



LANDLORDS FREQUENTLY ASKED QUESTIONS

When is the best time to find a new tenant?

The time of year that your property is either vacant or due for a lease renewal can have a considerable impact on the demand for your property and, therefore, the return on your investment (ROI).

October to March is the busiest season in Forster Tuncurry generally. In the couple of months before Christmas the hospitality and tourism industries generally are ramping up so new staff often come to town. Teachers, nurses, and doctors start to hear about new postings and contracts. It's the new school year so people want to have their children settled in their new school. People who simply want a change in location or lifestyle tend to do it in the warmer months.

It's also the best season for sales so there is more movement generally. While it's not impossible to find a good tenant at any time of the year, the peak period tends to create more demand and more suitable tenants to choose from. More competition improves your chance of maximising the return on your investment.

How long should my lease be?

The most common lease terms are six or twelve months. However, there is no restriction on the length of lease you can offer. Some tenants shy away from long leases as they like to keep their options open.

A common misconception about tenancy agreements is they should be either six months or 12 months. This is not a legal requirement and if you are an investor, it is wise to consider aligning your tenancy to end in the peak season.

You should try to avoid having your tenants move out right at Christmas. No one wants to move in at Christmas and it's hard to get cleaning or other work done if anything is needed which can result in delays with getting a new tenant.

What weekly rental income can I expect from my property?

It is not possible to estimate the rent you can charge without appraising your property. Like all Real Estate the factors that affect a property's rental value include location, space, amenities, the condition of your property, landscaping, allowing pets, etc.

Are there any things that I should try to include in my property to make it more attractive to prospective tenants? Most tenants want what you want - a nice comfortable home.

There are things that may not necessarily increase the rent you can charge but make the property easier to rent so down time between tenants is reduced thus maximising your income.

Built in Wardrobes – in my experience this is one of the things that turns a good property into a more sought-after property the last thing you want to do, if you are a tenant, is to lug up the stairs in a unit block is a wardrobe. Tenants sometime disregard a property based on this alone.

More and more we are seeing tenants wanting air conditioning and dishwashers. If there are two properties one with and one without even if it is a little bit more expensive many people will choose the one with the air conditioner and a dishwasher. Remember though that if your property has something and it breaks you must get it fixed.



Can I increase the rent whenever I want?

The rental rate set in the lease will hold throughout the lease term unless there a special provision allowing a rent increase in the agreement. NSW Legislation stipulates that you can only increase the rent once every 12 months. You need to give tenants 60 days notice to increase the rent in NSW.

What is the definition of a 'good tenant'?

A good tenant is someone who pays rent on time and maintains your property responsibly and is easy to get along with. Most tenants understand the importance of upholding the terms and conditions of their contract.

Can I expect tenants to default on their rent?

No. Before we recommend an applicant, we will have done extensive back ground checks. Sometimes, unforeseen things happen in people's lives such as the breakdown of a relationship loss of job or illness that effect their ability to pay the rent. Nobody wants rent arrears. If it does happen our experienced property managers go the extra mile and will act promptly and professionally to minimise the loss.

What if my tenant does not pay on time?

It is inevitable that some tenants may find it challenging to pay rent at some point during their tenancy. We have strategies and systems in place to effectively manage this risk.

What happens at the end of the lease?

At the end of the lease, you have the option to renew the lease, let it run on as a periodic lease or you can request the tenant to vacate. Landlords typically tend to extend the lease when their experience with tenants has been smooth and fruitful.

What is the definition of a good landlord?

Your major responsibility as a landlord is to offer and maintain a dwelling that is structurally sound has adequate heat, water and electricity is free of vermin and mould. You are responsible for ensuring the safety requirements set out in the Building Code of Australia. Be prepared to spend some money on maintenance, things will happen, accept that some things are unavoidable. Be kind treat people as you want to be treated.



Do you do inspections of the property?

Yes. Before a tenant moves in we do an extensive Ingoing Inspection report where we record the condition of the property at the time of the tenant moving in. During the course of the tenancy, we do routine inspections. We can do up to 4 inspections a year.

Can I Inspect the Property Myself?

Of course, if you would like to inspect the property yourself, we can arrange to go together but we need to make sure the tenant is given adequate notice. Many tenants would like to be home when you come it's only fair to give them time to arrange their commitments around the inspection.

Do I need Insurance?

It is wise to have insurance. Things happen that are nobody's fault. A simple thing like burst pipe or leaking hot water service can cause thousands of dollars' worth of damage. Carpets, kitchen cabinetry paintwork can really add up. Imagine what a small fire could do. Not just the things either sometimes a tenant needs to be moved into alternative accommodation. The costs really mount up and repairs can take a long time.

Even in a building that is covered by Strata insurance there will be things that aren't covered. Building, some contents and landlord insurance are all things that should be considered when you have an investment property.

Can I charge a tenant for water usage?

Short answer is maybe. The property must be separately metered, and the meter must be read by the water authority.

The property also must be certified as water efficient by a qualified plumber.

If the property does not meet the criteria above the answer is no. You would need to make an assessment and adjust the rent amount to cover the cost of water.

Is it difficult to change agents?

If your property is already managed by an agent and you want to change agents, it is just a matter of terminating the agreement you have with your current agent. Agreements between agents and landlords have a clause which outlines how long the notice period is. It's usually 30 days. We can help you with the process if you prefer.

Any more questions? Give us a call on 6555 2000.




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