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THE INVESTOR

COMMON FACTORS OF BARGAIN & BOOM SUBURBS

The astute property investor always wants to find a bargain & boom suburb to increase their short or long-term wealth.

Bargains are often found by reading and understanding the market, researching the future infrastructure of an area, and monitoring what has been happening in surrounding suburbs.

While it is not always possible or sure to find that bargain property, some tell-tale signs can help.

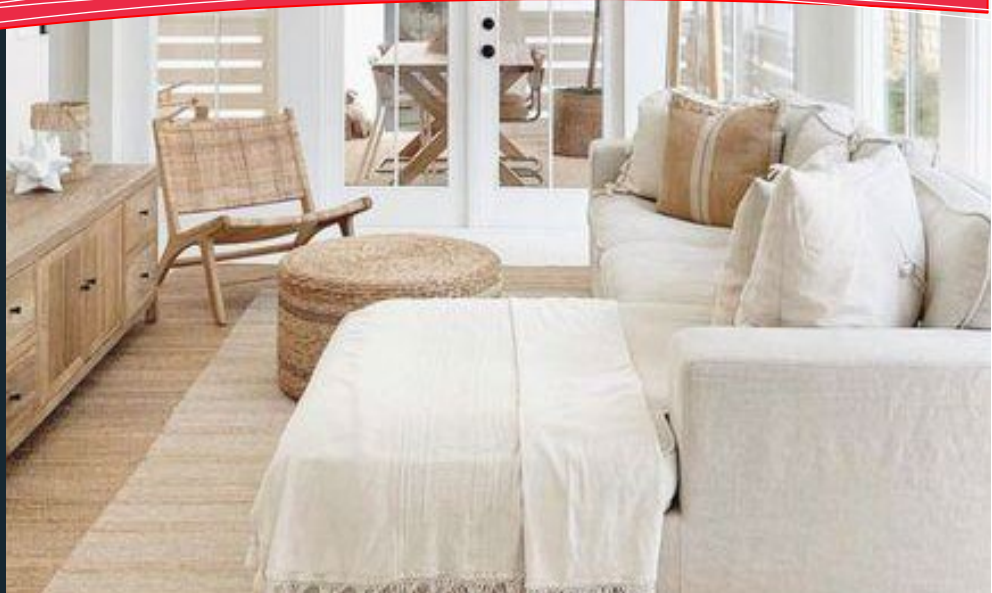
Characteristics found in most bargain and boom suburbs include a wide range of amenities, such as shopping centres, restaurants, schools, parks, sporting facilities, and hospitals.

Investors can also find bargain and boom suburbs in areas that are transitioning from industrial to residential and are undergoing a process called 'Gentrification', which normally sees a growth of cafes and lifestyle-type shops emerging.

Bargain and boom suburbs:

- Are on or near good transport routes
- Either beachside suburbs or easy access to the beach
- Have a range of housing styles, and
- Adjoin areas where prices have grown more strongly

If you require assistance appraising a new property or would like to increase your investment portfolio, we are here to support and assist you.



TENANT SELECTION SHORT-LISTING WITH THE 30/70 RULE

When processing an application for a rental property, we are often asked, "What do we take into consideration when assessing a tenant's suitability?"

This process can include several different factors, such as:

- Ability to maintain the property in a clean and tidy condition.
- Stability of employment.
- Previous record of tenancies – 6 months Vs 3 years.
- Number of tenants to reside in the property.
- National tenant database reference checks for previous history of breaches, defaults and outstanding debts.
- Supporting documentation to validate the application, including employment, previous rental, personal or other references, bank statements, proof of prior residency, ID verification, and most importantly,
- Ability to maintain regular rental payments.

To fast-track the tenant selection process, the first step we apply is the 30/70 rule to shortlist the applicants, like banks approving home loan borrowing capacities, where they generally apply 70% of a household income to living expenses and 30% to repayments. *

For example: The total net tenant household income is \$2,800 per week. 30% of the net income (or affordable weekly rent) is \$840 per week.

As a managing agent, it is our 'Duty of Care' to submit short-listed applications to owners for their approval – by providing detailed information on the best possible tenant, who can afford to pay the best possible rent.

Choosing the right tenant from the outset is also important to reduce and avoid any unnecessary ongoing tenancy breaches and disputes.

* There is always an exception to the rule, taking into consideration varying living expenses.

10 MISTAKES TO AVOID WHEN SELLING

Getting ready to sell a home can be time-consuming, overwhelming, and a big decision to make. However, avoiding these 10 common mistakes can make the process smoother and more profitable.

1. **Overpricing the Home** – Emotional attachment can lead to setting an unrealistic price. Research market trends and consider professional appraisals.
2. **Neglecting Curb Appeal** – First impressions matter. A tidy lawn, fresh paint, and inviting entryways can significantly boost buyer interest.
3. **Ignoring Necessary Repairs** – Small issues (leaky taps, carpet stains, paint chips, and cracked tiles) can make buyers think there are bigger hidden problems. Fix them before listing.
4. **Failing to Stage the Home** – Cluttered or empty spaces make it harder for buyers to visualise living in the home. Simple staging can make a big difference.
5. **Poor Quality Online Listing** – The online listing is a buyer's first impression of the home. It is a must to have professional photos, a video highlighting the features of the property, and a floor plan.
6. **Being Unavailable for Showings** – Flexibility is key. Restricting viewing times can lead to missed opportunities for serious buyers.
7. **Not Marketing Effectively** – Relying only on one platform or an agent's website may limit exposure. Use social media, virtual tours, and multiple listing services.
8. **Hiding Major Issues** – Dishonesty about structural or legal problems can lead to failed deals or lawsuits. Transparency is the best policy.
9. **Letting Emotions Take Over Negotiations** – Buyers may criticise aspects of the home. Stay objective and focus on the deal, not personal feelings.
10. **Skipping the Closing Details** – Failing to prepare for closing costs, paperwork, or final inspections can cause delays or even a failed sale.

We are here to support and assist you if you need expert advice in preparing your home for sale.

LEGAL JARGON – DUTY OF CARE

There is no disputing that property management has become a serious business. Owning an investment property requires landlords to comply with legislation requirements and have a strong focus towards 'Duty of Care' during the management process.

So, what does 'Duty of Care' mean?

Duty – a moral or legal obligation and responsibility

Care – protection, looking after

Therefore, as an owner, you have a legal obligation and responsibility to protect and look after the tenant - the same as we do as a managing agent.

Failure to deliver a strong focus on 'Duty of Care' can result in costly compensation claims should a tenant be injured.

It is essential to ensure that a rental property is safe and fit for the tenant to reside in.

Our agency is constantly working towards protecting your investment dollar by adopting a high standard of 'Duty of Care' to the Tenant and you as the Property Owner.

Changes to Rental Laws

Keeping you updated

On 24th October 2024, the NSW Parliament passed major reforms to residential tenancy laws. Some smaller changes have started. Most changes are expected to start in early 2025.

The recent and upcoming changes include:

- **End of a tenancy**, landlord will need a reason to end the lease, evidence must be provided with a termination notice, with penalties payable by landlords who give a reason that is not genuine.
- **Re-letting Property Restrictions after ending a tenancy/terminating a tenant**, an approval from Fair Trading will be required if the landlord wishes to re-let a property after giving termination notice to the tenant.
- **Ending a tenancy: Early exit ability for tenants**. If the tenant in the fixed term lease has been given a termination notice by the landlord, the tenant can leave their agreement early without paying break lease fees using an early exit notice at least 14 days after the notice is given to the landlord. Unless, a termination notice has been provided by the landlord due to breach of the tenancy agreement.
- **Notice periods for fixed term leases**, the amount of notice a tenant must have before their lease ends will increase from 30 days to 60 days if the lease is 6 months or less, or 90 days if the lease is more than 6 months.
- **Rent increases**, only can take effects once every 12 months with required notices.

- **Keeping pet**, it will be easier for tenant to have pets in their home. A tenant will be able to apply to keep a pet, with landlord only able to decline for particular reasons. Landlord will need to respond to a pet request within 21 days, if they do not respond, the pet will be automatically approved. The landlord cannot ask a tenant to increase the bond or the rent to allow the pet in the property.

For more information and guidance on the changes of rental laws, please click here: [new rental laws](#)