



Laing+Simmons property investor news

Thinking of selling? Think of us

Selling a tenanted property brings with it all kinds of challenges, some foreseen and others unforeseen.

The first step in the process is to advise your property manager that you have decided to sell the property. The next step is to find a suitable real estate agent to manage the sale. It makes sense to chat with your current property manager and ask to talk to the relevant sales personnel to discuss the best path forward.

Your property manager knows your property better than anyone else and can advise on:

- the relationship with the current tenants;
- the state of the property; and
- any repairs or improvements needed.

During this process it is important to remember that the tenant will often feel as if their right to privacy and quiet enjoyment of the property has been invaded.

This can be minimised if they are dealing with the managing agency and not forced into making viewing arrangements with a group of potential strangers.

The tenant must allow you reasonable access to show prospective home buyers through the property. Please check with our office as certain days and times do have restrictions.

An open line of communication can prevent an unreasonable tenant from jeopardising a sale. Our agency has already built up the relationship with the tenant and we know how important your property is to you and to them. We have your trust and the trust of the tenant.

Our sales team are experts in these delicate situations and can prevent problems that often arise. They would be happy to arrange an appraisal for you if you are considering placing your property on the market.



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Strata popularity increases the need for landlord research



Strata-titled rental property is becoming increasingly popular and with this the need for landlords to have adequate insurance remains high.

According to Terri Scheer Insurance Manager, Ms Carolyn Majda, landlords need to do their research when selecting insurance.

“While owning strata-titled property can have good rental income benefits for landlords, it does open up further questions about how to insure against all of the risks,” Ms Majda says.

“It is vital that landlords understand the level of cover offered to them by insurances such as landlord and strata as well as standard building and contents policies.

“A standard building and contents policy won’t usually cover landlords for the specific risks associated with owning rental property.

“These include malicious damage by tenants, many types of accidental damage, legal liability for occurrences on the property that cause death or bodily injury, and loss of rental income as a result of damage to a property or a tenant absconding.

“Every landlord, regardless of the type of rental property they own, should have a tailored landlord insurance policy that covers them for these risks.

“In strata-titled apartments strata insurance is held by the body corporate and paid for by owners’ levies. The body corporate is responsible for insuring the buildings whilst the owner is responsible for common property areas, roofing, external walls, walkways and garden areas.

“However, strata insurance cover usually doesn’t extend to cover the interior of individual units including internal wall coverings, curtains or removable flooring such as carpet or floating floors.

“This means that if a tenant damages the property or stops paying their rent, the landlord is very likely to be left out of pocket if they don’t have landlord insurance in place.

“A good landlord insurance policy should provide legal liability cover of up to \$20 million,” says Ms Majda.

Could this be the end of mortgage exit fees?

The National Australia Bank (NAB) has pledged to pay the mortgage exit fees for any customer who switches their home loan from Westpac or the Commonwealth Bank to the NAB. NAB has offered to reimburse the sum of \$700 to those customers who wish to make the switch.

Currently NAB and ANZ are the only two big banks who have abolished this fee. This doesn’t necessarily mean that this will make your home loan repayments cheaper so it is still vital to crunch the numbers before going ahead and making any switch. Remember to take into account all refinancing fees, such as lender’s mortgage insurance, but at least it is a step in the right direction.

The Federal Government wants to ban exit fees on new standard variable home loans from July 2011.



From the desk of
Melanie van Bentum

I would like to start by sending our thoughts and wishes to all the families and friends of anyone affected by the Queensland floods, Cyclone Yasi, Victorian Floods and the Perth Bushfires. It is comforting to know that the support of fellow Australians is so strong in these times of need and we hope that everyone can rebuild their homes and their lives.

Closer to home the new Residential Tenancies Act commenced on 31st January, 2011. 1 of the changes was the conditions that allow landlords to pass water usage charges onto tenants. Landlords must ensure the following:

- i) all internal cold water taps and single mixer taps for kitchen sinks or bathroom hand basins on the premises, have a maximum flow rate of 9 litres per minute.
- ii) All shower heads have a maximum flow rate of 9 litres per minute
- iii) all taps on premises are in good state of repair and not leaking
- iv) separate water meter installed that is registered with Sydney water.

Our qualified and licensed plumber (Ace Performance Plumbing p)1300852348) can ensure your property is ready for this new change. Contact us today to organise this compliance change for you. 9688 4000

Kindest regards,

Melanie
Senior Property Manager