



# PROPERTY MANAGEMENT NEWSLETTER

Property Marketing and Management

September 2011 No. 114

**6244 5588**

1a Bligh Street, Rosny Park.  
Located opposite Eastlands  
rentals@pmmrealestate.com.au



## Get Fair Play In Your Strata

Are you an owner in a strata property where the Body Corporate's governing committee or members thereof have been authorised to manage the affairs of the strata on behalf of the other owners? Is your governing committee saving money by not employing a professional body corporate managing agent (often known as a Strata Managing Agent)? If you are in this situation and you are very lucky, you may be governed by someone knowledgeable and fair and you might as well continue as you are and save the fees payable to a professional, but if not, read on.

If you are reading on, it's possibly because you've realised the person authorised to manage the building on your behalf is making decisions based on their own self-interest or other agenda rather than in line with what is legal and appropriate. Or perhaps they don't know enough about state and local laws applicable to Bodies Corporate, and are making legal gaffes or wasting or mispending funds. Bad 'owner managers' may veto decisions they don't like and even exclude legitimate business from the agenda. They may try to use their power to wage vendettas against other owners they don't 'like' for inappropriate personal reasons such as their objection to the other owner putting tenants into the building rather than occupying the unit themselves. It is not uncommon for such a manager to refuse, for example, the repair of a sagging ceiling in a top floor unit where broken roof tiles have leaked water into the roof cavity damaging the ceiling, even though the ceiling of the top floor unit is part of the Body Corporate's responsibility at law, no matter what caused it to sag. And all because the authorised person in charge of the building's affairs is at best trying to avoid paying out communal funds or at worst doesn't like the owner in question.

While many owner managers manage their buildings with wisdom, doing research where they are ignorant and practising scrupulous fairness in decision-making, there are many who get too close and let their personal feelings influence their decisions. It is almost always better for the Committee or Executive Committee to employ an independent third party - a professional body corporate managing agent e.g. Strata Managing Agent - to look after the affairs of the building at a relatively small cost, rather than risk the development of hostilities and adverse politics amongst owners or even non-compliance with relevant laws.

If you feel this is happening in your apartment building, contact the appropriate legislative body in your area (e.g the Department of Fair Trading or equivalent) and ask for independent advice.

Local property newsletter

## Being a Property Owner

As a property owner you have rights and obligations under the rental law. This is set out in the Residential Tenancy Act 1997. A more detailed explanation of the law can be found in the Rental Guide available from [www.consumer.tas.gov.au](http://www.consumer.tas.gov.au).

As an owner of rental property you are running a small business. There are some things you can do to keep your business profitable and avoid hassles. You should have a filing system with all relevant documents.

These include:

- The rental agreement
  - Regular outgoings e.g. council rates and mortgage payments
  - Invoices and receipts e.g. for repairs and maintenance
- You must keep appropriate financial records and factor the following into your financial plan:
- Future repairs e.g. replacing the hot water cylinder
  - Depreciation
  - Council rates
  - Interest on loans
  - Emergency repairs
  - Insurance
  - Re-letting and loss of rent

Most tenants do not cause problems. However it can take two months to evict a problem tenant. That means you may need to cover mortgage payments for two months or more without a rental income from the property. If your financial margin does not allow for emergency repairs or loss of rent you should reconsider your position.

Source: Consumer Affairs & Fair Trading

## Increase Your Investment Portfolio

**ROKEBY** Gross Return of 6% (approx.)



2 A very neat and cosy brick villa on a level allotment with mountain views. Comprises of an open plan living area, good size bedrooms with built-ins and heat pump. Attracting all day sun and presented in very good condition both inside and out, it offers a fully fenced yard and osp.

1 Buyer Inquiry Range \$180,000 - \$230,000\*

os 8/9 Ralphs Terrace, Rokeby

Inspection by Appointment - Contact Arthur Seymour 0438 057 885

**BELLERIVE** Gross Return of 5.5% (approx.)



2 Convenience has never been more apparent in this immaculate villa. Only two on the allotment, offering a comfortable & low maintenance lifestyle. With level access, open living, heat pump & built-ins in both bedrooms. Only a short stroll from Bellerive Village & the beach.

1 Villa 1/24 Beach Street, Bellerive

1 Buyer Inquiry Range \$280,000 - \$340,000\*

Inspection by Appointment - Contact Stefanie Szyzman 0407 497 271