

This newsletter has been designed to keep you updated on what is happening within the industry and our agency

**FROM OUR PROPERTY
MANAGEMENT TEAM**



**THE 10 MOST
POPULAR NEW YEAR
RESOLUTION GOALS**

Is one of these yours?

1. Spend more time with family and friends
2. Get fit and exercise
3. Lose weight
4. Quit smoking
5. Enjoy life more
6. Reduce alcohol intake
7. Get out of debt
8. Learn something new
9. Help others
10. Get organised

We would like to take this opportunity to wish you, your family and friends a very happy and prosperous New Year.

From the PM Team

Property Management is Serious Business!



A REAL LIFE STORY...

This is not a happy story but one that every property owner needs to read to remember that property management really is serious business.

News Headlines

...The death of baby Isabella who fell from her father's arms when his foot went through a rotten veranda has prompted a coroner to recommend an overhaul of the rental industry and how maintenance of properties is managed.

Isabella was seven weeks old when her father dropped her over the veranda after his foot went through a rotten piece of wood in their rented home.

Isabella suffered a fractured skull and passed away a few hours later.

The details of Isabella's death, which have been made very public via the media, are simply just too horrific and graphic to share.

What we need to take from this tragic story is that as a property

owner and as managing agents we both have a duty of care to ensure that the property is fit and safe for the tenant to reside.

Our internal prevention policies to minimise risk to tenants consists of:

- Regular routine inspections
- Educating the tenants on the importance of notifying our agency in writing with maintenance concerns
- Strong recommendations to property owners to conduct annual building, pest and pool safety inspections
- Recording everything in writing
- Open communication and follow up until maintenance issues are resolved

If our office does provide you (as the owner) with feedback on repairs, renovations or maintenance it is important that all parties act promptly.

Continued over >

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

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- Property Management is Serious Business
- Is 1-2 Properties Enough?
- Q & A End of Tenancy
- Investment Tip



When managing maintenance we are very proactive, especially when dealing with high risk areas.



AREAS OF HIGH RISK

- Dry rot on stairs, verandas and railings
 - Faulty locks
 - Electrical issues
 - Pool safety compliance
 - Inadequate lighting around the external parameters of the property
 - Ripples, tears or loose threads in the carpet
 - Anything to do with the structure of the building
- Just to name a few... ■

PROPERTY DEPRECIATION REPORT

Are you claiming the full tax benefits on owning your investment property?

As a property investor you are entitled to tax benefits with the fixtures, fittings and appliances that form part of the property.

The amount of tax benefits and when they can be deducted can vary. If you have not done so already make a call to your accountant to discuss how you can save money at tax time. ■



IS 1-2 PROPERTIES ENOUGH?

Any investment expert you speak with will share that 1-2 properties will not secure your future – you need a ‘portfolio’.

‘Portfolio’ means a collection of investments held by an institution or a private individual.

Sometime in the distant future you will have to pay off the remaining mortgages, therefore you need to get more properties than you intend to ultimately hold on to, so you can pay off any remaining debt and still have at least 3 ‘paid off’ properties delivering you a steady rental income. Depending on your lifestyle, you may need many more properties than 4. ■

Q & A End of Tenancy

Q The tenancy agreement is about to expire and we want to move back into the property. Will the tenant automatically have to vacate the property?

A For a tenant to lawfully vacate the property the tenancy must be terminated in accordance with legislation requirements. There have been situations where both the tenant and landlord have assumed that when the tenancy agreement has an end date then the tenancy automatically terminates. This is not the case.

A tenancy can be terminated if:

- 1) The agent/landlord gives the tenant notice
- 2) The tenant gives the agent notice
- 3) The property is abandoned
- 4) The Tribunal orders
- 5) By mutual agreement

There are also different notice periods that must be given at different times of the tenancy and depending on the reason – i.e. end of fixed-term tenancy, periodic

agreement, property sold or landlord moving into the property.

If you want to move back into your rental property it is important that you discuss this with your property manager. Or, if you would like more details on the notice periods, please feel welcome to contact our office. ■

INVESTMENT TIP: A COMMON MISTAKE DIY

If you are whiz with a paint brush then by all means, spruce up the walls of your own accord. But don't tackle large-scale renovations yourself unless you genuinely have the skills to get the job done. You can't be an expert at everything you do, so stick to what you're good at – and take advice from those in their chosen professions. It is also important to be mindful that anyone attending to repairs or maintenance at the property must be insured and licensed to do so.



A tax deductible holiday

This is a reminder that if you are planning to holiday or visit near your investment property you can claim a tax deduction for your travels and expenses if you inspect the property. Please seek advice from your accountant regarding the tax deductions.