects of the property that could present problems. Examining fences and garden walls to ensure they remain in sound condition together with inspecting the roof and any chimneys for signs of damage are vital.

Other things that can affect the quality of tenant applying for a property is the cosmetic maintenance too, when necessary is essential. Touching up the paint job on interior walls when the property is between tenants is a simple enough task, and reasonably inexpensive if your landlords do it themselves. It may enable you to add extra dollars to the rent you charge the next tenant. The same applies to replacing aging fixtures and appliances.

If your landlords keep their rental properties in good condition, ultimately they will prevent unnecessary problems for you down the track and save you both time and money.

Investing

Investing in property is challenging at the best of time, even more so in a turbulent market. It takes strength of character and it demands focus and discipline. This is why only 7% of Australia's 22 million inhabitants are investing in property!

While property investors are in the game to create wealth, they also contribute a significant portion to the residential market. Without investors, over 20% of Aussies who rent would have no where to live! Investors also contribute to the overall health of the economy by creating jobs in the construction, finance, legal and accounting sectors.

But these unsung heroes are undoubtedly not getting the recognition they deserve for their contribution to the Australian society. The general public certainly does not. And many investors don't give themselves enough credit for their contributions.

Source: Your Investment Property

Increase Your Investment Portfolio



- WEST HOBART**
- 1 • A very neat and tidy unit
 - 1 • Walk to City / Close to transport,
 - 1 • Ideal investment / student accom.
- Buyer Inquiry Range \$195,000 - \$210,000*
Unit 1/54 Hamilton Street
Contact Arthur Seymour 0438 057 885



- KINGSTON**
- 3 • New kitchen and bathroom
 - 1 • Private and sunny yard
 - 1 • Very neat and tidy
- Buyer Inquiry Range \$280,000 - \$320,000
17 Watlie Street
Contact Kay Sorman 0417 503 263