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THE INVESTOR

COMPENSATION – WHEN IS IT PAYABLE?

When a tenant is approved to reside within a property, they are required to enter into a tenancy agreement, which includes a condition report that outlines the number of rooms, the cleanliness of the property, and the inclusions of fixtures and fittings.

If there is a change to the agreed condition report inclusions during the tenancy, the tenant may have grounds for a compensation claim if the matter is not rectified in a timely manner and has a direct impact on their quality of living.

For Example:

- *Breakdown of a dishwasher, washing machine, dryer, oven, stove, microwave, cooling or heating unit.*
- *Unable to access a shower, toilet, room or area of the property due to safety concerns, repairs required, water damage or mould.*
- *Denied access to a pool or spa due to pending excessive repairs.*

The key to mitigating a compensation request is to rectify the matter promptly. However, sometimes this can be out of everyone's control due to financial hardship in affording the repairs, a lack of available tradespeople, or complexity of the repairs.

Calculating compensation is also not a simple process and will vary depending on the circumstances.

If a compensation request does arise, you can be reassured that an experienced member of our property management team will guide you step-by-step through the process to reduce any financial loss.



LIST PRICE VS SOLD PRICE... ALWAYS FOCUS ON THE FACTS

Appraising or determining the sale price of a property can sometimes be tricky as there are many factors to consider. It can also be confusing for property owners, who undertake research online, as different websites often provide conflicting price guides.

When appraising and advertising a property, a sales agent can establish any listing price with the seller. However, the key to getting the price right is to base the decision on facts and research. This approach helps to prevent over or underestimating the property's value and ensures that you attract maximum buyer interest and achieve the best possible sale price.

The most important step is to research comparable recent 'sold' prices, rather than the 'listed' prices. This is because the listed price is not factual evidence, as the property has not sold. Furthermore, many sellers' opinions can influence the price, leading to unrealistic expectations based on emotional attachments, misguided perceptions of the value of renovations undertaken, or failure to compare the actual property features 'like for like' that can result in over-pricing the property.

For instance, if you are selling a four-bedroom home with three living rooms, two bathrooms, three car spaces and a pool, it's crucial to research property sales with these similar features.

This approach will provide a more accurate price guide for a property.

When determining a sale price, it is equally important to consider the property's age, presentation, quality of fixtures, fittings and finishes and overall floor size of the home and land. These factors, along with the current supply and demand, seasonal timing, and overall market conditions, play a significant role in determining the right price for a property.

Correctly determining a property sale price, requires knowledge, experience and market research facts.

If you are considering selling or know someone who is, we are here to support and assist and would be happy to prepare an obligation free detailed comparative market analysis report to guide you on price.

LAND TAX ASSESSMENT NOTICES – HAVE YOU OVERPAID?

With the increase in property and land prices over the past few years, we are seeing a rise in Land Tax Assessment Notices values.

Land tax is an annual levy payable by property owners, administered by each state and territory government and is administered everywhere except for the Northern Territory. The land tax laws in each state are comparable, however the calculation methods do vary.

With the issuing of Land Tax Assessment Notices, we have had several property owners receive a notice for their permanent principal place of residence (which are generally exempt from Land Tax), as well as other applicable exemptions, due to their failure or awareness to complete a Land Tax Exemption claim form.

Property owners receiving a Land Tax Assessment Notice should seek professional advice regarding any applicable exemptions. You should also pay close attention to the land value stated and monitor sales of similar properties over the past 12-months to determine the validity of the valuation.

To calculate the land tax methods for each state of Australia, visit www.business.gov.au/finance/taxation/land-tax.

If you feel that your Land Tax Assessment Notice needs to be correctly applied or is over-inflated, you can seek a refund or request a review by contacting your land tax state governing body or seeking professional advice from your accountant.

Knowing the Land Tax thresholds and calculations is essential, as it could be prudent to spread your investment portfolio across several states to reduce your land tax.

A COMMON INVESTMENT MISTAKE Don't Ask, "Would I live there?"

When searching for an investment property, don't fall into the trap of asking, "Would I live there?" Your tastes in a property can often differ significantly from a tenant's needs and likes within a particular area.

Following are some key factors that you should focus on, when considering the purchase of an investment property:

- Are the rents affordable within the average to medium wage range?
- Has the area shown a solid history of steady rental demand from nearby industries, educational, medical or commercial office workers?
- Does the area provide reasonable access to shops, transport, schools, churches, sporting clubs, and other facilities that are in keeping with the profile of the local population?

If you can answer yes to the above, you are on course to make a sound investment decision.

INSPECTING YOUR PROPERTY

Our agency supports and encourages owners to inspect their investment property to keep up to date, in conjunction with our regular and detailed routine inspections.

If you want to inspect your property, it is important to inform us, well in advance so we can coordinate this on your behalf, as legislation limits the number of inspections per year. While most tenants are willing to allow additional inspections, there are the minority, who may refuse an inspection based on legislation requirements.

TALK TO US

ABOUT A FREE PROPERTY APPRAISAL

BUYING, SELLING & PROPERTY MANAGEMENT

CALL HENDRA WIJAYA ON
0414 598 865

hendra@rwmaroubra.com.au

IF YOU NEED ADVICE

PROPERTY MARKET

Keeping you updated

RECENTLY LEASED:

62/79-87 Boyce Road, Maroubra
2 Bed | 2 Bath | 1 Car
\$900 pw

56 Macintosh Street, Mascot
2 Bed | 1 Bath | 1 Car
\$950 pw

RECENTLY SOLD:

1006A/7-9 Kent Road, Mascot
2 Bed | 2 Bath | 1 Car

B10/158 Maroubra Road, Maroubra
2 Bed | 2 Bath | 1 Car

Contact:

Megan Widjaja on 0433 124 033

SUDOKU COFFEE BREAK

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