



PAT BARRETT
REALTY

Serving the Redlands since 1973

PROPERTY
INVESTOR

NEWSLETTER

MARCH
2024

INSURANCE COVER

INSURE THE HOME, NOT THE LAND

When you purchase a property, it is important to remember that it includes the home and the land, which are two separate assets.

While this may seem common sense, you would be surprised by the number of homeowners who insure the property for the total purchase value.

Now... is also a timely reminder to review your building replacement insured value, as building costs have dramatically increased in the past couple of years.

All it takes is just one quick call to your insurance company, to discuss your needs to know you are covered, should something ever happen to your property.

ROUTINE PROPERTY INSPECTIONS

It is important to understand that property managers are not trained and qualified building, pest, pool, or electrical inspectors.

When carrying out routine inspections it is our role to report on what we can 'visually' see, followed up by sending a detailed report of the property with photos.

For this reason, we recommend that you obtain an annual building and pest inspection to detect any building faults or white ant activity and engage a professional to ensure that smoke alarms and safety switches are providing a safe environment for the tenant to reside in.

These inspections are a small tax-deductible fee to give you peace of mind.



THE END OF TENANCY WHAT YOU NEED TO KNOW

When a tenant gives notice to vacate it can often be a stressful time for landlords. There can be concerns around how quickly the property will be re-let; whether there will be any bond claims relating to the final condition of the property; as well as, possible financial pressures, if there are any improvements or renovations required between the transition of a tenancy.

As a managing agent, it is our responsibility to minimise these concerns and we want you to know that we care and understand the needs of our landlords, by quickly following up and mediating any potential concerns.

The first step when a tenant gives notice to vacate is to ensure that it is within legislative requirements followed by the importance of quickly listing the property for rent in accordance with the landlord's instructions.

We take the time to clearly educate the tenant on our expectations of how the property needs to be left, by including a detailed *Final Vacate Bond Saver Cleaning Checklist* to highlight the key areas that we will be inspecting.

We have pre-discussions with the tenant to minimise any potential hiccups at the end of the tenancy and are thorough with our final vacate inspections.

However, as a landlord, you need to know that as a managing agent, we must skillfully navigate what legislation states about the final inspection, which is 'The property must be left in the same condition as the commencement of the tenancy, allowing for fair wear and tear'.

P.T.O. >

THE END OF TENANCY

FAIR WEAR AND TEAR

On many occasions, we have discussed the concept of fair wear and tear regarding the end of the tenancy.

Fair wear and tear is defined by 'What happens during the normal use of a property', which is a big statement and open to a wide spectrum of grey areas.

When a final vacate inspection is conducted, we must consider:

1. How was the property presented at the commencement of the tenancy with reference to the entry condition report and photos?
2. How long was the tenancy term?
3. How many tenants resided in the property?
4. How old are the fixtures and fittings within the property; taking into consideration that they should be replaced every 5-7 years to be relevant with a depreciation schedule?

When carrying out final vacate inspections, our focus is to ensure that our landlord's investment is protected and that we are maximising and optimising your financial position.

If a dispute were to arise regarding the final condition of the property, we must take into consideration the concept of 'fair wear and tear'. You can be assured that if a dispute were to arise that we will take the time to discuss the pros and cons with you to seek your instructions, while explaining your rights regarding damage and fair wear and tear.

When a tenant vacates a property, we must work towards ensuring that it is presented in the best possible condition for the new tenancy to avoid any future challenges. It is also our company's best practice policy to factor in a two-day turnaround between tenancies to allow us time to tweak any issues that may need attention. When a tenant vacates, we are firm on our expectations of how a property should be left and will always keep you updated.

WE HAVE FOUND SOMEONE TO PAY YOUR RENT IF YOUR TENANTS WON'T

Providing you with peace of mind... It is our 'Duty of Care' as your managing agent to inform you of Landlord Protection Insurance.

Landlord Protection Insurance can cover you for the unexpected, such as loss of rent, malicious damage, accidental damage, public liability, and contents, etc. For such a minimal tax-deductible fee you cannot afford to be without it. To find out more, contact our office today.

** Terms & conditions apply, and policy coverage may vary.*

PRE-SETTLEMENT INSPECTIONS

When you purchase a property there is often a delayed period from when you inspect the property to when you take ownership and settle.

While the seller is not required to have the property professionally cleaned, they must have the property presented in a similar standard to how it was presented on the inspection day. For this reason, we recommend that you organise a pre-settlement inspection on any properties that you purchase, to ensure that you are comfortable and familiar with the handover of the property.

If you need guidance or assistance in what this involves, our professional, knowledgeable, and helpful team is here to step you through the process.

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Recently Sold

- 651 Old Cleveland Rd East, W/Pt
- 475 Main Rd, W/Pt

Recently Rented

- n/a

Current Listings

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

NEWS Update

Our office will be **closed** for the Easter public holidays from 29th March 2024, returning on Tuesday 2nd April 2024.

More information unfolding regarding the stage 2 rental reforms. Follow the link for a list of proposed changes.
[REIQ | New Housing Bill Introduced - Continuing Professional Development and Stage 2 Rental Law Reforms](#)



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