



Property Management News

March 2020

CONVENIENCE IS STILL THE WINNER



Rental Demand: What really separates rental properties in the minds of tenants, and what will they actually pay more for? As trends change, the answer to this question changes and as we continue to search for improvements in returns for our owners we've been asking tenants at opens about their likes, needs and wants. Here are some of the things (both old and new) that are on their shopping lists in 2020.

Air conditioning

Air Conditioning always has been, and probably always will be, right at the top of the list! This year, the weather in some parts of the country has been extreme, making air conditioning even more attractive. While some experts concur that installing air conditioning may not increase your property's sale value, it may allow you to command more rent; and coming into the cooler months there may be some reasonable deals to be had before it gets hot again.

Kitchen convenience

With everyone's lives getting busier by the second, a dishwasher is not surprisingly also on the most wanted list. Gas cooking is becoming more and more popular as well. The instant heat of gas cooking people see as convenient and a cost saving - and the rest you can probably blame the TV cooking shows for!

Balcony or outdoor space

As a nation, we like to entertain, and a garden

or outdoor space was a top priority for some prospective renters. Some said they'd pay even more if a landlord included garden maintenance or lawn mowing. In units, even a small balcony area to "feel the fresh air" was more desirable than not having a small spot to step out on to.

The 'little things'

Many of our tenants also said they really valued the little things that you would do if you lived in the home yourself. For example, good internet access, solar panels to save on electricity costs, as well as plenty of cupboard space and storage.

Office space

With more and more people working from home these days, the creation of some dedicated study or office space has lots of appeal. Everybody has a computer these days and nobody wants messy cables or computers in the bedroom or lounge room! While you can't necessarily 'magic' an extra bedroom 'out of thin air' the concept of a 'study nook' has been gaining some popularity!

Lastly - if you are thinking of increasing your property portfolio, the old adage is still true: "Location, location, location!" Some of the things a prospective tenant likes to be close to include public transport, schools, good shops, and good coffee. In our experience, renters will factor in the "cost of convenience" and are happier to pay if they're where they want and need to be to suit their lifestyle!

AN EXAMPLE OF WHY WE DO INGOING PROPERTY INSPECTION REPORTS

It is not always easy picking the right tenant but it is worth the extra work involved in getting all the necessary checks and references in place before you allow someone to move into your home.

A recent case that involved another agent illustrates the damage that can be done by tenants and also highlights the need for an ingoing and outgoing property inspection report. The tribunal in this instance relied heavily on the evidence supplied by the report and thus the landlord was able to successfully claim \$5,736 for the following:

- The landlords requested that the kitchen bench top be replaced and initially claimed a sum of \$1,300 as there were cut and burn marks on it. The ingoing report showed no damage to the bench top.
- The tenants had apparently installed five extra lights in one of the upstairs bathrooms and so the landlord claimed the cost of repairing, gyprocking and repainting the ceiling at a cost of \$2,000. This was evidenced by comparing the ingoing report with photos provided at the end of the tenancy.
- The timber floors had also been damaged with scratches and marks which did not show up in the ingoing report and the landlord claimed a sum of \$1,584 to re-sand them. The tribunal was satisfied that these scratches were considerably more than fair wear and tear and they allowed for 70% of the landlords original claim thus entitling him to \$1,108.
- The tenant had installed a new wall in the garage creating an additional living space and according to the landlord it was without his consent. The landlord further argued that he wished to restore the garage to its original condition at a cost of \$2,100 plus rubbish removal.



The tenant, however, argued that the landlord knew about this and although there was no written agreement the installation would be of benefit to the premises. Tenants are not entitled to make additions to property that does not belong to them regardless of whether or not it improves the property and thus the tribunal awarded the landlord the full sum plus \$148 in tip fees.

- A further claim for rekeying and garden restoration was claimed.

So the tribunal ordered the tenant to pay the following sums:

- Bench top \$230.00
- Removal of ceiling lights and rectification of ceiling \$2,000.00
- Resanding floors \$1,108.00
- Garage rectification \$2,100.00
- Tip fees \$148.00
- Key cutting \$50.00
- Gardening \$100.00

LANDLORD INSURANCE

There are many types of landlord insurance available and although you don't need all of them, it is essential that you know the ones you do need for your investment property (and the ones you don't).

Standard building and contents insurance – more commonly used by owner occupiers than by landlords.

Strata insurance – held by the body corporate and paid for by the owner's levies. The owner has legal liability for the common areas whilst the body corporate is responsible for the building. This doesn't cover landlords for damage caused to the interior of the property by the tenant or if the tenant defaults on rent payments.

Landlord insurance – this is a specific insurance designed to insure landlords against actions by their tenants. These risks include theft, malicious damage, accidental damage and loss of rent.

The best reputation in real estate

Important note: Clients should not rely solely on the content of this newsletter. All endeavours are made to ensure the content is current and accurate however, we make no representations or warranties as to the accuracy, reliability, completeness, or currency of the content. Readers should seek their own independent professional advice before making decisions.

R&W

We Would like to take this opportunity to advise that as of 23 March 2020 there will be few changes to the Residential Tenancy Law set out by fair trading that will reflect on your investment property , for more information visit the following site



<https://www.fairtrading.nsw.gov.au/housing-and-property/renting/new-residential-tenancy-laws>

Hendra Wijaya
Principal

RECENT RENTALS

58/79-87 Boyce Road, Maroubra
2 beds, 2 baths, 1 parking \$640

G01/12 Paul Street, Zetland
2 beds, 1 bath, 1 parking \$680

517/140 Maroubra Road, Maroubra
2 beds, 2 baths, 1 parking \$700

10/16 Grace Campbell Crs, Hillsdale
2 beds, 1 bath, 1 parking \$380

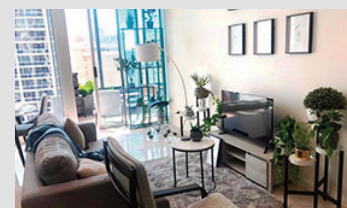
RECENT SALES



8 Borrodale Road, Kingsford
3 Bedrooms, 1 Bathroom, 2 Parking
Price Undisclosed



3 Cunningham Street, Matraville
3 Bedrooms, 1 Bathroom, 2 Parking
DA Approved. Price Undisclosed



S2905/91 Liverpool Street, Sydney
1 Bedroom, 1 Bathroom, 1 Parking
Price Undisclosed