



PROPERTY INVESTOR

NEWSLETTER

MAY
2019

This newsletter has been designed to keep you updated on what is happening within the industry and our real estate agency

ATTACK OF THE WHITE ANTS

White ants (also known as termites) are a highly destructive pest that can cause major structural timber damage to properties and buildings.

Some industry surveys suggest that up to 80% of all *unprotected* properties are subject to attack (in varying degrees) by white ants.

Severe structural timber damage by white ants is on the increase due to more homes being designed and built of materials that encourage hidden white ant entry points and infestation.

White ants can be active in a property, behind walls, in the roof and under floors for many months (sometimes years) before they are detected by the visible external damage they cause.

Treating the damage can be extremely expensive, emotionally devastating to the unknowing owner and sometimes result in the demolition of a property. However, minor damage (if detected early) can be effectively treated.

It is also important to be aware that most insurance companies do not cover the repair costs or damage caused by white ants.

Our agency highly recommends that you have regular annual pest inspections carried out on your property by a professional, who knows what to look for. For such a minimal tax-deductible cost, you will have peace of mind that your property is protected and safe.

DON'T GET CAUGHT WITH A LARGE FINE AGENTS AND LANDLORDS ARE AT RISK

It is not only agents, but private landlords who are again being warned to keep their tenancy bonds and documents in order and abide by the law or face large penalty fines from ongoing government crackdowns across the nation.

It has been widely publicised that there have been many penalty fines imposed on agents and landlords that have been in excess of \$20,000 for not following legislation requirements. Industry representatives and the media on many occasions have stated that *"A simple mistake or oversight of managing a property can be costly. Especially when there are so many requirements that are different from State to State"*.

Fines can be a set dollar amount per breach or several penalty points that have a dollar value.

As a property management business, we are passionate about protecting our landlord's rights and property; increasing their wealth creation and property asset value, while working towards minimising the exposure to potential risk and fines.

Examples of actions or inactions that can result in individual fines:

- Failing to use a prescribed form, notice or agreement
- Failing to give prescribed or the required information to a tenant
- Imposing special terms in an agreement that contravene the Act
- Failing to prepare a property condition report correctly
- Asking for the payment of rent greater than allowed
- Failing to give a receipt or written record for rent or bond paid
- Requiring or receiving more than one security bond
- Failing to pay the security/rental bond to a bond administrator
- Entry to a property without the correct notice or consent
- Failing to dispose of goods left at the property correctly
- Failing to retain receipts and records for a defined time
- Breaching a term of the tenancy agreement
- Giving false or misleading information
- Altering, removing or adding locks without consent
- Ending a tenancy in an unauthorised way, and the list goes on.

P.T.O >

We are focused on maximising your rental income and optimising your capital growth

SHOULD LANDLORDS REWARD THEIR TENANTS?

Sometimes it can feel like there is always a horror story about bad tenants and equally bad landlords; that investing in property comes with constant challenges and pressures; and the positive, 'feel good' stories are rarely shared.

According to recent statistics, there are now more than 2.6 million households in Australia that rent, and most landlords/agents/tenants have great relationships with each other and are doing the right thing.

There are just as many stories of landlords who are going above and beyond to reward and keep good tenants. It just depends on your focus, quality of the property and standards of management.

The generalised perception is often that tenants are disrespectful, and landlords are reluctant to spend money, but it is just not true for the majority.

We are finding that some landlords are choosing to offer value-added rental incentives to build rapport with their tenants. It can be said that the landlord/agent/tenant/property is a transactional one, but there can be benefits for landlords who care, value and help their tenants to maintain a long-term tenancy, which can greatly impact on the returns of the investment.

It could be something as simple as asking a long-term tenant if there was something on their wish list to make the home more comfortable (within reason, of course) or a thoughtful gift and card of appreciation. We are seeing a new style of landlords emerging where they want to retain and keep good quality tenants and are happy to reward them.

ALERT – THE ATO DOUBLES THEIR RENTAL AUDITS

With the end of the financial year approaching quickly, the ATO has warned rental property owners to make sure that their claims are correct this tax time, as it will be doubling the number of audits.

In the 2017–18 financial year, more than 2.2 million Australians claimed over \$47 billion in deductions and penalty fines totally \$1.3 million where imposed on rental claim lodgements.

There will be a specific focus on overclaimed interest, capital works claimed as repairs, incorrect apportionment of expenses for holiday homes let, and omitted income from accommodation sharing.

The investigators will also widen their search to include reviewing utility accounts, tolls, social media, third party information from financial institutions, property transactions, rental bonds, online booking platforms and other online content.

SUDOKU COFFEE BREAK

Every row & column, and 3X3 box, must contain the numbers from 1-9. Good luck!

6				3				5
9		3		8				
	5	1					6	
			4	3				7
		8	5		7	1		
4				6	8			
		7				9	8	
				7		4		2
8			3					6

INVESTMENT PROPERTY OF THE MONTH

43 ROSELLA ST, W/POINT

O/O \$425,000

(currently rented for \$400 p/w)



TALK TO THE PROPERTY EXPERTS

BUYING, SELLING & PROPERTY MANAGEMENT

Call us if you are thinking about buying or selling or know of someone who is

Recently RENTED

- 1 Como St, Ormiston
- 18 Warner St, W/Point
- 3/76 Main Rd, W/Point
- 15 Joslin St, B/dale
- 297 Old Cleveland Rd East, Capalaba
- 4 Collingwood Rd, B/dale

Recently SOLD

- 2/290 Main Rd, W/Point
- 15/3 Aramac Ct, Capalaba
- 15 Minetta St, Victoria Point

Current LISTINGS

<http://www.patbarrettrealty.com.au/>

NEWS Update

- 🎉 Congratulations to the winner of our Mother's Day raffle, Marissa Lane.
- 🎉 Get organised for **EOFY!!** If you would like to claim any repairs for this year's tax, we encourage you urgently action as trade availability is disappearing fast.
- 🎉 Are your insurance details up to date and have you notified our agency?
- 🎉 The REIQ wants to show both sides of government that Queenslanders want a stable property sector. To help ensure stability, please follow the link. <https://standforstability.com.au/>