

# PROPERTY MANAGEMENT SERVICES



## WHY DO I NEED AN AGENT?

Tenancy law has become far more complicated in recent years. The same law applies to all tenancies, whether they are managed through an agent or privately. Landlords can face penalties and prosecution for not complying with tenancy law. As with any aspect of law, ignorance is not a valid defence.

Experienced property managers know the law and what must be done to comply with it. A professional property manager has undertaken training in the field, and is well placed to learn about changes to laws as they arise. A property manager can advise you or act on your behalf in accordance with the law to protect you from being prosecuted or fined.

An experienced property manager is familiar with the pitfalls. They will ensure that steps are taken to prevent potential problems from arising, and that legally binding paperwork is completed, and that appropriate records are kept to provide a defence should a dispute arise.

A property manager provides a buffer zone between you and your tenant, to keep the relationship on a professional level.

Any fees you pay to an agent for letting and managing your property are valid tax deductible expenses.



## ABOUT PROFESSIONALS –RONI BERESFORD REAL ESTATE

We have been located at our current address for over eight years, firstly trading as Arana Hills Real Estate and then in April of 2005 we joined the Professionals group and re-opened as Professionals-Roni Beresford Real Estate. The staff that have come together to make up our team have many years of experience to benefit you.

Our property management division employs a registered, formally qualified property manager who holds an REIQ Certificate IV in Business (Property) Management.

In addition, we have an excellent sales team, who would be more than happy to provide service to you, should you decide to purchase another property or sell property you currently own.



## PROMOTING YOUR PROPERTY

Our prime office location ensures that we attract a steady stream of rental enquiry that we can direct toward your property. We are open 6 days a week.

We will give your vacant property maximum exposure to the rental market through website advertising, by including a descriptive paragraph on rent lists distributed from our office, and by placing a 'To Let' sign at the property.

We can arrange newspaper advertising at your request.

We have a file of potential tenants seeking rental premises, who have not found anything to suit. This means several waiting tenants can immediately consider a new rental listing.

The fact that we do not hand out keys, but accompany all prospective tenants to view properties, ensures the safety of your property during the letting process.



## FINDING THE RIGHT TENANT

At Professionals – Roni Beresford Real Estate we appreciate the importance of selecting the right tenant. A good tenant will pay the rent on time and look after the property well. A tenancy that runs smoothly means less risk and less worry for you.

Our assessment of potential tenants begins when we personally accompany them through available properties. Potential tenants are then required to complete a comprehensive application process. As our office is a member of an extensive tenancy database (T.I.C.A.), we are able to check tenants through their database to ensure they have not been lodged by another renting agent in Australia as having not met previous renting commitments.

We will discuss all potential tenants with you before confirming a new tenancy, to ensure you are kept informed.

A good tenant will be attracted to a well presented property. A property that is clean will appeal to a tenant who intends to keep it clean. Tenancy law requires that the property owner should provide the property in a good state of repair for the start of a tenancy. The property must be safe and secure.

Asking the right rental price is important. We will aim to achieve the highest rent possible in line with what the market indicates people are willing to pay. Setting the asking rent too high will result in a longer vacancy and lost rent income for you.



## COLLECTING THE RENT

When a tenant moves in, we ask for two weeks rent in advance plus a bond equal to four weeks rent. After the tenant has lived in the property for two weeks, they have used up this two weeks rent paid and are therefore then due to pay rent again. We normally then allow them to pay weekly, fortnightly or monthly. We strive to have our tenants remain in advance with their rent.

The bond is lodged with the Residential Tenancies Authority for the duration of the tenancy. It can be claimed against at the end of the tenancy should there be money left owing for any valid reason.

We monitor rent payments from tenants on a daily basis. We make contact with any tenant who falls behind by a few days, and continue to contact them until payment is received.

Should a tenant reach seven clear days in arrears, we will issue a Notice to Remedy Breach as permitted under tenancy law. This notice allows the tenant a further 7 days to pay the overdue rent.

Should the tenant remain behind with rent payments at the end of this notice period, the law then allows us to issue the tenant a Notice to Leave. If this situation occurs, we would then contact you to discuss your requirements. In most cases it is best to allow us to issue the Notice to Leave to evict the tenant if the tenant reaches this stage of rent arrears.

Situations where it proves necessary to evict a tenant are rare. Our policy of watching rent payments daily, and taking early action in response to arrears, usually ensure that small problems do not become bigger problems. Our aim in doing so is to minimise any potential loss of rent for you.



## PROPERTY INSPECTIONS

The best way to ensure that your property is being looked after is for us to visit it regularly. We will inspect your property quarterly. (Tenancy law allows us to conduct inspections no more than once every three months).

Conducting an inspection enables us to keep an eye on how the tenant is caring for the property. If we see anything that causes concern we can address this with the tenant and if necessary, take official steps to rectify any issues of concern.

At our inspections we will evaluate the general presentation of the property and make recommendations for improvements, if necessary; to maintain the property in good condition over the years you own it. Planning and budgeting for ongoing maintenance is better than being left with a devalued property after years of neglect, or facing the entire cost at once.

During an inspection we complete a report on the property based on visual observations and these will include tenant comments as well. We then post this report to you to keep you informed.



## REPAIRS AND MAINTENANCE

Inspections also enable us to observe any minor repairs that might need your attention.

Tenancy law requires that a property owner keep the property in a good state of repair during a tenancy, but it is advantageous to you to do this anyway. Keeping your property well maintained is likely to ensure that a good tenant stays longer, creating less turnover and vacancy time for you. Keeping your property well maintained helps to retain the value of your property as an asset, this will become relevant if you ever decide to sell it.

In between inspections, if a tenant reports a maintenance problem we will contact you before organising a repair. You may choose to organise the repair yourself if that suits you better. Otherwise we can organise the repair for you, using qualified and competitively priced tradespeople we deal with on a regular basis.

In the event that an emergency maintenance issue arose and we could not contact you, we would arrange the necessary repair and notify you as soon as possible afterwards.



## ACCOUNTING TO YOU

We can pay repair invoices on your behalf from rent collected on your behalf, but we would only do so with your authorisation. We can pay your rates, insurance and body corporate fees for you from the rent collected on your behalf. If you would like this service, you only need to ensure that the invoices for these items are posted to us.

A disbursement to owners of tenants rent is done on the first working day of each month and a statement is prepared. This statement will show all the rent that has been collected during the month and any invoices paid on your behalf. If we have paid any invoices for you, a copy of the invoice(s) will be attached to the statement, as you will need these to complete your tax return. The statement also shows the deduction of our fees. Rent collected, less our fees, less invoices paid, leaves a total amount payable to you for the month.

The total amount to be paid to you will be electronically transferred straight into your nominated bank account. Electronic transfers usually appear in your bank account on the second working day of each month.

At the end of June, we prepare a financial year summary of all the transactions we have completed on your behalf to assist you with your tax return. This will summarise rent received for you through our office for the year, and total expenditure paid through our office for you for the financial year.



## INSURANCE

You will need to be sure that your property is appropriately insured.

**Building and Contents:** The most obvious type of cover you will have is building cover. (If you own a unit where a Body Corporate exists then this is taken care of by the Body Corporate.) Building insurance should provide sufficient cover for complete building replacement, and this amount might need to be reviewed annually as costs increase. Building insurance usually does not cover contents, and therefore probably won't cover carpets, curtains/blinds and furnishings. Cover for contents can usually be taken in conjunction with building cover. For building and contents cover your insurance company must have been advised that the property insured is a rented property, because if a claim arises and they did not know, the policy may be voided.

**Public Liability:** The next crucial consideration. This is your protection against a tenant taking legal action against you, or claiming damages that have resulted from living in your property. Your liability insurance should be specific to a rented property, and we ask you to organise minimum of \$5million cover as a term of our management.

**Landlord Insurance:** Covers things like rent loss and tenant damage. Not every landlord sees the necessity of having this, but the peace of mind it provides in the event of a tenancy turning sour is invaluable. I have heard landlords say that because they engage a managing agent they feel they are fully protected against a tenant failing to pay rent or damaging the premises anyway. Of course, as your agent we do all we can to ensure that your tenants meet all their obligations, but we cannot always predict or prevent certain tenancy events. We can provide further information about Barclays Landlord Insurance or Terri Scheer Insurance if you are interested in finding out more.



## OUR FEES

We charge very competitive fees.

For letting your property, we charge an amount equal to one week rent. GST is added onto this fee.

For rent collection we charge a fee of 5% of the weekly rent. GST is added to this fee.

For property management we charge a fee of 3.3% (GST included) of the weekly rent.

To recover expenses, particularly relating to bank fees on transactions completed on your behalf, but also for printing, postage and phone calls made, a \$5.50 (GST included) per month sundries fee is incurred.

The cost of optional newspaper advertising is charged to you.

In the event that you require us to attend a Small Claims Tribunal hearing on your behalf, costs will apply depending on the amount of the claim and number of court attendances required.



## BENEFIT FROM OUR SERVICE

We would like to offer you our professional service.

Your rental property is your investment, and our goal is to help you profit from that. From providing advice, to securing a suitable tenancy and through to managing an ongoing tenancy, we aim to protect your financial interests.

We would be more than happy to meet with you to discuss your real estate needs more fully. Please call us to organise a meeting.

Please note that the law requires us to obtain written authority from you before we can act on your behalf or provide any real estate service.

