

# Raine & Horne Cessnock

## Investment Properties.

### Landlord Information Pack



Investing in property, for whatever reason, can be a valuable move for your future. Should you be considering this, read on to find out what services, information and preparation we at Raine & Horne Cessnock could provide to assist you.

# **O**ur Professional Services

**Raine & Horne Cessnock** is dedicated to providing you and your investment property with the exceptional care you deserve. We understand there is more to property management than simply receipting rent and have the facilities, networks, knowledge and experience to manage your property.

Please find listed below the professional services available to you for Residential investments.

## Property Assessment

- Market appraisal of your property.
- Expert advice on up to date rental values and trends within the current market.
- Negotiate and implement rent increases.
- Constructive recommendations from inspections resulting in maximum rental returns on your property.

## Ensuring the Quality of Your Property

- Complete a detailed Residential Premises Condition Report at the beginning of each tenancy with photos.
- Conduct regular and thorough inspections of the property with a written report twice yearly.
- Obtain quotes and with your consultation arrange maintenance and repairs promptly.
- Keep up to date with legislation and regulations to ensure your rental property conforms – ie; installation of smoke alarms.

## Landlord Financial Services

- Prepare a monthly income/expenditure statement that is not only comprehensive but easy to read.
- Prepare an End of Financial Year Report – posted, faxed or emailed at a small cost.
- Credit rental income directly in to the landlord's account on a monthly basis – with a mid-month payment option available at a small fee.
- Organise payment of Council, Land and Water Rates, Strata Levies and other accounts (ie; maintenance/repair invoices) are per your instructions.

## Marketing/Newsletters

- Electronic newsletter; Terraine, available to all our database clients providing you with up to date knowledge, information and statistics on the NSW and Australia wide Property Industry.
- Provide a weekly electronic update on our current sale listings.
- Effective promotion and advertising of your property - for further information see 'Marketing your Investment'.

## Rental Procedures

- Qualify prospective tenants through a rigorous selection process – checking professional, personal and rental references, income stability and national database checks.
- Collect and lodge a bond with the Rental Bond Board – NSW Office of Fair Trading.
- Forward to you a copy of the Residential Tenancy Agreement, Special Conditions and Residential Premises Condition Report at the beginning of each new tenancy.
- Collect rent weekly/fortnightly/monthly and water usage from tenants.
- Strict monitoring of rental arrears on a daily basis – with preventative measures in place to ensure tenant arrears are kept to a minimum should they occur.
- Experienced representation at the Consumer, Trader and Tenancy Tribunal if necessary.
- Constant review of rental payment methods for tenants – from bank transfers/deposits to centrelink transfers.

## Technology:

- Rockend's REST – the extensive system utilised to manage the Property Management income/expenditure.
- RHCompass – a comprehensive database designed by Raine & Horne to manage the advertising of your rental property.
- TICA ([www.tica.com.au](http://www.tica.com.au)) is Australia and New Zealand's largest tenancy database that complies with all National guidelines, principles and standards but also registers defaulting tenants.

## Sales Advice

We keep our landlords informed on the state of the property market and can always give advice with regard to the current market value of your property.

# **P** private Property Management versus Professional Property Management

Owning rental property can be a good way to steadily build wealth - or it can be a nightmare. The difference between a profitable investment and a disaster, we feel, is often the amount of work an investor is willing to put in.

Are you willing and do you have the time and facilities to;

- Screen prospective tenants?
- Track down overdue rent?
- Field weekend or middle-of-the-night repair/maintenance calls?
- Deal with tenant disputes and neighbour complaints?
- Learn legal requirements, legislation and regulations?

The fact is, it is not always smooth sailing when dealing with property management. It is the above-mentioned procedures that are not only important aspects of Property Management, but they are also unfortunate aspects that can arise with some regularity, *should the wrong tenant be chosen or correct procedures not be adhered to!*

Finding good tenants is of the utmost importance. Screening is the only way in which you will be able to successfully ensure that the persons caring for your investment are creditable of such a task.

Additionally, once the tenant is living in your investment, ensuring that all the administrative, legal and ongoing maintenance is adhered to is vital in preventing and reducing potential problems.

**Raine & Horne Cessnock** has **the facilities, the networks, the knowledge and the experience** to manage your property.

We offer a professional service

*Reduce your stress... and increase your capital gain.*

# M

## arketing your Investment

A minimal vacancy period is our aim, in order to have your investment begin making a return for you. In order to do this, we utilise a marketing campaign that is highly effective, allowing your next tenant to find your property easier!

### Internet Campaign:

Your investment property will be listed on our website; [www.rh.com.au](http://www.rh.com.au) and all the following websites;

- [www.realestate.com.au](http://www.realestate.com.au)
- [www.domain.com.au](http://www.domain.com.au)
- [www.realtyonline.com.au](http://www.realtyonline.com.au)
- [www.rentfind.com.au](http://www.rentfind.com.au)
- [www.myhome.com.au](http://www.myhome.com.au)
- [www.homehound.com.au](http://www.homehound.com.au)

The Internet is a quick and easy option for prospective tenants who are unable to access the office during working hours. Prospective tenants are able to register their interest with several of the above-mentioned internet sites to ensure they are notified immediately of your listing being uploaded.

### Rental Guide

We have an up to date rental guide available on our front desk at all times. This is a well-liked service utilised by a large selection of potential tenants, especially within the Cessnock area.

### Signage

We have 'For Lease' signage available to promote your rental property. This advertising method is particularly successful for properties that are located in high traffic areas (ie; properties located on main access roads, near local sporting venues, schools or the town CBD).

### Newspaper

We can arrange to have your investment property advertised in the Real Estate and Property Guide situated within the Cessnock Advertiser (printed and distributed to all Cessnock Local Government area homes weekly).

### Open for Inspection

These inspections are more organised and allow for a greater amount of prospective tenants to inspect.

# **S** ummary of Property Management fees and charges.

**MANAGEMENT FEE:** 8.8 % GST Inc of all Monies Received.

## **LETTING FEES:**

Letting: One Weeks' rent Plus GST.

Lease Preparation Fee: \$33.00 GST Inc.

## **OTHER CHARGES AND EXPENSES:**

Advertising: At cost (if requested above the standard).

Periodical Inspections: Included in Management Fee.

Negotiation of rent variation: Included in Management Fee.

Attendance as a witness in Court or tribunal: \$60.00 per hour  
(if requested for reasons other than disciplinary action against rental arrears)

Applying for a Tribunal order: Regulation fee at cost (September 09: \$34.00)

Calculation and collection of water usage charges: 8.8% GST Inc of all Monies Collected.

Arrangement/supervision of Repairs: No charge

Arrangement/supervision of Disaster/Emergency Repairs: 5.5% of Total Cost of Works.

Office expenses (ie; travel, postage, national and international calls, emails, statutory fees and out of pocket expenses): \$5.50 per month.

Mid-Month Payment; \$5.50 per month.

End of Financial Year Report:: \$45.00 if requested.

**Note** - Real Estate fees and charges are now deregulated and open to negotiation

# A Guide To Preparing Your Property For Lease

The following guide has been compiled as a checklist to ensure your property is presented in excellent condition to prospective tenants.

## Preparation

- External Areas - all grass areas are to be mowed, edges are to be trimmed and gardens weeded. All paths to be swept and no rubbish to be left on the property – garbage bins to be emptied and hosed out. All cobwebs to be removed.
- Garages/Carports - all grease marks to be removed and the garage/carport swept and hosed out.
- Pool – fencing and signage to comply with Council regulations, pump and equipment to be in working order.
- Floors - all floors are to be vacuumed/swept clean. Where appropriate, all carpets are to be professionally shampooed.
- Walls - all walls are to be washed and cleaned and all marks removed and nail holes to be repaired/painted.
- Cupboards/Benchtops - to be cleaned and wiped out.
- Oven/Stove/Grill – to be cleaned.
- Bathroom/Toilet – all surfaces to be scrubbed and cleaned.
- Window furnishings – curtains to be washed, ironed and re-hung, venetians to be dusted. All window sills and tracks to be dusted and wiped clean.
- Light fittings/exhaust fans/air-conditioners – covers to be removed, filters to be dusted, washed and replaced.
- All verandahs or patios are to be swept and washed.
- Ensure smoke alarms are installed with new batteries (legislation also requires these to be replaced at the beginning of each new tenancy).
- Check heating/cooling devices (ie; gas heaters, combustion fires, air-conditioners) are all in working order.

- Ensure relevant services have been changed from your name ie; phone, electricity, gas, pool maintenance or security companies.
- Update insurance policies. As a landlord you are responsible for the insurance of the building and the tenant is responsible for the insurance of the contents. We also recommend a Landlord Protection Insurance cover be invested in – this can cover malicious damage, loss of rent, replacement or repairs of fixtures/fittings ie; carpet.
- Please leave instruction booklets/guarantees (or a copy) in an obvious location along with any handy hints tenants might find helpful around the property.
- Provide the office with two full sets of keys (including; windows, garage, garden sheds, remote controls etc), one being for the office, one for the tenant.

We draw your attention to Section 65 of the Residential Tenancies Act, 1997 that states that the tenant is not required to enter into occupation if the premises are not vacant and in a reasonably clean condition.

***Congratulations, you can now look forward to receiving your property in excellent condition at the expiration of the tenancy. The tenants' expectations will be met and we can look forward to a smooth transaction for all concerned.***

# **Prevention is better than cure:** **What a Landlord needs to know about** **TICA & Barclay.**

Property investment can be a financially rewarding decision...however it is not without its risks. So what happens when a suitable tenant becomes default? This is a situation that every property investor fears...

## **TICA default Tenancy Control System**

TICA is a central register of tenants who have defaulted under their tenancy agreement. TICA DEFAULT TENANCY CONTROL SYSTEM allows over 12,000 property managers throughout Australia and New Zealand to access its database and inquire if a tenancy applicant has had any defaults registered against them.

The TICA DEFAULT TENANCY CONTROL SYSTEM is the only default tenancy database operating throughout Australia and New Zealand. The system fully complies with the Australian National Privacy Principles. TICA also complies with the guidelines set down by the offices of the Privacy Commissioner of New Zealand. By using the TICA SYSTEM you will be in a position to enquire if a tenancy applicant has previously defaulted prior to placing them in your property.

By uniting thousand of property managers throughout Australia and New Zealand and collating their information on tenants, TICA has been able to reduce their members exposure to those people who believe they have the right to affect another persons lifestyle.

Email: [enquiries@tica.com.au](mailto:enquiries@tica.com.au) Phone: (02) 9743 1800 Fax: (02) 9743 4844

We trust that as a property investor you will appreciate the vital service that the TICA GROUP offers its members. We also trust that you will appreciate the members that use the TICA DEFAULT TENANCY CONTROL SYSTEM as it is not mandatory for a real estate agent to become a member of TICA.

## **Barclay**

The Barclay MIS Group of Companies is an Australian company that operates in every state of Australia, with its head office located in Brisbane.

The Group expanded nationally from its humble origins 22 years ago to become one of Australia's most innovative companies in the area of debt recovery. The Group has evolved into an internationally networked organisation assisting with litigation, insolvency, bankruptcy, preventative debt recovery systems and the landlord assistance plans.

**Raine & Horne Cessnock** strongly recommends that you utilise this service as a Landlord.

# **R** aine & Horne Cessnock team

Our experienced and friendly team consists of:

**Robyne Cleaves;** Proprietor, Licensed Real Estate Agent and Property Manager

**Michael Cleaves;** Licensed Real Estate Agent and Auctioneer

**Fiona Scanlon;** Property Manager

**Lisa Fernance;** Administration

**Anne Marie Cameron;** Sales Consultant

**Sue Pickles;** GIO Financial Services/Administration

**Robyn Langley;** GIO Financial Services/Administration



We'll look after you  
**Raine & Horne**

# F

## requently Asked Questions

### **What are the fees and charges involved in having Raine & Horne Cessnock manage my property?**

Please see page 5 “Summary of Property Management fees and charges”

### **Upon signing the Managing Agency Agreement, how long will the agreement last?**

This agreement lasts until either party terminates it, giving 30 days notice.

### **When do I receive my rental money?**

End of Month procedures occur on the last working day of each month, January through to November. December End of Month occurs just before Christmas, to ensure all payments are transferred in time for end of month, given all the public holidays.

### **Do I receive any statements at tax time?**

End of Month statements are sent on the day End of Month is completed. Should you wish to receive an End of Financial Year Statement – please notify the office and it will be posted/emailed/faxed through upon your request.

### **How do select an appropriate tenant?**

Following a prospective tenant completing one of our application forms (see attached application form example), our first step is to ensure the applicant is not listed on TICA (a default tenancy database – see “*Prevention is better than cure: What a Landlord needs to know about TICA and Barclay*”, page 5.

Next, we examine their past rental history, employment details, identification and references to ensure that they are honest, reliable, clean and most importantly, able to afford the rent at your property!

Then, should all facets of this applicant prove to be of an appropriate quality, we contact you as the landlord to inform you of our recommendation.

Should the Landlord approve the applicant, we proceed to arranging a lease sign-up.

## **What if the tenant doesn't pay their rent?**

In an attempt to avoid arrears, our team practices consistently thorough reference and application checks.

Upon signing a lease, we emphasise to tenants that we have a zero tolerance arrears policy.

Of course, we cannot guarantee that circumstances do not arise which lead to rent arrears.

In this case, we also follow strict procedures to remain in close contact with these tenants and to have regular contact with them, until we have their rent paid up to date and in advance.

Failing this, on the 15<sup>th</sup> day (as stated in the Residential Tenancies Act) we issue a Termination Notice and follow necessary procedures at the Consumer, Trader & Tenancy Tribunal (CTTT) to terminate the tenant and/or gain recovery of rental arrears.

## **How often do you perform inspections and do you inform me of the results?**

Property Visits are completed on a regular occasion.

Once the tenant has settled in the property, a visit is organised approximately 6-9 weeks after commencement of the lease to ensure the property is being maintained.

Thereafter, visits are carried out on a 6 monthly basis.

These can be varied, depending on the tenant's situation.

Should a drive-by of the property or neighbour complaint be received, then more regular visits can be carried out (up to 4 annually).

The landlord is notified of the visit and any necessary repairs or requests, however we do remind you that we are not building inspectors, therefore unfortunately we are not able to provide in depth information.

## **How are repairs handled?**

Repairs and maintenance is handled in a careful and precise manner.

All repairs and maintenance issues are reported to you as the landlord.

We have a qualified team of tradespeople, including Schofield Plumbing, Sinclair Electrical and handyman Max Moore (licensed builder) who are more than capable of caring for your property.

However, there are situations and times when emergency repairs are required and we are not able to contact you direct, therefore we do act in your best interest in dealing with these repairs.

# Our Current Rental Properties:



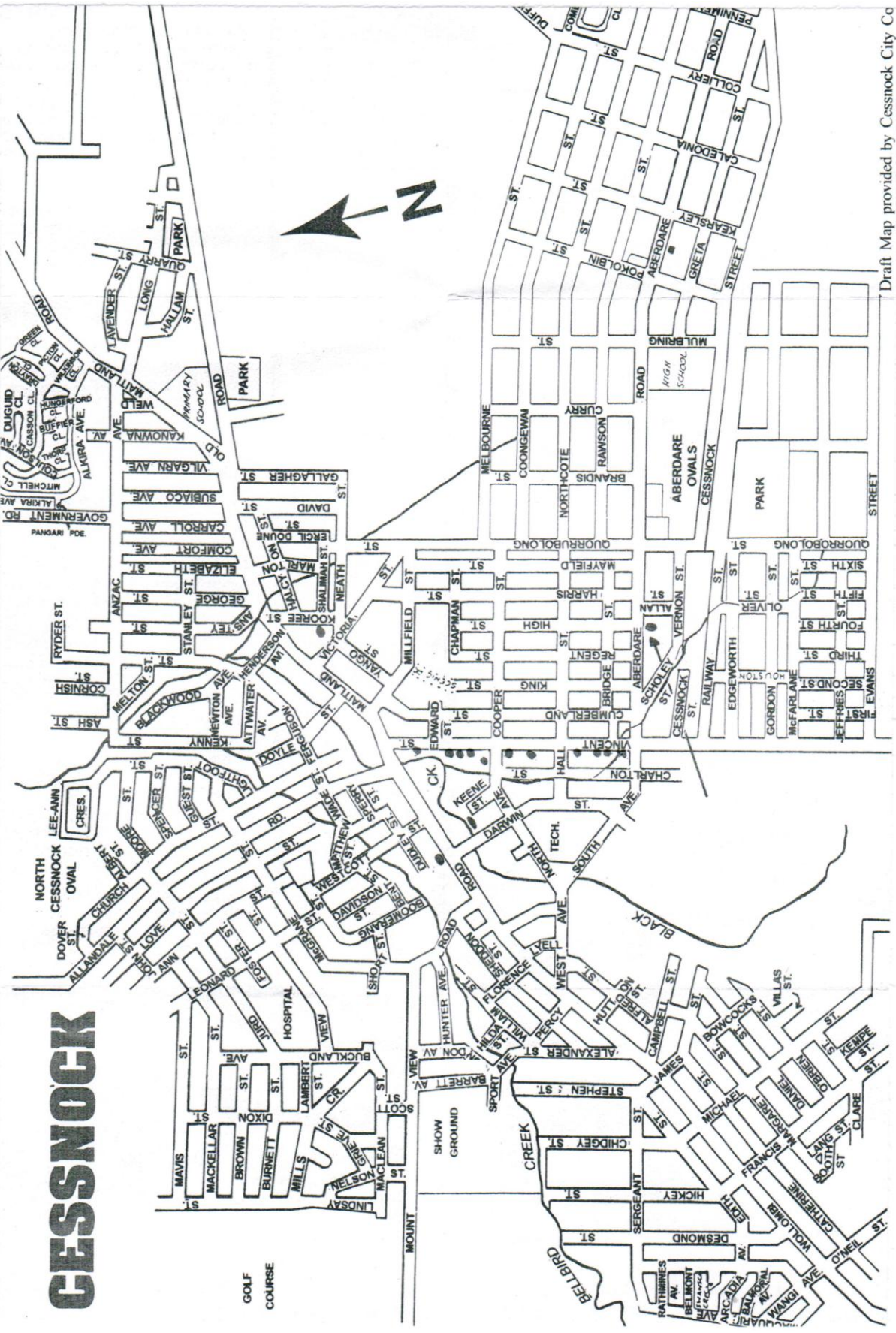
2/5 Albury Street Abermain NSW 2326

Spacious and modern three bedroom property achieving \$300 per week.



13 Elizabeth Street Cessnock NSW 2325

Spacious yet older style renovated two-bedroom property achieving \$250 per week.



# CESSNOCK

GOLF COURSE